

Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

Investment Alert – December 4, 2018

www.deeptyellow.com.au



Deep Yellow Limited (A\$ 0.44)

ASX	: DYL
OTCQX Best Market	: DYLLF
H+L prices (12 months)	: A\$ 0.58 – 0.21
Issued shares	: 201.1 million
Fully diluted	: 257.8 million
Market capitalization	: A\$ 88.5 million (US\$ 65.2 million)

2019 share price target: A\$ 0.90

INVESTMENT ALERT

Tumas I East – resource drilling at Reptile Project, Namibia highly successful

On November 28, 2018, **Deep Yellow** announced that resource definition drilling in the **Tumas 1 East** area has tested 2 of the 5 tributaries targeted for follow-up with drilling of the balance planned for 2019.

The infill drilling on the two tributaries tested has confirmed strong, continuous calcrete-type uranium mineralization.

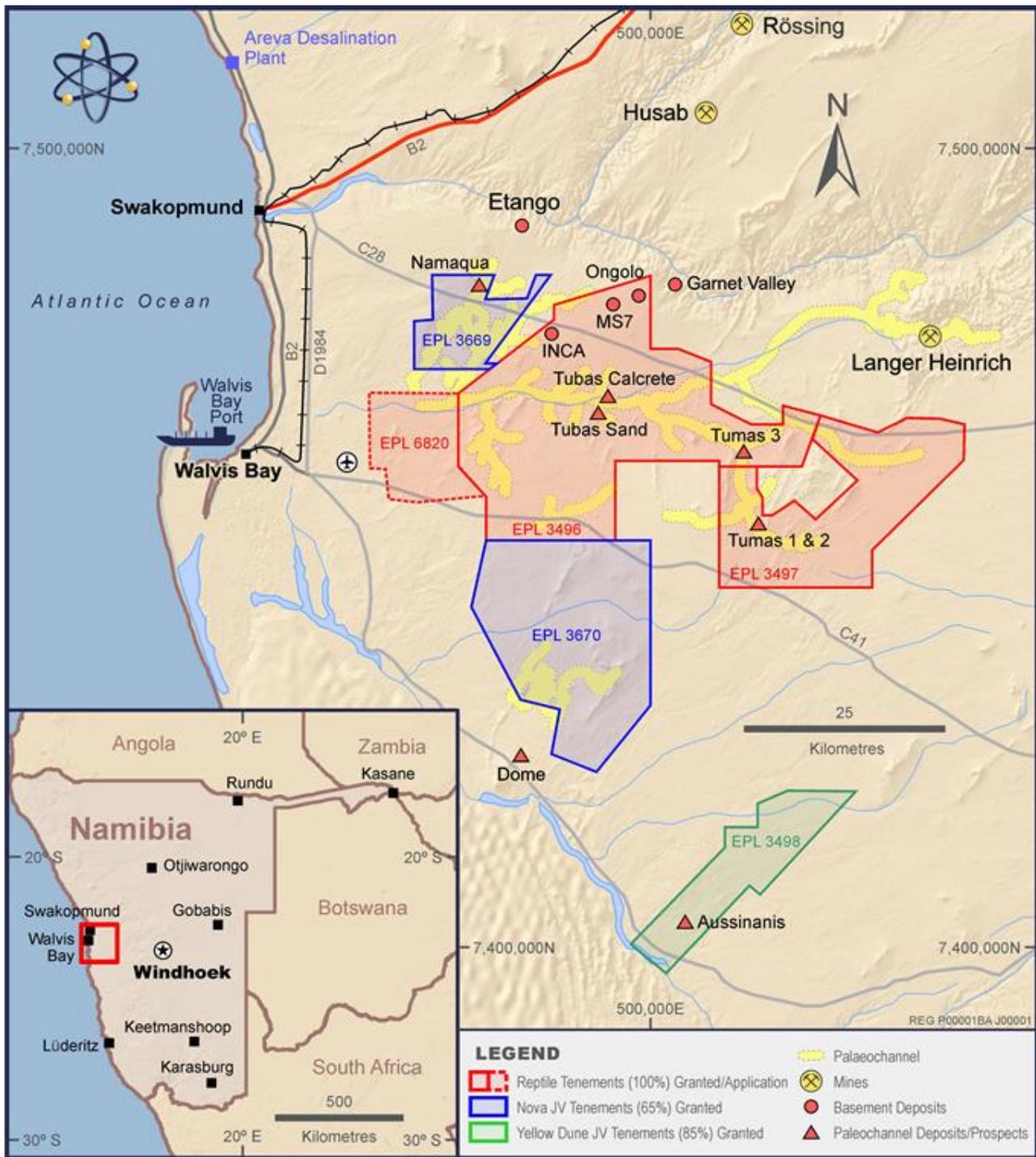
Best intersections include up to:

- 9 metres at 1,799 ppm eU3O8 from surface (TA 230)
- 2 metres at 963 ppm eU3P8 from 18 metres (TA 303)
- 1 metre at 741 ppm eU3O8 from 12 metres and
- 4 metres at 608 ppm eU3O8 from surface (TA 303)

6.2 kilometres of mineralized channel sampling will now be considered for the forthcoming resource estimate work.

Resource upgrade drilling has commenced using two rigs on **Tumas 3 West** to complete the drilling campaigns for 2018.

A new resource estimate for **Tumas 1 East** and **Tumas 3 West** is expected in **Q1 2019**



Company Profile

Deep Yellow's strategy is focused upon growing the existing uranium resources across the Company's uranium projects in **Namibia** and the pursuit of appropriate accretive counter-cyclical acquisitions to build a global geographically diverse project portfolio during a time of depressed uranium outlook.

Deep Yellow's cornerstone suite of properties in **Namibia** are situated within a top-ranked African mining destination; the country's jurisdiction has a long, well-regarded history of safety and effectively developing producing and regulating its considerable uranium mining industry.

Investment Comments:

Deep Yellow has a two-pronged growth strategy involving the growing of existing uranium resources in **Namibia** and has already made a significant new discovery called **Tumas 3** on the 100%-owned **Reptile Project** in March 2017, following up with a revised resource expanded by 32% to **31.2 million pounds grading 377ppm U₃O₈ in July 2018**. In parallel, the Company will pursue accretive counter cyclical acquisitions to create a multi-project uranium platform.

The encouraging results at **Tumas 3** from drilling over 10.4 km and **Tumas 1 East** gives **Deep Yellow** confidence that the Company has notably advanced towards reaching its stated **total exploration target of 100-150 million pounds U₃O₈ at a grade range of 300ppm – 500ppm for this type of uranium mineralisation**.

Deep Yellow and its partners entered into a strategic agreement with **JOGMEC** of Japan in the **Nova Joint Venture** which adjoins the Company's **Reptile Project** where significant uranium resources have been defined and reported.

JOGMEC can earn a 39.5% interest in the Project through expenditure of A\$4.5 million within 4 years.

Having commenced trading on the OTCQB Venture Market platform giving potential to significantly expand its shareholder investor base, **Deep Yellow** announced on 9 October 2018 that it has been upgraded to trade on the OTCQX Best Market in the US.

With **Deep Yellow** ranked as **Namibia's** first-ranked exploration/development company by market valuation, in my view, based on the quality of its prospective **Reptile Project**, at a current market valuation of US\$ 65.2 million offers a high investment leverage potential.

My 2019 share price target is A\$0.90.