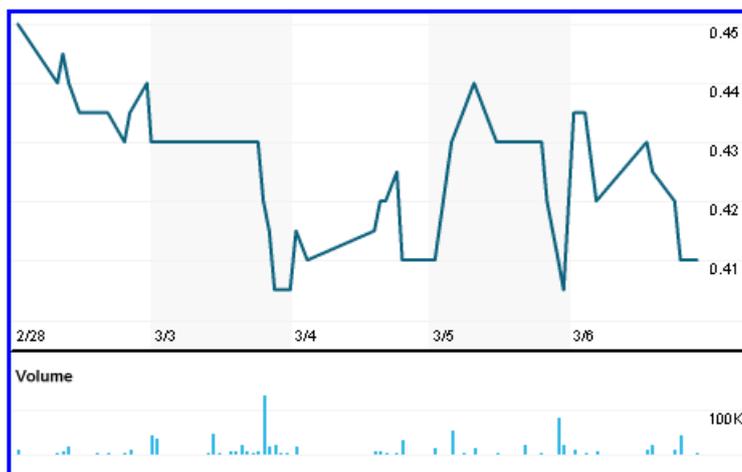


Investment Alert – March 7, 2019

www.deeptyellow.com.au



Deep Yellow Limited (A\$ 0.41)

ASX : DYL
OTCQX Best Market : DYLLF

H+L prices (12 months) : A\$ 0.58 – 0.24

Issued shares : 201.3 million
Fully diluted : 257.8 million

Market capitalization : A\$ 82.5 million
(US\$ 61.6 million)

2019 share price target: A\$ 0.90

INVESTMENT ALERT

Drilling re-commences testing prospective channels of **Reptile Project** in Namibia

On March 7, 2019, **Deep Yellow** reported that the final, 3,000 metres leg of the 12,000 metres FY19 RC drilling program commenced March 4 on the **Reptile Project** with EPL's 3496 and 3497 and held by its wholly-owned subsidiary **Reptile Uranium Namibia** (Pty) as shown in Figure 1.

The drilling has a two-fold focus:

- Follow-up resource drilling to test for resource upgrade of other specific uranium rich tributaries identified in the area east of **Tumas I deposit**
- Preliminary testing of a high priority palaeochannel zone at **Tumas Central**, west of **Tumas 3 deposit**

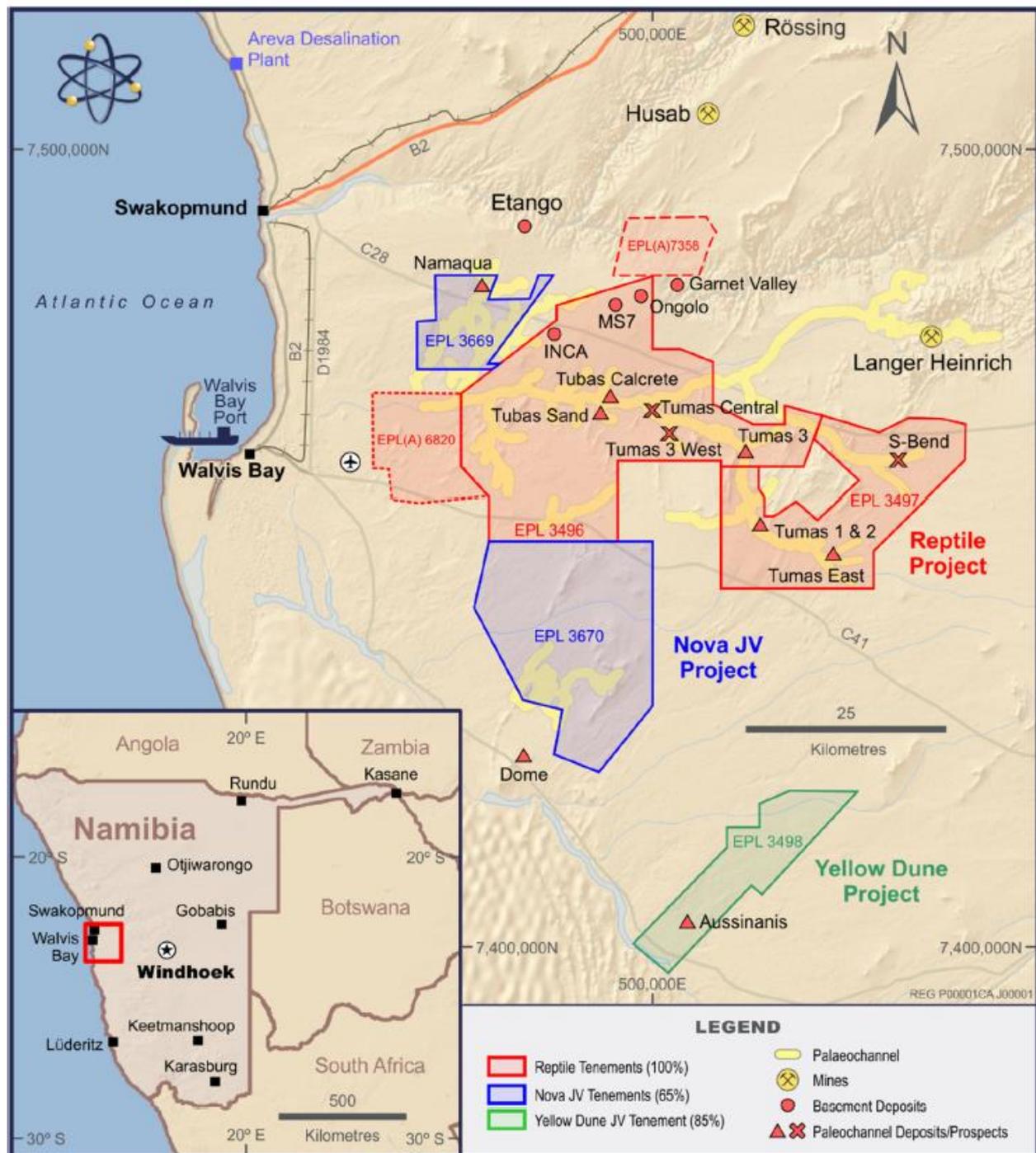
The positive results returned from the July 2018 – November 2018 drilling program confirmed the high prospectivity of the palaeochannels, as evidenced by the discovery of the uranium-rich seven channel tributary system identified in the **Tumas 1 East** area.

Some of these channels that were followed up with resource drilling in November 2018 are the basis of a new resource estimate currently in evaluation and expected to be delivered late March 2019.

Drill line spacing on these priority target zones will be 100 metres to 200 metres drilled on 100 metre intervals. Drilling is expected to be of an average depth of 20 metres to 30 metres. This program is expected to be completed mid-April 2019.

The drilling program is continuing the exploration push to increase the inferred resource base of the calcrete type uranium mineralisation in palaeochannels towards the target of circa 100-150 Mlb U3O8 in the grade range of 300 to 500 ppm U3O8.

Figure 1: EPLs 3496, 3497 showing Tumas 3 deposits and main prospect locations over prospective palaeochannels



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**.

An updated Mineral Resource Estimate is expected in Q1 2019 incorporating **Tumas I East** and **Tumas 3 West** to support **Deep Yellow's** stated total exploration target.

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.

With **Deep Yellow** rated as **Namibia's** top-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\$ 61.6 million offers a high investment leverage potential.

My 2019 share price target remains A\$0.90.