

Deep Yellow
Limited

Africa Down Under Conference

“Gathering Momentum”

5 September 2014

Greg Cochran – Managing Director

ASX: DYL

www.deepyellow.com.au



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- ❖ ASX listed advanced stage uranium exploration company
 - ❖ Namibian-focussed, with two key projects:
 - Omahola Project – heap leach alaskite, due south of Husab
 - Tubas Sand Project – shallow, free dig, low capex supplementary project
 - ❖ Large exploration area with high prospectivity
 - ❖ Supportive strategic & financial shareholders
 - ❖ Experienced board & management
 - ❖ Highly leveraged to the uranium spot price



- ⚛ Corporate Snapshot
- ⚛ Market Overview
- ⚛ Project Location
- ⚛ Omahola Project
- ⚛ Tubas Sand Project
- ⚛ Exploration Prospectivity
- ⚛ Conclusions





The Board

Tim Netscher	Chairman (Independent)
Greg Cochran	Managing Director
Gillian Swaby	N.E.D
Rudolf Brunovs	N.E.D (Independent)
Christophe Urtel	N.E.D
Mervyn Greene	N.E.D

Executives & Management

Greg Cochran	Managing Director
Peter Christians	Country Manager: Namibia
Ursula Pretorius	Financial Controller

Capital Structure – as at 25 Aug 2014

Shares on Issue	1,888M
Performance Rights	22.1M
Market Cap (@ 2.3c)	~ AUD 39.3M
Net Cash	~AUD 5.5M
Major shareholders:	
Paladin Energy Limited	16.9%
Raptor Partners Limited	10.9%
Laurium L.P. Fund	9.3%





Global Financial Markets

- ✱ Ongoing volatility means continued uncertainty
- ✱ Capital remains the biggest challenge
- ✱ Reduced appetite for investment in exploration

Uranium Demand

- ✱ Nuclear growth confirmed (underestimated?)
- ✱ China, India, Russia and Middle East are key drivers
- ✱ Forecast growth 180 Mlbs to 250 Mlbs by 2020
- ✱ Term contracting at a 10-year low in 2013

Uranium Supply

- ✱ Project development mostly stalled
- ✱ HEU (secondary supply source) finished
- ✱ Widespread curtailment of production
- ✱ 12 to 15 new mines needed by 2020

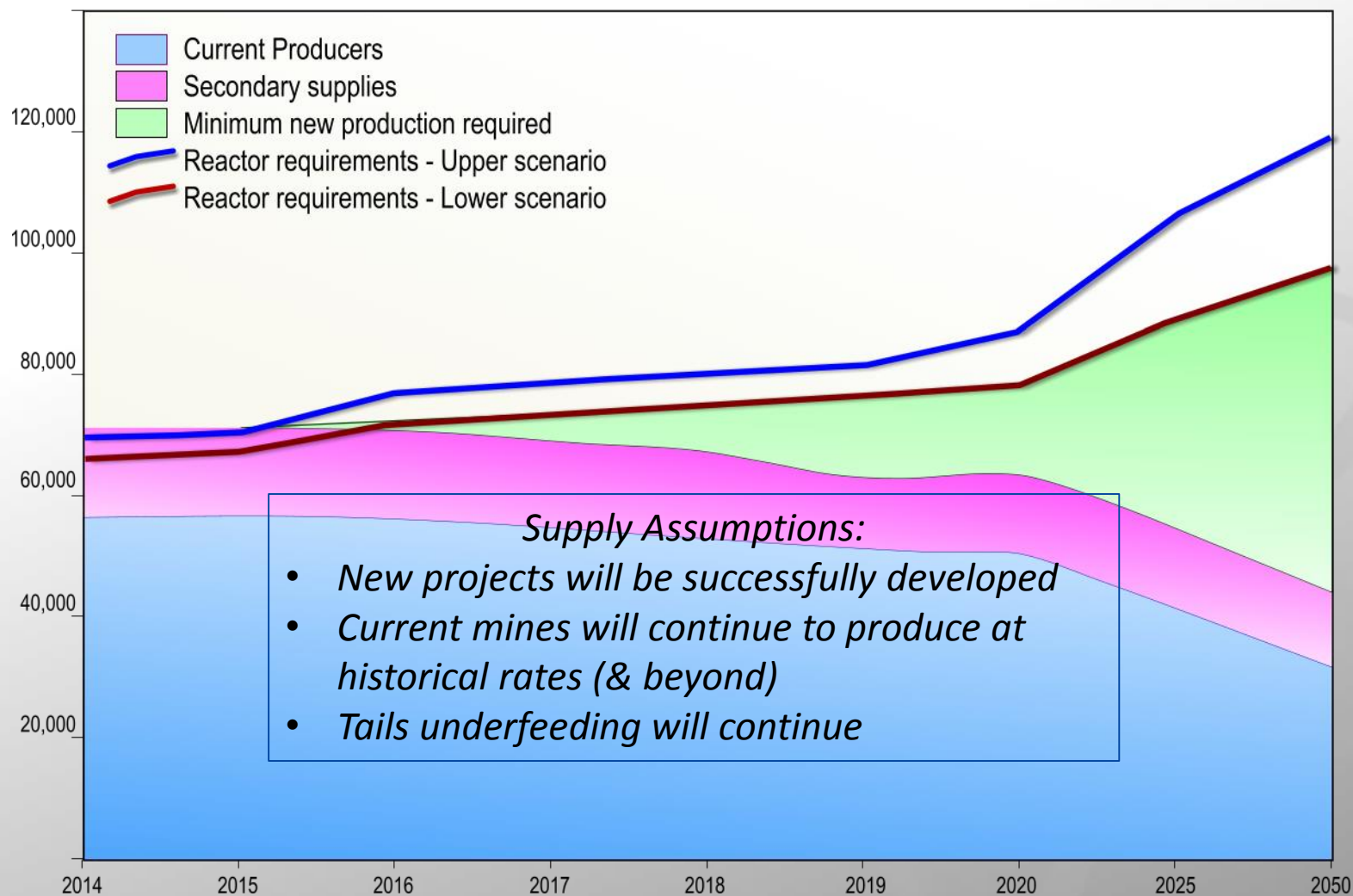
Conclusions and Strategic Response

- ✱ Perfect storm brewing – trigger prices >US\$80/lb required
- ✱ Timing of recovery remains uncertain (likely 2016-2020)
- ✱ Protect assets and skill base
- ✱ Progress projects cautiously to be well positioned at recovery

WNA Forecasts Long Term Balance....



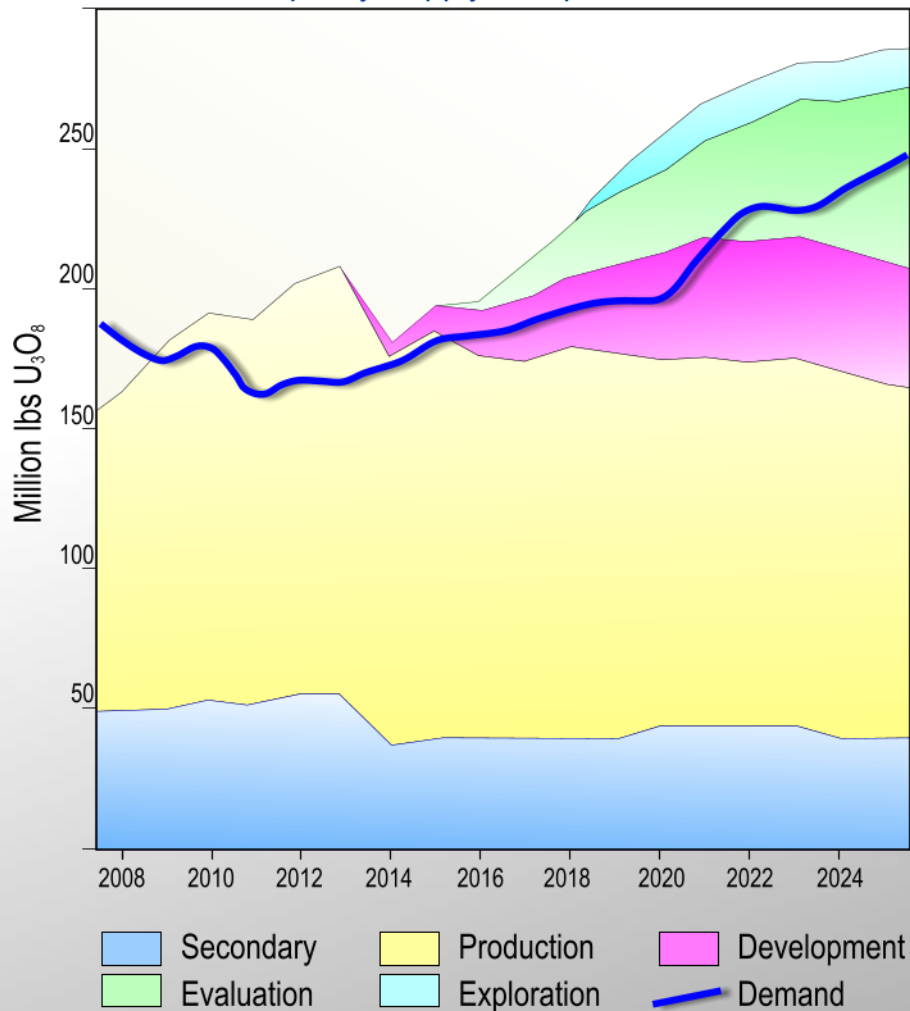
Supply / Demand Forecast ('000 t's U_3O_8)



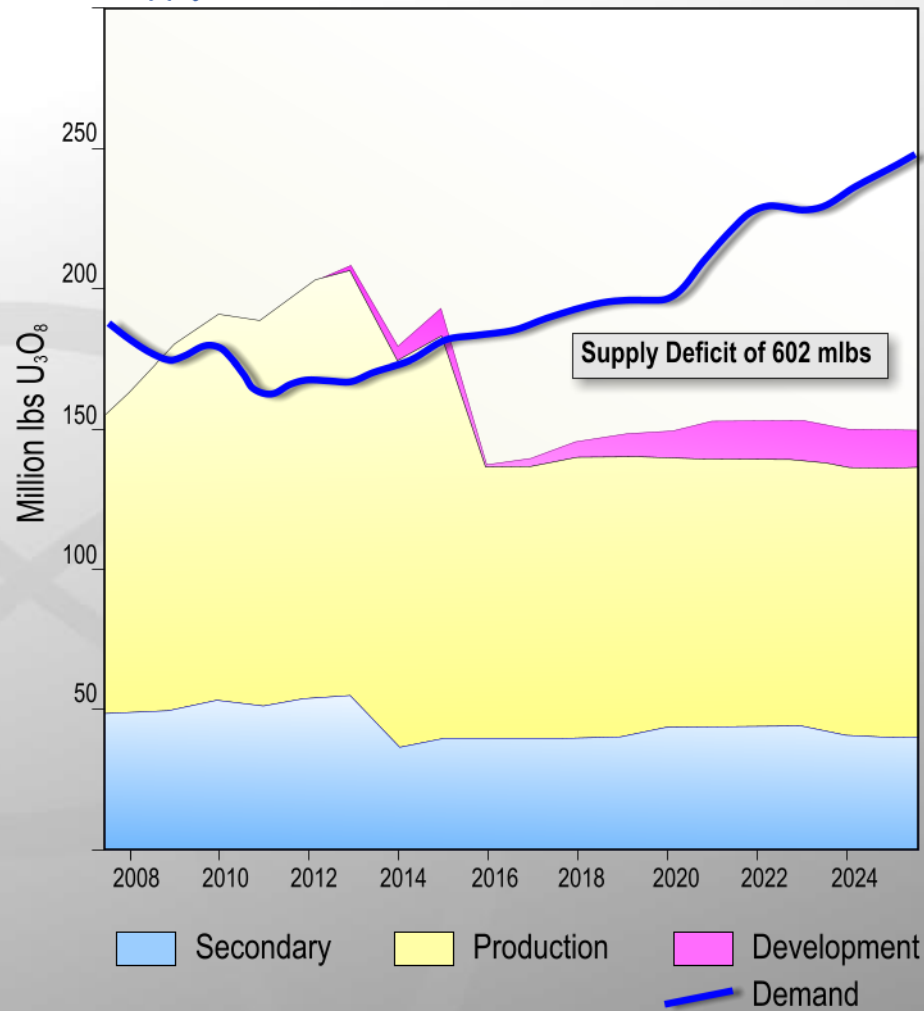
Long Term Demand & Supply



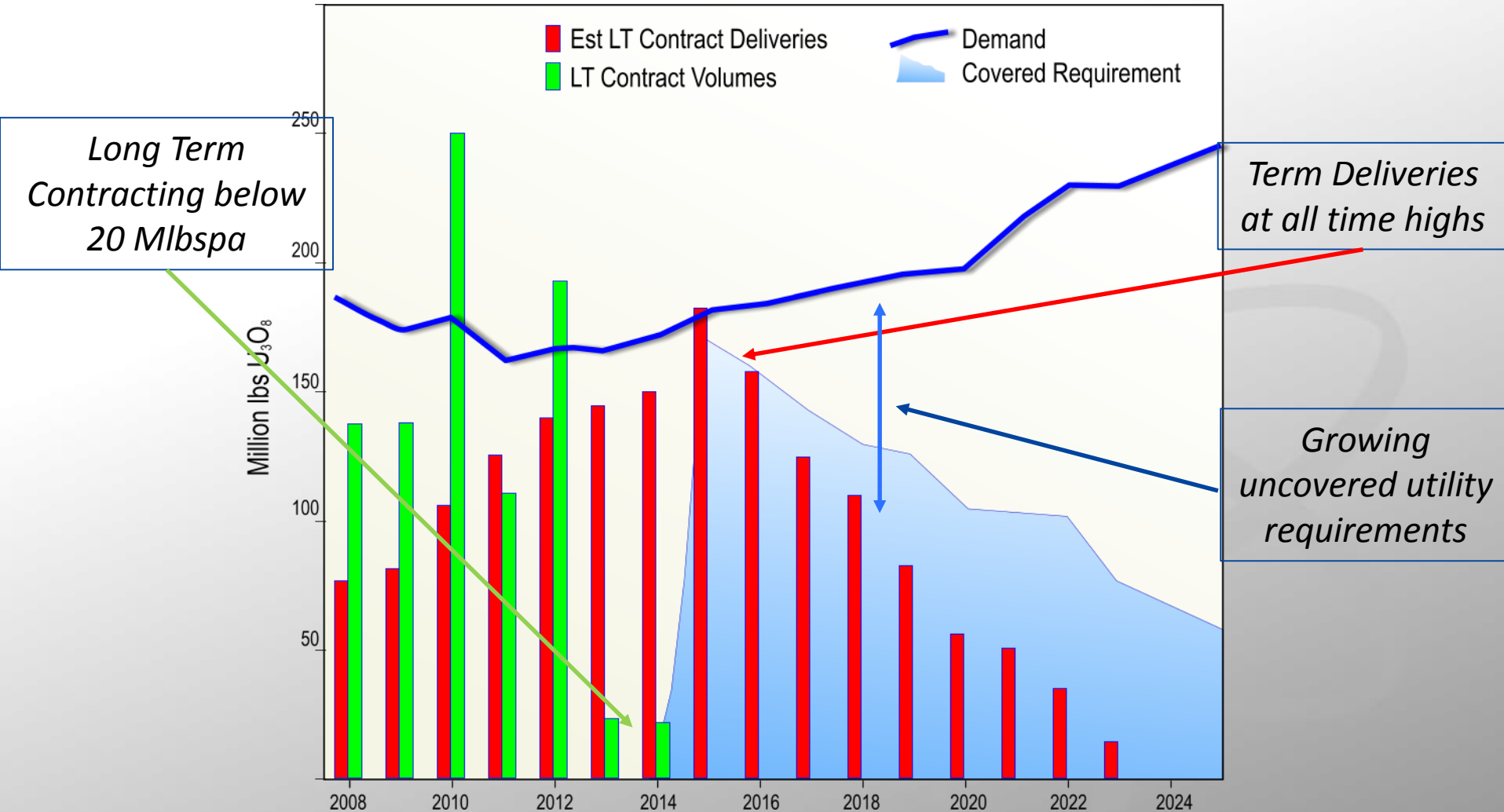
Maximum Capacity Supply & Expected Demand



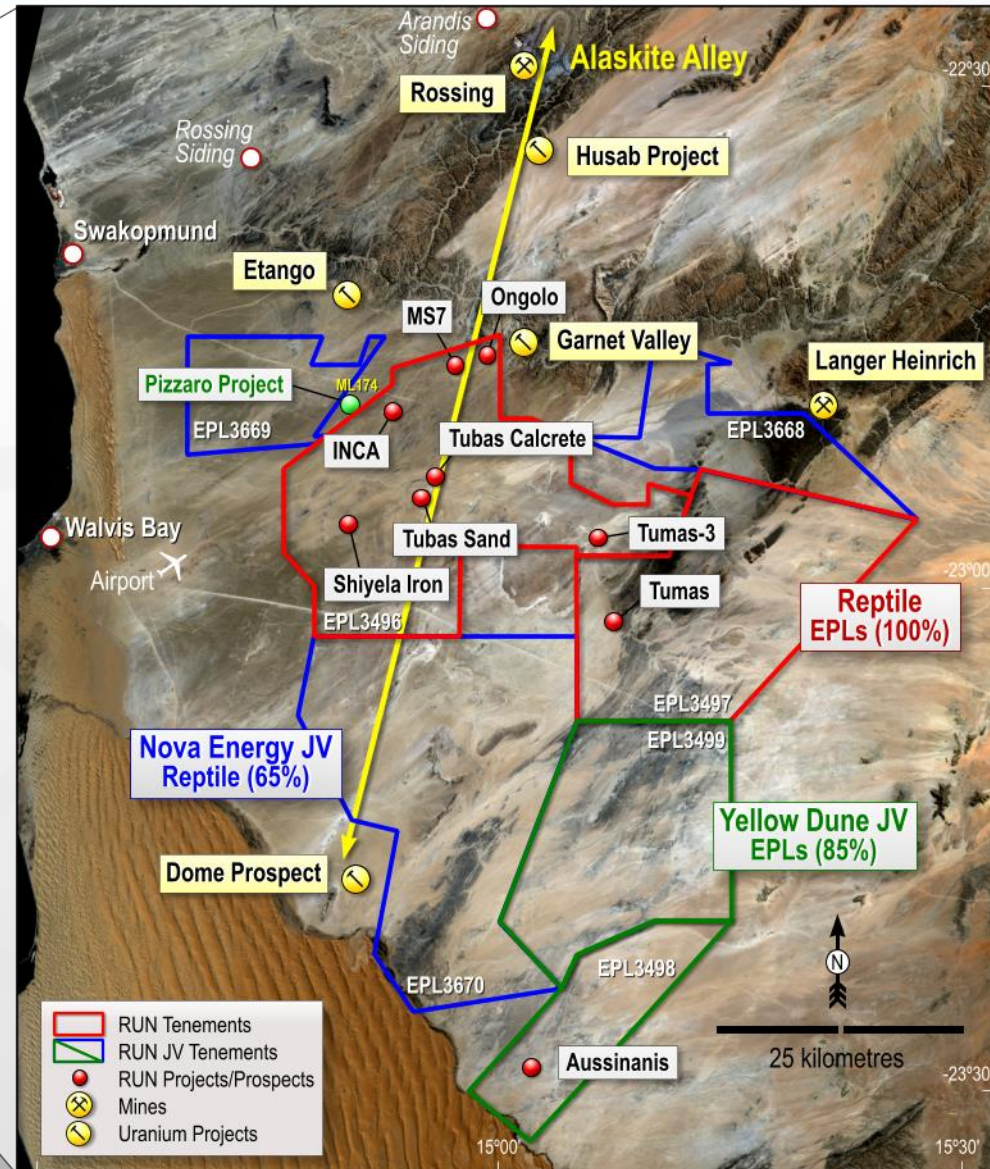
Supply at \$28.5/lb in 2016



Long Term Contracting



Project Location



3,109 km² in exploration area*

Note:

Exploration in Namibia is conducted by DYL's wholly-owned subsidiary Reptile Uranium Namibia (RUN)

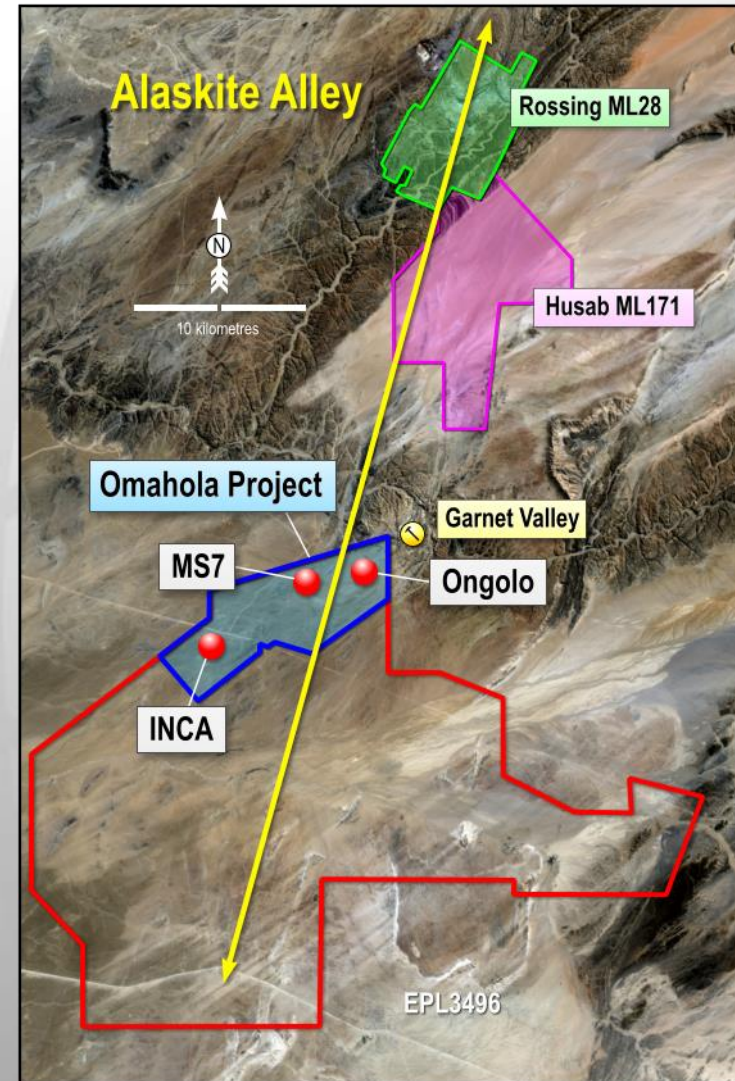
* On a 100% basis

Omahola Project: Location & Key Points



JORC 2004 Resource: 48.7 Mt at 420 ppm for 45.1 Mlbs U₃O₈ (tank leach)*

- ✧ Flagship Project in the centre of “Alaskite Alley”
- ✧ Multiple deposits to feed one plant:
 - **Ongolo and MS7** – higher grade alaskites
 - **INCA** – higher grade alaskite, magnetite and pyrite mineralisation
- ✧ From discovery, resource base grew rapidly over four years
- ✧ Recently completed pit optimisation exercises indicated acid heap leach more attractive
- ✧ Next Steps:
 - Review & update preliminary economic analysis
 - Resource Updates (heap leach resource & JORC 2012 Compliance)
 - Design drill program for MS7 – open at depth
 - Plan & execute scoping level metallurgical testwork





Will heap leach be technically feasible?

- ❁ “Sighter” column test demonstrated heap leach processing potential*
- ❁ Uranium recovery approximately 80% after 7 days with low overall sulphuric acid consumption of 12.4 kg/t*
- ❁ Theoretical maximum uranium recovery was approximately 90% and sulphuric acid consumption was 59.5 kg/t (based on glass beaker and bottle roll agitation techniques)*
- ❁ Extract Resources completed successful heap leach tests on Garnet Valley, contiguous to the Ongolo deposit

**ASX Release, 4 April 2013*

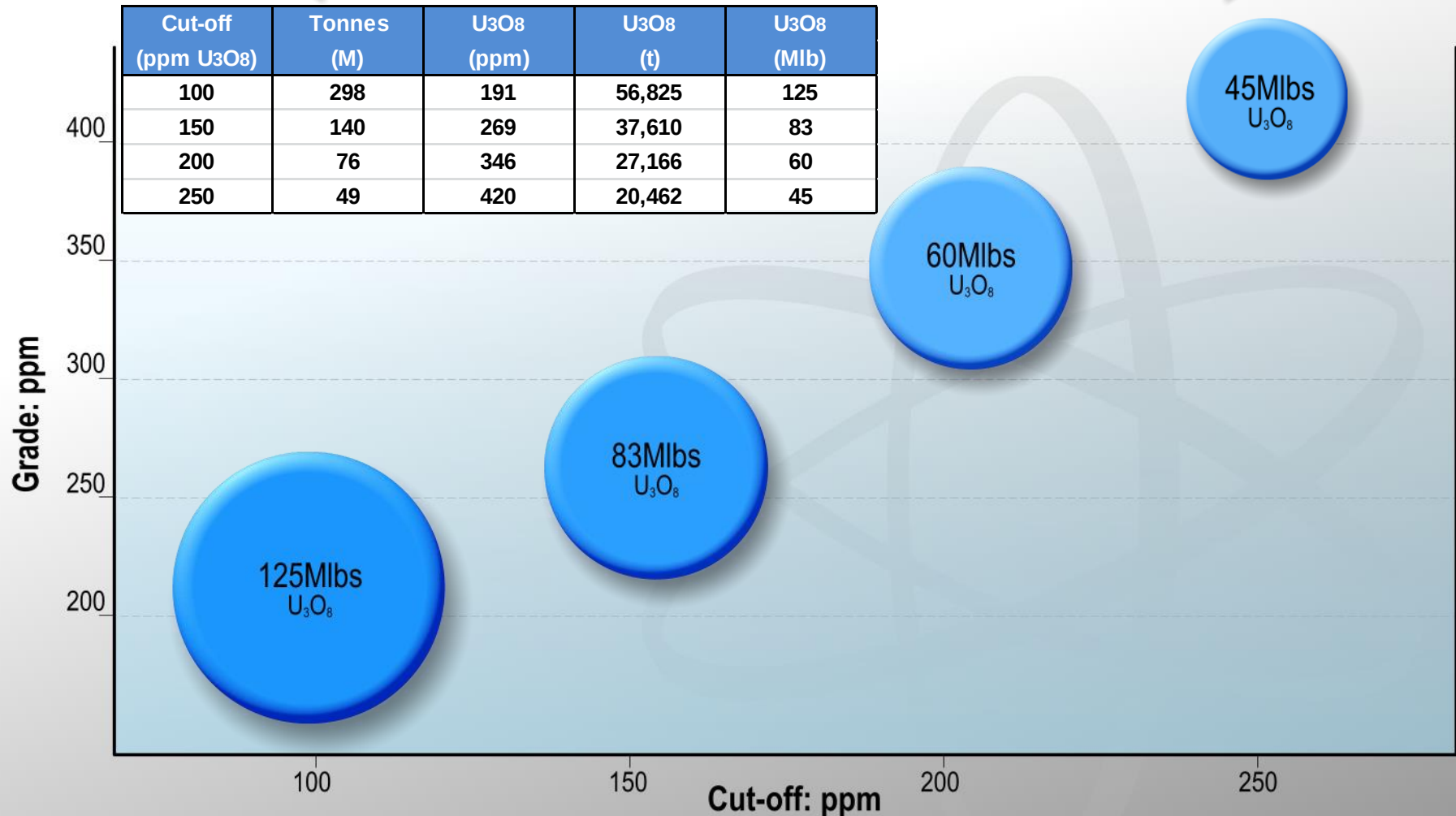


Comprehensive metallurgical testwork must still be conducted

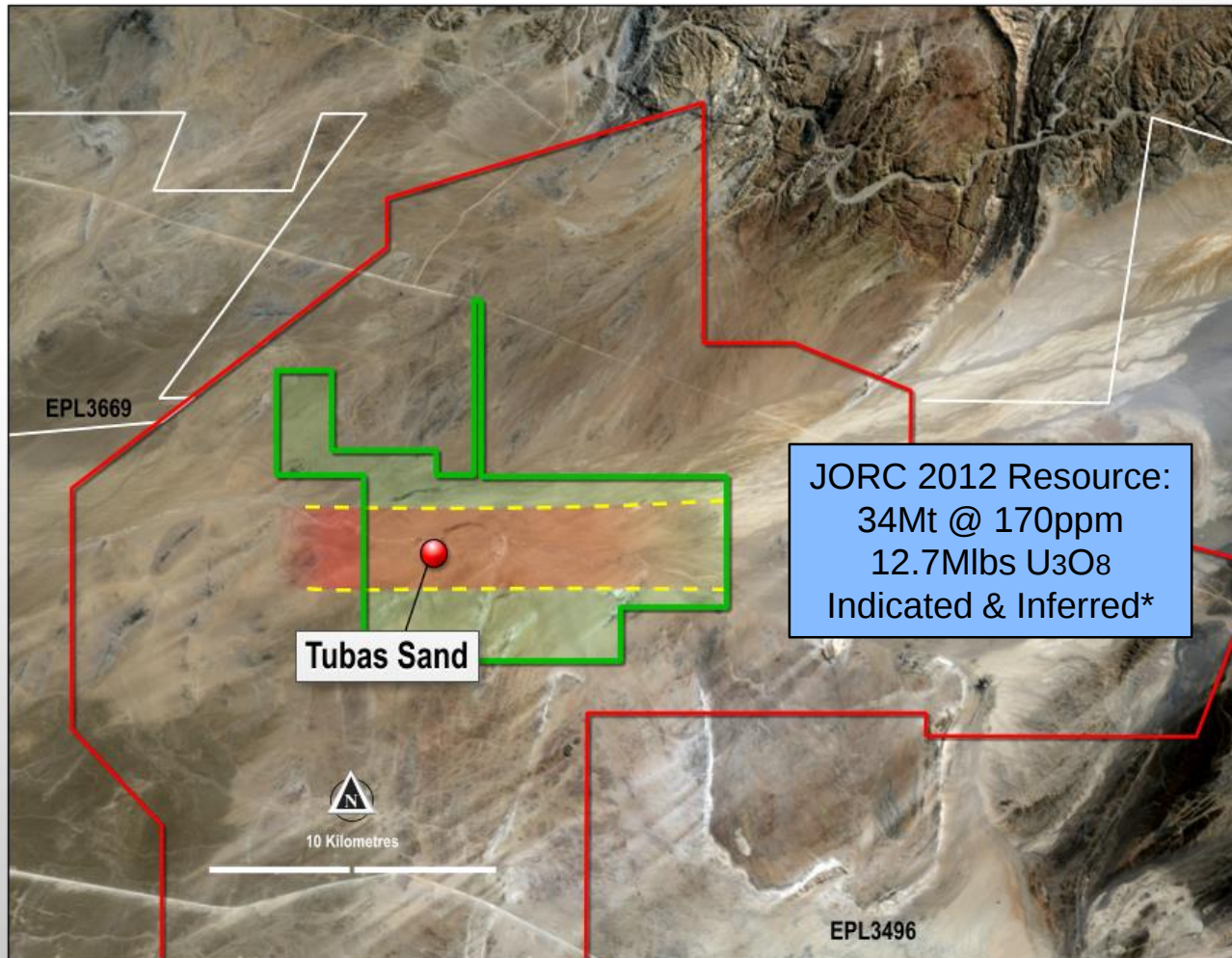
Omahola Project: Process Options & Size*



Heap Leach ensures greater resource inventory



Tubas Sand Project: Location



* ASX Release, 24 March 2014



JORC 2012 Resource: 34 Mt at 170 ppm for 12.7 Mlbs U₃O₈

- ✿ Shallow, free dig mining
- ✿ Ore upgradeable via physical beneficiation
 - Conventional Cyclone or Teeter bed (Schauenburg)
 - Mass pull 10 - 20%, uranium recovery > 80%
 - U₃O₈ upgrade of 4~8 times (depending on cut size)
- ✿ Acid or alkali leach for carnotite product
- ✿ Offtake options:
 - Transport to existing producer...
 - Supplemental feed to Omahola plant
- ✿ Recently completed DRA study
 - Production contained 600~750 tpa U₃O₈
 - FOB minesite costs below US\$25/lb*
- ✿ Next Steps:
 - Finalise infill & expansion drill program
 - Conduct supplemental met testwork
 - Offtake discussions, or.....





**Improving probability of exploration success through
predictive modeling & prospectivity mapping**

**Exploration
Model**

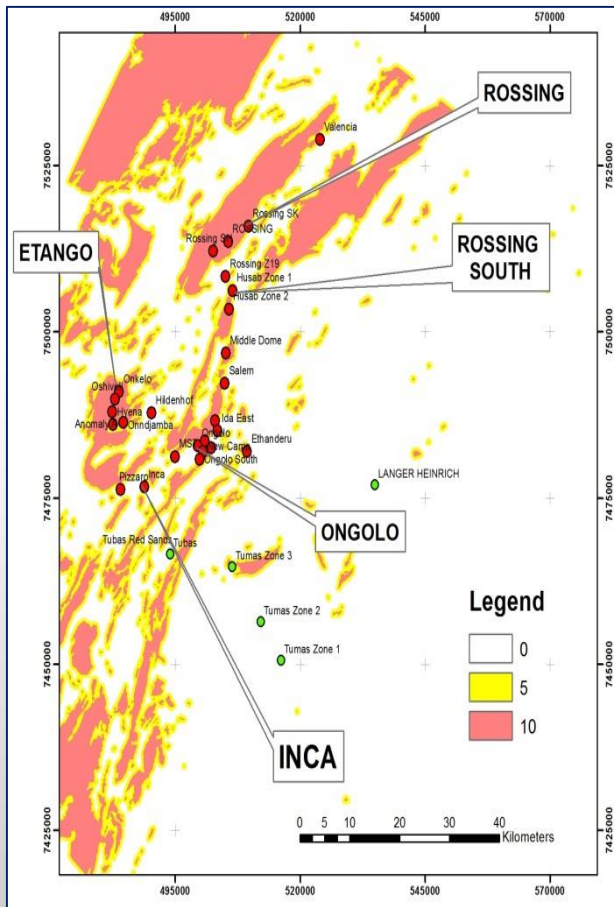
**Input Data
Layers**

**Prospectivity
Map**

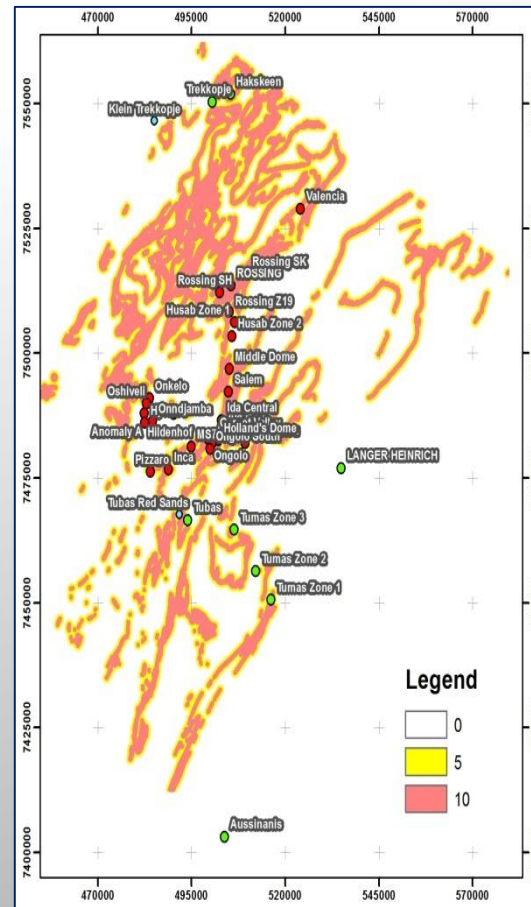
Untapped Prospectivity: Input Data Layers



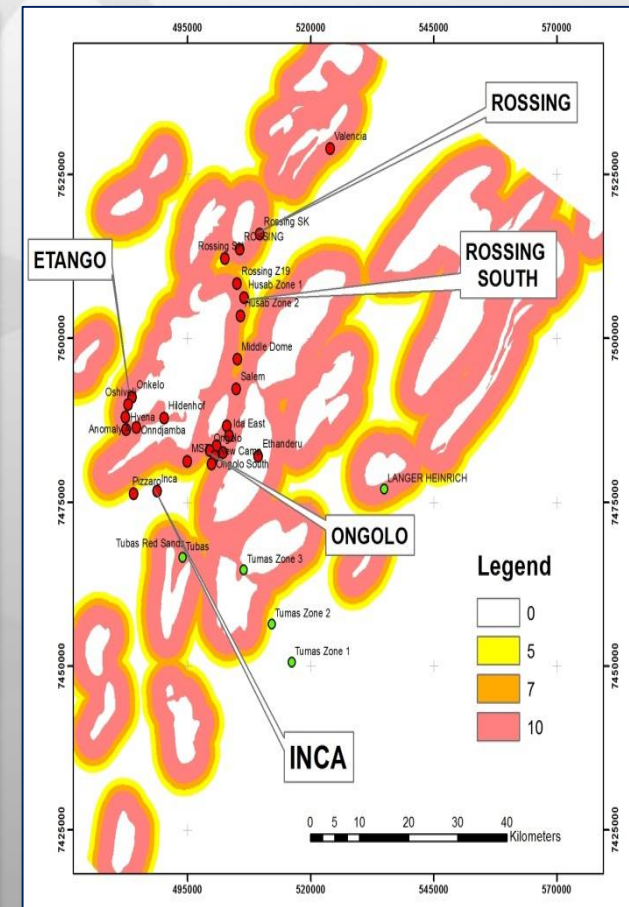
Remanent magnetised units



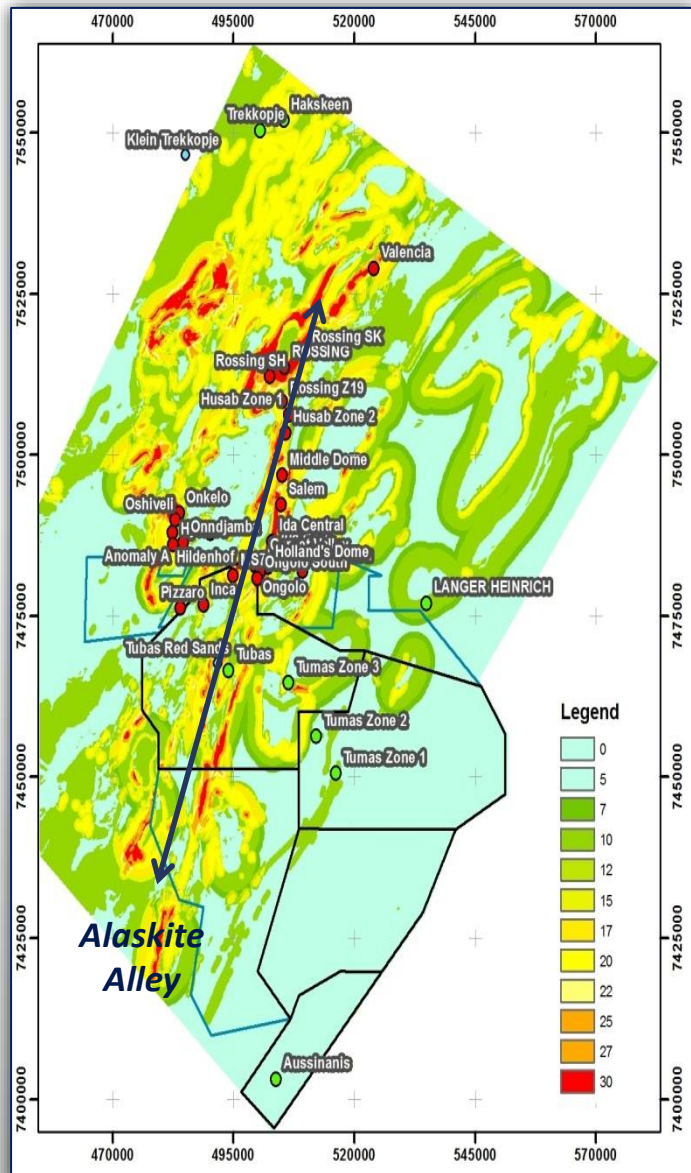
Proximity to marble



Proximity to domes



Untapped Prospectivity: Regional Map & Results



Exploration Model

- Lithostratigraphic control
- Structural control

Input Data Layers

- Occurrence of remanent magnetised units
- Proximity to marble and dome structures

Prospectivity Map

Deposit	Score
Rössing	30
Rössing South 1	20
Rössing South 2	25
Valencia	20
Ongolo	20
MS7	25
INCA	10

- Areas with high prospectivity rating are targets
- Targets appear to follow NNE-trend
- Methodology considered sound – known deposits show high prospectivity ranking

Untapped Prospectivity: 15 Targets Identified

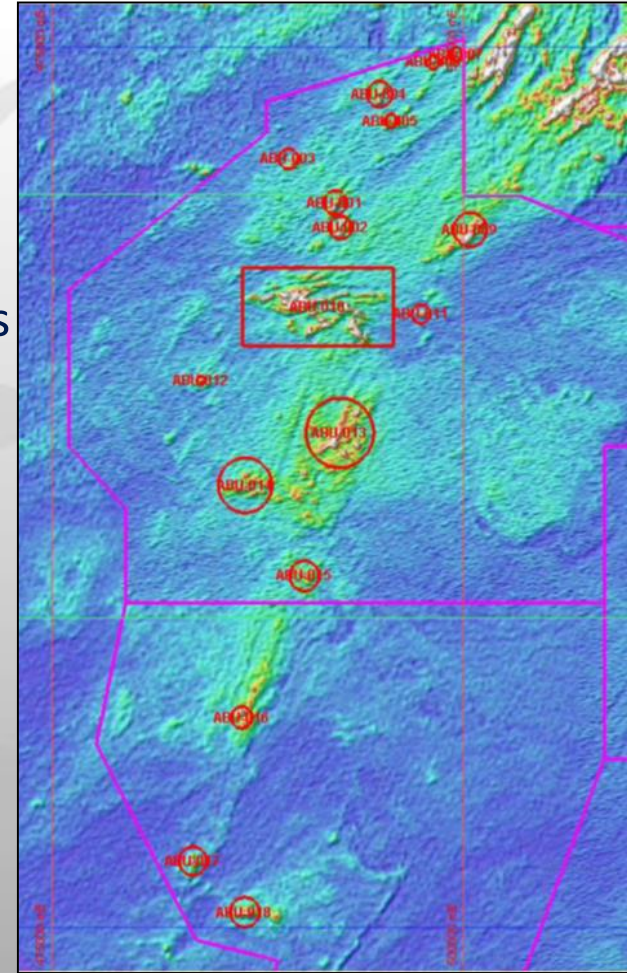


- ✱ Prospectivity mapping identified 15 alaskite targets
- ✱ 6 high priority targets
- ✱ Conducting ground follow-up:
 - Detailed geological mapping, ground radiometric surveys
 - RadonX surveys, Trenching
- ✱ Allows prioritisation & generation of follow-up targets
- ✱ Drill-test new alaskite targets when appropriate



Mixed results

***Further work required on
some targets – scope to
trial IP again?***





Gathering Momentum in the current market environment

- ✱ **Omahola Project – Ongoing progress**
 - Review preliminary economic analysis
 - Resource updates for heap leach processing & JORC 2012 compliance
 - Plan MS7 deeper drilling campaign & conduct scoping metallurgical test work
- ✱ **Tubas Sand Project – Flexibility**
 - Design expansion & Infill drilling program
 - Metallurgical testwork
 - Secure offtaker, or.....
- ✱ **Unparalleled prospectivity**
 - Following up on the results of the successful predictive modeling exercise
 - Mixed results with further work required
 - Exciting exploration potential remains
 - Looking for the next MS7.... or Husab!
- ✱ **Improving uranium market sentiment**
 - Highly leveraged to any movement in uranium spot price

Leading location, Clear focus, High prospectivity, Proven delivery record

Thank you....



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Appendices

Core Projects – JORC Resources



Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlb)
Omahola Project - JORC 2004						
INCA Deposit ♦	Indicated	250	7.0	470	3,300	7.2
INCA Deposit ♦	Inferred	250	5.4	520	2,800	6.2
Ongolo Deposit #	Measured	250	7.7	395	3,040	6.7
Ongolo Deposit #	Indicated	250	9.5	372	3,540	7.8
Ongolo Deposit #	Inferred	250	12.4	387	4,810	10.6
MS7 Deposit #	Measured	250	4.4	441	1,955	4.3
MS7 Deposit #	Indicated	250	1.0	433	433	1.0
MS7 Deposit #	Inferred	250	1.3	449	584	1.3
Omahola Project Total			48.7	420	20,462	45.1
Tubas Sand Project - JORC 2012						
Tubas Sand Deposit #	Indicated	100	10.0	180	1,900	4.1
Tubas Sand Deposit #	Inferred	100	24.0	163	3,900	8.6
Tubas Sand Project Total			34.0	170	5,800	12.7

Notes:

Figures have been rounded and totals may reflect small rounding errors

XRF chemical analysis unless annotated otherwise

♦ eU₃O₈ - equivalent uranium grade as determined by downhole gamma logging

Combined XRF Fusion Chemical Assays and eU₃O₈ values

Where eU₃O₈ values are reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 slimline gamma ray tool. All probes are calibrated either at the Pelindaba Calibration facility in South Africa or at the Adelaide Calibration facility in South Australia.



Omahola Project – JORC 2004

The information in this report that relates to Exploration Results for the **Ongolo, MS7 and INCA** deposits is based on information compiled by Dr Katrin Kärner* who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM CP(Geo)). Dr Katrin Kärner, who was the Exploration Manager for Reptile Uranium Namibia (Pty) Ltd, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Dr Katrin Kärner* consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this Report that relates to the **Ongolo and MS7** Mineral Resources is based on information compiled by Malcolm Titley of CSA Global UK Ltd. Malcolm Titley takes overall responsibility for the Report. He is a Member of the Australasian Institute of Geoscientists ('AIG') and the Australasian Institute of Mining and Metallurgy ('AusIMM') and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Malcolm Titley consents to the inclusion of such information in this Report in the form and context in which it appears.

The information in this report that relates to the **INCA** Mineral Resource Estimates is based on information compiled by Neil Inwood who is a Fellow of the AUSIMM. Mr Inwood was employed by Coffey Mining as a consultant to the Company at the time of the resource estimates and public release of results. As Mr Inwood is no longer employed by Coffey Mining, Coffey Mining has reviewed this report and consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports for which Mr Inwood's consents have previously been given. Mr Inwood has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition).

The information relating to the **Omahola** Project Exploration Results and Mineral Resource Estimates was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Tubas Sand Project – JORC 2012

The information in this presentation that relates to the **Tubas Sand** Mineral Resource Estimate references an ASX release dated 24 march 2014 entitled "Tubas Sand Project – Resource update". There have been no material changes to the resource or the underlying assumptions that supported the resource estimation.

Tubas Sand Project Trade-Off Study

The information in this presentation that relates to the preliminary techno-economic assessment and risk analysis study is based on metallurgical information reviewed by Mr Val Coetzee (B.Eng (Chem), M.Eng, Pr.Eng, SAIMM). Mr Coetzee is a full time employee of DRA Global a Consulting Engineering Group. Mr Coetzee is a Professional Engineer registered with the Engineering Council of South Africa and has more than 13 years of relevant experience in this area of work. Mr Coetzee consents to the inclusion in this presentation of the matters based on information provided by him and in the form and context in which it appears.