

20 December 2022

## MULGA ROCK PROJECT - TERMINATION OF ROYALTY DEED

Deep Yellow Limited (**Deep Yellow** or **Company**) is pleased to announce that it has, together with its wholly-owned subsidiary Narnoo Mining Pty Ltd (**Narnoo**), entered into a binding agreement with Resource Capital Fund VI L.P. (**RCF**) to terminate the Minerals Royalty Deed (**Royalty Deed**), which was entered into by RCF with Narnoo in 2015 (**Termination Deed**). Under the Royalty Deed, RCF was entitled to receive a 1.15% royalty on all ore, concentrates and other products extracted from the Mulga Rock Project in Western Australia (**Royalty**).

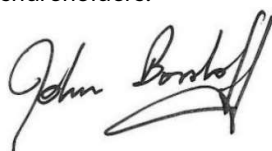
Under the Termination Deed, RCF (or its nominee) will receive \$14 million worth of ordinary shares in Deep Yellow (**Consideration Shares**) as consideration to terminate the Royalty, with the Consideration Shares to be issued at the 5-day volume weighted average price (**VWAP**) of Deep Yellow shares on the ASX immediately prior to the completion date (expected to be on 22 December 2022). Based on the current 5-day VWAP of \$0.72, RCF (or its nominee) would receive approximately 19.4 million Consideration Shares.

The Consideration Shares will be issued under the Company's existing capacity under Listing Rule 7.1 and will not require shareholder approval.

Following completion of the merger with Vimy in August 2022, Deep Yellow initiated an evaluation program aimed at significantly increasing the value of the Mulga Rock Project through the identification and recovery of critical minerals associated within the Mulga Rock deposits. The re-appraisal included the assessment of minerals such as copper, nickel, cobalt, zinc, and rare earths (see ASX announcement on 25 November 2022). All of these minerals would have attracted the Royalty.

Deep Yellow Managing Director/CEO John Borshoff commented:

*"Given the potential significant increase in value within the revised Mulga Rock Project that has been identified through our evaluation program, the termination of this Royalty adds further considerable value and ensures future additional value-enhancing initiatives fully benefit Deep Yellow shareholders."*



**JOHN BORSHOFF**  
Managing Director/CEO  
Deep Yellow Limited

*This ASX announcement was authorised for release by Mr John Borshoff, Managing Director/CEO, for and on behalf of the Board of Deep Yellow Limited.*

### Contact

---

#### Investors:

John Borshoff Managing Director/CEO  
+61 8 9286 6999  
[john.borshoff@deepyellow.com.au](mailto:john.borshoff@deepyellow.com.au)

#### Media:

Cameron Gilenko  
+61 466 984 953  
[cgilenko@citadelmagnus.com](mailto:cgilenko@citadelmagnus.com)