



DEEP YELLOW LIMITED

ACN 006 391 948

**Interim Condensed Consolidated Financial Statements for
the Half-Year Ended 31 December 2023**

Table of Contents

Table of Contents	i
Corporate Information.....	1
Directors' Report	2
Auditor's Independence Declaration	15
Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	16
Interim Consolidated Statement of Financial Position	17
Interim Consolidated Statement of Changes in Equity	18
Interim Consolidated Statement of Cash Flows	19
Notes to the Half-Year Financial Statements	20
Directors Declaration	30
Independent Review Report	31

Corporate Information

Board of Directors

Chris Salisbury	Chairman (Non-executive)
John Borshoff	Managing Director/CEO*
Victoria Jackson	Non-executive Director
Timothy Lindley	Non-executive Director
Greg Meyerowitz	Non-executive Director
Gillian Swaby	Executive Director

* referred to as Managing Director throughout this report.

Registered Office

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Company Secretary

Mark Pitts

Postal Address

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Stock Exchange Listings

Australian Securities Exchange (ASX)	Code: DYL
OTC Markets Group (OTCQX)	Code: DYLLF
Namibian Stock Exchange (NSX)	Code: DYL

Auditor

Ernst & Young
11 Mounts Bay Road
Perth Western Australia 6000

Share Registry

Computershare Investor Services Pty Limited
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Perth Western Australia 6000
Telephone: 1300 557 010


Australian Business Number

97 006 391 948


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Directors' Report

The Directors of Deep Yellow Limited (**Company**) submit herewith the financial report of the Company and its subsidiaries (the **Group**) for the half-year ended 31 December 2023. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Chris Salisbury	Chairman (Non-executive)
John Borshoff	Managing Director
Mervyn Greene	Non-executive Director (retired 23 November 2023)
Victoria Jackson	Non-executive Director
Timothy Lindley	Non-executive Director
Greg Meyerowitz	Non-executive Director
Gillian Swaby	Executive Director

REVIEW AND RESULTS OF OPERATIONS

Company Profile

Deep Yellow Limited (**Deep Yellow** or **Company**) is a differentiated, advanced uranium exploration company, in pre-development phase, implementing a dual strategy to position the Company to become globally significant as a uranium producer while growing shareholder wealth.

A Definitive Feasibility Study (**DFS**) was completed in January 2023 on its Tumas Project in Namibia with a re-costing of this study announced December 2023 validating the OPEX pricing assumptions and improving on CAPEX.

The Company's cornerstone suite of projects is situated within top-ranked mining jurisdictions namely Namibia, a country that has a long, well-regarded history of safely and effectively developing and regulating its considerable uranium mining industry and Australia also a top-ranked mining jurisdiction.

Nuclear options have one of the lowest carbon footprints of all energy generating technologies, including wind and solar. Nuclear has the capability to produce a continuous electricity supply and remarkably, through its concurrent thermal output, to also produce green hydrogen, provide an effective desalination service and deliver an abundance of domestic, commercial and industrial heat. It can achieve these multiple outputs safely, affordably, and sustainably.

The growing realisation that renewables like solar and wind will be unable to deliver cost-effective, reliable, plentiful energy both electrical and non-electrical (i.e., thermal) is forcing this change of emphasis toward adoption of more nuclear energy and its role as a major "heavy lift" partner in this energy transition the world is facing.

Held in December 2023, COP28 (28th Conference of the Parties of the United Nations Framework Convention on Climate Change) personified this dramatic shift, with delegate countries acknowledging the urgent need for the change in attitude. Notably, 22 major countries pledged the tripling of nuclear capacity by 2050 as the only way to ensure both global emission targets and that the complex energy requirements of the planet can be met.

Deep Yellow is focused on becoming a Tier-1 uranium producer by establishing a multi-project, globally diversified uranium portfolio and positioning itself to provide a secure and reliable supply of uranium to a growing market.

Corporate Strategy

Since the appointment of John Borshoff as Managing Director and CEO in late October 2016, the Company set a new direction built around a unique, counter-cyclical dual focused strategy focused on organic and inorganic growth to deliver 10+Mlb annually with a low cost, multi-project global uranium platform.

This expansion strategy is founded upon growing uranium resources across the Company's uranium projects in Namibia and Australia. The pursuit of growth is focused on both organic deposits derived from the drill bit and acquisitions through sector consolidation to build a global, geographically diverse asset portfolio. This has been a feature of the Company's growth strategy.

The merger with Vimy Resources Limited (**Vimy**) in August 2022 created one of the world's largest diversified pure-play uranium companies adding the Mulga Rock and Alligator River Projects to the project portfolio.

To service the Company's growth strategy, Deep Yellow has assembled a highly credible, proven uranium team that brings strong project development, operational and corporate capabilities. The majority of this team successfully worked together at Paladin Energy, which grew from a \$2M explorer into a \$5B high-quality uranium producer pre-Fukushima. The merger with Vimy has strengthened the team further.

Key Highlights

- Tumas Project: Namibian Ministry of Mines and Energy issued Mining Licence 237 (**ML 237**), valid for 20 years expiring 21 September 2043 allowing Deep Yellow to progress towards production, establishing Tumas as the 4th uranium mine in Namibia.
- Tumas Project: Tumas 3 Mineral Resource upgraded to 66.8 Mlb at 300 ppm eU₃O₈, representing an 11% increase in resource. Total Indicated Mineral Resources within ML 237 increased to 108.5 Mlb at 265 ppm eU₃O₈.
- Tumas DFS Re-Costing Study issued December 2023 validating the pricing assumptions of the February 2023 study.
- Mulga Rock Project: substantial improvement identified in overall recovery performance of the critical minerals, as well as improved uranium overall recovery.
- Alligator River Project: Angularli deposit Mineral Resource (at a 0.15% cut-off) increased to 32.9 Mlb U₃O₈ at a grade of 1.09% U₃O₈, representing a 27% increase.

NAMIBIA

TUMAS PROJECT, NAMIBIA (ML 237) – 100%*

Mining Licence 237

Namibia's Ministry of Mines and Energy (**MME**) issued Reptile Uranium Namibia (Pty) Ltd (**RUN**), a 100% subsidiary of Deep Yellow, with its 20-year mining licence, (expiring 21 September 2043) for the Tumas Project (**Tumas** or **Project**) (refer Figure 1).

The environmental approvals for the Project, water pipeline and powerline were granted in late September/early October 2023, with the Environmental Clearance Certificates (**ECC**) for Tumas and the water pipeline received on 28 September 2023. The approval of the power line was received on 29 September 2023 and the ECC was issued 6 October 2023.

* Oponona (local Namibian partner) have a right to 5%.

The issue of ML237 is a key step towards commencing production at Tumas. Importantly, upon execution of the current timeline, Deep Yellow will establish Tumas as the 4th uranium mine in Namibia.

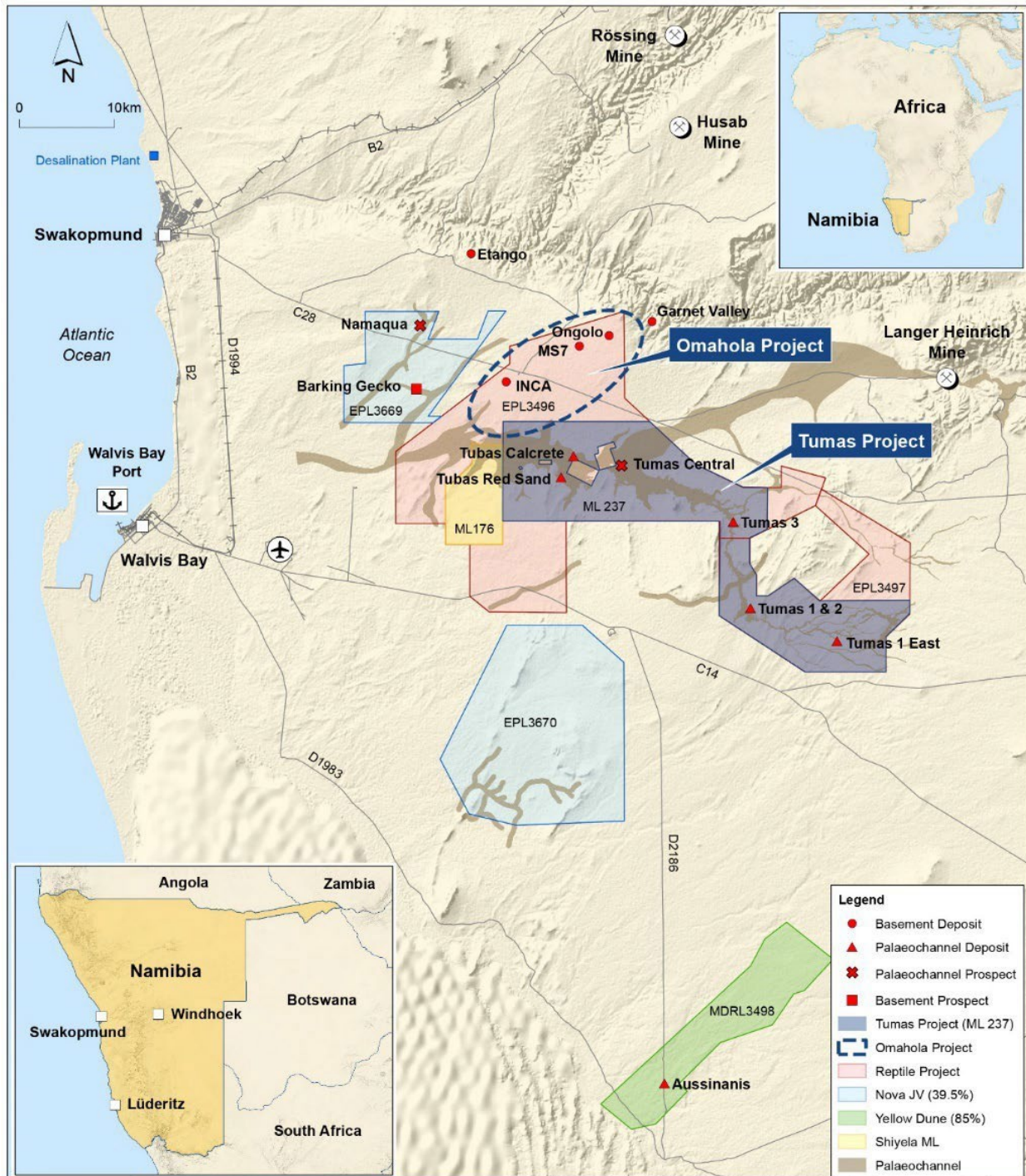


Figure 1: Namibian Project Location Map.

Tumas DFS Progress

Metallurgical Testing

The metallurgical test work program, which will inform the design criteria for detailed engineering, is focused on the beneficiation, membrane and refining sections of the process (refer ASX announcement 18 October 2023).

Beneficiation work completed to date has further optimised this section of the plant, resulting in a material reduction in beneficiation energy requirements which should in turn, result in lower required capital expenditure and lower operating costs, albeit with a likely small decrease in recovery, but overall resulting in improved project economics.

Further test work has also been undertaken on the membrane section of the process, which has reinforced the conservative nature of the DFS, with preliminary results to date indicating that membrane performance is significantly better than the assumptions used for the DFS in both increased permeate yield and higher selectivity (lower losses) for uranium, vanadium and reagents. The Company expects that these performance improvements will enhance the Project NPV.

The management of tailings for Tumas and long-term rehabilitation of the TSF is a critical element of the process design. It is this element of the Project and the process design that targeted the production of a benign tailing to provide long-term, geological stability for the TSF. Work continues on the TSF design and this key project KPI remains a distinguishing characteristic of the Tumas Project.

DFS Re-Costing Study

Significant value has been delivered from the Re-Costing Study issued on 12 December 2023, which provided an up-to-date status on the DFS outcomes.

The Re-Costing Study identified a reduction in the capital cost estimate and a modest increase in the operating costs estimate (mostly due to increased fuel and power costs) for the first 10 years of operation (while the solar array and associated infrastructure is amortised), followed by a minor reduction in the operating cost estimate for the remainder of the Project. Financial modelling at US\$65/lb validates the original DFS conclusions.

Project Outlook

Following completion of the Re-Costing Study, Deep Yellow has engaged with selected engineering service providers that are suitably experienced to bid for the detailed engineering and EPCM phases of the Project.

With the Tumas Re-Costing Study completed, defining the Project more accurately, the Company has now intensified its activity to progress debt financing, building on the considerable groundwork already undertaken. This will be progressed in parallel with the detailed engineering with the aim of achieving FID by late Q3/2024.

Resource Expansion and Infill Drill Program Completed

Uranium mineralisation at Tumas occurs in association with calcium carbonate precipitations (calcrete) in sediment-filled palaeovalleys (refer Figure 2). A two-phase reverse circulation resource drilling program to expand the current resource base, with a primary focus on moving west of Tumas 3 toward Tumas 3 West and Tumas Central to extend the Tumas 3 deposit to the west, was completed during the period (refer ASX announcement 11 September 2023). The program successfully increased the Tumas 3 MRE by delivering an 11% uplift in Indicated Mineral Resources to 60.6 MIb at 325 ppm eU₃O₈, using a 100 ppm cut-off grade. The drill program also identified a further 1.2 MIb of Inferred Mineral Resources in the same area (refer ASX announcement 29 November 2023).

Overall, at a 100 ppm eU₃O₈ cut-off grade, the Tumas 3 MRE stands at an Indicated Mineral Resource of 60.6 Mlb grading 325 ppm and an Inferred Mineral Resource of 6.2 Mlb at 170 ppm eU₃O₈, totalling 66.8 Mlb at 300 ppm eU₃O₈.

The primary objective of the drill program was to identify additional resources to the immediate west of Tumas 3 to eventually extend the overall Tumas Project to a +30-year LOM from its current 22.5 years.

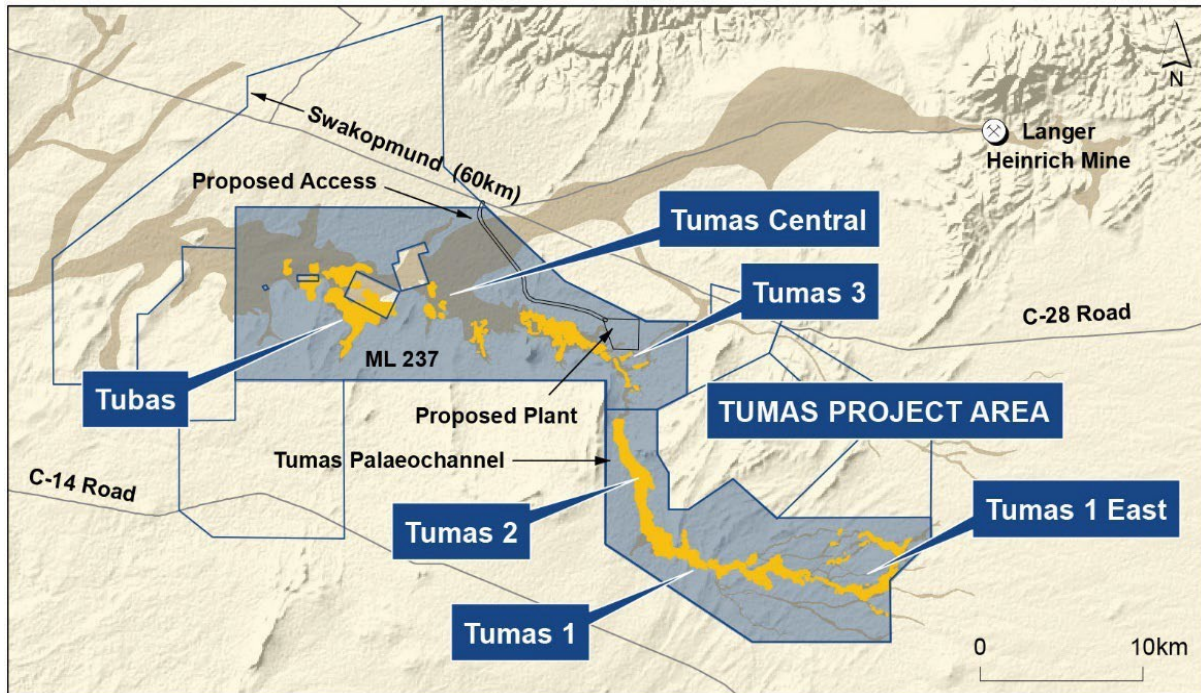


Figure 2: Tumas Project Location.

NOVA JOINT VENTURE

With JOGMEC completing its earn-in obligation in October 2021, the equity holdings are now as per table below, with three of the parties (Deep Yellow, JOGMEC and Toro) contributing funding on a pro-rata basis:

Reptile Mineral Resources & Exploration (Pty) Ltd <i>Subsidiary of Deep Yellow Limited</i>	39.5% (Manager)
Japan Organization for Metals and Energy Security (JOGMEC)	39.5%
Nova Energy (Africa) Pty Ltd <i>Subsidiary of Toro Energy Ltd (Toro)</i>	15%
Sixzone Investments (Pty) Ltd <i>Namibia</i>	6% (Carried interest)

A RC drilling program comprised of eight RC holes totalling 1,558 m was conducted to test for an extension of the mineralisation to the north and northeast towards the Iguana prospect and to explore potential western extensions of the Barking Gecko prospect. Multiple holes testing the northern/north-eastern extension of Barking Gecko North intersected several low-grade intervals, hosted by thin leucogranitic sheets.

AUSTRALIA

MULGA ROCK PROJECT (Western Australia)

Project Overview

The key result of a thorough project-wide review was a reconsideration of the contribution of the full suite of critical minerals available in the deposit, in addition to the expanded uranium resource that would become available from this new approach. The value uplift utilising the critical minerals is contained within the constraints of the development footprint approved under Ministerial Statement 1046 on 16 December 2016 and the re-endorsement of this approval on 16 December 2021 by the Director General of the WA Department of Water and Environmental Regulation. This confirmed substantial commencement had taken place within 5 years of approval, as required under the Ministerial Statement, allowing for the continued development of the MRP.

The most notable change and opportunity identified from the review was the potential value uplift from the possible inclusion of contained base metals (copper, nickel, cobalt and zinc) and rare earth elements (particularly neodymium, praseodymium, terbium and dysprosium), referred to in this document collectively as critical minerals.

A revision of the 2018 DFS undertaken by Vimy is being undertaken with completion due Q3/CY25.

Metallurgical Testing

The ongoing testwork program has focused on the leaching characteristics of the uranium and critical minerals contained within the available resource, including the extraction of these leached values from leach solution for final product recovery. The expected (and tested) extraction technique is Resin-in-Leach (**RIL**) for uranium, followed by Resin-in-Pulp (**RIP**) for critical minerals, using commercially available resins and known methodologies already permitted for the MRP (refer ASX announcement 2 November 2023).

The work conducted to date outlined the following key findings:

- an overall uranium recovery above 90% (2018 DFS: 85.9% to 89.6%) is likely to be achieved and the rapid leach kinetics (uranium dissolution within 1 hour) observed in earlier work are confirmed; and
- overall recoveries for critical minerals above 70% (2018 DFS: no recovery assumed, but approximately 20% for base metals only indicated in available data).

Resource Drilling

Drilling completed to date by Deep Yellow, associated with this program, has been restricted to the Mulga Rock East deposits (Ambassador and Princess) (refer Figure 3). The Ambassador and Princess deposits comprise of higher grades associated with the critical minerals and uranium, more than the deposits occurring to the west (Emperor and Shogun deposits) and represent the major portion of the known mineral resources for the MRP (refer ASX announcement 14 August 2023).

Consequently, the Ambassador and Princess deposits will likely be mined before the lower grade deposits of Emperor and Shogun to the west in the MRP's mining schedule.

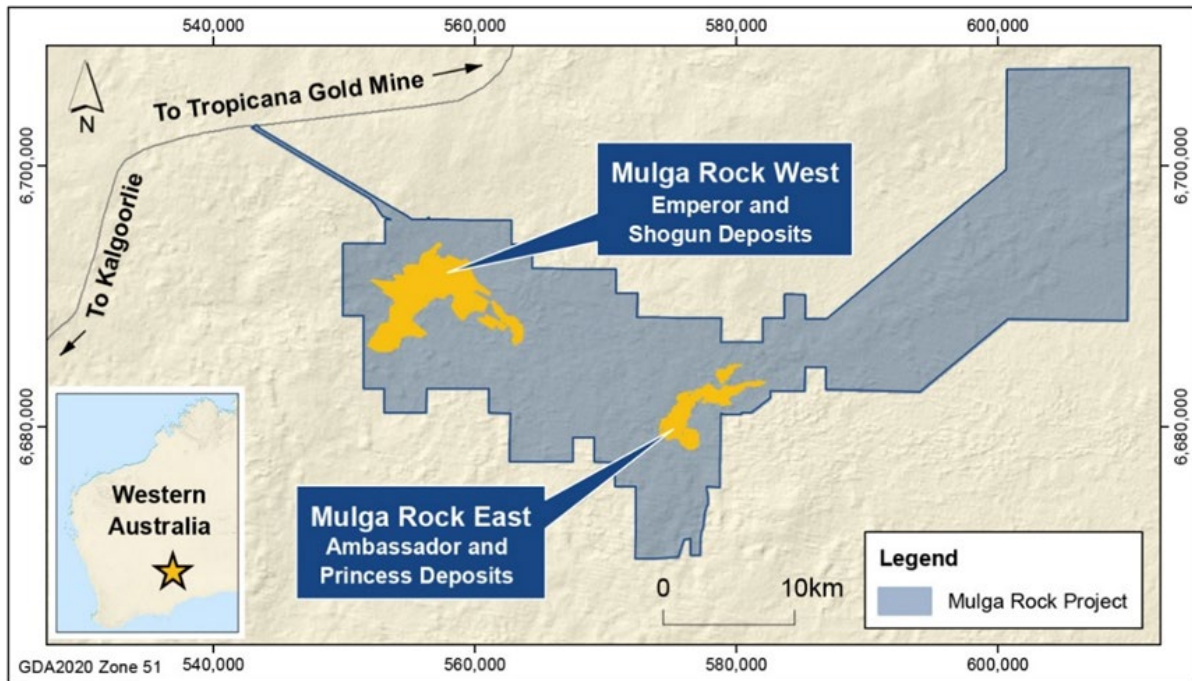


Figure 3: Ambassador and Princess Deposits (*Mulga Rock East*) and Emperor and Shogun Deposits (*Mulga Rock West*).

ALLIGATOR RIVER PROJECT (Northern Territory)

Exploration Update

A review of all regional and local project data continues, with all available data sets to be used to develop a comprehensive exploration model. This desktop study is ongoing and will delineate the priority prospective corridors to concentrate the effort in finding further discoveries in this important uranium province. Further, this work will result in a multiple approach being formed with short, medium and long-term exploration objectives defined for the investigation of the Alligator River Project (**ARP**) (refer Figure 4).

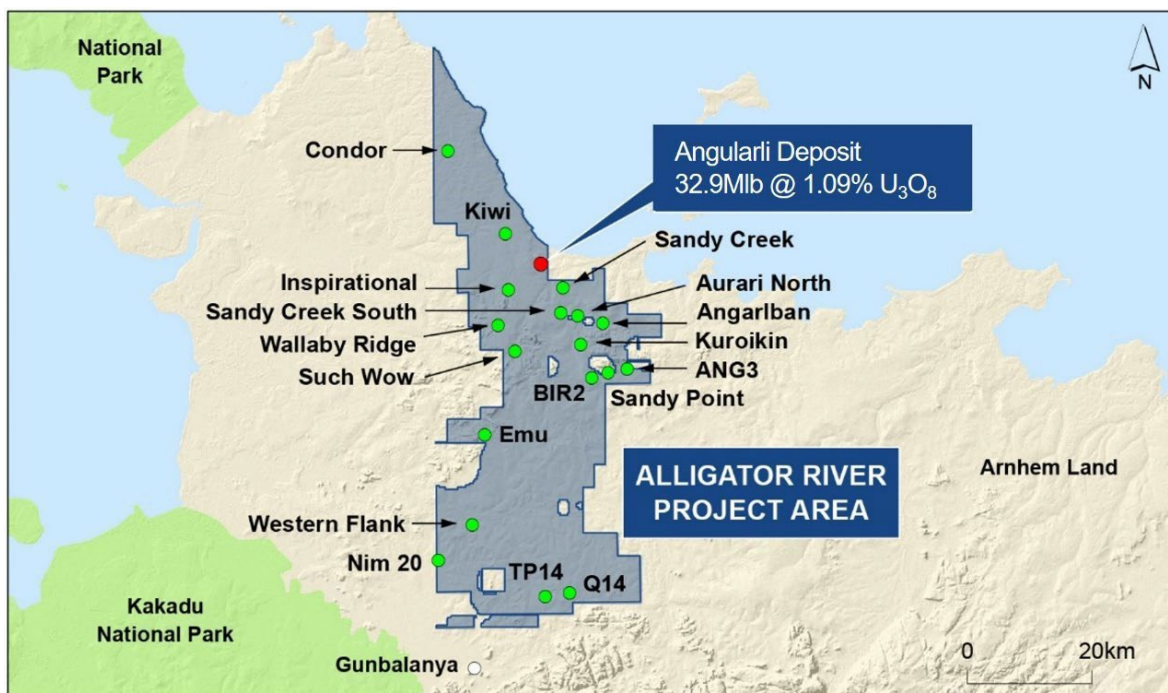


Figure 4: Alligator River Location Map.

Angularli Deposit Resource Upgrade

During H1FY24 the Company announced a resource upgrade for the Angularli Deposit, located approximately 380 km by road, east-northeast of Darwin in the Northern Territory, Australia (refer ASX announcement 3 July 2023).

The updated Mineral Resource Estimate increased the Mineral Resource (at a 0.15% cut-off) by 27% to 32.9 Mlb U₃O₈ at a grade of 1.09% U₃O₈ from that previously announced to the ASX on 20 March 2018. Table 1 lists the MRE at various cut-offs and illustrates the relative insensitivity of the Angularli deposit to cut-off grade.

Table 1: Angularli Mineral Resource Estimate, July 2023.

Deposit	Category	Cut-off (% U ₃ O ₈)	Tonnes (Mt) ¹	U ₃ O ₈ (%) ²	U ₃ O ₈ (t)	U ₃ O ₈ (Mlb)	Resource Categories (Mlb U ₃ O ₈)		
							Measured	Indicated	Inferred
UNCONFORMITY-RELATED MINERALISATION									
Alligator River Project - JORC 2012									
Angularli Deposit	Inferred	0.10	1.47	1.02	15,048	33.2	-	-	33.2
		0.15	1.37	1.09	11,748	32.9	-	-	32.9
		0.20	1.27	1.16	11,700	32.5	-	-	32.5
		0.25	1.18	1.24	11,430	32.0	-	-	32.0
		0.30	1.09	1.31	11,430	31.5	-	-	31.5
Alligator River Project Total			1.37	1.09	11,748	32.9	-	-	32.9

¹ t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.

² Using chemical U₃O₈ composites from drill core.

Table 2: JORC Mineral Resources – Namibia – February 2024.

Deposit	Category	Cut-off	Tonnes	U ₃ O ₈	U ₃ O ₈	U ₃ O ₈	Resource Categories (Mlb)		
		(ppm U ₃ O ₈)	(M)	(ppm)	(t)	(Mlb)	Measured	Indicated	Inferred
BASEMENT MINERALISATION									
OMAHOLA PROJECT - JORC 2012 ¹									
INCA Deposit ♦	Indicated	100	21.4	260	5,600	12.3	-	12.3	-
INCA Deposit ♦	Inferred	100	15.2	290	4,400	9.7	-	-	9.7
Ongolo Deposit #	Measured	100	47.7	185	8,900	19.7	19.7	-	-
Ongolo Deposit #	Indicated	100	85.4	170	14,300	31.7	-	31.7	-
Ongolo Deposit #	Inferred	100	94.0	175	16,400	36.3	-	-	36.3
MS7 Deposit #	Measured	100	18.6	220	4,100	9.1	9.1	-	-
MS7 Deposit #	Indicated	100	7.2	185	1,300	2.9	-	2.9	-
MS7 Deposit #	Inferred	100	8.7	190	1,600	3.7	-	-	3.7
Omahola Project Sub-Total			298.2	190	56,500	125.4	28.8	46.9	49.7
CALCRETE MINERALISATION TUMAS 3 DEPOSIT - JORC 2012 ^{2,7}									
Tumas 3 Deposits ♦	Indicated	100	84.0	325	27,500	60.6	-	60.6	-
	Inferred	100	16.5	170	2,795	6.2	-	-	6.2
Tumas 3 Deposits Total			100.5	300	30,300	66.8			
TUMAS 1, 1E & 2 PROJECT – JORC 2012 ³									
Tumas 1 & 2 Deposit ♦	Indicated	100	90.4	220	19,850	43.8	-	43.8	-
Tumas 1 & 2 Deposit ♦	Inferred	100	21.8	205	4,700	10.3	-	-	10.3
Tumas 1, 1E & 2 Deposits Total			112.2	220	24,550	54.1			
Sub-Total of Tumas 1, 2 and 3			212.7	260	54,850	120.9		104.4	16.5
TUBAS RED SAND PROJECT - JORC 2012 ⁴									
Tubas Sand Deposit #	Indicated	100	10.0	185	1,900	4.1	-	4.1	-
Tubas Sand Deposit #	Inferred	100	24.0	165	3,900	8.6	-	-	8.6
Tubas Red Sand Project Total			34.0	170	5,800	12.7			
TUBAS CALCRETE RESOURCE - JORC 2004 ⁵									
Tubas Calcrete Deposit	Inferred	100	7.4	375	2,765	6.1	-	-	6.1
Tubas Calcrete Total			7.4	375	2,765	6.1			
AUSSINANIS PROJECT - JORC 2012- DYL 85% ⁶									
Aussinanis Deposit ♦	Indicated	100	12.3	170	2,000	4.5	-	4.5	-
Aussinanis Deposit ♦	Inferred	100	62.1	170	10,700	23.6	-	-	23.6
AUSSINANIS PROJECT TOTAL			74.4	170	12,700	28.1			
CALCRETE PROJECTS SUB-TOTAL			328.5	230	76,100	167.8	0.0	113.0	54.8
GRAND TOTAL NAMIBIAN RESOURCES			626.7	210	132,720	293.2	28.8	159.9	104.5

- Notes:**
- Figures have been rounded and totals may reflect small rounding errors.
 - XRF chemical analysis unless annotated otherwise.
 - # Combined XRF Fusion Chemical Assays and eU₃O₈ values.
 - ♦ eU₃O₈ - equivalent uranium grade as determined by downhole gamma logging.
 - Where eU₃O₈ values are reported it relates to values attained from radiometrically logging boreholes.
 - Gamma probes were originally calibrated at Pelindaba, South Africa in 2007. Recent calibrations were carried out at the Langer Heinrich Mine calibration facility in July 2018, September 2019, December 2020, January 2022, and February 2023.
 - Sensitivity checks are conducted by periodic re-logging of a test hole to confirm operations.
 - During drilling, probes are checked daily against standard source.

¹ ASX Release 04 Nov 2021 'Omahola Basement Project Resource Upgrade to JORC 2012'.

² ASX Release 29 Jul 2021 'Drilling at Tumas 3 Delivers Significant Resource Upgrade'.

³ ASX Release 02 Sep 2021 'Tumas Delivers Impressive Indicated Mineral Resource'.

⁴ ASX Release 24 Mar 2014 'Tubas Sands Project – Resource Update'.

⁵ ASX Release 28 Feb 2012 'TRS Project Resources Increased'.

⁶ ASX Release 31 Mar 2023 'Aussinanis Project Resource Upgrade to JORC (2012)'.

⁷ ASX Release 29 Nov 2023 'Resource Drilling Grows Tumas Towards Plus 30 Year LOM'.

Table 3: JORC Mineral Resources – Australia – February 2024.

Deposit	Category	Cut-off	Tonnes	U ₃ O ₈	U ₃ O ₈	U ₃ O ₈	Resource Categories (Mlb U ₃ O ₈)		
		(ppm U ₃ O ₈)	(M)	(ppm)	(t)	(Mlb)	Measured	Indicated	Inferred
NORTHERN TERRITORY									
Angularli Project - JORC 2012 ¹									
Angularli	Inferred	1,500	1.37	10,900	14,917	32.9	-	-	32.9
Angularli Project Sub-Total			1.37	10,900	14,917	32.9			32.9
WESTERN AUSTRALIA									
Mulga Rock Project – JORC 2012									
Ambassador	Measured	100	12.9	515	6,638	14.6	14.6	-	-
Ambassador	Indicated	100	52.2	365	19,077	42.1	-	42.1	-
Ambassador	Inferred	100	8.7	480	4,177	9.2	-	-	9.2
Princess	Indicated	100	5.0	405	2,015	4.4	-	4.4	-
Princess	Inferred	100	2.4	170	407	0.9	-	-	0.9
Mulga Rock East Total ²			81.2	400	32,314	71.2			
Shogun	Indicated	150	2.2	680	1,496	3.2	-	3.2	-
Shogun	Inferred	150	0.9	290	261	0.6	-	-	0.6
Emperor	Inferred	150	30.8	440	13,522	29.8	-	-	29.8
Mulga Rock West Total ³			33.9	450	15,279	33.6			
Mulga Rock Project Sub-Total			115.1	410	47,593	104.8	14.6	49.7	40.5
GRAND TOTAL AUSTRALIAN RESOURCES			116.5	540	62,510	137.7	14.6	49.7	73.4
GRAND TOTAL RESOURCES			743.2	263	195,230	430.9	43.4	209.6	177.8

- 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.
 - Gamma probes were calibrated at Pelindaba, South Africa, at the Langer Heinrich Mine calibration facility in Namibia and at the Australian facility in Adelaide.
 - During drilling, probes are checked daily against standard source.

¹ ASX Release 03 Jul 2023 'Robust Resource Upgrade Delivered at Angularli'.

² ASX Release 26 Feb 2024 'Strong Resource Upgrade Drives Mulga Rock Value'.

³ ASX Release 12 Jul 2017 'Significant Resource Update – Mulga Rock Cracks 90Mlbs'.

Table 4: Mulga Rock East – Critical Minerals.

Deposit ¹	Class	Tonnes (Mt)	Cu (ppm)	Cu (Kt)	Zn (ppm)	Zn (Kt)	Ni (ppm)	Ni (Kt)	Co (ppm)	Co (Kt)	REO (ppm)	REO (Kt)
Princess	Indicated	5.0	810	4.0	1,270	6.3	500	2.5	305	1.5	175	0.9
Princess	Inferred	2.4	510	1.2	910	2.2	395	0.9	230	0.6	185	0.4
Ambassador	Measured	12.9	675	8.7	2,720	35.2	800	10.4	440	5.7	940	12.2
Ambassador	Indicated	52.2	495	25.8	1,400	73.1	785	41.0	465	24.4	605	31.7
Ambassador	Inferred	8.7	190	1.7	275	2.4	125	1.1	65	0.6	280	2.4
TOTAL		81.2	510	41.4	1,465	119.1	690	55.9	405	32.7	585	47.6

Table 5: JORC Ore Reserves – Namibia – February 2024.

Deposit	Category	Cut-off	Tonnes	U ₃ O ₈	U ₃ O ₈	U ₃ O ₈	Reserve Categories (Mlb U ₃ O ₈)		
		(ppm U ₃ O ₈)	(M)	(ppm)	(t)	(Mlb)	Proved	Probable	
NAMIBIA									
Tumas Project - JORC 2012 ¹									
Tumas 3	Probable	150	44.9	415	18,600	41.0		41.0	
Tumas 1E	Probable	150	29.5	265	7,850	17.3		17.3	
Tumas 1 and 2	Probable	150	13.9	290	4,090	9.0		9.0	
Tumas Project			88.4	345	30,550	67.3		67.3	

Table 6: JORC Ore Reserves - Australia – February 2024.

Deposit	Category	Cut-off	Tonnes	U ₃ O ₈	U ₃ O ₈	U ₃ O ₈	Reserve Categories (Mlb U ₃ O ₈)		
		(ppm U ₃ O ₈)	(M)	(ppm)	(t)	(Mlb)	Proved	Probable	
WESTERN AUSTRALIA									
Mulga Rock Project – JORC 2012 ²									
Ambassador	Proved	150	5.3	1,055	5,580	12.3	12.3	-	
Ambassador	Probable	150	14.1	775	10,890	24.0	-	24.0	
Princess	Proved	150	-	-	-	-	-	-	
Princess	Probable	150	1.7	870	1,500	3.3	-	3.3	
Mulga Rock East Total			21.1	852	17,970	39.6			
Shogun	Proved	150							
Shogun	Probable	150	1.6	760	1,225	2.7	-	2.7	
Mulga Rock West Total			1.6	766	1,225	2.7			
Mulga Rock Project Sub-Total			22.7	845	19,195	42.3	12.3	30.0	
GRAND TOTAL ORE RESERVES			111.1	275	49,75	109.6	12.3	97.3	

Notes: Figures may not add due to rounding.

- ¹ ASX Release 2 Feb 2023 'Strong Results from Tumas Definitive Feasibility Study' and ASX Release 12 Dec 2023 'DFS Review Strengthens Tumas Project's Flagship Status as a Long-Life, World-Class Uranium Operation'.
- ² ASX Release 4 Sep 2017 'Major Ore Reserve Update – Moving to the Go Line'.

Competent Person's Statements

Namibian Mineral Resources

The information summarised in this Interim Condensed Financial Report as it relates to Exploration results, Mineral Resource estimates of the Namibian projects was compiled by Martin Hirsch, a Competent Person who is a Professional Member of the Institute of Materials, Minerals and Mining (UK) and the South African Council for Natural Science Professionals. Mr Hirsch, who is currently the Manager, Resources & Pre-Development for RMR, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hirsch consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears. M Hirsch holds shares in the Company.

Where previously disclosed estimates of Mineral Resources and Ore Reserves are shown. The Company confirms that it is not aware of any new information or data that materially affects the information included in previous announcements. All material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed.

The JORC 2004 classified Mineral Resources have not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, however, these are currently being reviewed to bring all resources up to JORC 2012 standard.

Australian Mineral Resources

Where the Company references previously disclosed exploration results, Mineral Resource and Ore Reserve estimates and ASX Announcements made previously it confirms that the relevant JORC Table 1 disclosures are included with them and that it is not aware of any new information or data that materially affects the information included in those ASX Announcements and in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the Announcements continue to apply and have not materially changed.

Forward Looking Statement

Any statements, estimates, forecasts or projections with respect to the future performance of Deep Yellow and/or its subsidiaries contained in this announcement are based on subjective assumptions made by Deep Yellow's management and about circumstances and events that have not yet taken place. Such statements, estimates, forecasts and projections involve significant elements of subjective judgement and analysis which, whilst reasonably formulated, cannot be guaranteed to occur. Accordingly, no representations are made by Deep Yellow or its affiliates, subsidiaries, directors, officers, agents, advisers or employees as to the accuracy of such information; such statements, estimates, forecasts and projections should not be relied upon as indicative of future value or as a guarantee of value or future results; and there can be no assurance that the projected results will be achieved.

Results of Operations

Exploration expenditure incurred and capitalised for the half-year was \$8,426,803 (December 2022: \$28,171,372).

Consolidated loss from continuing operations after income tax for the half-year was \$6,192,504 (December 2022: \$5,065,792). Total expenses for the period were \$6,844,639 (December 2022: \$6,052,872).

Subsequent Events

Mulga Rock Resource Upgrade

On 26 February 2024, the Company released an updated Mineral Resource Estimate (**MRE**) for the Ambassador and Princess deposits, which form part of its 100%-owned Mulga Rock Project (**MRP** or **Project**). The total Measured, Indicated, and Inferred U₃O₈-only Mineral Resources at a 100 ppm U₃O₈ cut-off in the Mulga Rock East deposits are now 81.2 Mt at 400 ppm U₃O₈, for a total of 71.2 Mlb U₃O₈, an increase of 26% from the previous resource base.

Capital Raising

On 11 March 2024, the Company announced that it had received binding commitments to raise approximately A\$220M (before costs) through the issue of 179,591,836 fully paid ordinary shares (Shares) at an issue price of \$1.225 per Share (Placement). The Placement will be undertaken in two tranches, with the second tranche subject to shareholder approval. The Tranche 1 Shares (114,706,334 shares) are expected to be issued on 15 March 2024 and the issue is not subject to shareholder approval. The Tranche 2 Shares (64,885,502 Shares) are subject to shareholder approval to be sought at a General Meeting expected to be held on or about 30 April 2024.

In conjunction with the Placement, the Company aims to raise an additional \$30M through a Share Purchase Plan to be offered to eligible Deep Yellow shareholders, also at an issue price of \$1.225 per Share.

A significant portion of the funds raised will be utilised by Deep Yellow to advance the development of the Tumas Project, including the commencement of construction post-Final Investment Decision (**FID**) and securing debt financing. Funds will also be used to advance the Company's organic growth projects, including the revised Definitive Feasibility Study (**DFS**) for the Mulga Rock Project and pursuing significant exploration upside potential at both the Alligator River Project, located in the Northern Territory and Omahola Project, located in Namibia.

Auditor's Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 15 and forms part of this Directors' Report for the half-year ended 31 December 2023.

Signed in accordance with a resolution of the Board of Directors.



JOHN BORSHOFF

Managing Director/CEO

Dated this day 14 March 2024



**Building a better
working world**

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Auditor's independence declaration to the directors of Deep Yellow Limited

As lead auditor for the review of the half-year financial report of Deep Yellow Limited for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Deep Yellow Limited and the entities it controlled during the financial period.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Gavin Buckingham'.

Gavin Buckingham
Partner
14 March 2024

Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income - For the Half-Year Ended 31 December 2023

	Notes	Consolidated	
		31 December 2023 \$	31 December 2022 \$
Continuing operations			
Interest	3(a)	630,528	904,821
Other income	3(a)	6,667	63,592
Revenue from contracts with customers	3(b)	14,940	18,667
Revenue and other income	4	652,135	987,080
Depreciation and amortisation expenses	5	(407,061)	(414,702)
Interest expense		(50,610)	(58,966)
Marketing expenses		(250,165)	(330,667)
Occupancy expenses		(112,152)	(180,306)
Administrative expenses	5	(1,686,311)	(2,520,144)
Employee expenses	5	(4,327,873)	(2,533,417)
Impairment of capitalised mineral exploration and evaluation expenditure	9	(10,467)	(14,670)
Loss before income tax		(6,192,504)	(5,065,792)
Income tax expense	5	-	-
Loss for the period after income tax	4	(6,192,504)	(5,065,792)
Other comprehensive income, net of income tax			
<i>Items to be reclassified to profit and loss in subsequent periods, net of tax</i>			
Foreign currency translation gain/(loss)		343,049	(1,318,168)
Other comprehensive profit/(loss) for the period, net of tax		343,049	(1,318,168)
Total comprehensive loss for the period, net of tax		(5,849,455)	(6,383,960)
		Cents	Cents
Loss per share attributable to the ordinary equity holders of the Company			
Basic loss per share		(0.82)	(0.76)
Diluted loss per share		(0.82)	(0.76)

The accompanying notes form part of these financial statements

Interim Consolidated Statement of Financial Position

	Notes	Consolidated	
		31 December 2023	30 June 2023
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	25,103,091	40,770,146
Receivables	7(a),10	2,548,614	3,680,058
Other assets	7(b)	854,897	980,315
Total Current Assets		28,506,602	45,430,519
Non-Current Assets			
Right-of-use assets	8	3,410,125	3,553,804
Property, plant and equipment	8	3,163,048	3,091,251
Capitalised mineral exploration and evaluation expenditure	9	347,781,302	339,592,920
Total Non-Current Assets		354,354,475	346,237,975
Total Assets		382,861,077	391,668,494
LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,574,980	10,154,769
Lease liabilities	10	280,134	266,537
Employee provisions		267,695	409,274
Total Current Liabilities		2,122,809	10,830,580
Non-Current Liabilities			
Employee provisions		186,400	160,692
Lease liabilities	10	3,424,124	3,567,291
Provision for Rehabilitation		2,467,577	2,467,577
Total Non-Current Liabilities		6,078,101	6,195,560
Total Liabilities		8,200,910	17,026,140
Net Assets		374,660,167	374,642,354
EQUITY			
Issued capital		596,863,620	594,396,624
Accumulated losses		(221,215,458)	(215,022,954)
Employee equity benefits' reserve		24,066,051	20,665,779
Foreign currency translation reserve		(25,054,046)	(25,397,095)
Total Equity		374,660,167	374,642,354

The accompanying notes form part of these financial statements

Interim Consolidated Statement of Changes in Equity

	Issued capital	Accumulated losses	Employee equity benefits' reserve	Foreign currency translation reserve	Total equity
	\$	\$	\$	\$	\$
At 1 July 2023	594,396,624	(215,022,954)	20,665,779	(25,397,095)	374,642,354
Loss for the period	-	(6,192,504)	-	-	(6,192,504)
Other comprehensive income	-	-	-	343,049	343,049
Total comprehensive (expense)/income for the period	-	(6,192,504)	-	343,049	(5,849,455)
Conversion of Zero Exercise Price Options	25,463	-	(25,463)	-	-
Conversion of Performance Share Rights	326,302	-	(326,302)	-	-
Repayment of Loan Plan Shares	2,115,231	-	-	-	2,115,231
Performance Share Rights expensed	-	-	1,385,959	-	1,385,959
Share options' expenses	-	-	8,222	-	8,222
Share-based payments' expenses	-	-	2,357,856	-	2,357,856
At 31 December 2023	596,863,620	(221,215,458)	24,066,051	(25,054,046)	374,660,167

	Issued capital	Accumulated losses	Employee equity benefits' reserve	Foreign currency translation reserve	Total equity
	\$	\$	\$	\$	\$
At 1 July 2022	321,796,741	(204,906,849)	17,753,920	(19,466,794)	115,117,018
Loss for the period	-	(5,065,792)	-	-	(5,065,792)
Other comprehensive expense	-	-	-	(1,318,168)	(1,318,168)
Total comprehensive expense for the period	-	(5,065,792)	-	(1,318,168)	(6,383,960)
Shares issued on acquisition	258,257,511	-	-	-	258,257,511
Shares issued on termination of royalty deed	14,000,000	-	-	-	14,000,000
Conversion of Performance Share Rights	41,381	-	(41,381)	-	-
Repayment of Loan Plan Shares	16,986	-	-	-	16,986
Performance Share Rights expensed	-	-	62,375	-	62,375
Share options' expenses	-	-	21,524	-	21,524
Share-based payments' expenses	-	-	1,315,661	-	1,315,661
At 31 December 2022	594,112,619	(209,972,641)	19,112,099	(20,784,962)	382,467,115

The accompanying notes form part of these financial statements

Interim Consolidated Statement of Cash Flows

	Notes	31 December 2023	31 December 2022
		\$	\$
Consolidated			
Cash flows from operating activities			
Payments to suppliers and employees		(2,857,418)	(4,301,985)
Interest received		620,103	942,900
Funds received from JV Partners		247,142	642,816
Other receipts		15,060	81,980
Funds spent by JV Manager		(289,987)	(344,935)
Interest paid		(64,401)	(74,962)
Payment for evaluation of project acquisition opportunities		(179,148)	(471,174)
Net cash used in operating activities		(2,508,649)	(3,525,360)
Cash flows from investing activities			
Payments for property, plant and equipment		(414,528)	(1,445,626)
Payments for exploration expenditure		(9,801,593)	(13,627,277)
Government grants and tax incentives		2,214,585	-
Proceeds on disposal of fixed assets		12,173	7,632
Payment for property bond		(177,334)	(2,640)
Proceeds from property and other bonds		-	232,016
Cash acquired upon acquisition of subsidiary		-	16,690,657
Payments associated with acquisition of subsidiary		(6,933,365)	(7,052,340)
Net cash used in investing activities		(15,100,062)	(5,197,578)
Cash flows from financing activities			
Proceeds from the issue of shares		2,115,231	16,985
Payment of lease liabilities		(122,463)	(162,372)
Net cash from/ (used in) financing activities		1,992,768	(145,387)
Net decrease in cash held		(15,615,943)	(8,868,325)
Net foreign exchange difference		(51,112)	176,750
Cash and cash equivalents at the beginning of the period		40,770,146	64,924,350
Cash and cash equivalents at the end of the period	6	25,103,091	56,232,775

The accompanying notes form part of these financial statements.

Notes to the Half-Year Financial Statements

Note 1. Corporate Information

The interim consolidated financial statements of Deep Yellow Limited and its subsidiaries (collectively, the Group) for the half-year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on 8 March 2024, subject to minor changes.

Deep Yellow Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded. The Group's principal activities are uranium mineral exploration and development activities in Namibia and Australia and evaluating uranium projects for growth opportunities.

Note 2. Basis of Preparation and Changes to the Group's Accounting Policies

2.1 Basis of Preparation

The interim consolidated financial statements for the half-year ended 31 December 2023 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgment that there is reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim consolidated financial statements do not include all the information and disclosures normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial statements.

It is recommended that the interim consolidated financial statements be read in conjunction with the Group's annual financial statements for the year ended 30 June 2023 and considered together with any public announcements made by Deep Yellow Limited during the half-year ended 31 December 2023 in accordance with the continuous disclosure obligations of the ASX listing rules.

2.2 Significant Accounting Judgments, Estimates and Assumptions

The significant accounting judgements, estimates and assumptions adopted in the interim consolidated financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2023.

2.3 New Standards, Interpretations and Amendments Adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2023.

The Group has not early-adopted any standard, interpretation or amendment that have been issued but are not yet effective.

Several other amendments and interpretations apply for the first time in 2023, but do not have an impact on the interim consolidated financial statements of the Group.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

Note 2: Basis of Preparation and Changes to the Group's Accounting Policies (cont.)
2.3 New Standards, Interpretations and Amendments Adopted by the Group (cont.)
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Group's interim condensed consolidated financial statements but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Group's interim condensed consolidated financial statements.

Note 3. Interest and Other Income

	Consolidated	
	31 December 2023	31 December 2022
	\$	\$
<i>(a) Interest and other operating income</i>		
Interest received and receivable	630,528	904,821
Other income	6,667	63,592
	637,195	968,413
<i>(b) Revenue from contracts with customers</i>		
Asset recharges and administration fee earned	14,940	18,667

Note 4. Operating Segment Information

The following tables present revenue and profit and loss information for the Group's operating segments for the half-years ended 31 December 2023 and 2022, respectively.

	Australia \$	Namibia \$	Total \$
Half-Year Ended 31 December 2023			
Revenue and other income	-	21,607	21,607
Unallocated			
Interest income			630,528
Total revenue			652,135
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	5,858	4,609	10,467
Profit and Loss			
Pre-tax segment loss	(6,612,269)	(210,763)	(6,823,032)
Unallocated			
Interest income			630,528
Loss from continuing operations after income tax			(6,192,504)

	Australia \$	Namibia \$	Total \$
Half-Year Ended 31 December 2022			
Revenue and other income	278	81,981	82,259
Unallocated			
Interest income			904,821
Total revenue			987,080
Expenses			
Impairment of capitalised mineral exploration and evaluation expenditure	-	14,670	14,670
Profit and Loss			
Pre-tax segment loss	(5,844,227)	(126,386)	(5,970,613)
Unallocated			
Interest income			904,821
Loss from continuing operations after income tax			(5,065,792)

Note 4 Operating Segment Information (cont.)

The following table presents assets information for the Group's operating segments as at 30 June 2023 and 31 December 2023 respectively.

	Australia \$	Namibia \$	Total \$
Assets			
31 December 2023			
Segment Assets	295,506,489	59,702,883	355,209,372
Unallocated assets			
Cash			25,103,091
Receivables			2,548,614
Total assets			382,861,077
Total additions to non-current assets*	5,700,538	2,540,847	8,241,385
30 June 2023			
Segment Assets	292,117,262	55,101,028	347,218,290
Unallocated assets			
Cash			40,770,146
Receivables			3,680,058
Total assets			391,668,494
Total additions to non-current assets*	16,638,016	11,652,303	28,290,319

* Includes right-of-use assets, property, plant and equipment and capitalised mineral exploration and evaluation expenditure.

Adjustments and Eliminations

The following items and associated assets and liabilities are not allocated to operating segments as the underlying instruments are managed on a Group basis and are not considered a part of the core operations of both segments:

- * Interest income; and
- * Liabilities are not allocated to the segments as they are not monitored by the executive management team on a segment-by-segment basis.

Note 5. Expenses

	Consolidated	
	31 December 2023 \$	31 December 2022 \$
<i>Loss before income tax includes the following specific expenses:</i>		
Depreciation expense		
Office equipment	148,375	106,914
Vehicles	20,077	17,604
Site equipment	29,977	21,980
Buildings	15,466	12,795
Right-of-use assets	193,166	255,409
	407,061	414,702

Consolidated
31 December 2023
31 December 2022
\$
\$
Note 5 Expenses (cont.)
Administrative expenses

Consultancy fees: Executive directors*	272,915	202,109
Technical and other consultants: Project evaluation	2,663	194,376
Professional fees	166,568	310,732
IT expenses	236,842	185,011
Insurance	158,363	284,797
Legal fees	31,250	185,612
Non-executive Directors' fees	221,500	221,500
Corporate and listing costs	238,016	594,600
Other costs	358,194	341,407
	1,686,311	2,520,144

Employee expenses

Wages, salaries and fees	466,926	845,487
Superannuation	47,397	127,889
Share-based payments**	3,591,478	1,375,844
Other costs	222,072	184,197
	4,327,873	2,533,417

* Excludes costs included in capitalised mineral exploration and evaluation expenditure (Note 9) and Technical and other consultants: Project evaluation (Note 5: Administrative expenses).

** Excludes an amount of \$161,393 (31 December 2022: \$23,716) included in capitalised mineral exploration and evaluation expenditure.

Income Tax

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

Numerical reconciliation between aggregate tax expense recognised in the Statement of Profit and Loss and Other Comprehensive Income and the tax expense calculated per the statutory income tax rate

Loss before income tax	(6,192,504)	(5,065,792)
Prima facie tax on result at 30% (2022: 30%)	(1,857,751)	(1,519,738)
Effect of tax rates in foreign jurisdictions	214	2,516
Non-deductible share-based payments' expense	1,060,944	410,375
Carry forward tax losses and deductible temporary difference not brought to account	793,322	842,651
Non-assessable income	-	(6)
Other	3,271	264,202
Income tax expense recognised in Statement of Profit and Loss and Other Comprehensive Income	-	-

Note 6. Current Assets – Cash and Cash Equivalents

For the purpose of the Interim Consolidated Statement of Cash Flows, cash and cash equivalents are comprised of the following:

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Cash at bank and in hand	4,123,862	7,747,693
Short term deposits	20,979,229	33,022,453
Total cash and cash equivalents	25,103,091	40,770,146

Note 7. Current Assets – Receivables and Other Assets

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
(a) Receivables		
GST recoverable	2,230,032	1,813,336
Research and development incentive	-	1,604,000
Other receivables	318,582	262,722
	2,548,614	3,680,058
(b) Other assets		
Tenement and property bonds	702,908	480,560
Prepayments	151,989	499,755
	854,897	980,315

Note 8. Property, plant and equipment

During the six months ended 31 December 2023, the Group acquired assets with a cost of \$414,528 (31 December 2022: \$1,834,836).

Note 9. Capitalised mineral exploration and evaluation expenditure

	Consolidated	
	31 December 2022	30 June 2023
	\$	\$
Cost brought forward at the start of the reporting period *	339,592,920	49,727,889
Acquisition of Vimy Resources Limited	-	257,248,280
Exploration expenditure incurred during the period at cost	8,426,803	25,757,069
R&D tax incentive off-set against exploration expenditure	(600,365)	(1,604,000)
Payment of royalty deed termination	-	14,000,000
Exchange adjustment	372,411	(5,171,479)
Impairment loss	(10,467)	(364,839)
Cost carried forward at the end of the reporting period *	347,781,302	339,592,920

*Net of \$36,452,701 of previous impairment losses

Note 9 Capitalised mineral exploration and evaluation expenditure (cont.)

On 4 August 2022, the Group completed the acquisition of 100% of the Vimy Group, for consideration of 344,343,348 shares (valued at \$258,257,511, based on the fair value of the shares at the date of purchase), together with capitalised transactions costs of \$13,494,706. The Vimy Group held several mining tenements and holds 100% in Narnoo Mining Pty Ltd (which holds the Mulga Rock Development Project). As part of the purchase price allocation to net identifiable assets, the Company acquired Exploration Assets of \$257,248,280.

In 2015 Vimy Resources Limited (**Vimy**), through its wholly owned subsidiary, Narnoo Mining Pty Ltd (**Narnoo**) entered into a royalty agreement with Resource Capital Fund VI L.P (**RCF**). Vimy had agreed to pay a royalty to RCF of 1.15% on the gross proceeds received by Narnoo from selling mineral products extracted and recovered from the tenements that make up the Mulga Rock Project.

The Company, together with its now wholly owned subsidiary, Narnoo Mining Pty Ltd, entered into a binding agreement with RCF to terminate the royalty agreement (**Termination Deed**). Under the Termination Deed, RCF was issued with 19,444,444 consideration shares on 22 December 2022, at an agreed value of \$0.72 for a total consideration of \$14,000,000.

Capitalised mineral exploration and evaluation expenditure written-off relates to assets for which the expenditure is not expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale. The write-down relates to Namibia projects for which expenditure is not expected to be recouped and the Kingston project in Australia in the process of being relinquished.

Note 10. Financial Assets and Financial Liabilities

Set out below is an overview of financial assets, other than cash and deposits, held by the Group as at 31 December 2023 and 30 June 2023:

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Financial asset at amortised cost		
Receivables	2,548,614	3,680,058
Total current financial asset	2,548,614	3,680,058
Financial liabilities: Lease liabilities		
Current interest-bearing lease liabilities	280,134	266,537
Non-current interest-bearing lease liabilities	3,424,124	3,567,291
Total lease liabilities	3,704,258	3,833,828
Financial liabilities at amortised cost		
Trade and other payables	1,574,980	10,154,769
Total current financial liabilities at amortised cost	1,574,980	10,154,769

The fair value of financial assets and liabilities approximate their carrying amounts.

Note 11. Share-Based Payments
(a) Performance Share Rights

The Company granted 2,830,792 Performance Share Rights under the Deep Yellow Limited Awards Plan (**Awards Plan**) for no consideration to qualifying employees and consultants as indicated below:

Date	Number granted	Fair value per instrument (\$)	Vesting conditions	Vesting date	Lapse date
25 August 2023	638,442	0.900	Time	31 December 2023	31 December 2025
25 August 2023	452,931	0.900	Time	25 August 2023	30 June 2025
2 October 2023	62,049	1.330	Time	31 December 2023	30 September 2025
14 December 2023	270,100	0.985	Time	1 March 2024	1 March 2026
14 December 2023	60,000	0.985	Time	1 March 2025	1 March 2026
14 December 2023	60,000	0.985	Time	1 March 2026	1 March 2026
20 December 2023	643,635	1.010	Time	30 November 2026	30 November 2028
20 December 2023	643,635	0.703	Market price	30 November 2026	30 November 2028
	<u>2,830,792</u>				

The majority of rights vest if certain time measures are met in the measurement period whilst some will only vest subject to the level of compound annual growth (CAGR) in the Company's share price over a 3-year period from 30 November 2023 to 30 November 2026 is at least 10% as follows:

Target share price growth	Stretch target share price growth	% to vest at target performance	% to vest at stretch performance
10% CAGR	15% CAGR	50%	100%

If these measures are not met, the rights lapse. There is no cash settlement of the rights. The fair value of the rights with time measures is estimated to be the share price of Deep Yellow Ltd on the grant date as indicated in the above table. The fair value of the rights with market price measures is estimated using a hybrid multiple barrier option pricing model which incorporates a Monte Carlo simulation, which simulates the Company's share price at the test date. Using the below assumptions:

Dividend yield (%)	Nil
Expected volatility (%)	80
Risk-free interest rate (%)	3.705
Expected life of Performance Share Rights (years)	5.01

The weighted average fair value of the Performance Share Rights granted during the six-month ended 31 December 2023 was \$0.901 (year ended 30 June 2023: \$0.579). For the six months ended 31 December 2023, the Group has recognised an expense of \$1,225,399 in the Consolidated Statement of Comprehensive Income (31 December 2022: \$38,658).

(b) Loan Plan Shares

On 20 December 2023, 5,531,836 shares were granted to executive directors and consultants under the Deep Yellow Limited Share Loan Plan (**Share Plan**). The Share Plan rewards and incentivises employees, contractors and Directors (participant), where shareholder approval has been granted, through an arrangement where participants are offered shares subject to long term performance conditions. The shares are offered at market value such that the incentive is linked to the increase in value over and above the purchase price and so aligns the participants to the risks and rewards of a shareholder. The purchase price payable by the participant for the ordinary shares is lent to the participant under an interest free limited recourse loan, with the loan secured against the shares. The loan can be repaid at any time; however, the loan must be repaid on the earlier of periods ranging between 7-10 years (determined with each issue) after the issuance of the shares and the occurrence of:

- (a) in the case of vested shares, the date being 12 months after cessation of employment or service contract for any reason; or
- (b) pre-determined occurrences as per the Share Plan including but not limited to a Control Event or material breach by the Participant.

Note 11. Share-Based Payments (cont.)

The shares vest if certain time measures, Company share price targets and clearly defined business goals (where applicable) covering financial and non-financial performance measures are met and the holder of the awards remains contracted to the Company during the measurement period. If these conditions are not met the shares are forfeited and the forfeited shares are treated as full consideration for the repayment of the loan. A participant may not trade shares acquired under the Plan until the shares have vested, any imposed dealing restrictions have ended and the limited recourse loan in respect to those shares has been paid in full. The fair value at grant date is estimated using a Black Scholes option pricing model for shares with non-market based vesting conditions and a hybrid multiple barrier option pricing model incorporating a Monte Carlo simulation, which simulates the Company's share price at the start date. The fair value of shares granted during the six-month period ended 31 December 2023 was estimated on the date of shareholder approval for executive directors and agreement date for consultants using the following assumptions:

	Executive Directors	Consultants
Dividend yield (%)	Nil	Nil
Expected volatility (%)	80	80
Risk free interest rate (%)	4.241-4.545	3.737
Expected loan term (years)	7-10	7
Share price at valuation date (\$)	1.185	1.010

The weighted average fair value of the shares granted during the six-month period was \$0.731 (year ended 30 June 2023: \$0.484).

For the six months ended 31 December 2023, the Group has recognised a net expense of \$2,357,856 in the Consolidated Statement of Comprehensive Income (31 December 2022: \$1,315,661).

(c) Zero Exercise Price Options

The Company did not grant any zero exercise price options (**Options**) during the six months ended 31 December 2023 or year ended 30 June 2023. For the six months ended 31 December 2023, the Group has recognised an expense of \$8,222 in the Consolidated Statement of Comprehensive Income (31 December 2022: \$21,524).

Note 12. Contingent Assets and Liabilities

On 17 August 2021 (settlement date) Vimy Resources Limited (now Vimy Resources Pty Ltd) (**Vimy**), wholly-owned subsidiary of the Company, settled the acquisition of Rio Tinto Exploration Pty Limited's (**RTX**) 20.89% interest in the Wellington Range and King River Joint Venture at the Alligator River Project in the Northern Territory to hold 100% of the Alligator River Project through its wholly owned subsidiary Viva Resources Pty Ltd (**Viva**).

The agreement provides for an additional on-sale payment that may be payable to RTX in the event that Viva disposes of an interest in Alligator River Project within three years from the settlement date at an implied price (on a proportional basis) that is higher than the \$2 million paid for RTX's interest of 20.89%. RTX would receive 30% of any proportionate gain (over \$2 million) on any such on-sale by Viva of an interest in the Alligator River Project.

The agreement further provides for a uranium upside payment payable to RTX if the average daily spot price indicator of uranium exceeds US\$60/lb (**market condition**) over the last 180 days of the three-year period (19 February 2024 to 17 August 2024) (**measurement period**) that commences on the settlement date. If satisfied, Viva agrees to pay RTX a further consideration amount equal to \$1.1 million less any on-sale payment(s) that may have been made during the three-year period.

There were no other contingent liabilities or contingent assets as at 31 December 2023.

Note 13. Dividends

No dividends were paid or proposed for the six months ended 31 December 2023 or 31 December 2022.

Note 14. Events after the Reporting Date

There have been no event or circumstances that have arisen since 31 December 2023 that would require disclosure in the financial report, other than the following:

On 11 March 2024 the Company announced that it had received binding commitments to raise approximately A\$220M (before costs) through the issue of 179,591,836 fully paid ordinary shares (**Shares**) at an issue price of \$1.225 per Share (**Placement**). The Placement will be undertaken in two tranches, with the second tranche subject to shareholder approval. The Tranche 1 Shares (114,706,334 shares) are expected to be issued on 15 March 2024 and the issue is not subject to shareholder approval. The Tranche 2 Shares (64,885,502 Shares) are subject to shareholder approval to be sought at a General Meeting expected to be held on or about 30 April 2024.

In conjunction with the Placement, the Company aims to raise an additional \$30M through a Share Purchase Plan to be offered to eligible Deep Yellow shareholders, also at an issue price of \$1.225 per Share.

Note 15. Key Management Personnel Disclosures

There has been no significant change to transactions with and/or compensation to Key Management Personnel since the end of the last annual reporting period, except for:

Other Transactions with Key Management Personnel

Mr Borshoff continued to provide services to the Group through Scomac Management Services Pty Ltd (**Scomac**) as described in the 2023 Financial Report. During the reporting period Scomac billed the Company \$829,643, inclusive of GST and on-costs, for technical and geological services rendered by him and other Scomac personnel on normal commercial terms and conditions.

Ms Swaby continued to provide services to the Group through Strategic Consultants Pty Ltd (**Strategic**) as described in the 2023 Financial Report. During the reporting period Strategic billed the Group \$157,898, inclusive of GST, for consultancy services on normal commercial terms and conditions.

There were no other transactions with any Director or Key Management Personnel or any of their related entities during the reporting period.

Note 16. Related Party Transactions

There were no other related party transactions during the year other than those disclosed in Note 15 in relation to Key Management Personnel.

Note 17. Commitments

The Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Group's exploration programs and priorities and may be reduced by the surrendering of tenements. As at balance date, total exploration expenditure commitments on tenements held by the Group have not been provided for in the financial statements and which cover the following twelve-month period amount to \$1,971,700 (2022: \$1,300,700). These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements.

Apart from the above, there have been no significant changes in commitments since the last annual financial report.

Directors Declaration

In accordance with a resolution of the Directors of Deep Yellow Limited (the **Company**), I state that:

In the opinion of the Directors:

1. The financial statements and notes of the consolidated entity for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors.



JOHN BORSHOFF

Managing Director/CEO

Dated this day 14 March 2024

Independent auditor's review report to the members of Deep Yellow Limited

Conclusion

We have reviewed the accompanying half-year financial report of Deep Yellow Limited (the Company) and its subsidiaries (collectively the Group), which comprises the interim consolidated statement of financial position as at 31 December 2023, the interim consolidated statement of profit or loss and other comprehensive income, the interim consolidated statement of changes in equity and the interim consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its



performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Gavin Buckingham

Gavin Buckingham
Partner
Perth
14 March 2024