NEWS RELEASE

14 July 2020

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2020

HIGHLIGHTS

- **Pre-Feasibility Study test work at the Tumas Project using RC sample material, delivered highly encouraging results equal to or better than assumptions used in the Scoping Study**
    - Further metallurgical test work using representative Tumas 3 diamond core sample material validated the excellent RC sample results
- **Successful infill drilling at Tumas 3 delivered a remarkable, almost 100% conversion of the Inferred Resource to an Indicated Resource category, with overall resources at Tumas 3 now 36.8Mlb at 328ppm comprising:**
    - Indicated Resources of 24.1Mlb at 313ppm eU_3O_8; and
    - Inferred Resource of 12.7Mlb at 358ppm eU_3O_8
- **The total Measured and Indicated Resource at Tumas 1, 2 and 3 stands at 37.2Mlb at 337ppm eU_3O_8, well above what is required for completion of the Tumas Pre-Feasibility Study**

POST-QUARTER

- **Breakthrough results from the Nova JV drill program, intersecting zones of thick uranium mineralisation in basement targets**
- **Seven holes completed with all holes intersecting mineralisation. Grades and thickness improving to the north. Best intersections included:**
    - TN236RC - returned a cumulative downhole thickness of 44m, Specifically:
        - *2m at 385ppm eU_3O_8 from 32m*
        - *10m at 326ppm eU_3O_8 from 63m*
        - *24m at 297ppm eU_3O_8 from 139m*
        - *8m at 216ppm eU_3O_8 from 164m*
    - TN237RC
        - *10m at 305ppm eU_3O_8 from 64m*
        - *2m at 339ppm eU_3O_8 from 113m*
- **The highly promising results indicate that the 4km by 1km Barking Gecko prospect is part of a larger mineralised system, which includes basement-related deposits in the adjacent 100% owned Reptile Project, defining an 18km zone of very high uranium prospectivity**

REPTILE PROJECT, NAMIBIA

Tumas 3 Pre-Feasibility Study

As part of the ongoing Pre-Feasibility Study (**PFS**) on the Company's Tumas Project (**Project**), Deep Yellow Limited (**Deep Yellow** or the **Company**), completed a successful metallurgical test-work program, which delivered highly encouraging results, equal or better than the assumptions used in the Scoping Study.

The Tumas Project is located on EPL3496 in Namibia (see Figure 1 for project location). The deposit is held by Deep Yellow through its wholly owned subsidiary Reptile Uranium Namibia (Pty) Ltd (**RUN**).

The test work utilised RC drill sample composites and involved three beneficiation tests and seven leaching tests carried out on a composite of the 29kg of RC sample material. This work was extended to include the testing of various reagent ratios and temperatures to provide some limited leach condition optimisation work, prior to commencing the confirmatory test work on the diamond core composites.

Results from the test-work program are outlined below:

- Mass rejection during the ore beneficiation step, greater than or equal to 35% (Scoping Study (**SS**) 35%);
- Uranium recovery during beneficiation at or above 97.5% (SS 97.5%);
- Leach extraction greater than 95% (SS 95%) for uranium;
- Leach reagent concentrations and residence times at just half the respective levels assumed for the SS, also achieved high leach extraction rates for uranium;
- The updated metallurgical model indicates an overall higher recovery than that assumed for the SS (92.2% for uranium), with lower overall reagent and consumable costs; and
- Vanadium performance remains at or above the assumptions used for the SS.

Metallurgical testing subsequently undertaken on the diamond core composites has confirmed the positive results above and importantly identified that RC chip samples are suitable for further leach and hydrometallurgical test-work. This will allow a material reduction in future metallurgical sample collection costs for samples representative of the Tumas 3 Mineral Resource.

The successful outcomes from the test-work program have allowed for finalisation of the Process Design Criteria for the PFS, with work ongoing.

The process being developed for the Project is aimed at achieving operating costs for uranium (without vanadium credit) that are in the lower quartile of producer operating costs (sub US$30/lb) while also minimising risk, site remediation and closure costs.

Tumas 3 Resource Upgrade

A 3-month, 246 hole (5,154m), resource infill RC drilling program, which covered the central zone of the Tumas 3 deposit (Figure 2) was completed in March 2020. The targeted area contained 25Mlb of Inferred Resources, grading 381ppm eU_3O_8 using a 200ppm cut off. The primary goal of the drilling program was to convert approximately 50% of the total Inferred Resource at Tumas 3 (33.1Mlb) to Indicated Resource status to support the Tumas PFS.

Pleasingly, the drilling program successfully converted 96.4% of the Inferred Resource available within the area drilled to an Indicated Resource category, whilst also identifying additional Inferred Resources.

Successful resource infill drilling led to an updated Mineral Resource Estimate (**MRE**) at the Tumas 3 deposit of 24.1Mlb at 313ppm eU_3O_8 of Indicated Resources using a 200ppm cut off. Additionally, this work identified a further 3.7Mlb of Inferred Resources in this same area. This is a notable improvement in both resource quality and amount converted to Indicated from the original Inferred Resource of 33.1Mlb.

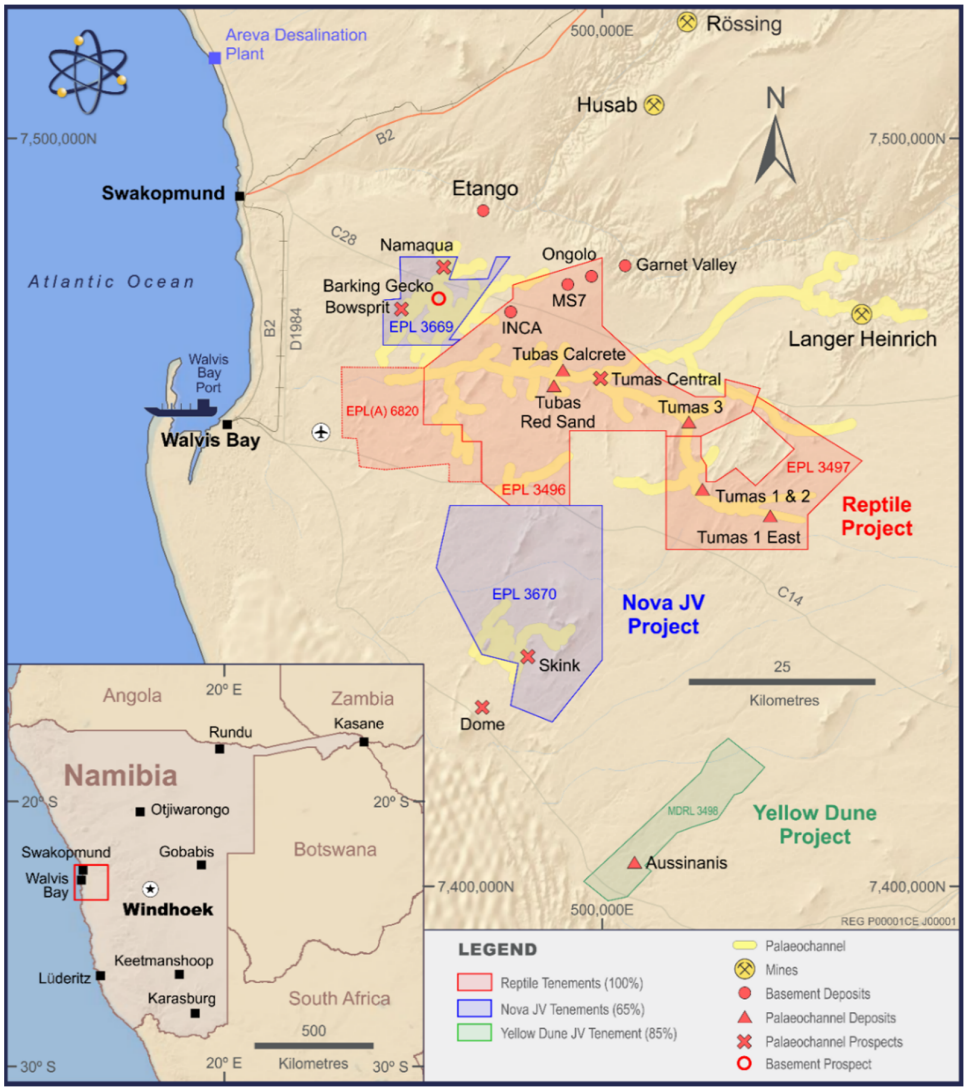


Figure 1: *Location of the Nova JV EPLs 3669 and 3670 in relation to the wholly owned EPLs 3496 and 3497.*

Tumas 3 Mineral Resource Estimate Summary

The full details of the MRE are provided in the 12 May 2020 ASX release.

In summary, the MRE was estimated by Ordinary Kriging. Cut-off grades used for the expanded MRE included 100, 150, 200, 250 and 300ppm eU_3O_8 and the Inferred Mineral Resources derived from these cut-off grades indicate the mineralisation remains robust and consistent.

At a 200ppm cut off, the updated MRE has an Indicated Mineral Resource of 24.1Mlb at 313ppm eU_3O_8 (Table 1), returning a remarkable 100% conversion to Indicated status. The Tumas 3 uranium resource upgrade tripled the overall Indicated and Measured Resource base associated with the Tumas Channel from 13.1Mlb to a total of 37.2Mlb eU_3O_8.

Importantly, drilling also delineated an additional 3.7Mlb in the Inferred Resource category giving a combined Mineral Resource of Tumas 1, 2 and 3, of 77.4Mlb at a grade of 324ppm eU_3O_8. Total surficial Measured, Indicated, and Inferred Resources in the overall Tumas palaeochannel are now 96.2Mlb at 292ppm eU_3O_8, as outlined in the JORC Resource Table in Appendix 1.

Table 1. - Tumas 3 JORC 2012 MRE Indicated Resources at various cut-off grades

Cut-off (ppm U_3O_8)	Tonnes (M)	U_3O_8 (ppm)	U_3O_8 (Mlb)
100	45.9	279	28.3
150	43.8	286	27.6
200	**34.9**	**313**	**24.1**
250	22.2	364	17.8
300	14.0	418	12.9

Notes: *Figures have been rounded and totals may reflect small rounding errors.*
eU_3O_8 - equivalent uranium grade as determined by downhole gamma logging.
Gamma probes were calibrated at the Langer Heinrich uranium mine test pit.
During drilling, probes were checked daily against a standard source.

Prospectivity, High Potential and Future Drilling

The infill drilling follow-up work for the upgrade of uranium resources at Tumas 3 shows an extremely high 100% conversion rate from Inferred to Indicated.

The 77.4Mlb total resource grading 324ppm eU_3O_8 at Tumas as shown in Table 2, now includes 37.2Mlb of Measured and Indicated Mineral Resources attributable to Tumas 1, 2 and 3 with 54.9Mlb of Inferred Resources. The 96.2Mlb of Measured, Indicated and Inferred Mineral Resources achieved for the Tumas palaeochannel within the Reptile Project, represents a remarkable threefold increase in the surficial palaeochannel resource base on this Project since the new-focus investigations commenced in 2017.

The current infill drilling and resultant high MRE conversion rate to Indicated Resources, shows that a large proportion of the Inferred Resources identified to date have a high probability of being upgraded to the Indicated JORC reporting status. This has important and positive implications for the Tumas Project.

POST-QUARTER

Nova JV Drilling Results

On 9 July 2020, Deep Yellow announced that exploration drilling at the Barking Gecko prospect on EPL3669 encountered highly encouraging uranium mineralisation.

Barking Gecko forms part of the Nova Joint Venture project (**NJV**) where Japan Oil Gas and Metals National Corporation (**JOGMEC**) is earning a 39.5% interest in the NJV, through expenditure of A$4.5M within 4 years from the end 2016.

In April, JOGMEC agreed to proceed with a budget of A$392,300 to fulfill the balance of its A$4.5M earn-in obligation, with the program focussing primarily on Barking Gecko. Continuation of JV activity beyond the current earn-in phase will be based on the results achieved from the NJV, after which all the JV partners will be presented with the overall project status to decide whether to contribute or dilute. Should all parties elect to proceed, the equity positions will be - 39.5% Deep Yellow, 39.5% JOGMEC, 15% Toro Energy Limited and 6% Sixzone Investments (Pty) Ltd.

This exploration campaign successfully defined a zone of anomalous interest approximately 4km long and 1km wide, in a geologically favourable setting wrapping around a prominent domal feature referred to as Barking Gecko (Figure 3) and is the focus of the current drilling program.

The 2,000m RC drilling program commenced on 12 June and focused on the testing of this target on three regional lines spaced 1 to 1.2km apart with holes spaced at 200m. The objective was to determine whether the extensive uranium anomalism identified could manifest into thicker intersections, to signify the possible presence of a Rössing or Husab style deposit.

Barking Gecko

Seven holes were completed by 1 July for a total of 1,237m of the 2,000m program. Figure 3 shows the Barking Gecko exploration target, drill hole locations and geology.

These seven holes were drilled on section 479,300mE with cross-sectional views shown in Figures 4 and 5. All holes on this line intersected mineralisation, with grades and thicknesses improving to the north. The best intersections to date have been obtained in hole TN236RC, which returned a cumulative downhole thickness of 44m with a maximum grade of 736ppm eU_3O_8 over 1m. This zone includes 24m averaging 297ppm eU_3O_8.

The mineralised intersections correspond to steeply south dipping alaskite (leucogranite) dykes intruding marble and biotite gneiss.

In-house portable XRF (pXRF) assaying showed that the very high grade eU_3O_8 intersections of 2m at 754ppm in TN233RC (Figure 4) and 7m at 1,115ppm in TN235RC (Figures 4 and 5) are partly due to thorium enrichment. The corrected intersections are 2m of 309ppm and 7m at 415ppm U_3O_8 respectively. The thorium association in these two holes proved to be an exception, as all other intersections are uranium-dominated.

Drilling is ongoing, with completion of the program and data evaluation expected by the end of July.

Implication of Positive Results at Barking Gecko

The exploration results from the first seven holes of the ongoing drill campaign are very encouraging. The 200m wide drill spacing leaves the mineralisation intersected open both laterally and at depth, allowing ample space to identify further mineralisation of significant size.

The discovery of notably thicker uranium intersections is of great significance for Deep Yellow, as the Company holds a highly underexplored grouping of three basement-related deposits (Ongolo, MS7 and Inca), occurring between 10km to 18km to the East/North East of the Barking Gecko discovery, in its adjacent EPL3496 (Figure 1). These deposits occur on the 100% owned Reptile Project, containing 45.1Mlb grading 420ppm U_3O_8 as shown in Appendix 1.

These underexplored deposits and associated exploration targets, combined with the emerging Barking Gecko results are highlighting that a large mineralising system is present, providing a distinct opportunity to substantially improve on the basement-related uranium resources already identified within this highly prospective area.

With regard to the alaskite-type basement targets; the combination of EPL3669 (part of the NJV project) and the adjacent EPL3496 (100% owned Reptile Project), forms a highly prospective land package that has already delivered substantial uranium resources. The exploration results from the first seven holes of the drilling campaign at Barking Gecko reaffirm management's positive expectation for additional discoveries to be made on both these projects.

CORPORATE

COVID-19

In April 2020, Deep Yellow advised that it had concluded a full review of the Company's activities, which focused on adjusting workstreams to safeguard the Company's key assets against the growing uncertainty and volatility caused by the COVID-19 pandemic.

The Company acted quickly to implement new protocols and procedures to ensure the safety and well-being of the Company's employees and contractors both in Australia and Namibia.

The Company is now proceeding with re-adjusted work programs to preserve cash, whilst maintaining and advancing the core key drivers of the Company's dual-pillar growth strategy. This work includes the continued development of key activities associated with the Tumas 3 PFS, carrying out critical exploration on the NJV and assessing M&A opportunities.

Deep Yellow Managing Director Mr John Borshoff commented: "*Considering the significant and unprecedented adjustments Deep Yellow has made to contend with the global COVID-19 pandemic, the Company nevertheless has had a very productive quarter achieving in all aspects of its activities especially with the advancement of the Tumas 3 PFS. Also, the post-quarter Nova JV results particularly highlight the added prospectivity of our Namibian projects.***"**

URANIUM OUTLOOK

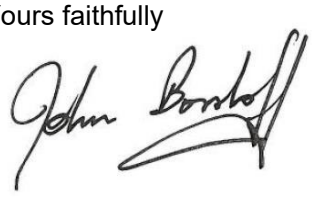
Little of note has occurred to influence the price of uranium in the latter part of this quarter, after the more significant moves earlier when both Cameco and Kazatomprom either suspended or reduced mine activity as a result of COVID-19, causing the spot uranium price to move from a low of US$24/lb to a high US$33.90/lb. The spot price has now settled down to US$33.00.

The promises made by the Trump Administration through the Nuclear Fuel Working Group review to support the domestic uranium producers to the tune of 1.2Mlb pa to 1.9Mlb pa over 10 years have lost impetus. Discussions indicate that this program will eventuate, but may be delayed for some time, due to the 10-year, US$1.5 billion program requiring approval by Congress, which may possibly be made in only one-year increments. The US domestic producers are becoming ever more despondent because the annual allocation, even if it does occur, will be too small to satisfy all the hopeful domestic US developers.

Although the uranium price at present is languishing at its new level and the nuclear utilities remain complacent regarding possible supply shortages post 2023 by not entering into serious negotiations to secure long term supply contracts, the outlook for uranium remains very bullish.

Some of the upward volatility seen in the uranium price of late is reflective of underlying supply/demand tension which is yet to fully surface but inevitably will.

Yours faithfully



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.

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About Deep Yellow Limited

Deep Yellow Limited is a differentiated, advanced uranium exploration company, in pre-development phase, implementing a contrarian strategy to grow shareholder wealth. This strategy is founded upon growing the existing uranium resources across the Company's uranium projects in Namibia (on which a Pre-Feasibility Study is currently being conducted on its Reptile Project) and the pursuit of accretive, counter-cyclical acquisitions to build a global, geographically diverse asset portfolio. The Company's cornerstone suite of projects in Namibia is situated within a top-ranked African mining destination in a jurisdiction that has a long, well-regarded history of safely and effectively developing and regulating its considerable uranium mining industry.

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Competent Person's Statements

Exploration

*The information in this announcement as it relates to exploration results was compiled by Dr Katrin Kärner, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Dr Kärner, who is currently the Exploration Manager for Reptile Mineral Resources and Exploration (Pty) Ltd (**RMR**), 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Kärner consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears. Dr Kärner holds shares in the Company.*

Mineral Resource Estimate

The information in this announcement that relates to the Tumas Mineral Resource Estimate and the JORC Resource Table is based on work completed by Mr. Martin Hirsch, M.Sc. Geology, who is a member of the Institute of Materials, Minerals and Mining (UK) and the South African Council for Natural Science Professionals. Mr. Hirsch is the Manager for Resources and Pre-Development for Reptile Mineral Resources (Pty) Ltd and, 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 in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). Mr. Hirsch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Project and Technical Expertise

Mr Darryl Butcher is a process engineer/metallurgist working for Deep Yellow and has sufficient relevant experience to advise the Company on matters relating to mine development and uranium processing, project scheduling, processing methodology and project capital and operating costs. Mr Butcher is satisfied and consents to the information provided in this ASX announcement with regard to the Tumas Pre-Feasibility Study progress.

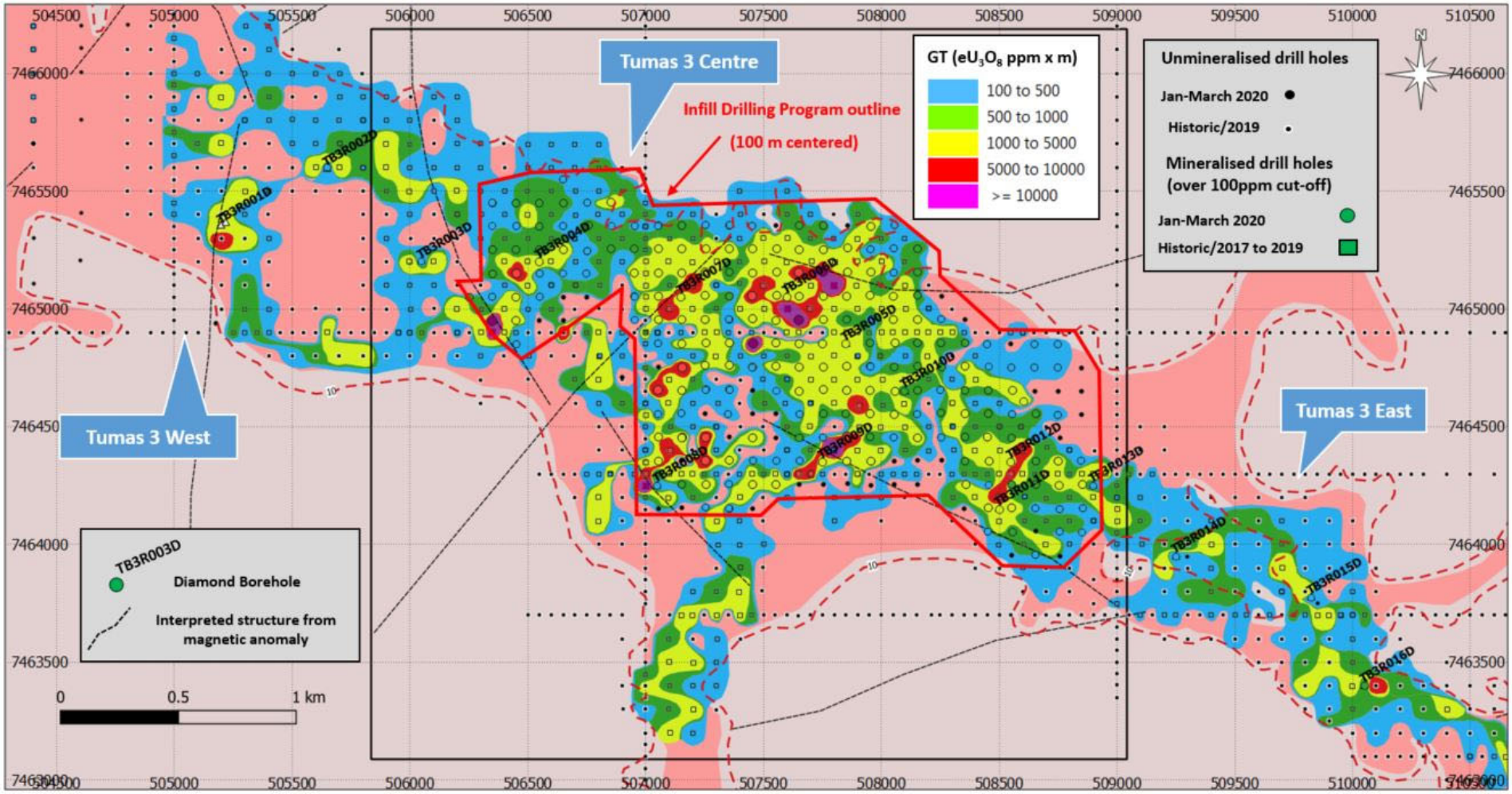

Figure 2: *Tumas 3, Infill drilling: drill hole locations and grade thickness (GT) contours.*

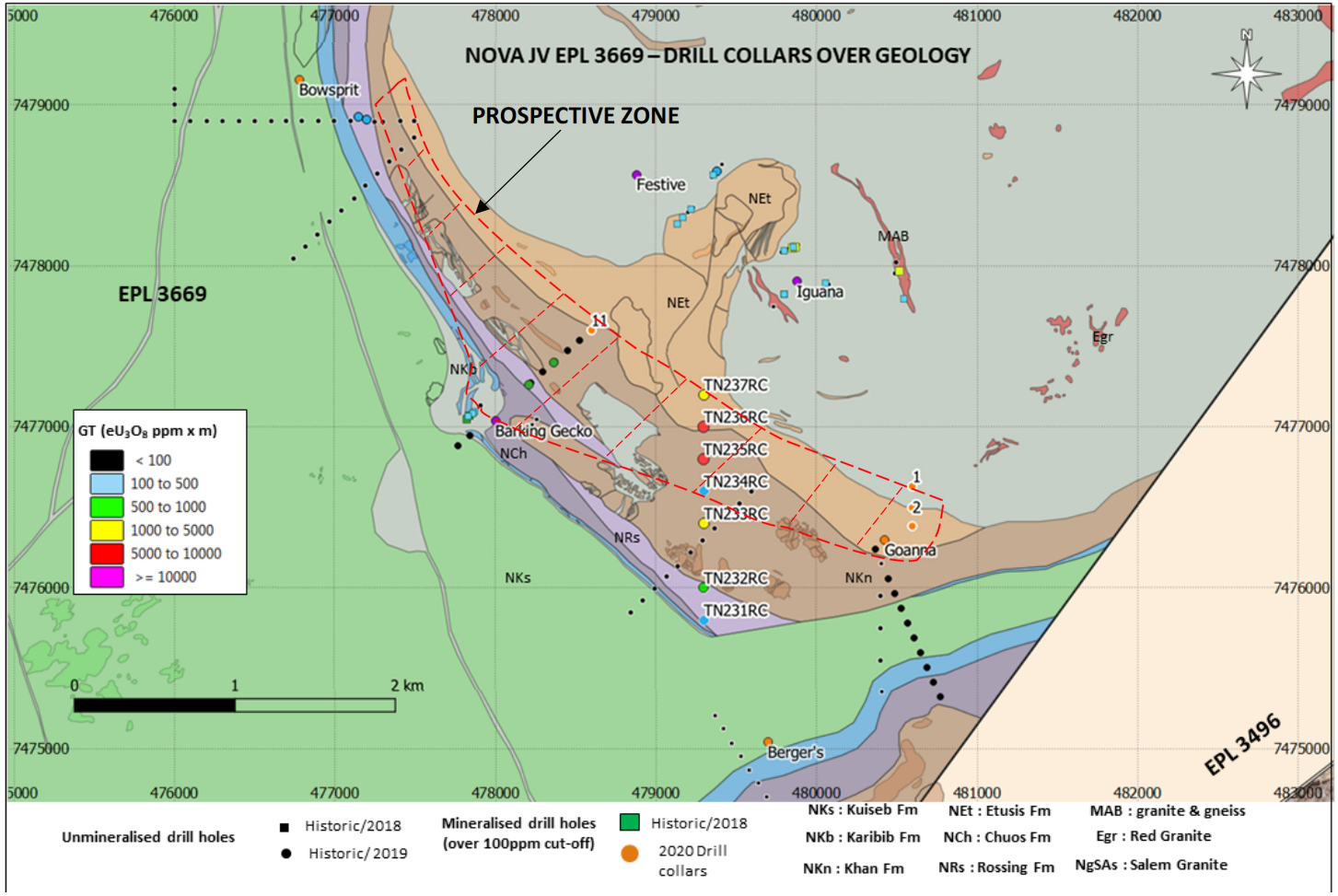

Figure 3: *EPL3669, Barking Gecko Prospect drill hole locations showing the recent and previous drill hole locations. The drill hole collars are coloured in eU_3O_8 grade thickness values (GT: eU_3O_8 ppm x m).*

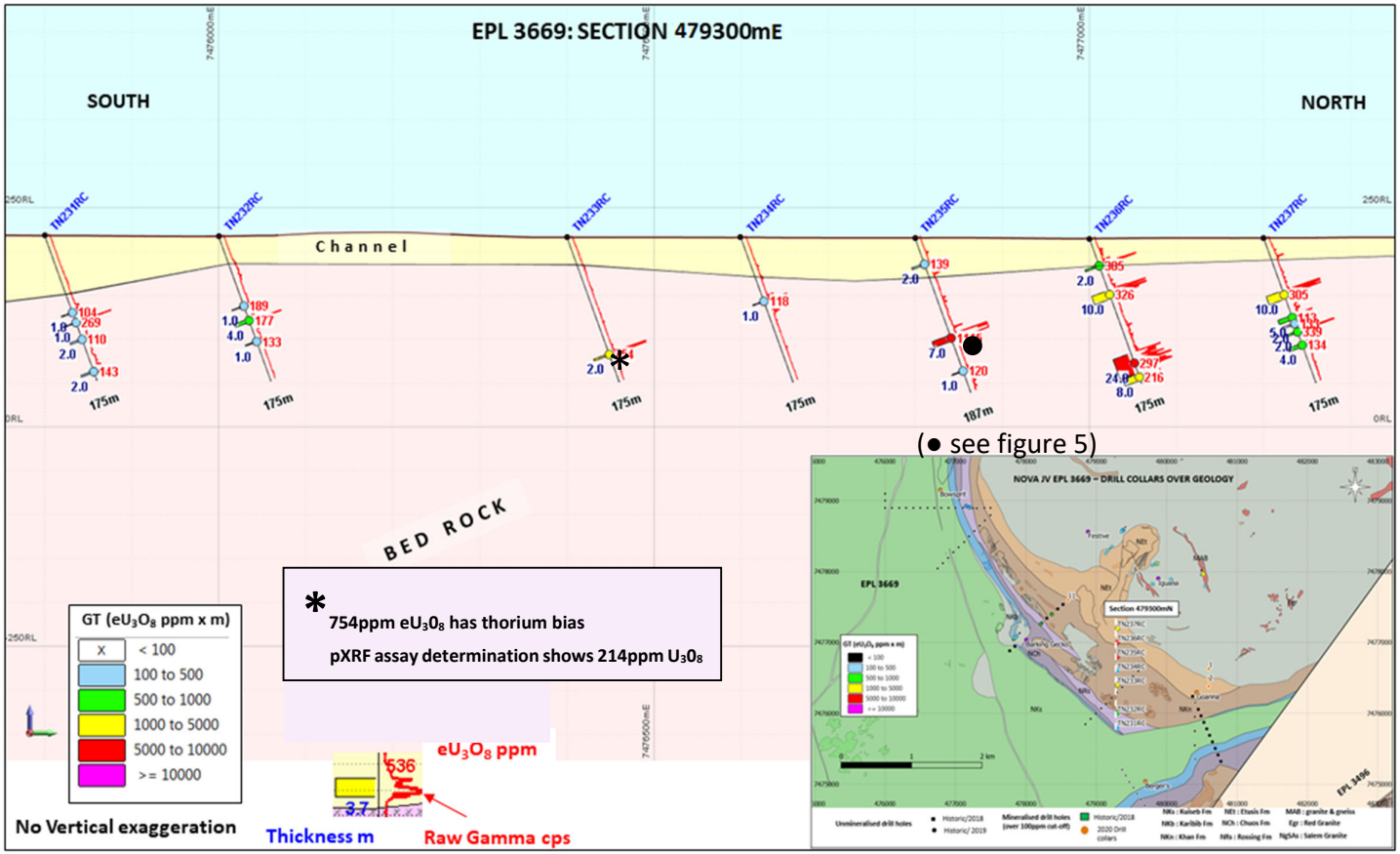

Figure 4: *EPL3669, Barking Gecko, N-S cross-section.*

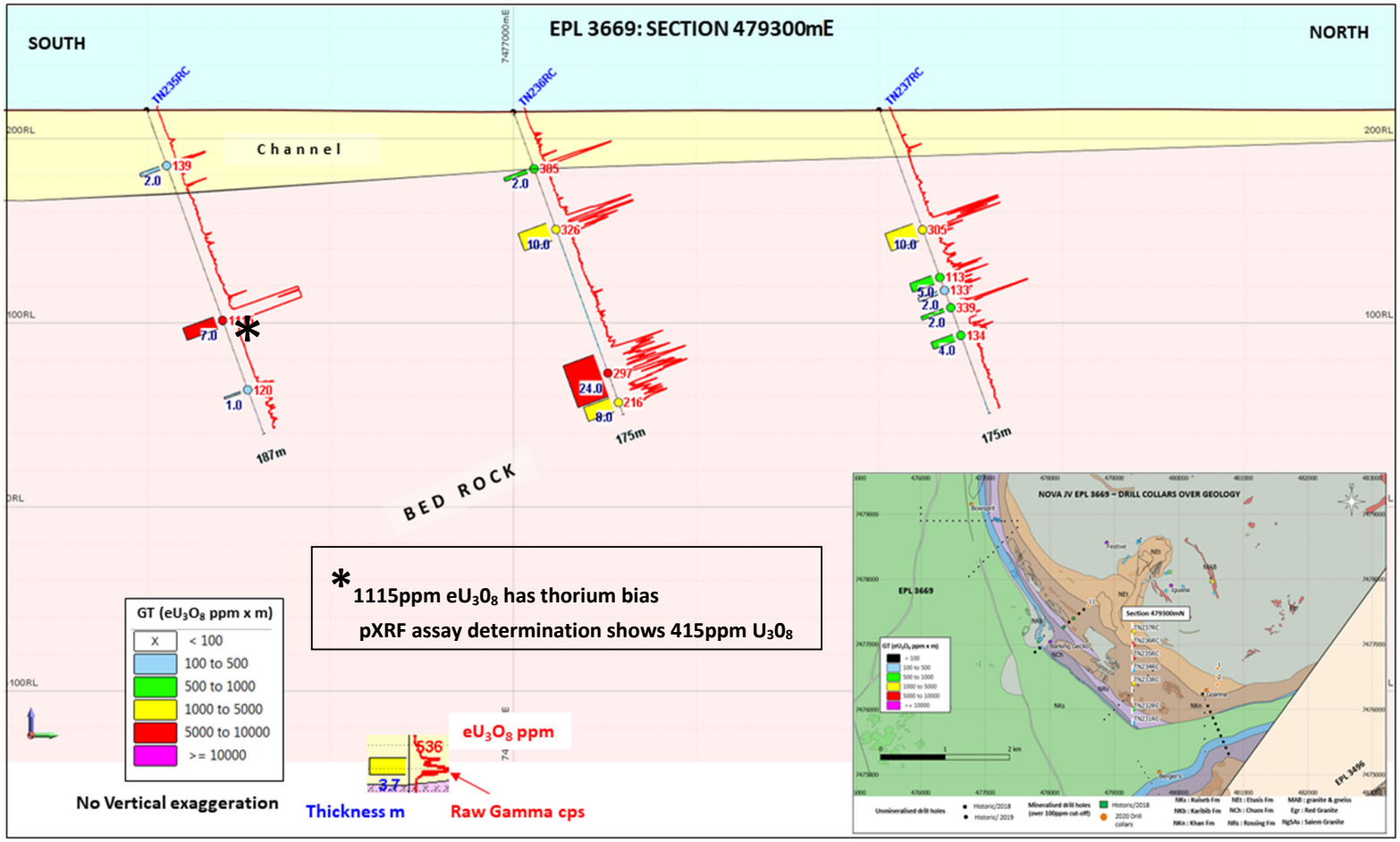

Figure 5: *EPL3669, Barking Gecko, N-S cross-section. Drill holes TN235, 236 and 237.*

APPENDIX 1

JORC RESOURCES TABLE

Deposit	Category	Cut-off (U_3O_8 ppm)	Tonnes (M)	U_3O_8 (ppm)	U_3O_8 (t)	U_3O_8 (Mlb)	Resource Categories (Mlb U_3O_8) Measured	Indicated	Inferred
BASEMENT MINERALISATION									
Omahola Project - JORC 2004									
INCA Deposit ♦	Indicated	250	7.0	470	3,300	7.2	-	7.2	-
INCA Deposit ♦	Inferred	250	5.4	520	2,800	6.2	-	-	6.2
Ongolo Deposit #	Measured	250	7.7	395	3,000	6.7	6.7	-	-
Ongolo Deposit #	Indicated	250	9.5	372	3,500	7.8	-	7.8	-
Ongolo Deposit #	Inferred	250	12.4	387	4,800	10.6	-	-	10.6
MS7 Deposit #	Measured	250	4.4	441	2,000	4.3	4.3	-	-
MS7 Deposit #	Indicated	250	1.0	433	400	1	-	1	-
MS7 Deposit #	Inferred	250	1.3	449	600	1.3	-	-	1.3
Omahola Project Sub-Total			**48.7**	**420**	**20,400**	**45.1**	**11.0**	**16.0**	**18.1**
CALCRETE MINERALISATION Tumas 3 Deposit - JORC 2012									
Tumas 3 Deposits ♦	Indicated	200	34.9	313	10,900	24.1	-	24.1	-
	Inferred	200	16.1	358	5,500	12.7		-	12.7
Tumas 3 Deposits Total			**51.0**	**328**	**15,500**	**36.8**			
Tumas 1, 1 East & 2 Project – JORC 2012									
Tumas 1 & 2 Deposit ♦	Measured	200	10.8	383	4,100	9.1	9.1	-	-
Tumas 1 & 2 Deposit ♦	Indicated	200	5.5	333	1,800	4.0	-	4.0	-
Tumas 1 & 2 Deposit ♦	Inferred	200	40.9	304	12,400	27.5	-	-	27.5
Tumas 1 & 2 Project Total			**57.2**	**322**	**18,200**	**40.6**			
Sub-Total of Tumas 1, 2 and 3			**108.2**	**324**	**33,700**	**77.4**			
Tubas Red Sand Project - JORC 2012									
Tubas Sand Deposit #	Indicated	100	10.0	187	1,900	4.1	-	4.1	-
Tubas Sand Deposit #	Inferred	100	24.0	163	3,900	8.6	-	-	8.6
Tubas Red Sand Project Total			**34.0**	**170**	**5,800**	**12.7**			
Tubas Calcrete Resource - JORC 2004									
Tubas Calcrete Deposit	Inferred	100	7.4	374	2,800	6.1	-	-	6.1
Tubas Calcrete Total			**7.4**	**374**	**2,800**	**6.1**			
Total for overall Tumas channel			**149.6**	**292**	**42,300**	**96.2**			
Aussinanis Project - JORC 2004									
Aussinanis Deposit ♦	Indicated	150	5.6	222	1,200	2.7	-	2.7	-
Aussinanis Deposit ♦	Inferred	150	29.0	240	7,000	15.3	-	-	15.3
Aussinanis Project Total			**34.6**	**237**	**8,200**	**18.0**			
Calcrete Projects Sub-Total			**184**	**281**	**50,500**	**114.2**	**9.1**	**34.9**	**70.2**
GRAND TOTAL RESOURCES			**233**	**310**	**70,900**	**159.3**	**20.1**	**50.9**	**88.3**

Notes: *Figures have been rounded and totals may reflect small rounding errors.*

XRF chemical analysis unless annotated otherwise.

♦ eU_3O_8 - equivalent uranium grade as determined by downhole gamma logging.

 # Combined XRF Fusion Chemical Assays and eU_3O_8 values.

Where eU_3O_8 values are reported it relates to values attained from radiometrically logging boreholes.

Gamma probes were calibrated at Pelindaba, South Africa in 2007. Recent calibrations were carried out at the Langer Heinrich Mine calibration facility in July 2018 and September 2019.

During drilling, probes are checked daily against standard source.