



16 June 2022



Scheme Booklet registered by ASIC

Vimy Resources Limited (ASX:VMY, OTCQB:VMRSF) (**Vimy** or **Company**) and Deep Yellow Limited (ASX: DYL, OTCQX: DYLLF) (**Deep Yellow**) refer to the announcement made on 15 June 2022 in relation to:

- the proposed merger pursuant to which Deep Yellow proposes to acquire all the shares in Vimy by way of a scheme of arrangement (**Scheme**); and
- the orders made by the Supreme Court of Western Australia that Vimy convene a meeting of Vimy shareholders to consider and vote on the Scheme (**Scheme Meeting**) and approving the dispatch of an explanatory statement providing information about the Scheme, together with the Notice of Scheme Meeting (together, the **Scheme Booklet**) to Vimy shareholders.

Scheme Booklet

Vimy confirms that the Australian Securities and Investments Commission (**ASIC**) has today registered the Scheme Booklet. A copy of the Scheme Booklet is attached to this announcement and will also be made available on Vimy's website at www.vimyresources.com.au.

The Scheme Booklet is expected to be dispatched to Vimy shareholders on Monday, 20 June 2022*. For details of how you will receive your Scheme Booklet, please refer to the Company's previous announcement made on 15 June 2022.

Vimy shareholders should carefully read the Scheme Booklet in its entirety, including the materials accompanying it, before deciding whether to vote in favour of the Scheme. If after reading the Scheme Booklet you have any questions about the Scheme or the Scheme Booklet, please contact the Vimy Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) between 7.00am and 5:00pm (AWST) Monday to Friday, excluding public holidays.

Independent Expert's Report and Directors' recommendation

The Scheme Booklet includes a copy of the independent expert's report prepared by Deloitte Corporate Finance Pty Limited (**Independent Expert**), which has concluded the Scheme is fair and reasonable and in the best interests of Vimy shareholders.

The Directors of Vimy continue to unanimously recommend that Vimy shareholders vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal (as that term is defined in the Scheme Implementation Deed) and subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of Vimy Shareholders. Subject to those same qualifications, each member of the Vimy Board intends to vote, or procure the voting of, all Vimy shares held or controlled by them in favour of the Scheme at the Scheme Meeting.



Scheme Meeting

The Scheme Meeting, at which Vimy shareholders will vote on the proposed Scheme, is expected to be held at 10:00am (AWST) on Wednesday, 20 July 2022*. Due to the COVID-19 pandemic, in the interests of the health and safety, the Scheme Meeting will be held electronically via an online platform.

Details of how to access the online platform and participate in the Scheme Meeting will be contained in the notice of meeting included in the Scheme Booklet. Vimy shareholders who participate in the Scheme Meeting via the online platform will be able to listen to the Scheme Meeting, cast a vote online and ask questions.

All registered Vimy shareholders as at 5:00pm (AWST) on Monday, 18 July 2022* will be eligible to vote at the Scheme Meeting.

All Vimy shareholders are encouraged to vote either by attending and voting at the virtual Scheme Meeting or by lodging a proxy to vote at the virtual Scheme Meeting. The notice of Scheme Meeting provides information on how to lodge your proxy form (if applicable).

Steven Michael
Managing Director and CEO

Tel: +61 8 9389 2700

Released for and on behalf of the Board of Vimy Resources Limited

*All times and dates are references to the time and date in Perth, Western Australia (AWST). All dates are indicative only and, among other things, are subject to the Court approval process, ASX approval and the satisfaction or, where applicable, waiver of the conditions set out in Section 2.5 of the Scheme Booklet. Vimy reserves the right to vary the times and dates set out above. Any changes to the above timetable will be announced on ASX and notified on Vimy's website at www.vimyresources.com.au. Vimy will continue to update Vimy shareholders as to any material developments in relation to the Scheme as the timetable progresses.



About Vimy Resources

Vimy Resources Limited (ASX: VMY, OTCQB: VMRSF) is a Perth-based resource development company. Vimy's flagship project is the Mulga Rock Project (100%), one of Australia's largest undeveloped uranium resources, which is located 290km by road ENE of Kalgoorlie in the Great Victoria Desert of Western Australia.

Vimy also owns and operates the largest granted uranium exploration package in the world-class Alligator River uranium district, located in the Northern Territory. Vimy is exploring for large high-grade uranium unconformity deposits identical to those found in the Athabasca Basin in Canada.

Vimy acknowledges the Traditional Custodians of the country on which we work and travel, throughout Australia, and respects their associated connections.

Directors and Management

The Hon. Cheryl Edwardes AM
Non-Executive Chairman

Wayne Bramwell
Non-Executive Director

Steven Michael
Managing Director & CEO

Dr Tony Chamberlain
Executive Director & COO

Paula Arthur
Manager Approvals and ESG

Shannon Coates
Company Secretary

Scott Hyman
Vice President Sales and Marketing

Xavier Moreau
General Manager, Geology and Exploration

Matthew Owen
Chief Financial Officer

Kyle Pitcher
Registered Manager, Mulga Rock Project



For a comprehensive view of information that has been lodged on the ASX online lodgement system and the Company website, please visit asx.com.au and vimyresources.com.au, respectively.

Principal Place of Business

First Floor
1209 Hay Street
West Perth WA 6005

T: +61 8 9389 2700
F: +61 8 9389 2722
E: info@vimyresources.com.au

Postal Address:
PO Box 23
West Perth WA 6872

ABN: 56 120 178 949

Share Registry

Automatic Group

T: 1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)
W: investor.automic.com.au
E: hello@automicgroup.com.au



Vimy has adopted
Towards Sustainable Mining®
an award-winning
accountability framework
which helps minerals companies
evaluate, manage and communicate
their sustainability performance.

Adopting the independently
verified system will reinforce
Vimy's commitment
to continuous improvement
in safety, environmental
and social governance (ESG).

Committed to:

ESG

The amount of natural uranium
produced from Mulga Rock
(3.5Mlbs pa U₃O₈)
if utilised in nuclear reactors
which displaced coal-fired electricity
would reduce carbon dioxide
equivalent emissions
by approximately

64 million tonnes



That is equivalent to
about 12%
of Australia's
and 70%
of Western Australia's
greenhouse gas emissions

Scheme Booklet

For the scheme of arrangement in relation to the proposed acquisition by Deep Yellow Limited (ACN 006 391 948) of all of your Vimy Shares in Vimy Resources Limited (ACN 120 178 949).

The Notice of Scheme Meeting is included in Appendix 4 to this Scheme Booklet. The Proxy Form for the Scheme Meeting accompanies this Scheme Booklet. The Scheme Meeting will be held at 10.00am AWST on Wednesday, 20 July 2022. As a result of the potential risks associated with large gatherings due to the ongoing COVID-19 pandemic, the Scheme Meeting will be virtual (online only). Vimy Shareholders who participate in the Scheme Meeting via the online platform will be able to listen to and watch the Scheme Meeting, cast an online vote and ask questions online.

VOTE IN FAVOUR

Your vote is important in determining whether the Scheme proceeds.

Your Directors unanimously recommend that you vote in favour of the Scheme¹, in the absence of a superior proposal and the Independent Expert continuing to conclude the Scheme is in the best interests of shareholders.

This is an important document and requires your urgent attention.

If you are in any doubt as to how to deal with this Scheme Booklet, please consult your legal, financial, taxation or other professional adviser immediately. If after reading this Scheme Booklet you have any questions about the Scheme, please call the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST).



VIMY RESOURCES LIMITED
ACN 120 178 949

Legal Adviser to Vimy

MinterEllison

Financial Adviser to Vimy

 **MACQUARIE**

¹ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

CORPORATE DIRECTORY

Vimy Resources Limited

ACN 120 178 949

First Floor, 1209 Hay Street

West Perth WA 6005

Telephone: +61 8 9389 2700

Website: www.vimyresources.com.au

Directors

The Hon. Cheryl Edwardes AM
Independent Non-Executive Chairman

Wayne Bramwell
Non-Executive Director

Steven Michael
Managing Director and Chief Executive Officer

Anthony Chamberlain
Executive Director and Chief Operating Officer

Company Secretary

Shannon Coates

Appointed Auditor

KPMG Australia

235 St Georges Terrace

Perth WA 6000

Share Registry

Automic Group

Level 5, 126 Phillip Street

Sydney NSW 2000

Telephone:

Australia: 1300 288 664

International: +61 2 9698 5414

Investigating Accountant

KPMG Financial Advisory Services (Australia) Pty Ltd

235 St Georges Terrace

Perth WA 6000

Legal Adviser

MinterEllison

Allendale Square, 77 St Georges Terrace

Perth WA 6000

Telephone: +61 8 6189 7800

Financial Adviser

Macquarie Capital (Australia) Limited

Level 23, 240 St Georges Terrace

Perth WA 6000

Telephone: +61 8 9224 0647

Independent Expert

Deloitte Corporate Finance Pty Ltd

Brookfield Place

123-125 St Georges Terrace

Perth WA 6000

Telephone: +61 8 9365 7000

Independent Technical Specialist

SRK Consulting (Australasia) Pty Ltd

Level 3, 18-32 Parliament Place

West Perth WA 6005

OVERVIEW OF THIS SCHEME BOOKLET

What is the purpose of this Scheme Booklet?

This Scheme Booklet is a guide to the terms of a proposed scheme of arrangement between Vimy and its shareholders under which all Vimy Shares will be acquired by Deep Yellow in exchange for New Deep Yellow Shares.

Deep Yellow will acquire 100% ownership and control of Vimy by the implementation of the Scheme.

The Scheme must be approved by Vimy Shareholders and this Scheme Booklet includes information relevant to your voting decision in relation to the Scheme as a Vimy Shareholder.



WHAT YOU SHOULD DO NEXT

Read this Scheme Booklet

You should read and carefully consider the information in this Scheme Booklet so that you may make an informed voting decision.

Section 1 contains guidance on the advantages, disadvantages and other considerations relevant to the Scheme for Vimy Shareholders.

A question and answer section is contained in Section 3 answering frequently asked questions.

This Scheme Booklet does not constitute investment advice and does not take into account your specific financial situation, investment objectives or particular needs. If you have any queries in relation to how the Scheme may affect your specific financial situation, investment objectives or other particular needs, you should consult your legal, financial, taxation or other professional adviser before making any decision in relation to your Vimy Shares and how to vote at the Scheme Meeting referred to below.

Vote on the Scheme

As a Vimy Shareholder, you can vote on whether or not the Scheme proceeds.

You can vote at the Scheme Meeting:

- by proxy, using the enclosed Proxy Forms; or
- by watching and participating in the Scheme Meeting to be held virtually on Wednesday, 20 July 2022 commencing at 10.00am (AWST).

If you vote by proxy, your Proxy Form must be received by the Share Registry (whether in person, by mail or by fax) by 10.00am (AWST) on Monday, 18 July 2022, for your vote to be counted.

Further information relating to voting is contained in Section 4, in the Notice of Meeting in Appendix 4 to this Scheme Booklet and in the Proxy Form for the Scheme Meeting which accompanies this Scheme Booklet.

Is the Scheme in the best interests of Vimy Shareholders?

✓ The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is **FAIR AND REASONABLE** and in the **BEST INTERESTS** of Vimy Shareholders.

The Independent Expert's Report is included in Appendix 1 to this Scheme Booklet.

What do the Vimy Directors Recommend?

✓ Your Directors **UNANIMOUSLY RECOMMEND** that you vote **IN FAVOUR OF** the Scheme, in the absence of a Superior Proposal. Your Directors intend to vote all Vimy Shares they hold or control **IN FAVOUR OF** the Scheme, in the absence of a Superior Proposal.

VIMY DIRECTORS' RECOMMENDATION

The Vimy Directors unanimously recommend that you vote in favour of the Scheme², in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.

Vimy Shareholders should have regard to the following interests of the Vimy Directors in the outcome of the Scheme which may differ from other Vimy Shareholders, as further described in the Scheme Booklet:

Director	Benefit
The Hon. Cheryl Edwardes AM	<p>Ms Edwardes holds or controls approximately 2,741,131 Vimy Shares and 272,667 Vimy Options and is expected to receive a benefit of approximately \$836,574 (before tax) on implementation of the Scheme, being the value of those Vimy Shares and Vimy Options.</p> <p>Ms Edwardes will also receive cash payment of \$45,737 in lieu of Vimy Shares to be issued in satisfaction of Ms Edwardes' non-executive director fee sacrifice amount of approximately \$33,750 under the 2019 Vimy Salary Sacrifice Share Plan on the terms summarised in Section 5.13(a).</p>
Wayne Bramwell	<p>Mr Bramwell will be appointed as a non-executive director of Deep Yellow on the terms summarised in Section 7.8(b).</p>
Steven Michael	<p>Mr Michael will receive employee entitlements under a new executive employment contract governing Mr Michael's position as an executive director of Deep Yellow on the terms summarised in Section 7.8(b).</p> <p>Mr Michael will also receive a benefit of approximately \$570,000 (before tax) pursuant to accelerated vesting of Mr Michael's 2,000,000 Vimy Performance Rights issued on Friday, 1 April 2022 and subsequent conversion (upon a change of control) of the Performance Rights to Vimy Shares which will be acquired by Deep Yellow under the Scheme in consideration for the issue of New Deep Yellow Shares to the extent they are not sold by Mr Michael prior to the Record Date (see Section 2.18(b)).</p>
Anthony Chamberlain	<p>Dr Chamberlain is expected to join the executive team of Deep Yellow on terms to be determined and based on market practice.</p> <p>Dr Chamberlain holds or controls approximately 2,932,844 Vimy Shares and 121,333 Vimy Options and is expected to receive a benefit of approximately \$860,221 (before tax) on implementation of the Scheme, being the value of those Vimy Shares and Vimy Options.</p> <p>Dr Chamberlain will also receive a cash payment of \$24,984 in lieu of Vimy Shares to be issued in satisfaction of his non-executive director fee sacrifice amount of approximately \$19,000 under the 2019 Vimy Salary Sacrifice Share Plan on the terms summarised in Section 5.13(a).</p> <p>Dr Chamberlain will also receive a benefit of approximately \$427,500 (before tax) pursuant to accelerated vesting of Dr Chamberlain's 1,500,000 Vimy Performance Rights, which were issued on Friday, 1 April 2022 and subsequent conversion (upon a change of control) of the Performance Rights to Vimy Shares which will be acquired by Deep Yellow under the Scheme in consideration for the issue of New Deep Yellow Shares to the extent they are not sold by Dr Chamberlain prior to the Record Date (see Section 2.18(b)).</p>

Despite these interests, for the reasons set out in Section 1, and subject to the qualifications contained in Section 1, each of the Directors consider that it is appropriate for the others to join in the Directors' unanimous recommendation to vote in favour of the Scheme.

² In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

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IMPORTANT DATES AND TIMES

All references to time in this Scheme Booklet are references to the time in Perth, Western Australia (AWST) unless otherwise stated.

Event	Date (and time)
First Court Hearing at which the Court made orders convening the Scheme Meeting	Wednesday, 15 June 2022
Last time and date by which Proxy Forms for the Scheme Meeting must be received by the Share Registry (whether in person or by email, mail or fax)	10.00am (AWST) on Monday, 18 July 2022
Time and date for determining eligibility to vote at the Scheme Meeting	5.00pm (AWST) on Monday, 18 July 2022
Scheme Meeting	10.00am (AWST) on Wednesday, 20 July 2022 As a result of the potential health risks associated with large gatherings due to the ongoing COVID-19 pandemic, the Scheme Meeting will be virtual (online only). Vimy Shareholders who participate in the Scheme Meeting via the online platform will be able to listen to and watch the Scheme Meeting, cast an online vote and ask questions online
Second Court Hearing to obtain orders approving the Scheme	Tuesday, 26 July 2022
Lodgement by Vimy of the Court orders approving the Scheme with ASIC (Effective Date of the Scheme)	Wednesday, 27 July 2022
Suspension of trading in Vimy Shares on ASX	Wednesday, 27 July 2022
Commencement of trading on ASX of New Deep Yellow Shares, initially on a deferred settlement basis	10.00am (AWST) on Thursday, 28 July 2022
Record Date: time and date for determining entitlements to Scheme Consideration	5.00pm (AWST) on Friday, 29 July 2022
Implementation Date	Thursday, 4 August 2022

All dates are indicative only and are subject to all necessary approvals from the Court and any other Regulatory Authority. Any changes to the above timetable (which may include an earlier or later date for the Scheme Meeting or Second Court Hearing) will be announced through the ASX and notified on Vimy's Website.

Any obligation to do an act by a specified time in a Western Australian time zone must be done at the corresponding time in any other jurisdiction.

Vimy Shareholders who have elected to receive communications electronically will receive an email that contains instructions about how to view or download a copy of this Scheme Booklet, and how to lodge their proxy online. This Scheme Booklet will also be available for viewing and downloading from Vimy's Website.

The exact number of New Deep Yellow Shares to be issued to you will not be known until after the Record Date and will not be confirmed to you until after you receive your holding statements following the Implementation Date. **Please be aware that if you trade Deep Yellow Shares during the deferred settlement period and prior to receipt of your holding statement, you do so at your own risk. See Section 2.11 for further details.**

New Deep Yellow Shares will be issued to the Sale Agent on behalf of Ineligible Shareholders. See Section 2.16.

IMPORTANT NOTICES

General

This Scheme Booklet is important. You should read the whole of this Scheme Booklet before making a decision on how to vote on the Scheme Resolution. The notice convening the Scheme Meeting is contained in Appendix 4 to this Scheme Booklet. The Proxy Form for voting at the Scheme Meeting is enclosed with this Scheme Booklet.

Defined terms

Unless stated otherwise, capitalised terms in this Scheme Booklet are defined in the Glossary in Section 11 of this Scheme Booklet (or where the term is first used). The Independent Expert's Report, the Independent Technical Report and the Investigating Accountant's Report each may contain their own defined terms which may be different to those used in this Scheme Booklet.

Purpose of this Scheme Booklet

This Scheme Booklet:

- explains the terms and effect of the Scheme for Vimy Shareholders;
- explains the manner in which the Scheme will be considered and, if approved, implemented;
- states any material interests of the Directors, whether as directors, members or creditors of Vimy or otherwise, and the effect on those interests of the Scheme as far as that effect is different from the effect on similar interests of other persons; and
- provides the information required by the Corporations Act, the regulations to the Corporations Act or as is otherwise material to the decision of Vimy Shareholders in approving the Scheme.

This Scheme Booklet (other than Appendix 3 to Appendix 6 inclusive) constitutes the explanatory statement for the Scheme as required by Section 412(1) of the Corporations Act.

This Scheme Booklet does not constitute or contain an offer to Vimy Shareholders, or a solicitation of an offer from Vimy Shareholders, in any jurisdiction.

This Scheme Booklet is not a disclosure document required by Chapter 6D of the Corporations Act. Section 708(17) of the Corporations Act provides that Chapter 6D of the Corporations Act does not apply in relation to arrangements under Part 5.1 of the Corporations Act approved at a meeting held as a result of an order made by the court under section 411(1) of the Corporations Act. Instead, Vimy Shareholders asked to vote on the arrangement at such a meeting must be provided with an explanatory statement as referred to above.

If you have sold all of your Vimy Shares, please disregard this Scheme Booklet.



No financial product advice

The information contained in this Scheme Booklet is not financial product or investment advice. This Scheme Booklet has been prepared without taking into account your investment objectives, financial situation, taxation position or other particular needs. Before deciding how to vote, Vimy Shareholders and others should consider the appropriateness of the information having regard to their own investment objectives, financial situation, taxation position and other particular needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Neither Vimy nor Deep Yellow is licensed to provide financial product advice in respect of Vimy Shares, Deep Yellow Shares or any other financial products.

Responsibility for information

The Deep Yellow Information contained in this Scheme Booklet has been prepared by, and is the responsibility of, Deep Yellow. None of Vimy, its directors, officers or advisers assume any responsibility for the accuracy or completeness of the Deep Yellow Information.

The Joint Information contained in this Scheme Booklet has been prepared by and is the joint responsibility of Deep Yellow and Vimy.

Deloitte Corporate Finance Pty Limited (ACN 003 833 127) has prepared the Independent Expert's Report in relation to the Scheme contained in Appendix 1 and takes responsibility for that report. To the maximum extent permitted by law, none of Vimy, Deep Yellow, their respective Related Entities or the directors, officers, employees or advisers of any of those entities assumes any responsibility for the accuracy or completeness of the Independent Expert's Report and disclaim any liability in this regard.

SRK Consulting (Australasia) Pty Ltd (ACN 074 271 720) has prepared, and is responsible for, the Independent Technical Report contained in appendix 5 to the Independent Expert's Report. To the maximum extent permitted by law, none of Vimy, Deep Yellow, their respective related entities or the directors, officers, employees or advisers of any of those entities assumes any responsibility for the accuracy or completeness of the Independent Technical Report and disclaim any liability in this regard.

KPMG Transaction Services has prepared, and is responsible for, the Investigating Accountant's Report contained in Appendix 2 of this Scheme Booklet. To the maximum extent permitted by law and subject to representations made to KPMG by Vimy, none of Vimy, Deep Yellow, their respective related entities or the directors, officers, employees or advisers of any of those entities assumes any responsibility for the Independent Accountant's Report.

Other than in respect of the information identified above, the information contained in the remainder of this Scheme Booklet has been prepared by Vimy and its advisers and is the responsibility of Vimy. Deep Yellow does not assume responsibility for the accuracy or completeness of any part of this Scheme Booklet other than Deep Yellow Information and the Joint Information.

Vimy Shareholders outside Australia

This Scheme Booklet has been prepared for Australian requirements and may be different from other jurisdictions. This Scheme Booklet and the Scheme do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Restrictions in jurisdictions outside Australia may make it impractical or unlawful for New Deep Yellow Shares to be issued under the Scheme to, or be received under the Scheme by, Vimy Shareholders in those jurisdictions. Vimy Shareholders whose registered addresses in the Share Register are outside Australia should refer to Section 2.16 for more information as to how the New Deep Yellow Shares to which they would otherwise be entitled will be dealt with.

Vimy Shareholders resident outside Australia for tax purposes should also seek specific taxation advice in relation to the Australian and overseas taxation implications of their participation in the Scheme.

Foreign Jurisdictions

No action has been taken to register or qualify this Scheme Booklet or any aspect of the Scheme in any jurisdiction outside Australia. The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Scheme Booklet should observe any such restrictions. This Scheme Booklet may be distributed outside Australia solely to Vimy Shareholders and solely for purposes of voting on the Scheme; this Scheme Booklet shall not constitute an offer of New Deep Yellow Shares in any jurisdiction outside Australia.

Deep Yellow has determined that Vimy Shareholders whose addresses are shown in the Share Register on the Scheme Record Date as being in Australia (and its external territories), New Zealand, the United States, France (to the extent such Vimy Shareholder is a “qualified investor”), Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates or the United Kingdom and any other jurisdiction in which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or impractical to implement the Scheme and issue New Deep Yellow Shares to will be entitled to receive New Deep Yellow Shares under the Scheme. Accordingly, a Vimy Shareholder whose address is shown in the Share Register on the Scheme Record Date as being in a place outside of Australia (and its external territories), New Zealand, the United States, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates or the United Kingdom, will, unless Deep Yellow (in its sole and absolute discretion) determines otherwise, be an Ineligible Foreign Shareholder for the purposes of the Scheme and this Scheme Booklet should be read accordingly.

Based on the information available to Vimy, shareholders of Vimy whose addresses are shown in the register on the Record Date for the Scheme as being in the following jurisdictions will be entitled to receive the Scheme Booklet and have New Deep Yellow Shares issued to them under the Scheme subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- France, where the Vimy Shareholder is a “qualified investor” (as defined in Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the “Prospectus Regulation”) or, solely with respect to the issuance of New Deep Yellow Shares, the number of other Vimy Shareholders is less than 150;
- Hong Kong;
- Ireland, where (i) the Vimy Shareholder is a “qualified investor” (as defined in Article 2(e) of the Prospectus Regulation) or (ii) the number of other Vimy Shareholders is less than 150;
- Jersey, where the number of Vimy Shareholders is less than 50;
- Malaysia;
- New Zealand;
- Singapore;
- United Arab Emirates, to all Vimy Shareholders outside the financial zones and to less than 50 persons who are Vimy Shareholders in each of the Abu Dhabi Global Market and Dubai International Financial Centre;
- United Kingdom;
- United States; and
- any other person or jurisdiction in respect of which Vimy reasonably believes that it is not prohibited and not unduly onerous or impractical to issue New Deep Yellow Shares to a Vimy Shareholder with a registered address in such jurisdiction.



Nominees, custodians and other Vimy Shareholders who hold Vimy shares on behalf of a beneficial owner resident outside Australia, Hong Kong, Malaysia, New Zealand, Singapore, United Arab Emirates (excluding financial zones), United Kingdom and the United States may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of Vimy, except nominees and custodians may forward the Scheme Booklet to any beneficial shareholder in the European Union who is a “qualified investor” (as defined in Article 2(e) of the Prospectus Regulation).

Notice to Vimy Shareholders in the European Union (France and Ireland)

This Scheme Booklet is not a prospectus under Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the Prospectus Regulation). Therefore, the Scheme Booklet has not been, and will not be, registered with or approved by any securities regulator or supervisory authority in the European Union. Accordingly, this Scheme Booklet may not be made available, nor may the New Deep Yellow Shares be offered for sale or exchange, in the European Union except in circumstances that do not require the obligation to publish a prospectus under the Prospectus Regulation.

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Deep Yellow Shares in each member state of the European Union is limited:

- to persons who are “qualified investors” (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 other natural or legal persons; and
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Notice to Vimy Shareholders in Hong Kong

WARNING: The contents of this Scheme Booklet have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Scheme. If you are in any doubt about any of the contents of this Scheme Booklet, you should obtain independent professional advice.

This Scheme Booklet does not constitute an offer or invitation to the public in Hong Kong to acquire or subscribe for or dispose of any securities. This Scheme Booklet also does not constitute a prospectus (as defined in section 2(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)) or notice, circular, brochure or advertisement offering any securities to the public for subscription or purchase or calculated to invite such offers by the public to subscribe for or purchase any securities, nor is it an advertisement, invitation or document containing an advertisement or invitation falling within the meaning of section 103 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or cause to be issued this Scheme Booklet in Hong Kong, other than to persons who are “professional investors” (as defined in the Securities and Futures Ordinance and any rules made thereunder) or in other circumstances which do not result in this document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

No person may issue or have in its possession for the purposes of issue, this Scheme Booklet or any advertisement, invitation or document relating to these securities, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any such advertisement, invitation or document relating to securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

Copies of this Scheme Booklet may be issued to a limited number of persons in Hong Kong in a manner that does not constitute any issue, circulation or distribution of this Scheme Booklet, or any offer or an invitation in respect of these securities, to the public in Hong Kong. This Scheme Booklet is for the exclusive use of Vimy Shareholders in connection with the Scheme. No steps have been taken to register or seek authorisation for the issue of this Scheme Booklet in Hong Kong.

This Scheme Booklet is confidential to the person to whom it is addressed and no person to whom a copy of this Scheme Booklet is issued may issue, circulate, distribute, publish, reproduce or disclose (in whole or in part) this Scheme Booklet to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with consideration of the Scheme by Vimy Shareholders.

Notice to Vimy Shareholders in Jersey

This Scheme Booklet may only be distributed in Jersey to shareholders of Vimy. No offer or invitation to subscribe for Shares may be made to the public in Jersey.

Notice to Vimy Shareholders in Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been, or will be, obtained in relation to any offer of the New Deep Yellow Shares. The New Deep Yellow Shares may not be issued or transferred in Malaysia except to persons who are shareholders of Vimy in compliance with the Scheme.

Notice to Vimy Shareholders in New Zealand

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law. The offer of New Deep Yellow Shares under the Scheme is being made to existing shareholders of Vimy in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law.

Notice to Vimy Shareholders in Singapore

This Scheme Booklet and any other document relating to the Scheme have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore and the Scheme is not regulated by any financial supervisory authority in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act 2001 (the SFA) will not apply.

This Scheme Booklet and any other document relating to the Scheme may not be made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4) Division 1, Part 13 of the SFA, including the exemption under section 273(1)(c) of the SFA, or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to New Deep Yellow Shares being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

This Scheme Booklet is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, or distributed to any other person. Any investment referred to in this Scheme Booklet may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about such investment.

Neither Vimy nor Deep Yellow is in the business of dealing in securities or holds itself out, or purports to hold itself out, to be doing so. As such, Vimy and Deep Yellow are neither licensed nor exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.



Notice to Vimy Shareholders in United Arab Emirates

The Scheme Booklet does not constitute a public offer of securities in the United Arab Emirates (UAE) and the New Deep Yellow Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither the Scheme Booklet nor the New Deep Yellow Shares have been approved by the Securities and Commodities Authority or any other authority in the UAE.

The Scheme Booklet may be distributed in the UAE only to existing shareholders of Vimy and may not be provided to any person other than the original recipient. Information about the Scheme may be found in the Scheme Booklet, which is available on Vimy's website. If a recipient of the Scheme Booklet ceases to be a shareholder of Vimy at the time of subscription, then such person should discard the Scheme Booklet and may not participate in the Scheme.

No marketing of the New Deep Yellow Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market).

In the Abu Dhabi Global Market and the Dubai International Financial Centre, the New Deep Yellow Shares may be offered, and this Scheme Booklet may be distributed, only to existing shareholders of Vimy as an "Exempt Scheme", as defined and in compliance with the market rules issued by the regulatory authorities in these financial zones. No regulatory authority has approved this Scheme Booklet nor taken any steps to verify the information set out in it.

Notice to Vimy Shareholders in the United Kingdom

Neither the Scheme Booklet nor any other document relating to the Scheme has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the New Deep Yellow Shares.

This Scheme Booklet does not constitute an offer of transferable securities to the public within the meaning of the UK Prospectus Regulation or the FSMA. Accordingly, this Scheme Booklet does not constitute a prospectus for the purposes of the Prospectus Regulation or the FSMA.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Deep Yellow Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to Vimy.

In the United Kingdom, this Scheme Booklet is being distributed only to, and is directed at, persons:

- who fall within Article 43 (members of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005; or
- to whom it may otherwise be lawfully communicated (together "relevant persons").

The investments to which this Scheme Booklet relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Scheme Booklet.

Notice to Vimy Shareholders in the United States

Vimy and Deep Yellow intend to rely on an exemption from the registration requirements of the US Securities Act of 1933 provided by Section 3(a)(10) thereof in connection with the consummation of the Scheme and the issuance of New Deep Yellow Shares. Approval of the Scheme by an Australian court will be relied upon by Vimy and Deep Yellow for purposes of qualifying for the Section 3(a)(10) exemption.

US shareholders of Vimy should note that the Scheme is made for the securities of an Australian company in accordance with the laws of Australia and the listing rules of ASX. The Scheme is subject to disclosure requirements of Australia that are different from those of the United States.

It may be difficult for you to enforce your rights and any claim you may have arising under US federal securities laws since Vimy and Deep Yellow are located in Australia and most of their respective officers and directors reside outside the United States. You may not be able to sue Vimy, Deep Yellow or their respective officers or directors in Australia for violations of the US securities laws. It may be difficult to compel Vimy and its affiliates to subject themselves to a US court's judgment.

You should be aware that Deep Yellow may purchase securities otherwise than under the Scheme, such as in open market or privately negotiated purchases.

The Scheme Booklet has not been filed with or reviewed by the US Securities and Exchange Commission or any state securities authority and none of them has passed upon or endorsed the merits of the Scheme or the accuracy, adequacy or completeness of the Scheme Booklet. Any representation to the contrary is a criminal offence.

The New Deep Yellow Shares to be issued pursuant to the Scheme have not been, and will not be, registered under the US Securities Act 1933 or the securities laws of any US state or other jurisdiction. The Scheme is not being made in any US state or other jurisdiction where it is not legally permitted to do so.

Notice of Second Court Hearing

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the votes at the Scheme Meeting. Any Vimy Shareholder may appear at the Second Court Hearing, which is expected to be held at 9.15am (AWST) on Tuesday 26 July 2022 at the Supreme Court of Western Australia. Any Vimy Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on Vimy a notice of appearance in the prescribed form, together with any affidavit on which the Vimy Shareholder proposes to rely.

ASX Listing Rule 5 Disclosures

This Scheme Booklet contains estimates of Mineral Resources and Ore Reserves of Vimy. Vimy confirms that it is not aware of any new information or data that materially affects the information included in the release entitled *'Significant Resource Upgrade for Mulga Rock Project'* announced to ASX on 23 June 2016 (Mulga Rock Base Metal Mineral Resource); the release entitled *'Significant Resource Update – Mulga Rock Cracks 90 Mlbs'* announced to ASX on 12 July 2017 (Mulga Rock Uranium Mineral Resource), the release entitled *'Maiden Mineral Resource at Angularli Deposit Alligator River Project'* announced to ASX on 20 March 2018 (Alligator River Mineral Resource) and the release entitled *'Major Ore Reserve Update – Moving to the Go Line'* announced to ASX on 4 September 2017. All material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed.

This Scheme Booklet contains estimates of Mineral Resources, Ore Reserves and Exploration Results of Deep Yellow. Deep Yellow confirms that it is not aware of any new information or data that materially affects the information included in its announcements released to the market on 3 February 2022 entitled *'Tumas DFS Firmly On Track and Improving on PFS Assumptions'*; on 18 January 2022 entitled *'Thick High Grade Mineralisation Identified at Barking Gecko'*; on 22 December 2021 entitled *'New Potential for Basement Uranium Discoveries at Omahola'*; and on 4 November 2021 entitled *'Omahola Basement Project Resource Upgrade to JORC (2012)'*; 5 October 2021 entitled *'Major Ore Reserve Milestone Achieved for Tumas DFS'*; on 29 July 2021 entitled *'Drilling at Tumas 3 Delivers Significant Resource Upgrade'*; on 10 February 2021 entitled *'Deep Yellow Proceeding with Tumas DFS Following Positive PFS'*; and 26 May 2010 entitled *'Deep Yellow adds 18.1 Million Pounds to Uranium Resources in Namibia at Aussinanis'*. All material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed.

This Scheme Booklet contains estimates of Vimy's production targets. Vimy confirms that its production targets were announced to the market on 26 August 2020 in the release entitled *'DFS Refresh Significantly Improves Mulga Rock Project Economics'* and that all material assumptions underpinning the production targets and the forecast financial information derived from the production targets in the original announcement continue to apply and have not materially changed.

There is information in this Scheme Booklet relating to production targets, and the forecast financial information derived from the production targets of Deep Yellow's Tumas Project Pre-feasibility Study announced to the market on 10 February 2021 in the release entitled *'Deep Yellow Proceeding with Tumas DFS Following Positive PFS'* and on 3 February 2022 in the release entitled *'Tumas DFS Firmly on Track and Improving on PFS Assumptions'*. Deep Yellow confirms that all material assumptions underpinning the production targets and the forecast financial information derived from the production targets in the original announcement continue to apply and have not materially changed.

ASIC and ASX

A copy of this Scheme Booklet has been provided to ASIC for the purpose of Section 411(2) of the Corporations Act, and registered by ASIC for the purpose of Section 412(6) of the Corporations Act.

ASIC has examined a copy of this Scheme Booklet. ASIC has been requested to provide a statement, in accordance with Section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the time of the Court hearing to approve the Scheme.

Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

A copy of this Scheme Booklet has been provided to ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

Important notice associated with Court order under Section 411(1) of the Corporations Act

The fact that under Section 411(1) of the Corporations Act, the Court has ordered on Wednesday, 15 June 2022 that a meeting of Vimy Shareholders be convened by Vimy to consider and vote on the Scheme and that the Court has approved this Scheme Booklet does not in any way mean that the Court:

- a) has formed any view as to the merits of the proposed Scheme or as to how Vimy Shareholders should vote on the Scheme (on this matter Vimy Shareholders must reach their own decision); or
- b) has prepared, or is responsible for, the content of this Scheme Booklet.



Forward-looking statements

Certain statements in this Scheme Booklet (including in the Independent Expert's Report) are about future matters, including forward-looking statements. These forward-looking statements and information, including statements and information relating to Vimy, Deep Yellow, the Merged Group, and the transactions and benefits contemplated by the Scheme Implementation Deed, are not based solely on historical facts, but rather reflect the current expectations of Vimy or, in relation to Deep Yellow Information, Deep Yellow, concerning future results, events or other matters. These statements may sometimes be identified by the use of forward-looking words or phrases such as if, when, believe, aim, will, expect, anticipate, intend, foresee, likely, should, could, plan, may, estimate, budget, forecast, envisage, target, potential or other similar words or phrases. Similarly, statements that describe Vimy's or Deep Yellow's objectives, plans, goals or expectations, estimates of future costs, and expenditure are or may be forward-looking statements.

The statements contained in this Scheme Booklet about the impact that the Scheme may have on Vimy's operations and business or the advantages and disadvantages of the Scheme may also be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results of Vimy, Deep Yellow and the Merged Group to be materially different from future results, performance or achievements expressed or implied by such statements. These statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which Vimy, Deep Yellow and the Merged Group will operate in the future, including anticipated costs and ability to achieve goals. See Section 8 for a discussion of potential risk factors underlying, and other information relevant to, the forward-looking statements and information. Therefore, forward-looking statements and information should be construed in light of those limitations and undue reliance should not be placed on them.

You should note that the historical performance of Vimy and Deep Yellow provides no assurance as to their respective future financial performance or (if the Scheme is approved and implemented) that of the Merged Group. None of Vimy, Deep Yellow, their respective Related Entities, their respective directors, nor any other person gives any representation, assurance or guarantee that the occurrence of the results or events expressed or implied in any forward-looking statements and information in this Scheme Booklet will actually occur.

The forward-looking statements and information in this Scheme Booklet reflect views held only at the date of this Scheme Booklet.

Vimy believes that all forward-looking statements included in the Vimy Information have been made on a reasonable basis and Deep Yellow believes that all forward-looking statements included in the Deep Yellow Information have been made on a reasonable basis. However, subject to any continuing obligations under law, Vimy, Deep Yellow, their respective Related Entities, and their respective directors and advisers disclaim any obligation or undertaking to disseminate after the date of this Scheme Booklet any updates or revisions to any forward-looking statements and information to reflect any change in expectations in relation to them or any change in the events, conditions or circumstances on which they are based. Vimy Shareholders should therefore treat all forward-looking statements with caution and not place undue reliance on them.

Past performance

You should note that past performance metrics and figures (including any data about past share price performance of Vimy and Deep Yellow) in this Scheme Booklet are given for illustrative purposes only and cannot be relied upon as an indicator of (and provide no guidance as to) future performance, including future share price performance of the Merged Group. Any such historical information is not represented as being, and is not, indicative of Vimy and Deep Yellow's view on their future financial condition and/or performance, nor the future financial condition or performance of the Merged Group.

Diagrams, charts, maps, graphs and tables

Any diagrams, charts, maps, graphs and tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale.

Rounding of numerical information and currency

Any discrepancies between totals in tables and sums of components contained in this Scheme Booklet and between those figures and figures referred to in other parts of this Scheme Booklet are due to rounding. Except as otherwise stated, all rounded numbers have been rounded either to one decimal place or to the nearest whole number.

Where the calculation of the number of New Deep Yellow Shares to be issued to Scheme Shareholders results in fractional entitlements to a New Deep Yellow Share, the fractional entitlement:

- a) which is 0.5 or greater will be rounded up to the nearest whole number of New Deep Yellow Shares; and
- b) which is less than 0.5 will be rounded down to the nearest whole number of New Deep Yellow Shares,

after aggregating all holdings of the Scheme Shareholder and in a manner which avoids manipulation of a Scheme Shareholder's holdings to take advantage of the rounding entitlement.

Currency

References to monetary amounts in this Scheme Booklet are references in Australian dollars, unless otherwise specified.

Financial data

The financial information in this Scheme Booklet is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

Privacy and personal information

Vimy and Deep Yellow must collect personal information to implement the Scheme. This information may include the name, contact details and security holding of Vimy Shareholders, and the name of persons appointed by Vimy Shareholders to act as proxy, corporate representative or attorney at the Scheme Meeting. The primary purpose of collection of the personal information is to assist Vimy in the conduct of the Scheme Meeting and to enable the Scheme to be implemented by Vimy in the manner described in this Scheme Booklet. Without this information, Vimy may be hindered in its ability to carry out these purposes to full effect. The collection of certain personal information is authorised by the Corporations Act.

Personal information may be disclosed to the Share Registry, print and mail service providers, authorised securities brokers and to Related Entities of Vimy and the parties to the Scheme Implementation Deed.

Vimy Shareholders have certain rights to access personal information that has been collected. Vimy Shareholders should contact Vimy's company secretary in the first instance if they wish to request access to their personal information.

Vimy Shareholders who appoint a named person to act as their proxy, corporate representative or attorney at the Scheme Meeting should ensure that they inform that person of the matters outlined above.

Taxation implications of the Scheme

If the Scheme becomes effective and is implemented, there may be tax consequences for Vimy Shareholders. Section 9 provides a general outline of the Australian income tax, capital gains tax, GST and stamp duty consequences for Vimy Shareholders who dispose of their Vimy Shares to Deep Yellow in accordance with the Scheme. The analysis is not a complete analysis nor does it identify all potential tax consequences or replace the need for specialist individual tax advice.

Shareholders residing outside of Australia should also consult their tax advisers as to the applicable tax consequences of the Scheme in the relevant jurisdiction.

No internet site is part of this Scheme Booklet

Vimy and Deep Yellow each maintain internet sites at www.vimyresources.com.au and www.deeppyellow.com.au. Any references in this Scheme Booklet to those or other internet sites are for information purposes only and do not form part of this Scheme Booklet unless expressly stated otherwise.

Implied value

All references in this Scheme Booklet to the value or implied value of the Scheme Consideration should not be taken as an indication that Scheme Shareholders will receive cash. The implied value of the Scheme Consideration is not fixed. Scheme Shareholders (other than Ineligible Shareholders) will receive New Deep Yellow Shares as consideration for their Vimy Shares under the Scheme. Consequently, the implied value of the Scheme Consideration will depend on the price at which Deep Yellow Shares trade on ASX after issue of the New Deep Yellow Shares under the Scheme. There can be no guarantee of that price. This also applies to Ineligible Shareholders, whose Scheme Consideration will be remitted to the Sale Agent, to on sell through the Sale Facility. Any cash remitted to Ineligible Shareholders and proceeds realised from the sale of Scheme Consideration that would have otherwise been issued directly to Ineligible Shareholders under the Scheme will depend on the market price of Deep Yellow Shares at the time of sale by the Sale Agent.

Date of Scheme Booklet

This Scheme Booklet is dated 16 June 2022.



LETTER FROM THE CHAIRMAN OF VIMY

16 June 2022

Dear Vimy Shareholder

Introduction

I am pleased to provide you with this Scheme Booklet in relation to the proposal that was jointly announced on 31 March 2022 by Vimy and Deep Yellow proposing that all of the shares in Vimy (Vimy Shares) would be acquired by Deep Yellow for new shares in Deep Yellow under a members' scheme of arrangement between Vimy and its Shareholders (referred to in this Scheme Booklet as the Scheme).

Under the Scheme, Vimy Shareholders will receive 0.294 New Deep Yellow Shares for each Vimy Share held on the Record Date. If the Scheme is approved and implemented, Vimy Shareholders will hold approximately 47% of the Merged Group.

This Scheme Booklet contains full details of the Scheme. The Vimy Board encourages you to consider the information in this Scheme Booklet carefully to help you determine whether or not to vote in favour of the Scheme.

The decision of the Vimy Board to proceed with the Scheme followed an extensive examination of growth options for Vimy Shareholders conducted over a considerable period. This included an analysis of options in Australia and overseas and with a wide range of potential partners and potential corporate scenarios.

Deep Yellow is a uranium exploration business with a present focus on Namibia and Vimy is a Perth-based resource development company currently focused on the development of Australia's largest advanced uranium project, the Mulga Rock Project. After considerable deliberation, the management of both companies believe that the combination of these two companies offers significant commercial potential and provide a compelling commercial rationale for the proposed Scheme.

Board Recommendation

The Board unanimously recommends that Vimy Shareholders vote in favour of the Scheme³, in the absence of a Superior Proposal, and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders. Subject to these qualifications, each Vimy Director intends to vote in favour of the Scheme in respect of their own holdings in Vimy.

The reasons for the unanimous recommendation by the Board are set out in Section 1.2 of this Scheme Booklet.

In summary, the Vimy Board believes that the Scheme will provide Vimy Shareholders with a number of benefits including:

- the creation of a leading ASX-listed pure-play uranium company leveraged to meet the need for clean baseload power supporting decarbonisation;
- creation of a significant uranium company with geographic diversification across two Tier-1 uranium jurisdictions (Australia and Namibia);
- increased scale, liquidity and capital markets profile, driving enhanced financial flexibility and the potential for further share price re-rating over time;
- the Merged Group will have a highly prospective growth pipeline, with an enhanced financial position to optimise and potentially accelerate development;
- the implied value of the Scheme Consideration represents a premium to the recent trading price of Vimy Shares prior to announcement of the Scheme; and
- a thorough competitive market sounding process has been undertaken and your Vimy Directors have determined the proposal from Deep Yellow to be the most compelling currently available.

³ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

The Vimy Board also notes a number of disadvantages associated with the Scheme as outlined in Section 1.3 of this Scheme Booklet, which include:

- you may not agree with the unanimous recommendation of the Vimy Directors and the Independent Expert's conclusion;
- the exposure of Vimy Shareholders to Vimy's assets is diluted in the Merged Group;
- the Scheme gives Vimy Shareholders exposure to Namibia as a jurisdiction, compared to Vimy as a stand-alone entity which is focussed solely on Australia;
- the Scheme alters the risk profile for Vimy Shareholders compared to Vimy as a stand-alone entity;
- a Superior Proposal for Vimy may emerge in the future, if Vimy were to continue as a stand-alone entity; and
- the tax consequences of the Scheme being implemented may not suit your current financial position or tax circumstances.

Your Vimy Board believes that the benefits of the Scheme significantly outweigh the potential disadvantages and risks associated with the Scheme.

As a long-standing director of Vimy, I hold 2,741,131 Vimy Shares and 272,667 Vimy Options worth approximately \$836,574 if the Scheme proceeds. I will also receive cash payment of \$45,737 in lieu of Vimy Shares to be issued in satisfaction of my non-executive director fee sacrifice amount under the 2019 Vimy Salary Sacrifice Share Plan.

I do not consider this interest prevents me from recommending the Scheme to you in the absence of a higher bid and the independent expert continuing to recommend the Scheme.

Substantial Shareholder Recommendation

As indicated in the ASX Announcement on 29 March 2022, the Vimy Board received a statement from Paradise Investment Management Pty Ltd (**Paradice**) advising that it intends to vote or cause to be voted all the shares that it holds in Vimy in favour of the Scheme, in the absence of a superior proposal and subject to the Independent Expert opining that the Scheme is in the best interest of Vimy Shareholders (and subject to that opinion being maintained up to the date of the Scheme meeting). As at the Last Practical Date, Paradice remains the largest shareholder of Vimy (owning 86,855,740 Vimy Shares) and has not withdrawn its voting intention statement.

Independent Expert


Deloitte, the Independent Expert, engaged by the Vimy Board, has concluded that the Scheme is fair and reasonable and in the best interests of Vimy Shareholders, in the absence of a Superior Proposal. The Vimy Board encourages you to read and consider the Independent Expert's Report, which is contained in Appendix 1 to this Scheme Booklet.

Next steps

Your vote is important and I encourage you to vote either by attending the virtual Scheme Meeting to be held online at 10.00am (AWST) on Wednesday, 20 July 2022, or by lodging a proxy vote. A Proxy Form for the Scheme Meeting accompanies this Scheme Booklet.

I encourage you to read this Scheme Booklet which contains important information in relation to the Scheme. If you have any questions in relation to the Scheme, please call the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST) or contact your legal, financial, taxation or other professional adviser.

On behalf of the Vimy Board, I recommend the Scheme to you and would like to take this opportunity once again to thank you for your support of Vimy.



The Hon. Cheryl Edwardes AM

Chairman

Vimy Resources Limited

LETTER FROM THE CHAIRMAN OF DEEP YELLOW

16 June 2022

Dear Vimy Shareholders,

On behalf of the board of directors and the management team of Deep Yellow, I am pleased to provide you with the opportunity to participate in the Scheme, which aims to merge Deep Yellow and Vimy to form the Merged Group. The proposed transaction marks the first major step in our creation of a global uranium player of significant scale. This is at a time where generation of low carbon emission electricity and energy security are shifting to the forefront of government and societal thinking globally.

Deep Yellow has been successfully progressing a dual-pillar growth strategy which comprises an organic and inorganic focus. Deep Yellow has evaluated a number of opportunities and has determined that the Merger with Vimy provides the best platform for the Merged Group to continue on its strategic pathway of creating a globally significant, geographically diversified, multi-mine uranium producer.

The proposed merger with Vimy is the first major transaction in the uranium sector since 2012, and the strategic importance of this transaction cannot, in our view, be underestimated. At a time when the importance of nuclear energy in the green energy mix is growing rapidly, a well credentialled company with a diverse asset base places the Merged Group in a strong position when compared to its peers. It represents a first step in the consolidation of the uranium sector required to deliver long-term sustainable supply.

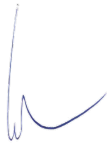
This highly strategic proposed transaction will allow the Merged Group to leverage Deep Yellow's proven development, construction and operational expertise to unlock the development potential of the Mulga Rock Project. This, together with the development of Deep Yellow's Tumas Project in Namibia, will position the Merged Group to rapidly advance its pipeline of near-term production opportunities. Combining the strong and proven management and technical staff of Deep Yellow with the existing Vimy organisation will consolidate the capability to bring both projects online.

This sector defining transaction is expected to deliver significant benefits, and, importantly, place the Merged Group in a strong position to create long-term wealth through the:

- combination of two advanced assets leveraged to the uranium price recovery and global shift towards clean base load power;
- creation of one of the largest uranium Mineral Resource inventories globally (389Mlb);
- strong cash balance to drive development and exploration growth;
- highly credentialled uranium team with a proven track record of successfully delivering projects from exploration to production;
- prospective portfolio of organic opportunities for further exploration in Australia and Namibia;
- continued strong commitment to ESG;
- potential for market re-rating due to increased scale and capital market profile;
- establishment of a platform for further value-accretive growth via uranium sector consolidation; and
- proposed completion of comprehensive feasibility studies to have two projects in the development pipeline ready for when the potential rise in uranium prices supports the generation of sustainable cash flows.

The Scheme is unanimously endorsed by the Deep Yellow Board of Directors. The significant benefits and future value creation opportunities of the Merged Group have been reinforced by the Independent Expert, who has opined that the proposed merger is fair and reasonable and in the best interests of Vimy Shareholders, in the absence of a Superior Proposal emerging. I am very pleased with the conclusion of the Independent Expert Report and commend the proposed Merger to you.

The Deep Yellow Board remains committed to its growth strategy and building a leading global uranium platform. The uranium industry is well positioned for significant potential value uplift, with positive investor and government sentiment towards uranium being driven by an acceleration in the clean energy thematic and decarbonisation. I am confident that this proposed Merger is well positioned to provide optimum value for your investment and look forward to welcoming you as a shareholder of Deep Yellow.



Chris Salisbury

Chairman
Deep Yellow Limited

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CONSIDERATIONS RELEVANT TO YOUR VOTE



1 CONSIDERATIONS RELEVANT TO YOUR VOTE

1.1 Summary

Set out below are some of the reasons why:

- (a) your Vimy Directors unanimously recommend that you vote in favour of the Scheme⁴, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders; and
- (b) notwithstanding the unanimous recommendation of your Vimy Directors, you may decide to vote against the Scheme.

You should read the entire Scheme Booklet before deciding whether to vote in favour of the Scheme. There are answers to questions you might have in Section 3.

If you have any additional questions about this Scheme Booklet or the Scheme, please contact the Vimy Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) between 7.00am and 5.00pm (AWST) Monday to Friday, excluding public holidays.

Key reasons to vote in favour of the Scheme

✓	Creation of a leading ASX-listed, pure-play uranium company leveraged to meet the need for clean baseload power supporting decarbonisation
✓	Combination of two advanced uranium assets (Mulga Rock and Tumas) with potential production capacity of 3.5Mlbs and 3.0Mlbs per annum respectively
✓	Creation of a significant uranium company with geographic diversification across two Tier-1 uranium jurisdictions (Australia and Namibia)
✓	Increased scale, liquidity and capital markets profile, providing enhanced financial flexibility and the potential for further share price re-rating over time
✓	Highly credentialled combined management team with a proven track record of successfully delivering projects from exploration to production
✓	The Merged Group will have a highly prospective growth pipeline, with an enhanced financial position to optimise and potentially accelerate development
✓	The Merged Group will be formed from strong ESG foundations and is expected to build on each of Vimy's and Deep Yellow's ESG programs and initiatives
✓	The implied value of the Scheme Consideration represents a premium to the recent trading price of Vimy Shares prior to announcement of the Scheme
✓	A thorough competitive market sounding process has been undertaken and your Vimy Directors have determined the proposal from Deep Yellow to be the most compelling currently available
✓	Your Vimy Directors unanimously recommend that Vimy Shareholders vote in favour of the Scheme ⁴ , subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders

⁴ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

✓	The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of Vimy Shareholders in the absence of a Superior Proposal. As at the Last Practicable Date, no Superior Proposal for Vimy has emerged
✓	If you are an Australian resident for taxation purposes and receive New Deep Yellow Shares, you should generally be able to obtain capital gains tax (CGT) roll-over relief on any capital gains. Eligible Vimy Shareholders will also avoid brokerage costs
✓	The price of Vimy Shares may fall if the Scheme is not approved

These reasons are discussed in more detail in Section 1.2 of this Scheme Booklet.

Key reasons to vote against the Scheme

✗	You may not agree with the unanimous recommendation of the Vimy Directors ⁵ and the Independent Expert's conclusion
✗	The exposure of Vimy Shareholders to Vimy's assets is diluted in the Merged Group
✗	The Scheme exposes Vimy Shareholders to Namibia as a jurisdiction, compared to Vimy as a stand-alone entity which is focussed solely on Australia
✗	The Scheme alters the risk profile for Vimy Shareholders compared to Vimy as a stand-alone entity
✗	A Superior Proposal for Vimy may emerge in the future, if Vimy were to continue as a stand-alone entity
✗	The tax consequences of the Scheme being implemented may not suit your current financial position or tax circumstances
✗	The trading value of the Scheme Consideration is not certain and will depend on the price at which Deep Yellow Shares trade on the ASX after the Implementation Date

These reasons are discussed in more detail in Section 1.3 of this Scheme Booklet.

YOUR DIRECTORS UNANIMOUSLY RECOMMEND⁵ THAT YOU VOTE IN FAVOUR OF THE SCHEME, IN THE ABSENCE OF A SUPERIOR PROPOSAL AND THE INDEPENDENT EXPERT CONTINUING TO CONCLUDE THAT THE SCHEME IS IN THE BEST INTERESTS OF VIMY SHAREHOLDERS

You should read this Scheme Booklet in full before making any decision on the Scheme. In particular, you should refer to Sections 1.2 and 1.3 for guidance on the advantages and disadvantages of the Scheme. This Scheme Booklet does not take into account the financial situation, investment objectives and particular needs of any Vimy Shareholder. You should consult your legal, financial, taxation or other professional adviser concerning the impact your decision may have on your own circumstances.

⁵ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

1.2 Key reasons to vote in favour of the Scheme

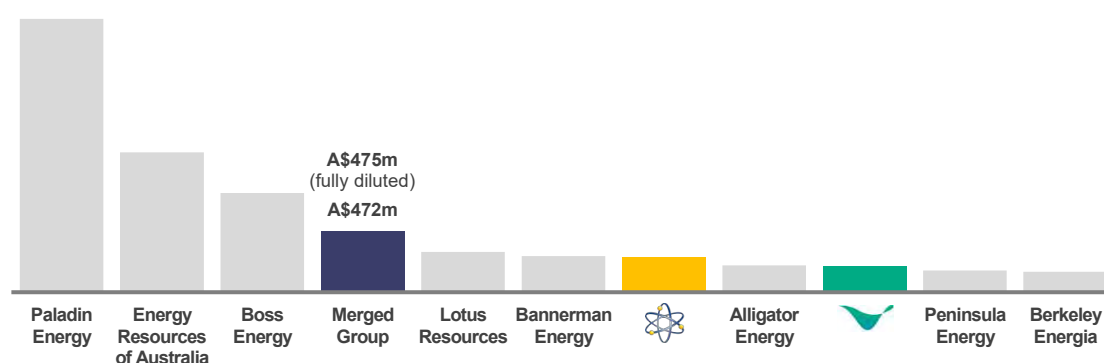
(a) Creation of a leading ASX-listed pure-play uranium company leveraged to meet the need for clean baseload power supporting decarbonisation

If the Scheme is implemented, the Merged Group may become a top-5 uranium company on the ASX based on market capitalisation.

The Merger comes at a time where positive investor sentiment towards uranium is increasing, driven by an acceleration in the need for clean energy and decarbonisation. Increasingly, governments globally are recognising nuclear power as a lower carbon source of sustainable energy generation.

The enhanced scale of the Merged Group is expected to have a range of benefits to Vimy Shareholders, including being well positioned to become a supplier of choice to major utilities.

Figure 1-1 Merged Group combined market capitalisation vs peers⁶



(b) Combination of two advanced uranium assets (Mulga Rock and Tumas) with potential production capacity of 3.5Mlbs and 3.0Mlbs per annum respectively

The Merger will consolidate a complementary portfolio of two advanced-stage uranium assets diversified across two production centres with annual production capacity potential of 3.5Mlbs and 3.0Mlbs for Vimy and Deep Yellow respectively, one of the largest on the ASX (refer to Figure 1-2).

The Merged Group is also expected to have the largest attributable resources among its listed peers globally and an attributable Mineral Resource base of 389Mlbs⁷, one of the largest in the world and the largest on the ASX. The scale of the Mineral Resource base reflects the significant growth optionality of the Merged Group, supported by one of the ASX's leading uranium teams contributed by both Vimy and Deep Yellow.

Please refer to Section 7 for more detailed information on the profile of the Merged Group, including pro-forma production targets.

⁶ Market capitalisation of selected ASX-listed uranium focused peers as of 14 June 2022, where market capitalisation is presented on a basic (undiluted) basis (with the exception of the Merged Group's fully diluted market capitalisation of A\$471m). Lotus Resources' market capitalisation is calculated using a share count that includes 226,463,927 restricted ordinary shares. The Merged Group's basic market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations on a basic (undiluted) basis as of 14 June 2022. The Merged Group's diluted market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations based on the closing share price as of 14 June 2022 on a fully diluted basis, including Deep Yellow's Performance Rights and zero exercise price options on issue that are assumed to vest and exercise (i.e. unquoted securities are subject to vesting and exercise conditions, including time measures, performance hurdles and/or other milestones). This also includes 3,500,000 Vimy Performance Rights issued on 1 April 2022 that are assumed to vest in a change of control event, Vimy Options that are assumed to be exercised at the exercise price, as well as the 226,996 Vimy Shares that were issued on 29 April 2022 under Vimy's SSSP as approved by Vimy Shareholders on 13 August 2019.

⁷ Combination of resources from Deep Yellow (273Mlbs) and Vimy Resources (116Mlbs), which reflect the companies' latest available Measured + Indicated + Inferred Resources presented on an attributable basis (i.e. % ownership basis). Deep Yellow Resource base assumes 100% ownership of Tumas, Tubas and Omahola and 85% ownership of Aussinanis. Oponona has an option to acquire 5% of the Reptile Project, however the option is yet to be exercised.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

Figure 1-2 Production capacity (Mlbs per annum, ASX)⁸

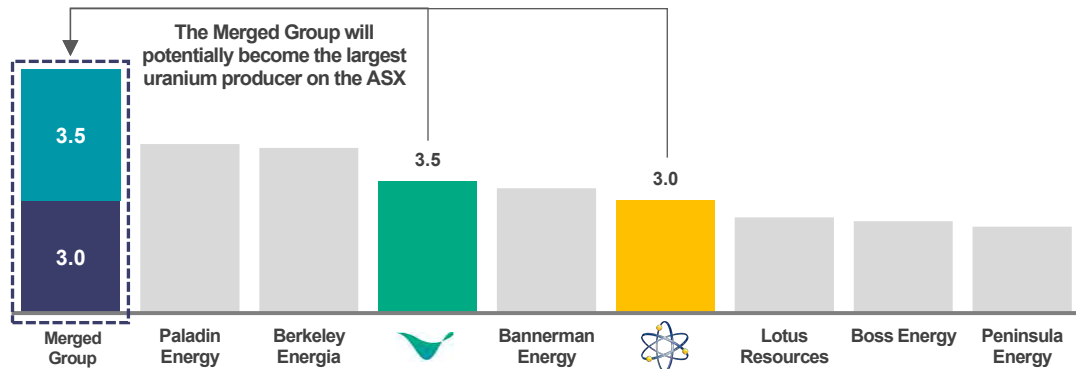
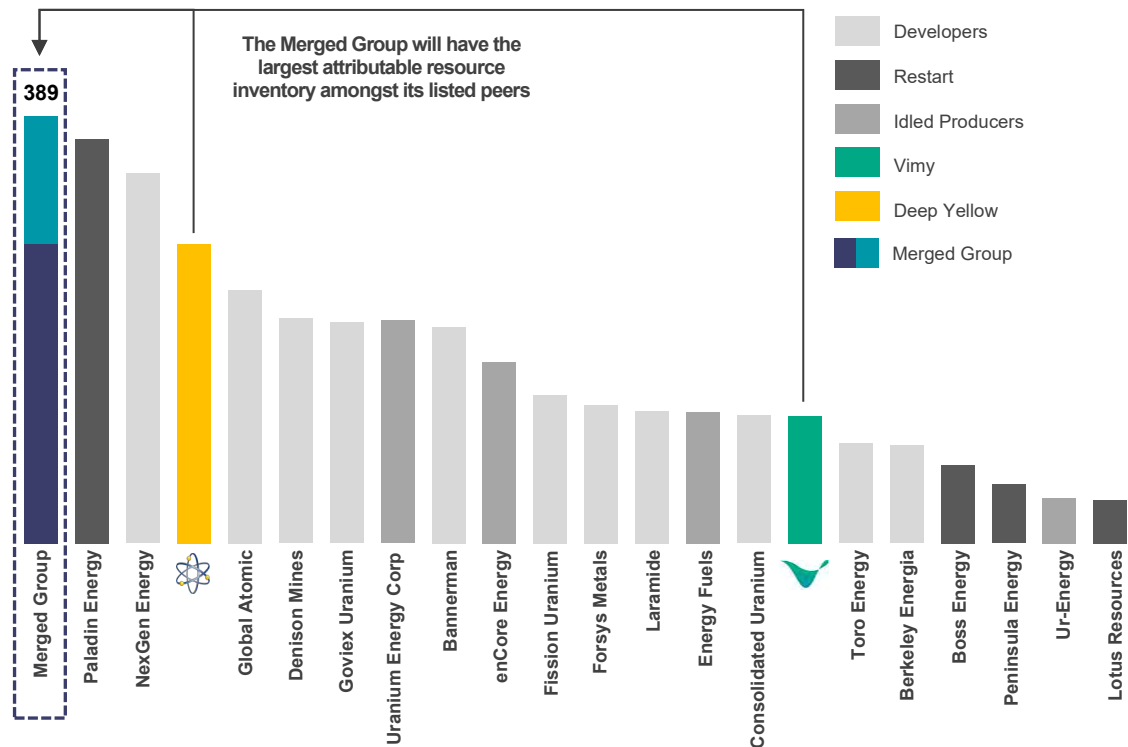


Figure 1-3 Global uranium listed peers by attributable Mineral Resources (Measured + Indicated + Inferred) (Mlbs)⁹



⁸ Primary ASX-listed pure-play uranium companies with a market capitalisation > US\$100M. Production capacity presented on an attributable basis and excludes Energy Resources of Australia (given the asset is currently in rehabilitation) and companies that have not yet completed a feasibility study.

⁹ Source: Public company information, websites, presentations, public feasibility studies, technical reports and drilling updates. Resources data as presented last updated on 14 June 2022. Attributable Resources (% ownership stake basis) sourced from the latest feasibility study, preliminary economic assessment, drilling update, and/or technical report. Consolidated Uranium includes deposits which have been acquired however the transaction may not yet have closed. Analysis only includes key listed peers of Deep Yellow and Vimy i.e. excluding other companies such as Cameco or Kazatomprom. Resource numbers include M+I+I (Measured, Indicated, and Inferred and historic resources).

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

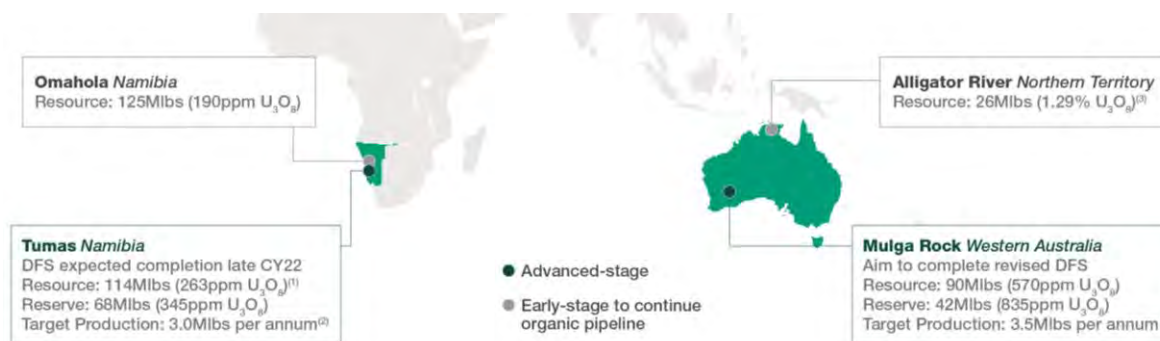
(c) Creation of a significant uranium company with geographic diversification across two Tier-1 uranium jurisdictions (Australia and Namibia)

The Scheme provides a valuable opportunity for Vimy Shareholders to diversify the risk of their investment through exposure to a more diversified portfolio of assets held by the Merged Group. The Merged Group will be uniquely positioned, being one of the limited number of uranium companies globally with multi-asset exposure diversified across two Tier-1 uranium jurisdictions (Australia and Namibia).

Australia is a Tier-1 mining jurisdiction ranked second globally by uranium production and hosts the world's largest uranium resource by country. Namibia is a Tier-1 uranium mining jurisdiction with a mature regulatory environment and a government supportive of mining. Namibia is ranked fourth globally by uranium production.¹⁰

Assuming both Mulga Rock and Tumas enter production (which remains subject to a final investment decision (FID)), having two production centres in Australia and Namibia diversifies the risk profile of the Merged Group relative to the stand-alone Vimy and Deep Yellow entities. The Merger diversifies the Merged Group by asset, stage of development and geographic location, while mitigating potential impacts from supply chain disruptions.

Figure 1-4 Globally diversified operations¹¹



(d) Increased scale, liquidity and capital markets profile, driving enhanced financial flexibility and the potential for further share price re-rating over time

If the Scheme is approved and implemented, Scheme Shareholders will continue to retain an interest in Vimy's business through a shareholding in the Merged Group and will be in a position to benefit from the increased scale and financial capacity offered by the Merged Group.

The Merged Group is estimated to have a pro-forma market capitalisation of approximately A\$471 million¹², cash and equivalents of approximately \$106 million and no balance sheet debt¹³. The pro-forma market capitalisation positions the Merged Group to be one of the largest ASX-listed uranium companies.

The enlarged scale of the Merged Group also positions it to benefit from additional liquidity, given the Merged Group is likely to satisfy a greater number of minimum investment thresholds for fund managers and qualify for broader research coverage, potentially attracting a larger pool of investors.

The balance sheet capacity of the Merged Group provides enhanced financial flexibility to fund and deliver the Merged Group's strong development project pipeline and accelerate projects, if market conditions permit. The Merged Group also provides an enlarged platform for potential value-accretive growth and uranium sector consolidation.

¹⁰ World Nuclear Association (September 2021).

¹¹ Resource and Reserve metrics reported on a 100% basis. Note (1) in map: Deep Yellow currently owns 100% of Tumas. Oponona has an option to acquire 5% of the project, however the option is yet to be exercised; Note (2) in map: DFS forecast production capacity; Note (3) in map: 1.29% is equivalent to 12,900ppm U₃O₈.

¹² The Merged Group's pro-forma market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations based on the closing share price as of 14 June 2022. Market capitalisation is presented on a fully diluted basis. This entails Deep Yellow's performance rights and zero exercise price options on issue that are assumed to vest and exercise (i.e. unquoted securities are subject to vesting and exercise conditions, including time measures, performance hurdles and/or other milestones). This also includes 3,500,000 Vimy Performance Rights issued on 1 April 2022 that are assumed to vest in a change of control event, Vimy Options that are assumed to be exercised at the exercise price, as well as the 226,996 Vimy Shares that were issued on 29 April 2022 under Vimy's Salary Sacrifice Share Plan as approved by Vimy Shareholders on 13 August 2019.

¹³ Refer to Section 7.10 for further detail on the pro-forma financial metrics of the Merged Group.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

(e) **Highly credentialled combined uranium team with a proven track record of successfully delivering projects from exploration to production**

The Merger combines two complementary and highly experienced board and senior management teams with a proven track record of successfully financing and developing uranium projects, and deep experience in uranium marketing, contracting and sales.

The Merged Group senior management team will boast a combined 130+ years of experience in the mining industry. The leadership team of the Merged Group will be well positioned to leverage its extensive uranium knowledge, in-country experience and local relationships to deliver, and de-risk, its pipeline of projects going forward.

The Merged Group Board will comprise seven members:

- Deep Yellow Managing Director, John Borshoff, will continue with the Merged Group Board as CEO and Managing Director;
- Vimy Managing Director, Steven Michael, is expected to join the Merged Group Board as an Executive Director;
- Wayne Bramwell is expected to join the Merged Group Board as a Non-Executive Director;
- Chris Salisbury will remain as a Non-Executive Chair;
- Gillian Swaby will remain as an Executive Director;
- Greg Meyerowitz will remain as a Non-Executive Director; and
- Mervyn Greene will remain as Non-Executive Director.

The Merged Group Board will maintain a strong commitment to comply with the ASX Corporate Governance Principles and Recommendations.

Vimy's and Deep Yellow's existing senior management teams are being retained to maintain a continuity of knowledge across all the Merged Group's projects. The combined technical team will have proven expertise across a broad range of uranium deposits, processing technologies, environmental and regulatory regimes, and will be able to accelerate development and optimise processing routes. The overall goal of combining these teams is to share knowledge, maintain best practice and ultimately drive value creation opportunities.

With the benefit of both management teams, the Merged Group aims to complete further studies, including a review of Mulga Rock, with the benefit of Deep Yellow's uranium team to lead identification of the best possible processing route with the aim of optimising value. Likewise, Vimy's technical team will work with Deep Yellow to seek opportunities to optimise the value of Tumas.

(f) **The Merged Group will have a highly prospective growth pipeline, with an enhanced financial position to optimise and potentially accelerate development**

The Scheme will consolidate a portfolio of exploration, early stage and advanced stage uranium projects, providing a strong development pipeline and significant growth optionality through uranium "pounds in the ground".

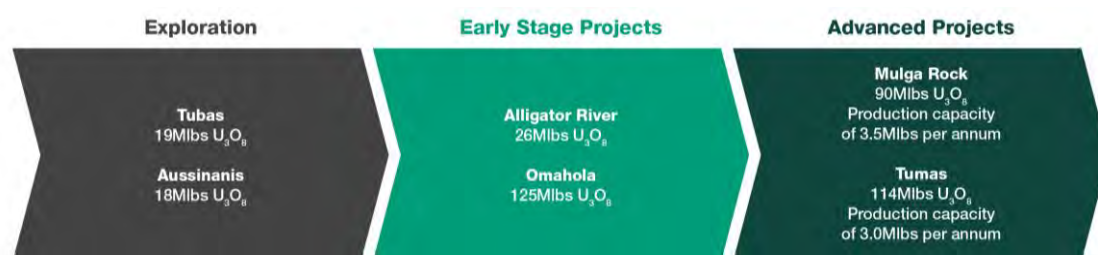
The Merged Group will have a highly prospective portfolio of exploration opportunities providing a pipeline for organic growth, including the Alligator River Project (**Alligator River**) in the Northern Territory, Australia, and the Omahola Uranium Project (**Omahola**) in Namibia.

The portfolio will include two advanced-stage near-term development assets in Mulga Rock and Tumas. As outlined in Section 1.2(e) above, the Merged Group is undertaking further studies with the goal of optimising value and accelerating the timeline for development (subject to market conditions).

See Section 7.5 for further information regarding the Merged Group's growth pipeline and Section 8.4 for information regarding development risks that may impact the ability of the Merged Group to achieve development of these projects.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

Figure 1-5 Merged Group combined project pipeline¹⁴



(g) The Merged Group will be formed from strong ESG foundations and is expected to build on each of Vimy's and Deep Yellow's ESG programs and initiatives

The Merged Group provides a strong platform to grow and evolve ESG objectives.

The Merged Group, if the Scheme is implemented, may progress its aim of becoming a global uranium Tier-1 producer.

The Merged Group recognises the importance of health and safety and ESG principles and understands they are critical in guiding sustainable practices and creating long-term value for all its stakeholders.

Assuming the Merged Group's assets enter into production, the cash generated from the Merged Group is expected to provide an increased capacity to invest in projects and technologies that will be required to build a sustainable business in a low carbon environment. It is expected that this strengthened financial profile should also provide greater optionality to invest in a variety of carbon reduction projects and technologies.

(h) The implied value of the Scheme Consideration represents a premium to the recent trading price of Vimy Shares prior to announcement of the Scheme

The implied value of the Scheme Consideration represents:

- (i) a 18.8% premium to the closing price of a Vimy Share on 25 March 2022, being the last trading day prior to the announcement of the Scheme;
- (ii) a 23.0% premium to the 30-day VWAP to 25 March 2022; and
- (iii) a 20.4% premium to the 90-day VWAP to 25 March 2022.¹⁵

Based on the closing price of Deep Yellow Shares on 14 June 2022, being the Last Practicable Date, the implied value of the Scheme Consideration is A\$0.197 per Vimy Share.

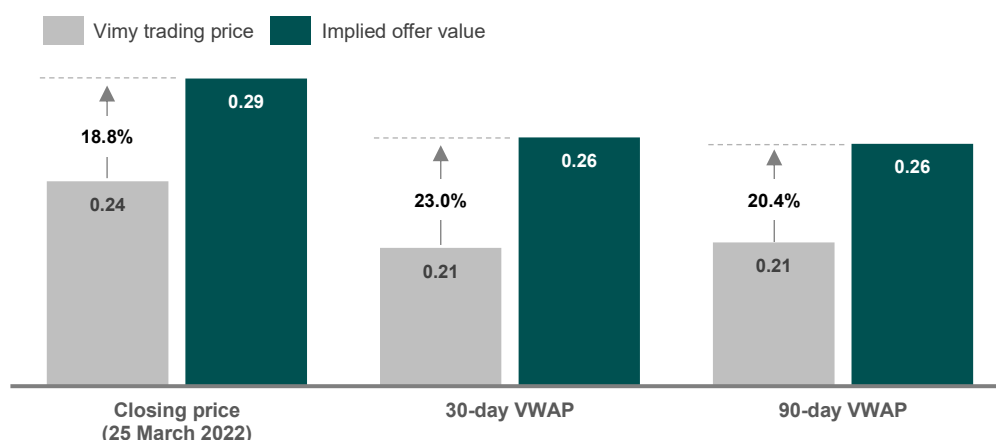
Vimy Shareholders should note that the implied value of the Scheme Consideration will change from time to time based on movements in Deep Yellow's share price.

¹⁴ Resources (M+I+I) and annual production capacity presented on 100% ownership basis.

¹⁵ Premium based on the closing price and VWAP's of Deep Yellow and Vimy Shares on 25 March 2022, being the last trading day prior to announcement of the Merger on 31 March 2022. Implied offer value calculated based on the VWAP of Deep Yellow on 25 March 2022, being the last trading day prior to announcement of the Merger on 31 March 2022. Based on that closing price of Deep Yellow Shares on 25 March 2022, the Scheme Consideration had an implied value of A\$0.285 per Vimy Share at that time.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

Figure 1-6 Implied value of the Scheme Consideration (as at 25 March 2022)¹⁶



(i) A thorough competitive market sounding process has been undertaken and your Vimy Directors have determined the proposal from Deep Yellow to be the most compelling currently available

In forming its unanimous recommendation to vote in favour of the Scheme¹⁷, the Vimy Board has had regard to the market sounding process that it undertook in conjunction with its financial adviser, Macquarie Capital (Australia) Limited, in relation to the strategic review process as announced to the ASX on 18 November 2021. This process involved engaging in discussions with a number of parties who were granted access to due diligence information on Vimy. Various credible parties were engaged in discussions surrounding potential corporate transactions and partnerships on individual assets, however the likely valuation metrics and level of execution certainty were not as attractive to the Vimy Board as the current Scheme proposal from Deep Yellow.

(j) Your Vimy Directors unanimously recommend that Vimy Shareholders vote in favour of the Scheme¹⁷, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders

The Vimy Board unanimously recommends that Vimy Shareholders vote in favour of the Scheme¹⁷, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.

The decision of your Vimy Directors to give their recommendation in relation to the Scheme follows an extensive Vimy due diligence assessment of Deep Yellow and consideration of the Scheme's merits, including:

- the merits and challenges of continuing to operate Vimy as a stand-alone entity;
- the merits and strategic rationale of the Scheme; and
- the likelihood of a Superior Proposal for Vimy emerging in the future.

Your Vimy Directors consider the reasons to vote in favour of the Scheme (including those summarised in this Section 1.2) outweigh the potential reasons to vote against the Scheme (including those summarised in Section 1.3).

Your Vimy Directors consider the Scheme has the potential to realise greater benefits for Vimy Shareholders than any other alternative currently available, including Vimy continuing as a stand-alone entity.

¹⁶ Premium based on the closing price and VWAP's of Deep Yellow and Vimy Shares on 25 March 2022, being the last trading day prior to announcement of the Merger on 31 March 2022. Implied offer value calculated based on the VWAP of Deep Yellow on 25 March 2022, being the last trading day prior to announcement of the Merger on 31 March 2022. Based on that closing price of Deep Yellow Shares on 25 March 2022, the Scheme Consideration had an implied value of A\$0.285 per Vimy Share at that time.

¹⁷ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

In relation to the Vimy Directors' unanimous recommendation, Vimy Shareholders should note the arrangements set out in Section 7.8(b) (in relation to the appointment of certain Vimy Directors to the Merged Group Board) and Sections 2.6 and 2.18 (in relation to the treatment of Vimy Options and Performance Rights), including that some Vimy Directors have certain interests in the outcome of the Scheme which may differ from those of other Vimy Shareholders if the Scheme is implemented.

This includes your Vimy Directors appointed to the Deep Yellow Board being entitled to remuneration determined in accordance with Deep Yellow's remuneration policies as outlined in Section 6.10(k). These arrangements are disclosed in this Scheme Booklet to allow Vimy Shareholders to consider the Vimy Directors' unanimous recommendation with the full context of the Vimy Directors' interests in the outcome of the Scheme¹⁸.

Each Vimy Director intends to vote in favour of the Scheme in respect of any Vimy Shares held or controlled by them at the time of the Scheme Meeting, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.

(k) The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of the Vimy Shareholders in the absence of a Superior Proposal. As at the Last Practicable Date, no Superior Proposal for Vimy has emerged

The Independent Expert, Deloitte Corporate Finance Pty Limited, has concluded that the Scheme is fair and reasonable and in the best interests of Vimy Shareholders in the absence of a Superior Proposal.

The reasons for the Independent Expert's conclusion are set out in the Independent Expert's Report in Appendix 1. Your Vimy Directors recommend that Vimy Shareholders read the Independent Expert's Report in full.

(l) If you are an Australian resident for taxation purposes and receive New Deep Yellow Shares, you should generally be able to obtain CGT roll-over relief on any capital gains. Eligible Vimy Shareholders will also avoid brokerage costs

The New Deep Yellow Shares issued as Scheme Consideration are expected to satisfy the general requirements of the CGT scrip for scrip roll-over provision of the Income Tax Assessment Act 1997 (ITAA 97). As a result, CGT roll-over relief should be available to Australian tax resident Vimy Shareholders who receive the Scheme Consideration. Further details of the tax implications of the Scheme are set out in Section 9.

A Class Ruling is currently being sought from the Australian Taxation Office (ATO) by Vimy on behalf of Vimy Shareholders to confirm the income tax consequences set out in Section 9 in respect of the Scheme, including whether Vimy's Australian resident Shareholders, who would otherwise make a capital gain on disposal of their Vimy Shares, may be eligible to obtain scrip for scrip roll-over relief pursuant to Subdivision 124-M of the ITAA 97.

All Vimy Shareholders are advised to seek independent professional advice about their particular circumstances including, for non-resident Vimy Shareholders, foreign tax consequences.

Eligible Vimy Shareholders will not incur any brokerage cost on disposal of their Vimy Shares to Deep Yellow under the Scheme.

(m) The price of Vimy Shares may fall if the Scheme is not approved

Between 25 March 2022 and the Last Practicable Date, Vimy Shares have traded in the range of \$0.18 to \$0.31 per Share. Your Vimy Directors expect that if the Scheme does not proceed, the price of Vimy Shares on ASX may fall, assuming no comparable proposal or Superior Proposal emerges.

¹⁸ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

1.3 Key reasons to vote against the Scheme

The Scheme has a number of disadvantages and risks that Vimy Shareholders should consider in deciding how they should vote at the Scheme Meeting.

Although your Vimy Directors consider that these disadvantages and risks are outweighed by the advantages of the Scheme and that the Scheme is in the best interests of Vimy Shareholders (in the absence of a Superior Proposal), Vimy Shareholders should consider their individual circumstances in determining how to vote in relation to the Scheme.

(a) You may not agree with the unanimous recommendation of the Vimy Directors and the Independent Expert's conclusion

You may disagree with the unanimous recommendation of your Vimy Directors¹⁹ and/or the conclusion of the Independent Expert, who has concluded that the Scheme is fair and reasonable and in the best interests of Vimy Shareholders, in the absence of a Superior Proposal.

Refer to Appendix 1 for a copy of the Independent Expert's Report.

(b) The exposure of Vimy Shareholders to Vimy's assets is diluted in the Merged Group

Following the implementation of the Scheme, Vimy Shareholders will hold approximately 47% of the fully diluted issued share capital of the Merged Group. Accordingly, Vimy Shareholders will have a diluted exposure to the Mulga Rock and Alligator River Projects but will, however, gain exposure to Deep Yellow's Namibian projects.

It is possible that you may wish for Vimy to remain a stand-alone entity because you specifically invested in Vimy to seek exposure to a company with only Australian uranium assets.

(c) The Scheme exposes Vimy Shareholders to Namibia as a jurisdiction, compared to Vimy as a stand-alone entity which is focussed solely on Australia

The Merged Group will have exposure to Namibia as compared to Vimy as a stand-alone entity and you may consider the country risk profile of this to be disadvantageous relative to that of Vimy as a stand-alone entity with only Australian country risk exposure.

See Sections 8.3 and 8.4 for specific risk factors relating to the Scheme, the creation of the Merged Group and risks relating to the Merged Group, including the risk relating to "government policy and sovereign risk".

(d) The Scheme alters the risk profile for Vimy Shareholders compared to Vimy as a stand-alone entity

If the Scheme is implemented, Vimy will become a wholly-owned subsidiary of Deep Yellow, and the Scheme Shareholders will become Deep Yellow Shareholders. As a result, Scheme Shareholders will be directly exposed to:

- new risks relating to Deep Yellow; and
- certain additional risks relating to the integration of Vimy and its operations with Deep Yellow and its operations (which are set out in Section 8).

For certain Vimy Shareholders, the change in risk profile of the Merged Group may be perceived as a disadvantage. The risks identified above, together with other risks, are considered in further detail in Section 8 of this Scheme Booklet.

(e) A Superior Proposal for Vimy may emerge in the future, if Vimy were to continue as a stand-alone entity

You may believe that there is a possibility that a Superior Proposal for Vimy could emerge in the foreseeable future. However, between the date the Merger was announced (being 31 March 2022) and the Last Practicable Date (being 14 June 2022) no third party has approached Vimy's Board with a Competing Proposal and no Superior Proposal has been received.

¹⁹ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

If a Superior Proposal emerges, this will be announced to ASX, and your Vimy Directors would carefully consider such Superior Proposal and advise Vimy Shareholders accordingly.

Importantly, the Scheme does not prevent Vimy Shareholders from benefitting from a proposal for the Merged Group in the future, if such a proposal were to emerge.

(f) The tax consequences of the Scheme being implemented may not suit your current financial position or tax circumstances

Implementation of the Scheme may trigger taxation consequences for Vimy Shareholders. A general guide to the Australian taxation implications of the Scheme has been prepared by Vimy's taxation advisor, KPMG, and is set out in Section 9.

All Vimy Shareholders are advised to seek independent professional advice about their particular circumstances, including foreign tax consequences for non-resident Vimy Shareholders.

(g) The trading value of the Scheme Consideration is not certain and will depend on the price at which Deep Yellow Shares trade on the ASX after the Implementation Date

The Scheme Consideration is not certain and the exact value that you receive for your Vimy Shares may move adversely from the market value of the Scheme Consideration on the date of this Scheme Booklet or the Scheme Meeting. Alternatively, if there is an increase in the relative price of Deep Yellow Shares, the effective value you receive for your Vimy Shares may move favourably from the market value of the Scheme Consideration on the date of this Scheme Booklet or Scheme Meeting.

1.4 Other relevant considerations

(a) The Scheme may be implemented even if you do not vote, or vote against the Scheme

Even if you do not vote, or if you vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majorities of Vimy Shareholders and by the Court. If this occurs and you are a Vimy Shareholder, your Vimy Shares will be transferred to Deep Yellow and you will receive the Scheme Consideration even though you did not vote on, or vote against, the Scheme.

(b) Costs of the Scheme

Vimy has already incurred, and will continue to incur costs in respect of the proposal to implement the Scheme. These include costs incurred as a result of negotiation with Deep Yellow, retention of advisers, facilitating Deep Yellow's access to due diligence, engaging with ASIC, ASX and the Court, engagement of the Independent Expert, Independent Technical Specialist and the Investigating Accountant, and the preparation of this Scheme Booklet. If the Scheme is not implemented in circumstances where no Superior Proposal emerges and is completed, Vimy will not receive any material value for the costs it has incurred in connection with the Scheme. Refer to Section 7.10 for further information.

Under the Scheme Implementation Deed entered into between Vimy and Deep Yellow, a break fee of \$2,500,000 may become payable by one party to the other in the circumstances described in Section 2.14.

(c) No brokerage will be payable on the transfer of your Vimy Shares pursuant to the Scheme

Scheme Shareholders (including Ineligible Shareholders) will not pay brokerage fees on the disposal of their Vimy Shares pursuant to the Scheme. Brokerage (and other costs) will however be deducted from the proceeds of sale by the Sale Agent of New Deep Yellow Shares that would otherwise have been issued to Ineligible Shareholders under the Sale Facility. Refer to Section 2.16 for further information.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

(d) Warranties by Scheme Shareholders

If the Scheme becomes Effective, each Scheme Shareholder will be deemed to have given certain warranties in favour of Deep Yellow, including that, as at the Implementation Date:

- all of their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Deep Yellow under the Scheme will, on the date on which they are transferred to Deep Yellow, be free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the PPSA) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and
- they have no existing right to be issued any other Scheme Shares, Vimy Options, Vimy performance rights, Vimy convertible notes or any other Vimy securities.

Refer to Section 2.10 for further information.

(e) The Scheme has a number of conditions

In addition to the need to obtain Vimy Shareholder and Court approval, the Scheme is subject to a number of other conditions. These conditions are outlined in Section 2.5 and are set out in full in clause 3.1 of the Scheme Implementation Deed in Appendix 5 to this Scheme Booklet. All these conditions need to be satisfied (or alternatively waived, in the case of certain conditions that are capable of being waived) in order for the Scheme to proceed.

Your Directors have reviewed the conditions and do not consider them to be unduly onerous or inconsistent with market practice for a transaction of this nature. As at the date of this Scheme Booklet your Directors are not aware of any matter that would result in a breach or non-fulfilment of any of those conditions.

(f) All or nothing outcome – Scheme

If all of the conditions and approvals for the Scheme are satisfied or waived (as applicable):

- it will bind all persons registered as Vimy Shareholders as at the Record Date, including those who do not vote on the Scheme and those who vote against it, meaning that all persons who qualify as Scheme Shareholders will relinquish ownership of their Vimy Shares and will receive the Scheme Consideration; and
- Vimy will become a wholly owned subsidiary of Deep Yellow and delisted from ASX.

Conversely if all of the conditions and approvals for the Scheme are not satisfied or waived (as applicable), the status quo will be preserved, meaning that:

- Vimy Shareholders will retain all of their shares;
- the existing Vimy Board and management will continue to operate Vimy's business (with the exception of The Hon. Cheryl Edwardes AM, who advised at Vimy's 2021 Annual General Meeting of her intention to retire from the Board in 2022);
- the advantages of the Scheme, as outlined in Section 1.2, will not be realised and equally some of the disadvantages of the Scheme, as outlined in Section 1.3 will no longer be relevant; and
- Vimy Shareholders will retain their current investment in Vimy Shares and in doing so will continue to retain the benefits of that investment and continue to be exposed to the risks associated with that investment. These risks include risks that are specific to Vimy's business (see Section 8.6).

(g) Transaction costs

Vimy Shareholders

If the Scheme proceeds Vimy Shareholders will not be required to pay any brokerage or other costs on the disposal of their Vimy Shares under the Scheme.

1 CONSIDERATIONS RELEVANT TO YOUR VOTE

Vimy

As at the date of this Scheme Booklet Vimy has incurred (or expects to incur) costs of approximately A\$4,306,100 in developing the Scheme to the point that it is capable of being submitted to Vimy Shareholders as a formal offer for their consideration. These costs include negotiations with Deep Yellow, facilitating Deep Yellow's due diligence investigations, the retention of advisers, engagement of the Independent Expert and preparation of this Scheme Booklet.

If the Scheme does not proceed and no Superior Proposal is implemented, Vimy's results for the financial years ending 30 June 2022 and 30 June 2023 will be negatively impacted.

(h) Exclusivity arrangements

The Scheme Implementation Deed contains certain customary exclusivity arrangements, including:

- reciprocal no shop provisions;
- reciprocal no talk and no due diligence provisions (each subject to customary exceptions to allow the directors of Vimy and Deep Yellow to comply with their fiduciary obligations); and
- a matching right regime in favour of Deep Yellow in relation to any Superior Proposal received by Vimy.

A more detailed summary of these exclusivity arrangements is provided in Section 2.13. The full terms of these exclusivity arrangements are set out in clause 8 of the Scheme Implementation Deed which is included as Appendix 5 to this Scheme Booklet.

(i) Break fee

In certain circumstances, a break fee of \$2,500,000 may be payable:

- to Deep Yellow by Vimy (**Vimy Break Fee**); or
- to Vimy by Deep Yellow (**Deep Yellow Break Fee**).

The Vimy Break Fee is payable to Deep Yellow where:

- a Vimy Director makes a change in recommendation of the Scheme;
- a Competing Proposal in respect of Vimy is made and the Vimy Board publicly announces that it has determined that the Competing Proposal is a Superior Proposal; or
- Deep Yellow becomes entitled to validly terminate the Scheme Implementation Deed for a material breach by Vimy.

Further details on payment of the break fees are set out in Section 2.14 and clause 9 of the Scheme Implementation Deed.

2

WHAT IS THE SCHEME?



2 WHAT IS THE SCHEME?

2.1 Introduction

This Section:

- discusses the purpose and effect of the Scheme;
- provides a summary of the conditions and approvals required for the Scheme to proceed; and
- provides a summary of the rights of Vimy and Deep Yellow to terminate the Scheme Implementation Deed.

If the conditions for the Scheme are satisfied or waived (as applicable), the manner in which the Scheme will be implemented is described in Section 2.8.

2.2 Background

On 31 March 2022, the Vimy Board announced it had entered into the Scheme Implementation Deed with Deep Yellow under which Deep Yellow will acquire all of the Vimy Shares under a members' scheme of arrangement between Vimy and its shareholders.

A copy of the Scheme Implementation Deed is included as Appendix 5 to this Scheme Booklet.

The Scheme is a merger proposal under which the Scheme Shareholders (being Vimy Shareholders as at the Record Date) will transfer all of their Vimy Shares to Deep Yellow on the Implementation Date (expected to be on or around Thursday, 4 August 2022) in exchange for receiving Deep Yellow Shares at a ratio of 0.294 New Deep Yellow Shares for every Vimy Share held as at the Record Date. That arrangement contemplates that Deep Yellow will acquire 100% ownership and control of Vimy. If the Scheme becomes Effective, Vimy will become a wholly-owned and controlled subsidiary of Deep Yellow and will be delisted from ASX. The terms of the Scheme are set out in full in Appendix 3 to this Scheme Booklet.

The Scheme must be approved by the Requisite Majorities of the Vimy Shareholders at the Scheme Meeting and approved by the Court.

If all of the other approvals and conditions for the Scheme are satisfied or waived (as applicable) the Scheme will constitute a binding arrangement between Vimy and each Scheme Shareholder to undertake the steps required to:

- transfer all of their Scheme Shares to Deep Yellow on the Implementation Date; and
- otherwise give effect to the Scheme.

If all of the approvals and conditions for the Scheme are satisfied or waived (as applicable) the holders of Scheme Shares will be bound by the Scheme whether or not they:

- participate in the virtual Scheme Meeting;
- vote at the Scheme Meeting; or
- vote against the Scheme at the Scheme Meeting.

2.3 What consideration will you receive under the Scheme?

Provided that the Scheme becomes Effective, Scheme Shareholders will be issued 0.294 New Deep Yellow Shares for each Scheme Share they currently hold.

If you are an Ineligible Shareholder, you will not be issued with any New Deep Yellow Shares. Instead, the New Deep Yellow Shares that would otherwise have been issued to you will be sold by the Sale Agent and you will receive the net Sale Proceeds. Further information is provided at Section 2.16 of this Scheme Booklet.

In the case of any Scheme Shares held in joint names, any Scheme Consideration will be issued to and registered in the names of the joint holders.

2 WHAT IS THE SCHEME?

Where the calculation of the number of New Deep Yellow Shares to be issued to Scheme Shareholders results in fractional entitlements to a New Deep Yellow Share, the fractional entitlement:

- which is 0.5 or greater will be rounded up to the nearest whole number of New Deep Yellow Shares; and
- which is less than 0.5 will be rounded down to the nearest whole number of New Deep Yellow Shares,

after aggregating all holdings of the Scheme Shareholder and in a manner which avoids manipulation of a Scheme Shareholder's holdings to take advantage of the rounding entitlement.

All New Deep Yellow Shares issued to Scheme Shareholders under the Scheme will rank equally in all respects with all existing Deep Yellow Shares on issue as at the Implementation Date. See Section 6.10 for more information regarding the rights attaching to the New Deep Yellow Shares.

2.4 Deed Poll

Deep Yellow has executed a Deed Poll in favour of the Scheme Shareholders and promises to perform the actions attributed to it under the Scheme and acquire and provide consideration for all of the Vimy Shares under the Scheme subject to the satisfaction of certain conditions precedent.

A copy of the Deed Poll is set out in Appendix 6 to this Scheme Booklet.

2.5 Scheme Conditions

The Scheme is subject to a number of Scheme Conditions, set out below. Terms capitalised in this Section 2.5 have the meaning given to them in the Scheme Implementation Deed.

- (a) **(Vimy Shareholder approval)** Vimy Shareholders agree to the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act (**Requisite Majorities**);
- (b) **(Court approval)** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (c) **(Independent Expert)** the Independent Expert concludes in the Independent Expert's Report that in its opinion the Scheme is in the best interests of Vimy Shareholders, on or before the date on which the Scheme Booklet is registered with ASIC under the Corporations Act, and the Independent Expert does not adversely change or publicly withdraw this conclusion prior to 8.00am on the Second Court Date;
- (d) **(No restraints or regulatory action)** as at 8.00am on the Second Court Date, there is not in effect any temporary, preliminary or final order, decision, action, application or decree to or issued by any court of competent jurisdiction, Government Agency or public authority in connection with, or which restrains or prohibits, or otherwise materially adversely impacts, or could reasonably be expected to materially adversely impact, the Scheme;
- (e) **(Regulatory consents and approvals)** before 8.00am on the Second Court Date, all other regulatory approvals which are necessary to implement the Scheme are obtained (unconditionally or subject to conditions acceptable to Deep Yellow and Vimy, acting reasonably) from:
 - (i) ASIC; and
 - (ii) ASX;
- (f) **(Vimy Unlisted Securities)** before 8.00am on the Second Court Date:
 - (i) each holder of the Vimy Unlisted Securities:
 - (A) exercises or converts (as the case may be) all of the Vimy Unlisted Securities they hold so that the new Vimy Shares issued upon such exercise will be subject to the Scheme; or
 - (B) enters into an Unlisted Security Exchange Agreement regarding the Vimy Unlisted Securities held by the holder of Vimy Unlisted Securities pursuant to clause 5.11 and Schedule 2 Part C of the Scheme Implementation Deed prior to the Second Court Date; or

2 WHAT IS THE SCHEME?

- (ii) the Vimy Unlisted Securities lapse, or Vimy has otherwise entered into or facilitated such other legally binding obligations or arrangements consistent with lapsing or Schedule 2 Part C of the Scheme Implementation Deed, to ensure that, by the Scheme Record Date, there will be no unlisted securities on issue;
- (g) **(Vimy Material Adverse Effect)** no Material Adverse Effect in respect of Vimy occurs or is announced or becomes known to Deep Yellow between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (h) **(Deep Yellow Material Adverse Effect)** no Material Adverse Effect in respect of Deep Yellow occurs or is announced or becomes known to Vimy between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (i) **(Vimy Prescribed Occurrence)** no Vimy Prescribed Occurrence occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (j) **(Deep Yellow Prescribed Occurrence)** no Deep Yellow Prescribed Occurrence occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (k) **(ASX quotation)** the New Deep Yellow Shares to be issued pursuant to the Scheme have, before 8.00am on the Second Court Date, been approved for official quotation on the ASX (provided that any such approval may be subject to the Scheme becoming Effective, to other customary conditions and any other conditions reasonably acceptable to Deep Yellow) and such approval remains in full force and effect in all respects and does not become subject to any written notice of intention to revoke, suspend, restrict, modify or not renew the same;
- (l) **(Vimy Material Counterparty Consents)** Vimy obtains all Material Counterparty Consents on terms reasonably acceptable to Deep Yellow and no such consents have been withdrawn or revoked before 8.00am on the Second Court Date;
- (m) **(Vimy Representations and Warranties)** the Vimy Representations and Warranties are true and correct in all material respects as at the date of the Scheme Implementation Deed and as at 8.00am on the Second Court Date;
- (n) **(Deep Yellow Representations and Warranties)** the Deep Yellow Representations and Warranties are true and correct in all material respects as at the date of the Scheme Implementation Deed and as at 8.00am on the Second Court Date;
- (o) **(Vimy net cash position)** Vimy has at least A\$17,000,000 in net cash as at 8.00am on the date of the Scheme Meeting; and
- (p) **(No termination)** neither the Scheme Implementation Deed nor the Deed Poll have been terminated in accordance with their terms as at 8.00am on the Second Court Date.

At the date of this Scheme Booklet neither Vimy nor any of the Vimy Directors are aware of any circumstances that would cause any of the Scheme Conditions to not to be satisfied or which could result in termination of the Scheme Implementation Deed.

Vimy will make a statement regarding the status of all of the Scheme Conditions at the commencement of the Scheme Meeting.

The Scheme Conditions are set out in full in the Scheme Implementation Deed, included at Appendix 5 to this Scheme Booklet.

2 WHAT IS THE SCHEME?

2.6 Directors' recommendation and contingent benefits

The Directors of Vimy as at the date of this Scheme Booklet are:

Table 2-1 Vimy Directors

Director's name	Position
The Hon. Cheryl Edwardes AM	Independent Non-Executive Chair
Wayne Bramwell	Independent Non-Executive Director
Steven Michael	Managing Director and Chief Executive Officer
Anthony Chamberlain	Executive Director and Chief Operating Officer

Profiles of each member of the Vimy Board can be found on Vimy's Website.

Your Vimy Directors have unanimously formed the conclusion that the Scheme is in the best interests of Vimy Shareholders and recommend that Vimy Shareholders vote in favour of the Scheme¹⁷, in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.

For the reasons set out below, Vimy Directors unanimously believe that:

- the advantages of the Scheme outweigh its disadvantages and risks; and
- the Scheme is expected to create long-term value for Vimy Shareholders (in their future capacity as Deep Yellow Shareholders) and is in the best interests of Vimy Shareholders.

Each Vimy Director intends to vote any interest he has in his or her Vimy Shares in favour of the Scheme, in the absence of a Superior Proposal.

No Superior Proposal from another party has been received as at the date of this Scheme Booklet.

In forming their unanimous recommendation your Directors have carefully considered the conditions, advantages, disadvantages and risks of the Scheme. These matters are described in more detail in Sections 1 and 8 of this Scheme Booklet and in the Independent Expert's Report in Appendix 1 to this Scheme Booklet. Your Directors consider that the advantages of the Scheme outweigh its disadvantages and risks.

Vimy Director Interests in the Scheme

In relation to the unanimous recommendation of the Vimy Directors, Vimy Shareholders should note that certain Directors have certain interests in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders if the Scheme is implemented, as described below.

(a) The Hon. Cheryl Edwardes AM

If the Scheme is approved and implemented, Ms Edwardes will also receive a cash payment of \$45,737.54 in lieu of Vimy Shares to be issued in satisfaction of her non-executive director fee sacrifice amount of approximately \$33,750 under the SSSP. Further details are provided in Section 5.13(a).

Additionally, Ms Edwardes holds or controls 2,741,131 Vimy Shares, which have an aggregated value of \$781,222,¹⁸ and 272,667 Vimy Options (all of which are expected to be exercised prior to the Scheme Record Date), which will have an aggregated value of \$55,351.40.¹⁹ The total financial value of those Vimy Shares and Vimy Options is estimated to be \$836,574 (before tax).

The other Vimy Directors, excluding Ms Edwardes, consider that the nature, scope and quantum of the contingent personal benefits that Ms Edwardes is expected to receive if the Scheme is implemented ought not preclude her from joining with the other Vimy Directors in making a public voting recommendation to

¹⁷ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

¹⁸ Based on an implied price of A\$0.285 per Vimy Share, which is based on the last closing price of Deep Yellow Shares on 25 March 2022 (being the last trading day for Vimy Shares and Deep Yellow Shares prior to the ASX Announcement)

¹⁹ Calculated with reference to the implied price of A\$0.285 per Vimy Share, minus the exercise price of A\$0.0820 per Vimy Option.

2 WHAT IS THE SCHEME?

Vimy Shareholders in relation to the Scheme in the ASX Announcement, the Scheme Booklet or in any other future ASX announcement to be made regarding the Scheme.

(b) Wayne Bramwell

If the Scheme is implemented, it is intended that Mr Bramwell will be appointed as a non-executive director of Deep Yellow, on the terms summarised in Section 7.8(b). As at the date of this Scheme Booklet, no specific arrangements in this regard have been agreed between Deep Yellow and Mr Bramwell but it is expected that the terms of the appointment will be as per the existing Deep Yellow Remuneration Policy.

The other Vimy Directors, excluding Mr Bramwell, consider that the nature, scope and quantum of the contingent personal benefits that Mr Bramwell is expected to receive if the Scheme is implemented ought not preclude him from joining with the other Vimy Directors in making a public voting recommendation to Vimy Shareholders in relation to the Scheme in the ASX Announcement, the Scheme Booklet or in any other future ASX announcement to be made regarding the Scheme.

(c) Steven Michael

If the Scheme is approved and implemented, Mr Michael is expected to:

- be appointed as an executive director of Deep Yellow on the terms summarised in Section 7.8(b) (as at the date of this Scheme Booklet, no specific arrangements in this regard have been agreed between Deep Yellow and Mr Michael but it is expected that the terms of the appointment will be as per the existing Deep Yellow Remuneration Policy); and
- receive accelerate the vesting of his 2,000,000 Vimy Performance Rights and subsequent conversion (upon a change of control) of the Performance Rights to Vimy Shares (which would be eligible to participate in the Scheme), valued at approximately \$570,000 before tax.²⁰

The other Vimy Directors, excluding Mr Michael, consider that the nature, scope and quantum of the contingent personal benefits that Mr Michael is expected to receive if the Scheme is implemented ought not preclude him from joining with the other Vimy Directors in making a public voting recommendation to Vimy Shareholders in relation to the Scheme in the ASX Announcement, the Scheme Booklet or in any other future ASX announcement to be made regarding the Scheme.

(d) Anthony Chamberlain

If the Scheme is approved and implemented, Dr Chamberlain is expected to:

- join the executive team of Deep Yellow on terms to be determined and finalised based on market practice;
- receive a cash payment of \$24,984.37 in lieu of Vimy Shares to be issued in satisfaction of his non-executive director fee sacrifice amount of approximately \$19,000 under the SSSP. Further details are provided in Section 5.13(a); and
- accelerate the vesting of his 1,500,000 Vimy Performance Rights and subsequent conversion (upon a change of control) of the Performance Rights to Vimy Shares (which would be eligible to participate in the Scheme), valued at approximately \$427,500 before tax.²⁰

Additionally, Dr Chamberlain holds or controls 2,932,844 Vimy Shares, which have an aggregated value of \$835,861,²⁰ and 121,333 Vimy Options (all of which are expected to be exercised prior to the Scheme Record Date), which will have an aggregated value of \$24,630.²¹ The total financial value of those Vimy Shares and Vimy Options is estimated to be \$860,491.

The other Vimy Directors, excluding Dr Chamberlain, consider that the nature, scope and quantum of the contingent personal benefits that Dr Chamberlain is expected to receive if the Scheme is implemented ought not preclude him from joining with the other Vimy Directors in making a public voting recommendation

²⁰ Based on an implied price of A\$0.285 per Vimy Share, which is based on the last closing price of Deep Yellow Shares on 25 March 2022 (being the last trading day for Vimy Shares and Deep Yellow Shares prior to the ASX Announcement)

²¹ Calculated with reference to the implied price of A\$0.285 per Vimy Share, minus the exercise price of A\$0.0820 per Vimy Option.

2 WHAT IS THE SCHEME?

to Vimy Shareholders in relation to the Scheme in the ASX Announcement, the Scheme Booklet or in any other future ASX announcement to be made regarding the Scheme.

These arrangements are disclosed throughout this Scheme Booklet to allow Vimy Shareholders to consider these arrangements in the context of the Vimy Directors' recommendations that Vimy Shareholders should vote in favour of the Scheme, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders. Vimy Shareholders should have regard to these arrangements when considering the recommendations of The Hon. Cheryl Edwardes AM, Wayne Bramwell, Steven Michael and Anthony Chamberlain in relation to the Scheme and, if they disagree with the basis upon which they conclude it is appropriate to make a recommendation in relation to the Scheme, may choose to discount their recommendations accordingly.

2.7 Independent Expert's conclusion

Vimy engaged the Independent Expert, Deloitte to prepare a report expressing an opinion on whether the Scheme is in the best interest of Vimy Shareholders. Your Directors' unanimous recommendation in relation to the Scheme²² is supported by the Independent Expert, Deloitte.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interest of holders of Vimy Shareholders.

The Independent Expert's Report is set out in full in Appendix 1 to this Scheme Booklet and you are strongly encouraged to read that report as part of your assessment of the Scheme.

You are not obliged to accept the Vimy Directors' recommendation or the view of the Independent Expert. In particular, you may believe that Vimy will deliver greater returns over the long term by not becoming part of the Deep Yellow Group. Some of the other reasons why you may decide to vote against the Scheme are set out in Section 1.3.

You should note that if you decide to vote against the Scheme, the Scheme will nevertheless proceed if it is agreed to by the Requisite Majorities of Shareholders and if certain other Scheme Conditions are satisfied or waived.

2.8 Implementation of Scheme

(a) Scheme Meeting and Vimy Shareholder Approval

At the First Court Hearing on Wednesday, 15 June 2022, the Court ordered Vimy to convene a meeting of Vimy Shareholders to consider and vote on the Scheme.

The notice convening the Scheme Meeting is set out in Appendix 4 to this Scheme Booklet. The fact that the Court has ordered that the Scheme Meeting be convened is no indication that the Court has a view as to the merits of the Scheme or as to how Vimy Shareholders should vote. On these matters, Vimy Shareholders must reach their own decision.

Eligibility to vote at the Scheme Meeting

Each person who is registered on the Share Register as a Vimy Shareholder as at the Voting Entitlement Time (5.00pm (AWST) on Monday, 18 July 2022) is entitled to watch and participate in the Scheme Meeting virtually, either through direct participation, by proxy or attorney or, in the case of a corporate Vimy Shareholder or proxy, by a representative.

Section 4 provides full details of how to vote at the Scheme Meeting. The proxy form for the Scheme Meeting is enclosed with this Scheme Booklet.

²² In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

2 WHAT IS THE SCHEME?

Voting majority required

The Scheme will only become Effective and be implemented if it is:

- agreed to by the Requisite Majorities of holders of Vimy Shareholders at the Scheme Meeting; and
- approved by the Court at the Second Court Hearing.

Agreement to the Scheme by Vimy Shareholders requires the resolution at the Scheme Meeting to be agreed to by:

- **(Headcount Test)** a majority in number (more than 50%) of Vimy Shareholders present and voting (either in person, by proxy, attorney, or, in the case of corporate Vimy Shareholders, body corporate representative) at that Scheme Meeting; and
- **(Voting Test)** at least 75% of the total number of votes cast on the resolution by Vimy Shareholders present and voting (either in person, by proxy, attorney, or, in the case of corporate Vimy Shareholders, body corporate representative) at the Scheme Meeting.

The Court has the power to approve the Scheme even if the Headcount Test has not been satisfied. For example, the Court may do so if there is evidence that the result of the vote has been unfairly influenced by activities such as Share Splitting. However, there is no guarantee that the Court will grant such a waiver.

The results of the Scheme Meeting will be available as soon as possible after the conclusion of the Scheme Meeting and announced to the ASX.

Please note that the Scheme Meeting may be postponed or adjourned if satisfaction or waiver (where permitted) of a Scheme Condition is delayed. Any postponement or adjournment of the Scheme Meeting will be announced to ASX.

Subsequent to the Scheme Meeting

If:

- the Scheme is approved by Vimy Shareholders at the Scheme Meeting; and
- all other conditions to the Scheme as described in Section 2.5 (other than Court approval of the Scheme) have been satisfied or waived (as applicable),

the further general steps required to implement the Scheme are as described in the remainder of this Section.

The description of these general steps is based on the obligations that Vimy and Deep Yellow have under the Scheme Implementation Deed. Deep Yellow has also signed the Deed Poll in which it covenants in favour of Scheme Shareholders to perform the actions attributed to it under the Scheme and to provide the Scheme Consideration in accordance with the Scheme. The Scheme Implementation Deed is contained in Appendix 5 to this Scheme Booklet. The Deed Poll is contained in Appendix 6 to this Scheme Booklet.

(b) Apply to Court for approval of Scheme

At the Second Court Hearing, Vimy will apply to the Court for orders approving the Scheme. It is expected that the Second Court Date will be held on or about Tuesday, 26 July 2022. Any change to this date will be announced through ASX and will be available on ASX's website .

The Court has a wide, overriding discretion whether or not to approve the Scheme under Section 411(4)(b) of the Corporations Act and may refuse to approve the Scheme even if the Scheme Resolution is passed by the Requisite Majorities of Vimy Shareholders.

ASIC has been requested to issue a written statement indicating that it has no objection to the Scheme. Typically, ASIC provides this statement shortly before the Second Court Date. If ASIC does not produce a written statement that it has no objection to the Scheme, the Court may still approve the Scheme provided it is satisfied that Section 411(17)(a) of the Corporations Act is satisfied.

2 WHAT IS THE SCHEME?

Any Vimy Shareholder and, with the Court's permission, any other interested person, has a right to seek leave to appear at the Second Court Hearing to oppose the approval of the Scheme by the Court, or to make submissions to the Court in relation to the Scheme. If you wish to oppose approval of the Scheme by the Court at the Second Court Hearing you must file with the Court, and serve on Vimy, a notice of appearance in the form prescribed under the *Supreme Court (Corporations) Rules 2004* (WA), together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on Vimy at its address for service at least one day before the Second Court Date.

The address for service is: First Floor, 1209 Hay Street, West Perth, 6005, Western Australia.

If the Court approves the Scheme:

- Vimy will make an announcement to ASX notifying the market of the receipt of Court approval, with that announcement to be made on the day on which the Court approves the Scheme;
- in that same announcement, the Vimy Directors will set the Record Date; and
- as soon as possible and in any event by 5.00pm on the first Business Day after the day on which the Court approves the Scheme, Vimy will lodge an office copy of the Court's orders with ASIC under Section 411(10) of the Corporations Act. On that date (which is expected to be Wednesday, 27 July 2022), the Scheme will become Effective.

If the Scheme becomes Effective, Vimy and Deep Yellow will become bound to implement the Scheme in accordance with the terms of the Scheme Implementation Deed, the Deed Poll and the Scheme. Only Vimy Shareholders who qualify as Scheme Shareholders will be bound by and have the benefit of the Scheme. See Section 2.8(e) for further details.

If the Court refuses to make any orders approving the Scheme, Vimy must consult with Deep Yellow as to whether to appeal the Court's decision, and appeal the Court decision unless Vimy and Deep Yellow agree otherwise or experienced external legal counsel opines that an appeal would have no reasonable prospect of success.

If the Scheme does not become Effective before the End Date or any later date that the Court may order with the consent of the parties, the Scheme will lapse.

(c) Record Date and suspension of trading of Vimy Shares

If the Court makes an order at the Second Court Hearing approving the Scheme, Vimy will lodge with ASIC an office copy of the order made by the Court under Section 411(4)(b) of the Corporations Act approving the Scheme and the Scheme will become Effective.

It is expected that suspension of trading on ASX in Vimy Shares will occur from close of business on the Effective Date. On the current timetable, the Effective Date is expected to be Wednesday, 27 July 2022.

(d) Transfer and registration of Scheme Shares

Under the Scheme, Scheme Shareholders irrevocably authorise Vimy to transfer all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, to Deep Yellow and Vimy will enter Deep Yellow in the Vimy Share Register as the holder of the Scheme Shares.

Under the Scheme, each Scheme Shareholder, without the need for any further act, irrevocably appoints Vimy as that Scheme Shareholder's attorney and agent for the purpose of executing any document necessary to give effect to the Scheme, including (without limitation) the proper instrument of transfer of all or part of the Scheme Shares.

On the Implementation Date, the Scheme Shares held by Scheme Shareholders will be transferred to Deep Yellow without the need for any further act by any Scheme Shareholder, by Vimy executing and delivering valid transfers of the Scheme Shares to Deep Yellow under the Corporations Act.

In consideration of the transfer of the Scheme Shares to Deep Yellow, Deep Yellow will provide the Scheme Consideration to each Scheme Shareholder, in accordance with the provisions of the Scheme. See Sections 2.8(e) to 2.8(j) inclusive for further details on the provision of the Scheme Consideration.

2 WHAT IS THE SCHEME?

(e) Issue of New Deep Yellow Shares

Vimy Shareholders will be entitled to receive consideration under the Scheme if they are registered as the holders of Scheme Shares at 5.00pm on the Record Date (and are therefore Scheme Shareholders). The Record Date is the date which is two Business Days after the Effective Date, and is currently expected to be Friday, 29 July 2022. In this Scheme Booklet, those Vimy Shareholders and Vimy Shares that they hold are referred to as Scheme Shareholders and Scheme Shares, respectively.

The obligation of Deep Yellow to issue New Deep Yellow Shares to Scheme Shareholders will be satisfied by Deep Yellow taking the following steps:

- before noon on the Implementation Date, Deep Yellow will procure that the name of each Scheme Shareholder is entered into Deep Yellow's register of members as the holder of the applicable number of New Deep Yellow Shares and procure that the name of the Sale Agent is entered in Deep Yellow's register of members as the holder of the Sale Shares, in the case of Ineligible Shareholders; and
- Deep Yellow will procure the dispatch to Scheme Shareholders and to the Sale Agent of a holding statement (or equivalent document) reflecting the number of New Deep Yellow Shares to be issued to them under the Scheme.

Each Scheme Shareholder to whom New Deep Yellow Shares are issued under the Scheme:

- agrees to the transfer of their Vimy Shares together with all rights and entitlements attaching to those Vimy Shares in accordance with the Scheme;
- agrees to the variation, cancellation or modification of the rights attached to their Vimy Shares constituted by or resulting from the Scheme;
- who holds their Vimy Shares in a CHESS holding agrees to the conversion of those Vimy Shares to an issuer sponsored holding and irrevocably authorises Vimy to do anything necessary or expedient (whether required by the ASX Settlement Operating Rules or otherwise) to effect or facilitate such conversion;
- agrees to become a shareholder in Deep Yellow and to have its name entered in the Deep Yellow share register, and accepts the New Deep Yellow Shares issued to it under the Scheme on the terms and conditions of the Deep Yellow constitution, to which it agrees to be bound, without the need for any further act by the Scheme Shareholder; and
- agrees that the provision of the Scheme Consideration constitutes satisfaction of that Scheme Shareholder's entitlements under the Scheme.

Each Scheme Shareholder, without the need for any further act, irrevocably appoints Vimy and each of its directors and officers, jointly and severally, as that Scheme Shareholder's attorney and agent for the purpose of executing any form of application required for the New Deep Yellow Shares to be issued to that Scheme Shareholder pursuant to the Scheme.

(f) Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Vimy Shares or other alterations to the Share Register will only be recognised if:

- in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Vimy Shares on or before the Record Date; and
- in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Record Date at the place where the Share Register is kept.

Vimy must register any non-CHESS registrable transmission applications or transfers of Vimy Shares by, or as soon as practicable after, the Record Date.

Vimy will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Vimy Shares received on or after the Record Date or received prior to the Record Date

2 WHAT IS THE SCHEME?

but not in registrable or actionable form, other than a transfer to Deep Yellow in accordance with the Scheme and any subsequent transfer by Deep Yellow or its successors in title.

Under the terms of the proposed Scheme:

- Vimy Shareholders may not dispose of or otherwise deal with any Scheme Shares or any interest in them after the Record Date; and
- any dealings in Scheme Shares after the Record Date will not be recognised by the Share Registry.

For the purpose of determining entitlements to the Scheme Consideration, Vimy must maintain (or cause the Share Registry to maintain) the Share Register until the Scheme Consideration has been provided to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.

Any statements of holding for Vimy Shares will cease to have effect from the Record Date as documents or evidence of title in respect of those shares. After the Record Date, each entry current at that date on the Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

As soon as practicable after the Record Date and in any event within one Business Day after the Record Date, Vimy will ensure that details of the names, registered addresses and holdings of Vimy Shares for each Scheme Shareholder as shown in the Share Register are available to Deep Yellow in the form Deep Yellow reasonably requires.

(g) Joint holders

In the case of Scheme Shares held in joint names, any uncertificated holding statements for New Deep Yellow Shares to be issued to Scheme Shareholders will be issued in the names of the joint holders and forwarded to the holder whose name appears first in the Share Register as at the Record Date.

(h) Existing instructions to Share Registry

If not prohibited by law, all instructions, notifications or elections by Scheme Shareholders to Vimy are binding or deemed binding between the Scheme Shareholder and Vimy relating to Vimy or the Vimy Shares (including any email addresses, instructions relating to communications from Vimy, whether dividends are to be paid by cheque or into a specific bank account, notices of meetings or other communications from Vimy) relating to payment of dividends and notices of meeting, and will be deemed from the Implementation Date (except to the extent determined otherwise by Deep Yellow in its sole discretion), by reason of the Scheme, to be made by the Scheme Shareholder to Deep Yellow until that instruction, notification or election is revoked or amended in writing addressed to Deep Yellow at its registry.

(i) Ineligible Shareholders

Deep Yellow will be under no obligation to issue, and will not issue, any New Deep Yellow Shares to Ineligible Shareholders.

Instead, the New Deep Yellow Shares which would otherwise be required to be issued to Ineligible Shareholders under the Scheme will be issued instead to the Sale Agent on the Implementation Date. Deep Yellow will procure that, as soon as reasonably practicable and, in any event, not more than twenty Business Days after the Implementation Date, the Sale Agent:

- sells on ASX all of the New Deep Yellow Shares issued to it under the Scheme in such manner, at such price or prices and on such other terms as the Sale Agent determines in good faith; and
- pays to Deep Yellow the proceeds of sale for payment by Deep Yellow to the Ineligible Shareholders.

None of Deep Yellow, Vimy or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the New Deep Yellow Shares by the Sale Agent. The sale of New Deep Yellow Shares by the Sale Agent will be at the risk of the Ineligible Shareholders.

Further details are provided below at Section 2.16.

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(j) Delisting of Vimy

Vimy will apply to ASX to suspend trading on ASX of Vimy Shares with effect from the close of trading on the Effective Date.

At a time determined by Deep Yellow following the Implementation Date and only after the transfer of the Scheme Shares has been registered, Vimy will apply for the termination of the official quotation of Vimy Shares on ASX and to have itself removed from the official list of ASX.

2.9 Implementation timetable

If all necessary approvals and Scheme Conditions for the Scheme are satisfied or waived (as applicable), it is expected that the Scheme will be fully implemented by Thursday, 4 August 2022. The key dates and times in relation to the Scheme are set out at the beginning of this Scheme Booklet.

If the Scheme does not become Effective before the End Date, the Scheme will lapse.

2.10 Warranty provided by Vimy Shareholders

Scheme Shareholders are taken to have warranted to Vimy and Deep Yellow that:

- all of their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Deep Yellow under the Scheme will, on the date on which they are transferred to Deep Yellow, be free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the PPSA) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;
- all of their Scheme Shares which are transferred to Deep Yellow under the Scheme will, on the date on which they are transferred to Deep Yellow, be fully paid;
- they have full power and capacity to transfer their Scheme Shares to Deep Yellow together with any rights and entitlements attaching to those shares; and
- they have no existing right to be issued any other Scheme Shares, Vimy Options, Vimy Performance Rights, Vimy convertible notes or any other Vimy securities.

2.11 Trading of New Deep Yellow Shares on ASX

(a) Deferred settlement market

Trading on ASX of New Deep Yellow Shares issued as Scheme Consideration is expected to commence initially on a deferred settlement basis and thereafter on an ordinary (T+2) settlement basis on or about Thursday, 28 July 2022.

Trading on a deferred settlement basis allows Vimy Shareholders to trade their entitlement to New Deep Yellow Shares before those shares are issued. When trading on a deferred settlement basis, the obligation to settle on the normal T+2 basis is deferred until the New Deep Yellow Shares commence trading on a normal T+2 basis.

Deferred settlement trading will continue until the dispatch of holding statements, which is expected to occur on or about Friday, 5 August 2022. These dates are indicative only and are subject to change without notice.

Deep Yellow will apply to ASX after the date of this Scheme Booklet for official quotation of the New Deep Yellow Shares to be issued on implementation of the Scheme.

It is the responsibility of each Scheme Shareholder to confirm their allocation of New Deep Yellow Shares before trading in those securities, to avoid selling New Deep Yellow Shares they do not own. Any Vimy Shareholder who sells New Deep Yellow Shares before receiving confirmation of their allocation does so at their own risk.

2 WHAT IS THE SCHEME?

Deep Yellow and Vimy disclaim all liability, whether in negligence or otherwise, to any Scheme Shareholder who trades New Deep Yellow Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by Deep Yellow or otherwise.

(b) CHESS and holding statements

Shortly following the issue of New Deep Yellow Shares to Scheme Shareholders, they will receive an initial statement of holding that sets out the number of New Deep Yellow Shares which have been allocated to them under the Scheme. This statement will also provide details of a shareholder's HIN in the case of a holding on the CHESS sub-register or SRN in the case of holding on the issuer-sponsored sub-register. Scheme Shareholders receiving New Deep Yellow Shares under the Scheme will be required to quote their HIN or SRN, as applicable, in all dealings with a stockbroker or Deep Yellow share registry.

2.12 Taxation implications

A general outline of the taxation implications for Australian resident Vimy Shareholders in relation to participating in the Scheme is provided in Section 9. Vimy Shareholders should seek their own professional advice regarding the taxation implications relevant to them.

2.13 Exclusivity

(a) No shop

The Scheme Implementation Deed contains certain exclusivity restrictions. During the Exclusivity Period, each of Vimy and Deep Yellow must not, and must ensure that its respective representatives do not, directly or indirectly solicit, invite, encourage or initiate any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to lead to the making of, an actual, proposed or potential Competing Proposal, or communicate to any person any intention to do any of these things.

(b) No talk

During the Exclusivity Period, each of Vimy and Deep Yellow must not, and must ensure that its respective representatives do not directly or indirectly:

- facilitate, participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
- negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
- disclose, provide or make available any non-public information about the business or affairs of the Deep Yellow Group or Vimy Group to any third party in connection with, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Deep Yellow Group or Vimy Group) other than as required by law; or
- communicate to any person any intention to do any of the things referred to above.

(c) No due diligence

During the Exclusivity Period, each of Vimy and Deep Yellow must not:

- solicit, initiate, facilitate or encourage, or (subject to clause 8.6) facilitate or permit any third party (other than each other or its respective representatives) to undertake due diligence investigations in respect of Deep Yellow or Vimy or any member of the Deep Yellow Group or Vimy Group (as applicable) in connection with such third party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or

2 WHAT IS THE SCHEME?

- subject to fiduciary obligations, make available to any third party (other than each other or its respective representatives) or permit such third party to receive, other than in the ordinary course of business or as required by law or the rules of any prescribed financial market, any non-public information relating to Deep Yellow or Vimy or any member of the Deep Yellow Group or Vimy Group (as applicable),

except to provide information to ASX or its auditors and advisers in the ordinary course of business.

(d) Notification

During the Exclusivity Period, each of Vimy and Deep Yellow must as soon as possible notify the other party in writing of any:

- approach or attempt to initiate any negotiations, inquiry, proposal or discussion made by any person to it or any of its related body corporate in relation to an actual or potential Competing Proposal;
- request made by any person to it or any of its related bodies corporate for any information relating to the party or its related bodies corporate, or any of their businesses or operations, or access to the books or records, which it has reasonable grounds to suspect may be in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or
- provision of any information concerning to it or any of its related body corporate or any of their businesses or operations to any person in relation to a current or future Competing Proposal.

A notification to Deep Yellow must include a summary of all material terms and conditions of the Competing Proposal including amount and form of consideration offered, conditions, structure, timetable, break fee arrangements, due diligence requirements and the identity of the third party making the Competing Proposal.

(e) Matching right

Vimy must procure that no Vimy Director publicly recommends, supports or endorses a Competing Proposal or makes any public statement to the effect that they may do so at a future point in time, ensure that no Vimy Director withdraws, changes or modifies their Recommendation or Voting Statement and not enter into any agreement, arrangement or understanding in relation to the implementation of a Competing Proposal, unless:

- the Vimy Board determines that the Competing Proposal is or would be reasonably likely to be a Superior Proposal;
- Vimy has provided Deep Yellow with a Matching Right Notice which sets out the material terms and conditions of the Competing Proposal, including amount and form of consideration offered, conditions, structure, timetable, break fee arrangements, due diligence requirements and the identity of the third party making the Competing Proposal; and
- Deep Yellow does not within three Business Days after providing the Matching Right Notice make a written proposal to Vimy to increase the Scheme Consideration or otherwise alter the Scheme (including, without limitation, by making a takeover bid instead of the Scheme) or make an alternative proposal to Vimy or its shareholders that the Vimy Directors determine, acting reasonably and in good faith would, if implemented substantially in accordance with its terms, be reasonably likely to result in a transaction that is at least as favourable to Vimy Shareholders as would result from the Competing Proposal.

As at the date of this Scheme Booklet, neither Vimy nor Deep Yellow has received any Competing Proposals.

Your Vimy Directors will carefully consider any Competing Proposal received from a third party (provided it does not breach the terms of the Scheme Implementation Deed) and inform you of any material developments. However, as at the date of this Scheme Booklet your Vimy Directors are not aware of any such proposals.

2 WHAT IS THE SCHEME?

2.14 Break fee arrangements

Under the Scheme Implementation Deed, Vimy has agreed to pay Deep Yellow a break fee of \$2,500,000 within ten Business Days after receipt of a written demand from Deep Yellow if:

- **(Change of Recommendation)** a Vimy Director fails to recommend the Scheme, or withdraws, changes or modifies his or her Recommendation or Voting Statement or makes any public statement, or takes any other action that is inconsistent with his or her Recommendation or Voting Statement (including where a Competing Proposal is announced and is recommended, supported or endorsed by any Vimy Director), other than where that act is a result of:
- the Independent Expert opining that the Scheme is not in the best interests of Vimy Shareholders provided that the reasons for the Independent Expert's conclusions do not include (in whole or in part) the existence, announcement or publication of a Competing Proposal; or
 - Vimy validly terminating the Scheme Implementation Deed for Deep Yellow's material breach of the Scheme Implementation Deed (including a representation and warranty given by Deep Yellow) before 8.00am on the Second Court Date and the relevant circumstances are not remedied to Vimy's reasonable satisfaction for five Business Days (or any shorter period ending at 8.00am on the Second Court Date) from a written notice is given by Vimy setting out the relevant circumstances and stating an intention to terminate the Scheme Implementation Deed;
- **(Competing Proposal for Vimy)** Deep Yellow becomes entitled to validly terminate the Scheme Implementation Deed due to, at any time before 8.00am on the Second Court Date, Vimy received a Competing Proposal and the Vimy Board publicly announces that it has determined that that Competing Proposal is a Superior Proposal, provided there has been no material breach of the exclusivity arrangements; or
- **(Termination for unremedied breach by Vimy)** Deep Yellow validly terminates the Scheme Implementation Deed if Vimy commits a material breach of the Scheme Implementation Deed (including a representation and warranty given by Vimy) before 8.00am on the Second Court Date and the relevant circumstances are not remedied to Deep Yellow's reasonable satisfaction for five Business Days (or any shorter period ending at 8.00am on the Second Court Date) from a written notice is given by Deep Yellow setting out the relevant circumstances and stating an intention to terminate the Scheme Implementation Deed.

Deep Yellow has agreed to pay a Break Fee of \$2,500,000 to Vimy within ten Business Days after receipt of a written demand from Vimy if:

- **(Deep Yellow recommends Superior Proposal)** a Competing Proposal for Deep Yellow is received or announced by a third party before the Second Court Date, the Deep Yellow Board concludes that that Competing Proposal is a Superior Proposal, and the Deep Yellow Board (or a majority of its directors) make a public statement to the effect that they no longer support the Scheme or that they support, endorse or otherwise wish to pursue the Superior Proposal;
- **(Competing Proposal for Deep Yellow)** Vimy becomes entitled to validly terminate the Scheme Implementation Deed due to, at any time before 8.00am on the Second Court Date, Deep Yellow receiving a Competing Proposal, and the Deep Yellow Board publicly announces that it has determined that the Competing Proposal is a Superior Proposal provided there has been no material breach of the exclusivity arrangements; or
- **(Termination for unremedied breach by Deep Yellow)** Vimy validly terminates the Scheme Implementation Deed if Deep Yellow commits a material breach of the Scheme Implementation Deed (including a representation and warranty given by Deep Yellow) before 8.00am on the Second Court Date and the relevant circumstances are not remedied to Vimy's reasonable satisfaction for five Business Days (or any shorter period ending at 8.00am on the Second Court Date) from a written notice is given by Vimy setting out the relevant circumstances and stating an intention to terminate the Scheme Implementation Deed.

No Break Fee is payable if the Scheme becomes Effective, and any amount paid by one party to another in respect to the Break Fee obligations become immediately repayable if the Scheme becomes Effective.

Please refer to clause 9 of the Scheme Implementation Deed in Appendix 5 to this Scheme Booklet for complete descriptions of these arrangements.

2 WHAT IS THE SCHEME?

2.15 Termination rights

(a) Mutual termination rights

Either Deep Yellow or Vimy may terminate the Scheme Implementation Deed:

- if there is a breach or non-fulfilment of a Scheme Condition that has not been waived;
- if a Scheme Condition becomes incapable of satisfaction and the breach or non-fulfilment of that Scheme Condition that has occurred, or would otherwise occur, has not been waived;
- at any time before 8.00am on the Second Court Date if the Vimy Board or the Deep Yellow Board (as applicable) determines that a Competing Proposal is a Superior Proposal, provided that there has not been a material breach of exclusivity obligations by the party purporting to terminate;
- at any time before 8.00am on the Second Court Date if the other commits a material breach of the Scheme Implementation Deed (including a representation and warranty), and:
 - it has given written notice to the other setting out the relevant circumstances and stating an intention to terminate the Scheme Implementation Deed; and
 - the relevant circumstances are not remedied to the non-defaulting party's reasonable satisfaction and have continued to exist for five Business Days from the time such notice is given (or any shorter period ending at 8.00am on the Second Court Date);
- if agreed to in writing by both Vimy and Deep Yellow; or
- if the Effective Date of the Scheme has not occurred, or will not occur, on or before the End Date other than as a result of any breach of the Scheme Implementation Deed by the party purporting to terminate.

(b) Deep Yellow termination rights

In addition to the mutual termination rights, Deep Yellow may terminate the Scheme Implementation Deed with immediate effect, before 8.00am on the Second Court Date by written notice to Vimy if:

- a Vimy Director (including any new Vimy Director appointed after 30 March 2022) withdraws, changes or modifies his or her Recommendation or Voting Statement, or recommends, endorses, or supports any Competing Proposal for Vimy;
- a Competing Proposal in respect of Deep Yellow is received or announced and the Competing Proposal requires as a condition that the Scheme not be implemented, and a majority of the Deep Yellow Directors make a public statement to the effect that they no longer support the Scheme or that they recommend the Competing Proposal;
- a third party that does not have a 20% or more Relevant Interest in Vimy at the date of the Scheme Implementation Deed obtains a Relevant Interest in Vimy of 20% or more (or if a third party that has a Relevant Interest of 20% or more in Vimy at the date of the Scheme Implementation Deed, increases their Relevant Interest in Vimy by more than 1%).

(c) Vimy termination rights

In addition to the mutual termination rights, Vimy may also terminate the Scheme Implementation Deed, with immediate effect, before 8.00am on the Second Court Date by written notice to Deep Yellow if:

- the Vimy Board withdraws, changes or modifies its recommendation, including recommending, endorsing or supporting any Competing Proposal for Vimy; or
- a Competing Proposal for Deep Yellow is publicly announced and the Competing Proposal requires as a condition that the Scheme not be implemented and any Deep Yellow Director makes a public statement to the effect that they no longer support the Scheme or that they recommend the Competing Proposal; or

2 WHAT IS THE SCHEME?

- a third party that does not have a 20% or more Relevant Interest in Deep Yellow at the date of the Scheme Implementation Deed obtains a Relevant Interest in Deep Yellow of 20% or more (or if a third party that has a Relevant Interest of 20% or more in Deep Yellow at the date of the Scheme Implementation Deed, increases their Relevant Interest in Deep Yellow by more than 1%).

2.16 Ineligible shareholders

(a) Ineligible Foreign Shareholders

Restrictions in certain foreign countries may make it impractical or unlawful for New Deep Yellow Shares to be offered or issued under the Scheme to Scheme Shareholders in those countries.

Deep Yellow has determined that Ineligible Foreign Shareholder means a Scheme Shareholder whose address in the Vimy Share Register is a place outside Australia and its external territories, New Zealand, the United States, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates and United Kingdom and any other jurisdictions in respect of which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Deep Yellow Shares to a Scheme Shareholder with a registered address in such jurisdiction.

Deep Yellow will not issue any New Deep Yellow Shares to Ineligible Foreign Shareholders and this Scheme Booklet should be read accordingly.

Deep Yellow is not obliged to issue, and will not issue, any New Deep Yellow Shares to any Ineligible Foreign Shareholder. Instead, Deep Yellow must procure that the New Deep Yellow Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholder are issued to the Sale Agent on the Implementation Date and dealt with in accordance with the procedure set out in Section 2.16(c).

(b) Small Shareholders

Scheme Shareholders (other than an Ineligible Foreign Shareholders) who, based on their holding of Scheme Shares on the Record Date, would be entitled to receive less than a Marketable Parcel of New Deep Yellow Shares on implementation of the Scheme (assessed by reference to the last traded price of Deep Yellow Shares on the ASX on the trading day prior to the Record Date) as Scheme Consideration are Small Shareholders.

Small Shareholders who provide the Share Registry with a completed Opt-in Notice prior to the Opt-in Notice Cut-Off Date will be eligible to receive the Scheme Consideration as New Deep Yellow Shares.

For an Opt-in Notice to be effective, it must be duly completed and returned to the Share Registry by electing to opt-in online by visiting <https://investor.automic.com.au/#/homelodgement>, or by mail in accordance with the instructions on the Opt-in Notice, prior to 5.00pm (AWST) on Thursday, 28 July 2022. An Opt-in Notice has been made available to each Vimy Shareholder by post or through the Automic website at <https://investor.automic.com.au>.

Deep Yellow is not obliged to issue, and will not issue, any New Deep Yellow shares to any Relevant Small Shareholders. Instead, unless Vimy and Deep Yellow otherwise agree, Deep Yellow must procure that the New Deep Yellow Shares that each Relevant Small Shareholder would otherwise be entitled to receive them as Scheme Consideration are issued to the Sale Agent and dealt with in accordance with the procedure set out in Section 2.16(c).

(c) Provision of Scheme Consideration to Ineligible Shareholders

An **Ineligible Shareholder** means an Ineligible Foreign Shareholder or a Relevant Small Shareholder.

Deep Yellow must procure that:

- the New Deep Yellow Shares which would otherwise be required to be issued to any Ineligible Shareholder under the Scheme are issued by Deep Yellow to the Sale Agent on the Implementation Date (rounded down, if necessary, to the nearest whole number);

2 WHAT IS THE SCHEME?

- as soon as practicable and, in any event, not more than twenty Business Days after the Implementation Date, the Sale Agent sells on ASX all of the Sale Shares issued to the Sale Agent in such manner, at such price or prices and on such other terms as the Sale Agent determines in good faith; and
- promptly after the last sale of Sale Shares, the Sale Agent pays the Sale Proceeds into the Trust Account (for payment by Deep Yellow to the Ineligible Shareholders).

Vimy, Deep Yellow and the Sale Agent give no assurance as to the price that will be as to the price that will be achieved for the sale of New Deep Yellow Shares described above. The net Sale Proceeds that Ineligible Shareholders will receive may be more or less than the current market value of Vimy Shares after deducting any applicable brokerage and other costs.

Further details regarding the Sale Facility are as follows:

- Deep Yellow has appointed the Sale Agent (who holds an Australian Financial Services Licence);
- the market price of Deep Yellow Shares is subject to change from time to time. Up-to-date information on the market price of Deep Yellow Shares is available from ASX's Website (ASX:DYL);
- the name of the Sale Agent will be entered in the Deep Yellow Share Register as the holder of the Sale Shares; and
- as soon as practical following payment into the Trust Account of the Sale Proceeds, Deep Yellow must pay from the Trust Account to each Ineligible Shareholder such proportion of Sale Proceeds that the Ineligible Shareholders would have received had they received the number of New Deep Yellow Shares to which they would have been entitled under the Scheme but for the operation of the Sale Facility and sold them for an amount per New Deep Yellow Share equal to that part of the Sale Proceeds which is attributable to the sale of New Deep Yellow Shares divided by the total number of New Deep Yellow Shares included in the Sale Shares, provided that for the purposes of the foregoing the total cash amount payable to a Ineligible Shareholder in respect of its parcel of Scheme Shares shall be rounded down to the nearest whole cent.

The Sale Proceeds owing to each Ineligible Shareholder as Scheme Consideration following the process set out above will be paid by Deep Yellow to that Shareholder by:

- sending (or procuring Deep Yellow's share registry) to send it to the Ineligible Shareholders' Registered Address by cheque in the name of that Ineligible Shareholder, in Australian currency drawn out of the Trust Account; or
- depositing (or procuring Deep Yellow's share registry to deposit) it into an account with any Australian ADI notified to Vimy (or the Vimy Registry) by an appropriate authority from the Ineligible Shareholder.

If there is any surplus in Scheme Consideration held by Deep Yellow in the Trust Account, the *Unclaimed Money Act 1990* (WA) will apply in relation to that surplus which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1990* (WA)) and any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Deep Yellow.

2.17 Foreign Resident Capital Gains Withholding Tax (FRCGWT) and Relevant Foreign Resident Declaration Form

To ensure Deep Yellow is able to conclude whether it has a requirement to withhold in respect of the Scheme under the FRCGWT regime, Vimy Shareholders should complete a FRCGWT vendor declaration and provide this to Deep Yellow prior to the Scheme Record Date.

Vendor declarations will be incorporated within the voting process via Relevant Foreign Resident Declaration Forms.

2 WHAT IS THE SCHEME?

2.18 Treatment of Vimy Performance Rights and Options

(a) Treatment of Vimy Options

As at the date of this Scheme Booklet, Vimy has a total of 9,192,333 Vimy Options on issue.

Under the Scheme Implementation Deed, Deep Yellow agrees to issue Deep Yellow Shares or options to holders of Vimy Options on the Implementation Date. Vimy has notified each holder of Vimy Options in writing that the Vimy Options issued under the Vimy Employee Option Plan may be exercised at any time and in any number until the Scheme Record Date, permitting the holder of Vimy Options to participate in the Scheme as the conversion of the Vimy Options into Vimy Shares will be Scheme Shares. The Vimy Options will lapse to the extent they have not been exercised after the Scheme Record Date or are not subject to an Unlisted Security Exchange Agreement.

The Scheme Meeting will be held on Wednesday, 20 July 2022. Any unexercised Vimy Options will lapse to the extent they have not been exercised after the Record Date being Friday, 29 July 2022 and, in any event, will expire on 31 July 2022 in accordance with their terms.

(b) Treatment of Vimy Performance Rights

Vimy has a total of 3,500,000 Vimy Performance Rights on issue, all of which are held by Vimy Directors Steven Michael and Anthony Chamberlain.

The vesting criteria of the Vimy Performance Rights are as follows:

- (i) 1,250,000 Tranche A Vimy Performance Rights will vest on completion of a Bankable Feasibility Study (**BFS**) for the Mulga Rock Project, as evidenced by a public announcement on the ASX platform and to the reasonable satisfaction of the independent directors of Vimy;
- (ii) 1,250,000 Tranche B Vimy Performance Rights will vest on announcement of a FID for the development of the Mulga Rock Project;
- (iii) 500,000 Tranche C Vimy Performance Rights will vest on a 50% increase in Vimy's closing share price from 31 December 2021 of \$0.19, being \$0.285; and
- (iv) 500,000 Tranche D Vimy Performance Rights will vest on a 100% increase in Vimy's market capitalisation from 31 December 2021 of \$205.70 million, being \$411.40 million.

However, pursuant to the terms of the Performance Rights, the vesting conditions attaching to the Vimy Performance Rights will accelerate and each Performance Right will automatically convert into Vimy Shares on a one-for-one basis upon a Court granting orders approving the Scheme.

All Vimy Performance Rights will be exercised prior to the Record Date.

2 WHAT IS THE SCHEME?

2.19 What are your alternatives?

The following alternatives are available to Vimy Shareholders. Vimy encourages you to consider your personal risk profile, portfolio strategy, tax position and financial circumstances and seek professional advice before making any decision in relation to your Vimy Shares:

Vote in favour of the Scheme	<p>This is the course of action unanimously recommended by your Directors²³, in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.</p> <p>To follow your Directors' unanimous recommendation, you should vote in favour of the Scheme at the Scheme Meeting. For a summary of how to vote on the Scheme, please refer to Section 4 of this Scheme Booklet.</p>
Vote against the Scheme	<p>If, despite your Directors' unanimous recommendation²³ and the conclusion of the Independent Expert, you do not support the Scheme, you may vote against the Scheme at the Scheme Meeting.</p> <p>However, if all of the conditions and approvals for the Scheme are satisfied or waived (as applicable), the Scheme will bind all relevant Vimy Shareholders, including those who do not attend the Scheme Meeting, those who do not vote on the Scheme and those who vote against it.</p>
Sell your Shares before the Record Date	<p>The existence of the Scheme does not preclude you from selling your Vimy Shares, if you wish, provided the transfer form in respect of that sale is received by the Share Registry on or before the Record Date.</p>
Do nothing	<p>Vimy Shareholders who do not elect to vote at the Scheme Meeting will:</p> <ul style="list-style-type: none">• if the Scheme becomes Effective and is implemented, have their Scheme Shares compulsorily transferred to Deep Yellow, by operation of the Scheme and be entitled to receive the Scheme Consideration; or• if the Scheme is not implemented - retain their Vimy Shares.

2.20 Dealing with your New Deep Yellow Shares

If the Scheme is implemented, all of the Vimy Shares held by Scheme Shareholders at 5.00pm (AWST) on the Record Date will be transferred to Deep Yellow on the Implementation Date and in exchange, each Scheme Shareholder (other than Ineligible Foreign Shareholders and Relevant Small Shareholders) will be issued New Deep Yellow Shares. If you wish to sell the New Deep Yellow Shares issued to you, you may do so on ASX once trading in those New Deep Yellow Shares commences.

²³ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

3

FREQUENTLY ASKED QUESTIONS



3

FREQUENTLY ASKED QUESTIONS

Set out below are summary answers to some questions that Vimy Shareholders may have in relation to the Scheme. This information is a summary only and should be read in conjunction with the remainder of this Scheme Booklet.

A QUESTIONS ABOUT THE SCHEME

Question	Answer	More Information
What are Vimy Shareholders being asked to consider?	<p>If you are a Vimy Shareholder you are being asked to consider and vote on a proposal under which Deep Yellow will acquire all of your Vimy Shares on the Implementation Date under a members' scheme of arrangement between Vimy and all persons who hold Vimy Shares as at the Record Date. The proposal is referred to in this Scheme Booklet as the Scheme.</p> <p>The consideration that you will receive in exchange for the transfer of your Shares on the Implementation Date will be 0.294 New Deep Yellow Shares for each Vimy Share you own.</p> <p>If the Scheme becomes Effective, Vimy Shareholders will own approximately 47% of the Merged Group.</p>	Section 2
Why have I received this Scheme Booklet?	The Scheme Booklet has been sent to you because you are a Vimy Shareholder. The purpose of this Scheme Booklet is to explain the terms of the proposed acquisition by Deep Yellow of all of the Vimy Shares and the manner in which the acquisition will be considered and implemented, and to assist you in making a decision as to whether or not to vote in favour of the Scheme at the Scheme Meeting.	Section 2
What is a members' scheme of arrangement?	A members' scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another. In this case, the Scheme is the mechanism by which Deep Yellow proposes to acquire all Vimy Shares. The Scheme requires the agreement of the Vimy Shareholders by the majorities described below and also the approval of the Court.	Section 2.2
Is this a takeover offer?	<p>No. However, if the Scheme is agreed to by Vimy Shareholders and approved by the Court and if all of the other conditions and approvals are satisfied or waived (as applicable) the outcome will be equivalent to a successful 100% scrip takeover bid in that:</p> <ul style="list-style-type: none"> all of your Scheme Shares will be transferred to Deep Yellow; and you will be entitled to receive scrip consideration in exchange for the transfer of your Scheme Shares, whether or not you were present at the Scheme Meeting and whether or not you voted in favour of or against the resolution to agree to the Scheme or abstained from voting. 	Section 2.2

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
Why has this proposed transaction been structured as a scheme of arrangement?	<p>Vimy and Deep Yellow consider that the Scheme represents the most efficient structure to implement the Merger.</p> <p>This structure provides the greatest certainty that if the Scheme is agreed to by Vimy Shareholders and approved by the Court and proceeds to implementation, 100% ownership and control of Vimy will be acquired by Deep Yellow within a specific timeframe that meets the commercial objectives of Deep Yellow as the intended acquirer and of Vimy as the target company.</p>	Section 2.2
What are the key conditions that need to be satisfied before the Scheme can proceed?	<p>The key conditions that must be satisfied (and which are not capable of being waived) are:</p> <ul style="list-style-type: none"> the Vimy Shareholders agreeing to the Scheme at the Scheme Meeting; and the Court approving the Scheme. <p>The Scheme is subject to various other conditions being satisfied or waived.</p> <p>Vimy will make a statement at the commencement of the Scheme Meeting regarding the status of these other conditions.</p>	Section 2.5
Are there any risks for me if the Scheme proceeds?	<p>Yes. This is because you will receive New Deep Yellow Shares as your Scheme Consideration.</p> <p>There are risks associated with an investment in the Merged Group. The value of your investment in the Merged Group will depend on the financial performance of the Merged Group's business which is subject to the general and specific risks noted in Section 8.</p>	Section 8
If the Scheme is approved, what will be the effect?	<p>If the Scheme proceeds, Vimy will become a wholly owned subsidiary of Deep Yellow and Deep Yellow will control Vimy. Vimy will be delisted from ASX.</p> <p>Vimy Shareholders will receive New Deep Yellow Shares and will hold 47% of the Merged Group.</p>	Sections 1.4(f) and 7.9(a)

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
If the Scheme is not approved, what will be the effect?	<p>If the Scheme is not agreed to by Vimy Shareholders or is not approved by the Court and you still hold any Vimy Shares at either of those points in time:</p> <ul style="list-style-type: none"> • you will not receive the Scheme Consideration; • you will retain your current investment in Vimy Shares and in doing so will continue to retain the benefits of an investment in Vimy and continue to be exposed to the risks presently associated with this investment. These risks include general risks of holding shares and risks that are specific to Vimy's business as described in Section 8.6; • the advantages of the Scheme, as outlined in Section 1.2, will not be realised; • equally some of the disadvantages of the Scheme identified in Section 1.3 will no longer be relevant; and • Vimy will have incurred substantial costs and expended management time and resources for a proposed change of control transaction that does not proceed. 	Section 8.6
Who is entitled to participate in the Scheme?	Vimy Shareholders who are on the Share Register as at 5.00pm (AWST) on the Record Date are entitled to participate in the Scheme.	Section 2.8(c)
Is a Competing Proposal likely?	<p>Until the Scheme is approved by the Court, there is nothing preventing other parties from making unsolicited acquisition or merger proposals for Vimy.</p> <p>As at the date of this Scheme Booklet no Competing Proposal has emerged since the announcement of the Scheme on 31 March 2022 and the Vimy Board is not aware of any Competing Proposal that may emerge.</p>	

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What happens if a Competing Proposal for Vimy emerges?	<p>If a Competing Proposal for Vimy emerges prior to the Second Court Hearing, your Vimy Directors will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments.</p> <p>If Vimy becomes aware during the Exclusivity Period of any approach or attempt to initiate any negotiations by any person to it or any of its related body corporate in relation to a Competing Proposal, Vimy must notify Deep Yellow as soon as possible in writing. The notification must include a summary of all material terms and conditions of the Competing Proposal, including the amount and form of consideration offered, conditions, structure, timetable, break fee arrangements, due diligence requirements and identity of the third party making the Competing Proposal.</p> <p>No Vimy Director may publicly recommend, support or endorse a Competing Proposal or make any public statement to the effect that they may do so at a future point in time, or withdraws, changes or modifies his or her Recommendation or Voting Statement unless:</p> <ul style="list-style-type: none"> the Vimy Board determines that the Competing Proposal is or would be reasonably likely to be a Superior Proposal; Vimy has provided Deep Yellow with a Matching Right Notice; and Deep Yellow does not within three Business Days provide an alternative proposal that the Vimy Directors determine, acting reasonably and in good faith, would, if implemented substantially in accordance with its terms, be reasonably likely to result in a transaction that is at least as likely to be as favourable to Vimy Shareholders <p>If:</p> <ul style="list-style-type: none"> a Vimy Director withdraws, changes or modifies their Recommendation or Voting Statement, including where a Competing Proposal is announced and is recommended by any Vimy Director other than as a result of the Independent Expert opining that the Scheme is not in the best interests of Vimy Shareholders or Vimy validly terminating the Scheme Implementation Deed for Deep Yellow's material breach not remedied for five Business Days; or Vimy receives a Competing Proposal and the Vimy Board public announces that it has determined that it is a Superior Proposal provided there has been no material breach of exclusivity arrangements, <p>Vimy may be obliged to pay a break fee of \$2,500,000 to Deep Yellow.</p>	Sections 2.13(d) and 2.14

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
Can I sell my Vimy Shares now?	<p>Yes. Vimy Shareholders may sell their Vimy Shares at the prevailing market price on market at any time before the close of trading on ASX on the Effective Date which is expected to be Wednesday, 27 July 2022.</p> <p>If you sell your Vimy Shares before the Effective Date of the Scheme (the last day of trading in Vimy Shares on ASX before suspension from the Official List of ASX):</p> <ul style="list-style-type: none"> • you will not receive any New Deep Yellow Shares; • you may pay brokerage fees; and • there may be different tax consequences compared to those that would arise under the implementation of the Scheme. 	Section 2.19
Will I be giving any warranties in respect of my Vimy Shares?	<p>Each Scheme Shareholder will be taken to have warranted to Vimy in its own right and for the benefit of Deep Yellow that all of their Vimy Shares (including any rights and entitlements attaching to the Shares) which are transferred under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer the Scheme Shares to Deep Yellow together with any rights attaching to the Scheme Shares.</p>	Section 2.10
Under what circumstances can Deep Yellow terminate the Scheme Implementation Deed?	<p>Deep Yellow may terminate the Scheme Implementation Deed, with immediate effect before 8:00am on the Second Court Date by written notice to Vimy if:</p> <ul style="list-style-type: none"> • a Vimy Director (including any new Vimy Director appointed after 30 March 2022) withdraws, changes or modifies his or her recommendation or Voting Statement, or recommends, endorses, or supports any Competing Proposal for Vimy; • Competing Proposal in respect of Deep Yellow is received or announced and the Competing Proposal requires as a condition that the Scheme not be implemented, and a majority of the Deep Yellow Directors make a public statement to the effect that they no longer support the Scheme or that they recommend the Competing Proposal; or • a third party that does not have a 20% or more Relevant Interest in Vimy at the date of the Scheme Implementation Deed obtains a Relevant Interest in Vimy of 20% or more (or if a third party that has a Relevant Interest of 20% or more in Vimy at the date of the Scheme Implementation Deed, increases their Relevant Interest in Vimy by more than 1%). <p>In addition, there are also other mutual termination rights and circumstances where Vimy may terminate the Scheme Implementation Deed.</p>	Section 2.15

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What will happen if I do not exercise my Vimy Options prior to the Record Date?	<p>If you exercise your Vimy Options prior to the Record Date, the Vimy Shares that are issued as a result of your exercise to you will be eligible to participate in the Scheme.</p> <p>If you do not exercise your Vimy Options prior to the Record Date, your Vimy Options will lapse.</p>	Section 2.18(a)

B QUESTIONS ABOUT THE SCHEME CONSIDERATION

Question	Answer	More Information
What consideration will I receive if the Scheme is implemented?	<p>Scheme Shareholders (other than Ineligible Shareholders) will be entitled to receive 0.294 New Deep Yellow Shares for each Vimy Share they hold.</p> <p>If you are an Ineligible Shareholder, you will not be issued with any New Deep Yellow Shares. Instead, the New Deep Yellow Shares that would otherwise have been issued to you will be sold via the Sale Agent and dealt with in accordance with the procedure set out in Section 2.16(c).</p>	Sections 2.3 and 2.16(c)
When will I receive my Scheme Consideration?	<p>If the Scheme becomes Effective, Vimy anticipates that the New Deep Yellow Shares will be issued on or about the Implementation Date which is expected to be Thursday, 4 August 2022.</p> <p>Ineligible Shareholders will receive their portion of the Sale Proceeds from the New Deep Yellow Shares attributable to them as soon as practicable following payment into the Trust Account of the Sale Proceeds by the Sale Agent.</p> <p>If the Scheme Meeting is adjourned or the Effective Date is otherwise delayed, the timing of the issue of those New Deep Yellow Shares as Scheme Consideration will also be delayed.</p>	Sections 2.8 and 2.16(c)
When can I start trading my New Deep Yellow Shares on ASX?	<p>Deferred settlement of the New Deep Yellow Shares issued as Scheme Consideration is expected to be available from 10.00am (AWST) on Thursday, 28 July 2022.</p> <p>Trading on ASX of New Deep Yellow Shares issued as Scheme Consideration is expected to commence on a normal settlement basis on Friday, 5 August 2022.</p>	Section 2.11
What are the tax implications of the Scheme?	<p>Generally, an Australian resident Vimy Shareholder who participates in the Scheme will be eligible for CGT roll-over relief which will enable them to defer any CGT liability on any gains on the disposal of their Vimy Shares until their New Deep Yellow Shares are sold.</p>	Section 9
Will I have to pay brokerage fees or stamp duty?	<p>Scheme Shareholders will not be required to pay brokerage or stamp duty on the transfer of their Vimy Shares or the issue of the New Deep Yellow Shares in connection with the Scheme.</p>	Section 1.4(c)

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
Who is classified as an Ineligible Foreign Shareholder?	A Scheme Shareholder will be an Ineligible Foreign Shareholder if their address as shown in the Share Register on the Scheme Record Date is a place outside of Australia and its external territories, New Zealand, the United States, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates and United Kingdom and any other jurisdictions in respect of which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Deep Yellow Shares to a Scheme Shareholder with a Registered Address in such jurisdiction.	Section 2.16(a)
What are the consequences if I am a Vimy Shareholder with a Vimy shareholding representing less than A\$500 worth of New Deep Yellow Shares?	<p>If you are a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date would, on implementation, be entitled to receive less than a Marketable Parcel of New Deep Yellow Shares (assessed by reference to the last traded price of Deep Yellow Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration, you are a Small Shareholder.</p> <p>If you are a Small Shareholder and you wish to receive the Scheme Consideration in the form of New Deep Yellow Shares, you must provide Automic with a duly completed Opt-in Notice before the Opt-in Notice Cut-Off Date by electing to receive the Scheme Consideration in the form of New Deep Yellow Shares by:</p> <ul style="list-style-type: none"> • electing online by visiting https://investor.automic.com.au/#/home; or • making a paper election by mail in accordance with the instructions on the Opt-in Notice. <p>Any Small Shareholder who does not provide Automic with a duly completed Opt-in Notice prior to the Opt-in Notice Cut-Off Date will be a "Relevant Small Shareholder". Relevant Small Shareholders are "Ineligible Shareholders". If you are a Relevant Small Shareholder, the New Deep Yellow Shares to which you would otherwise be entitled will be issued to the Sale Agent, who will deal with those New Deep Yellow Shares in accordance with the procedure set out at Section 2.16(c).</p>	Section 2.16(b)

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What will Ineligible Shareholders receive under the Scheme?	<p>Ineligible Shareholder means either:</p> <ul style="list-style-type: none"> an Ineligible Foreign Shareholder; or a Relevant Small Shareholder. <p>Ineligible Shareholders will not receive New Deep Yellow Shares pursuant to the Scheme. If you are an Ineligible Shareholder, on implementation of the Scheme, all New Deep Yellow Shares that you would otherwise have been entitled to receive will be issued to the Sale Agent for sale by the Sale Agent on your behalf and at your risk as soon as reasonably practicable and in any event within 20 Business Days (on which the New Deep Yellow Shares are capable of being traded on ASX) of the Implementation Date. You will receive such proportion of the proceeds in Australian dollars (after deducting any applicable brokerage, stamp duty and other taxes and charges, and selling costs) as is owed to you.</p>	Sections 2.3 and 2.16
How will fractional entitlements to Deep Yellow Shares be treated?	<p>Where the calculation of the number of New Deep Yellow Shares to be issued to Scheme Shareholders results in fractional entitlements to a New Deep Yellow Share, the fractional entitlement:</p> <ul style="list-style-type: none"> which is 0.5 or greater will be rounded up to the nearest whole number of New Deep Yellow Shares; and which is less than 0.5 will be rounded down to the nearest whole number of New Deep Yellow Shares, <p>after aggregating all holdings of the Scheme Shareholder and in a manner which avoids manipulation of a Scheme Shareholder's holdings to take advantage of the rounding entitlement.</p>	Section 2.3
How will Vimy Performance Rights be treated?	On the Court making orders approving the Scheme, all unvested Vimy Performance Rights will automatically vest in accordance with their terms.	Sections 2.18(b) and 7.7(e)
What happens if the market price of Deep Yellow Shares increases or decreases?	The implied value of the Scheme Consideration may increase or decrease prior to the Implementation Date based on movements in the price of Deep Yellow Shares. Irrespective of movements in the price of Deep Yellow Shares, on the Implementation Date, you (or the Sale Agent, if you are an Ineligible Shareholder) will receive the Scheme Consideration, being 0.294 New Deep Yellow Shares for every Vimy Share held as at the Scheme Record Date.	Section 1.2(h)

3 FREQUENTLY ASKED QUESTIONS

C QUESTIONS ABOUT DEEP YELLOW AND THE MERGED GROUP

Question	Answer	More Information
Who is Deep Yellow?	Deep Yellow is an Australian-based company listed on the ASX ('DYL'), the OTCQX in the USA ('DYL') and the Namibian Stock Exchange ('DYL'). Deep Yellow has focused on uranium since 2006 and is advancing a dual-pillar growth strategy to achieve its goal of establishing a multi-mine, 5-10Mlb per annum, lost cost, Tier-1 uranium producer.	Section 6.2
What will the Merged Group be called?	The Merged Group will continue to be named Deep Yellow Limited (ASX: DYL).	Section 7
What are the expected benefits of the Merged Group?	<p>Among other things, the Scheme will create a global uranium champion of size and scale, providing shareholders with the opportunity to participate in a new platform with greater equity market relevance, broader diversification, a stronger balance sheet and funding flexibility.</p> <p>See Section 1.2 for the reasons why the Vimy Directors recommend that you vote in favour of the Scheme²⁴, in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.</p> <p>Section 7.5 includes a statement of the expected benefits of merging Vimy and Deep Yellow businesses to form the Merged Group.</p>	Sections 1.2 and 7.5
What are Deep Yellow's intentions with the Merged Group and Vimy if the Scheme proceeds?	<p>If the Scheme is implemented, Deep Yellow intends to undertake a detailed review of the Merged Group's operations to determine and implement improvements to deliver the optimal outcomes for the Merged Group.</p> <p>Further, Deep Yellow will undertake a detailed review of the combined business to determine the best way to utilise Vimy employees for the benefit of the Merged Group.</p>	Section 7.7
Who will be on the Merged Group's Board?	<p>If the Scheme is implemented, the Board of the Merged Group is intended to initially comprise the following:</p> <ul style="list-style-type: none"> • Christopher Salisbury, Chairman; • John Borshoff, Managing Director and Chief Executive Officer; • Gillian Swaby, Executive Director; • Steven Michael, Executive Director; • Mervyn Greene, Non-Executive Director; • Gregory Meyerowitz, Non-Executive Director; and • Wayne Bramwell, Non-Executive Director. 	Section 7.8

²⁴ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What will be the strategy for the Merged Group?	<p>The strategy of the Merged Group will be to continue creating shareholder value through, among other things:</p> <ul style="list-style-type: none"> ensuring ongoing exploration and optimisation of projects; proceeding with completion of the Tumas DFS; and identifying and realising potential corporate, operational and commercial potential. 	Section 7.7(c)

D QUESTIONS ABOUT YOUR DIRECTORS' RECOMMENDATIONS AND INTENTIONS

Question	Answer	More Information
What do the Vimy Directors recommend?	The Vimy Directors unanimously recommend that, in the absence of a Superior Proposal and the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy shareholders, Vimy Shareholders vote in favour of the Scheme ²⁵ .	Section 1.1
How are the Vimy Directors going to vote?	Each Vimy Director intends to vote all Vimy Shares they have an interest in (whether direct or indirect) in favour of the Scheme, in the absence of a Superior Proposal.	Section 1.2(j)
What is the opinion of the Independent Expert?	<p>The Independent Expert has concluded that the Scheme is fair and reasonable and is in the best interests of the Vimy Shareholders. The Independent Expert's Report accompanies this Scheme Booklet as Appendix 1. Your Vimy Directors encourage you to read the Independent Expert's Report in full before deciding how to vote on the Scheme.</p> <p>If the Independent Expert changes its conclusion, this will be announced to the ASX. In such circumstances, the Vimy Board will consider the revised opinion and advise Vimy Shareholders of their recommendation.</p>	Section 1.2(k) Appendix 1

²⁵ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

3 FREQUENTLY ASKED QUESTIONS

E QUESTIONS ABOUT VOTING

Question	Answer	More Information
When and where will the Scheme Meeting be held?	<p>The Scheme Meeting will be a virtual meeting held online at 10.00am (AWST) on Wednesday, 20 July 2022.</p> <p>Having regard to the uncertainty and potential health risks associated with large gatherings due to the COVID-19 pandemic, the Scheme Meeting will be virtual (i.e. online only). Vimy Shareholders and their authorised proxies, attorneys and corporate representatives may participate in the Scheme Meeting online at investor.automic.com.au.</p> <p>Vimy Shareholders who participate in the Scheme Meeting via the online platform will be able to listen to and watch the Scheme Meeting, cast an online vote and ask questions online. Please monitor Vimy's Website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the meeting.</p> <p>Please see the Notice of Scheme Meeting in Appendix 4.</p> <p>The Scheme Meeting may be postponed or adjourned, including if satisfaction of a Scheme Condition is delayed. Any such postponement or adjournment will be announced by Vimy to the ASX.</p>	Section 4.1 Appendix 4
What am I being asked to vote on?	You are being asked to vote on whether to approve the Scheme.	Section 2.1
Who is entitled to vote?	Vimy Shareholders who are recorded as members on the Share Register as at 5.00pm (AWST) on Monday, 18 July 2022 are entitled to vote at the Scheme Meeting.	Section 4.3
Is voting compulsory?	<p>No, voting is not compulsory. However, your vote is important in deciding whether the Scheme is approved. The Vimy Directors strongly encourage all Vimy Shareholders to vote at the Scheme Meeting.</p> <p>If you cannot participate in the Scheme Meeting, you are encouraged to complete the proxy form accompanying this Scheme Booklet and return it in accordance with the instructions on the form so that it is received by no later than 10.00am (AWST) on Monday, 18 July 2022.</p>	Section 2.19
How do I vote?	<p>You may vote:</p> <ul style="list-style-type: none"> • online, by attending the virtual Scheme Meeting; • by proxy, by completing and lodging the proxy form accompanying this Scheme Booklet; or • in the case of a corporate Vimy Shareholder, by a properly appointed corporate representative. 	Section 4.4

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What voting majority is required to approve the Scheme?	<p>For the Scheme to become Effective, votes in favour of the Scheme must be received from:</p> <ul style="list-style-type: none"> a majority in number of the Vimy Shareholders present and voting (either in person or by proxy) at the Scheme Meeting; and at least 75% of the total number of votes which are cast on the Scheme Resolution by Vimy Shareholders present and voting at the Scheme Meeting. <p>The Court has the discretion to waive the requirement for 50% of the Vimy Shareholders by number to vote in favour of the Scheme. If the Scheme is not agreed to by the Vimy Shareholders and approved by the Court, the Scheme will not proceed.</p>	Section 4.1
When will the results of the Scheme Meeting be known?	The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting on Wednesday, 20 July 2022 and will be announced to ASX as soon as practicable.	
What should I do if I wish to support the Scheme?	Attend the virtual Scheme Meeting, by participating online or by proxy, and vote in favour of the Scheme.	Section 4.4
What should I do if I wish to oppose the Scheme?	<p>If, despite Vimy Directors' unanimous recommendation²⁶ and the conclusion from the Independent Expert that the Scheme is in the best interests of Vimy Shareholders, you do not support the Scheme, you should vote against the Scheme at the Scheme Meeting.</p> <p>Any Vimy Shareholder and, with the Court's permission, any other interested person, has a right to seek leave to appear at the Second Court Hearing to oppose the approval of the Scheme by the Court, or to make submissions to the Court in relation to the Scheme. If you wish to oppose approval of the Scheme by the Court at the Second Court Hearing you must file with the Court, and serve on Vimy, a notice of appearance in the form prescribed under the Supreme Court (Corporations) Rules 2004 (WA), together with any affidavit on which you wish to rely at the hearing.</p>	Section 4.4
Can I be bound by the Scheme if I do not vote or if I vote against its approval?	Yes, if the Scheme is approved and becomes Effective, any Vimy Shares held by you at 5.00pm (AWST) on the Record Date will be transferred to Deep Yellow and you will receive the Scheme Consideration, even if you did not vote on the Scheme, or you voted against it.	Section 2.19

²⁶ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What are my alternatives?	<p>As a Vimy Shareholder, your available alternatives are to:</p> <ul style="list-style-type: none"> • vote in favour of the Scheme at the Scheme Meeting (this is the course of action unanimously recommended by your Directors who have concluded that the Scheme is in the best interest of Vimy Shareholders in the absence of a Superior Proposal and whose conclusion is supported by the Independent Expert)²⁷; • vote against the Scheme at the Scheme Meeting; • sell your Shares before the Record Date; or • do nothing; that is, neither vote in favour of nor against the Scheme. 	Section 2.19

F GENERAL QUESTIONS

Question	Answer	More Information
Do I have to sign anything in relation to the Scheme?	No. If the Scheme is approved, Vimy will automatically have authority to sign a transfer on your behalf, and then the Scheme Consideration will be issued to you.	Section 2.8(d)
What happens if the Scheme becomes Effective?	<p>Trading in the Vimy Shares on ASX will be suspended from the close of trading on the Effective Date.</p> <p>Subject to obtaining ASX approval, the New Deep Yellow Shares to be issued as Scheme Consideration will commence trading on ASX on a deferred settlement basis on the trading day after the Scheme becomes Effective (currently expected to be Wednesday, 27 July 2022²⁷, however this date may change).</p> <p>Trading on a deferred settlement basis allows Vimy Shareholders to trade their entitlement to New Deep Yellow Shares before those shares are issued. When trading on a deferred settlement basis, the obligation to settle on the normal T + 2 basis is deferred until the New Deep Yellow Shares commence trading on a normal T + 2 basis (currently expected to be Friday, 5 August 2022, however, this date may change).</p>	Section 2.11
What happens after the Implementation Date?	<p>On the Implementation Date, Deep Yellow will become the owner of all Vimy Shares and Scheme Shareholders (other than Ineligible Shareholders) will be issued 0.294 New Deep Yellow Shares for each Vimy Share they own as at the Record Date.</p> <p>The Implementation Date is currently expected to be Thursday, 4 August 2022 (however, this is subject to change).</p>	Section 2.3

²⁷ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

3 FREQUENTLY ASKED QUESTIONS

Question	Answer	More Information
What other information is available and who can help answer my questions about the Scheme?	If you have any questions, you should contact your broker, financial or legal advisor immediately. Alternatively, you can call the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST) or visit Vimy's Website.	

4

HOW TO VOTE



4 HOW TO VOTE

4.1 Scheme Meeting

The notice convening the Scheme Meeting is contained in Appendix 4 to this Scheme Booklet. A personalised proxy form for the Scheme Meeting is enclosed with this Scheme Booklet.

The Scheme Meeting will be held virtually (online only), at 10.00am (AWST) on Wednesday, 20 July 2022.

For the Scheme to be agreed to by Vimy Shareholders, votes in favour of the Scheme must be received from:

- **(Headcount Test)** a majority in number (more than 50%) of Vimy Shareholders present and voting (either in person, by proxy, attorney, or, in the case of corporate Vimy Shareholders, body corporate representative) at that Scheme Meeting; and
- **(Voting Test)** at least 75% of the total number of votes cast on the Scheme Resolution by Vimy Shareholders present and voting (either in person, by proxy, attorney, or, in the case of corporate Vimy Shareholders, body corporate representative) at the Scheme Meeting.

The Court has a statutory discretion to disregard the Headcount Test at the Scheme Meeting.

The purpose and effect of the Scheme are as summarised earlier and more particularly described in Section 2.8 of this Scheme Booklet.

In light of the COVID-19 outbreak, Vimy is holding a virtual Scheme Meeting. Vimy Shareholders will be unable to attend the Scheme Meeting in person. Instead, Vimy Shareholders may participate in the Scheme Meeting online.

4.2 Your vote is important

Your Directors urge all Vimy Shareholders to vote on the Scheme at the Scheme Meeting. The Scheme affects your shareholding and your vote at the Scheme Meeting is important in determining whether the Scheme proceeds.

Your Directors encourage all Vimy Shareholders to vote in favour of the Scheme either by submitting a completed proxy form for the Scheme Meeting to Vimy by 10.00am (AWST) on Monday, 18 July 2022 or virtually attending the Scheme Meeting at 10.00am (AWST) on Wednesday, 20 July 2022.

4.3 Entitlement to vote

If you are registered as a Vimy Shareholder by the Share Registry at the Voting Entitlement Time (5.00pm (AWST) on Monday, 18 July 2022), you will be entitled to vote at the Scheme Meeting.

In the case of jointly held Vimy Shares, any one of the joint Vimy Shareholders is entitled to vote. If more than one Vimy Shareholder votes in respect of jointly held Vimy Shares, only the vote of the Vimy Shareholder whose name appears first in the Register will be accepted.

4.4 How to vote

Voting at the Scheme Meeting will be conducted by way of a poll.

If you are a Vimy Shareholder entitled to vote at the Scheme Meeting, you may vote:

(a) Online

To access the Scheme Meeting:

- 1 Open your internet browser and go to investor.automic.com.au
- 2 Log in with your username and password or click “register” if you haven’t already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting

4 HOW TO VOTE

- 3 After logging in, a banner will be displayed at the top once the meeting is open for registration, click on "View" when this appears
- 4 Click on "Register" and follow the steps
- 5 Click on the URL to join the webcast where you can view and listen to and watch the virtual meeting
- 6 Once the Chair of the Scheme Meeting has declared the poll open for voting click on "Refresh" to be taken to the voting screen
- 7 Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

Further details regarding the Scheme Meeting is set out in the Notice of Scheme Meeting, which is contained at Appendix 4 to this Scheme Booklet and Vimy's Website.

(b) Voting by proxy

A Vimy Shareholder entitled to vote at the Scheme Meeting may appoint a person to attend and vote at the Scheme Meeting virtually, as their proxy. Vimy Shareholders wishing to vote by proxy must complete and sign or validly authenticate the personalised proxy form which is enclosed with this Scheme Booklet. A person appointed as a proxy may be an individual or a body corporate. Each proxy will have the right to vote on the poll and also to speak at the meeting (provided their appointing Vimy Shareholder is not present).

Completed proxy forms must be delivered to Vimy by 10.00am (AWST) on Monday, 18 July 2022 in any of the following ways:

- **By post** in the enclosed reply-paid envelope provided to the Share Registry:
Automic, GPO Box 5193, Sydney NSW 2001
- **By hand delivery** to the Share Registry at:
Level 5, 126 Phillip Street, Sydney NSW 2000
- **By fax** to the Share Registry on +61 8583 3040 (within Australia or outside Australia)
- **Online** at <https://investor.automic.com.au/#/loginsah> and logging in using the details shown in the accompanying Proxy Form
- **By email** to the Share Registry to meetings@automicgroup.com.au

Proxy forms received after this time will be invalid.

Undirected proxies

If a Vimy Shareholder nominates the chairman of the Scheme Meeting as the Vimy Shareholder's proxy, the person acting as chairman of the Scheme Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at the Scheme Meeting.

If a proxy appointment is signed or validly authenticated by the Vimy Shareholder but does not name the proxy or proxies in whose favour it is given, the chairman of the Scheme Meeting may at his or her election (a) act as proxy in respect of any or all items of business to be considered at the Scheme Meeting or (b) complete the proxy appointment by inserting the name or names of one or more Vimy Directors or the Company Secretary to act as proxy under the appointment, in respect of any or all items of business to be considered at the Scheme Meeting.

Proxy appointments in favour of the chairman of the Scheme Meeting, the Company Secretary or any Vimy Director which do not contain a direction will be voted in support of the Scheme Resolution at the Scheme Meeting (in the absence of a Superior Proposal prior to the date of the Scheme Meeting).

4 HOW TO VOTE

(c) Voting by attorney

If a Vimy Shareholder executes or proposes to execute any document, or do any act, by or through an attorney which is relevant to the Vimy Shareholder's shareholding in Vimy, that Vimy Shareholder must deliver the instrument appointing the attorney to the Share Registry for notation.

Vimy Shareholders wishing to vote by attorney at the Scheme Meeting must, if they have not already presented an appropriate power of attorney to Vimy for notation, deliver to the Share Registry (at the address or facsimile number provided in Section 4.4(b) of this Scheme Booklet) the original instrument appointing the attorney or a certified copy of it by 10.00am (AWST) on Monday, 18 July 2022. Please note that the power of attorney or a certified copy of the power of attorney cannot be lodged online.

Unless the contrary is evident from the express terms of the power of attorney, any power of attorney granted by a Vimy Shareholder will, as between Vimy and that Vimy Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant Vimy Shareholder is lodged with Vimy.

(d) Voting by corporate representative

To vote in person at the Scheme Meeting, a Vimy Shareholder or proxy which is a body corporate may appoint an individual to act as its representative.

To vote by corporate representative at the Scheme Meeting, a corporate Vimy Shareholder or proxy should obtain an **appointment of corporate representative form** from the Share Registry, complete and sign the form in accordance with the instructions on it. The completed appointment form should be received by the Share Registry before the commencement of the Scheme Meeting in any of the following ways:

- **By post** in the enclosed reply-paid envelope provided to the Share Registry:
Automatic, GPO Box 5193, Sydney NSW 2001
- **By hand delivery** to the Share Registry at:
Level 5, 126 Phillip Street, Sydney NSW 2000
- **By fax** to the Share Registry on +61 8583 3040 (within Australia or outside Australia)

Please note that a certificate of appointment of body corporate representative cannot be lodged online.

The appointment of a representative may set out restrictions on the representative's powers.

The original form of appointment of a representative, a certified copy of the appointment, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

4.5 Technical difficulties

Technical difficulties may arise during the course of the Scheme Meeting. The chairman has discretion as to whether and how the Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising their discretion, the chairman will have regard to the number of Vimy Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the chairman considers it appropriate, the chairman may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Vimy Shareholders are encouraged to lodge a proxy by 10.00am (AWST) on Monday, 18 July 2022 even if they plan to attend online.

4.6 Further information

Please refer to the Notice of Meeting in Appendix 4 to this Scheme Booklet for further information on voting procedures and details of the resolutions to be voted on at the Scheme Meeting.

5

PROFILE OF VIMY



5 PROFILE OF VIMY

5.1 Introduction

This Section contains information in relation to Vimy and has been prepared by Vimy. The information concerning Vimy, and the intentions, views and opinions contained in this Section 5 are the responsibility of Vimy. Additional information is included in the Independent Expert's Report set out in Appendix 1 to this Scheme Booklet.

Deep Yellow does not assume any responsibility for the accuracy or completeness of the information in this Section 5.

5.2 Business overview

Vimy Resources is a Perth-based resource development company whose major focus is on uranium. Vimy listed on the Australian Securities Exchange in May 2008 under the name of Energy and Minerals Australia Limited with its primary asset being the Mulga Rock Project (**Mulga Rock**) in Western Australia. In 2014, Vimy underwent a significant recapitalisation and restructure, part of which was a rebranding as Vimy Resources Limited.

Vimy is listed on ASX under the symbol 'VMY' and on the New York-based OTC market under the symbol 'VMRSF'.

The Mulga Rock Project, 100% owned by Vimy, is one of Australia's largest undeveloped uranium resources. Vimy has advanced Mulga Rock to the cusp of development with a DFS released in 2018 and a DFS refresh completed in 2020. The Mulga Rock Project has an annual production target of ~3.5Mlbs U₃O₈ over a fifteen-year life of mine.²⁸

In July 2018, Vimy announced the acquisition of the Alligator River Project (**Alligator River**) in the Northern Territory from Cameco Australia Pty Ltd (**Cameco**). The Alligator River Project comprises three separate tenement packages, the largest of which, the Wellington Range-King River Project, was part of a joint venture with Rio Tinto Exploration Pty Ltd (**RTX**) (initially Vimy 75%, RTX 25%). In August 2021, Vimy acquired RTX's remaining interest, becoming the 100% holder of the Alligator River Project through its wholly-owned subsidiary Viva Resources Pty Ltd.

In November 2018, Vimy announced the acquisition of a large land holding thought to be highly prospective for base metals and located close to the Mulga Rock Project. This project, now called the Kingston Project, is owned by Vélo Resources Pty Ltd, a 100% owned subsidiary of Vimy.

²⁸ Cautionary statement: The production target comprises Proven Ore Reserves (22%), Probable Ore Reserves (55%) and Inferred Mineral Resources (23%). The Inferred Mineral Resource included in the mine life is 10.2 million tonnes at 576ppm U₃O₈. The Inferred Mineral Resource has been scheduled on a preliminary basis with all Inferred material mined after the Ore Reserves. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the life of mine targets themselves will be realised.

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Vimy's key assets are shown below:

Figure 5-1 Vimy's Australian assets

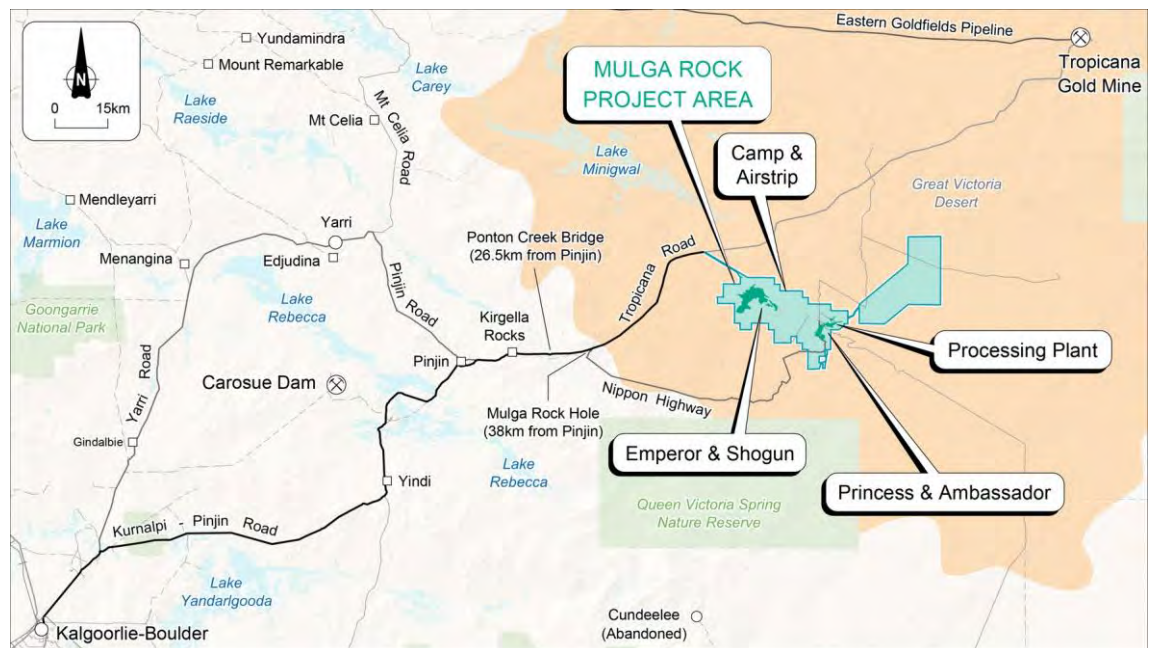


5.3 Overview of Vimy's assets and operations

(a) Mulga Rock Project

The Mulga Rock Project lies in the Great Victoria Desert in Western Australia, 290km by road ENE of Kalgoorlie. The Mulga Rock Project consists of two separate mining areas over a total length of 30km with the individual deposits ranging in length from 1km to 8km. The Mulga Rock East mining centre comprises the Ambassador and Princess deposits and the Mulga Rock West mining centre comprises the Shogun and Emperor deposits.

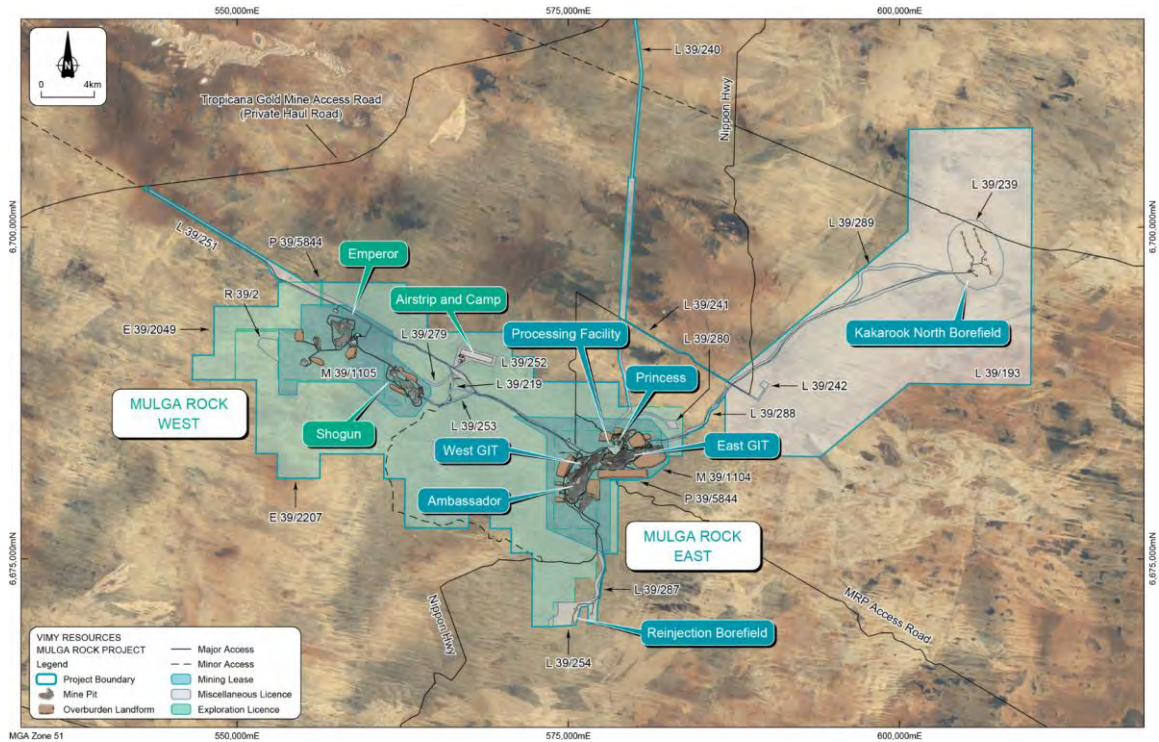
Figure 5-2 Mulga Rock Project regional location



5 PROFILE OF VIMY

Mulga Rock is classed as a carbonaceous-sedimentary hosted, supergene enriched, uranium deposit. The deposits will be mined using large-scale open pits to produce 1,590 tonnes per annum (3.5 million pounds) U_3O_8 .

Figure 5-3 Mulga Rock Project layout



Vimy released the Mulga Rock DFS in 2018, which confirmed the Mulga Rock Project's long mine life of fifteen years using a simple, low-cost uranium mining and recovery process. In August 2020, Vimy released an updated DFS, which demonstrated Mulga Rock's low economic sensitivity to operating and capital cost risks, and forms a key part of finalising project funding and strategic partnerships. See Table 5-1 below. Vimy is currently working on a BFS which will include mining studies and base metal recovery test work.

During the 2018 DFS, Vimy assessed a base metals plant at Mulga Rock and successfully conducted pilot plant test work to produce saleable base metal by-products. Nickel, copper, cobalt and zinc occur in material quantities in the Princess and Ambassador deposits which provide feed to the plant in the first eleven years of operations. At the time low base metal prices resulted in a marginal outcome but due to significant increases in battery mineral prices Vimy announced in February 2021 that further assessment will continue.

The Mulga Rock Project is one of only four projects in Western Australia to receive State Ministerial approval to progress with the mining of uranium, and it is the only one of those four likely to be developed in the near future. Under Ministerial Statement 1046 issued on 16 December 2016, Vimy was required to provide notification and supporting evidence that development activities at Mulga Rock had substantially commenced within five years. In December 2021, the Western Australian Department of Water and Environment Regulation provided formal confirmation that "substantial commencement" had been achieved. This notification, together with several approvals and confirmations received in the preceding months, allowed the Mulga Rock Project to advance to the next stage of development.

See Section 7.7(c) in relation to the Merged Group's intention to produce a revised Mulga Rock DFS and Section 8.4(e) in relation to the risks associated with the Merged Group's intention to produce a revised DFS.

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Table 5-1 Mulga Rock DFS overview

Key Metric	Unit	DFS ¹
Life-of-Mine (LOM)	Years	15
ROM Uranium Grade (Years 1-5)	ppm	1,007
ROM Uranium Grade (LOM)	ppm	768
Annual U ₃ O ₈ Production	Mlbs	3.5
Total U ₃ O ₈ Production (LOM) ⁶	Mlbs	47.1
Cash Operating Cost (Years 1-5) ³	US\$/lb	23.3
Cash Operating Cost (LOM)	US\$/lb	26.0
AISC Operating Cost (LOM) ⁵	US\$/lb	31.2
Total Capital	US\$M	255
U ₃ O ₈ contract price assumption	US\$/lb	55
Project NPV ₈ (including Royalties) ²	US\$M	393
Project IRR (including Royalties) ²	%	31.1
Payback from Start of Production	Years	2.4

Notes:

¹ August 2020 DFS refresh

² Pre-tax basis. Source: Vimy

³ Cash operating cost includes all mining, processing, maintenance, transport and administration costs, but excludes royalties and sustaining capital. Using AUD:USD exchange rate of 0.65

⁴ All-in sustaining costs - C1 plus royalties and sustaining capital

⁵ Uranium Price Assumption US\$55.00/lb U₃O₈

⁶ Cautionary statement: The production target comprises Proved Ore Reserves (22%), Probable Ore Reserves (55%) and Inferred Mineral Resources (23%). The Inferred Mineral Resource included in the mine life is 10.2 million tonnes at 576ppm U₃O₈. The Inferred Mineral Resource has been scheduled on a preliminary basis with all Inferred material mined after the Ore Reserves. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the life of mine targets themselves will be realised.

Mineral Resources and Ore Reserves

Table 5-2 Mulga Rock Project Total Mineral Resource – Reported at a 150ppm U₃O₈ cut-off grade

Deposit / Resource	Classification	Tonnes (Mt) ¹	U ₃ O ₈ (ppm) ²	U ₃ O ₈ (Mlbs)
Mulga Rock East				
Princess	Indicated	2.0	820	3.6
	Inferred	1.3	420	1.2
Ambassador	Measured	5.2	1,100	12.6
	Indicated	14.8	800	26.0
	Inferred	14.2	420	13.1
Sub-total		37.4	680	56.4
Mulga Rock West				
Emperor	Inferred	30.8	440	29.8
Shogun	Indicated	2.2	680	3.2
Shogun	Inferred	0.9	290	0.6
Sub-total		33.8	450	33.6
Total Resource		71.2	570	90.1

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Notes:

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

2 Using cut combined U₃O₈ composites (combined chemical and radiometric grades)

The information in this table is extracted from ASX announcement entitled 'Significant Resource Update – Mulga Rock Cracks 90Mlbs' released on 12 July 2017 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 5-3 Mulga Rock Project Total Ore Reserve – Reported at a 150ppm U₃O₈ cut-off grade

Deposit / Resource	Classification	Tonnes (Mt) ³	U ₃ O ₈ (ppm) ⁴	U ₃ O ₈ (Mlbs)
Mulga Rock East				
Ambassador	Proved	5.3	1,055	12.3
Ambassador	Probable	14.1	775	24.0
Princess	Probable	1.7	870	3.3
Sub-total		21.1	850	39.6
Mulga Rock West				
Shogun	Probable	1.6	760	2.7
Sub-total		1.6	760	2.7
Total Reserves		22.7	845	42.3

Notes:

1 Tonnages and grades are reported including mining dilution

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

3 Using cut combined U₃O₈ composites (combined chemical and radiometric grades)

4 Metallurgical plant recovery factors are not applied to Total Metal content

The information in this table is extracted from ASX announcement entitled 'Major Ore Reserve Update – Moving to the go line' released on 4 September 2017 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 5-4 Mulga Rock Project Base Metal Resource

Deposit / Resource	Tonnes (Mt) ²	Cu (ppm) ¹	Zn (ppm) ¹	Ni (ppm) ¹	Co (ppm) ¹
Mulga Rock East – tonnes and grade					
Princess - Indicated	1.3	750	1,280	440	210
Princess - Inferred	2.5	270	500	250	140
Ambassador - Indicated	19.8	340	1,340	630	310
Ambassador - Inferred	10.4	110	320	250	140
Total	34.1	280	960	480	240
Deposit / Resource	Classification	Cu (ppm) ³	Zn (ppm) ³	Ni (ppm) ³	Co (ppm) ³
Mulga Rock East – contained metal					
Princess	Indicated	0.9	1.6	0.6	0.3
Princess	Inferred	0.7	1.3	0.6	0.4
Ambassador	Indicated	6.8	26.5	12.5	6.1
Ambassador	Inferred	1.2	3.3	2.6	1.5
Total		9.6	32.7	16.3	8.2

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Notes:

- 1 The base metal resource is contained wholly within the uranium resource. It is reported using the same cut-off grade of 150ppm U_3O_8 with no additional base metal grade cut-offs applied.
- 2 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.
- 3 Metallurgical plant recovery factors are not applied to Total Metal content.

The information in this table is extracted from ASX announcement entitled "Significant Resource Upgrade for Mulga Rock Project" released on 23 June 2016 and available to download from www.asx.com.au ASX:VMY. Vimy is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

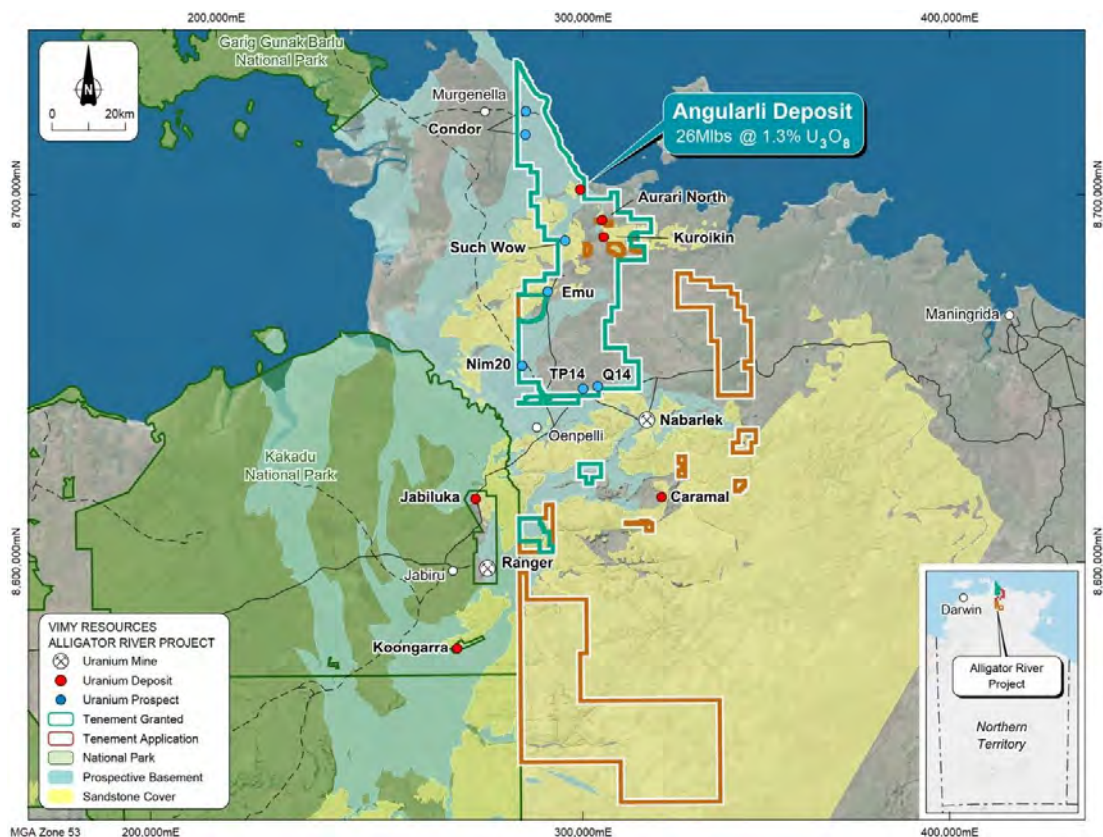
(b) Alligator River Project

Vimy's 100%-owned Alligator River Project is the largest granted uranium exploration package in the world-class Alligator River uranium province in Arnhem Land in the Northern Territory.

The potential of the Alligator River Project is demonstrated by the proven track record of the nearby Jabiluka and Ranger deposits providing over 750Mlbs of U_3O_8 in mineral endowment (current resources and mined). Historical government policies have left this target-rich environment under-explored and Vimy plans to capitalise on the potential of this area in the coming field seasons.

Vimy's Alligator River Project covers a total area of 3,895km² (1,701km² granted) and comprises three projects: the Wellington Range-King River Project, the Algodo-Beatrice Project and the Mt Gilruth Project.

Figure 5-4 Alligator River Project location



The Alligator River Project was acquired from Cameco Australia Pty Ltd in July 2018. At the point of acquisition, Cameco had invested nearly twenty years in the area and compiled a world-class tenement package including deeds to allow mining and exploration with the Aboriginal people of Arnhem Land. Vimy was able to build on Cameco's previous exploration success by announcing a maiden Mineral Resource for the Angularli deposit, the most advanced prospect in the Wellington Range-King River Project, shortly after acquisition. This was followed by completion of a scoping study which proposed

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an underground mining operation at Angularli over approximately 36 months after a pre-production mine development period of approximately twelve months.

In May 2022, Vimy announced the commencement of a major resource extension drilling program at the Angularli Project, following the lifting of access restrictions due to the COVID-19 pandemic. The Angularli deposit is hosted in a high angled shear fault system, which is analogous to the Cigar Lake (Cameco) and Phoenix (Denison) deposits in the Athabasca Basin, Canada.

The drill program proposed for the 2022 field season will test extensions of the Angularli deposit at depth, up-dip and uranium-bearing structures to the north and west of the defined Mineral Resource. Drilling of nineteen diamond holes is proposed with the potential for an additional six holes depending on results.

Table 5-5 Angularli Project Total Mineral Resource

Classification	Cut-off Grade (% U ₃ O ₈)	Tonnes (Mt) ¹	U ₃ O ₈ (%) ²	U ₃ O ₈ (Mlbs) ³
Angularli Project				
Inferred	0.10	0.95	1.24	26.0
	0.15	0.91	1.29	25.9
	0.20	0.88	1.33	25.8
	0.25	0.77	1.49	25.2
	0.30	0.72	1.58	24.9

Notes:

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

² Using chemical U₃O₈ composites from drill core

³ 100% of the Mineral Resource is attributable to Vimy

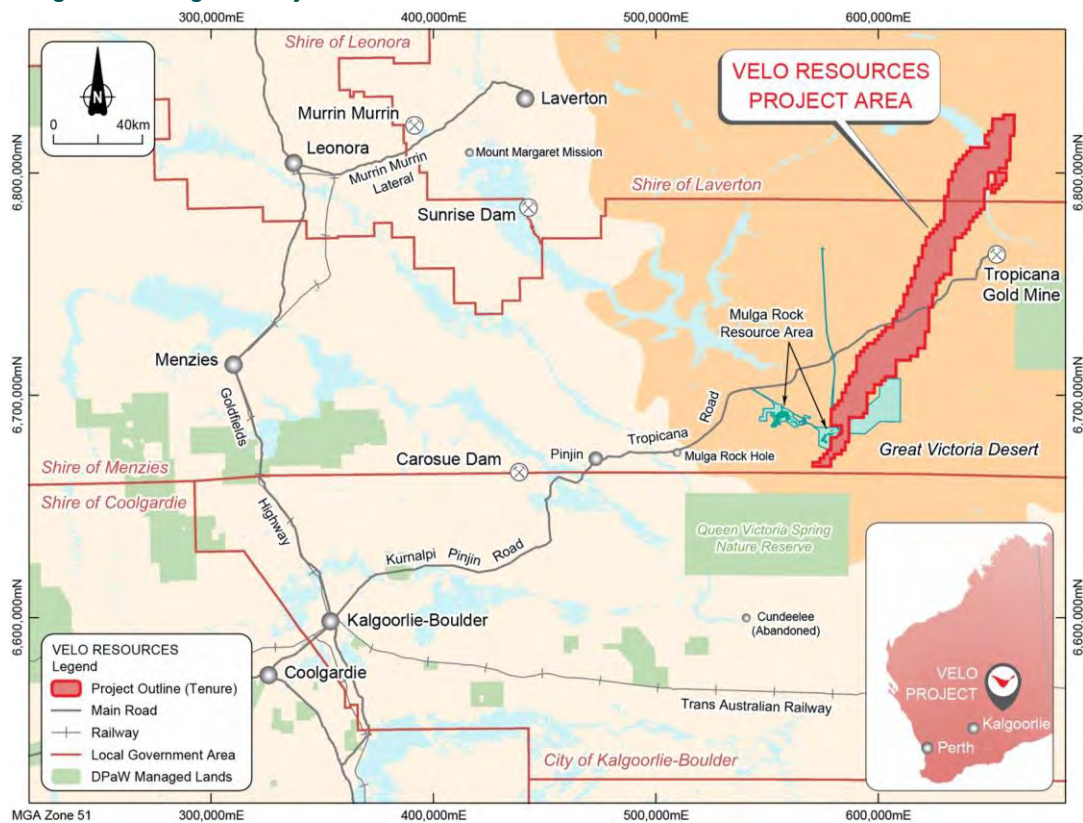
The information in this table is extracted from ASX announcement entitled 'Maiden Mineral Resource at Angularli Deposit, Alligator River Project' released on 20 March 2018 and available to download from www.asx.com.au ASX:VMY. The Company is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(c) Kingston Project

The Kingston Project is located to the northeast of Mulga Rock in an area thought to be highly prospective for base metals. Vimy will apply modern exploration techniques across the province, which has not previously been recognised as prospective for sediment-hosted base metals under shallow cover. The target deposit type is sedimentary exhalative base metal (**SEDEX**) which accounts for more than 50% of the world's zinc and lead reserves and more than 25% of global production. SEDEX deposits are characterised by their large size, high grades and significant silver credits.

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Figure 5-5 Kingston Project location



(d) Sustainability

Vimy seeks to conduct all its activities in an environmentally responsible manner to minimise the impact on the environment and to promote the efficient and economic use of resources. Vimy has ensured, and will continue to ensure, as far as possible, that all exploration and mining activities are conducted in compliance with all applicable environmental legislation, regulations and codes of practice. Vimy is committed to minimising any impact on the environment and communities in which it operates through:

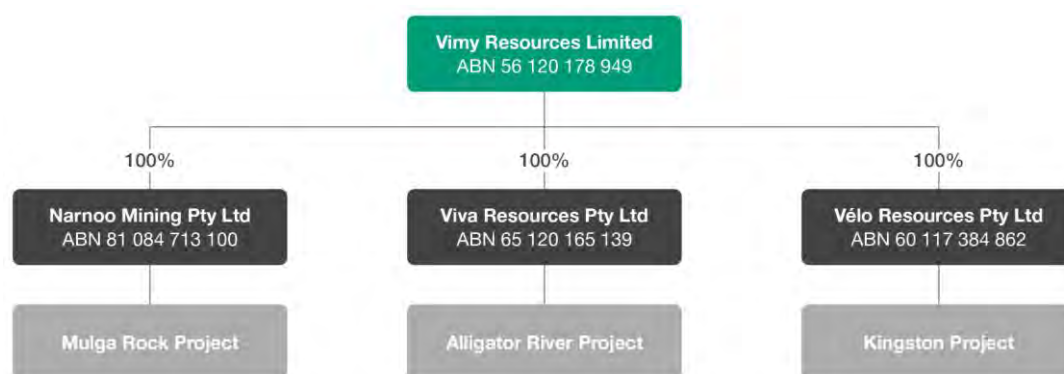
- integrating environmental, social, economic and waste minimisation considerations into all activities, from project planning, exploration, construction, mining and processing to the eventual closure and rehabilitation of its sites;
- fostering the initiation and ownership of environmental activities by all personnel, thereby building a strong environmentally-aware business culture that reflects Vimy's commitment to the principles of sustainability;
- identifying environmental risks associated with exploration and mining activities and developing appropriate controls and strategies to monitor and manage potential impacts;
- applying effective practices to minimise the impact of operations on water, land and air, and through the implementation of appropriate engineering design in all aspects of operations;
- monitoring and controlling construction and operational activities to meet appropriate performance standards and measurable objectives;
- promoting environmental awareness and responsibility by providing appropriate training programs and information on conservation, required environmental management standards and stewardship for all employees and contractors;
- fostering and promoting research activities associated with the definition and management of biodiversity values in the regions in which Vimy operates;
- building constructive and collaborative working relationships with external stakeholders; and
- rehabilitating disturbed areas to a safe, stable and non-polluting condition which is compatible with the surrounding environment in function and form.

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5.4 Vimy Group Structure

The corporate structure of Vimy and its subsidiaries is set out below. On implementation of the Scheme, Vimy will become a wholly-owned subsidiary of Deep Yellow and each of the subsidiaries will form part of the Deep Yellow Group.

Figure 5-6 Vimy corporate structure



5.5 Historical financial information

The summary financial information below has been extracted from the audited financial statements contained within the annual reports for Vimy Resources for the years ended 30 June 2020 and 2021 (being the last two full financial years), and the reviewed interim financial statements for the six months ended 31 December 2021, all published by Vimy on the ASX. The audits and review were undertaken by KPMG whose opinions were unqualified.

The summary financial information is intended to provide a high-level overview of Vimy's historical financial performance, position and cash flows and is not intended to provide the level of detail or understanding which is available from a review of the published financial reports which are available on ASX's Website or Vimy's Website.

In accordance with its normal processes, Vimy currently expects to release its full-year financial results for the financial year to 30 June 2022 to ASX in mid-September 2022.

At each reporting date, the Vimy Board assesses whether circumstances indicate that the carrying value of any of its assets should be impaired. As part of its 30 June 2022 full-year audit process, Vimy will consider whether any impairments are required and will conduct a review of expected operational performance. While circumstances may change before this process is completed, culminating in the release of Vimy's results for the year ended 30 June 2022 to ASX, Vimy does not currently expect there to be any material impairment to the carrying value of any of its assets as previously reported in the half-year financial report for the period ended 31 December 2021.

It should be noted that past financial performance is not an indicator of future performance.

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(a) Consolidated statement of financial performance

Table 5-6 Consolidated statement of financial performance

	30 June 2020 \$	30 June 2021 \$	31 December 2021 \$
Other Income	793,492	309,905	27,963
Exploration and evaluation expenditure	(2,713,513)	(3,062,170)	(2,073,676)
Corporate and administration expense	(2,639,049)	(2,632,103)	(1,496,245)
Sales and marketing expenses	(495,437)	(307,172)	(215,175)
Financing expense	(632,662)	(528,243)	(12,394)
Share based payments expense	(609,345)	(649,587)	(71,774)
Loss before income tax	(6,296,514)	(6,869,370)	(3,841,301)
Income tax expense	-	-	-
Loss attributable to members of the Company	(6,296,514)	(6,869,370)	(3,841,301)
Other comprehensive income, net of tax	-	-	-
Total comprehensive loss attributable to members of the Company	(6,296,514)	(6,869,370)	(3,841,301)

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(b) Consolidated statement of financial position

Table 5-7 Consolidated statement of financial position

	As at 30 June 2020 \$	As at 30 June 2021 \$	As at 31 December 2021 \$
CURRENT ASSETS			
Cash and cash equivalents	7,181,734	24,060,674	16,238,899
Trade and other receivables	391,454	289,999	835,909
Prepayments	169,859	57,914	94,766
Total Current Assets	7,743,047	24,408,587	17,169,574
NON-CURRENT ASSETS			
Trade and other receivables	356,258	356,258	356,258
Right of use assets	397,278	305,598	259,382
Plant and equipment	86,713	58,547	9,684,842
Exploration and evaluation	5,788,237	5,788,237	7,887,242
Total Non-Current Assets	6,628,486	6,508,640	18,187,724
TOTAL ASSETS	14,371,533	30,917,227	35,357,298
CURRENT LIABILITIES			
Trade and other payables	2,304,911	792,053	5,179,725
Provisions	276,434	300,760	177,374
Total Current Liabilities	2,581,345	1,092,813	5,357,099
NON-CURRENT LIABILITIES			
Trade and other payables	2,605,291	225,770	179,089
Provisions	907,079	1,060,150	2,486,215
Total Non-Current Liabilities	3,512,370	1,285,920	2,665,304
TOTAL LIABILITIES	6,093,715	2,378,733	8,022,403
NET ASSETS	8,277,818	28,538,494	27,334,895
EQUITY			
Contributed equity	113,677,114	140,157,572	142,723,500
Other reserves	1,288,327	1,578,218	1,052,897
Accumulated losses	(106,687,623)	(113,197,296)	(116,441,502)
TOTAL EQUITY	8,277,818	28,538,494	27,334,895

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(c) Consolidated statement of cash flows

Table 5-8 Consolidated statement of cash flows

	June 2020 \$	June 2021 \$	December 2021 \$
Cash Flows from Operating Activities			
Interest received	37,095	25,201	27,963
R&D tax incentive and COVID-19 grant income	1,009,414	612,178	-
Other Income	179,083	29,396	-
Payments to other suppliers and employees	(5,430,788)	(5,645,131)	(3,605,566)
Net cash used in Operating Activities	(4,205,196)	(4,978,356)	(3,577,603)
Cash Flows from Investing Activities			
Purchase of plant and equipment	(2,738)	(35,791)	(4,711,095)
Tenement acquisition costs	(1,020,000)	(4,186,000)	(99,005)
Net cash used in Investing Activities	(1,022,738)	(4,221,791)	(4,810,100)
Cash Flows from Financing Activities			
Proceeds from issue of ordinary shares	12,212,703	27,500,000	574,741
Share issue costs	(780,794)	(1,420,913)	(8,813)
Net cash provided by Financing Activities	11,431,909	26,079,087	565,928
Net increase/(decrease) in cash and cash equivalents held	6,203,975	16,878,940	(7,821,775)
Cash and cash equivalents at the beginning of the financial year	977,759	7,181,734	24,060,674
Cash and cash equivalents at the end of the financial year	7,181,734	24,060,674	16,238,899

5.6 Material changes in the financial position of Vimy

Except as disclosed in this Scheme Booklet, no member of the Vimy Board is aware of any material change to the financial position of Vimy since the date of its half-year financial report (dated 11 March 2022) other than as disclosed to ASX.

Copies of Vimy's annual reports for the years ended 30 June 2020, 30 June 2021 and the half-year financial report for the six months ended 31 December 2021 (being the last three financial reporting periods) and any continuous disclosure notice given by Vimy after the lodgement of the 31 December 2021 half-year financial report may be obtained from Vimy's Website, ASX's Website or Vimy will provide a copy free of charge to anyone who requests a copy before the Scheme is approved by the Court.

5.7 Vimy's Securities and capital structure

(a) Vimy Securities on issue

As at the Last Practicable Date, the capital structure of Vimy comprised the following securities:

Table 5-9 Vimy Securities

Type of security	Number on issue
Vimy Shares	1,158,543,321
Vimy Options	9,192,333
Vimy Performance Rights	3,500,000

No other securities in Vimy were on issue as at the Last Practicable Date.

5 PROFILE OF VIMY

(b) Vimy Options on issue

As at the Last Practicable Date, Vimy had 9,192,333 Vimy Options on issue, comprising:

Table 5-10 Vimy Options on issue

Number	Exercise price	Expiry date
9,192,333	\$0.082	31 July 2022

The Vimy Board has resolved to notify all Vimy option holders in writing that the options can be exercised until the Scheme Record Date on despatch of this Scheme Booklet.

(c) Vimy Performance Rights outstanding

As at the Last Practicable Date, Vimy had 3,500,000 Vimy Performance Rights, comprising:

Table 5-11 Vimy Performance Rights outstanding

Number	Exercise price	Expiry date
3,500,000	Nil	1 April 2025

All Vimy Performance Rights were issued subsequent to receiving approval of Vimy Shareholders at the General Meeting on 23 March 2022. All Vimy Performance Rights are held by Vimy Directors, further detailed in Section 5.9(b).

Further details of treatment of the Vimy Performance Rights under the Scheme are provided under Section 2.18(b).

(d) Substantial shareholders

Table 5-12 Substantial shareholders²⁹

Shareholder name	Number of Vimy Shares	Percentage beneficial shareholding
Paradise Investment Management Pty Ltd	79,328,746	6.8%
Lexband Pty Ltd	62,975,024	5.4%

5.8 Vimy Board and senior management

(a) Vimy Board

As at the date of this Scheme Booklet, the Vimy Board comprised:

Table 5-13 Vimy Board

Name	Position
The Hon. Cheryl Edwardes AM	Independent Non-Executive Chair
Wayne Bramwell	Non-Executive Director
Steven Michael	Managing Director and Chief Executive Officer
Anthony Chamberlain	Executive Director and Chief Operating Officer

²⁹ As at the date of this Scheme Booklet, per the Form 604 Notice of change of Interests of Substantial Shareholder to Vimy by Paradise Investment Management Pty Ltd lodged on 20 October 2021 and the Form 604 Notice of change of Interests of Substantial Shareholder to Vimy by Lexband Pty Ltd lodged on 2 September 2021

5 PROFILE OF VIMY

(b) Senior management

As at the date of this Scheme Booklet, Vimy's senior management personnel comprised, in addition to the members of the Vimy Board listed above:

Table 5-14 Vimy key management personnel

Name	Position
Steven Michael	Managing Director and CEO
Paula Arthur	Manager Approvals and ESG
Anthony Chamberlain	Chief Operating Officer
Shannon Coates	Company Secretary
Scott Hyman	Vice President Sales and Marketing
Xavier Moreau	General Manager – Geology and Exploration
Matthew Owen	Chief Financial Officer
Kyle Pitcher	Mulga Rock Project Registered Manager

5.9 Interests of Vimy Directors in Vimy Securities

(a) Vimy Shares held by Vimy Directors

As at the Last Practicable Date, the number, description and amount of Vimy Shares held (directly or indirectly) by or on behalf of each Vimy Director are set out below:

Table 5-15 Vimy Shares held by Vimy Directors

Vimy Director	Number of Vimy Shares	% interest in Vimy's issued capital
The Hon. Cheryl Edwardes AM	2,741,131	0.24%
Anthony Chamberlain	2,932,844	0.25%

Other than as set out above, no Vimy Shares are held by or on behalf of Vimy Directors as at the date of this Scheme Booklet.

(b) Vimy Options and Vimy Performance Rights held by Vimy Directors

As at the Last Practicable Date, the number, description and amount of Vimy Options and Vimy Performance Rights held by or on behalf of each Vimy Director are set out below:

Table 5-16 Vimy Options and Vimy Performance Rights held by Vimy Directors

Vimy Director	Number of Vimy Options	Number of Vimy Performance Rights
The Hon. Cheryl Edwardes AM	272,667	Nil
Anthony Chamberlain	121,333	1,500,000
Steven Michael	Nil	2,000,000

Other than as set out in above, no Vimy Options or Vimy Performance Rights are held by or on behalf of Vimy Directors as at the Last Practicable Date.

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5.10 Dealings by Vimy Directors in Vimy Securities

No Vimy Director has acquired or disposed of a relevant interest in any Vimy Security in the four-month period ending on the date immediately before the Last Practicable Date other than as set out below:

Table 5-17 Dealings by Vimy Directors in Vimy Securities

Vimy Director	Number of Vimy Securities	Date of change	Consideration
The Hon. Cheryl Edwardes AM	Exercised 545,333 Vimy Options and acquired 545,333 Vimy Shares	5 May 2022	\$0.082
Steven Michael	Acquired 2,000,000 Vimy Performance Rights	1 April 2022	Nil
Anthony Chamberlain	Acquired 1,500,000 Vimy Performance Rights	1 April 2022	Nil
Anthony Chamberlain	Exercised 242,667 Vimy Options and acquired 242,667 Vimy Shares	5 May 2022	\$0.082

5.11 Interests in Deep Yellow Securities held directly or indirectly by the Vimy Directors

There are no Deep Yellow Securities held by or on behalf of any Vimy Director as at the Last Practicable Date.

5.12 Dealings by Vimy Directors in Deep Yellow Securities

No Vimy Director has acquired or disposed of a relevant interest in any Deep Yellow Security in the four-month period ending on the date immediately before the Last Practicable Date.

5.13 Vimy incentive and equity arrangements

(a) 2019 Vimy Salary Sacrifice Share Plan

On 13 August 2019, Vimy Shareholders approved the 2019 Vimy Salary Sacrifice Share Plan (SSSP) which is available to Directors and staff to voluntarily sacrifice a portion of their cash salary and fees to receive shares on the condition that they remained employed by Vimy as at 30 June each financial year.

The SSSP was introduced for employees and Directors to sacrifice a portion of their cash remuneration for each financial year to be contributed towards the purchase of Vimy Shares. Vimy utilises the issue of Shares under the SSSP to conserve its cash reserves. The number of Shares to be issued is calculated quarterly and issued and “paid” at the start of each new financial year at a 15% discount to the calculated market price.

The Director Shares issued rank pari passu with all existing Vimy Shares on issue. The Director Shares issued on 13 July 2020 were issued at a price of \$0.03 per Vimy Share following the Vimy Directors' salary sacrifice for the period 1 July 2019 to 30 June 2020. The Vimy Shares issued on 7 July 2021 were issued at a price of \$0.058 per Share following the Directors' salary sacrifice for the period 1 July 2020 to 30 June 2021. No vesting conditions attach to the Vimy Shares.

A summary of the terms of the SSSP was provided in Vimy's notice of extraordinary general meeting released on 21 February 2022.

Pursuant to the terms of the SSSP and in light of the proposed merger with Deep Yellow via the Scheme, the Vimy Board has resolved to suspend the SSSP and settle outstanding rights under the SSSP to 31 March 2022 via the issue of 226,996 Vimy Shares (to Vimy employees other than Vimy Directors) in settlement of outstanding entitlements under the SSSP to 31 March 2022 and payment of cash (to relevant Vimy Directors, being The Hon. Cheryl Edwardes AM and Anthony Chamberlain).

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The Hon. Cheryl Edwardes AM

As at 28 March 2022, Ms Edwardes had contributed \$33,750 toward the FY22 SSSP. The Directors, excluding Ms Edwardes, have resolved to settle Ms Edwardes' rights under the SSSP by providing a cash payment of \$45,737 in lieu of Vimy Shares in accordance with the formula set out in the Side Letter and with the cash payment being calculated by reference to the market closing price of Vimy Shares on the day employee July 2019 SSSP Shares were issued (being 29 April 2022).

Anthony Chamberlain

As at 28 March 2022, Dr Chamberlain had contributed approximately \$19,000 toward the FY22 SSSP. The Directors, excluding Dr Chamberlain, have resolved to settle Dr Chamberlain's rights under the SSSP by providing a cash payment of \$24,984 in lieu of Vimy Shares in accordance with the formula set out in the Side Letter and with the cash payment being calculated by reference to the market closing price of Vimy Shares on the day employee July 2019 SSSP Shares were issued (being 29 April 2022).

(b) 2019 Vimy Employee Option Plan

On 13 August 2019, Vimy Shareholders approved the 2019 Vimy Employee Option Plan (**Vimy Option Plan**).

The Vimy Option Plan was adopted to enable Vimy to secure and retain employees and Directors who can assist Vimy in achieving its objectives, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain securities in Vimy.

The terms of the Vimy Option Plan require the Vimy Option exercise price to be no less than 150% of the average market price of Shares in the five days immediately prior to the offer of the options.

A summary of the terms of the Vimy Option Plan was provided in Vimy's notice of extraordinary general meeting released on 21 February 2022.

(c) 2016 Vimy Employee Share Plan

On 18 November 2016, shareholders adopted the 2016 Vimy Employee Share Plan (**Plan**), pursuant to which employees (including Vimy Directors) of Vimy can be invited to subscribe for shares using financial assistance provided by Vimy.

The Plan provides a mechanism for Vimy to invite employees to subscribe for shares in Vimy and to apply for a loan from Vimy to pay the subscription price for those Shares (**Plan Shares**). Vimy takes security over the Plan Shares acquired under the Plans until the limited recourse loan provided for the subscription price for those shares has been repaid in full (**Limited Recourse Loan**).

A summary of the terms of the Limited Recourse Loans is provided in Vimy's 2021 Annual Report.

All Limited Recourse Loans will be repaid prior to the Implementation Date.

5.14 Health and safety

Vimy is committed to a healthy and safe working environment and to the welfare of all employees and contractors and acknowledges that achieving these objectives is a responsibility shared by all employees.

Vimy has policies and procedures in place to ensure that all exploration and mining activities are conducted in compliance with applicable legislation, regulations and codes of practice in the field of work health and safety. Vimy aspires to zero harm to all employees, contractors and the broader community in which it operates, by:

- implementing and maintaining work practices which are safe and focused on minimising the short and long-term risks to the health of employees and contractors and third parties;
- training, retraining, informing, instructing and supervising all employees so as to ensure that they perform their work duties safely;
- identifying, assessing and managing risks and hazards associated with exploration and mining activities and developing appropriate controls and strategies to monitor and manage potential impacts;
- committing the human, technical and financial resources necessary to achieving these objectives;

5 PROFILE OF VIMY

- ensuring contractors adopt and implement work health and safety standards at least equal to those of Vimy, and to enforce this in all contractual agreements;
- developing and implementing appropriate management systems at all sites, including via the use of inductions and toolbox meetings; and
- fostering a safety conscious and proactive attitude amongst all company personnel, aiming to build on the combined knowledge and experience of all involved and encouraging leadership, ownership and continuous improvement in the area of safety.

5.15 Recent Vimy share performance

Vimy shares are listed on ASX under the ASX code 'VMY' and on the New York-based OTC market under the symbol 'VMRSF'.

On 31 March 2022, Vimy announced that it had entered into a Scheme Implementation Deed with Deep Yellow under which Vimy and Deep Yellow proposed to merge by way of a recommended court-approved scheme or arrangement between Vimy and the Vimy Shareholders. The closing price for Vimy Shares on 25 March 2022 (being the last trading day prior to the announcement of the Scheme) was \$0.24.

The following graph shows the Vimy share price performance and volume of shares traded from 14 June 2022 to the Last Practicable Date.

Figure 5-7 Recent Vimy share price performance



The highest recorded trading price of a Vimy Share on ASX in the twelve months before the announcement of the Scheme was \$0.30 on 19 October 2021.

The lowest recorded trading price of a Vimy Share on ASX in the twelve months before the announcement of the Scheme was \$0.10 on 31 August 2021.

The highest recorded trading price of a Vimy Share on ASX in the three months before the announcement of the Scheme was \$0.27 on 24 March 2022.

The lowest recorded trading price of a Vimy Share on ASX in the three months before the announcement of the Scheme was \$0.16 on 22 February 2022.

The latest recorded trading price of a Vimy Share on ASX before the announcement of the Scheme on 31 March 2022 was \$0.24 on 25 March 2022.

The last recorded trading price of a Vimy Share on ASX on the Last Practicable Date (being the trading day prior to the date of this Scheme Booklet) was \$0.18.

5 PROFILE OF VIMY

5.16 Publicly available information

Table 5-18 Vimy announcements since Vimy 2021 Annual Report³⁰

Date	Description of Announcement
15 June 2022	Results of first court hearing
23 May 2022	Application for quotation of securities
9 May 2022	Drilling to commence at world class Alligator River Project
5 May 2022	Change of Directors' interest notice x 2
5 May 2022	Application for quotation of securities
29 April 2022	Notice under section 708A(5)(e) of the Corporations Act 2001
29 April 2022	Application for quotation of securities
29 April 2022	Quarterly Cashflow Report
29 April 2022	Quarterly Activities Report
7 April 2022	Application for quotation of securities
1 April 2022	Change of Directors' interest notice x 2
1 April 2022	Notification regarding unquoted securities
1 April 2022	Application for quotation of securities
31 March 2022	Reinstatement to official quotation
31 March 2022	Deep Yellow and Vimy merger – investor presentation
31 March 2022	Deep Yellow and Vimy agree to a proposed \$658 million merger
29 March 2022	Suspension from official quotation
28 March 2022	Trading halt
23 March 2022	Results of Meeting
21 March 2022	Notification of cessation of securities
21 March 2022	Update – Notification of buy-back
16 March 2022	Application for quotation of securities
16 March 2022	Notice under s708A(5)(e) of the Corporations Act
15 March 2022	Application for quotation of securities
11 March 2022	Half Year Report and Accounts
9 March 2022	Reinstatement to official quotation
9 March 2022	Proposed issue of securities
9 March 2022	Vimy raises \$17 million for BFS and drilling program
8 March 2022	Suspension from official quotation
4 March 2022	Trading halt
2 March 2022	Notification of buy-back
2 March 2022	Update on strategic review process
21 February 2022	Notice of General Meeting / proxy form

³⁰ As at the date of this Scheme Booklet.

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Date	Description of Announcement
16 February 2022	Presentation – RIU Explorers Conference
15 February 2022	Application for quotation of securities
31 January 2022	Quarterly Cashflow Report – December 2021
31 January 2022	Quarterly Activities Report – December 2021
25 January 2022	Notification of cessation of securities
25 January 2022	Proposed issue of securities
25 January 2022	Appointment of Managing Director and CEO
19 January 2022	Application for quotation of securities
13 January 2022	Appointment of Chief Operating Officer
10 January 2022	Application for quotation of securities
29 December 2021	Appendix 3G
29 December 2021	Change of Directors' interest notice x 3
29 December 2021	Shareholder approval – issue of Director shares and options
20 December 2021	Change of registry address
16 December 2021	WA Government Department confirms substantial commencement
16 December 2021	Application for quotation of securities
13 December 2021	Mulga Rock operational update
29 November 2021	Initial Director's interest notice
26 November 2021	Results of Meeting
26 November 2021	AGM presentation and video
26 November 2021	Retirement of The Hon. Cheryl Edwardes AM
26 November 2021	Notification of substantial commencement – Mulga Rock
22 November 2021	Final Director's interest notice
22 November 2021	Steven Michael appointed to Vimy Board
19 November 2021	Vimy responds to Deep Yellow's ASX release
19 November 2021	Deep Yellow proposal to acquire Vimy Resources rejected
18 November 2021	Vimy initiates strategic review
12 November 2021	Corporate presentation
1 November 2021	Management change – Chief Financial Officer
1 November 2021	Application for quotation of securities
29 October 2021	Quarterly Cashflow Report – September 2021
29 October 2021	Quarterly Activities Report – September 2021
28 October 2021	Appendix 3G
27 October 2021	Notice of Annual General Meeting / proxy form
27 October 2021	Corporate Governance Statement

5 PROFILE OF VIMY

5.17 Litigation

At the date of this Scheme Booklet, Vimy is not involved in any material legal disputes and is not party to any material litigation.

5.18 Further information

Vimy is listed on ASX under the ASX code 'VMY' and on the New York-based OTC market under the symbol 'VMRSF'. Vimy is a disclosing entity for the purposes of the Corporations Act and the ASX Listing Rules and is subject to regular reporting and disclosure obligations that require Vimy to immediately disclose to the market any information of which it is aware which a reasonable person may expect to have a material impact on the price or value of Vimy's Shares.

ASIC also maintains a record of documents lodged with it by Vimy, and these may be obtained from or inspected at any office of ASIC.

Vimy is required to prepare and lodge with ASIC and ASX both annual and half-year financial statements accompanied by a statement and report from Vimy Directors and an audit or review report.

Vimy also lodges quarterly activity reports with ASX. Copies of these and other documents lodged with ASIC and ASX may be obtained from an ASIC office and are accessible from ASX's Website.

6

PROFILE OF DEEP YELLOW



6

PROFILE OF DEEP YELLOW

6.1 Introduction

This Section contains information in relation to Deep Yellow.

The Independent Expert's Report set out in Appendix 1 to this Scheme Booklet contains further information about Deep Yellow.

The information contained in this Section 6 has been prepared by Deep Yellow. The information concerning Deep Yellow and the intentions, views and opinions contained in this Section are the responsibility of Deep Yellow. Vimy and its Directors and officers do not assume any responsibility for the accuracy or completeness of this information.

The historical financial information in this Section relates to Deep Yellow on a stand-alone basis and does not include any ongoing effects that may arise in connection with the Scheme.

6.2 Background

Deep Yellow is an Australian-based company listed on the ASX ('DYL'), the OTCQX in the USA ('DYLFF') and the Namibian Stock Exchange ('DYL').

Deep Yellow has focused on uranium since 2006. In late 2016, management of Deep Yellow was taken over by John Borshoff, founder of Paladin Energy Ltd (**Paladin**), which he developed into the only mid-cap listed uranium company to establish two operating mines and become a major uranium producer reaching a 5.5% share of the global market. In joining Deep Yellow, Mr Borshoff also brought in his core Paladin team with aspirations to grow Deep Yellow into a Tier-1 uranium producer.

Deep Yellow is advancing a dual-pillar growth strategy to achieve its goal of establishing a multi-mine, 5-10Mlb per annum, low-cost, Tier-1 uranium producer. The strategy is focused on organic growth through the development of Deep Yellow's existing asset base in Namibia, with a DFS in progress on the Tumas Project and sector consolidation through targeted mergers and acquisitions.

Namibia, where the Deep Yellow projects operate, has a long and successful history in uranium mining whilst also being a world-class jurisdiction in which to operate. Currently, Namibia is the world's fourth largest uranium producer.

Global emissions continue to rise despite the surge in renewables, highlighting the opportunity to increase nuclear contribution for electricity generation to deliver sustainable, safe, zero-emitting, dispatchable power. Nuclear energy will play an increasingly critical role in meeting emerging aggressive emission targets. Put simply, nuclear energy is emerging as a strong alternative to traditional energy sources, with positive momentum for increased nuclear usage building globally. Recent events such as the Russia/Ukraine war are now placing even more emphasis on nuclear power supply and, in particular, achieving essential security of supply through geographic diversity.

Deep Yellow is in a good position and well-funded to rapidly advance key workstreams as it works towards establishing itself as a Tier-1 uranium producer to provide security and certainty of uranium supply into a growing market.

6 PROFILE OF DEEP YELLOW

(a) Tumas Project

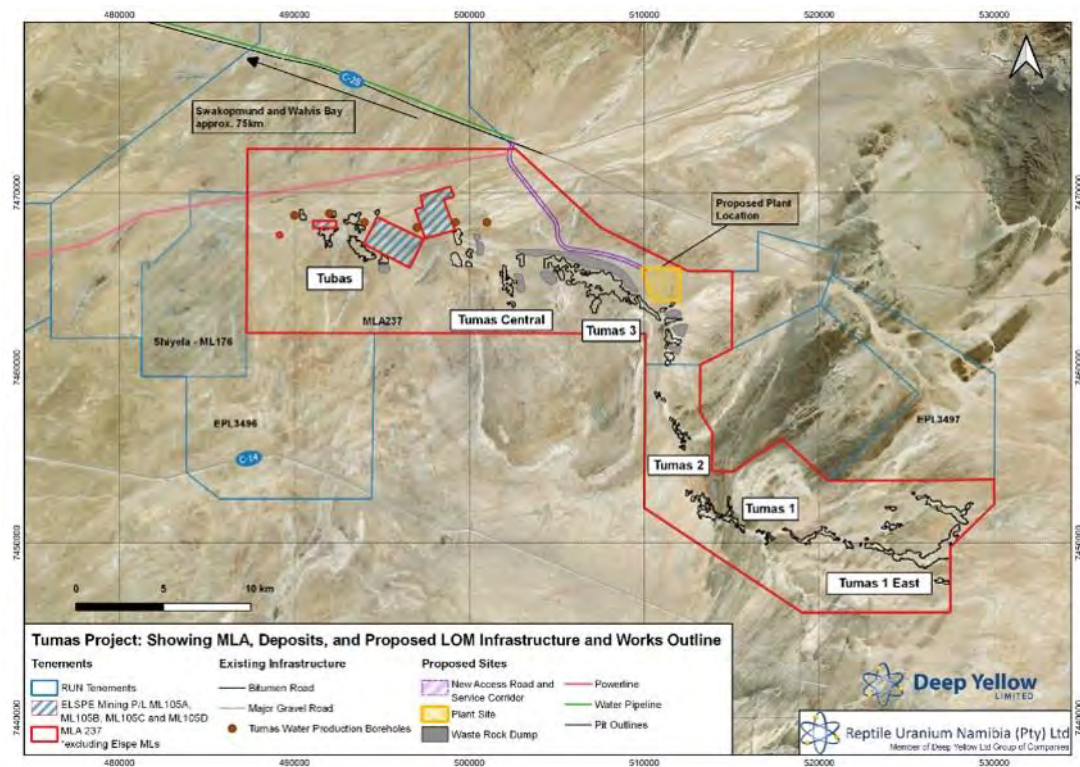
The Tumas Project comprises a series of palaeochannel/calcrete-type uranium deposits totalling 132.7Mlb U_3O_8 in Measured, Indicated and Inferred Resources.

Uranium mineralisation in the palaeochannel/calcrete-type deposits occur as carnotite (uranium-vanadium mineral), hosted in Tertiary and Quaternary fluvial sediments occupying narrow and steep-sided palaeochannels. Host-rocks vary from hard, carbonate-cemented sandstones and conglomerates (calcrete) to poorly consolidated and friable sands.

Exploration over the past four and a half years has been extremely successful, highlighted by the more than fourfold increase in the Tumas Project's palaeochannel/calcrete resource base since 2016 (mainly at the Tumas 3 and Tumas 1 East discoveries), at an extremely low and impressive discovery cost of 9.4c/lb.

The main exploration target associated with Tumas is 125km of highly prospective palaeochannels. Only 60% of the total mineral resource base has been tested and the remaining 40% of the 125km Tumas palaeochannel system is yet to be adequately investigated. This provides Deep Yellow with significant exploration upside. Fertile paleochannels in this region can contain between 2Mlb to 12Mlb U_3O_8 /km and it is reasonable to assume that an additional two to three mineralised zones could be discovered.

Figure 6-2 Tumas Project Layout



Scoping Study and Pre-Feasibility Study

A positive scoping study was completed on the Tumas deposits as announced in January 2020, with results providing the Deep Yellow Board with confidence to proceed immediately to a formal Pre-Feasibility Study (PFS).

The PFS was completed in early 2021 and delivered robust results in line with and, in some cases, better than assumptions from the scoping study. This highlighted a strong economic case for the Tumas Project. A DFS commenced in February 2021 and, as noted above, is scheduled to be completed in the latter part of 2022.

6 PROFILE OF DEEP YELLOW

In July 2021, the mining lease application (**MLA**) was submitted for consideration by the Ministry of Mines and Energy and the environmental impact assessment (**EIA**) process is well underway. The engagement process with the Namibian Ministry of Mines and Energy has commenced. This requires submission of follow-up documentation including the completed DFS and associated EIA and environmental management plan for the grant of the environmental clearance certificate by the Ministry of Environment, Forestry and Tourism, after which final consideration for the grant of the mining licence is expected to be given by the Ministry of Mines and Energy by the end of 2022. The process is proceeding well with nothing identified to preclude the planned development of the Tumas Project.

Definitive Feasibility Study

The DFS is pursuing an expanded development target to increase from the 11.5-year life of mine (**LOM**) as defined in the PFS to achieve the stated goal of a minimum twenty-year LOM operation. Subsequent reserve expansion has now defined a project with a 25.75-year LOM at an annual production of 3Mlbs per annum.

The first phase of DFS work, consisting of Ore Reserve expansion, MLA, EIA, trade-off studies and detailed metallurgical test work, has been largely completed.

The Tumas Probable Ore Reserves increased by 121% during the first phase of the DFS work.

Deep Yellow is now in the second and final phase of DFS work, which includes further detailed process design, operating and capital cost estimates, detailed mine planning, detailed Ore Reserve optimisation and negotiation of material contracts in preparation for project implementation.

Tumas is being advanced in alignment with forecasts of an increasing uranium price, in reaction to the looming uranium shortage expected post 2023.

The DFS is using a uranium price of \$65/lb U_3O_8 to bring Tumas online. The Tumas DFS is firmly on track and has equalled and, in some cases, improved on the assumptions used in the PFS.

(b) Omahola Project (100%)

Omahola occupies a 34km by 14km northwest-southeast trending zone within the "Alaskite Alley" corridor, within which major basement-related uranium deposits including Rössing, Husab, Etango and Valencia deposits are located. These deposits contain in excess of 800Mlb U_3O_8 with the Rössing mine alone having produced in excess of 200Mlb U_3O_8 .

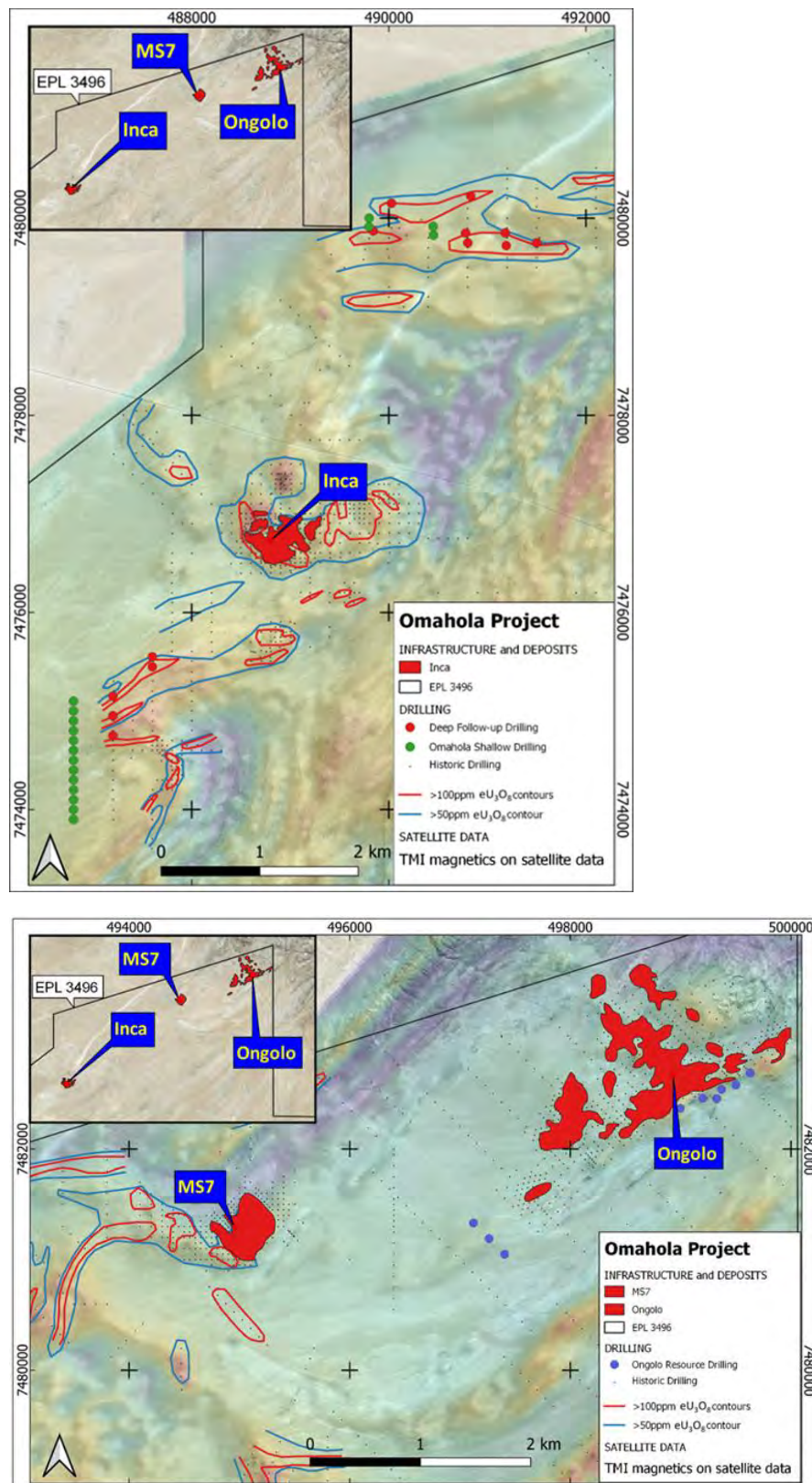
Uranium mineralisation at Omahola occurs in three deposits including Ongolo, MS7 and Inca with a Measured, Indicated and Inferred Resource base of 125.3Mlb U_3O_8 at 190ppm. Uranium mineralisation is associated with sheeted leucogranites, known locally as alaskites, and a hydrothermal skarn formation.

The prospective portion of Alaskite Alley within EPL3496, has been under-explored and represents a substantial opportunity to discover additional uranium resources of the basement style.

Omahola provides Deep Yellow with another significant exploration target to unlock further value, with potential for resource expansion considering the substantial accumulation of uranium and the under-explored nature of this extensive prospective Alaskite Alley. Only a small section of this favourable zone has been adequately drilled in the past.

6 PROFILE OF DEEP YELLOW

Figure 6-3 Omahola Project Layout



6 PROFILE OF DEEP YELLOW

(c) Nova Joint Venture (contributing at 39.5%)

In March 2017, Deep Yellow signed a joint venture agreement with the Japan Oil, Gas and Metals National Corporation (**JOGMEC**) (a Japanese government agency), covering exploration and development at the Nova Project. JOGMEC completed its earn-in of A\$4.5million over four years earning the right to a 39.5% interest in the Nova Project.

The joint venture includes two EPLs prospective for both basement and palaeochannel-type uranium mineralisation.

The promising Barking Gecko prospect is a basement/alaskite style prospect on EPL 3669. Exploration to date has identified significant mineralisation over a 300m by 200m zone, however further drilling is required to test the continuation of the mineralisation to the north and south, as well as at depth. Recent diamond core drilling showed thick, high-grade mineralisation is associated with pegmatitic alaskites containing smoky quartz. Primary uranium mineralisation coincides with subsequent hydrothermal uranium mineralisation.

Nova Joint Venture Equity Interests

JOGMEC holds a right-to-equity of 39.5% which, if exercised, would adjust the joint venture parties' interests. Whilst JOGMEC has not yet exercised its option, the joint venture parties are contributing in those proportions as though the interest had been exercised as indicated below:

Reptile Mineral Resources & Exploration (Pty) Ltd – Manager (<i>Subsidiary of Deep Yellow Limited</i>)	Reducing to 39.5%
Japan Oil, Gas and Metals National Corporation (JOGMEC)	39.5% (Right to equity)
Nova Energy (Africa) Pty Ltd (<i>Subsidiary of Toro Energy Ltd</i>)	15%
Sixzone Investments (Pty) Ltd <i>Namibia</i>	6% (Carried interest)

(d) Shiyela Iron Ore Project (95%)

An option agreement was entered into for the sale of shares in Shiyela Iron (Pty) Ltd (**Shiyela**) which holds the Shiyela Iron Ore Project (ML176), as announced by Deep Yellow on 22 October 2021.

The agreement is between Deep Yellow's Namibian subsidiary, Reptile Mineral Resources and Exploration (Pty) Ltd and Oponona Investments (Pty) Ltd (each holding 95% and 5% respectively of the shares in Shiyela) and Hylron Green Technologies (Pty) Ltd (**Hylron**). Hylron aims to utilise its proprietary technology, together with renewable energy, to produce green pig iron for utilisation by boutique steel manufacturers in Germany.

The agreement has a twelve-month option (with the ability to extend for a further six months), to enable Hylron to undertake general due diligence and several baseline wind, water and solar studies including, geotechnical test work. A request from Hylron has been received to extend the option period a further six months, which has been agreed in principle but remains subject to the relevant formal requirements. At the end of the exclusivity period, Hylron will have the right to acquire all of the shares in Shiyela. Deep Yellow's focus is on uranium, and the development of the iron ore deposit is non-core to Deep Yellow's operations.

(e) Yellow Dune JV (85%)

The Yellow Dune Joint Venture comprises one MDRL covering a drilled-out uranium resource of the palaeochannel/calcrete-type at Aussinanis. This deposit has a total Resource of 18Mlb U₃O₈ at 237ppm at a 150ppm cut-off.

At this stage, the economic environment for uranium does not warrant further work on the Yellow Dune JV, hence the conversion of the EPL to a MDRL.

6 PROFILE OF DEEP YELLOW

(f) JORC Mineral Resource Table

Below is a summary of the Mineral Resources of Deep Yellow's key assets.

Figure 6-4 Deep Yellow key assets – Mineral Resources

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlbs)
Basement Mineralisation						
Omahola Project – JORC 2012						
INCA Deposit ¹	Indicated	100	21.4	260	5,600	12.3
INCA Deposit ¹	Inferred	100	15.2	290	4,400	9.7
Ongolo Deposit ²	Measured	100	47.7	187	8,900	19.7
Ongolo Deposit ²	Indicated	100	85.4	168	14,300	31.7
Ongolo Deposit ²	Inferred	100	94.0	175	16,400	36.3
MS7 Deposit ²	Measured	100	18.6	220	4,100	9.1
MS7 Deposit ²	Indicated	100	7.2	184	1,300	2.9
MS7 Deposit ²	Inferred	100	8.7	190	1,600	3.7
Omahola Project Sub-total			298.2	190	56,600	125.3
Calcrete Mineralisation – Tumas 3 Deposit – JORC 2012						
Tumas 3 Deposits ¹	Indicated	100	78.0	320	24,900	54.9
	Inferred	100	10.4	219	2,265	5.0
Tumas 3 Deposits Total			88.3	308	27,170	59.9
Tumas 1, 1 East and 2 Project – JORC 2012						
Tumas 1 and 2 Deposit ¹	Indicated	100	54.1	203	11,000	24.2
Tumas 1 and 2 Deposit ¹	Inferred	100	54.0	250	13,500	29.8
Tumas 1 and 2 Project Total			108.1	226	24,500	54.0
Sub-total of Tumas 1, 2 and 3			196.4	263	51,670	113.9
Tubas Red Sand Project – JORC 2012						
Tubas Sand Deposit ²	Indicated	100	10.0	187	1,900	4.1
Tubas Sand Deposit ²	Inferred	100	24.0	163	3,900	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
Tubas Calcrete Total			7.4	374	2,800	6.1
Aussinanis Project – JORC 2004						
Aussinanis Deposit ¹	Indicated	150	5.6	222	1,200	2.7
Aussinanis Deposit ¹	Inferred	150	29.0	240	7,000	15.3
Aussinanis Project Total			34.6	237	8,200	18.0
Calcrete Projects Sub-total			272.4	251	68,470	150.7
Grand Total Resources			570.6	219	125,070	276.0

Notes:

1. eU₃O₈ - equivalent uranium grade as determined by downhole gamma logging

2. Combined XRF Fusion Chemical Assays and eU₃O₈ values

Figures have been rounded and totals may reflect small rounding errors

XRF chemical analysis unless annotated otherwise

Where eU₃O₈ values are reported it relates to values attained from radiometrically logging boreholes

6 PROFILE OF DEEP YELLOW

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

(g) JORC Ore Reserve

Below is a summary of the Ore Reserves of Deep Yellow's Tumas Project.

Table 6-1 Deep Yellow – JORC Ore Reserve

Deposit	Tonnes (M)	Proven (Mlbs U ₃ O ₈)	Probable (Mlbs U ₃ O ₈)	U ₃ O ₈ (ppm)	Total Reserve (Mlbs U ₃ O ₈)	Attributable Reserve (Mlbs U ₃ O ₈)
Tumas 1 and 2 (100%)	14.5	-	8.9	272	8.9	8.9
Tumas 1 East (100%)	29.5	-	17.4	267	17.4	17.4
Tumas 3 (100%)	46.3	-	42.1	412	42.1	42.1
Sub-total of Tumas 1, 2 and 3 (100%)	89.9	-	68.4	345	68.4	68.4
Grand Total Reserves	89.9	-	68.4	345	68.4	68.4

Notes:

1. Deep Yellow currently owns 100% of Tumas. Oponona has an option to acquire 5% of the project however the option is yet to be exercised;
2. Totals may not match area tonnes due to rounding.

(h) Sustainability

Deep Yellow is focused on creating long-term value for its shareholders, stakeholders and the communities in which it operates. A key component to successfully achieving this goal is through the efficient, effective and ongoing implementation of ESG pillars.

Deep Yellow's management team has a proven and successful history in the uranium sector and believes in the importance of sustainability and making it core to how Deep Yellow operates as it moves into pre-development and beyond. By taking an early approach to the implementation of key ESG practices and principles, Deep Yellow is focused on creating a company-wide culture and approach to sustainable practices and developing Deep Yellow and its projects in the right manner.

Deep Yellow's commitment to managing the ESG pillars is evident by the release of its inaugural 2020 Sustainability Report which provides the foundations to regulate activities as the Deep Yellow Group develops.

The 2021 Sustainability Report builds on the maiden 2020 report, and provides greater depth with the commencement of a DFS on the Namibian Tumas Project together with the associated EIA and lodgement of the mining licence application in July 2021.

Deep Yellow won the Australia-Africa Minerals & Energy (**AAMEG**) Emerging ESG Leader Award in 2021.

Deep Yellow's Sustainability Reports can be found on Deep Yellow's Website

(i) Health and safety

Deep Yellow is committed to provide and maintain a safe and healthy work environment, with the target of "zero" incidences of occupational injuries and illnesses in the workplace, and believes that attaining a high level of performance in occupational health and safety is critical to the long-term success of its business. Deep Yellow's Occupational Health and Safety Policy provides a framework for Deep Yellow to achieve its objectives while achieving its operational aims.

Since January 2018, when recording of man-hours/safety statistics commenced, the Namibian operations have recorded over 300,000 LTI-free man hours worked.

Deep Yellow's operational policies and procedures are constantly under review to ensure they meet the changing needs of the business. Risk assessments, hazard identification, near-miss reporting and incident investigations form part of the overall framework. In addition, external occupational health and safety audits are conducted to assist in ongoing monitoring.

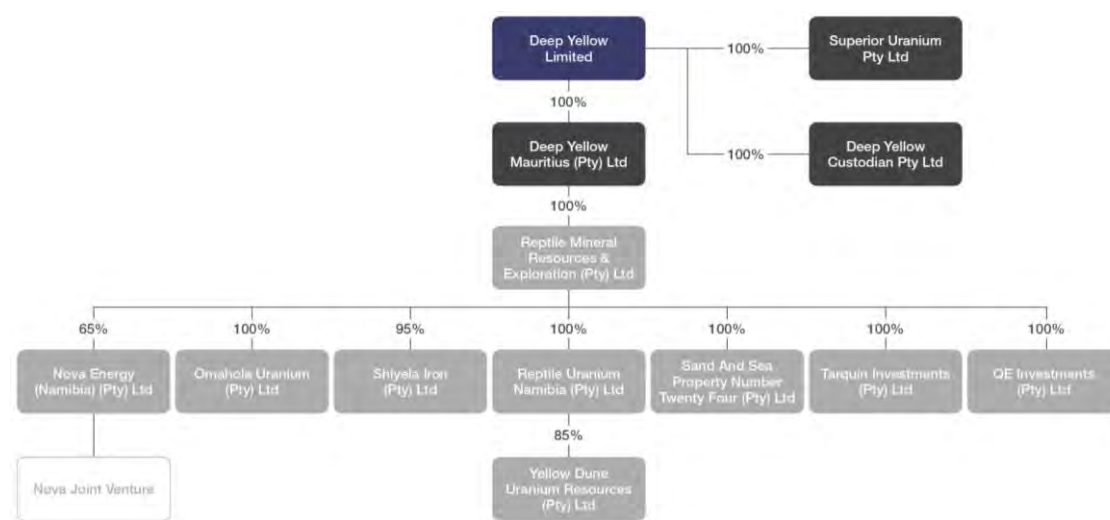
6 PROFILE OF DEEP YELLOW

For its excellent safety performance, Reptile Mineral Resources & Exploration (Pty) Ltd, the operating Namibian subsidiary, was awarded the Inter-Mining Safety Certificate (Category 2 - Exploration Companies) by the Namibian Chamber of Mines for the fourth year running in 2022 (the awards are made in respect of performance during the previous calendar year).

6.4 Deep Yellow group structure

The corporate structure of Deep Yellow and its wholly-owned or controlled entities is set out below. If the Scheme is implemented, Vimy will become a wholly-owned subsidiary of Deep Yellow.

Figure 6-5 Deep Yellow corporate structure



6.5 Board of Directors

The Directors of Deep Yellow as at the date of this Scheme Booklet are:

Table 6-2 Deep Yellow Board of Directors

Name	Position
Christopher Salisbury	Chairman
John Borshoff	Managing Director and Chief Executive Officer
Gillian Swaby	Executive Director
Mervyn Greene	Non-Executive Director
Gregory Meyerowitz	Non-Executive Director

Profiles of Deep Yellow Directors are set out in Section 7.8 of this Scheme Booklet

6 PROFILE OF DEEP YELLOW

6.6 Senior management

The members of senior management of Deep Yellow as at the date of this Scheme Booklet are:

Table 6-3 Deep Yellow senior management

Name	Position
John Borshoff	Managing Director and Chief Executive Officer
Gillian Swaby	Executive Director
Mark Pitts	Company Secretary and Chief Financial Officer
Ursula Pretorius	Group Financial Controller
Andrew Mirco	Head of Business Development
Eduard Becker	Head of Exploration
Darryl Butcher	Head of Project Development
Dustin Garrow	Head of Marketing
Cathy Paxton	Head of Sustainable Development

6.7 Historical financial information

The summary financial information below has been extracted from the audited financial statements contained within the annual reports for Deep Yellow for the years ended 30 June 2020 and 2021 (being the last two full financial years), and the reviewed interim financial statements for the six months ended 31 December 2021, all published by Deep Yellow on the ASX. The audits and review were undertaken by Ernst & Young whose opinions were unqualified.

The summary financial information is intended to provide a high-level overview of Deep Yellow's historical financial performance, position and cash flows and is not intended to provide the level of detail or understanding which is available from a review of the published financial reports which are available on ASX's Website or Deep Yellow's Website.

In accordance with its normal processes, Deep Yellow currently expects to release its full-year financial results for the financial year to 30 June 2022 to ASX on or about mid-September 2022.

At each reporting date, the Deep Yellow Board assesses whether circumstances indicate that the carrying value of any of its assets should be impaired. As part of its 30 June 2022 full-year review process, Deep Yellow will consider whether any impairments are required, based on commodity prices at the time and a review of expected operational performance. While circumstances may change before this process is completed, culminating in the release of Deep Yellow's results for the year ended 30 June 2022 to ASX, Deep Yellow does not currently expect there to be any material impairment to the carrying value of any of its assets as previously reported in the half-year financial report for the period ended 31 December 2021.

It should be noted that past financial performance is not an indicator of future performance.

6 PROFILE OF DEEP YELLOW

(a) Consolidated statement of financial performance

Table 6-4 Deep Yellow Consolidated statement of financial performance

	30 June 2020 \$	30 June 2021 \$	31 December 2021 \$
Interest and other income	257,455	227,443	288,819
Revenue	77,199	56,126	-
Revenue and other income	334,654	283,569	288,819
Depreciation and amortisation expenses	(215,812)	(225,964)	(131,812)
Interest reversal/(expense)	(26,697)	(22,822)	30,793
Marketing expenses	(222,461)	(198,811)	(164,131)
Occupancy expenses	(94,324)	(90,611)	(50,523)
Administrative expenses	(1,930,685)	(1,933,039)	(1,518,031)
Employee expenses	(2,033,839)	(2,609,231)	(1,265,878)
Reversal of prior year impairment of capitalised mineral exploration and evaluation expenditure	7,100,920	-	-
Impairment of capitalised mineral exploration and evaluation expenditure	(36,893)	(18,297)	(16,422)
Loss before income tax	2,874,863	(4,815,206)	(2,827,185)
Income tax expense	-	-	-
Loss for the period after income tax	2,874,863	(4,815,206)	(2,827,185)
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 (loss)/gain	(6,269,172)	4,603,067	(3,341,107)
Other comprehensive (loss)/profit for the period, net of tax	(6,269,172)	4,603,067	(3,341,107)
Total comprehensive (loss)/profit for the period, net of tax	(3,394,309)	(212,139)	(6,168,292)

6 PROFILE OF DEEP YELLOW

(b) Consolidated statement of financial position

Table 6-5 Deep Yellow Consolidated statement of financial position

	30 June 2020 \$	30 June 2021 \$	31 December 2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	12,116,972	52,448,274	71,984,047
Receivables	298,265	534,763	391,956
Other assets	187,567	224,419	163,318
Total Current Assets	12,602,804	53,207,456	72,539,321
Non-Current Assets			
Right-of-use assets	617,015	503,105	104,418
Property, plant and equipment	518,897	738,076	729,693
Capitalised mineral exploration and evaluation expenditure	35,415,745	43,420,220	43,836,057
Total Non-Current Assets	36,551,657	44,661,401	44,670,168
Total Assets	49,154,461	97,868,857	117,209,489
LIABILITIES			
Current Liabilities			
Trade and other payables	492,605	880,431	768,722
Lease liabilities	99,221	106,929	101,445
Employee provisions	57,562	117,658	59,276
Total Current Liabilities	649,388	1,105,018	929,443
Non-Current Liabilities			
Employee provisions	48,794	38,360	48,569
Lease liabilities	536,664	429,735	-
Total Non-Current Liabilities	585,458	468,095	48,569
Total Liabilities	1,234,846	1,573,113	978,012
Net Assets	47,919,615	96,295,744	116,231,477
EQUITY			
Issued capital	249,753,196	296,373,482	321,612,945
Accumulated losses	(193,266,333)	(198,081,539)	(200,908,724)
Employee equity benefits' reserve	13,476,273	15,444,255	16,308,817
Foreign currency translation reserve	(22,043,521)	(17,440,454)	(20,781,561)
Total Equity	47,919,615	96,295,744	116,231,477

6 PROFILE OF DEEP YELLOW

(c) Consolidated statement of cash flows

Table 6-6 Deep Yellow Consolidated statement of cash flows

	30 June 2020 \$	30 June 2021 \$	30 December 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees	(2,549,322)	(2,601,331)	(1,973,654)
Interest received	245,789	176,227	150,178
Funds received from JV Partners	996,761	387,007	349,525
COVID-19 employer stimulus	36,205	51,085	-
Other receipts	77	56,257	138,641
Funds spent by JV Manager	(996,761)	(539,372)	(361,159)
Interest paid	(26,697)	(22,822)	(9,989)
Net cash used in operating activities	(2,293,948)	(2,492,949)	(1,706,458)
Cash flows from investing activities			
Payments for property, plant and equipment	(133,848)	(296,807)	(116,591)
Payments for exploration expenditure	(2,071,894)	(3,635,127)	(3,561,612)
Proceeds on disposal of fixed assets	-	14,454	-
Net cash used in investing activities	(2,205,742)	(3,917,480)	(3,678,203)
Cash flows from financing activities			
Proceeds from the issue of shares	2,289,507	48,516,440	25,044,228
Other (capital raising costs)	(57,131)	(2,184,356)	-
Payment of lease liabilities	(95,041)	(99,221)	(52,706)
Net cash from/(used in) financing activities	2,137,335	46,232,863	24,991,522
Net increase/(decrease) in cash held	(2,362,355)	39,822,434	19,606,861
Net foreign exchange difference	(495,736)	508,868	(71,088)
Cash and cash equivalents at the beginning of the period	14,975,063	12,116,972	52,448,274
Cash and cash equivalents at the end of the period	12,116,972	52,448,274	71,984,047

6.8 Material changes to the financial position of Deep Yellow

Except as disclosed in this Scheme Booklet, no member of Deep Yellow Board is aware of any material change to the financial position of Deep Yellow since the date of its half-year financial report (dated 15 March 2022) other than as disclosed to ASX.

Copies of Deep Yellow's annual reports for the years ended 30 June 2020, 30 June 2021 and the half-year financial report for the six months ended 31 December 2021 (being the last three financial reporting periods) and any continuous disclosure notice given by Deep Yellow after the lodgement of the 31 December 2021 half-year financial report may be obtained from Deep Yellow's Website, ASX's Website or Deep Yellow will provide a copy free of charge to anyone who requests a copy before the Scheme is approved by the Court.

6 PROFILE OF DEEP YELLOW

6.9 Capital structure and substantial shareholders

(a) Deep Yellow ownership

Deep Yellow is listed on the ASX and has a diverse shareholder base. As at the Last Practicable Date, Deep Yellow had 10,105 shareholders.

To the best of its knowledge, Deep Yellow is not directly or indirectly controlled by another corporation or any person or foreign government and there are no current activities known which may, at a subsequent date, result in a change of control of Deep Yellow.

(b) Deep Yellow Shares on issue

As at the date of this Scheme Booklet, Deep Yellow had 387,198,206 shares on issue.

(c) Deep Yellow Options on issue

As at the date of this Scheme Booklet, Deep Yellow had 636,435 options on issue, comprising:

Table 6-7 Deep Yellow Options on issue

Number	Exercise price	Expiry date
277,779	Nil	1 July 2024
225,323	Nil	1 July 2025
44,444	Nil	1 July 2026
44,444	Nil	1 July 2027
44,445	Nil	1 July 2028

(d) Deep Yellow Performance Rights outstanding

As at the date of this Scheme Booklet, Deep Yellow had 402,688 performance rights.

All Deep Yellow Performance Rights were issued under the Deep Yellow Limited Awards Plan established by Deep Yellow on 5 October 2010. Issues of securities under the Deep Yellow Limited Awards Plan were last approved by Deep Yellow Shareholders at the 2021 Annual General Meeting on 29 November 2021.

(e) Substantial shareholders

Based on publicly available information, as at the date of this Scheme Booklet, Deep Yellow has received notifications from the following substantial shareholders under Section 671B of the Corporations Act:

Table 6-8 Deep Yellow substantial shareholders³¹

Shareholder name	Number of Deep Yellow Shares	Percentage shareholding
Paradise Investment Management Pty Ltd	30,498,169	7.9%
Collines Investments Limited	28,942,203	7.5%

6.10 Rights and liabilities attaching to Deep Yellow shares

(a) Introduction

The rights and liabilities attaching to the Deep Yellow Shares which will be issued as Scheme Consideration are set out in Deep Yellow's constitution (**Deep Yellow Constitution**) and are subject to the Corporations Act and the Listing Rules.

³¹ Per most recent public disclosure.

6 PROFILE OF DEEP YELLOW

(b) Overview

This section summarises some of the key rules in the Deep Yellow Constitution in relation to the rights and liabilities currently attaching to Deep Yellow Shares. This summary does not purport to be exhaustive and must be read subject to the full text of the Deep Yellow Constitution, available from the ASX's Website or at Deep Yellow's Website.

Under the Corporations Act, the Deep Yellow Constitution has effect as a contract between:

- Deep Yellow and each Deep Yellow Shareholder;
- Deep Yellow and each director and company secretary of Deep Yellow; and
- a Deep Yellow Shareholder and each other Deep Yellow Shareholder.

Accordingly, if you receive New Deep Yellow Shares pursuant to the Scheme, you are taken to receive them subject to the terms of the Deep Yellow Constitution and you will be bound by the terms of the Deep Yellow Constitution.

Vimy Shareholders should seek their own independent advice in relation to their rights and liabilities as potential holders of Deep Yellow Shares in specific circumstances.

(c) Meetings of Deep Yellow Shareholders and notices

Subject to certain exceptions, each Deep Yellow Shareholder is entitled to receive notice of, attend and vote at general meetings of Deep Yellow and to receive all notices, reports, audited accounts and other documents required to be sent to Deep Yellow Shareholders under the Deep Yellow Constitution, Corporations Act and Listing Rules.

Deep Yellow may give a notice of meeting to Deep Yellow Shareholders by serving it personally at, or by sending it by post in a prepaid envelope, to the address shown in the Deep Yellow Register or such other address, or by sending it by fax or electronics address as provided by the Deep Yellow Shareholder for the purpose of giving notices. If the Deep Yellow Shareholder does not have, or has not supplied, a registered address for giving notices, Deep Yellow may give notice by exhibiting it at its registered office.

(d) Voting rights

Subject to the Deep Yellow Constitution and to any rights or restrictions attached to Deep Yellow Shares, at a meeting of Deep Yellow Shareholders, each holder entitled to attend and vote in person, by proxy, by attorney or by representative has one vote on a show of hands, and, on a poll one vote for every fully paid Deep Yellow Share held and a fraction of a vote for each partly paid Deep Yellow Share equivalent to the proportion which each partly paid Deep Yellow Share is paid up.

If more than one joint holder of a Deep Yellow Share is present at a meeting in person or by proxy, attorney or representative tenders a vote, the vote of the Deep Yellow Shareholder named first in the Deep Yellow Register will be accepted to the exclusion of the others.

A person present at meeting of Deep Yellow Shareholders who represents more than one Deep Yellow Shareholder (whether personally or by proxy, attorney or representative) is entitled to one vote on a show of hands despite the number of Deep Yellow Shareholders the person represents and the person's vote will be taken as having been cast for all Deep Yellow Shareholders the person represents.

A resolution at a meeting of Deep Yellow Shareholders must be decided on a show of hands unless a poll is demanded before a vote by show of hands is taken or before or immediately after the declaration of the result of the show of hands by the chair person, at least give Deep Yellow Shareholders present and entitled to vote on the resolution or by Deep Yellow Shareholders present and representing at least 5% of the votes that may be cast on the resolution on a poll.

(e) Dividend rights, distributions in kind and bonus plans

Subject to the Corporations Act and the Deep Yellow Constitution, the Deep Yellow Directors may pay any interim, special or final dividends that, in its judgement, the financial position of Deep Yellow justifies.

6 PROFILE OF DEEP YELLOW

The Deep Yellow Board may also pay any dividend required to be paid under the terms of issue of a Deep Yellow Share, and subject to the ASX settlement operating rules, fix a record date for a dividend.

Deep Yellow has not paid any dividends.

Subject to any rights or restrictions attached to a Deep Yellow Share, all dividends in respect of a Deep Yellow Share must be paid in the proportion which the amount paid on the share bears to the total amounts paid and payable on the Deep Yellow Share, and apportioned and paid proportionately to the amount paid during any portions of the period in respect of which the dividend is paid.

The Deep Yellow Directors may implement a dividend reinvestment plan on terms they think fit, and may amend, suspend or terminate a dividend reinvestment plan implemented by them. The Deep Yellow Directors may implement a dividend selection plan on terms they think fit under which participants may elect to receive dividends from the Deep Yellow paid wholly or partly out of a particular fund or receive or out of profits derived from a particular source or forego dividends in place of any form of distribution from Deep Yellow or another body corporate or a trust. The Deep Yellow Directors may amend, suspend or terminate any dividend selection plan implemented by them.

(f) Issue of further Deep Yellow Shares

Subject to the Deep Yellow Constitution, ASX Listing Rules, Corporations Act and ASX settlement operating rules, the Deep Yellow Directors have the right to issue Deep Yellow Shares or grant options over unissued Deep Yellow Shares to any person as they think fit and on conditions they think fit.

Deep Yellow may also issue preference shares with the rights attaching to preference shares as set out in the Deep Yellow Constitution, including preference shares that are subject to redemption or conversion to Deep Yellow Shares. There are no preference shares on issue as at the date of this Scheme Booklet.

(g) Transfer of Deep Yellow Shares

Subject to the Deep Yellow Constitution and to any restrictions attached to a Deep Yellow Shares, Deep Yellow Shares may be transferred by a Proper ASTC Transfer (as defined in the Corporations Regulations) or a valid transfer under a computerised or electronic system established or recognised by the Corporations Act, the ASX Listing Rules or the ASX settlement operating rules for the purpose of facilitating dealings in shares. The Deep Yellow Board may decline to register a transfer of Deep Yellow Shares or apply a holding lock to prevent a transfer in accordance with the Corporations Act or the Listing Rules.

(h) Proportional takeover provisions

The Deep Yellow Constitution contains provisions requiring Deep Yellow Shareholder approval in relation to any proportional takeover bid. These provisions will cease to apply unless renewed by Deep Yellow Shareholders passing a special resolution by the third anniversary of either the date those rules were adopted or the date those rules were last renewed. As at the date of this Scheme Booklet the provisions apply.

(i) Variation of rights

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied:

- with the consent in writing of the holders of 75% of the issued shares in that class; or
- by a special resolution passed at a separate meeting of the holders of those shares.

(j) Election and removal of directors

Under the Deep Yellow Constitution, the Deep Yellow Board is comprised of a minimum of three directors and a maximum fixed by the Deep Yellow Directors from time to time, but not less than the number of Deep Yellow Directors in office at the time the determination takes effect. Deep Yellow currently has five directors. Deep Yellow Directors are elected or re-elected at general meetings of Deep Yellow.

No Deep Yellow Director (excluding the managing director) may hold office without re-election beyond the third annual general meeting following the meeting at which the director was last elected or re-elected. The Deep Yellow Board may also appoint any eligible person to be a director either to fill a casual vacancy

6 PROFILE OF DEEP YELLOW

on the Deep Yellow Board or as an addition to the existing directors, who will then hold office until the conclusion of the next annual general meeting of Deep Yellow following their appointment.

(k) Remuneration of directors

Under the Deep Yellow Constitution, each Deep Yellow Director is entitled to the remuneration out of the funds of Deep Yellow as the Deep Yellow Board may determine, but the remuneration of non-executive directors may not exceed in total in any year the amount fixed by Deep Yellow in general meeting for that purpose. The remuneration payable by Deep Yellow to a non-executive director must not include a commission on, or percentage of, profits or operating revenue. In addition to their remuneration, directors are entitled to be paid expenses and fees for any extra services they perform.

(l) Officers' indemnity

Deep Yellow must indemnify, to the extent permitted by law, its current and former officers, alternate directors and executive officers, and those of its related bodies corporate, for losses or liabilities incurred by the person as an officer or, if the Deep Yellow Directors determine, an auditor of Deep Yellow or of a related body corporate, but not limited to, a liability for negligence or for reasonable legal costs on a full indemnity basis, and only to the extent that the loss or liability is not covered by insurance.

(m) Capitalising profits

Subject to any rights or restrictions attached to any Deep Yellow Shares, the Deep Yellow Directors may capitalise and distribute among Deep Yellow Shareholders entitled to receive dividends undivided profits and other amounts available for distribution.

(n) Reduction of capital

Subject to the Deep Yellow Constitution, the Corporations Act and the Listing Rules, Deep Yellow may reduce its share capital by way of payment of cash or an in specie distribution of Deep Yellow assets.

(o) Winding up

If Deep Yellow is wound up and Deep Yellow's property is sufficient to pay all debts, liabilities, winding up costs, that excess must be divided among Deep Yellow Shareholders in proportion to the number of shares they hold.

If Deep Yellow is wound up, the liquidator may, with the sanction of a special resolution, divide among the Deep Yellow Shareholders the whole or part of Deep Yellow's property and decide how the division is to be carried out as between Deep Yellow Shareholders.

(p) Unmarketable parcels

In accordance with the Listing Rules, the Deep Yellow Board may sell Deep Yellow Shares that constitute less than a marketable parcel by following the procedures set out in the Deep Yellow constitution. An unmarketable parcel of Deep Yellow Shares is defined in the Listing Rules and is generally, a holding of Deep Yellow Shares with a market value of less than \$500.

(q) Amendment to Deep Yellow's Constitution

The Deep Yellow Constitution can only be amended by special resolution passed by at least three-quarters of Deep Yellow Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of Deep Yellow.

6.11 Deep Yellow Share Plans

The Deep Yellow Board is responsible for defining Deep Yellow's remuneration strategy and determining the structure and quantum of remuneration for senior executives to support and drive the achievement of Deep Yellow's strategic objectives.

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(a) Deep Yellow Limited Awards Plan

On 5 October 2010, the Deep Yellow Board established an employee incentive scheme called the Deep Yellow Limited Awards Plan to motivate and retain an excellent and dedicated team, and to attract new and high-quality employees.

Under the terms of the Deep Yellow Limited Awards Plan, the Deep Yellow Board may from time to time determine that any director, employee or contractor of the Deep Yellow Group is entitled to participate in the Deep Yellow Limited Awards Plan.

The issue of securities under the Deep Yellow Limited Awards Plan was approved by Deep Yellow Shareholders at its 2021 Annual General Meeting. For more information regarding the Deep Yellow Awards Plan, please refer to Deep Yellow's Notice of Annual General Meeting dated 28 October 2021 Annexure C, available from ASX's website or Deep Yellow's Website.

(b) Deep Yellow Limited Loan Share Plan

Under the Deep Yellow Limited Loan Share Plan, grants of loan plan shares may be made to employees of Deep Yellow and its subsidiaries (including a director employed in an executive capacity) and any contractors or any other person as the Deep Yellow Board may in its discretion determine (**Eligible Participant**).

The purpose of the Deep Yellow Limited Loan Share Plan is to assist in the reward, retention and motivation of Eligible Participant's and align their interests with shareholders.

For more information regarding the Deep Yellow Limited Loan Share Plan, please refer to Deep Yellow's Notice of Annual General Meeting dated 28 October 2021 Annexure B, available from ASX's Website or Deep Yellow's Website.

6.12 Interests of Deep Yellow Directors in Deep Yellow Securities

(a) Deep Yellow Shares held by Deep Yellow Directors

As at the date of this Scheme Booklet, the number, description and amount of Deep Yellow Shares held by or on behalf of each Deep Yellow Director are set out below:

Table 6-9 Deep Yellow Shares held by Deep Yellow Directors

Deep Yellow Director	Number of Deep Yellow Shares	% interest in Deep Yellow's issued capital
Christopher Salisbury	Nil	0
John Borshoff	13,671,900 (13,615,223 of which are subject to the Deep Yellow Loan Share Plan of which 6,865,081 are also subject to various vesting conditions)	3.53%
Gillian Swaby	8,884,791 (5,833,045 of which are subject to the Deep Yellow Loan Share Plan of which 3,501,816 are also subject to various vesting conditions)	2.29%
Mervyn Greene	2,778,336	0.72%
Gregory Meyerowitz	50,000	0.01%

Other than as set out in above, no Deep Yellow Shares are held by or on behalf of Deep Yellow Directors as at the date of this Scheme Booklet.

6 PROFILE OF DEEP YELLOW

(b) Deep Yellow Options and Deep Yellow Performance Rights held by Deep Yellow Directors

As at the date of this Scheme Booklet, the number, description and amount of Deep Yellow Options and Deep Yellow Performance Rights held by or on behalf of each Deep Yellow Director are set out below:

Table 6-10 Deep Yellow Options and Deep Yellow Performance Rights held by Deep Yellow Directors

Deep Yellow Director	Number of Deep Yellow Options	Number of Deep Yellow Performance Rights
Christopher Salisbury	133,333 Unlisted Options, nil exercise price, expiring and vesting as follows: <ul style="list-style-type: none"> 44,444 expiring 1 July 2026 (Vesting 1 July 2022) 44,444 expiring 1 July 2027 (Vesting 1 July 2023) 44,445 expiring 1 July 2028 (Vesting 1 July 2024) 	Nil
John Borshoff	Nil	Nil
Gillian Swaby	Nil	Nil
Mervyn Greene	176,519 Unlisted Options, nil exercise price, expiring and vesting as follows: <ul style="list-style-type: none"> 92,593 expiring 1 July 2024 (Vested 1 July 2020) 57,471 expiring 1 July 2025 (Vested 1 July 2021) 26,455 expiring 1 July 2025 (Vesting 1 July 2022) 	Nil
Gregory Meyerowitz	Nil	Nil

Other than as set out in above, no Deep Yellow Options or Deep Yellow Performance Rights are held by or on behalf of Deep Yellow Directors as at the date of this Scheme Booklet.

6.13 Dealings by Deep Yellow Directors in Deep Yellow Securities

No Deep Yellow Director has acquired or disposed of a relevant interest in any Deep Yellow Security in the four-month period ending on the date immediately before the date of this Scheme Booklet.

6.14 Interests in the Vimy Securities held directly or indirectly by Deep Yellow Directors

There are no Vimy Securities held by or on behalf of any Deep Yellow Director as at the date of this Scheme Booklet.

6.15 Dealings by Deep Yellow Directors in Vimy Securities

No Deep Yellow Director has acquired or disposed of a relevant interest in any Vimy Security in the four-month period ending on the date immediately before the date of this Scheme Booklet.

6.16 Deep Yellow interest and dealings in Vimy Securities

As at the date of this Scheme Booklet, Deep Yellow has no voting power or relevant interest in any Vimy Security.

Except for the Scheme Consideration to be provided under the Scheme during the period of four months before the date of this Scheme Booklet, neither Deep Yellow nor any Associate of Deep Yellow:

- has provided, or agreed to provide, consideration for any Vimy Shares under a purchase or an agreement; or
- has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to:
 - vote in favour of the Scheme; or
 - dispose of Vimy Shares.

Deep Yellow has not acquired or disposed of a relevant interest in any Vimy Security in the four-month period ending on the date immediately before the date of this Scheme Booklet.

6 PROFILE OF DEEP YELLOW

6.17 Other interests of Deep Yellow Directors

Except as provided in this Scheme Booklet, the Deep Yellow Directors have no interest in the outcome of the Scheme.

6.18 Disclosure of interests

Except as otherwise provided in this Scheme Booklet, no:

- Deep Yellow Director or proposed director of Deep Yellow;
- person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution in this Scheme Booklet for or on behalf of Deep Yellow; or
- promoter, stockbroker or underwriter of Deep Yellow or the Merged Group in the context of the Scheme,

(together, the **Interested Persons**) holds, or held at any time during the two years before the date of this Scheme Booklet, any interests in:

- the formation or promotion of Deep Yellow or the Merged Group;
- property acquired or proposed to be acquired by Deep Yellow in connection with the formation or promotion of Deep Yellow or the Merged Group or the offer of Deep Yellow Shares under the Scheme; or
- the offer of Deep Yellow Shares under the Scheme.

6.19 Disclosure of fees and other benefits

Except as otherwise disclosed in this Scheme Booklet, Deep Yellow has not paid or agreed to pay any fees, or provided or agreed to provide any benefit:

- to a Director or proposed director of Deep Yellow to induce them to become or qualify as a Director of Deep Yellow; or
- for services by any Interested Persons in connection with:
 - the formation or promotion of Deep Yellow or the Merged Group; or
 - the offer of Deep Yellow Shares under the Scheme.

6.20 Corporate Governance

The Deep Yellow Directors have developed detailed policies, procedures and systems of control to provide a strong framework to ensure governance outcomes meet the high expectations of Deep Yellow, its subsidiaries and all stakeholders. Deep Yellow regularly reviews its corporate governance practices against both current and emerging corporate governance developments which are relevant to the Deep Yellow Group, or to accepted principles and good practice.

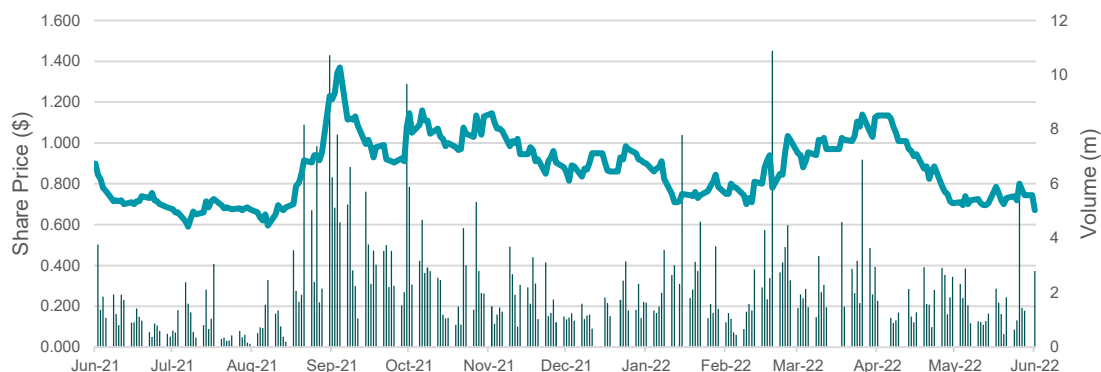
Deep Yellow's Corporate Governance Statement for the 2021 financial year outlined the key features of Deep Yellow's corporate governance framework, by reference to the ASX Corporate Governance Council's 4th edition of its Corporate Governance Principles and Recommendations. The Corporate Governance Statement can be found on Deep Yellow's Website.

6.21 Share price performance (ASX)

The following graph shows Deep Yellow Shares price performance and volume of shares traded on ASX in the twelve months before the announcement of the Scheme.

6 PROFILE OF DEEP YELLOW

Figure 6-6 Deep Yellow share price performance



Source: Price data obtained from IRESS

The highest recorded trading price of a Deep Yellow Share on ASX in the twelve months before the announcement of the Scheme was \$1.37 on 17 September 2021.

The lowest recorded trading price of a Deep Yellow Share on ASX in the twelve months before the announcement of the Scheme was \$0.585 on 20 August 2021.

The highest recorded trading price of a Deep Yellow Share on ASX in the three months before the announcement of the Scheme was \$1.065 on 24 March 2022.

The lowest recorded trading price of a Deep Yellow Share on ASX in the three months before the announcement of the Scheme was \$0.68 on 23 February 2022.

The trading price range of a Deep Yellow Share on ASX before the announcement of the Scheme on 25 March 2022 was \$0.95 to \$1.055.

The latest recorded trading price of a Deep Yellow Share on ASX before the announcement of the Scheme on 31 March 2022 was \$0.97 on 25 March 2022.

The last recorded trading price of a Deep Yellow Share on ASX on 14 June 2022 (being the trading date prior to the date of this Scheme Booklet) was \$0.670.

6.22 Publicly available information about Deep Yellow

Deep Yellow is listed on ASX. Deep Yellow is a disclosing entity for the purposes of the Corporations Act and the ASX Listing Rules and is subject to regular reporting and disclosure obligations that require Deep Yellow to immediately disclose to the market any information of which it is aware which a reasonable person may expect to have a material impact on the price or value of Deep Yellow Shares.

ASIC also maintains a record of documents lodged with it by Deep Yellow, and these may be obtained from or inspected at any office of ASIC.

Deep Yellow is required to prepare and lodge with ASIC and ASX both annual and half-year financial statements accompanied by a statement and report from Deep Yellow Directors and an audit or review report.

Deep Yellow also lodges quarterly activity reports with ASX. Copies of these and other documents lodged with ASIC and ASX may be obtained from an ASIC office and are accessible from ASX's Website.

Further information about Deep Yellow is available in electronic form from Deep Yellow's Website.

Deep Yellow is also listed on the Namibian Stock Exchange and the OTCQX in the USA.

On request to Deep Yellow and free of charge, Vimy Shareholders may obtain a copy of:

- the annual financial report of Deep Yellow for the year ended 30 June 2021 (being the annual financial report most recently lodged with ASIC before lodgement of this Scheme Booklet with ASIC); and

6 PROFILE OF DEEP YELLOW

- any continuous disclosure notice given to ASX by Deep Yellow since the lodgement with ASIC of the annual financial report of Deep Yellow for the year ended 30 June 2021.

Vimy Shareholders may request copies of the above documents by email to info@deepyellow.com.au or by phone at +61 8 9286 6999.

A list of announcements made by Deep Yellow to ASX from the date of annual financial report of Deep Yellow for the year ended 30 June 2021 lodged on 24 September 2021 to the last practicable date prior to the date of this Scheme Booklet, is included below.

Table 6-11 Deep Yellow announcements since 2021 Annual Report³²

Date	Description of Announcement
15 June 2022	VMY: Results of first court hearing
3 May 2022	Director Resignation – Justin Reid
19 April 2022	Appendix 5B March 2022 Quarterly Cashflow
19 April 2022	March 2022 Quarterly Activities Report
7 April 2022	Barking Gecko Phase 2 Drilling Completed
31 March 2022	Reinstatement to Official Quotation
31 March 2022	Investor Presentation proposed DYL and VMY Merger
31 March 2022	Deep Yellow and Vimy agree to a proposed \$658 million merger
29 March 2022	Suspension from Official Quotation
28 March 2022	Trading Halt
15 March 2022	31 December 2021 Half-Year Financial Report
11 March 2022	Application for quotation of securities
11 March 2022	Share Issue on Vesting of Employee Performance Rights
9 March 2022	Corporate Presentation Euroz Hartleys
8 March 2022	Commencement of Follow-Up Drilling at Omahola
4 March 2022	S&P DJI Announces March 2022 Quarterly Rebalance
10 February 2022	Corporate Presentation Bell Potter Conference
3 February 2022	Tumas DFS Firmly on Track and Improving on PFS Assumptions
21 January 2022	Appendix 5B December 2021 Quarterly Cashflow
21 January 2022	December Quarterly Activities Report
18 January 2022	Thick High-Grade Mineralisation Identified at Barking Gecko
4 January 2022	Appendix 3Ys
4 January 2022	Director Retirement
22 December 2021	New Potential for Basement Uranium Discoveries at Omahola
21 December 2021	Application for quotation of securities
21 December 2021	Issue of Shares on Option Exercise
16 December 2021	Amended Appendix 3Y

³² As at the date of this Scheme Booklet.

6 PROFILE OF DEEP YELLOW

Date	Description of Announcement
10 December 2021	Application for quotation of securities
10 December 2021	Application for quotation of securities
10 December 2021	Notification regarding unquoted securities
10 December 2021	Notification regarding unquoted securities
10 December 2021	Issue Of Shares and Incentive Securities
8 December 2021	2021 Sustainability Report
2 December 2021	Initial and Final Directors Interest Notices
29 November 2021	Results of Annual General Meeting
29 November 2021	2021 AGM Corporate Presentation
25 November 2021	Deep Yellow Further Strengthens Board
23 November 2021	Shareholder Update on Offer to Merge with Vimy
19 November 2021	VMY: Vimy responds to Deep Yellow's ASX release
19 November 2021	Deep Yellow Proposal to Acquire Vimy Resources Rejected
16 November 2021	Change in Substantial Holding Notice
15 November 2021	Notification regarding unquoted securities
4 November 2021	Omahola Basement Project Resource Upgrade to JORC 2012
3 November 2021	Application for quotation of securities
3 November 2021	Sept Quarter Activities Report - Revised JORC Disclosure
28 October 2021	Notice of Annual General Meeting and Shareholder Letter
27 October 2021	Application for quotation of securities
26 October 2021	September Quarterly Activities Report
26 October 2021	Appendix 5B September 2021 Quarterly Cashflow
22 October 2021	Sale of Non-Core Shiyela Iron Ore Project ML176
20 October 2021	Change in substantial holding
19 October 2021	Barking Gecko Phase 1 Drilling Successfully Completed
18 October 2021	Important Reminder - Option Expiry 29 October 2021
12 October 2021	Application for quotation of securities
8 October 2021	Reptile Basement Target Release - Revised JORC Disclosure
7 October 2021	Reptile Basement Target Offers Resource Upgrade Opportunity
5 October 2021	Major Ore Reserve Milestone Achieved for Tumas DFS
29 September 2021	Notification To Option Holders
29 September 2021	Application for quotation of securities
28 September 2021	Listed Options - Acceleration Trigger Reached

6 PROFILE OF DEEP YELLOW

6.23 Litigation

As at the date of this Scheme Booklet, Deep Yellow is not involved in any material legal disputes and is not a party to any material litigation.

6.24 No other material information

Except as otherwise disclosed in this Scheme Booklet, the Deep Yellow Board is not aware of any information, as at the date of this Scheme Booklet, that is material to the making of a decision in relation to the Scheme which has not been previously disclosed to Vimy Shareholders.

7

PROFILE OF THE MERGED GROUP



7 PROFILE OF THE MERGED GROUP

7.1 Introduction

This Section contains information in relation to the Merged Group if the Scheme is implemented.

The Independent Expert's Report set out in Appendix 1 to this Scheme Booklet contains further information about the Merged Group.

The information contained in this Section has been prepared by Deep Yellow after consultation with Vimy. The information concerning the Merged Group and the intentions, views and opinions contained in this Section are the responsibility of Deep Yellow and Vimy.

The pro-forma historical financial information in this Section 7 relates to the Merged Group and does not include any ongoing effects that may arise in connection with the Scheme.

7.2 Background

The Scheme will bring together two highly complementary businesses and create a global uranium champion of significant size and scale with a geographically diversified portfolio of high quality, advanced assets in Australia and Namibia – two Tier-1 uranium mining jurisdictions.

The Merged Group will have the scale to rapidly advance its pipeline of organic growth opportunities. The Merged Group will be able to leverage Deep Yellow's development, construction and operational expertise to unlock the development potential of all assets in the combined portfolio. The technical team of the Merged Group has proven expertise across a broad range of technical, environmental and regulatory areas in uranium development, allowing for accelerated development and optimised processing routes to start production when the uranium price recovers.

The Merged Group is expected to have a pro-forma market capitalisation of approximately A\$471 million³³. The Merged Group is also expected to have the largest attributable Mineral Resource base among its listed peers globally, and aims to become one of the largest pure uranium producer on the ASX. The enlarged scale and strengthened financial profile of the Merged Group make it well positioned to pursue additional disciplined value accretive growth.

The Merged Group will continue focusing on its strategy to become a multi-project, global uranium company with the objective of sustaining 10+ Mlbs of uranium production per annum.

7.3 Overview of the Merged Group assets

Following the completion of the Scheme, the Merged Group will have a diversified portfolio of assets in Australia and Namibia, including:

(a) Mulga Rock Project (100%)

Mulga Rock is one of Australia's largest undeveloped uranium resources and is located in the Shire of Menzies, approximately 290km by road east-northeast of the regional mining city of Kalgoorlie-Boulder. The project comprises four Mineral Resources: Ambassador and Princess (Mulga Rock East) and Shogun and Emperor (Mulga Rock West) totalling 90.1Mlbs U₃O₈. In January 2018, Vimy released a DFS and in August 2020, released an update to the 2018 DFS targeting a fifteen-year operation with annual production of 3.5Mlb per annum U₃O₈.³⁴ Vimy is currently working on a Bankable Feasibility Study which will include mining studies and base metal recovery test work. Mulga Rock is one of the only four projects in Western

³³ The Merged Group's Pro-forma market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations based on the closing share price as of 14 June 2022. Market capitalisation is presented on a fully diluted basis. This entails Deep Yellow's Performance Rights and Zero Exercise Price Options on issue that are assumed to vest and exercise (i.e. unquoted securities are subject to vesting and exercise conditions, including time measures, performance hurdles and/or other milestones). This also includes Vimy's 3,500,000 Performance Rights issued on 1 April 2022 that are assumed to vest in a change of control event, Vimy's options that are assumed to be exercised at the exercise price, as well as the 226,996 Vimy shares that were issued on 29 April 2022 under Vimy's Salary Sacrifice Share Plan as approved by Vimy Shareholders on 13 August 2019.

³⁴ Vimy completed a DFS in 2018 with a "Refresh" completed in 2020. The Merged Group aims to produce a revised DFS, optimising the value of Mulga Rock by undertaking additional works

7 PROFILE OF THE MERGED GROUP

Australia to receive State Ministerial approval to progress with the mining of uranium and is the only one of those four likely to be developed in the near future.

Refer to Section 5.3(a), 7.7(c) and 8.4(e) for further details.

(b) Alligator River Project (100%)

Alligator River is the largest granted uranium exploration package in the world-class Alligator River uranium district in Arnhem Land in the Northern Territory. The project covers a total area of 3,865km² and comprises three sub-projects: the Wellington Range-King River Project, the Algodo-Beatrice Project and the Mt Gilruth Project. The Alligator River Project was acquired from Cameco Australia Pty Ltd in July 2018 and Vimy was able to build on Cameco's previous exploration success by announcing a maiden Mineral Resource of 26Mlbs U₃O₈ at a grade of 1.3% U₃O₈ for the Angularli deposit (the most advanced prospect in the Wellington Range-King River Project). Planning is currently underway for a 19-hole diamond drilling program at Angularli for a total of 7,200 metres of core to test the extent of the current Mineral Resource. Vimy has completed the tender for the drill program, the exploration team has mobilised to the Northern Territory to prepare for the program and drilling is expected to commence in early June. Refer to Section 5.3(b) for further details.

(c) Tumas Project (100%)

Comprises a series of palaeochannel / calcrete-type uranium deposits totalling 132.7Mlb U₃O₈ in Measured, Indicated and Inferred Resources situated within the regionally extensive Tumas palaeochannel system. The Tumas Project has experienced a more than threefold increase in its palaeochannel / calcrete resource base since 2017, at an extremely low and impressive discovery cost of 11.5c/lb, due to its successful exploration efforts. A highly positive scoping study and Pre-Feasibility Study was completed and the Tumas Project is currently on track to concluding its DFS (i.e. now in the second and final phase of DFS work). During the first phase of DFS work, the Tumas Probable Ore Reserves increased by 121%. The scoping study has already defined a Project with a 25.75-year LOM at an annual production of 3Mlb per annum. Refer to Section 6.3(a) for additional detail.

(d) Omahola Project (100%)

Reflects a major exploration target for value creation, with the Omahola Project occupying a 35km by 14km northwest-southeast trending zone within the "Alaskite Alley" corridor – encompassing significant basement-related uranium deposits, including the Rössing, Husab, Etango and Valencia deposits. These deposits contain in excess of 800Mlb U₃O₈, with the Rössing mine alone having produced in excess of 200Mlb U₃O₈. Only a small section of the major prospective zone that has been delineated has been adequately drilled in the past. Refer to Section 6.3(b) for further details.

(e) Nova Joint Venture (contributing at 39.5%)

Two EPLs prospective for both basement and palaeochannel-type uranium mineralisation. The promising Barking Gecko prospect is a basement / alaskite style prospect on EPL3669, for which significant mineralisation over a 300m by 200m zone has been identified by exploration to date. Deep Yellow signed a joint venture agreement with JOGMEC in March 2017. JOGMEC completed its earn-in of A\$4.5 million over four years, earning the right to a 39.5% interest in Nova. Refer to Section 6.3(c) for further details.

(f) Shiyela Iron Ore Project (95%)

In October 2021, an option agreement was entered into with Hylron for the sale of shares in Shiyela, which holds the Shiyela Iron Ore Project (ML176). The agreement has a twelve-month option to enable Hylron to undertake general due diligence and several baseline wind, water and solar studies, including geotechnical test work with the possibility for an extension of this option for a further six months. Refer to Section 6.3(d) for further details.

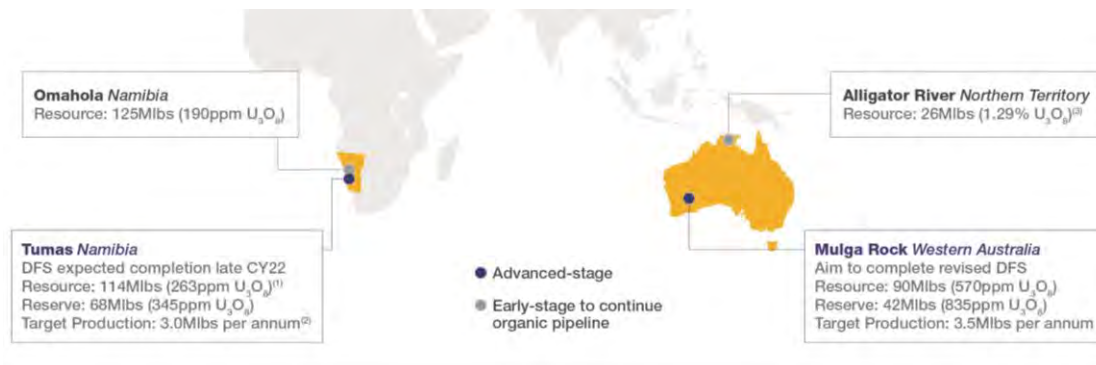
(g) Yellow Dune JV (85%)

Comprises one MDRL covering a drilled-out uranium resource of the palaeochannel / calcrete-type at Aussinanis. This deposit has a total Mineral Resource of 18Mlb U₃O₈ at 237ppm at a 150ppm cut-off. Refer to Section 6.3(e) for further details.

7 PROFILE OF THE MERGED GROUP

The Merged Group's assets are illustrated below:

Figure 7-1 Merged Group's assets³⁵



(h) Anticipated near-term production from the Merged Group's combined assets

The production targets of Deep Yellow and Vimy's advanced-stage uranium assets, the Tumas Project and the Mulga Rock Project respectively, are set out in the table below.

Table 7-1 Deep Yellow and Vimy production targets

Advanced-stage assets	Annual production target (Mlbs U ₃ O ₈)	Ownership interest (%)	Anticipated attributable annual production target (Mlbs U ₃ O ₈)
Mulga Rock Project	3.5Mlbs	100%	3.5Mlbs ³⁶
Tumas Project	3.0Mlbs	100%	3.0Mlbs ³⁷

³⁵ Resource and Reserve metrics reported on a 100% basis. Note (1) in map: Deep Yellow currently owns 100% of Tumas. Oponona has an option to acquire 5% of the project, however the option is yet to be exercised; Note (2) in map: DFS forecast production capacity; Note (3) in map: 1.29% is equivalent to 12,900ppm U₃O₈.

³⁶ Vimy completed a DFS in 2018 with a "Refresh" completed in 2020. The Merged Group aims to produce a revised DFS, optimising the value of Mulga Rock by undertaking additional works.

³⁷ Deep Yellow production target assumes 100% ownership of Tumas. Oponona has an option to acquire 5% of the Reptile Project, however the option is yet to be exercised.

7 PROFILE OF THE MERGED GROUP

(i) Vimy Reserves and Deep Yellow reserves

The Mineral Resource is diversified across assets as set out below:

Table 7-2 Merged Group Pro-forma JORC Mineral Resources – Uranium Mineral Resource

Deposit	Tonnes (M)	Measured (Mlbs U ₃ O ₈)	Indicated (Mlbs U ₃ O ₈)	Inferred (Mlbs U ₃ O ₈)	Total Resource (Mlbs U ₃ O ₈)	Attributable Resource (Mlbs U ₃ O ₈)
INCA Deposit (100%)	36.6	-	12.3	9.7	22.0	22.0
Ongolo Deposit (100%)	227.1	19.7	31.7	36.3	87.7	87.7
MS7 Deposit (100%)	34.5	9.1	2.9	3.7	15.6	15.6
Omahola Project Sub-total	298.2	28.8	46.9	49.7	125.3	125.3
Tumas 3 Deposits (100%)	88.3	-	54.9	5.0	59.9	59.9
Tumas 3 Deposits Total	88.3	-	54.9	5.0	59.9	59.9
Tumas 1 and 2 Deposit (100%)	108.1	-	24.2	29.8	54.0	54.0
Tumas 1 and 2 Project Total	108.1	-	24.2	29.8	54.0	54.0
Sub-total of Tumas 1, 2 and 3	196.4	-	79.1	34.8	113.9	113.9
Tubas Sand Deposit (100%)	34.0	-	4.1	8.6	12.7	12.7
Tubas Red Sand Project Total	34.0	-	4.1	8.6	12.7	12.7
Tubas Calcrete Deposit (100%)	7.4	-	-	6.1	6.1	6.1
Tubas Calcrete Total	7.4	-	-	6.1	6.1	6.1
Aussinanis Deposit (85%)	34.6	-	2.7	15.3	18.0	15.3
Aussinanis Project Total	34.6	-	2.7	15.3	18.0	15.3
Calcrete Projects Sub-total	272.4	-	85.9	64.8	150.7	148.0
Total Resources Deep Yellow	570.6	28.8	132.8	114.5	276.0	273.3
Princess (100%)	3.3	-	3.6	1.2	4.8	4.8
Ambassador (100%)	34.2	12.6	26.0	13.1	51.7	51.7
Mulga Rock East Sub-total	37.4	12.6	29.6	14.3	56.4	56.4
Emperor (100%)	30.8	-	-	29.8	29.8	29.8
Shogun (100%)	3.1	-	3.2	0.6	3.8	3.8
Mulga Rock West Sub-total	33.8	-	3.2	30.4	33.6	33.6
Mulga Rock Total	71.2	12.6	32.8	44.7	90.1	90.1
Angularli (100%)	0.9	-	-	25.9	25.9	25.9
Alligator River Total	0.9	-	-	25.9	25.9	25.9
Total Resources Vimy	72.1	12.6	32.8	70.6	116.0	116.0
Pro-forma Total Uranium Resources Merged Group	642.7	41.4	165.6	185.1	392.0	389.3

7 PROFILE OF THE MERGED GROUP

Base Metals Mineral Resource

Table 7-3 Merged Group Base Metals Resource

Deposit	Tonnes (M)	Indicated (kt)				Inferred (kt)				Total (kt)			
		Cu (kt)	Zn (kt)	Ni (kt)	Co (kt)	Cu (kt)	Zn (kt)	Ni (kt)	Co (kt)	Cu (kt)	Zn (kt)	Ni (kt)	Co (kt)
Princess (100%)	3.8	0.9	1.6	0.6	0.3	0.7	1.3	0.6	0.4	1.6	2.9	1.2	0.7
Ambassador (100%)	30.2	6.8	26.5	12.5	6.1	1.2	3.3	2.6	1.5	8.0	29.8	15.1	7.6
Mulga Rock East Total	34.1	7.7	28.1	13.1	6.4	1.9	4.6	3.2	1.9	9.6	32.7	16.3	8.2
Pro-forma Total Base Metal Resources Merged Group	34.1	7.7	28.1	13.1	6.4	1.9	4.6	3.2	1.9	9.6	32.7	16.3	8.2

Notes:

Deep Yellow JORC Mineral Resource Table was released to ASX on 9 March 2022:

- 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 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.
- All metrics presented on a 100% ownership basis (apart from the "Attributable Resources" column)

Vimy JORC Mineral Resource Table for uranium Mineral Resource at Mulga Rock was released to ASX on 11 July 2017, the base metal Mineral Resource at Mulga Rock was released to ASX on 23 June 2016 and Mineral Resource at Alligator River was released to ASX on 20 March 2018:

- t = metric dry tonnes; appropriate rounding has been applied, and rounding errors may occur.
- Used cut combined U₃O₈ composites (combined chemical and radiometric grades).
- The base metal resource is contained wholly within the uranium resource. It is reported using the same cut-off grade of 150ppm U₃O₈ with no additional base metal grade cut-offs applied.
- Metallurgical plant recovery factors are not applied to total metal content.
- Using chemical U₃O₈ composites from drill core.

(j) Pro-forma Ore Reserve estimates

The Merged Group is also expected to have the largest attributable resources among its listed peers globally.

Table 7-4 Merged Group Ore Reserve

Deposit	Tonnes (M)	Proven (Mlbs U ₃ O ₈)	Probable (Mlbs U ₃ O ₈)	Total Reserve (Mlbs U ₃ O ₈)	Attributable Reserve (Mlbs U ₃ O ₈)
Tumas 1 and 2 (100%)	14.5	-	8.9	8.9	8.9
Tumas 1 East (100%)	29.5	-	17.4	17.4	17.4
Tumas 3 (100%)	46.3	-	42.1	42.1	42.1
Sub-total of Tumas 1, 2 and 3	89.9	-	68.4	68.4	68.4
Total Reserves Deep Yellow	89.9	-	68.4	68.4	68.4
Princess (100%)	1.7	-	3.3	3.3	3.3
Ambassador (100%)	19.4	12.3	24.0	36.3	36.3
Mulga Rock East Sub-total	21.1	12.3	27.3	39.6	39.6
Shogun	1.6	-	2.7	2.7	2.7
Mulga Rock West Sub-total	1.6	-	2.7	2.7	2.7
Total Reserves Vimy	22.7	12.3	30.0	42.3	42.3

7 PROFILE OF THE MERGED GROUP

Notes:

Deep Yellow JORC Ore Reserve Table was released to ASX on 5 October 2022:

- 1 The rounding in the above table is an attempt to represent levels of precision implied in the estimation process which may result in apparent errors of summation in some columns.
- 2 All metrics presented on a 100% ownership basis (apart from the "Attributable Resources" column)

Vimy JORC Ore Reserve table for uranium Ore Reserve at Mulga Rock was released to ASX on 4 September 2017:

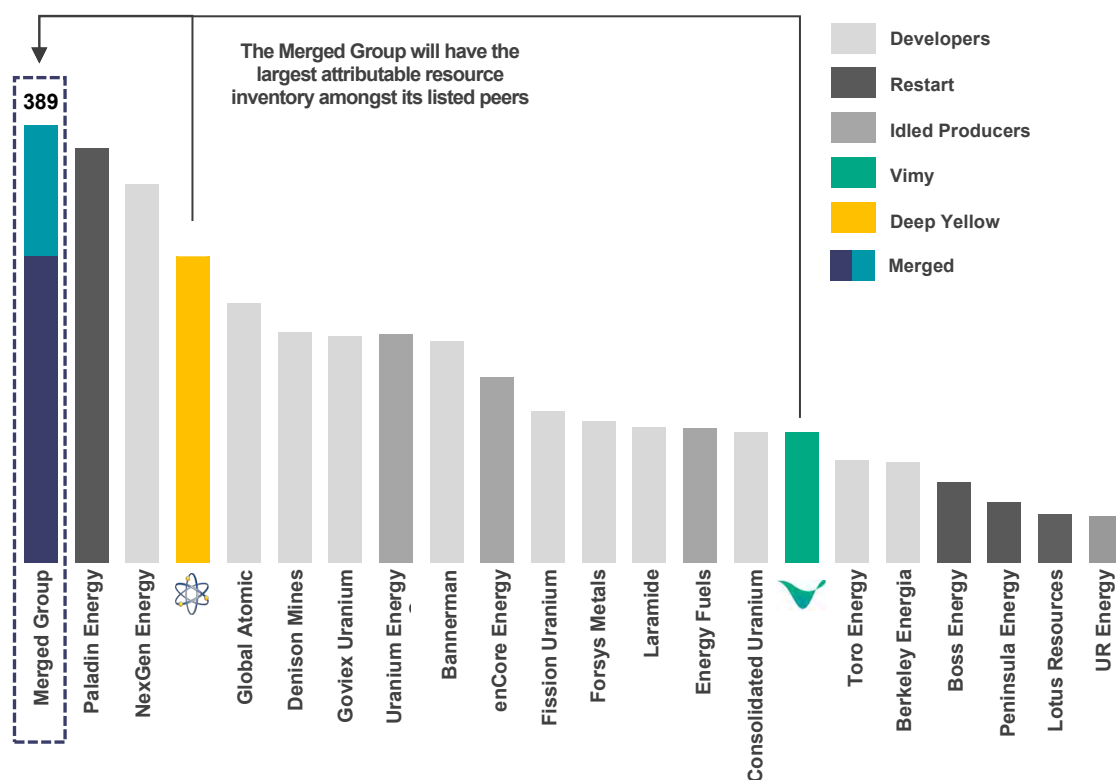
- 3 Tonnage and grades are reported including mining dilution.
- 4 t = metric dry tonnes; appropriate rounding has been applied and rounding errors may occur.
- 5 Using cut combined U₃O₈ composites (combined chemical and radiometric grades).
- 6 Metallurgical plant recovery factors are not applied to Total Metal content.

7.4 Market positioning

Following the completion of the Scheme, the Merged Group is expected to have the largest attributable Mineral Resource inventory among junior uranium mining companies globally.³⁸ Furthermore, the Merged Group has the potential to be among the largest uranium mining companies by market capitalisation³⁹ and the largest producer of uranium among ASX-listed pure-play uranium companies.⁴⁰

The relative market position of the Merged Group among its ASX listed and global peers is illustrated in the below charts.

Figure 7-2 Global listed uranium junior uranium peers by attributable Mineral Resources (Measured + Indicated + Inferred) (Mlbs)⁴¹



³⁸ Combination of Mineral Resources from Deep Yellow (273Mlbs) and Vimy Resources (116Mlbs), which reflect the companies' latest available Measured + Indicated + Inferred Resources presented on an attributable basis (i.e. % ownership basis). Deep Yellow Resource base assumes 100% ownership of Tumas, Tubas and Omahola and 85% ownership of Aussinanis. Oponona has an option to acquire 5% of the Reptile Project, however the option is yet to be exercised.

³⁹ Primary ASX-listed pure-play uranium companies with a market capitalisation >US\$100M. Market capitalisation as at 14 June 2022, where market capitalisation is presented on a basic (undiluted) basis. Lotus Resources' market capitalisation is calculated using a share count that includes 226,463,927 restricted ordinary shares.

⁴⁰ Primary ASX-listed pure-play uranium companies with a market capitalisation >US\$100M. Production capacity presented on an attributable basis. Excludes Energy Resources of Australia (given the asset is currently in rehabilitation) and companies that have not yet conducted a feasibility study.

⁴¹ Source: Public company information, websites, presentations, public feasibility studies, technical reports and drilling updates. Attributable Resources (% ownership stake basis) sourced from the latest feasibility study, preliminary economic assessment, drilling update, and/or technical report. Consolidated Uranium includes deposits which

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Figure 7-3 ASX-listed pure-play uranium companies by market capitalisation (A\$ million)⁴²

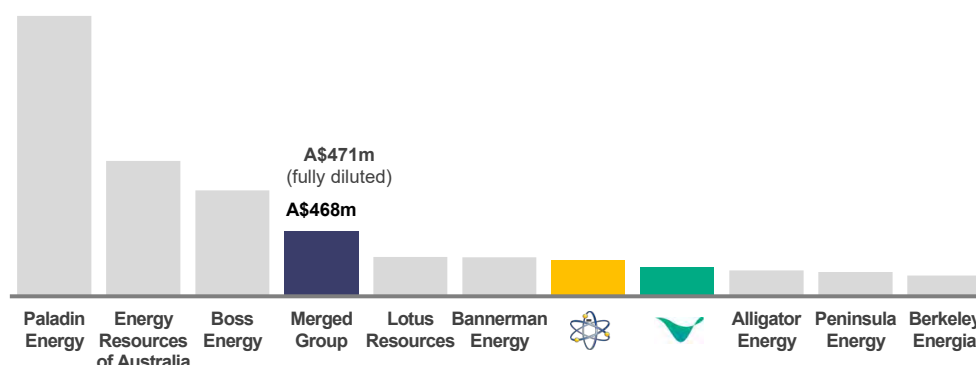
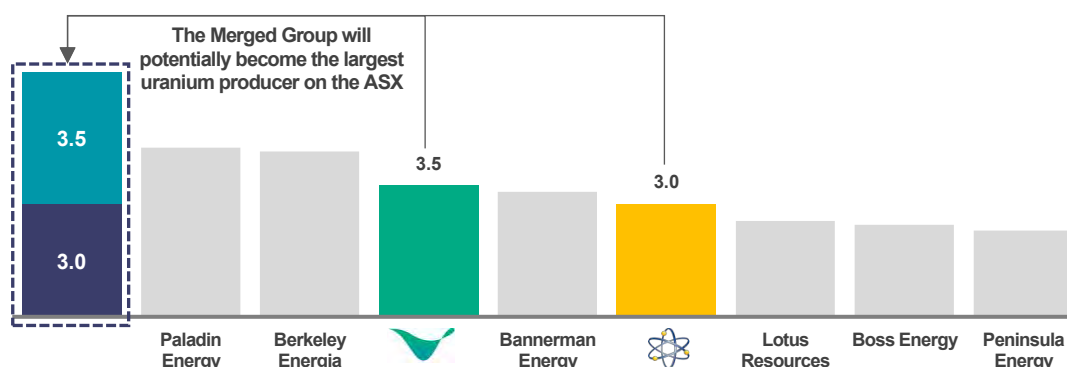


Figure 7-4 Annual production capacity (Mlbs per annum) for primary ASX-listed pure-play uranium companies (with market capitalisation of >US\$100 million)⁴³



7.5 Strategic rationale for the Scheme

The Scheme will create a global uranium champion of size and scale, providing shareholders with the opportunity to participate in a new platform with greater equity market relevance, broader diversification, a stronger balance sheet and funding flexibility.

The strategic rationale of the Scheme is summarised below:

(a) Two quality assets leveraged to the uranium price recovery

The Scheme will combine two advanced high-quality uranium assets with a pro-forma combined Mineral Resource base of 389Mlbs⁴⁴, one of the largest in the world. The Merged Group will have a geographically diversified portfolio of assets in complementary Tier-1 uranium jurisdictions, creating a significant

have been acquired however the transaction may not yet have closed. Analysis only includes key listed peers of Deep Yellow and Vimy i.e. excluding other companies such as Cameco or Kazatomprom. Resource numbers include M+I+I (Measured, Indicated, and Inferred and historic resources).

⁴² Market capitalisation of selected ASX-listed uranium focused peers as of 14 June 2022, where market capitalisation is presented on a basic (undiluted) basis (with the exception of the Merged Group's fully diluted market capitalisation of A\$471m). Lotus Resources' market capitalisation is calculated using a share count that includes 226,463,927 restricted ordinary shares. The Merged Group's basic market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations on a basic (undiluted) basis as of 14 June 2022. The Merged Group's diluted market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations based on the closing share price as of 14 June 2022 on a fully diluted basis, including Deep Yellow's Performance Rights and zero exercise price options on issue that are assumed to vest and exercise (i.e. unquoted securities are subject to vesting and exercise conditions, including time measures, performance hurdles and/or other milestones). This also includes 3,500,000 Vimy Performance Rights issued on 1 April 2022 that are assumed to vest in a change of control event, Vimy Options that are assumed to be exercised at the exercise price, as well as the 226,996 Vimy Shares that were issued on 29 April 2022 under Vimy's SSSP as approved by Vimy Shareholders on 13 August 2019.

⁴³ Primary ASX-listed pure-play uranium companies with a market capitalisation >US\$100M. Production capacity presented on an attributable basis. Excludes Energy Resources of Australia (given the asset is currently in rehabilitation) and companies that have not yet conducted a feasibility study.

⁴⁴ Combination of resources from Deep Yellow (273Mlbs) and Vimy Resources (116Mlbs), which reflect the companies' latest available M+I+I presented on an attributable basis (i.e. % ownership basis). Assumes 100% ownership of Tumas, Tubas and Omahola and 85% ownership of Aussinanis (Oponona has an option to acquire 5% of the Reptile Project, however the option is yet to be exercised).

7 PROFILE OF THE MERGED GROUP

differentiator from other single asset uranium juniors. The Merged Group has the potential to become the largest pure uranium producer on the ASX, given the current annual production targets of ~3.0Mlb and 3.5Mlbs for Deep Yellow and Vimy respectively.⁴⁵

(b) Increased scale, liquidity and capital markets profile

The Merged Group will have a pro-forma market capitalisation of ~A\$471 million⁴⁶, positioning it among the largest independent uranium platforms in Tier-1 jurisdictions by market capitalisation. The Merged Group will have liquidity of ~A\$106 million⁴⁷ and a strong balance sheet to fast track the development of its assets. The Merged Group is expected to have the size and liquidity to position itself to become a supplier of choice to major utilities from greater equity market relevance, diversified and advanced asset portfolio, enhanced financial strength and financing flexibility.

The combined market capitalisation, Mineral Resources and improved production profile of Deep Yellow and Vimy can potentially result in a positive share price re-rating of the Merged Group over time.

(c) Highly credentialled, proven uranium team

The Scheme will combine two highly experienced boards and management teams with a track record of successfully financing and developing uranium projects, along with deep experience in uranium marketing, contracting and sales. The Merged Group will also have a strong technical team with proven expertise across a broad range of uranium deposits, processing technologies, environmental and regulatory environments, enabling it to accelerate the development of assets and optimise process routes.

More information regarding the intended composition of the proposed Merged Group Board is set out in Section 7.8 of this Scheme Booklet.

(d) Significant growth optionality through exploration

The Scheme will create a strong pipeline of projects across different stages of development. The combined asset portfolio provides highly prospective exploration opportunities to drive organic growth. The Merged Group is expected to have significant growth optionality through “pounds in the ground” across the existing asset portfolio. The exploration team of the Merged Group will form one of the most experienced teams of a uranium company on ASX with the goal of delivering significant shareholder value.

More information regarding the assets of the Merged Group is set out in Section 7.3 of this Scheme Booklet.

(e) Platform for further growth and consolidation

The combination of Deep Yellow and Vimy will create a platform of scale with a significant uplift to financial strength and funding flexibility for further consolidation of larger, high quality uranium assets. The Merged Group will continue to focus on building a multi-project, globally significant uranium company through the disciplined development of existing advanced assets, and mergers and acquisitions where accretion value can be determined with the aim to sustain 10+ Mlbs of production per annum with multi-mine capability.

(f) Strong commitment to sustainability and ESG

The Scheme will provide a strong platform to grow and evolve the Merged Group's ESG objectives. The Merged Group will have a strong commitment to sustainability and ESG as part of its strategy to create long-term value for all stakeholders. The intentions for the Merged Group will be to continue supporting local communities in developing a sustainable economic environment with long lasting benefits as the Merged Group progresses towards its aim of becoming a global Tier-1 uranium producer.

⁴⁵ Production target presented on an attributable basis.

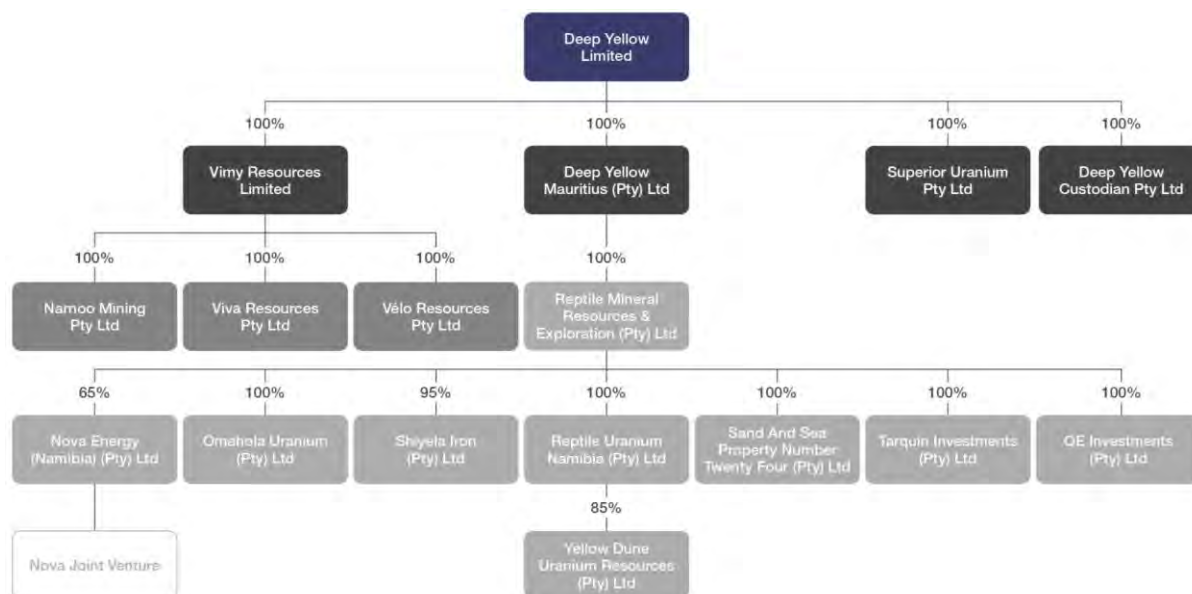
⁴⁶ The Merged Group's pro-forma market capitalisation is calculated as the sum of the Deep Yellow and Vimy market capitalisations based on the closing share price as of 14 June 2022. Market capitalisation is presented on a fully diluted basis. This entails Deep Yellow's Performance Rights and zero exercise price options on issue that are assumed to vest and exercise (i.e. unquoted securities are subject to vesting and exercise conditions, including time measures, performance hurdles and/or other milestones). This also includes 3,500,000 Vimy Performance Rights issued on 1 April 2022 that are assumed to vest in a change of control event, Vimy Options that are assumed to be exercised at the exercise price, as well as the 226,996 Vimy Shares that were issued on 29 April 2022 under Vimy's SSSP as approved by Vimy Shareholders on 13 August 2019.

⁴⁷ Refer to Section 7.10 for further detail on the pro-forma financial metrics of the Merged Group..

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7.6 Corporate structure of the Merged Group

The structure of the Merged Group following the completion of the Scheme is illustrated in the diagram below.



7.7 Deep Yellow's intentions in relation to Vimy and the Merged Group if the Scheme is implemented

This Section sets out the current intentions of Deep Yellow in relation to the Merged Group if the Scheme is implemented. The statements of intention are formed on the basis of facts and information concerning Vimy known to Deep Yellow and the general business environment as at the time of preparing this Scheme Booklet.

The Merged Group's Board and management intend to explore opportunities to optimise the Merged Group's existing operations and product development projects of the combined business and maximise value for its shareholders. Final decisions regarding these matters will be made by the Merged Group's Board in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this Section are statements of current intentions only, which may vary as new information becomes available or circumstances change and the Merged Group further develops its strategic focus and outlook.

(a) Corporate matters

In accordance with the Scheme Implementation Deed, if the Scheme is implemented, Vimy will apply for termination of official quotation of Vimy shares on the ASX, and will apply to be removed from the official list of the ASX. Vimy will become part of the Merged Group and will be governed by a reconstituted Board detailed in Section 7.8 below.

Following delisting, Vimy Shareholders will no longer be able to acquire or trade in Vimy Shares on ASX. Vimy Shareholders will, however, be able to trade in New Deep Yellow Shares on ASX.

(b) Continuation of the business of Vimy

If the Scheme is implemented, Deep Yellow intends to undertake a detailed review of the Merged Group's operations covering strategic, financial, and operating matters to determine and implement improvements to deliver the optimal outcomes for the Merged Group. Subject to that review, Deep Yellow's only intended change to the business of Vimy is as set out below.

7 PROFILE OF THE MERGED GROUP

(c) Corporate strategy

If the Scheme is implemented, the strategy of the Merged Group will be to continue creating shareholder value through:

- ensuring ongoing exploration and optimisation of projects to support the development of assets (with no current plans to redeploy fixed assets);
- proceeding with completion of the Tumas DFS and undertaking additional work to produce a revised Mulga Rock DFS as a high priority to ensure these projects are ready for development when uranium prices are sufficiently incentivising;
- leveraging both Deep Yellow's and Vimy's complementary skill sets to implement a best in class approach to the Merged Group's portfolio of assets;
- identifying and realising potential corporate, operational and commercial potential;
- conducting an evaluation of opportunities to maximise value for the Merged Group's shareholders, including disciplined value accretive growth;
- continuing responsible corporate governance and management which protect the interest of all stakeholders; and
- continuing strong commitment to sustainability and ESG objectives.

(d) Employees

If the Scheme is implemented, Deep Yellow will undertake a detailed review of the combined business. This will include a review of human resource requirements to determine the best way to utilise Vimy employees for the benefit of the Merged Group. Without having conducted the abovementioned review, Deep Yellow cannot formulate a view in relation to employee numbers. The clear objective, due to the significant shortage of uranium experienced personnel, is to retain all key staff members in both organisations. Any reduction in employee levels would be achieved through employees being made redundant in compliance with all applicable regulatory requirements and their contractual rights.

(e) Employee incentive arrangements

Vimy's existing employee incentive plans will no longer be applicable following implementation of the Scheme. Upon implementation of the Scheme, any outstanding awards of Vimy and its subsidiaries held by employees will be generally treated as follows:

- Vimy Options will be exercised and vest and the option holder will receive New Deep Yellow Shares; and
- Vimy Performance Rights will vest and automatically converted into Vimy Shares and the holder of performance rights will receive New Deep Yellow Shares.

Refer to Section 2.18 for further details.

It is expected that the Merged Group will adopt Deep Yellow's existing employee incentive plans.

(f) Dividend policy

Following implementation of the Scheme, Deep Yellow intends to maintain its existing dividend policy.

(g) Corporate office and trading name

The Merged Group will continue as Deep Yellow Limited. It will relocate, in a new corporate office in Subiaco, Western Australia scheduled for completion mid-year. Deep Yellow will continue to be listed on ASX.

(h) Corporate governance

It is intended that the Merged Group will continue to be governed by Deep Yellow's current corporate governance policies.

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(i) Board of directors and senior management

If the Scheme is implemented, Steven Michael and Wayne Bramwell will join the Deep Yellow Board as new directors. As at the date of this Scheme Booklet, no specific arrangements in this regard have been agreed between Deep Yellow and Mr Michael or Mr Bramwell.

(j) Implementation Committee

Under clause 5.8 of the Scheme Implementation Deed, Vimy and Deep Yellow will continue to work together following the Implementation Date for their merger and integration. In the event the Scheme becomes Effective, Deep Yellow has agreed that:

- it will not, for a period of twelve months from the Implementation Date, enter into any agreements to sell, divest or otherwise dispose of (including by way of joint venture, partnership, licencing or similar arrangement) any interest in any material asset of the Merged Group which sale, or disposal consideration is worth more than A\$20,000,000 (by way of cash or equivalent Deep Yellow Shares (calculated on a 15-day VWAP prior to the date of the proposed divestment)) unless any such dealing is on terms unanimously approved by the Deep Yellow Directors (which does not include any control transaction relating to the Merged Group or issue or transfer of Deep Yellow Shares); and
- it will take all reasonable steps from the Implementation Date to ensure that the Merged Group has sufficient funding to satisfy the conditions of Ministerial Statement 1046 pertaining to the Mulga Rock Project.

(k) Removal from OTC Market

Vimy Shares are currently traded on the OTCQB market. Pursuant to the agreement between the OTC Markets Group Inc. (**OTC**) and Vimy dated 1 July 2021 (**OTCQB Agreement**), Vimy may withdraw its securities from the OTCQB designation at any time and terminate the OTCQB Agreement by providing 24 hours written notice to OTC.

7.8 Board of the Merged Group

(a) Board of Directors

If the Scheme is implemented, the Board of the Merged Group will comprise the following:

Table 7-5 Board of the Merged Group

Name and Position	Profile
Christopher Salisbury Chairman BEng, FAICD	<p>Mr Salisbury is a highly experienced mining executive, with over thirty years of global experience across senior strategic and operational roles for the Rio Tinto Group. He is a qualified metallurgical engineer and Fellow of the Australian Institute of Company Directors.</p> <p>Mr Salisbury brings extensive uranium experience having led operating companies in Australia and in Namibia. He was Chief Executive of Energy Resources Australia (ERA) between 2004-2008, a significant global uranium business and during his time an ASX 100 company. Mr Salisbury also served as Non-Executive Director of ERA. From 2011-2013 Mr Salisbury was Managing Director/Head of Country for Rio Tinto's Rössing Uranium Mine and was based in Swakopmund Namibia.</p> <p>During his long career with Rio Tinto, Mr Salisbury also held executive roles across a diverse range of commodities including Chief Operating Officer – Pacific Bauxite and Alumina (2008 to 2011), Chief Operating Officer – Rio Tinto Coal (2013 to 2016) and most recently Chief Executive – Iron Ore (2016 to 2020).</p>

7 PROFILE OF THE MERGED GROUP

Name and Position	Profile
	<p>Mr Salisbury is recognised as a transformational leader delivering significant improvements across safety, productivity and culture. Mr Salisbury has board experience beyond ERA, including as chair of the Robe River Mining joint venture, director of the Minerals Council of Australia and Australia Japan Business Cooperation Committee and was director of a number of non-listed Rio Tinto entities and joint ventures.</p> <p>Mr Salisbury joined the Deep Yellow Board in May 2021.</p>
<p>John Borshoff Managing Director and Chief Executive Officer BSc, F.AusIMM, FAICD</p>	<p>Mr Borshoff is an experienced mining executive and geologist with more than forty years of uranium industry experience. He spent seventeen years at the start of his career as a senior geologist and manager of the Australian activities of German uranium miner Uranerz.</p> <p>In 1993, following the withdrawal of Uranerz from Australia, Mr Borshoff founded Paladin. He built the company from a junior explorer into a multi-mine uranium producer with a global asset base and valuation of more than US\$5 billion at its peak.</p> <p>At Paladin, Mr Borshoff led the team that completed the drill out, feasibility studies, financing, construction, commissioning and safe operation of the first two conventional uranium mines built in the world for twenty years. He also oversaw numerous successful, large public market transactions including acquisitions and major capital raisings before leaving Paladin in 2015.</p> <p>Mr Borshoff is recognised as a global uranium industry expert and has a vast international network across the uranium and nuclear industries, as well as the mining investment market. He has a Bachelor of Science (Geology) from the University of Western Australia and is a Fellow of both the Australian Institute of Company Directors and the Australasian Institute of Mining and Metallurgy.</p> <p>He is a member of the Uranium Forum within the Minerals Council of Australia (of which he is a former Board member) and sits on the Council of the Namibian Chamber of Mines.</p> <p>Mr Borshoff was appointed Managing Director of Deep Yellow in October 2016.</p>
<p>Gillian Swaby Executive Director BBus, FCIS, FAICD, AAusIMM</p>	<p>Ms Swaby is an experienced mining executive with a broad skillset across a range of corporate, finance and governance areas.</p> <p>She has spent over 35 years working with natural resources companies in numerous roles including chief financial officer, company secretary, director and corporate advisor. Ms Swaby worked at Paladin for the period 1993 to 2015 in the capacity as Executive Director for ten years and as General Manager – Corporate Affairs. She had a key role in managing Paladin's growth through mine development, operation, acquisition and exploration. This role included responsibility for Paladin's complex corporate, legal, human relations and corporate social responsibility programs as an operating uranium miner in multiple African countries.</p> <p>Ms Swaby holds a Bachelor of Business (Accounting) and is a Fellow of the Australian Institute of Company Directors (AICD), the Institute of Chartered Secretaries and Administrators, and the Governance Institute of Australia. She is also a member of the WA Council of the Australian Institute of Company Directors.</p> <p>Ms Swaby joined the Deep Yellow Board in October 2005 as Non-Executive Director. Her role changed to that of Executive Director, on a consulting basis, effective 1 November 2016.</p>

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Name and Position	Profile
Steven Michael Executive Director BCom, CA, MAICD	<p>Mr Michael has over 25 years' experience in the global resources sector, specialising in corporate finance and equity capital markets. Mr Michael joined Vimy as Interim CEO in August 2021, and was appointed as Managing Director and CEO in March 2022. Prior to joining Vimy, Mr Michael was a Managing Director at FTI Consulting, an independent global business advisory firm.</p> <p>Mr Michael has previously worked in the natural resources division of Macquarie Bank, Rothschild & Co and Royal Bank of Canada, in global mining equities research and sales, corporate finance and investment banking. He was previously Managing Director of an exploration company with a portfolio of assets in Australia and Africa and Chief Financial Officer of an ASX-listed uranium exploration and development company with significant uranium resources in South Korea. He is currently a Non-Executive Director of ASX-listed Predictive Discovery Limited and Wia Gold Limited.</p> <p>Mr Michael holds a Bachelor of Commerce (Accounting) and is a member of the Institute of Chartered Accountants in Australia & New Zealand and the Australian Institute of Company Directors.</p> <p>Mr Michael is also a member of the Minerals Council of Australia's Uranium Forum.</p>
Mervyn Greene Non-Executive Director MA (Maths), BAI (Engineering), MBA	<p>Mr Greene is an experienced investment banker and entrepreneur who has been working in investment markets in Africa, Europe and the United States for more than 35 years. His most recent experience has focused on private equity investment in a range of sectors, specialising in fin-tech, construction, general technology and property. He currently serves as co-founder and Director of EPIC, The Irish Emigration Museum and is co-founder and Chairman of Dogpatch Labs, Ireland's leading tech start-up hub and recently became the Chairman of the NDRC, the Irish government's national tech start-up accelerator. He leads, as managing director, both CHQ Dublin Limited and MGR Properties, specialised Irish property development companies. All these businesses are located in Dublin, Ireland.</p> <p>From 1997 to 2005 Mr Greene was co-founder and London-based partner of Irwin Jacobs Greene, one of Namibia's premier stockbroking, private equity and corporate finance advisory firms. Prior to this Mr Greene worked for investment bank Morgan Stanley in New York and London.</p> <p>Mr Greene has a Masters in Mathematics and Bachelor degree of Civil Engineering from Trinity College in Dublin. Mr Greene also has a Masters of Business Administration from London Business School.</p> <p>Mr Greene was appointed to the Deep Yellow Board in November 2006 and was Chairman from August 2007 to August 2013.</p>

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Name and Position	Profile
Gregory Meyerowitz Non-Executive Director BCom, CA, MAICD, FCA(ANZ), FFINSIA, MCA(SA)	<p>Mr Meyerowitz is a chartered accountant with 36 years of experience in the professional services industry and commerce. As a senior audit partner at the international accounting firm of EY, and head of the Perth Audit Division for ten years, Mr Meyerowitz has acted as the lead audit signing partner for five ASX 100 companies, including two ASX 20 companies. He has worked across a diverse range of sectors and has extensive experience working with mining and energy companies with global operations in countries such as Australia, Brazil, Finland, Indonesia, Italy, Malawi, Mauritania, Namibia, Sweden and the USA. This includes time spent in the uranium sector.</p> <p>Mr Meyerowitz is currently the Group Risk and Compliance Director of APM Human Services International Limited, an ASX-listed human services provider operating in eleven countries.</p> <p>Mr Meyerowitz holds a Bachelor of Commerce Degree from the University of Witwatersrand, South Africa; is a graduate member of the Australian Institute of Company Directors; fellow of Chartered Accountants Australia & New Zealand; fellow of the Financial Services Institute of Australasia; and a member of the South African Institute of Chartered Accountants.</p> <p>Mr Meyerowitz joined the Board of Deep Yellow on 1 December 2021.</p>
Wayne Bramwell Non-Executive Director BSc Mineral Science – Ext Met, Grad Dip Bus, MSc Mineral Science, GAICD	<p>Mr Bramwell is a metallurgist, mineral economist and experienced company director with thirty years international and domestic exploration, project development, financing and operations expertise across listed and private precious and base metal companies.</p> <p>Mr Bramwell was appointed to the Board of Vimy in October 2021 as a non-executive Director and is currently the Managing Director of Westgold Resources Limited.</p> <p>Mr Bramwell holds a Bachelor of Science in Extractive Metallurgy, a Graduate Diploma in Business, a Master of Science in Mineral Economics and is a graduate of the Australian Institute of Company Directors (GAICD).</p>

(b) Director remuneration and benefits

Each of Christopher Salisbury, John Borshoff, Gillian Swaby, Mervyn Greene and Gregory Meyerowitz will continue in their roles with Deep Yellow on the same terms and conditions as before implementation of the Scheme, detailed in Deep Yellow's 2021 remuneration report.

Steven Michael

If the Scheme is implemented it is intended that Vimy's Managing Director and CEO, Steven Michael, will be appointed as Executive Director of Deep Yellow. An employment agreement is proposed to be entered into between Deep Yellow and Steven Michael which is conditional on the Scheme being implemented on terms and conditions to be agreed.

Wayne Bramwell

If the Scheme is implemented, it is anticipated that Vimy Non-Executive Director, Wayne Bramwell, will be appointed as Non-Executive Director of Deep Yellow on terms consistent with Deep Yellow's existing Remuneration Policy.

It is anticipated that each of Mr Michael and Mr Bramwell will be entitled to receive fees for their services as a director, travel allowances and reimbursement of incidental expenses from Deep Yellow in connection with the performance of their duties for Deep Yellow. As at the date of this Scheme Booklet, no specific arrangements in this regard have been agreed between Deep Yellow and Mr Michael or Mr Bramwell.

7 PROFILE OF THE MERGED GROUP

7.9 Capital structure and substantial shareholders of the Merged Group

(a) Share capital

As at the date of this Scheme Booklet, Deep Yellow has 387,198,206 shares on issue.

If the Scheme is approved and implemented, Deep Yellow will issue approximately 344,343,282 New Deep Yellow Shares to Scheme Shareholders⁴⁸, with the result that existing Vimy Shareholders will own 47% of the Merged Group⁴⁹. The table below summarises the pro-forma capital structure of the Merged Group upon implementation of the Scheme.

Table 7-6 Capital structure of the Merged Group

Security	Total (pro-forma) upon implementation of the Scheme
Ordinary Shares	731,541,488 ⁵⁰
Deep Yellow Performance Rights	402,688
Deep Yellow Options with nil exercise price and expiry date of 1 July 2024	277,779
Deep Yellow Options with nil exercise price and expiry date of 1 July 2025	225,323
Deep Yellow Options with nil exercise price and expiry date of 1 July 2026	44,444
Deep Yellow Options with nil exercise price and expiry date of 1 July 2027	44,444
Deep Yellow Options with nil exercise price and expiry date of 1 July 2028	44,445

(b) Substantial shareholders of the Merged Group

Table 7-7 Substantial shareholders of the Merged Group⁵¹

Shareholder name	Number of Deep Yellow Shares	Current percentage shareholding in Deep Yellow	Number of Vimy Shares	Current percentage shareholding in Vimy	Pro-forma percentage shareholding in the Merged Group ⁵²
Paradise Investment Management Pty Ltd	30,498,169	7.9%	79,328,746	6.8%	7.4%

7.10 Pro-forma historical financial information in relation to the Merged Group

(a) Introduction

This Section contains the pro-forma financial information for the Merged Group, reflecting the combined businesses of Vimy and Deep Yellow. The pro-forma financial information is presented to provide Vimy Shareholders with an indication of the Merged Group's statement of financial position as if the Scheme was implemented on 31 December 2021.

⁴⁸ Includes New Deep Yellow Shares to be issued to Vimy Shareholders and assumes that all Vimy convertible securities on issue as at the date of this Scheme Booklet (i.e. 3,500,000 Vimy Performance Rights and 9,192,333 Vimy Options expiring in July 2022) convert into Vimy Shares. The number of New Deep Yellow Shares to be issued is calculated by applying the Scheme Consideration ratio of 0.294 New Deep Yellow Share for every Vimy Share on a fully diluted basis taking into account the above assumptions. If none of the Vimy Options on issue as at the date of this Scheme Booklet are converted into Vimy Shares, those Vimy Options which remain on issue and not yet exercised as at the Record Date will be cancelled, and those holders will (subject to implementation of the Scheme) be entitled to 0.210 New Deep Yellow Shares for each Vimy Option they hold. Vimy shares on issue at the date of this Scheme Booklet includes the 226,996 Vimy shares that were issued on 29 April 2022 under Vimy's Salary Sacrifice Share Plan as approved by Vimy Shareholders on 13 August 2019.

⁴⁹ On a fully diluted basis.

⁵⁰ Comprises existing Deep Yellow Shares on issue and New Deep Yellow Shares to be issued to Vimy Shareholders. The New Deep Yellow Shares to be issued assumes that all Vimy convertible securities on issue as at the date of this Scheme Booklet (i.e. 3,500,000 Vimy Performance Rights and 9,192,333 Vimy Options expiring in July 2022) convert into Vimy Shares. The number of New Deep Yellow Shares to be issued is calculated by applying the Scheme Consideration ratio of 0.294 New Deep Yellow Share for every Vimy Share on a fully diluted basis taking into account the above assumptions. If none of the Vimy Options on issue as at the date of this Scheme Booklet are converted into Vimy Shares, those Vimy Options which remain on issue and not yet exercised as at the Record Date will be cancelled, and those holders will (subject to implementation of the Scheme) be entitled to 0.210 New Deep Yellow Shares for each Vimy Option they hold.

⁵¹ Per most recent public disclosure.

⁵² Percentage shareholding of the Merged Group is calculated based on the pro-forma number of ordinary shares in the Merged Group on a basic (undiluted) basis, calculated based on existing Deep Yellow Shares on issue and New Deep Yellow Shares to be issued to Vimy Shareholders by applying the Scheme Consideration ratio of 0.294 New Deep Yellow Share for every Vimy share. Number of Deep Yellow and Vimy Shares held by substantial shareholders is sourced from Deep Yellow's and Vimy's most recent substantial holding notices as published on the ASX per the Last Practicable Date. Percentage shareholdings in Deep Yellow and Vimy, as well as in the pro-forma Merged Group, is calculated based on the respective (basic) ordinary shares currently on issue.

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Under the Scheme, Deep Yellow will acquire all of the Vimy Shares held by the Scheme Shareholders for the Scheme Consideration. For illustrative purposes, this section contains the following historical financial information:

- (i) Vimy's historical consolidated statement of financial position as at 31 December 2021;
- (ii) Deep Yellow's historical consolidated statement of financial position as at 31 December 2021, (together the **Historical Financial Information**); and
- (iii) the Merged Group pro-forma consolidated statement of financial position as at 31 December 2021 incorporating the relevant acquisition accounting and other adjustments required to present the pro forma historical consolidated statement of financial position of the Merged Group (the Pro-Forma Historical Statement of Financial Position).

Stand-alone historical consolidated statements of financial position for both Vimy and Deep Yellow are set out in Section 5.5(b) and Section 6.7(b) respectively.

Vimy is responsible for the preparation of the Pro-Forma Historical Statement of Financial Position.

(b) Basis of preparation

The Pro-Forma Historical Statement of Financial Position is provided for illustrative purposes and is presented in accordance with the recognition and measurement requirements of the Australian Accounting Standards on the assumption that the Scheme was implemented on 31 December 2021.

The Merged Group Pro-Forma Historical Statement of Financial Position in this section is presented in an abbreviated form and does not contain all disclosures, presentations, statements or comparatives that are usually provided in an annual financial report prepared in accordance with the Australian Corporations Act.

Amounts in this section have been rounded to the nearest \$1,000. Some numerical figures included in Scheme Booklet have been subject to rounding adjustments. Any discrepancies between totals and sum of components in figures contained in Scheme Booklet are due to rounding.

The Pro-Forma Financial Information has been derived from the reviewed interim financial statements of Vimy and Deep Yellow for their respective half-years ended 31 December 2021. The interim financial statements of Vimy for the half-year ended 31 December 2021 were reviewed by KPMG who issued an unmodified opinion. The interim financial statements of Deep Yellow for the half-year ended 31 December 2021 were reviewed by EY who issued an unmodified opinion.

The Pro-Forma Historical Statement of Financial Position has been prepared in accordance with Deep Yellow's accounting policies, as set out in the financial report for Deep Yellow for the year ended 30 June 2021.

The Pro-Forma Historical Statement of Financial Position has been reviewed in accordance with the Australian Standard on Assurance Engagements ASAE 3420 Assurance Engagements to Report on the Compilation of Pro-Forma Historical Statement of Financial Position included in a Prospectus or other Document (ASAE 3420) by KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division (KPMG Transaction Services)). Their Investigating Accountant's Report can be found in Appendix 2. Investors should note the scope and limitations of the Limited Assurance Investigating Accountant's Report.

(c) Pro-forma adjustments

The Pro-Forma Historical Statement of Financial Position includes the following pro-forma adjustments to reflect the impact of certain transactions as if they occurred as at 31 December 2021:

- pre-merger changes to the share capital account of Vimy subsequent to 31 December 2021; and
- execution of the scheme and the acquisition of Vimy by Deep Yellow.

Based on the terms of the Scheme, Australian Accounting Standards require the Scheme to be accounted for as an acquisition. A critical step in determining the appropriate accounting approach to be followed for an acquisition transaction in the extractives sector is to determine whether the acquisition is of a business

7 PROFILE OF THE MERGED GROUP

(and therefore within the scope of AASB 3 Business Combinations), or is of an asset or group of assets that do not constitute a business and is therefore outside the scope of AASB 3.

Management has determined that the transaction does not meet the criteria of a business combination as defined by AASB 3 Business Combinations and consequently it would be more appropriate to consider the transaction as an asset acquisition. Based on the key terms of the Scheme, Management has determined Deep Yellow to be the acquirer.

The value of the consideration given to Vimy Shareholders will be based upon the Scheme Consideration of 0.294 New Deep Yellow Shares for every Vimy Share held by Vimy Shareholders as at the Record Date which will be determined by the value of New Deep Yellow Shares at the close of trading on the Implementation Date. For the purposes of the Pro-Forma Historical Statement of Financial Position, a value of \$0.725 per Deep Yellow Share has been assumed, being the closing price of Deep Yellow Shares on 23 May 2022. The ultimate value of the purchase consideration for accounting purposes as at the Implementation Date may differ from the amount assumed for the purposes of the Pro-Forma Historical Statement of Financial Position. The following pro-forma adjustments to the Historical Financial Information have been made in order to present the Pro-Forma Historical Statement of Financial Position:

- the acquisition of Vimy for 344,343,282 Deep Yellow Shares; and
- the inclusion of transaction costs associated with the above transaction.

(d) Forecast financial information for the Merged Group

Vimy and Deep Yellow have given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information for the Merged Group. Vimy and Deep Yellow Directors have concluded that, as at the date of this Scheme Booklet, it would be misleading to provide forecast financial information for the Merged Group, as a reasonable basis does not exist for providing forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice.

The financial performance of the Merged Group will be influenced by various factors that cannot be predicted with a high level of confidence and are generally outside its control. These factors include:

- the timing and quantum of any commercial potential that may be gained from the acquisition;
- competitive forces and changes in customer expectations and behaviours which impact revenue and growth opportunities; and
- future economic conditions in Australia and in particular the regions which the businesses operate, which can be impacted by both global and local events and government policies.

Vimy and Deep Yellow do not have an established practice of issuing financial forecasts. It should be noted that past financial performance is not an indicator of future performance.

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Table 7-8 Pro-Forma Historical Financial Information in relation to the Merged Group

	Historical Deep Yellow (reviewed)	Historical Vimy (reviewed)	Notes	Pre-Merger adjustments	Vimy adjusted	Notes	Pro-forma adjustments	Pro-Forma Statement of Financial Position
ASSETS								
Current Assets								
Cash and cash equivalents	71,984	16,239	A	16,599	32,838	B	992	105,815
Receivables	392	836			836			1,228
Other Current Assets	163	95			95			258
Total Current Assets	72,539	17,170		16,599	33,769		992	107,301
Non-Current Assets								
Right-of-use assets	104	259			259			364
Property, plant and equipment	730	9,685			9,685			10,415
Capitalised mineral exploration and evaluation expenditure	43,836	7,887			7,887	B	213,122	264,846
Other Non-Current assets	-	356			356			356
Total Non-Current Assets	44,670	18,188		-	18,188		213,122	275,980
Total Assets	117,209	35,357		16,599	51,957		214,115	383,281
LIABILITIES								
Current Liabilities								
Trade and other payables	769	5,087			5,087	C	8,400	14,256
Lease liabilities	101	93			93			194
Employee provisions	59	177			177			237
Total Current Liabilities	929	5,357		-	5,357		8,400	14,687
Non-Current Liabilities								
Employee provisions	49	19			19			67
Lease liabilities	-	179			179			179
Other Non-Current provisions	-	2,468			2,468			2,468
Total Non-Current Liabilities	49	2,665		-	2,665		-	2,714
Total Liabilities	978	8,022		-	8,022		8,400	17,400
Net Assets	116,231	27,335		16,599	43,934		205,715	365,880
EQUITY								
Issued capital	321,613	142,724	A	16,599	159,323	B,D	90,326	571,262
Accumulated losses	(200,909)	(116,442)			(116,442)	C,D	116,442	(200,909)
Employee equity benefits' reserve	16,309	1,053			1,053	D	(1,053)	16,309
Foreign currency translation reserve	(20,782)	-						(20,782)
Total Equity	116,231	27,335		16,599	43,934		205,715	365,880

7 PROFILE OF THE MERGED GROUP

(1) Notes to Pre-Merger and Pro-Forma Adjustments

Table 7-9 Vimy shares issued at 23 May 2022

	Number of Shares	A\$000s
Vimy shares on issue 31 December 2021	1,054,871,992	142,724
Capital Raise 9 March 2022	100,000,000	16,150
Exercise of employee options	5,481,000	449
Buyback of employee shares 16 March 2022	(2,036,667)	-
Shares issued to employees on closure of the Employee Share Purchase Plan	226,996	-
Increase in issued shares	103,671,329	16,599
Vimy shares on issue 23 May 2022	1,158,543,321	159,323

Note A – Vimy shares issued between 1 January 2022 and 23 May 2022

Net increase in the number of shares issued	103,671,329
Net cash proceeds for shares issued	16,599,442

Note B – Issue of New Deep Yellow Shares and acquisition of Vimy shares

For the purposes of preparing the pro-forma historical information, the transaction has been accounted for as an asset acquisition. For the purpose of the pro-forma historical financial information, the transaction has been measured with reference to the estimated fair value of the Scheme Consideration.

The estimated fair value of the Scheme Consideration has been calculated as follows:

Table 7-10 Pro-Forma equity of the Merged Group

Fully paid Vimy Shares on issue 23 May 2022	1,158,543,321
Employee options exercised	9,192,333
Performance Rights exercised	3,500,000
Projected Shares on issue at Scheme Record Date	1,171,235,654
Exchange ratio	0.294
Projected New Deep Yellow Shares issued	344,343,282
Deep Yellow Share price at 23 May 2022	\$0.725
A\$ value of consideration	249,648,879
Total equity Merged Group	571,261,824

Transaction costs to be incurred by Vimy and Deep Yellow in relation to advisory fees, legal fees, expert fees and other transaction related expenses are estimated to be approximately A\$8.4 million. As the basis of the pro-forma historical financial information is an asset acquisition, these costs have been added to the estimated Scheme Consideration to determine the total cost of the acquisition.

Based on asset acquisition accounting, the total cost of the acquisition is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the acquisition date.

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The estimated total cost of the acquisition has been allocated to the net assets as follows (rounded to the nearest thousand):

Table 7-11 Estimated total costs of acquisition

	A\$000s
Estimated total costs of acquisition	
Value of share-based consideration	249,649
Estimated transaction costs	8,400
	258,049

Table 7-12 Allocation of investment

	A\$000s
Cash	33,831
Other assets and liabilities at fair value	3,209
Exploration and development assets	221,009
	258,049

Table 7-13 Value of exploration assets

	A\$000s
Carrying value of exploration assets in Vimy	7,887
Uplift in carrying value of exploration assets	213,122
	221,009

Note C – Accrual of estimated transaction costs to be incurred by Vimy

This adjustment recognises an accrual for Vimy and Deep Yellow's estimated transaction costs of approximately A\$8.4 million in relation to the Scheme. For further details on the estimated transaction costs to be incurred, see Note B above.

Note D – Elimination of Vimy's pre-acquisition contributed equity

This adjustment eliminates Vimy's adjusted pre-acquisition equity, reserves and retained earnings.

(2) Transaction not included in Pro-Forma Adjustments

The pro-forma historical financial information has not been adjusted to reflect the trading of either Vimy or Deep Yellow since 31 December 2021 apart from the Pre-Merger and Pro-forma Adjustments listed above.

8

POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP



8

POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

8.1 Introduction

Vimy Shareholders are currently exposed to various risks as a result of their investment in Vimy.

If the Scheme is approved and implemented, there will be a change in the risk profile to which Vimy Shareholders are exposed. This is because:

- Vimy will become a wholly owned subsidiary of Deep Yellow;
- Vimy Shareholders (other than Ineligible Shareholders) will receive New Deep Yellow Shares and become Deep Yellow Shareholders as at the Record Date;
- Vimy Shareholders will continue to be exposed to the risks associated with an interest in Vimy's assets (as they will have an indirect interest in Vimy through their holding of New Deep Yellow Shares); and
- Vimy Shareholders will potentially be exposed to additional risks associated with an investment in the Merged Group through their holding of New Deep Yellow Shares. The nature of the Merged Group's business will change from that of the stand-alone business of Vimy. In a number of cases, those risks are different from, additional to or greater than, those faced by Vimy Shareholders currently.

This Section 8 sets out some of the potential risks associated with implementation of the Scheme and the Merged Group that Vimy Shareholders will be exposed to through their holding of New Deep Yellow Shares. These risks include:

- risks relating to the Scheme;
- specific risks relating to an investment in the Merged Group;
- general risks relating to an investment in the Merged Group; and
- specific risks relating to an investment in Vimy.

8.2 Qualifications and limitations

The risks summarised below and the information set out in this Section should be considered in conjunction with other information contained in this Scheme Booklet. In particular the risks summarised below and the information set out in this Section:

- are not an exhaustive statement of the risks that Vimy Shareholders may face if the Scheme is implemented and they receive New Deep Yellow Shares
- are general in nature and regard has not been had to the individual circumstances, including the investment objectives, financial situation, tax position or particular needs of Vimy Shareholders.

Vimy Shareholders should consult their professional adviser if they have any doubts about an investment in the Merged Group.

Additional risks and uncertainties that Vimy is currently unaware of, or that Vimy currently considers to be immaterial, may also become important factors that can adversely affect the Merged Group's operating and financial performance in the future.

8.3 Risk relating to the Scheme

This Section 8 describes those specific areas that are believed to be the key risks associated with the Scheme and an investment in the Merged Group.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

(a) Market value of the Scheme Consideration

Under the terms of the Scheme, Vimy Shareholders will receive 0.294 New Deep Yellow Shares for every one Vimy Share they hold; equating to an implied value of \$0.197 per Vimy Share (based on the closing price of Deep Yellow Shares on ASX on the Last Practicable Date of this Scheme Booklet). However, the exact value of the Scheme Consideration that individual Vimy Shareholders will receive will be dependent on the price at which the New Deep Yellow Shares trade on ASX after the Implementation Date.

Following implementation of the Scheme, the price of New Deep Yellow Shares will continue to rise or fall based on market conditions and the Merged Group's financial and operating performance.

In addition, the Sale Agent will be issued New Deep Yellow Shares attributable to Ineligible Foreign Shareholders and those Small Shareholders who elect not to receive their Scheme Consideration in the form of New Deep Yellow Shares and will sell them on ASX as soon as reasonably practicable on or after the Implementation Date and in any event, within twenty Business Days (on which the New Deep Yellow Shares are capable of being traded on ASX) of the Implementation Date. There is no guarantee regarding the price that will be realised by the Sale Agent (or the proceeds of sale that are ultimately delivered to those Vimy Shareholders after deducting any reasonable brokerage or other selling costs, taxes and charges), and it is possible that such sales may exert downwards pressure on the price of Deep Yellow Shares in the period following the Implementation Date. In providing services to Deep Yellow in connection with the sale of the New Deep Yellow Shares to which the Ineligible Foreign Shareholders and those Small Shareholders would otherwise have been entitled, the Sale Agent is not acting as agent or sub agent of those Vimy Shareholders.

There is no guarantee regarding the prices that will be realised by the Sale Agent or the future market price of the New Deep Yellow Shares. Future market prices may be either above or below current or historical market prices. For more information on the closing price and daily trading volume of Deep Yellow Shares over the last twelve months before the announcement of the Scheme, see Section 6.21.

(b) Risks of trading during deferred settlement trading period

Scheme Shareholders will not necessarily know the exact number of New Deep Yellow Shares (due to rounding) that they will receive as Scheme Consideration until a number of days after those shares can be traded on ASX on a deferred settlement basis. Vimy Shareholders who trade New Deep Yellow Shares on a deferred settlement basis, without knowing the number of New Deep Yellow Shares they will receive as Scheme Consideration, may risk adverse financial consequences if they purport to sell more New Deep Yellow Shares than they receive.

(c) Court delays

There is a risk that the Court may not approve the Scheme. There is also a risk that some or all of the aspects of the approvals required for the Scheme to be implemented may be delayed or not granted.

(d) Implementation of the Scheme is subject to Conditions Precedent that must be satisfied or waived (where permitted)

Implementation of the Scheme is subject to the satisfaction or waiver (where permitted) of a number of outstanding Conditions Precedent. There can be no certainty, nor can Vimy provide any assurance, that these Conditions Precedent will be satisfied or waived (where permitted), or if satisfied or waived (where permitted), when that will occur. A number of outstanding Conditions Precedent are outside the control of Vimy and Deep Yellow, including, but not limited to, approval of the Scheme by Vimy Shareholders and approval by the Court of the Scheme.

If, for any reason, a Scheme Condition is not satisfied or waived (where permitted) and the Scheme is not implemented, there may be adverse consequences for Vimy and Vimy Shareholders, including that the market price of Vimy Shares may be adversely affected.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

(e) Scheme Implementation Deed may be terminated by Vimy or Deep Yellow in certain circumstances, in which case the Scheme will not be implemented (including in relation to a Material Adverse Effect event)

Each of Vimy and Deep Yellow has the right to terminate the Scheme Implementation Deed in certain circumstances. See Section 2.15 for a summary of the circumstances which may give rise to a right for Vimy or Deep Yellow to terminate the Scheme Implementation Deed. Accordingly, there is no certainty that the Scheme Implementation Deed will not be terminated by either Vimy or Deep Yellow before the Implementation of the Scheme.

If the Scheme Implementation Deed is terminated, the Scheme will not be implemented and Vimy will not be able to achieve, as a stand-alone entity, the benefits that the merger with Deep Yellow may have provided.

In addition, some circumstances which cause the Scheme not to proceed may result in the payment of a break fee by Vimy or Deep Yellow to the other party.

A Material Adverse Effect is defined in Schedule 1 of the Scheme Implementation Deed (Appendix 5, and as announced in the ASX Announcement on 31 March 2022) as to mean an event, matter or circumstance that occurs, is announced or becomes known to either party after the date of this deed which either individually or when aggregated with any other events, matters or circumstances, has a material adverse effect:

- on the Deep Yellow Budget¹ or the Vimy Budget¹ (as the case may be) (sub-clause (a) of the Material Adverse Effect definition);
- on the consolidated net assets of either the Deep Yellow Group or the Vimy Group, by resulting in a diminution of at least 20% (each being considered separately) (sub-clause (b) of the Material Adverse Effect definition);
- on ability of the Deep Yellow Group or Vimy Group to carry out its business in substantially the same manner as carried out at the date of this deed² (sub-clause (c) of the Material Adverse Effect definition);
- with respect to Deep Yellow only, any change or proposed change in the law, regulation or other form of decree or court order or finding in Namibia (including mining, taxation, customs, export, health and safety, environmental or any other law) which has, or will be likely to have, a material impact on the development, operation, exploitation or value of any Mining Tenement or project carried on by Deep Yellow in Namibia or any other jurisdiction outside of Australia (sub-clause (d) of the Material Adverse Effect definition); or
- otherwise on the assets and liabilities (taken as a whole), financial condition or business of the party (taken as a whole) (sub-clause (e) of the Material Adverse Effect definition)²,

but excluding matters:

- required to be done or procured by Deep Yellow or Vimy, or expressly permitted, under this deed or the Scheme or the transactions contemplated by either party which the other party has previously approved in writing;
- relating to the costs and expenses incurred by Deep Yellow or Vimy associated with the Scheme process, including all fees payable to external advisers of Deep Yellow or Vimy;
- comprising or resulting from a change (including the implementation or introduction of a previously announced or made change) in any accounting standards;
- to the extent Fairly Disclosed in the Deep Yellow Disclosure Materials or Vimy Disclosure Materials (as applicable);
- to the extent Fairly Disclosed in a document lodged with ASX within 18 months of the date of this deed;
- to the extent Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of Vimy or Deep Yellow (as applicable) within 18 months prior to the date of this deed; or

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

- that is within the actual knowledge of the party not subject to a Material Adverse Effect prior to the date of this deed,

(terms capitalised in this Section 8.3(e) have the meaning given to them in the Scheme Implementation Deed).

¹ 'Deep Yellow Budget' means a budget prepared for Deep Yellow before the date of the Scheme Implementation Deed for the period 30 June 2022 (which budget forms part of the Deep Yellow Disclosure Material), and any variation of the budgeted line item of up to 10%.

¹ 'Vimy Budget' means a budget prepared for Vimy before the date of this deed for the period ending 30 June 2022 (which budget forms part of the Vimy Disclosure Materials) and any variation of budgeted line item of up to 10%.

² Both sub-clauses (c) and (e) of the Material Adverse Effect definition do not provide for a quantitative threshold to enliven these sub-clauses. As a consequence, Vimy Shareholders and Deep Yellow Shareholders should note that each of Vimy and Deep Yellow may interpret different meanings to those sub-clauses given the absence of a clear quantitative threshold and that each party may be exposed to a greater risk of litigation and a higher risk of uncertainty than would otherwise be the case if a quantitative test had been provided. Vimy Shareholders should also consider the risks relating to the Scheme as set out in Section 8.3 and the general and specific risks relating to the Scheme as set out in Sections 8.4 and 8.5 of this Scheme Booklet, which may be greater than they would have been had sub-clauses (c) and (e) of the Material Adverse Effect definition each contained a quantitative test.

There are myriad different circumstances that may, depending on their effect, trigger or engage this definition of a Material Adverse Effect. One of the risks of having a qualitative or principle-based Material Adverse Effect clause (as distinct from a strictly quantitative or monetary threshold clause) is that the clause may be engaged in a wider range of circumstances. Equally, having a quantitative test means that the individual elements of that test are also subject to argument or interpretation, quantification and temporal issues.

The absence of the occurrence of a Material Adverse Effect is a condition precedent for both Vimy and Deep Yellow (refer to clause 3.1(g) and 3.1(h) of the Scheme Implementation Deed). While a Material Adverse Effect may result in a wide range of contractual and commercial outcomes, it is possible that the parties could end up in dispute over the existence of the Material Adverse Effect or its consequence under the Scheme Implementation Deed. This could result in the Scheme not proceeding, the Scheme otherwise being terminated, or a transaction being proposed on different terms in accordance with clause 3.4 of the Scheme Implementation Deed.

(f) The issue of New Deep Yellow Shares could adversely affect the market price of Deep Yellow Shares

If the Scheme is implemented, a number of additional Deep Yellow Shares (being the New Deep Yellow Shares issued as Scheme Consideration) will be available for trading in the public market (see Section 7.9 for details of the capital structure of the Merged Group if the Scheme is implemented). The increase in the number of Deep Yellow Shares may lead to sales of such shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Deep Yellow Shares.

In addition, the process to be undertaken by the Sale Agent of selling the New Deep Yellow Shares that would otherwise be issued to Ineligible Shareholders within the 20 Business Days (on which the New Deep Yellow Shares are capable of being traded on ASX) after the Implementation Date may place short-term downward pressure on the market price for Deep Yellow Shares by creating additional selling volumes.

(g) Accounting risk

Both Vimy and Deep Yellow, as stand-alone entities, have particular accounting policies and methods which are fundamental to how they record and report their financial position and results of operations. The Vimy and Deep Yellow Directors may have exercised judgment in selecting accounting policies or methods in respect of Vimy and Deep Yellow (respectively), which might have been reasonable in the circumstances yet might have resulted in reporting materially different outcomes than would have been reported under the other company's policies and methods. The integration of Vimy's and Deep Yellow's

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

accounting functions may lead to revisions of these accounting policies, which may adversely impact on the Merged Group's reported results of operations and/or financial position and performance.

(h) Court approval and delays

There is a risk that the Court may not approve the Scheme, or that the approval of the Court may be delayed (including because of COVID-19). In particular, if there is a material change in circumstances between the Scheme Meeting and the Second Court Date, then the Court will have regard to that change in deciding whether to approve the Scheme. If such changes are so important that they materially alter the Scheme, there is a risk that the Court may not approve the Scheme on the Second Court Date. If the Court refuses to make any orders or confirmations for the purposes of approving the Scheme, Vimy must appeal the Court's decision to the fullest extent possible (except to the extent that the parties agree otherwise, or legal advice is received from a sufficiently qualified barrister that, in their view, an appeal would have no prospect of success before the End Date).

(i) Tax consequences for Scheme Shareholders

If the Scheme proceeds, there may be tax consequences for Scheme Shareholders. Scheme Shareholders should seek their own professional advice regarding the individual taxation consequences of the Scheme.

Further information on the taxation consequences of the Scheme for Scheme Shareholders is set out in Section 9 of this Scheme Booklet.

(j) Change of control

Some contracts to which Vimy, Deep Yellow and their respective subsidiaries are party (including contracts with customers, lenders and joint venture partners), contain change of control or deemed assignment provisions that could be triggered by the Scheme (including by entry into the Scheme Implementation Deed, implementation of the Scheme, changes to the composition of the Vimy Board or the Deep Yellow Board (as applicable) or other events in connection with or otherwise contemplated by the Scheme). If any such provision is triggered, this may allow the counterparty to review, adversely modify, exercise rights under or terminate the contract. If a counterparty to any such contract were to do so, this may have an adverse effect on the Merged Group, which may be material (depending on the materiality of the relevant contract).

As at the date of this Scheme Booklet, Vimy and Deep Yellow have undertaken a process to identify those of Vimy's and Deep Yellow's material contracts in respect of which consents or waivers may be required under such provisions (in connection with or as a consequence of the Scheme), and intend to seek those waivers and consents as soon as practicable.

(k) Change in risk and investment profile

After Implementation of the Scheme, Scheme Shareholders will be exposed to risk factors relating to Deep Yellow, and certain additional risks relating to the Merged Group and the integration of the two businesses.

In particular, the asset portfolio, capital structure and size of the Merged Group will be different from that of Vimy on a stand-alone basis. These changes in risk and investment profile may be considered a disadvantage by some Vimy Shareholders.

(l) Transaction costs

If the Scheme is implemented, external costs of approximately A\$4,306,100 (excluding GST) are expected to be paid by Vimy. This includes financial advisory, legal, accounting, Independent Expert, tax and administration fees, Scheme Booklet design, printing and distribution, share registry and other expenses. In addition, additional external costs of approximately A\$4,110,000 (excluding GST) are expected to be paid by Deep Yellow. This includes financial advisory, legal, accounting and administration fees and other expenses. Therefore, total transaction costs of approximately A\$8,416,100 (excluding GST) excluding stamp duty are expected to be incurred by the Merged Group if the Scheme is implemented.

Transaction related costs of approximately A\$4,306,100 (excluding GST) are expected to be incurred by Vimy irrespective of whether or not the Scheme is implemented.

Further details of the estimated costs are set out in Section 10.11(d) of this Scheme Booklet.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

8.4 Specific risks relating to an investment in the Merged Group

A list of some of the specific investment risks associated with the Merged Group is set out below:

(a) Change in risk and investment profile

If the Scheme is implemented, Vimy Shareholders will be exposed to risk factors relating to Deep Yellow and to certain other risks relating to the Merged Group and the integration of Deep Yellow and Vimy.

While the operations of Deep Yellow and Vimy are similar in a number of ways, there may be further risks relating to the operation of a broader suite of assets both in nature, geographic scope, sovereign risk, environmental risks and human resources.

(b) Failure to realise benefits of the Scheme

After implementation of the Scheme, the Merged Group will seek to pursue those strategies, operational objectives and benefits contemplated by this Scheme Booklet. There is a risk that the Merged Group may be unable to realise these strategies, operational objectives and benefits (in whole or in part) or that they will not materialise, or will not materialise to the extent that the Merged Group anticipates (for whatever reason, including matters beyond the control of the Merged Group), or that the realisation of the strategies, operational objectives and benefits are delayed.

Any failure to meet these strategies, operational objectives and benefits, or delay in realising these strategies, operational objectives and benefits, could have an adverse impact on the Merged Group's operations, financial performance and financial position.

(c) Integration risks

The success of the Merged Group will depend, amongst other things, on the ability to integrate the respective businesses of Vimy and Deep Yellow.

Successful integration will depend on a range of factors, including organisational and cultural compatibility and operational integration. Unexpected issues and complications could arise during integration.

While Deep Yellow expects to successfully integrate with Vimy's operations, integration may take longer than expected (so that integration is achieved over a longer than expected time period), or that integration may cost more than anticipated (including as a result of the COVID-19 pandemic and applicable physical separation requirements). Potential factors influencing a successful integration include:

- (i) disruption to the ongoing operations of both businesses;
- (ii) higher than anticipated integration costs;
- (iii) unforeseen costs relating to integration of operational systems, IT systems and financial and accounting systems of both businesses; and
- (iv) unintended loss of key personnel or expert knowledge or reduced employee productivity due to uncertainty arising as a result of the Scheme.

If the integration is not achieved in an effective manner, the full benefits of the combination of the two business may be achieved only in part, or not at all. This could adversely impact the Merged Group's financial performance and position, and the future prospects of the Merged Group. Reasons for this may include unexpected/unplanned delays, challenges, liabilities and costs in relation, but not limited to, integrating operating and management systems such as IT, information or accounting systems and the loss of key personnel of the Merged Group.

(d) Uranium Mining Laws and Regulations

Namibia

Mining in Namibia is subject to regulation under the Namibian Minerals Act 1992. There are also additional regulations relating to the exploration, development, production, exports, taxes, royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances and associated matters.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

Government approvals may not be granted to the Merged Group, or may be significantly delayed. Delays in the granting of government approvals, or the grant of government approvals with onerous conditions, may render the continued development of the deposit uneconomic, which may force the Merged Group to pause activities at some or all of its operations.

Australia

Uranium mining in Australia is extensively regulated by Federal and State governments. Uranium mining regulations include exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances and native title. In particular, the approval processes for uranium mining are more onerous than for the mining of other minerals. Compliance with such regulations increases the costs of exploring, drilling, developing, constructing, operating and closing uranium mines and other production facilities.

The mining and export of uranium is currently permitted under strict international agreements designed to prevent nuclear proliferation. The export of uranium is tightly controlled by the Federal government through its licensing process and Australian uranium can only be exported to those countries who undertake to use it for peaceful purposes.

There is currently a Western Australian State government policy prohibiting uranium mining. However, implementation of the Mulga Rock Project was approved under Ministerial Statement No 1046 in December 2016 and the Western Australian State government granted Vimy approval to commence mining operations at the Mulga Rock Project in August 2021, subject to the granting of other necessary approvals. In order for the Merged Group to develop any discovered uranium deposits, the Western Australian State Government must continue to support the Mulga Rock Project. There can be no assurance that the Merged Group will obtain all Western Australian State Government approvals required to continue to advance the Mulga Rock Project and bring it into production, and this may adversely affect the long-term prospects of the Merged Group.

General

Approvals required for uranium mining in Australia and Namibia are stringent and rigorous compared with other types of mining activities. Exploration approvals are required before exploration can commence and, if uranium is discovered, further approvals including safeguard approvals for permits to possess nuclear material. Development of any mineral resources will be dependent on the Merged Group's ability to obtain environmental and legislative approvals to carry out its operations and its ability to meet any proposed conditions on these approvals. There is no guarantee that these approvals will be granted.

Whilst the Merged Group intends to conduct its business in accordance with all applicable laws and regulations, compliance and re-compliance, any unforeseen changes to the legislation or regulations could cause delays and introduce costs that could impact adversely on project viability.

Shareholders should be aware that changes of government, new legislation and changes to existing legislation and government policy may impact upon the timely grant of approvals which may affect the Merged Group's profitability and the viability of the Merged Group's operations.

(e) Exploration and Development risks

The business of uranium exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Vimy and Deep Yellow's projects are still at an early stage and there is no guarantee that development will be achieved. Success is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to mining interests;

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- obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production;
- securing plant and equipment, particularly given equipment utilisation rates are high in the current period of global exploration/production activity, with high competition for such equipment; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

There is no assurance that any exploration on current or future interests held by the Merged Group will result in the discovery of an economic uranium deposit. As mentioned in section 7.7(c) above, the Merged Group aims to produce a revised DFS, which may have different results to the Vimy DFS for the Mulga Rock Project. In particular, the Merged Group may not produce sufficient quantities or qualities of uranium to be profitable or commercially viable and may result in a total loss of the investments by the Merged Group.

Whether or not income will result from projects owned by the Merged Group undergoing exploration and development programs depends on successful exploration and establishment of production facilities.

Drilling activities by the Merged Group carry risk and as such, activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment.

Industry operating risks of the Merged Group include fire, explosions, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown, environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures, discharges of toxic gases or geological uncertainty. The occurrence of any of these risks could result in legal proceedings against the Merged Group and substantial losses to the Merged Group due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Merged Group.

In addition, the Merged Group will be subject to multi-jurisdictional compliance with governmental regulations in relation to licence conditions, the environment and operational conduct.

These factors affect the Merged Group's ability to establish mining operations, continue with its projects, earn income from its operations and will affect the Merged Group's share price.

(f) Mineral Resource estimates may be inaccurate

Resource estimates are expressions of judgment based on knowledge, experience and industry practice utilising suitably certified Competent Persons to endorse statements made by the Merged Group. Estimates that were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Merged Group encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Merged Group's operations.

(g) Insurance coverage risk

Exploration and development operations on mineral properties by the Merged Group involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining caused by industrial accidents or labour disputes, changes in regulatory environment, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and the Merged Group may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks

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such as environmental pollution or other hazards as a result of exploration and development may not generally be available to the Merged Group or to other companies in the industry. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of Deep Yellow.

(h) Commodity price risk and exchange risk

In the future, the Merged Group's revenue is expected to come from sale of product. Therefore, its future earnings will be closely related to the price and arrangements it enters into for selling of its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for uranium, forward selling by producers, the cost of production and general global economic conditions.

A decline in the market prices of uranium and/or other commodities may also require the Merged Group to write down its Ore Reserve and Mineral Resource estimates which would have a material and adverse effect on its earnings and profitability. Should any significant write-down in Ore Reserve and Mineral Resource estimates be required, material write-down of the Merged Group's investment in the affected mining properties and increased amortisation may also be required.

The Merged Group's projects are predominantly focussed on uranium in Namibia and Australia.

International factors such as inflation, exchange rates, supply and demand and political and economic events, amongst other things, impact on the price of commodities including uranium. If the price of uranium significantly declines in the future, this will materially impact on the Merged Group's ability to continue with its projects and the Merged Group may be forced to pause activities at some or all of its operations.

The Merged Group gives no assurance that the fluctuations in the commodity prices will not affect the timing and viability of the projects.

(i) Government policy and sovereign risk

The Merged Group's operations in Namibia and Australia are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licences, permits and contracts, changes in taxation policies, restrictions on foreign exchange, changing political conditions, currency controls, export controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the Merged Group's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, Black Economic Empowerment and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the operations of the Merged Group.

(j) Competition from alternative energy and public perception

Nuclear energy is in direct competition with other more conventional sources of energy which include renewables, gas, coal and hydro-electricity.

Furthermore, any potential growth of the nuclear power industry (with any attendant increase in the demand for uranium) beyond its current level will depend upon continued and increased acceptance of nuclear technology as a means of generating electricity. Although the nuclear industry is currently subject to improved public sentiment due to political, technological and environmental factors, there is a risk adverse impact on the demand for uranium may occur from other energy sources.

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(k) Access to land

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Namibia and Australia. The Merged Group will experience delays and cost overruns if it is unable to access the land required for its operations. This may be as a result of weather, environmental restraints, legislative issues, landholder's activities or other factors.

Access to land often depends on a company being successful in negotiating with landholders. There is no assurance that the Merged Group will obtain all the permissions required as and when required or that new conditions will not be imposed in connection therewith. To the extent such permissions are not obtained, the Merged Group may be curtailed or prohibited from continuing with its exploration activities or proceeding with any future exploration or development.

(l) Title risk

The Merged Group's mining, development and exploration activities are dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of mineral concessions often depends on the Merged Group being successful in obtaining required statutory approvals. There is no assurance that the Merged Group will be granted all the mineral concessions for which it has applied or will apply for or that any licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed. To the extent such approvals, consents or renewals are not obtained, the Merged Group may be curtailed or prohibited from continuing with its mining, exploration and development activities or proceeding with any future exploration or development.

Further, the Merged Group could face penalties, lose title to its interest in the licences, concessions, leases, permits or consents, or any other tenements that may be acquired by the Merged Group in the future, if conditions attached to those interests are not met or if insufficient funds are available to meet expenditure requirements.

With the exception of the Mulga Rock Project and Shiyela Iron Ore Project, none of the Merged Group's interests in the tenure to its various projects currently permits mining activities. There is no guarantee that a permit for mining will be obtained, and in turn, no guarantee that the Merged Group will be able to proceed to production of uranium even if a viable resource is discovered.

(m) Native title and heritage risk

Exploration and mining activities can be affected by land claim compensation and environmental considerations. The Merged Group is subject to the *Native Title Act 1993* (Cth). It is possible that Aboriginal sacred sites found within tenements held by Merged Group may preclude exploration and mining activities and the Merged Group may also experience delays with respect to obtaining permission from the traditional owners to explore and extract resources. The Merged Group must also comply with Aboriginal heritage legislation requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

(n) Environmental regulation risk

The Merged Group's operations are subject to environmental regulations in Namibia and Australia.

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Merged Group's operations.

Government approvals and permits are required in connection with the Merged Group's operations. To the extent such approvals are required and not obtained, the Merged Group may be delayed or prohibited from proceeding with planned exploration or development of its mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions (including orders issued by regulatory or judicial authorities causing operations to cease or be

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curtailed) and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Amendments to current laws, regulations and permits governing the Merged Group's operations and activities, or more stringent implementation thereof, could have a material adverse impact on the Merged Group and cause increases in capital expenditures or require abandonment or delays in the development of new properties.

(o) Environmental liabilities risk

The Merged Group's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Merged Group (or to other companies in the minerals industry). To the extent that the Merged Group becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Merged Group and could have a material adverse effect on the Merged Group. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

(p) Land rehabilitation requirements

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects of land disturbance. Such requirements are embodied in legislated mine closure requirements. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land-forms and vegetation. In order to carry out rehabilitation obligations imposed on the Merged Group in connection with its mineral exploration, the Merged Group must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

(q) Community action and community relations

All industries, including the mining industry, are subject to community actions in the various jurisdictions in which they are present including the Australia and Namibia. In recent years, communities and non-governmental organisations (**NGOs**) have become more vocal and active with respect to mining activities at, or near, their communities. These parties may take actions, such as road blockades, applications for injunctions seeking work stoppage and lawsuits for damages.

Additionally, the Merged Group's relationship with the communities in which it operates is important to ensure the future success of existing operations and the construction and development of its projects. While each of Vimy and Deep Yellow believes the relationship of the Merged Group with the communities in which it will operate are strong, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities.

Certain NGOs, some of which oppose globalization and resource development, are also often vocal critics of the mining industry and its practices. Adverse publicity generated by such NGOs or others related to extractive industries generally, or its operations specifically, could have an adverse effect on the Merged Group's reputation or financial condition.

(r) Country risk

The Merged Group will conduct exploration, development and mining activities in Namibia.

The Merged Group's activities may be subject to the effects of political changes, war and civil conflict, terrorist activities, changes in government personnel and policy, nationalisation or expropriation of property, cancellation or modification of contractual rights, foreign exchange restrictions, restrictions on the repatriation of money, lack of law enforcement, unlawful occupation of mining areas and illegal uranium mining, labour unrest, the creation of new laws and other risks arising out of governmental sovereignty. These changes may impact the profitability and viability of the Merged Group's activities and may require protracted negotiations with host governments, local governments and communities, local competent

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authorities, national mining companies and third parties and may be subject to economic, social and political considerations outside of the Merged Group's control.

Investors should note that developing countries could be subject to rapid change and that the information set out in the Scheme Booklet may become outdated relatively quickly. Moreover, financial turmoil in developing countries tends to adversely affect prices in equity markets of other developing countries as investors move their money to more stable, developed markets.

Any of the factors detailed above or similar factors could have a material adverse effect on the business, results of operations or financial condition of the Merged Group. If disputes arise in connection with operations in developing countries the Merged Group may be subject to the exclusive jurisdiction of foreign courts or foreign arbitration tribunals or may not be successful in subjecting foreign persons, especially foreign ministries and national companies, to the legal jurisdiction of Australia.

(s) Litigation risk

The Merged Group is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Merged Group is or may become subject could have a material effect on its financial position, results of operations or the Merged Group's activities.

(t) Unforeseen expenses

The Merged Group may be subject to significant unforeseen expenses or actions.

This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The directors of the Merged Group expect that the Merged Group will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Merged Group's future objectives.

(u) Reliance on key personnel

The Merged Group's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group.

The loss of any of the Merged Group's key personnel, the inability to recruit necessary staff as needed or the increased cost to recruit or retain the necessary staff, may cause a disruption to the Merged Group and adversely impact the Merged Group's operations, financial performance and financial position.

Any disputes with employees (through personal injuries, industrial matters or otherwise), changes in labour regulations or other developments in the area may cause labour disputes, work stoppages or other disruptions in operations that could adversely affect the Merged Group.

(v) Development risk

The ability of the Merged Group to achieve production targets or meet operating and capital expenditure estimates on a timely and accurate basis cannot be assured. The Merged Group may fail to deliver on their objectives within time and budget and to set performance targets.

The Merged Group expects to incur significant capital expenditures during the continued development of its projects. The Merged Group may encounter unexpected difficulties, including shortages of materials or delays in delivery of materials, unexpected operational events, facility or equipment malfunctions or breakdowns, unusual or unexpected adverse geological conditions, cost overruns, regulatory issues, adverse weather conditions and other catastrophes, such as explosions, fires, floods and accidents, increases in the level of labour costs and the existence of any labour disputes, and adverse local or general economic or infrastructure conditions.

Accordingly, the Merged Group may not be able to complete the full development of the Projects and any delays beyond the expected development periods or increased costs above those expected to be incurred,

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could have a material adverse effect on the Merged Group's business, financial condition, results of operations, cash flows and ability to pay dividends.

(w) Operating risks

The Merged Group's business operations are subject to risks and hazards inherent in the uranium industry. The exploration for and the development of Mineral Resources and the production of uranium chemicals involves significant risks, including environmental and safety hazards, industrial accidents, equipment failure, import/customs delays, shortage or delays in installing and commissioning plant and equipment, metallurgical and other processing problems, seismic activity, unusual or unexpected rock formations, wall failure, cave-ins or slides, burst dam banks, the failure of brine ponds, flooding, fires, or other natural disasters, outbreaks, continuations or escalations of disease (including pandemics), interruption to, or the increase in costs of, services (such as water, fuel or transport), sabotage, community, government or other interference and interruption due to inclement or hazardous weather conditions.

These risks could result in damage to, or destruction of, mineral properties, production and power facilities, dams, brine ponds or other properties, and could cause personal injury or death, environmental damage, pollution, delays in mining, increased production costs, monetary losses and possible legal liability. In particular, mining operations involve the use of heavy machinery, which involves inherent risks that cannot be completely eliminated through preventative efforts.

Costs of production may be affected by a variety of factors, including changing waste-to-ore ratios, lower grades in brine ponds, adverse weather that could reduce grades in brine ponds, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore and brine grade, metallurgy, labour costs, changes to applicable laws and regulations, general inflationary pressures and currency exchange rates.

If faced by the Merged Group, these circumstances could result in the Merged Group not realising its operational or development plans, or in such plans costing more than expected, or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Merged Group's financial and operational performance.

The Merged Group will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Merged Group's performance and the value of its assets.

(x) Contractual risks

As in any contractual relationship, the exercise of the Merged Group's rights are dependent upon the Merged Group's ability to comply with its obligations, and the relevant counterparty complying with its contractual obligations.

The Directors of the Merged Group are unable to predict the risk of:

- (i) financial failure or default by a participant in any joint venture to which the Merged Group is or may become a party;
- (ii) insolvency or other managerial failure by any of the contractors used by the Merged Group in any of its activities; or
- (iii) insolvency or other managerial failure by any of the other service providers used by the Merged Group for any activities.

(y) Production inputs

Timely and cost-effective execution of the Merged Group's mining operations and exploration activities are dependent on the adequate and timely supply of water, fuel, chemicals and other critical supplies.

Supply chain disruption of suppliers, logistics partners, products, services/specialists and third party providers has the potential to impact the Merged Group's operations. A continuation or escalation of global

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supply disruptions could materially affect the ability of the Merged Group's suppliers to provide products and services to the future development of its projects.

Any increase in the price of production inputs, including labour, fuels, consumables or other inputs could materially and adversely affect the Merged Group's business and results of operations. Input costs can be affected by changes in factors including market conditions, government policies, exchange rates and inflation rates, which are unpredictable and outside the Merged Group's control.

If the Merged Group is unable to procure the requisite quantities of water, fuel or other inputs in time and at commercially acceptable prices or if there are significant disruptions in the supply of fuel, water or other inputs (including as a result of COVID-19), the performance of the Merged Group's business and results of operations could be materially and adversely affected.

(z) No certainty that the Merged Group will pay dividends

Any future determination as to the payment of dividends by the Merged Group will be at the discretion of the Merged Group Board and will depend on the financial condition of the Merged Group, future capital requirements and general business and other factors considered relevant to the Merged Group Board. No assurance in relation to the future payment of dividends or franking credits attaching to dividends can be given by the Merged Group.

8.5 General risks relating to an investment in the Merged Group

A list of some of the general investment risks associated with the Merged Group is set out below:

(a) Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Merged Group's exploration, development and production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Merged Group's quoted securities regardless of the Merged Group's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The Merged Group's future revenues and the Merged Group's share price may be affected by these factors, which are beyond the Merged Group's control.

(b) COVID-19 risk

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has had, and is likely to continue to have, a significant impact on global capital markets, commodity prices and foreign exchange rates.

Vimy and Deep Yellow have implemented COVID-19 management plans across their respective businesses at all locations in order to minimise the risk of infection for individuals.

Vimy Shareholders should be aware that the COVID-19 pandemic and related actions taken in response by the Namibian and Australian governments, including national lockdowns, border controls/travel restrictions and the effects of the pandemic on the economy may have a material adverse effect on Deep Yellow, its financial performance and outlook, liquidity and/or share price going forward. There is no certainty as to the length of Namibian and other government restrictions and whether they will increase or be eased in the future.

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Future outbreaks of COVID-19 could result in the Merged Group's operations being temporarily suspended or otherwise temporarily disrupted, which may have an adverse impact on the Merged Group's operations as well as adverse implications on the Merged Group's future cash flows, profitability, and financial condition.

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Merged Group's operations, financial position and prospects.

The long-term impacts from COVID-19 on general economic or industry conditions and consumer spending are uncertain and may adversely impact the financial and operational performance of the Merged Group. The continually changing situation is bringing unprecedented challenges to global financial markets and the global economy, with significant volatility and movements seen in equities prices and valuations.

(c) Force Majeure events

Events may occur within or outside the jurisdictions in which the Merged Group operates that could impact upon the global economy, the economy of the jurisdictions in which the Merged Group operates, the Merged Group's operations and the price of the Merged Group's shares. These events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease (including pandemics) or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Merged Group's products and its ability to operate its assets or may otherwise adversely impact the Merged Group's operations, financial performance and financial position. The Merged Group only has a limited ability to insure against some of these risks.

(d) Change in laws

The Merged Group (including the operations of the Merged Group) will be subject to various federal, state and local laws (including the Commonwealth of Australia, the State of Western Australia, Africa and Namibia). Changes to current laws in the jurisdictions within which the Merged Group operates or may in the future operate, could have a material adverse impact on the Merged Group's operations, financial performance and financial position.

(e) Foreign operational risks

The Merged Group will have operations in Australia and Namibia, and as such, are exposed to various levels of political, economic and other natural and man-made risks and uncertainties over which the Merged Group will have no or limited control. These risks and uncertainties include, but are not limited to: economic, social or political instability, terrorism, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalisation, renegotiation or nullification of existing concessions, licences, permits and contracts, changes in taxation policies, restrictions on foreign exchange and repatriation, changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction and outbreaks of disease and other potential endemic health issues in the Merged Group's work force, including malaria, HIV/AIDS and other contagious diseases.

Changes, if any, in mining, environmental or investment policies or shifts in political attitude in Namibia may have a material adverse effect on the Company's business, financial condition and results of operations.

(f) Compliance with anti-corruption laws

The Merged Group's operations will be governed by, and involve interaction with, many levels of government including in Australia and Namibia. The Merged Group will be subject to various anti-corruption laws and regulations, each of which prohibit a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other persons to obtain or retain business or gain some other business advantage.

According to Transparency International, Namibia is perceived as having fairly high levels of corruption relative to Australia.

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The Merged Group will maintain anti-bribery policies, anti-corruption training programmes, codes of conduct, procedures and other safeguards designed to prevent the occurrence of fraud, bribery and corruption. However, wherever the Merged Group operates it always needs to be aware of the potential risk of fraud, bribery and corruption. The Merged Group cannot predict the nature, scope or effect of future regulatory requirements to which the Merged Group's operations might be subject or the manner in which existing laws might be administered or interpreted. Instances of fraud, bribery and corruption, and violations of laws and regulations could expose the Merged Group and its directors and senior management to civil or criminal penalties or other sanctions, and could have a material adverse effect on the Merged Group's reputation, business, results of operations, financial condition and the share price.

Likewise, any investigation of any alleged violations of the applicable anticorruption legislation by Australia or foreign authorities could also have an adverse impact on the Merged Group's business, reputation, financial condition and results of operations.

(g) Accounting risk

In accounting for the Scheme, the Merged Group will need to perform a fair value assessment of all of Vimy's assets, liabilities and contingent liabilities, which will include the identification and valuation of intellectual property and intangible assets. As a result of this fair value assessment, the Merged Group's depreciation and amortisation charges may be substantially greater than the depreciation and amortisation charges of Vimy and Deep Yellow as separate businesses and to that extent may significantly reduce the future earnings of the Merged Group.

To the extent goodwill is recognised in respect of accounting for the acquisition of Vimy by Deep Yellow, it will be subject to annual impairment testing. If the recoverable amount of goodwill is impaired, this will result in a charge against future earnings.

The Merged Group will be subject to the usual business risk that there may be changes in accounting policies which may have an adverse impact on the Merged Group.

The impact of changes to the Australian Equivalent of International Financial Reporting Standards (AIFRS) could adversely affect the Merged Group's reported earnings performance in any given period and its financial position from time to time.

(h) Taxation risk

Changes to income tax (including capital gains tax), GST, duty or other revenue legislation, case law, rulings or determinations issued by the Commissioner of Taxation or other practices of tax authorities may change following implementation of the Scheme or adversely affect the Merged Group's profitability, net assets and cash flow. In particular, both the level and basis of taxation may change.

In addition, an investment in New Deep Yellow Shares involves tax considerations which may differ for each Scheme Shareholder. Each Scheme Shareholder is encouraged to seek professional tax advice in connection with any investment in New Deep Yellow Shares.

(i) Securities price fluctuations

The New Deep Yellow Shares issued under this Scheme carry no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade on ASX. The value of the New Deep Yellow Shares will be determined by the stock market and will be subject to a range of factors beyond the control of Vimy, Vimy Directors, and Vimy's management. The risk is similar to that faced by Vimy Shareholders currently.

The market price of a publicly traded stock is affected by many variables not directly related to the success of the Merged Group. These factors include, but are not limited to, the demand for, and availability of, Deep Yellow Shares, movements in domestic interest rates, exchange rates, fluctuations in the Australian and international stock markets and general domestic and economic activity. Securities markets can experience high levels of price and volume volatility, and the market price of securities of many companies can experience wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Merged Group's securities going forward.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

(j) Share market risk

The market price of the Merged Group's shares could fluctuate significantly. The market price of the Merged Group's shares may fluctuate based on a number of factors including the Merged Group's operating performance and the performance of competitors and other similar companies, the public's reaction to the Merged Group's press releases, other public announcements and the Merged Group's filings with the various securities regulatory authorities, changes in earnings estimates or recommendations by research analysts who may track the Merged Group's shares or the shares of other companies in the resource sector, changes in general economic conditions, the number of the Merged Group's shares publicly traded and the arrival or departure of key personnel, acquisitions, strategic alliances or joint ventures involving the Merged Group or its competitors.

In addition, the market price of the Merged Group's shares will be affected by many variables not directly related to the Merged Group's success and are therefore not within the Merged Group's control, including other developments that affect the market for all resource sector shares, the breadth of the public market for the Merged Group's shares, and the attractiveness of alternative investments.

8.6 Risks specific to Vimy if the Scheme is not implemented

There are existing risks relating to Vimy's business and an investment in Vimy that will continue to be relevant if the Scheme is not approved and implemented including the following risks:

(a) Vimy Shareholders will not receive the Scheme consideration

If the Scheme is not implemented, Scheme Shareholders will retain their Vimy Shares and will not receive the Scheme Consideration. Vimy will remain listed on ASX as a stand-alone entity and the current Vimy Board and Vimy's senior management team will continue to operate Vimy's business. In these circumstances, Scheme Shareholders will continue to be subject to all risks currently associated with an investment in Vimy (and to which Vimy Shareholders are necessarily already exposed to).

(b) The benefits associated with the Merged Group will not be realised

If the Scheme is not implemented, Vimy will remain listed on ASX as a stand-alone entity, and the benefits anticipated from the Merged Group will not be realised. More information about these anticipated benefits is set out in Section 1.2.

(c) If the Scheme does not proceed, the price of Vimy Shares may fall below its recent trading price, in the absence of a Superior Proposal

Fluctuations in the trading price of Vimy Shares are affected by many variables, including national and global economic financial conditions, the market's response to the Scheme, changes in uranium and other commodity prices, market perceptions of Vimy, regulatory changes affecting Vimy's operations, variations in Vimy's operating results, the liquidity of financial markets and uncertainties relating to the COVID-19 pandemic. There can be no assurance that such fluctuations will not affect the price of Vimy Shares in the future if the Scheme does not proceed.

If the Scheme is not implemented and no Superior Proposal emerges, it is possible that the trading price of Vimy Shares will fall to below the level at which it has been trading since the Scheme was announced, to the extent that the market price reflects an assumption that the Scheme will be implemented (although this is difficult to predict with any degree of certainty).

(d) Risks for Vimy as a stand-alone entity

If the Scheme does not proceed, and no Superior Proposal emerges, the Vimy Board intends to continue with its existing strategy.

There are a number of risks, including those associated with Vimy as a stand-alone entity, that may affect Vimy's performance and operations more broadly.

8 POTENTIAL RISK FACTORS ASSOCIATED WITH THE MERGED GROUP

(e) Transaction costs already incurred

As referred to in Section 10.11(d), Vimy estimates that it will incur costs of approximately \$4,306,100 in connection to the Scheme, which will be payable by Vimy regardless of whether or not the Scheme is implemented.

8.7 Other risks

In the event the Scheme is not implemented, Vimy Shareholders will continue to be exposed to various further risk factors, including those that currently apply to an investment in Vimy. Many of the risk factors described in Sections 8.4 and 8.5 as applicable to the Merged Group may also apply to a continuing investment in Vimy as a stand-alone entity.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by Deep Yellow, Vimy or the Merged Group. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Deep Yellow, Vimy and the Merged Group and the value of the Scheme Consideration and Deep Yellow shares generally.

9

TAXATION IMPLICATIONS



9 TAXATION IMPLICATIONS

9.1 Introduction

This Section 9 contains a general description of certain Australian tax consequences for Vimy Shareholders that participate in the Scheme including:

- the Australian income tax implications of the disposal of Vimy Shares under the Scheme;
- the Australian income tax implications of holding and disposing of New Deep Yellow Shares; and
- the Australian stamp duty implications of the acquisition of New Deep Yellow Shares under the Scheme.

The information contained in this Section applies to Australian tax resident shareholders who hold their Vimy and New Deep Yellow Shares on capital account (and assumes that all Vimy and New Deep Yellow Shareholders are Australian tax residents).

This Section does not consider the Australian tax consequences for Vimy Shareholders:

- who are not tax residents of Australia;
- who hold their Vimy Shares as trading stock or as revenue assets;
- who acquired their Vimy Shares through an employee share scheme;
- that may be subject to special tax rules, such as financial institutions, insurance companies, partnership, (except where expressly stated), tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or
- who are subject to the taxation of financial arrangements rules in Division 230 of the Income Tax Assessment Act in relation to gains and losses on their Vimy Shares.

The information contained in this Section 9 is based on the taxation law at the date of this Scheme Booklet. The taxation consequences outlined in this Section 9 may alter if there is a change in the taxation law after the date of this Scheme Booklet.

The information contained in this Section is general in nature and should not be relied on by Vimy Shareholders as tax advice. This Section is not intended to be an authoritative or complete statement of the taxation law applicable to the particular circumstances of every Vimy Shareholder.

All Vimy Shareholders should seek their own independent advice on the tax implications of participation in the Scheme in light of their own particular circumstances.

9.2 Disposal of Vimy Shares

Australian capital gains tax

If the Scheme is approved and implemented, all Vimy Shareholders who participate in the Scheme will transfer their Vimy Shares to Deep Yellow in exchange for the Scheme Consideration. This transfer under the Scheme will constitute a disposal of Vimy Shares. The disposal of Vimy Shares by an Australian tax resident Vimy Shareholder will constitute a CGT event for Australian income tax purposes. The CGT event should occur when the legal and beneficial ownership of Vimy Shares transfers to Deep Yellow, and this should be when Deep Yellow becomes registered as the holder of Vimy Shares under the Scheme. This will take place on the Implementation Date. This date will be advised to Vimy Shareholders via an announcement on ASX and Vimy's Website.

Broadly, Australian tax resident Vimy Shareholders will make a capital gain on the disposal of their Vimy Shares where the 'capital proceeds' from the disposal of the shares exceed the 'cost base' of those shares. Conversely, a capital loss will be made where the capital proceeds are less than the reduced cost base of the shares. Capital losses may be used to offset capital gains made in the current year or may be carried forward for offset against any future capital gains, subject to the satisfaction of certain loss recoupment rules for some shareholders.

Specific CGT roll-over relief provisions are relevant to the Scheme. These are outlined in Section 9.6 below.

9 TAXATION IMPLICATIONS

9.3 Capital proceeds

The capital proceeds for the CGT event arising from the disposal of Vimy Shares will be the market value of the New Deep Yellow Shares received as consideration (determined at the Implementation Date).

The market value of a New Deep Yellow Share may be determined by reference to the ASX 1-day VWAP of a New Deep Yellow Share, on the date of the CGT event.

Information on the market value of a New Deep Yellow Share will be made available to Vimy Shareholders via an announcement on ASX and Vimy's Website.

9.4 Cost base of a Vimy Share

The Scheme Shareholder's cost base and reduced cost base of a Vimy Share will generally be the cost of acquiring Vimy Share plus any incidental costs associated with both the acquisition and disposal of the share. The cost base of each Vimy Share will depend on the individual circumstances of each Vimy Shareholder.

9.5 CGT discount

Vimy Shareholders that are individuals, trusts or complying superannuation funds may be entitled to reduce the amount of any capital gain on the disposal of their Vimy Shares if they have held their shares for at least twelve months (excluding the date of acquisition or day of disposal) before the disposal of the shares on the CGT event date. The CGT discount is applied after available capital losses have been offset to reduce the capital gain.

The discount rate for individuals and trusts is 50%. The discount rate for complying superannuation funds is 33⅓%.

As the rules relating to discount capital gains for trusts are complex, we recommend trustees seek their own advice on how the CGT discount provisions will apply to them and the beneficiaries.

The CGT discount is not available to shareholders that are companies.

9.6 CGT roll-over relief

Vimy Shareholders who would otherwise make a capital gain on the disposal of their Vimy Shares under the Scheme may be eligible to choose CGT roll-over relief.

Where CGT roll-over relief applies in respect of the exchange of Vimy Shares for New Deep Yellow Shares, any capital gain in respect of the disposal of Vimy Shares is disregarded. Taxation of that capital gain is effectively deferred until the disposal of the New Deep Yellow Shares received in exchange for Vimy Shares.

The relative benefit of choosing to obtain CGT roll-over is dependent on each Scheme Shareholders' particular circumstances. Scheme Shareholders should obtain their own independent tax advice as to the most appropriate course of action.

Scrip for scrip roll-over relief cannot apply where a Scheme Shareholder makes a capital loss.

A Class Ruling is currently being sought from the ATO to obtain confirmation that Australian resident Vimy Shareholders who hold their shares on capital account are eligible for scrip for scrip roll-over relief in respect of the Scheme where they make a capital gain.

9.7 Consequences of choosing CGT roll-over

(a) Cost base of New Deep Yellow Shares

The first element of the cost base of the New Deep Yellow Shares should be equal to the cost base of their original Vimy Shares (spread proportionately across the New Deep Yellow Shares received).

(b) Acquisition date for CGT discount purposes

For CGT discount purposes, Vimy Shareholders that elect CGT roll-over should be deemed to have acquired their New Deep Yellow Shares at the same time they acquired their original Vimy Shares.

9 TAXATION IMPLICATIONS

This may be relevant for the purpose of determining the CGT consequences of a future disposal of the New Deep Yellow Shares.

(c) Choosing roll-over relief

Generally, a choice to adopt CGT roll-over relief must be made before lodgement of the shareholder's income tax return for the income year in which the CGT event occurs.

No formal election notice to choose CGT roll-over relief is required to be lodged with the ATO. Vimy Shareholder's income tax return should, however, be prepared in a manner consistent with electing CGT roll-over relief.

9.8 Consequences of not choosing CGT roll-over relief

Vimy Shareholders who are ineligible to choose CGT roll-over, or elect not to choose it, will be assessable on any capital gain derived on the disposal of their Vimy Shares.

(a) Calculating the capital gain or loss

A capital gain will arise for a Vimy Shareholder on disposal of their Vimy Shares if the Scheme Consideration (i.e. the market value of New Deep Yellow Shares as at the CGT event date) exceeds the cost base of their Vimy Shares.

Any capital gain realised will be included in the Scheme Shareholder's assessable income for the income year in which the Implementation Date occurs (unless offset against other capital losses of the Scheme Shareholder). A CGT discount may be available, refer to Section 9.10 below for general information.

A capital loss will arise where the Scheme Consideration is less than the reduced cost base of the shares. As outlined above, capital losses may be used to offset any capital gain made in the current year or may be carried forward for offset against any future capital gain, subject to the satisfaction of certain loss recoupment rules for some shareholders.

(b) Cost base of New Deep Yellow Shares

The first element of the cost base (and reduced cost base) of each replacement New Deep Yellow Shares will be the market value of Vimy Share exchanged (measured as at the date the New Deep Yellow Shares are issued).

In the absence of any contrary indication of the value of Vimy Shares, their market value should be equal to the market value of the New Deep Yellow Shares on the date the New Deep Yellow Shares are issued.

Information on the market value of a New Deep Yellow Share will be made available to Vimy Shareholders via an announcement on ASX and Vimy's Website.

(c) Acquisition date for CGT discount purposes

The acquisition date of the New Deep Yellow Shares for CGT purposes should be their issue date. This may be relevant when working out the CGT consequences of a future disposal of the New Deep Yellow Shares.

9.9 Implications to Australian tax residents of holding New Deep Yellow Shares

(a) Dividend distributions

Scheme Shareholders holding New Deep Yellow Shares will generally be taxed on any dividends received from Deep Yellow. A tax offset for any franking credits attached to those dividends may be available.

Scheme Shareholders may notify Deep Yellow of their Australian Tax File Number (or Australian Business Number if the New Deep Yellow Shares are held in the course of carrying on an enterprise). If the required notifications are not provided, tax will be deducted from the unfranked component of dividends paid by Deep Yellow at the top marginal rate of tax plus the Medicare levy (currently 46.5%). However, shareholders will be entitled to claim an income tax credit/refund (as applicable) in respect of the tax withheld in their income tax returns.

9 TAXATION IMPLICATIONS

9.10 Future disposal of New Deep Yellow Shares

The disposal of New Deep Yellow Shares by an Australian tax resident that holds their interests in Deep Yellow on capital account will be subject to Australian CGT.

A capital gain is derived where the capital proceeds received from the disposal of the New Deep Yellow Shares exceeds their CGT cost base (as worked out under Section 9.7(a) where CGT roll-over is chosen and Section 9.8(b) where CGT roll-over is not chosen or is not available). Alternatively, a shareholder will incur a capital loss where the proceeds received from the disposal are less than the CGT reduced cost base of those shares.

Capital losses incurred during the year, or carried forward from prior years, can be used to reduce any capital gains derived. However, capital losses can only be offset against capital gains and can be subject to certain recoupment tests.

Net capital gains are included as assessable income of an Australian tax resident shareholder. The tax payable on the net capital gain will be dependent on the type of shareholder. Shareholders that are individuals, complying superannuation funds or trusts may be able to reduce their capital gain by a CGT discount provided they have held their New Deep Yellow Shares for at least twelve months. The discount percentage for individuals and trusts is 50% and for complying superannuation funds it is 33⅓%. Corporate shareholders are not eligible for the CGT discount.

For CGT discount purposes, for those Vimy Shareholders who choose CGT roll-over relief the acquisition date for the New Deep Yellow Shares is taken to be the acquisition date of their original Vimy Shares. The acquisition date for Vimy Shareholders that are not eligible or do not choose CGT roll-over relief should be the issue date of the New Deep Yellow Shares.

9.11 Stamp duty

There should be no stamp duty payable by Vimy Shareholders on either the disposal of their Vimy Shares or on the acquisition of New Deep Yellow Shares via the Scheme.

9.12 GST

GST will not be payable by Vimy Shareholders in respect of the disposal of their Vimy Shares to Deep Yellow under the Scheme.

Vimy Shareholders may however be charged GST on costs (such as advisor fees) that relate to their participation in the Scheme. Vimy Shareholders may be entitled to full or partial input tax credits for any GST payable on such costs, but this will depend on each Vimy Shareholder's individual circumstances. Vimy Shareholders should seek independent advice in this regard.

10

ADDITIONAL INFORMATION



10

ADDITIONAL INFORMATION

10.1 Introduction

This Section 10 sets out the statutory information required by section 412(1)(a) of the Corporations Act and Part 3 of Schedule 8 to the Corporations Regulations to be included in this Scheme Booklet, but only to the extent that this information is not otherwise disclosed in other Sections. This Section 10 also includes additional information that your Directors consider material to a decision on how to vote on the resolution to be considered at Scheme Meeting.

In this Section 10, the terms 'associate', 'marketable securities', 'related body corporate' and 'subsidiary' have the meanings given to them in the Corporations Act. The term 'executive officer' is used to mean 'senior manager' as defined in the Corporations Act, including the company secretary.

10.2 Agreements or arrangements with Vimy Directors and executive officers

(a) Deeds of indemnity, access and insurance

Vimy has entered into deeds of indemnity, insurance and access with your Vimy Directors on customary terms.

In addition, Vimy pays premiums in respect of a directors' and officers' insurance policy for the benefit of the directors and officers of Vimy. Vimy may enter into an arrangement to provide insurance coverage for all current directors and officers of the Vimy Group for a period of up to seven years from Implementation.

(b) Other termination benefits

The retiring Vimy Directors will not receive any payment or benefit as compensation for loss of or consideration for retirement from their office in Vimy or the Vimy Group.

(c) Agreements or arrangements connected with or conditional on the Scheme

Other than as set out above in Section 2.6, no Vimy Director, secretary or executive officer of Vimy (or any of its Related Bodies Corporate) has agreed to receive, or is entitled to receive, any payment or benefit from Deep Yellow which is conditional on, or is related to, the Scheme other than in their capacity as a Vimy Shareholder.

(d) Interests in contracts with Deep Yellow

No Vimy Director has an interest in any contract entered into by Deep Yellow.

10.3 Appointment of Vimy Directors to the board of Deep Yellow

Deep Yellow has invited the following existing Vimy Directors to become directors of Deep Yellow, subject to the Scheme being approved and implemented, being Steven Michael and Wayne Bramwell. It is anticipated that a Vimy Director who is appointed as a Deep Yellow director would be entitled to receive fees for his services as a director, travel allowances and reimbursement of incidental expenses from Deep Yellow in connection with the performance of their duties for Deep Yellow. As at the date of this Scheme Booklet, no specific arrangements in this regard have been agreed between Deep Yellow and any Vimy Director. Refer also to Section 7.8(b).

10.4 Retirement benefits

No payment or other benefit is proposed to be made or given in connection with the Scheme to any director, secretary or executive officer of Vimy, or of any Related Entity of Vimy, as compensation for loss of, or as consideration for, or in connection with, his or her retirement from office in Vimy or in a Related Entity.

10 ADDITIONAL INFORMATION

10.5 Directors' intentions regarding the business, assets and employees of Vimy

If the Scheme is approved and implemented, the existing Vimy Board will be reconstituted in accordance with the instructions of Deep Yellow as the only shareholder in Vimy. Accordingly, it is not possible for your Vimy Directors to provide a statement of their intentions regarding:

- the continuation of the business of Vimy or how Vimy's existing business will be conducted after the Scheme is implemented;
- any major changes to be made to the business of Vimy, including any redeployment of the fixed assets of Vimy; or
- the future employment of the present employees of Vimy,

in each case, after the Scheme is implemented.

If the Scheme is approved and implemented, Deep Yellow will have 100% ownership of Vimy's issued Shares and will control Vimy.

See Section 7.7 for further information.

10.6 No unacceptable circumstances

The Vimy Board believes that the Scheme does not involve any circumstances in relation to the affairs of Vimy that could reasonably be characterised as constituting unacceptable circumstances for the purposes of Section 657A of the Corporations Act.

10.7 Disclosure of fees and other benefits

Except for directors' fees as referred to in Sections 7.8(b) and 10.3 no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to a director or proposed director of Deep Yellow:

- to induce them to become or to qualify as a director of Deep Yellow; or
- for services provided by that person in connection with the formation or promotion of Deep Yellow or the Merged Group, or the offer of New Deep Yellow Shares under the Scheme.

10.8 ASIC relief and exceptions

Change in financial position

Clause 8302(h) of Part 3 of Schedule 8 to the Corporations Regulations requires the Explanatory Statement to set out whether, within the knowledge of the Vimy Directors, the financial position of Vimy has materially changed since the date of the last balance sheet laid before a Vimy annual general meeting or sent to Vimy Shareholders in accordance with sections 314 or 317 of the Corporations Act, being its financial statements for the financial year ended 30 June 2021, and if so, full particulars of any change.

ASIC has granted Vimy relief from this requirement on Wednesday, 14 June 2022 on the condition that Vimy:

- sets out in this Scheme Booklet whether, within the knowledge of the directors of Vimy, the financial position of Vimy has materially changed since the financial report for the half-year ended 31 December 2021. In this respect, please refer to the statement in Section 5.6;
- will provide, free of charge, copies of the documents referred to in the preceding bullet point to anyone who requests them prior to the Scheme being approved by the Court;
- has disclosed in this Scheme Booklet, and in announcements to the ASX, all material changes to Vimy's financial position occurring after the balance date of Vimy's financial report for the period ending 31 December 2021;
- discloses all material changes to Vimy's financial position that occur after the date of this Scheme Booklet but prior to the Scheme being approved by the Court in announcements to ASX.

10 ADDITIONAL INFORMATION

10.9 ASX waivers

No ASX waivers were sought for the purposes of the Scheme or the issue of this Scheme Booklet.

10.10 Registration of Scheme Booklet

This Scheme Booklet was registered with ASIC on 31 May 2022 in accordance with section 412(6) of the Corporations Act.

10.11 Consents and disclaimers

(a) Role of advisers and experts

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the Scheme or the preparation or distribution of this Scheme Booklet are:

Name	Role
Automic	Vimy's Share Registry
Deloitte	Independent Expert
Gilbert + Tobin	Legal adviser to Deep Yellow
Houlihan Lokey	Financial adviser to Deep Yellow
KPMG	Tax Adviser to Vimy and also their auditors
Macquarie Capital	Financial advisers to Vimy
MinterEllison	Legal adviser to Vimy
SRK Consulting (Australasia) Pty Ltd	Independent Technical Specialist

(b) Consents

Each person named in Section 10.11(a) have given and have not, before the time of registration of this Scheme Booklet by ASIC, withdrawn their written consent to be named in this Scheme Booklet in the form and context in which they are named.

Deep Yellow has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of Deep Yellow Information and the Joint Information in this Scheme Booklet and the references to that Section in the form and context in which they are included.

Deloitte has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of its Independent Expert's Report in this Scheme Booklet set out in Appendix 1 to this Scheme Booklet in the form and context in which it is included.

SRK Consulting (Australasia) Pty Ltd has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of its Independent Technical Specialist Report in this Scheme Booklet set out in appendix 5 of the Independent Expert's Report in the form and context in which it is included.

KPMG Transaction Services has given, and has not, before the time of registration of this Scheme Booklet by ASIC, withdrawn its consent, to the inclusion of its Investigating Accountant's Report in this Scheme Booklet set out in Appendix 2 to this Scheme Booklet in the form and context in which it is included.

(c) Disclaimer

Each of the above persons:

- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than a statement or report included in this Scheme Booklet with the consent of that party;

10 ADDITIONAL INFORMATION

- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Scheme Booklet, other than as described in this Scheme Booklet with the consent of that party; and
- except for Deep Yellow, does not assume any responsibility for the accuracy or completeness of Deep Yellow Information. The Deep Yellow Information has been prepared by and is the responsibility of Deep Yellow.

(d) Fees

All of the persons named in Section 10.11(a) as performing a function in a professional, advisory or other capacity in connection with the Scheme and the preparation of this Scheme Booklet will be entitled to receive professional fees charged in accordance with their normal basis of charging.

Vimy estimates that it will incur approximately \$4,306,100 (excluding GST and stamp duty) in external transaction costs relating to the Scheme, which includes the following amounts (all excluding GST):

- fees and expenses paid or payable to Vimy's professional advisers following execution of the Scheme Implementation Deed, constituting:
 - financial advisory fees of approximately \$3,340,000;
 - legal fees of approximately \$495,000;
 - fees of approximately \$233,100 payable to the Independent Expert;
 - tax and accounting advisory fees of approximately \$50,000;
 - fees payable to the Technical Expert of approximately \$169,000; and
- Share Registry costs, fees and expenses associated with the Court proceedings, costs relating to design, printing and dispatch of this Scheme Booklet, expenses associated with convening and holding the Scheme Meeting and other general and administrative expenses in connection with the Scheme, of approximately \$19,000 in aggregate.

Of this, Vimy estimates that approximately \$4,306,100 will be paid irrespective of whether the Scheme becomes Effective (and is implemented).

Deep Yellow estimates that it will incur approximately \$4,110,000 (excluding GST and stamp duty) in external transaction costs relating to the Scheme, which includes the following amounts (all excluding GST):

- fees and expenses paid or payable to Deep Yellows' professional advisers, constituting:
 - financial advisory fees of approximately \$3,000,000;
 - legal fees of approximately \$250,000; and
- other fees and expenses associated with the Scheme, of approximately \$25,000 in aggregate.

10.12 Foreign jurisdictions

No action has been taken to register or qualify the New Deep Yellow Shares or otherwise permit a public offer of such securities in any jurisdiction outside Australia.

Based on the information available to Vimy, shareholders of Vimy whose addresses are shown in the Share Register on the Record Date for the Scheme as being in the following jurisdictions will be entitled to receive the Scheme Booklet and have New Deep Yellow Shares issued to them under the Scheme subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- France, where the Vimy shareholder is a "qualified investor" (as defined in Article 2(e) of the Prospectus Regulation) or, solely with respect to the issuance of New Deep Yellow Shares, the number of other Vimy shareholders is less than 150;
- Hong Kong;

10 ADDITIONAL INFORMATION

- Ireland, where (i) the Vimy shareholder is a "qualified investor" (as defined in Article 2(e) of the Prospectus Regulation) or (ii) the number of other Vimy shareholders is less than 150;
- Jersey, where the number of Vimy shareholders is less than 50;
- Malaysia;
- New Zealand;
- Singapore;
- United Arab Emirates, to all Vimy shareholders outside the financial zones and to less than 50 persons who are Vimy shareholders in each of the Abu Dhabi Global Market and Dubai International Financial Centre;
- United Kingdom;
- United States; and
- any other person or jurisdiction in respect of which Vimy reasonably believes that it is not prohibited and not unduly onerous or impractical to issue New Deep Yellow Shares to a Vimy shareholder with a registered address in such jurisdiction.

Nominees, custodians and other Vimy shareholders who hold Vimy shares on behalf of a beneficial owner resident outside Australia, Hong Kong, Malaysia, New Zealand, Singapore, United Arab Emirates (excluding financial zones), United Kingdom and the United States may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of Vimy, except nominees and custodians may forward the Scheme Booklet to any beneficial shareholder in the European Union who is a "qualified investor" (as defined in Article 2(e) of the Prospectus Regulation).

10.13 Independent advice

Vimy Shareholders should consult their financial, legal or other professional adviser if they have any queries regarding:

- the Scheme;
- the taxation implications for them if the Scheme is implemented;
- your Vimy Directors' recommendations⁵³ and intentions in relation to the Scheme, as set out in Sections 1.1 and 2.6 of this Scheme Booklet; or
- any other aspects of this Scheme Booklet.

Vimy Shareholders may also call the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST) with any queries they may have on the Scheme.

10.14 Formula for entitlement to New Deep Yellow Shares

The formula to be applied with respect to the New Deep Yellow Shares to be issued as Scheme Consideration is described in the definition of Scheme Consideration in the Scheme (being 0.294 New Deep Yellow Shares for every one Scheme Share). The formula was agreed through negotiations between Vimy and Deep Yellow.

10.15 Other material information

Except as set out in this Scheme Booklet, in the opinion of the Vimy Board, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Vimy Director or of any Related Entity of Vimy, which has not been previously disclosed to Vimy Shareholders.

Vimy will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date:

- a material statement in this Scheme Booklet that is false or misleading in a material respect;
- a material omission from this Scheme Booklet;

⁵³ In relation to the recommendation of the Directors in respect of the Scheme, Vimy Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote which may differ from those of other Vimy Shareholders, as further described in Section 2.6.

10 ADDITIONAL INFORMATION

- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter that has arisen and that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, Vimy may circulate and publish any supplementary document by any one or more of the following methods:

- making an announcement to ASX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to Vimy Shareholders at their registered address as shown in the Share Register; and/or
- posting a statement on Vimy's Website,

as Vimy in its absolute discretion considers appropriate, subject to any approval that may be required from the Court. In particular, where the matter is not materially adverse to Vimy Shareholders such circulation and publication may be only by an announcement to ASX.

10.16 Vimy Directors' statement

The issue of this Scheme Booklet has been authorised by the Vimy board, and this Scheme Booklet has been signed by or on behalf of your Vimy Directors.

The Vimy Board has given (and not withdrawn) its consent to lodgement of this Scheme Booklet with ASIC.



The Hon. Cheryl Edwardes AM
Non-Executive Chairman
Vimy Resources Limited

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GLOSSARY



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The following terms used in this Scheme Booklet (including the Notice of Meeting in Appendix 4 to this Scheme Booklet) have the meanings given to them below, unless the context otherwise requires:

Alligator River or Alligator River Project	Vimy's Alligator River Uranium Project, more particularly described at Section 5.3(b)
Appendix	an appendix of this Scheme Booklet
ASIC	the Australian Securities and Investments Commission
Associate	has the meaning given in the Corporations Act
ASX	ASX Limited (ACN 008 624 691) or, as the context requires, the financial market conducted by it
ASX Announcement	the joint announcement of Vimy and Deep Yellow regarding the Scheme released to ASX on 31 March 2022
ASX Corporate Governance Principles and Recommendations	the Corporate Governance Principles and Recommendations, 4th Edition, February 2019, released by the ASX Corporate Governance Council
ASX's Website	www.asx.com.au
ATO	Australian Taxation Office
Australian ADI	has the meaning given to that term in the <i>Banking Act 1959</i> (Cth)
Australian Financial Services Licence	a licence under section 913B of the Corporations Act that authorises a person who carries on a financial services business to provide financial services.
AWST	Australian Western Standard Time, being the time in Perth, Western Australia
BFS	Bankable Feasibility Study
Board or Board of Directors or Vimy Board	the board of directors of Vimy as at the date of this Scheme Booklet
Break Fee	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Business Day	a day that is not a Saturday, Sunday or public holiday in Perth, Western Australia and is also an ASX trading day
Cameco	Cameco Australia Pty Ltd (ACN 001 513 088)
CEO	Chief Executive Officer
CGT	Australian capital gains tax
CHESS	the Clearing House Electronic Sub-register System, the system established and operated by ASX Settlement Limited (ACN 088 504 532)
Class Ruling	the ATO class ruling in respect of Australian resident Vimy Shareholders' eligibility for scrip for scrip roll-over relief in respect of the Scheme where they make a capital gain
Competent Person	has the meaning given to that term in the JORC Code

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Competing Proposal	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Corporations Regulations	<i>Corporations Regulations 2001</i> (Cth)
Court	the Supreme Court of Western Australia or such other court of competent jurisdiction as Vimy and Deep Yellow agree in writing
Deed Poll	the deed poll executed by Deep Yellow on Tuesday, 7 June 2022 for the benefit of Vimy Shareholders in which Deep Yellow acknowledges and confirms certain of its obligations under the Scheme for the benefit of Scheme Shareholders. A copy of the executed Deed Poll is reproduced in Appendix 6 to this Scheme Booklet
Deep Yellow	Deep Yellow Limited (ACN 006 391 948)
Deep Yellow Board or Deep Yellow Directors	the board of directors of Deep Yellow
Deep Yellow Constitution	Deep Yellow's constitution
Deep Yellow Group	means Deep Yellow and each of its wholly owned subsidiaries
Deep Yellow Information	the information prepared by Deep Yellow for inclusion in this Scheme Booklet and for which Deep Yellow is responsible, being: (a) the letter from the Chairman of Deep Yellow; (b) Section 6 of the Scheme Booklet; and (c) the Joint Information, except to the extent it pertains to Vimy or Vimy's contribution to the Joint Information
Deep Yellow Limited Awards Plan	means the awards plan amended and adopted by the Deep Yellow Board on 17 October 2017 and by Deep Yellow Shareholders on 24 November 2017
Deep Yellow Option	an option granted by Deep Yellow to acquire by way of issue one or more Deep Yellow Shares
Deep Yellow Performance Right	a performance right granted by Deep Yellow to acquire by way of issue or transfer one or more Deep Yellow Shares
Deep Yellow Prescribed Occurrences	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Deep Yellow Representation and Warranty	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Deep Yellow Security	any security issued by Deep Yellow, including Deep Yellow Shares, Deep Yellow Options and Deep Yellow Performance Rights
Deep Yellow Share	a fully paid ordinary share in the capital of Deep Yellow
Deep Yellow Shareholder	a person who is registered as the holder of Deep Yellow Shares from time to time on the Deep Yellow Share Register
Deep Yellow Share Register	the register of members of Deep Yellow maintained by or on behalf of Deep Yellow in accordance with Section 168(1) of the Corporations Act
Deep Yellow's Website	www.deeptyellow.com.au

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DFS	Definitive Feasibility Study
Effective	when used in relation to the Scheme, the coming into effect, under Section 411(10) of the Corporations Act, of the order of the Court made under Section 411(4)(b) of the Corporations Act approving the Scheme
Effective Date	the date upon which the Scheme becomes Effective. The Effective Date is expected to be on or about Wednesday, 27 July 2022
EIA	environmental impact assessment
End Date	the later of 30 November 2022, and such other date agreed in writing between Vimy and Deep Yellow
EPL	Exclusive Prospecting Licence
ESG	environmental, social and governance criteria
Exclusivity Period	the period from the date of the SID, being 30 March 2022, until the earlier of: (a) the termination of the SID in accordance with its terms; (b) the Implementation date; and (c) the End Date
Exploration Results	has the meaning given to it in the JORC Code
EY	Deep Yellow's auditors
FID	Final Investment Decision
First Court Date	the Court hearing on Wednesday, 15 June 2022, at which Vimy made an application to the Court for an order pursuant to Section 411(1) of the Corporations Act directing Vimy to convene the Scheme Meeting
First Court Hearing	the hearing of the application made to the Court by Vimy for an order to convene the Scheme Meeting
FRCGWT	Foreign Resident Capital Gains Withholding Tax
Headcount Test	the requirement under Section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of Vimy Shareholders eligible to vote at the Scheme Meeting and who are present and voting, either in person or by proxy
HIN	Holder Identification Number
Historical Financial Information	is defined in 7.10(a)
Hylron	Hylron Green Technologies (Pty) Ltd
Implementation Date	the date which is fifth Business Day after the Record Date or such other date as Vimy and Deep Yellow agree in writing. The Implementation Date is expected to be on or about Thursday, 4 August 2022
Indicated Mineral Resource	has the meaning given to it in the JORC Code
Inferred Mineral Resources	has the meaning given to it in the JORC Code
Income Tax Assessment Act	the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).

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Independent Expert or Deloitte	Deloitte Corporate Finance Pty Limited (ACN 003 833 127)
Independent Expert's Report	the report from the Independent Expert (a full copy of which is set out in Appendix 1 to this Scheme Booklet), and any update to such report that the Independent Expert issues
Independent Technical Specialist or SRK Consulting	SRK Consulting (Australasia) Pty Ltd (ACN 074 271 720)
Independent Technical Report	the report by the Independent Technical Specialist set out in appendix 5 of the Independent Expert's Report
Ineligible Foreign Shareholder	a Scheme Shareholder whose address in the Vimy Share Register is a place outside Australia and its external territories, New Zealand, the United States, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates and United Kingdom and any other jurisdictions in respect of which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Deep Yellow Shares to a Scheme Shareholder with a registered address in such jurisdiction
Ineligible Shareholders	Ineligible Foreign Shareholders and Relevant Small Shareholders
Investigating Accountant's Report	the report by KPMG Transaction Services annexed at Appendix 2
ITAA 97	<i>Income Tax Assessment Act 1997</i> (Cth)
Joint Information	the information in this Scheme Booklet jointly prepared by Deep Yellow and Vimy (and for which they share responsibility), being the information contained in Sections 7 and 8 this Scheme Booklet
JOGMEC	the Japan Oil, Gas and Metals National Corporation, (a Japanese government agency)
JORC Code	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time
Kingston Project	Vimy's Kingston Project, more particularly described at Section 5.3(c)
KPMG	KPMG (ABN 51 194 660 183), an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Transaction Services	A division of KPMG Financial Advisory Services (Australia) Pty Ltd (ACN 007 363 215)
Last Practicable Date	Tuesday, 14 June 2022, being the last practicable date prior to lodgement of the Scheme Booklet
Listing Rules	the official listing rules of ASX
LOM	life of mine
Marketable Parcel	has the meaning given to that term in the Listing Rules
Matching Right Notice	has the meaning given in clause 8.7(a)(v) of the Scheme Implementation Deed
MDRL	Mineral Deposit Retention Licence
Measured Mineral Resource	has the meaning given to it in the JORC Code

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Merged Group	Deep Yellow Group following implementation of the Scheme, when the Vimy Group will become wholly owned subsidiaries of Deep Yellow. References to the Merged Group include all joint venture interests (incorporated or unincorporated) held by a member of the Merged Group
Merged Group Board	the board of the Merged Group
Merger or Transaction	the merger of Vimy and Deep Yellow pursuant to the Scheme
Mineral Resource	has the meaning given to it in the JORC Code
MLA	Mining Lease Application
Mlbs	million pounds
Mulga Rock or Mulga Rock Project	Vimy's Mulga Rock Project, more particularly described at Section 5.3(a)
New Deep Yellow Shares	the new Deep Yellow Shares to be issued as the Scheme Consideration to Scheme Shareholders (other than Ineligible Foreign Shareholders) under the terms of the Scheme
NGO	non-government organisation
Nova Joint Venture or Nova Project	Deep Yellow's Nova Joint Venture, more particularly described in Section 6.3(c).
Omahola Project or Omahola	Deep Yellow's Omahola Uranium Project, more particularly described in Section 6.3(b)
Opt-in Notice	a notice by a Small Shareholder requesting to receive the Scheme Consideration as New Deep Yellow Shares.
Opt-in Notice Cut-Off Date	the latest time and date by which a completed Opt-in Notice must be received by the Share Registry, being 5.00pm (AWST) on the Business Day prior to the Record Date.
Ore Reserve	has the meaning given to it in the JORC Code
Paladin	Paladin Energy Limited (ACN 061 681 098)
PFS	Pre-Feasibility Study
ppm	parts per million
PPSA	the Personal Property Securities Act 2009 (Cth)
Pro-forma Financial Information	has the meaning given in Section 7.10(a)
Probable Ore Reserves	has the meaning given to it in the JORC Code
Proxy Form	the Proxy Form for the Scheme Meeting accompanying this Scheme Booklet or, as the context requires, any replacement or substitute Proxy Form provided by or on behalf of Vimy
Recommendation	a Vimy Director's recommendation to Vimy Shareholders in relation to voting on the Scheme means the Vimy Board's unanimous recommendation to Vimy Shareholders that they vote in favour of the Scheme in the absence of a Superior Proposal subject to the Independent Expert concluding in the Independent Expert's Report (or any update of, or revision, amendment or supplement to, that report) that the Scheme is in the best interests of Vimy Shareholders

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Record Date	the date for determining entitlements to the Scheme Consideration, being 5.00pm (AWST) on the second Business Day after the Effective Date. The Record Date is expected to be 5.00pm (AWST) on Friday, 29 July 2022
Regulatory Authority	means: (a) any government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, tribunal, agency or entity; (b) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; or (c) any regulatory organisation established under statute, in Australia whether Federal, State, territorial or local
Related Entity	of a corporation means: (a) a related body corporate of that corporation within the meaning of the Corporations Act; and (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a) directly or indirectly: (i) controls the right to appoint the trustee; or (ii) is in a position to control the casting of more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or (c) holds or is in a position to control the disposal of more than one half of the issued units in the trust
Relevant Interest	has the meaning given in the Corporations Act
Relevant Small Shareholder	a Small Shareholder who has not provided the Share Registry with an Opt-in Notice before the Opt-in Notice Cut-Off Date
Reptile Project	Deep Yellow's Reptile Project
Requisite Majorities	has the meaning given to that term in Section 2.5
Sale Agent	Euroz Hartleys Limited (ACN 104 195 057), who has been appointed by Deep Yellow, in consultation with Vimy, to sell the New Deep Yellow Shares attributable to Ineligible Shareholders
Sale Facility	the facility contemplated by the Scheme and described in Section 2.8(i) under which the Sale Agent will sell the New Deep Yellow Shares attributable to Ineligible Shareholders
Sale Proceeds	gross proceeds of sale of the Sale Shares under clause 5.2(b) of the Scheme, less any applicable brokerage and other selling costs, taxes and charges incurred by Deep Yellow or the Sale Agent in connection with the sale
Sale Shares	Deep Yellow Shares attributable to Ineligible Shareholders
Scheme or Scheme of Arrangement	the scheme of arrangement under Part 5.1 of the Corporations Act between Vimy and the Scheme Shareholders under which Deep Yellow proposes to acquire all of Vimy Shares as set out in Appendix 3 to this Scheme Booklet, subject to any alterations or conditions made or required by the Court under Section 411(6) of the Corporations Act
Scheme Booklet	this Scheme Booklet dated 16 June 2022 in relation to the Scheme

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Scheme Conditions	the conditions precedent specified at clause 3.1 of the Scheme Implementation Deed and summarised at Section 2.5
Scheme Consideration	the New Deep Yellow Shares to be issued by Deep Yellow to each Scheme Shareholder in accordance with the Scheme, being 0.294 Deep Yellow Shares per Scheme Share (other than in the case of Ineligible Shareholders)
Scheme Implementation Deed or SID	the deed between Vimy and Deep Yellow setting out certain arrangements in relation to the Scheme. The Scheme Implementation Deed is reproduced in Appendix 5 to this Scheme Booklet
Scheme Meeting	the meeting of Vimy Shareholders to be held at 10.00am (AWST) on Wednesday, 20 July 2022 to consider and vote on the Scheme. The notice convening the Scheme Meeting is contained in Appendix 4 to this Scheme Booklet
Scheme Resolution	the resolution to be put to Vimy Shareholders to approve the Scheme at the Scheme Meeting
Scheme Share	a Vimy Share on issue on the Record Date
Scheme Shareholder	a Vimy Shareholder at the Record Date
Second Court Date	the first day on which the application made to the Court for an order pursuant to Section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard. This date is expected to be on or about Tuesday, 26 July 2022
Second Court Hearing	the hearing of the application made to the Court for an order pursuant to Section 411(4)(b) of the Corporations Act approving the Scheme
Section	a Section of this Scheme Booklet
Share Register	the register of members of Vimy maintained by or on behalf of Vimy in accordance with Section 168(1) of the Corporations Act
Share Registry or Automic	Automic Group Pty Ltd (ACN 624 985 422)
Share Splitting	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Shiyela	Shiyela Iron (Pty) Ltd
Shiyela Iron Ore Project	Deep Yellow's Shiyela Iron Ore Project, more particularly described at Section 6.3(d)
Side Letter	the side letter agreement to the Scheme Implementation Deed between Vimy and Deep Yellow executed 30 March 2022.
Small Shareholder	a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date would, on implementation, be entitled to receive less than a Marketable Parcel of New Deep Yellow Shares (assessed by reference to the price of Deep Yellow Shares on ASX at the close of trade on the trading day prior to the Scheme Record Date),
SRN	Shareholder Reference Number

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SSSP	the 2019 Vimy Salary Sacrifice Share Plan approved by Vimy Shareholders at an extraordinary general meeting of Vimy held on 13 August 2019
Superior Proposal	a bona fide Competing Proposal (other than a Competing Proposal resulting from a breach of exclusivity obligations) which the board of the receiving party, acting in good faith in the interests of its shareholders and after taking advice from outside legal and financial advisers, determines is: (a) reasonably capable of being valued and completed within a reasonable timeframe; and (b) would, if completed substantially in accordance with its terms, be reasonably likely to result in a transaction that is more favourable to its shareholders (as a whole) than the acquisition of Vimy by Deep Yellow by means of the Scheme (as may be revised by the application of the matching right).
Trust Account	an Australian dollar denominated trust account operated by Deep Yellow as trustee for the benefit of Ineligible Shareholders
Tumas Project or Tumas	Deep Yellow's Tumas Project, more particularly described in Section 6.3(a)
U₃O₈	Triuranium octoxide is a compound of uranium
Vimy or Vimy Resources	Vimy Resources Limited ACN 120 178 949
Vimy Board	the board of directors of Vimy
Vimy Directors or your Directors	the current directors of Vimy
Vimy Group	means Vimy and each of its subsidiaries
Vimy Information	all information included in this Scheme Booklet (including the Joint Information, except to the extent it pertains to Deep Yellow or Deep Yellow's contribution to the Joint Information), other than: (a) the Deep Yellow Information; (b) the information contained in the Independent Expert's Report; (c) the information contained in the Independent Technical Report; and (d) the information contained in the Investigating Accountant's Report.
Vimy Material Adverse Effect	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Vimy Option	an option granted by Vimy to acquire by way of issue one or more Vimy Shares
Vimy Performance Rights	a performance right granted by Vimy to acquire by way of issue or transfer one or more Vimy Shares
Vimy Prescribed Occurrences	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Vimy Representation and Warranty	has the meaning given to that term in the Scheme Implementation Deed (see Appendix 5 to this Scheme Booklet)
Vimy Security	any security issued by Vimy, including Vimy Shares, Vimy Options and Vimy Performance Rights
Vimy Share	a fully paid ordinary share in the capital of Vimy

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Vimy Shareholder	a person who is registered as the holder of Vimy Shares from time to time on the Share Register (or if two or more persons are registered on the Share Register as a member of Vimy in respect of the same Shares, those persons together)
Vimy's Website	www.vimyresources.com.au
Voting Entitlement Time	the time and date for determining eligibility to vote at the Scheme Meeting, being 5.00pm (AWST) on Monday, 18 July 2022
Voting Statement	the statement that each Vimy Director will vote the voting rights attached to all Vimy Shares over which he or she has control in favour of any Vimy Shareholder resolutions to implement the Scheme and any related or ancillary transactions (in the absence of a Superior Proposal and subject to the Independent Expert opining that the Scheme is in the best interests of Vimy Shareholders)
VWAP	volume weighted average price
XRF	X-ray fluorescence

APPENDIX 1

INDEPENDENT EXPERT'S REPORT



Vimy Resources Limited

Independent expert's report and Financial Services Guide

14 June 2022

Financial Services Guide (FSG)

What is a Financial Services Guide?

An FSG is designed to provide information about the supply of financial services to you.

Why are we providing this FSG to you?

Deloitte Corporate Finance Pty Limited (**Deloitte Corporate Finance**) (AFSL 241457) has been engaged by Vimy Resources Limited (**Vimy**) to prepare an independent expert's report (**our Report**) in connection with the proposed scheme of arrangement between Vimy and its shareholders, pursuant to which Deep Yellow Limited (**Deep Yellow**) would acquire 100% of the shares in Vimy (the **Proposed Scheme**). Vimy will provide our Report to you.

Our Report provides you with general financial product advice. This FSG informs you about the use of general financial product advice, the financial services we offer, our dispute resolution process and our remuneration. Our contact details are in the document that accompanies this FSG.

What financial services are we licensed to provide?

We are authorised to provide financial product advice to wholesale clients in relation to derivatives, government debentures, stocks or bonds, interests in managed investment schemes, securities, and regulated emissions units (i.e. Australian carbon credit units and eligible international emissions units). We can also provide general financial product advice to retail clients in relation to the above financial products except for regulated emissions units.

We are also authorised to arrange for another person to deal in financial products in relation to:

- securities, interests in managed investment schemes, government debentures, stocks or bonds, and regulated emissions units and related derivatives to wholesale clients; and
- derivatives to retail and wholesale clients.

We are providing general financial product advice

In our Report, we provide general financial product advice as we have not taken into account your personal objectives, financial situation or needs, and you would not expect us to have done so. You should consider whether our general advice is appropriate for you, having regard to your own personal objectives, financial situation or needs.

If our advice is in connection with the acquisition of a financial product, you should read the relevant offer document carefully before making any decision about whether to acquire that product.

How are we remunerated?

Our fees are usually determined on a fixed fee or time cost basis plus reimbursement of any expenses incurred in providing the services. Our fees are agreed with, and paid by, those who engage us. You are not responsible for our fees.

We will receive a fee of approximately A\$ 222,000 exclusive of GST in relation to the preparation of our Report. This fee is not contingent upon the success or otherwise of the Proposed Scheme.

Apart from these fees, we, our directors and officers, any related bodies corporate, affiliates or associates, and their directors and officers, do not receive any commissions or other benefits.

All employees receive a salary, and, while eligible for annual salary increases and bonuses based on overall performance, they do not receive any commissions or other benefits as a result of the services provided to you.

The remuneration paid to our directors reflects their individual contribution to the organisation and covers all aspects of performance.

We do not pay commissions or provide other benefits to anyone who refers prospective clients to us.

Associations and relationships

The Deloitte member firm in Australia (**Deloitte Touche Tohmatsu**) controls Deloitte Corporate Finance. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu.

We, and other entities related to Deloitte Touche Tohmatsu, do not have any formal associations or relationships with any entities that are issuers of financial products. However, we may provide services to issuers of financial products in the ordinary course of business.

What should you do if you have a complaint?

If you have any concerns regarding our Report or service, please contact us.

The Complaints Officer
complaints@deloitte.com.au
Fax: +61 2 9322 7000

If an issue is not resolved to your satisfaction, you can lodge a dispute with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services dispute resolution free to consumers.

www.afca.org.au
1800 931 678 (free call)
Australian Financial Complaints Authority Limited
GPO Box 3 Melbourne VIC 3001

What compensation arrangements do we have?

Deloitte Australia holds professional indemnity insurance that covers the financial services we provide. This insurance satisfies the compensation requirements of the Corporations Act 2001 (Cth).

The Directors
Vimy Resources Limited
Level 1, 1209 Hay Street
West Perth WA 6005

14 June 2022

Dear Directors

Re: Independent expert's report

Introduction

On 31 March 2022, the Directors of Vimy Resources Limited (**Vimy**) and Deep Yellow Limited (**Deep Yellow**) announced that the companies had entered into a Scheme Implementation Deed (**SID**) pursuant to which Vimy shareholders will receive 0.294 new fully paid ordinary shares in Deep Yellow for every share held in Vimy, via a scheme of arrangement (**the Proposed Scheme**).

Upon completion of the Proposed Scheme, Vimy will become a wholly owned subsidiary of Deep Yellow and will be delisted from the Australian Securities Exchange (**ASX**). Vimy shareholders will own 47% of the fully diluted share capital of Deep Yellow after implementation of the Proposed Scheme (**the Proposed Merged Group**) while Deep Yellow shareholders will own the remaining 53%.

The board of Vimy have prepared a scheme booklet containing the detailed terms of the Proposed Scheme (**the Scheme Booklet**) and an overview of the Proposed Scheme is provided in Section 1 of our detailed report.

Purpose of the report

Section 411 of the Corporation Act 2001 (**Section 411**) regulates schemes of arrangement between companies and their shareholders. Part 3 of Schedule 8 of the Corporations Regulations 2001 (Cwlth) (**Part 3**) prescribes the information to be provided to shareholders in relation to schemes of arrangement.

Whilst an independent expert's report in respect of the Proposed Scheme is not required to meet any statutory obligations, it is a condition precedent to the implementation of the Proposed Scheme, and the Directors of Vimy (**the Directors**) have requested that Deloitte Corporate Finance provide an independent expert's report, advising whether or not, in our opinion, the Proposed Scheme is in the best interests of the shareholders of Vimy (**the Shareholders**).

The independent expert's report has been prepared in a manner consistent with Part 3 to assist Shareholders in their consideration of the Proposed Scheme. We have prepared this report having regard to Part 3 and Australian Securities and Investments Commission (**ASIC**) Regulatory Guide 111 and ASIC Regulatory Guide 112.

This report is to be included in the Scheme Booklet to be sent to Shareholders and has been prepared for the exclusive purpose of assisting Shareholders in their consideration of the Proposed Scheme. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the Shareholders and Vimy, in respect of this report, including any errors or omissions however caused.

Our field work was completed on 26 May 2022.

Basis of evaluation

Guidance

In preparing this report, we have had regard to ASIC Regulatory Guide 111 in relation to the content of expert's reports and ASIC Regulatory Guide 112 in respect of the independence of experts. ASIC Regulatory Guide 111 prescribes standards of best practice in the preparation of independent expert's reports.

Schemes of arrangement can include many different types of transactions, including being used as an alternative to a Chapter 6 takeover bid or to effect a merger of entities of equivalent value. The basis of evaluation selected by the expert must be appropriate for the nature of each specific transaction.

ASIC Regulatory Guide 111

This regulatory guide provides guidance in relation to the content of independent expert's reports prepared for a range of transactions. ASIC Regulatory Guide 111 refers to a 'control transaction' as being the acquisition (or increase) of a controlling stake in a company that could be achieved, for example, by way of a takeover offer, scheme of arrangement, approval of an issue of shares using item 7 of s611, a selective capital reduction or selective buy back under Chapter 2J.

In order to assess whether the Proposed Scheme is in the best interests of Shareholders, we have adopted the test of whether the Proposed Scheme is either fair and reasonable, not fair but reasonable, or neither fair nor reasonable, as set out in ASIC Regulatory Guide 111.

Fairness

ASIC Regulatory Guide 111 defines an offer as being fair if the value of the offer price is equal to or greater than the value of the securities the subject of the offer. In a control transaction, this comparison is usually made assuming 100% ownership of the target company, however, paragraph 31 of ASIC Regulatory Guide 111 states that "the expert may need to assess whether a scrip takeover is in effect a merger of entities of equivalent value when control of the merged entity will be shared equally between the 'bidder' and the 'target'. In this case, the expert may be justified in using an equivalent approach to valuing the securities of the 'bidder' and the 'target'".

We consider the Proposed Scheme is in substance a "merger of equals" rather than a takeover, based on the following factors:

- **the proposed merger ratio:** the post-merger ownership ratio of 47%/53% between Vimy and Deep Yellow shareholders
- **the Proposed Scheme does not limit Shareholders' ability to receive a takeover premium in the future:** there will be no shareholders in the Proposed Merged Group with an interest of more than 10%
- **similarity and size of each business:** both Vimy and Deep Yellow operate in the uranium development and exploration sector, and each holds a single flagship project at a feasibility stage of development and a portfolio of exploration assets. Both companies have a market capitalisation of less than A\$ 300 million¹. The strategic direction of the Proposed Merged Group is also aligned with the present strategy of Vimy, i.e. to become a global uranium producer, albeit with a larger portfolio of assets
- **board and management representation:** all members of the Board of Directors of Vimy will be appointed to either Board or management roles in the Proposed Merged Group, with the exception of the current Vimy Chairman, Cheryl Edwardes. Steven Michael, Managing Director and CEO of Vimy, will become an Executive Director of the Proposed Merged Group and become a key member of the management team.

¹ The market capitalisations of Vimy and Deep Yellow on 19 May 2022 was A\$ 208 million and A\$ 271 million, respectively.

We have therefore assessed whether the Proposed Scheme is fair by assessing whether the offer price, being 0.294 shares in the Proposed Merged Group, is greater than or equal to the fair market value of a share in Vimy. For the purpose of our analysis, the value of shares in Vimy and the Proposed Merged Group have been assessed on a consistent basis, which we consider is consistent with ASIC Regulatory Guide 111 guidance on the treatment of a “merger of equals”.

Reasonableness

ASIC Regulatory Guide 111 considers an offer in respect of a control transaction to be reasonable if either:

- the offer is fair
- despite not being fair, but considering other significant factors, Shareholders should accept the offer in the absence of any higher bid before the close of the offer.

To assess the reasonableness of the Proposed Scheme, we considered the following significant factors in addition to determining whether the Proposed Scheme is fair:

- we compared the Vimy share price pre-announcement of the Proposed Scheme to 0.294 of a share in the Proposed Merged Group with reference to post-announcement share prices of Deep Yellow
- the increased scale and diversification benefits available to Shareholders under the Proposed Scheme
- the benefit to Shareholders of the Proposed Merged Group’s deep management experience
- the impact on the market price of Vimy shares if the Proposed Scheme is not successful
- the reduced participation of Shareholders in the future growth of the Vimy portfolio within the Proposed Merged Group.

Definition of value

For the purpose of our opinion, we have referred to the concept of fair market value. Fair market value is defined as the amount at which the shares would be expected to change hands in a hypothetical transaction between a knowledgeable willing, but not anxious, buyer and a knowledgeable willing, but not anxious, seller acting at arm’s length.

Special purchasers may be willing to pay higher prices to reduce or eliminate competition, to ensure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. Our valuation has not been premised on the existence of a special purchaser.

Summary and conclusion

In our opinion the Proposed Scheme is fair and reasonable and therefore in the best interests of Shareholders. In arriving at this opinion, we have had regard to the following factors.

The Proposed Scheme is fair

We have assessed whether the Proposed Scheme is fair by comparing the fair market value of a share in Vimy on a control basis with the fair market value of the consideration on a control basis.

Set out in the table below is a comparison of our assessment of the fair market value of a share in Vimy with the consideration offered by Deep Yellow (in Australian Dollars (A\$)).

Table 1: Comparison of a Vimy share to consideration offered by Deep Yellow

	Low (A\$)	High (A\$)
Estimated fair market value of a Vimy share (Section 6)	0.20	0.28
Estimated fair market value of consideration offered (Section 7)	0.20	0.27

Source: Deloitte Corporate Finance analysis

The consideration offered by Deep Yellow is consistent with the range of our estimate of the fair market value of a share in Vimy. Accordingly, it is our opinion that the Proposed Scheme is fair.

Since the announcement of the Proposed Scheme, the spot uranium price increased to a peak of United States Dollars (**US\$**) 64.50 per pound (**lb**) on 13 April 2022 and has since declined 26% to US\$ 48.00 per lb on 19 May 2022. Deep Yellow's share price is strongly correlated to movements in the spot price of uranium (as are Vimy's shares and those of most uranium juniors). Deep Yellow's share price has therefore followed a similar path to the spot price of uranium, albeit more pronounced, which is likely because it is dependent on a favourable long-term uranium price to progress development of its flagship Tumas Project. Refer to Section 7.3 for further analysis of share trading in Deep Yellow post the announcement of the Proposed Scheme.

Our valuation is highly sensitive to uranium spot prices. If uranium prices, and therefore share prices of comparable uranium companies, continue to decline, we expect that our valuation of the Proposed Merged Group would also decline. However, as we have applied a consistent valuation methodology to value the major projects of Vimy and the Proposed Merged Group, both sides of the fairness equation would decline, and consequently we would expect our opinion to remain that the Proposed Scheme is fair.

Valuation of Vimy

We have estimated the fair market value of Vimy by applying the sum-of-the-parts methodology.

The Mulga Rock Project has been valued using a market-based methodology with reference to resource multiples implied by trading in listed comparable companies and transactions in comparable projects. This approach requires the determination of an appropriate resource multiple to apply to the attributable resources of the subject project. To assist us in selecting an appropriate multiple for the project, we asked SRK Consulting (Australasia) Pty Ltd (**SRK**) to provide their views on a reasonable resource multiple to apply to the resources of the Mulga Rock Project based on the characteristics of the project and observed multiples implied by transactions in comparable projects. Based on our analysis and SRK's input, we selected a resource multiple in the range of US\$ 1.15 per lb uranium oxide (**U₃O₈**) to US\$ 1.35 per lb U₃O₈.

SRK also provided their opinion on the value of the early-stage exploration assets of Vimy.

Our valuation has implicitly had regard to the funding requirements for the development projects of Vimy and Deep Yellow. As discussed in Section 2.4 and 3.5, both Vimy and Deep Yellow are dependent on external funding to progress their flagship development projects to production. As our listed peer set comprises comparable listed companies with pre-production assets only, we consider this risk is implicitly reflected in their observed resource multiples. The same applies to the target assets in the transactions considered by SRK.

The estimated value of a share in Vimy is set out in the table below.

Table 2: Vimy valuation summary

	Unit	Low	High
Mulga Rock Project	A\$ million	148.4	174.2
Alligator River Project	A\$ million	58.9	115.3
Kingston Project	A\$ million	6.9	13.8
Enterprise value	A\$ million	214.2	303.3
Surplus liabilities	A\$ million	(0.3)	(0.3)
Net cash	A\$ million	20.8	20.8
Equity value	A\$ million	234.7	323.8
Shares outstanding (fully diluted) ¹	million	1,171.2	1,171.2
Value per share	A\$ per share	0.20	0.28

Source: Deloitte Corporate Finance analysis

Note:

1. Assumes outstanding Performance Rights and options vest and convert into Vimy shares.

We have cross-checked our valuation in Section 6.3 with reference to trading in Vimy's shares prior to the announcement of the Proposed Scheme.

Valuation of the Proposed Merged Group

We have estimated the fair market value of the Proposed Merged Group by applying the sum-of-the-parts methodology. The value of the Proposed Merged Group's development projects has been estimated using an equivalent approach to that adopted to value the development project of Vimy, i.e. resource multiples implied by trading in listed comparable companies and transactions in comparable assets, with the latter provided by SRK. SRK also provided their opinion of the value of the early-stage exploration assets of the Proposed Merged Group.

We selected the following resource multiples to value the Proposed Merged Group's development projects:

- US\$ 1.15 per lb U₃O₈ to US\$ 1.35 per lb U₃O₈ for the Mulga Rock Project
- US\$ 0.55 per lb U₃O₈ to US\$ 0.75 per lb U₃O₈ for the Tumas Project (including the Omahola Project and tenure associated with the Reptile Exploration Project).

The estimated value of a share in the Proposed Merged Group is set out in the table below.

Table 3: Proposed Merged Group valuation summary

	Unit	Low	High
Mulga Rock Project	A\$ million	148.4	174.2
Tumas Project (incl. Omaha & Reptile Exploration Projects)	A\$ million	193.1	263.3
Exploration assets	A\$ million	81.9	152.3
Enterprise value	A\$ million	423.4	589.9
Surplus liabilities	A\$ million	(0.3)	(0.3)
Net cash	A\$ million	85.1	85.1
Equity value	A\$ million	508.3	674.7
Fully diluted Vimy shares	million	1,171.2	1,171.2
Share exchange ratio	million	0.294	0.294
Vimy converted shares	million	344.3	344.3
Deep Yellow shares outstanding (fully diluted)	million	388.2	388.2
Proposed Merged Group fully diluted shares	million	732.6	732.6
Value per share	A\$ per share	0.69	0.92

Source: Deloitte Corporate Finance analysis

We have cross-checked our valuation in Section 7.3 with reference to trading in Deep Yellow's shares after the announcement of the Proposed Scheme.

Valuation of consideration

Our valuation of the consideration offered to Shareholders under the Proposed Scheme is set out in the table below.

Table 4: Valuation of consideration per Vimy share

	Unit	Low	High
Value of a share in the Proposed Merged Group	A\$	0.69	0.92
Number of Deep Yellow shares offered for each Vimy share	shares	0.294	0.294
Assessed value of consideration per Vimy share	A\$	0.20	0.27

Source: Deloitte Corporate Finance analysis

The Proposed Scheme is reasonable

In accordance with ASIC Regulatory Guide 111 an offer is reasonable if it is fair. On this basis, in our opinion the Proposed Scheme is reasonable. We have also considered the following factors in assessing the reasonableness of the Proposed Scheme.

Share trading analysis

We have also compared the pre-announcement trading of shares in Vimy, with the estimated value of the consideration based on post-announcement trading of shares in Deep Yellow (effectively the Proposed Merged Group, assuming the Proposed Scheme is successful).

Table 5: Share trading analysis

	Low (A\$)	High (A\$)
Pre-announcement trading of Vimy shares ¹	0.22	0.25
Estimated consideration offered (Section 7.3) – post-announcement trading of Deep Yellow shares ^{2,3}	0.20	0.26
Implied premium	-9.00%	4.00%

Source: Deloitte Corporate Finance analysis

Notes:

1. Range developed with reference to the 30-day VWAP pre-announcement of the Proposed Scheme (reflected as the low end of the range) and the closing price on the last trading day prior to announcement of the Proposed Scheme (high end of the range)
2. Range based on the price of Deep Yellow shares as at 19 May 2022 (A\$ 0.70; reflects the low end of the range) and the highest share price in the past 15 trading days (A\$ 0.89; high end of the range)
3. Based on 0.294 shares in the Proposed Merged Group.

This analysis indicates that Shareholders are currently receiving a discount/premium in the range of -9% to 4% to the Vimy share price prior to the announcement of the Proposed Scheme. However, this implied discount/premium should be considered in the context of movements in the spot uranium price post the announcement of the Proposed Scheme. The spot uranium price has declined 18%², and the share prices of the comparable listed companies have on average declined 27% since the announcement of the Proposed Scheme. This decline is reflected in the estimated consideration presented in Table 5 above, but not in the pre-announcement trading in Vimy's shares.

The Proposed Merged Group will have increased scale and be more diversified

The Proposed Merged Group is expected to be the largest uranium-focused company listed on the ASX based on resources and proposed operating capacity. Having critical mass and geographical diversification presents the following potential benefits:

- the perception of reduced risk due to size and geographic diversification
- the ability to negotiate global offtake contracts and therefore the opportunity to sell to larger customers targeting diversified long-term uranium supply
- increased purchasing power to negotiate volume discounts on consumables and lower unit costs
- improved access to capital due to a stronger balance sheet, greater liquidity and institutional participation, as well as sell-side research coverage.

The Proposed Merged Group will benefit from deep management experience

The Proposed Merged Group will benefit from the aggregation of the experience of the two management teams of Vimy and Deep Yellow in a niche sector where industry expertise is scarce and difficult to find. The Shareholders, in particular, will benefit from the specific experience of Deep Yellow's management team in bringing advanced stage uranium projects into production, based on their previous experience at Paladin Energy Limited (**Paladin**).

The Proposed Merged Group may also enjoy greater ability to secure favourable and/or expedited funding terms as a result of the proven ability of the management of Deep Yellow to successfully progress a uranium development project to completion.

If the Proposed Scheme is not successful, Vimy shares may trade below current levels

If the Proposed Scheme (or an alternative transaction) is not successful, shares in Vimy may trade below the prices observed since the announcement of the Proposed Scheme. While the Vimy shares should theoretically trade at a price consistent with our valuation, they may be downrated by the market as a result of the Proposed Scheme being unsuccessful, particularly in a declining uranium price environment.

² S&P Capital IQ.

Diluted participation in the future growth of the Vimy portfolio

Following implementation of the Proposed Scheme, the Shareholders in Vimy will hold approximately 47% of the total issued shares in the Proposed Merged Group. Shareholders will have their exposure to the potential upside from Vimy's asset portfolio diluted, as that upside will be shared by all shareholders in the Proposed Merged Group.

This dilution will be mitigated to the extent that Shareholders will participate in any upside attributable to the Deep Yellow asset portfolio. We note that both portfolios comprise a flagship development asset at a feasibility stage in addition to exploration prospects and therefore both have substantial sources of potential upside.

Conclusion on reasonableness

As the Proposed Scheme is fair it is also reasonable.

Opinion

In our opinion, the Proposed Scheme is fair and reasonable to Shareholders. It is therefore in the best interests of Shareholders. An individual Shareholder's decision in relation to the Proposed Scheme may be influenced by his or her particular circumstances. If in doubt the Shareholder should consult an independent adviser, who should have regard to their individual circumstances.

This opinion should be read in conjunction with our detailed report which sets out our scope and findings.

Yours faithfully



Nicki Ivory

Authorised Representative
AR Number: 461005



Stephen Reid

Authorised Representative
AR Number: 461011

Glossary

Reference	Definition
2012 JORC Code	2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
A\$	Australian dollars
AFCA	Australian Financial Complaints Authority
ANU	ANU Energy OEIC Ltd.
ASIC	The Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
AUASB	Auditing and Assurance Standards Board
Aura	Aura Energy Limited
ASA	Auditing Standard
Bannerman	Bannerman Energy Limited
BFS	Bankable Feasibility Study
bps	Basis points
Cameco	Cameco Australia Pty Limited
CEO	Chief Executive Officer
Court	Supreme Court of Western Australia
Cth	Corporations Act 2001
CIS	Commonwealth of Independent States
Cwlth	Corporations Regulations 2001
CY	Calendar year
DCF	Discounted cash flow
DFS	Definitive Feasibility Study
Deep Yellow	Deep Yellow Limited
Deloitte	Deloitte Touche Tohmatsu
Deloitte Corporate Finance	Deloitte Corporate Finance Pty Limited
DMIRS	Department of Mines Industry Regulation and Safety
DWER	Department of Water and Environment Regulation
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EIA	Environmental Impact Assessment
EMRP	Equity Market Risk Premium
EPL	Exclusive prospecting licence
EY	Ernst & Young
FID	Final Investment Decision
Forsys	Forsys Metals Corporation
FY	Financial year
FSG	Financial Services Guide
GoviEx	GoviEx Uranium Inc
HY	Half year

Reference	Definition
HyIron	HyIron Green Technologies (Pty) Limited
Fe62 Fines	62% Iron ore Fines
ISR	In-situ recovery
IBIS	IBIS World Pty Limited
JOGMEC	Japan Oil, Gas and Metal National Corporation
Km	Kilometre
Km ²	Square kilometre
lb	pound
LOM	Life of mine
M&A	Mergers and acquisitions
MDRL	Mineral Deposit Retention Licence
MLA	Mining Licence Application
MME	Namibian Ministry of Mines and Energy
Mlb	Million pounds
NLC	Northern Land Council
NPAT	Net profit after tax
NTA	Net tangible assets
Part 3	Part 3 of Schedule 8 of the CwIth
Paladin	Paladin Energy Limited
ppm	Parts per million
PBO	Project Buyback Option
Proposed Merged Group	Reflects the merged group of Deep Yellow and Vimy assuming the Proposed Scheme is successful
RC	Reverse Circulation
Rf	Risk free rate of return
RMR	Reptile Mineral Resources and Exploration (Proprietary) Limited
RTX	Rio Tinto Exploration Pty Limited
ROM	Run-of-mine
Section 411	Section 411 of the Corporation Act 2001
Shareholders	Existing holders of Vimy shares
SID	Scheme Implementation Deed
SPUT	Sprott Physical Uranium Trust
SRK	SRK Consulting (Australasia) Pty Ltd
US\$	United States dollars
UF ₆	Uranium hexafluoride
U ₃ O ₈	Uranium oxide
VALMIN Code	Valuation of Minerals and Petroleum Assets and Securities for Independent Expert Reports
YCA	Yellow Cake Plc
Vimy	Vimy Resources Limited
WACC	Weighted average cost of capital

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1 Overview of the Proposed Scheme

1.1 Summary

On 31 March 2022, the Directors of Vimy and Deep Yellow announced that the companies had entered into a SID pursuant to which Vimy shareholders will receive 0.294 new fully paid ordinary shares in Deep Yellow for every share held in Vimy via a scheme of arrangement.

Upon completion of the Proposed Scheme, Vimy will become a wholly owned subsidiary of Deep Yellow and will be delisted from the ASX. Vimy shareholders will own 47% of the fully diluted share capital of the Proposed Merged Group while Deep Yellow shareholders will own the remaining 53%.

The composition of the Board of Directors of the Proposed Merged Group will be as follows:

- Deep Yellow Managing Director and Chief Executive Officer (**CEO**), Mr John Borshoff, will remain Managing Director and CEO of the Proposed Merged Group
- Vimy's Managing Director and CEO, Mr Steven Michael, will join the Proposed Merged Group as an Executive Director
- Deep Yellow non-Executive Chairman, Mr Chris Salisbury, will remain Chairman of the Proposed Merged Group
- the other Directors of the Proposed Merged Group will comprise two Non-Executive Directors and one Executive Director from Deep Yellow and one Non-Executive Director from Vimy.

Full details of the Proposed Scheme are provided in Section 2 of the Scheme Booklet.

1.2 Key conditions of the Proposed Scheme

The Proposed Scheme is subject to various conditions, the most significant being:

- Vimy having at least net cash of \$17.0 million as at the date of the Proposed Scheme meeting
- Vimy's shareholders approving the Proposed Scheme by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act
- the Supreme Court of Western Australia³ (**the Court**) approving the Proposed Scheme
- the independent expert concluding that the Proposed Scheme is in the best interests of Vimy shareholders and not adversely changing or publicly withdrawing that conclusion up until the Court approves the Proposed Scheme
- no material adverse change or prescribed event (as defined in the SID) occurring in relation to either Deep Yellow or Vimy.

The SID includes standard exclusivity arrangements (including "no shop", "no talk" and "no due diligence" restrictions, and notification obligations⁴) in favour of both parties, a "matching right" in favour of Deep Yellow and a break fee regime in favour of both parties. The exclusivity arrangements are subject to customary exceptions that enable the Directors of Vimy and Deep Yellow to comply with their respective fiduciary and statutory duties.

Full details of the terms and conditions of the Scheme are set out in the SID, a copy of which is included in the Scheme Booklet.

³ Vimy and Deep Yellow may agree to another Court

⁴ Either party must notify the other party in the case of any competing proposal or information request made relating to either party's business

2 Profile of Vimy

2.1 Overview

Vimy Resources Limited is a resource development company that focuses on the exploration and development of uranium projects in Australia. Vimy is headquartered in Perth, Western Australia, and has been listed on the ASX since May 2008.

The key assets of Vimy comprise:

- the Mulga Rock Project (in Western Australia), which is at the Definitive Feasibility Study (**DFS**) stage and is the only uranium project in Western Australia to have achieved “substantial commencement”, a key government approval
- the Alligator River Project (in the Northern Territory), which is a high-grade uranium project located in a historically prospective region for uranium. The Alligator River Project is at the Scoping Study stage.

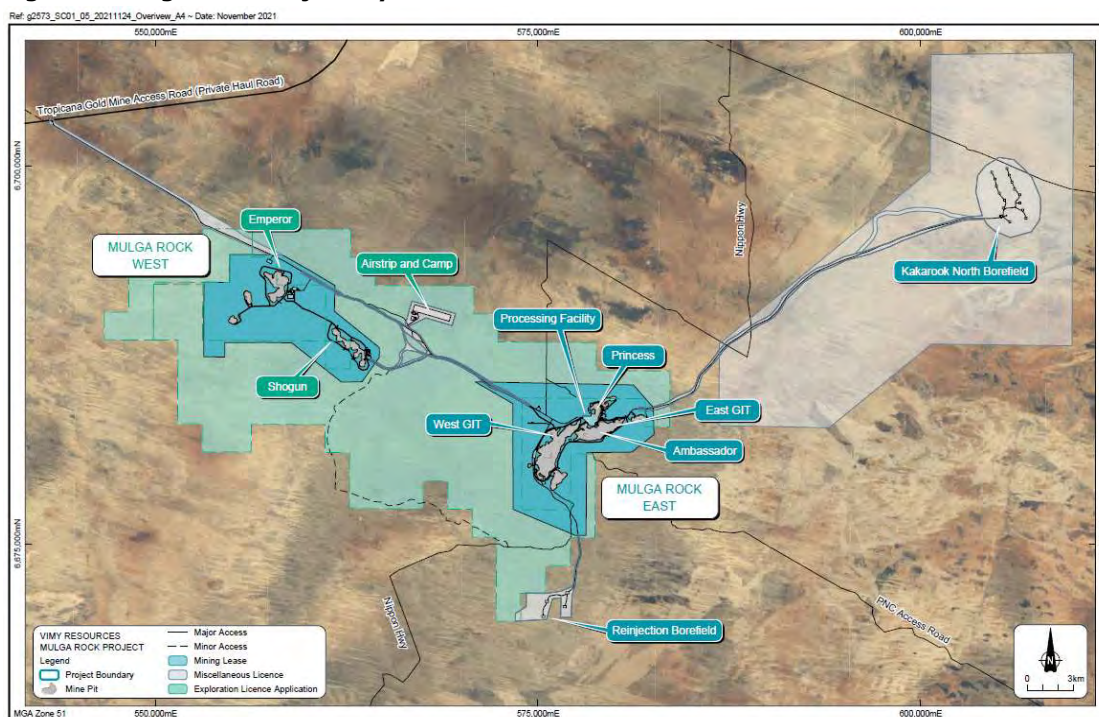
2.2 Summary of the major assets of Vimy

2.2.1 The Mulga Rock Project

With a resource base of 90.1 million pounds (**Mlb**) U_3O_8 , the wholly-owned Mulga Rock Project is the only project in Western Australia that has received key state and federal approvals, including those in relation to the project’s mining proposal, project management plan and conditional environmental management plans.

On 16 December 2021, the Australian Department of Water and Environment Regulation (**DWER**) confirmed that the project had achieved “substantial commencement” within the requisite five year period, a key requirement under the terms of the Ministerial Statement for implementation of the project.

Figure 1: Mulga Rock Project layout



Source: Vimy

The Mulga Rock Project is located 290 kilometres (**km**) by road east-northeast of Kalgoorlie in Western Australia and includes four mining areas referred to as the Ambassador, Princess, Shogun and Emperor mining areas. The total project area covers 656 square kilometres (**km²**) and comprises two granted mining leases, sixteen miscellaneous licences, two exploration licences, one retention licence and two prospecting licences. The details of the two granted mining licences are summarised in the table below.

Table 6: Mulga Rock granted mining leases

Type	Number	Grant date	Expiry date	Ownership
Mining lease	M39/1104	15-Apr-16	18-Oct-37	100%
Mining lease	M39/1105	15-Apr-16	18-Oct-37	100%

Source: Vimy 2021 Annual Report

Vimy completed an initial DFS in 2018 which was subsequently refreshed in 2020 to incorporate technological improvements and updated pricing. Under the 2020 DFS, the open pit mine is projected to produce 3.5 Mlb per annum of **U₃O₈** with an average run-of-mine (**ROM**) head grade of 768 U₃O₈ parts per million (**ppm**) per annum, over a 15-year life of mine (**LOM**) with total C1 costs⁵ over the LOM of US\$ 26 per lb of U₃O₈.

Mining operations will utilise a hybrid contract model and comprise a fleet of 32 heavy vehicles at peak production, including excavators, dozers, haul trucks, graders, overburden and mining trucks. As the overburden and ore primarily consist of unconsolidated sediments, the majority of mining will be free-dig, with limited drill and blast required.

Total development capital expenditure for the project was estimated at A\$ 393 million, approximately 35% of which relates to processing infrastructure, namely a beneficiation plant and hydrometallurgical process plant.

The project is accessible by road from Kalgoorlie allowing for the transportation of construction equipment and reagents. Proposed site infrastructure includes the onsite beneficiation and hydrometallurgical plant, together with a 358-room accommodation village, diesel-fired power station and private airport. Management expects to develop key onsite infrastructure between 2023 and 2025.

Saleable production is expected to be transported by road to the Port of Adelaide, which owns specialised storage and shipping facilities for U₃O₈ products, before being sold under long-term contracts. Management has held early discussions with potential uranium buyers in various countries, including the United States, however no formal agreements have been signed.

Vimy expects to complete a Bankable Feasibility Study (**BFS**) in 2023 to support a Final Investment Decision (**FID**) in the same year. If successful, construction will commence in 2023 with first production projected in 2025. As part of the BFS, management are investigating potential upside from an additional base metals plant to recover copper, zinc, nickel and cobalt, in addition to uranium processing.

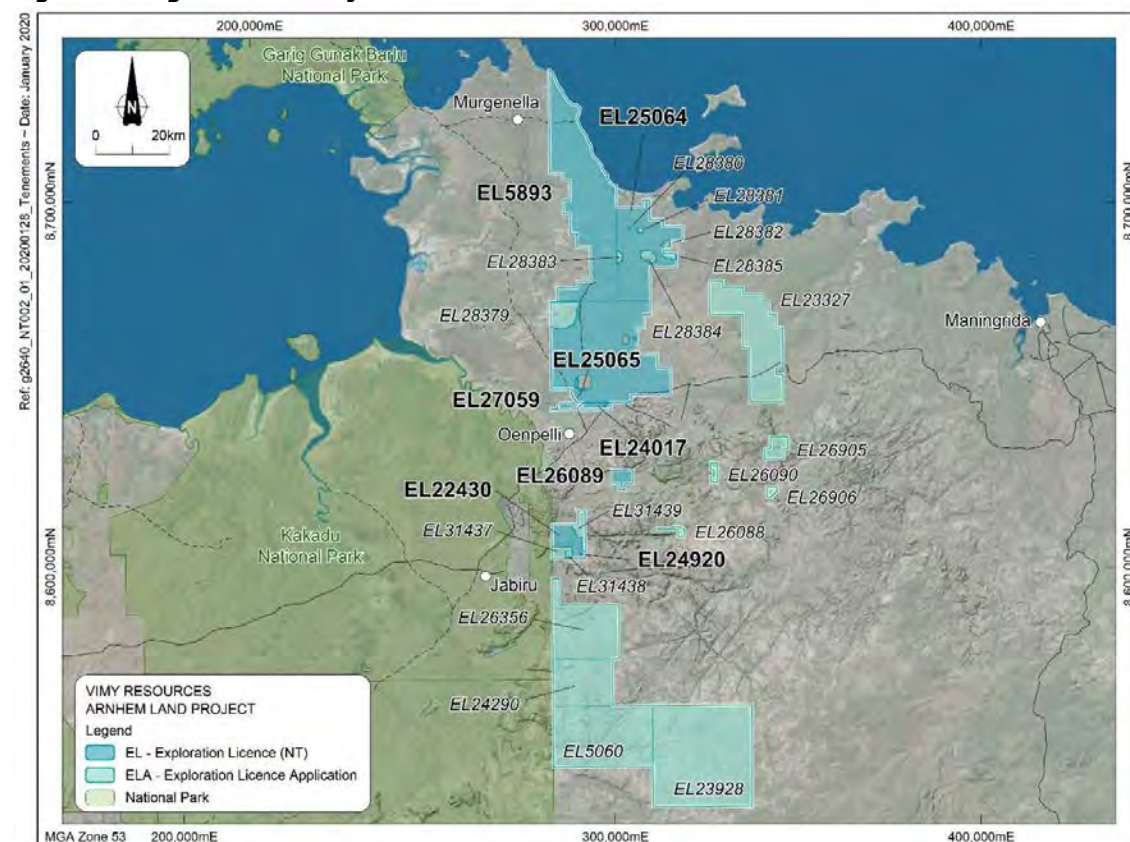
⁵ Cash operating cost as defined in DFS Refresh ASX announcement – released 26 August 2020

2.2.2 The Alligator River Project

The Alligator River Project is located approximately 300km east of Darwin in the Alligator River uranium province. This region is one of the top three uranium exploration districts in the world, contributing circa 50% of Australia's uranium resources. The Alligator River Project holds a significant, high-grade deposit with a maiden inferred resource of 25.9 Mlb for 0.91Mt U₃O₈, at 1.3% U₃O₈ (circa 13,000 U₃O₈ ppm).

The project's tenure covers a total area of 3,895km², including 1,701km² of granted exploration licenses over 8 defined tenements. The remaining tenure includes exploration applications covering over 2,172km².

Figure 2: Alligator River Project tenements



Source: Vimy

King River-Wellington Range Project (EL25064, EL25065, and EL5893)

The King River-Wellington Range Project covers over 1,600km² of granted exploration licences and hosts the Angularli deposit. The project was originally held via a joint venture between Cameco Australia Pty Limited (**Cameco**) and Rio Tinto Exploration Pty Limited (**RTX**), who owned 79.11% and 20.89%, respectively.

Vimy acquired Cameco's interest in July 2018 for A\$ 6.5 million in cash but agreed to provide Cameco with a Project Buyback Option (**PBO**) which gives Cameco the option to purchase any individual deposit within the tenement package where a 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**2012 JORC Code**) compliant mineral resource (comprising Measured and Indicated resources) of at least 100 Mlb U₃O₈ is defined for the project. The PBO must be exercised within four months of the release of a DFS for the project.

The price payable upon Cameco's exercise of the PBO is dependent on the size and classification of the mineral resource. Due to the magnitude of the resource threshold (which is greater than the resource base currently estimated for the Mulga Rock Project) and because the level of drilling is at Vimy management's discretion, we understand that a DFS could be progressed without triggering this threshold. The probability of the PBO being exercised is generally understood to be extremely low.

On 17 August 2021, Vimy acquired RTX's remaining interest for A\$ 2.0 million in exchange for scrip in Vimy plus a series of contingent payments described as follows:

- in the event that Vimy disposes of the interest within three years following the transaction settlement date at a higher price, RTX will receive 30% of any proportionate gain (**On Sale Payment**). The Proposed Scheme does not trigger this payment
- a uranium upside payment of A\$ 1.1 million (less any On Sale Payment) is payable if the average daily spot price of U_3O_8 exceeds US\$ 60 per lb over the last 180 days of the three-year period following the transaction settlement date.

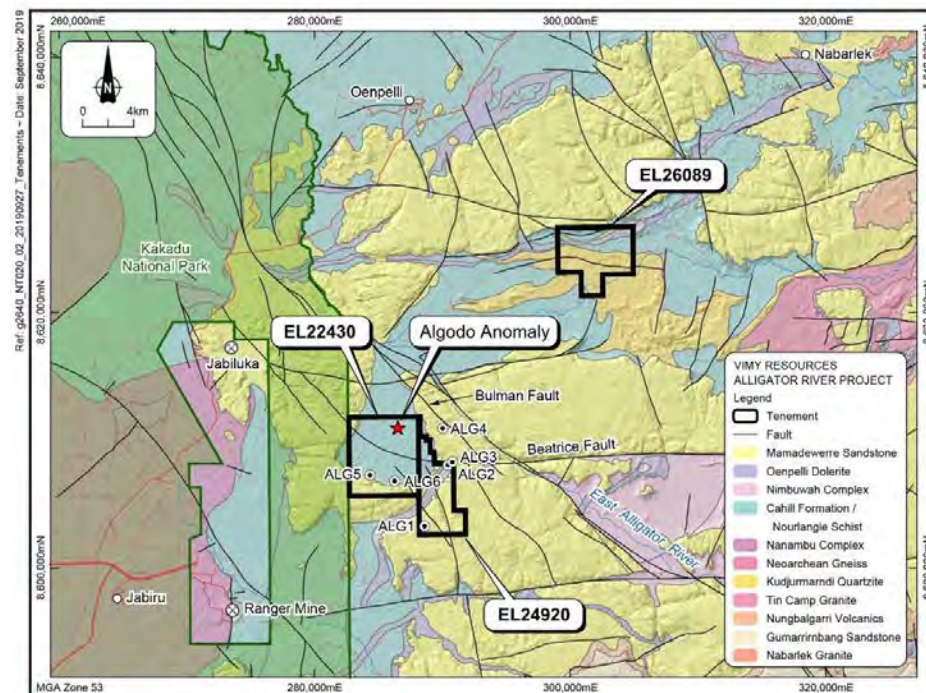
Since acquiring the deposit from Cameco, Vimy defined a maiden resource for the Angularli deposit (King River-Wellington Range Project) and completed a positive Scoping Study in 2018. The study considered a 36-month underground mining project to extract the Inferred resource for gross capital expenditure of between A\$ 150 million and A\$ 200 million. The positive results of the study supported further exploration and development of the project, however, site access to Arnhem Land has been limited since 2020 as a result of COVID-19. Management will commence a drilling program in June 2022 focusing on resource definition and extension drilling.

The tenements located on Aboriginal land are vested in the Arnhem Land Aboriginal Land Trust, managed by the Northern Land Council (**NLC**) on behalf of the traditional landowners. Deeds of Agreement for all granted tenure govern the terms of exploration activity as well as commercial terms and conditions for future mining activity, including future royalties payable on production and exploration spend. The current agreement with the NLC expires in two years' time however both parties are in discussions to extend the agreement at expiry.

East Alligator Group Project

The East Alligator Group Project covers three exploration licences in the Miking Valley (combined 77km²) granted in August 2019 and a secondary group of exploration applications to the east of the Ranger and Jabiluka deposits, under moderate sandstone cover. The project's total tenure covers approximately 500km² and is shown below.

Figure 3: East Alligator Group Project tenements



Source: Vimy

Mt Gilruth Project

The Mt Gilruth Project consists of a secondary group of tenement applications to the southeast of the Ranger and Jabiluka deposits covering a 1,690km² area.

2.2.3 The Kingston Project

The Kingston Project comprises five granted exploration licenses and one exploration licence application, which is considered prospective for base metals. The wholly owned project is located adjacent to the Mulga Rock Project and was acquired by Vimy in 2018.

2.3 Reserves and resources

The following tables summarise the current total attributable reserves and resources of Vimy which conform with the 2012 JORC Code.

Table 7: Vimy Reserve summary^{1,2}

Deposit/Resource	Classification	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	Total Metal U ₃ O ₈ (Mlb)
Mulga Rock East					
Ambassador	Proved	150	5.3	1,055	12.3
Ambassador	Probable	150	14.1	775	24.0
Princess	Probable	150	1.7	870	3.3
Sub-total	Probable		21.1	850	39.6
Mulga Rock West					
Shogun	Probable	150	1.6	760	2.7
Total		150	22.7	845	42.3

Source: Vimy 2021 Annual Report

Notes:

1. Values may not add due to rounding
2. Carried out in accordance with the principles of the 2012 JORC Code and based on the "Major Ore Reserve Update" released to the ASX on 4 September 2017

Table 8: Vimy Resource summary¹

Deposit/Resource	Classification	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	Total Metal U ₃ O ₈ (Mlb)
Mulga Rock East					
Ambassador	Measured	150	5.2	1,100	12.6
Ambassador	Indicated	150	14.8	800	26.0
Ambassador	Inferred	150	14.2	420	13.1
Princess	Indicated	150	2.0	820	3.6
Princess	Inferred	150	1.3	420	1.2
Sub-total			37.4	680	56.4
Mulga Rock West					
Emperor	Inferred	150	30.8	440	29.8
Shogun	Indicated	150	2.2	680	3.2
Shogun	Inferred	150	0.9	290	0.6
Sub-total			33.8	450	33.6
Alligator River Project					
Angularli	Inferred	0.15%	0.9	1.3%	25.9
Subtotal		0.15%	0.9	1.3%	25.9

Source: Vimy 2021 Annual Report

Note:

1. Values may not add due to rounding

2.4 Capital structure and ownership

Vimy currently has 1,158.5 million ordinary shares on issue. In addition, there are 9.2 million options and 3.5 million Performance Rights, as shown below:

Table 9: Options and Performance Rights at 7 April 2022

Instrument	Expiry date	Exercise price (\$A)	Number
Performance Rights	23/03/2025 ¹	n/a ²	3,500,000
Options	31/07/2022	0.082	9,192,333
Total			12,692,333

Source: Scheme Booklet, Section 5.7

Notes:

- Performance Rights expire three years after grant date (shareholder acceptance date on 23 March 2022)
- Performance Rights are granted in four separate tranches with both market and non-market milestones including completion of the BFS for the Mulga Rock Project, announcement of FID, closing share price of Vimy reaching A\$ 0.285, and a market capitalisation milestone of A\$ 411.4 million

The substantial shareholders in Vimy are set out in the table below:

Table 10: Substantial shareholders

Name	Shares (millions)	% Shares
1 Paradise Investment Management Pty Ltd	79.33	6.8
2 Lexband Pty Ltd	62.98	5.4

Source: Scheme Booklet, Section 5.7

In the absence of the Proposed Scheme, Vimy will need to fund future capital requirements via external capital as its projects are all in a development (or earlier) stage. The company last raised A\$ 17 million via an equity placement to institutional and sophisticated investors on 16 March 2022. The placement was at A\$ 0.17 per share, a 24.4% discount to the previous closing price⁶ prior to the announcement of the placement.

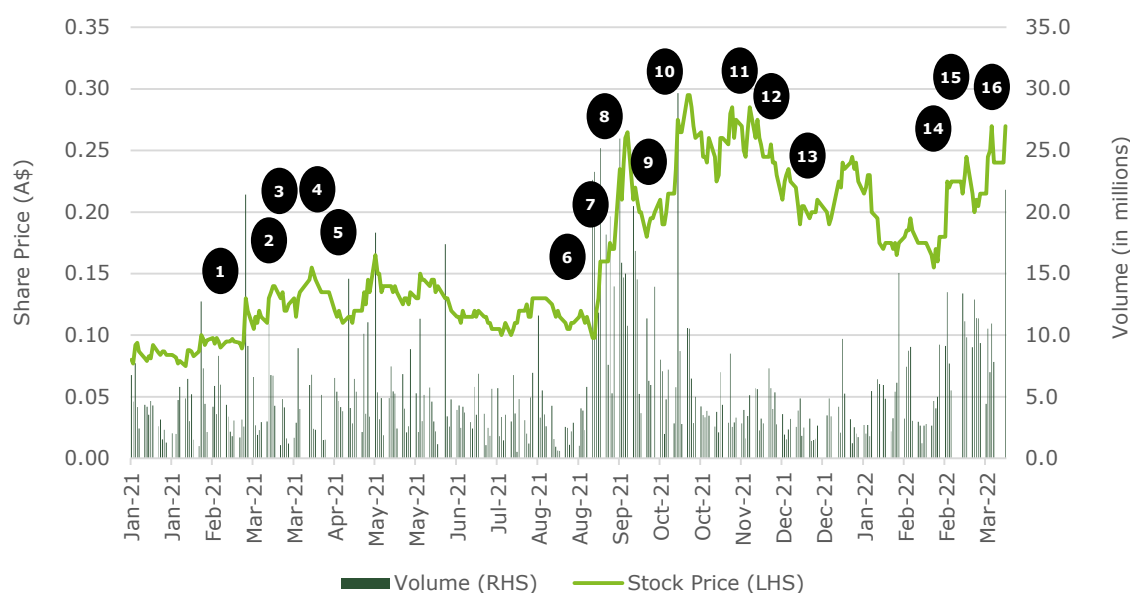
⁶ A\$ 0.225 on 3 March 22

The equity placement is expected to fully fund Vimy's operations through to June 2023, including the completion of a BFS at the Mulga Rock Project and a drilling program at Alligator River. These work programs will enable Vimy to reach FID for the Mulga Rock Project which will be followed by development capital expenditure of A\$ 393 million. Development capital expenditure is expected to be funded through a combination of further equity raisings and debt financing.

2.5 Share price performance

The figure below sets out trading in Vimy's shares since 1 January 2021.

Figure 4: Vimy Share Price



Source: Capital IQ, ASX announcements

Key market activity and announcements from the figure above are summarised in the following table.

Table 11: Key Vimy Events

Reference	Date	Commentary
1	4-Feb-2021	Vimy released an update on the potential upside of by-product credits from a base metals processing circuit at the Mulga Rock Project
2	10-Mar-2021	Vimy announced a binding term sheet with RTX to acquire RTX's 20.89% interest in the Wellington Range and King River Joint Venture
3	12-Mar-2021	Vimy released its half year results to 31 December 2020 highlighting operating losses of A\$ 3.7 million (2019: A\$ 3.8 million) and a closing cash balance of A\$ 4.3 million
4	8-Apr-2021	Vimy announced that DWER had approved the Above Ground Tailings Storage Facility Monitoring and Management Plan. This was the final requirement to secure approval of the environmental management plans
5	19-Apr-2021	Vimy announced it had received commitments for an A\$ 18.5 million placement from sophisticated and institutional investors at an 18.5% discount to the last close price of A\$ 0.135 on 14 April 2021. The funds were proposed for use on Mulga Rock Project works, Alligator River Project exploration and general working capital strength
6	17-Aug-2021	Vimy announced that it had completed the acquisition of the 20.89% interest in the Alligator River Project in the Northern Territory (previously announced on 10 March 2021)
7	27-Aug-2021	Vimy announced that the Western Australian Department of Mines Industry Regulation and Safety (DMIRS) had approved the Mulga Rock Project Management Plan, one of three Western Australian Government departmental approvals required to implement the project
8	6-Sep-2021	Vimy released an update on the results from the metallurgical optimisation test work on an alternative ion exchange resin for the Mulga Rock Project. The update suggested the new resin could increase recoveries under the DFS
9	30-Sep-2021	Vimy released its 2021 annual results, highlighting a net asset position of A\$ 28.5 million (2020: A\$ 8.3 million) and a cash position of A\$ 24.1 million

Reference	Date	Commentary
10	1-Oct-2021	Vimy announced that DMIRS approved the Mulga Rock Mining Proposal and Associated Mine Closure Plan on 29 September 2021
11	18-Nov-2021	Vimy announced that it had received unsolicited approaches from a number of parties and subsequently initiated a strategic review process to assess opportunities and de-risk the Mulga Rock Project
12	19-Nov-2021	Vimy announced that it had, for a variety of reasons, rejected an offer from Deep Yellow Limited for a merger via a scheme of arrangement
13	16-Dec-2021	Vimy announced that DWER has formally confirmed that Vimy has achieved "substantial commencement" at the Mulga Rock Project
14	9-Mar-2022	Vimy announced that it has received commitments for an A\$ 17 million placement from sophisticated and institutional investors at a 24.4% discount to market price. The funds are to be used to complete a BFS at for the Mulga Rock Project, advancing pre-development site works at the Mulga Rock Project and a drilling program at the Alligator River Project
15	11-Mar-2022	Vimy released its half year results to 31 December 2021, highlighting operating losses of A\$ 3.8 million (2019: A\$ 3.7 million) and a cash balance of A\$ 16.2 million
16	31-Mar-2022	Announcement of the Proposed Scheme

Source: ASX announcements, Deloitte Corporate Finance analysis

Liquidity on the ASX (represented by the daily volume traded on the ASX compared to the shares on issue for Vimy) for the twelve months prior to the announcement of the Proposed Scheme was approximately 138% of total shares outstanding. The following table sets out the share market trading in Vimy prior to the announcement of the Proposed Scheme.

Table 12: Analysis of share trading in Vimy

	Low (A\$)	High (A\$)	VWAP (A\$)	% volume traded
Prior to the announcement of the Proposed Scheme				
7 days	0.215	0.270	0.242	4.3%
14 days	0.200	0.270	0.227	9.2%
21 days	0.200	0.270	0.226	12.0%
30 days	0.160	0.270	0.218	16.6%

Source: Deloitte Corporate Finance analysis, S&P CapitalIQ

2.6 Financial performance

Vimy's financial performance for the financial years (FY) ended 30 June 2020, 30 June 2021 and the half year (HY) ended 31 December 2021 is summarised below.

Table 13: Historical financial performance

A\$ '000	Audited FY20	Audited FY21	Reviewed HY21
Other income	793	310	28
Exploration and evaluation expenditure	(2,714)	(3,062)	(2,074)
Corporate and administrative expenses	(2,639)	(2,632)	(1,496)
Sales and marketing expenses	(495)	(307)	(215)
Financing expenses	(633)	(528)	(12)
Share based payments expense	(609)	(650)	(72)
Loss before income tax	(6,297)	(6,869)	(3,841)
Income taxes	-	-	-
Loss attributable to members of the Company	(6,297)	(6,869)	(3,841)

Source: Vimy 2021 Annual Report, Vimy Half Year Report for the period ended 31 December 2021

Key observations on recent financial performance are as follows:

- other income decreased from A\$ 0.8 million in FY20 to A\$ 0.3 million in FY21 and relates to research and development tax incentive grants and exploration grants received during these years. For the HY21, other income related to interest income only
- exploration and evaluation expenditure increased from A\$ 2.7 million in FY20 to A\$ 3.1 million in FY21 driven by the increase in exploration and evaluation expenditure incurred largely on the Mulga Rock Project. For the HY21, exploration and evaluation expenditure was A\$ 2.1 million
- sales and marketing expenses relate to uranium market research. Corporate and administrative expenses predominantly relate to corporate overheads including management and head office costs. We understand that, as the Mulga Rock Project progresses development, the company will need to invest significantly in the management team, projecting an increase in these costs to A\$ 4.2 million by 2023
- share based payment expenses relate to the issue of options and Performance Rights to employees under the company's incentive plan policies.

2.7 Financial position

Vimy's financial position as at 30 June 2020, 30 June 2021 and 31 December 2021 is summarised below:

Table 14: Historical financial position

A\$ '000	Audited 30-Jun-20	Audited 30-Jun-21	Reviewed 31-Dec-21
Current assets			
Cash and cash equivalents	7,182	24,061	16,239
Trade and other receivables	391	290	836
Prepayments	170	58	95
Total current assets	7,743	24,409	17,170
Non-current assets			
Trade and other receivables	356	356	356
Right of Use Assets	397	306	259
Plant and equipment	87	59	9,685
Exploration and evaluation	5,788	5,788	7,887
Total non-current assets	6,628	6,509	18,188
Total assets	14,372	30,917	35,357
Current liabilities			
Trade and other payables	2,305	792	5,180
Provisions	276	301	177
Total current liabilities	2,581	1,093	5,357
Non-current liabilities			
Trade and other payables	2,605	226	179
Provisions	907	1,060	2,486
Total non-current liabilities	3,512	1,286	2,665
Total liabilities	6,094	2,379	8,022
Net assets	8,278	28,538	27,335

Source: Vimy 2021 Annual Report, Vimy half year report for the period ended 31 December 2021.

Key observations on Vimy's recent financial position are as follows:

- Vimy had a net asset position as at 31 December 2021 of A\$ 27.3 million and a net working capital position (current assets less current liabilities) of A\$ 11.8 million
- cash increased from A\$ 7.2 million as at 30 June 2020 to A\$ 24.1 million as at 30 June 2021 following the A\$ 18.5 million in cash raised in April 2021 via a private placement to sophisticated and institutional investors. Subsequently, in May 2021, Vimy raised an additional A\$ 9.0 million via a share purchase plan to eligible shareholders at A\$ 0.11 per share.
- plant and equipment of A\$ 9.7 million as at 31 December 2021 predominantly relates to capitalised mine development for the Mulga Rock Project's early works program
- exploration and evaluation expenditure totalled A\$ 7.9 million as at 31 December 2021, an increase of A\$ 2.1 million from 30 June 2021 due to the acquisition of the remaining 20.89% interest in the Wellington Range-King River Project from RTX. As part of the acquisition, Vimy agreed to additional contingent payments (discussed in Section 2.2.2). Vimy has not recognised any liabilities for these contingent payments as at 31 December 2021
- provisions of A\$ 2.5 million as at 31 December 2021 predominantly relate to rehabilitation provisions at the Mulga Rock Project and the Alligator River Project.

3 Profile of Deep Yellow

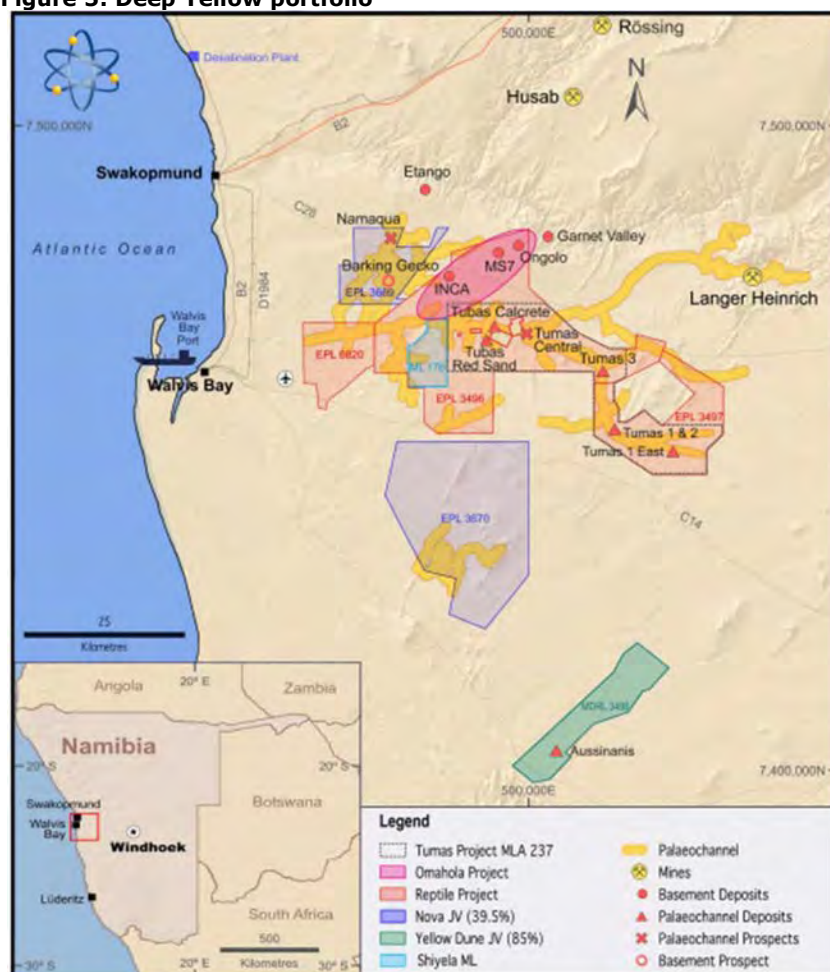
3.1 Overview

Deep Yellow is a resource development company focused on the exploration and development of uranium projects in Namibia. Deep Yellow was incorporated in 1985 and listed in the same year as Julia Mines NL before ultimately changing its name to Deep Yellow Limited in 2003. The company's headquarters are located in Subiaco, Western Australia.

The key assets of Deep Yellow comprise:

- the Tumas Project is a 95%⁷ owned uranium project currently in the process of finalising a DFS. It is located in a historically prospective region in Namibia near-adjacent to the Langer Heinrich uranium operation, which has historically produced circa 5.0 Mlb U₃O₈ per annum prior to it being placed on care and maintenance in 2018 due to the pricing environment at the time; and
- an exploration pipeline comprising multiple exploration tenements in the areas surrounding the Tumas Project, owned through various joint ventures.

Figure 5: Deep Yellow portfolio



Source: Deep Yellow

⁷ Deep Yellow currently owns 100% of Tumas. Oponona Investments (Pty) Limited holds an option to acquire a 5% interest in the Project but this has yet to be exercised

3.2 Summary of the major assets of Deep Yellow

3.2.1 The Tumas Project

Deep Yellow owns an effective 95% interest in the Tumas Project, which is located 80km north-east of Walvis Bay in Namibia, in the Namib Desert, a highly prospective region near three large scale producing uranium projects.

The project comprises five deposits: Tumas 1, Tumas 1 East, Tumas 2, Tumas 3 and Tubas. Combined, these deposits hold a mineral reserve of 68.4 Mlb U_3O_8 at 345 U_3O_8 ppm and a mineral resource of 132.7 Mlb U_3O_8 at 253 U_3O_8 ppm.

The total project area covers 830km² over two exclusive prospecting licences (**EPL**). The details are summarised in the table below:

Table 15: Deep Yellow granted tenements – Tumas Project

Type	Number	Grant date ¹	Expiry date	Ownership
EPL	3496	8 Dec 21	8-Dec-23	95%
EPL	3497	15 Dec 21	15-Dec-23	95%

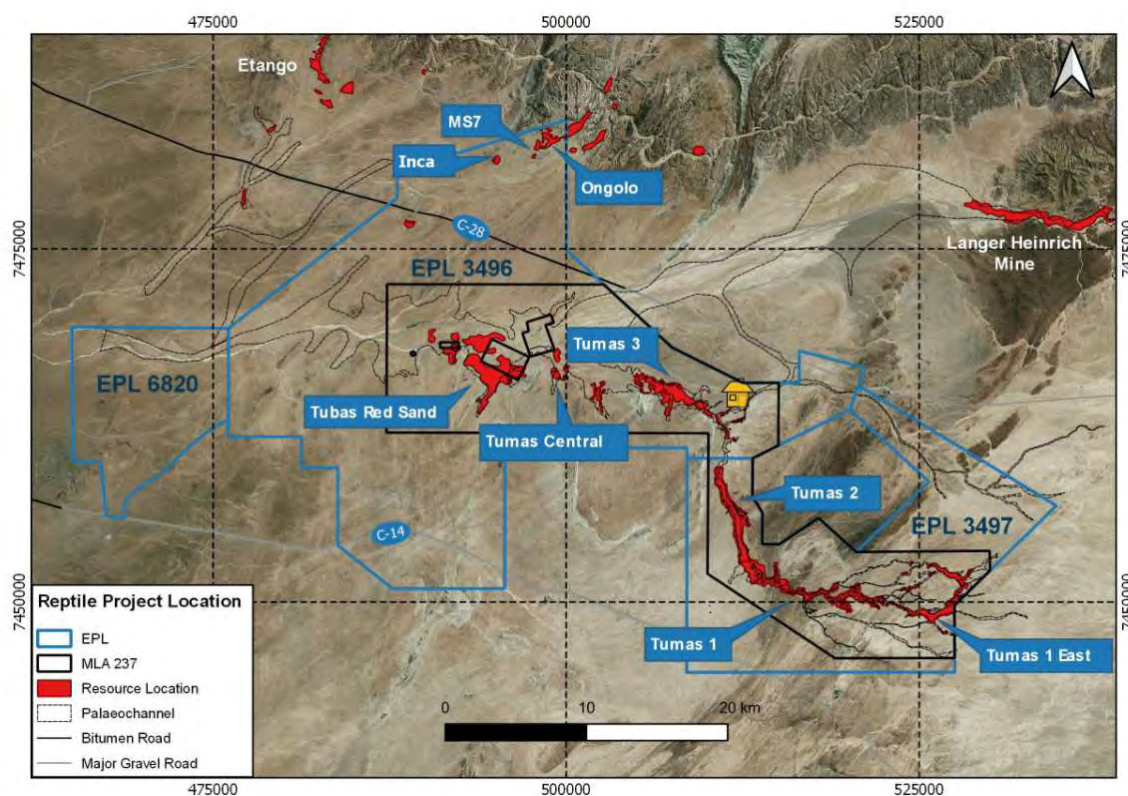
Source: Deep Yellow March 2022 Quarterly Activities Report

Note:

1. Grant date reflects latest renewal application date.

In July 2021, Deep Yellow filed a Mining Licence Application (**MLA**) with the Namibian Ministry of Mines and Energy (**MME**) for the Tumas Project. In order for the MLA to be approved, the MME will require submission of a DFS and an Environmental Clearance Certificate, the latter resulting from the lodgement and acceptance of an Environmental Management Plan and an Environmental Impact Assessment (**EIA**) which is currently well advanced. Management expect the total approval process will require approximately 18 months to complete and is due for finalisation at the end of calendar year (**CY**) 2022.

Figure 6: Deep Yellow – Tumas Project tenements



Source: Deep Yellow

Following a positive Scoping Study in 2020, Deep Yellow completed a pre-feasibility study (PFS) in 2021. According to the PFS, the project is projected to produce 2.5 Mlb U_3O_8 at 344 U_3O_8 ppm per annum over a 11.5 year LOM, with total C1 costs over the LOM of US\$ 27.28⁸ per lb U_3O_8 . In October 2021, Deep Yellow announced a 121% reserve upgrade following a DFS resource upgrade drilling program, announcing an extension to the LOM to 25.75 years in February 2022.

Mining operations will likely be outsourced to a local contractor and comprise a mining fleet of 47 vehicles, including excavators, loaders, dump trucks, dozers and graders. Mining is expected to be undertaken using conventional open-pit mining on a day shift only.

Total development capital expenditure for the project is estimated at US\$ 291 million, US\$ 265.7 million of which relates to processing infrastructure, namely a beneficiation plant and hydrometallurgical process plant. The project will also produce vanadium via beneficiation and refining which is expected to reduce C1 costs by circa US\$ 2.32 per lb U_3O_8 .

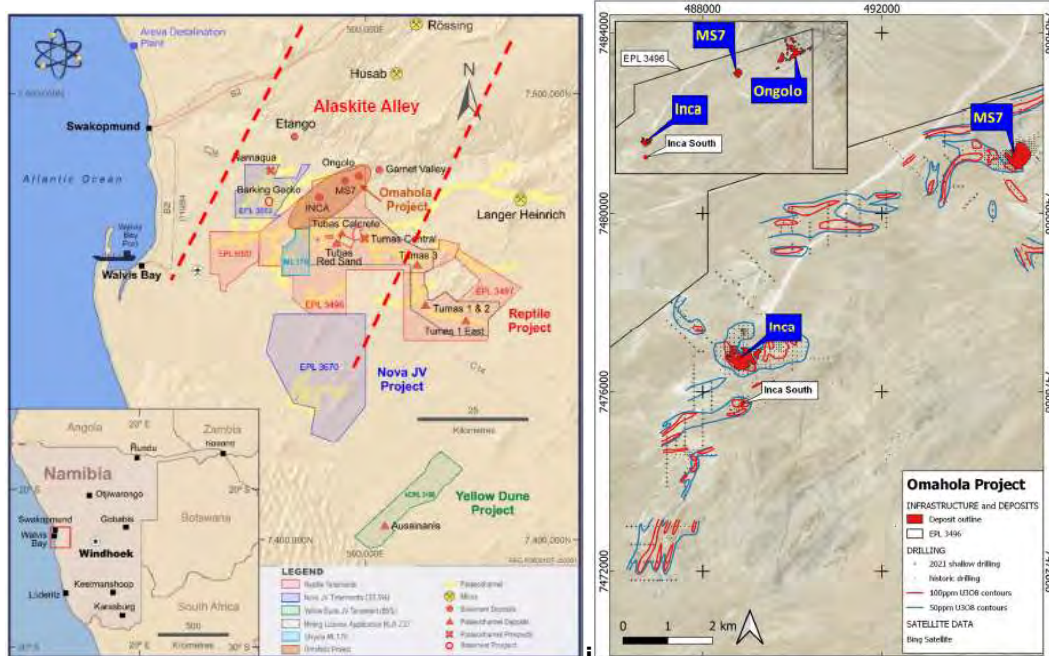
The project site is accessible via an 80km road from the Walvis Bay port, which also supports air travel from limited destinations. Saleable product will be exported from the port, which has facilitated the export of uranium from Namibia and Malawi since 1976.

Deep Yellow has commenced a DFS, which is expected to be completed during the second half of 2022. Following a successful DFS, management expect to proceed to FID in 2023 with construction to begin at the end of 2023 and first production expected between 2025 and 2026, depending on prevailing uranium prices.

3.3 Exploration pipeline

Omahola Project

Figure 7: Deep Yellow – Omahola Project Location



Source: ASX announcement: "New Potential Basement Uranium Discoveries at Omahola", released 22 December 2021

The wholly owned Omahola Project comprises the Ongolo, MS7 and Inca deposits. The project has defined a resource base of 125.3 Mlb at 190 U_3O_8 ppm, which was most recently upgraded in November 2021.

⁸ Inclusive of credit for vanadium by product sales. This was subsequently improved to US\$ 27.64 per lb as a result of work performed under the DFS per ASX announcement dated 3 February 2022.

Deep Yellow commenced a follow-up drilling program in March 2022 to potentially extend the Ongolo deposit. This program is expected to be completed in 2022.

Reptile Exploration Project

Deep Yellow owns an effective 95% interest in the Reptile Exploration Project which includes all exploration outside of MLA 237 on EPLs 3496, 3497 and 6820.

Nova Joint Venture

The Nova Project is a joint venture between Deep Yellow (39.5% operating interest, held via its subsidiary Reptile Mineral Resources and Exploration (Proprietary) Limited (**RMR**), Nova Energy (Africa) Pty Ltd (15%), Sixzone Investments Pty Limited (6%), being a free carried interest, and Japan Oil, Gas and Metal National Corporation (**JOGMEC**). JOGMEC completed an earn-in to acquire its 39.5% interest in the project in October 2021 by contributing A\$ 4.5 million in exploration and development expenditure.

The project consists of two EPLs (EPL3669 and EPL3670) covering a total of 599km². The EPLs were initially granted by the Namibian MME on 21 November 2006 and were most recently renewed for a two year term until 30 March 2022. Management have submitted their application for a renewal but are waiting for a response from the MME. It is not uncommon for renewal delays and, as Deep Yellow have met all commitments for the EPLs, management consider this to be purely an administrative delay.

Barking Gecko is the main prospect of the Nova Joint Venture and is located within EPL 3369. Phase 2 of the 10-hole drilling program was completed in April 2022, the results of which indicated substantial mineralisation exists, however it did not replicate high grades from the previous drilling program.

Aussinanis Project

Deep Yellow holds an 85% interest in the Aussinanis Project, located approximately 100 km south-southwest of Swakopmund, Namibia, within EPL 3498. The project has defined a resource base of 18.0Mlb U₃O₈ at 237 U₃O₈ ppm.

In January 2020, Deep Yellow secured a Mineral Deposit Retention Licence (**MDRL**) for the project which expires on 5 January 2025.

Shiyela Iron Ore Project

On 22 October 2021, Deep Yellow announced an option agreement to sell its 95% owned Shiyela Iron Ore Project to HyIron Green Technologies (Pty) Limited (**HyIron**). The agreement is between Deep Yellow's Namibian subsidiary, RMR, and Oponona Investments (Pty) Limited (holding 95% and 5%, respectively, of Shiyela) and HyIron. The non-core project comprises ML 176 which was granted in 2012.

The terms of the option agreement are as follows:

- RMR received US\$ 95,000⁹ for a 12-month exclusive option to purchase the interest with an option to extend for a further six months for US\$ 47,500; and
- the purchase price will be US\$ 5.0 million if the price of 62% iron ore Fines (**Fe62 Fines**) is trading above US\$ 250 per tonne at the end of the exclusivity period. If the Fe62 Fines is trading below US\$ 100 per tonne, the purchase price will be US\$ 3.0 million. If the Fe62 Fines price is between these thresholds, the purchase price will be adjusted linearly.

Deep Yellow has received a request from HyIron to extend the option period a further six months, which has been agreed in principle but remains subject to the relevant formal requirements.

⁹ Based on its 95% effective interest

3.4 Reserves and resources

The following tables summarise the current total reserves and resources of Deep Yellow which conform with the 2012 JORC Code.

Table 16: Deep Yellow – Reserve summary¹

Deposit/Resource	Classification	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	Total Metal U ₃ O ₈ (Mlb)
Tumas					
Tumas 1&2	Probable	150	14.5	272	8.9
Tumas 1 East	Probable	150	29.5	267	17.4
Tumas 3	Probable	150	46.3	412	42.1
Total	Probable		89.9	345	68.4

Source: Deep Yellow 2021 Annual Report and ASX announcements

Note

1. Values may not add due to rounding

Table 17: Deep Yellow – Resource summary¹

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	Total U ₃ O ₈ (Mlb)
Basement Mineralisation					
Omahola Project - JORC 2012					
Inca Deposit	Indicated	100	21.4	260	12.3
Inca Deposit	Inferred	100	15.2	290	9.7
Ongolo Deposit	Measured	100	47.7	187	19.7
Ongolo Deposit	Indicated	100	85.4	168	31.7
Ongolo Deposit	Inferred	100	94.0	175	36.3
MS7 Deposit	Measured	100	18.6	220	9.1
MS7 Deposit	Indicated	100	7.2	184	2.9
MS7 Deposit	Inferred	100	8.7	190	3.7
Omahola Project Sub-Total			298.2	190	125.3
Calcrete Mineralisation Tumas 3 Deposit - JORC 2012					
Tumas 3 Deposit	Indicated	100	78.0	320	54.9
Tumas 3 Deposit	Inferred	100	10.4	219	5.0
Tumas 3 Deposit Total			88.3	308	59.9
Tumas 1, 1 East & 2 Project - JORC 2012					
Tumas 1&2 Project Deposit	Indicated	100	54.1	203	24.2
Tumas 1&2 Project Deposit	Inferred	100	54.0	250	29.8
Tumas 1&2 Project Total			108.1	226	54.0
Sub-Total of Tumas 1,2 and 3			196.4	263	113.9
Tubas Red Sand Project - JORC 2012					
Tubas Sand Deposit	Indicated	100	10.0	187	4.1
Tubas Sand Deposit	Inferred	100	24.0	163	8.6
Tubas Red Sand Project Total			34.0	170	12.7
Tubas Calcrete Resource - JORC 2004					

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	Total U ₃ O ₈ (Mlb)
Tubas Calcrete Deposit	Inferred	100	7.4	374	6.1
Tubas Calcrete Deposit Total			7.4	374	6.1
Aussinanis Project - JORC 2004					
Aussinanis Deposit	Indicated	150	5.6	222	2.7
Aussinanis Deposit	Inferred	150	29.0	240	15.3
Aussinanis Project Total			34.6	237	18.0
Calcrete Project Sub-Total			272.4	251	150.7
Grand Total Resources			570.6	219	276.0

Source: Deep Yellow 2021 Annual Report and ASX announcements

Note:

1. Values may not add due to rounding

3.5 Capital structure and ownership

Deep Yellow currently has 387.2 million ordinary shares on issue along with 0.4 million Performance Rights and 0.6 million options¹⁰ expiring between 1 July 2024 and 1 July 2028, as shown below:

Table 18: Deep Yellow – options and Performance Rights at 11 March 2022

Instrument	Expiry date	Exercise price (\$A)	Number
Performance Rights	Various ¹	nil	402,688
Options:			
Tranche 1	1/07/2024	nil	277,779
Tranche 2	1/07/2025	nil	225,323
Tranche 3	1/07/2026	nil	44,444
Tranche 4	1/07/2027	nil	44,444
Tranche 5	1/07/2028	nil	44,445
Total Options			636,435
Total			1,039,123

Source: ASX announcement: "Application for quotation of securities", released 11 March 2022

Note:

1. Performance rights vest at the Board's discretion and is dependent on whether performance hurdles have been satisfied.

The substantial shareholders in Deep Yellow are set out in the table below:

Table 19: Substantial shareholders

	Name	Shares (million)	% Shares
1	Paradice Investment Management Pty Ltd	30.50	7.9
2	Collines Investments Limited	28.94	7.5

Source: Scheme Booklet, Section 6.9

Deep Yellow will need to fund future capital requirements via external capital as the company's projects are all in a development (or earlier) stage. The company last raised A\$ 40.8 million via an equity placement to institutional and sophisticated investors on 18 February 2021. The placement was at A\$ 0.65 per share, a 23.1% discount to the previous closing price prior to the announcement of the placement¹¹. It also raised A\$ 2.0 million via a share purchase plan on 23 March 2021 at the same price, and the exercise of listed options has raised A\$ 30.8 million between their issuance in June 2017 through to expiry in October 2021.

¹⁰ Options have a strike price of nil

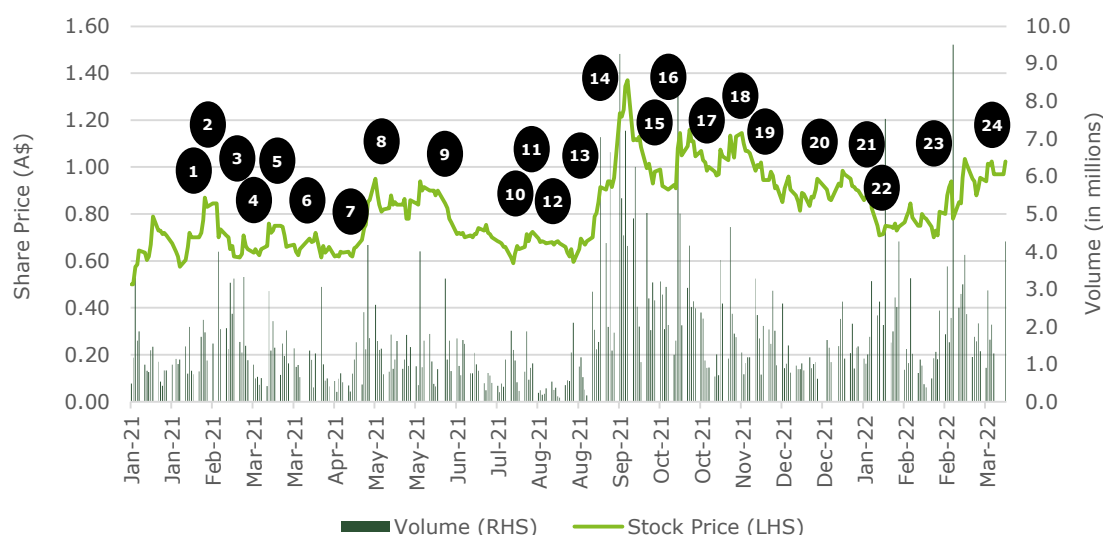
¹¹ A\$ 0.845 per share as at 15 February 2021

Funds on hand are expected to fully fund Deep Yellow's operations through to the end of 2024, including the completion of a DFS for the Tumas Project and FID. The project will require development capital expenditure of A\$ 477 million¹². Development capital expenditure is expected to be funded through a combination of further equity raisings and debt financing. Any development decisions are dependent on the prevailing uranium price.

3.6 Share price performance

The figure below sets out trading in Deep Yellow since 1 January 2021.

Figure 8: Deep Yellow – Share price performance



Source: S&P Capital IQ, ASX announcements

Key market activity and announcements from the figure above are summarised in the following table.

Table 20: Deep Yellow – key events since February 2021

Reference	Date	Commentary
1	10-Feb-2021	Deep Yellow announced completion of a PFS for the Tumas Project and that the Board had decided to proceed directly to a DFS
2	11-Feb-2021	Deep Yellow announced that it had commenced the infill drilling program at the Tumas Project to support key DFS objectives
3	12-Feb-2021	Deep Yellow released an update of the drilling program at the Barking Gecko Project. The update highlighted that the early results confirmed perspective for alaksite-type basement deposits
4	18-Feb-2021	Deep Yellow announced that it had received commitments to raise approximately A\$ 40.8 million at A\$ 0.65 per share, a 23.1% discount to the previous closing price prior to the announcement. The funds were to be used on completion of the Tumas DFS, ongoing exploration and advancing targeted mergers and acquisition (M&A) opportunities. The company announced an additional A\$ 2 million would be raised through a share purchase plan
5	5-Mar-2021	Deep Yellow released its half year results to 31 December 2020 which highlighted the key developments on the positive PFS leading to the commencement of the DFS
6	23-Mar-2021	Deep Yellow announced that there was a substantial oversubscription of the share purchase plan opened on 25 February 2021
7	20-Apr-2021	Deep Yellow announced that, following the Reverse Circulation (RC) drilling at Barking Gecko completed on 30 March 2021, that two highly prospective zones were identified with mineralisation open to the southeast/east and at depth of up to 206m
8	5-May-2021	Deep Yellow announced positive drilling results in the first phase of the DFS. The announcement indicated that a mineral resource estimate update was expected in late May as Phase 2 drilling commenced
9	8-Jun-2021	Deep Yellow announced that resource upgrade drilling had commenced at Tumas 3 West with an updated mineral estimate for the Tumas 3 deposit expected in late June

¹² US\$ 333 million as per PFS Reserve Update announcement on 3 February 2022. Converted to A\$ based on 5-day average A\$:US\$ rate as at 19 May 2022 of 0.698

Reference	Date	Commentary
10	27-Jul-2021	Deep Yellow announced that the Tumas Project MLA was officially lodged with the Namibian MME. The MME would commence the engagement process to grant the MLA and the process was expected to be completed within 18 months
11	29-Jul-2021	Deep Yellow released an update on the DFS drilling program at Tumas 3. The Company highlighted that the drilling delivered a 117% direct conversion of the existing inferred mineral resource to indicated mineral resource category. This indicated mineral resource increase of 26.5Mlb represents 124% of existing Inferred Mineral Resource
12	5-Aug-2021	Deep Yellow released drilling results at Barking Gecko, highlighting that uranium mineralisation was found
13	19-Aug-2021	Deep Yellow announced that it had completed the DFS drilling program at Tumas with positive results
14	2-Sep-2021	Deep Yellow announced that the Tumas Project delivered positive indicated mineral resource figures with the Tumas DFS drill program providing a high level of confidence in achieving a LOM of 20+ years
15	5-Oct-2021	Deep Yellow released an update on the Tumas DFS project highlighting that Tumas Probable ore reserves increased by 121%. In addition, the company highlighted that significant potential exists to further increase the LOM
16	7-Oct-2021	Deep Yellow announced that its focus remains to complete the current DFS, however that exploration could start on the next major exploration target, the Omahola Project
17	19-Oct-2021	Deep Yellow announced that Phase 1 drilling at Barking Gecko had been completed with encouraging results
18	4-Nov-2021	Deep Yellow announced that it has upgraded the Mineral Resource Estimate from JORC (2004) to JORC (2012) for the Omahola Project and commenced exploration to unlock further value at the Omahola Project, a Reptile basement exploration target
19	19-Nov-2021	Deep Yellow announced that the proposal to the Board of Directors of Vimy to merge both companies by way of scheme of arrangement was rejected for various reasons
20	22-Dec-2021	Deep Yellow announced that it has identified prospective targets at Omahola for immediate drilling
21	18-Jan-2022	Deep Yellow released Phase 2 drilling at Barking Gecko was completed on 15 December 2021 with positive results
22	21-Jan-2022	Deep Yellow released its December 2021 Quarterly Activities report highlighting the strong cash balance of A\$ 72 million with an additional A\$ 22 million raised through the exercise of options
23	8-Mar-2022	Deep Yellow announced that it had commenced Phase 1 drilling at the Omahola Project which is expected to be completed by June 2022
24	31-Mar-2022	Announcement of the Vimy and Deep Yellow Proposed Scheme

Source: ASX announcements, Deloitte Corporate Finance analysis

Liquidity on the ASX (represented by the daily volume traded on the ASX compared to the shares on issue for Deep Yellow) for the twelve months prior to the announcement of the Proposed Scheme was approximately 125%. The following table sets out the share market trading in Deep Yellow both prior to and post the announcement of the Proposed Scheme.

Table 21: Deep Yellow – analysis of trading in shares

	Low (A\$)	High (A\$)	VWAP (A\$)	% volume traded
Prior to the announcement of the Proposed Scheme				
7 days	0.940	1.025	0.996	2.6%
14 days	0.880	1.025	0.971	5.0%
21 days	0.780	1.035	0.916	10.6%
30 days	0.710	1.035	0.897	14.3%
Post the announcement of the Proposed Scheme				
49 days	0.695	1.140	0.943	17.4%

Source: Deloitte Corporate Finance analysis, S&P CapitalIQ

3.7 Financial performance

Deep Yellow's financial performance for FY20, FY21 and the HY21 is summarised below.

Table 22: Deep Yellow – Historical financial performance

A\$ '000	Audited FY20	Audited FY21	Reviewed HY21
Interest and other income	257	227	289
Revenue from contracts with customers	77	56	-
Income	335	284	289
Depreciation and amortisation expenses	(216)	(226)	(132)
Interest reversal/(expense)	(27)	(23)	31
Marketing expenses	(222)	(199)	(164)
Occupancy expenses	(94)	(91)	(51)
Administrative expenses	(1,931)	(1,933)	(1,518)
Employee expenses	(2,034)	(2,609)	(1,266)
Reversal of prior year impairment of capitalised mineral exploration and evaluation expenditure	7,101	-	-
Impairment of capitalised mineral exploration and evaluation expenditure	(37)	(18)	(16)
Profit/(Loss) for the year before income tax	2,875	(4,815)	(2,827)
Income taxes	-	-	-
Profit/(Loss) for the year after income tax	2,875	(4,815)	(2,827)

Source: Deep Yellow 2021 Annual Report and Deep Yellow Half Year Report for the period ended 31 December 2021

Key observations on the recent financial performance are as follows:

- income decreased from A\$ 0.33 million in FY20 to A\$ 0.28 million in FY21 and relates to interest income. In the HY21, this also includes option income of US\$ 95,000 received from Hylron in relation to the Shiyela Iron Ore Project
- administrative expenses relate predominantly to fees paid to Executive and Non-Executive Directors, consultant costs, and corporate and listing costs. These costs increased substantially in the HY21 due to increased project evaluation costs and legal fees
- employee expenses have increased from A\$ 2.0 million to A\$ 2.6 million from FY20 to FY21 and primarily relate to an increase in share-based payment expenses
- in FY20, a prior year impairment of the Tumas Project was reversed, due to a resource upgrade in which resources increased from 77.2 Mlb U₃O₈ to 141.3 Mlb U₃O₈.

3.8 Financial position

Deep Yellow's financial position as at 30 June 2020, 30 June 2021 and 31 December 2021 is summarised below:

Table 23: Deep Yellow – historical financial position

A\$ '000	Audited 30-Jun-20	Audited 30-Jun-21	Reviewed 31-Dec-21
Current assets			
Cash and cash equivalents	12,117	52,448	71,984
Receivable	298	535	392
Other assets	188	224	163
Total current assets	12,603	53,207	72,539
Non-current assets			
Right of Use Assets	617	503	104
Plant and equipment	519	738	730
Capitalised mineral exploration and evaluation expenditure	35,416	43,420	43,836
Total non-current assets	36,552	44,661	44,670
Total assets	49,154	97,869	117,209
Current liabilities			
Trade and other payables	493	880	769
Employee provision	58	118	59
Lease liabilities	99	107	101
Total current liabilities	649	1,105	929
Non-current liabilities			
Employee provisions	49	38	49
Lease liabilities	537	430	-
Total non-current liabilities	585	468	49
Total liabilities	1,235	1,573	978
Net assets	47,920	96,296	116,231

Source: Deep Yellow 2021 Annual Report and Deep Yellow Half Year Report for the period ended 31 December 2021

We note the following in relation to the financial position:

- Deep Yellow had a net asset position as at 31 December 2021 of A\$ 116.2 million and a net working capital position of A\$ 71.6 million
- cash and cash equivalents were \$72.0 million as at 31 December 2021, an increase from A\$ 52.4 million at 30 June 2021, largely driven by the receipt of cash of A\$ 25 million from the exercise of listed options
- capitalised mineral exploration and evaluation expenditure was A\$ 43.8 million as at 31 December 2021 and predominantly relates to exploration expenditure on the Tumas Project
- capitalised plant and equipment totalled A\$ 0.7 million as at 31 December 2021 and comprises buildings, office furniture and equipment, motor vehicles and site equipment.

4 Profile of the Proposed Merged Group

4.1 Overview

If the Proposed Scheme is implemented, Vimy will become a wholly-owned subsidiary of Deep Yellow and will be delisted from the ASX. The Shareholders of Vimy will own 47% of the fully diluted share capital of the Proposed Merged Group (reflecting the combined operations of Vimy and Deep Yellow) and Deep Yellow's current shareholders will own the remaining 53%.

The Proposed Merged Group will be managed from a new corporate office in Subiaco, Western Australia, which is scheduled for completion in mid-2022. It will hold a portfolio of advanced and exploration assets in Australia (both Western Australia and the Northern Territory) and Namibia, with a combined resource position of c. 389 Mlb U₃O₈¹³.

4.2 Board & Management Team

Under the Proposed Scheme, all members of the Board of Directors of Vimy will be appointed to either Board or management roles in the Proposed Merged Group, with the exception of the current Vimy Chairman, Cheryl Edwardes. Steven Michael, Managing Director and CEO of Vimy, will become an Executive Director of the Proposed Merged Group and a key member of the management team.

The Proposed Merged Group will benefit from the aggregation of the experience of the two management teams of Vimy and Deep Yellow in a niche sector where industry expertise is difficult to find. The Shareholders in particular will benefit from the specific experience of Deep Yellow's management team in bringing advanced stage uranium projects into production.

The Proposed Merged Group's management team will include the following key individuals:

- John Borshoff, who founded Paladin¹⁴ and led a team that completed the exploration, development, and operation of two conventional uranium mines; and
- ex-Paladin employees including Gillian Swaby (Ex-Paladin Executive Director), Eduard Becker (Ex-Paladin Head of Exploration) and Darryl Butcher (Ex-Paladin Executive General Manager).

The Board of the Proposed Merged Group will comprise of seven members, as set out below:

Table 24: Board – Proposed Merged Group

Name	Company	Role in Proposed Merged Group	Experience
Christopher Salisbury	Deep Yellow	Non-Executive Chairman	Mr Salisbury has over 30 years of global experience across strategic and operational roles for the Rio Tinto Group. He was also the CEO of Energy Resources Australia between 2004 and 2008.
John Borshoff	Deep Yellow	CEO / MD	Mr Borshoff has over 40 years of uranium industry experience, including founding Paladin and building the company from a junior explorer to a multi-asset producer.
Gillian Swaby	Deep Yellow	Executive Director	Ms Swaby has over 35 years of experience working with resources companies. She worked at Paladin between 1993 and 2015 in the capacity of Executive Director and as General Manager for Corporate Affairs.

¹³ 258 Mlb U₃O₈ relating to the Tumas and Omahola projects are presented on a 100% basis. Oponona Investments (Pty) Limited has an effective 5% interest in the projects. However, this option has not yet been exercised.

¹⁴ Paladin is a uranium mine operator and developer. Its flagship project produced circa 5 Mlbs U₃O₈ p.a. up to 2018 before the mine was placed under care and maintenance in response to the low uranium spot prices. A restart is planned for 2024.

Name	Company	Role in Proposed Merged Group	Experience
Steven Michael	Vimy	Executive Director	Mr Michael has over 25 years of experience working in the resources sector, specialising in equity capital markets and corporate finance. He was previously a Managing Director at FTI Consulting and also a Managing Director of the ASX-listed exploration company Arrow Minerals Limited (ASX:AMD).
Mervyn Greene	Deep Yellow	Non-Executive Director	Mr Greene has over 35 years of experience in global investment banking, private equity markets and entrepreneurship, in Africa, Europe and the US.
Greg Meyerowitz	Deep Yellow	Non-Executive Director	Mr Meyerowitz has over 35 years of experience in the professional services industry and commerce. He was a Senior Audit Partner at Ernst & Young (EY), and head of EY Australia's Perth Audit Division for 10 years.
Wayne Bramwell	Vimy	Non-Executive Director	Mr Bramwell has nearly 30 years of experience in metallurgical and executive roles at precious and base metal companies and is currently the Managing Director of Westgold Resources Limited.

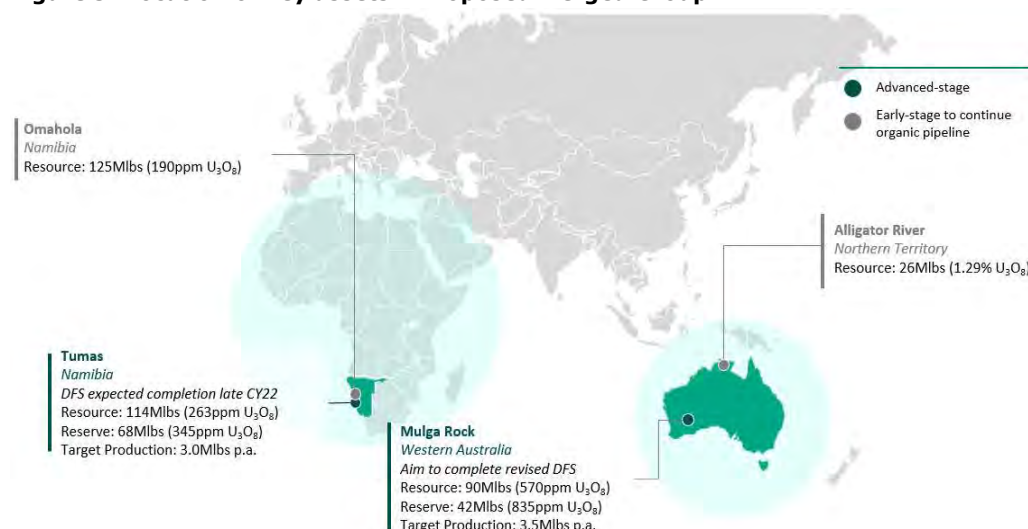
Source: Scheme Booklet, Section 7.8

We understand that, following approval of the Proposed Scheme, the Proposed Merged Group will undertake a detailed review of current and future human resource requirements of the enlarged operations, taking into account the near-term development ambitions of the Proposed Merged Group.

4.3 Major Projects

The locations of the Proposed Merged Group's assets are summarised below.

Figure 9: Location of key assets – Proposed Merged Group



Source: Scheme Booklet, Section 7.3

The key assets of the Proposed Merged Group are summarised as follows:

- Australia:
 - a 100% interest in the Mulga Rock Project (see Section 2.2.1)
 - a 100% interest in the Alligator River Project (see Section 2.2.2)
 - a 100% interest in the Kingston Project (see Section 2.2.3)

- Namibia:
 - a 95%¹⁵ interest in the Tumas¹⁶ Project (see Section 3.2.1)
 - a 95%¹⁷ interest in the Omaha Project (see Section 3.3)
 - a 95%¹⁸ interest in the Reptile Exploration Project (see Section 3.3)
 - a 39.5% interest in the Barking Gecko project via the Nova Joint Venture (see Section 3.3)
 - a 95% interest in the Shiyela Iron Ore Project (see Section 3.3)
 - an 85% interest in the Aussinanis project held via the Yellow Dune JV (see Section 3.3)

4.4 Pipeline of projects

In addition to the Mulga Rock Project and the Tumas Project, the Proposed Merged Group will have a significant pipeline of early stage projects and exploration assets located in Australia and Namibia as summarised below.

Figure 10: Pipeline of projects¹ – Proposed Merged Group



Source: Scheme Booklet, Section 1.2

Note:

1. Resources presented on 100% basis (Measured, Indicated, and Inferred)

Key exploration activities targeted for 2022 and 2023 are as follows:

- **Australia:** a 7,000 metre diamond drill program is planned to commence in May 2022, with the focus on resource definition and extension at the Angularli deposit at the Alligator River Project. This program will also include geophysical work, ore sorting test work and the commencement of an update to the 2018 Scoping Study
- **Namibia:** completion of follow-up drilling at Omaha is expected to be completed by June 2022.

4.5 Proforma reserves and resources

The Proposed Merged Group will become the largest Australian-listed uranium company in terms of total resources held and potential production capacity.

¹⁵ Remaining 5% effective ownership is held by Oponona Investments (Pty) Limited

¹⁶ Includes Tubas deposit

¹⁷ Remaining 5% effective ownership is held by Oponona Investments (Pty) Limited

¹⁸ Ibid.

The following table summarises the contribution of reserves and resources to the Proposed Merged Group.

Table 25: Proposed Merged Group combined uranium reserves and resources (attributable basis¹)

	Unit	Vimy	Deep Yellow	Proposed Merged Group
Reserves				
Proven	Mlb U ₃ O ₈	12.3	nil	12.3
Probable	Mlb U ₃ O ₈	30.0	68.4	98.4
Total	Mlb U₃O₈	42.3	68.4	110.7
Resources				
Measured	Mlb U ₃ O ₈	12.6	28.8	41.4
Indicated	Mlb U ₃ O ₈	32.8	132.4	165.2
Inferred	Mlb U ₃ O ₈	70.6	112.2	182.8
Total	Mlb U₃O₈	116.0	273.3	389.3

Source: Scheme Booklet, Section 7.3.

Note:

1. 68.4 Mlb U₃O₈ reserves and 258 Mlb U₃O₈ resources relating to the Tumas and Omahola Projects are presented on a 100% basis. Oponona Investments (Pty) Limited has an effective 5% interest in the projects. However, this option has not yet been exercised.

4.6 Share capital & shareholders

If the Proposed Scheme is implemented, Deep Yellow will issue approximately 344.3 million new Deep Yellow shares to Vimy Shareholders, resulting in Vimy Shareholders owning 47% of the Proposed Merged Group on a fully diluted basis.

The following table summarises the fully diluted shares in Vimy, Deep Yellow and the Proposed Merged Group. The number of Deep Yellow shares issued is calculated by applying the Scheme Consideration ratio of 0.294 for every Vimy share and option as contemplated in the SID. Vimy option holders may also choose to exchange their options directly for 0.21 shares in Deep Yellow, instead of exercising their options prior to the Proposed Scheme. Vimy's 3,500,000 performance rights are assumed to vest on a change of control event and convert into Vimy shares.

Table 26: Fully diluted share capital of the Proposed Merged Group

Item	Vimy	Deep Yellow
Shares on issue	1,158,543,321	387,198,206
Options	9,192,333	636,435
Performance Rights	3,500,000	402,688
Subtotal	1,171,235,654	388,237,329
Proposed Scheme – consideration ratio	0.294	not applicable
Fully diluted pro forma shares in the Proposed Merged Group	344,343,282	388,237,329
As a % of total Proposed Merged Group fully diluted Shares	47%	53%

Source: Scheme Booklet, Section 7.9

Major shareholders

As a result of the Proposed Scheme, the Proposed Merged Group will not have any substantial shareholders with an interest greater than 10%.

The following table summarises the pro-forma shareholding of the only substantial shareholder in the Proposed Merged Group.

Table 27: Substantial shareholder in the Proposed Merged Group

Name	Current % interest in Deep Yellow	Current % interest in Vimy	Pro forma % interest in the Proposed Merged Group ¹
Paradice Investment Management Pty Limited	7.9%	6.8%	7.4%

Source: Scheme Booklet, Section 7.9

Note:

1. Percentage shareholding of the Proposed Merged Group is calculated based on the pro forma number of ordinary shares in the Proposed Merged Group on a basic (undiluted basis)

Funding requirements

The Proposed Merged Group will need to fund future capital requirements via external capital as the company's flagship projects are in advanced stages of development. Both Vimy and Deep Yellow have raised equity via private placements in the past eighteen months at a discount in excess of 20% to the last traded share price:

- **February 2021:** Deep Yellow raised approximately A\$ 40.8 million at A\$ 0.65 per share, a 23.1% discount to the closing price prior to the announcement
- **March 2022:** Vimy completed an A\$ 17 million placement to sophisticated and institutional investors at a 24.4% discount to the closing price prior to the announcement.

Due to the development capital requirements of the Mulga Rock and Tumas Projects, the Proposed Merged Group will likely need to raise both debt and equity to progress these projects.

4.7 Pro forma financial position

The following table shows the pro forma balance sheet of the Proposed Merged Group¹⁹.

Figure 28: Proposed Merged Group balance sheet as at 30 June 2022

A\$ 000's	Deep Yellow 31-Dec-2021	Vimy 31-Dec-2021	Pre-merger Vimy adjustments	Pro Forma acquisition adjustments	Proposed Merged Group
Cash & cash equivalents	71,984	16,239	16,599	992	105,815
Receivables	392	836	-	-	1,228
Other current assets	163	95	-	-	258
Total current assets	72,539	17,170	16,599	992	107,301
Right-of-use assets	104	259	-	-	364
Property, plant & equipment	730	9,685	-	-	10,415
Capitalised mineral exploration & evaluation expenditure	43,836	7,887	-	213,122	264,846
Other non-current assets	-	356	-	-	356
Total non-current assets	44,670	18,188	-	213,122	275,980
Total assets	117,209	35,357	16,599	214,115	383,281
Trade & other payables	769	5,087	-	8,400	14,256
Lease liabilities	101	93	-	-	194
Employee provisions	59	177	-	-	237
Total current liabilities	929	5,357	-	8,400	14,687
Employee provisions	49	19	-	-	67
Lease liabilities	-	179	-	-	179
Other non-current provisions	-	2,468	-	-	2,468
Total non-current liabilities	49	2,665	-	-	2,714
Total liabilities	978	8,022	-	8,400	17,400
Net assets	116,231	27,335	16,599	205,715	365,880

Source: Scheme Booklet, Section 7.10

For further details, please refer to Section 7.10 of the Scheme Booklet.

4.7.1 Pro forma cash position

For the purpose of our valuation, we have estimated the pro forma cash balance for the Proposed Merged Group based on the following inputs:

- cash and cash equivalents for Vimy and Deep Yellow as at 30 April 2022
- cash raised from the settlement of A\$ 238,560 in Vimy employee share plan loans
- cash raised from the exercise of 10,560,334²⁰ options in Vimy shares at a strike price of A\$ 0.082 per option
- transaction costs incurred of A\$ 4.2 million and A\$ 4.1 million for Vimy and Deep Yellow, respectively, as per Section 7.10 of the Scheme Booklet.

¹⁹ A pro forma profit and loss statement for the Proposed Merged Group has not been prepared.

²⁰ Outstanding options as at 30 April 2022 per ASX announcement: Application for quotation of securities dated 29 April 2022.

The estimated pro forma cash position is summarised in the table below.

Table 29: Pro forma cash position

A\$ million	Vimy	Deep Yellow	Proposed Merged Group
Cash and cash equivalents as at 30 April 2022	23.9	68.5	92.4
Settlement of employee share plan loans	0.2	n/a	0.2
Exercise of 10.6 million options at A\$ 0.082	0.9	n/a	0.9
Transaction costs	(4.2)	(4.1)	(8.4)
Pro forma cash and cash equivalents	20.8	64.4	85.1

Source: Vimy and Deep Yellow management, Deloitte Corporate Finance analysis, Scheme Booklet, Section 7.10

5 Valuation approach

5.1 Appointment and role of the technical expert

The management of Vimy prepared a financial model (the **Mulga Rock Model**) to estimate the future cash flows of the Mulga Rock Project. Similarly, the management of Deep Yellow prepared a financial model (the **Tumas Model**) to estimate the future cash flows of the Tumas Project. The Mulga Rock Model and Tumas Model are collectively referred to as the Models.

We had intended to adopt a discounted cash flow (**DCF**) approach to value Mulga Rock and Tumas. SRK, an independent mining expert, was engaged to prepare a report providing a technical assessment of certain key assumptions underpinning the financial models for the Mulga Rock Project and the Tumas Project.

In relation to each of the Models, SRK reviewed and/or provided input into the following assumptions:

- levels of reserves and resources
- production profiles
- operating expenditure, including rehabilitation and abandonment costs
- capital expenditure
- other relevant assumptions.

Following their review of the projects and the associated Models, we have confirmed through discussions with SRK that certain components of the cash flows of the Models are not yet at a level of confidence to enable us to use a DCF approach.

SRK's original scope of engagement in respect of the Mulga Rock and Tumas Projects was then modified. We asked SRK to provide their opinion, based on their review of transactions in comparable projects, on the range of multiples that should reasonably apply to the resources attributable to the Mulga Rock and Tumas Projects, taking into account the relative characteristics of each.

SRK was also engaged to provide an assessment of the value of the exploration assets of Vimy and Deep Yellow.

SRK prepared its technical review having regard to the code for Technical Assessment and Valuation of Minerals and Petroleum Assets and Securities for Independent Expert Reports (the **VALMIN code**). The scope of SRK's work was controlled by Deloitte Corporate Finance. A copy of SRK's report is provided in Appendix 5.

5.2 Valuation methodologies

For the purpose of our opinion, we have referred to the concept of fair market value. Fair market value is defined as the amount at which the shares the subject of the valuation would be expected to change hands in a hypothetical transaction between a knowledgeable, willing, but not anxious buyer and a knowledgeable, willing, but not anxious seller acting at arm's length.

Special purchasers may be willing to pay higher prices to reduce or eliminate competition, to ensure a source of material supply or sales, or to achieve cost savings or other synergies arising on business combinations, which could only be enjoyed by the special purchaser. Our valuation has not been premised on the existence of a special purchaser.

To estimate the fair market value of the shares in Vimy and the Proposed Merged Group, we have considered common market practice and the valuation methodologies recommended by ASIC Regulatory Guide 111, which deals with the content of independent expert's reports. These are discussed in Appendix 2.

5.3 Selection of valuation methodologies

5.3.1 Vimy

We have estimated the fair market value of Vimy on a sum-of-the-parts basis by aggregating the estimated fair market value of its underlying assets, before adding the net cash position as at 30 April 2022 and adjusting for any surplus assets and/or liabilities.

Below we summarise the approach adopted to value the various assets and liabilities of Vimy.

Mulga Rock Project

The project will have a finite life, is pre-revenue and requires significant upfront capital expenditure before production is assumed to commence in 2025. Vimy management have yet to secure funding to progress the project and have not yet signed an offtake arrangement for the project's future production.

Management have provided long-term cash flow projections for the project based on the DFS completed in 2020, however is in the process of updating the development plan for the project as part of the BFS currently underway. This work is not yet complete.

Typically, we would use the DCF methodology to value the Mulga Rock Project as this methodology, to the extent the underlying cash flows are considered reasonable, is likely to provide a more accurate estimate of value compared with alternative methodologies. However, following SRK's review of the cash flow projections, we have confirmed through discussions with them that certain components of the cash flows (which are the subject of current BFS work) are not yet at a level of confidence to enable us to use a DCF approach.

These components in the projected cash flows include the following:

- **DFS assumptions:** the latest DFS was completed in 2020, as a refresh study of the 2018 DFS, and reflects a switch from an owner-operator operation to the introduction of a mining contractor. Due to inflationary pressures in the resource sector, in particular for fuel, labour, freight, consumables and reagents, cost estimates for key capital and operating items have moved significantly since the original estimates
- **potential sources of upside:** Vimy management are currently assessing improvements to the LOM plan as part of the current BFS, including the extraction of saleable base metals. Based on a review of studies completed to date, SRK determined that the base metals project is not yet at a level of confidence that would support the use of the DCF approach. This confidence should emerge as the BFS is completed. In addition, while there is potential upside in available tonnes, this could not be quantified without an updated mining study
- **pricing uncertainty:** the majority of uranium volumes are sold under long-term, often fixed-price contracts (refer to Appendix 3 for further information) and, as a result, consensus estimates on spot uranium prices can be less relevant to estimating the long-term economics of a pre-production project which is yet to finalise offtake arrangements. Utilities maintain diversified sources of supply and, therefore, as they seek to build out longer term supply commitments, it is feasible that a project relatively close to production (i.e. within five years) could negotiate a pricing arrangement based on the economics of the project and an adequate return to the operator. This is particularly likely in the current market, with the forecast of a primary supply deficit likely to shift the bargaining power to suppliers with uncontracted volumes. As an example, in March 2022 Paladin received an offtake tender offer, the pricing of which incorporated a range of factors including the expected all-in sustaining costs of the Langer Heinrich project plus an "appropriate margin"²¹.

A negotiated price may differ significantly from current consensus estimates of spot prices but is difficult to estimate without any clear examples of prices struck on these terms with potential suppliers. The all-in contracted uranium price will also depend on the stabilised operating cost base of the Mulga Rock Project which, as noted above, is subject to uncertainty and likely further adjustment.

²¹ Paladin announcement on 31 March 2022. This offer does not constitute a legally binding contract and is subjected to several conditions.

Accordingly, in our opinion a market-based methodology is a more appropriate approach to value the Mulga Rock Project. The fair market value of development stage mining assets that are pre-FID typically includes optionality around the timing and development path of the underlying project. The use of trading in comparable companies at a similar stage of development and/or transactions involving companies or assets at a similar stage of development provide a market-based assessment of the value of potential alternative timing and development paths that these companies may ultimately choose.

In selecting an appropriate resource multiple for the Mulga Rock Project, we have considered multiples implied by share trading in comparable companies and we asked SRK to provide their views on a reasonable resource multiple to apply to the project based on the observed multiples implied by transactions in comparable projects.

Although the trading multiples in our selected companies are derived from share trading in portfolio parcels of shares and are typically considered a minority-interest datapoint, we consider that they approximate control values as we see no evidence to suggest otherwise. In particular, they are very similar to the transaction multiples assessed by SRK and we do not see evidence of other factors that would suggest higher values might apply.

Based on our research²², one of three key factors needs to be in place for a takeover premium to be paid and a takeover of a listed company to occur: i) the target company shares are undervalued through mismanagement or some other form of under-utilisation; ii) management do not communicate effectively to the stock market; or iii) the acquirer is a strategic acquirer who has identified synergistic benefits.

We consider that pre-development uranium companies are unlikely to hold underutilised assets as management's primary mission is to get the flagship project to FID, and such companies regularly update the market for any incremental exploration or feasibility study progress that would be relevant to investors. This leaves synergistic benefits, generally the benefits of combined scale and diversification, as the key potential factor that might drive higher values. However, in the absence of any specific strategic acquirer, the potential synergies resulting from combined scale and diversification are difficult to quantify and would generally only be observed if a takeover offer is ever made. We have therefore not increased the observed resource multiples implied by share trading for the potential benefit of synergies.

Vimy will need to secure funding to progress development of the Mulga Rock Project to completion, and the level of this funding, at ~A\$ 393 million²³, is greater than Vimy's current market capitalisation of A\$ 208.4 million²⁴. The valuation of the project therefore needs to take into account the likely dilutive implications of future capital raisings. Our listed peer set (and the comparable projects from transactions) comprise companies with non-producing assets only, which therefore implicitly have similar funding needs. We therefore consider that funding requirements are implicitly reflected in the observed resource multiples we are benchmarking against.

Early-stage development and exploration assets

SRK was engaged to assess the value of Vimy's early-stage development and exploration assets, which comprise the Alligator River and Kingston Projects. SRK valued these assets primarily considering a market approach (observed transactions), while using a standard industry yardstick approach as a secondary guide.

We adopted the value range estimated by SRK in our sum-of-the-parts valuation of Vimy.

Other assets/liabilities

We adopted the following approach for the non-operating assets/liabilities of Vimy:

- corporate overheads: as we have valued the Mulga Rock Project (Vimy's primary development-stage asset) with reference to a market-based methodology, we consider the corporate overheads associated with developing a project in a listed company are inherent in the observed resource multiples adopted in our valuation

²² See in particular: "Control Premiums and Minority Interest Discounts in Private Companies" by Eric Nath, Business Valuation Review, June 1990, p.40

²³ 2020 DFS Refresh capital estimate of A\$ 393 million.

²⁴ As at 19 May 2022.

- surplus assets/liabilities: we have valued the contingent consideration owing to RTX using an option pricing methodology. We have diluted the share capital of Vimy for the implications of the future exercise of Performance Rights and options to ensure consistent treatment with the Proposed Merged Group
- net cash: net cash was based on book value as at 30 April 2022 adjusted for options assumed to be exercised.

To provide additional evidence of the fair market value of a share in Vimy, we have also considered the valuation implied by market trading in Vimy's shares prior to the announcement of the Proposed Scheme.

5.3.2 Proposed Merged Group

We have applied a sum-of-the-parts methodology to value the Proposed Merged Group by aggregating the value of the assets of Vimy and Deep Yellow before adding the pro forma net cash position as at 30 April 2022, as set out in Section 4.7.1.

Tumas Project

The Tumas Project also has a finite life, is pre-revenue and requires significant upfront capital expenditure before production is assumed to commence in 2026. Similar to the situation of the Mulga Rock Project, discussed in Section 5.3.1 above, Deep Yellow management have yet to secure funding to progress the project and has not signed an offtake arrangement for the project's future production.

Deep Yellow management has provided long-term cash flow projections for the project based on the PFS completed in 2021. Accordingly, the Tumas Project is at a broadly similar stage of development to the Mulga Rock Project, will follow a similar pathway to production, and will likely face similar risks, including those relating to funding and development.

We therefore adopted the resource multiples methodology to value the Tumas Project, consistent with the approach adopted for the Mulga Rock Project. This approach similarly incorporates market-based option value associated with the Tumas Project. Following discussions with SRK, we have incorporated the resources attributed to the Omahola Project and tenure associated with the Reptile Exploration Project with the Tumas Project on an attributable basis to ensure our valuation captures the associated exploration potential of the Tumas Project.

Early-stage development and exploration assets

SRK was engaged to assess the value of Deep Yellow's early-stage development and exploration assets, which comprise Barking Gecko (via the Nova JV), Aussinanis (via the Yellow Dune JV) and the Shiyela Iron Ore Project.

SRK valued these assets by primarily using a market approach, and a standard industry yardstick as a secondary guide. We adopted the value range estimated by SRK in our sum-of-the-parts valuation of the Proposed Merged Group.

Other considerations for the valuation of the Proposed Merged Group

There is a risk that the Proposed Merged Group will not be able to secure the volume of debt and new equity required to develop the two flagship projects at the same time at optimal terms. That said, as for any greenfield development, the ability of Vimy and Deep Yellow to meet stated timelines for the projects could already be subject to uncertainty, which we consider is already reflected in our selected resource multiples.

Sequencing development of the projects may improve the ability of the Proposed Merged Group to secure more favourable terms over time as its execution capability is progressively proven. On the other hand, the Proposed Merged Group may have an enhanced ability to secure favourable and/or expedited funding terms as a result of the proven ability of the management of Deep Yellow to successfully progress a uranium development project to completion. This proven uranium market experience is not currently available to Vimy's Shareholders.

The potential rerating of the Proposed Merged Group is a potentially significant benefit which could compensate for any reduction in value driven by a delay in commencing production at one of the flagship projects. We have not adjusted our valuation of the Proposed Merged Group for these factors, however we have considered the implications of these factors in our reasonableness considerations.

The Proposed Merged Group will need to secure funding to progress development of the Mulga Rock Project (A\$ 393 million) and Tumas Project (A\$ 477 million²⁵) to completion. The aggregate level of this funding is greater than the pro forma market capitalisation of the Proposed Merged Group of A\$ 479.5 million²⁶. The valuation of the projects therefore needs to take into account the likely dilutive implications of future capital raisings. For the same reason noted previously, we consider that funding requirements are implicitly reflected in the resource multiples of our listed peer set and the comparable projects from transactions which have formed the basis of our valuation of the two flagship projects.

To provide additional evidence of the fair market value of a share in the Proposed Merged Group, we have also considered market trading in Deep Yellow's shares after the announcement of the Proposed Scheme.

²⁵ US\$ 333 million as per PFS Reserve Update announcement on 3 February 2022. Converted to A\$ based on 5-day average A\$:US\$ rate as at 19 May 2022 of 0.698

²⁶ Based on combined market capitalisation of Vimy (A\$ 208.4 million) and Deep Yellow (A\$ 271.0 million) as at 19 May 2022.

6 Valuation of Vimy

6.1 Valuation of Vimy

Our valuation methodology is described in Section 5.3.1.

Our sum-of-the-parts valuation analysis is set out in Section 6.2.

We have also analysed market trading activity in Vimy shares prior to the announcement of the Proposed Scheme to cross-check our sum-of-the-parts valuation of Vimy. This analysis is set out in Section 6.3.

6.2 The sum-of-the-parts method

6.2.1 Mulga Rock Project

The value of Vimy's wholly owned Mulga Rock Project has been estimated using a resource multiple methodology. We consider these multiples provide a control value for the Mulga Rock Project. The following table sets out the fair market value of the Mulga Rock Project using this approach.

Table 30: Mulga Rock valuation

	Unit	Low	High
Resources	Mlb U₃O₈	90.1	90.1
EV / Resources	US\$ per lb	1.15	1.35
Enterprise value	US\$ million	103.6	121.6
A\$:US\$ rate ¹		0.698	0.698
Enterprise value	A\$ million	148.4	174.2

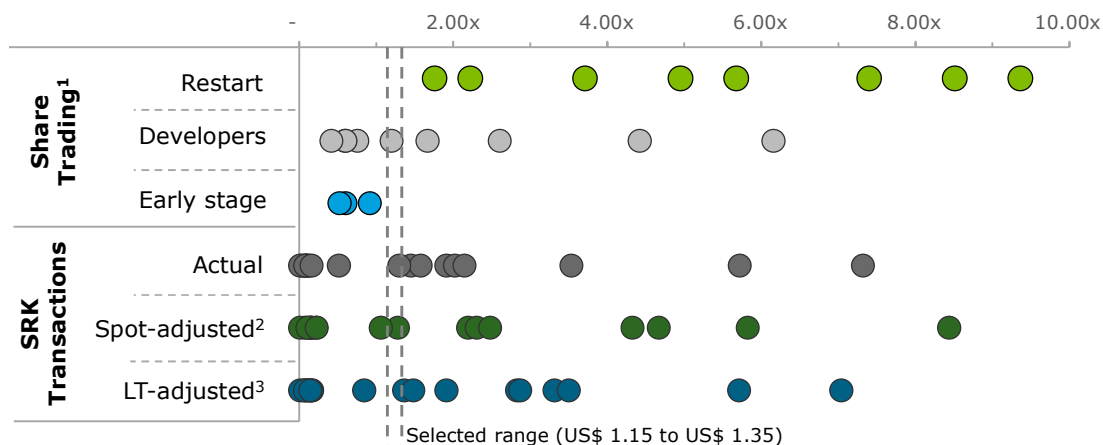
Source: Deloitte Corporate Finance analysis

Note:

1. 5-day average A\$:US\$ rate as at 19 May 2022 of 0.698.

We have considered the following benchmarks to determine appropriate multiples to apply in our valuation of the Mulga Rock Project.

Figure 11: Summary of selected resource multiple range and relevant benchmarks



Source: S&P Capital IQ, Company announcements, Deloitte Corporate Finance analysis

Notes:

- Resource multiples have been calculated with reference to JORC-compliant Measured, Indicated and Inferred resources. We have adjusted the comparable company enterprise values for direct uranium inventory holdings which have been removed based on the spot price as at 19 May 2022 (US\$ 48.00).
- As the observed transactions occurred between 2015 and 2021 in different uranium price environments, SRK has adjusted the observed resource multiples based on the difference between the average spot uranium price in April 2022 and as at the date of the transaction.
- An alternative (albeit still relatively crude) approach is to rebase transaction prices with reference to changes in the long-term uranium spot price at the prevailing dates. We have presented SRK's transaction benchmarks after adjusting for long term broker consensus estimates (instead of spot prices) by way of comparison.

Resource multiples

Our selected resource multiples reflect our professional judgement having regard to a broad range of factors including:

- the Mulga Rock Project is a development stage asset on which a DFS was completed in 2018, a DFS update was completed in 2020 and a BFS has recently commenced. As a project is further defined and moves closer to FID, the risk profile and remaining time until production commences reduces. We would expect a project which has completed a DFS to trade at a higher multiple than companies that own a comparably earlier stage project (i.e. projects at the PFS stage, Scoping Study stage or at the exploration stage only)
- Vimy has not yet secured funding for the upfront capital requirements of the Mulga Rock Project. As raising appropriate financing is a significant step in de-risking a development stage project, we would expect a company that has adequate financing in place would trade at a premium to companies yet to secure funding
- certain comparable companies hold assets that are currently on care and maintenance but have commenced procedures to restart operations. While this exercise is not straight forward and requires updated feasibility studies, FID and financing, we would expect that projects that have demonstrated previous economic production should trade at a higher multiple relative to a greenfield project. In addition, the upfront capital requirements should be substantially lower compared with greenfield projects
- resource multiples implied by transactions are historical and are generally influenced by the economic environment surrounding the transaction, which may not reflect the current environment. Uranium prices have recently been volatile, increasing significantly over the past six months due to primary supply deficits and the Russia-Ukraine conflict but have recently decreased again

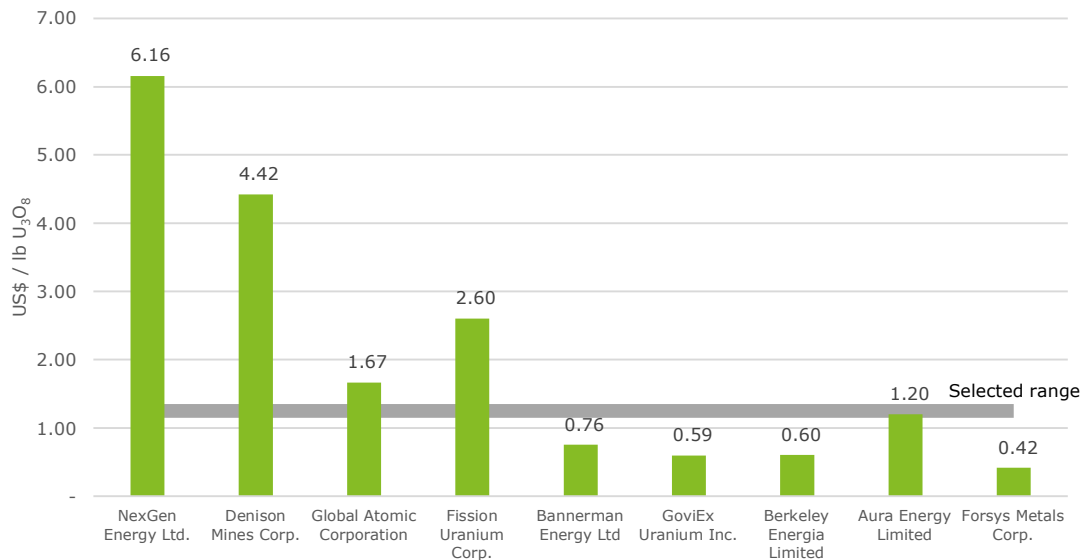
- the observed listed comparable companies all display adequate liquidity based on trading in the 30 days up to 19 May 2022²⁷.

As we have assessed the Proposed Scheme as a merger of equals, and because we have valued both the Mulga Rock Project and Tumas Project on an equivalent basis, we have not adjusted our selected resource multiples for any premiums that could hypothetically be realised through a takeover offer.

Share market trading evidence

In selecting an appropriate resource multiple for the Mulga Rock Project, we have predominantly considered companies that hold developing projects instead of projects currently on care and maintenance (i.e. not restart projects). The implied resource multiples of these companies are presented in the figure below.

Figure 12: Resource multiples of listed comparable companies



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

We make the following observations in relation to the comparable companies:

- development projects in the restart phase currently trade between US\$ 1.76 per lb and US\$ 9.36 per lb with a median of US\$ 5.31 per lb. These projects have previously demonstrated economic viability and have substantially lower capital costs compared with greenfield projects yet to achieve FID. As a result, we have had less regard to these companies
- similarly, we have had less regard to early-stage companies which are yet to complete a PFS. These companies trade between US\$ 0.52 per lb and US\$ 0.92 per lb with a median of US\$ 0.53 per lb

²⁷ All the observed comparable listed companies had annualised trading volumes of more than 50% of total shares outstanding, in the 30 days up to 19 May 2022, with the exception of the following companies: Ur-Energy Inc (32%), GoviEx Uranium Inc (47%), Berkeley Energia Limited (48%) and Forsys Metals Corporation (39%).

- the development stage companies set out in the figure above trade between US\$ 0.42 per lb and US\$ 6.16 per lb with a median of US\$ 1.20 per lb.

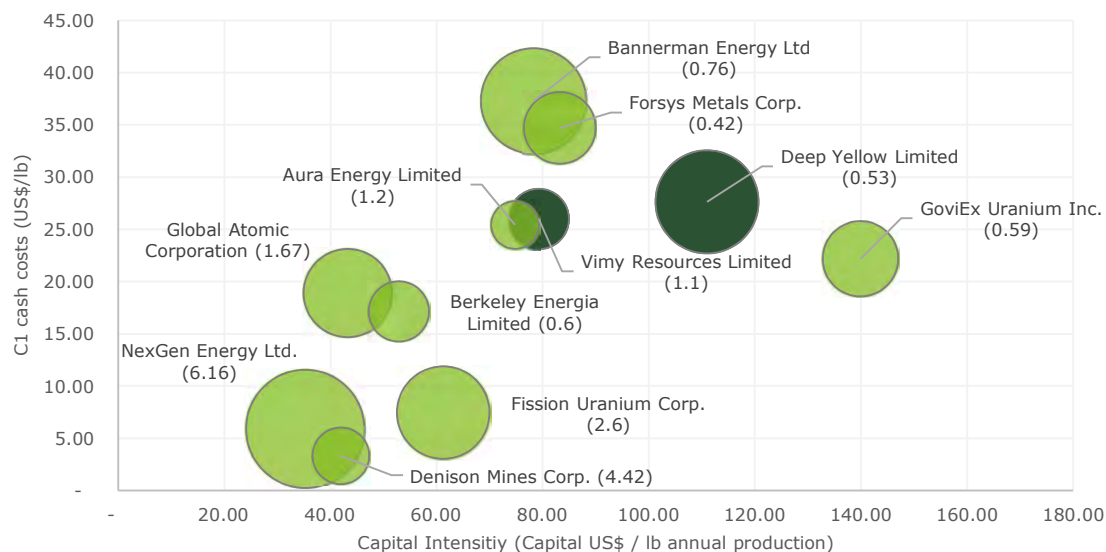
These companies each hold a flagship asset (which in most cases comprises all of the reported uranium resource base) and therefore we can distinguish the range of resource multiples observed based on project economics reported in the latest publicly released feasibility studies. While the observed comparable company resource multiples will also reflect additional resources unrelated to the flagship project, we consider the flagship project to be the main driver of differences between the observed multiples, due to the timing and probability of it reaching FID and production, relative to secondary exploration projects.

The figure below plots the companies based on their announced C1 cash costs (y-axis) and capital intensity, calculated as required upfront capital divided by annual production (x-axis), of their flagship assets. The size of each bubble represents the resource base of the project.

The closer a company resides to the bottom-left corner of this chart, the more economic a project is implied to be and, all else being equal, a larger deposit is assumed to be preferable to a smaller one. While there are other factors that will impact a company's resource multiple, this analysis provides a helpful framework to benchmark comparable listed companies across multiple dimensions.

The following figure summarises the C1 cash costs and capital intensity of the development stage companies based on the latest public announcements by the company.

Figure 13: Comparable uranium development-stage companies (bracketed figures reflect resource multiples of each company, in US\$ per lb U₃O₈)



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

Note:

- C1 cash costs and capital requirements reflect outputs from company feasibility studies. We have not amended these estimates, with the exception of foreign exchange rates where US\$ outputs were not provided.

We note the following in relation to the project economics of the comparable companies:

- there is a clear relationship between the resource multiple and the economics of the flagship project (as represented by C1 cash costs and capital intensity). The top three companies (NexGen Energy Limited: US\$ 6.16 per lb; Denison Mines Corporation: US\$ 4.42; and Fission Uranium Corporation: US\$ 2.60 per lb) are all in the lower left quadrant of the chart

- we consider Aura Energy Limited (**Aura**) to be the most comparable company to the Mulga Rock Project. Aura trades at a resource multiple of US\$ 1.20 per lb. Aura's Tiris project appears to have slightly more favourable economics, but is a smaller resource compared to the Mulga Rock Project. Both projects have completed a DFS. In October 2021, Aura signed an offtake agreement for 15% of the production at Tiris at a fixed price. The agreement included up to US\$ 20 million in potential financing compared to expected upfront capital requirements of US\$ 75 million. We consider this transaction partially de-risks the development of the Tiris project and partially protects the project from uranium price volatility.

The Tiris project is located in Mauritania which has a higher country risk profile in comparison to the Mulga Rock Project. Per the Fraser Institute 2021 Annual Survey of Mining Companies, Mauritania ranked 53rd for investment attractiveness, whereas Western Australia ranked first. While the Western Australian Government has historically been less supportive of uranium projects, we consider this risk is to a large extent mitigated by the fact the Mulga Rock Project has achieved "substantial commencement" within the requisite five year period (refer to Section 2.2.1).

In SRK's analysis based on observed transaction evidence, they noted the comparatively de-risked technical nature of the Mulga Rock Project, which Vimy has shown can be mined when market conditions are favourable. As such the Mulga Rock Project's multiple should be somewhat higher than many Australian pre-production assets which have transacted recently. SRK has therefore suggested an implied multiple of circa US\$ 1.06 per lb to US\$ 1.59 per lb²⁸ for the Mulga Rock Project.

Based on our analysis of the trading comparable companies, in conjunction with SRK's input, we have selected a multiple for the Mulga Rock Project in the range of US\$ 1.15 per lb to US\$ 1.35 per lb.

6.2.2 Exploration assets

SRK was instructed by Deloitte to provide an assessment of the value of Vimy's early-stage development and exploration assets not associated with the Mulga Rock Project.

SRK has estimated the value of the exploration and early-stage development assets of Vimy as set out in the following table.

Table 31: Exploration and early-stage development assets

A\$ million	Low	High
Alligator River Project	58.9	115.3
Kingston Project	6.9	13.8
Total	65.8	129.1

Source: Appendix 5: Technical Expert's Report

Further detail on the valuation of Vimy's exploration and early-stage development assets is set out in Section 5 of SRK's report in Appendix 5.

²⁸ A\$ 1.52 to A\$ 2.32 converted to US\$ based on 5-day average A\$:US\$ rate as at 19 May 2022 of 0.698.

6.2.3 Surplus liabilities

Vimy has a contingent liability owing to RTX as part of the consideration for the remaining interest in Alligator River. An upside payment of A\$ 1.1 million is payable if the average daily spot price of U₃O₈ exceeds US\$ 60 per lb over the last 180 days of the three-year period following the transaction settlement date. We have valued this liability using a Monte Carlo approach. Key assumptions include the following:

- Spot uranium price of US\$ 48.00 as at 19 May 2022
- Uranium price volatility of 40%
- The calculated average uranium price based on the 180 days leading up to 17 August 2024.

The value of the surplus liability is set out in the table below.

Table 32: Surplus liabilities

A\$ million	
Contingent consideration (RTX)	0.3
Total surplus liabilities	0.3

Source: Deloitte Corporate Finance analysis

6.2.4 Net cash

Vimy's net cash position as at 30 April 2022 is set out in the following table. We have adjusted the net cash position to reflect cash from the settlement of employee share plan loans and 10.6 million options assumed to be exercised at an A\$ 0.082 strike price and A\$ 4.2 million of transaction costs incurred in relation to the Proposed Scheme.

Refer to Section 4.7.1 for further information.

Table 33: Net cash summary

A\$ million	
Current interest-bearing liabilities	nil
Non-current interest-bearing liabilities	nil
Cash and cash equivalents	20.8
Net cash	20.8

Source: Deloitte Corporate Finance analysis

We have been advised by Vimy management that the net cash position as at the date of this report has not changed materially since 30 April 2022.

6.2.5 Valuation: sum-of-the-parts method

The value of a Vimy share using the sum-of-the-parts methodology is summarised below.

Table 34: Vimy valuation summary

	Unit	Low	High
Mulga Rock Project	A\$ million	148.4	174.2
Alligator River Project	A\$ million	58.9	115.3
Kingston Project	A\$ million	6.9	13.8
Enterprise value	A\$ million	214.2	303.3
Surplus liabilities	A\$ million	(0.3)	(0.3)
Net cash	A\$ million	20.8	20.8
Equity value	A\$ million	234.7	323.8
Shares outstanding	million	1,171.2	1,171.2
Value per share	A\$ per share	0.20	0.28

Source: Deloitte Corporate Finance analysis

In estimating the shares outstanding we have assumed that outstanding performance rights and options vest and convert into shares. We have adopted this treatment to be consistent with our assessment of the Proposed Merged Group as both performance rights and options²⁹ will ultimately be converted into Deep Yellow shares as part of the Proposed Scheme under the terms of the SID.

The following table summarises the fully diluted shares outstanding.

Table 35: Fully diluted shares outstanding

	Unit	
Ordinary shares ¹	millions	1,158.5
Performance Rights assumed exercised	millions	3.5
Options assumed exercised	millions	9.2
Shares outstanding	millions	1,171.2

Source: Deloitte Corporate Finance analysis

Note:

1. Vimy announcement dated 23 May 2022.

6.3 Analysis of pre-announcement date trading in Vimy shares

We have analysed share trading activity in Vimy prior to the announcement of the Proposed Scheme to provide additional evidence of the fair market value of the shares in Vimy.

The market can be expected to provide an objective assessment of the fair market value of a listed entity where the market is well informed and liquid. Market prices incorporate the influence of all publicly known information relating to the value of an entity's securities.

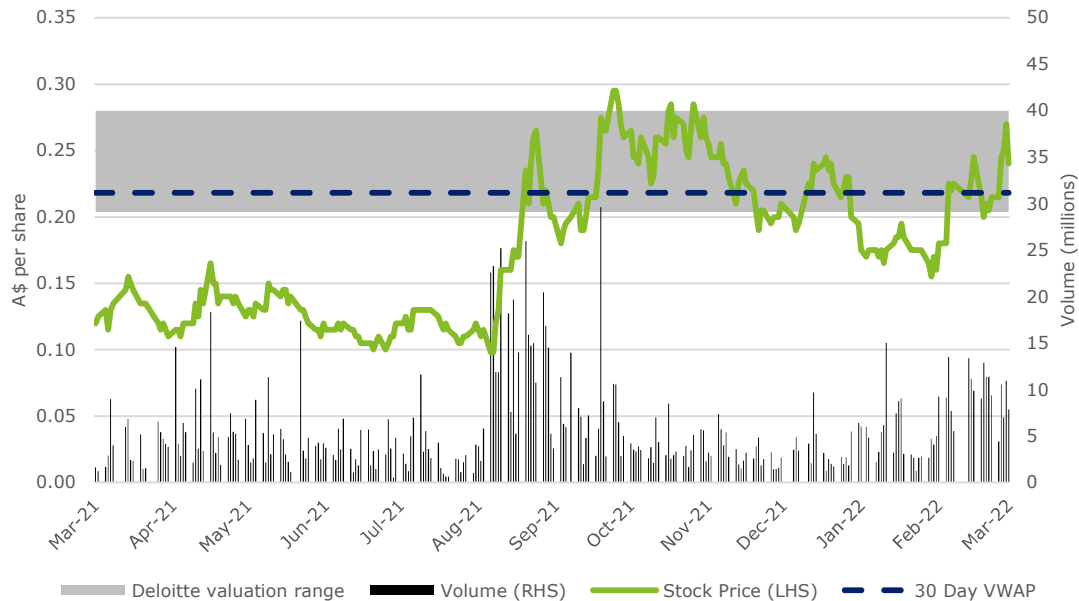
The annualised daily volume of shares traded on the ASX compared to the average shares on issue is an indicator of the depth of liquidity in a company's shares. In the six months and twelve months prior to the announcement of the Proposed Scheme this liquidity measure was relatively high, at approximately 123% and 138%, respectively. Vimy's free float prior to the announcement of the Proposed Scheme was approximately 82%³⁰.

²⁹ Unlisted option holders may exercise their options prior to the Proposed Scheme or convert each option into 0.21 Deep Yellow shares as part of the Proposed Scheme, under the terms of the SID. We have considered a scenario in which all options are instead converted directly to 0.21 Deep Yellow shares and determined that it does not materially impact the valuation of the Proposed Merged Group.

³⁰ S&P CapitalIQ as at 25 March 2022.

The following figure compares the daily share price of Vimy prior to the announcement of the Proposed Scheme on 31 March 2022, the 30-day VWAP of Vimy's shares prior to the Proposed Scheme announcement date and our selected valuation range of a Vimy share.

Figure 14: Share trading analysis



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

Vimy's closing share price on the last trading day prior to the announcement of the Proposed Scheme (25 March 2022) was A\$ 0.24, and its 30-day VWAP up to and including 25 March 2022 was A\$ 0.22. Vimy's shares traded within our selected valuation range shortly prior to the announcement of the Proposed Scheme and in late 2021, around the announcements that Vimy had received approval for the Mulga Rock Mining Proposal and Mine Closure Plan (1 October 2021), Deep Yellow's initial approach (19 November 2021) and the announcement of Mulga Rock achieving "substantial commencement" within the requisite five year period (26 November 2021).

We consider the share trading in Vimy provides broad support for our selected valuation range.

The following table sets out the share market trading in Vimy prior to the announcement of the Proposed Scheme.

Table 36: Analysis of share trading in Vimy

	Low (A\$)	High (A\$)	VWAP (A\$)	% volume traded
Prior to the announcement of the Proposed Scheme				
7 days	0.215	0.270	0.242	4.3%
14 days	0.200	0.270	0.227	9.2%
21 days	0.200	0.270	0.226	12.0%
30 days	0.160	0.270	0.218	16.6%

Source: Deloitte Corporate Finance analysis, S&P CapitalIQ

7 Valuation of the Proposed Merged Group

7.1 Valuation of the Proposed Merged Group

Our valuation methodology is described in Section 5.2.1.

Our sum-of-the-parts valuation analysis is set out in Section 7.2.

To provide additional evidence of the fair market value of a share in the Proposed Merged Group we have considered market trading activity in Deep Yellow shares subsequent to the announcement of the Proposed Scheme. This is set out in Section 7.3.

7.2 The sum-of-the-parts method

7.2.1 Development projects of the Proposed Merged Group

The value of the Proposed Merged Group's development projects has been estimated using a resource multiple methodology. We consider these multiples provide a control value for the projects of the Proposed Merged Group, albeit specific synergies have not yet been quantified and factored in.

Mulga Rock Project valuation

Refer to Section 6.2.1 for our valuation of the Mulga Rock Project.

Tumas Project valuation

The following table sets out the fair market value of the Tumas Project using a resource multiple methodology.

Table 37: Tumas Project valuation

	Unit	Low	High
Attributable resources¹	Mlb U₃O₈	245.1	245.1
EV / Resources	US\$ per lb	0.55	0.75
Enterprise value	US\$ million	134.8	183.8
A\$:US\$ rate ²		0.698	0.698
Enterprise value	A\$ million	193.1	263.3

Source: Deloitte Corporate Finance analysis

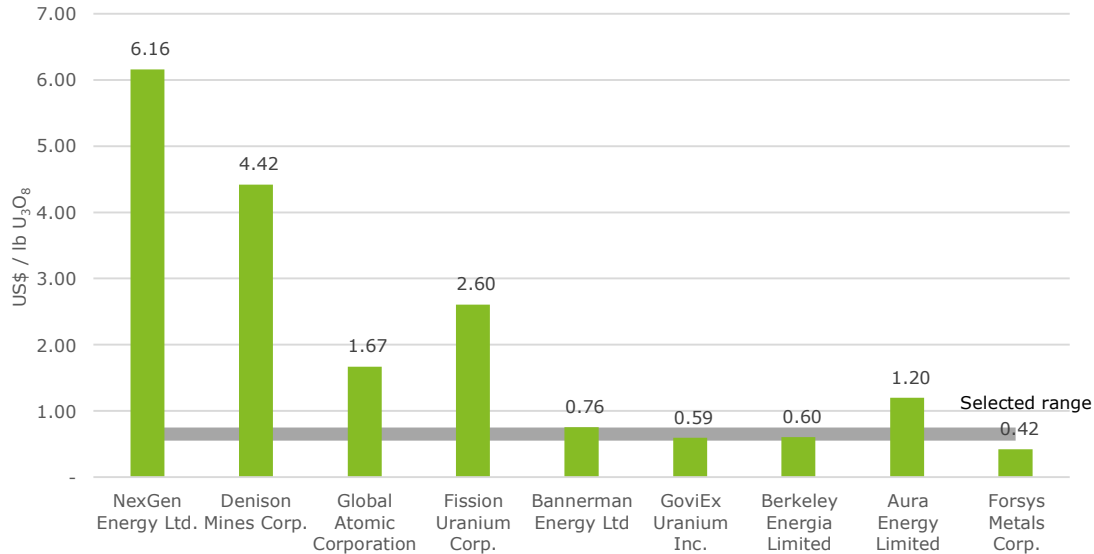
Notes:

- Resources include Tumas, Tubas and Omaha deposits of 258.0 Mlb U₃O₈ at an effective interest of 95%. The value of the tenure associated with the Reptile Exploration Project is incorporated in this valuation.
- Five-day average A\$:US\$ rate as at 19 May 2022 of 0.698.

Share market trading evidence

In selecting an appropriate resource multiple for the Tumas Project, we have predominantly considered companies that hold developing projects instead of projects currently in care and maintenance (i.e. not restart projects). The implied resource multiples of these companies are presented in the figure below.

Figure 15: Resource multiples of listed companies broadly comparable to the Tumas Project

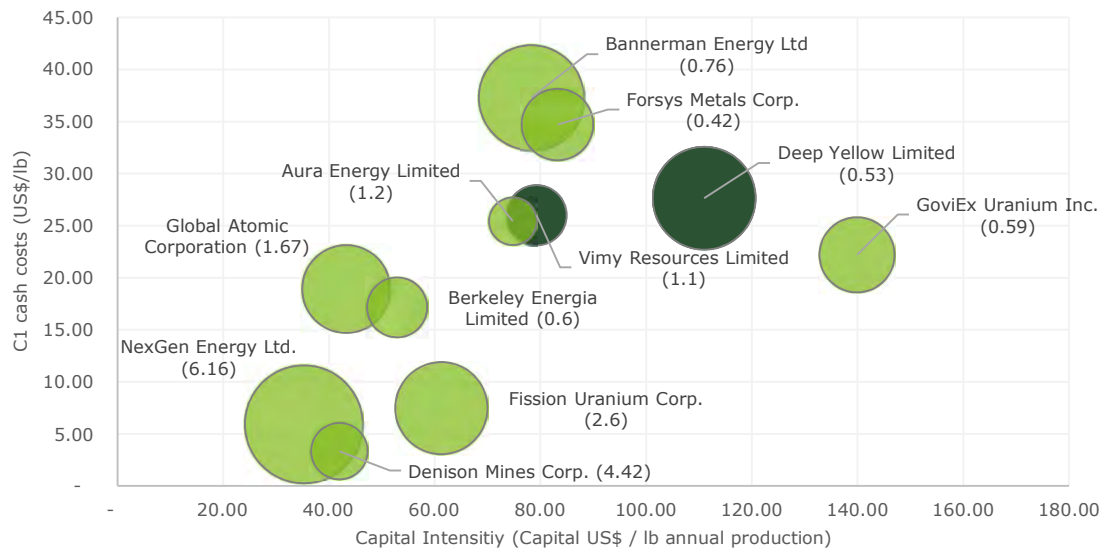


Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

The development stage companies set out in the Figure above trade at between US\$ 0.42 per lb and US\$ 6.16 per lb with a median of US\$ 1.20 per lb.

The following figure summarises the C1 cash costs and capital intensity of the development stage companies based on the latest public announcements by the company.

Figure 16: Comparable uranium development-stage companies (bracketed figures reflect resource multiples of each company in US\$ per lb U₃O₈)



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

Note:

1. C1 cash costs and capital requirements reflect outputs from company feasibility studies. We have not amended these estimates with the exception of for foreign exchange rates where US\$ outputs were not provided.

We note the following in relation to the project economics of the comparable companies:

- We consider GoviEx Uranium Inc (**GoviEx**), Forsys Metals Corporation (**Forsys**) and Bannerman Energy Limited (**Bannerman**) to be the most comparable companies to the Tumas Project, and they trade at resource multiples of US\$ 0.59 per lb, US\$ 0.42 per lb and US\$ 0.76 per lb, respectively. The Tumas Project has more potential based on available resources as a result of the Omahola deposits compared to GoviEx and Forsys, and is less capital intensive than GoviEx's Madaouela project, and has lower C1 cash costs compared to Forsys' Norasa project and Bannerman's Etango project. The Norasa project is slightly more progressed having completed a DFS, whereas the Madaouela, Etango and Tumas projects have only completed a PFS to date
- Norasa, Etango and Tumas projects are located in Namibia and the Madaouela project is located in Niger. Per the Fraser Institute 2021 Annual Survey of Mining Companies, Niger ranked 68th for investment attractiveness, whereas Namibia ranked 59th. In addition, Namibia has a strong history in uranium mining and is the fourth largest uranium producer in the world, responsible for 10% of global uranium output. Niger is currently the sixth largest producer with 5% of global uranium output. Broadly speaking, we consider Namibia is a lower risk country to develop a uranium project
- SRK's analysis based on observed transaction evidence suggests a weighted average multiple of US\$ 0.56 per lb to US\$ 0.84 per lb³¹ to apply to the combined resource base of the Tumas Project and the Omahola Project, which also factors in the exploration acreage associated with the Reptile Exploration Project. SRK's suggested multiple range reflects the PFS (advancing to DFS) status of the Tumas Project, the applied cut-off grade (100 ppm U₃O₈) assigned to the publicly reported Mineral Resources and issues raised by SRK in verifying the Mineral Resource estimates.

Based on our analysis of the trading comparable companies, we have selected a multiple for the Tumas Project (including the Omahola Project and the tenure associated with the Reptile Exploration Project) in the range of US\$ 0.55 per lb to US\$ 0.75 per lb.

Potential upside

The Proposed Merged Group may enjoy greater ability to secure favourable and/or expedited funding terms as a result of the proven ability of the management of Deep Yellow to successfully progress a uranium development project to completion. This proven uranium market experience is not currently available to Vimy's Shareholders.

This benefit is difficult to quantify, particularly in the context of a resource multiple methodology. We have therefore considered this benefit as part the reasonableness section in the Executive Summary.

³¹ A\$ 0.80 to A\$ 1.20 converted to US\$ based on 5-day average A\$:US\$ rate as at 19 May 2022 of 0.698.

7.2.2 Exploration assets

SRK was instructed by Deloitte Corporate Finance to provide an assessment of the value of the early-stage development and exploration assets of the Proposed Merged Group not associated with Mulga Rock or Tumas.

SRK has estimated the value of the exploration and early-stage development assets of the Proposed Merged Group as set out in the following table.

Table 38: Exploration and early-stage development assets

A\$ million	Low	High
Vimy exploration assets		
Alligator River Project	58.9	115.3
Kingston Project	6.9	13.8
Total	65.8	129.1
Deep Yellow exploration assets		
Nova JV (39.5%)	2.4	2.4
Yellow Dune JV (85.0%)	12.4	17.2
Shiyela Iron Ore Project (95.0%)	1.3	3.6
Total	16.1	23.2
Grand total	81.9	152.3

Source: Appendix 5: Technical Expert's Report

Further detail on the valuation of the Proposed Merged Group's exploration and early-stage development assets is set out in Section 5 of SRK's report in Appendix 5.

7.2.3 Surplus liabilities

Refer to Section 6.2.3 for the valuation of the contingent liability owing to RTX.

Table 39: Surplus liabilities

A\$ million	
Contingent consideration (RTX)	0.3
Total surplus liabilities	0.3

Source: Deloitte Corporate Finance analysis

7.2.4 Net cash

The pro forma net cash position of the Proposed Merged Group as at 30 April 2022 is set out in the following table. Refer to Section 4.7.1 for further information.

Table 40: Net cash summary

US\$ million	
Current interest-bearing liabilities	nil
Non-current interest-bearing liabilities	nil
Cash and cash equivalents	85.2
Net cash	85.2

Source: Deloitte Corporate Finance analysis

We have been provided with the net cash position for Vimy and Deep Yellow as at 30 April 2022. We have been advised by management that the net cash as at the date of this report for both entities has not materially changed.

7.2.5 Valuation: sum-of-the-parts method

The value of a share in the Proposed Merged Group using the sum-of-the-parts methodology is summarised below.

Table 41: Proposed Merged Group valuation summary

	Unit	Low	High
Mulga Rock Project	A\$ million	148.4	174.2
Tumas Project	A\$ million	193.1	263.3
Exploration assets	A\$ million	81.9	152.3
Enterprise value	A\$ million	423.4	589.9
Surplus liabilities	A\$ million	(0.3)	(0.3)
Net cash	A\$ million	85.1	85.1
Equity value	A\$ million	508.3	674.7
Fully diluted Vimy shares	million	1,171.2	1,171.2
Share exchange ratio	million	0.294	0.294
Vimy converted shares	million	344.3	344.3
Deep Yellow shares outstanding (fully diluted)	million	388.2	388.2
Proposed Merged Group fully diluted shares	million	732.6	732.6
Value per share	A\$ per share	0.69	0.92

Source: Deloitte Corporate Finance analysis

In estimating the appropriate Deep Yellow shares outstanding we have assumed that outstanding Performance Rights and options vest and convert into shares. We have adopted this approach on the basis that outstanding options have a strike price of nil and conversion of the Performance Rights are subject to a tenure-based hurdle and the Board's discretion.

The following table summarises the Deep Yellow shares outstanding.

Table 42: Shares outstanding

	Unit	
Ordinary shares	millions	387.2
Performance rights exercised	millions	0.4
Options exercised	millions	0.6
Shares outstanding	millions	388.2

Source: Deloitte Corporate Finance analysis

Note:

1. Refer to Section 4.6.

We have selected a valuation range for a share in the Proposed Merged Group to be in the range of A\$ 0.69 to A\$ 0.92 on a control basis.

7.3 Analysis of recent trading in Deep Yellow shares

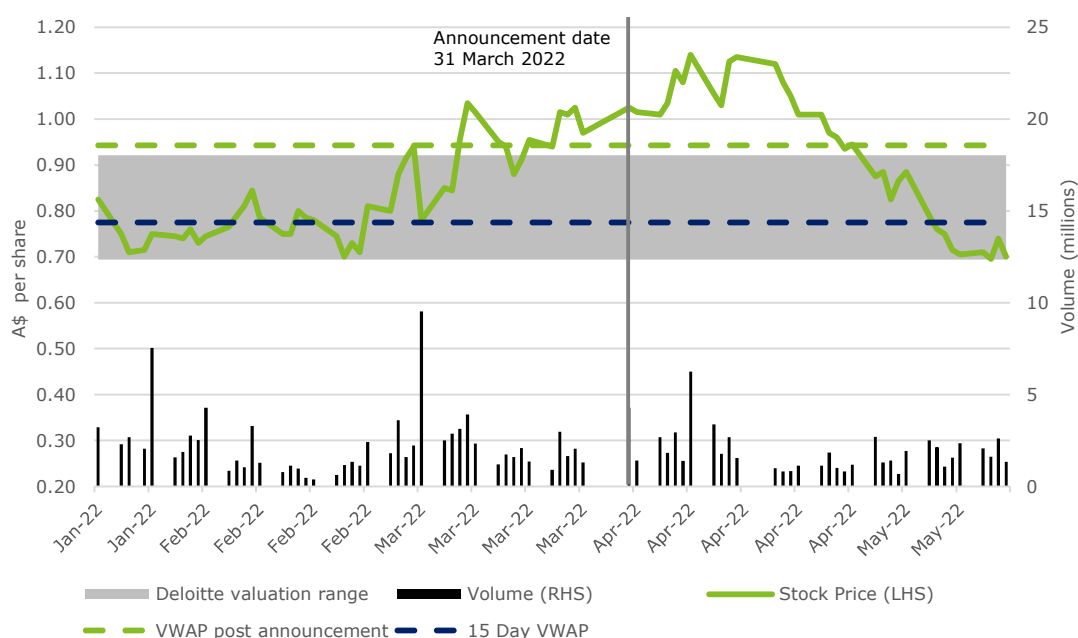
To the extent the market believes the Proposed Scheme will proceed, it is reasonable to assume that the traded market price of Deep Yellow's shares since the announcement of the Proposed Scheme represents an objective assessment of the price at which the shares in the Proposed Merged Group might trade after completion of the Proposed Scheme.

In the six months and twelve months prior to the announcement of the Proposed Scheme, the annualised daily volume of Deep Yellow's shares traded on the ASX compared to the shares on issue was approximately 137% and 126%, respectively. Deep Yellow's free float prior to the announcement of the Proposed Scheme was approximately 83%³².

Vimy and Deep Yellow announced the details of the Proposed Scheme to the market on 31 March 2022. In the 49 days post the announcement of the Proposed Scheme, approximately 130% of Deep Yellow's shares traded on the ASX compared to the shares on issue on an annualised basis.

The following figure compares the daily share price of Deep Yellow prior to and following the announcement of the Proposed Scheme on 31 March 2022, the VWAP of Deep Yellow's shares from the announcement date to 19 May 2022, the VWAP of Deep Yellow's shares for the 15 trading days up to 19 May 2022 and our selected valuation range of a share in the Proposed Merged Group.

Figure 17: Share trading analysis



Source: S&P Capital IQ, ASX announcements, Deloitte Corporate Finance analysis

The following table sets out the share market trading in Deep Yellow shares both prior to and post the announcement of the Proposed Scheme.

Table 43: Analysis of share trading in Deep Yellow

	Low (A\$)	High (A\$)	VWAP (A\$)	% volume traded
Prior to the announcement of the Proposed Scheme				
7 days	0.940	1.025	0.996	2.6%
14 days	0.880	1.025	0.971	5.0%
21 days	0.780	1.035	0.916	10.6%
30 days	0.710	1.035	0.897	14.3%
Post the announcement of the Proposed Scheme				
49 days	0.695	1.140	0.943	17.4%
Last 15 days	0.695	0.885	0.775	7.1%

Source: Deloitte Corporate Finance analysis, S&P CapitalIQ

³² S&P CapitalIQ as at 25 March 2022.

The market price of shares in Deep Yellow has fluctuated in recent weeks in response to information such as:

- the release of financial reports:
 - Deep Yellow released its quarterly cash flow report to the market. The cash flow report for the quarter ended 31 March 2022 was announced on 19 April 2022
- development progress updates:
 - Deep Yellow released its quarterly activity reports to the market, outlining results and performance for the period. The operations report for the quarter ended 31 March 2022 was announced on 19 April 2022
 - Deep Yellow announced the results of the Phase 2 Drilling program at Barking Gecko on 7 April 2022. According to this announcement, the results from drilling did not replicate high grades from previous drilling while still indicating a substantial deposit.

Trading in Deep Yellow's shares is also strongly correlated to spot uranium prices. The spot uranium price peaked at US\$ 64.50 per lb³³ on 13 April 2022 and has since declined 26% to US\$ 48.00 per lb as at 19 May 2022. Over the same period, the Deep Yellow share price has declined 38%. This movement is consistent with the movement in share prices of comparable companies which declined by 36% on average over the same period. While fluctuations in the share price of Deep Yellow post announcement of the Proposed Scheme may be an indicator of the market's view of the success or otherwise of the Proposed Scheme, as well as the value of the combined assets, the recent decrease in the price of Deep Yellow's shares is more likely driven by the change in spot uranium prices.

As our valuation of the Proposed Merged Group's major projects is based on benchmarks inferred from recent trading in comparable companies, our valuation of a share in the Proposed Merged Group is also correlated to movements in uranium prices.

Deep Yellow's most recent 15 day VWAP to 19 May 2022 was A\$ 0.78 whereas the closing share price on 19 May 2022 was A\$ 0.70.

The shares have traded in the range of A\$ 0.70 to A\$ 1.14 since announcement of the Proposed Scheme, which is not inconsistent with our assessed valuation range of A\$ 0.69 to A\$ 0.92 for the Proposed Merged Group.

³³ S&P CapitalIQ.

Appendix 1: Context to the report

Individual circumstances

We have evaluated the Proposed Scheme for Shareholders as a whole and have not considered the effect of the Proposed Scheme on the particular circumstances of individual investors. Due to their particular circumstances, individual investors may place a different emphasis on various aspects of the Proposed Scheme from the one adopted in this report. Accordingly, individuals may reach different conclusions to ours on whether the Proposed Scheme is fair and reasonable and therefore in the best interests of Shareholders. If in doubt investors should consult an independent adviser, who should have regard to their individual circumstances.

Limitations, qualifications, declarations and consents

The report has been prepared at the request of the Directors of Vimy and is to be included in the Scheme Booklet to be given to Shareholders for approval of the Proposed Scheme. Accordingly, it has been prepared only for the benefit of the Directors and those persons entitled to receive the Scheme Booklet in their assessment of the Proposed Scheme outlined in the report and should not be used for any other purpose. Neither Deloitte Corporate Finance, Deloitte Touche Tohmatsu, nor any member or employee thereof, undertakes responsibility to any person, other than the Shareholders and Vimy, in respect of this report, including any errors or omissions however caused. Further, recipients of this report should be aware that it has been prepared without taking account of their individual objectives, financial situation or needs. Accordingly, each recipient should consider these factors before acting on the Proposed Scheme. This engagement has been conducted in accordance with professional standard APES 225 Valuation Services issued by the Accounting Professional and Ethical Standards Board Limited.

The report represents solely the expression by Deloitte Corporate Finance of its opinion as to whether the Proposed Scheme is in the best interests of the Shareholders as a whole. Deloitte Corporate Finance consents to this report being included in the Scheme Booklet in the form and context in which it is to be included in the Scheme Booklet.

Statements and opinions contained in this report are given in good faith but, in the preparation of this report, Deloitte Corporate Finance has relied upon the completeness of the information provided by Vimy and Deep Yellow and its officers, employees, agents or advisors (as set out below in 'Sources of Information'). Deloitte Corporate Finance does not imply, nor should it be construed, that it has carried out any form of audit or verification on the information and records supplied to us. Drafts of our report were issued to Vimy and Deep Yellow management for confirmation of factual accuracy.

In recognition that Deloitte Corporate Finance may rely on information provided by Vimy, Deep Yellow and its officers, employees, agents or advisors, Vimy has agreed that it will not make any claim against Deloitte Corporate Finance to recover any loss or damage which Vimy may suffer as a result of that reliance and that it will indemnify Deloitte Corporate Finance against any liability that arises out of either Deloitte Corporate Finance's reliance on the information provided by Vimy and its officers, employees, agents or advisors or the failure by Vimy and its officers, employees, agents or advisors to provide Deloitte Corporate Finance with any material information relating to the Proposed Scheme.

Deloitte Corporate Finance also relied on the independent technical expert report prepared by SRK. Deloitte Corporate Finance assessed the professional competence and objectivity of the SRK and believe the work performed is appropriate and reasonable. Deloitte Corporate Finance has received consent from SRK for our reliance on and inclusion of their opinion in the preparation of this report.

To the extent that this report refers to prospective financial information we have considered the prospective financial information and the basis of the underlying assumptions. The procedures involved in Deloitte Corporate Finance's consideration of this information consisted of enquiries of Vimy and Deep Yellow personnel, analytical procedures applied to the financial data and the appointment of the technical expert, SRK, to provide advice on the reasonableness of the assumptions underlying the Models. These procedures and enquiries did not include verification work nor constitute an audit or a review engagement in accordance with standards issued by the AUASB or equivalent body and therefore the information used in undertaking our work may not be entirely reliable.

In relation to the prospective financial information, actual results may be different from the prospective financial information of Vimy and Deep Yellow referred to in this report since anticipated events frequently do not occur as expected and the variation may be material. The achievement of the prospective financial information is dependent on the outcome of the assumptions. Accordingly, we express no opinion as to whether the prospective financial information will be achieved.

Deloitte Corporate Finance holds the appropriate Australian Financial Services licence to issue this report and is owned by the Australian Partnership Deloitte Touche Tohmatsu. The employees of Deloitte Corporate Finance principally involved in the preparation of this report were Nicki Ivory, B.Com., FCA, CFA and Stephen James Reid, M App. Fin. Inv, B.Ec, FCA. Each have many years of experience in the provision of corporate financial advice, including specific advice on valuations, mergers and acquisitions, as well as the preparation of expert reports.

Consent to being named in disclosure document

Deloitte Corporate Finance Pty Limited (ACN 003 833 127) of Tower 2, Brookfield Place, 123 St Georges Terrace, Perth, WA 6000, acknowledges that:

- Vimy proposes to issue a Scheme Booklet to be provided to Vimy shareholders in relation to the Proposed Scheme
- the Scheme Booklet will be issued in hard copy and be available in electronic format
- it has previously received a copy of the draft Scheme Booklet for review
- it is named in the Scheme Booklet as the 'independent expert' and the Scheme Booklet includes its independent expert's report as an Annexure.

On the basis that the Scheme Booklet is consistent in all material respects with the draft Scheme Booklet received, Deloitte Corporate Finance Pty Limited consents to it being named in the Scheme Booklet in the form and context in which it is so named, to the inclusion of its independent expert's report as an Annexure to the Scheme Booklet and to all references to its independent expert's report in the form and context in which they are included, whether the Scheme Booklet is issued in hard copy or electronic format or both.

Deloitte Corporate Finance Pty Limited has not authorised or caused the issue of the Scheme Booklet and takes no responsibility for any part of the Scheme Booklet, other than any references to its name and the independent expert's report as included as an Annexure.

Sources of information

In preparing this report we have had access to the following principal sources of information:

- various transaction documents including the SID and the draft Scheme Booklet
- audited financial statements for Vimy for the years ended 30 June 2020, 30 June 2021 and reviewed financial statements for the half year ended 31 December 2021
- audited financial statements for Deep Yellow for the years ended 30 June 2020, 30 June 2021 and reviewed financial statements for the half year ended 31 December 2021
- financial models prepared by the management of Vimy and Deep Yellow
- feasibility studies relating to key projects of Vimy and Deep Yellow
- the independent technical report prepared by SRK
- Vimy and Deep Yellow company websites and ASX announcements
- publicly available information on comparable companies and market transactions published by ASIC, Thomson Research, Thomson Reuters Financial markets, SDC Platinum and Mergermarket
- TradeTech Uranium Market Study 2022 – Issue 1

- other publicly available information, media releases and brokers reports on Vimy, Deep Yellow and the uranium industry.

In addition, we have had discussions and correspondence with certain directors and executives in relation to the above information and to current operations and prospects, including the following:

- Cheryl Edwardes – Chairman, Vimy
- Steven Michael – Managing Director and Chief Executive Officer, Vimy
- Tony Chamberlain – Executive Director, Vimy
- Wayne Bramwell – Non-Executive Director, Vimy
- Matthew Owen – Chief Financial Officer, Vimy
- John Borshoff – Managing Director and Chief Executive Officer, Deep Yellow
- Gillian Swaby – Executive Director, Deep Yellow
- Andrew Mirco – Head of Business Development, Deep Yellow
- Darryl Butcher – Head of Project Development, Deep Yellow
- Eduard Becker – Head of Exploration, Deep Yellow
- Dustin Garrow – Head of Marketing, Deep Yellow
- Cathy Paxton – Head of Sustainable Development, Deep Yellow.

Appendix 2: Valuation methodologies

Common market practice and the valuation methodologies which are applicable to corporate entities and businesses can be categorised under one of the following three approaches.

Market approach

The market approach involves the determination of fair value having regard to pricing and other metrics implied by market trading or transactions of comparable assets. Valuation methods commonly adopted under the market approach include:

- earnings multiples
- reserve and resource multiples for mining companies
- analysis of an entity's recent share trading history.

The earnings multiple method estimates fair value as the product of an entity's earnings and an appropriate earnings multiple. An appropriate earnings multiple is derived from market trading and/or transactions involving comparable companies. The earnings multiple method is appropriate where the entity's earnings are relatively stable.

Reserve and resource multiples estimate fair market value as the product of an entity's reserves or resources and an appropriate multiple. An appropriate reserve or resource multiple is derived from market trading and/or transactions involving comparable companies. This method is appropriate for mining companies with certified reserve and resource statements and if the income approach is not feasible.

The most recent share trading history provides evidence of the fair value of the shares in an entity where they are publicly traded in an informed and liquid market.

Income approach

The income approach involves the determination of fair value based on the present value of future amounts. The discounted cash flow method estimates fair value by discounting an entity's future cash flows using an appropriate cost of capital to reflect the risks of the cash flows, to a net present value. This method is appropriate where a projection of future cash flows can be made with a reasonable degree of confidence, and is commonly used to value early stage companies or projects with a finite life.

Other methods under the income approach include option pricing models (such as Black Scholes-Merton formula or a binomial model) and the multi-period excess earnings method in the case of valuing intangible assets.

Cost approach

The cost approach involves the determination of fair value based on the cost of replacement. Valuation methods under the cost approach estimate the fair value of an entity's shares based on the realisable value of its identifiable net assets, and typically comprise:

- orderly realisation of assets method
- liquidation of assets method
- net assets on a going concern basis.

The orderly realisation of assets method estimates fair value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner. The liquidation method is similar to the orderly realisation of assets method, except that it assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimates the fair value of the net assets of an entity, after deduction for the costs of operating the net assets of the business, but does not take account of realisation costs.

These methods ignore the value of intangible assets such as customer lists, management, supply arrangements and goodwill which may not be recognised on the balance sheet. Asset based methods are appropriate when companies are not profitable, or a significant proportion of an entity's assets are liquid, or for asset holding companies.

Appendix 3: Uranium industry overview

Uranium is a silvery-white metallic radioactive element and one of the most common naturally occurring materials in the earth's crust. Due to its radioactive nature, uranium is primarily used as fuel for nuclear power stations with minor amounts of uranium used for military, medical, industrial and scientific purposes. Nuclear energy currently contributes approximately 10% of the world's electricity supply³⁴.

Overview

Uranium ore is extracted from uranium-bearing minerals such as uraninite using either conventional mining methods such as underground or open pit mining or an in-situ recovery (**ISR**) process.

Underground mining involves digging tunnels to reach subterranean ore deposits and once extracted, the ore is brought to the surface for processing. Open pit mining involves removing the overburden material with heavy earthmoving machinery until the ore is reached. Once the ore is at the surface, it is crushed and then ground in water to produce a slurry. The slurry is then leached with sulphuric acid to dissolve the uranium oxides, leaving the undissolved materials as mine tailings. Some notable orebodies accessed through open pit mining are the Ranger Project in north Australia and the Rössing Project in Namibia. Other mines such as Olympic Dam in Australia and McArthur River, Rabbit Lake and Cigar Lake in Northern Saskatchewan are underground mines³⁵.

ISR is a process whereby a chemical solution is injected into the ore through a borehole which dissolves the minerals. The solution containing dissolved uranium is then pumped back to the surface for processing. Solutions used for extraction may consist of sulphuric acid or dissolved carbon dioxide. In the US, ISR is considered the most cost effective and environmentally acceptable method of mining as it can be accomplished without any major ground disturbance. In 2019, 57% of world uranium mined was from ISR operations, with most ISR occurring at Kazakhstan and Uzbekistan mines³⁶.

All uranium ore that is mined is processed on-site to produce a uranium oxide concentrate known as "yellowcake". Both conventional and in situ mining methods produce a liquid with uranium dissolved in it. This liquid is filtered, and the uranium is then separated through ion exchange and precipitated to produce the U_3O_8 , or yellowcake/uranium oxide concentrate.

Nuclear power plants consume enriched uranium which is produced by converting U_3O_8 from the mine site to uranium hexafluoride (**UF₆**) via a conversion plant. The UF_6 is then enriched in the U235 isotope at a separate enrichment facility prior to being fabricated into fuel rods and bundles. Uranium can take between one and four years to process into nuclear fuel. This long lead time has led to utilities building up large surplus inventories of uranium to ensure continuity of supply.

Key Drivers

The key driver of the uranium industry is the demand from nuclear energy utilities. Historically, uranium offtake has been sold to global power utility companies under long term contracts that vary from three to fifteen years in length³⁷. Demand depends not only on demand for electricity but also on the share of electricity generated by nuclear means.

Demand for electricity is driven by global economic growth and development which continues to be strong as large economies such as China and India industrialise, while trying to limit urban air pollution.

However, concerns over the high upfront capital costs, long build timeline and safety of nuclear power following the Fukushima accident in 2011 have been the driving force behind the state of the uranium market in recent years. Recently, greenhouse gas emissions intensity, power grid stability and geopolitical tension have also influenced the demand/supply dynamics of the industry.

³⁴ World Nuclear Association: Nuclear power in the world today

³⁵ World Nuclear Association: Uranium mining overview

³⁶ World Nuclear Association: In-situ leach mining of uranium

³⁷ World Nuclear Association: Uranium markets

On 11 March 2011 following a major earthquake, a 15-metre tsunami disabled the power supply and cooling of three Fukushima Daiichi reactors causing all three cores to melt in the following three days. Radioactive material was released into the environment and Fukushima was evacuated. Following the accident, all of Japan's 54 nuclear power plants were either closed or their operations suspended for safety inspections, which are still ongoing. The result of this was an approximate 10% decrease in global demand as these plants no longer required input uranium. However, this issue is abating as Japanese reactors are now slowly receiving government approval to recommence operations.

The excess supply and depressed demand led to uranium prices declining from 2011 over the next decade. As a result, major producers Kazatomprom and Cameco reduced production, putting projects on care and maintenance. Following sustained growth in demand, the market swung to a primary supply deficit in 2019 resulting in upwards price pressure.

Prices were then further buoyed as a result of additional production cuts in 2020, due to COVID, and the Sprott Physical Uranium Trust (**SPUT**) which purchased 41.3 million lbs U_3O_8 over 2021 and 14.2 million lbs U_3O_8 in 2022³⁸ (up to 19 May). The fund manager believes that the shift towards green energy will accelerate the demand for uranium, especially considering the recent rise in natural gas and coal prices. It intends to hold the inventory indefinitely, allowing investors to gain exposure to the market, and has continued to increase its inventories to 55.5 million lbs of U_3O_8 to date. Competing funds such as the UK-based Yellow Cake Plc (**YCA**), with a current inventory of 18.8M lbs U_3O_8 ³⁹, and the Kazakhstan-based ANU Energy OEIC Limited (**ANU**) have also been buying physical uranium from industry participants.

In 2022, the Russian invasion of Ukraine has altered the landscape for the uranium market once again. Despite no explicit restriction on fuel trade, many nuclear utilities and fuel suppliers are expressing concerns and less affinity to transact with Russia. TradeTech anticipates that this could potentially lead to a fragmented market whereby CIS-aligned countries are restricted from trading with western-aligned countries.

The increase in intermittent renewable energy supply, increases the need for reliable back-up power generation. As available grid storage options are currently limited by costs and other factors, natural gas generators remain the key back-up power source. Recent supply-chain and geopolitical events affecting fossil fuel markets, has also resulted in record high natural gas prices making nuclear power a relatively cheaper option.

Going forward, the uranium market is forecast to be driven by increases in demand for cleaner base load electricity production. As concerns about greenhouse gas emissions from fossil fuels continue to mount, uranium is seen as an attractive alternative for base load power supply as it produces no greenhouse gas emissions and consumes relatively little fuel in comparison to fossil fuel plants. Once a nuclear reactor is up and running, fuel cost (uranium rods) represents between 18% to 20% of operating costs⁴⁰, compared to gas or coal which make up over c. 80% of the operating costs⁴¹.

Factors affecting demand

Demand from nuclear plants

There are currently over 440 operable reactors in the world supplying energy to over 30 countries, with 55 more nuclear reactors under construction, about 100 planned, and over 300 proposed⁴². Total construction costs (excluding financing) to build a nuclear plant varies dependent on the country ranging from c. US\$ 2,157 per kWe in South Korea to c. US\$ 6,920 per kWe in Slovakia, or c. US\$ 2.2 billion to c. US\$ 6.9 billion for a new 1,000-MWe reactor⁴³.

The US is the largest consumer of nuclear fuels with nuclear energy accounting for c. 20% of all electricity generated in the country and representing c. 30% of total worldwide demand. However, future demand for uranium will be driven by China, India, Russia, and South Korea, which collectively have 33 reactors under construction⁴⁴.

³⁸ Sprott Uranium Trust

³⁹ Yellow Cake Plc March 2022 Quarterly Operating Update; includes contracted purchases for delivery between May and June 2022

⁴⁰ Nuclear Costs in Context (NEI November 2021), based on US nuclear reactor costs between 2010 and 2020.

⁴¹ World Nuclear Association: Nuclear power economics and project structuring 2017 edition

⁴² World Nuclear Association: Nuclear power in the world today

⁴³ International Energy Agency: Projected costs of generating electricity 2020 edition

⁴⁴ World Nuclear Association: Nuclear power in the world today

A summary of the world uranium reactors is shown in the two figures below.

Figure 18: Reactors by region

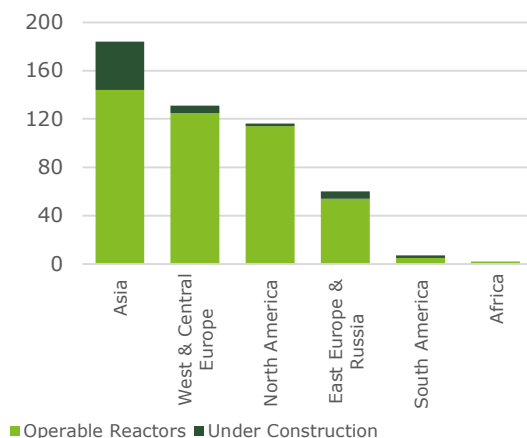
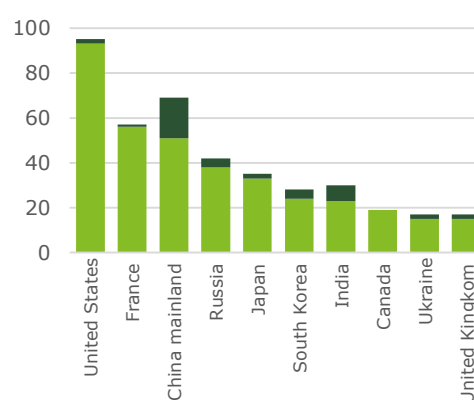


Figure 19: Reactors by country

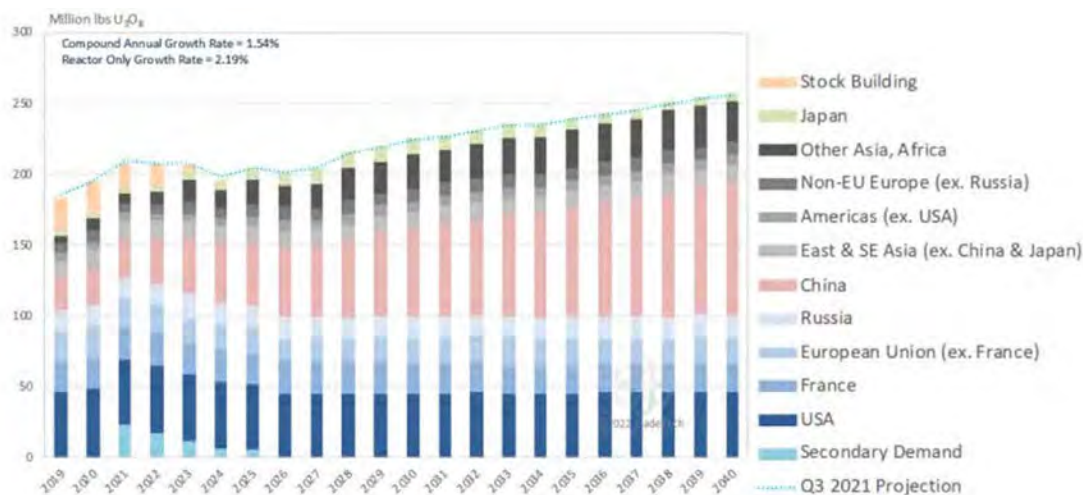


Source: World Nuclear Association

In the short term, demand for uranium is seen to be inelastic as nuclear power stations require a set amount of uranium to fuel their reactors. In the long term fluctuations in uranium prices may affect demand for nuclear power generation, however the overall cost of operating a nuclear power plant is less sensitive to uranium price increases compared to gas/coal-powered generation. Rising uranium oxide concentrate prices can also incentivise enrichment operators with available capacity to underfeed their plants and apply a greater amount of enrichment to yield a similar volume of product. The reverse also applies when high relative enrichment and conversion costs can lead enrichers to overfeeding to meet contractual obligations, which is currently the case.

TradeTech anticipates that the global uranium requirement will grow by c. 1.5% annually between 2019 and 2040, reaching around 250 Mlb U₃O₈ in 2040 due to the expected expansion of nuclear power capacity in China. Western-aligned requirements, which also include most of China's current and future nuclear reactors, are projected to account for c. 80% of the total requirement by 2040.

Figure 20: Global requirements



Source: TradeTech

Factors affecting supply

The key factors affecting the primary supply of uranium are exploration expenditure, availability of resources, regulatory approvals and development timelines for new projects, and price incentivisation.

Reserves and Resources

Australia and Kazakhstan have the largest known uranium resources in the world, holding approximately 28% and 15%, respectively.

Table 44: Uranium resources by country

	Tonnes of Uranium	Percentage of global tonnes
Australia	1,692,700	28%
Kazakhstan	906,800	15%
Canada	564,900	9%
Russia	486,000	8%
Namibia	448,300	7%
South Africa	320,900	5%
Brazil	276,800	5%
Niger	276,400	4%
China	248,900	4%
Other	926,100	15%
Total	6,147,800	100%

Source: World Nuclear Association

Despite hosting the largest proportion of global uranium resources, Australia has accounted for c. 11% of global uranium production between 2011 and 2020 due to a number of bans put in place by the Australian Federal and State Governments on the mining and exploration of uranium. These bans have materially affected expenditure for uranium exploration and mine development in recent years.

From 1984 to 1996, the Federal Government restricted uranium mining to the three existing mines at the time, Ranger and Nabarlek in the Northern Territory, and Olympic Dam in South Australia. Despite the abolishment of Australia's 'three-mine policy' in 1996, uranium mining continues to be banned in at least Queensland and New South Wales. In Western Australia, however, prior to the election of the McGowan Government in March 2017, the former Environment Minister, Albert Jacob, gave approval for the Wiluna Project (owned by Toro Energy Limited), the Yeelirrie and Kintyre Projects (Cameco Australia Pty Limited) and the Mulga Rock Project (Vimy Resources) to proceed. The Western Australian ban was later reinstated by the McGowan Government, however, the State Government allowed four projects, to proceed. Vimy's Mulga Rock Project is the only uranium project in Western Australia that has since received key State and Federal approvals, including those in relation to the project's mining proposal, project management plan and conditional environmental management plans.

There are currently only two operating mines in Australia (Four Mile Mine and Olympic Dam in South Australia, while Nabarlek and Ranger ceased operations in 1988 and 2021, respectively). The Honeymoon Project in South Australia has been under care and maintenance since 2013 amidst a low uranium price environment. Boss Energy, the owner, has since announced plans to recommence production within 12-18 months from the final investment decision, which is expected to take place in the coming months.

Figure 21: Uranium activities in Australia



Source: World Nuclear Association (2021)

Note:

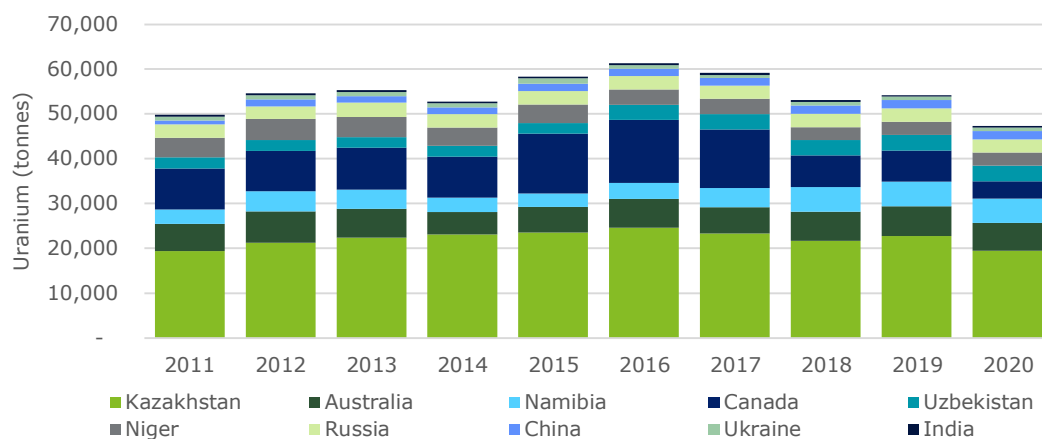
1. Ranger project ceased production in 2021.

Global Production

The top 10 uranium-producing countries in the world have increased their share of production from 93% to 99% over the ten years from 2011 to 2020, with Australia's share increasing from 11% in 2011 to 13% in 2020⁴⁵.

The top 10 global uranium producing countries by tonnage from 2011 to 2020 are outlined below.

Figure 22: Top 10 Uranium producers



Source: World Nuclear Association

⁴⁵ World Nuclear Association: World Uranium Mining Production updated September 2021

The graph above highlights the decline in uranium produced from 2016 to 2020 which was the result of significant curtailment decisions by some of the world's largest producers to manage oversupply in the market. Around 45 Mlb of annual supply of U_3O_8 have been removed from the market since 2016, with 25 Mlb of supply removed in 2018 alone, equivalent to approximately 18% of global supply. Key examples of this include:

- the suspension by Cameco of operations at the McArthur River/Key Lake mines which removed approximately 18 Mlb from the market annually
- Kazatomprom, the world's largest uranium producer, announced it would continue to cut production from its operations in Kazakhstan by 20% over 2020 and 2021, further reducing supply by an additional 10 Mlb per year⁴⁶.

Reactor requirements are not only met by supply through primary producers but also from the secondary market. The secondary supply for uranium includes underfeeding at enrichment plants and military warheads containing enriched uranium which, until 2013, was providing around 15% of the world's reactor requirements⁴⁷.

Future Uranium Production

TradeTech's projections assume a potential segmentation in the market as a result of the Russia-Ukraine conflict, with a western-centric market and a separate market comprising the Commonwealth of Independent States (**CIS**) countries. This most notably pulls out Russian and Kazakh production from the western-centric supply dynamic.

TradeTech forecasts uranium supply based on two scenarios:

- **FAM 1:** the first scenario reflects aggregated supply development closely aligned to the forecasts published by the producers
- **FAM 2:** TradeTech's second scenario reflects constraints in emerging production resulting from government policy decisions and investment confidence.

Under the FAM 1 scenario, TradeTech estimates western-aligned supply to grow rapidly up to 2030, before reaching a steady level at c.200 Mlb U_3O_8 until 2040. In the short-term, western-aligned demand will continue to outstrip supply in the next two years. However, surplus uranium is expected to be generated after 2025 as a higher proportion of production from Kazakhstan and Uzbekistan will become available to western-aligned utilities. Several small development projects, particularly in the US, are also potentially accelerated to improve supply.

Under the FAM 2 scenario, competition over supply will remain intense until 2040. The supply deficit is expected to moderately subside in the next five years, driven by emerging projects coming online from approximately 2025. Persistent undersupply, however, is expected to continue as demand keeps outgrowing supply.

Emerging Supply

TradeTech notes that there are a number of low-cost emerging projects with full production costs between US\$ 30 and US\$ 50 per lb. At long-term prices above US\$ 50 per lb, there should be an adequate level of incentive to develop these projects. Higher prices, however, may be required to induce production due to uncertainties surrounding inflation and supply chain disruption. In March 2022, Paladin received a Tender Award offer from an American Utility for the Langer Heinrich Mine currently on care and maintenance. The pricing under offer would be based on a range of factors including the expected all-in sustaining costs of the project and an appropriate margin⁴⁸.

⁴⁶ Canaccord Genuity: Industry update "The ox is slow, but is the earth patient?" released March 2020

⁴⁷ World Nuclear Association: Supply of Uranium – updated September 2021

⁴⁸ Paladin Announcement 31 March 2022. The offer is not legally binding and still subject to several conditions.

Secondary supply

Secondary supply represents uranium material other than primary production, and its availability has materially influenced uranium prices in recent decades. Key sources of secondary supply include inventories held by utilities and governments (U_3O_8 , UF_6 and enriched uranium product), spent fuel, recycled and reprocessed products, and the product of underfeeding and tails re-enrichment.

Secondary supply collectively supports approximately 14% to 18% of overall demand, which is expected to decline to 5% to 8% by 2040⁴⁹, reducing its impact on global uranium prices.

Uranium Pricing

Unlike some other commodities, the bulk of uranium bought and sold does not trade on an open market but is rather purchased under long-term contracts. Long-term contracts typically vary across producers because of differences in contract lengths, volumes and terms, and the underlying market conditions at the time of signing.

Although the spot market only accounts for a small proportion of the broader uranium and nuclear fuel markets, it has an outsized influence. Industry participants closely follow the daily, weekly, and monthly spot market prices. Uranium equities generally rise and fall on spot market activity. Uranium generally changes hands, not on the spot market itself, but under contracts with pricing determined by escalating negotiated base prices, although some term contracts may also have a spot price component. Given how small and relatively thin the spot market, it exerts a disproportionate amount of influence.

Historically, uranium stockpiles were held not only by private companies, but by governments as well. During the 1990s and early 2000s, governments sold off much of their existing uranium as the Cold War ended, leading to a surplus of uranium on the market which placed downward pressure on uranium prices leading to production costs exceeding market prices.

During the mid-2000s, when governments stopped selling off their stockpiles, existing mines could not keep up with demand which supported a substantial and structural increase in the market price for uranium, from an average price of around US\$ 11 per lb in 2003 to around US\$ 48 per lb in 2006. The supply shortage was further compounded by the flooding of the Cigar Lake Mine in 2007 in Canada, the largest undeveloped high-grade uranium deposit in the world, which led to a significant price spike in mid-2007, surpassing US\$ 140 per lb for that year, before abating to around US\$ 70 per lb for the remainder of 2007 and up to March 2008.

While the prices of other energy-producing commodities recovered in late 2009 after the effects of the global financial crisis, the price of uranium remained under US\$ 50 per lb which is attributed to the structural increase in supply resulting from mining expansions approved off the back of a period of historically strong prices. The end of 2010 and early 2011 saw another spike in uranium prices due to rising energy prices as the global economic recovery drove an increase in the demand for energy.

The nuclear disaster at Fukushima in 2011, however, raised public concerns regarding the safety of nuclear power, and prices fell as a result of the closures of certain existing nuclear plants.

Despite uranium prices remaining below US\$ 30 per lb between 2016 and 2020, most major uranium producers have been able to maintain production. This is the result of realised prices agreed in legacy contracts generally exceeding spot prices. Many of the contracts were signed during high-price market environments when utilities were nervous about supply, and uranium seemed scarce.

⁴⁹ World Nuclear Association: 2021 Nuclear Fuel Report

In 2022, the Russian invasion of Ukraine has altered the landscape for uranium, ultimately forcing Western buyers to seek alternative sources of enriched uranium as well as frustrating countries' plans to reduce their reliance on fossil fuels, such as coal and crude oil. Compounding the supply deficit, Kazatomprom, the world's largest uranium producer, announced further cuts to the production of uranium. Several countries have recently announced their intentions to expedite the construction of new nuclear reactors including the following:

- France announced its intention to build six new reactors, with the first commissioned by 2035
- the United Kingdom announced up to eight new reactors with hopes to have one new reactor approved each year until 2030
- the US government has launched a US\$ 6 billion plan to subsidise nuclear power plants at risk of closing to maintain US nuclear energy as a carbon-free source of power.

These events are putting upward pressure on the price of uranium.

The historical uranium price since 2007 is outlined below.

Figure 23: Historical prices of uranium



Source: Uranium futures price, S&P Capital IQ

The demand for uranium is expected to increase as the world recovers from the effects of the COVID-19 pandemic and as more nuclear reactors currently under construction reach completion. In contrast, supply is expected to be constrained over the next several years as two of the biggest uranium producers in the world (Kazatomprom and Cameco) are anticipated to produce lower levels. Furthermore, there remains a great deal of uncertainty surrounding the future of uranium, as future positions of governments around the world on nuclear energy or establishing uranium reserves are largely uncertain. The Russia-Ukraine conflict is also likely to have prolonged implications on supply and place sustained upwards pressure on the price of uranium.⁵⁰

The volatile spot price and perceived supply constraint is expected to incentivise uranium buyers to enter into term contracts, especially since the ability to cushion supply shock with inventories is more limited than in the past.

Whilst the outlook for the uranium market remains uncertain and volatile, TradeTech forecasts the long-term spot price of uranium (in current real terms) to climb, from c. US\$ 33 per lb in 2021 to between US\$ 49 and US\$ 60 per lb by 2025 depending on which of the FAM 1 or FAM 2 scenarios prevails. TradeTech forecasts term prices to trade at a premium to spot prices in the range of 10% to 20%.

Equity analysts have also recognised an increasing appetite for nuclear power generation as well as broader supply concerns, particularly after the Russian invasion of Ukraine. Broker consensus forecasts for spot uranium prices to reach between US\$ 48 per lb and US\$ 65 per lb by 2025, with a median of US\$ 58 per lb.

⁵⁰ World Nuclear Association: Supply of Uranium – updated September 2021

Appendix 4: Comparable entities

Table 45: Comparable listed companies (19 May 2022)

Company	Enterprise value (US\$ m)	Attributable Resources (Mlb)	Resource multiple (US\$ per lb)	Flagship asset	Stage of development (flagship asset)	Country (flagship asset)	Project type	Capital Intensity (US\$ per lb ²)	Operating costs C1 (US\$ per lb)
Deep Yellow Limited	139.2	260.4	0.53	Tumas	PFS	Namibia	Conventional	111.00	27.64
Vimy Resources Limited	127.3	116.0	1.10	Mulga Rock	DFS	Australia	Conventional	79.26	26.00
Restart projects									
Paladin Energy Limited	1,374.6	368.9	3.73	Langer Heinrich	Restart	Namibia	Conventional	14.50	27.40
Energy Fuels Inc.	810.1	86.5	9.36	Multiple	Restart	USA			
Uranium Energy Corporation	884.3	103.9	8.51	Multiple	Restart	USA			
Boss Energy Limited	354.4	71.6	4.95	Honeymoon	Restart	Australia	ISR	32.66	18.46
enCore Energy Corporation	221.8	99.9	2.22	Multiple	Restart	USA			
Lotus Resources Limited	223.4	39.4	5.68	Kayelekera	Restart	Malawi	Conventional	16.73	39.08
Ur-Energy Inc.	202.3	27.3	7.40	Lost Creek	Restart	USA	ISR	nil	16.34
Peninsula Energy Limited	94.3	53.6	1.76	Lance Projects	Restart	USA	ISR	39.57	15.59
Average			5.45						
Median			5.31						
Developers									
NexGen Energy Limited	2,077.7	337.4	6.16	Arrow - Rook 1	DFS	Canada	Conventional	35.24	5.9
Denison Mines Corporation	723.1	163.6	4.42	Phoenix (WR)	PFS	Canada	ISR	41.96	3.3
Global Atomic Corporation	385.3	231.3	1.67	Dasa	PFS	Niger	Conventional	43.25	18.9
Fission Uranium Corporation	352.0	135.2	2.60	Triple R	PFS	Canada	Conventional	61.25	7.5
Bannerman Energy Limited	149.1	197.4	0.76	Etango	PFS	Namibia	Conventional	78.29	37.3
GoviEx Uranium Inc	119.9	201.9	0.59	Madaouela	PFS	Niger	Conventional	139.92	22.2
Berkeley Energia Limited	53.8	89.3	0.60	Salamanca	DFS	Spain	Conventional	52.89	17.15
Aura Energy Limited	58.0	48.4	1.20	Tiris	DFS	Mauritania	Conventional	74.80	25.43
Forsys Metals Corporation	52.6	126.0	0.42	Norasa	DFS	Namibia	Conventional	83.23	34.72
Average			2.05						
Median			1.20						



Company	Enterprise value (US\$ m)	Attributable Resources (Mlb)	Resource multiple (US\$ per lb)	Flagship asset	Stage of development (flagship asset)	Country (flagship asset)	Project type	Capital Intensity (US\$ per lb ²)	Operating costs C1 (US\$ per lb)
Early stage									
Elevate Uranium Limited	86.63	94.46	0.92		Exploration	Namibia			
Laramide Resources Limited	70.86	118.10	0.60	Westmoreland	PEA	Australia	Conventional	90.6	23.3
Toro Energy Limited	47.64	90.90	0.52	Wiluna	PEA	Australia	Conventional	153.8	31.1
Average			0.60						
Median			0.53						

Source: S&P Capital IQ, Company announcements, Deloitte Corporate Finance analysis

Notes:

1. Resource multiples have been calculated with reference to JORC compliant Measured, Indicated and Inferred resources. We have adjusted comparable listed company enterprise values for net debt and direct uranium inventory holdings which have been removed based on the spot price as at 19 May 2022 (US\$ 48.00).
2. Capital intensity calculated as development capital expenditure (US\$ million) divided by annual production capacity (Mlb).

Appendix 5: Technical expert's report

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Revision #: 2, Final
Project Number: DTT010
25 May 2022

Subject Independent Specialist Report on certain mineral assets held by Vimy Resources Limited and Deep Yellow Limited

Dear Nicki

1 Introduction

1.1 Summary

Deloitte Corporate Finance Pty Limited (Deloitte) has been engaged by the directors of Vimy Resources Limited (Vimy) to prepare an Independent Experts' Report (IER) in relation to an offer from Deep Yellow Limited (Deep Yellow) to acquire all of the fully paid ordinary shares in Vimy in exchange for shares in Deep Yellow by way of a Scheme of Arrangement (the Proposed Transaction).

Deloitte has subsequently commissioned SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an Independent Specialist Report (ISR or Report) in relation to matters on which Deloitte is not an expert. The scope of the work to be completed by SRK was set by Deloitte. SRK's ISR will form part of Deloitte's IER and will be provided to Vimy's shareholders. The Report does not comment on the 'fairness and reasonableness' of any transaction between Vimy and Deep Yellow or Vimy and any other parties.

In accordance with its mandate, the assets within SRK's scope of work comprise the following:

■ Vimy

- A 100% interest in the Mulga Rock Project in Western Australia (Total Ore Reserves of 42 Mlb at 835 parts per million (ppm) of uranium oxide (U_3O_8)) on granted Mining Leases M39/1104 and M39/1105.
- A 100% interest in the Alligator River Project in the Northern Territory (NT) (Inferred Mineral Resource of 26 Mlb at 1.3% U_3O_8).
- A 100% interest in the Kingston Project covering 2,296 km² to the east and northeast of the Mulga Rock Project and considered prospective for base metals.

■ Deep Yellow

- A 100% interest in the Tumas Project in Namibia (Mineral Licence Application 237) with Total Probable Ore Reserves of 68.4 Mlb at 345 ppm U_3O_8 . Oponona Investments (Pty) Limited has an option regarding an effective 5% interest in the underlying licences (EPL3496, 3497 and 6820). However, this option remains to be exercised.¹
- A 100% interest in the Omahola Project which covers EPL3496 as well as the Ongolo, MS7 and Inca deposits. Separate resource statements exist for each of these three deposits totalling 45.1 Mls (refer to Table 5-17).
- A 100% interest in the Reptile Exploration Project which includes all exploration outside of MLA237 on EPLs 3496, 3497 and 6820.
- A 39.5% interest² in the Nova Joint Venture (JV) which holds EPL3669 (Barking Gecko Basement Target) and EPL3670, prospective for both basement and paleochannel type uranium mineralisation.
- An 85% interest in the Yellow Dune JV comprising a single mineral deposit retention licence (MDRL) (MDRL3498) with a drilled-out uranium resource of paleochannel/calcrete type uranium mineralisation. SRK is advised that exploration over this JV area is dormant with the MDRL due to expire in January 2025.

In particular, Deloitte requested that SRK considers the development status and available information pertaining to the subject assets and, for each, comment on the project context, tenure, geology and Mineral Resources, Ore Reserves, capital and operating costs and other considerations (i.e. mine engineering, geotechnical, environmental, processing, infrastructure and closure). Where relevant, SRK is to conduct appropriate analysis as befitting a valuation exercise to consider the fair market value of the mineral assets held by Vimy and Deep Yellow, as well as to assist Deloitte with its assessment of the reasonableness of the assumptions pertaining to the assets and prepare a short-form report summarising SRK's findings. In accordance with its mandate, SRK has not undertaken any analysis of marketing, commodity price and exchange rate assumptions³, as well as corporate taxation analysis, on the understanding that these aspects are to be covered by Deloitte as part of its IER.

As outlined in Section 1.2 and elsewhere in this report, SRK concluded that the assumptions underpinning the techno-economic models of the development projects (i.e. Mulga Rock and Tumas), are subject to a significant amount of uncertainty and that these uncertainties undermine confidence in the technical assumptions used as the basis for each company's supplied discounted cash flow (DCF) model of each project. This necessitated the requirement to adopt a more

¹ Collectively, the Tumas Project, the Omahola Project and the Reptile Exploration Project are referred to as "the Reptile Project" for the purposes of this report

² Deep Yellow's equity interest at the Nova JV is currently 65%, however JOGMEC currently hold a right to equity of 39.5%, which if exercised would amend the JV parties interests. While JOGMEC has not yet exercised its option, the JV parties are contributing in those proportions as though the interest had been exercised.

³ SRK did however, examine historical pricing to determine its impact on the mine design cut-off grade.

appropriate methodology to value the two development projects (i.e. Mulga Rock and Tumas). In consultation with Deloitte, SRK's original scope of engagement was then modified to providing SRK's opinion on the range of multiples that should reasonably apply to the resources attributable to the Mulga Rock and Tumas Projects, taking into account the relative characteristics of each.

SRK understands that Deloitte's preferred valuation methodology is to use trading multiples of peer companies as a basis of comparison with Vimy and Deep Yellow's subject mineral assets. SRK's recommended multiples from recent transactions are to be used as an input to Deloitte's valuation. To ensure comparability between the trading multiples and transaction multiples, Deloitte has requested SRK to assume that the value of any associated tenure (and hence exploration potential) is encapsulated in the value of the transaction multiple.

Furthermore, in relation to the Deep Yellow assets, SRK understands that Deloitte is to value all the Mineral Resources within the Reptile Project (inclusive of the Tumas Mining Lease application area as well as the broader Omahola Mineral Resources and the Reptile Exploration Project), given the proximity of these resources to each other and similar geological attributes.

In forming its overall opinion regarding the multiples to be applied to the Mineral Resources as well as the exploration projects as held by Vimy and Deep Yellow, SRK has considered the market approach (third-party and actual transactions), while using standard industry yardsticks as a secondary guide.

In the case of the exploration potential available within both Vimy and Deep Yellow's projects, SRK has selected the comparable transaction and geoscientific rating valuation methods as its preferred valuation techniques and placed greater weighting towards the values implied by these methods.

Table 1-1 summarises SRK's opinion regarding the fair market value of Vimy and Deep Yellow's attributable interests in the subject mineral assets as at the Valuation Date.

Table 1-1: Valuation Summary – attributable interest as at the Valuation Date

	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)*
Mulga Rock	No Value assigned by SRK – refer to Deloitte's Valuation		
Alligator River	58.9	115.3	87.1
Kingston	6.9	13.8	10.3
Total Vimy	65.8	129.0	97.4
Reptile Project	No Value assigned by SRK – refer to Deloitte's Valuation		
Nova JV (39.5%)	2.4	2.4	2.4
Yellow Dune JV (85%)	12.4	17.2	14.8
Shiyela Iron (95%)	1.3	3.6	2.5
Total Deep Yellow	16.1	23.2	19.7

Source: SRK Analysis

Notes: The table is subject to rounding.

SRK has relied on documents and information available in the public domain and made available by Vimy and Deep Yellow, through their respective online data rooms containing technical files relating to the mineral assets of each company.

The information in this report that relates to the Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions drawn by a team of technical consultants under the supervision of Mr Jeames McKibben, who is a Chartered Professional Fellow of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and a Chartered Valuation Surveyor and Registered Valuer with the Royal Institution of Chartered Surveyors. Mr McKibben is a full-time employee of SRK. Mr McKibben has sufficient experience relevant to the Technical Assessment and Valuation of Mineral Assets under consideration and to the activity that he is undertaking to qualify as a Representative Specialist as defined in the VALMIN Code (2015).

Details of the experience and qualifications of SRK's team are presented in Table 1-2. No site inspection of either Vimy or Deep Yellow's mineral assets was conducted, as several members of SRK's team have previously visited and are familiar with the mineral assets reviewed in this report. In the absence of a Namibian site visit or photographic drone footage, SRK reviewed Google Earth images and site photographs supplied by Deep Yellow.

All monetary figures used in this Report are expressed in either Australian dollar (A\$) or United States dollar (US\$) terms, unless otherwise stated. The final valuation is presented in A\$. The conclusions expressed in this Report are appropriate at the date of the Report. The valuation is effective as at the date of this Report (being 24 May 2022) and is only appropriate for this date and may change in time in response to variations in economic, market, legal or political factors, in addition to ongoing mining, development and exploration results.

This short form report is divided into the following sections:

- Overview of the setting for Vimy's assets (Section 2), followed by technical assessments of each asset, namely: Mulga Rock, Alligator River and the Kingston regional exploration portfolio.
- Overview of Deep Yellow's assets (Section 3) followed by technical assessments of each asset, namely: Reptile Project and Nova JV Projects.
- Overview of other considerations (Section 4) to be taken into account in considering the Market Value of Vimy and Deep Yellow's Mineral Assets
- Valuation (Section 5) including recommendations regarding inputs to Deloitte's valuation analysis.

A Glossary is provided in Attachment 4.

Table 1-2: Details of the qualifications and experience of SRK consultants

Specialist	Position/Company	Responsibility	Length and Type of Experience	Site Inspection	Professional Designation
Jeames McKibben	Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Overall Project Manager/Valuation	+25 years; +15 years in valuation and corporate advisory, 2 years as an analyst and 8 years in exploration and project management roles	None for current exercise, previously visited in 2000s	BSc (Hons), MBA, FAusIMM(CP), MAIG, MRICS
Danny Kentwell	Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Geology	30 years; 23 years in consulting as a geostatistician with a background in geological modelling, mine planning and surveying, 7 years in operations	None	MSc (Mathematics and Planning, Geostatistics), BAppSc(Surveying), FAusIMM
Carl Murray	Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Mining	+30 years as a mining engineer involved in operational (open pit) roles and consulting roles	None	BE (Mining), FAusIMM
Simon Walsh	Associate Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Processing	+25 years; 10 years in operations, 15 years in engineering design, consulting and metallurgical laboratory management; independent technical reviews during the last + 15 years	None	MBA, BSc (Extractive Metallurgy & Chemistry), MAusIMM (CP Met), GAICD
Lisa Chandler	Associate Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Permitting and environment	25+ years; 3 years in operations; 5 years as government regulator; 20 years as environmental consultant to the resources sector	None	MEng (Civil) BSc (Physical Geography) MAusIMM Member NELA
Lesley Jeffrey	Principal Geologist/ SRK Consulting (South Africa) Pty Ltd	Project Manager	+36 years; 17 years in consulting, 5 years in exploration, 6 years in research, 8 years in corporate	None	MSc, BSc, PrSciNat, FGSSA, FFF
Mark Wanless	Principal Resource Geologist	Geology	25 years, 7 in operations and 18 in consulting including mine geology, mine planning, geological modelling and geostatistics	None	BSc (Hons), PrSciNat, FGSSA, GASA
Norman (Noddy) McGeorge	Principal Mining Engineer	Mining	+40 years; 35 in production with BHP and 5 years consulting with SRK	None	MSc, BSc, PrEng, MSAIMM
Vic Hills	Mineral Processing Consultant	Processing	+40 years; 9 years in middle and senior plant management, 7 years as consulting metallurgist for South African gold, uranium and platinum mining companies, before embarking on an independent consulting career.	None	BEng, PrEng, ECSA, MSAIMM, MMMA

Specialist	Position/Company	Responsibility	Length and Type of Experience	Site Inspection	Professional Designation
Darryll Kilian	Principal Environmental Consultant	Environment	+27 years	None	MA, BA(Hons), DipEd, BA, MIAIAsa
Andy MacDonald	Associate Principal Engineer	Valuation	+46 years; 31 years in consulting (20 years valuation and 27 years engineering studies), 7 years technical/general management; 5 years mining research; 4 years exploration	None	MBL, MSc, BSc(Hons), BSc, CEng, MIOM3, FSAIMM
Marcin Wertz	Principal Mining Engineer	Peer review	+35 years; 9 years operations and 26 in consulting with SRK; mine planning, engineering studies, independent reviews	None	BSc, PrEng, ECSA, FSAIMM
Karen Lloyd	Associate Principal Consultant/ SRK Consulting (Australasia) Pty Ltd	Peer Review	+25 years; +15 years in valuation and corporate advisory, 2 years as an analyst and 8 years in exploration and project management roles	None	PhD, MBA, BSc Hons, FAusIMM

1.2 Summary of uncertainties identified with techno-economic models

In carrying out its mandate, SRK has reviewed the supplied information and identified the following risks and uncertainties relating to the supporting data to the techno-economic models:

Vimy

- There is approximately 9.3 M dry metric tonnes (dmt) of mineralisation (non-reserve material) which is ultimately fed to the process plant. There is 10% of this material fed between Year 1 and 10. The periods this material is fed is not stated in the 2020 DFS Refresh.
- SRK considers the proposed mining solution as stated in the 2020 DFS Refresh unlikely to be executed as stated. The availability of a second-hand fleet of Ultra class trucks would need to be demonstrated, as in SRK's view there is unlikely to be a ready supply of such equipment in the current market.
- The mining cost as stated in the 2020 DFS Refresh are low on an A\$/t unit cost basis. They are based on the work initiated in 2016 and re-confirmed over successive assessments. It is noted that there is minimal drill and blast costs required due to the 'free dig' nature of the deposit and Vimy propose to purchase second-hand mining equipment for a contractor to utilise and maintain.
- Fuel, labour and maintenance are the three dominant mining cost centres. In SRK's view, these costs have materially increased since 2020 and should be critically reviewed.
- The uncertainty in the take-forward mining cost base (both capital and operating) is resulting from the change from an owner operation in the 2018 DFS to the introduction of a mining contractor using second-hand mobile equipment in the 2020 DFS Refresh.
- While SRK considered the supporting technical studies (to the mining study) have been done well, the continued reliance on numerous 2017 Ore Reserve parameters and the adjustment from Owner/Operator to Contractor mining (in the 2020 DFS Refresh, with minimal technical support) lowers the overall accuracy of the DFS.
- There is a potential up-side in available ore tonnes, but this would only be quantified with a completely updated mining study using updated input parameters to inform an optimisation, pit design and production schedule process at DFS accuracy.
- The base metals project provides potential upside to the 2020 DFS Refresh. However, it has not been sufficiently demonstrated or the techno-commercial documentation appropriately consolidated or quantified to justify inclusion in the techno-economic model for Mulga Rock at present
- Overall, there are some flowsheet risks, mitigated in part by the testwork that has been undertaken.
 - Technology risk associated with resin-in-pulp a weak (or strong) base anion exchange (WBA) resin to preferentially extract uranium from the acid leach solution and the use of ultrafiltration (UF) and nano-filtration (NF) of uranium rich eluates
 - materials handling of the high moisture, clay ores and achieving a consistent mass recovery (or even an average mass recovery) during beneficiation.

- There is approximately 9.3 M dmt of Inferred and Unclassified mineralisation (non-reserve material) which is fed to the process plant over the life of mine. There is 4.1 M dmt of this material fed to the process plant in Year 1 to Year 10, reflecting approximately 10% of the contained metal over this period. The periods this material is fed is not stated in the 2020 DFS Refresh report.
- The proposed use of an alternative strong base anion exchange (SBA) resin project in place of the WBA resin is not as well advanced technically with this opportunity not identified during the 2020 DFS Refresh study and was not included in modelling at that time. As such, SRK does not consider the opportunity to be sufficiently quantified to justify its inclusion into any updated financial modelling, particularly at a stated DFS level of accuracy.
- Several potential metallurgical recovery risks including:
 - Mass recovery and associated U_3O_8 recovery variability
 - Scale-up from laboratory results (batch and piloting) to full plant scale
 - Miscellaneous losses through the RIP and precipitation circuit
 - Novel flowsheet elements risk
- The processing cost estimate is no longer current and will have materially increased as a result of inflationary pressures in the resource sector, in particular fuel, labour, superannuation on-costs, freight, wear consumables, grinding media and reagents.
- The capital cost estimate is no longer current or accurate and requires a full update. In SRK's view it would be prudent to increase the base case processing and processing associated infrastructure capital estimate by escalating the costs, and by increasing the growth and contingency allowance of +7% to increase the overall level to a (Phase 3) Feasibility Study level of 15% for a project of this type as recommended in the AusIMM Cost Estimation Handbook.

Deep Yellow

- The cut-off grade of 150 ppm as assigned for the Ore Reserves is based on a uranium price of US\$65/lb, as well as the ore and processing cost:
 - SRK considers the adopted uranium price as applied to the mine design to be potentially high
 - SRK considers the processing cost, which while sufficiently detailed, could be higher in actuality than the current estimate to account for the recent increases in fuel costs and the uncertainty in the process design⁴
 - If SRK applied its preferred assumptions to the cut-off grade, the net impact would be the need to apply a higher cut-off grade of around 200 ppm. This would reduce the resource model tonnage by around 30% and hence the LOM plan may be shorter with more tonnes reporting to the medium-grade and less to the low-grade stockpiles. This is estimated before any adjustment for the vanadium by-product.

⁴ Estimated by SRK by inserting a revised fuel price into the valuation model supplied

- The recovery of vanadium in the processing plant is treated as a credit against the working costs. While the removal of vanadium is accepted due to contamination issues, in SRK's view there is no reasonable basis for its use in the estimation of the Ore Reserves or for valuation purposes at present.
- Other cost saving opportunities include redesigning the administration services to a contract service, thereby changing the cost to a variable rather than a fixed cost. These have not been adequately modelled.
- The prefeasibility study (PFS) and initial metallurgical test programs informing the definitive feasibility study (DFS) have been conducted on composite samples of Tumas 3 reverse circulation (RC) chips and diamond drill core. These programs have not investigated variability in performance between deposits or spatially within deposits. Other than high gypsum areas, beneficiation is likely to be more affected by orebody variability than downstream processing. It was reported that variability investigations will be undertaken during the DFS. Given that Tumas 3 represents approximately the first 15 years of ore feed to the Project, future focus on potential variability within this deposit is appropriate.
- The PFS reported that the commercial use of membranes to concentrate uranium in hydrometallurgical process streams was pioneered by the principals of Deep Yellow's process engineering advisers and, consequently, characterisation testwork for this process step was not considered necessary for the PFS. It was reported that such work, including an optimisation phase, will be undertaken during the DFS test programme, which is currently underway.
- The processing flowsheet, which contains intellectual property, specific to Deep Yellow, that has not been fully proven commercially. The process was under testing at the Langer Heinrich Mine but was never concluded. The Tumas project includes these technologies but in a new configuration, which will reportedly be validated in the DFS. The full status of the commercial accuracy of the processing technology and the respective costs needs to be established before using the costs for valuation purposes.
- The fuel costs appear insufficient at US\$0.52/L, whereas the current typical price is around US\$1.37/L. In addition, the power capital for connection to the grid and for the heat of the leaching system appears under-estimated. The detail of the power supply is based on a contractor providing an independent project that will provide heat and power to the mine on an operating cost basis. This arrangement is not fully detailed in the PFS and should be checked against a more robust supply option. Power supply was discussed in Deep Yellow's ASX announcement dated 3 February 2022 regarding ongoing work for the DFS where a trade-off study indicated there was potential for operating and capital cost savings. SRK has not been provided with this trade-off study and considers power remains to be checked against a more robust supply option. Power is the largest cost item and potential risk in the project and needs to be evaluated with a higher degree of engineering certainty as part of the DFS whereby it is expected a definitive quotation will be obtained.
- Other capital items that may be under-estimated are rescue-related vehicles, fire-fighting requirements, and personnel transport requirements on site. Similarly, the capital for truck sampling and the earthworks for a ROM tip could not be identified.

2 Vimy's Mineral Assets

2.1 Introduction

Vimy is an Australian Securities Exchange (ASX Code: VMY) listed exploration and evaluation company currently focused on creating shareholder value through the exploration and development of its flagship Mulga Rock uranium project in the Great Victoria Desert of Western Australia.

Vimy also owns and operates a large exploration package in the Alligator River uranium district, located in NT. Vimy is exploring for large high-grade uranium unconformity deposits similar to those found in the Athabasca Basin in Canada.

The Company was formerly known as Energy and Mineral Australia Limited (EMA) and changed its name to Vimy Resources Limited in December 2014. Vimy's subsidiaries include Narnoo Mining Pty Ltd (100%), Viva Resources Pty Ltd (100%), Velo Resources Pty Ltd (100%) and Wellington Range and King River Pty Ltd (100%). The Company holds listings on the ASX (ASX Code: VMY) and US-based OTCQB Venture Market (Code VMRSF). Vimy was incorporated in 2006 and is headquartered in West Perth, Australia.

2.2 Projects

Vimy's exploration portfolio comprises the following mineral assets in Western Australia and NT (Figure 2-1):

Figure 2-1: Regional location of Vimy's mineral assets



Source: Vimy ASX Investor Presentation (31 March 2022)

Note: The Kingston Project lies immediately adjacent to the east and northeast of the Mulga Rock Project.

- An 100% interest in the Mulga Rock Project (incorporating the Ambassador and Princess mining areas which form the Mulga Rock East (MRE) Mining Centre and Shogun and Emperor which comprise the Mulga Rock West (MRW) Mining Centre) located approximately 290 km east-northeast of Kalgoorlie.
- A 100% interest in the Alligator River Project located 100 km north-northeast of Jabiru and 260 km northeast of Darwin in Arnhem Land, NT.
- A 100% interest in the Kingston Project comprising 1,983 km² of granted Exploration Licences and 390 km² in application in the Mount Margaret Mineral Field and surrounding its Mulga Rock Project to the east and northeast which are considered prospective for base metals.

2.3 Mulga Rock Project

2.3.1 Location and Access

Vimy's Mulga Rock Project is centred at approximately Latitude 29°58'18" S and Longitude 123°46'23" E, on the Minigwal (SH5107) and Cundeelee (SH5111) 1: 250,000 scale and Minigwal (3538), Moonyoora (3637) and Narnoo (3638), 1:100,000 scale topographic sheets.

It is remotely located on the western margin of the Great Victoria Desert lying approximately 790 km east-northeast of Perth, 290 km east-northeast of Kalgoorlie–Boulder and 200 km southeast of Laverton in the Shire of Menzie in central southern Western Australia (Figure 2-2). Due to the arid nature and deep sandy soils of the local environment, the project area cannot sustain stock and so is devoid of any pastoral lease or settlements, past or present.

The Project area is accessible from Kalgoorlie–Boulder via the public, all-weather Kurnapli–Pinjin gravel road and thence the Tropicana Gold Mine access road or through Laverton. A 1.4 km dirt airstrip is available on site.

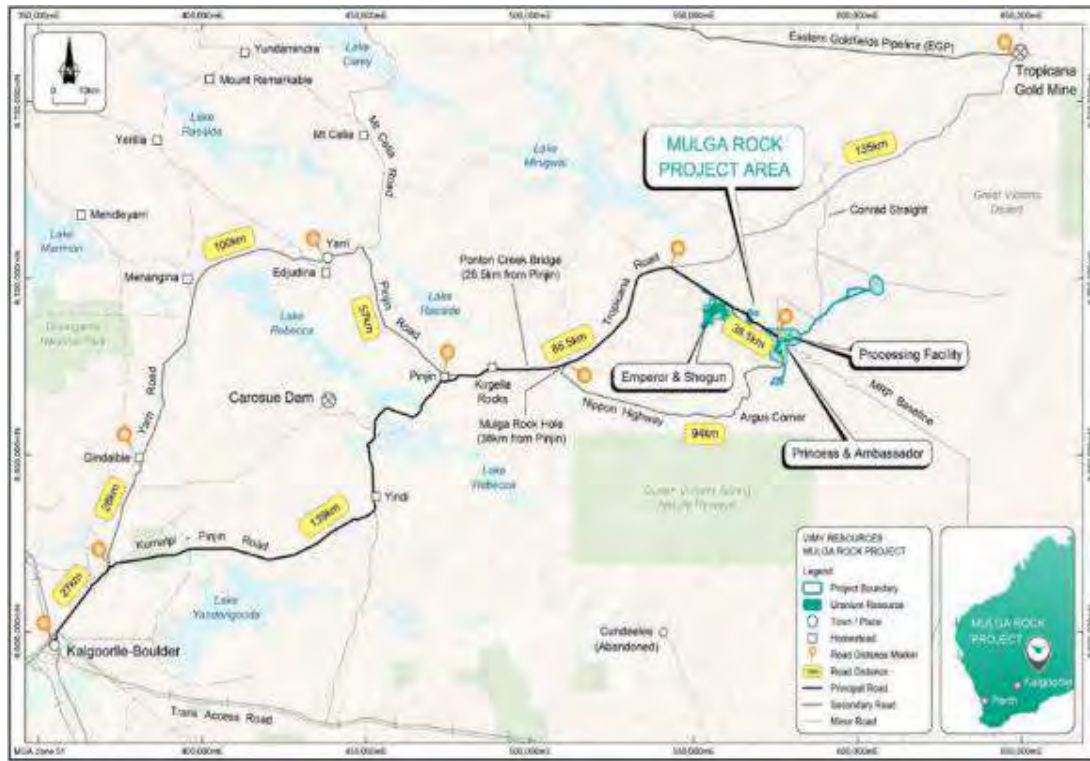
The nearest residential town is Laverton, located approximately 200 km north-west of the Project Area. Kalgoorlie is the region's primary administrative and commercial centre and is 240 km south-west of Mulga Rock. Access is restricted to 4WD vehicles.

The area surrounding Mulga Rock is characterised by an arid to semi-arid climate, with median annual rainfall estimated to be about 254 mm (Bureau of Meteorology (BoM) 2022) and annual median pan evaporation rates estimated to be above 2,600 mm. Rainfall is highest in summer (November to March). Higher rainfall events are associated with cyclonic activity. Vimy has reported that a major rainfall event in February 2011 delivered between 255 mm and 193 mm of rain in the project area over an 8-day period. Pan evaporation significantly exceeds rainfall throughout the year. Temperatures are highest in January and lowest in July.

The Project area is characterised by an undulating sandy plain at elevation of 325 to 400 m, crossed by east-southeast-trending sand dunes. There is a veneer of windblown sands and sand dunes covering the Eocene to Miocene sediments and basement rock. The vegetation consists of spinifex grasses and eucalypt vegetation.

Land use in the area surrounding the Mulga Rock proposal area predominantly consists of mining activities, pastoral stations and conservation reserves. The Project area is sited on vacant crown land, with the nearest inhabited settlements (Pinjin pastoral station) over 105 km away. The closest nature reserves are at Queen Victoria Spring, located 30 km to the south, and Plumridge Lakes, approximately 80 km to the northeast. The closest operating mine is the Tropicana Gold Project, 110 km to the northeast.

Figure 2-2: Location map showing access to the Mulga Rock Project



Source: Vimy Mining Proposal

Key prospects within Vimy's mineral tenures include the MRE mining area comprising the Princess and Ambassador deposit and the MRW mining area comprising the Shogun and Emperor deposits.

2.3.2 Ownership and tenure

The Mulga Rock Project comprises 22 granted tenements covering a combined area of approximately 510 km². These tenures are all held 100% by Narnoo Mining Pty Ltd, Vimy's wholly owned subsidiary. These tenures are detailed as follows:

- 2 granted Mining Leases (M39/1104 and M39/1105)
- 1 granted Exploration Licence (E39/2049) and 1 application (E39/2207)
- 2 Prospecting Licence (P39/5844 and P39/5853)
- 16 Miscellaneous Licences (L39/193, 219, 239 to 243, 251 to 254, 279, 280, 287 to 289 and R39/0002).

The current status of Vimy's mineral tenure at Mulga Rock is summarised in Table 2-1. SRK has validated this information against the Western Australian Government's Mineral Titles Online and Tengraph portals.

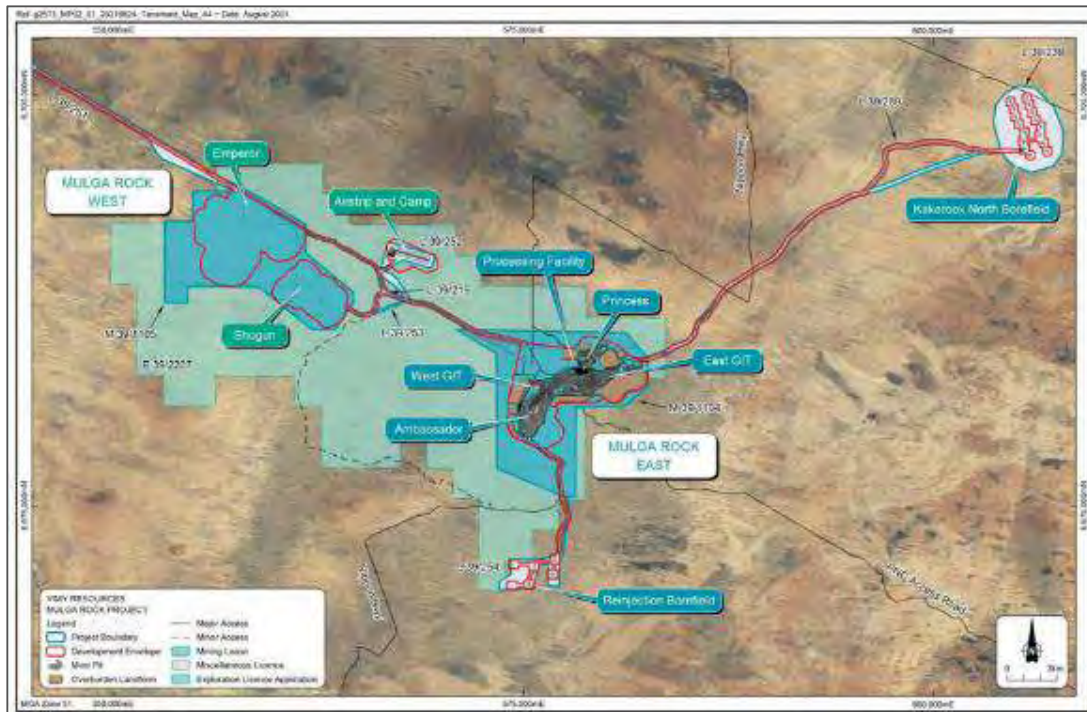
Table 2-1: Vimy's current tenement holdings at Mulga Rock

Tenement	Grant	Expiry	Area (ha)	2023 Rent (A\$)	2022 Minimum Expenditure (A\$)	Comment
M39/1104	19/10/2016	18/10/2037	6,442	141,724	0	
M39/1105	19/10/2016	18/10/2037	5687.5	125,136	0	
E39/2049	19/10/2018	18/10/2023	2,607.46	2,620.00	30,000	Targets additional sediment-hosted uranium mineralisation
E39/2207*	-	-	33,263.50	NA	NA	
L39/193	8/10/2009	7/10/2030	31,641	18,984.60	NA	Surrounds the Kakarook groundwater resource
L39/219	7/12/2012	6/12/2033	238.9552	4,708.30	NA	
L39/239	30/03/2016	29/03/2037	2,342.59570	46,157.10	NA	Proposed Kakarook North raw water borefield, access road and pipeline
L39/240	30/08/2016	29/08/2037	1,102	21,709.40	NA	Gas pipeline access
L39/241	30/08/2016	29/08/2037	90.8237	1,792.70	NA	Water supply access during construction of gas pipeline
L39/242	30/08/2016	29/08/2037	62.22320	1,241.10	NA	Water supply access during construction of gas pipeline
L39/243	31/12/2999	31/12/2999	1,130.43	22,280.70	NA	Gas pipeline access
L39/251	22/08/2018	21/08/2039	661.881	13,041.40	NA	Access road connection M39/1105 and L39/185
L39/252	10/02/2017	9/02/2038	303.3946	5,988.80	NA	Accommodation Village and aerodrome
L39/253	10/02/2017	9/02/2038	348.8604	6,875.30	NA	Access Road
L39/254	6/06/2017	5/06/2038	530.4189	10,460.70	NA	Re-injection borefield and associated pipeline
L39/279	5/07/2019	4/07/2040	40.0	788.00	NA	
L39/280	5/07/2019	4/07/2040	79.0	1,556.30	NA	
L39/287	8/01/2020	7/01/2041	97.70972	1,930.60	NA	Miscellaneous project infrastructure
L39/288	25/08/2020	24/08/2041	138.42064	2,738.30	NA	Miscellaneous project infrastructure
L39/289	25/08/2020	24/08/2041	221.89901	4,373.40	NA	Miscellaneous project infrastructure
P39/5844	9/03/2018	8/03/2022*	26.0	85.80	2,000	
P39/5853	17/04/2018	16/04/2022*	18.31	62.70	2,000	
R39/0002	11/11/2019	10/11/2024	181.68051	1,783.60	NA	

Source: WA Mineral Titles Online, accessed 21 April 2022

Note: NA = No Expenditure Required / *Application, recommended for grant 18/11/2021.

SRK is advised that applications for renewal have been lodged for P39/5844 and P39/5853.

Figure 2-3: Mulga Rock tenements

Source: Vimy mining proposal REG ID 92188

2.3.3 Native Title

The Mulga Rock tenements lie partly within an area subject to a native title claim by the Upurli Upurli Nguratja Native Title Claim Group (WAD281/2020, WC2020/004) and partly within the determined native title claim area held by the Nangaanya-ku Native Title Claim Group (WAD460/2018; WCD2021/009).

The Upurli Upurli Nguratja claim was registered on 21 January 2021, but has not yet been determined. The Nangaanya-ku Native Title claim was determined in favour of the claimants on 29 November 2021. Vimy has advised SRK that all granted Mulga Rock tenements pre-date the submission of the native title claim by the Upurli Upurli Nguratja claimant Group.

The Wongatha people had previously lodged a Native Title claim (WAD6005/1998, WC1999/001) over an area largely to the north of the Mulga Rock project (but which includes the area proposed for a groundwater extraction borefield). The Wongatha claim was dismissed by the Federal Court in 2007.

2.3.4 Pastoral tenure

All Mulga Rock tenements lie on Unallocated Crown Land (UCL). No pastoral tenure exists within 75 km of the Mulga Rock project area.

2.3.5 Agreements

An access agreement is in place with the Tropicana JV partners, providing unlimited access to the Tropicana Gold Mine access road, west of the intersection with the PNC Exploration Australia Pty Ltd (PNC) baseline to all traffic related to Vimy activities (exploration and operations) in exchange for access to groundwater from an existing bore at the Emperor deposit. This agreement has provision for sharing of maintenance costs on a t/km pro-rata basis, once Mulga Rock enters production.

2.3.6 Royalties

Western Australia has a 5% *ad valorem* or value based royalty on uranium oxide concentrate (UOC) production. A rate of 2.5% *ad valorem* will be applied to Cu, Zn and Ni as by-product concentrates. The rate for Co concentrates is undetermined at this time.

In August 2015, Vimy entered into a royalty agreement with Resource Capital VI I.P. (RCF VI). Narnoo Pty Ltd (Narnoo) has agreed to pay a royalty to RCF VI of 1.15% on the gross proceeds received by Narnoo from selling mineral products (ore, concentrates or other products) extracted and recovered from the Mulga Rock Project tenements.

Furthermore, Vimy has granted security to RCF VI for the royalty obligations, in the form of a mortgage over the Mulga Rock mining tenements for the full term of all tenements, including any successor tenements.

2.3.7 History

Uranium mineralisation was first identified at Mulga Rock in 1979 by PNC, a subsidiary of the Power Nuclear Corporation owned by the Japanese Government. PNC carried out systematic diamond core and RC exploration drilling between 1978 and 1990 in an embayment in the southwestern margin of the Gunbarrel (formerly Officer) Basin of Western Australia (Table 2-2). This exploration work resulted in the definition of three uranium deposits (Ambassador, Emperor and Shogun) which are primarily hosted by Eocene sediments in paleochannels (Douglas et al., 2003).

Eaglefield Holdings Pty Ltd (Eaglefield) acquired the Mulga Rock Project on behalf of Narnoo in 2003. Between 2003 and 2007, Narnoo carried out systematic exploration for base metals, rare earth elements (REEs) and uranium. During this time, Narnoo conducted limited drilling, geophysical surveys and metallurgical studies, as well as multi-element geochemical studies to assess the potential for the exploitation of the deposits.

In 2007, EMA acquired 100% of Narnoo who held the Mulga Rock Project assets and completed a scoping study during 2010. In June 2014, EMA was restructured, and its name was changed to Vimy Resources Limited. Vimy conducted a scoping study in Q1 2015, updating the results of previous studies and increasing the Mineral Resource estimates within the Project area. This was followed by a PFS completed in Q4 2015.

The exploration history of the Mulga Rock Project is summarised in Table 2-2.

Table 2-2: Summary of exploration work to date

Period	Company	Work program
1978–1990	PNC	The Mulga Rock deposits (Ambassador, Emperor and Shogun) were discovered following systematic exploration drilling along the southwestern margin of the Officer Basin. Sandstone- and lignite-hosted uranium exploration was subsequently evaluated by RC (1,910 drill holes for 119,749 m) and diamond drilling (421 for 20,357 m) across the Emperor and Shogun deposits. During this period, a non-JORC Code compliant resource estimate was prepared and subsequently bulk samples were also taken from a trial pit at Shogun resulting in the removal of 94,000 m ³ of overburden and about 20 t of ore. The Shogun Pit was backfilled in 1995 and rehabilitation completed in 2001.
1990s	Eaglefield	The Princess area was subject to gold exploration, with drilling confined to shallow interface drilling (vacuum) typically to a depth of 6 m at a nominal 400 m by 100 m spacing.
2000–2007	Eaglefield	Project sold into Narnoo and Eaglefield undertook limited exploration for multiple commodities. In 2003, an updated mineral resource estimate was published. In 2005, Bullion Minerals agreed to acquire an interest in the project, but this was ultimately contested and the project subject to plaintiff, seeking forfeiture and litigation.
2007–2010	EMA	In April 2007, EMA acquired 100% of Narnoo and the previous litigation action was dismissed in February 2008. EMA completed a scoping study on the Ambassador deposit in October 2010. Further metallurgical testwork, resource infill drilling and environmental impact studies were undertaken. Drilling included 767 holes for 50,560 m and 14,700 assays.
2011–2012	EMA	In 2011, EMA lodged two mining lease applications at Mulga Rock and completed aircore (AC) drill program. This was followed by baseline environmental studies in 2012 and discovery of Princess deposit. Mining leases granted for Mulga Rock Project in mid-July 2012. In December 2012, EMA announced an updated JORC-compliant resources at Mulga Rock, including maiden inferred resource at the Princess deposit.
2013	EMA	Large brackish groundwater resource (150–200 GL) identified within 35 km of the project area. In July 2013, EMA began permitting of the Mulga Rock Project, by referring a proposal to the Environment Protection Authority (EPA). Metallurgical test work confirmed that the resin-in-pulp (RIP) process route, using conventional commercial resins, would be used at Mulga Rock. In August, The EPA accepted the referral submission for Mulga Rock, with subsequent environmental scoping commencing shortly thereafter.
2014	EMA/Vimy	EMA was restructured and renamed Vimy. Further metallurgical optimisation work including further resource drilling at the Princess deposit. Update of Resource estimate and scoping study targeting completion of a PFS study in mid-2015. In December 2014, an environmental scoping document was released and updated resource estimate completed.
2015	Vimy	In February 2015, the EPA approved Vimy's environmental scoping document and 12-week public environmental review (PER) commenced. Metallurgical beneficiation testwork results were released in March. In April an updated resource estimate for Ambassador was released and then again in September. In May an updated Scoping Study was completed refining the results of previous studies. In November, the results of the PFS and the PER were released.
2016	Vimy	A DFS was initiated in early 2016 with infill resource drilling at Ambassador, Shogun and Emperor. A maiden Ore Reserve estimate was reported in March 2016. Assay results from Ambassador bulk ore samples were released in June, with an updated resource estimate released shortly thereafter. The EPA recommended approval of the Mulga Rock Project in August, with consent to commence preliminary work in September. Updated resource estimates for

Period	Company	Work program
		Shogun and Emperor deposits released in November. The WA Minister for Environment approved the implementation conditions in December 2016.
2017	Vimy	In March, Vimy commenced initial construction activity. In March, the Commonwealth Minister for the Environment approved the development of the Project. In May an updated further update of the mineral resource was completed. Secondary approvals were submitted in July 2017. Updated reserve estimate completed in September. Uranium testing by international commercial converters confirmed the high quality of the mine product.
2018	Vimy	In January 2018, Vimy released the results of the DFS which confirmed the projects economic viability. Secondary approvals were progressed.
2019	Vimy	Secondary approvals were continued with a staged approach taken to key components such as the mining proposal, mine closure plan and works approvals.
2020	Vimy	In March 2020 quarter, Vimy commenced work on a DFS Refresh with results announced in September targeting annual production of 3.5 Mlb of U ₃ O ₈ over 15 year mine life. In December, Vimy announced that a number of WA approvals for substantial commencement were still progressing, including ground tailings management plan, a mining proposal, a project management plan and a mine closure plan. These had all been submitted.
2021	Vimy	In August, DMIRS approved the Mulga Rock Project Management Plan. In early September preliminary testwork result on an alternative ion exchange resin were released. In late September, activities had commenced to achieve "substantial commencement". The Project substantially commenced in September. In December, DWER approved the Mulga Rock operational radiation management plan (RMP) and confirmed that Vimy had achieved substantial commencement at Mulga Rock. Vimy commenced excavation at Ambassador North and construction of the water pipeline to Kakarook North.

Source: Modified from Vimy ASX Announcements, S&P Capital IQ Pro

2.3.8 Project Concept

According to the development studies completed to date, Vimy proposes to mine and process four polymetallic deposits containing commercial grades of uranium hosted in carbonaceous material through open pit mining. The Mulga Rock proposal involves mining up to 4.5 Mtpa, which would be processed on site through an acid leach and precipitation treatment plant to produce up to 1,360 tpa of UOC over 16 years. The UOC is then transported by road to Port Adelaide in sealed steel drums within a secured shipping container.

Uranium extraction at Mulga Rock is expected to involve:

- a. large-scale open cut mining (of sandstone and lignite-hosted uranium deposits) using 'strip mining techniques similar to those used in mineral sands and coal mining.
- b. on-site processing of ore from multiple sites to recover the extracted uranium and process into a uranium concentrate.

Consideration will also be given to recovering other metals, with a present focus on the potential for base metal mineralisation.

Initially, mining and processing will be centred on the Ambassador and Princess deposits. Mining will subsequently be extended to include the Emperor and Shogun deposits.

Initial mining will commence at Ambassador North, which upon completed mining will commence at Ambassador West targeting high-grade ore zones for direct feed to the process plant. Two conventional truck and shovel open pits will be mined at Ambassador West followed by a third high-grade pit at Ambassador East. Ore will either be directly fed into the SAG mill or stockpiled according to pre-determined cut-off grades. The beneficiation plant is expected to commence operation late in year 2.

Depending on uranium feed grade, ore from Ambassador East will be supplemented from the Princess Deposit between Years 3 to 6. Mining is expected to commence in Ambassador West during Year 6, Ambassador South in Year 7, Shogun in Year 9 and Emperor in Year 11 respectively. Ore from Shogun and Emperor will be hauled to the beneficiation plant using B-double side tippers along with a dedicated haul road within the restricted mine area.

Annual production of concentrate is expected to ramp up over a two-year period to 3.5 Mlb/annum for a mine life which is expected to be approximately 16 years. This could require up to 3.2 Mt of ore to be mined each year and as much as 40 Mtpa of overburden removal.

Processing involves ore beneficiation followed by uranium extraction (leaching – pulp and elution), filtration and precipitation. Mulga Rock is expected to use RIP for the recovery of uranium, due to the 'pre-robbing' nature of the carbonaceous material associated with the uranium ore. The final uranium product will be washed, filtered and dried before being securely packed into steel drums and sea containers for road transport via Kalgoorlie to Adelaide. Approximately 5 sea containers per month are expected to be exported through the Port of Adelaide, which has established infrastructure for the storage and shipping of yellowcake product.

Ore from the four mine sites will be transported to the mill for processing on dedicated haul roads, with approximately 60 km of internal access roads to be constructed as part of the proposed project development, including access to the Karakrook North Borefield and re-injection borefield. External road access will be via unsealed existing Shire roads, as well as the Tropicana Gold Mine access road and mine roads.

Initially tailings are to be deposited into a 106 ha above ground tailings storage facility (TSF). The above ground TSF is only intended to be used for emergency scenarios. All tailings will be disposed into the in-pit facilities. Once sufficient mine void is available, process waste will be placed back into the base of the mining void and covered with overburden.

Development of the Mulga Rock Project will also require the construction of the processing plant, a run-of-mine (ROM) pad, a temporary TSF, an evaporation pond, waste water treatment facilities, bulk fuel storage, project administration and maintenance buildings, the accommodation village, new airstrip and miscellaneous disturbance areas.

Construction workforce of up to 400 personnel on fly-in, fly-out roster and domiciled in site accommodation village. This will reduce to an operational workforce of approximately 200.

Process water requirements sourced from the mine dewatering and borefield would be up to 2 GL/annum.

Electricity is to be supplied by on-site generation facilities with approximate capacity of 10 MW.

Vimy provided notification of substantial commencement to DWER on 26 November 2021 and received formal confirmation of this status on 16 December 2021.

To date, Vimy has completed the first stage of the Early Works program with clearing for the main access road alignment, surface vegetation and topsoil removal and development of borrow pits. High Density Polyethylene (HDPE) pipe extrusion is underway to facilitate delivery of water from the Kakarook North borefield to the processing plant site location. Detailed design and tendering is underway for the next stage which includes main access road upgrade, communication tower, village and airstrip construction. Work on the BFS is also proceeding.

2.3.9 Geological Setting

The Mulga Rock Project area covers much of a small sedimentary basin named the Narnoo Basin, which lies adjacent and to the southwest of the much larger Gunbarrel Basin (previously known as the Officer Basin). The Narnoo Basin is a fault-bounded basin whose main axis strikes in a northwest direction. The basin is underlain by sedimentary rocks of the Lower Permian Paterson Formation, which overlie Precambrian basement rocks of the Yilgarn Craton, Barren Basin and Albany-Fraser Range Province.

The Permian rocks rarely crop out and are covered by a variety of Cretaceous and Cainozoic sedimentary units. The region has been subjected to continental conditions since the Cretaceous and planation and sedimentation have continued under humid (Cretaceous) and then arid conditions (Douglas et al., 2003).

Local geology

The Mulga Rock lignites lie in a buried paleochannel, 5-15 km wide that has been demonstrated to continue for over 100 km and may have received input from drainage systems that extend for over 400 km northwest across the Yilgarn Craton. The Mulga Rock mineralisation has no surface expression and is entirely contained within paleochannel sediments, mainly sandstones and lignites. These units, rich in organic matter, form distinct, laterally persistent lenses in tributaries and floodplain sedimentary environments of buried paleochannels. The main channel is confined to a paleovalley interpreted to have been eroded during the late Cretaceous – early Tertiary, underlain by Permian mudstones (Figure 2-4).

Uranium mineralisation at Mulga Rock is hosted within the Late Eocene (Paleogene) sediments which from top to bottom comprise:

1. Fluvial sands and interbedded lacustrine sediments; the upper lignite is enriched in U, REE, Ni, Co, Sc, V, Cu, Zn and locally, Au and Ag.
2. Lacustrine to paludal sediments including lignite, clay-rich lignite and carbonaceous sands; the lower lignite and associated sandstone is also enriched in base metals.
3. Basal fluvial sands and gravels hosting lower grade sandstone-hosted uranium mineralisation.

The entire Paleogene sequence is covered by up to 10 m of Aeolian sands. The sedimentary sequence is deeply weathered (>30 m), with the upper sequence being oxidised and locally ferruginised and silicified. The majority of uranium and base metal mineralisation accumulates along a reduction-oxidation (redox) front between kaolinitic silt and clay or lignite in close proximity to the current water table. Lower grade uranium mineralisation also occurs within the underlying Cretaceous rocks.

Uranium is present as finely disseminated uraninite or ionic uranium adsorbed onto carbonaceous and clay minerals (AMEC, 2015). The organic-rich ore contains up to 45% water and 60% organic matter (Fulwood and Barwick, 1990). Douglas et al. (2003) indicate the presence of coffinite and brannerite, within a complex mineralogy (covering >50 minerals). Like uranium, the majority of base metals are adsorbed onto organic matter, with a smaller fraction occurring in finely disseminated sulphides or sulphide nodules, including pyrite, galena, sphalerite with complex REE mineral phases and sulphates (Douglas et al., 2003).

Mineralisation within the Mulga Rock deposits occurs in the top 1-2 m of lignite in the paleochannel sequence. Mineralisation has been concentrated by the oxidation and precipitation of mobile trace elements from reduced groundwaters at a reduction-oxidation interface between the top of the lignite and the overlying clay. A typical cross section of the mineralisation is presented in Figure 2-5 and a geochemical profile in Figure 2-6.

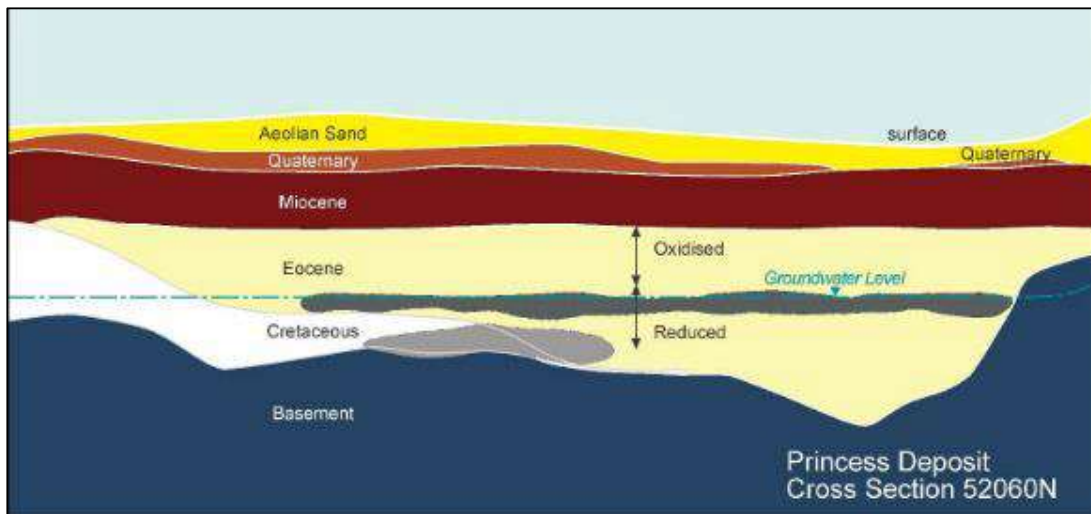
The ore zones at the Ambassador and Princess deposits are up to 38 m thick, while Shogun and Emperor deposits are up to 8 m thick.

Figure 2-4: Stratigraphy of the Eocene sediments at Mulga Rock

Seq.	AGE	Mulga Rock Graph log	Mineralisation	LITHOLOGY
Upper Narnoo	L Pleistocene			Aeolian sand, orange-yellow. (<10 m, typically <3m).
	M Pleistocene			Aeolian sand, red-brown. (<5 m) higher clay content.
	Pliocene			Sandstone, rare granulestone <5 m, limited distribution.
	Late Miocene			Lithic diamictite, sandstone, calcrete and gypsum, <5m.
Narnoo Basin	Early-Mid Miocene			Lithic diamictite and conglomerate, rare claystone. Fe-rich. (<20m).
	Late Eocene			Claystone, sandy clay, sandstone, local conglomerate at base. Red-brown with minor grey-green laminations. Very Fe-rich, some silcrete & calcrete. (<25 m).
	Mid-Late Eocene			Sandstone, VC-FG, well-sorted, finning-up (<5m). Glassy silcrete cap. Silt-sandstone, well-sorted. Many silcrete bands. Spicules in Kakarook area.
	Mid-Late Eocene			Claystone, multi-coloured (green-red-brown: Emperor area only) or kaolinitic. Sandstone, well-sorted or diamictite (Shogun area).
	Mid-Late Eocene		U-BM BM-U	Claystone, sandy, kaolinitic, overlying lenticular sandstone or diamictite.
	Mid-Late Eocene		U-BM -Au	Claystone; carbonaceous, oxidised at top. (1-4 m). Lignite: siltstone and carbonaceous claystone. Sandstone, very carbonaceous, fining-up (1-20m, typically <5m).
	Mid-Late Eocene			Claystone; carbonaceous at base, oxidised at top. (1-4 m).
	Mid-Late Eocene			Sandstone (carbonaceous), stacked packages fining-up to claystone, rare lignite and carb claystone (locally at base). (<30 m).
	Mid-Late Eocene			Claystone, carbonaceous-lignitic, limited distribution.
	Mid-Late Eocene			Claystone, grey, locally oxidised at top. (<15 m).
Gunbarrel Basin	Late-Mid Eocene		U	Sandstone, med-fine, fining up, well sorted. (<15 m).
	Late-Mid Eocene		U	Conglomerate. Ravinement deposit (<2 m).
	Late-Mid Eocene		U-Au	Conglomerate and sandstone: poorly sorted, fining and coarsening-up. Locally absent. (<20m).
	Middle Cretaceous			Claystone. Bright white, locally micaceous (sericite?). (<10 m).
	Middle Cretaceous			Sandstone/conglom, fining-up, very clayey, sericite clasts in Amb area. (<15 m).
	Earliest Cretaceous		U	Siltstone grading to claystone. Black and carbonaceous where beneath water table, bright white when oxidised. (<20 m).
	Earliest Cretaceous			Sandstone, fining-up, very clayey. Carbonaceous where preserved beneath water-table. (<10m).
	E Permian?			SST, fine-grained (<100m?). Thickest mostly along eastern GB margin?
Gunbarrel Basin	Late Carboniferous			Siltstone- very fine arkose, pyritic <500 m? Distributed in central and eastern NB Regions.
	Late Carboniferous			Carbonaceous shale, brown to blue-grey, <500m Thick? Grades into A4.
	Late Carboniferous			Diamictite and shale.
	Early-Prot?		Zn-Pb -Ag?	Barren Basin Meta-sediments.
Gunbarrel Basin	Archaeon		Basement	Yilgarn Craton Granite-Greenstone.
	Archaeon			
		Clay Sand Granule Pebble	U = Uranium, BM = Ni, Co, Cu (and REE in Units E2-E3) Au = Gold	

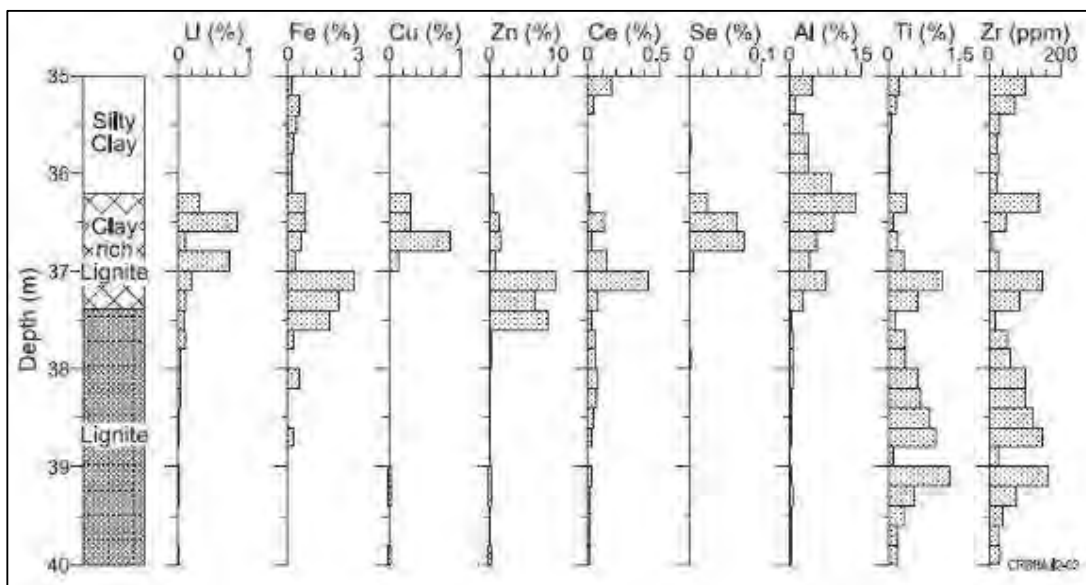
Source: AMEC, 2015

Figure 2-5: Simplified cross section of the Princess deposit



Source: AMEC, 2015

Figure 2-6: Representative geochemical profile of the Ambassador deposit highlighting the redox front within clay-rich lignite



Source: Douglas et al., 2003

Exploration drilling

The 2017 Ambassador Mineral Resource is based on a total of 1,763 drillholes (totalling 105.2 km of drilling) of which 1,718 holes contained either radiometric or assay data.

The holes comprise a mixture of data including:

- Recent radiometric probe data primarily from AC and RC holes.
- Historical and recent chemical assay data primarily from diamond core holes (DC).
- Some historical radiometric data from PNC drillholes.

The drillholes within the Ambassador deposit comprise:

- 1,249 AC holes (79,090 m total)
- 357 DC holes (19,019 m total)
- 142 RC holes (9,694 m total)
- 5 sonic holes (265 m total)
- 10 Geotechnical holes (51 m total).

The Princess Mineral Resource contains a total of 245 drillholes (totalling 12.8 km of drilling) of which 2017 holes contain either radiometric or assay data.

The holes comprise a mix of data including:

- Recent radiometric probe data primarily from AC holes.
- Historical and recent chemical assay data primarily from DCs.
- Some historical radiometric data from PNC drillholes.

The drillholes within the Princess deposit comprise:

- 180 AC holes (10,372 m total)
- 21 DC holes (1,108 m total).

The Mineral Resources for the Shogun and Emperor deposits contain:

- A total of 478 drillholes (totalling 25.3 km of drilling) of which 446 contained either radiometric or assay data at Shogun
- A total of 787 drillholes (totalling 49.2 km of drilling) of which 653 holes contained either radiometric or assay data at Emperor.

The holes comprise a mixture of data including:

- Recent radiometric probe data primarily from AC and RC holes.
- Historical and recent chemical assay data primarily from DCs.
- Some historical radiometric data from PNC drillholes.

The drillholes within the Shogun project area comprise:

- 235 AC holes (13,681 m total)
- 49 DC holes (2,303 m total)
- 194 RC holes (11,876 m total).

The drillholes from the Emperor project area comprise:

- 224 AC holes (13,681 m total)
- 263 DC holes (12,259 m total)
- 300 RC holes (20,200 m total).

2.3.10 Mineral Resource estimate

Table 2-3 summarises Vimy's Uranium Mineral Resources as reported to the ASX on 12 July 2017 and in accordance with the JORC Code (2012 edition) and referenced in the 31 March 2022 ASX announcement, Deep Yellow and Vimy Merger - Investor Presentation.

Table 2-3: Summary of Uranium Mineral Resources as at 31 March 2022

Mining Area	Prospect	Classification	Cut-off U ₃ O ₈ (ppm)	Tonnes (Mt)	Grade (ppm)	Metal (Mlb)
MRE	Princess	Measured	150	-	-	-
		Indicated	150	2.0	820	3.6
		Inferred	150	1.3	420	1.2
	Ambassador	Measured	150	5.2	1,100	12.6
		Indicated	150	14.8	800	26.0
		Inferred	150	14.2	420	13.1
	Subtotal			37.4	680	56.4
MRW	Emperor	Measured	150	-	-	-
		Indicated	150	-	-	-
		Inferred	150	30.8	440	29.8
	Shogun	Measured	150	-	-	-
		Indicated	150	2.2	680	3.2
		Inferred	150	0.9	290	0.6
	Subtotal			33.8	450	33.6
Total				71.2	570	90.1

Source: Vimy ASX Announcement dated 31 March 2022

Note:

- Original ASX release 12 July 2017
- Rounding (conforming to the JORC Code) may cause computational discrepancies.

Table 2-4 summarises Vimy's Base Metal Mineral Resources as reported to the ASX on 23 June 2016 and in accordance with the JORC Code (2012 edition) and referenced in the 31 March 2022 ASX announcement, Deep Yellow and Vimy Merger - Investor Presentation.

Table 2-4: Summary of Base Metal Mineral Resources as at 31 March 2022

Mining Area	Deposit	Classification	Tonnes (Mt)	Cu (ppm)	Zn (ppm)	Ni (ppm)	Co (ppm)	Cu metal (kt)	Zn metal (kt)	Ni metal (kt)	Co metal (kt)
MRE	Princess	Measured	-	-	-	-	-	-	-	-	-
		Indicated	1.3	750	1,280	440	210	0.9	1.6	0.6	0.3
		Inferred	2.5	270	500	250	140	0.7	1.3	0.6	0.4
	Ambassador	Measured	-	-	-	-	-	-	-	-	-
		Indicated	19.8	340	1340	630	310	6.8	26.5	12.5	6.1
		Inferred	10.4	110	320	250	140	1.2	3.3	2.6	1.5
		Total	34.1	280	960	480	240	9.6	32.7	16.3	8.2

Source: Vimy ASX Announcement dated 31 March 2022

Note:

- Original ASX Release 23 June 2016
- Rounding (conforming to the JORC Code) may cause computational discrepancies.

Based on its review of the Mulga Rock River Mineral Resource estimates, SRK notes the following:

- The Mulga Rock Ambassador 2016 Mineral Resource was subject to a detailed review and subsequent simulation sensitivity study by Golder Associates and a number of important recommendations were made with regard to selectivity and local accuracy of the Mineral Resource, particularly in the high grade (>1,000 ppm U₃O₈) areas.
- The Mulga Rock Ambassador 2017 Mineral Resource update addressed all of the concerns raised in the Golder review.
- The disequilibrium corrections were subject to a thorough review and update in 2017 (Cherry, 2017) which also fed into the 2017 Mulga Rock Ambassador Mineral Resource estimate. SRK has reviewed the 2017 disequilibrium study and is in agreement with the methodology and outcomes.
- The very high grade (>1,500 ppm U₃O₈) and high grade (>1,000 ppm U₃O₈) feed scheduled for the first three years appears to exist as sufficiently discrete and continuous bodies of mineable thickness within the Mulga Rock Ambassador Mineral Resource to make it selectively mineable assuming a 0.5 m vertical mining selectivity as defined in the 2020 DFS.
- For the Mulga Rock Ambassador Uranium Mineral Resource, a very high degree of vertical position, thickness and grade variability was expected to be encountered locally (at the 10 m horizontal scale) within the high and very high-grade material. Golder's simulation studies show that this is likely to lead to high variability in the production grades and tonnages at a monthly scale but an acceptable level of variability at the quarterly scale. This variability reduces greatly after the first three years of the mine life when targeted grades reduce significantly and the orebodies are mined in a less selective manner.

- The Mulga Rock base metals Mineral Resource estimate (23 July 2016) does not match with the uranium Mineral Resource estimate (25 May 2017) for Ambassador. The uranium estimate is a vertically differentiated 3D estimate at 1 m vertical resolution. The base metals estimate is an accumulated 2D estimate (i.e. a single grade over the entire profile thickness which can be up to 10 m). Both the uranium and the base metals exhibit a stratified downhole profile and any mine plan scheduling of base metal grades during the early years where U_3O_8 mining is selective will be incorrect due to the smoothing of the metal grades over the full profile thickness. The uranium and the base metals are not spatially correlated.
- There is a minor tonnage discrepancy between the reported Mulga Rock uranium Mineral Resource and the reported Mulga Rock base metal Resource which are stated to be contained within the same uranium cut-off grade and volume. This is due to the separate estimation and differing estimation methodologies used. SRK does not consider the tonnage discrepancy to be a material issue.

2.3.11 Prospectivity

Based on its review of the Mulga Rock Project, SRK considers that the MRE (ML39/1105) and MRW (ML39/1104) have been effectively drilled out and thus there is little to no residual upside available within the MLs. As noted previously E39/2049 lies to the west of and abuts ML39/1105, which covers the main paleochannel targeted at Mulga Rock, however SRK has been unable to locate any information pertaining to exploration or drilling completed on over this tenement in the public domain or in the supplied dataroom.

2.3.12 Metallurgy and Processing

SRK has reviewed the metallurgical testwork and processing aspects of the Mulga Rock Project, specifically in relation to the technical inputs used in Vimy's 2020 DFS Refresh and opine on their validity and reasonableness in support of the current valuation exercise. These findings and associated general recommendations are presented in the following sections along with justification. It does not seek to describe the project in detail, i.e. repeat the details provided in the 2020 DFS Refresh, the associated appendices, and other supporting documentation provided in the data room, nor update costs from first principles, generate a new financial model or resolve the technical risks identified.

Metallurgical testwork

Extensive metallurgical testwork has been undertaken for the Mulga Rock Project. This has been undertaken on representative samples, at or with the additional supervision of reputable, accredited and appropriately experienced laboratories. These include ALS Metallurgy, SGS Australia, ANSTO and Allied Mineral Laboratories (AML), in collaboration with Vimy's technical consultants, equipment vendors and the owner's engineers.

The work has been undertaken on representative samples, although with an emphasis on the earlier years of operation, with testwork being undertaken from batch scale to extended pilot plant campaigns. This included large bulk samples from trial mining taken from the Ambassador West deposit (processed in Years 1 to 2 and Years 8 to 13) and Ambassador East deposit (processed in Years 3 to 7), using the proposed Kakarook North Borefield for piloting.

The piloting work undertaken to demonstrate the process was extensive. For example, the comminution circuit pilot plant campaign was operated for approximately 55 days, there was 26 days of leach-RIP-elution piloting and a further five days of continuous UO_4 precipitation circuit pilot plant operation. SRK consider these to be extended periods for such work and provide confidence in the suitability of the proposed flowsheet. Variability testwork has also been undertaken under the preferred conditions.

In SRK's opinion, this consolidated body of work has generally been undertaken to a feasibility level of study. It supports the proposed flowsheet and amenability to process the project ores, along with the technical parameters selected for the process design criteria assumptions and used in forecasting.

Processing description

The Mulga Rock flowsheet applies relatively conventional beneficiation process units and atmospheric acidic saline leaching principles to extract uranium into aqueous form from the proposed project ores. The uranium mineralisation is associated with carbonaceous 'lignite' and clays. The main process units are listed below:

- Ore beneficiation – incorporating primary crushing through a mineral sizer style size reduction, log washing, up-current classification, desliming and thickening of fines and hydrocyclone dewatering of the silica sands tailings component
- Uranium extraction – semi autogenous grind (SAG) mill grinding to a P_{80} of 150 μm , leach feed thickening, agitated tank sulphuric acid leaching, RIP and elution of the loaded resin
- UF/NF - of the RIP uranium eluate for further impurity removal and uranium concentration
- Uranium precipitation circuit – using hydrogen peroxide, followed by dewatering of the final product through thickening, centrifuging and rotary drying and packing of the final product.
- Associated reagents and utilities systems and other supporting infrastructure, notably a 250 tpd 'turn-key' sulphuric acid plant, ferric sulphate generation and storage circuit, sodium chloride, caustic, and hydrogen peroxide systems.
- The power plant is expected to be provided on a build-own-operation (BOO) basis as is common practice in Western Australia.

The beneficiation process seeks to upgrade the U_3O_8 equivalent concentration in the feed ores by rejecting the silica-rich sand fraction, which contains low levels of uranium.

Leaching of the uranium minerals, including ultrafine uraninite (UO_2) is undertaken under atmospheric conditions with moderate temperature, sulphuric acid addition, oxidants and residence time at a moderate grind size of 80 percent passing 150 μm (P_{80} of 150 μm).

The leached uranium, present in solution as uranyl sulphate (nominally UO_2SO_4), is separated from the leach residue solid, as well as the bulk of the leached impurities using a high-chloride resistant RIP process developed by ANSTO and Vimy designed to selectively extract the uranium from the leach liquor as a uranyl sulphate complex. It has not been commercialised. Testing showed the U_3O_8 equivalent loadings to be high, and robust over a range of conditions. The uranium sulphate complex is then eluted from the resin using sodium chloride, to further increase the concentration.

This relative clean liquor containing mostly uranium sulphate and sodium chloride still contains some impurities. The barren resin loadings were low and can be pre-conditioned with sulphuric acid before being recycled for use in the RIP circuit.

A more novel process (for uranium processing) of UF and NF in series, is used to selectively separate the larger multivalent uranyl sulphate from the smaller monovalent sodium and chloride cations and anions in solution which is able to pass through the filter membranes as well as part of the water content, which is also a relatively small molecule. The uranium depleted NF permeate, containing the bulk of the sodium chloride and sulphuric acid can be recycled to the elution circuit for further resin elution.

The concentrated and relatively impurity-free uranyl sulphate, at a concentration in the order of 25 g/L, is then precipitated from the purified and concentrated liquor as uranyl peroxide (UO_4) or 'yellowcake' product, using hydrogen peroxide (H_2O_2), with the addition of seed recycle UO_4 solids. The chloride and sulphate concentrations, temperature and pH are controlled to optimise the precipitation reaction and concentrate product specification. The final composition of the UOC produced from the pilot plant typically met the ASTM International (formerly known as American Society for Testing and Materials) specifications for rejection and with limited penalties applicable, with the expectation that there would be further improvements in the product quality with ongoing operations.

The solids can then be dewatered through thickeners and centrifuges, dried and packaged in sealed steel drums and sea containers for road transport to the Port of Adelaide. This port has long and well-established infrastructure and naturally occurring radioactive material (NORM) protocols to manage the port handling and ocean-going transport of the final product to international customers.

The flowsheet reflects the testwork undertaken at both batch and continuous piloting scale which has demonstrated its amenability to process the project ores. Surge capacity is provided between each of the key areas. A summary flowsheet is presented in Figure 2-7.

In SRK's opinion, the majority of the flowsheet and the selected processing units are relatively conventional. However, there are some less conventional aspects, particularly in a uranium processing application. These include:

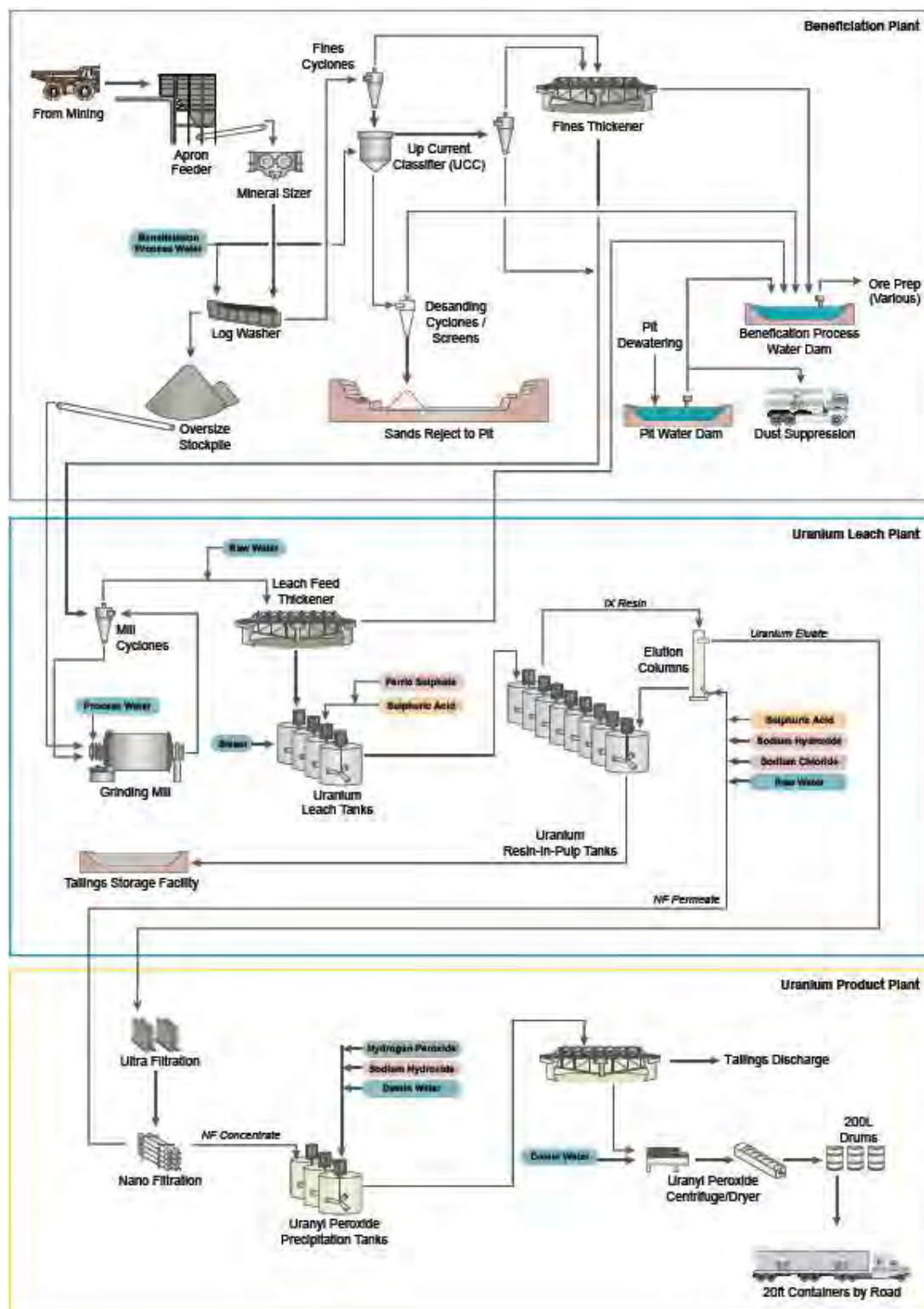
- RIP using a WBA resin to preferentially extract uranium from the acid leach solution
- UF and NF of uranium rich eluates.

SRK accepts the motivation and justification for the selection of both technologies, particularly the use of RIP to negate the impact of the U_3O_8 recovery losses. These losses would otherwise be incurred due to the 'pregnant liquor robbing' behaviour of the carbonaceous component of the lignite ores, which competes for the aqueous uranyl sulphate in the leach liquor, and the compelling economics of using UF and NF for further impurity removal, uranium concentration and recovery of reagents.

Both are used in industry, particularly the use of filtration membranes, for example as something as simple as in reverse osmosis (RO), and has been used successfully at the Langer-Heinrich uranium operation in Namibia, albeit in a different reagent recovery application. RIP is also successfully applied in many applications, the novelty is more directly associated with this particular flowsheet, and it is known to have several general operational challenges. Despite this, both have been proven to be effective in the project specific metallurgical testwork and piloting campaigns.

Overall, there are some flowsheet risks, mitigated in part by the testwork that has been undertaken. Any potential impact of the technology risk will most likely manifest itself in the plant production ramp-up period, ultimate recovery, product specifications and processing costs. There may also be other flowsheet challenges such as materials handling of the high moisture, clay ores and achieving a consistent mass recovery (or even an average mass recovery) during beneficiation.

Figure 2-7: Mulga Rock Project summary processing flowsheet



Source: Vimy, Mulga Rock Project DFS Refresh, October 2020

Flowsheet opportunities

Vimy has identified several opportunities in the optimisation of the proposed flowsheet, particularly in the potential use of a SBA resin in place of the WBA, as well as the recovery of metal by-products. The use of a WBA is less advanced for the Mulga Rock Project but has demonstrated promising initial results in ANSTO testing to date. Significant testwork and techno-commercial assessment has also been undertaken on the latter opportunity of saleable by-product (Cu, Zn, Ni and Co) generation. Neither were incorporated into the 2020 DFS Refresh financial model base case scenario.

Vimy has undertaken relatively extensive studies into the production of base metal by-products from the RIP tailings stream. Notably it was incorporated into the 2015 Mulga Rock PFS and there have been subsequent studies. Given there is simultaneous partial leaching of other metals species within the sulphuric acid lixiviant, the opportunity of selectively precipitating a Cu-Zn sulphide by-product, and a Ni-Co by-product using a sulphidising agent is supported.

In addition, there are some technical risks that have not yet been fully resolved. These include, but are not limited to, ultimate metal (Ni, Co, Cu and Zn) metallurgical recovery, metal payability, product specification and potential rejection elements, particularly the Ni/Co sulphide product due to elevated uranium content, as well as the capital and operating cost confidence. The 'base metals project' is not sufficiently demonstrated or the techno-commercial documentation appropriately consolidated or quantified to justify inclusion in the techno-economic model at present. However, SRK accepts that this presents a realistic, near-term potential upside to the project.

The proposed use of an alternative SBA resin project in place of the WBA resin is not as well advanced technically. Testwork is ongoing at ANSTO and again, has shown some promise. Results to date highlight potential opportunities of this newly developed resin that may be superior to the WBA resin, but there remain some technical challenges still to be resolved. It has not been piloted, the claimed benefits are nominal estimates only, i.e., 1.0% U_3O_8 recovery improvement, with A\$1.1 M/annum in operating cost savings and A\$7 M in capital cost savings through the elimination of the nanofiltration circuit and having a smaller elution circuit requirement. This opportunity had not been identified during the 2020 DFS Refresh study and was not included in modelling at that time. In SRK's opinion, the SBA resin project offers realistic, near-term potential project upside, but the benefits are not sufficiently quantified to justify its inclusion into any updated financial modelling, particularly at a stated DFS level of accuracy.

Plant Throughput

Vimy's 2020 DFS Refresh study reflected a design intended to produce 3.5 Mlb/annum of U_3O_8 . The plant feed rate was manipulated to achieve this level of product, specifically the beneficiation plant feed rate and mass recovery. Over the LOM, the ROM feed rate to the beneficiation plant averaged nominally 2.5 Mtpa, however there were several phases to this.

Over the LOM, the throughput could be considered in three phases. In the first two years, a 'high grading' strategy approach, sourcing the highest grade Ambassador open pit feed, was chosen. During this period, the circuit is operated with SAG milling only of the full feed, i.e. without the use of the beneficiation circuit to reject low grade silica sands gangue. Throughput is nominally 0.5 Mtpa at this time.

After this, it is proposed that a beneficiation plant is used to reject barren silica waste to achieve a relatively consistent leach feed rate of approximately 1.14 Mtpa, until the final years of the mine life when production tapers off. The Ambassador and Princess open pits continue to be mined and processed from Years 3 to 9, with a mass rejection of 52.5%, this results in a ROM feed rate to beneficiation of nominally 2.2 Mtpa. The Shogun and Emperor open pits are mined and processed from Years 10 to 16 with an associated mass rejection increase to 62.0% resulting in an increase in the ROM feed rate to beneficiation to approximately 3.0 Mtpa. The beneficiation circuit was sized for this maximum feed rate with conventional engineering factors and design allowances made, the downstream feed rate was more stable. Given that the beneficiation feed rate only increased in Year 10 of operation, there was ample time to identify and resolve minor bottlenecking limitations in the beneficiation circuit capacity.

The key risk to throughput, and one that was recognised by Vimy, is the fixed mass rejection of the gangue minerals (silica sands) through beneficiation. While this was based on large scale, extended piloting on bulk trial mining samples, there will inevitably be variability in the mass rejection depending on the ore sources. Variability in mass recovery would have knock on affects for the throughput through the downstream leach and RIP, UF and NF circuits. It will be important that the final design of both the front-end beneficiation circuit and the back end hydrometallurgical plants are appropriately sized, with conservative design allowances and surge capacity prior to leaching, to allow for this variability.

There are other potential throughput risks including materials handling of the high moisture feed and clay content, the scale-up and long-term operability of the more novel aspects of the flowsheet, particularly the RIP operation, and the capacity of the NF circuit, including the potential for blinding of the filter mediums. Other risks include the acid plant reliability and up time. SRK accept the base case throughput that was incorporated into the 2020 DFS Refresh modelling assumptions, as it was supported by the testing and design but highlights the various throughput risks present. In SRK's opinion, in any updated modelling it would be prudent to test a downside throughput case of -20%, particularly during the early years of operations, to test the robustness of the project economics to lower throughput rates.

Metallurgical Recovery

The overall U_3O_8 metallurgical recovery is a product of the beneficiation plant recovery, the leach extraction and RIP circuit recovery and uranium precipitation efficiency. The recovery through beneficiation was forecast to be very high. The leach extraction of 89.2% and precipitation recovery of 99.9% were both fixed over the whole mine life. The resulting average LOM recovery being 87.0% U_3O_8 .

In the 2020 DFS Refresh modelling, the beneficiation circuit recovery commences operation after the first 20 months of high grading. Once beneficiation commenced, the recovery was very high at 97.9% over the first part of the mine life from Years 2 to 9 when 52.5% of the feed was rejected, and 96.4% for the remainder of the mine life at lower feed grades, so a higher mass rejection of 62.0%. The earlier Years 2 to 9 recovery value was based on large scale, extended piloting campaigns adopting the proposed flowsheet. The mass rejection of 62.0% and the associated U_3O_8 recovery of 96.4% from Years 10 to 16 was even higher. The later recovery was not as well supported by testwork. Both present risks in the overall uranium recovery.

SRK highlights that there are a number of potential metallurgical recovery risks. These include:

- Mass recovery and associated U_3O_8 recovery variability
- Scale-up from laboratory results (batch and piloting) to full plant scale
- Miscellaneous losses through the RIP and precipitation circuit
- Novel flowsheet elements risk.

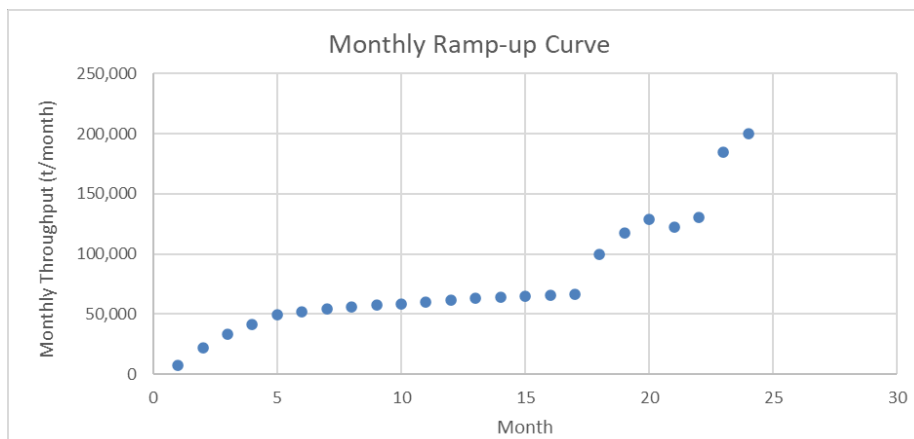
In any updated modelling, SRK recommend applying a modest recovery discount of 2% (absolute) to allow for testwork scale-up and miscellaneous losses, and a further 2% (absolute) as a downside case including any potential risks of the novel aspects of the flowsheet. The potential recovery risk associated with mass recovery through beneficiation is difficult to accurately quantify. Variability testing shows a significant range of mass and metallurgical recoveries.

Metallurgical recovery and plant throughput ramp-up

The 2018 GRES feasibility study nominated a 2-year plant ramp-up period, with 83% of the design production rate being achieved by the end of the first year. While the 2020 DFS Refresh report describes it as a production ramp-up, it is actually a throughput ramp-up. It does not apply a separate metallurgical recovery ramp-up curve.

The financial model that was developed for the 2020 DFS Refresh study is presented on an annualised basis, so did not have the granularity to show the ramp-up on a month by month, or quarter by quarter basis. However, these throughput ramp-up values approximate those incorporated into the 2020 DFS Refresh Operating Cost model which was generated on a monthly basis, as shown in Figure 2-8. The 2020 DFS Refresh report describes the ramp-up being built into the mine schedule, but it is complicated by the operation commencing with SAG milling only at a much lower feed rate, i.e. with no beneficiation circuit operating in the first year, and only partly in the second year of production.

Figure 2-8: Mulga Rock Project throughput ramp-up curve



Source: '03.10.02 12666 Vimy's DFS Refresh Operating Cost.xlsx', August 2020, GR Engineering Services Ltd

The commencement of operations though the SAG mill only would provide some plant design capacity relief at the lower SAG milling only throughput of 0.55 Mtpa, particularly through the leach circuit and RIP circuits designed for a higher feed tonnage. However, SRK still consider that a ramp-up is required and recommends that any future updated modelling apply GRES's proposed production ramp-up recommendation as per the 2020 DFS Refresh is applied to the throughput, i.e. 83% in the first 12 months, with full production after 24 months. A downside case recommendation would assume a 30-month ramp-up rather than two years, given the throughput risks previously described.

A separate metallurgical recovery allowance is not incorporated into the 2020 DFS Refresh financial model. The recoveries were fixed for the duration of the project other than a small difference for the beneficiation circuit losses. In SRK's opinion, given the likely challenges and variability in the feed beneficiation circuit, the relative novelty of the RIP circuit and the integration with an UF and NF circuit (which is also new in this application), with a target specification required which may initially require a compromise in recovery, there will certainly be a ramp-up in recovery.

SRK recommends applying a separate metallurgical recovery ramp-up curve over 2-years in any future updated modelling. An appropriate downside case would assume a 3-year ramp-up period rather than a two-year base case given the novel RIP and NF aspects of the flowsheet and potential beneficiation recovery variability.

Process operating costs

The 2020 DFS Refresh process operating costs were estimated by GRES in conjunction with Vimy with a base date of Q2 2020. This estimate was an update of the 2018 feasibility study costs. The costs presented in the 2020 DFS Refresh financial model were in absolute terms, i.e. in A\$/annum and in A\$/lb U_3O_8 . They were variable in the 2020 DFS Refresh financial model over the LOM, depending on throughput and other assumptions.

To permit easier benchmarking, without adjusting for uranium grade in the feed, SRK has considered these costs in terms of A\$/t of ROM feed (i.e. to beneficiation), noting that the downstream leach and RIP circuit throughput is significantly less after the gangue rejection stage. These values are presented in the Project operating cost estimate spreadsheet calculations.

The processing cost for both the beneficiation and hydrometallurgical plant averaged A\$32.78/t of ROM feed over the LOM at an average throughput rate of approximately 2.5 Mtpa of ROM Feed to the beneficiation plant. It fell to as low as A\$25.43/t ROM feed in Year 12 at the maximum throughput of 3.0 Mtpa, but was significantly higher in the first 20 months of operation at the lower high-grading throughput rates and as the plant ramped-up.

This basis of the 2020 DFS Refresh processing costs was the original engineering and capital cost estimate undertaken for the 2018 feasibility study, i.e., the costs were updated to remain current at the time of the 2020 study but the plant design and unit inputs (installed power, organisational chart, maintenance factors, etc) were not changed. The estimate assumed an Engineering, Procurement, Construction and Management (EPCM) implementation strategy would be adopted. The processing cost estimate did not include a contingency or growth allowance.

At the time of issue, the cost was claimed to be at 'Class 3' level of accuracy, i.e. $\pm 10\text{--}15\%$ according to the American Association of Cost Engineering (AACE) International guidelines. The processing costs for Years 1 to 5 and over the LOM as per the 2020 DFS Refresh study are summarised in Table 2-5.

Table 2-5: Mulga Rock Project 2020 DFS Refresh processing cost estimate

Cost category	Operating cost (Years 1 to 5)		LOM Operating cost	
	US\$ '000/annum	US\$/lb	US\$ '000/annum	US\$/lb
Mining	32,007	9.57	36,265	11.55
Ore beneficiation	2,822	0.84	3,361	1.07
Process plant				
Labour	4,979	1.49	4,750	1.51
Operating expenses	19,933	5.96	19,439	6.19
Transport	2,501	0.75	2,353	0.75
Maintenance	8,745	2.61	8,798	2.80
General and administration	7,028	2.10	6,740	2.15
Total Cash cost	78,015	23.33	81,706	26.02
Sustaining capital	4,608	1.38	5,698	1.81
Royalties	11,313	3.38	10,621	3.38
AISC	93,936	28.09	98,025	31.22

Source: 'DFS Refresh Significantly Improves Mulga Rock Project Economics' (ASX Announcement issued 26 August 2020), Vimy

In SRK's opinion, conventional engineering methodologies were applied in the build-up of the processing cost estimate. The 2020 DFS Refresh study operating cost model and the supporting data was sophisticated and used good practices. It incorporates the key cost areas of power, labour, reagents, maintenance materials, contractors, messing and accommodation, freight and G&A costs.

In SRK's opinion, despite the quality of the model, it is likely that the processing costs will now be moderately understated. The base date of that estimate was Q2 2020, i.e. it is now two years old and inflationary pressures in the resource sector and more broadly have been significant in the interim, resulting in the cost assumptions being outdated. For example, the delivered fuel price assumption of A\$0.714/litre after the fuel tax credit (diesel rebate) no longer reflect current costs. The subsequent electrical power unit cost of A\$0.218/kWh is therefore also understated.

Labour rates, superannuation on-costs, freight, wear consumables, grinding media and reagents have also all incurred increases. The significant increase in the sulphur price is a good example which assumed a Q1 2020 price of US\$112/t (ex. Vancouver), but has since almost doubled. Shift rosters have changed, and it is now unrealistic to budget on the operations and maintenance groups working a three panel (2:1) roster, rather than a four panel (~8:6, 9:5 or even time) roster. This will have knock on affects for flights and messing.

The maintenance costs are factored on the capital cost, and with the inflationary increases in the capital costs and additional contingency allowances, there will be a need to escalate the maintenance costs. There are further examples through the processing costs build-up that are likely to further increase the operating costs when they are updated. There are no contingency allowances in the processing cost estimate to offset this, an unfortunate engineering norm.

In SRK's opinion, due to the various reasons presented above, the processing cost estimate is no longer current and will have materially increased. It was not part of SRK's scope to update the processing costs from first principles, and because of the movement in a larger number of the input cost assumptions, it is difficult to provide even benchmark recommendations for alternative processing cost assumptions. It would be preferable to undertake a full update of the costs. Roughly, it may be prudent to apply a 15–20% allowance for the base case processing cost estimate and a further 15% downside case.

SRK stresses the importance of ensuring the same inflationary and contingency adjustments are applied to the Deep Yellow asset process operating costs using a cashflow model if both are to be updated.

Process capital costs

The 2020 DFS Refresh capital costs were estimated by GRES in conjunction with Vimy at A\$393.1 M with a base date of Q2 2020. Of this, approximately A\$282 M was assigned to the processing plant (a minor increase of approximately A\$2.6 M from the 2018 study), the bulk of the processing related infrastructure and the owner's costs. The estimate included a combined overall contingency and growth allowance of A\$29.1 M), or 8.0%. part of this cost (A\$25.6 M), was deferred until the third year, predominantly for beneficiation and grinding circuit upgrades once the high U_3O_8 grade associated with the initial high grading strategy had been depleted and production was maintained through the operation of the beneficiation circuit. This commences in the 21st month of production.

This processing capital cost estimate was in turn was based on the original engineering and estimate undertaken by GRES for the 2018 feasibility study, i.e. the costs were updated to remain current at the time of the 2020 DFS Refresh, but the plant design was not changed for the purposes of the re-estimation. The estimate assumed an EPCM execution strategy would be adopted, with the engineering outsourced, but with Vimy responsible for the bulk of the implementation.

The original 2018 cost estimate was claimed to be at 'Class 2' level of accuracy, i.e. $\pm 10\text{--}15\%$ according to the AACE International guidelines. The 2020 estimate was stated to be at the same level of confidence. The Mulga Rock Project 2020 DFS Refresh capital costs are summarised below in Table 2-6.

Table 2-6: Mulga Rock Project 2020 DFS Refresh Capital cost estimate

	Key metric	Unit	DFS January 2018	DFS Refresh July 2020
Capital	Pre-production mining costs (pre-strip)	A\$ M	36	36
	Mining Capital	A\$ M	108	45
	Process plant and infrastructure Capital	A\$ M	211	194
	Indirects, Owner's costs and contingencies	A\$ M	138	118
	Total Capital	A\$ M	493	393

Source: 'DFS Refresh Significantly Improves Mulga Rock Project Economics' (ASX Announcement issued 26 August 2020), Vimy

Although it could be claimed that the cost accuracy may have fallen into this class of +5% to +20% at the time, SRK do not consider the original estimate to have been at a Class 2 level of accuracy. A Class 2 estimate is more aligned with final bid/tender costing prior to project execution or project implementation budgetary control, with detailed material take-offs (MTO) and unit costs. The engineering was not at that level. The study report stated it was based on preliminary engineering and drawings, and budget pricing for major equipment and bulk commodities, with database values used for minor costs. This lack of confidence in the estimate accuracy is also now exacerbated by inflationary cost pressures in the two years since the estimate was updated.

In SRK's opinion, standard engineering practices have been adopted in the original engineering and plant capital cost estimate, and the use of GRES as the engineer provides confidence in the local costs used, but ultimately, there are several areas of that cost estimate that will have been materially understated. These reasons include, but are not limited to the following;

Aspects of the 2020 cost update were more arbitrary than the original estimate and there have been significant cost pressures in the Western Australian resources, building and construction sector (and more broadly) in the two years since the capital costs estimate was updated. Some inflation was assigned to the 2020 updated costs but not all. Other adjustments applied nominal inflation rates that are not likely to reflect those actually incurred. The growth and contingency allowance of 8.0% is not commensurate with the more realistic current Class 3 and closer to Class 4 estimate accuracy (i.e. should be higher because of the increased uncertainty risk). There may also be areas of growth not included, there were several exclusions in the estimate, including site and regional IT and communications which is proposed to be provided by a third party, there is no mobile equipment capital cost allowance, and SRK's typical experience is that capital costs have a strong tendency to increase when the level of engineering design progressed from a feasibility to detailed design/execution stage.

SRK acknowledge that it is difficult to maintain 'current' study cost relevance if projects are not implemented soon after the reporting is completed. Updating the capital and operating costs in Q2 2020 was well intended, and it is an unreasonable expectation that the capital costs should be continually updated. The Deep Yellow 'Reptile Uranium Project' prefeasibility study costings, with a base date of early 2020, will be similarly affected by inflation and movement in costs, and any adjustments should be treated the same way to ensure equity in the comparative valuations.

In SRK's opinion, for the purposes of a Mulga Rock project valuation, the capital cost estimate is no longer current or accurate and requires a full update to allow for its inclusion in a DCF style financial modelling exercise. As a starting point, it would be prudent to increase the base case processing and processing associated infrastructure capital estimate by escalating the costs to account for inflation over the past two years, and by increasing the growth and contingency allowance of +7% to increase the overall level to a (Phase 3) Feasibility Study level of 15% for a project of this type as recommended in the AusIMM Cost Estimation Handbook. A downside should also be modelled assuming the accuracy of a feasibility study estimate (+15%) with an additional 5% allowed for "new or novel technology...", i.e. 20% in total, again as recommended in the same Handbook.

SRK stresses the importance of ensuring the same inflationary and contingency adjustments are applied to the Deep Yellow asset process and infrastructure capital costs if an updated a DCF style cashflow model approach to the valuation is taken.

Sustaining capital costs

Vimy's 2020 DFS Refresh financial model incorporated sustaining capital allowances for the mining fleet and mining rehabilitation, the 'plant and other', and for deferred capital. The 2020 DFS Refresh financial model inputs were taken from the 'Sustaining Capital' sheet of the '03.10.02 12666 Vimy Resources Refresh Operating Cost.xlsx' spreadsheet. In the 2020 DFS Refresh report, it suggested that, along with typical major maintenance and equipment replacement of plant and infrastructure, it was also intended for incremental debottlenecking of the processing plant to maintain nameplate uranium production capacity as the uranium grade decreased in the latter part of the mine schedule.

There were no separate or specific allowance for plant mobile equipment or tailings and the allowance for 'Advanced Pit Dewatering' was not incorporated into the 2020 DFS Refresh financial model. The project intent is to utilise in-pit disposal, specifically into the Ambassador North Pit that is mined and will be 'sterilised' prior to the commencement of the processing operation a year later. This would be used as the designated TSF.

Over the LOM, the 2020 DFS Refresh model assigned A\$20.5 M of sustaining capital to the 'processing and other' category. This commenced in the second year of operation initially at a reduced rate of A\$0.6 M as the production rate is lower (although this timing again does not match the separate 2020 DFS Refresh operating cost model). It was then maintained at A\$1.3 M/annum for the remainder of the LOM, although was suspended in the final year of reduced production. There was also a small amount of sustaining capital allowed for periodic re-sheeting of the main access and internal road (A\$0.1 M every four years), with a larger tranche of A\$1.1 M allowed twice over the LOM for the airstrip re-sheeting.

In SRK's opinion, it is good practice to included sustaining capital into financial modelling as it is inevitably required. There are many rules of thumb that can be used to forecast the requirement. The allowance of A\$1.3 M/annum was 0.75% of the installed processing plant capital and on average was approximately A\$0.52/t of feed to the beneficiation circuit or A\$1.23/t of feed to the RIP circuit.

In SRK's opinion, while these were not unreasonable assumptions for the base case financial model assumptions, for a hydrometallurgical processing facility, incorporating some novel aspects to the flowsheet, it is expected that these costs could have been significantly higher and there were some downside risk to an likely increase to the sustaining capital costs. Furthermore, sustaining capital is often required in the first year of operation, for plant modifications, rectifications, and other early failures and design inefficiencies. In future updates, it would be prudent to double the base case sustaining cost allowances and again for the downside case in this instance.

Key processing risks

In SRK's opinion, there are a number of key processing risks relating to the technical assumptions, as well as the commercial inputs, particularly the cost assumptions made in the '2020 DFS Refresh study' which are considered by SRK to be outdated and not appropriate for use in a DCF model type valuation of the Project. Some of the key processing risks are listed below as discussed through the proceeding sections:

- Technical risk – materials handling challenges with high moisture, clay content, lignite materials and beneficiation efficiency requirements.
- Technical risk – Mass rejection of 52.5% in Years 1 to 9 is supported by testwork but is fixed and the associated U_3O_8 recovery of 97.93% is very high. The mass rejection of 62.0% and the associated U_3O_8 recovery of 96.4% from Years 10 to 16 is even higher. This recovery is not as well supported by the variability testwork. Both present risks to the overall uranium recovery.
- Technical risk – RIP circuit operability. Successfully demonstrated in the laboratory at pilot scale for a sustained period, but at commercial scale, not as commonly adopted due to some operability challenges, although compelling justification to do so to combat the recovery losses due to competition from pregnant liquor uranyl sulphate robbing carbonaceous minerals.
- Technical risk – Uncommercialised aspects of the flowsheet, specifically UF and NF. Successfully demonstrated in the laboratory at pilot scale over a long period, but full-scale risk remains.
- Technical risk – metallurgical recoveries based on testwork not discounted for scale-up for laboratory to full scale plant production. Lower recovery risk, particularly during early operations will be compounded as a result of the losses from the high-grade feed.
- Technical risk – ramp-up of both throughput and metallurgical recovery was not sufficiently incorporated into the 2020 DFS Refresh financial model.
- Commercial risk – processing capital and operating costs and associated assumptions now 2 years old and are no longer current for a number of reasons, including insufficient escalation and contingency allowances.
- Technical opportunity – 'Base metals project' technical input confidence, particularly ultimate Ni, Co, Cu and Zn recovery, metal payability, product specification and potential rejection, particularly the Ni/Co sulphide product due to elevated uranium content, as well as the capital and operating costs. Previously, the base metals project has not been commercially justified during previous studies and although metals prices have increased and presents potential upside, it is not sufficiently technically demonstrated, and/or the updated techno-commercial documentation consolidated to justify inclusion in any updated financial modelling or valuation.

- Technical opportunity – ‘SBA resin project’, testwork to date highlights potential opportunities of this newly developed resin that may be superior to the WBA exchange but there remain some technical challenges still to be resolved, it has not been piloted, the claimed benefits are nominal estimates only and are not yet sufficiently supported by the testwork to include it in the financial modelling or valuation. It provides project upside.

2.3.13 Mining

From an open cut mining physicals (tonnes and grade) perspective, there is little to no material change between the 2020 DFS Refresh results compared to that of the 2018 DFS and the associated 2017 Ore Reserve statement. The key changes between the 2020 and 2018 studies being in the change from owner operated to utilisation of a mining contractor and adjusted financial parameters.

The Mulga Rock Project comprises four separate deposits grouped as MRE (the Princess and Ambassador deposits) and MRW (the Emperor and Shogun deposits) as shown in Figure 2-9.

There is approximately 9.3 M dmt of Inferred and Unclassified mineralisation (non-reserve material) which is fed to the process plant over the life of mine. There is 4.1 M dmt of this material fed to the process plant in Year 1 to Year 10, reflecting approximately 10% of the contained metal over this period. The periods this material is fed is not stated in the 2020 DFS Refresh report.

The 2017 Ore Reserve is derived from Ambassador, Princess and Shogun deposits only. The 2020 DFS Refresh (using the 2018 production schedule) has scheduled process plant feed from all four deposits. This includes 2.6 M dry metric tonnes (dmt) of Inferred mineralisation from Emperor.

Based on its review of the supplied technical data, SRK considers there are no fatal flaws relating to the defined mining components, however there are a few areas that are likely to increase mining costs above those currently stated in the 2020 DFS Refresh.

The introduction of a mining contractor using second-hand mobile equipment is considered by SRK to be unlikely to be executed as currently planned as it would lead to an increase in mining operating costs and/or capital expenditures. While this increase in operating and/or capital expenditures is likely to be material in terms of the overall amounts to be spent, it is unlikely to change the quantum of the tonnes and grade schedules, as this was effectively the basis of the 2018 DFS.

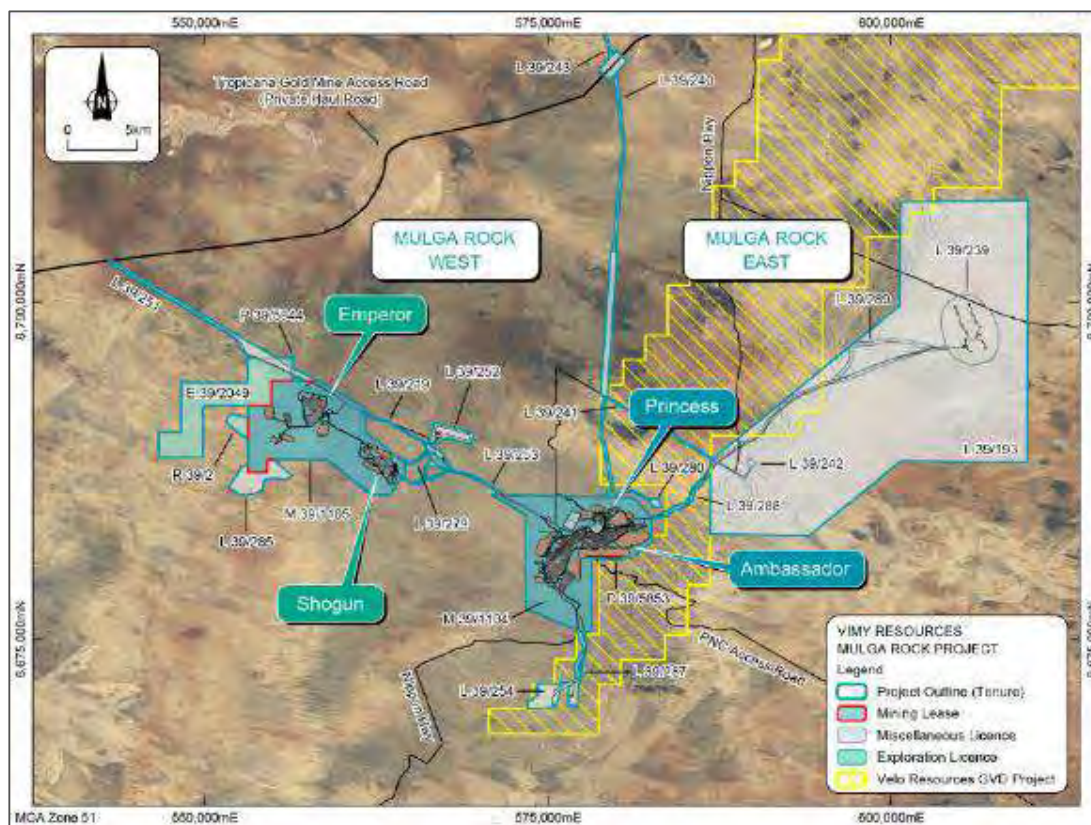
Based on its review of the supplied technical data, SRK considers the main uncertainties associated with future mining at Mulga Rock are:

- There is approximately 9.3 M dmt of Inferred and Unclassified mineralisation (non-reserve material) which is fed to the process plant over the life of mine. There is 4.1 M dmt of this material fed to the process plant in Year 1 to Year 10, reflecting approximately 10% of the contained metal over this period. The periods this material is fed is not stated in the 2020 DFS Refresh report.
- SRK considers the proposed mining solution as stated in the 2020 DFS Refresh unlikely to be executed as stated. The availability of a second hand fleet of Ultra class trucks would need to be demonstrated, as in SRK's view there is unlikely to be a ready supply of such equipment in the current market.

- The mining cost as stated in the 2020 DFS Refresh are low on a \$/t unit cost basis. They are based on the work initiated in 2016 and re-confirmed over successive assessments. It is noted that there is minimal drill and blast costs required due to the 'free dig' nature of the deposit and Vimy has purchased second-hand mining equipment for a contractor to utilise and maintain.
- Fuel, labour and maintenance are the three dominant mining cost centres. In SRK's view, these costs have materially increased since 2020 and should be critically reviewed.
- While SRK considered the supporting technical studies (to the mining study) have been done well, the continued reliance on numerous 2017 Ore Reserve parameters and the adjustment from Owner/Operator to Contractor mining (in the 2020 DFS Refresh, with minimal technical support) lowers the overall accuracy of the DFS.
- There is a potential up-side in available ore tonnes but this would only be quantified with a completely updated mining study using updated input parameters to inform an optimisation, pit design and production schedule process at DFS accuracy.

Taking the above uncertainties into consideration, for the mining portion of this assessment, SRK considers taking the 2018 DFS as the basis for assessment and escalating the key financial parameters would result in a more defensible assessment than simply escalating the 2020 DFS Refresh mining assessment.

Figure 2-9: Mulga Rock Project – Deposit location



Source: Vimy 2020 DFS Refresh

Ore Reserve estimate

Table 2-7 summarises Vimy's Uranium Ore Reserve estimate as reported to the ASX on 4 September 2017 and in accordance with the JORC Code (2012 edition).

Table 2-7: Summary of Uranium Ore Reserves as at 11 July 2017

Mining Area	Prospect	Classification	Cut-off U ₃ O ₈ (ppm)	Tonnes (Mt)	Grade (ppm)	Metal (Mlb)
MRE	Princess	Proved	-	-	-	-
		Probable	150	1.7	870	3.3
	Ambassador	Proved	150	5.3	1,055	12.3
		Probable	150	14.1	775	24.0
	Subtotal			21.1	850	39.6
MRW	Shogun	Proved	-	-	-	-
		Probable	150	1.6	760	2.7
	Subtotal			1.6	760	2.7
Total				22.7	845	42.3

Source: Vimy ASX Release, dated 16 February 2022

Note:

- Original announcement Vimy dated 4 September 2017
- Tonnages and grades are reported inclusive of mining dilution
- Tonnes are metric dry tonnes; appropriate rounding has been applied, and rounding errors may occur.
- Using cut combined U_3O_8 composites (combined chemical and radiometric grades)
- Metallurgical plant recovery factors are not applied to Total Metal Content.
- Vimy is not aware of any new information or data that materially affects the information included in the original market announcement and, in case of estimates of Mineral Resources and Ore Reserves that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Vimy confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

From the 2017 Mulga Rock Project Ore Reserve in Table 2-7, it is evident (and appropriate) the Emperor deposit has not been reported as an Ore Reserve, as only Inferred mineralisation has been defined to date.

Base metals are not recovered in the 2017 Reserve option and have also been excluded in the 2020 DFS Refresh. This implies that there is potentially a level of conservatism to the financial result if the processing solution for the base metals can be demonstrated as viable.

The 150 ppm U_3O_8 cut-off grade used in defining the Ore Reserve was originally developed in the Scoping Study work, which was confirmed by AMC Consultants in the 2015 PFS. Vimy has indicated that the 2018 and current operating costs as outlined in the 2020 DFS Refresh are similar to those of the 2015 PFS and therefore the 150 ppm U_3O_8 cut-off grade was deemed suitable by Vimy in order to report the 2017 Ore Reserve. SRK considers the use of the 150 ppm U_3O_8 cut-off grade may be higher than current economics would dictate, therefore and are therefore somewhat conservative but should be validated on the 2020 assumptions and inputs. SRK considers this to be a low-risk item and has not made any adjustment for valuation purposes. A lowering of the cut-off grade would require a complete re-run of the optimisation, pit design and production schedule to demonstrate the optimal solution for the project.

The methodology (block model regularization) to determine the ore loss and dilution is appropriate.

The optimisation process indicated that the Mulga Rock Project is not materially sensitive to the mining cost or the geotechnical parameters, but is marginally sensitive to ore loss as this is directly related to metal recovery. As expected, the Project is sensitive to metal price and exchange rate.

The pit designs are based on the optimised pit shells that include the Inferred Resource material as potentially economic. The Ore Reserve is based on the Measured and Indicated Mineral Resource (as appropriate under JORC) within these pit designs, with the Inferred being reported as waste, unless it was mixed with either Measured or Indicated material during regularisation of the resource model to the Mining Model, as used for optimisation and production scheduling.

Inferred/Unclassified mineralisation 'mixed' with Measured/Indicated blocks during regularization of the mineral resource model to the Mining Model was appropriately classed as dilution and included as part of the Reserve. The Mining Model was used for the optimisation and production scheduling purposes.

The 2020 DFS Refresh feeds 32 M dmt of 'ore' to the process plant. The 2020 DFS Refresh feeds 32 M dmt of 'ore' at 775 ppm U_3O_8 to the process plant over the life of mine, associated with 658 M dmt of waste. On the information presented, it is not clear during what periods this Inferred/Unclassified mineralisation is to be fed to the process plant. Only 10% of this material is reported as feed in the first 10 years. Due to the inherent uncertainty/inaccuracy when estimating both tonnes and grade of the Inferred/unclassified mineralisation, the Inferred tonnes being scheduled is unlikely to be fully realised. The impact is that the process plant cost should be estimated on the Ore Reserve tonnes plus an adjusted tonnes and grade recovery for the Inferred/Unclassified mineralisation. The process plant may be underutilised during given periods, which would increase the unit cost per tonne ore processed over those periods. Without information on the conversion of Inferred to Indicated/Measured, as a downside sensitivity, SRK recommends using a 50% recovery of Inferred/Unclassified tonnes and grade for the 9.3 M dmt of Inferred/Unclassified currently included in the schedule.

All Emperor Inferred tonnes are fed post-Year 10 in the current schedule and hence in SRK's view this provides sufficient time for these to be evaluated and modified (if necessary).

Due to the approach taken by Vimy to include all the Inferred material inside the pit designs as process plant feed, there is minimal opportunity to extend the currently defined LOM schedule, with this material as process plant feed in order to extend the current LOM under an upside scenario. SRK considers there is opportunity to re-optimize the deposit using a higher metal price that will likely increase the size (both laterally and depth) of the currently defined open pit boundaries.

Currently, the selection of the metal price to define the ultimate pit dimensions is variable by deposit (Table 2-8). As an example, if the metal price for selection of all ultimate pit designs was set to US\$65/lb (refer Table 2-9), the contained inventory would increase from 32 M dmt to 45 M dmt.

Table 2-8: Ultimate pit shell metal price used

Deposit	Selected pit shell Revenue factor (US\$/lb)
Ambassador	55
Princess	45
Shogun	65
Emperor	35
MRP average	50

Source: 03.26.07.03 DFS-Section 07_1 Mining Planning_Final_GRES.docx

Table 2-9: Combined pit shell metal price used

Pit Shell uranium price	Waste tonnes (Mt dry)	Ore tonnes (Mt dry)	U ₃ O ₈ grade (ppm)	U ₃ O ₈ (Mlb)
US\$35/lb	441.5	20.36	959	43.0
US\$45/lb	646.6	30.36	816	54.6
US\$55/lb	841.8	38.16	736	61.9
US\$65/lb	1,038.2	44.85	683	67.6
US\$75/lb	1,214.9	50.37	646	71.7
US\$85/lb	1,394.9	55.07	619	75.1
US\$95/lb	1,506.1	57.64	605	76.9

Source: SRK analysis using 03.26.07.03 DFS-Section 07_1 Mining Planning_Final_GRES.docx

Geotechnical

SRK considers there is a low risk to the pit wall geotechnical parameters being materially incorrect, to the extent that ore tonnes and/or grades would be impacted. In particular, SRK notes the consequence of a wall failure on the continuity of production is low due to the relatively shallow nature (in the order of 50 m depth) of the proposed open pits. Vimy is aware of elevated risk areas in the designs and have been guided for solution in subsequent pit designs.

The trafficability of the ultra-class trucks was assessed for Vimy in 2016 by AMC Consulting. All haul roads need to be purpose build, as the *in situ* roadbase materials are not suitable to run on directly. The trafficability of the working face area was not clearly addressed in the 2020 DFS Refresh and should be considered a high risk trafficability area for the trucks, when working on or in the ore zones. The bulk waste materials are reporting as a lower trafficability risk material.

Hydrology and Water

SRK notes that ground water is an issue at Mulga Rock that has been addressed with a detailed dewatering study. Vimy has also encountered the water table as part of the previously excavated test pits. While this reduces the risk of trafficability 'surprises', it does not mitigate the risk of elevated mining/dewatering costs due to changing conditions.

Vimy has proposed the use of smaller articulated trucks for ore haulage purposes in order to lower the risk at the base of the pits when mining the ore. This is an appropriate consideration.

Vimy has noted (referenced in the 2020 DFS Refresh) that the pit dewatering is a risk item that warrants further review.

Study Status

The 2020 DFS Refresh which was made available to SRK for review is presented as being at a DFS level of assessment. From a mining perspective, the reliance of this report on the earlier 2017 Ore Reserve inputs in a number of areas and the introduction of an underdeveloped hybrid Owner-Operator/contracting mining solution (acknowledging most key financial parameters were updated in 2020) does however place the accuracy of the 2020 DFS Refresh mining study towards the lower level of DFS accuracy.

Modifying Factors

The mining cost and productivity modifying factors have been developed using first principles with a 10% increase applied to reflect the contractor profit margin. A mining contractor (Piacintini and Son) was used to check these inputs. Depending on the earth moving contractor market at the time, the expected profit margin could increase in the order of 5% (to 15%).

The modifying factors used for the optimization that supports the 2017 Ore Reserve and production schedule, which the 2020 DFS Refresh is based on, is presented in Table 2-10.

Table 2-10: 2017 Optimisation modifying factors

Input parameter	Unit	Ore Reserve update
Overall pit slope angle		
Ambassador	deg	50
Princess	deg	45
Shogun	deg	65
Emperor	deg	37
U ₃ O ₈ cut-off grade	ppm	150
Mining unit costs		
Waste	A\$/wmt	0.62
Ore	A\$/wmt	3.88
Processing unit costs		
Beneficiation plant cost	A\$/dmt ore	3.20
Processing plant cost	A\$/dmt ore	21.30
General and administration cost	A\$/dmt ore	6.14
Exchange rate	A\$:US\$	0.7203
Cash discount rate	%	10
U ₃ O ₈ Sales terms	%	100

Input parameter	Unit	Ore Reserve update
Base metals sales terms	%	N/A
U ₃ O ₈ metal price	US\$/lb	35, 45, 55, 65, 75, 85, 95
Cu metal price	US\$/t	N/A
Zn metal price	US\$/t	N/A
Ni metal price	US\$/t	N/A
Co metal price	US\$/t	N/A
U ₃ O ₈ recovery	%	87.1
Cu metal price	%	N/A
Zn metal price	%	N/A
Ni metal price	%	N/A
Co metal price	%	N/A

Mine Design

The pit design was viewed for the Ambassador and Princess deposits. These designs follow the mining logic and geotechnical parameters described appropriately and as such any modifications required to 'fine tune' these designs will not have a material impact on the total cost of mining.

The pit designs were selected from optimised pit shells utilising different metal prices (Table 2-8). This provides both lateral and depth opportunity for expanded pits with increasing metal prices.

Mining operating costs

In terms of the mining costs, the three main components are Diesel, Labour and Maintenance. All three were identified in the 2018 DFS as a risk item, with the 2020 DFS Refresh also reiterating these costs as risks to be reviewed closer to project commissioning. In SRK's view, a review of the exchange rate (A\$:US\$) assumptions supporting the mining costs should also be considered.

In particular, SRK notes that in the current inflationary environment being experienced in 2022:

- The diesel fuel cost at A\$0.7136/L should be reviewed in light of the current increases to petroleum prices globally.
- Increased pressure on wage rises necessitates a critical review of labour rates utilised.
- The overburden truck and shovel mining cost used for optimisation is A\$0.62/wmt waste mined (A\$0.64/wmt mined, if clearing and grubbing costs are included). In SRK's opinion, this is very low.

Considering the high strip ratio proposed at Mulga Rock, the financial risk to a low (bulk waste) mining cost is higher than the risk of the selective ore mining cost. The selective ore mining cost is A\$3.88/wmt ore mined, which is also more aligned to SRK's expectations for this mining operation.

The total mining cost over the LOM is A\$1.28/t. which is broken down by cost centres (Table 2-11). An average mining cost of A\$1.28/t mined is considered by SRK to be optimistic given the age of this estimate and change from Owner-Operator to a hybrid contractor solution.

Table 2-11: Mulga Rock Project – Mining operating cost

Expenditure area	Cost (A\$ M)	Unit cost (A\$/t)	% of Total
Equipment maintenance	197.00	0.30	24
Diesel	176.00	0.27	21
GET	5.00	0.01	1
Tyres	59.00	0.09	7
Mining contractors	44.00	0.07	5
Advanced dewatering	17.00	0.03	2
Labour	305.00	0.46	36
Total cash costs (C1)	802.00	1.23	96
Owner's costs	19.00	0.03	2
General expenses	16.00	0.02	2
All-in sustaining cost	837.00	1.28	100

Source: Vimy 2020 DFS Refresh

Mining capital costs

Under the current development scenario envisaged by the 2020 DFS Refresh, the mining equipment is to be purchased by Vimy and operated by an earth moving contractor.

The mining fleet and operations capital cost for the LOM is A\$175.4 M as summarised in Table 2-12.

Table 2-12: Mulga Rock Project – Mining capital cost

Capital expenditure area	Cost (A\$ M)
Initial mining equipment	29.8
Initial advance pit dewatering	8.4
Initial mining infrastructure	7.8
Sub total – Initial capital	45.9
Pre-production mining	35.6
Pre-production advanced pit dewatering	0.8
Sub total – Pre-strip	36.4
Sustaining mining	45.0
Sustaining advance pit dewatering/infrastructure	48.1
Sub total – Sustaining	93.1
Total	175.4

Source: Vimy 2020 DFS Refresh

SRK considers the mining equipment availability used in calculations to be high, considering the plan to utilize a second hand fleet (to reduce the capital cost). Currently, excavators are using 95% availability and truck 90% availability over the LOM. SRK recommends that this is reduced by 5% (absolute) to 90% and 85% respectively. Without a full re-run of the production schedule model, it is not possible to quantify the impact of this adjustment.

SRK notes that the availability to purchase second hand Ultra Class (300 t) trucks may not be as readily available as Vimy requires for the timely execution of the Project. As such, either a more traditional contractor arrangement or the purchase of new equipment may need to be considered.

A residual capital value of 20% has been applied to all mining machinery that has not entered a mineralised zone. It is not clear what equipment this is and as such SRK would recommend applying no residual value to the mobile mining fleet.

Due to the reliance on the purchase of second-hand equipment, SRK consider these capital costs to be at a high risk of being materially low. As way of example, the initial capital of the new mobile fleet in the 2018 DFS had the initial capital for the mobile fleet at approximately A\$80 M, as opposed to the A\$30 M outlined in the 2020 DFS Refresh (Table 2-12).

The pre-production mining cost at A\$36.4 M for pioneering and pre-strip is summarised in Table 2-13.

Table 2-13: Mulga Rock Project – Mining pre-production cost

Capital expenditure area	Year-1 (A\$ M)	Year-0 (A\$ M)	Total (A\$ M)
Labour	3.7	15.1	18.8
Fuel	0.6	9.2	9.8
Other (variable)	0.6	5.4	6.0
Other (fixed)	0.1	0.9	1.0
Advance pit dewatering	-	0.8	0.8
Total	5.0	31.4	36.4

Source: Vimy 2020 DFS Refresh

2.3.14 Infrastructure

Infrastructure required to support production includes processing facilities, stockpile and laydown areas, TSFs, accommodation facilities, an airstrip, roads, fuel and chemical storage, and a diesel or gas fired power station.

2.3.15 Environmental

Permits and Approvals

Primary approvals

The primary environmental approvals required for implementation of the Mulga Rock Project are those arising under Part IV of the *Environmental Protection Act 1986* (EP Act) and under the Commonwealth *Environment Protection & Biodiversity Conservation Act 1999* (EPBC Act). The project was formally assessed by the Western Australian EPA via a PER process over a period of nearly three years. Matters considered by the EPA included, but were not limited to, potential project impacts on flora and vegetation; terrestrial fauna; surface water and/or groundwater quality, terrestrial environmental quality, Aboriginal heritage, human health and mine rehabilitation. Following release of the EPA report, twenty-four appeals were lodged objecting to the EPA report or the recommendations contained in it. Some of the appeals were allowed in part and project approval under the EP Act was granted through Ministerial Statement 1046, issued on 16 December 2016. Under the Ministerial approval, Vimy is authorized to conduct ground-disturbing work with a 3,787 ha disturbance footprint within the 9,998 ha development envelope assessed by the EPA. The Ministerial approval imposes a range of legally binding implementation conditions, including a number of conditions outlining actions that must be completed prior to project commencement (Table 2-14).

An assessment of the Mulga Rock project was also completed under the EPBC Act. The assessment (EPBC 2013/7083) was completed as a bilateral assessment in parallel with the assessment conducted by the Western Australian EPA. Commonwealth approval of the project was granted on 2 March 2017. The federal approval is subject to a separate set of conditions to those included Ministerial Statement 1046. The EPBC conditions generally dovetail with the state environmental approval, but include some additional requirements, for example the requirement to prepare and implement a Sandhill Dunnart Conservation Plan approved by the federal Minister.

Vimy's stakeholder engagement register notes that the company held discussions with DWER in September and October 2021 concerning possible project modifications (changes to tailings storage; changes to access route to proposed groundwater borefield). Such changes may require formal approval under Part IV of the *Environmental Protection Act 1986*. SRK has sought clarification from Vimy concerning the proposed project modifications.

Table 2-14: Primary approvals – status of pre-commencement requirements

Pre-commencement requirement	Statutory instrument reference	Current status (as at April 2022)
Federal approval (EPBC 2013/7083)		
An action must not commence construction of the airstrip unless the Sandhill Dunnart Conservation Plan has been approved in writing by the Minister.	Condition 3	SRK understands that the Sandhill Dunnart Conservation Plan is in preparation.
Within ten days after the commencement of the action, the person taking the action must advise the Department in writing of the actual date of commencement.	Condition 4	On 17 September 2021 Vimy notified Department of Agriculture, Water and the Environment that the project had substantially commenced on 10 September 2021.
State approval (Ministerial Statement 1046)		
The proponent shall not commence implementation of the Proposal after five (5) years from the date on this Statement, and any commencement, prior to this date, must be substantial. Any commencement of implementation of the Proposal, on or before five (5) years from the date of this Statement, must be demonstrated as substantial by providing the CEO with written evidence, on or before the expiration of five (5) years from the date of this Statement.	Conditions 3-1 and 3-2	On 25 November 2021 Vimy notified Department of Water and Environmental Regulation that the project had substantially commenced in September 2021.
The proponent shall prepare and submit Condition environmental management plans (EMPs): (1) Prior to substantial commencement of the proposal or as otherwise agreed in writing by the CEO.	Conditions 6-1, 7-1, 9, 10, 11, 12, 13, 14, 15	The following management plans were approved between 3 January 2019 and 7 April 2021: <ul style="list-style-type: none"> ■ Flora and vegetation (20 Jan 2020) ■ Terrestrial fauna (20 Feb 2020) ■ Aboriginal heritage (3 Jan 2019) ■ Inland waters quality (mine dewatering) (6 May 2020) ■ Soil management (1 Sept 2020), and ■ Tailings management (7 April 2021).

Secondary approvals

A range of secondary approvals is required for implementation of the Project (Table 2-15).

Table 2-15: Status of secondary authorisations required for project implementation

Administering Agency	Statutory instrument	Requirement	Status as at April 2022															
Department of Mines Industry Regulation and Safety (DMIRS)	<i>Mining Act 1978</i>	Grant of mining leases and miscellaneous licences (approval of mining proposal and mine closure plan). Approval of mining proposal and mine closure plan.	All mining and miscellaneous tenements required for project implementation have been granted (refer Section 2.3.2). Four mining proposals (and associated closure plans) have so far been approved for the Mulga Rock Project, most recently in September 2021.															
			<table><tr><th>Reg ID</th><th>Registration title</th><th>Date approved</th></tr><tr><td>92188</td><td>Mining Proposal - Mulga Rock Project East - Version 4</td><td>29/9/2021</td></tr><tr><td>62569</td><td>Geotechnical Investigation Trenches (GITs) LOM Extension</td><td>23/01/2017</td></tr><tr><td>63731</td><td>Princess Pit Stage 1 Development</td><td>29/03/2017</td></tr><tr><td>56136</td><td>Mulga Rock Uranium Project - Ambassador Investigation Trenches</td><td>6/10/2015</td></tr></table>	Reg ID	Registration title	Date approved	92188	Mining Proposal - Mulga Rock Project East - Version 4	29/9/2021	62569	Geotechnical Investigation Trenches (GITs) LOM Extension	23/01/2017	63731	Princess Pit Stage 1 Development	29/03/2017	56136	Mulga Rock Uranium Project - Ambassador Investigation Trenches	6/10/2015
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63731	Princess Pit Stage 1 Development	29/03/2017																
56136	Mulga Rock Uranium Project - Ambassador Investigation Trenches	6/10/2015																
	<i>Mining Rehabilitation Fund Act 2012</i>	No approval required: projects are required to lodge annual returns in which they report disturbance information and – if above a threshold amount – to contribute monies to the government's rehabilitation fund.	Vimy has lodged MRF returns in 2018, 2019, 2020 and 2021. The most recent MRF report (for the period ending 30 June 2021) estimated a rehabilitation liability of 979,011 as a result of disturbance of a total of 83.38 ha. The amount payable to the MRF fund for the 2020-2021 reporting year was \$9,144.66.															
	<i>Mines Safety and Inspection Act 1994</i>	Project Management Plan – a report describing how safety hazards will be identified and managed. RMP – a plan for the safe management of radiation exposures during mining and mineral processing.	DMIRS approved a project management plan (PM-960-287111) on 26 August 2021. The State Mining Engineer approved Vimy's RMP (RM-872-448196) on 9 December 2021.															
	<i>Dangerous Goods Safety Act 2004</i>	Dangerous Goods Licence	No dangerous goods licences have been issued for the project to date. Permits are likely to be required in future for bulk storage of diesel (>100,000 litres) and other bulk storage (acid, explosives and/or detonators, ammonium nitrate).															
Department of Water and Environmental Regulation	<i>Environmental Protection Act 1986 (Part V)</i>	A works approval and licence will be required in connection with the following 'prescribed activities':	As at 26 April 2022, neither a works approval nor a licence had been granted for any of these prescribed activities. Works approvals to establish a putrescible waste land fill and a sewage treatment facility sufficient to accommodate the construction workforce was applied for on 17 March 2022.															

Administering Agency	Statutory instrument	Requirement	Status as at April 2022
		<ul style="list-style-type: none"> ■ Ore processing and tailings storage (Category 5) ■ Mine dewatering (Category 6) ■ Power generation (Category 52) ■ Sewage treatment (Category 54) ■ Fuel burning in a boiler (Category 67 and/or 87) ■ Bulk storage of chemicals (Category 73) ■ Operation of a landfill (Category 89) 	<p>Vimy proposes to submit separate Stage 2 works approval applications for mine dewatering (and reinjection of groundwater), uranium ore processing, tailings storage, power generation, bulk storage of chemicals, fuel burning (boiler) expanded sewage treatment facility in Q3 2022. The typical time for DWER to complete moderately complex works approval applications is currently in the order of 5 to 6 months, but can take longer. Licence and works approval conditions can be appealed, including by third parties.</p> <p>Vimy proposes to lodge a Stage 3 works approval application for the construction and commissioning of a base metals processing plant at a later date (in a timeframe to allow processing starting in 2026).</p>
DMIRS (under delegation)	<i>Environmental Protection Act 1986</i>	Projects for which impacts on flora and vegetation have been assessed under Part IV of the EP Act are exempt from the requirement to obtain a native vegetation clearing permit.	Ministerial Statement 1046 authorises clearing of up to 3,787 ha within a 9,998 ha development envelope. No clearing permit is required provided clearing does not exceed 3,787 ha and all clearing lies within the development envelope assessed by the EPA.
Department of Water and Environmental Regulation	<i>Rights in Water and Irrigation Act 1914</i>	Permit to construct or alter a well (26D). Licence to take groundwater (5C) (for pit dewatering or construction water supply)	<p>Narnoo has been granted six 26D permits (all now expired) and one 5C licence (GWL203514(2)). The 5C licence authorises extraction of up to 35,600 kL/annum of groundwater.</p> <p>A further groundwater allocation will be required to satisfy operational requirements. Vimy has advised that it will seek additional 5C groundwater allocations in 2022. The time required for DWER to complete assessment of 5C licence amendment applications is typically in the order of 4 to 6 months.</p>
Department of Planning, Lands and Heritage	<i>Aboriginal Cultural Heritage Act 2021 (supersedes Aboriginal Heritage Act 1972)</i>	Section 18 approval (to interfere with Aboriginal heritage site if site cannot be avoided). <i>Note: under new legislation enacted in 2021, the S18 process is being phased out.</i>	Vimy advises no Aboriginal heritage sites will be disturbed by the project. A Cultural Heritage Management Plan required under Ministerial Statement 1046 was approved by DWER on 3 January 2019.
Australian Department of Defence	<i>Customs (Prohibited Exports) Regulations 1958</i>	Consent to export 'nuclear material' (including UOC or other uranium concentrates).	As of 26 April 2022, Vimy had not applied for consents to export nuclear material.

Environmental Management and Compliance

Environmental aspects of the Mulga Rock project are managed under a documented environmental management system (EMS) consistent with the requirements of AS/NZS ISO 14001 (*Environmental management systems - Requirements with guidance for use*). The implementation status of the Mulga Rock EMS is not entirely clear: the EMS manual provided for SRK's review (MRP-ENV-MS-001) dates from December 2017. It is SRK's understanding that the manual is a live continually evolving system and is actively used.

Annual environmental performance and compliance reports are required to be submitted annually to the Department of Water and Environmental Regulation, the DMIRS and to the federal Department of Agriculture, Water and the Environment.

Based on SRK's review of recent annual reports lodged with these agencies, the Mulga Rock project appears to be substantially compliant with statutory conditions applicable at the project's current stage of implementation.

Rehabilitation and Closure

Mine rehabilitation and closure for the Mulga Rock project will be implemented in accordance with mine rehabilitation and closure plans approved by the DMIRS. Four mine closure plans have so far been approved by DMIRS, the most recent of which was approved in September 2021. The most recent mine closure plan refers to existing disturbance and also addresses future disturbance proposed for the MRE project.

The approved closure plans outline works proposed to rehabilitate up to 3,580 ha of mining disturbance⁵. The extent of disturbance described in Table 30 of the most recent mine closure plan (totalling 3,580 ha) is somewhat more than the disturbance authorised under Ministerial Statement 1046 and is also inconsistent with the disturbance estimates provided in the mining proposal submitted concurrently with the most recent mine closure plan, which described 367 ha of existing (or approved) disturbance and an additional 1,797 ha of proposed disturbance associated with mining at MRE (or a total of 2,164 ha of disturbance). Vimy has advised that it will not exceed the 3,787 ha of disturbance approved under Ministerial Statement No. 1046.

Vimy's closure plan makes provision for some progressive rehabilitation of mining disturbance and proposes final landforms including four in-pit TSFs, and in-pit facility for disposal of contaminated (including radioactive) waste, a combination of fully and partially backfilled pit voids and eight permanent overburden waste landforms.

Vimy has provided indicative closure costs for rehabilitation of existing disturbance and disturbance arising from mining activities described in approved mining proposals. No life-of-project closure costs (including mining at MRW) have yet been developed. SRK has not sighted a detailed breakdown of closure costs for existing and approved mining disturbance.

Table 44 in the September 2021 MRE mine closure plan estimates rehabilitation and closure costs at approximately A\$51 M, of which about A\$18 M is assigned to the cost of progressive rehabilitation during mining operations and the balance (approximately A\$33 M) is associated with

⁵ Disturbance areas as estimated in Table 30 of Mulga Rock Project East Mine Closure Plan, 13 September 2021.

earthworks, decommissioning and disposal of infrastructure, revegetation and other closure activities after cessation of active mining. Vimy's closure plans states that its financial provisioning for closure includes allowances for indirect costs associated with administration and management charges, redundancy, community consultation and consultants' fees.

The MRE closure plan notes the following cost assumptions and exclusions:

- A diesel fuel cost of A\$0.75/L, net of fuel excise
- Earthworks to be undertaken by the owner operator earthworks crew
- Closure works are assumed to be completed within 3 years following cessation of ore processing.
- In-pit tailings are assumed to be sufficiently dry and dense to allow trafficking by earthmoving equipment, without the need for any special measures to improve or accelerate consolidation.
- Post-closure environmental monitoring will continue for a minimum of 5 years.

SRK has not conducted an independent estimate of mine rehabilitation and closure costs. In the first instance, it would be necessary to clarify the extents of disturbance that have been used as the basis for the closure costings summarised in the current mine closure plan.

Alignment with Equator Principles

The Equator Principles provide a credit risk management framework for identifying, assessing and managing environmental and social risk (Equator Principles Association, 2022). Participating financial institutions (Equator Principles Financial Institutions, or EPFIs) commit voluntarily to implementing the Equator Principles in their own environmental and social policies, procedures and standards for financing projects and will not provide project finance or project-related corporate loans to projects which will not, or cannot, comply with the applicable Equator Principles.

It is important to note that while documentation issued by the Equator Principles Association refers separately to 'environmental' and 'social' impact management, in many Australian jurisdictions, including Western Australia, the concept of 'social impact' has, in the past, been encompassed within the statutory definition of 'environmental impact'. Accordingly, documentation referred to under the Equator Principles as 'Environmental and Social Impact Assessment (or management)' is broadly equivalent to what may be called 'Environmental Impact Assessment' (EIA) (or management) in Western Australia.

SRK has conducted a high-level review of Mulga Rock uranium project against applicable Equator Principles requirements (Table 2-16).

As summarised in Table 2-16, Mulga Rock is substantially compliant with most of the Equator Principles applicable at the current stage of project implementation. The following requirements of the Equator Principles are not yet fully satisfied:

- Neither a greenhouse 'alternatives analysis' nor a climate change risk assessment have been carried out.
- It is uncertain whether a formal grievance mechanism has been developed, implemented and communicated to address community or employee concerns.

Table 2-16: Summary of assessment of Mulga Rock Project against Equator Principles IV (July 2020)

Principle		Summary of requirements	Assessment and applicability to Mulga Rock Project
1	Review and categorisation	Projects should be reviewed and categorised, based on the magnitude of potential environmental and social risks and impacts.	Project meets the definition of a 'Category B' project (" <i>Projects with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures</i> ").
2	Environmental and social assessment	<p>For all Category A Projects, and, as appropriate, Category B Projects, the project proponent is required to conduct an assessment to identify and address the relevant environmental and social risks and impacts of the proposed Project. For Category B Projects, a limited or focused environmental or social assessment may be appropriate, applying applicable risk management standards relevant to the risks or impacts identified during the categorisation process.</p> <p>The project proponent is expected to include assessments of potential adverse Human Rights impacts and climate change risks as part of the environmental site impact assessment (ESIA) or other Assessment, with these included in the Assessment Documentation. The depth and nature of the Climate Change Risk Assessment will depend on the type of project as well as the nature of risks, including their materiality and severity. The assessment documentation should propose measures to minimise, mitigate, and offset adverse impacts in a manner appropriate to the nature and scale of the proposed project. When combined Scope 1 and Scope 2 emissions are expected to be more than 100,000 tonnes of CO equivalent annually, an alternatives analysis will be conducted to evaluate less Greenhouse Gas (GHG) intensive alternatives. Consideration must be given to relevant Climate Transition Risks (as defined by the Taskforce on Climate-related financial disclosures (TCFD)).</p>	<p>Formal EIAs which included opportunities for public comment were completed at both state and federal level between 2013 and 2017. The impact assessments were consistent with industry standards and statutory requirements at the time.</p> <p>No documented assessment of potential project impacts on human rights has been prepared, although some aspects of human rights impacts (as described in the Equator Principles <i>Guidance Note on Implementation of Human Rights Assessments Under the Equator Principles</i>, September 2020) were covered in the project's EIAs. These included consideration of project impacts on: water quality and water availability, cultural heritage, human health. The assessment documentation (and subsequent documentation developed under Vimy's EMS) proposes measures to avoid, minimise and mitigate adverse impacts.</p> <p>The GHG emissions estimates provided to SRK suggest that Scope 1 and Scope 2 emissions for the project are likely to be greater than 100,000 tpa CO_{2eq} during the operations phase of the project (GHD, 2018). SRK has not independently estimated or verified CMPL's reported GHG emissions. SRK has not seen any documentation to indicate that an alternatives analysis has been conducted to evaluate less GHG intensive alternatives. Vimy advises that it has not conducted a climate change risk assessment.</p>
3	Applicable environmental and social standards	<p>For projects located in Designated Countries (including Australia), the assessment process must evaluate compliance with relevant host country laws, regulations and permits that pertain to environmental and social issues.</p> <p>The assessment should evaluate the specific risks of the Project to determine whether one or more of the International Finance Corporation (IFC) Performance Standards could be used as guidance to address those risks, <i>in addition to host country laws</i>.</p>	<p>EIAs for the project and applications for environmental authorisations submitted subsequent to the granting of primary environmental approvals have included identification of requirements for complying with Australian laws, regulations and permits.</p> <p>Vimy is required to prepare annual reports on its environmental performance and to make information on its environmental performance and compliance publicly available.</p> <p>Project documentation generally does not include assessment of project risks and impacts in the context of IFC social and environmental performance standards.</p>

Principle		Summary of requirements	Assessment and applicability to Mulga Rock Project
4	Environmental and social management system (ESMS) and Equator Principles Action Plan (AP)	The proponent must develop or maintain an ESMS. An Environmental and Social Management Plan (ESMP) must be prepared by the project proponent to address issues raised in the assessment process and incorporate actions required to comply with applicable standards.	Vimy has developed a well-documented and generally comprehensive EMS (which also addresses some social aspects, for example Aboriginal Cultural Heritage). The extent to which components of the ESMS are maintained is a matter that will require ongoing assessment (possibly including third party assessment) as the project moves to an operational footing.
5	Stakeholder Engagement	The project proponent is required to demonstrate effective stakeholder engagement as an ongoing process in a structured and culturally appropriate manner with affected communities and, where relevant, other stakeholders. The project proponent must take account of, and document, the results of the stakeholder engagement process, including any actions agreed resulting from such process. Projects affecting indigenous peoples will be subject to a process of informed consultation and participation, and will need to comply with the rights and protections for indigenous peoples contained in relevant legislation. Projects with impacts on lands and natural resources subject to traditional ownership or under the customary use of Indigenous Peoples will require a qualified independent consultant to evaluate the consultation process with Indigenous Peoples, and the outcomes of that process, against the requirements of host country laws and the IFC Performance Standard 7.	Vimy maintains records of its engagement with stakeholders (dating back to at least 2015). The stakeholder register reviewed by SRK includes brief notes on matters discussed with stakeholders and actions arising from those discussions. Some consultation with Aboriginal groups has occurred. Limited engagement has occurred with native title claimants whose claims are comparatively recent and additional consultation is likely to be required in future.
6	Grievance mechanism	The project ESMS must include a grievance mechanism designed to receive and facilitate resolution of concerns and grievances of workers and the community about the Project's environmental and social performance.	SRK notes that Vimy has recently established a Whistleblower Policy, which is available on the company website. The policy differentiates between eligible 'whistleblower' concerns and other personal grievances (but does not cross reference any separate policies or procedures for addressing grievances). The project's environmental management manual makes no mention of mechanisms for receiving and resolving concerns or grievances from workers or the community. The standard template for employment of site personnel includes a clause requiring employees to notify grievances concerning bullying, harassment or discrimination immediately to the employee's direct line supervisor or manager once removed so the matter can be "attended to promptly and confidentially".
7	Independent review	An independent environmental and social consultant, not directly associated with the project proponent, will carry out an independent review of the assessment documentation including the ESMPs, the ESMS, and the stakeholder engagement process documentation in order to assist the EPFI's due diligence, and assess Equator Principles compliance. The independent environmental and social consultant will also propose or opine on a suitable Equator Principles AP capable of bringing the Project into compliance with the Equator Principles, or indicate when compliance is not possible.	SRK notes that the DFS prepared by GR Engineering for the Mulga Rock project in September 2020 included an assessment by GR of project alignment with the Equator Principles. In relation to Principle 7, GR concluded that "...the low risk of the MRP and the stringent regulatory review process undertaken by the various State and Federal regulatory agencies is sufficient for the EPFIs to have confidence that the MRP can be developed, operated and closed in an environmentally and socially responsible manner...". SRK does not concur with this

Principle	Summary of requirements	Assessment and applicability to Mulga Rock Project
		<p>recommendation. Neither State or Commonwealth regulators are likely to conduct an assessment of compliance with the Equator Principles. Neither is there any statutory requirement for third party audits of the effectiveness of Vimy's environmental/social management system. SRK considers that periodic independent reviews of the implementation of project controls for limiting social and environmental harm would be beneficial and would contribute to greater stakeholder confidence.</p>
8	<p>Covenants</p> <p>The project proponent will covenant in the financing documentation to comply with all relevant host country environmental and social laws, regulations and permits in all material respects.</p> <p>For all Category A and Category B Projects, the project proponent must covenant that it will:</p> <ul style="list-style-type: none"> a. comply with the ESMPs and Equator Principles AP (where applicable) during the construction and operation of the Project in all material respects; and b. provide periodic compliance reports in a format and at a frequency agreed with the financial institution c. decommission the facilities, where applicable and appropriate, in accordance with an agreed decommissioning plan. 	Not assessed by SRK
9	<p>Independent Monitoring and Reporting</p> <p>The financial institution will require the appointment of an Independent Environmental and Social Consultant, or require that the project proponent retain qualified and experienced external experts to verify its monitoring information, which would be shared with the financial institution.</p>	Not assessed by SRK (but refer comments under Principle 7).
10	<p>Reporting and Transparency</p> <p>For all Category A and, as appropriate, Category B Projects the project proponent must ensure that, at a minimum, a summary of the ESIA is accessible and available online and that it includes a summary of Human Rights and climate change risks and impacts when relevant.</p> <p>The project proponent must publicly report GHG emission levels (combined Scope 1 and Scope 2 Emissions) during the operational phase for Projects emitting over 100,000 tonnes of CO₂ equivalent annually.</p>	<p>EIAs for the Mulga Rock project were made publicly available (and remain available via government websites).</p> <p>Vimy will be required to report publicly on its GHG emissions under the Australian National Greenhouse and Energy Reporting scheme.</p>

Source: SRK

Note: TCFD is the Taskforce on Climate-related Financial Disclosures (refer TCFD, 2017. Recommendations of the Task Force on Climate-related Financial Disclosures).

2.4 Alligator River Project

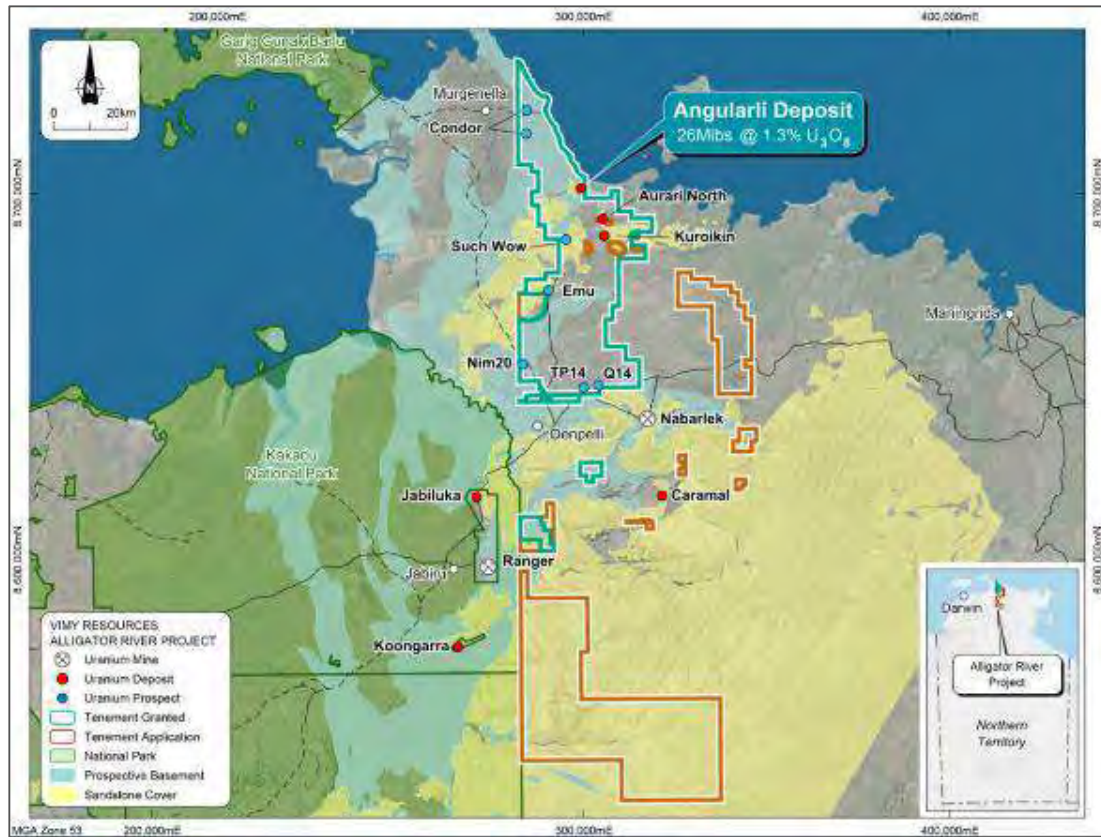
2.4.1 Introduction

Vimy's Alligator River Project is centred at approximately Latitude 12°25'43.09" S and Longitude 133°10'13.36" E, on the Cobourg Peninsula (SC5313), Milingimbi (SD5302) and Alligator River (SD5301) 1: 250,000 scale and Wellington Range (5574), Goomandeer (5673), Liverpool (5672), Howship (5572) and Oenpelli (5573), 1:100,000 scale topographic sheets.

The Alligator River Project tenements are located in northwest Arnhem Land to the east of the township of Jabiru and the former Ranger uranium mine. The tenements are located entirely within Aboriginal freehold land. As shown in Figure 2-10, the Project comprises three land packages, which from north to south are:

- King River – Wellington Range package covering 1,623 km² of granted tenure which was actively explored by Cameco for unconformity related uranium deposits since the early 2000s. This package is the most advanced of Vimy's interests at Alligator River hosting the Angularli uranium deposit, as well as a number of targets at differing stages of evaluation
- Algodo Beatrice package, covering 78 km² of granted tenure and a group of tenement applications to the east of the Ranger and Jabiluka uranium deposits under moderate sandstone cover
- Mount Gilruth, a group of tenement applications to the southeast of Ranger and Jabiluka deposits

Access from Darwin is via the Arnhem Highway to Jabiru. The northern and central tenures may be accessed from the Gabalanya – Maningrida Road to the 'Three Ways' and then approximately 30 km along the Murganella Road. Historically, some of the project tenure has been accessed via historical tracks from Nabarlek and Myra camp. The current camp for the northern tenures is located on the King River tenement EL25064. Several pre-existing tracks are present such as the Waminari Bay (Black Rock), Sandy Creek and Davidsons tracks. Access throughout much of the tenure is dependent upon topography with certain tenures only accessible by helicopter.

Figure 2-10: Location map of the Alligator River Project

Source: Vimy ASX Announcement 9 May 2012

The majority of the tenure is reasonably flat lying with undulating sandy plains underlain by ferruginous duricrust and can be traversed by 4WD or all-terrain vehicles during the dry season. The topography is a combination of inland wetlands, billabongs, and swampy areas grading towards the sandstone plateau surrounding the Wellington Range and Algodro Inlier. Low lying areas of the inlier consist almost entirely of gently undulating savannah woodland. Soils consist of thin sandy types and black loams covering in part the sandstone plateau country. Valleys within the plateau contain alluvium with some soil development and relatively dense vegetation. Several drainages are evident including Cooper Creek and other tributaries of the East Alligator River system.

2.4.2 Ownership and Tenure

The registered holder of a 100% interest in the Project tenures is Viva Resources Pty Ltd, a wholly owned subsidiary company of Vimy. The tenures were previously held under JV between Cameco Australia Pty Ltd (Cameco – 75%) and Rio Tinto Exploration Pty Ltd (RTX), a wholly owned subsidiary of Rio Tinto Ltd (RTX – 25%), which Vimy progressively acquiring a 100% interest in the tenures since March 2018. Details of the Alligator River Project tenures is shown in Table 2-17.

Table 2-17: Vimy's current tenement holdings at Alligator River

Tenement	Grant	Expiry	Area (Blocks)	Area (ha)	2023 Rent (A\$)	2022 Minimum Expenditure (A\$)
Package 1 - King River – Wellington Range						
EL24017	3/09/2010	2/09/2022	5	1,566	1,386	14,000
EL25064	5/07/2011	4/07/2023	96	29,630	21,133	49,000
EL25065	5/07/2011	4/07/2023	204	66,690	44,569	95,000
EL27059	3/09/2010	2/09/2022	4	1,638	1,169	12,000
EL5893	4/05/2004	3/05/2022	201	62,780	43,918	230,000
ELA28379	-	-	17	4,959	-	-
ELA28380	-	-	2	37	-	-
ELA28381	-	-	2	187	-	-
ELA28382	-	-	3	307	-	-
ELA28383	-	-	3	432	-	-
ELA28384	-	-	8	1,074	-	-
ELA28385	-	-	2	448	-	-
Package 2 - Algodro Beatrice						
EL22430	16/08/2019	15/08/2025	12	3,352	1,213	7,000
EL24920	16/08/2019	15/08/2025	8	2,008	909	15,500
EL26089	16/08/2019	15/08/2025	9	2,440	985	15,200
ELA23327	-	-	100	33,580	-	-
ELA32825	-	-	6	672	-	-
ELA32826	-	-	3	810	-	-
ELA26905	-	-	12	3,024	-	-
ELA26906	-	-	6	616	-	-
ELA31437	-	-	5	1,341	-	-
ELA32827	-	-	1	284	-	-
ELA32828	-	-	8	2,066	-	-
Package 3 - Mount Gilruth						
ELA5060	-	-	135	45,160	-	-
ELA23928	-	-	225	75,260	-	-
ELA24290	-	-	63	21,090	-	-
ELA26356	-	-	84	28,130	-	-

Source: Vimy, NT Government's Strike Portal accessed 22 April 2022

In August 2021, as part of the acquisition of the remaining 20.89% interest in the Alligator River Project from RTX, Vimy agreed to an additional on-sale payment to RTX in the event that Vimy disposes of an interest in the Alligator River Project within 3 years from the date of settlement at an implied price (on a proportional basis) that is higher than the A\$2 M paid for RTX's interest.

Secondly, a uranium upside payment is payable to RTX if the average daily spot price indicator of uranium exceeds US\$60/lb (of U_3O_8) over the last 180 days of the 3-year period that commences on the settlement date of the acquisition. If satisfied, Vimy agrees to pay RTX a further consideration amount equal to A\$1.1 M less the total on-sale payment(s) that may have been made during the 3-year period.

2.4.3 Geological Context

Vimy's Alligator River Project lies within the Alligator Rivers Uranium Field of eastern Arnhem Land. This field is known to host a number of substantial unconformity style uranium deposits (specifically the basement hosted subtype) including Ranger 1 and 3, Koongarra, Nabarlek and Jabiluka (Smith, 2018). Uranium deposits in the field are economically significant with a combined estimated uranium endowment of 360,000 t U_3O_8 (Lally and Bajwah, 2006).

The Alligator Rivers area lies within the eastern margin of the Neoarchaeon and Paleoproterozoic Pine Creek Orogen (PCO) including:

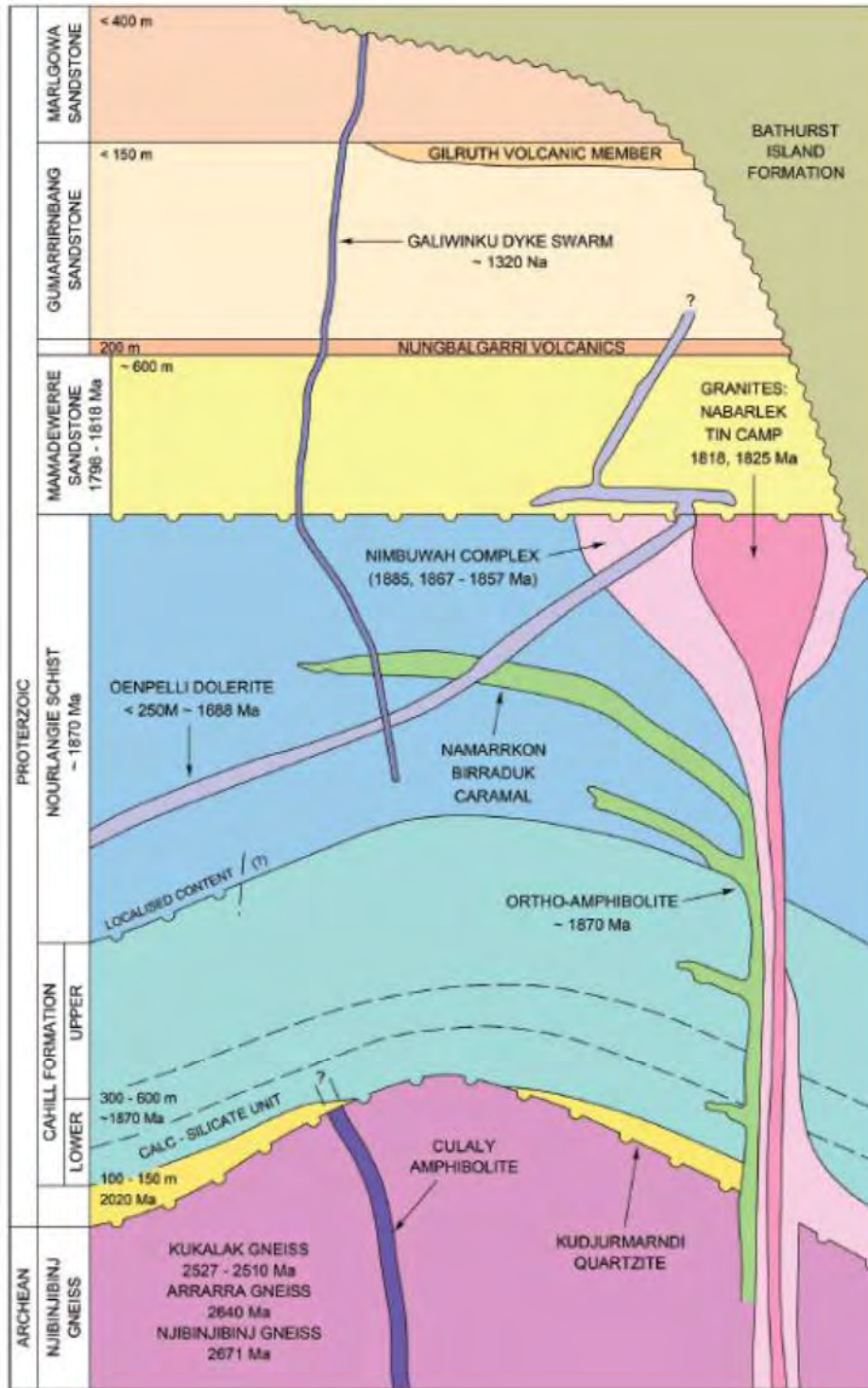
- the Neoarchaeon (ca. 2500 Ma) Nanambu Complex, consisting of paragneiss, orthogneiss, migmatite, and schist forming domical structures unconformably overlain by Paleoproterozoic metasedimentary and metavolcanic rocks.
- Paleoproterozoic rocks comprise amphibolite-facies psammities assigned in the Mount Howship Gneiss and the Kudjumarndi Quartzite. These formations are included in the Kakadu Group and are probably correlatives of the Mount Basedow Gneiss and Munmarlary Quartzite, respectively (Ferenczi et al., 2005).

Conformably overlying the Munmarlary Quartzite, is the Cahill Formation of the Namoon Group (Figure 2-11), which is divided into:

- the Lower Cahill Formation - a structurally lower calcareous marble and calc-silicate gneiss, which is overlain by pyritic, garnetiferous and carbonaceous schist, quartz-feldspar-mica gneiss, and minor proportions of amphibolite. Host to the Nabarlek, Ranger and Jabiluka uranium deposits.
- the Upper Cahill Formation is psammitic and consists of feldspar-quartz schist, quartzite, lesser proportions of mica-feldspar-quartz-magnetite schist, and minor proportions of metaconglomerate and amphibolite.

The Cahill Formation is magnetic due to the presence of mafic sills or magnetite and it is a useful characteristic used to distinguishing the Cahill Formation from surrounding less magnetic rocks (Kendall, 1990). Mafic sills and dykes assigned to the Goodparla and Zamu dolerites intrude the Upper Cahill Formation.

Figure 2-11: Stratigraphic column for the Nimbuwah Domain of the Pine Creek Orogen



Source: Sinclair, 2019

The Nourlangie Schist overlies the Cahill Formation and consists of argillaceous to quartzose phyllite and quartz-mica schist that locally contain garnet and staurolite.

The rocks of the region are structurally complex, having been affected by at least three deformation event before deposition of the late Paleo- to Mesoproterozoic Kombolgie Subgroup (Thomas, 2002). The rocks have also been locally migmatized during the ca. 1847-30 Ma Nimbuwah Event. In addition, there is a broad trend of increasing grade from southwest to northeast in the Nimbuwah Domain. This gradient is interpreted to reflect the synchronous emplacement of ca. 1865 Ma granites in the Nimbuwah Complex.

The Kombolgie Subgroup is the basal unit of the late Paleo- to Mesoproterozoic Katherine River Group of the McArthur Basin (Sweet et al., 1999a, b). The subgroup consists of sandstone units called the Mamadawerre Sandstone, Gumarrirbang Sandstone, and Margowa Sandstone, which are divided by thin basaltic units called the Nungbalgarri Volcanics, and Gilruth Volcanics. The Mamadawerre Sandstone has a minimum age of ca. 1700 Ma, which is the minimum age of the intrusive Oenpelli Dolerite.

The Oenpelli Dolerite is the most pervasive mafic intrusive suite affecting the Alligator River region and is interpreted to have taken place at about 1715 Ma. It intrudes various units Neoarchean and Paleoproterozoic units, and the Kombolgie Subgroup, forming magnetic sills, dykes, lopoliths, and laccoliths. These intrusive events had a pronounced thermal effect within the Kombolgie Subgroup, with the promotion of fluid flow and aquifer or aquitard modification. Localised effects in the sandstone include silicification, desilicification, chloritisation, sericitisation, and pyrophyllite alteration. A characteristic mineral assemblage of prehnite-pumpellyite-epidote formed in the quartzofeldspathic basement rocks adjacent to the intrusions.

The early Proterozoic rocks of the region have been affected by the Top End orogeny (1880 to 1780 Ma), which includes the initial Nimbuwah Event, or Barramundi Orogeny at about 1870 Ma. This produced a prograde metamorphic effect with associated tight folding and faulting. The various 'domains' exhibit deformation styles and metamorphic grade with the western and eastern margins of the Pine Creek Inlier (Litchfield Province and Nimbuwah domain respectively) exhibiting the most pronounced effects.

Deformation since deposition of the Katherine River Group includes strike-slip movement along steep regional-scale strike-slip faults and possibly some shallow thrusting. These regional faults follow a pattern of predominantly north, northwest, north – northwest and northeast strikes, giving rise to the characteristic linearly dissected landform pattern of the Kombolgie Plateau. Another significant set trends east – west and includes both the Ranger and Beatrice Faults.

Major regional faults, which affect the early Proterozoic, have north-west (Bulman), north-north-west (Aurari) and northerly (Anuru, Goomadeer) strike orientations. Another significant set trends to the east and includes both the Ranger and Beatrice faults. The Bulman Fault Zone is the principle regional feature and is considered to represent a long-lived, deep crustal structure, which has exerted a large lateral component in rocks of the PCO.

Erosional remnants of flat-lying Palaeozoic Arafura Basin and Cretaceous Carpentaria Basin are present as a veneer throughout the coastal zone of the Top End. Various regolith components are ubiquitous as cover throughout much of the region.

Key features of the Alligator River uranium deposits include (Browne, 2017):

- Almost exclusively hosted within Paleoproterozoic metasedimentary units belong to the Cahill Formation (in the case of Nabarlek, the Nourlangie Schist) that have been subject to metamorphic grades ranging from lower amphibolite to granulite facies.
- The host lithology has an extremely low carbon (graphite) component.
- Most major deposits are located within schist-carbonate sequences of the Cahill Formation, so are more reactive and susceptible to alteration fluids associated with structural reactivation.
- Economic quantities of mineralisation lie entirely within the basement metasedimentary rocks. Minor remobilised uranium occurs within chlorite-altered structures in sandstone and as late veinlets in the outer zones of some Proterozoic dolerite sills and dykes.
- Mineralisation is focused along typically low angle listric, regional structures of the pre-Kombolgie Subgroup, which have been later reactivated post-sandstone deposition by high-angle normal and reverse faulting.
- Deposits are generally composed of only one mineral, with later minor-trace gold-platinum group elements-copper.
- Localised intense chlorite alteration superimposed on early chlorite formation; other alteration and lithogeochemical patterns have been observed at various deposits, but have not proved to be related to specific mineralisation events, nor are they universal.

2.4.4 Local Geology

King River – Wellington Range package

Paleoproterozoic rocks, which are present in the project area, have been named the Myra Falls Metamorphics (MFM). These are considered to be higher metamorphic grade equivalents of the Cahill Formation (the host rocks to most of the Alligator River uranium province deposits) and consist broadly of quartzo-feldspathic±garnet gneiss, quartzmica-amphibole-garnet schist and amphibolite. No carbonate rocks have as yet been identified on the tenements but probable calc-silicate lithotypes are present as amphibole-rich schists and amphibolite.

Structurally, the MFM form a broad synclinal structure (the 'Oenpelli Syncline'), which is confined to the western half of the tenement package. The structure contains a well defined and easily traceable sequence of 'lower' and 'upper' units. A thin but fairly persistent quartzitic unit, formerly considered to be Kudjumarndi Quartzite, forms a stratigraphic marker in the upper MFM and accurately outlines the fold structure.

Outcrop is extremely sparse, being confined mostly to drainage channels.

Ferricrete and Quaternary sands cover much of the area. Mapping of the stratigraphy has been made possible by a combination of aerial photographic studies, geophysical interpretation and regional rotary air blast (RAB) drilling traverses.

The MFM abuts the granulite facies Nimbuwah Complex, which consist of gneiss and migmatite and various I-type granitic intrusives (Carson and others 1999). An anomalously magnetic unit, termed the Stromatic Migmatite marks the inferred contact with the MFM. It is a finely banded, fine

grained quartzofeldspathic gneiss containing magnetite and almandine garnet and is considered to be a transitional phase between the MFM and the Nimbuwah Complex. There appears to be a rapid regional progression of metamorphic grade increasing from west to east. Outcrop tends to be slightly more extensive in comparison to the MFM. Good exposures of both gneissic rocks and the intrusive granitic variants occur throughout.

The basement rocks are overlain by the Kombolgie Subgroup (formerly Kombolgie Formation). The Mamadawerre Sandstone, the fluvial basal unit of the Kombolgie, outcrops as the characteristic escarpment country of the Arnhem Land plateau. It outcrops in the northwestern corner of the tenement package forming rugged cliffs and dissected plateau as part of the southern extensions of the Wellington Range. The age of the Mamadawerre has been constrained between 1822 and 1720 Ma and is probably closer to 1800 Ma (Sweet and others 1999).

Remnants of the Cretaceous outcrop in various parts of the tenement usually along the erosional fringes of lateritised tablelands. They overlie both the MFM and Nimbuwah Complex rocks. Intrusive rocks other than the Nimbuwah granites include extensive sills and lopoliths of Oenpelli dolerite and several generations of younger crosscutting dolerite.

Circular features, as defined by airborne magnetic data, are considered to be pipe-like mafic bodies, which have been identified elsewhere in the Alligator Rivers region. These features were the focus of previous diamond exploration by De Beers throughout the area.

Algodo Beatrice package

The Algodo Beatrice package covers the southern part of the Algodo Inlier which is dominated by units of the Paleoproterozoic Lower Cahill Formation. The Mamadawerre Sandstone covers much of the southern and eastern parts of the Algodo Inlier. Both basement rocks and the Mamadawerre sandstone are intruded by Oenpelli Dolerite.

The Algodo Inlier is characterised by low relief and a mixed cover ranging from a thin veneer of transported cover to a thicker mix of black soil and alluvium along ephemeral streams. The sandstone escarpment is typically flanked by colluvium derived from the sandstone and basal conglomerate, often obscuring the unconformity.

A regionally significant east-west striking fault, the Beatrice Fault cross the Algodo Inlier within the project tenements.

Mount Gilruth package

No information has been provided by Vimy pertaining to the Mount Gilruth applications.

2.4.5 Mineralisation

Exploration conducted to date has defined a number of uranium exploration targets with the most significant being the Angularli deposit. Other targets include the Aurari North, Kuroikin and Such Wow prospects.

Mineralisation at Angularli is primarily hosted by a multiply activated and altered deformation corridor known as the Angularli Fault Zone. The fault zone trends north-northwest, dips moderately to steeply to the northeast and is up to 100 m wide. It offsets the angular unconformity between the Cahill Formation metasediments and the overlying red-bed Mamadawerre sandstone at a depth of approximately 250 m below surface.

Locally, the Mamadawerre sandstone varies in thickness from 10 to 250 m and comprises minor pebbly beds, conglomerate lenses and siltstone beds which dip gently to the west.

A schematic cross-section for the Angularli deposit is shown in Figure 2-12.

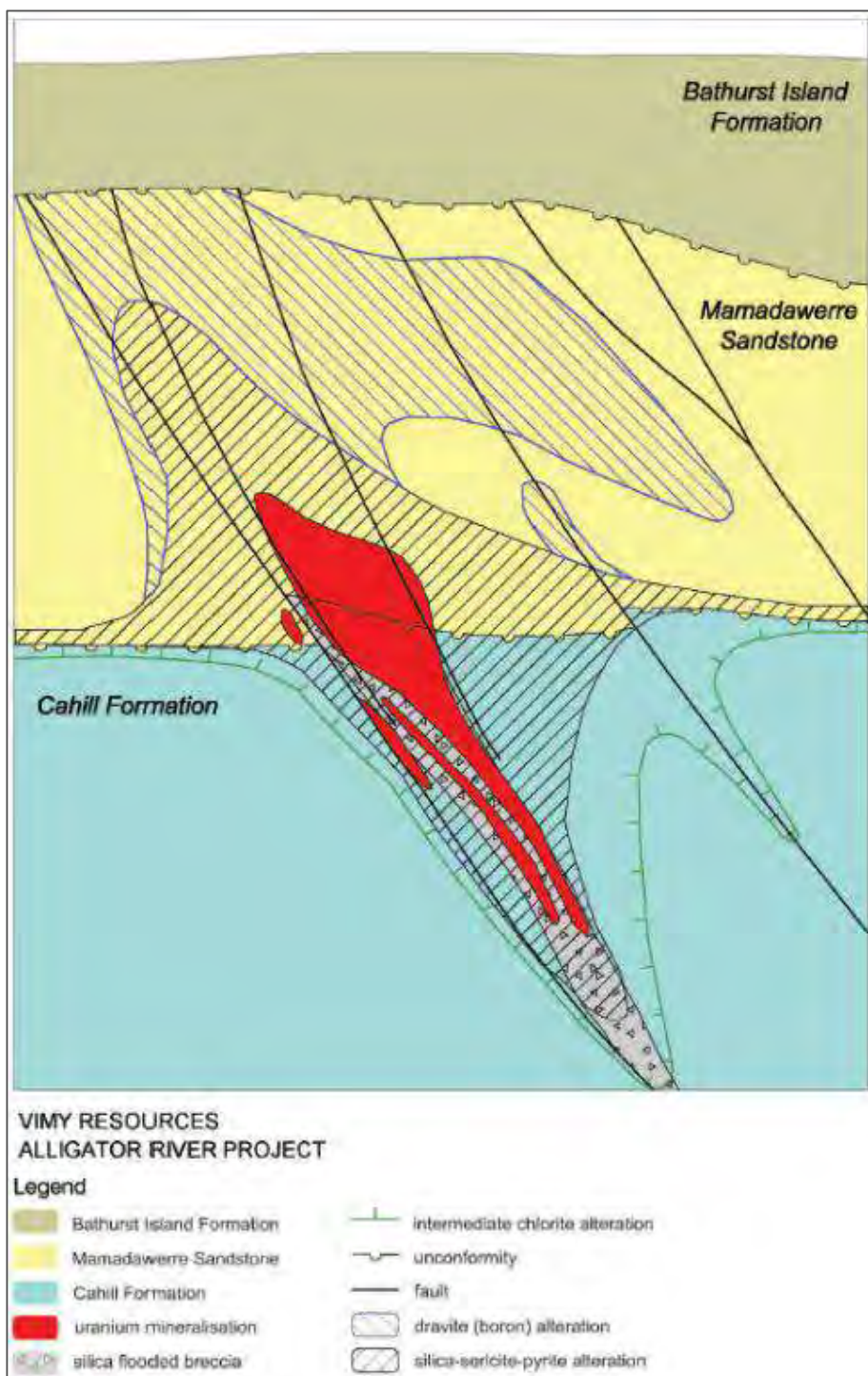
The Angularli Fault zone is characterised by 3 texturally, temporally and spatially distinct deformation styles:

- A 20 to 40 m wide corridor of silica flooded breccia (SFB), with epithermal textures
- Overprinting stockwork hydraulic breccia
- Late-stage sub-parallel discrete brittle faults.

Primary uranium mineralisation at Angularli occurs above, at and below the unconformity. Primary uranium mineralisation has developed within the hangingwall to the Angularli Fault as well as within the SFB and overlying sandstone.

The mineralisation at Angularli is mostly monometallic with some gold present in the high grade component of the uranium pods. Mineralisation is high grade in nature, with an average grade of 1.3% U_3O_8 , present as coffinite with lesser UO_2 and brannerite and uranophane. The mineralised pods extend over a 300 m north-northwest to south-southeast trend which dips steeply to the northeast but with a pronounced southerly plunge. Disseminated uranium mineralisation also extends up into the Mamadawerre sandstone.

Figure 2-12: Angularli deposit – schematic cross-section



Source: Sinclair, 2019

2.4.6 Exploration History

Much of the previous exploration across the Alligator River area has been directed towards unconformity-related uranium deposits. The nearby economic deposits at Ranger, Jabiluka, Koongarra and the now depleted Nabarlek Mine served as models for this strategy. The presence of gold, palladium and platinum in these deposits plus the economic gold-platinum resource at Coronation Hill in the South Alligator Valley, indicates an additional potential for this deposit style.

Historical exploration activities include regional airborne radiometric and aeromagnetic geophysical surveys, project scale mapping, minor rock chip geochemical sampling, RAB, RC and diamond drilling. The onset of the COVID-19 pandemic in early 2020 resulted in the cancellation of work permits and on-country meetings for the entirety of the 2020 field season and as a result no exploration fieldwork was carried out over the 2020/21 period.

Table 2-18 summarises the exploration activities conducted over the Alligator River Project.

Table 2-18: Alligator River exploration summary

Company	Period Held	Exploration Conducted
Union Carbide Exploration Corporation	1970–1972	Airborne magnetic and radiometric geophysical surveying, regional geochemical surveys and geological mapping. Numerous radiometric anomalies were investigated including the more important Tadpole group of prospects and Dreadnought Creek. Results were discouraging.
	1973–1996	Exploration work was curtailed in early 1973 by a federal Government imposed moratorium on exploration pending a resolution on the issue of Aboriginal land rights.
Cameco/Stockdale Prospecting Limited	1996	Grant of title in May 1996. Initial reconnaissance work included regional outcrop mapping, orientation soil geochemistry and regional drainage bulk leach extractable gold (BLEG) in conjunction with diamond indicator sampling. A regional fixed wing airborne geophysical survey at 200 m line spacing was conducted and included magnetics, spectrometrics and VLF. A regional stream sampling geochemical program was also completed.
	1997	Airborne anomaly follow up, further geochemistry (soil, rock, stream and BLEG), geological mapping and RAB drilling. Two shallow diamond holes were completed testing the lower MFM to gain data on host rock lithology and alteration.
	1998	Ongoing regional work including geological mapping and interpretation, stream sediment sampling concentrating on the Nimbuwah Complex and RAB drilling. A further two diamond holes were drilled into the lower MFM to gain additional data on the sequence. Prospect scale activities on several airborne radiometric anomalies included auger soil sampling, ground magnetics and some systematic RAB drilling (BIR 1 anomaly only). A DIGHEM test survey was flown across a section of the MFM to gain data on the response of the various lithotypes.
	1999–2002	Regional RAB traversing continued across the MFM and one diamond drill hole was collared on radiometric anomaly BIR 1. Stream sediment and auger soil sampling at 'Ralph's Fault' where a low order gold anomaly previously outlined. Ground magnetic surveys were conducted across the latter as well as at anomaly BIR 4. UTS Pty Ltd conducted a heli-borne EM-

Company	Period Held	Exploration Conducted
		Magnetic survey over the southward extensions of the Aurari Fault zone. Stockdale Prospecting Ltd (now De Beers Exploration Australia) undertook detailed airborne magnetic surveys, field inspection and check sampling of four magnetic anomalies. Negative results of the loam sampling coupled with poor MMI geochemical signatures appeared to rule out the presence of kimberlitic intrusions on the licence. Formal notification of De Beers's withdrawal from the King River program was given in early 2000.
Cameco	2004–2007	EL5893, which hosts the Angularli deposit, was granted, followed by tenement-wide acquisition of aeromagnetic, radiometric, hyperspectral and tempest geophysical data.
	2008–2018	Focus shifted to the Angularli area along NNW trending fault zones, leading to the discovery of uranium mineralization at Angularli South in 2009 and the main Angularli deposit in 2010, followed by a drill-out program in 2011. Following that discovery, Cameco (the previous operator) carried out downhole and ground IP surveys over the broader Angularli area. 2014 - Cameco carried out an unpublished estimate of the mineral potential of the Angularli deposit. 2015 - the focus of exploration shifted to regional targets, including mapping on the escarpment at the Such Wow prospect.
Vimy/RTX	2018	In March 2018, Vimy acquires a majority interest in the project from Cameco. In March 2018, Vimy announces a maiden mineral resource for the Angularli deposit in March, based on results generated by the previous operators. Vimy began a ground work at King River-Wellington including a follow-up of high-priority parallel shear structures at the Angularli deposit. In August 2018, Vimy started RC drill program in 29-holes for 8,600 m at King River-Wellington. Metallurgical test work for the Angularli Project commenced. Preliminary results showed significant uranium extraction of 98.5%. Wood contracted to undertake the engineering scoping study for the Angularli deposit within the Alligator River project. The study considered underground mining over 36 months, with the surface stockpile of mined material to be processed over about 8 years. Two flowsheet options were viable for ore processing. To achieve the Scoping Study outcomes funding would be in the order of A\$150-200 M.
	2019	Vimy reported results of its regional exploration programs completed in 2018 at King River-Wellington. Vimy completed a diamond drill program at Such Wow.
	2020	Exploration curtailed as a result of the onset of the COVID pandemic with planned RC drilling at Alligator River suspended.
Vimy	2021	In August 2021, Vimy acquired RTX's interest in the project taking it to 100% interest. Compilation and analysis of historical data. Limited field work was conducted at Alligator River due to COVID restrictions. Soil geochemical sampling was completed at Angularli North, Bandogge, Such Wow North and Southern Flank. Plans to update the scoping study in 2022.

Source: modified from Vimy – Statutory Annual Report 2018-2019, S&P Capital IQ Pro.

2.4.7 Mineral Resource estimates

Table 2-19 summarises Vimy's Uranium Mineral Resources as reported to the ASX on 20 March 2018 and in accordance with the JORC Code (2012 edition) and referenced in the 31 March 2022 ASX announcement, Deep Yellow and Vimy Merger - Investor Presentation.

Table 2-19: Summary of Alligator River Uranium Mineral Resources as at 31 March 2022

Prospect	Classification	Cut-off U ₃ O ₈ (%)	Tonnes (Mt)	Grade (% U ₃ O ₈)	Metal (Mlb)
Angularli	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	0.15	0.91	1.29	25.9
Total			0.91	1.29	25.9

Source: ASX

Note:

- Original ASX Release 20 March 2018
- Rounding (conforming to the JORC Code) may cause computational discrepancies

Based on its review of the Alligator River Mineral Resource estimates, SRK notes the following:

- The Alligator River Mineral Resource (Angularli) report by Optiro contains the following statement, with which SRK concurs. The respective inverse distance squared (ID²) and ordinary kriging (OK) average grade difference is in the order of 10%.
 - “.....Vimy has chosen to adopt the ID² estimate as it provides the highest grade, provides adequate reproduction of the raw grades and is the methodology adopted by the previous operator, Cameco Australia. Moreover, it is the preferred estimation technique for geologically similar projects within the Athabasca Basin. Optiro considers that the grade difference between the two estimates [OK and ID²] is within the accepted level of uncertainty implied by an Inferred Mineral Resource. Optiro cautions that there may well be a grade decrease from the reported grade with infill drilling at Angularli.”

In addition to the Mineral Resource estimate, Vimy also reports an Exploration Target at Angularli as outlined in Table 2-20.

Table 2-20: Exploration Target at Angularli

Prospect	Classification	Tonnes (Mt)	Grade (% U ₃ O ₈)	Metal (Mlb U ₃ O ₈)
Angularli	Exploration Target	1.2–1.8	0.75–1.5	20–60
Total		1.2–1.8	0.75–1.5	20–60

Source: ASX

Note:

- Original ASX Release 20 March 2018
- Appropriate rounding has been applied, and rounding errors may occur

Disclaimer: The potential quantity and grade of the Exploration Target is conceptual in nature. It is important to note that there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

2.4.8 Prospectivity

Vimy's Alligator River Project tenements lie within the Alligator River uranium province of NT which includes several world class uranium mines and projects including Ranger, Nabarlek, Jabiluka and Koongarra and shares affinities with Canada's Athabasca Basin. The Angularli uranium deposit lies within Vimy's current tenure.

All of Vimy's granted exploration licences within this province have associated deeds in place permitting exploration and setting out the terms of any future mining operation, as well as tenements located on Aboriginal land are vested in the Arnhem Land Aboriginal Land Trust and managed by the Northern Land Council.

Several styles of unconformity related uranium deposits are recognised in the Alligator River Province including:

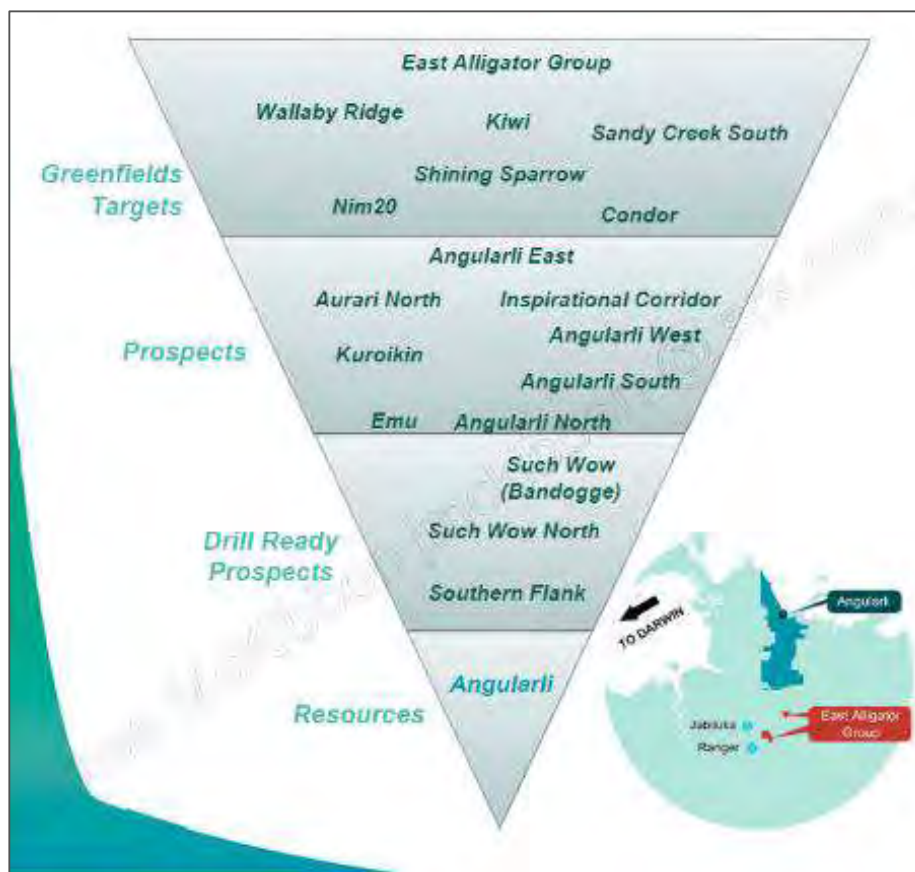
- High angle fault hosted deposits such as Angularli, Koongarra and Nabarlek
- the lower grade, bulk tonnage low angle shear deposits such as Ranger and Jabiluka within reactivated shear zones.

Uranium mineralisation at Angularli occurs in steeply dipping, brittle fault zones in the basement metamorphic rocks and which propagate into the overlying sandstone. The basement faults reactivated earlier ductile shear zones which predated the sandstone. The subsequent brittle faulting and brecciation has led to silica flooding and uranium mineralisation in the basement rocks, and swarms of brittle faults with broad clay alteration zones in the overlying sandstones.

Exploration for these styles of mineralisation is based on the search for either fertile structures and/or associated alteration. This typically employs a combination of magnetic, radiometric, induced polarisation, resistivity, seismic, gravity and electromagnetic geophysical techniques along with hyperspectral scanning, rock chip and termite mound sampling, hydrogeochemistry and the full suite of drilling techniques in combination with downhole geophysical techniques.

Using these techniques, Vimy (and previous explorers) have defined numerous greenfield targets and prospects within the currently held tenure which are to be progressively assessed and progressed. The key targets currently held by Vimy are outlined in Figure 2-13.

Angularli is currently the main focus of exploration drill activities with continued reconnaissance occurring at the other prospects.

Figure 2-13: Key targets currently defined within Vimy's Alligator River tenements

Source: Vimy, 11.03.03.20200428 ARP 2020-21 – Exploration Scope and budget and target ranking

Recent field work at the Alligator River project has comprised a soil geochemical sampling program at the Angularli North, Bandogge, Such Wow North and Southern Flank prospects (King River – Wellington Range area). Results remained pending at the time of preparation of this report.

Near term, Vimy is planning to undertake a 19-hole diamond drilling program (with potential for an additional 6 holes depending on results) at Angularli for a total of 7,200 m of core in order to test the potential strike and depth extents, as well as repetitions to the currently defined Mineral Resources (i.e., Angularli North, Angularli South and Angularli West). Drilling is expected to commence in June 2022.

2.5 Kingston Project

The Kingston Project (also known as the Great Victoria Desert or Mulga Rock regional package) is a contiguous, northeast trending land package stretching for approximately 180 km at approximately 10–20 km width in the Mount Margaret Mineral Field of the Laverton and Menzies Shires and lying immediately adjacent to the east and northeast of the Mulga Rock mining leases.

The project comprises five granted exploration licences and a single EL application which cover the Rason (SH5103), Neale (SH5104), Minigwal (SH5107), Plumridge (SH5108) and Cundeelee (SH5111) 1: 250,000 scale and Moonyoora (3637), Narnoo (3638), Kakarook (3738), Meinya (3739), Rason (3740), Bartlett (3839), Scherk Range (3840) 1:100,000 scale topographic sheets.

The nearest residential town is Laverton which is approximately 200 km to the northwest. Other regional residential communities include Pinjin Station homestead, located approximately 100 km west, the Kanandah Station homestead approximately 150 km southeast, Tropicana Gold Mine approximately 110 km northeast and the Mt Margaret community approximately 337 km to the northwest.

The area can be accessed via gazetted shire roads to Pinjin Station and thereafter via the Tropicana access road and Nippon Highway, while numerous mineral exploration tracks and cleared lines established in the 1970s and 1980s provide further access. Ground conditions are generally soft and sandy. 4WD access is generally possible year round except after significant rainfall.

The project lies within the Great Victoria Desert bioregion. The combined tenement area and surrounding environs is covered by extensive Quaternary age vegetated aeolian dunes of the Great Victoria Desert. The sand plain is covered by quartz-rich sand fraction and supports elongate parallel east-southeast trending dunes. Isolated outcrops of Permian sediments, capped by Cainozoic regolith occur. Isolated Quaternary lacustrine deposits are developed within isolated claypans.

Major landforms within the subregion include salt lakes, valley floors with lake-derived dunes, sandplains with patches of dunes running northwest to southeast and areas of moderate relief with outcropping and silcrete-capped mesas and breakaways. Dominant land uses in the region include grazing, mining and exploration and tourism. Mining of gold and nickel is the most common activity in the area.

The project tenements lie on UCL. The nearest conservation area to the project are the Queen Victoria Spring nature reserve (approximately 18 km south-southwest) and the Plumridge Lakes nature reserve (approximately 60 km northeast).

All mineral tenure within the Kingston Project is held by Velo Resources Pty Ltd (100%), a wholly owned subsidiary company of Vimy. The status of this tenure is summarised in Table 2-21.

Table 2-21: Status of the Kingston Project tenure

Tenement	Grant	Expiry	Area (Blocks)	Area (ha)	2023 Rent (A\$)	2022 Min Expenditure (A\$)
E38/3203	27/09/2018	26/09/2023	76	22,839.3184	19,912	114,000
E39/2012	05/12/2018	04/12/2023	200	59,660.26	52,400	300,000
E39/2013	09/08/2019	08/08/2024	199	59,592.27	52,138	199,000
E39/2115	18/11/2019	17/11/2024	143	42,556.22	37,466	143,000
E39/2149	02/06/2020	01/06/2025	47	13,666.10	6,862	47,000
E38/3348*	-	-	103	30,905.80	15,038	103,000

Source: WA Mineral Titles Online, accessed 21 April 2022

Note:

- NA = Not Applicable

- *Application, recommended for grant 20/04/2022 / - Collective shire rates are estimated by Vimy at A\$40,795.

These mineral tenures are considered by Vimy to be for sediment – exhalative (SEDEX) base metal and silver mineralization within Paleoproterozoic sedimentary units which are interpreted to belong to the Barren Basin Group and sequences of the Northern Foreland zone of the Albany Fraser Orogen, an arcuate orogenic belt that lies of the southeast margin of the Archean Yilgarn Craton. The Northern Foreland Zone comprises reworked Yilgarn lithologies.

The tenure also covers minor portions of the Permian Gunbarrel Basin (that lie westward of the major southeast dipping Cundelee Fault), which is developed over the Yilgarn Craton and incised by Mesozoic and Cenozoic unconsolidated sedimentary sequences. The Gunbarrel Basin is filled with at least 300 m of the Paterson Formation comprising largely glaciogenic siltstones, sandstones and conglomerates.

The Gunbarrel Basin unconformably overlying Proterozoic rocks of the Officer Basin and is equivalent to the former Kingston Shelf of the Officer Basin. It forms part of the Centralian Superbasin that underwent a series of extensional and compressional tectonic events in the Neoproterozoic and Paleozoic.

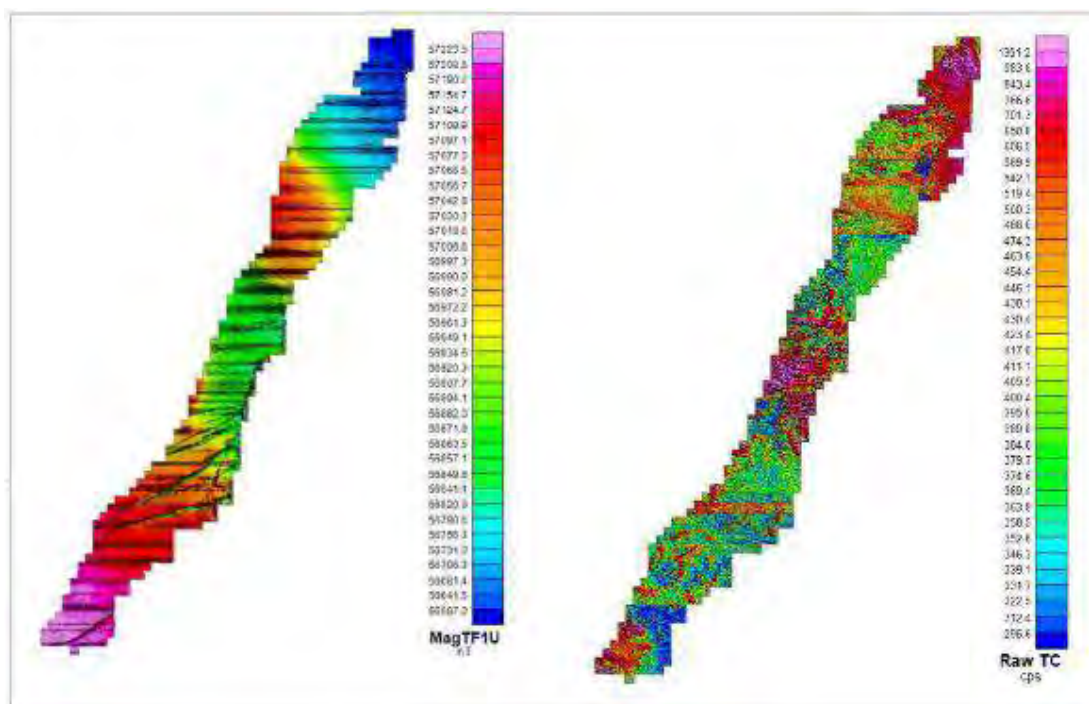
Basement units within the region comprise granite/greenstone rocks of the Yilgarn Craton, metamorphics of the Albany-Fraser Belt and overlying Phanerozoic Officer Basin.

The area has been the subject of previous exploration dating back to the 1970s, with explorers including BP Minerals, Esso Exploration, PNC, BHP Minerals, Eaglefield, Oklo Uranium, EMA and Zeus. Previous exploration has been primarily directed towards the search for stratabound, paleochannel type and Olympic Dam style uranium, diamondiferous kimberlites, heavy mineral sands and gold. Work completed over the tenures has included regional-scale aerial photography, airborne gravity, magnetic, radiometric and electromagnetic geophysical surveys, ground based seismic, gravity, magnetometry, induced polarization and EL geophysical surveys, soil helium and radon gas surveys, mapping, costeaning and geochemical sampling AC, RC and diamond drilling and multielement analysis and down hole radiometric logging.

More recent work has included data compilation of pre-existing drilling data generated by previous explorers, groundwater and mineral search, geological logging, portable X-ray fluorescence analysis, groundwater pump testwork and limited drilling.

To date, Vimy has completed a high-resolution airborne magnetic-radiometric geophysical survey of the Project, with the raw data processing, post-processing and interpretation underway at the time of preparation of this report (Figure 2-14). This data will be incorporated into the broader geoscientific dataset to aid in target generation later in 2022.

Figure 2-14: Kingston Project high resolution airborne survey data. Total Magnetic Intensity (TMI) (left) and total radiometric counts (right)



Source: Vimy Quarterly activity report dated 31 January 2022.

3 Deep Yellow's Mineral Assets

3.1 Introduction

Deep Yellow is an Australia-based advanced exploration and development company with a portfolio of mineral assets located in Namibia. The Company's indirectly held (via Deep Yellow Mauritius (Pty) Ltd), wholly owned subsidiary company, Reptile Mineral Resources and Exploration (Pty) Ltd (RMR) manages the Namibian project portfolio, which comprises the Tumas Project (100%), Nova JV (39.5%), Omahola Project (100%) and Yellow Dune JV (85%).

Other subsidiary companies in the Deep Yellow group include: Superior Uranium Pty Ltd (100% - Australia), Yellow Dune Uranium Resources (Pty) Ltd (85% - Namibia), Deep Yellow Mauritius (Pty) Ltd (100% - Namibia), Nova Energy (Namibia) Pty Ltd (39.5% - Namibia), Dep Yellow Custodian Pty Ltd (100%), Omahola Uranium (Pty) Ltd (100% - Namibia), Reptile Uranium Namibia (Pty) Ltd (100% - Namibia) (RUN), Shiyela Iron (Pty) Ltd (Shiyela) (95% - Namibia), Sand and Sea Property Number Twenty Four (Pty) Ltd (100% - Namibia), Tarquin Investments (Pty) Ltd (100% - Namibia) and QE Investments (Pty) Ltd (100% Namibia)..

SRK notes that on 22 October 2021, Deep Yellow announced an option agreement for the sale of Shiyela shares to Hylron Green Technologies (Pty) Ltd (Hylron) under an Exclusivity Agreement with a twelve-month option to allow for due diligence work and various other studies by Hylron. The agreement is between RMR and Oponona Investments (Pty) Ltd (each holding 95% and 5% respectively of the shares in Shiyela). The option attracted a US\$100,000 fee and may be extended for a further six months on payment of an additional US\$50,000. At the end of the option period, Hylron will have the right to purchase all the Shiyela shares. The price will be in the range of US\$5 M to US\$3 M and will be finally determined based on the prevailing trading price of 62% Fe Fines.

Deep Yellow was incorporated in 1985, is listed on the ASX (ASX Code: DYL) and has its headquarters located in Subiaco, Perth, Western Australia.

3.2 Projects

Deep Yellow's exploration portfolio comprises the following mineral assets in Namibia (Figure 3-1):

- An 100% interest in the Tumas Project comprising MLA237. This extends over 43 km strike length and at its nearest point is 20 km southwest from the third-party held Langer-Heinrich Uranium Mine. The closest towns are the port of Walvis Bay, 60 km to the west-southwest of the proposed Tumas plant site, and Swakopmund, 60 km to the west-northwest of the proposed plant. The Tumas Project covers 385 km² and contains paleochannel/calcrete uranium resources as expressed by the Tumas and Tubas deposits.
- A 39.5% interest in the Nova JV Project comprising two EPLs (EPL3669 and EPL3670) located at the closest point approximately 20 km southeast of Swakopmund and 22 km northeast of Walvis Bay, respectively. The Nova JV EPLs cover a combined area of 453 km², which are prospective for both basement and paleochannel-type uranium mineralisation. Note Deep Yellow holds a 65% interest however Japan Oil, Gas and Metals National Corporation (JOGMEC), a Japanese government agency, has earned its right-to-equity of 39.5%. According to the Deep Yellow website (accessed 11 April 2022), the JV parties are contributing as per the below:

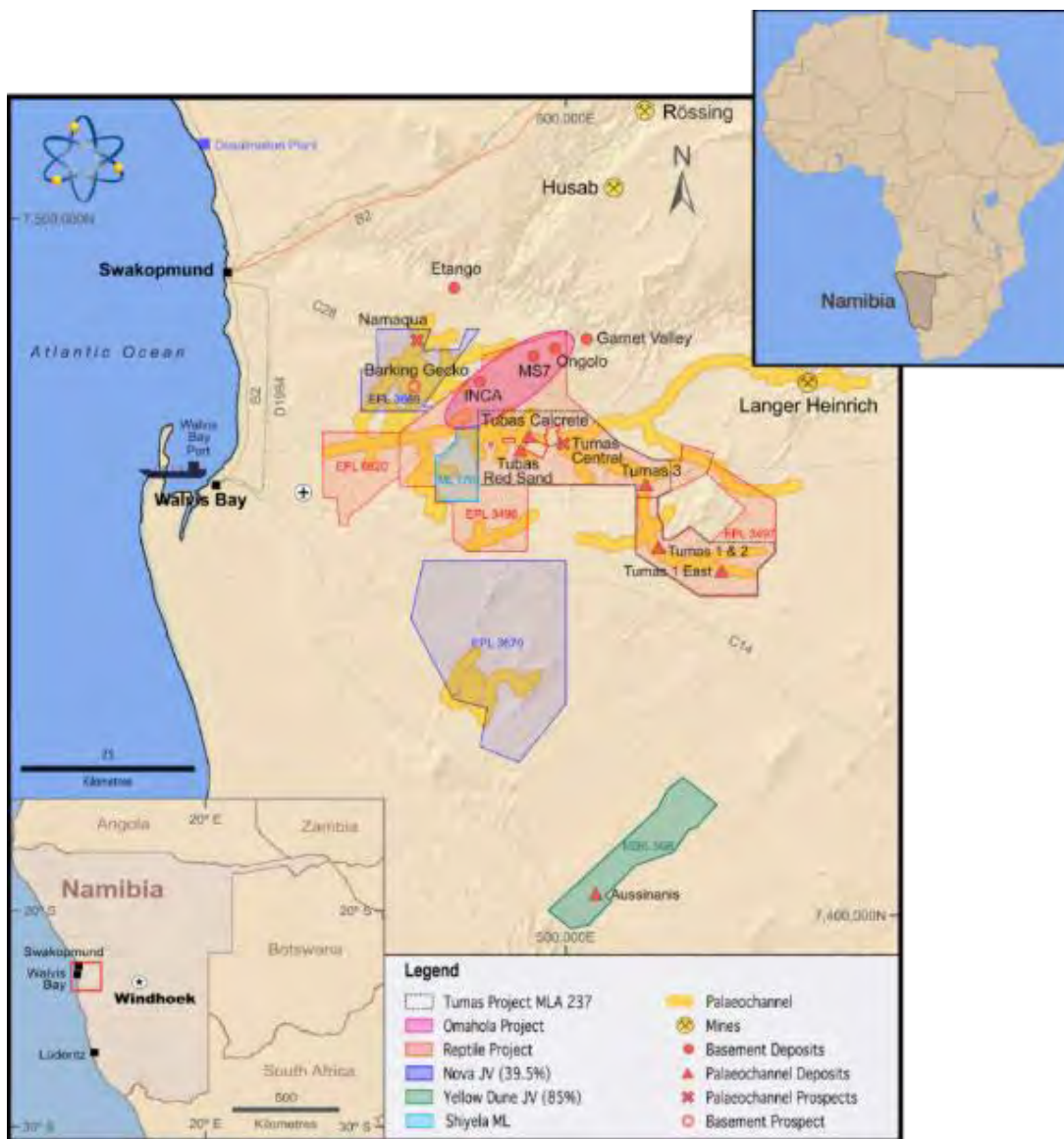
– RMR	39.5%
– JOGMEC	39.5%
– Nova Energy (Africa) (Pty) Ltd	15%
– Sixzone Investments (Pty) Ltd	6%.

Nova Energy (Africa) (Pty) Ltd is a subsidiary of Toro Energy Limited, an ASX listed uranium exploration company.

- A 100% interest in the Omahola Project comprising EPL3496 and focussed on the Ongolo, MS7 and Inca basement related uranium deposits. Omahola occupies a 35 km by 14 km northwest-southeast trending zone within the “Alaskite Alley” corridor.
- A 100% interest the Reptile Exploration Project which includes all ground outside of MLA237 on EPLs 3496, 3497 and 6820, the subject of advanced exploration.

- An 85% interest in the Yellow Dune JV comprising a single MDRL (MDRL3498) covering 142 km² over a drilled-out uranium resource of paleochannel/calcrete type uranium mineralisation.

Figure 3-1: Location of Deep Yellow's Namibian mineral assets



Source: <https://deepyellow.com.au/projects/project-portfolio/>

Note: There are slight differences in EPL3670 outlines between the Deep Yellow plan and that found on Namibia's government cadastral system.

The Projects are accessible from Swakopmund via the C28 road or from Walvis Bay via the C14 road; both roads are tarred in places and gravel in others, although suitable for ordinary vehicles. The C28 connects Windhoek with Swakopmund, 325 km to the west.

Walvis Bay and Swakopmund are the closest towns to Deep Yellow's projects; Walvis Bay boasts an international airport, while Swakopmund is serviced by a municipal aerodrome. The two towns are connected by the B2 tarred road and by the TransNamib rail network that connects the coast with Windhoek. These centres are also supported by emergency services (police, hospital) as well as education, retail and community enterprises. Electricity and potable water are readily accessible in both towns, from Namibia Power Corporation (Pty) Ltd (NamPower) and NamWater (Pty) Ltd (NamWater), respectively.

The Projects are all located in the Namib Desert in the Namib-Naukluft National Park (Figure 3-2) approximately between 40 and 70 km from the coast. Close to the coast, the cold South Atlantic Ocean ameliorates the climate, while as one moves further inland, the climate becomes more extreme. The hottest months are February and March (average maximum temperatures between 25 and 30°, frequently peaking in excess of 40°C) and the coldest is August (average minimum temperatures between 8 to 12°C). February has the greatest likelihood of rain (albeit only one day) while July is the driest month, although average annual rainfall is less than 50 mm and is extremely variable and unpredictable, many areas going without rain for years at a time. Fog is very common along the coast and the Namib Desert receives as much precipitation from dew as it does from rain. Warm easterly winds from the interior frequently blow across the Project areas, causing strong sandstorms, particular in winter and spring. Exploration activities are conducted throughout the year.

The general topography in the project areas is flat to locally gently undulating, rising from around 350 m above mean sea level in the west to the mountains in the east at about 785 m (Figure 3-3). Vegetation is extremely sparse, consisting of lichen on rock surfaces, thin patchy grass on the sandy plains after infrequent rain and small hardy bushes and small trees along the dry riverbeds. Fauna is limited and rarely seen.

Figure 3-2: Google Earth image of the Project's location in the Namib Desert

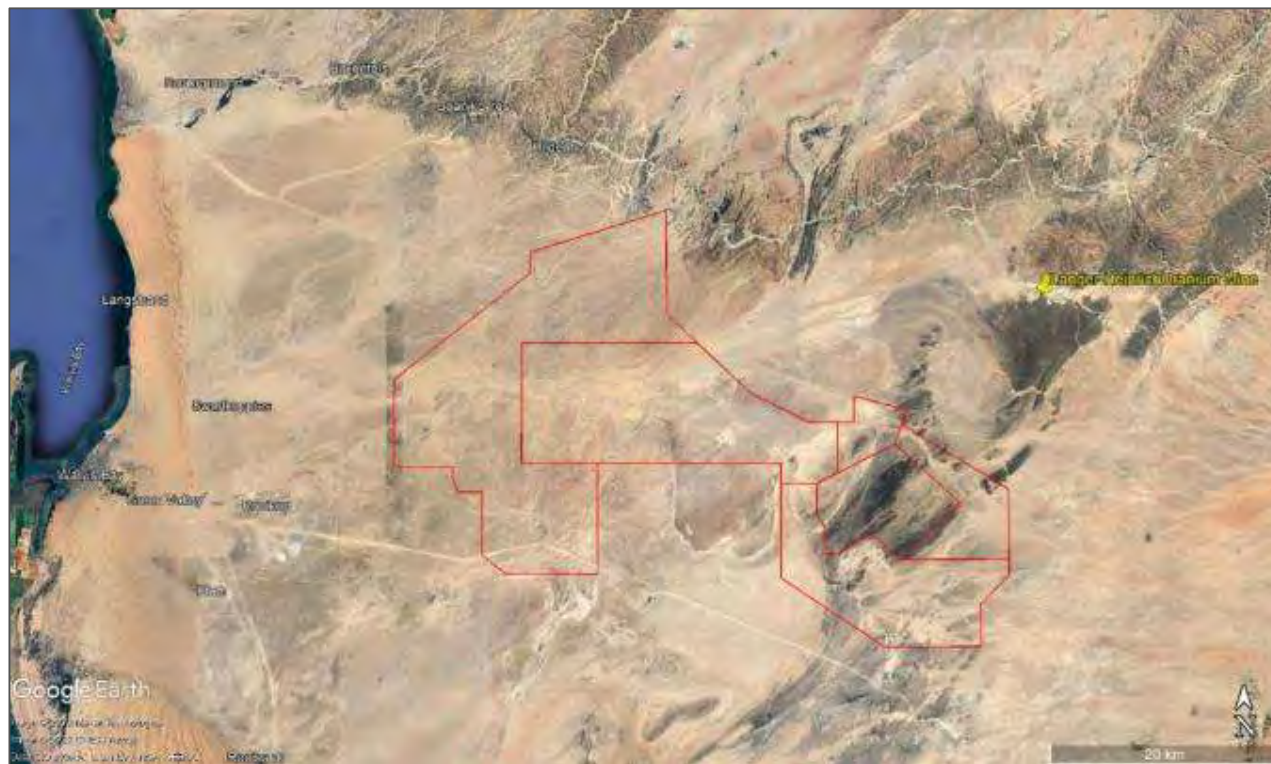


Figure 3-3: Typical landscape in the Project area



Source: Deep Yellow

3.3 Ownership and tenure

The current status of Deep Yellow's mineral tenure in Namibia is summarised in Table 3-1. SRK has validated this information against the Namibian Government's mining cadastre portal (<https://maps.landfolio.com/Namibia/>).

Note that five small mining licences are situated within EPL3496, these are ML176 (Shiyela Iron (Pty) Ltd); base and rare metals, industrial minerals and precious metals) and ML105A, ML105B, ML105C and ML105D (Elspe Mining (Pty) Ltd; industrial minerals). Together these total just over 6,375 ha, of which ML176 is the largest at 5,401.8 ha.

Table 3-1: Summary of Deep Yellow's mineral tenure in Namibia

Name	Tenement	Status	Initial Grant Date	Expiry Date	Area (ha)	Annual Rent (US\$)	Expenditure Commitment (US\$)
Reptile Project							
Tubas	EPL3496	Active	06/06/2006	08/12/2023	62,702.0695	2,286	1.346 M
Tumas	EPL3497	Active	06/06/2006	14/12/2023	20,335.2825	980	673,000
Rooikop East	EPL6820	Active	03/08/2020	02/08/2023	10,894.5905	130	Unknown
Total					93,931.9425		
Tumas Mine	MLA237	Application	16/07/2021	25 years	38,549		
Nova JV							
Tumas North	EPL3669	Active	21/11/2006	30/03/2022 [#]	7,967.8221	130	97,986
Chungochoab	EPL3670	Active	21/11/2006	30/03/2022 [#]	33,125.3538	326	3,266
Total					41,093.1759		
Yellow Dune JV							
Aussinanis	MDRL3498	Active	06/01/2020	05/01/2025	14,244	326	None

Source: Deep Yellow data room

Note:

- MLA = Mining Licence Application.
- [#] Pending renewal; application submitted 7/12/2021 for two-year extension.
- Average NAD:US\$ exchange rate:1:0.065324US\$ (average exchange rate for the period 13/10/2021 to 09/04/2022, [https://www.exchangerates.org.uk/NAD-US\\$-exchange-rate-history.html](https://www.exchangerates.org.uk/NAD-US$-exchange-rate-history.html)).

3.4 Permits and approvals

Table 3-2 summarises the environmental authorisations that are currently held in relation to Deep Yellow's various projects in Namibia. All EPLs are reportedly in good standing and have valid Environmental Clearance Certificates (ECC) (RMR, Sustainability Report, 2021). ECC renewal applications were submitted for EPLs in 2021 prior to the expiry of the permits, as presented in Table 3-2.

Table 3-2: Deep Yellow's environmental authorisations and renewal applications

Authorisation No	Description	Date (first authorised)
Project Reptile		
ECC (EPL6820)	ECC for the proposed exploration/prospecting in EPL6820 (Rooikop East), Namib Naukluft Park	15/02/2019
ECC (EPL3496)	ECC for the exploration activities in EPL3496 (Tubas), situated in the Namib Naukluft National Park, Erongo region	07/03/2019
ECC (EPL3497)	ECC for the exploration activities in EPL3497 (Tumas), situated in the Namib Naukluft National Park, Erongo region	07/03/2019
ECC (EPL3496)	Application for renewal of ECC on the EPL3496 (Tubas)	16/11/2021
ECC (EPL3497)	Application for renewal of ECC on the EPL3497 (Tumas)	16/11/2021
ECC (EPL6820)	Application for renewal of ECC on the EPL6820 (Rooikop East)	16/11/2021
Nova JV		
ECC (EPL3669)	ECC for exploration activities on EPL3669 for (Tumas North)	21/11/2006
ECC (EPL3670)	ECC for exploration activities on EPL3670 (Chungochoab)	30/11/2006
ECC (EPL3669)	Application for renewal of ECC on EPL3669 (Tumas North)	16/11/2021
ECC (EPL3670)	Application for renewal of ECC for EPL3670 (Chungochoab)	16/11/2021
Yellow Dune JV		
ECC (MDRL3498)	ECC for exploration activities on MDRL3498 (Aussinanis)	09/02/2021

Source: Deep Yellow data room

3.5 Reptile (Tumas) Project

Deep Yellow's Reptile (Tumas) Project is divided into the Tumas and Tubas deposits on EPL3496 and EPL3497 and the regional exploration project at EPL6820.

3.5.1 History

The history of exploration for Project Reptile is summarised in Table 3-3.

Table 3-3: Exploration history of the Tumas-Tubas deposits in EPL3496 and EPL3497

Period	Company	Description
Mid-1970s-1980s	Anglo American, Falconbridge	Tumas paleochannel exploration: <ul style="list-style-type: none"> ■ Uranium mineralisation identified in Tumas 3 (Falconbridge) ■ Tubas Red Sand (RSD) mineralisation drilled (Anglo American).
2006	Deep Yellow	Acquired Reptile Investment Four (Pty) Ltd; renamed RUN.
2006	RUN	Airborne 200 m-spaced magnetic and radiometric data acquired from Geological Survey of Namibia.
2007	RUN	Additional airborne magnetic and radiometric data acquired by contractor GPX; merged with government data to result in 100 m line-spaced data.
2008	RUN	Airborne electromagnetic (AEM) survey at 200 m line spacing acquired by contractor Aeroquest.
2011	RUN	Tubas RSD explored by large trench; material used for pilot test work to demonstrate physical beneficiation.
2016	Deep Yellow	Review of existing data leads to new geological model and exploration strategy targeting the Tumas paleochannel.
2017 - 2018	RUN	Drilling of 874 RC holes totalling 24,357 m focused on Tumas 3; maiden Inferred Mineral Resource of 33.1 Mlb U ₃ O ₈ at 378 ppm declared. Drilling 590 RC holes totalling 6,272 m Tumas 1 East; additional Inferred Mineral Resource of 24.8 Mlb U ₃ O ₈ at 319 ppm declared.
2019	RUN	Limited infill drilling of 35 holes at Tumas 1 and 2 totalling 763 m.
2020	RUN	246 RC holes totalling 5,154 m infill drilling undertaken at Tumas 3. Resulted in the conversion of 22 Mlb U ₃ O ₈ into Indicated Mineral Resources. 29 diamond drill holes totalling 556 m and 14 groundwater monitoring boreholes totalling 612 m completed. Continued drilling at Tumas 3 to: <ul style="list-style-type: none"> ■ Collect 1,000 kg sample material for future metallurgical studies. ■ Better define less densely drilled parts of the deposit.
2021	RUN	Omahola – 200 RC hole drilling campaign totalling 7,100 m undertaken. Identified three targets for follow-up testing to confirm possible extension of Ongolo deposit. Tumas – 556 RC holes totalling 6,982 m infill drilling completed. Results to be used to upgrade the Inferred Resources to Indicated Resources.
2022	RUN	Omahola – Phase 1: 39 RC hole drilling campaign totalling 4,900 m initiated. The campaign aims to undercut targets identified during 2021; explore for southwest extensions of the Ongolo deposit and extend anomalous zones identified during 2021.

Source: Prefeasibility Study: Tumas Project (2021),); Deep Yellow ASX releases (2021, 2022)

3.5.2 Regional geological setting

The geological description detailed below has been extracted directly from the reports provided by Deep Yellow, including Reptile (2021) and Venter (2010).

Metamorphic basement

The Erongo uranium district occupies the Central Zone of the extensive Cryogenian to Silurian Damaran or Pan-African orogenic belt (Figure 3-4). The oldest rocks outcrop as northeast-southwest trending inliers of the Proterozoic (Orosirian) Abbabis Complex gneiss, probably equivalent to the Congo craton. The unconformable Damaran metasedimentary cover has been subdivided into the Cryogenian to Ediacaran Nosib and Swakop Groups (Table 3-4).

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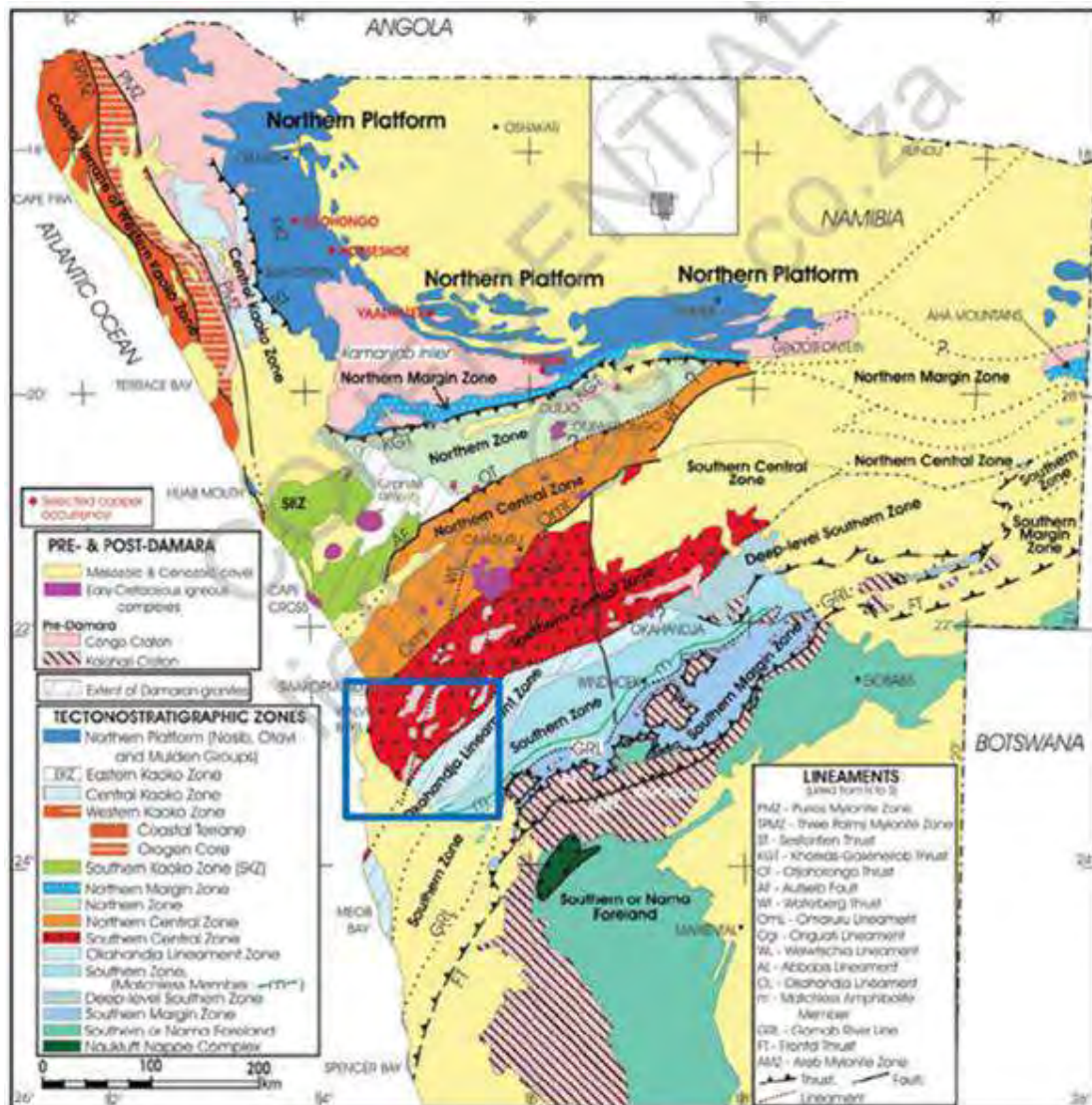


Table 3-4: Stratigraphy of the Erongo Region (Reptile, 2021)

	Group	Subgroup	Formation	Epoch	
	NAMIB	Gawib	Sossus Sand	Recent to Pliocene	
			Bloedkoppie (in east)		
			Tumas (in west)		
		Unconformity			Miocene
		Gobabeb	Langer Heinrich		
			Tsondab		
		Major Unconformity			
	Damara Sequence	SWAKOP	Khomas Ugab	Tinkas, Kuiseb, Karibib, Chuos, Rössing	Cryogenian-Ediacaran 0.75 - 0.60 Ma
	NOSIB		Khan, Etusis	Cryogenian 0.75 – 0.85 Ma	
Unconformity					
Abbabis Metamorphic Complex				Proterozoic	

The Nosib Group consists of a basal psammitic unit, the Etusis Formation, consisting of crossbedded meta-sandstone hosting detrital ilmenite and magnetite, plus minor meta-conglomerate (Smith, 1965; Nash, 1971; Lehtonen *et al.*, 1995, 1996, cited in Reptile, 2021). The Etusis Formation is overlain by the dominantly semi-pelitic and carbonate-bearing Khan Formation, which is richer in amphibole, carbonate minerals and diopside (Sawyer, 1981, cited in Reptile, 2021).

The Swakop Group comprises four formations. The Rössing Formation consists of marble, metachert, meta-conglomerate, quartzite and cordierite-bearing gneiss (Kinnaird & Nex, 2007, cited in Reptile, 2021). Unconformably overlying the Rössing Formation is the Chuos Formation consisting of massive, dark grey to greenish grey, poorly sorted, meta-diamictites, banded ironstone and marble (Henry, 1992, cited in Reptile, 2021). The meta-diamictites contain sparse granitic, gneissic and meta-sedimentary pebbles in a quartz-biotite-feldspar matrix and are interpreted as a result of the Sturtian glaciation (Schreiber 1996; Hoffman, 2005, cited in Reptile, 2021). The Chuos Formation is overlain by marbles of the Karibib Formation, which in turn is overlain by pelitic schist of the Tinkas and Kuiseb Formations. The Tinkas Formation is well-exposed to the south of the mine where it consists of interbedded schists, calc-silicate rocks and quartzite (Downing 1982, cited in Reptile, 2021) and is interpreted as a turbidite succession (Miller 1983, cited in Reptile 2021).

These rocks were subjected to two discrete Damaran deformation events suggested by Longridge (2012), cited in Reptile (2021) to have occurred at 540 – 560 Ma (D2) and 520 – 510 Ma (D3). The D2 event established the dominant northeast-southwest fabric of the region, which reflects the presence of pervasive recumbent to shallow northwest-dipping folds typically verging to the southeast (Longridge, 2012, cited in Reptile, 2021). Northeast-southwest-directed extension is associated with the late stages of D2 and formed numerous shear zones on extended limbs and at the basement-cover unconformity and a shallow northeast-plunging mineral-stretching lineation (Longridge, 2012, cited in Reptile, 2021).

Cambro-Silurian felsic intrusions

The Abbabis and Damaran basement rocks were intruded by voluminous granitoids of various ages (Kinnaird and Nex, 2007, cited in Reptile, 2021). The most abundant are the “Salem-type Granites”, an extensive suite of foliated granodiorites, granites and adamellites forming pre- or syn-D2 plutons dated at approximately 550–560 Ma (Kröner, 1982; Miller, 2008, cited in Reptile, 2021). “Red granites” are foliated, equigranular and medium-grained potassium-rich granites that intrude Salem-type granites and are dated at 535 ± 8 Ma (Sawyer, 1981; Marlow, 1983; Nex, 1997 Briquieu *et al.*, 1980; Longridge, 2012, cited in Reptile, 2021).

Primary “alaskite-type” uranium mineralisation (exemplified by the Rössing and Husab mines) is associated with a suite of post-tectonic thorium-rich leucogranite sheets or dykes intruded at approximately 520 Ma (Briquieu *et al.*, 1980; Longridge, 2012, cited in Reptile, 2021). The major post-tectonic Donkerhuk and Bloedkoppie granite potassium-rich leucogranite batholiths intruded at approximately 505 Ma (Kukla *et al.*, 1990, cited in Reptile 2021).

Cenozoic paleochannel fill

Cenozoic sediments rest unconformably on an irregular paleontography developed on the Abbabis/Damara basement. The lower sections of the paleochannels are filled with matrix supported gravel and conglomerate (discussed in more detail below). Finer-grained sediments are rare. These sediments are indurated to varying degrees due to cementation by calcite and less commonly, dolomite, and are often referred to as “calcrete” even though the carbonate content is generally less than 40%. Widespread calcite and dolomite cementation of paleochannel sediments probably reflects a wetter climate than today (Wilkinson, 1990, cited in Reptile, 2021).

The formation of carbonate cement is intimately associated with the formation of secondary uranium deposits. The largest such deposit and the only one mined to date is Langer Heinrich. Carbonate-cemented gravel and conglomerate (calcrete) are the main host to mineralisation at Tumas 1 East, 1, 2 and 3. Gypsum often cements these near-surface alluvial/fluvial sediments forming several resistant but incised plateaux (Wilkinson, 1990, cited in Reptile, 2021). Locally (e.g., in the eastern portion of the Tubas deposit) gypsum is sufficiently abundant to justify mining. A marine origin has been proposed for sulphate, but stable isotope studies suggest a non-marine source (Cagle, 1975, cited in Reptile, 2021).

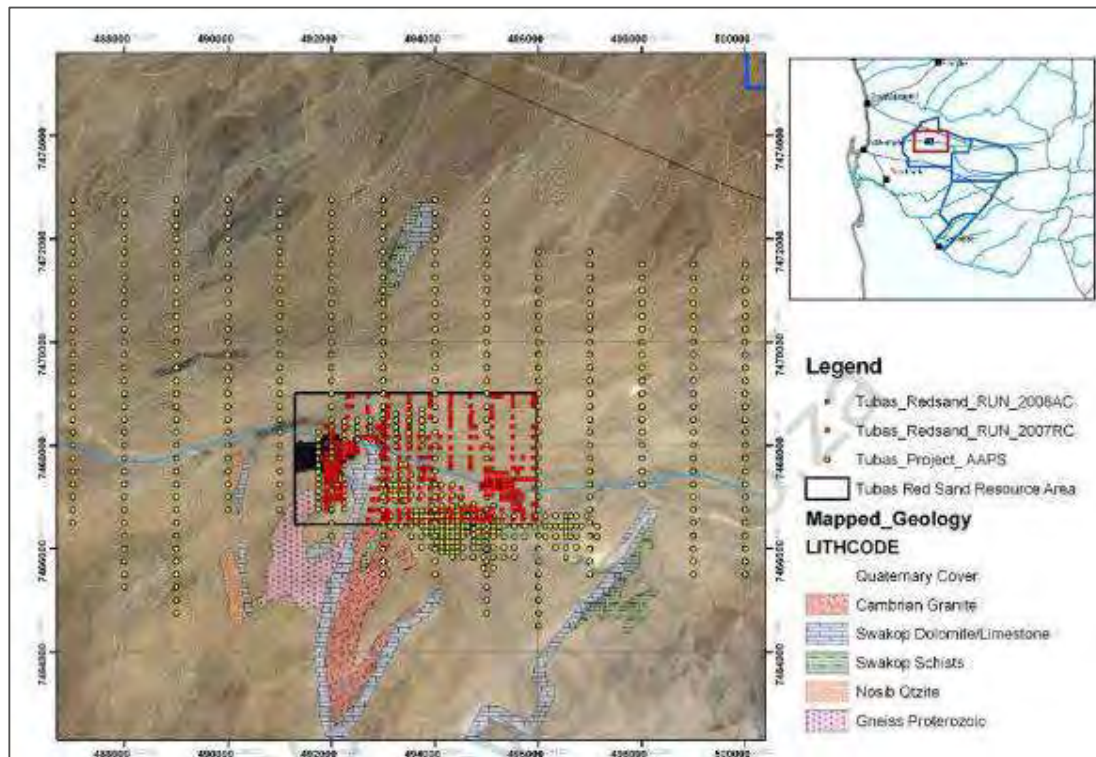
3.5.3 Local Geology

Tumas and Tubas

The Tubas RSD resource area is dominated by surficial sediments and more recent sediments belonging to the westerly-flowing Tubas River drainage (Figure 3-5). Swakop Group carbonates, red granites and Proterozoic gneisses outcrop/subcrop along the southwestern parts of the resource area. Recently acquired AEM surveys have been very effective in delineating existing paleochannels that become targets for hosting uranium mineralisation.

Uranium mineralisation at Tubas RSD is associated with a loosely packed, stratiform sand horizon that can be broadly classified as an aeolianite. The sand is fine to medium-grained, with medium- to well- rounded quartz grains, containing occasional organic material. Carnotite mineralisation can be seen disseminated throughout the sand, primarily forming the matrix of the sand horizon and probably associated with a finer clay fraction that also acts as a matrix to the sand. A calcrete horizon forms the natural footwall to the sand unit and is generally not well mineralised. The hanging wall to the sand is generally defined by gypcrete (BGG) and calcrete (CCG) along with the more recent gravels associated with the present-day Tubas River drainage.

Figure 3-5: Drilling and surface geology at the Tubas RSD Project (Venter, 2010)



Inca

Primary and secondary uranium mineralisation at Inca is hosted by the Neoproterozoic Swakop Group of the southern Central Zone of the Damara Orogen. Project geology is dominated by high-grade metamorphosed sediments, which have been intruded by polyphase granitoids. The main lithologies comprise marbles, calc-silicates, gneisses and granitoids. The principal alteration feature visible on the surface at Inca is the magnetite alteration that is well exposed near the old Von Stryk iron ore pit/mine located north of the Inca Main prospect.

The host rocks have been folded into an overturned, northeast facing plunging synform (called the Inca Main Synform), with a footwall defined by outcropping marble. Uranium mineralisation appears to be concentrated within a variety of lithologies close to the marble footwall contact and along the fold nose and limbs of the synform, which plunges to the northeast. The synformal fold axis represents a zone of structural complexity and plays an important role in control of uranium

mineralisation at the Inca Main prospect. Uranium mineralisation has also been traced along the eastern limbs of the Inca Main Synform and along the corresponding antiform/synform couple exposed to the southeast of Inca Main at Inca South and Inca East. Drilling to date has focused on the western and eastern limbs of the Inca Main Synform, which are defined by prominent magnetic highs.

MS7

Primary and secondary uranium mineralisation at MS7 is hosted by the Neoproterozoic Swakop Group of the southern Central Zone of the Damara Orogen. Project geology is dominated by high-grade metamorphosed sediments, which have been intruded by polyphase granitoids. The main lithologies comprise marbles, calc-silicates, gneisses and granitoids.

The host rocks have been folded into an overturned, northeast facing plunging synform (called the Ongolo Main Synform), with a footwall defined by outcropping marble. Uranium mineralisation appears to be concentrated within a variety of lithologies close to the marble footwall contact and along the fold nose and limbs of the synform, which plunges to the northeast. The synformal fold axis represents a zone of structural complexity and plays an important role in the control of uranium mineralisation at the MS7 prospect. Uranium mineralisation has also been traced along the eastern limbs of the MS7 Main Synform and along the corresponding antiform/synform couple exposed to the southeast of MS7 Main at MS7 South and MS7 East. Drilling to date has focused on the western and eastern limbs of the MS7 Main Synform, which are defined by prominent magnetic highs.

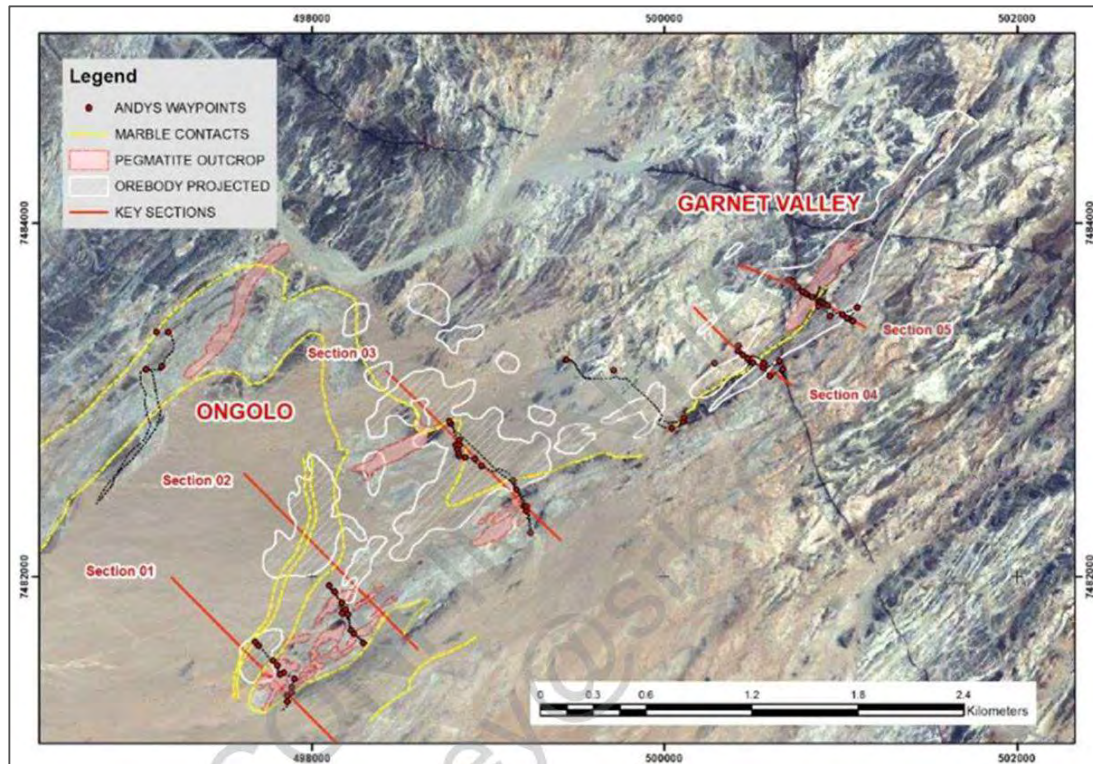
Ongolo

Metasediments

The marble is generally white to grey and coarse-grained. In many places, however, the grain-size is huge, with crystals of 10 cm length not unusual. The distribution of this unusually coarse variant is not well defined, and it grades into “normal” metamorphic marble. Several instances of coarse dolomite veins were noted, and it is possible that the megacrystic marble is a hydrothermal phenomenon.

Above the main marble is another, discrete marble unit which is up to 40 m thick and is readily correlated between adjacent sections at the western end of Ongolo and is hence a useful marker unit. It occurs at approximately 120 m above the main marble (Figure 3-6).

The rock package underlying the main marble unit (Khan Gneiss) outcrops extensively to the north of Ongolo and in Garnet Valley. It is difficult to establish relict stratigraphy within this package due to possible transposition during F2 and the high volume of white leucogranite intrusions. The presence of unusual volumes of sulphide minerals in some of the host rocks at Ongolo has been cited as a critical factor in localising ore (Corvino and Pretorius, 2013, cited in Reptile, 2021).

Figure 3-6: Outline of marble units, mineralisation, key sections and geological traverses

Felsic intrusions

Felsic intrusions in this area range from whitish equigranular leucogranite to red leucogranite pegmatite. Generally, uranium is most abundant in the latter, an observation made previously by Corvino and Pretorius (2013), cited in Reptile, 2021. The IKONOS satellite image shows the distribution, variety and abundance of intrusions extremely well. Approximately half of the intrusions appear concordant with the fabric in the Khan Gneiss and are clearly discordant to the stratigraphic layering defined by the marble contacts. Corvino and Pretorius (2013), cited in Reptile, 2021, report a strike direction of $40^{\circ} \pm 5^{\circ}$ based on 156 measurements. A large volume of intrusive material, however, has highly irregular and importantly unpredictable geometry. Corvino and Pretorius' (2013), measurements are probably biased towards thin dyke-like intrusions.

The intrusions have a highly variable appearance in core. Two end-members can be distinguished:

- Type I - Coarse, white to pale pink equigranular leucogranite with pale grey quartz (biotite <5%). Generally low radioactivity, but it is not uncommon to find 100s of ppm uranium.
- Type II - Pegmatite consisting of reddish feldspar and dark grey to black quartz and variable amounts of biotite. Generally, contains much higher uranium grade than Type I, often 1,000s of ppm. Some sections of core show rapid and repeated gradation (seldom, if ever, sharp contacts) between these two types, and such zones could be logged as Type III (hybrid). Lithological logging by Reptile geologists does not make the important distinction between Type I, II and II and therefore there is no way of accurately mapping the radioactive pegmatites in the subsurface. Conversely, the outcrop of several pink pegmatites is clearly seen in the IKONOS imagery, where they occupy linear bodies 60–80 m thick. The geometry of the body

intruding the marble is extremely irregular (Figure 3-7). The relationship at outcrop between the uranium at Garnet Valley and the well-defined reddish pegmatite seems clear.

Figure 3-7: Southwestern portion of Ongolo highlighting the pegmatites intruding into the marble



In core, the relationship between high-grade uranium and pegmatite is striking; furthermore, there is a strong relationship between the highest grades and either black quartz or biotite-rich sections. The black quartz typically forms mono-minerallic zones approximately 10 cm thick.

Contact metasomatic rocks

Figure 3-7 illustrates the unambiguous relationship between skarn and the contact between pegmatite and marble. The skarns vary substantially in composition from mono-minerallic garnet rocks (garnetite) to amphibole- and clinopyroxene-rich rocks to almost mono-minerallic scapolite rocks (scapolite). The latter have coarse and randomly oriented crystals, suggestive of formation post-peak deformation.

Magnetite is not a significant component of these skarns, and airborne magnetic images reveal little of the structure of the area.

Mafic intrusions

A number of dolerite dykes have been recorded, which are predominantly linear, and which do not appear to have any effect on the recorded mineralised zones.

3.5.4 Mineral Resource estimates

Deep Yellow's Mineral Resources for the Tumas, Inca, MS7 and Ongolo deposits are shown in Table 3-5, reported and classified in terms of JORC (2004) (Inca, MS7, Ongolo) and JORC (2012) (Tumas). The Mineral Resources stated here are reproduced from the block models, where possible, and are the same as reported in the accompanying estimation report listed below. SRK notes that Deep Yellow's 2021 Prefeasibility Study report includes Mineral Resource tabulations for Tumas 1E and 3, which have been superseded by the Mineral Resource statements detailed below, and that Deep Yellow has publicly announced an updated Mineral Resource tabulation in an ASX news Release dated 31 March 2022, partially reproduced in Table 3-7 (but unable to be fully verified by SRK based on the information supplied).

Table 3-5: Deep Yellow's Mineral Resource estimates for Tumas, Inca, MS7 and Ongolo

Classification	Mineralisation Style	Deposit	Cut off (U ₃ O ₈ ppm)	Tonnage (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)
Measured						
	Basement/alaskite	MS7	250	4.4	441	4.31
	Basement/alaskite	Ongolo	250	7.7	395	6.7
Total Measured				12.1	412	11.01
Indicated						
	Paleochannel	Tumas 1E	100	36.3	245	19.56
	Paleochannel	Tumas 1	100	33.8	212	15.76
	Paleochannel	Tumas 2	100	20.3	189	8.46
	Paleochannel	Tumas 3	100	78.0	320	54.94
	Basement/alaskite	Inca	250	7.0	470	7.2
	Basement/alaskite	MS7	250	1.0	433	0.97
	Basement/alaskite	Ongolo	250	9.5	372	7.8
Total Indicated				185.9	280	114.69
Inferred						
	Paleochannel	Tumas 1E	100	19.4	216	9.23
	Paleochannel	Tumas 1	100	2.1	213	0.97
	Paleochannel	Tumas 2	100	0.4	167	0.14
	Paleochannel	Tumas 3	100	10.4	219	4.99
	Basement/alaskite	Inca	250	5.4	520	6.2
	Basement/alaskite	MS7	250	1.3	449	1.31
	Basement/alaskite	Ongolo	250	12.4	387	10.6
Total Inferred				51.3	295	33.44
Total				249.3	290	159.14

Notes:

- The Mineral Resources are reported above a cut off as detailed in the table.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The Mineral Resources are reported in situ, and inclusive of any Mineral Reserves which may be derived therefrom.
- The Mineral Resources are reported on a 100% basis, and do not account for any attributable ownership.

The Mineral Resource estimates for the Tubas Sand and Calcrete deposit as reported by Deep Yellow are set out in Table 3-6, reported and classified in terms of JORC (2004) (Tubas Calcrete) and JORC (2012) (Tubas Sand).

Table 3-6: Deep Yellow's Mineral Resource estimates for the Tubas Project

Classification	Mineralisation Style	Deposit	Cut-off (U ₃ O ₈ ppm)	Tonnage (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)
Indicated	Paleochannel	Tubas Sand	100	10.0	187	4.1
Total Indicated				10.0	187	4.1
Inferred	Paleochannel	Tubas Sand	100	24.0	163	8.6
	Paleochannel	Tubas Calcrete	100	7.4	374	6.1
Total Inferred				31.4	213	14.7
TOTAL				41.4	208	18.8

Note:

- The Mineral Resources are reported above a cut-off as detailed in the table.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The Mineral Resources are reported in situ, and inclusive of any Mineral Reserves which may be derived therefrom.

SRK's review is based on the supplied documents as listed below:

Tumas Tubas

- Report: Deep Yellow Tumas 1E and 3, Namibia Mineral Resource Estimation Technical report by Gill Lane Consulting Pty Ltd and dated 10 September 2021
- Report: Tubas Sands Uranium Project Mineral Resource Estimate by CSA Global dated 3 March 2014 (covering Tumas 1 and 2)
- Drill hole databases containing Collar, Survey, Geology, Assay and Composite files for all four areas)
- Point composite files for all four areas
- Wireframe surfaces of Top and Bottom constraints, and topography for all four areas
- Block models with Multiple Indicator Kriging (MIK) estimates for all four areas.

Basement Projects

- Report: Basement Projects on EPL3496 Summary and Consolidation Report by RMR (Undated, but likely completed in 2021).

Inca

- Report: Inca Resource Update by Coffey Mining Pty Ltd dated February 2012
- Vulcan Block model that could be interrogated by SRK
- Wireframes of "Top Marble" and "Tof Marble" as well as wireframes of some grade shells, but excluding all domain/lithology wireframes which were used to construct the model
- No drill hole data was supplied for review.

MS7

- Report: Competent Person's Summary Report on the MS7 Uranium Alaskite Project, by CSA Global Pty Ltd dated 14 November 2012
- Block model in an unknown binary format that could not be interrogated by SRK
- No drill hole data was supplied for review.

Ongolo

- Report: Summary report for the MRE for the Ongolo uranium alaskite deposit, by CSA Global Pty Ltd dated 30 January 2013
- Block model in delimited text format that could be interrogated by SRK
- Wireframes of Topography, some lithologies and oxidation
- No drill hole data was supplied for review.

SRK notes that in reviewing the documentation provided that it was poorly structured and contained multiple estimated from different periods and hence SRK has reviewed what seemed to be the most recent estimates which agreed with the block model supplied for review. In doing so, SRK notes that in reviewing the Tumas 1 and 2 deposits there is a disparity between the numbers outlined in the ASX Announcement dated 31 March 2022 and the block models provided for review (although the ASX announcement does agree with the tabulation in the 2021 PFS).

Furthermore, for the Inca, Ongolo and MS7 deposits, SRK was unable to access the models as their format was unknown and hence SRK was unable to convert them (MS7) or had no drilling/sampling data (Inca, Ongolo and MS7) to review and compare to the models and hence was unable to validate these models and therefore did not report the models independently. As such, SRK has relied upon the report "05.01.07 2021_MH_OMH_Resource Summary FINAL.pdf" which is undated but appears to be from 2020, which agrees with the stated resources in "05.06 DYL Resources final.pdf" dated 23 October 2020. Importantly the reporting cut-off for the ASX Announcement is 100 ppm U_3O_8 compared with 250 ppm U_3O_8 in the supplied documents. SRK has not seen the reporting cut-off grade applied for these deposits elsewhere – but is considered likely to be the source of any discrepancies⁶.

No information was provided for review of Tubas sands or calcrete deposits.

The paleochannel projects have been explored using RC drilling, while the basement/alaskite deposits have been explored using a combination of diamond core drilling and RC drilling, with the majority of the drilling being RC. On all projects, the U_3O_8 grades have been determined using a combination of X-Ray Fluorescence Spectrometry (XRF), and radiometric down-hole gamma measurements (eU_3O_8), with the majority of the assays typically sourced from the radiometric determinations, but with the XRF assays preferred where present. Typically, between 10% and

⁶ While one can report at a 100 ppm U_3O_8 cut-off grade, SRK does not consider that this is a defensible cut-off grade for a deep open pit for this kind of material. In SRK's view, a 250 ppm U_3O_8 cut off grade is more appropriate, as 100 ppm U_3O_8 material is unlikely to meet the RPEEE (reasonable prospects of eventual economic extraction) criteria under the JORC Code (2012).

25% of the samples used in the resource estimates are based on XRF assays. The gamma readings were correlated with twinned chemical assay pairs and adjusted using a polynomial function to consider local deposit factors that affect the determination of equivalent U_3O_8 . The Tumas and Tubas deposits are classified to be in secular equilibrium.

The XRF assays are supported by a quality assurance/quality control (QA/QC) programme that includes standards, duplicates, and blanks. SRK was not provided with the QA/QC data, but where detailed in the reports, the consultants responsible for the database management and Mineral Resource estimates do not report any significant concerns.

The drill hole data for the paleochannel projects, where this information was supplied, is provided in MS Access databases. The responsible consultants and SRK's own checks on the consistency of the data indicate that the database is in good order with properly validated intervals and is well managed.

In SRK's opinion, the resource database appears suitable for Mineral Resource estimation purposes for the Tumas-Tubas deposits within the Reptile Project.

The geological modelling for the basement/alaskite deposits is briefly described in the reports, and some of the wireframes that constrain the estimation (typically the Marble and other barren units) have been provided in some cases. The reports indicate that due to the complexity of the mineralisation, an indicator estimate has been used to constrain the mineralisation domains in these deposits. In SRK's experience at similar deposits, it is typically not possible to reasonably model the intrusions as these are irregular and complex, and therefore this approach is considered to be practical. In the geological modelling for the Tumas Tubas deposits, the mineralisation is constrained by wireframe surfaces representing the top and bottom of the mineralised zone within the paleochannels. The domaining within this mineralised envelope is limited to separating out between two and four tributaries or channel areas at each deposit.

For all projects, the Mineral Resource estimates have been undertaken using multiple indicator kriging (MIK). MIK is a form of recoverable Mineral Resource estimation and is premised on generating estimates into large blocks (panels) and estimating the probabilities of the grade within each panel being less than a series of indicator threshold grades. These probabilities are interpreted as panel proportions. For each domain, and for each panel that receives an estimated grade greater than 0 ppm U_3O_8 , a block support correction (variance adjustment) was implemented on the estimated histogram of sample grades in order to achieve a histogram of grades for Smallest Mining Unit (SMU)-sized blocks. This step incorporates an explicit adjustment for the Information Effect, which acknowledges that the knowledge of the grade distribution of the SMUs within the panel at the time of mining will be limited by the quality and density of information informing the grade control estimates at the time of mining.

Limited information presented in the reports on the semi-variogram modelling indicates that for the basement/alaskite deposits the ranges of continuity are very short, and that the experimental semi-variograms do not show robust structures. The paleochannel deposit semi-variograms show more interpretable structures, but with a very short first range, with the initial sill at >80% of the population variance. This indicates that the deposit grades are highly variable over short distances.

Based on the data provided, SRK was able to undertake validations on the Tumas Tubas Mineral Resource estimates, including spatial comparisons between the composite data and the grade estimates. Such validations were not possible for the basement projects, as no drill hole data were supplied for these projects. SRK's comparison compared the composite data against the eType estimates (the mean grade of the panel estimates, and not the recoverable grades). The validations show that the estimates reasonably match the composite data on a global and more local scale, following the trends of the composites appropriately.

With respect to the recoverable resource estimation, SRK notes the following:

- SRK did not undertake detailed assessment or validation of the MIK procedure, and has not validated the choice of SMU
- The MIK estimates indicate that the mining will have to be highly selective, with a low extraction rate. Depending on the project, the percentage of the total mined volume that is above the cut-off (which is 100 ppm U_3O_8 for the paleochannel deposits) ranges between 5% and 67% (this is skewed by the basement deposit) but is most commonly in the range of 10% to 20%. This low proportion of recoverable tonnes means that large volumes of material will have to be mined and stored to be able to recover the above cut-off portions of the Mineral Resources.

All the Mineral Resource estimates carry some element of risk or uncertainty regarding their RPEEE or require further work to demonstrate this conclusively. Although all the Mineral Resource estimates are declared above a cut-off, SRK has not been provided with the details of the calculation of these cut-off values and cannot confirm if these are appropriate. Furthermore, none of the Mineral Resource estimates have been constrained by a pit optimisation, which is standard practice for open pit Mineral Resource declaration. It is therefore not certain that all or part of the Mineral Resource estimates can be assumed to have RPEEE.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) in respect to the Mineral Resource estimates. In SRK's opinion, the Mineral Resource estimates reported for the Reptile Project are acceptable as a reasonable representation of global grades and tonnages and have been prepared to a sufficient quality standard under the guidelines set out in the JORC Code (2012).

The following tabulation is reproduced from Vimy-Deep Yellow Merger presentation dated 31 March 2022 and further restated in Deep Yellow's ASX announcement dated 19 April 2022. For the Basement mineralisation, the primary difference appears to be a change in the cut-off grade applied, from 250 ppm U_3O_8 to 100 ppm U_3O_8 . Based on SRK's experience with other similar deposits in Namibia, SRK does not consider a 100 ppm U_3O_8 cut-off grade to be appropriate for the style and grade of mineralisation on the basement projects. The tonnes and grade defined for the Tumas 3 deposit are the same as those reported by SRK in Table 3-5. SRK is not able to reconcile the remaining Tubas reporting in Table 3-7, as it is unclear if Tumas 1E is included with Tumas 1 and 2 or not, however the total Indicated tonnes reported for the combined Tumas 1 and 2 matches SRK's reporting, however there is substantially more Inferred than SRK has reported for these two projects.

Table 3-7: Deep Yellow's ASX announcement dated 31 March 2022 outlining the Mineral Resources for Tumas, Inca, MS7 and Ongolo

Deposit	Category	Cut-off (U ₃ O ₈ ppm)	Tonnage (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)
Basement Mineralisation – Omaha Project JORC 2004					
Inca	Indicated	100	21.4	260	12.3
	Inferred	100	15.2	290	9.7
Ongolo	Measured	100	47.7	187	19.7
	Indicated	100	85.4	168	31.7
	Inferred	100	94.0	175	36.3
MS7	Measured	100	18.63	220	9.05
	Indicated	100	7.15	184	2.9
	Inferred	100	8.71	190	3.65
Omaha Project Subtotal			298.2	190	125.3
Calcrete Mineralisation – Tumas Project JORC 2012					
Tumas 1 & 2	Indicated	100	54.1	203	24.2
	Inferred	100	54.0	250	29.8
Tumas 3	Indicated	100	78.0	320	54.9
	Inferred	100	10.4	219	5.0
Tumas 1, 2 & 3 Project Subtotal			196.4	263	113.9

Source: Vimy, Presentation and ASX Announcement dated 31 March 2022

3.5.5 Metallurgy and Mineral Processing

This section of the report summarises metallurgical and mineral processing aspects included in the Tumas Project PFS that was issued in January 2021. Deep Yellow is currently carrying out a DFS for the Tumas Project. Pending completion of the DFS, Deep Yellow issued a news release on 3 February 2022, highlighting the current status of the DFS and including the results of further metallurgical test work. These and groundwater related findings are briefly discussed at the end of this section.

Geometallurgy

Deep Yellow's PFS reports that four mineralisation types have been identified within the Tumas-Tubas paleochannel based on the type of host rock:

- Calcrete (CCG)
- Gypcrete (BGG)
- Red Sand (RSD)
- Basement (BMT).

The bulk of mineralisation that will be mined at Tumas 3 is reportedly CCG. This ore type displays a wide range of carbonate content, with a continuum from almost no carbonate to almost pure carbonate rocks. The main carbonate mineral is calcite but significant amounts of ferroan dolomite are present.

In terms of Tumas geometallurgy, BGG was defined as paleochannel sediment with greater than 0.35 wt% total S, equivalent to 1.58 wt% bassanite, a calcium sulphate mineral. Calcium sulphate consumes sodium carbonate during leaching to form sodium sulphate (aqueous) and calcium carbonate (solid). The sodium sulphate formed must be bled from the process and this adds to operating costs. This material is only mineralised with uranium in a few locations and will not be processed.

RSD mineralisation consists of disseminated uranium minerals in a matrix of red-coloured aeolian sand. It is only present in the Tubas deposit. This material is of relatively low grade and will not be mined in the first years of the operation.

Basement mineralisation makes up a relatively small portion of the Tumas resource. By analogy with the Langer Heinrich deposit, it is likely that this ore type consists of secondary uranium minerals such as carnotite on open fractures in a variety of metamorphic and granitic host rocks. No attempt has been made at this stage to study this mineralisation type in any detail.

The Tumas Tubas deposit uranium mineralisation is essentially monomineralic, in that the mineralisation consists solely of the uranium vanadate mineral, carnotite [$K_2(UO_2)_2V_2O_8 \cdot 3(H_2O)$]. It is clear from representative analysis undertaken to date that vanadium is present in minerals other than carnotite. The results of metallurgical testwork also indicate that vanadium extraction (in the process selected for the Project) only occurs consequential to uranium extraction from carnotite.

Metallurgical Test Work

A conceptual process design was determined in the Tumas Scoping Study. A metallurgical test programme aimed at assessing the suitability of the conceptual design was undertaken as part of the PFS. This programme was undertaken at the Balcatta metallurgy laboratory of ALS and was limited to indicative beneficiation and leach performance at elevated temperatures. Details are provided in the 2021 PFS and supporting documentation, with only a high-level summary included here.

Sample Selection

Two sets of samples were collected for the metallurgical test programme.

A Master Composite sample was compiled from RC drilling chips collected in an earlier drilling programme. The five drill holes and selected intervals were detailed in the PFS report. The Master Composite with a grade of 495 ppm U_3O_8 and 250 ppm V_2O_5 was considered suitable for the early phase of test work.

Diamond core from thirteen Tumas 3 drill holes were obtained for metallurgical testing. Specific intervals from seven of these holes were selected to produce a composite sample with 379 ppm U_3O_8 grade and to “maintain representativity and provide a suitable head grade for reasonable comparison to the Tumas 3 resource.”

Beneficiation Test Work

The 2021 PFS proposed to beneficiate ROM ore by scrubbing in two stages of autogenous milling ahead of downstream size separation. The scrubbing action aims to break down the calcrete that holds the agglomerates together. Uranium and vanadium minerals are liberated to the finer fractions while coarse oversize reports to a barren stockpile.

Beneficiation test work was conducted in a 300 mm x 330 mm bottle roll. An attritioning time of four hours was used to simulate approximately four minutes attritioning in an autogenous mill.

Beneficiation of the RC composite was seen to be very effective and indicated a recovery of 99% of the contained uranium and 80% of the contained vanadium to a concentrate comprising 63.7% of the initial sample weight at a cut size of 500 μm . High uranium and vanadium recoveries of 96.4% and 79.5%, respectively, were indicated at a cut size of 250 μm . Accountability of uranium and vanadium was not high, with calculated head grades of 83% and 85%, respectively, of assayed head grades. It was accordingly considered prudent to assume that the calculated heads were more reliable for the purpose of predicting recovery.

The diamond core composite was beneficiated in the same manner but no optimisation tests were undertaken. Results were not as good as those for the RC composite, giving 74.9% and 52.2% recovery for U_3O_8 and V_2O_5 , respectively, at the 500 μm cut point but to a concentrate representing only 29.4% of the original sample weight. These results indicated that liberation was inadequate. Accountability was also poor, with the calculated head being just 60% and 47% of the assayed head for uranium and vanadium, respectively. Further optimisation tests are planned for the DFS.

The PFS considered it *“reasonable to conclude that the mass reject of 35% for the RC test is likely to be a minimum and that the uranium recovery is likely to be a maximum of what is achievable in a suitably designed plant.”* Furthermore, the diamond core composite result *“indicates that significantly higher mass rejection may be possible while maintaining beneficiation recovery at a high level.”*

The PFS indicated that further work would be required in this area as part of the future DFS, a recommendation with which SRK concurs.

Leach Test Work

The initial phase of work conducted on RC beneficiation concentrate examined the impact of temperature on leach kinetics.

Leach kinetics were shown to be significantly accelerated by temperature. Base conditions for leaching were determined as follows:

- 30 g/l Na_2CO_3
- 5 g/l NaHCO_3
- 40% solids
- Leach time:
 - atmospheric (90°C), 24 hours
 - pressurised (120°C and 150°C), 2 hours.

The PFS observed that the size of equipment required for the downstream processing of the concentrated PLS is reduced as the volume is reduced and hence reduced reagent tenor in leach is an advantage. Consequently, a series of pressurised leach tests was undertaken to explore the impact of leach reagent tenor and ratio. In all cases, the alteration to leach reagent regime had an adverse impact on leach kinetics and ultimate leach extraction at 120 minutes. Consequently, the established base conditions remained but further work was recommended to be undertaken during the current DFS test programme.

Leach tests were undertaken on the diamond core beneficiation concentrate. This work was restricted to 150°C and undertaken at both base case reagent conditions as well as 67% of base case reagents. Leach extraction was slightly lower than for the RC composite. It was recommended that this variation needs to be evaluated and explained during further test work.

Although RC and diamond core leach results differed slightly, it was considered that RC chips are likely to be suitable for future leach and subsequent hydrometallurgical work. It was felt, however, that future characterisation work for beneficiation and perhaps filtration and settling, should be undertaken on the diamond core material

Vanadium

The vanadium grade is based on the stoichiometric relationship between uranium and vanadium in carnotite. There are, however, other vanadium minerals present and the ratio of vanadium to uranium determined by analysis is always higher than the stoichiometric value ($V/U = 0.214$). Analysis of leach test leach liquors showed relatively low variance, with V/U ratios from 0.16 to 0.28. On these grounds, vanadium deportment was not generally discussed in the test results, as its extractive deportment was seen as being consequential to that of uranium.

Filtration and Settling

Filtration and settling performance of the beneficiation concentrate and leach were not determined in the current round of testwork. Further work was recommended.

PLS Concentration

The PFS reported that the commercial use of membranes to concentrate uranium hydrometallurgical process streams was pioneered by the principals of Deep Yellow's process engineering advisers and, consequently, characterisation test work for this process step was not considered necessary for the PFS. It was noted that such work will need to be undertaken, including an optimisation phase, during the ongoing DFS test programme.

Hydrometallurgy

It was considered that the hydrometallurgical process steps are based on known chemistry, most of which are, or have been, in commercial applications. Characterisation and definition of this aspect of the process will be undertaken during any DFS test work phase.

Source of Water

All testwork completed during this phase of metallurgical work has been undertaken with Perth tap water. Given that the process water to be utilised for the Project will be membrane desalinated sea water, this should be further explored in the next round of test work.

Processing description

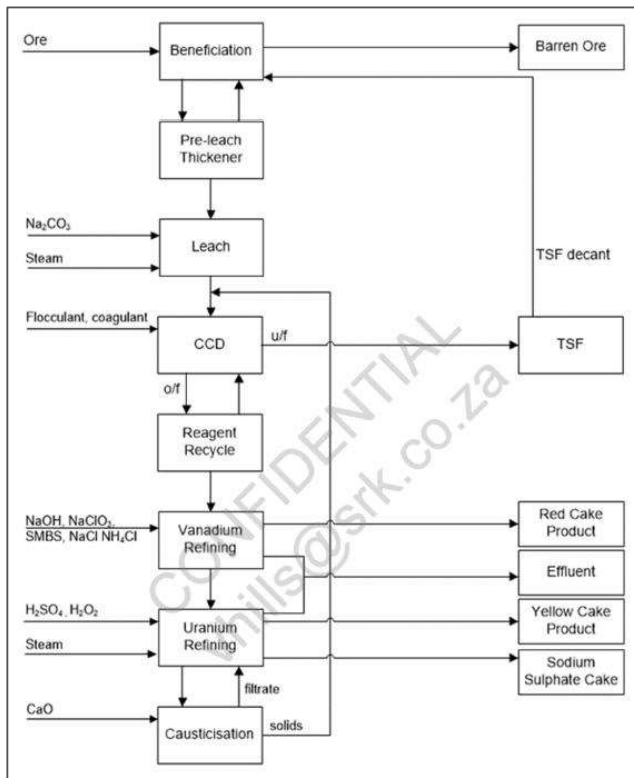
The following section summarises the mineral processing facilities included in the PFS. Further ongoing investigations undertaken as part of the ongoing DFS indicate that the beneficiation and leaching circuits in particular, will change significantly. These are briefly described at the end of this section.

The Processing Plant receives ROM ore for treatment to produce uranium and vanadium products as yellow cake and red cake, respectively. The Processing Plant is comprised of four main areas:

- Beneficiation
- Leaching and Counter Current Decantation (CCD)
- Hydrometallurgy
- Reagents and Utilities.

A block-flow diagram is provided in Figure 3-8 showing an overview of the unit operations.

Figure 3-8: PFS Process plant block flow diagram



Beneficiation

ROM ore is beneficiated by scrubbing in two stages of autogenous milling ahead of downstream size separation. The scrubbing action breaks down the calcrete that holds the agglomerates together. Uranium and vanadium minerals are liberated to the finer fractions while coarse oversize reports to a barren stockpile.

ROM ore is fed to a static grizzly. Coarse oversize (+600 mm) is broken with a rock breaker, while the undersize material is fed to the primary autogenous grinding (AG) mill. A trommel screen at the end of the primary AG mill separates the discharge at 50 mm. After washing, screen oversize reports to the barren stockpile, with a portion forwarded to the secondary AG mill as grinding media.

The primary AG mill trommel undersize is screened at 10 mm, with oversize reporting to the secondary AG mill. Screen undersize is cycloned, with cyclone underflow reporting to the secondary AG mill. Cyclone overflow is transferred to the safety screen, with screen oversize being diverted to the secondary AG mill.

A trommel screen at the end of the secondary AG mill separates the discharge at 10 mm. After washing, screen oversize reports to the barren stockpile, while the undersize is pumped to the secondary cyclones. The secondary cyclone overflow reports to the safety screen, while the underflow reports to the teeter column.

The teeter column provides the final sizing separation. The fine overflow is diverted to the safety screen, while the coarse underflow reports to the drying screen. After washing on the drying screen, oversize material reports to the barren stockpile, while screen undersize is returned to the teeter column feed.

The safety screen overflow is returned to the secondary AG mill feed, while the underflow reports to the pre-leach thickener. Thickener underflow is pumped to the Leach and CCD area, while overflow solution is recycled to the Beneficiation area.

Leach and CCD

The minus 500 µm slurry from the pre-leach thickener underflow is pumped to the leach feed conditioning tank, where sodium carbonate is added as the leach reagent. Leaching occurs at elevated temperature in six pipe leach reactors (PLRs), with five trains operating and the sixth train off-line for descaling or on standby.

The slurry is pumped from the leach feed conditioning tank through two slurry/slurry spiral heat exchangers operating in series. The feed is pre-heated from 35°C to 118°C by the discharge slurry from the secondary PLR, which is in turn cooled from 148°C to approximately 60°C. The heated feed slurry then reports to a third spiral heat exchanger, where steam is used to heat the feed to 150°C. The hot slurry is then passed through the primary PLR. The primary PLR discharge is passed through a fourth spiral heat exchanger, where steam is used to reheat the slurry to 150°C and make up for heat losses in the PLR. The slurry from the heat exchanger passes through the secondary PLR, which is identical to the primary PLR and provides an additional 15 minutes of leach residence time. After cooling as described, slurry discharged from the secondary PLR reports to the CCD conditioning tank, where the remaining pressure in the slurry is let down to atmospheric pressure.

Uranium and vanadium dissolved in the leach trains are separated from the undissolved solids in the CCD circuit. This circuit comprises six 43 m diameter thickeners in series, CCD1 to CCD6. In each thickener, solids and liquids are separated, with thickener underflows being sequentially pumped from CCD1 to CCD6, while thickener overflows flow counter-currently from CCD6 to CCD1. Thus, at the head of circuit, the feed slurry from the CCD conditioning tank is diluted with the overflow from CCD2 before entering CCD1. At the end of the circuit, CCD5 underflow is diluted with barren wash water before entering CCD6. In this counter-current configuration, dissolved uranium and vanadium are recovered to CCD1 overflow, known as Pregnant Leach Solution (PLS), while washed CCD6 underflow solids report to tailings.

The PLS is clarified in two pin bed clarifiers operating in parallel before reporting to the PLS pond, which provides surge capacity between the CCD and Membrane Beneficiation circuits.

Hydrometallurgical Refinery

- Membrane Beneficiation - Solution from the PLS pond is pumped to the UF circuit, which consists of ten identical trains of vertical cross flow membranes operating in parallel. All UF membranes are periodically backwashed using UF permeate, with backwash product combined with UF retentate being returned to CCD1 to provide an outlet for the fine solids.

Concentration of the multi-valent ions in PLS (uranyl carbonate, vanadyl carbonate as desired species; sulphate as an undesired but unavoidable species) is achieved by passing UF permeate through a multi-stage NF configuration using specifically selected NF membrane. The NF configuration comprises rougher, cleaner and scavenger circuits. These generate a retentate stream containing the multi-valent ions that is advanced for further treatment, along with a permeate stream which is sufficiently low in value concentrations to use for washing purposes in the CCD circuit.

All installed UF and NF membranes will progressively accumulate particulates causing membrane throughput to decrease. To restore performance all membranes are periodically removed from service, drained and chemically cleaned-in-place.

- Vanadium Refining - PLS from Membrane Beneficiation is reacted with lead carbonate to precipitate more than 99% of the vanadium, with uranium remaining in solution. The reactor product is pumped through one of two pressure polishing filters to capture and remove the solids. The polished, vanadium-barren filtrate reports to Uranium Refining.

The washed solids report to the PbSO_4 precipitation reactor, where the $\text{Pb}(\text{VO}_3)_2$ is converted to lead sulphate precipitate and soluble VOSO_4 through the addition of sulphuric acid and sodium metabisulphite. The reactor discharge is filtered and washed in one of two pressure polishing filters. The polished filtrate reports to the ion exchange feed tank.

The filtered and washed lead sulphate precipitate is converted to lead carbonate in conversion tanks by the addition of sodium carbonate. The conversion tank discharge is filtered and washed in one of two pressure polishing filters. The filtrate is effluent and is pumped to the evaporation pond. The washed solids report to the lead carbonate stock tank, from where the lead carbonate slurry is pumped back to the $\text{Pb}(\text{VO}_3)_2$ reactor as reagent. Make up lead carbonate is prepared in the lead carbonate make-up tank as required from lead oxide and sodium carbonate contained in PLS and is pumped to the lead carbonate stock tank for dosing.

Ion exchange is used to adsorb and remove uranium from solution thereby reducing uranium contamination of the final vanadium product. The loaded resin is washed and then eluted with sulphuric acid to remove the loaded uranium and any vanadium that coloaded from the resin. The barren resin is returned to adsorption duty, while the eluate is returned to the CCD circuit.

The ion exchange discharge reports to the vanadium oxidation tank, where the VOSO_4 is oxidised to NaVO_3 by the addition of NaClO_3 and sodium hydroxide. The oxidation tank discharge is passed through a polishing filter to remove residual solids, which are washed and returned to the CCD circuit. The filtrate reports to the AMV precipitation reactor, where ammonium vanadate is precipitated by the addition of ammonium chloride. The AMV precipitate is filtered and washed. The filtrate is pumped to the evaporation pond as effluent, while the washed solids report to the calciner.

In the calciner, the ammonium vanadate is converted to red cake (V_2O_5). The calciner discharge is processed in the flaker, where powder is fused into a melt and then flaked. The red cake flakes are sent to the packing plant, packed into 250 kg drums and stored for shipment.

- Uranium Refining - Vanadium barren solution is pumped to a series of four agitated tanks, where the pH of the solution is increased through the addition of sodium hydroxide. Uranium precipitates as sodium diuranate (SDU) which is collected in a thickener.

The thickener overflow is pumped to a polishing filter, where solids are recovered and returned to the precipitation tanks. Uranium barren filtrate is pumped to the causticisation circuit. A bleed of the filtrate is sent to the sodium treatment plant, which consists of an evaporator, crystalliser and filter. The plant removes sodium sulphate from solution and recovers it as a filter cake. Filtrate and recovered condensate are returned to the uranium barren solution.

The SDU thickener underflow is further thickened in a cyclone cluster. The thickened cyclone underflow is filtered and washed with process water. The cyclone overflow is returned to the SDU precipitation tanks.

The washed SDU precipitate from the filter is fed to two agitated SDU digest tanks, where SDU is dissolved through the addition of sulphuric acid. The precipitation tank discharge is pumped to a polishing filter and captured solids are returned to the tanks. The filtrate reports to the agitated UO_4 precipitation tanks. Hydrogen peroxide and sodium hydroxide are added at a controlled rate, to precipitate uranium as UO_4 .

The UO_4 precipitate is thickened. Thickener overflow is processed in a polishing filter to recover solids which are returned to the UO_4 precipitation tanks, while the filtrate reports to the evaporation pond for disposal as effluent. The thickener underflow is centrifuged to wash and to remove excess moisture before being fed to the drier/calciner. Drying takes place at 240°C to drive off free and crystalline water. The dried powder is the final uranium oxide product (yellow cake or UO_3), which is packaged in 300 kg drums, weighed and sealed in preparation for transportation.

- Reagent Recycling - Milk of lime is pumped to the causticisation circuit, where it is contacted with uranium barren solution in an agitated tank to convert sodium carbonate to sodium hydroxide and calcium carbonate. This conversion allows sodium hydroxide to be returned to the circuit as reagent, reducing the requirement for fresh sodium hydroxide reagent. The causticisation product is pumped to a pressure filter, where residual lime and calcium

carbonate solids are removed and returned to the CCD circuit. The filtrate reports to a stock tank, from where the recovered caustic solution is pumped to the Uranium Refining circuit.

Reagents

The reagents and consumables for Tumas have been defined and consumptions estimated based on the metallurgical model. All major supply items (with the likely exception of sulphuric acid, which may be locally sourced) for the Project will be sourced via the port of Walvis Bay, either directly or indirectly, and then trucked to the Project site as required. Allowance is made for the mixing and dosing of the following reagents:

- Sodium Hydroxide
- Sodium Carbonate
- Lime
- Hydrogen Peroxide
- Sulphuric Acid
- Sodium Meta Bisulphite
- Flocculant
- Vanadium Refining Reagents
- Lead Oxide
- Sodium Chlorate
- Sodium Chloride
- Ammonium Chloride
- Ion Exchange Resin.

Utilities

- Water - Water supply to the process plant will predominantly be sourced from NamWater via a new water supply pipeline from the Orano desalination plant. A further water supply to the Project will be sourced from a bore field to be established 10–15 km to the west of the process plant area.

The process plant is designed to maximise the recovery and recycle of process liquor so that the requirement for fresh water is minimised. However, some areas within the process are sensitive to water quality and process water cannot be used.

Water for the power station is processed in a RO plant prior to softening by ion exchange.

Fire water is supplied to the fire water package from the raw water tank.

The potable water treatment system processes raw water for use at the end user points.

- Steam - Steam for heating is supplied from the power station.
- Air - The plant and instrument air system consists of air compressors, receivers and air driers.

- Power - Electricity and steam for the process facility is supplied by an "over the fence" (build, own, operate, transfer (BOOT) power plant based on a hybrid solar/fossil fuel design. Fossil fuel is delivered to a stockpile/storage, from where it is fed directly to the boiler, which produces steam to drive the power generation turbines. Low grade steam is also provided for heating requirements in the process facility. The fossil fuel options to be considered during a future DFS trade-off study include but are not limited to natural gas, coal, heavy fuel oil (HFO) and diesel.

This power station will incorporate a high voltage connection to the NamPower grid which passes approximately 13 km to the northwest of the process plant site. This connection, subject to negotiation with NamPower, is assumed to provide a connection that will allow supply to and from the site to smooth demand and provide emergency back-up.

Recovery and plant throughput

Ore is scheduled with two limiting factors: the total beneficiation plant capacity of 3.75 Mtpa and the 3 Mlb U_3O_8 pa design capacity of the uranium refining section.

Due to the low accountability achieved in the test work on diamond core samples, the PFS metallurgical recovery assessment was based on the test results for RC samples reported in the preceding section. Uranium recoveries for the Tumas Project were estimated as follows:

- Beneficiation - Beneficiation recovery was estimated at 97.7%.

It was noted that incomplete liberation of the conglomerate cement from the clasts poses a risk to beneficiation recovery. It was considered that such risk may be mitigated by allowing for additional size reduction and attritioning equipment in the design.

- Leach - Leach recovery was estimated at 97.0%.

It was considered that the risk of lower leach recovery may be mitigated by designing the leach reactor to operate at a higher temperature and that this should be explored in further test work.

- CCD - CCD wash efficiency was estimated at 99%.

It was noted that there is risk in achieving this level of wash performance and that a future DFS process design should consequently be conservative. It was further recommended that this area of process performance needs to be adequately defined during the test work phase associated with the ongoing DFS.

Overall

Overall recovery was estimated at 93.8% for uranium. A higher recovery of 96% was estimated for vanadium, due largely to the quantitative nature of the lead vanadate recovery step.

The PFS assumes a constant uranium recovery of 93.8%, with head grades in the range 659 ppm U_3O_8 to 175 ppm U_3O_8 . Similarly, a constant vanadium recovery of 96.0% is assumed with head grades in the range 224 ppm V_2O_5 to 59 ppm V_2O_5 . The nature of the orebody suggests that there will not be a strong correlation between recovery and head grade but further investigation is recommended in this regard.

Waste Management and TSF

The process design assumes that tailings will be pumped to the TSF and decant water returned to the process water system. The process design also relies upon the efficient washing of the leach discharge slurry on the CCD section of the plant to retain 99% of contained aqueous ion species within the plant area.

Tailings will be stored permanently in mined-out areas of the Tumas 3 resource area. The initial TSF will be located at Tumas 3 East. This resource will be completely mined and stockpiled as part of the pre-mining activity. In order to avoid the safety issues associated with depositing tailings into an active mining area, a containment wall will be constructed around Tumas 3 East in the first year of production. All Tumas 3 area pits will be reserved for subsequent tailings storage.

After TSF areas have settled and drained sufficiently to ensure stability, they will be capped with waste rock and topsoil and contoured to match or blend with original ground contours. This TSF rehabilitation will be undertaken progressively during the mining operations.

The beneficiation section of the plant will reject a minimum of 35% of the ore as a barren reject material. There are two permanent storage options for this material: co-storage with tailings; or co-storage with either mineralised or non-mineralized mine waste rock. These options will be considered as part of a trade-off study programme during any future DFS but the PFS has assumed co-disposal with mine waste.

Even with the extremely conservative use of total sulphur values rather than sulphide sulphur, none of the CCG samples were acid-forming and mine drainage will be neutral to alkaline. The BGG samples did suggest the potential of acid formation, but as the sulphide sulphur in these rocks is likely to be below the limit of detection, acid generation is extremely unlikely.

Process operating costs - PFS

A summary of the process plant operating cost estimate is provided in Table 3-7 and includes total cost/annum, cost US\$/lb U₃O₈ (without vanadium credit) and cost/t of ore treated.

Table 3-7: Summary of process operating cost estimate – PFS

Cost centre	Cost estimate (Years 1 to 10)			
	US\$ k pa	US\$/t (ore)	US\$/lb U ₃ O ₈	% of Total
Salaries and Wages	2,439	0.69	0.90	8
Reagents	4,823	1.37	1.78	15
Water	5,341	1.52	1.97	17
Power	14,968	4.25	5.53	48
Steam	881	0.25	0.33	3
Consumables	2,593	0.74	0.96	8
Consultants	122	0.03	0.05	0
Total	31,167	8.84	11.52	100

The three dominant cost areas are reagents, water and power, which combined total 81% of the total estimated process operating cost.

Accuracy of the process plant operating costs was deemed to be $\pm 10\%$.

Salaries and Wages

The cost of salaries and wages have been based on a detailed staffing complement. Process Management includes an expatriate Process Manager, with the rest of Process Management, Process Systems and Accounting, Laboratory and Production personnel being Namibian.

Reagents

Reagent consumptions have been estimated based on the metallurgical model developed for the PFS. Costs have been based largely on budget supply cost estimates available from web searches. Importation costs including shipping, port charges and delivery to site have been assumed to average US\$125/t.

Water

The water demand for the process plant is estimated to be 0.49 kl/t of ore treated. This volume equates to 5 Gl/day.

The cost assumed for NamWater supply is US\$3.00/kl and for the bore field water US\$0.50/kl is assumed.

Power

Power is the single largest process operating cost for the Project.

The average operational load of the process plant is estimated to be a maximum of 12.69 MW, including 1 MW consumed by ancillary services. Peak load is estimated to be 13.8 MW.

A power supply cost of US\$0.143/kWh and US\$0.25/t ore for process steam were calculated for the PFS. They have been developed assuming a power station scenario involving reciprocation engines burning HFO.

The PFS expects that, during the trade-off study for the power and process steam supply for the Project, a more cost-effective option for the Project will be identified.

Steam

This Study assumes that the process heat required for leach (approximately 4 MW) will be produced through the recovery of waste heat from the power station. An additional US\$0.25/t of ore has been included in the cost estimate to cover costs directly associated with this steam production.

Consumables

Consumables for the process have been factored based on three elements:

- Personal protective equipment and other employee-related consumables have been estimated at 5% of the salaries and wages estimated for the processing area
- Process consumables such as screen cloths, conveyor elements and the like have been estimated at 2.75% of the mechanical equipment cost in the process plant
- Separate allowance of 1 mill liner, at US\$150k each, per year (which assumes a liner life of two years).

Maintenance and Engineering costs

The maintenance and engineering costs for the Project have been separately estimated to be US\$4.7 M pa. This equates to US\$1.33/t ore, or US\$1.74/lb U₃O₈.

The cost of salaries and wages have been based on a detailed staffing complement.

Spares for the operation have been estimated at 3.0% of the mechanical equipment cost for the site and the consumables cost estimate assumes that employee-related consumables will cost 5% for the salaries and wages estimate for the department with a further allowance of 0.75% of the capital equipment cost for ancillary fuels and oils.

Process capital costs - PFS

The capital cost of a new process plant for the Tumas Project was estimated by Ausenco. The production rate used in the estimate was 3,462,390 t mined/annum.

It was reportedly prepared in accordance with an AACE Class 4 estimate with a nominal accuracy of ±25%. The estimate was expressed in US\$, with the following exchange rates used for costs in other currencies:

- | | |
|---------------------|---------|
| ■ Australian Dollar | 0.7258 |
| ■ Euro | 1.18165 |
| ■ Namibian Dollar | 0.06. |

The base date was reported in different sections of the report as Q2_2020, Q3_2020 or Q4_2020.

The basis of the estimate was summarised as follows:

- Process plant earthworks costs were developed by applying database unit rates to pad and road areas, which were taken from the General Arrangement
- Platework costs were developed using a mixture of preliminary MTO quantities and historical unit rates, and factors using historical pricing from similar projects
- All other the process plant discipline costs were factored against the installed mechanical costs for each area. The factors used were developed using historical pricing from similar projects.

The estimated capital cost is summarised in Table 3-8.

Table 3-8: Process plant capital estimate – PFS

Description	Cost (US\$ M)
Process plant	154.5
On-Site infrastructure	1.8
Other	8.2
Construction indirects	11.6
Engineering	33.6
Owner's costs	-
Provisions	53.3
Total	263.0

The estimate does not include or allow for Owner's costs, escalation or foreign exchange fluctuations.

Changes as part of the Ongoing DFS Metallurgical Test Work and Process

- **Beneficiation** - The beneficiation benchmark based on PFS test work was to recover 97.7% of uranium in the feed into 65% of the feed mass. Stated differently, this equates to rejection of 35% of the feed mass, with a loss of 2.3% of the feed uranium. This was to be achieved in the PFS circuit that included two stages of autogenous milling ahead of downstream size separation, to meet the leach feed size of -500 µm.

The proposed DFS beneficiation circuit includes stagewise autogenous, rod, ceramic ball milling and classification to achieve a significantly finer leach feed size of -63 µm. Beneficiation tests conducted for the DFS, indicate a recovery of 98% of uranium in the feed into concentrate of 40–50% of the feed mass. This should lead to lower downstream capital and operating costs.

- **Leaching** - The beneficiation benchmark based on PFS test work was to leach 96% of uranium from the beneficiation concentrate. This would be achieved in a two-hour elevated temperature leach at 150°C, consuming 30 g/l sodium carbonate.

Following leach optimisation tests, DFS leach conditions will aim to extract 97% of uranium from the beneficiation concentrate, in a 36-hour atmospheric leach at 90°C, containing 20 g/l sodium carbonate.

- **Groundwater contamination** - CSIRO was commissioned to examine the impact of seepage from both waste rock dumps (WRD) and the TSFs on existing groundwater.

In a significant finding, the study concluded that for ionic species of interest (principally U, V and Pb, but including many others), down-channel interaction with groundwater will result in the precipitation of these species in close proximity to the zone of interaction in much of the same manner that has occurred (and still is occurring) during the formation of the Tumas deposits, thus avoiding the possibility of unconstrained contamination from a developing seepage plume.

SRK Comment

Metallurgical test work

Calcrete is reported to be the main mineralisation style to be mined at Tumas, although BGG is also present. It is not planned to process BGG, as it consumes leach reagent and impacts negatively on process operating costs. Exclusion of BGG will depend on how successfully it can be selectively mined.

The PFS and DFS metallurgical test programs undertaken to date have been conducted on composite samples of Tumas 3 RC chips and diamond drill core. These programs have not investigated variability in performance between deposits or spatially within deposits. Other than high gypsum areas, beneficiation is likely to be more affected by orebody variability than downstream processing. It was reported that variability investigations will be undertaken during the DFS. Given that Tumas 3 represents approximately the first 15 years of ore feed for the Project, future focus on potential variability within this deposit is appropriate.

The objective of beneficiation is to upgrade leach feed by maximising the liberation of uranium and vanadium minerals to a fine fraction, while minimising the loss of uranium and vanadium minerals to a coarse reject. The PFS proposed the use of two-stage AG and classification to achieve this objective. This process was shown to be very successful on the RC composite sample tested. It was, however, less successful on the drill core composite sample tested, which was ascribed to poor liberation. Further stagewise milling and classification test work undertaken for the DFS resulted in an improved uranium and vanadium recovery to leach feed but, more significantly, at a higher mass rejection to waste. Circuit modifications will accordingly be required.

Leach extraction on the diamond core beneficiation concentrate was slightly lower than for the RC composite. It was recommended that this variation needs to be evaluated and explained during further testwork.

In the initial DFS test program, leach optimisation tests undertaken for the DFS concluded that a longer atmospheric leach was preferable to a shorter pressure leach. Circuit modifications will accordingly be required.

The PFS proposed pressure leaching of -500 µm concentrate at 150 °C for two hours in a PLR. By comparison, the DFS proposes atmospheric leaching of -63 µm concentrate at 95°C for 36 hours. Circuit modifications will accordingly be required.

Filtration and settling performance of the beneficiation concentrate and leach were not determined in the PFS test program. Further work was recommended.

The PFS reported that the commercial use of membranes to concentrate uranium in hydrometallurgical process streams was pioneered by the principals of Deep Yellow's process engineering advisers and, consequently, characterisation testwork for this process step was not considered necessary for the PFS. It was noted that such work will need to be undertaken, including an optimisation phase, during the DFS test programme.

It was considered that the hydrometallurgical process steps are based on known chemistry, most of which are, or have been, in commercial applications. Characterisation and definition of this aspect of the process will be undertaken during any DFS test work phase.

The PFS recommended further test work should a DFS be undertaken for the Project:

- Beneficiation work (this has since been reported for the DFS)
- Further leach testwork (this has since been reported for the DFS)
- Detailed slurry rheology work
- Settling testwork on beneficiation concentrate and leach product to allow the pre-leach thickener and CCD circuits to be specified
- Membrane concentration characterisation work on PLS developed during testwork
- Water characterisation work on actual process water for the Project (membrane desalinated sea water)
- Hydrometallurgical testwork involving locked cycle mini-piloting and multi-element modelling fitting to stability.

SRK concurs with these recommendations.

In addition, SRK considers a lack of variability testing to be a shortcoming and recommends that variability in performance of the finally selected process be investigated between deposits and spatially within deposits.

Mineral processing

Mineral processing is complex with certain novel aspects including PLS concentration via UF and NF. Further test work is required as discussed but, importantly, the selected process is supported by the knowledge of Deep Yellow's process team and engineering advisers of an analogous project.

Metallurgical recovery

The DFS proposes a slightly higher beneficiation recovery of 98.0% compared with 97.7% assumed in the PFS. In both cases, a leach recovery of 97% is assumed, resulting in only a minor increase to the overall recovery of 93.8%. Either way, there are factors that may impact negatively on recovery:

- Scale-up: performance achieved under laboratory conditions may not be realised under industrial conditions. This is likely to be more relevant to beneficiation than leaching;
- Orebody variability: metallurgical performance may be more variable than that based on only testing of Tumas 3 composite samples. Variability testing will be assessed as part of the DFS; and
- Low accountability: due to the low accountability achieved in the test work on diamond core samples, the PFS metallurgical recovery assessment was based on the test results for RC samples. There is a risk that this assumption may not materialise. SRK understands that Deep Yellow has addressed this in the DFS update announced on 3 February 2022. However, SRK has not been provided this analysis.

Waste Management and TSF

The CSIRO noted that down-channel interaction with groundwater will result in the precipitation of most species of interest should be of significant benefit to the project.

Process operating costs

Process operating costs were developed from first principles, with a deemed accuracy of $\pm 10\%$. The three dominant cost areas are reagents, water and power which combined total 81% of the total estimated process operating cost. A focus on reducing consumption in these areas is recommended as part of future studies.

The estimated process operating costs within Deep Yellow's PFS have an effective date of December 2020 and will need to be escalated accordingly as part of any future evaluation.

Process Capital Costs

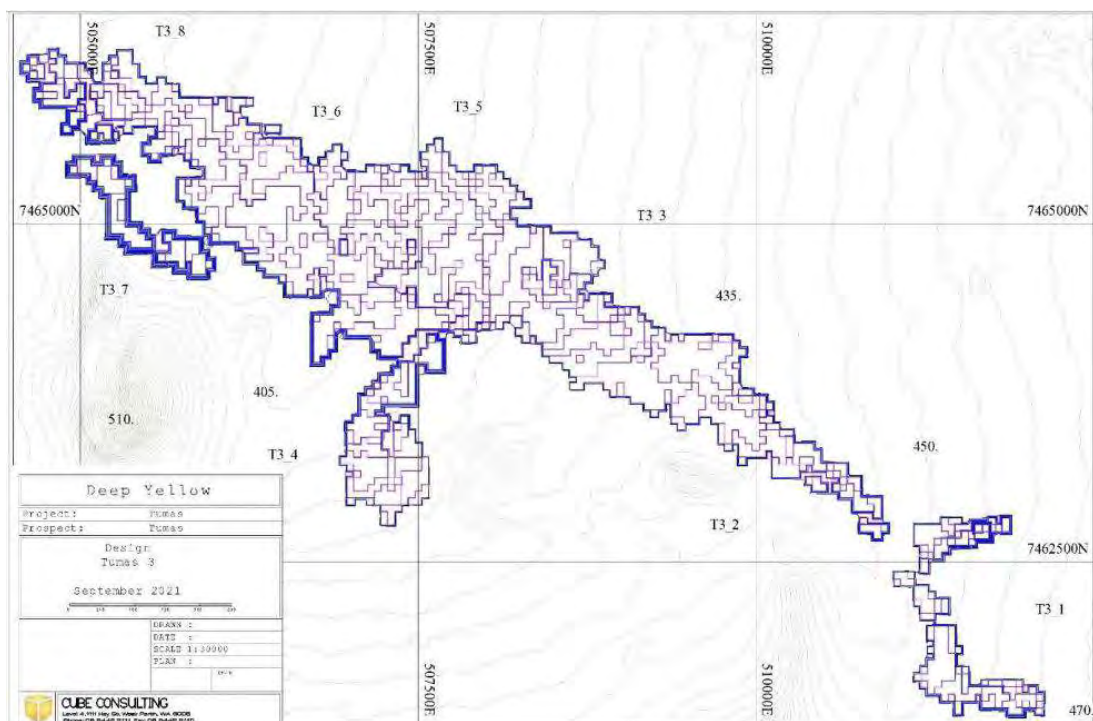
The basis of the capital cost estimate and its stated accuracy is typical of that used in PFS estimates.

The base date was reported in different sections of the report as Q2_2020, Q3_2020 or Q4_2020. The actual base date needs to be confirmed, after which the estimate should be escalated to the base date of the financial model.

3.5.6 Mining

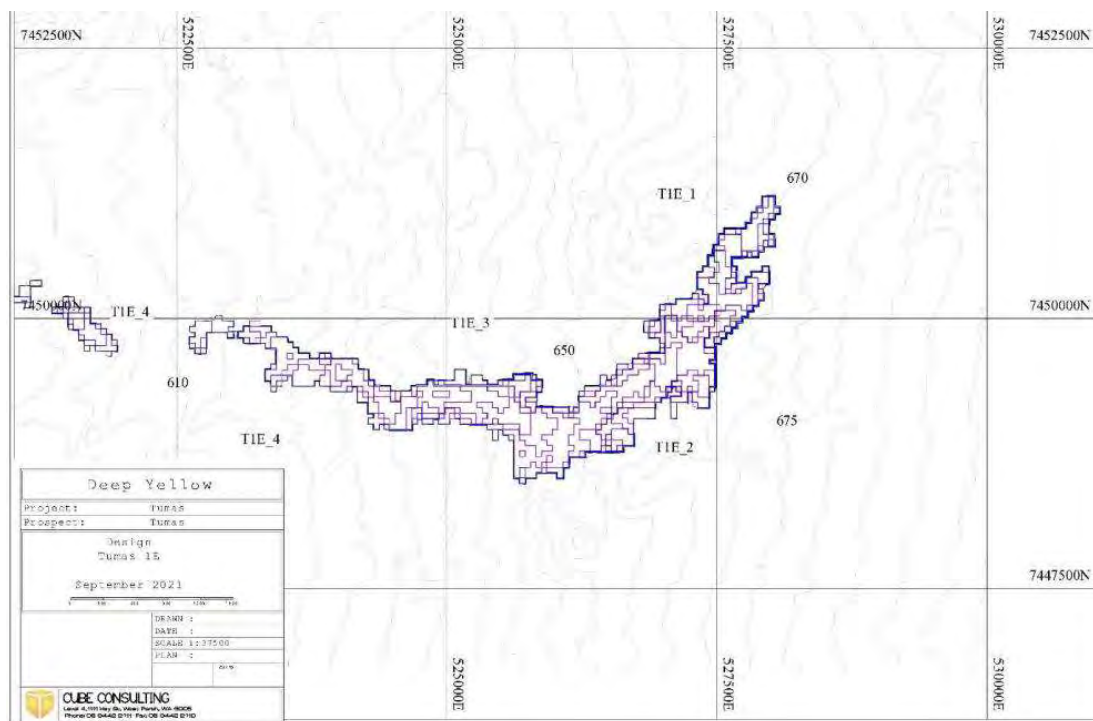
The proposed future mining of the Tubas and Tumas deposits are expected to involve a conventional open pit scenario based on a long narrow deposit using conventional truck shovel techniques (Figure 3-9 and Figure 3-10).

Figure 3-9: Tumas 3 pit design



Source: Deep Yellow ASX announcement dated 5 October 2021

Figure 3-10: Tumas 1E pit design



Source: Deep Yellow ASX announcement dated 5 October 2021

The Tumas deposits range from surface to approximately 40 m depth. The Tubas deposits located further to the west range from near surface to approximately 60 m depth below the surface. The ore lies in a nearly horizontal bed of approximately 15 m in thickness. The elongated pit shape will accommodate in-pit spoiling, once space is created.

Geotechnical

The slope angles of the pit have been designed at 35°, which is very conservative but, considering the limited depth of the pit, is achievable. Use of a more aggressive slope design can be considered during feasibility but will not make a significant difference to the waste moved due to the limited pit depth. The overburden material is calcrete and should pose no problem geotechnically. The pits have not been designed with a main ramp in place as the shallow nature of the deposit means access can be done with temporary ramps.

Given the nature of the mine pits (shallow and very wide), the PFS concluded that geotechnical engineering aspects were unlikely to play a material role in mining outcome, but future investigation will be necessary as part of the proposed DFS.

Hydrology and Water

The desert of Namibia is considered a dry environment. There are reports of groundwater being available approximately 15 km from the site, but there is insufficient detail on yield and cost of the water as the basis for a primary supply source. An existing NamWater pipeline to the adjacent Langer Henrich Mine will provide water for the proposed mine. There will be some temporary onsite water storage for approximately three days' supply. The pipeline should be large enough to accommodate both mines being operational at the same time.

The tailings dam is planned to be deposited in the pit so there could be some movement of water from the dam into the surrounding area but this is a low risk.

Ore Reserve estimates

The Tumas Project has declared an Ore Reserve of 68.4 Mlb based across three pits on EPL3496 and EPL3497 (Table 3-9).

Table 3-9: Tumas Expanded Ore Reserve estimate as at September 2021

Probable Reserves	U ₃ O ₈ cut-off (ppm)	Tonnes (Mt)	U ₃ O ₈ (ppm)	U ₃ O ₈ metal (Mlb)
Tumas 3	150	46.3	412	42.1
Tumas 1E	150	29.5	267	17.3
Tumas 1&2	150	14.5	272	9.0
Total	150	89.8	345	68.4

Source: Deep Yellow ASX announcement dated 5 October 2021

Note: The rounding in the table is an attempt to represent the levels of precision implied in the estimation process which may result in apparent errors of summation in some columns.

The process to estimate the Ore Reserves has been to select a pit from the suite of pits generated using the optimisation software and then adapted to the required Ore Reserves definitions.

The Ore Reserve outlined above is contained within an open pit containing 233 Mt of waste material resulting in a waste to ore (tonnes) strip ratio of 2.6:1 and a total open pit size of 322 Mt. Included in the waste material are 0.3 Mt of Mineral Resources classified within the Inferred category, which received no economic value in the work completed within this study.

There are some key factors in the definition of this Ore Reserve such as the grade applied to the pit selection, which is subsequently scheduled for the financial valuation. A theoretical, calculated cut-off was determined by:

$$\text{Cut - Off Grade (\%)} = \frac{\text{Treatment Plant Costs}}{\text{Metal Price} * (1 - \text{Royalty}) * \text{Recovery}}$$

Where:

Treatment Plant Costs = processing and all ore related costs (US\$/t) (24.73)

Metal Price = U₃O₈ price (US\$65/lb)

Royalty = State Royalty plus land title royalty 8%

Recovery = Metallurgical Recovery (%) (94.1)

The calculated breakeven cut-off grade using the above input parameters is 121 ppm U₃O₈. This has been used to then apply a cut-off grade of 150 ppm for the Ore Reserve estimate. The resource model is sensitive to the cut-off grade applied, as is illustrated in Table 3-10.

Table 3-10: Tumas 1-3 Mineral Resource estimates

Cut-off	Deposit	Indicated			Inferred		
		Tonnes (M)	Grade (ppm)	Metal (Mlb)	Tonnes (M)	Grade (ppm)	Metal (Mlb)
200	Tumas 1	11.84	343	8.96	0.71	357	0.56
150		19.70	275	11.95	1.15	286	0.73
100		33.76	212	15.76	2.09	212	0.98
200	Tumas 2	4.85	367	3.92	0.06	350	0.05
150		8.69	281	5.38	0.13	262	0.07
100		20.33	189	8.47	0.39	166	0.14
200	Tumas 1E	22.35	298	14.69	10.13	265	5.92
150		31.25	263	18.14	16.53	231	8.40
100		36.27	245	19.56	19.42	216	9.23
200	Tumas 3	45.32	440	43.91	3.51	364	2.81
150		63.17	364	50.76	6.25	280	3.85
100		77.99	320	54.94	10.36	219	4.99

Source: Deep Yellow (05.01.03.11 Deep Yellow Tumas Project CUBE Mining September 2021.pdf)

The main driver of the cut-off grade is the metal price and the use of US\$65/lb U₃O₈. SRK considers the adopted uranium price to be potentially high.

The other factor is the ore and processing cost, which while sufficiently detailed, could be more in actuality than the current estimate (based on applying revised fuel prices to the supplied valuation model) to account for the existing fuel costs and the uncertainty in the process design. Power supply was discussed in Deep Yellow's ASX announcement dated 3 February 2022 regarding ongoing work for the DFS where a trade-off study indicated there was potential for operating and capital cost savings. SRK has not been provided with this trade-off study and considers power remains to be checked against a more robust supply option. Power is the largest cost item and potential risk in the project and needs to be evaluated with a higher degree of engineering certainty as part of the DFS whereby it is expected a definitive quotation will be obtained.

If SRK applied its preferred assumptions to the cut-off grade, the net impact would be the need to apply a higher cut-off grade of around 200 ppm U_3O_8 . Based on SRK's analysis, this would reduce the resource model tonnage by around 30% and hence the LOM plan may be shorter with more tonnes reporting to the medium-grade and less to the low-grade stockpiles. This is estimated before any adjustment for the vanadium by-product.

Modifying Factors

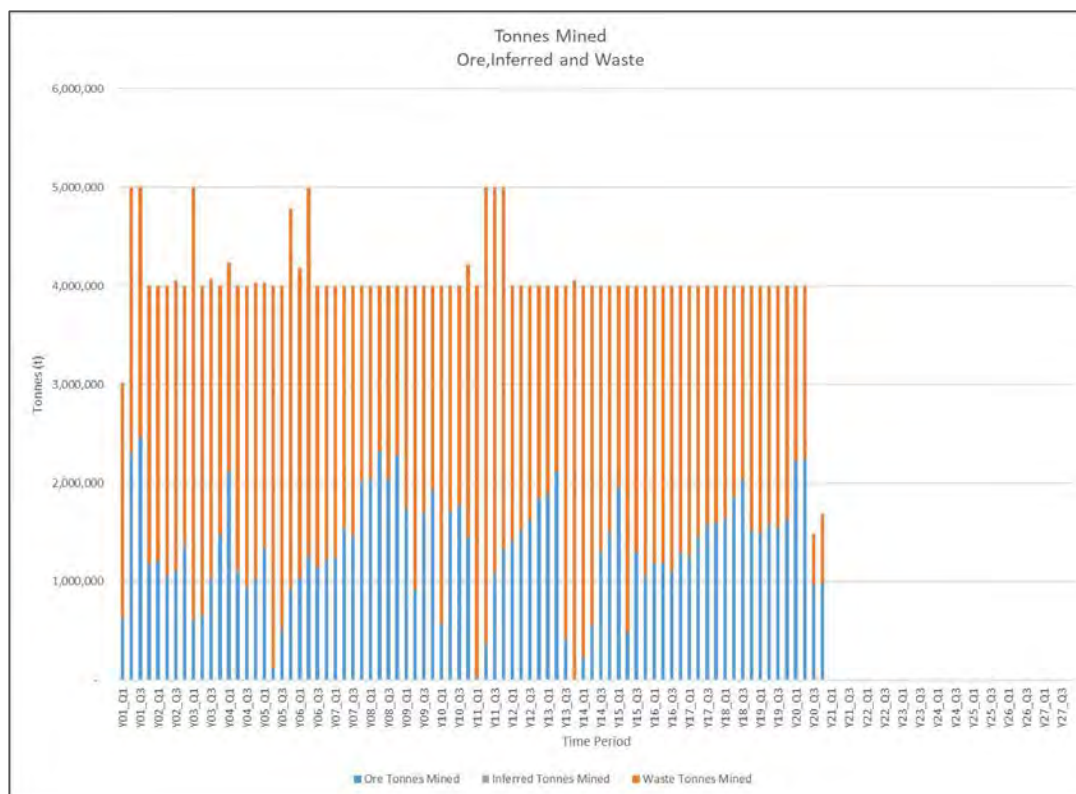
According to the Competent Person responsible for Ore Reserves, the existing MIK resource models have been adjusted for Modifying Factors that are typically applied for mining; hence no further contamination, etc., is needed.

Mine Design

The mine design envisages a simple open pit with slope angles at 35°, which has been evaluated on a 50 x 50 x 3 m block size. The resultant pit shape can be optimised further by using smaller block sizes to obtain a smoother pit wall profile, but at the present stage is not required. The pit is designed using a 10 m bench with conventional truck and shovel methods and the pit ramps will be developed between benches as temporary ramps as required because the pit is shallow.

Mining operating costs

The mine costs have been established on a first principal basis using a schedule of rates for waste and ore removal at different depths and applying the appropriate fuel cost and labour complement. The schedule is based on rates quoted in 2020. The volumes produced from the mine schedule are based on a schedule designed to recover 106 Mt of ore over approximately 20 years, along with 216 Mt of waste. The target has been to move approximately 4 Mt of material/annum (Figure 3-11).

Figure 3-11: Scheduled volumes

Source: 05.01.03.11 Deep Yellow Tumas Project CUBE Mining September 2021.pdf

The processing costs are based on consumption rates as planned from the process and applied to the scheduled ore tonnage at the reagents' costs. The other costs have been itemised accordingly and a detailed breakdown is shown in Table 3-11.

Table 3-11: Detailed cost breakdown

Item	Cost centre	Cost estimate (Y1 to Y20)			
		US\$pa (,000)	US\$/t (ore)	US\$/lb (U ₃ O ₈)	% of total
Processing	Salaries and wages	2,439	0.71	0.86	8
	Reagents	4,841	1.41	1.71	16
	Water	5,203	1.52	1.84	17
	Power	14,582	4.25	5.16	48
	Steam	859	0.25	0.30	3
	Consumables	2,610	0.76	0.92	9
	Consultants	122	0.04	0.04	0
Total Processing		30,655	8.93	10.85	100
Mining	Contractor	33,930	6.71	12.01	86
	Fuel	4,835	0.96	1.71	12

Item	Cost centre	Cost estimate (Y1 to Y20)			
		US\$pa (,000)	US\$/t (ore)	US\$/lb (U ₃ O ₈)	% of total
	Owner's team	587	0.12	0.21	1
	Consultants	59	0.01	0.02	0
Total Mining		39,411	7.79	13.95	100
C1 costs	Mining	39,411	11.48	13.95	46
	Processing	30,655	8.93	10.85	36
	Maintenance and engineering	4,699	1.37	1.66	6
	C&A	5,586	1.63	1.98	7
	SHR	1,092	0.32	0.39	1
	Environment	308	0.09	0.11	0
	HR	227	0.07	0.08	0
	Total site operating cost	81,978	23.87	29.02	97
	Corporate and marketing	2,958	0.86	1.05	3
Total C1 costs		84,936	24.73	30.07	100
Vanadium offset		6,867	(2.00)	(2.43)	(8)
Total after Vanadium offset		78,069	22.73	27.64	
C3 costs	Namibian State Royalty	5,607	1.63	1.99	92
	Namibian Export Levy	519	0.15	0.18	8
Total C3 costs		6,126	1.78	2.17	100

Source: 05.01.03.04 Tumas PFS Financial Model v.61 28-01-21 Geared Release 4 - Reserve update_values_only.xls

The mining costs have been estimated by a reputable mining contractor and are comparable to costs for similar tasks quoted in South African mines. The valuation model is based at December 2020, so matches the quoted mining costs. However, under a current valuation the fuel costs would be insufficient: the model price is US\$0.52/L, whereas the current typical price is around US\$1.37/L.

The recovery of vanadium in the processing plant is treated as a credit against the working costs and in this case is estimated at US\$2/t. While the removal of vanadium is accepted due to contamination issues, consideration of its value should not be taken into account as in SRK's view there is no reasonable basis for its use in the estimation of the Ore Reserves or for valuation purposes at present. This will not significantly alter the cut-off grade applied by more than 10 ppm.

A further point with the costs that needs to be resolved concerns the processing costs. These have been calculated based on the processing flowsheet, which contains intellectual property, specific to Deep Yellow, that has not been fully proven commercially. The full status of the commercial accuracy of the processing technology and the respective costs needs to be established before using the costs in a valuation.

In the mining costs, the pre-establishment costs for the contractor have been allowed as well as the de-establishment cost. No build-up of the performance of the contractor has been built into the costs. This is not significant as there should be adequate skill levels available in Namibia to allow employment of trained operators. In the schedule a 9-month pre-production phase has been

planned before processing starts that will allow stockpiles to be built and create space in pit for the tailings facility.

The personnel costs are estimated based on a complement of 63 mining contractor staff and 240 mine site staff covering the plant, administration and site services. The overall complement of 303 persons is sufficient for the operation, when compared to a similar local site adjacent to the Project and the unit rates compare favourably to current actuals for these skills. Only 7 expatriates are used in the labour complement and are unlikely to influence the overall cost base.

The escalation of mining and other costs should not exceed the inflation parameters used in modelling and the only adjustments should be for fuel rates in both the diesel and HFO, which are currently understated. There is a surplus of available skills in Namibia due to the closure and scale back of mining operations. The same applies to availability of mining contractors due to cut backs in mining projects in South Africa. However, recent uptick in the industry has led to some mining contractors becoming unavailable, which will need to be considered in light of any change to the currently proposed project schedule.

Other cost saving opportunities include redesigning the administration services to a contract service, thereby changing the costs from a fixed cost to a variable cost.

In characterising the current cost estimates, SRK considers they are beyond a pre-feasibility level but not quite at a feasibility level due to some uncertainty in the processing and fuel costs. SRK considers the costs are within a 15% accuracy. No contingency has been included in the cost estimates as modelled.

In its 3 February 2022 ASX Announcement, Deep Yellow quoted the costs as outlined in Table 3-12.

Table 3-12: Updated operating cost estimates for Expanded Reserve

Cost Area	\$/pa (/1,000)	\$/t	\$/lb U ₃ O ₈	% Total
C1 Costs				
Mining	39,411	11.48	13.95	50%
Processing	30,655	8.93	10.85	39%
Maintenance & Engineering	4,699	1.37	1.66	6%
C & A	5,586	1.63	1.98	7%
SHR	1,092	0.32	0.39	1%
Environment	308	0.09	0.11	0%
HR	227	0.07	0.08	0%
Total Site Operating Cost	81,978	23.87	29.02	105%
Corporate and Marketing	2,958	0.86	1.05	4%
Sub-total	84,936	24.73	30.07	109%
Vanadium credit	(6,867)	(2.00)	(2.43)	(9%)
Total after Vanadium Credits	78,069	22.73	27.64	100%
All in sustaining Cost (AISC)	85,786	24.98	30.37	

Source: Deep Yellow ASX Announcement 3 February 2022

These costs have not been validated by SRK, as no detailed information has been provided. However, it should be noted that the site operating estimate per tonne (US\$23.87/t) is the same as the current valuation model provided (US\$23.87/t). This indicates that the updated fuel costs, and uncertainty in processing costs have not been addressed in Deep Yellow's ASX release dated 3 February 2022.

Mining capital costs

The mine capital costs have been estimated from the proposed layout of the mine and the processing plant and the items then priced (Table 3-13).

Table 3-13: Capital and Sustaining Capital costs (Real LOM)

Initial Capital	LOM (US\$ M)
Mining	1.0
Process plant	154.30
On-site infrastructure	5.60
Spares	5.20
First fills	3.00
Construction indirects	11.60
EPCM	32.00
Commissioning support	1.60
Owner's costs	27.50
Contingency	53.30

Source: 05.01.03.01 Tumas PFS Volume 1 FINAL.pdf

The total initial start-up capital is US\$295 M, which is mostly for construction of the processing plant. There are some capitalised pre-production costs while the mining contractor provides all the mining-related capital as part of the contract. The platework on the plant is a factored estimate and the equipment list is a detailed list.

The capital for the water and power costs is captured under the owner's cost and while the NamWater capital looks appropriate, the power capital for connection to the grid and for the heat of the leaching system appears under-estimated. The detail of the power supply is based on a contractor providing an independent project that will provide heat and power to the mine on an operating cost basis. This arrangement is not fully detailed in the PFS. While power supply was discussed in Deep Yellow's ASX announcement dated 3 February 2022 regarding ongoing work for the DFS where a trade-off study indicated there was potential for operating and capital cost savings. SRK has not been provided with this trade-off study and considers power remains to be checked against a more robust supply option. Power is the largest cost item and potential risk in the project and needs to be evaluated with a higher degree of engineering certainty as part of the DFS whereby it is expected a definitive quotation will be obtained.

Other capital items that may be under-estimated are rescue-related vehicles, fire-fighting requirements, and personnel transport requirements on site. Similarly, the capital for truck sampling and the earthworks for a ROM tip could not be identified. This detail could not be found in the Owners cost capital schedule.

In comparing the overall capital estimate to the adjacent mine with its original capital and its current estimated restart costs, the Tubas estimate is approximately 15% below that combined estimate. The capital estimate is considered to be at a pre-feasibility level at around 25% accuracy, as it is mostly based on factored estimates.

3.5.7 Environmental

RMR, as tenement manager, submitted ECC renewal applications to the Namibian authorities on 16 November 2021 for EPLs 3496, 3497 and 6820 as the permits expired in March 2022. As new ECCs are not available for review, it is assumed that these applications are still pending approval. Once ECCs are issued they are usually valid for a period of three years.

Environmental assessments and management plans

Environmental impact assessment

Since 2006, Deep Yellow has undertaken several EIA studies for the exploration projects in fulfilment of Namibian legislation including Environmental Assessment Regulations. These EIAs are conducted in support of mining licence applications. Upon approval by the Office of the Environmental Commissioner of Ministry of Environment, Forestry and Tourism (MEFT), an ECC is issued.

The EIAs and EMPs relating to RMR's tenements are contained in the following documents (RMR Exploration EMP, 2021):

- Environmental Impact Assessment and Environmental Management Plan for EPLs 3496, 3497 and 3499, August, 2006
- Environmental Overview and Environmental Management Plan for Starting Right Investments Eighty (Pty) Ltd (now called Nova Energy (Africa) (Pty) Ltd). EPLs 3668, 3669 and 3670 – January, 2007
- Environmental Impact Assessment and Draft Environmental Management Plan for the Tubas Project. Softchem – October, 2011
- Environmental Impact Assessment and Draft Environmental Management Plan for the INCA Project. Softchem – October, 2011
- Reptile Uranium Exploration Project - EPL3498 Aussinanis - July 2007. An addendum to: Environmental Impact Assessment and Environmental Management Plan for EPLs 3496, 3497 and 3499
- Environmental Impact Assessment and Environmental Management Plan for Exploration on EPL6820. PN Hooks May, 2018
- Environmental Management Plan – Annual Review and Update. August, 2015

- Environmental Impact Assessment and Scoping Report for the proposed Tumas Project and associated infrastructure in the Erongo Region of Namibia (NAMISUN, 2021)
- Exploration Environmental Management Plan for EPL3496, EPL3497, MDRL3498, EPL3669, EPL3670, EPL6820 (RMR, 2021).

The EIAs were informed by extensive studies that identified a number of potential negative impacts, none representing fatal flaws. Socio-economic benefits arising from the proposed mining activities were also identified. EMPs set out management measures aimed at mitigating identified negative environmental impacts such as land use, hydrology, air quality, flora and fauna, cultural heritage, ambient noise, visual landscapes and radiation.

Environmental management plan

Deep Yellow has prepared several EMPs between 2006 and 2020, each with specific measures aimed at avoiding and mitigating identified impacts. In December 2021, the company prepared an Exploration EMP (RMR, 2021) that covers all of RMR tenements and ensures that all aspects and impacts that may arise from exploration activities conducted on the Deep Yellow tenements are identified and appropriately managed. The 2021 Exploration EMP supersedes all the previous EMPs submitted for all the EPLs.

Baseline environmental features

The following sensitive biophysical receptors were identified during the EIAs (RMR Exploration EMP, 2021):

- All projects fall within the boundaries of the Namib-Naukluft Park, which constitutes a sensitive landscape
- Air quality baseline conditions at Tumas and Tubas area are influenced by dust carried by prevailing winds, hourly average PM₁₀ concentrations are higher during south-southwesterly winds and lower during northeasterly winds
- Gypsum soils correspond to the area where lichens grow on gravel plains, supported by fog. Gypsum crusts and lichens are most evident at the westernmost part of the Tumas area within the coastal fog zone
- The surficial uranium deposits in the EPLs are contained in sediments of ephemeral drainage courses and paleochannels mostly in the westward-draining Tumas system.

Although well-adapted to harsh conditions, the vegetation of the Namib Desert remains vulnerable to operational disturbance. Vegetation surveys conducted in the Tumas/Tubas area in 2020 identified 201 species that could be present in the area. Vegetation patches provide food and shelter, as well as migration corridors for small mammals, reptiles, and insects:

- Of the 201 species identified in the Tumas/Tubas area, 22 being legally protected species, 46 range-restricted species (endemic or near-endemic) and one listed "vulnerable" according to red-list criteria. All trees in the study area are protected, and so are the Nara plant (*Acanthosicyos horridus*), *Welwitschia mirabilis* and all succulents

- Ridges, outcrops and inselbergs are generally viewed as unique habitats for vertebrate fauna. Various geckos and rock- and crevasse-dwelling species are also associated with these landforms. The drainage lines are the lifelines for most vertebrate fauna, especially ungulates that forage along these vegetated drainage lines
- Of the 56 reptile species known to occur in the area, 14 species were confirmed during site investigations and are endemic. The most notable species are Carp's Barking Gecko, Husab Sand Lizard and Western Thread Snake
- Twelve mammal species were observed during the survey in the Tumas/Tubas area, the Round-eared Elephant Shrew and Bat-eared Fox being the most important, given that they are endemic and vulnerable. Two species are classified as endemic, one species as a specially protected game, one species as protected game, and three species as vulnerable. The IUCN Red List of Threatened Species (2020) classify one species each as vulnerable and near threatened while two species as listed by the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- Thirteen species of birds were confirmed through direct observations in the Tumas area. Of these, two species are classified as endemic and one species as vulnerable from Namibia; one species is classified as endangered by the IUCN (2020) while three species are classified as near-endemic to southern Africa. Some species have more than one classification. Most notable species are Gray's Lark, Herero Chat and Ruppell's Korhaan.

Environmental management

Deep Yellow released its first Sustainability Report in 2020, and a second in 2021. The report sets out the company's commitment to managing the environment, social and governance (ESG) pillars correctly in its pre-development project activities, including exploration, and beyond. The company and its subsidiaries have a well-established governance framework based on a suite of policies, operating procedures and systems. Informed by the environmental policy, Deep Yellow is developing an EMS that will be informed by good international industry practice requirements.

The risk management policy sets out the approach to risk management, including its approach to identifying and managing risk, the responsibilities of the Board, management and others within Deep Yellow in relation to risk management, and the resources and processes dedicated to risk management. Risk assessments, hazard identification, near-miss reporting and incident investigations form part of the overall framework (Sustainability Report, 2021).

Deep Yellow's technical management team at the Head Office includes a dedicated environmental specialist that provides strategic advice on approvals and permitting, environmental matters, environmental baseline monitoring studies, EIAs, environmental management programmes, closure planning and stakeholder consultation. RMR's Safety, Health and Environment (SHE) Manager in Namibia oversees the environmental management and monitoring of exploration and mining activities in compliance with the EMP and licence conditions.

Environmental management of the Namibian operations is conducted in accordance with the Namibian Environmental Management Act No.7 of 2007 and RMR's EMP. An Environmental Control Officer (ECO) ensures that programmes are effectively implemented with the activity and results reported bi-annually to MEFT in a timely manner. The Park wardens reportedly visit and inspect RMR tenements regularly. They provide sign-off on the rehabilitation work undertaken.

As part of its corporate social responsibility (CSR), RMR support several community projects (RMR, Sustainability Report 2021). In 2021, the company reported supporting a number of CSR projects, including Welwitschia monitoring, Vulture conservation and road safety and awareness.

Communication is maintained with key external stakeholders, including Namibian government departments such as the Ministry of Mines and Energy (MME), MEFT and the Park Authority.

Environmental monitoring and auditing

The company has taken a structured and organised approach with well-defined programmes, responsibilities and commitment aiming at effectively protecting the environment and minimising the impacts of its operations on the environment. RMR implements a number of management actions in fulfilment of Namibian law. These include:

- Environmental monitoring and periodic review of EMP and RMP
- Induction to, and toolbox meetings with, all personnel
- Assessment of environmental sensitivity of new prospecting targets
- Avoidance and/or mitigation of damage or disturbance to fauna and flora
- Rehabilitation of drill sites and tracks, which are signed off by a MEFT inspector
- Vehicle satellite tracking
- Use of fat bikes to minimise disturbance
- Monthly monitoring of Welwitschia plants
- Monthly data collection from a weather station
- Annual external audits.

Deep Yellow's uranium exploration activities are regulated in Namibia (Atomic Energy and Radiation Protection Act 5 of 20) and require the application of radiation safety procedures and protocols, as well as the management of radiation exposure to personnel, members of the public and the environment. RMR was fully compliant with its RMP during the 2021 reporting year ending 31 March 2021, as reported in the Annual Radiation Management Report to the National Radiation Protection Authority of Namibia.

RMR prepares bi-annual environmental reports for the MEFT to demonstrate its fulfilment with the Environmental Management Act No 7 of 2007 and the approved EMP. The reports for 2021 covering several of the project areas provide an update on environmental management and monitoring. The reports include feedback on high-impact activities, infrastructure development, water and waste management, radiation management, stakeholder engagement and CSR. The company reported that rehabilitation of drill sites was being conducted.

RMR contracted external Health and Safety Legal Compliance Audits in February 2020 and March 2021. The 2020 audit reportedly found a good level of compliance, especially concerning the associated high-risk conditions such as dust monitoring and environmental commitment (RMR Sustainability Report, 2020). The 2021 audit highlighted an improvement in compliance (RMR Sustainability Report, 2021).

Water

During the operational phase of the proposed Tumas Project, water will be required for the process plant, offices and change houses, as well as for the mining activities (i.e., dust suppression). It is estimated that approximately 2.2 Mm³ of water will be required on an annual basis for the mining and processing activities.

Raw water will be sourced from NamWater via a water pipeline and stored in the raw water tanks onsite. Water supply for the Project is assumed at this stage to be sourced from the NamWater desalinated supply for the processing and domestic water requirement. Up to 350,000 m³/annum of groundwater will be sourced from an area to the west of the proposed mining licence area, where significant quantities of saline groundwater have been identified. The water will need to be treated.

The main water issues that have been identified are:

- The proposed mining, processing and associated infrastructure could alter drainage patterns by reducing the volume of run-off into the downstream catchments and/or altering the flow regime of water courses. This could cause further impacts to biodiversity downstream
- There are several potential pollution sources that will have a negative impact on surface and sub-surface water quality if not effectively managed. The most significant potential contamination will be from mining and processing waste residue (i.e., tailings, WRDs and stockpiles)
- Groundwater levels could change through the dewatering of the open pits or the backfilling of pits. Also, groundwater levels could be impacted by water abstraction from either one or more aquifers (during construction and operations) for water supply to the mine. This could impact downstream water users, i.e., people (coastal towns) and ecosystems reliant on groundwater.

Heritage

Archaeological sites are scattered throughout the Namib Desert. These may be associated with places that provide shelter or water. Stone circles used as hunting blinds by the San people may also be found. Several archaeological surveys have been conducted for several of the projects.

A survey conducted by Kinahan in 2010 focused on the Tubas River and environs and identified 39 archaeological sites ranging in age from the late Pleistocene to recent. The area is of generally low archaeological significance, but some sites may require some special protection.

In 2013 a survey was undertaken of the Ongolo/Tumas area (Kinahan, 2013) and located 45 archaeological sites ranging in age from the late Pleistocene to recent or historical age. Although the area is generally of local archaeological significance, there are sites requiring special protection as they are vulnerable to encroachment and damage given their proximity to access routes and work areas.

Rehabilitation and Closure

RMR actively rehabilitates disturbed areas such as drill sites on a progressive basis. These activities are presented in bi-annual environmental reports presented to the MEFT (RMR, 2021). In terms of Section 30(2) of the Environmental Assessment regulations, a mining company is required to establish environmental and rehabilitation guarantees. A trust is set up following the granting of a mining licence for the purpose of funding environmental rehabilitation and aftercare.

3.6 Nova JV Project

3.6.1 History

The history of exploration for the Nova JV Project is summarized in Table 3-14.

Table 3-14: Exploration history for the Nova JV Project

Period	Company	Description
EPL3669		
1974–1981	Anglo American	Widely spaced ground traverses gathering geological observations, ground scintillometer, uranium in soil and radon measurements. Limited drilling, largely unsuccessful due to hole collapse and water inflow.
2006–2008	Nova Energy	Acquired ASTER imagery and collected radon gas data along four 3 km-spaced lines on EPL3699 in 2007.
2010–2011	RUN	Drilled 46 RC holes totalling approximately 7,600 m.
EPL3670		
1974–1981	Aquitaine	<ul style="list-style-type: none"> Conducted airborne radiometric survey in 1974. Conducted ground scintillometer, uranium in soil and radon gas surveys in 1976. Collected soil samples revealing uranium in excess of 80 ppm over a large area. Drilled 214 holes totalling 4,217 m; none of the data is still extant.
1974–1978	Falconbridge	<ul style="list-style-type: none"> Conducted ground radiometric and radon surveys with disappointing results. Conducted resistivity and radon surveys and percussion drilling (95 holes totalling 1,010 m); no results have been recovered.
2006–2008	Nova	<ul style="list-style-type: none"> Conducted two grid-based radon gas surveys. Acquired ASTER imagery; no exploration reports have been recovered.
2008–2016	RUN	There was no recorded activity between 2011 and the start of the current programme in November 2016, except for a one-day field assessment of the Skink prospect in 2014 (Gee, 2014).
EPLs 3669 and 3670		
2009	RUN	<ul style="list-style-type: none"> Acquired versatile time domain electromagnetic (VTEM), AEM, magnetic and radiometric in 2009. Interpretation identified numerous geophysical targets on EPL3699, which were not followed up. On EPL3670, the survey identified a major airborne radiometric U & Th anomaly (Cape Flat), as well as numerous other geophysical targets (never followed up). VTEM interpretation of magnetic data and field mapping on EPL3670 identified over 36 km of strike of prospective detachment zone. Depth to basement was extracted for both EPLs.

Period	Company	Description
		<ul style="list-style-type: none"> Drilled 18 RC holes (2011) including a line of 500 m spaced holes at Cape Flat (EPL3670) to test the U & Th anomaly. The four easternmost holes intersected radioactive rocks.
2016	RUN	<ul style="list-style-type: none"> Purchased SPOT6 satellite imagery to assist with geological mapping of EPL3699. Reprocessed VTEM data for EPL3699, which allowed the definition of previously unknown paleochannels.
2017–2018	RMR	<ul style="list-style-type: none"> Trialling of various geophysical techniques to determine suitability: <ul style="list-style-type: none"> 72 line km of gradient array induced polarisation 4.2 line km of horizontal loop EM survey 12.2 line km of Pole-Dipole Induced Polarisation 133 line km of ground magnetic survey 1,638 gravity stations. Drilling of 79 RC holes totalling 6,888 m with 602 m of NQ tails and two NQ diamond drill holes. Infra-red spectroscopic analysis of 1,386 samples from 12 drill holes. Geochemical analysis of 1,231 samples. Optical microscopic examination of 78 samples. Petrophysical measurements of 5 samples from one drill hole.
2019–2020	RMR	<ul style="list-style-type: none"> Geological mapping, leading to the rediscovery of Falconbridge's Kuiseb prospect, and drill hole collars for 75 abandoned drillholes, which were then relogged: <ul style="list-style-type: none"> Drilling of 75 holes totalling 4,009 m on EPL3669. Drilling of 153 holes totalling 3,009 m on EPL3670. Modelling of airborne magnetic data by consultant Klaus Knupp to better understand geological structure and assist in positioning of drill holes. Petrographic analysis completed on samples from 16 drill holes by consultant Graham Teale. Ground radiometric surveys conducted over specific areas. Reprocessing of 100 spectra of infra-red data from three RC drill holes by Ausspec. X-ray analysis of 10 samples of "clay" from two drill holes by Microanalysis Australia to determine which clay minerals are present.
2021	RMR	Barking Gecko – Phase 1: 14 RC drill holes totalling 3,56 m completed. Resulted in delineation of strike length. Phase 2 consisting of a further 3,500 m is planned.
2022	RMR	Barking Gecko – Phase 2: 10 RC holes and one diamond-tailed RC hole, together totalling 2,272 m, were completed. Results used to define spatial setting and possible extent of strongly mineralised alaskite intrusions.

Source: Wilde (2018), Wilde, (2020), Deep Yellow ASX releases (2021, 2022)

3.6.2 Local geology and mineralisation

The EPLs held by the Nova JV are in close proximity to the Reptile Project's licence areas and the regional geology described in Section 3.5.2 is also relevant to the Nova JV. The mineralisation styles that are being targeted by the exploration programmes are the same basement/alaskite styles exemplified by the Rössing and Husab Mines and the MS7 and Ongolo deposits, the Inca-style skarn hosted mineralisation, and the paleochannel surficial calcrete-style targeted at Langer Heinrich Mine and the Reptile Project's Tumas Tubas deposits.

The target generation has been informed by a range of geophysical surveys, surface soil sampling and geological mapping of the tenements. Several targets have been identified on each of the EPLs and these are illustrated in Figure 3-12, Figure 3-13 and Figure 3-14. For some of the targets, initial drilling has commenced to test the grades and evidence of mineralisation. The work undertaken on these targets is summarised in Table 3-15.

No Mineral Resources have been defined on these EPLs to date. The results for the paleochannel exploration have not indicated any significant potential, due to either low grades encountered, or relatively limited tonnages. Of the basement/alaskite targets, the Barking Gecko target currently appears to be the most promising, with a zone in excess of 4 km strike length with anomalous uranium and base metal content, locally high chargeability (high sulphide content) and a high density of quartz veins. The full extent and orientation of this mineralisation has not yet been defined; it remains open in all directions, and further drilling will be required to provide an assessment of the likely tonnage contained in this body.

Figure 3-12: EPL3669 including the adjacent Reptile Project targets

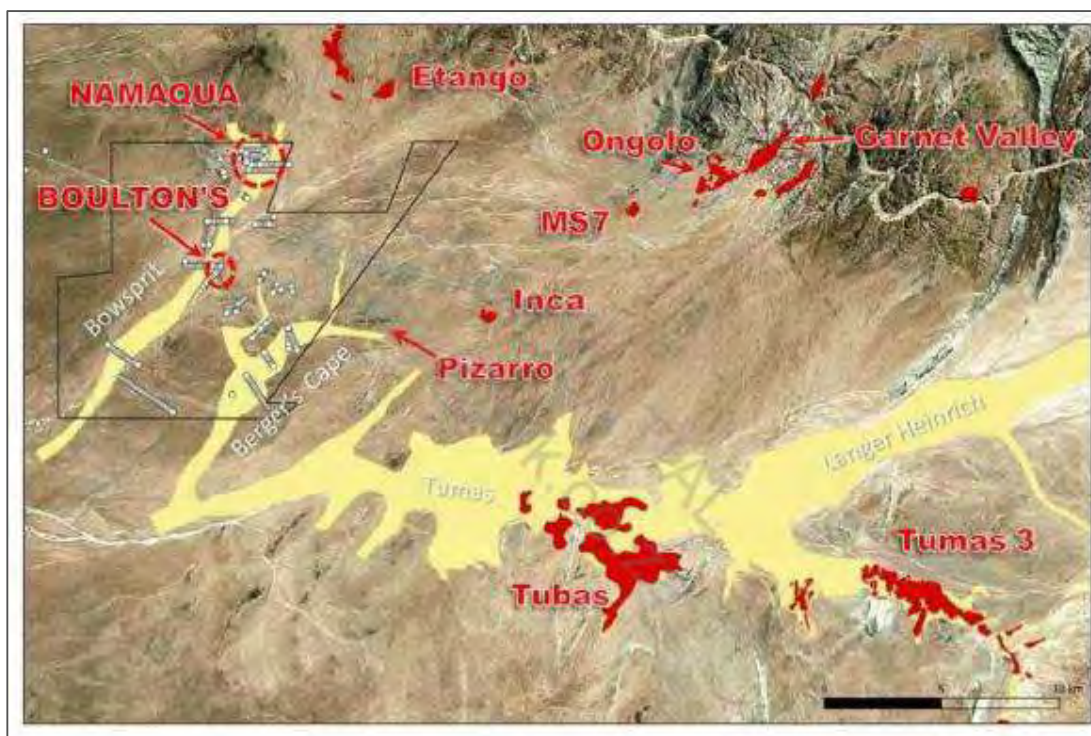
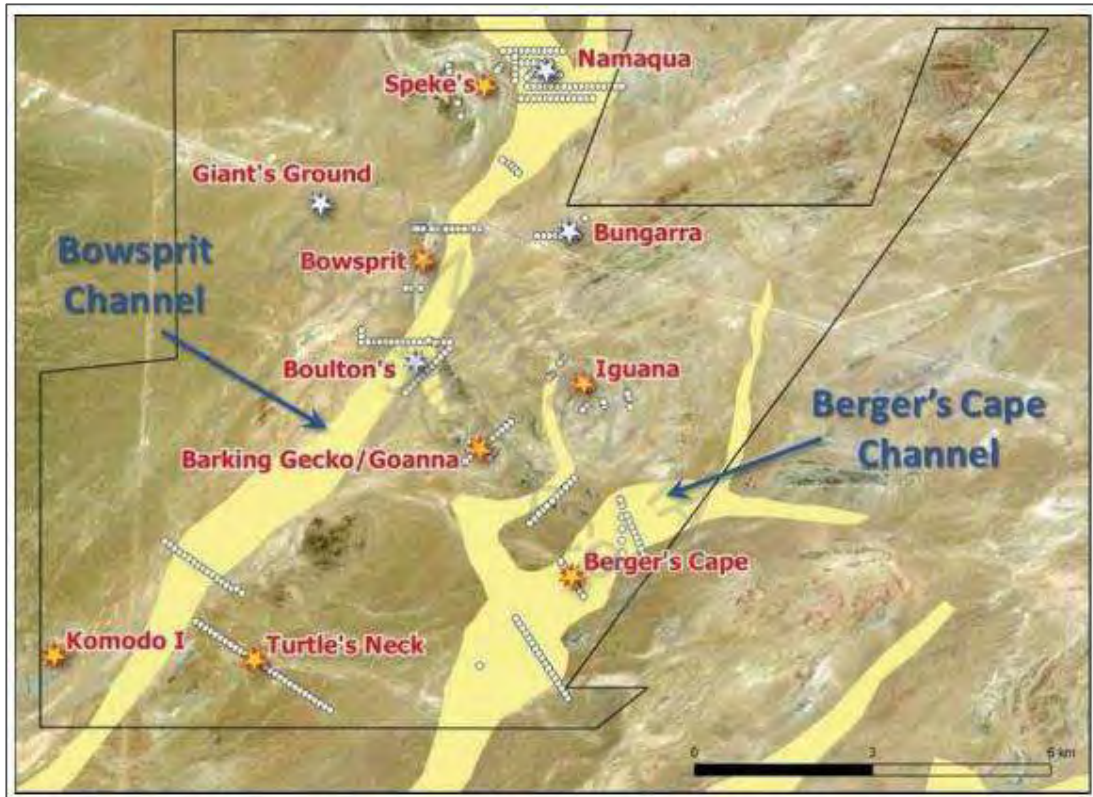


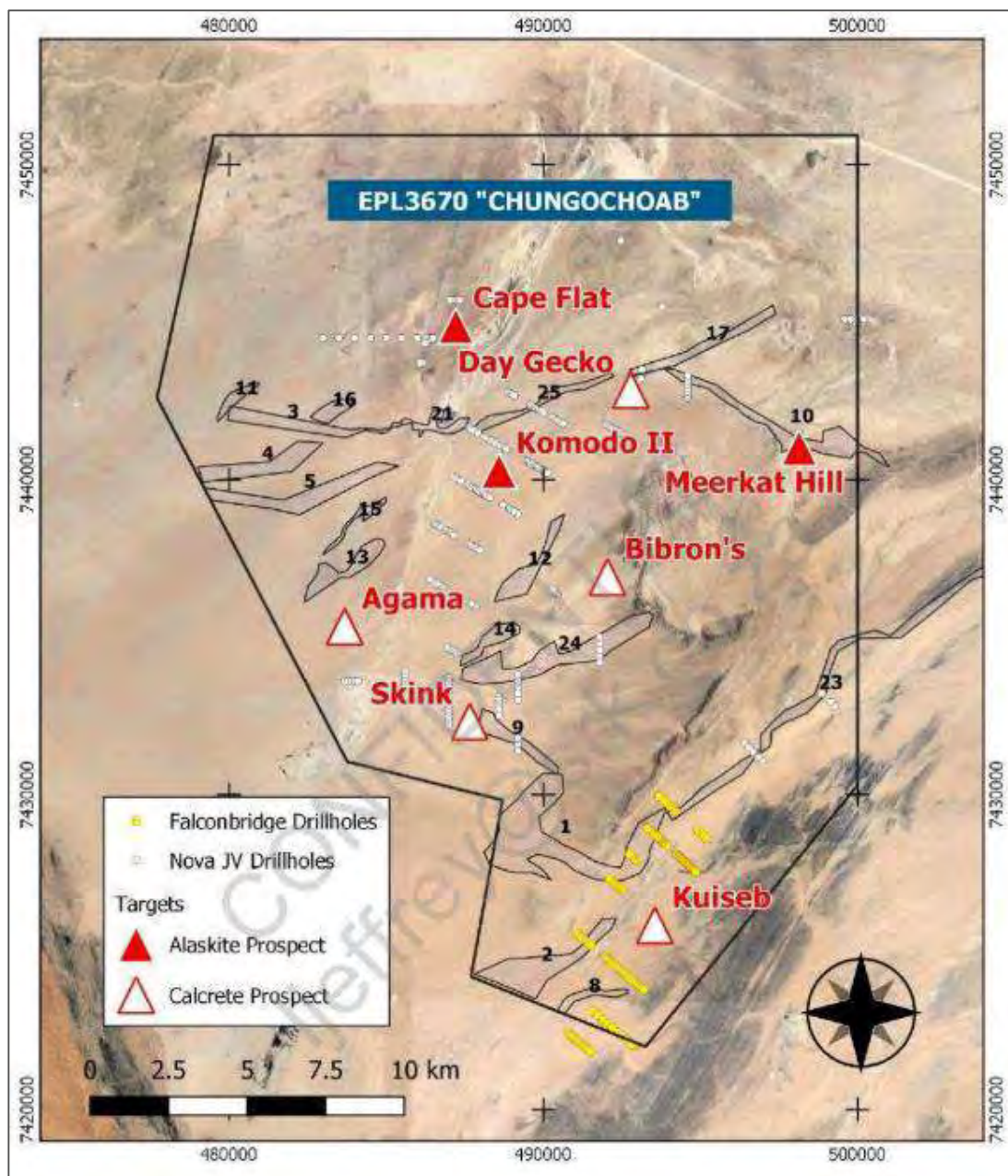
Figure 3-13: Exploration targets being explored at EPL3669



Note:

- Yellow stars – basement targets
- White stars – paleochannel and surficial targets
- White dots – drill holes (includes some drilled prior to 2017).

Figure 3-14: Location of targets in EPL3670



Note:

- Black outlines are JOGMEC surface temperature difference targets based on ASTER thermal imagery
- Nova drillholes include some drilled prior to JOGMEC's involvement in the JV.

Table 3-15: Identified targets and main work carried out between 2017 and 2020

Type	Name	Number of drill holes	Average depth (m)	Total length (m)	Ground geophysics				Soil	Comments on work carried out
					GAIP/PDIP	HLEM	Magnetics	Gravity		
EPL3669										
Alaskite	Speke's	9	170	1,530	45/2.9 line km	4 lines	23 line km	No	No	
	Barking Gecko/Goanna	49	169	8,321		No	No	No	No	Four lines from airmag survey inverted and modelled.
	Bowsprit Basement Target	10	161	1,609		Yes (included below)	Yes (included below)	Yes (included below)	No	
	Iguana	18	85	1,445	No	No	No	No	No	
	Turtle's Neck	28	38	1,054	No	No	No	No	No	
	Komodo I	0	0	0	No	No	No	No	No	Airborne radiometric anomaly only. No drilling or geophysics.
Paleochannel/ Surficial	Bowsprit Channel (including Boulton's)	63	71	4,458	Yes (included in above)	3 lines	110 line km	1,638 stations	No	Partial coverage by GAIP survey, gravity & ground magnetics. Some holes also test the Bowsprit basement target.
	Berger's Cape Channel	42	78	3,231	Yes (included in above)	No	No	No	No	Partial coverage by GAIP survey. Some holes tested alaskite potential.
	Bungarra	8	140	1,120	No	No	No	No	No	
	Giant's Ground	0	0	0	No	No	No	No	No	Airborne radiometric anomaly only. No drilling or geophysics.
	Namaqua	64	36	2,322	No	No	No	No	Ultrafine^{+} & Ionic Leach	

Type	Name	Number of drill holes	Average depth (m)	Total length (m)	Ground geophysics				Soil	Comments on work carried out
					GAIP/PDIP	HLEM	Magnetics	Gravity		
EPL3670										
Alaskite	Cape Flat	32	202	6,464	27/7.8 line km	2 lines	No	No	Ionic Leach	Includes some historic drilling. EM = SMARTEM.
	Komodo II	96	21	1,980	No	No	No	No	No	NB some holes tested the Day Gecko channel
	Meerkat Hill	4	49	196	No	No	No	No	No	
Paleochannel /Surficial	Skink Channel	49	18	880	No	No	Yes	317 stations	Historic	Partial coverage by orientation gravity/mag survey.
	Day Gecko Channel	33	16	515	No	No	No	No	No	See also Komodo II
	Bibron's	13	15	201	No	No	No	No	No	
	Kuiseb Channel	0	0	0	No	No	No	No	No	No new drilling. 95 old holes gamma-logged by RMR.
	Agama	3	291	873	No	No	No	No	No	
Total		508	81	32,990						

Source: Nova JV Annual Report for the period April 2020 to March 2021

3.6.3 Environmental

Permitting and approvals

RMR, as manager of the tenements, submitted ECC renewal applications to the Namibian authorities on 16 November 2021 for EPL3669 and EPL3670 prior to their expiry in early 2022. As new ECCs are not available for review, it is assumed that these applications are still pending approval. Once ECCs are issued they are usually valid for a period of three years.

Environmental assessment and management plan

An Environmental Overview and EMP for Starting Right Investments Eighty (Pty) Ltd, now called Nova Energy (Africa) (Pty) Ltd, was prepared in January 2007 (RMR EMP, 2021). This document covered the EPLs 3668, 3669 and 3670.

In December 2021, the company prepared an Exploration EMP that ensures that all aspects and impacts that may arise from exploration activities conducted on the Nova JV tenements are identified and appropriately managed. The 2021 Exploration EMP supersedes the EMP that was submitted for Nova JV project areas in 2007.

Baseline environmental features

The Nova JV projects fall within the boundaries of the Namib-Naukluft Park, which constitutes a sensitive landscape. As detailed in Section 3.5.7, the baseline environment comprises unique and vulnerable biophysical features. Most notable is the vegetation of the Namib Desert that provides food and shelter, as well as migration corridors for small mammals, reptiles, and insects. All trees in the area are protected, as is the Nara plant (*Acanthosicyos horridus*), *Welwitschia mirabilis* and all succulents. The most important habitats to be avoided by prospecting and mining operations (where possible) are the ridges, inselbergs and valley slopes, large ephemeral rivers, coastal wetlands, springs and ephemeral pans, caves and isolated sand patches and dunes. Several bird species also occur in the area.

Environmental management

The Nova JV projects operate within the Deep Yellow governance framework based on a suite of policies, operating procedures and systems. Informed by the environmental policy, the Deep Yellow is developing an EMS that is aligned to good international industry practice requirements. The risk management policy sets out the approach to risk management, with risk assessments, hazard identification, near-miss reporting and incident investigations forming part of the overall framework (Sustainability Report, 2021).

The Nova JV projects are supported by Deep Yellow's dedicated environmental specialist who provides strategic advice on approvals and permitting, environmental matters, environmental baseline monitoring studies, EIAs, environmental management programmes, closure planning and stakeholder consultation. Environmental management is conducted in accordance with the Namibian Environmental Management Act No.7 of 2007 and the RMR 2021 Exploration EMP. An ECO ensures that programmes are effectively implemented with the activity and results reported bi-annually to the MEFT in a timely manner. The Park Wardens reportedly visit the projects regularly, including inspection of the licences. They provide sign-off on the rehabilitation work undertaken.

Environmental monitoring and auditing

At the Nova JV projects, RMR monitors plans and programmes in fulfilment of Namibian law. These are listed in Section 3.5.7 and include environmental monitoring and periodic reviews of EMPs and RMPs, avoidance and/or mitigation of damage or disturbance to fauna and flora; and rehabilitation of drill sites and tracks.

RMR was fully compliant with its RMP during the 2021 reporting year ending 31 March 2021, as reported in the Annual Radiation Management Report to the National Radiation Protection Authority of Namibia (RMR Sustainability Report, 2021).

RMR prepared bi-annual environmental reports for the MEFT to demonstrate its fulfilment with the Environmental Management Act No 7 of 2007 and the approved EMP. The reports for 2021 include feedback on high-impact activities, infrastructure development, water and waste management, radiation management, stakeholder engagement and CSR. The company reported that rehabilitation of drill sites was being conducted. These reports included activities under MDRL3498 (Aussinanis), which forms part of the Yellow Dune JV Project.

RMR contracted external Health and Safety Legal Compliance Audits in February 2020 and March 2021. The 2020 audit found a good level of compliance, especially concerning the associated high-risk conditions such as dust monitoring and environmental commitment. The 2021 audit highlighted an improvement in compliance (Sustainability Report, 2021).

Water

Water will be abstracted from the paleochannel underground with the option to top up from NamWater. This will need extensive work to firm up the volumes that are available to sustain the mine with water as this water supply assumption is ten years old. Groundwater drilling and yield estimation needs to be studied further and negotiations with NamWater need to be restarted.

Due to the proximity to the Namib-Naukluft National Park, the potential issues around contamination of the surface and groundwater sources will need to be better understood.

3.7 Yellow Dune JV Project

The Yellow Dune JV consists of a single granted MDRL (MDRL3489). The deposit has been completely drilled out and all drill sites rehabilitated; the main access tracks will be rehabilitated once they are no longer in use.

Very limited geological and exploration information was supplied for the Yellow Dune Project. Information pertaining to the Aussinanis deposit included a consultant's report and an accompanying block model (but with no drill hole or other supporting data). The Aussinanis deposit is a paleochannel-style mineralisation that has been explored through 3,922 RC holes and which were assayed using downhole gamma radiometric determination, and 6,955 XRF assays (no details of the laboratories or XRF procedures were provided).

The report details a preliminary estimate, which does not appear to be a compliant Mineral Resource estimate as the author of the report does not take responsibility for the exploration data, does not address RPEEE, and does not declare a Mineral Resource, but does provide tabulations of classified tonnage, grade and metal contents at a range of cut-off values. SRK was able to

replicate the tonnes and grades reported from the block model provided but cannot verify the reliability of the estimates. The estimation approach is described in the report and is similar to that detailed for the paleochannel deposits of the Reptile Project.

SRK notes that Deep Yellow's combined Mineral Resource estimate for the Aussinanis Project totals 18.0 Mlb of U_3O_8 averaging 237 ppm U_3O_8 .

The Mineral Resource estimate for the Aussinanis deposit as reported by Deep Yellow in its ASX Announcement of 31 March 2022 are set out in Table 3-16, reported and classified in terms of JORC (2004). No information was provided by Deep Yellow for SRK's review of the Aussinanis deposit.

Table 3-16: Deep Yellow's Mineral Resource estimates for the Aussinanis Project

Classification	Mineralisation Style	Deposit	Cut-off (U_3O_8 ppm)	Tonnage (Mt)	U_3O_8 (ppm)	U_3O_8 (Mlb)
Indicated	Paleochannel	Aussinanis	150	5.6	222	2.7
Inferred	Paleochannel	Aussinanis	150	29.0	240	15.3
Total				34.6	237	18.0

Note:

- The Mineral Resources are reported above a cut-off as detailed in the table.
- Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The Mineral Resources are reported *in situ*, and inclusive of any Mineral Reserves which may be derived therefrom.

The recoverable tonnes estimated above a 150 ppm cut-off (the report does not specify a cut-off) represents between 1% and 18% of the total estimate's tonnage, with the mean of 5% above the cut-off.

3.8 Shiyela Iron Project

Deep Yellow's Shiyela Iron Project consists of a single granted Mining Lease (ML176) granted on 5 December 2012 for a 15-year period and targeting base and rare metals, precious metals and industrial minerals. In 2008, Deep Yellow's subsidiary, RMR identified a substantial area of magnetite mineralisation approximately 45 km by road from the Walvis Bay seaport and 10 km for the Kuiseb electrical substation. Subsequent drilling programs delineated a combined Indicated and Inferred Mineral Resource for 115.1 Mt iron ore at 16 to 22% Fe_3O_4 contained within 3 deposits (Deep Yellow ASX Announcement dated 18 December 2012). Several stages of Scoping level studies including resource drilling, resource studies, metallurgical testwork and economic studies followed (refer Deep Yellow's ASX announcement dated 21 December 2012).

This testwork demonstrate that the magnetite is able to be recovered to a product grade of 68% Fe and the hematite to a grade of 61% Fe. It is expected that up to 85% of the contained iron will be able to be recovered.

As noted previously, on 22 October 2021, Deep Yellow announced an option agreement for the sale of Shiyela shares to Hylron Green Technologies (Pty) Ltd (Hylron) under an Exclusivity Agreement with a twelve-month option to allow for due diligence work and various other studies by Hylron. The agreement is between RMR and Oponona Investments (Pty) Ltd (each holding 95% and 5% respectively of the shares in Shiyela). The option attracted a US\$100,000 fee and may be extended for a further six months on payment of an additional US\$50,000. At the end of the option period, Hylron will have the right to purchase all the Shiyela shares. The price will be in the range of US\$5 M to US\$3 M and will be finally determined based on the prevailing trading price of 62% Fe Fines.

4 Other considerations

4.1 Commodity prices

For the purposes of this valuation, SRK has carried out limited analysis of recent U_3O_8 markets. This analysis reflects the prevailing conditions and is considered reasonable to support the opinions and conclusions presented in this Report.

4.1.1 Uranium

Unlike most other commodities, the uranium price does not trade on an open, liquid market. As such buyers and sellers negotiate contracts privately so prices are published by independent market consultants. Contract pricing is mostly common on long term supply basis among energy companies who require the long-term security of supply to justify development of new nuclear power plants, for example. Given this security, the long-term supply contracts are priced at a premium to spot pricing.

According to the Australian Government's Office of Chief Economist *Resources and Energy Quarterly (March 2022 Edition)*, a long period of low prices has resulted in many uranium projects being deferred or cancelled, leading to expected uranium shortfalls in the near to medium term.

In terms of consumption, nuclear power development is being adopted by a broader array of countries, with several building nuclear power for the first time, or pivoting back to it. Among the latter countries is France, where six new nuclear reactors will be constructed, with a further eight under consideration. Uptake is also growing in other parts of Europe, with:

- a small modular reactor schedule for deployment in Poland from 2029
- fuel loading has commenced at the Ostrovets Plant's second reactor in Belarus
- Finland's Olkiluoto unit 3 has started supplying electricity to the national grid
- The Slovenian Government has announced it is to close all coal-fired power plants by 2033 and will construct a nuclear plant as a replacement.

China continues to progress with numerous reactors.

Several reactors reached scheduled closure in late 2021 including Russia's Kursk 1, Scotland's Hunterston B and in Germany (the Brokdorf, Grohnde and Gundremmingen C).

On balance, uranium consumption is expected to remain largely steady at around 90,000 t annually, with growth increasing from the late 2020s.

In terms of production, large suppliers are shifting back towards full production with Cameco announcing the re-commencement of production at McArthur River. Prior to the current conflict, Ukraine's Government announced a program to make the country self-sufficient in uranium by 2027. Kazakhstan faced significant public protests in early 2022 impacting potential future supply and introducing price risk. Supply shortfalls may emerge as existing mines gradually deplete over the medium term. Uranium mines typically require an extensive approvals process, potentially drawing out supply shortages over the longer term and creating a baseline for structurally higher prices in the late 2020s. This shortfall could lead to prices spiking significantly above forecast levels, albeit global reserves remain high among major importers.

Uranium prices have lifted in recent months supported by greater investor interest in the uranium spot market. Broker consensus forecasts for spot uranium prices to reach between US\$48 per lb and US\$65 per lb by 2025, with a median of US\$58 per lb.

Prospects for additional output in Australia over the longer term are mixed. Of the four potential mines granted permits in Western Australia, three have now seen their permits lapse due to a failure to pass key milestones for "substantial commencement" of the projects. The only remaining deposit is Vimy's Mulga Rock Project which has achieved sufficient progress to continue, with Vimy forecasting production from 2025. Cameco has announced that it remains committed to its proposed mine in Yeelirrie, and has requested an extension to Western Australian Government approvals processes.

Reopening of the Honeymoon mine in South Australia also remains a prospect.

Overall mining exploration fell to A\$3 M in December Quarter 2021, continuing a trend of low exploration spending in recent years. Growth in uranium exploration is expected if uranium prices continue to rise.

Figure 4-1: Uranium prices (US\$/lb) over the past 10 years



Source: Dailymetalprice.com (accessed 5 April 2022)

4.2 Previous valuations

The VALMIN Code (2015) requires that an Independent Valuation Report should refer to other recent valuations or IERs undertaken on the mineral properties being assessed.

In December 2016, SRK prepared an ISR relating to the mineral assets of Vimy. Only Vimy's Mulga Rock Project was considered in SRK's 2016 report. SRK note that for that report it adopted the following implied values; Reserves (low-preferred – high) A\$1.76/lb – A\$2.21/lb – A\$2.31/lb; Resources (low-preferred – high) A\$0.87/lb – A\$0.91/lb – A\$1.83/lb; and tenure area (low-preferred – high) A\$428/km² – A\$1,321/km² – A\$2,147/km².

Given differences in the spot price between the October 2016 and April 2022, the normalised implied values would then increase to Reserves (low-preferred – high) A\$4.52/lb – A\$5.67/lb – A\$5.93/lb; Resources (low-preferred – high) A\$2.23/lb – A\$2.34/lb – A\$4.70/lb; and tenure area (low-preferred – high) A\$1,098/km² – A\$3,390/km² – A\$5,510/km²

SRK is not aware of any other publicly reported valuations relating to the Projects which are the subject of this Report.

5 Valuation of mineral assets

The objective of this section is to provide Deloitte with a market valuation of Vimy and Deep Yellow's mineral assets. SRK has not valued Vimy or Deep Yellow, these being the corporate entities which are the beneficial owner of the mineral assets considered in this report.

In assessing the technical aspects relevant to this Valuation, SRK has relied on information provided by Vimy and Deep Yellow, as well as information sourced from the public domain, SRK's internal databases and SRK's subscription databases.

In determining the appropriate parameters for valuation, SRK has considered the assessments that might be made by a willing, knowledgeable and prudent buyer in assessing the value of the Projects and the Project's associated tenure.

5.1 Valuation approaches

While the VALMIN Code (2015) states that the selection of the valuation approach and methodology is the responsibility of the Practitioner, where possible, SRK considers a number of methods. The aim of this approach is to compare the results achieved using different methods to select a preferred value within a valuation range. This reflects the uncertainty in the data and interaction of the various assumptions inherent in the valuation.

The VALMIN Code (2015) outlines three generally accepted Valuation approaches:

- Market Approach
- Income Approach
- Cost Approach.

The Market Approach is based primarily on the principle of substitution and is also called the Sales Comparison Approach. The mineral asset being valued is compared with the transaction value of similar mineral assets under similar time and circumstance on an open market (VALMIN Code 2015). Methods include comparable transactions, metal transaction ratio (MTR) and option or farm-in agreement terms analysis.

The Income Approach is based on the principle of anticipation of economic benefits and includes all methods that are based on the anticipated benefits of the potential income or cashflow generation of the mineral asset (VALMIN Code 2015). Valuation methods that follow this approach include DCF modelling, Monte Carlo Analysis, Option Pricing and Probabilistic methods.

The Cost Approach is based on the principle of cost contribution to value, with the costs incurred providing the basis of analysis (VALMIN Code 2015). Methods include the appraised value method and multiples of exploration expenditure, where expenditures are analysed for their contribution to the exploration potential of the mineral asset.

The applicability of the various valuation approaches and methods vary depending on the stage of exploration or development of the mineral asset, and hence the amount and quality of the information available on the mineral potential of the assets. Table 5-1 presents the various valuation approaches for the valuation of mineral assets at the various stages of exploration and development.

Table 5-1: Suggested valuation approaches according to development status

Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

Source: VALMIN Code (2015)

In general, these methods are accepted analytical valuation approaches that are in common use for determining Market Value (defined below) of mineral assets, using market-derived data.

The 'Market Value' is defined in the VALMIN Code (2015) as, in respect of a mineral asset, the amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should change hands on the Valuation date between a willing buyer and a willing seller in an arms-length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. The term Market Value has the same intended meaning and context as the International Valuation Standards Committee's (IVSC) term of the same name. This has the same meaning as Fair Value in Regulatory Guide (RG) 111. In the 2005 edition of the VALMIN Code this was known as Fair Market Value.

The 'Technical Value' is defined in the VALMIN Code (2015) as an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations. The term Technical Value has an intended meaning that is similar to the IVSC term Investment Value.

In summary, the various recognised valuation methods are designed to provide an estimate of the mineral asset or project value in each of the various categories of development. In some instances, a particular mineral asset or project may comprise assets, which logically fall under more than one of the previously discussed development categories.

In estimating the value of Vimy and Deep Yellow's projects as at the Valuation Date, SRK has considered various valuation methods within the context of the VALMIN Code (2015). SRK's valuation basis is presented in Table 5-2.

Table 5-2: SRK's adopted Valuation basis

Project	Development Stage	Description	Valuation basis
Vimy	Pre-Development	Mineral Resources	Market: Comparable Transactions Cost: Yardstick Factors
	Early to Advanced Exploration	Exploration Potential (Area remaining outside of the Resources)	Market: Comparable Transactions Cost: Geoscientific Rating
Deep Yellow	Advanced Exploration/ Pre-Development	Mineral Resources	Market: Comparable Transactions Cost: Yardstick Factors
	Early to Advanced Exploration	Exploration Potential	Market: Comparable Transactions Cost: Geoscientific Rating and Multiples of Exploration Expenditure

Source: SRK Analysis, 2021

5.2 Supporting information for the Valuation of Mineral Assets

5.2.1 Comparable Transaction analysis - Resources

SRK has compiled a list of transactions involving broadly similar U₃O₈ exploration projects using its internal databases, as well as the S&P Capital IQ Pro subscription database to support Deloitte's assessment of the Market Value of Vimy's and Deep Yellow's defined Mineral Resources (Table 5-3 and Table 5-4).

The implied transaction multiples for Mineral Resources are expressed in A\$/lb U₃O₈ terms. The implied multiples are calculated using the transaction value (at the implied 100% acquisition cost) and the total contained pounds of U₃O₈ in defined Mineral Resource supporting the transaction. The implied transaction multiple was then normalised to the average monthly spot U₃O₈ price as at the date of the valuation.

Importantly, while transaction multiples are widely used in valuation, they rely on the assumption that the defined Mineral Resources have been appropriately reported and can be taken at face value. As such, the method assumes that differences in reporting regimes, between different Competent Persons, resource classification, metal recovery and adopted cut-off grades (which may change between assets and/or companies) do not materially influence the implied multiple. The method implicitly assumes total recoverability of all metal tonnes/ounces, as reliable and accurate

data is generally not disclosed or available around the time of most transactions or for all companies. Importantly, SRK's implied value calculations are for the purposes of its valuation and do not attempt to estimate or reflect the metal likely to be recovered as required under the JORC Code (2012).

SRK notes that due to the paucity of transactions, it has considered a wider 'lookback' window than would normally be the case. In this instance, it has placed greater weighting on the values implied by more recent transactions.

Australian Uranium Projects

To remove fluctuations in the uranium price between the transaction and valuation dates, SRK has normalised transaction multiples to the prevailing monthly average spot price.

In consideration of Vimy's Mulga Rock Mineral Resource, SRK has considered transactions involving Australian U_3O_8 assets. SRK considers the recent market has been paying in the range A\$0.05 to A\$4.06/lb U_3O_8 for *in situ* uranium resources in Australia which are broadly comparable to those at Mulga Rocks. Analysis of the normalised dataset indicated the median is A\$0.154/lb U_3O_8 , while the average is A\$0.987/lb U_3O_8 , the 25th percentile and 75th percentile are A\$0.107/lb U_3O_8 and A\$1.213/lb U_3O_8 , respectively. The weighted average is A\$1.875/lb U_3O_8 .

Based on its review of the relevant dataset, SRK notes the following:

- Lower resource multiples tend to be associated with projects that are at a significantly earlier stage of assessment or comprise predominantly Inferred Mineral Resources when compared to the Mulga Rock Project
- Higher resource multiples tend to be for projects which are either in production or on care and maintenance. As such there is associated infrastructure associated with the project including processing facility, tailings facilities and associated infrastructure.
- The Mulga Rock project has defined Ore Reserves, has completed a Feasibility Study (albeit remaining to be optimised) and has most of the regulatory permits in place to allow for the project to be rapidly progressed towards production given favourable market conditions.
- Both the Four Mile and Honeymoon transactions involve near production assets based on *in situ* recovery (ISR) methods, which tend to be of lower end of the uranium production cost curve and significantly lower environmental liabilities relative to conventional open pit or underground mining operations. It would therefore be reasonable to assume that the Mulga Rock Project would be a higher cost producer than either Honeymoon Well or Four Mile and thus attract a slightly lower resource multiple.
- The Carley Bore and Samphire Project albeit at an earlier development stage than either Four Mile and Honeymoon Well both contemplate eventual extraction based on ISR, (albeit that the Samphire project was also considering open pit mining at the time of the transaction).
- Comparison of open pit mines (such as that proposed at Mulga Rock) relative to ISR operations indicate that for an ISR mine, almost half of the fully allocated cost (C3) is capital in establishing the operation, another quarter is sustaining capital and only just over a quarter is the basic cash operating cost (C1). With open pit mines the basic C1 operation is a significantly higher proportion (around 70%) and only 20% capital is assigned to establishing the operation, with around a further 10% in sustaining capital.

- The environmental liabilities associated with an ISR operation tend to be very small when compared to a conventional uranium mining operation, in part due to the lack of a tailing storage facility for which significant work is required to ensure the naturally occurring daughter radionuclides are not released to the environment.
- In considering the multiple to apply to Mulga Rock, SRK note the presence of potentially economic quantities of base metals associated with the uranium ores at Mulga Rock. Importantly, these cannot be selectively mined and would be mined concurrently with the uranium ores. The payability of these base metals would need to be demonstrated prior to the commencement of mining.
- In considering the value of the Mulga Rock Project, SRK also notes Paladin's sale of a 30% interest in the Manyingee Project in 2016 which was ultimately withdrawn, however is still considered instructive. The terms of this agreement implied a raw value of A\$1.28/lb which when normalised equates to A\$3.30/lb. Manyingee is considered by SRK to be a close analogue to Mulga Rock.
- In considering the multiple to apply to the Alligator River Project, SRK notes the significantly higher grade at Angularli Mineral Resource relative to Mulga Rock and most of the transacted assets (including Four Mile and Honeymoon Well). In this regard, Angularli is of a similar grade (albeit a lower classification) to the Angela, Bigryli and Malawiri deposits, which are all sandstone hosted roll-front type uranium deposits in the 2019 Marencia transaction

In light of the foregoing discussion, SRK considers an appropriate multiple to apply to the Mulga Rock project is A\$1.90/lb \pm 20% (to inform the low and high end of the range), based on the weighted average of the transaction dataset and taking account of the relevant factors associated with the Mulga Rock Project. This is a subjective assessment based on our professional judgement which recognises the comparatively de-risked technical nature of the Project (which Vimy has shown can be mined when market conditions are favourable) and as such should be somewhat higher than many of the Australian pre-production assets which have transacted recently.

For the Angularli deposit, SRK has elected to adopt a preferred value of A\$1.00/lb in the range A\$0.80 to A\$1.20/lb, based on the average of the transaction data set and in recognition of the high grade, but lower confidence and level of technical study at Angularli relative to several of the transactions.

Southern African Uranium Projects

Based on its analysis, SRK considers the recent market has been paying in the range A\$0.006/lb to A\$9.50/lb U₃O₈ for similar *in situ* uranium resources to those held by Deep Yellow. Analysis of the normalised dataset (post-2015) indicated the median is A\$0.375/lb U₃O₈, while the average is A\$1.48/lb U₃O₈, the 25th percentile and 75th percentile are A\$0.097/lb U₃O₈ and A\$1.618/lb U₃O₈, respectively. The weighted average is A\$1.524/lb U₃O₈.

Based on its review of the relevant dataset, SRK notes the following:

- Lower resource multiples tend to be associated with projects that are at a significantly earlier stage of assessment or comprise predominantly Inferred Mineral Resources when compared to the Tumas and Tumas (as well as Omahola) mineralisation within the broader Reptile Project
- Higher resource multiples tend to be for projects which are either in production or on care and maintenance as there is installed infrastructure associated with the project which may include a processing facility, tailings facilities and mining or processing related infrastructure.
- The majority of transactions (with the exception of those relating to Etango and older transactions at Langer Heinrich and Husab) involve significantly smaller contained U₃O₈ metal (on Milb basis) than presently defined collectively at Tumas, Tubas and Omahola.
- The majority of transactions involved Measured, Indicated and Inferred Mineral Resources.
- The majority of transactions involve projects at a similar or higher grade than at the Tumas and Omahola projects.
- Most transactions envisage extraction via open pit mining methods.
- The majority of recent transactions (post-2016) involve assets in countries other than Namibia (i.e. Malawi, Niger, Tanzania and Zambia) with differing geological attributes and hence not directly comparable to Deep Yellow's Namibian assets.
- Many of the transactions involving similar Namibian assets occurred prior to 2015 and hence are more distal to the Valuation Date and may have occurred in different market conditions to those which currently prevail.
- The most recent Namibian transaction is the sale of a royalty interest at Etango in July 2021, which is unlikely to be directly comparable to a whole of asset sale, as contemplated by the Market Value concept.
- In considering the value of the Tumas Project, SRK also notes Paladin's intended restructuring deal under which CNNC would acquire an additional 24% interest in Langer Heinrich mine for US\$175 M in 2016 which was ultimately withdrawn, however is still considered instructive. The terms of this agreement implied a raw value of A\$5.48/lb, which when normalised equates to A\$5.30/lb. Langer Heinrich is located in close proximity to Tumas but was in operation at the time of this transaction.
- The Kayelekera transactions include established infrastructure which at the time of the transactions was being maintained under a care and maintenance regime.
- Like at Tumas, many of the transactions envisage future production is to be derived from several deposits.
- The resultant comparable dataset albeit small, implies a wide range of values ranging from A\$1.64/lb to A\$9.50/lb, but including assets in operation and targeting either palaeochannel and/or basement uranium mineralisation.
- In general transactions involving paleochannel hosted mineralisation attract a higher multiple than those relating to basement style mineralisation.

In light of the prevailing discussion, SRK considers a higher multiple should apply to the paleochannel Mineral Resources at the Tumas Project (Tumas and Tubas Mineral Resources) compared to the multiple for the Omahalo Project. On this basis, SRK considers an appropriate multiple for the paleochannel deposits within the Tumas Project is A\$1.20/lb \pm 20% (to inform the low and high end of the range), while for the basement deposits within the Omahola Project is A\$0.80/lb \pm 20% (to inform the low and high end of the range), based on the values implied by the African transaction dataset and taking account of the relevant factors associated with the Project.

On a weighted average basis, this implied an overall value of approximately A\$1.00 \pm 20% (to inform the low and high end of the range) for the Reptile Project (comprising the Tumas Project, Omahalo Project and Reptile Exploration Project). This assigned range reflects the PFS (advancing to DFS) status of the Tumas Project, the applied cut-off grade (100 ppm U₃O₈) assigned to the publicly reported Mineral Resources and uncertainties raised by SRK in verifying the Mineral Resource estimates.

For the Aussinanis deposit, SRK has elected to adopt a preferred value of A\$0.80/lb in the range A\$0.68 to A\$0.92/lb, in recognition of the lack of recent exploration focus and 2004 JORC Code status of the estimate.

Table 5-3: Resource comparable transactions

Acquirer Name	Properties acquired	Country	Development stage/s	Date	Description of consideration	Resources acquired (Mlb)	Multiple (A\$/lb)	Normalised multiples (A\$/lb)
Australian Transactions								
Alligator Energy Limited	Samphire – Plumbush / Blackbush	Australia (SA)	Reserves development	22/06/2020	Consideration - 679 .56 M Alligator shares at a deemed value of A\$0.006/share (as announced). Further, S Uranium is required to hold net cash of approximately A\$700,000 at completion of the proposed transaction	46.6	0.072	0.109
Marencia Energy Limited	Angela and Pamela, Thatcher Soak, Biglyi, Oobagooma	Australia (WA / NT)	Pre-feasibility/Scoping, Reserves development	04/07/2019	Marencia paid A\$250,000 cash and issuing 27.5 M convertible preference shares (which based on Marencia's ASX announcement dated 17 December 2019 converted at a weighted average price of A\$0.088/share) to acquire non-core Australian exploration assets of Uranium Africa Limited – ex Paladin Energy Ltd projects.	49.93	0.0534	0.105
Laramide Resources Limited	Lagoon Creek	Australia	Reserves development	04/09/2018	Laramide Resources Ltd paid A\$25,000 to acquire the remaining 50% interest in the Lagoon Creek project from Verdant Minerals Ltd. In addition, Laramide Resources Ltd will pay a further A\$100,000 upon execution of drilling on the tenement either in cash or cash plus up to 50% common shares (issued at a discount of 10% to the value of the weighted average price of the common shares on the TSX over the 30 days prior to the date of issue) and will pay a further payment on the publication of a NI 43-101 compliant measured and indicated resource equivalent to A\$0.05 per in place pound uranium (or equivalent value of an alternative commodity).	0.903	0.028	0.052
Boss Resources Limited	Honeymoon	Australia (SA)	Preliminary Feasibility completed / leach tests underway	07/12/2017	Boss Resources Ltd issued 300 M shares (at a deemed value of A\$0.0563/share as announced in Boss' ASX release dated 19 March 2018) of its common stock to acquire the remaining 20% interest in Honeymoon Uranium project from Mr Grant Davey.	63.3 (134.33)	1.33 (0.629)	3.26 (1.539)
Uranium Africa Limited	Paladin's non-core interest	Australia (WA / NT)	Pre-feasibility/Scoping, Reserves development	14/12/2016	Paladin Energy Limited announced that it had sold its interests in three non-core uranium exploration projects in Western Australia and NT (namely Biglyi, Angela/Pamela, Oobagooma and several applications) to Uranium Africa Limited for a total cash payment of A\$2.5 M.	41.93	0.059	0.154

Acquirer Name	Properties acquired	Country	Development stage/s	Date	Description of consideration	Resources acquired (Mlb)	Multiple (A\$/lb)	Normalised multiples (A\$/lb)
Boss Resources Limited	Honeymoon	Australia (SA)	Feasibility started	01/09/2015	The consideration for the Acquisition includes: <ul style="list-style-type: none"> ■ A \$200,000 site access fee, an initial cash payment of approx. \$2,442,000 ■ \$3 M under a promissory note and repayable within 24 months of completion of the Acquisition ■ \$4 M under a promissory note issued and repayable within 48 months of completion of the Acquisition. Boss will also make contingent payments upon successful recommissioning - \$2 M payable in cash and/or – 10% of the net operating cash flow of the Honeymoon Project payable annually up to a maximum of \$3 M.	16.57	\$1.10	\$0.895
Quasar Resources Pty Ltd	Four Mile	Australia (SA)	Production	13/07/2015	Alliance Resources Limited announced that it had accepted a revised offer from Quasar Resources Pty Ltd (Quasar) to purchase its 25% interest in the Four Mile Uranium Project in South Australia, for a total consideration of A\$73.975 M.	120.0	2.46	4.065
Paladin Energy Ltd	Carley Bore	Australia (WA)	Strategically located advanced exploration project	1/06/2015	Energia Minerals Limited announced that it had sold a 100% interest in the Carley Bore uranium Project in Western Australia's Carnarvon Basin to Paladin Energy Limited for a total consideration of A\$1.6 M in cash and 40 M Paladin shares. In addition to this, Paladin issued another 5 M shares following Energia's application for expenditure was approved for the tenement EL 08/1644. Total transaction value at announcement was estimated at A\$15.8 M. Given changes in Paladin's share price, on completion the value of the transaction is estimated by S&P Capital IQ Pro at A\$9.70 M.	15.6	1.01	1.53

African Transactions

Kopore Metals Limited	Agadez	Niger	Advanced Exploration	9/12/2021	Kopore acquired a 100% interest in 3 granted tenements and 1 application in the Tim Meroi Basin of Niger from Endeavour Financial AG for US\$100,00 in historic loans, 120 M shares at A\$0.02 and exploration expenditure of US\$2 M over 2 years. Includes contingent payments on definition of Mineral Resource of at least 16 Mlb U ₃ O ₈ at grade of 200 ppm U ₃ O ₈ . Includes an Inferred Resource (JORC Code 2004)	11	0.49	0.59
Gladiator Resources Limited	Likuyu North	Tanzania	Advanced Exploration	12/09/2021	Gladiator acquired a 100% interest in a tenement portfolio from local company Zeus Resources (T) Limited which includes the Likuyu North Indicated and Inferred Mineral Resource for 6M shares and further contingent payments of 12 M shares on grant of tenure (achieved), 6M shares on completion of positive study and 6 M shares on identification of drill targets. All shares to be issued at a deemed value of A\$0.0125/share.	4.60	0.08	0.10
Lotus Resources Limited	Livingstonia	Malawi	Advanced Exploration	14/10/2021	Lotus acquired the Livingstonia project from a local Malawian entity for US\$25,000	6.0	0.0054	0.0063

Acquirer Name	Properties acquired	Country	Development stage/s	Date	Description of consideration	Resources acquired (Mlb)	Multiple (A\$/lb)	Normalised multiples (A\$/lb)
Lotus Resources Limited	Kayelekera	Malawi	Care & Maintenance / Re-start Feasibility underway	25/03/2021	Lotus announced it had exercised its right to acquire an additional 20% interest in the Kalelekera Project through the issue of 226.4 M shares S&P values these shares on announcement at A\$33.97 M.	37.5	0.906	1.61
Bannerman Resources Limited	Etango	Namibia	Pre-feasibility	22/07/2021	Bannerman announced that it had agreed to buy-back and extinguish the private revenue royalty over the Etango Project. A private revenue royalty of 1.5% was redeemed for A\$4.4 M (comprising A\$2 M in cash and 15.68 new Bannerman Shares at a deemed value of A\$0.1531 per share), which equates to a grossed up (100%) "value" of A\$293.4 M	207.8	1.41	1.73
Lotus Resources Limited	Kayelekera	Malawi	Care & Maintenance / Re-start Feasibility underway	24/06/2019	Lotus acquired Paladin Energy's 65% in the Kayelekera mine for A\$6.3 M (\$200,000 cash + 90 M shares and A\$3 M in shares to be issued on third anniversary of completion.	31.3	0.36	0.74
Government of Niger	Madaouela	Niger	Feasibility started	08/04/2019	The Government of Niger converted approx. \$14.59 M of requested payment comprise of \$8.08 M acquisition payment and settlement of previously challenged area taxes of \$6.6 M to acquire an additional 10% interest in the Madaouela project from GoviEx Uranium Inc.	13.842	1.497	\$3.02
GoviEx Uranium Inc.	Chirundu, Kariba Valley, Northern Luangwa Valley	Zambia	Feasibility started	06/03/2017	GoviEx Uranium Inc. issued 3 M shares of its common stock and 1.6 M common share purchase warrants to acquire Zambian uranium projects from African Energy Resources Ltd.	11.079	0.087	\$0.096
GoviEx Uranium Inc.	Dome, Falea, Kaoko, Mutanga	Mali, Namibia, Zambia	Feasibility, Reserves development, target outline	30/03/2016	GoviEx Uranium Inc. issued 56,050,450 shares of its common stock and 22,420,180 common share purchase warrants to acquire a 100% interest in the African uranium assets from Denison Mines Corp. Each common share purchase warrant will be convertible into one common share of GoviEx Uranium Inc. at a price of \$0.15 per share for a period of three years, subject to an acceleration provision.	80	0.053	\$0.075
Bannerman Resources Limited	Etango	Namibia	Optimisation following DFS completion	11/2015	As part of its restructuring and ownership consolidation, Bannerman acquired the remaining 20% equity in the Etango Project by issuing approximately 123.4 M new shares and paying A\$1 M in cash.	270	0.112	0.159
CNNC	Langer Heinrich	Nambia	Production	01/2014	In January 2014, CNNC paid US\$190 M (A\$210.8 M) for a 25% interest in Langer Heinrich Mine.	165	5.11	9.50
Epangelo	Swakop Uranium (Pty) Ltd, Husab	Namibia	Entering construction	11/2012	Epangelo, Namibia's state-owned mining company, purchased a 10% stake in Swakop Uranium (Pty) Ltd in November 2012 for US\$213 M (A\$204.3 M).	511.7	3.99	5.89

Source: SRK Analysis, S&P Capital IQ, Company reports

Note:

- Figures in brackets are based on inclusion of defined Exploration Targets as per the original announcement. The midpoint of the Exploration Target range has been adopted.
- Where applicable, multiples have been converted to A\$ terms using prevailing uranium spot price and foreign exchange rate at the time of the transaction.

Table 5-4: Transaction Analysis

Transaction	Country	Geology	Development stage/s	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained (Mlb)	Classification	Extraction
Australian Transactions								
Alligator acquisition of Samphire	Australia (SA)	Sands, lignite, clays & gravels rolls and veinlets	Reserves development	86.3	245	46.6	Inferred + Ex Target	ISR or open pit
Marencia acquisition of Australian portfolio	Australia (WA / NT)	Paleochannel sandstone roll front / calcrete	Pre-feasibility/Scoping, Reserves development	43.9	425 – 1,310	49.93	Inferred with minor Indicated	Open pit
Laramide acquisition of Lagoon Creek	Australia	Unconformity related veins	Reserves development			0.903		
Boss's acquisition of Honeymoon	Australia (SA)	Paleochannel hosted sandstone roll fronts	Preliminary Feasibility completed / leach tests underway, Project on Care & Maintenance with existing infrastructure. Full permitted.	43.5	660	63.3 (134.33)	Measured, Indicated, Inferred + Ex Target	ISR
Uranium Africa acquires Paladin's non-core portfolio	Australia (WA / NT)	Sandstone roll front / calcrete	Pre-feasibility/Scoping, Reserves development		1,400	41.93	Indicated, Inferred + Ex Target	Open Pit
Boss acquires interest in Honeymoon	Australia (SA)	Paleochannel hosted sandstone roll fronts	Feasibility started	5.29	1,400	16.57	Indicated & Inferred	ISR
Quasar acquires Four Mile	Australia (SA)	Sandstone	Production	17.2	3,300	120.0	Indicated & Inferred	ISR
Paladin Acquires Carley Bore	Australia (WA)	Sandstone roll front	Strategically located advanced exploration project	22.8	310	15.6	Indicated & Inferred	ISR
African Transactions								
Kopore acquires Agadez	Niger	Sandstone roll front	Advanced Exploration – Reserves development	23	210	11.0	Inferred	Open Pit
Gladiator acquires Likuyu North	Tanzania	Sandstone roll front	Advanced Exploration – Reserves development	7.7	267	4.6	Indicated & Inferred	Open Pit
Lotus acquires Livingstonia	Malawi	Sandstone roll front	Advanced Exploration – Reserves development	8.30	330	6.0	Inferred	Open Pit
Lotus acquires Kayelekera	Malawi	Sandstone roll front	Care & Maintenance / Re-start Feasibility underway	27.1	630	37.5	Measured, Indicated & Inferred	Open Pit

Table 5-4: Transaction Analysis

Transaction	Country	Geology	Development stage/s	Tonnes (Mt)	Grade (ppm U ₃ O ₈)	Contained (Mlb)	Classification	Extraction
Bannerman acquires Etango royalty	Namibia	Alaskite	Pre-feasibility complete	428.7	220	207.8	Measured, Indicated & Inferred	Open Pit
Lotus acquires Kayelekera	Malawi	Sandstone roll front	Care & Maintenance / Re-start Feasibility underway	20.4	660	31.3	Measured, Indicated & Inferred	Open Pit
Government of Niger acquires Madaouela	Niger	Sandstone roll front	PFS completed, Feasibility started	32	0.80-1790	13.842	Measured, Indicated & Inferred	Open Pit, underground
GoviEx acquires Zambian projects	Zambia	Karoo	Feasibility started	20.6	180-480	11.079	Measured, Indicated & Inferred	Open pit
GoviEx acquires Denison African Portfolio	Mali, Namibia, Zambia	Karoo	Feasibility, Reserves development, target outline	130	410 – 1,500	80	Measured, Indicated & Inferred	Open Pit, underground
Bannerman consolidation of Etango	Namibia	Alaskite	Optimisation following DFS completion	658.9	188	270	Measured, Indicated & Inferred	Open Pit
CNNC acquires interest in Langer Heinrich	Namibia	Alaskite	Operating – stage 3 expansion completed (5.2 Mlb pa) studies underway to increase to 8.5 Mlb pa.	141.9	540	165	Measured, Indicated & Inferred	Open Pit
Epangelo acquires interest in Husab	Namibia	Alaskite	Entering construction	583.2	400	511.7	Measured, Indicated & Inferred	Open Pit

Source: SRK Analysis, S&P Capital IQ, Company reports

5.2.2 Yardstick crosscheck

As a crosscheck to the Mineral Resource values implied by market multiples, SRK has also considered standard industry yardsticks. Under the Yardstick method of valuation, specified percentages of the U₃O₈ spot price are used to assess the likely value. Commonly used Yardstick factors are between 0.5% and 5% of the spot price (Table 5-5):

- Measured Resources – 2% to 5% of the spot price
- Indicated Resources – 1% to 2% of the spot price
- Inferred Resources – 0.5% to 1% of the spot price
- Exploration Target – 0.1% to 0.5% of the spot price.

As at April 2022, the average spot price for U₃O₈ was A\$71.43/lb, which was sourced from the Cameco website commodity price data.

Table 5-5: Yardstick multiples

Classification	% of the spot price	Value Range (A\$/lb U ₃ O ₈)	
		Low	High
Measured	2% to 5%	1.43	3.57
Indicated	1% to 2%	0.71	1.43
Inferred	0.5% to 1%	0.36	0.71
Exploration Targets	0.1% to 0.5%	0.07	0.36

Source: SRK Analysis, 2022

5.2.3 Comparable Transactions – Exploration Potential

In addition to the Mineral Resource transaction multiples, SRK has also compiled a list of transactions involving broadly similar early to advanced exploration projects without defined Mineral Resources to support its assessment of the Market Value of the exploration potential associated with Vimy's and Deep Yellow's mineral assets.

The implied transaction multiples for exploration potential are expressed in A\$/km² terms. The implied multiples are calculated using the transaction value (at the implied 100% acquisition cost) and the total area of all tenure. The implied transaction multiple was then normalised to the U₃O₈ price as at the date of the valuation.

Australian projects

When considering Australia, SRK was only able to identify six projects where meaningful third-party area-based multiples could be calculated (albeit that SRK has also considered the terms of Vimy's acquisition of the Alligator River Project), as discussed in Table 5-6.

Table 5-6: Australian third-party uranium transactions

Date	Project	Buyer	Seller	Interest (%)	Consideration (100% basis) (A\$)	Area (km ²)	Implied Value (A\$/km ²)	
							Raw	Normalised
9/09/2021	Mount Douglas (NT)	Argonaut	Not Disclosed	100%	200,000	474	422	519
24/02/2021	Erudina (SA)	Argonaut	Groundwater Science Pty Ltd	100%	615,000*	987	623	1,234
16/10/2019	Big Lake (SA)	Alligator Energy	Big Lake Uranium	100	1,797,500	818	2,197	4,401
4/08/2018	Lagoon Creek (NT)	Laramide	Verdant	100	125,000	190	658	1,230
16/08/2018	Murphy (NT)	Laramide	Rio Tinto	100	450,000	684	658	1,351
18/05/2018	EL 6350 (SA)	Alligator Energy	Stellar Resources	100	248,700	38	6,644	17,099

Source: SRK analysis

Note: * Inclusive of contingent payment where at least 10 drill holes exhibit 500 ppm U3O8 grade thickness accumulation within a 100 ppm U3O8 grade cut-off at a minimum drill hole spacing of 100 m. Without the contingent payment, then the raw value falls to A\$319/km² and normalised value to A\$631/km².

Based on its analysis, SRK considers the current market has been paying in the order of A\$1,000 to A\$5,000/km² for early-stage uranium exploration projects. Strategically located or more advanced exploration tenures are likely to trade at higher multiples potentially up to A\$20,000/km².

Southern African projects

When considering Southern Africa, SRK was only able to identify four projects where meaningful third-party area-based multiples could be calculated (albeit that SRK has also considered the terms of JOGMEC's earn-in to the Nova JV), as discussed in Table 5-7.

Table 5-7: Southern African third-party uranium transactions

Date	Project	Buyer	Seller	Interest (%)	Consideration (100% basis) (A\$)	Area (km ²)	Implied Value (A\$/km ²)	
							Raw	Normalised
17/01/2022	7 tenements (Erongo, Namibia)	Madison Metals	Giraffe / Otjiwa Mining	85%	US\$150,000 and 1.6 M shares [^]	383	NA	NA
18/01/2022	Erongo (Namibia)	Puranium	Not disclosed	85%	A\$8.81 M	935	942	1,121
16/10/2018	Mile 72 (Namibia)	Alligator Energy	Big Lake Uranium	100%	A\$30,000 + 1% production dividend	26.9	1,115	2,029
11/2014	Pinewood (Tanzania)	Metal Tiger	Kibo	50%	US\$800,000 + US\$100,000 in maintenance	9,033	230	450
12/2012	Ryst Kuil (Namibia)	Peninsula	Areva	74%	US\$50 M	5,600	1,207	1,474

Source: SRK analysis

Note: [^] Price remains to be determined.

JOGMEC & Nova JV (Namibia)

In March 2017, JOGMEC entered an agreement to earn a 39.5% interest in the Nova Joint Venture by spending A\$4.5 M over 4 years to search for alaskite and paleochannel related calcrete uranium targets. Based on the area covered by the project tenures on announcement (600 km²) this translates into a value of A\$11.4 M (or A\$19,000/km²) on a 100% equity basis for the Nova JV project at the time the earn-in arrangement was signed (ca. April 2017). When normalised to the April 2022 uranium spot price this equates to A\$43,320/km².

As at the end of 2021 JOGMEC had spent the requisite amounts to acquire a 39.5% interest in the Nova JV Project.

Based on its analysis, SRK considers the current market has been paying in the order of A\$500 to A\$2,000/km² for early-stage uranium exploration projects. Strategically located or more advanced exploration tenures are likely to trade at higher multiples potentially up to A\$50,000/km².

5.2.4 Geoscientific Rating

As a further crosscheck, SRK has also used the Geoscientific Rating method to estimate the market value of a 100% interest in the exploration potential associated with Vimy's Mineral Assets. The geoscientific rating or modified Kilburn method of valuation attempts to quantify the relevant technical aspects of a property through the use of appropriate Multipliers (factors) applied to an appropriate base (or intrinsic) value. The intrinsic value is referred to as the Base Acquisition Cost (BAC) and is critical in that it forms the standard base from which to commence a valuation. It represents the "average cost to identify, apply for and retain a base unit of area of title".

Multipliers are considered for Off-property aspects, On-property aspects, Anomaly aspects, Geology aspects. These multipliers are applied sequentially to the BAC to estimate the Technical Value for each tenement. A further market Factor is then considered to derive a Market Value.

The BAC incorporates annual rental, administration and application fees, in addition to nominal indicative minimum expenditure on acquisition. The BAC assumptions are listed in the Table 5-8.

Table 5-8: Base Acquisition cost

Western Australia: Exploration Licence		
Metric	Unit	Value
Average licence size	km ²	67.7
Average licence age	Years	4
Application fee	A\$ per licence	1,580
Annual rent Year 1-3	A\$ per km ²	45.82
Annual rent Year 4	A\$ per km ²	38.67
Minimal annual expenditure Year 1-3	A\$ per km ²	324.96
Minimal annual expenditure Year 4	A\$ per km ²	243.72
Costs of identification, legal costs and negotiations and compensation agreements	A\$ per licence	35,132
Annual rates	A\$ per licence	2,000
BAC of average exploration licence	A\$ per km²	492
NT Exploration Licence		
Application fee	A\$ per licence	423
Annual rent	A\$ per km ²	36.92
Minimal annual expenditure	A\$ per km ²	13,500
Costs of identification	A\$ per licence	10,000
Administration and other	A\$ per licence	2,500
Landowner notices, negotiations, legal costs and other	A\$ per licence	810
BAC of average exploration licence	A\$ per km²	589
BAC of average exploration licence	A\$ per ha	5.89

Source: SRK analysis

In converting its implied technical value to a market value, SRK considers that market participants would not apply either a premium or discount to the technical value of the exploration tenure given current market sentiment in relation to uranium.

However, SRK has applied a 20% to account for the uncertainty (in both timing and imposed conditions) relating to tenements in application or awaiting renewal.

The rating criteria use for assessing the modifying factors are provided in Table 5-9. These ratings criteria have been modified by SRK.

Table 5-9: Modified property rating criteria

Rating	Off-property factor	On-property factor	Geological factor	Anomaly factor
0.1			Generally unfavourable lithology	No mineralisation identified – area sterilised
0.5	Unfavourable district/basin	Unfavourable area	Alluvium covered, generally favourable lithology (50%)	Extensive previous exploration provided poor results
0.9			Generally favourable geological setting, under cover or complexly deformed or metamorphosed lithologies (50%)	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable lithology at surface (70%)	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified, initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Generally favourable lithology with structures at surface	Several well defined targets Multiple exploration models being applied simultaneously
2.5				Significant mineralised zones exposed in prospective host rock
3.0	Abundant workings	Abundant workings	Generally favourable lithology with structures at surface along strike from mine	Significant grade intercepts evident but not linked on cross or long sections
3.5				Several economic grade intercepts on adjacent sections
4.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Generally favourable lithology with structures at surface along strike from major mine	Well-understood exploration model, with valid targets in structurally complex area, or under cover
5.0	Along strike from a major deposit			Several significant ore grade correlatable intersections Well-understood exploration model, with valid targets in well understood stratigraphy
6.0		Major mine with significant historical production		Advanced exploration model constrained by known and well-understood mineralisation
10.0	Along strike from a world class mine	World class mine		

Source: Modified after Xstrat, 2009 and Agricola Mining Consultants, 2011

5.3 Vimy's Mineral Assets

The following sections summarise SRK's valuation of Vimy's Mineral Assets.

SRK has completed a review of information provided relating to the Mulga Rock and Alligator River Projects to establish its valuation of Vimy's interest. The findings from the SRK review are summarised as follows:

5.3.1 Mulga Rock Project

As outlined in Section 5.2.1, SRK has recommended to Deloitte that it should adopt a multiple of A\$1.90/lb \pm 20% (to inform the low and high end of the range) for the Mineral Resources defined at Mulga Rock. This multiple recognises the contained Mineral Resources and Ore Reserves, associated base metal mineralisation, associated mineral tenure and level of techno-economic study completed to date.

As such, SRK does not consider there is any further value to be assigned to the Mulga Rock Project over and above that assigned by Deloitte.

5.3.2 Alligator River Project

Mineral Resource and Exploration Target - Actual transactions

SRK notes that the Alligator River Project has previously transacted on two occasions, both of which were prior to the declaration of Mineral Resources in accordance with JORC Code (2012) guidelines. SRK considers these to be instructive regarding the likely value as paid in the market for advanced stage exploration tenure.

Vimy acquires Cameco's Alligator River Project (March 2018)

On 1 March 2018, Vimy announced that it had acquired from Cameco its interests in the Alligator Project for a total cash payment of A\$6.5 M over 30 months.

Vimy's announcement noted that the Project comprised three separate tenement packages covering a total area of 3,865 km² including 1,600 km² of granted exploration licences.

- Package 1 covers 1,675 km² in the King River – Wellington Range area (host to the Angularli deposit as well as a large number of targets) with Cameco's interests being 75%.
- Package 2 covers 500 km² in the Algodro Beatrice area to the east of Ranger and Jabiluka, with all tenures reportedly under application and 100% interest being acquired.
- Package 3 covers 1,690 km² in the Mount Gilruth area with all tenements in application and 100% interest being acquired.

At the time of the transaction, no Mineral Resources were declared at Alligator River.

Under the terms of the agreement, the following staged payments were to be made:

- First instalment of A\$1.5 M payable on completion of the agreement and legal transfer of the tenements, deeds and exploration assets.

- Second instalment of A\$2.5 M payable 18 months after the completion of the Sales agreement.
- Third instalment of A\$2.5 M payable 30 months after the date of completion of the Sale Agreement.

As part of the agreement, Vimy granted to Cameco, a conditional option to buy back any individual project within the three tenement packages in respect of which Vimy defines uranium resources of not less than 100 Mlb U₃O₈ in JORC Code compliant Measured and Indicated Resources. The buyback option must be exercised within 4 months of Cameco releasing a DFS on a Buyback Project. The price payable is dependent upon the size and classification of the mineral Resource, determined by a reference price at that time.

On 31 May 2021, Vimy announced early payment of the final instalment for the acquisition of the Alligator River Uranium Project.

Based on the areal extent of the entire tenure (3,865 km², adjusted for only 75% being acquired in Package 1), SRK notes that the implied value of this transaction is A\$1,875.90/km² (raw) or A\$4,933.62/km² (normalised to April 2022 average spot price).

Based on the areal extent of the granted ELs only (1,600 km², adjusted for only 75% being acquired in Package 1, SRK notes that the implied value of this transaction is A\$5,416.70/km² (raw) or A\$14,245.92/km² (normalised to April 2022 average spot price).

Vimy acquires Rio Tinto's interest in the Alligator River Project (March 2021)

On 10 March 2021, Vimy announced that it had acquired from RTX its 20.89% interest in the Wellington Range and King River JV at the Alligator River Project for a total cash payment of A\$2 M to be satisfied by the issue of fully paid shares in Vimy.

An additional on-sale payment may be payable to RTX in the event that Vimy disposed of an interest in the Alligator River Project within 3 years of the date of settlement at an implied price that is higher than the A\$2 M paid by Vimy for RTX's interest. RTX would receive 30% of any proportionate gain (over A\$2 M) on any such sale.

Secondly, a uranium upside payment is payable to RTX if the average daily spot price indicator of uranium exceeds US\$60/lb over the last 180 days of the three year period that commences on the settlement date. If satisfied, Vimy agrees to pay RTX a further consideration amount equal to A\$1.1 M less the total on-sale payment(s) that have been made during the 3-year period.

On 17 August 2021, Vimy announced that it had settled the transaction through the issue of 18.793 M shares at a deemed issue price of A\$0.10642/share).

Vimy's announcement noted that upon completion it would hold a 100% interest in the entire Alligator River Project.

SRK notes that the tenements acquired under this transaction covered a combined area of 1,655 km² of which 1,600 km² were granted exploration licences. Furthermore, on 20 March 2018, Vimy announced a maiden Inferred Resource of approximately 26 Mlb U₃O₈ for 0.91 Mt at 1.3% U₃O₈ at a 0.15% U₃O₈ cut-off grade at the Angularli deposit within the JV area. As part of this same announcement, an Exploration Target of between 20–60 Mlb for 1.2 to 1.8 Mt averaging between 0.75% and 1.5% U₃O₈ was also outlined.

As at the Valuation Date, the conditions precedent for further upside payments had not been met and as such these have not been considered in the following implied value estimates.

On the basis of the Inferred Mineral Resource only, SRK notes that the implied value of this transaction is A\$0.37/lb (raw) or A\$0.66/lb (normalised to April 2022 average spot price).

On the basis of the Inferred Mineral Resource and Exploration Target only, SRK notes that the implied value of this transaction ranges from A\$0.11–0.20/lb (raw) or A\$0.24–0.46/lb (normalised to April 2022 average spot price), depending on which end of the Exploration Target is adopted.

On the basis of the areal extent of the tenure (i.e 1,655 km²), SRK notes that the implied value of this transaction ranges from A\$5,784.87/km² (raw) or A\$10,297.00/km² (normalised to April 2022 average spot price).

On the basis of the areal extent of the granted ELs (i.e 1,600 km²), SRK notes that the implied value of this transaction ranges from A\$5,983.72/km² (raw) or A\$10,651.00/km² (normalised to April 2022 average spot price).

Angularli Mineral Resource and Exploration Target - comparable transaction analysis

SRK considers the Angularli Mineral Resources as outlined in Section 2.4.7 is suitable for valuation purposes using comparable transaction analysis.

SRK has estimated the Market Value of Vimy's 100% equity interest in the Angularli Mineral Resource at the Alligator River Project using comparable transaction analysis, as summarised in Table 5-10. The value multiples have been determined primarily based on consideration of Australian U₃O₈ transactions as outlined in Section 5.2.1. SRK considers the current market would pay A\$0.80/lb in the range A\$0.68 to A\$0.92/lb, for the Angularli Mineral Resource. In considering the multiples to be applied to Angularli, SRK notes the higher relative U₃O₈ grade relative to several of the transactions and also Mulga Rock, as well as the monomineralic nature of the mineralisation and multiple implied by Vimy's acquisition of Rio Tinto's interest.

Table 5-10: Valuation of the Angularli Mineral Resources – comparable transactions

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Angularli	Inferred	25.9	0.68-0.92	17.61	23.83	20.72

Source: SRK Analysis, 2022

SRK has also estimated the Market Value of Vimy's 100% equity interest in the Angularli Exploration Target at the Alligator River Project, as summarised in Table 5-11.

Table 5-11: Valuation of the Angularli Exploration Target – comparable transactions

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Angularli	Exploration Target	20 -60	0.34-0.46	6.80	27.60	16.00

Source: SRK Analysis, 2022

Angularli Mineral Resource and Exploration Target - select transaction

SRK has estimated the Market Value of Vimy's 100% equity interest in the Angularli Mineral Resource at the Alligator River Project using the value implied by the Carly Bore transaction, as summarised in Table 5-12. In doing so, SRK notes the higher relative U₃O₈ grade relative to Carly Bore, which in part may offset the lower overall confidence level of the defined Mineral Resource and the costs associated with potential exaction via open pit (relative to ISR).

Table 5-12: Valuation of the Angularli Mineral Resources – comparable transactions

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Angularli	Inferred	25.9	1.50	31.08	46.62	38.85

Source: SRK Analysis, 2022

SRK has also estimated the Market Value of Vimy's 100% equity interest in the Angularli Exploration Target at the Alligator River Project, as summarised in Table 5-13.

Table 5-13: Valuation of the Angularli Exploration Target – comparable transactions

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Angularli	Exploration Target	20 -60	0.50	10	30	20

Source: SRK Analysis, 2022

Angularli Mineral Resource and Exploration Target – yardstick

To check its derived values using comparable transaction analysis, SRK has estimated the Market Value of Vimy's 100% equity interest in the Angularli Resource and Exploration Target using standard industry yardsticks, as summarised in section 5.2.2. The Yardstick Method applied a factor (based on confidence level of the defined Mineral Resource) to the monthly average uranium price for April as described in Table 5-14.

Table 5-14: Valuation of the Angularli defined Mineral Resources – Yardstick method

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Angularli	Inferred	25.9	0.36 – 0.71	9.32	18.39	13.86
	Exploration Target (midpoint)	20-60	0.07 – 0.36	1.40	21.60	8.60
Total				10.72	39.99	22.46

Source: SRK analysis 2022

Exploration Potential, comparable transaction analysis

In considering the exploration potential of the Vimy's Alligator River project, SRK has also considered the following transactions involving early to advanced stage uranium exploration assets in Australia. SRK notes that there is a relative paucity of transactions as evident in Section 5.2.3.

Based on its analysis of the transaction data, SRK has estimated the Market Value of Vimy's regional exploration projects at Alligator River as summarised in Table 5-15. Applications have been discounted to account for the risk that they may not be granted or have stringent conditions included as part of the grant process.

Table 5-15: Alligator River exploration potential valuation

Group	Area Valued (km ²)	Selected Multiples (A\$/km ²)	Market Value (A\$ M)		
			Lower	Upper	Mid Point
King River	1,589.44	10,000 – 20,000	15.89	31.79	23.8
Algodo	462.63	1,000 – 5,000	0.46	2.31	1.39
Mount Gilruth	1,826.90	800 – 2,500	1.46	4.57	3.01
Total			17.82	38.67	28.24

Source: SRK Analysis, 2022

Exploration potential, geoscientific rating

To confirm SRK's value outcomes using the comparable transaction method, SRK has also considered the geoscientific rating valuation method to assess the value of the exploration potential of Vimy's Mineral Assets, as summarised in Table 5-16.

Table 5-16: Vimy exploration potential geoscientific rating valuation

Tenement	Area (ha)	BAC (A\$/ha)	Equity	Off property		On property		Geology		Anomaly		Market	Application	Market Value (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Lower	Upper	Mid Point
Alligator River Project – King River																
EL24017	1,566.0	\$5.89	100%	3	3.5	1	1.5	1.5	2	2	2.5	1	1	0.08	0.24	0.16
EL25064	29,630.0	\$5.89	100%	3	3.5	1	1.5	2.5	3	2	2.5	1	1	2.62	6.87	4.75
EL25065	66,690.0	\$5.89	100%	3	3.5	1	1.5	2.5	3	2	2.5	1	1	5.89	15.47	10.68
EL27059	1,638.0	\$5.89	100%	3	3.5	1	1.5	1.5	2	2	2.5	1	1	0.09	0.25	0.17
EL5893	62,780.0	\$5.89	100%	3	3.5	1	1.5	2.5	3	2	2.5	1	1	5.55	14.56	10.05
ELA28379	4,959.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.02	0.02	0.02
ELA28380	37.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	-	-	-
ELA28381	187.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA28382	307.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA28383	432.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA28384	1,074.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA28385	448.0	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
Alligator River Project – Algodó																
EL22430	3352	\$5.89	100%	3	3.5	1	1.5	2	2.5	1.5	2	1	1	0.18	0.52	0.35
EL24920	2008	\$5.89	100%	3	3.5	1	1.5	1	1.5	1.5	2	1	1	0.05	0.19	0.12
EL26089	2440	\$5.89	100%	2.5	3	1	1.5	1	1.5	1	1.5	1	1	0.04	0.15	0.09
ELA23327	33580	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.20	0.20	0.20
ELA32825	672	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA32826	810	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA26905	3024	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.01	0.01	0.01
ELA26906	616	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA31437	1341	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.01	0.01	0.01

Tenement	Area (ha)	BAC (A\$/ha)	Equity	Off property		On property		Geology		Anomaly		Market	Application	Market Value (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Lower	Upper	Mid Point
ELA32827	284	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.00	0.00	0.00
ELA32828	2066	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.01	0.01	0.01
Alligator River Project – Mount Gilruth																
ELA5060	45,160	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.21	0.21	0.21
ELA23928	75,260	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.35	0.35	0.35
ELA24290	21,090	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.10	0.10	0.10
ELA26356	28,130	\$5.89	100%	1	1	1	1	1	1	1	1	1	0.2	0.13	0.13	0.13
Grand Total														15.57	39.32	27.45

Source: SRK Analysis, 2022

Note: *Application areas discounted by 20% due to the perceived uncertainty associated with likely timing of grant and associated conditions on approval.

5.3.3 Kingston Project

For the valuation of the exploration potential of the associated mineral tenure outside of the defined Ore Reserve/Mineral Resource areas, SRK has also considered the values implied by the comparable transaction/JV terms and geoscientific rating valuation methods.

Comparable Transactions and JV Terms

In addition to transactions involving uranium, SRK has also considered recent market transactions involving Australian early stage to advanced stage base metal exploration projects.

Using SRK's internal databases and the S&P Capital IQ Pro subscription database, transactions involving base metals were researched and analysed to determine their comparability with Vimy's Kingston Project. These assets and the potential comparatives were assessed according to the Project Development Categories outlined in the VALMIN Code (2015).

SRK initially identified 76 transactions occurring between April 2015 and April 2022 in Australia. SRK filtered these transactions to determine only those projects at an early exploration stage located within Australia. This involved excluding all projects with defined Resources or Reserves.

SRK further filtered these transactions by date and reported mineralisation style or target to focus on the more recent transactions, which occurred within approximately the last 3-4 years involving mineralisation styles such as VMS, VHMS, SEDEX, skarn, etc. Projects targeting larger scale deposits such as iron oxide copper gold (IOCG) and porphyry were excluded, where sufficient information was available.

SRK's final dataset of 25 transactions were then reviewed and analysed in greater detail.

The final dataset was then considered in terms of location of the tenure. South Australia was not included as nearly all transactions in this jurisdiction involved porphyry or IOCG targets, which are generally not comparable in terms of potential size and scale to Vimy's mineral assets.

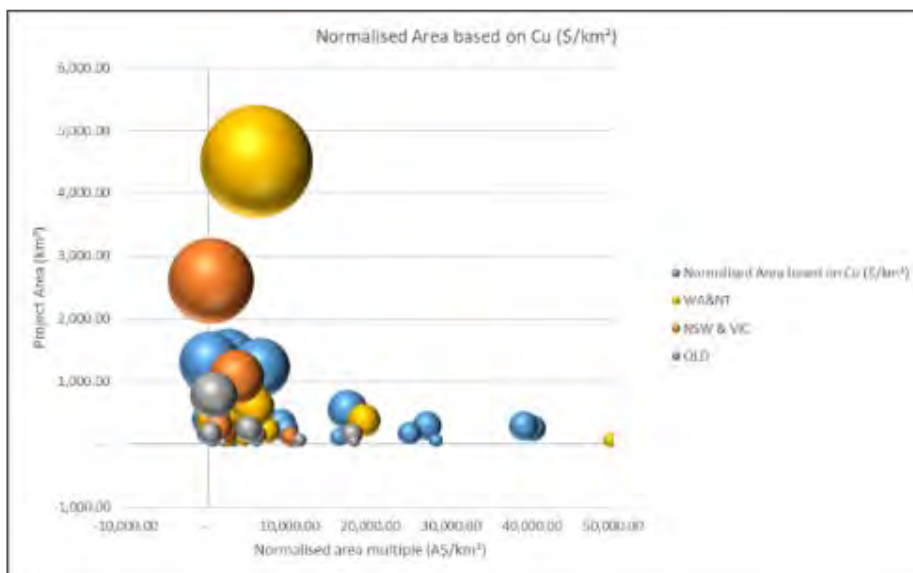
The implied multiples from SRK's analysis are presented in Table 5-17 and Figure 5-1.

Table 5-17: Transaction statistics

	A\$/km ²	Normalised A\$/km ²
All Comparatives		
Minimum	51.01	80.07
Median	8,205.88	11,688.28
Average	33,860.13	47,402.15
Maximum	174,291.94	269,085.47
Weighted Average	12,122.60	18,823.37
WA and NT		
Minimum	440.51	634.90
Median	5,033.15	5,581.37
Average	15,363.04	16,994.36
Maximum	87,751.15	88,305.87
Weighted Average	6,895.35	6,686.52

Source: SRK Analysis

Figure 5-1: Comparative transaction analysis – Early exploration stage base metal projects with outliers (porphyry, IOCG, unknown) removed



Source: SRK Analysis

Using comparable transaction analysis involving early to advanced stage exploration tenures, SRK has assigned the following valuation ranges to the exploration potential associated with Vimy's tenures at Kingston. As outlined in Table 5-18, SRK considers the current market value ranges for the exploration potential associated with the Kingston Project is A\$6.88 M to A\$13.75 M, with a preferred value of A\$10.31 M.

Table 5-18: Kingston Project exploration potential

Project	Area (km ²)	Applied Multiple (A\$/km ²)	Market Value (A\$ M)		
			Low	High	Preferred
Kingston	2,292.2	3,000 – 6,000	6.88	13.75	10.31

Source: SRK Analysis

Geoscientific Rating

SRK has also used the geoscientific rating valuation method as a cross-check to its values derived using Comparable Transaction analysis for exploration potential of the Kingston Project. The derivation of these values is outlined in Table 5-19.

Table 5-19: SRK assessment: geoscientific scorecard

Licence	Area		BAC \$/ha	Equity interest	Off property		On property		Anomaly		Geology		Low (A\$)	High (A\$)	Midpoint (A\$)
E38/3203	22,839.3184	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.25	1.01	0.63
E39/2012	59,660.26	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.66	2.64	1.65
E39/2013	59,592.27	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.66	2.64	1.65
E39/2115	42,556.22	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.47	1.88	1.18
E39/2149	13,666.10	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.15	0.61	0.38
E38/3348*	30,905.80	ha	\$4.92	100%	1.5	2	1	1.5	1	1.5	1.5	2	0.27	1.10	0.68
Total													2.47	9.88	6.17

Source: SRK analysis

Notes:

- *Application.
- Results are rounded to the nearest thousand, so as not to imply a level of accuracy that does not exist.
- No market premium/discount applied.

5.4 Deep Yellow's Mineral Assets

Key aspects required for the valuation of Deep Yellow's Mineral Assets in Namibia are summarised in Table 5-20. The effective interest in each project/deposit is included to enable the value attributable to Deep Yellow to be determined.

Deep Yellow's effective interest in the Nova JV project is 39.5%, following JOGMEC's earn-in right of 39.5%, and as recorded on Deep Yellow's corporate website. The remaining interests in the Nova JV are held by Nova Energy (15%) and Sixzone Investments (6%).

The Shiyela project is listed in Table 5-20 since the rights still vest in Deep Yellow until Hylron decides to exercise its option agreement to purchase the shares Shiyela in Iron (Pty) Ltd.

Table 5-20: Deep Yellow's Mineral Assets - Key Information for Valuation Purposes

Name	Tenement	Effective Deep Yellow Interest (%)	Deposit / Target Name	Host Rock	Approx. Area (ha)	Contained U ₃ O ₈ (Mlb)		Annual Rent (US\$)	Expenditure Commitment (US\$ M)
						Resources	Reserves		
Reptile Project									
Tubas	EPL3496	95% ¹	Tubas Calcrete	Paleochannel	62,702	6.1	-	2,286	1,346
			Tubas Red Sand	Paleochannel		12.7	-		
			Tumas 3	Paleochannel		59.9	42.1		
			Ongolo	Basement		87.7	-		
			MS7	Basement		15.6	-		
			INCA	Basement		22.0	-		
			Tumas Central	Paleochannel		-	-		
Tumas	EPL3497	95% ¹	Tumas 1 & 2	Paleochannel	20,335	25.3	9.0	980	0.673
			Tumas 1 East	Paleochannel		28.8	17.3		
Rooikop East	EPL6820	95% ¹	Rooikop East	Paleochannel	10,895	-	-	130	Unknown
Tumas Mine	MLA237	100%		Paleochannel	38,549	113.9*	68.4		
Nova JV									
Tumas North	EPL3669	39.5% ²	Barking Gecko	Basement	7,968	-	-	130	0.098
			Namaqua / Tumas North	Paleochannel		-	-		
			Iguana	Basement		-	-		
Chungochoab	EPL3670	39.5% ²		Paleochannel	33,125	-		326	0.003
Yellow Dune JV									
Aussinanis	MDRL3498	85% ³		Paleochannel	14,244	18.0		326	None
Shiyela Magnetite									
Shiyela	ML176	95% ¹		n/a		-			

Notes:¹ Oponona holds or has the right to 5% participation in the project.² The Deep Yellow 2021 Annual Report shows this as its effective interest, after JOGMEC completed its earn-in expenditure.³ Oponona holds a 10% interest and Epangelo holds a 5% interest in the project.

5.4.1 Reptile Project

As outlined in Section 5.2.1, SRK has recommended to Deloitte that it should adopt an overall multiple of A\$1.00/lb \pm 20% (to inform the low and high end of the range) for the Mineral Resources defined at the Reptile Project (inclusive of the Tumas, Tubas and Omahola Mineral Resources, as well as the tenure associated with the Reptile Exploration Project). This multiple recognises the contained Mineral Resources and Ore Reserves, associated mineral tenure and level of techno-economic study completed to date, as well as the applied cut-off-grade for public reporting purposes and concerns SRK had in verifying the state Mineral Resource position.

As such, SRK does not consider there is any further value to be assigned to the Reptile Project over and above that assigned by Deloitte.

5.4.2 Nova JV Project

Joint Venture Terms

In March 2017, JOGMEC entered an agreement to earn a 39.5% interest in the Nova Joint Venture by spending A\$4.5 M over 4 years to search for alaskite and paleochannel related calcrete uranium targets. Based on the area covered by the project tenures on announcement (600 km²) this translates into a value of A\$11.4 M (or A\$19,000/km²) on a 100% equity basis for the Nova JV project at the time the earn-in arrangement was signed (ca. April 2017). When normalised to the April 2022 uranium spot price this equates to A\$43,320/km².

As at the end of 2021 JOGMEC had spent the requisite amounts to acquire a 39.5% interest in the Nova JV Project.

Based on the current tenement area of approximately 412 km², the implied value the Yellow Dune JV tenure on a 100% basis is A\$6.17 M or on a net attributable basis A\$2.44 M.

Comparable transaction

SRK has estimated the Market Value of Deep Yellow's equity interest in the exploration potential of the Nova JV mineral assets using the comparable market transaction method, as summarised in Table 5-21.

Table 5-21: Exploration potential —comparable market valuation

Project	Area (km ²)	Equity	Selected Multiple (A\$/km ²)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Nova JV	410.93	39.5%	1,000–5,000	0.16	0.81	0.49

Source: SRK Analysis, 2022

5.4.3 Yellow Dune JV Project

SRK has estimated the Market Value of Deep Yellow's 85% equity interest in the defined Mineral Resources at the Aussinanis deposit using comparable transaction analysis, as summarised in Table 5-22. The value multiples have been determined primarily based on consideration of the African transaction dataset.

Table 5-22: Valuation of the defined Mineral Resources – comparable transactions

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Aussinanis*	Indicated & Inferred	18.0	0.68–0.92	12.24	16.56	14.40
TOTAL		18.0		12.24	16.56	14.40

Source: SRK Analysis, 2022

Note: *85% interest and further 10% discount applied due to lack of recent study to update the estimate in light of prevailing economic conditions at Aussinanis given it was reported to JORC Code (2004).

Yardstick

To check its derived values using comparable transaction analysis, SRK has estimated the Market Value of Deep Yellow's interests in the Mineral Resource using standard industry yardsticks, as summarised in section 5.2.2. The Yardstick Method applied a factor (based on confidence level of the defined Mineral Resource) to the monthly average uranium price for April as described in Table 5-23.

Table 5-23: Valuation of the defined Mineral Resources - Yardstick method

Deposit	Classification	Metal (Mlb)	Selected Multiple (A\$/lb)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Aussinanis*	Indicated	2.7	0.9–1.20	1.48	2.95	2.21
	Inferred	15.3	0.5–0.9	4.18	8.36	6.27
TOTAL		18.0		5.66	11.31	8.48

Source: SRK analysis, 2022

Note: *85% interest and further 10% discount applied due to lack of recent study to update the estimate in light of prevailing economic conditions at Aussinanis given it was reported to JORC Code (2004).

Comparable transaction

SRK has estimated the Market Value of Deep Yellow's equity interest in the exploration potential of its mineral assets using the comparable market transaction method, as summarised in Table 5-24.

Table 5-24: Exploration potential –comparable market valuation

Project	Area (km ²)	Equity	Selected Multiple (A\$/km ²)	Market Value (A\$ M)		
				Lower	Upper	Mid Point
Yellow Dune JV	142.44	85%	1,000 – 5,000	0.12	0.61	0.36

Source: SRK Analysis, 2022

5.4.4 Iron Ore Mineral Resources

In considering the value to apply to Deep Yellow's 95% interest in the Shiyela iron ore Mineral Resources, SRK notes the following transactions:

- Nonnenwerth (US\$0.33/t or A\$0.46/t) was at Pre-Development stage at the date of the transaction but was included in SRK's analysis as an example of a small high-grade deposit. Nonnenwerth is located in South Africa which has a long mining history and is the world's fifth largest exporter of iron ore. SRK considers the current market would value the Project at a significant discount to this transaction, given the Project's earlier development stage, lower iron grade and less favourable operating environment.
- Mayoko-Moussondji (US\$0.04/t or A\$0.06/t) is located in the Republic of the Congo and is included in the trend analysis as an example of a relatively small low-grade deposit. The deposit is located near existing rail infrastructure connected to the Pointe-Noire deep water port. This transaction occurred after 2014 when the spot price for iron and market sentiment were rapidly declining. The deal also included a 2% LOM royalty. The Mayoko-Moussondji's Mineral Resources are of low grade but have favourable access to existing infrastructure and likely low operating and capital costs.
- The Putu (US\$0.45/t or A\$0.63/t) transaction occurred near the peak of the iron spot prices in 2012. SRK notes that a US\$50 million payment that was unconditional but to be paid later, was not included in its analysis. The deposit is located in southeast Liberia, which has a significantly higher geopolitical risk than Cameroon or the Republic of the Congo, but the deposit is within 200 km of the coast. The stated Mineral Resources are the closest match in terms of tonnes and grade to those at the Project.
- The Zanaga project (US\$0.12/t or A\$0.17/t) is located in the south of the Republic of the Congo, approximately 300 km north of the port city of Pointe-Noire. The deposit has a low grade, but along with Putu, is comparable in terms of size.

Taking the above trends and modifying comments into consideration, in addition to the size and grade of the Project's stated resources, SRK estimates the current market would pay between A\$0.06/t and A\$0.17/t for the contained iron within the Mineral Resources at the Shiyela Project.

Applying the above value range per tonne to the Shiyela contained iron in Mineral Resources, it is SRK's opinion that the current market would pay between A\$1.35 M and A\$3.82 M for a 100% equity interest in the Project's Mineral Resources on an 'as is' basis. On this basis, Deep Yellow's 95% interest is valued at between A\$1.28 M and A\$3.62 M, with a preferred value of A\$2.45 M.

6 Summary of valuation

6.1 Summary of Vimy valuation

Table 6-1 summarises SRK's opinion regarding the market value of Vimy's defined Mineral Assets.

For the defined Mineral Assets, SRK considers the current market is likely to pay **between A\$65.8 M and A\$129.0 M, with a preferred value of A\$97.4 M** for Vimy's exploration assets on a net attributable equity.

Table 6-1: Summary Valuation –Vimy Mineral Resource and Exploration Targets

Project	Category	Valuation Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)*
Mulga Rock	No Value assigned by SRK – refer to Deloitte's Valuation				
Alligator River	Resources	Comparable Transactions (A\$/lb)	17.61	23.83	20.72
		Select (A\$/lb)	31.08	46.62	38.85
		Yardstick	9.32	18.39	13.86
	Selected		31.08	46.62	38.85
	Exploration Targets	Comparable Transactions (A\$/lb)	6.80	27.60	16.00
		Select (A\$/lb)	10.00	30.00	20.00
		Yardstick	1.40	21.60	8.60
	Selected		10.00	30.00	20.00
	Exploration Potential	Comparable Transactions	17.82	38.67	28.24
		Geoscientific Rating	15.57	39.32	27.44
	Selected		17.82	38.67	28.24
	Kingston	Exploration Potential	Comparable Transactions	6.88	13.75
Geoscientific Rating			2.47	9.88	6.17
Selected		6.88	13.75	10.31	
Vimy Total			65.78	129.04	97.40

*Given SRK's view that it has no preference towards either end of the range.

6.2 Summary of Deep Yellow's Mineral Assets valuation

Table 6-2 summarises SRK's opinion regarding the current market value of Deep Yellow's portfolio.

Table 6-2: Summary Valuation of Deep Yellow's mineral assets

Project	Category	Valuation Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)*
Reptile (95%)	No Value assigned by SRK – refer to Deloitte's Valuation				
Nova JV (39.5%)	Exploration Potential	Comparable Transactions	0.16	0.81	0.49
		JV terms	2.44		
	Selected		2.44	2.44	2.44
Yellow Dune JV (85%)	Resources	Comparable Transactions (A\$/lb)	12.24	16.56	14.40
		Yardstick	5.66	11.31	8.48
	Selected		12.24	16.56	14.40
	Exploration Potential	Comparable Transactions	0.12	0.61	0.36
Shiyela Iron (95%)	Resources	Comparable Transactions	1.28	3.62	2.45
Deep Yellow Total			16.08	22.23	19.65

Source: SRK Analysis

On this basis, SRK considers the market is likely to pay between **A\$16.1 M and A\$22.2 M**, with a **preferred value of A\$19.7 M** for Deep Yellow's Namibian exploration assets on a net attributable basis.

Regards

SRK Consulting (Australasia) Pty Ltd



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A handwritten signature in black ink, appearing to read 'K. Lloyd'.

Jeames McKibben
Principal Consultant

Karen Lloyd
Associate Principal Consultant

Authors: Jeames McKibben, Danny Kentwell, Carl Murray, Simon Walsh, Lisa Chandler, Mark Wanless, Norman McGeorge, Vic Hills, Darryl Kilian, Andy MacDonald, Lesley Jeffrey, Martin Wertz

Attachments:

Attachment 1	Resumes
Attachment 2	SRK limitations, reliance on information, declaration and consent
Attachment 3	References
Attachment 4	Glossary of terms
Attachment 5	Comparative transaction data

Attachment 1 Resumes

This Report has been prepared by a team of consultants from SRK's offices in Australia and South Africa. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out below.

Australia

Jeames McKibben, BSc Hons, MBA, Chartered Valuation Surveyor (MRICS), FAusIMM(CP), MAIG, MSME – Principal Consultant

Jeames McKibben is an experienced international mining professional having operated in a variety of roles including consultant, project manager, geologist and analyst over more than 27 years. He has a strong record in mineral asset valuation, project due diligence, independent technical review and deposit evaluation.

As a consultant, he specialises in mineral asset valuations and Independent Technical Reports for equity transactions and in support of project finance. Jeames has been responsible for multi-disciplinary teams covering precious metals, base metals, bulk commodities (ferrous and energy) and other minerals in Australia, Asia, Africa, North and South America and Europe. He has assisted numerous mineral companies, financial, accounting and legal institutions and has been actively involved in arbitration and litigation proceedings. Jeames is a former member of the VALMIN Committee.

Karen Lloyd, PhD (Mining and Metallurgical Engineering), MBA, BSc Hons (Geology), FAusIMM – Associate Principal Consultant

Karen Lloyd has 25 years' international resource industry experience gained with some of the major mining, consulting and investment houses globally. She specialises in independent reporting, mineral asset valuation, project due diligence, and corporate advisory services. Karen has worked in funds management and analysis for debt, mezzanine and equity financing and provides consulting and advisory in support of project finance. She has been responsible for multi-disciplinary teams covering precious metals, base metals, industrial minerals and bulk commodities in Australia, Asia, Africa, the Americas and Europe. Karen is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) codes, respectively.

Danny Kentwell, MSc, BAppSc, FAusIMM – Principal Consultant

Danny Kentwell is a geostatistician with a background in geological modelling, mine planning and surveying. He has 25 years' international experience with varied commodities including gold, copper, mineral sands, iron ore, nickel laterites, nickel sulphides and phosphate. Danny's skills cover 3D geological modelling, resource estimation and technical reviews as well as open pit optimisation scheduling and design. His software skills include Isatis, Leapfrog, EDGE, Supervisor, Surpac, Vulcan, Datamine, GEMS, Whittle and MineMax Scheduler. Danny is a Competent Person for JORC Code and a Qualified Person for NI 43-101 reporting of resources for numerous commodities and deposit types. Danny has experience with many change of support and selective mining unit scale estimation and simulation methods, including local uniform conditioning, multivariate uniform conditioning, localised multiple indicator kriging with a change of support, direct block simulation, turning bands simulation, sequential Gaussian simulation and sequential indicator simulation.

Carl Murray, BE (Mining), FAusIMM – Principal Consultant

Carl Murray is a mining engineer with 30 years of mining experience. His operational experience is in open cut mining, specifically gold, copper and iron ore. Combined with his consultancy experience, Carl can provide a balanced application of technical and practical mining skills. His experience includes project management, due diligence, audits, feasibility studies, short- and long-term planning and hands-on production management, supervision and technical drill and blast. Carl has worked in small and large-scale open pit operations. His particular areas of proficiency are due diligence and feasibility studies, open cut optimisation, and operational analysis. He has experience in equipment productivity evaluation, and application of results to the selection of optimal equipment for working operations. Using the latest mining software, Carl has both practical and technical experience in optimising an orebody from the resource model stage through to a workable open cut mining operation.

Simon Walsh, BSc (Extractive Metallurgy & Chemistry), MBA, MAusIMM (CP), GAICD – Principal Associate – Simulus

Simon is the Principal Metallurgist with Simulus Engineers with over 25 years of experience and is a long-time associate of SRK. He has extensive design and operational expertise across a range of mineral processing and hydrometallurgical processes, including those for Ni, Co, alumina, Cu, U, Li, Au, Ag, Zn, Pb, iron ore and magnetite, sulphate of potash, phosphate, amongst others. His broad range of experience covers both management, supervisory and technical roles in plant operations, commissioning, project studies, detailed engineering design, metallurgical testwork management and competent person reporting. Simon has worked as an associate of SRK on well over 250 due diligence studies across a broad range of commodity types over the last 15 years.

Lisa Chandler, MEng (Civil Engineering), BSc (Physical Geography), MAusIMM, MEIANZ, NELA – Principal Associate – Æthos Consulting

Lisa Chandler has over 20 years' experience as an environmental advisor to government and the private sector. Her diverse professional experience and formal qualifications in both engineering and science enable her to work effectively in multi-disciplinary teams. Lisa has a particular interest in environmental assurance activities, compliance and performance assessment and a range of due diligence activities. She was formerly head of the audit section of the Department of Environment and Conservation. For the past 10 years, Lisa has worked predominantly in EIA, audit and senior technical/management roles in Western Australia. Lisa is certified as a principal auditor for assessment of environmental management, EMSs, environmental compliance and contaminated sites.

South Africa

Lesley Jeffry, MSc, BSc, PrSciNat, FGSSA, FFF – Principal Geologist

Lesley has been involved in geology for over 35 years with her expertise included: design, implementation and management of exploration programmes; geological assessment; computer modelling of tabular ore bodies; resource/reserve estimation; feasibility and due diligence studies and competent person reports; model and resource estimation audits; and geological assessments.

Marcin Wertz, BSc, PrEng, ECSA, FSAIMM – Principal Mining Engineer

Marcin Wertz has been involved in the field of mining engineering for the past 34 years. His expertise includes: reviewing mining methods, underground layouts and production scheduling for various underground hard rock mines and mining studies; conducting reserve audits with emphasis on resource-to-reserve conversions; evaluating underground operations including productivities being achieved to determine bottlenecks and/or overstaffing; carrying out mine design and production scheduling activities for various underground projects involving a range of

geometries from conventional tabular deposits through vertical fissure/vein type deposits to massive deposits; co-ordinating and managing mining scoping studies through to full feasibility studies to bankable standard involving multi-disciplinary teams including other consulting firms.

Mark Wanless, BSc (Hons), PrSciNat, FGSSA, MGASA – Principal Resource Geologist

Mark Wanless has over 20 years of experience in the field of mine geology, QAQC, geological and ore body computer modelling, geostatistical and resource modelling. His expertise includes: international resource geology, specialising in the evaluation of Mineral Resources from early-stage exploration targets through to production. Proficient in multiple cutting-edge 3D geological modelling, statistical and geostatistical software packages and is accomplished in all aspects of the evaluation and estimation of Mineral Resources, as well as sampling and QAQC implementation; and extensive experience in the use of Isatis, Datamine, Leapfrog and GEMS software.

Norman (Noddy) McGeorge, MSc, BSc, PrEng, MSAIMM – Principal Mining Engineer

Noddy McGeorge has been involved in mining for the past 34 years. His expertise includes: production; mine planning and optimisation; project development; acquisition and divestment of mines; project work around mine closure and water treatment for closed mines as well as evaluation of new technologies; consulting in mine planning, engineering design, competent persons reporting, mine valuation and feasibility studies.

Vic Hills, BEng, PrEng, ECSA, MSAIMM, MMMA – Mineral Processing Consultant

Vic Hills has worked in the field of Mineral Processing for the past 40 years. His career has included nine years in middle and senior plant management, seven years as consulting metallurgist for South African gold, uranium and platinum mining companies, before embarking on an independent consulting career. In addition to base metals, precious metals and uranium, project exposure has included chrome, iron ore, manganese, industrial minerals and REEs. His expertise includes: metallurgical and mineral processing consulting; technical and economic due diligence; metal accounting and metal reconciliation audits; concept, PFS and feasibility studies; and independent competent person reviews.

Darryll Kilian, MA, BA(Hons), DipEd, BA, MIAIAsa – Principal Environmental Consultant

Darryll Kilian has been involved in the field of environmental management, consulting and research in Africa for over 27 years. Over the past decade, he has played a leading role in quality assurance on all projects. His expertise includes: environmental and social impact assessment. due diligence; project performance monitoring and review; environmental reporting; strategy and policy development; environmental and social research; and facilitation and stakeholder engagement.

Andy MacDonald, MBL, MSc, BSc(Hons), BSc, CEng, MIOM3, FSAIMM – Associate Principal Engineer

Andy McDonald has been involved in the fields of management, technical and financial activities for the past 46 years. His expertise includes: financial evaluations and valuations of mining projects and operations; compilation of Competent Person's Reports/Mineral Expert's Reports/Mineral Asset Valuation Reports for listings on JSE, LSE, AIM, TSX, HKSE, and Independent Engineer's Reports and Technical Advisor's Reports for use by financial institutions; due-diligence audits and technical reviews of mining projects and operations; engineering studies of mining projects; provided Expert Witness opinion on valuation of mineral assets in court; acted as Independent Technical Advisor/Engineer for financial institutions monitoring project construction progress and funds drawdown.

Attachment 2 SRK limitations, reliance on information, declaration and consent

Limitations

SRK's opinion contained herein is based on information provided to SRK by Vimy and Deep Yellow throughout the course of SRK's investigations as described in this Report, which in turn reflect various technical and economic conditions at the time of writing. Such technical information as provided by Vimy and Deep Yellow was taken in good faith by SRK. SRK has not independently verified historical Mineral Resources and Ore Reserve estimates by means of recalculation.

This Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider them to be material.

As far as SRK has been able to ascertain, the information provided by Vimy and Deep Yellow was complete and not incorrect, misleading or irrelevant in any material aspect.

Vimy and Deep Yellow has confirmed in writing to SRK that full disclosure has been made of all material information and that to the best of its knowledge and understanding, the information provided by Vimy and Deep Yellow was complete, accurate and true and not incorrect, misleading or irrelevant in any material aspect. SRK has no reason to believe that any material facts have been withheld.

Statement of SRK independence

Neither SRK, nor any of the authors of this Report, have any material present or contingent interest in the outcome of this Report, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

SRK has no prior association with Vimy and Deep Yellow regarding the mineral assets that are the subject of this Report. Mr McKibben has previously evaluated some of the mineral assets considered in this report whilst employed at Snowden Mining Consultants Pty Ltd in 2005, with no further involvement since that time. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence.

Indemnities

As recommended by the VALMIN Code (2015), Vimy has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by either Deloitte and/or Vimy and Deep Yellow or these parties not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

Consent

SRK consents to this Report being included, in full, in Deloitte's IER in the form and context in which the technical assessment is provided, and not for any other purpose. SRK provides this consent on the basis that the technical assessments expressed in the Summary and in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report.

Practitioner Consent

The information in this report that relates to Technical Assessment of the Mineral Resources is based on and fairly reflects information compiled and conclusions derived by Mr Danny Kentwell and Mr Mark Wanless, who are a Competent Persons and a registered professional scientist in Australia or South Africa.

The information in this report that relates to Technical Assessment of the Ore Reserves based on and fairly reflects information compiled and conclusions derived by Mr Carl Murray and Mr Norman McGeorge, who are a Competent Persons and a registered professional scientist in Australia or South Africa.

The information in this report that relates to the Technical Assessment and the Valuation of all the Mineral Assets is based on, and fairly reflects information compiled and conclusions derived by Mr Jeames McKibben and Andy McDonald, who are Competent Persons and Member of either the AusIMM, AIG or SAIMM.

Messrs Kentwell, Wanless, Murray, McGeorge, McKibben and McDonald are independent consultants and full-time employees of SRK.

All named persons each have sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and the types of deposit under consideration and to the activity being undertaken to qualify as Practitioners as defined in the 2015 edition of the 'Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets', and as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

All named persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement is estimated at approximately A\$160,000. The payment of this professional fee is not contingent upon the outcome of the Report.

Attachment 3 References

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Attachment 4 Glossary of terms

Useful Definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

%	Percent
A\$	Australian dollar
AACE	American Association of Cost Engineering
AC	aircore
AP	Action Plan
AEM	Airborne Electromagnetic
Ag	silver
AG	autogenous grinding
AML	Allied Mineral Laboratories
ASX	Australian Securities Exchange
Au	gold
BAC	Base Acquisition Cost
BGG	gypcrete
BLEG	bulk leach extractable gold
BMT	basement
BoM	Bureau of Meteorology
BOO	build-own-operation
BOOT	build, own, operate, transfer
CAD	China Africa Development Fund
calcrete	carbonate-cemented gravel and conglomerate
Cameco	Cameco Australia Pty Ltd
CCD	Counter Current Decantation
CCG	calcrete
CGN	China General Nuclear Power Group
CNNC	China National Nuclear Corporation
Co	cobalt
CSR	corporate social responsibility
Cu	copper
DC	diamond core holes
DCF	Discounted Cash Flow
Deep Yellow	Deep Yellow Limited
Deloitte	Deloitte Corporate Finance Pty Limited
DFS	Definitive Feasibility Study
DMIRS	Department of Mines, Industry Regulation and Safety
dmt	dry metric tonne/s
DWER	Department of Water and Environment Regulation
Eaglefield	Eaglefield Holdings Pty Ltd
ECC	Environmental Clearance Certificates

ECO	Environmental Control Officer
EIA	environmental impact assessment
EMA	Energy and Mineral Australia Limited
EMP	environmental management plan/s
EMS	environmental management system
EP Act	<i>Environmental Protection Act 1986</i>
EPA	Environment Protection Authority
EPBC Act	<i>Environment Protection & Biodiversity Conservation Act 1999</i>
EPCM	Engineering, Procurement, Construction and Management
EPFIs	Equator Principles Financial Institutions
EPL	Exclusive Prospecting Licence
ESG	environment, social and governance
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
FID	final investment decision
g/l	grams per litre
Garnetite	monomineralic garnet rocks
GHG	Greenhouse Gas
GITs	Geotechnical Investigation Trenches
GL	Gigalitres
H ₂ O ₂	hydrogen peroxide
ha	hectare/s
HFO	heavy fuel oil
Hylron	Hylron Green Technologies (Pty) Ltd
ID ²	inverse distance squared
IER	Independent Experts' Report
IFC	International Finance Corporation
ISR	Independent Specialist Report
ISR	insitu recovery
IVSC	International Valuation Standards Committee
JOGMEC	Japan Oil, Gas and Metals National Corporation
JV	Joint Venture
kg	kilograms
km	kilometres
km ²	square kilometres
kt	kilotonnes
lbs	pounds
Li	lithium
LOM	life-of-mine
M	Million

m	metres
Ma	Million years ago
MDRL	Mineral Deposit Retention Licence
MEFT	Ministry of Environment, Forestry and Tourism
MFM	Myra Falls Metamorphics
MIK	Multiple Indicator Kriging
MME	Ministry of Mines and Energy
MRE	Mulga Rock East
MRW	Mulga Rock West
Mt	Million tonnes
MTO	Material Take-off
Mtpa	Million tonnes per annum
MTR	metal transaction ratio
MW	Megawatts
NamPower	Namibia Power Corporation (Pty) Ltd
Namwater	NamWater (Pty) Ltd
Narnoo	Narnoo Pty Ltd
NF	nano-filtration
Ni	nickel
NORM	naturally occurring radioactive material
NT	Northern Territory, Australia
OK	ordinary kriging
Pb	lead
PCO	Pine Creek Orogen
PEA	preliminary economic assessment
PER	Public Environmental Review
PFS	Pre-feasibility Study
PLRs	pipe leach reactors
PLS	Pregnant Leach Solution
PNC	PNC Exploration Australia Pty Ltd
ppm	parts per million
QA/QC	quality assurance/quality control
Quasar	Quasar Resources Pty Ltd
RAB	rotary air blast
RC	reverse circulation
redox	reduction-oxidation
REEs	rare earth elements
RG	Regulatory Guide
RIP	resin-in-pulp
RMP	Radiation Management Plan
RMR	Reptile Mineral Resources and Exploration (Pty) Ltd

RO	reverse osmosis
ROM	run-of-mine
RPEEE	reasonable prospects for eventual economic extraction
RSD	red sand
RTX	Rio Tinto Exploration Pty Ltd
RUN	Reptile Uranium Namibia (Pty) Ltd
SAG	semi autogenous grind
SBA	strong base anion exchange
Sc	scandium
scapolite	monomineralic scapolite rocks
SDU	sodium diuranate
SEDEX	sediment – exhalative
SFB	silica flooded breccia
SHE	Safety, Health and Environment
SMU	smallest mining unit
SRK	SRK Consulting (Australasia) Pty Ltd
t	tonnes
TCFD	Taskforce on Climate-related Financial Disclosures
Th	thorium
the Proposed Transaction	an offer from Deep Yellow Limited to acquire all of the fully paid ordinary shares in Vimy Resources Limited in exchange for shares in Deep Yellow by way of a Scheme of Arrangement
tpa	tonnes per annum
tpd	tonnes per day
TSF	tailings storage facility
U	uranium
U ₃ O ₈	uranium oxide
UCL	unallocated Crown land
UF	ultra-filtration
UO ₂	uraninite
UO ₄	uranyl peroxide
UOC	uranium oxide concentrate
US\$	United States dollar
V	vanadium
Vimy	Vimy Resources Limited
VTEM	versatile time domain electromagnetic
WBA	weak base anion exchange
WRD	waste rock dump
XRF	X-Ray Fluorescence Spectrometry
Zn	zinc

Attachment 5 Comparative transaction data

Announce Date	Project/Company Name	Asset's acquired	Region/State	Commodities	Area 100% (km ²)	Raw Multiple (\$/km ²)	Normalised Multiple (\$/km ²)
Dec-16	Paroo Station mine	Paroo Station	Western Australia	Cobalt, Copper, Gold	45.90	174,291.94	269,085.47
Mar-21	Top Camp Project	Top Camp	Queensland	Copper, Gold	4.06	123,243.78	134,647.07
May-16	Millennium leases	Millennium	Queensland	Cobalt, Copper, Gold, Silver, Zinc	1.35	65,051.78	92,005.02
Jun-18	P59/2116	Golden Grove North	Western Australia	Copper, Gold, Iron Ore, Zinc	1.70	8,205.88	11,688.28
Jun-16	NT Zinc project	NT Zinc project	Northern Territory	Copper, Lead, Zinc, Silver	50.45	396.43	559.12
Mar-16	Great Sandy copper - gold project	0	0	Copper, Gold	320.60	6,116.00	8,963.73
Apr-15	Yambah tenements	E28340, E28271	Northern Territory	Copper, Gold, Lead, Silver, Zinc	392.11	51.01	80.07
Jun-16	Mount Gilmore project	0	New South Wales	Cobalt, Copper, Gold	375.00	933.33	1,316.36
Dec-16	White Range tenements	White Range	Queensland	Cobalt, Copper, Gold, Molybdenum, Rhenium, Silver	550.18	11,165.22	17,237.73
Feb-16	Moonmera project	Mt Morgan	Queensland	Copper, Gold, Molybdenum	15.70	2,229.16	3,224.60
Dec-15	Mount Isa project	Mount Isa	Queensland	Cobalt, Copper, Gold, Molybdenum, Rhenium, Silver	250.00	24,400.00	40,024.04
Apr-15	Millennium Zinc project	Millennium Zinc project	Western Australia	0	290.05	17,238.41	27,060.38
Mar-17	Unca Creek project	Jervois	Northern Territory	Copper, Gold, Lead, Silver, Zinc	72.90	6,858.71	10,336.03
May-21	Portfolio of projects	Oonagabai, Paradise Well, Silver Valley	Northern Territory	Copper, Gold, Lead, Silver, Zinc	258.00	2,898.43	2,959.84
Mar-18	Mount Venn	Mt Venn	Western Australia	Cobalt, Copper, Nickel	59.50	19,747.90	28,163.82
Nov-19	Four Areas of Mount Isa Project	Mount Isa	Queensland	Cerium, Cobalt, Copper, Gold, Graphite, Iron Ore, Lanthanum, Lead, Molybdenum, Rhenium, Silver	290.00	34,482.76	38,980.27
Jul-19	EPM 26316	Walford Creek	Queensland	Cobalt, Copper, Lead, Nickel, Silver, Zinc	195.64	51.11	61.51

Announce Date	Project/Company Name	Asset's acquired	Region/State	Commodities	Area 100% (km ²)	Raw Multiple (\$/km ²)	Normalised Multiple (\$/km ²)
Feb-18	Morck's Well East & Doolgunna projects	Doolgunna, Morck's Well	Western Australia	Copper, Gold, Iron Ore, Manganese, Titanium, Vanadium, Zinc	1,350.00	1,693.00	2,438.07
Aug-17	Burra tenements	Burra	South Australia	Chromium, Cobalt, Copper, Gold, Lanthanides, Lead, Lithium, Manganese, Nickel, Scandium, Tungsten, U3O8, Zinc	1,190.00	326.80	490.96
Dec-19	Musgrave project	Musgrave	Western Australia	Cobalt, Copper, Gold, Lead, Nickel, Palladium, Platinum, Rhodium, U3O8, Zinc	1,307.68	191.18	216.77
Dec-20	Oakover project	Oakover	Western Australia	Cobalt, Copper, Gold, Iron Ore, Manganese, Palladium, Platinum, Silver	796.16	3,694.19	3,649.23
Feb-20	Breena Plains tenements	Breena Plains	Queensland	Copper, Gold, Lead, Zinc	1,226.00	6,397.34	6,500.62
Feb-20	Cheroona project tenements	Cashman	Western Australia	Copper, Gold, Lead, Silver, Zinc	107.83	15,897.60	16,154.25
Jan-20	E20/948	Mt Mulcahy	Western Australia	Cobalt, Copper, Gold, Lead, Silver, Zinc	204.00	441.18	472.68
Apr-18	Bali project	Bali, Sombrero	Western Australia	Copper, Gold, Lead, Silver, Zinc	41.00	4,268.29	5,981.77
Mar-18	EL29599 (Bonya Project)	EL29599	Northern Territory	Tungsten, Molybdenum	15.80	3,164.76	4,513.47
Mar-18	EL29701 (Bonya Project)	EL29701	Northern Territory	Tungsten, Molybdenum	278.31	4,491.35	6,405.41
Sep-19	Cashman tenements	Cashman	Western Australia	Copper, Gold, Lead, Silver, Zinc	226.54	8,762.84	9,617.77
Oct-18	Yamarna project	Winchester	Western Australia	Cobalt, Copper, Nickel	300.00	3,692.81	5,256.09
Jun-18	E59/2285	Golden Grove North	Western Australia	Cobalt, Copper, Gold, Iron Ore, Lead, Nickel, Silver, Zinc	174.80	60.22	85.77
Jun-18	Doolgunna Station project	Doolgunna Station	Western Australia	Copper, Gold	176.00	17,451.30	24,857.26
Sep-20	Elliott project	0	Northern Territory	Copper	4,500.00	6,518.52	5,967.90
Dec-20	Barkly-Babbler Project	Barkly	Northern Territory	Bismuth, Copper, Gold	82.05	2,437.54	2,407.87
Jun-20	Koojan project	0	Western Australia	Cobalt, Copper, Gold, Nickel, Palladium, Platinum	600.00	2,892.16	2,803.03

Announce Date	Project/Company Name	Asset's acquired	Region/State	Commodities	Area 100% (km ²)	Raw Multiple (\$/km ²)	Normalised Multiple (\$/km ²)
Jan-21	Horseshoe tenements	Horseshoe Lights	Western Australia	Copper, Gold, Lead, Silver, Zinc	32.40	87,751.15	88,305.87
Nov-21	Wongan Hills South project	0	Western Australia	Copper, Gold, Lead, Molybdenum, Nickel, Platinum Group Metals, Silver, Zinc	384.06	650.94	634.90
Sep-17	Barramine project	Braeside	Western Australia	Copper, Gold, Lead, Silver, Zinc	64.21	33,595.12	49,659.49
Nov-17	Eastman project	East Kimberley	Western Australia	Copper, Gold, Lead, Nickel, Platinum, Silver, Zinc	221.20	5,033.15	7,287.18
Apr-20	Perrinvale project	Perrinvale	Western Australia	Copper, Gold, Silver, Zinc	381.00	21,076.12	19,241.24
Aug-18	E59/2243, E59/2244 and E59/2288	Golden Grove North	Western Australia	Copper, Gold, Iron Ore, Zinc	197.50	440.51	654.11
Jan-21	Koojan property	0	Western Australia	Copper, Nickel, Platinum Group Metals	601.00	5,546.31	5,581.37
Feb-18	E51/1677 tenement	Munarra Gully	Western Australia	Cobalt, Copper, Gold, Lead, Nickel, Silver, Zinc	98.30	3,051.88	4,394.97
May-18	Highlands project	Highlands project	Queensland	Cobalt, Copper, Gold, Lead, Silver, U3O8, Zinc	776.00	515.46	725.17
Nov-17	Gorge Creek project	Gorge Creek	Queensland	Cobalt, Copper, Lead, Zinc	159.66	12,280.92	17,780.77
Jun-20	EPM 14955 and 17805	Cloncurry	Queensland	Antimony, Cobalt, Copper, Gold, Lanthanides, Lead, Molybdenum, Rhenium, Selenium, Silver, Tellurium, U3O8, Zinc	172.80	289.35	280.43
Sep-19	Gorge Creek project	Gorge Creek	Queensland	Cobalt, Copper, Lead, Zinc	159.66	5,356.74	5,879.36
Oct-18	Sunset and Black Rock properties	Mary Kathleen	Queensland	Cerium, Cobalt, Copper, Gold, Lanthanum, Molybdenum, Neodymium, Praseodymium, U3O8	19.21	1,301.56	1,852.56
Aug-21	Clermont project	Clermont	Queensland	Copper, Gold, Molybdenum	240.00	5,000.00	4,980.29
Aug-21	Beefwood project	EPM 26399	Queensland	Copper, Gold, Iron, Magnesium, Niobium,	63.80	11,320.53	11,275.90

Announce Date	Project/Company Name	Asset's acquired	Region/State	Commodities	Area 100% (km ²)	Raw Multiple (\$/km ²)	Normalised Multiple (\$/km ²)
				Titanium, Yttrium, Zirconium			
Dec-21	North Isa project	0	Queensland	Copper, Zinc	44.75	18,473.00	18,017.83
Feb-21	Black Range project	Western Victoria	Victoria	Base Metals, Coal, Copper, Gold, Lead, Platinum Group Metals, Silver, Zinc	124.00	9,677.42	10,105.66
Jan-18	Exploration license EL5425	Exploration license EL5425	Victoria	Copper, Gold, Molybdenum, Nickel, Silver	201.00	1,463.27	2,128.89
Jan-20	Barraba project	Barraba	New South Wales	Copper	23.75	50,526.32	54,134.84
Jan-18	Six exploration licences	Six exploration licences	New South Wales	Base Metals, Copper, Gold, Zinc	1,067.00	2,388.96	3,475.66
Feb-21	Koonenberry project	Cymbric Vale	New South Wales	Copper, Gold, Lead, Nickel, Platinum Group Metals, Silver, Zinc	2,600.00	384.62	401.64
Jan-18	Crowl Creek project	Crowl Creek project	New South Wales	Copper, Gold, Lead, Silver	278.00	899.28	1,308.35
Dec-20	Highlands Tenements	Highlands	Queensland	Copper, Gold	753.00	1,128.82	1,115.08
Feb-21	Templeton & mingera epms	Templeton	Queensland	Copper, Gold	139.00	7,194.24	7,512.60
Oct-20	EL 5586	Marree	South Australia	Copper, U3O8	283.00	14,134.28	12,918.08
Aug-17	Churchill Dam project	Churchill Dam	South Australia	Copper, Gold, U3O8	107.45	930.69	1,398.20
May-20	Strikeline Projects (Flinders, Torrens and Mt Craig	Flinders	South Australia	Cobalt, Copper, Gold, Iron, Iron Ore, Platinum Group Metals, Rare Earth Elements, Silver, Vanadium	1,937.00	356.22	329.73
Sep-20	Stuart Shelf tenement package	0	South Australia	Copper, Gold	1,828.00	2,520.70	2,307.78
Jun-19	Exploration license 6416	Lake Torrens	South Australia	Copper, Gold, Iron Ore, Lead, Palladium, U3O8	1,078.67	7,271.09	9,051.97
Dec-21	Peake and Denison Project	0	South Australia	Copper, Gold, Lead, Silver, Zinc	2,547.00	3,748.59	3,656.22

Announce Date	Project/Company Name	Asset's acquired	Region/State	Commodities	Area 100% (km ²)	Raw Multiple (\$/km ²)	Normalised Multiple (\$/km ²)
Jan-18	Seven exploration tenements	Seven exploration tenements	south australia	Cobalt, Copper, Gold, Rare Earth Elements, Silver, U3O8	1,094.00	1,828.15	2,659.75
Dec-18	Moonta ISR JV	Moonta-Wallaroo	South Australia	Cobalt, Copper, Gold	819.00	4,788.24	6,676.76
Jul-18	Five tenements	Western Gawler Craton	South Australia	Copper, Gold, Nickel, Palladium, Platinum	5,070.00	1,063.54	1,549.42
Sep-18	Arunta west project	Arunta West	Western Australia	Copper, Gold, Manganese, Palladium, Platinum, Rhodium, Silver, U3O8	1,411.70	486.13	711.27
Mar-20	Six exploration licenses	Condoblin, Cundumbul, Fairholme, Trundle	New South Wales	Copper, Gold, Lead, Molybdenum, Silver, Zinc	587.00	3,398.64	3,233.89
Jun-18	Montejinni & Claypan Dam project	Claypan Dam, Montejinni	Northern Territory, South Australia	Copper, Gold, Iron Ore, Nickel, Titanium	890.00	162.30	231.17
Mar-21	Ravenswood West project	Ravenswood	Queensland	Cerium, Copper, Gold, Lanthanides, Lanthanum, Lead, Molybdenum, Neodymium, Praseodymium, Rare Earth Elements, Samarium, Silver	366.00	1,132.51	1,237.30
Sep-19	Belgravia project	Belgravia	New South Wales	Copper, Gold	80.00	8,000.00	8,780.50
Sep-19	Barkly project	Barkly	Northern Territory	Bismuth, Copper, Gold	82.05	23,053.02	25,302.13
May-19	Copper Dome project	0	Queensland	Copper, Gold	44.69	1,790.11	2,358.84
Apr-18	Tartana project	Tartana	Queensland	Cobalt, Copper, Gold, Iron, Lead, Silver, Sulfur, Zinc	3.24	159,191.40	223,097.72



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APPENDIX 2

INVESTIGATING ACCOUNTANT'S REPORT

**KPMG Transaction Services**

A division of KPMG Financial Advisory Services
(Australia) Pty Ltd
Australian Financial Services Licence No. 246901
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235 St Georges Terrace
Perth WA 6000

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The Directors
Vimy Resources Limited
First Floor, 1209 Hay Street
West Perth, WA 6005

Our ref Vimy22-SchemeIARdrft0530-
PSR(48289190.1).docx

30 May 2022

Dear Directors

Limited Assurance Investigating Accountant's Report and Financial Services Guide

Investigating Accountant's Report

1

Introduction

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division) ("KPMG Transaction Services") has been engaged by Vimy Resources Limited ("Vimy Resources") to prepare this report for inclusion in the scheme booklet to be dated on or about 30 May 2022 ("Scheme Booklet"), and to be issued by Vimy Resources, in respect the proposed merger by a Scheme of Arrangement with Deep Yellow Limited ("Deep Yellow") under which Deep Yellow will acquire 100% of the Vimy Resources Shares on issue ("the Scheme"). Following implementation of the Scheme, Vimy and each of its subsidiaries will become wholly owned subsidiaries of Deep Yellow to form the Deep Yellow Group ("Merged Group").

Expressions defined in the Scheme Booklet have the same meaning in this report.

This Investigating Accountant's Report should be read in conjunction with the KPMG Transaction Services Financial Services Guide included in the Scheme Booklet.

2

Scope

You have requested KPMG Transaction Services to perform a limited assurance engagement in relation to the pro forma historical consolidated summary Statement of Financial Position of the Merged Group as at 31 December 2021 (the "Pro Forma Historical Statement of Financial Position") described below and disclosed in the Scheme Booklet.

The Pro Forma Historical Statement of Financial Position is presented in the Scheme Booklet in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

2.1 *Compilation of the Pro Forma Historical Statement of Financial Position*

Vimy Resources (the responsible party) have requested KPMG Transaction Services to perform limited assurance procedures in relation to the compilation of the Pro Forma Historical Statement of Financial Position of the Merged Group included in the Scheme Booklet.

The Pro Forma Historical Statement of Financial Position has been derived from the historical financial information of Vimy Resources and Deep Yellow, after adjusting for the effects of pro forma adjustments described in section 7.10 of the public document. The basis on which Vimy Resources has compiled the Pro Forma Historical Statement of Financial Position is specified in section 7.10 of the Scheme Booklet.

The Pro Forma Historical Statement of Financial Position has been compiled by Vimy Resources to illustrate the impact of the Scheme on Deep Yellow's financial position as at 31 December 2021. As part of this process, information about Vimy Resources's and Deep Yellow's financial position have been extracted by Vimy Resources from Vimy Resources' and Deep Yellow's interim financial statements for the period ended 31 December 2021.

The interim financial statements of Vimy Resources for the half-year ended 31 December 2021 were reviewed by KPMG in accordance with Australian Auditing Standards. The review opinion issued to the members of Vimy Resources relating to those financial statements was unmodified. The interim financial statements of Deep Yellow for the half-year ended 31 December 2021 were reviewed by Deep Yellow's external auditor in accordance with Australian Auditing Standards. The review opinion issued to the members of Deep Yellow relating to those financial statements was unmodified.

For the purposes of preparing this report we have performed limited assurance procedures in relation to the Pro Forma Historical Statement of Financial Position in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the Pro Forma Historical Statement of Financial Position has not been properly compiled on the basis stated in section 7.10 of the Scheme Booklet.

We have conducted our procedures in accordance with the Standard on Assurance Engagements ASAE 3420 *Assurance Engagements To Report on the Compilation of Pro Forma Historical Statement of Financial Position included in a Prospectus or other Document* (ASAE 3420).

Our limited assurance engagement has involved performing procedures to assess whether the applicable criteria used by Vimy Resources in the compilation of the Pro Forma Historical Statement of Financial Position provides a reasonable basis for

presenting the significant effects directly attributable to the event(s) or Scheme(s), and that the:

- related pro forma adjustments give appropriate effect to those criteria; and
- resultant Pro Forma Historical Statement of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The engagement has also involved evaluating the overall presentation of the Pro Forma Historical Statement of Financial Position.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about whether the Pro Forma Historical Statement of Financial Position has been properly compiled on the basis stated in section 7.10 of the Scheme Booklet.

We have not performed an audit or review of the historical financial information used in compiling the Pro Forma Historical Statement of Financial Position, or of the Pro Forma Historical Statement of Financial Position itself. Also, our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used in compiling the Pro Forma Historical Statement of Financial Position.

The purpose of the compilation of the Pro Forma Historical Statement of Financial Position being included in the Scheme Booklet is solely to illustrate the impact of the Scheme on the unadjusted financial information of Deep Yellow. Accordingly, we do not provide any assurance that the actual outcome of the Scheme would have been as presented.

3 Directors' responsibilities

The directors of Vimy Resources are responsible for the preparation of the Pro Forma Historical Statement of Financial Position, including the selection and determination of the pro forma transactions and/or adjustments, and for properly compiling the Pro Forma Historical Statement of Financial Position on the basis stated in section 7.10 of the Scheme Booklet.

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

4 Conclusions

4.1 Compilation of the Pro Forma Historical Statement of Financial Position

Based on our procedures, which are not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Statement of Financial Position is not properly compiled on the basis stated in section 7.10 of the Scheme Booklet.

We have not audited or reviewed the historical financial information extracted from the interim financial statements of Vimy Resources or Deep Yellow for the half-year ended 31 December 2021, and we do not express any opinion, or make any statement of negative assurance, as to whether the Pro Forma Historical Statement of Financial Position is prepared or presented fairly, in all material respects, in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and Vimy Resources's accounting policies.

5 Independence

KPMG Transaction Services does not have any interest in the outcome of the proposed Scheme, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG is the auditor of Vimy Resources and from time to time, KPMG also provides Vimy Resources with certain other professional services for which normal professional fees are received.

6 General advice warning

This report has been prepared, and included in the Scheme Booklet, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

7 Design and Distribution Obligations ("DDO")

KPMG has made reasonable enquiries of Vimy Resources as to whether shares offered pursuant to the Scheme is captured by Design and Distribution Obligations ("DDO") regulations. Where a Target Market Determination ("TMD") is required KPMG has reviewed the TMD to ensure the content of the IAR is consistent with the TMD.

8 Restriction on use

Without modifying our conclusions, we draw attention to section 7.10 of the Scheme Booklet, which describes the purpose of the financial information, being for inclusion in the Scheme Booklet. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.



KPMG Transaction Services has consented to the inclusion of this Investigating Accountant's Report in the Scheme Booklet in the form and context in which it is so included, but has not authorised the issue of the Scheme Booklet. Accordingly, KPMG Transaction Services makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Scheme Booklet.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Matthew Kelly', written in a cursive style.

Matthew Kelly
Authorised Representative



KPMG Financial Advisory Services (Australia) Pty Ltd

ABN 43 007 363 215

Australian Financial Services Licence No. 246901

Financial Services Guide

Dated 30 May 2022

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by **KPMG Financial Advisory Services (Australia) Pty Ltd ABN 43 007 363 215 ("KPMG FAS")**, Australian Financial Services Licence Number 246901 (of which KPMG Transaction Services is a division) (**"KPMG Transaction Services"**), and Matthew Kelly as an authorised representative of KPMG Transaction Services, authorised representative number 000404260 (**Authorised Representative**).

This FSG includes information about:

- KPMG FAS and its Authorised Representative and how they can be contacted;
- The services KPMG FAS and its Authorised Representative are authorised to provide;
- How KPMG FAS and its Authorised Representative are paid;
- Any relevant associations or relationships of KPMG FAS and its Authorised Representative;
- How complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- The compensation arrangements that KPMG FAS has in place.

The distribution of this FSG by the Authorised Representative has been authorised by KPMG FAS.

This FSG forms part of an Investigating Accountant's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (**PDS**). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits, and costs of acquiring the particular financial product.

Financial services that KPMG FAS and the Authorised Representative are authorised to provide

KPMG FAS holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for the following classes of financial products:

- Deposit and non-cash payment products;
 - Derivatives;
 - Foreign exchange contracts;
 - Government debentures, stocks or bonds;
 - Interests in managed investments schemes including investor directed portfolio services;
 - Securities;
 - Superannuation;
 - Carbon units;
 - Australian carbon credit units; and
 - Eligible international emissions units,
- to retail and wholesale clients.

We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products. The Authorised Representative is authorised by KPMG FAS to provide financial product advice on KPMG FAS's behalf.

KPMG FAS and the Authorised Representative's responsibility to you

KPMG FAS has been engaged by Vimy Resources Limited (Client) to provide general financial product advice in the form of a Report to be included in Prospectus (Document) prepared by Vimy Resources Limited in relation to its proposed merger by a Scheme of Arrangement with Deep Yellow Limited (Transaction).

You have not engaged KPMG FAS or the Authorised Representative directly but have received a copy of the Report because you have been provided with a copy of the Document. Neither KPMG FAS nor the Authorised Representative are acting for any person other than the Client.

KPMG FAS and the Authorised Representative are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General advice

As KPMG FAS has been engaged by the Client, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Document before making any decision in relation to the Transaction.

Fees KPMG FAS may receive, and remuneration or other benefits received by our representatives

KPMG FAS charges fees for preparing reports. These fees will usually be agreed with, and paid by, the Client. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the Client has agreed to pay KPMG FAS \$25,000 for preparing the Report. KPMG FAS and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

KPMG FAS officers and representatives (including the Authorised Representative) receive a salary or a partnership distribution from KPMG's Australian professional advisory and accounting practice (the KPMG Partnership). KPMG FAS' representatives (including the Authorised Representative) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

Neither KPMG FAS nor the Authorised Representative pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures KPMG FAS is controlled by and operates as part of the KPMG Partnership. KPMG FAS' directors and Authorised Representatives may be partners in the KPMG Partnership. The Authorised Representative is a partner in the KPMG Partnership. The financial product advice in the Report is provided by KPMG FAS and the Authorised Representative and not by the KPMG Partnership.

From time to time KPMG FAS, the KPMG Partnership and related entities (KPMG entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, the Client or has other material financial interests in the transaction.

Complaints resolution

Internal complaints resolution process

If you have a complaint, please let KPMG FAS or the Authorised Representative know. Complaints can be sent in writing to The Complaints Officer, KPMG, GPO Box 2291U, Melbourne, VIC 3000 or [via email](mailto:COMPLAINT@kpmg.com.au) (AU-FM-AFSL-COMPLAINT@kpmg.com.au). If you have difficulty in putting your complaint in writing, please telephone the Complaints Officer on (03) 9288 5555 and they will assist you in documenting your complaint.

We will acknowledge receipt of your complaint, in writing, within 1 business day or as soon as practicable.

Following an investigation of your complaint, you will receive a written response within 30 calendar days. If KPMG FAS is unable to resolve your complaint within 30 calendar days, we will let you know the reasons for the delay and advise you of your right to refer the matter to the Australian Financial Complaints Authority (**AFCA**).

External complaints resolution process

If KPMG FAS or the Authorised Representative cannot resolve your complaint to your satisfaction within 30 calendar days, you can refer the matter to AFCA. AFCA is an independent body that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry. KPMG FAS is a member of AFCA (member no 11690).

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly at:

Address: Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne Victoria 3001
Telephone: 1800 931 678

Email: info@afca.org.au

The Australian Securities and Investments Commission also has a freecall infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

KPMG FAS holds professional indemnity insurance cover in accordance with section 912B of the *Corporations Act 2001(Cth)*.

Contact details

You may contact KPMG FAS or the Authorised Representative using the below contact details:

KPMG Transaction Services (a division of KPMG Financial Advisory Services (Australia) Pty Ltd)
Level 38, International Towers Three
300 Barangaroo Avenue
Sydney NSW 2000

PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7621
Facsimile: (02) 9335 7001

Matthew Kelly

C/O KPMG
PO Box H67
Australia Square
NSW 1213

Telephone: (02) 9335 7621
Facsimile: (02) 9335 7001

APPENDIX 3

SCHEME



Scheme of Arrangement

—

Vimy Resources Limited ACN 120 178 949

and

Each Scheme Shareholder

—

Scheme of Arrangement

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Details

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

Name	Vimy Resources Limited ACN 120 178 949
Address details	First Floor 1206 Hay Street West Perth WA 6005 and Each Scheme Shareholder

1. Definitions and interpretation

1.1 Definitions

In this Scheme, unless the context requires otherwise:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691, or as the context requires or permits, the financial market known as the Australian Securities Exchange operated by it.

Business Day means a business day as defined in the ASX Listing Rules.

CHESS means the clearing house electronic subregister system of share transfers operated by ASX Settlement Pty Limited ABN 49 008 504 532.

CHESS Holding has the meaning given in the Settlement Rules.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other court of competent jurisdiction agreed to by Vimy and Deep Yellow.

Deed Poll means the deed poll executed by Deep Yellow on [•] (and reproduced as an Annexure to the Scheme Booklet) under which Deep Yellow covenants in favour of the Scheme Shareholders to perform the actions attributed to it under this Scheme and subject to any amendments of that document agreed by the parties or required by the Court.

Deep Yellow means Deep Yellow Limited ACN 006 391 948 of Unit 17, 100-104 Railway Rd, Subiaco WA 6008.

Deep Yellow Group means Deep Yellow and each of its subsidiaries (excluding, at any time, Vimy and its subsidiaries to the extent that Vimy and its subsidiaries are subsidiaries of Deep Yellow at that time). A reference to a **member of the Deep Yellow Group** or a **Deep Yellow Group Member** is a reference to Deep Yellow or any such subsidiary.

Deep Yellow Options means options over Deep Yellow Shares.

Deep Yellow Share means a fully paid ordinary share in the capital of Deep Yellow.

Effective means the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme.

Effective Date means the date on which this Scheme becomes Effective.

End Date means the 'End Date' determined in accordance with the Scheme Implementation Deed.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal,

agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address in the Vimy Share Register is a place outside Australia and its external territories, New Zealand, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates and United Kingdom and any other jurisdictions in respect of which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Deep Yellow Shares to a Scheme Shareholder with a Registered Address in such jurisdiction.

Implementation Date means the fifth Business Day after the Scheme Record Date or such other date agreed to in writing between Vimy and Deep Yellow.

Issuer Sponsored Holding has the meaning given in the Settlement Rules.

New Deep Yellow Share means a Deep Yellow Shares to be issued under the terms of this Scheme as the Scheme Consideration.

Opt-in Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration as New Deep Yellow Shares.

Opt-in Notice Cut-Off Date means the latest time and date by which a completed Opt-in Notice must be received by the Vimy Registry, being 5.00pm on the Business Day prior to the Record Date.

Registered Address means, in relation to a Vimy Shareholder, the address shown in the Vimy Share Register as at the Scheme Record Date.

Sale Agent means a person appointed by Deep Yellow, in consultation with Vimy, to sell the Sale Shares under clauses 5.2(b) and 5.3.

Sale Proceeds means the gross proceeds of sale of the Sale Shares under clause 5.2(b), less any applicable brokerage and other selling costs, taxes and charges incurred by Deep Yellow or the Sale Agent in connection with the sale.

Sale Shares means the Deep Yellow Shares attributable to Ineligible Foreign Shareholders and Small Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Cut-Off Date.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between Vimy and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Consideration means 0.294 New Deep Yellow Share for every 1 Scheme Share, subject in the case of Ineligible Foreign Shareholders and Small Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Cut-Off Date to the operation of clauses 5.2 and 5.3, and otherwise subject to any applicable adjustment in accordance with the terms of this Scheme.

Scheme Implementation Deed means the scheme implementation deed dated 30 March 2022 between Deep Yellow and Vimy.

Scheme Meeting means the meeting of the Vimy Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Record Date means 5.00pm on the second Business Day after the Effective Date, or such other time and date agreed to in writing between Deep Yellow and Vimy.

Scheme Share means a Vimy Share held by a Scheme Shareholder as at the Scheme Record Date.

Scheme Shareholder means a Vimy Shareholder at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned for any reason, the day on which the adjourned application is heard.

Settlement Rules means the ASX Settlement Operating Rules.

Small Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date, would on implementation of this Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New Deep Yellow Shares (assessed by reference to the last traded price of Deep Yellow Shares on the ASX on the trading day prior to the Scheme Record Date) as Scheme Consideration.

Trust Account means an Australian dollar denominated trust account operated by Deep Yellow as trustee for the benefit of Ineligible Foreign Shareholders and Small Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Cut-Off Date.

Vimy Options means options over Vimy Shares.

Vimy Registry means Automic Group or any replacement provider of share registry services to Vimy.

Vimy Share means a fully paid ordinary share in the capital of Vimy.

Vimy Share Register means the register of members of Vimy maintained in accordance with the Corporations Act.

Vimy Shareholder means each person who is registered as the holder of Vimy Shares from time to time.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise:

- (a) The singular includes the plural, and the converse also applies.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause or schedule is a reference to a clause of or schedule to this Scheme.
- (f) A reference to an **agreement** or **document** (including a reference to this Scheme) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Scheme or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
- (g) A reference to a party to this Scheme or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (j) A reference to an agreement includes any undertaking, deed, agreement and legally enforceable arrangement, whether or not in writing, and a reference to a document includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (k) A reference to **dollars** and **\$** is to Australian currency.
- (l) All references to time are to Perth, Australia time.
- (m) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (n) A reference to, an **officer** or subsidiary is to that term as it is defined in the Corporations Act.

1.3 Business Day

Where the day on or by which any act, matter or thing under this Scheme is to be done is not a Business Day, that act, matter or thing must be done on or by the next Business Day.

1.4 Listing requirements included as law

A listing rule or business rule of a financial market will be regarded as a law, and a reference to such a rule is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

2. Preliminary

2.1 Vimy

- (a) Vimy is a public company limited by shares, registered in Australia and admitted to the official list of ASX.
- (b) The Vimy Shares are officially quoted on ASX. As at [•] 2022, Vimy had on issue or had granted:
 - (i) 1,155,627,658 Vimy Shares which are officially quoted on ASX;
 - (ii) 11,881,001 Vimy Options which are not quoted on any financial market; and
 - (iii) 3,500,000 Vimy performance rights which are not quoted on any financial market.

2.2 Deep Yellow

- (a) Deep Yellow is a public company limited by shares, registered in Australia and admitted to the official list of ASX.
- (b) The Deep Yellow Shares are officially quoted on ASX. As at [•] 2022:
 - (i) 387,198,206 Deep Yellow Shares were on issue which are officially quoted on ASX;
 - (ii) 402,688 Deep Yellow performance rights were on issue which are not quoted on any financial market; and
 - (iii) 636,435 Deep Yellow Options were on issue which are not quoted on any financial market.

2.3 General

- (a) By executing the Scheme Implementation Deed:
 - (i) Vimy has agreed to propose this Scheme and, if the Scheme becomes Effective, to implement it; and
 - (ii) Deep Yellow has agreed to assist with the proposal of this Scheme and, if the Scheme becomes Effective, its implementation,in each case, on and subject to the terms of the Scheme Implementation Deed.
- (b) This Scheme attributes actions to Deep Yellow but does not itself impose an obligation on it to perform those actions, as Deep Yellow is not a party to this Scheme. Deep Yellow has entered into the Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders that Deep Yellow will observe and perform the actions attributed to it under this Scheme, including the providing or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

2.4 Consequence of this Scheme becoming Effective

If this Scheme becomes Effective, the following implementation steps will occur:

- (a) Deep Yellow will apply for all New Deep Yellow Shares to be quoted on ASX;

- (b) Deep Yellow will provide or procure the provision of the Scheme Consideration to Scheme Shareholders in accordance with clause 5 of this Scheme and the Deed Poll; and
- (c) all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, will be transferred to Deep Yellow, and Vimy will enter Deep Yellow in Vimy Share Register as the holder of the Scheme Shares (see further clause 4), with the result that Vimy will become a wholly-owned subsidiary of Deep Yellow and removed from the official list of ASX.

3. Conditions

- (a) This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:
 - (i) all the conditions precedent in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(b) (Court approval)) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed as at 8.00am on the Second Court Date;
 - (ii) neither the Scheme Implementation Deed nor the Deed Poll having been terminated in accordance with their terms as at 8.00am on the Second Court Date;
 - (iii) approval of this Scheme by the Court under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act and consented to by Vimy and Deep Yellow;
 - (iv) such other conditions imposed by the Court under section 411(6) of the Corporations Act, as are acceptable to the parties (each acting reasonably), having been satisfied or waived; and
 - (v) the coming into effect of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme, on or before the End Date.
- (b) Vimy and Deep Yellow will provide to the Court on the Second Court Date certificates signed by Deep Yellow and Vimy (or such other evidence as the Court requests) stating whether or not:
 - (i) the conditions referred to in clause 3.1 of the Scheme Implementation Deed (other than the condition relating to the approval of this Scheme by the Court set out in clause 3.1(b) of the Scheme Implementation Deed) have been satisfied or waived in accordance with the terms of the Scheme Implementation Deed; and
 - (ii) the condition in clause 3(a)(ii) of this Scheme has been satisfied,
 in each case as at 8.00am on the Second Court Date.
- (c) Unless the Court requires otherwise, the certificates referred to in clause 3(b) constitute evidence that:
 - (i) the conditions (other than the condition relating to the approval of the Court set out in clause 3.1(b) of the Scheme Implementation Deed) are satisfied, waived, or taken to be waived, in accordance with the Scheme Implementation Deed; and
 - (ii) the condition in clause 3(a)(ii) of this Scheme has been satisfied,
- (d) in each case as at 8.00am on the Second Court Date. Without limiting any rights under the Scheme Implementation Deed, this Scheme will lapse and be of no further force or effect if:
 - (i) the Effective Date does not occur on or before the End Date or any later date as the Court, with the consent of the parties, may order; or
 - (ii) the Scheme Implementation Deed or Deed Poll is terminated in accordance with its respective terms before the Scheme becomes Effective,

and Deep Yellow and Vimy are released from any further obligation to take steps to implement the Scheme and any liability with respect to the Scheme, unless Deep Yellow and Vimy otherwise agree in writing (and if required, as approved by the Court).

4. Implementation

4.1 Lodgement of Court orders

If the Court makes orders under section 411 of the Corporations Act approving this Scheme, Vimy must lodge with ASIC office copies of those orders in accordance with section 411(10) of the Corporations Act before 5.00pm on the Business Day following the day on which such office copy is received. This Scheme will then take effect on and from the Effective Date and be implemented on the Implementation Date.

4.2 Transfer of Scheme Shares

Subject to this Scheme becoming Effective, the following actions will occur (in the order set out below):

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5 and to the receipt of written confirmation from Deep Yellow that the Scheme Consideration has been so provided, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Deep Yellow, without the need for any further act by any Scheme Shareholder (other than acts performed by Vimy or its officers as agent and attorney of the Scheme Shareholders under clause 8.7 or otherwise) by Vimy effecting a valid transfer or transfers of the Scheme Shares to Deep Yellow under section 1074D of the Corporations Act or, if that procedure is not available for any reason, by:
 - (i) Vimy delivering to Deep Yellow a duly completed share transfer form as transferor, executed on behalf of the Scheme Shareholders by Vimy as attorney and agent of each Scheme Shareholder, to transfer all the Scheme Shares to Deep Yellow; and
 - (ii) Deep Yellow duly executing such transfer form as transferee, attending to the stamping of such transfer form and delivering it to Vimy for registration; and
- (b) as soon as practicable after receipt of the transfer form in accordance with clause 4.2(a)(ii) or the transfer being effected under section 1074D of the Corporations Act (as the case may be), Vimy must enter, or procuring the entry of, the name of Deep Yellow in the Vimy Share Register in respect of all of the Scheme Shares transferred to Deep Yellow in accordance with the terms of this Scheme.

5. Scheme Consideration

5.1 Amount of Scheme Consideration

- (a) Subject to the terms of this Scheme, on the Implementation Date, each Scheme Shareholder is entitled to receive the Scheme Consideration in accordance with this clause 5.

5.2 Ineligible Foreign Shareholders

- (a) Deep Yellow will be under no obligation to issue, and will not issue, any New Deep Yellow Shares under this Scheme to Ineligible Foreign Shareholders.
- (b) Instead, Deep Yellow must procure that:
 - (i) the New Deep Yellow Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholder under the Scheme are issued by Deep Yellow to the Sale Agent on the Implementation Date (rounded down, if necessary, to the nearest whole number);

- (ii) as soon as practicable and, in any event, not more than [20] Business Days after the Implementation Date, the Sale Agent sells on ASX all of the Sale Shares issued to the Sale Agent pursuant to 5.2(b)(i) in such manner, at such price or prices and on such other terms as the Sale Agent determines in good faith; and
- (iii) promptly after the last sale of Sale Shares in accordance with clause 5.2(b)(ii), the Sale Agent pays the Sale Proceeds into the Trust Account (for payment by Deep Yellow to the Ineligible Foreign Shareholders in accordance with clauses 5.5(b) to (f) (inclusive) of this Scheme).
- (c) None of Deep Yellow, Vimy or the Sale Agent gives any assurance as to the price that will be achieved for the sale of Sale Shares by the Sale Agent. The sale of Sale Share by the Sale Agent will be at the risk of the Ineligible Foreign Shareholders and that Deep Yellow, Vimy and the Sale Agent expressly disclaim any fiduciary duty to the Ineligible Foreign Shareholders which may arise in connection with this clause 5.2.
- (d) Each Ineligible Foreign Shareholder appoints Vimy as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act.

5.3 Election by Small Shareholders

- (a) Vimy must provide each Small Shareholder with, or procure the provision to each Small Shareholder of, an Opt-in Notice.
- (b) A Small Shareholder may elect to receive the Scheme Consideration as New Deep Yellow Shares pursuant to clause 5.5(a)(i) of this Scheme by providing the Vimy Registry with a duly completed Opt-in Notice prior to the Opt-in Notice Cut-Off Date.
- (c) Unless a Small Shareholder provides the Vimy Registry with a duly completed Opt-in Notice by the Opt-in Notice Cut-Off Date pursuant to clause 5.3(b), Deep Yellow will be under no obligation under this Scheme or the Deed Poll to issue, and will not issue, any New Deep Yellow Shares to such Small Shareholder. Instead, unless Vimy and Deep Yellow otherwise agree, Deep Yellow must procure that the New Deep Yellow Shares that each Small Shareholder would otherwise be entitled to receive them as Scheme Consideration are issued to the Sale Agent and dealt with in accordance with clauses 5.2 and 5.5(b) to (f) (inclusive) of this Scheme, as if the references in those clauses to "Ineligible Foreign Shareholder" was a reference to a "Small Shareholder".

5.4 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any New Deep Yellow Shares comprised in the Scheme Consideration are to be issued to and registered in the names of the joint holders;
- (b) any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to the holder whose name appears first in the Vimy Share Register as at the Scheme Record Date; and
- (c) any other document required to be sent under this Scheme, will be forwarded to the holder whose name appears first in the Vimy Share Register as at the Scheme Record Date.

5.5 Provision of Scheme Consideration

- (a) Deep Yellow must before 12 noon on the Implementation Date:
 - (i) procure that the name of each Scheme Shareholder (other than the Ineligible Foreign Holders and Small Shareholders who have not provided an Opt-in Notice by the Opt-in Notice Cut-Off Date) is entered in the Deep Yellow's register of members as the holder of those New Deep Yellow Shares (in holdings having the same holding name and address and other details as the holding of the relevant Scheme Shares, and in CHESS Holdings if the relevant Scheme Shares were

- held in the CHESS Holdings and in Issuer Sponsored Holdings if the relevant Scheme Shares were held in Issuer Sponsored Holdings); and
- (ii) procure that the name of the Sale Agent is entered in Deep Yellow's register of members as the holder of the Sale Shares (with such holding details as the Sale Agent notifies).
- (b) As soon as practicable following payment into the Trust Account of the Sale Proceeds, Deep Yellow must pay from the Trust Account to each Ineligible Foreign Shareholder such proportion of Sale Proceeds as is due to that Scheme Shareholder as Scheme Consideration in respect of their Scheme Shares, being in the case of each such person the amount they would have received had they:
- (i) received the number of New Deep Yellow Shares to which they would have been entitled under this Scheme but for the operation of clause 5.2; and
 - (ii) sold them for an amount per New Deep Yellow Share equal to that part of the Sale Proceeds which is attributable to the sale of New Deep Yellow Shares divided by the total number of New Deep Yellow Shares included in the Sale Shares, provided that for the purposes of the foregoing the total cash amount payable to a Ineligible Foreign Shareholder in respect of its parcel of Scheme Shares shall be rounded down to the nearest whole cent.
- (c) The amount referred to in clause 5.5(b) must be paid by Deep Yellow doing any of the following at its election:
- (i) sending (or procuring the Vimy Registry to send) it to the Ineligible Foreign Shareholder's Registered Address by cheque in the name of that Ineligible Foreign Shareholder, in Australian currency drawn out of the Trust Account; or
 - (ii) depositing (or procuring the Vimy Registry to deposit) it into an account with any Australian ADI (as defined in the *Banking Act 1959* (Cth)) notified to Vimy (or the Vimy Registry) by an appropriate authority from the Ineligible Foreign Shareholder.
- (d) If there is any surplus in Scheme Consideration held by Deep Yellow in the Trust Account, the *Unclaimed Money Act 1990* (WA) will apply in relation to that surplus which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1990* (WA)) and any interest or other benefit accruing from unclaimed Scheme Consideration will be to the benefit of Deep Yellow.
- (e) If any amount is required under any Australian law or by any Australian Regulatory Authority to be:
- (i) withheld from an amount payable under clauses 5.5(b) or 5.5(d) and paid to that entity or authority; or
 - (ii) retained by Deep Yellow out of an amount payable under clauses 5.5(b) or 5.5(d),
- its payment or retention by Deep Yellow (or the Vimy Registry) will constitute the full discharge of the obligations under this clause with respect to the amount so paid or retained until, in the case of 5.5(e)(ii) it is no longer required to be retained.
- (f) If:
- (i) written notice is given to Vimy or Deep Yellow (or the Vimy Registry) of an order made by a court of competent jurisdiction that requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Deep Yellow in accordance with clause 5.5(b), then Deep Yellow shall be entitled to procure that payment is made in accordance with that order; or
 - (ii) written notice is given to Vimy or Deep Yellow (or the Vimy Registry) of an order made by a court of competent jurisdiction that prevents Deep Yellow from making a payment to any particular Scheme Shareholder in accordance with clause 5.5(b), or such payment is otherwise prohibited by applicable law, Deep Yellow shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the

Scheme Consideration until such time as payment in accordance with clause 5.5(b) is permitted by that order or otherwise by law.

5.6 Fractional entitlements and splitting

- (a) Subject to clause 5.6(b), where the calculation of the number of New Deep Yellow Shares to be issued to a particular Scheme Shareholder would result in the issue of a fraction of a New Deep Yellow Share, the fractional entitlement:

- (i) which is 0.5 or greater will be rounded up to the nearest whole number of New Deep Yellow Shares; and
- (ii) which is less than 0.5 will be rounded down to the nearest whole number of New Deep Yellow Shares,

after aggregating all holdings of the Scheme Shareholder and in a manner which avoids manipulation of a Scheme Shareholder's holdings to take advantage of the rounding entitlement.

- (b) If Deep Yellow reasonably forms the opinion that two or more Scheme Shareholders, each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.6(a) or each of whom holds less than or equal to the number of Vimy Shares required to classify as a Small Shareholder, have, before the Scheme Record Date, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, Deep Yellow may send a notice to those Scheme Shareholders setting out their names and Registered Addresses, stating that opinion and attributing to one of them specifically identified in the notice (**Deemed Holder**) all of the Scheme Shares held by all of them, on which, for the purposes of the Scheme:

- (i) the Deemed Holder will be taken to hold all of the Scheme Shares referred to in the notice; and
- (ii) each of the other Scheme Shareholders whose names and Registered Addresses are set out in the notice, will be taken not to hold any of the Scheme Shares,

and by complying with this clause 5.6(b), Deep Yellow will be taken to have satisfied and discharged its obligations under the terms of the Scheme to all the Scheme Shareholders named in the notice.

5.7 Status of the Deep Yellow Shares

Subject to this Scheme becoming Effective, Deep Yellow must:

- (a) issue New Deep Yellow Shares required to be issued under this Scheme on terms such that each such New Deep Yellow Share will rank equally in all respects with each other then existing Deep Yellow Share (other than in respect of any dividend already declared and not yet paid by Deep Yellow, where the record date for entitlement to that dividend occurred prior to the Implementation Date);
- (b) ensure that each New Deep Yellow Share required to be issued under this Scheme is duly issued and is fully paid and free from any mortgage, charge, lien, encumbrance or other security interest (except for any lien arising under the constitution of Deep Yellow); and
- (c) use all reasonable endeavours to ensure that such New Deep Yellow Shares are approved for listing on the ASX and that quotation of them on ASX commences as soon as practicable after the Effective Date, initially on a deferred settlement basis and thereafter on an ordinary (T+2) settlement basis.

5.8 Definition of 'sending'

For the purposes of clause 5, the expression **sending** means, in relation to each Scheme Shareholder:

- (a) sending by ordinary pre-paid post or courier to the Registered Address of that Scheme Shareholder as at the Scheme Record Date; or
- (b) delivery to the Registered Address of that Scheme Shareholder as at the Scheme Record Date by any other means at no cost to the recipient.

6. Dealings in the Vimy Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Vimy Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Vimy Share Register as the holder of the relevant the Vimy Shares on or before 5.00pm on the Scheme Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before 5.00pm on the Scheme Record Date,

and Vimy will not accept for registration, nor recognise for any purpose (except a transfer to Deep Yellow under this Scheme and any subsequent transfer by Deep Yellow or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

6.2 Register

- (a) **(Registration of transfers)** Vimy must register registrable transmission applications or transfers of the kind referred to in clause 6.1(b) on or before the Scheme Record Date (provided that for the avoidance of doubt nothing in this clause 6.2 requires Vimy to register a transfer that would result in a Vimy Shareholder holding a parcel of Vimy Shares that is less than a 'marketable parcel' (as defined in the Settlement Rules)).
- (b) **(No registration after Scheme Record Date)** Vimy will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Vimy Shares received after 5.00pm on the Scheme Record Date, other than to Deep Yellow in accordance with this Scheme.
- (c) **(Maintenance of the Vimy Share Register)** For the purpose of determining entitlements to the Scheme Consideration, Vimy must maintain the Vimy Share Register in accordance with the provisions of this clause until the Scheme Consideration has been provided to the Scheme Shareholders. The Vimy Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) **(No disposal after Scheme Record Date)** From the Scheme Record Date until registration of Deep Yellow in respect of all Scheme Shares under clause 4, no Vimy Shareholder may dispose of, or purport to agree to dispose of, or otherwise deal with Vimy Shares in any way except as set out in this Scheme and any attempt to do so will have no effect and Vimy shall be entitled to disregard any such disposal, purported disposal or agreement.
- (e) **(Statements of holding from Scheme Record Date)** All statements of holding for the Vimy Shares will cease to have effect from the Scheme Record Date as documents of title in respect of those shares. As from the Scheme Record Date, each entry current at that date on the Vimy Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Vimy Shares relating to that entry.
- (f) **(Provision of Scheme Shareholder details)** As soon as practicable after the Scheme Record Date and in any event within 1 Business Day before the Scheme Record Date, Vimy will ensure that details of the names, Registered Addresses and holdings of the Vimy Shares for each Scheme Shareholder are available to Deep Yellow in the form that Deep Yellow reasonably requires.

7. Suspension and termination of quotation of Vimy Shares

- (a) Vimy will apply to ASX to suspend trading on the ASX of the Vimy Shares with effect from the close of trading on the Effective Date.

- (b) On a date after the Implementation Date to be determined by Deep Yellow, and only after the transfer of the Scheme Shares has been registered in accordance with clause 4.2(b), Vimy will apply:
 - (i) for termination of the official quotation of Vimy Shares on ASX; and
 - (ii) to have itself removed from the official list of ASX.

8. General Scheme provisions

8.1 Appointment of agent and attorney

- (a) On this Scheme becoming Effective, each Scheme Shareholder, without the need for any further act, irrevocably appoints Vimy as its agent and attorney for the purposes of:
 - (i) in the case of Scheme Shares in a CHESS Holding:
 - (A) causing a message to be transmitted to ASPL in accordance with the ASX Settlement Rules to transfer the Scheme Shares held by the Scheme Shareholder from the CHESS subregister of Vimy to the issuer sponsored subregister operated by Vimy or the Vimy Share Registry at any time after Deep Yellow has issued or procured the issue of the Scheme Consideration which is due under this Scheme to Scheme Shareholders; and
 - (B) completing and signing on behalf of Scheme Shareholders any required form of transfer of Scheme Shares;
 - (ii) in the case of Scheme Shares registered in the issuer sponsored subregister operated by Vimy or the Vimy Share Registry, completing and signing on behalf of Scheme Shareholders any required form of transfer;
 - (iii) in all cases, executing any document or form or doing any other act necessary to give effect to the terms of this Scheme including, without limitation, the execution of a proper instrument of transfer of its Scheme Shares and the giving of the Scheme Shareholder's authority under clause 8.7; and
 - (iv) enforcing the Deed Poll against Deep Yellow,
 and Vimy accepts such appointment.
- (b) Vimy, as agent and attorney of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.1 to all or any of its directors and officers (jointly, severally, or jointly and severally).

8.2 Consent

If the Court proposes to approve this Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act:

- (a) Vimy may, by its counsel or solicitors, consent on behalf of all persons concerned (including the Scheme Shareholders) only to those alterations or conditions to which Deep Yellow has consented in writing; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions to which counsel for Vimy has consented.

8.3 Binding effect of Scheme

If this Scheme becomes Effective, this Scheme binds Vimy and all Scheme Shareholders (including those that were excluded from attending and voting at the Scheme Meeting, or who did not attend the Scheme Meeting, or who did not vote at that meeting, or voted against this Scheme at that meeting) and, to the extent of any inconsistency, overrides the constitution of Vimy.

8.4 Scheme Shareholders' agreements and acknowledgment

Each Scheme Shareholder:

- (a) agrees to the transfer of their Vimy Shares together with all rights and entitlements attaching to those Vimy Shares in accordance with this Scheme;
- (b) agrees to the variation, cancellation or modification of the rights attached to their Vimy Shares constituted by or resulting from this Scheme;
- (c) who holds their Vimy Shares in a CHESS Holding agrees to the conversion of those Vimy Shares to an Issuer Sponsored Holding and irrevocably authorises Vimy to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion;
- (d) agrees to become a shareholder in Deep Yellow and to have its name entered in the Deep Yellow share register, and accepts the New Deep Yellow Shares issued to it under the Scheme on the terms and conditions of the Deep Yellow constitution, to which it agrees to be bound, without the need for any further act by the Scheme Shareholder; and
- (e) agrees that the provision of the Scheme Consideration in accordance with clause 5 constitutes satisfaction of that Scheme Shareholder's entitlements under this Scheme.

8.5 Warranties by Scheme Shareholders

- (a) Each Scheme Shareholder is deemed to have warranted to Vimy, in its own right and for the benefit of Deep Yellow that as at the Implementation Date:
 - (i) all of its Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Deep Yellow under this Scheme will, on the date on which they are transferred to Deep Yellow, be free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;
 - (ii) all of its Scheme Shares which are transferred to Deep Yellow under this Scheme will, on the date on which they are transferred to Deep Yellow, be fully paid;
 - (iii) it has full power and capacity to transfer its Scheme Shares to Deep Yellow together with any rights and entitlements attaching to those shares; and
 - (iv) it has no existing right to be issued any other Scheme Shares, Vimy Options, Vimy performance rights, Vimy convertible notes or any other Vimy securities.
- (b) Vimy undertakes in favour of each Scheme Shareholder that it will provide the warranties in clause 8.5(a) to Deep Yellow, to the extent enforceable, on behalf of each Scheme Shareholder.

8.6 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Deep Yellow will, at the time of transfer to them to Deep Yellow, be fully paid and vest in Deep Yellow free from all mortgages, charges, liens, encumbrances and security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind.
- (b) From the time that Deep Yellow has provided the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5, Deep Yellow will be beneficially entitled to the Scheme Shares transferred to it under this Scheme pending registration by Vimy of Deep Yellow as the holder of the Scheme Shares in the Vimy Share Register.

8.7 Authority given to Vimy

- (a) Scheme Shareholders will be deemed to have authorised Vimy to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary for or

incidental to the implementation of this Scheme, including executing a share transfer or transfers in relation to Scheme Shares as agent and attorney of each Scheme Shareholder as contemplated by clause 4.2.

- (b) Each Scheme Shareholder, without the need for any further act, irrevocably appoints Vimy and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of executing any document necessary to give effect to this Scheme including, a proper instrument of transfer of its Scheme Shares for the purposes of section 1071B of the Corporations Act which may be a master transfer of all the Scheme Shares.

8.8 Appointment of sole proxy

From the time that Deep Yellow has provided the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5 and until Vimy registers Deep Yellow as the holder of all Vimy Shares in the Vimy Share Register, each Scheme Shareholder:

- (a) without the need for any further act by that Vimy Shareholder, is deemed to have irrevocably appointed Deep Yellow as its attorney and agent (and directed Deep Yellow in such capacity) to appoint any director, officer, secretary or agent nominated by Deep Yellow as its sole proxy and, where applicable, corporate representative to:
 - (i) attend shareholders' meetings of Vimy,
 - (ii) exercise the votes attaching to the Scheme Shares registered in its name; and
 - (iii) sign any Vimy Shareholders' resolution or document (whether in person, by proxy or by corporate representative);
- (b) undertakes not to otherwise attend shareholders' meetings, exercise the votes attaching to Scheme Shares registered in their names or sign or vote on any resolutions (whether in person, by proxy or by corporate representative) other than as provided under clause 8.8(a);
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Deep Yellow reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 8.8(a), Deep Yellow and any director, officer, secretary or agent nominated by Deep Yellow under clause 8.8(a) may act in the best interests of Deep Yellow as the intended registered holder of the Scheme Shares.

8.9 Enforcement of Deed Poll

Vimy undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Deep Yellow on behalf of and as agent and attorney for the Scheme Shareholders.

8.10 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Vimy binding or deemed binding between the Scheme Shareholder and Vimy relating to Vimy or the Vimy Shares (including any email addresses, instructions, notifications or elections) relating to:

- (a) payment of dividends on Vimy Shares including whether dividends are to be paid by cheque or into a specific bank account; and
- (b) notices of meetings or other communications from Vimy (including by email)

will be deemed from the Implementation Date (except to the extent determined otherwise by Deep Yellow in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Deep Yellow and to be a binding instruction, notification or election to, and accepted by, Deep Yellow in respect of the New Deep Yellow Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to Deep Yellow at its registry.

9. General

9.1 Stamp duty

Deep Yellow must pay all stamp duty payable in connection with the transfer of the Scheme Shares to Deep Yellow.

9.2 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Vimy, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Vimy's registered office or at the office of the Vimy Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non- receipt of such a notice by any Vimy Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.3 Further assurances

- (a) Vimy must do anything necessary (including executing agreements and documents) or incidental to give full effect to this Scheme and the transactions contemplated by it.
- (b) Each Scheme Shareholder consents to Vimy and Deep Yellow doing all things necessary or incidental to give full effect to this Scheme and the transactions contemplated by it.

9.4 No liability when acting in good faith

Without prejudice to the parties' rights under the Scheme Implementation Deed, neither Vimy nor Deep Yellow, nor any of their respective directors, officers, secretaries or employees, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

9.5 Governing law and jurisdiction

- (a) This Scheme is governed by the laws of Western Australia.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme.

APPENDIX 4

NOTICE OF SCHEME MEETING

Notice of Court Ordered Meeting of Vimy Resources Limited Shareholders

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on Wednesday, 15 June 2022 pursuant to section 411(1) of the Corporations Act, the Court has directed that a meeting of Vimy Resources Limited (**Vimy**) Shareholders (**Vimy Shareholders**) will be a virtual meeting held online on Wednesday, 20 July 2022 commencing at 10:00am (AWST) (**Scheme Meeting**).

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) to a scheme of arrangement proposed to be made between Vimy Resources Limited and Vimy Shareholders (**Scheme**).

A copy of the Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this Notice forms part of. Terms and abbreviations used (and not otherwise defined) in this Notice have the same meaning as set out in the glossary of defined terms in Section 11 of the Scheme Booklet.

Scheme Resolution – Approval of Scheme

The meeting will be asked to consider and, if thought fit, pass the following resolution:

*That under and in accordance with the provisions of section 411 of the Corporations Act 2001 (Cth), the members agree to the arrangement proposed between Vimy Resources Limited and the holders of its fully paid ordinary shares, designated the **Scheme**, as contained in and more particularly described in the Scheme Booklet accompanying the notice convening this meeting (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) and the Board of Directors of Vimy is authorised to implement the Scheme with any such alterations or conditions.*

Vimy Board comment and recommendations

For the reasons set out in the Scheme Booklet, the Vimy Board unanimously recommends that relevant Vimy Shareholders vote in favour of the Scheme Resolution in the absence of a Superior Proposal, and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders.

Arrangements for the Scheme Meeting

As a result of the potential health risks associated with large gatherings and the ongoing COVID-19 pandemic, the Scheme Meeting will be a virtual (online only) meeting. Vimy Shareholders are invited to participate in the Scheme Meeting using an online platform. This online platform will enable participants to view the Scheme Meeting live, ask questions online and vote on the Scheme Resolution in real time.

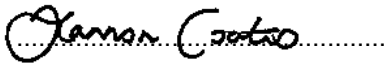
Watch and participate online

To access the virtual meeting:

1. Open your internet browser and go to investor.automic.com.au;
2. Login with your username and password or click “**register**” if you haven’t already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting;
3. After logging in, a banner will be displayed at the top of the webpage once the Meeting is open for registration. Click on “**View**” when this appears;
4. Click on “**Register**” and follow the steps;

5. Click on the URL to join the webcast where you can view and listen to the virtual Meeting;
6. Once the chair of the Meeting has declared the poll open for voting click on "Refresh" to be taken to the voting screen; and
7. Select your voting direction and click "**confirm**" to submit your vote. **Note that you cannot amend your vote after it has been submitted.**

BY ORDER OF THE COURT

A handwritten signature in black ink, appearing to read "Shannon Coates", written over a horizontal dotted line.

Shannon Coates
Company Secretary

NOTES TO THE NOTICE OF COURT ORDERED SCHEME MEETING

General

This Notice should be read in conjunction with the entire Scheme Booklet of which this Notice forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution. The Scheme Booklet includes a copy of the Scheme (refer to Appendix 3) and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme (the explanatory statement being all Sections of the Scheme Booklet, other than Appendix 3 to Appendix 6).

Terminology

Capitalised terms which are defined in the Scheme Booklet which accompanies this Notice of Scheme Meeting have the same meaning when used in this Notice (including these notes) unless the context requires otherwise.

Quorum

The constitution of Vimy provides that the quorum for a meeting of Vimy is three (3) members (in person, by proxy, attorney or representative).

Chair

The Court has directed that Mr Shaun McRobert act as chair of the Scheme Meeting, or failing him, Mr Wayne Bramwell, and has directed the chair to report the result of the Scheme Meeting to the Court. Mr McRobert is a partner at Minter Ellison, solicitors to Vimy, and Mr Bramwell is an independent director of Vimy. Neither Mr McRobert or Mr Bramwell hold any shares in Vimy. If the Scheme is implemented, Deep Yellow will appoint Mr Bramwell as a non-executive director but no fees or remuneration have been agreed.

Majority Required

In accordance with section 411(4)(a)(ii) of the Corporations Act, the resolution to approve the Scheme must be passed at the Scheme Meeting by:

- unless the Court orders otherwise, a majority in number (more than 50%) of the Vimy Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a Vimy Shareholder that is a corporation, by corporate representative); and
- at least 75% of the total number of votes cast in favour of the resolution by Vimy Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a Vimy Shareholder that is a corporation, by corporate representative).

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, to become Effective, the Scheme (with or without any alterations or conditions agreed or any alterations or conditions required by the Court) must also be approved by an order of the Court and an office copy of the orders of the Court approving the Scheme must be lodged with ASIC. If the Scheme Resolution is passed by the majority required, and the other Scheme Conditions (other than approval by the Court) are satisfied or waived by the time required under the Scheme, Vimy intends to apply to the Court for the necessary orders to approve the Scheme.

Vimy Shareholders who are Entitled to Vote

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Scheme Meeting is 5:00pm (AWST) on Monday, 18 July 2022. Only those Vimy Shareholders entered on the Share Register as at that time will be entitled to attend and vote at the Scheme Meeting either in person, by proxy, by attorney or, in the case of a Vimy Shareholder that is a corporation, by corporate representative. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

How to Vote

Voting at the Scheme Meeting will be by poll.

Vimy Shareholders can vote in one of the following ways:

- online at the virtual Scheme Meeting and voting on their own behalf or by attorney or, in the case of a Vimy Shareholder that is a corporation, by corporate representative; or
- by appointing one or more proxies to attend the virtual scheme meeting and vote on their behalf, using the Proxy Form enclosed with the Scheme Booklet or lodging a proxy vote online in accordance with the instructions on the Proxy Form.

Attendance Online

Vimy Shareholders, authorised proxies, attorneys and corporate representatives can attend and participate in the Scheme Meeting via <https://investor.automic.com.au/#/loginsah>.

Additional Voting Instructions

Method	Voting instructions
Online	<p>You will be able to attend and vote at the Scheme Meeting virtually through the online platform via https://investor.automic.com.au/#/loginsah .</p> <p>Online voting will be open between the start of the Scheme Meeting and the closing of voting as announced by the chair during the Scheme Meeting.</p> <p>If you attend the Scheme Meeting and vote in your capacity as a Vimy Shareholder, any votes cast by your proxy or attorney (if any) will not be counted.</p>
By Proxy	<p>To appoint a proxy to vote on your behalf in respect of the Scheme, you can complete the enclosed personalised Proxy Form in accordance with the instructions and return it to Automic. Alternatively, you can lodge your proxy online in accordance with the instructions on the Proxy Form.</p> <p>If your proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms and powers of attorney must be received by the Company's Share Registry, Automic, by no later than 10:00am AWST on Monday, 18 July 2022 (or if the Scheme Meeting is adjourned, at least 48 hours before the resumption of the Scheme Meeting). Proxy Forms and powers of attorney received after this time will not be valid. Accordingly, you should ensure that it is posted, delivered or lodged online in sufficient time for it to be received by Automic by that time. In addition, if you intend to mail your Proxy Form or return your Proxy Form in person, you should ensure that you allow sufficient time for it to be received by Automic by 10:00am (AWST) on Monday, 18 July 2022.</p>

Method	Voting instructions
	<p>If you are entitled to cast two or more votes, you may appoint two proxies. You must specify the names of each proxy. You may specify the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded.</p> <p>If you hold Vimy Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.</p> <p>A proxy may, but need not be, a Vimy Shareholder.</p> <p>If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the Vimy Shareholder's behalf on a poll and the Vimy Shares the subject of the proxy appointment will not be counted in computing the required majority.</p> <p>If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.</p> <p>If an appointment directs the way the proxy is to vote on the resolution:</p> <ul style="list-style-type: none"> • if the proxy is the chair - the proxy must vote on the poll and must vote in the way directed; and • if the proxy is not the chair - the proxy need not vote on the poll, but if the proxy does so, the proxy must vote in the way directed. <p>Vimy Shareholders who return their Proxy Forms with a direction on how to vote but without nominating the identity of their proxy will be taken to have appointed the chair of the Scheme Meeting as their proxy to vote on their behalf.</p> <p>Vimy confirms that it will appoint an independent nominee to act as chair of the Scheme Meeting.</p> <p>If:</p> <ul style="list-style-type: none"> • a Vimy Shareholder nominates the chair of the Scheme Meeting as their proxy; or • the chair of the Scheme Meeting is otherwise appointed to act as proxy, <p>then the person acting as chair of the Scheme Meeting in respect of an item of business at the meeting must act as proxy in respect of the resolution to be considered at the Scheme Meeting.</p> <p>If a Proxy Form is returned but the nominated proxy does not attend the Scheme Meeting or attends but does not vote on the poll, the chair of the Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions.</p> <p>The chair of the Scheme Meeting intends to vote undirected proxies of which he/she is appointed as proxy in favour of the resolution to approve the Scheme (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of Vimy Shareholders).</p> <p>A vote cast in accordance with the appointment of a proxy is valid even if before the vote was cast the appointor:</p> <ul style="list-style-type: none"> • died; • became mentally incapacitated; • revoked the power; or • transferred the Vimy Shares in respect of which the vote was cast,

Method	Voting instructions
	<p>unless Vimy received written notification of the death, mental incapacity, revocation or transfer before the meeting or, if applicable, the resumption of any adjourned meeting.</p> <p>Appointing a proxy will not preclude you from attending the Scheme Meeting in person and voting at the Scheme Meeting instead of your proxy. In this scenario the appointment of your proxy is not revoked but your proxy must not speak or vote at the meeting while you are so present.</p>
By Power of Attorney	<p>Your vote may be cast by a duly authorised attorney. An attorney need not be a Vimy Shareholder.</p> <p>If you intend to appoint an attorney to attend the Scheme Meeting and vote on your behalf, you may do so by providing a power of attorney duly executed by you in the presence of at least one witness, and specifying your name, the company (that is, Vimy Resources Limited), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one.</p> <p>The original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by Automic by no later than 10:00am AWST on Monday, 18 July 2022.</p> <p>The power of attorney must be delivered by posting it to Automic in accordance with the instructions on the Proxy Form.</p>
By Corporate Representative	<p>A Vimy Shareholder that is a body corporate may appoint an individual to act as its representative at the Scheme Meeting.</p> <p>To vote by corporate representative at the Scheme Meeting, a corporate Vimy Shareholder should obtain an "Appointment of Corporate Representative" form from Automic and complete that form in accordance with its instructions.</p> <p>Corporate representative appointment forms should be provided to Automic by Automic before commencement of the Scheme Meeting.</p>
Further Information	<p>For further information, you can call the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST).</p>

Jointly Held Vimy Shares

If the Vimy Shares are jointly held, only one of the joint shareholders is entitled to vote. If more than one Vimy Shareholder votes in respect of jointly held Vimy Shares, only the vote of the Vimy Shareholder whose name appears first on the Vimy Register will be counted.

Advertisement

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to attend the Scheme Meeting from Vimy's website <https://www.vimyresources.com.au/scheme>, or by contacting the Shareholder Information Line on 1300 038 212 (within Australia) or +61 2 9066 4052 (outside Australia) Monday to Friday between 7.00am and 5.00pm (AWST).

APPENDIX 5

SCHEME IMPLEMENTATION DEED

Scheme Implementation Deed

Deep Yellow Limited

Vimy Resources Limited

Contents

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Parties

- 1 **Deep Yellow Limited** (ABN 97 006 391 948) of Unit 17, 100-104 Railway Rd, Subiaco WA 6008 (**Deep Yellow**)
 - 2 **Vimy Resources Limited** (ABN 56 120 178 949) of First Floor, 1209 Hay St, West Perth WA 6005 (**Vimy**)
-

Background

- 1 Deep Yellow and Vimy have agreed to merge by a members' scheme of arrangement under Part 5.1 of the Corporations Act between Vimy and the Scheme Shareholders.
- 2 At the request of Deep Yellow, Vimy intends to propose the Scheme and issue the Scheme Booklet.
- 3 Deep Yellow and Vimy have agreed to implement the Scheme on and subject to the terms and conditions of this deed.

The parties agree

1 Defined terms and interpretation

1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

2 Agreement to proceed with Transaction

- (a) Vimy agrees to propose and implement the Scheme on and subject to the terms and conditions of this deed.
 - (b) Deep Yellow agrees to assist Vimy to propose and implement the Scheme on and subject to the terms and conditions of this deed.
-

3 Conditions Precedent

3.1 Conditions Precedent

Subject to this clause 3, the Scheme will not become Effective, and the respective obligations of the parties to implement the Scheme are not binding, until and unless each of the following Conditions Precedent are satisfied or waived in accordance with clause 3.3:

- (a) (**Vimy Shareholder approval**) Vimy Shareholders agree to the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act.

- (b) **(Court approval)** The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
- (c) **(Independent Expert)** The Independent Expert concludes in the Independent Expert's Report that in its opinion the Scheme is in the best interests of Vimy Shareholders, on or before the date on which the Scheme Booklet is registered with ASIC under the Corporations Act, and the Independent Expert does not adversely change or publicly withdraw this conclusion prior to 8.00am on the Second Court Date.
- (d) **(No restraints or regulatory action)** As at 8.00am on the Second Court Date, there is not in effect any temporary, preliminary or final order, decision, action, application or decree to or issued by any court of competent jurisdiction, Government Agency or public authority in connection with, or which restrains or prohibits, or otherwise materially adversely impacts, or could reasonably be expected to materially adversely impact, the Scheme.
- (e) **(Regulatory consents and approvals)** Before 8.00am on the Second Court Date, all other regulatory approvals which are necessary to implement the Scheme are obtained (unconditionally or subject to conditions acceptable to Deep Yellow and Vimy, acting reasonably) from:
 - (i) ASIC; and
 - (ii) ASX.
- (f) **(Vimy Unlisted Securities)** Before 8.00am on the Second Court Date:
 - (i) Each holder of the Vimy Unlisted Securities:
 - (A) exercises or converts (as the case may be) all of the Vimy Unlisted Securities they hold so that the new Vimy Shares issued upon such exercise will be subject to the Scheme; or
 - (B) enters into an Unlisted Security Exchange Agreement regarding the Vimy Unlisted Securities held by the holder of Vimy Unlisted Securities pursuant to clause 5.11 and Schedule 2 Part C prior to the Second Court Date; or
 - (ii) the Vimy Unlisted Securities lapse, or Vimy has otherwise entered into or facilitated such other legally binding obligations or arrangements consistent with lapsing or Schedule 2 Part C, to ensure that, by the Scheme Record Date, there will be no unlisted securities on issue.
- (g) **(Vimy Material Adverse Effect)** No Material Adverse Effect in respect of Vimy occurs or is announced or becomes known to Deep Yellow between (and including) the date of this deed and 8.00am on the Second Court Date.
- (h) **(Deep Yellow Material Adverse Effect)** No Material Adverse Effect in respect of Deep Yellow occurs or is announced or becomes known to Vimy between (and including) the date of this deed and 8.00am on the Second Court Date.
- (i) **(Vimy Prescribed Occurrence)** No Vimy Prescribed Occurrence occurs between the date of this deed and 8.00am on the Second Court Date.
- (j) **(Deep Yellow Prescribed Occurrence)** No Deep Yellow Prescribed Occurrence occurs between the date of this deed and 8.00am on the Second Court Date.

- (k) **(ASX quotation)** The New Deep Yellow Shares to be issued pursuant to the Scheme have, before 8.00am on the Second Court Date, been approved for official quotation on the ASX (provided that any such approval may be subject to the Scheme becoming Effective, to other customary conditions and any other conditions reasonably acceptable to Deep Yellow) and such approval remains in full force and effect in all respects and does not become subject to any written notice of intention to revoke, suspend, restrict, modify or not renew the same.
- (l) **(Vimy Material Counterparty Consents)** Vimy obtains all Material Counterparty Consents on terms reasonably acceptable to Deep Yellow and no such consents have been withdrawn or revoked before 8.00am on the Second Court Date.
- (m) **(Vimy Representations and Warranties)** The Vimy Representations and Warranties are true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.
- (n) **(Deep Yellow Representations and Warranties)** The Deep Yellow Representations and Warranties are true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.
- (o) **(Vimy net cash position)** Vimy has at least A\$17,000,000 in Net Cash as at 8.00am on the date of the Scheme Meeting.
- (p) **(No termination)** Neither this deed nor the Deed Poll have been terminated in accordance with their terms as at 8.00am on the Second Court Date.

3.2 Reasonable endeavours

- (a) Each of Deep Yellow and Vimy must use reasonable endeavours to ensure that:
 - (i) the Conditions Precedent in clauses 3.1(b) (**Court approval**), 3.1(c) (**Independent Expert**), 3.1(d) (**No restraints or regulatory action**), 3.1(e) (**Regulatory consents and approvals**) and 3.1(p) (**No termination**) are satisfied as soon as practical after the date of this deed and continue to be satisfied at all times until the last time that relevant Condition Precedent provides that it is to be satisfied (as the case may require); and
 - (ii) there is no occurrence within their respective control that would prevent the Conditions Precedent being satisfied.
- (b) Without limiting clause 3.2(a):
 - (i) before sending any submission or material correspondence to a Government Agency in connection with any regulatory matter, each party must consult with the other party in relation to, and provide the other party with a draft copy of, such submission or correspondence as soon as practicable and consider in good faith any reasonable comments received from the other party in relation to such submission or correspondence;
 - (ii) each party must act co-operatively with the other party and in a timely manner in connection with obtaining any regulatory approval, including responding to reasonable requests for information (whether made by the other party, a Government Agency or any other person) at the earliest practicable time; and
 - (iii) a regulatory approval will be deemed to have been granted or obtained if it is subject to conditions, but the conditions must be acceptable to both parties (acting reasonably).

- (c) Vimy must use reasonable endeavours to procure that the Conditions Precedent in clauses 3.1(a) (**Vimy Shareholder approval**), 3.1(f) (**Vimy Unlisted Securities**), 3.1(g) (**Vimy Material Adverse Effect**), 3.1(i) (**Vimy Prescribed Occurrence**), 3.1(l) (**Vimy Material Counterparty Consents**), 3.1(m) (**Vimy Representations and Warranties**) and 3.1(o) (**Vimy net cash position**) are satisfied as soon as practicable after the date of this deed or continue to be satisfied at all times until the last time that relevant Condition Precedent provides that it is to be satisfied (as the case may require).
- (d) Deep Yellow must use reasonable endeavours to procure that the Conditions Precedent in clauses 3.1(h) (**Deep Yellow Material Adverse Effect**), 3.1(j) (**Deep Yellow Prescribed Occurrence**), 3.1(k) (**ASX quotation**) and 3.1(n) (**Deep Yellow Representations and Warranties**) are satisfied as soon as practicable after the date of this deed or continue to be satisfied at all times until the last time that relevant Condition Precedent provides that it is to be satisfied (as the case may require).
- (e) The parties must cooperate and, to the extent reasonably practicable, assist one another with satisfying their obligations under this clause 3.2.

3.3 Waiver of Conditions Precedent

- (a) The Conditions Precedent in clauses 3.1(a) (**Vimy Shareholder approval**) and 3.1(b) (**Court approval**) cannot be waived.
- (b) The Conditions Precedent in clauses 3.1(d) (**No restraints or regulatory action**), 3.1(e) (**Regulatory consents and approvals**) and 3.1(p) (**No termination**) are for the benefit of both Deep Yellow and Vimy and any breach or non-fulfilment of any of those Conditions Precedent may only be waived by written agreement between Deep Yellow and Vimy.
- (c) The Conditions Precedent in clauses 3.1(f) (**Vimy Unlisted Securities**), 3.1(g) (**Vimy Material Adverse Effect**), 3.1(i) (**Vimy Prescribed Occurrence**), 3.1(l) (**Vimy Material Counterparty Consents**), 3.1(m) (**Vimy Representations and Warranties**) and 3.1(o) (**Vimy net cash position**) are for the sole benefit of Deep Yellow and any breach or non-fulfilment of any of these Conditions Precedent may only be waived by Deep Yellow (in its absolute discretion) in writing.
- (d) The Conditions Precedent in clauses 3.1(c) (**Independent Expert**), 3.1(h) (**Deep Yellow Material Adverse Effect**), 3.1(j) (**Deep Yellow Prescribed Occurrence**), 3.1(k) (**ASX quotation**) and 3.1(n) (**Deep Yellow Representations and Warranties**) are for the sole benefit of Vimy and any breach or non-fulfilment of such Conditions Precedent may only be waived by Vimy (in its absolute discretion) in writing.
- (e) If Deep Yellow or Vimy waives the breach or non-fulfilment of a Condition Precedent, that waiver does not prevent the relevant party from suing the other for any breach of this deed that resulted in such breach or non-fulfilment.
- (f) Waiver of a breach or non-fulfilment of a Condition Precedent does not constitute:
 - (i) a waiver of breach or non-fulfilment of any other Condition Precedent resulting from the same event; or
 - (ii) a waiver of breach or non-fulfilment of that Condition Precedent resulting from any other event.

3.4 Termination on failure of Condition Precedent

(a) If:

- (i) there is a breach or non-fulfilment of a Condition Precedent that has not been waived in accordance with clause 3.3;
- (ii) a Condition Precedent becomes incapable of satisfaction and the breach or non-fulfilment of that Condition Precedent that has occurred, or would otherwise occur, has not been waived in accordance with clause 3.3; or
- (iii) the Scheme has not become Effective by the End Date,

then either Deep Yellow or Vimy may give the other written notice (**Consultation Notice**) within 10 Business Days after the relevant event (**Termination Event**). Deep Yellow and Vimy must then consult in good faith to determine whether they can reach agreement with respect to:

- (iv) extending the time for satisfaction of the relevant Condition Precedent or the End Date (as the case may be);
- (v) adjourning or changing the date on which an application is made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application to a date agreed between Deep Yellow and Vimy (as applicable); or
- (vi) the Transaction proceeding by way of alternative means or methods, and if so, to agree on the terms of such an alternative approach.

If Deep Yellow and Vimy are unable to reach such agreement within 10 Business Days after a Consultation Notice is given, or if a Consultation Notice is not given within 10 Business Days after a Termination Event, either Deep Yellow or Vimy (in this clause 3.4, the **Terminating Party**) may terminate this deed by giving written notice (**Termination Notice**) to the other, provided that:

- (vii) if the basis upon which the Terminating Party is seeking to terminate this deed is the occurrence of an event described in clause 3.4(a)(i) or 3.4(a)(ii), the Terminating Party has the benefit of the relevant Condition Precedent or the Condition Precedent is referred to in clause 3.3(a); and
- (viii) there has been no failure by the Terminating Party to comply with its obligations under this deed or a deliberate act or omission, where that failure, act or omission directly and materially contributed to the occurrence of the Termination Event.

- (b) Where a Termination Notice is given under clause 3.4(a), this deed will terminate with immediate effect and clause 12.4 will apply.

3.5 Certain notices

Each of Deep Yellow and Vimy must promptly notify the other in writing if it becomes aware:

- (a) that a Condition Precedent has been satisfied, in which case that party must comply with any reasonable requests for evidence of such satisfaction made by the other party;
- (b) of a breach or non-fulfilment of a Condition Precedent; or

- (c) of any fact, matter or circumstance that has resulted or is reasonably likely to result in:
 - (i) a Condition Precedent becoming incapable of satisfaction or otherwise not being satisfied in accordance with its terms;
 - (ii) a Representation and Warranty provided by that party under this deed ceasing to be true and correct in all material respects; or
 - (iii) a material breach of this deed by that party; and
- (d) each party, in respect of matters within its knowledge, must keep the other reasonably informed of the progress towards satisfying the Conditions Precedent.

3.6 Scheme voted down because of Headcount Test

- (a) If the Scheme is not approved by Vimy Shareholders at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test and:
 - (i) Deep Yellow or Vimy considers acting reasonably that Share Splitting or some abusive or improper conduct may have caused or contributed to the Headcount Test not having been satisfied; and
 - (ii) legal advisers to Vimy have opined that there is a reasonable basis for considering the application referred to in clause 3.6(a)(iii) below more likely than not to succeed,

then Vimy must:

 - (iii) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
 - (iv) make such submissions to the Court and file such evidence as counsel engaged by Vimy to represent it in Court proceedings related to the Scheme, in consultation with Deep Yellow, considers is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test.

4 Scheme and Scheme Consideration

4.1 Scheme

- (a) At the request of Deep Yellow, Vimy agrees to propose the Scheme to Vimy Shareholders on and subject to the terms of this deed.
- (b) Vimy must not consent to any modification of, or amendment to, the Scheme, or to the making or imposition by a Court of any condition in respect of the Scheme, without the prior written consent of Deep Yellow.
- (c) The parties acknowledge and agree that, subject to the Scheme becoming Effective, on the Implementation Date the general effect of the Scheme will be that all of the Scheme Shares will be transferred to Deep Yellow and the Scheme Shareholders will be entitled to receive, for each Scheme Share held at the Scheme Record Date, the Scheme Consideration.

- (d) Deep Yellow undertakes and warrants to Vimy (in its own right and separately as trustee or nominee for each of the Scheme Shareholders) that, if the Scheme becomes Effective, in consideration for the transfer to Deep Yellow of the Scheme Shares held by each Scheme Shareholder under the terms of the Scheme, Deep Yellow will provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share held by the Scheme Shareholders in accordance with the terms of the Scheme.

4.2 Scheme Consideration

- (a) Each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder in accordance with the terms and conditions of this deed and of the Scheme.
- (b) Any fractional entitlement of a Scheme Shareholder to New Deep Yellow Shares:
 - (i) of 0.5 or more will be rounded up to the nearest whole number; and
 - (ii) of less than 0.5 will be rounded down to the nearest whole number.

4.3 Allotment and issue of New Deep Yellow Shares

Subject to clauses 4.4 and 4.5, in consideration of the transfer to Deep Yellow of all the Scheme Shares, Deep Yellow covenants in favour of Vimy (in its own right and separately as trustee and nominee for each of the Scheme Shareholders) that it will:

- (a) accept that transfer;
- (b) apply to ASX for the official quotation of the New Deep Yellow Shares that comprise the Scheme Consideration on the ASX; and
- (c) allot and issue the New Deep Yellow Shares that comprise the Scheme Consideration in accordance with the Scheme terms so that each New Deep Yellow Share will rank equally in all respects with each existing Deep Yellow Share and free from any encumbrance,

in each case in accordance with the terms of the Scheme.

4.4 Ineligible Foreign Shareholders

Deep Yellow will be under no obligation under the Scheme to issue, and will not issue any New Deep Yellow Shares to Ineligible Foreign Shareholders, and instead Deep Yellow must procure that the New Deep Yellow Shares that each Ineligible Foreign Shareholder would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with the Scheme.

4.5 Small Shareholders

Deep Yellow will be under no obligation under the Scheme to issue, and will not issue any New Deep Yellow Shares to Small Shareholders, and instead, unless Deep Yellow and Vimy otherwise agree, Deep Yellow will procure that the New Deep Yellow Shares that each Small Shareholder would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with the Scheme, provided that Small Shareholders who, on implementation of the Scheme, would be entitled to receive at least one whole New Deep Yellow Share as Scheme Consideration may elect to receive their Scheme Consideration in the form of New Deep Yellow Shares.

5 Implementation

5.1 Vimy obligations

Vimy must, acting at all times in good faith, use all reasonable endeavours and commit necessary resources to propose the Scheme in accordance with the Timetable and otherwise as soon as reasonably practicable and on the terms and conditions of this deed, including:

- (a) **(preparation of Scheme Booklet)**
 - (i) prepare the Scheme Booklet (other than the Deep Yellow Information and the Independent Expert's Report) in accordance with applicable laws, including the Corporations Act, Corporations Regulations, RG 60, any applicable Takeovers Panel policy and guidance notes and the Listing Rules; and
 - (ii) provide Deep Yellow with successive drafts of the Scheme Booklet and the factual sections of the Independent Expert's Report relating to Deep Yellow and the Merged Group in a timely manner, giving Deep Yellow a reasonable opportunity to review those drafts (including a final draft no later than two Business Days prior to lodgement of the Regulators Draft) and consider in good faith (and, where applicable and appropriate, promptly provide to the Independent Expert in writing) all reasonable comments provided by or on behalf of Deep Yellow;
- (b) **(Merged Group Information)** promptly prepare and provide to Deep Yellow any information regarding the Vimy Group reasonably required by Deep Yellow for it to prepare the Merged Group Information for inclusion in the Scheme Booklet;
- (c) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Vimy Information and (to the extent prepared by or contributed by Vimy) the Merged Group Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (d) **(promotion of Transaction)** provide all reasonable co-operation in the promotion of the Transaction to Vimy Shareholders, including if requested by Deep Yellow, procuring that senior Vimy Group employees, as may be reasonably available:
 - (i) meet with key Vimy Shareholders; and
 - (ii) communicate with employees, customers and suppliers of the Vimy Group; and
 - (iii) provide Deep Yellow with such information and assistance to enable it to be able to promote the merits of the Scheme.
- (e) **(Independent Expert)**
 - (i) as soon as reasonably practicable after the date of this deed, appoint the Independent Expert and provide such assistance and information as is reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report; and

- (ii) provide Deep Yellow with a reasonable opportunity to review and comment on the factual aspects of the brief to the Independent Expert and factual matters in the final draft of the Independent Expert's Report;
- (f) **(information provided to the Independent Expert)** ensure that all information provided by or on behalf of Vimy to the Independent Expert is provided in good faith and, on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet, is true and correct in all material respects and is not misleading or deceptive in any material respects, including by omission;
- (g) **(apply for ASX and ASIC relief)** use its reasonable endeavours to obtain all waivers, exemptions and modifications from ASX and ASIC as may be required to facilitate the implementation of the Scheme;
- (h) **(approval of Deep Yellow Information)** seek approval from Deep Yellow for the form and context in which the Deep Yellow Information appears in the Scheme Booklet, which approval Deep Yellow must not unreasonably withhold or delay, and Vimy must not lodge the Scheme Booklet with ASIC until such approval is obtained from Deep Yellow;
- (i) **(consultation for Merged Group Information)** consult in good faith with Deep Yellow for the form and context in which the Merged Group Information appears in the Scheme Booklet, and Vimy must not lodge the Scheme Booklet with ASIC until such consultation is provided to Deep Yellow and the form and context of the Merged Group Information is agreed by Vimy and Deep Yellow;
- (j) **(approval and registration of Scheme Booklet)**
 - (i) procure that a meeting of the Vimy Directors is convened to approve the Scheme Booklet for registration with ASIC and despatch to Vimy Shareholders; and
 - (ii) subject to receipt from Deep Yellow of the written confirmation referred to in clauses 5.2(h) and 5.2(i), request that, in accordance with section 412(6) of the Corporations Act, ASIC register the explanatory statement in relation to the Scheme, as contained in the Scheme Booklet;
- (k) **(lodgement of Regulator's Draft)**
 - (i) provide an advanced draft of the Scheme Booklet (**Regulator's Draft**) to:
 - (A) ASIC for its review for the purposes of section 411(2) of the Corporations Act; and
 - (B) ASX for its review for the purposes of Listing Rule 15.1.3 and Appendix 7A; and
 - (ii) keep Deep Yellow reasonably informed of any material issues raised by ASIC or ASX in relation to the Regulator's Draft and any steps taken to address such issues (provided that, where such issues relate to Deep Yellow Information or Merged Group Information, Vimy must not propose any resolution of those issues to ASIC or ASX (as applicable) without Deep Yellow's prior written consent);
- (l) **(Deep Yellow representation at Court Hearings)** allow, and not oppose, any application by Deep Yellow for leave of the Court to be represented by counsel at a Court Hearing;

- (m) **(Court Documents)** prepare the Court Documents, provide drafts of those documents to Deep Yellow in a timely manner and consider in good faith any reasonable comments provided by or on behalf of Deep Yellow on those drafts, provided that such comments are provided in a timely manner (having regard to the scheduled dates for the First Court Hearing and the Second Court Hearing (as applicable));
- (n) **(First Court Hearing)** apply to the Court for an order under section 411(1) of the Corporations Act directing Vimy to convene the Scheme Meeting;
- (o) **(Scheme Meeting)** as soon as reasonably practicable following registration of the Scheme Booklet by ASIC:
 - (i) despatch the Scheme Booklet to Vimy Shareholders;
 - (ii) (unless the Scheme Meeting is an entirely virtual meeting) procure that the chair of the Scheme Meeting exercises the chair's general discretion to appoint a scrutineer at the Scheme Meeting to decide the validity of votes cast at the Scheme Meeting and whether the votes that should have been disregarded were disregarded; and
 - (iii) convene and hold the Scheme Meeting in accordance with the orders made by the Court at the First Court Hearing;
- (p) **(Second Court Hearing)** subject to the Conditions Precedent (other than the Condition Precedent in clause 3.1(b)) being satisfied or waived in accordance with clause 3, apply to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme;
- (q) **(appeal process)** if the Court refuses to make any orders directing Vimy to convene the Scheme Meeting or approving the Scheme:
 - (i) consult with Deep Yellow in good faith as to whether to appeal the Court's decision;
 - (ii) appeal the Court decision unless the parties agree otherwise or experienced external legal counsel opines that, in his or her view, an appeal would have no reasonable prospect of success, being less than 50% chance of success or that there is a Superior Proposal; and
 - (iii) share the costs of any appeal equally with Deep Yellow.
- (r) **(lodgement of Court order)** for the purposes of section 411(10) of the Corporations Act, lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving the Scheme before 5.00pm on the Business Day following the day on which such office copy is received;
- (s) **(no objection statement)** apply to ASIC for a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (t) **(conditions)** not do anything, or omit to do anything, which will, or is likely to, result in any of the Conditions Precedent in clause 3.1 being breached or not fulfilled;
- (u) **(Conditions Precedent certificate)** at the Second Court Hearing, provide to the Court (through Vimy's counsel):

- (i) a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(b)) have been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to Deep Yellow by 5.00pm on the date that is two Business Days before the Second Court Date; and
 - (ii) any certificate provided to it by Deep Yellow pursuant to clause 5.2(s);
- (v) **(supplementary disclosure)** if, after despatch of the Scheme Booklet, Vimy becomes aware:
 - (i) that information included in the Scheme Booklet is or has become false or misleading in any material respect (whether by omission or otherwise); or
 - (ii) of information that is required to be disclosed to Vimy Shareholders under any applicable law (including RG 60),

promptly consult in good faith with Deep Yellow as to the need for, and form of, any supplementary disclosure to Vimy Shareholders, and make any such disclosure as it considers reasonably necessary as soon as reasonably practicable and having regard to applicable laws (including RG 60);

- (w) **(Vimy Unlisted Securities)** without limiting clause 5.11:
 - (i) provide Deep Yellow with such information as Deep Yellow reasonably requests in relation to the Vimy Unlisted Securities and facilitate discussions between Deep Yellow and the holders of Vimy Unlisted Securities in relation to the execution of an Unlisted Security Exchange Agreement; and/or
 - (ii) apply to ASX for any waiver required from Listing Rule 6.23.2 to enable the Vimy Unlisted Securities to be cancelled without obtaining approval from Vimy Shareholders;
- (x) **(provision of information to Deep Yellow)** provide, and direct the share registry to promptly provide, Deep Yellow with such information as Deep Yellow reasonably requests for the purpose of assisting Deep Yellow to identify the Scheme Shareholders, soliciting votes in favour of the Scheme, otherwise promoting the Scheme, and providing the Scheme Consideration to Scheme Shareholders in accordance with the terms of the Scheme;
- (y) **(compliance with laws)** do everything reasonably within its power to ensure that the Scheme is effected in accordance with applicable laws;
- (z) **(implementation)** subject to the Scheme becoming Effective:
 - (i) determine entitlements to Scheme Consideration as at the Scheme Record Date;
 - (ii) on the Implementation Date:
 - (A) execute instruments of transfer of and effect and register the transfer of Scheme Shares to Deep Yellow;
 - (B) cancel the Vimy Unlisted Securities on and in accordance with the terms of the relevant Unlisted Security Exchange Agreement; and
 - (C) register all transfers of Scheme Shares held by Vimy Shareholders to Deep Yellow; and

- (iii) do all other things contemplated by or necessary to give effect to the Scheme;
- (aa) (**quotation of Vimy Shares and ASX listing**) apply to ASX to have:
 - (i) trading in Vimy Shares suspended from the close of trading on the Effective Date; and
 - (ii) Vimy removed from the official list of ASX from the close of trading on the Business Day immediately following, or shortly after, the Implementation Date,

and not do anything to cause any of these things to happen before the relevant date specified in this clause 5.1(aa) without the prior consent of Deep Yellow;
- (bb) (**ASX listing**) maintain Vimy's admission to the official list of ASX and the quotation of Vimy Shares on ASX up to and including the Implementation Date (except in respect of the suspension from quotation described in clause 5.1(aa));
- (cc) (**proxy reports**) keep Deep Yellow informed on the status of proxy forms received by its share registry for the Scheme Meeting, including:
 - (i) on the day that is 15 Business Days before the Scheme Meeting;
 - (ii) on each Business Day following the day that is 15 Business Days before the Scheme Meeting, up to the deadline for the receipt of proxy forms; and
 - (iii) immediately following the deadline for the receipt of proxy forms;
- (dd) (**Vimy Salary Sacrifice Share Plan**) suspend the future operation of the Vimy Salary Sacrifice Share Plan with effect from the date of this deed; and
- (ee) (**all other things necessary**) all other actions and do all things reasonably necessary or desirable to give effect to the Scheme having regard to the Timetable and the other provisions of this deed.

5.2 Deep Yellow obligations

Deep Yellow must, acting at all times in good faith, use all reasonable endeavours and commit necessary resources to implement the Scheme in accordance with the Timetable and otherwise as soon as practicable and on the terms and conditions of this deed, including:

- (a) (**communications with Deep Yellow Shareholders**) participate in, and ensure the Deep Yellow Board participates in all communications, presentations and other measures reasonably requested by Vimy to promote the merits of the Transaction;
- (b) (**promotion of Transaction**) subject to the Corporations Act and applicable laws, participate in efforts reasonably requested by Vimy to promote the merits of the Transaction and the Scheme Consideration, including meeting with key Deep Yellow or Vimy Shareholders and communicating with the employees and contractors of Vimy Group at the reasonable request of Vimy and providing Vimy with such information and assistance that Vimy reasonably requests to enable it to promote the merits of the Transaction; and
- (c) (**apply for ASX and ASIC relief**) use its reasonable endeavours to obtain all waivers, exemptions and modifications from ASX or ASIC as may be required to facilitate implementation of the Scheme;

- (d) **(prepare Deep Yellow Information and Merged Group Information)**
 - (i) as soon as practicable after the date of this deed, prepare the Deep Yellow Information and Merged Group Information for inclusion in the Scheme Booklet in accordance with applicable laws, including the Corporations Act, Corporations Regulations, RG 60, applicable Takeovers Panel policy and guidance notes and the Listing Rules; and
 - (ii) provide Vimy with drafts of the Deep Yellow Information and Merged Group Information and consider in good faith any reasonable comments provided by or on behalf of Vimy;
- (e) **(due diligence and verification)** undertake appropriate due diligence and verification processes in relation to the Deep Yellow Information and the Merged Group Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (f) **(assistance with Scheme Booklet and Court Documents)** provide any other assistance or information reasonably requested by Vimy or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Vimy Shareholders) or any other Court Documents;
- (g) **(review of Scheme Booklet)** review the drafts of the Scheme Booklet provided by Vimy and provide comments promptly on those drafts in good faith;
- (h) **(Independent Expert's Report)** subject to the Independent Expert agreeing to reasonable confidentiality restrictions, provide any assistance or information reasonably requested by Vimy or its Representatives, or by the Independent Expert, in connection with the factual accuracy or other technical information relating to the Independent Expert's Report and ensure that all information provided by or on behalf of Deep Yellow to the Independent Expert:
 - (i) is provided in good faith and, on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report for inclusion in the Scheme Booklet; and
 - (ii) is true and correct in all material respects and is not misleading or deceptive in any material respects, including by omission;
- (i) **(confirmation of Deep Yellow Information)** promptly after the Deep Yellow Information has been finalised, confirm in writing to Vimy before 5:00pm on the day before the First Court Date that:
 - (i) it consents to the inclusion of the Deep Yellow Information in the Scheme Booklet, in the form and context in which the Deep Yellow Information appears;
 - (ii) the Deep Yellow Information, in that form and context, is not false or misleading in any material respect (whether by omission or otherwise) and otherwise complies with all applicable laws, RG 60, any applicable Takeovers Panel policy and guidance notes and the Listing Rules; and
 - (iii) the inclusion of such Deep Yellow Information, in that form and context, has been approved by the Deep Yellow Board;
- (j) **(consultation for Merged Group Information)** promptly after Vimy provides its inputs for the Merged Group Information to Deep Yellow, consult with Vimy in good

faith as to the format and context in which the Merged Group Information appears and agree with Vimy on the inclusion of such Merged Group Information, in that form and context, in the Scheme Booklet;

- (k) **(provide comments promptly)** promptly (having regard to the Timetable) provide comments on any documents on which Vimy and Deep Yellow are required to consult in accordance with or as contemplated by clauses 5.1(a) and 5.1(m) (including the Scheme Booklet and all material Court Documents);
- (l) **(approval of Scheme Booklet)** procure that a meeting of the Deep Yellow Directors is convened to approve the Scheme Booklet for registration with ASIC and despatch to Vimy Shareholders;
- (m) **(update Deep Yellow Information and Merged Group Information)** promptly advise Vimy in writing if it becomes aware:
 - (i) of information which should have been included in any Deep Yellow Information or Merged Group Information previously provided to Vimy, and promptly provide to Vimy all such information; or
 - (ii) that any Deep Yellow Information or Merged Group Information previously provided to Vimy is false or misleading in any material respect (whether by omission or otherwise), and promptly provide Vimy with all information required to correct the misleading or deceptive statements;
- (n) **(representation at Court Hearings)** ensure that it is represented by counsel at the First and Second Court Hearing and give such undertakings (if any) to the Court (through its counsel) and take all such steps within its power as are reasonably necessary to ensure the fulfilment of its obligations under this agreement and to ensure that the Court makes an order under section 411(4)(b) of the Corporations Act approving the Scheme;
- (o) **(Deed Poll)** before 5.00pm on the Business Day before the First Court Date, execute the Deed Poll, and, if the Scheme becomes Effective, fully comply with the Deed Poll;
- (p) **(ASX quotation)** as soon as practicable apply to ASX for official quotation by ASX of the New Deep Yellow Shares to be issued pursuant to the Scheme and promptly notify Vimy in writing of the lodgement, progress and outcome of such application (and of any actual or anticipated modification of such outcome);
- (q) **(Scheme Consideration)** if the Scheme becomes Effective:
 - (i) provide the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme;
 - (ii) accept each transfer of the Scheme Shares as contemplated by clause 4.3(a); and
 - (iii) execute instruments of transfer in respect of the Scheme Shares;
- (r) **(conditions)** not do anything, or omit to do anything, which will, or is likely to, result in any of the Conditions Precedent in clause 3.1 being breached or not fulfilled;
- (s) **(Conditions Precedent certificate)** before 8.00am on the Second Court Date, give to Vimy, for provision to the Court at the Second Court Hearing, a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(b)) have

been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to Vimy by 5.00pm on the date that is two Business Days before the Second Court Date;

- (t) **(compliance with laws)** do everything reasonably within its power to ensure that the Scheme is effected in accordance with all applicable laws;
- (u) **(ASX listing)** maintain Deep Yellow's admission to the official list of ASX and the quotation of Deep Yellow Shares on ASX; and
- (v) **(all other things necessary)** all other actions and do things reasonably necessary or desirable to give effect to the Scheme having regard to the Timetable.

5.3 Scheme Booklet

- (a) If the parties are unable to agree on the form or content of a particular part of the Scheme Booklet, then:
 - (i) if the relevant part of the Scheme Booklet is Deep Yellow Information or Merged Group Information, Vimy will make such amendments to that part of the Scheme Booklet as required by Deep Yellow (acting reasonably and in good faith); and
 - (ii) if the relevant part of the Scheme Booklet is not Deep Yellow Information or Merged Group Information, Vimy (acting reasonably and in good faith) will decide the form and content of that part of the Scheme Booklet.
- (b) The parties agree that the Scheme Booklet will contain a responsibility statement to the effect that:
 - (i) Vimy has prepared and is responsible for the Vimy Information contained in the Scheme Booklet, and none of Deep Yellow or its Related Bodies Corporate or their respective directors, officers or employees assumes any responsibility or liability for the accuracy or completeness of the Vimy Information;
 - (ii) Deep Yellow has prepared and is responsible for the Deep Yellow Information contained in the Scheme Booklet, and none of Vimy or its Related Bodies Corporate or their respective directors, officers or employees assumes any responsibility or liability for the accuracy or completeness of the Deep Yellow Information;
 - (iii) Vimy and Deep Yellow have prepared and are jointly responsible for the Merged Group Information contained in the Scheme Booklet; and
 - (iv) the Independent Expert has provided and is responsible for, the Independent Expert's Report and none of Deep Yellow or its Related Bodies Corporate or their respective directors, officers or employees, nor Vimy or its Related Bodies Corporate or their respective directors, officers or employees assumes any responsibility or liability for the accuracy or completeness of the Independent Expert's Report.
- (c) Each party must undertake appropriate verification processes for the information supplied by that party for the Scheme Booklet and must make such verification material available to the other party on request by it.

- (d) Vimy must take all reasonable steps to ensure that the Vimy Information is not misleading or deceptive in any material respect (whether by omission or otherwise) as at the date it is despatched to Vimy Shareholders.
- (e) Deep Yellow must take all reasonable steps to ensure that the Deep Yellow Information is not misleading or deceptive in any material respect (whether by omission or otherwise) as at the date on which the Scheme Booklet is despatched to Vimy Shareholders.
- (f) Both parties must take all reasonable steps to ensure that the Merged Group Information is not misleading or deceptive in any material respect (whether by omission or otherwise) as at the date on which the Scheme Booklet is despatched to Vimy Shareholders.

5.4 Conduct of Court Proceeding

- (a) This deed provides that both Deep Yellow and Vimy are entitled to separate representation at all Court proceedings relating to the Scheme. This deed does not give Deep Yellow or Vimy any right or power to give an undertaking to the Court on behalf of the other party without that party's written consent.
- (b) Deep Yellow and Vimy must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this deed.

5.5 Conduct of business: Vimy

- (a) Subject to clause 5.5(c), from the date of this deed up to and including the Implementation Date, Vimy must:
 - (i) ensure that the business of the Vimy Group is conducted:
 - (A) in the ordinary course (which for the avoidance of doubt does not include the negotiation or agreement of any forward contracts, joint ventures or royalties or any actions related to the Vimy strategic review announced to ASX unless otherwise provided for in this deed);
 - (B) in a manner substantially consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed;
 - (C) in accordance with the Vimy Budget; and
 - (D) in accordance with all applicable laws;
 - (ii) use reasonable endeavours to ensure that all assets are maintained in the normal course and consistent with past practice;
 - (iii) maintain at least the level of insurance current as at the date of this deed;
 - (iv) use reasonable endeavours to comply in all material respects with all Vimy Material Contracts, and with laws, authorisations and licences applicable to each member of the Vimy Group, including keeping all their Mining Tenements in good standing;
 - (v) use reasonable endeavours to maintain and preserve the Vimy Group's relationships with customers, suppliers, investors, Government Agencies,

licensors, licensees and others with whom it has material business dealings and retain the services of the officers and key employees of the Vimy Group;

- (vi) keep Deep Yellow reasonably and promptly informed of, consult, and reasonably consider Deep Yellow's views about, the manner of conduct of the business of the Vimy Group, and subject to the Listing Rules and applicable laws, any developments which would be considered material from a continuous disclosure perspective relating to or affecting the Vimy Group, its financial position and its prospects including any communications between Vimy and ASX; and
 - (vii) promptly notify Deep Yellow of any material claims which may be threatened, brought, asserted or commenced against any member of the Vimy Group, or their officers, and consult with the other party in relation to such matter to the extent the other party reasonably requires.
- (b) Without limiting clause 5.5(a), Vimy must ensure that no member of the Vimy Group:
- (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, a Vimy Prescribed Occurrence;
 - (ii) takes or fails to take any action that would, or would be likely to, prevent a Condition Precedent being satisfied or result in a Condition Precedent not being satisfied; or
 - (iii) authorises, commits or agrees to do any such thing.
- (c) Nothing in clause 5.5 restricts the ability of Vimy to take any action which:
- (i) is required by any applicable law or Government Agency;
 - (ii) it considers is reasonably necessary or desirable to ensure that the business of the Vimy Group is able to continue to be conducted in a manner generally consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed, including in accordance with the Vimy Budget or disposing of assets in the ordinary course of business;
 - (iii) is required or permitted by this deed or the Scheme, including in response to any Competing Proposal in accordance with clause 8;
 - (iv) has been Fairly Disclosed in the Vimy Disclosure Materials or any announcement to or filing with ASX or ASIC within 12 months prior to the date of this deed;
 - (v) has been consented to in writing by Deep Yellow (such consent not to be unreasonably withheld or delayed); or
 - (vi) is a reasonable and prudent response to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property).

5.6 Conduct of business: Deep Yellow

- (a) Subject to clause 5.6(c), from the date of this deed up to and including the Implementation Date, Deep Yellow must:

- (i) ensure that the business of the Deep Yellow Group is conducted:
 - (A) in the ordinary course;
 - (B) in a manner substantially consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed;
 - (C) in accordance with the Deep Yellow Budget; and
 - (D) in accordance with all applicable laws;
 - (ii) use reasonable endeavours to ensure that all assets are maintained in the normal course and consistent with past practice;
 - (iii) maintain at least the level of insurance current as at the date of this deed;
 - (iv) use reasonable endeavours to comply in all material respects with all Deep Yellow Material Contracts, and with laws, authorisations and licences applicable to each member of the Deep Yellow Group, including keeping all their Mining Tenements in good standing;
 - (v) use reasonable endeavours to maintain and preserve the Deep Yellow Group's relationships with customers, suppliers, investors, Government Agencies, licensors, licensees and others with whom it has material business dealings and retain the services of the officers and key employees of the Deep Yellow Group;
 - (vi) keep Vimy reasonably and promptly informed of, consult, and reasonably consider Vimy's views about, the manner of conduct of the business of the Deep Yellow Group, and subject to the Listing Rules and applicable laws, any developments which would be considered material from a continuous disclosure perspective relating to or affecting the Deep Yellow Group, its financial position and its prospects; and
 - (vii) promptly notify Vimy of any material claims which may be threatened, brought, asserted or commenced against any member of the Deep Yellow Group, or their officers, and consult with the other party in relation to such matter to the extent the other party reasonably requires.
- (b) Without limiting clause 5.6(a), Deep Yellow must ensure that no member of the Deep Yellow Group:
- (i) takes or fails to take any action that constitutes, or that could reasonably be expected to result in or otherwise give rise to, a Deep Yellow Prescribed Occurrence;
 - (ii) takes or fails to take any action that would, or would be likely to, prevent a Condition Precedent being satisfied or result in a Condition Precedent not being satisfied; or
 - (iii) authorises, commits or agrees to do any such thing.
- (c) Nothing in clause 5.6 restricts the ability of Deep Yellow to take any action which:
- (i) is required by any applicable law or Government Agency;

- (ii) it considers is reasonably necessary or desirable to ensure that the business of the Deep Yellow Group is able to continue to be conducted in a manner generally consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed, including in accordance with the Deep Yellow Budget or disposing of assets in the ordinary course of business;
- (iii) is required or permitted by this deed or the Scheme;
- (iv) has been Fairly Disclosed in the Deep Yellow Disclosure Materials or any announcement to or filing with ASX or ASIC within 12 months prior to the date of this deed;
- (v) has been consented to in writing by Vimy (such consent not to be unreasonably withheld or delayed); or
- (vi) is a reasonable and prudent response to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property).

5.7 Access

Between the date of this deed and the Implementation Date (both dates inclusive), each party must use reasonable endeavours to procure that the other party is provided with reasonable access to information, documents (including site reports and management accounts), records, premises and senior executives of any member of the Deep Yellow Group or Vimy Group (as applicable), where Vimy or Deep Yellow (as applicable) requests such access for the purposes of:

- (a) implementation of the Transaction;
- (b) furthering its understanding of the Deep Yellow Group or Vimy Group (as applicable), its business, assets and net debt levels in order to allow Deep Yellow to develop, finalise and implement its plans for the Deep Yellow Group or Vimy Group (as applicable) following implementation of the Transaction; or
- (c) relevant material developments in the Deep Yellow or Vimy Group or their business, as applicable, and any other purpose agreed between Deep Yellow and Vimy,

provided that compliance with any such request would not, in the reasonable opinion of the party providing such access (acting in good faith), result in undue disruption to that party's business or a breach of existing confidentiality or privacy obligations owed by that party to a third party.

5.8 Implementation & integration planning

- (a) The parties agree to work together in good faith from the date of this deed up to and including the Implementation Date to commence planning for the merger and integration of Vimy Group and Deep Yellow Group following the Implementation Date.
- (b) As soon as reasonably practicable after the date of this deed, the parties will constitute an implementation committee which will comprise of Representatives of each party and which will meet weekly or otherwise as reasonably required by either party.

- (c) The role of the implementation committee is to act as a forum for the consideration and planning of matters relevant to implementation of the Scheme and integration of the merged businesses (including, without limitation, any drilling programs of each party and any associated material drilling expenditure in excess of that contemplated by the Deep Yellow Budget or the Vimy Budget as relevant, and in the case of Vimy the activities it may be planning to undertake on the Mulga Rock Mining Tenements to support its endeavours to demonstrate “substantial commencement” of the Mulga Rock Project).
- (d) The parties acknowledge and agree that:
 - (i) nothing in this clause 5.8 requires a party to act at the direction of the other party;
 - (ii) the respective businesses of the Deep Yellow Group and the Vimy Group are to continue to operate independently until the Implementation Date in accordance with the Deep Yellow Budget and the Vimy Budget respectively; and
 - (iii) nothing in this deed is intended to constitute or create the relationship of partnership, joint venture or similar.
- (e) The parties further acknowledge and agree that, if the Scheme becomes Effective:
 - (i) Deep Yellow will not, for a period of 12 months from the Implementation Date, enter into any agreements to sell, divest or otherwise dispose of (including by way of joint venture, partnership, licensing or similar arrangement) any interest in any material asset of the Merged Group which sale, or disposal consideration is worth more than A\$20,000,000 (by way of cash or equivalent Deep Yellow Shares (calculated on a 15-day VWAP prior to the date of the proposed divestment)) unless:
 - (A) any such dealing is on terms unanimously approved by the Deep Yellow Directors; and
 - (B) for the sake of certainty this clause 5.8(e)(i) is not applicable with respect to any Control transaction relating to the Merged Group or any issue or transfer of Deep Yellow Shares; and
 - (ii) Deep Yellow will take all reasonable steps from the Implementation Date to ensure that the Merged Group has sufficient funding to satisfy the conditions of Ministerial Statement 1046 pertaining to the Mulga Rock Project.
- (f) The Scheme Booklet must contain disclosures as part of the Merged Group Information that is consistent with the principles in clause 5.8(e).

5.9 Other counterparty consents

As soon as practicable after the date of this deed, in respect of other change of control or unilateral termination rights in material contracts (other than the Vimy Material Counterparty Consents) to which Vimy or another Vimy Group member is party which may be triggered by or exercised in response to the implementation of the Transaction:

- (a) Vimy and Deep Yellow will use reasonable endeavours to agree a proposed course of action (which, among other things, will have due regard to applicable legal restrictions) and then Vimy will initiate contact, including joint discussions if required, with the relevant counterparties and request that they provide any consents or confirmations required or appropriate;

- (b) Vimy must use reasonable endeavours to obtain, prior to 7:00am on the Second Court Date, any required consents or confirmations. A failure by a Vimy Group member to obtain any required consents or confirmations, or the exercise of a termination right by a relevant counterparty, will not constitute a breach of this deed by Vimy and, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this deed;
- (c) Deep Yellow must not contact any counterparties in relation to the process set out in this clause 5.9 without Vimy present or without Vimy's prior written consent and must cooperate with, and provide reasonable assistance to, Vimy to obtain such consents or confirmations as expeditiously as possible; and
- (d) Vimy and Deep Yellow must each use its best endeavours to comply with any requirements of the counter-parties that are reasonably necessary to obtain the relevant consent or confirmation,

but nothing in this clause requires Vimy or Deep Yellow to incur material expense.

5.10 Board composition

- (a) If the Scheme becomes Effective, Vimy and Deep Yellow must each take the steps required to procure that:
 - (i) the Deep Yellow Board is reconstituted with effect from the Implementation Date to facilitate the retirement of one existing Deep Yellow Director (with no additional directors being appointed by the Deep Yellow Group) and the addition of Steven Michael and Wayne Bramwell, being persons nominated by Vimy subject to those nominees providing signed consents to act before the Implementation Date, with Steven Michael to be appointed as an executive director of Deep Yellow and Wayne Bramwell to be appointed as a non-executive director of Deep Yellow;
 - (ii) the boards of Vimy and each member of the Vimy Group are reconstituted to mirror at all times the boards of Deep Yellow and each member of the Deep Yellow Group under sub-paragraph (i) above,

in each case:

 - (iii) in accordance with the constitution of the relevant member of the Deep Yellow Group, the Vimy Group, the Corporations Act and the Listing Rules; and
 - (iv) ensuring that outgoing directors of members of the Vimy Group and Deep Yellow Group resign unconditionally with an irrevocable release from any claims they may have in their capacity as a director (but without limiting any right of indemnity or under any insurance policy).
- (b) Deep Yellow must recommend for election as a director Steven Michael and Wayne Bramwell at the first Deep Yellow annual general meeting following the Implementation Date.
- (c) The Scheme Booklet must contain disclosures as part of the Merged Group Information which reflects the principles in clauses 5.10(a) and 5.10(b), together with a statement that following the Implementation Date the Deep Yellow Board will aim within 12 months to comply with each of the ASX Corporate Governance Principles and Recommendations, bearing in mind the Merged Group's commitments to both diversity and having the most appropriate skilled and experienced directors on the board of the Merged Group at any given time.

5.11 Treatment of Vimy Unlisted Securities

- (a) Subject to clause 5.11(b), the parties agree to act co-operatively and in good faith and to take all steps reasonably necessary to procure that, as soon as practicable after the date of this deed (and, in any event, before the Second Court Date), each holder of Vimy Unlisted Securities has entered into an Unlisted Security Exchange Agreement, in a form acceptable to both Vimy and Deep Yellow (acting reasonably) under which:
 - (i) subject to the relevant security terms and any required ASX waiver:
 - (A) each holder of Vimy Unlisted Security agrees to the cancellation of its Vimy Unlisted Securities with such cancellation to be subject to the Scheme becoming Effective; and
 - (B) Deep Yellow agrees to issue Deep Yellow Shares or Options to holders of Vimy Unlisted Securities on the Implementation Date in the manner set out in Part C of Schedule 2; and
 - (ii) Vimy agrees to cooperate with Deep Yellow to facilitate the cancellation of the Vimy Unlisted Securities (including, if required, the Vimy Directors making any necessary lawful amendment, consent or determination for the purposes of the relevant terms and conditions upon which the Vimy Unlisted Securities were issued and using reasonable endeavours to procure the grant of any necessary waivers by ASX).
- (b) Despite clause 5.11(a), Vimy retains the flexibility and discretion to notify each holder of Vimy Options in writing that the Vimy Options issued under the Vimy Employee Option Plan may be exercised at any time and in any number until the Scheme Record Date, that the conversion of the Vimy Options into Vimy Shares will be Scheme Shares, and that the Vimy Options will lapse to the extent they have not been exercised after the Scheme Record Date or are not subject to an Unlisted Security Exchange Agreement.

6 Public announcements

- (a) Immediately after execution of this deed (or as otherwise agreed between Deep Yellow and Vimy), Vimy and Deep Yellow must issue a written joint public announcement regarding the Transaction in a form agreed by the parties (**Joint Announcement**).
- (b) Vimy must not refer to Deep Yellow, any member of the Deep Yellow Group or the Transaction in any subsequent public announcement or other statement made by it without the prior written consent of Deep Yellow (such consent not to be unreasonably withheld or delayed), except where:
 - (i) Vimy repeats any material in relation to Deep Yellow or any other member of the Deep Yellow Group which was included in a written public announcement previously made by Vimy with the prior written consent of Deep Yellow;
 - (ii) in the reasonable opinion of Vimy, seeking such consent would result in Vimy breaching its continuous disclosure obligations or other applicable laws; or
 - (iii) the announcement is being made in connection with a Competing Proposal or Superior Proposal for Vimy, a change in recommendation of the directors

of Vimy or in connection with a dispute between the parties regarding the Scheme.

- (c) Deep Yellow must not refer to Vimy, any member of the Vimy Group or the Transaction in any subsequent public announcement or other statement made by it without the prior written consent of Vimy (such consent not to be unreasonably withheld or delayed), except where:
 - (i) Deep Yellow repeats any material in relation to Vimy or any other member of the Vimy Group which was included in a written public announcement previously made by Deep Yellow with the prior written consent of Vimy;
 - (ii) in the reasonable opinion of Deep Yellow, seeking such consent would result in Deep Yellow breaching its continuous disclosure obligations or other applicable laws; or
 - (iii) the announcement is being made in connection with a Competing Proposal or Superior Proposal for Deep Yellow or in connection with a dispute between the parties regarding the Scheme.

7 Board support of Transaction

7.1 Recommendation and Voting Statement

- (a) Subject to clauses 7.2 and 7.3, Vimy represents and warrants to Deep Yellow that:
 - (i) the Vimy Board unanimously recommends to Vimy Shareholders that they vote in favour of the Scheme in the absence of a Superior Proposal subject to the Independent Expert concluding in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Scheme is in the best interests of Vimy Shareholders (**Recommendation**); and
 - (ii) each Vimy Director will vote the voting rights attached to all Vimy Shares over which he or she has control in favour of any Vimy Shareholder resolutions to implement the Scheme and any related or ancillary transactions (in the absence of a Superior Proposal and subject to the Independent Expert opining that the Scheme is in the best interests of Vimy Shareholders) (the **Voting Statement**), and, without limiting clause 6, Vimy and Deep Yellow must include statements to this effect in the ASX (as applicable) announcements to be issued following execution of this deed and any subsequent public announcement made to the ASX (where relevant).
- (b) Subject to clauses 7.2 and 7.3, Vimy must procure that:
 - (i) each director of Vimy does not:
 - (A) adversely change, withdraw, or adversely modify or qualify the Recommendation or Voting Statement; or
 - (B) support or endorse a Competing Proposal in respect of Vimy or recommend that Vimy Shareholders accept or vote in favour of a Competing Proposal in respect of Vimy; and
 - (ii) the Scheme Booklet includes a statement by the directors of Vimy to the effect that each such director of Vimy:

- (A) recommends to Vimy Shareholders that they vote in favour of the Scheme in the absence of a Superior Proposal subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Scheme is in the best interests of Vimy Shareholders; and
- (B) will, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of Vimy Shareholders, vote (or procure the voting of) all Vimy Shares held or controlled by him or her in favour of the Scheme at the Scheme Meeting.

7.2 Withdrawal of Recommendation or Voting Statement

All of the obligations in clause 7.1 of this deed cease to apply:

- (a) if the Independent Expert concludes in the Independent Expert's Report (or any update of, or any revision, amendment or supplement to, that report) that the Scheme is not in the best interests of Vimy Shareholders;
- (b) if Vimy has received a Competing Proposal which is a Superior Proposal, provided that Deep Yellow has exhausted its rights under clause 8.7; or
- (c) in response to a requirement from ASIC or the Court that any director of Vimy abstain from making his or her Recommendation.

7.3 Qualification of Recommendation or Voting Statement

For the purposes of clause 7.1 and 12.2, customary qualifications and explanations contained in:

- (a) the Scheme Booklet or any public announcement in relation to a Recommendation or Voting Statement to the effect that the Recommendation or Voting Statement is made:
 - (i) in the absence of a Superior Proposal;
 - (ii) in respect of any public announcement issued before the issue of the Scheme Booklet, 'subject to the Independent Expert concluding in the Independent Expert's Report (and continuing to conclude) that the Scheme is in the best interests of Vimy Shareholders'; or
 - (iii) in respect of the Scheme Booklet or any public announcements issued at the time of or after the issue of the Scheme Booklet, 'subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Vimy Shareholders'; or
- (b) any public announcement or other statement made by Vimy, the Vimy Board or any director of Vimy:
 - (i) to the effect that Vimy Shareholders should take no action pending the Vimy Board's assessment of a bona fide written Competing Proposal received in respect of Vimy (being a Competing Proposal that was not received by Vimy in breach of its obligations under clause 8); or
 - (ii) where the Vimy Board has determined that any such Competing Proposal is a Superior Proposal, to the effect that Vimy Shareholders should take no

action pending the completion of the matching right process set out in clause 8.7;

will not be regarded as a failure to make, or an adverse change, withdrawal, adverse modification or adverse qualification of, a Recommendation or Voting Statement, or an endorsement or recommendation of a Competing Proposal, and will not contravene this clause 7 or trigger a right for Deep Yellow to terminate this deed under clause 12.2.

8 Exclusivity

8.1 Termination of existing discussions

- (a) Vimy represents and warrants to Deep Yellow that as at the date of this deed:
 - (i) it or any other member of the Vimy Group is not a party to, or has terminated, any agreement, arrangement or understanding with a Third Party entered into for the purpose of facilitating a Competing Proposal;
 - (ii) it or any other member of the Vimy Group is not, directly or indirectly, participating in, or have terminated, any discussions or negotiations with any Third Party in relation to, or which could reasonably be expected to lead to, a Competing Proposal;
 - (iii) any due diligence access granted to any Third Party for the purposes of such Third Party making, formulating, developing or finalising of, or assisting in the making, formulation, development or finalisation of, or which could reasonably be expected to lead to, a Competing Proposal, has been terminated; and
 - (iv) any Third Party to whom non-public information in relation to the Vimy Group has been provided or made available for the purposes of such Third Party making, formulating, developing or finalising, or assisting in the making, formulation, development or finalisation of, a Competing Proposal, has been requested to immediately return or destroy that non-public information in accordance with any agreed terms of confidentiality in place with such Third Party.
- (b) Deep Yellow represents and warrants to Vimy that as at the date of this deed:
 - (i) it or any other member of the Deep Yellow Group is not a party to, or has terminated, any agreement, arrangement or understanding with a Third Party entered into for the purpose of facilitating a Competing Proposal;
 - (ii) it or any other member of the Deep Yellow Group is not, directly or indirectly, participating in, or have terminated, any discussions or negotiations with any Third Party in relation to, or which could reasonably be expected to lead to, a Competing Proposal;
 - (iii) any due diligence access granted to any Third Party for the purposes of such Third Party making, formulating, developing or finalising of, or assisting in the making, formulation, development or finalisation of, or which could reasonably be expected to lead to, a Competing Proposal, has been terminated; and
 - (iv) any Third Party to whom non-public information in relation to the Deep Yellow Group has been provided or made available for the purposes of such

Third Party making, formulating, developing or finalising, or assisting in the making, formulation, development or finalisation of, a Competing Proposal, has been requested to immediately return or destroy that non-public information in accordance with any agreed terms of confidentiality in place with such Third Party.

8.2 No-shop

During the Exclusivity Period, each of Deep Yellow and Vimy must not, and must ensure that its respective Representatives do not directly or indirectly:

- (a) solicit, invite, encourage or initiate any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to lead to the making of, an actual, proposed or potential Competing Proposal; or
- (b) communicate to any person any intention to do any of the things referred to in clause 8.2(a).

8.3 No-talk

Subject to clause 8.6, during the Exclusivity Period, each of Deep Yellow and Vimy must not, and must ensure that its respective Representatives do not directly or indirectly:

- (a) facilitate, participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
- (b) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal; or
- (c) disclose, provide or make available any non-public information about the business or affairs of the Deep Yellow Group or Vimy Group (as applicable) to any Third Party in connection with, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the Deep Yellow Group or Vimy Group) other than as required by law; or
- (d) communicate to any person any intention to do any of the things referred to in this clause 8.3.

8.4 No due diligence

Without limiting clause 8.6 during the Exclusivity Period, Deep Yellow and Vimy must not:

- (a) solicit, initiate, facilitate or encourage, or (subject to clause 8.6) facilitate or permit any Third Party (other than each other or its respective Representatives) to undertake due diligence investigations in respect of Deep Yellow or Vimy or any member of the Deep Yellow Group or Vimy Group (as applicable) in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or

- (b) subject to clause 8.6, make available to any Third Party (other than each other or its respective Representatives) or permit such Third Party to receive, other than in the ordinary course of business or as required by law or the rules of any prescribed financial market, any non-public information relating to Deep Yellow or Vimy or any member of the Deep Yellow Group or Vimy Group (as applicable).

This clause 8.4 does not prevent a party from providing information to ASX or its auditors and advisers in the ordinary course of business or to otherwise effect the negotiation and entry into this deed.

8.5 Notification obligation

During the Exclusivity Period, a party must, subject to clause 8.6, notify the other party in writing of:

- (a) any approach, attempt to initiate discussions or negotiations, inquiry or proposal made by any person to it or any of its Related Bodies Corporate in relation to an actual or potential Competing Proposal, and that notice must include all material details of the actual or potential Competing Proposal, including:
 - (i) the key terms of any Competing Proposal including, if specified:
 - (A) the amount and form of consideration offered or proposed, and in the case of cash consideration, the source of cash to be provided;
 - (B) the conditions to which it is likely to be subject;
 - (C) the proposed structure;
 - (D) the proposed timetable;
 - (E) any break fee or cost reimbursement arrangements;
 - (F) any due diligence requirements; and
 - (G) the identity of the proponent(s) of any Competing Proposal; and
 - (ii) any updates to the Competing Proposal,

such notice to be provided promptly and in any event within 24 hours of the party becoming aware of the approach;

- (b) any request made by any person to it or any of its Related Body Corporate for any information relating to it or its Related Body Corporate, or any of their businesses or operations, or access to the books or records, which it has reasonable grounds to suspect it may be in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; and
- (c) any provision of any information relating to it or any of its Related Body Corporate or any of their businesses or operations to any person in connection with or for the purposes of a current or future Competing Proposal.

8.6 Fiduciary exception

In respect of a bona fide written Competing Proposal received by Deep Yellow or Vimy (as applicable), without any breach of its obligations under this clause 8, the recipient may undertake any action that would otherwise be prohibited, or refuse to take any action

that would otherwise be required, by clause 8.3, 8.4 or 8.5 if (and only to the extent that) either the Deep Yellow Directors or Vimy Directors (as applicable) determine, acting in good faith and after receiving:

- (a) written advice from its investment bankers or financial advisers that the Competing Proposal is, or may reasonably be expected to become, a Superior Proposal; and
- (b) written advice from its external legal advisers that the relevant action or inaction in relation to the Competing Proposal would, or would be reasonably likely to, constitute a breach of the fiduciary or statutory duties of the Deep Yellow Directors or Vimy Directors (as applicable).

8.7 Matching right

- (a) Without limiting any other provision of this deed, Vimy must:
 - (i) procure that no Vimy Director publicly recommends, supports or endorses a Competing Proposal or makes any public statement to the effect that they may do so at a future point in time;
 - (ii) ensure that no Vimy Director withdraws, changes or modifies their Recommendation or Voting Statement in favour of the Scheme; and
 - (iii) not, within three Business Days after Vimy gives the Matching Right Notice in clause 8.7(a)(v) (the **Matching Period**), enter into, or agree to enter into, any agreement, arrangement or understanding in relation to or in connection with the implementation of a Competing Proposal,unless:
 - (iv) the Vimy Board determines that a Competing Proposal is or would be reasonably likely to be a Superior Proposal;
 - (v) Vimy has given Deep Yellow written notice (**Matching Right Notice**) setting out all material terms of that Competing Proposal (including the matters set out in clauses 8.5(a)(i)(A) to 8.5(a)(i)(G) (inclusive)) to the extent they are known; and
 - (vi) Deep Yellow does not, within the Matching Period, make a written proposal to Vimy to increase the Scheme Consideration or otherwise alter the Scheme (including, without limitation, by making a takeover bid instead of the Scheme) or make an alternative proposal to Vimy or its shareholders that the Vimy Directors determine, acting reasonably and in good faith would, if implemented substantially in accordance with its terms, be reasonably likely to result in a transaction that is at least as favourable to Vimy Shareholders as would result from the implementation of the Competing Proposal (a **Counter Proposal**).
- (b) If, during the Matching Period, Deep Yellow makes a Counter Proposal, Vimy must procure that the Vimy Board considers the Counter Proposal in good faith before entering into, or agreeing to enter into, any agreement or arrangement in relation to or in connection with the implementation of a Competing Proposal.
- (c) If the Vimy Directors, acting reasonably and in good faith, make the determination set out in clause 8.7(a)(v), Vimy must promptly agree in good faith such matters (including, if applicable, amendments to this agreement and the Scheme) as are reasonably necessary to give effect to the Counter Proposal.

- (d) Vimy and Deep Yellow acknowledge and agree that any material change to the consideration offered under a Competing Proposal will constitute a new Competing Proposal for the purposes of the requirements of this clause 8.7 in respect of which Vimy or Deep Yellow (as applicable) must separately comply with its obligations under clauses 8.7(a) and 8.7(c).

8.8 Presentations

Nothing in this clause 8 will prevent the parties from continuing to make normal presentations to brokers, portfolio investors and analysts in the ordinary course of business.

9 Break fee

9.1 Background

This clause 9 has been agreed to in circumstances where:

- (a) each party believes it and its shareholders will derive significant benefits from the implementation of the Scheme;
- (b) each party has incurred and will further incur, significant costs in connection with the Scheme, which will include significant opportunity costs if the Scheme is not implemented;
- (c) each party requested that provision be made for the payment of a Break Fee, and would not have entered into this deed had such provision not been made;
- (d) each party believes that it is appropriate to agree to pay a Break Fee to secure the other party's entry into this deed; and
- (e) each party has received separate legal advice in relation to this deed and the operation of this clause 9.

The parties acknowledge and agree that the costs referred to in clause 9.1(b) are of such a nature that they cannot be precisely quantified, but that the Break Fee is a genuine and reasonable pre-estimate of those costs.

9.2 Payment of Break Fee by Vimy to Deep Yellow

Subject to clauses 9.4 and 9.6, Vimy must pay Deep Yellow the Break Fee, without set-off or withholding and within 10 Business Days after receipt of a written demand from Deep Yellow, if:

- (a) **(change of recommendation)** a Vimy Director:
 - (i) fails to recommend the Scheme as described in clauses 7.1 and 7.2; or
 - (ii) withdraws, changes or modifies his or her Recommendation or Voting Statement or makes any public statement, or takes any other action that is inconsistent with his or her Recommendation or Voting Statement (including where a Competing Proposal is announced and is recommended, supported or endorsed by any Vimy Director),

other than where that act is as a result of:

- (iii) the Independent Expert opining that the Scheme is not in the best interests of Vimy Shareholders provided that the reasons for the Independent Expert's conclusions do not include (in whole or in part) the existence, announcement or publication of a Competing Proposal; or
- (iv) Vimy validly terminating this deed under clause 12.1(a)(iii);
- (b) **(Competing Proposal for Vimy)** Deep Yellow becomes entitled to validly terminate this deed under clause 12.1(a)(ii) and this deed terminates; or
- (c) **(termination for unremedied breach by Vimy)** Deep Yellow validly terminates this deed under clause 12.1(a)(iii).

9.3 Payment of Break Fee by Deep Yellow to Vimy

Subject to clauses 9.4 and 9.6, Deep Yellow must pay Vimy the Break Fee, without set-off or withholding and within 10 Business Days after receipt of a written demand from Vimy, if:

- (a) **(Deep Yellow recommends Superior Proposal)** all of the following circumstances arise:
 - (i) a Competing Proposal for Deep Yellow is received or announced by a Third Party before the Second Court Date;
 - (ii) the Deep Yellow Board concludes that that Competing Proposal is a Superior Proposal; and
 - (iii) the Deep Yellow Board (or a majority of its directors) make a public statement to the effect that they no longer support the Transaction or that they support, endorse or otherwise wish to pursue the Superior Proposal;
- (b) **(Competing Proposal for Deep Yellow)** Vimy becomes entitled to validly terminate this deed under clause 12.1(a)(ii) and this deed terminates; or
- (c) **(termination for unremedied breach by Deep Yellow)** Vimy terminates this deed in accordance with clause 12.1(a)(iii).

9.4 Payment conditions

- (a) Notwithstanding the occurrence of any event referred to in clauses 9.2 or 9.3, a Break Fee will not be payable under the relevant clause if the Scheme becomes Effective. Any amount paid under this clause 9 in circumstances where the Scheme becomes Effective is immediately repayable by the payee.
- (b) Each party can only ever be liable to pay a Break Fee once.

9.5 Nature of payment

Each of Deep Yellow or Vimy acknowledges that the Break Fee payable under clauses 9.2 and 9.3 is an amount to compensate the relevant party for the following costs and expenses:

- (a) external advisory costs (excluding success fees);
- (b) internal costs such as costs of management and directors' time, risk management costs and capital costs;

- (c) out-of-pocket expenses; and
- (d) opportunity costs incurred in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which otherwise could have been developed.

9.6 Compliance with law

- (a) This clause 9 imposes obligations on each party only to the extent that the performance of those obligations:
 - (i) does not constitute unacceptable circumstances as declared by the Australian Takeovers Panel or breach of an order of the Takeovers Panel;
 - (ii) does not breach the fiduciary or statutory duties of any Vimy Director or Deep Yellow Director; and
 - (iii) is not otherwise unlawful or held to be unenforceable by a court,

(Impugned Obligations),

but each of Vimy and Deep Yellow will remain obliged to comply with their respective obligations under clause 9 to the extent they are not Impugned Obligations (including paying such portion of the Break Fee as would not constitute an Impugned Obligation).

- (b) If, and to the extent that, any of clause 9.6(a)(i), 9.6(a)(ii) or 9.6(a)(iii) applies, the applicable amount payable under this clause 9 (the **Applicable Amount**) will be deemed to be reduced by the relevant amount for the purposes of this clause 9 and, if the Applicable Amount has already been paid, the other party must reimburse the amount of the reduction to the Applicable Amount within 10 Business Days after receipt of a written demand for reimbursement from the other party.

9.7 Other claims

- (a) The parties acknowledge and agree that, despite any other provision of this deed but subject to clause 9.7(b):
 - (i) if either of Vimy or Deep Yellow become liable to pay a Break Fee and does so in accordance with this clause 9, it will have no further liability to the other party for any breach of this deed;
 - (ii) if either of Vimy or Deep Yellow become liable to pay a Break Fee, that fee shall be reduced by any amount previously paid by that party to the other party in connection with a breach by the party of this deed; and
 - (iii) subject to clauses 9.7(b) and 9.7(c), the liability of Vimy or Deep Yellow under or in connection with this deed shall be limited to an amount equal to the Break Fee payable under this clause 9.
- (b) Clause 9.7(a) does not apply to any claim in respect of, and does not limit the liability of:
 - (i) either party in connection with any breach of clause 8 (which, for the avoidance of doubt, does not include any action taken by Vimy in accordance with the exception in clause 8.6 or a breach); or

- (ii) Deep Yellow in connection with, any failure to perform the Deed Poll or to fully discharge the obligations under clause 4.2.
- (c) Nothing in clause 9.7(a) in any way:
 - (i) prevents either party (in its own right or as trustee for another person, as the case may be under this deed) from seeking orders from a court of competent jurisdiction for the specific performance by the other party of any obligations under this deed; or
 - (ii) extinguishes or limits the liability of either party for any:
 - (A) interest payable on any amount payable by that party under or in connection with this deed; or
 - (B) breach of this deed arising from criminal acts or fraud.

10 Representations and Warranties

10.1 Vimy Representations and Warranties

Vimy represents and warrants to Deep Yellow that:

- (a) **(validly existing)** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **(power)** it has full corporate power and lawful authority to execute, deliver and perform this deed and the Scheme;
- (c) **(corporate action)** it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Scheme;
- (d) **(binding)** this deed is its valid and binding obligation enforceable in accordance with its terms;
- (e) **(reliance on information)** all information provided by or on behalf of Vimy to Deep Yellow for inclusion in the Scheme Booklet and to the Independent Expert will be provided on the understanding that the Deep Yellow Board will rely on such information for the purposes of considering and approving the Scheme Booklet and implementing the Transaction, and the Independent Expert will rely on such information for the purposes of producing their report;
- (f) **(Vimy Disclosure Materials)** the Vimy Disclosure Materials have been compiled in good faith and:
 - (i) Vimy has not intentionally withheld from the Vimy Disclosure Materials any information which would reasonably be expected to be material to a reasonable and sophisticated bidder company's evaluation of Vimy Group and the merits of the Scheme, other than information which relates to past Competing Proposals; or
 - (ii) do not contain information which is false or misleading, deceptive or incomplete in any material respect, including by way of omission;
- (g) **(Vimy Information)** the Vimy Information included in the Scheme Booklet despatched to Vimy Shareholders, and any supplementary disclosure made to

Vimy Shareholders pursuant to clause 5.1(v) (excluding information provided by or on behalf of Deep Yellow or the Independent Expert), will not be false or misleading in any material respect (whether by omission or otherwise) and will comply in all material respects with applicable laws, including the Corporations Act, Corporations Regulations, RG 60, Takeovers Panel policy and guidance notes and the Listing Rules;

- (h) **(further information)** as a continuing obligation, any new or further information which may arise after the date of the Scheme Booklet until the date of the Scheme Meeting will be provided to Deep Yellow as necessary to ensure that there would be no breach of 10.1(g) if it applied as at the date on which that information arose;
- (i) **(continuous disclosure)** it has complied with its continuous disclosure obligations under Listing Rule 3.1 and, following release of the Joint Announcement, there will be no information which it is withholding from disclosure in reliance on Listing Rule 3.1A;
- (j) **(Compliance)** all members of the Vimy Group have complied in all material respects with all laws and regulations applicable to them and orders of Government Agencies having jurisdiction over them and have all material licences, authorisations and permits necessary for them to conduct the business of the Vimy Group as presently being conducted;
- (k) **(complete and accurate)** all information provided by Vimy to Deep Yellow in connection with this deed, whether under due diligence or not, are provided in good faith and are, to the best of Vimy's knowledge (having made reasonable enquiries) accurate, complete and not misleading or deceptive, or likely to mislead or deceive, and in providing that information nothing has been omitted which would make that information misleading or deceptive in any material respect;
- (l) **(honest belief)** any statement of opinion or belief contained in the Vimy Information (including any forward looking statements) is honestly held and there are reasonable grounds for that opinion or belief as at the date the opinion or belief was provided and continues to believe to be reasonable;
- (m) **(no defaults)** no member of the Vimy Group or counterparty is in default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or the lapse of time constitute an event of default, prepayment event or similar event or give another party a termination right or right to accelerate any right or obligation under any such document to the extent that this would have a Material Adverse Effect;
- (n) **(Insolvency Event)** an Insolvency Event has not occurred in relation to it and will not occur prior to implementation of the Scheme;
- (o) **(performance)** the execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it;
 - (ii) any material agreement or deed to which a member of the Vimy Group is party; or
 - (iii) its constitution;

- (p) **(capital structure)** its capital structure is as set out in Part A of Schedule 2, subject to Vimy Shareholders conversion or exercise of securities under Part C of Schedule 2 and:
- (i) it has not issued any other Vimy Shares or other securities, rights or instruments which are still outstanding and may convert into, or give the holder the right to be issued, Vimy Shares, other than rights arising under the Vimy Unlisted Securities;
 - (ii) it is not under any obligation to issue, and no person has any right to require or call for the issue of, any Vimy Shares or other securities, rights or instruments issuable by Vimy (whether such obligation or right is conditional or otherwise);
 - (iii) no Vimy Shares are subject to any restrictions imposed which restricts the Shareholder from transferring or otherwise dealing with the Vimy Shares; and
 - (iv) no outstanding Vimy Shares are required to be brought back and cancelled.
- (q) **(Vimy Director interests)** all contingent benefits which any Vimy Director may obtain in connection with the Scheme as at the date of this deed have been Fairly Disclosed to Deep Yellow and:
- (i) after due consideration with the benefit of external legal advice, the Vimy Board has concluded that any such benefits ought not prevent any Vimy Director from making a Recommendation or giving a Voting Statement; and
 - (ii) any such contingent benefit will be cited in the Scheme Booklet where the relevant Vimy Director Recommendation or Voting Statement is referred to;
- (r) **(publicly available information)** no documents or announcements which Vimy or any of its Related Bodies Corporate has lodged or filed with, or otherwise given to, any Government Agency (or which has been so lodged, filed or given on its behalf or on behalf of any of its Related Bodies Corporate), and which is publicly available or otherwise in the public domain, is misleading or deceptive in any material respect (whether by omission or otherwise);
- (s) **(accounts)** Vimy's:
- (i) reviewed financial statements for the half year ended 31 December 2021 in preparation before the Effective Date; and
 - (ii) audited financial statements for the year ended 30 June 2021,
- each show a true and fair view of the financial position and affairs of the Vimy Group as at that date and the financial performance and operation of the Vimy Group for the financial period ending on that date and are not misleading or deceptive in any material respect;
- (t) **(liabilities)** no member of the Vimy Group has incurred any contingent or other off-balance sheet liabilities or obligations which are not reflected in Vimy's audited financial statements for the year ended 30 June 2021 or reviewed financial statements for the half year ended 31 December 2021 in preparation before the Effective Date;
- (u) **(no litigation)** other than the matters Fairly Disclosed in the Vimy Disclosure Materials, no litigation, prosecution, arbitration, mediation, or other proceedings

relating to the Vimy Group has been on foot in the 12 months prior to the date of this deed, is current, is pending or threatened or might reasonably be expected to arise as a result of current circumstances;

- (v) **(no encumbrances)** there is no encumbrance over all or any of the assets or revenues of the Vimy Group, other than as Fairly Disclosed in the Vimy Disclosure Materials; and
- (w) **(third party rights)** Vimy is not aware of any facts or circumstances to suggest that the entry into this deed and the implementation of the Scheme will cause third party to:
 - (i) terminate a contract which is material to the Vimy business or vary the performance of any material obligation of Vimy under the contract; or
 - (ii) exercise a right to acquire, or require the disposal of, any material assets of Vimy.
- (x) **(Insurance)** in respect of the insurances effected in respect of the Vimy Group:
 - (i) the insurances provide usual insurance coverage for the undertaking by the Vimy Group; and
 - (ii) the Vimy Group has not carried out any business activities in respect of which it does not have current insurance coverage;
- (y) **(interests in mineral properties and mineral rights)** except as Fairly Disclosed in the Vimy Disclosure Materials:
 - (i) Vimy is the sole legal and beneficial owner of all of its interests in real property and holds all mineral rights and other interests, in each case free of any material encumbrances or forfeiture, such that the Vimy Group has all permits necessary for its current or contemplated business operations;
 - (ii) the Vimy Group has no liability or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to its mineral rights or interests and no person has a right to acquire any such rights or interests; and
 - (iii) there is no material adverse claim against or challenge to the title to, or ownership of, Vimy or any of the members of the Vimy Group, or their respective ownership of, Vimy's property, rights or interest;
- (z) **(mineral reserves and resources)** the most recent estimated mineral resources disclosed by Vimy have been prepared and disclosed in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards, and in accordance with all applicable laws including, without limitation, the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves; there has been no material reduction (other than as a result of operations in the ordinary course of business) in the aggregate amount of estimated mineral reserves and resources at the Vimy properties taken as a whole, from the amounts disclosed publicly by Vimy; all material information regarding Vimy's real property and mineral rights, including all drill results, technical reports and studies that are required to be disclosed, has been disclosed by Vimy in accordance with applicable laws; and

- (aa) **(information)** Vimy has not obtained information concerning Deep Yellow which is price sensitive and not public from any person or party who is prohibited by law or contract from providing such information to Vimy.

10.2 Deep Yellow Representations and Warranties

Deep Yellow represents and warrants to Vimy that:

- (a) **(validly existing)** it is a validly existing corporation registered under the laws of its place of incorporation;
- (b) **(power)** it has full corporate power and lawful authority to execute, deliver and perform this deed and the Deed Poll;
- (c) **(corporate action)** it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Deed Poll;
- (d) **(binding)** this deed is its valid and binding obligation enforceable in accordance with its terms;
- (e) **(reliance on information)** all information provided by or on behalf of Deep Yellow to Vimy, for inclusion in the Scheme Booklet and to the Independent Expert will be provided on the understanding that the Deep Yellow Board will rely on such information for the purposes of considering and approving the Scheme Booklet and implementing the Transaction, and the Independent Expert will rely on such information for the purposes of producing their report;
- (f) **(Deep Yellow Disclosure Materials)** the Deep Yellow Disclosure materials have been complied in good faith and:
 - (i) Deep Yellow has not intentionally withheld from the Deep Yellow Disclosure Material any information which would reasonably be expected to be material to a reasonable and sophisticated target company's evaluation of the Deep Yellow Group and the merits of the Scheme; or
 - (ii) do not contain information which is false or misleading, deceptive or incomplete in any material respect, including by way of omission;
- (g) **(Deep Yellow Information)** the Deep Yellow Information included in the Scheme Booklet with its consent pursuant to clause 5.2(i)(i), and any other information provided by it pursuant to clause 5.2, will be prepared and provided in good faith and not be misleading or deceptive in any material respect (whether by omission or otherwise) and will comply in all material respects with applicable laws, including the Corporations Act, Corporations Regulations, RG 60 and the Listing Rules;
- (h) **(further information)** as a continuing obligation, any new or further information which may arise after the date of the Scheme Booklet until the date of the Scheme Meeting will be provided to Vimy as necessary to ensure that there would be no breach of 10.2(g) if it applied as at the date on which that information arose;
- (i) **(continuous disclosure)** it has complied with its continuous disclosure obligations under Listing Rule 3.1 and, following release of the Joint Announcement, there will be no information which it is withholding from disclosure in reliance on Listing Rule 3.1A;
- (j) **(Compliance)** all members of the Deep Yellow Group have complied in all material respects with all laws and regulations applicable to them and orders of Australian

and foreign Government Agencies having jurisdiction over them and have all material licences, authorisations and permits necessary for them to conduct the business of the Deep Yellow Group as presently being conducted;

- (k) **(complete and accurate)** all information provided by Deep Yellow to Vimy in connection with this deed, whether under due diligence or not, are provided in good faith and are, to the best of Deep Yellow's knowledge (having made reasonable enquiries) accurate, complete and not misleading or deceptive, or likely to mislead or deceive, and in providing that information nothing has been omitted which would make that information misleading or deceptive in any material respect;
- (l) **(honest belief)** any statement of opinion or belief contained in the Deep Yellow Information (including any forward looking statements) is honestly held and there are reasonable grounds for that opinion or belief as at the date the opinion or belief was provided and continues to believe to be reasonable;
- (m) **(no defaults)** no member of the Deep Yellow Group or counterparty is in material default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or the lapse of time constitute an event of default, prepayment event or similar event or give another party a termination right or right to accelerate any right or obligation under any such document to the extent that this would have a Material Adverse Effect;
- (n) **(Insolvency Event)** an Insolvency Event has not occurred in relation to it or any other member of the Deep Yellow Group and will not occur prior to implementation of the Scheme;
- (o) **(capital structure)** its capital structure is as set out in Part B of Schedule 2 and:
 - (i) it has not issued any other Deep Yellow Shares or other securities, rights or instruments which are still outstanding and may convert into, or give the holder the right to be issued, Deep Yellow Shares, other than rights arising under the Deep Yellow Options; and
 - (ii) other than as Fairly Disclosed in the Joint Announcement, it is not under any obligation to issue, and no person has any right to require or call for the issue of, any Deep Yellow Shares or other securities, rights or instruments issuable by Deep Yellow (whether such obligation or right is conditional or otherwise);
- (p) **(performance)** the execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate or breach any provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree binding on it;
 - (ii) any material agreement or deed to which a member of the Deep Yellow is party; or
 - (iii) its constituent documents;

- (q) **(publicly available information)** no documents or announcements which Deep Yellow or any of its Related Bodies Corporate has lodged or filed with, or otherwise given to, any Government Agency (or which has been so lodged, filed or given on its behalf or on behalf of any of its Related Bodies Corporate), and which is publicly available or otherwise in the public domain, is misleading or deceptive in any material respect (whether by omission or otherwise);
- (r) **(accounts)** Deep Yellow's:
 - (i) reviewed financial statements for the half year ended 31 December 2021 in preparation before the Effective Date; and
 - (ii) audited financial statements for the year ended 30 June 2021,

each show a true and fair view of the financial position and affairs of the Deep Yellow Group as at that date and the financial performance and operation of the Deep Yellow Group for the financial period ending on that date and are not misleading or deceptive in any material respect;
- (s) **(liabilities)** no member of the Deep Yellow Group has incurred any contingent or other off-balance sheet liabilities or obligations which are not reflected in Deep Yellow's audited financial statements for the year ended 30 June 2021 or reviewed financial statements for the half year ended 31 December 2021 in preparation before the Effective Date;
- (t) **(no litigation)** other than the matters Fairly Disclosed in the Deep Yellow Disclosure Materials, no litigation, prosecution, arbitration, mediation, or other proceedings relating to the Deep Yellow Group has been on foot in the 12 months prior to the date of this deed, is current, is pending or threatened or might reasonably be expected to arise as a result of current circumstances;
- (u) **(insurance)** in respect of the insurances effected in respect of the Deep Yellow Group:
 - (i) the insurances provide usual insurance coverage for the undertaking by the Deep Yellow Group; and
 - (ii) the Deep Yellow Group has not carried out any business activities in respect of which it does not have current insurance coverage;
- (v) **(interests in mineral properties and mineral rights)** except as Fairly Disclosed in the Deep Yellow Disclosure Materials:
 - (i) Deep Yellow is the sole legal and beneficial owner of all of its interests in real property and holds all mineral rights and other interests, in each case free of any material encumbrances or forfeiture, such that the Deep Yellow Group has all permits necessary for its current or contemplated business operations;
 - (ii) the Deep Yellow Group has no liability or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to its mineral rights or interests and no person has a right to acquire any such rights or interests; and
 - (iii) there is no material adverse claim against or challenge to the title to, or ownership of, Deep Yellow or any of the members of the Deep Yellow Group, or their respective ownership of, Deep Yellow's property, rights or interest;

- (w) **(no shareholder approval)** no approval from Deep Yellow shareholders is required under the Corporations Act or the ASX Listing Rules for the parties to proceed with the Transaction;
- (x) **(Competition Act 2003)** no clearance or approval is required under the Competition Act 2003 of Namibia for the parties to proceed with the Transaction;
- (y) **(mineral reserves and resources)** the most recent estimated mineral resources disclosed by Deep Yellow have been prepared and disclosed in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards, and in accordance with all applicable laws including, without limitation, the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves; there has been no material reduction (other than as a result of operations in the ordinary course of business) in the aggregate amount of estimated mineral reserves and resources at the Deep Yellow properties taken as a whole, from the amounts disclosed publicly by Deep Yellow; all material information regarding Deep Yellow's real property and mineral rights, including all drill results, technical reports and studies that are required to be disclosed, has been disclosed by Deep Yellow in accordance with applicable laws; and
- (z) **(information)** Deep Yellow has not obtained information concerning Vimy which is price sensitive and not public from any person or party who is prohibited by law or contract from providing such information to Deep Yellow.

10.3 Qualifications to Vimy Representations and Warranties

The Vimy Representations and Warranties are subject to matters:

- (a) which have been Fairly Disclosed in the Vimy Disclosure Materials or any announcement to or filing with ASX or ASIC within 36 months prior to the date of this deed;
- (b) which Deep Yellow has agreed to in writing;
- (c) which are expressly required to be done or permitted to be done under this Scheme; and
- (d) which Deep Yellow knows at the date of this deed.

10.4 Qualifications to Deep Yellow Representations and Warranties

The Deep Yellow Representations and Warranties are subject to matters:

- (a) which have been Fairly Disclosed in the Deep Yellow Disclosure Materials or any announcement to or filing with ASX or ASIC within 36 months prior to the date of this deed; or
- (b) which Vimy has agreed to in writing;
- (c) which are expressly required to be done or permitted to be done under this Scheme; and
- (d) which Vimy knows at the date of this deed.

10.5 Survival of Representations and Warranties

Each Representation and Warranty:

- (a) is severable;
- (b) survives termination of this deed; and
- (c) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed.

10.6 Timing of Representations and Warranties

- (a) Each Representation and Warranty is given at the date of this deed and again at 8.00am on the Second Court Date.
- (b) For the purposes of clause 10.6(a), a Representation and Warranty shall be read with any necessary adjustments to the tense used in the Representation and Warranty.

11 Releases

11.1 Release of Vimy Indemnified Parties

- (a) Subject to clause 11.1(b), Deep Yellow releases any and all rights that it may have, or that may otherwise accrue to it after the date of this deed, and agrees with Vimy that it will not make any Claim against any Vimy Indemnified Party as at the date of this deed in connection with:
 - (i) any breach of any covenant, representation or warranty given by Vimy under this deed;
 - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise);
 - (iii) the implementation of the Scheme; or
 - (iv) any failure to provide information,

except where a Vimy Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. To avoid doubt, nothing in this clause 11.1 limits the rights of Vimy to terminate this deed under clause 12.

- (b) The release in clause 11.1(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Vimy receives and holds the benefit of clause 11.1(a) as trustee for the Vimy Indemnified Parties.

11.2 Release of Deep Yellow Indemnified Parties

- (a) Subject to clause 11.2(b), Vimy releases any and all rights that it may have or that may otherwise accrue to it after the date of this deed, and agrees with Deep Yellow that it will not make any Claim (whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise) against any Deep Yellow Indemnified Party as at the date of this deed in connection with:

- (i) any breach of any covenant, representation or warranty given by Deep Yellow under this deed;
- (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise);
- (iii) the implementation of the Scheme; or
- (iv) any failure to provide information,

except where a Deep Yellow Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. To avoid doubt, nothing in this clause 11.2 limits the rights of Vimy to terminate this deed under clause 12.

- (b) The release in clause 11.2(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Deep Yellow receives and holds the benefit of clause 11.2(a) as trustee for the Deep Yellow Indemnified Parties.

11.3 Deeds of indemnity and insurance

- (a) Subject to implementation of the Scheme and to clause 11.3(b), Deep Yellow undertakes that it will:
 - (i) for a period of 7 years from the Implementation Date, ensure that the constitutions of Vimy and the other members of the Vimy Group contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its current and previous directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a member of the Vimy Group;
 - (ii) procure that Vimy and each member of the Vimy Group complies with any deeds of indemnity, access and insurance (or equivalent) made by them in favour of their respective directors and officers from time to time; and
 - (iii) without limiting clause 11.3(a)(ii), ensure that directors' and officers' run-off insurance cover for the directors and officers obtained in accordance with clause 11.3(e) is maintained for a period of 7 years from the resignation or retirement date of each such director and officer.
- (b) The undertaking in clause 11.3(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) Vimy receives and holds the benefit of clause 11.1(a), to the extent it relates to the other Vimy Indemnified Parties, as trustee for them.
- (d) The undertakings in clause 11.3(a) are given until the earlier of the end of the relevant period specified in clause 11.3(a) or the relevant Vimy Group member ceases to be part of the Vimy Group.
- (e) Each party acknowledges that, notwithstanding any other provision of this document, Vimy may, prior to the Implementation Date, enter into arrangements to secure and place a directors' and officers' run-off insurance policy in respect of any current or former director or officer of any member of the Vimy Group that applies for no less than a 7 year period following the Implementation Date.

12 Termination

12.1 Termination by Deep Yellow or Vimy

- (a) Either Deep Yellow or Vimy may terminate this deed:
 - (i) in accordance with clause 3.4;
 - (ii) at any time before 8.00am on the Second Court Date if:
 - (A) a Competing Proposal for the other of Vimy or Deep Yellow is received; and
 - (B) the Vimy Board or the Deep Yellow Board (as applicable) publicly announces that it has determined that that Competing Proposal is a Superior Proposal,provided that there has not been a material breach of exclusivity obligations under clause 8 by the party purporting to terminate in reliance of this sub-paragraph (ii);
 - (iii) at any time before 8.00am on the Second Court Date if the other commits a material breach of this deed (including a Representation and Warranty) and:
 - (A) it has given written notice to the other setting out the relevant circumstances and stating an intention to terminate this deed; and
 - (B) the relevant circumstances are not remedied to the non-defaulting party's reasonable satisfaction and have continued to exist for 5 Business Days from the time such notice is given (or any shorter period ending at 8.00am on the Second Court Date);
 - (iv) if agreed to in writing by both Vimy and Deep Yellow; or
 - (v) if the Effective Date of the Scheme has not occurred, or will not occur, on or before the End Date other than as a result of any breach of this deed by the party purporting to terminate in reliance of this sub-paragraph (v).
- (b) Termination under clause 12.1(a)(iii) will be deemed to take effect at the expiry of the 5 Business Day period (or any shorter period ending at 8.00am on the Second Court Date) referred to in clause 12.1(a)(iii)(B).

12.2 Termination by Deep Yellow

Deep Yellow may terminate this deed, with immediate effect, at any time before 8.00am on the Second Court Date by notice in writing to Vimy if:

- (a) a Vimy Director (including any new Vimy Director appointed after the date of this deed):
 - (i) withdraws, changes or modifies his or her Recommendation or Voting Statement; or
 - (ii) recommends, endorses or supports any Competing Proposal for Vimy; or
- (b) a Competing Proposal in respect of Deep Yellow is received or announced and the Competing Proposal requires as a condition that this Transaction not be

implemented, and a majority of the Deep Yellow Directors make a public statement to the effect that they no longer support this Transaction or that they recommend the Competing Proposal; or

- (c) a Third Party that does not have a 20% or more Relevant Interest in Vimy at the date of this deed obtains a Relevant Interest in Vimy of 20% or more (or if a Third Party that has a Relevant Interest of 20% or more in Vimy at the date of this deed increases their Relevant Interest in Vimy by more than 1%).

12.3 Termination by Vimy

Vimy may terminate this deed, with immediate effect, at any time before 8.00am on the Second Court Date by notice in writing to Deep Yellow if:

- (a) the Vimy Board withdraws, changes or modifies its Recommendation, including recommending, endorsing or supporting any Competing Proposal for Vimy; or
- (b) a Competing Proposal for Deep Yellow is publicly announced and the Competing Proposal requires as a condition that this Transaction not be implemented and any Deep Yellow Director makes a public statement to the effect that they no longer support this Transaction or that they recommend the Competing Proposal; or
- (c) a Third Party that does not have a 20% or more Relevant Interest in Deep Yellow at the date of this deed obtains a Relevant Interest in Deep Yellow of 20% or more (or if a Third Party that has a Relevant Interest of 20% or more in Deep Yellow at the date of this deed increases their Relevant Interest in Deep Yellow by more than 1%).

12.4 Effect of termination

If this deed is terminated in accordance with this clause 12, this deed will cease to have force and effect without any liability or obligation on the part of any party, except that:

- (a) this clause 12 and clauses 9, 11, 13, 13(a), 15 and 16, and the Schedules, will survive termination; and
- (b) each party shall retain any rights and remedies that accrued prior to termination, including any rights and remedies in respect of any past breach of this deed or (if applicable) in respect of the breach giving rise to termination.

12.5 Notice of termination

Subject to clause 12.1(b), where Vimy or Deep Yellow has a right to terminate this deed, that right for all purposes will be validly exercised if Vimy or Deep Yellow (as the case may be) delivers a notice in writing to the other party stating that it terminates this deed.

13 Confidentiality

- (a) Each party acknowledges and agrees that they continue to be bound by the Confidentiality Agreement, provided that this deed prevails to the extent of any inconsistency with the Confidentiality Agreement.
- (b) The rights and obligations of the parties under the Confidentiality Agreement survive termination of this deed.

14 Duty, costs and expenses

14.1 Stamp duty

Deep Yellow:

- (a) must pay all stamp duties and any related fines and penalties in respect of this deed and the Scheme, the performance of this deed and each transaction contemplated by this deed including the Scheme; and
- (b) indemnifies Vimy against any liability arising from or in connection with any failure by it to comply with clause 14.1(a).

14.2 Costs and expenses

Each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of the Transaction.

15 GST

15.1 Interpretation

In this clause 15, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) has the meaning given to it in that legislation.

15.2 GST gross up

- (a) Subject to clause 15.2(b), if a party makes a supply under or in connection with this deed in respect of which GST is payable, the consideration for the supply but for the application of this clause 15.2 (**GST exclusive consideration**) is increased by an amount equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.
- (b) Clause 15.2(a) does not apply to any consideration that is expressed in this deed to be inclusive of GST.

15.3 Reimbursements and indemnifications

If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other party is entitled to for the loss, cost or expense, and then increased in accordance with clause 15.2.

15.4 Tax invoice

A party need not make a payment for a taxable supply made under or in connection with this deed until it receives a tax invoice for the supply to which the payment relates.

16 General

16.1 Notices

- (a) A notice, consent, approval, waiver or other communication sent by a party under this deed (**Notice**) must be:
 - (i) in writing;
 - (ii) sent by an authorised representative of that party;
 - (iii) marked for the attention of the person named below; and
 - (iv) must be sent by email to the address set out below and may also be left at the address set out below or any updated address publicly announced by either party after the date of this deed.

Vimy

Attention: Mr Steven Michael
Address: First Floor
1209 Hay Street
West Perth WA 6005
Email: smichael@vimyresources.com.au

with a copy to: (which by itself does not constitute notice)
shaun.mcrobert@minterellison.com and
alberto.colla@minterellison.com

Deep Yellow

Attention: Mr John Borshoff
Address: Unit 17
100-104 Railway Rd
Subiaco WA 6008
Email: John.borshoff@deepyellow.com.au

with a copy to: (which by itself does not constitute notice)
mblakiston@gtlaw.com.au
sturner@gtlaw.com.au

- (b) A Notice is taken to be received on the first to occur of:
 - (i) the sender receiving an automated message confirming delivery; and
 - (ii) two hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered.

16.2 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.

- (b) Each party irrevocably submits to the exclusive jurisdiction of the courts of Western Australia and courts competent to hear appeals from those courts.

16.3 No representation or reliance

- (a) Each party acknowledges that the other party (nor any person acting on its behalf) has not made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other person, except for any representation or inducement expressly set out in this deed.

16.4 Time of essence

Time is of the essence under this deed.

16.5 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

16.6 Waivers, consents and approvals

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.
- (b) Any waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.
- (d) Except where this deed expressly provides otherwise, where the consent or approval of a party is required under this deed, such consent or approval may be given or withheld in that party's absolute discretion.

16.7 Variation

This deed may only be varied by a document signed by or on behalf of each party.

16.8 Assignment

A party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other party.

16.9 Further action

Each party will do all things and execute all further documents necessary to give full effect to this deed.

16.10 Entire agreement

This deed, the Confidentiality Deed and any other documents specified in writing by both the parties for the purposes of this clause 16.10 contain the entire agreement between the parties with respect to their subject matter. This deed, the Confidentiality Deed and any other documents specified by the parties for the purposes of this clause 16.10 set out the only express terms relied on by the parties and supersede all prior agreements and understandings between the parties in connection with their subject matter.

16.11 Severability

- (a) If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction but only to the extent that it is void, unenforceable or illegal and provided that it will have full force and effect in any other jurisdiction. Where a provision (or any part thereof) is severed in a jurisdiction, the remainder of this deed shall have full force and effect in that (and any other) jurisdiction.
- (b) This clause 16.11 does not apply to any severance that alters the basic nature of this deed or is contrary to public policy.

16.12 Counterparts

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Schedule 1 Dictionary

ACCC means the Australian Competition and Consumer Commission.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given in section 12 of the Corporations Act as if section 12(1) of the Corporations Act included a reference to this deed.

ASX means ASX Limited (ACN 008 624 691) or the market operated by it, as the context requires.

Break Fee means \$2,500,000.

Business Day means a day that is not a Saturday, Sunday or a public holiday in Perth, Western Australia, and is also an ASX trading day.

CHESS means the Clearing House Electronic Subregister System.

Claim means any allegation, debt, cause of action, liability, claim, proceeding, suit or demand of any nature however arising and whether present or future, known or unknown, fixed or unascertained, actual or contingent whether at law, in equity, under statute or otherwise.

Competing Proposal means, in relation to a party, any expression of interest or intent, inquiry, proposal, offer, transaction, agreement or arrangement from or involving any third person:

- (a) which, if ultimately completed substantially in accordance with its terms may result in the Transaction not being able to be implemented on the basis set out in this deed; or
- (b) without limiting sub-paragraph (a), under which a person or two or more persons who are Associates would:
 - (i) acquire an interest (including an economic interest by way of an equity swap, other synthetic, economic or derivative transaction or similar transaction or arrangement) or a Relevant Interest in 20% or more of the Vimy Shares or Deep Yellow Shares or any shares of other members of the Vimy Group or the Deep Yellow Group which constitutes a substantial part of the either the Vimy Group or the Deep Yellow Group;
 - (ii) acquire, become the holder of or have a right to acquire or an economic interest in all or a substantial part of the business, or any of the material assets, of the Vimy Group or the Deep Yellow Group (where a material asset of the Vimy Group or Deep Yellow Group will include rights in respect of assets representing 20% or more of the value of the total assets of the Vimy Group or the Deep Yellow Group);
 - (iii) acquire Control of Vimy or Deep Yellow or any other member of the Vimy Group or the Deep Yellow Group;
 - (iv) acquire, or merge with, Vimy or Deep Yellow or any other member of the Vimy Group or the Deep Yellow Group (including by way of takeover bid, scheme of arrangement, capital reduction, sale of assets or securities, strategic alliance, joint venture or partnership); or

- (v) acquire by way of issue, on a fully diluted basis, 20% or more of Deed Yellow or Vimy capital as consideration for the assets or share capital of another person,

whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, other reorganisation of capital, sale, exchange or purchase of shares, other securities or assets, assignment of assets and liabilities, incorporated or unincorporated joint venture, reverse takeover, dual-listed company (or other synthetic merger), recapitalisation, deed of company arrangement, any debt for equity arrangement, establishment of a new holding entity for that entity or other transaction or arrangement.

Conditions Precedent means the conditions precedent set out in clause 3.1.

Confidentiality Agreement means the Confidentiality Deed between Vimy and Deep Yellow dated 13 December 2021.

Consultation Notice has the meaning given in clause 3.4(a).

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Counter Proposal has the meaning given in clause 8.7(a)(vi).

Court means either the Supreme Court of Western Australia or as Vimy and Deep Yellow agree in writing.

Court Documents means the documents which Vimy determines (acting reasonably) are required for the purposes of a Court Hearing, which may include originating process, affidavits, submissions and draft minutes of Court orders.

Court Hearing means the First Court Hearing or Second Court Hearing (as applicable), and **Court Hearings** means both of them.

Deed Poll means the deed poll, substantially in the form of Attachment B (or in such other form as Deep Yellow and Vimy may agree in writing), to be entered into by Deep Yellow pursuant to clause 5.2(o), under which (among other things) Deep Yellow covenants in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of the Scheme.

Deep Yellow Board means the board of directors of Deep Yellow.

Deep Yellow Budget means a budget prepared for Deep Yellow before the date of this deed for the period ending 30 June 2022 (which budget forms part of the Deep Yellow Disclosure Materials), and any variation of budgeted line item of up to 10%.

Deep Yellow Data Room means the electronic data room maintained by or on behalf of Vimy through which Deep Yellow and its Representatives have had access to information relating to the Vimy Group.

Deep Yellow Director means a director of Deep Yellow.

Deep Yellow Disclosure Materials means all documents and information (including written responses from Deep Yellow and its Representatives to requests for further

information made by Vimy and its Representatives) contained in the Deep Yellow Data Room at 6.00pm (Perth time) on 29 March 2022, the index of which and accompanying Q&A schedule having been initialled by, or on behalf of, the parties for identification.

Deep Yellow Group means Deep Yellow, its Subsidiaries and any of its Related Bodies Corporate.

Deep Yellow Indemnified Party means a director, officer or employee of a member of the Deep Yellow Group.

Deep Yellow Information means information regarding the Deep Yellow Group provided by Deep Yellow or its Representatives to Vimy in writing for inclusion in the Scheme Booklet which must include information in relation to Deep Yellow and Deep Yellow's intentions in relation to the Vimy Group and its business (including the Vimy Group's employees and assets), and includes any information contained in the Scheme Booklet that is solely based on any information so provided by Deep Yellow or its Representatives.

Deep Yellow Material Contract means an agreement or arrangement which is material in the context of the Deep Yellow Group.

Deep Yellow Options means options over Deep Yellow Shares.

Deep Yellow Prescribed Occurrence means the occurrence of any of the following:

- (a) Deep Yellow converting all or any of its shares into a larger or smaller number of shares;
- (b) Deep Yellow resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) Deep Yellow:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) an Insolvency Event occurred to any member of the Deep Yellow Group;
- (e) a member of the Deep Yellow Group issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option other than:
 - (i) to a member of the Deep Yellow Group; or
 - (ii) the issue of shares upon exercise of an existing Deep Yellow Option;
- (f) a member of the Deep Yellow Group issuing or agreeing to issue securities convertible into shares or debt securities;
- (g) a member of the Deep Yellow Group making any change to its constitution;
- (h) any member of the Deep Yellow Group pays or declares, or announces an intention to pay or declare, any distribution (whether by way of any interim, final or special dividend, capital reduction or otherwise and whether in cash or in specie);

- (i) a member of the Deep Yellow Group creating, granting or agreeing to create or grant an encumbrance over the whole, or a substantial part, of the Deep Yellow Group's business or property or over a material asset of the Deep Yellow Group;
- (j) a member of the Deep Yellow Group acquires or disposes of, or agrees to acquire or dispose of, any securities, business, asset, entity or undertaking in a single or series of related transactions, the value of which exceeds \$100,000, other than in the ordinary course of business, from or to any person other than another member of the Deep Yellow Group;
- (k) a member of the Deep Yellow Group enters into, materially amends or terminates, or agrees to enter into or materially amend or terminate, any contract with a person other than another member of the Deep Yellow Group that:
 - (i) could reasonably be expected to generate revenue for the Deep Yellow Group, or that contemplates expenditure by the Deep Yellow Group, in excess of \$300,000 in any 12 month period; or
 - (ii) has a term of more than 3 years,
 other than in the ordinary course of business;
- (l) a member of the Deep Yellow Group incurs or commits to, or brings forward the time for incurring or committing to, or grants to another person a right the exercise of which could be reasonably expected to involve or result in any member of the Deep Yellow Group incurring or committing to, any capital expenditure, financial indebtedness (including borrowings, loans, advances, capital contributions and investments) or liability (whether actual or contingent), or foregoing any revenue, for one or more related items or amounts of in aggregate more than \$150,000, other than trade credit in the ordinary course of business and indebtedness to another member of the Deep Yellow Group;
- (m) a member of the Deep Yellow Group:
 - (i) enters into a new employment contract with a potential employee of the Deep Yellow Group, or enters into a new employment contract or materially amends or terminates an existing employment contract with an existing employee of the Deep Yellow Group, where the total employment costs payable to that potential or existing employee exceed or would exceed \$150,000 per annum (as applicable);
 - (ii) accelerates the rights of any director or employee to compensation or benefits of any kind;
 - (iii) pays or agrees to pay any of its directors or employees a bonus, termination payment or any other increase in fees or benefits (otherwise than in accordance with an existing contract in place at the date of this deed); or
 - (iv) enters into any enterprise bargaining agreement;
- (n) a member of the Deep Yellow Group enters into or resolves to enter into a transaction with any related party of Deep Yellow (other than a related party which is a member of the Deep Yellow Group) as defined in section 228 of the Corporations Act;
- (o) a member of the Deep Yellow Group is in default under an agreement or arrangement which is material in the context of the Deep Yellow Group;

- (p) a member of the Deep Yellow Group settles or offers to settle any legal proceedings, claim, investigation arbitration or other like proceeding where the settlement amount exceeds \$50,000;
- (q) a member of the Deep Yellow Group accepts as a compromise of a matter less than the full compensation due to it or any other member(s) of the Deep Yellow Group where the compromise is more than \$100,000 or waives any material Third Party default where the financial impact upon the Deep Yellow Group would be in excess of \$100,000;
- (r) a member of the Deep Yellow Group changes any accounting policy applied by them to report their financial position other than any change in policy required by a change in accounting standards; or
- (s) any member of the Deep Yellow Group authorises, procures or commits or agrees to do any of the matters set out above,

but does not include any matter:

- (a) required by Australian law or by any Australian Government Agency;
- (b) required or permitted by this deed or the Scheme;
- (c) Fairly Disclosed to Vimy prior to the date of this deed;
- (d) Fairly Disclosed in the Deep Yellow Budget, which for the avoidance of doubt includes the potential issue of shares to Deep Yellow employees in Namibia;
- (e) otherwise Fairly Disclosed in the Deep Yellow Disclosure Materials or any announcement to or filing with ASX within 12 months prior to the date of this deed; or
- (f) agreed to in writing by Vimy.

Deep Yellow Representations and Warranties means the representations and warranties set out in clause 10.2.

Deep Yellow Share means a fully paid ordinary share in the capital of Deep Yellow.

DvP means a delivery versus payment basis of settlement according to the CHESS rules.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

End Date means the later of:

- (a) 8 months following the date of this deed; and
- (b) such other date and time agreed in writing between Deep Yellow and Vimy.

Exclusivity Period means the period from the date of this deed until the earlier of:

- (a) the termination of this deed in accordance with its terms;
- (b) the Implementation Date; and

(c) the End Date.

Fairly Disclosed means fully and fairly disclosed:

- (a) by Vimy in the Vimy Disclosure Materials;
- (b) by Deep Yellow in the Deep Yellow Disclosure Materials;
- (c) in any announcement made by Vimy or Deep Yellow on ASX prior to the date of this document;
- (d) in any document lodged by or on behalf of Vimy with ASIC or a Governmental Authority in Australia; and
- (e) in any document lodged by or on behalf of Deep Yellow with ASIC or a Governmental Authority in Australia or Namibia,

in all cases, with sufficient detail and context as to enable a reasonable person who is experienced in transactions similar to the Scheme, or experienced in a business similar to the type of business generally conducted by Deep Yellow and Vimy, to identify the nature scope, and potential or likely impact of the relevant matter, event or circumstance.

First Court Date means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act directing Vimy to convene the Scheme Meeting is heard, with such hearing being the **First Court Hearing** or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.

GST exclusive consideration has the meaning given in clause 15.2(a).

Headcount Test means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of Vimy Shareholders present and voting, either in person or by proxy.

Implementation Date means the fifth Business Day after the Scheme Record Date.

Independent Expert means the independent expert to be appointed by Vimy to prepare the Independent Expert's Report in accordance with clause 5.1(a).

Independent Expert's Report means the report to be prepared and issued by the Independent Expert in connection with the Scheme for inclusion in the Scheme Booklet, including any updated or supplementary report stating whether or not, in the Independent Expert's opinion, the Scheme is in the best interests of Vimy Shareholders.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address in the register of Vimy Shareholders is in a jurisdiction outside Australia and its external territories, New Zealand, France, Hong Kong, Ireland, Jersey, Malaysia, Singapore, United Arab Emirates and United Kingdom and any other jurisdiction in respect of which Deep Yellow reasonably believes that it is not prohibited and not unduly onerous or

impractical to implement this Scheme and to issue New Deep Yellow Shares to an Scheme Shareholder with a Registered Address in such jurisdiction.

Insolvency Event means the occurrence of any one or more of the following events in relation to any person:

- (a) an application is made to a court for an order, or an order is made, that it be wound up, declared bankrupt or that a provisional liquidator or receiver and manager be appointed, and the application is not withdrawn, struck out or dismissed within 15 Business Days of it being made;
- (b) a liquidator or provisional liquidator is appointed;
- (c) an administrator is appointed to it under sections 436A, 436B or 436C of the Corporations Act;
- (d) a Controller (as defined in section 9 of the Corporations Act) is appointed to it or any of its assets;
- (e) a receiver is appointed to it or any of its assets;
- (f) it enters into an arrangement or composition with one or more of its creditors, or an assignment for the benefit of one or more of its creditors, in each case other than to carry out a reconstruction or amalgamation while solvent;
- (g) it proposes a winding-up, dissolution or reorganisation, moratorium, deed of company arrangement or other administration involving one or more of its creditors;
- (h) is, or states that it is, unable to pay all its debts as and when they become due and payable;
- (i) a deregistration notice is issued under sections 601AA or 601AB of the Corporations Act;
- (j) a writ of execution is levied against it or a material part of its property; or
- (k) anything occurs under the law of any jurisdiction outside Australia which has a substantially similar effect to any of the events set out in the above paragraphs of this definition.

Joint Announcement has the meaning given in clause 6(a).

Listing Rules means the official listing rules of ASX.

Loss includes losses, liabilities, damages, costs, charges, expenses, fines, penalties, taxes and duties.

Matching Period has the meaning given in clause 8.7(a)(iii)

Matching Right Notice has the meaning given in clause 8.7(a)(v).

Material Adverse Effect means an event, matter or circumstance that occurs, is announced or becomes known to either party after the date of this deed which either individually or when aggregated with any other events, matters or circumstances, has a material adverse effect:

- (a) on the Deep Yellow Budget or the Vimy Budget (as the case may be);

- (b) on the consolidated net assets of either the Deep Yellow Group or the Vimy Group, by resulting in a diminution of at least 20% (each being considered separately);
- (c) on ability of the Deep Yellow Group or Vimy Group to carry out its business in substantially the same manner as carried out at the date of this deed;
- (d) with respect to Deep Yellow only, any change or proposed change in the law, regulation or other form of decree or court order or finding in Namibia (including mining, taxation, customs, export, health and safety, environmental or any other law) which has, or will be likely to have, a material impact on the development, operation, exploitation or value of any Mining Tenement or project carried on by Deep Yellow in Namibia or any other jurisdiction outside of Australia; or
- (e) otherwise on the assets and liabilities (taken as a whole), financial condition or business of the party (taken as a whole),

but excluding matters:

- (f) required to be done or procured by Deep Yellow or Vimy, or expressly permitted, under this deed or the Scheme or the transactions contemplated by either party which the other party has previously approved in writing;
- (g) relating to the costs and expenses incurred by Deep Yellow or Vimy associated with the Scheme process, including all fees payable to external advisers of Deep Yellow or Vimy; or
- (h) comprising or resulting from a change (including the implementation or introduction of a previously announced or made change) in any accounting standards;
- (i) to the extent Fairly Disclosed in the Deep Yellow Disclosure Materials or Vimy Disclosure Materials (as applicable);
- (j) to the extent Fairly Disclosed in a document lodged with ASX within 18 months of the date of this deed;
- (k) to the extent Fairly Disclosed in a document lodged with ASIC that is publicly available by or on behalf of Vimy or Deep Yellow (as applicable) within 18 months prior to the date of this deed; or
- (l) that is within the actual knowledge of the party not subject to a Material Adverse Effect prior to the date of this deed.

Merged Group means the combination Deep Yellow and Vimy following implementation of the Scheme.

Merged Group Information means any information in the Scheme Booklet or any supplementary disclosure to Vimy Shareholders in respect of the Scheme, regarding the Merged Group.

Mining Tenement means all tenure granted under the *Mining Act 1978* (WA) or its equivalents in other jurisdictions in which Vimy or Deep Yellow (as the case may be) have operations.

Mulga Rock Project means Vimy's uranium mining project located in the Great Victoria Desert in Western Australia comprising of the Ambassador, Princess, Shogun and Emperor mining areas.

New Deep Yellow Share means a fully paid ordinary share in the capital of Deep Yellow to be issued under the Scheme.

Net Cash means cash on hand, plus any accrued revenue, grants, GST or other tax receivable, less any current actual liability, creditors, accruals and liabilities which are contingent on the Scheme becoming Effective.

Notice has the meaning given in clause 16.1(a).

Notice of Meeting means the notice of meeting (including the explanatory memorandum) in relation to the Deep Yellow General Meeting.

Recommendation has the meaning set out in clause 7.1(a)(i).

Regulator's Draft has the meaning given in clause 5.1(k)(i).

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representation and Warranty means a Vimy Representation and Warranty or a Deep Yellow Representation and Warranty (as applicable).

Representative means, in respect of a party, an employee, agent, officer, director, adviser or financier of or to that party (or a Related Body Corporate of that party), and, in the case of advisers and financiers, includes employees, officers and agents of the adviser or financier (as applicable).

RG 60 means Regulatory Guide 60 issued by ASIC and dated September 2011.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Vimy and the Scheme Shareholders, in the form of Attachment A, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Booklet means the explanatory statement in respect of the Scheme to be prepared by Vimy pursuant to section 412 of the Corporations Act and in accordance with clause 5.1(a), and to be despatched to Vimy Shareholders in accordance with clause 5.1(o), which shall contain the Independent Expert's Report (or a concise version of that report), a notice of meeting in respect of the Scheme Meeting and a proxy form.

Scheme Consideration means 0.294 New Deep Yellow Share for every 1 Scheme Share held by the Scheme Shareholders on the Scheme Record Date, subject to any applicable adjustment in accordance with the terms of the Scheme.

Scheme Meeting means the meeting of Vimy Shareholders ordered by the Court to be convened at the First Court Hearing.

Scheme Record Date means 5.00pm on the second Business Day after the Effective Date.

Scheme Share means a Vimy Share held by a Scheme Shareholder as at the Scheme Record Date.

Scheme Shareholder means a Vimy Shareholder as at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard, with such hearing being the **Second Court Hearing** or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Share Splitting means a Vimy Shareholder splitting its holding of Vimy Shares into two or more parcels, or a number of affiliated persons acquiring a number of parcels in different names or other manipulative conduct, with the purpose of artificially increasing the number of shareholders in Vimy.

Small Shareholder means a Scheme Shareholder (not being an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Scheme Record Date, would, on implementation of the Scheme, be entitled to receive less than a marketable parcel of New Deep Yellow Shares (assessed by reference to the last traded price of Deep Yellow shares on ASX on the trading day prior to the Scheme Record Date) as Scheme Consideration.

Subsidiary has the meaning given to that term in section 46 of the Corporations Act.

Superior Proposal means a bona fide Competing Proposal (other than a Competing Proposal resulting from a breach of exclusivity obligations prescribed in clause 8) which the board of the receiving party, acting in good faith in the interests of its shareholders and after taking advice from outside legal and financial advisers, determines is:

- (a) reasonably capable of being valued and completed within a reasonably timeframe; and
- (b) would, if completed substantially in accordance with its terms, be reasonably likely to result in a transaction that is more favourable to its shareholders (as a whole) than the Transaction (as the Transaction may be revised by the application of the matching right set out in clause 8.7, if applicable),

in respect of both paragraphs (a) and (b) above, taking into account all aspects of the Competing Proposal and the Transaction including the identity, reputation and financial credentials of the person making the Competing Proposal, any conditions, certainty, timing considerations and other matters affecting the probability of the Competing Proposal being implemented in accordance with its terms and all relevant legal, financial, regulatory and other matters (including the value and type of consideration, funding, its conditions and the likelihood and timing of those conditions being satisfied, the level of certainty in respect of the funding required, the probability of the Competing Proposal being completed compared to the Transaction, any conditions precedent or other matters affecting the probability of the Competing Proposal being completed).

Takeovers Panel means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

Termination Event has the meaning given in clause 3.4(a).

Third Party means a person other than Deep Yellow, Vimy and their Associates.

Timetable means the indicative timetable for the implementation of the Transaction set out in Schedule 3.

Transaction means the acquisition of Vimy by Deep Yellow by means of the Scheme.

Unlisted Security Exchange Agreement means the unlisted security exchange agreement to be entered into by each holder of Vimy Unlisted Securities with Vimy and

Deep Yellow pursuant to which Vimy will cancel that holder's Vimy Unlisted Securities in consideration for the issue of Deep Yellow Shares or Options in the manner set out in Part C of Schedule 2.

Vimy Board means the board of directors of Vimy.

Vimy Budget means a budget prepared for Vimy before the date of this deed for the period ending 30 June 2022 (which budget forms part of the Vimy Disclosure Materials), and any variation of budgeted line item of up to 10%.

Vimy Data Room means the electronic data room maintained by or on behalf of Vimy through which Deep Yellow and its Representatives have had access to information relating to the Vimy Group.

Vimy Director means a director of Vimy.

Vimy Disclosure Materials means all documents and information (including written responses from Vimy and its Representatives to requests for further information made by Deep Yellow and its Representatives) contained in the Vimy Data Room at 6.00pm (Perth time) on 29 March 2022, the index of which and accompanying Q&A schedule having been initialled by, or on behalf of, the parties for identification.

Vimy Salary Sacrifice Share Plan means the employee share plan approved by Vimy Shareholders on 13 August 2019 to allow the Vimy Board to invite eligible participants to acquire Vimy Shares.

Vimy Employee Option Plan means the employee option plan approved by Vimy Shareholders on 13 August 2019 to allow the Vimy Board to grant Vimy options to eligible participants.

Vimy Group means Vimy and each of its Related Bodies Corporate.

Vimy Indemnified Party means a director, officer or employee of a member of the Vimy Group.

Vimy Information means all the information in the Scheme Booklet other than the Deep Yellow Information and Independent Expert's Report.

Vimy Material Counterparty Consents means third party consents under those contracts to which a member of the Vimy Group is a party, and which the parties to this deed have agreed in writing, before signing this deed, is a **Vimy Material Counterparty Consent**.

Vimy Material Contract means an agreement or arrangement which is material in the context of the Vimy Group.

Vimy Unlisted Securities means any options, performance securities or any convertible securities over Vimy Shares issued.

Vimy Prescribed Occurrence means the occurrence of any of the following:

- (a) Vimy converting all or any of its shares into a larger or smaller number of shares;
- (b) Vimy resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) Vimy:

- (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (d) an Insolvency Event occurred to any member of the Vimy Group;
- (e) a member of the Vimy Group issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option other than:
 - (i) to a member of the Vimy Group;
 - (ii) the issue of shares upon exercise or vesting of an existing Vimy Unlisted Security; or
 - (iii) the issue of shares in respect of entitlements under the Vimy Salary Sacrifice Share Plan accrued prior to the date of this deed to a maximum of 228,323 Vimy Shares;
- (f) a member of the Vimy Group issuing or agreeing to issue securities convertible into shares or debt securities, but excluding the grant of 3,500,000 Vimy performance rights to non-executive directors following Vimy Shareholder approval received on 23 March 2022;
- (g) a member of the Vimy Group making any change to its constitution;
- (h) any member of the Vimy Group pays or declares, or announces an intention to pay or declare, any distribution (whether by way of any interim, final or special dividend, capital reduction or otherwise and whether in cash or in specie);
- (i) a member of the Vimy Group creating, granting or agreeing to create or grant an encumbrance over the whole, or a substantial part, of the Vimy Group's business or property or over a material asset of the Vimy Group other than in the ordinary course of business;
- (j) a member of the Vimy Group acquires or disposes of, or agrees to acquire or dispose of, any securities, business, property, asset, entity or undertaking in a single or series of related transactions, the value of which exceeds \$100,000 other than in the ordinary course of business, from or to any person other than another member of the Vimy Group;
- (k) a person that is not a Vimy Director as at the date of this deed is appointed to the Vimy Board and that new Vimy Director does not provide a Recommendation or Voting Statement upon his or her appointment in accordance with clause 7.1;
- (l) a member of the Vimy Group enters into, materially amends or terminates, or agrees to enter into or materially amend or terminate, any contract with a person other than another member of the Vimy Group that:
 - (i) could reasonably be expected to generate revenue for the Vimy Group, or that contemplates expenditure by the Vimy Group, in excess of \$300,000 in any 12 month period; or
 - (ii) has a term of more than 3 years,
 other than in the ordinary course of business;

- (m) a member of the Vimy Group incurs or commits to, or brings forward the time for incurring or committing to, or grants to another person a right the exercise of which could be reasonably expected to involve or result in any member of the Vimy Group incurring or committing to, any capital expenditure, financial indebtedness (including borrowings, loans, advances, capital contributions and investments) or liability (whether actual or contingent), or foregoing any revenue, for one or more related items or amounts of in aggregate more than \$150,000, other than trade credit in the ordinary course of business and indebtedness to another member of the Vimy Group;
- (n) a member of the Vimy Group:
 - (i) enters into a new employment contract with a potential employee of the Vimy Group, or enters into a new employment contract or materially amends or terminates an existing employment contract with an existing employee of the Vimy Group, where the total employment costs payable to that potential or existing employee exceed or would exceed \$150,000 per annum (as applicable);
 - (ii) accelerates the rights of any director or employee to compensation or benefits of any kind;
 - (iii) pays or agrees to pay any of its directors or employees a bonus, termination payment or any other increase in fees or benefits (otherwise than in accordance with an existing contract in place at the date of this deed); or
 - (iv) enters into any enterprise bargaining agreement;
- (o) a member of the Vimy Group enters into or resolves to enter into a transaction with any related party of Vimy (other than a related party which is a member of the Vimy Group) as defined in section 228 of the Corporations Act;
- (p) a member of the Vimy Group is in default under an agreement or arrangement which is material in the context of the Vimy Group;
- (q) a member of the Vimy Group settles or offers to settle any legal proceedings, claim, investigation arbitration or other like proceeding where the settlement amount exceeds \$50,000;
- (r) a member of the Vimy Group accepts as a compromise a matter less than the full compensation due to it or any other member(s) of the Vimy Group where the compromise is more than \$100,000 or waives any material Third Party default where the financial impact upon the Vimy Group would be in excess of \$100,000;
- (s) a member of the Vimy Group changes any accounting policy applied by them to report their financial position other than any change in policy required by a change in accounting standards; or
- (t) any member of the Vimy Group authorises, procures or commits or agrees to do any of the matters set out above,

but does not include any matter:

- (a) required by Australian law or by any Australian Government Agency;
- (b) required or permitted by this deed or the Scheme;

- (c) Fairly Disclosed to Deep Yellow prior to the date of this deed;
- (d) Fairly Disclosed in the Vimy Budget;
- (e) otherwise Fairly Disclosed in the Vimy Disclosure Materials or any announcement to or filing with ASX within 12 months prior to the date of this deed; or
- (f) agreed to in writing by Deep Yellow.

Vimy Register means the register of members of Vimy maintained by or on behalf of Vimy in accordance with section 168(1) of the Corporations Act.

Vimy Representations and Warranties means the representations and warranties set out in clause 10.1.

Vimy Share means a fully paid ordinary share in the capital of Vimy.

Vimy Shareholder means a holder of one or more Vimy Shares, as shown in the register of members maintained by (or on behalf of) Vimy in accordance with the Corporations Act.

Voting Statement has the meaning set out in clause 7.1(a)(ii).

2 Interpretation

In this deed, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this deed.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including”, “such as”, “to avoid doubt” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
 - (i) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
 - (ii) a thing (including a chose in action or other right) includes a part of that thing;
 - (iii) a party includes its successors and permitted assigns;
 - (iv) a document includes all amendments or supplements to that document;
 - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this deed (as applicable);

- (vi) this deed includes all schedules and attachments to it;
 - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
 - (viii) an agreement (other than this deed) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
 - (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
 - (x) a monetary amount is in Australian dollars.
- (g) An agreement on the part of two or more persons binds them jointly and severally.
 - (h) When the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
 - (i) In determining the time of day where relevant to this deed, the time of day is:
 - (i) for the purposes of giving or receiving Notice, the time of day where the party receiving Notice is located; or
 - (ii) for any other purpose under this deed, Perth, Australia time.
 - (j) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it.

Schedule 2 Capital structure

Part A – Vimy

Class of security	Number of securities on issue as at the date of this deed
Securities quoted on ASX	
Ordinary shares	1,155,627,658
Securities not quoted on ASX*	
Vimy options with \$0.0820 exercise price and expiry date of 31 July 2022	11,881,001

* 3,500,000 Vimy performance rights will be issued to non-executive directors of Vimy after the date of this deed.

Part B – Deep Yellow

Class of security	Number of securities on issue as at the date of this deed
Securities quoted on ASX	
Ordinary shares	387,198,206
Securities not quoted on ASX	
Deep Yellow performance rights	402,688
Deep Yellow Options with nil exercise price and expiry date of 1 July 2024	277,779
Deep Yellow Options with nil exercise price and expiry date of 1 July 2025	225,323
Deep Yellow Options with nil exercise price and expiry date of 1 July 2026	44,444
Deep Yellow Options with nil exercise price and expiry date of 1 July 2027	44,444
Deep Yellow Options with nil exercise price and expiry date of 1 July 2028	44,445

Part C

Vimy securities	Number of Vimy securities	Proposed Deep Yellow Shares or Options for cancellation
Vimy options with \$0.0820 exercise price and expiry date of 31 July 2022	For each Vimy option the subject of an Unlisted Security Exchange Agreement	0.210 Deep Yellow Shares

Schedule 3 Indicative Timetable

Event	Date
Enter into Scheme Implementation Deed	Day 0
Draft Independent Expert's Report issued by the Independent Expert to Vimy	Day 35
Regulator's Draft provided to ASIC and ASX	Day 42
First Court Hearing	Day 56
Scheme Meeting	Day 91
Second Court Hearing and inform ASX of intent to lodge	Day 98
Effective Date	Day 98 + 1 business day
Scheme Record Date	Day 98 +3 business days
Implementation Date (issue consideration; lodge 2A)	Day 98 +7 business days
Send Deep Yellow holding statements	Day 98 +8 business days

Execution page

Executed as a deed.

Executed by **Deep Yellow Limited** in
accordance with the provisions of section 127(1)
of the *Corporations Act*.



Signature of director

JOHN BORSHOFF

Name of director (print)

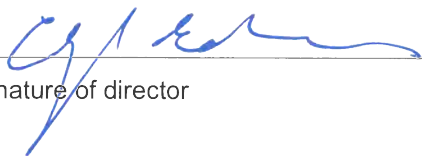


Signature of director/secretary

GILLIAN SWABY

Name of director/secretary (print)

Executed by **Vimy Resources Limited** in
accordance with the provisions of section 127(1)
of the *Corporations Act*:



Signature of director

CHERYL EDWARDS

Name of director (print)



Signature of director/~~secretary~~

STEVEN MICHAEL

Name of director/~~secretary~~ (print)

APPENDIX 6

DEED POLL



Deed poll

—
Deep Yellow Limited (ABN 97 006 391 948) (**Deep Yellow**)

in favour of

Scheme Shareholders
—

Deed poll

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Details

Date

Parties

Name	Deep Yellow Limited (ABN 97 006 391 948) ACN 006 391 948
Short form name	Deep Yellow
Notice details	Email: john.borshoff@deepyellow.com.au Attention: Mr John Borshoff

In favour of	each registered holder of fully paid ordinary shares in Vimy Resources Limited ACN 120 178 949 (Vimy) as at the Scheme Record Date Scheme Shareholders
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Background

- A On 30 March 2022, Deep Yellow and Vimy entered into the Scheme Implementation Deed to provide for (among other matters) the proposal and implementation of the Scheme.
- B The effect of the Scheme will be to transfer all Scheme Shares to Deep Yellow in return for the Scheme Consideration.
- C In the Scheme Implementation Deed, Deep Yellow has agreed (among other things) to provide the Scheme Consideration to Scheme Shareholders in accordance with the terms of the Scheme, subject to the satisfaction of certain conditions.
- D Deep Yellow enters this deed poll to covenant in favour of Scheme Shareholders to:
 - (i) provide the Scheme Consideration in accordance with the Scheme; and
 - (ii) otherwise perform the steps attributed to it under the Scheme.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement, "security interest" as defined in sections 12(1) or 12(2) of the PPSA, right of first refusal, pre-emptive right, any similar restriction, or any agreement to create any of them or allow them to exist.

Scheme means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between Vimy and the Scheme Shareholders, in the form of set out in an Annexure to the Scheme Booklet subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to in writing by Deep Yellow and Vimy.

Scheme Implementation Deed means the Scheme Implementation Deed dated 30 March 2022 between Deep Yellow and Vimy relating to the implementation of the Scheme.

All other words and phrases used in this document have the same meaning as given to them in the Scheme Implementation Deed or the Scheme.

1.2 General interpretation

Clause 1.2 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' in that clause are to be read as references to 'deed poll'.

2. Nature of this deed poll

Deep Yellow acknowledges that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Vimy and each of its directors and officers (jointly, severally, or jointly and severally) as its agent and attorney to enforce this deed poll against Deep Yellow on behalf of that Scheme Shareholder.

3. Conditions and termination

3.1 Condition precedent to obligations of the Scheme

Deep Yellow's obligations under clause 4 are subject to the Scheme becoming Effective.

3.2 Termination

Deep Yellow's obligations under this deed poll will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme is not Effective by the End Date or any later date as the Court, with the consent of the parties, may order,

unless Vimy and Deep Yellow otherwise agree in writing.

3.3 Consequences of termination

If this deed poll terminates under clause 3.2, in addition and without prejudice to any other rights, powers or remedies available to the Scheme Shareholders:

- (a) Deep Yellow is released from its obligations to further perform this deed poll; and
- (b) Scheme Shareholders retain the rights they have against Deep Yellow in respect of any breach of this deed poll which occurred before it terminated.

4. Performance of obligations

4.1 Generally

Subject to clause 3, Deep Yellow covenants in favour of Scheme Shareholders to perform the actions attributed to it under, and otherwise comply with, the Scheme as if Deep Yellow was a party to the Scheme, subject to and in accordance with the provisions of the Scheme and the Scheme Implementation Deed.

4.2 Provision of Scheme Consideration

- (a) Subject to clause 3, Deep Yellow undertakes in favour of each Scheme Shareholder to provide or procure the provision of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme.
- (b) The obligations of Deep Yellow under clause 4.2(a) will be satisfied if, on or before 12.00 noon on the Implementation Date, it issues all of the New Deep Yellow Shares which it is obliged to issue to Scheme Shareholders or to the Sale Agent (as applicable) under the Scheme, and provides Vimy with written confirmation that it has done so.

4.3 New Deep Yellow Shares to rank equally

Deep Yellow undertakes in favour of each Scheme Shareholder that all New Deep Yellow Shares issued as Scheme Consideration in accordance with the Scheme will, upon that issue:

- (a) rank equally in all respects with all other Deep Yellow Shares then on issue (other than in respect of any dividend already declared and not yet paid by Deep Yellow, where the record date for entitlement to that dividend occurred prior to the Implementation Date); and
- (b) be fully paid and free from any Encumbrance.

5. Representations and warranties

Deep Yellow represents and warrants to each Scheme Shareholder that:

- (a) **(status)** it is a corporation duly incorporated and validly existing under the laws of the place of its incorporation;
- (b) **(power)** it has the power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) **(corporate authorisations)** it has taken all necessary corporate action to authorise the entry into and performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) **(documents binding)** this deed poll is its valid and binding obligation enforceable in accordance with its terms;
- (e) **(transactions permitted)** the execution and performance by it of this deed poll and each transaction contemplated by this deed poll did not and will not violate in any respect a provision of:
 - (i) a law or treaty or a judgment, ruling, order or decree of a Government Agency binding on it;
 - (ii) its constitution or other constituent documents; or
 - (iii) any other document which is binding on it or its assets; and
- (f) **(solvency)** it is solvent and no resolutions have been passed nor has any other step been taken or legal action or proceedings commenced or threatened against it for its winding up

or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets.

6. Continuing Obligations

6.1 Deed poll irrevocable

This deed poll is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

- (a) Deep Yellow having fully performed its obligations under this deed poll; or
- (b) termination of this deed poll under clause 3.2.

6.2 Variation

A provision of this deed poll may not be varied unless:

- (a) before the Second Court Date, the variation is agreed to in writing by Vimy and Deep Yellow; or
- (b) on or after the Second Court Date, the variation is agreed to in writing by Vimy and Deep Yellow and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Deep Yellow will enter into a further deed poll in favour of each Scheme Shareholder giving effect to the variation.

7. Notices

Any notice, demand or other communication to Deep Yellow in respect of this deed poll:

- (a) must be in writing and signed by the sender or a person duly authorised by it;
- (b) must be sent by an authorised representative of that party;
- (c) marked for the attention of the person named below; and
- (d) must be sent to the email address set out below and may also be left at the address set out below or any updated address publicly announced by Deep Yellow after the date of this deed:

Attention: Mr John Borshoff
Address: Unit 17
100-104 Railway Rd
Subiaco WA 6008
Email: John.borshoff@deepyellow.com.au

- (e) will be conclusively taken to be duly given or made on the first to occur of:
 - (i) the sender receiving an automated message confirming delivery; and
 - (ii) two hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered.

8. General Provisions

8.1 Assignment

- (a) The rights and obligations of Deep Yellow under this deed poll are personal. They cannot be assigned, charged, encumbered or otherwise dealt with at law or in equity without the prior written consent of Deep Yellow.

- (b) Any purported dealing in contravention of clause 8.1(a) is invalid.

8.2 Cumulative rights

The rights, powers and remedies of Deep Yellow and each Scheme Shareholder under this deed poll are cumulative with and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

8.3 No waiver

- (a) Deep Yellow may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) If a Scheme Shareholder does not exercise a right arising from a breach of this deed poll at a given time, it may, unless it has waived that right in writing, exercise the right at a later point in time.
- (c) No Scheme Shareholder may rely on words or conduct of Deep Yellow as a waiver of any right unless the waiver is in writing and signed by Deep Yellow, as appropriate.
- (d) The meanings of the terms used in this clause 8.3 are set out below.

conduct includes delay or failure in the exercise of a right.

right means any right, power or remedy arising under or in connection with this deed poll and includes the right to rely on this clause.

waiver includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

8.4 Stamp duty

Deep Yellow:

- (a) must pay or procure the payment of all stamp duty (if any) and any related fines and penalties in respect of the Scheme and this deed poll (including the acquisition or transfer of Scheme Shares pursuant to the Scheme), the performance of this deed poll and each transaction effected by or made under or pursuant to the Scheme and this deed poll; and
- (b) indemnifies on demand each Scheme Shareholder against any liability arising from failure to comply with clause 8.4(a).

8.5 Further assurances

Deep Yellow will, at its own expense, do all things reasonably required of it to give full effect to this deed poll.

8.6 Governing law and jurisdiction

This deed poll is governed by the laws of the State of Western Australia. In relation to it and related non-contractual matters Deep Yellow irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there, and waives any right to object to the venue on any ground.


Signing page

EXECUTED as a deed poll.

Signed, sealed and delivered by Deep Yellow Limited in accordance with Section 127(1) of the *Corporations Act 2001*




Signature of director



Name of director (print)



Signature of director/company secretary
(Please delete as applicable)



Name of director/company secretary (print)