# Deep Yellow Limited

22 May 2017

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

## NEW URANIUM DISCOVERY CONFIRMED AT TUMAS 3, NAMIBIA

**Key Points**

- **Drilling at Tumas 3 has extended uranium mineralisation over a 1.9km strike and remains open to the west and east**
- **High drilling success rate with 128 out of 144 holes (100m by 100m spacing) returning positive results including:**
  - **12m at 1,239ppm $eU_3O_8$ from 5.1m**
  - **12m at 1,163ppm $eU_3O_8$ from 6.1m**
  - **14m at 999ppm $eU_3O_8$ from 6.1m**
- **Mineralisation is calcrete associated and hosted in palaeochannels, similar to the Langer Heinrich uranium mine located 30km to the north east**
- **Planned 10,000m drill program approximately 40% complete and maiden resource for Tumas 3 discovery expected in the September quarter**

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Deep Yellow Limited (**DYL**) is pleased to report continued encouraging drilling results from the 10,000m drilling program currently underway on EPL3496, held by DYL's wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd (**RUN**) (Figure 1).

The ongoing drilling of the Tumas 3 target zone has delineated additional uranium mineralisation, significantly extending the discovery since it was initially reported in April (see DYL ASX announcement 19 April 2017). Of the 144 vertical holes drilled for 3611m to 15 May 2017, 128 of these holes returned positive results – a very significant 88.9% success rate. This drilling has extended the palaeochannel associated mineralisation by 58% to 1.9km from the 1.2km previously reported. The Tumas 3 mineralisation still remains open, strongly justifying continued drilling and sourcing a second drilling rig to accelerate the program. Drilling is being conducted on a 100m x 100m spacing and on program completion is considered will be of sufficient resolution to estimate a maiden inferred resource in the September quarter.

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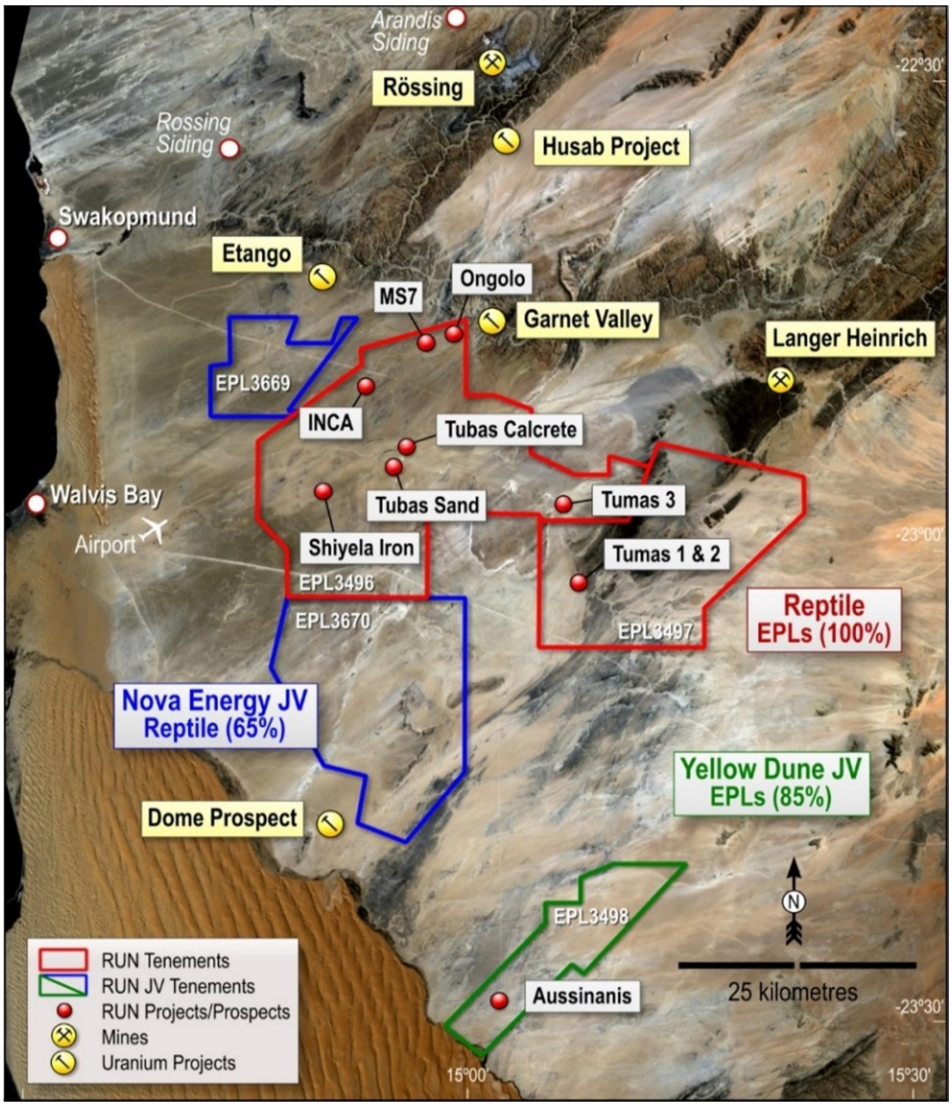


***Figure 1:*** *Regional location showing Reptile EPLs, uranium deposits and prospects*

This emerging discovery occurs as a distinct mineralised zone separate from the uranium resources the Company has identified within these palaeochannels in its Tumas 1 & 2 and Tubas Red Sands/Calcrete deposits (see Figures 1 and 2). The palaeochannels occurring away from these deposits have only been sparsely drilled along widely spaced regional lines, leaving opportunity for both continuing the extension of Tumas 3 and for further discoveries within what can now be seen as an inadequately tested, highly prospective palaeochannel of 100km in length.

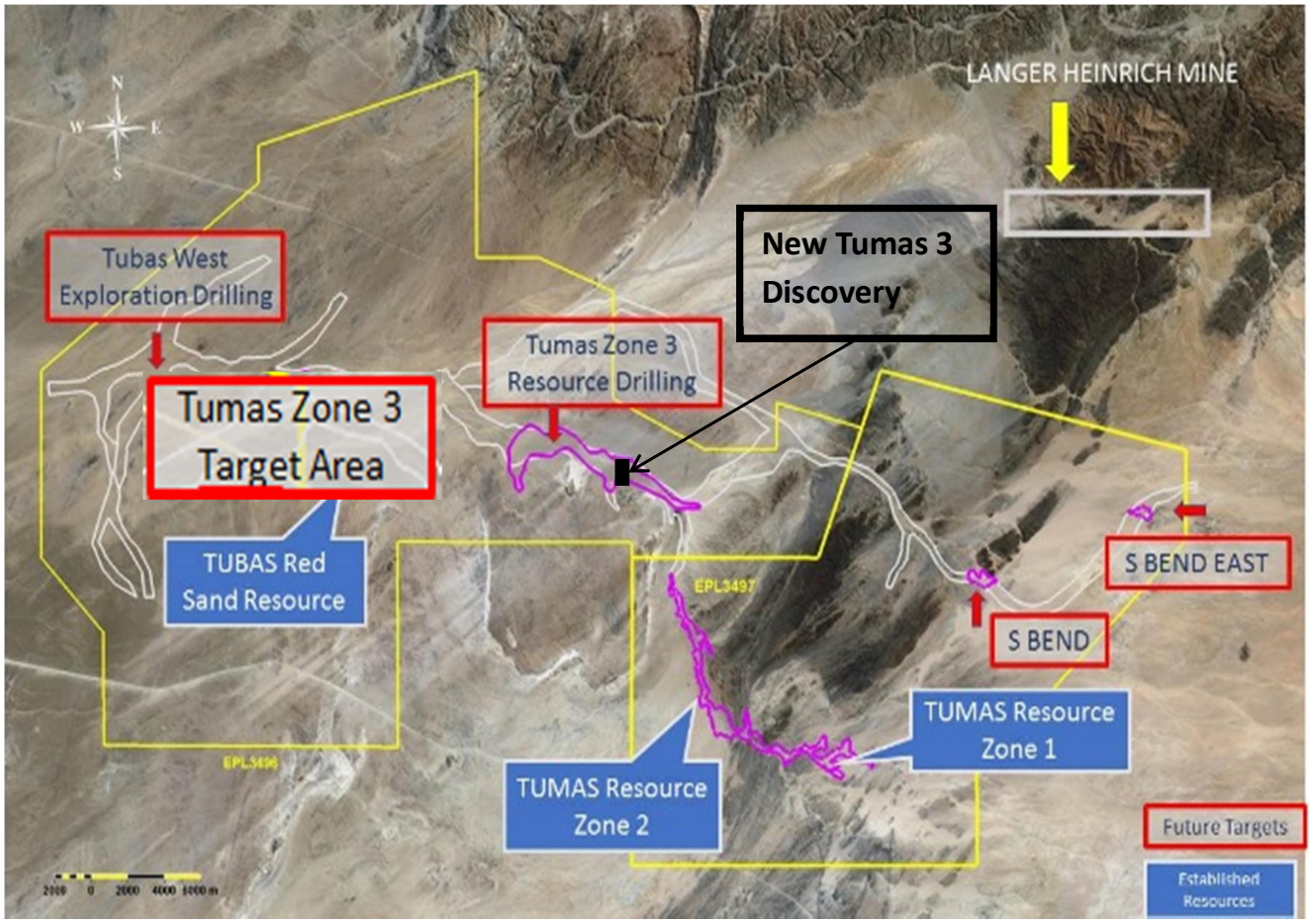


***Figure 2**: EPLs 3496, 3497 showing Tumas 3, all previous drill hole and main prospect locations over palaeochannels.*

The mineralisation at Tumas is essentially blind in nature with no surface radiometric expression. Apart from the enormous benefit gained from the now more accurately defined palaeochannel systems as outlined in Figure 2, resulting from the re-interpretation of the existing airborne geophysical data to concentrate the exploration effort, actual discovery has only been possible by drilling.

<u>$eU_3O_8$ ppm Determinations</u>

In the Company's 19 April 2017 announcement advising of the Tumas 3 discovery, the mineralisation was referenced by the down-hole gamma counts per second (cps) giving only a semi-quantitative indication of the uranium presence. It was indicated in that release the $eU_3O_8$ determinations would follow once all necessary calibration factors were collected and verified for the conversion of cps to uranium grade.

The down-hole gamma data for 116 of the 144 holes drilled to 15 May 2017 have now been converted to equivalent uranium oxide values ($eU_3O_8$ ppm) and this work is confirming the ongoing encouraging results and the existence of an extensive mineralised system. The drilling has delineated a zone of continuous uranium mineralisation (see drill data results

with $eU_3O_8$ determinations Table 1 in Appendix 1) with equivalent uranium grades ranging from 101ppm to 0.71% $eU_3O_8$ over 1m occurring within the 1.9km section tested to date of the 3km Tumas 3 target zone which the DYL is planning to drill in this current program. The mineralisation defined to date remains open to the west, north-west and south-east (see Figure 3). Mineralisation has been defined as anything having a grade thickness (GT) of greater than 100ppm $eU_3O_8$ over a 1m interval as determined using a fully calibrated Auslog gamma down-hole logging unit. These GT values ($eU_3O_8$ppm x thickness in metres) are shown in contoured form in Figure 3 and highlight the continuous, open nature of the uranium mineralisation. The results to date shows a robust mineralisation well within the norms of this style of uranium occurrence with average grade using a 100ppm $eU_3O_8$ cut-off being 358ppm and at a 200ppm $eU_3O_8$ cut-off rising to an average grade of 527ppm per metre comparing very favourably with the average grades of Langer Heinrich at similar cut-off grades.

The mineralised channel system that has been identified varies from 200m to 900m in width and ranges in thickness from 1m to 12m occurring at depths varying between 3m to 19m.

## Analysis

The drilling continues to show that the Tumas 3 mineralisation is not confined to one simple, single channel but rather is associated with a complex palaeo-drainage system containing numerous intermingling channels heading westward toward the ocean. The drilling results indicate that the mineralised portion of the channel widens toward the west.

The original plan for the first phase of the current drilling program was to test a 3km section (to date only 1.9km tested) of the prospective palaeochannel at Tumas 3. However, should the strength and continuity of uranium mineralisation persist beyond the current 3km target zone, then this drilling program will be extended immediately to the west and east to delineate the full potential of what is emerging as a very significant exploration target. A second drill rig is currently being sourced in order to accelerate the current program. Drilling planned on the other targets (S Bend and S Bend East) that have been defined will accordingly need to be postponed.

Appendix 1 lists all 144 drill holes completed from commencement on 21 March 2017 to 15 May 2017 in Tables 1 and 2. Table 1 lists the 116 holes drilled to 3 May 2017 that have undergone $eU_3O_8$ determination and show depth and coordinates of the holes along with $eU_3O_8$ ppm values and the thickness of the mineralisation as calculated from down-hole gamma logging. Table 2 in Appendix 1 shows the additional 28 holes drilled between 3 May 2017 and 15 May 2017 for which $eU_3O_8$ determinations have not yet been calculated and uranium values are given semi-quantitatively in gamma counts per second (cps) from the down hole gamma logging also showing drill-hole locations, level of anomalous down hole gamma cps and thickness for each anomalous zone.

Drill hole cross sections (see Figures 4 and 5) show the continuous, flat lying nature of the uranium mineralisation and also the variability and complexity of the palaeochannel topography.

## Conclusion

The continuing positive drilling results from Tumas 3 again reinforce the strongly held belief of the new management and technical team that the palaeochannels occurring within the RUN held tenements present a valid and significant regional exploration target. These palaeochannels are showing they have previously been inadequately tested to the degree required, as evidenced by the discovery that has been made at Tumas 3. These new positive results, together with approximately 100km of prospective palaeo-drainage identified as still to be tested, provide management with increasing confidence that the existing uranium resource base within the Reptile project area can be increased.

Yours faithfully

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

*Competent Persons' Statement*

***Exploration Competent Persons' Statement***

*The information in this report as it relates to exploration results was compiled by Mr Martin Hirsch, a Competent Person who is a Member of the Institute of Materials, Mining and Metallurgy (IMMM) in the UK. Mr Hirsch, who is currently the Exploration Manager for Reptile Uranium Namibia (Pty) Ltd, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hirsch consents to the inclusion in this announcement of the exploration results and supporting information in the form and context in which it appears.*

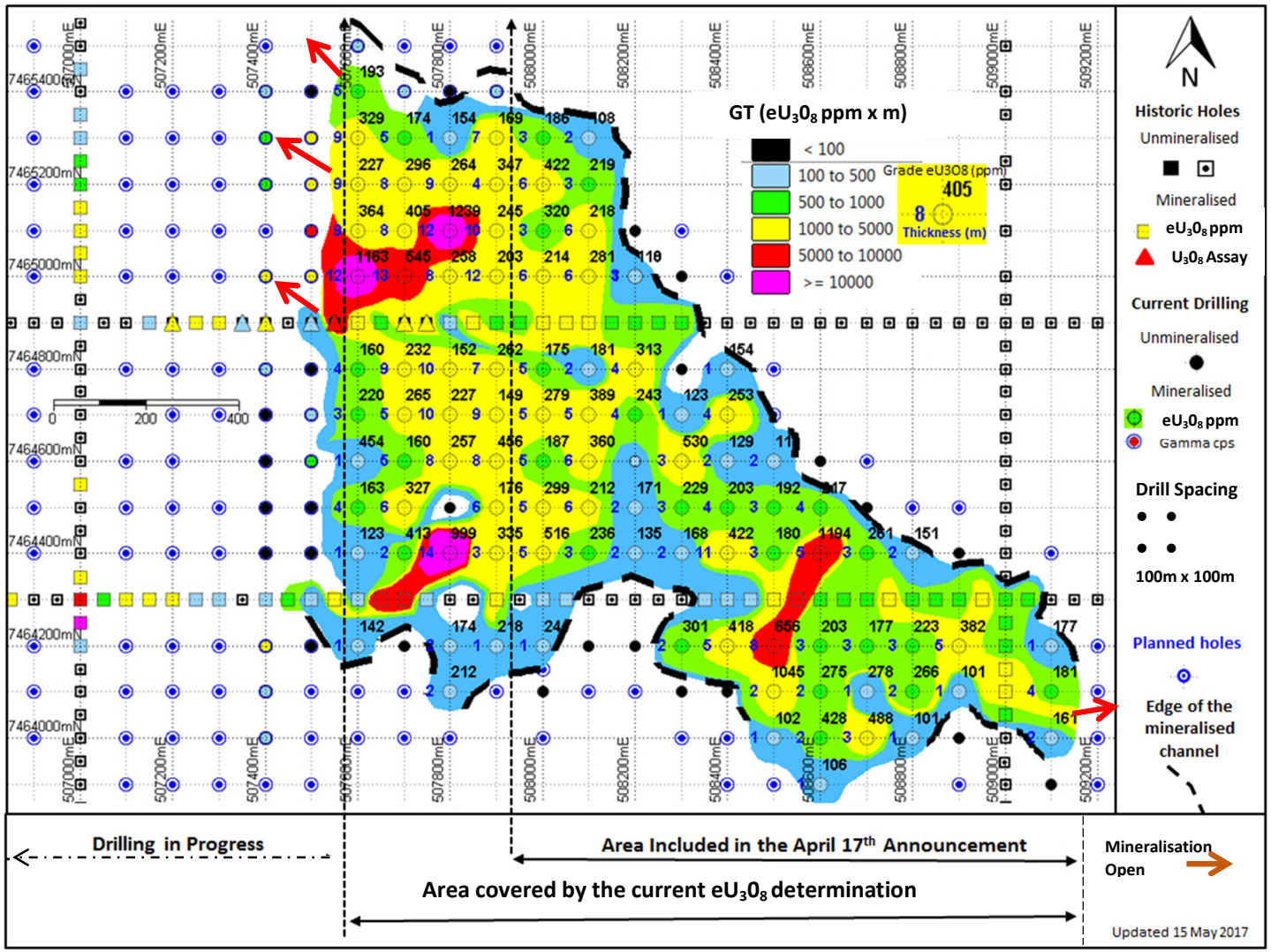


***Figure 3**: Tumas 3 - Drill Hole Location: Showing completed drill holes in solid colours reflecting $eU_3O_8$ppm x m thickness (GT) contours*

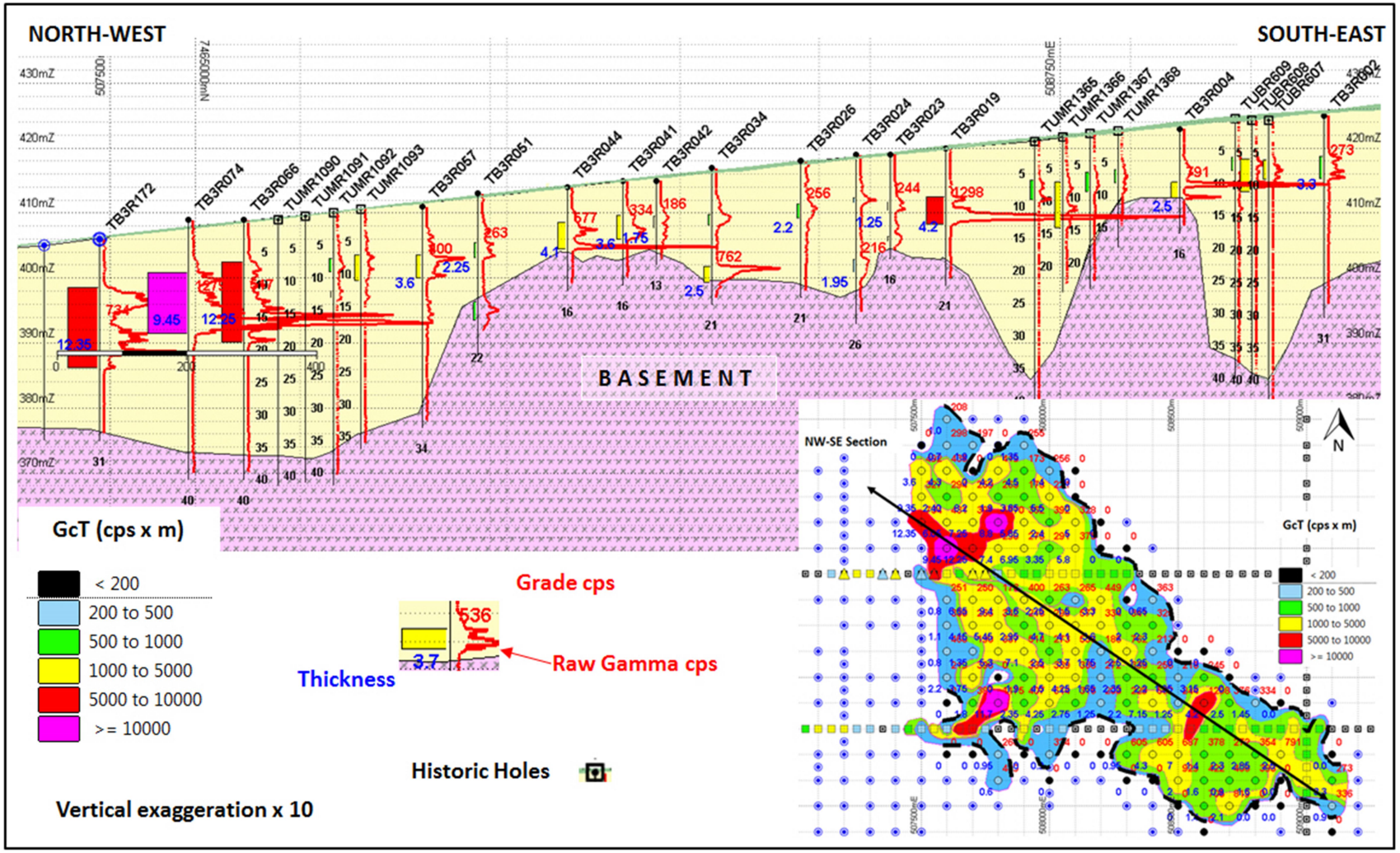


***Figure 4:*** *Tumas 3 – Long Section (drill hole spacing 140m) from 7465200N/507500E to 7463900N/509100E*

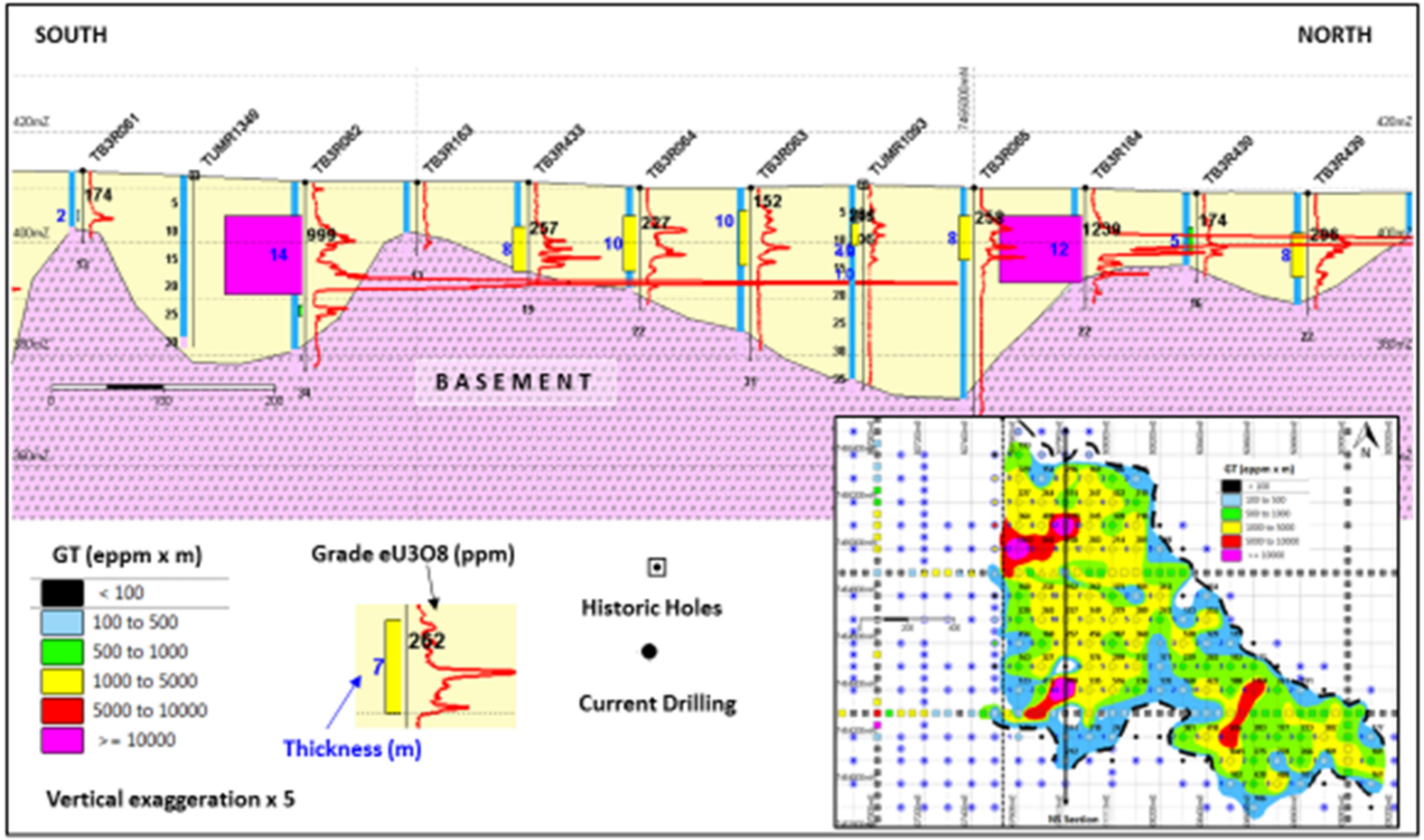


***Figure 5**: Coss Section: 507,800E from 7,464,100N to 7,465,400N (drill hole spacing 100m)*

## Appendix 1

**TABLE 1 - Drill Hole Status: with the $eU_3O_8$ Determinations (116 holes drilled up to 3 May 2017)**

| 100 ppm $eU_3O_8$ cut-off over 1m | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **$eU_3O_8$ (ppm)** | **$eU_3O_8$ max (over 1m)** | **Easting** | **Northing** | **RL** | **TD (m)** |
| TB3R001 | 7.0 | 1 | 177 | 177 | 509100 | 7464200 | 426 | 26 |
| TB3R002 | 6.0 | 4 | 181 | 198 | 509100 | 7464100 | 425 | 31 |
| TB3R003 | 5.0 | 2 | 161 | 174 | 509105 | 7464000 | 425 | 10 |
| TB3R004 | 6.1 | 5 | 382 | 1389 | 508900 | 7464200 | 424 | 16 |
| TB3R005 | 6.1 | 1 | 101 | 101 | 508900 | 7464100 | 424 | 36 |
| | 9.1 | 1 | 133 | 133 | | | | |
| TB3R006 | No mineralisation above 100 ppm cut-off | | | | 508900 | 7464000 | 423 | 21 |
| TB3R007 | No mineralisation above 100 ppm cut-off | | | | 508903 | 7464399 | 424 | 26 |
| TB3R008 | 6.0 | 3 | 223 | 352 | 508800 | 7464200 | 422 | 11 |
| TB3R009 | 5.0 | 2 | 266 | 324 | 508800 | 7464100 | 422 | 16 |
| TB3R010 | 5.0 | 1 | 101 | 101 | 508800 | 7464000 | 422 | 51 |
| TB3R011 | 7.0 | 2 | 151 | 153 | 508800 | 7464400 | 422 | 26 |
| | 14.0 | 2 | 211 | 245 | | | | |
| TB3R012 | 7.1 | 3 | 261 | 335 | 508705 | 7464411 | 421 | 36 |
| TB3R013 | No mineralisation above 100 ppm cut-off | | | | 508700 | 7464500 | 421 | 41 |
| TB3R014 | 5.1 | 3 | 177 | 252 | 508698 | 7464197 | 421 | 11 |
| TB3R015 | 5.0 | 1 | 278 | 228 | 508700 | 7464100 | 420 | 11 |
| | 8.0 | 1 | 447 | 447 | | | | |
| TB3R016 | 4.0 | 3 | 488 | 892 | 508699 | 7464000 | 421 | 41 |
| TB3R017 | 4.1 | 3 | 203 | 293 | 508608 | 7464205 | 420 | 16 |
| | 11.1 | 1 | 172 | 172 | | | | |
| TB3R018 | 3.1 | 2 | 275 | 323 | 508607 | 7464101 | 420 | 11 |
| TB3R019 | 7.0 | 5 | 1194 | 4663 | 508600 | 7464400 | 420 | 21 |
| TB3R020 | 7.0 | 1 | 216 | 216 | 508594 | 7464500 | 420 | 40 |
| | 15.0 | 4 | 217 | 302 | | | | |
| TB3R021 | 5.0 | 8 | 656 | 2001 | 508500 | 7464200 | 419 | 16 |
| TB3R022 | 4.0 | 2 | 1045 | 1198 | 508500 | 7464100 | 419 | 11 |
| TB3R023 | 6.0 | 3 | 180 | 233 | 508500 | 7464400 | 419 | 16 |
| | 12.0 | 2 | 172 | 177 | | | | |
| TB3R024 | 6.1 | 2 | 198 | 257 | 508500 | 7464500 | 419 | 26 |
| | 16.1 | 3 | 192 | 232 | | | | |

## Appendix 1

| 100 ppm $eU_3O_8$ cut-off over 1m | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **$eU_3O_8$ (ppm)** | **$eU_3O_8$ max (over 1m)** | **Easting** | **Northing** | **RL** | **TD (m)** |
| TB3R025 | 0.1 | 11 | 422 | 2443 | 508398 | 7464400 | 417 | 26 |
| TB3R026 | 5.1 | 4 | 203 | 294 | 508400 | 7464500 | 417 | 21 |
| TB3R027 | 6.1 | 2 | 129 | 146 | 508400 | 7464600 | 417 | 26 |
| TB3R028 | 5.1 | 4 | 253 | 413 | 508400 | 7464700 | 417 | 41 |
| TB3R029 | 8.1 | 1 | 154 | 154 | 508400 | 7464800 | 417 | 26 |
| TB3R030 | 5.1 | 5 | 418 | 517 | 508398 | 7464200 | 417 | 30 |
| TB3R031 | 5.1 | 2 | 301 | 441 | 508302 | 7464200 | 417 | 51 |
| TB3R032 | 6.1 | 2 | 168 | 191 | 508307 | 7464400 | 417 | 11 |
| TB3R033 | 5.1 | 3 | 229 | 285 | 508303 | 7464500 | 416 | 16 |
| | 10.1 | 1 | 281 | 281 | | | | |
| | 13.1 | 1 | 103 | 103 | | | | |
| TB3R034 | 6.2 | 3 | 202 | 317 | 508300 | 7464600 | 416 | 21 |
| | 15.2 | 3 | 530 | 1012 | | | | |
| TB3R035 | 7.0 | 1 | 123 | 123 | 508298 | 7464700 | 416 | 26 |
| TB3R036 | No mineralisation above 100 ppm cut-off | | | | 508300 | 7464800 | 416 | 41 |
| TB3R037 | No mineralisation above 100 ppm cut-off | | | | 508300 | 7465000 | 416 | 26 |
| TB3R038 | 6.1 | 1 | 110 | 110 | 508200 | 7465000 | 415 | 16 |
| | 8.1 | 3 | 118 | 183 | | | | |
| TB3R039 | No mineralisation above 100 ppm cut-off | | | | 508200 | 7465100 | 415 | 35 |
| TB3R040 | 5.1 | 4 | 313 | 459 | 508195 | 7464798 | 415 | 37 |
| TB3R041 | 5.1 | 4 | 243 | 358 | 508200 | 7464700 | 415 | 16 |
| TB3R042 | No mineralisation above 100 ppm cut-off | | | | 508199.9 | 7464600 | 415 | 13 |
| TB3R043 | 6.1 | 2 | 181 | 246 | 508100 | 7464801 | 414 | 31 |
| TB3R044 | 5.1 | 5 | 389 | 1108 | 508100 | 7464700 | 414 | 16 |
| TB3R045 | 5.1 | 6 | 281 | 447 | 508103 | 7465000 | 413 | 19 |
| TB3R046 | 5.1 | 6 | 218 | 507 | 508100 | 7465100 | 413 | 16 |
| TB3R047 | 4.1 | 3 | 236 | 306 | 508103 | 7464399 | 414 | 13 |
| TB3R048 | No mineralisation above 100 ppm cut-off | | | | 508098.3 | 7464200 | 415 | 7 |
| TB3R049 | 6.1 | 1 | 241 | 241 | 508000 | 7464200 | 414 | 16 |
| TB3R050 | 9.1 | 5 | 516 | 1179 | 507999 | 7464400 | 413 | 16 |
| TB3R051 | 5.1 | 5 | 175 | 240 | 507996 | 7464801 | 413 | 22 |
| | 16.1 | 4 | 219 | 343 | | | | |
| TB3R052 | 4.1 | 5 | 279 | 414 | 508000 | 7464700 | 413 | 13 |

## Appendix 1

| 100 ppm $eU_3O_8$ cut-off over 1m | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **$eU_3O_8$ (ppm)** | **$eU_3O_8$ max (over 1m)** | **Easting** | **Northing** | **RL** | **TD (m)** |
| TB3R053 | 4.1 | 6 | 214 | 287 | 508000 | 7465000 | 412 | 31 |
| | 12.1 | 1 | 126 | 126 | | | | |
| TB3R054 | 5.1 | 3 | 320 | 557 | 508000 | 7465100 | 412 | 13 |
| TB3R055 | 4.1 | 12 | 203 | 364 | 507899 | 7465000 | 411 | 40 |
| TB3R056 | 4.1 | 10 | 245 | 655 | 507897 | 7465101 | 411 | 28 |
| TB3R057 | 4.1 | 7 | 262 | 453 | 507900 | 7464800 | 411 | 34 |
| | 16.1 | 1 | 100 | 100 | | | | |
| TB3R058 | 4.1 | 9 | 149 | 212 | 507900 | 7464700 | 412 | 28 |
| TB3R059 | 15.1 | 3 | 335 | 396 | 507900 | 7464400 | 413 | 28 |
| TB3R060 | 6.1 | 1 | 218 | 218 | 507899 | 7464199 | 413 | 19 |
| TB3R061 | 7.1 | 2 | 174 | 236 | 507800 | 7464200 | 412 | 13 |
| TB3R062 | 6.1 | 14 | 999 | 5459 | 507799 | 7464400 | 411 | 34 |
| | 22.1 | 2 | 279 | 289 | | | | |
| | 31.1 | 1 | 108 | 108 | | | | |
| TB3R063 | 4.1 | 10 | 152 | 312 | 507800 | 7464800 | 410 | 31 |
| TB3R064 | 5.1 | 10 | 227 | 597 | 507800 | 7464700 | 411 | 22 |
| | 17.1 | 1 | 106 | 106 | | | | |
| TB3R065 | 5.1 | 8 | 258 | 386 | 507799 | 7465000 | 410 | 43 |
| TB3R066 | 6.1 | 13 | 545 | 2367 | 507698 | 7465000 | 409 | 40 |
| TB3R067 | 6.1 | 9 | 232 | 404 | 507700 | 7464800 | 409 | 28 |
| TB3R068 | 7.1 | 5 | 265 | 402 | 507700 | 7464700 | 410 | 22 |
| | 14.1 | 2 | 106 | 107 | | | | |
| TB3R069 | 21.2 | 2 | 413 | 463 | 507700 | 7464400 | 410 | 28 |
| TB3R070 | No mineralisation above 100 ppm cut-off | | | | 507700 | 7464200 | 411 | 31 |
| TB3R071 | 16.1 | 1 | 142 | 142 | 507600 | 7464200 | 410 | 37 |
| TB3R072 | 14.2 | 1 | 123 | 123 | 507600 | 7464400 | 409 | 28 |
| | 22.2 | 2 | 151 | 190 | | | | |
| TB3R073 | 9.1 | 4 | 160 | 252 | 507601 | 7464800 | 408 | 31 |
| TB3R074 | 6.1 | 12 | 1163 | 5514 | 507601 | 7465000 | 408 | 40 |
| TB3R133 | No mineralisation above 100 ppm cut-off | | | | 509098 | 7463901 | 425 | 16 |
| TB3R138 | 3.0 | 2 | 428 | 652 | 508604 | 7464000 | 420 | 41 |
| TB3R139 | 3.0 | 1 | 106 | 106 | 508600 | 7463904 | 421 | 26 |
| TB3R140 | No mineralisation above 100 ppm cut-off | | | | 508600 | 7464600 | 420 | 36 |

## Appendix 1

| 100 ppm $eU_3O_8$ cut-off over 1m | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **$eU_3O_8$ (ppm)** | **$eU_3O_8$ max (over 1m)** | **Easting** | **Northing** | **RL** | **TD (m)** |
| TB3R141 | 3.1 | 1 | 102 | 102 | 508498 | 7464000 | 419 | 51 |
| TB3R144 | 5.1 | 2 | 119 | 136 | 508500 | 7464600 | 419 | 37 |
| TB3R145 | No mineralisation above 100 ppm cut-off | | | | 508400 | 7464100 | 417 | 43 |
| TB3R148 | No mineralisation above 100 ppm cut-off | | | | 508300 | 7464100 | 417 | 37 |
| TB3R152 | 6.1 | 2 | 171 | 189 | 508200 | 7464500 | 415 | 16 |
| TB3R153 | 6.0 | 2 | 135 | 160 | 508203 | 7464397 | 415 | 10 |
| TB3R154 | 5.1 | 6 | 212 | 465 | 508100 | 7464500 | 414 | 16 |
| TB3R156 | No mineralisation above 100 ppm cut-off | | | | 508202 | 7464206 | 416 | 13 |
| TB3R158 | No mineralisation above 100 ppm cut-off | | | | 508000 | 7464100 | 414 | 46 |
| TB3R159 | 6.0 | 5 | 299 | 443 | 507999 | 7464500 | 413 | 22 |
| TB3R160 | 7.1 | 6 | 176 | 463 | 507905 | 7464499 | 412 | 15 |
| TB3R162 | 20.1 | 2 | 212 | 276 | 507802 | 7464100 | 413 | 46 |
| TB3R163 | No mineralisation above 100 ppm cut-off | | | | 507801 | 7464500 | 411 | 13 |
| TB3R164 | 5.1 | 12 | 1239 | 7123 | 507800 | 7465101 | 410 | 22 |
| TB3R165 | 7.1 | 8 | 405 | 1039 | 507700 | 7465100 | 408 | 22 |
| TB3R166 | 10.1 | 6 | 327 | 618 | 507698 | 7464501 | 410 | 22 |
| TB3R169 | 11.1 | 4 | 163 | 236 | 507600 | 7464500 | 409 | 16 |
| TB3R170 | 8.1 | 3 | 220 | 278 | 507600 | 7464700 | 409 | 25 |
| | 20.1 | 1 | 113 | 113 | | | | |
| TB3R171 | 7.1 | 9 | 364 | 857 | 507599 | 7465100 | 407 | 28 |
| TB3R427 | 5.1 | 3 | 219 | 281 | 508098 | 7465200 | 413 | 16 |
| TB3R428 | 6.1 | 2 | 108 | 110 | 508100 | 7465300 | 413 | 13 |
| TB3R429 | 5.1 | 6 | 422 | 608 | 508000 | 7465200 | 412 | 16 |
| | 11.2 | 3 | 124 | 132 | | | | |
| TB3R430 | 5.1 | 3 | 186 | 280 | 508000 | 7465300 | 412 | 10 |
| TB3R431 | 5.1 | 4 | 347 | 431 | 507900 | 7465200 | 411 | 13 |
| TB3R432 | 5.1 | 7 | 169 | 228 | 507901 | 7465295 | 411 | 16 |
| TB3R433 | 8.1 | 8 | 257 | 471 | 507800 | 7464600 | 411 | 19 |
| TB3R434 | 10.2 | 5 | 160 | 290 | 507700 | 7464600 | 410 | 25 |
| | 17.2 | 4 | 112 | 177 | | | | |
| TB3R435 | 12.1 | 1 | 454 | 454 | 507600 | 7464600 | 409 | 16 |
| TB3R436 | 6.1 | 9 | 264 | 536 | 507800 | 7465200 | 409 | 25 |
| TB3R437 | 6.1 | 1 | 154 | 154 | 507800 | 7465300 | 409 | 16 |

## Appendix 1

| 100 ppm $eU_3O_8$ cut-off over 1m | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **$eU_3O_8$ (ppm)** | **$eU_3O_8$ max (over 1m)** | **Easting** | **Northing** | **RL** | **TD (m)** |
| | 9.1 | 1 | 151 | 154 | | | | |
| TB3R438 | 6.1 | 5 | 174 | 327 | 507700 | 7465300 | 408 | 16 |
| TB3R439 | 7.2 | 8 | 296 | 606 | 507705 | 7465200 | 409 | 22 |
| TB3R440 | 7.1 | 9 | 227 | 440 | 507600 | 7465200 | 407 | 22 |
| TB3R441 | 7.1 | 9 | 329 | 725 | 507600 | 7465200 | 407 | 22 |
| TB3R442 | 7.1 | 5 | 193 | 268 | 507600 | 7465400 | 407 | 19 |
| TB3R930 | 5.1 | 6 | 360 | 902 | 508096 | 7464597 | 414 | 16 |
| TB3R931 | 5.1 | 5 | 187 | 297 | 508007 | 7464590 | 413 | 19 |
| TB3R932 | 6.1 | 8 | 456 | 1119 | 507906 | 7464588 | 412 | 25 |
| | 17.1 | 3 | 613 | 1269 | | | | |

## Appendix 1

**TABLE 2 - Drill Hole Status: additional 28 holes (making 144 holes in total) drilled from 3 to 15 May 2017 but without $eU_3O_8$ determination. Anomalous mineralised zones indicated by gamma counts per second (cps) from down hole logs**

| | Down Hole Gamma Counts (inside rods) | | | Gamma max | | Hole Location (DGPS) | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Hole ID** | **From (m)** | **Thickness (m)** | **Average counts. (cps)** | **From (m)** | **cps** | **Easting** | **Northing** | **RL** | **TD (m)** |
| TB3R443 | 8.4 | 3.7 | 206 | 8.9 | 285 | 507600 | 7465500 | 406 | 14 |
| TB3R444 | 5.6 | 2.3 | 193 | 7.6 | 250 | 507700 | 7465400 | 408 | 11 |
| TB3R445 | 7.5 | 0.2 | 156 | 7.6 | 187 | 507799 | 7465400 | 409 | 11 |
| TB3R446 | 6.8 | 2.1 | 225 | 7.9 | 371 | 507900 | 7465400 | 410 | 11 |
| TB3R447 | 8.1 | 9.5 | 324 | 17.1 | 1483 | 507502 | 7465200 | 406 | 21 |
| TB3R448 | 8.4 | 3.7 | 483 | 10.6 | 764 | 507500 | 7465300 | 406 | 16 |
| TB3R449 | No mineralisation above 150cps cut-off | | | | | 507500 | 7465400 | 406 | 11 |
| TB3R172 | 7.4 | 12.5 | 729 | 17.4 | 3157 | 507500 | 7465100 | 406 | 31 |
| TB3R078 | No mineralisation above 150cps cut-off | | | | | 507496 | 7464500 | 408 | 26 |
| TB3R450 | 14.3 | 1.1 | 685 | 14.6 | 1591 | 507500 | 7464600 | 408 | 21 |
| TB3R173 | 11.9 | 1.0 | 306 | 12.6 | 596 | 507499 | 7464700 | 407 | 21 |
| TB3R076 | 13.4 | 0.7 | 171 | 13.4 | 233 | 507501 | 7464800 | 408 | 36 |
| TB3R075 | 7.4 | 8.7 | 394 | 10.1 | 2755 | 507501 | 7465000 | 407 | 36 |
| TB3R077 | No mineralisation above 150cps cut-off | | | | | 507502 | 7464401 | 409 | 26 |
| TB3R079 | No mineralisation above 150cps cut-off | | | | | 507499 | 7464201 | 409 | 46 |
| TB3R083 | 18.2 | 5.0 | 503 | 21.8 | 3681 | 507400 | 7464200 | 409 | 56 |
| TB3R084 | No mineralisation above 150cps cut-off | | | | | 507400 | 7464400 | 408 | 46 |
| TB3R179 | 22.4 | 1.0 | 343 | 23.1 | 869 | 507400 | 7464100 | 409 | 56 |
| TB3R308 | 21.7 | 0.5 | 511 | 21.9 | 915 | 507400 | 7464000 | 409 | 46 |
| TB3R180 | No mineralisation above 150cps cut-off | | | | | 507400 | 7464500 | 407 | 41 |
| TB3R451 | 18.8 | 0.7 | 145 | 18.9 | 232 | 507400 | 7464600 | 407 | 36 |
| TB3R181 | 13.6 | 0.1 | 133 | 13.6 | 153 | 507400 | 7464700 | 406 | 41 |
| TB3R085 | 9.7 | 1.5 | 158 | 10.8 | 187 | 507400 | 7464800 | 407 | 41 |
| | 15.2 | 0.1 | 139 | 15.2 | 161 | | | | |
| TB3R183 | 8.7 | 7.8 | 307 | 13.7 | 1352 | 507400 | 7465000 | 406 | 31 |
| TB3R452 | 8.0 | 5.3 | 149 | 8.4 | 355 | 507400 | 7465200 | 405 | 21 |
| TB3R238 | 8.7 | 4.0 | 182 | 11.0 | 308 | 507400 | 7465300 | 405 | 16 |
| TB3R453 | 8.9 | 1.4 | 211 | 9.6 | 313 | 507400 | 7465400 | 405 | 16 |
| TB3R454 | 9.3 | 1.2 | 174 | 10.3 | 285 | 507400 | 7465500 | 405 | 14 |

# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | • Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • The current drilling relies only on $U_3O_8$ values derived from down-hole total gamma counting ($eU_3O_8$). First geochemical assay data are expected towards the end of the June quarter. Previous drill data used in this report includes both geochemical assay data ($U_3O_8$) and down hole gamma equivalent uranium derived values ($eU_3O_8$).<br>• Appropriate factors were applied to all downhole gamma counting results to make allowance for drill rod thickness, gamma probe dead times and incorporating all other applicable calibration factors.<br>**Total gamma $eU_3O_8$**<br>• 33 mm Auslog total gamma probes were used and operated by company personnel.<br>• Gamma probes were calibrated at Pelindaba, South Africa, in May 2007 and in December 2007.<br>• Between 2008 and 2013 sensitivity checks were conducted by periodic re-logging of a test hole (**Hole-ALAD1480**) to confirm operation.<br>• Auslog probes were re-calibrated at the calibration pit located at Langer Heinrich Mine site in December 2014 and again in May 2015.<br>• Three probes (T010, T030 and T165) which are used at the current program were calibrated again at the Langer Heinrich calibration pit in early April 2017 shortly after the start of the current drilling program.<br>• During drilling, probes were checked daily against a standard source. Majority of probing was done with probe T010,T030 and T165.<br>• Gamma measurements were taken at 5 cm intervals at a logging speed of approximately 2 m per minute.<br>• Probing was done immediately after drilling mainly through the drill rods and in |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | • Commentary |
|---|---|---|
| | | some cases in the open holes. Rod factors have be established once sufficient in rod and open hole data were available to compensate for the reduced gamma counts when logging was done through the rods. No correction for water was done. The drill holes were dry.<br>• All gamma measurements were corrected for dead time which is unique to each probe.<br>• All corrected (dead time and rod factor) gamma values were converted to equivalent $eU_3O_8$ values over the same intervals using the probe-specific K-factor.<br>• The corrections and conversions to $eU_3O_8$ ppm values were carried out by Resource Potentials, a Perth based geophysics consulting group that has the required expertise in this area.<br>• Disequilibrium studies on 22 samples by ANSTO Minerals in 2008 confirmed that the $U^{238}$ decay chains of the wider Tumas deposit are within an analytical error of ± 10%, in secular equilibrium.<br>**Chemical assay data**<br>• Geochemical samples are currently being derived from Reverse Circulation (RC) drilling at intervals of 1 m. Samples are being spilt at the drill site using either a riffle or cone splitter to obtain a 1 to 4 kg sample from which 90 g will be pulverized to produce a subset for XRF-analysis.<br>• It is planned that 10 to 20% of the mineralisation from the Tumas 3 drilling will be assayed for $U_3O_8$ by loose powder XRF or ICP-MS.<br>• In the 2014 drill program 240 samples were taken for confirmatory assay and submitted to Bureau Veritas laboratory in Swakopmund for $U_3O_8$ ICP-MS following the procedure above.<br>• These previous assay results confirm equivalent uranium grades correctly correlated to the assay results and remain within a statistically acceptable margin of error. |
| *Drilling techniques* | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails,* | • RC drilling is being used for the Tumas 3 drilling program. |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | • Commentary |
|---|---|---|
| | *face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | • All holes are being drilled vertically and intersections measured present true thicknesses. |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Drill chip recoveries are good at around 90%.<br>• Drill chip recoveries were assessed by weighing 1 m drill chip samples at the drill site. Weights were recorded in sample tag books.<br>• Sample loss was minimized by placing the sample bags directly underneath cyclone/splitter |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All drill holes are being geologically logged.<br>• The logging is qualitative in nature. The lithology type is being determined for all samples.<br>• Other parameters routinely logged include colour, colour intensity, weathering, oxidation, grain size, carbonate ($CaCO_3$) content, sample condition (wet, dry) and total gamma count (by Rad-eye monitor).<br>• Lithology codes were used to generate wireframes for the paleontography of the palaeochannel.<br>• This information was used in planning drill hole locations. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • A portable 2-tier (75%/25%) splitter is used to treat a full 1m sample from the cyclone into an appropriate size assay sample. All sampling was dry.<br>• The above sub-sampling techniques are common industry practice and appropriate.<br>• Sample sizes are considered appropriate to the grain size of the material being sampled.<br>• In field duplicates will be inserted into the assay batch at an approximate rate of one for every 10 samples which is compatible with industry norm. |
| *Quality of assay data* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is* | • The analytical method employed will be XRF. The technique is industry standard and considered appropriate. |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | • Commentary |
|---|---|---|
| *and laboratory tests* | *considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • The analytical method employed for the 2014 drill program was ICP-MS which is also considered industry standard and appropriate as well.<br>• Downhole gamma tools were used as explained under 'Sampling techniques'. This is the principal evaluating technique. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Geology was directly recorded into a tablet in the field and sample tag books filed in at the drill site.<br>• The drill data of those logs and tag books (lithology, sample specifications etc.) is transferred by designated personnel into a geological database.<br>• Twinning RC holes was not considered due to the high variability in grade distribution.<br>• Equivalent $eU_3O_8$ values have been calculated from raw gamma files by applying calibration factors and casing factors where applicable .<br>• The adjustment factors were stored in the database.<br>• Equivalent $U_3O_8$ data will be composited to 1m intervals.<br>• The ratio of $eU_3O_8$ vs assayed $U_3O_8$ for matching composites will be used to quantify the statistical error. |
| *Location of data points* | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • The collars are being surveyed by in-house operators using a differential GPS.<br>• All drill holes are vertical and shallow; therefore, no down-hole surveying was required.<br>• The grid system is World Geodetic System (WGS) 1984, Zone 33. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • The data spacing and distribution is optimized along channel direction. The drill grid is close to 100m by 100m in EW and NS rectangular directions following the main target channel.<br>• The drill pattern is considered sufficient to eventually establish an inferred Mineral Resource.<br>• The total gamma count data, which is recorded at 5 cm intervals, was used to |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | • Commentary |
|---|---|---|
| | | calculate equivalent uranium values (eU3O8) which will be composited to 1 m composites down hole. |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Uranium mineralisation is strata bound and distributed in fairly continuous horizontal layers. Holes are being drilled vertically and mineralised intercepts represent the true width.<br>• All holes are sampled down-hole from surface. Geochemical samples are being collected at 1 m intervals. Total-gamma count data is being collected at 5 cm intervals. |
| *Sample security* | • *The measures taken to ensure sample security.* | • 1m RC drill chip samples are being prepared at the drill site. The assay samples are stored in plastic bags. Sample tags are placed inside the bags. The samples are placed into plastic crates and transported from the drill site to RUN's site premises in Swakopmund by company personnel, prior to analyses and from there to the external laboratories when used.<br>• Upon completion of the assay work the remainder of the drill chip sample bags for each hole will be packed back into crates and then stored in designated containers in chronological order, locked up and kept safe at RUN's dedicated sample storage yard at Rocky Point located outside Swakopmund. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • D. M. Barrett (PhD MAIG) conducted an audit of gross count gamma logging procedures and log reduction methods used by Deep Yellow Limited.<br>• He concludes his audit commenting: "In summary, it is my belief that the equivalent uranium grades reported by Reptile from their gamma logging program are reliable and are probably within a few percent to the true grade". |

**Appendix 2: Table 1 Report (JORC Code 2012 addition)**

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The work to which the Exploration Results relate was undertaken on exclusive prospecting grant EPL3496 (Tumas Zone 3).<br>• The EPL was originally granted to Reptile Uranium Namibia (Pty) Ltd (RUN) in 2006. The EPLs are in good standing and are valid until 05 June 2017. A renewal application has been submitted to the MME in March 2017<br>• The EPL is located within the Namib Naukluft-National Park in Namibia.<br>• The EPL is subject to an agreement with a Namibian Black Empowerment partner whereby the partner has the right to acquire 5% of the project for historical costs.<br>• There are no known impediments to the project beyond Namibia's standard permitting procedures. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Prior to RUN's ownership of these EPL, extensive work was conducted by Anglo American Prospecting Services (AAPS), General Mining and Falconbridge in the 1970s.<br>• Assay results from the historical drilling are available to RUN on paper logs. They were not captured digitally and were not used for resource estimation. |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • Tumas 3 mineralisation occurs as secondary carnotite enrichment of variably calcretised palaeochannel and sheet wash sediments and adjacent weathered bedrock.<br>• Uranium mineralisation at Tumas is surficial, stratabound and hosted by Cenozoic and possibly Tertiary sediments, which include from top to bottom scree sand, gypcrete, calcareous sand and calcrete.<br>• The majority of the mineralisation is hosted in calcrete. Locally, the underlying weathered Proterozoic bedrock is occasionally also mineralized. |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material* | • 144 holes for a total of 3611m have been drilled up to 15 May 2017<br>• All holes were drilled vertically and intersections measured present true |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *drill holes:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | thicknesses.<br>• The Tables in Appendix 1 and 2 lists the holes, their locations and relevant results. |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • 5 cm gamma intervals were composited into down hole intervals showing greater than 150 cps down hole gamma counts over 1m.<br>• No grade truncations were applied. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • The mineralisation is sub-horizontal and all drilling vertical, therefore, mineralised intercepts are considered to represent true widths. |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Appendix (Tables 1 and 2) show all drill holes including anomalous intervals<br>• Maps and sections are included in the text |

## Appendix 2: Table 1 Report (JORC Code 2012 addition)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Comprehensive reporting of all Exploration Results was practiced throughout the program. |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • The wider area and Tumas deposit was subject to extensive drilling in the 1970's and 1980's by Anglo American Prospecting Services, Falconbridge and General Mining.<br>• An airborne EM survey conducted in 2009 better defined the broad palaeochannel system.<br>• Downhole gamma-gamma density logging for bulk density was conducted by Terratec on the Tumas 1 and 2 resources. |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Further drilling work is planned west and east of the currently defined Tumas 3 Zone.<br>• Further extension drilling is expected as mineralisation is open along strike to the east and west. |