



Deep Yellow Limited

2 June 2017

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

Dear Sir/Madam,

\$15M ENTITLEMENT OFFER CLOSSES – SHORTFALL FULLY SUBSCRIBED

Deep Yellow Ltd (the **Company**) (ASX: DYL) advises that, following the closing of its \$15.1 million non-renounceable entitlement issue to shareholders (**Offer**), a total of 19,542,126 fully paid ordinary shares (**Shares**) and 19,542,126 Options (defined below) representing approximately \$4.9 million has been subscribed for by shareholders.

The Offer was made on the basis of 7 Shares for every 15 Shares held at an issue price of \$0.25 per Share with one free attaching option exercisable at \$0.50 and expiring 1 June 2022 (unless accelerated) (**Option**) for every Share issued, to raise approximately \$15.1 million (before expenses). As previously announced, Sprott Private Wealth LP (**SPW**) and CPS Capital Group Pty Ltd (**CPS**) are co-lead managers to the Offer.

The shortfall totals 40,927,494 Shares and 40,927,494 Options representing approximately \$10.2 million.

Under the terms of an agreement to assist in placing the shortfall, SPW and one of its affiliates (**Sprott**) agreed to seek to place, on a best endeavours basis, the first A\$7,501,000 of the shortfall (which includes the entitlement of Exploration Capital Partners 2014 Limited Partnership, being \$1,876,282 (which sum is included in the monies received by shareholders under the Offer)). Sprott has indicated the placement of shortfall by Sprott has been well supported and, accordingly, clients and affiliates of Sprott will subscribe for the full allocated shortfall plus an additional \$2,389,151 for a total of \$8,013,869 Sprott's subscriptions will settle on or about 15 June, 2017.

CPS has advised it has received applications for 8,872,016 Shares and 8,872,016 Options for approximately \$2,218,004.

The Company would like to thank shareholders for their support of the Offer. It is also pleasing to note the expected level of participation from new shareholders through the Sprott and CPS placement of shortfall.

The Company will issue holding statements for the Shares and Options subscribed for under the Offer no later than 6 June 2016, with the holding statements for the Shortfall Shares and Options being issued following settlement of the shortfall.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Borshoff', with a stylized flourish at the end.

JOHN BORSHOFF
Managing Director/CEO
Deep Yellow Limited