DEEP YELLOW LIMITED

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30 April 2008

QUARTERLY REPORT - FOR THE PERIOD ENDING 31 MARCH 2008

HIGHLIGHTS

NAMIBIA

- Exploration continues unabated with 2,190 RC percussion drill holes for a total of 26,604 metre and 4 Diamond drill holes for 824 metre completed during the quarter. It is anticipated that the rate of drilling will steadily increase to the anticipated 20,000 metre per month as the crews of the five RC percussion rigs become more proficient.

- Without exception, results from all areas are either meeting expectations by confirming historic work and results, or in the case of the follow-up drilling programmes being conducted on previously unknown mineralisation the results are very encouraging given the grade and widths of the numerous intersections returned to date.

- The new **mineralised palaeochannel discovery** with uranium mineralisation over at least 3 km in the Tumas West and Northwest Prospect area is contiguous with the main Tumas deposit and will add significantly to the mineralisation outlined by Falconbridge for their historic estimate area. Significant results include:

  14 m at 500 ppm eU_3O_8 from surface
  10 m at 902 ppm eU_3O_8 from surface
  12 m at 464 ppm eU_3O_8 from surface
  10 m at 410 ppm eU_3O_8 from 1 m
  11 m at 344 ppm eU_3O_8 from 1 m

- First stage reconnaissance drilling has also successfully located significant **new zones of uranium mineralisation**; in the Aussinanis North area; at the S-Bend (BA) prospect; at various magnetic anomalies; and in Alaskite at Tubas North.

- An airborne electromagnetic survey (AEM) totalling 6,200 line kilometre was completed over the entire area of the four Exclusive Prospecting Licences. In addition 585 line kilometre of infill flying was also carried out over selected prospect areas.

- Early data from the airborne electromagnetic (AEM) survey indicates the existence of potentially deeper channel sections that could indicate buried palaeochannels that were not tested by previous explorers.

- The Company has contracted Hellman & Schofield to carry out future JORC Code resource determinations.

AUSTRALIA

- Following the seasonal break, preparations for the 2008 field season have been completed ahead of commencement of drilling at the Queens Gift prospect. The Mt Isa office has expanded and an exploration camp/office established at Eastern Creek to service the Queens Gift prospect and the Ewen prospect.

- A diamond drill rig and two RC percussion drill rigs have been contracted to cover resource delineation drilling, follow-up of 2007 drill intersections and new regional target drilling.

- Initial assessment of the Xstrata Isa West tenements commenced with potential drill targets being outlined by ground radiometric surveys.

- First access for uranium exploration to a number of tenements in the Alice Springs district has been achieved and field crews have commenced evaluation programmes.

- Toro Energy Ltd announced that it has commenced the outline of a planned scoping study for the Napperby Uranium Project and that an updated resource estimate would be released in the June quarter.

- DYL's joint venture partner Uranio Ltd completed an 8 hole rotary mud drill programme on the Siccus Joint Venture tenement in the Frome Basin, South Australia.

- The Company has appointed Mr Sandy Moyle as its **Exploration Manager**. With 27 years experience behind him Sandy will be responsible for the day to day management of DYL's extensive tenement portfolio in Australia and importantly will mentor and lead DYL's growing exploration team based in Mt Isa, Alice Springs and out of the Perth Office.

CORPORATE

- **Option issue to Employees and Contractors**

  During the quarter the Directors resolved to issue 20,100,000 unlisted options to acquire ordinary shares in Deep Yellow Limited to employees, and contractors. The issue was made pursuant to the terms of the Deep Yellow Limited Directors, Employees and Other Permitted Persons Option Plan which was approved at the Company's Annual General Meeting held on 30 November 2006.

  No Director or Director related entity participated in the issue.

- **Release of Restricted Securities**

  The Company released the voluntary restriction applicable to 82 million ordinary shares during the quarter. The shares were part of the consideration paid in 2006 for the acquisition/merger of Raptor Minerals Limited and ultimately the Namibian subsidiary companies which own and control Namibian Exclusive Prospecting Licences (EPL's) 3496 Tubas, 3497 Tumas, 3499 Ripnes and 3498 Aussinanis.

OUTLOOK

Without exception results from DYL's wholly owned Namibian subsidiary Reptile Uranium Namibia (Pty) LTD (Reptile) exploration programmes in Namibia are either meeting expectations by confirming historic work and results, or in the case of the follow-up drilling programmes being conducted in areas of previously unknown mineralisation, the results are very encouraging given the grade and widths of numerous new intersections.

The stated target objective of DYL is to have outlined JORC Code resources of between 45,000 and 55,000 tonne U_3O_8 by end 2008 within its Namibian tenements. Given the rate of drilling and results being attained this objective remains on target.

A diamond drill programme at the Queens Gift prospect in Queensland will target JORC Code inferred resource delineation as follow-up to the multiple wide intersections reported from the 2007 drill programme.

RC percussion and diamond drilling of the Miranda prospect in Queensland will evaluate the economic potential of the deposit.

RC percussion and RAB drilling of multiple targets both in Namibia and Australia will also provide a 'pipeline' of prospects for assessment during the 2008 field season.

EXPLORATION - NAMIBIA

The Company's tenements in Namibia are held by Reptile and exploration is carried out by its employees and contractors based out of Swakopmund.

KEY POINTS FOR MARCH QUARTER

- Since January, Reptile has increased its drilling activities from one to five RC percussion drill rigs and one diamond rig working on various prospect areas within its four Exclusive Prospecting Licences (EPLs). Chemical assays and equivalent uranium values are now available for a number of the holes completed up to 27 April and are summarised within the write-up for each prospect area.

- Without exception results from all prospect areas are either meeting expectations by confirming historic work and results, or in the case of the follow-up drilling programmes being conducted in areas of previously unknown mineralisation, the results are very encouraging given the grade and widths of numerous new intersections.

- Early data from the airborne electromagnetic (AEM) survey indicates the existence of potentially deeper channel sections that could indicate **buried palaeochannels** that were not tested by previous explorers. Several areas have been selected for infill flying and once all data is in hand detail evaluation and interpretation will be undertaken. Reptile's drilling in the Tumas area on an indicated deeper section of buried channel is underway and numerous intersections have been made below 12 metre from surface. Confirmatory drilling, radiometric logging and chemical assays are underway and results will be released as soon as they become available.

- Anglo American previously reported 6 metre at 550 ppm U_3O_8 and 4 metre of 375 ppm U_3O_8 a few kilometre further to the northwest of the Tumas area within their Oryx tenement from widespread reconnaissance drilling that was not followed up. It would appear that these holes fall within the continuation of the AEM outlined buried palaeochannel.

PROJECT UPDATE

The various prospect areas drilled in recent months are shown in Figure 1. The background of the figure is the U^2/Th airborne radiometric anomalous zones which essentially delineates outcropping or near surface uranium mineralisation throughout the four EPLs. As previously reported to the ASX (23 January 2008) a helicopter supported reconnaissance sampling programme was carried out over the bulk of these anomalies in order to provide "drill targets" outside of the previously known mineralised areas as reported from the 1970s and early 1980s exploration programmes.

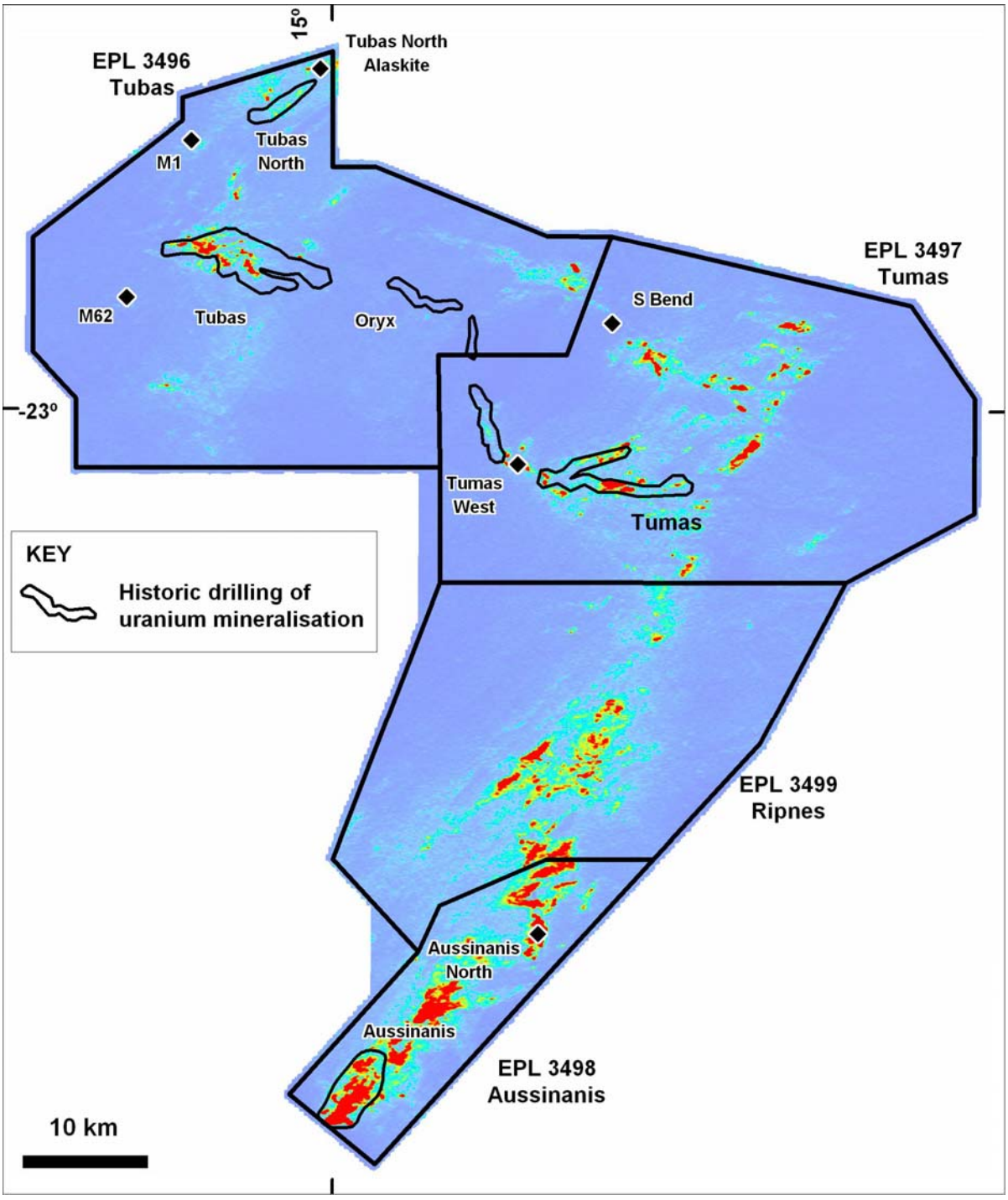

Figure 1: U^2/Th Anomaly Zones

First stage reconnaissance drilling has successfully located significant new zones of uranium mineralisation in the West and Northwest (downstream) extension of the Tumas project area delineated by Falconbridge; in the Aussinanis North area; at the S-Bend (BA) prospect; at various magnetic anomalies; and in Alaskite at Tubas North.

TUMAS PROSPECT

Reptile has recovered and surveyed (by differential GPS) the majority of drill collars for the Falconbridge historic estimate, but has decided against (radiometrically) re-logging the holes and/or using the scant chemical data available. The entire prospect area will be re-drilled on an offset 50 by 50 m grid pattern to ensure JORC Code compliance.

The U^2/Th anomaly map (Figure 1) indicates potential mineralisation to the east and northeast of the Falconbridge project area and these extensions will be drill tested upon completion of the drill-out of the known Falconbridge area and present drilling campaign to the north and northwest of Tumas.

TUMAS (previously drilled), TUMAS WEST and NORTHWEST (previously untested)

The original Falconbridge delineated mineralisation was limited to the extent of their then tenement holding. As shown in Figure 1 a strong U^2/Th anomaly extends west and northwest from the Tumas mineralised area. Reptile is completing a systematic RC percussion drilling programme (to date 927 holes completed for 12,375 metre) along the palaeochannel extensions and now has in hand the preliminary AEM data that indicates potentially deep sections that were never tested before. Interestingly Anglo American reported 6 metre of 550 ppm U_3O_8 and 4 metre of 375 ppm U_3O_8 a few kilometre further to the northwest of this area within their Oryx tenement from widespread reconnaissance drilling that was not followed up. It would appear that these holes fall within the AEM indicated potential buried palaeochannel.

Significant newly discovered (not yet drilled out) calcrete hosted mineralisation over at least 3 km in the Tumas West and Northwest Prospect area (see Figure 2) is contiguous with the main Tumas mineralisation outlined by Falconbridge for their historic estimate area deposit and will add significantly to it. (Better results are given in Table 1.)

Table 1: Tumas Significant Drill Intercepts

Drillhole	WGS84 East	WGS84 North	AZI (T)	INC	TD (m)	Depth (m)		Interval (m)	U_3O_8 ppm
						From	To		
B2.700 2.200	515204	7451307	0	-90	18	0	14	14	461
B2.500 1.100	514102	7451508	0	-90	18	1	12	11	296
B2.850 2.300	515304	7451157	0	-90	17	1	13	12	344
B3.100 2.600	515603	7450906	0	-90	12	3	12	9	403
B3.450 5.400	518403	7450556	0	-90	16	8	14	6	531
B3.875 6.150	519150	7450125	0	-90	18	1	12	11	410
B2.375 0.850	513847	7451628	0	-90	18	0	12	12	464
B2.475 0.850	513853	7451530	0	-90	20	0	10	10	902

Early AEM data and interpretation indicates the existence of potentially deeper channel sections that could indicate **buried palaeochannels** that were not tested by previous explorers. Several areas have been selected for infill flying and once all data is in hand, detail evaluation and interpretation will be undertaken.

Reptile's drilling in the Tumas area on an indicated deeper section of buried channel is underway and numerous intersections have been made below 12 metre from surface. Confirmatory drilling, radiometric logging and chemical assays are underway and results will be released as soon as they become available.

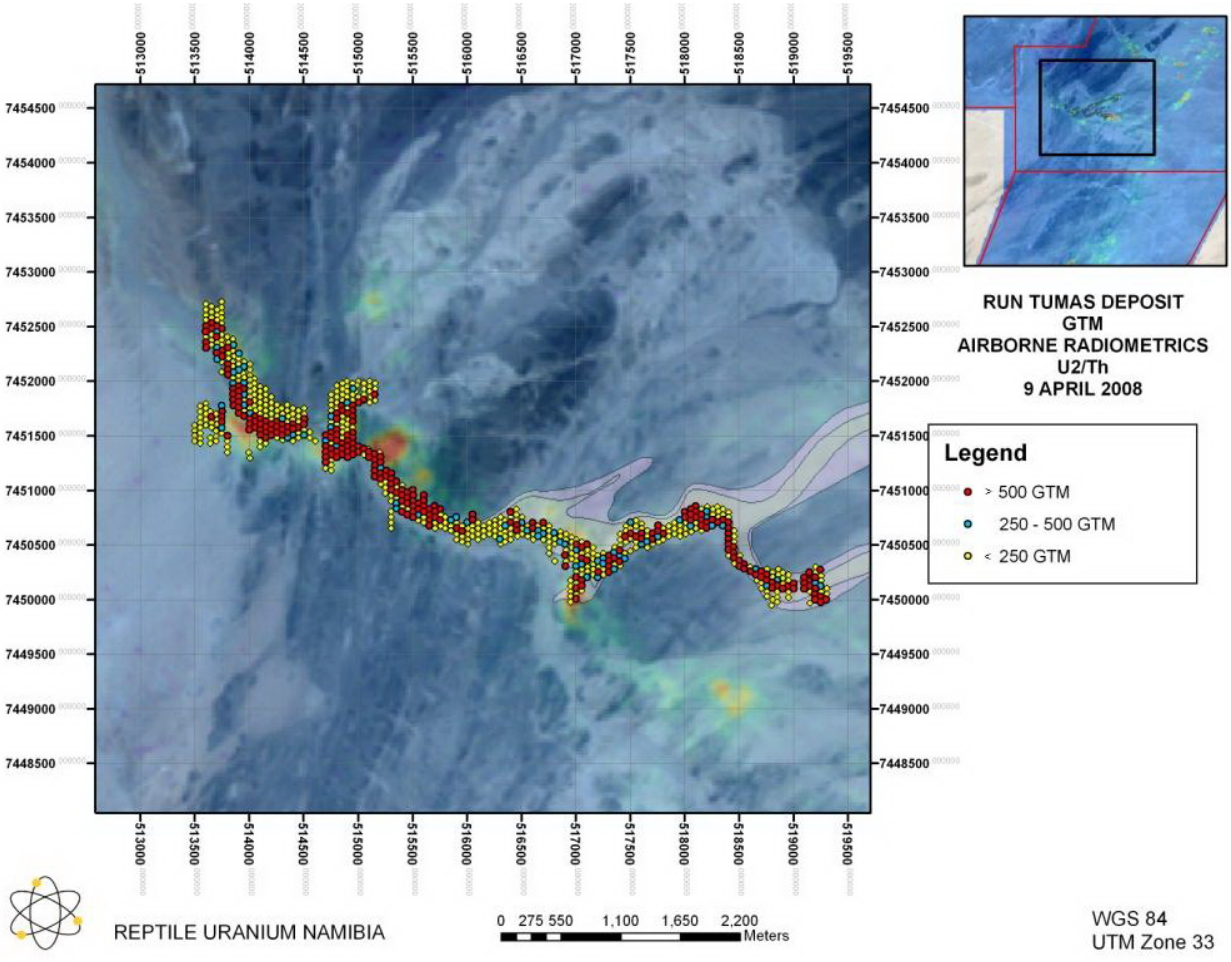

Figure 2: Tumas West and Northwest Mineralised Palaeochannel

S-BEND (BA) PROSPECT (mostly untested)

Follow-up sampling of the airborne anomaly at the S-Bend palaeochannel location retrieved surface values of up to 5,735 ppm U_3O_8 (ASX 23 January 2008).

The S-Bend palaeochannel appears to mirror the breakthrough and valley formation as at the Langer Heinrich mine 18 km to the north (see Figure 3).

Results from the 463 holes for 3,075 metre completed to date from the nominally 100 x 50 m spaced drill sections are encouraging indicating widespread calcrete hosted mineralisation. Better results are given in Table 2.

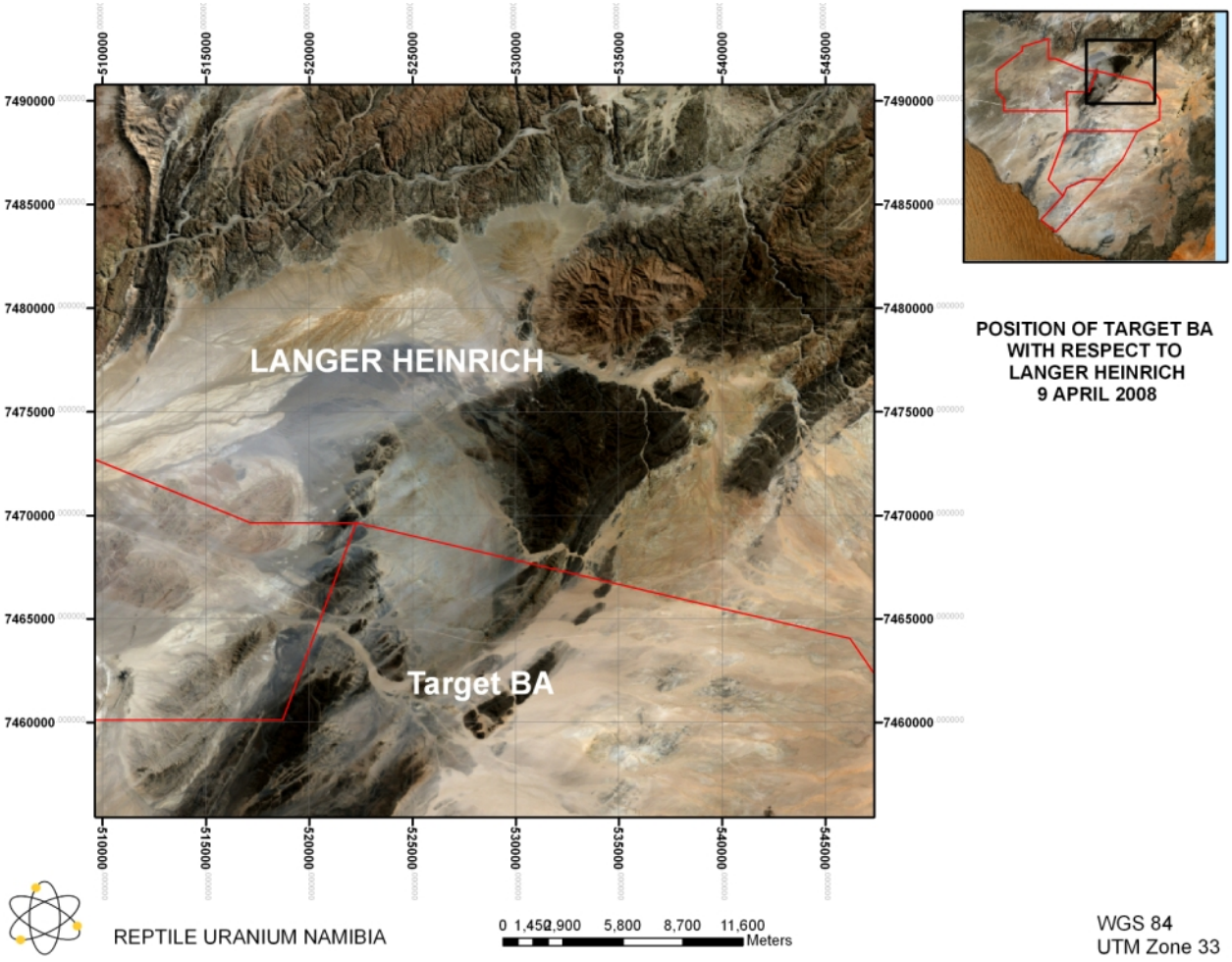

Figure 3: S-Bend – Target BA Locality Plan

Table 2: S-Bend (BA) Prospect Significant Drill Intercepts

Drillhole	WGS84 East	WGS84 North	AZI (T)	INC	TD (m)	Depth (m)		Interval (m)	U_3O_8 ppm
						From	To		
BA7.850 8.050	525050	7460150	0	-90	9	0	8	8	500
BA7.850 8.150	525150	7460150	0	-90	9	0	7	7	353
BA7.900 8.050	525050	7460100	0	-90	9	0	7	7	357
BA8.800 8.850	525850	7459200	0	-90	9	1	7	6	219
BA7.800 8.150	525157	7460202	0	-90	9	0	6	6	314
BA9.850 9.150	526150	7458150	0	-90	9	1	4	3	405
BA9.750 9.100	526100	7458250	0	-90	9	1	4	3	286
BA9.850 11.250	528250	7459150	0	-90	9	3	8	5	266

RC Drilling S-Bend Prospect

AUSSINANIS NORTH PROSPECT (mostly untested)

The reconnaissance programme in the Aussinanis North area was drilled to provide targets for later systematic drillout prior to commencing the 50 x 50 metre grid drillout of the known mineralised Elf-Aquitaine project area in the south of the tenement.

As shown in Figure 1 the Aussinanis mineralised zone occurs over an area of 15 by 3 (to 4) km from the southern tenement boundary. A total of 779 holes for 8,979 metre completed to date. Better results are given in Table 3.

Table 3: Aussinanis North Significant Drill Intercepts

Drillhole	WGS84 East	WGS84 North	AZI (T)	INC	TD (m)	Depth (m)		Interval (m)	U_3O_8 ppm
						From	To		
D11.250 10.200	507199	7407251	0	-90	11	0	4	4	440
D17.050 18.900	515902	7413054	0	-90	23	8	12	4	935
D17.650 19.250	516248	7413653	0	-90	17	0	6	6	321
D17.950 19.250	516251	7413949	0	-90	17	0	2	2	1,399
D18.200 19.050	516052	7414201	0	-90	17	0	3	3	997
D19.200 19.050	516052	7415200	0	-90	11	0	3	3	488
D30.050 17.050	514063	7426061	0	-90	13	0	4	4	446
D30.100 17.200	514201	7426100	0	-90	13	0	5	5	729

Rig Move Aussinanis North Prospect

AUSSINANIS PROSPECT

Following receipt of Archaeological clearance the two RC percussion rigs from the Aussinanis North Prospect area, will now commence drilling over the main Aussinanis mineralised zone on 50 x 50 m grid centres.

Reptile has previously announced (ASX 5 July 2007) a resource target of between 20-25 million tonnes in a grade of 250 and 300 ppm U_3O_8. This target area (see Figure 1) comprises only 5 km of the 15 km strike covered by Elf-Aquitaine's regional drilling between 1974 and 1982 for which they completed work to feasibility study level.

TUBAS PROSPECT

Five close spaced RC percussion holes were completed along the trace of the trench which is to be dug once suitable equipment becomes available.

All previously drilled holes have now been surveyed using a differential GPS system.

MAGNETITE-URANIUM PROSPECTS

As previously reported to the ASX (4 March 2008) reconnaissance RC percussion and diamond drilling of the M1 prospect returned significant uranium mineralised intercepts within magnetite rich zones associated with domal structures in high grade metamorphosed sedimentary and granite terrane.

URANIFEROUS MAGNETITE (Previously untested)

A total of 11 RC percussion drill holes for 1,328 metre and 2 diamond core holes for 287 metre were completed in the first pass review. Better results are given in Table 4.

M1 Prospect – Diamond Drilling

Table 4: Tubas Uraniferous Magnetite Significant Drill Intercepts

Drillhole	WGS84 East	WGS84 North	AZI (T)	INC	TD (m)	Depth (m)		Interval (m)	U_3O_8 ppm
						From	To		
AM3	488878	7477356	128	-60	150	54.2	59.3	5.1	175
AM3	488878	7477356	128	-60	150	109.2	115	5.5	400
AM2	488927	7477249	2	-60	200	96.6	134	37.4	127
AM1	488920	7477267	359	-60	200	1.4	17.4	16	200
AM1	488920	7477267	359	-60	200	71.4	81.4	10	165
ADM01	488872	7477347	138	-60	146	81.9	93.3	11.4	122
ADM02	488910	7477304	0	-90	140	14.7	130	115.4	229

Logging of drill core indicates a late stage metasomatic event within the basement Damara terrane. Mineralisation comprises both wide +100 ppm U_30_8 zones with narrower higher grade (+1,000 ppm U_30_8) zones.

Samples have been selected for petrographic and mineralogical sections and multi-element analysis ahead of a core splitting, sampling and assaying programme.

The significant results from the M1 prospect have lead to a decision to pattern RC percussion drill the M1 area on a 50 x 50 metre grid to depths of 100 to 150 metre and to drill a 500 metre deep vertical diamond hole at the M62 magnetite anomaly (see Figure 1) when a rig is available.

TUBAS NORTH ALASKITE PROSPECT (previously untested)

As previously reported (ASX 4 March 2008) **Reptile** has been evaluating the potential of alaskites within the Northern Tubas area. A total of five RC percussion drill holes for 744 metre and one diamond core hole for 500 metre have been completed to date. Better results are given in Table 5.

The alaskite outcrop shown in the photograph below comprises of grey white alaskite bands intercalated with dark grey to black gneissic granite (the diamond driller's camp can be seen at the base of the hills). The drill core photograph shows wide alaskite zones and narrower dark interbanded gneissic granite zones.

Tubas North Alaskite Prospect

The diamond drill core is yet to be split, sampled and assayed. Down hole radiometric logging returned extensive +100 ppm eU_3O_8 values typical for such alaskitic material in the area as reported by other explorers with adjoining tenements.

Importantly, secondary uranium mineralisation is developed in sands and calcrete within a broad plain south-southwest from the outcrop areas. Pending results of the AEM survey, either delineated channels will be drill tested or the area will be pattern RAB drilled testing both the alaskite potential beneath cover and palaeochannel potential southwest from the northern tenement boundary.

Table 5: Tubas North Alaskite Prospect Significant Drill Intercepts

Drillhole	WGS84 East	WGS84 North	AZI (T)	INC	TD (m)	Depth (m)		Interval (m)	U_3O_8 ppm
						From	To		
AN 9_3	499400	7482600	320	60	180	94.1	104.4	10.3	177
AN 9_3	499400	7482600	320	60	180	151.6	162	10.4	160
AN10_5	499000	7482600	320	60	180	40.8	44.7	3.9	165
AN10_5	499000	7482600	320	60	180	115.9	122.6	6.7	400
AN10_5	499000	7482600	320	60	180	123.7	153.5	29.8	187
AN10_5	499000	7482600	320	60	180	157.5	160.6	3.1	281

Drill Core Showing White Alaskite (Top Two Trays) and Intercalated Gneissic Granite

AIRBORNE ELECTROMAGNETICS

Early AEM data and interpretation indicates the existence of potentially deeper channel sections that could indicate buried palaeochannels that were not tested by previous explorers.

It is evident from preliminary images that the AEM survey worked well and will generate new deeper channel areas for follow-up drill testing. The discovery of extensive uranium mineralisation in calcrete below 12 metre of cover at Tumas bodes well for the prospectivity of other AEM indicated buried channels.

Reptile also made use of the opportunity to use the survey equipment to carry out detail surveys over the prospective uraniferous magnetite prospects.

Final verified data and images will be available for detail interpretation in May.

Aeroquest's AEM Helicopter Survey

Close-up of AEM Survey Coil

PROJECT OUTLOOK

Without exception results from all areas reported on above are either meeting expectations by confirming historic work and results, or in the case of the follow-up drilling programmes being conducted on previously unknown mineralisation the results are very encouraging given the grade and widths of the intersections.

The stated target objective of DYL is to have outlined JORC Code resources of between 45,000 and 55,000 tonne U_3O_8 by end 2008 within its Namibian tenements and given the rate of drilling and results being attained this objective is still on target.

It is evident from early AEM data that the survey worked well and will generate new deeper channel areas for follow-up drill testing in addition to the Tumas West and Northwest area.

FORWARD PROGRAMME

To continue RC drilling at an approximate rate of 20,000 metre per month on both JORC Code orientated grid drilling and on new calcrete hosted discoveries. Separately, assessment of the magnetite and alaskite primary mineralised targets will continue.

Diamond drilling will be used as required in order to provide better geological information.

EXPLORATION - AUSTRALIA

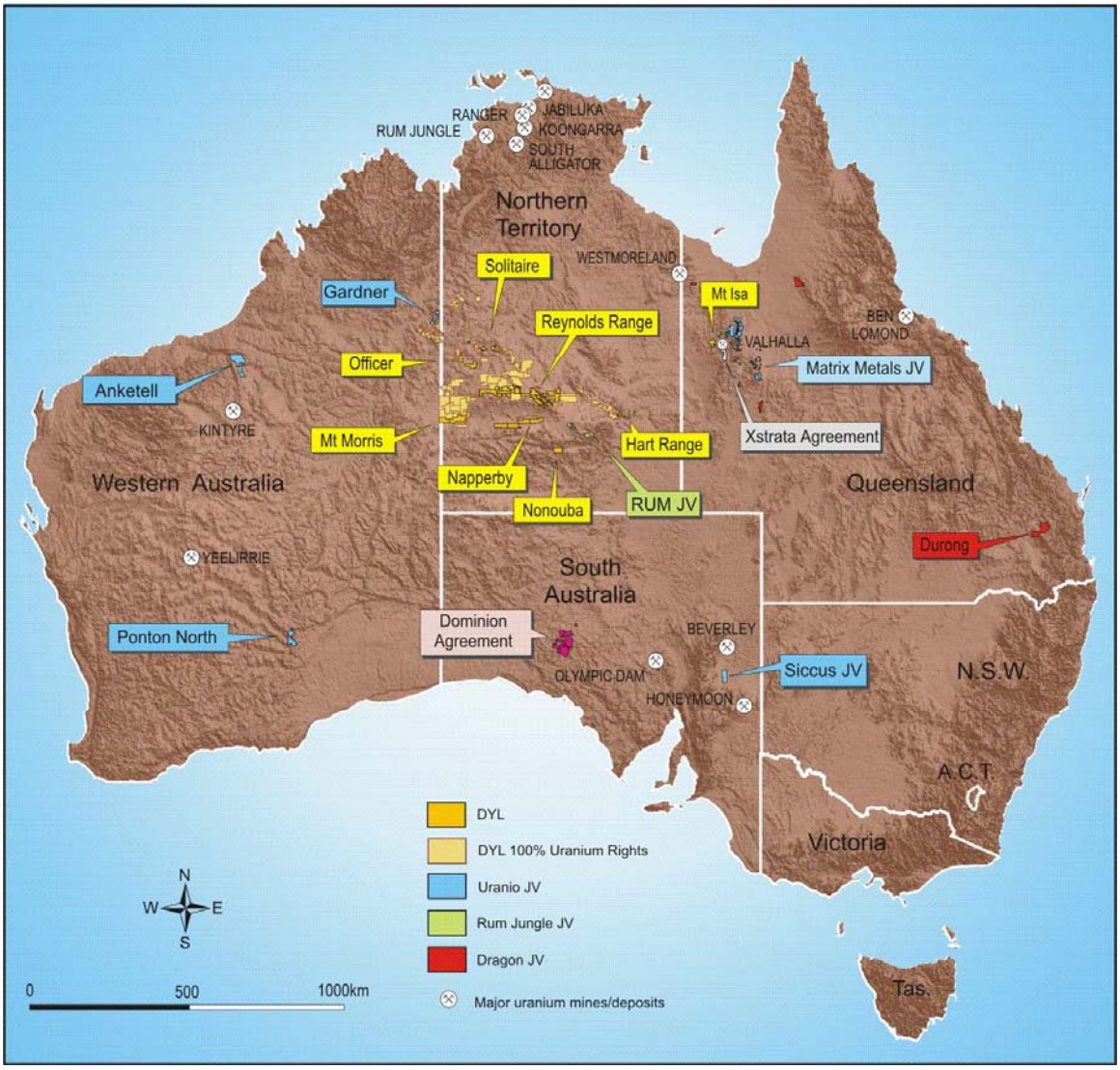

Figure 4: Australian Projects

QUEENSLAND

MT ISA DISTRICT

Following the seasonal break preparations for the 2008 field season have been completed ahead commencement of drilling at the Queens Gift prospect. The Mt Isa office has expanded and an exploration camp / office established at Eastern Creek to service the Queens Gift prospect and the Ewen prospect. Both the geological and field support personnel levels have been increased in order to handle the additional work load. A diamond drill rig and two RC percussion drill rigs have been contracted to cover resource delineation drilling, follow-up of 2007 drill intersection and new regional target drilling.

PROSPECTOR EPM 15070 (DYL 100%)

Queens Gift Prospect

A 1,500 to 2,000 metre diamond drill programme commenced at Queens Gift on 29 April (see Figure 5). The drilling will initially target the down dip / down plunge extensions to the mineralisation outlined by the 2007 RC percussion drill programme. Ahead of the drilling the previous surface mapping was verified and detailed infill mapping (1:500 Scale) of the prospect commenced incorporating geological and mineralisation input from drill results and petrology.

The mapping programme is aimed at maximising the use of all current data, particularly alteration and structure, to assist with finalising the hole locations in the planned drilling programme. Drill pads and sumps have been pushed as well as rehabilitating existing access tracks to Queens Gift. A petrology report by Pontifex & Associates on drill chips samples from Queens Gift highlighted that chlorite, carbonate, hematite and silica alteration is associated with uraninite ± brannerite mineralisation. The host rock is described as dominantly brecciated, sheared, foliated, albite-rich altered basalt which is similar to the Valhalla deposit. Dependent upon the initial diamond drilling results the programme will be escalated with a view to delineating a JORC code inferred resource.

Planned activities include:

- Diamond drilling commenced 29 April.
- Complete QAQC data and assay duplicate samples of higher grade intercepts.
- Evaluate the remaining outcrop and covered areas within EPM 15070 area using multi-element geochemistry to evaluate structural targets identified from the interpretation of aeromagnetic data.
- RC percussion drill geochemical anomalies targeting buried uranium mineralisation.

NW QUEENSLAND JV (earning 80% from Matrix)

Miranda Prospect - EMP 14281

No fieldwork was undertaken on the prospect during the quarter (see Figure 5). A petrographic and mineralogical report was received for drill chips from several holes drilled in 2007 The report indicated that uranium mineralisation was present as uraninite and coffinite hosted within two lithology types namely chlorite altered felsic granitoid (possibly a quartz diorite or quartz monzonite) and chlorite schist. Magnetite and pyrite were also present in all samples.

Planned Activities:

- Complete 3D interpretation of 2006 and 2007 mineralised zones.
- Complete and review QAQC data and assay duplicate samples of higher grade intercepts.
- Extend radiometric surveys and investigate nearby high radiometric anomalies and magnetic anomalies.
- Plan RC drill holes to test along strike radiometric anomalies and investigate deep magnetic targets.

- Diamond drilling to provide detail structural information for targeting of 'down plunge' extension to the shallow mineralised zone.

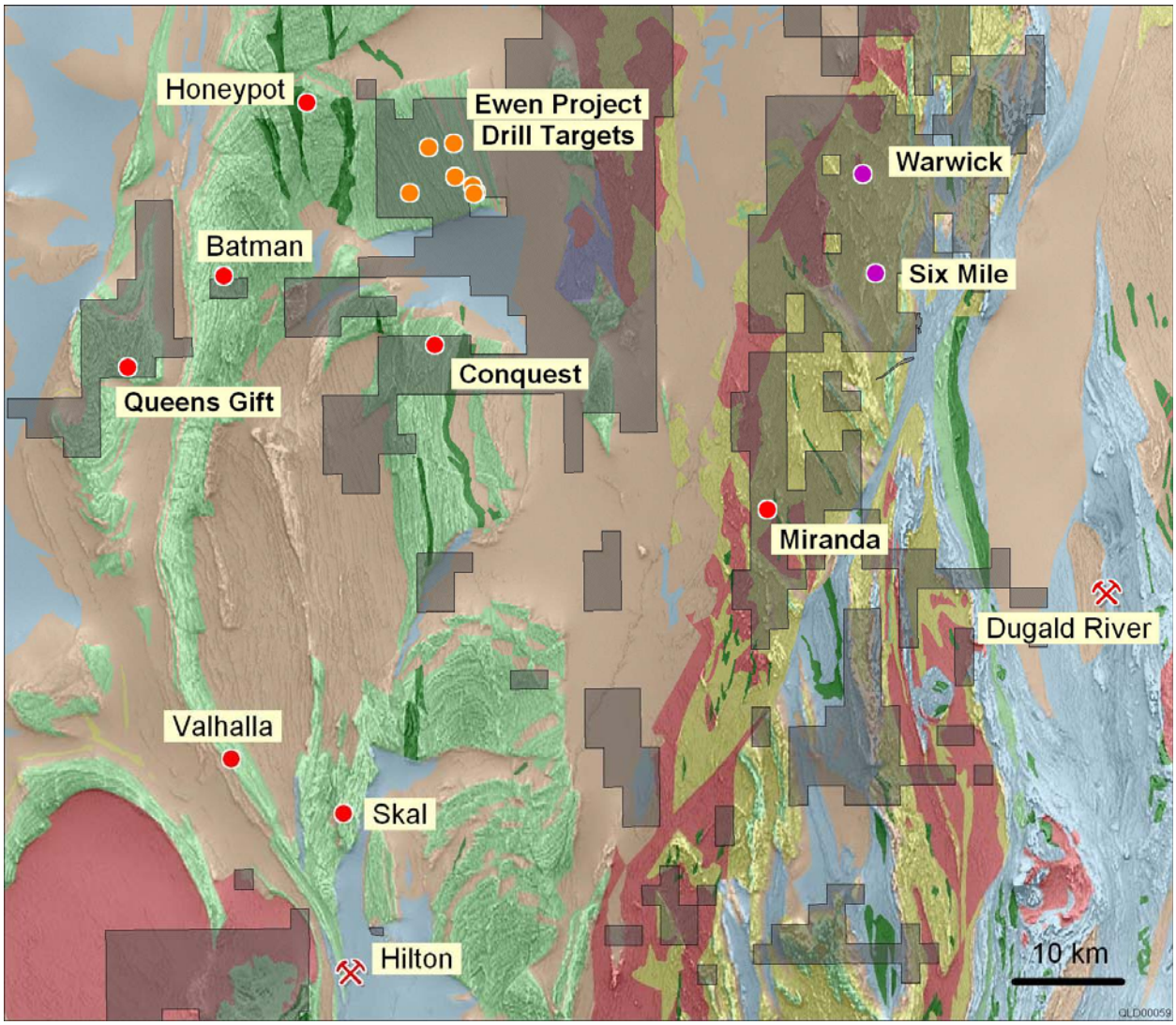

Figure 5: Mt Isa Geology and Uranium Occurrences

Warwick Prospect - EMP 14282

Site heritage clearance was completed for the prospect area and an access track cleared through to the Warwick prospect (see Figure 5) to the north of the Mt Cuthbert copper mine (Matrix Metals).

Planned activities include*:*

- Map and sample all high priority radiometric anomalies.
- Prepare the high ranking targets for RC percussion drilling.

Sampling of **Anomaly 78 – Warwick** in 2007 returned highgrade samples assaying up to **1.17% U_3O_8** over 80 m strike associated with narrow chlorite-sericite schist zones and more 'mafic' layers within the felsic rock similar to the mineralisation at the Miranda Prospect to the south.

Ewen - EMP 14916

As follow-up to the excellent results returned from the first-pass RC percussion drill programme carried out over several prospects within the tenement (ASX 30 January 2008) a further 5000 m of RC drilling is planned to commence in early May.

Planned activities:

- Complete mapping and ground radiometric surveys over untested targets identified by the 2007 reconnaissance programme (see Figure 5).

- RC percussion and diamond drilling at the Conquest prospect which returned **66 m at 373 ppm U_3O_8 from 22 m** including **4 m at 1,863 ppm U_3O_8 from 78 m in hole DCQRC 006** in 2007.

ISA WEST PROJECT (earning 100% of uranium rights from Xstrata)

As previously announced to the ASX (21 January, 2008) **DYL** reached agreement with Mount Isa Mines Limited (a company within the Xstrata Group) (**Xstrata**) whereby **DYL** may (subject to a number of conditions) ultimately acquire 100% of the uranium rights over six (6) tenements held by **Xstrata**. The tenements (see Figure 6) cover a total of 504 km^2 immediately west of the Mt Isa townsite/minesite.

The Earn-In Option Term Sheet (the Agreement) provides **DYL** with four (4) years from the commencement of exploration activities by **DYL** (1 February 2008) in which to explore the tenements for uranium with an option (subject to **DYL** spending at least $10 million on exploration in the first four years of the Agreement and a number of other conditions being met) for an Additional Period of five (5) years in which to continue exploration for uranium and/or apply for a mining lease to develop a uranium mine.

The six Exploration Permits for Minerals (EPM's) are known collectively as the Isa West Tenements and importantly they cover extensive basalt and sediment sequences of the prospective Haslingden Group which hosts the Valhalla and Skal (Summit/Paladin) and Queens Gift (**DYL**) uranium deposits (see Figure 7).

Since commencement of work on the tenements in early February DYL has completed an initial assessment of the Xstrata database and completed mapping and broad spaced ground radiometric surveys over seven target areas previously identified by Xstrata.

The data collected from these initial radiometric surveys was used to define precise areas of radiometric highs over which 'infill' ground radiometric surveys have been conducted in order to further define potential RC percussion drill targets

In addition to the targets identified by Xstrata a detail review of historic exploration (reports) is underway with a view to identifying priority drill targets from the known uranium occurrences within the tenements (see Figure 7).

Planned Activities

- Continuation of radiometric 'infill' surveys.

- Design and execution of further ground radiometric surveys within Mosses Bore, North Branch Creek and Slaughter Yard North.

- Review of QDEX historical reports to ascertain further areas of interest and compile detailed comprehensive database of information pertaining to the Isa West Tenements.

- An RC percussion rig has been contracted for the Isa West project with a start date yet to be confirmed.

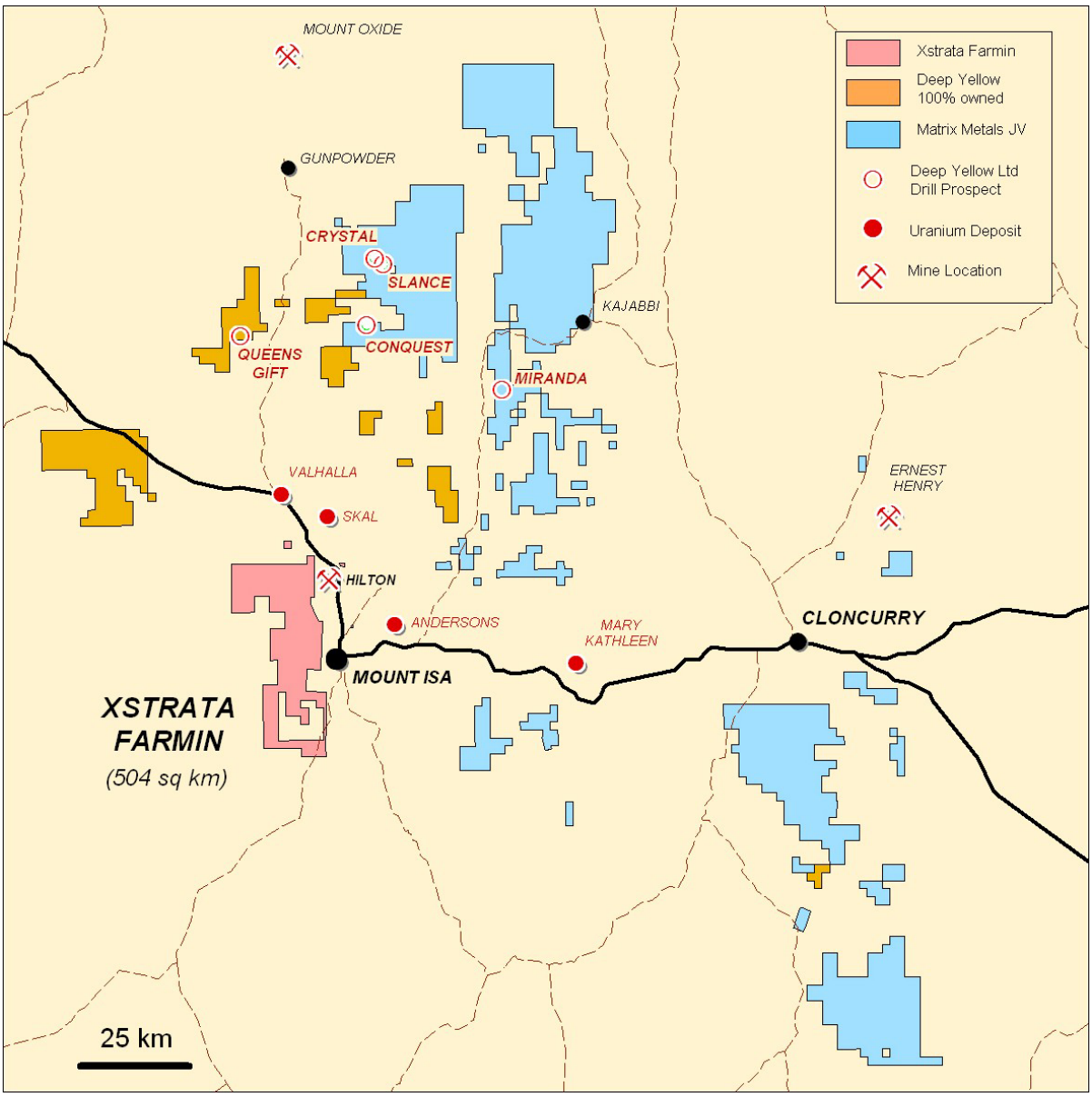

Figure 6: Xstrata Isa West Tenements

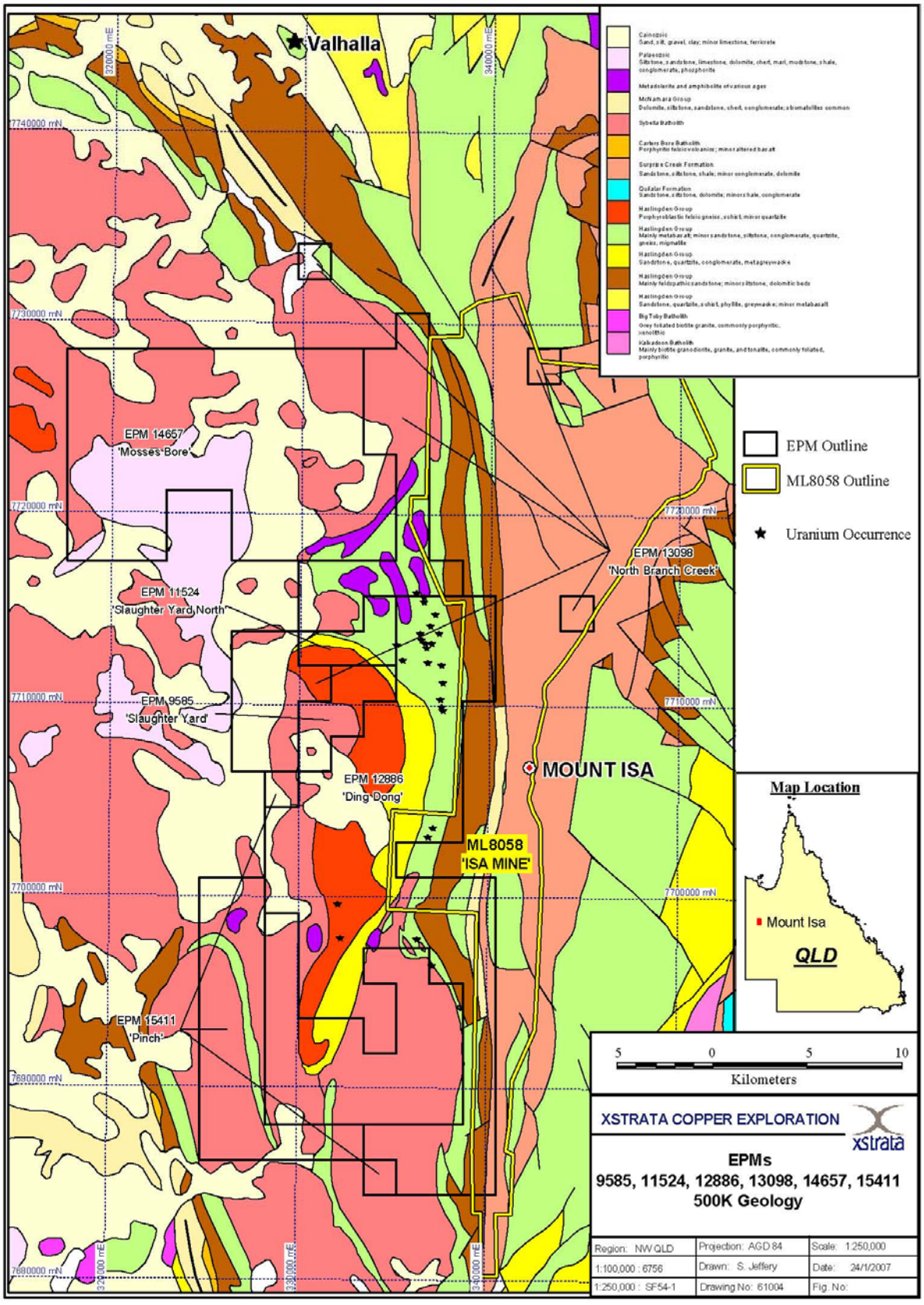

Figure 7: Isa West Geology and Uranium Occurrences

NORTHERN TERRITORY

Napperby Project
(DYL 100% - Toro Energy Limited Option to Purchase)

Toro Energy Ltd (Toro) has announced (ASX 28 April 2008) an updated resource estimate is expected in the June quarter for the Napperby uranium project in the Northern Territory following receipt of further favourable drilling results.

Napperby, located 150 kilometres northwest of Alice Springs (see Figure 8), has a current Inferred Resource (compliant with the JORC code) of 1.47 million pounds or 670 contained tonne of U_3O_8 as part of a broader mineralised system.

In addition, Toro's project team has also commenced the outline of a planned scoping study for the uranium project, including ongoing metallurgical testing, baseline environmental work, and initial groundwater and hydrogeological studies.

The 2007 results have increased the integrity of Napperby's mineralised zone, include multiple significant grade intersections, and exhibit cohesive grade – thickness within the target mineralised zone.

Best drill intercepts using a 200 ppm U_3O_8 cut-off included:

5.5 m at 907 ppm (0.09%) U_3O_8
Incl 1.5 m at 2,063 ppm (0.21%) U_3O_8
3.5 m at 967 ppm (0.10%) U_3O_8
3.0 m at 886 ppm (0.09%) U_3O_8
1.5 m at 1,233 ppm (0.12%) U_3O_8
1.5 m at 1,225 ppm (0.12%) U_3O_8

The average grade of all assays received was 469 ppm (0.05%) U_3O_8 at 200 ppm cut-off within a shallow mineralisation zone between three and eight metres depth. Initial metallurgical tests are also in progress.

Angela and Pamela

DYL was informed by DPIFM that its submission (ELA 25767) to acquire the Angela and Pamela uranium deposits 25 km to the south of Alice Springs was unsuccessful.

Nonouba (DYL – 100%)

The Nonouba tenement EL 24547 is located 60 kilometres west-southwest of Alice Springs (see Figure 8). Compilation of previous exploration carried out by Uranerz in the 1970-80s has outlined a number of uranium anomalous drill holes that require follow-up testing. The tenement is 40 kilometre due west of the Angela and Pamela uranium deposit with historic drilling continuous between the two areas. As at Angela and Pamela geochemical anomalous uranium values were returned from shallow drilling over the sub-cropping, north-dipping limb of the Eclipse Syncline. The Angela and Pamela mineralisation position has not been drilled at Nonouba. A 2,000 m RC percussion drill programme is planned for the prospect targeting the down-dip extension of the shallow results returned the from previous exploration programme by Uranez.

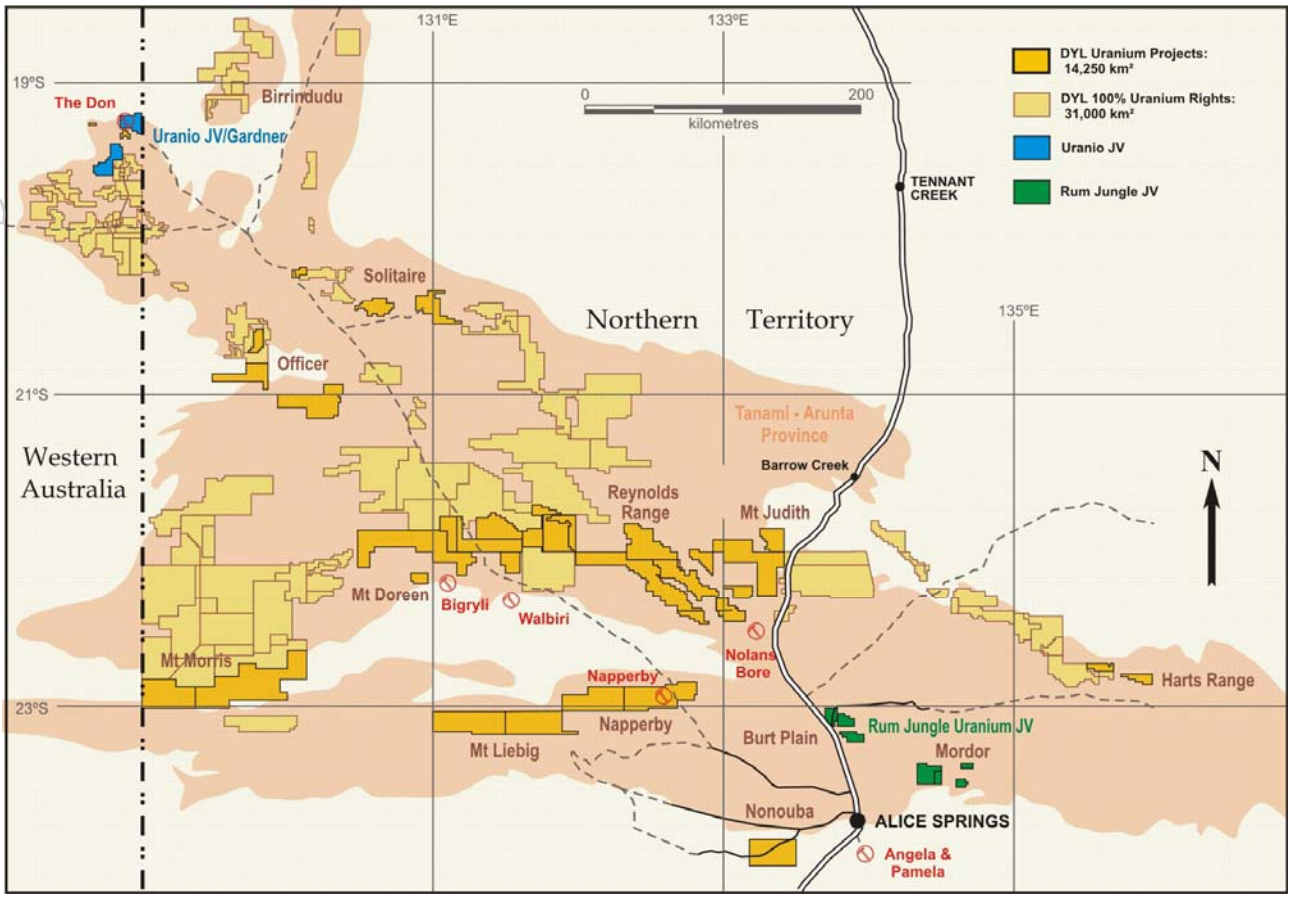

Figure 8: NT Tenement Locality Plan

Mt Doreen Project (DYL – 100%)

Following consultation with the CLC, DYL has agreed to incorporate the five exploration licences, namely EL's 23640, 25541, 25698, 25701 and 25702 that comprise the Mt Doreen Project (see Figure 8) into an Indigenous Land Use Agreement. Exploration is scheduled to commence in mid-May with reconnaissance mapping ahead of an extensive RAB drill programme in July/August. The Company is also considering flying an airborne electromagnetic survey over the project area in conjunction with surveys over the Reynolds Range and Mt Liebig project areas.

Aboriginal Land Trust Areas

The Company has been informed by the CLC that 'first meetings' with respect to its Nancy Hill, Mt Morris, Officer and Solitaire tenement applications (see Figure 8) have been scheduled for June-July this year.

Birrindudu Project (DYL 100% uranium rights)

At a meeting between Traditional Owners, the CLC and DYL held at Kalkarindji on the 17 April, the Company presented its proposed uranium exploration programme over the tenements comprising the Birrindudu Project area (see Figure 8). The tenements are held by Tanami Gold NL who will be carrying out concurrent gold exploration programmes over the same ground.

Alice Springs Joint Venture (DYL 50% reducing to 25%)

Rum Jungle Uranium (RJU) was admitted to the ASX on 21 November 2007 and in accordance with the Agreement they acquired 50% interest in six exploration licences in the Alice Springs District (ELs 10360, 10401, 10404, 22918, 22923 and 25101) (see Figure 8).

A meeting was held between Traditional Owners, the Central Land Council (CLC) and the JV partners to discuss access for drilling to EL's 10401 and 22923. The Traditional Owners vetoed access for drilling and the likely outcome is that the JV will relinquish the tenements.

SOUTH AUSTRALIA

Siccus Joint Venture (DYL 20%)

DYL's joint venture partner Uranio Limited (Uranio) recently completed a 1,600 metre of rotary mud drilling programme on the Siccus Joint Venture's highly prospective exploration licence EL 3288. The first pass drilling comprising 8 holes was conducted over 16 km strike of Tertiary age palaeodrainage targets in the south and west of the licence area (see Figure 9).

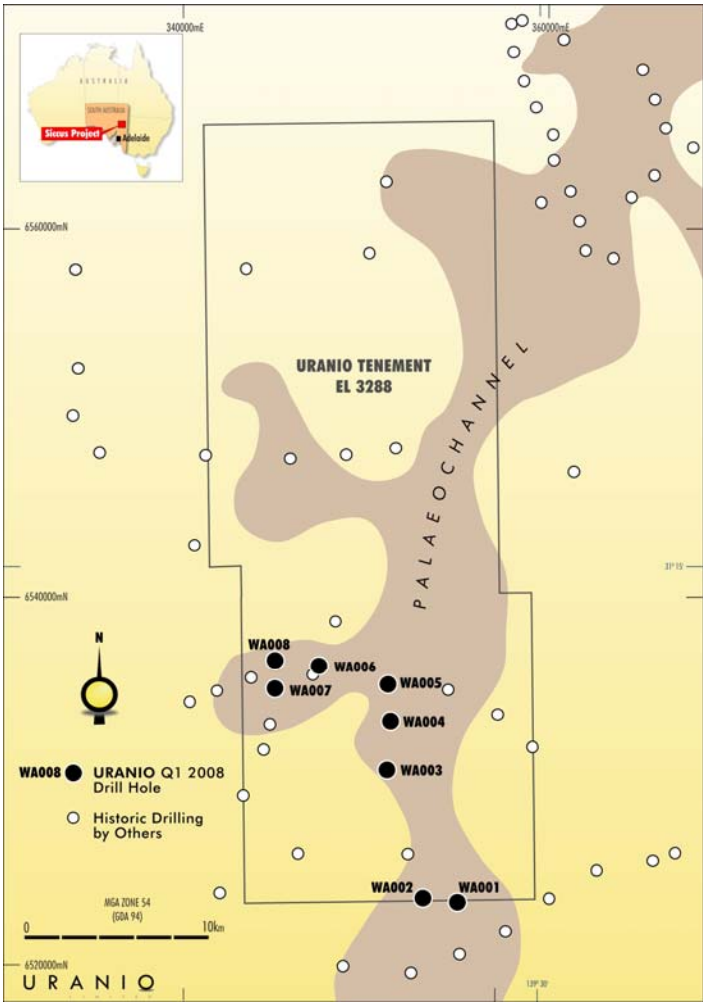

Figure 9: Siccus JV Drill Hole Location Plan

The drill program was designed to identify prospective host sands and test for uranium mineralisation similar to that found in known uranium mines and deposits in the Frome Basin at Beverley, Honeymoon and Goulds Dam and the Beverley Four Mile discovery. Target lithologies included shoestring sands hosted by the Namba Formation (Beverley mine host lithology) and basal channel sands of the Eyre Formation, the known host to the other significant uranium deposits in the Frome Basin. Namba Formation was intersected in all eight holes and the prospective Eyre Formation sands in four of the eight drill holes completed.

All holes reached targeted depth. Downhole total count gamma probing was the principal investigative method. The historic radiometric anomalism was replicated, although confirmed to be limited to Namba Formation clays. The best radiometric anomalies found were 10x and 14x background spikes hosted by Namba Formation clays. The basal channel sands of the Eyre Formation, where intersected in four of the eight holes, were thick, permeable and reduced. However, no redox front was intersected and no significant radiometric anomalism was observed in the Eyre Formation sands where drilled.

A major palaeochannel and a number of tributaries have been identified and interpreted from previous drilling and airborne geophysical surveys for over 60 km of strike within EL 3288. As indicated in the plan, the first pass drilling was limited to testing the western side of the interpreted main palaeochannel (at the southern end of the licence area) and one western tributary.

Follow up drilling is planned for later this year by Uranio in order to better define and test the main palaeochannel and tributaries, and to locate possible redox interfaces in the prospective Eyre Formation sands.

WESTERN AUSTRALIA

Ponton North Joint Venture (DYL 30%)

DYL's joint venture partner Uranio has recently commenced assessment of the Ponton North project area which is underlain by Tertiary palaeochannels that are considered highly prospective for uranium mineralisation and which connect with the nearby Mulga Rock uranium deposits.

A 1,225 line kilometre Airborne Electromagnetic (AEM) survey was commissioned by DYL over the tenements in late 2007. The results of the survey are now being assessed / reinterpreted by Uranio (see Figure 10). Initial assessment confirms the expected location of the known palaeochannels (red) in the southern part of the project. The results confirm that the drainage palaeochannels with uranium deposit potential continue through the Ponton North project area from the areas of known uranium mineralisation at Mulga Rock to the north.

The AEM survey also identifies a prospective, but as yet undrilled, Eocene channel system draining southeastwards from the Mingiwal region that intersects the northern part of the project area.

These results will help in providing targets for a first pass drill program later this year. This will be aimed at better defining the prospective palaeochannels and both planar and discordant redox facies within them.

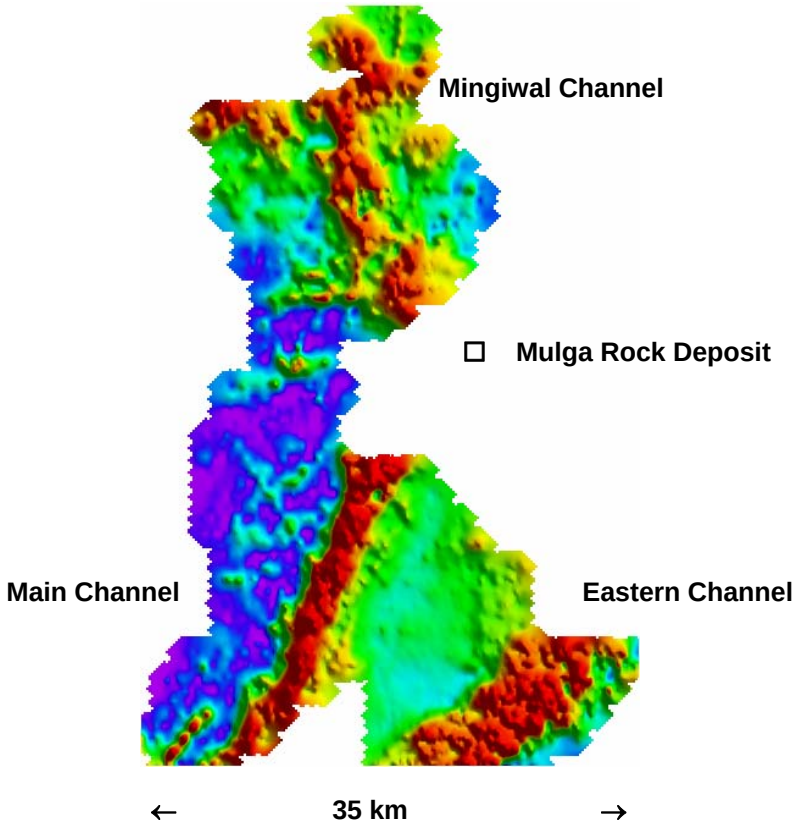

Figure 10: Airborne EM Results at a notional depth of 75 m

Figure 10 shows the location of the expected palaeochannels existing in the southern part of the project area leading from the area of known mineralisation at Mulga Rock. Survey results also suggest the existence of an as yet undrilled palaeochannel system in the northern part of the project area leading from the Lake Mingiwal region.

CORPORATE

Option Issue to Employees and Contractors

During the quarter the Directors resolved to issue 20,100,000 unlisted options to acquire ordinary shares in Deep Yellow Limited to employees, and contractors. The issue was made pursuant to the terms of the Deep Yellow Limited Directors, Employees and Other Permitted Persons Option Plan which was approved at the Company's Annual General Meeting held on 30 November 2006.

The Directors issued the options in two packages and on the following basis:

Reward Options

11,060,000 Reward Options on the following terms:

- 50% vest on 1 December 2008 and have an exercise price of 27.5 cents which is payable on or before 30 June 2011; and

- 50% vest on 1 December 2009 and have an exercise price of 40 cents which is payable on or before 30 June 2011.

Loyalty Options

9,040,000 Loyalty Options on the following terms:

- 50% vest on 1 June 2009 and have an exercise price of 45 cents which is payable on or before 30 June 2011; and
- 50% vest on 1 June 2010 and have an exercise price of 60 cents which is payable on or before 30 June 2011.

No Director or Director related entity participated in the issue.

Release of Restricted Securities

The Company released the voluntary restriction applicable to 82 million ordinary shares during the quarter. The shares were part of the consideration paid in 2006 for the acquisition/merger of Raptor Minerals Limited and ultimately the Namibian subsidiary companies which own and control Namibian Exclusive Prospecting Licences (EPL's) 3496 Tubas, 3497 Tumas,3499 Ripnes and 3498 Aussinanis.

Following the announcement of the Company's first JORC Code standard Inferred Mineral Resource and encouraging mineral exploration results it was agreed that the contractual matters to which the restriction related had been satisfied and that the voluntary restriction was no longer required.

Dr Leon Pretorius
Managing Director
Deep Yellow Limited

Further Information :

Martin Kavanagh
Executive Director
+61 8 9286 6999

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Leon Pretorius a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Pretorius 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Pretorius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where eU_3O_8 is reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 – slimline gamma ray tool. The probe has been calibrated at the Pelindaba Calibration facility in South Africa with calibration certification provided by Geotron Systems (Pty) Ltd a geophysical consultancy based in South Africa. All eU_3O_8 results reported are affected by issues pertaining to possible disequilibrium and uranium mobility which should be taken into account when interpreting those pending confirmatory chemical analyses.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

DEEP YELLOW LIMITED

ABN	Quarter ended ("current quarter")
97 006 391 948	**31 MARCH 2008**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration and evaluation	(1,111)	(5,494)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(497)	(1,370)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	840	2,563
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other income	500	570
	Net Operating Cash Flows	(268)	(3,731)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) tenements	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(107)	(622)
	(d) environmental and other bonds	-	(29)
1.9	Proceeds from sale of:		
	(a) tenements	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) environmental and other bonds	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid from other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(107)	(651)
1.13	Total operating and investing cash flows (carried forward)	(375)	(4,382)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(375)	(4,382)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	42,451
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share issue costs	-	(92)
	Net financing cash flows	-	42,359
	Net increase (decrease) in cash held	(375)	37,977
1.20	Cash at beginning of quarter/year to date	62,629	24,151
1.21	Exchange rate adjustments to item 1.20	(1,292)	(1,166)
1.22	**Cash at end of quarter**	**60,962**	**60,962**

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	203
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Executive and non-executive directors remuneration and consultancy fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter the company received compensation from Uranio Limited upon its successful listing on the ASX in exchange for a 70% interest in the Group's Western Australian projects and a 70% interest in the Siccus JV project. The non-cash consideration comprised 3,849,379 shares and 3,848,379 unlisted options amounting to an equivalent value of $1,235,651.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	N/A	
3.2	Credit standby arrangements	N/A	

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	2,750
4.2	Development	-
	Total	**2,750**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	5,517	5,169
5.2	Deposits at call	55,445	57,460
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**60,962**	**62,629**

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL23637		100%	0%
6.2	Interests in mining tenements acquired or increased	EPM16007	Granted	0%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	NIL			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL			
7.3	**+Ordinary securities**	1,108,726,958	1,108,726,958	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	NIL NIL			
7.5	**+Convertible debt securities** (*description)*	NIL			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	*Unlisted options* 12,500,000 3,000,000 2,000,000 16,000,000 2,912,500 2,912,500 787,500 787,500 12,500,000 5,530,000 5,530,000 4,520,000 4,520,000	 - - - - - - - - - - - - -	*Exercise Price* 8.1 cents 21.1 cents 31.1 cents 55.1 cents 44.6 cents 59.6 cents 64.6 cents 74.6 cents 59.5 cents 27.5 cents 40.0 cents 45.0 cents 60.0 cents	*Expiry Date* 31/07/2008 31/12/2008 31/12/2008 30/11/2009 31/12/2009 31/12/2010 30/06/2010 30/06/2011 30/11/2010 30/06/2011 30/06/2011 30/06/2011 30/06/2011
7.8	Issued during quarter	5,530,000 5,530,000 4,520,000 4,520,000	- - - -	27.5 cents 40.0 cents 45.0 cents 60.0 cents	30/06/2011 30/06/2011 30/06/2011 30/06/2011
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-

7.11	**Debentures** *(totals only)*	NIL			
7.12	**Unsecured notes** *(totals only)*	NIL			

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 30 April 2008
(Company secretary)

Print name: MARK PITTS

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.