



23 August 2010

DEEP YELLOW RECORDS ADDITIONAL SIGNIFICANT URANIUM INTERCEPTS IN ALASKITE IN NAMIBIA

- Four consecutive drill holes on Reconnaissance Line 3 intersected alaskite hosted uranium mineralisation at ± 400 ppm cU_3O_8 a mineralised zone of at least 300 metres across strike
 - **ALAR61**
 - 8 metres at 392 ppm cU_3O_8 from 83 metres, and
 - 8 metres at 401 ppm cU_3O_8 from 132 metres
 - **ALAR62**
 - 7 metres at 394 ppm cU_3O_8 from 62 metres, and
 - 15 metres at 449 ppm cU_3O_8 from 110 metres, and
 - 29 metres at 422 ppm cU_3O_8 from 138 metres
 - **ALAR63**
 - 10 metres at 411 ppm cU_3O_8 from 198 metres
 - **ALAR64**
 - 13 metres at 412 ppm cU_3O_8 from 179 metres, and
 - 7 metres at 402 ppm cU_3O_8 from 199 metres
 - Alaskite hosted uranium mineralisation is similar to Rio Tinto's Rossing Uranium Mine to the north and Extract Resources' Rossing South Projects to the north-northeast
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Deep Yellow Limited (ASX Code: **DYL**) is pleased to announce new drill results with additional significant uranium intercepts from follow-on **reconnaissance drilling** for alaskite-hosted uranium mineralisation at its **Tubas Alaskite** project area in Namibia, with exploration conducted by wholly-owned subsidiary **Reptile Uranium Namibia (Pty) Ltd (RUN)**.

On 29 April 2010, DYL announced drill results from discovery hole ALAR13 which returned 89 metres at 400 ppm cU_3O_8 from 128 metres. Since then, follow-on drilling has continued and significantly, four consecutive drillholes on Reconnaissance Line 3 have returned chemical assays of approximately 400 ppm cU_3O_8 and greater, indicating a potential width of significant mineralisation across strike of at least 300 metres.

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Reverse circulation (RC) drillholes ALAR61 through ALAR64, spaced at 90-100 metres, have returned the following uranium intercepts (also presented in Table 1):

- **ALAR61**
 - 8 metres at 392 ppm cU₃O₈ from 83 metres, and
 - 8 metres at 401 ppm cU₃O₈ from 132 metres
- **ALAR62**
 - 7 metres at 394 ppm cU₃O₈ from 62 metres, and
 - 15 metres at 449 ppm cU₃O₈ from 110 metres, and
 - 29 metres at 422 ppm cU₃O₈ from 138 metres
- **ALAR63**
 - 10 metres at 411 ppm cU₃O₈ from 198 metres
- **ALAR64**
 - 13 metres at 412 ppm cU₃O₈ from 179 metres, and
 - 7 metres at 402 ppm cU₃O₈ from 199 metres

Discovery hole ALAR13 was located on Reconnaissance Line 2 which was drilled perpendicular to the strike of a northeast to southwest trending prospective horizon comprising alaskite, granitic gneiss and magnetite. Line 2 is located parallel to and approximately 550 metres southwest of Line 1, and the latest Line 3 is parallel and located approximately 450 metres southwest of Line 2 (Figure 1). To date a total of 76 holes for 16,029 metres of drilling have been completed on the first three reconnaissance lines. Bar graphs of downhole grade intervals for individual holes in the interpreted mineralised zone on Reconnaissance Lines 1, 2 and 3 are shown in Appendix Figures 5, 6 and 7 respectively.

Table 1: Significant* XRF Chemical assay results

Hole	MGA Zone 54		Azi	TD (m)	Dip	Depth (m)		Interval (m)	cU ₃ O ₈ (ppm)	GTM
	mE	mN				From	To			
ALAR16	499350	7482850	315	191	-60	147	158	11	399	4,389
ALAR46	499430	7482756	0	302	-90	246	254	8	405	3,240
ALAR47	499354	7482854	135	300	-60	192	206	14	395	5,530
						250	260	10	414	4,140
ALAR48	499453	7482753	135	213	-60	44	46	2	557	1,114
						74	84	10	460	4,600
ALAR61	499025	7482575	135	241	-60	83	91	8	392	3,136
						132	140	8	401	3,208
ALAR62	498951	7482649	135	261	-60	62	69	7	394	2,758
						110	125	15	449	6,735
						138	167	29	422	12,238
ALAR63	498867	7482718	135	261	-60	198	208	10	411	4,110
ALAR64	498800	7482800	135	251	-60	179	192	13	412	5,356
						199	206	7	402	2,814

Notes: TD is total depth of hole; cU₃O₈ is chemical assay U₃O₈; GTM is grade thickness metre and is calculated by multiplying the interval (m) x cU₃O₈ (ppm)

* RUN considers approximately 400 ppm U₃O₈ is required to be deemed significant for hardrock hosted uranium given current market conditions. Therefore lesser values are not reported at this time

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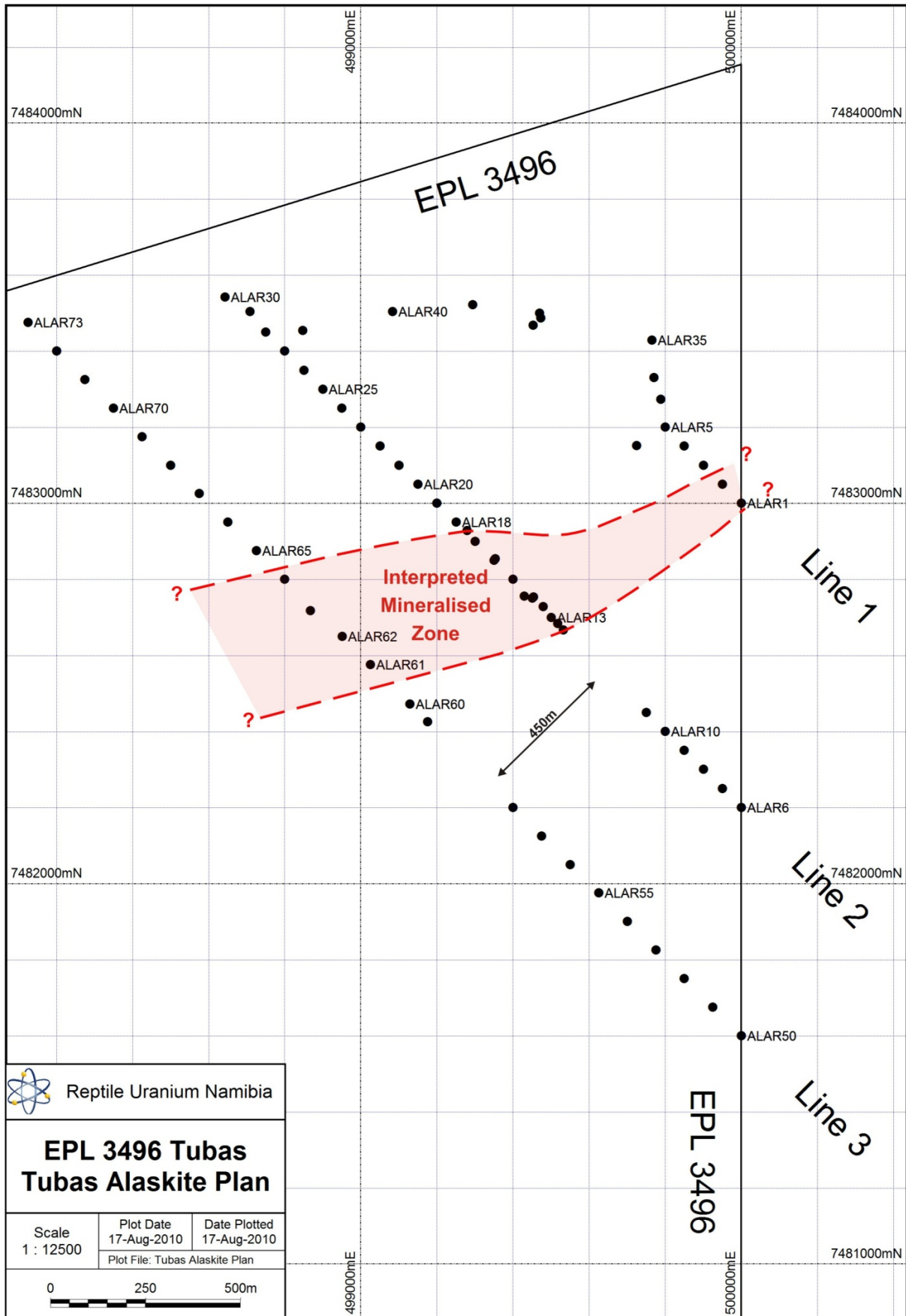


Figure 1: Tubas Alaskite Drill Plan

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Figure 2 is a location map for the Tubas Alaskite discovery area relative to RUN's other projects and EPLs and the locations of other alaskite hosted uranium deposits such as at the Rössing Uranium Mine, Extract Resources' Rössing South and Ida Dome Projects and Bannerman's Etango Project. Figure 3 is an aeromagnetic image showing the prospective Alaskite zone trending from the northeast to the southwest and delineated in part by adjacent magnetic strata.

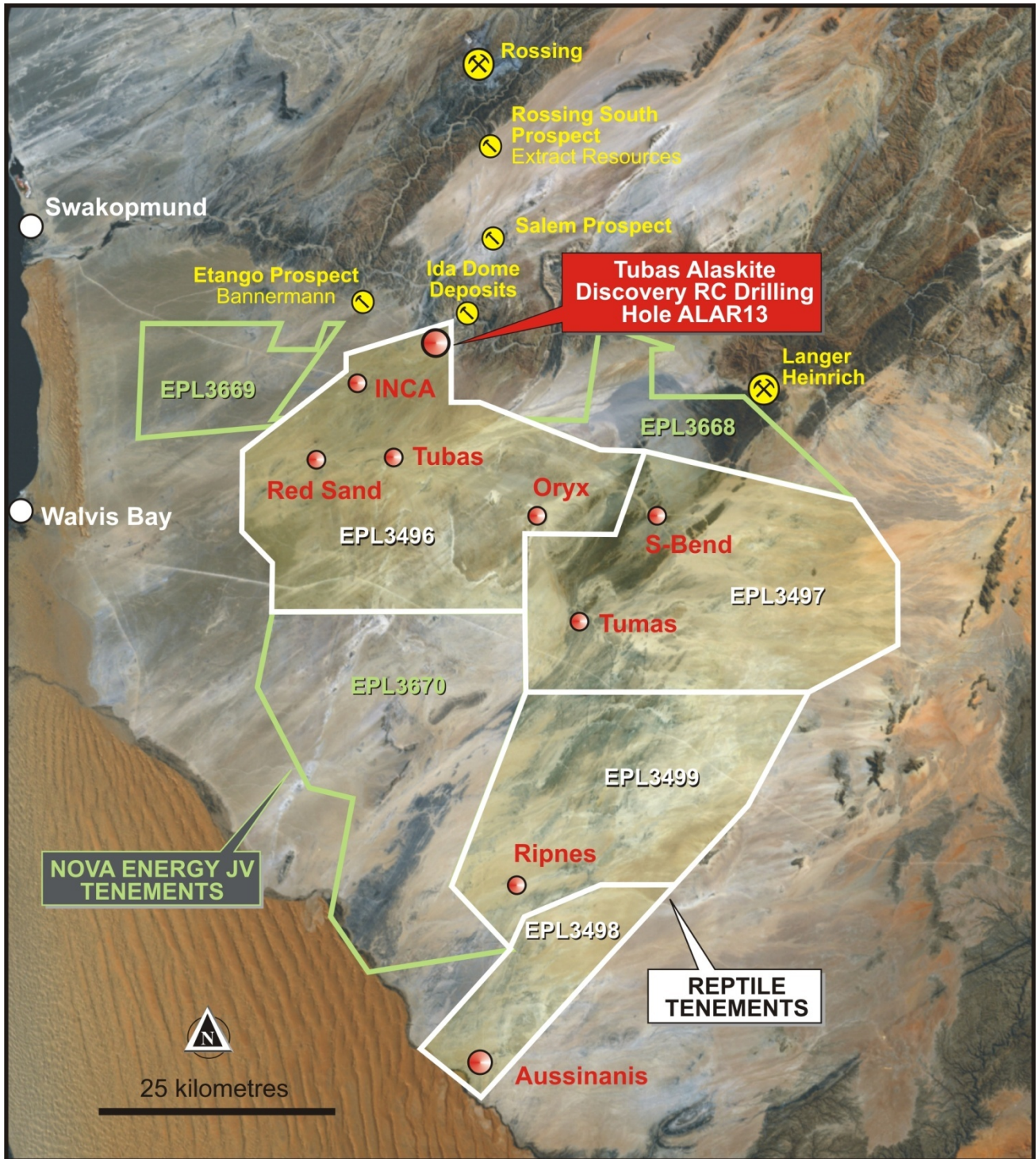


Figure 2: Discovery Hole ALAR13 and Tubas Alaskite Project location within RUN'S Tenements

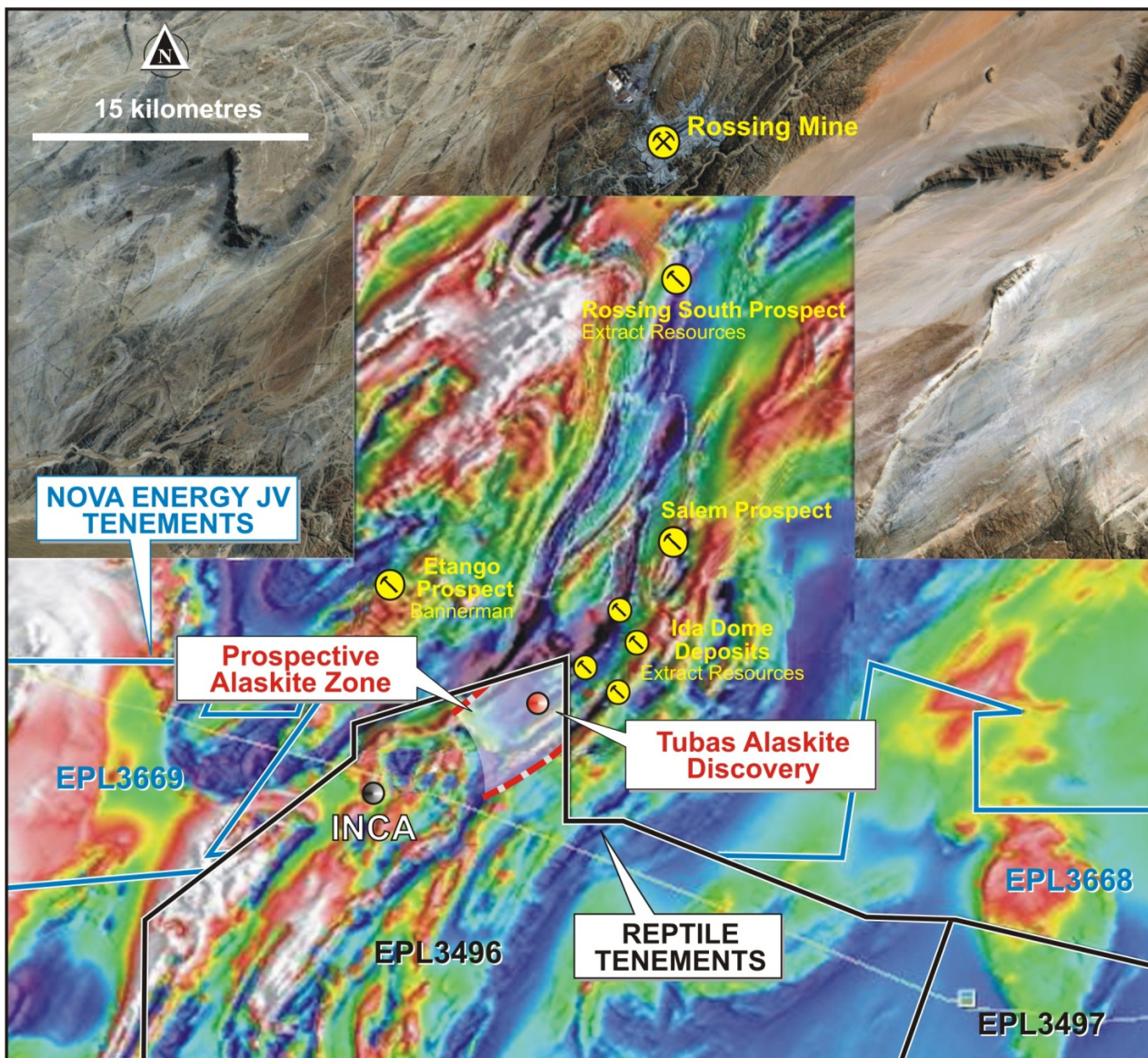


Figure 3: Regional aeromagnetic image showing location of Tubas Alaskite Project relative to known uranium mineralisation

Mineralised intercepts returned from holes ALAR61 through ALAR64 (Table 1 and Appendix Figure 7) and adjacent holes provide confidence in the interpretation of the orientation and continuity of the mineralized trend within the alaskite body between drillholes within a reconnaissance line. In addition, the potential continuity of mineralisation between Reconnaissance Line 2 and 3 can be inferred based on interpreted strike trend.

Additional drilling was also conducted around discovery hole ALAR13 to better understand the lithology and orientation of the mineralised alaskite trend (Table 1 and Appendix Figure 6). The conclusion reached from the detailed drilling is that ALAR13 may have been drilled partially or wholly down-dip of the mineralised occurrence and this may have biased the true width of mineralisation. As a result, in an effort to more accurately represent true widths, subsequent drillholes starting on Reconnaissance Line 3 were drilled in the opposite direction to ALAR13 which was drilled at a 60 degree angle to the northwest.

Presently there are 3 RC rigs and one diamond rig actively drilling on this project. Two additional RC rigs will be added as detailed resource drilling at RUN's INCA Project winds down.

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Figure 4 is a graphic comparison between downhole chemical assay grade intervals (cU_3O_8) and downhole gamma log data (eU_3O_8) for holes ALAR61 and ALAR62. In general, eU_3O_8 values are higher than cU_3O_8 values. Samples were taken and submitted to ANSTO for disequilibrium analyses. Results showed the uranium to be in secular equilibrium. However, RUN has yet to determine suitable statistical factors to apply to downhole logging results to ensure the eU_3O_8 data is accurate. Consequently, RUN continues to chemically assay all zones of mineralisation as determined from logging and other radiometric tests. To date more than 3,000 chemical assays have been completed on alaskite drill samples.

Diamond core and continuing statistical evaluation will resolve this in time to allow the effective use of the gamma logging data which is collected immediately upon completion of each hole. In the interim, all anomalous zones will be chemically analysed, which may, in the shorter term, slow reporting on this exciting project.



RC Drilling at Tubas Alaskite Project

Targeted (resource) drilling on a nominal 100 by 100 metre grid around well mineralised areas such as surrounding, and between, holes ALAR1, 13 and 62 will commence following redeployment of rigs from other project areas.

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Another positive observation from the alaskite drilling to-date is the significant amount of sulphides (predominantly pyrite with lesser pyrrhotite) present both within and peripheral to the uranium mineralisation which reaches a visual maximum of approximately 15% (with 5% being common) as depicted in the core photograph below. This has potential economic importance as a source for the generation of sulphuric acid for use in any acid leach uranium plant in the area. The smoky quartz seen in the diamond core is alteration resulting from intense irradiation from high-grade uranium mineralisation, and serves as an indicator of such when diamond core or RC chip samples are geologically logged.



Photographs show sulphides as footwall to Alaskite (top) and highly mineralised alaskite with smoky quartz (bottom)

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Further information relating to the Company and its various exploration projects can be found on the Company's website at www.deepyellow.com.au.

Compliance Statement

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 and/or cU_3O_8 are reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 slimline gamma ray tool. All probes are calibrated either at the Pelindaba Calibration facility in South Africa or at the Adelaide Calibration facility in South Australia.

Deep Yellow Limited is an Australian-based pure uranium exploration company with extensive advanced operations in Namibia and in Australia.

In Namibia the Company's principal development focus is through its wholly owned subsidiary **Reptile Uranium Namibia P/L** at the mid to high grade INCA primary uraniferous magnetite and secondary Red Sand projects and the extensive secondary calcrete deposits contained in the Tumas-Oryx-Tubas palaeochannel and fluvial sheetwash systems.

In Australia the Company is focused on resource delineation of mid to high grade discoveries in the Mt Isa district - Queensland, these include the Queens Gift, Conquest, Slance, Eldorado, Thanksgiving, Bambino and Turpentine Prospects.

A pipeline of other projects and discoveries in both countries are continually being examined and there is extensive exploration potential for new, additional uranium discoveries in both Namibia and Australia.

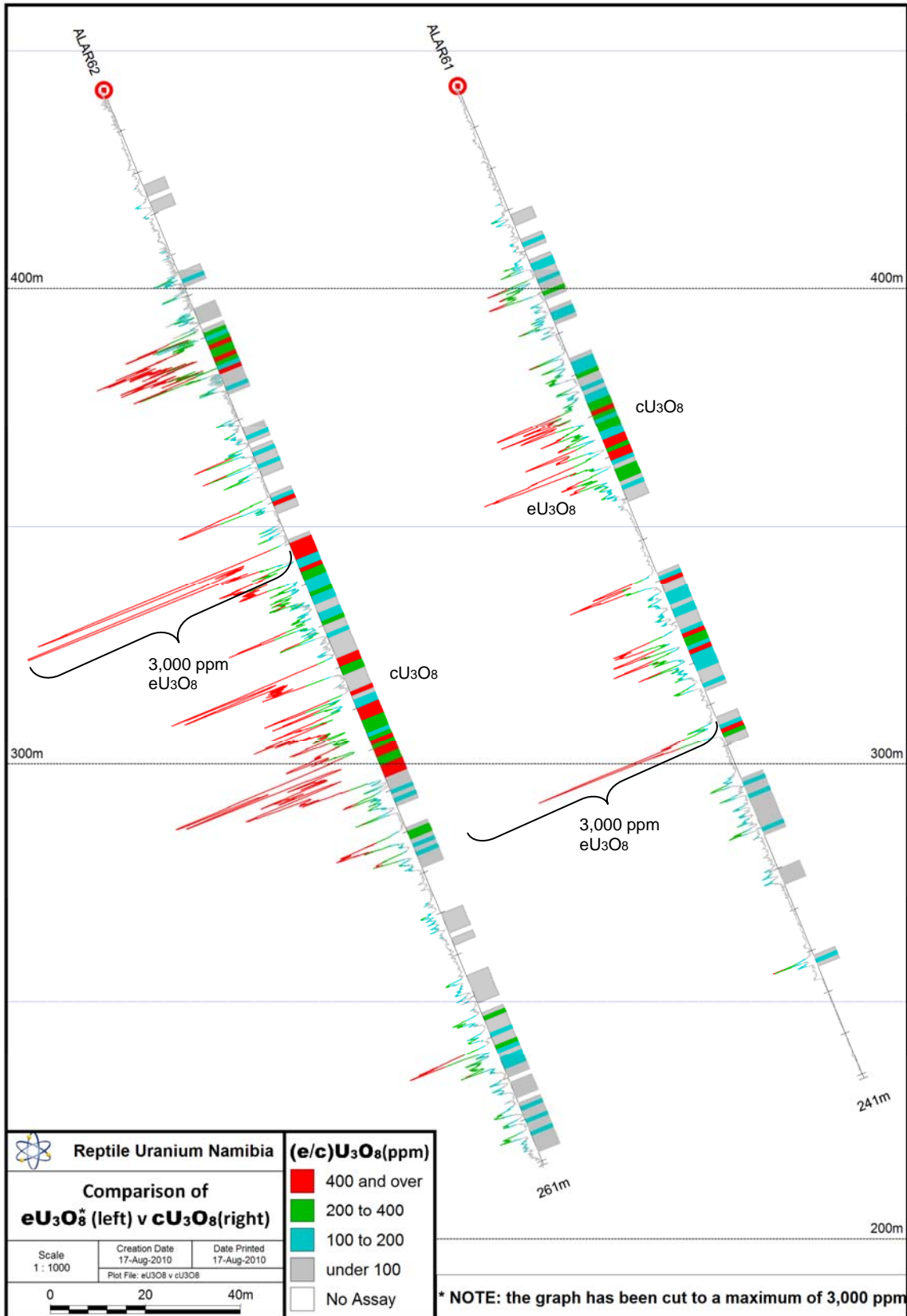


Figure 4: Tubas Alaskite Reconnaissance Line 2 Holes ALAR61 and ALAR62. Comparison of chemical assays (cU_3O_8) v gamma probe results (eU_3O_8) which are top cut to 3,000 ppm eU_3O_8

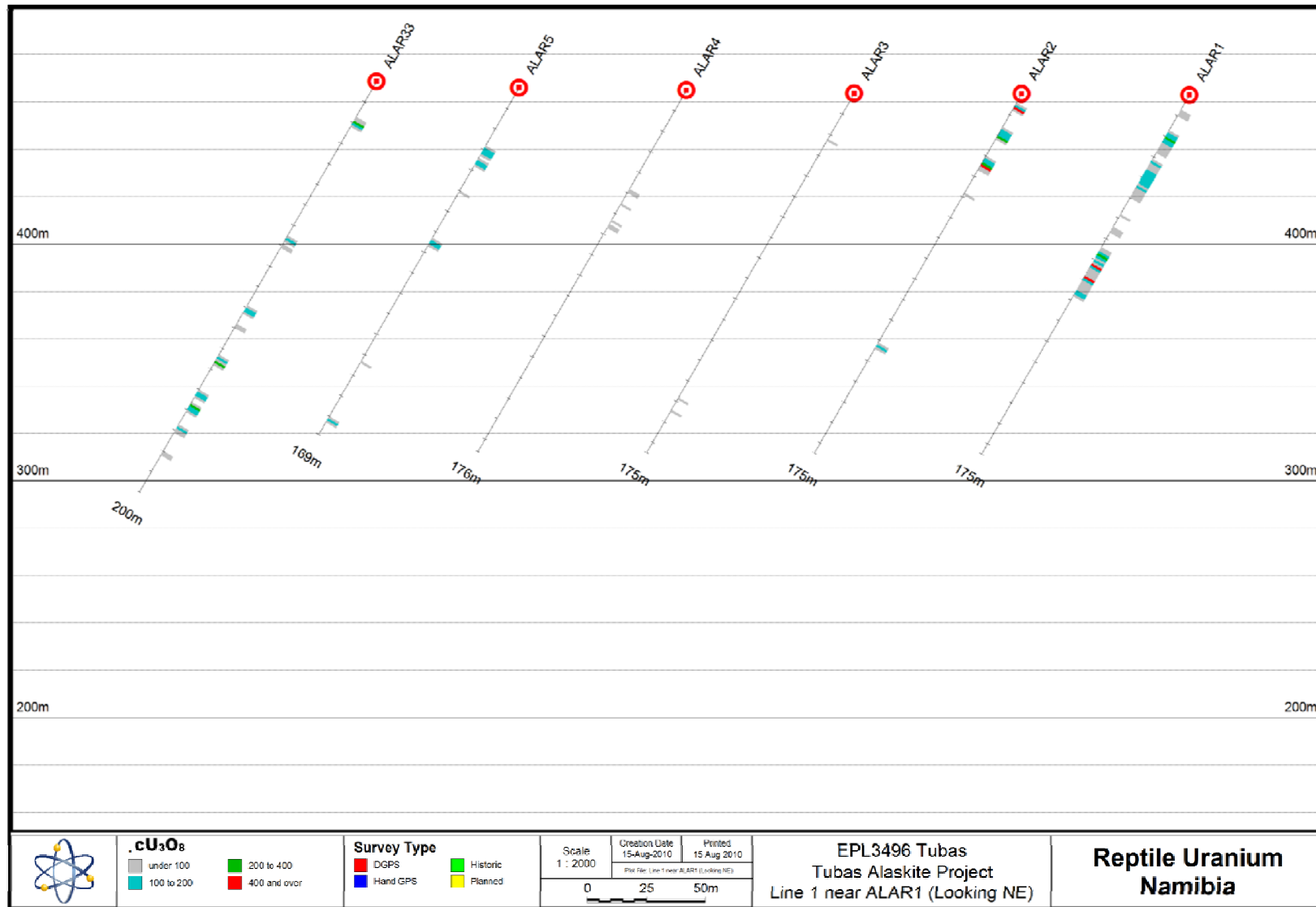


Figure 5: Tubas Alaskite Project - Line 1 near ALAR1 (Looking NE)

APPENDIX 1:

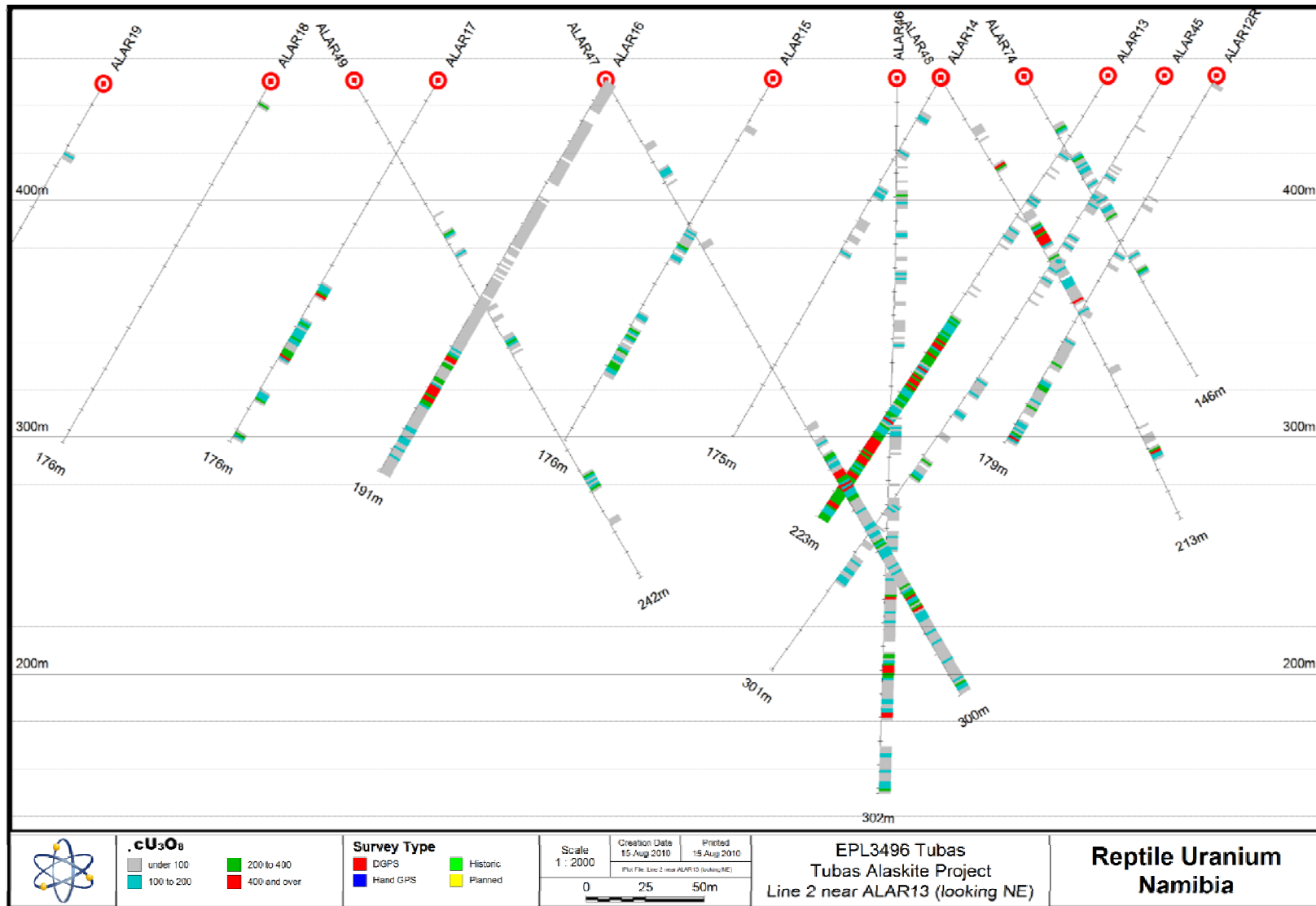


Figure 6: Tubas Alaskite Project - Line 2 near ALAR13 (Looking NE)

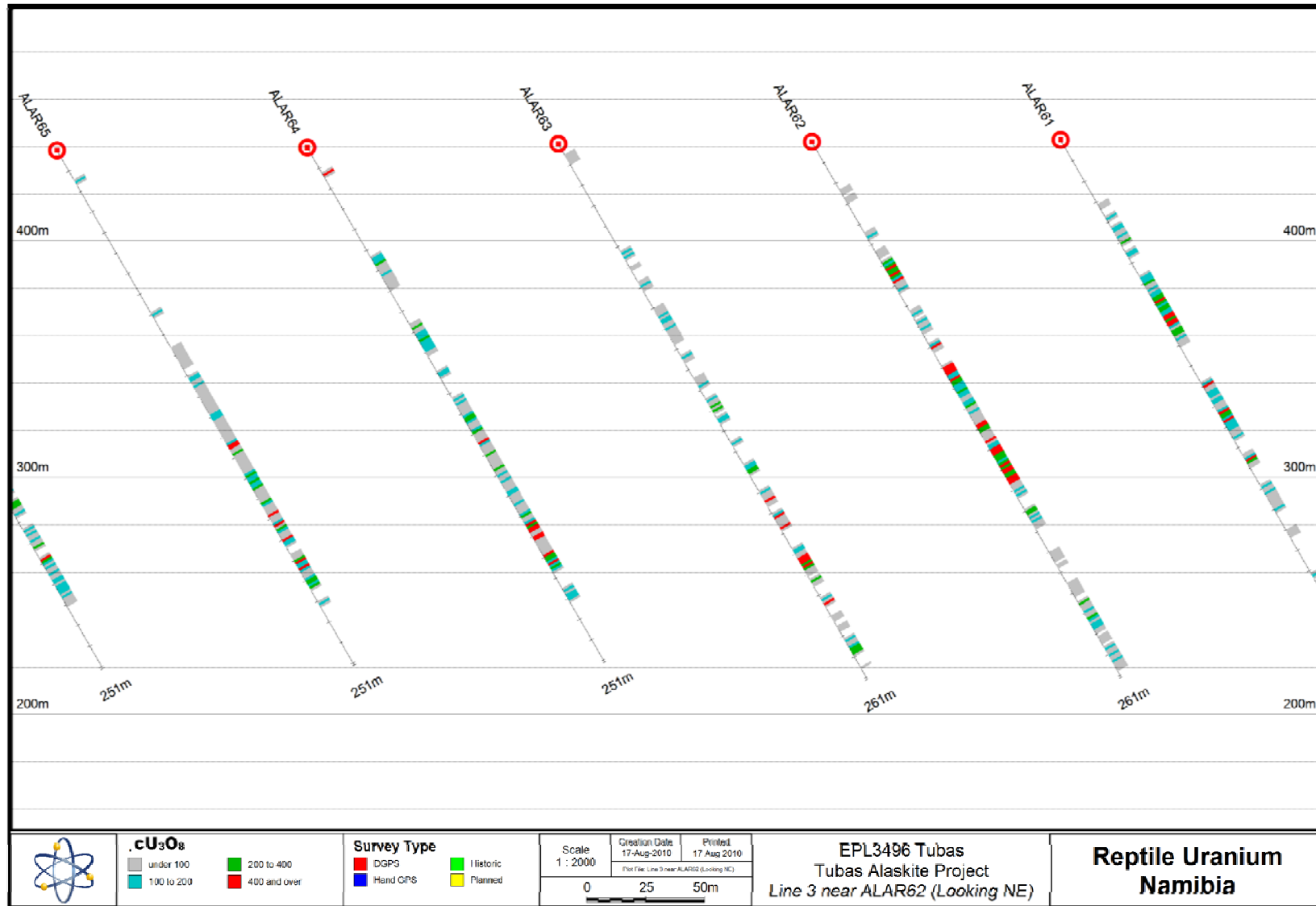


Figure 7: Tubas Alaskite Project - Line 3 near ALAR62 (Looking NE)