



ASX Announcement

ASX: DYL

4 July 2013

Further Reductions in Executive Remuneration, Board Fees and Corporate Overheads

KEY POINTS

- Executive base salaries and board fees reduced immediately by a further 5 per cent following last year's 10 per cent reduction.
- No STI cash bonus to be paid to Managing Director for FY2013 after waiving his STI cash bonus in FY2012.
- Perth head office downsized and to be relocated to smaller premises.
- Continued focus on reducing expenditure to ensure cost effective operations.

Deep Yellow Limited ('DYL' or the 'Company') has announced additional steps to reduce overhead costs due to ongoing volatility in financial markets and weakness in the uranium sector.

In July 2012 the Managing Director and Non-Executive Directors implemented a ten per cent reduction in base salary and fees and group-wide salaries were frozen in order to protect the Company's cash resources. In addition DYL's Managing Director voluntarily waived his FY2012 STI cash bonus and a gradual restructuring of the senior management team has allowed further reductions in overhead costs.

Effective immediately board fees and executive remuneration will be reduced by a further 5 per cent for at least six months (to be reviewed in November) and salary scales will remain fixed at 2012 rates. In addition, no STI cash bonus will be paid to the Managing Director for FY2013 due to market conditions.

DYL's Perth head office has been downsized to three people (Managing Director, Financial Controller and Office Manager) and plans for an office move to smaller premises by the end of the year are well advanced.

DYL's Chairman Mervyn Greene commented "We have been closely monitoring the volatility in financial markets and ongoing weakness in the uranium sector and recognise that cost discipline is an essential component of optimising the company's cash position. Having already taken significant steps last year to reduce corporate overheads it is prudent to implement further reductions until there are tangible signs of an improvement in sentiment, which we believe is only a matter of time."

For further information regarding this announcement, contact:

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For further information on the Company and its projects, visit the website at www.deepyellow.com.au

About Deep Yellow Limited

Deep Yellow Limited is an ASX-listed, Namibian-focussed advanced stage uranium exploration company. It also has a listing on the Namibian Stock Exchange.

Deep Yellow's operations in Namibia are conducted by its 100% owned subsidiary Reptile Uranium Namibia (Pty) Ltd where its flagship is the Omahola Project, which consists of high grade predominantly alaskite resources of 45.1 million pounds of U₃O₈ at 420 ppm. It also has the low grade Tubas Sand Project which is amenable to upgrading by physical beneficiation.

In Australia the Company owns the Napperby Uranium Project and numerous exploration tenements in the Northern Territory and in the Mount Isa District in Queensland.