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DRILLING CONFIRMS TUMAS PALAEOCHANNEL POTENTIAL WITH 1,722 ppm U₃O₈ OVER 13 METRE

TUMAS PROJECT (NAMIBIA)

Further chemical assays and radiometric logging data from vertical RC percussion grid drilling have been received since the release of the Company's March Quarterly Report (ASX 30 April 2008). The new results follow along the trace of a buried palaeochannel as indicated by preliminary data from the recently completed airborne electromagnetic (AEM) survey and they continue to confirm this channel's potential to host significant uranium mineralisation as indicated below: -

Chemical (XRF) assays (U₃O₈)

Drillhole	WGS8 84		TD (m)	Depth (m)		Interval (m)	U ₃ O ₈ (ppm)
	East	North		From	To		
B2.275 0.250	513248	7451723	34	13	26	13	1,722

Radiometric logging results (eU₃O₈)

Drillhole	WGS8 84		TD (m)	Depth (m)		Interval (m)	eU ₃ O ₈ (ppm)
	East	North		From	To		
B2.400 0.400	513399	7451600	25	8.155	19.405	11	241
B2.025 0.150	513149	7451974	32	12.073	22.973	11	261
B2.150 0.300	513299	7451848	19	9.560	15.360	6	494
B2.000 0.200	513200	7451997	28	10.788	23.188	12	236
B2.175 0.250	513249	7451822	25	11.443	19.493	8	434
B2.325 0.250	513250	7451675	32	14.405	23.655	9	457
B2.300 0.400	513399	7451702	22	10.245	18.345	8	550
B2.275 0.450	513450	7451723	28	10.798	26.848	16	343
B2.300 0.100	513098	7451702	35	14.335	26.185	12	529

A typical cross-section with eU₃O₈ values is shown in Figure 1. The extent of drilling in the Tumas channel to 25 April 2008 is shown in Figure 2. Figures 3 and 4 show the eU₃O₈ results in gramme tonne metre (GTM) units for the same area.

QUEENS GIFT (QUEENSLAND)

Diamond drilling has commenced at the Queens Gift prospect north of Mt Isa and to date only 150 metre has been completed in the first of 5 holes in a programme of 2,000 metre in total. This campaign will allow for better understanding of the style and distribution of the alteration and associated high grade uranium mineralisation discovered in 2007. Although no assays or radiometric logging data is available the attached photographs (see Plate 1) of core indicate extensive brecciation and hematite-carbonate-quartz alteration of the host basalt which is typically associated with uranium mineralisation at Queens Gift.

NAPPERBY (NORTHERN TERRITORY)

On 28 April 2008 Toro Energy Ltd (Toro) made an ASX announcement which provided a summary of additional drilling carried out at the Napperby Project in the Northern Territory. These drilling results highlight the extent of the mineralisation at Napperby and Toro advised that they are targeting an updated resource estimate in the June 2008 quarter.

Best drill intercepts using a 200 ppm 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 metre depth. Initial metallurgical tests are also in progress.

Toro purchased an option to acquire the Napperby Project from DYL on 19 July 2007 by issuing 3,066,667 Toro shares to DYL. The option extends for a three year period from that date during which time Toro may make an offer to purchase the project under the terms and conditions as announced to ASX 15 February 2007.

For further details on the announcement please visit www.toroenergy.com.au (**Napperby Uranium Deposit Drilling Results 28- Apr-2008**).



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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.

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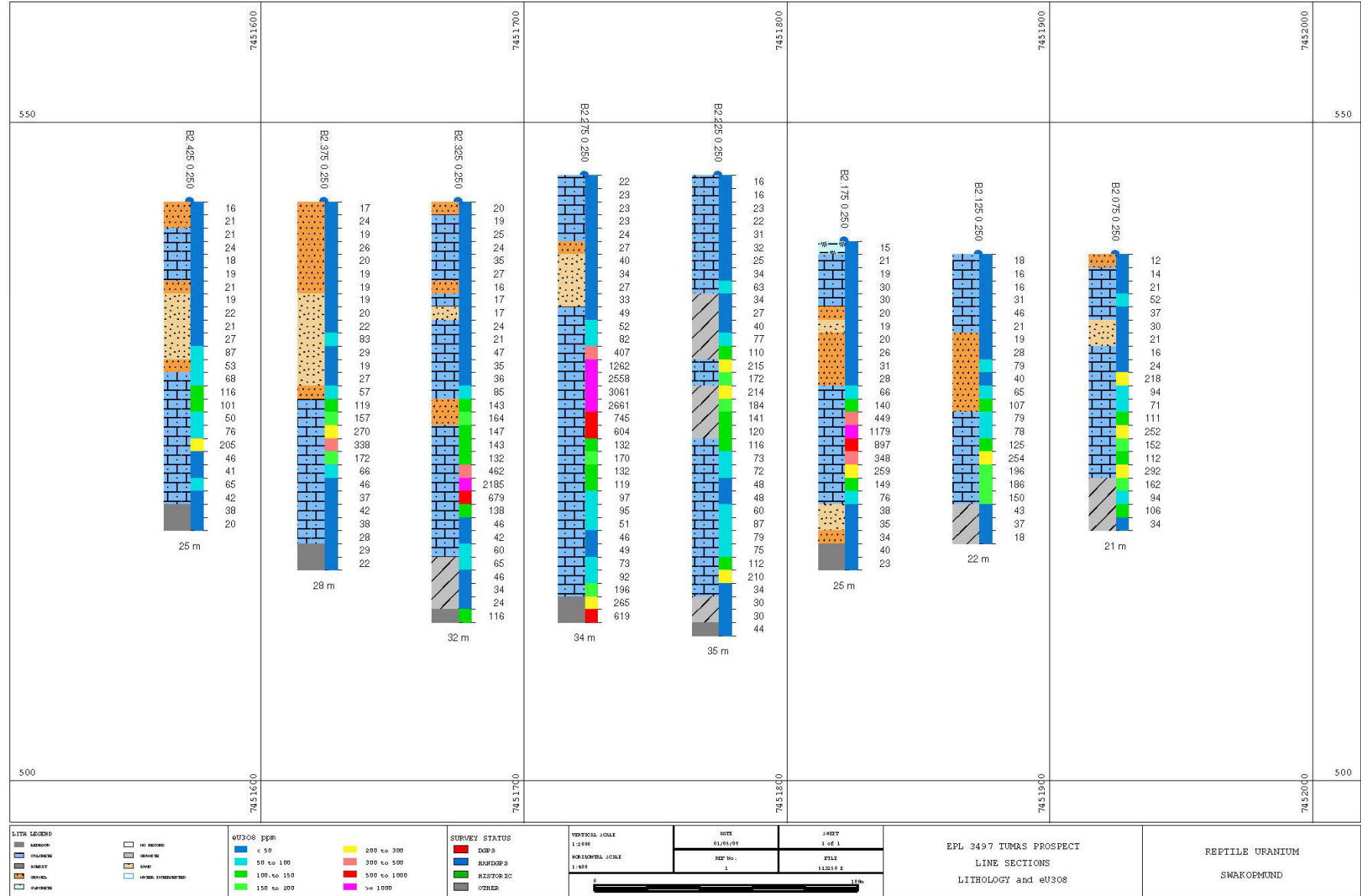


Figure 1: Tumas Cross Section

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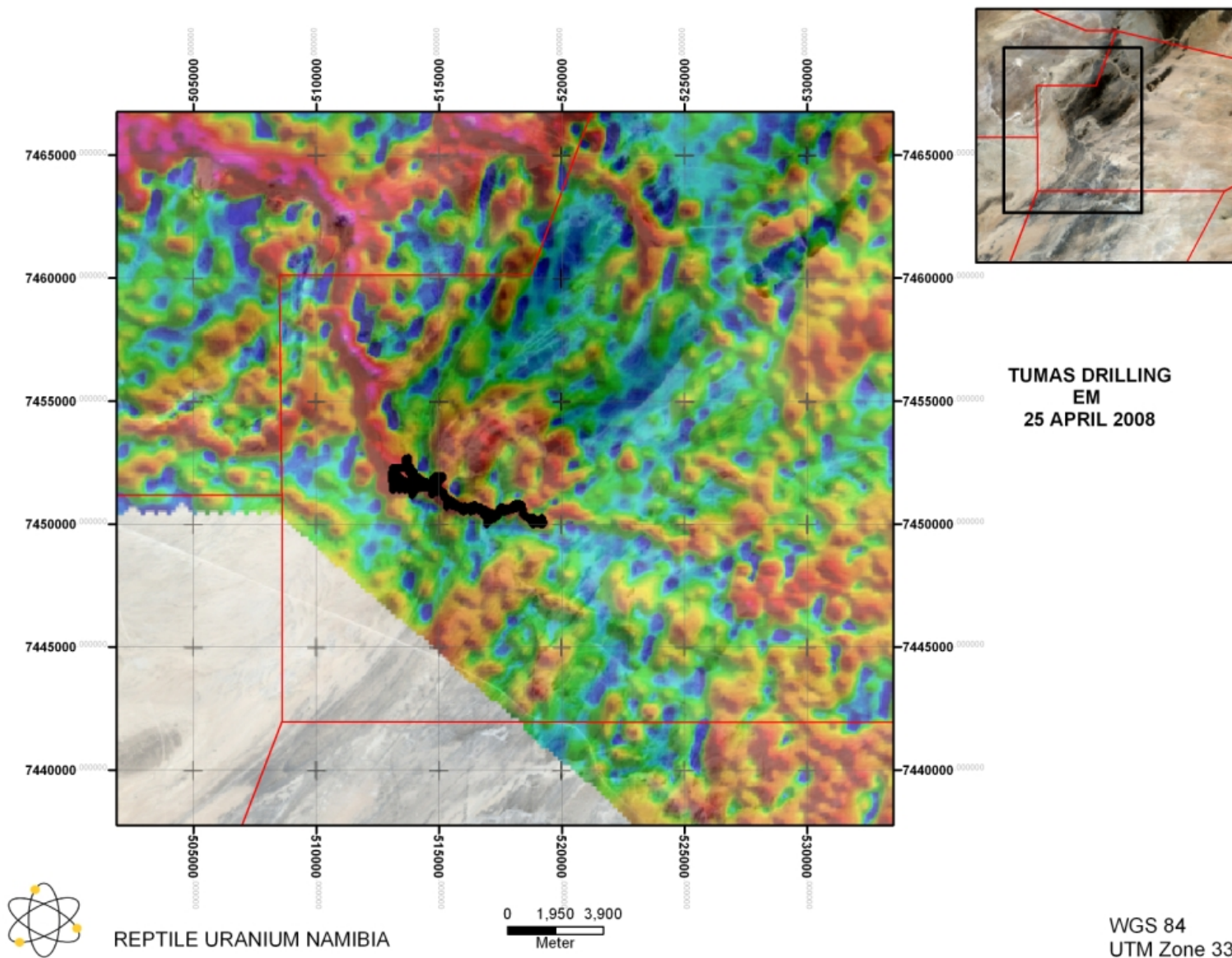


Figure 2: Airborne Electromagnetic Image – Extent of Drilling

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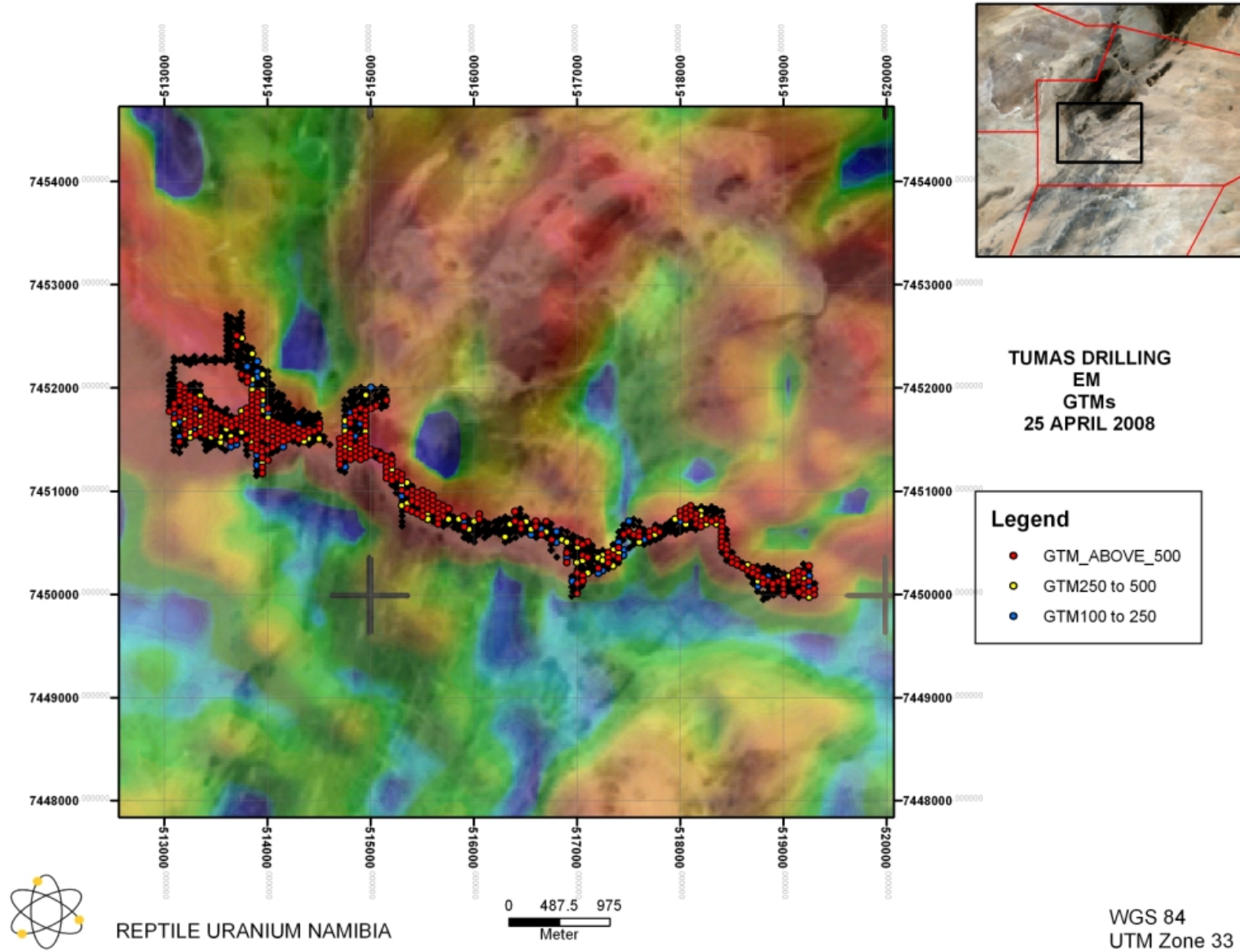


Figure 3: Airborne Electromagnetic Image – GTM Results

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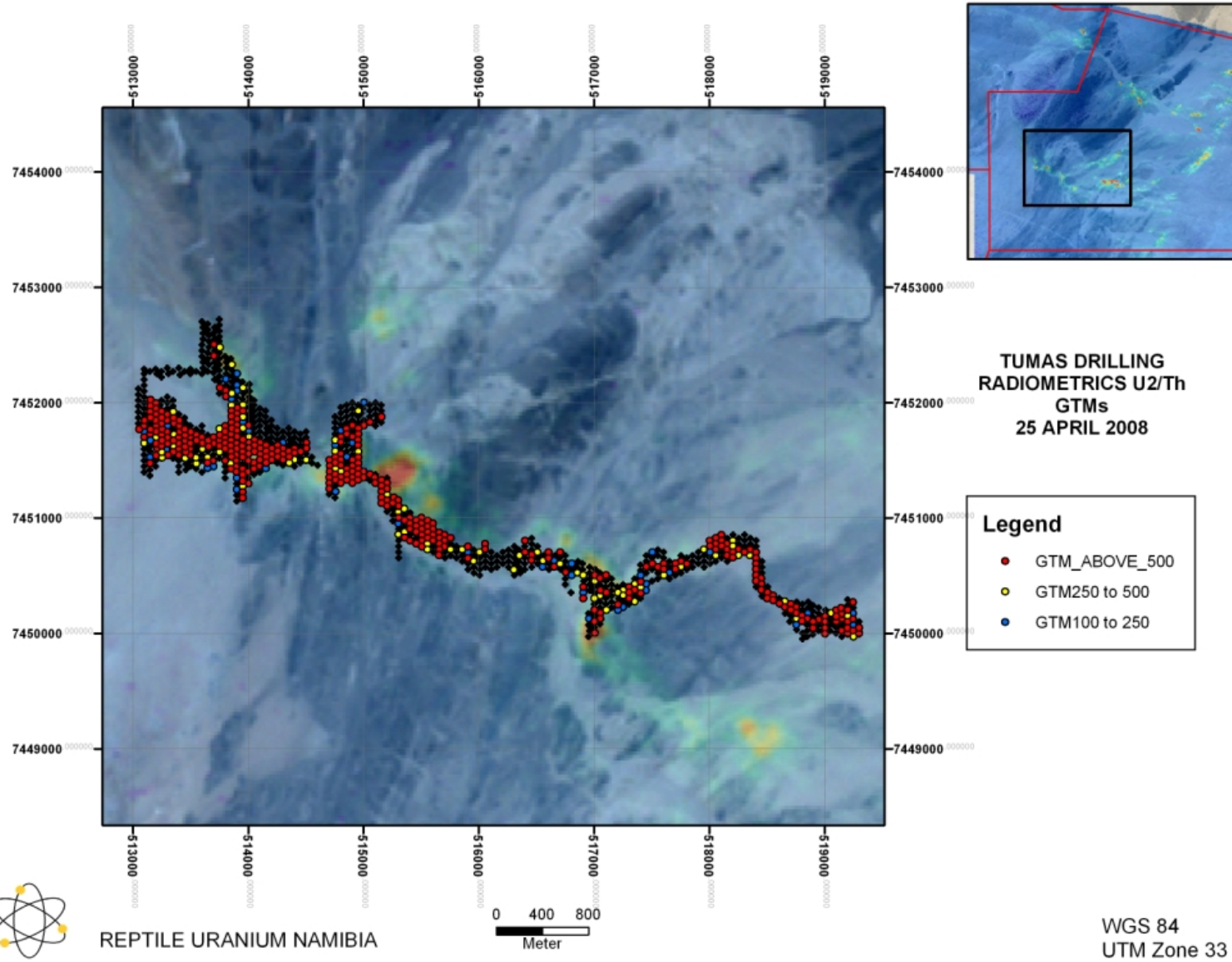


Figure 4: U²/Th Radiometric Image – GTM Results

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Photograph 1: Intense hematite-carbonate-quartz alteration and brecciation of host basalt unit



Photograph 2: Close-up of hematite alteration – brecciation

Plate 1: Diamond Drill Core – Queens Gift