Deep Yellow Limited

ASX Announcement **ASX: DYL**

30 August 2012

EXCEPTIONAL EXPLORATION RESULTS FROM THE OMAHOLA PROJECT

KEY POINTS

- **Exceptional results from the Ongolo and MS7 Alaskites exploration programme have been confirmed by XRF Fusion chemical assay.**
- **The relatively shallow intersections of reasonable widths and grades, mostly well in excess of 400 ppm U_3O_8, continue to reinforce the prospect of open pit mining with cost effective low stripping ratios.**
- **Additional encouraging results have also been confirmed from reconnaissance drilling in the Ongolo South area.**
- **At Ongolo, selected results include:**
  - **ALAR1329 5 metres at 603 ppm U_3O_8 from 52 metres**
    and 6 metres at 1,012 ppm U_3O_8 from 62 metres
  - **ALAR1272 3 metres at 1,438 ppm U_3O_8 from 159 metres**
    and 4 metres at 2,316 ppm U_3O_8 from 167 metres
  - **ALAR1276 12 metres at 565 ppm U_3O_8 from 188 metres**
    and 10 metres at 622 ppm U_3O_8 from 206 metres
- **Selected results from MS7 included:**
  - **ALAR1359 14 metres at 582 ppm U_3O_8 from 37 metres**
  - **ALAR1345 10 metres at 666 ppm U_3O_8 from 41 metres**
  - **ALAR1323 15 metres at 409 ppm U_3O_8 from 57 metres**
  - **ALAR1333 10 metres at 581 ppm U_3O_8 from 57 metres**
  - **ALAR1341 18 metres at 433 ppm U_3O_8 from 65 metres**
    and 12 metres at 414 ppm U_3O_8 from 108 metres
  - **ALAR1352 5 metres at 1,568 ppm U_3O_8 from 118 metres**
- **Mineralisation intersected between Reconnaissance Lines 9 and 13 indicate continuity of mineralisation along strike towards the Ongolo South Prospect:**
  - **ALAR1265 2 metres at 700 ppm U_3O_8 from 21 metres**
  - **and 4 metres at 482 ppm U_3O_8 from 55 metres**
  - **ALAR1268 5 metres at 417 ppm U_3O_8 from 118 metres**
  - **ALAR1270 4 metres at 802 ppm U_3O_8 from 168 metres**

Advanced stage uranium explorer Deep Yellow Limited (ASX: **DYL**) is pleased to announce exploration results from a programme conducted by its wholly owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN) from its Omahola Project (Figure 1). The programme (Figures 2 and 4) is primarily designed to increase the size and confidence of existing resources as well as test for lateral and depth extensions. Reconnaissance drilling has also been conducted, looking to find new satellite deposits for the Project.

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"We are pleased with this latest batch of results which continue to demonstrate the potential of the Omahola Project" Managing Director Greg Cochran said. "In fact the success of the programme prompted us to extend drilling at MS7 for a further two weeks to ensure we maximise the data to be included in the planned October resource update. When the rigs move to Ongolo we will be focussing on priority areas that should add further tonnes and grade to our largest alaskite deposit, whilst the encouraging results from the reconnaissance drilling show the blue sky potential of the project and the region as a whole."

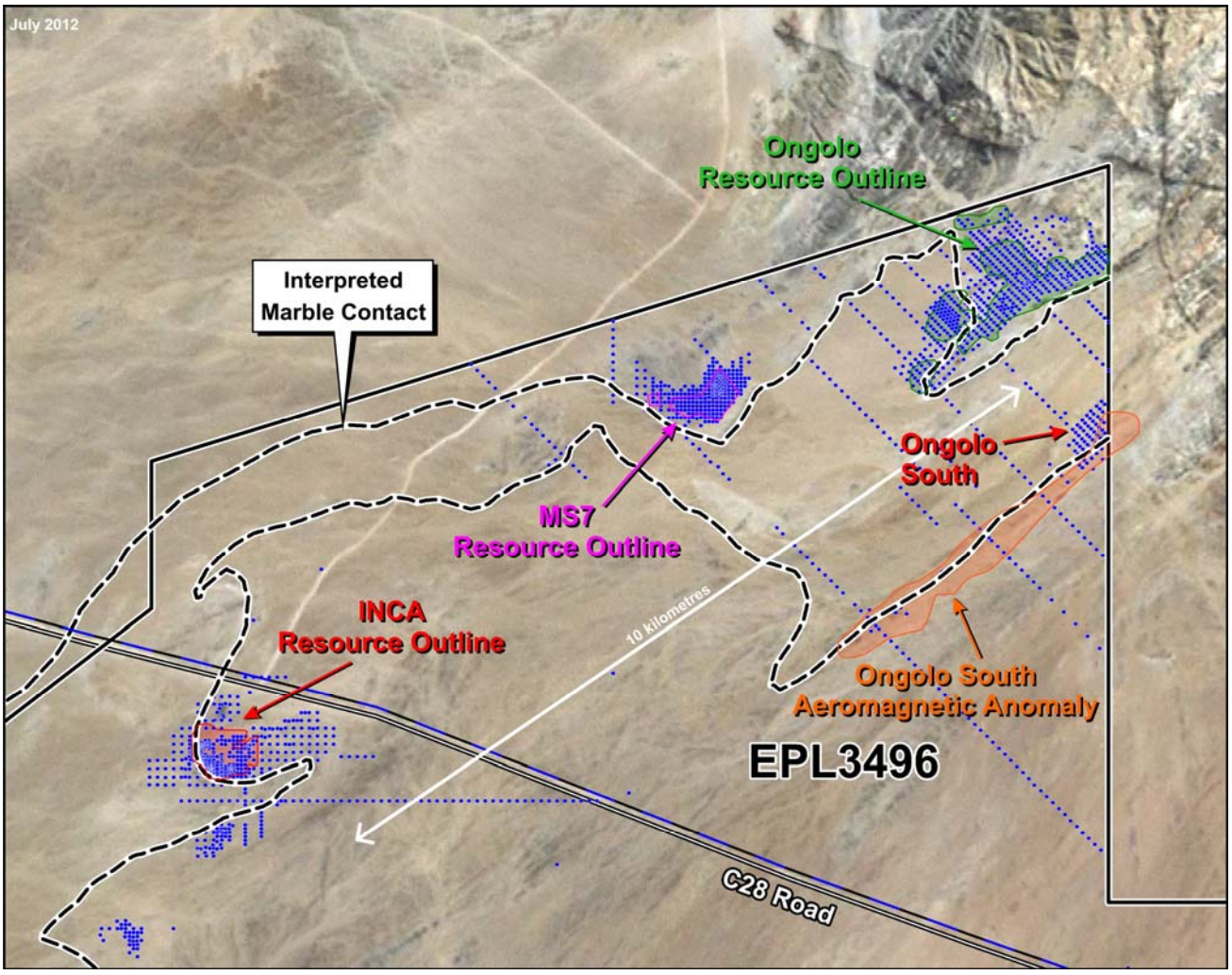

Figure 1: Resource Outlines and Drilling – Omahola Project Area

Ongolo Deposit

There were some exceptional intersections from the central sector of the Ongolo deposit (Figure 2) which outlined a relatively shallow, wide high grade zone which is open to depth. This zone will be tested by further drilling in the coming months together with the southwest sector of the deposit ahead of a JORC Mineral Resource update later in the year.

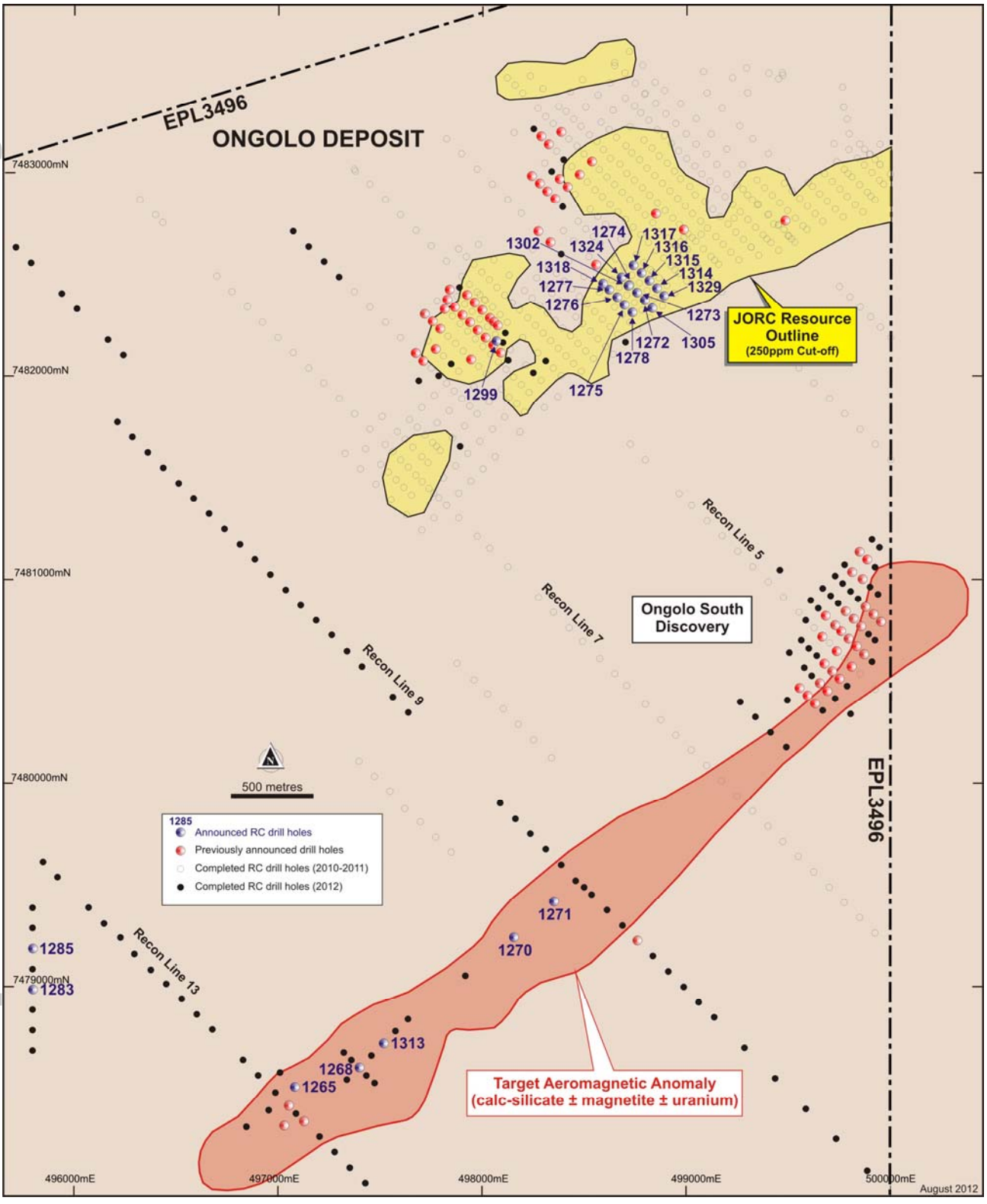

Figure 2: Ongolo Deposit and Ongolo South Prospect Drill Hole Location Plan – August 2012

The latest available chemical assay results are given in full in Appendix 1, whilst selected significant results include:

- **ALAR1305 3 metres at 1,311 ppm U_3O_8 from 44 metres**
- **ALAR1329 5 metres at 603 ppm U_3O_8 from 52 metres**
  and 6 metres at 1,012 ppm U_3O_8 from 62 metres
- **ALAR1278 6 metres at 554 ppm U_3O_8 from 61 metres**
- **ALAR1277 8 metres at 434 ppm U_3O_8 from 111 metres**
  and 5 metres at 431 ppm U_3O_8 from 172 metres
  and 5 metres at 536 ppm U_3O_8 from 208 metres
  and 4 metres at 479 ppm U_3O_8 from 249 metres
- **ALAR1272 3 metres at 1,438 ppm U_3O_8 from 159 metres**
  and 4 metres at 2,316 ppm U_3O_8 from 167 metres
- **ALAR1276 12 metres at 565 ppm U_3O_8 from 188 metres**
  and 10 metres at 622 ppm U_3O_8 from 206 metres
- **ALAR1324 6 metres at 793 ppm U_3O_8 from 250 metres**

Particularly encouraging is that the drilling is confirming contiguous zones of mineralised alaskite open to depth such as intersected in holes such as ALAR 1305, 1272, and 1324 (Figure 2 and Table 2) in the 'central' Ongolo Area.

Figure 3: RC Drilling at the Ongolo Deposit

Ongolo South Reconnaissance Drilling Programme

Initial drilling results from drilling on Reconnaissance Line 13 and a deep intersection on Reconnaissance Line 9 highlighted the prospectivity of an aeromagnetic anomaly along strike (Figures 1 and 2) southwest from the Ongolo South Prospect. Results from reconnaissance drilling along the anomaly, whilst at an early stage are encouraging and will be followed-up in 2013. Selected results include:

- **ALAR1265 2 metres at 700 ppm U_3O_8 from 21 metres**
  and 4 metres at 482 ppm U_3O_8 from 55 metres
- **ALAR1268 5 metres at 417 ppm U_3O_8 from 118 metres**
- **ALAR1270 4 metres at 802 ppm U_3O_8 from 168 metres**

MS7 Deposit

Exploration results from a programme focussing in the eastern sector of the MS7 deposit returned several high grade relatively shallow intercepts that will require further infill drilling to close off mineralisation (Figure 4). RC drilling will continue at MS7 for a further two weeks before relocating to Ongolo. The latest available chemical assay results are given in Appendix 1, Table 2, whilst selected significant results include:

- **ALAR1323 7 metres at 466 ppm U_3O_8 from 7 metres**
  and 6 metres at 450 ppm U_3O_8 from 37 metres
  and 15 metres at 409 ppm U_3O_8 from 57 metres
- **ALAR1220 11 metres at 400 ppm U_3O_8 from 25 metres**
  and 7 metres at 1,636 ppm U_3O_8 from 143 metres
- **ALAR1359 14 metres at 582 ppm U_3O_8 from 37 metres**
- **ALAR1345 10 metres at 666 ppm U_3O_8 from 41 metres**
- **ALAR1333 10 metres at 581 ppm U_3O_8 from 57 metres**
- **ALAR1341 18 metres at 433 ppm U_3O_8 from 65 metres**
  and 12 metres at 414 ppm U_3O_8 from 108 metres
- **ALAR1343 4 metres at 456 ppm U_3O_8 from 86 metres**
  and 5 metres at 1,160 ppm U_3O_8 from 96 metres
- **ALAR1344 9 metres at 538 ppm U_3O_8 from 107 metres**
  and 7 metres at 634 ppm U_3O_8 from 121 metres
- **ALAR1352 5 metres at 1,568 ppm U_3O_8 from 118 metres**
- **ALAR1350 38 metres at 417 ppm U_3O_8 from 165 metres**

During the current drilling operations downhole logging has returned additional wide high grade intercepts as equivalent uranium readings which will be confirmed, in line with DYL standard practice, by XRF chemical assay in the coming weeks.

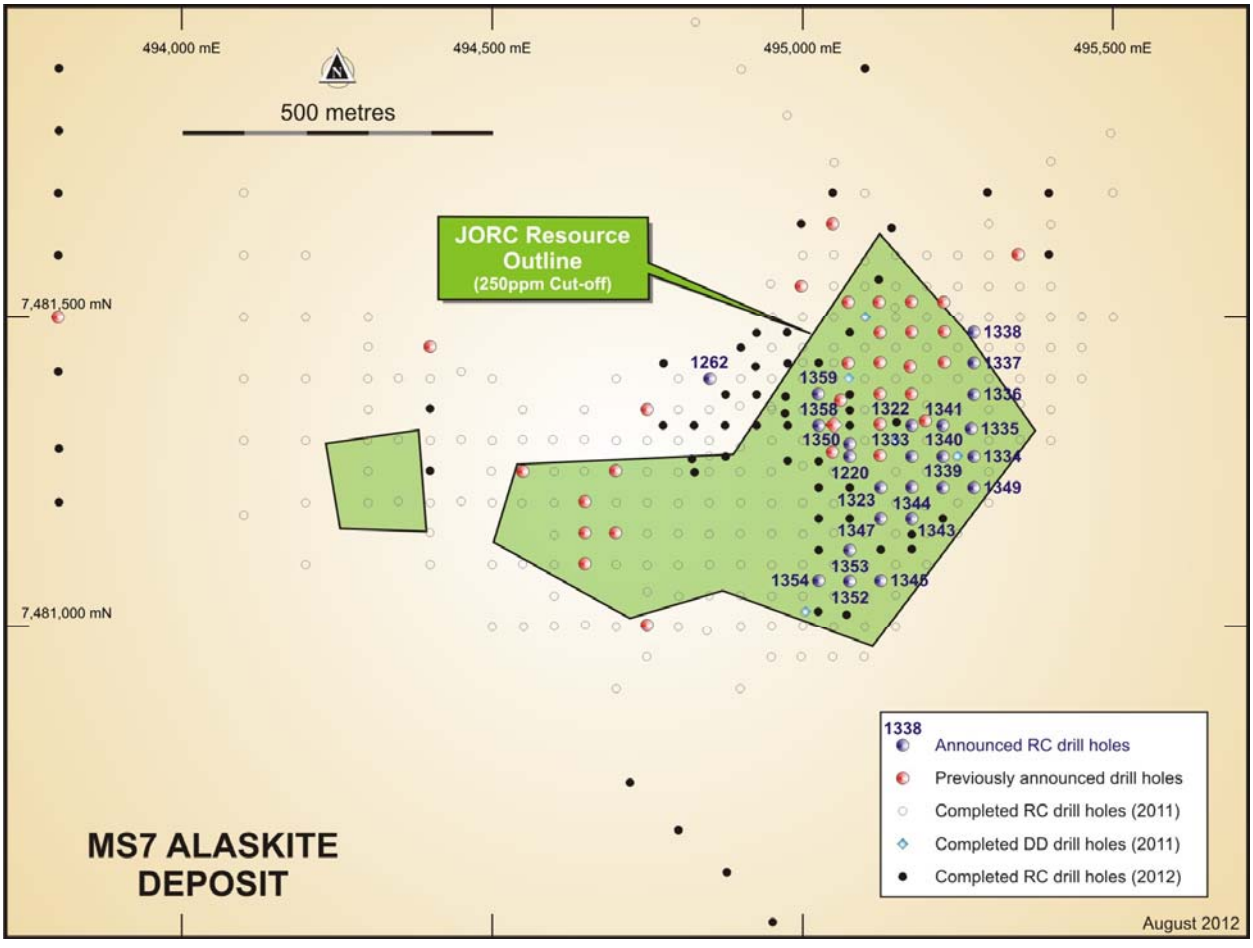

Figure 4: MS7 Alaskite Deposit Drill Hole Location Plan – August 2012

Ends

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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, advanced stage uranium exploration company with projects in the southern African nation of Namibia. It also has a listing on the Namibian Stock Exchange.

Deep Yellow's focus is in Namibia where its operations are conducted by its 100% owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN). Its flagship is the Omahola Project currently under Pre-Feasibility Study with concurrent resource drill-outs on the high grade Ongolo Alaskite – MS7 trend. It is also evaluating a stand-alone project for its Tubas- Sand uranium deposit utilising physical beneficiation techniques it successfully tested in 2011.

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.

Compliance Statement

The information in this report that relates to Exploration Results and to 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.

APPENDIX 1: Omahola Project - XRF Fusion Chemical Assay Results – August 2012

Table 1: Ongolo Area

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	SS Fusion cU_3O_8 (ppm)	GTM
						From	To	(m)		
Ongolo										
ALAR1265	497085	7478515	135	215	-60	21	23	2	700	1,400
and						55	59	4	482	1,928
ALAR1268	497398	7478615	135	217	-60	111	112	1	632	632
and						118	123	5	417	2,085
ALAR1270	498155	7479255	135	220	-60	168	172	4	802	3,208
ALAR1271	498352	7479430	135	220	-60	131	132	1	568	568
ALAR1272	498796	7482384	135	185	-60	159	162	3	1,438	4,314
and						167	171	4	2,316	9,264
ALAR1273	498759	7482422	135	255	-60	70	71	1	482	482
and						73	75	2	436	872
and						80	81	1	551	551
and						119	120	1	489	489
and						123	125	2	423	846
and						207	208	1	505	505
ALAR1274	498722	7482459	135	325	-60	43	44	1	572	572
and						48	50	2	909	1,818
and						67	69	2	696	1,392
and						138	140	2	401	802
and						180	181	1	474	474
and						215	216	1	445	445
and						241	245	4	415	1,660
and						313	314	1	499	499
and						318	321	3	410	1,230
ALAR1275	498698	7482362	135	227	-60	81	83	2	497	994
ALAR1276	498662	7482399	135	265	-60	64	66	2	482	964
and						144	146	2	408	816
and						158	160	2	432	864
and						188	200	12	565	6,780
and						206	216	10	622	6,220
and						220	222	2	412	824
ALAR1277	498624	7482436	135	307	-60	54	55	1	468	468
and						56	57	1	425	425
and						111	119	8	434	3,472
and						169	170	1	497	497
and						172	177	5	431	2,155
and						208	213	5	536	2,680
and						249	253	4	479	1,916
and						278	280	2	491	982
and						299	300	1	605	605
ALAR1278	498736	7482324	135	161	-60	61	67	6	554	3,324
ALAR1299	498071	7482184	315	200	-60	145	151	6	557	3,342
ALAR1302	498717	7482455	0	321	-90	60	62	2	452	904
and						65	68	3	443	1,329
and						116	117	1	445	445
and						196	197	1	482	482
and						199	200	1	405	405
and						209	211	2	530	1,060
and						287	288	1	560	560
ALAR1305	498834	7482346	135	160	-60	44	47	3	1,311	3,933

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	SS Fusion cU_3O_8 (ppm)	GTM
						From	To	(m)		
ALAR1313	497518	7478735	135	223	-60	99	101	2	468	936
ALAR1314	498856	7482444	135	236	-60	115	117	2	420	840
and						119	122	3	423	1,269
and						182	186	4	450	1,800
and						188	192	4	540	2,160
ALAR1315	498819	7482481	135	235	-60	170	172	2	479	958
and						185	188	3	440	1,320
and						195	198	3	462	1,386
and						200	204	4	427	1,708
and						207	209	2	440	880
ALAR1318	498594	7482467	135	320	-60	60	61	1	431	431
and						158	161	3	602	1,806
and						258	259	1	412	412
and						291	294	3	431	1,293
and						309	310	1	492	492
ALAR1316	498781	7482519	135	275	-60	167	175	8	517	4,136
ALAR1317	498744	7482556	135	297	-60	174	179	5	409	2,045
and						183	184	1	422	422
and						213	215	2	426	852
ALAR1324	498684	7482496	0	311	-90	246	248	2	954	1,908
and						250	256	6	793	4,758
and						259	261	2	414	828
and						266	272	6	415	2,490
ALAR1329	498894	7482407	135	181	-60	52	57	5	603	3,015
and						62	68	6	1,012	6,072
and						149	152	3	488	1,464
Reconnaissance Drilling										
ALAR1265	497085	7478515	135	215	-60	21	23	2	700	1,400
and						55	59	4	482	1,928
ALAR1268	497398	7478615	135	217	-60	111	112	1	632	632
and						118	123	5	417	2,085
ALAR1270	498155	7479255	135	220	-60	168	172	4	802	3,208
ALAR1271	498352	7479430	135	220	-60	131	132	1	568	568
ALAR1283	495800	7479000	180	211	-60	160	164	4	422	1,688
ALAR1285	495800	7479200	180	200	-60	161	163	2	434	868
ALAR1313	497518	7478735	135	223	-60	99	101	2	468	936

Notes: TD is total depth of hole; U_3O_8 is a chemical assay by Fusion XRF. GTM is grade thickness metre and is calculated by multiplying the interval (m) x U_3O_8 (ppm)

Values of approximately 400 ppm U_3O_8 are deemed to be significant by DYL in this environment and therefore lower average values are not reported.

Table 2: MS7 Deposit

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	SS Fusion cU_3O_8 (ppm)	GTM
						From	To	(m)		
ALAR1220	495075	7481275	180	214	-60	25	36	11	400	4,400
and						143	150	7	1,636	11,452
and						160	161	1	1,538	1,538
ALAR1262	494850	7481400	180	341	-60	273	275	2	405	810
and						287	293	6	461	2,766
ALAR1322	495175	7481325	180	220	-60	70	73	3	404	1,212
and						112	113	1	406	406
and						121	122	1	555	555
and						140	144	4	409	1,636
and						164	168	4	472	1,888
ALAR1323	495125	7481225	180	151	-60	37	43	6	450	2,700
						57	72	15	409	6,135
						76	83	7	466	3,262
ALAR1333	495175	7481275	180	220	-60	57	67	10	581	5,810
and						70	74	4	792	3,168
and						120	123	3	436	1,308
ALAR1334	495275	7481275	180	109	-60	88	91	3	409	1,227
and						96	97	1	751	751
and						83	86	3	837	2,511
ALAR1335	495271	7481320	180	139	-60	33	36	3	404	1,212
and						48	50	2	403	806
and						79	86	7	940	6,580
and						91	93	2	409	818
and						96	100	4	607	2,428
ALAR1336	495275	7481375	180	223	-60	53	57	4	423	1,692
and						75	79	4	550	2,200
ALAR1337	495275	7481426	180	187	-60	60	61	1	448	448
and						64	65	1	406	406
ALAR1338	495275	7481476	180	199	-60	109	110	1	429	429
ALAR1339	495225	7481225	180	151	-60	25	26	1	431	431
and						33	38	5	443	2,215
and						139	140	1	401	401
ALAR1340	495225	7481275	180	163	-60	79	80	1	449	449
ALAR1341	495225	7481325	180	181	-60	65	83	18	433	7,794
and						89	91	2	515	1,030
and						108	120	12	414	4,968
ALAR1343	495175	7481175	180	133	-60	67	68	1	503	503
and						72	73	1	450	450
and						86	90	4	456	1,824
						92	94	2	412	824
						96	101	5	1,160	5,800
ALAR1344	495175	7481226	180	139	-60	34	35	1	459	459
and						76	78	2	469	938
and						107	116	9	538	4,842
and						121	128	7	634	4,438
ALAR1347	495125	7481175	180	151	-60	68	71	3	448	1,344
ALAR1345	495125	7481075	180	121	-60	19	21	2	778	1,556
and						41	51	10	666	6,660
ALAR1349	495275	7481225	180	109	-60	60	61	1	400	400
ALAR1350	495075	7481295	0	325	-90	0	4	4	603	2,412
and						37	41	4	470	1,880

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	SS Fusion cU_3O_8 (ppm)	GTM
						From	To	(m)		
and						**46**	**50**	**4**	**403**	**1,612**
and						**165**	**203**	**38**	**417**	**15,846**
and						**222**	**225**	**3**	**995**	**2,985**
and						**230**	**232**	**2**	**413**	**826**
and						**260**	**261**	**1**	**510**	**510**
and						**272**	**279**	**7**	**403**	**2,821**
ALAR1352	**495075**	**7481075**	**180**	**145**	**-60**	**28**	**31**	**3**	**627**	**1,881**
and						**40**	**44**	**4**	**497**	**1,988**
and						**49**	**50**	**1**	**446**	**446**
and						**53**	**54**	**1**	**493**	**493**
and						**118**	**123**	**5**	**1,568**	**7,840**
ALAR1353	**495075**	**7481125**	**180**	**181**	**-60**	**17**	**20**	**3**	**690**	**2,070**
and						**48**	**49**	**1**	**604**	**604**
ALAR1354	**495025**	**7481075**	**180**	**181**	**-60**	**74**	**79**	**5**	**487**	**2,435**
ALAR1358	**495025**	**7481325**	**180**	**247**	**-60**	**83**	**89**	**6**	**691**	**4,146**
and						**159**	**161**	**2**	**431**	**862**
and						**206**	**212**	**6**	**881**	**5,286**
and						**224**	**230**	**6**	**415**	**2,490**
ALAR1359	**495025**	**7481376**	**180**	**319**	**-60**	**21**	**24**	**3**	**904**	**2,712**
and						**37**	**51**	**14**	**582**	**8,148**
and						**59**	**67**	**8**	**424**	**3,392**
and						**83**	**86**	**3**	**412**	**1,236**
and						**149**	**157**	**8**	**411**	**3,288**
and						**214**	**216**	**2**	**407**	**814**
and						**267**	**268**	**1**	**411**	**411**

Notes: TD is total depth of hole; U_3O_8 is a chemical assay by Fusion XRF. GTM is grade thickness metre and is calculated by multiplying the interval (m) x U_3O_8 (ppm)

Values of approximately 400 ppm U_3O_8 are deemed to be significant by DYL in this environment and therefore lower average values are not reported**.**