

13 May 2010

DEEP YELLOW'S NAMIBIAN MINERAL RESOURCES NOT AFFECTED BY PROPOSED RESOURCES SUPER PROFITS TAX

HIGHLIGHTS

- **Deep Yellow's primary uranium exploration focus is in Namibia**
 - **Projects held by wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd**
 - **Namibian projects in total contain 117 million tonnes at 253 ppm for 29,650 tonnes (65.3 Mlbs) U₃O₈**
 - **Pre-Feasibility Study underway for Omahola Project**
 - **7 - 8 drill rigs actively drilling 12 - 15,000 metres per month**
 - **Proposed Resources Super Profits Tax will not apply to uranium mined in Namibia**
 - **RSPT intended to apply only to resources mined in Australia**
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Deep Yellow Limited (ASX Code: **DYL**) is pleased to announce that based on its understanding of the application of the proposed **Resources Super Profits Tax**, this tax **will not apply** to potential future mining operations in Namibia, as the tax is intended to only apply to resources mined in Australia.

While Deep Yellow has exploration projects in Australia, its principal focus is in Namibia where it is actively exploring through its wholly-owned subsidiary **Reptile Uranium Namibia (Pty) Ltd (RUN)**. RUN has 52 full-time employees plus drilling contractors and has been operating **7 - 8 drilling rigs** at any one time and **drilling 12 – 15,000 metres per month**. Drilling is principally reverse circulation (RC) and a lesser amount of diamond coring.

Deep Yellow's key projects in Namibia are summarised below and shown in Figure 1, and JORC Code Mineral Resources are listed in Table 1.

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Omahola Project

- Pre-Feasibility Study underway
- Consists of the **INCA** and **Tubas Red Sand** deposits
- Combined initial JORC Code Mineral Resource estimate for both deposits of 29.8 million tonnes (Mt) at 287 ppm eU₃O₈ for 8,583 tonnes (18.9 Mlbs) eU₃O₈
- Currently drilling resources with 2 RC rigs and 1 diamond rig
- Mineral Resource update anticipated in September Quarter

Tumas Project

- JORC Code Mineral Resource estimate of 10 Mt at 345 ppm U₃O₈ for 3,447 tonnes (7.6 Mlbs) U₃O₈
- Currently drilling resources with 2 RC rigs
- Mineral Resource update anticipated in September Quarter

Tubas Project

- JORC Code Mineral Resource estimate of 77.3 Mt at 228 ppm U₃O₈ for 17,620 tonnes (38.8 Mlbs) U₃O₈

Aussinanis Project

- JORC Code Mineral Resource estimate in progress

Tubas Alaskite project area

- High grade alaskite hosted uranium mineralisation discovery announced 29 April 2010 with 89 metres at 400 ppm cU₃O₈ from 128 metres, including:
 - 11 metres at 710 ppm cU₃O₈ from 182 metres, and
 - 16 metres at 600 ppm cU₃O₈ from 199 metres
- Currently drilling reconnaissance holes with 2 RC rigs

Nova Joint Venture tenements

- Currently drilling reconnaissance holes with 1 RC rig



Table 1: JORC Code Mineral Resource Estimates (as previously individually released to ASX)

JORC Code Mineral Resource Summary – May 2010							
DEPOSIT	CATEGORY	TONNE	U ₃ O ₈ (ppm)	U ₃ O ₈ (%)	U ₃ O ₈ (kg/t)	U ₃ O ₈ (t)	U ₃ O ₈ (lb)
REPTILE URANIUM NAMIBIA (RUN)							
Omahola Project							
INCA *♦	Inferred	10,000,000	402	0.0400	0.400	4,066	9,000,000
INCA *♦	Indicated	6,000,000	392	0.0392	0.392	2,300	5,000,000
Tubas Red Sand #♦	Inferred	10,674,200	158	0.0158	0.158	1,685	3,710,600
Tubas Red Sand #♦	Measured/ Indicated	3,172,500	168	0.0168	0.168	532	1,172,668
Other RUN Projects							
Tumas*	Indicated	9,000,000	343	0.0343	0.343	3,087	6,806,835
Tumas*	Inferred	1,000,000	360	0.0360	0.360	360	793,800
Tubas #	Inferred	77,278,820	228	0.0228	0.228	17,620	38,852,100
Aussinanis	Estimation in progress						
RUN PROJECT TOTALS		117,125,520	253	0.0253	0.253	29,650	65,336,003

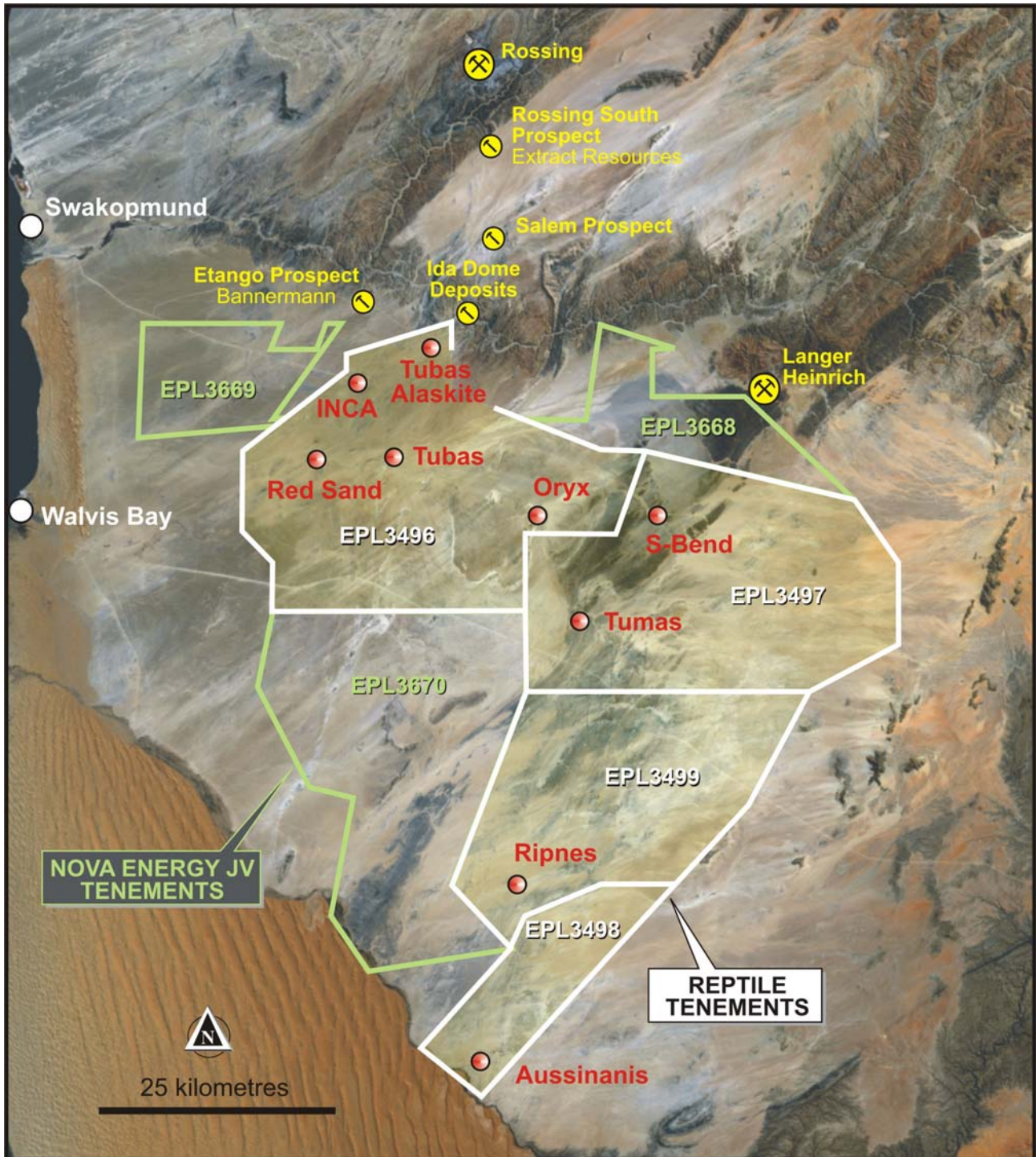


Figure 1: Location map showing RUN's four EPLs and projects, the three Nova JV EPLs plus uranium mines and projects held by other companies in the area.

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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.

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 uranium 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.