Deep Yellow Limited

ASX Announcement **ASX: DYL**

9 August 2011

FURTHER HIGH GRADE URANIUM RESULTS FROM NEW DISCOVERIES MS7 AND INCA FS

KEY POINTS

- **Further wide high grade intercepts from RC drilling at the MS7 Prospect have been confirmed by chemical assay:**
  - **ALAR609 36 metres at 536 ppm U_3O_8 from 142 metres**
  - **ALAR614 44 metres at 506 ppm U_3O_8 from 38 metres**
- **The MS7 main mineralised zone is now 400 metres long and 200 metres wide.**
- **Drilling continues testing the potential that MS7 may ultimately join up with the Ongolo Alaskite Resource area.**
- **A shallow very high grade intercept from RC drilling at the INCA FS Prospect has also been confirmed by chemical assay:**
  - **INCR454 22 metres at 1,195 ppm U_3O_8 from 32 metres**

Advanced stage uranium explorer **Deep Yellow Limited** (ASX: **DYL**) is pleased to announce that its wholly owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN) has received chemical assay results confirming additional high-grade intercepts from its ongoing drilling programmes along the Ongolo-INCA trend in Namibia.

Deep Yellow Managing Director expressed his satisfaction at the ongoing success of the company's ongoing Namibian exploration programme. "Ongolo MS7 is starting to look more and more like the Ongolo Deposit, although it may be structurally simpler which works in our favour. In addition, the possibility that it could join up with Ongolo means that we may have discovered a much larger higher grade alaskite deposit."

Ongolo Alaskite – MS7 Prospect

As announced in a release dated 6 July 2011, when the MS7 alaskite discovery was made public, the prospect is located approximately 2 kilometres to the west of the Ongolo deposit (see Figure 1). Current drilling is in a uniform direction to the south at 60^o as the stratigraphy is folded and dips to the north, north-east and north-west. The main mineralised zone extends about 400 metres along the strike and is up to 200 metres wide.

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Drilling has continued as a result of consistently good results with growing recognition that the geology of the area closely replicates the main Ongolo resource area and may, with further drilling, join up with it. From regional geology it is believed that the uraniferous alaskites are within the Khan formation and mineralisation usually seems to be concentrated when these alaskites come into contact with the Rossing and Chuos formations, the marble acting as the impermeable layer.

As can be seen from the section presented in Figure 2, the zones of higher grade uranium mineralisation (based here on eU_3O_8 data) in holes ALAR613, 510 and 614 occur in granite with some evidence of a spatial relationship with the marble (depicted by the sky blue lines). The geology and structure seems to be less complicated than at Ongolo and two surface collared HQ diamond holes will soon be undertaken to better understand both aspects.

The latest significant chemical XRF assays include:

- **ALAR609 36 metres at 536 ppm U_3O_8 from 142 metres**
- **ALAR614 44 metres at 506 ppm U_3O_8 from 38 metres**
- **ALAR614 11 metres at 411 ppm U_3O_8 from 155 metres**

The available chemical assay results from the MS7 intercepts are given in Appendix 1.

INCA FS Prospect

RC drilling at the INCA FS prospect (Figure 1), located 2 kilometres south of the INCA deposit, also continues to return high grade intercepts in addition to those reported recently in a separate release and in the June quarterly, namely:

- **INCR454 22 metres at 1,195 ppm U_3O_8 from 32 metres**

The available chemical assay results from the INCA FS intercepts are given in Appendix 1.

Drilling Continues

Seven RC rigs and two diamond rigs are now drilling in the Omahola Project area (see Figure 1). A number of mineralised holes at Ongolo, MS7 and INCA FS, which also had high-grade downhole gamma logging results are still in the process of being assayed. Results will be released as soon as the chemical assay results are available.

Ends

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For further information on the Company and its projects
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About Deep Yellow Limited

Deep Yellow Limited (DYL) is an ASX-listed, advanced stage uranium exploration Company with extensive operations in the southern African nation of Namibia and in Australia. It also has a listing on the NSX.

DYL's primary 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 – INCA trend.

In Australia the Company is focused on resource delineation of mid to high grade discoveries in the Mount Isa district in Queensland and also owns the Napperby Uranium Project and numerous exploration tenements in the Northern Territory.

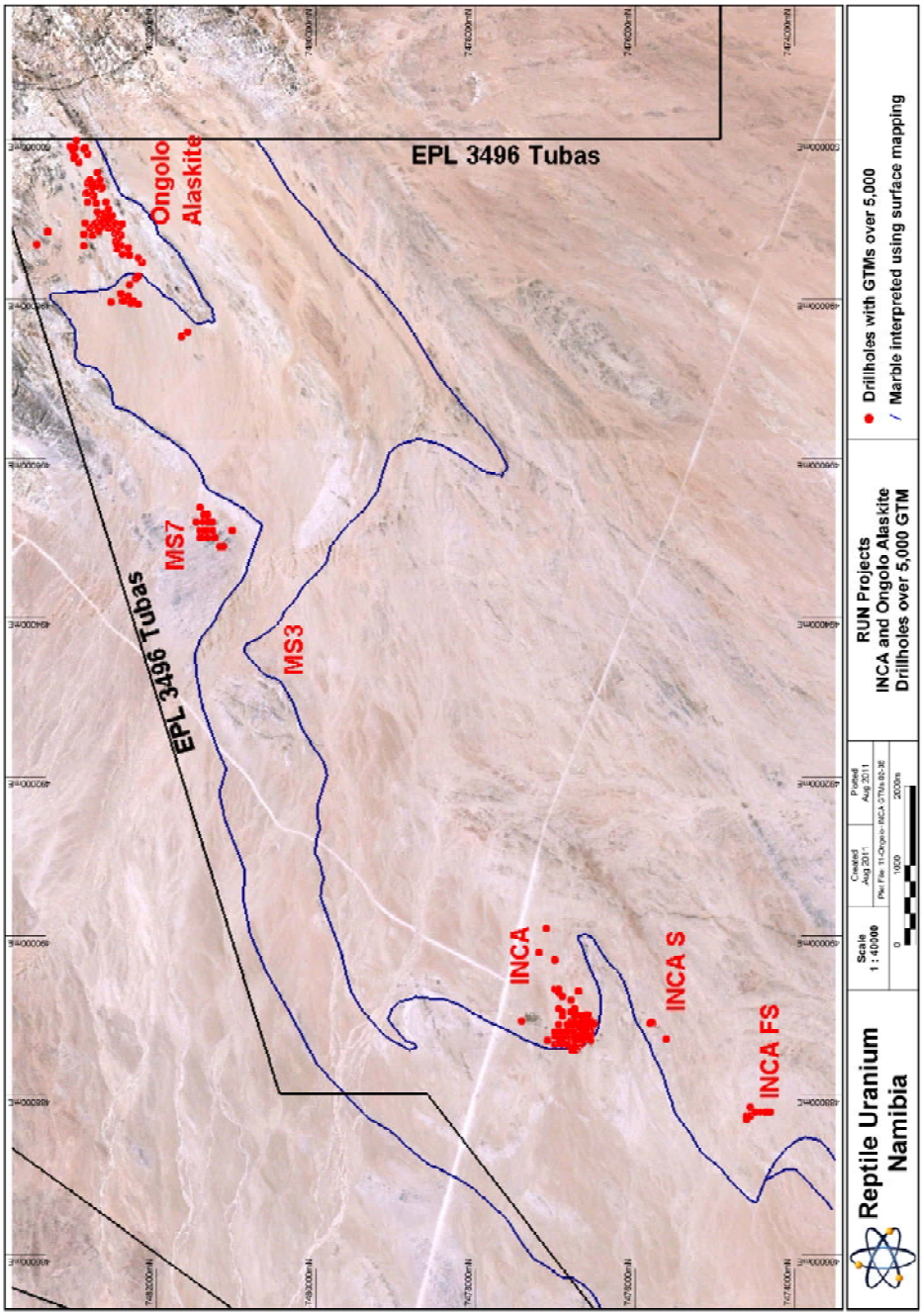

Figure 1: Location map for the INCA and Ongolo Alaskite deposits also showing the new targets of MS7, MS3, INCA S and INCA FS.

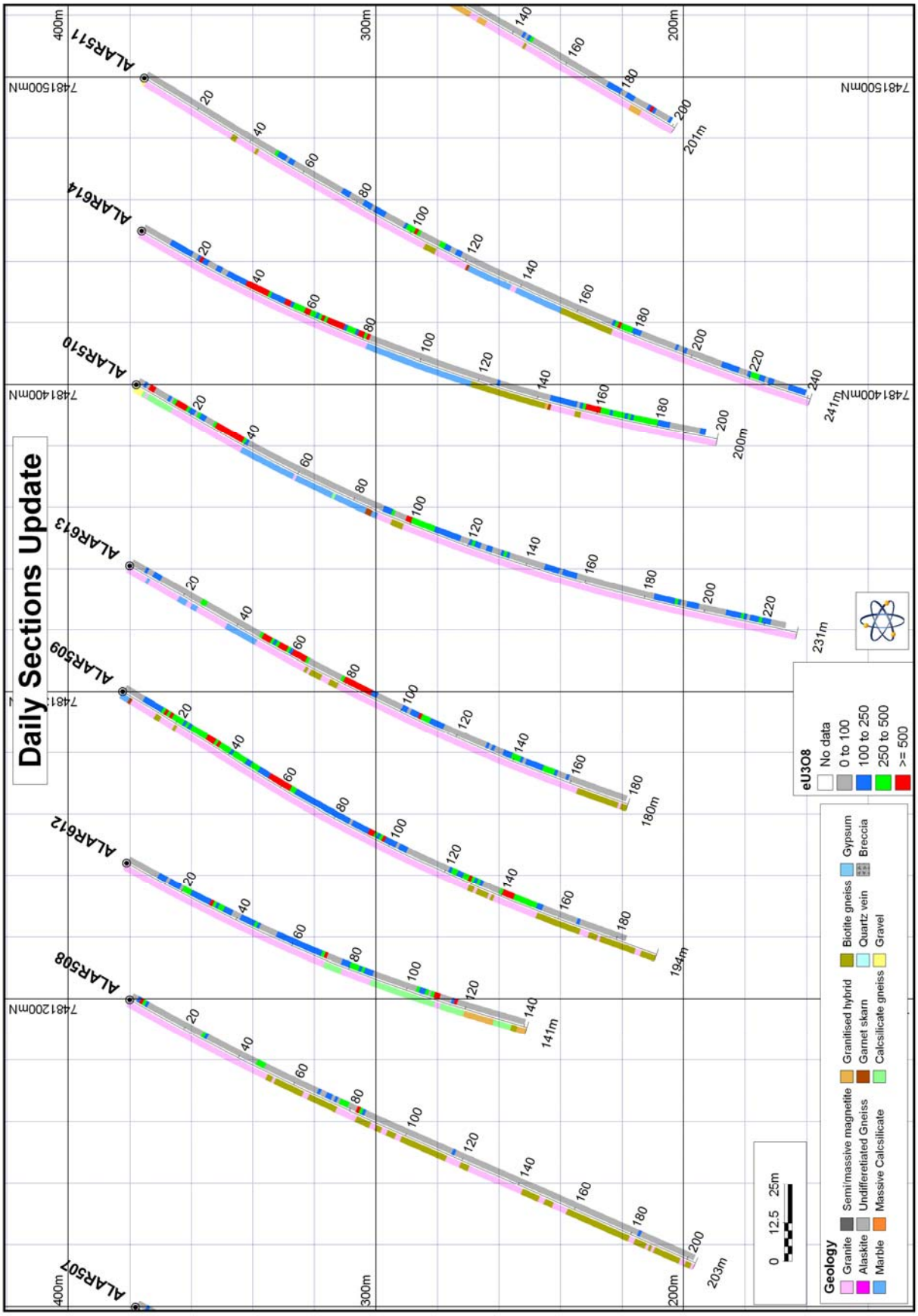

Figure 2: MS7 Prospect: Section 495100E geology and eU_3O_8

Appendix 1: Fusion XRF Chemical Assay Results MS7 and INCA Far South Prospects

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	U_3O_8 (ppm)
						From	To	(m)	
ALAR609	495200	7481500	180	190	-60	90	92	2	567
and						142	178	36	536
ALAR611	495100	7481050	180	120	-60	4	9	5	437
and						68	82	14	414
ALAR614	495100	7481450	180	200	-60	38	82	44	506
and						155	166	11	411
INCR454	487800	7474300	0	153	-90	32	54	22	1,195

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.

Compliance Statements

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.

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. All probes are calibrated either at the Pelindaba Calibration facility in South Africa or at the Adelaide Calibration facility in South Australia.