



26 May 2010

## DEEP YELLOW ADDS 18.1 MILLION POUNDS TO URANIUM RESOURCES IN NAMIBIA AT AUSSINANIS

### HIGHLIGHTS

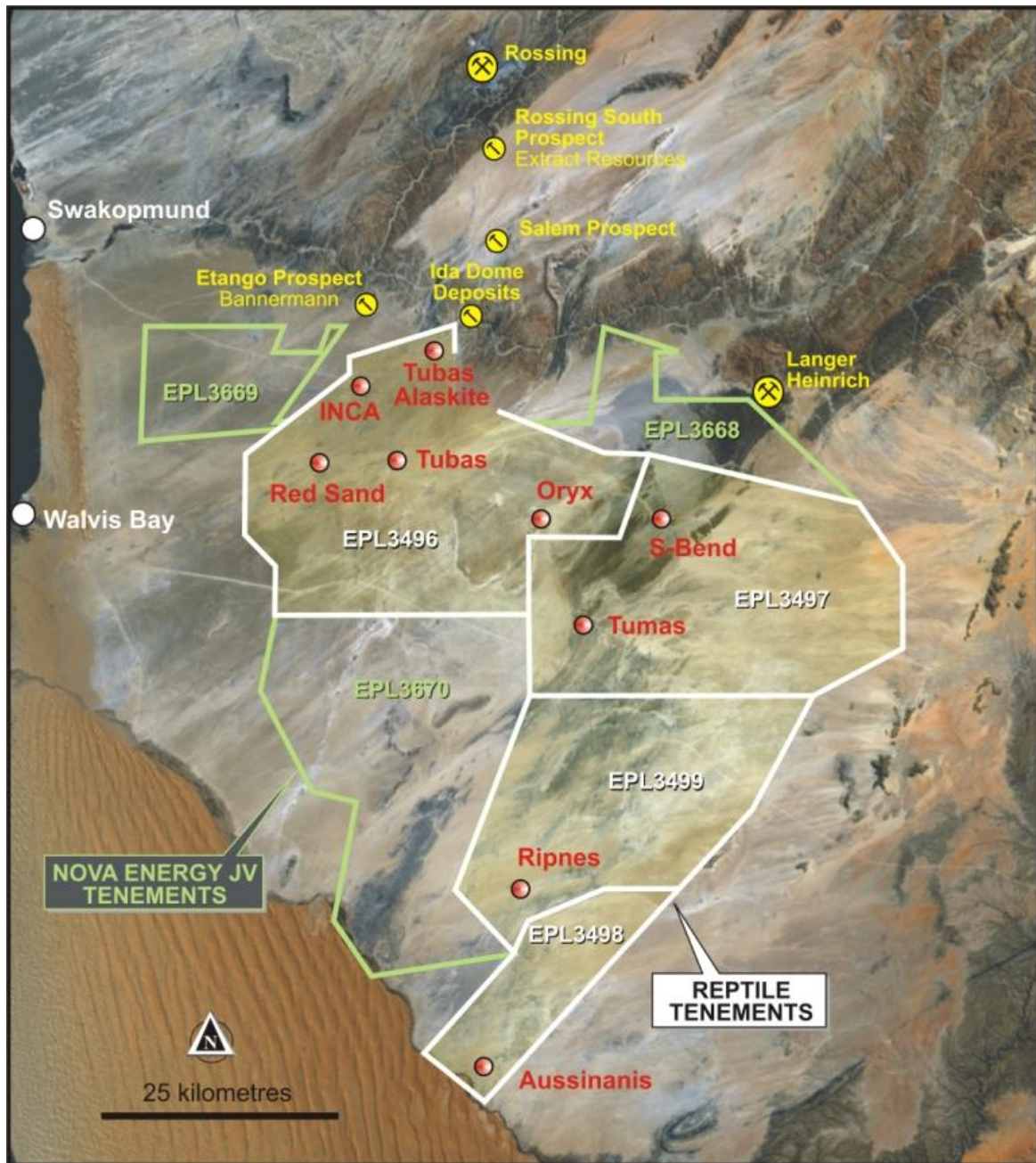
- Mineral Resource estimates completed for the Aussinanis uranium deposit in Namibia
  - 35 M tonnes at 237 ppm eU<sub>3</sub>O<sub>8</sub> for 8,203 tonnes (18.1 Mlb) eU<sub>3</sub>O<sub>8</sub> at 150 ppm U<sub>3</sub>O<sub>8</sub> cut-off grade
  - Indicated and Inferred resources are reported in accordance with the JORC Code
- Aussinanis is held by Deep Yellow's wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd
- Uranium mineralisation is present from surface to an average depth of 6 metres as carnotite hosted in sediments and calcrete
- Deep Yellow assessing a move to a Conceptual Study for the determination of preliminary project economics
- Deep Yellow's combined Mineral Resources for all its projects increases to 165 M tonnes at 260 ppm U<sub>3</sub>O<sub>8</sub> for 42,744 tonnes (94.2 Mlbs) U<sub>3</sub>O<sub>8</sub>

Deep Yellow Limited (ASX Code: DYL) is pleased to announce the completion of a **Mineral Resource estimate by Hellman & Schofield Pty Ltd (H&S)** for the **Aussinanis uranium deposit** in Namibia. Aussinanis is controlled by DYL's wholly-owned subsidiary **Reptile Uranium Namibia Pty Ltd (RUN)**.

Aussinanis is located approximately 100 kilometres south-southwest of Swakopmund, Namibia on RUN's **EPL3498** (Figure 1). The **Mineral Resource estimate** includes **Indicated and Inferred** resources reported in accordance with the **JORC Code** for a total of **35 M tonnes at 237 ppm eU<sub>3</sub>O<sub>8</sub> for 8,203 tonnes (18.1 Mlb) eU<sub>3</sub>O<sub>8</sub> at cut-off grade of 150 ppm eU<sub>3</sub>O<sub>8</sub>**. Mineral Resource estimates using a range of cut-off grades are presented in Table 1.

Results of the Mineral Resource estimate indicate that Aussinanis is a very large, low-grade uranium resource. However given its proximity to other uranium resources held by RUN in the area, DYL and RUN are assessing the merits of embarking on a Conceptual Study to determine preliminary project economics as a standalone project or in conjunction with other 100% owned uranium resources.

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**Figure 1: Tenement and Project Area Location Map**

Uranium mineralisation at Aussinanis occurs as secondary carnotite enrichment of variably calcretised palaeochannel and sheetwash sediments and adjacent weathered bedrock within a northeast trending zone approximately 29 kilometres in length (Figure 2). The mineralisation commonly outcrops but is generally overlain by an average thickness 1.7 metres of poorly mineralised material. Mineralised domain thickness ranges from 1 to 19 metres and average approximately 4.4 metres.

DYL’s schedule of Mineral Resources for all projects including Measured, Indicated and Inferred resources now totals **165 M tonnes at 260 ppm U<sub>3</sub>O<sub>8</sub> for 42,744 tonnes (94.2 Mlb) U<sub>3</sub>O<sub>8</sub>** at various cut-off grades for different projects as shown in Table 2.

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**Table 1: Aussinanis – Mineral Resource Estimates at Various Cut-Off Grades**

<b>Category</b>	<b>Cut-Off U<sub>3</sub>O<sub>8</sub> ppm</b>	<b>Million Tonnes</b>	<b>Grade (eU<sub>3</sub>O<sub>8</sub> ppm)</b>	<b>Tonnes (eU<sub>3</sub>O<sub>8</sub>)</b>	<b>Million Lbs (eU<sub>3</sub>O<sub>8</sub>)</b>
<b>Indicated</b>	<b>50</b>	<b>22</b>	<b>126</b>	<b>2,810</b>	<b>6.19</b>
	<b>100</b>	<b>12</b>	<b>168</b>	<b>2,066</b>	<b>4.56</b>
	<b>150</b>	<b>5.6</b>	<b>222</b>	<b>1,243</b>	<b>2.74</b>
<b>Inferred</b>	<b>50</b>	<b>194</b>	<b>110</b>	<b>21,340</b>	<b>47.1</b>
	<b>100</b>	<b>70</b>	<b>170</b>	<b>11,900</b>	<b>26.2</b>
	<b>150</b>	<b>29</b>	<b>240</b>	<b>6,960</b>	<b>15.3</b>
<b>TOTALS</b>	<b>50</b>	<b>218</b>	<b>112</b>	<b>24,150</b>	<b>53.2</b>
	<b>100</b>	<b>82</b>	<b>170</b>	<b>13,966</b>	<b>30.8</b>
	<b>150</b>	<b>35</b>	<b>237</b>	<b>8,203</b>	<b>18.1</b>

Figures have been rounded to reflect the accuracy of estimates and include rounding errors

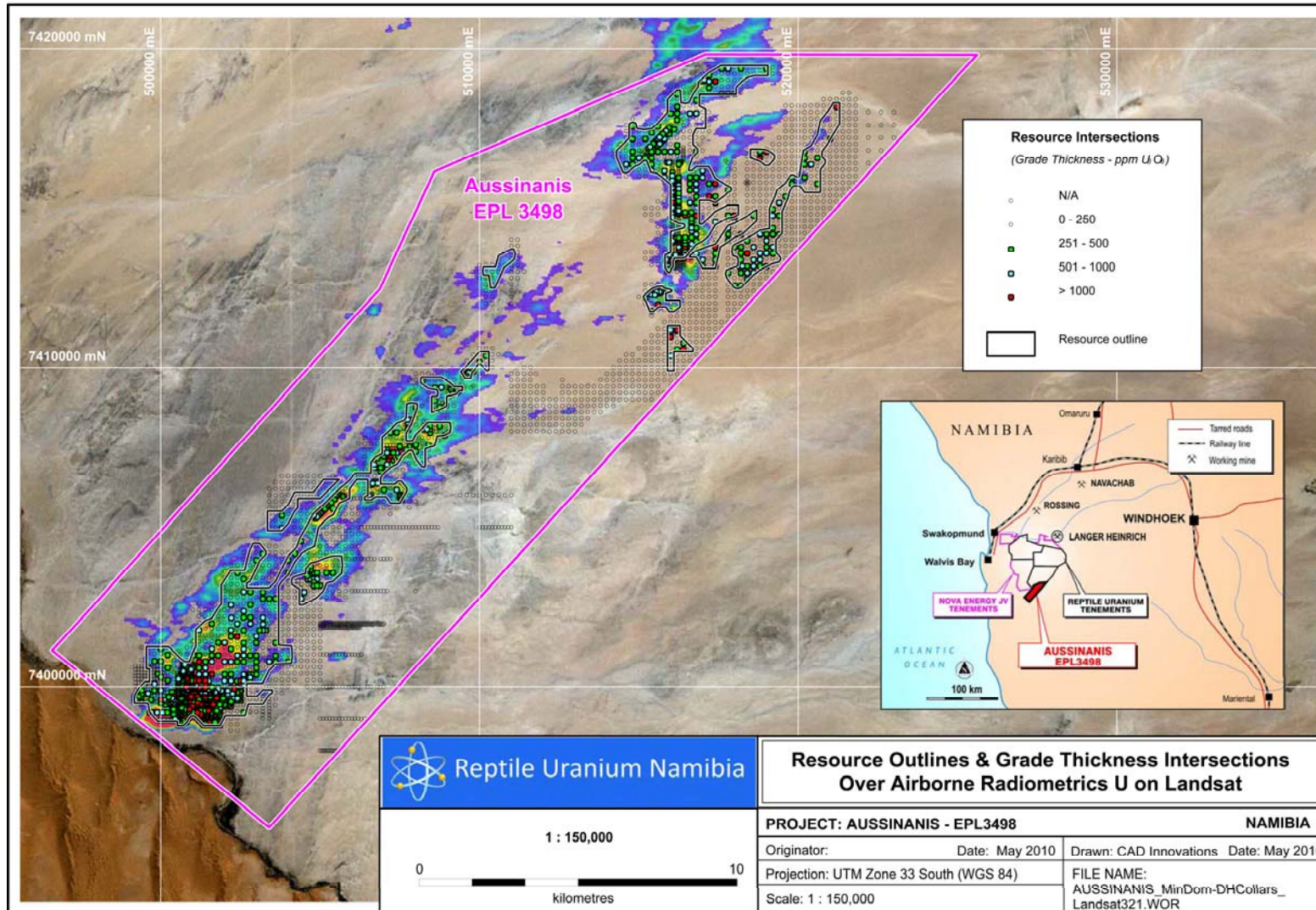
RUN is continuing its aggressive exploration and resource delineation programme and as a result, additional Mineral Resource estimates reported in accordance with the JORC Code are expected to be completed and published in the September Quarter as follows:

- Updated and expanded Mineral Resource estimate for the INCA deposit
- Mineral Resource estimate for the Tubas-Oryx palaeochannel prospect

Mineral Resource estimates for Aussinanis are based on results from 3,922 reverse circulation holes drilled by RUN during 2008, and are primarily based on one metre downhole composited eU<sub>3</sub>O<sub>8</sub> grades derived from downhole gamma logging with XRF results used only for a small proportion of mineralised intervals without gamma logging. H&S was not required to review the reliability of the sampling and assaying, or the validity of the gamma logging results as Deep Yellow accept responsibility for these aspects of the estimates.

The Aussinanis Mineral Resources (Table 1) were estimated by Multiple Indicator Kriging (MIK) with block support correction, and reflect open cut mining selectivity of 5 by 5 metres in plan view with one metre bench heights. Estimates for mineralisation tested by consistent 50 by 50 metre spaced drilling are classified as Indicated and all other estimates are classified as Inferred. The estimates assume a bulk density of 2.1 tonnes per cubic metre as specified by RUN.

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**Figure 2: Mineralised Domain Outlines and Grade Thickness Intersections**

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Table 2: Schedule of DYL's Mineral Resources

Mineral Resource Summary – MAY 2010							
Deposit	Category	Tonne	U <sub>3</sub> O <sub>8</sub> (ppm)	U <sub>3</sub> O <sub>8</sub> (%)	U <sub>3</sub> O <sub>8</sub> (kg/t)	U <sub>3</sub> O <sub>8</sub> (t)	U <sub>3</sub> O <sub>8</sub> (lb)
<b>REPTILE URANIUM NAMIBIA (RUN)</b>							
<b>Omahola Project</b>							
INCA *♦	Inferred	10,000,000	402	0.040	0.40	4,066	9,000,000
INCA *♦	Indicated	6,000,000	392	0.039	0.39	2,300	5,000,000
Tubas Red Sand #♦	Inferred	10,674,200	158	0.016	0.16	1,685	3,710,600
Tubas Red Sand #♦	Measured/ Indicated	3,172,500	168	0.017	0.17	532	1,172,668
<b>Other RUN Projects</b>							
Tumas *	Inferred	1,000,000	360	0.036	0.36	360	793,800
Tumas *	Indicated	9,000,000	343	0.034	0.34	3,087	6,806,835
Tubas #	Inferred	77,278,820	228	0.023	0.23	17,620	38,852,100
Aussinanis x♦	Inferred	29,000,000	240	0.024	0.24	6,960	15,344,173
Aussinanis x♦	Indicated	5,600,000	222	0.022	0.22	1,243	2,740,787
<b>RUN PROJECT TOTAL</b>		<b>151,725,520</b>	<b>250</b>	<b>0.025</b>	<b>0.25</b>	<b>37,853</b>	<b>83,420,963</b>
<b>NAPPERBY URANIUM PROJECT</b>							
Napperby *	Inferred	9,340,000	359	0.036	0.36	3,351	7,390,000
<b>NAPPERBY PROJECT TOTAL</b>		<b>9,340,000</b>	<b>359</b>	<b>0.036</b>	<b>0.36</b>	<b>3,351</b>	<b>7,390,000</b>
<b>MOUNT ISA URANIUM PROJECT</b>							
Mount Isa ❖	Inferred	2,020,000	440	0.044	0.44	890	2,000,000
Mount Isa ❖	Indicated	1,620,000	400	0.040	0.40	650	1,400,000
<b>MOUNT ISA PROJECT TOTAL</b>		<b>3,640,000</b>	<b>420</b>	<b>0.042</b>	<b>0.42</b>	<b>1,540</b>	<b>3,400,000</b>
<b>TOTAL INFERRED</b>		<b>139,313,020</b>	<b>251</b>	<b>0.025</b>	<b>0.25</b>	<b>34,932</b>	<b>77,090,673</b>
<b>TOTAL INDICATED</b>		<b>25,392,500</b>	<b>308</b>	<b>0.031</b>	<b>0.31</b>	<b>7,812</b>	<b>17,120,290</b>
<b>TOTAL RESOURCES</b>		<b>164,705,520</b>	<b>260</b>	<b>0.026</b>	<b>0.260</b>	<b>42,744</b>	<b>94,210,963</b>

Figures have been rounded to reflect the accuracy of estimates and include rounding errors

# 100 ppm cut-off    x 150 ppm cut-off    \* 200 ppm cut-off    ❖ 300 ppm cut-off    ♦ eU<sub>3</sub>O<sub>8</sub> ppm  
Conversion 1 kg = 2.205 lb

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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](http://www.deepyellow.com.au).

### Compliance Statements

*The information in this report that relates mineral resource estimation for Aussinanis and Tumas is based on work completed by Mr Jonathon Abbott who is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Abbott 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' and as a Qualified Person as defined in the AIM Rules. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to data quality, including the accuracy and reliability of gamma logging results, bulk densities, cut off grades and comments on the resource estimates for Aussinanis and Tumas 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.*

*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<sub>3</sub>O<sub>8</sub> and/or cU<sub>3</sub>O<sub>8</sub> are 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.*

**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.