



30 September 2010

DEEP YELLOW IDENTIFIES HIGH-GRADE SUBSET IN EXISTING JORC RESOURCES AT TUBAS IN NAMIBIA

HIGHLIGHTS

- **November 2007 Initial Tubas Palaeochannel project JORC-compliant Inferred Mineral Resource estimate totalled**
 - **77.3 million tonnes at 0.023% (228 ppm) U₃O₈ for 17,600 tonnes or 38.8 million pounds of contained U₃O₈ at a cut-off grade of 100 ppm U₃O₈**
 - **At higher cut-off grade Tubas contains a substantial, high-grade mineral resource subset totalling**
 - **22.8 million tonnes at 0.046% (455 ppm) U₃O₈ for 10,369 tonnes or 22.9 million pounds of contained U₃O₈ at a cut-off grade of 200 ppm U₃O₈**
 - **Further evaluations to be conducted to determine if high-grade subset warrants scoping study**
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Deep Yellow Limited (DYL) has completed a review of the November 2007 Mineral Resource estimate for its **Tubas Palaeochannel Project in Namibia** and is pleased to announce the existing resource estimate by **Geomine Consulting Namibia** (Geomine) includes a substantial high-grade subset within the total resource, which could warrant a scoping study.

On 21 November 2007 DYL announced the initial **Inferred Mineral Resource** in accordance with the **JORC Code** for Tubas totalling **77.3 million tonnes at 0.023% (228 ppm) U₃O₈ for 17,600 tonnes or 38.8 million pounds contained U₃O₈ at a cut-off grade of 100 ppm U₃O₈** (Table 1).

A cut-off grade of 100 ppm U₃O₈ was selected at the time (November 2007) as the uranium spot price had peaked earlier in 2007 at US\$136 per pound U₃O₈ and was US\$90-95 per pound when the Tubas resource was announced. However, given current uranium market prices at US\$46-48 per pound, the economics of potential uranium production can be significantly improved with higher average grade as can result from using a higher cut-off grade.

Upon review of the existing resource estimate at Tubas, it was determined that by using a cut-off grade of 200 ppm U₃O₈, a substantial quantity of resources could be outlined as a subset of the current resource, but at a much higher average grade. At 200 ppm U₃O₈ cut-off grade, the Inferred Mineral Resource estimate at Tubas totals **22.8 million tonne at 0.046% (455 ppm) U₃O₈ for 10,369 tonne or 22.9 million pounds contained U₃O₈** (Table 1).



Table 1 – Inferred Mineral Resources at various cut-off grades – November 2007

Category	Cut-Off Grade (ppm U ₃ O ₈)	Tonnes (million)	Grade (U ₃ O ₈ ppm)	lbs U ₃ O ₈ (million)	Tonnes U ₃ O ₈
Tubas Resource Estimate – 21 November 2007					
Inferred	100	77.3	228	38.8	17,612
Inferred	200	22.8	455	22.9	10,369

The quantity of resources in this high-grade subset of the original Mineral Resource estimate at Tubas are sufficient to justify further evaluation to determine if this high-grade resource warrants a scoping study.

In addition, DYL has previously indicated it is actively working on an update of the Mineral Resource estimate for the south-eastern and central sections of the 30-kilometre Tubas-Tumas palaeochannel (Oryx-Tumas area in Figure 1) for completion early in the December quarter 2010. These additional resources could add to the significance of the Tubas high-grade resource subset outlined above, which is located in the western section of the Tubas-Tumas palaeochannel.

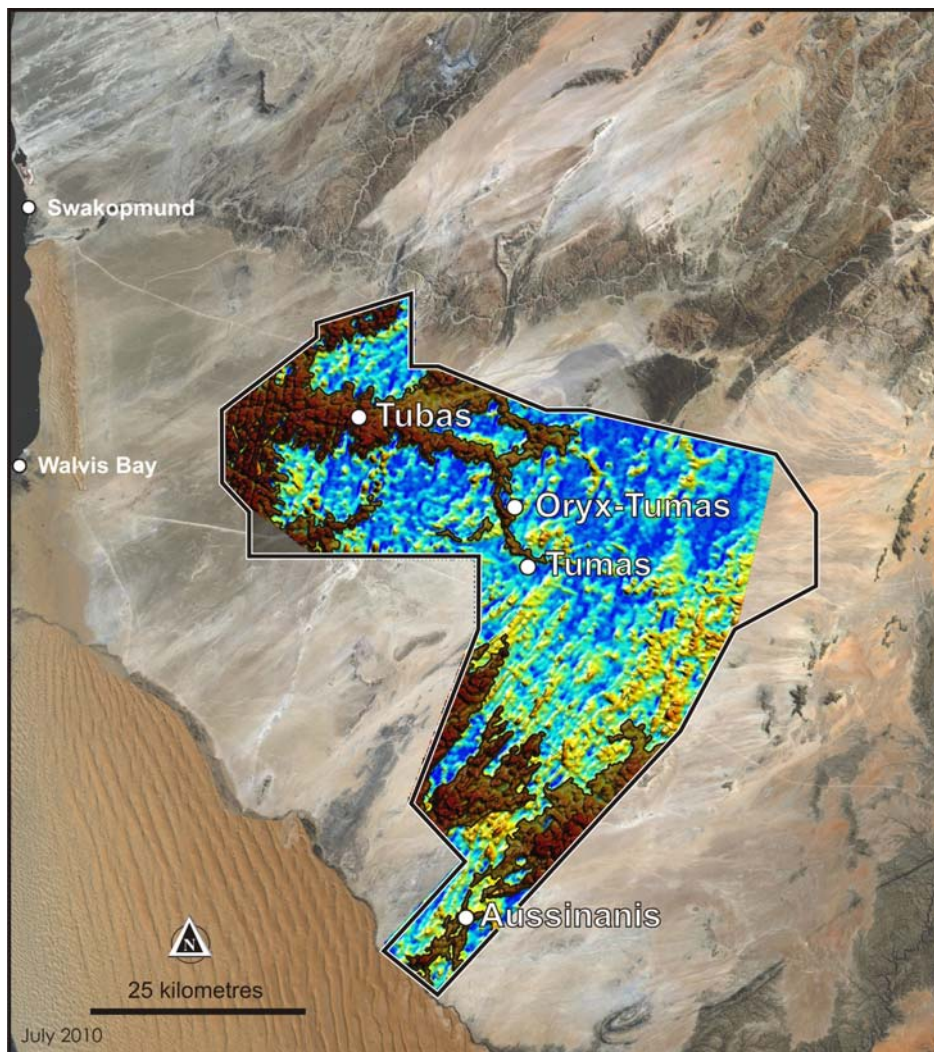


Figure 1 – Airborne Electro-Magnetic (EM) survey showing shallow palaeochannels in brown



High-Grade Subset in Existing JORC Resources at Tubas

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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 Statements:

The information in this report that relates to Mineral Resources is based on information compiled by Mr. Willem H. Kotzé Pr.Sci.Nat MSAIMM. Mr. Kotzé is a Member and Professional Geoscientist Consultant of Geomine Consulting Namibia CC. Mr. Kotzé 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'. Mr. Kotzé consents to the inclusion in this release 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 eU₃O₈ 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.

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 uraniferous 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.