

13 October 2011

MAIDEN RESOURCE FOR MS7 DEPOSIT IN NAMIBIA

KEY POINTS

- **Maiden JORC Code Inferred Mineral Resource estimate for the MS7 Alaskite Deposit completed by Coffey Mining Pty Ltd (Perth), totalling 2.7 Mt at 400 ppm U₃O₈ for 2.3 Mlbs U₃O₈ at a 300 ppm cut-off.**
- **Main mineralised zone now extended to 600 metres long and 300 metres wide extending to 200 metres vertical depth.**
- **Ongoing drilling is consistently delivering encouraging results with downhole gamma logging indicating high grade intersections which will be confirmed by chemical assay.**
- **Omahola Project Resource base increased to 26.8 Mlbs U₃O₈ at an average grade of 317 ppm U₃O₈.**
- **Resource upgrades for Ongolo and MS7 expected before the end of the year.**

Advanced uranium explorer, **Deep Yellow Limited** (ASX : **DYL**) is pleased to announce that Coffey Mining Pty Ltd (Perth) has completed a maiden Mineral Resource estimate for its MS7 Prospect deposit in Namibia. The prospect is located on EPL 3496 which is held 100% by DYL's wholly-owned Namibian subsidiary, **Reptile Uranium Namibia (Pty) Ltd (RUN)**.

The maiden resource estimate, at 2.7 Mt at 400 ppm U₃O₈ for 2.3 Mlbs U₃O₈ at a 300 ppm cut-off, increases the total Omahola Project Resource base to 26.8 Mlbs U₃O₈ at an average grade of 317 ppm U₃O₈ (Table 1) and DYL's Namibian resource base to in excess of 95 Mlbs U₃O₈ (Appendix 4).

Deep Yellow Managing Director Greg Cochran was pleased with the result, commenting "in less than six months since the discovery of MS7 we have declared a maiden resource for the prospect and also continue to make promising intersections in our ongoing exploration programme. We are looking at this region with growing optimism in recognition of the increasing possibility that Ongolo and MS7 could join up which may enable us to source most of the Omahola project's initial production from this area. "

The drillhole database for the estimation consists of 127 RC drill holes totalling 23,584 metres and 2 diamond drillholes totalling 408 metres with drill spacing of 50 metres by 50 metres to 100 metres by 100 metres (Figure 1). The estimate is classified as Inferred as there is still a large amount of chemical assay data outstanding.

Drilling is continuing southwest from Ongolo and at MS7 (Figure 1) testing the potential that the two may ultimately join up with resource upgrades are expected before the end of the year.

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 (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.

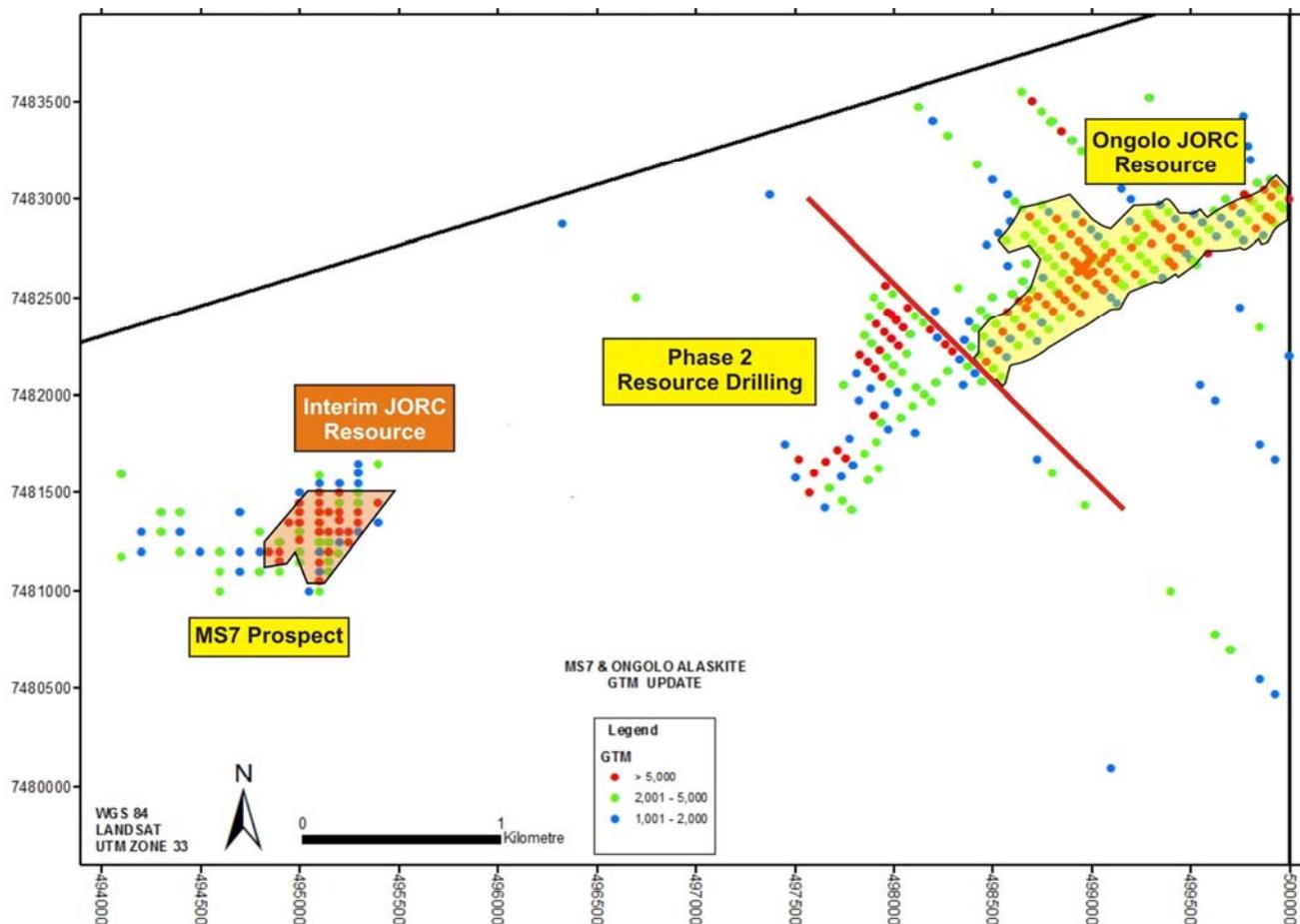


Figure 1: MS7 and Ongolo Resource Outlines and Ongolo Phase 2 Drilling (+ 5,000 GTM U₃O₈ values)



Compliance Statements

The information in this report that relates to the Mineral Resource estimation for the MS7 deposit is based on work completed by Mr Neil Inwood who is a full-time employee of Coffey Mining and a Member of the Australasian Institute of Mining and Metallurgy. Mr Inwood has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Inwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appear.

The information in this report that relates to the Mineral Resource estimation for the Ongolo and INCA deposits is based on work completed by Mr Neil Inwood and Mr Steve Le Brun who are both full-time employee of Coffey Mining and a Member of the Australasian Institute of Mining and Metallurgy. Messrs Inwood and Le Brun have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Messrs Inwood and Le Brun consent to the inclusion in the report of the matters based on his information in the form and context in which it appear.

The information in this report that relates mineral resource estimation for Tumas and Aussinanis 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 the Mineral Resource for the Tubas Red Sand deposits is based on information compiled by Mr Mike Hall, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hall is Consulting Geologist Resources with The MSA Group and 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 Mineral Resources and Reserves'. Mr Hall consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Information in this report has also been verified by Mr Mike Venter, who is a member of the South African Council for Natural and Scientific Professions (SACNASP), a "Recognised Overseas Professional Organization" ('ROPO'). Mr Venter is Regional Consulting Geologist, with The MSA Group and 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 Mineral Resources and Reserves'. Mr Venter has visited the project sites to review drilling, sampling and other aspects of the work relevant to this report and 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 Mineral Resource estimation for the Tubas deposit is based on work completed by Mr Willem H. Kotzé Pr. Sci. Nat MSA/IMM. Mr Kotzé who is a full time employee of Hellman and Schofield Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy. 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' and as a Qualified Person as defined in the AIM Rules. Mr Kotzé 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 and to Mineral Resources or Ore Reserves for the Tubas, Tumas, Aussinanis, Tubas Red Sand, INCA, Ongolo and MS7 deposits is based on information compiled by Dr Leon Pretorius a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Pretorius is a full-time employee of Deep Yellow Limited and 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 Mineral Resource estimation for the Mount Isa Projects is based on work compiled by Mr Neil Inwood, a Member of the Australasian Institute of Mining and Metallurgy. Mr Inwood is employed by Coffey Mining Pty Ltd and 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 Inwood 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 for the Mount Isa Projects is based on information compiled by Mr Martin Kavanagh a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Kavanagh is a full-time employee of Deep Yellow Limited and 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 Kavanagh 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 Mineral Resource estimation for the Napperby Project is based on information compiled by Mr Daniel Guibal who is a Fellow (CP) of the Australasian Institute of Mining and Metallurgy. Mr Guibal is a full time employee of SRK Consulting and 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 Guibal 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 for the Napperby Project is based on information compiled by Dr David Rawlings who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Rawlings is a full-time employee of Toro Energy Limited and 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 Rawlings 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 Disequilibrium Results for the Napperby Project is based on information compiled by Mr David Wilson BSc MSc who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Wilson is a full-time employee of 3D Exploration Limited, a consultant to Toro and 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 Wilson 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.



Appendix 1 – Omahola Project Resource Summary – October 2011

Table 1: Omahola Resource Summary

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlb)
REPTILE URANIUM NAMIBIA (NAMIBIA)						
Omahola Project						
INCA ♦	Indicated	250	9.4	385	3,628	8.0
INCA ♦	Inferred	250	5.5	445	2,449	5.4
Ongolo	Indicated	275	4.7	410	1,920	4.2
Ongolo	Inferred	275	2.2	400	890	2.0
MS7 #	Inferred	300	2.7	400	1,080	2.3
Tubas Red Sand ♦	Measured/Indicated	100	3.2	168	532	1.2
Tubas Red Sand ♦	Inferred	100	10.7	158	1,685	3.7
Omahola Project Total			38.4	317	12,184	26.8

Notes: Figures have been rounded and totals may reflect small rounding errors.
 XRF chemical analysis unless annotated otherwise.
 ♦ eU₃O₈ - equivalent uranium grade as determined by downhole gamma logging.
 # Combined XRF Fusion Chemical Assays and eU₃O₈ values.



Appendix 2 – Background Information on MS7 Resource

As announced on 6 July 2011, the MS7 alaskite discovery was made in May this year. The prospect is located approximately 2 kilometres to the west of the Ongolo deposit (Figure 1), with drilling delivering consistently good results. 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, with a marble unit acting as an impermeable layer (Figure 2).

Current drilling is in a uniform direction to the south at 60° as the stratigraphy is folded and dips to the north, northeast and northwest. The main mineralised zone extends about 600 metres along the strike and is up to 300 metres wide and is open to depth below 200 metres.

The drillhole database for the estimation consists of 127 RC drill holes totalling 23,584 metres and 2 diamond drillholes totalling 408 metres. The drillholes were typically drilled at 60° towards 180° with a drill spacing of 50 metres by 50 metres to 100 metres by 100 metres. Only RC and diamond drilling and sampling undertaken by RUN were used in the estimate.

The RC samples are collected at 1 metre intervals in mineralised zones into a three tiered splitter to obtain a 2-3 kilogram final sample. Diamond core is quartered with samples taken every metre in mineralisation. Chemical assays are undertaken at Scientific Services in Cape Town, with Setpoint and Bureau Veritas in Johannesburg used for check assays. Downhole gamma data has been used where chemical assays were not available.

The assay data; 1,526 intervals (442 chemical and 1,084 factored gamma – eU₃O₈), was composited to 2 metres downhole with statistical analyses on the 2 metre composites undertaken. Variography and search neighbourhood analysis were also conducted as an input into grade estimation. A high-grade cut of 1,200 ppm U₃O₈ or 1,400 ppm U₃O₈ was applied on a domain by domain basis to the 2 metre composites prior to estimation.

The method used to obtain estimated grades within the mineralised zones for U₃O₈ was block Ordinary Kriging.

The estimated zones were classified as Inferred as there is still a large amount of chemical assay data outstanding and the interpreted mineralisation is quite complex. Additional drilling is underway in the central portion of the prospect.

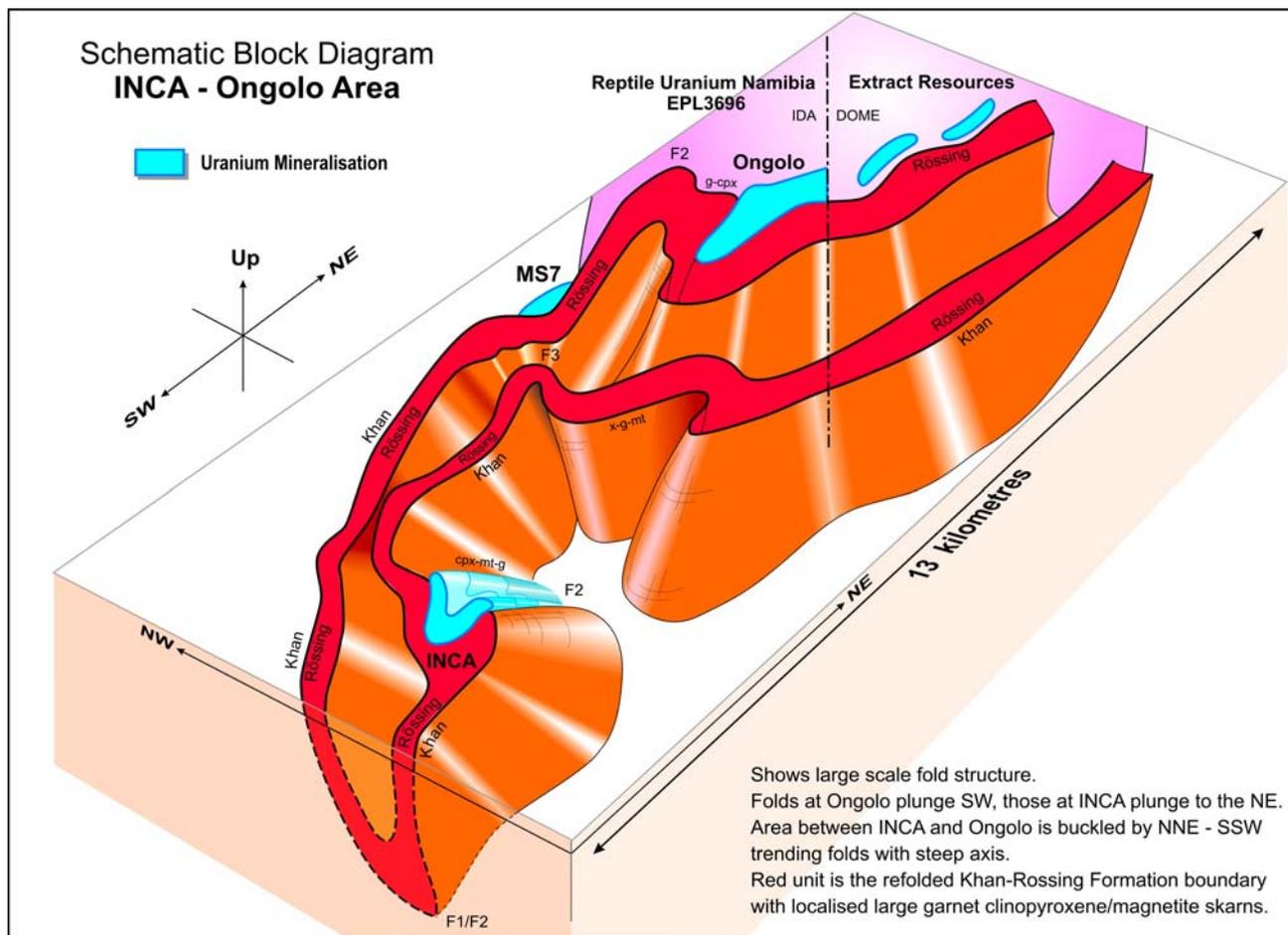


Figure 2: Schematic Block Diagram INCA – Ongolo Area



Maiden Resource for MS7 Deposit

Appendix 3 – MS7 Mineral Resource (Extract from Coffey's Resource Statement)

The Mineral Resource estimate for the MS7 Uranium Project in Namibia has been finalised. An Ordinary Kriged (OK) estimate was undertaken for the MS7 Project located within EPL 3496 (Figure 1), approximately 2 kilometres west of the Ongolo Alaskite deposit and 15 kilometres NNE of the INCA deposit.

The Mineral Resource Statement is tabulated below in Table 2. Figure 3 shows the location of the modelled mineralised zones and the drilling and Figure 4 shows an example section from the MS7 prospect.

Table 2: MS7 Mineral Resource Estimate

MS7 Uranium Project, Namibia - September 2011 Resource Estimate			
Reported at various cut-offs using a bulk density of 2.68 t/m ³ . Ordinary Kriged estimate based upon 2 metre cut U ₃ O ₈ composites. Block dimensions of 25 metre NS by 25 metre EW by 5 metre RL. Preferred Reporting Cut-off – 300 ppm			
Lower Cut	Tonnes Above Cut-off (Mt)	U ₃ O ₈ (ppm)	Contained U ₃ O ₈ (Mlbs)
Inferred			
100	10.6	250	5.7
200	6.2	310	4.2
300	2.7	400	2.3
400	1.0	490	1.1

Note: Figures have been rounded

Notes for the resource estimation include:

- The drillhole database in the vicinity of the estimation consists of 127 RC drill holes totalling 23,584 metres and 2 diamond drillholes totalling 408 metres. The drillholes were typically drilled at 60° towards 180° with a drill spacing of 50 metres by 50 metres to 100 metres by 100 metres. Only RC and diamond drilling and sampling undertaken by RUN were used in the estimate.
- The RC samples are collected at 1 metre intervals in mineralised zones into a three tiered splitter to obtain a 2-3 kilogram final sample. Diamond core is quartered with samples taken every metre in mineralisation. Chemical assays are undertaken at Scientific Services in Cape Town, with Setpoint and Bureau Veritas in Johannesburg used for check assays. Downhole gamma data has been used where chemical assays were not available.
- Coffey has not reviewed the QAQC in detail. RUN is the responsible entity for the assay database.
- Density for the resource was based upon the density of the alaskites from the nearby Ongolo Alaskite Prospect.
- Geology was modelled for marble lithologies and the main alaskite bodies to aid in the mineralisation interpretation.
- Mineralisation was modelled based upon a nominal 100 ppm U₃O₈ lower cut-off. The bulk of the mineralisation was encountered in the alaskite lithologies.
- The topographic surface was defined based upon the surveyed drillhole collars.
- The assay data; 1,526 intervals (442 chemical and 1,084 factored gamma – eU₃O₈), was composited to 2 metres downhole with statistical analyses on the 2 metre composites undertaken. Variography and search neighbourhood analysis were also conducted as an input into grade estimation. A high-grade cut of 1,200 ppm U₃O₈ or 1,400 ppm U₃O₈ was applied on a domain by domain basis to the 2 metre composites prior to estimation.



Maiden Resource for MS7 Deposit

- The method used to obtain estimated grades within the mineralised zones for U₃O₈ was block Ordinary Kriging (OK).
- The estimated zones were classified as Inferred as there is still a large amount of chemical assay data outstanding and the interpreted mineralisation is quite complex. Additional drilling is underway in the central portion of the prospect.

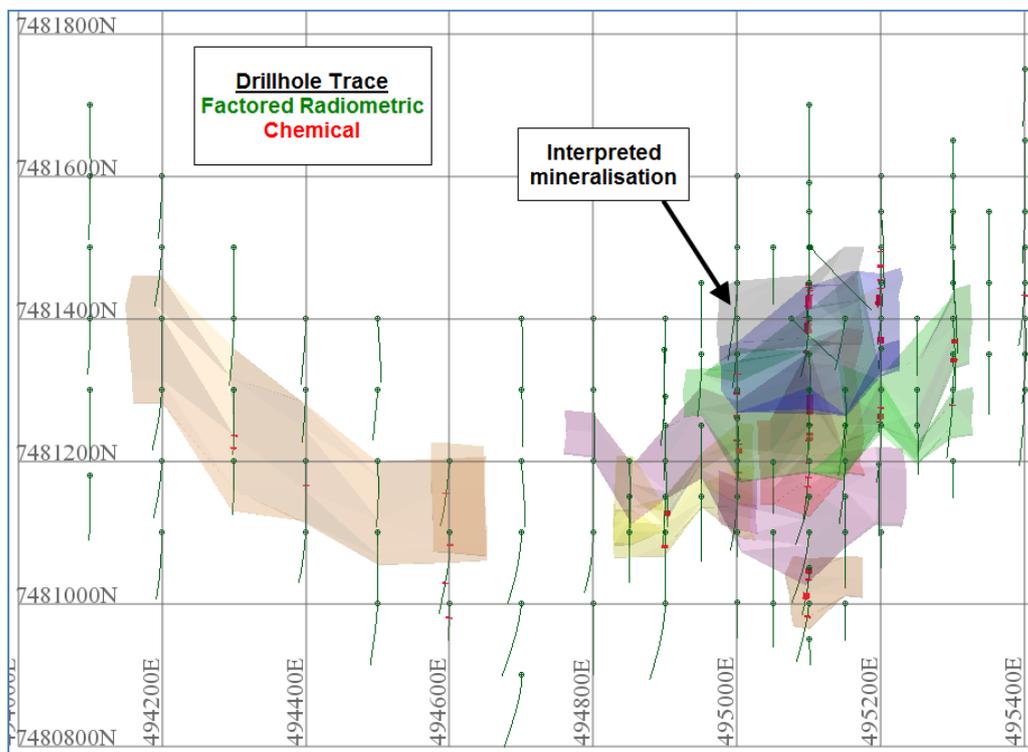


Figure 3: Drillhole Location and Interpreted Mineralisation – MS7 Project

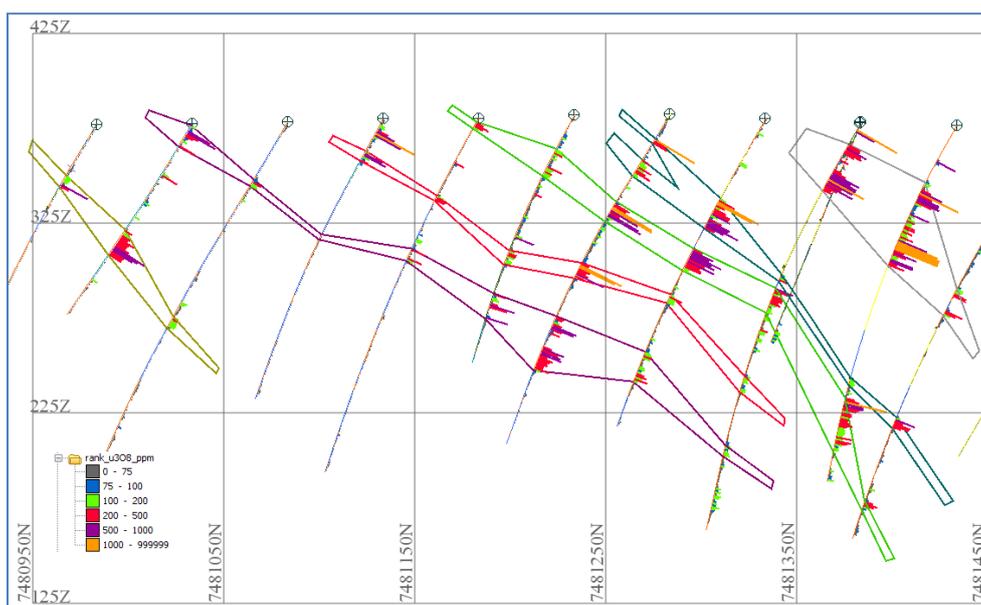


Figure 4: MS7 Mineralisation Interpretation - NS Section 495,100mE (Looking West)



Appendix 4 – Deep Yellow JORC Mineral Resource Estimates Summary – October 2011

Deposit	Category	Cut-off (ppm U ₃ O ₈)	Tonnes (M)	U ₃ O ₈ (ppm)	U ₃ O ₈ (t)	U ₃ O ₈ (Mlb)
REPTILE URANIUM NAMIBIA (NAMIBIA)						
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Tubas Red Sand ♦	Inferred	100	10.7	158	1,685	3.7
Omahola Project Total			38.4	317	12,184	26.8
Tubas-Tumas Palaeochannel Project						
Tumas ♦	Indicated	200	14.4	366	5,270	11.6
Tumas ♦	Inferred	200	0.4	360	144	0.3
Tubas	Inferred	100	77.3	228	17,620	38.9
Tubas-Tumas Project Total			92.1	250	23,034	50.8
Aussinanis Project						
Aussinanis ♦	Indicated	150	5.6	222	1,243	2.7
Aussinanis ♦	Inferred	150	29	240	6,960	15.3
Aussinanis Project Total			34.6	237	8,203	18
RUN TOTAL – NAMIBIA			165.1	263	43,421	95.6
NAPPERBY PROJECT (NT, AUSTRALIA)						
Napperby	Inferred	200	9.3	359	3,351	7.4
NAPPERBY TOTAL			9.3	359	3,351	7.4
MOUNT ISA PROJECT (QLD, AUSTRALIA)						
Mount Isa	Indicated	300	2.2	470	1,050	2.31
Mount Isa	Inferred	300	2.5	450	1,120	2.48
MOUNT ISA TOTAL			4.7	460	2,170	4.8
TOTAL INDICATED RESOURCES			39.5	345	13,643	30.05
TOTAL INFERRED RESOURCES			139.6	253	35,299	77.75
TOTAL RESOURCES			179.1	273	48,942	107.8

Notes: Figures have been rounded and totals may reflect small rounding errors.
XRF chemical analysis unless annotated otherwise.

♦ eU₃O₈ - equivalent uranium grade as determined by downhole gamma logging.

Combined XRF Fusion Chemical Assays and eU₃O₈ values.