

DEEP YELLOW LIMITED

ABN 97 006 391 948

Level 1 329 Hay Street Subiaco WA 6008
PO Box 1770 Subiaco WA 6904
Tel : 61 8 9286 6999
Fax : 61 8 9286 6969
Email: admin@deepyellow.com.au
Website: www.deepyellow.com.au

26 November 2007

NAMIBIAN UPDATE

Tubas Project Inferred Mineral Resource of 77.3 million tonne at 0.023% (228 ppm) U_3O_8 at a cut-off grade of 100 ppm U_3O_8 for 17,600 tonne or 38.8 million pounds of contained U_3O_8 (ASX announcement 21 November 2007).

Following on from this announcement the Deep Yellow Limited (DYL) Board wishes to announce significantly increased exploration activities for its wholly owned Namibian subsidiary Reptile Uranium Namibia (RUN).

Target now 50,000 tonne (110 million pounds) contained U_3O_8 within known areas of mineralisation.*

INCREASE DRILLING RIGS FROM ONE TO FIVE

Presently RUN operates one RC drill rig on Tubas. Contracts have been signed with two additional Namibian drilling companies to each supply two RC drill rigs. The first two will arrive early December and two in late January.

INCREASE MONTHLY DRILLING OUTPUT TO 15,000 m

Each rig is expected to drill 100 m per day, so with five rigs operational this should produce around **15,000 m per month**. All of the drill holes will be radiometrically logged and anomalous samples submitted for chemical (XRF) assay.

ACCELERATE JORC CODE RESOURCE ESTIMATES

The Tubas Project is one of five areas of known uranium mineralisation within RUN's Namibian tenement holdings (see Figure 1) for which historic estimates exist as a result of international company exploration programmes in the 1970's and early 1980's, three of which were taken through to feasibility study. RUN's increased level of activity will enable the data from re-drilling of known mineralised areas to quickly convert these historic estimates to resource status.

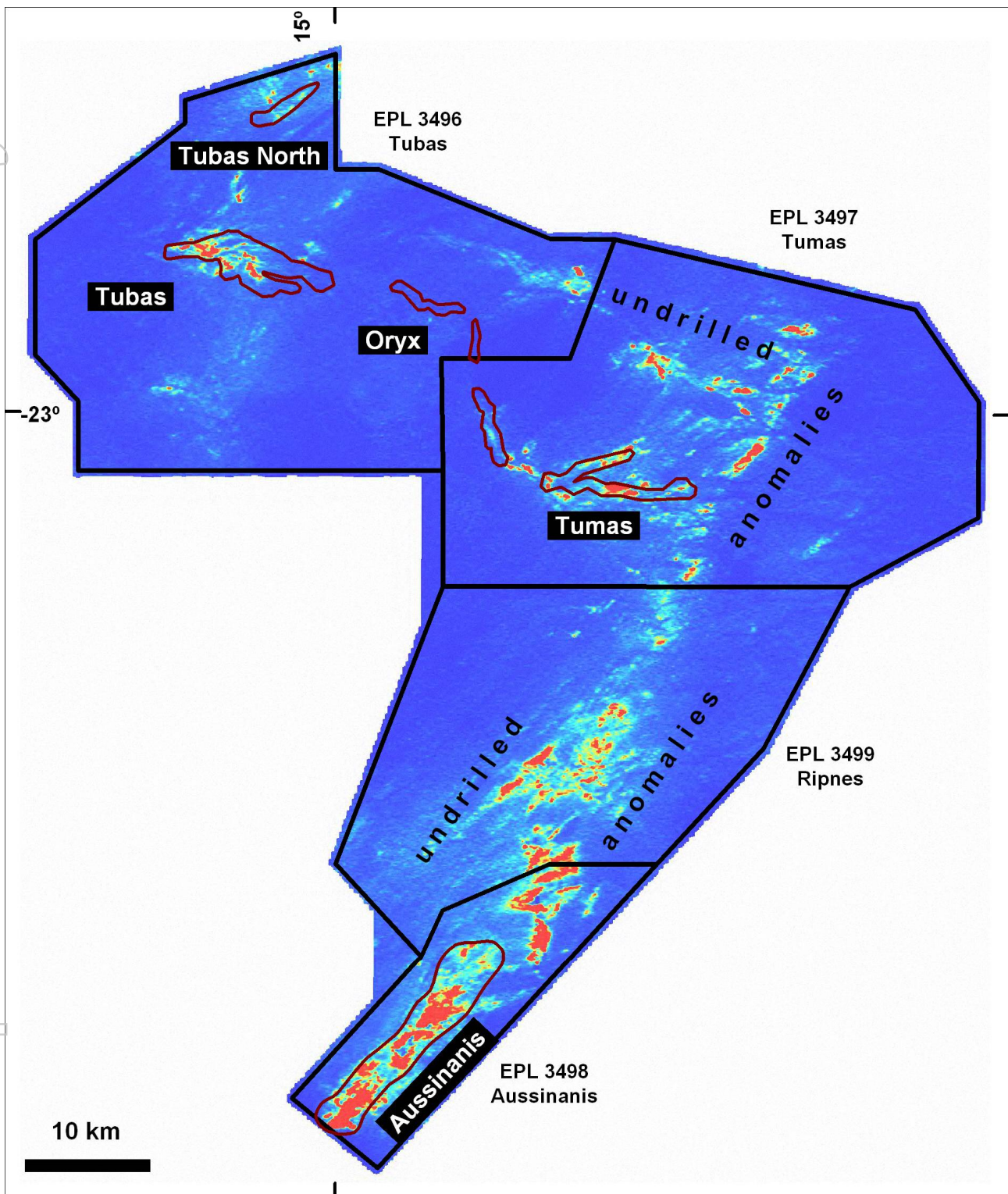


Figure 1: Airborne Radiometric Map depicting at or near surface uranium mineralisation. Outlined are the previously explored areas indicating that the majority of the anomalies remain to be explored.

EXPLORATION PROGRAMME

TUBAS

The RC rig presently drilling at Tubas will remain there for the foreseeable future to enable the determination of **Indicated Resources** within the announced Inferred Resource block.

TUMAS – TWO RIGS

RUN has now accessed enough of the Falconbridge 1970's and early 1980's data to allow its consultants to estimate a JORC Code **Inferred Mineral Resource**. This estimate should be available during the first quarter 2008. Redrilling of this project area will commence during the first quarter of 2008 using the two rigs that arrived in December after they have completed planned regional drilling programmes (see Primary Targets below).

AUSSINANIS - TWO RIGS

Although RUN has detail maps of Elf-Aquitaine's exploration and drilling activities, it does not have sufficient information to meet JORC Code standards to determine an Inferred Mineral Resource. The 14 km long mineralised zone will be redrilled in its entirety using the two rigs arriving late January.

PRIMARY TARGETS

Interrogation and interpretation of the detailed airborne radiometric and magnetic data acquired by the RUN survey in conjunction with geological mapping and remote sensing has led to the generation of four high priority areas for reconnaissance drill testing to evaluate their potential to host "**Rossing-style**" **primary uranium mineralisation**. The two rigs arriving in December will be used to conduct the first pass drill evaluation before relocating to Tumas.

AIRBORNE RADIOMETRIC AND MAGNETIC SURVEY

Interpretation of the radiometric data is complete and it is apparent that **less than 50% of the near or at surface uranium anomalism** was evaluated (see Figure 1) during the exploration conducted in the 1970's and early 1980's. Two very significant observations:

- **Previous drilling of surface radiometric anomalism (mineralisation) always found subsurface uranium mineralisation.**
- **Historic tenement boundaries precluded evaluation of complete mineralised systems.**

Discoveries made by Gencor (Langer Heinrich), Elf Aquitaine (Aussinanis) and Falconbridge (Tumas) precluded full investigation of all their tenement holdings due to concentrating on project feasibility studies. RUN has scheduled two teams of two geologists to visit all the surface radiometric anomalies by helicopter during December and January to generate new drill targets.

AIRBORNE ELECTROMAGNETIC SURVEY

RUN has been awaiting a suitable helicopter to conduct the electromagnetic survey. It is now apparent that one will become available in January. Once the survey is complete and data interpreted it is proposed to conduct reconnaissance drill evaluation of any palaeochannels located for “Langer Heinrich-style” mineralisation. This is scheduled to commence during the second quarter of 2008.

SWAKOPMUND BASE AND INCREASED STAFFING

RUN has been actively recruiting staff for the planned expansion and by January should have a full compliment of around 40 personnel (excluding contractors). It is pleasing that it appears all but 3 will be Namibian citizens. RUN is planning to be self-sufficient wherever possible. It is operating a full sample preparation and chemical laboratory including XRF (shortly on 24-hour basis); environmental division; computer programming and data manipulation; differential GPS surveying; and, mechanical workshop amongst others. This will streamline many of the processes and eliminate delays previously experienced.

TARGET 50,000 TONNE CONTAINED U_3O_8 *

DYL is entering an exciting new phase in its short life. The increased levels of exploration and drilling will result in a steady flow of JORC Code Resources from three separate project areas within RUN's tenements.

Given the extent of the Inferred Resources at Tubas alone, other areas of known 1970's and early 1980's mineralisation and the vast untested areas of outcropping carnotite mineralisation, the DYL Directors are now confident of achieving their target of **50,000 tonne contained U_3O_8** within the four Namibian EPLs by end 2008. This total does not include any greenfields primary (Rossing-style) or palaeochannel (Langer Heinrich) discoveries that could be made.

* In accordance with JORC Code 2004, the quantity & grade is conceptual in nature as there is insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.



Dr Leon Pretorius
Managing Director

Further Information:

Mr Martin Kavanagh
Executive Director
(08) 9286 6999

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.