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4 September 2008

AUSTRALIAN AND NAMIBIAN EXPLORATION UPDATE

HIGHLIGHTS

AUSTRALIA - MOUNT ISA

- Results from recently completed RC drilling at Slance North East include:
 - 19 m at 774 ppm U_3O_8 and
 - 16 m at 427 ppm U_3O_8

NAMIBIA

- Reptile Uranium Namibia have awarded Wallis Drilling Pty Ltd a 20,000 metre aircore drilling contract with a start date in mid September.

AUSTRALIA

EWEN PROJECT (EPM 14916 – North West Queensland JV - Matrix Metals Ltd)

Slance Northeast Prospect

An RC drill programme commenced on Ewen EPM in late July. Early results from the Conquest Central prospect were announced to the ASX on 21 August 2008.

XRF chemical assay results have been received for holes DSRC009 and DSRC010 from the Slance North East prospect returning two major intercepts of 16 m at 427 ppm U_3O_8 from 34 m and 19 m at 774 U_3O_8 from 51 m respectively.

Hole DSRC010 is a 20 metre 'step back hole' from DSRC009 i.e. an undercut hole confirming mineralisation extending to depth. Additional holes will be drilled in the prospect area as follow-up to the intersections. Both intersections occur within chlorite-albite-carbonate altered pyritic basalt ± brecciation. This style of mineralisation is typical of the major uranium deposits of the area.

To note this drilling has only tested the mineralisation to a vertical depth of 50 metre below surface.

Table 1 : Slance North East RC Percussion Drill Results

Drillhole	UTM ‡		Azi (T)	Dip	TD (m)	Depth (m)		Interval (m)	U ₃ O ₈ * (ppm)
	East	North				From	To		
DSRC009	352512	7797962	090	-60°	90	34	50	16	427
DSRC010	352492	7797961	090	-60°	120	51	70	19	774

‡ Datum MGA Zone 54/GDA 94 * XRF Chemical Assays

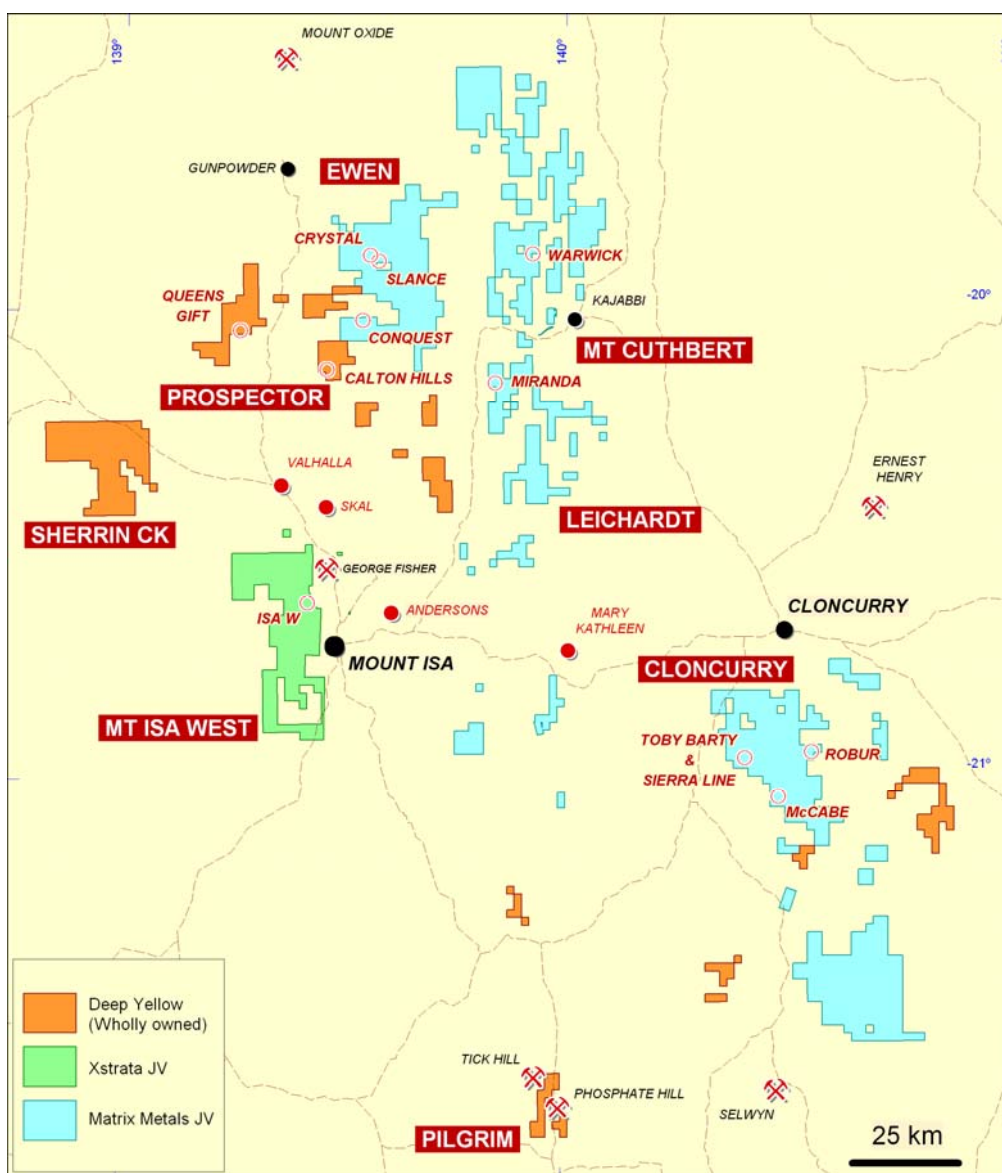


Figure 1: Mt Isa District Projects

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NAMIBIA

Reptile Uranium Namibia (Pty) LTD (Reptile) a wholly owned subsidiary of DYL have contracted Wallis Drilling Pty Ltd (Wallis) to undertake an initial 20,000 metre of aircore drilling in the Tumas area to extend the presently known mineralisation.

Wallis will supply two drill rigs based on a Landcruiser cab-chassis. It is envisaged that these mobile rigs with a relatively small 'rehabilitation footprint' will increase production rates and decrease costs compared to the conventional RC rigs currently being used.

The two Wallis rigs will replace two (2) RC rigs which together with the four (4) remaining RC rigs will continue drilling at the rate of 15,000 to 20,000 metre per month.



Mantis 75 Aircore

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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.

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