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HIGH GRADE INTERSECTIONS AT CONQUEST PROSPECT

13 m at 723 ppm U_3O_8 and 22 m at 575 ppm U_3O_8

The Directors of Deep Yellow (DYL) are pleased to announce the receipt of highly encouraging assay results from an initial and limited RC percussion drill programme on its Conquest Prospect, 75 km north of Mt Isa, Queensland.

The drill programme totalling 7 holes for 750 m was carried out on 7 sections over 450 m strike of the 1.6 km discontinuous radiometric anomaly. Previous exploration in the prospect area was carried out by Mineral Deposits Limited and Agip Nucleare (Agip) in the 1970s. Agip drilled 7 holes for 553 m however selective assaying of drill core by Agip returned only narrow intercepts the best being **4 m at 1,210 ppm U_3O_8** .

The significant wide intercepts at Conquest returned by DYL are given below and in Table 1:

- **Hole DCQRC- 006 22 m at 575 ppm U_3O_8 from 22 m**
- **Hole DCQRC- 006 13 m at 723 ppm U_3O_8 from 75 m**

The entire intercept bulks out to **66 m at 373 ppm U_3O_8 from 22 m** and includes **4 m at 1,863 ppm U_3O_8 from 78 m**. The drilling undercuts a surface outcrop that assayed **2,200 ppm U_3O_8** which was collected during DYL's regional helicopter supported sampling and mapping programme (ASX 5 October 2007).

Table 1: Conquest Prospect – Drillhole Information

Drillhole	Location - GDA94		AZI	INC	Depth (m)	From (m)	To (m)	Width (m)	Grade ppm U_3O_8
DCQRC-006	348630E	7785320N	270°	-60°	120	22	44	22	575
						75	88	13	723

The style of uranium mineralisation at Conquest is analogous to Valhalla (Paladin Energy / Summit Resources) and Queens Gift (Deep Yellow) comprising brecciation plus carbonate-haematite-magnetite alteration. The host rock at Conquest is a mafic intrusive compared to metasediment and metabasalt hosts at Valhalla and Queens Gift respectively. In the light of the DYL drill results the 1970s Conquest exploration programme carried out by Agip needs to be re-evaluated, but it would appear they misinterpreted the structural controls of the mineralisation.

All assay results from the drilling programmes at the Conquest Prospect together with remaining assays from the Miranda and Ewen will be fully reported in the December Quarterly.

The Conquest Prospect is located on EPM14916 which is subject to the NW Queensland JV with Matrix Metals Ltd.

It is clear that the wide multiple mineralised zones intersected in Hole DCQRC - 006 at the Conquest Prospect are significant and have potential economic implications. Further drilling will be undertaken early in the 2008 field season to further evaluate this exciting discovery.



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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.