



DEEP YELLOW LIMITED

ABN 97 006 391 948

Level 1 329 Hay Street Subiaco WA 6008
PO Box 1770 Subiaco WA 6904
Tel : 08 9286 6999
Fax : 08 9286 6969

Email: admin@deepyellow.com.au
Website: www.deepyellow.com.au

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FIRST RESULTS FROM QUEENS GIFT DRILLING

- Broad uranium intersections within Quartz – Haematite Breccia alteration zones

The Directors are pleased to announce that the assay results for the first 14 holes of an initial 39 hole RC drill programme at its 100% owned (EPM15070) Queens Gift Prospect (as reported in the June Quarterly Report - ASX release 25 July 2007) have confirmed the presence of broad zones of uranium mineralisation within Quartz – Haematite Breccia altered rock.

Significant intersections include:

| Hole No. | Depth | Interval (m) | U ₃ O ₈ (ppm) |
|-----------|-----------|--------------|-------------------------------------|
| DQRC_0006 | 12-14 | 2 | 1,056 |
| | 34-44 | 10 | 760 |
| | Inc 38-44 | 6 | 1,121 |
| DQRC_0009 | 19-25 | 6 | 489 |
| | Inc 19-22 | 3 | 763 |
| DQRC_0010 | 40-44 | 4 | 537 |
| DQRC_0013 | 19-25 | 6 | 1,528 |
| | Inc 19-23 | 4 | 2,227 |
| DQRC_0014 | 41-44 | 3 | 1,418 |
| | 69-73 | 4 | 608 |

A further 16 holes have been completed and the samples submitted for assay. The results from these holes will enable Deep Yellow's geologists to better understand the style and distribution of mineralisation and a more comprehensive report will be published at that time. The last 9 holes in this planned round of drilling will be completed after the field crew's scheduled 2 week break before moving on to drilling at the Miranda Prospect (EPM14281, NW Queensland JV).

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.