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Company Announcements Office
 Australian Stock Exchange Limited

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Dear Sir / Madam

RECEIPT OF FIRST ASSAY RESULTS FROM THE NAPPERBY PROJECT

The Directors of Deep Yellow Limited (**Deep Yellow** or **Company**) are pleased to announce that the first batch of assay results from the resource definition drilling on its 100% owned Napperby Project (150 km northwest of Alice Springs) have been received.

As previously advised there were 569 holes drilled in the programme, with each hole being about 10 metre (m) deep. In excess of 2,700 samples were collected and submitted for chemical analysis. This first batch of results consists of 486 samples representing 91 drill holes or about 15% of the programme.

The results are in line with expectations based on past drilling however the quantity received is not sufficient to draw any conclusions at this stage. Details of the most significant results are presented in the two tables below along with the results of proximal historical drill holes for comparison (All assays are reported in parts per million – ppm).

Table 1: These results represent one line of new drill holes (prefix NWE) at the western margin of the drilled area (Area A in Figure 1) and are peripheral to the main mineralised zone. The historical results shown (prefix WS) represent mineralised holes that are within 150m of the new holes.

| Deep Yellow Limited - 2005 100m x 100m | | | | | Uranerz - 1979 400m x 300m holes within 150m of above holes | | | | |
|---|--------------------|------------------|----------------------|-------------------|---|--------------------|------------------|----------------------|-------------------|
| | <i>From</i> (m) | <i>To</i> (m) | <i>Length</i> (m) | U_3O_8 (ppm) | | <i>From</i> (m) | <i>To</i> (m) | <i>Length</i> (m) | U_3O_8 (ppm) |
| NWE007 | 1 | 2 | 1 | 845 | WS65 | 2 | 2.5 | 0.5 | 250 |
| NWE011 | 3 | 4 | 1 | 261 | WS66 | 1 | 2 | 1 | 430 |
| NWE021 | 3 | 10 | 7 | 381 | WS85 | 4.5 | 5 | 0.5 | 480 |
| NWE030 | 3 | 6 | 3 | 307 | WS91 | 4 | 6 | 2 | 412 |

Table 2: These results represent a block of drill holes 2.5km east of the above holes (Area B in Figure 1) covering an area of about 400m x 500m. Shown for comparison are mineralised historical drill holes that fall within 150m of this group of holes.

| Area B | | | | |
|---|---------------------|-------------------|-----------------------|---|
| Deep Yellow 100m x 100m | | | | |
| Hole Number | From (m) | To (m) | Length (m) | U₃O₈ (ppm) |
| NWE280 | 2 | 8 | 6 | 328 |
| NWE281 | 3 | 6 | 3 | 409 |
| NWE282 | 7 | 8 | 1 | 327 |
| NWE284 | 6 | 7 | 1 | 311 |
| NWE285 | 1 | 2 | 1 | 442 |
| NWE286 | 3 | 6 | 3 | 594 |
| NWE288 | 6 | 8 | 2 | 263 |
| NWE289 | 5 | 6 | 1 | 204 |
| NWE290 | 1 | 4 | 3 | 269 |
| NWE292 | 4 | 6 | 2 | 418 |
| NWE295 | 4 | 5 | 1 | 466 |
| NWE298 | 4 | 5 | 1 | 266 |
| NWE308 | 6 | 8 | 2 | 212 |
| NWE322 | 5 | 6 | 1 | 522 |
| NWE329 | 2 | 6 | 4 | 207 |
| NWE330 | 1 | 2 | 1 | 225 |
| Uranerz 400m x 300m holes within 150m of above holes | | | | |
| Hole Number | From (m) | To (m) | Length (m) | U₃O₈ (ppm) |
| WS25 | 3 | 7 | 4 | 343 |
| WS26 | 5.5 | 6 | 0.5 | 310 |
| WS31 | 6.5 | 7 | 0.5 | 230 |
| WS32 | 3 | 6 | 3 | 363 |
| WS191 | 1.5 | 4.5 | 3 | 317 |

Holes drilled by Deep Yellow were drilled using a conventional air core rig. Samples were taken at 1m intervals and analysis was carried out via XRF on pressed powder. Mineralised intervals for these holes have been calculated such that the interval averages greater than 200ppm using a 150ppm cut-off.

Holes drilled by Uranerz were drilled using an aircore rig. Samples were taken at 0.5m intervals and analysis was carried out by XRF. Mineralised intervals for these holes were calculated by Uranerz using a 200ppm cut-off with the allowance of up to 1m internal waste as long as the interval averaged over 200ppm.

Drill collar information for the above holes is provided in Table 3.

Future Results

A significantly larger number of assays will need to be received before meaningful analysis of the drilling programme can begin. As such it is not the Company's intention to announce any further results until all samples have been received and the Company has had an opportunity to fully analyse the results. The Company has been advised by ALS Chemex, the provider of analytical services, that analysis of all samples is expected to be complete in approximately 5 weeks. Following receipt of all assay results, a new resource estimate for Napperby will be undertaken by geological consultants Hellman & Schofield. Deep Yellow aims to have the new resource estimate completed in October.

As stated in the ASX release dated 25 July 2005, the aim of this drilling programme is as follows:

- To define mineralisation in excess of 6,000t (~ 13 million lbs) of contained U₃O₈.
- This target is based on the historical results of 9,000m of drilling carried out by Uranerz Australia Pty Ltd (Uranerz) and reported in 1979. The economic orientation study indicated between 5,700-6,200t of contained U₃O₈ within a grade range of 0.036-0.038%*.
- The historical drilling was carried out on drill hole spacings of 300m x 400m. A trial area drilled by Uranerz at spacings of 100m x 100m showed a 40% increase in grade but only a 10% tonnage decrease compared to the wider spaced drilling.
- The mineralised horizon occurs between 3 and 10 m from surface and is approximately 1-5 m thick.

**It should be noted that the above information describing mineralisation has not been prepared in compliance with the JORC Code 2004. The statement is based on estimates made in a report by Uranerz in 1979. The Uranerz report used polygons centred on holes drilled on 300m x 400m, 300m x 200m, 300m x 100m and 100m x 100m grids. The calculations were performed using a 200ppm and 0.5m sample interval cut-off. Two calculations were employed, one using a strict 200ppm cut-off for each assay and the second incorporating values greater than or equal to 100ppm such that the polygon average was still above the 200ppm cut-off. The potential quantity and grade of the above information is conceptual in nature and to date there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. The purpose of the drilling programme is to define a JORC compliant resource.*

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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 Joseph Drake-Brockman who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Drake-Brockman is employed by Drake-Brockman Geoinfo Pty Ltd. Dr Drake-Brockman 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 Drake-Brockman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 3: Collar coordinates for the drill holes listed in Table 1 and Table 2.

| Hole Number | Easting | Northing | RL | Depth | Dip | Azimuth |
|--------------------|----------------|-----------------|-----------|--------------|------------|----------------|
| NWE007 | 256150 | 7463698 | 554.9 | 11 | -90 | 0 |
| NWE011 | 256155 | 7463604 | 556.9 | 10 | -90 | 0 |
| NWE021 | 256141 | 7462508 | 557.2 | 14 | -90 | 0 |
| NWE030 | 255968 | 7462301 | 557.5 | 10 | -90 | 0 |
| NWE280 | 258400 | 7464700 | 556.9 | 10 | -90 | 0 |
| NWE281 | 258395 | 7464800 | 556.8 | 10 | -90 | 0 |
| NWE282 | 258398 | 7464902 | 557.2 | 14 | -90 | 0 |
| NWE284 | 258402 | 7465001 | 557.2 | 14 | -90 | 0 |
| NWE285 | 258299 | 7465098 | 557 | 10 | -90 | 0 |
| NWE286 | 258306 | 7465003 | 556.9 | 10 | -90 | 0 |
| NWE288 | 258298 | 7464800 | 556.7 | 10 | -90 | 0 |
| NWE289 | 258301 | 7464701 | 556.9 | 10 | -90 | 0 |
| NWE290 | 258298 | 7464597 | 557.3 | 10 | -90 | 0 |
| NWE292 | 258195 | 7464599 | 557.3 | 10 | -90 | 0 |
| NWE295 | 258198 | 7464700 | 556.8 | 10 | -90 | 0 |
| NWE298 | 258203 | 7465000 | 556.8 | 10 | -90 | 0 |
| NWE308 | 258499 | 7464396 | 557.8 | 10 | -90 | 0 |
| NWE322 | 258597 | 7464099 | 557.9 | 10 | -90 | 0 |
| NWE329 | 258600 | 7464695 | 557.3 | 10 | -90 | 0 |
| NWE330 | 258599 | 7464798 | 557.1 | 10 | -90 | 0 |
| WS25 | 258644 | 7464679 | 550 | 15 | -90 | 0 |
| WS26 | 258644 | 7464279 | 550 | 30 | -90 | 0 |
| WS31 | 258344 | 7464279 | 550 | 20 | -90 | 0 |
| WS32 | 258344 | 7464679 | 550 | 15 | -90 | 0 |
| WS65 | 256244 | 7463879 | 550 | 14.5 | -90 | 0 |
| WS66 | 255944 | 7463879 | 550 | 14.5 | -90 | 0 |
| WS85 | 256244 | 7462679 | 550 | 11.5 | -90 | 0 |
| WS87 | 256244 | 7463479 | 550 | 14 | -90 | 0 |
| WS91 | 255944 | 7462279 | 550 | 11.5 | -90 | 0 |
| WS191 | 258644 | 7465079 | 550 | 10 | -90 | 0 |

