

19 March 2012

ENVIRONMENTAL CLEARANCE RECEIVED FOR THE SHIYELA IRON PROJECT

KEY POINTS

- **Deep Yellow's Namibian subsidiary, Reptile Uranium Namibia Ltd (RUN) has received Environmental Clearance for its Shiyela Iron Project.**
- **The clearance was granted by the Namibian Ministry of Environment and Tourism and pertains to an application submitted in early November 2011.**
- **Environmental Clearance is generally seen as a precursor before obtaining a mining licence.**
- **Evaluation of the Shiyela Mining Licence Application (MLA) by the Namibian Ministry of Mines and Energy is underway.**
- **RUN has now received Environmental Clearance over all three of its MLA areas, namely Tubas-TRS, INCA and now Shiyela.**

Advanced stage uranium explorer Deep Yellow Limited (ASX: DYL) is pleased to announce that its wholly owned Namibian operating subsidiary, Reptile Uranium Namibia Ltd (RUN) has received Environmental Clearance from the Ministry of Environment and Tourism (MET) for the Shiyela Mining Licence Application (MLA) area (Figure 1), located entirely within the 100% RUN held Exclusive Prospecting Licence 3496.

The Shiyela Iron Project, which is located close to the Walvis Bay port and other infrastructure, has an Inferred JORC Mineral Resource of 78.7 Mt at 18.88% Fe at a 10% Davis Tube Recovery (DTR) cut-off with an average DTR magnetite content of 16.17%. A recently completed scoping study demonstrated the potential for an attractive project based on a plant producing 2 Mtpa of high quality blast furnace concentrate with estimated FOB costs of US\$77.40/ton.

Standard conditions have been attached to the clearance in view of the environmental sensitivity of the region, which include local and regional consultation and consent required prior to mining and protection of biodiversity habitats during operation. The MET has also reserved the right to attach further regulatory conditions during the operational phase of the projects.

DYL Managing Director Greg Cochran said: "This is a landmark event as it's the first iron ore project in Namibia to receive Environmental Clearance in recent times and is the culmination of a thorough evaluation process that commenced over three years ago by our dedicated team of Namibian employees and consultants led by Dr Leon Pretorius. The next step is the award of a Mining Licence, which is already under evaluation by Namibia's Ministry of Mines and Energy, confirming its status as a fast track project. We would like to acknowledge the MET's quick turnaround on all three of our recent applications which reinforces Namibia's reputation as an attractive mining investment destination."

ENDS



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For further information on the Company and its projects
- visit the website at www.deepyellow.com.au

About Deep Yellow Limited

Deep Yellow Limited (DYL) is an ASX-listed, advanced stage uranium exploration Company with extensive operations in the southern African nation of Namibia and in Australia. It also has a listing on the NSX.

DYL's primary focus is in Namibia where its operations are conducted by its 100% owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN). Its flagship is the Omahola Project currently under Pre-Feasibility Study with concurrent resource drill-outs on the high grade Ongolo Alaskite – INCA trend. It is also evaluating a stand-alone project for its Tubas Red Sand uranium deposit utilising physical beneficiation techniques it successfully tested in 2011. Additionally, its Shiyela Magnetite deposit, located just 45 kilometres from the Namibian port of Walvis Bay, is the subject of ongoing evaluation.

In Australia the Company is focused on resource delineation of mid to high grade discoveries in the Mount Isa district in Queensland and also owns the Napperby Uranium Project and numerous exploration tenements in the Northern Territory.

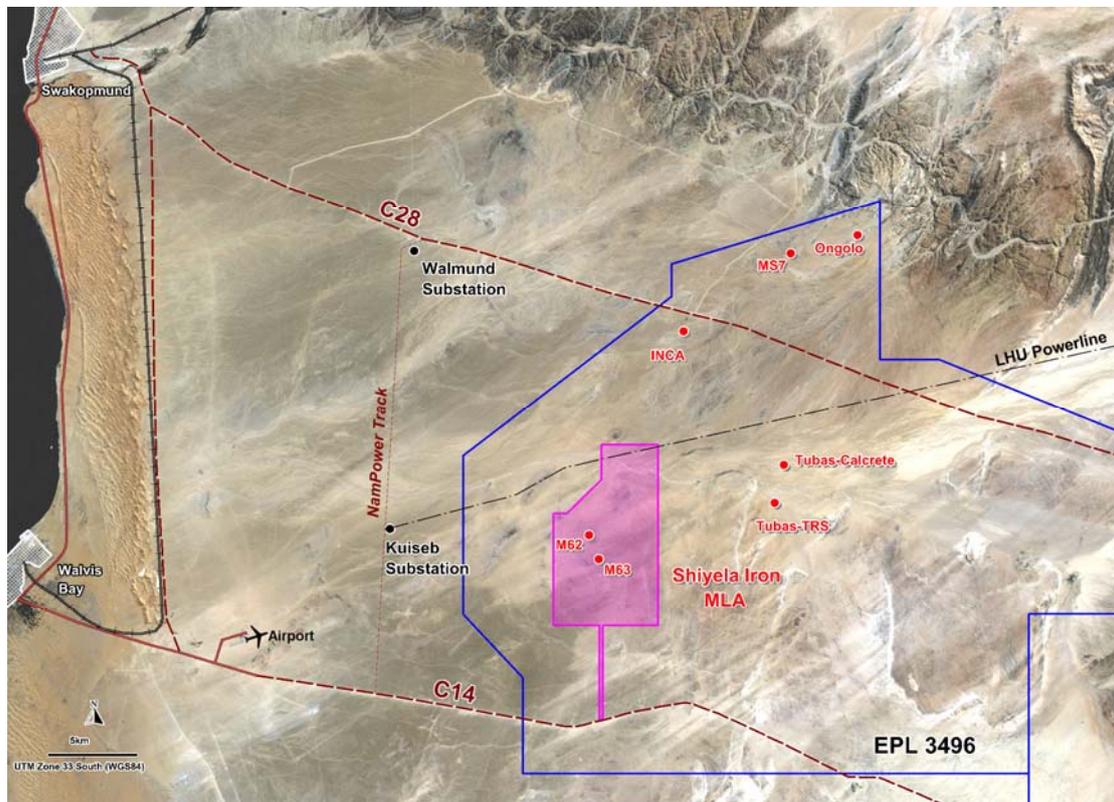


Figure 1: Shiyela Mining Licence Application Area