



14 September 2010

HIGH GRADE URANIUM MINERALISATION IN ALASKITE EXTENDED TO TWO KILOMETRES STRIKE LENGTH IN NAMIBIA

- Chemical assays confirm the extension of high grade (400+ ppm U₃O₈) alaskite hosted uranium mineralisation to a strike length of two kilometres at Tubas Alaskite prospect in Namibia
 - Drilling on Reconnaissance Line 5 located 870 metres southwest from previously drilled Reconnaissance Line 3 has returned the following intercepts
 - ALAR125
 - 16 metres at 655 ppm cU₃O₈ from 68 metres, including 8 metres at 1,029 ppm cU₃O₈ from 73 metres
 - ALAR126
 - 12 metres at 615 ppm cU₃O₈ from 137 metres, including 2 metres at 1,284 ppm cU₃O₈ from 142 metres
 - and
 - 27 metres at 513 ppm cU₃O₈ from 171 metres including 5 metres at 900 ppm cU₃O₈ from 171 metres
 - Tubas Alaskite Prospect renamed ONGOLO ALASKITE Project
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Deep Yellow Limited (ASX Code: **DYL**) is pleased to announce new drill results with additional high grade uranium intercepts from continuing **reconnaissance drilling** for alaskite-hosted uranium mineralisation at its renamed **Ongolo Alaskite** project area in Namibia (formerly Tubas Alaskite). These new chemical assay results confirm the extension of an interpreted mineralised zone to two kilometres in strike length and have returned higher average grades than previously reported in this area.

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DYL's wholly-owned subsidiary **Reptile Uranium Namibia (Pty) Ltd (RUN)** has recently completed reverse circulation (RC) drillholes ALAR125 and ALAR126, spaced at 107 metres along section on Reconnaissance Line 5, which have returned the following uranium intercepts (also presented in Table 1):

- **ALAR125**
 - **16 metres at 655 ppm cU₃O₈ from 68 metres**
Including 8 metres at 1,029 ppm cU₃O₈ from 73 metres
- **ALAR126**
 - **12 metres at 615 ppm cU₃O₈ from 137 metres**
Including 2 metres at 1,284 ppm cU₃O₈ from 142 metres, and
 - **27 metres at 513 ppm cU₃O₈ from 171 metres**
Including 5 metres at 900 ppm cU₃O₈ from 171 metres

Reconnaissance Line 5 is located 870 metres southwest of previously drilled and reported Line 3 (ASX 23 August 2010); 1,320 metres southwest of Line 2 with discovery hole ALAR13 (ASX 29 April 2010); and approximately 2,000 metres southwest of Line 1 with uranium intercepts of 400 ppm U₃O₈. (Reconnaissance Line 4 has not been drilled.) As shown in Figure 1, drill intercepts of 400+ ppm U₃O₈ have been outlined to form an interpreted mineralised zone spanning approximately two kilometres and open to the southwest.

In addition to the interpreted mineralised zone as shown in Figure 1, drillhole **ALAR107** located at the south-eastern end of Reconnaissance Line 5 returned an intercept of **4 metres at 459 ppm cU₃O₈ from 96 metres** within alaskite (Table 1). This area may be the beginning of a second mineralised zone to the south and will be further tested with the drilling of Reconnaissance Line 7. (Originally planned Line 6 will be skipped temporarily.)

Table 1: Significant* XRF Chemical assay results

Hole	WGS84 Zone 33		Azi	TD	Dip	Depth (m)		Interval (m)	cU ₃ O ₈ (ppm)	GTM
	mE	mN				From	To			
ALAR107	499693	7480696	135	245	-60	96	100	4	459	1,836
ALAR125	498050	7482350	135	226	-60	68	84	16	655	10,480
incl						73	81	8	1,029	8,232
ALAR126	497975	7482425	135	261	-60	137	149	12	615	7,380
incl						142	144	2	1,284	2,568
ALAR126	497975	7482425	135	261	-60	171	198	27	513	13,851
incl						171	176	5	900	4,500

Notes: TD is total depth of hole; cU₃O₈ is chemical assay U₃O₈; GTM is grade thickness metre and is calculated by multiplying the interval (m) x cU₃O₈ (ppm).

* RUN considers approximately 400 ppm U₃O₈ is required to be deemed significant for hardrock hosted uranium given current market conditions. Therefore lesser values are not reported at this time.

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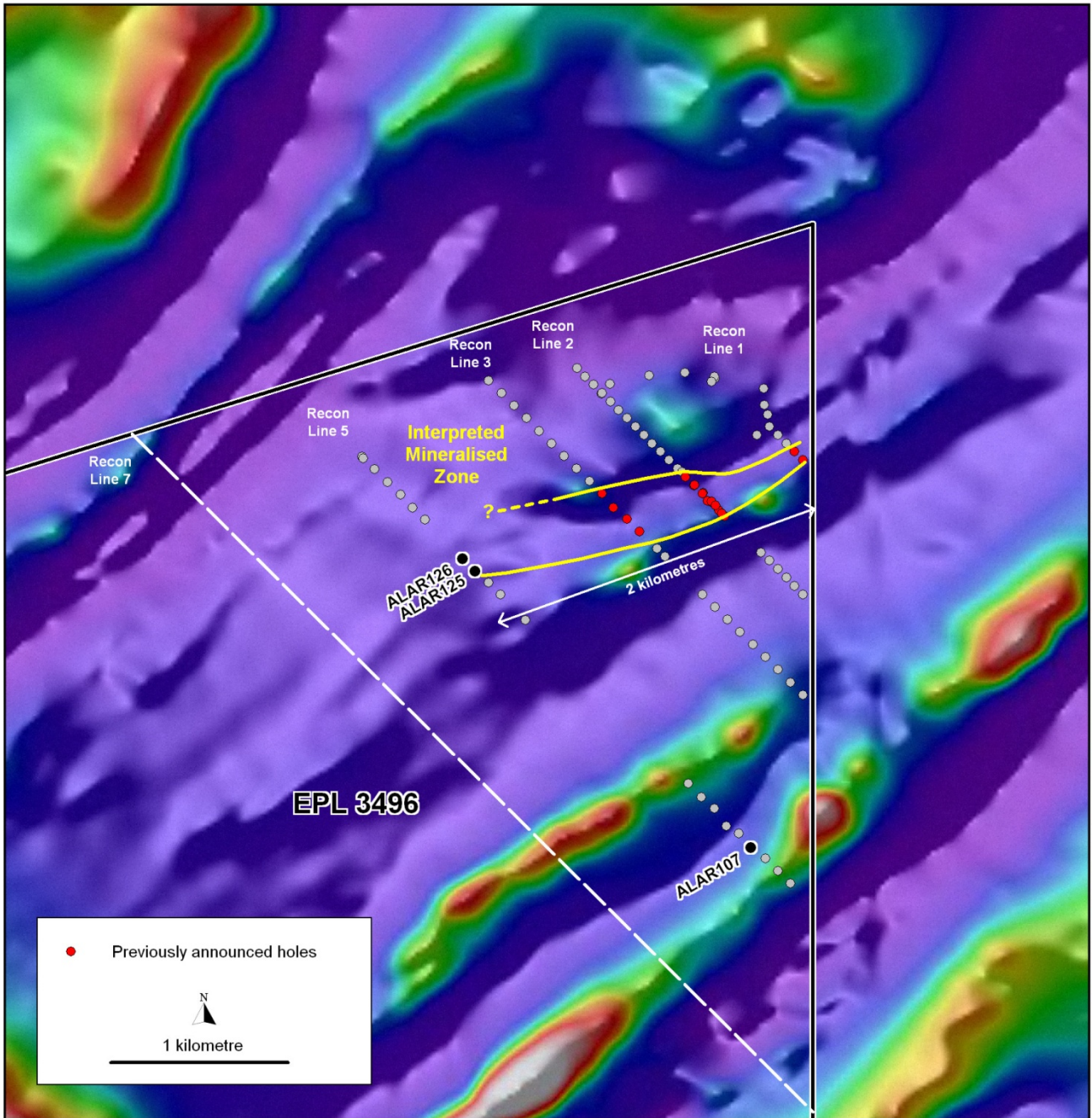


Figure 1: Ongolo Alaskite Project Drill Plan as at 9 September 2010

Figure 2 is a location map for the Ongolo Alaskite project area relative to the location of other alaskite hosted uranium deposits such as at the Rossing Uranium Mine, Extract Resources' Rossing South and Ida Dome Projects and Bannerman's Etango Project.

Presently there are three RC rigs and one diamond rig actively drilling on the Ongolo Alaskite project. Additional RC rigs may be added as detailed resource drilling at RUN's other project areas wind down.

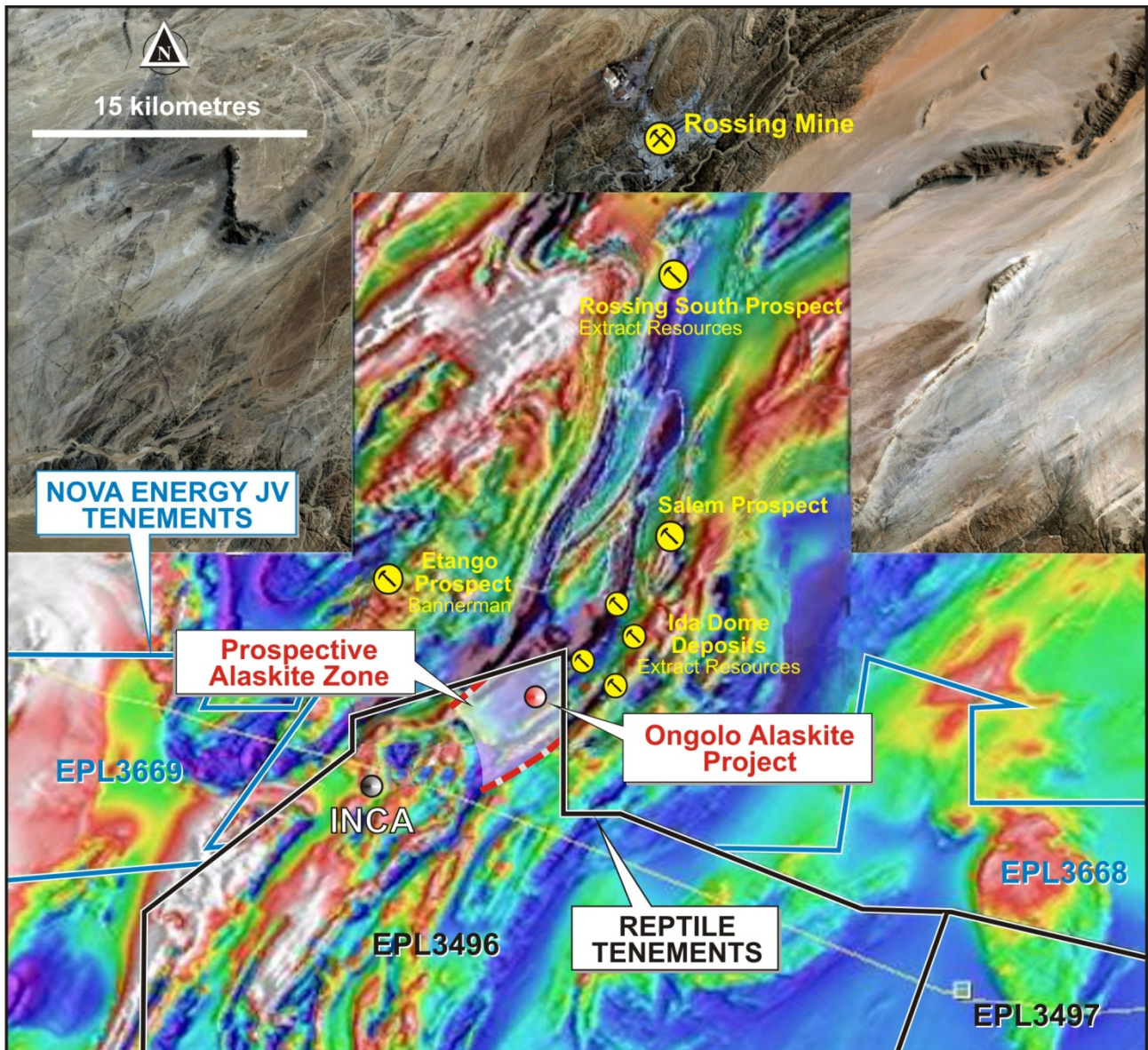


Figure 2: Regional aeromagnetic image showing location of Ongolo Alaskite Project relative to known primary uranium mineralisation

Targeted (resource) drilling on a nominal 100 by 100 metre grid is scheduled to commence in the December quarter when a deviational logging tool will be on site permanently. Deviational logging is used to measure the dip and direction (azimuth) of the drillholes.

The current strategy at Ongolo is prioritised drilling to identify mineralisation with potential to be accessed by open pit mining methods. Deeper drilling will follow at later stages of the project, as mineralisation is open down dip.

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Further information relating to the Company and its various exploration projects can be found on the Company's website at www.deepyellow.com.au.

Compliance Statement

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.

Where eU_3O_8 and/or cU_3O_8 are reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 slimline gamma ray tool. All probes are calibrated either at the Pelindaba Calibration facility in South Africa or at the Adelaide Calibration facility in South Australia.

Deep Yellow Limited is an Australian-based pure uranium exploration company with extensive advanced operations in Namibia and in Australia.

In Namibia the Company's principal development focus is through its wholly owned subsidiary **Reptile Uranium Namibia P/L** at the mid to high grade INCA primary uraniumiferous magnetite and secondary Red Sand projects and the extensive secondary calcrete deposits contained in the Tumas-Oryx-Tubas palaeochannel and fluvial sheetwash systems.

In Australia the Company is focused on resource delineation of mid to high grade discoveries in the Mt Isa district - Queensland, these include the Queens Gift, Conquest, Slance, Eldorado, Thanksgiving, Bambino and Turpentine Prospects.

A pipeline of other projects and discoveries in both countries are continually being examined and there is extensive exploration potential for new, additional uranium discoveries in both Namibia and Australia.