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APPOINTMENT OF HELLMAN & SCHOFIELD AND NAMIBIAN EXPLORATION AND DRILLING UPDATE

Deep Yellow Ltd (DYL) wishes to report that it has contracted Hellman & Schofield to carry out all future JORC Code resource determinations for data generated by its wholly owned Namibian subsidiary Reptile Uranium Namibia (Pty) LTD (Reptile).

Reptile's exploration continues unabated, however the planned 2008 increased rate of drilling is taking longer to implement than was hoped for.

HIGHLIGHTS:

- **RC drilling on Tubas confirms continuity of Falconbridge delineated uranium mineralisation.**
- **Limited ongoing RC drilling on Tubas North intersects alaskite hosted uranium mineralisation under sand cover.**
- **Diamond and RC drilling on Tubas uranium magnetite prospect intersects wide low grade mineralisation.**
- **Trenching scheduled within Tubas JORC Code resource.**
- **Airborne electromagnetic survey due to begin within the next two weeks.**

On a project by project basis:

Tubas EPL 3496

1. Drilling on the Tubas secondary deposit (originally prospected by Anglo American) was curtailed after the drilling of 4 close spaced RC holes in the area where a 20 metre long by nominally 10 metre deep trench will be dug over the well mineralised hole A2.80-7.5 which returned 1,478 U₃O₈ over 12 m from surface. This trench will serve to better understand geological and chemical controls on mineralisation and material will be used for trial leach tests, density determinations and isotopic disequilibrium analyses.

All 800 holes drilled by Reptile have now been surveyed and that data will now be added to the previously reported JORC Code resource base.

The RC rig previously engaged on this drilling programme is being used to drill test some of the anomalies generated by the helicopter reconnaissance sampling (ASX 23 January 2008).

2. Eight shallow (maximum 100 m) reconnaissance RC holes (both vertical and inclined) have been completed on 3 magnetic anomalies in the south of the Tubas EPL. Although assays are not available, radiometric logging returned three wide intercepts averaging ~ 100 ppm eU_3O_8 .^{*} From hole AM63-1 between 5 and 35 m and between 51 and 96 m and in hole AM63-3 between 5 and 28 m.

An inclined diamond drill hole that effectively twins RC hole AM-3 has been completed to 146 m. The core will assist in better understanding the style of magnetite and uranium mineralisation. A second diamond drill hole (vertical) has been collared to intersect the widest zone of magnetite mineralisation. The hole is currently at 59 m. Results from both holes will be reported as soon as available.

3. Surface sampling, geological mapping and interpretation of data from the airborne radiometric and magnetic survey delineated a large area of outcropping and sub-outcropping uraniferous alaskite in the north of the Tubas EPL. The RC rig was moved here after completion of the magnetite drilling programme and although the drilling has been beset with problems one hole (AN11-7, coordinates 498600 / 7482200) was drilled to 90 m and another (AN10-5 coordinates 499000 / 7482400) to 180 m. Both are inclined at 60 degrees and azimuth 320 degrees (all subject to surveying) will be deepened to +200 m once the rig is operational again.

Hole AN11-7 was not radiometrically logged. Hole AN10-5 was logged internally to 161 m (due to a blockage) and returned a number of narrow intersections and a 30 m wide zone from 124 m averaging 186 ppm eU_3O_8 .^{*} Samples have been collected and submitted for XRF analyses.

Drilling recommenced on 26 February.

* *Where eU_3O_8 is reported it relates to values attained from radiometrically logging boreholes with Auslog equipment using an A675 – slimline gamma ray tool. The probe has been calibrated at the Pelindaba Calibration facility in South Africa with calibration certification provided by Geotron Systems (Pty) Ltd a geophysical consultancy based in South Africa. All eU_3O_8 results reported are affected by issues pertaining to possible disequilibrium and uranium mobility which should be taken into account when interpreting them pending confirmatory chemical analyses.*

Tumas EPL 3497

RC drilling with two rigs is underway on the old Falconbridge project. To date 342 holes have been completed for 4,262 m. Drilling is all vertical on a 50 m by 50 m grid system. Given the channels to be investigated occur within a braided system covering about 9 km by 6 km this drilling will take about 6 months to complete. The data gathered will be used to compile a JORC Code resource.

Aussinanis EPL 3498 and Ripnes EPL 3499

RC drilling is scheduled to start with one rig next week and the second is due to start in about 3 weeks time. Initially a 28 km N-S long reconnaissance line will be drilled at nominally 140 m centres. This line will traverse the old Elf-Aquitaine project area within EPL 3498 and also cover highly anomalous untested radiometric and surface outcropping carnotite mineralisation recently discovered within EPL 3499.

Upon completion of the reconnaissance, grid drilling will commence to allow compilation of JORC Code resources. The Elf-Aquitaine project was contained within an approximate area of 16 km (SW – NE) by 4 km wide. The Reptile airborne and ground radiometric surveys have extended this area to about 30 km long and in the southern part of the Ripnes EPL it is about 6 km wide. Even on the broad spaced planned grid of 100 m lines and 50 m centres, more than 8,000 holes need to be drilled to evaluate the area's potential.



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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.