

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

DEEP YELLOW LIMITED

ABN

97 006 391 948

Quarter ended ("current quarter")

31 DECEMBER 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(4,850)	(9,897)
(b) development	-	-
(c) production	-	-
(d) administration	(439)	(1,057)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,081	2,190
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other income	15	249
Net Operating Cash Flows	(4,193)	(8,515)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) tenements	-	-
(b) equity investments	-	-
(c) other fixed assets	(117)	(551)
(d) environmental and other bonds	(6)	(78)
1.9 Proceeds from sale of:		
(a) tenements	-	-
(b) equity investments	-	-
(c) other fixed assets	-	1
(d) environmental and other bonds	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid from other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(123)	(628)
1.13 Total operating and investing cash flows (carried forward)	(4,316)	(9,143)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(4,316)	(9,143)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1,013
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share issue costs	-	-
	Net financing cash flows	-	1,013
	Net increase (decrease) in cash held	(4,316)	(8,130)
1.20	Cash at beginning of quarter/year to date	53,544	57,062
1.21	Exchange rate adjustments to item 1.20	102	398
1.22	Cash at end of quarter	49,330	49,330

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	265
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Executive and non-executive director's remuneration and consultancy fees.	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	No transactions took place
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	
3.2 Credit standby arrangements	N/A	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,250
4.2 Development	-
Total	2,250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,330	3,544
5.2 Deposits at call	45,000	50,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	49,330	53,544

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL25101	Partial relinquishment	59 blocks	30 blocks
	EPM(A)17716	Reduced	9 blocks	4 blocks
	EPM15194	Outright relinquishment	100%	0%
	EPM15249	Outright relinquishment	100%	0%
6.2 Interests in mining tenements acquired or increased	EPM17860	Application	0%	100%
	EPM17923	Application	0%	100%
	EPM17952	Application	0%	100%
	EPM17967	Application	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	NIL			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL			
7.3 +Ordinary securities	1,121,226,958	1,121,226,958	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	NIL NIL			
7.5 +Convertible debt securities (description)	NIL			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	<i>Unlisted options</i>		<i>Exercise Price</i>	<i>Expiry Date</i>
	16,000,000	-	55.1 cents	30/11/2009
	2,912,500	-	44.6 cents	31/12/2009
	2,812,500	-	59.6 cents	31/12/2010
	787,500	-	64.6 cents	30/06/2010
	787,500	-	74.6 cents	30/06/2011
	12,500,000	-	59.5 cents	30/11/2010
	5,005,000	-	27.5 cents	30/06/2011
	5,005,000	-	40.0 cents	30/06/2011
	3,820,000	-	45.0 cents	30/06/2011
	3,820,000	-	60.0 cents	30/06/2011
	1,375,000	-	27.5 cents	30/06/2011
	3,675,000	-	27.5 cents	31/12/2011
	6,100,000	-	27.5 cents	30/06/2011
7.8 Issued during quarter	6,100,000	-	27.5 cents	30/06/2011
7.9 Exercised during quarter				
7.10 Lapsed during quarter	3,000,000 2,000,000	-	21.1 cents 31.1 cents	31/12/2008 31/12/2008
7.11 Debentures (totals only)	NIL			
7.12 Unsecured notes (totals only)	NIL			

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Company Secretary)

Date: 28 January 2009

Print name: MARK PITTS
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Notes:

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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