Deep Yellow Limited

ASX Announcement **ASX: DYL**

05 April 2012

ENCOURAGING ONGOLO AND RECONNAISSANCE DRILLING RESULTS

KEY POINTS

- **The results of XRF Fusion chemical assays on samples from the high grade intercepts made at Ongolo and from reconnaissance lines (as reported in ASX Release dated 23 February 2012) have been received.**
- **These results have confirmed a new discovery on a reconnaissance line approximately 2 kilometres south of Ongolo:**
  - **ALAR970 9 metres at 709 ppm U_3O_8 from 216 metres**
  - **ALAR978 6 metres at 1,430 ppm U_3O_8 from 171 metres**
  - **ALAR980 3 metres at 1,071 ppm U_3O_8 from 156 metres**
- **Selected Ongolo infill resource drilling results include:**
  - **ALAR426 4 metres at 1,630 ppm U_3O_8 from 45 metres**
  - **ALAR969 10 metres at 551 ppm U_3O_8 from 175 metres**
  - **ALAR990 18 metres at 499 ppm U_3O_8 from 297 metres**
- **Infill resource drilling is continuing at Ongolo as is reconnaissance drilling southwest from Ongolo towards MS7, as well as at MS7.**
- **Results of XRF Fusion chemical assays on samples from the high grade intercepts at the MS7 deposit will be available next week.**

Advanced stage uranium explorer **Deep Yellow Limited** (ASX: **DYL**) is pleased to announce XRF Fusion chemical assay results from resource and reconnaissance drilling conducted by its wholly owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN) from the Ongolo deposit area (Figure 1). The results, which were foreshadowed in an ASX Release dated 23 February 2012, are from the 2012 Drill Programme which commenced in mid-January.

Deep Yellow Managing Director Greg Cochran said that he was very pleased with the results. "We have come to expect these results from Ongolo but the confirmation of another new discovery, so close to Ongolo, is particularly exciting."

The 2012 drill programme at Ongolo is primarily designed around increasing the size and confidence of the resource as well as testing for lateral and depth extensions to the high grade zones delineated last year whilst the objective of the reconnaissance drilling is to find new satellite deposits for the Omahola Project (Figures 2 and 3).

Level 1, 329 Hay Street, Subiaco, WA 6008 / PO Box 1770, Subiaco, WA 6904
Tel : 61 8 9286 6999 / Fax : 61 8 9286 6969 / ABN 97 006 391 948
Email: info@deepyellow.com.au / Website: www.deepyellow.com.au

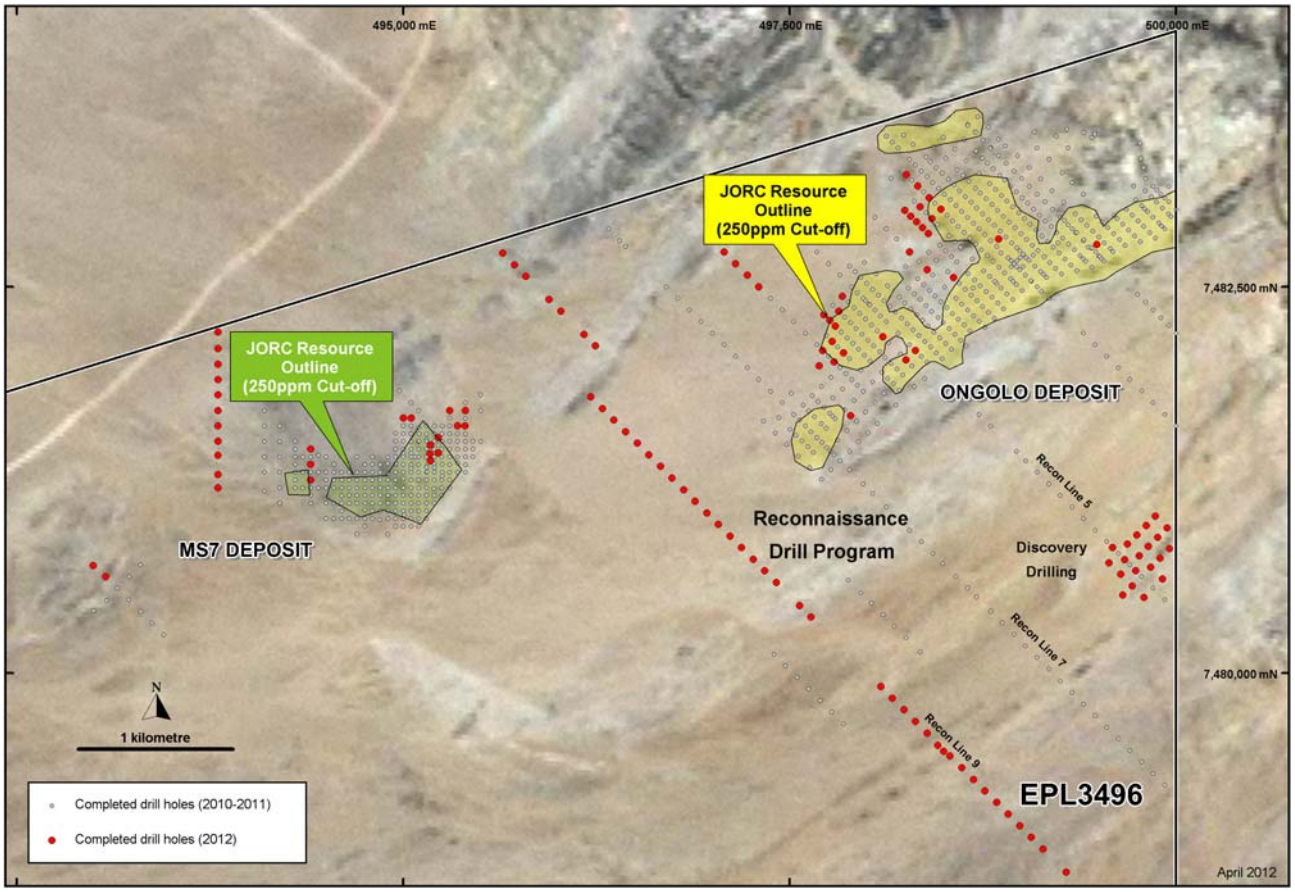

Figure 1: 2012 Drill Programme – Ongolo-MS7 Area

Reconnaissance Drilling

First results from the reconnaissance drill programme near to the Ongolo deposit have returned high grade uranium mineralisation associated with a well defined Alaskite-marble contact zone. (In 2010 a single hole returned a best value of 4 metres at 459 ppm U_3O_8 from 96 metres during initial reconnaissance drilling in the area, as per ASX Release dated 14 September 2010).

Infill and extension drilling along the marble contact zone (Figure 3) returned a number of high grade intersections at depth which will require follow-up diamond drilling to fully evaluate the structural setting of this new mineralised zone. The cluster of anomalous values along the marble contact zone centred on Line 5 will initially be followed along strike to Line 9 (1.7 kilometres).

The latest available chemical assay results are given in Appendix 1, whilst selected significant results include:

- **ALAR970 9 metres at 709 ppm U_3O_8 from 216 metres**
- **ALAR978 6 metres at 1,430 ppm U_3O_8 from 171 metres**
- **ALAR980 3 metres at 1,071 ppm U_3O_8 from 156 metres**

Ongolo Alaskite Deposit

Fusion XRF chemical assays have also been received for the 'infill' drill programme in the central-west of the Ongolo deposit. The results provide continuity between 'resource blocks' outlined by the 2011 drill programme and should serve to improve the JORC classification.

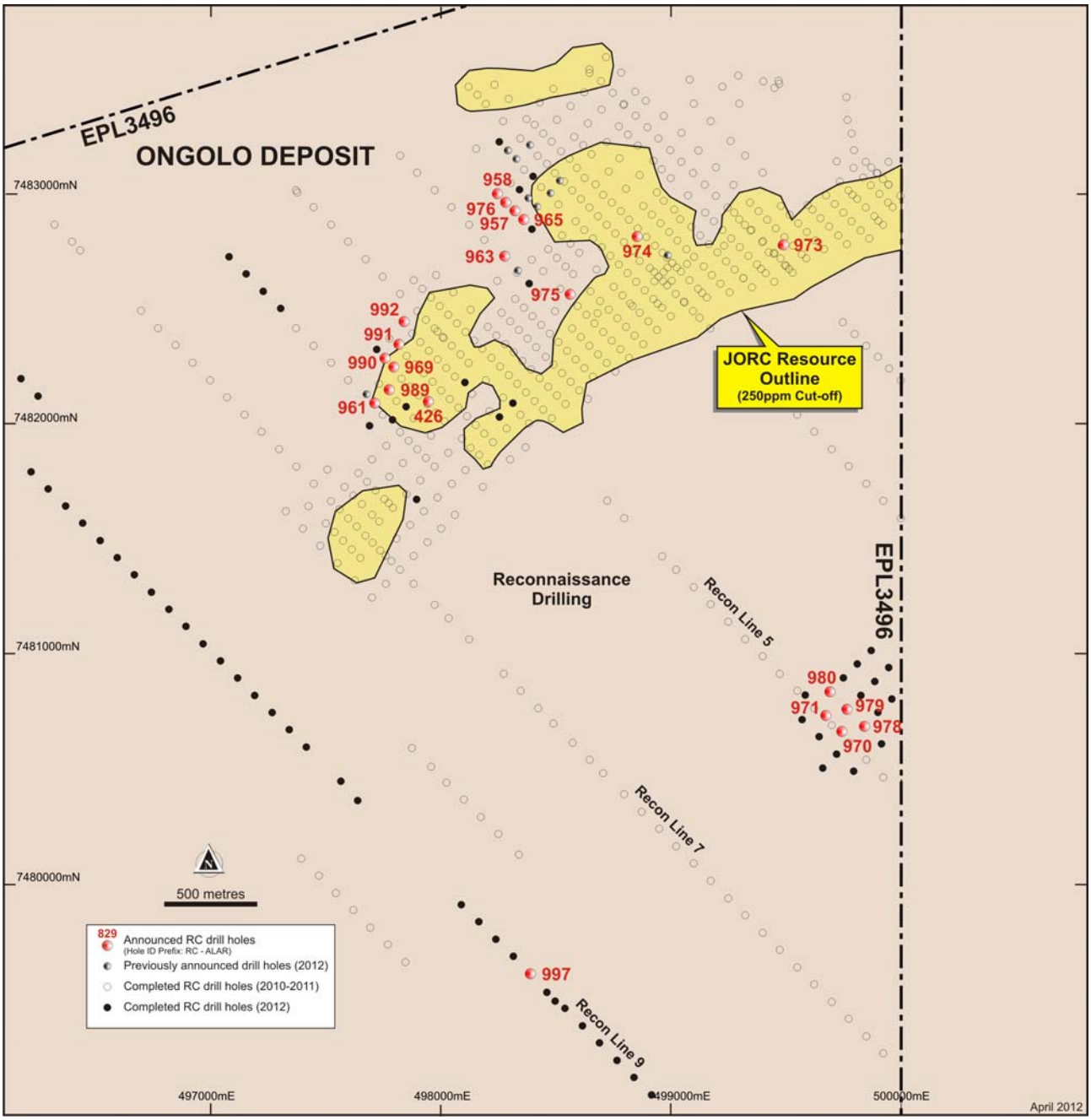

Figure 2: Location Map showing Ongolo Infill and Reconnaissance Drilling

The latest available chemical assay results are given in Appendix 1, whilst selected significant results include:

- **ALAR957 7 metres at 412 ppm U_3O_8 from 181 metres**
  and 4 metres at 406 ppm U_3O_8 from 208 metres
- **ALAR961 9 metres at 404 ppm U_3O_8 from 193 metres**
- **ALAD969 10 metres at 551 ppm U_3O_8 from 175 metres**
- **ALAD990 18 metres at 499 ppm U_3O_8 from 297 metres**
- **ALAD992 6 metres at 462 ppm U_3O_8 from 241 metres**

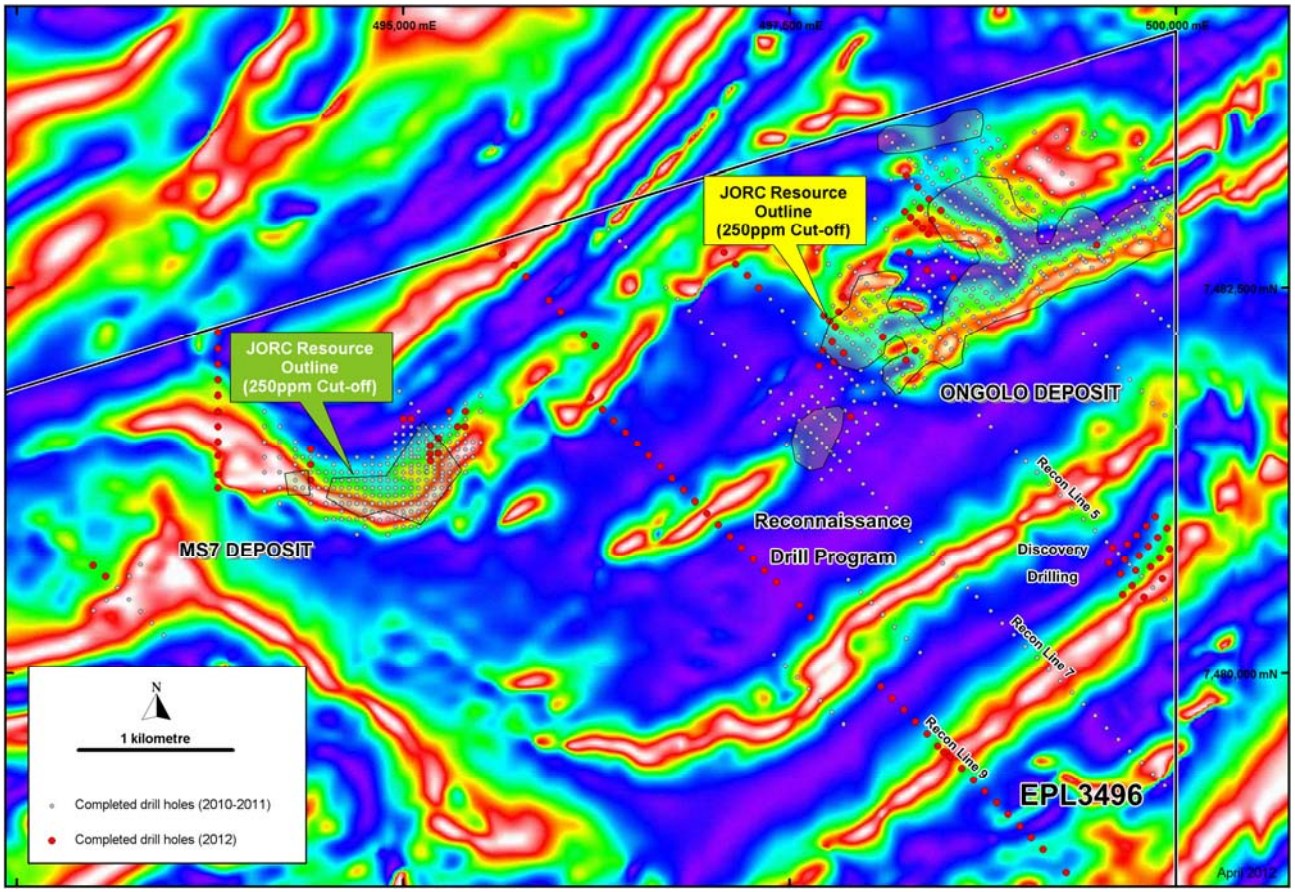

Figure 3: Regional aeromagnetic image showing the Ongolo outline and 2012 Drill Programme. (The magnetic highs (red-white) represent marble/skarn units within the mineralised alaskites)

Ends

For further information regarding this announcement, contact:

Greg Cochran
Managing Director
Phone: +61 8 9286 6999
Email: info@deepyellow.com.au

Media
Annette Ellis / Greg Galton
Phone: +61 8 6314 6302
Email: aellis@purplecom.com.au
ggalton@purplecom.com.au

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

About Deep Yellow Limited

Deep Yellow Limited 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 Namibian Stock Exchange.

Deep Yellow'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 – MS7 trend. It is also evaluating a stand-alone project for its Tubas-TRS 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 owns the Napperby Uranium Project and numerous exploration tenements in the Northern Territory and in the Mount Isa District in Queensland.

Appendix 1: Fusion XRF Chemical Assay Results – April 2012

Hole	mE	mN	Azi	TD	Dip	Depth (m)		Interval	SS Fusion cU_3O_8 (ppm)	GTM
						From	To	(m)		
Ongolo Infill Drill Programme										
ALAR426	497945	7482095	135	211	-60	45	49	4	1,630	6,520
ALAR957	498320	7482920	135	226	-60	77	79	2	497	994
and						95	97	2	525	1,050
and						98	99	1	418	418
and						181	188	7	412	2,884
and						208	212	4	406	1,624
ALAR958	498245	7482995	135	250	-60	109	111	2	544	1,088
and						131	132	1	583	583
and						153	155	2	413	826
ALAR961	497713	7482087	135	181	-60	193	202	9	404	3,636
ALAR963	498275	7482725	135	181	-60	153	156	3	442	1,326
ALAR965	498358	7482883	135	220	-60	176	179	3	419	1,257
ALAR969	497795	7482245	135	261	-60	175	185	10	551	5,510
and						210	212	2	455	910
and						233	234	1	422	422
ALAR973	499486	7482775	135	265	-60	169	171	2	475	950
ALAR974	498851	7482809	135	500	-60	155	156	1	515	515
and						160	162	2	426	852
and						175	176	1	407	407
ALAR975	498560	7482560	135	500	-60	319	320	1	542	542
and						350	353	3	411	1,233
and						356	360	4	410	1,640
and						362	366	4	494	1,976
and						413	414	1	411	411
and						420	422	2	437	874
ALAR976	498283	7482957	135	259	-60	191	194	3	438	1,314
ALAR989	497774	7482146	135	220	-60	131	132	1	435	435
and						181	183	2	536	1,072
ALAR990	497757	7482282	135	316	-60	226	227	1	411	411
and						297	315	18	499	8,982
ALAR991	497818	7482342	135	271	-60	253	254	1	473	473
ALAR992	497840	7482440	135	261	-60	241	247	6	462	2,772
Reconnaissance Drilling Programme										
ALAR970	499738	7480662	135	240	-60	216	225	9	709	6,381
ALAR971	499668	7480733	135	260	-60	163	165	2	454	908
ALAR978	499835	7480685	135	250	-60	171	177	6	1,430	8,580
ALAR979	499760	7480760	135	250	-60	66	68	2	500	1,000
and						132	134	2	465	930
ALAR980	499685	7480835	135	250	-60	156	159	3	1,071	3,213
ALAR997	498388	7479612	135	223	-60	149	152	3	498	1,494

Notes: TD is total depth of hole; U_3O_8 is a chemical assay by Fusion XRF. GTM is grade thickness metre and is calculated by multiplying the interval (m) x U_3O_8 (ppm)

Values of approximately 400 ppm U_3O_8 are deemed to be significant by DYL in this environment and therefore lower average values are not reported.