

29 April 2015**QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDING 31 MARCH 2015**

HIGHLIGHTS**Corporate and Market Comments**

- DYL continues to carefully manage its expenditure and remains in a sound financial position with a cash balance of approximately \$4.5 million at the end of the quarter.
- The much anticipated Japanese reactor restarts continue to be delayed by court proceedings and public petitions, despite having received regulatory approvals – the first restarts are now anticipated in the second half of the year.
- India's Department of Atomic Energy and Cameco Corporation signed a landmark inaugural contract for the supply of 7.1 million pounds of uranium concentrate by Cameco to India over the period to 2020.
- Minor changes in the uranium spot and term price during the quarter reflect marginally increased sales activity and buying interest from utilities.

Omahola Project

- The results of a study conducted by Perth based consultants Orelogy in conjunction with the Johannesburg office of DRA International have been received and are being reviewed prior to release.
- The study focussed on assessing the economics of a smaller heap leach development scenario for the Omahola Project.

Hard Rock Target Exploration

- Given that no significant mineralisation was intersected in the small (5 hole) reconnaissance drill program on target ABU-001 in December 2014, a further review of the results from the ground radiometric surveys conducted on ABU-001 and 002 in the previous quarter was completed.
- Planning for a follow-up geophysical program on selected pre-existing targets commenced during the quarter.

Palaeochannel Exploration

- The drill program conducted in December 2014 within a selected area of the Tumas Zone 1 Palaeochannel located on EPL3497 confirmed a continuously mineralised front consistent with previous drilling results.
 - The infill drillhole results, based on downhole gamma logging, were also a good match with historical results as well as the existing block model.
 - Mineralisation was found to contain minimal internal dilution and is confined to the channel sediments only.
 - ICP-MS assay results have been received and are in the process of being validated prior to release.
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BUSINESS REVIEW

OMAHOLA PROJECT

Pit Optimisation Study

The results of the study conducted by Perth based mining consultants Orelogy, supported by DRA International who provided capital and operating cost estimates, have been received and are being reviewed prior to release. The study, which was commissioned in follow up to encouraging results obtained in an internal exercise, focussed on assessing the economics of a smaller heap leach development scenario for the Omahola Project. (See Figure 1 for the location of the Omahola Project's Resources.) Initial indications are that the results support the findings of the internal study, which were released in June 2014.

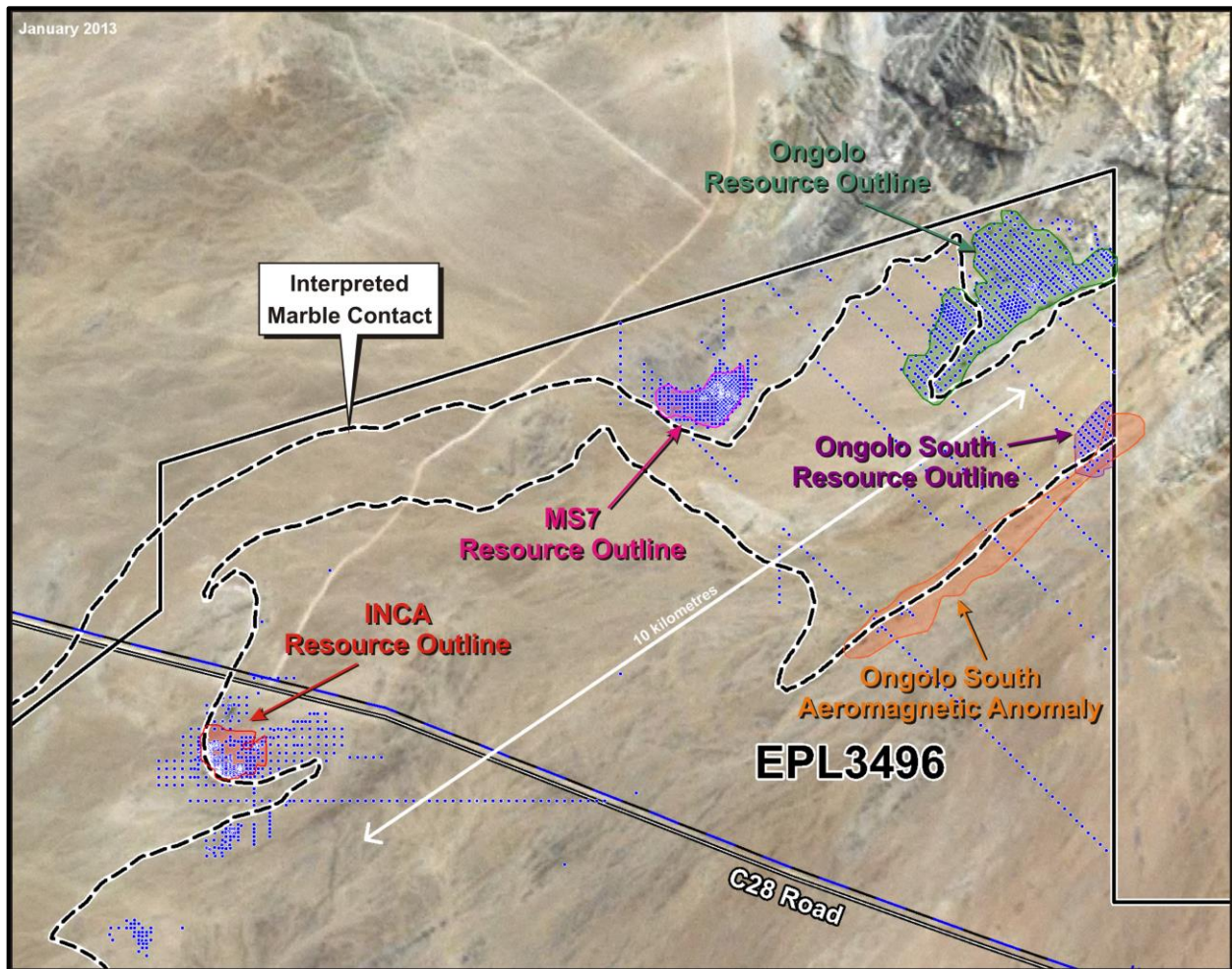


Figure 1: Locality Map Showing Omahola Project Resource Outlines

HARD ROCK TARGET EXPLORATION

Ongoing Assessment of ABU 001 and ABU 002

DYL has been cautiously assessing these two targets that were originally identified in the Company's 2013 prospectivity analysis. In the second quarter extensive ground radiometric studies resolved what were previously classified as two airborne anomalies into a number of discrete anomalies, with ABU-001 being the more consistent of the two. Recognising that ABU-001's radiometric anomaly (based on the ground work) had the longest strike extent of approximately 600m (compared to the MS7 deposit's strike length of 300m) it was prioritised for the first reconnaissance drill program, which unfortunately was unsuccessful with no significant mineralisation being intersected (see Figure 2 overleaf for location of anomalies and drillholes).



As a result of the unsuccessful drill program DYL conducted a review of all the previous work on these two targets to improve its chances of success with any follow-up program. A small low cost trenching exercise is being considered for ABU-002 whilst additional geophysical programs (Induced Polarisation methods) and interpretation are also being planned.

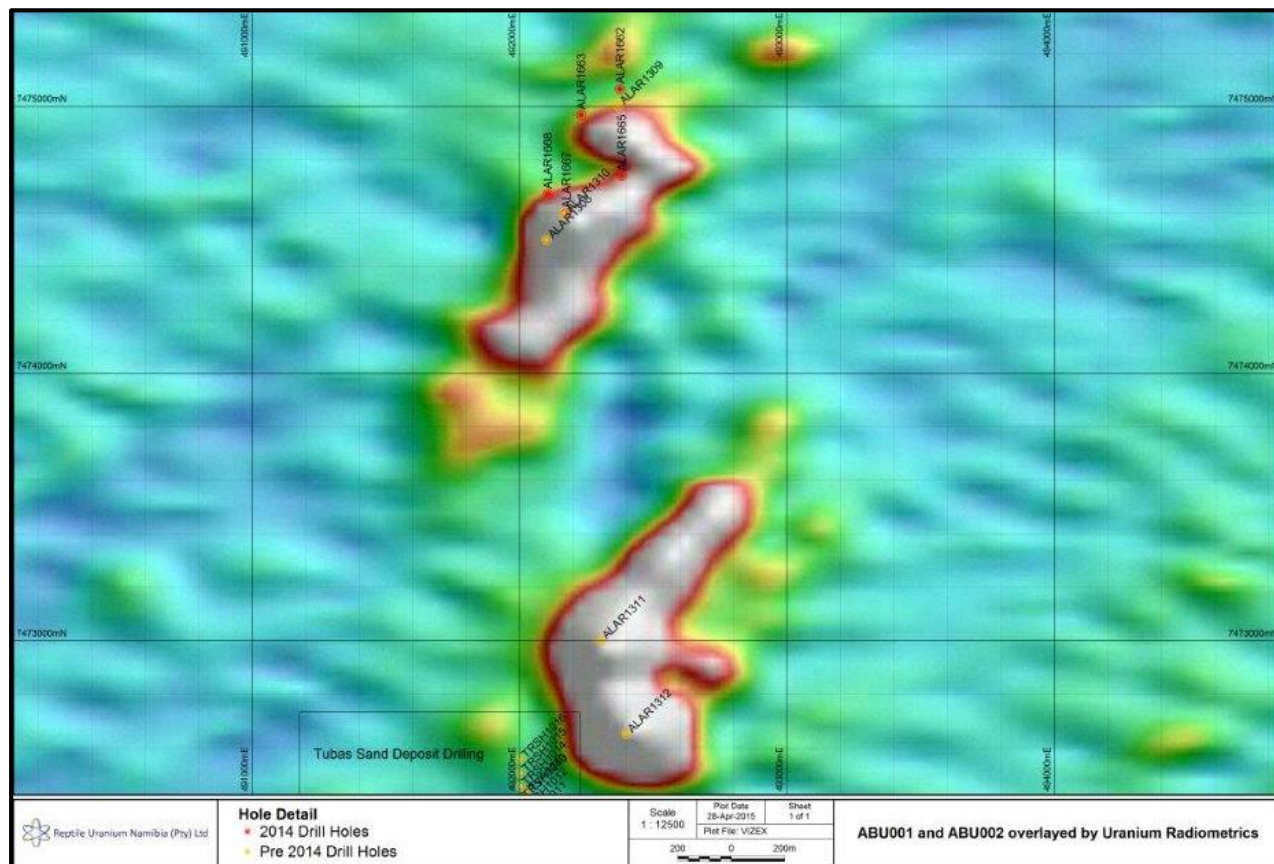


Figure 2: Location of old and recent drillholes at ABU-001 and -002 as well as airborne radiometrics

PALAEOCHANNEL EXPLORATION

Tumas Palaeochannel Drill Program

The infill drill program within the Tumas Zone 1 area (see Figures 3 and 4) which was completed in December 2014 was designed to enhance geological and resource understanding and had the following specific objectives:

- Confirm the Tumas Zone 1 resource model at a higher resolution;
- Test and document the consistency and continuity of the palaeochannel's mineralisation (and assess internal dilution);
- Improve the definition of the palaeochannel's extremities and investigate bedrock effects (specifically to see if any mineralisation was contained in the bedrock); and
- Improve the resolution and variability of the datasets for resource modeling.

The 90 hole program confirmed a continuously mineralised front of approximately 160 metres (N-S) and 50 metres (EW) and was entirely consistent with previous drilling results which is encouraging given that the existing resource model is based on a drill spacing of 50m x 100m compared to the infill program at 12.5m x 12.5m. In addition, grades obtained by downhole gamma logging conducted during the program were a good match in tenor with the historical results and the existing block model. Mineralisation was found to contain minimal internal dilution and is confined to the channel sediments only which is important from a mining and processing perspective.

ICP-MS assay results have been received and are in the process of being validated prior to release.

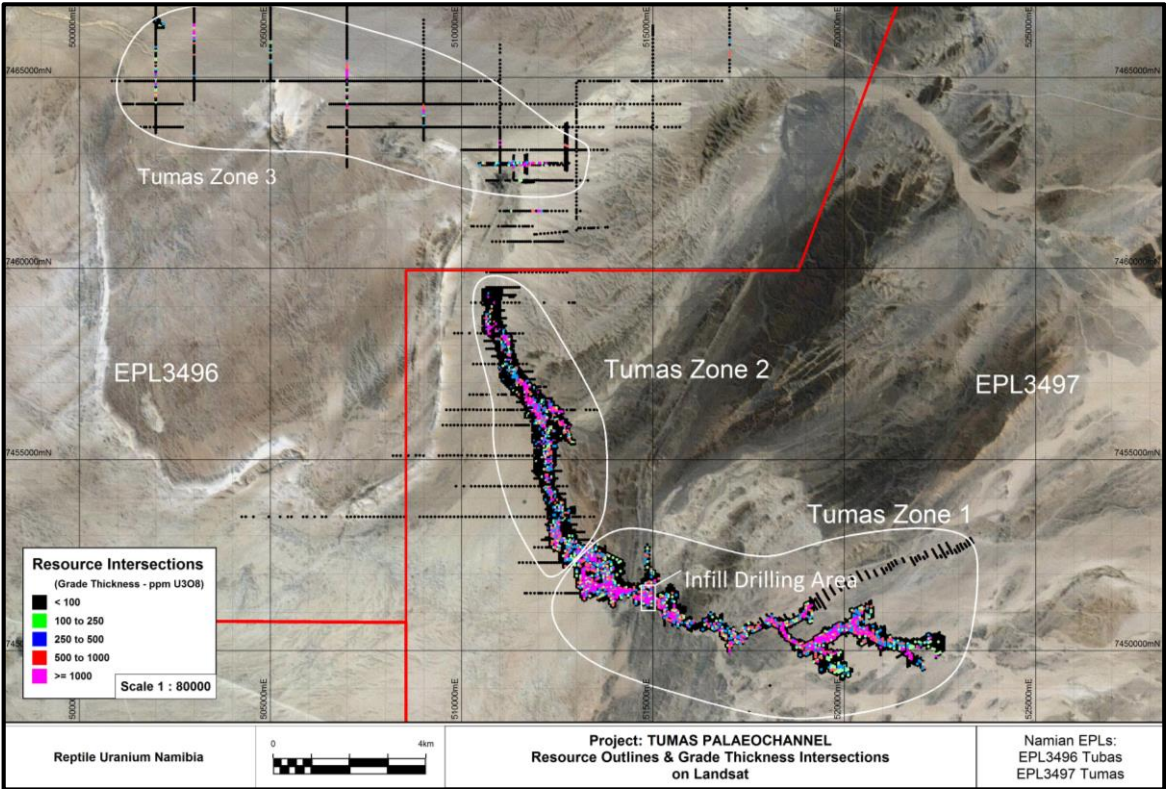


Figure 3: The Tumas Palaeochannel on EPLs 3497 and 3496 showing location of Infill Drill Program

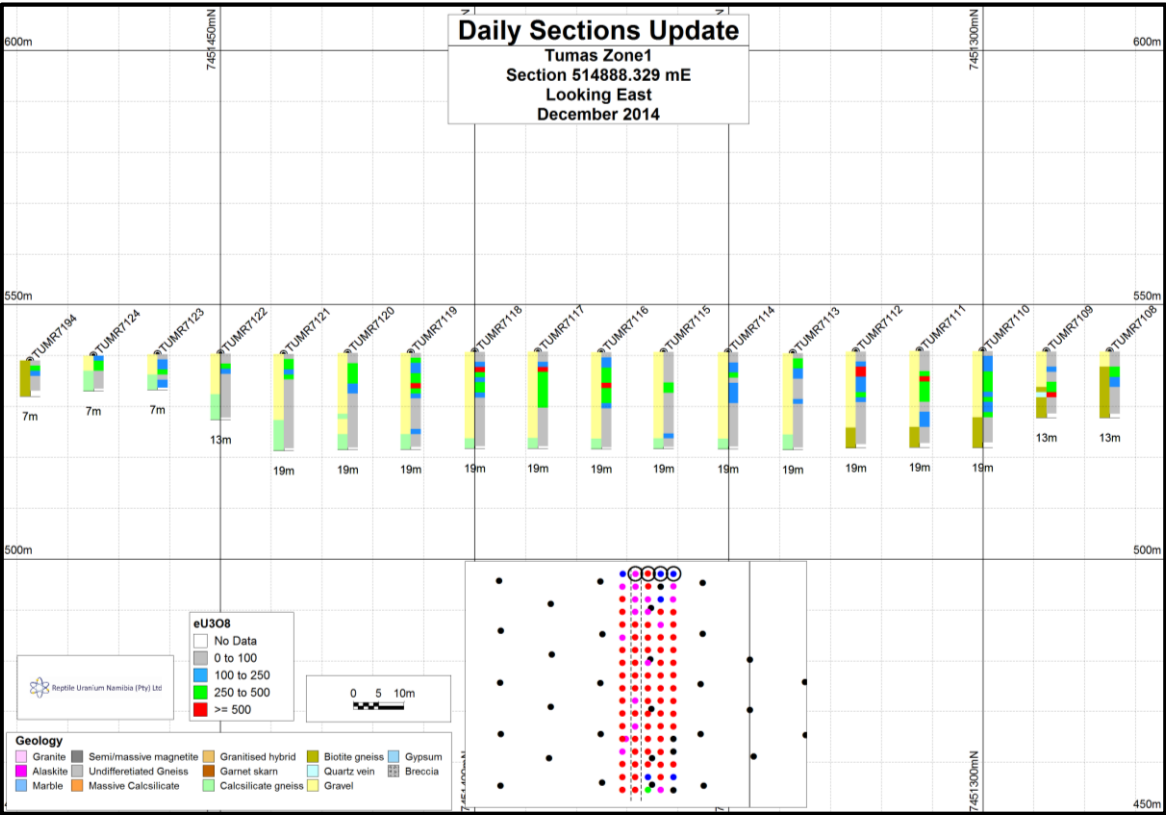


Figure 4: Tumas Palaeochannel Infill Drilling Section 51488.407 mE Looking East



MARKET COMMENT

The uranium market remains delicately poised with a number of events taking place during the quarter that impacted on both demand and supply as well as overall sentiment.

The market continues to monitor progress in Japan where utilities continue to inch forward towards restarts. On the one hand the restart of Kansai Electric's Takahama units 3 and 4, which have regulatory approval and were expected by the end of the year, was blocked by a temporary injunction imposed by the Fukui District Court. On the other, the Kagoshima Prefecture's District Court rejected a petition attempting to halt the restart Kyushu Electric's Sendai 1 & 2 which also have regulatory approval. It is possible that we could see both restart by the end of the year but an element of doubt remains.

Recently India's Department of Atomic Energy and Cameco Corporation signed a landmark inaugural contract for the supply of 7.1 million pounds of uranium concentrate by Cameco to India over the period to 2020. This transaction also enabled the two countries to commit to closer civil nuclear energy cooperation by making a joint statement encouraging collaboration in the areas of nuclear safety and regulation as well as nuclear energy research and development. India currently has 21 operating nuclear power plants.

Spot market sales during the quarter were significantly higher than the same period last year which lead to the price strengthening gradually to over US\$39/lb whilst the term price remained stable over the corresponding period. This may change positively if initial expressions of interest from utilities results in term contracts being executed for 2017 and beyond deliveries.

The supply side remains under some pressure with a number of the world's larger uranium mining operations continuing to experience production problems.

CORPORATE

DYL completed the Quarter in a sound financial position with cash and liquid assets of approximately \$4.5 million as at 31 March 2015.

During the quarter 9,329,321 shares were issued in relation to vested performance rights and shareholder approved payments in lieu of salaries and director fees.

For further information regarding this announcement, contact:

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Managing Director

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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 is an ASX-listed, Namibian-focussed advanced stage uranium exploration company. It also has a listing on the Namibian Stock Exchange.

Deep Yellow's operations in Namibia are conducted by its 100% owned subsidiary Reptile Uranium Namibia (Pty) Ltd. Its flagship is the higher grade alaskite Omahola Project on which studies are being conducted to supplement the recently completed preliminary economic analysis and the scoping phase of metallurgical testwork is being planned.

The Company is also evaluating fast track development options for its surficial calcrete deposits which are amenable to various physical beneficiation upgrading techniques that have been successfully tested over the last four years.



Competent Person's Statements

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared or reviewed by Mr Geoffrey Gee, a Competent Person who is a Member of the Australasian Institute of Geoscientists. Mr Gee, who is employed as a contract Exploration Geologist with Deep Yellow, 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'. Mr Gee consents to the inclusion in the report of the matters based on the information in the form and context in which it appears

Forward-Looking Statements

Certain statements made in this announcement, including, without limitation, those concerning the preliminary economic analysis of the Omahola Project and the techno-economic assessment and risk analysis of the Tubas Sand Project, contain or comprise certain forward-looking statements regarding DYL's exploration operations, economic performance and financial condition. Although DYL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. DYL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

The Company notes that an inferred resource has a lower level of confidence than an indicated or measured resource. The Company believes that based on the geological nature of its deposit and the work done over several years by its geological team and its Competent Person that there is a high degree of probability that the inferred resources will upgrade to indicated resources with further exploration work.

Annexure 1

Schedule of Mineral Tenure – March 2015

NAMIBIA

Number	Name	Interest	Expiry Date	JV Parties	Approx. Area (km ²)
EPL 3496	Tubas	100%	05.06.2015	-	709
EPL 3497	Tumas	100%	05.06.2015	-	637
EPL 3498	Aussinanis	85%	07.05.2014	5% Epangelo # ² 10% Oponona # ³	253
EPL 3499	Ripnes	85%	05.06.2015		522
EPL 3668	Gawib West	65%	20.11.2015	25% Nova (Africa) # ⁴ 10% Sixzone # ⁵	185
EPL 3669	Tumas North	65%	20.11.2015		163
EPL 3670	Chungochoab	65%	20.11.2015		640
ML 173 # ¹	Tubas Sand	95%	Application	5% Oponona # ³	-
ML 174 # ¹	Inca	95%	Application		-
ML 176 # ¹	Shiyela	95%	05.12.2027		-

#¹ Located entirely within EPL3496

#² Epangelo Mining (Pty) Ltd

#³ Oponona Investments (Pty) Ltd

#⁴ Nova (Africa) (Pty) Ltd

#⁵ Sixzone Investments (Pty) Ltd

Sub-Total 3,109

NORTHERN TERRITORY

Number.	Name	Interest	Expiry Date	JV Parties	Approx. Area (km ²)
EL 24246	Napperby	100%	10.10.16	-	477
Sub-Total					477

QUEENSLAND

Number	Name	Interest	Expiry Date	JV Parties	Approx. Area (km ²)
EPM 14281	Yamamilla	100%	06.07.15	SML # ¹	70
EPM 14916	Ewen	100%	14.04.16	SML # ¹	115
EPM 15070	Prospector	100%	27.03.16	SML # ¹	77

#¹ SML – Syndicated Metals Ltd has an 80% interest in the Other Mineral Rights

Sub-Total 262

DYL Total 3,848

AGREEMENTS

	Approx. Area (km ²)
ABM Resources NL - Northern Territory (100% uranium rights stay with DYL)	17,094
Sub-Total	17,094
Total Area	20,942

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

DEEP YELLOW LIMITED

ABN

97 006 391 948

Quarter ended ("current quarter")

31 MARCH 2015

Consolidated statement of cash flows

		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(290)	(1,193)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(226)	(844)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	40	90
1.5	Interest and other costs of finance paid	-	-
1.6	Tax refund *	-	422
1.7	Other	-	-
Net Operating Cash Flows		(476)	(1,525)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(1)	(3)
	(d) environmental and other bonds	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	426
	(d) environmental and other bonds	-	6
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(1)	429
1.13	Total operating and investing cash flows (carried forward)	(477)	(1,096)

* Research and Development grant received

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(477)	(1,096)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	4,538
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Capital Raising Costs)	-	(229)
	Net financing cash flows	-	4,309
	Net increase (decrease) in cash held	(477)	3,213
1.20	Cash at beginning of quarter/year to date	4,978	1,236
1.21	Exchange rate adjustments to item 1.20	24	76
1.22	Cash at end of quarter	4,525	4,525

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	188
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

NIL

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	-
4.3 Production	-
4.4 Administration	220
Total	570

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	1,525	1,978
5.2 Deposits at call	3,000	3,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,525	4,978

Changes in interests in mining tenements – Refer to Annexure 1 of the Quarterly Activity Report for a list of all 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	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions	-	-	-	-
7.3	⁺Ordinary securities	1,908,690,616	1,908,690,616	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	9,329,321	9,329,321	*	*
7.5	⁺Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	<i>Unlisted options</i>		<i>Exercise Price</i>	<i>Expiry Date</i>
		-	-	-	-
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
7.11	Cancelled during quarter	-	-	-	-

*Shares issued in lieu of director fees and in relation to vested performance rights.

Appendix 5B
Mining exploration entity quarterly report

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.12 Performance Rights	<i>Unlisted rights</i>			<i>Vesting dates</i>
	6,809,020	-	-	01/07/2015
	5,250,000	-	-	01/12/2015
	1,500,000	-	-	01/02/2016
	8,704,500	-	-	01/07/2016
	3,000,000	-	-	01/12/2016
	11,362,500	-	-	01/07/2017
7.13 Granted during quarter	-	-	-	-
	-	-	-	-
	-	-	-	-
7.14 Vested during quarter	500,000	-	-	05/02/2015
7.15 Lapsed during quarter	-			-
7.16 Cancelled during quarter	-	-	-	-
7.17 Debentures (totals only)	-	-		
7.18 Unsecured notes (totals only)	-	-		

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 /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:
(~~Director~~/Company secretary)

Date: 29 April 2015

Print name: Mark Pitts

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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