DEEP YELLOW

Quarterly Report

For the Quarter Ended 31 March 2004

▪ OVERVIEW

- **Mining at Mikado commences on time**
- **Haulage of ore to the Tarmoola mill underway**
- **First ore processed on April 22nd**

▪ Mikado Gold Mine (100%)

Mining at the Mikado Gold Project commenced in early March. Two pits are currently in production with operations due to be completed in the September Quarter of this year. As announced in the previous quarter, planned production from the two pits of 177,395 t at 6.03 g/t is anticipated.

At this early stage of operations, mining is on schedule and the pits are producing above the resource model predictions. At 21st April, approximately 3,000 t had been mined from the uppermost benches at an average grade of 3.9 g/t gold. This compares favourably with the resource model which predicted a similar tonnage but a lower grade (3.2 g/t gold).

Gold mineralisation at very high grades has been identified by close spaced grade control trenching during mining (5 metre spaced). These zones were not outlined by the broader spaced resource drilling. Free gold is visible in high grade zones associated with quartz veining and heavily oxidised clays.

Road trains have commenced haulage of ore to Tarmoola and first processing of the ore has commenced. The Company will release details of recoveries and mill performance early in the June quarter.

▪ Menzies JV (Placer Dome 55%, Deep Yellow Limited 45%)

The sale of the project to Rox Resources Limited is expected to be finalised early in the June quarter.

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- **Dingo Range (100%)**

As previously advised, Deep Yellow expect to complete the sale of the Dingo Range project to proposed ASX listing, Ausmet Resources Limited ("Ausmet") early in the June quarter.

- ## CORPORATE

The Company has now completed the restructure of its business that commenced in April 2003. It is now fully focussed on mining at Mikado with operations hitting full production and the completion of asset sales. Deep Yellow will commence a search for additional assets where it can employ the forecast strong cashflow from its mining operations.

- ## FINANCIAL

As at the date of this report, the Company has 258 million shares on issue and cash on hand of 0.59 million.

Dated this 30th day of April 2004

Signed on behalf of the Board of Deep Yellow Limited.

ALISTAIR COWDEN
Managing Director

Please direct enquiries to:
Alistair Cowden (Managing Director); or
Brett Dickson (Finance Director)
Telephone: (08) 9481 6888

The information on mineralisation contained in this report accurately reflects information compiled by Dr Alistair Cowden B.Sc (Hons.), Ph.D, M.Aus.I.M.M., M.A.I.G., and Mr Terry Peachey B.Sc (Hons.), M.A.I.G., who are Competent Persons (as defined by the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves) with relevant experience in relation to such mineralisation and are officers of Deep Yellow Limited.

APPENDIX 5B
Mining Exploration entity quarterly report

Name of entity

DEEP YELLOW LIMITED

ACN or ARBN	Quarter ended ("current quarter")
006 391 948	**31 March 2004**

Rule 5.3

Consolidated statement of cash flows

Cash flows related to operating activities			Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	-	(161)
		(b) development	(320)	(320)
		(c) production	(173)	(173)
		(d) administration	(101)	(401)
		(e) marketing activities	-	-
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		10	20
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other		-	-
	Net Operating Cash Flows		(584)	(1035)
Cash flows related to investing activities				
1.8	Payment for purchases of:	(a) prospects	-	(200)
		(b) equity investments	-	-
		(c) other fixed assets	(3)	(3)
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	90
		(c) other fixed assets	-	13
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other – Option fee		(8)	(40)
	Net investing cash flows		(11)	(140)
1.13	Total operating and investing cash flows (carried forward)		(595)	(1175)

1.13	Total operating and investing cash flows (brought forward)	(595)	(1175)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	942	1,421
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 (provide details if material)	-	-
	Net financing cash flows	942	1,421
	Net increase (decrease) in cash held	347	246
1.20	Cash at beginning of quarter/year to date	240	341
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	587	587

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	64
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	100
4.2	Development	-
	Total	100

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	8	240
5.2	Deposits at call	479	-
5.3	Bank overdraft	-	-
5.4	Other – Investment funds at call	-	-
	Total: cash at end of quarter (item 1.22)	587	240

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	✔	See Attachement "A"	✔	✔
6.2	Interests in mining tenements acquired or increased	✔	See Appendix A	✔	✔

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)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
7.3	**Ordinary securities**	258,173,629	258,173,629	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	 40,000,000 -	 40,000,000 -	 - -	 - -
7.5	**+Convertible debt securities** *(description)*	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	 - -	 - -	 - -	 - -
7.7	**Options** *(description and conversion factor)*	 1,237,500 200,000 500,000 15,000,000 1,600,000	 - - - - -	*Exercise price* 25 cents & 27 cents 20 cents 20 cents 5 cents 3.5 cents	*Expiry date* 16/02/05 15/11/04 18/06/04 31/12/05 01/01/07
7.8	Issued during quarter	1,600,000	-	3.5 cents	01/01/07
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	-	-		
7.12	**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 Law 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: Date: 30th April 2004

Company Secretary

Print name: Brett Dickson

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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APPENDIX A

Item 6 - Changes in Interests in Mining Tenements for the quarter ended 31 March 2004

nil

APPENDIX B

Schedule of Interests as at 31 March 2004

Project Registered Holder	Tenement	Term Expiry	Notes
ROWE'S FIND			
Julia Gold Pty Ltd*	M28/0164	Application	
	P28/968	Application	
DINGO RANGE			
Julia Gold Pty Ltd	E37/769	Application	Agreement reached to sell to Ausmet Resources Limited
Julia Gold Pty Ltd	M37/519	21/08/16	
	M37/108	8/7/08	
	M37/1167	Application	
LADY IRENE			
Julia Gold Pty Ltd	M29/212	Granted 27/02/01	Agreement reached to sell to Rox Resources Limited
	M29/225	Application	
SHERWOOD			
St Barbara Mines	M51/504	31/08/15	Julia Gold Pty Ltd retains a 1.25% net smelter return royalty
	M51/653	Application	
	M51/667	Application	
	M51/668	Application	
	M51/669	Application	
	M51/670	Application	
	M51/671	Application	
	M51/672	Application	
	M51/673	Application	
GOONGARRIE*			
Goongarrie Gold Pty Ltd	M29/202	Application	Heron Resources NL has purchased the area from Goongarrie Gold Pty Ltd and Goongarrie Gold Pty Ltd retains a royalty interest $1.50 per dry metric tonne.
	P29/1338-1340	Converted to M29/202	
PADDINGTON GOLD PTY LTD - JOINT VENTURE			
Goongarrie Gold Pty Ltd	L29/41	24/10/03	Under a Joint Venture with Paddington Gold Pty Ltd, Goongarrie Gold Pty Ltd has a 45% interest
	L29/42-L29/44 inc	21/02/04	
Paddington Gold Pty Ltd	L29/58	14/10/01	
Goongarrie Gold Pty Ltd	M29/88	27/07/09	
	M29/153	17/11/13	
	M29/154	17/11/13	
	M29/155	17/11/13	Agreement reached to sell to Rox Resources Limited
	M29/157	12/10/13	
	M29/184	12/03/18	
	M29/223	Application	
Julia Gold Pty Ltd	M29/14	13/05/05	

* Julia Gold Pty Ltd and Goongarrie Gold Pty Ltd are 100% owned subsidiaries of Deep Yellow Ltd

Project Registered Holder	Tenement	Term Expiry	Notes
MIKADO			
Deep Yellow Limited	M38/9	24/05/04	
MT LEBANON JOINT VENTURE			
Deep Yellow Limited and Placer (Granny Smith) Pty Ltd	E38/422	Converted to M38/563 & M38/564	Under a Joint Venture with Placer (Granny Smith) Pty Ltd. Deep Yellow Limited holds a 40% interest.
	E38/930	20/03/02	
	E38/1206	27/02/05	
	MLA38/459	Application	
	MLA38/563	Application	
	MLA38/564	Application	
	MLA38/846	Application	
	MLA38/880	Application	
	P38/2239	Converted to M38/459	
	P38/2782	08/01/01	
	E38/680	Converted to M38/749, M38/050, M38/878, M38/879 & M38/881	
	E38/772	Converted to M38/751 & M38/877	
	MLA38/749	Application	
	MLA38/750	Application	
	MLA38/751	Application	
	MLA38/877	Application	
	MLA38/878	Application	
	MLA38/879	Application	
	MLA38/881	Application	
	E39/347	Converted to M39/664, M39/742 & M39/743	
	E39/786	24/05/05	
	MLA39/664	Application	
	MLA39/742	Application	
	MLA39/743	Application	
	E38/1126	14/03/05	
	M38/915	Application	
	M39/862	Application	
	M38/953	Application	
	M38/954	Application	
	E38/1205	19/07/06	
	E38/1211	Application	
ROYAL EAST			
Deep Yellow Limited	E38/1327	15/05/05	100% interest following withdrawal of AngloGold from JV.