

DEEP YELLOW LIMITED

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UPDATE ON NAMIBIAN ACTIVITIES

- Grant of Environmental Clearances for exploration activities on all three granted EPLs.
- Physical exploration and evaluation of 1970/80s uranium resources is now possible.
- Drilling to commence as soon as possible.
- Flying of electromagnetic surveys to locate deeper uranium mineralised palaeochannels such as Langer Heinrich planned.

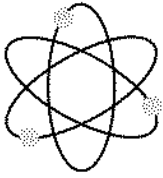
The Directors of Deep Yellow Limited (**DYL**) are pleased to announce that its wholly owned Namibian registered subsidiary Reptile Uranium Namibia (Pty) LTD (**RUN**) has been issued with Environmental Clearance from the Ministry of Environment and Tourism (**MET**) to commence exploration activities on all three of its granted Exclusive Prospecting Licences (EPLs 3496, 3497 and 3499).

Although Reptile Investments Four (Pty) Ltd (name now changed to RUN) was granted the EPLs by the Ministry of Mines and Energy (**MME**) in June 2006, commencement of any physical exploration on the areas was not possible until approval of the Environmental Impact Assessment and Management Plan was given by the MET.

On 13 October 2006 DYL announced to the ASX its merger with the BVI registered parent of RUN and outlined the past exploration results from this exciting project area as stated in Table 1 below: -

Table 1: Grade and Tonnage Estimates within Reptile Tenements

Deposit	EPL	Tonnage	U ₃ O ₈ in ppm	Tonne U ₃ O ₈
TUBAS 433	3496	26,000,000	222	5,772
ORYX 430	3496/7	18,000,000	300	5,320
ORYX EXT 708	3496	2,900,000	250	725
TUMAS 738	3497	13,000,000	244	3,172
NAMIB PARK II 644	3497	8,600,000	352	3,027
TOTAL		68,500,000	263	18,016



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Since it took ownership of RUN, DYL has diligently worked at preparing itself for the go-ahead to commence physical exploration activities on the ground. To this end RUN has purchased an industrial site in Swakopmund to serve as an exploration office, logistical base and future analytical sample preparation facility. It has also purchased two three bedroom units to accommodate field staff when in town.

The bulk of the historical exploration data has been sourced and acquired and reprocessing to modern GIS standards is more than half complete.

RC Drilling Services Namibia (Pty) LTD whose principals carried out most of the resource drilling at Langer Heinrich has been awarded the drill contract on an open-ended basis. It is anticipated that drilling will commence in April within the shallow resources previously outlined (see Table 1). When the airborne electromagnetic surveys have been completed over the entire tenement area (expected by late June) it is anticipated that deeper palaeochannels outlined under the desert sand cover will become the major target of drilling programmes into the future.

RUN has successfully sourced four highly experienced and qualified technical people to form the core of its permanent geological, geophysical, environmental and laboratory staff requirements. Now that the Environmental Clearances have been granted a major advertising campaign will be undertaken in Namibia to fill the remaining staff vacancies.

Receipt of the Environmental Clearances heralds a new phase of intense exploration in DYL's short history as a uranium explorer and more specifically one of intense activity in Namibia by RUN.

Dr Leon Pretorius
Executive Chairman

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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 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.