



DEEP YELLOW LIMITED

ABN 97 006 391 948

Level 1 329 Hay Street Subiaco WA 6008
PO Box 1770 Subiaco WA 6904
Tel : 61 8 9286 6999
Fax : 61 8 9286 6969
Email: admin@deepyellow.com.au
Website: www.deepyellow.com.au

2 December 2008

OPTION ISSUE TO DIRECTORS

Following shareholder approval received at the Company's Annual General Meeting held on 19 November 2008, the Company has issued 6,100,000 unlisted options to Directors of the Company as follows:

- Dr Leon Pretorius, Managing Director – 4,300,000 unlisted options; and
- Mr Martin Kavanagh, Executive Director – 1,800,000 unlisted options.

Details of the option terms are set out below:

- The options are exercisable on or before 30 June 2011 and at an exercise price of 27.5 cents; and
- 50% of options issued to each director will vest on date of issue; and
- 50% of options issued to each director on 1 July 2010.

The Company reserves the right to cancel the options in the event that a Director resigns from their employment or ceases their engagement with the Company prior to satisfaction of the relevant vesting period.

Please find attached an Appendix 3B in respect of the options and an Appendix 3Y for Dr Leon Pretorius and Mr Martin Kavanagh.

Yours faithfully

MARK PITTS
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

DEEP YELLOW LIMITED

ABN

97 006 391 948

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | *Class of *securities issued or to be issued | Unlisted options |
| 2 | Number of *securities issued or to be issued (if known) or maximum number which may be issued | 6,100,000 |
| 3 | Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion) | Director Options <ul style="list-style-type: none">• 50% vest on 2 December 2008 and have an exercise price of 27.5 cents which is payable on or before 30 June 2011; and• 50% vest on 1 July 2010 and have an exercise price of 27.5 cents which is payable on or before 30 June 2011. |
| 4 | Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?

If the additional securities do not rank equally, please state: <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | If exercised shares issued will rank equally with those already on issue. |

5	Issue price or consideration	Nil	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Options issued as an incentive to Directors as part of remuneration package.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	2 December 2008	
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		1,121,226,958	Ordinary
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	+Class
		3,000,000 31/12/08 at 21.1c	Unlisted options
		2,000,000 31/12/08 at 31.1c	“ “
		16,000,000 30/11/09 at 55.1	“ “
		2,912,500 31/12/09 at 44.6c	“ “
		2,812,500 31/12/10 at 59.6c	“ “
		787,500 30/06/10 at 64.6c	“ “
		787,500 30/06/11 at 74.6c	“ “
		12,500,000 30/11/10 at 59.5c	“ “
		5,005,000 30/06/11 at 27.5c	“ “
		5,005,000 30/06/11 at 40c	“ “
		3,820,000 30/06//11 at 45c	“ “
		3,820,000 30/06/11 at 60c	“ “
		1,375,000 30/06/11 at 27.5c	“ “
		3,675,000 31/12/11 at 27.5 c	“ “
		6,100,000 30/06/11 at 27.5 c	“ “

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
----	--	-----

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the *securities will be offered	
14	*Class of *securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has *security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	
25	If the issue is contingent on *security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> <tr> <td style="height: 40px;"></td> <td></td> </tr> </table>	Number	+Class		
Number	+Class					

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Director/Company secretary)

2 December 2008
Date:

Print name: Mark Pitts
.....

== == == == ==

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	DEEP YELLOW LIMITED
ABN	97 006 391 948

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Dr Leon Pretorius
Date of last notice	20 February 2008

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Held through nominee IJG Securities Pty Ltd
Date of change	02 December 2008
No. of securities held prior to change	72,616,124 Ordinary Shares 5,000,000 options at 55.1 c exercisable before 30.11.2009 7,500,000 options at 59.5 c exercisable before 30.11.2010
Class	Unlisted Options
Number acquired	4,300,000 options at 27.5 c exercisable before 30.06.2011
Number disposed	NIL
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil
No. of securities held after change	72,616,124 Ordinary Shares 5,000,000 options at 55.1 c exercisable before 30.11.2009 7,500,000 options at 59.5 c exercisable before 30.11.2010 4,300,000 options at 27.5 c exercisable before 30.06.2011
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Options issued following approval at Annual General Meeting 19 November 2008

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	DEEP YELLOW LIMITED
ABN	97 006 391 948

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Martin Kavanagh
Date of last notice	21 December 2007

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Martin Kavanagh Conway Bay Pty Ltd and Conway Bay Pty Ltd ATF The Kavanagh Superannuation Fund
Date of change	2 December 2008
No. of securities held prior to change	487,500 Ordinary Shares 3,000,000 options at 21.1 c exercisable before 31.12.2008 2,000,000 options at 31.1 c exercisable before 31.12.2008 5,000,000 options at 55.1 c exercisable before 30.11.2009 5,000,000 options at 59.5 c exercisable before 30.11.2010
Class	Unlisted options
Number acquired	1,800,000 options at 27.5 c exercisable before 30.06.2011
Number disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Nil

+ See chapter 19 for defined terms.

No. of securities held after change	487,500 Ordinary Shares 3,000,000 options at 21.1 c exercisable before 31.12.2008 2,000,000 options at 31.1 c exercisable before 31.12.2008 5,000,000 options at 55.1 c exercisable before 30.11.2009 5,000,000 options at 59.5 c exercisable before 30.11.2010 1,800,000 options at 27.5 c exercisable before 30.06.2011
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Options issued following approval at Annual General Meeting 19 November 2008

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.