Deep Yellow Limited - Issues Positive Grade Correction For Ongolo Alaskite Project In Namibia

13.12.2010 | ABN Newswire

Sydney, Australia (ABN Newswire) - Deep Yellow Limited (ASX: DYL) (PINK: DYLLF) is pleased to announce that a change of analytical procedure has resulted in a significant increase in the uranium assay grades for previously reported samples from the Ongolo Alaskite project in Namibia, operated by DYL's wholly-owned subsidiary Reptile Uranium Namibia (Pty) Ltd (RUN).

Chemical assays reported in the 29 April 2010 ASX announcement on the discovery of alaskitehosted uranium mineralisation, and in subsequent announcements on 23 August and 9 September 2010, were obtained using X-ray florescence (XRF) analysis of powder samples (powder-XRF). These samples were re-assayed using XRF analysis of 'fused' samples (fusion-XRF), and resulted in an average increase in uranium grade of approximately 30%. As shown in Table 2 (See link at the bottom of the release), the weighted average grade increased from 453 ppm U3O8 with powder-XRF assays to 587 ppm U3O8 with fusion-XRF assays.

The change in analytical procedure for the Ongolo Alaskite project samples stemmed from observed differences between powder-XRF assays and downhole gamma logging results (eU3O8); confirmation from ANSTO that the eU3O8 was not erroneous due to disequilibrium of uranium and its daughters; and confirmation from ANSTO and Mintek that using alternative analytical procedures resulted in higher uranium grades than reported by RUN using powder-XRF.

Assays from the fusion-XRF analytical procedure serve to further substantiate the significance of the discovery of alaskite-hosted uranium mineralisation at Ongolo by significantly increasing the uranium grade. The fusion-XRF procedure will be used for chemical analyses of all samples of alaskite-hosted uranium mineralisation going forward.

Drilling at Ongolo has been increased with four RC drilling rigs and one diamond rig working to delineate the presently interpreted two kilometre strike length mineralised zone, in anticipation of a Mineral Resource estimate in the 1st Quarter 2011.

Background Details

RUN's analytical laboratory in Swakopmund routinely analyses uranium samples using the powder-XRF procedure. The accuracy of the procedure is checked and controlled using standard laboratory QA/QC methods and is corroborated by other laboratories equipped with similar procedures. As powder-XRF has been RUN's standard analytical procedure for uranium, previously announced assays for the Ongolo Alaskite project were based on this procedure, even though it was noted at the time that the XRF assays were appreciably lower than downhole gamma logging (eU3O8) results.

As a result of the discrepancy between powder-XRF assays and gamma logging, samples were provided to ANSTO (Sydney) to determine whether uranium at Ongolo is in equilibrium with its radioactive decay chain progeny and/or if thorium was adversely affecting the gamma logging, resulting in artificially higher eU3O8 values. ANSTO established that the uranium was in secular equilibrium and therefore not adversely affecting gamma readings, and that thorium concentrations were probably not a major contributing factor to gamma readings. ANSTO also determined that its uranium analysis of the samples by delayed neutron activation procedure were significantly higher than RUN's powder-XRF assays and were closer to the gamma logging results.

Duplicate samples were then submitted to Scientific Services' laboratory in Cape Town for pressed pellet-XRF analytical testing which confirmed RUN's powder-XRF results. In addition, Scientific Services carried out fusion-XRF analysis; where the sample is fused or melted at high temperature in a flux to produce a glass disk. Fusion-XRF assays were significantly higher that either powder-XRF or pressed pellet-XRF assays.

Scientific Services then carried out a range of experiments to determine if increasing the sample milling (grinding) time, ranging from 1 minute up to 9 minutes, affects the uranium assay grade for pressed pellet-XRF.

Longer sample milling time positively affected uranium grade. However, given the excessive sample milling time requirements and positive fusion-XRF results, the decision was made to use the fusion-XRF procedure going forward, until there is sufficient statistical data available to allow RUN to use gamma probe eU3O8 values.

Table 1: Scientific Services - Effect of Increased Sample Milling Time (finer grind) on Pressed Pellet (PP)-XRF assays and Fusion-XRF assay

Sample ID	XRF Uranium Grade (ppm U3O8)				
	PP - 1 minute	PP - 3 minutes	PP - 6 minutes	PP - 9 minutes	Fusion
RU 804	1,389	1,428	1,663	1,801	2,144

One possible explanation for the sample grind time and fusion effects on grade is that biotite platelets in the Ongolo alaskite-hosted mineralisation shield the X-ray induced fluorescence of uranium minerals from the XRF sensors, resulting in an under-estimation of the uranium concentration. Finer grinding destroys more and more platelets and minimises shielding effects. On the other hand, fusing the sample in the presence of a fluxing agent melts (fuses) the silicate rock and biotite platelets to form a glass which does not shield the fluorescence and therefore results in a more accurate determination of the uranium concentration.

Mineralised intervals from 11 of the 12 previously reported drillholes were re-assayed using fusion-XRF. In general, it appears the higher the uranium grade the higher the corrected grade, though the reason and significance of this correlation are unclear.

For the complete Deep Yellow announcement including location maps and tables, please view the following link:
http://www.abnnewswire.net/media/en/docs/64790-ASX-DYL-520115.pdf

About Deep Yellow Limited:

Deep Yellow Limited (ASX:DYL) (PINK:DYLLF) is an Australian-based uranium focused exploration company with advanced exploration projects in Namibia and in Australia.

In Namibia the Company operates through its wholly-owned subsidiary Reptile Uranium Namibia P/L which is focusing on its mid to high grade INCA primary uraniferous magnetite and secondary Red Sand projects and the extensive secondary calcrete deposits contained in the Tumas-Oryx-Tubas palaeochannel and fluviatile sheetwash systems.

In Australia the Company is focused on resource delineation of mid to high grade discoveries in the Mt Isa district - Queensland, including the Queens Gift, Conquest, Slance, Eldorado, Thanksgiving, Bambino and Turpentine Prospects. The Company also owns the Napperby Uranium Project and numerous exploration tenements in the Northern Territory.

A pipeline of other projects and discoveries in both countries are continually being examined and there is extensive exploration potential for new, additional uranium discoveries in both Namibia and Australia.

Contact:

Patrick Mutz
Managing Director
Deep Yellow Limited
Ph: +61-8-9286-6999
Email: info@deepyellow.com.au
http://www.deepyellow.com.au