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ANNOUNCEMENT

**JORC COMPLIANT RESOURCE ESTIMATE
VALHALLA URANIUM DEPOSIT**

On 22 August 2006 Summit Resources Limited ("**Summit**") released to the markets a revised and independently validated JORC compliant resource estimate for the Valhalla uranium deposit in northwest Queensland ("the **Announcement**").

Since then, Paladin Resources Ltd ("**Paladin**") has released two ASX announcements to the market referring to the Announcement.

Summit welcomes today's admission by Paladin that they have accepted the resource estimate as released by Summit.

Regardless of whether or not Paladin is successful for their takeover offer for Valhalla Uranium Ltd Summit will remain manager and operator of the Isa Uranium Joint Venture ("**IUJV**").

As such, all IUJV resource estimates will continue to be issued by Summit and its consultants in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2004 Edition.



Alan J Eggers
Summit Resources Limited
PERTH 24 August 2006

* The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by A.J. Eggers who is a Corporate Member of the Australasian Institute of Mining and Metallurgy and is an executive director of the Company. A.J. Eggers has sufficient experience that 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" A.J. Eggers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.