

24 July 2007

Companies Announcement Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000
AUSTRALIA

Electronic Lodgement

ANNOUNCEMENT

Mt Isa Uranium Projects – Program for 2007/2008 Financial Year

Summit Resources Limited ("Summit") is pleased to advise the following update on its uranium projects in the Mt Isa region in the North-West of Queensland. The projects that are 100% owned by Summit combined with the areas under the Isa Uranium Joint Venture represent the third largest uranium province in Australia, with the parties involved working to fast track development. The forthcoming program will have a clear focus on resource definition and expansion in the key target areas with upgraded preliminary metallurgical scoping work and the commencement of indicative base line environmental data.

PROGRAM OUTLINE

Isa Uranium Joint Venture – Summit (50%) / Paladin (50%)

Summit and Paladin share a 50% interest each in the Valhalla and Skal ore bodies through the Isa Uranium Joint Venture. The Isa Uranium JV (comprising a 50% shareholding of Summit and 50% held by Paladin – through Valhalla Uranium Ltd) recently had the first meeting of its operating committee. Paladin is also a major 82% shareholder of Summit. Summit is the manager of the Joint Venture and is pleased to advise that the operating committee has approved a budget of \$8,000,000 for the financial year 2007/08 (being a 320% increase over the previous year's expenditure). This amount includes a proposed drilling program (see below), metallurgical test work, and environmental and radiation baseline studies.

Drilling at the Valhalla and Skal deposits

The budget approval covers an extensive drilling program at both the Valhalla and Skal deposits - with the aim of both extending the existing resource envelopes along strike and improving the current resource classification. The proposed plan includes 147 drill holes at Valhalla for a total of 49,620m. Of this 33,030m will be RC and the remaining 16,230m Diamond drilling. The program is aimed at ensuring that the majority of the top 400m of the resource will fall into the Measured and Indicated Resource categories. This depth has been targeted as it is expected to be the current

economic limit to any open pit development and extension into areas that would be mined from underground is not seen as a priority at this time.

A number of 80m spaced drill lines have been planned to test the expected strike extension of the mineralisation and add to the Inferred portion of the resource. Radiometric down-hole logging will be used to check all drill holes in conjunction with geochemical assaying of selected drill holes for verification purposes. The aim of this is to accelerate the collection of data and aid in refining the drilling plan. Approximately 28 drill holes for 5000m are planned to test the Skai North and King George mineralised areas with the intention of converting current historic resources to JORC standards. The program is also aimed at extending and infilling the area between Skai North and King George. Historic information has recently been sourced indicating the potential for additional mineralisation at King George. This is going to be followed up.

Mt Isa Uranium – Summit (100%)

A further \$2,000,000 has been earmarked for Summit's other uranium projects. Work on these prospects will include additional resource drilling at Mirrioola and exploratory holes at other prospects. Other work will include mapping, ground radiometrics and evaluation of previous data. This does not include expenditure under the Georgina Basin Joint Venture, which is yet to be determined and will be funded by Newland Resources Ltd if it elects to remain in the joint venture.

CORPORATE

Bid by Paladin Resources Ltd

On 1 June 2007, Paladin Resources Ltd ("Paladin") announced the closure of its takeover bid for all of the fully paid ordinary shares in Summit, in which it now holds 81.82% of the issued shares. Summit welcomes Paladin as a major shareholder and considers the investment by Paladin to be fortuitous, given the stage of development of Summit's major projects.

Paladin will contribute substantially to the expertise necessary to develop a uranium project and brings with it a depth of experience in:

- uranium geology, exploration and geophysical review;
- resource evaluation;
- metallurgical technical and functional experience across a range of uranium processing operations;
- feasibility development and review;
- land management;
- environmental assessment;
- radiation management;
- production development; and
- marketing

The benefit of this experience would not otherwise be available to Summit. Paladin also has significant financial capability and experience in debt and equity funding, which will be crucial for Summit's funding requirements if it is to proceed to the production phase.

CONCLUSION

The drill programs at Mt Isa are expected to be completed by May 2008 and results completed by July 2008. The new management of Summit looks forward to the opportunity to unlock all of the promise that the Mt Isa region holds for our shareholders. We acknowledge the dedication of our very competent staff and consultants.

Yours faithfully
Summit Resources Limited



BRENDAN O'HARA
Executive Chairman

Declaration

The information in this announcement that relates to mineral exploration is based on information compiled by David Princep BSc, MAusIMM who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and as Qualified Persons within the meaning of Canadian National Instrument NI43-101. Mr Princep is a full-time employee of Paladin Resources. Each of the above named consents to the inclusion of the information in this announcement in the form and context in which it appears.