



SUMMIT RESOURCES LIMITED

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3 December 2009

The Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Notification under section 708AA(2)(f) of the *Corporations Act 2001* (Cth)

Summit Resources Limited ABN 86 009 474 775 (**Summit**) has today announced a renounceable rights issue of 1 new fully paid ordinary share in Summit (**New Shares**) for every 50 Summit shares held at 4.00 pm (Perth time) on 14 December 2009 by Summit shareholders with a registered address in Australia and New Zealand (**Rights Issue**).

Summit gives notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by the Australian Securities and Investments Commission Class Order 08/35 (**CO 08/35**) that:

1. the New Shares will be offered without disclosure to investors under Part 6D.2 of the Corporations Act;
2. as at the date of this notice, Summit has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to Summit; and
 - (b) section 674 of the Corporations Act;
3. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act as notionally modified by CO 08/35 except for the information set out in the annexure to this notice; and
4. the issue of New Shares pursuant to the Rights Issue is not expected to have any material effect or consequence on the control of Summit. Based on the shareholding interests of Paladin Energy Limited (**Paladin**) and Areva NC (Australia) Pty Limited (**Areva**) as at the date of this notice and their respective sub-underwriting commitments, and assuming that neither Paladin and Areva acquire any further shares in Summit other than New Shares, then upon completion of the Rights Issue, the shareholding interest of Paladin will be between 81.99% (Paladin's current interest) and 82.13%, and the shareholding interest of Areva will be between 10.03% (Areva's current interest) and 10.04%. The actual shareholding interests of Paladin and Areva upon completion of the Rights Issue will depend upon the degree to which shareholders and entitlement holders take up their entitlements.

Yours sincerely
Summit Resources Limited

BRENDAN O'HARA
Chairman

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ANNEXURE

Conditional Settlement Agreement

On 11 April 2007, Summit Resources Limited (**Summit**) and Areva NC (Australia) Pty Ltd (**Areva**) entered into a strategic alliance whereby Areva would subscribe for shares. That strategic alliance was documented in the Strategic Alliance Agreement, the Subscription Deed and the Deed of Undertaking executed by Summit and Areva on 11 April 2007. The terms of the documents comprising the strategic alliance were detailed in the supplementary target's statement released by Summit to the market on 11 April 2007.

On 3 August 2007, Summit announced that its wholly owned subsidiary, Summit Resources (Aust) Pty Ltd (**SRA**), had agreed with Resolute Limited and Mt Isa Uranium Pty Ltd (**MIU**) to settle the legal proceedings commenced against them by SRA on 28 July 2006 (the **underlying proceedings**).

Areva subsequently applied to the Supreme Court of Western Australia for orders under section 237 of the Corporations Act 2001 (Cth) seeking leave to intervene in the underlying proceedings in the name of SRA.

The background to, and a summary of, Areva's application to intervene in the underlying proceedings is set out in the announcement made by Summit on 6 August 2007.

Areva's application to intervene in the underlying proceedings was heard by the Honourable Chief Justice Martin in May and June 2009. Judgment is yet to be delivered by the Honourable Chief Justice.

On 16 October 2009, Summit entered into a conditional agreement with (amongst others) Areva, Resolute, Paladin Energy Ltd (**Paladin**) and MIU (the **settlement agreement**). The conditional settlement is made without any party admitting liability to another.

If the settlement agreement becomes unconditional by the Honourable Chief Justice making orders in the form sought by the parties:

- the underlying proceedings and Areva's application to intervene in the underlying proceedings will be dismissed with no order as to costs;
- Areva and Summit (along with its related parties) will provide broad releases to one another;
- Summit will pay the sum of A\$4.5 million to Areva of which A\$2.5 million is paid in satisfaction of the break fee that Summit agreed to pay Areva in the event that the strategic alliance did not proceed; and
- Areva's existing rights (if any) under the terms of the Strategic Alliance Agreement will be assigned to Paladin and the strategic alliance will otherwise be brought to an end.

Summit will make a further announcement to the market once it becomes known whether the Honourable Chief Justice will make the orders sought by the parties. There is no guarantee that such orders will be made, or made in the form sought by the parties.