

30 July 2010

Companies Announcement Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000
AUSTRALIA**Electronic Lodgement****QUARTERLY REPORT
FOR PERIOD ENDING – 30 June 2010**

HIGHLIGHTS

- *Exploration drilling at Odin continues to return encouraging results.*
 - *Deep drilling at Valhalla intersects >50m widths of mineralisation.*
 - *Large diameter core from Skal and Bikini dispatched for metallurgical testing.*
 - *35 holes drilled for a total of 6,499m.*
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OVERVIEW

Drilling activities have been focussed on the deep directionally controlled drilling in the central portion of the main Valhalla ore zone and at the recently identified 'blind' target at Odin, approximately 500m to the north of Valhalla as well as a limited programme aimed at collecting metallurgical samples for Skal and Bikini. During the quarter a total of 35 holes were drilled, 11 at Valhalla, 20 at Odin, 2 at Skal and 2 at Bikini for a total of 6,499m. A number of cultural heritage clearances were undertaken during the quarter to allow for expedited drilling at Odin as well as at Andersons and Red Alpha for upcoming drill programmes. Ongoing environmental monitoring was undertaken including groundwater, air quality and dust. A labour hire agreement has been developed between the Kalkadoon office and Summit and has already been used to good effect.

Mineral Resource estimates conforming to the JORC guidelines for Valhalla (69.9Mlb U₃O₈) and Skal (14.5Mlb U₃O₈) are detailed below. Mineral Resource estimates were released in the March quarter 2007 for Andersons (4.7Mlb) and Watta (3.8Mlb) and in July 2008 for Bikini (11.5Mlb).

The total JORC Mineral Resource under Summit management in the Mount Isa region now includes 65.4Mlb U₃O₈ Measured and Indicated Resources and 38.9Mlb U₃O₈ Inferred Resources. Of this 32.7Mlb U₃O₈ Measured and Indicated Resources as well as 29.4Mlb U₃O₈ Inferred Resources are attributable to Summit. 67% of the Mineral Resources are located at Valhalla; the rest are distributed over the Bikini, Skal, Andersons and Watta orebodies. Details are as follows:-

Individual Mineral Resource figures, conforming to the JORC guidelines, are quoted on 100% of project basis.

Summit Mineral Resources, Mount Isa Region

Deposit		Measured and Indicated Resources			Inferred Resources			Summit Share
	Cut-off ppm U ₃ O ₈	Mt	Grade ppm	t U ₃ O ₈	Mt	Grade ppm	t U ₃ O ₈	
Valhalla	230	31.2	874	27,229	5.2	859	4,494	50%
Skal	250	4.3	575	2,458	8.4	491	4,129	50%
Bikini	250				10.1	517	5,200	100%
Andersons	230				2.0	1,050	2,100	100%
Watta	230				4.2	410	1,720	100%
Total		35.5	836	29,687	29.9	590	17,643	
Total Resource Attributable to Summit		17.8	836	14,844 (32.7Mlb)	23.1	577	13,331 (29.4Mlb)	

(Figures in the table above may not add due to rounding)

The Company's base metal projects are currently being explored by MM Mining Pty Ltd under joint venture and mineral rights agreements.

REVIEW OF OPERATIONS

MT ISA URANIUM JOINT VENTURE (QLD)

Interest: Summit Resources (Aust) Pty Ltd - 50%; Paladin Energy Ltd – 50%

Operator: Summit Resources (Aust) Pty Ltd

The Mount Isa Joint Venture includes the Valhalla and Skal orebodies. Drilling at the newly identified Odin Prospect 500m north of the Valhalla orebody continued. Further drilling is required to define the shape of the mineralisation properly. Current interpretation includes at least 3 mineralised lenses of up to 25m thickness. The mineralisation strikes north-south and extends over 500m. New drill results include:

Odin Project
June/early July 2010 significant drill hole intercepts

Drillhole No.	From (m)	To (m)	Interval (m)	Grade* eU ₃ O ₈
VR0308	83	88	5	460
VR0311	81	112	31	787
VR0312	133	137	4	314
VD0313	23	40	17	518
VD0314	28	33	5	353
VD0314	61	69	8	221
VD0317	33	37	4	349
VR0319	121	141	20	487
VR0320	247	291	44	606
VD0322	34	50	16	871
VD0326	85	287	202	624

**Grade determined by downhole radiometric gamma logging*
Cut-off >3m@250ppm U₃O₈

Drilling at Odin is planned to continue throughout July and August 2010 with a maiden resource expected to be announced in the December quarter of 2010.

At the Valhalla deposit, 3 directional diamond drill holes were drilled off hole VRD278 to intersect the deep down plunge projection of the mineralised zone at and below 600m depth. The drillholes intersected a number of mineralised zones of up to 20m true width between 580 and 630m depth. Details are as follows:

Valhalla deep diamond drilling

Drillhole No.	From (m)	To (m)	Interval (m)	Grade* eU ₃ O ₈
VRD0278	700	707	7	466
VRD0728	738	747	9	711
VRD0278	750	774	24	803
VRD0278	786	817	31	1,478
VRD0278W1	713	716	3	984
VRD0278W1	736	743	7	468
VRD0278W1	785	804	19	696
VRD0278W1	820	823	3	1,897
VRD0278W1	826	841	15	1,238
VRD0278W1	849	853	4	1,206
VRD0278W3	641	653	12	587
VRD0278W3	725	733	8	1,474
VRD0278W3	754	777	23	2,050

*Grade determined by downhole radiometric gamma survey

Cut-off >3m @200ppm U₃O₈

Drilling is currently continuing at Odin and Valhalla “Deeps” to better define the geometry of the newly identified uranium mineralisation. An updated resource estimation for the Valhalla orebody incorporating the 2010 drill results is currently in progress and is expected to be released in the next quarter.

Valhalla Uranium Deposit

A resource estimate conforming to the JORC guidelines for the Valhalla uranium deposit was completed following validation and compilation of data from drilling undertaken earlier in the year and has been previously reported. The Valhalla Project is located 40km north of Mount Isa on EPM 9221; being ideally situated adjacent to the Barkley Highway, approximately 7km from Summit’s Bikini deposit and 8km from Summit’s 50% owned Skal deposit.

The current Mineral Resource estimate for the Valhalla uranium deposit is quoted using a cut-off grade of 230ppm U₃O₈

	Mt	Grade ppm U ₃ O ₈	t U ₃ O ₈	Mlb U ₃ O ₈
Measured Mineral Resources	12.66	833	10,549	23.2
Indicated Mineral Resources	18.53	900	16,680	36.7
Total Measured & Indicated	31.20	874	27,229	60.0
Inferred Mineral Resources	5.2	859	4,494	9.9

(Figures in the table above may not add due to rounding)

The main Valhalla deposit now has a strike length in excess of 1,100m with mineralisation extending from surface to a depth of over 650m. It is structurally controlled with a characteristic southerly plunge. Valhalla South is located approximately 600m along strike to the south-east of the main mineralised zone and has a strike length of at least 400m and appears open both along strike and at depth. Summit completed the planned drilling programme of 52 holes for 11,739m at both Valhalla and Valhalla South by the end of June

2009. These holes have been drilled on a nominal 80m x 40m grid pattern to infill the existing drill holes and replace some of the historic drill holes as well as extend the known mineralisation at Valhalla South along strike and at depth. The majority of these drill holes have been gamma logged downhole and gyroscopically surveyed to obtain an accurate hole orientation using Company owned equipment. The resource dataset is a combination of chemical assays and appropriately calibrated downhole gamma logging. Gamma derived grades have been validated against both XRF and chemical assay derived grades. Examination of the recent and historic drilling with the conceptual geological model has identified areas at depth with sub-optimal drill coverage. A number of deep, directionally drilled, holes are currently underway in the next drilling programme to infill these areas and a revised resource estimate will be completed once all the data from this drilling has been validated.

Skal Uranium Deposit

At Skal a total of 2 diamond core holes (for 147.4m) for metallurgical samples were completed by the end of June 2010. One of these holes intersected a zone of significant mineralisation, returning 49m at a grade of 1,422ppm U₃O₈ from 7m. This hole is located at the intersection of Skal South and Skal North and is currently the best mineralised hole at Skal.

The Skal Mineral Resource is detailed below. The resource dataset used is a combination of chemical assays and appropriately calibrated downhole gamma logging. Gamma derived grades have been validated against both XRF and chemical assay derived grades. Drilling, expected to be completed in the second half 2010, will be targeted at confirming both the depth extensions to Skal East and North as well as depth and strike extensions to Skal South.

Skal Mineral Resource

(Individual mineral resource figures are quoted on a 100% of project basis)

Skal (All deposits) Mineral Resource at 250ppm U₃O₈ Cut-off

	Mt	Grade ppm U₃O₈	Tonnes U₃O₈	Mlb U₃O₈
Indicated Mineral Resource	4.3	575	2,458	5.4
Inferred Mineral Resource	8.4	491	4,129	9.1

MOUNT ISA NORTH URANIUM PROJECT (100% Summit)

Exploration continues on Summit's 100% owned Mount Isa North Uranium Project where Summit holds 1,938km² of applications and granted tenements that are prospective for uranium, copper and base metals. The tenements are centred on the city of Mount Isa. The project includes the Bikini, Watta and Andersons uranium deposits as well as numerous other uranium prospects.

Bikini Uranium Deposit

A drill programme is partially complete having been postponed at the end of last year, it is expected that this programme will be re-commenced once the drilling has been completed in the Valhalla area. All existing drill core from Bikini has been re-logged to enable the generation of a consistent geological model for the area and an extensive surface mapping programme has now been finalised. Two metallurgical diamond core holes were drilled in the quarter for a total of 144.2m. This core, together with the core from Skal has now been dispatched to Ultrasort in Sydney for radiometric sorting test prior to transfer to ANSTO for leach test work.

Andersons

Ground clearances have now been completed at both Andersons and Red Alpha and drilling in this area is now expected to commence following on from work at Bikini and is expected to be completed during the second half of CY2010.

Regional

A number of GIS regional prospectivity mapping layers have been compiled covering an area of 120km N-S by 60km E-W over the Mount Isa North project areas. Evaluation of these GIS layers combined with airborne radiometric and magnetic mapping information has identified a number of areas for follow up work. This will include surface mapping, ground surveys and limited drill testing. This work is ongoing and will be reviewed periodically.

BASE METALS EXPLORATION (MM Mining Pty Ltd earning 80%)

Review of Operations

Drilling commenced at Hero, EPM 17514 in early April with Hole HEDD028. HEDD028 and Hole HEDD029 were drilled during the month for a total of 795.2m of diamond core. A tracked rig was utilised for this work because of site access difficulties and the confined space available for positioning the rig. Results were not encouraging for these two holes although significant widths of low grade mineralisation were intersected. Mineralisation down dip from HEDD024 was not as strong and in the lower hole, HEDD029, the fault appears to roll back to the east. The current interpretation is that a cross cutting fault, perhaps NW trending, has offset the main Hero fault. Further assessment of the current geological/structural model is underway.

Musselbrook (EPM 14712)

The Musselbrook Cu prospect, within EPM 14712, is situated 30km north of the Century Zinc-Lead deposit in NW Queensland. This prospect appears to represent a number of NW trending shear zones hosted within the ploughed mountain beds - a unit in the Lawn Hill platform that essentially underlies the stratigraphy that hosts the Century deposit. Of importance at this site is its regional structural setting occurring on the NW margin of the Termite Range Fault. The surface expression of the mineralisation consists of a steeply dipping, brecciated gossan displaying fine skeletal boxwork after chalcopyrite. Extensive malachite staining overprinting fine disseminated native copper and chalcocite is evident throughout the system and most likely represents supergene enrichment of the primary sulphides. Some early but significant results include high grade veins where initial sampling of the gossan returned assay's of up to 39% Cu and 0.28 Au over 300m of strike with 1 to 5m wide stringers over widths of up to 25m. Clearances for drilling are planned for July to allow drill testing later in 2010.

Other work

A considerable body of work has been undertaken across the package of tenements that make up the Summit Joint Venture. In the Isa North tenements, most of the previously named prospects have been worked on. The main emphasis has been to map these named prospects to determine their prospectivity and identify what, if any, additional work is required. All the MM Mining group geologists have undertaken this mapping work. Areas mapped and rock chip sampled during the quarter include Brumby, Firelight, Barkley, Bronco, Bonus Basin and Carters Ridge. Maps have been generated for these prospects and reports written.

Away from the Isa North tenements, mapping at the May Downs Gold Field (EPM 11897) is improving the interpretation of this structurally controlled mineralisation and helping to determine the prospectivity of this extensive zone of gold anomalism.

At Mount Kelly (EPM 14694), an infill soil programme has been completed and mapping of the target lithologies and structures completed.

A concerted effort has been made during the quarter to utilise ground gravity sampling to help develop and define targets within some of the prospect areas, particularly those where conductive shale units negate the use of electrical methods or at least make its use problematic. Targets have already been enhanced at Carters Ridge, Bonus Basin and with recent sampling at the Mosquito grid within EPM 15212.

CORPORATE

Litigation

On 3 December 2009, Summit Resources Limited (**Summit**) announced that it had entered into a conditional agreement with (amongst others) Areva NC (Australia) Pty Ltd (**Areva**), Resolute Limited (**Resolute**), Paladin Energy Ltd (**Paladin**) and Mt Isa Uranium Pty Ltd (**MIU**) (the **settlement agreement**).

The settlement agreement relates to Areva's application to the Supreme Court of Western Australia under section 237 of the Corporations Act 2001 (Cth) for leave to intervene in the proceedings that were brought by Summit's wholly owned subsidiary, Summit Resources (Aust) Pty Ltd (**SRA**), against Resolute and MIU.

The settlement agreement is conditional upon the Honourable Chief Justice making orders in the form sought by the parties.

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.

Further information in relation to the settlement agreement may be found in Summit's announcement to the market dated 3 December 2009.

Yours faithfully
Summit Resources Limited



BRENDAN O'HARA
Executive Chairman

Declaration

The information in this announcement that relates to minerals exploration and mineral resources 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 (JORC Code). Mr Princep is a full-time employee of Paladin Energy Ltd. Mr. Princep consents to the inclusion of the information in this announcement in the form and context in which it appears

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

SUMMIT RESOURCES LIMITED

ABN

86 009 474 775

Quarter ended ("current quarter")

30 June 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,770)	(6,233)
(b) development	-	-
(c) production	-	-
(d) administration	(247)	(1,998)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	120
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,999)	(8,111)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(13)	(339)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Funds advanced on behalf of joint venture partner	(362)	(1,924)
1.13 Funds received by joint venture partner	621	3,471
Net investing cash flows	246	1,208
1.14 Total operating and investing cash flows (carried forward)	(1,753)	(6,903)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.14	Total operating and investing cash flows (brought forward)	(1,753)	(6,903)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	8,070
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	-	-
	Net financing cash flows	-	8,070
	Net increase (decrease) in cash held	(1,753)	1,167
1.21	Cash at beginning of quarter/year to date	9,751	6,831
1.22	Exchange rate adjustments to item 1.21	-	-
1.23	Cash at end of quarter	7,998	7,998

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	27
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	N/A	N/A
3.2	Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

+ See chapter 19 for defined terms.

	\$A'000
4.1 Exploration and evaluation	2,100
4.2 Development	-
4.3 Production	-
4.4 Administration	275
Total	2,375

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	6,645	8,398
5.2 Deposits at call	1,353	1,353
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	7,998	9,751

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	No change		
6.2	Interests in mining tenements acquired or increased	No change		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	214,728,309	214,728,309		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


(Director)

Date: 30 July 2010

Print name: Brendan O'Hara

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.