

29 October 2009

Companies Announcement Office
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000
AUSTRALIA**Electronic Lodgement**

**QUARTERLY REPORT
FOR PERIOD ENDING – 30 SEPTEMBER 2009**

HIGHLIGHTS

- **Uranium resource update completed at Valhalla, which now stands at 69.9Mlb U₃O₈.**
 - **Uranium resource update completed at Skäl, which now stands at 14.5Mlb U₃O₈.**
 - **19.9% Increase in Measured and Indicated Mineral Resources for the Isa Uranium Joint Venture.**
 - **Initial Indicated Mineral Resource for Skäl.**
 - **Field evaluation of airborne radiometric anomalies continues to return promising results.**
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OVERVIEW

A substantial amount of drilling was completed during the quarter with the finalisation of the Skäl programme along with a significant number of holes to the north of the existing Valhalla deposit. A number of cultural heritage clearances were undertaken during the quarter to allow for expedited drilling following the programmes at Valhalla and Skäl.

Updated Mineral Resources estimates conforming to the JORC code for Valhalla (69.9Mlb U₃O₈) and Skäl (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 Resources 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 is distributed over the Bikini, Skäl, Andersons and Watta orebodies. Details are as follows:-

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

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, details of which were announced to ASX on 27 October 2008.

REVIEW OF OPERATIONS

ISA URANIUM JOINT VENTURE (QLD)

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

Operator: Summit Resources (Aust) Pty Ltd

The Isa Uranium Joint Venture includes the Valhalla and Skal orebodies. Last year's resource drilling programmes at both deposits have resulted in upgraded resource estimates. A new drilling programme at Valhalla, including geotechnical and metallurgical drilling, was completed in early May 2009. Following the receipt of all confirmation assay results an updated resource has now been estimated. A new drilling programme was also completed at Skal during the quarter for which an updated resource estimate has been estimated. Both estimates are detailed below.

Valhalla Uranium Deposit

- The updated total Mineral Resource now stands at 69.9Mlb U₃O₈, up from the previous 67.5Mlb U₃O₈.
- Measured and Indicated Resources increased by 9.9% to 60.0Mlb U₃O₈ for ongoing economic studies.
- There is potential for a further resource increase along strike to the south and at depth following additional drilling.

A resource estimate conforming to the JORC code for the Valhalla uranium deposit has now been completed following validation and compilation of data from drilling undertaken earlier in the year. The estimate covers the original Valhalla deposit as well as the south eastern extension, Valhalla South. 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 project.

The updated 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 Resources	12.66	833	10,549	23.2
Indicated Resources	18.53	900	16,680	36.7
Total Measured & Indicated	31.20	874	27,229	60.0
Inferred Resources	5.2	859	4,494	9.9

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

Measured and Indicated Mineral Resources increased by 9.9% to 60.0Mlb U₃O₈ (27,229t U₃O₈) from the previously announced 55.4Mlb U₃O₈ (25,153t U₃O₈). The total Resources increased from 67.5Mlb U₃O₈ to 69.9Mlb U₃O₈.

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 in 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 down hole 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 down hole gamma logging. Gamma derived grades have been validated against both XRF and chemical assay derived grades.

Laboratory testing of the 7 large diameter (PQ) core holes has now been completed and results are expected to be reported shortly.

Skal Uranium Deposit

- Initial Indicated Mineral Resource for Skal East now stands at 5.4Mlb U₃O₈. The previous total Inferred Mineral Resource was 3.9Mlb U₃O₈.
- Total Mineral Resource for all Skal deposits stands at 14.5Mlb U₃O₈, up from 12.3Mlb U₃O₈.
- Potential remains for further resource increase along strike at Skal South and at depth at Skal East.

At Skal a total of 13 RC holes and 28 diamond core holes (for 5,724m) were completed by the end of June 2009 and this data has been validated and incorporated into the existing Skal dataset. The drilling was successful in confirming the resource potential at Skal East (which had previously been identified by geological mapping and associated ground geophysical surveys).

At Skal East, located approximately 300m east of Skal North and South, drilling had previously identified a new uranium mineralisation zone in north-east trending Albites along a strike length of 250 – 400m parallel to the existing Skal South and North deposits. The centre of the mineralisation is up to 30m thick narrowing to the north and south with at least 200m of depth extension.

An updated resource estimation for the Skal East deposit has now been completed and incorporated into the greater Skal Mineral Resource and is detailed below. All Skal Mineral Resources conform to the JORC code. The resource dataset used is a combination of chemical assays and appropriately calibrated down hole gamma logging. Gamma derived grades have been validated against both XRF and chemical assay derived grades. Whilst Skal East in particular has been closed off along strike there still appears to be potential for the resource to be open at depth in the centre. Drilling in the future is intended to 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)

Updated Skal East Mineral Resource at 250ppm U₃O₈ Cut-off

	Mt	Grade ppm U ₃ O ₈	Tonnes U ₃ O ₈	Mlb U ₃ O ₈
Indicated Mineral Resource	4.3	575	2,458	5.4
Inferred Mineral Resource	0.8	448	348	0.8

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

	Mt	Grade ppm U ₃ O ₈	Tonnes U ₃ O ₈	Mlb U ₃ O ₈
Indicated Mineral Resource	4.3	575	2,458	5.4
Inferred Mineral Resource	8.4	491	4,129	9.1

Total Mineral Resources for all three Skal deposits increased by 19% to 14.5Mlb U₃O₈ (6,587t U₃O₈) from previous 12.2Mlb U₃O₈ (5,560t U₃O₈).

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 or 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

Detailed geological and geophysical groundwork has now been completed at the Bikini deposits (which include the Woomera and Mirrioola Prospects to the north and south of Bikini) and have identified a number of new drill targets in this extensively uranium mineralised region. A drill programme has now been planned to test these areas and will be undertaken during the December 2009 quarter following the completion of the drilling at Valhalla North.

At Woomera, 800m north of Bikini, uranium mineralisation is confined to NNE striking albitite lenses in chlorite rich shears similar to Bikini. Two parallel mineralised zones (east and west) have now been identified. The larger western mineralisation structure is previously untested and extends southwards for 700m under this laterite cover towards Bikini. Bikini is now also identified as having multiple parallel zones with the westernmost ones also being untested to date. Similar mineralised zones have been mapped at Mirrioola where the Albite lenses are typically 1- 5m wide and have a strike length ranging from 40-120m.

Andersons

Drill planning studies have now been finalised following ground work completed during the June 2009 Quarter. Drilling in this area is now expected to commence following on from work at Bikini.

Regional

The detailed evaluation of the airborne radiometric and regional gravity data had previously identified 207 anomalies for follow up work of which 51 are considered priority 1. This work was continued during the quarter with a number of promising areas identified for follow-up work including limited drill testing. This work is ongoing and will be reviewed periodically.

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

Field activities, including drilling, were undertaken at Hero in the Isa North Joint Venture Area and at the Carters Ridge, Brampton, Bald Hills and Copper Valley areas in the Western Isa Joint Venture area.

Hero – Isa North JV

The diamond drilling at Hero has intersected a significant width (>150m) of copper mineralisation with local higher grade zones. The mineralisation is characterised by magnetite-haematite-pyrite-orthoclase-biotite-albite and is the first recognised occurrence of magnetite associated copper mineralisation in the Western Fold Belt of Mount Isa. It has been tentatively classified as iron oxide-copper pending further geochemical and petrological studies.

As a result of this drilling, further iron oxide-copper targets are now being assessed.

Apex – Western Isa JV

Apex is a copper prospect located within dolomitic sediments approximately 3kms north of Brampton. The field assays of the outcrop assayed up to 15.7%Cu and there are nearby CRA drill holes with >40m widths of copper mineralisation. A single hole to 290m depth has been completed. The hole intersected the prospective sediment sequence and intersected the copper mineralised shear zone. Hole AXP001 intersected:-

- 4m @ 0.11%Cu from 242m downhole; and
- 1m @ 0.38%Cu from 266m downhole.

Brampton – Western Isa JV

A single 370m diamond hole was completed at Brampton testing a coincident IP, copper and zinc anomaly within dolomitic sediments near a basalt-sediment contact. The hole intersected a wide (>220m) thickness of dolomitic shales and siltstones with bedded pyrite but only very weak zinc mineralisation. The hole collapsed before downhole conductivity could be obtained. There is no further work planned at this stage.

Carters Ridge – Western Isa JV

A single diamond hole was completed (CRD003) at 365.5m to test a VTEM anomaly. The hole intersected Mount Isa style copper brecciated shales and disseminated copper mineralisation over a width of 65m. Although only weak copper mineralisation was intersected, the Isa style of brecciation and silica-dolomite veining justifies further drilling along the 3km long copper soil anomaly.

Phosphate – Western Isa JV

Dragon Energy Ltd has completed a series of 14 RC holes for 570m at the Big Toby phosphate target. The following results were released by Dragon to the ASX, no economic phosphate was intersected. Any further work is being re-assessed.

Hole	East_GDA (m)	North_GDA (m)	From (m)	To (m)	Interval (m)	P205 (%)
BTR006	301945	7697982	8	12	4	0.52
BTR006	301945	7697982	16	20	4	0.52
BTR006	301945	7697982	28	29	1	0.62
BTR010	310360	7684617	28	32	4	0.51

An agreement to terminate the Phosphate JV between Summit, MM Mining and Dragon was executed on October 6th. All tenements in the Phosphate JV have been released from the JV Agreement.

CORPORATE

Summit's strategy to consolidate and amalgamate its Isa North tenement holding covering 1,356 km² north and east of Mount Isa has progressed through the expedited procedures of the Native Title Act. In June 2009 Summit reached agreement with the Kalkadoon native title claimants that will allow the Company's four new exploration permit applications to be granted, replacing the current 11 tenements, each of which has varying conditions of tenure and native title obligations. This will simplify Summit's land management at Isa North and enable the Company to retain its current land holding for a further two years without any reduction in area.

Yours faithfully
Summit Resources Limited



BRENDAN O'HARA
Executive Chairman

Declaration

The information in this announcement that relates to mineral 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.

Name of entity

SUMMIT RESOURCES LIMITED

ABN

86 009 474 775

Quarter ended ("current quarter")

30 September 2009

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration and evaluation	(1,981)	(1,981)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,132)	(1,132)
	(Refer Note 1.26)		
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	37	37
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Management fees	-	-
Net Operating Cash Flows		(3,076)	(3,076)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(219)	(219)
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	(714)	(714)
1.13	Funds received from joint venture partner	1,862	1,862
Net Investing Cash Flows		929	929
1.14	Total operating and investing cash flows (carried forward)	(2,147)	(2,147)

+ See chapter 19 for defined terms.

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30/09/2009

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Appendix 5B
Mining exploration entity quarterly report

1.14	Total operating and investing cash flows (brought forward)	(2,147)	(2,147)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	-
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	-	-
	Net increase (decrease) in cash held	(2,147)	(2,147)
1.21	Cash at beginning of quarter/year to date	6,831	6,831
1.22	Exchange rate adjustments to item 1.21	-	-
1.23	Cash at end of quarter	4,684	4,684

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

Payments for administration are higher than usual in the September quarter due to higher legal costs relating to the ongoing legal action brought by Areva.

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

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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

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	-
Total	2,000

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	1,315	2,490
5.2 Deposits at call	3,369	855
5.3 Bank overdraft	-	-
5.4 Other (provide details)		
Short Term Bank Bills and Deposits	-	3,486
Total: cash at end of quarter (item 1.23)	4,684	6,831

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Appendix 5B
Mining exploration entity quarterly report

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	Queensland Exploration Permits reduced in area during the quarter as follows: EPM 11897 296 to 148 sq km EPM 11898 277 to 138 sq km EPM 14712 270 to 164 sq km EPM 14713 322 to 161 sq km EPM 14935 161 to 142 sq km	100%	100%
6.2	Interests in mining tenements acquired or increased			

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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)	Amount paid up per security (see note 3)
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	210,517,950	210,517,950		
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>				

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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:



Print name: Gillian Swaby
(Company secretary)

Date: 29 October 2009

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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