

Uranium Mineral Resource strengthens Stallion opportunity

Key Highlights

- *Summit Minerals' new application (ELA 28/3241) captures the Stallion uranium Mineral Resource established by Manhattan Corporation Limited (MHC)*
- *The historical uranium Mineral Resource includes an estimated Inferred Resource of 3.3Mlb U₃O₈ (MHC ASX release 23/01/2017) captured within the application and adjacent granted title (E 28/2999)*

The Board of Summit Minerals Limited (**ASX: SUM, "Summit" or the "Company"**) is pleased to advise that its new application (ELA 28/3241) contains the Stallion Uranium Mineral Resource previously held by Manhattan Corporation Limited. The JORC 2012 Inferred Resource includes an estimated 1,490 tonnes (3.3Mlb) of uranium oxide at a 100ppm U₃O₈ cut-off (MHC, 2017). The reported Mineral Resource estimate was *prepared in accordance with* the 2012 JORC Code and was based primarily on MHC's 2010 and 2016 air core and sonic drilling (Figure 1)¹. The historical uranium Mineral Resource extends southwards from the new application and onto the adjacent granted title (E 28/2999).

MHC targeted Tertiary palaeochannels within the Gunbarrel Basin that are known to host several uranium deposits and drilled uranium prospects as it sought sand-hosted uranium mineralisation. The same drilling also intersected rare-earth enrichment in the granitic bedrock underlying the palaeochannels, forming the exploration focus for Summit at the Stallion Project.

Managing Director Jonathan King said:

"Summit has been assessing the additional historical drill holes for further rare-earth opportunities while validating the developing targeting model at Stallion. In doing so, we confirmed the location of the historical uranium Mineral Resource, which extends southwards from the new application and onto the adjacent granted title. Though a great outcome for the company, given the inability to mine uranium in WA due to current government legislation, we remain focused on the rare earth opportunity present at Stallion. The uranium Mineral Resource essentially provides the company with a free option if the legislation in WA changes in the future."

¹ <https://manhattcorp.com.au/wp-content/uploads/2020/10/PontonMineralResourceEstimates23Jan17.pdf>

Directors

Peretz Schapiro – Non-Executive Director
Stephen Ross – Non-Executive Director
Jonathan King – Executive Director

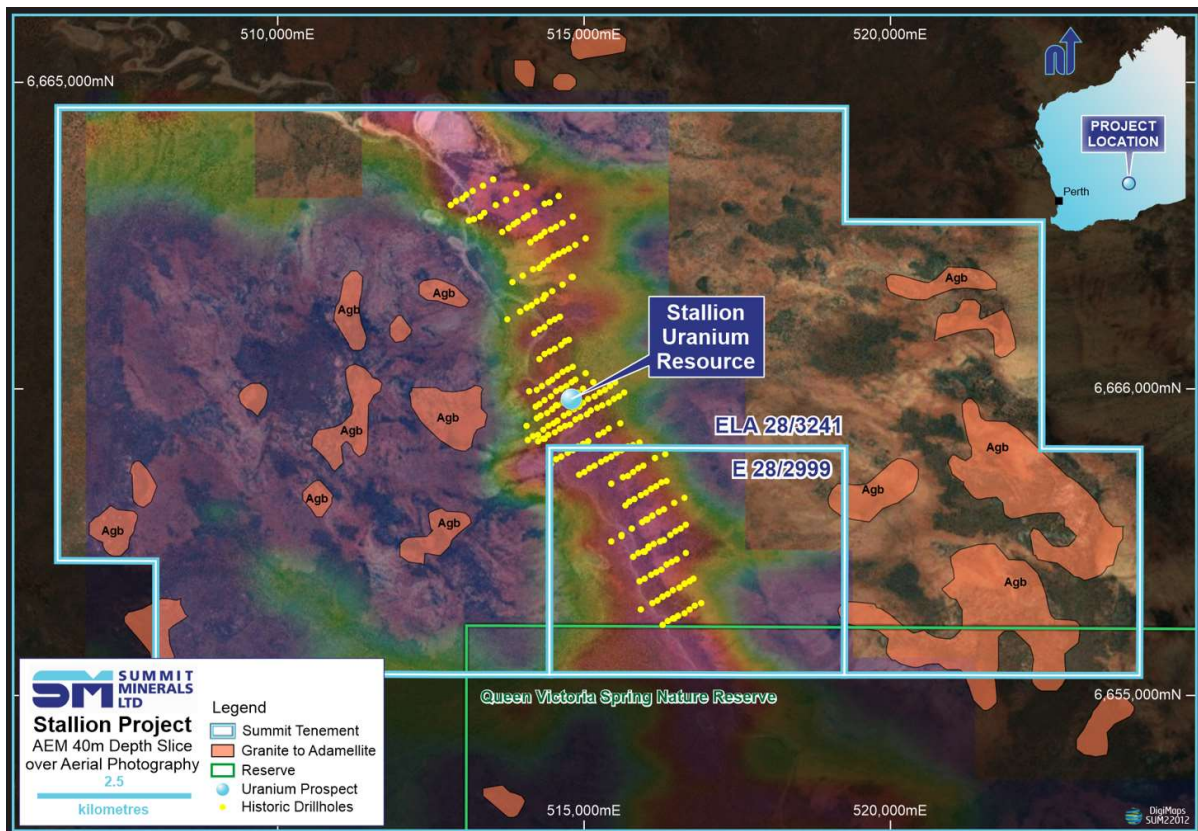


Figure 1: Satellite image outlining the new application (ELA28/3241), the granted tenement (E28/2999), the existing drilling and its relationship to the palaeochannel (represented by the 40 AEM depth slice). The location of the MHC Stallion uranium Mineral Resource is shown.

Further commentary

Summit considers that the source for the uranium at Stallion is the same parent rock as that of the rare earths; the “hot” granites that flank the drilled palaeochannel. Hot granites typically carry a strong radiometric signature as they are enriched in the radioelement’s uranium, thorium, and potassium and are thus readily identifiable through radiometric imagery. The main sites of outcropping mineralisation form bright, nearly white patterns, or ‘hot spots’, indicative of the similar proportion of emitted energy in each radioelement (Figure 2).

Uranium is generally quite mobile under atmospheric conditions and is leached from the soil by percolating rainwater, where it moves into the groundwater at very low concentrations (ppb levels) and accumulates in the drainage networks. Organic matter, such as lignite, or the redox conditions preserved within the palaeochannel can precipitate the uranium to economic levels, e.g., Mulga Rock Uranium Project, 30km NE of Stallion.

Directors

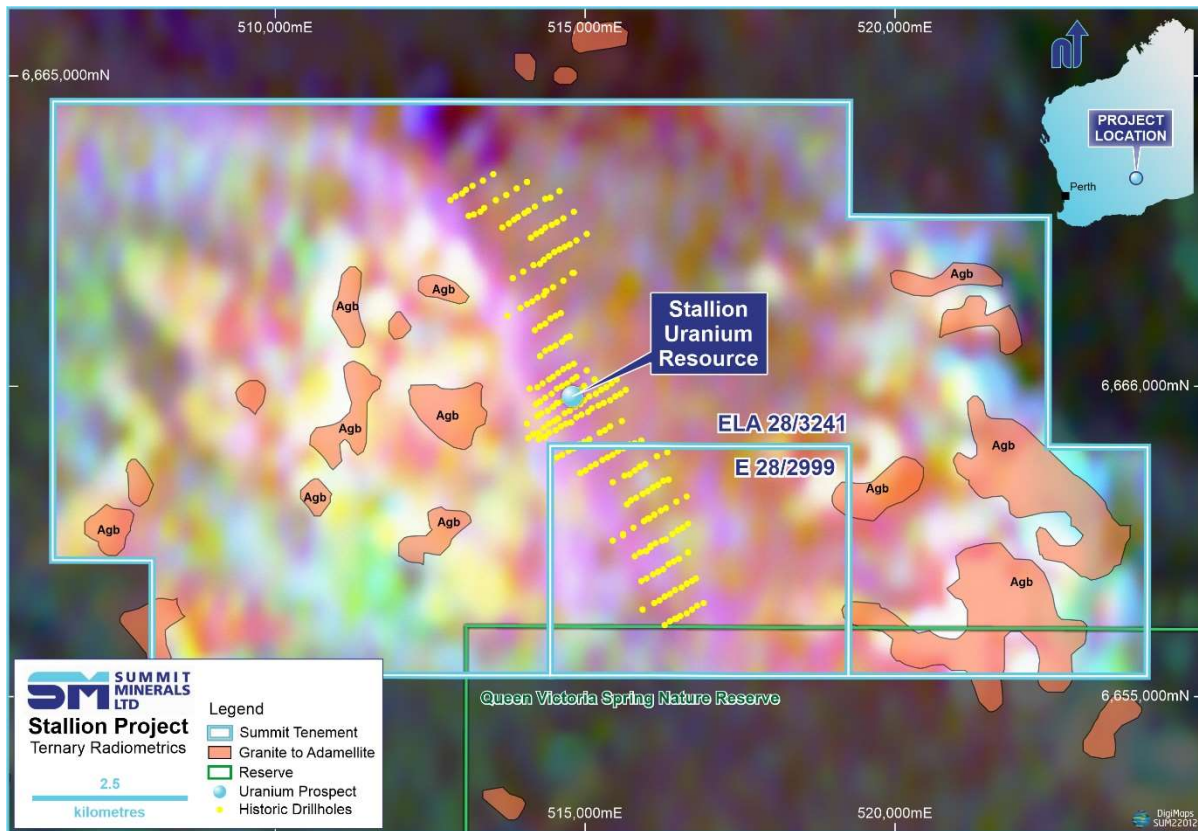


Figure 2: Within the background ternary radiometric image, the distribution of the “hot” granite is manifested as bright (mostly white) spots corresponding with outcropping bedrock (GSWA mapping). The position of the palaeochannel is approximated by the drilling distribution. The ternary ratio image provides the relative proportion of potassium, thorium, and uranium response by assigning each channel to a given colour (potassium = red, thorium = green and uranium = blue).

The juxtaposition between the palaeochannel, the location of secondary uranium mineralisation and the exposed, confining ‘hot’ granite supports the latter as being the source parent rock for the mineralisation.

Summit continues to evaluate the substantial drilling database for further rare earth opportunities at Stallion.

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Stephen Ross – Non-Executive Director
Jonathan King – Executive Director



Figure 3: Summit Minerals' project locations

Approved by the board of Summit Minerals Limited.

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Competent person statement: Jonathan King, a Competent Person who is a Member of The Australian Institute of Geoscientists, confirms that the information in this market announcement is an accurate representation of the available data and studies for the Stallion project as set out in this announcement. Jonathan King is a director of Collective Prosperity Pty Ltd and an Executive Director of Summit. Jonathan King has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Jonathan King consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.