



31 January 2023

## Quarterly Activities Report, December 2022

### Key Highlights

- *Stallion drilling completed; 177 weathered bedrock samples collected from fourteen drill holes for 741m of drilling.*
- *Drilling intersected clay-rich, altered “granitic” bedrock beneath recent sediments, the targeted host for ionic adsorption REE mineralisation.*
- *Results from chip sampling at the Morrissey Project returned interesting Cu results (to >0.1% Cu), supported by elevated Ni and Cr, from ultramafic rock. Low tenor Li and TREO values returned from the target pegmatite body in the first pass.*
- *Additional access permissions received from landholders in the Munga Creek Camp expanding access at the Windfall Antimony Project. Applications for access and the right to negotiate were made for the State Forests and Conservation areas in the project’s north.*
- *First pass exploration completed in the historical Munga Creek Camp. Several outcrops of quartz breccia up to three meters wide and 350 meters in length were mapped and sampled.*
- *Visible stibnite mineralisation (antimony sulphide) is associated with the veining.*

**Summit Minerals Limited (ASX: SUM) (Summit or the Company)** is pleased to provide its Quarterly Activities Report for the quarter ending December 31, 2022, and to provide commentary and an update to Shareholders.

### OPERATIONS

#### Stallion Rare Earths

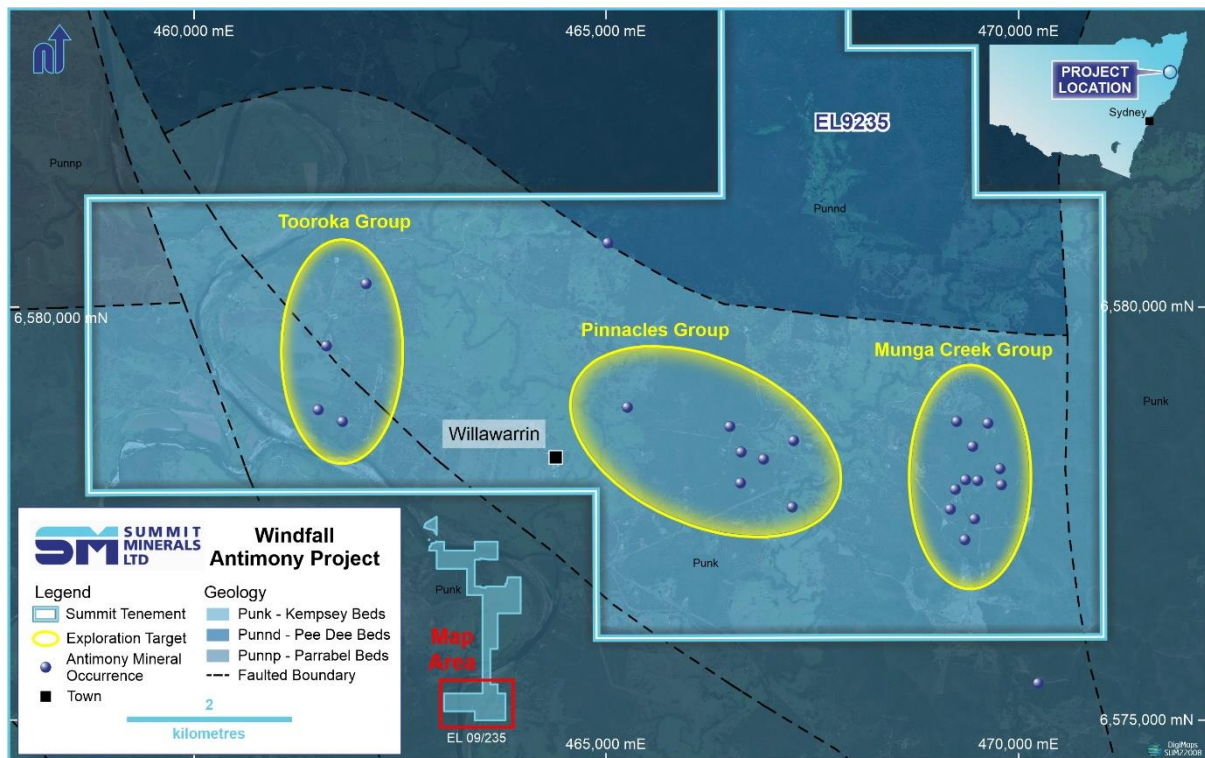
Drill testing of the rare earth mineralisation intersected in previous drilling campaigns by Manhattan Corporation Limited (**MHC**) was completed late in the quarter after delays due to unseasonal rains restricting access. The program seeks to confirm the previously identified rare earth mineralisation, extend the mineralisation into near-surface environments, and provide material for metallurgical study. Summit collected 177 weathered bedrock samples from fourteen drill holes for 741m.

Summit’s Exploration Manager, Mark Hill, observed a considerable variation in bedrock lithologies with granitoid variation from a “typical” equigranular granite to pegmatitic granite, pink granite, granodiorites, and pegmatites. Many holes, marginal to the paleochannel, exhibited well-developed oxide profiles raising the prospectivity for regolith-hosted ion-adsorption deposits (IADs), given the variety in basement lithologies.



### Windfall Antimony Project

In October, Summit received Land Access approval for critical parts of the historical Munga Creek Group at the Windfall Antimony Project (Figure 1). Additional access was granted in December. The Munga Creek Mine was last mined in 1974, producing 1,100t of antimony (Sb), and the area is known to have produced the highest antimony grades ever recovered in Australia at 63% Sb. The Munga Creek camp is highly prospective for primary Antimony mineralisation and was last drilled in 1968, with shallow exploitable mineralisation remaining.



**Figure 1:** Antimony camps in southern parts of the Windfall Project, locations with historical workings and occurrences on geology.

Antimony occurrences in the Munga Creek area are aligned along northerly trends and are vein-type deposits of quartz and stibnite, with breccia features commonly observed. Their distribution is invariably controlled by significant fault zones and fracture systems that have accommodated hydrothermal solutions. The source for the mineralisation remains unidentified, and the host rock is mainly silicified siltstone.



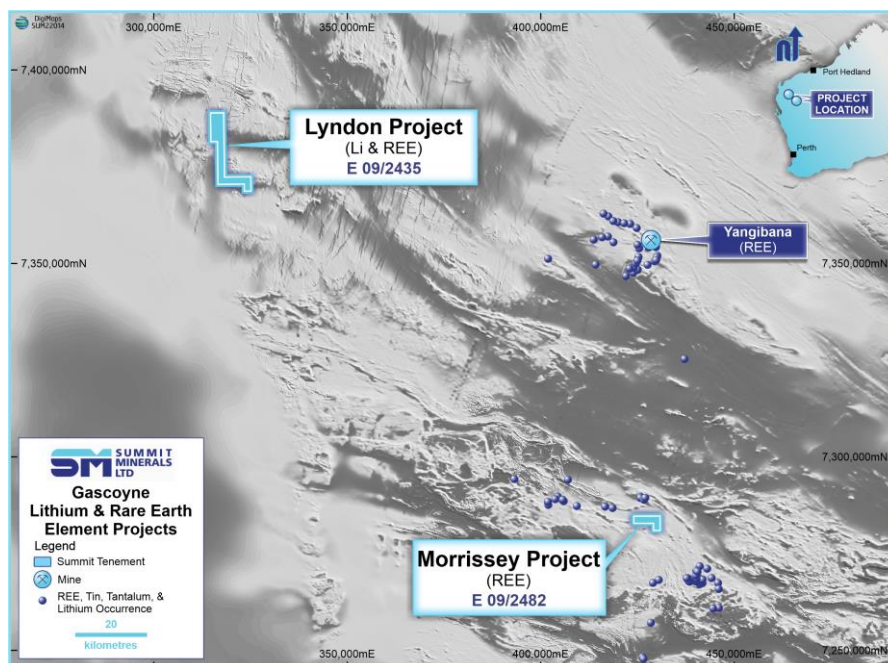
**Figure 2:** Quartz breccia outcrop.

Summit has completed its first pass at the historical Munga Creek Camp. The exploration activities included surface mapping, soil and rock chip sampling, and assays across the historical workings to best define targets for an upcoming drilling campaign. Several outcrops of quartz breccia (Figure 2), up to three meters wide and 350 meters in length, were mapped and sampled.

The company has moved to expand its access to the adjacent Pinnacles and Toorooka antimony camps, also captured by the Project and have applied for the Right to Negotiate processes within State forests and the State Conservation Area in the project's north.

### Gascoyne Lithium and Rare Earth Element Projects

Summit's technical team completed fieldwork at Li-REE projects, Lyndon and Morrissey, in the Gascoyne region of WA (Figure 3).



**Figure 3:** Morrissey and Lyndon Project locations with lithium and related mineral occurrences on magnetics.

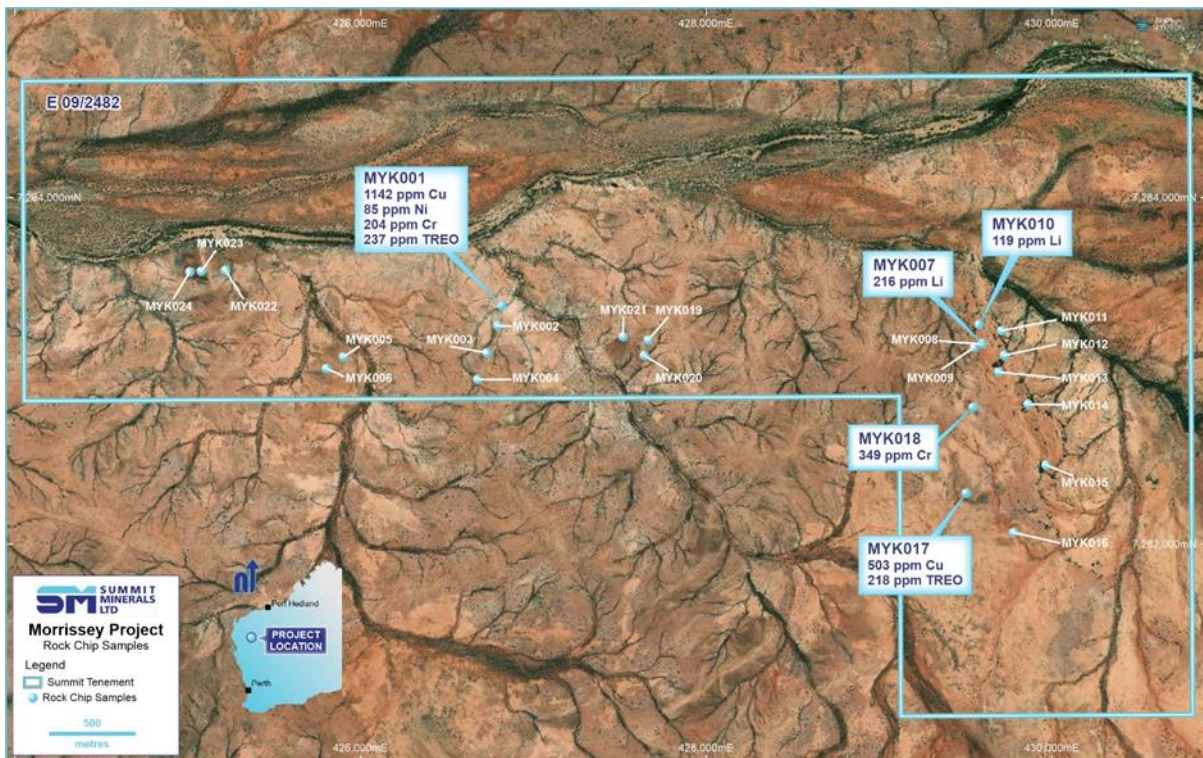


### Morrissey Project

The Morrissey Project lies adjacent to the Malinda Lithium Project (owned by Red Dirt Metals), where previous drilling by Segue Resources Limited intersected grades up to 2.01% Li, mostly averaging ~1.5% Li<sub>2</sub>O over a range of 1 to 5 metres<sup>1</sup>.

The field visit completed at Morrissey confirmed the lithium and REE prospectivity of the project and the need for future work. The pegmatite at Morrissey is related to the tourmaline-bearing granites of the Thirty-Three Supersuite, which also hosts numerous lithium-bearing pegmatites in the immediate environment around the tenement.

Elevated copper (to 0.1% Cu), with supporting nickel and chromium results in rock chips (Figure 4), was returned from an ultramafic unit adjacent to the target pegmatite body. Nine samples from the target pegmatite display low tenor results in lithium and total rare earth oxides (TREO). Their distribution, with higher TREO values in the south and lithium values in the north, supports the anticipated zonation pattern for this mineralisation style. Alluvial deposits of clay, silt, sand, or gravel associated with the Thirty-Three River cover potentially more prospective pegmatite north of the current sampling.



**Figure 4:** Rock chip sample locations (MGA94, Z50) with selected results: Morrissey Project.

An extremely rare, iron-rich pyroxene, Hedenbergite, was identified in contact with the pegmatite. Contact metamorphic rocks high in iron are the primary geologic setting for hedenbergite. Little is understood about the significance of the mineral at this locality; however, hedenbergite is known to be associated with metamorphosed sulphide ores at Broken Hill.

<sup>1</sup> <https://www.asx.com.au/asxpdf/20171009/pdf/43n1y7vlwrzkqw.pdf>



The elevated base metal results derived from the outcropping, fresh ultramafic rock, supported by hedenbergite, speculatively indicate the presence of a sulphide system.

### Lyndon Project

Late in the quarter, Summit, via its 100%-owned subsidiary Bow Island Resources Pty Ltd, signed a binding agreement to sell its Lyndon tenement (E09/2435) to Odessa Minerals Limited (ASX: ODE). The sale aligns with the Company's strategy to fund and grow its portfolio and advance its business by monetising non-core mineral exploration assets. This acquisition promotes Odessa's Lyndon REE/Lithium Project to form one continuous and contiguous tenement package covering 811km<sup>2</sup> and allows Summit to participate in any success on this land holding.

The Directors considered that the sale of the Lyndon Project was in the Company's best interests. It allows the Company to concentrate on alternative assets to increase value for the benefit of all shareholders while remaining exposed to any potential discovery Odessa may make on the broader Lyndon REE/Lithium Project.

### Phillips River Project

The late unseasonal rains in southern Western Australia delayed the start of harvesting at Phillips River until the New Year. The Company will commence field activities at this prospective lithium project shortly after the 2022 crop is harvested.

### KEY ANNOUNCEMENTS LIST

Date	Headline	Price Sensitive
16/12/2022	Sale of Lyndon Project	\$
12/12/2022	Summit commences drilling at Stallion REE Project	\$
02/12/2022	Summit commences work at Windfall Antimony Project	\$
01/12/2022	Rock chip results at Morrissey Lithium and REE Project	\$
12/10/2022	Summit receives land access to Advance Windfall Antimony Project	\$



## CORPORATE

### Loyalty Options Issue

Pursuant to its listing prospectus, the Company offered to all eligible Shareholders the opportunity to apply for Loyalty Options in the company.

The Entitlement Issue offered eligible shareholders registered on the Record Date the ability to subscribe for Options based on one (1) Option for every two (2) Shares held at an issue price of \$0.005 per Option raising \$87,319 before costs (Loyalty Options).

### Lyndon Tenement Acquisition Terms:

The acquisition terms are as follows -

Odessa Minerals Limited is to acquire 100% of the Lyndon tenement comprising granted Exploration Licence E09/2435 from Bow Island Resources Pty Ltd (a 100%-owned subsidiary of Summit Minerals Limited) for the following consideration:

- 6,000,000 fully paid ordinary shares in the capital of Odessa, to be issued at the deemed issue price of \$0.018 per share
- 2,000,000 unlisted options in fully paid ordinary shares of Odessa with an exercise price of \$0.04 per option and expiring 31 December 2026
- 1.5% net smelter royalty

Odessa Minerals Limited is not a related party of the Company.



## SUMMIT MINERALS PORTFOLIO

The Summit portfolio comprises five prospective mineral exploration projects focused on the energy and critical mineral space:

The **Phillips River and Bridgetown Projects** have prospective lithium targets along strike and close to the World-class Mt Cattlin and Greenbushes lithium operations in southern WA. The Phillips River project also lies on the same geology as the adjoining Bulletin Resources' (ASX: BNR) Phillips South lithium discovery.

The **Northern Projects** comprise three lithium and REE projects in the Gascoyne and Pilbara Districts of WA. One tenement (Morrissey, E09/2482) is adjacent to Red Dirt's (ASX: RDT) developing Malinda lithium project and hosts a significant, GSWA-confirmed, REE-bearing pegmatite. A second tenement (E45/6087) lies between the Pilgangoora (ASX: PLS) and Wodgina (ASX: MIN) lithium operations and exhibits very similar geology. The third project (E09/2435) lies in the central Gascoyne's emerging REE province with REE carbonatite and lithium pegmatite potential.

The **Stallion Project**, located on the eastern margins of the Yilgarn Craton, shows significant REE-enrichment in the weathered granitic country rock.

The **Windfall Antimony Project** includes multiple historic antimony mines such as Munga Creek. Each historical mine hosts a walk-up drill target.

Authorised for release by the Board of Summit Minerals Limited.

- ENDS -

### For More Information:

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## About Summit Minerals Limited

Summit Minerals Limited is an Australian-focused ASX-listed battery mineral exploration company with a portfolio of projects in demand-driven commodities. It is focused on systematically exploring and developing its projects to delineate multiple JORC-compliant resources.

Summit's projects include the Windfall Antimony Project in the antimony-gold province of the southern New England Fold Belt region in NSW, the Stallion REE Project in Ponton River WA, the Phillips River Lithium Project in Ravensthorpe WA, the Bridgetown Lithium Project in Bridgetown WA, strategically located along strike of Talison's Greenbushes Mine and the Northern REE / Lithium Projects in Gascoyne and Pilbara WA. Through focus, diligence and execution, the board of Summit Minerals is determined to unlock previously unrealised value in our projects.



## Competent Person Statement

The information related to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on data compiled by Jonathan King, a Competent Person who is a Member of The Australian Institute of Geoscientists. Jonathan King is a director of Collective Prosperity Pty Ltd. 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 the presentation of the matters based on his information in the form and context in which it appears.

## Forward-Looking Statements

This announcement contains 'forward-looking information based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements concerning the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.





## Additional ASX Information

1. ASX Listing Rule 5.3.1– Mining exploration activities and investment activity expenditure during the quarter was \$305,000. Full details of the activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2 – Mining production and development activity expenditure for the quarter was Nil and there were no substantive mining exploration activities for the quarter.
3. ASX Listing Rule 5.3.3 – Tenement Schedule – Refer to schedule below.
4. ASX Listing Rule 5.3.4 – The Company provides the actual vs proposed use of Funds as outlined in Section 3.7 of the Prospectus dated 3 June 2022. In addition to the Funds raised in the IPO, the Company completed a loyalty option raise during the December 2022 quarter raising 87,319 before costs.

Proposed Use of Funds	Proposed \$	Actual \$	Variance
Exploration Expenditure	\$2,515,000	\$437,251	\$2,077,749
Expenses of the Offer	\$505,000	\$495,450	\$9,550
Administration and compliance costs	\$850,000	\$429,888	\$420,112
Business development and adviser fees	\$250,000	\$0	\$250,000
Working Capital	\$680,000	-\$18,388	\$698,388
Total	\$4,800,000	\$1,344,201	\$3,455,799

5. Major variances in the above table relate to timing of actual spend. The proposed spend is for a two-year period and the Company listed in August 2022.
6. ASX Listing Rule 5.4.5 – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include \$130,000 for Salaries, Director Fees and Consulting Fees paid to Directors.



## TENEMENT SCHEDULE

State	Authority	Phase	Name	Principal Holder	% Holding	Expiry	Area
WA	E 28/2999	Current	Stallion REE Uranium	BOW ISLAND RESOURCES PTY LTD	100	25-Feb-2026	6 Blocks
NSW	EL9235(1992)	Current	Windfall Sb	BOW ISLAND RESOURCES PTY LTD	100	26-Jul-2022	78 Units
WA	E 09/2435	Current	Gascoyne REE Lithium	BOW ISLAND RESOURCES PTY LTD	100	18-Aug-2026	19 Blocks
WA	E 74/689	Current	Phillips River Lithium	TARGET METALS PTY LTD	100	10-Nov-2026	8 Blocks
WA	E 09/2482	Current	Gascoyne REE Lithium	BOW ISLAND RESOURCES PTY LTD	100	16-Dec-2026	5 Blocks
WA	E 74/705	Current	Phillip River Lithium	TARGET METALS PTY LTD	100	19-Jan-2027	7 Blocks
WA	E 70/5980	Current	Bridgetown Lithium	TARGET METALS PTY LTD	100	09-Feb-2027	7 Blocks
WA	E 70/5981	Current	Bridgetown Lithium	TARGET METALS PTY LTD	100	09-Feb-2027	4 Blocks
WA	E 52/4111	Current	Tangadee Ni-Cu	SUMMIT MINERALS LIMITED	100	16-Oct-2027	27 Blocks
WA	E 52/4112	Current	Tangadee Ni-Cu	SUMMIT MINERALS LIMITED	100	16-Oct-2027	22 Blocks
WA	E 28/3241	Application	Stallion North	SUMMIT MINERALS LIMITED	100		43 Blocks
WA	E 28/3251	Application	Highway South	SUMMIT MINERALS LIMITED	100		17 Blocks
WA	E 45/6087	Application	Pilbara Lithium	TARGET METALS PTY LTD	100		2 Blocks
WA	E 31/1350	Application	Princess Bore REE	SUMMIT MINERALS LIMITED	100		42 Blocks
QLD	EPM28647	Application	Neardie Sb	SUMMIT MINERALS LIMITED	100		14 Sub-blocks
NSW	ELA6542	Application	Magwood Sb	BOW ISLAND RESOURCES PTY LTD; JM GEO PTY LTD	90		54 Units



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## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Summit Minerals Limited

ABN

24 655 401 675

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(305)	(437)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(148)	(430)
1.3 Dividends received (see note 3)		
1.4 Interest received	18	18
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(435)</b>	<b>(849)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	87	4,697
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(18)	(496)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	-	(747)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>69</b>	<b>3,454</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,772	801
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(435)	(849)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	69	3,454

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,406</b>	<b>3,406</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	888	1,272
5.2	Call deposits	2,518	2,500
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,406</b>	<b>3,772</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	130
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Fees include Salaries, Director Fees and Consulting Fees to Executive Director and Non-Executive Directors</p>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	
7.2	Credit standby arrangements	
7.3	Other (please specify)	
7.4	<b>Total financing facilities</b>	
7.5	<b>Unused financing facilities available at quarter end</b>	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	(435)
8.2	(435)
8.3	(435)
8.4	3,406
8.5	-
8.6	3,406
8.7	7.8
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: N/A	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2023

Date: .....

Authorised by: The Board  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.