



31 October 2022

Quarterly Activities Report, September 2022

Key Highlights

- *Summit Minerals commenced trading on ASX after raising \$4.6m in Initial Public Offering*
- *Summit applied for an extensive exploration license that envelopes Stallion Rare Earths Project, increased by ~720% to approximately 162km² - drill targets identified and submitted for approval and drilling planned for October 2022*
- *New application captures Stallion Uranium Mineral Resource previously held by Manhattan Corporation (MHC) (EL 28/3241) – JORC 2012 Inferred Resource 3.3Mlb uranium oxide at 100ppm cut-off*
- *Fieldwork commences at Lithium-REE projects, Lyndon and Morrissey in Gascoyne, WA*
- *Land access received to advance Phillips River Lithium Project and Windfall Antimony Project near Kempsey NSW*
- *Windfall last drilled in 1968 with remnant shallow exploitable mineralisation*

Summit Minerals Limited (ASX: SUM) (Summit or the Company) is pleased to provide its Quarterly Activities Report for the month ending September 30, 2022, and to provide commentary and an update to Shareholders.

OPERATIONS

Stallion Rare Earths

Summit applied for an exploration licence, EL28/3241, which envelopes the existing Stallion REE prospect. The new application captures the extent of the “hot” granites, interpreted as the source rocks for the observed rare-earth enrichment, and grows the project from 19.86km² to 162.19km², a change of 142.33km² (Figure 1). As part of the application, the Company has acquired a significant archive of historical exploration data, including drilling results, to assist with exploration once the title is granted.

Testing of the rare earth mineralisation intersected in previous drilling campaigns by Manhattan Corporation Limited (**MHC**) is anticipated to commence during the fourth quarter of 2022 in late October/early November. The program will seek to confirm the previously identified mineralisation, extend the mineralisation to the near-surface environments, and provide material for a metallurgical study.



Stallion Uranium

Summit's new license application also captures the Stallion Uranium Mineral Resource previously held by MHC. It includes a JORC 2012 Inferred Mineral Resource of 3.3Mlbs U_3O_8 at 100ppm cut-off grade. Summit considers the 'hot' granite country rock within the application as the source for uranium and rare earth element enrichment. Summit continues to evaluate the substantial drilling database for further rare earth element mineralisation opportunities at Stallion.

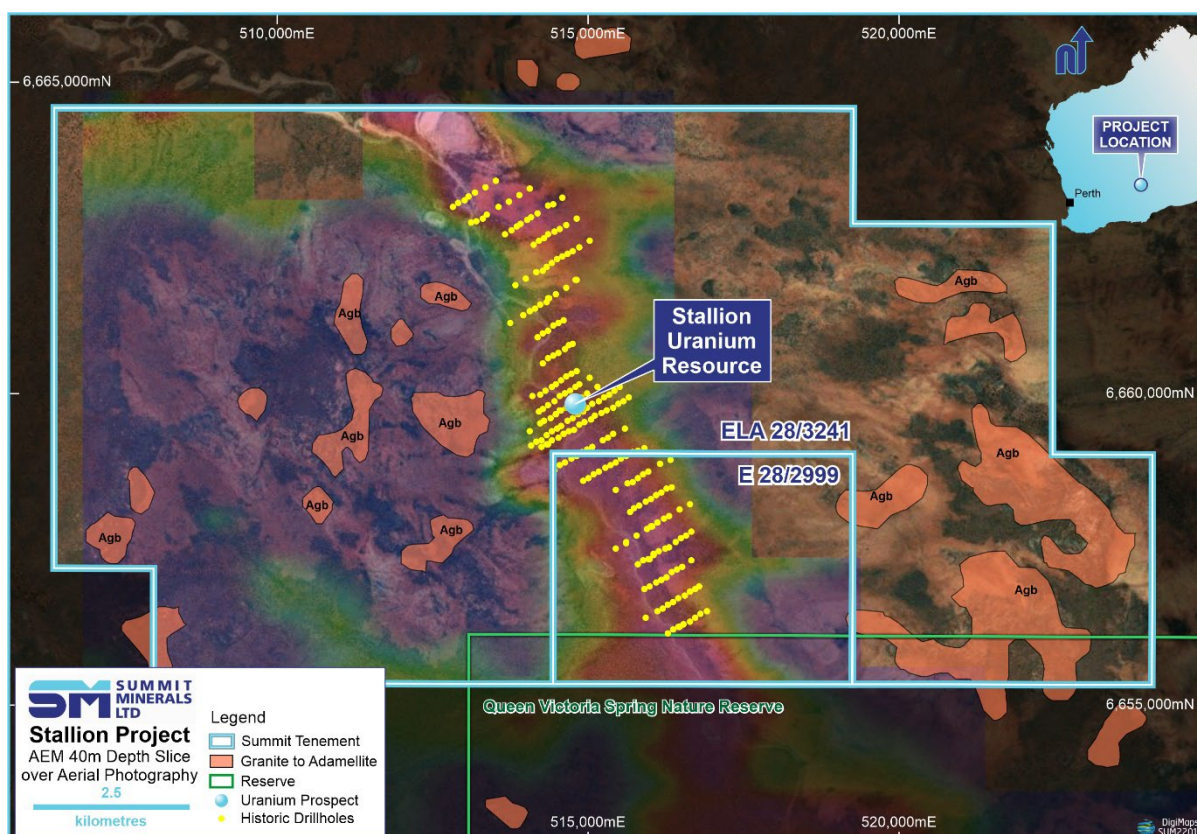


Figure 1: Satellite image outlining the new application (ELA28/3241), the granted tenement (E28/2999), the existing drilling and its relationship to the palaeochannel.

Gascoyne Lithium and Rare Earth Element Projects

Summit's technical team commenced fieldwork at key Li-REE projects, Lyndon and Morrisey in the Gascoyne region of WA (Figure 2). The Morrisey project is adjacent to the Malinda Lithium Project where drilling by Segue Resources Limited intersected grades up to 2.01% Li, mostly averaging ~1.5% Li_2O over a range of 1 to 5 metres¹.

Summit's technical team is assessing historical and satellite data to determine upcoming exploration programs.

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

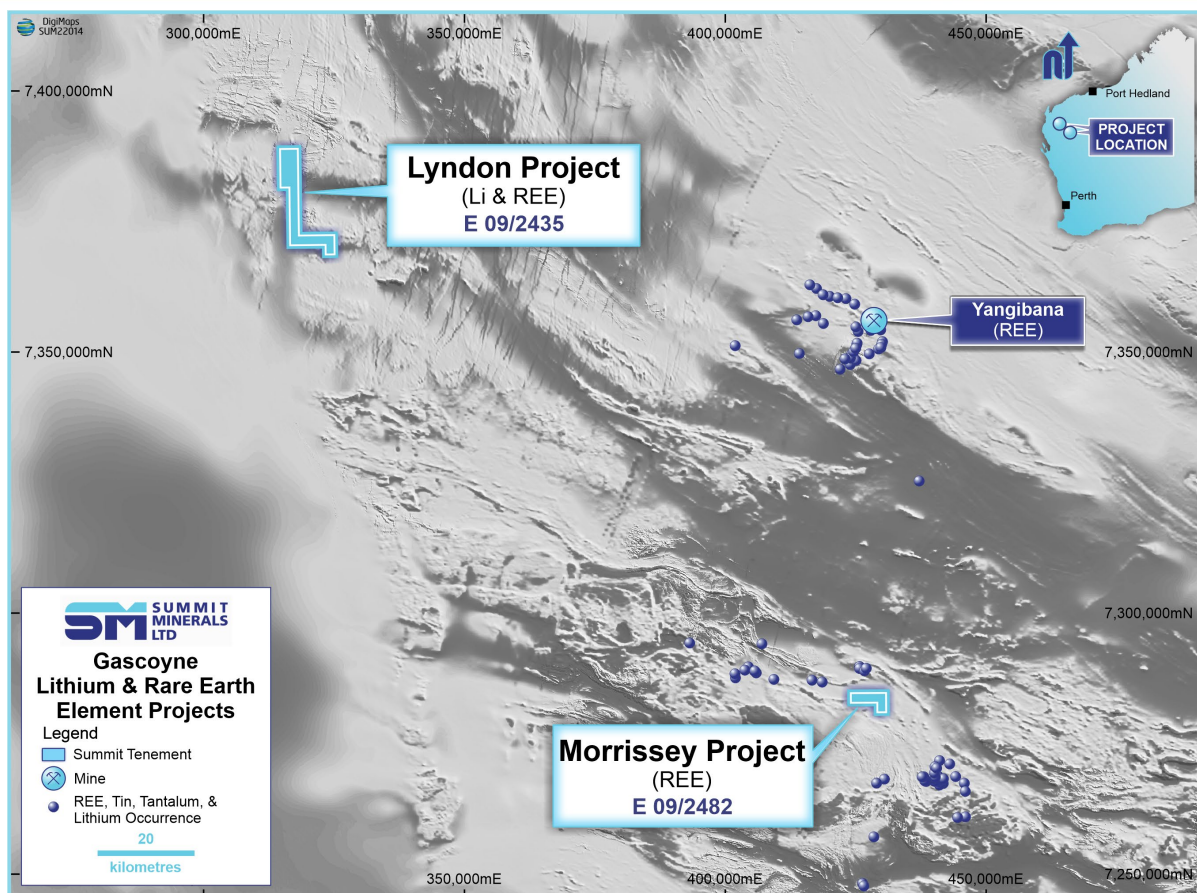


Figure 2: Morrissey and Lyndon Project locations with lithium and related mineral occurrences on magnetics

Windfall Antimony Project

After the end of the quarter, on 12 October, Summit announced it had received Land Access approval for critical parts of the historical Munga Creek Group at the Windfall Antimony Project (Figure 3). The Munga Creek Mine was last mined in 1974, producing 1,100t Sb, and, the area is known to have produced the highest antimony grades ever recovered in Australia at 63% antimony (Sb).

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.

Phillips River Project

In mid-August, Summit announced it received Land Access approval for the Phillips River Lithium Project. The approval allows for non-ground disturbing exploration activity. The main target was under-crop, restricting access. The Company should be able to commence field activities shortly after harvesting the year's crop.

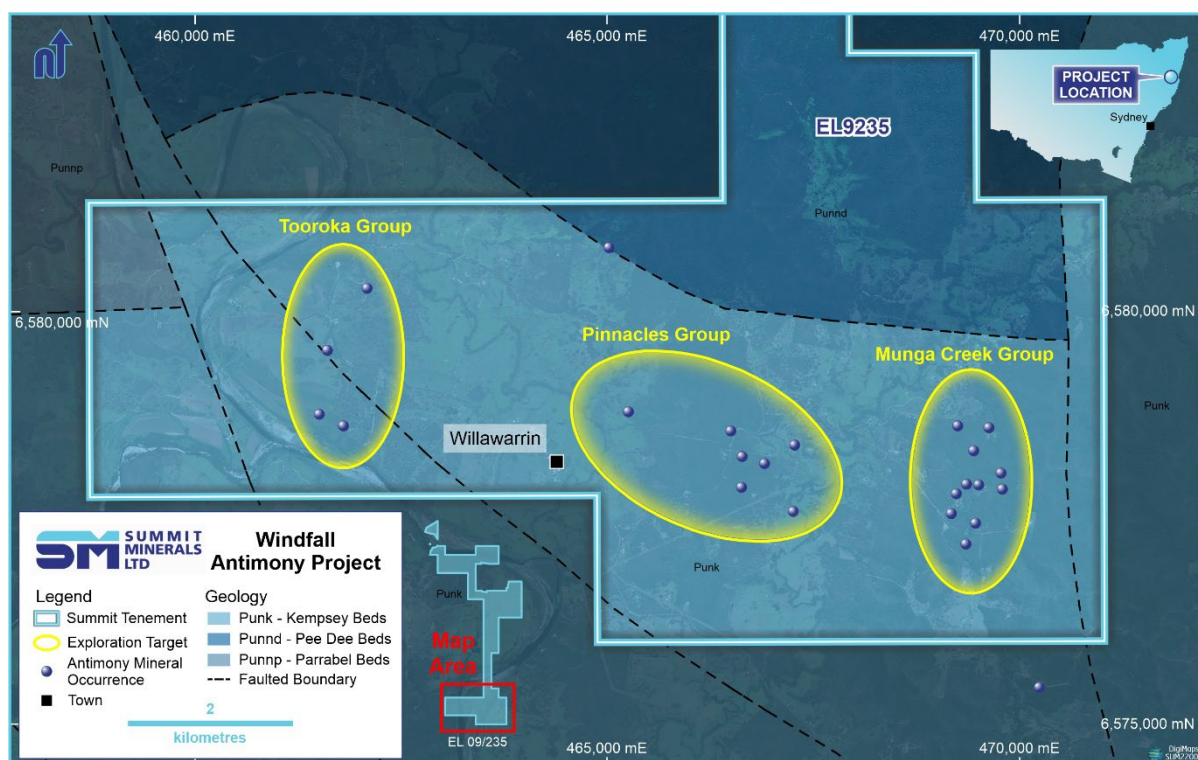


Figure 3 – Antimony camps in southern parts of the Windfall Project, locations with historical workings and occurrences on geology

LIST OF KEY ANNOUNCEMENTS

| Date | Headline | Price Sensitive |
|------------|---|-----------------|
| 12/10/2022 | Receives Land Access to advance Windfall Antimony Project | \$ |
| 30/09/2022 | Commences exploration at Gascoyne Rare-Earth and Lithium | \$ |
| 13/09/2022 | Uranium Mineral Resource strengthens Stallion opportunity | \$ |
| 9/09/2022 | Summit expands footprint at Stallion REE Project | \$ |
| 1/09/2022 | Drilling preparations commence at Stallion REE Project | |
| 18/08/2022 | Positive developments for Lithium Assets | |
| 10/08/2022 | Summit commences exploration on lithium projects | |
| 5/08/2022 | Summit Minerals Investor Presentation | |

CORPORATE

After successfully raising \$4.6 million via the issue of 23.05 million shares at 20 cents per share, Summit Minerals commenced trading on the Australian Securities Exchange under the code: **SUM**. IPO proceeds will be used to explore Summit's diverse range of future critical mineral exploration projects, which include lithium, rare earths, and antimony assets. The Company's focus is to systematically explore its projects with an initial focus on lithium.



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 -

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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 \$132,000. 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.

| Proposed Use of Funds | Proposed \$ | Actual \$ | Variance |
|---------------------------------------|-------------|-----------|-------------|
| Exploration Expenditure | \$2,515,000 | \$132,000 | \$2,383,000 |
| Expenses of the Offer | \$505,000 | \$478,000 | \$27,000 |
| Administration and compliance costs | \$850,000 | \$282,000 | \$568,000 |
| Business development and adviser fees | \$250,000 | \$0 | \$250,000 |
| Working Capital | \$680,000 | \$0 | \$680,000 |
| Total | \$4,800,000 | \$892,000 | \$3,908,000 |

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 \$93,000 for Salaries, Director Fees and Consulting Fees paid to Directors.



TENEMENT SCHEDULE

| Tenement | Phase | Name | Principal Holder | % Holding | Expiry | Current Area |
|-----------|-------------|------------------------|------------------------------|-----------|-------------|--------------|
| EL9235 | Granted | Windfall | Bow Island Resources Pty Ltd | 100 | 26-Jul-2022 | 78 Units |
| E 74/689 | Granted | Phillips River Lithium | Target Metals Pty Ltd | 100 | 10-Nov-2026 | 8 Blocks |
| E 74/705 | Granted | Phillips River Lithium | Target Metals Pty Ltd | 100 | 19-Jan-2027 | 7 Blocks |
| E 09/2435 | Granted | Gascoyne REE Lithium | Bow Island Resources Pty Ltd | 100 | 18-Aug-2026 | 19 Blocks |
| E 09/2482 | Granted | Gascoyne REE Lithium | Bow Island Resources Pty Ltd | 100 | 16-Dec-2026 | 5 Blocks |
| E 28/2999 | Granted | Stallion REE Uranium | Bow Island Resources Pty Ltd | 100 | 25-Feb-2026 | 6 Blocks |
| E 28/3241 | Application | Stallion REE Uranium | Summit Minerals Limited | 100 | | 43 Blocks |
| E 28/3251 | Application | Stallion REE Uranium | Summit Minerals Limited | 100 | | 17 Blocks |
| E 45/6087 | Application | Pilbara Lithium | Target Metals Pty Ltd | 100 | | 2 Blocks |
| E 52/4111 | Application | Tangadee Ni-Cu-PGE | Summit Minerals Limited | 100 | | 27 Blocks |
| E 52/4112 | Application | Tangadee Ni-Cu-PGE | Summit Minerals Limited | 100 | | 22 Blocks |
| E 70/5980 | Granted | Bridgetown Lithium | Target Metals Pty Ltd | 100 | 09-Feb-2027 | 7 Blocks |
| E 70/5981 | Granted | Bridgetown Lithium | Target Metals Pty Ltd | 100 | 09-Feb-2027 | 4 Blocks |



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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")

30 September 2022

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | | |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (132) | (132) |
| | (b) development | | |
| | (c) production | | |
| | (d) staff costs | | |
| | (e) administration and corporate costs | (282) | (282) |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | | |
| 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) | | |
| 1.9 | Net cash from / (used in) operating activities | (414) | (414) |

| | | | |
|-----------|---|--|--|
| 2. | Cash flows from investing activities | | |
| 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 | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 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) | | |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 4,610 | 4,610 |
| 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 | (478) | (478) |
| 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) – unissued shares at end of previous quarter | (747) | (747) |
| 3.10 | Net cash from / (used in) financing activities | 3,385 | 3,385 |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 801 | 801 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (414) | (414) |
| 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) | 3,385 | 3,385 |

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 (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 3,772 | 3,772 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|-----|--|----------------------------|-----------------------------|
| 5.1 | Bank balances | 1,272 | 4,543 |
| 5.2 | Call deposits | 2,500 | |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,772 | 3,772 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 93 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <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> | | |
| Fees include Salaries, Director Fees and Consulting Fees to Executive Director and Non-Executive Directors | | |

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

| | | |
|---|---|--|
| 7. Financing facilities <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> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 7.1 Loan facilities | | |
| 7.2 Credit standby arrangements | | |
| 7.3 Other (please specify) | | |
| 7.4 Total financing facilities | | |
| 7.5 Unused financing facilities available at quarter end | | |
| 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. | | |

| | |
|---|----------------|
| 8. Estimated cash available for future operating activities | \$A'000 |
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (414) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (414) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 3,772 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 3,772 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 9.1 |
| <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 October 2022

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.