

19 October 2010

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

Electronic Lodgement

Dear Sir/Madam

Resource Upgrade for the Valhalla Uranium Deposit

- Updated Mineral Resource stands at 76.2Mlb U₃O₈ up from the previous 69.9Mlb U₃O₈.
- Measured and Indicated Resources increased by 5.6% to 63.4Mlb U₃O₈ for ongoing economic studies.
- Potential for further Mineral Resource increase at Valhalla South and at depth following additional drilling.

Valhalla Uranium Deposit

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

Summit Resources Ltd as manager of the Isa Uranium Joint Venture (IUJV) is pleased to announce a new JORC Mineral Resource upgrade for the Valhalla deposit.

A Mineral Resource estimate conforming to the JORC (2004) guidelines has now been completed for the Valhalla uranium deposit following validation and compilation of data from drilling undertaken earlier in the year. The estimate covers the main Valhalla deposit as well as the south eastern extension, Valhalla South. The Valhalla Project is located 40km north of Mount Isa on EPM 17514; being ideally situated adjacent to the Barkly 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	16.02	819	13,116	28.9
Indicated Resources	18.64	840	15,662	34.5
Total Measured & Indicated	34.66	830	28,778	63.4
Inferred Resources	9.1	643	5,824	12.8

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

Measured and Indicated Mineral Resources increased by 5.6% to 63.4Mlb U₃O₈ (28,778t U₃O₈) from previously announced 60.0Mlb U₃O₈ (27,229t U₃O₈). Total Mineral Resources increased from previous 69.9Mlb U₃O₈ to 76.2Mlb U₃O₈. The Mineral Resource estimation was completed using the same parameters as previous estimations with the dataset derived predominantly from downhole radiometric logging using company owned calibrated equipment. The radiometric grades have also been extensively validated against laboratory assays.

Odin Prospect

Resource definition drilling has now been finished at Odin, 1km north of Valhalla, to a vertical depth of 200m. A total of 99 holes including 16,044m were completed in 3 months. The Odin deposit now has a strike length of 600m and contains two mineralised lenses. The main lens trends north-north-east and dips 50 - 60° to the east. The smaller southern lens strikes north-south and dips steeply to the east. Currently the dataset is being compiled and validated with a maiden Mineral Resource expected in the December quarter.

The drill rigs have now moved to the Bikini deposit for infill and close-off drilling; once this drilling is completed all data will be compiled with the existing historic information and validated. It is expected that an updated Mineral Resource estimate will follow in due course.

Overall Resources under Summit Management in the Mount Isa Region now stand at 110.8Mlb of contained U₃O₈. Details are as follows:-

Deposit		Measured Resources			Indicated Resources			Inferred Resources			Summit Attribution
Cut-off ppm U ₃ O ₈		Mt	Grade ppm	t U ₃ O ₈	Mt	Grade ppm	t U ₃ O ₈	Mt	Grade ppm	t U ₃ O ₈	
Valhalla	230	16.0	819	13,116	18.6	840	15,662	9.1	643	5,824	50.0%
Skal	250				4.3	575	2,485	8.4	491	4,130	50.0%
Bikini	250							10.1	517	5,200	100.0%
Andersons	230							2.0	1,050	2,100	100.0%
Watta	230							4.2	410	1,720	100.0%
Total		16.0	819	13,116	22.9	792	18,147	33.8	561	18,974	
Total Resource Attributable to Summit		8.0	819	6,558 (14.5Mlb)	11.45	792	9,074 (20.0Mlb)	25.1	558	13,997 (30.9Mlb)	

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