

COMPANY UPDATE

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13 August 2024

ABOUT

Summit Gold Limited's wholly owned subsidiary, Summit Development Limited, formerly held the License (EL1093) for the Mt Kare 2.5Moz Au-Ag Project in Papua New Guinea.

In December 2015 the PNG Government elected not to renew the License.

Summit Development is an applicant in the new license round for Mt Kare.

Summit is actively engaged in identifying corporate and strategic opportunities to benefit our shareholders.

BOARD AND MANAGEMENT

Brian Rodan
Executive Chairman

Jon Edwards
Executive Director

David Nixon
Non-Executive Director

Adam Taylor
Non-Executive Director

Sebastian Andre
Company Secretary

ISSUED CAPITAL

Shares: 58,342,122

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Summit Gold Limited provides the following update in respect to its activities and those of its wholly owned subsidiary, Summit Development Limited (**Summit** or the **Company**).

Highlights

- **Warden's hearing** to consider an application lodged by **GMG Global Mining Group Limited** (GMG) has been completed.
- On completion of the Warden's hearing, **Mt Kare Head Trustee Company Limited** and **Mt Kare Heli Landowners Association Inc.** presented letters to the **Mineral Resources Authority (MRA)** on behalf of Mt Kare landowners stating that they emphatically oppose the Minister for Mining, granting a new tenement (ELA 2429) applied for by **GMG**.
- **Consultancy Agreement** signed with the Hon. Julie Bishop (former Minister for Foreign Affairs of Australia), through **Julie Bishop & Partners**, to provide strategic advisory services relating to the Mt Kare Au-Ag Project in PNG.
- **Letters of funding support** received from various financial institutions totalling **A\$125M** conditional on grant of the licence to Summit. Funds allow for:
 - **Recommencement of operations at Mt Kare**
 - **Construction of a camp and site facilities**
 - **2,000m of underground mine development for drill platforms,**
 - **25,000m of underground diamond drilling.**
- **Resolution of Creditors** - Upon grant of the License to Summit, the Company has undertaken to resolve amounts outstanding to Creditors in addition to making a **A\$500,000** payment as financial restitution to the 19 registered and legitimate Mt Kare landowners from Enga and Hela Province as identified in the Landowner Investigation Study and recognised in the historic Landowners Agreement mediated by Justice Kandakasi in August 2015.

GMG Wardens Hearing

The **MRA** has accepted and registered 13 applications for the Mt Kare Au-Ag Project (**Mt Kare or the Project**).

MRA assesses each application in the order they were received. The first in time applicant is GMG, who lodged application number ELA 2429 on 15 December 2015.

The procedure the MRA adopts when awarding a new licence was detailed in Summit's announcement dated 10 February 2022. After an application is registered, a warden's hearing is held where the applicant is invited by the Mining Warden to explain its program for exploration and its proposal for conducting operations ancillary to mining on the land the subject of the application.

The wardens hearing to consider GMG’s application was held on 17 July 2024 at Porgera in the Enga Province PNG and on 18 July 2024 at Tari in the Hela Province PNG, with both hearings attended by approximately 300 people.

Following the presentation by the applicant, assembled landowners may ask questions of the applicant from which the Mining Warden determines whether the applicant is accepted by and able to work with the local landowners. At the warden’s hearing GMG provided no details about their proposed work program or timetable to commence operations at Mt Kare.

Summits in country manager attended both hearings as part of Summit’s ongoing landowner engagement program. Following completion of the warden’s hearing, the Mining Warden has 14 days to file his report to the Mining Advisory Board, who will consider this information along with other information provided by the MRA before making a recommendation to the Minister for Mining whether to grant the licence.

Landowners assembling for GMG’s wardens hearing



Head of GMG Mr Sean Mulvenna addressing the Wardens Hearing.



Landowners in customary dress preparing for the wardens hearing in Tari.



Landowners heading to the wardens hearing in Porgera.



Landowners directing questions to GMG during the Wardens Hearing.



Landowners and their opposition to GMG's Application

Mt Kare Head Trustee Company Limited (MKHT) was registered in 2002 and is recognised as the umbrella company spearheading negotiations with the PNG Government to develop Mt Kare. Its directors comprise landowners from both Enga Province and Hela Province where Mt Kare is located.

In August 2015 the now Deputy Chief Justice, Justice Kandakasi held a meeting at Mt Kare attended by the 19 clans previously identified and recognised as the rightful landowners of Mt Kare. At this meeting all landowners signed an agreement providing for the future development of Mt Kare.

On completion of GMG's wardens hearing, MKHT by letter dated 21 June 2024 and signed by representatives of all the landowner clans stated they emphatically oppose the Minister for Mining granting GMG's licence application. All signatories to the letter were verified as being legitimate landowners.

A letter from Mt Kare Heli Landowners Association Inc. dated 7 August 2024 and signed by Heli landowners was also presented and stating they object in the strongest possible terms to the award of EL2429 to GMG until their concerns are appropriately addressed.

Whilst the purpose of a warden's hearing is to allow the applicant to present their proposed work program and development timetable to the landowners, it was also an opportunity for Summit to engage with landowners and to gauge their support for Summit's future plans for Mt Kare. Summit continues to hold majority community and landowner support.

Next Steps

The Chief Mining Warden will now prepare a report on GMG's application for the Mining Advisory Council (**MAC**) and in due course MAC will make a recommendation to the Minister for Mining on whether GMG's application should be granted or not. After considering MAC's recommendation, the Minister will decide whether or not to grant GMG's application. If GMG's application is refused, the next in time applications (including Summit's application) will be considered in the order those applications were registered.

Consultancy Agreement with Julie Bishop and Partners

The Company is pleased to announce the appointment of the Hon Julie Bishop as Strategic Consultant to Summit Gold Limited.

Ms. Bishop brings a wealth of experience from her distinguished career in Australian politics, including her tenure as Australia's Minister for Foreign Affairs from 2013 to 2018.



Mr Brian Rodan, Summit Chairman and Hon Julie Bishop

Ms. Bishop played a pivotal role during her time in office in strengthening Australia's diplomatic and economic relationships with Papua New Guinea.

Ms. Bishop's extensive knowledge of PNG's political landscape, combined with her deep understanding of international mining and resource development.

We are confident that her insight and strategic guidance will significantly enhance our efforts to successfully advance the Mt Kare Project.

Appointment of SRK Consulting (Australia)

Summit has appointed SRK to produce an Information Memorandum (**IM**) covering the Mt Kare Gold Project. SRK will review the intellectual property and proprietary information owned exclusively by Summit to produce an information memorandum that details Summit's future exploration and development strategy for Mt Kare.

SRK is an independent, international consultancy providing focused advice and solutions for clients, mainly in the earth and water resources industries. For mining projects, SRK offers services from exploration to mine closure. SRK are leaders in mining due diligence, technical studies, mine waste and water management, permitting and mine rehabilitation.

SRK's clients include many of the world's major, medium sized and junior metal and industrial mining houses, exploration companies, financial institutions, EPCM firms and government departments. SRK's PNG experience includes a study for PanAust Limited at the Frieda River Cu-Au Project.

Funding

Summit has received funding support letters from various financial institutions totalling A\$125M conditional upon the grant of a new licence to Summit, with funding to support the recommencement of operations at Mt Kare.

These amounts would upon grant of the License to Summit enable the resolution of amounts outstanding to Creditors as well as to make a A\$500,000 payment as financial restitution to the 19 registered and legitimate landowners from the Enga and Hela Province.



The funding package would also enable the recommencement of operations at Mt Kare including construction of a camp and site facilities, the excavation of 2,000 metres of underground development and to conduct 25,000 metres of underground diamond drilling to increase the current resource of ~ **2.5Moz Gold** and **20Moz** of **Silver**.

The Company also commits to recommence operations on site within 30 days of the license being granted to Summit and site security clearances having been obtained.

For further information, please contact:

Sebastian Andre
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Summit Gold Limited
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ABOUT SUMMIT GOLD LIMITED

Summit Gold Limited's wholly owned subsidiary, Summit Development Limited formerly held the exploration licence for the **~2.5 Moz Mt Kare Au-Ag Project** in Papua New Guinea. In December 2015 the PNG Government elected not to renew the Licence. Summit Development Limited is now an applicant in the new licence round for Mt Kare.

Summit Development Limited acquired the Mt Kare Project for ~A\$27M in cash and the issuance of fully paid ordinary shares in the capital of the company in 2011. Since then, Summit Development Limited has invested over A\$70M directly in exploration, evaluation, mine feasibility and landowner investigation studies as well as ~A\$15M in indirect costs including social and community support, security, maintenance, helicopter support and provision of finance and administration functions to support activities at site, for a total investment exceeding A\$100M.