

COMPANY UPDATE

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13 March 2024

ABOUT

Summit Gold Limited's wholly owned subsidiary, Summit Development Limited, formerly held the Licence (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 Licence.

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

Summit is also actively engaged in seeking out new corporate and strategic opportunities.

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: 56,922,122

CONTACT

Level 2, 41 Ord Street
West Perth WA 6005

t: +61 6458 4200

e: admin@summitgold.com.au

w: www.summitgold.com.au

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

- 2021 and 2022 Annual General Meetings were held on 15 January 2024 and all resolutions were passed.
- 2023 Annual General Meeting will be held on 21 March 2024. The Notice of Meeting has been sent to shareholders.
- Audited financial statements for FY2023 are available on the Company's website.
- Wardens Hearing for the first in time applicant, GMG Global Mining Group Limited, was scheduled for 27 and 28 February 2024 in the Enga and Hela Provinces respectively. Holding the Wardens Hearing commences the process of awarding the new Licence and is a welcome first step.
- Summit continues to position itself for the new licence round, which includes engaging with other applicants and PNG stakeholders. A very positive meeting between Summit and representatives of all 19 Mt Kare landowner clans was held in Mt Hagen on 25 February 2024.
- Positive economic signs for Papua New Guinea (PNG) as evidenced by the first gold pour on 23 February 2024 from the re-opened Porgera Gold Mine; completion of the purchase of the Tolukuma Gold Mine by Tolu Minerals Limited and subsequent listing on the ASX; and the continuing success of the Kainantu Gold Mine owned by TSX listed K92 Mining Inc.
- Total Energies Limited is moving forward with the early works for the Papua LNG Project and the Newmont/Harmony joint venture, developer of the Wafi Golpu gold and copper prospect in Morobe Province has applied for its special mining lease.
- 2024 promises to be a year of significant economic growth in PNG with the World Bank substantially upgrading its forecasts for PNG.
- In Q1, 2024 Summit raised \$132,690 through the issue of 2,653,801 Fully Paid Ordinary Shares. Funds raised will provide for ongoing working capital requirements in PNG associated with Summit's application in the new licence round.

Shareholder Meeting

The 2023 annual general meeting will be held at 10 am (WST) on Thursday, 21 March 2024, at the Company's office in West Perth. Eligible shareholders are encouraged to attend.

FY2023 Annual Report

Audited financial statements for FY2023 are now available on the Company's website.



New Licence Round

The procedure the Mineral Resources Authority of PNG (**MRA**) adopts when awarding a new licence was detailed in Summit's announcement dated 10 February 2022.

MRA has accepted and registered thirteen (13) applications for the Mt Kare Au-Ag Project from different parties, including Summit's application numbered ELA 2447 lodged on 1 March 2016. Summit's application is 4th in time.

The 1st in time applicant in the new licence round is GMG Global Mining Group Limited (**GMG**). The 2nd in time applicant is New Britain Lime and Cement Limited (now known as Tribune Mt Kare Gold Limited) (**Tribune**).

Summit has entered into an agreement with the 3rd in time applicant, ACM Contract Mining (PNG) Limited (**ACM PNG**). Pursuant to this agreement, Summit and ACM PNG will, if either of them is granted the new licence, co-operate to complete the exploration of and to develop a world class gold mine at Mt Kare.

In advance of the warden's hearing scheduled for 27 and 28 February for GMG's application Summit held a community meeting in Mt Hagen on 25 February 2024 attended by representatives of the **19 landowner groups covering the Mt Kare licence area**.

Landowner sentiment at the 25 February meeting was overwhelmingly in favour of Summit developing the Mt Kare project versus other potential candidates.

The 27/28 February warden's hearing for GMG was eventually abandoned for various reasons and the MRA will now either fix a new date for GMG's warden's hearing, or, alternatively subject to landowner support for the current applicant, advise the PNG Mining Advisory Council to progress to the next applicant in line. In the latter case, a warden's hearing will then be scheduled for the second in time applicant.

Summit welcomes the opportunity to continue to engage with the other applicants in order to fast track the commencement of exploration and development of a world class gold mine at Mt Kare in the interests of all stakeholders, in particular the Mt Kare landowners, the Enga Provincial Government and the Hela Provincial Government.

Why Summit?

Summit is the only applicant in the new licence round with significant local knowledge of Mt Kare, a genuine understanding of the Mt Kare geology and the support of the Mt Kare landowners.

In 2019 the Mt Kare landowners, in an open letter of support, expressed their desire for Summit to recommence operations at Mt Kare. The letter is dated 12 November 2019 and was signed by 156 Mt Kare landowners. A copy of the letter is available on Summit's website <https://summitgold.com.au/site/investors/announcements>.

Summit is also the only applicant in the new licence round that has successfully hosted a warden's hearing for Mt Kare which was hosted at Mt Kare. One of the key issues to be determined at a warden's hearing is whether the applicant is accepted by and can work with the local landowners and the warden's hearing is a key step in the granting or renewal of any mining licence in PNG.

Unlike the other licence applicants, Summit has a long history of working closely with the Mt Kare landowners and the Enga Provincial Government.

These factors give Summit a strong advantage over the other applicants for the new licence.



Positive signs for the Mining Sector in PNG

Porgera Gold Mine

Barrick Gold Corporation recommenced mining at the Porgera Gold Mine in Q4, 2023. The first gold pour occurred on 23 February 2024. Prime Minister James Marape hailed the event as a “historic day” for Papua New Guinea, with the local landowners and broader community to benefit by holding a significant shareholding in the Project that would be a major contributor to the country’s economy.

The Porgera Gold Mine originally commenced production in 1999 and has produced in excess of 27 Moz of gold. The mine is situated 15km northeast of the Mt Kare Au-Ag Project.

The recommencement of mining at Porgera will help to provide employment and economic and social stability to the region, which in turn is expected to benefit Mt Kare.

Tolukuma Gold Mine

Tolu Minerals Limited (ASX: TOK) (**Tolu**) recently completed the purchase of the Tolukuma Gold Mine and operations have recommenced at the project. In November 2023 Tolu successfully raised A\$17.5M at A\$0.50 per share and relisted on the ASX, which **evidences investment support for PNG mining projects**. Four months later Tolu shares are trading at \$0.55 per share with a market capitalisation of \$31.5M.

Kainantu Gold Project

K92 Mining Inc. announced the purchase of the Kainantu Gold and Copper Mine in PNG in August 2014. The price paid was CAD22.0M (AUD24.5M) with settlement completed in March 2015.

At the time the Indicated and Inferred Resource was 2.1 Moz at 10g/t (+).

The resource has since grown to:

- Measured and Indicated of 8.1Kt @ 10g/t = 2.6 Moz Au equivalent
- Inferred resource of 16.5Mt @ 8.48g/t = 4.5 Moz Au equivalent

Market capitalisation has increased to CAD1,526M (AUD1,702M).

The success of K92 indicates the investor support for mining and the value which can be created from successful exploration and subsequent production in PNG.

Executive Chairman of Summit Gold Limited, Mr Brian Rodan, said:

“My interest in the Mt Kare Au-Ag Project is well known and started more than 11 years ago. I remain focused on being part of the future development of this exciting Project. Unlike others, I have been to Mt Kare on many occasions and have observed first-hand the geological structures awaiting further exploration. Having spent more than A\$70M on exploration and evaluation at Mt Kare, Summit holds significant intellectual property that will assist us in commencing a targeted exploration program at site, providing Summit with a significant advantage to the other applicants.

If Summit is awarded the opportunity to participate in the future of Mt Kare, then I personally look forward to re-engaging with our friends in PNG, including the Mt Kare landowners and members of the provincial and national governments.

At Summit we are mining people and I personally have more than 50 years’ experience in mining and exploration around the world.”



Capital Raise and Future Funding

In Q1, 2024 Summit raised \$132,690 through the issue of 2,653,801 Fully Paid Ordinary Shares at 5 cents per share with funds raised providing for ongoing working capital requirements in PNG associated with Summit's application in the new licence round.

Summit is planning a further capital raise of \$250,000 through the issue of 5,000,000 Fully Paid Ordinary Shares at 5 cents per share. Funds raised will allow the Company to continue to build awareness for its exploration and development strategy for the Mt Kare Au-Ag Project as a means of generating support for its application with key stakeholders, including Landowner groups and the provincial and national governments.

The Board encourages shareholders to express their interest in participating in this proposed capital raise via email (admin@summitgold.com.au), noting that it is likely that capital raising initiatives in the short term will be limited to sophisticated and professional investors. If you are interested in participating, please also provide a sophisticated investor certificate that is no more than 6 months old with your expression of interest.

With the strong commitment from the Directors and Board of Summit Gold, the unwavering support from its major shareholders and with the assistance from the Companies corporate advisers, Summit will continue to evaluate new strategic opportunities that are designed to create value for shareholders and enable the Company to re-list on the ASX.

For further information, please contact:

Sebastian Andre
Company Secretary
Summit Gold Limited
(08) 6458 4200
admin@summitgold.com.au

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.