



10 March 2009

ASX / MEDIA RELEASE

**A\$5M PLACEMENT TO TALBOT GROUP INVESTMENTS
AND
SHARE PURCHASE PLAN OFFER UNDERWRITTEN FOR ADDITIONAL A\$5M**

*Capital Raising to Support Continued Development of Mbalam Project in Parallel with
Discussions with Potential Strategic Partners*

International iron ore company Sundance Resources Limited (ASX: SDL – "the Company") is pleased to announce agreement with its major shareholder, Talbot Group Investments Pty Limited ("TGI"), in respect of an A\$5 million share placement and launch of a Share Purchase Plan Offer ("the Offer") to eligible shareholders.

The funds raised through the placement and Offer will strengthen Sundance's financial position and underpin continued development of the Company's majority-owned Mbalam Iron Ore Project in Central West Africa.

The A\$5 million placement to TGI, comprising the issue of 62.5 million shares at 8 cents per share, will increase TGI's interest in the Company (prior to the issue of shares pursuant to the Offer) to 22.14%. The placement is subject to shareholder approval. TGI has been a cornerstone investor in Sundance since 2007 and participated in the last major capital raising undertaken by the Company.

The Share Purchase Plan Offer will be open to all Sundance shareholders with a registered address in Australia and New Zealand. **The Offer will open on Friday 27 March 2009 and close at 5.00pm (AWST) on Friday 24 April, 2009.**

Australian financial services firm **BBY Limited has agreed to underwrite A\$5 million of the Offer** such that the Company expects to raise a minimum of A\$10 million from the proposed placement and Offer.

Under the Offer, eligible shareholders will have an opportunity to acquire up to A\$5,000 worth of new shares free of brokerage or other transaction charges. The price of these new shares under the Offer will be the lower of:

- 8 cents per share; and
- a 5 per cent discount to the volume weighted average price (VWAP) to three decimal places of shares traded on the ASX in the five trading days up to and including the scheduled offer closing date.

Sundance's Chief Executive Officer, Don Lewis, said: "The proposed placement and Share Purchase Plan Offer will supplement our existing cash reserves to ensure that the Company has funding in place to continue its current activities on the Mbalam Project through to 2010. This will allow us time to develop arrangements with potential strategic partners and ensure that we are best positioned to advance the project as and when global financial conditions improve."

"We are very pleased that our largest shareholder has committed to support the Company by subscribing for the share placement at 8 cents per share. As Ken Talbot is a Director of the Company, it is necessary for this placement to TGI to be approved by shareholders and a General Meeting of shareholders will be held on 29 April 2009 for this purpose."

"We are also pleased to extend the Share Purchase Plan Offer to eligible shareholders such that they can invest in the Company on the same, or better, pricing terms as proposed for the placement to our major shareholder. The underwriting of BBY Limited offers very valuable market support for the Offer."

"Sundance controls a world scale project at Mbalam which offers the opportunity for development of an international iron ore business," Mr Lewis said. "After taking into consideration the funding risks imposed by current market conditions, the Board strongly supports the placement to Talbot Group Investments and the Offer to eligible shareholders."

The Notice of Meeting and Offer booklets and application forms will be mailed to shareholders with registered addresses in Australia and New Zealand who are on the share register as of the record date - 7.00pm (AWST) on Tuesday 24 March 2009. These shareholders can expect to receive the booklet during the following seven days.

If (and to the extent to which) the total number of shares applied for under the Share Purchase plan exceeds 30% of the number of ordinary securities already on issue (the limit prescribed by Listing Rule 7.1), Sundance will be required to 'scale back' applications. If this occurs, shareholders may be allotted shares to a value which is less than they applied for.

The Offer booklet will contain relevant information that eligible shareholders should consider in deciding if they will participate in the Offer, including details of how to apply. Valid applications must be received by the Company's registrar, Computershare, before the Offer closes at 5.00pm (AWST) on Friday, 24 April 2009.

Important information

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE U.S. OR TO U.S. PERSONS

This release does not constitute an offer of any securities for sale in the United States or in any other jurisdiction. The securities to be offered under the 2009 Share Purchase Plan have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States or to, or for the account or benefit of, any "U.S. person" (as defined in Regulation S under the Securities Act).

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About Sundance Resources Limited

Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on the Mbalam Iron Ore Project as the basis for developing a global iron ore business. Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Iron Ore Project and the nearby Belingia Project in Gabon, under development by the China National Machinery and Equipment Import and Export Corporation. Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.

Forward-Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the iron ore mining industry, expectations regarding iron ore prices, production, cash costs and other operating results, growth prospects and the outlook of SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in iron ore prices and exchange rates and business and operational risk management. For a discussion of such factors, refer to SDL's most recent annual report and half year report. SDL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Competent Persons Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy.

Mr Longley is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Widenbar is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The estimated quantity and grade of DSO quality supergene mineralisation and underlying itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 200m x 100m pattern at Mbarga, with partial infill to 100m x 100m. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit and by an area approximately 1.5km (east-west) x 1.0km (north-south) on the Mbarga South Deposit. Grade interpolation has been extrapolated using Ordinary Kriging on composited sample results and a nominal 50% Fe cutoff value for DSO and 34% cutoff values for itabirite. A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topographic hill at Mbarga. An internal waste zone (schist) cross-cutting the supergene and itabirite zones and surficial cover has been modeled and removed from the quantity estimated as DSO quality and itabirite mineralisation. Densities of 4.0t/m³ and 3.35t/m³ have been applied for evaluation of the DSO and itabirite mineralisation respectively.

While the Company is optimistic that it will report additional resources in the future, any discussion in relation to Exploration Targets, over and above the stated Inferred Resources of is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource over and above the Inferred Resource and it is uncertain if further exploration will result in determination of a Mineral Resource.