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QUARTERLY REPORT FOR THE 3 MONTHS TO 30 JUNE 2005

ACTIVITIES

Corporate

- Mr Steve Dobson was appointed a Director.
- Completed a placement of 115,000,000 shares to raise \$1,725,000 and \$448,000 was raised in convertible notes.

Bolivia & Chile

- Contract negotiations concerning the Chilean and Bolivian projects continued during the quarter. Due to a number of factors, including strong copper prices, Sundance has received considerable interest from third parties in its projects. As a result a number of commercial arrangements are being pursued and field work has been temporarily deferred until completion of those arrangements.
- An independent technical review and Competent Persons Report (CPR) on Sundance's Latin American projects was conducted during the quarter by a UK based consultancy. A final report on the findings will be issued by the independent consultants in the next quarter.
- As announced in the previous quarter, assay results from an expanded MMI geochemical sampling program at the Anaconda project in Bolivia confirmed the existence of a number of strong polymetallic geochemical anomalies. Similarly, assay results from an initial MMI geochemical sampling program at the Mantos Grandes project in Chile confirmed the existence of copper-gold-silver-molybdenum geochemical anomalies. Consequently extensive planning related to expenditure on exploration has been considered and a decision to proceed with that exploration will be made subsequent to completion of the commercial arrangements mentioned above.

Australia

- Rehabilitation of the Coolgardie site is proceeding as expected.

SPECIFIC OBJECTIVES FOR NEXT QUARTER ARE:

Exploration

Bolivia & Chile

- Complete commercial negotiations for the ownership and consolidation of the Latin American assets.
- Receive Competent Persons Report (“CPR”) from United Kingdom consultants.
- Present CPR to offshore parties who have expressed an interest in participating with Sundance in the Latin American projects.
- Resume basic exploration activities at Mantos Grandes in Chile.

Australia

- Continue work on the removal of the gold plant situated at Coolgardie and the associated rehabilitation of the site.
- Monitor the investment in Austminex Ltd.

Bolivia

Anaconda Project - Bolivia

During the previous quarter Sundance announced that results from an expanded geochemical sampling program recently conducted at the Anaconda prospect in Bolivia, confirmed the existence of a number of strong polymetallic geochemical anomalies within the prospect area.

Based on those results, Sundance intends to proceed with a geophysical program consisting of 9 VLF (very low frequency) electro magnetic profiles totaling 10,500m. This is likely to be followed next year with a stage I drilling program (some 1,000-1,500m) to test the main MMI anomalies.

Copper mineralization identified to date consists predominantly of malaquite, cuprite, azurite and chalcocite, with minor amounts of native copper in some areas.

Sundance now holds a 37.5% interest in the project with the option to progressively increase that equity to 100% by 2007.

Chacarilla Project – Bolivia

Negotiations on the Chacarilla project continued during the period.

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Mantos Grandes Project- Chile

During the previous quarter Sundance announced that results from an initial geochemical sampling program conducted at the Mantos Grandes prospect had confirmed the existence of copper-gold-silver-molybdenum geochemical anomalies in areas adjacent to the old underground workings.

The program successfully defined strong coincident Cu, Ag, Mo, Au, Zn, Cd and W responses over the copper target zones. Granitic zones also returned elevated Cu, Ag, Au, Zn and Pb values, whilst the main fault zone returned elevated Ag, Co, Zn and Pb. A mineralized breccia showed characteristically elevated Cu, Ag, Co, Zn and Pb.

Based on those results, Sundance intends to proceed with a step-out geochemical program to further assess the extent of the new anomalies. This will most likely be followed with a stage I drilling campaign (some 1,500m) aimed at delineating resources around the existing underground workings, as well as testing the main geochemical and geophysical anomalies identified to date.

Past copper mining activities at Mantos Grandes concentrated in a skarn deposit located in the central area of the leases.

Mantos Grandes is predominantly a hypogene, skarn related Cu/Au deposit which has previously been the subject of small scale mining using underground methods. Past copper mining activities concentrated in a skarn deposit located in the central area of the leases.

Initial geological reconnaissance and mapping of the area suggest that in addition to the main skarn orebody there is potential to discover a second skarn orebody as well as porphyry style mineralization within the lease area.

EXPENDITURE

The Proforma Statement of Consolidated Cash Flows is in a separate report.

Eduardo Valenzuela
Director