



ASX Announcement / Media Release

24 August 2017

COMPANY UPDATE

Sundance Resources Limited (“**Sundance**” or “**Company**”) (**ASX: SDL**) is pleased to provide an update on Company activities.

Project Update

On 31 July 2017, the Company announced that it had reached an agreement with the Government of Cameroon to initially extend the Mbalam Convention (“**Convention**”) by 6 months to 26 January 2018. A further 6-month extension will be granted if Sundance can show progress on funding the Mbalam-Nabeba Iron Ore Project (“**Project**”) either by itself or with a credible partner.

Since then the Company has seen increased interest in the Project from third parties, especially from infrastructure engineering, procurement and construction (“**EPC**”) contractors who are considering a role in building and assisting in obtaining funding for the Project.

In the coming weeks, the CEO of Sundance will return to China for further discussions with a number of EPC contractors who have expressed their recent desire to be involved in the Project. This includes private Chinese companies and Chinese state-owned enterprises.

The Company will keep shareholders informed of progress.

Financial Position

On 31 July 2017, the Company released its Appendix 5B. The annual financial accounts are also well progressed.

The Company is pleased with the success of its cost reduction program, which has seen continued and sustained cost reductions over several quarters. Sundance began the September 2017 Quarter with approximately \$794,000 cash on hand, with an expected spend of approximately \$525,000 during the Quarter. The cash position forecast at the end of this Quarter (30 September 2017) is expected to be generally in line with this projection, but has been slightly reduced through legal and travel expenses relating to negotiating the extension of the Convention in Cameroon and discussion with potential partners in China.

The annual report requires a review of the asset values of the Company. While this process is in progress, no significant impairment is expected for the 2016/2017 financial year.

Sundance, through its subsidiary Cam Iron SA (“**Cam Iron**”), is aware that customs officials in Cameroon conducted an audit that found discrepancies in the paper work provided by third parties to Cam Iron on the sale of Cam Iron vehicles and the customs records of those transactions. There is no indication at this time that Cam Iron should have been aware of the discrepancies. The impact of these discrepancies on Cam Iron is uncertain and this matter is the subject of further investigation by Cam Iron.

Share Purchase Plan

Further to the announcement of 21 August 2017, the Company expects to send the Sundance Resources Limited Share Purchase Plan (“**Plan**”) offer letter and terms and conditions on or around Friday, 25 August 2017.

Under the Plan, eligible shareholders may apply to purchase up to \$15,000 worth of new fully paid ordinary shares in the Company (“**New Shares**”) without paying brokerage or other transaction costs. Participation in the Plan is open to all holders of Sundance shares as at 5.00pm (WST) Friday, 18 August 2017 (“**Record Date**”) with a registered address in Australia or New Zealand.

The issue price will be Determined at the issue date of the New Shares under the Plan based on a 20% discount to the volume weighted average price of Sundance shares traded on the ASX during the last 5 days on which sales of shares were recorded immediately prior to the issue date of the New Shares.

The Plan is underwritten by Patersons Securities Limited to \$1,000,000.

The Company encourages shareholders to read the Plan documents carefully and consider the opportunity presented by the Sundance Resources Limited Share Purchase Plan.

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About Sundance Resources

Sundance Resources is seeking to develop its flagship Mbalam-Nabeba Iron Ore Project, which straddles the border of Cameroon and the Republic of Congo in Central Africa. Stage One will be the production of a Direct Shipping Ore (“DSO”)-quality sinter fines product averaging >62.0% Fe at a rate of 40Mtpa for approximately 14 years based on blending material sourced from the deposits in the neighbouring countries of Cameroon and Congo. Stage Two, which is currently at a Pre-Feasibility Stage, would then extend the life of the operation by further 15-plus years producing high-grade Itabirite hematite concentrate. In April 2011, Sundance completed the Definitive Feasibility Study for Stage One and Pre-Feasibility Study for Stage Two of the Mbalam-Nabeba Iron Ore Project. The Project will utilise the rail and port infrastructure to be financed, built and owned by the Government of Cameroon, a 540km rail line dedicated to the transport of iron ore through Cameroon and a dedicated mineral export terminal designed for taking bulk iron ore carriers of up to 300,000 tonnes.

Forward Looking Statements

Certain statements made during or in connection with this communication, including without limitation, those concerning the economic outlook for the iron ore mining industry, financing a large capital project, expectations regarding iron ore prices, production, cash costs and to the operating results, growth prospects and the outlook of Sundance’s operations including the likely financing and commencement of commercial operations of the Mbalam-Nabeba Iron Ore Project and its liquidity and capital sources and expenditure, contain or comprise certain forward-looking statements regarding Sundance’s operations, economic performance and financial condition.

Although Sundance 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, deterioration in the iron ore market, deterioration in debt and equity markets that lead to the Project not being able to be financed, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in iron ore prices and exchange rates, business and operational risk management, changes in equipment life, capability or access to infrastructure, emergence of previously underestimated technical challenges, environmental or social factors which may affect a license to operate.