SUNDANCE RESOURCES

Developing a global iron ore business

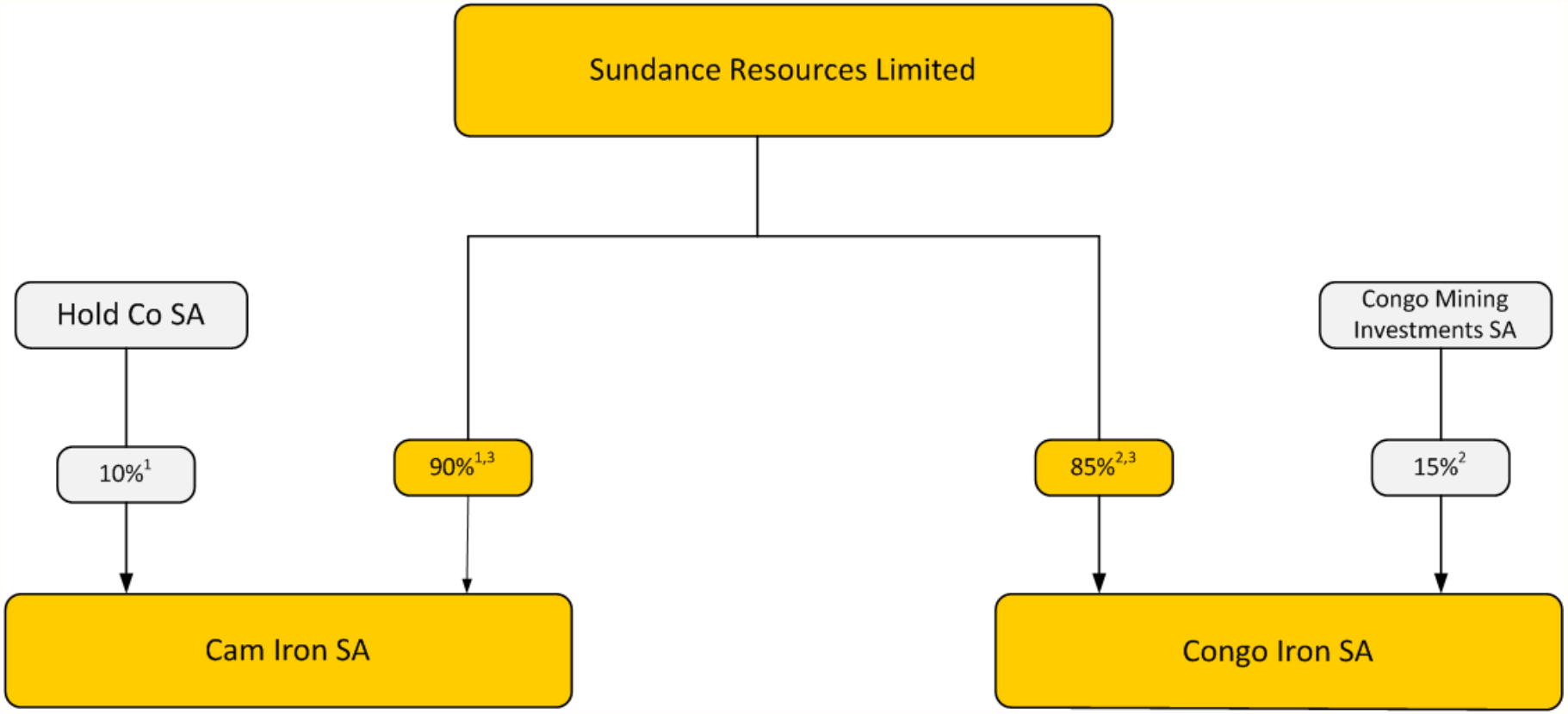
Africa Downunder

1st September 2010

Key Project Elements

- Highly credentialed Board and executive management team in place
- World Class JORC Code compliant resource with substantial upside potential
- DFS completion in 2010
- First mover advantage from integrated rail and port infrastructure
- Mbalam Convention submitted and government negotiation process commenced
- Strategic partner and 3rd party infrastructure provider selection well advanced
- Capital payback of 4 years and Project IRR>25%

SDL Corporate Structure



1. *The Cameroon Government has a right to a 10% interest in CamIron pursuant to the Cameroon Mining Code.*
2. *The Congo Government has a right to a 10% interest in Congo Iron pursuant to the Congo Mining Code*
3. *Should the Cameroon and Congo Governments exercise their option for a 10% interest in Cam Irons SA and Congo Iron SA then Sundance Resources Ltd interests in each will reduce to 81% and 76.5% respectively.*

Undervalued Resource

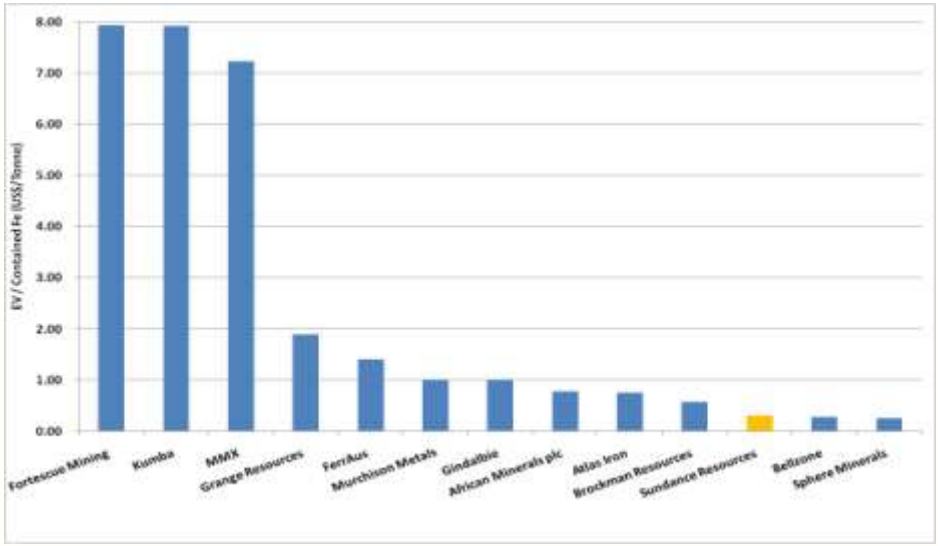
Capital Structure

Market Cap	A$406m*
Ordinary Shares	2,709,995,932
Unlisted Options	76,486,666
Share Price	15.0c*
Cash	A$71m**
Debt	NIL

**As at 30 August 2010*
*** As at 30 July 2010*

Major Shareholders

Talbot Group	16.0%
Capital Group	5.4%
UBS Nominees	4.6%
Deutsche Bank	5.1%

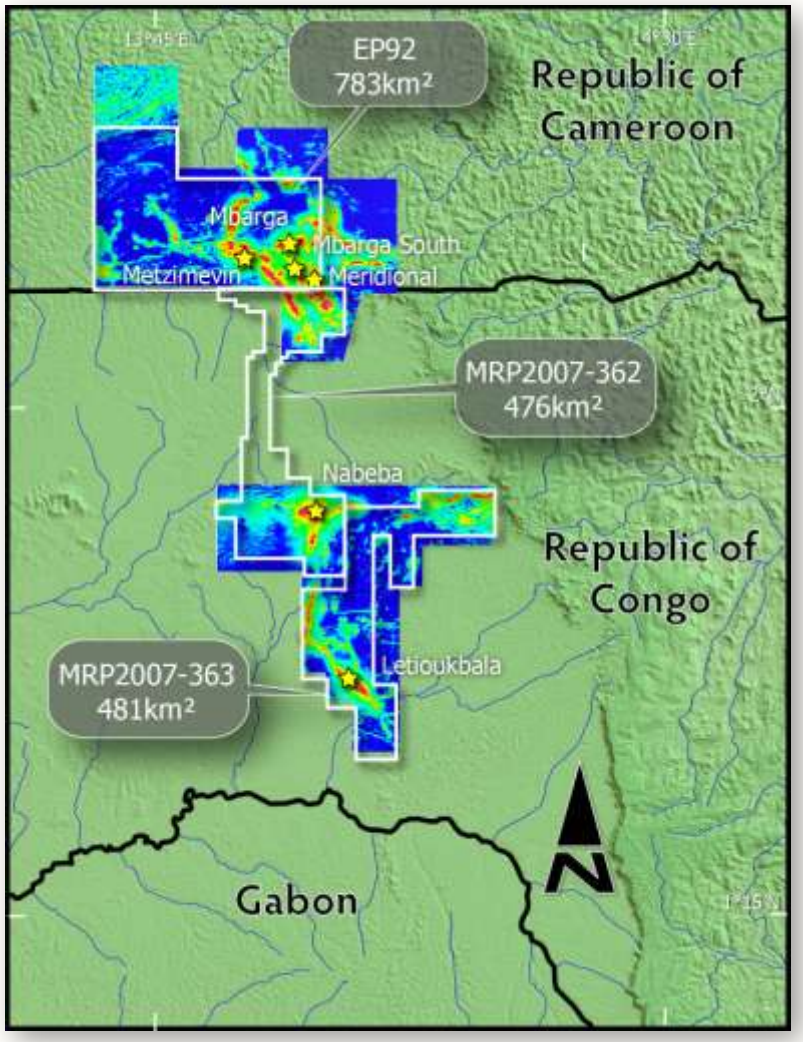


- *Enterprise value of A$0.29 per Resource tonne*
- *A$0.66 per share target based on StoneBridge research report*

DFS Completion in 2010

- Completed DFS milestones
  - Engaged all key engineering and mining consultants (AMC – Mining; Calibre Rail – Rail; Sogreah –Marine Structures; and Lycopodium – Process plant & Materials handling)
  - Completed marine offshore and rail corridor geotechnical drilling campaign
  - Chinese construction contractor technical evaluation for rail completed and port evaluation commenced
  - Environmental approval received from Cameroon Ministry of Environment and Nature Protection (MENEP) on the 25th June, 2010
  - Application for Declaration of Public Utility (DUP) for mine and rail submitted in April 2010 and awaiting formal declaration
  - DUP for Port already awarded as part of Kribi Multi User Port facility
  - Mbalam Convention submitted June 2010 and negotiations commenced
  - Achieved required resource definition to support 25+ year mine life

World-Class Resource Portfolio with Upside Potential

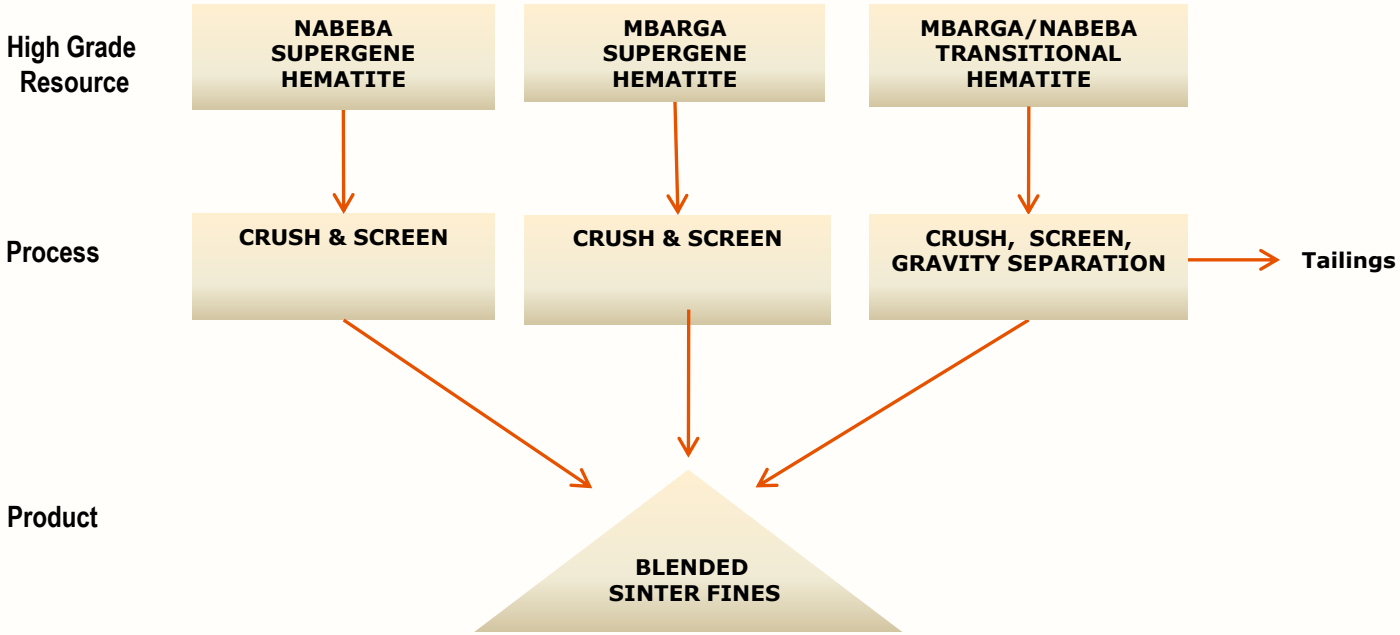


Project JORC Mineral Resources of High Grade (DSO) Hematite			
Deposit	**Category**	**Tonnage (Mt)**	**Grade (% Fe)**
Mbarga; South Mbarga & Metzimevin (EP92, Cameroon)	Indicated and Inferred Resource	215	60%
Nabeba North (RP362, Congo)	Inferred Resource	200	63%
Total DSO Hematite Resource		**415**	**62%**

Project JORC Mineral Resources of Itabirite Hematite			
Deposit	**Category**	**Tonnage (Mt)**	**Grade (% Fe)**
Mbarga	Indicated	1,431	38%
Mbarga	Inferred	894	38%
Total Itabirite Hematite Resource		**2,325**	**38%**

- ***World-scale DSO and Itabirite Resource established with further upside potential***
- ***Landholding of 1,740 km² with significant exploration targets***

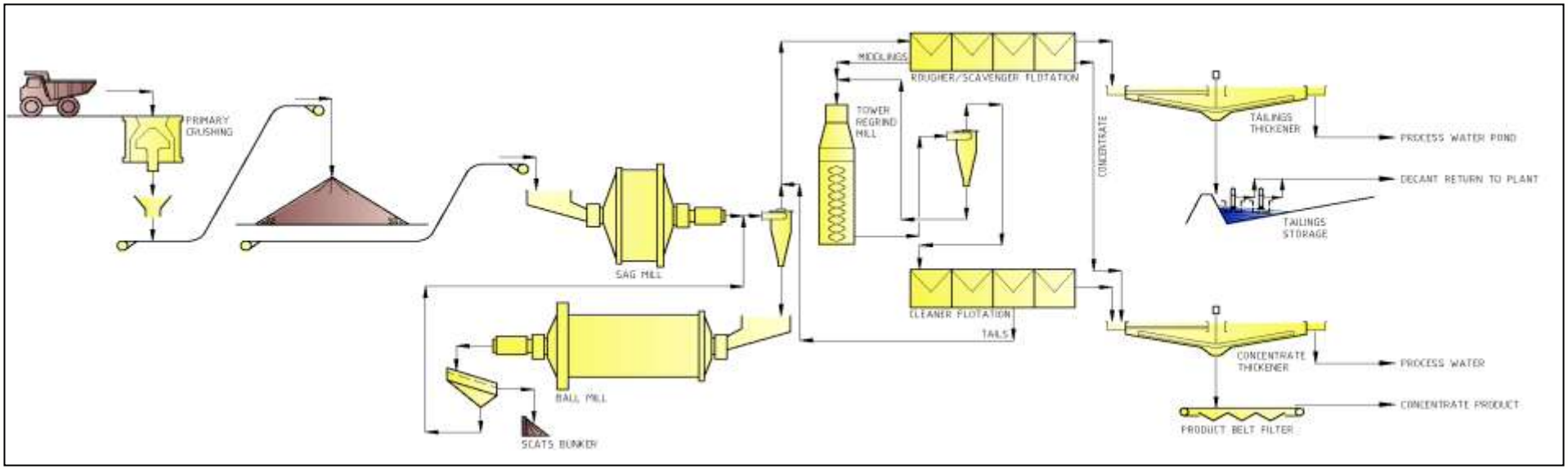
Blending and Process Design to deliver Premium DSO Product



Target DSO Sinter Fines Product Specification					
Mtpa	Fe (%)	Si02 (%)	Al203 (%)	P (%)	LOI (%)
35.0	62.5	<5.5	<2.5	0.08	2.4

- ***Premium quality product specification to maximise DSO sales revenue***

Premium Itabirite Concentrate Products

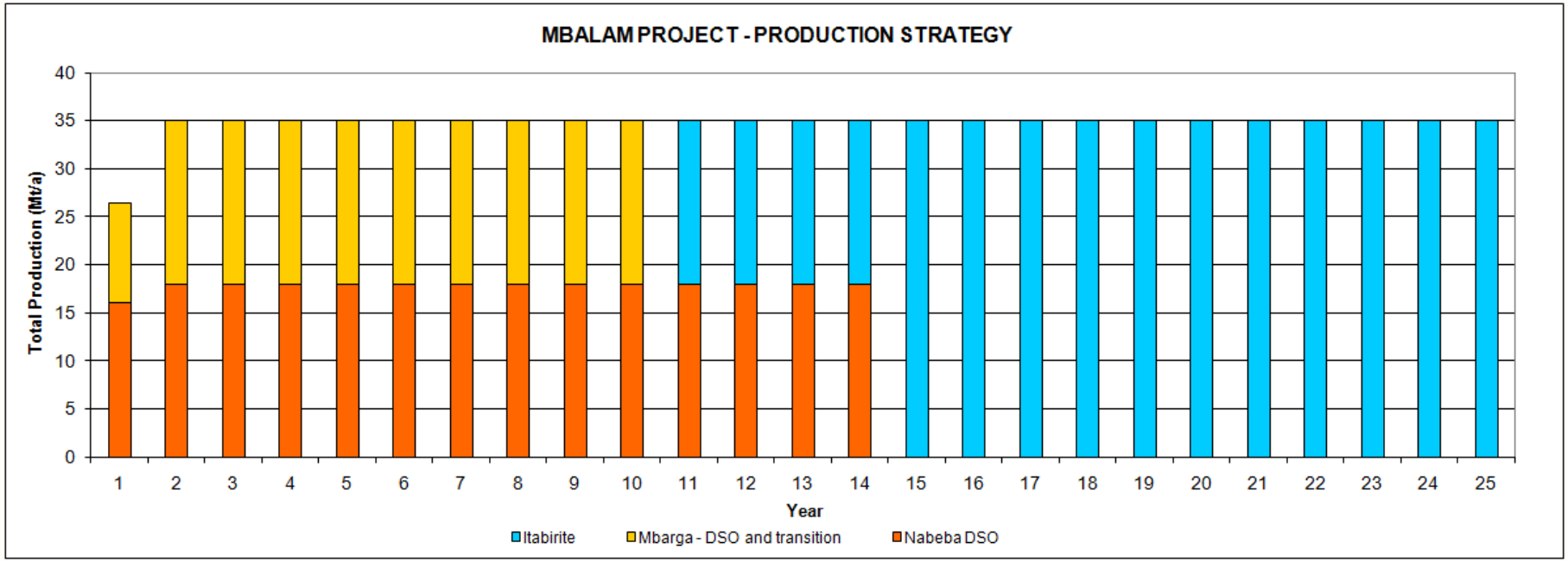


- Proven grind and float beneficiation to produce concentrate; ~45% weight recovery
- Potential for production of 4-8 Mtpa DR Grade pellets
- Natural gas available near port site

Target Itabirite Concentrate Product Specification (Dual Product Stream)					
	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	Grind Size (P80 microns)
DR Grade	68.0	1.8	0.2	0.03	53
BF Grade	66.0	4.1	0.3	0.03	75

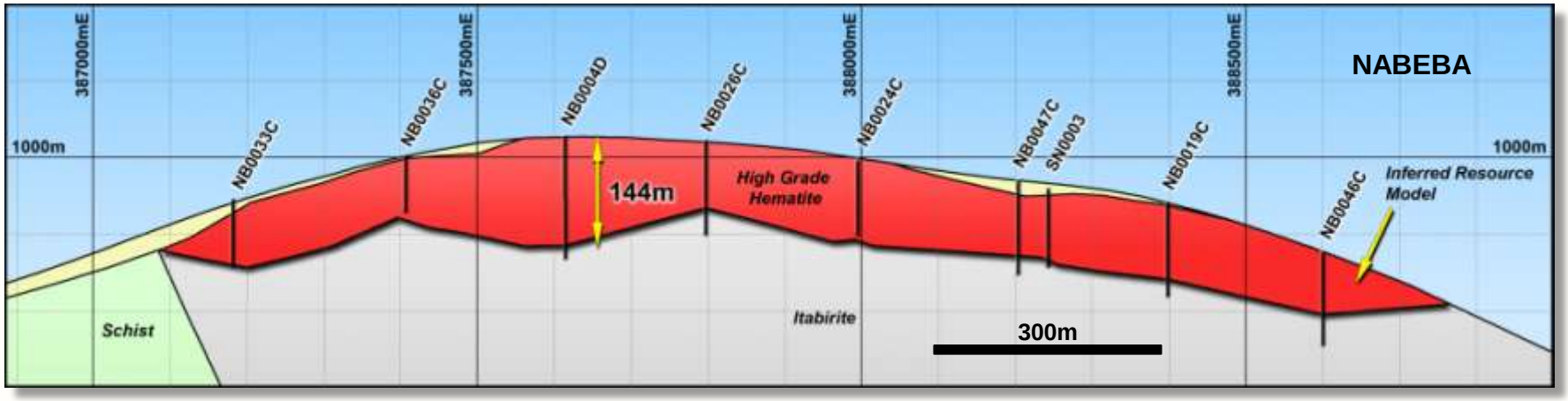
Integrated Project Development Strategy

- High Margin DSO production for minimum of first 10 years from Mbarga and Nabeba Deposits
  - Mining costs estimated at <$3.5/tonne
- Itabirite resource to produce high quality pellet feed concentrates for balance of mine life
  - Itabirite characterised by high feed grade (38% Fe) and mass recovery (~40%)
  - Staged development to allow funding from Project cashflow

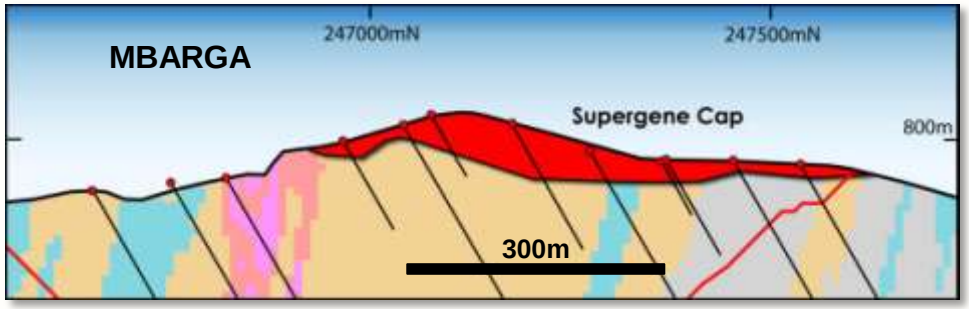


- ***Resources in place for 25+ year mine life with potential to extend DSO operations***

Nabeba North Ridge - Profile



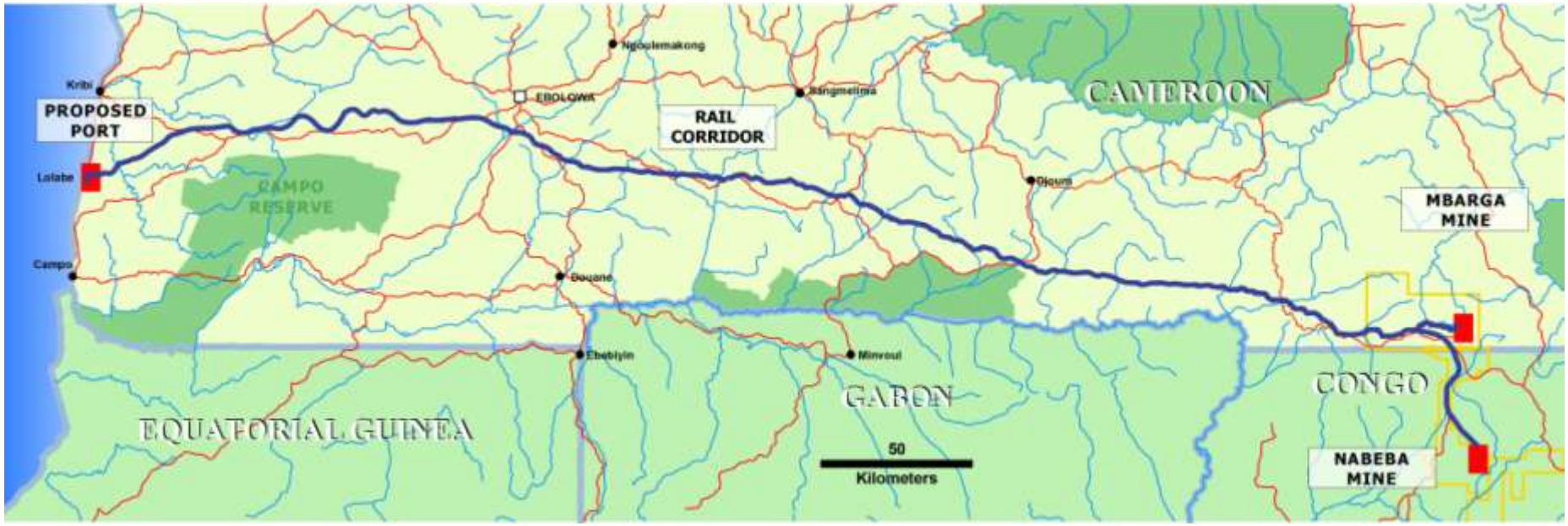
- ***Inferred Resource of 200 Mt at 63.1% Fe defined over North Ridge of Nabeba Deposit***
  - ***(non-JORC Code compliant based on Niton Fe >50% and density of 2.65)***



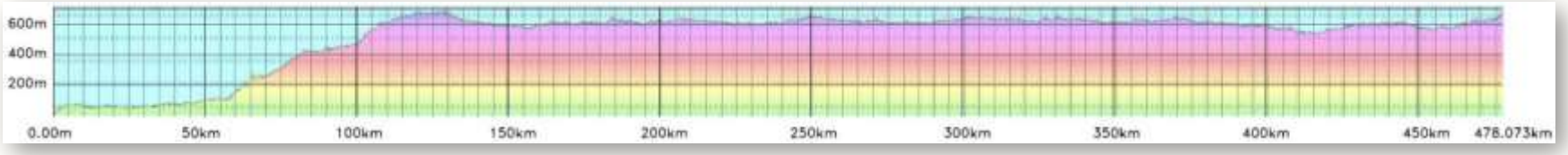
- ***Nabeba Thicker than Mbarga , by comparison***
- ***Mbarga High Grade pit has <0.2 : 1 stripping ratio, Nabeba expected to be similar***

Efficient Product Transport to Port

- Design and costings being finalised by Calibre Rail as part of DFS
  - 28 hour cycle time between mine and port
  - Selection of 32t axle loads (3 locos and 180 wagons)



Selection Along Preferred Route



- ***DFS engineering and site geotechnical investigations completed in July 2010***

World Class Deep Water Port

- Deep water near shore berth (25 metres)
- Open water jetty – no breakwater
- Marine geotechnical investigations completed
- Port DFS engineering commenced by Sogreah (France)
- Single berth capacity for 35 Mtpa
- Port being designed for 300,000 DWT "China-max" bulk ore carriers
- Shipping cost to China ~US$2.50/tonne less than from Brazil

❖ ***Deepwater port design optimised to accommodate "China-max" bulk carriers***

Mbalam Iron Ore Project

Financials

- CAPEX & OPEX Estimates & Margin
  - Globally competitive capital intensity of US$100/tonne of installed capacity
  - Start-up high grade production delivers >$40/tonne margin and underpins payback of rail and port infrastructure CAPEX

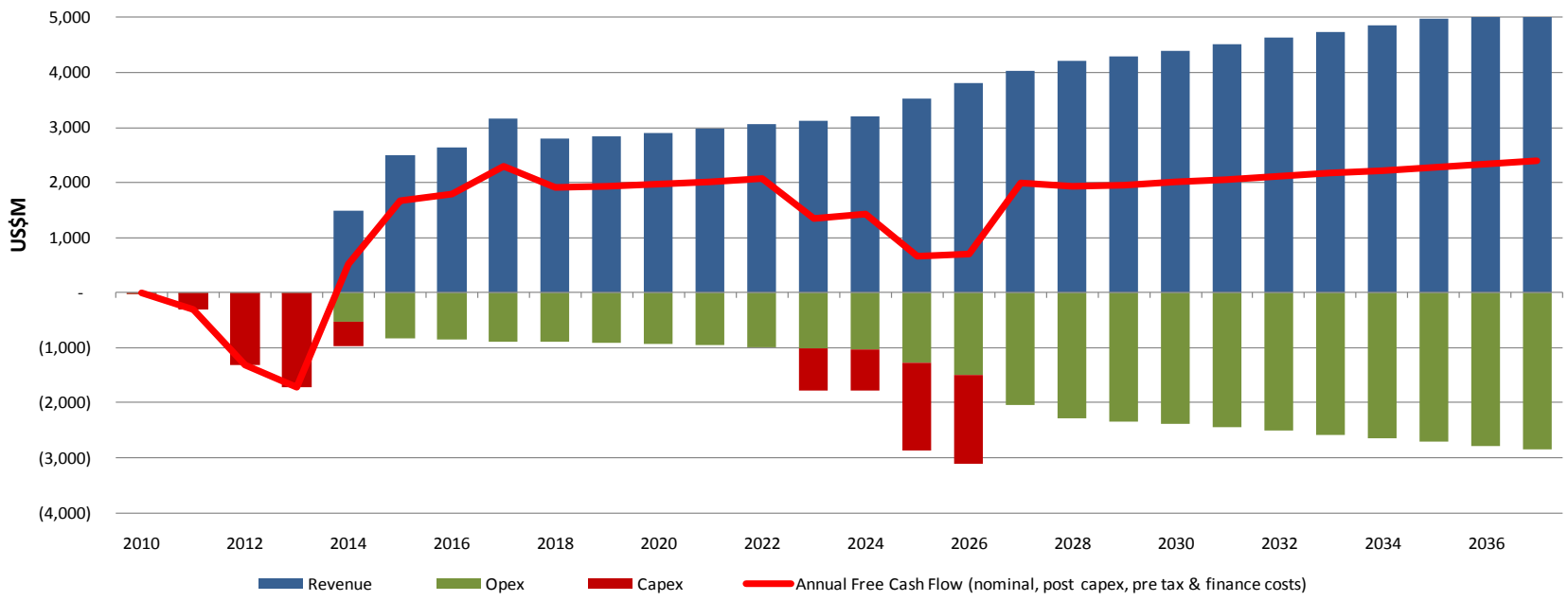
START-UP CAPEX [1]	
Mine & Plant	US$358m
Rail	US$1,472m
Port	US$505m
Indirects	US$465m
Contingency	US$560m
TOTAL ESTIMATED CAPEX (PFS)[3]	**US$3,360m**

OPEX [1]	
ESTIMATED PRODUCTION COST[3]	**US$19.65/t**
ESTIMATED OPERATING MARGIN (PFS)[4]	**US$43.47/t**

1. *CAPEX & OPEX estimates for DSO production only*
2. *Pricing based on long term FOB price of 102 USc/dmtu for sinter fines. Mbalam FOB price adjusted for Fe % and freight differential to markets*
3. *OPEX includes cash operating costs, royalty and contingency*
4. *Estimates based on PFS (Jan 2008), subject to review in DFS*
5. *Average Spot CFR price for 62% FE fines CFR china in Q2 2010 was US$160/t*

Strong Project Cashflow

- Project returns increased by enhanced product quality and 10 years plus DSO production
- Phase 2 Itabirite CAPEX to be funded from project cashflow
- Pay back period <4 years
- ***Project IRR >25% (nominal, post tax) based on proposed fiscal / tax terms***



Strategic Partners

- Advanced discussions with Strategic Partners focused on equity, construction and finance.
- Requirements
  - Significant offtake agreement for at least 10 years
  - Access to construction capability or delivery
  - Potential for 3rd party infrastructure Build and Operate or financing
  - Project financing capability
  - Equity Participation at Project and or entity level for the provision of funding and offtake agreements
- Securing Finance
  - Mbalam Convention designed to be globally competitive, provide security of tenure and be internationally financeable
  - International law firm engaged to assist with negotiation of Mbalam Convention and project finance documentation
  - Mbalam Convention submitted and negotiations have commenced

Strong Government & Community Support

- Framework Agreement signed in December 2008
  - *Government right to 10% carried interest in Cam Iron*
  - *Government option to purchase additional 15% contributing interest in Cam Iron at price equivalent to 50% of costs incurred up to time of purchase*
- Internationally competitive Mbalam Convention submitted and negotiations with Government commenced in June 2010
- Cam Iron selected as preferred developer of Iron Ore Terminal within Kribi Multi-User Port
- Feasibility Study submitted in October 2009 including proposed fiscal and tax terms
- Direct financial benefit of ~US$5 billion to Cameroon/Congo over life of project
  - *Royalties*
  - *Corporate taxes*
  - *Dividends through equity participation*
  - *Workforce wages and salaries*
  - *Purchase of local goods and services*
- Environmental and social benefits
  - *0.5% NPAT to environmental & social fund*
  - *Significant direct and indirect employment*
  - *Social infrastructure support*
  - *NGO/community partnerships*
- Project of National Interest

❖ ***Cameroon Government committed to legislate fiscal/tax incentives necessary to ensure project is internationally competitive***

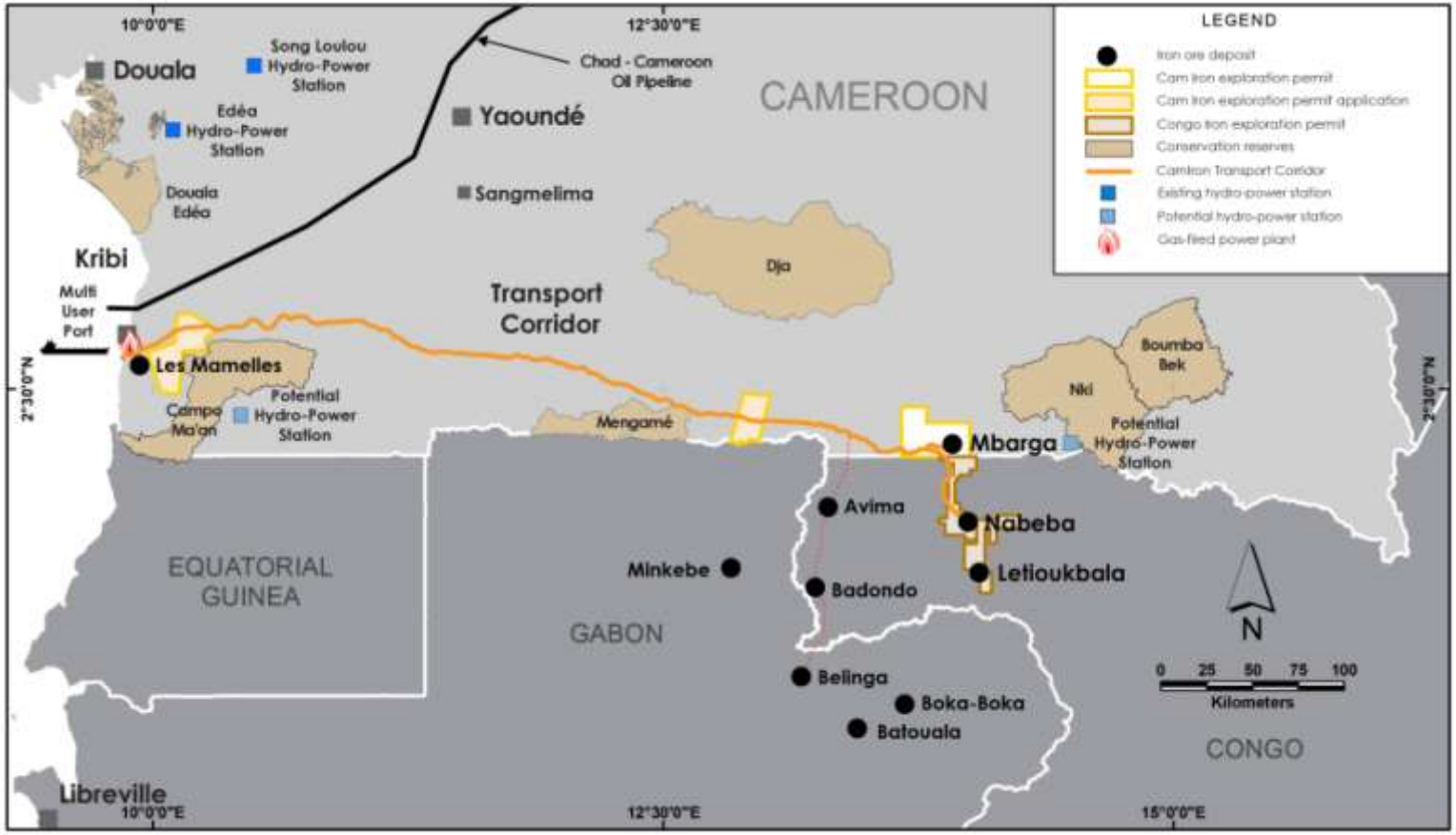
Timeline to Final Investment Decision

2010	➢ Commencement of DUP Land Acquisition process	April 2010
	➢ Commencement of ESA public review process	April 2010
	➢ Presentation of Mbalam Convention	June 2010
	➢ Secure environment and other regulatory approvals	June 2010
	➢ Issue of Mining Permit	August 2010
	➢ Appropriation of Cameroon land completed by Government	October 2010
	➢ Complete definitive engineering and Reserve definition drilling	October 2010
	➢ Signing of Mbalam Convention and ratification by Parliament	November 2010
	➢ Finalise offtake contracts	December 2010
	➢ Exclusive occupancy of Project land issued by Government	December 2010
	➢ Secure Project financing terms	December 2010
2011	➢ Place long lead time orders	Q1 2011
	➢ Commence early works construction	Q2 2011

- Significant milestones already achieved in 2010
- Development timetable discussed and endorsed by Cameroon/Congo governments
- Board and Management Team focussed on delivery of remaining milestones in 2010
- Significant Strategic Partner Interest in participation in this new iron ore province

Leader in Regional Development

- First mover advantage for the regional development of Emerging Iron Ore Province
- Cameroon and Congo Government support confirmed



❖ ***Resources within regional iron ore province could support up to 100 Mtpa production on integrated rail and port infrastructure***

Disclaimer

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.

Resources ***reported on Exploration Permit 92, Coameroon (Mbarga, South Mbarga and Metzimevin Deposits)***

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 100m x 50m pattern for the Indicated Resource at the Mbarga Deposit and 200m x 100m pattern for the Inferred Resource at the Mbarga, Mbarga South and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately 1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit. Grade has been estimated by Ordinary Kriging on composited sample results. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <10% Al203; Supergene: No cut-off; Transitional: >51% Fe; Phosphorus: >53% Fe and <0.3% P; Hypogene: >52% Fe. Mbarga South is quoted at >50% Fe cut-off and Metzimevin is quoted at >56% Fe cut-off. A nominal 34% Fe cut-off value is used for the Mbarga Itabirite hematite.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 20m x 10m x 10m blocks with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs has been used in the evaluation.

The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying with a range of densities adopted from 3 to 4t/m3 depending on the iron grade. A density of 3.6t/m3 has been used for the majority of the near-surface High Grade Hematite and a value of 2.6 t/m3 applied to the overlying Surficial Zone. The underlying Transitional Zone has density values assigned via the Itabirite Fe grade regression formula, with a nominal 10% reduction applied to the resultant value to ensure the value is conservative.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and internal standards with comprehensive reporting on laboratory precision and accuracy. Three metallurgical test work programs have supported the assay grades and density values of the major mineral types.

Resources reported on Research Permit 362, Congo (Nabeba Deposit)

The estimated quantity and grade of near surface, high grade mineralisation for the Inferred Resource has been restricted to an area currently covered by drilling on predominately a 200m x 200m pattern on the northern ridge of the horseshoe-shaped Nabeba Deposit. Sundance to date has completed 38 holes at Nabeba for a total of 3,400m of which 40% has been PQ/HQ core and 60% RC (Reverse circulation) drilling with face-sampling hammers.

The geological model is represented by an area approximately 2.5km (east-west) x 1km (north-south). Grade has been estimated by IDS method (inverse-distance squared) on composited sample results. The mineralisation and grade interpolation of drill results has been constrained by a 3-D wireframe which encompasses all of the near-surface contiguous high grade material and as such, no cut-off grades for high grade have been required or applied. At the time of modelling, analytical results for 32 of the 38 holes had been received of which 62% were full XRF analyses from Ultratrace Laboratories (Perth, Western Australia) and the remaining 38% were Thermo Niton XRF (Fe only) results from the Sundance Site laboratory.

A digital terrain surface (based on a recent aeromagnetic survey), has been used to limit extrapolation of the mineralisation to the topography of the Nabeba hill. The resource modelling has used 25m x 25m x 5m blocks with sub-blocks to honour the constraining surfaces. Collar surveys used handheld GPS surveying. A global density of 2.65t/m3 has been used for all of the near-surface High Grade Hematite based on results from an assessment of physical density measurements of current drill core.

At this stage of assessment Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy.

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

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