



ASX Announcement

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SUNDANCE AND CAMEROON GOVERNMENT SIGN RAIL AND MINERAL TERMINAL CONCESSIONS FOR THE MBALAM-NABEBA PROJECT

Paves the way for the ratification of the Mbalam Convention by the Cameroon Parliament

Sundance Resources Limited (ASX: SDL) is pleased to announce that its subsidiary Cam Iron SA and the Government of Cameroon have signed the Rail and Mineral Terminal Concessions for the Mbalam-Nabeba Iron Ore Project at a signing ceremony held in the capital city of Yaoundé.

"We are very pleased with the progress that Sundance and Cam Iron have made and now with the signing of these agreements, and the EPC contract with Mota-Engil, we look forward to progressing the Convention through parliament later this year," said Minister Louis Paul Motaze, the Secretary General of the Prime Minister's Office.

On 29 November 2012, the Government of Cameroon and Cam Iron entered into the Mbalam Convention. It required that two key agreements be signed as one of the conditions to the Convention's implementation, these agreements being:

- the Mineral Terminal Agreement; and
- the Rail Agreement.

The purpose of the above agreements is to regulate the rights and obligations of Cam Iron and the Government of Cameroon in relation to the construction and operation of the key infrastructure assets servicing the Mbalam and Nabeba mines as well as detailing the procedure for eventual transfer of those assets back to the Government of Cameroon.

The agreements also outline:

- a fair and transparent third party access regime to the infrastructure, in which third party access is not to affect the capacity which is to service the requirements of Cam Iron and Congo Iron;
- a pathway to expand the infrastructure once built; and
- the mechanism to more easily facilitate changes to the legal ownership of the railway and mineral terminal facilities in the future (in the case of the Build Own Operate Transfer financial model being applied).

The Mineral Terminal Agreement governs the conduct of the construction, operation and maintenance of the Mineral Terminal Facilities and Blending Operations.

The Railway Agreement governs the conduct of the railway operations, namely, the construction, operation and maintenance of the Railway Facilities.

These arrangements will be undertaken as an integrated supply chain via an operations company which has been established by Cam Iron for that purpose.

The signing of these agreements formalises the legal and fiscal terms under which Cam Iron will operate both the port and rail infrastructure facilities to be constructed under the EPC agreement signed with Mota-Engil Africa, and addresses two of the most significant conditions precedent to the Mbalam Convention.

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