2014 ANNUAL REPORT

SUNDANCE RESOURCES LTD

ABN: 19 055 719 394

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ABOUT SUNDANCE RESOURCES

Sundance Resources Ltd ('Sundance' or 'the Company') is an Australian-based international iron ore company listed on the Australian Securities Exchange (ASX Code 'SDL') that is focussed on developing the Mbalam-Nabeba Iron Ore Project ('the Project').

The Project's tenements are comprised of Exploration Permit 92 (EP92) located in the East Province of Cameroon and the Mining Permit Nabeba-Bamegod ('Nabeba') and Exploration Permit Ibanga located in in the Sangha Province of the Republic of Congo.

EP92 is owned by **Cam Iron SA,** a company incorporated in the Republic of Cameroon which is a 90%-owned subsidiary of Sundance. Cam Iron operates from a corporate office in the capital city of Yaoundé and the company also has an operating camp site at Mbarga. The CEO of Cam Iron SA is Mr Serge Asso'o and the Country Manager is Mr Bruno Pennetier.

In the Republic of Congo, the Nabeba Mining Permit and Ibanga Exploration Permit are owned by **Congo Iron SA,** a company incorporated in the Republic of Congo which is an 85%-owned subsidiary of Sundance. Congo Iron operates from a corporate office in the capital city of Brazzaville as well as an operating camp site at Yangadou. The General Manager of Congo Iron SA is Mr Aimé Emmanuel Yoka.

Our Vision

To become a leading global iron ore producer by creating value through developing its regional opportunities in Africa.

Our people are the cornerstone to achieving our vision. To enable our staff to achieve their best, the Company has adopted a set of values which represent a guiding philosophy for our employees across the organisation and within our subsidiary companies on how we will interact with each other, contractors and the wider community.

Achievement

- Setting goals
- Responsible and accountable
- Enterprising spirit

Care and Respect

- Corporate and social responsibility
- No discrimination
- Equal Opportunity

Integrity

- Ethical and honest
- Transparency
- Fairness

Working Together

- One team, one goal
- Communication
- Trust

Safety & Sustainability

- Building capability
- Help others help themselves
- Leave behind a better future

BOARD OF DIRECTORS

Mr George Jones, AM CitWA

B.Bus, FCIS, FAICD AM CitWA

Non-Executive Chairman

Mr Jones has more than 35 years' experience in the mining, banking and finance industries and has been a Director of a number of private and publicly-listed companies. Mr Jones has been involved with the Company for a number of years and has a comprehensive understanding of the Company and its assets.

Mr Wallace (Wal) King, AO

BE , MEngSc, Hon DSc, Hon FIE Aust, CPEng, FAICD, FAIM , FAIB , FTSE

Non-Executive Director, Deputy Chairman

Mr King has extensive experience having worked in the construction industry for over 40 years and was Chief Executive Officer of Leighton Holdings Limited, a company with substantial operations in Australia, Asia and the Middle East, from 1987 until his retirement on 31 December 2010.

Mr Giulio Casello

B.Eng, ME Mgt

Managing Director & Chief Executive Officer

Mr Casello is a highly experienced executive with national and global exposure in manufacturing environments for blue chip organisations. Backed by 30 years of experience, he has a track record of success with operations, business development and corporate strategy. He has previously worked at Sinosteel Midwest as Chief Operating Officer, Century Aluminium Company in the United States of America where as Senior Vice President Business Development he was responsible for developing and implementing a growth plan in aluminium, alumina and critical raw material and managing new projects across the globe. He has also held a number of significant positions in Alcoa including Director of WA Operations, General Manager of Alcoa's World Chemicals and Location Manager of the Kwinana Alumina Refinery.

Mr Michael Blakiston

B.Juris LLB

Non-Executive Director

Mr Blakiston is a solicitor with substantial legal experience in the resources sector. He is a partner of the corporate and resource law firm, Gilbert + Tobin and has over 30 years of experience. Mr Blakiston holds Bachelor of Jurisprudence and Bachelor of Law degrees from the University of Western Australia. Mr Blakiston has extensive commercial experience both in advisory and directorial capacities having been involved in project assessment, structuring and financing, joint ventures and strategic alliances in the resource industry. Gilbert + Tobin are currently engaged by Sundance Resources to provide ongoing legal advice.

Mr Barry Eldridge

B.Sc, BE

Non-Executive Director

Mr Eldridge has over 40 years' experience as a geologist and mining engineer in the resource industry both in Australia and overseas. Following a 20 year career in the coal industry in Queensland and New South Wales, Mr Eldridge moved to Western Australia in 1988 where he has been involved in a number of management roles in the mining industry. Most notable of these have been Project Manager for the Super Pit in Kalgoorlie, Project Manager for the development of the Kanowna Belle gold mine, Managing Director of Forrestania Gold NL, Project Director for Rio Tinto's West Angelas iron ore development, Director – Major Projects for North Ltd, Managing Director of Griffin Coal Pty Ltd, Managing Director, Chief Executive Officer of Portman Ltd and Chairman of SNC-Lavalin Australia Pty Ltd.

Ms Fiona Harris

B.Com, FCA, FAICD

Non-Executive Director

Ms Harris has extensive experience as a Non-Executive Director over the past 19 years including with iron ore companies, other companies in the energy and natural resource sector, and companies with overseas operations. She has significant experience in mergers, acquisitions and other corporate activity. Ms Harris was previously a member of the Australian Institute of Company Directors (AICD) National Board and a Western Australian State President. Ms Harris is a former partner of KPMG Chartered Accountants, specialising in financial services and superannuation, capital raising, due diligence, initial public offerings, capital structuring of transactions and litigation support.

Mr Andrew (Robin) Marshall

MAICD, I Eng (UK)

Non-Executive Director

Mr Marshall is an experienced mining executive with an impressive track record of international experience in positions with several global mining groups including Project Director for Vale Inco at its world-class Goro Nickel Project, Vice-President – Asset Development Projects for BHP Billiton Iron Ore, Project manager for North Limited, Project Director with Iron Ore Company of Canada, Manager Project for Forrestania and Project services for Western Mining Corporation and Nedpac (Signet Engineering). Mr Marshall has also spent a number of years in Africa in senior positions in both project and operational areas.

Mr David Southam

B.Com, CPA

Non-Executive Director

Mr Southam is a Certified Practicing Accountant with more than 20 years' experience in accounting, banking and finance across the resources and industrial sectors. He is currently an Executive Director of listed nickel miner, Western Areas Ltd and has previously been the Chief Financial Officer of Gindalbie Metals Ltd and a Director of Karara Mining Ltd. Mr Southam was responsible for completing one of Australia's largest project financing transactions for 2010 and in securing life of mine off take contracts with consortiums out of China. Mr Southam also spent almost six years with Brambles Industries Limited in a number of finance executive roles, including Chief Financial Officer of Cleanaway Industrial.

THE MBALAM-NABEBA IRON ORE PROJECT

The Mbalam-Nabeba Iron Ore Project is an emerging world-class iron ore project based around a group of large scale, high grade hematite and itabirite deposits that span the border between two countries, the Republic of Cameroon and the Republic of Congo, in Central Africa.

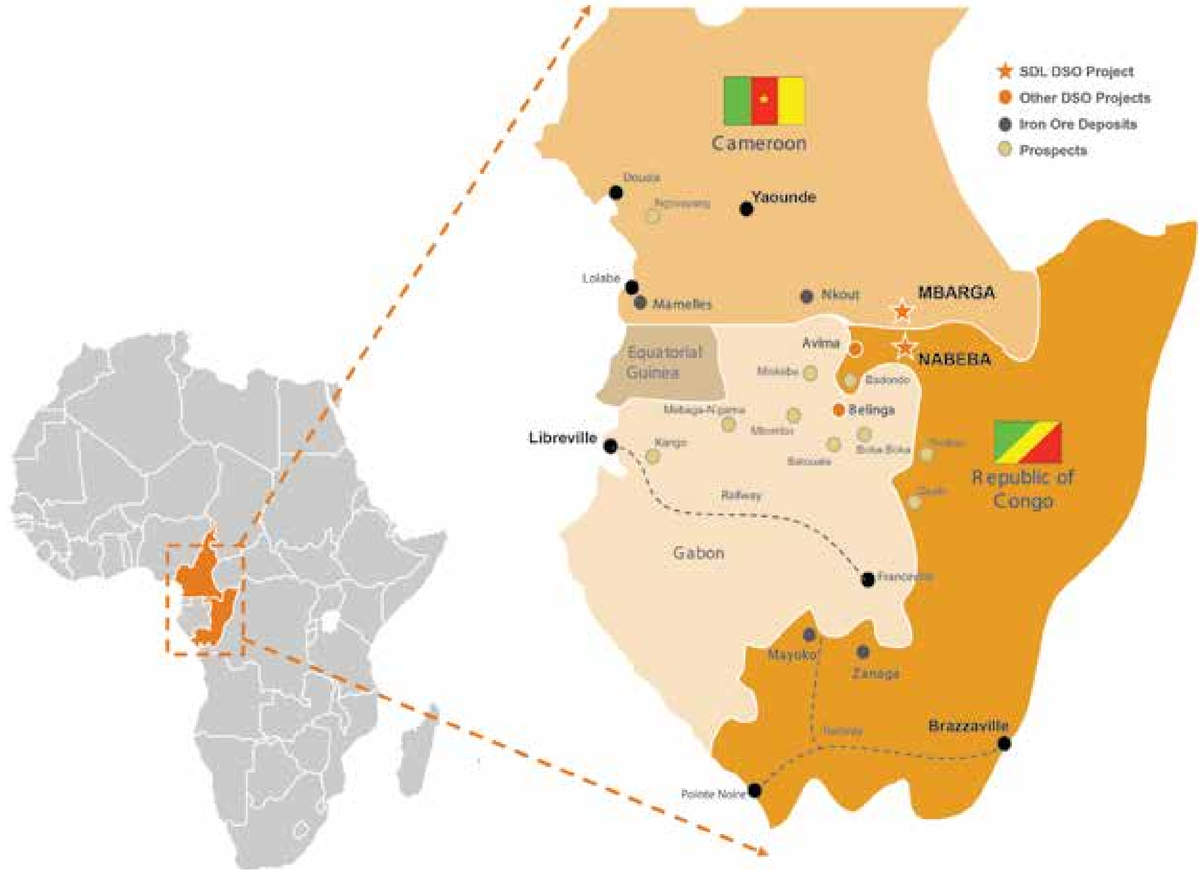
The Project scope is:

- Construction of 510km rail line and 70km rail spur line for the transport of iron ore to the Cameroon coast;
- Construction of a new deep water iron ore mineral terminal capable of taking bulk iron ore carriers in size of up to 300,000 DWT; and
- Mining 35 million tonnes per annum (Mtpa) from iron ore deposits in both Cameroon and Congo for a minimum of 25+ years.

Stage One: production of a Direct Shipping Ore (DSO)-quality sinter fines product averaging 62.6% Fe at a rate of 35Mtpa for at least 10-12 years based on blending material sourced from the Deposits in both countries.

Stage Two: Continued production rate of 35Mtpa of the Itabirite resource which would require beneficiation into a concentrate product grading between 66% - 68% Fe for a further 15+ years.

Sundance released the results of its Definitive Feasibility Study (DFS) for Stage One and Pre-Feasibility Study (PFS) for Stage Two in 2011, which confirmed a technically and economically robust project.



Sundance's strategic focus has now shifted from exploration to project development. In April 2013, the Sundance Board approved a renewed project development strategy.

This strategy involves the development of the port, rail, mine plants and associated infrastructure and mine development via EPC contracts which are supported by debt funding from Export Credit Agencies, Development Finance Institutions and Commercial Banks.

This also allows for alternative equity structures in the infrastructure and mines, with different parties and ownership structures for both areas. This is underpinned by a secure offtake contract which allows for potential equity participants to get offtake ownership if required.

Over the past year Sundance has continued to deliver on this strategy by achieving a number of key milestones.

Each cleared milestone has further de-risked the Project and strengthens the Company's position to secure financing and commence construction, which will start following financial close.

CAMIRON SA

ABOUT CAMEROON

Former British and French colony that gained independence in 1960 as a presidential republic.

Population: approx. 20 million
Land area: 475,442 km^2
Capital: Yaoundé
GDP: $22 Billion
Resources: Timber, Iron Ore, Agricultural Products including tea, coffee, sugar, rubber, palm oil and tobacco

CONGOIRON SA

ABOUT THE REPUBLIC OF CONGO

Former French colony that gained full independence in 1960 as a presidential republic.

Population: approx. 4 million
Land area: 342,000km^2
Capital: Brazzaville
GDP: $11.5 Billion
Resources: Oil, Gas, Gold, Phosphates, Iron Ore


Trial mining at Nabeba, Republic of Congo

HIGHLIGHTS 2013/14

- Binding off-take agreement signed with international trading giant Noble Resources
- Engineering, Procurement and Construction (EPC) contracts signed with Mota-Engil Africa for the Project's Port and Rail infrastructure
- Prominent Australian business leader and highly experienced construction executive Mr. Wal King appointed to the Sundance Board and elected as incoming Chairman
- Front End Engineering Design (FEED) study awarded to Fluor Australia for the Mbarga and Nabeba mine plants and associated infrastructure
- Indicative prices acquired for the development of the mines and mining operations
- The Nabeba Mining Convention signed with the Republic of Congo Government
- Port and Rail Concession Agreements signed in Cameroon
- Cameroon and Congo Certificates of Environmental Conformity renewed
- Preliminary site works underway in-country, including trial mining
- Sintering test work delivers positive result indicating the strong marketability of the Mbalam-Nabeba product as high quality premium iron ore fines
- Standard Bank appointed Financial Advisor and non-exclusive Lead Debt Arranger for project-level funding
- Discussions underway to secure equity and debt project financing
- Raised $40M through convertible note to new strategic investor Mr. Gennadiy Bogolyubov
- Forest Management Unit 10-034 in Cameroon secured for conservation purposes to offset Project's environmental footprint
- Continued commitment to diversity and a national workforce with more than 85% of in-country employees Cameroon and Congo nationals
- No permanent or serious injuries sustained by employees throughout the year

CHAIRMAN'S ADDRESS

Dear Shareholders

It is with mixed emotions that I write to you for the final time as Chairman of your Company.

Much has been accomplished since the current Board was formed in 2010, and yet much remains to be done in order for us to achieve our goal of bringing the Mbalam-Nabeba Iron Ore Project into production.

I believe the Board and Management has been successful in steering Sundance through some challenging circumstances, ensuring that we are now firmly on course to secure development funding.

However, our achievements must be viewed against the overwhelming sadness of the tragic plane crash which took the lives of our predecessors.

As many of you will recall, I resumed the Chairmanship of Sundance immediately after the plane crash in June 2010 with the intention of remaining in the position for only as long as it took to ensure the Company and the Project were once again on a strong footing.

However, as you will also be aware, a series of events, including the drawn out takeover offer from Hanlong, created an environment which I believe demanded stability and continuity at Board and Management levels.

It was also crucial that these events were not allowed to distract the Company's attention from the key task of advancing the Project.

I have no doubt that we succeeded in achieving that over-riding objective, as evidenced by the fact that we are now in the process of finalising key elements of the construction and funding arrangements.

Mbalam-Nabeba has advanced to the stage where it is now a construction project. As our recent landmark deal with construction giant Mota-Engil Africa demonstrates, the focus has switched to the advanced engineering and detailed costing phase. The results of this work will in turn provide the foundations on which the funding mechanisms will be put in place.

Mota-Engil has been engaged to build the US$3.5 billion port and rail infrastructure which will connect our project to its global customers. Their willingness to enter into a contract to undertake this work is an immense vote of confidence in the strength of our project.

Our belief in the strong outlook for Mbalam-Nabeba is also shared by Standard Bank, which has accepted our invitation to be financial adviser and mandated lead debt arranger for the Project.

We are equally delighted to also have the ongoing backing of investors Senrigan, D.E. Shaw and Blackstone, as well as the more recent support of global investor Mr Bogolyubov who has identified Sundance and our project as having such a strong future.

Of course, no project would be funded or built if it were not to have customers, and during the year we were delighted to secure a offtake agreement with global commodities trader Noble Resources International covering all the iron ore which will be produced at Mbalam-Nabeba in its first 10 years.

The contractual commitment to Mbalam-Nabeba by all of these global leaders in their respective fields speaks volumes about the outstanding technical and economic strengths of our Project.

In particular, I believe their involvement reflects the world-class nature of the High Grade resource at Mbalam-Nabeba. The quality of the ore is the key strength of the Project because it will ensure the costs are among some of the lowest in the iron ore industry.

Amid the pain currently being suffered by many iron ore companies at the hands of low prices, it is well worth noting that Mbalam-Nabeba would still enjoy strong operating margins even at these depressed iron ore price levels.

The roles being played by Mota-Engil and Standard Bank are also a direct result of the strong support the Project enjoys from the governments of Cameroon and the Republic of Congo. These relationships are encapsulated in the Cameroon Convention and the Nabeba Mining Convention, the latter which was signed with the Congo Government in July this year.

I have no doubt that this series of pivotal agreements places Mbalam-Nabeba on the cusp of development. I believe our project is simply too good, both technically and economically, not to proceed. And I believe the strong commitments being made by the world-class groups and the respective Governments I have just spoken of support my view.

Finally, there is one other key reason why I believe our project is firmly on track. And that is our people.

In the face of some often very difficult circumstances, the people across our Company have put their shoulders to the wheel, demonstrating initiative, persistence and skill.

Their efforts have ensured that our vision to develop a world-class iron ore project has remained on track.

I depart Sundance in the firm belief that both the Company and its Project are on an extremely strong footing and well-placed to take full advantage of their immense opportunities.

I am confident that in handing over the Chairmanship to Wal King, one of the most experienced and skilled engineering and construction executives in Australia, the Company will have someone uniquely qualified to lead the Company as his knowledge and contacts in his field will be invaluable to Sundance as it moves into the construction phase.

I would like to thank my fellow directors, who answered my call for assistance in Sundance's hour of need, the management and staff who have stood firm in their resolve to bring our project to fruition, and our shareholders for their strong support in the face of adversity.

I wish all of you the very best and look forward to watching you realise this Company's goal of becoming a major iron ore producer.

Yours faithfully,

George Jones

Signing of the Port and Rail EPC contract and the Concession Agreements in Cameroon

MANAGING DIRECTOR'S REPORT

Dear Shareholders

One year ago I said the best position for our shareholders, the Project, and for our in-country stakeholders was to move forward with a renewed strategy to develop the Mbalam-Nabeba Iron Ore Project.

Sundance's Management, Perth office and in-country Cam Iron and Congo Iron workforce have all persevered over the past twelve months to progress this project to a point where it is ready for development. Our focus is to continue to deliver on our stated objectives, methodically ticking the boxes, which will ultimately bring this project into production.

Most notably we appreciate the ongoing support of the Governments of the countries we operate in. Last year we celebrated achieving the Mbalam Convention in Cameroon, and this year we also signed the Nabeba Mining Convention with the Government of the Republic of Congo.

Sundance drilled its first exploration hole in June 2007 and our exploration team's success is apparent in the current resource estimate that now incorporates assay results from over 1,100 drill holes. The Mbalam-Nabeba Iron Ore Project is one of the only iron ore projects worldwide which features high grade DSO, low production costs, proven reserves and has critical government and environmental approvals in place.

The certainty of the quality of our asset was underpinned by signing a binding off-take agreement with leading global commodities trader Noble Resources International in March 2014. Noble has agreed to buy all product produced for the first ten years of operation based on international standard pricing benchmark (Platts IODEX 62% Fe CFR China less freight costs) Free on Board (FOB) Lolabe Cameroon.

Our project area covers 1,740km^2 in a location that, once the port and rail infrastructure is in place, will unlock the potential for a new world class iron ore region that could potentially produce up to 100Mtpa. We took another step closer to unlocking that potential with the announcement of Mota-Engil Africa as the EPC contractor to build the port and rail infrastructure; and Standard Bank as our lead arranger for debt finance and equity.

During the year I have invested significant time securing the support of contractors, financiers and investors. Over this time I have received some key feedback which is growing progressively louder. And that message is: "This project is going to happen".

I couldn't agree with them more. The agreements with Mota-Engil and Standard Bank, the recent investment of $40 million into Sundance by highly experienced global investor Gennadiy Bogolyubov, the signing of the key project agreements with the Governments of Cameroon and Congo, and the offtake agreement with commodities trader Noble collectively provide overwhelming evidence that our project is making the transition to construction and production.

The involvement of these groups reflects the outstanding technical and economic strengths of our project. Put simply, I have no doubt our project will be developed because it is too good technically and economically not to be built.

The investor concern over the fall in iron ore prices is serving as a timely reminder that Mbalam-Nabeba will enjoy some of the lowest production costs in the industry. It's at times like these that projects like ours stand out. The global focus on iron ore margins serves to remind the financial community – be they investors, lenders or contractors – that our project is world-class; and world-class doesn't remain dormant.

I would also like to recognise the excellent work in our health, safety, community and sustainability efforts as this will continue to be an important element of our ongoing success. I would like to thank our staff, contractors and shareholders for helping Sundance make such significant progress towards the development of Mbalam-Nabeba and I look forward to reporting to you as we continue to advance our project.

Yours sincerely,

Giulio Casello

OVERVIEW OF OPERATIONS

Noble site visit, Cameroon

OFF-TAKE AGREEMENT WITH NOBLE RESOURCES

On 25 March 2014, the Company signed a binding long-term off-take agreement with leading global commodities trader Noble Resources International (Noble).

The agreement stipulates that Noble must buy all product produced by Mbalam-Nabeba for the first 10 years of operation, minus any product that may be allocated to project equity participants. Sales will be based on international standard pricing benchmark (Platts IODEX 62% Fe CFR China less freight costs) Free on Board (FOB) Lolabe Cameroon.

In the event that a portion of the production needs to be sold to a third party in order to attract an equity investor into the Project, the Noble off-take agreement includes a claw-back clause that enables project equity participants to buy up to 50% of the production. There are no penalty costs for this claw-back.

The term of the off-take agreement is for the first 10 years of production and although the Company aims to produce 35 million tonnes per annum, there is no liability if that level of production is not achieved. The basis for how ships are nominated, received into port, loaded and dispatched is in accordance with industry practice.

Sundance expects this contract to help facilitate completion of debt funding for the construction of the port, rail and mines.


Giulio Casello meeting with the President of the Repubic of Congo, Denis Sassou Nguesso

SIGNING OF THE NABEBA MINING CONVENTION, REPUBLIC OF CONGO

On 24 July 2014, the Congo Government signed the Nabeba Mining Convention (Convention). It outlines the fiscal and legal terms and the conditions to be satisfied by Congo Iron SA for the development and management of the Nabeba Iron Ore Project.

The key terms of the Convention are:

- 25-year operating license effective from the publication of the Mining Permit Decree (February 2013) and renewable for successive terms of up to 15 years, depending on remaining reserves;
- A mining royalty equal to 3% of the mine gate value of the ore extracted from the mines in the Operating Perimeter (effectively being sale price of the ore less transport and handling costs);
- Five-year corporate tax holiday following start of production. Corporate tax will then be levied at a rate of 7.5% for five years after and 15% thereafter;
- The State will take a 10% stake in Congo Iron SA, which will be non-dilutory during the term of the Convention;
- There will be no fees, levies or taxes charged in respect to the export of iron ore. There will be exemptions from import duties and taxes on plant and equipment imported temporarily for project construction and limited import duties and taxes on other mining equipment and consumables throughout the production phase; and
- Congo Iron SA will make annual contributions to a fund established as an association or non-profit foundation whose purpose is to promote the economic, social and cultural development of local communities that are impacted by the Nabeba Mining Operations.

Signing of the Convention followed the issuing of the 25-year Nabeba Mining Permit, which was approved by the Ministerial Council for the Republic of Congo in late December 2012 and a Presidential Decree confirming the grant of the mining permit to Congo Iron SA on 6 February 2013.

PORT AND RAIL CONCESSION AGREEMENTS, CAMEROON

Sundance's subsidiary Cam Iron SA and the Government of Cameroon signed the Rail Agreement and Mineral Terminal Agreement for the rail and port infrastructure servicing the Mbalam-Nabeba Iron Ore Project in June 2014.

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

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.

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 SA and Congo Iron SA;
- 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).

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

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

Signing of the Port and Rail EPC contract and the Concession Agreements in Cameroon

PORT AND RAIL EPC

In June 2014, Sundance announced that international engineering and construction company Mota-Engil Africa was appointed as the EPC contractor to build the Port and Rail infrastructure for the Mbalam-Nabeba Iron Ore Project.

In August 2013, Sundance issued tender documents for the construction of rail and mineral terminal infrastructure to a number of international Engineering Procurement and Construction (EPC) contractors, consisting of both Chinese and non-Chinese groups. The contractors invited to submit tenders all had a proven track record in building successful projects of large scope and scale.

Tenders were received in December 2013 and were put through a vigorous internal review and evaluation process.

Mota-Engil Africa and Sundance signed the EPC contract at a signing ceremony in Yaoundé, Cameroon, on 5 June 2014. A second contract for the construction of the spur line portion of the railway (52km) to be built in the Republic of Congo was signed on 18 June 2014.

Mota-Engil Africa's role includes detailed design, construction, testing and commissioning of:

- The 510km railway from the Mbarga Mine in Cameroon to the Mineral Terminal Facility at Lolabe on the west coast of Cameroon;
- The 70km rail spur line from the Nabeba Mine in the Republic of Congo to the Cameroon railway;
- A 35Mtpa deep water Mineral Terminal Facility, including stock yards, capable of loading 'China-max' vessels; and
- The procurement of all railway rolling stock and operating equipment and the materials handling equipment at the Mineral Terminal Facility.

Key terms of the contract for the port and rail EPC contract are:

- Construction period from Financial Close of 3.5 years;
- Contract value of US$3.5B;
- Standard internationally-recognised and accepted contract terms based on FIDIC Yellow Book;
- The Contractor must meet and comply with the Equator Principles;
- Performance obligation consists of throughput guarantees for system to produce, transport and ship 35Mtpa;
- Performance Bond and Performance Damages if the system does not achieve the required throughput; and
- International standards and specifications and nominated Australian Standards.

Mota-Engil Africa is a subsidiary of Mota-Engil SGPS, a multidisciplinary Portuguese construction company with an international presence that spans across 21 countries. The Mota-Engil Group established its African operations in Angola in 1946. They have extensive experience in Sub-Saharan Africa, including currently being involved in the construction of a bulk commodity railway in Malawi.

Mota-Engil Africa has commenced preliminary works in preparation for mobilisation of the Project. They are working closely with Sundance and Standard Bank to ensure that preparations for mobilisation and ramp up for the construction of the port and rail infrastructure run in parallel with the process of raising finance such that there will be no delay in developing the Project when funding becomes available. To this end Mota-Engil are establishing legal entities in Cameroon and the Republic of Congo and have also commenced detailed project planning including logistical arrangements for mobilisation and preparations to progress the detailed engineering design.

Pending the securing of project financing this will ensure Mota-Engil is in the best position possible to commence construction works immediately following financial close.

Trial mining at Nabeba, Republic of Congo

MINE PLANTS & ASSOCIATED INFRASTRUCTURE

On 19 September 2014, Sundance awarded the Front End Engineering Design (FEED) contract to Fluor Australia. The award of the FEED contract is the first of a two phase award of the EPC contract for the Mbarga and Nabeba Mine Plants and associated infrastructure.

Sundance issued tender packages for the design and construction of process and infrastructure facilities at the mine sites at Mbalam and Nabeba to a number of international Engineering, Procurement and Construction (EPC) contractors in August 2013. Competitive tenders were received in April 2014 from three bidders.

Submissions included technical and commercial proposals to carry out the FEED study and to execute a full EPC contract for the mine plants and associated mine site infrastructure at both the Mbarga and Nabeba mines. Tenderers also proposed potential partners who could provide the necessary debt financing for the contract, if required.

The FEED study contract awarded will give Fluor the first right, but not the last right, to negotiate a full EPC contract for delivery of the mine plant and associated infrastructure defined by the FEED study. In the event that an acceptable EPC price and contract terms cannot be agreed, Sundance will have the right to negotiate with any of the other original tenderers or to institute an entirely new tender process for the EPC contract.

MINING CONTRACTOR

The development plan for the Mbalam-Nabeba Iron Ore Project includes contract mining with the mining contractor to provide all of the required equipment and services to mine the Mbarga and Nabeba deposits.

Over the past year Sundance has held discussions with a number of parties who have the capability to provide these services. Two specialist contract mining companies with experience operating in West Africa provided indicative prices which reconfirmed there is an appetite in the market to take on this work.

PRELIMINARY SITE WORKS

The Mbalam-Nabeba Iron Ore Project remains the most advanced Mine Development in the mineral province with an active year-round site workforce of 80-100 personnel on site, supporting ongoing Project studies, infrastructure site preparation, community support programmes, government and investor visits, training and development programmes along with the regular activities of trial mining testwork and regional exploration.

Preliminary site works carried out over the last year have included trial mining and bulk materials testing at the Nabeba mine site, where several preliminary benches of iron ore have been excavated. There has also been work done on the preparation of access tracks and site clearance at mine site infrastructure locations at both Mbarga and Nabeba, as well as at the rail loops and at the Mineral Terminal Facility location at Lolabe.

This has allowed the Company's geologists and engineers to map and review the supergene mineralisation profile as compared to the modelling data and interpretation from resource definition drilling data. It also enables better bulk sampling and test work of rock density and natural moisture content, which all contributes to ensuring operations efficiencies are in place once production commences.

SINTERING TEST WORK

The sinter evaluation delivered positive final results indicating the Mbalam-Nabeba iron ore fines will produce a high quality sinter product.

To facilitate provision of finance for the Project, the Company carried out its own sintering testwork program on a sample that is typical of the first five years of planned production, from the combined output of Mbalam and Nabeba.

The sinter program was designed to determine the effect on sintering by adding increasing amounts of the Mbalam-Nabeba ore to a typical sinter feed product. In order to benchmark against a well-known iron ore product, the Mbalam-Nabeba ore was substituted for a Pilbara Blend fines, which is considered the desired Asian benchmark product in terms of pricing.

Results showed the Mbalam-Nabeba ore to have superior chemistry to almost all of the peer products evaluated.

Only products considered peers to the Project's fines were tested to allow an accurate representation of the effects on sinter performance by this product.

Based on the results, Sundance is confident that a product with the chemical and physical attributes of the Mbalam-Nabeba ore will have a marked improvement on sinter performance if it replaces a typical sinter feed product.

This outcome supports works completed during the Project DFS and provides strong ongoing support for the marketability of the product as a premium iron ore fines. Customer samples of the same composition as the sinter sample will also be made available to allow interested parties to carry out their own testwork.

Site works at Nabeba, Republic of Congo

PROJECT FINANCING

Coinciding with the awarding of the Port and Rail EPC contract, in June 2014 Sundance also announced that Standard Bank was appointed as the Company's Financial Advisor and non-exclusive Lead Debt Arranger for project-level funding.

Standard Bank is Africa's largest bank by assets and earnings with a presence in 32 countries globally; 20 in Africa. Standard Bank has set corporate investment in Cameroon and the Republic of Congo as priority, with both countries considered of strategic importance.

Standard Bank provided indicative terms for the debt funding of the port, rail and mine facilities in association with the Mota-Engil Africa EPC tender, and have indicated their plan to support the debt raising that will be required to include use of their balance sheet alongside other lenders.

A tiered funding plan for debt financing has been proposed, which would include involvement from Export Credit Agencies, Development Finance Institutions and Commercial Banks. Discussions with a wide variety of potential funding partners has already been undertaken with several expressions of interest received.

In addition, expressions of interest were also received from Insurance Agencies who will provide protection for the commercial banking tranche.

The following sources of Project Equity funding are currently being considered:

- Sale of part or all of Port and Rail
- Partial Mine Sale
- Strategic investment

Sundance has commenced work with Standard Bank with an aim to achieve Financial Close by late-2015, once all conditions precedent are satisfied.

As a result of the commercial discussions taking place, Sundance is confident there is considerable support for the development of the Mbalam-Nabeba Iron Ore Project by both Western and Chinese providers of project equity and debt capital.

RESERVES AND RESOURCES - HIGH GRADE HEMATITE

The Mbalam-Nabeba Iron Ore Project has two distinct types of Iron Ore Mineralisation that essentially define the Development of the Project into two distinct Stages:

1) Stage One:
Exploitation of the **"High Grade Hematite Resources"**

Commonly referred to as "DSO" (Direct Shipping Ore), this is the near-surface iron ore mineralisation that in our case, is represented by soft, high grade supergene ore that will be mined for at least the first 10 years of the Project.

2) Stage Two:
Exploitation of the **"Itabirite"**

Itabirite directly underlies the DSO and is the hard, lower grade hematite mineralisation that will require grinding and processing to remove the silica component. Infrastructure for this Stage of the Project will be constructed towards the end of Stage 1 to provide a seamless transition from a simple DSO product to an Itabirite operation.

As more than sufficient Iron Ore Reserves have already been estimated and incorporated into the Project financing strategies, there has been no additional drilling or change to the Company's Mineral Inventory. Sundance's exploration programme throughout the year focused on developing a better understanding of the geology and mineralisation of the area, through the Trial Mining excavations at Nabeba, and feeding this information back into exploration efforts on prospective areas within the tenement holdings.

The recent exposure of geology and iron ore types at the Nabeba Pit has provided an excellent training and development opportunity for our in-country workforce. For many of the Company's employees, this has been their first experience with Mining Operations and it has emphasised to them the size and diversity of the Project.

High Grade Hematite Ore Reserves

The High Grade Hematite Ore Reserve for the Project is currently 436.3 Mt grading 62.6% Fe.

This Reserve underpins more than 12 years of High Grade DSO production at 35 million tonnes a year, as planned under Stage One of the Project.

All Iron Ore Reserves and Resources have been estimated in accordance with the JORC Code 2004 edition. Note that there is no requirement to report the Reserves or Resources to the new JORC Code 2012 requirements until a 'material change' is made to the existing estimates. The Mineral Reserve was originally reported under JORC 2004 edition guidelines which were in effect on 24 December 2012 when the Reserves were first reported to the ASX.

The Reserves are the result of iron ore contributions from two separate Mining Areas - Mbarga and Mbarga-South in Cameroon, and from the Nabeba-Main, Nabeba-Northwest and Nabeba-South pits in Congo. The two areas are approximately 45km apart but will be mined simultaneously to allow on-site blending and optimisation of ore quality from the pits to achieve the most efficient and profitable output.

High Grade Hematite Ore Reserves (Ore Products)	Reserve Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Mbarga and Mbarga South – 'The Cameroon Pits'							
DSO Product	Probable	83.9	63.6	4.6	2.3	0.079	1.71
Transition Upgraded Product	Probable	43.05	62.99	8.04	1.18	0.053	1.27
Total Mbarga and Mbarga South Product	**Probable**	**126.95**	**63.41**	**5.77**	**1.92**	**0.071**	**1.56**
Nabeba, Nabeba Northwest and Nabeba South – 'The Congo Pits'							
DSO Product	Probable	249.7	62.76	3.26	2.97	0.096	3.11
Sub-Grade and Transition Upgraded Product	Probable	59.6	60.13	6.47	2.08	0.082	3.95
Total Nabeba, Nabeba Northwest and Nabeba South Product	**Probable**	**309.3**	**62.25**	**3.88**	**2.8**	**0.094**	**3.27**
Total Ore Reserves	**Probable**	**436.3**	**62.6**	**4.43**	**2.55**	**0.087**	**2.78**

The Iron Ore Reserves that will be derived from the Cameroon pits (Mbarga and Mbarga South) have favorable alumina grades but higher silica contaminant values. Conversely, the Congo pits (Nabeba Main, Nabeba Northwest and Nabeba South) will have favorable low silica grades but elevated alumina.

The ore bodies either side of the border will be optimised and blended to produce the maximum tonnage and value while still meeting a highly marketable and desirable product grade specification of 62.6% Fe, with low contaminant levels of silica and alumina.

High Grade Hematite Mineral Resources

The High Grade Hematite Mineral Resource for the Project is currently 775.4 Mt grading 57.2% Fe.

This is inclusive of the 436.3 Mt of High Grade Hematite Reserves.

The High Grade Hematite Resources remain unchanged from the 2013 annual report and are comprised of 748.0 Mt of Resources within the Indicated category. It is only from this Indicated portion of the Resources that the 436.3 Mt of High Grade Hematite Ore Reserves were estimated.

High Grade Hematite Resources	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Indicated	748.0	57.2	9.2	4.4	0.098	3.8
Inferred	27.4	57.4	15.1	3.0	0.090	1.5
Total High Grade Resource	**775.4**	**57.2**	**9.4**	**4.3**	**0.098**	**3.8**

Further breakdown of the 775.4 Mt of High Grade Hematite Resources into Indicated and Inferred Resources for each of the six Deposits is detailed below.

Indicated High Grade Hematite Resources	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Mbarga Deposit	195.1	56.7	13.0	3.3	0.081	2.1
South Mbarga Deposit	20.7	57.5	10.4	3.6	0.068	3.2
Nabeba Main Deposit	472.0	57.9	7.6	4.7	0.107	4.1
Nabeba Northwest Deposit	50.3	52.8	9.2	5.6	0.090	7.9
Nabeba South Deposit	9.9	57.3	6.6	3.8	0.121	6.6
Total Indicated High Grade Resource	**748.0**	**57.2**	**9.2**	**4.4**	**0.098**	**3.8**

Inferred High Grade Hematite Resources	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Mbarga Deposit	12.2	54.7	18.2	1.8	0.104	0.9
Metzimevin Deposit	15.2	59.5	12.6	4.1	0.078	2.0
Total Inferred High Grade Resource	**27.4**	**57.4**	**15.1**	**3.0**	**0.090**	**1.5**

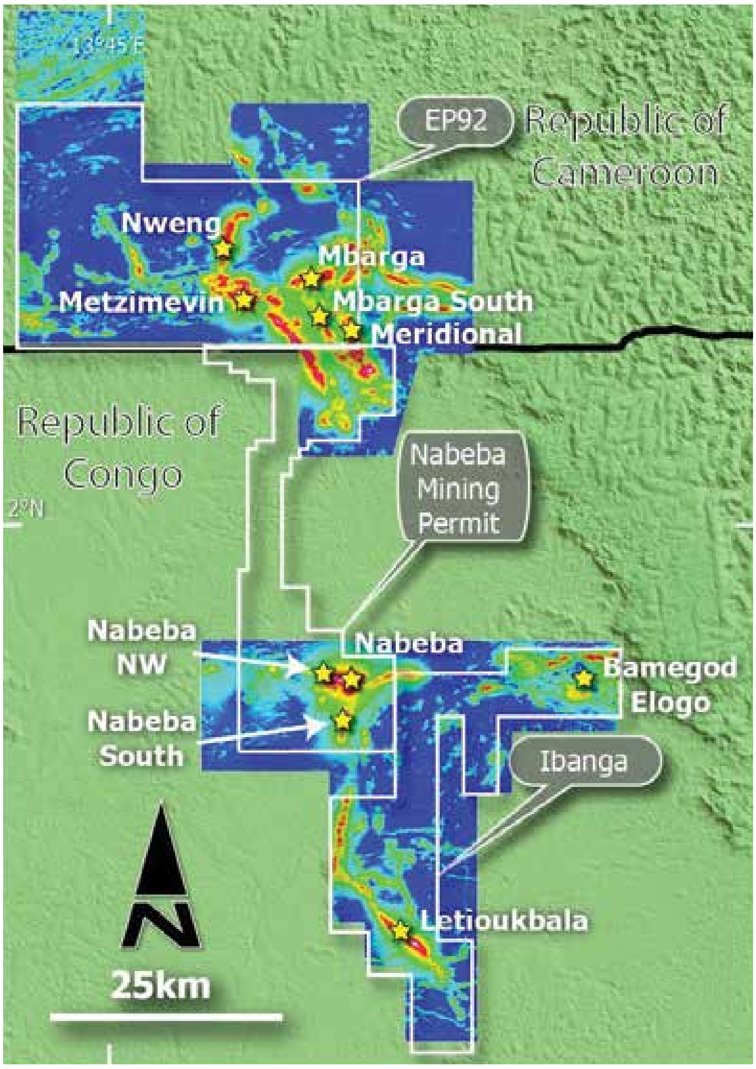
MINERAL RESOURCES – ITABIRITE

The massive Itabirite Resources of 4.047 billion tonnes grading 36.3% Fe provide the potential for a very long mine life for the Mbalam-Nabeba Iron Ore Project.

Following the conclusion of Stage One DSO production, these Itabirite Resources could underpin Stage Two mining in both Cameroon and Congo for at least a further 15 years.

Mineral Reserves have not yet been estimated from the Itabirite Resources for Stage Two of the Project.

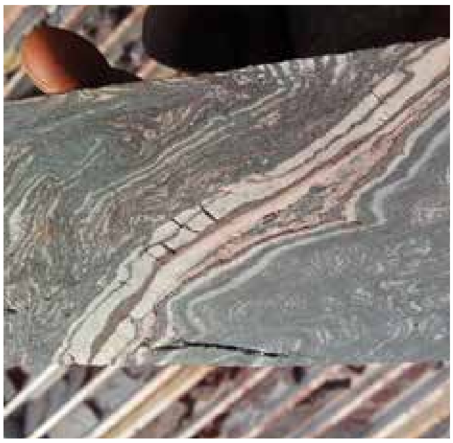
Total Itabrite Resources	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)
Mbarga Deposit	2,325	38.0	44.4	0.5	0.04	0.4
Nabeba Deposit	1,722	33.9	42.5	2.7	0.05	2.6
Total Itabirite Resource	**4,047**	**36.3**	**43.6**	**1.4**	**0.04**	**1.3**



Location plan of the Iron Ore Deposits and Prospects within the Mbalam-Nabeba Iron Ore Project

Product derived from beneficiation of this Itabirite ore body will have extremely low contaminant levels of silica, alumina and phosphorus. This potentially makes it an ideal blend material for any additional high or sub-grade resources that are discovered that may not meet marketable specifications as a standalone Deposit. Therefore, the production of Itabirite will have the ability to change the exploration model and allow greater consideration to prospective areas and potential acquisition or joint-venture targets.

Itabirite mineralisation is extensive across the entire Mbalam-Nabeba Iron Ore Project tenement area and underlies the weathered zone of most of the topographic ridges on the permits. This has immense long term potential once Itabirite processing and production is brought on-stream.



EXPLORATION TARGETS

Exploration Targets for the two types of Iron Ore within the Project are currently estimated as:

- **High Grade Hematite "DSO" Target: 90 – 150 Million tonnes grading 55-65% Fe**
- **Itabirite Target: 9.2 - 13.2 Billion tonnes grading 30-40% Fe**

Exploration in this remote and heavily-forested terrain brings many challenges. However the site team now have nearly eight years of valuable experience working in this terrain and as such exploration mapping and sampling campaigns are conducted year round from the well-established base camps at both Mbarga and Nabeba.

The High Grade Hematite Exploration Target of 90-150 Million Tonnes is derived from evaluation of six deposits and prospects within the Project's current tenement holdings.

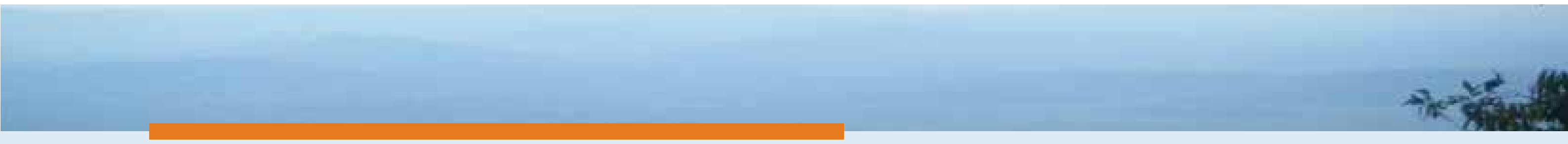
DSO Exploration Target Size		
Location	**Range Mt**	
Metzimevin Deposit	5-10	EP92 Cameroon
Mbarga South Deposit	10-20	EP92 Cameroon
Meridional Prospect	5-10	EP92 Cameroon
Mbarga Southwest Prospect	5-10	EP92 Cameroon
Cabosse South Prospect	15-25	Nabeba Permit, Congo
Bidoumou Hills Prospect	50-75	Nabeba Permit, Congo
Total	**90-150Mt**	**grading 55-65% Fe**

The Itabirite Exploration Target of 9.2 – 13.2 Billion Tonnes is derived from multiple deposits and prospects within the Project's current tenement holdings.

Itabirite Exploration Target Size Location	Range Mt	Comments
Mbarga Deposit	250-300	
Metzimevin Deposit	750-1250	
Mbarga South Deposit	900-1100	
Meridional Prospect	800-1000	
Mbarga Southwest Prospect	750-1250	
Cabosse Hills Prospect *	800-1000	*This ridge straddles the border
Njweng Prospect	750-1200	
Sub-Total Itabirite Target; Cameroon Permit	**5.00-7.10 BT**	
Nabeba Deposit	250-300	
Nabeba NW Deposit	150-250	
Nabeba South Deposit	250-300	
Mt Letioukbala Prospect	800-1000	
Elogo Prospect	750-1250	
Cabosse Hills Prospect*	400-500	*This ridge straddles the border
Bidoumou Hills Prospect	450-650	
Other Unnamed Itabirite Prospects	1200-1800	Hills immediately adjacent to Nabeba
Sub-Total Itabirite Target; Congo Permits	**4.25-6.05 BT**	
Total Itabirite Exploration Target	**9.25-13.15 BT**	**Grading 30-40% Fe**

Exploration Targets must not be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain whether further exploration will result in the determination of a Mineral Resource.

The current High Grade Hematite Exploration Target ranges were first announced to the ASX on 20 June 2012 and Itabirite Exploration Targets shortly thereafter on 26 October 2012.



HEALTH AND SAFETY

Sundance Resources demonstrated good safety performance during 2013/2014 with no permanent or serious injuries being sustained by our employees and a Lost Time Injury Frequency Rate (LTIFR) of 1.78 and a Total Recordable Injury Frequency Rate (TRIFR) of 5.35.

The integrated Health, Safety, Environment and Community Management System was finalised and provides Sundance and its subsidiary companies with a comprehensive and robust HSEC system capable of delivering on our stated HSEC goals throughout all facets of the existing and future developments of the Project.

This system is based upon the IFC Performance Standards, the Equator Principles III, World Bank Group Environmental, Health and Safety Guidelines, ISO 9001 quality management system requirements and incorporates ISO 14001 and OHSAS 18001 standards.

HSECS Statistics for 01/07/2013 to 01/07/2014	Total Hours Performed	Total Lost Time Incidents	Total High Potential Incidents (no lost time)	Total Lost Work Days
All Operations	559,937	1	2	35
Lost Time Injury Frequency Rate (LTIFR) for the Year				1.78
Previous annual LTIFR				0
Rolling annual LTIFR				1.85
Total Recordable Incident Frequency Rate (TRIFR) for the Year				5.35
Previous annual TRIFR				5.44
Rolling annual TRIFR				2.85

A number of safety programs have been introduced over the year including Community Road Safety Awareness workshops. These workshops were facilitated by Congo Iron SA and Cam Iron SA and involved a range of stakeholders including representatives from government and logging company operators. The intent was to increase local knowledge of road hazards and develop local road safety committees that are empowered to monitor and implement road safety initiatives with the support of local government officials.

The Health and Safety Committees for Sundance and its subsidiary companies convened to review and develop initiatives, policies and procedures to improve work health and safety outcomes. The joint committees were established to create and maintain active interest in health and safety, reduce incidents and to promote an awareness of health and safety issues across all divisions of the business.

COMMUNITY AND SUSTAINABILITY

Sundance continues to place priority on maintaining its commitment to being environmentally responsible and working with the local communities most impacted by our operations, particularly as we enter the development phase. This is why we strive to continue to incorporate sustainable development criteria into all of our development planning and processes from an early stage.

Our efforts focus on the deliverables we committed to in our Environmental and Social Impact Assessment ("ESIA") studies and to meeting our established performance standards and relevant national and international standards, such as Equator Principles III, IFC Performance Standards, OECD Common Framework, and the World Bank Group Environmental, Health and Safety Guidelines.

Commensurate with past performance, Sundance had no reported environmental non-conformances in Cameroon or the Republic of Congo in the past 12 months.

The Company's second Annual Environmental Report (2013) was completed in July 2014 and was submitted to the Ministry of Environment of Cameroon and the Ministry of Environment for the Republic of Congo. They are available for viewing on the Sundance website.

Congo Iron SA received an extension of its Certificate of Environmental Conformity for the Nabeba Project. The Certificate was received in August 2012 following the approval of the ESIA by the Congolese Government and subsequently renewed in August 2014 by the Congolese Minister of Tourism and Environment for three additional years, expiring in 2017.

During the year the Cameroon Ministry of Environment, Nature Protection and Sustainable Development (MINEPDED) representatives visited site to audit Sundance against our Environmental and Social Impact Assessment deliverables and management plans. At the conclusion of the site visit, MINEPDED indicated that the Company had demonstrated positive Environmental and Social behaviors during the current project development stage and as a result the Cameroon ESIA Certificate of Environmental Conformity was validated by the Ministry of Environment and Sustainable Development (MINEPDD) for an additional year.

The Cameroon and Congo Governments continue to take an active interest in our operations on-site. We welcome their involvement as an opportunity to work collaboratively with both the governments and key NGO stakeholder groups that are interested in our progress on development of the Project while maintaining our corporate social responsibilities.

Land Disturbance Reviews were also completed for the Mineral Terminal Facility Delineation in Cameroon and the Congo Trial Mining Area Extension at Nabeba. The Land Disturbance Review is a process where Land Tenure, Environment, Biodiversity, Cultural Heritage and Community are surveyed prior to the clearing of land to ensure all stakeholders are engaged in a consultative process, minimising the potential impacts of land disturbance.

Cam Iron SA and Congo Iron SA continue to support and build partnerships with the World Wildlife Fund (WWF) and the Tri-National Dja-Odzala-Minkebe (TRIDOM) which aim to reduce the rate of forest degradation and loss of biodiversity through increased local, regional and national natural resource management capacity.

The Company also collaborated with the WWF, the Ministry of Forest and Wildlife (MINFOF) and regional Security Forces to develop anti-poaching strategies. This collaboration provides important information to Field Patrols (poacher's tracks, traps presence, poacher's camps, GPS coordinates, etc).

Sundance established a 156,672 ha offset forest area for perpetual biodiversity conservation, referred to as FMU 10-034, located just north of the Mbarga mine in the high conservation value Ngoyla-Mintom forest landscape in Cameroon. This offset forest has been formally recognised in a decree from the Government of Cameroon.

The Company also continues to enjoy its partnership with Ape Action Africa (AAA), a not-for-profit organisation supporting the Mefou National Park near Yaoundé in Cameroon. AAA is committed to ape conservation in Africa by protecting Cameroon's great apes through direct action, including rescuing orphaned gorillas, chimpanzees and monkeys and providing a safe forest sanctuary.

Sundance plays an active role to support AAA by providing funding to the Mefou Primate Sanctuary including potential release programs, assisting with promoting education programs involving local communities surrounding the Mefou Primate Sanctuary about the risks facing wild primates and how communities can help to ensure survival of primate species; and facilitating community projects prioritising alternative income sources for local people in order to reduce illegal poaching.

As the Project continues to evolve and we prepare to move into the construction phase, we will continue to further strengthen our international sustainable development commitments to ensure we maintain a high standard of operations in line with the International Standards such as the Equator Principles III which underpins our social licence to operate.

PEOPLE AND DIVERSITY

Sundance and its subsidiaries Cam Iron SA and Congo Iron SA continue to recognise, promote and value the diversity of our workforce. Operating across a range of locations internationally, our cultural, ethnical, social, age and gender diversity provides enhanced opportunity for success at individual, team, country and corporate levels.

The Company's policies, procedures and strategies aim to create inclusive, harmonious work environments which have a positive impact on individuals and the communities in which we operate.

Diversity

We embrace the varied experiences, skills, gender, age, ethnicity and cultural backgrounds of our staff and stakeholders. This valued diversity brings with it an enhanced and vibrant work environment. Our policies, procedures, work practices and business strategies reflect our commitment to diversity.

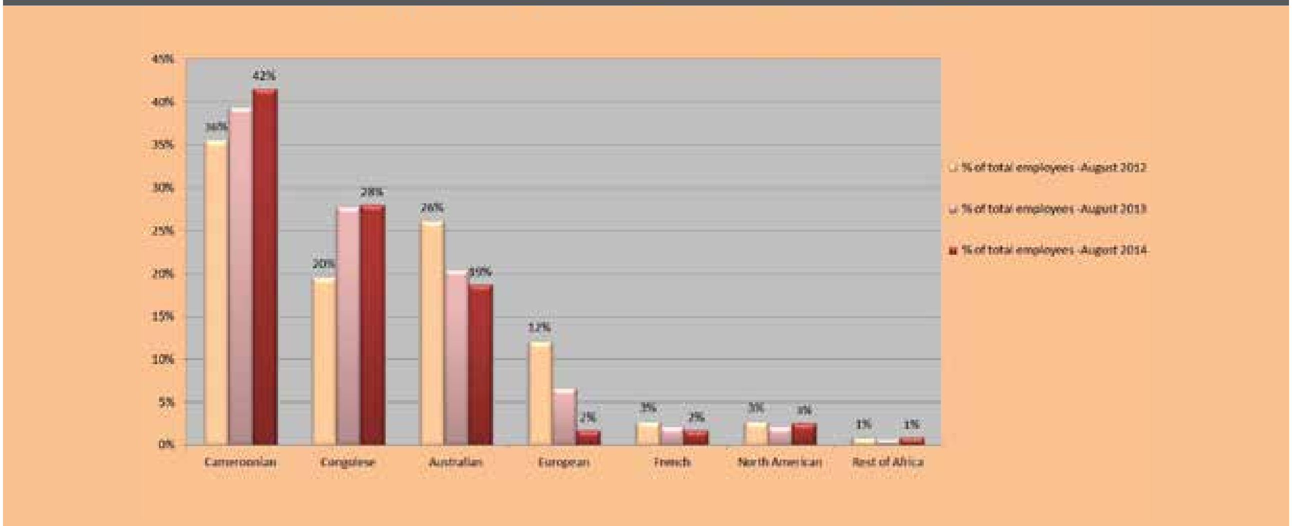
Gender Diversity - Sundance has maintained a strong female participation rate at all levels of the Company.

Measurable objectives relating to gender diversity are reviewed annually, with achievement towards them assessed annually and disclosed in the Corporate Governance Statement of this report on the Sundance website.

Cultural Diversity & Local Employment - The Cameroon and Congo Conventions have now formalised the prevailing commitment toward promoting and facilitating local employment. Training and Internships will continue to be part of our ongoing corporate commitment.

Recruitment activities across all banding levels were minimal in the past year however as the Project moves into the development and construction phase, the Company would expect increased levels of recruitment of staff to be measured against our Diversity objective whenever relevant.

Employee Nationality Breakdown Annual Comparison 2012/2014



CORPORATE

Appointments to the Board

During the year, Sundance announced the addition of two new Non-Executive Directors to the Sundance Board.

In September 2013, Sundance announced that Mr David Southam was appointed to the Sundance Board as a Non-Executive Director. Mr Southam is a Certified Practicing Accountant with more than 20 years' experience predominantly in the resources industry but also in accounting, banking and finance. He brings significant expertise in the key areas of project finance, equity capital markets and commercial negotiations at a time when the Company is establishing its funding and development plan for the Mbalam-Nabeba Iron Ore Project. He is currently also an Executive Director of the ASX200-listed nickel miner Western Areas.

In May 2014, the Company announced that former Leighton Holdings Chief Executive Mr Wal King was appointed as Non-Executive Deputy Chairman. Mr King joined Leighton in 1968 and was appointed chief executive in 1987. Under his leadership, Leighton grew from an organisation with annual revenue of $1 billion to one of the world's leading contracting, services and project development organisations. During this time, Mr King gained enormous experience in planning, funding, constructing and operating worldscale projects, including many in the resources sector. His skills and experience such as in planning and building major international infrastructure projects, commercial acumen and his extensive global network in the building and construction industry, will be of significant benefit to Sundance as the company transitions the Mbalam-Nabeba Project into the development and construction phase.

Retirement of Chairman

In September 2014, Mr George Jones advised he will retire as the Company's Chairman at the conclusion of the Annual General Meeting of Sundance shareholders which is scheduled to take place on 27 November 2014. Mr Jones has been Chairman of Sundance since September 2006 and held the position until he resigned for health reasons in August 2009. He resumed the Chairmanship in July 2010 following the plane crash in which the entire Sundance Board died. Mr Jones played a leading role in re-building Sundance in the wake of the crash, taking it to the point where it is now preparing to enter the construction phase at its Mbalam-Nabeba Iron Ore Project in Africa. Mr Jones will be succeeded as Sundance Chairman by Mr Wal King.

New Chief Financial Officer

On 1 July 2014, Mr Alan Rule commenced in the role of Chief Financial Officer (CFO) for the Company. Mr Rule is a highly regarded executive with extensive experience of over 17 years in the Australian mining industry. He joins Sundance from ASX listed African uranium producer Paladin Energy Limited, where he was the Chief Financial Officer since July 2012. His previous positions have also included CFO of Mount Gibson Limited, CFO of Western Metals Limited and CFO of St Barbara Mines Limited. Mr Rule has considerable experience in international financing of mining projects, implementation of accounting controls and systems and mergers and acquisitions. He is a Chartered Accountant and holds a Bachelor of Commerce and a Bachelor of Accounting degree.

Capital Raisings

In October 2013, Sundance signed agreements to raise A$40 million through the issue of convertible notes and options to Noble Resources International Pte Ltd and the investor consortium of Blackstone Alternative Solutions, L.L.C., the D. E. Shaw Group and Senrigan Capital (Investor Consortium).

Please refer to Note 6 to the Consolidated Financial Statements for a description of the details of the agreements between Sundance and the investors.

In September 2014, Sundance signed an agreement to raise a further A$40 million through the issue of convertible note to Mr Gennady Bogolyubov. Mr Bogolyubov made the investment through his vehicle Wafin Ltd, a Jersey, UK-based investment holding company. Mr Bogolyubov is a strategic investor with a broad range of private industrial business interests, including across all parts of the steel and ferroalloys value-chain, which operate throughout the world including Australia, Africa, the Commonwealth of Independent States, Europe and North America. Mr Bogolyubov is the ultimate beneficial owner of Consolidated Minerals Limited, a major manganese ore producer with operations in Western Australia and Ghana. Funds were received by the Company on 23 September 2014. Please refer to Annexure A of the ASX release dated 3 September 2014 for a full description of the details of the agreements between Sundance and Wafin Ltd.

Hanlong Convertible Note

The Maturity Date for the A$5 million convertible note with Hanlong (Africa) Mining Investment Limited was extended from 30 June 2014 to 31 December 2014. For further details of the terms and conditions of the convertible notes please refer to Annexure B of the Notice of Meeting for the Company's 2013 AGM, released to ASX on 29 October 2013.

Shareholding Structure

As at 30 June 2014, Sundance Resources had 3,082,028,456 ordinary fully paid shares on issue held by 21,854 individual shareholders. There were 33,220,935 unlisted performance rights, 460,502,000 unlisted options and a total of 5,200,001 convertible notes on issue. The Top 20 shareholders held 47 per cent of the total issued capital.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results and Mineral Resources 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 and Mr Widenbar are consultants to Sundance and have sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which they are 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".

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bruce Gregory, a member of the Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by AMC Consultants Pty Ltd and is a consultant to the Company. Mr Gregory 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".

Messrs Longley, Widenbar and Gregory consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

For more information including modelling parameters and details, the ASX announcements pertaining to Exploration Results, Mineral Resources and Ore Reserves are available from the Company's website: www.sundanceresources.com.au.

Itabirite Resources reported at the Mbarga Deposit (Republic of Cameroon) and at the Nabeba Deposit (Republic of Congo)

At Mbarga, the estimated quantity and grade of Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource and a 200m x 100m spaced drill pattern applies for the Inferred Resource. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit.

At Nabeba, drilling of the Itabirite has been conducted on an approximate 400m x 200m spaced pattern and as such is only categorised at Inferred. Recent drilling of the Itabirite at Nabeba has been by way or re-entering and extending historical holes. However, all deep holes across the Deposit area that intersected Itabirite have been used in the estimation and this covers an area approximately 3km (east-west) x 3km (north-south).

Grade has been estimated by Ordinary Kriging on composited sample results. 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 Itabirite resource modelling has used 20m (X) x 10m (Y) x 10m (Z) blocks at the Mbarga Deposit with sub-blocks to honour the constraining surfaces. Nabeba Itabirite modelling has applied 25m (X) x 25m (Y) x 5m (Z) blocks at this Inferred stage of estimation.

Drillhole collar survey has utilised DGPS surveying at all Deposits.

Down-hole surveys (at Mbarga only) 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 at Mbarga only. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied to apply a density value. 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/m^3 depending on the iron grade.

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. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

High Grade Hematite Resources reported on Exploration Permit 92, Republic of Cameroon (Mbarga, Mbarga South and Metzimevin Deposits)

The estimated quantity and grade of High Grade Hematite 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 Mbarga Deposit and a spacing varying from 200m x 100m to 50m x 50m for the Indicated Resource at the Mbarga South Deposit. A 200m x 100m drill pattern applies for the Inferred Resource at the Mbarga 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.

Note that Cut-off grades for High Grade Hematite at the Mbarga Deposits have been changed since the previous estimation (September, 2011) and while most restrictions have been removed, the following still apply: 'Phosphorus' Domain: >50% Fe and <0.3% P; 'Hypogene' Domains: >51% Fe. Metzimevin Inferred Resources remain unchanged and have a >50% Fe cut-off and density of 2.80 applied.

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 a block size of 10m (X) by 10m (Y) by 2m (Z).

Drillhole collar survey has utilised DGPS surveying at all Deposits.

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.

Densities have been assigned from a combination of down hole geophysical and physical measurements of diamond core carried out as part of metallurgical analysis. Densities of 2.40 t/m^3 have been assigned for the Surficial Zone, 2.80 t/m^3 for the Supergene, 2.80 t/m^3 for the Phosphorus, 2.90 t/m^3 for the Transition and 3.20 t/m^3 for the Hypogene. 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 4 t/m^3 depending on the iron grade.

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. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

High Grade Hematite Resources reported on Nabeba-Bamegod Permit, Republic of Congo (Nabeba, Nabeba Northwest and Nabeba South Deposits)

The estimated quantity and grade of near-surface, High Grade mineralisation for the Nabeba Resources has been restricted to an area currently covered by drilling on predominately a 100m x 100m pattern (with some closer-spaced drilling on selected north-south lines on the northern ridge). Sundance has completed significant drilling at the main Nabeba Deposit of which approximately 20% has been diamond core and 80% RC (Reverse Circulation) drilling with face-sampling hammers.

Drilling at the smaller Nabeba Northwest and Nabeba South Deposits has been by predominately RC method although two diamond holes were drilled at Nabeba Northwest to ensure similar physical properties and densities applied.

The geological model at the Nabeba Main Deposit is represented by an area approximately 2.5km (east-west) x 3km (north-south). Nabeba Northwest covers a smaller area of approximately 1km x 1km and Nabeba South smaller again at 500m x 500m.

Grade has been estimated by Ordinary Kriging 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, 92% of drill sample results were full XRF analyses from Ultra Trace Laboratories (Perth, Western Australia) and the remaining 8% were Thermo Niton XRF (Fe only) results from the Sundance Site laboratory.

Cut-off grades for the Nabeba deposits have changed since the previous estimation (September, 2011) and now no cutoff grades have been applied. Resultant grades are simply a result of the grades which lie within carefully defined mineralised domain boundaries.

A digital terrain surface (based on recent Lidar and ground surveys) 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.

Drillhole collar survey has utilised DGPS surveying at all Deposits.

A density of 2.65 t/m^3 has been used for the 'Supergene' and 'Transition' domains of High Grade Hematite, with a density of 2.50 t/m^3 for the 'Sub-Grade' and 'Surficial' zones. All density values are based on results from an assessment of physical density measurements of current drill core and on down-hole density determination by Surtron.

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.

Exploration Targets

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.

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 Sundance'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 Sundance's exploration 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, 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 Sundance's most recent annual report and half year report. Sundance 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.

Details of Tenements

The Company, through its subsidiary companies, holds the following exploration/mineral research and mining permits:

Country	Location	Permit Type	Holder
Republic of Cameroon	Mbalam	Exploration Permit Arrete No. 003207 (EP92)	Cam Iron SA (i)
Republic of Congo	Nabeba-Bamegod	Mining Permit Decree No. 2013-45	Congo Iron SA (ii)
Republic of Congo	Ibanga	Research Permit Decree No. 2013-405	Congo Iron SA (ii)

(i) Cam Iron SA holds 100% interest; Cam Iron SA is a 90%-owned subsidiary of Sundance Resources Ltd.
(ii) Congo Iron SA holds 100% interest; Congo Iron SA is an 85%-owned subsidiary of Sundance Resources Ltd.
(iii) Under the concluded Key Terms the Cameroon Government has a right to a 10% free carry interest in the Project companies pursuant to the Cameroon Mining Code and an additional 5% interest where the equity requirements can be loaned to the State and then repaid with interest out of dividends.
(iv) Congo Government has a right to a 10% interest in Congo Iron SA pursuant to the Congo Mining Code.
(v) Should both Governments exercise rights for interest in Cam Iron SA and Congo Iron SA, then Sundance's interests would reduce to 76.5% in each company

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2014 FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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The directors present their report together with the financial report on the Sundance Consolidated Group, consisting of Sundance Resources Ltd ("the Company") and the entities that it controlled during the financial year ended 30 June 2014 ('Sundance' or 'the Group'), for the financial year ended 30 June 2014 and the auditor's report thereon. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

1. Directors

The directors of the Company at any time during or since the end of the financial year were:

Name & Qualifications	Age	Experience and Special Responsibilities	Other Directorships held in listed companies during the previous 3 years
Mr George F Jones AM CitWA B.Bus, FCIS, FAICD Chairman (Non-Executive)	69	Mr Jones has more than 35 years' experience in the mining, banking and finance industries and has been a Director of a number of private and publicly-listed companies. Mr George Jones has been involved with the Company for a number of years and has a comprehensive understanding of the Company and its assets. Director since 2 July 2010	Current Directorships: Nil Directorship Ceased within the past three years: Gindalbie Metals Limited
Mr Wallace (Wal) King AO BE , MEngSc, Hon DSc, Hon FIE Aust, CPEng, FAICD, FAIM , FAIB , FTSE Non-Executive Director, Deputy Chairman	70	Mr King has extensive experience having worked in the construction industry for over 40 years and was Chief Executive Officer of Leighton Holdings Limited, a company with substantial operations in Australia, Asia and the Middle East, from 1987 until his retirement on 31 December 2010. Director since 30 May 2014	Current Directorships: Coca-Cola Amatil Ltd Ausdrill Ltd Asia Resources Minerals plc Directorship Ceased within the past three years: Nil
Mr Giulio Casello B.Eng, ME Mgt Managing Director & Chief Executive Officer	55	Mr Casello is a highly experienced executive with national and global exposure in manufacturing environments for blue chip organisations. Backed by 30 years of experience, he has a track record of success with operations, business development and corporate strategy. He has previously worked at Sinosteel Midwest as Chief Operating Officer, Century Aluminium Company in the United States of America where as Senior Vice President Business Development he was responsible for developing and implementing a growth plan in aluminium, alumina and critical raw material and managing new projects across the globe. He has also held a number of significant positions in Alcoa including Director of WA Operations, General Manager of Alcoa's World Chemicals and Location Manager of the Kwinana Alumina Refinery. Director since 8 November 2010	Current Directorships: Nil Directorship Ceased within the past three years: Nil

Name & Qualifications	Age	Experience and Special Responsibilities	Other Directorships held in listed companies during the previous 3 years
Mr Michael Blakiston B.Juris LLB Non-executive director	56	Mr Blakiston is a solicitor with substantial legal experience in the resources sector. He is a partner of the corporate and resource law firm, Gilbert + Tobin and has over 30 years' experience. Mr Blakiston holds Bachelor of Jurisprudence and Bachelor of Law degrees from the University of Western Australia. Mr Blakiston has extensive commercial experience both in advisory and directorial capacities having been involved in project assessment, structuring and financing, joint ventures and strategic alliances in the resource industry. Gilbert + Tobin are currently engaged by Sundance Resources to provide ongoing legal advice. Director since 2 July 2010	Current Directorships: Nil Directorship Ceased within the past three years: Aurora Oil and Gas Limited Rox Resources Limited Vulcan Resources Limited Platinum Australia Limited Axiom Properties Limited
Mr Barry Eldridge B.Sc, BE Non-executive director	68	Mr Eldridge has over 40 years' experience as a geologist and mining engineer in the resource industry both in Australia and overseas. Following a 20 year career in the coal industry in Queensland and New South Wales, Mr Eldridge moved to Western Australia in 1988 where he has been involved in a number of management roles in the mining industry. Most notable of these have been Project Manager for the Super Pit in Kalgoorlie, Project Manager for the development of the Kanowna Belle gold mine, Managing Director of Forrestania Gold NL, Project Director for Rio Tinto's West Angelas iron ore development, Director – Major Projects for North Ltd, Managing Director of Griffin Coal Pty Ltd, Managing Director, Chief Executive Officer of Portman Ltd and Chairman of SNC-Lavalin Australia Pty Ltd. Director since 2 July 2010	Current Directorships: Nil Directorship Ceased within the past three years: Cliffs Natural Resources Inc. Minera Gold Limited (formerly Mundo Minerals Limited)

1. Directors (continued)

Name & Qualifications	Age	Experience and Special Responsibilities	Other Directorships held in listed companies during the previous 3 years
Ms Fiona Harris B.Com, FCA, FAICD Non-Executive Director	53	Ms Harris has extensive experience as a Non-Executive Director over the past 19 years including with iron ore companies, other companies in the energy and natural resource sector, and companies with overseas operations. She has significant experience in mergers, acquisitions and other corporate activity. Ms Harris was previously a member of the Australian Institute of Company Directors (AICD) National Board and a Western Australian State President. Ms Harris is a former partner of KPMG Chartered Accountants, specialising in financial services and superannuation, capital raising, due diligence, initial public offerings, capital structuring of transactions and litigation support. Director since 12 July 2010	**Current Directorships:** BWP Trust Infigen Energy Limited Group Oil Search Limited **Directorship Ceased within the past three years:** Aurora Oil & Gas Limited Altona Mining Limited Territory Resources Limited
Mr Andrew (Robin) Marshall MAICD, I Eng (UK) Non-Executive Director	67	Mr Marshall is an experienced mining executive with an impressive track record of international experience in positions with several global mining groups including Project Director for Vale Inco at its world-class Goro Nickel Project, Vice-President – Asset Development Projects for BHP Billiton Iron Ore, Project manager for North Limited, Project Director with Iron Ore Company of Canada, Manager Project for Forrestania and Project services for Western Mining Corporation and Nedpac (Signet Engineering). Mr Marshall has also spent a number of years in Africa in senior positions in both project and operational areas. Director since 14 October 2010	**Current Directorships:** Gindalbie Metals Limited **Directorship Ceased within the past three years:** Nil
Mr David Southam B.Com, CPA Non-Executive Director	42	Mr Southam is a Certified Practicing Accountant with more than 20 years' experience in accounting, banking and finance across the resources and industrial sectors. He is currently an Executive Director of listed nickel miner, Western Areas Ltd and has previously been the Chief Financial Officer of Gindalbie Metals Ltd and a Director of Karara Mining Ltd. Mr Southam was responsible for completing one of Australia's largest project financing transactions for 2010 and in securing life of mine off take contracts with consortiums out of China. Mr Southam also spent almost six years with Brambles Industries Limited in a number of finance executive roles, including Chief Financial Officer of Cleanaway Industrial. Director since 11 September 2013	**Current Directorships:** Western Areas Limited **Directorship Ceased within the past three years:** Padbury Mining Limited

2. Company Secretary

Carol Marinkovich joined Sundance as Assistant Company Secretary on 1 July 2010 and was appointed Company Secretary on 1 January 2014, following the resignation of Brian Conrick effective 31 December 2013. Mrs Marinkovich has extensive corporate experience working with listed and unlisted mining companies both within Australia and internationally and is a member of Governance Institute of Australia and an associate of the Institute of Chartered Secretaries and Administrators.

3. Principal Activities

The principal activities of the Group during the year were the continued evaluation and de-risking of its Mbalam-Nabeba Iron Ore Project ('the Project') in the Republic of Cameroon ('Cameroon') and the Republic of Congo ('Congo'), and the evaluation of various development scenarios for the Project.

There were no significant changes in the nature of the principal activities during the financial year.

4. Results

The operating loss after tax of the Group for the financial year was $32,941,511 (2013: $31,641,559).

5. Review of Operations

Operations

Sundance Resources Limited ('Sundance') holds a majority interest in subsidiaries Cam Iron SA ('Cam Iron') and Congo Iron SA ('Congo Iron') whose principal asset is the Mbalam-Nabeba Iron Ore Project ('the Project'), which straddles the border of Cameroon and Congo in Central Africa. It is comprised of Exploration Permit 92 ('EP92') held by Cam Iron located in the East Province of Cameroon and Mining Permit Nabeba-Bamegod ('Nabeba') and Exploration Permit Ibanga ('Ibanga') in the Sangha Province of the Congo held by Congo Iron.

The Project will see:

- the development of mines at both deposits in Cameroon and Congo;
- the construction of a 510 kilometre rail line dedicated to the transport of iron ore through Cameroon;
- construction of a 70 kilometre rail spur line connecting the Nabeba mine in Congo; and
- the building of a dedicated deep water port terminal at Lolabe in Cameroon, designed to be capable of taking bulk iron ore carriers of up to 300,000 DWT.

This will support the production of 35Mtpa of high grade hematite for the first 10 to 12 years and then 35Mtpa of a high quality concentrate for at least a further 15 years.

Following the completion of the Definitive Feasibility Study ('DFS') which was released in 2011, Sundance's focus shifted to the development of the Project. Sundance has continued to commercialise the Mbalam-Nabeba Iron Ore Project by rapidly achieving a number of milestones over the last twelve months. Each milestone de-risks the Project and strengthens the Company's position as it seeks to secure financing and commence construction.

Additional information as to the progress made in each of these areas is provided below:

Port and Rail Infrastructure EPC

At a signing ceremony in Yaoundé, Cameroon, on 5 June 2014, international engineering and construction company Mota Engil Africa and Sundance signed the binding and bankable Engineering, Procurement and Construction (EPC) contract to build the port and rail infrastructure for the Project. A second EPC contract for the construction of the spur line portion of the railway to be built in the Congo was also signed on 18 June 2014.

Mota Engil Africa's role includes detailed design, construction, testing and commissioning of the following:

- 510km railway from the Mbarga Mine in Cameroon to the Mineral Terminal Facility at Lolabe on the west coast of Cameroon;
- 70km rail spur line from the Nabeba Mine in the Congo to the Cameroon railway;
- 35Mtpa deep water Mineral Terminal Facility, including stock yards, capable of loading 'China max' vessels; and
- Procurement of all railway rolling stock and operating equipment and the materials handling equipment at the Mineral Terminal Facility.

Key terms of the contract for the port and rail EPC contract are:

- Construction period from Financial Close of 3.5 years;
- Contract value of US$3.5 billion;

5. Review of Operations (continued)

- Standard internationally recognised and accepted contract terms based on FIDIC Yellow Book;
- The Contractor must meet and comply with the Equator Principles;
- Performance obligation consists of throughput guarantees for system to produce, transport and ship 35Mtpa;
- Performance Bond and Performance Damages if the system does not achieve the required throughput; and
- International standards and specifications and nominated Australian Standards.

The Mota Engil Group is a multidisciplinary Portuguese construction company with an international presence that spans 21 countries. It established its African operations in Angola in 1946. Mota-Engil Africa, which is a subsidiary of Mota-Engil SGPS, is currently building a 245km railway in Malawi that is part of the Nacala Corridor, a facility for transporting mining products from the Moatize coal mine in Mozambique that is operated by Brazilian mining group Vale.

Mine Plant and Associated Infrastructure EPC

During the reporting period Sundance also completed the mine plant and associated infrastructure EPC tender process. Initial responses from the market were favourable and this resulted in the identification of a select group of international companies who have expressed interest in tendering. Importantly Sundance believes these parties have demonstrated the key skills and expertise required to successfully undertake these works.

Competitive tenders were received from three bidders for the execution of a Front End Engineering Design (FEED) study together with indicative pricing for an EPC contract for the delivery of the mine plant and associated site infrastructure in April 2014. The quality of the submissions was of a high standard and the Company anticipates that a contract for the execution of the FEED study will be awarded in late 2014 leading to the award of an EPC contract in 2015.

Financial Advisor and Lead Debt Arranger

In June 2014, Sundance announced the appointment of Standard Bank, Africa's largest bank by assets and earnings, to be the Company's exclusive debt financial advisor and non-exclusive lead debt arranger with respect to project-level funding.

Standard Bank indicated they plan to use their balance sheet to support the debt raising that will be required for the Project. Standard Bank's proposed tiered funding plan for debt financing includes involvement from export credit agencies, development finance institutions and commercial banks.

Discussions with a wide variety of potential funding partners have been undertaken with several expressions of interest being received. In addition, expressions of interest have also been received from insurance agencies who will provide protection for the commercial banking tranche. The result of these discussions is that Sundance is confident there is considerable support for the Mbalam-Nabeba Iron Ore Project from the above-mentioned institutions, including Western and Chinese providers of project equity and debt capital.

The following sources of project equity funding are being considered:

- Partial mine equity sale;
- Partial port and/or rail equity sale;
- Total infrastructure sale; and
- Strategic investment.

Off-take

On 25 March 2014, Sundance subsidiaries Cam Iron and Congo Iron signed a binding long-term off-take contract with leading global commodities trader Noble Resources International ('Noble'). The contract stipulates that Noble must buy all product produced by Mbalam Nabeba for the first 10 years of operation, minus any product that may be allocated to project equity participants. Sales will be based on international standard pricing benchmark (Platts IODEX 62% Fe CFR China less freight costs) Free on Board (FOB) Lolabe Cameroon. In the event that Cam Iron and Congo Iron need to sell a portion of their production to a third party in order to attract an equity investor into the Project, the off-take agreement includes a claw-back clause which will enable project equity participants to buy up to 50 per cent of the production. There are no costs to Cam Iron or Congo Iron for this claw back.

The term of the off take agreement is for the first 10 years of production and although the Company aims to produce 35 million tonnes per annum, there is no liability for either Cam Iron or Congo Iron if that level of production is not achieved. The basis for how ships are nominated, received into port, loaded and dispatched is in accordance with industry practice.

Sundance expects this contract will help facilitate completion of debt funding for the construction of the port, rail and mines.

Government Relations – Republic of Congo

On 24 July 2014, the Congo Government signed the Nabeba Mining Convention ('the Nabeba Convention'). The Convention was agreed and signed at a ceremony in the country's capital city of Brazzaville with representatives of Sundance, Congo Iron and the Government.

Signing of the Nabeba Convention follows the issuing of the Nabeba Mining Permit which was approved by the Ministerial Council for the Congo on 28 December 2012. A Presidential Decree confirming the grant of the mining permit was issued to Congo Iron on 6 February 2013.

The Nabeba Convention outlines the fiscal and legal terms and the conditions to be satisfied by Congo Iron for the development and management of the Nabeba Iron Ore Project.

The key terms of the Nabeba Convention are:

- 25-year operating license effective from the publication of the Mining Permit Decree and renewable for successive terms of up to 15 years, depending on remaining reserves.
- A mining royalty equal to 3% of the mine gate value of the ore extracted from the mines in the Mining Permit.
- 5-year corporate tax holiday following start of production. Corporate tax will then be levied at a rate of 7.5% for 5 years and 15% thereafter.
- The State will take a 10% stake in Congo Iron, which will be non-dilutory during the term of the Nabeba Convention.
- There will be no fees, levies or taxes charged in respect to the export of iron ore. There will be exemptions from import duties and taxes on plant and equipment imported temporarily for project construction and limited import duties and taxes on other mining equipment and consumables throughout the production phase.
- Congo Iron will make annual contributions to a fund established as an association or non-profit foundation whose purpose is to promote the economic, social and cultural development of local communities that are impacted by the mining operations.

Government Relations - Cameroon

Sundance's subsidiary Cam Iron and the Government of Cameroon agreed to review the terms of the Mbalam Convention and signed the Rail Agreement and Mineral Terminal Agreement for the rail and port infrastructure servicing the Mbalam-Nabeba Iron Ore Project at a signing ceremony in Cameroon on 5 June 2014.

The purpose of both agreements is to regulate the rights and obligations of Cam Iron and the Government of Cameroon in relation to the ownership, construction, operation and regulation 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 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.

This follows the signing of the Mbalam Convention in November 2012 which outlined the fiscal and legal terms and the conditions to be satisfied by Cam Iron for the development and management of the Project.

The Government of Cameroon continues to express its support for Sundance which should lead in due course to the granting of the Mbalam Mining Permit following the fulfilment of a number of conditions and the endorsement of the Mbalam Convention by the Cameroon National Assembly.

Financial Position

Cash and cash equivalents decreased during the financial year to $14.4 million at 30 June 2014 from $19.6 million at 30 June 2013.

The consolidated statement of cash flows indicates that expenditure continues to be directed towards exploration and development activities on the Project of $23.0 million (2013: $25.5 million) and payments to suppliers and employees $20.0 million (2013: $21.1 million).

The financial position of the Group as at 30 June 2014 remains positive. Net assets of the Group amounted to $234.3 million (30 June 2013: $242.3 million). Mine development assets increased to $253.8 million (30 June 2013: $225.0 million) of which $5.8 million is as a result of the movement in the exchange rate.

The total loss for the period amounted to $32.9 million for the year ended 30 June 2014 (2013: loss $31.6 million); of this total loss, $8.9 million related to non-cash convertible note financing charges (2013: Nil).

5. Review of Operations (continued)

Total comprehensive loss amounted to $22.8 million (2013: income $10.9 million) for the year ended 30 June 2014, which includes an exchange gain on translation of foreign operations. This gain amounted to $10.2 million (2013: gain $42.6 million) and is due to a movement in the Central African CFA francs against the Australian Dollar from 461:1 at 30 June 2013 to 454:1 at 30 June 2014.

The Group has reviewed the timing of all discretionary expenditures, including exploration and development costs, and wherever necessary these costs have been minimised or deferred to match the Group's cash flow forecast. A number of cost saving initiatives have been undertaken in an effort to maintain prudent management of existing funds with a view to conserve cash while the Group completes its project development negotiations.

Material Business Risks

The material business risks faced by Sundance that are likely to have an effect on the prospects of the Group are considered below:

- Working Capital Funding – At 30 June 2014, Sundance held cash of $14.4 million. Sundance is not currently in a position to generate income from operations and as such is reliant upon the equity and/or debt markets for additional working capital funding. An amount of $40 million has been raised for working capital purposes subsequent to 30 June 2014. The Directors believe that at the date of signing these financial statements there are reasonable grounds to believe that the Group will have sufficient funds to meet its obligations as and when they fall due.
- Project Funding – Sundance will need to raise further capital and/or debt financing in order to advance the development of the Project. The success and the pricing of any such capital raising and/or debt financing will be dependent upon the prevailing conditions at that time. Failure to secure appropriate funding for the development of the Project will result in a delay or inability to develop the Project or will potentially result in the loss of the Project.
- Foreign Jurisdiction – Sundance's operations in Cameroon and Congo, in Central Africa, are exposed to various levels of political, economic and other risks and uncertainties associated with operating in foreign jurisdictions. These risks and uncertainties include, but are not limited to: currency exchange rates; high rates of inflation; labour unrest; tropical diseases; acts of terrorism; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchange; changing political conditions; and currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.
- Commodity Price – The price of iron ore fluctuates widely and is affected by numerous factors beyond Sundance's control such as supply and demand; and changes in global economies. The decision to develop the Project, and the returns to be achieved from it, are dependent upon the future price of iron ore.
- Political – Changes, if any, in mining or investment policies or shifts in political attitude in Cameroon and Congo or elsewhere may adversely affect Sundance operations. Operations may be affected in varying degrees by government regulations with respect to, but not limited to: restrictions on production; pricing controls; export controls; currency remittance; income taxes; foreign investment; maintenance of claims; environmental legislation; land use; land claims of local people; water use; mine safety and government and local participation. Failure to comply strictly with applicable laws, regulation and local practices relating to mineral tenure and development could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted.
- Resource/Reserve estimates - The resources and reserve estimates are expressions of judgements based on knowledge, experience and industry practice. These estimates are currently considered appropriate and have been made in accordance with Joint Ore Reserves Committee ('JORC') requirements, however, they may change significantly when additional data becomes available or economic assumptions change.
- Production and other operational risks – Future operations will be subject to a number of factors that can cause material delays or changes in operating costs for varying lengths of time. These factors include weather conditions and natural disasters, disruption to supply, unexpected technical problems, unanticipated geological conditions, equipment failures, personnel issues, or disruptions of rail and ship loading facilities.
- Litigation – Sundance may be exposed to risks of litigation which may have a material adverse effect on the financial position of the Group. The litigation matters considered significant to Sundance's business are as disclosed in the Consolidated Financial Statements.

- Mbalam Convention –The Government of Cameroon has extended the date to complete the conditions precedent to the Mbalam Convention to at least 30 June 2015. Failure to achieve the conditions precedent prior to that date will, if no further extension is granted, result in the cessation of the Mbalam Convention which may be considered an event of default as defined in the various convertible note deeds in place.

Business strategies and prospects for future financial years

Sundance's business strategy is focussed on the development of the Mbalam-Nabeba Iron Ore Project; including the development of a port, rail, mine plants and associated infrastructure via EPC contracts which are supported by debt funding from Export Credit Agencies (ECAs), Development Finance Institutions (DFIs) and Commercial Banks. This approach allows for alternative equity structures in the infrastructure and mine plants, with the potential for different parties and ownership structures in both areas. This strategy is underpinned by a secure offtake contract which allows for potential equity participants to get offtake ownership if required.

To support this strategy Sundance will:

- Maintain business relations and protection of key assets in Cameroon and Congo;
- Retain key staff who are integral to the development of the Project and relationships in country; and
- Prudently control cash flow and continuously look for cost reductions.

The achievements of the past mean that many of the prerequisites required to obtain project funding, proceed to project development and to construction are largely in place.

6. Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the Directors at the directors' meetings and of members at the meetings of the committees of the Company during the financial year were:

Director	Directors' Meetings C		Audit & Risk Management Committee Meetings		Nomination & Remuneration Committee Meetings		Project Oversight Committee Meetings	
	A	B	A	B	A	B	A	B
Mr G Jones	**10**	10	-	-	-	-	-	-
Mr G Casello	10	10	-	-	-	-	8	9
Mr W King (i)	-	-	-	-	-	-	-	-
Mr M Blakiston	9	10	2	3	-	-	-	-
Mr B Eldridge (ii)	9	10	2	3	3	4	7	9
Ms F Harris	9	10	3	3	4	4	-	-
Mr A Marshall	10	10	-	-	4	4	9	9
Mr D Southam (iii)	8	8	1	1	-	-	-	-

(i) Mr King was appointed on 30 May 2014;
(ii) Mr Eldridge resigned as the Chair of the Nomination & Remuneration Committee effective from 2 July 2014. Mr King was appointed Chair of this committee also effective from 2 July 2014; and
(iii) Mr Southam was appointed on 11 September 2013.

A - Number of meetings attended
B - Number of meetings held while the director held office

Bolding of the number of meetings attended denotes the Chairman of the Board or Board Committee.
In addition to the above meetings, a number of matters were dealt with by way of circular resolution during the year.

7. State of Affairs

The following significant changes in the state of affairs of the Group occurred during the financial year.

- On 22 October 2013, Sundance announced it had signed legally binding agreements to raise A$40 million through the issue of convertible notes and options to Noble Resources International Pte Ltd ('Noble') and an investor consortium of Blackstone Alternative Solutions, L.L.C., the D. E. Shaw Group and Senrigan Capital ('Investor Consortium'). These funds were received in November 2013.

Other than the above, there was no significant change in the state of affairs of the Group during the financial year.

8. Likely Developments

The Group will continue iron ore exploration and to explore and evaluate development alternatives for the Project in Cameroon and Congo as discussed in section 5 Review of Operations.

9. Environmental Regulation

The Group's operations are subject to environmental regulations under Cameroon and Congo legislation.

Cam Iron received environmental approval to progress the Project on 25 June 2010 with the receipt of a Certificate of Conformity from the Ministry of Environment and Nature Protection ('MINEP'). This approval was unconditional but upgrades to the Environmental and Social Assessment ('ESA') documentation were required to be completed prior to the commencement of operations. The ESA has been assessed by the Cameroon Government and Certificate of Environmental Conformity has been re-issued to Cam Iron on 5 August 2014.

The baseline study programme for Congo Iron's Nabeba Permit ESA was conducted in early 2011. The ESA documentation was first submitted on 24 January 2012 to the Ministry for Sustainable Development, Forest Economy and the Environment ('MDDEFE') and presented to the public. The ESA was reviewed by the MDDEFE and additional amendments to the ESA were requested. The revised ESA was re-submitted on 15 May 2012 and was then followed up with a project site visit from members of the MDDEFE on 10 June 2012. On 13 August 2012 a letter from the Chairman of the Inter-Ministerial Commission was received stating that the working group is satisfied with the amended terms of reference and the ESA has been accepted in its final form. The Certificate of Environmental Conformity was received from the Minister of the Environment in September 2012 and reissued in June 2013.

10. Dividends

In respect of the year ended 30 June 2014, no dividends have been paid or proposed (2013: nil).

11. Events Subsequent to Reporting Date

Since the end of the financial year, Sundance has:

- On 24 July 2014 the Congo Government signed the Nabeba Mining Convention. This follows the issuing of the Nabeba Mining Permit which was approved by the Ministerial Council for the Congo on 28 December 2012. The Convention outlines the fiscal and legal terms and the conditions to be satisfied by Sundance subsidiary Congo Iron for the development and management of the Nabeba Iron Ore Project.
- On 3 September 2014 the Company announced that it had secured a A$40 million investment into the Company through a subscription for convertible notes and options by Wafin Limited ("Wafin"). These funds were received on 22 September 2014. The key terms of the agreement with Wafin are as follows:
    - Wafin will invest A$40 million via three-year zero coupon unsecured convertible notes with a conversion price of 10 cents. If not converted into Sundance shares, these notes are redeemable at maturity for 130% of face value. On 23 September 2014 Sundance issued 400,000 convertible notes to Wafin with an issue price of $100 per convertible note, maturing 36 months from the date of issue (23 September 2017).
    - Wafin will also receive options over 260 million ordinary shares with an exercise price of 12 cents, which expire on the earlier of 60 months from issue, 20 business days after the project's Financial Close or a Change of Control Event. 210 million of these Options are subject to shareholder approval. On 23 September 2014 Sundance issued 50 million options over ordinary shares to Wafin.
- On 3 September 2014 the Company agreed, subject to ASX and any other regulatory and shareholder approvals, with the Investor Consortium to replace the existing A$20 million convertible notes held by the Investor Consortium, which mature in November 2015, with new A$22 million two-year convertible notes expiring November 2016. The options issued to the Investor Consortium in November 2013 are proposed to be replaced with new options in the Company.
- On 15 September 2014 the Company announced that Mr George Jones will retire as the Company's Chairman at the conclusion of the Annual General Meeting on 27 November 2014. Mr Jones will be succeeded as Sundance Chairman by Mr Wal King.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

12. Remuneration Report

The remuneration report, which forms part of the Directors' report, sets out information about the remuneration of Key Management Personnel ('KMP') of the Company for the financial year ended 30 June 2014.

Contents

Section		What it covers
12.1	Nomination & Remuneration Committee	The Nomination and Remuneration Committee, composition and activities
12.2	Key Management Personnel (KMP) details	Shows the individuals comprising the Key Management (KMP) Personnel
12.3	Remuneration Policy	Describes the key principles that underpin the Company's remuneration strategy and how the outcomes for KMP are determined, including the use of external remuneration consultants
12.4	Relationship between Remuneration Policy and Company Performance	Describes the structure of at risk remuneration (Short and Long Term Incentive plans) and explains how it relates to Company performance
12.5	Remuneration of KMP	Details total remuneration for KMP in 2014 and 2013, calculated pursuant to legislative and accounting requirements
12.6	Short Term Incentive ('STI') Payments	Outlines the Key Performance Indicators ('KPI'), assessment process and outcomes of the 2013 STI payments
12.7	Long Term Incentives ('LTI') and Share Based Payments	Outlines the terms, performance conditions, assessment, valuations of grants and KMP interests in LTI Plans and other share based payments
12.8	Key terms of KMP agreements	Summarises key service contract terms
12.9	KMP Share Holdings	Lists the fully paid ordinary share holdings and net changes in those holdings through the period

12.1 Nomination and Remuneration Committee, Composition and Activities

The Nomination and Remuneration Committee ('NRC') has been set up to assist the Board in nomination and remuneration related matters. The members of the NRC throughout the year were:

- Mr Barry Eldridge (Chairman);
- Ms Fiona Harris; and
- Mr Andrew (Robin) Marshall.

Subsequent to year end, Mr Wal King was appointed NRC Chairman, Mr David Southam was appointed to the NRC and Mr Barry Eldridge resigned from the NRC.

The NRC operates under a Board-approved charter. This includes responsibility for reviewing and reporting to the Board on Executive remuneration policy and practices such as remuneration levels and incentive plans. It also includes recruitment, retention, performance management, succession planning and termination policies and managing Board nomination, including determining candidate criteria and addressing skills and experience requirements for Board position vacancies.

A copy of the charter is available under the Corporate Governance section of the Sundance website.

The annual review of the remuneration policy aims to ensure the remuneration framework successfully supports the future needs of the Company and its stakeholders.

The fundamental objectives of the remuneration policy and practises are to attract and motivate executives to perform in the best interests of the Company and its stakeholders.

Following the termination of the Scheme Implementation Agreement during 2013, retention of key staff was a high priority. The Board acknowledged it was a critical period in which to ensure the protection of Intellectual Property and maintaining existing relationships within regulatory environments. The NRC believes that this has been achieved without compromise to the prudent cash management of the Company.

Performance indicators linked to at risk remuneration elements of executives' pay have centred on funding arrangements, project progress, government approvals and share price performance.

12. Remuneration Report (continued)

12.1 Nomination and Remuneration Committee, composition and activities (continued)

The NRC is mindful of the position of the Company and regularly reviews policies and practices to ensure the Company continues to have the most appropriate remuneration systems in place to support our vision to become a leading global iron ore producer.

Significant matters to note for the 2014 Financial Year remuneration are:

- There were no remuneration increases for executive KMP over the reporting period;
- The CEO elected to forgo any Short Term Incentive (STI) award for the 2013 calendar year;
- 2013 calendar year STI payments were made to eligible staff in ordinary shares;
- There were no increases to Non-Executive Director fees in this reporting period, and there have been no fee increases for any Non-Executive Directors during their respective tenures; and
- There were no share based remuneration grants to Directors in the reporting period.

12.2 Key Management Personnel ('KMP') details

The following persons acted as KMP of the Company during and since the end of the reporting period:

Non-Executive Directors

George Jones	Chairman
Wal King	Deputy Chairman (appointed 30 May 2014)
Michael Blakiston	Director
Barry Eldridge	Director
Fiona Harris	Director
Andrew (Robin) Marshall	Director
David Southam	Director (appointed 11 September 2013)

Executive Director

Giulio Casello	Managing Director & Chief Executive Officer ('MD/CEO')

Other KMP

Robin Longley	General Manager – Geology
David Meehan	Chief Operating Officer & Project Director
Alan Rule	Chief Financial Officer (commenced 1 July 2014)

After his resignation as CFO on 17 May 2013, Peter Canterbury provided some assistance in the form of consultancy services up to November 2013.

There was no remuneration payment made to Mr Rule in the reporting period.

With the exception of Mr Longley, who is engaged under consultancy arrangements, all executive KMP are employed under contracts of employment on a full time basis.

12.3 Remuneration Policy

The Board has adopted a Remuneration Policy to ensure that its remuneration practices enable the Company to:

- Provide reasonable remuneration to employees for the services they provide to the Company;
- Attract and retain employees with the skills required to effectively manage the operations and growth of the business;
- Motivate employees to perform in the best interests of the Company and its stakeholders;
- Provide an appropriate level of transparency and meet all ASX and ASIC requirements; and
- Ensure a level of equity, consistency and transparency across the Company.

The NRC is responsible for reviewing and making recommendations to the Board on remuneration arrangements within the Company. The NRC assesses the appropriateness of the nature and amount of emoluments of KMP on an annual basis.

The Remuneration Policy can be found on the Company Website and is reviewed annually.

Non-Executive Directors

The overall level of annual Non-Executive Director fees is approved by shareholders in accordance with the requirements of the Company's Constitution and the Corporations Act. The Board decides on actual fees to be received by individual Directors within the quantum approved by shareholders. In accordance with the resolution passed at the Company's annual general meeting on 24 November 2010, the maximum aggregate Directors' fees payable to all of the Company's Non-Executive Directors remains fixed at $1,000,000 per annum (this fee pool includes superannuation entitlements).

In setting the fees, the Board has regard to the rates payable by ASX listed entities of similar size, Director skills and expertise, the circumstances of the Company and the actual and expected workloads of the Directors.

Non-Executive Directors are remunerated by way of fees paid; including fees paid in recognition of acting as Chair on Board committees, superannuation and, in certain circumstances, by way of shareholder approved equity issues. Issues of equity to Non-Executive Directors will only occur where the Board believes it is in the best interests of the Company to do so, in particular where such issues may reduce the amount of cash remuneration otherwise required to be paid to attract the appropriate calibre of Directors, or in recognition of exceptional workload or circumstances.

Employees (including executive KMP)

The Company aims to align remuneration, including executive KMP, with that of other comparable ASX listed entities for roles at all levels of the Company. Remuneration comprises both fixed remuneration and performance based (at risk) remuneration.

The proportion of an employee's total remuneration that is at risk increases with the seniority of the role and with the individual's ability to impact the performance of the Company. At risk elements of total remuneration for KMP may comprise both short term incentives as a reward for achievement of specific objectives during the calendar year and long term incentives that align medium and long term shareholder interests.

Fixed Remuneration (base salary and superannuation)

Fixed remuneration is set having regard to the levels paid in comparable ASX listed entities at the time of recruitment, Company position and performance and the individual's experience or specialist skills and market demand for particular roles. Taking into account these elements, typically the Company will broadly aim to pay between the 50th and 75th percentile of comparable market data. Consideration is given to the overall total remuneration package of the employee when setting the remuneration package.

A review of fixed salary is conducted on an annual basis. Any increases in fixed salary are based on market movements, growth in role, Company position and performance (including capacity to pay), remuneration history and individual performance.

Performance Based (at Risk) Remuneration

In addition to fixed remuneration employees may be entitled to performance based remuneration which is paid to reward achievement of corporate and individual objectives. The level at which performance based remuneration is set is based on independent market surveys and analysis supported by information gathered from a number of consulting organisations about other ASX listed entities of similar size, nature and industry.

12. Remuneration Report (continued)

12.3 Remuneration Policy (continued)

Performance based remuneration is initially determined by assessing performance against the achievement of predetermined KPIs and challenging objectives. The outcomes of the formula calculation are capped as a percentage of the relevant employee's base remuneration, dependant on level of seniority and direct influence on the Company's performance, and are reviewed by the Board to guard against anomalous or inequitable outcomes.

Use of Remuneration Consultants

Where necessary and appropriate, the NRC seeks and considers advice from independent remuneration consultants. Remuneration consultants are engaged by and report directly to the NRC.

During the reporting period the NRC engaged the services of Godfrey Remuneration Group Pty Limited to provide market benchmarking information, advice, and recommendations on remuneration for Non-Executive Directors and the MD/CEO roles. The total fees payable to Godfrey Remuneration Group Pty Limited were $19,000 ex GST. The information was provided in accordance with Section 206M of the Corporations Act 2001, and the NRC has received a declaration from Godfrey Remuneration Group confirming such.

12.4 Relationship between Remuneration Policy and Company Performance

Performance based remuneration aims to align remuneration with the Company's performance and attainment of strategic objectives. Performance based remuneration may comprise both short term (annual) and long term (3-4 year) incentives.

Short Term Incentive ('STI') Plan

The purpose of this plan is to:

- Drive achievement of the stated objectives of Sundance and its subsidiaries;
- Drive a culture of "delivering outputs" as a team and also as an individual;
- Motivate employees to contribute to the best of their capabilities by recognising and rewarding high individual and group contributions towards the organisation's objectives via a mix of individual and corporate objectives, and;
- To attract and retain the right people.

The maximum remuneration opportunity provided by the STI plan is based on a percentage of annual salary and is pre-determined.

The level of STI ultimately paid is determined based on meeting both corporate and individual objectives against the pre-determined KPIs, comprising both financial and non-financial indicators.

The Company assesses the achievement of both Company and individual KPIs on a calendar year basis (January to December). Corporate achievements are assessed by the NRC and submitted for Board approval. Individual performance is determined during the annual performance appraisal process. All these measures are taken into account when determining the amount, if any, to be paid to KMP as a short term incentive. Short term incentives are only used when they support and are consistent with the Company's long term goals.

Corporate objectives for the current 2014 calendar year were drawn from areas which focus on satisfying conditions precedent to facilitate project funding including:

- In Country approvals;
- Offtake agreements;
- Project contracts; and
- Project equity.

We aim to achieve these objectives whilst ensuring health, safety, environment, community and security ('HSECS') performance achieves world class levels. The Board regards the above categories as fundamental to the achievement of the Sundance vision.

Long Term Incentive ('LTI') Plan

The purpose of the LTI plan is to provide an appropriate incentive to eligible persons to deliver the medium and longer term development and success of the Company, and to align the interests of KMP with the interests of shareholders. It also aims at attracting and retaining key employees, including executive KMP.

Long Term Incentives are available by invitation to senior, or specifically targeted, staff and consultants/contractors where there is a clear intention of long term engagement with the Company.

Eligible persons, including KMP, are granted performance rights to a specified dollar value at the beginning of each LTI plan grant period. The remuneration opportunity provided by the LTI plan is based on a percentage of the annual base salary at the time of the grant. Rights are issued at the Volume Weighted Average Price ('VWAP') over the last thirty days leading up to January 1 of any issue year. Under the plan, participants are granted performance rights which only vest if certain performance conditions are met and they are employed by the Company at the measurement date.

Each performance condition is chosen to correlate directly to the Company's medium and longer term interests and success of the Project, the Company, and shareholders' best interests. Performance conditions typically spread over a 4-year period. These performance conditions are then submitted to the Board for consideration and approval.

Performance conditions are set with quantifiable and measurable outcomes, which can then be objectively assessed against supporting information and evidence of achievement. Progress toward, and achievement of, performance conditions is assessed by the MD/CEO and reviewed by the NRC. The Board will then determine the level of achievement for each performance condition, seeking information where needed from the NRC, the Executive Committee, other Managers or sources.

Further detail of awards made under the Long Term Incentive Plan is set out in Section 12.7 of this report.

The 2014 LTI plan performance conditions are derived from the following performance areas:

- Final Investment Decision of the Project or a Board approved takeover;
- Delivery of Total Shareholder Returns ('TSR') in the form of share price increases, over a three or four year period; and
- Increasing the Net Present Value ('NPV') of the Project.

The tables below set out summary information about the Group's earnings and movements in shareholder wealth for the five years to 30 June 2014.

	30 June 2014 $	30 June 2013 $	30 June 2012 $	30 June 2011 $	30 June 2010 $
Revenue	**726,951**	1,771,966	2,539,818	2,888,359	2,530,200
Net loss before tax	**(32,941,511)**	(31,641,559)	(25,308,131)	(21,738,100)	(10,754,551)
Net loss after tax	**(32,941,511)**	(31,641,559)	(25,308,131)	(21,738,100)	(10,754,551)
	$/share	$/share	$/share	$/share	$/share
Share price at start of year	**0.07**	0.35	0.34	0.13	0.16
Share price at end of year	**0.08**	0.07	0.35	0.34	0.13
	cents/share	cents/share	cents/share	cents/share	cents/share
Basic earnings per share	**(1.01)**	(0.95)	(0.79)	(0.74)	(0.40)
Diluted earnings per share	**(1.01)**	(0.95)	(0.79)	(0.73)	(0.40)

Company performance

The Company considers it appropriate to review Company performance in its progress to financial close for the Mbalam-Nabeba Iron Ore Project (the 'Project'). Over the reporting period significant events occurred to that end, including:

- Signing of a bankable off-take contract;
- Signing of an Engineering, Procurement and Construction (EPC) contract with Mota-Engil Africa for the construction of the Project's port and rail infrastructure;
- Receipt of competitive tenders for the Front End Engineering Design (FEED) study and indicative EPC contract pricing for the mine plants and associated infrastructure;
- Signing of Port and Rail Concession Agreements between Cam Iron SA and the Cameroon Government and;
- Appointment of Standard Bank, Africa's largest bank, as the Company's Financial Advisor and non-exclusive Lead Debt Arranger with respect to Project-level funding.

These achievements occurred concurrently with ongoing preliminary site works in both Cameroon and the Congo including a sintering test work program, earthworks at Lolabe, trial mining at Nabeba and bulk materials testing.

12. Remuneration Report (continued)

12.5 Remuneration of KMP

2014 FY	Short-term benefits Salary & fees(i) $	Short-term benefits STI Payment (ii) $	Short-term benefits Other (iii) $	Post-employment benefits Superannuation $	Total cash based remuneration	Share based payments STI(ii) $	Share based payments Performance Rights(iv) $	Share based payments Total Share Based Payments $	Total Remuneration(vi)	% of Compensation for the year consisting of share based payments
Non-executive Directors										
Mr G Jones	222,225	-	6,766	17,775	246,766	-	-	-	246,766	0%
Mr M Blakiston	82,380	-	-	7,620	90,000	-	-	-	90,000	0%
Mr B Eldridge	96,110	-	-	8,890	105,000	-	-	-	105,000	0%
Ms F Harris	96,110	-	-	8,890	105,000	-	-	-	105,000	0%
Mr W King*	9,575	-	-	886	10,461	-	-	-	10,461	0%
Mr A Marshall	96,110	-	-	8,890	105,000	-	-	-	105,000	0%
Mr D Southam*	66,316	-	-	6,134	72,450	-	-	-	72,450	0%
Executive Directors										
Mr G Casello	657,500	-	6,766	25,000	689,266	-	117,997	117,997(v)	807,263	15%
Senior Management										
Mr R Longley	450,000	-	6,766	-	456,766	49,188	177,689	226,877	683,643	33%
Mr D Meehan	638,775	-	106,834	25,000	770,609	66,100	254,550	320,650	1,091,259	29%
	2,415,101	**-**	**127,132**	**109,085**	**2,651,318**	**115,288**	**550,236**	**665,524**	**3,316,842**	

* Part year only
(i) Includes statutory leave for Executive Director and other KMP. Non-Executive Directors do not receive leave entitlements.
(ii) Further detail on STI awards are covered in section 12.6.
(iii) Other includes car parking facilities, accommodation costs for Mr Meehan.
(iv) Performance Rights- Further details of performance right grants are provided in Section 12.7.
(v) Mr Casello's performance rights were those approved by Shareholders on 24 November 2010, all of which are vested at the date of this report.
(vi) No Director or Executive appointed during the current or previous period received a cash payment as part of their consideration for agreeing to hold the position.

2013 FY	Short-term benefits Salary & fees(i) $	STI Payment (ii) $	Other(iii) $	Post-employment benefits Superannuation $	Total cash based remuneration	Share based payments Shares, Options & Performance Rights (iii) $	Total Remuneration(v)	% of Compensation for the year consisting of share based payments
Non-executive Directors								
Mr G Jones	223,530	-	12,888	16,470	252,888	265,133	518,021	51%
Mr M Blakiston	82,569	-	-	7,431	90,000	106,053	196,053	54%
Mr B Eldridge	96,330	-	-	8,670	105,000	106,053	211,053	50%
Ms F Harris	96,330	-	-	8,670	105,000	106,053	211,053	50%
Mr A Marshall	96,330	-	-	8,670	105,000	106,053	211,053	50%
Executive Directors								
Mr G Casello	641,250	128,125	12,888	25,000	807,263	522,965(iv)	1,330,228	39%
Senior Management								
Mr P Canterbury*	411,406	58,327	11,334	29,671	510,738	50,563	561,301	9%
Mr R Longley	450,000	74,475	11,036	-	535,511	143,492	679,003	21%
Mr D Meehan	620,470	96,880	106,256	25,000	848,606	188,257	1,036,863	18%
	2,718,215	357,807	154,402	129,582	3,360,006	1,594,622	4,954,628	

* Part year only
(i) Details of STI payments are provided in section 12.6
(ii) Other:
1. Includes parking for G Jones, G Casello, R Longley for whole FY. Pro Rata parking for P Canterbury
2. Includes accommodation costs and financial services for D Meehan
(iii) Further details of share based payments are provided in Section 12.7
(iv) Mr Casello's performance rights are those approved by Shareholders on 24 November 2010, all of which are vested at the date of this report.
(v) No Director or Executive appointed during the current or previous period received a cash payment as part of their consideration for agreeing to hold the position.

12. Remuneration Report (continued)

12.6 Short Term Incentive ('STI') Payments

2013 Calendar Year STI Payments

Board approved STI payments were made in January 2014 based on the achievement of individual and Corporate KPI's as stated for the 2013 calendar year.

The 2013 Corporate KPI's were derived from the following areas:

- In country Project Approvals;
- Partnerships;
- Asset and tenement maintenance;
- Project activities and progress;
- Health, Safety, Environment, Community and Security; and
- Company cash position

The NRC assessed the extent to which the Corporate KPI's were met for the year in December 2013 and recommended to the Board that an average of 41.9% of the STI awards be granted; resulting in the forfeiture of 58.1% of the potential incentive awards attributed to Corporate KPI's. All 2013 STI payments were made in ordinary fully paid shares, unless indicated otherwise.

The MD/CEO voluntarily decided to forgo his 2013 STI payment.

The MD/CEO along with the NRC reviewed the individual performance of all other KMP.

Details of the payment values and resulting share issues to KMP for the 2013 calendar year STI's are provided below:

2013 Calendar Year (paid in Jan 2014)	Potential Variable Remuneration STI (% of base salary)	Maximum Potential STI $	% of maximum STI paid	Fair Value $	Shares issued #	% of maximum STI forfeited
Mr G Casello(i)	25%	164,375	0%	No payment	No payment	100%
Mr R Longley	20%	90,000	57%	49,188	512,370	43%
Mr D Meehan	20%	129,200	53%	66,100	689,024	47%

(i) Mr Casello voluntarily decided to forgo his 2013 STI payment

2012 Calendar Year STI Payments

Board approved STI payments were made in January 2013 based on the achievement of individual and Corporate KPI's as stated for the 2012 calendar year.

The 2012 Corporate KPI's were derived from the following areas:

- Approvals, which included
    - Congo Mining Permit
    - Congo Convention
    - Cameroon Convention
- Bilateral Agreement;
- Cash Position;
- Project Progress;
- Safety & Compliance;
- Corporate Risk Management; and
- JORC Resources

The NRC assessed the extent to which the Corporate KPI's were met for the year in December 2012 and recommended to the Board that an average of 77.5% of the STI awards be granted; resulting in the forfeiture of 22.5% of the potential incentive payments attributed to Corporate KPI's.

STI payments made to KMP for the 2012 calendar year are provided below:

2012 Calendar Year (paid in Jan 2013)	Potential Variable Remuneration STI (% of base salary)	Maximum Potential STI $	% of maximum STI paid	Fair Value $	% of maximum STI forfeited
Mr G Casello	25%	156,250	82%	128,125	18%
Mr P Canterbury	20%	71,000	82%	58,327	18%
Mr R Longley	20%	90,000	83%	74,475	17%
Mr D Meehan	20%	122,400	79%	96,880	21%

12. Remuneration Report (continued)

12.7 Long Term Incentives and Share Based Payments

The following share based payments have been made to KMP during the 2014 financial year:

- Performance rights granted as part of the LTI plans, pursuant to the Performance Rights Plan;
- Performance rights issued under the 2013 Retention Plan; and
- Shares issued as a result of vesting of Performance rights, pursuant to the PRP

Performance Rights Plan ('PRP')

The Company's Performance Rights Plan ('PRP') was approved by Shareholders at the AGM on 29 November 2013. The PRP can be found in full on the Company website www.sundanceresources.com.au

Under the PRP, Performance Rights may be offered to Eligible Persons as determined by the Board. The Performance Rights are an entitlement to receive ordinary shares in the Company, subject to satisfaction by Eligible Persons of specified criteria set by the Board. The Performance Rights are granted at no cost. Upon vesting of the Performance Rights, shares will automatically be issued or transferred to the participant, unless the Company is in a "Blackout Period" (as defined in the Company's Securities Trading Policy) or the Company determines in good faith that the issue or transfer of shares may breach the insider trading provisions of the Corporations Act or the Securities Trading Policy, in which case the Company will issue or transfer the shares as soon as reasonably practical thereafter.

Long Term Incentives issued to KMP

The fair value of performance rights granted to KMP under the 2014 calendar LTI Plan are as follows:

Name	2014 LTI Plan – Tranche 1 Assessment due 31 Dec 2014		2014 LTI Plan – Tranche 2 Assessment due 31 Dec 2016		2014 LTI Plan -Tranche 3 Assessment Due 31 Dec 2017		Total 2014 LTI Plan	
	No. of Rights	Fair Value	No. of Rights	Fair Value	No. of Rights	Fair Value	No. of Rights	Fair Value
Mr R Longley	720,000	$70,560	900,000	$58,500	180,000	$17,640	1,800,000	$146,700
Mr D Meehan	1,033,600	$100,259	1,292,000	$83,980	258,400	$25,065	2,584,000	$209,304

Long Term Incentive Plan Performance Conditions

The objectives and application of the Long Term Incentive plan is detailed in Section 12.4. The specified Performance Conditions are detailed in the table below:

LTI Plan Grant Year	Tranche No.	% of total grant	Performance Condition	Measure Date	Achieved	Forfeited
2011	1	50%	Securing funding commitment for Stage 1 of the Mbalam Iron Ore Project with a high degree of certainty before 31 December 2011	31 Dec 2011	0%	100%
	2	15%	Increasing JORC high grade hematite resources by 15% by 31 December 2011	31 Dec 2011	100%	0%
	3	25%	Achievement of Total Shareholder Returns (TSR) of 15% per annum (cumulative) over a three year period - to 31 December 2013 or alternatively over a four year period to 31 December 2014	31 Dec 2014	-	-
	4	5%	Achievement of production targets prior to 31 December 2014	31 Dec 2014	-	-
	5	5%	Achievement of budgeted operating costs prior to 31 December 2014	31 Dec 2014	-	-
2012	1	40%	Achievement of funding (equity and debt) commitment for Stage 1 of the Mbalam Iron Ore Project before 31 December 2012	31 Dec 2012	50%	50%
	2	35%	Achieving Total Shareholder Return ('TSR') of 15% per annum cumulative over the three year period from 1 January 2012 to 31 December 2014 or alternatively over the four year period to 31 December 2015	31 Dec 2014	-	-
	3	25%	Achieving an increase in Net Present Value ('NPV') of the Mbalam Iron Ore Project of 10%.	31 Dec 2015	-	-
2013	1	25%	Achieving funding (equity & debt) commitment for Stage 1 of the Mbalam Iron Ore Project	31 Dec 2013	0%	100%
	2	50%	Achieving TSR of 15% per annum cumulative over three year period from 1 January 2013 to 31 December 2015 or alternatively over the four year period to 31 December 2016	31 Dec 2015	-	-
	3	25%	Increasing NPV of the project by 10%	31 Dec 2016	-	
2014	1	40%	Final Investment Decision (FID) approved by Board or Board approved take over completed before 31 December 2014	31 Dec 2014	-	-
	2	50%	Achieving TSR of 15% per annum cumulative over three year period from 1 January 2014 to 31 December 2016 or alternatively over the four year period to 31 December 2017.	31 Dec 2016	-	-
		10%	Increasing NPV of the Project by 15% (prorate award from 10 – 14.9%)	31 Dec 2017	-	-

12. Remuneration Report (continued)

12.7 Long Term Incentives and Share Based Payments (continued)

Retention Plan

A Retention Plan involving the use of performance rights was introduced in August 2013. Performance Rights are issued pursuant to the terms and conditions of the PRP, were reviewed by the NRC and approved by the Board. Any such grant of Performance Rights under the PRP is subject to ongoing employment for specified periods subsequent to achievement of specified conditions

All current executive KMP are participants in the Plan, excluding the MD/CEO.

The introduction of the retention plan was one targeted action aimed at ensuring the Company was able to affordably meet business continuity through the period bridging the Hanlong Scheme Implementation Agreement cancellation and securing project funding, including the retention of critical intellectual property.

The total number of performance rights issued during the year under the Retention Plan is 12,728,318 (2013: Nil).

Retention Plan Performance Conditions

The specified Performance Conditions are detailed in the table below:

Retention Plan Grant Year	Tranche No.	% of total grant	Performance Condition	Measure Date	Achieved	Forfeited
2014	1	50%	Final Investment Decision (FID) approved by Board or Board approved take over completed before 1 November 2016	6 months after Performance Condition satisfied	-	-
	2	50%	Final Investment Decision (FID) approved by Board or Board approved take over completed before 1 November 2016	12 months after Performance Condition satisfied	-	-

Retention Plan performance rights issued to KMP

The fair value of performance rights granted to KMP under the 2014 Retention Plan are as follows:

Name	Total 2014 Retention Plan	
	No. of Rights	Fair Value
Mr R Longley	1,461,060	$160,714
Mr D Meehan	2,097,402	$230,714

The total performance rights held by KMP at the end of the financial year is as follows:

Name	Performance Rights Series	Grant Date (ii)	No. Held at Start of Financial Year	Granted During Financial Year			Vested During Financial Year (vi)			Lapsed During Financial Year			No. Held at End of Financial Year
				No.	Value of rights granted $	Vesting Period (iii,iv,v)	No.	% of Grant Vested	Fair Value of Rights Issued $	No.	% of Grant Lapsed	Fair Value of Rights Lapsed $	
Executive Director													
Mr G Casello	22 December 2010(i)	24/11/2010	2,650,000	-	-	-	2,650,000	33.3%	$241,150	-	-	-	-
Other KMP													
Mr R Longley	2014 LTI Plan(vi)	24/02/2014	-	1,800,000	$146,700	31/12/2017	-	-	-	-	-	-	1,800,000
	2013 Retention Plan	08/11/2013	-	1,461,040	$160,714	01/11/2016	-	-	-	-	-	-	1,461,040
	2013 LTI Plan	11/02/2013	511,654	-	-	-	-	-	-	127,914	25%	$11,512	383,740
	2012 LTI Plan	20/03/2012	298,177	-	-	-	-	-	-	-	-	-	298,177
	2011 LTI Plan	13/10/2011	137,019	-	-	-	-	-	-	-	-	-	137,019
			-				-	-	-	-	-	-	
Mr D Meehan	2014 LTI Plan(vi)	24/02/2014	-	2,584,000	$209,304	31/12/2017	-	-	-	-	-	-	2,584,000
	2013 Retention Plan	08/11/2013	734,508	2,097,402	$230,714	01/11/2016	-	-	-	183,627	25%	$16,526	2,097,402
	2013 LTI Plan	11/02/2013	405,521	-	-	-	-	-	-	-	-	-	550,881
	2012 LTI Plan	20/03/2012	205,529	-	-	-	-	-	-	-	-	-	405,521
	2011 LTI Plan	08/11/2011											205,529

(i) The issue of performance rights to Mr Casello was approved by shareholders at the Company's Annual General Meeting held on 24 November 2010.
a. The Performance Rights vested in three equal tranches of 2,650,000 on each of 3 November 2011, 2012 and 2013.
b. The value of these performance rights at grant date equated to \$0.37 each, for a total value of \$2,941,500.
(ii) The Grant Date is the date at which the Performance Rights were issued following approval by the Board of Sundance. The 2011, 2012, 2013 and 2014 LTI Plan are effective from 1 January 2011, 2012, 2013 and 2014 respectively.
(iii) Upon vesting of the performance rights, shares will automatically be issued to the participant, unless the Company is in a "Blackout Period" (as defined in the Company's Share Trading Policy) or the Company determines in good faith that the issue of shares at that time may breach the insider trading provisions of the Corporations Act, in which case the Company will issue the shares as soon as reasonably practical thereafter.
(iv) Remaining performance rights issued under the 2011 to 2014 LTI Plans vest on the achievement of performance conditions at specified measurement points from to 31 December 2014 to 2017. Details of the LTI Plans and performance conditions are provided in this report.
(v) In the event a takeover bid is declared to be unconditional, a change in control event has occurred or if a merger by way of a scheme of arrangement under the Corporations Act has been approved by the Court the Board will at its discretion determine the extent to which unvested performance rights vest.
(vi) There was no award of the assessed LTI tranches over the reporting period to any participants. Forfeited amounts are shown in the lapsed column of the table

12. Remuneration Report (continued)

12.7 Long Term Incentives and Share Based Payments (continued)

Employee Share Option Plan

An Employee Share Option Plan ('ESOP') has been approved by the shareholders of the Company. A copy of the ESOP is available on the Company website.

Share-based grants were made to Executive KMP in prior financial years pursuant to the ESOP arrangements. All options have expired or were exercised. The Company does not intend to make any future awards under the ESOP.

Share Options

Share-based grants, not made pursuant to the ESOP arrangements, were made to Non-Executive Directors in 2010. These options were approved by shareholders at the Company's AGM held on 24 November 2010. All options have expired and were unexercised.

12.8 Key Terms of KMP Agreements

Remuneration and other terms of employment for the Executives disclosed in this Remuneration Report are contained in contracts of employment or consultancy agreements. The remuneration and other terms are reviewed at least annually and generally relate to a calendar year. As such the current terms are effective January 2014.

Executive	Date of Agreement Commencement	Term of Agreement	Base salary/ fees and Superannuation	Others (i)	Variable Remuneration – STI (% of Base Salary) (ii)	Variable Remuneration - LTI (% of Base Salary) (iii)	Notice of Termination required by the Company (other than dismissal for cause) (iv)&(v)	Notice required on resignation of Executive
Mr G Casello Managing Director & Chief Executive Officer	8/11/2010	Ongoing	$682,500	Car parking	25%	75%(vi)	12 months	3 months
Mr D Meehan Chief Operating Officer / Project Director	1/01/2012	3 years	$663,775	Accommodation Home leave flights	20%	60%	12 weeks	12 weeks
Mr A Rule Chief Financial Officer	1/07/2014	Ongoing	$502,500	Car Parking	20%	60%	24 weeks	12 Weeks
Mr R Longley General Manager - Geology	31/01/2013	2 years	$450,000	Car Parking	20%	40%	8 weeks	8 weeks

(i) The value of benefits to the employee or consultant is determined by the market value of such benefit and is detailed further in Section 12.5.
(ii) Entitlement to Short Term Incentive payment on termination is subject to the terms and conditions of the STI plan.
(iii) Entitlement to Performance Rights is subject to the terms and conditions of the Performance Rights Plan.
(iv) Payment of any termination benefit to Mr Casello is to be made pursuant to section 200 of the Corporations Act 2001
(v) All agreements include provision to make payment in lieu of notice period if deemed appropriate
(vi) Subject to shareholder approval

12.9 KMP Share Holdings

Fully paid ordinary share holdings and net changes through the reporting period, and the previous period are set out below:

FY 2014	Opening Balance	Granted as compensation	Received on the Exercise of Options	Purchases	Closing Balance
Non-Executive Directors					
Mr G Jones	16,062,500	-	-	1,000,000	17,062,500
Mr M Blakiston	-	-	-	-	-
Mr B Eldridge	-	-	-	-	-
Ms F Harris	-	-	-	500,000	500,000
Mr W King	-	-	-	1,200,000	1,200,000
Mr A Marshall	-	-	-	500,000	500,000
Mr D Southam	-	-	-	100,000	100,000
Executive Director					
Mr G Casello	5,300,000	2,650,000	-	-	7,950,000
Other KMP					
Mr R Longley	1,230,116	512,370	-	-	1,742,486
Mr D Meehan	170,170	679,926	-	-	850,096

FY 2013	Opening Balance	Granted as compensation	Received on the Exercise of Options	Net Other Change	Closing Balance
Non-Executive Directors					
Mr G Jones	16,062,500	-	-	-	16,062,500
Mr M Blakiston	-	-	-	-	-
Mr B Eldridge	-	-	-	-	-
Ms F Harris	-	-	-	-	-
Mr A Marshall	-	-	-	-	-
Mr A Marshall	-	-	-	500,000	500,000
Mr D Southam	-	-	-	100,000	100,000
Executive Director					
Mr G Casello	2,650,000	2,650,000	-	-	5,300,000
Other KMP					
Mr R Longley	728,723	99,393	402,000	-	1,230,116
Mr D Meehan	34,996	135,174	-	-	170,170
Mr P Canterbury	627,494	78,410	402,000	(1,107,904)	-

END OF REMUNERATION REPORT

13. Shares Under Option or Issued on Exercise of Options

Unissued shares under option

At the date of this report unissued ordinary shares of the Company under options are:

Issuing Entity	Expiry Date	Exercise Price	Number of Options	Class of Shares
Sundance Resources Ltd	30 January 2015	$0.250	210,338	Ordinary
Sundance Resources Ltd	4 November 2015	$0.100	60,000,000	Ordinary
Sundance Resources Ltd	4 November 2015	$0.100	140,000,000	Ordinary
Sundance Resources Ltd	4 November 2015	$0.120	60,000,000	Ordinary
Sundance Resources Ltd	18 November 2015	$0.120	200,000,000	Ordinary
Sundance Resources Ltd	23 September 2017	$0.120	50,000,000	Ordinary

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or any other body corporate or registered scheme.

Shares issued on exercise of options

During or since the end of the financial year, the Company has not issued ordinary shares as a result of the exercise of options.

14. Directors' Interests

The relevant interest of each Director in the share capital of the Company, as notified by the Directors to the Australian Securities Exchange ('ASX') in accordance with S205G (1) of the Corporations Act 2001, at the date of this report is as disclosed in the Remuneration Report at 12.9 KMP Share Holdings (page 53). The Directors do not hold any options or performance rights over ordinary shares.

15. Indemnifying Officer or Auditor

The Company, during the financial year, in respect of any person who is or has been an officer or auditor of the Company or any related body corporate:

- has not indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor.
- has paid a premium of $63,350 for a policy of insurance to cover legal liability and expenses for the directors and executive officers in the event of any legal action against them arising from their actions as officers of the Company.

The insurance policy does not contain details of the premiums paid in respect of individual officers of the Company.

16. Auditor's Independence Declaration

The auditor's independence declaration has been included on page 56.

In accordance with the Corporations Act 2001 section 307C the Auditors of the Company, Deloitte Touche Tohmatsu have provided a signed auditor's independence declaration to the Directors in relation to the year ended 30 June 2014. This declaration has been attached to the independent audit report to the members of the Company.

Non-audit services were provided to the Company by the Auditors, Deloitte Touche Tohmatsu, details of which are outlined in Note 19 to the financial statements. On the basis of written advice from the Audit & Risk Management Committee, the directors are satisfied that the provision of these non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

17. Corporate Governance Statement

The Company has determined to early adopt the recommendations of the ASX Corporate Governance Council's Principles and Recommendations (Third Edition) in regard to the Corporate Governance Disclosures and provide disclosure of the Company Corporate Governance Statement on the Sundance Website at www.sundanceresources.com.au.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298 (2) of the Corporations Act 2001, in Perth, Western Australia on 30 September 2014.

On behalf of the Directors

G Jones

Mr George Jones
Chairman

AUDITOR'S INDEPENDENCE DECLARATION

FOR THE YEAR ENDED 30 JUNE 2014

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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The Board of Directors
Sundance Resources Limited
Level 3, 24 Outram Street
West Perth WA 6005

30 September 2014

Dear Board Members,

Sundance Resources Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Sundance Resources Limited.

As lead audit partner for the audit of the financial statements of Sundance Resources Limited for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A T Richards

A T Richards
Partner
Chartered Accountants

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2014

The Directors declare that:

(a) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the Directors' opinion the attached financial statements, notes thereto and the additional disclosures included in the Directors' Report designated as audited are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group;

(c) in the Directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as stated in note 1 to the financial statements; and

(d) the Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the Directors made pursuant to s.295 (5) of the Corporations Act 2001.

On behalf of the Directors

Mr George Jones
Chairman
30 September 2014
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 $	2013 $
CONTINUING OPERATIONS			
Other income	3	726,951	1,771,966
Administration expense	4	(2,180,027)	(2,237,628)
Consultants fees expensed		(581,460)	(971,256)
Depreciation and amortisation expense	4	(1,372,262)	(2,345,456)
Employee and director benefits expense	4	(12,984,425)	(17,511,692)
Exchange rate losses		(23,066)	(48,757)
Legal fees		(1,744,880)	(4,382,426)
Listing and registry fees		(274,002)	(429,119)
Occupancy costs		(1,600,590)	(1,460,341)
Professional fees	4	(630,348)	(699,929)
Transport & logistics		(58,240)	(171,604)
Personnel travel expenses		(2,227,480)	(2,175,531)
Finance Charges on Convertible Notes	4	(8,918,727)	-
Other expenses	4	(1,072,955)	(979,786)
Loss from continuing operations before tax		(32,941,511)	(31,641,559)
Income tax expense	10	-	-
LOSS FOR THE PERIOD		(32,941,511)	(31,641,559)
Loss attributable to:			
Owners of the parent		(31,054,378)	(29,216,683)
Non-controlling interests		(1,887,133)	(2,424,876)
NET LOSS ATTRIBUTABLE TO MEMBERS		(32,941,511)	(31,641,559)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		10,161,820	42,564,625
Other comprehensive income for the period		10,161,820	42,564,625
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(22,779,691)	10,923,066
Total comprehensive income attributable to:			
Owners of the parent		(22,022,861)	8,907,596
Non-controlling interests		(756,830)	2,015,470
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS		(22,779,691)	10,923,066
LOSS PER SHARE			
From continuing operations		¢	¢
- Basic (cents per share)	21	(1.01)	(0.95)
- Diluted (cents per share)	21	(1.01)	(0.95)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	6(a)	14,377,685	19,629,458
Trade and other receivables	6(b)	183,201	708,333
Other current assets	7(a)	1,087,034	1,700,674
Inventory	7(b)	1,075,967	1,292,121
Total Current Assets		16,723,887	23,330,586
NON-CURRENT ASSETS			
Inventory	7(b)	2,208,258	2,186,971
Property, plant & equipment	7(c)	2,915,889	3,897,006
Mine development assets	7(d)	253,765,112	224,963,327
Total Non Current Assets		258,889,259	231,047,305
TOTAL ASSETS		275,613,146	254,377,890
CURRENT LIABILITIES			
Borrowings	6(c)	5,294,602	4,793,774
Trade payables and accruals	6(d)	2,521,952	6,538,735
Provisions	7(e)	339,019	564,777
Total Current Liabilities		8,155,573	11,897,286
NON-CURRENT LIABILITIES			
Borrowings	6(c)	32,921,104	-
Provisions	7(e)	260,432	174,424
Total Non-Current Liabilities		33,181,536	174,424
TOTAL LIABILITIES		41,337,109	12,071,710
NET ASSETS		234,276,037	242,306,180
EQUITY			
Issued capital	8	409,071,476	408,971,476
Reserves		39,172,785	15,491,720
Accumulated losses		(206,987,067)	(175,932,689)
Equity attributable to owners of the Company		241,257,194	248,530,507
Non-controlling interests		(6,981,157)	(6,224,327)
TOTAL EQUITY		234,276,037	242,306,180

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2014

	Issued Capital $	Share Transactions with Non-Controlling Interests $	Foreign Currency Translation Reserve $	Issue of Convertible Notes $	Share Based Payments Reserve $	Accumulated Losses $	Attributable to Owners of the Parent $	Non-Controlling Interest $	Total Equity $
At 30 June 2012	402,462,737	(5,600,000)	(33,244,208)	-	19,319,232	(146,716,006)	236,221,755	(8,239,797)	227,981,958
Loss for the year	-	-	-	-	-	(29,216,683)	(29,216,683)	(2,424,876)	(31,641,559)
Foreign Currency Translation	-	-	38,124,279	-	-	-	38,124,279	4,440,346	42,564,625
Total comprehensive income for the year	-	-	38,124,279	-	-	(29,216,683)	8,907,596	2,015,470	10,923,066
Funds from securities issued	1,161,790	-	-	-	-	-	1,161,790	-	1,161,790
Equity raising costs	(113,051)	-	-	-	-	-	(113,051)	-	(113,051)
Share based payments	5,460,000	(5,460,000)	-	-	2,352,417	-	2,352,417	-	2,352,417
At 30 June 2013	408,971,476	(11,060,000)	4,880,071	-	21,671,649	(175,932,689)	248,530,507	(6,224,327)	242,306,180
Loss for the year	-	-	-	-	-	(31,054,378)	(31,054,378)	(1,887,133)	(32,941,511)
Foreign Currency Translation	-	-	9,031,517	-	-	-	9,031,517	1,130,303	10,161,820
Total comprehensive income for the year	-	-	9,031,517	-	-	(31,054,378)	(22,022,861)	(756,830)	(22,779,691)
Funds from securities issued	-	-	-	-	-	-	-	-	-
Equity raising costs	-	-	-	-	-	-	-	-	-
Issue of Convertible Notes	-	-	-	12,700,000	-	-	12,700,000	-	12,700,000
Share based payments	100,000	(100,000)	-	-	2,049,548	-	2,049,548	-	2,049,548
At 30 June 2014	409,071,476	(11,160,000)	13,911,588	12,700,000	23,721,197	(206,987,067)	241,257,194	(6,981,157)	234,276,037

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers & employees		(20,010,791)	(21,099,592)
Interest received		727,478	1,673,938
Interest paid		(1,061,284)	(33,473)
Net Cash Used In Operating Activities	9	(20,344,597)	(19,459,127)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(157,345)	(531,875)
Exploration and development expenditure		(22,960,179)	(25,528,678)
Net Cash Used In Investing Activities		(23,117,524)	(26,060,553)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from equity issues		-	1,161,790
Share issue expenses		-	(113,051)
Proceeds from the issue of Convertible Notes	6(c)	40,000,000	5,000,000
Convertible Note issue expenses		(1,796,795)	-
Net Cash Generated By Financing Activities		38,203,205	6,048,739
Net Decrease in Cash Held		(5,258,916)	(39,470,941)
Cash and cash equivalents at beginning of year		19,629,458	59,070,799
Effect of exchange rates on cash and cash equivalents		7,143	29,600
Cash and cash equivalents at end of Year	6(a)	14,377,685	19,629,458

The accompanying notes form part of these financial statements

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NOTE 1. GENERAL INFORMATION

Sundance Resources Limited A.C.N. 055 719 394 ('the Company') is a public company listed on the Australian Stock Exchange (trading under the symbol 'SDL'), incorporated in Australia and operating in Australia and Africa.

Sundance Resources Limited's registered office and its principal place of business is as follows:

Level 3
24 Outram Street
West Perth WA 6005

The Company's principal activities during the year were the continued evaluation and de-risking of its Mbalam-Nabeba Iron Ore Project ('the Project') in the Republics of Cameroon and Congo in Central Africa, and the evaluation of various development scenarios for the Project. These activities were undertaken through the Company's subsidiary companies Cam Iron S.A. ('Cam Iron') and Congo Iron S.A. ('Congo Iron'), which upon consolidation creates the Consolidated Entity ('the Group').

The financial statements were approved by the Board of Directors ('the Directors') and authorised for issue on the 30 September 2014

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law.

The financial report includes the financial statements of the Group and the separate financial statements of the parent entity (refer note 23). For the purposes of preparing the consolidated financial statements, the Company and the Group are for-profit entities.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS').

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Directors believe that at the date of signing the financial statements there are reasonable grounds to believe that the Company and Group will have sufficient funds to meet their obligations as and when they fall due and are of the opinion that the use of the going concern basis remains appropriate. In arriving at this position, the directors have considered the following pertinent matters and have taken steps to ensure the Company and Group continue as going concerns. These include:

(i) the Company has secured a A$40 million investment into the Company through a subscription for convertible notes and options by Wafin Limited ('Wafin'). These funds were received on 22 September 2014; and

(ii) the Directors have reviewed the quantum and timing of all discretionary expenditures including exploration and development costs and wherever necessary these costs will be minimised or deferred to suit the Group's cash flow forecast or that the funding shortfall can be met through traditional sources of equity or debt funding.

NOTE 1. GENERAL INFORMATION (continued)

Critical accounting estimates

The preparation of financial statements requires management to use certain critical accounting estimates and to exercise their judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to these financial statements are:

- Iron ore reserve estimates;
- Mine development assets;
- Share based payments; and
- Compound instruments.

The accounting estimates and judgements applied to these areas are disclosed in note 24(k)

NOTE 2. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The following significant changes in the state of affairs of the Group occurred during the financial year.

On 22 October 2013, Sundance entered into agreements to raise A$40 million through the issue of convertible notes and options to Noble Resources International Pte Ltd ('Noble') and an investor consortium of Blackstone Alternative Solutions, L.L.C., the D. E. Shaw Group and Senrigan Capital ('Investor Consortium'). These funds were received in November 2013.

Other than the above, there was no significant change in the state of affairs of the Group during the financial year.

NOTE 3. OTHER INCOME

	2014 $	2013 $
Other income from continuing operations		
Interest revenue	726,951	1,556,082
Gain on revaluation of derivative	-	206,226
Other income	-	9,658
TOTAL OTHER INCOME	726,951	1,771,966

NOTE 4. EXPENSES

	2014 $	2013 $
Expenses from continuing operations		
Depreciation and amortisation expense:		
- Depreciation of property, plant & equipment	1,372,262	2,345,456
	1,372,262	2,345,456
Employee and director benefit expense:		
- Share based payment	2,049,548	2,352,417
- Salaries and wages	9,648,101	14,085,024
- Non-Executive Directors Fees	668,825	595,089
- Superannuation	617,951	479,162
	12,984,425	17,511,692
Administration expense:		
- Corporate expenses	583,211	142,951
- General and administration expenses	1,011,711	1,428,736
- IT and communications	585,105	665,941
	2,180,027	2,237,628
Professional fees:		
- Audit, accounting and tax	404,559	405,227
- Public relations	225,789	294,702
	630,348	699,929
Convertible Note Finance		
- Convertible note implied interest charge	8,080,481	-
- Convertible note fair value movement	251,638	-
- Convertible note capitalised borrowing cost amortisation charge	586,608	-
	8,918,727	-
Other expenses:		
- Consumables	111,498	26,211
- Insurance	619,026	589,490
- Motor vehicles	268,809	317,502
- Other interest paid	61,284	33,473
- Other	12,338	13,110
	1,072,955	979,786

NOTE 5. SEGMENT INFORMATION

5.1 Products and services from which reportable segments derive their revenues

AASB 8 Operating Segments ('AASB 8') requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of performance is specifically focused on each project being developed. The only project currently under development is the Mbalam-Nabeba Iron Ore Project ('the Project') which includes iron ore deposits in the Republics of Cameroon and Congo in Central Africa. The unallocated portion relates to head office and corporate activities.

The Group's reportable segment under AASB 8 is therefore the Mbalam-Nabeba Iron Ore Project.

Information regarding this segment is presented below. The accounting policies of the reportable segment are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the financial year.

5.2 Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable operating segment.

	SEGMENT REVENUE		SEGMENT EXPENSE	
	Year Ended		Year Ended	
	30 June 2014 $	30 June 2013 $	30 June 2014 $	30 June 2013 $
Continuing Operations				
- Mbalam-Nabeba Iron Ore Project	-	-	(15,813,746)	(22,480,327)
Total segments	-	-	(15,813,746)	(22,480,327)
Unallocated interest income			726,951	1,556,082
Unallocated expenses			(17,854,717)	(10,717,314)
Loss before tax			(32,941,511)	(31,641,559)

There were no intersegment sales during the year recorded in the revenue reported above.

Segment loss represents the loss attributed to each segment without allocation of central administration costs, borrowing costs, director's salaries and investment revenue. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

5.3 Segment assets and liabilities

The following is an analysis of the Group's assets by reportable operating segment:

	2014 $	2013 $
Segment assets		
- Mbalam-Nabeba Iron Ore Project	260,747,360	233,996,064
Total segment assets	260,747,360	233,996,064
Unallocated assets	14,865,786	20,381,826
CONSOLIDATED ASSETS	275,613,146	254,377,890
Segment liabilities		
- Mbalam-Nabeba Iron Ore Project	1,223,022	4,604,374
Total segment liabilities	1,223,022	4,604,374
Unallocated liabilities	40,114,087	7,467,336
CONSOLIDATED LIABILITIES	41,337,109	12,071,710

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than parent entity current assets, the majority of which are cash and cash equivalents. Assets used jointly by reportable segments are allocated on the basis of the usage by individual reportable segments; and
- All liabilities are allocated to reportable segments other than 'other financial liabilities', current and deferred tax liabilities, and 'other' liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

5.4 Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	Year Ended		Year Ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
Mbalam-Nabeba Iron Ore Project	1,295,093	2,169,781	23,138,984	26,038,892
Unallocated	77,169	175,675	49,217	21,661
	1,372,262	2,345,456	23,188,201	26,060,553

5.5 Geographical Information

The Group operates in two principal geographical areas – Australia (country of domicile) and Central Africa (Republic of Cameroon and Republic of Congo).

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below.

	Revenue from external customers		Non-current assets	
	Year Ended		Year Ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
Central Africa	-	-	258,819,530	230,857,367
Australia	-	-	69,471	189,938
	-	-	258,889,259	231,047,305

NOTE 6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Notes	2014 $	2013 $
FINANCIAL ASSETS			
Cash and cash equivalents	6(a)	14,377,685	19,629,458
Trade and other receivables	6(b)	183,201	708,333
Total Financial Assets		14,560,886	20,337,791
FINANCIAL LIABILITIES			
Borrowings	6(c)	38,215,706	4,793,774
Trade payables and accruals	6(d)	2,521,952	6,538,735
Total Financial Liabilities		40,737,658	11,332,509

Note 6(a) Cash and cash equivalents

	2014 $	2013 $
Cash at bank and in hand	3,377,685	7,629,458
Short-term bank deposits	11,000,000	12,000,000
	14,377,685	19,629,458

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

The effective interest rate on short-term deposits was 3.53% (2013: 3.05%). These deposits have an average maturity of 21 days.

Note 6(b) Trade and other receivables

	2014 $	2013 $
Other receivables	183,201	708,333
	183,201	708,333

Note 6(c) Borrowings

CURRENT BORROWINGS	$	$
Convertible Note - Debt Liability	5,204,602	4,708,774
Convertible Note - Derivative Liability	90,000	85,000
	5,294,602	4,793,774
NON-CURRENT BORROWINGS		
Convertible Note - Debt Liability	29,991,701	-
Convertible Note - Derivative Liability	4,139,590	-
Convertible Note - Capitalised Borrowing Costs	(1,210,187)	-
	32,921,104	-
TOTAL BORROWINGS	38,215,706	4,793,744

Current Borrowings

Hanlong Convertible Note:

5 million convertible notes were issued by the Company on 6 February 2013 to Hanlong (Africa) Mining Investment Ltd ('Hanlong') at an issue price of $1.00 per note. The holder may convert notes into underlying shares utilising a conversion price of the average daily volume weighted average price of Sundance shares traded on the ASX over the five trading days preceding the date of conversion. Conversion may occur at any time until 31 December 2014 at the election of either Sundance or Hanlong. If the notes have not been converted they will be redeemed on 31 December 2014 at $1.00 per note.

The net proceeds received from the issue of the convertible notes have been split between the financial liability element and a derivative component, representing the residual attributable to the option to convert the financial liability into equity of the Company.

NON-CURRENT BORROWINGS

Noble and Investor Consortium Convertible Note:

The Company issued a convertible note with a face value of $20 million (Noble Note) and 200 million free attaching options (Noble Options) to Noble Resources International Pte Ltd, and $20 million through the issue of 20,000 convertible notes each with a face value of $100 (Consortium Notes) and 260 million free attaching options (Consortium Options) to an investor consortium made up of investment vehicles managed by Blackstone Alternative Solutions, L.L.C., the D. E. Shaw Group and Senrigan Capital. The Noble Note and Consortium Notes (together with 60 million free attaching Consortium Options) were issued on 4 November 2013 raising $40 million. 200 million free attaching Noble Options and 200 million free attaching Consortium Options were issued on 3 December 2013 following shareholder approval.

The net proceeds received from the issue of the convertible notes and free attaching options have been split between the financial liability element, a derivative component (representing the residual attributable to the option to convert the financial liability into equity of the Company) and equity (representing the value of the share options). The terms of the Noble and Investor Consortium convertible notes are as follows:

NOTE 6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Note 6(c) Borrowings (continued)

Noble Note

It is proposed that a separate iron ore product marketing company ('MarketCo') will be established to handle the sale of product from the Mbalam-Nabeba Iron Ore Project. As part of the conditions of the Noble convertible note, the holder may convert the note into an interest in Market Co at any time before the maturity date, if MarketCo has been incorporated and the Company has finalised the marketing arrangements on terms acceptable to Noble, and provided the Noble Note has not otherwise been redeemed or converted, the noteholder may elect to convert the Noble Note into MarketCo shares with the number of MarketCo shares to be transferred to be the lesser of:

- 30% of the shares in MarketCo then on issue; and
- the greater of:
  - 24.9% of the shares in MarketCo then on issue; and
  - that portion of 30% of the shares in MarketCo then on issue which is equivalent to the proportion of the Company's
    direct or indirect shareholding in MarketCo bears to the Company's direct or indirect shareholding in MarketCo plus the shares in MarketCo then on issue which are directly or indirectly held by government agencies in the Republics of Cameroon and the Congo.

The noteholder may elect to convert the Noble Note into ordinary shares in the Company at a conversion price of $0.12 subject to adjustment, if:

- at the Maturity Date, of 4 November 2015, MarketCo has not been incorporated and/or the Company has not finalised marketing arrangements on terms acceptable to the noteholder; and
- at any time after a Change of Control Event occurs, and at that time, MarketCo has not been incorporated.

If the Noble Note is not converted prior to the maturity date, 4 November 2015, it must be redeemed by the Company at the face value of $20 million. Interest on each Noble Note is 10% per annum payable semi-annually.

In addition, 200 million options at an exercise price of $0.12 per option with an expiry date of 18 November 2015 have been issued to Noble.

For further details on the terms and conditions of these options, refer to the Notice of Annual General Meeting and Explanatory Memorandum to Shareholders announced on 29 October 2013.

The proceeds from the issue of the Noble note totalled $20 million which was recognised at issue date as a financial liability. Following approval by shareholders at the Annual General Meeting the options were classified as equity.

Investor Consortium Note

20,000 AUD denominated convertible notes were issued by the Company on 4 November 2013 to the Investor Consortium at an issue price of $100 per note. The holder may convert notes into underlying shares utilising a conversion price $0.10 subject to adjustment. If the notes have not been converted they will be redeemed on 4 November 2015 at $120 per note (120% of the face value). No interest will accrue in respect of the Consortium Notes

In addition, 260 million options have been issued to the investor consortium with the following terms:

- 200 million options at an exercise price of $0.10 per option with an expiry date of 4 November 2015;
- 60 million options at an exercise price of $0.12 per option with an expiry date of 4 November 2015.

For further details on the terms and conditions of these options, refer to the Notice of Annual General Meeting and Explanatory Memorandum to Shareholders announced on 29 October 2013.

The proceeds from the issue of the Investor Consortium notes totalled $20 million which was recognised at issue date as follows: financial liability of $18,320,000 and $1,680,000 attributed to equity (being the value attributed to those options not subject to shareholder approval). Following approval by shareholders at the Annual General Meeting all options were classified as equity.

Note 6(c) Borrowings (continued)

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	30 Jun 14	30 Jun 13				
Hanlong Note: – Derivative Component	$90,000	$85,000	Level 2	Black Scholes Option Pricing Model at 30 June 2014 Key inputs include: - Underlying share price $0.084 - Risk free rate 2.54% - Volatility 80% - Expected term 0.50 year	N/A	N/A
Noble Note: – Derivative Component	$1,339,590	-	Level 3	Binomial Model at 30 June 2014 Key inputs include: - Underlying share price $0.084 - Risk free rate of 2.47% - Volatility 71% - Expected term ranging from 1.15 to 1.30 years - Vesting dates ranging from 30 June 2015 to 21 Oct 2015	Valuation of Market Co is based on the discounted cash flow used to value the Project which includes the following assumptions: - Forecast commodity prices - Estimated start-up date - Estimated commissions payable to Market Co - Estimated production tonnage of the project - Forecast revenue - Estimated overhead expenses	The higher the value of Market Co, the higher the fair value.
Investor Consortium Note: – Derivative Component	$2,800,000	-	Level 2	Binomial Model at 30 June 2014 Key inputs include: - Underlying share price of $0.084 - Risk free rate 2.47% - Volatility of 71% - Expected term 0.65 years - Vesting date 30 June 2014	N/A	N/A

The options issued to Noble and the Investor Consortium have been valued using the binomial model and key assumptions including an underlying share price at shareholder approval date of $0.114, a volatility of 71%, a risk free rate of 2.73% for Noble and 2.58% for the Investor Consortium, an expected term of 1.91 for Noble and 1.15 for Investor Consortium and vesting dates of 19 October 2015 for Noble and 30 April 2014 for the Investor Consortium. The use of these inputs resulted in a value of $12,700,000 being recorded in the Convertible Note and Option Reserve.

There were no transfers between any Levels in the period.

NOTE 6. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but where fair value disclosures are required)

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Financial Liabilities	30-Jun-14		30-June-2013	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Convertible note debt liability - Noble	16,116,252	16,721,346	-	-
Convertible note debt liability - Investor Consortium	12,665,263	13,270,356	-	-

The fair value amounts have been derived from independent valuation at balance sheet date, while the carrying amount reflects the fair value less the capitalised borrowing costs incurred in the arrangement of the Noble and Investor Consortium convertible notes.

Note 6(d) Trade and Other Payables

	2014 $	2013 $
CURRENT		
Trade payables	1,636,829	2,131,240
Sundry payables and accrued expenses	885,123	4,407,495
	2,521,952	**6,538,735**

Trade payables and sundry creditors are non-interest bearing and generally on 30 day terms.

NOTE 7. NON-FINANCIAL ASSETS AND LIABILITIES

This note provides information about the group's non-financial assets and liabilities, including:

- Specific information about each type of non-financial asset and liability
    - Other Assets (note 7(a))
    - Inventories (note 7(b))
    - Property, plant and equipment (note 7(c))
    - Mine development assets (note 7(d))
    - Employee benefits provisions (note 7(e))
- Accounting policies
- Information about determining the fair value of the assets and liabilities, including judgements and estimation uncertainty involved.

Note 7(a) Other Assets

	2014 $	2013 $
Prepayments	616,468	718,767
Tax receivables	470,566	981,907
	1,087,034	1,700,674

Note 7(b) Inventories

	2014 $	2013 $
Consumables and equipment (current inventory)	1,075,967	1,292,121
Drilling equipment and spares (non-current inventory)	2,208,258	2,186,971
	3,284,225	3,479,092

Inventories are carried at the lower of cost and net realisable value. The cost of inventories recognised as an expense during the period in respect of continuing operations was nil (2013: nil). All inventories consumed are capitalised to mine development or exploration and evaluation expenditure as appropriate.

All current inventories are expected to be consumed within 12 months, whereas the non-current inventories will be held as drilling equipment and spares for such time as required for further project development. As these items are not held for the purpose of resale but will be capitalised into a non-current asset when used they have been classified as non-current.

NOTE 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

Note 7(c) Property, Plant and Equipment

	2014 $	2013 $
Cost	15,044,594	14,607,654
Accumulated depreciation	(12,128,705)	(10,710,648)
	2,915,889	3,897,006
Buildings	1,571,905	1,596,778
Plant and equipment	436,201	1,179,008
IT and communications	423,110	591,710
Furniture and fittings	484,673	529,510
	2,915,889	3,897,006

Cost	Buildings $	Plant & Equipment $	IT & Communication $	Furniture & Fittings $	Total $
Balance at 30 June 2012	1,846,057	8,005,400	1,317,611	917,058	12,086,128
Effect of movement in exchange rates	338,688	1,427,093	155,941	163,409	2,085,131
Additions	13,889	206,136	198,703	113,146	531,875
Write-offs	-	(93,352)	(2,126)	-	(95,478)
Balance at 30 June 2013	2,198,634	9,545,277	1,670,130	1,193,613	14,607,654
Effect of movement in exchange rates	84,192	104,336	32,493	78,910	299,931
Additions	28,489	22,297	138,181	39,055	228,022
Write-offs	-	(73,736)	(17,277)	-	(91,014)
Balance at 30 June 2014	2,311,315	9,598,174	1,823,526	1,311,578	15,044,593
Accumulated depreciation and write-off					
Balance at 30 June 2012	(427,378)	(5,470,695)	(664,076)	(382,794)	(6,944,943)
Effect of movement in exchange rates	(46,420)	(1,294,437)	(11,469)	(126,215)	(1,478,541)
Eliminated on asset write-off	-	57,170	1,122	-	58,292
Depreciation expense	(128,058)	(1,658,307)	(403,997)	(155,094)	(2,345,456)
Balance at 30 June 2013	(601,856)	(8,366,269)	(1,078,420)	(664,103)	(10,710,648)
Effect of movement in exchange rates	6,020	(129,305)	(6,839)	10,245	(119,880)
Eliminated on asset write-off	-	73,736	350	-	74,086
Depreciation expense	(143,573)	(740,135)	(315,508)	(173,047)	(1,372,262)
Balance at 30 June 2014	(739,409)	(9,161,973)	(1,400,417)	(826,905)	(12,128,704)

Buildings, plant & equipment, IT & communications and furniture & fittings are stated at cost less accumulated depreciation and impairment. Construction in progress is stated at cost. Cost includes expenditure that is directly attributable to the acquisition or construction of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

Buildings	–	15 years
Plant & equipment	–	3 to 15 years
IT& communications	–	2 to 10 years
Furniture & fittings	–	3 to 15 years

Note 7(d)Mine Development Assets

Mbalam-Nabeba Iron Ore Project	2014 $	2013 $
Carrying amount at beginning of year	224,963,327	163,955,498
Effect of movement in exchange rates	5,841,606	35,479,151
Additions	22,960,179	25,528,678
	253,765,112	224,963,327

At 30 June 2014, the Company held a 90% interest in Cam Iron which holds the Project in Cameroon, the remaining 10% held by local minority interest shareholders. The Mbalam Convention negotiated in Cameroon entitles the state to be granted an equity interest in the Project of 15%, 10% of which is free carry; once issued this entitlement will reduce the Group's interest in the Project in Cameroon from 90% to 76.5%. The Company also holds an 85% interest in Congo Iron which holds the Project in Congo, with the remaining 15% held by local minority interest shareholders. The Nabeba Convention in Congo entitles the state to be granted a 10% free carry interest; once issued this entitlement will reduce the Group's interest in the Project in Congo from 85% to 76.5%.

When the economic viability of a project is determined, capitalised exploration and evaluation expenditure is reclassified as Mine Development and separately disclosed in the Financial Statements. All subsequent expenditure on the area of interest is capitalised including mine infrastructure, pre-production development costs, development excavation, project execution costs and other subsurface expenditure pertaining to that area of interest. Costs related to surface plant and equipment and any associated land and buildings are accounted for as property, plant and equipment.

Development costs are carried forward in respect of areas of interest in the development phase until production commences. When production commences, carried forward development costs are to be amortised over the life of economically recoverable reserves.

NOTE 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

Note 7(d) Mine Development Assets (continued)

Sundance has reviewed the recoverable amount of the Project based on the fair value less cost of disposal method, which incorporates the discounted value of future cash flows assuming development and commercial exploitation. This review highlighted a recoverable value in excess of the carrying value. As such no impairment was recorded during the period.

The cash flow forecasts were derived from a life of mine model based on the following information and assumptions:

- The Group achieving funding for the development of the Project;
- The definitive feasibility study completed in March 2011 for Stage 1 of the Project and the prefeasibility study completed in April 2011 for Stage 2. The results of which were announced to the ASX on 6 April 2011;
- Key terms of the Port and Rail EPC contract;
- Construction and development for Stage 1 to commence in the first half of 2016 calendar year;
- Production from Stage 1 to commence in the second half of the 2019 calendar year, ramping up to annual production of 35 million tonnes per annum;
- The JORC code compliant reserves and resource estimates;
- The receipt of all necessary approvals for the development and operation of the Project; and
- Financial commitments outlined in the Convention agreed with the Cameroon and Congolese Governments.

The Project economics are most sensitive to achieving project funding, the iron ore pricing assumptions and discount rates applied to determine the net present value. At this stage, long term iron ore prices have been utilised in the cash flow forecasts.

The ultimate recoupment of costs capitalised for both Mine Development Assets and Exploration and Evaluation Assets for specific areas of interest is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas. The Group requires additional funding in order to develop the Project.

Note 7(e) Employee Benefits Provisions

	2014 $	2013 $
CURRENT		
Employee benefits provision	339,019	564,777
	339,019	564,777
NON CURRENT		
Employee benefits provision	260,432	174,424
	260,432	174,424
	599,451	739,201

NOTE 8. EQUITY

Note 8(a) Contributed Equity

	2014 $	2013 $
3,082,028,456 fully paid ordinary shares (2013: 3,072,110,985)	409,071,476	408,971,476
	409,071,476	408,971,476

	Number of shares	Share capital $
Balance as at 30 June 2012	3,049,577,034	402,462,737
2,650,000 shares issued 5 November 2012 (i)	2,650,000	-
14,000,000 shares issued 23 November 2012 (iii)	14,000,000	5,460,000
Capital raising costs	-	(113,051)
971,500 shares issued 18 January 2013(ii)	971,500	218,588
150,000 shares issued 18 January 2013 (ii)	150,000	37,500
814,751 shares issued 18 January 2013 (ii)	814,751	-
301,200 shares issued 30 January 2013 (ii)	301,200	60,240
2,646,500 shares issued 30 January 2013(ii)	2,646,500	595,462
1,000,000 shares issued 30 January 2013 (ii)	1,000,000	250,000
Balance as at 30 June 2013	3,072,110,985	408,971,476
1,000,000 shares issued 18 October 2013(v)	1,000,000	100,000
6,258,382 shares issued on 28 January 2014(iv)	6,258,382	-
9,089 shares issued on 10 June 2014(iv)	9,089	-
2,650,000 shares issued on 10 June 2014 (i)	2,650,000	-
Balance as at 30 June 2014	3,082,028,456	409,071,476

Notes:
(i) Issued to Mr Casello upon the vesting of Performance Rights approved by shareholders at the Company's AGM held on the 24 November 2010.
(ii) Issued through exercise of employee shar e options.
(iii) Relates to 14,000,000 shares issued on 23 November 2012 following an agreement in relation to the third and final conditional instalment of Sundance shares to be issued to the recipient in consideration of Sundance's acquisition from the recipient of a 15% interest in Sundance subsidiary Congo Iron on 19 September 2008
(iv) Issue of shares under the Short Term Incentive Plan.
(v) Issue of shares to Mr Bogne as part consideration for settlement reached between Sundance's subsidiary Cam Iron and Mr Bogne. This settlement was announced to the ASX on 27 August 2013.

NOTE 8. EQUITY (continued)

Note 8(a) Contributed Equity

OPTIONS OVER ORDINARY SHARES

At 30 June 2014 there were 460,502,000 unissued ordinary shares for which options (2013: 17,652,547) were outstanding which were subject to vesting conditions. These comprise the following:

- 502,000 options which entitle the holder to subscribe for one ordinary share in the Parent Entity for 25 cents per share expiring on 30 January 2015
- 200,000,000 options which entitle the holder to subscribe for one ordinary share in the Parent Entity for 12 cents per share expiring on 18 November 2015
- 200,000,000 options which entitle the holder to subscribe for one ordinary share in the Parent Entity for 10 cents per share expiring on 4 November 2015
- 60,000,000 options which entitle the holder to subscribe for one ordinary share in the Parent Entity for 12 cents per share expiring on 4 November 2015

PERFORMANCE RIGHTS OVER ORDINARY SHARES

At 30 June 2014 there were 33,220,935 performance rights (2013: 9,859,433) on issue over ordinary shares.

- 915,248 performance rights issued pursuant to the 2011 Long Term Incentive ('LTI') plan. These performance rights vest over the period to 31 December 2014
- 1,909,470 performance rights issued pursuant to the 2012 LTI plan. These performance rights vest over the period to 31 December 2015
- 2,694,743 performance rights issued pursuant to the 2013 LTI plan. These performance rights vest over the period to 31 December 2016
- 12,728,318 performance rights issued pursuant to the retention plan. These performance rights vest over the period to 1 November 2016
- 14,973,156 performance rights issued pursuant to the 2014 LTI plan. These performance rights vest over the period to 31 December 2017

TERMS AND CONDITIONS OF CONTRIBUTED EQUITY

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of, and amounts paid up, of shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at any meeting of the Company.

NOTE 9. CASH FLOW INFORMATION

	2014 $	2013 $
Reconciliation of cash flow from operations with loss after income tax		
Loss after tax	(32,941,511)	(31,641,559)
Non cash items in loss after tax		
Cost of share based payments	2,049,548	2,352,417
Depreciation of plant and equipment	1,372,262	2,345,456
Loss on disposal of fixed asset	-	48,205
Finance charge – convertible note	7,918,727	-
Other non-cash flows in the income statement	-	220,397
Total foreign exchange impact on operating cash flows	254,890	3,677,962
Changes in assets and liabilities		
(Decrease)/Increase in accruals and provisions	(568,840)	4,793,774
(Decrease) in creditors	(123,603)	(430,769)
(Increase)/decrease in inventories	-	(565,617)
(Increase)/decrease in other debtors and prepayments	1,693,930	(259,393)
Net cash used in operating activities	(20,344,597)	(19,459,127)
Cash and cash equivalents at the end of the year is shown in the accounts as:		
Cash and cash equivalents	14,377,685	19,629,458
Cash and cash equivalents at the end of the financial year	14,377,685	19,629,458

NOTE 10. INCOME TAX

	2014 $	2013 $
The components of tax expense comprise:		
Current Income Tax		
- Current income charge	(7,035,603)	(8,965,701)
Deferred Income Tax		
- Relating to origination and reversal of temporary differences	1,873,104	53,086
- Tax losses not brought to account	7,035,603	8,965,701
- Timing differences not brought to account	(1,873,104)	(53,086)
Income tax expense reported in the statement of comprehensive income	-	-
The prima facie tax on loss from ordinary activities is reconciled to the income tax as follows:		
Prima facie tax receivable on loss from ordinary activities before income tax at 30% (2013: 30%)		
– consolidated group	(9,882,454)	(9,514,144)
Add:		
Tax effect of:		
– Tax rate difference for foreign operations	(1,006,994)	(1,870,549)
– Other non-allowable items	1,980,741	2,365,906
– Losses not brought to account	7,035,603	8,965,701
– Timing differences not brought to account	1,873,104	53,086
Income tax attributable to entity	-	-
Unrecognised deferred tax balances		
Unrecognised deferred tax asset – losses	40,945,128	33,937,957
Unrecognised deferred tax assets – other	2,378,684	491,200
Unrecognised deferred tax liabilities – other	(16,605)	(2,225)
Deferred tax asset not brought to account	43,307,207	34,426,931

The deferred tax asset not brought to account will only be of benefit to the Group if future assessable income is derived of a nature and amount sufficient to enable the benefits to be realised, the conditions for deductibility imposed by the tax legislation continue to be complied with and the entities in the Group are able to meet the continuity of ownership and/or continuity of business tests.

NOTE 11. FINANCIAL RISK MANAGMENT

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and short-term deposits. The Group has various other financial assets and liabilities such as trade receivables, trade payables and convertible notes, which arise directly from its operating and financing activities. The Group's policy is that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are interest rate risk, credit risk, capital risk, liquidity risk and foreign currency risk. The Board reviews each of these risks on a regular basis.

Interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The Group and the Company are exposed to interest rate risk as entities in the Group deposit funds at both short-term fixed and floating rates of interest. Neither the Group nor the Company have any interest bearing liabilities subject to interest rate fluctuations. The Group and the Company's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major counterparties. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit exposure is controlled by counterparty limits that are reviewed and approved by the Audit & Risk Management Committee annually. The counterparty limits approved during the year are that an individual counterparty does not exceed: 40% where gross monetary assets are in excess of $50 million; 50% where gross monetary assets are between $10 million $50 million; and 100% where gross monetary assets are below $10 million. Concentration of credit risk related to any counterparty did not exceed these limits during the year; the maximum counterparty risk recorded during the year amounted to 70%.The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the Group. The Group's maximum exposure in this respect is the maximum amount the Group could have to pay if the guarantee is called on.

Capital risk

The Group and Company endeavour to manage their capital to ensure the Group and the Company will be able to continue as a going concern while maximising the development outcomes from its exploration expenditure.

The capital structure of the Group and the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves, carried forward losses and non-controlling interests. At 30 June 2014 the Group and the Company have convertible note facilities with Hanlong, Noble and the Investor Consortium.

NOTE 11. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves through the monitoring of forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest rate risk tables

The tables below have been drawn up based on the undiscounted cash flows (including both interest and principal cash flows expected) using contractual maturities of financial assets and the earliest date on which the Group and the Company can be required to pay financial liabilities. Amounts for financial assets include interest earned on those assets except where it is anticipated the cash flow will occur in a different period. In addition to the below cash flows, please refer to Note 15 Expenditure Commitments.

2014	Weighted average effective interest rate	Less than 1 month $	1 to 3 months $	3 to 12 months $	Greater than 12 months $	Total $
Financial assets						
Variable interest rate	2.50%	3,377,685	-	-	-	3,377,685
Fixed interest rate	3.53%	6,000,000	5,000,000	-	-	11,000,000
		9,377,685	5,000,000	-	-	14,377,685
Financial liabilities						
Trade Payables	0%	2,521,952	-	-	-	2,521,952
Derivative Liability		-	-	90,000	4,139,590	4,229,590
Debt Liability	36.37%	-	-	6,910,000	40,860,410	47,770,410
		2,521,952	-	7,000,000	45,000,000	54,521,952
2013						
Financial assets						
Variable interest rate	2.95%	7,629,458	-	-	-	7,629,458
Fixed interest rate	3.22%	12,000,000	-	-	-	12,000,000
		19,629,458	-	-	-	19,629,458
Financial liabilities						
Trade Payables	0%	6,538,735	-	-	-	6,538,735
Derivative Liability		-	-	85,000	-	85,000
Debt Liability	0%	-	-	4,915,000	-	4,915,000
		6,538,735	-	5,000,000	-	11,538,735

Foreign currency risk

As a result of significant investment operations in Africa, the Group's balance sheet can be affected significantly by movements in the XAF/A$ exchange rates. The Group does not currently hedge this exposure.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		Assets	
	2014 $	2013 $	2014 $	2013 $
Euro (EUR)	-	14	36,493	63,166
US Dollars (USD)	9,203	49,629	1,570	1,621
Central African Franc (XAF)	423,974	403,480	252,403	470,404
South African Rand (ZAR)	-	16,713	46	51
GB Pound (GBP)	-	5,820	96	88

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian Dollar against the relevant foreign currencies. 10% is the sensitivity rate assessed by management as the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit and other equity where the Australian dollar strengthens 10% against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable impact on the loss and other equity, and the balances below would be negative. Due to the nature of foreign currency denominated assets and liabilities, the figures below will only impact the loss, there would be no effect on other equity.

AUD Movement	Impact on AUD carrying value of net assets denominated in:									
	EUR		USD		XAF		ZAR		GBP	
	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $	2014 $	2013 $
10% Increase	3,649	6,315	(763)	(4,801)	(17,157)	6,692	5	(1,666)	10	(573)
10% Decrease	(3,649)	(6,315)	763	4,801	17,157	(6,692)	(5)	1,666	(10)	573

NOTE 11. FINANCIAL RISK MANAGEMENT (continued)

Fair values

The aggregate fair values of the Group's financial assets and financial liabilities both recognised and unrecognised are as follows:

	2014		2013	
	Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Consolidated				
Cash and cash equivalents	14,377,685	14,377,685	19,629,458	19,629,458
Receivables	183,201	183,201	708,333	708,333
Financial Liabilities	40,737,658	41,947,845	11,332,509	11,332,509

The following methods and assumptions are used to determine the fair value of financial assets and liabilities:

- Cash assets and financial assets are carried at amounts approximating fair value because of their short term to maturity. Receivables and payables are carried at amounts approximating fair value.
- The fair values of other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value. For other assets and other liabilities the fair value approximates their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the Group intends to hold these assets.

NOTE 12. CONTROLLED ENTITIES

	Principal Activity	Country of Incorporation	Proportion of ownership interest and voting power held by the Group (%)	
			2014	2013
Parent Entity:				
- Sundance Resources Limited	Corporate	Australia	—	—
Subsidiaries of Sundance Resources Limited:				
- Cam Iron S.A.	Iron ore exploration	Cameroon	90	90
- Sundance Minerals Pty Ltd	Holding	Australia	100	100
- Sundance Exploration Pty Ltd	Holding	Australia	100	100
- Sundance Mining Pty Ltd	Holding	Australia	100	100
- Congo Iron	Iron ore exploration	Congo	85	85
- Sangha Resources S.A.	Dormant	Congo	80	80
Subsidiaries of Cam Iron S.A.:	Holding	Cameroon	90	90
- Mbarga Mine Co S.A.	Holding	Cameroon	90	90
- CI RailCo S.A.	Holding	Cameroon	90	90
- CI PortCo S.A.				
Subsidiary of CI Rail Co S.A. and CI PortCo S.A.: Mineral Terminal and Rail Operations Company S.A	Dormant	Cameroon	90	-

NOTE 13. CONTINGENT LIABILITIES

The Group is aware of the following contingencies as at 30 June 2014.

Congo Aircraft Incident

On 19 June 2010 all Directors of the Company and other passengers died in the Congo aircraft incident. The enquiry into the events has not yet concluded and may give rise to further costs, which in turn, may or may not lead to further costs being incurred by the Group. During the year there have been three legal actions underway in relation to this incident:

- The claim against Cam Iron lodged in 2012 on behalf of the families of persons lost in the Congo air incident of 2010 has been withdrawn by the plaintiffs.
- In July 2013 legal action in the UK High Court on behalf of the Cassley family was served on the Company. Mr James Cassley was an employee of the investment company GMP Securities Europe LL. GMP is the First Defendant in the action and the Company is the Second Defendant. The losses claimed in the process are put at a total of £6,236,844 (Great British pounds). Legal advisors have been appointed and the Company is defending the action. The trial is scheduled for February 2015.
- In June 2013 the Company was informed of court process filed in the US state of Illinois on behalf of the estates and survivors of John Jones, Don Lewis, Geoff Wedlock, John Carr-Gregg, Natasha Flason and James Cassley. These proceedings have not been served on the Company.

Hold Co Production Based Compensation

Sundance is required to pay ongoing production based compensation to Hold Co SARL, Cam Iron's minority shareholder, pursuant to a compensation deed. The obligation to pay this compensation is based on iron ore to be sold by Congo Iron and will be calculated at the rate of US$0.10 per tonne for iron ore sold at the price of US$80 per tonne and is subject to a rise and fall of US$0.005 per tonne for every US$10 movement in the price (i.e. at US$90 per tonne the rate is US$0.105).

Use of the Quantm System on the Mbalam Rail Corridor

In July 2007, Sundance entered into an agreement with Quantm Pty Ltd ('Quantm') for the application of the Quantm System on the Mbalam Rail Corridor. This agreement provided for a success fee of US$1,850,000 which is only payable upon the completion of Financial Close as interpreted under the agreement. The timetable and certainty to achieve Financial Close is not known. As a result no amount has been recognised as a liability in the financial statements.

Absolute Analogue & David Porter v Sundance (2007)

Absolute Analogue Pty Ltd and David Porter issued a claim against the Company (WA Supreme Court Action No. CIV 1773 of 2007) for the issue of 30 million options (20 million options with an exercise price of $0.10 and 10 million options with an exercise price of $0.20), or damages in lieu assessed at A$9 million. This matter proceeded to trial in November 2013 and on 6 August 2014 the Supreme Court of Western Australia delivered its judgment in favour of Sundance dismissing the plaintiffs' claim and ordered the plaintiffs to pay Sundance's costs.

Absolute Analogue and David Porter have lodged an appeal against this decision. The appeal will be considered in due course.

David Porter v Sundance (2013)

On 29 April 2013 Mr Porter has issued a claim against the Company (WA Supreme Court Action No. CIV 1632 of 2013) in which he is seeking an order for the grant of 10 million Sundance options at $0.10 and damages, or alternatively damages in lieu of specific performance estimated to approximately $ 4 million. Mr Porter claims to be entitled to options pursuant to an alleged agreement contingent on the achievement of stipulated entitlements as to iron ore deposits in the Republic of Congo. The Company is defending this action. The parties are undertaking interlocutory processes including discovery and no date for trial has been set.

Fiscal Compliance

The Group, including its subsidiaries in Cameroon and Congo are engaged in ongoing discussions with the financial administrations on customs, indirect taxes and other fiscal administrative matters. The ongoing discussions may or may not lead to further costs being incurred by the Group.

Mbalam Convention, Cameroon

On 29 November 2012, Cam Iron agreed the terms of the Convention with the Republic of Cameroon and since that date there have been some revisions to these terms. The Convention underpins the agreement between Cam Iron and the government outlining the fiscal and legal terms and conditions and commitments to be satisfied for the development and operation of the Project in Cameroon.

Nabeba Convention, Republic of Congo

On 24 July 2014, Congo Iron agreed the terms of the Convention with the Republic of Congo. The Convention underpins the agreement between Congo Iron and the government outlining the fiscal and legal terms and conditions and commitments to be satisfied for the development and operation of the Project in the Republic of Congo.

NOTE 14. CAPITAL AND LEASING COMMITMENTS

	2014 $	2013 $
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable minimum lease payments:		
- Not later than 12 months	742,692	879,851
- Between 12 months and 5 years	770,148	28,083
- Greater than 5 years	-	-
	1,512,840	907,934

The Company's premises at Level 3, 24 Outram Street West Perth are leased for a period of three years which expires on 15 November 2016.

The office premises lease of Cam Iron are leased for a period of 36 months to 30 October 2014. The Congo Iron office premises are leased for a period of 12 months through to 6 November 2014.

Cam Iron provides residential premises for two employees, while Congo Iron provides one. Each of these leases is for 12 months and has the option of being renewed.

NOTE 15. EXPENDITURE COMMITMENTS

Exploration Permit – Republic of Cameroon

The Cameroon Ministry of Mines ('Ministry') granted an extension of Exploration Permit No. 92 requiring a total minimum expenditure of XAF8,000,000,000 (approximately AUD$18,000,000) over the period 29 September 2012 to 29 September 2014. The permit has been further extended for 12 months to 22 July 2015, requiring a minimum expenditure of XAF1,000,000,000 (approximately AUD$2,200,000) over this period.

The expenditure requirements of Exploration Permit No.92 are denoted in Central African CFA franc (XAF).

Exploration Permits and Mining Permit – Republic of Congo

On 6 February 2013, by Presidential Decree 2013-45, Congo Iron obtained a Mining Permit over the Nabeba –Bamegod exploration permit area for a period of 25 years.

On 9 August 2013 by Presidential Decree 2013-405, the Ministry granted a second 2 year extension of the Ibanga Exploration Permit, which requires a total minimum expenditure requirement of XAF 3,550,000,000 (approximately AUD$8,000,000) over the two year period to 8 August 2015.

The expenditure requirements of Decree No 2013-45 for the Nabeba – Bamegod permit and Decree No 2013-405 for the Ibanga permit are denoted in Central African CFA franc (XAF).

Cam Iron and Congo Iron as appropriate are not legally bound to meet the minimum expenditure commitments detailed in Exploration Permits. However, failure to meet the required level of minimum expenditure could potentially result in revocation of the said permit.

NOTE 16. EVENTS OCCURING AFTER THE REPORTING PERIOD

Since the end of the financial year, Sundance has:

- On 24 July 2014 the Republic of Congo Government signed the Nabeba Mining Convention. This follows the issuing of the Nabeba Mining Permit which was approved by the Ministerial Council for the Republic of Congo on 28 December 2012. The Convention outlines the fiscal and legal terms and the conditions to be satisfied by Sundance subsidiary Congo Iron for the development and management of the Nabeba Iron Ore Project.
- On 3 September 2014 the Company announced that it had secured a A$40 million investment into the Company through a subscription for convertible notes and options by Wafin Limited ('Wafin'). These funds were received on 22 September 2014. The key terms of the agreement with Wafin are as follows:
  - Wafin will invest A$40 million via three-year zero coupon unsecured convertible notes with a conversion price of 10 cents. If not converted into Sundance shares, these notes are redeemable at maturity for 130% of face value. On 23 September 2014 Sundance issued 400,000 convertible notes to Wafin with an issue price of $100 per convertible note, maturing 36 months from the date of issue (23 September 2017).
  - Wafin will also receive options over 260 million ordinary shares with an exercise price of 12 cents, which expire on the earlier of 60 months from issue, 20 business days after the project's Financial Close or a Change of Control Event. 210 million of these Options are subject to shareholder approval. On 23 September 2014 Sundance issued 50 million options over ordinary shares to Wafin.
- On 3 September 2014 the Company agreed, subject to ASX and any other regulatory and shareholder approvals, with the investor consortium made up of investment vehicles managed by Blackstone Alternative Solutions, L.L.C., the D.E. Shaw Group and Senrigan Capital ('Investor Consortium') to replace the existing A$20 million convertible notes held by the Investor Consortium, which mature in November 2015, with new A$22 million two-year convertible notes expiring November 2016. The options issued to the Investor Consortium in November 2013 are proposed to be replaced with new options in the Company.
- On 15 September 2014 the Company announced that Mr George Jones will retire as the Company's Chairman at the conclusion of the Annual General Meeting on 27 November 2014. Mr Jones will be succeeded as Sundance Chairman by Mr Wal King.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 17. RELATED PARTY TRANSACTIONS

The Company is the parent and ultimate controlling party of the Group. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Sundance has adopted a policy to specify the circumstances in which it is deemed appropriate for Management to contract the services of a Director-Related Entity. This Policy provides that Sundance is only to enter into a transaction with a Director-Related entity in the following circumstances:

a. Where any proposed transaction is at arm's length and on normal commercial terms; and
b. Where it is believed that the Director-Related entity is the best equipped to undertake the work after taking into account:
   - Experience;
   - Expertise;
   - Knowledge of the group; and
   - Value for money.

Legal Services

Gilbert + Tobin received $2,648,130 (2013:$ 2,078,530) from the Group for legal services rendered during the current financial period. Michael Blakiston is a Director of the Company and during the period was partner of Gilbert + Tobin. All services provided were carried out on an arms-length basis, under commercial terms.

In July 2011, the partners of Blakiston & Crabb joined Gilbert + Tobin. Prior to Mr Blakiston's appointment to the Board of Sundance, Blakiston & Crabb had been long standing legal advisors to Sundance; having accumulated extensive knowledge of the Company and understanding of the activities in the Republic of Cameroon and Republic of Congo. Upon Mr Blakiston's appointment it was determined that having regard to this experience, expertise and knowledge Blakiston & Crabb should continue to advise Sundance in relation to these matters, although it was agreed that other legal advisors should also be engaged as appropriate.

Advisory Services

PCF Capital received $49,304 (2013: Nil) from the Group for advisory services during the current financial period. In April 2013 the Group engaged PCF Capital for advisory services relating to project funding or a corporate transaction with specific parties. George Jones is a Director of Company and also of PCF Capital. All services provided were carried out on an arms-length basis, under commercial terms.

PCF Capital was engaged as they had an existing relationship with the specified parties and the experience which the Board considered necessary to advance any potential negotiations in an expeditious manner.

PCF Capital's mandate with the Company ended on 24 April 2014. The Company has a continuing obligation in relation to this engagement whereby fees are payable 12 months from this date, until 24 April 2015, should a successful transaction complete with a party specified in the engagement with PCF Capital.

Equity Holdings

At 30 June 2014, Directors and their related entities held directly, indirectly or beneficially in the Company 27,312,500 ordinary shares (2013: 21,362,500), no options over ordinary shares (2013:13,000,000) and no performance rights over ordinary shares (2013: 2,650,000).

NOTE 18. SHARE BASED PAYMENTS

Ordinary share based payments

During the financial year the Group issued 1,000,000 ordinary shares in Sundance Resources Ltd to Mr Roger Bogne as part consideration for settlement reached between Sundance's subsidiary Cam Iron and Mr Bogne. This settlement was announced to the ASX on 27 August 2013. Fair value of the shares at grant dates was $0.10 per share for a total value of $100,000.

In the prior financial year 14,000,000 ordinary shares in Sundance Resources Ltd were issued on 23 November 2012 these had a fair value at grant date of $0.39.

Employee share based payment plan

The Group has an ownership-based remuneration plan for executives and senior employees. Historically an option based plan was used and in 2011 this was changed to a performance rights based plan.

Each employee share option or performance right converts into one ordinary share of Sundance upon exercise. No amounts are paid or payable by the recipient upon receipt of the performance right or option, and only upon exercise for option holders. The performance rights and options carry neither rights to dividends nor voting rights. Performance rights or options may be exercised at any time from the date of vesting to the date of their expiry. The number of performance rights and options vested is calculated in accordance with the performance criteria approved by the Nomination and Remuneration Committee. The performance criteria reward executives and senior management to the extent of the Group's and the individuals achievement judged against achievement of corporate and operational objectives. The performance conditions are derived from the following performance areas: achieving funding (equity and debt) commitment for Stage 1 of the Project; delivery of Total Shareholder Returns ('TSR') over a three or four year period; and increasing the Net Present Value ('NPV') of the Project. Options issued in previous periods under the Employee Share Option Plan have varying performance conditions derived from key organisational objectives and are conditional on the holder remaining an employee at vesting date.

The weighted average fair value of the performance rights granted during the financial year is $0.1033 (2013: $0.3709). Performance rights and options were priced using a binomial pricing model. Expected volatility is based on the historical share price volatility of other entities listed on the Australian Stock Exchange with similar profiles to Sundance.

Share Based Payments – Performance Rights

	2014		2013	
	Number of Rights	Weighted Average Fair Value of Rights	Number of Rights	Weighted Average Fair Value of Rights
Outstanding at the beginning of the year	9,859,432	$0.3618	10,534,449	$0.3926
Issued during the year(i)	27,842,128	$0.1033	18,405,838	$0.3709
Forfeited or expired during the year(ii)	(1,830,605)	$0.3355	(1,616,108)	$0.3836
Vested and converted to shares(iii)	(2,650,000)	$0.3700	(17,464,747)	$0.3879
Outstanding at year-end	33,220,955	$0.1459	9,859,432	$0.3618

Notes:

(i) The performance rights issued during the current year relate to the 2013 LTI, the 2013 Retention Plan and the 2014 LTI.

(ii) The performance rights forfeited during the current year relate to personnel who departed the Group, while those expired related to a failure to meet the performance criteria of one tranche of the 2013 LTI.

(iii) The performance rights that vested and converted in the 2014 financial year related to the rights attached to the CEO's remuneration package implemented in 2010.

The performance rights outstanding at 30 June 2014 had a weighted average fair value of $0.15 (2013: $0.36) and a weighted average remaining contractual life of 2.24 years (2013: 1.95 years).

Share Based Payments – Options

	2014		2013	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	17,652,547	$0.3231	30,986,866	$0.3069
Issued during the year(i)	460,000,000	$0.1113	-	$-
Forfeited or expired during the year(ii)	(17,150,547)	$0.3252	(8,265,119)	$0.3198
Exercised during the year	-	$-	(5,069,200)	$0.2292
Outstanding at year-end	**460,502,000**	**$0.1115**	**17,652,547**	**$0.3231**
Vested and Exercisable at year-end	**260,502,000**	**$0.1049**	**17,652,547**	**$0.3231**

(i) The options issued during the current year relate to the options issued to Noble and the Investor Consortium.
(ii) The options forfeited during the current year relate to personnel who departed the Group, while those which expired relate to a failure of the holder to exercise at their specified exercise price.

The options outstanding at 30 June 2014 had a weighted average remaining contractual life of 1.36 years (2013: 0.54 years).

					As at 30 June	
					2014	2013
Grant Date	Grant Date Fair Value	Vesting Date	Expiry Date	Exercise Price	Number of Options	Number of Options
Issued 10 February 2010	$0.07	29-Jan-13	29-Jan-14	$0.25	-	193,750
Issued 10 February 2010	$0.07	30-Jan-13	30-Jan-14	$0.25	-	3,567,748
Issued 22 December 2010	$0.21	22-Dec-12	22-Dec-13	$0.40	-	6,500,000
Issued 22 December 2010	$0.23	22-Dec-12	22-Dec-13	$0.30	-	6,500,000
Issued 24 May 2011	$0.19	30-Jan-13	30-Jan-14	$0.23	-	389,049
Issued 24 May 2011 (i)	$0.23	30-Jan-14	30-Jan-15	$0.25	502,000	502,000
Issued 4 November 2013 (ii)	$0.03	06-Jun-14	04-Nov-15	$0.10	60,000,000	-
Issued 29 November 2013 (ii)	$0.04	06-Jun-14	04-Nov-15	$0.10	140,000,000	-
Issued 29 November 2013 (ii)	$0.03	06-Jun-14	04-Nov-15	$0.12	60,000,000	-
Issued 29 November 2013 (iii)	$0.04	19-Oct-15	18-Nov-15	$0.12	200,000,000	-
Total					460,502,000	17,652,547

Notes:
(i) Represents outstanding options issued to eligible employees under the Company's Employee Share Option Plan. These options have performance conditions derived from key organisational objectives and are conditional on the holder remaining an employee at vesting date.
(ii) These options were issued to the Investor Consortium under the convertible note funding agreement and vested on occurrence of a relevant event.
(iii) These options were issued to Noble under the convertible note funding agreement.

The options issued to Noble and the Investor Consortium have been valued using the binomial model and key assumptions including an underlying share price at shareholder approval date of $0.114, a volatility of 71%, a risk free rate of 2.73% for Noble and 2.58% for the Investor Consortium, an expected term of 1.91 for Noble and 1.15 for Investor Consortium and vesting dates of 19 October 2015 for Noble and 30 April 2014 for the Investor Consortium.The use of these inputs resulted in a value of $12,700,000 being recorded in the Convertible Note and Option Reserve.

NOTE 19. KEY MANAGEMENT PERSONNEL REMUNERATION

The aggregate remuneration paid to directors and other members of key management personnel of the company and the Group is set out below:

	2014 $	2013 $
Short-term employee benefits	2,542,233	3,230,424
Post-employment benefits	109,085	129,582
Termination and other long term benefits	-	-
Share-based benefits	665,524	1,594,622
	3,316,842	4,954,628

NOTE 20. AUDITORS REMUNERATION

	2014 $	2013 $
Remuneration of the auditor of the Company for:		
- auditing or reviewing the financial report	130,224	103,950
- corporate taxation services	75,592	9,735
- taxation services related to the Project	-	112,909
- financial advisory related to the Project	273,114	386,288
	478,930	612,883
Remuneration of auditor network firms of the company for:		
- auditing or reviewing the financial report of foreign subsidiaries	220,484	136,312
	699,414	749,195

Deloitte Touche Tohmatsu ('Deloitte') performs the audit of the Company and its subsidiaries.

The Company has a policy to specify the circumstances in which it is deemed appropriate for Management to contract the services of Deloitte for non-audit work.

This policy provides that the Company is only to enter into a non-audit contract or transaction with the external audit firm in the following circumstances:

- Where any proposed transaction will not compromise the independence of the external auditors; and
- Where it is believed that the external auditor is best equipped to undertake the work after taking into account:
  - Experience;
  - Expertise, particularly in Cameroon and Republic of Congo where Deloitte have permanent representation;
  - Knowledge of the group;
  - Synergies of having the auditor perform the work; and
  - Value for money.

NOTE 21. LOSS PER SHARE

	2014 $	2013 $
a. Reconciliation of earnings to profit or loss from continuing operations		
Loss from continuing operations		
Less: loss attributable to non-controlling interest	(32,941,511)	(31,641,559)
Earnings used to calculate basic & dilutive loss per share	1,887,133	2,424,876
	(31,054,378)	(29,216,683)
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share.	No.	No.
Shares deemed to be issued for no consideration in respect of:	3,075,615,468	3,062,138,286
- options [i]	-	-
- performance rights	25,691,594	12,345,960
c. Weighted average number of ordinary shares plus potential ordinary shares outstanding during the year used in calculating diluted loss per share.	3,101,307,062	3,074,484,246

Note:
(i) During the year ended 30 June 2014, 460,000,000 options to subscribe for ordinary shares were issued, no options were exercised and 4,150,547 options were forfeited, leaving options 460,502,000 outstanding at year end. These options are not considered dilutive for the purposes of the calculation of diluted earnings per share as their conversion to ordinary shares would decrease the net loss from continuing operations per share.

NOTE 22. DIVIDENDS

No dividends have been paid or proposed during the year (2013: nil).

NOTE 23. PARENT ENTITY FINANCIAL INFORMATION

	2014 $	2013 $
Financial Position (as at 30 June)		
Current assets	14,449,504	20,141,382
Non-current assets	339,527,540	303,960,300
Total assets	353,977,044	324,101,683
Current liabilities	6,583,347	7,427,056
Non-current liabilities	33,097,289	-
Total liabilities	39,680,636	7,427,056
Net assets	314,296,408	316,674,627
Shareholders' equity		
Issued Capital	409,071,476	408,971,476
Share based payments premium reserve	23,721,197	21,671,649
Transactions with non-controlling interests reserve	1,540,000	(11,060,000)
Accumulated losses	(120,036,264)	(102,908,498)
Total equity	314,296,408	316,674,627
Financial Performance (for the year ended 30 June)		
Loss for the year	(17,127,766)	(9,161,232)
Total comprehensive income	(17,127,766)	(9,161,232)

NOTE 24. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Accounts

The financial report has been prepared on an accruals basis and is based on historical cost, except for the revaluation of certain financial instruments that are measured at fair values as explained in the accounting policies. Costs are based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated.

Critical accounting judgements and the key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects both current and future periods. Refer to Note 24(k) for further details.

Accounting Policies

a) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of the consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the fair value of those interests at the date of the original business combination and the non-controlling interest's share of the changes in equity since the date of the combination.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

b) Foreign currency

The individual financial statements of each group entity are presented in its functional currency being the currency of the primary economic environments in which the entity operates. For the purposes of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of Sundance Resources Limited and is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing in the month of the transactions. At each balance sheet date, monetary items are translated at the rates prevailing at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTE 24. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Foreign currency (continued)

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in the profit or loss on disposal of the net investment.

On consolidation, assets and liabilities of the Group's foreign operations are translated into Australian dollars at exchange rates prevailing at the balance date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed. Any exchange differences that have previously been attributed to non-controlling interests are derecognised but they are not classified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after the date of the transition to Australian Accounting Standards are treated as assets and liabilities of the foreign entity and translated at exchange rates prevailing at the reporting date.

c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense; or
ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, is classified within operating cash flows.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Share-based payments

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of a Black Scholes or binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details on how the fair value of equity-settled share-based transactions have been determined can be found in Note 18.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with the corresponding adjustment to the equity-settled employee benefits reserve.

e) Share-based payments (continued)

Equity-settled share-based payments transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are at the fair value of the equity instrument granted, measured at the date the entity obtains the goods or the counterparty renders the service.

f) Income Tax

Current Tax

Current income tax is calculated by reference to the amount of income taxes payable or recoverable in respect to the taxable profit or tax loss for the period. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in profit or loss, except when it relates to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity) in which case, the tax is also recognised outside of profit or loss.

g) Financial assets

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

h) Impairment of long-lived assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NOTE 24. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and that they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Contributions to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

j) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

k) Critical accounting estimates and judgements

Significant accounting judgements

The directors evaluate the estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Capitalised mine development assets

Capitalised mine development expenditure is recognised at cost less accumulated amortisation and any impairment losses. Where commercial production in an area of interest has commenced, the associated costs, together with any forecast future capital expenditure necessary to develop proved and probable reserves, are amortised over the estimated economic life of the mine on a units-of-production basis. Changes in factors such as estimates of proved and probable reserves that affect unit-of production calculations are dealt with on a prospective basis.

The application of this policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves are found. Any such estimates and assumptions may change as new information becomes available (please refer to the Directors Report – Material Business Risks). If, after having capitalised expenditure under this policy, the Directors conclude that the Group is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the income statement.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a binomial model or Black Scholes, using the assumptions detailed in Note 18 Share Based Payments.

l) Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Compound instruments

The component parts of compound instruments (convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion options that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to the 'issue of convertible notes' reserve account. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

NOTE 24. SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new and revised accounting standards

At the date of the authorisation of the financial report, a number of Standards and Interpretations were in issue but not yet effective. Initial application of the following Standards will not affect the amounts recognised in the financial report, but may change the disclosures presently made in relation to the Group and the Company's financial report:

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	*1 January 2014*	*30 June 2015*
AASB 2013-3 'Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets'	*1 January 2014*	*30 June 2015*
AASB 2014-1 Amendments to Australian Accounting Standards [Part A – Annual Improvements 2010-2012 and 2011-2013 Cycles]	*1 July 2014*	*30 June 2015*
AASB 2014-1 Amendments to Australian Accounting Standards [Part E – Financial Instruments]	*1 January 2015*	*30 June 2016*
IFRS 15 Revenue from Contracts with Customers	*1 January 2017*	*30 June 2018*
Accounting for Acquisitions of interests in Joint Operations (Amendments to IFRS 11)	*1 January 2016*	*30 June 2017*
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	*1 January 2016*	*30 June 2017*
AASB 9 and related amendments IFRS 9 'Financial Instruments'	*1 January 2018*	*30 June 2019*

Deloitte.

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Independent Auditor's Report to the members of Sundance Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Sundance Resources Limited, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 57 to 100.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements,* that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Sundance Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Sundance Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 39 to 53 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Sundance Resources Limited for the year ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A T Richards

A T Richards
Partner
Chartered Accountants
Perth, 30 September 2014

ADDITIONAL INFORMATION
AS AT 30 SEPTEMBER 2014

NUMBER OF HOLDERS OF EQUITY SECURITIES

Ordinary Share Capital

3,082,028,456 ordinary fully paid shares on issue are held by 21,524 individual shareholders. No ordinary shares have been partly paid.

All issued ordinary shares carry one vote per share.

Options

510,210,338 unlisted options on issue held by 13 individual option holders. Options do not carry a right to vote.

Performance Rights

33,220,935 performance rights are held by 15 individual performance rights holders. Performance rights do not carry a right to vote.

Convertible Rights

5,600,001 unlisted convertible notes on issue are held by 6 individual holders. Convertible notes do not carry a right to vote.

Distribution of Holders of Equity Securities

	Fully Paid Ordinary Shares	Options	Performance Rights	Convertible Notes
1-1,000	1,193	-		1
1,001-5,000	4,389	-		
5,001-10,000	3,553	-		
10,001-100,000	9,407	3		2
100,001 and over	2,982	10	15	3
Holding less than a marketable parcel	7,576	-	-	-

Distribution of Holders of Equity Securities

Ordinary Shareholders	Fully Paid Ordinary Shares Number
HANLONG (AFRICA) MINING INVESTMENT LIMITED	433,791,352
J P MORGAN NOMINEES AUSTRALIA LIMITED	262,346,726
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	250,644,976
CITICORP NOMINEES PTY LIMITED	226,416,156

ADDITIONAL INFORMATION
AS AT 30 SEPTEMBER 2014

TWENTY LARGEST HOLDERS OF ORDINARY SHARES

The Top 20 shareholders held 47.57% of the total issued capital.

	Ordinary Shareholders	Number of Shares	Percentage of Total Ordinary Shares Issued
1	HANLONG (AFRICA) MINING INVESTMENT LIMITED	433,791,352	14.07
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	262,346,726	8.51
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	250,644,976	8.13
4	CITICORP NOMINEES PTY LIMITED	226,416,156	7.35
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	74,581,729	2.42
6	CS FOURTH NOMINEES PTY LTD	59,200,244	1.92
7	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	35,134,337	1.14
8	UOB KAY HIAN (HONG KONG) LIMITED <CLIENTS A/C>	18,833,770	0.61
9	GEORGE JONES	17,062,500	0.55
10	BNP PARIBAS NOMS PTY LTD <DRP>	9,395,807	0.30
11	ACP INVESTMENTS PTY LTD <THE ACP INVESTMENT A/C>	9,000,000	0.29
12	NATIONAL NOMINEES LIMITED	8,643,855	0.28
13	SARANDEENA NO 2 PTY LIMITED	8,100,000	0.26
14	BIDGEE HOLDINGS PTY LTD	8,000,000	0.26
15	MR GIULIO CASELLO	7,950,000	0.26
16	MR XUEJUN HE	7,920,000	0.26
17	MR JOSE MANUEL DO REGO MEDEIROS	7,650,000	0.25
18	VALDARNO PTY LTD <VALDARNO A/C>	7,500,000	0.24
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <EUROCLEAR BANK SA NV A/C>	7,071,335	0.23
20	QIC LIMITED	6,965,227	0.23
	Total Remaining Holders Balance	1,615,820,442	52.43

CORPORATE DIRECTORY

Directors:
George Jones (Non-Executive Chairman)
Wal King (Non-Executive Deputy Chairman)
Giulio Casello (Managing Director and Chief Executive Officer)
Michael Blakiston (Non-Executive Director)
Barry Eldridge (Non-Executive Director)
Fiona Harris (Non-Executive Director)
Andrew (Robin) Marshall (Non-Executive Director)
David Southam (Non-Executive Director)

Company Secretary: Carol Marinkovich

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Perth WA 6000

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Perth WA 6840

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Fax: +61 (8) 9323 2033

CAMIRON SA
CONGOIRON SA

Cam Iron SA and Congo Iron SA are subsidiary companies of Sundance Resources Limited.

Sundance Resources Ltd

www.sundanceresources.com.au