4th February 2010 **ASX / MEDIA RELEASE**

DRILLING COMMENCES AT KEY NABEBA DEPOSIT

EXPLORATION TARGET OF 100-250Mt HEMATITE @ 55-65% Fe

International iron ore company Sundance Resources Limited (ASX: SDL – "Sundance") is pleased to announce that it has commenced drilling at the Nabeba Deposit in the Republic of Congo, a key exploration target for the Company's **Mbalam Iron Ore Project** in 2010.

The Nabeba Deposit is located 42km south of the Mbarga Deposit (refer Figure 1), where Sundance has previously reported JORC-Code compliant Indicated and Inferred Resources of High Grade Hematite totalling 215.2Mt grading 60.2% Fe and Indicated and Inferred Resources of Itabirite Hematite totalling 2,325 million tonnes grading 38.0% Fe.

Drilling at the Nabeba Deposit is aimed at defining additional JORC-Code compliant resources of High Grade Hematite based on a current Exploration Target* of **100 to 250Mt Hematite grading 55% to 65% Fe**.

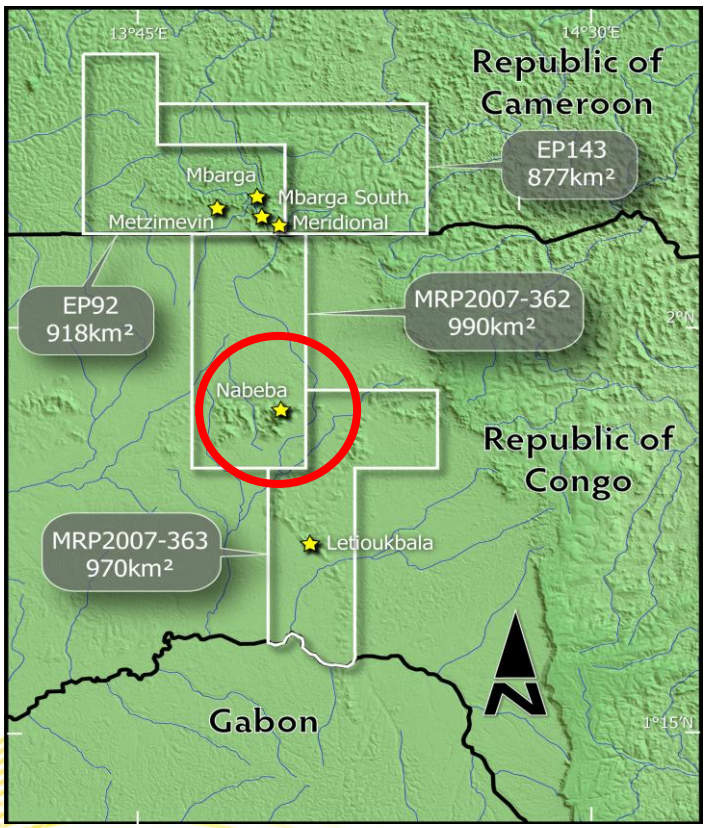

Figure 1: Location of the Nabeba Deposit

* 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 in excess of Inferred or Indicated Mineral Resources is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of that estimated for the Mbarga, Mbarga South or Metzimevin Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource for the Nabeba Deposit or other prospects on the Company's landholdings.

The Company has commenced drilling with the Sandvik DE710 drill rig purchased in late 2009 (refer Figure 2). This rig has achieved excellent penetration rates and core recovery from recent drilling on the Company's exploration landholdings to the north of the Nabeba Deposit in the Republic of Cameroon.

A new Schramm RC drill rig is currently being shipped from the US and is targeted to commence drilling at Nabeba in the March 2010 Quarter.

Figure 2: Sandvik DE710 Drill Rig operating at the Nabeba Deposit

The Exploration Target* at the Nabeba Deposit was derived from preliminary modelling based on assessment of results reported from previous drilling undertaken by the Bureau de Recherche Géologiques et Minières ("BRGM") on the deposit in 1986 together with assay results obtained from surface sampling over the deposit by Sundance in 2009 and aerial geophysical survey work completed by Sundance in 2008.

BRGM completed four diamond holes drilled to depths ranging from approximately 54m to 100m. Table 1 summarises significant drill hole intersections within the Supergene Zone of the iron mineralisation on the Nabeba Deposit derived from the assay results reported by BRGM. Figure 3 shows the location of the four holes drilled by BRGM together with the surface sampling results previously reported undertaken by Sundance.

Hole	From	To	Interval	Fe%	SiO_2%	Al_2O_3%	P%	LOI%
SN01	60.10	85.00	**24.90**	**65.23**	1.10	3.43	0.056	1.79
SN02	9.90	49.90	**40.00**	**62.35**	2.41	1.94	0.088	6.13
SN03	34.10	99.62	**65.52**	**63.28**	1.38	3.16	0.087	3.35
SN04	23.15	77.10	**53.95**	**63.45**	1.34	3.01	0.094	4.58

Table 1: Significant Drill Intersections derived from Results reported by BRGM (1986)

"We are very pleased that drilling has commenced at Nabeba after a tremendous effort by our field team in constructing new access to the deposit over recent months," said Sundance's CEO, Don Lewis.

"Local infrastructure improvements and support to the local communities in this remote part of the Republic of Congo is being well received as are the employment opportunities and training being provided to the National workforce by Sundance".

"Our first phase of drilling on Exploration Permit 92 in Cameroon successfully defined a world-scale Resource inventory of High-Grade and Itabirite Hematite at the Mbarga, Mbarga South and Metzimevin Deposits. We are currently drilling out these deposits with the aim to progressively convert current resources to reserves.

"We look forward to increasing our High-Grade Hematite Resource inventory over the coming months through the drilling program now underway at Nabeba. If our Exploration Target is achieved, this could result in a potential doubling of the tonnage of High-Grade Hematite controlled by the Company," Mr Lewis added.

"This is an important milestone for the Mbalam Project following our recent $85 million capital raising. The drilling program, which forms a core part of our Definitive Feasibility Study, has the potential to add substantial value to the Project as we progress discussions with prospective partners, customers and financiers in support of project financing activities in 2010."

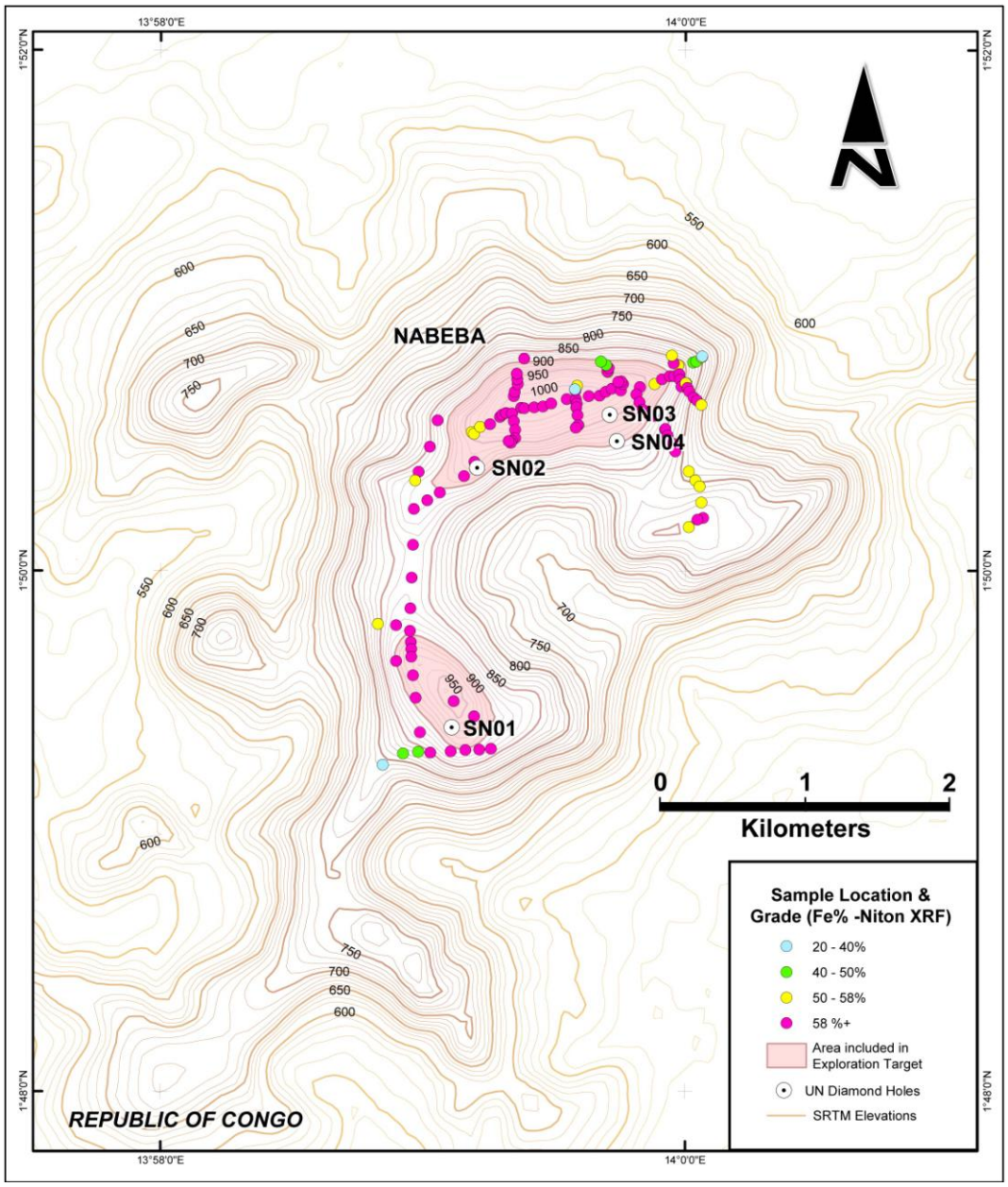

Figure 3: Assay Results from Surface Sampling over the Nabeba Deposit by Sundance (2009)

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About Sundance Resources Limited

Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on its Mbalam Iron Ore Project as the basis for developing a global iron ore business. Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Project and nearby projects in Congo and Gabon.

WA-based Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.

Competent Person's Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy.

Mr Longley is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Widenbar is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

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

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

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

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

The map boundaries shown in any attached figures are indicative and should not be used for legal purposes. All areas are approximate and maps do not reflect all topographical features.

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 SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in iron ore prices and exchange rates and business and operational risk management. For a

discussion of such factors, refer to SDL's most recent annual report and half year report. SDL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.