



ASX Announcement / Media Release

8 April 2013

SUNDANCE TERMINATES HANLONG AGREEMENT

Discussions underway with other parties as part of ongoing strategy to develop the Mbalam-Nabeba Iron Ore Project

- Sundance has terminated the Scheme Implementation Agreement with Hanlong
- The Company is in discussions with other parties, both Chinese and non-Chinese, concerning their interest in the Mbalam-Nabeba Iron Ore Project
- Sundance shares will resume trading Tuesday, 9 April 2013

Sundance Resources Limited ("Sundance" or the "Company") (ASX: SDL) has terminated the Scheme Implementation Agreement ("SIA") with Hanlong (Africa) Mining Investment Limited ("Hanlong") under which Hanlong was to have acquired 100 per cent of Sundance.

Sundance has decided to terminate the SIA because the funding condition was not met and after being informed by Hanlong that it was unlikely to meet the other required conditions. As a result of the termination of the SIA, the adjourned meeting of Sundance shareholders that was scheduled for 7 May 2013 will not proceed.

"Whilst it is disappointing after all this time that we will not complete this transaction, the Board of Sundance believes it is in its shareholders' best interests to terminate the agreement with Hanlong," Sundance Chairman George Jones said.

"This will enable us to focus all our efforts on discussions with other parties which have expressed strong interest in the Mbalam-Nabeba Project."

As well as terminating the SIA, the convertible note Subscription Agreement with Hanlong also terminates effective as of midnight on the evening of 8 April 2013. This means that the Tranche 2 and Tranche 3 subscriptions will not proceed. The existing A\$5 million Tranche 1 convertible notes will be escrowed for six months from 8 April 2013 and, subject to conditions, the Maturity Date of these notes is now extended to 30 June 2014.

Hanlong has requested the withdrawal of the National Development and Reform Commission ("NDRC") provisional approval granted to Hanlong and extended by NDRC earlier this year. This removes Hanlong's exclusivity as proponent of the Mbalam-Nabeba Project in China.

Over the past 18 months, there have been substantial achievements in respect to the growth and development of the Mbalam-Nabeba Iron Ore Project, located in Cameroon and the Republic of Congo.

These include:

- Increase in Ore Reserves (Probable) from 352.3 million tonnes to 436.3 million tonnes at 62.6% Fe
- Increase in High Grade Hematite (Direct Shipping Ore-quality) Resources (Indicated and Inferred) from 521.7 million tonnes to 775.4 million tonnes at 57.2% Fe.
- Increase in Itabirite Resources (Indicated and Inferred) from 2.3 billion tonnes to over 4 billion tonnes at 36.3% Fe.
- Completion of environmental approvals in Cameroon and the Republic of Congo for the mines, port and railway.
- Signing of the Mbalam Convention in Cameroon including agreement on key financial terms.
- Issuance of the Nabeba Mining Permit by Presidential Decree for the Republic of Congo.

"Sundance's Mbalam-Nabeba Project is significantly more valuable today than when the Hanlong bid was first made," Mr Jones said.

"Sundance believes that it continues to receive support from the Governments of Cameroon and the Republic of Congo and from China for this Project. Sundance is engaging with other potential Chinese strategic partners with a view to developing the Project. "

"At the same time we will also progress discussions with non-Chinese parties."

"The Mbalam-Nabeba Project has been globally recognised as an excellent asset which is financially robust and will unlock a new world-class iron ore region in Africa. We are confident that we can find a suitable partner to help us bring this Project into production."

ENDS

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Competent Persons Statement

The information in this release 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 release that relates to Mineral 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 release 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.

High Grade Hematite Reserves & Resources (by table)

Global High Grade Hematite Ore Reserves	Reserve Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Ore Reserves Reported to ASX – 24 December 2012	Probable	436.3	62.6	4.43	2.55	0.087	2.78

High Grade Hematite Resources	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O 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 Hematite Resource	775.4	57.2	9.4	4.3	0.098	3.8

Itabirite Hematite Resources (by table)

Global Itabirite Hematite Resource	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O 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 Hematite Resource	4,047⁽ⁱ⁾	36.3	43.6	1.4	0.04	1.3

Note:

- (i) Of the total 4,047 Mt Itabirite resource, 1,431 Mt is at a grading of 38.0% and classified as Indicated. The remaining is Inferred Mineral Resources.