



ASX Announcement

12 January 2017

FUNDING AND CONVERTIBLE NOTES UPDATE

Sundance Resources Limited (ASX : SDL) ("**Sundance**" or "**Company**") refers to its ASX announcement dated 23 December 2016 and is pleased to announce it has executed formal documentation for the:

- investment of A\$1.3 million into the Company through a subscription for new convertible notes ("**2016 Investor Group Notes**") by Noble Resources International Pte Ltd ("**Noble**"), an investment vehicle managed by Senrigan Capital Group ("**Senrigan**") and David Porter, to be used to assist in an enhanced strategy to find a partner for the Mbalam Nabeba Iron Ore Project; and
- extension of the maturity date of the convertible notes due on 23 September 2017 to 23 September 2019 held by Noble, Wafin Limited, Senrigan and investment vehicles managed by D.E. Shaw and Blackstone Group L.P.

The formal documentation contains what Sundance considers to be customary conditions precedent for transactions of this nature.

Sundance will seek approval from shareholders to issue the 2016 Investor Group Notes at an Extraordinary General Meeting to be held in mid-February 2017. Further details of the terms and conditions of the 2016 Investor Group Notes will be provided to shareholders in a Notice of Extraordinary General Meeting that is expected to be despatched to shareholders shortly.

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About Sundance Resources

*Sundance Resources is seeking to develop its flagship Mbalam-Nabeba Iron Ore Project, which straddles the border of Cameroon and the Republic of Congo in Central Africa. Stage One will be the production of a Direct Shipping Ore ("**DSO**")-quality sinter fines product averaging >62.0% Fe at a rate of 40Mtpa for approximately 14 years based on blending material sourced from the deposits in the neighbouring countries of Cameroon and Congo. Stage Two, which is currently at a Pre-Feasibility Stage, would then extend the life of the operation by further 15-plus years producing high-grade Itabirite hematite concentrate. In April 2011, Sundance completed the Definitive Feasibility Study for Stage One and Pre-Feasibility Study for Stage Two of the Mbalam-Nabeba Iron Ore Project. The*

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Project will utilise the following rail and port infrastructure to be financed, built and owned by the Government of Cameroon, a 540km rail line dedicated to the transport of iron ore through Cameroon and a dedicated mineral export terminal designed for taking bulk iron ore carriers of up to 300,000 tonnes.

Forward Looking Statements

Certain statements made during or in connection with this communication, including without limitation, those concerning the economic outlook for the iron ore mining industry, financing a large capital project, expectations regarding iron ore prices, production, cash costs and to the operating results, growth prospects and the outlook of Sundance's operations including the likely financing and commencement of commercial operations of the Nabeba-Mbalam-Nabeba Iron Ore Project and its liquidity and capital sources and expenditure, contain or comprise certain forward-looking statements regarding Sundance's 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, deterioration in the iron ore market, deterioration in debt and equity markets that lead to the Project not being able to be financed, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in iron ore prices and exchange rates, business and operational risk management, changes in equipment life, capability or access to infrastructure, emergence of previously underestimated technical challenges, environmental or social factors which may affect a license to operate.