SUNDANCE RESOURCES Limited

ABN 19 055 719 394

ANNUAL REPORT

30 June 2024

Corporate directory

Current Directors

David Porter	Non-executive Director & Chairman
Brett Fraser	Non-executive Director
Giulio Casello	Non-executive Director

Company Secretary

Brett Fraser

Registered Office

Street:	45 Ventnor Avenue
	WEST PERTH WA 6005
Telephone:	+61 (8) 9220 2300
Email:	info@sundanceresources.com.au
Website:	www.sundanceresources.com.au

Share Registry

Computershare Investor Services Pty Ltd

Street:	Level 17, 221 St George's Terrace
	PERTH WA 6000
Postal:	GPO Box D182
	PERTH WA 6840
Telephone:	+61 1300 850 505 (within Australia)
	+61 (3) 9415 4000 (International)
Facsimile:	+61 (8) 9323 2033
Website:	https://www.computershare.com.au

Auditor

Hall Chadwick WA Audit Pty Ltd

Street:	283 Rokeby Road
	Subiaco WA 6008
Telephone:	+61 (8) 9426 0666

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Review of operations

OVERVIEW

Congo Action:

- It was announced by Sundance on 16 December 2020 and confirmed by a further announcement on 21 December 2020 that the Congo by a Presidential decree on 30 November 2020 had expropriated the Nabeba Mining Permit and had issued it to an unknown company - Sangha Mining Development Sasu ("Sangha Mining"). This expropriation is considered illegal and against the terms of the legally binding Nabeba mining convention ("Nabeba Convention") which had been passed into Congolese law in 2018.
- Sundance issued to Congo a Notice of Dispute and a Notice of Expropriation on 16 December 2020. Sundance is claiming damages of $US8.76B. Sundance is being represented by magic circle law firm Clifford Chance.
- On 27 May 2022, a Memorial of Claim ("Memorial") was filed at the ICC. The Memorial included:
    - factual background to the Project and the dispute;
    - a detailed statement of the legal basis for each claim brought against Congo;
    - a number of witness statements; and
    - reports from several independent experts covering the value of the Mbalam Nabeba Iron Ore Project and demonstrating damages ranging from $US1.5B to $US5.7B, depending on the iron ore price used.
- Congo completed a reply in defence of our Memorial. This was then followed by a reply by Sundance in June 2023. Congo submitted their final reply ("Rejoiner") in December 2023.
- The first ICC hearing was due to occur in May 2024 but the death of the President of the tribunal delayed the hearing date. A new President has now been appointed and the hearing has been rescheduled to mid November 2024 in Paris.
- On 1 July 2024 Sundance provided an updated to shareholders that Sundance and Congo had executed a binding but conditional and confidential settlement agreement ("Conditional Settlement"). If the cash funds are disbursed to Sundance as per the Conditional Settlement, then the ICC arbitration will end, conversely if the funds are not received then the arbitration will continue undisturbed.
- The Conditional Settlement was intended to occur no later than 31 October 2024. On 1 November 2024 Sundance updated shareholders that the funds had not been received and the Conditional Settlement has been terminated. The ICC hearing is progressing on schedule and will go ahead on 14 November 2024.

Cameroon Action:

- Sundance and its subsidiary Cam Iron issued a Notice of Dispute with the Government of the Republic of Cameroon ("Cameroon") as announced on 16 December 2020 to reinforce its legal rights to have a mining permit via a Presidential implementation decree issued to Cam Iron.
- Negotiations with Cameroon were progressing but following a visit to Cameroon by the Minister of Mines, Congo Pierre Oba and reporting on meetings that he had with senior Cameroon officials and the President of Cameroon Sundance and Cam Iron decided to commence international arbitration via ICC (Paris) against Cameroon. This was announced on 2 June 2021.
- In March 2022 Sundance was made aware that Cameroon, via the Presidency, was looking to issue the Mbalam permit to a government or other private entity.
- Sundance initiated an emergency injunction via the ICC to prohibit Cameroon taking action on the permit.
- An interim binding order was issued by the Emergency Arbitrator on 1 April 2022 which refrains Cameroon from issuing the Mbalam exploitation permit to any party other than Cam Iron till either the full arbitration against Cameroon is completed or a full body of arbitrators reconsiders this position.
- On 16 June 2022, Cameroon filed a request to annul the Emergency Arbitrator's interim order of 1 April 2022 ("Request"). This Request was heard by the Emergency Arbitrator on 5 July 2022 in front of legal representatives of Sundance/Cam Iron and Cameroon. On 20 July 2022, the Emergency Arbitrator issued his decision, in which he declared that "… insofar as the Cameroon Request is admissible, it is without merit and accordingly [the Emergency Arbitrator] denies the Request in its entirety"
- On 5 September 2022 Sundance announced that Cameroon had issued a Presidential decree on 17 August 2022 which issued an exploitation permit over the Mbalam iron ore tenement to an entity named Cameroon Mining Company SARL. This decree is in direct contradiction to the orders issued by the ICC Emergency Arbitrator.

Review of operations (continued)

- In December 2022, Sundance filed a Memorial of Claim ("Cameroon Memorial") at the ICC against Cameroon. The Cameroon Memorial included:
    - factual background to the Project and the dispute;
    - a detailed statement of the legal basis for each claim brought against Cameroon;
    - a number of witness statements; and
    - reports from several independent experts covering the value of the Project and demonstrating damages up to $US5.5 billion, depending on the iron ore price used.
- On 21 January 2023, the Cameroon Minister of Mines, Mr Gabriel Ndoke, died suddenly in mysterious circumstances. This led to Cameroon requesting a delay in the arbitration proceedings. The ICC tribunal granted an extension to Cameroon to file its defence by October 30, 2023.
- Sundance received a reply to the Cameroon Memorial from Cameroon on 30 October 2023. This was reviewed and a response submitted at the end of June 2024.
- Cameroons final reply ("Cameroon Rejoiner") was due 9 September 2024. However, Sundance understands that Cameroon has failed to pay its lawyers and its technical experts resulting in the lawyers and their technical experts stopping work. Consequently, Cameroon has missed the dealing for filing such Rejoinder. Sundance still believes that the hearing date of late January 2025 should be maintained.

AustSino Action:

- Sundance announced on 11 October 2021 that following a period of investigation, it had applied for Pre Action Discovery against AustSino and its Executive Chairman Mr Ding in the Supreme Court of Western Australia.
- Since that time AustSino has signed an MOU and been issued a contract by Cameroon to build a railway and port in Cameroon together with its partner Bestway. Bestway is the sole owner of Sangha which was the recipient of the illegally expropriated permits in Congo following a number of delays and discussions our application for Pre Action Discovery was heard in the Supreme Court on 15 March 2022. On Thursday, 31 March 2022, the Supreme Court ruled in favour of Sundance receiving pre-action discovery from AustSino and Mr Ding of, in substance, the categories of documents requested by Sundance. As part of this ruling, the Supreme Court agreed with Sundance that the Company had presented evidence that established that it may have various causes of action against AustSino and Mr Ding, including misuse of confidential information and breach of fiduciary obligations by the diversion of a commercial opportunity.
- AustSino appealed this decision on 6 May 2022 but discontinued its appeal on 26 May 2022 before a hearing was due to be held. Therefore, the Pre-Action Discovery orders remain in force.
- There have been delays in Sundance obtaining discovery and inspection of documents from AustSino and Mr Ding. A key category of documents that has still not been discovered or produced by Mr Ding or AustSino comprises documents on Mr Ding's personal mobile phone, in particular any relevant WhatsApp, WeChat and SMS messages. Mr Ding has said he was unable to provide those documents while he was in China.
- Mr Ding returned to Perth in mid-January 2023. During the approximately four weeks he was in Perth, Mr Ding did not hand over his mobile phone to his solicitors to retrieve any relevant data that fell within the scope of the PreAction Discovery orders.
- Mr Ding returned to China in mid-February where, he states, his mobile phone was lost.
- Further orders were issued allowing a review of electronic data held by Mr Ding and the other current and former directors of AustSino. These pre discovery matters are now substantively complete and Sundance is continuing its review of the documents before making a final decision on substantive action against AustSino and Mr Ding.
- As required by the court on the issue of the Pre Discovery Action costs have now been agreed and paid to AustSino for their work required to provide the information.
- The Board of Sundance is considering its position before taking further steps.

Update on Ownership change to Hanlong Resources shareholding:

- On the 17 April 2024, Sundance announced that effective from 12 March 2024 the beneficial owner of Sundance's second largest shareholder Hanlong Resources Ltd has become China Sichuan International Investment Limited ("CSII"). Hanlong Resources Ltd currently holds 15.36% of Sundance's shareholding. This change has no impact on the current proceedings or any future actions.

Directors' report

Your directors present their report on the consolidated entity, consisting of Sundance Resources Limited (**Sundance** or **the Company**) and its controlled entities (collectively **the Group**), for the financial year ended 30 June 2024.

1. Directors

The names of Directors in office at any time during or since the end of the year are:

- Mr David Porter — *Non-executive Director & Chairman*
- Mr Brett Fraser — *Non-executive Director*
- Mr Giulio Casello — *Non-executive Director*

(**the Board**)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors, including details of the qualifications of Directors, please refer to paragraph 5 "Information relating to the directors" of this Directors' Report.

2. Company secretary

The following person held the position of Company Secretary at the end of the financial year:

- Mr Brett Fraser

3. Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2024.

4. Operating and financial review

4.1. Nature of operations principal activities

The principal activity of the Group during the course of the financial year has been advancing legal proceedings in the International Chamber of Commerce in London and Paris. This is a result of the illegal expropriation of the Group's Nabeba Mbalam iron ore project in the Republic of the Congo and the Republic of Cameroon. Litigation is ongoing against the Governments of both Congo and Cameroon.

4.2. Operations review

Refer to the Review of operations on page 1.

4.3. Financial review

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a profit for the year of $436,797 (2023: $145,719 loss).

The net asset deficiency of the Group have increased by $441,386 from 30 June 2023 to $134,199,687 at 30 June 2024.

As at 30 June 2024, the Group's cash and cash equivalents increased from 30 June 2023 by $77,461 to $247,691 at 30 June 2024 and had a working capital deficit of $133,849,687 (2023: $134,147,359 working capital deficit), as disclosed in Note 7 of the Capital management note.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Details of the Company's assessment in this regard can be found in Note 19 Statement of Significant Accounting Policies: Going Concern on page 39.

Directors' report (continued)

4.4. Significant changes in the state of affairs

- Effective from 12 March, 2024 the beneficial owner of Sundance's second largest shareholder Hanlong Resources Ltd. has become China Sichuan International Investment Limited ("CSII"). CSII currently holds 15.36% of Sundance's shareholding.
- On 26 April 2024, Sundance provided the following update on legal proceedings against Congo, Cameroon and AustSino:
  - The first ICC hearing in regard to the Congo action was expected before the constituted ICC tribunal to occur in Q2 2024. The tribunal is structured with two members and a President. The death of the President of the tribunal has created a delay in the timeline. A new President is now required to be appointed. Sundance has requested to keep the original hearing dates (which were May 2024) but has been informed that this is now not possible. Sundance has requested an early as possible date for the hearing.
  - Cameroon hearings are expected to be held in early 2025.
  - Pre discovery matters in relation to the AustSino action are complete. As required by the court on the issue of the Pre Discovery Action costs have been agreed and paid to AustSino for their work required to provide the information. The Board of Sundance is considering its position before taking further steps
- On 1 July 2024, Sundance provided an update regarding the proceedings between Sundance and the Republic of Congo:
  - The execution of a binding but confidential and conditional settlement agreement ("Conditional Settlement") between Sundance, Congo Iron SA and Congo ("The Parties") which is meant to settle the ongoing and previously announced dispute between The Parties before the International Court of Arbitration of the ICC ("ICC").
  - If the cash funds are disbursed as agreed in the Conditional Settlement, then the ICC arbitration will end; conversely, if the funds are not received in due course and for the full amount, then the arbitration will continue undisturbed with the hearing now expected to be held in Paris mid-November this year. If successful, the Conditional Settlement is intended to occur by no later than the end September 2024.
- On 2 July 2024, Sundance provided an update regarding the proceedings between Sundance and the Republic of Cameroon:
  - Sundance has now served its Statement of Reply to Cameroon's Statement of Defence.
  - The proceedings against Cameroon are scheduled to be heard by ICC in Paris from 27 to 31 January 2025.
  - The Conditional Settlement with Congo announced on 1 July 2024 will not affect the Company's ICC arbitration against Cameroon.
- On 3 July 2024, Sundance issued a joint announcement with the Republic of Congo:
  - "The Republic of Congo, Sundance Resources Limited and Congo Iron SA wish to announce that a mediation has concluded and resulted in the execution of a conditional binding confidential settlement agreement, which will settle and bring to an end the ongoing dispute, as well as any future other ones, between Sundance Resources Limited, Congo Iron SA and the Republic of Congo brought before the International Court of Arbitration of the ICC, or any other Court insofar as such dispute may relate to the Nabeba Iron Ore Project."
  - This announcement does not replace or substitute Sundance's announcement of 1 July 2024 that should be read for further details.
- On 16 September 2024 Sundance provided a further update on the Cameroon proceedings. By 9 September 2024 a final reply submission was scheduled to be filed by Cameroon ("Rejoinder") following the previously supplied submissions. However, Sundance understands that Cameroon has failed to pay its lawyers and its technical experts resulting in the lawyers and their technical experts stopping work. Consequently, Cameroon has missed the dealing for filing such Rejoinder. Sundance still believes that the hearing date of late January 2025 should be maintained.
- On 30 September 2024 Sundance advised that cash funds required by the Conditional Settlement between Sundance and the Republic of Congo had not been received. It was agreed that the end date of the Conditional Settlement be extended to 31 October 2024. On 1 November 2024 Sundance announced that the funds had not been received and the Conditional Settlement had been terminated.

4.5. Events subsequent to reporting date

There are no significant after balance date events that are not covered in this Directors' Report section 4.2 Operations review above or within the financial statements at Note 11 Events Subsequent To Reporting Date on page 31.

4.6. Future developments, prospects and business strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

Directors' report (continued)

4.7. Environmental regulations

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

The Group is committed to achieving a high standard of environmental performance. The Board is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

5. Information relating to the directors

Mr David Porter	Chairman (Non-Executive) Independent
Qualifications	MSc(Geo), BSc (Hon)
Experience	Mr Porter is a professional geologist and Fellow of the Australasian Institute of Mining and Metallurgy with over 40 years' experience in the mining industry, including most facets of exploration and mining. For the past 18 years he has focused his activities in Africa and was the founding Chairman of Cam Iron SA and Congo Iron SA. Mr Porter was also instrumental in the development of two coal projects in the Waterberg region of South Africa which are at development stage. Prior to Mr Porter's project activities in Africa, he was Managing Director of three ASX listed exploration companies, all of which developed gold and base metal projects. Mr Porter worked for many international mining companies, with small ASX listed companies and as an independent consultant on gold, base metal, iron ore and coal projects.
Interest in Shares and Options	1,735,542,986 ordinary shares in Sundance Resources Limited. No options held in Sundance Resources Limited.
Directorships held in other listed entities	Mr Porter does not currently hold directorships in any other listed entities.
Mr Brett Fraser	Director (Non-Executive) Independent
Qualifications	FFIN, FCPA, BBus, FGIA
Experience	Mr Fraser is an experienced ASX company director; has worked in the finance and securities industry for over 35 years' and has started, owned and operated businesses across wine, health, finance, media and mining. Mr Fraser provides consultancy across sell side transactions, business acquisitions, business strategy and restructuring, initial public offers, capital raisings and corporate governance. In addition, Mr Fraser is a Fellow of Certified Practicing Accountants; Fellow of the Financial Services Institute of Australasia; Grad Dip Finance, Securities Institute of Australia; Bachelor of Business (Accounting); International Marketing Institute – AGSM Sydney and Fellow of the Governance Institute of Australia. Mr Fraser is also a former director of Drake Resources Limited, Doray Minerals Limited and Gage Roads Limited.
Interest in Shares and Options	200,000,000 ordinary shares held in Sundance Resources Limited. No options held in Sundance Resources Limited.
Directorships held in other listed entities	Mr Fraser is a Non-Executive Chairman of Firefinch Ltd (ASX:FFX)

Directors' report (continued)

Mr Giulio Casello	▸	Director (Non-Executive)
Qualifications	▸	B.Eng, ME Mgt, MAICD
Experience	▸	Mr Casello is a highly experienced executive with national and global exposure in manufacturing environments for blue chip organisations. Backed by 40 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.
Interest in Shares and Options	▸	214,950,000 ordinary shares in Sundance Resources Limited. No options held in Sundance Resources Limited.
Directorships held in other listed entities	▸	Mr Casello does not currently hold directorships in any other listed entities.

6. Meetings of directors and committees

During the financial year a number of meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table.

	DIRECTORS' MEETINGS		AUDIT COMMITTEE		NOMINATION & REMUNERATION COMMITTEE		FINANCE & OPERATIONS COMMITTEE	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
David Porter	8	8	*At the date of this report, the full Board of Directors consider all mattes of nomination and remuneration, audit, finance and operations. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of separate committees.*					
Brett Fraser	8	8						
Giulio Casello	8	8						

7. Indemnifying officers or auditor

7.1. Indemnification

The Company indemnifies each of its Directors, officers and company secretary to the maximum extent permitted by the *Corporations Act 2001* from liability to third parties, except where the liability arises out of conduct involving lack of good faith, and in defending legal and administrative proceedings and applications for such proceedings.

The Company must use its best endeavours to insure a director or officer against any liability, which does not arise out of conduct constituting a wilful breach of duty or a contravention of the *Corporations Act 2001*. The Company must also use its best endeavours to insure a Director or officer against liability for costs and expenses incurred in defending proceedings whether civil or criminal.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

7.2. Insurance premiums

During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed.

Directors’ report (continued)

8. Options

8.1. Unissued shares under option

At the date of this report, all unissued ordinary shares of Sundance Resources Limited under option (listed and unlisted) have expired.

8.2. Shares issued on exercise of options

No ordinary shares were issued by the Company as a result of the exercise of options during or since the end of the financial year.

9. Non-audit services

During the year, Hall Chadwick WA Audit Pty Ltd (Hall Chadwick), the Company’s auditor, did not perform any services other than their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at Note 14 Auditors' Remuneration on page 32.

In the event that non-audit services are provided by Hall Chadwick , the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001*. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor’s own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

10. Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

11. Auditor’s independence declaration

The lead auditor’s independence declaration under Section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2024 has been received and can be found on page 8 of the annual report.

This Report of the Directors is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

David Porter

DAVID PORTER
Chairman
Dated this 12 November 2024

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Sundance Resources Limited and its controlled entities for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 12th day of November 2024
Perth, Western Australia

Consolidated statement of profit or loss and other comprehensive income

for the year ended 30 June 2024

	Note	2024 $	2023 $
Continuing operations			
Other income	1.2	1,474,200	1,122,167
Administration expense	1.3	(79,816)	(73,081)
Consultants fees expensed		(279,412)	(289,220)
Employee and director benefits expense	1.4	(350,553)	(506,180)
Legal fees		(47,687)	(104,897)
Listing and registry fees		(22,792)	(23,769)
Occupancy costs		(4,521)	(6,539)
Professional fees	1.5	(101,118)	(108,734)
Travel expenses		(162)	(1,658)
Other expenses	1.6	(151,342)	(153,808)
Loss from continuing operations before tax		436,797	(145,719)
Income tax	2	-	-
Profit/(Loss) from continuing operations net of tax		**436,797**	**(145,719)**
Loss for the period attributable to:			
Non-controlling interest		(5,887,835)	(4,214,812)
Owners of the parent		6,324,632	4,069,093
Net loss attributed to members		**436,797**	**(145,719)**
Other comprehensive expense, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		3,689	(54,471)
Other comprehensive expense for the year, net of tax		**3,689**	**(54,471)**
Total comprehensive expense for the year		**440,486**	**(200,190)**
Total comprehensive income attributable to:			
Non-controlling interest		(5,065,553)	(8,060,262)
Owners of the parent		5,506,039	7,860,072
Total comprehensive expense attributed to members		**440,486**	**(200,190)**
Earnings per share:		¢	¢
Basic and diluted (cents per share)	15	0.063	0.041

The consolidated statement of profit or loss and other comprehensive expense is to be read in conjunction with the accompanying notes.

Consolidated statement of financial position

as at 30 June 2024

	Note	2024 $	2023 $
Current assets			
Cash and cash equivalents	3.1	247,691	170,230
Trade and other receivables	3.2	2,024,604	345,047
Other assets	4.2	33,872	45,933
Total current assets		**2,306,167**	**561,210**
Total assets		**2,306,167**	**561,210**
Current liabilities			
Borrowings	3.4	133,556,200	133,556,200
Trade and other payables	3.5	2,461,208	1,030,899
Provisions	4.5	138,446	121,470
Total current liabilities		**136,155,854**	**134,708,569**
Non-current liabilities			
Provisions	4.5	350,000	493,714
Total non-current liabilities		**350,000**	**493,714**
Total liabilities		**136,505,854**	**135,202,283**
Net assets		**(134,199,687)**	**(134,641,073)**
Equity			
Issued capital	5.1	432,065,710	432,064,810
Reserves		78,598,534	79,417,127
Accumulated losses		(569,475,150)	(575,799,782)
Non-controlling interest		(75,388,781)	(70,323,228)
Total equity		**(134,199,687)**	**(134,641,073)**

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

for the year ended 30 June 2024

	Note	Issued Capital $	Share Transactions With Non-Controlling Interests $	Foreign Exchange Translation Reserve $	Issue of Convertible Notes $	Options Premium Reserve $	Share Based Payments Reserve $	Accumulated Profit/(Losses) $	Non-Controlling Interest $	Total Equity $
Balance at 1 July 2022		**432,064,810**	**(11,160,000)**	**32,283,812**	**24,672,500**	**4,518,800**	**25,311,036**	**(579,868,875)**	**(62,262,966)**	**(134,440,883)**
Loss for the year		-	-	-	-	-	-	4,069,093	(4,214,812)	(145,719)
Foreign currency loss		-	-	3,790,979	-	-	-	-	(3,845,450)	(54,471)
Total comprehensive income for the year		-	-	3,790,979	-	-	-	4,069,093	(8,060,262)	(200,190)
Transaction with owners, directly in equity										
Securities reallocated		-	-	-	-	(982,800)	982,800	-	-	-
Balance at 30 June 2023		**432,064,810**	**(11,160,000)**	**36,074,791**	**24,672,500**	**3,536,000**	**26,293,836**	**(575,799,782)**	**(70,323,228)**	**(134,641,073)**
Balance at 1 July 2023		**432,064,810**	**(11,160,000)**	**36,074,791**	**24,672,500**	**3,536,000**	**26,293,836**	**(575,799,782)**	**(70,323,228)**	**(134,641,073)**
Loss for the year		-	-	-	-	-	-	6,324,632	(5,887,835)	436,797
Foreign currency loss		-	-	(818,593)	-	-	-	-	822,282	3,689
Total comprehensive income for the year		**-**	**-**	**(818,593)**	**-**	**-**	**-**	**6,324,632**	**(5,065,553)**	**440,486**
Transaction with owners, directly in equity										
Securities issued		900	-	-	-	-	-	-	-	900
Securities reallocated		-	-	-	-	(3,240,000)	3,240,000	-	-	-
Balance at 30 June 2024		**432,065,710**	**(11,160,000)**	**35,256,198**	**24,672,500**	**296,000**	**29,533,836**	**(569,475,150)**	**(75,388,781)**	**(134,199,687)**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

for the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,404,495)	(1,409,842)
Receipts from others		106,455	184,162
Receipts from litigation funder		1,380,605	997,921
Interest received		2,661	1,243
Interest and borrowing costs		(5,032)	(9,462)
Net cash used in operating activities	3.1.2	**80,194**	**(235,978)**
Cash flows from investing activities			
Proceed from disposal of property, plant & equipment		-	-
Net cash (used in)/provided by investing activities		**-**	**-**
Net increase/(decrease) in cash held		**80,194**	**(235,978)**
Cash and cash equivalents at the beginning of the year		170,230	405,134
Effects of exchange rates on cash and cash equivalents		(2,733)	1,074
Cash and cash equivalents at the end of the year	3.1	**247,691**	**170,230**

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the year ended 30 June 2024

In preparing the 2024 financial statements, Sundance Resources Limited has grouped notes into sections under five key categories:

- Section A: How the numbers are calculated 13
- Section B: Group structure 28
- Section C: Unrecognised items 29
- Section D: Other information 32

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The presentation of the notes to the financial statements has changed from the prior year and is supported by the IASB's Disclosure Initiative. As part of this project, the AASB made amendments to AASB 101 *Presentation of Financial Statements* which have provided preparers with more flexibility in presenting the information in their financial reports.

The financial report is presented in Australian dollars, except where otherwise stated.

The registered office and principal place of business of the Company is:

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WEST PERTH WA 6005
Telephone: +61 (0)8 9220 2300
Email: info@sundanceresources.com.au

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the entity, including:

(a) *accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction*

(b) *analysis and sub-totals, including segment information*

(c) *information about estimates and judgements made in relation to particular items.*

Note 1 Loss before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

1.1 Pass-through arrangement

Within the loss from continuing operations there is a netting off of revenue and expenditure under a pass-through arrangement. Costs that are reasonably incurred by Sundance in order to expedite the successful litigation of the governments of Congo and Cameroon are recovered from Burford under the funding agreement.

Clifford Chance has been engaged by Sundance to represent them in legal proceedings. Costs incurred by Clifford Chance are invoiced to Sundance and paid directly by Burford. Due to the commercial sensitivity of these cases the total amount of legal fees under this pass-through arrangement have not been disclosed.

	Note	2024 $	2023 $
1.2 Other income from continuing operations			
Litigation funding	1.2.1	1,376,463	943,242
Interest revenue		2,661	1,243
Other income		95,076	177,682
		1,474,200	1,122,167

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 1 Loss before income tax (continued)

1.2 Other income from continuing operations (continued)

1.2.1 Litigation funding

Non-recourse funding provided by Burford to cover legal fees and other costs of arbitration.

1.2.2 Accounting Policy – Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

	Note	2024 $	2023 $
1.3 Administration expenses:			
Corporate costs		33,762	29,432
General administration costs		10,873	4,744
IT and communications		35,181	38,905
		79,816	73,081

	Note	2024 $	2023 $
1.4 Employee and director benefits:			
Share based payment		900	-
Salaries and wages		47,443	206,064
Non-executive Directors' fees		260,000	260,000
Superannuation		42,210	40,116
		350,553	506,180

1.4.1 *Accounting Policy – Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

	Note	2024 $	2023 $
1.5 Professional fees:			
Audit, accounting and tax		100,392	107,370
Public relations		726	1,364
		101,118	108,734

	Note	2024 $	2023 $
1.6 Other expenses:			
Consumables		2,859	5,742
Insurance		143,451	138,604
Interest paid		5,032	9,462
		151,342	153,808

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 2 Income tax	Note	2024 $	2023 $
2.1 Components of tax expense comprise:			
Current income tax			
Current income charge (benefit)		129,872	(3,502)
Deferred income tax			
Relating to origination and reversal of temporary differences		(747,309)	(247,906)
Tax losses not brought to account		(129,872)	3,502
Timing differences not brought to account		747,309	247,906
Income tax expense reported in the Statement of Comprehensive Income		-	-

	Note	2024 $	2023 $
2.2 Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable/(benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Loss before income tax		436,797	(145,719)
Prima facie tax payable on loss from ordinary activities before income tax at 25% (2023: 25%)		109,199	(36,430)
Add / (Less) Tax effect of:			
Share based payment expense		225	-
Losses not brought to account (utilised)		(129,871)	3,502
Timing differences not brought to account		1,963	(798)
Non-assessable income		18,484	33,726
Income tax attributed to entity at effective income tax rate of 0% (2023: 0%)		-	-

	Note	2024 $	2023 $
2.3 Unrecognised deferred tax balances			
Unrecognised deferred tax asset – losses		44,479,800	45,264,861
Unrecognised deferred tax assets – other		1,590,123	1,552,370
Deferred tax asset not brought to account		46,069,923	46,817,232

The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits.

2.4 Key estimates – Taxation

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group's tax losses have the ability to be carried forward indefinitely for offset against future taxable profits of the Group. The recoupment of available tax losses as at 30 June 2024 are contingent upon the Group satisfying the following conditions:

- deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- the conditions for deductibility imposed by tax legislation continuing to be complied with and the company meeting either its continuity of ownership test or in the absence of satisfying that test the company can satisfy the same business test; and
- there being no changes in tax legislation which would adversely affect the Group from realising the benefits from the losses.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 2 Income tax (continued)

2.4 Key estimates – Taxation (continued)

In the event that the Group fails to satisfy these conditions above or the Commissioner of Taxation challenges the Group's ability to utilise its losses, the Group may be liable for future income tax on assessable income derived by the company.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates consider both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

2.5 Accounting Policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Note 3 Financial assets and financial liabilities

	Note	2024 $	2023 $
3.1 Cash and cash equivalents			
Cash at bank and on hand		247,691	170,230
		247,691	170,230

3.1.1 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 6 Financial risk management.

3.1.2 *Cash Flow Information*

a. *Reconciliation of cash flow from operations to (loss)/profit after income tax*

	2024	2023
Operating loss after income tax	436,797	(145,719)
Non-cash flows in loss from ordinary activities:		
Share-based payments	900	-
Total foreign exchange impact on operating cash flows	6,419	(55,545)

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (continued)

3.1 Cash and cash equivalents (continued)

	Note	2024 $	2023 $
3.1.2 *Cash Flow Information (continued)*			
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:			
Decrease/(increase) in debtors & prepayments		(1,666,769)	391,222
(Increase)/decrease in accruals & provisions		1,273,307	(199,033)
Increase/(decrease) in payables		29,540	(226,903)
Cash flow from operations		80,194	(235,978)

3.1.3 *Accounting Policy*

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

3.2 Trade and other receivables

	Note	2024 $	2023 $
3.2.1 *Current*			
Other receivables		2,024,604	345,047
		2,024,604	345,047

3.2.2 At reporting date, there are no receivables past their due date.

3.2.3 *Accounting Policy*

Trade receivables are generally due for settlement within 30 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Allowance for expected credit losses of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

3.3 Financial Assets

3.3.1 *Accounting policies - Investments and other financial assets*

a. *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (continued)

3.3 Financial Assets (continued)

3.3.1 *Accounting policies - Investments and other financial assets (continued)*

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (**FVOCI**).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b. *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c. *Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (**FVOCI**).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

d. *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

e. *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (**FVPL**), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i. Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss.

Note 3 Financial assets and financial liabilities (continued)

3.3 Financial Assets (continued)

3.3.1 *Accounting policies - Investments and other financial assets (continued)*

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii. Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii. Foreign exchange gains and losses

The carrying amount of financial assets and financial liabilities that are denominated in a foreign currency are determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically;

- for financial assets and financial liabilities measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss;
- for those financial assets and financial liabilities which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss. Other exchange differences are recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets and financial liabilities measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

f. *Impairment*

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (continued)

3.4 Borrowings

	Note	2024 $	2023 $
3.4.1 *Current:*			
Convertible Note – Debt Liability	3.4.2	132,556,200	132,556,200
Loan from investor	3.4.3	1,000,000	1,000,000
		133,556,200	133,556,200

3.4.2 *Restructure of Arrangement With Noteholders*

Sundance and its Noteholders have agreed to a method in which the Convertible Notes will be converted to a waterfall payment system based on litigation proceeds.

Under the new arrangements, the Noteholders have agreed to indefinitely forbear on their Convertible Notes for the duration of the proceedings, which are currently underway against the Governments of the Republic of the Congo and the Republic of Cameroon.

In addition, if Sundance is successful in any of these proceedings and receives an award of damages, the Noteholders will be entitled to receive an agreed portion of any damages recovered

- as compensation for their forbearance of their Convertible Notes, and
- in repayment of the redemption amounts owing under the Convertible Notes.

Essentially, the agreed portion of damages to which the Noteholders are entitled corresponds to the amount of damages awarded to Sundance, with Sundance's recovery increasing as the amount of damages awarded in any of the proceedings increases.

Any amounts due to the Noteholders under the new arrangements will be paid after Burford has recovered its entitlements as the litigation funder under the Capital Provision Agreement.

After these payments are made to the litigation funder and the Noteholders, Sundance will be able to use the balance of any damages awarded in the arbitration proceedings in its absolute discretion and in the interests of all shareholders.

In the event that the Noteholders, after receiving independent legal advice, believe that the proceedings will not result in a threshold amount of payment to the Noteholders the Noteholders may, but are not obligated to, reinstate the Convertible Notes.

The liabilities recognised approximate fair value given the current circumstances at this point in time and will be reviewed if the success of litigation increases.

3.4.3 *Loan from Investor*

Short term loan funding facility received from existing noteholder Senrigan to ensure that Sundance had adequate working capital. This facility had the option of paying the loan back (with 15% interest) within 12 months of signing the term sheet or if not repaid would revert to the same terms as the CPA with Burford. The loan was not repaid and became a non-recourse loan upon signing the CPA on 10 August 2021.

As part of the revised arrangements Senrigan is entitled to receive an amount equal to the funds drawn down under the facility if Sundance is successful in receiving damages from legal proceedings.

3.4.4 *Fair Values*

Settlement liabilities have been fair valued at the current carrying amount. The arrangements under the litigation funding agreement and waterfall agreement outline the right to receive funds from proceeds arising from legal proceedings. At this point in time the outcome of the legal action is uncertain and the likelihood of recovering funds from the governments of Congo and Cameroon is unknown. The liabilities recognised approximate fair value given the current circumstances at this point in time and will be reviewed if the success of litigation increases.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 3 Financial assets and financial liabilities (continued)

3.4 Borrowings (continued)

3.4.5 *Accounting Policy*

Financial liabilities

d. *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

e. *Subsequent measurement*

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

f. *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

g. *Financial liabilities at amortised cost (loans and borrowings)*

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

	Note	2024 $	2023 $
3.5 Trade and other payables			
3.5.1 *Current:*			
Unsecured			
Trade creditors		448,510	423,920
Sundry payables and accruals		2,012,698	606,979
Total unsecured liabilities		2,461,208	1,030,899

3.5.2 *Accounting Policy*

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are classified as financial liabilities. Financial liabilities are measured at amortised cost using the effective interest method.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 4 Non-financial assets and financial liabilities

4.1 Other Significant Accounting Policies related to Non-Financial Assets and Liabilities

4.1.1 *Impairment of non-financial assets*

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

	Note	2024 $	2023 $
4.2 Other Current Assets			
4.2.1 Current:			
Prepayments		1,190	2,911
GST & VAT receivables		32,682	43,022
		33,872	45,933

	Note	2024 $	2023 $
4.3 Mine development assets			
4.3.1 Mbalam-Nabeba Iron Ore Project:			
Carrying amount of asset		187,542,141	187,542,141
Project impairment		(187,542,141)	(187,542,141)
		-	-

At 30 June 2024, the Company held a 90% interest in Cam Iron S.A. which holds a 100% interest in the Project in Cameroon and an 85% interest in Congo Iron S.A. which holds a 100% interest in the Project in Congo.

The mine development assets were fully impaired in 2020 following the expiry of the Mbalam Convention. With expropriation of the Congo asset by the Government of Congo, the assets will continue to be fully impaired.

4.4.2 *Accounting Policy*

Capitalised mine development expenditure is recognised at cost less accumulated amortisation and any impairments. 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 and the future US$ iron ore price and ability of the entity to recoup the expenditure through successful development of the area. Any such estimates and assumptions may change as new information becomes available. 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.

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

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 4 Non-financial assets and financial liabilities (continued)

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	2024 $	2023 $
4.5	**Provisions**			
4.5.1	*Current:*			
	Employee benefits provision		138,446	121,470
			138,446	121,470
4.5.2	*Non-Current:*			
	Employee benefits provision		350,000	493,714
			350,000	493,714

4.5.3 *Accounting Policy*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 5 Equity

	Note	2024 No.	2023 No.	2024 $	2023 $
5.1 Issued capital					
Fully paid ordinary shares at no par value		9,980,021,556	9,950,021,556	432,065,710	432,064,810
5.1.1 Ordinary shares					
At the beginning of the year		9,950,021,556	9,950,021,556	432,064,810	432,064,810
Shares issued during the year		30,000,000	-	900	-
At reporting date		9,980,021,556	9,950,021,556	432,065,710	432,064,810

5.1.2 *Terms and Conditions*

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called otherwise each shareholder has one vote on a show of hands.

No dividends have been paid or proposed during the financial year.

5.1.3 *Accounting Policy*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are not included in the cost of the acquisition as part of the purchase consideration.

5.2 Options

The total number of options on issue are as follows:

	Note	2024 No.	2023 No.	2024 $	2023 $
Unlisted options		49,333,334	589,333,334	296,000	3,536,000
5.2.1 Unlisted options					
At the beginning of the year		589,333,334	689,333,334	3,536,000	4,518,800
Options lapsed during the year		(540,000,000)	(100,000,000)	(3,240,000)	(982,800)
At reporting date		49,333,334	589,333,334	296,000	3,536,000

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 6 Financial risk management

6.1 Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks and accounts payable. The Group does not speculate in the trading of derivative instruments.

Risk management has focused on limiting liabilities to a level which could be extinguished by sale of assets if necessary.

The Group's activities expose it to a variety of financial risks; credit risk, capital risk, foreign currency risk, and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the Board as a whole and reviewed on a regular basis.

	Note	Floating Interest Rate $	Non-interest Bearing $	2024 Total $	Floating Interest Rate $	Non-interest Bearing $	2023 Total $
Financial Assets							
Cash and cash equivalents	3.1	247, 691	-	247, 691	170,230	-	170,230
Trade and other receivables	3.2	-	2,024,604	2,024,604	-	345,047	345,047
Total Financial Assets		**247,691**	**2,024,604**	**2,272, 295**	**170,230**	**345,047**	**515,277**
Financial Liabilities							
Financial liabilities at amortised cost							
Trade and other payables	3.5	-	2,461,208	2,461,208	-	1,030,899	1,030,899
Borrowings	3.4	-	133,556,200	133,556,200	-	133,556,200	133,556,200
Total Financial Liabilities		**-**	**136,017,408**	**136,017,408**	**-**	**134,587,099**	**134,587,099**
Net Financial Assets/(Liabilities)		**247,691**	**(133,992,804)**	**(133,745,113)**	**170,230**	**(134,242,052)**	**(134,071,822)**

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 6 Financial risk management (continued)

6.2 Specific Financial Risk Exposures and Management

6.2.1 *Market risk*

a. *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Neither the Group nor the Company have any interest bearing liabilities subject to interest rate fluctuations.

Interest rate risk is not material to the Group.

6.2.2 *Credit risk*

Exposure to credit risk relating to financial assets arises largely from cash at bank.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

6.2.3 ***The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.***

The objective of the Group is to minimise the risk of loss from credit risk. 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. 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.

6.2.4 *Capital risk*

The Group and Company endeavour to manage their capital to ensure the Group and the Company will be able to continue as going concerns 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 2024 the Group and the Company have convertible note facilities with Wafin, Noble, the Investor Consortium, and 2015 Investor Consortium.

6.2.5 *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.

6.2.6 *Liquidity risk*

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The objective of the consolidated entity is to maintain sufficient liquidity to meet commitments under normal and stressed conditions.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 6 Financial risk management (continued)

6.2 Specific Financial Risk Exposures and Management (continued)

Prudent liquidity risk management implies maintaining sufficient cash, and the availability of funding through an adequate amount of committed credit facilities.

The Group did not have access to any undrawn borrowing facilities at the reporting date.

All liabilities are current and will be repaid in normal trading terms

a. *Contractual Maturities*

The following are the contractual maturities of financial assets and liabilities of the Group:

	Within 1 Year		Greater Than 1 Year		Total			
	2024 $	2023 $	2024 $	2023 $	2024 Weighted Average Effective Interest Rate %	2024 $	2023 Weighted Average Effective interest Rate %	2023 $
Financial liabilities due for payment								
Trade and other payables	2,461,208	1,030,899	-	-	0.00%	2,461,208	0.00%	1,030,899
Debt liability	132,556,200	132,556,200	-	-	0.00%	132,556,200	0.00%	132,556,200
Loan from investor	1,000,000	1,000,000	-	-	0.00%	1,000,000	0.00%	1,000,000
Total contractual outflows	136,017,408	134,587,099	-	-		136,017,408		134,587,099
Financial assets								
Cash and cash equivalents	247,691	345,047	-	-	0.00%	247,691	0.00%	345,047
Trade and other receivables	2,024,604	170,230	-	-	0.00%	2,024,604	0.00%	170,230
Total anticipated inflows	2,272,295	515,277	-	-		2,272,295		515,277
Net (outflow)/inflow on financial instruments	**(133,745,113)**	**(134,071,822)**	-	-		**(133,745,113)**		**(134,071,822)**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

6.2.7 *Net fair value of Financial Assets and Liabilities*

The net fair value of cash and cash equivalents and non-interest bearing monetary assets and financial liabilities approximates their carrying values.

b. *Fair value hierarchy*

AASB 13 *Fair Value Measurement: Disclosures* requires disclosure of the fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

All financial assets are classified as Level 1 and their value has been calculated in line with accounting policy Note 19.5 Fair Value.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 7 Capital management

Management controls the capital of the Group. Their objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the consolidated entity consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses.

Due to the nature of the Group's activities, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to any externally imposed capital requirements.

The working capital position of the Group is as follows:

	Note	2024 $	2023 $
Cash and cash equivalents	3.1	247,691	170,230
Trade and other receivables	3.2	2,024,604	345,047
Other current assets	4.2	33,872	45,933
Borrowings	3.4	(133,556,200)	(133,556,200)
Trade and other payables	3.5	(2,461,208)	(1,030,899)
Provisions	4.5	(138,446)	(121,470)
Working capital position		(133,849,687)	(134,147,359)

SECTION B. GROUP STRUCTURE

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

(a) changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation

(b) transactions with non-controlling interests, and

(c) interests in joint operations.

A list of significant subsidiaries is provided in Note 8.

Note 8 Interest in subsidiaries

8.1 Information about principal subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group. Investments in subsidiaries are accounted for at fair value. Each subsidiaries' country of incorporation is also its principal place of business:

	Country of Incorporation	Class of Shares	Percentage Owned 2024	2023
Subsidiaries of Sundance Resources Limited				
Cam Iron S.A.	Cameroon	Ordinary	90	90
Sundance Minerals Pty Ltd	Australia	Ordinary	100	100
Sundance Exploration Pty Ltd	Australia	Ordinary	100	100
Sundance Mining Pty Ltd	Australia	Ordinary	100	100
Congo Iron S.A.	Congo	Ordinary	85	85
Sangha Resources S.A.	Congo	Ordinary	80	80

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 8 Interest in subsidiaries (continued)

8.1 Information about principal subsidiaries (continued)

	Country of Incorporation	Class of Shares	Percentage Owned	Country of Incorporation
Subsidiaries of Cam Iron S.A.				
Mbarga Mine Co S.A.	Cameroon	Ordinary	90	90
CI RailCo S.A.	Cameroon	Ordinary	90	90
CI PortCo S.A.	Cameroon	Ordinary	90	90
Subsidiaries of CI RailCo S.A. and CI PortCo S.A.				
Mineral Terminal and Rail Operations Company S.A.	Cameroon	Ordinary	90	90

a. Investments in subsidiaries are accounted for at fair value.

8.1.1 *Accounting Policy – Principles of Consolidation*

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

SECTION C. UNRECOGNISED ITEMS

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 9 Contingent assets and liabilities

The Consolidated Entity is aware of the following contingent assets and liabilities as at 30 June 2024:

9.1 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.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 9 Contingent assets and liabilities (continued)

9.2 Republic of Congo, Republic of Cameroon and AustSino legal proceedings

On 16 December 2020 Sundance issued Notices of Dispute and Expropriation against the Government of Congo and a Notice of Dispute against the Government of Cameroon.

Congo proceedings

Under the Notice of Dispute and Expropriation against the Government of Congo, Sundance has sought US$8.76 billion in compensation for the illegal expropriation of its assets, and damages for various breaches of the Mining Convention (signed with Sundance and ratified under Congolese Law in 2014). The matter has been referred to arbitration at the ICC in London.

Cameroon proceedings

The Notice of Dispute against the Government of Cameroon has been referred to the ICC in Paris and is primarily concerned with Cameroon's failure to implement the exploitation permit that was deemed to have been awarded to Cam Iron in respect of the Mbalam tenement in 2010. Sundance and Cam Iron are seeking various remedies in these proceedings, including an order of specific performance to compel Cameroon to issue a presidential decree to formalise and give full effect to the Mbalam exploitation permit.

Sundance has signed a binding Capital Provision Agreement with Burford to provide Sundance with non-recourse funding to cover legal fees and other costs of arbitration. The terms of the CPA remain commercial in confidence.

Sundance is confident that with the funding from Burford and the legal support from Clifford Chance, the Group will be successful in its actions against the governments of Congo and Cameroon. However, it's anticipated that these actions may take several years to conclude and the likelihood of obtaining compensation from these governments is unknown and heavily contingent on a successful verdict from the ICC arbitration.

AustSino proceedings

On 11 October 2021, Sundance applied to the Supreme Court for preaction discovery against AustSino and Mr Ding. The company took this step because Sundance's Board of Directors had (and continues to have) serious concerns regarding the conduct of AustSino and Mr Ding in the period leading up to and following the unlawful expropriation of Sundance's iron ore assets by Congo in late 2020. On Thursday, 31 March 2022, the Supreme Court ruled in favour of Sundance receiving pre-action discovery from AustSino and Mr Ding of, in substance, the categories of documents requested by Sundance. As part of this ruling, the Supreme Court agreed with Sundance that the Company had presented evidence that established that it may have various causes of action against AustSino and Mr Ding, including misuse of confidential information and breach of fiduciary obligations by the diversion of a commercial opportunity.

The Directors believe that as legal proceedings are in the early stages there is significant uncertainty regarding the outcome of these matters.

Note 10 Expenditure commitments

With the expiry of EP92 and the expropriation of the Congo mining permit no further minimum expenditure is required.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 11 Events subsequent to reporting date

Other than set out below, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial periods:

- On 1 July 2024, Sundance provided an update regarding the proceedings between Sundance and the Republic of Congo:
  - Following a mediated discussion initiated by Congo, Sundance announced the execution of a binding but confidential and conditional settlement agreement ("Conditional Settlement") between Sundance, Congo Iron SA and Congo ("The Parties") which is meant to settle the ongoing and previously announced dispute between The Parties before the International Court of Arbitration of the ICC ("ICC").
  - If the cash funds are disbursed as agreed in the Conditional Settlement, then the ICC arbitration will end; conversely, if the funds are not received in due course and for the full amount, then the arbitration will continue undisturbed with the hearing now expected to be held in Paris mid-November this year. If successful, the Conditional Settlement is intended to occur by no later than the end September 2024.
  - In line with confidentiality clauses attached to the Conditional Settlement, Sundance is unable to disclose at this stage the quantum of the agreed cash proceeds. However, consistent with Sundance's communications with all stakeholders, any cash proceeds received by the Company as a result of its proceedings against Congo will be applied to meet the obligations to Sundance's litigation funder and secured noteholders as well as returning value for the Company's shareholders.
- On 2 July 2024, Sundance provided an update regarding the proceedings between Sundance and the Republic of Cameroon:
  - Sundance has now served its Statement of Reply to Cameroon's Statement of Defence.
  - The proceedings against Cameroon are scheduled to be heard by ICC in Paris from 27 to 31 January 2025.
  - The Conditional Settlement with Congo announced on 1 July 2024 will not affect the Company's ICC arbitration against Cameroon.
- On 3 July 2024, Sundance issued a joint announcement with the Republic of Congo:
  - "The Republic of Congo, Sundance Resources Limited and Congo Iron SA wish to announce that a mediation has concluded and resulted in the execution of a conditional binding confidential settlement agreement, which will settle and bring to an end the ongoing dispute, as well as any future other ones, between Sundance Resources Limited, Congo Iron SA and the Republic of Congo brought before the International Court of Arbitration of the ICC, or any other Court insofar as such dispute may relate to the Nabeba Iron Ore Project."
  - This announcement does not replace or substitute Sundance's announcement of 1 July 2024 that should be read for further details.
- On 16 September 2024, Sundance provided an update regarding the proceedings between Sundance and the Republic of Cameroon. By 9 September 2024 a final reply ("Cameroon Rejoiner") was scheduled to be filed. However, Sundance understand that Cameroon has failed to pay its lawyers and its technical experts resulting in the lawyers and their technical experts stopping work. Consequently, Cameroon has missed the dealing for filing such Rejoinder. Sundance still believes that the hearing date of late January 2025 should be maintained.
- On 30 September 2024, Sundance announced that the cash funds required by the Conditional Settlement between Sundance and the Republic of Congo had not been received. Following meetings with Congo representatives, Congo demonstrated to Sundance some progress in raising the funds so it was agreed that the end date of the Conditional Settlement would be extended to 31 October 2024.
- On 1 November 2024, Sundance announced that the cash funds had not been received from Congo by 31 October 2024 and therefore the Conditional Settlement has been terminated by Sundance. The ICC hearing will go ahead as scheduled on 14 November 2024 in Paris, but Sundance remains open to achieving a settlement with Congo.

Notes to the consolidated financial statements

for the year ended 30 June 2024

SECTION D. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 12 Key management personnel compensation	Note	2024 $	2023 $
Short-term employee benefits		260,000	260,000
Post-employment benefits		28,600	27,300
		288,600	287,300

Note 13 Related party transactions

13.1 KMP and 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:

- Where any proposed transaction is at arm's length and on normal commercial terms and conditions no more favourable than those available to other parties; and
- 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.

	Note	2024 $	2023 $
13.2 Equity holdings			
Directors and their related entities held directly, indirectly or beneficially in the Company the following:			
- Ordinary shares		2,150,492,986	2,150,492,986

There are no other related party transactions other than those payments to Directors as Board members.

Note 14 Auditors' remuneration	Note	2024 $	2023 $
Remuneration of the auditors of the Group for:			
- Auditing or reviewing the financial report for the Company		48,000	48,005
- Auditing or reviewing the financial report of foreign subsidiaries		30,189	27,091
		78,189	75,096

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Note 15 Earnings per share (EPS)	Note	2024 $	2023 $
15.1 Reconciliation of earnings to profit or loss			
(Loss) / profit for the year		436,797	(145,719)
Less: loss attributable to non-controlling equity interest		5,887,835	4,214,812
(Loss) / profit used in the calculation of basic and diluted EPS		6,324,632	4,069,093

	2024 No.	2023 No.
15.2 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	9,975,021,556	9,950,021,556

	Note	2024 ¢	2023 ¢
15.3 Earnings per share			
Basic EPS (cents per share)	15.4.1	0.063	0.041

15.3.1 The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than the average market price during the period (out of the money).

In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. At the end of the financial year, the Group has 49,333,334 (2023: 589,333,334) unissued shares under options out of the money and which are anti-dilutive.

15.4 Accounting Policy

15.4.1 *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

15.4.2 *Diluted earnings per share*

Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

Note 16 Share-based payments

16.1 Employee share-based payment plans

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. The Employee Share Option Plan was reintroduced in 2017.

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 Board. 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.

Notes to the consolidated financial statements

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Note 16 Share-based payments (continued)

16.1 Employee share-based payment plans (continued)

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. The Employee Share Option Plan was reintroduced in 2017.

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 Board. 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 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 Plan was adopted in order to ensure that the Company has appropriate mechanisms to continue to attract and retain the services of employees of a high calibre.

16.2 Movement in share-based payment arrangements during the year - Options

A summary of the movements of all company options issued as share-based payments is as follows:

	2024		2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at the beginning of the year	589,333,334	$0.006	689,333,334	$0.006
Forfeited or expired during the year	(540,000,000)	$0.006	(100,000,000)	$0.006
Outstanding at year-end	49,333,334	$0.006	589,333,334	$0.006
Exercisable at year-end	49,333,334	$0.006	589,333,334	$0.006
Total Company options on issue	49,333,334	$0.006	589,333,334	$0.006

i. No share-based payment options were exercised during the year.

ii. The weighted average remaining contractual life of share-based payment options outstanding at year end was 0.16 years (2023: 0.65 years). The weighted average exercise price of outstanding shares at the end of the reporting period was $0.006 (2023: $0.006).

iii. The fair value of the options granted to directors, employees and consultants is deemed to represent the value of the services received over the vesting period.

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for the year ended 30 June 2024

Note 16 Share-based payments (continued)

16.3.1 *Accounting policy*

The grant-date fair value of equity-settled share-based payment arrangements granted to holders of equity-based instruments (including employees) are generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. In determining the fair value of share-based payments granted, a key estimate and judgement is the volatility input assumed within the pricing model.

16.3.2 *Key estimate*

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 internal valuation using a Monte Carlo pricing model, using the assumptions detailed above.

Note 17 Operating segments

17.1 Identification of reportable segments

The Group historically operated predominantly in the mining industry. This comprised the evaluation and de-risking of its Mbalam-Nabeba iron ore project in the Republic of Cameroon and the Republic of Congo.

Since the end of 2020, the Group has been advancing legal proceedings in the International Chamber of Commerce in London and Paris against the Governments of both Congo and Cameroon. This is a result of the illegal expropriation of the Group's Nabeba iron ore permit in the Republic of the Congo, and to reinforce Cam Iron's legal rights to have a mining permit issued in the Republic of Cameroon.

The Group continues to allocate resources to its iron ore project and has identified its operating segments based on internal reporting.

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Note 17 Operating segments (continued)

17.1 Identification of reportable segments (continued)

The Group historically operated predominantly in the mining industry. This comprised the evaluation and de-risking of its Mbalam-Nabeba iron ore project in the Republic of Cameroon and the Republic of Congo.

Since the end of 2020, the Group has been advancing legal proceedings in the International Chamber of Commerce in London and Paris against the Governments of both Congo and Cameroon. This is a result of the illegal expropriation of the Group's Nabeba iron ore permit in the Republic of the Congo, and to reinforce Cam Iron's legal rights to have a mining permit issued in the Republic of Cameroon.

The Group continues to allocate resources to its iron ore project and has identified its operating segments based on internal reporting.

17.2 Basis of accounting for purposes of reporting by operating segments

17.2.1 *Accounting policies adopted*

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

17.2.2 *Inter-segment transactions*

Inter-segment transactions are priced at cost within the Group.

Inter-segment loans payable and receivable are recognised at the consideration received/to be received net of transaction costs. All such transactions are eliminated on consolidation of the Group's financial statements.

17.2.3 *Segment assets*

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

17.2.4 *Segment liabilities*

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

17.2.5 *Unallocated items*

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Revenue and expenditures related to head office and corporate activities
- Impairment of assets and other non-recurring items of revenue or expense
- Current and deferred tax assets and liabilities
- Convertible note borrowings

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 17 Operating segments (continued)

For the Year to 30 June 2024

	2024 $	2023 $
Segment revenue and other income	95,076	177,682
Segment loss		
Mbalam-Nabeba Iron Ore Project	(166,419)	(323,074)
Items not directly allocable to identifiable segments		
Interest income	2,661	1,243
Unallocated income	1,376,463	943,242
Unallocated expenses	(870,984)	(944,812)
Profit/(Loss) before Income Tax	436,797	(145,719)
Income tax	-	-
Consolidated segment profit/(loss) for the period	**436,797**	**(145,719)**
Segment Assets		
Mbalam-Nabeba Iron Ore Project	150,939	157,387
Unallocated Assets	2,155,228	403,823
Consolidated Assets	**2,306,167**	**561,210**
Segment Liabilities		
Mbalam-Nabeba Iron Ore Project	317,629	418,313
Unallocated Liabilities	136,188,225	134,783,970
Consolidated Liabilities	**136,505,854**	**135,202,283**

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 18 Parent entity disclosures	2024 $	2023 $
18.1 Financial Position of Sundance Resources Limited		
Current assets	2,155,227	403,822
Non-current assets	-	-
Total assets	**2,155,227**	**403,822**
Current liabilities	135,838,225	134,433,967
Non-current liabilities	516,689	610,928
Total liabilities	**136,354,914**	**135,044,895**
Net assets	**(134,199,687)**	**(134,641,073)**
Equity		
Issued capital	432,116,641	432,115,741
Share based payments premium reserve	29,829,836	29,829,836
Transactions with non-controlling interests reserve	13,512,500	13,512,500
Accumulated losses	(609,658,664)	(610,099,150)
Total equity	**(134,199,687)**	**(134,641,073)**
18.2 Financial assets of Sundance Resources Limited		
Loans to subsidiaries	383,871,341	383,706,854
Loans to subsidiaries written off	(886,018)	(886,018)
Less: Provision for impairment on loans to subsidiaries	(382,985,323)	(382,820,836)
Interest receivable on loans to subsidiaries	332,382,652	282,060,654
Less: Provision for impairment of interest on loans to subsidiaries	(332,382,652)	(282,060,654)
Net carrying value	-	-
18.3 Financial Performance of Sundance Resources Limited		
Profit/(loss) for the year	400,486	(200,192)
Total comprehensive Profit/(loss)	**440,486**	**(200,192)**

18.4 Guarantees entered into by Sundance Resources Limited

There are no guarantees entered into by Sundance Resources Limited for the debts of its subsidiaries as at 30 June 2024 (2023: none).

18.5 Contingent liabilities of Sundance Resources Limited

Refer to Note 9 for details regarding contingent liabilities as at 30 June 2024.

18.6 Commitments of Sundance Resources Limited

There are no commitments as at 30 June 2024.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 19 Consolidated entity disclosure statement

The following entities were part of the consolidated entity as at 30 June 2024

	Entity Type	Ownership Interest of Ultimate Parent	Place of Business & Country of Incorporation	Australian or Foreign Resident[i]	Foreign Jurisdiction of Foreign Residents[ii]
Ultimate parent entity[iii]					
Sundance Resources Limited	Body Corporate (Unlisted Public Entity)	(N/A: Unlisted Public Ultimate Parent Entity)	Australia	Australian	N/A
Sundance subsidiaries					
Cam Iron S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
Sundance Minerals Pty Ltd	Body Corporate	100	Australia	Australian	N/A
Sundance Exploration Pty Ltd	Body Corporate	100	Australia	Australian	N/A
Sundance Mining Pty Ltd	Body Corporate	100	Australia	Australian	N/A
Congo Iron S.A.	Body Corporate	85	Congo	Foreign	Republic of Congo
Sangha Resources S.A.	Body Corporate	80	Congo	Foreign	Republic of Congo
Cameroon parent entity[iii]					
Cam Iron S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
Cam Iron S.A. subsidiaries					
Mbarga Mine Co S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
CI RailCo S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
CI PortCo S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
RailCo and PortCo parent entity[iii]					
CI RailCo S.A. and CI PortCo S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon
CI RailCo S.A. and CI PortCo S.A. subsidiaries					
Mineral Terminal and Rail Operations Company S.A.	Body Corporate	90	Cameroon	Foreign	Republic of Cameroon

i. Within the meaning of the Income Tax Assessment Act 1997.

ii. Resident of the foreign jurisdiction for the purposes of the law of the foreign jurisdiction relating to foreign income tax (within the meaning of that Act).

iii. Sundance Resources Limited, the ultimate parent entity of this consolidated group, holds 90% of the equity of Cam Iron S.A. which in turn, holds 90% of the share capital of Mbarga Mine Co S.A., CI RailCo S.A. and CI PortCo S.A. CI RailCo S.A. and CI PortCo S.A. in turn, hold 90% of the share capital of Mineral Terminal & Rail Operations Company S.A.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

20.1 Basis of preparation

20.1.1 *Reporting Entity*

Sundance Resources Limited is an unlisted public company limited by shares, domiciled and incorporated in Australia. The Company's registered office is at 45 Ventnor Avenue, West Perth, Western Australia. These are the consolidated financial statements and notes of Sundance Resources Limited (the Company) and controlled entities (collectively the Group). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is primarily involved in advancing legal proceedings in the International Chamber of Commerce in London and Paris against the Governments of Congo and Cameroon over the illegal expropriation of the Group's Nabeba iron ore permit in the Republic of the Congo.

The separate financial statements of Sundance Resources Limited, as the parent entity, have not been presented with this financial report as permitted by the *Corporations Act 2001 (Cth)*.

20.1.2 *Basis of accounting*

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AAS Board) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (AASBs) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

The financial statements were authorised for issue on 12 November 2024 by the directors of the Company.

20.1.3 *Going Concern*

The 30 June 2024 full year financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realization of assets and extinguishment of liabilities in the ordinary course of business.

At 30 June 2024, the Consolidated Entity had a working capital deficiency of $133.8 million (30 June 2023: $134.1 million).

During the period the Consolidated Entity incurred a net profit of $0.4 million and incurred net cash inflows from operating activities of $0.1 million for the financial year ended 30 June 2024.

The Directors believe that at the date of signing the financial statements there are reasonable grounds to believe that the Consolidated Entity 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. The ability of the Consolidated Entity to continue as a going concern is based on:

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies

- As announced on 3 May 2021 a conditional binding agreement Capital Provision Agreement ("CPA") was entered into by the Company and Burford. This agreement will result in $250,000 per quarter being available to Sundance for working capital purposes for at least the next three years. All funds received from Burford are non-recourse and will continue unless the CPA is terminated due to legal advice being received that the proceedings are no longer commercially viable.
- Burford have performed as required in the CPA.
- Following the execution of the Noteholder Waterfall Deed and the modification to the Security Trust and Intercreditor Deed on 9 August 2021 the CPA became unconditional and the Convertible Notes have been forborne indefinitely unless the CPA is terminated. It was also announced on 12 April 2021 that a legally binding term sheet was signed with an investor for $1 million. The funds have been received and are being used to advance the litigation and provide working capital. In the event that the Noteholders, after receiving independent legal advice, believe that the proceedings will not result in a threshold amount of payment to the Noteholders the Noteholders may, but are not obligated to, reinstate the Convertible Notes.
- Litigation costs for the proceedings against the governments of Cameroon and Congo are being funded under the CPA with Burford.

Should the Consolidated Entity be unable to achieve the matters set out above, a material uncertainty would exist as to whether the Consolidated Entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

20.1.4 *Comparative Figures*

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

20.2 Foreign currency transactions and balances

20.2.1 *Functional and presentation currency*

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

20.2.2 *Transaction and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the month of the transaction. At each balance sheet date, monetary items are translated at the rates prevailing at the balance sheet date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the month of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

20.2.3 *Group companies and foreign operations*

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies (continued)

20.2.3 *Group companies and foreign operations (continued)*

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the month of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

20.3 Value Added Tax (VAT)

Value Added Tax (VAT) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (Goods and Services Tax or GST); Congo (VAT); and in Cameroon (VAT), hereafter collectively referred to as GST.

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

20.4 Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 and in any future periods affected.

The judgements, estimates and assumptions applied in the half-year financial statements, including the key sources of estimated uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

20.4.1 *Critical Accounting Estimates and Judgements*

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. *Legal proceedings*

The Group reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the half-year financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Group's management as to how it will respond to the litigation, claim or assessment.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies (continued)

The Group is currently involved a number of legal disputes. The amounts recognised in the financial statements and disclosures made represent the director's best estimate of the Group's liability having taken legal advice into consideration. Uncertainties relate to whether claims will be settled out of court or if not whether the Group is successful in court proceedings currently underway. Because of the nature of disputes, the directors have not disclosed certain information on the basis that they believe that this would be prejudicial to the Group's position.

20.5 Fair Value

20.5.1 *Fair Value of Assets and Liabilities*

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also considers a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Refer to Note 3.4.4

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies (continued)

20.6 New and Amended Standards Adopted by the Group

The Group has adopted all Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

The Group has applied the below amendments to Australian Accounting Standards [and Interpretations] issued by the Australian Accounting Standards Board (the Board) that are effective for the Group's annual reporting period that began on 1 July 2023.

Pronouncement	Impact
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Requires the disclosure of material accounting policy information and clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates. The application of the amendments did not have a material impact on the Group's consolidated financial statements but has changed the disclosure of accounting policy information in the financial statements.
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Clarifies that deferred taxes must be recognised where, on initial recognition of an asset or liability, the transaction gives rise to equal taxable and deductible temporary differences. There was no impact to the Group on the statement of financial position, statement of cash flows or profit or loss in the current or preceding period.

At the date of authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Standard/Amendment	Effective for Annual Reporting Periods Beginning On or After	Nature of the Change & Expected Impact
AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 January 2024	Clarifies when liabilities should be presented as current or non-current in the statement of financial position, including the impact of covenants on that classification. The amendments may impact the classification of the Group's financial liabilities in future periods as certain of those liabilities are subject to covenants.

Notes to the consolidated financial statements

for the year ended 30 June 2024

Note 20 Statement of Significant Accounting Policies (continued)

20.6 New and Amended Standards Adopted by the Group (continued)

Standard/Amendment	Effective for Annual Reporting Periods Beginning On or After	Nature of the Change & Expected Impact
AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 January 2024	Clarifies when liabilities should be presented as current or non-current in the statement of financial position, including the impact of covenants on that classification. The amendments may impact the classification of the Group's financial liabilities in future periods as certain of those liabilities are subject to covenants.
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	This Standard will not change the recognition and measurement of items in the financial statements, but will affect presentation and disclosure in the financial statements, including introducing new categories and subtotals in the statement of profit or loss, requiring the disclosure of management defined performance measures, and changing the grouping of information in the financial statements.

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 45, are in accordance with the *Corporations Act 2001* (Cth) and:
   (a) comply with Accounting Standards;
   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in notes to the financial statements;
   (c) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Company and the Group;
   (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth); and
   (e) In the Directors' opinion, the attached consolidated entity disclosure statement in Note 19 is true and correct.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

David Porter

DAVID PORTER
Chairman
Dated this 12 November2024

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUNDANCE RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sundance Resources Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity 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 2024 and of its financial performance for the year then ended; and

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

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 20.1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 20.1.3 in the financial report which indicates that the Company incurred a net profit of $0.4 million during the year ended 30 June 2024. As stated in Note 20.1.3, these events or conditions, along with other matters as set forth in Note 20.1.3, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 20.1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 12th day of November 2024
Perth, Western Australia