



ASX Announcement and Media Release

15 November 2011

**ORE RESERVE UPGRADE TO 352MT OF HIGH-GRADE HEMATITE;
NEW EXPLORATION TARGET HAS POTENTIAL TO DOUBLE CURRENT
ITABIRITE RESOURCES**

***Expanded inventory confirms Stage One annual production of 35 Mt of DSO for 10 years;
Focus now on expanding Stage Two with exploration drilling target to increase Itabirite***

HIGHLIGHTS

- High Grade Hematite Ore Reserves increased to 352 Mt at 62.4% Fe delivers Stage One of the Mbalam Project based on planned production of 35Mtpa of DSO for at least 10 years.
- Prospects for Stage Two underpinned by additional resources of 2.3Bt of Itabirite Hematite at 38% Fe at Mbarga.
- Exploration Target at Nabeba of an additional 1.5 - 2.5Bt of Itabirite at 30 - 40% Fe to bring total Itabirite resource potential to over 4 Billion tonnes.¹
- Ore Reserve upgrade cements Sundance's first-mover advantage in this extensive new iron ore province.
- Significant potential to grow the Project further with numerous drilling targets identified in both the Republic of Cameroon and the Republic of Congo.

Sundance Resources Limited ('Sundance' or 'the Company') (ASX: SDL) advises that the High Grade Ore Reserve for Stage One of the Mbalam Iron Ore Project in the Republic of Cameroon and the Republic of Congo now totals 352 million tonnes (Mt) at 62.4% Fe. All Mineral Resources and Ore Reserves have been estimated in accordance with the JORC Code.

This upgraded estimate is significant because it confirms Mbalam now has sufficient Reserves to deliver Stage One of the Project. Stage One proposes the production of 35 Mt per year of High-Grade Direct Shipping Ore (DSO) for at least 10 years.

The Ore Reserves increase is based on the current inventory of 521.7 Mt of High Grade Hematite Resources at 60.7% Fe (as reported to the ASX on 1 September 2011) and represents a conversion of 72% of the Company's total Indicated Mineral Resources.

Including Stage Two, the Mbalam Project has a long mine life of at least 25 years. Under Stage Two, the extensive Itabirite Hematite Resource, which currently stands at 2.3 billion tonnes (Bt) at 38% Fe from the Mbarga Deposit alone, will be mined for a further 15 years.

¹ It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. Further detail is provided within the Competent Persons statement at the base of this release.



The increased Ore Reserve figure contains low impurities of 5% Silica, 2.6% Alumina and 0.09% Phos.

Sundance CEO and Managing Director Giulio Casello said this Ore Reserve upgrade further highlighted the financial and technical strength of the Mbalam Project.

“This outstanding result emphasises Mbarga/Nabeba’s status as having some of the best quality, high grade iron ore in Africa. The quality of the high grade reserves which would be mined during Stage One is competitive in the international seaborne iron ore market,” Mr Casello said.

“When combined with the over two billion tonnes of Itabirite resource we have at Mbarga, and the potential to grow our total resources of Itabirite² and High Grade Hematite to beyond 5 billion tonnes, it is clear that the Mbalam Project is poised to play a significant role in the global iron ore market for decades to come.”

The recent drilling programs and subsequent Ore Reserve estimate has focussed on the two principal deposits at Mbarga (in the Republic of Cameroon) and Nabeba (in the Republic of Congo).

The potential to grow the Company’s resources even further remains significant, with numerous exploration targets already identified for drilling.

Table 1 is the Global Summary of all High Grade Ore Reserves for the Project.

Global High Grade Ore Reserves

Table 1 GLOBAL HIGH GRADE HEMATITE ORE RESERVES	Reserve Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Ore Reserves Reported to ASX 6 April 2011	Probable	252	63.6	3.6	2.5	0.08	2.4
Ore Reserves Upgrade Released to ASX 15 November 2011	Probable	352	62.4	5.0	2.6	0.09	2.6

The updated Global Ore Reserves consist of the High Grade Ore Reserves from the Mbarga, Mbarga South and Nabeba deposits. Table 2 summarises High Grade Ore Reserves by deposit.

Ore Reserves by Individual Deposit

Table 2 ORE RESERVES (Ore Products) – Nov. 2011	Reserve Classification	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Mbarga Supergene	Probable	94.8	62.1	7.3	2.0	0.08	1.5
Mbarga Transitional Upgraded Product	Probable	15.4	65.0	3.8	2.7	0.08	2.7
Mbarga South Supergene	Probable	11.8	60.5	8.4	2.2	0.07	2.4
Nabeba Supergene	Probable	212.6	62.6	3.9	2.9	0.09	3.0
Nabeba Sub-Grade Upgraded Product	Probable	17.7	60.5	5.5	2.4	0.10	3.7
Total Ore Reserves		352.3	62.4	5.0	2.6	0.09	2.6

² It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. Further detail is provided within the Competent Persons statement at the base of this release.



In accordance with the agreement announced to the ASX in October 2008 regarding Sundance's increased direct interest in Congo Iron SA, the payment of Tranche 2 to Congo Mining Investments SA ('Cominvest') is now applicable.

Tranche 2 was for the issue of 14 million ordinary Sundance shares to Cominvest on the definition of 200 million tonnes of Hematite Ore Reserves at the Nabeba and Ibanga prospects (as defined by the JORC Code) with a grading of +60% Fe.

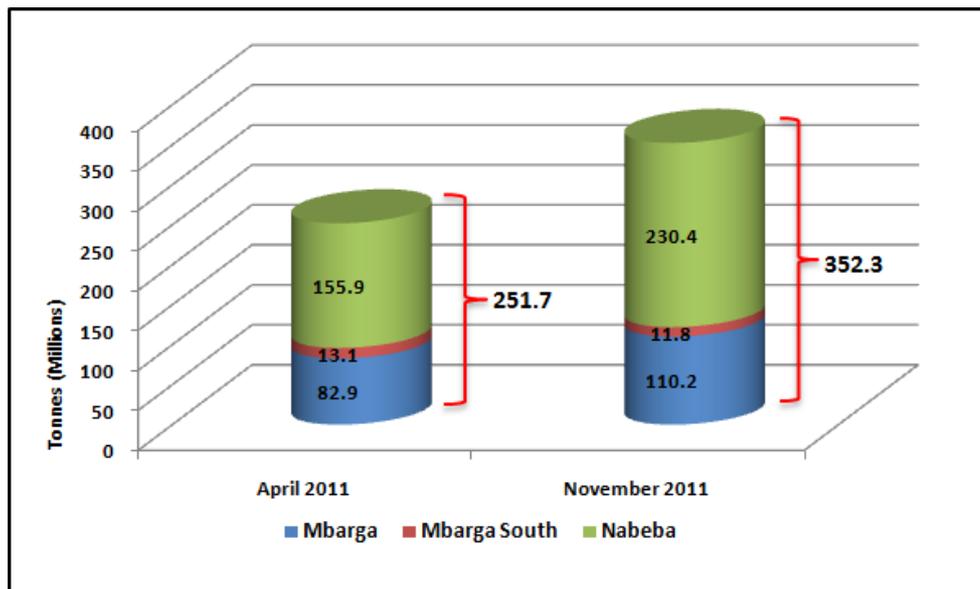


FIGURE 1 – INCREASE IN HIGH GRADE ORE RESERVES

The material changes that have driven the recent increase in Ore Reserves since the previously announced Maiden Ore Reserve statement (released to ASX 6 April 2011) include:

1. Additional drilling

Additional drilling was conducted which resulted in a significant increase in global resources (for further technical information, please refer to the Company's Resources Upgrade ASX announcement dated 1 September 2011).

2. Conversion of Resources from the Inferred to Indicated Category

The extra drilling at Mbarga and Nabeba also targeted in-fill areas that resulted in a significant proportion of earlier reported Inferred Resources being converted to the Indicated category (for further technical information, please refer to the Company's Resources Upgrade ASX announcement made on 1 September 2011).

3. Geotechnical update

A geotechnical drilling and test work programme was conducted over portions of the Nabeba deposit which has enabled some of the pit walls to be steepened. This increased the quantity of accessible resources available for conversion to reserves.



4. Metallurgical test work on Nabeba Sub-Grade material

A metallurgical drilling and test work programme targeting the Nabeba Sub-Grade resource was successful in defining a simple processing path to upgrade the Sub-Grade material and produce a DSO quality product. This has enabled the Sub-Grade resource at Nabeba to be assessed as potential ore feed rather than mineralised waste.

5. Metallurgical test work on Mbarga Transitional material

Further metallurgical test work on Mbarga Transitional samples was successful in refining the processing path and improving the product yield and quality.

The introduction of the Nabeba Sub-Grade product has also supported the inclusion of material into the blended product that had previously reported to the mineralised waste stream in the Ore Reserve statement released as part of the DFS announcement on 6 April 2011.

High Grade Mineral Resources

The High Grade Indicated Mineral Resources, reported on 1 September 2011, were used as the basis for, and are inclusive of, those Mineral Resources modified to produce the Ore Reserve estimate. Table 3 is the Global Summary of all High Grade Mineral Resources for the Project as reported in the September 2011 ASX announcement.

Table 3 GLOBAL HIGH GRADE RESOURCE	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Indicated	488.5	60.9	6.5	3.0	0.09	2.8
Inferred	33.3	57.9	13.4	3.3	0.09	1.8
Total High Grade Resource	521.7	60.7	6.9	3.0	0.09	2.7

Global Itabirite Mineral Resources

The estimated Itabirite Mineral Resources were not used to estimate any of the Ore Reserves. The Itabirite Hematite Resource at Mbarga currently stands at 2.32 billion tonnes at 38% Fe (Table 4), which is world class and remains one of the highest grade mineralised deposits of this type in central-west Africa.

Table 4 GLOBAL ITABIRITE HEMATITE RESOURCE	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Indicated	1,431	38.0	44.5	0.44	0.04	0.32
Inferred	894	38.0	44.1	0.54	0.05	0.43
Total Itabirite Hematite Resource	2,325	38.0	44.4	0.48	0.04	0.36

The estimate includes only Itabirite mineralisation at the Mbarga deposit, whereas there are strong indications from deeper drill holes at the Nabeba deposit, that a similar mineralised system directly underlies the high grade supergene-enriched cap. With 10 years of DSO Reserves now announced, the Exploration and Resource Definition programme is now also turning its attention to the Stage 2 Itabirite.



Sundance have placed a **Maiden Exploration Target at the Nabeba Deposit of 1.5-2.5 billion tonnes at 30-40% Fe³**. This target has been estimated using the footprint size of the underlying BIF unit at Nabeba (Figure 2) as defined by the base of drilling to date.

The Itabirite Exploration Target at Nabeba has been extrapolated to 500m below surface. By comparison, Itabirite mineralisation at Mbarga has been intersected consistently to depths of over 600m.

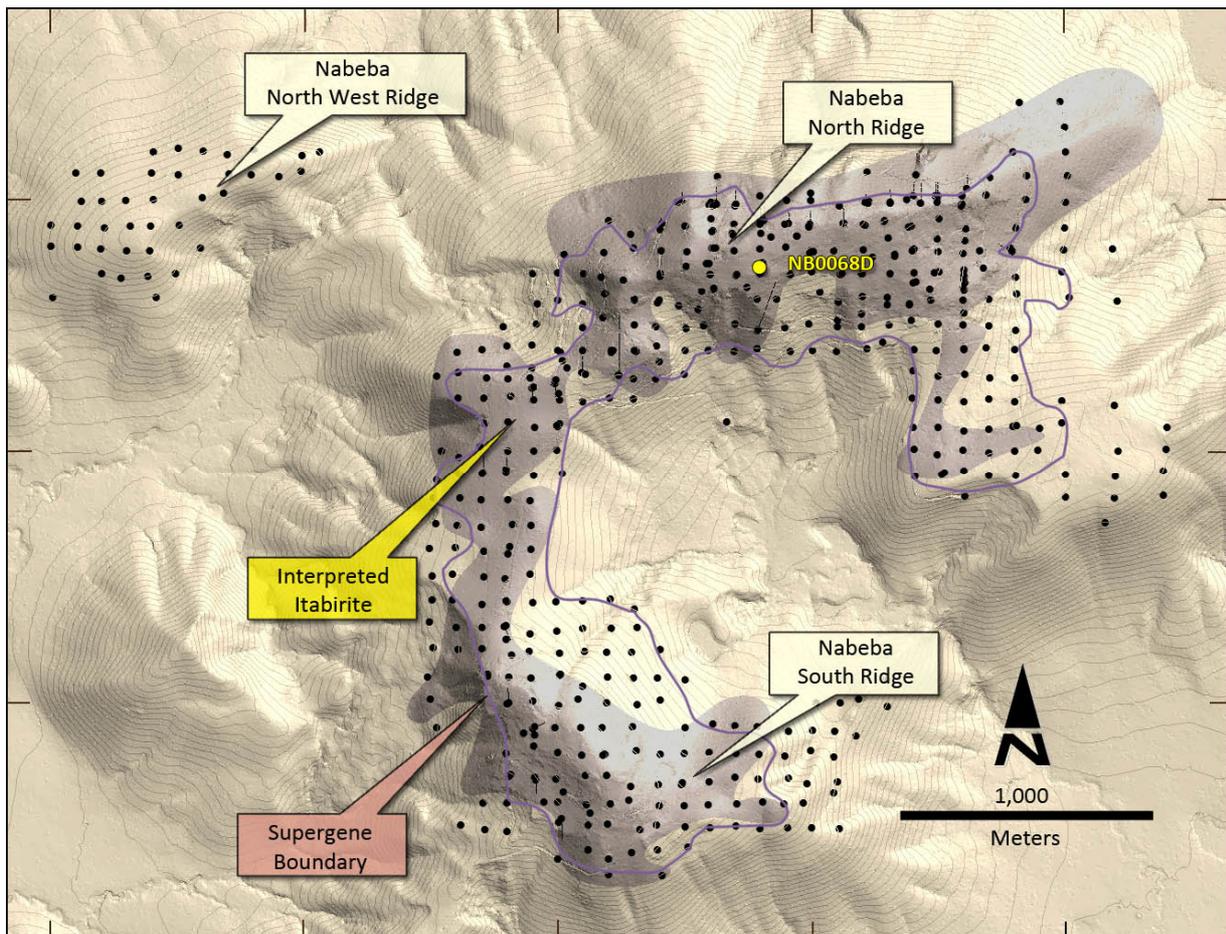


FIGURE 2 – ITABIRITE EXPLORATION TARGET AT THE NABEBA DEPOSIT.

Of the +500 holes drilled by Sundance at Nabeba, only 5 holes are deeper than 200m. The deepest hole is situated on the northern ridge at Nabeba and is a vertical diamond core hole (NB0068D) of 359m depth. Beneath the supergene domain, this hole intersected a continuous zone of enriched Itabirite from 140m, of 229m @39% Fe.

³ It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. Further detail is provided within the Competent Persons statement at the base of this release.



The north-south section through the Nabeba Deposit shown on Figure 3 below, illustrates the potential for significant Itabirite mineralisation at depth beneath the supergene cap.

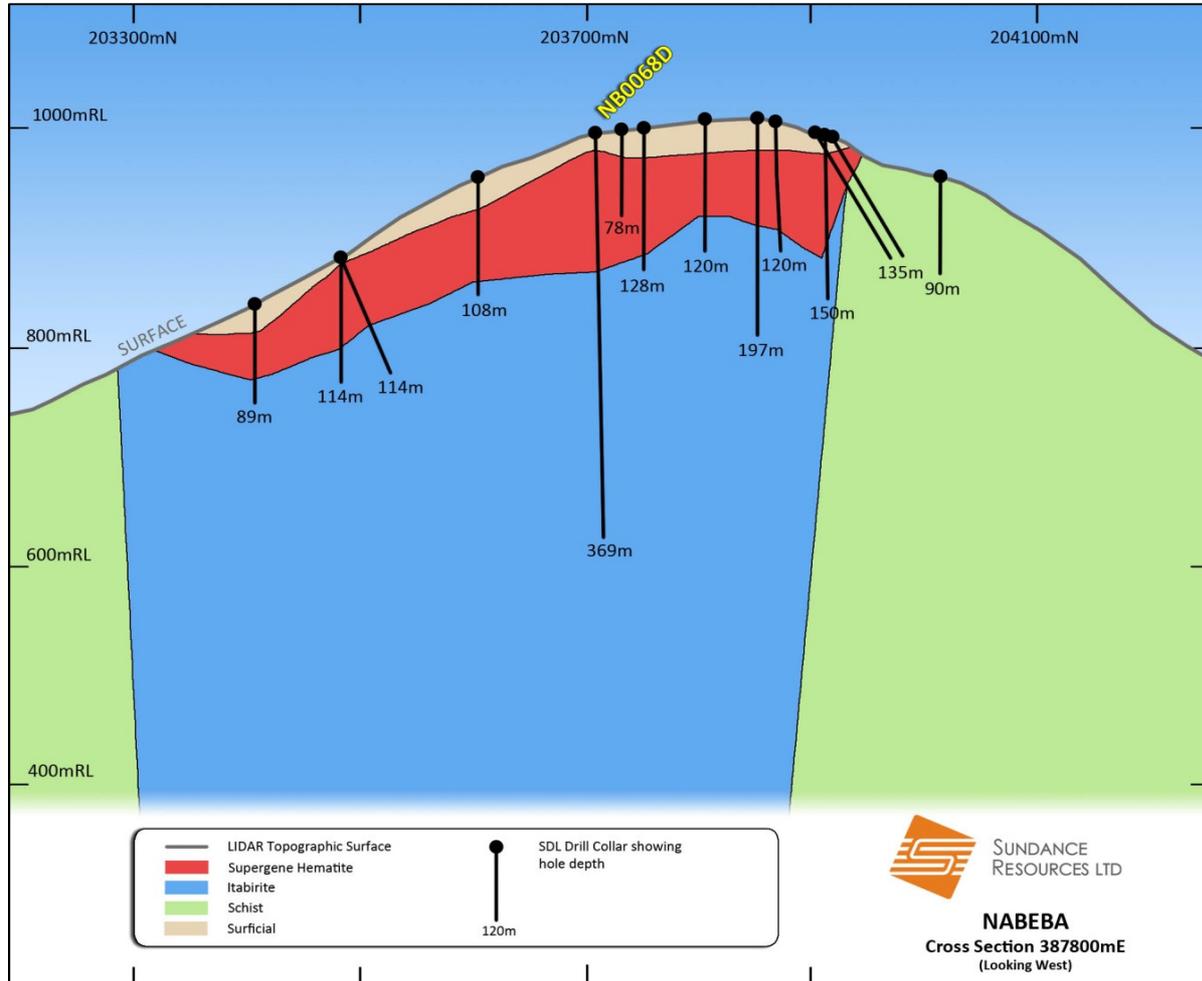


FIGURE 3 – CROSS SECTION OF NABEBA ILLUSTRATING DRILLHOLE NB0068D AND THE POTENTIAL FOR DEEP ITABIRITE MINERALISATION.

Drilling is scheduled to commence in February 2012.

-ENDS-

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Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy. Mr Longley and Mr Widenbar are consultants to Sundance and have sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bruce Gregory, a member of the Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by AMC Consultants Pty Ltd and is a consultant to the Company. Mr Gregory has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

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

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

Resources reported on Exploration Permit 92, Cameroon (Mbarga, Mbarqa South and Metzimevin Deposits)

The estimated quantity and grade of High Grade Hematite quality Supergene mineralisation and underlying Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at Mbarga Deposit and a spacing varying from 200m x 100m to 50m x 50m for the Indicated Resource at the Mbarga South Deposit. A 200m x 100m drill pattern applies for the Inferred Resource at the Mbarga and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately 1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit.

Grade has been estimated by Ordinary Kriging on composited sample results. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <15% Al₂O₃; Supergene: No cut-off; Transitional: >51% Fe; High Phosphorus Domain: >50% Fe and <0.3% P; Hypogene: >51% Fe. South Mbarga has not had any grade restrictions applied. Metzimevin Inferred Resources have a >50% Fe cut-off and density of 2.80 t/m³ applied.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 10m(X) by 10m(Y) by 2m(Z) in supergene and 10m(X) x 20m(Y) x 5m(Z) blocks in Itabirite with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

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

Densities have been assigned from a combination of down hole geophysical and physical measurements of diamond core carried out as part of metallurgical analysis. Densities of 2.40 t/m³ have been assigned for the Surficial Zone, 2.80 t/m³ for the Supergene, 2.80 t/m³ for the Phos, 2.90 t/m³ for the Transition and 3.20 t/m³ for the Hypogene. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying, with a range of densities adopted from 3 to 4t/m³ depending on the iron grade.

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



Resources reported on Nabeba-Bamegod Permit, Congo (Nabeba Deposit)

The estimated quantity and grade of near-surface, high grade mineralisation for the Nabeba Resource has been restricted to an area currently covered by drilling on predominately a 100m x 100m pattern (with some closer-spaced drilling on selected north-south lines on the northern ridge). Sundance has completed significant drilling at Nabeba of which 22.5% has been diamond core and 77.5% RC (Reverse Circulation) drilling with face-sampling hammers. The geological model is represented by an area approximately 3km (east-west) x 3km (north-south). Grade has been estimated by Ordinary Kriging on composited sample results. The mineralisation and grade interpolation of drill results has been constrained by a 3-D wireframe which encompasses all of the near-surface contiguous high grade material and as such, no cut-off grades for high grade have been required or applied. For the Sep 1st 2011 stated High Grade Resources, 76% of drill sample results were full XRF analyses from Ultratrace Laboratories (Perth, Western Australia) and the remaining 24% were Thermo Niton XRF (Fe only) results from the Sundance Site laboratory.

Cut-off grades for the Nabeba deposit are broken down as follows: Surficial: <6% Al₂O₃ and <0.25% P; Supergene: no cut-offs; Sub-Grade : <6% Al₂O₃ and <18% SiO₂.

A digital terrain surface (based on recent Lidar and ground surveys) has been used to limit extrapolation of the mineralisation to the topography of the Nabeba hill. The resource modelling has used 25m(X) x 25m(Y) x 5m(Z) blocks with sub-blocks to honour the constraining surfaces. All collars have been surveyed by DGPS. A density of 2.65t/m³ has been used for all of the Supergene High Grade Hematite, with a density of 2.50t/m³ for the Sub-Grade and Surficial zones. All density values are based on results from an assessment of physical density measurements of current drill core and on down-hole density determination by Surtron.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy.

Exploration Targets

While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of exploration targets is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource for these exploration targets and it is uncertain if further exploration will result in determination of a Mineral Resource.

Forward-Looking Statement

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the iron ore mining industry, expectations regarding iron ore prices, production, cash costs and other operating results, growth prospects and the outlook of SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in iron ore prices and exchange rates and business and operational risk management. For a discussion of such factors, refer to SDL's most recent annual report and half year report. SDL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.