

ASX Announcement
2 August 2018

MARKET UPDATE

AustSino to invest AUD \$750,000 in Sundance Resources Ltd

AustSino Resources Group Limited (ASX: ANS) (**AustSino**) has agreed to subscribe for approx. 187,500,000 fully paid ordinary shares in Sundance Resources Ltd (ASX: SDL) (**Sundance**) for a subscription price of AUD \$0.004 (0.4 cents) per share, which reflects a 20% discount to the closing price on 1 August 2018. The total placement price of AUD \$750,000 is to be paid in immediately available funds on or by 6 August 2018.

The funds will be used by Sundance to advance its Mbalam-Nabeba Iron Ore Project in Cameroon and the Republic of Congo in Central Africa (**Project**) and for general working capital. Sundance and AustSino have also agreed to discuss and advance the development of the Project on an exclusive basis until 31 August 2018 (subject to Sundance's existing arrangements with Tidfore Heavy Equipment Group Co. Ltd relating to the Project).

Sundance proposes that Stage One of the Project will be the production of a Direct Shipping Ore (DSO) quality sinter fines product averaging >62.0% Fe at a rate of 40Mtpa for approximately 14 years based on blending material sourced from the deposits in the neighbouring countries of Cameroon and Congo. Sundance proposes that Stage Two of the Project (which is currently at a Pre-Feasibility Stage) would then extend the life of the operation by a further 15-plus years producing high-grade Itabirite hematite concentrate.

In partnership with the Cameroon Government, it is intended that the Project would utilise a 540km rail line dedicated to the transport of iron ore through Cameroon and a dedicated mineral export terminal designed for taking bulk iron ore carriers of up to 300,000 tonnes.

AustSino's Chairman, Mr Chun Ming Ding, said:

"AustSino and its investors are delighted to support Sundance Resources Ltd in its efforts to become a world-class producer of iron ore in central west Africa and to lead development of one of the world's next great iron ore provinces. "

"AustSino intends to work closely with Sundance Resources and its project partners to discuss and advance this major resources Project for the mutual benefit of our investors and the people of central west Africa".

AustSino Resources Group Ltd to raise AUD \$3 Million from a Chinese investor

AustSino is also pleased to announce it has agreed terms with Mr Guang Min Jie to raise additional capital of AUD \$3 Million. Mr Jie (a resident of China) has agreed to subscribe for approx. 230,769,231 fully paid ordinary shares in AustSino for a subscription price of AUD \$0.013 (1.3 cents) per share to raise AUD \$3 Million. This reflects a discount of approx. 20% to the average closing price over the last 10 days on which AustSino's shares were traded.

It is expected that these funds will be deposited into AustSino's bank accounts within 14 days and that the shares will not be issued to Mr Jie until AustSino has received the AUD \$3 Million subscription funds in immediately available funds. The funds will primarily be used by AustSino to progress its activities in the Mid West region of Western Australia, to progress discussions with Sundance Resources and its project partners, and for working capital.

Further inquiries: Mr Henko Vos Company Secretary T: +61 8 9463 2463