

27 June 2021

DEVELOPMENTS IN CAMEROON

Sundance Resources Ltd (“**Sundance**” or the “**Company**”) notes media reports that the Government of Cameroon (“**Cameroon**”), through the Minister of Transport, Jean Ernest Ngallé Bibéhé, and the Minister of Mines and Industry, Gabriel Dodo Ndoke, signed a memorandum of understanding (“**MoU**”) on 25 June 2021 in Yaoundé with AustSino Resources Group Ltd (“**AustSino**”) and Bestway Finance Ltd (“**Bestway**”) for the construction of the 510km railway connecting the Mbalam-Nabeba Iron Ore Project to the deep-water port of Kribi.

Sundance also notes a Shareholder Update announcement dated 26 June 2021 by AustSino, a Perth-based company that was delisted from the Australian Securities Exchange in December 2020, confirming that it is a signatory to the MoU with Cameroon and Bestway.

Sundance and AustSino had partnered for two years to work together on the development of the Mbalam-Nabeba Iron Ore Project, which included the development of the Mbalam mine in Cameroon and the Nabeba mine in the Republic of Congo (“**Congo**”) as well as the required rail and port infrastructure to deliver iron ore onto ships at Kribi. As part of this partnership agreement and in good faith, Sundance introduced AustSino and several of AustSino’s Chinese industry partners to authorities in Cameroon and Congo.

This partnership agreement, which was updated and extended a number of times, was underpinned by a commitment by AustSino to invest \$29 million in Sundance to provide the Company with the financial strength to advance Mbalam-Nabeba’s development. The partnership agreement was terminated by Sundance in November 2020 because of AustSino’s inability to deliver on its investment commitment.

Less than one month after Sundance terminated the partnership agreement with AustSino, Congo illegally and without warning expropriated the licence held by Sundance and its subsidiaries over the Nabeba project and shortly afterwards awarded them to Sangha Mining Development, a newly formed, Hong Kong-registered company owned 100 per cent by Bestway.

As the MoU signing ceremony in Yaoundé between Cameroon, AustSino and Bestway demonstrates the illegal expropriation of Sundance’s Mbalam-Nabeba Iron Ore Project by the Congo and Cameroon Governments – for the benefit of another Australian ASX-registered company in AustSino and Chinese interests – is now near completion. Sundance continues to have discussions with the Government of Cameroon to find an acceptable way forward with regard to the Mbalam deposit.

Sundance Resources CEO Giulio Casello commented:

“We are shocked at these latest developments, not least because an Australian company – AustSino – that we introduced into the Mbalam-Nabeba Iron Ore Project is attempting to benefit from the illegal expropriation of Sundance’s iron ore assets.”



“AustSino had been our partner for a number of years. We worked in good faith to introduce AustSino to our project and arrange a role for AustSino in the negotiations with Cameroon and Congo on the basis of a clear understanding that AustSino would act in our mutual interests in accordance with their legal obligations.

“Sundance has always fulfilled all of its licence obligations and gone above and beyond in both Cameroon and Congo, which is why we are so determined to challenge this illegal expropriation through the international courts, a process that is underway. We will now consider, with the assistance of our legal advisers at Magic Circle firm Clifford Chance, whether in light of these developments we need to expand the scope of our legal action to ensure we can protect the interests of Sundance and our investors.”

Sundance announced on 2 June 2021 that it had commenced arbitration against Cameroon at the International Chamber of Commerce in Paris. This followed on from Sundance’s announcement on 25 March 2021 that it had commenced arbitration in London against Congo, also under the rules of the International Chamber of Commerce.

Sundance is claiming damages of \$US8.76 billion from Congo and further sums from Cameroon (with other remedies).

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