



29 April, 2009

ASX ANNOUNCEMENT

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## CHAIRMAN'S ADDRESS

### 2009 GENERAL MEETING

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At the Annual General Meeting on 24 November 2008, I advised shareholders that their Company was focusing on strategies to adapt to current market conditions whilst continuing to position the Company to maximise shareholder value as and when financial and commodities markets recovered.

The strategies adopted by your Board revolve around three key actions.

First, we are working hard to attract strategic product off-take, construction and financing partners to join us in the development of the Mbalam Project.

While current market conditions remain challenging, a number of commentators, including the World Bank, are starting to report encouraging indicators of economic recovery in the second half of 2009, particularly in China.

Our recently completed capital raising will allow the Company time to develop best possible commercial arrangements with prospective partners in tandem with this anticipated economic recovery.

We continue to make progress in our endeavours to introduce strategic partners to the project and are very focused on this outcome.

Second, we have significantly reduced operating expenditure to conserve capital.

The proceeds from the SPP and the placement presented here today together with capital management initiatives will ensure that Sundance has funds in place to continue to progress Project development work into 2010.

Third, we are focusing this development work on core value-adding activities with these including:

- identification of opportunities to increase our resources of high grade hematite, this including the recent identification of the Nabeba Deposit which could potentially double our JORC-Code compliant high grade resource tonnage;
- planning of the iron ore export facilities as part of the Government's multi-user port facility south of Kribi;
- optimization of the project scope to reduce start-up capital expenditure; and

- evaluation of opportunities for pellet and pig-iron production based on low cost energy sources in Cameroon.

As announced earlier today, I am pleased to confirm that 2,966 shareholders have accepted the Company's Share Purchase Plan offer.

This has raised a total of \$10.757 million.

This means that, should shareholders approve the placement to Talbot Group Investments as proposed today, the Company will have raised a total of \$15.757 million to support its ongoing development of the Mbalam Project.

Before I take you to the formal resolutions that the Meeting has been called to consider, I would like to make the following observation.

Despite the global financial crisis, Sundance is in a strong position to take advantage of its strategic iron ore assets at Mbalam.

In summary:

- We have identified a world-scale project based on one of the largest undeveloped iron ore deposits in the world that is not in the control of a major industry group;
- The size of our resource can already support +20 years production at 35 to 50 million tonnes per year, with significant upside from our exploration portfolio;
- Our existing high grade resource tonnage at the Mbarga Deposit plus achievement of the Exploration Target defined at the Nabeba Deposit will be sufficient to allow production of high grade DSO (60% Fe) product for the first 10 years of operations; and
- Our enormous itabirite resource will support very long term production of high grade pellet feed concentrate and pellets.

We expect to be able to deliver high quality iron ore products that will be highly valued in world markets, positioning the Company as a significant new independent producer – a key benefit to the world's steel industry.

I feel very confident in saying that Sundance holds a tremendous asset of significant value based on both identified and targeted iron ore resources.

**ENDS**

**For further information contact:**

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#### **About Sundance Resources Limited**

*Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on the Mbalam Iron Ore Project as the basis for developing a global iron ore business.*

*Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Iron Ore Project and the nearby Belinga Project in Gabon, under development by the China National Machinery and Equipment Import and Export Corporation. Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.*

### **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.*

### **Competent Persons Statement**

*The information in this release that relates to Exploration Results 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 is a consultant to the Company and 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". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Mr Widenbar is a consultant to the Company and 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". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The estimated quantity and grade of DSO quality supergene mineralisation and underlying itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 200m x 100m pattern at Mbarga, with partial infill to 100m x 100m. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit and by an area approximately 1.5km (east-west) x 1.0km (north-south) on the Mbarga South Deposit. Grade interpolation has been extrapolated using Ordinary Kriging on composited sample results and a nominal 50% Fe cutoff value for DSO and 34% cutoff values for itabirite. A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topographic hill at Mbarga. An internal waste zone (schist) cross-cutting the supergene and itabirite zones and surficial cover has been modeled and removed from the quantity estimated as DSO quality and itabirite mineralisation. Densities of 4.0t/m<sup>3</sup> and 3.35t/m<sup>3</sup> have been applied for evaluation of the DSO and itabirite mineralisation respectively.*

*While the Company is optimistic that it will report additional resources in the future, any discussion in relation to Exploration Targets, over and above the stated Inferred Resources of is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource over and above the Inferred Resource and it is uncertain if further exploration will result in determination of a Mineral Resource.*