

ASX Announcement and Media Release

23 May 2012

SUNDANCE AND HANLONG AGREE TO UPDATED SCHEME OF ARRANGEMENT

- **Sundance and Hanlong sign revised Scheme Implementation Agreement based on a simplified timetable with November 2012 completion date.**
- **Approval of the Agreed Terms of the Mbalam Convention by the Head of the Cameroon Government replaces the requirement for ratification by the National Assembly.**
- **Hanlong commits to obtain provisional NDRC approval by 30 June 2012 and secure a Credit Approved Term sheet from China Development Bank by 31 August 2012.**

Sundance Resources Limited ('Sundance' or 'the Company') (ASX: SDL) is pleased to advise that it has signed a revised Scheme Implementation Agreement ('SIA') with Hanlong (Africa) Mining Limited ('Hanlong') based on a simplified timetable aimed at ensuring completion in November 2012.

Hanlong has proposed to acquire 100 per cent of Sundance for A\$0.57 cash per share via an Australian Scheme of Arrangement ('Scheme') and the Sundance Directors believe the price, which values the Company at A\$1.7 billion, is attractive and unanimously recommend shareholders vote in favour of the Scheme in the absence of a superior proposal, subject to the Independent Expert's report concluding the Scheme is in the best interests of all Sundance shareholders.

The revised SIA follows the substantial progress made in discussions involving Sundance, Hanlong, and the governments of the Republic of Cameroon and the Republic of Congo as well as establishing a clearer understanding of the needs of China's National Development and Reform Commission ('NDRC') and Hanlong's financiers, the China Development Bank ('CDB').

As a result, Sundance expects to finalise the outstanding items in the coming weeks which will complete the Agreed Terms of the Mbalam Convention as required under the SIA. Following this, the Agreed Terms of the Mbalam Convention will be signed off by the Cameroon Head of Government. Hanlong has waived the requirement for the Convention to be ratified by the Cameroon National Assembly as a condition to completion of the Scheme.

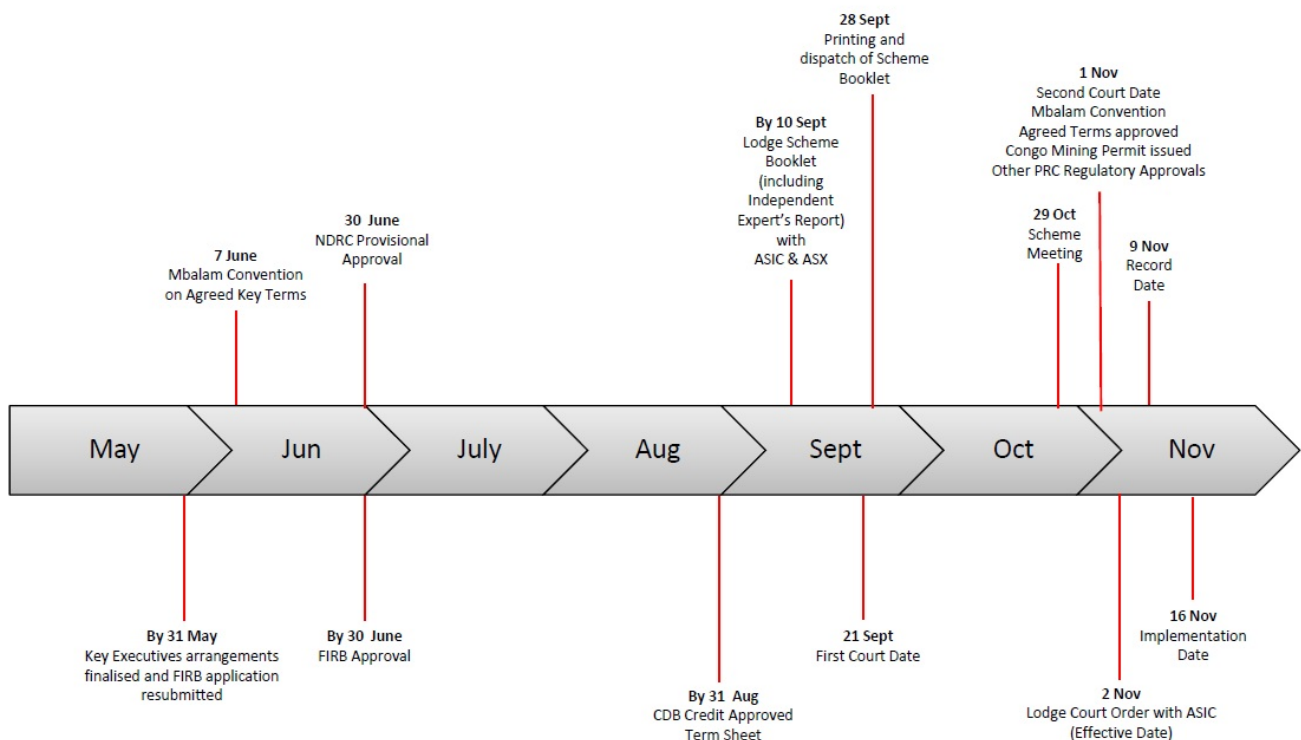
Under the revised SIA, signoff of the Agreed Terms of the Mbalam Convention and the issue of the Congo Mining Permit are now required by the second court date.

Following recent discussions with the NDRC and CDB, Hanlong has committed to secure preliminary approval from the NDRC by 30 June 2012 and to obtain a Credit Approved Term Sheet from the CDB by 31 August 2012. Final regulatory approvals are required by the second court date.

As stated previously, Hanlong has informed Sundance that ASIC’s investigation focuses on individuals and not on Hanlong. Hanlong has confirmed that it continues to work productively with FIRB and expects to receive FIRB’s decision in the near term.

Under the revised SIA, assuming all regulatory and shareholder approvals are received, the Scheme is now expected to be implemented in mid-November 2012.

The revised Scheme timeline is shown below:



Sundance Resources Chairman George Jones said the revised SIA put Sundance on a clearer, simplified path to completion of the agreement.

“This revised agreement is based on milestones culminating in the conclusion of the SIA,” Mr Jones said. “It reflects the substantial progress made in discussions in recent weeks, the strong desire of all the parties to finalise the SIA and their resolve to do it as efficiently as possible.”

ENDS

Released by:

George Jones, Chairman

Sundance Resources Ltd.

Mobile: +61 (0) 412 949 250

Giulio Casello, Managing Director & CEO

Sundance Resources Ltd.

Mobile: +61 (0) 448 872 887

Shareholder / Media enquiries:

Jill Thomas, SDL Investor Relations Manager

Telephone: +61 8 9220 2300

Mobile: +61 (0) 487 440 016

Email: info@sundanceresources.com.au

Paul Armstrong, Read Corporate

Telephone: +61 8 9388 1474

Mobile: +61 (0) 421 619 084

Email: paul@readcorporate.com.au

About Hanlong

Sichuan Hanlong (Group) Co, Ltd was established in 1997 by its Chairman Mr Liu Han. It is one of China's largest private enterprises with total assets exceeding 20 billion RMB (A\$3 billion) and annual sales revenue of over 16 billion RMB (A\$2.48 billion). The Group has a wide portfolio of investments including mining resources, energy generation, infrastructure development, pharmaceutical, food and beverages, real estate and tourism. The Group has over 30 wholly-owned subsidiaries and more than 12,000 employees world-wide. Hanlong is a subsidiary of Hanlong Resources Limited and both are within the Hanlong Mining Group. Hanlong has an office in Sydney.

About Sundance

Sundance Resources Ltd (Sundance) is an international iron ore exploration and development company which is building a global iron ore business in central West Africa. Sundance is listed on the Australian Securities Exchange (ASX) as is in the benchmark S&P ASX 200. Sundance's goal is to become a major global iron ore producer through the development of the Mbalam Iron Ore Project (Project). It is an integrated Mine, Port and Rail Project with targeted annual production capacity of 35Mtpa of Direct Shipping Ore for the first 10 years, followed by continuing production at 35Mtpa of Itabirite Hematite for a further minimum 15 years.

The Project is located in an area that straddles the border of the Republic of Cameroon and the Republic of Congo in central Africa. The Project comprises Exploration Permit 92 (EP92) located in the East Province of the Republic of Cameroon, and Research Permits Nabeba-Bamegod (Nabeba) and Ibanga, located in the Sangha Province of the Republic of Congo. EP92 is owned by Cam Iron SA, a company incorporated in Cameroon which is a 90%-owned subsidiary of Sundance. Nabeba and Ibanga permits are owned by Congo Iron SA, a company incorporated in the Republic of Congo and is an 85%-owned subsidiary of Sundance.

Sundance is being advised by UBS AG, Clayton Utz and CITIC Securities.