



2 June 2021

COMMENCEMENT OF INTERNATIONAL ARBITRATION AGAINST CAMEROON

Sundance Resources Ltd (“**Sundance**” or the “**Company**”) has referred its dispute with the Republic of Cameroon (“**Cameroon**”) to arbitration at the International Chamber of Commerce (“**ICC**”) in Paris.

The dispute which has been referred to arbitration was first notified by Sundance on 15 December 2020 and primarily concerns Cameroon’s failure to implement the exploitation permit that was deemed to have been awarded to Sundance’s subsidiary, Cam Iron S.A. (“**Cam Iron**”), in 2010. It is Sundance’s position that Cameroon’s failure to implement the exploitation permit, along with other acts and omissions, constitutes a breach of the 2015 Transition Agreement between Sundance, Cam Iron and Cameroon (among other parties) and a violation of Cameroon’s obligations under international law.

As previously announced, Sundance and Cam Iron had agreed to extend the period of negotiations with Cameroon because it appeared that some progress was being made towards an amicable settlement of the dispute. However, as Cameroon has refused to take the implementation steps requested by Sundance and has now publicly confirmed that it is engaged in active discussions with the Government of the Republic of the Congo (“**Congo**”) for the development of the Mbalam-Nabeba Iron Ore Project – with the involvement of Chinese parties but excluding Sundance – it is now clear that formal legal proceedings will be required to enforce Sundance’s rights.

Sundance and Cam Iron will be represented in the ICC arbitration against Cameroon by Magic Circle law firm, Clifford Chance, which is also representing the Company in its arbitration against Congo.

Response to Public Statements by Cameroon and Congo

Sundance is deeply concerned by public statements that the Governments of Cameroon and Congo made on 31 May 2021 regarding the Mbalam-Nabeba Iron Ore Project, following high-level meetings between the two Governments in Cameroon.

With respect to Cameroon, Sundance is alarmed by the statement on President Biya’s website that his position regarding the Mbalam-Nabeba project is *“in synchronisation with the measures taken by his Congolese counterpart”*, as this suggests the Government of Cameroon is willing to treat Sundance in the same lawless manner that the Company has been treated by the Government of Congo. Sundance cannot be expected to negotiate with a government that is taking such an approach.

As to Congo, speaking at a press conference following meetings on 31 May 2021, Congo Minister of Mining Industries and Geology, Pierre Oba, accused Sundance of being *“a vast mafia”*, alleging *“they have become magnates, extremely rich but we, we continue to stumble”*. Sundance strongly objects to these baseless and offensive statements, which will do nothing to advance Congo’s standing in the eyes of Western investors.

Sundance is also shocked by Minister Oba’s allegation that *“these partners trample on our laws, do not respect our States, confuse the conventions that we sign with them with our laws”*. It is ironic that Minister Oba accuses Sundance of not complying with Congo law in circumstances where the Government of Congo itself has acted with flagrant disregard for its own law, including by granting the Nabeba exploitation permit and a mining convention to Sangha Mining Development SASU – a newly incorporated, Chinese-owned company that has not completed any prior work on the tenement, let alone the extensive body of work required to be eligible for an exploitation permit under the Congo Mining Code. Minister Oba’s comments also display a profound misunderstanding of the nature of the Mining Convention signed between his Government and Congo Iron on 24 July 2014. This Mining Convention

does have the status of a law of Congo because it was passed into law by an act of the Congo Parliament (Law No. 14/2016 of 29 April 2016, as published in the Official Journal on 20 May 2016).

Sundance CEO Giulio Casello commented:

"We have been left with no choice but to commence arbitration against the Government of Cameroon. Notwithstanding our good-faith attempts to achieve a negotiated settlement, the Government of Cameroon has refused to give effect to our mining licence and now appears to be working with the Government of Congo to strip us of our rights to the Mbalam-Nabeba project and grant them to Chinese parties, who have done nothing and spent nothing in either country, in stark contrast to our shareholders and stakeholders who have invested vast amounts of time and money to get this world-class iron ore project to the highly advanced stage it is at today.

It is no coincidence that these events are occurring at a time when iron ore prices are at record highs and China is seeking to diversify its iron ore supplies away from Australia.

We are shocked by the inflammatory remarks that Congo's Minister Oba has made regarding Sundance and Australian investors, which do nothing to help his Government's case and indeed only serve to support our case that his actions against Sundance have been unreasonable and arbitrary.

We remain open to constructive negotiations with both Governments and their Chinese partners. However, we believe that in the current circumstances arbitration will bring about the best results for our shareholders and stakeholders."

Further information:

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