



ASX Announcement
26 October 2012

SEPTEMBER QUARTERLY REPORT

Significant Progress made with the Hanlong Offer and Growth in Resources Confirms Long Life Potential at Mbalam-Nabeba

Highlights

- **National Development and Reform Commission in China grants provisional approval for Hanlong acquisition of Sundance.**
- **Sundance and Hanlong sign second amended Scheme Implementation Agreement with revised offer price of A\$0.45 cash per share.**
- **Subsequent to end of the Quarter, Hanlong secured Financier Commitment Letters from China Development Bank and Bank of Deyang Co, Ltd.**
- **Nabeba Itabirite Resource increased to 1.72Bt grading 33.9% Fe.**
- **Total Project Itabirite Resource now 4.05Bt grading 36.3% Fe.**
- **Itabirite Exploration Target¹ of additional 9.2-13.2Bt grading 30%-40% Fe.**
- **Increased Resources highlights long-life potential for Stage Two of the Project in both countries.**
- **All environmental approvals for Mbalam-Nabeba Project now awarded.**
- **Discussions ongoing with Governments of Cameroon and the Republic of Congo regarding the Mbalam Convention and Congo Mining Permit**
- **Cash balance of A\$47m as at 30 September 2012.**

Sundance Resources Limited ('Sundance' or 'the Company') (ASX: SDL) provides its Activities Report for the Quarter ending 30 September 2012.

¹ *It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.*



NDRC PROVISIONAL APPROVAL & REVISED SIA

On 30 July 2012, China's National Development and Reform Commission ("NDRC") granted provisional approval for Hanlong to acquire Sundance. The receipt of NDRC provisional approval is a critical step towards achieving all the necessary Chinese regulatory approvals, which in turn are conditions precedent to completion of the Scheme of Arrangement ("Scheme").

However, in granting provisional approval the NDRC stipulated certain conditions including Hanlong paying a 'reasonable acquisition price'. Sundance requested a trading halt on 31 July 2012 and went into voluntary trading suspension on 2 August 2012. The stock stayed in suspension for approximately three weeks while the Company discussed with Hanlong the NDRC stipulation for a 'reasonable acquisition price'.

Following extensive negotiations with Hanlong and after considering a range of factors, the Board of Sundance accepted, in the absence of a superior proposal, Hanlong's proposal to amend the Scheme Implementation Agreement ("SIA") to reflect a revised price of A\$0.45 cents cash per share as it retains the right for Sundance shareholders to vote and ultimately determine whether this revised price is acceptable. Sundance also stipulated, and Hanlong agreed to, a number of amendments in the Second Revised SIA, the purpose of which was to provide a greater level of certainty to shareholders that Hanlong will be able to fulfill its obligations to complete the Scheme.

Subsequent to the Quarter but material to this report, on 1 October 2012 Sundance advised the market via an ASX announcement that the China Development Bank Financier Commitment Letter was delayed. Sundance and Hanlong and its advisors met during the week commencing 1 October 2012 to consider the position resulting from the non-delivery of the Financier Commitment Letter which, under the SIA, was due for delivery by 1 October 2012.

Sundance entered into a second voluntary suspension of the stock and remained suspended until 22 October 2012 when the Company was able to confirm that Hanlong had secured two Financier Commitment Letters. The first Financier Commitment Letter, as required by the SIA, was from China Development Bank ("CDB") confirming the in-principle agreement of CDB to provide a debt facility of up to US\$1.022B subject to satisfaction of its credit approval processes. The second Financier Commitment Letter was provided by Bank of Deyang Co., Ltd and confirmed its agreement to offer loans to finance the balance of the Scheme Consideration payable by Hanlong (once the CDB loan has been applied) subject to compliance with the banks conditions. Following certification by Hanlong and its legal advisors, the Sundance Board has concluded that both Financier Commitment Letters were acceptable for the purposes of the SIA.

Sundance and Hanlong are continuing to work towards holding a Scheme meeting later this year. To accommodate the process to achieve financial close, the parties have extended the End Date of the SIA from 31 December 2012 to 11 January 2013, with the target date for financial close now set at 8 January 2013.

During the reporting period, a number of meetings were held between the company and the Government of Cameroon regarding finalisation of the Mbalam Convention. It is intended that the Mbalam Convention will be signed in the current Quarter.



In the Republic of Congo, the mining permit application is awaiting approval by the Council of Ministers which is expected to be awarded before the end of the 2012 calendar year.

RESOURCES, RESERVES AND EXPLORATION

Sundance has completed another successful drilling campaign and added significantly to both its High Grade and Itabirite resources this year. There has been no resultant change to the Project Reserve at this stage but work is ongoing with a revised statement expected in the coming months. The following provides a thorough overview of the current status of Itabirite and High Grade Resources, High Grade Reserves, ongoing exploration work and associated upside potential.

ITABIRITE HEMATITE RESOURCES

The Exploration Drilling programme was completed in early September 2012 after successfully achieving definition of the Target Itabirite Resources at the Nabeba Deposit in the Republic of Congo.

In June 2012, the Company announced a Maiden Itabirite Resource for Nabeba of 1.39 billion tonnes grading 35.1% Fe.

Subsequent drilling and modeling of final results has enabled Sundance to increase this Resource estimate to 1.72 billion tonnes grading 33.9% Fe.



When combined with existing Itabirite Resources defined at the Mbarga Deposit in Cameroon, the updated Nabeba Resource brings the **total Project Itabirite Resource base to 4.047 billion tonnes grading 36.3% Fe** (Table 1).

Table 1 GLOBAL ITABIRITE HEMATITE RESOURCE	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Mbarga Deposit	2,325	38.0	44.4	0.5	0.04	0.4
Nabeba Deposit	1,722	33.9	42.5	2.7	0.05	2.6
Total Itabirite Hematite Resource	4,047	36.3	43.6	1.4	0.04	1.3

As illustrated in the Figure 1 diagram, on the cross section the Itabirite mineralisation at Nabeba (in blue) is directly underlying the High Grade Hematite Resources (in red). The same vertical variation from Supergene at surface, to Itabirite style mineralisation at depth, is also evident at the Mbarga Deposit.

The updated Mineral Resource further underpins the strength of the entire Project for both Stage One (Direct Shipping Ore) and Stage Two, which now has a massive Itabirite Resource base in both Cameroon and the Republic of Congo.

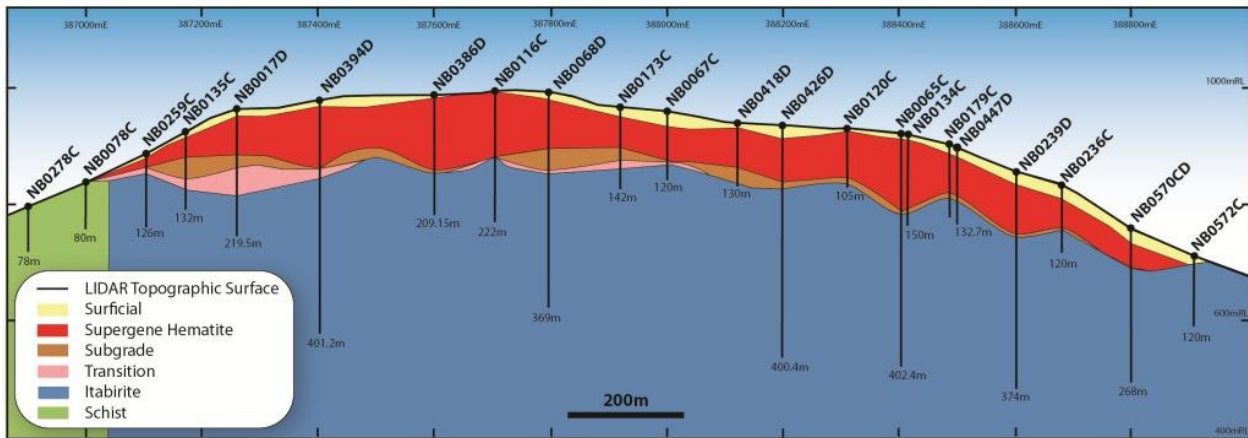


Figure 1 – East-West Cross section looking north through Nabeba Deposit, northern ridge.

Table 2 below provides details of the breakdown of the total Itabirite Resource into Indicated and Inferred categories. All Itabirite at Nabeba is currently within the **Inferred** category whereas Mbarga has a large **Indicated** component which was previously defined.

Table 2a	Tonnes	Tonnes	Fe	SiO ₂	Al ₂ O ₃	P	LOI
INDICATED ITABIRITE HEMATITE RESOURCE	%	(Mt)	(%)	(%)	(%)	(%)	(%)
Mbarga Deposit	35%	1,431	38.0	44.5	0.4	0.04	0.3
Total INDICATED Itabirite Hematite Resource		1,431	38.0	44.5	0.4	0.04	0.3
Table 2b	Tonnes	Fe	SiO ₂	Al ₂ O ₃	P	LOI	
INFERRED ITABIRITE HEMATITE RESOURCE	(Mt)	(%)	(%)	(%)	(%)	(%)	
Mbarga Deposit	22%	894	38.0	44.1	0.5	0.05	0.4
Nabeba Deposit	43%	1,722	33.9	42.5	2.7	0.04	2.6
Total INFERRED Itabirite Hematite Resource		2,616	35.3	43.0	2.0	0.05	1.9

All of the 2012 Itabirite programme drillholes were orientated vertically except for drill hole NB0441D. Sundance owns and operates four drilling rigs - 2 Reverse Circulation (RC) Schramm T450GT and 2 Diamond Core rigs (Sandvik DE710). This equipment has been used exclusively for the 2012 Itabirite drill programme.



Table 3 lists significant Itabirite drilling intercepts at the Nabeba Deposit and clearly illustrates the long consistent nature of the mineralised zones.

Table 3 – SIGNIFICANT NABEBA ITABIRITE INTERSECTIONS			
Hole ID	Mineralised Intersection	EOH Geology	Comments
NB0012D	142.0m @ 33.9% Fe from 129.70m	Ended in Schist	
NB0017D	46.4m @ 29.0% Fe from 167.5m	Ended in schist	Drilled November 2011
NB0020D	279.6m @ 37.4% Fe from 139.40m	Ended in Itabirite	
NB0025D	288.4m @ 37.0 % Fe from 105.60m	Ended in Schist	
NB0027CD	82.8m @ 43.0 % Fe from 102m	Ended in Itabirite	
NB0030CD	26.0m @ 44.4% Fe from 132.62m	Ended in Itabirite	
NB0065CD	260.4m @ 33.7% Fe 142m	Ended in Itabirite	
NB0067CD	160.4m @ 34.2% Fe from 121.60m	Ended in Itabirite	
NB0068D	227.0m @ 39.0% Fe from 142m	Ended in Itabirite	Drilled August 2010
NB0079CD	223.8m @ 32.2% Fe from 125.63m	Ended in Itabirite	
NB0136D	247.1m @ 28.5% Fe from 100.35m	Ended in Itabirite	
NB0144CD	169.0m @ 30.2% Fe from 44m	Ended in Schist	
NB0145CD	297.0m @ 37.5% Fe from 52m	Ended in Itabirite	
NB0239D	254.6m @ 36.7% Fe from 119.40m	Ended in Itabirite	
NB0392CD	171.7m @ 34.7% Fe from 128m	Ended in Itabirite	
NB0394D	259.2m @ 34.1% Fe from 142m	Ended in Itabirite	
NB0403D	88.7m @ 44.5% Fe from 127.10m	Ended in Itabirite	
NB0426D	248.3m @ 35.5 % Fe from 117.25m	Ended in Schist	
NB0438D	258.2m @ 37.3% Fe from 141.90m	Ended in Itabirite	
NB0570CD	168.3m @ 37.7% Fe from 72m	Ended in Schist	
ND0441D*	307.9m @ 35.0 % Fe from 69.29m	Ended in Itabirite	*60 degree Angled Hole

The 2012 Itabirite drilling programme at the Nabeba Deposit consisted of strategically placed diamond core drill holes with target depths of between 300 and 400 metres designed to test the immediate Itabirite potential below the overlying DSO-style mineralisation. The definition was supplemented by several deep Reverse Circulation (RC) holes as well as 2 diamond holes drilled previously in 2010-2011 into the Itabirite (NB0017D and NB0068D).

Drilling was predominantly HQ3-sized drill core with a step down to NQ2 when drilling penetration rates decreased. Assisted by the competency of the Itabirite rock and ownership of drilling operations, core recoveries were excellent. No downhole surveys have yet been conducted and this, in conjunction with the relatively wide spacing, is the main reason the Nabeba Itabirite remains at the Inferred category.



Figure 2 below illustrates the spread of strategic drill holes across the northern and southern ridges of the main Nabeba Deposit which was designed on approximately 400m x 200m spacing.

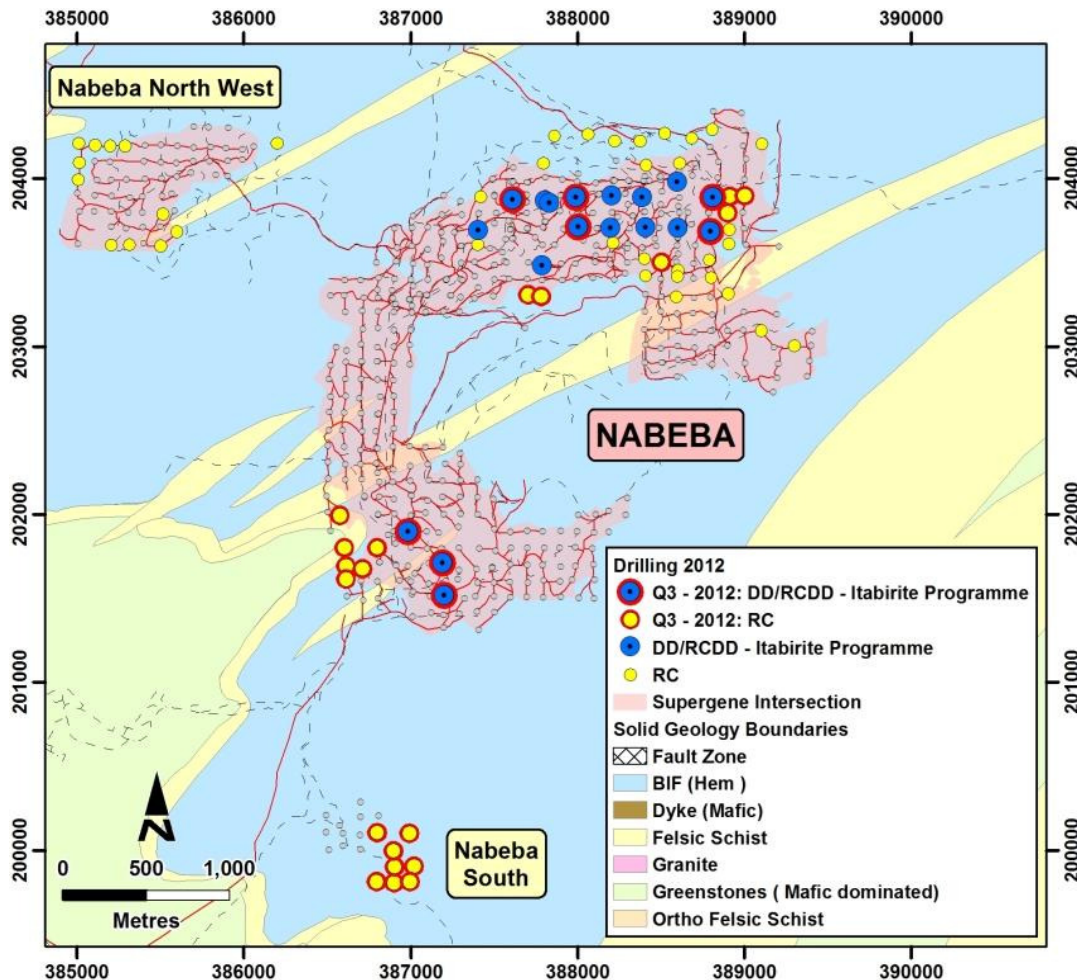


Figure 2 – Drillhole Plan of the 2012 Programme at Nabeba Deposits, Republic of Congo

The growth of Itabirite Resources over time for the Project is illustrated on Figure 3 (next page). Prior to 2012 Itabirite Resources had only been drilled and estimated at the Mbarga Deposit in Cameroon. These Itabirite Resources currently underpin Stage Two of the Project development which proposes beneficiation of the Itabirite mineralisation following the completion of Stage One DSO production.

On completion of the 2012 drilling campaign, an increase in the Nabeba Itabirite resource estimate to 1.72Bt grading 33.9% Fe provides additional benefit to potentially underpin the longevity of Stage Two of the Project in both the Republic of Congo as well as in Cameroon. The potential for significant additional Itabirite Resources within the immediate Project area is described in further detail in this report.

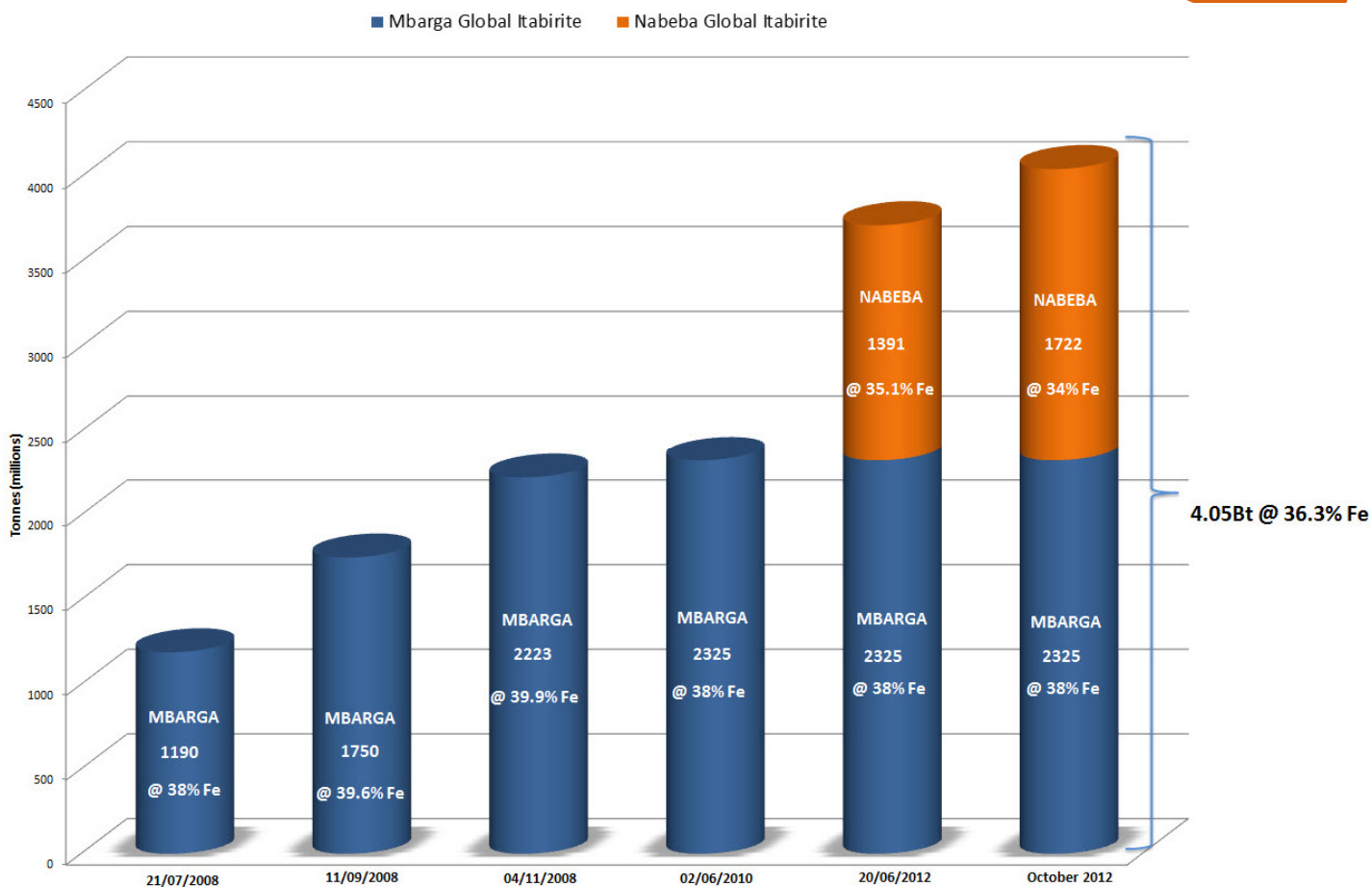


Figure 3 – Growth of Project Itabirite Resources over Time

HIGH GRADE HEMATITE RESOURCES

The Project JORC Code-compliant High Grade Mineral Resources for the Mbalam Iron Ore Project have not changed since the ASX release of 20 June, 2012. The High Grade Resources tabled here are **in addition** to the 4.047 billion tonnes grading 36.3% Fe Itabirite Mineral Resources described previously.

Table 4 is the Summary of all High Grade Hematite Mineral Resources for the Project, which is inclusive of all High Grade resources from the six currently drilled Deposits of the Mbalam Project: Mbarga, Mbarga South, Metzimevin, Nabeba, Nabeba Northwest and Nabeba South.

Table 4 HIGH GRADE HEMATITE RESOURCE	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Indicated	748.0	57.2	9.2	4.4	0.098	3.8
Inferred	27.4	57.4	15.1	3.0	0.090	1.5
Total High Grade Hematite Resource	775.4	57.2	9.4	4.3	0.098	3.8

Further subdivision of High Grade Resources of each Deposit into Indicated and Inferred JORC Code categories is detailed below in Table 5. These tables demonstrate the high confidence in the interpretation and geological continuity, with 96% within the Indicated category:

Table 5 – INDICATED AND INFERRED:						
A - INDICATED HIGH GRADE RESOURCE						
	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Mbarga Deposit	195.1	56.7	13.0	3.3	0.081	2.1
South Mbarga Deposit	20.7	57.5	10.4	3.6	0.068	3.2
Nabeba Main Deposit	472.0	57.9	7.6	4.7	0.107	4.1
Nabeba Northwest Deposit	50.3	52.8	9.2	5.6	0.090	7.9
Nabeba South Deposit	9.9	57.3	6.6	3.8	0.121	6.6
Total Indicated High Grade Resource	748.0	57.2	9.2	4.4	0.098	3.8
B - INFERRED HIGH GRADE RESOURCE						
	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Mbarga Deposit	12.2	54.7	18.2	1.8	0.104	0.9
Metzimevin Deposit	15.2	59.5	12.6	4.1	0.078	2.0
Total Inferred High Grade Resource	27.4	57.4	15.1	3.0	0.090	1.5

Weathering and supergene processes of the near surface mineralisation at these Deposits have resulted in the ability to define relatively consistent sub-horizontal Domains. In general, these domains change with increasing depth from being alumina-rich (“**Surficial**”) near surface to more silica-rich (“**Transition**”) towards the contact with the underlying Itabirite.

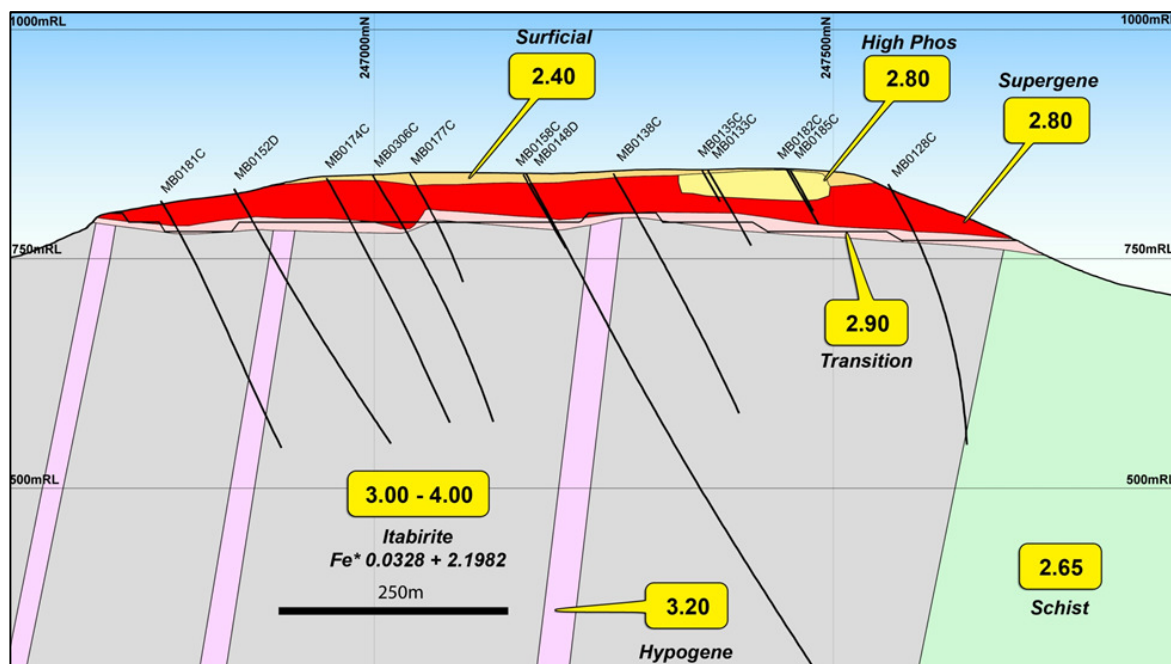


Figure 4 – north-South Cross section looking west through Mbarga Deposit.



During the interpretation and modelling stage of evaluation, the Project High Grade Hematite Resources have therefore been internally sub-divided into 7 distinct ‘domains’ reflecting chemically and physically consistent sub-horizontal zones (Table 6).

Table 6 HIGH GRADE RESOURCES; DOMAIN	Tonnes (Mt)	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
Surficial	130,606,201	54.76	4.67	9.13	0.139	6.91
Supergene	362,427,296	61.88	5.02	3.06	0.092	2.97
Transitional	151,399,590	50.73	20.36	3.42	0.068	2.90
Sub Grade (Nabeba Only)	90,939,281	54.12	10.93	5.29	0.114	5.08
High Phosphorus (Mbarga)	1,076,522	62.40	2.60	3.45	0.251	3.66
Hypogene +700RL (Mbarga)	2,738,944	53.82	20.33	1.43	0.067	0.71
Hypogene -700RL (Mbarga)	36,204,902	54.57	19.61	1.09	0.090	0.48
Total High Grade Resources	775,392,737	57.22	9.38	4.32	0.098	3.75

This table includes all Indicated and Inferred High Grade Hematite Resources and it is worth noting in particular the “**Supergene**” domain which contains more than 360Mt of high quality mineralisation grading 61.9% Fe and represents approximately 50 per cent of the entire High Grade Resource.

HIGH GRADE HEMATITE RESERVES

The Project’s JORC Code-compliant Ore Reserves remain unchanged at **352.3 Million tonnes grading 62.4% Fe** all within the Probable category. While these Ore Reserves are sufficient for the first 10 years of Stage One of the Project at 35mtpa, further work is ongoing to increase this Ore Reserve base for the Project.

Table 7 Ore Reserve classification	Tonnes (Mt)	Fe in Product (%)	SiO ₂ (%) in Product	Al ₂ O ₃ (%) in Product	P (%) in Product	LOI (%) in Product
Probable	352.3*	62.4	5.0	2.6	0.09	2.6

*These Reserves are inclusive of the High Grade Mineral Resources stated for the Project and not in addition.

The current Ore Reserves were estimated in November 2011 from Indicated Resources of previous Resource figures available at that time (September 2011; 521.7Mt grading 60.7% Fe). At that time the 352.3Mt of Reserves represented a conversion rate of approximately 72% of Resources to Reserves, as only 488.5Mt of the Resource was in Indicated category. Ore Reserves estimation, based on the updated June 2012 Resources Estimates is in progress and is anticipated that a new Ore Reserves Statement will be forthcoming.



Stated Ore Reserves are exclusively in relation to the Stage One DSO phase of the Project and are derived predominately from the Nabeba and Mbarga Deposits, with a small component from the Mbarga South Satellite Deposit (Table 8).

Table 8 Ore Reserve Location	Tonnes (Mt)	Fe in Product (%)	SiO ₂ (%) in Product	Al ₂ O ₃ (%) in Product	P (%) in Product	LOI (%) in Product
Mbarga Deposit	110.2	62.5	6.8	2.1	0.08	1.6
Mbarga South Deposit	11.8	60.5	8.4	2.2	0.07	2.4
Nabeba Deposit	230.4	62.5	4.0	2.9	0.09	3.1
Total Probable High Grade Reserves	352.3	62.4	5.0	2.6	0.09	2.6

No Ore Reserve contributions were considered at that time from the Metzimevin Deposit as all of its High Grade Resources (15.2Mt grading 59.5%Fe) are of Inferred Category. Similarly, no potential Reserve contributions have been considered from the Indicated Resources at the Nabeba Northwest (50.3Mt grading 52.8% Fe) or Nabeba South (9.9Mt grading 57.3%Fe) as they were not defined at the time.

ONGOING EXPLORATION WORK

Surface geological mapping and sampling excursions will continue for DSO and Itabirite Exploration Targets in both Cameroon and the Republic of Congo.

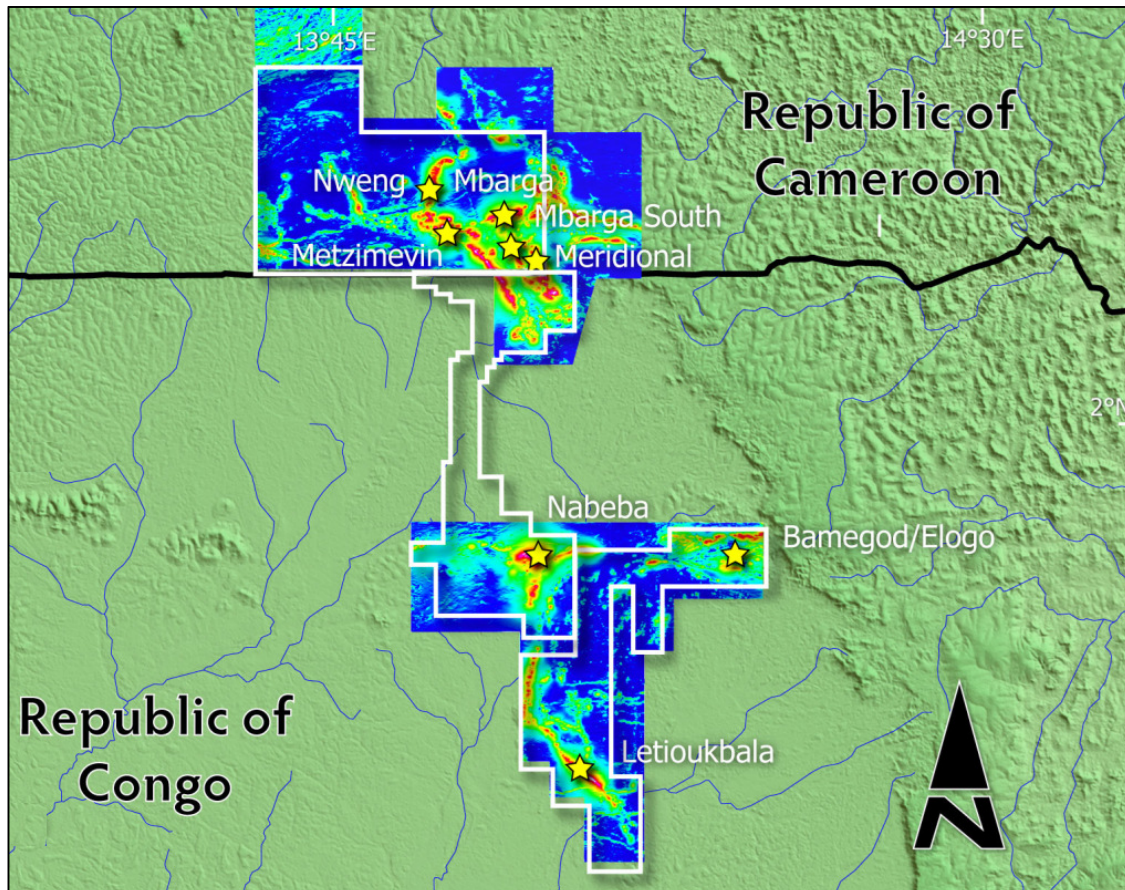


Figure 5 – Deposit and Prospect Locations on the Mbalam Project Permits

Due to the fact that the existing 4.05Bt of estimated Itabirite Resource is more than sufficient to underpin the first 25 years of the Project, there are no immediate plans to continue to drill Itabirite targets. However, it is worth noting that all drilling and mapping at other Deposits and Prospects suggests the Itabirite mineralisation is vast and persistent throughout the exposed BIF outcrops mapped so far on the Permits.

Sundance has continued to add high quality DSO style resources to its Project over time (Figure 6) and has an existing defined Exploration Target² of an additional **90-150Mt** of High Grade Hematite Resources to complement its current JORC-Code compliant estimate of **775.4Mt grading 57.2% Fe**.

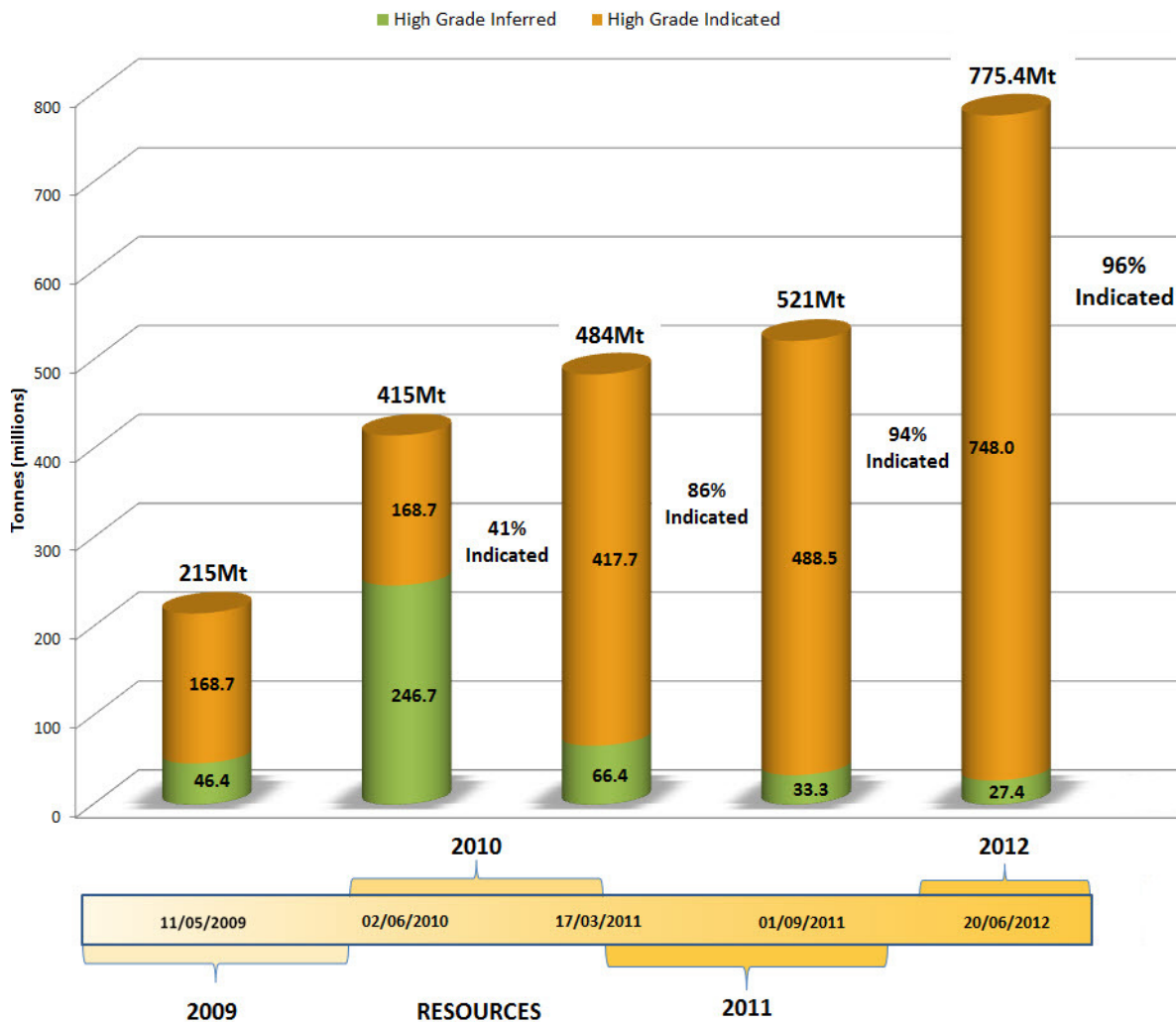


Figure 6 – Growth of Project High Grade Resources over Time

² It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.



Since drilling ended in September 2012, the Site Geology Team has been generating an estimate for the Project's Itabirite potential on the existing Permits. Fundamentals of the Itabirite exploration target evaluation were based on: aeromagnetic anomalies, topographic maps, and drawing analogies with the two defined Itabirite Deposits at Mbarga (2.32Bt @ 38% Fe) and Nabeba (1.72Bt @ 33.9% Fe).

To ensure the Exploration Target is conservative, estimates were limited to 300 metres below the surface at each of the Deposits / Prospects despite the fact that Itabirite has been intersected to vertical depths of more than 500 metres at Mbarga and 400 metres at Nabeba.

The conclusion of the Site Geology Team is that there is an **Itabirite Exploration Target³** on the existing Permits at the Project of **9.2Bt to 13.2Bt grading between 30% and 40% Fe**. Details of individual Deposit and Prospect Itabirite estimates ranges are tabled below (Table 9).

Table 9 –ITABIRITE EXPLORATION TARGET SIZE		
Location	Range Mt	Comments
Mbarga Deposit	250-300	In addition to existing 2.3BT Resource
Metzimevin Deposit	750-1250	
Mbarga South Deposit	900-1100	
Meridional Prospect	800-1000	
Mbarga Southwest Prospect	750-1250	
Cabosse Hills Prospect *	800-1000	*This ridge straddles the border
Njweng Prospect	750-1200	
Sub-Total Itabirite Target; Cameroon Permit	5.00-7.10	
Nabeba Deposit	250-300	In addition to existing 1.7BT Resource
Nabeba NW Deposit	150-250	
Nabeba South Deposit	250-300	
Mt Letioukbala Prospect	800-1000	
Elogo Prospect	750-1250	
Cabosse Hills Prospect*	400-500	*This ridge straddles the border
Bidoumou Hills Prospect	450-650	
Other Unnamed Itabirite Prospects	1200-1800	Hills immediately adjacent to Nabeba
Sub-Total Itabirite Target; Congo Permits	4.25-6.05	
Total Itabirite Exploration Target	9.25-13.15 BT	Grading 30-40% Fe.

"Deposit" in the table above refers to a mineralised area that has a Mineral Resource defined according to the JORC Code principles. A "Prospect" has no Resource Estimate available but has been mapped, sampled or drilled such that there is reasonable knowledge of the prospectivity.

This conservative estimate for an Itabirite Exploration Target helps demonstrate the potential enormity and long term nature of the Iron Ore province and Project area. This is all in addition to the first ten years of DSO production as outlined in the Definitive Feasibility Study completed last year and underpinned by the defined estimate of High Grade Mineral Reserves which are set to be increased in the coming months.

³ It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.



MBALAM-NABEBA PROJECT DEVELOPMENT

During the Quarter, project activities were limited to planning and technical support with the main areas of focus being:

- Progression of the SIA with Hanlong;
- Technical support for the negotiations of the Mbalam Mining Convention;
- Project implementation documentation;
- Rail design package;
- Update to the Ore Reserves from November 2011; and
- Planning for the development of the rail corridor aligned with the Government's Declaration of the land for Public Utility (DUP).

The Project Team attended numerous meetings with Hanlong and its advisors and prepared technical submissions in support of Hanlong's application for NDRC approval and their presentations to China Development Bank in order to confirm project financing. The Project Team also prepared a number of papers for inclusion in the Cameroon Mining Convention covering a range of technical and operational issues as well as participated in meetings with both the Cameroon Government and their technical advisors.

Work continued on developing key project implementation documentation. During the reporting period, the focus was on the development of the detailed contracting plan, a local contracting plan and further refinement of the logistics plan. Recommencement of the preliminary works will involve the tendering and subsequent award of a front end engineering contract for the materials handling, processing, information and communications technology and associated infrastructure.

Following the announcement of the upgraded Resources statement in July 2012, work has commenced on preparing and undertaking an upgrade to the Project's High Grade Ore Reserves. AMC has been engaged to provide a Reserves upgrade. The necessary metallurgical and mining inputs were also progressed during the Quarter in preparation for handover to AMC.

Plans for the implementation of the rail DUP progressed, which included the undertaking of formal risk assessment workshops both in Perth, Western Australia and in Yaounde in Cameroon.

HEALTH, SAFETY, ENVIRONMENT, COMMUNITY AND SECURITY (HSECS)

	Total Hours Performed	Total Lost Time Incidents	Total High Potential Incidents (no lost time)	Total Lost Work Days
Perth, Exploration Projects & Cameroon & Congo Iron	226,452	0	1	0
Lost Time Injury Frequency Rate (LTIFR) for the Quarter				0
Previous annual LTIFR				4.5
Rolling annual LTIFR				1.09



Sundance demonstrated strong Health and Safety performance during the reporting period with no permanent or serious injuries having been sustained by our employees or contractors and a Lost Time Injury Frequency Rate (LTIFR) continuing to improve, which is currently at 1.09.

A total of 226,452 employee and contractor hours were performed with one potential significant incident recorded. The SDL HSECS management system continues to be developed and delivered across the Company's operations over the next Quarter. In-field training on Lock Out Tag Out (LOTO) and Job Hazard Analysis (JHA) has been provided to Congo Iron and Cam Iron operational staff.

On 13 August, 2012 a letter was received from the Chairman of the Inter-Ministerial Commission stating the working group is satisfied with the amended terms of reference and the Congo Iron's Nabeba Permit Environmental and Social Assessment Report (ESA) has been accepted in its final form. A Certificate of Environmental Conformity was received on 1 September 2012 from the Ministry for the Environment.

A donation of desks and chairs from the 'Our Lady of Fatima' School located in Perth, Western Australia was organised by Congo Iron and distributed to the Bishop Delemmes Catholic School in Souanké, Republic of Congo, which was selected by the local authorities. A small celebration was organised on 26 September 2012 to mark the event attended by the local authorities, school children and staff, members of the local community and representatives from Congo Iron.



Company representatives at a celebration for the delivery of desks and chairs donated to Bishop Delemmes Catholic School, Souanké, Republic of Congo



During the Quarter, Cam Iron expanded its support for Ape Action Africa, a not-for-profit organisation supporting the Mefou National Park near Yaounde. A second phase of the partnership program intends to release animals back into the wild.

Cam Iron's exploration site at Mbalam is a potential release site given its long term anti-poaching commitment. Cam Iron is a major supporter of the Park's operations, which includes feeding over 300 animals, veterinary care, maintenance of the enclosures and electrical fencing.

The Tri-National Dja-Odzala-Minkebe (TRIDOM) Project Team recently hosted a meeting in Brazzaville, Republic of Congo that was attended by National and International mining companies including representatives from Sundance's subsidiary companies, Congo Iron SA and Cam Iron SA. The TRIDOM project is located within the world's second-largest rainforest, the Western Congo Basin Moist Forest in Central Africa. TRIDOMs' main objective is to reduce the rate of forest degradation and loss of biodiversity through increased local, regional and national natural resource management capacity. The project is focused on sustainable natural resource management in order to promote economic development and alleviate poverty in the region.

LEGAL PROCEEDINGS

Congo Aircraft Accident

Cam Iron SA has received a legal claim in relation to the Congo Air Incident in 2010. This matter was the subject of an ASX announcement released by Sundance on 22 June 2012. We also refer to the Quarterly Report dated 27 July 2012 on this matter. Cam Iron SA is currently defending this claim, which is at preliminary hearing stage, in the High Court of Douala in Cameroon. The matter has been adjourned by the court for the plaintiffs to provide a substantiated case file by 20 December 2012.

Hold Co versus Cam Iron SA

Cam Iron SA is pursuing its defence of a claim from Hold Co SARL returnable in the Yaounde High Court. These claims were disclosed in the Company's previous Quarterly Report dated 27 July 2012.

CORPORATE

As at 30 September 2012, the Company had 21,588 individual shareholders and 3,049,577,034 ordinary fully paid shares on issue with 41,521,315 rights and options on issue. The Top 20 shareholders held 63% of the total issued capital.

Cash Assets

The Company's cash balance at 30 September 2012 was A\$47 million.

Expenditure

The Pro-forma Statement of Consolidated Cash Flows is provided in a separate report.

ENDS

GIULIO CASELLO

Chief Executive Officer and Managing Director
Sundance Resources Limited

Shareholder/Media Inquiries:

Jill Thomas +61 8 9220 2300

Paul Armstrong +61 8 9388 1474



Appendix 1: 2012 Nabeba Exploration Programme – List of Drillholes

SUMMARY OF DRILLING COMPLETED AT NABEBA IN 2012													
HoleID	Prospect	Easting WGS84	Northing WGS84	From	To	Drill Type	Azimuth	Dip	Start Date	End Date	Total RC Metres	Total DD Metres	Total Metres Drilled
NB0012D	NABEBA	387991.33	203890.78	151.1	298.3	DD	0	-90	7/07/12	21/07/12		147.2	147.2
NB0020D	NABEBA	388385.20	203889.87	114.8	419	DD	0	-90	15/04/12	5/05/12		304.2	304.2
NB0025D	NABEBA	388203.15	203901.20	157.6	398.2	DD	0	-90	31/03/12	14/04/12		240.6	240.6
NB0027CD	NABEBA	387803.69	203868.41	120	184.8	DD	0	-90	15/03/12	19/03/12		64.8	64.8
NB0065CD	NABEBA	388405.69	203711.07	144	402.4	DD	0	-90	28/05/12	21/06/12		258.4	258.4
NB0067CD	NABEBA	388002.98	203713.37	121.6	282	DD	0	-90	23/07/12	8/08/12		160.4	160.4
NB0079CD	NABEBA	388809.31	203889.04	117	349.4	DD	0	-90	24/06/12	12/07/12		232.4	232.4
NB0097C	NABEBA	387399.40	203605.71	72	90	RC	0	-90	24/05/12	24/05/12	18		18
NB0144CD	NABEBA	387192.04	201710.96	84	240.6	RCDD	0	-90	26/07/12	16/08/12	118	38.6	156.6
NB0145CD	NABEBA	386985.71	201898.92	78	349.3	RCDD	0	-90	12/07/12	21/08/12	84	186.9	270.9
NB0239D	NABEBA	388600.10	203708.72	145.5	374	DD	0	-90	27/02/12	10/03/12		228.5	228.5
NB0392CD	NABEBA	387200.20	201520.29	144	310.5	DD	0	-90	22/08/12	3/09/12		166.5	166.5
NB0394D	NABEBA	387403.44	203693.05	146.2	401.2	DD	0	-90	19/05/12	7/06/12		255	255
NB0403D	NABEBA	387831.21	203855.40	197	215.8	DD	0	-90	13/03/12	14/03/12		18.8	18.8
NB0426D	NABEBA	388195.54	203707.07	162	400.4	DD	0	-90	21/03/12	31/03/12		238.4	238.4
NB0438D	NABEBA	388597.70	203983.04	181.9	400.1	DD	0	-90	7/05/12	23/05/12		218.2	218.2
NB0441D	NABEBA	387786.52	203484.11	116.9	379.1	DD	20	-65	9/02/12	25/02/12		262.2	262.2
NB0544C	NABEBA	388522.43	204270.32	0	120	RC	0	-90	30/03/12	31/03/12	120		120
NB0545C	NABEBA	388222.56	204222.30	0	120	RC	0	-90	31/03/12	1/04/12	120		120
NB0546C	NABEBA	388374.18	204221.19	0	120	RC	0	-90	1/04/12	3/04/12	120		120
NB0547C	NABEBA	388061.28	204262.09	0	114	RC	0	-90	3/04/12	4/04/12	114		114
NB0548C	NABEBA	387861.48	204253.99	0	90	RC	0	-90	4/04/12	4/04/12	90		90
NB0549C	NABEBA	388003.23	204028.72	0	113	RC	0	-60	7/04/12	11/04/12	113		113
NB0550C	NABEBA	388504.12	203501.79	0	143	RC	0	-60	11/04/12	12/04/12	143		143
NB0551C	NABEBA	388408.28	203419.12	0	215	RC	0	-60	13/04/12	15/04/12	215		215
NB0552C	NABEBA	388210.15	203615.62	0	215	RC	180	-60	16/04/12	17/04/12	215		215
NB0553C	NABEBA	387417.63	203890.28	0	192	RC	0	-90	8/05/12	10/05/12	192		192
NB0554C	NABEBA	387793.67	204089.08	0	210	RC	0	-90	11/05/12	16/05/12	210		210
NB0555C	NABEBA	388809.25	203890.04	0	82	RC	0	-90	16/05/12	18/05/12	82		82
NB0556C	NABEBA	388398.81	203521.27	0	204	RC	0	-90	18/05/12	21/05/12	204		204
NB0557C	NABEBA	388600.50	203453.40	0	120	RC	0	-90	22/05/12	23/05/12	120		120
NB0558C	NABEBA	388609.03	204090.71	0	164	RC	0	-90	24/05/12	26/05/12	164		164
NB0559C	NABEBA	388411.42	204081.58	0	198	RC	0	-90	28/05/12	1/06/12	198		198
NB0560C	NABEBA	389299.07	203001.92	0	120	RC	0	-90	4/06/12	5/06/12	120		120
NB0561C	NABEBA	389101.43	203094.85	0	90	RC	0	-90	5/06/12	6/06/12	90		90
NB0562C	NABEBA	388902.53	203315.38	0	120	RC	0	-90	6/06/12	6/06/12	120		120
NB0563C	NABEBA	388801.79	203409.01	0	89	RC	0	-60	7/06/12	9/06/12	89		89
NB0564C	NABEBA	388596.55	203417.46	0	149	RC	0	-60	9/06/12	10/06/12	149		149
NB0565C	NABEBA	388788.50	203514.76	0	90	RC	0	-90	13/06/12	14/06/12	90		90



HoleID	Prospect	Easting WGS84	Northing WGS84	From	To	Drill Type	Azimuth	Dip	Start Date	End Date	Total RC Metres	Total DD Metres	Total Metres Drilled
NB0566C	NABEBA	388590.83	203295.65	0	119	RC	180	-60	11/06/12	12/06/12	119		119
NB0567C	NABEBA	388684.87	204239.59	0	90	RC	0	-90	14/06/12	15/06/12	90		90
NB0568C	NABEBA	388806.47	204292.17	0	90	RC	0	-90	15/06/12	15/06/12	90		90
NB0569C	NABEBA	389105.15	204205.94	0	123	RC	0	-90	18/06/12	20/06/12	123		123
NB0570CD	NABEBA	388797.15	203688.75	0	268	RCDD	0	-90	21/06/12	22/07/12	168	100	268
NB0571C	NABEBA	388903.98	203607.91	0	120	RC	0	-90	28/06/12	28/06/12	120		120
NB0572C	NABEBA	388909.88	203697.55	0	120	RC	0	-90	29/06/12	29/06/12	120		120
NB0573C	NABEBA	388897.01	203795.42	0	180	RC	0	-90	30/06/12	3/07/12	180		180
NB0574C	NABEBA	388911.06	203892.66	0	186	RC	0	-90	3/07/12	6/07/12	186		186
NB0575C	NABEBA	388998.63	203897.35	0	120	RC	0	-90	7/07/12	8/07/12	120		120
NB0576C	NABEBA	387700.97	203307.54	0	90	RC	0	-90	10/07/12	10/07/12	90		90
NB0577C	NABEBA	387780.71	203296.86	0	72	RC	0	-90	11/07/12	11/07/12	72		72
NB0578C	NABEBA	386711.18	201673.55	0	150	RC	0	-90	30/07/12	1/08/12	150		150
NB0579C	NABEBA	386600.62	201801.53	0	120	RC	0	-90	1/08/12	2/08/12	120		120
NB0580C	NABEBA	386611.54	201690.92	0	120	RC	0	-90	2/08/12	3/08/12	120		120
NB0581C	NABEBA	386612.78	201612.80	0	180	RC	0	-90	3/08/12	5/03/12	180		180
NB0582C	NABEBA	386796.67	201799.39	0	125	RC	88	-60	6/08/12	7/08/12	125		125
NB0583C	NABEBA	386574.92	201992.98	0	90	RC	0	-90	8/08/12	9/08/12	90		90
NS0012C	NABEBA S	386900.00	199806.00	0	120	RC	0	-90	17/07/12	18/07/12	120		120
NS0013C	NABEBA S	386903.00	199899.00	0	156	RC	0	-90	18/07/12	19/07/12	156		156
NS0014C	NABEBA S	386793.00	199810.00	0	120	RC	0	-90	20/07/12	21/07/12	120		120
NS0015C	NABEBA S	386895.00	199995.00	0	120	RC	0	-90	21/07/12	22/07/12	120		120
NS0016C	NABEBA S	387018.00	199902.00	0	90	RC	0	-90	22/07/12	23/07/12	90		90
NS0017C	NABEBA S	386994.00	199812.00	0	60	RC	0	-90	23/07/12	23/07/12	60		60
NS0018C	NABEBA S	386992.00	200098.00	0	120	RC	0	-90	24/07/12	25/07/12	120		120
NS0019C	NABEBA S	386797.00	200104.00	0	42	RC	0	-90	25/07/12	26/07/12	42		42
NW0001C	NABEBA NW	385288.00	204194.00	0	90	RC	0	-90	19/04/12	19/04/12	90		90
NW0002C	NABEBA NW	385198.00	204194.00	0	90	RC	0	-90	20/04/12	20/04/12	90		90
NW0003C	NABEBA NW	385106.00	204198.00	0	90	RC	0	-90	21/04/12	21/04/12	90		90
NW0004C	NABEBA NW	385008.00	204208.00	0	90	RC	0	-90	23/04/12	24/04/12	90		90
NW0005C	NABEBA NW	385013.00	204094.00	0	90	RC	0	-90	24/04/12	25/04/12	90		90
NW0006C	NABEBA NW	385007.00	203991.00	0	90	RC	0	-90	25/04/12	26/04/12	90		90
NW0007C	NABEBA NW	385514.00	203789.00	0	150	RC	0	-90	26/04/12	27/04/12	150		150
NW0008C	NABEBA NW	385600.00	203684.00	0	90	RC	0	-90	28/04/12	28/04/12	90		90
NW0009C	NABEBA NW	385500.00	203598.00	0	90	RC	0	-90	29/04/12	29/04/12	90		90
NW0010C	NABEBA NW	385313.00	203606.00	0	168	RC	0	-90	30/04/12	2/05/12	168		168
NW0011C	NABEBA NW	385206.00	203602.00	0	126	RC	0	-90	3/05/12	4/05/12	126		126
NW0012C	NABEBA NW	386198.00	204210.00	0	96	RC	0	-90	4/05/12	5/05/12	96		96
Total Drilling in Metres											7649	3121	10770



Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources 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 and Mr Widenbar are consultants to Sundance and have sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which they are 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".

The information in this report that relates to Ore Reserves is based on information compiled by Mr Bruce Gregory, a member of the Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by AMC Consultants Pty Ltd and is a consultant to the Company. Mr Gregory 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".

Messrs Longley, Widenbar and Gregory consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

For more information including modelling parameters and details, the ASX announcements pertaining to Exploration Results, Mineral Resources and Ore Reserves are available from the Company's website: www.sundanceresources.com.au.

Itabirite Resources reported at the Mbarga Deposit (Republic of Cameroon) and at the Nabeba Deposit (Republic of Congo)

At Mbarga, the estimated quantity and grade of Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource and a 200m x 100m spaced drill pattern applies for the Inferred Resource. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit.

At Nabeba, drilling of the Itabirite has been conducted on an approximate 400m x 200m spaced pattern and as such is only categorised as Inferred. Recent drilling of the Itabirite at Nabeba has been by way or re-entering and extending historical holes. However, all deep holes across the Deposit area that intersected Itabirite have been used in the estimation and this covers an area approximately 3km (east-west) x 3km (north-south).

Grade has been estimated by Ordinary Kriging on composited sample results. A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The Itabirite resource modelling has used 20m (X) x 10m (Y) x 10m (Z) blocks at the Mbarga Deposit with sub-blocks to honour the constraining surfaces. Nabeba Itabirite modelling has applied 25m (X) x 25m (Y) x 5m (Z) blocks at this Inferred stage of estimation.

Drillhole collar survey has utilised DGPS surveying at all Deposits.

Down-hole surveys (at Mbarga only) were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs has been used in the evaluation at Mbarga only. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied to apply a density value. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying, with a range of densities adopted from 3 to 4t/m³ depending on the iron grade.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

High Grade Hematite Resources reported on Exploration Permit 92, Republic of Cameroon (Mbarga, Mbarga South and Metzimevin Deposits)

The estimated quantity and grade of High Grade Hematite quality Supergene mineralisation and underlying Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at Mbarga Deposit and a spacing varying from 200m x 100m to 50m x 50m for the Indicated Resource at the Mbarga South Deposit. A 200m x 100m drill pattern applies for the Inferred Resource at the Mbarga and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately



1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit. Grade has been estimated by Ordinary Kriging on composited sample results.

Note that Cut-off grades for High Grade Hematite at the Mbarga Deposits have been changed since the previous estimation (September, 2011) and while most restrictions have been removed, the following still apply: 'Phosphorus' Domain: >50% Fe and <0.3% P; 'Hypogene' Domains: >51% Fe. Metzimevin Inferred Resources remain unchanged and have a >50% Fe cut-off and density of 2.80 applied.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used a block size of 10m (X) by 10m (Y) by 2m (Z).

Drillhole collar survey has utilised DGPS surveying at all Deposits.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs has been used in the evaluation.

Densities have been assigned from a combination of down hole geophysical and physical measurements of diamond core carried out as part of metallurgical analysis. Densities of 2.40 t/m³ have been assigned for the Surficial Zone, 2.80 t/m³ for the Supergene, 2.80 t/m³ for the Phosphorus, 2.90 t/m³ for the Transition and 3.20 t/m³ for the Hypogene. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying, with a range of densities adopted from 3 to 4 t/m³ depending on the iron grade.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acquire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and internal standards with comprehensive reporting on laboratory precision and accuracy. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

Resources reported on Nabeba-Bamegod Permit, Republic of Congo (Nabeba, Nabeba Northwest and Nabeba South Deposits)

The estimated quantity and grade of near-surface, high grade mineralisation for the Nabeba Resources has been restricted to an area currently covered by drilling on predominately a 100m x 100m pattern (with some closer-spaced drilling on selected north-south lines on the northern ridge). Sundance has completed significant drilling at the main Nabeba Deposit of which approximately 20% has been diamond core and 80% RC (Reverse Circulation) drilling with face-sampling hammers.

Drilling at the smaller Nabeba Northwest and Nabeba South Deposits has been by predominately RC method although two diamond holes were drilled at Nabeba Northwest to ensure similar physical properties and densities applied.

The geological model at the Nabeba Main Deposit is represented by an area approximately 2.5km (east-west) x 3km (north-south). Nabeba Northwest covers a smaller area of approximately 1km x 1km and Nabeba South smaller again at 500m x 500m.

Grade has been estimated by Ordinary Kriging on composited sample results. The mineralisation and grade interpolation of drill results has been constrained by a 3-D wireframe which encompasses all of the near-surface contiguous high grade material and as such, no cut-off grades for high grade have been required or applied. At the time of modelling, 92% of drill sample results were full XRF analyses from Ultra Trace Laboratories (Perth, Western Australia) and the remaining 8% were Thermo Niton XRF (Fe only) results from the Sundance Site laboratory.

Cut-off grades for the Nabeba deposits have changed since the previous estimation (September, 2011) and now no cutoff grades have been applied. Resultant grades are simply a result of the grades which lie within carefully defined mineralised domain boundaries.

A digital terrain surface (based on recent Lidar and ground surveys) has been used to limit extrapolation of the mineralisation to the topography of the Nabeba hill. The resource modelling has used 25m x 25m x 5m blocks with sub-blocks to honour the constraining surfaces.

Drillhole collar survey has utilised DGPS surveying at all Deposits.



A density of 2.65 t/m³ has been used for the 'Supergene' and 'Transition' domains of High Grade Hematite, with a density of 2.50 t/m³ for the 'Sub-Grade' and 'Surficial' zones. All density values are based on results from an assessment of physical density measurements of current drill core and on down-hole density determination by Surtron.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy.

While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of exploration targets is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource for these exploration targets and it is uncertain if further exploration will result in determination of a Mineral Resource.

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.