

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

SUNDANCE RESOURCES LIMITED ABN 19 055 719 394

Date of Meeting: 28 November 2008
Time of Meeting: 2:00pm WDT
Place of Meeting: Level 8, Exchange Plaza
2 The Esplanade, Perth

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay. If Shareholders are unable to attend the Annual General Meeting, please complete and return the enclosed Proxy Form in accordance with the specified directions.

SUNDANCE
RESOURCES



NOTICE OF ANNUAL GENERAL MEETING

SUNDANCE RESOURCES LIMITED ABN 19 055 719 394
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Sundance Resources Limited ("Company") will be held at Level 8, Exchange Plaza, 2 The Esplanade, Perth, Western Australia on 28 November 2008 commencing at 2:00pm WDT. An Explanatory Memorandum containing information in relation to the following Resolutions accompanies this Notice of Meeting.

Please note terms used in Resolutions 1 to 4 of this Notice of Meeting have the same meaning as set out in the glossary contained in the Explanatory Memorandum accompanying this Notice.

AGENDA

Business

Financial Report For the Period Ended 30 June 2008

To receive and consider the financial report of the Company, the Directors' Report and the Auditor's Report for the period ended 30 June 2008.

Resolution 1 – Adoption of Remuneration Report

To consider, and if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That Shareholders adopt the Remuneration Report for the financial year ended 30 June 2008."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Resolution 2 – Election of Mr Craig Blackburne Oliver as a Director

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That Mr Craig Blackburne Oliver, who ceases to hold office in accordance with clause 13.5 of the Company's Constitution and, being eligible for election, be elected a Director."

Note: Under clause 13.2 of the Company's Constitution, Messrs John Saunders and Alec Pismiris will be retiring at the Meeting and are not offering themselves for re-election. Shareholders are referred to the Explanatory Memorandum for further details.

Resolution 3 – Ratification of Prior Non Executive Director Remuneration – 2004, 2007 and 2008

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 10.17 and all other purposes, the aggregate amount of remuneration paid to non-executive Directors in the financial years ending 30 June 2004, 30 June 2007 and 30 June 2008, as set out in the Explanatory Memorandum, be ratified."

The Company will disregard any votes cast on this Resolution by a Director of the Company and any associate of the Director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 – Increase of Non Executive Director Remuneration

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 10.17 and for all other purposes, the aggregate amount of remuneration paid to non-executive Directors be increased from \$100,000 per annum to a maximum of \$600,000 per annum."

The Company will disregard any votes cast on this Resolution by a Director of the Company and any associate of the Director. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By Order of the Board of Directors



Mr John Carr-Gregg
Company Secretary
Sundance Resources Limited

Dated: 27 October 2008

VOTING BY PROXY

Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at the Annual General Meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. Fractions shall be disregarded.

A proxy may, but need not be a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorising in writing or, if such appointor is a corporation, either under seal or under hand of the officer of his attorney duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and must reach the registry at least 48 hours prior to the Annual General Meeting. For the convenience of Shareholders a proxy form is enclosed.

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that members holding Shares at 5:00 pm WDT on 26 November 2008 will be entitled to attend and vote at the Annual General Meeting.

VOTING BY A CORPORATION

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the Annual General Meeting.

EXPLANATORY MEMORANDUM

SUNDANCE RESOURCES LIMITED ABN 19055 719 394 **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the Shareholders of Sundance Resources Limited (“**Company**”) in connection with the business to be conducted at Level 8 Exchange Plaza, 2 The Esplanade, Perth, Western Australia on 28 November 2008 commencing at 2:00pm WDT, to provide Shareholders with information to permit them to assess the merits of the proposed Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before determining whether or not to support the Resolutions.

Financial Reports

This item of business calls for Shareholders to formally receive the Financial Report for the year ended 30 June 2008 (which includes all the financial statements and notes) and the Reports of the Directors and Auditor. While Shareholders are not required to vote on the Financial Reports, they will be given reasonable opportunity to ask questions and make comments on the Financial Reports and the Reports of the Directors and the Auditor and on the business, operations and management of the Company. The Auditor will be in attendance and can answer questions on the conduct of the audit, the preparation and contents of its Report, the accounting policies adopted in relation to the preparation of accounts and the independence of the Auditor in relation to the conduct of the audit.

Resolution 1 – Adoption of Remuneration Report

Section 298 of the Corporations Act requires that the annual Directors’ Report contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

Shareholders are asked to adopt the Remuneration Report which:

- (a) discusses the Company’s policy and the process for determining the remuneration of its executive officers and Directors;
- (b) addresses the relationship between the remuneration of the Company’s executive officers and the performance of the Company;
- (c) sets out remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2008;
- (d) sets out the remuneration details of any service agreements; and
- (e) sets out the details of any share based compensation.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. Pursuant to section 250R(3), the vote on this

Resolution is advisory only and does not bind the Board or the Company. The Remuneration Report is set out in the Company’s Annual Financial Report 2008 and is also available on the Company’s website (www.sundanceresources.com.au).

The Directors recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 – Election of Mr Craig Blackburne Oliver as a Director

Resolution 2 asks Shareholders to approve the re-election of Mr Craig Blackburne Oliver as a Director with effect from the end of the Meeting.

Clause 13.5 of the Company’s Constitution provides that the Directors may at any time appoint a person to be a Director (but not as an alternate Director), either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Oliver retires from office and submits himself for election in accordance with clause 13.5 of the Company’s Constitution.

Mr Oliver was appointed by the Directors on 8 April 2008. Mr Oliver has considerable corporate, project development and operational experience from more than 15 years in senior roles in publicly listed mining companies and as a partner in a mid-tier Chartered Accounting firm. Mr Oliver is a member of the Institute of Chartered Accountants.

The Directors (with Mr Oliver abstaining) recommend that Shareholders vote in favour of Resolution 2.

Rotation of Directors

Under clause 13.2 of the Company’s Constitution, Messrs John Saunders and Alec Pismiris will be retiring at the Meeting and are not offering themselves for re-election.

Clause 13.2 of the Company’s Constitution provides that at every annual general meeting of the Company one-third of the Directors (other than alternate Directors and the Managing Director) for the time being, or, if their number is not a multiple of 3, then such number as is appropriate to ensure that no Director (other than alternate Directors and the Managing Director) holds office for more than 3 years, shall retire from office. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots. A retiring Director is eligible for re-election.

In compliance with clause 13.2 of the Company’s Constitution, Messrs John Saunders and Alec Pismiris will be retiring at the Meeting, however as noted above are not offering themselves for re-election.

Resolution 3 – Ratification of Prior Non Executive Director Remuneration – 2004, 2007 and 2008

Resolution 3 asks Shareholders to ratify, for the purpose of Listing Rule 10.17 and for all other purposes, the aggregate amount of remuneration paid to non-executive Directors in the financial years ending 30 June 2004, 30 June 2007 and 30 June 2008 respectively.

Clause 13.8 of the Company's Constitution provides that Directors shall be paid out of the funds of the Company by way of remuneration for their services as Directors such sum as may from time to time be determined by the Company in general meeting, to be divided among the Directors in such proportions as they shall from time to time agree or in default of agreement equally. The remuneration of the Directors shall not be increased except pursuant to a resolution passed at a general meeting of the Company where notice of the suggested increase shall have been given to Shareholders in the notice convening the meeting.

At the Annual General Meeting of the Company held on 30 November 2001, Shareholders approved an increase in the total remuneration of non-executive Directors by \$50,000 per year to a maximum of \$100,000 per year. Due to an administrative oversight, Shareholder approval has not been sought since 30 November 2001 to increase this amount further.

During the financial years ending 30 June 2004, 30 June 2007 and 30 June 2008 the aggregate amount of remuneration paid to non-executive Directors exceeded the approved aggregate maximum (being \$100,000) by \$74,424, \$9,958 and \$299,100 respectively.

Remuneration above the approved amount in 2007 and 2008 coincided with the ramp-up of activities on the Mbalam Iron Ore Project. At this time, the Board required Directors who had significant iron ore, infrastructure and project delivery expertise. The Board also recognised the requirement for additional Directors to support the scale of the Mbalam Iron Ore Project. In 2007, the Board consisted of 5 Directors of whom 3 were executives. During 2008, in order to further strengthen the Board and comply more fully with the ASX Principles of Good Corporate Governance and Best Practice, additional Directors were appointed with the Board restructured to consist of 7 Directors of whom Mr Don Lewis and Mr Alec Pismiris acted in an executive capacity. The Board considers that Non-Executive remuneration is reasonable given the scale, location and scope of the Mbalam Iron Ore Project and the associated time and travel commitments of Directors.

Resolution 4 – Increase in Non Executive Director Remuneration

Resolution 4 asks Shareholders to approve, for the purposes of Listing Rule 10.17 and for all other purposes, the increase of the maximum aggregate amount of remuneration payable to non-executive Directors from \$100,000 per annum to \$600,000 per annum.

As previously noted above, the amount of non-executive Directors' remuneration has not been increased since 2001, when 3 non-executive Directors were in place. Sundance currently has 5 non-executive Directors.

The Directors consider this increase is necessary to attract directors of appropriate calibre, for the Company to have the flexibility to increase the number of non-executive Directors on the Board should the need arise, and to retain and continue to remunerate its existing non-executive Directors.

EXPLANATORY MEMORANDUM

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

ASX	means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Auditor	means Deloitte Touche Tohmatsu ABN 74 490 121 060.
Board	means the board of Directors of the Company.
Chairman	means the person chairing the Meeting.
Company or Sundance	means Sundance Resources Limited ABN 19 055 719 394.
Constitution	means the constitution of the Company.
Corporations Act	means Corporations Act 2001 (Cth).
Corporations Regulations	means Corporations Regulations 2001 (Cth).
Director	means a director of the Company.
Listing Rules	means the Listing Rules of ASX.
Notice or Notice of Meeting	means the Notice of Annual General Meeting accompanying this Explanatory Memorandum.
Meeting or Annual General Meeting	means the Annual General Meeting to be held on 28 November 2008 at 2:00pm WDT, at Level 8, Exchange Plaza, 2 The Esplanade, Perth, to which the Notice relates.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means an ordinary shareholder of the Company.
WDT	means Australian Western Daylight Time.

