

SUNDANCE RESOURCES



Developing a new iron ore province for world markets

Investor Presentation

March 2010



Project Highlights

- 2.5 billion tonne Indicated + Inferred Resource of High Grade & Itabirite hematite on Mbarga Deposits
- Significant exploration potential with encouraging initial drilling results from new Nabeba Deposit
- 35 Mtpa High Grade production target for first 10 years : FOB cash operating margin >US\$40 / t
- 35 Mtpa Itabirite concentrate production for balance of +25 year mine life
- Initial capital payback period of 3 years
- Project IRR > 20%
- Upside potential for 4-8 Mtpa pellet production
- Opportunity for regional aggregation of projects across a broad iron ore province
- Project of National Interest to Cameroon



- *SDL - Targeting to be a long term producer of high quality iron ore and pellets*
- *Mbalam - one of the largest iron ore projects in the world not controlled by a major company*



Capital Structure

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Market Cap	A\$407m*
Ordinary Shares	2,709,995,932
Unlisted Options	76,486,666
Share Price	15.0c*
Cash	A\$96m**
Debt	NIL

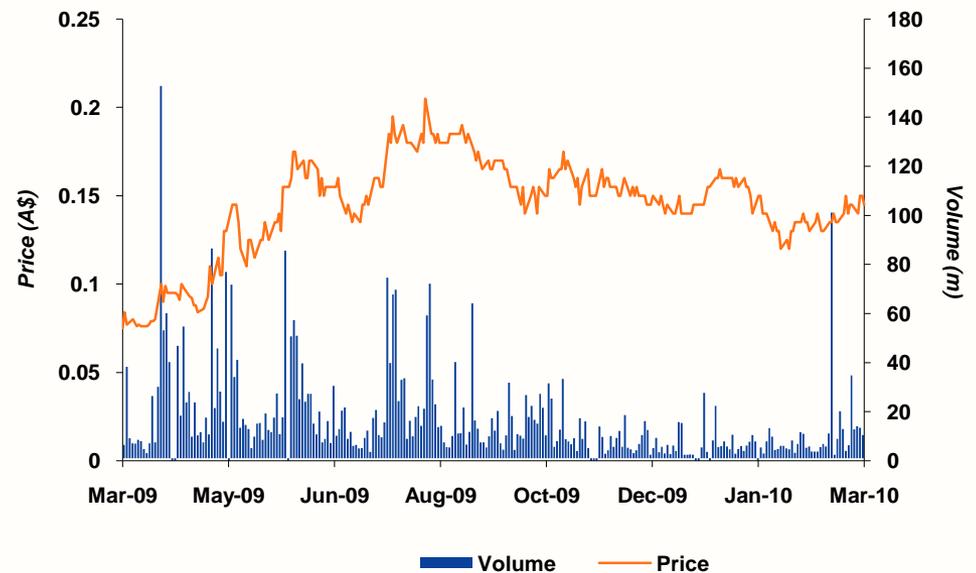
* As at 19 March 2010

** As at 31 December 2009

Major Shareholders

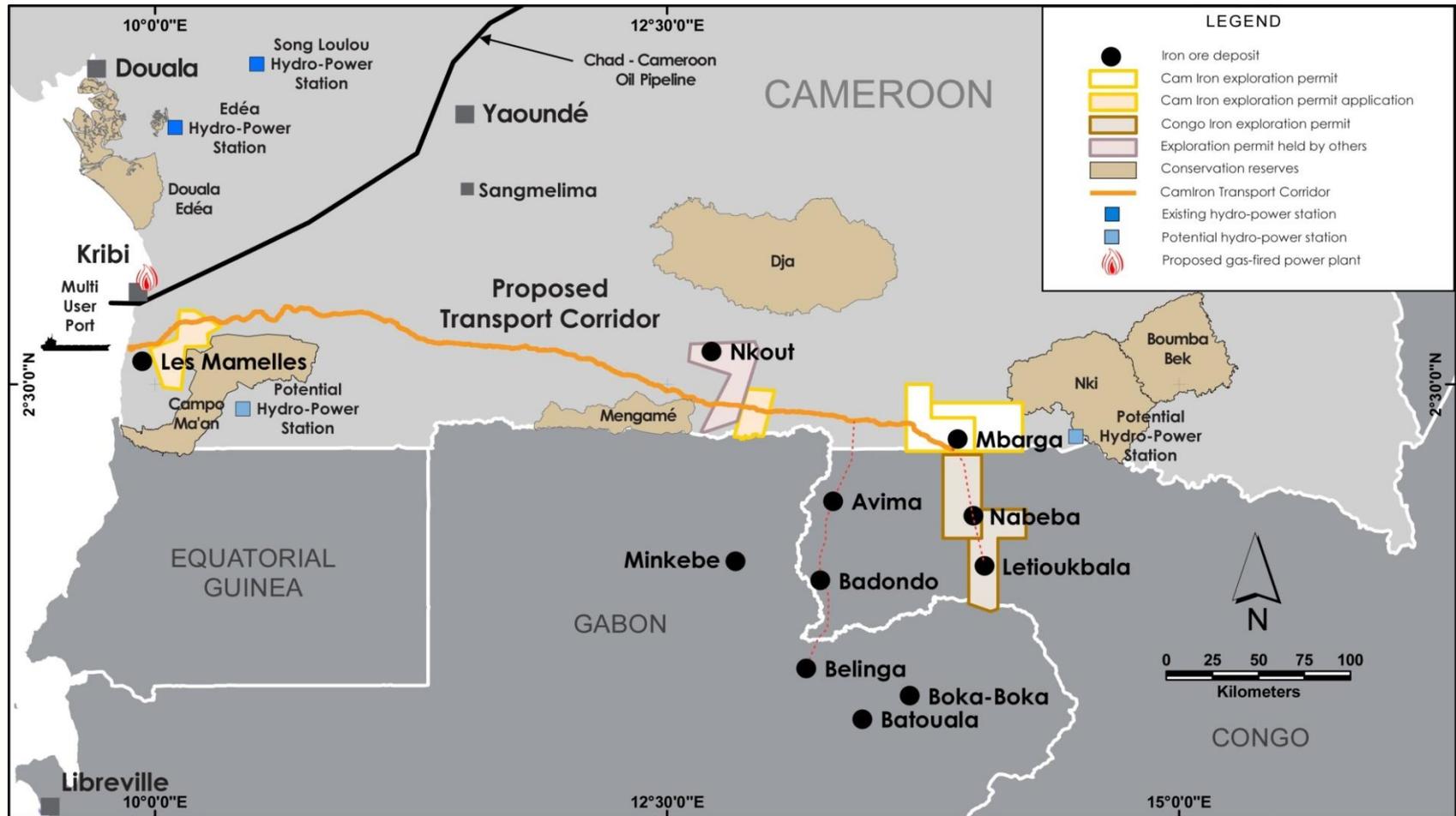
Talbot Group Investments	16.0%
Capital World Investors	5.4%
Osson Pty Ltd	1.9%

Share Price and Volume



- Long term strategic investors introduced through previous capital raisings

An Emerging Iron Ore Province



- Opportunity for development of iron ore province based on integrated transport infrastructure
 - Value-add opportunities include pellet plant, pig iron plant and agri-business

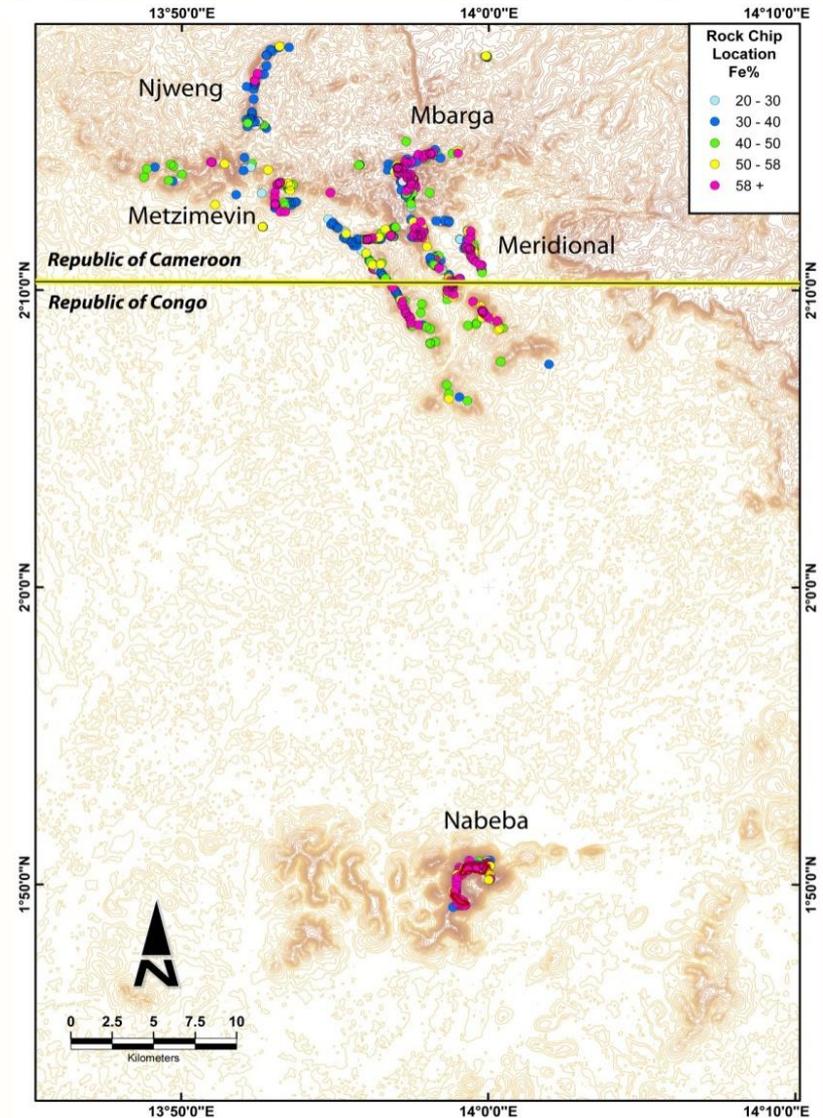
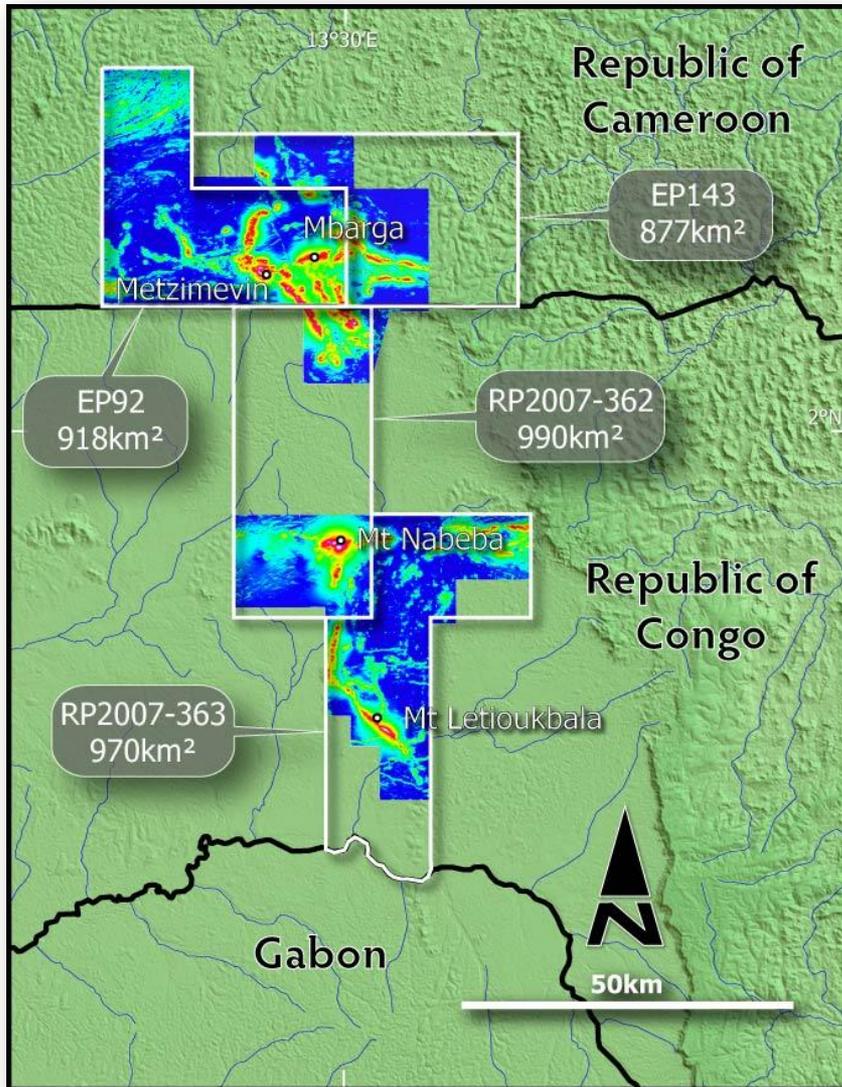
Advanced Stage of Project Development

- 80,000 metres drilled in 2007/08
- 20,000 metres budgeted in 2009/10
- 3 new drill rigs purchased and on site
- Transport and port scope defined with site investigations and DFS engineering commenced
- Framework Agreement signed with Government
- Feasibility Study and application for Mining Permit submitted to Government
- Environmental and Social Assessment report submitted for public review
- Fully funded Definitive Feasibility Study to be completed in 2010
- Deutsche Bank appointed to secure strategic partners and arrange project financing



Diamond Drilling at Mbarga

Significant Exploration Portfolio & Upside



➤ Total landholding of 3,755 km² with significant exploration targets for High Grade hematite

High Grade Hematite

- Three drill rigs operating on site

Project Mineral Resources & Exploration Targets for 55% - 65% Fe Hematite

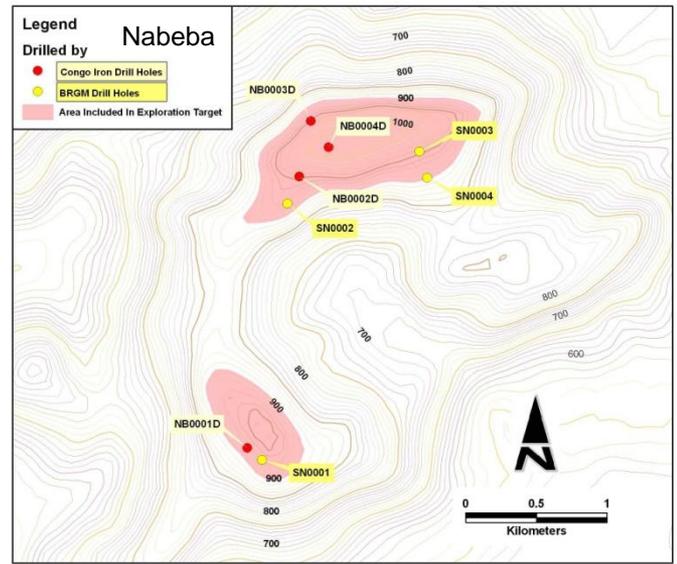
Deposit	Category	Tonnage (Mt)	Grade (%Fe)
Mbarga; South Mbarga & Metzimevin (EP92, Cameroon)	Indicated and Inferred Resource	215	60%
Nabeba (RP362, Congo)	Exploration Target*	100 – 250	55 – 65%
Total Exploration Target*		315 – 465	55 – 65%

* 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 described in this presentation is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of the Indicated and Inferred Resource reported for the Mbarga, Mbarga South and Metzimevin Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource for the Nabeba Deposit or any other prospects on the Company's landholdings.

- Encouraging initial results from Nabeba Deposit

Summary of Hematite Thickness from Initial Drill Holes at the Nabeba Deposit

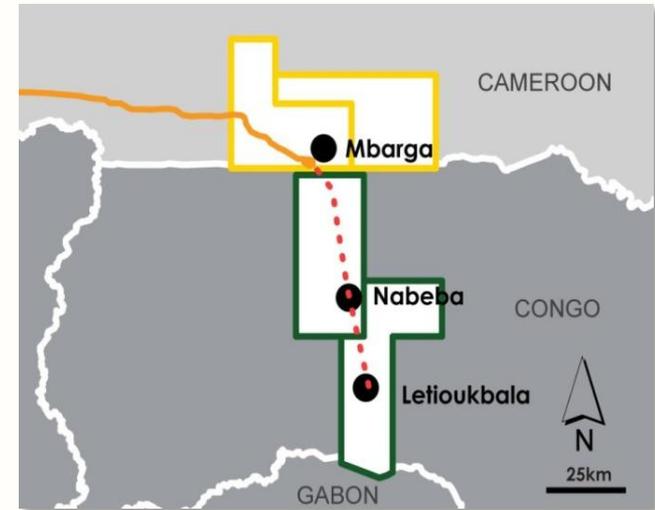
Deposit	Hole	From	To	Logged Hematite Mineralisation Thickness
Nabeba	NB0001D	0m	27.7m	27.7m
	NB0002D	0m	40.7m	40.7m
	NB0003D	13.7m	72.0m	58.3m
	NB0004D	0m	143.0m	143.0m



➤ Target to define High Grade resources sufficient for initial 10 years of production

High Grade Products

- Mbarga High Grade resource comprises:
 - high quality Supergene ore; and
 - higher silica content Transitional ore
- Low cost screening and gravity separation of Transitional ore expected to deliver significant reduction in fines silica content with high mass and Fe recovery
- Blending of Supergene ore with upgraded Transitional ore targeting premium sinter fines product – revenue upside
- Potential to increase overall High Grade resource tonnage by lowering cut-off grade
- Nabeba ore is expected to be low in silica which will complement the Mbarga product



Target High Grade Product Specification						
Based on Blended Supergene and Transitional Ore						
	Mtpa	Fe %	SiO2 %	Al2O3 %	P %	LOI %
Product Grade	35.0	>62.0	<6.0	<2.0	<0.08	2.0

- *Targeting to produce a premium quality product to maximise sales and revenue*

Itabirite Hematite Resource and Products

Project Mineral Resources for Itabirite Hematite from the Mbarga Deposit			
Deposit	Category	Tonnage (Mt)	Grade (%Fe)
Mbarga	Indicated	1,431	38%
Mbarga	Inferred	894	38%
Total Indicated and Inferred Resource		2,325	38%

➤ Target Itabirite Concentrate (Dual Product Stream)

- DR Grade: 68% Fe, 1.8% SiO₂, 0.2% Al₂O₃, 0.03% P
- BF Grade: 66% Fe, 4.1% SiO₂, 0.3% Al₂O₃, 0.03% P
- Proven grind and float beneficiation for concentrate production with ~40% weight recovery

➤ Potential for production of 4 – 8 Mtpa DR Grade pellets

- Natural gas available near port site
- European, Middle Eastern and Asian markets



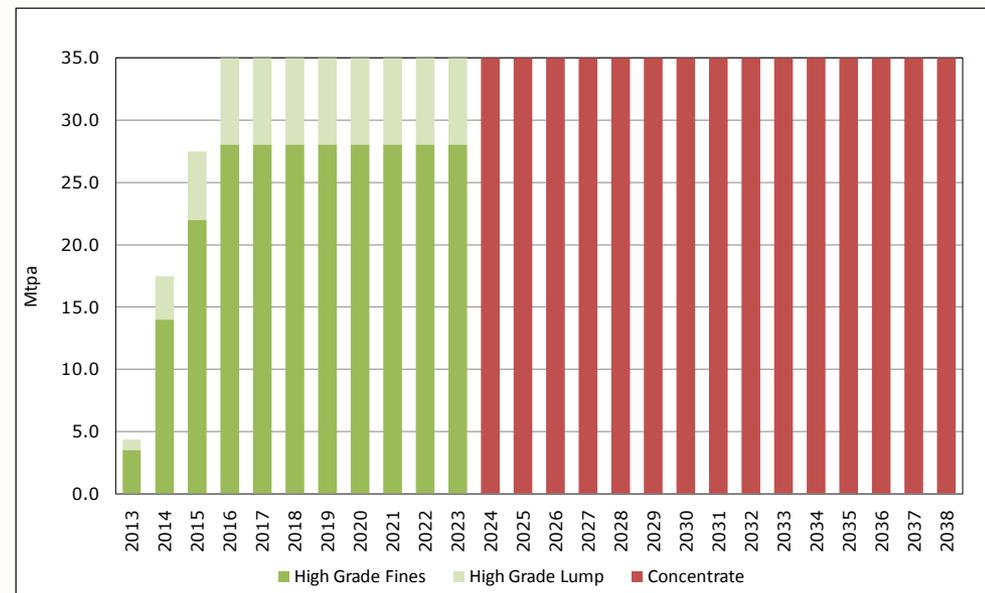
➤ *World-scale Itabirite resource underpins very long term supply of high quality concentrates*



Project Development Strategy

- Start-up production based on High Grade ore to produce premium quality product
- Transition to Itabirite ore to produce pellet feed concentrates for balance of mine life

Production	
Throughput	35 Mtpa
Mine life	25 years
Key Assumptions	
High Grade Feed Ore	325 Mt*
DSO-Quality Product Grade	60% Fe
Itabirite Feed Ore	1313 Mt
Concentrate Product Grade	+65% Fe

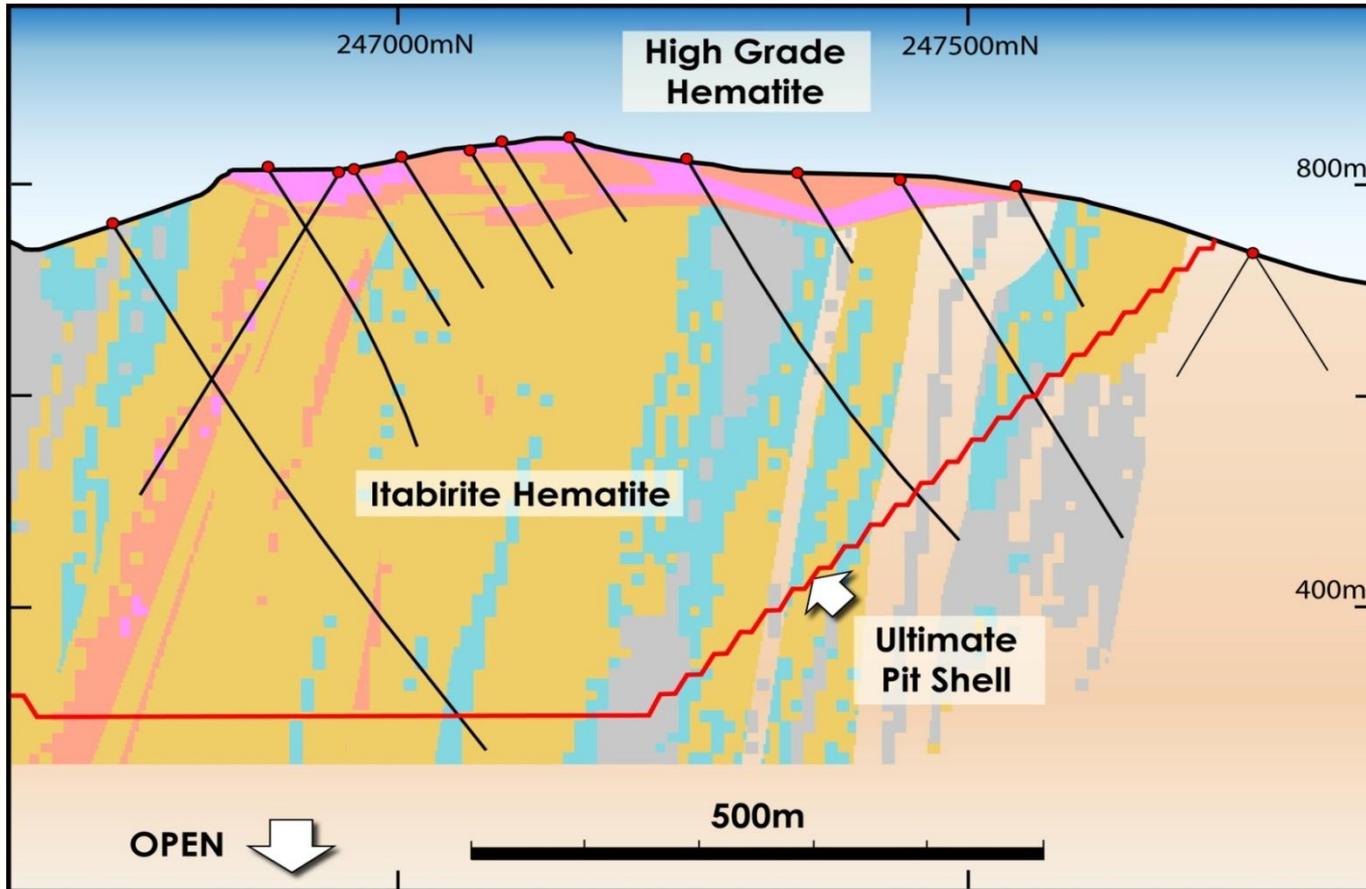


* Production Target subject to achieving Exploration Target for Nabeba Deposit – refer clarification on page 6

➤ *Highest margin production targeted during infrastructure debt repayment period*

Low Mining Costs

- *Mbarga High Grade hematite has <math><0.2 : 1</math> stripping ratio*
- *Mbarga Itabirite extends to depths up to 500 metres with <math><0.4 : 1</math> stripping ratio*



High Grade Hematite

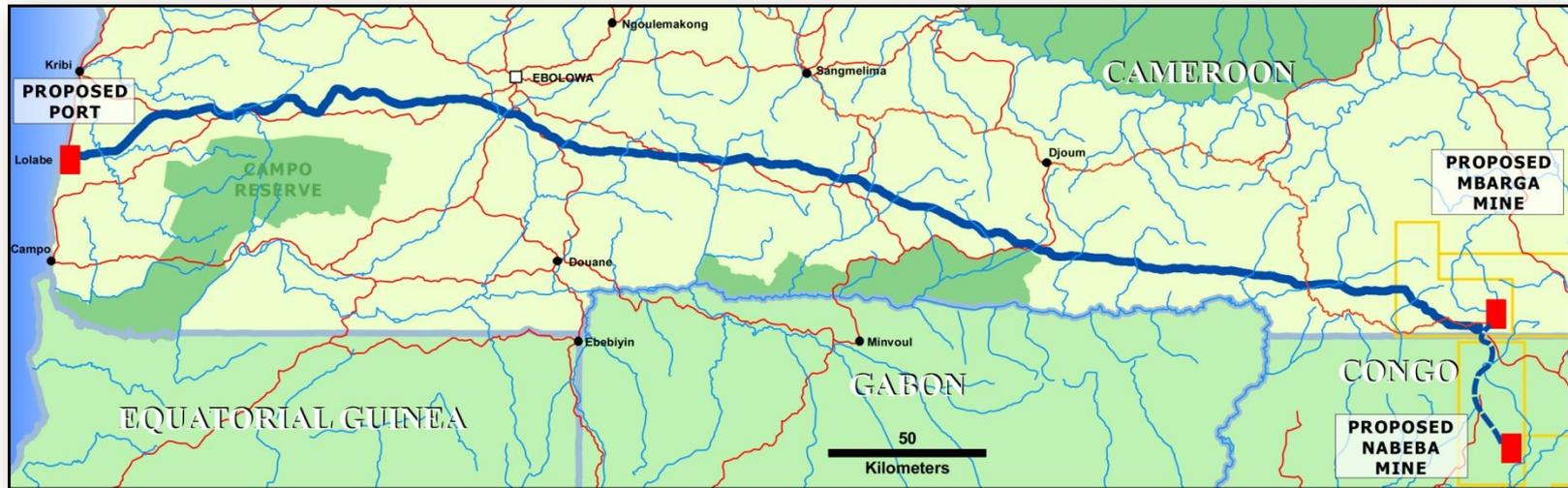


Itabirite Hematite

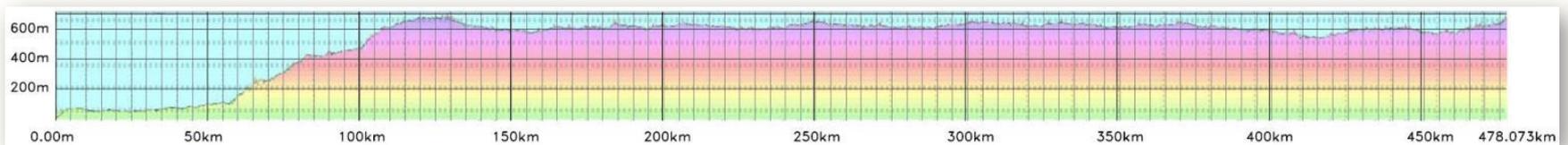
- *Near-surface High Grade hematite supports low cost mine operations*

Transport Corridor to Port

- Avoids all major conservation areas and population centres
- Mid-northern route selected as best transport corridor



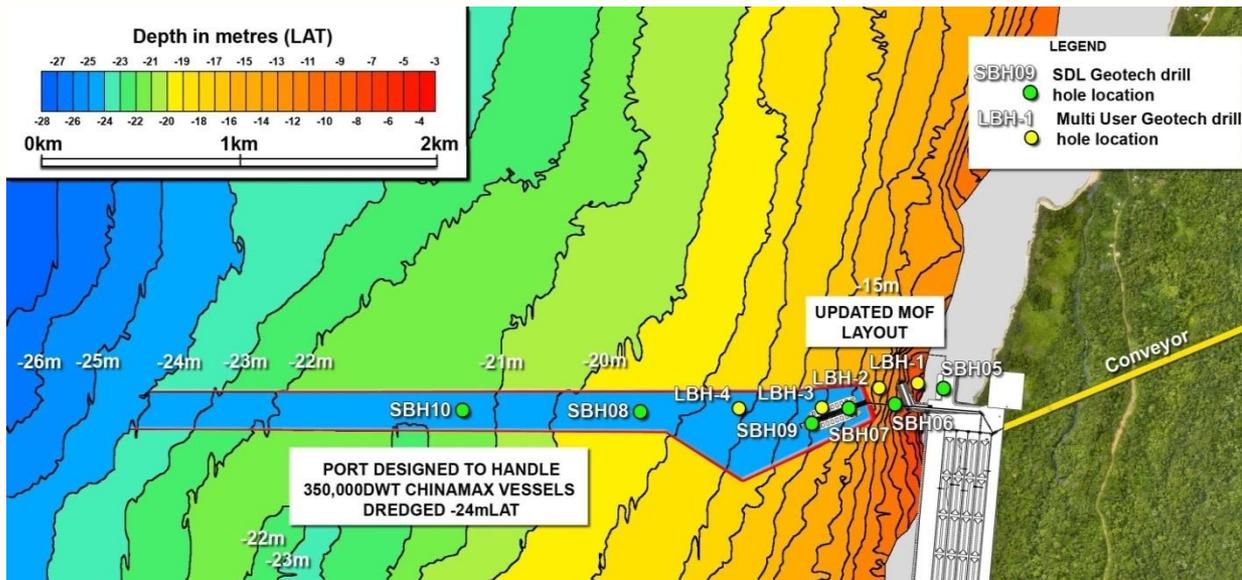
Selection Along Preferred Route



- *Railway design and costings to be finalised in Definitive Feasibility Study*
- *Engineering and site geotechnical investigations commenced*

Port Infrastructure

- Deep water (24 metres) near shore berth
- Open water jetty – no breakwater
- Single berth capacity for 35 Mtpa
- 300,000 DWT bulk ore carriers



- *Deepwater port design optimised to accommodate "China-max" bulk carriers*
- *Engineering and site geotechnical investigations commenced*



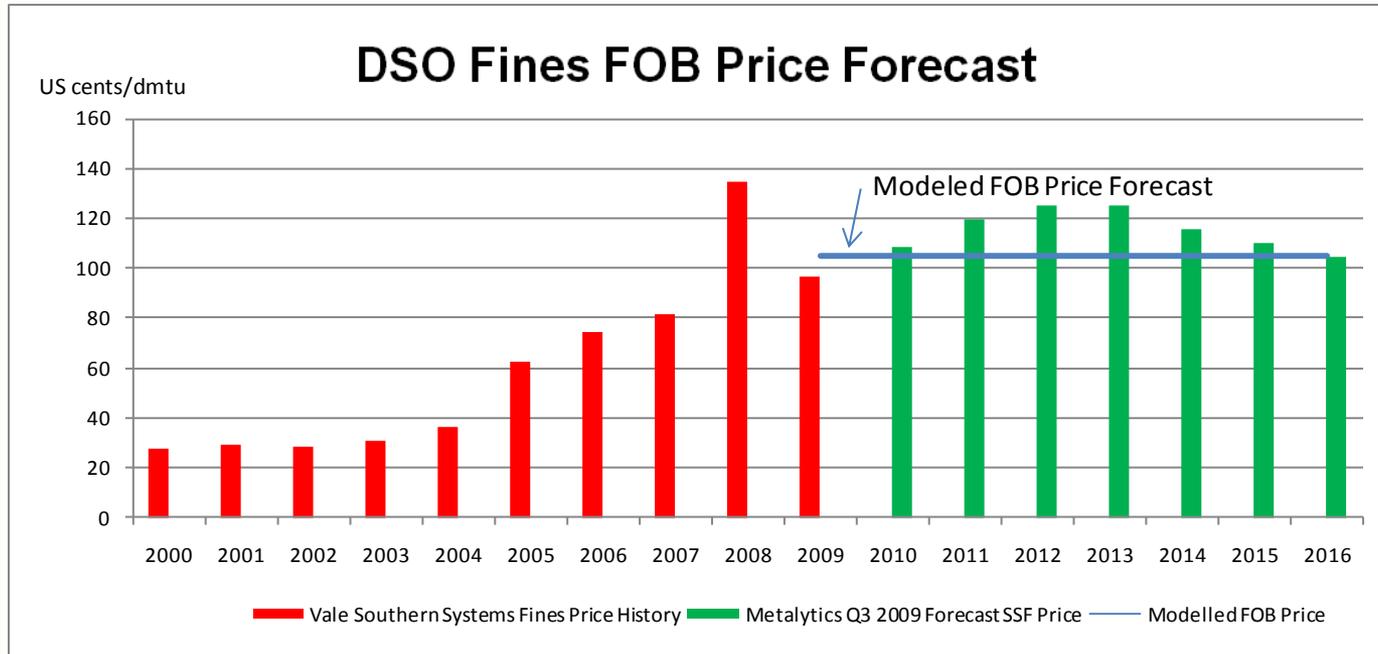
Target Markets

- Mbalam is centrally located to key markets in Europe, Middle-East and Asia



- Shipping from West Africa to Europe is lower cost than from Brazil
- Shipping from West Africa to China is comparable in distance and voyage time from Brazil

Pricing used in Financial Model



- *Financial modeling based on Q4 2009 FOB price forecasts by Metalytics*
- *Conservative long term DSO Fines FOB Price assumed at 104 USc/dmtu*
- *Mbalam FOB prices adjusted for Fe content and freight differentials to target markets*



Start-up CAPEX Estimate and Margin

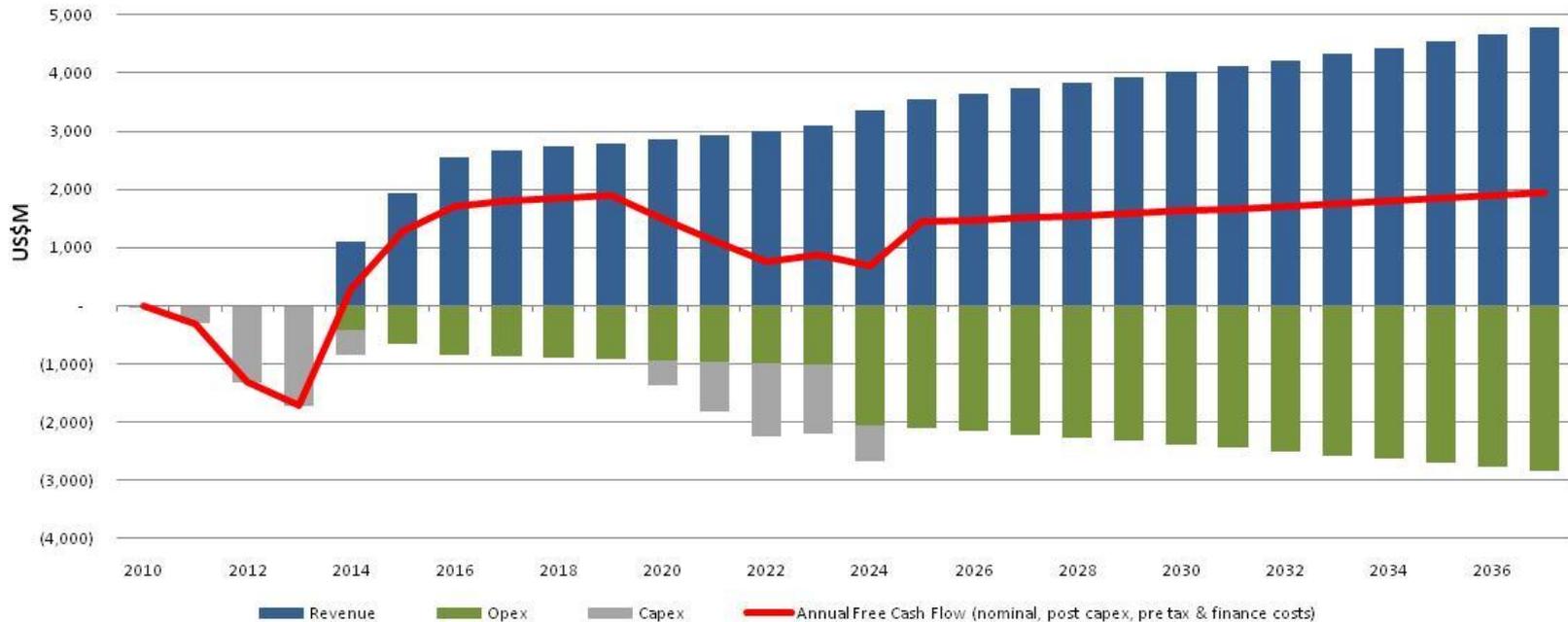
- Start-up CAPEX comparable with similar scale projects: ~US\$100 / tonne annual capacity
- World competitive OPEX: ~US\$20 / tonne for 60% Fe Lump and Fines product

CAPEX – RAIL OPTION		OPEX – RAIL OPTION	
Mine & Plant	US\$358m	Average FOB Price (60% Fe Lump & Fines)	US\$62.21/t
Rail	US\$1,472m	Estimated Production Cost*	US\$19.65/t
Port	US\$505m	ESTIMATED OPERATING MARGIN**	US\$42.56/t
Indirects	US\$465m	*Includes all cash operating costs, royalty and contingency	
Contingency	US\$560m	**Itabirite beneficiation CAPEX & OPEX not included	
TOTAL ESTIMATED CAPEX**	US\$3,360m		

- *Start-up High Grade production delivers high early margins for payback of initial CAPEX*
 - *Majority of CAPEX attributable to transport infrastructure*

Project Cashflow (Nominal, Pre-Tax)

- ~ US\$1,500 million per year average cash operating margin (Nominal, pre tax, pre-finance)



- *Project IRR >20% (Nominal, post tax) assuming 10 years High Grade production and fiscal / tax terms proposed to Cameroon Government*
 - *Phase 2 Itabirite CAPEX to be funded from project*

Agreements with Cameroon Government

- Framework Agreement signed in December 2008
 - Government right to 10% carried interest in Cam Iron
 - Government option to purchase additional 15% contributing interest in Cam Iron at price equivalent to 50% of costs incurred up to time of purchase
- Cam Iron selected as preferred developer of Iron Ore Terminal within Kribi Multi-User Port
 - Government site investigations completed Q1, 2010
- Feasibility Study submitted in October 2009
 - Proposed fiscal and tax terms
 - Application for Mining Permit



- *Government undertaking to legislate fiscal / tax incentives as necessary to ensure project is internationally competitive through Mbalam Convention*



Benefits to Government

- Direct financial benefit of ~US\$5 billion over life of mine:

- Royalties
- Corporate taxes
- Dividends through equity participation
- Workforce wages and salaries
- Purchase of Cameroonian goods and services

- Indirect financial benefit will be significant:

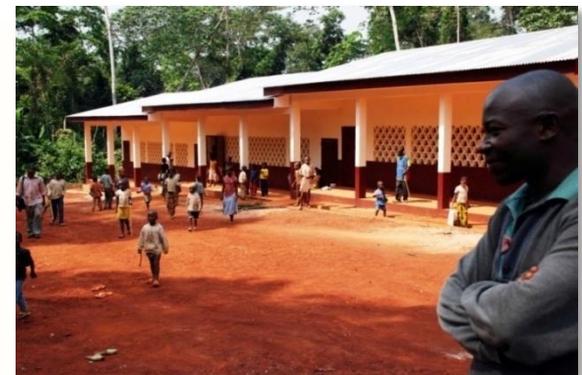
- Accelerator effects
- Capacity building

- Environmental and social benefits:

- Significant direct and indirect employment
- 0.5% NPAT to environmental and social fund
- Social infrastructure support
- NGO/community partnerships

- Catalyst for future industrial growth:

- Increased workforce skills
- Increased international profile
- Provision of world-class infrastructure
- Downstream development opportunities pig-iron, pellets etc.





2010 Development Milestones

- Drill out existing Resources on EP92 to Reserve category
- Define potential Resources at the Nabeba Deposit and other prospects
- Secure financing in partnership with strategic partners
- Execute terms sheets for product sales
- Complete Definitive Feasibility Study
- Complete environmental and regulatory approvals
- Approval and ratification of the Mbalam Convention
- Execute Offtake Contracts and Financing Terms Sheet
- Issue of Mining Permit and Land Leases over Infrastructure





Disclaimer

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.

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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 100m x 50m pattern for the Indicated Resource at the Mbarga Deposit and 200m x 100m pattern for the Inferred Resource at the Mbarga, Mbarga South 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. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <10% Al₂O₃; Supergene: No cut-off; Transitional: >51% Fe; Phosphorus: >53% Fe and <0.3% P; Hypogene: >52% Fe. Mbarga South is quoted at >50% Fe cut-off and Metzimevin is quoted at >56% Fe cut-off. A nominal 34% Fe cut-off value for the Mbarga Itabirite hematite is used.

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 20m x 10m x 10m blocks with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

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

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 3-4t/m³ depending on the iron grade. A density of 3.6t/m³ has been used for the majority of the near-surface High Grade Hematite and a value of 2.6 t/m³ applied to the overlying Surficial Zone. The underlying Transitional Zone has density values assigned via the Itabirite Fe grade regression formula, with a nominal 10% reduction applied to the resultant value to ensure the value is conservative.

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. Three metallurgical test work programs have supported the assay grades and density values of the major mineral types.

The map boundaries shown in the attached figures are indicative and should not be used for legal purposes. All areas are approximate and maps do not reflect all topographical features.

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.



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