

**ASX Announcement  
30 November 2018****MARKET UPDATE**

AustSino Resources Group Limited (**ASX: ANS**) (“**AustSino**” or the “**Company**”) provides the following update regarding the binding agreement that it signed on 24 September 2018 (“**Sundance Agreement**”) with Sundance Resources Limited (**ASX: SDL**) (“**Sundance**”) and the noteholders of Sundance (excluding Wafin Limited, which subsequently acceded to the Sundance Agreement on 28 September 2018).

The key terms of the Sundance Agreement are set out in AustSino and Sundance’s ASX announcements on 25 September 2018 (“**Announcements**”). The Announcements specified that the Sundance Agreement was subject to a number of conditions precedent (“**Conditions**”) including (without limitation) regulatory approvals and shareholder approvals, which needed to be satisfied or waived (as applicable) by 31 December 2018 (“**End Date**”).

AustSino and Sundance are working as quickly as possible to satisfy the Conditions within their control. Since the date of the Sundance Agreement, a number of positive developments have occurred including:

- the successful placement of Sundance ordinary shares to AustSino for \$250,000, as announced on 16 October 2018;
- meetings with potential Chinese Project partners;
- discussions with representatives of key stakeholders; and
- discussions between AustSino and Sundance for further funding to satisfy the working capital requirements of Sundance.

Despite these positive developments and because of certain matters not within the parties’ control, the Conditions will not be capable of satisfaction by the End Date. Accordingly, AustSino and Sundance have initiated discussions with Sundance’s noteholders to seek an extension of the End Date to 31 March 2019. AustSino and Sundance will provide a further update in due course.

AustSino’s Chairman, Mr Chun Ming Ding, said:

“Good progress is being made to complete this transformational deal with Sundance and even though the timing to completion has been extended we remain committed to finalising the agreement with Sundance and Sundance’s noteholders.

The Mbalam-Nabeba Iron Ore Project is a world-class asset and AustSino and Sundance are committed to delivering value from it for all stakeholders.”

**Trading Halt Update**

On 25 September 2018, AustSino separately announced that it had agreed to a \$100M

placement from a private Chinese entity, Western Australian Port Rail Construction (Shanghai) Ltd (“WAPRC”). Of the placement funds, \$58M was to be used by AustSino towards satisfaction of its obligations under the Sundance Agreement. The conditions precedent deadline for completing the WAPRC transaction is 31 March 2019 (unless the parties agree otherwise) and AustSino expects all conditions precedent to be satisfied by that date to enable the WAPRC transaction to be completed.

AustSino went into voluntary suspension on 7 September 2018 pending AustSino providing further information to the ASX in relation to AustSino’s proposed transactions including regarding WAPRC and its corporate/capital structure, the source of funds and the new controllers of AustSino following the completion of the WAPRC placement (which in itself is a control transaction). AustSino will update the market in due course.

***The proposed WAPRC and Sundance transactions are subject to a number of conditions and there is no guarantee that either of one or both will complete in accordance with their terms.***

**ENDS**

**Further enquiries:**

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