



ASX Announcement | Media Release
3 April 2019

PROJECT UPDATE

Summary

- **Cameroon Government considers reinstating the Mbalam Convention**
- **Sundance, AustSino and Noteholder Agreement end date now extended to 30 June 2019**

Sundance Resources Limited (**ASX: SDL**) ("**Sundance**" or the "**Company**") is pleased to provide a market update.

A number of meetings have occurred recently in Cameroon between senior representatives of the Cameroon Government and representatives from Sundance and AustSino Resources Group (**ASX: ANS**) ("**AustSino**") as well as potential other stakeholders that are interested in participating in the funding, construction and operation of the Mbalam-Nabebe Iron Ore Project ("**Project**").

The meetings were positively received by the Cameroon Government, which reiterated its strong desire to see the Project developed as quickly as possible. Sundance is currently waiting on a formal written position from the Cameroon Government regarding the reinstatement of the Mbalam Convention between Sundance's subsidiary Cam Iron and the Cameroon Government.

If the formal position from the Cameroon Government is supportive of Cam Iron, this will support AustSino to progress the relevant regulatory approval application in China. This approval will facilitate the transfer of the required funds to complete the transactions documented in the agreement between Sundance, Sundance's noteholders ("**Noteholders**") and AustSino dated 24 September 2018 ("**Agreement**") and as set out in Sundance's ASX announcement of 25 September 2018 ("**Announcement**"). As per the Announcement completion of the Agreement is also subject to other regulatory and shareholder approvals.

End Date Extension

Sundance announced on 31 December 2018 that the end date of the Agreement had been extended until 31 March 2019. Subsequently, and in response to the progress in Cameroon, Sundance has reached an agreement with all of the Noteholders and AustSino to further extend the end date of the Agreement to 30 June 2019.

As consideration for facilitating the extension of the end date of the Agreement to 30 June 2019, the Company has agreed to issue 300 million fully paid ordinary shares to Western Australian Port Rail Construction (Shanghai) Ltd ("**WAPRC**") at a deemed issue price of A\$0.005. No shareholder approval is required for the issue of these shares to WAPRC.

The agreement previously signed with the Noteholders and announced by Sundance on 30 July 2018, in which the Company announced a restructure of its balance sheet and the elimination of the Convertible Notes, remains on foot. The term of that agreement has been extended by Sundance and the Noteholders to 30 September 2019.

Share Trading Suspension Update

Sundance went into voluntary suspension pending AustSino providing further information to the ASX in relation to AustSino's proposed transactions, including its sourcing of funds from WAPRC to complete the Agreement with Sundance.

The reinstatement of the Mbalam Convention is a critical step towards progressing the Agreement. Sundance believes reinstatement of the Mbalam Convention will enable AustSino to progress the Chinese regulatory approvals required to transfer funds to AustSino for completion of the Second Placement.

Sundance understand that until the ASX receives sufficient confidence from AustSino on the certainty of these funds being made available in Australia, trading in the shares of both AustSino and Sundance will remain suspended. Sundance will continue to provide updates as it receives further information.

Sundance Resources' Chief Executive Officer, Giulio Casello, said:

"The positive reception from the Cameroon Government to Sundance's proposal to engage with AustSino and other stakeholders with a keen desire to develop the Mbalam Iron Ore Project is most encouraging.

"Progress is being made to complete this transformational deal with AustSino, which we remain confident is in the best interest of all Sundance shareholders.

"Mbalam and the adjoining Nabeba iron ore deposit combined are a world-class project. Sundance remains committed to delivering value from this tremendous iron ore resource for all stakeholders."

ENDS

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