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ASX / MEDIA RELEASE

## EXPLORATION TARGET FOR NABEBA DEPOSIT INCREASED TO 100 – 250 MILLION TONNES HEMATITE GRADING 55 - 65% Fe

*Extensive Hematite Outcrop Confirmed from Recent Field Sampling at Nabeba*

*Project Exploration Target increased to 340 – 510 Mt Supergene Hematite at 55 - 65% Fe*

Sundance Resources Limited (ASX: SDL – "the Company") is pleased to report very encouraging results from recent **surface sampling and geological mapping over the Nabeba Deposit** on Research Permit 2007-362 held by the Company's subsidiary, Congo Iron SA, in the Republic of Congo (ROC), West Africa.

The sampling program was designed to follow up the airborne geophysical survey completed by Sundance in December 2008 and to validate previous preliminary exploration work on the Nabeba Deposit reported by Bureau de Recherches Géologiques et Minières (BRGM) in 1986.

The Exploration Target for high grade, near surface hematite at the Nabeba Deposit has been increased to **100 to 250 million tonnes at 55 - 65% Fe** based on the results of this sampling program and assessment of four vertical diamond drill holes (SN01 to SN04) previously completed by BRGM (refer Figure 1 and ASX Announcement of 21 January 2009).

Geological mapping by Sundance to delineate the extent of outcrop over the Nabeba Deposit shows a **potential strike length of up to 3 to 4 km** of high grade, near-surface hematite based on field Niton-XRF assay results (measuring % Fe only). A total of 124 samples were collected over the deposit with 94 samples assaying at +58% Fe (averaging 64.5% Fe). Figure 1 shows the sample locations and the area of supergene mineralisation used to calculate the upgraded Exploration Target.

Sundance is developing the Mbalam Iron Ore Project based on Exploration Permits controlled by the Company in Cameroon and the ROC, with a total landholding of 3,755 km<sup>2</sup> in this emerging iron ore province.

The Nabeba Deposit is located 42km south of the Mbarga Deposit where Sundance has previously reported JORC-Code compliant Inferred Resources totalling 2.47 billion tonnes (comprising 220 million tonnes of high grade supergene hematite at 60% Fe and 2,255 million tonnes of itabirite hematite at 39% Fe). Nabeba is accessible from Sundance's existing exploration base at Mbarga and offers potential for definition of significant additional iron ore tonnages close to the Company's proposed production infrastructure.

Figure 2 shows Niton-XRF assay results from previous surface sampling over the Mbarga Deposit on Exploration Permit 92 in Cameroon. This indicates that the surface extent of high Fe grade hematite at the Nabeba Deposit is comparable to that mapped at the Mbarga Deposit.

Figure 2 also presents Niton-XRF assay results from recent surface sampling of other prospects identified on ridges to the south of the Mbarga Deposit spanning the Cameroon / Congo border. These prospects offer additional potential for both supergene and itabirite hematite mineralisation.

On the basis of this increased Exploration Target for the Nabeba Deposit, Sundance has increased the overall **Mbalam Project Exploration Target for high grade hematite to 340 to 510 million tonnes at 55 - 65% Fe** as summarised in Table 1. The locations of the Mbarga and Nabeba Deposits and other principal prospects on the Company's landholdings are shown in Figure 3.

**TABLE 1: INFERRED RESOURCES AND EXPLORATION TARGETS FOR HIGH GRADE HEMATITE (55% - 65% FE)**

| Deposit                      | Category                  | Tonnage<br>(Million Tonnes) | Grade<br>(Fe %) |
|------------------------------|---------------------------|-----------------------------|-----------------|
| Mbarga / Mbarga South        | Inferred Resource         | 220 Mt                      | 60%             |
| Metzimevin & Other Prospects | Exploration Target        | 20 – 40 Mt                  | 55 – 62%        |
| Nabeba                       | Exploration Target        | 100 - 250 Mt                | 55 – 65%        |
| <b>Total</b>                 | <b>Exploration Target</b> | <b>340 – 510 Mt</b>         | <b>55 - 65%</b> |

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 beyond that estimated for the Mbarga and Mbarga South Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource at the Nabeba or Metzimevin Deposits or any other prospects on the Company's landholdings.

Sundance's Managing Director, Don Lewis, said: "We are very pleased with these latest exploration results which indicate that our previous assessment of the high grade iron ore potential of the Nabeba Deposit was relatively conservative."

"The latest results, combined with recent aeromagnetic survey work and historical drilling data, suggests that the potential mineralisation at Nabeba may be of similar scale to the Mbarga Deposit, where we have successfully defined a world-scale resource of high grade supergene and itabirite hematite."

"We are encouraged by the potential of the Nabeba deposit and have commenced planning for advanced exploration work. Definition of additional high grade resources at Nabeba or other prospects on our exploration landholdings will significantly enhance the overall value of the Mbalam Project."

"While our focus is on progressing the Mbalam Project towards development as rapidly as possible, we will continue to add value through focused exploration which can increase our high grade resource inventory."

**ENDS**

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## About Sundance Resources Limited

Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on the Mbalam Iron Ore Project as the basis for developing a global iron ore business. Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Iron Ore Project.

WA-based Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.

## 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.

Mr Widenbar 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 Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 200m x 100m pattern at Mbarga, with partial infill to 100m x 100m. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit and by an area approximately 1.5km (east-west) x 1.0km (north-south) on the Mbarga South Deposit. Grade interpolation has been extrapolated using Ordinary Kriging on composited sample results and a nominal 50% Fe cutoff value for DSO and 34% cutoff values for itabirite. A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topographic hill at Mbarga. An internal waste zone (schist) cross-cutting the supergene and itabirite zones and surficial cover has been modeled and removed from the quantity estimated as DSO quality and itabirite mineralisation. Densities of 4.0t/m<sup>3</sup> and 3.35t/m<sup>3</sup> have been applied for evaluation of the DSO and itabirite mineralisation respectively.

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 on these targets to define a Mineral Resource 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.

**FIGURE 1**

**RESULTS FROM 2009 SURFACE SAMPLING OF THE NABEBA DEPOSIT IN THE REPUBLIC OF CONGO INCLUDING THE EXTENT OF SUPERGENE MINERALISATION USED IN ESTIMATING THE UPGRADED EXPLORATION TARGET**

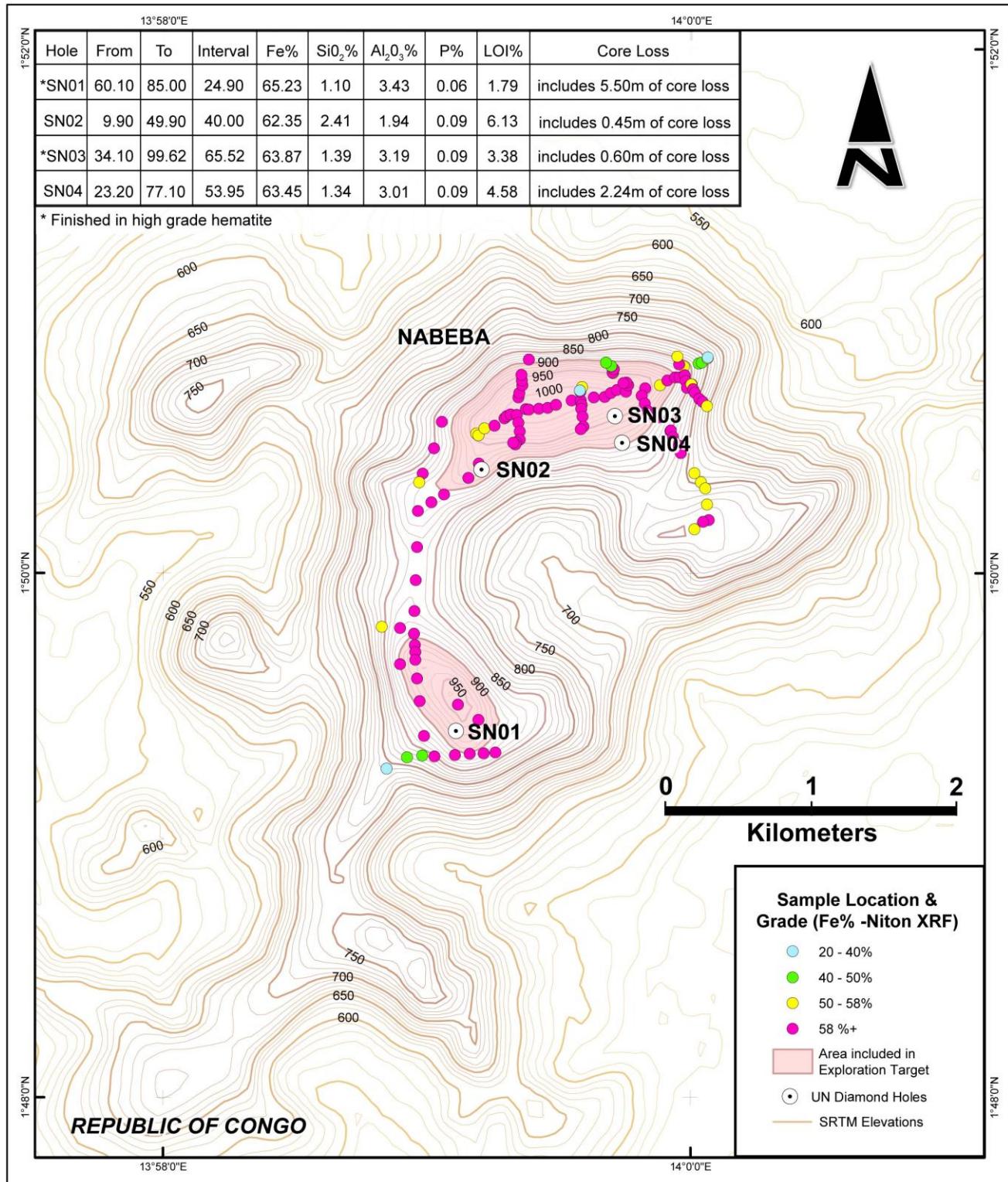


FIGURE 2

RESULTS FROM SAMPLING OVER LANDHOLDING CONTROLLED BY SUNDANCE IN CAMEROON AND REPUBLIC OF CONGO

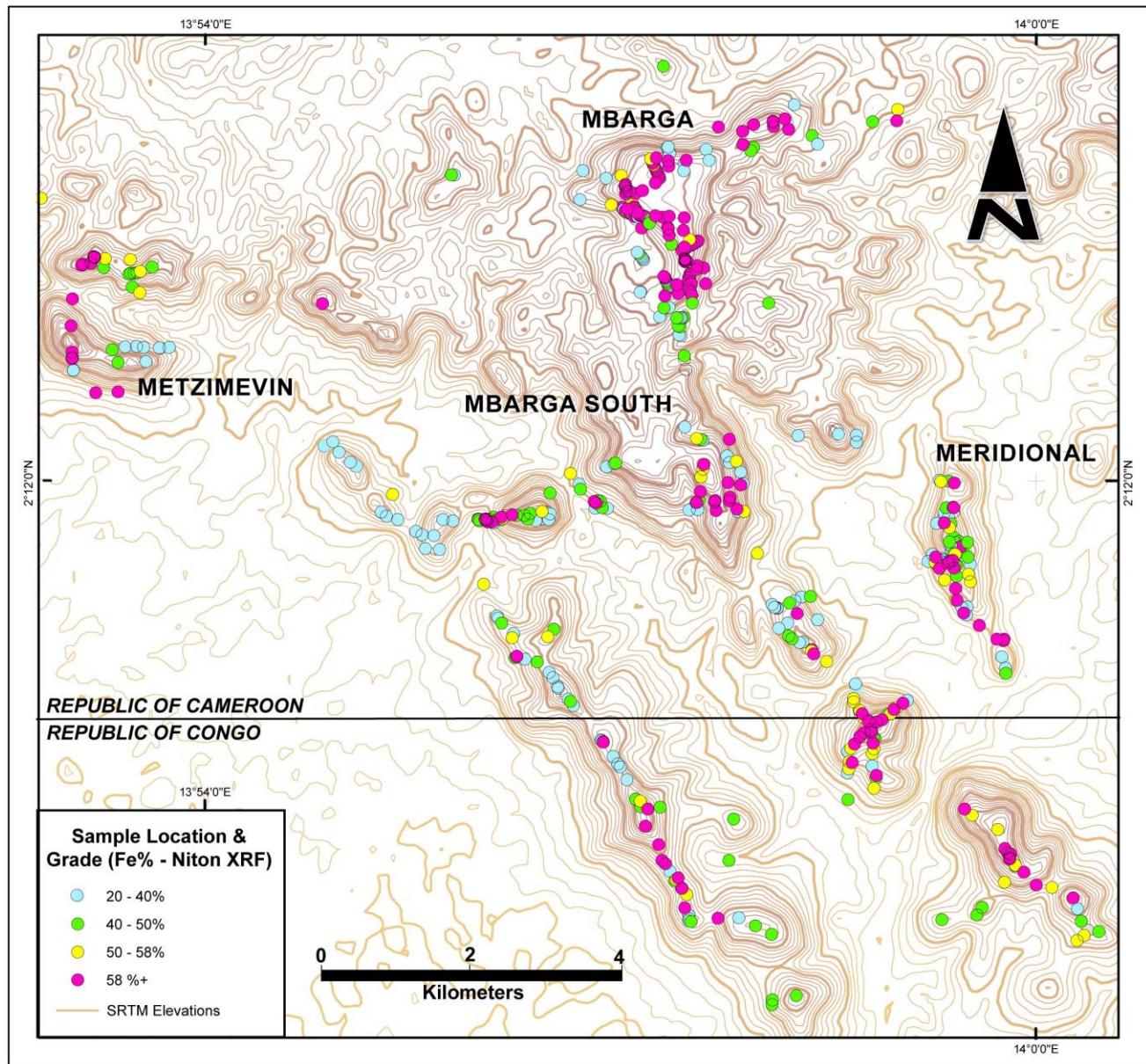


FIGURE 3

EXPLORATION PERMITS CONTROLLED BY SUNDANCE IN CAMEROON AND REPUBLIC OF CONGO SHOWING MAGNETIC SIGNAL FROM HIGH RESOLUTION AEROMAGNETIC SURVEYS COMPLETED IN 2006 AND 2008

