
Building the world's next great iron ore province in 2011

Diggers & Dealers
2011

Mr George Jones
Chairman

SUNDANCE
RESOURCES



ASX Code: SDL

ABN 19 055 719 394



Disclaimer and Competent Persons Statement



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 to the 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.

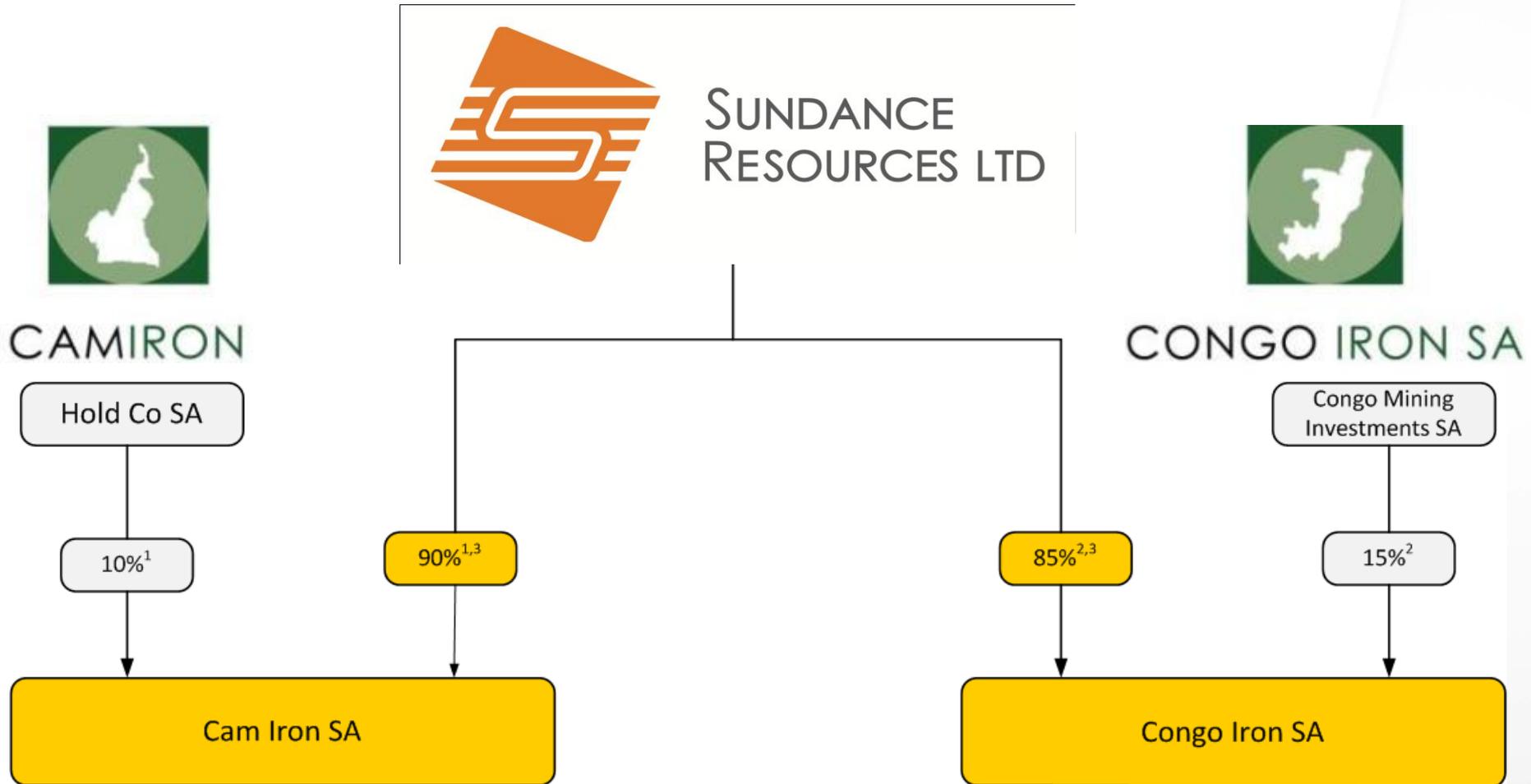
Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, 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 presentation 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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SDL Corporate Structure



1. The Cameroon Government has a right to a 10% interest in CamIron pursuant to the Cameroon Mining Code.
2. The Congo Government has a right to a 10% interest in Congo Iron pursuant to the Congo Mining Code.
3. Should Cameroon and Congo Governments exercise their option for a 10% interest in Cam Irons SA and Congo Iron SA then Sundance Resources Ltd interests in each will reduce to 81% and 76.5% respectively.

Committed to Delivering Shareholder Value



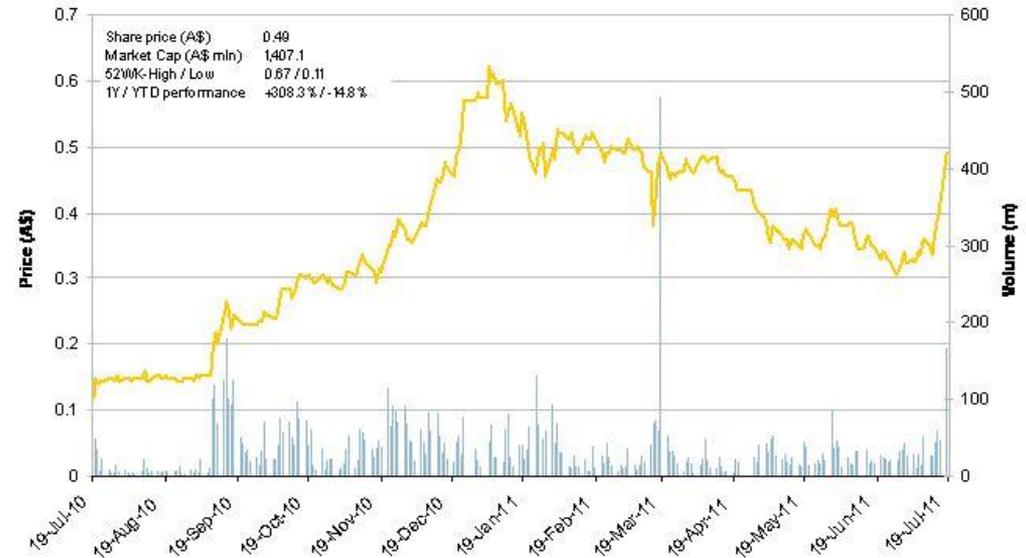
Undervalued Resource



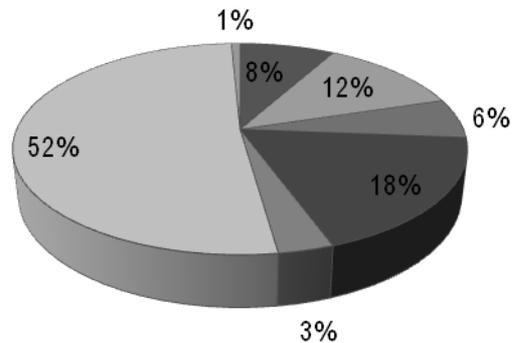
Capital Structure

Market Cap	A\$1.5B*
Ordinary Shares	2,871,597,169
Unlisted Options & Rights	93,857,666
Share Price	A\$0.525*

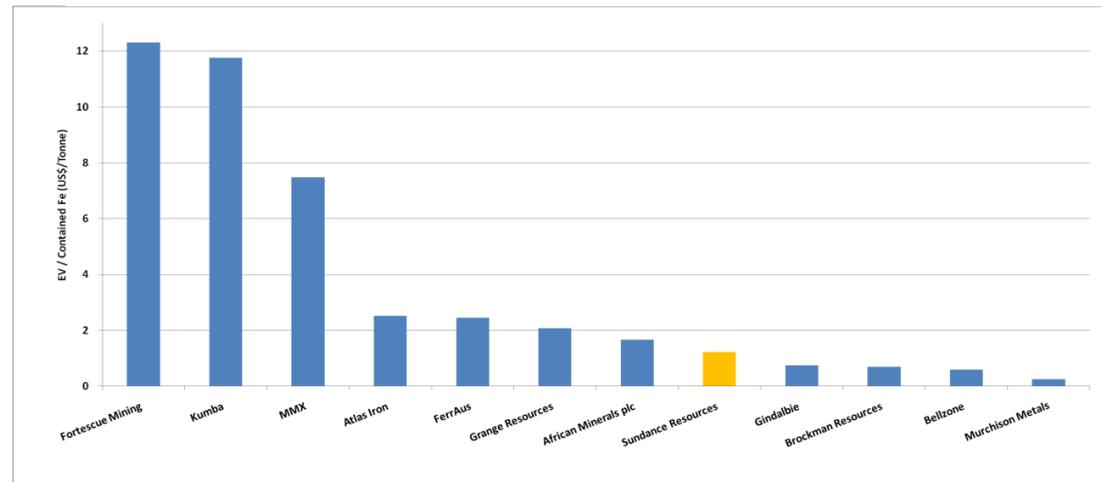
*As at 26 July 2011



Shareholding Structure



- Domestic Institutions
- Domestic Brokers
- Hedge Funds
- Employees
- Foreign Institutions
- Hanlong
- Retail Shareholders



SDL: EV of \$1.22 per Fe tonne

West Africa Iron Ore: The new Pilbara?

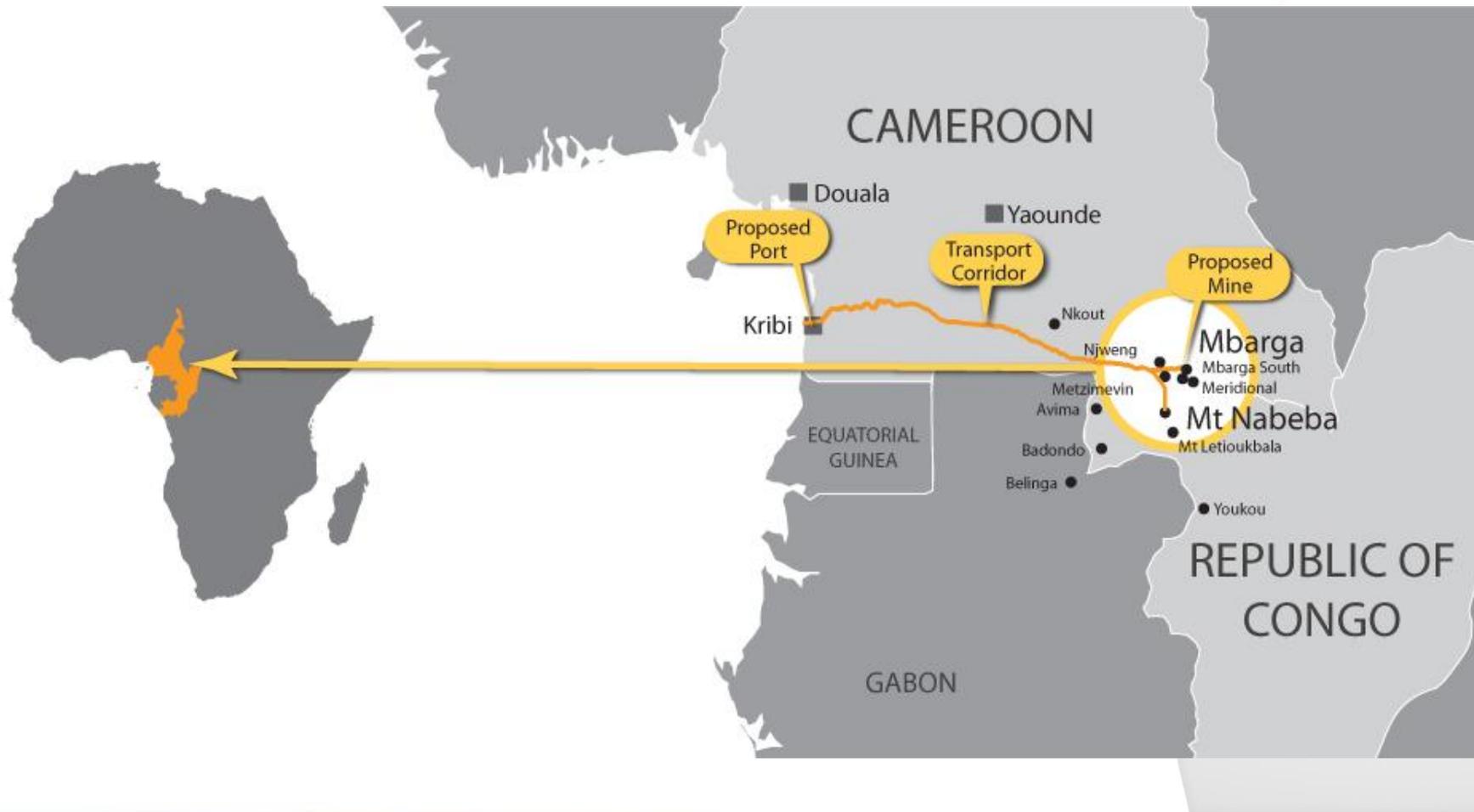


Image from Equatorial Resources

The Mbalam Iron Ore Project



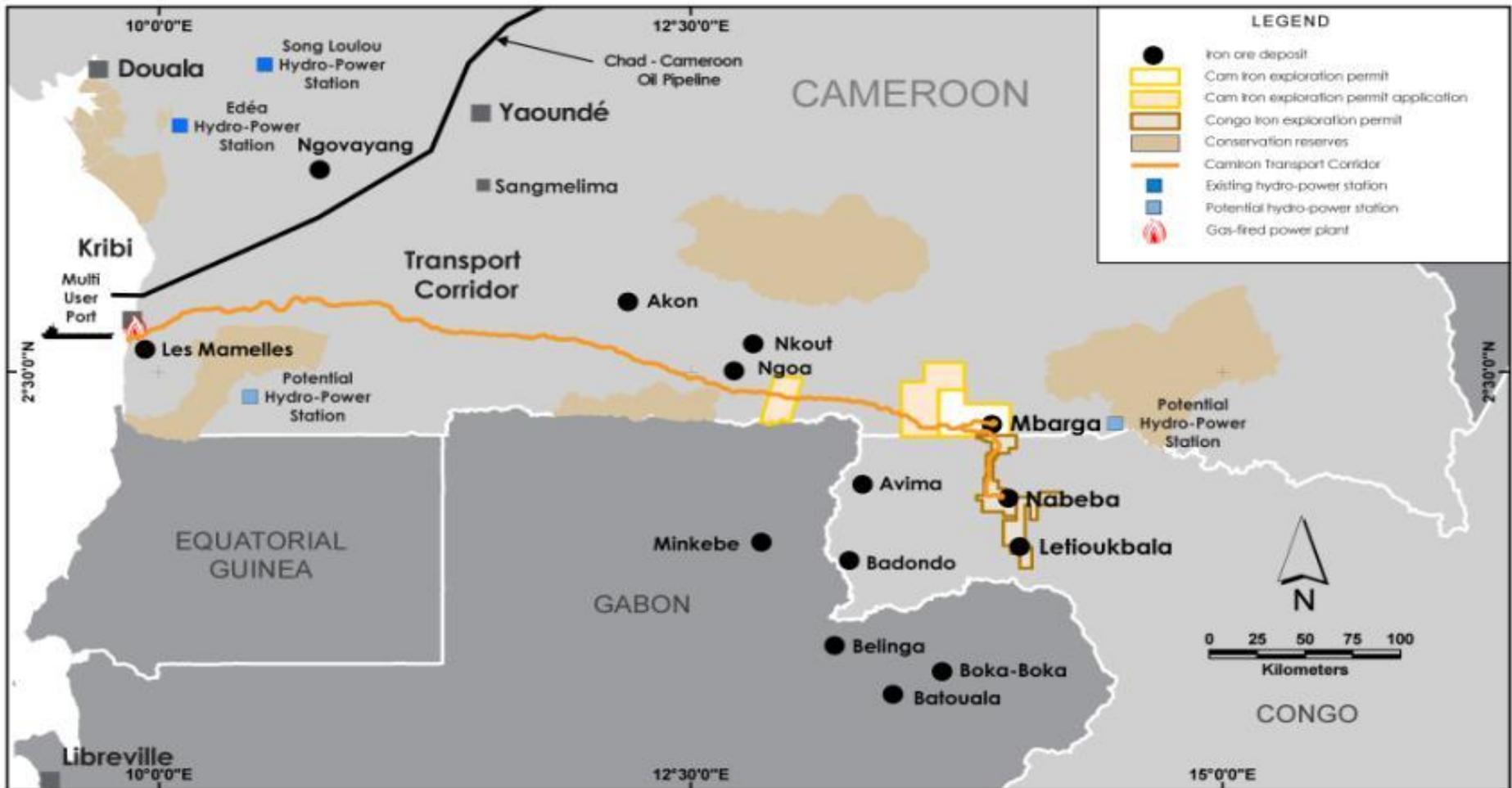
- Mining from two deposits - primarily Mbarga and Nabeba
- 510km rail line dedicated to transport of iron ore from Mbarga to Cameroon coast
- 70 kilometre rail spur line from Nabeba to Mbarga
- Deep water port capable of taking bulk iron ore carriers of up to 300,000 Mt



First Mover Advantage



- Mbalam Project strategically located at heart of an emerging iron ore province
- Development of integrated mine, rail and port project
- Expected to unlock wider potential of the region
- Sundance well placed with first-mover advantage



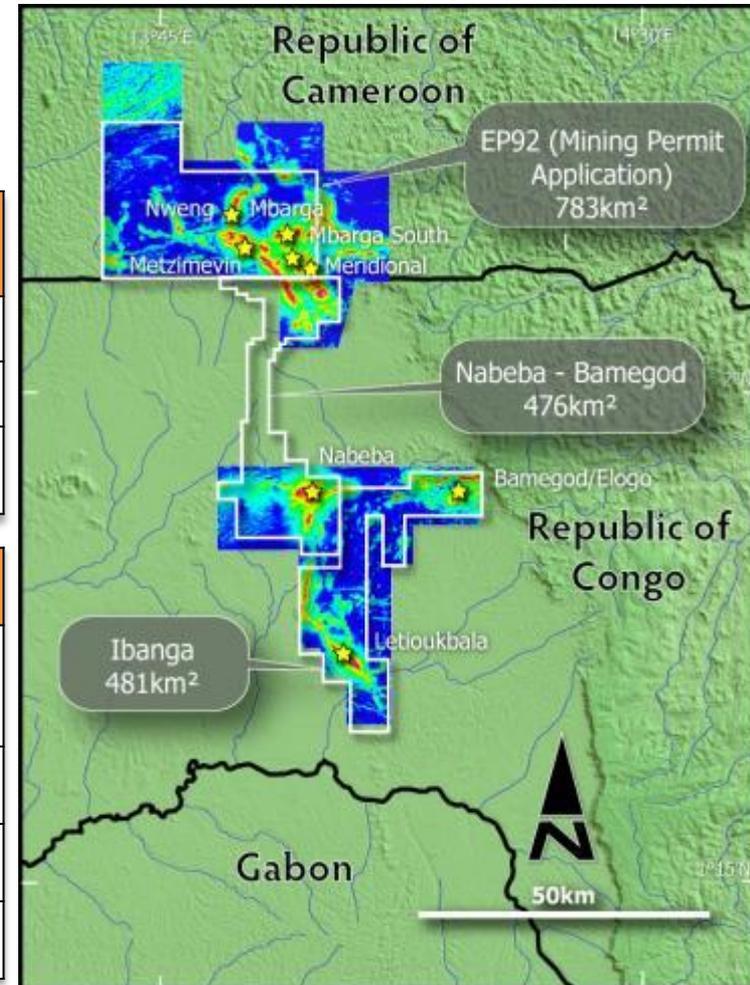
JORC-Code Compliant Resources



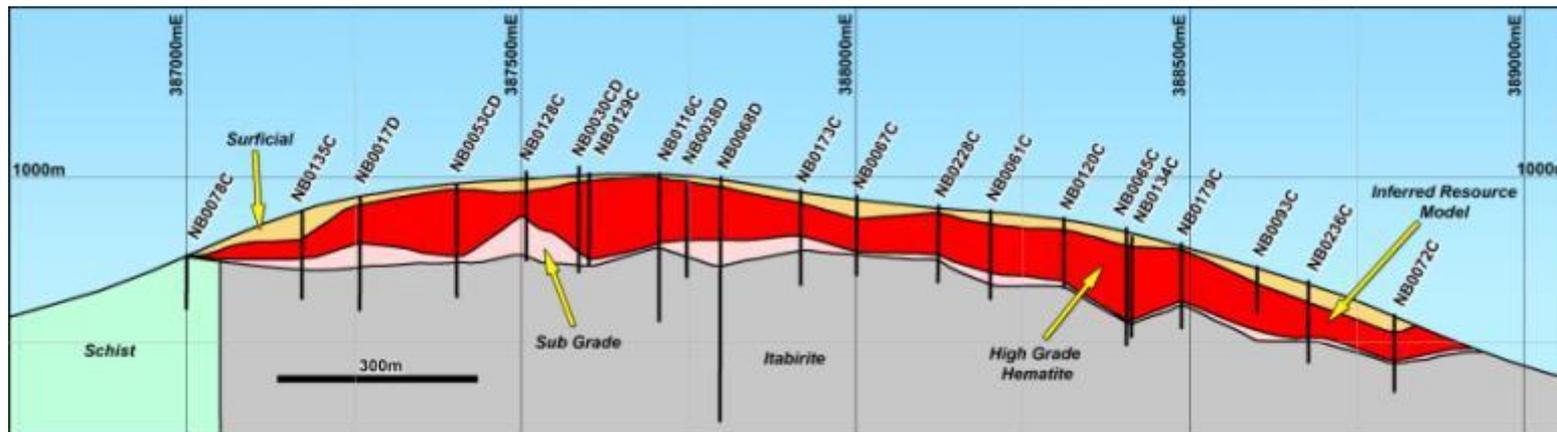
- Total Global High Grade Hematite Resources of **484.0 Mt at 61.1% Fe**
- Wider Itabirite Hematite Resource of **2.3Bt at 38% Fe**
- Maiden Reserve **251.5 Mt at 63.57% Fe**
- Resources/Reserve upgrades coming

GLOBAL HIGH GRADE RESOURCE	Tonnes (Mt)	Fe (%)
Indicated	417.7	61.4
Inferred	66.4	59.0
Total High Grade Resource	484.0	61.1

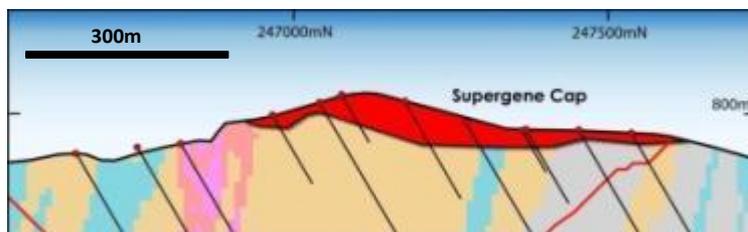
Project JORC Mineral Resources of Itabirite Hematite			
Deposit	Category	Tonnage (Mt)	Grade (% Fe)
Mbarga	Indicated	1,431	38%
Mbarga	Inferred	894	38%
Total Itabirite Hematite Resource		2,325	38%



Mbarga & Nabeba Deposits



Nabeba Deposit



Mbarga Section Looking West

- Low strip ratio - average of 0.81
- Itabirite directly underneath High Grade Hematite at Mbarga
- Nabeba appears similar
- Long total mine life potential of 25 years+

HIGH GRADE HEMATITE RESOURCES NABEBA	333 Holes	Tonnes (Mt)	Fe (%)
Indicated		261.5	62.5
Inferred		29.4	60.6
Total Nabeba		291.0	62.3

HIGH GRADE HEMATITE RESOURCES MBARGA	325 Holes	Tonnes (Mt)	Fe (%)
Indicated		135.5	59.9
Inferred		21.7	56.4
Total Mbarga		157.2	59.4

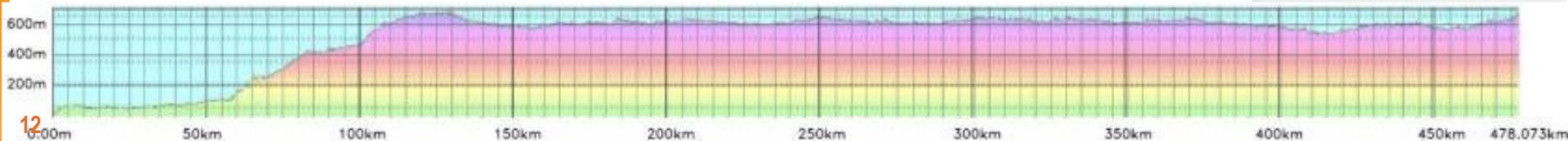
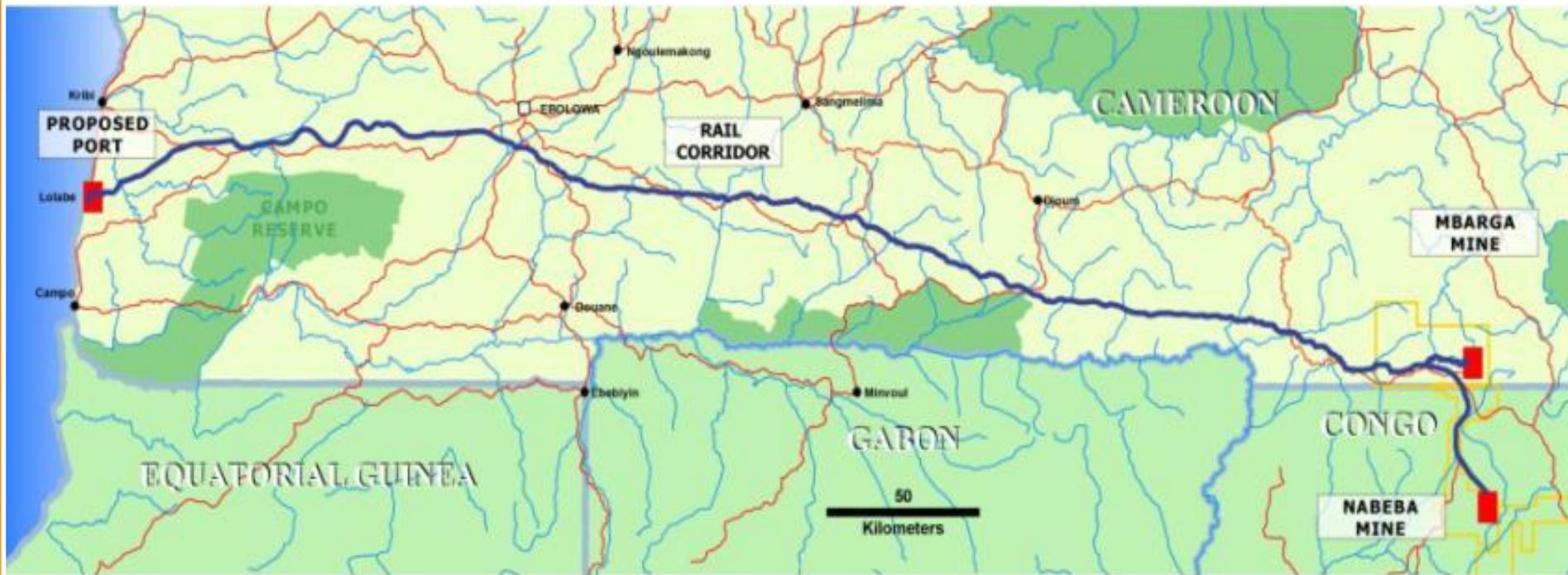
World-Class Iron Ore Resource



Efficient Transport to Port



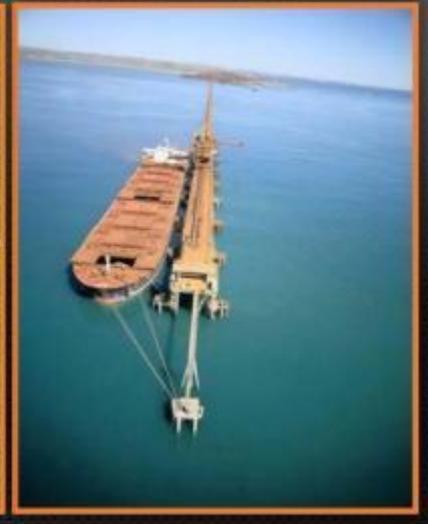
- 510 km railway line from Mbarga to port; 70km spur line from Nabeba
- Selection of 32t axle loads (3 locos & 180 wagons)
- Environmental approval granted for rail, port and mine in Cameroon
- Design and costing in DFS by Calibre Rail



Dedicated Deep Water Port



- Deep water near shore berth (25 metres)
- Open water jetty – no breakwater
- Marine geotechnical investigations complete
- Single berth capacity for 35 Mtpa
- Port being designed for 300,000 DWT “China-max” bulk ore carriers
- Design and costing in DFS by Sogreah



High-Grade Product = Robust Project



- Definitive Feasibility Study for Stage One released 6 April 2011
- CAPEX approximately US\$4.7B
- Cash OPEX pre-royalties US\$21.20/t
- Stage One Payback in 3 years

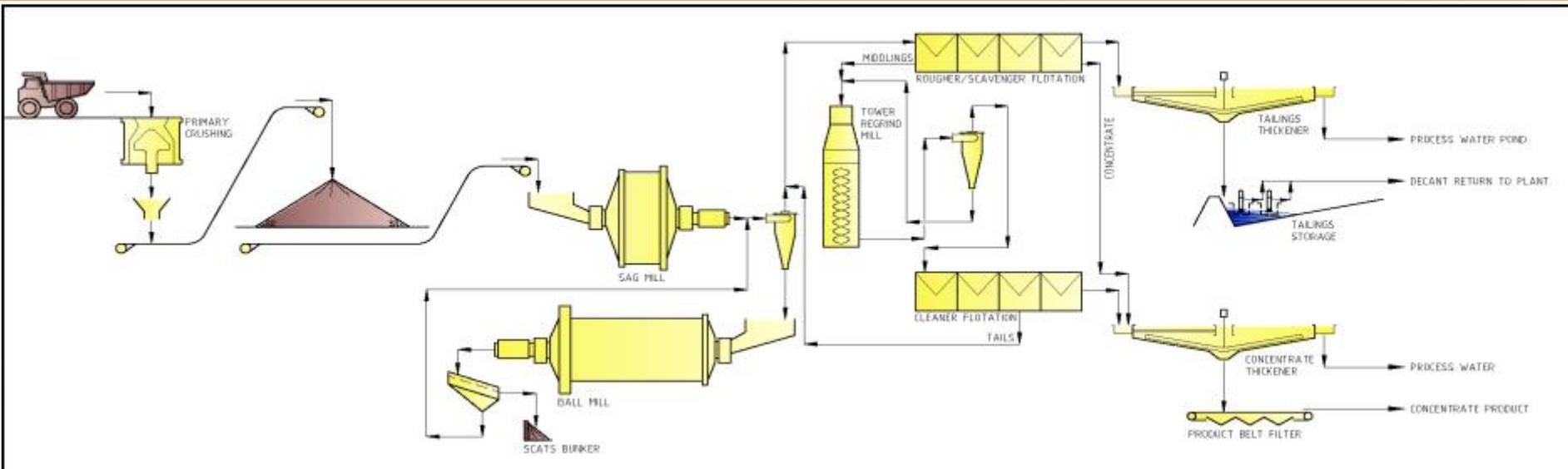


CAPEX¹	US\$M
Mining, Processing and Infrastructure	914
Rail	2,019
Port	537
Subtotal	3,471
EPCM, Owners Costs and Contingency	1,214
Total (US\$M, real as at December 2010)	4,686

OPEX¹	
ESTIMATED OPERATING COST^{2,3,5}	US\$21.20 per tonne

1. CAPEX & OPEX estimates for DSO production only
2. Pricing based on forecast provided by © Metalytics Iron Ore Briefing Service with long term FOB price (real, applied 2020 and beyond) of 105 USc/dmtu.
3. OPEX includes cash operating costs and contingency
4. Average Spot CFR price for 62% FE fines CFR china in Q2 2010 was US\$167/t
5. Assumed advantageous fiscal regime yet to be agreed

Stage 2 - Premium Itabirite Concentrate Products



- Proven grind and float beneficiation to produce concentrate; ~47% weight recovery
- Target concentrate product specifications for PFS were 66% Fe with 3.5% Silica
- Flotation optimisation test work continued after the PFS design basis was set, indicates the potential to achieve an improved concentrate quality

Target Itabirite Concentrate Product Specification (Dual Product Stream)					
	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	Grind Size (P80 microns)
DR Grade	68.0	1.8	0.2	0.03	53
BF Grade	66.6	3.5	0.3	0.03	53

Stage 2 – Pre Feasibility Study



- Pre-Feasibility Study for Stage Two
- Capital expenditure of approximately US\$3.1B; includes pellet plant
- Cash operating costs, pre-royalties, are approximately US\$40/t for concentrate; US\$20/t for pellets
- Product expected to attract a revenue premium of approximately 20%



CAPEX¹	US\$M
Beneficiation	1,908
Pellet Plant	400
Subtotal of direct costs	2,308
EPCM, Owners Costs and Contingency	835
Total	3,143

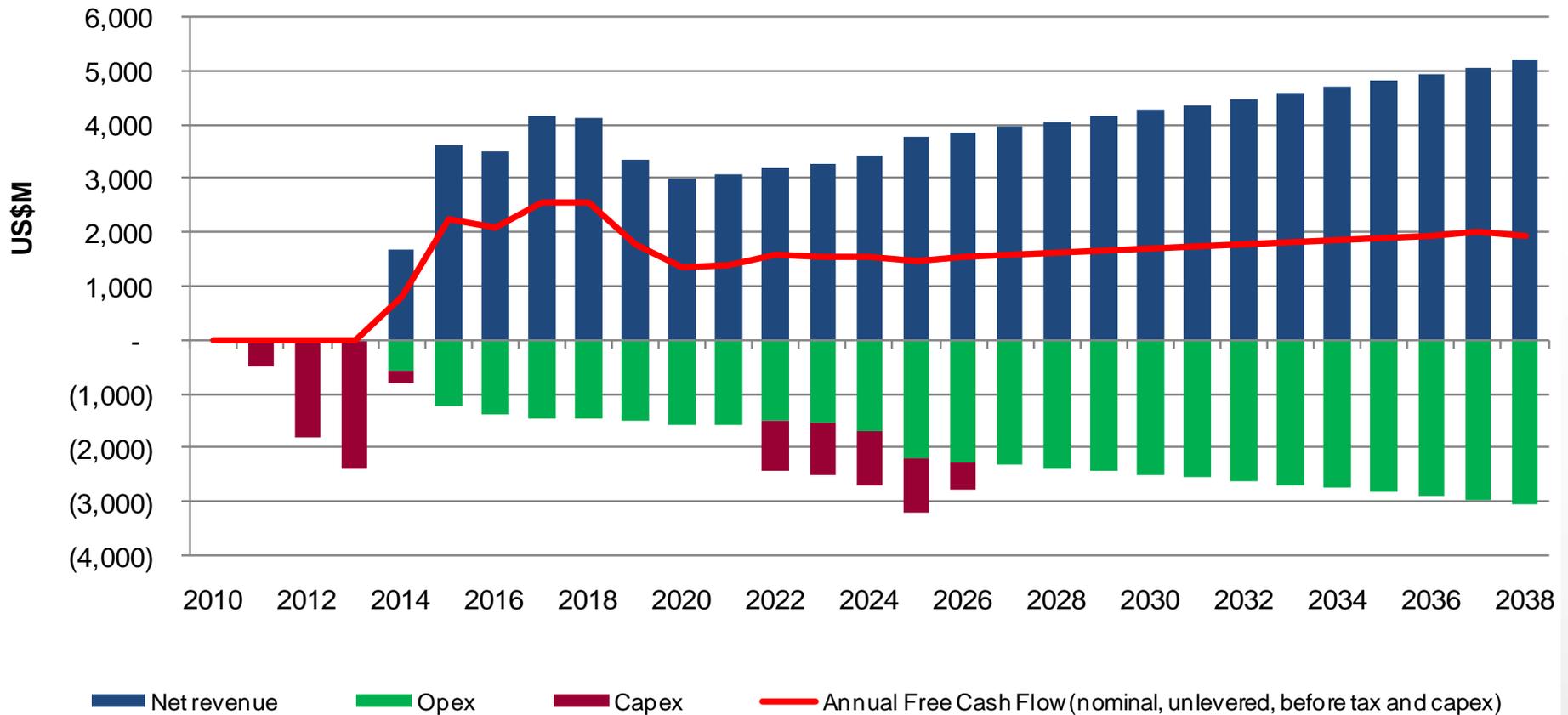
OPEX¹	
ESTIMATED OPERATING COST ^{2,3,4}	US\$40/t

1. CAPEX & OPEX estimates for Stage Two Itabirite production only
2. Pricing based on long term SSF Fines price ex Brazil of **102 c/dmtu FOB Mbalam**
3. OPEX includes cash operating costs and contingency
4. Assumed advantageous fiscal regime yet to be agreed

Robust Margins = Rapid Payback



- Stage One capital expenditure pay back in approx 3 years
- Stage Two construction to be funded from DSO cashflow
- Internal Rate of Return of 27% estimated on an un-gearred basis



Strong In Country Presence



CAMEROON

- Commenced drilling June 2007 in Cameroon
- Today, ~200 people employed in-country
- Framework agreement signed December 2008
- Corporate office in Yaounde with 8 full time employees

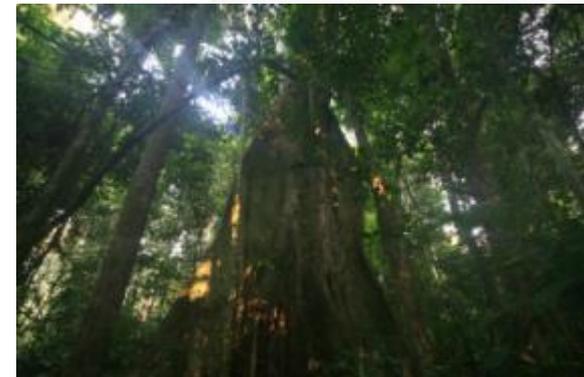


CONGO

- Drilling commenced February 2010 in the Congo
- ~63 Congolese Nationals employed on site (via 3rd party)
- Corporate office in Brazzaville with 6 full time employees



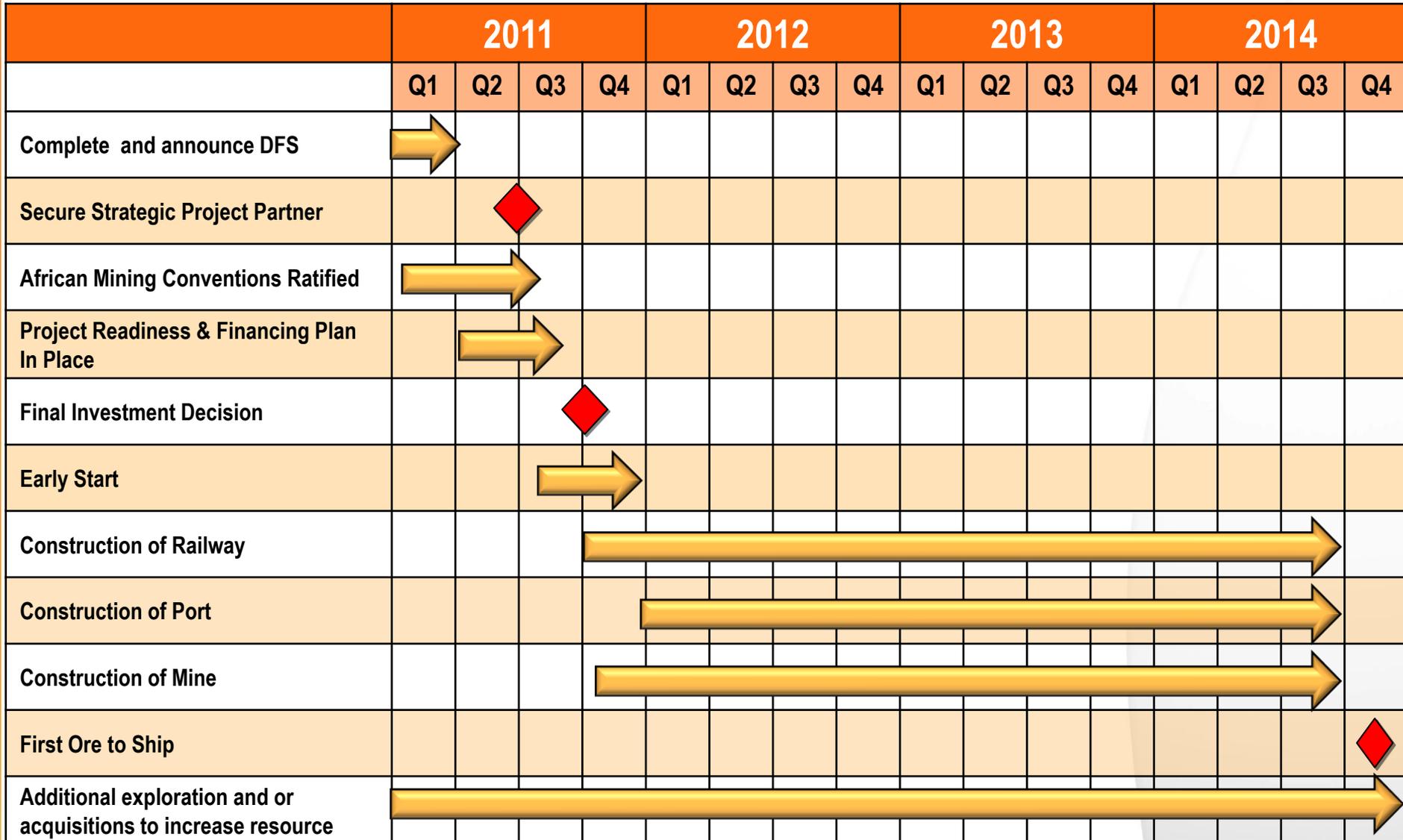
- Direct financial benefit to both countries over the life of project through royalties, corporate taxes, dividends through equity participation, workforce wages and salaries, purchase of local goods and services.
- 0.5% NPAT to environmental & social fund, significant direct and indirect employment, social infrastructure support, NGO and community partnerships.



Western- style Camp



No Time to Waste



Steps Ahead of the Rest



- **Definitive Feasibility Study completed for Stage One**
 - *Based on forecast average production rate of 35Mtpa of High Grade Hematite (DSO quality) @ 63.6% Fe for target of 10-years production*
- **Pre-Feasibility Study completed for Stage Two**
 - *Based on continued production of 35 Mtpa of Itabirite Hematite concentrate product at 66% Fe for additional 15 years of production*
- MoUs with China Rail & China Harbour for railway & port
- CITIC Securities advisors re: Chinese debt and equity
- Advanced negotiations with potential strategic partners
- Discussions underway to finalise Government Conventions
- Proposal for conditional cash offer for 100% of Sundance from Hanlong





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