

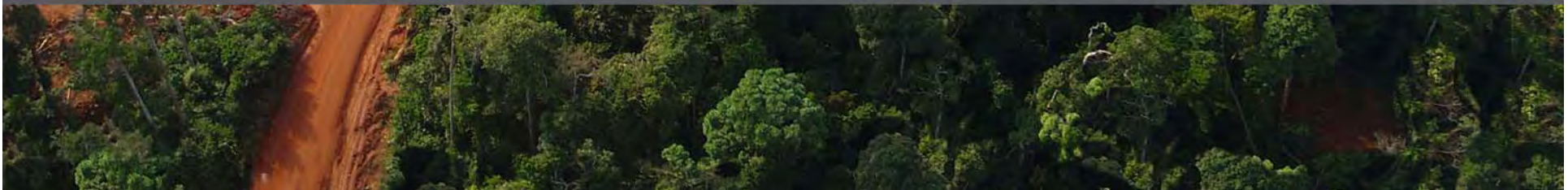


SUNDANCE  
RESOURCES LTD

# Development of a New World-Class Iron Ore Region in Central Africa

Resources Rising Stars Conference  
29 April 2014 | Perth, Western Australia

Mr George Jones  
Non-Executive Chairman  
Sundance Resources Ltd



# Competent Persons Statement and Disclaimer



## **Important Notice an 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 Sundance's operations including the likely commencement of commercial operations of the Mbalam-Nabebe Iron Ore Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding Sundance's operations, economic performance and financial condition.

Although Sundance 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.

This presentation should be read in conjunction with the Annual Financial Report as at 30 June 2013, the half year financial statements together with any announcements made by Sundance in accordance with its continuous disclosure obligations arising under the Corporations Act 2001. Sundance 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 report that relates to Exploration Results and Mineral Resources 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 and Mr Widenbar are consultants to Sundance and have sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which they are undertaking to qualify as a Competent Person as defined in both the 2004 and 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report that relates to Mineral Ore Reserves is based on information compiled by Mr Bruce Gregory, a member of the Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by AMC Consultants Pty Ltd and is a consultant to the Company. Mr Gregory 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". Messrs Longley, Widenbar and Gregory consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

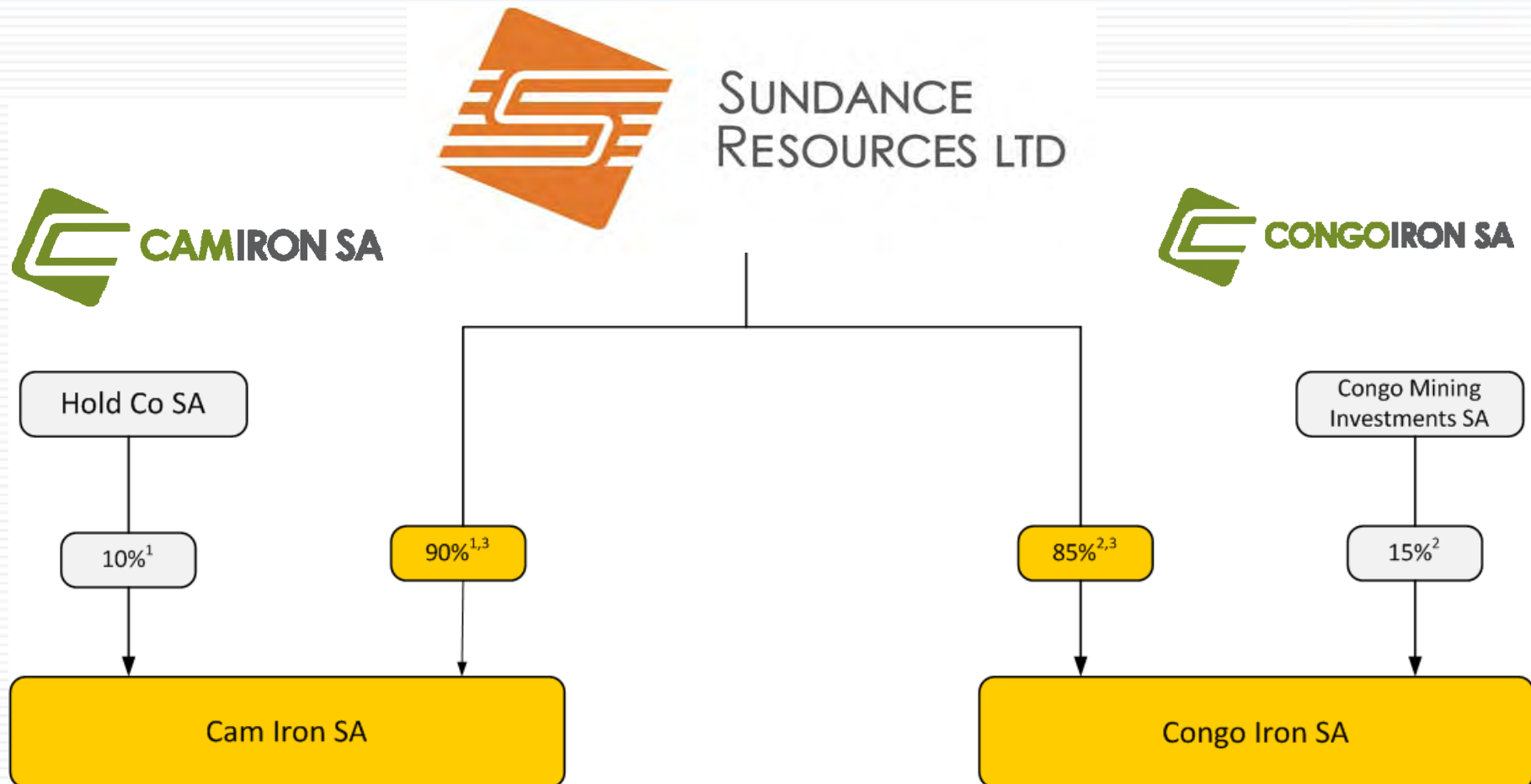
## **Exploration Targets**

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. Exploration Targets for all High Grade and Itabirite styles of mineralisation have been estimated based on extensive field mapping, surface sampling and evaluation of airborne magnetic geophysics. Extensive drilling at the main Deposits of Mbarga and Nabebe have provided analogue examples of anticipated depths, rock densities and continuity of mineralisation and these factors have been applied conservatively to the Exploration Target estimation process at all additional Prospects. Estimation of approximate Exploration Target ranges at the Mbarga, Metzimevin, Meridional and Nabebe Deposits have benefited from proximal RC and diamond drillholes. However, there has been no exploration drilling at the remainder of the Prospects named Mbarga Southwest, Cabose South, Bidoumou Hills, Cabose Hills, Njweng, Mount Letioukbalala, and Elogo. Therefore, approximate Exploration Target range estimations for these Prospects are of a lower confidence level at this stage of evaluation. Further activity on these Exploration Targets, including but not limited to, resource definition drilling is expected to be completed following financing of the Mbalam-Nabebe Iron Ore Project.

For more information pertaining to the Exploration Targets in line with Listing Rule 5.6 and Clause 17 of the 2012 JORC Code reporting requirements including modelling parameters and details, the ASX announcements pertaining to Exploration Results, Mineral Resources and Ore Reserves are all available on the Company's website [www.sundanceresources.com.au](http://www.sundanceresources.com.au).

Specific details pertaining to Exploration Targets at the Mbarga-Nabebe Iron Ore Project were most recently included in the Quarterly Activities Report for the period ending 31 March 2013 which was released to the ASX on 30 April 2013 and is available from the website. The current High Grade Hematite Exploration Target ranges were first announced on the ASX on 20 June 2012 and Itabirite Exploration Targets shortly thereafter on 26 October 2012.

# Corporate Structure

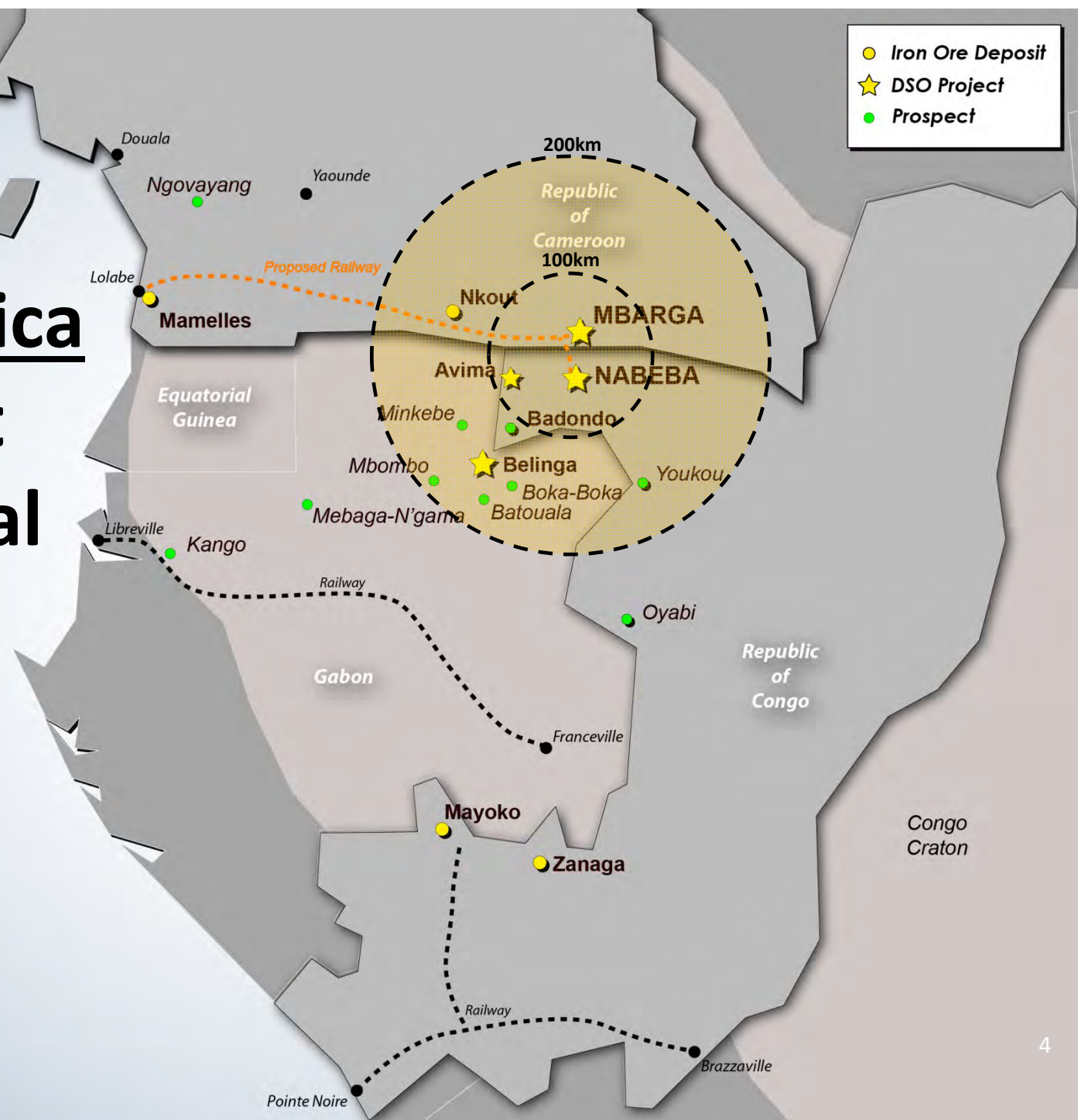


1. Under the concluded Mbalam Convention the Cameroon Government has a right to a 10% free carry interest in the Project Companies pursuant to the Cameroon Mining Code and an additional 5% interest where the equity requirements can be loaned to the State and then repaid with interest out of dividends.
2. Congo Government has a right to a minimum 10% interest in Congo Iron SA pursuant to the Congo Mining Code, to be negotiated through the Congo Convention.
3. Incorporating both Governments interest then SDL's interests is diluted to 76.5% respectively in each Company.

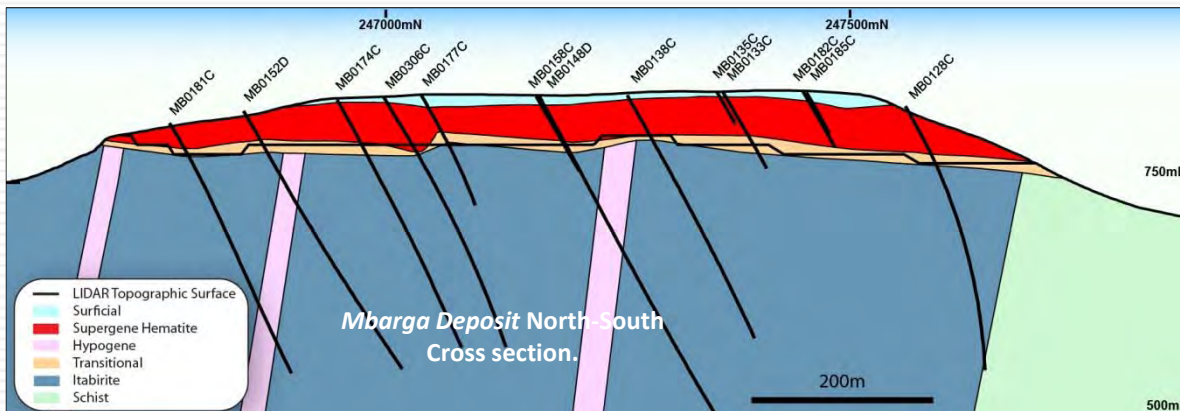
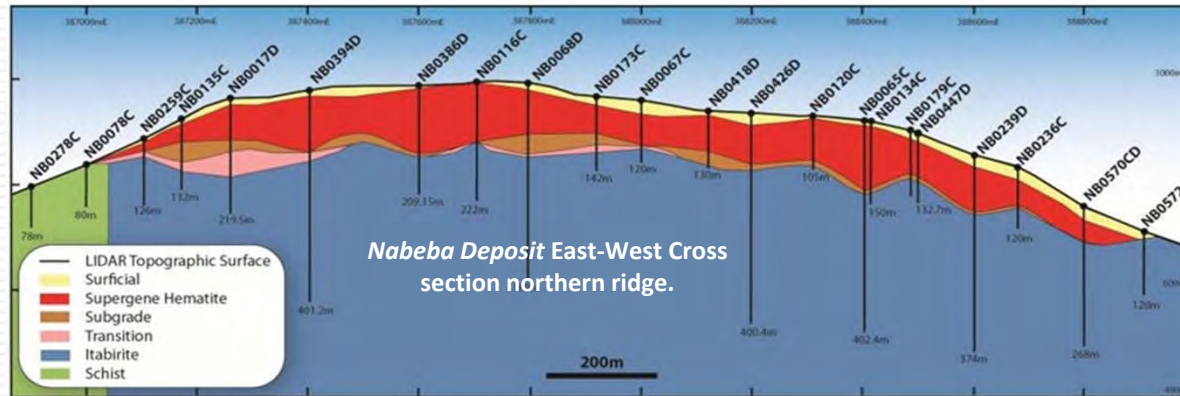
# Central Africa

## The Next Substantial Iron Ore Province

- Iron Ore Deposit
- ★ DSO Project
- Prospect




# High Grade Hematite Resources



- High Grade Hematite Resources totalling 775.4Mt at a grade of 57.2% Fe
- Additional Exploration Target of approximately 90 - 150Mt at a grade of 55% to 65% Fe of High Grade Hematite on existing tenements\*

*\*It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.*

| PROJECT HIGH GRADE HEMATITE RESOURCES | Tonnes (Mt)  | Fe (%)      | SiO <sub>2</sub> (%) | Al <sub>2</sub> O <sub>3</sub> (%) | P (%)        | LOI (%)    |
|---------------------------------------|--------------|-------------|----------------------|------------------------------------|--------------|------------|
| Indicated                             | 748.0        | 57.2        | 9.2                  | 4.4                                | 0.098        | 3.8        |
| Inferred                              | 27.4         | 57.4        | 15.1                 | 3.0                                | 0.090        | 1.5        |
| <b>Total High Grade Resource</b>      | <b>775.4</b> | <b>57.2</b> | <b>9.4</b>           | <b>4.3</b>                         | <b>0.098</b> | <b>3.8</b> |



# High Grade Hematite Probable Ore Reserves

436.3 Mt at 62.6% Fe, with low impurities  
4.4% Silica; 2.6% Alumina; 0.09% Phos

| High Grade Hematite Ore Reserves         | Reserve Classification | Tonnes (Mt) | Fe (%) | SiO <sub>2</sub> (%) | Al <sub>2</sub> O <sub>3</sub> (%) | P (%) | LOI (%) |
|--|------------------------|-------------|--------|----------------------|------------------------------------|-------|---------|
| Ore Reserves Reported to ASX 24/12/ 2012 | Probable               | 436.3       | 62.6   | 4.43                 | 2.55                               | 0.087 | 2.78    |

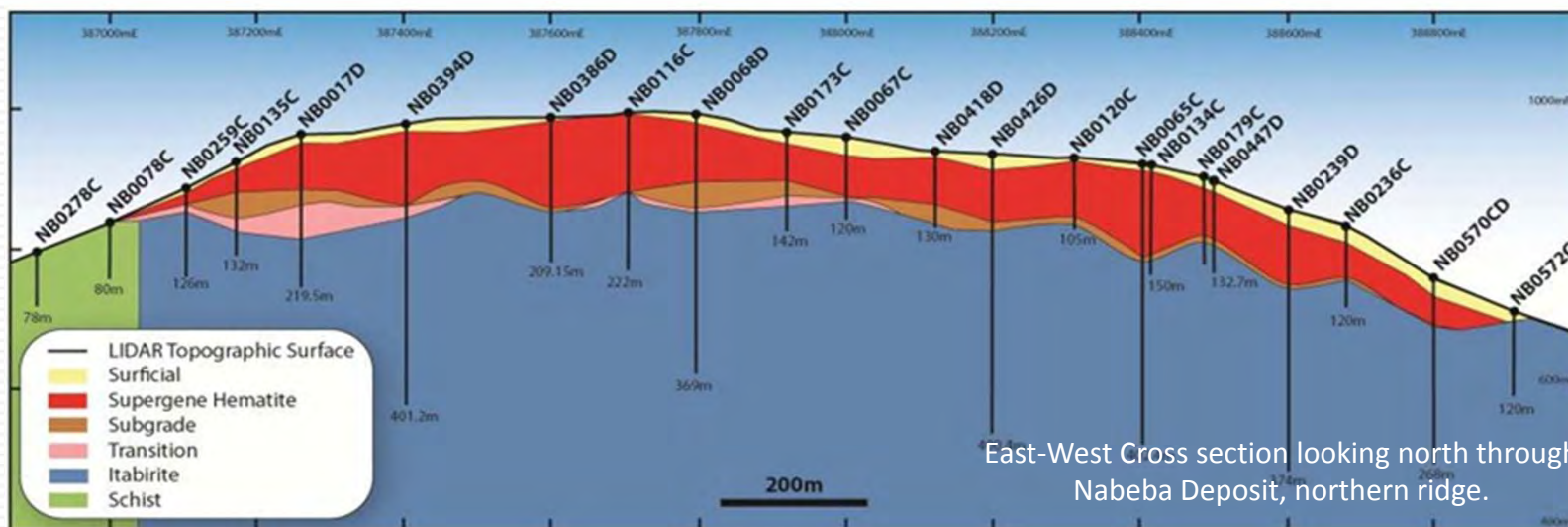
*Comparable to product grades from the Pilbara*

*All Reserves and Resources reported are in compliance with the 2004 JORC-Code*



# Itabirite Hematite Resources

## 4.047 billion tonnes at 36.3% Fe



East-West Cross section looking north through Nabeba Deposit, northern ridge.

Additional Exploration Target of approximately 9.3 - 13.2 Bt of Itabirite at a grade of 30% - 40% Fe on existing tenements\*

| Global Itabirite Hematite Resources      | Tonnes (Mt)                | Fe (%)      | SiO2 (%)    | Al2O3 (%)  | P (%)       | LOI (%)    |
|--|----------------------------|-------------|-------------|------------|-------------|------------|
| Mbarga Deposit                           | 2,325                      | 38.0        | 44.4        | 0.5        | 0.04        | 0.4        |
| Nabeba Deposit                           | 1,722                      | 33.9        | 42.5        | 2.7        | 0.05        | 2.6        |
| <b>Total Itabirite Hematite Resource</b> | <b>4,047<sup>(i)</sup></b> | <b>36.3</b> | <b>43.6</b> | <b>1.4</b> | <b>0.04</b> | <b>1.3</b> |

Of the total 4,047 Mt Itabirite Resource, 1,431 Mt is at a grade of 38.0% and classified as **Indicated**. The remaining Itabirite is **Inferred Mineral Resources**.

\*It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.

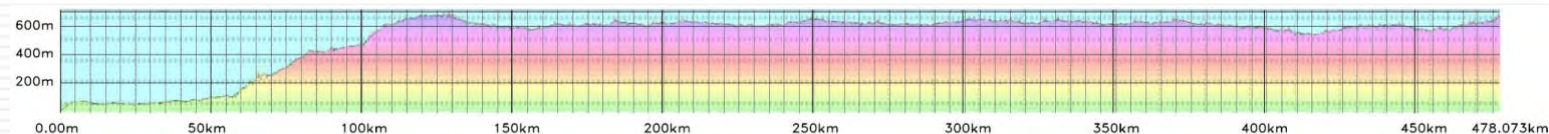
# Infrastructure is Key



- Construction of 510km rail line to Mbarga and 70km spur line to Nabeba
- Standard gauge 32 t axle load
- 6 trains each comprising 3 locos & 190 wagons (expandable to ~100Mtpa)
- Environmental approval granted for Port, Rail and Mine in Cameroon in 2010
- Deep water near shore
- Single berth capacity for up to 45Mtpa
- Designed for 300,000 DWT “China-max” carriers
- Declaration of Land for Public Utility for Port in 2010; and for Rail Corridor in 2011



*Selection Along Preferred Route*







**Mbarga Camp**



Lolabe Track



Lolabe Track



**Port Location**

# Nabeba Trial Mining Site





Noble Site Visit

# Capital and Operating Costs

## Capital Intensity \$134/t - Stage 1



### Definitive Feasibility Study – Stage One

| CAPEX <sup>1</sup>                             | US\$M        |
|--|--------------|
| Mining, Processing and Infrastructure          | 914          |
| Rail   | 2,019        |
| Port   | 537          |
| <b>Subtotal</b>                                | <b>3,471</b> |
| PMC, Owners Costs and Contingency              | 1,214        |
| <b>Total (US\$M, real as at December 2010)</b> | <b>4,686</b> |

| OPEX <sup>1</sup>                     |             |
|---------------------------------------|-------------|
| Estimated Operating Cost <sup>2</sup> | US\$21.20/t |

1. CAPEX & OPEX estimates for High Grade Hematite production only
2. OPEX includes cash operating costs and contingency

- Low Strip Ratio: 0.9:1
- Simple low cost processing
- Reasonable labour costs
- Freight to China approximately \$20 - \$25/tonne

### Pre-Feasibility Study – Stage Two

| CAPEX <sup>1</sup>                             | US\$M        |
|--|--------------|
| Beneficiation                                  | 1,908        |
| Pellet Plant                                   | 400          |
| <b>Subtotal of direct costs</b>                | <b>2,308</b> |
| PMC, Owners Costs and Contingency              | 835          |
| <b>Total (US\$M, real as at December 2010)</b> | <b>3,143</b> |

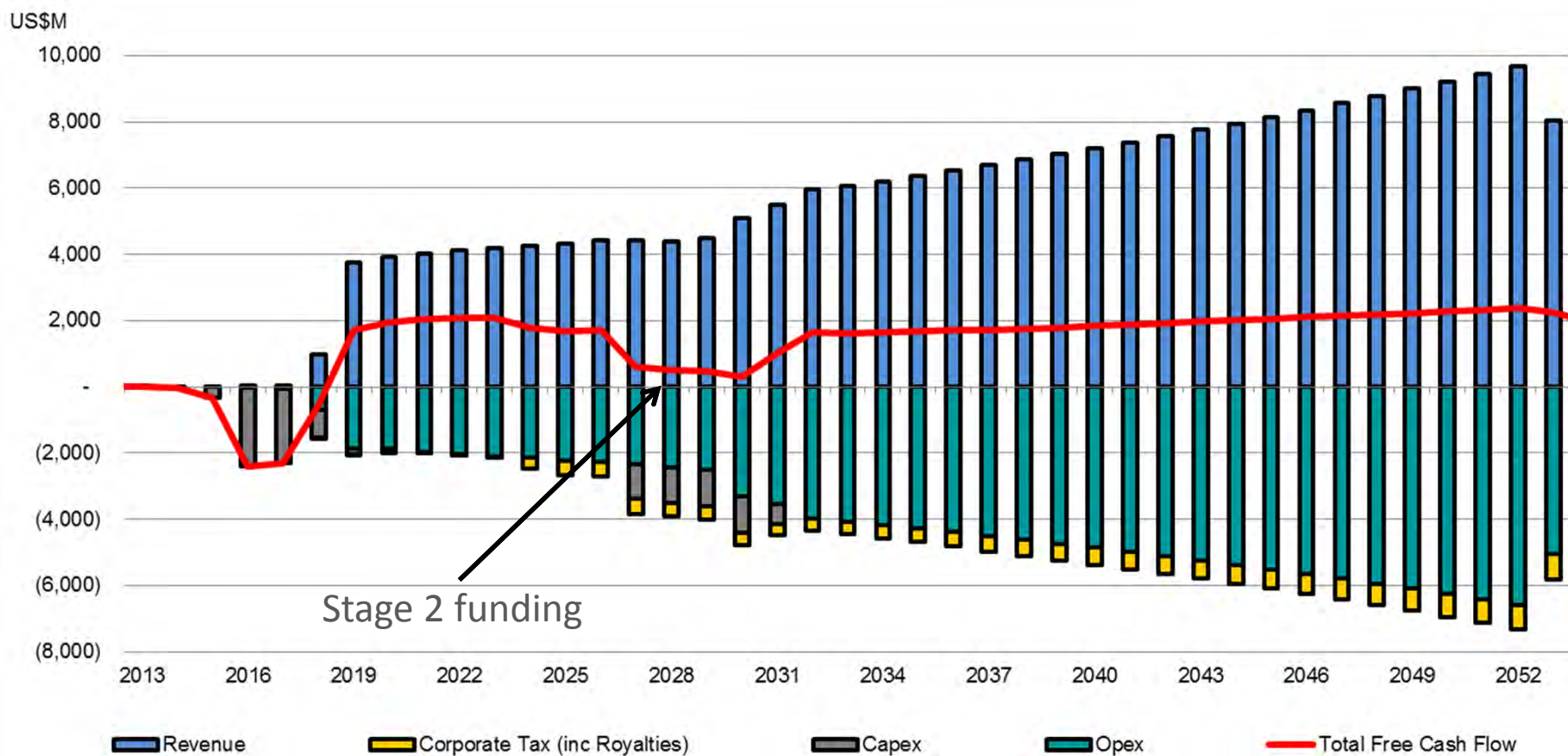
| OPEX <sup>1</sup>                     |            |
|---------------------------------------|------------|
| Estimated Operating Cost <sup>2</sup> | US\$42.1/t |

1. CAPEX & OPEX estimates for Stage Two Itabirite production only
2. OPEX includes cash operating costs and contingency

# Robust Margins = Rapid Payback

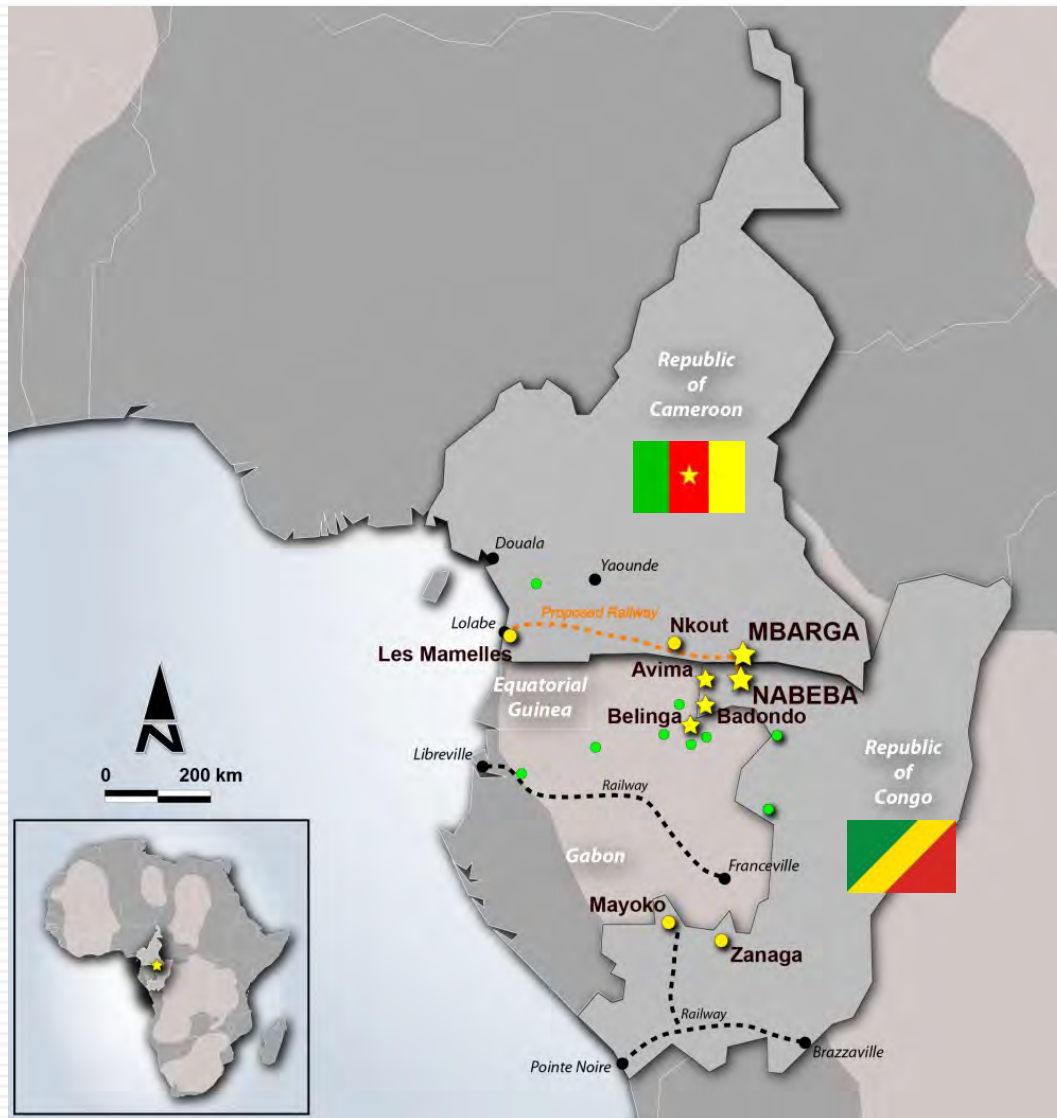


- Very robust and increasing revenue streams (based on US\$100/t CFR China)
- Stage 1 capital expenditure (2011 DFS estimate) pay back in approx. 3 years
- Stage 2 construction can be funded from DSO cash flow





# Republics of Cameroon and Congo



## Cameroon

- Bilingual (French & English)
- Capital - Yaounde (2.5 million)
- Total population approx. 20 million
- 1995 - Member of Commonwealth
- 2006 - SDL arrived

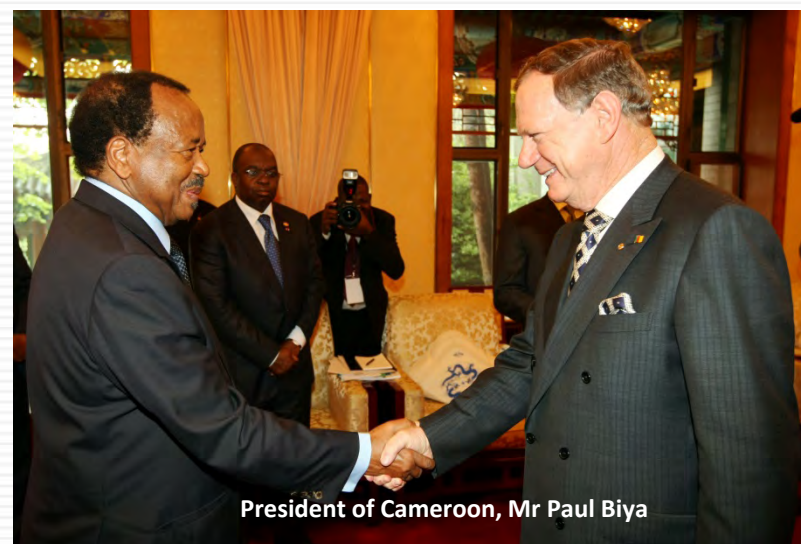
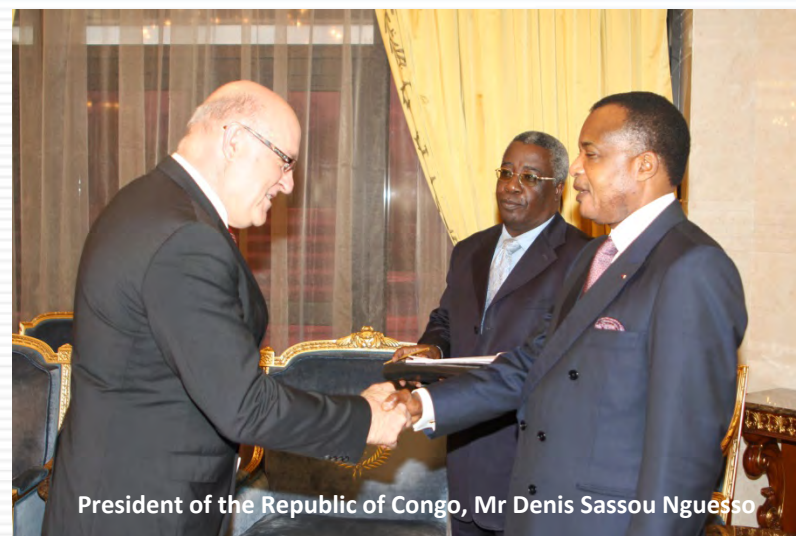
## Republic of Congo

- Francophone
- Capital - Brazzaville (1.4 million)
- Total population approx. 5 million
- 1960 - Independence
- 2009 - SDL arrived
- **NOT** the “DRC”

# Government Approvals



- Congo Mining Permit approved in Dec 2012 and granted by Presidential Decree in Feb 2013
- Congo Convention currently under review
- Mbalam Convention signed with Cameroon Government in November 2012 with attractive Fiscal and Labour Terms
  - 5-year tax holiday; 25% income tax and 5% dividend tax thereafter
  - Gov't. ownership 10% free carry plus 5% loan carried
  - Flexible labour conditions
  - Strong social commitment
- Environmental approvals in place
- Declaration of Land for Public Utility (DUP) for rail corridor in Cameroon announced in 2012



# Offtake Agreement with Noble



- Bankable offtake contract signed with leading global commodities trader Noble Resources
- Noble will offtake between 50% - 100% of the product produced from the Mbalam-Nabeba mines for 10 years
- Claw-back to allow project equity participants to buy up to 50% of the production
- Sales will be based on international standard pricing benchmark (Platts IODEX 62% Fe CFR China less freight costs) Free on Board (FOB) Lolabe Cameroon
- Contract will meet the requirements of financiers and therefore help ensure the project secures debt funding
- Huge vote of confidence in Sundance and the future development of this world-class iron ore project (and region) by global trading giant Noble
- First step in the delivery on the strategy set out by the Company in July 2013

# The Development Strategy



**Off-take with Noble** : binding long-term off-take agreement with Noble Resources for 100% of product produced for 10 years.

**Decide EPC partner in next three months:** shortlisted two preferred tenders for the EPC tender for the port and rail infrastructure and will sign an exclusivity agreement this quarter.

**Mine and processing tender processing ongoing:** The tender process concludes 30 April for mine plants and associated infrastructure – selection of contractor aligned with EPC process

**Early earthworks underway:** Preparation of the rail loop and plant infrastructure sites have begun, as has developing access to other surface infrastructure including the airstrip. Trial mining will be undertaken at Nabeba in the next few months.



# Continuing to Tick the Boxes



- Off-take contract signed with Noble
- EPC contract for port and rail to be confirmed
- Review of tenders for mine plants to commence
- Nabeba Mining Permit and Cameroon Convention are securely in place
- All environmental approvals including DUP for port and rail are obtained
- DFS completed in 2011 confirms stage one is a technically and economically viable Project
- One of the only DSO projects in the world that is ready for development now
- Will unlock the potential of a new world-class iron ore region which could produce upwards ~100Mtpa in the future



# THANK YOU

**Sundance Resources Ltd**

[www.sundanceresources.com.au](http://www.sundanceresources.com.au)

ASX CODE 'SDL'