



ASX Announcement
28 November 2016

**Sundance Resources Limited (ASX : SDL)
2016 Annual General Meeting
Chairman's Address**

Good morning ladies and gentlemen,

Welcome to the 2016 annual general meeting of Sundance Resources Limited.

As I'm sure you are all aware, the severe downturn in the international iron ore market over the past two to three years has led to a number of challenges for Sundance, not the least being the problems it has presented in progressing our Mbalam-Nabeba Project from development to an operating mine.

That said, your Company has worked tirelessly over that time to improve the quality of the Project and we remain unwavering in our belief that it is needed to meet future demand for iron ore from steelmakers in China and other parts of the world.

After increasing resources, proven reserves and overall project capacity and reducing forecast operating costs in early 2015, the 2016 financial year started with the signing of the Transition Agreement, which passed on responsibility for funding the major port and rail components of the Project to the Cameroon Government.

We also completed marking the railway corridor and provided technical support to the Cameroon Government for the development of an EPC contract ready for signing by a Chinese contractor selected by the government. Unfortunately, due to the state of the iron ore market, the contract was not signed at that time.

Also pleasing from our perspective was the passing of the Nabeba Convention into law by the Republic of Congo in May this year.

These developments put the Project on a surer foundation, but during the year a number of serious issues had to be dealt with at a company level.

The loss of the trial in the Supreme Court of Western Australia in December 2015, combined with the delay in the signing of the Mbalam Nabeba EPC contract at around the same time, required immediate action.

The response involved significantly reducing costs through staff and board reductions, settling the litigation and undertaking a rights issue to raise additional funding.

More recently, we have had to address a series of media articles regarding events in the Congo between 2006 and 2008. While the veracity of the events as they were reported is yet to be established, we have engaged an independent legal team to conduct an investigation and we are cooperating fully with the Australian Federal Police in its investigation.

Throughout the challenges we have faced, we have maintained the support of our noteholders. They demonstrated their commitment again recently by agreeing to extend the maturity date on \$95 million of notes to September 2019. A number of the noteholders and our largest shareholder have also agreed to provide an additional \$1.3 million. This ongoing backing has been critical to the Company and we are grateful to have it to underwrite the immediate liquidity of the Company.

The iron ore deposits in Congo and Cameroon are some of the best deposits in the world and will ultimately be developed into an operating export mine.

I wish to thank the many investors who have been shareholders in Sundance, as well as current and past Directors and Staff in Australia and Africa for their hard work and commitment over a long period of time.



WAL KING
Chairman
Sundance Resources Limited

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About Sundance Resources

Sundance Resources is seeking to develop its flagship Mbalam-Nabeba Iron Ore Project, which straddles the border of Cameroon and the Republic of Congo in Central Africa. Stage One will be the production of a Direct Shipping Ore ("DSO")-quality sinter fines product averaging >62.0% Fe at a rate of 40Mtpa for approximately 14 years based on blending material sourced from the deposits in the neighbouring countries of Cameroon and Congo. Stage Two, which is currently at a Pre-Feasibility Stage, would then extend the life of the operation by further 15-plus years producing high-grade Itabirite hematite concentrate. In April 2011, Sundance completed the Definitive Feasibility Study for Stage One and Pre-Feasibility Study for Stage Two of the Mbalam-Nabeba Iron Ore Project. The Project will utilise the rail and port infrastructure to be financed, built and owned by the Government of Cameroon, a 540km rail line dedicated to the transport of iron ore through Cameroon and a dedicated mineral export terminal designed for taking bulk iron ore carriers of up to 300,000 tonnes.