



SUNDANCE RESOURCES LTD

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7 April 2009

Wade Baggott
Adviser, Issuers (Perth)
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Facsimile: 08 9221 2020

Dear Wade

RE: QUERY OF 7 APRIL 2009

Thank you for your facsimile of today's date.

We respond to your queries as follows:

1. *Does the Company believe the Exploration Target is material to the Company pursuant to Listing Rule 3.1?*

No. The announcement of an Exploration Target of 100 to 250 million tonnes of hematite at 55% to 65% Fe at Nabeba was assessed, in terms of materiality, by reference to earlier announcements to the market regarding the subject matter of the announcement.

On 21 January 2009, the Company announced an Exploration Target of 25 to 100 million tonnes of DSO quality hematite mineralisation at Nabeba grading between 60% and 65% Fe.

Through recent sampling and mapping, the Company has determined that the Nabeba Exploration Target announced on 21 January was conservative such that the high end of the Exploration Target range

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announced on 21 January is now at the low end of the new range announced on 7 April.

The Company is also of the view that the increase in the Exploration Target is not material because, by its very definition, it is a target, not a fact.

2. *If the answer to question 1 is yes, and the Company became aware of the Exploration Target prior to the Announcement being lodged on 7 April, 2009, please advise the following:*

2.1 *Why the information was not released to the market at that earlier time? Please comment specifically on the application of listing rule 3.1; and*

Not applicable.

2.2 *Why, if the Company was not able to announce the Exploration Target at that time, the Company did not request a trading halt at that time pending the release of announcement concerning the Exploration Target.*

Not applicable.

3. *If the answer to question 1 is "no", please advise the basis on which the Company does not consider the Exploration Target to be material.*

As set out above, the Company does not consider the announcement of an increase in the Exploration Target to be material because:

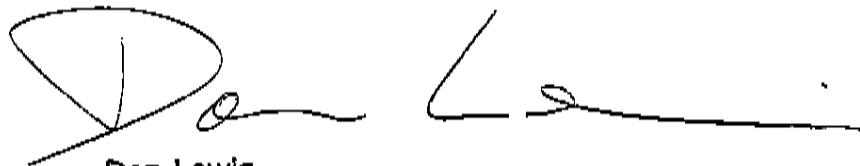
- (a) on 21 January, 2009, the Company announced an Exploration Target of 25 to 100 million tonnes of DSO quality mineralisation at Nabeba grading between 60% and 65% Fe;
- (b) through recent sampling and mapping, the Company has determined that the Exploration Target announced on 21 January was conservative in that the high end of the Exploration Target range announced on 21 January is now at the low end of the new range announced on 7 April;
- (c) the Company is of the view that the increase in the Exploration Target is not material because, by its very definition, it is a target, not a fact.

4. *Please confirm that the Company is in compliance with the listing rules and in particular, Listing rule 3.1.*

The Company is in compliance with the Listing Rules and in particular Listing Rule 3.1.

The Company considers that the 7 April announcement was a routine announcement relating to operations of the Company and was made in compliance with the continuous disclosure regime. As soon as the information was complete, it was released.

Yours faithfully,



Don Lewis
Chief Executive Officer



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7 April 2009

John Carr-Gregg
Company Secretary
Sundance Resources Limited
Level 27, St Martins Tower
44 St Georges Terrace
PERTH WA 6000

By email: carr-gregg@sundanceresources.com.au

Dear John,

Sundance Resources Limited (the "Company")

We refer to the following;

- (i) The announcement lodged by Sundance Resources Limited ("the Company") on 7 April 2009 on the company announcement platform of ASX Limited ("ASX") at 9:20 AM (E.S.T) ("Announcement") indicating that Exploration Target for the Company's Nabeba Deposit had been increased ("the Exploration Target").
- (ii) The price query letter sent to the Company from ASX on Monday 6 April 2009 ("Price Query Letter") noting a recent increase in the price and volume of the listed securities of the Company, and asking the Company if it was aware of any information which could be an explanation for the recent trading of the Company's securities.
- (iii) The Company's response to the Price Query Letter on Monday 6 April 2009 ("Price Query Response") in which the Company confirmed that it was not aware of any information which could explain the recent trading in the Company's listed securities, except for a media article in the Australian Financial Review on 6 April 2009 discussing the Company's Mbalam Project.

We wish to draw your attention to the definition of "aware" in chapter 19 of the listing rules which states that:

"an entity becomes aware of information if a director or executive director (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity"

Further, we wish to draw your attention to listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A. Please note that for disclosure not to be required under this listing rule all of the exceptions must apply.

Having regard to the above definition, listing rule 3.1 and Guidance Note 8 - Continuous Disclosure, we ask that you answer the following questions in a format suitable for release to the market in accordance with listing rule 18.7A.

1. Does the Company believe that the Exploration Target is material to the Company pursuant to listing rule 3.1?
2. If the answer to any part of question 1 is "yes" and the Company became aware of the Exploration Target prior to the Announcement being lodged on 7 April 2009, please advise the following:
 - 2.1 Why the information was not released to the market at that earlier time? Please comment specifically on the application of listing rule 3.1; and
 - 2.2 Why, if the Company was not able to announce the Exploration Target at that time, the Company did not request a trading halt at that time, pending the release of an announcement concerning the Exploration Target?
3. If the answer to question 1 is "no", please advise the basis on which the Company does not consider the Exploration Target to be material.
4. Please confirm that the Company is in compliance with listing rule 3.1.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Please note the ASX reserves its right under listing rule 18.7 to release this letter and the Company's response to the market. Accordingly the Company's response should address each question separately and be in a format suitable for release to the market.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately. Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **half an hour before the commencement of trading tomorrow (7:30am WST, 8 April 2009).**

Your response should be sent to ASX by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

If you have any queries regarding any of the above, please contact me on the number below.

Yours sincerely,



Wade Baggott
Adviser, Issuers (Perth)

Direct Line: (08) 9224 0023