

Supplementary Prospectus

Sundance Resources Limited ABN 19 055 719 394

1. Introduction

This document is the supplementary prospectus dated 19 February 2016 and was lodged with the Australian Securities and Investments Commission (ASIC) on that date (**Supplementary Prospectus**).

This Supplementary Prospectus supplements, and must be read together with the prospectus issued by Sundance Resources Limited ABN 19 055 719 394 and lodged with ASIC on 3 February 2016 (**Prospectus**). The Prospectus is for the pro-rata renounceable entitlement offer of 1 New Share for every 1 Share held by Eligible Shareholders at an issue price of \$0.005 per New Share, together with 1 free New Option for every 1 New Share subscribed, to raise up to \$16,512,793 (**Offer**).

No previous supplementary document has been lodged with ASIC in respect of the Offer under the Prospectus. Neither ASIC nor the ASX takes any responsibility for the contents of this Supplementary Prospectus.

Terms and phrases defined in the Prospectus have the same meaning for the purposes of this Supplementary Prospectus.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

2. David Porter's intentions

As referred to in sections 1.16 and 2.2 of the Prospectus, the sub-underwriting arrangements with Mr Porter may have an impact on control of the Company, depending on a number of factors including investor demand.

If the Offer has a material impact on control of the Company, it is the present intention of Mr Porter to procure that the Company will:

- generally continue the business of the Company;
- not make any major changes to the business of the Company nor redeploy any of the fixed assets of the Company; and
- continue the employment of the Company's present employees.

Mr Porter's intentions have been formed on the basis of facts and information concerning the Company and the existing circumstances affecting the business of the Company which are known to Mr Porter at the time of preparation of this Supplementary Prospectus.

Final decisions of these matters will only be reached in light of all material facts known to Mr Porter and the circumstances at the relevant time if it eventuates. Accordingly, the statements set out above are statements of his current intentions only which may vary as new information becomes available or circumstances change.

3. Allocation of Oversubscription Shortfall

The effect of the arrangements set out in section 1.7 of the Prospectus and sequence is that Eligible Shareholders are entitled to subscribe for their Entitlement and any Entitlements which are not subscribed for under the Offer will be available for subscription through the Oversubscription Offer. To the extent that any New Securities remain after the Oversubscription Offer, these New Securities will form the Oversubscription Shortfall and will be taken up by the sub-underwriters up to \$2.25 million in priority to Mr Porter who will then take-up any remaining Oversubscription Shortfall up to \$11 million.

Please refer to section 1.7 of the Prospectus for further information on the Oversubscription Offer, and sections 1.8 and 9 of the Prospectus for further information on the underwriting and sub-underwriting arrangements.

4. Purpose of the Offer and intended use of funds

The following will replace section 1.9 of the Prospectus:

'1.9 Purpose of the Offer and intended use of funds

The Offer is proposed to raise up to \$16.5 million (before costs).

The proceeds of the Offer, before costs, together with existing cash reserves will be used for the following purposes:

Proposed use of funds	Estimate (\$ million)
Payment to Mr Porter of \$500,000 in cash and a portion of the proceeds received by the Company from the Offer in accordance with the terms of the Porter Settlement Deed	11.50
Protecting the intellectual property and assets of Sundance	0.15
Maintaining relationships with the Governments of Cameroon and Congo	0.15
Assisting the Government of Cameroon as required to progress the funding and signing of the EPC contract for the port and rail	0.50
Continuing the process of negotiating and then agreeing the terms of an equity investment into the Mine Infrastructure	0.50
General working capital purposes / costs	3.70
Total	16.50

In the event that circumstances change, business opportunities vary from expected or other beneficial opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise the benefit to Shareholders.

Please refer to section 2 of this Prospectus for further information regarding the Company's strategy, and section 2.2 of this Prospectus for further information regarding the settlement with Mr Porter and the Porter Settlement Deed.¹

5. Consent to be named

David Porter:

- (a) does not make, or purport to make, any statement in this Supplementary Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Supplementary Prospectus other than a reference to his name and a statement included in this Supplementary Prospectus with his consent as specified in this section.

David Porter has given and has not withdrawn his consent to the inclusion of the statements included in section 2 of this Supplementary Prospectus in the form and context in which they appear and to be named in this Supplementary Prospectus in the form and context in which he is named. Mr Porter takes no responsibility for any part of this Prospectus other than the statements attributed to him and references to his name.

6. Date

This Supplementary Prospectus is dated 19 February 2016.

7. Approval of Supplementary Prospectus

Each Director of the Company has given and has not, at the date of this Supplementary Prospectus, withdrawn his consent to the lodgement with ASIC of this Supplementary Prospectus.

This Supplementary Prospectus has been approved by a resolution passed by the Directors of Sundance Resources Limited.

Signed on behalf of Sundance Resources Limited



Wallace (Wal) King
Independent Chairman and Non-Executive Director
Sundance Resources Limited