

**GENERAL MEETING OF SHAREHOLDERS OF SUNDANCE RESOURCES LIMITED
SWAN ROOM, PARMELIA HILTON, MILL STREET, PERTH, WESTERN AUSTRALIA,
MONDAY, 16 AUGUST 2010, 10.00AM.**

CHAIRMAN'S REPORT

OPENING

Good morning Ladies and Gentleman and welcome.

It is 10.00am, the appointed time for today's General Meeting of Shareholders, and I am advised that the necessary quorum of Sundance Resources Limited members in person or presented by proxy is present. I therefore have pleasure in welcoming you and declaring this General Meeting of Shareholders open.

For those of you who do not know me, my name is George Jones and as the Chairman of Sundance Resources I shall address today's General Meeting of Shareholders.

I have with me on stage:

Mr Peter Canterbury, Acting Chief Executive Officer
Mr Michael Blakiston
Mr Barry Eldridge
Ms Fiona Harris
Mr Neil Hackett, Company Secretary

This is a meeting I deeply wish we did not have to have. The tragic circumstances giving rise to this meeting are still extremely hard to comprehend and very difficult and painful to accept.

On 19 June 2010, an air-crash in the Republic of Congo tragically claimed the lives of all of the Company's directors - the late Geoff Wedlock, Don Lewis CEO, Craig Oliver, Ken Talbot and John Jones - along with John Carr-Gregg, the Company Secretary. They were visiting Cameroon and Congo for one purpose – to build a world class iron ore project.

As a result, the Company's largest shareholder – the Talbot Group - has called this meeting to formally elect New Directors to ensure compliance with the Corporations Act and the Company's Constitution as to the minimum number of directors required to be appointed.

Before we proceed with the meeting, I would like to ask Barry Eldridge to say a few words:

[Barry Eldridge] Thank you George.

It is very difficult to find the words to convey the shock and sadness we all feel at the loss of so many vital and talented people. They were leaders in the Australian mining industry, Company Directors, much loved fathers, husbands, in some cases Grand Fathers, and

friends to many. They were special friends of the Republic of Cameroon and the Republic of Congo.

Along with many other Australians and people around the world, we have taken time to mourn those friends we have lost, but at the same time, we all feel a deep resolve to continue their work and create an enduring legacy that they would be proud of.

I would like to ask that we all now observe a minute's silence in memory of those we have lost.

[Pictures of the former Board members shown on the screen]

[George Jones continues]

Thank you Barry.

Before we come to the formal business of the meeting – the election of new Directors - I would like to briefly take you through some of the steps that were taken following the air-crash before talking about the state of the business.

Immediately following the air-crash, and in the face of significant uncertainty, a number of very important steps were taken to address the immediate priority - the effective management of the search and rescue process - while also ensuring ongoing business continuity.

While the executive and management team continued to work to a clear mandate determined by the previous Board over many months, additional strategic support was put in place on an interim basis.

Following consultation with a number of major shareholders, Michael Blakiston, Adam Rankine-Wilson and myself were appointed as strategic advisors. Our role was to provide support and guidance to the Company in the execution of the full range of strategic and corporate operational matters.

The Company's Chief Financial Officer, Peter Canterbury, was appointed to the position of Acting Chief Executive Officer.

When it became clear there were no survivors in the air-crash, several other appointments were made:

- Nicola Gill was appointed as interim Chief Financial Officer
- Neil Hackett was appointed as Company Secretary
- Carol Marinkovich was appointed as Assistant Company Secretary.

On Sunday 20 June 2010, the Company requested the Australian Stock Exchange (**ASX**) to put its securities into a trading halt prior to the open of trade on Monday 21 June 2010 and subsequently went into a voluntary suspension of its securities.

This step was taken to enable the Company to focus on managing the search and rescue operation, remove any uncertainty around the Company's ability to continue to operate and ensure we had taken all necessary action to stabilise the business and protect shareholder value.

Subsequently, as announced to the ASX on 2 July 2010, Michael Blakiston, Adam Rankine-Wilson, Barry Eldridge and myself took the step of declaring ourselves defacto directors of the Company.

We took this step following further consultation with major shareholders and ASIC and the ASX were made aware of it and had no objection. Importantly this fulfilled a key requirement of the Listing Rules and the Company's Constitution, enabling Sundance to apply to lift the voluntary suspension of its shares ahead of this meeting to elect the Directors.

This was an extraordinary response to the tragic events but it was a necessary step to allow your Company to continue to function. Acting essentially in a "caretaker" capacity ensured that the Company could continue to operate and function until such time as a meeting of shareholders was convened and new directors appointed.

We undertook to ensure this meeting was called as soon as was convenient to regularise our appointment.

The board was subsequently delighted to announce to ASX on 13 July 2010 that Ms Fiona Harris had agreed to join the board of the Company as a non-executive Director.

Once the Board was satisfied that we had removed any uncertainty around the Company's ability to continue to operate, and that we had taken all the necessary actions to stabilise the business and protect shareholder value, on 16 July Sundance applied to the ASX to lift the voluntary suspension on its shares enabling trading to recommence on Monday 19 July 2010.

It has been crucial for the Company, its shareholders and for the memory of those we have lost that we have been able to re-build Sundance quickly into a position of strength.

I am pleased to report that your Company is in very good shape.

Crucial in this was the bringing together of a very experienced and high quality team of Directors with substantial experience in all aspects of project development, financing, operations and governance to oversee the execution of the project strategy.

Your Company also has a highly experienced and capable executive management team in place with the international iron ore and project development experience required to deliver a project of this scale. This is very much a credit to Don Lewis and the previous Board.

A number of the team are here with us today and I would like to briefly ask them to stand as I introduce them to you.

I have already mentioned the former Chief Financial Officer, and now Acting CEO, Peter Canterbury, who will be addressing you shortly. Can I just express on behalf of the Board, and I am sure all shareholders, our great appreciation for the outstanding way in which Peter has stepped up to the plate to lead the company in a very difficult situation.

We also have with us:

Paul Denardi, General Manager, Finance and Commercial
Robin Longley, General Manager – Geology
Jim Tyler, GM Environment and Community
Terry Quaife, Director of the Project Study team

All the key personnel required to advance and deliver the Mbalam Project are in place.

We are also progressing the search for a Chief Executive Officer / Managing Director and look forward to reporting on a successful outcome in due course.

I am therefore confident your company is in very good hands both at an executive and Board level.

I am also pleased to report that your Company is in a very strong financial position and its business plans and strategy are in very good shape.

Sundance retains a very solid balance sheet with over \$70 million of cash reserves and no debt (cash: as at end of July 2010).

The project itself has very robust financials with a capital payback period of under 4 years and an Internal Rate of Return in excess of 25%. These numbers make the Project returns extremely robust and attractive to potential investors.

After a 4 week suspension as a result of the accident, drilling and exploration operations resumed as normal on Wednesday 21 July 2010.

As previously announced, the Company recently received Environmental approval for the project from the Cameroon government, representing significant de-risking of the Project.

The Definitive Feasibility Study remains on schedule for completion by the end of 2010.

Crucially the project continues to enjoy very strong support in the region.

In early July, Michael Blakiston and I met with the President of the Republic of Congo and Senior Government officials. I am pleased to report the Congolese government continues to show exceptional support for the Project and the Company.

At the end of July, I travelled with Michael and Peter Canterbury to Cameroon to hold meetings with Prime Minister Philemon Yang and senior government ministers including Badel Ndanga Ndinga, the Minister of Mines. We thanked them for their exceptional efforts and support following the air-crash and assured them that the project is well on track, that there is a new board in place and the new board has a strong determination to see this project implemented as soon as possible.

It has become very clear to me that the recent tragic events have underlined and even strengthened the close relationship that exists between Sundance and the Governments of the Republic of Congo and the Republic of Cameroon.

Last week, between 8-13 August, we travelled extensively to meet with a number of steel mills, and rail and port construction companies to progress discussions regarding sales contracts, potential joint venture arrangements, and construction of project infrastructure.

I am pleased to say this visit reinforced the strong interest in the Project, and resulted in a significant maturing of our discussions. We are hopeful of reporting positive outcomes on this in the near future.

On 13 August we submitted the final draft Convention in English and French to the Government of the Republic of Cameroon. This will be used as a basis for final negotiations.

The Convention is a cornerstone agreement that sets out the legal, fiscal, land, labour, financial and social conditions under which Sundance will progress and operate the Project.

On the near horizon, we now look forward to achieving several critical milestones for the Project, including commencing the final negotiations on the Mbalam convention in early September 2010, which we are hopeful will enable us to finalise the agreement by November 2010.

By the end of August we expect to have submitted a draft Convention to the Government of the Republic of Congo concerning the development of the Project within the Congo.

In conclusion, I believe the Company has been fully stabilised and is well positioned to move forward on an exciting period of growth that will see Sundance transformed into a substantial iron ore producer.

Since the air-crash and in the lead-up to this meeting, we have had extensive consultation with the Company's major shareholders and received strong support both for the move to appoint this Board and the continuation of the development strategy of the previous Board.

I would like to thank the Talbot Group for its strong support during what has been a challenging time for the group and for its action in calling this meeting.

I would also like to express our appreciation to all of our shareholders for their patience and support as Sundance has navigated this last eight weeks.

Finally I would like to again reiterate my appreciation to all the staff of Sundance Resources for their heroic and courageous response in the most difficult of circumstances. It is a credit to all associated with Sundance Resources, including those lost, that the Company has been quickly stabilised following the accident and is now moving forward on such a positive footing.

We will now move to the formal business of the meeting.