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ASX / MEDIA RELEASE

SUNDANCE FURTHER EXPANDS DRILLING CAPACITY AT MBALAM PROJECT**Third Drilling Rig to Support Ramp Up of Exploration Program**

International iron ore company Sundance Resources Limited (ASX: SDL – "Sundance") is pleased to advise that it has ordered a third drilling rig as part of the ramp-up of exploration and development activities at its **Mbalam Iron Ore Project** in West Africa.

The new Schramm T450GT Track Mounted RC Drill Rig will be shipped from the US during December and is scheduled to arrive on site in February 2010. This rig will supplement the two Sandvik DE710 diamond drill rigs purchased over recent months. This first of these rigs has been commissioned and is currently drilling on the Mbarga South Deposit and the second diamond rig was shipped from South Africa last week.

The Sundance Board has made the strategic decision to secure additional drilling capacity now in light of forecast tightening in the market for drilling equipment and supplies and the significant lead time involved in ordering, manufacturing and mobilising new drilling rigs.

This additional RC drilling capacity will allow the Company to continue to ramp up its 2010 exploration program. This program includes resource definition drilling at new High Grade targets and infill drilling at existing deposits, particularly the Mbarga Deposit, to allow the progressive conversion of current Resources towards Reserve category.

The resource definition drilling program is principally aimed at converting the Exploration Target* at the Nabeba Deposit of 100 to 250Mt hematite grading 55 to 65% Fe to JORC-Code compliant resources, to thereby increase the Project inventory of High Grade hematite.

Sundance's CEO, Don Lewis, commented, "the 2010 drilling program has the potential to add substantial value through the definition of additional High Grade hematite resources. We are focused on achieving our Exploration Target at Nabeba as quickly and efficiently as possible and the acquisition of this third rig will help us achieve this outcome".

Important information

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These materials are not an offer of securities for sale in the United States. The securities to which these materials relate have not been registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There will be no public offering of the securities in the United States.

* 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 in excess of Inferred or Indicated Mineral Resources is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of that estimated for the Mbarga, Mbarga South or Metzimevin Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource for the Nabeba Deposit or other prospects on the Company's landholdings.

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About Sundance Resources Limited

Sundance Resources Ltd is an Australian exploration company focused on mining interests in the Republic of Cameroon and the Republic of Congo, on the central west coast of Africa. Sundance has commenced feasibility study on its Mbalam Iron Ore Project as the basis for developing a global iron ore business.

Central West Africa is considered to have the potential to develop into a significant new iron province, underpinned by the Mbalam Project and nearby projects in Congo and Gabon.

WA-based Sundance has been listed on the Australian Stock Exchange since 1993 and is also traded on over-the-counter markets in Frankfurt, Berlin, Hamburg, Stuttgart and Munich.

Competent Persons Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists,.

Mr Longley is a consultant to the Company and 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". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Forward-Looking Statement

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 other operating results, growth prospects and the outlook of SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL 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. For a discussion of such factors, refer to SDL's most recent annual report and half year report. SDL 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.