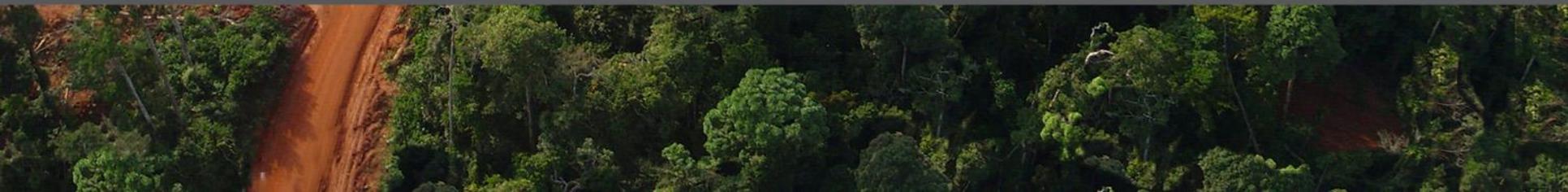




SUNDANCE  
RESOURCES LTD

# Development of a New World-Class Iron Ore Region in Central Africa

Investor Non-Deal Road Show  
London; USA | November 2013



# Sundance Board of Directors

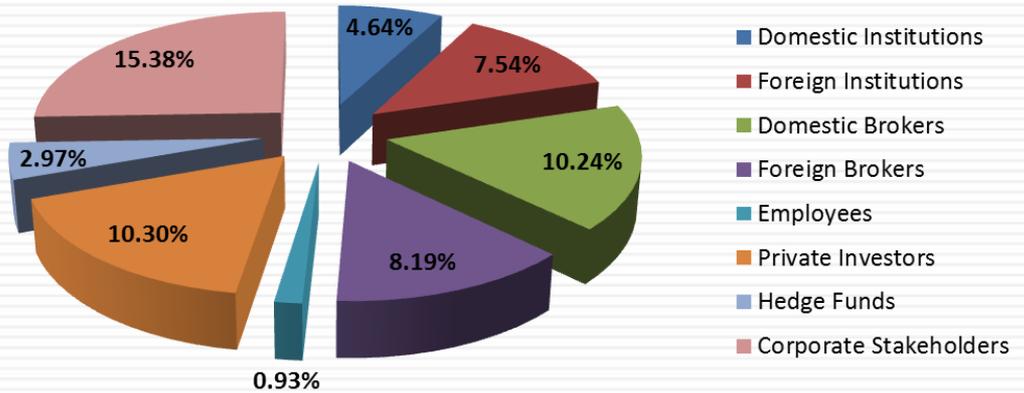


# Capital Structure

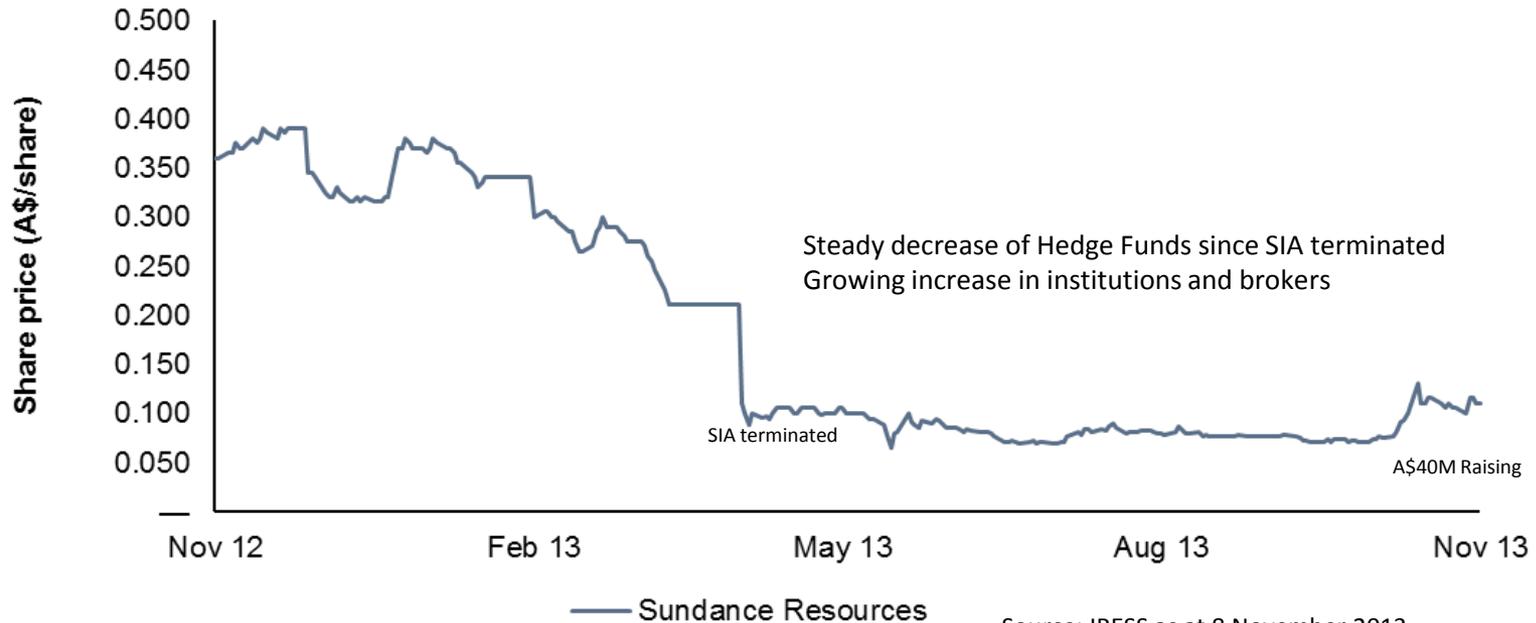


ASX Code	SDL
Ordinary Shares on Issue	3,073,110,986*
Total No. Shareholders	22,492
Unlisted Options & Performance Rights	77,652,547 9,137,858
Share Price	A\$0.11**
Market Cap	~A\$338M**

\*As at 04/11/2013 | \*\*As at 08/11/2013



Primarily located in Asia (22%), Australia (21%), UK (7%), USA (4%)



Source: IRESS as at 8 November 2013

# Corporate Structure



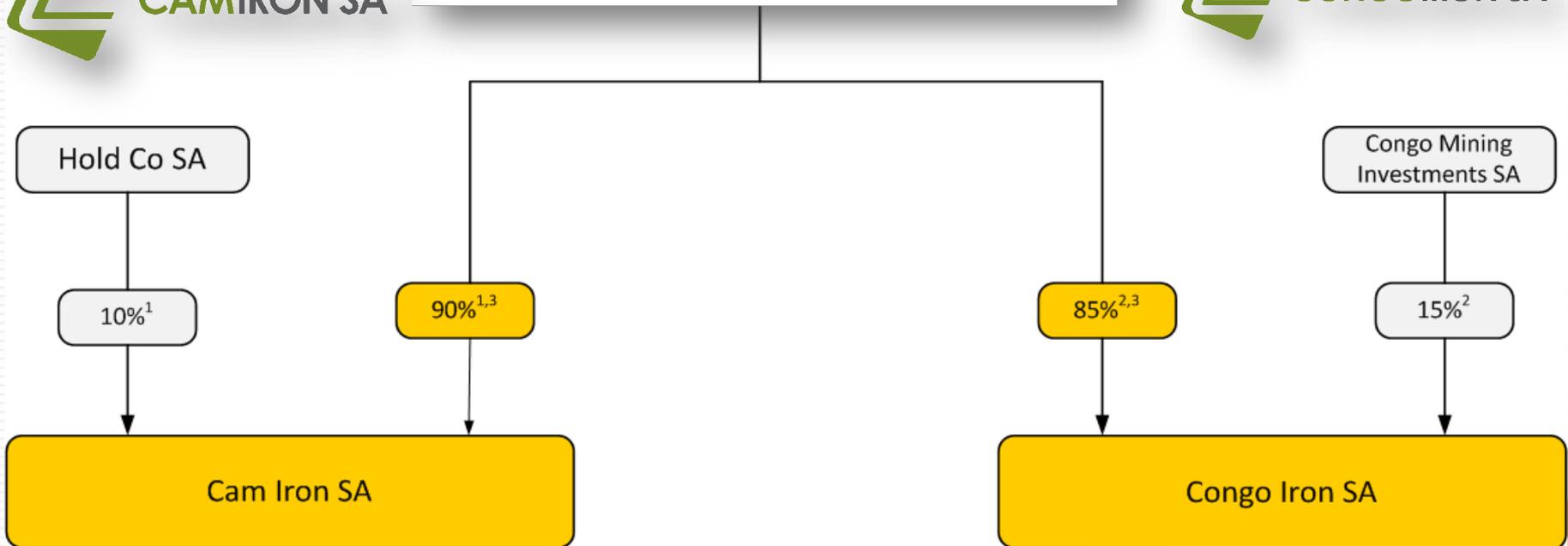
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CAMIRON SA



CONGOIRON SA

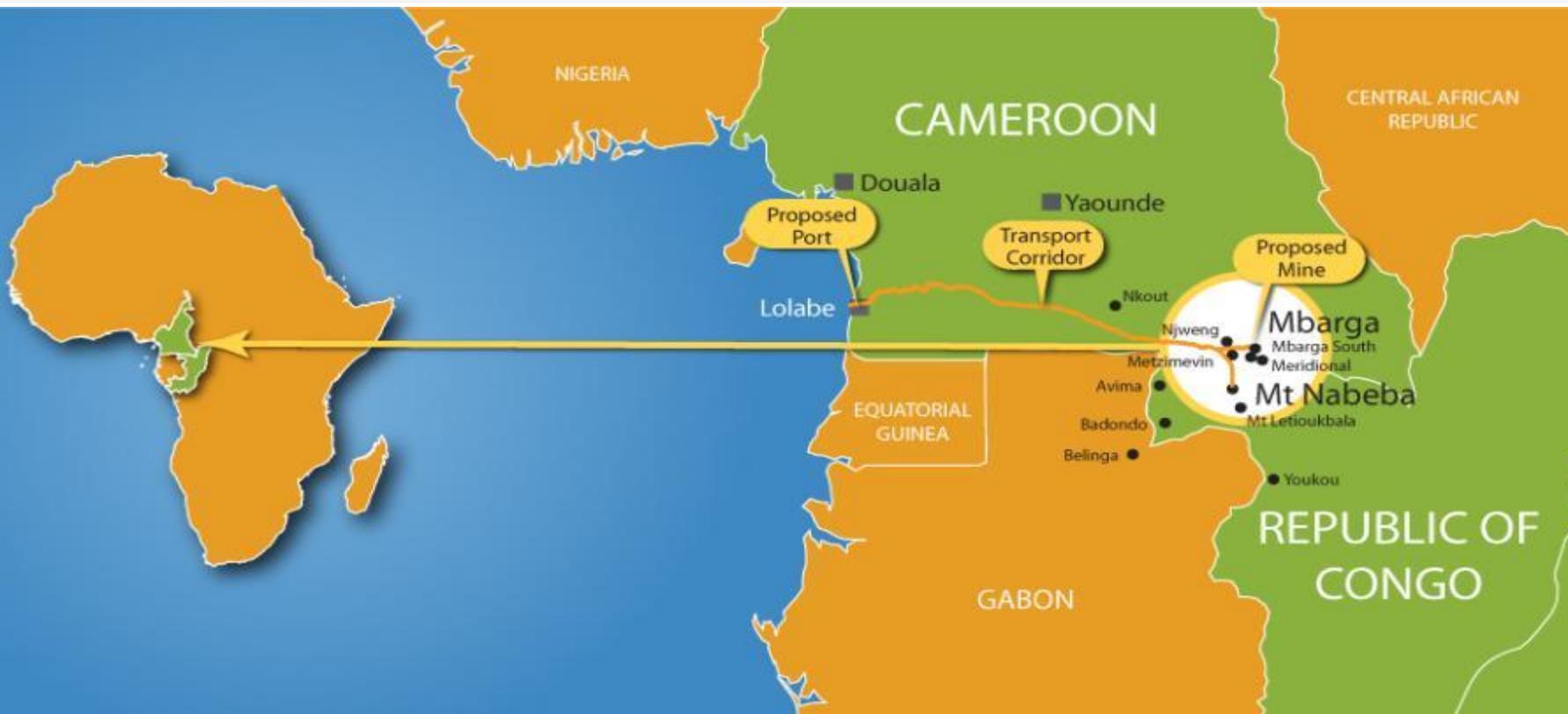


1. Under the concluded Mbalam Convention the Cameroon Government has a right to a 10% free carry interest in the Project Companies pursuant to the Cameroon Mining Code and an additional 5% interest where the equity requirements can be loaned to the State and then repaid with interest out of dividends.
2. Congo Government has a right to a minimum 10% interest in Congo Iron SA pursuant to the Congo Mining Code, to be negotiated through the Congo Convention.
3. Incorporating both Governments interest then SDL's interests is diluted to 76.5% respectively in each Company.

# A Pioneer Project for Central Africa

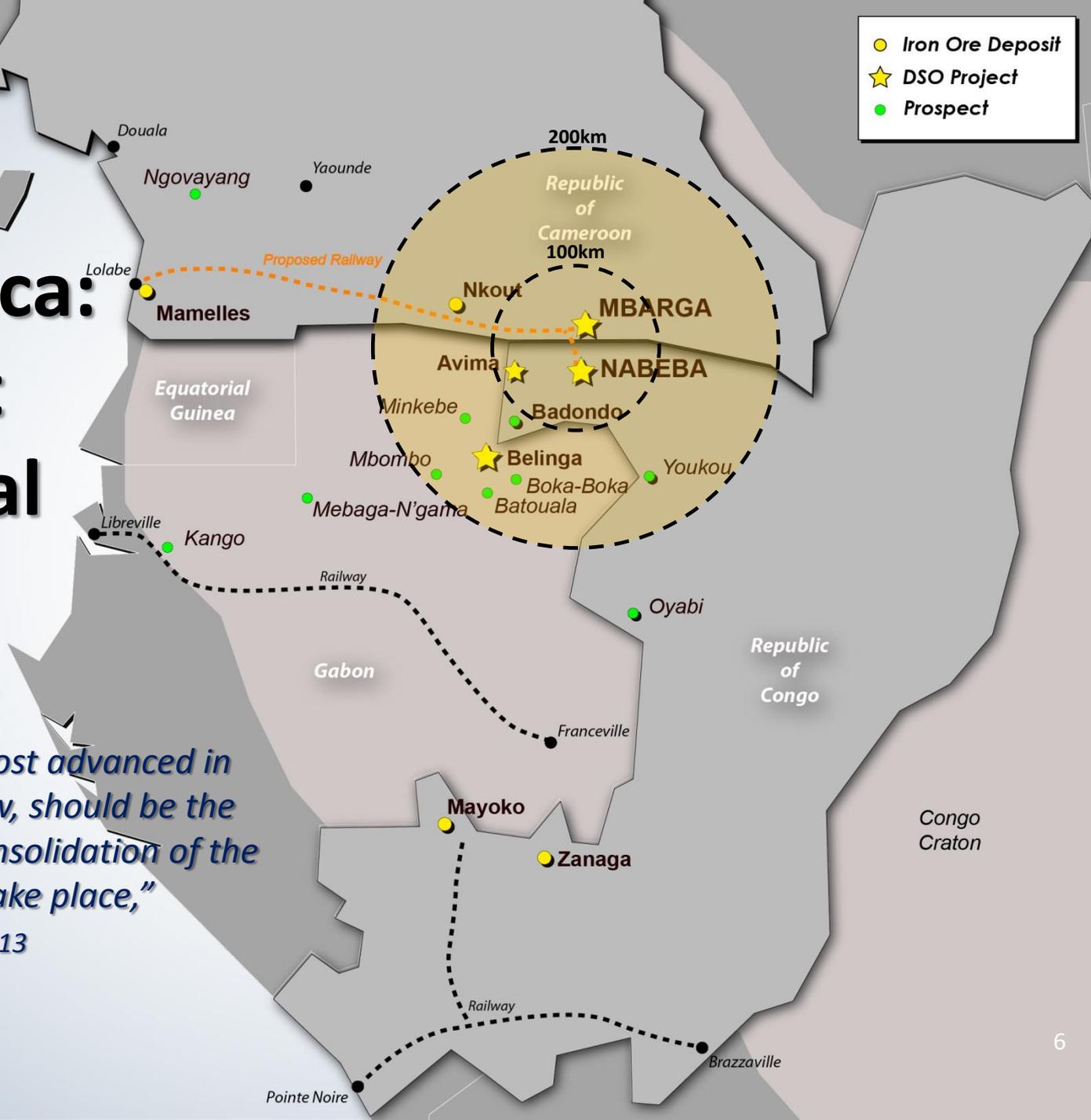


- 510 km Railway dedicated to transport of iron ore with 70 km spur line from Nabeba
- Mineral Terminal Facility (Port) capable of taking bulk iron ore carriers of up to 300,000 DWT
- **Stage 1:** production 35Mtpa Direct Shipping Ore for a minimum 10 years
- **Stage 2:** continued 35Mtpa of concentrate product from Itabirite for further 20+ years



# Central Africa: The Next Substantial Iron Ore Province

- Iron Ore Deposit
- ★ DSO Project
- Prospect



*“SDL’s projects are the most advanced in the region and in our view, should be the nucleus around which consolidation of the region’s projects would take place,”  
Investec Securities 30/7/2013*





# High Grade Hematite Resources and Mineral Ore Reserves

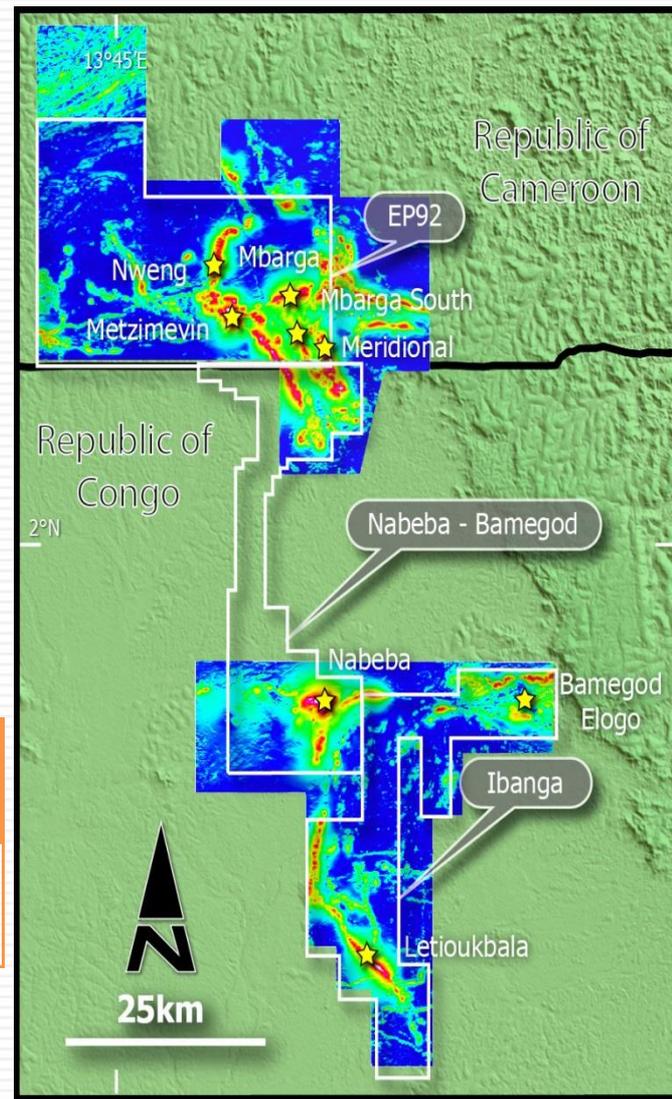


- JORC-Code compliant High Grade Hematite Resources totalling **775.4Mt at 57.2% Fe**
- High Grade Hematite Ore Reserves of **436.3 Mt at 62.6% Fe** with low impurities 4.4% Silica; 2.6% Alumina; 0.09% Phos
- Additional Exploration Target of 90 - 150Mt of High Grade Hematite on existing tenements\*

GLOBAL HIGH GRADE RESOURCES	Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)
Indicated	748.0	57.2	9.2	4.4	0.098	3.8
Inferred	27.4	57.4	15.1	3.0	0.090	1.5
<b>Total High Grade Resources</b>	<b>775.4</b>	<b>57.2</b>	<b>9.4</b>	<b>4.3</b>	<b>0.098</b>	<b>3.8</b>

High Grade Hematite Ore Reserves	Reserve Classification	Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)
Ore Reserves Reported to ASX 24/12/2012	Probable	436.3	62.6	4.43	2.55	0.087	2.78

\* It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.

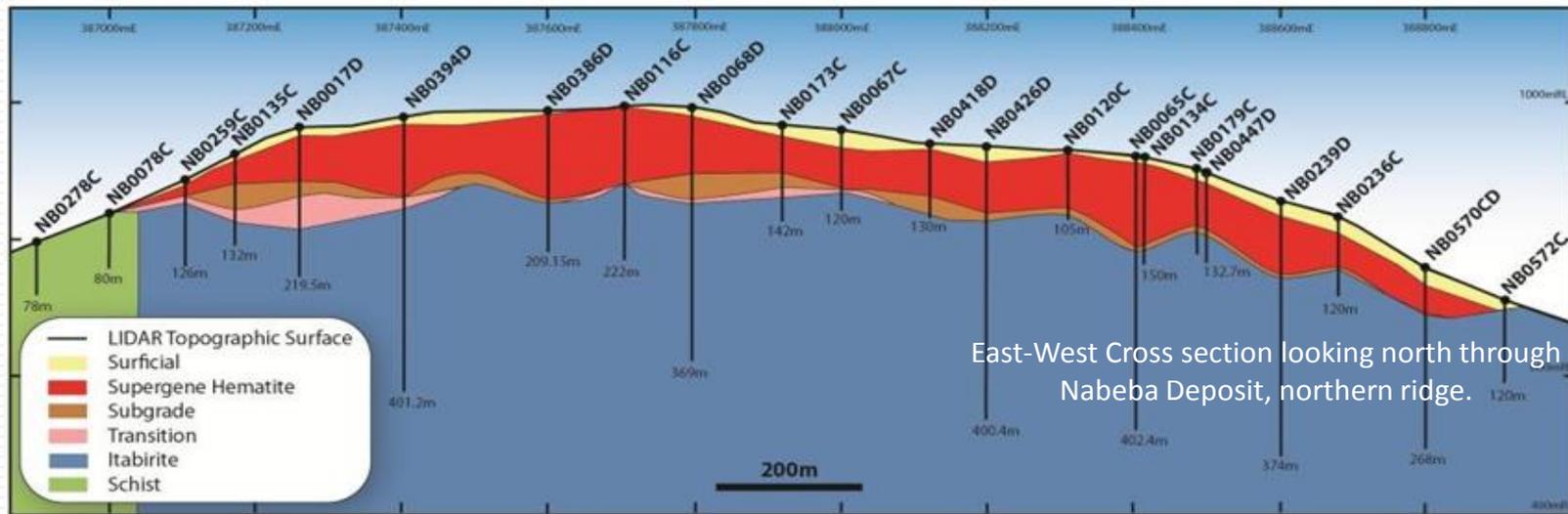




# Itabirite Hematite Resources

## 4.047 billion tonnes at 36.3% Fe

- Exploration Target of additional 9.3 to 13.2 Bt Itabirite at 30% - 40% Fe on existing tenements\*



East-West Cross section looking north through Nabeba Deposit, northern ridge.

Global Itabirite Hematite Resources	Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)
Mbarga Deposit	2,325	38.0	44.4	0.5	0.04	0.4
Nabeba Deposit	1,722	33.9	42.5	2.7	0.05	2.6
<b>Total Itabirite Hematite Resource</b>	<b>4,047<sup>(i)</sup></b>	<b>36.3</b>	<b>43.6</b>	<b>1.4</b>	<b>0.04</b>	<b>1.3</b>

*(i) Of the total 4,047 Mt Itabirite Resource, 1,431 Mt is at a grade of 38.0% and classified as **Indicated**.*

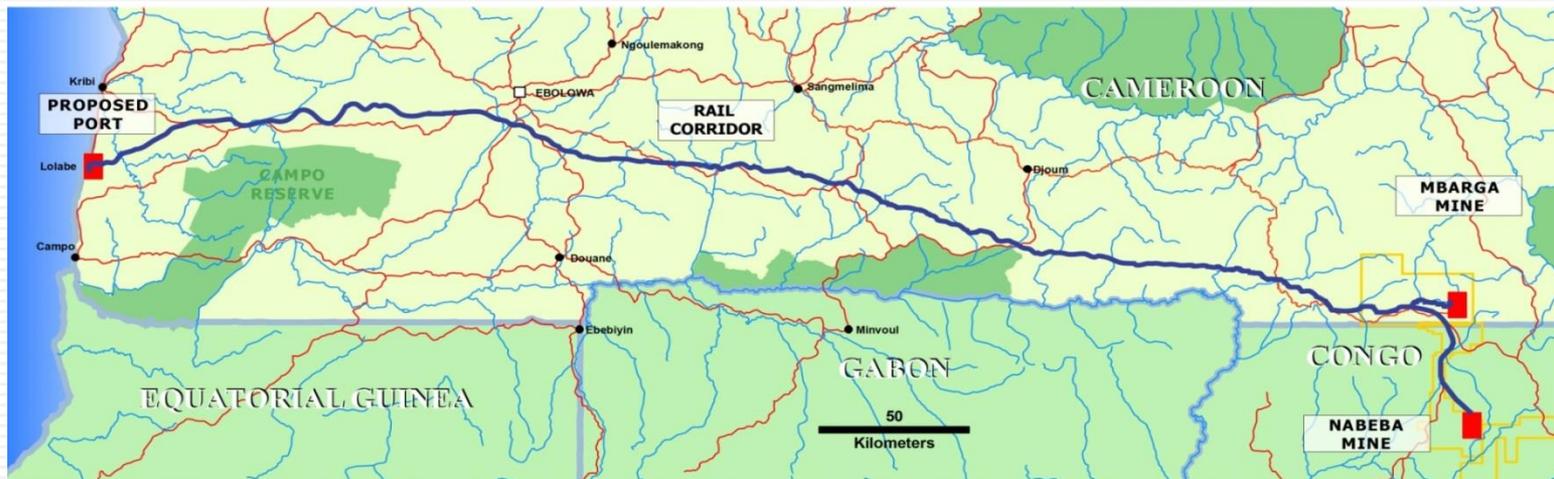
*The remaining Itabirite is **Inferred Mineral Resources**.*

\*It must be noted that this range is an Exploration Target only, and not to be misconstrued as an estimate of Mineral Resources. The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the determination of a mineral resource.

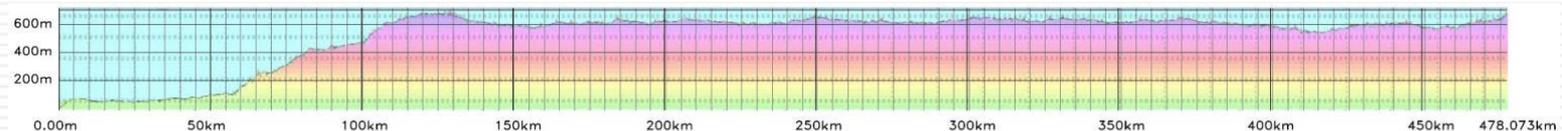


# Infrastructure Planning

- 510 km rail line to Mbarga; 70 km spur line to Nabeba
  - Standard gauge 32 t axle load
  - 6 trains each comprising 3 locos & 190 wagons (expandable to ~100Mtpa)
  - Deep water near shore (25m)
  - Single berth capacity for up to 45Mtpa
  - Designed for 300,000 DWT “China-max” carriers
- Environmental approval granted for Port, Rail and Mine in Cameroon in 2010
- Declaration of Land for Public Utility for Port in 2010; and for Rail Corridor in 2011



**Selection Along Preferred Route**



# Capital and Operating Costs

## Capital Intensity \$134/t Stage 1



### Definitive Feasibility Study – Stage One

<b>CAPEX<sup>1</sup></b>	<b>US\$M</b>
Mining, Processing and Infrastructure	914
Rail	2,019
Port	537
Subtotal	3,471
PMC, Owners Costs and Contingency	1,214
<b>Total (US\$M, real as at December 2010)</b>	<b>4,686</b>

### **OPEX<sup>1</sup>**

Estimated Operating Cost <sup>2</sup>	US\$21.20/t
---------------------------------------	-------------

1. CAPEX & OPEX estimates for High Grade Hematite production only
2. OPEX includes cash operating costs and contingency

### Pre-Feasibility Study – Stage Two

<b>CAPEX<sup>1</sup></b>	<b>US\$M</b>
Beneficiation	1,908
Pellet Plant	400
Subtotal of direct costs	2,308
PMC, Owners Costs and Contingency	835
<b>Total (US\$M, real as at December 2010)</b>	<b>3,143</b>

### **OPEX<sup>1</sup>**

Estimated Operating Cost <sup>2</sup>	US\$42.1/t
---------------------------------------	------------

1. CAPEX & OPEX estimates for Stage Two Itabirite production only
2. OPEX includes cash operating costs and contingency

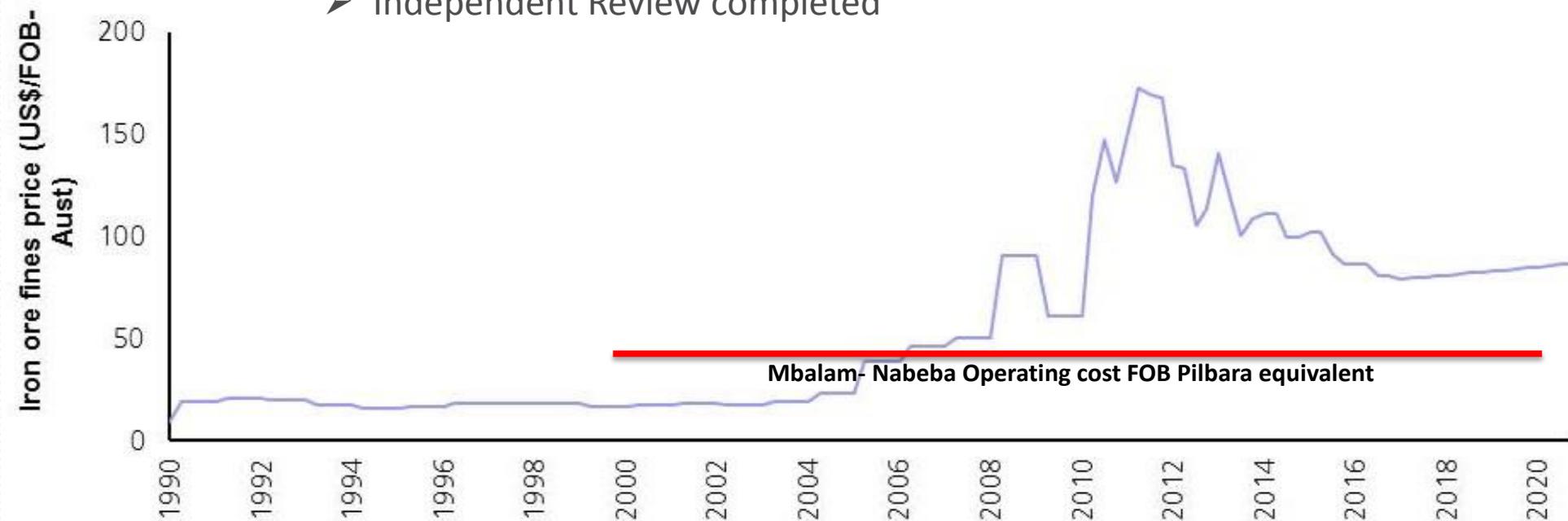
**IRR 26% (unlevered) FOB Pilbara at long term  
Iron Ore price of US\$73/tonne**

# Tailor-Made for Investors and Customers Alike



## FOB Cameroon \$21.20/t (Stage 1)

- Strip Ratio 0.9:1 Substantial Scale
- Dedicated Rail and Port
- Reasonable labour costs
- Freight differential to China between Pilbara and W. Africa \$10-15/t
- Independent Review completed



Source: UBS



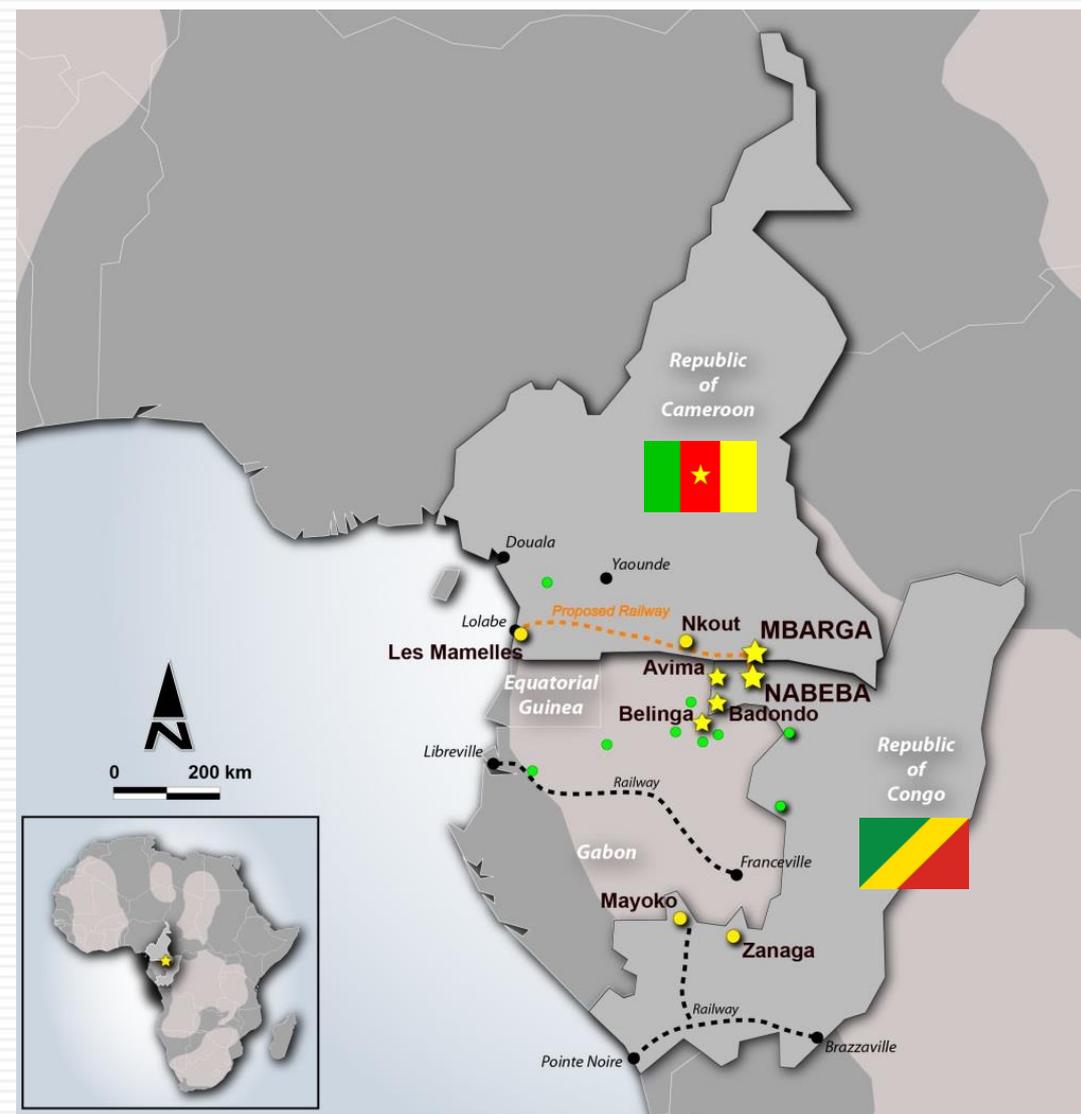
# Republics of Cameroon and Congo

## Cameroon

- Bilingual (French & English)
- Population approx. 20 million
- Capital - Yaounde (2.5 million)
- 1995 - Member of Commonwealth
- 2006 - SDL arrived

## Republic of Congo

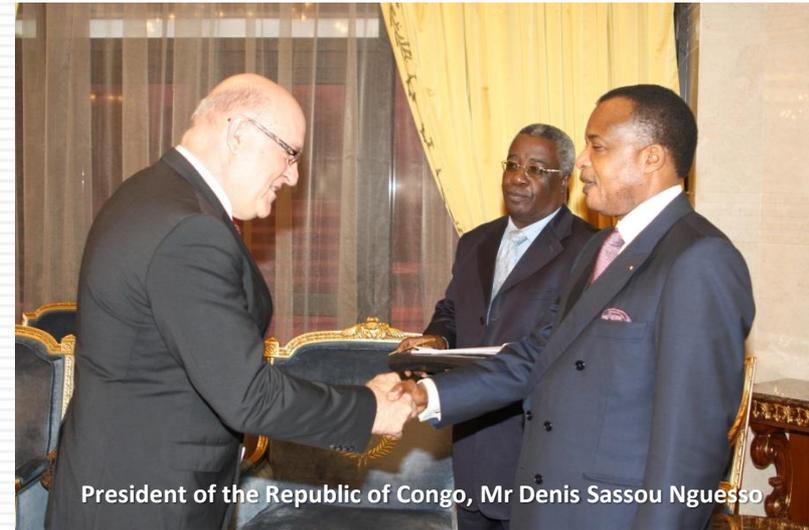
- Francophone
- Population approx. 5 million
- Capital - Brazzaville (1.4 million)
- 1960 - Independence
- 2009 - SDL arrived
- **NOT** the “DRC”



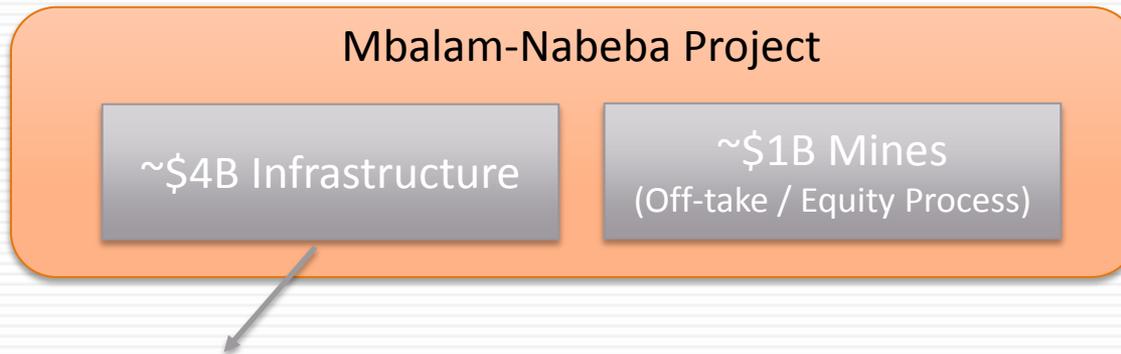
# Government Approvals in Place



- Congo Mining Permit approved in Dec 2012 and granted by Presidential Decree in Feb 2013
- Congo Convention currently being negotiated
- Mbalam Convention signed with Cameroon Government in November 2012 with attractive Fiscal and Labour Terms
  - 5-year tax holiday; 25% income tax and 5% dividend tax thereafter
  - Gov't. ownership 10% free carry plus 5% loan carried
  - Flexible labour conditions
  - Strong social commitment
- Environmental approvals are in place
- Declaration of Land for Public Utility (DUP) for rail corridor in Cameroon announced in 2012



# Funding the Development Strategy



## Rail & Port Infrastructure Process

- Infrastructure approximately 80% of total construction costs
- Expected that debt funding will be between 70 – 85% of total
- Rail and port developed by separate provider (e.g. infrastructure provider) and backed by take or pay contracts from the mine
- Tender documents issued for Engineering, Procurement and Construction (EPC) contractors for rail and port infrastructure construction and debt financing
- EPC process tender issued for construct of rail and port plus debt, with options for equity participation in the infrastructure or independent consortium
- Tenders expected to be submitted by year end and then finalised in Q1 2014

# Funding the Development Strategy



## Off-take / Equity Process

- Less than one third of off-take expected to be able to secure capital funding for Project
- Request for proposal issued to steel mills, iron ore traders and infrastructure providers
- Negotiations commenced for:
  - Partial mine equity sale;
  - Partial project equity sale; and
  - Iron ore off-take
- This underwrites Sundance's equity requirements and provides security for the development of the infrastructure
- Conclusion of the off take and equity process will align with the conclusion of the EPC process





# Prudent Management of Funds

## Sundance Raises \$40 Million – 22 October ASX Announcement

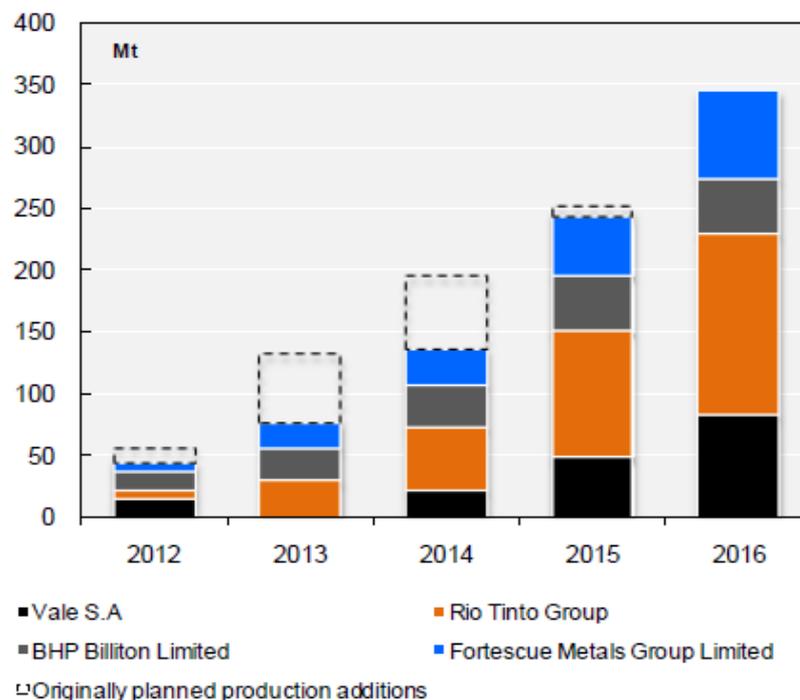
- Issue convertible notes and options to Noble Resources International and Investor Consortium involving Blackstone, D. E. Shaw Group and Senrigan
- Ensures company has sufficient funds to meet its anticipated working capital requirements to meet pre-development capital expenditure for the Project
- Demonstrates ongoing support for what is regarded as a world-class DSO iron ore project
- Investors and SDL aligned on project success
- A number of cost saving initiatives have also been introduced
- Sundance believes \$40 million will provide sufficient funding while the Company aims to complete project development negotiations

# The Start - Not the End - of the Cycle



- Iron ore majors have stated publicly their focus is on cost reduction and increasing returns to shareholders
- As a result, they are slowing expansions and slashing/eliminating investment in new projects
- Pull-back is freeing up engineering, labour, and equipment

## Forecast Incremental Production from the Four Majors, Mt



Source: AME Group



# New Cycle, Same Drivers

**The oligopoly still reigns - 70% of ore imported by China comes from the majors**

*“BHP, Rio accused of rigging ore price”*

*China has accused Australia's top two mining companies of manipulating the iron ore price by deliberately holding back supply. The NDRC, China's main economic adviser, said the major producers were not supplying the market with their full production capacity, (The Australian, 7<sup>th</sup> March 2013)*

- **Chinese domestic production costs are increasing while quality is decreasing**
  - *There is as much as 40Mtpa of capacity operating in the \$110/t to \$140/t range (Source: AME Group)*
- **China's total iron ore demand forecast to continue growing strongly, albeit at lower rates**
- **China to urbanise an additional 300m people over the next 15 years; growth trend continues above 7%**
- **China's 5-year plan remains, requiring that more than 50% of imported ore is Chinese-owned**

# One of the World's Most Advanced Independent Greenfield Projects



- High Grade Hematite Resources of 775.4Mt at 57.2% Fe
- High Grade Hematite Ore Reserves of 436.3Mt at 62.6% Fe with low impurities
- Total Itabirite Resources at 4.05Bt @ 36.3% Fe
- Definitive Feasibility Study completed confirming a technically and economically viable project (Stage 1)
- Environmental approvals in place and Declaration of Land for Public Utility (DUP) for port and rail
- Congo Mining Permit approved 28 Dec 2012
- Mbalam Convention signed 29 Nov 2012
- Tender documents issued for EPC contractors for infrastructure construction and financing
- Negotiations underway for equity and off-take of the full production capacity of 35Mtpa
- A\$40M raised through convertible notes to sophisticated investors – Noble Resources, Blackstone, DE Shaw Group and Senrigan





# Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy. Mr Longley and Mr Widenbar are consultants to Sundance and have sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which they are 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”.

The information in this report that relates to Mineral Ore Reserves is based on information compiled by Mr Bruce Gregory, a member of the Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by AMC Consultants Pty Ltd and is a consultant to the Company. Mr Gregory 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”.

Messrs Longley, Widenbar and Gregory consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

For more information including modelling parameters and details, the ASX announcements pertaining to Exploration Results, Mineral Resources and Ore Reserves are available from the Company’s website: [www.sundanceresources.com.au](http://www.sundanceresources.com.au).

## Disclaimer

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 to the 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. 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.

# THANK YOU



**Sundance Resources Ltd**

[www.sundanceresources.com.au](http://www.sundanceresources.com.au)

ASX CODE 'SDL'