



TOP 5 REASONS WHY MBALAM IS POSITIONED TO BE THE WORLD'S NEXT GREAT IRON ORE OPERATION

Developing the Mbalam Iron Ore Project
in central west Africa

Africa Down Under Conference
1 September 2011



SUNDANCE
RESOURCES LTD

ASX Code: SDL
ABN 19 055 719 394

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.

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Competent Persons Statement

The information in this presentation 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 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.

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Corporate Structure



1. Cameroon Government has a right to a 10% interest in Cam Iron pursuant to the Cameroon Mining Code. Under the Framework Agreement signed in 2007 with the Cameroon Government, the State can purchase an additional 15% of the project.
2. Congo Government has a right to a 10% interest in Congo Iron pursuant to the Congo Mining Code.
3. Should Cameroon and Congo Governments exercise their option for a 10% interest in Cam Iron SA and Congo Iron SA, then Sundance Resources Ltd interests in each will reduce to 81% and 76.5% respectively.

Capital Structure

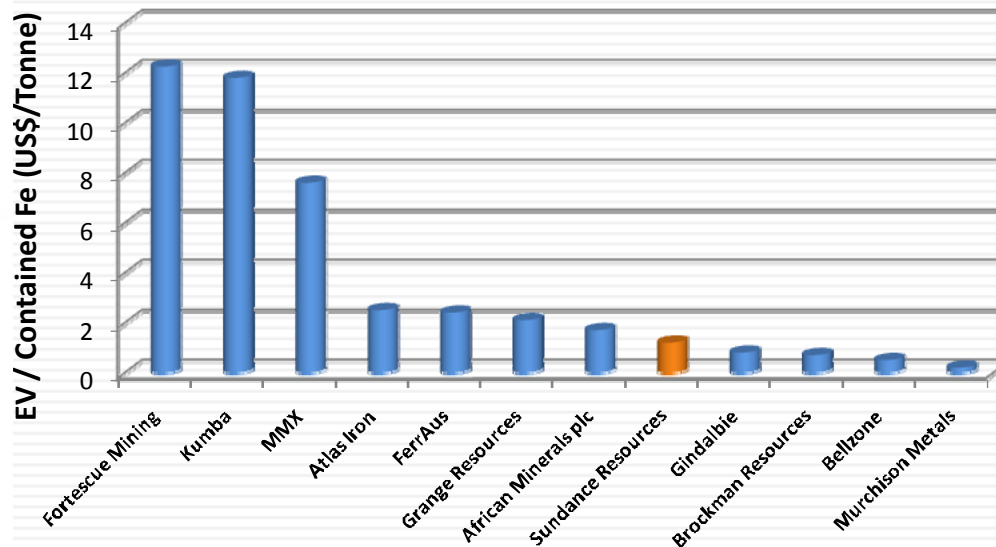
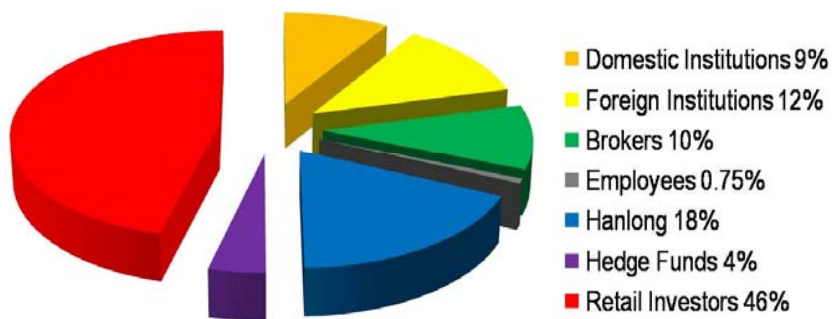


ASX Code	SDL
Market Cap	A\$1.33B*
Ordinary Shares	2,887,654,669
Unlisted Options & Rights	74,622,166
Share Price	A\$0.46*

*As at 26 August 2011



Shareholding Structure



SDL: EV of \$1.22 per Fe tonne



Committed to Shareholder Value



The Mbalam Iron Ore Project



- Mining 35 Mtpa from two deposits in Cameroon and Congo
- 510 km rail line dedicated to the transport of iron ore
- 70 km rail spur from Nabeba
- Deep water port capable of taking bulk iron ore carriers of up to 300,000 DWT



REASON #1.

WORLD-CLASS RESOURCES



JORC-Code Compliant Resources

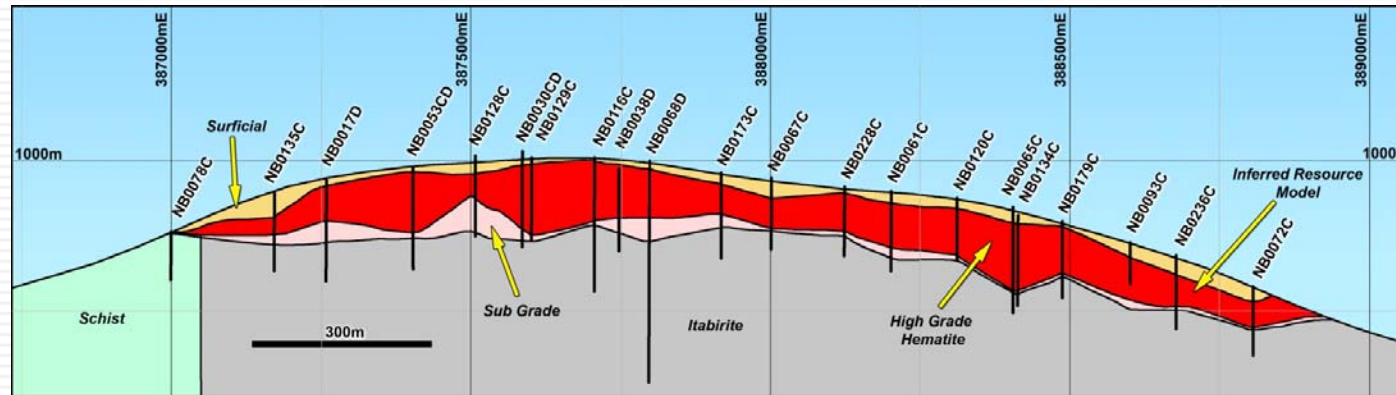
- 521.7 million tonnes @ 60.7% Fe High Grade Hematite
- 2.3 billion tonnes @ 38% Fe Itabirite Hematite
- Maiden Reserve of 252 million product tonnes at 63.6% Fe
- Upgraded Resources figures being adapted to Reserves Estimate

Global High Grade Resource	Tonnes (Mt)	Fe (%)
Indicated	488.5	60.9
Inferred	33.3	57.9
Total High Grade Resource	521.7	60.7

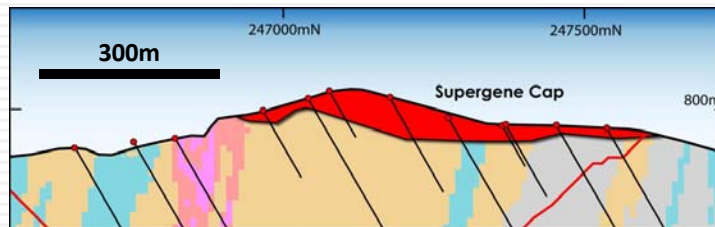
Itabirite Hematite Resources (Mbarga)	Tonnes (Mt)	Fe (%)
Indicated	1,431	38%
Inferred	894	38%
Total Itabirite Hematite Resource	2,325	38%



Exposure to high quality iron ore Deposits



Nabeba Deposit



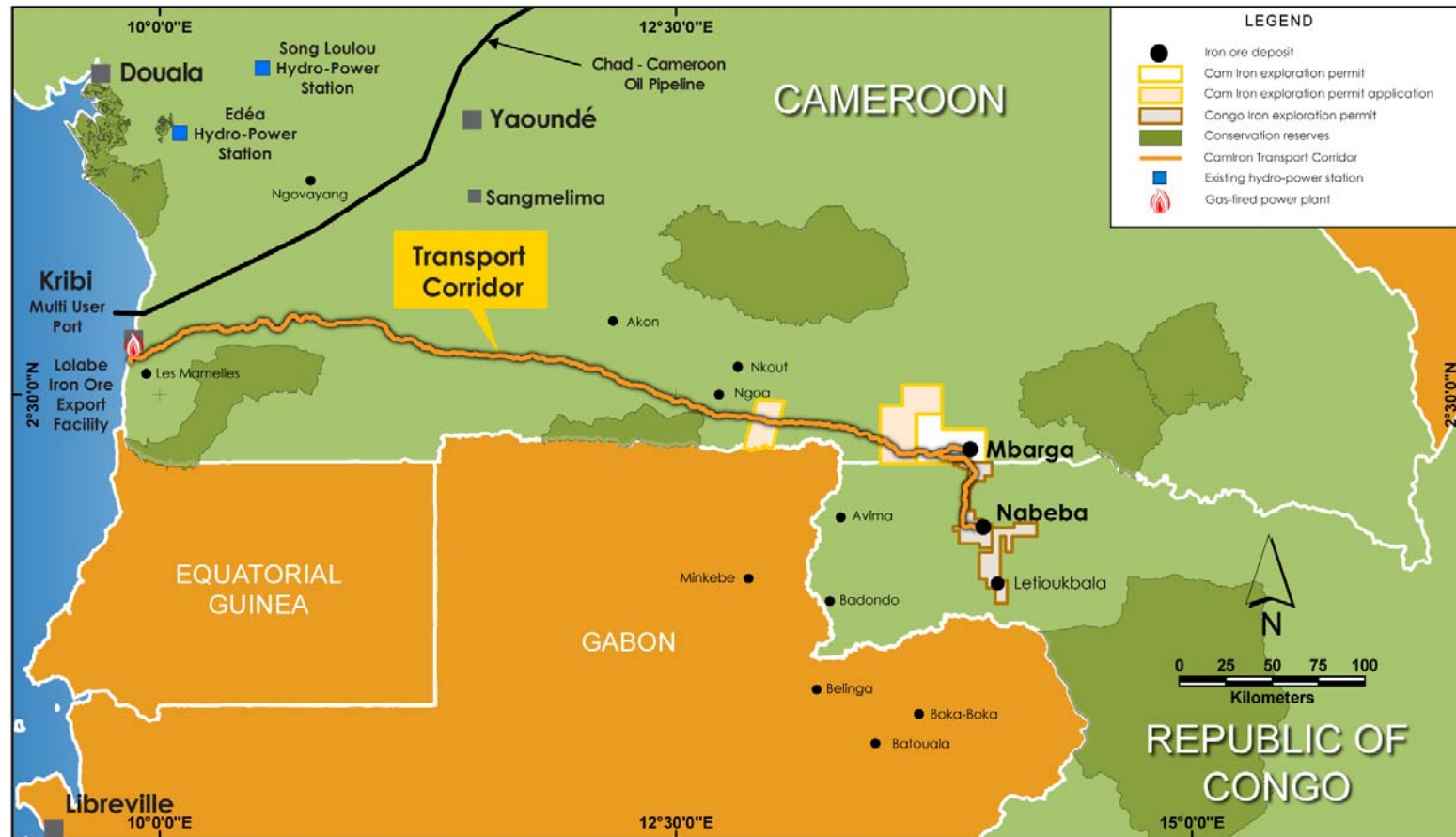
Mbarga Section Looking West

- Low strip ratio of an average of 0.81 for High Grade Hematite Stage of project
- Itabirite directly underneath High Grade Hematite at Mbarga with approximate strip ratio of 0.3
- Confirms long mine life potential

High Grade Hematite Resources (Nabeba)	485 Holes	Tonnes (Mt)	Fe (%)
Indicated		313.4	61.6
Inferred		5.8	60.6
Total Nabeba		319.2	61.6

High Grade Hematite Resources (Mbarga)	417 Holes	Tonnes (Mt)	Fe (%)
Indicated		154.4	60.0
Inferred		12.2	54.7
Total Mbarga		166.6	59.6

Exploration and Regional Development Potential



- Mbalam Project strategically located at the heart of an emerging iron ore province
- Sundance is well placed with first-mover advantage
- Development of integrated mine, rail and port project expected to unlock potential



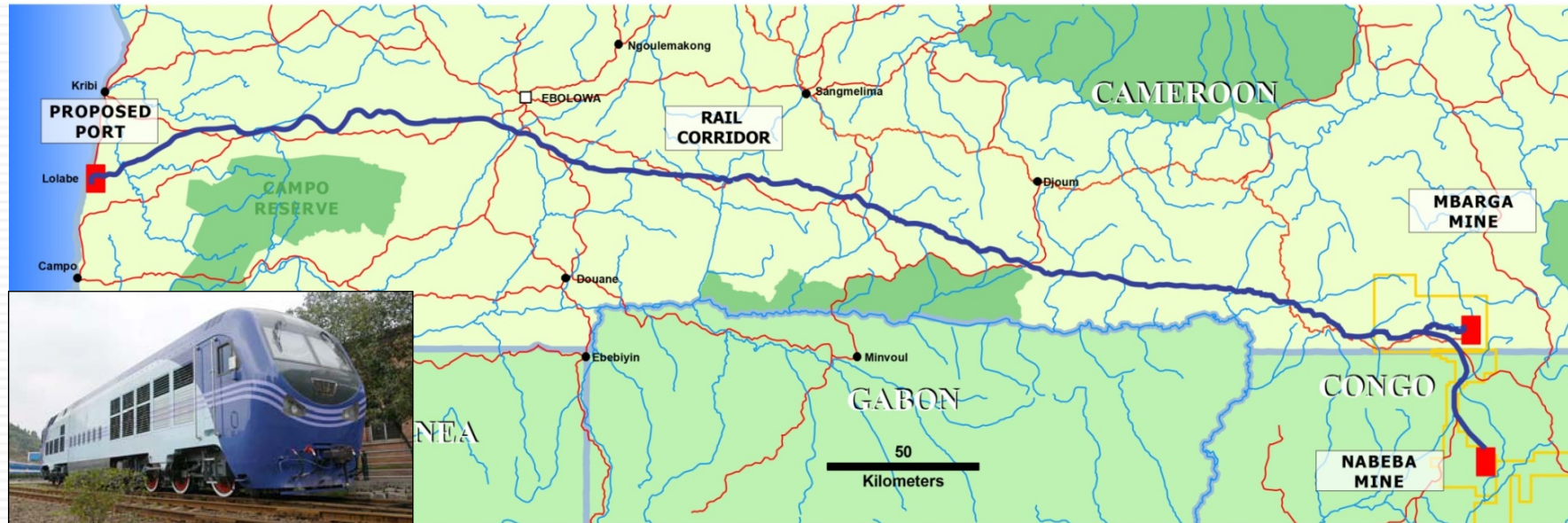
REASON #2.

INFRASTRUCTURE SOLUTION

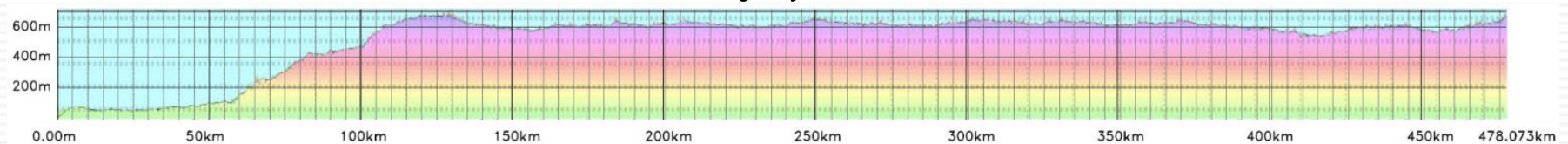
Rail from Mine to Port



- 510 km railway from Mbarga to Port
- 70 km spur line from Nabeba
- DFS design/costing by Calibre Rail
- Selection of 32 t axle loads (3 locos & 190 wagons)
- 28-hour cycle time from port to mine
- **Environmental approval granted for port, rail and mine in Cameroon**



Selection Along Preferred Route



Deep Water Port



- Deep water near shore berth (25 meters)
- Open water jetty – no breakwater
- Marine geotechnical investigations completed
- Single berth capacity for up to 45 Mtpa
- Port being designed for 300,000 DWT “China-max” bulk ore carriers
- Design and costing in DFS by Sogreah



Lolabe Iron Ore Terminal site



Kiribi Multi-User Port site



REASON #3.

**PROJECT ECONOMICS
AND LONG MINE LIFE**

Rapid Payback



- Definitive Feasibility Study for Stage One
- Capital expenditure of approx US\$4.686B
- Cash operating costs, pre-royalties, of US\$21.20 per tonne
- Stage One capital expenditure pay back in approximately 3 years^{2,4}
- 27% Internal Rate of Return on an un-g geared basis



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

OPEX ¹	
Estimated Operating Cost ^{3,5}	US\$21.20/t

1. CAPEX & OPEX estimates for DSO production only
2. Payback period based on forecast provided by Metalitics Iron Ore Briefing Service © with long term FOB Pilbara price (real, applied 2020 and beyond) of 105 US\$/dmu.
3. OPEX includes cash operating costs and contingency
4. Average Spot CFR price for 62% FE fines CFR china in Q2 2010 was US\$167/t
5. Assumed advantageous fiscal regime yet to be agreed

Itabirite Stage 2 = Long Mine Life



- PFS completed for Stage 2; proposed further production of a minimum 15 years following completion of DSO production
- **Target product of 66% Fe; a premium product of ~68% Fe potentially achievable**
- High-quality concentrate, low impurities, good recovery and relatively coarse grind size
- Capital expenditure of ~US\$3.1B
- Cash operating costs, pre-royalties ~US\$40/t for concentrate; US\$20/t for pellets
- Construction to be funded from Stage 1 cash flow



Target Itabirite Concentrate Product							
	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	Grind Size (P80 microns)	Mass Yield (%)	Fe Recovery
BF Concentrate	66.6	3.5%	0.3%	0.03%	53	48	84 %
DR Concentrate	68	1.8	0.2	0.03	53	45	81 %

Continue to value-add to the Project



- Geotechnical and hydrogeological investigations have commenced at Lolabe.
- Team of 15 currently undertaking test pitting.
- Employed 12 local staff, includes engineers, surveyors, community liaison officers and labourers.
- Approval to construct access roads to commence borehole drilling; engaging local earthmovers and drilling contractors to perform works.
- Constant communication with local authorities and local communities.
- DFS Enhancement Studies underway
- Establishing Project Management Structure and preparing for Project readiness



Strong demand & price outlook



- Iron ore continues to be a commodity ‘in demand’
- Long term iron ore price forecasts increasing as market realizes projects not coming online as quickly as expected
- China the largest importer in the world accounting for over 50% of total consumption; trend set to continue
- China’s domestic iron ore industry has limited resources and high costs – increasing seaborne trade in iron ore
- China seeking to make its voice heard more in the global iron ore market
- New and untapped regions (such as West Africa) viewed as viable alternatives to monopoly of big three which dominate Australia, Brazil

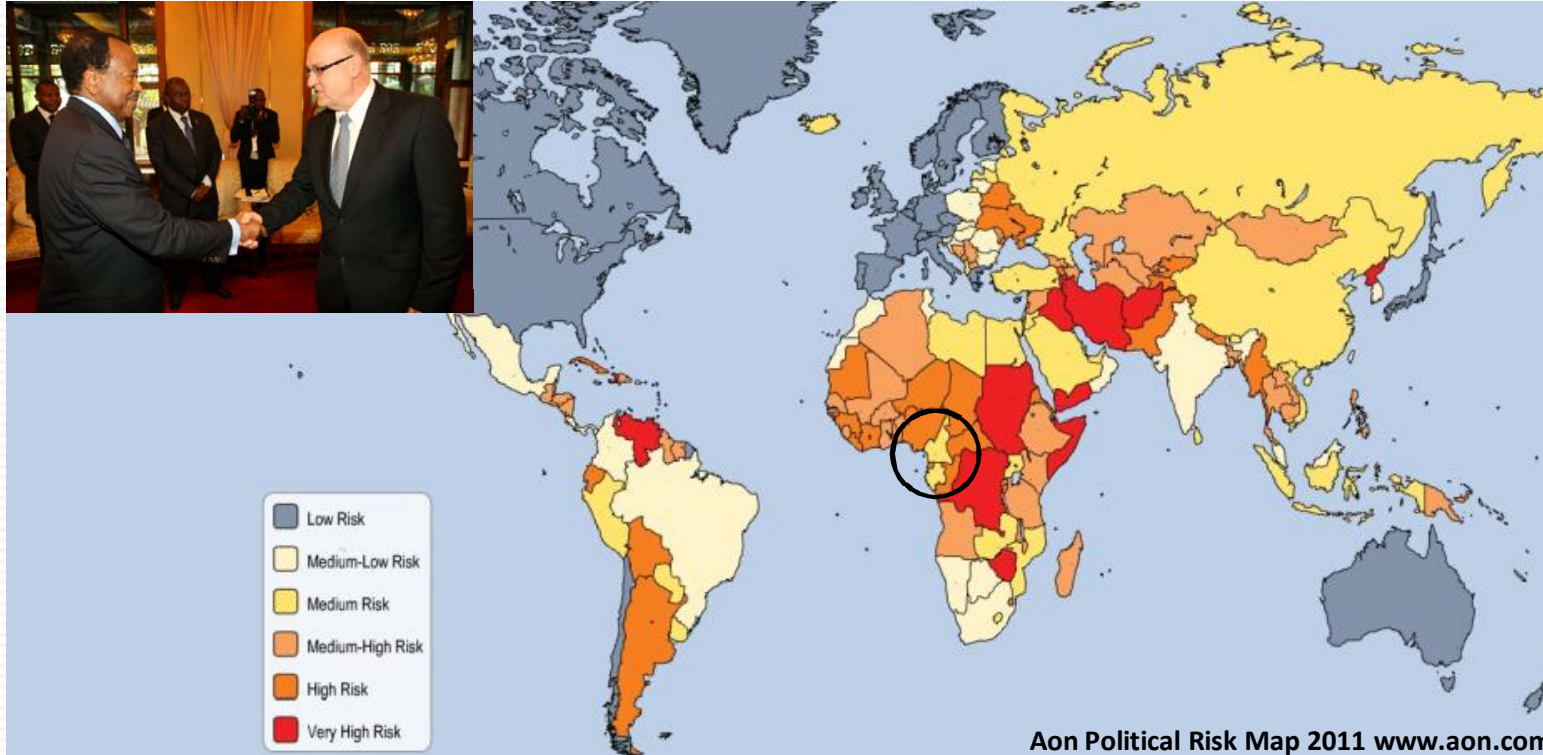




REASON #4.

**GOVERNMENT SUPPORT AND
OUR IN COUNTRY PRESENCE**

Firm Commitment from Government



- Stable Governments in both Cameroon and Republic of Congo
- Enjoy peaceful relations with each other since Independence
- Share the same currency which is pegged to the Euro
- Both are members of "Communauté Economique et Monétaire de l'Afrique Centrale" (CEMAC)
- Both are candidate countries progressing to compliance for the Extractive Industries Transparency Initiative
- Senior Government support for the Project

Strong In-Country Presence



- Commenced drilling June 2007
- Framework agreement signed Dec. 2008
- Office in Yaoundé; camp at Mbarga



- Commenced drilling in Feb 2010
- Office in Brazzaville; camp at Yangadou



- Expected to generate US\$2.3 Billion/year in export revenue
- ~300 total employees between the two countries
- 80% are local Cameroon / Congolese people
- Generating further direct and indirect employment, providing social infrastructure support, NGO and community partnerships
- 0.5% NPAT to environmental and social fund



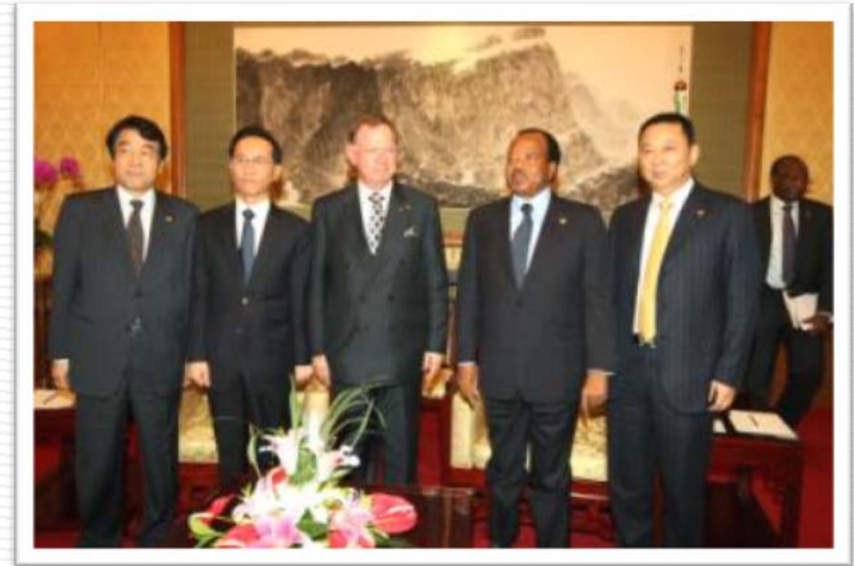
REASON #5.

A COMMERCIAL SOLUTION



Considerable commercial interest in the Mbalam Project

- Significant interest from China
 - Proposal for conditional cash offer for 100% of SDL from Hanlong received 15th July 2011
 - Representatives from Sundance, Hanlong, China Development Bank and CITIC Securities met with Cameroon President in Beijing in July 2011
 - Discussions continuing with Hanlong on the terms of their proposal
-
- In the meantime we are also still in active negotiations with other parties
 - UBS, Clayton Utz and CITIC Securities advising Sundance
 - Expect further developments in coming months





We are ready!

- Definitive Feasibility Study completed for Stage 1
- Pre-Feasibility Study completed for Stage 2
- MoUs for scope of work with China Rail & China Harbour
- Finalising Government Conventions
- Advanced discussions underway for financing the project
- FID scheduled by end of 2011
- Targeting First Ore to Ship by end of 2014





“...We are exceptionally well placed to realise our vision to become a leading global iron ore producer.”

Thank you!

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