



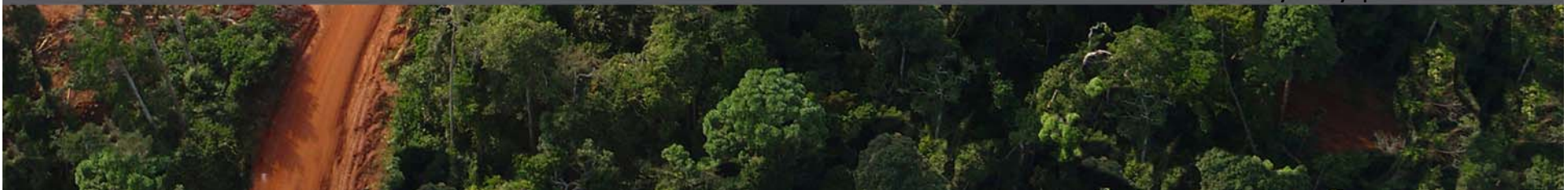
SUNDANCE  
RESOURCES LTD

# Building the Mbalam-Nabeba Iron Ore Project

*First mover advantage in Africa's new world-class iron ore region*

Giulio Casello, Managing Director & CEO  
Sundance Resources Ltd

Africa Mining Investment Conference  
Sydney | 25 June 2013



# 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.

## 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".

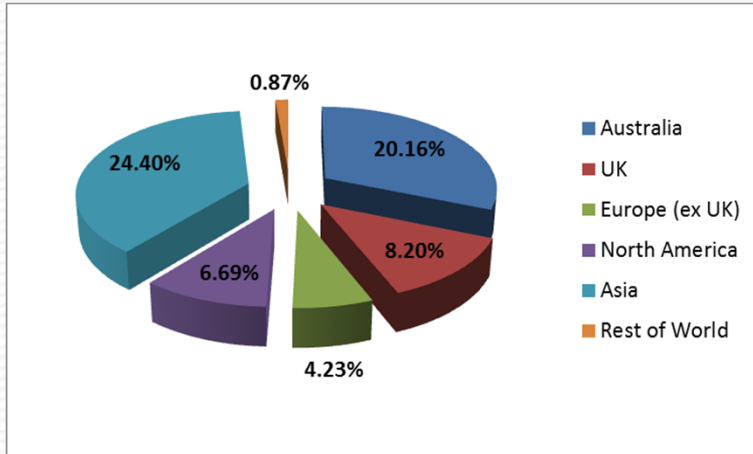
Messrs Longley, Widenbar and Gregory consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

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).

# A Board with Focus and Knowledge



# SDL Shareholding Structure



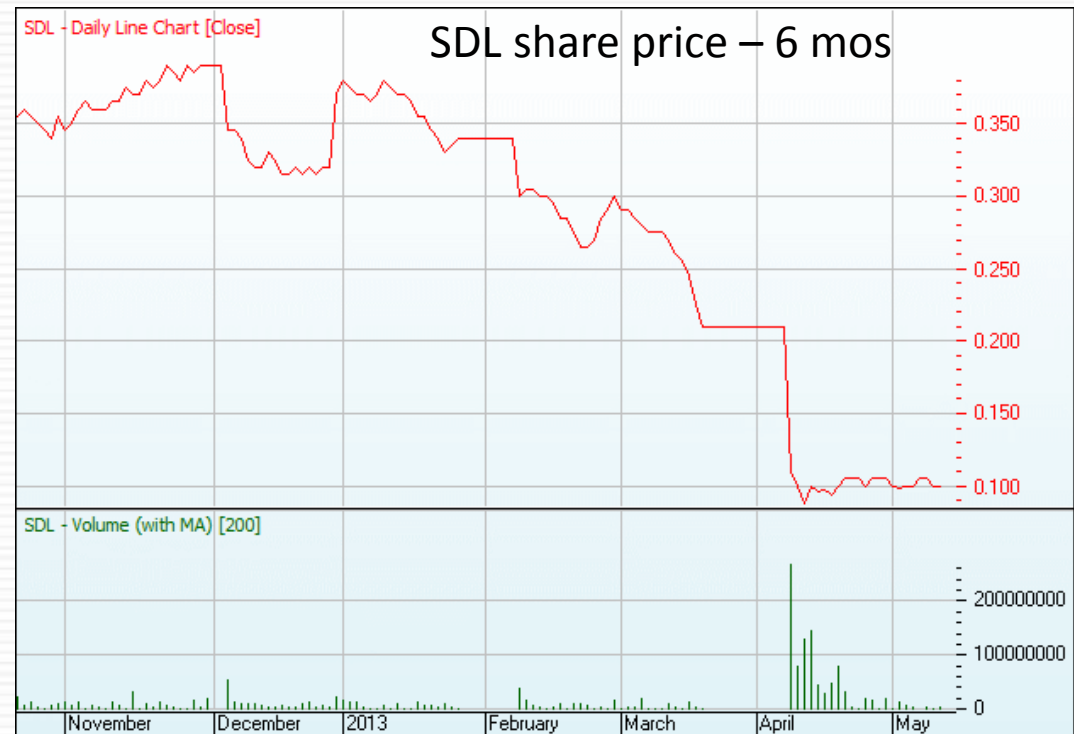
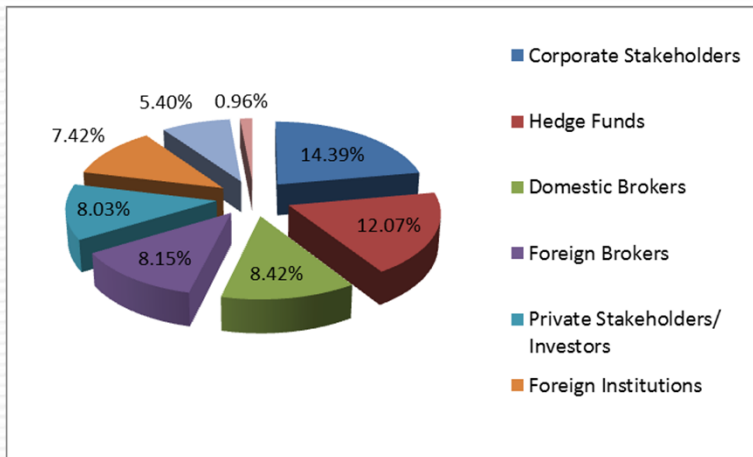
Ordinary shares on issue  
as at 31/5/2013

3,072,110,985

Number of Shareholders  
as at 31/5/2013

22,387

Top 20 hold 55.9% of IC



# Pioneer Mining Project for Central Africa

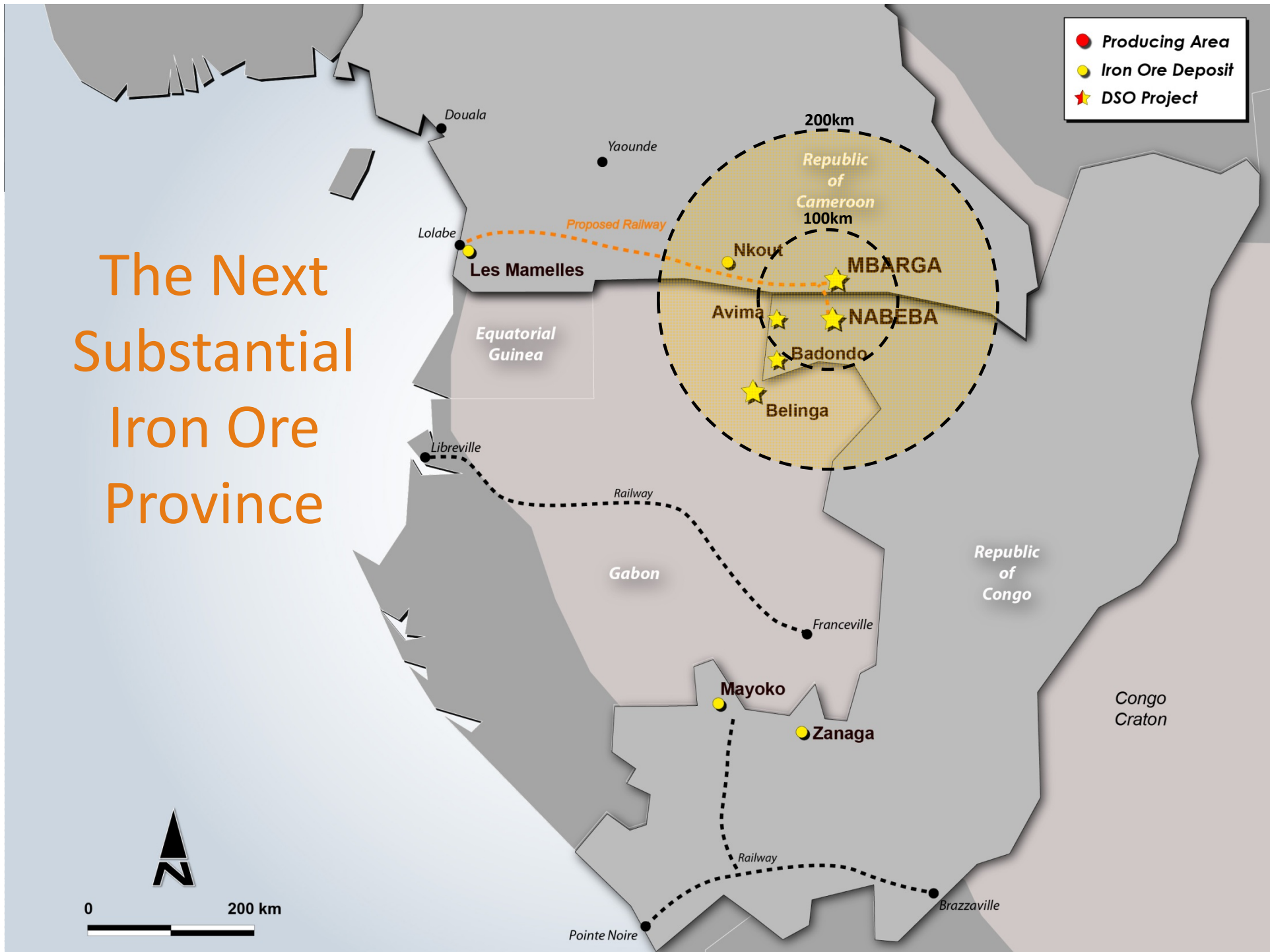


- 510 km rail line dedicated transport of iron ore and 70 km spur line from Nabeba
- Deep water port capable of taking bulk iron ore carriers of up to 300,000 DWT
- **Stage 1:** Mining 35Mtpa of **Direct Shipping Ore**-quality High Grade Hematite for *at least* 10 yrs
- **Stage 2:** Continued 35Mtpa of concentrate product from **Itabirite** for *at least* a further 15 yrs



# The Next Substantial Iron Ore Province

- Producing Area
- Iron Ore Deposit
- ★ DSO Project



# High Grade Hematite Resources and Ore Reserves



- JORC-Code compliant High Grade Hematite Resources totalling 775.4Mt at 57.2% Fe
- 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\*



Table 1 GLOBAL 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 - 6 April 2011	Probable	251.5	63.6	3.64	2.54	0.08	2.42
Ore Reserves Reported to ASX - 15 November 2011	Probable	352.3	62.4	5.00	2.60	0.090	2.60
<b>Ore Reserves Reported to ASX - 24 December 2012</b>	<b>Probable</b>	<b>436.3</b>	<b>62.6</b>	<b>4.43</b>	<b>2.55</b>	<b>0.087</b>	<b>2.78</b>

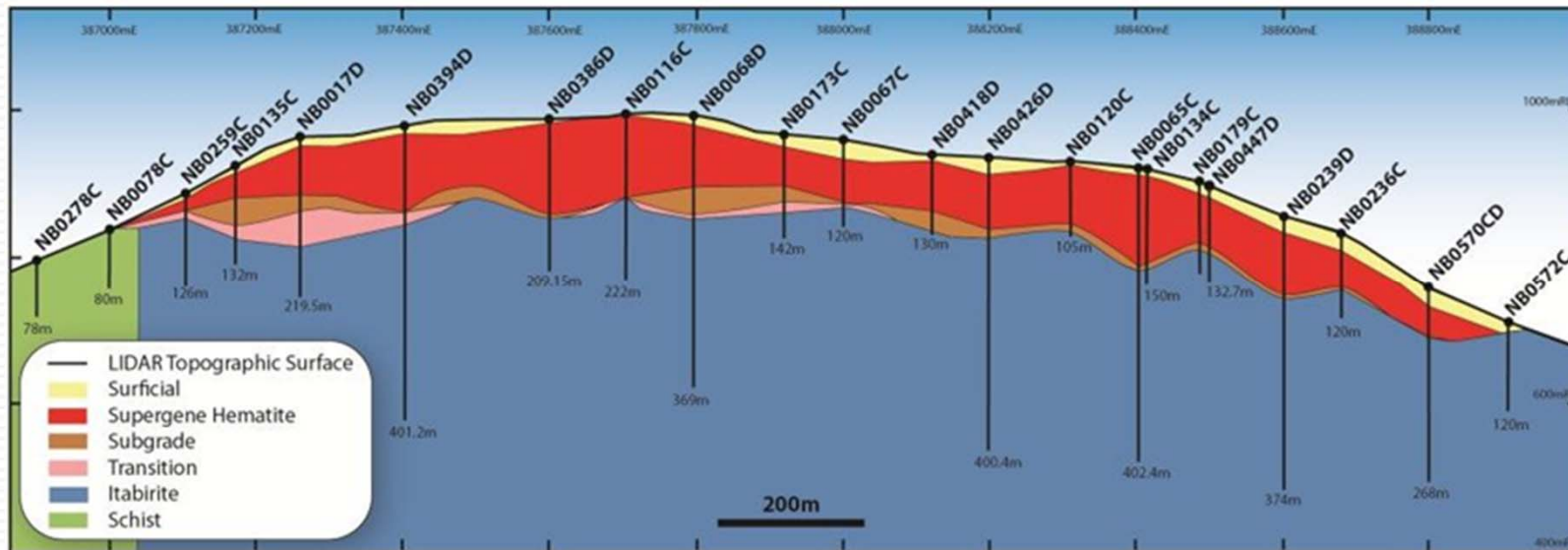
Table 2 High Grade Hematite Resources	Tonnes (Mt)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	LOI (%)
Indicated	748.0	57.2	9.2	4.4	0.098	3.8
Inferred	27.4	57.4	15.1	3.0	0.090	1.5
<b>Total High Grade Hematite Resource</b>	<b>775.4</b>	<b>57.2</b>	<b>9.4</b>	<b>4.3</b>	<b>0.098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

\* 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



- Total Itabirite Resources of 4.047 billion tonnes at 36.3% Fe
- Itabirite Exploration Target of additional **9.3 to 13.2 Bt at 30% - 40% Fe<sup>1</sup>** on existing tenements



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

Table 3 Global Itabirite Hematite Resource	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>(1)</sup></b>	<b>36.3</b>	<b>43.6</b>	<b>1.4</b>	<b>0.04</b>	<b>1.3</b>

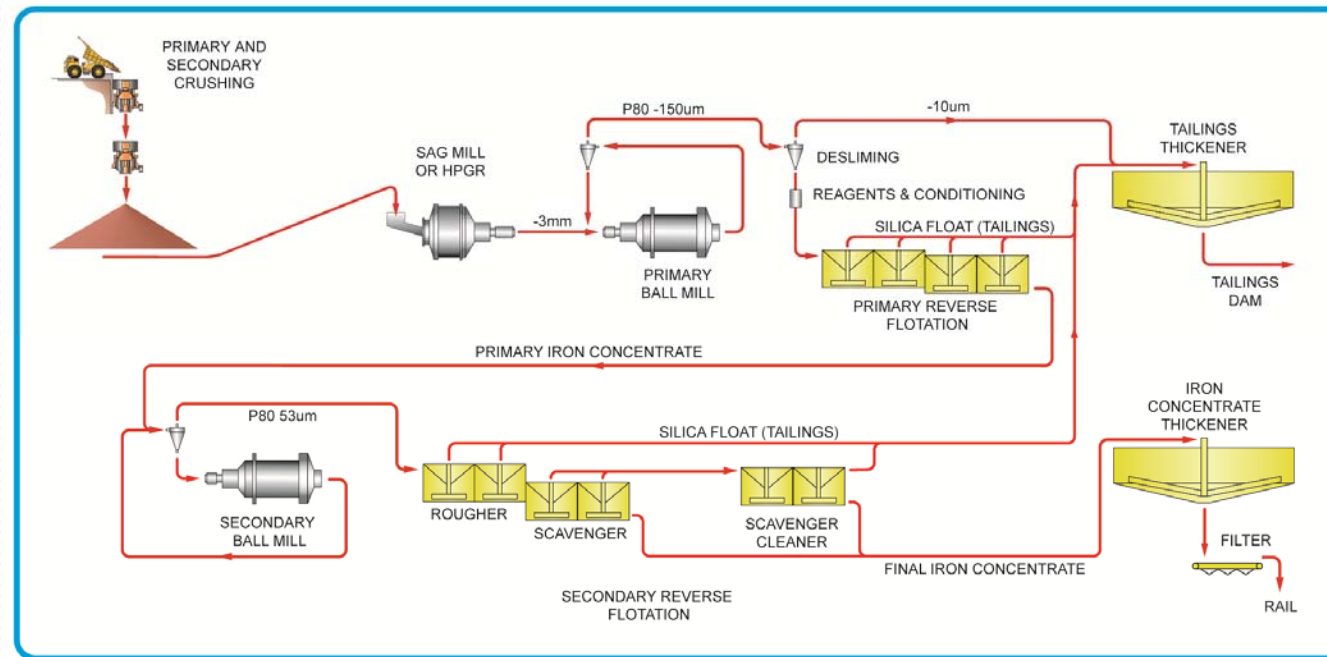
Note: Of the total 4,047 Mt Itabirite resource, 1,431 Mt is at a grading of 38.0% and classified as Indicated. The remaining is Inferred Mineral Resources.

<sup>1</sup> 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 Concentrate Product (Stage 2)



- Target PFS product of 66% Fe but a premium product of ~68% Fe potentially achievable
- High-quality concentrate with low impurities, good recovery, relatively coarse grind size

Target Itabirite Concentrate Product							
	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	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 %

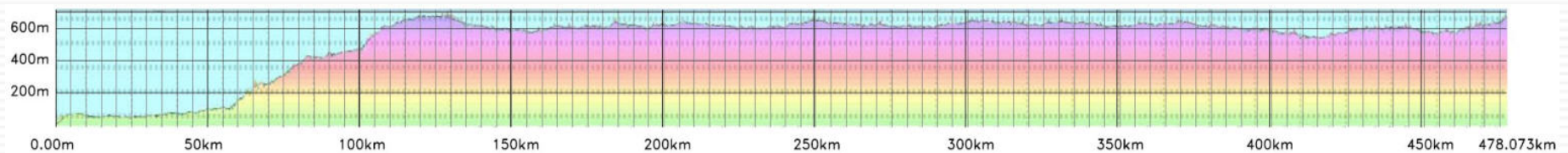


# Efficient Transport to Port

- 510km railway line from Mbarga to port with 70km spur line from Nabeba
- 28-hour cycle time from mine to port
- 32t axle loads
  - 6 trains comprising 3 locos & 180 wagons
- Environmental approval granted for rail and mine in Cameroon in 2010
- Declaration of Land for Public Utility for Rail Corridor announced in 2012



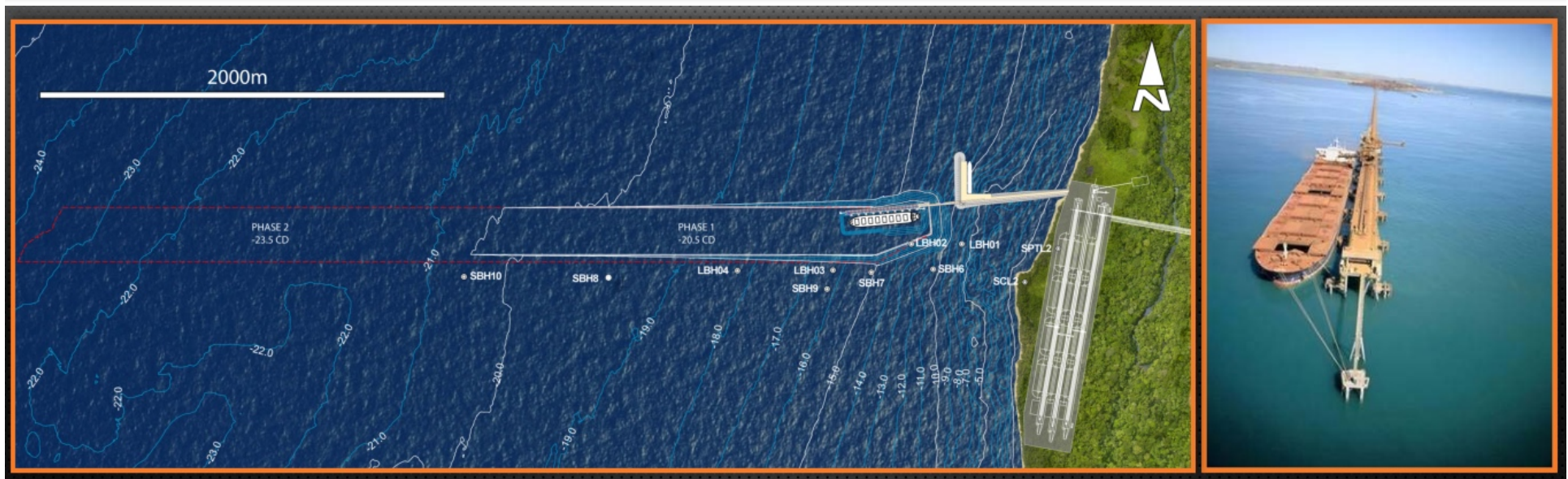
*Selection Along Preferred Route*



# Dedicated Deep Water Port



- Deep water near shore berth (25 metres)
- Open water jetty – no breakwater
- Single berth capacity for up to 45 Mtpa
- Port being designed for 300,000 DWT “China-max” bulk ore carriers
- Marine geotechnical investigations completed
- Design and costings done by Sogreah (France) as part of the DFS
- **Environmental approvals and Declaration of Land for Public Utility for the Port granted in 2010 by Cameroon Government**



# Capital & Operating Costs



## Definitive Feasibility Study – Stage One

CAPEX <sup>1</sup>	US\$M
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 DSO production only
2. OPEX includes cash operating costs and contingency

## Pre-Feasibility Study – Stage Two

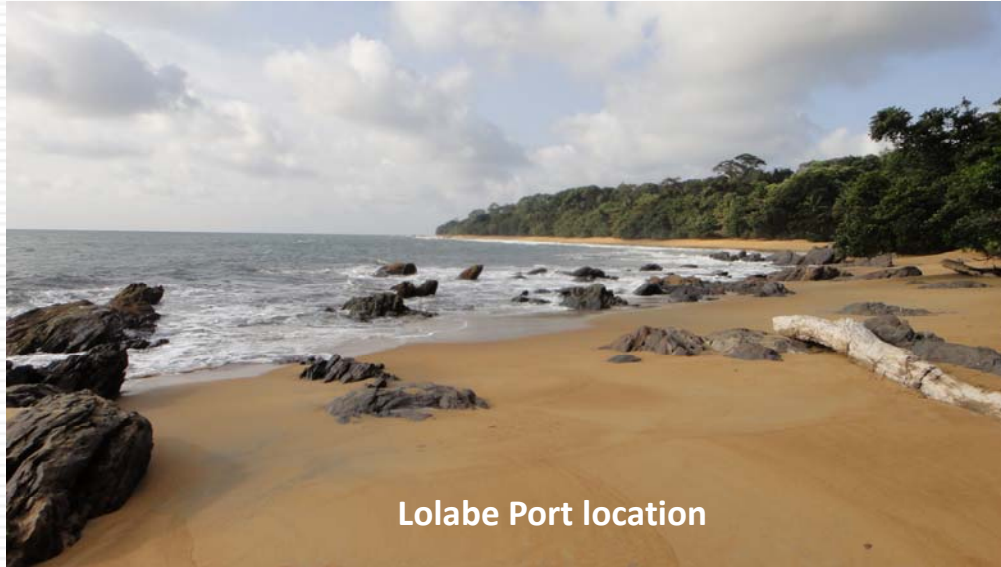
CAPEX <sup>1</sup>	US\$M
Beneficiation	1,908
Pellet Plant	400
Subtotal of direct costs	2,308
PMC, Owners Costs and Contingency	835
<b>Total (US\$M, real as at December 2010)</b>	<b>3,143</b>

OPEX <sup>1</sup>	
Estimated Operating Cost <sup>2</sup>	US\$40/t

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

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

# Commenced Project Implementation



Lolabe Port location



Preliminary planning of Mbalam rail corridor



Geotechnical Drilling at the Car Dumper location



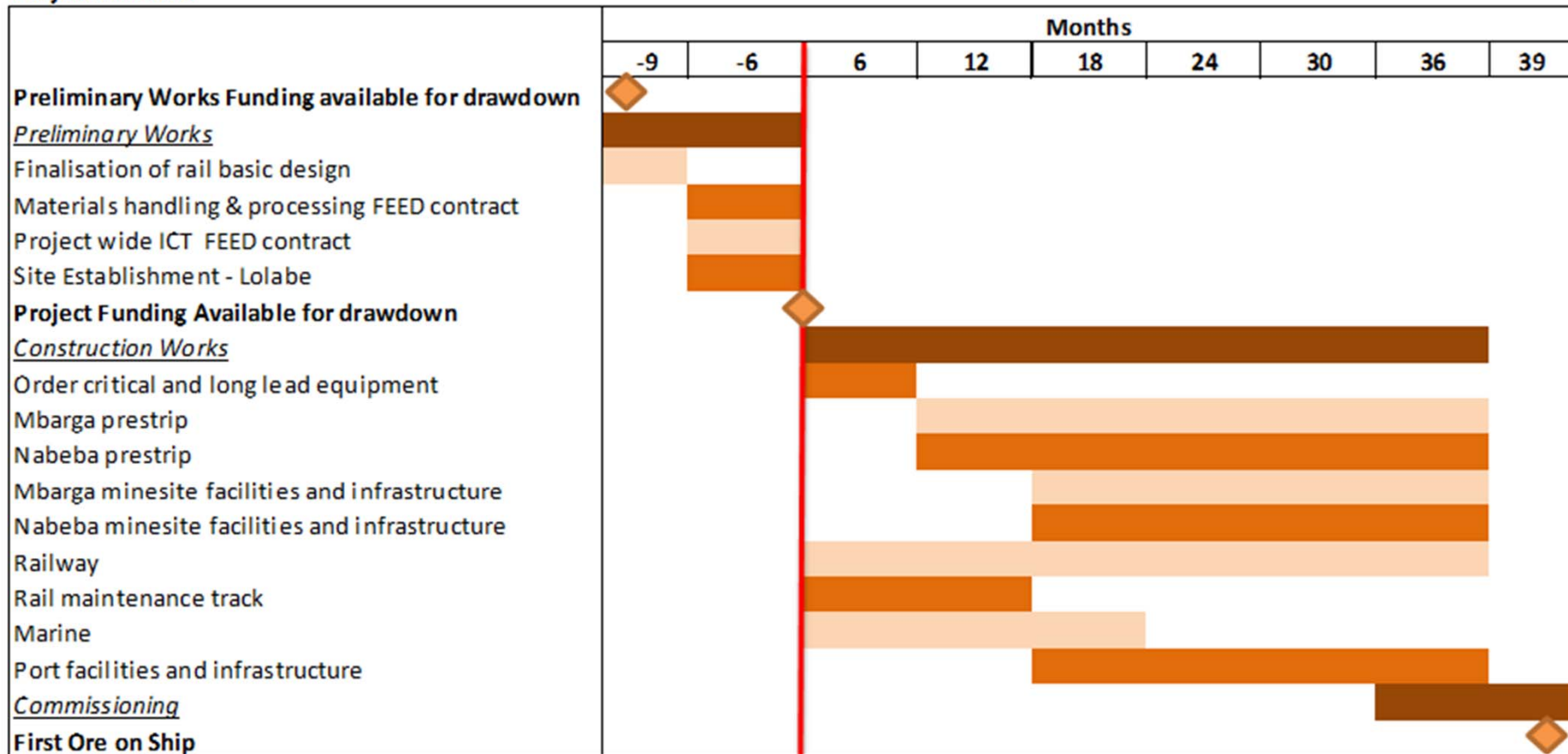
Construction of access road in the Port Stockyard Area



# Project Timeline

- The construction timeframe is expected to take 3 years before operations will begin

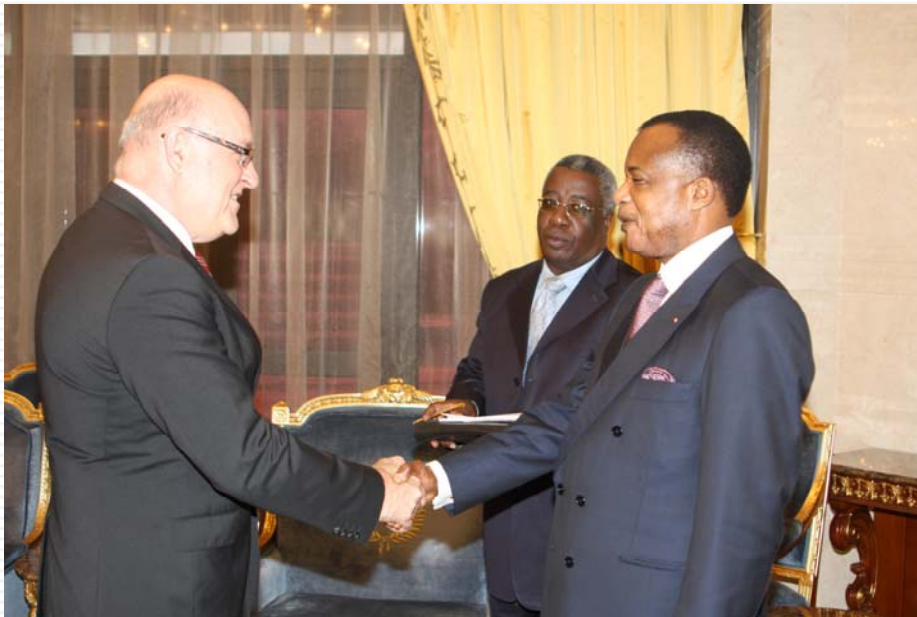
**Project Timeline**



# Government Agreements in Place



- **Mbalam Convention signed 30 November 2012** with Cameroon Government
  - 5 Year tax holiday; 25% income tax and 5% dividend tax thereafter
  - Govt. ownership 10% free carry plus 5% loan carried
  - Flexible labour conditions
  - Strong social commitment
- **Nabeba Mining Permit Granted** by Congo Presidential Decree in February 2013



# Development Strategy



## Overall

- Sundance will run two concurrent process – one for mine level joint venture/supply contracts and one for the development of infrastructure.
- These process reflect the two possible ownership structures at mine level – 100% or above 50%; and the two possible structures at infrastructure level – 100% ownership or independent.

## Mine Level

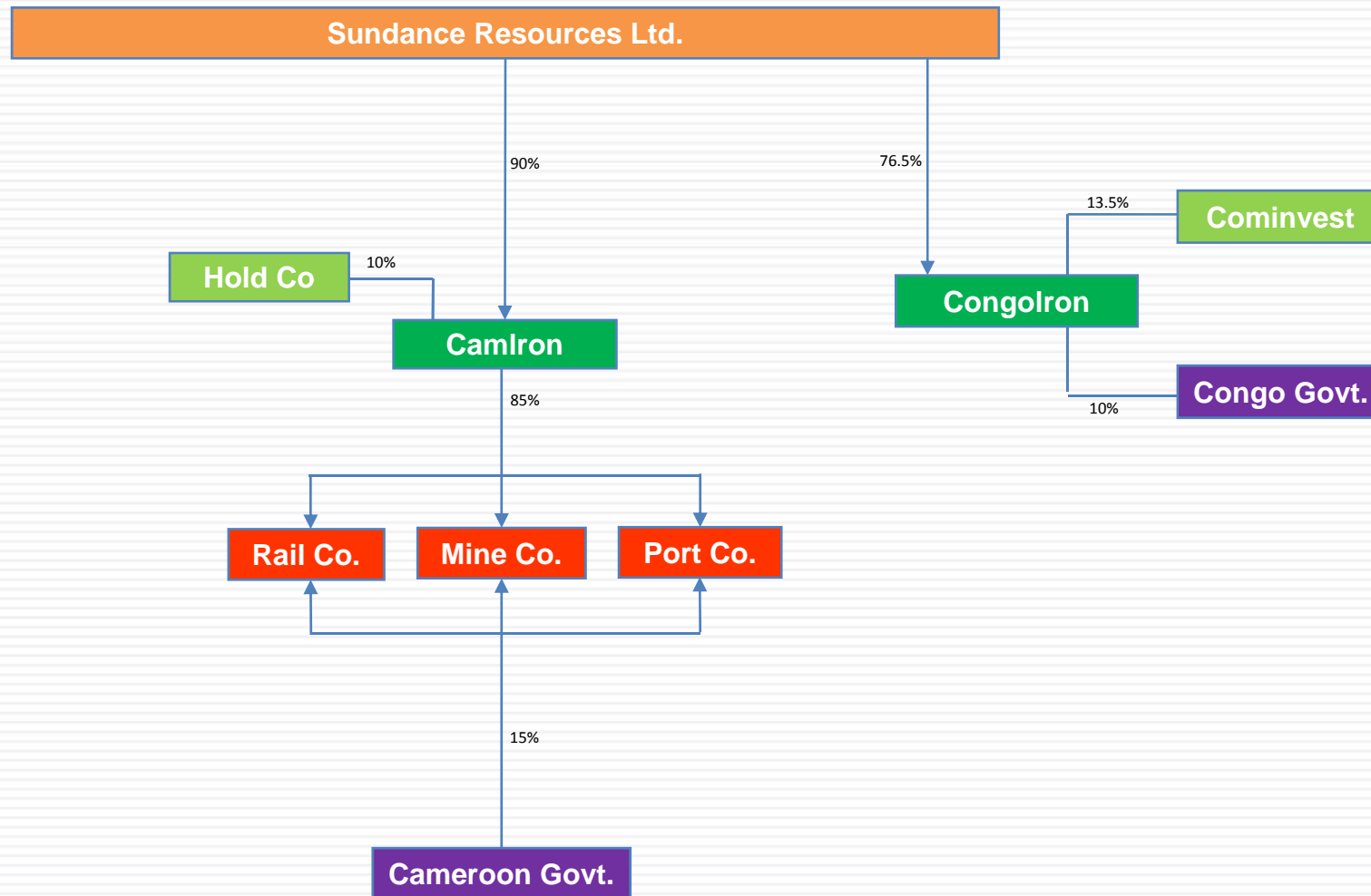
- Sundance is considering multiple ownership structures (either 100% or down to 50%)
- Sundance will conduct a process to elicit responses from parties that wish to either:
  1. Purchase equity at the mine JV level
  2. Purchase equity at the project level (i.e. mine joint venture and infrastructure)
  3. Supply contracts (take or pay)

## EPC/Infrastructure Level

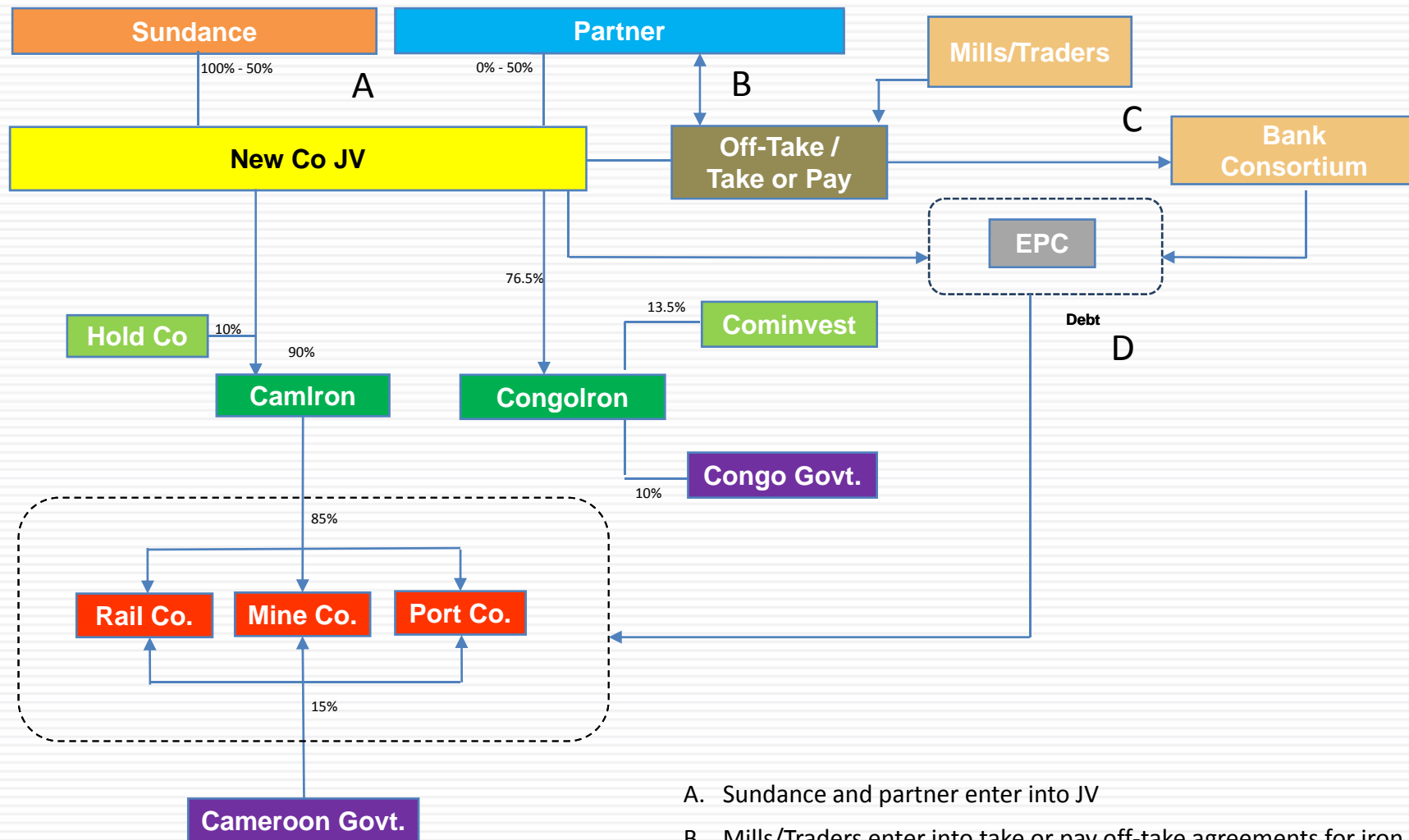
- Sundance is conducting a tender process for EPC and independent infrastructure.
- Tender participants may respond along the following lines:
  1. EPC price for port and rail (with finance and potential equity)
  2. EPC price for integrated port and rail (with finance and potential equity)
  3. Independent infrastructure solution (with tariff pricing)



# Current Corporate Structure

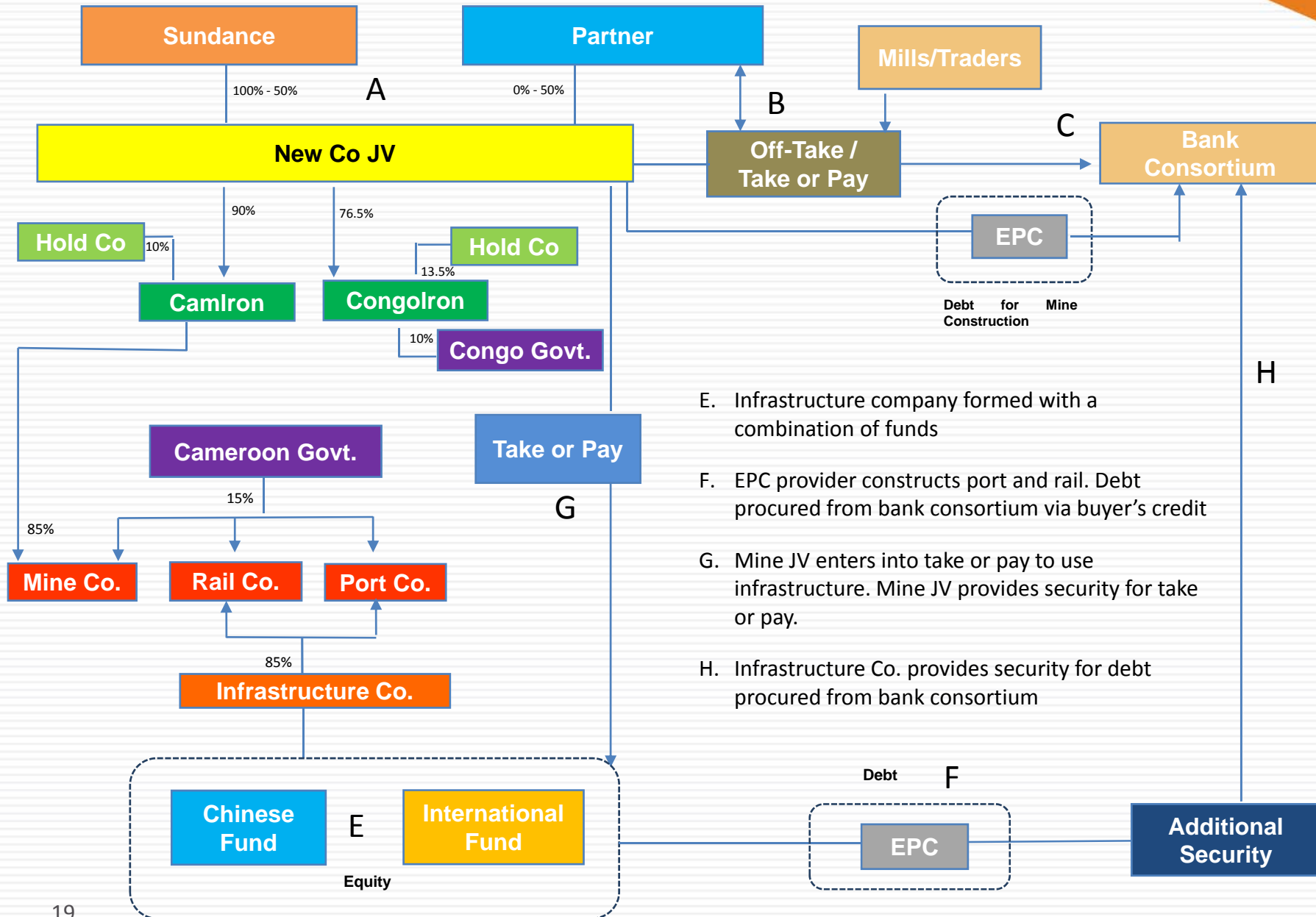


# Joint Venture Mine & 100% Owned Infrastructure



- A. Sundance and partner enter into JV
- B. Mills/Traders enter into take or pay off-take agreements for iron ore
- C. Take or Pay agreement s backed by security
- D. EPC provider constructs the mine and infrastructure. Debt procured from bank consortium via buyer’s credit

# JV Mine (up to 50%) & Independent Infrastructure



- E. Infrastructure company formed with a combination of funds
- F. EPC provider constructs port and rail. Debt procured from bank consortium via buyer's credit
- G. Mine JV enters into take or pay to use infrastructure. Mine JV provides security for take or pay.
- H. Infrastructure Co. provides security for debt procured from bank consortium

# This Project is Ready to Go



- High Grade Hematite Resources of 775.4Mt at 57.2% Fe
- Ore Reserves of 436.3Mt at 62.6% Fe, with low impurities
- Total Itabirite Resources at 4.05Bt at 36.3% Fe
- Exploration targets for additional High Grade Hematite and Itabirite on tenements
- Feasibility studies completed confirming technically and economically viable project
- All environmental approvals for Mbalam and Nabeba Project now awarded;
- Declaration of Land for Public Utility (DUP) announced
- Mbalam Convention signed 30 November 2012
- Congo Mining Permit approved Dec 2012 & granted in Feb 2013



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

Thank you.

