



ASX Announcement | Media Release  
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## MARKET UPDATE

- **Agreement with AustSino terminated**
- **Legally binding arrangement with Noteholders leaving Sundance debt free to be implemented**
- **Sundance in discussion with ASX to extend delisting date**

Sundance Resources Limited (**ASX: SDL**) ("**Sundance**" or the "**Company**") provides the following update on the Agreement with AustSino Resources Group Ltd ("**AustSino**") and the noteholders of Sundance ("**Noteholders**") ("**Sundance Agreement**"), which was announced on 8 July 2019 and conditionally extended to 30 November 2020 ("**Final Extension Letter**").

### Termination of Sundance Agreement

As announced on 30 September 2020 and at the request of AustSino, the end date for the Sundance Agreement had been conditionally extended to 30 November 2020 by the executed Final Extension Letter.

The Final Extension Letter permitted Sundance to terminate the Sundance Agreement with five business days' notice from 2 November 2020 if, by that date, AustSino had not convened a general meeting of its shareholders to consider and approve the relevant transactions under the Sundance Agreement.

AustSino has not convened the required general meeting to enable completion of the Sundance Agreement by 30 November 2020. Sundance is also mindful of the current date for the removal of Sundance from the official list of ASX (being 7 December 2020). Accordingly, on 4 November 2020 Sundance gave AustSino five business days' notice to convene a general meeting, failing which the Sundance Agreement would be terminated.

As AustSino has failed to convene the required general meeting, Sundance has terminated the Sundance Agreement.

### Arrangement with Noteholders re-enlivened

On 29 July 2018 Sundance signed a legally binding term sheet with Senrigan Master Fund, Noble Resources International Pte Ltd, D. E. Shaw Composite Holdings International, Ltd, Wafin Limited, BSOF Master Fund L.P. and David Porter (together the "**Noteholders**") to, subject to certain conditions being satisfied or waived, cancel their Convertible Notes ("**Notes**") in consideration for a combination of equity in Sundance and a capped production royalty ("**Noteholder Agreement**"). The Noteholder Agreement was suspended on execution of the Sundance Agreement. Now that the Sundance Agreement has been terminated, the Company and the Noteholders are seeking to implement the Noteholder Agreement.

Full details of the Noteholder Agreement are included in Sundance’s ASX announcement dated 30 July 2018 and will be included in a Notice of Meeting which will be issued in coming weeks.

Under the Noteholder Agreement, each Noteholder was offered an opportunity to cancel its Notes (and the associated debt) in exchange for such number of shares in Sundance that represents between 40% and 50% of the redemption value of its Notes, based on a Sundance share price of 0.4 cents. The redemption value of the Notes is \$132.56 million. The level of equity that a Noteholder elected to receive determined the rate of the proposed production royalty, which ranged from 1.00% to 1.12% of each Noteholder’s share of revenue from the sale of the first 517 million tonnes of ore from the Mbalam Nabeba Iron Ore Project.

The detail of the proposed conversion is covered in the table below:

<b>Noteholder</b>	<b>Redemption Value (\$M)</b>	<b>Conversion % to equity</b>	<b>No of Shares equivalent (M)</b>	<b>Royalty %</b>
<b>Senrigan</b>	15.48	40	1,548	1.12
<b>Noble</b>	31.61	50	3,951	1
<b>D. E. Shaw</b>	18.84	50	2,355	1
<b>Wafin</b>	63.27	40	6,327	1.12
<b>BSOF</b>	3.36	40	336	1.12
<b>Porter</b>	0.3	40	31	1.12
<b>Total</b>	<b>132.86</b>		<b>14,548</b>	

Unless otherwise agreed, the end date for the Noteholder Agreement is 19 February 2021 (being 100 days following termination of the Sundance Agreement).

### **Discussions Regarding Extension of Sundance’s Delisting Date**

As noted above, the current date for removal of Sundance from the official list of ASX is 7 December 2020. As the Sundance Agreement has been terminated, Sundance is in discussions with ASX to seek an extension of that date to facilitate implementation of the Noteholder Agreement, with a view to lifting the suspension and reinstating Sundance’s shares to quotation following implementation (subject to any further conditions to reinstatement ASX considers appropriate).

### **Sundance Resources Chief Executive Officer Giulio Casello said:**

*“It is disappointing that we have been unable to conclude the agreement with AustSino, given the potential that our proposed tie-up could have delivered. However, we owe it to our shareholders to provide certainty on the way forward for Sundance, which is why termination of the agreement with AustSino was the responsible step to take.*”

*“Thanks to the continued support of our Noteholders, we now look forward to completing the debt-for-equity arrangement to again emerge as a debt free Company. This will enable and support the introduction of equity partners into Sundance who can work with us to satisfy the needs of the Cameroon and Congo Governments and facilitate the development of our world-class iron ore project.”*

This release has been authorised by the Board of Sundance.

**Further information:**

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**About Sundance Resources**

*Sundance Resources is seeking to develop its flagship Mbalam-Nabeba Iron Ore Project, which straddles the border of Cameroon and the Republic of Congo in Central Africa. Stage One will be the production of a Direct Shipping Ore (“DSO”)-quality sinter fines product averaging >62.0% Fe at a rate of 40Mtpa for approximately 14 years based on blending material sourced from the deposits in the neighboring countries of Cameroon and Congo. Stage Two, which is currently at a Pre-Feasibility Stage, would then extend the life of the operation by further 15-plus years producing high-grade Itabirite hematite concentrate. In April 2011, Sundance completed the Definitive Feasibility Study for Stage One and Pre-Feasibility Study for Stage Two of the Mbalam-Nabeba Iron Ore Project. The Project will utilise the rail and port infrastructure to be financed, built and owned by the Government of Cameroon, a 540km rail line dedicated to the transport of iron ore through Cameroon and a dedicated mineral export terminal designed for taking bulk iron ore carriers of up to 300,000 tonnes.*