



ASX Announcement | Media Release  
31 October 2017

## QUARTERLY ACTIVITIES REPORT PERIOD ENDED 30 SEPTEMBER 2017

### Summary:

- **Share Purchase Plan and exercise of Listed Options raises \$2.2 million**
- **Ongoing discussions with EPC contractors**
- **\$2.319 million on hand at 30 September 2017**

Sundance Resources Limited (ASX: SDL) ("**Sundance**" or "**Company**") provides the following information about activities for the Quarter ended 30 September 2017:

### SHARE PURCHASE PLAN

On 25 September 2017 Sundance announced that the Share Purchase Plan ("**Plan**") raised a total of \$1,524,250 from eligible shareholders, which was above the targeted and underwritten amount of \$1,000,000.

As described in the Plan, Sundance also offered to the Underwriter (Patersons Securities Limited) the right to facilitate a placement of new shares in the Company at the same issue price offered under the Plan ("**Top-up Placement**"), for the purpose of providing further working capital to enable the Company to engage with strategic partners to develop the Mbalam-Nabeba Iron Ore Project. The Top-up Placement raised a further \$368,000 from sophisticated investors and resulted in the issue of 92,115,143 new fully paid ordinary shares in the Company.

The Plan and the Top-up Placement raised a total of \$1,910,250 before costs resulting in the issue of 473,654,568 shares on 25 September 2017.

The number of shares was determined by applying a 20% discount to the five-day Volume Weighted Average Price ("**VWAP**") before the issue date of the shares (that is from 18 September to 22 September 2017 inclusive). The five-day VWAP was calculated at \$0.004994, resulting in the issue price being \$0.003995.

### LISTED OPTIONS EXPIRED

On 3 February 2016, Sundance announced an entitlement offer that included the issue of one free option for every new share subscribed. These options had an exercise price of \$0.006 each with an expiry date of 31 August 2017. A total of 46,174,717 options were exercised resulting in cash proceeds of \$277,048 being received prior to the expiry date of 31 August 2017. All unexercised listed options have now expired and there are no longer any listed options on issue.

### PROJECT UPDATE

On 31 July 2017, the Company announced that it had reached an agreement with the Government of Cameroon to initially extend the Mbalam Convention ("**Convention**") by 6 months to 26 January 2018. A further 6-month extension will be granted if Sundance can show progress on funding the Mbalam-Nabeba Iron Ore Project ("**Project**") either by itself or with a credible partner.

In Cameroon, the Company has ore reserves of 154Mt at 62.9% covered by the Convention, whilst in Congo the Company has reserves of 363Mt at 61.9% under an issued 25 year Congo Mining Permit.

The Company has seen increased interest in the Project from third parties during the quarter, especially from infrastructure engineering, procurement and construction (“EPC”) contractors who are considering a role in building and assisting in obtaining funding for the Project.

A number of encouraging meetings were held during the Quarter with EPC contractors and others who have shown strong interest. Whilst the Company believes that the caliber of these parties would satisfy the needs of the Cameroon Government, these discussions are incomplete and still ongoing at the time of issuing this report.

The Company still believes that China is best placed in the long term to source a partner and funding for our Project. The Project’s iron ore quality and the scale of the deposits fit with the strategic needs of China to source superior quality high iron and low impurity iron ore, as well as China’s determination to deal with its environmental footprint by shutting many local low-grade iron ore mines and replacing their output with high-quality ore. Sundance’s ore quality is 63% Fe for the first 10 years of the Project. Stage 2 of our Project will produce a concentrate of 66 – 68% Fe from near 6 billion tonnes of resources.

## CORPORATE

Total cash outflow from operating activities for the period was \$559,000

Sundance ended the September 2017 Quarter with \$2,319,000 in cash and deposits.

## EXPENDITURE

The Pro-forma appendix 5B - Statement of Consolidated Cash Flows is provided in a separate report.

## ASX ANNOUNCEMENTS

The Quarterly Report should be read in conjunction with all announcements made by the Company to ASX, including the financial statements for the year ended 30 June 2017 which contain further details about Material Business Risks. These announcements can be found on the following link:

<http://www.sundanceresources.com.au/irm/content/asx-announcements.aspx>

## SCHEDULE OF TENEMENTS

The Company, through its subsidiary companies, held the following exploration/mineral research permits and mining tenements as at 30 September 2017:

Country	Area	Permit	Holder
Republic of Cameroon	Mbalam	Exploration Permit No. 92 has now expired. Mining Permit application and Mbalam Convention in place.	Cam Iron SA <sup>(i,iii,v)</sup>
Republic of Congo	Nabeba-Bamegod	Decree No.2013-45	Congo Iron SA <sup>(ii,iv,v)</sup>
Republic of Congo	Ibanga	Decree No. 2013-405	Congo Iron SA <sup>(ii,iv,v,vi)</sup>

(i) Cam Iron holds 100% interest; Cam Iron is a 90%-owned subsidiary of Sundance.

(ii) Congo Iron holds 100% interest; Congo Iron is an 85%-owned subsidiary of Sundance.

(iii) Under the key terms of the Mbalam Convention the Government of Cameroon 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.

(iv) The Government of Congo has a right to a 10% interest in Congo Iron pursuant to the Congo Mining Code

(v) Should both Governments exercise their rights for an interest in Cam Iron and Congo Iron then Sundance’s interest would reduce to 76.5%

(vi) This permit expired in August 2015. Congo Iron made application for a replacement permit covering only part of the Ibanga permit area containing the most prospective area in August 2015

ENDS

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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 neighbouring 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.*

#### **Forward Looking Statements**

*Certain statements made during or in connection with this communication, including without limitation, those concerning the economic outlook for the iron ore mining industry, financing a large capital project, expectations regarding iron ore prices, production, cash costs and to the operating results, growth prospects and the outlook of Sundance’s operations including the likely financing and commencement of commercial operations of the Mbalam-Nabeba Iron Ore Project and its liquidity and capital sources and expenditure, contain or comprise certain forward-looking statements regarding Sundance’s operations, economic performance and financial condition.*

*Although Sundance 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, deterioration in the iron ore market, deterioration in debt and equity markets that lead to the Project not being able to be financed, success of business and operating initiatives, changes in the regulatory environment and other government action, fluctuations in iron ore prices and exchange rates, business and operational risk management, changes in equipment life, capability or access to infrastructure, emergence of previously underestimated technical challenges, environmental or social factors which may affect a license to operate.*