

ASX Announcement & Media Release

20 April 2012

CONGO MINISTER OF MINES RECOMMENDS NABEBA MINING PERMIT

Sundance Resources Limited ('Sundance' or 'the Company') (ASX: SDL) is pleased to advise that Minister of Mines and Geology of the Republic of Congo, Mr. Pierre Oba, has approved the Company's application to develop and mine the high-grade Nabeba Iron Ore deposit.

The Minister has recommended that the Republic of Congo's Council of Ministers approve the issue of the Mining Permit.

The letter signed by the Minister of Mines for the Republic of Congo confirmed that the Ministry had received *"...all the necessary information to support the application for a Mining Permit with respect to the iron ore deposit at Nabeba, and the Ministry has concluded its review of the application and confirmed approval. The Ministry will now forward the application with its positive recommendation for the review and approval of the Council of Ministers"*.

In confirming his approval, Mr. Oba stated that the Government of the Republic of Congo fully supports the Nabeba Project and will accompany Sundance and its subsidiary Congo Iron with its realisation.

Nabeba is a pivotal part of Sundance's Mbalam Iron Project. The deposit will help underpin Stage One of the Mbalam development in which 35 million tonnes of Direct Shipping Ore-quality (DSO) iron ore will be produced each year for at least 10 years.

Sundance Managing Director and CEO Giulio Casello was in Brazzaville, the capital of the Republic of Congo, to receive the letter. Mr. Casello said Sundance appreciated the approval and recommendation by the Minister, which brings the commencement of development of Nabeba one step closer, creating significant economic, financial and social benefits for the people of Congo.

"This is a key milestone for the Company and we are appreciative of the ongoing support that we have received from the Congo Government, particularly from the President and Minister of Mines, for their commitment to ensuring that this project can be advanced as quickly as possible for the benefit of all stakeholders."

Nabeba is a high-grade hematite deposit located in the Sangha region of the Republic of Congo in central west Africa. Congo Iron SA holds two exploration research permits, Nabeba-Bamegod and Ibanga, in the District of Souanké. The Mining Permit is for Nabeba-Bamegod.

Sundance has total high-grade hematite resources totalling 521.7Mt at 60.7 per cent Fe between the deposits located in the Republic of Congo and neighbouring Cameroon. Of that total, 319.2Mt at 61.6 per cent Fe is at Nabeba. The Company also has previously drilled and defined a world class Itabirite Hematite Resource at Mbarga of 2.32Bt at 38.0 per cent Fe.

In November 2011, Sundance announced an exploration target at Nabeba of an additional 1.5-2.5Bt of Itabirite at 30-40 per cent Fe¹. Drilling has already returned promising initial results, as reported by the Company in its recent March Quarterly Report, identifying long intersections of enriched Itabirite.

The Company's geology team is also undertaking a re-interpretation of the Nabeba Deposit with the benefit of the recent drilling results. These have revealed a definitive mineralised transition zone that has potential to add significant tonnage for Stage 1 of the Project.

This Project is expected to contribute more than US\$2 billion to the Republic of Congo's economy in its first 10 years of operation. It will also be a catalyst for further exploration in the area and the development of other nearby iron ore projects in Congo that may otherwise remain undeveloped.

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About The Mbalam/Nabeba Iron Ore Project

The Mbalam/Nabeba Iron Ore Project is based around a group of large-scale iron ore deposits spanning the border between the Republic of Cameroon and the neighbouring Republic of Congo in central West Africa. The Project is an integrated mine, rail and port operation that will unlock the potential of a new world-class iron ore region in central West Africa. The first stage of the Project is designed to produce 35Mtpa of Direct Shipping Ore-quality hematite for ten years as well as the construction of a heavy haul railway and building of a dedicated deep water port. Stage two will then develop Sundance's Itabirite deposits maintaining production at 35Mtpa for a further fifteen years. The Definitive Feasibility Study (DFS) for Stage One was completed in April 2011. The DFS now forms the basis for capital appropriation and will provide the budget input to move towards final investment decision pending securing project financing and government approvals in Cameroon and the Republic of Congo.

¹ 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.

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". Messrs Longley and Widenbar consent to the inclusion in this report of the matters based on his 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.

Resources reported on Exploration Permit 92, Cameroon (Mbarga, Mbarga South and Metzimevin Deposits)

The estimated quantity and grade of High Grade Hematite quality Supergene mineralisation and underlying Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at Mbarga Deposit and a spacing varying from 200m x 100m to 50m x 50m for the Indicated Resource at the Mbarga South Deposit. A 200m x 100m drill pattern applies for the Inferred Resource at the Mbarga and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately 1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit.

Grade has been estimated by Ordinary Kriging on composited sample results. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <15% Al₂O₃; Supergene: No cut-off; Transitional: >51% Fe; High Phosphorus Domain: >50% Fe and <0.3% P; Hypogene: >51% Fe. South Mbarga has not had any grade restrictions applied. Metzimevin Inferred Resources have a >50% Fe cut-off and density of 2.80 t/m³ applied.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 10m(X) by 10m(Y) by 2m(Z) in supergene and 10m(X) x 20m(Y) x 5m(Z) blocks in Itabirite with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs has been used in the evaluation.

Densities have been assigned from a combination of down hole geophysical and physical measurements of diamond core carried out as part of metallurgical analysis. Densities of 2.40 t/m³ have been assigned for the Surficial Zone, 2.80 t/m³ for the Supergene, 2.80 t/m³ for the Phos, 2.90 t/m³ for the Transition and 3.20 t/m³ for the Hypogene. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying, with a range of densities adopted from 3 to 4t/m³ depending on the iron grade.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

Itabirite Resources reported on Exploration Permit 92, Cameroon (Mbarga Deposit)

The estimated quantity and grade of Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at the Mbarga Deposit and a spacing 200m x 100m drill pattern applies for the Inferred Resource. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit. Grade has been estimated by Ordinary Kriging on composited sample results. A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 10m(X) x 20m(Y) x 5m(Z) blocks in Itabirite with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs has been used in the evaluation. The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied to apply a density value. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying, with a range of densities adopted from 3 to 4t/m³ depending on the iron grade.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acquire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy. Metallurgical test work programs have supported the assay grades and density values of the major mineral types.

Resources reported on Nabeba-Bamegod Permit, Congo (Nabeba Deposit)

The estimated quantity and grade of near-surface, high grade mineralisation for the Nabeba Resource has been restricted to an area currently covered by drilling on predominately a 100m x 100m pattern (with some closer-spaced drilling on selected north-south lines on the northern ridge). Sundance has completed significant drilling at Nabeba of which 22.5% has been diamond core and 77.5% RC (Reverse Circulation) drilling with face-sampling hammers. The geological model is represented by an area approximately 3km (east-west) x 3km (north-south). Grade has been estimated by Ordinary Kriging on composited sample results. The mineralisation and grade interpolation of drill results has been constrained by a 3-D wireframe which encompasses all of the near-surface contiguous high grade material and as such, no cut-off grades for high grade have been required or applied. For the Sep 1st 2011 stated High Grade Resources, 76% of drill sample results were full XRF analyses from Ultratrace Laboratories (Perth, Western Australia) and the remaining 24% were Thermo Niton XRF (Fe only) results from the Sundance Site laboratory.

Cut-off grades for the Nabeba deposit are broken down as follows: Surficial: <6% Al₂O₃ and <0.25% P; Supergene: no cut-offs; Sub-Grade : <6% Al₂O₃ and <18% SiO₂.

A digital terrain surface (based on recent Lidar and ground surveys) has been used to limit extrapolation of the mineralisation to the topography of the Nabeba hill. The resource modelling has used 25m(X) x 25m(Y) x 5m(Z) blocks with sub-blocks to honour the constraining surfaces. All collars have been surveyed by DGPS. A density of 2.65t/m³ has been used for all of the Supergene High Grade Hematite, with a density of 2.50t/m³ for the Sub-Grade and Surficial zones. All density values are based on results from an assessment of physical density measurements of current drill core and on down-hole density determination by Surtron.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acquire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and standards with comprehensive reporting on laboratory precision and accuracy.

Exploration Targets

Any discussion in relation to the potential quantity and grade of exploration targets is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource for these exploration targets and it is uncertain if further exploration will result in determination of a Mineral Resource.

Forward-Looking Statement

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 other 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 and half year 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.