



ASX Announcement | Media Release
3 February 2016

ENTITLEMENT OFFER TO RAISE UP TO \$16.5 MILLION

Key Points:

- Sundance to raise up to \$16.5 million in new equity capital;
- Entitlement of 1 new share for every 1 share held at an issue price of \$0.005;
- 1 free option for every 1 new share subscribed at an exercise price of \$0.006; and
- Partially underwritten for an amount of \$13.25 million by Patersons Securities Limited.

Sundance Resources Limited ("**Sundance**" or "**Company**") (ASX: SDL) refers to its ASX announcement dated 18 January 2016, and is pleased to announce that it has lodged a Prospectus with ASIC and ASX for a partially underwritten pro rata renounceable entitlement offer of 1 new fully paid ordinary Sundance share for every 1 share held to raise up to \$16.5 million (before costs of the offer) ("**Entitlement Offer**").

The Entitlement Offer will be undertaken at an issue price of \$0.005 each ("**Offer Price**") together with one (1) free new option for every one (1) new share subscribed. The options will be exercisable at \$0.006 each on or before 31 August 2017.

The Offer Price of \$0.005 represents a 29% discount to the Company's closing of \$0.007 on 29 January 2016, the last trading day before this announcement of the Entitlement Offer, and a 17% discount to the theoretical ex-rights price of \$0.006.

New shares issued pursuant to the Entitlement Offer will rank equally with Sundance's existing ordinary shares. Application will be made for the quotation on ASX of both the new shares and new options ("**New Securities**") to be issued under the Entitlement Offer.

The Entitlement Offer is partially underwritten by Patersons Securities Limited ("**Patersons**") for an amount of \$13.25 million. Patersons has entered into sub-underwriting arrangements with Mr David Porter for \$11.0 million and other investors for \$2.25 million.

Patersons has been appointed Lead Manager to the Entitlement Offer.

The proceeds of the Entitlement Offer, net of expenses, together with existing cash reserves will be used for the following purposes:

- to pay Mr Porter in cash \$500,000 and a portion of the proceeds received by Sundance from the Entitlement Offer in accordance with the terms of a deed of release and settlement dated 17 January 2016 between the Company, Mr Porter and Absolute Analogue Inc;
- protecting the intellectual property and assets of Sundance;
- maintaining relationships with the Governments of Cameroon and Congo;
- assisting the Government of Cameroon as required to progress the funding and signing of the EPC contract for the port and rail;
- continuing the process of negotiating and then agreeing the terms of an equity investment into the Mine Infrastructure; and
- general working capital purposes.

Sundance Chief Executive Officer Giulio Casello said: *“The Company’s circumstances have been impacted significantly by the EPC contract postponement and the Porter litigation. However, we are pleased that we have been able to develop a plan, that with the support of our shareholders, noteholders and Mr Porter, will allow the company to continue to operate and ultimately realise the potential of our Project for all our stakeholders here and in Cameroon and Congo.”*

Entitlement Offer

The Entitlement Offer will give eligible shareholders of Sundance the opportunity to subscribe for 1 new share for every 1 existing Sundance share held at 4.00pm (Perth time) on 9 February 2016 (“**Record Date**”) at an issue price of \$0.005 each with one free attaching option for every one share issued exercisable at \$0.006 each on or before 31 August 2017. The Entitlement Offer will comprise the offer of a maximum of 3,302,558,630 New Shares and 3,302,558,630 New Options.

The Entitlement Offer is renounceable which means that entitlements may be traded on the ASX or otherwise transferred if shareholders do not wish to take up some or all of their entitlement. In addition, shareholders who take up their full entitlement will be able to apply for additional New Securities at the same issue price, subject to availability.

The Entitlement Offer opens on 12 February 2016 and closes on 26 February 2016.

Entitlements trading commences on 5 February 2016 and concludes on 19 February 2016.

Full details of the Entitlement Offer are set out in the Prospectus which will be dispatched to eligible shareholders with a personalised entitlement and acceptance form on 12 February 2016 and is available on the ASX website at www.asx.com.au.

The Prospectus is also on the Company's website at www.sundanceresources.com.au.

Eligible shareholders

Eligible shareholders are those persons who:

- are registered as a holder of fully paid ordinary shares in Sundance as at the Record Date;
- have a registered address on Sundance's share register in Australia, New Zealand or Hong Kong;
- are not in the United States or acting for the account or benefit of a person in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Timetable

The timetable for the Entitlement Offer is as follows:

Announcement of Entitlement Offer – pre market	Wed 3 February 2016
Lodgement of Prospectus with ASIC and ASX - pre market	Wed 3 February 2016
Notice to optionholders	Wed 3 February 2016
Notice to shareholders	Wed 3 February 2016
Entitlements trading commences on a deferred settlement basis	Fri 5 February 2016
Ex date for the Entitlement Offer (date from which shares begin trading without entitlements to participate in the Entitlement Offer)	Fri 5 February 2016
Record Date (to identify shareholders entitled to participate in the Entitlement Offer)	4.00 pm (Perth time) on Tue 9 February 2016
Despatch of Prospectus and entitlement and acceptance form commences	Fri 12 February 2016
Offer opens	Fri 12 February 2016



Entitlements trading commences on a normal settlement basis	Mon 15 February 2016
Entitlements trading ends	Fri 19 February 2016
New Securities quoted on a deferred settlement basis	Mon 22 February 2016
Offer closes	5.00 pm (Perth time) on Fri 26 February 2016
ASX notified of under-subscriptions	Tue 1 March 2016
Allotment of New Securities under the Entitlement Offer	Thu 3 March 2016
Mailing of holding statements in relation to New Securities issued under the Entitlement Offer	Fri 4 March 2016
Normal trading of New Securities issued under the Entitlement Offer expected to commence on ASX	Fri 4 March 2016

These dates (other than the date of lodgement of the Prospectus with ASIC and ASX) are indicative only. Sundance reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer, including extending the date the Entitlement Offer closes or accepting late applications, either generally or in particular cases, without notice.

Shareholder enquiries:

If you have any questions in relation to the Entitlement Offer, please contact your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

If you have any enquiries in relation to the entitlement and acceptance form, please contact Sundance's share registry by telephone on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Shortfall enquiries:

Any enquiries about the shortfall from the Entitlement Offer should be directed to:

Patersons Securities Limited
Tel: +61 8 9263 1111

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.