

Sundance Resources Limited

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Sundance Resources receives \$800,000 in funding from sophisticated investors

Sundance Resources Limited (ASX:SDL) has received further funding from sophisticated investors to the value of \$800,000 which will be used for working capital and to progress an agreement with AustSino Resources Group Limited (ASX:ANS).

The binding agreement was signed on September 24, 2018, with AustSino Resources and the noteholders of Sundance.

Sundance has issued 200 million fully paid ordinary shares at an issue price of 0.4 cents per share and investors have also received 400 million bonus options at an exercise price of 0.6 cents with the options to lapse five years after issue.

The placements did not require shareholder approval as it was completed in the existing capacity under ASX listing rule 7.1.

A year of change

In a recent address to shareholders, chairman David Porter said that 2018 was a year in which transformational change occurred at Sundance.

"It was a year in which we put in place a plan to eliminate noteholder debt of \$130 million that would have been due in September this year, and introduced a strategic partner in AustSino Resources, who has the capacity to facilitate the about \$5 billion of funding required for the capital works at Mbalam."

Sundance 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.

Support from AustSino

Porter said: "As part of our proposed relationship, AustSino will take up a placement of \$58 million in Sundance, of which \$8 million will fund the work needed to finance the project and the rest to pay out noteholder debt.

"The key to advancing our project and creating value for all of our stakeholders is to have strategic partners who can work with Sundance to help fund, construct and operate the project.

"The starting point has been to resolve the company debt position, which is made up of the convertible notes that are on issue.

"Our noteholders have understood this situation and have been of great support in helping us find a mutually beneficial solution to remove this debt, which has clearly been affecting sharemarket sentiment towards Sundance.

Price: 0.005

Market Cap: \$41.57 m

Share Information

Code: SDL

Listing: ASX

52 week	High	Low
	0.006	0.004

Sector: General mining & base metals

Website: www.sundanceresources.com.au

Company Synopsis:

Sundance Resources Ltd (ASX:SDL) is listed on the Australian Securities Exchange.

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"These discussions with the noteholders started last year with an agreement to convert the outstanding notes into Sundance equity and a production tariff once the project is in operation. This would have left Sundance debt free and given our company the opportunity to find the required strategic partner."

- Jessica Cummins

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