

ASX UPDATE
10 JANUARY 2019**COMPANY UPDATE**

AustSino Resources Group Limited (**ASX: ANS**) (**ANS** or the **Company**) provides the following update regarding the binding agreement that it signed on 24 September 2018 (**Sundance Agreement**) with Sundance Resources Limited (**ASX: SDL**) (**Sundance**) and the Noteholders of Sundance (excluding Wafin Limited, which subsequently acceded to the Agreement on 28 September 2018).

The key terms of the Agreement are set out in AustSino's ASX announcement on 25 September 2018 (**Announcement**). The Announcement specified that the Agreement was subject to a number of conditions precedent (**Conditions**) including (without limitation) regulatory approvals and shareholder approvals, which needed to be satisfied or waived (as applicable) by 31 December 2018 (**End Date**).

Sundance Agreement

AustSino and Sundance announced on 30 November 2018 that, despite a number of positive developments, the Conditions would not be able to be met by the End Date. AustSino and Sundance subsequently announced on 2 January 2019 that they had reached agreement with all Noteholders to extend the End Date to 31 March 2019.

Mbalam Convention

Since signing the Sundance Agreement in September 2018, AustSino and Sundance have held various discussions and exchanged correspondence with the Cameroon Government, regarding the proposed development and funding of the Mbalam Project and the need for reinstatement of the Mbalam Convention (which is one of several Conditions which have not yet been satisfied or waived).

AustSino and Sundance were intending to travel to Cameroon towards the end of 2018, and then in early January 2019, in order to have further face-to-face discussions with representatives of the Cameroon Government in relation to the above matters. However, due to the recent change of Prime Minister and certain other Ministries, the Cameroon Government has indicated that AustSino and Sundance should instead contemplate travelling to Cameroon around the end of January 2019. This may affect the timeframe for completion of the Sundance Agreement and AustSino's proposed transaction with WAPRC. AustSino and Sundance will update the market in due course, if required.

Funding

AustSino has now completed the \$120,000 placement into Sundance which it announced on 2 January 2019 and Sundance has now issued 30,000,000 fully paid ordinary shares to AustSino at an issue price of \$0.004 per share. AustSino has also received 60,000,000 bonus options (2 options per share issued) at an exercise price of \$0.006; the options will lapse 5 years after issue. This increases AustSino's shareholding in Sundance to approximately 3.32%.

Further enquiries:

Henko Vos

Company Secretary

Tel: +61 (0)8 9463 2463

Forward looking statements

This announcement contains certain forward-looking statements and opinion. Generally, words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “potential” and similar expressions are intended to identify forward-looking statements. The forward-looking statements, opinion and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of AustSino. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.