

ASX Announcement

3 June 2020

PLACEMENT TRANSACTION WITH WESTERN AUSTRALIAN PORT RAIL CONSTRUCTION (SHANGHAI) CO., LTD

AustSino Resources Group Ltd (“**AustSino**” or the “**Company**”) (ASX: **ANS**) provides the following market update.

As announced previously, the Company entered into a binding but conditional placement agreement with Western Australian Port Rail Construction (Shanghai) Ltd (“WAPRC”) under which WAPRC will subscribe for approximately 7,692,307,693 fully paid ordinary shares at \$0.013 per share for a total price of AUD 100 Million, which following completion (based on the Company’s share capital at that time) would have equated to approximately 61% of the total issued share capital of AustSino (WAPRC Transaction).

Completion of the WAPRC Transaction is subject to various conditions precedent, including WAPRC making \$100 million available to complete the WAPRC Transaction.

The Company’s efforts to progress both the WAPRC Transaction and, in turn, complete the proposed acquisition of a controlling shareholding in Sundance Resources Ltd (“Sundance”) (ASX: SDL) (“Sundance Transaction”), have been significantly impeded by the emergence of the global COVID-19 pandemic that has resulted in widespread and extensive travel and workplace restrictions.

Due to these restrictions, WAPRC has confirmed to the Company that the conditions precedent in the WAPRC agreement with AustSino will not be satisfied before 30 June 2020. The Company, accordingly, will not be in position to complete the agreed placement with WAPRC before 30 June 2020. The Company and WAPRC continue to be in discussions regarding the WAPRC agreement and the Company will further update shareholders as the situation evolves and events become clearer.

The Company and WAPRC are also considering ways for joint collaboration on future projects of the Company.

IMPLICATIONS FOR AGREEMENT WITH SUNDANCE AND ITS NOTEHOLDERS

The Company has been taking steps to progress the satisfaction of the condition’s precedent to the Sundance Transaction, including engaging the preparation of an independent expert report and progressing the drafting of the Notice of Meeting to shareholders seeking approval to the WAPRC Transaction.

As the Company has been informed by WAPRC that the WAPRC Transaction cannot be completed before 30 June 2020, the Company is of the view that the conditions precedent to the Sundance Transaction will also not be satisfied on or before 30 June 2020.



Level 5, 35 Havelock St, West Perth, WA, 6005

PO Box 608, West Perth, WA, 6005

Tel: +61 8 6460 0250

The Company will now work with the Board of Sundance, its noteholders and other stakeholders on a possible extension of time to complete the conditions precedent. However, it must be noted that there is no certainty that an agreement can or will be reached.

The Company will update shareholders on the progress of these discussions as the situation evolves and events become clearer.

Authorised for release by Michael Keemink, Executive Director.

Further inquiries:

Mr Henko Vos
Company Secretary
T: +61 8 9463 2463