

ASX Announcement

12 November 2020

SUNDANCE AGREEMENT TERMINATION

AustSino Resources Group Ltd (**ASX: ANS**) ("**AustSino**" or the "**Company**") refers to the agreement with Sundance Resources Limited ("**Sundance**") and the noteholders in Sundance ("**Noteholders**") ("**Sundance Agreement**") as announced on 8 July 2019 and later amended by (i) a letter agreement announced on 22 October 2019, (ii) a further extension letter agreement announced on 6 July 2020, and (iii) a final extension letter agreement ("**Final Extension Letter**") as announced on 30 September 2020.

The Final Extension Letter included a right for Sundance to terminate the Sundance Agreement from 2 November 2020, if AustSino had not convened a shareholders meeting to approve the transactions contemplated under the Sundance Agreement by that date ("**Meeting**").

As at the date of this announcement the Company has been unable to convene the Meeting and Sundance has exercised its right to terminate the Sundance Agreement.

The Company's inability to convene the Meeting to date has primarily been caused due to delays in Midwest Resource Finance Group Pty Ltd ("**Midwest**") completing the funding arrangements that it required in order to complete the purchase of the shares in AustSino ("**Midwest Placement**") under the A\$100million binding subscription agreement entered into between Midwest and the Company ("**Midwest Placement Agreement**"), as announced on 9 July 2020. The subscription monies under the Midwest placement were intended to fund AustSino's commitments under the Sundance Agreement.

AustSino has had a discussion with MidWest regarding the MidWest Placement now that the Sundance Agreement has been terminated. As it stands, MidWest has indicated that it remains committed to completing the MidWest Placement with AustSino and remains confident that although delayed, it will be able to complete its funding arrangements in order to complete the Midwest Placement and is working diligently towards that goal. AustSino and Midwest are in the process of documenting relevant changes to the terms of the Midwest Placement Agreement to remove conditions requiring (i) AustSino to remain listed on ASX, and (ii) the Sundance Agreement to remain binding.

After the Company receives confirmation from MidWest that it has completed its funding arrangements and is in a position to complete the Midwest Placement Agreement, it is the intent of the Company to re-commence discussions with Sundance as well as to pursue other opportunities.

As the Sundance Agreement has been terminated the Company considers it unlikely the ASX will re-instate its shares to trading on ASX, such that it will be automatically delisted from ASX on 7 December 2020.

The Company will keep shareholders fully informed of any material developments.

ANNUAL REPORT AND ANNUAL GENERAL MEETING UPDATE

The Company also takes this opportunity to advise that the audit of its 30 June 2020 financial reports remains ongoing due to delays in obtaining relevant supporting evidence from its Chinese subsidiary in Shanghai. This process is unfortunately significantly affected by recent staff movements in the Shanghai office and the inability of the Directors to visit the Shanghai office due to Covid-19 travel restrictions. The Company is hopeful to resolve this in the near future once relevant travel restrictions are eased. Because of this delay the Board has decided to defer convening its Annual General Meeting until such financial reports are finalised. The Company remains hopeful that it will be in a position to hold its Annual General Meeting by no later than 31 January 2021, noting that the Australian Securities and Investments Commission has made public comment that it will take “no action” against companies where their AGM is delayed by up to 2 months due to COVID related reasons.

This release has been authorised by the Board of AustSino.

Further inquiries:

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