

NOBLE GROUP LIMITED

(Incorporated in Bermuda with limited liability)

**NOBLE GROUP SUPPORTIVE OF SUNDANCE RESOURCES' BALANCE SHEET
RESTRUCTURING AND INVESTMENT BY AUST-SINO RESOURCES GROUP**

- Noble is an existing shareholder and convertible noteholder in, and has long term off-take arrangements with, ASX-listed Sundance Resources Limited
- Noble is supportive of Sundance's balance sheet restructuring and the proposed approximately A\$58 million dollar investment in Sundance by Aust-Sino Resources Group
- Sundance, AustSino and potential Chinese partners will work together with Noble to advance the Mbalam-Nabeba iron ore project in Cameroon and Congo
- Noble to receive cash, shares and options in consideration for the cancellation of its existing convertible notes

1. Introduction

Noble Group Limited (the “**Company**” and together with its subsidiaries from time to time, the “**Group**”) announces that on 24 September 2018, the Company's indirect wholly-owned subsidiary, Noble Resources International Pte. Ltd. (“**NR IPL**”), entered into an agreement with, amongst others, Sundance Resources Limited¹ (“**Sundance**”) and other holders of convertible notes in Sundance (the “**Notes**”).

The agreement forms part of a wider balance-sheet restructuring by Sundance which includes a placement of shares (in two tranches) in Sundance to Aust-Sino Resources Group Limited² (“**AustSino**”) (the “**Placement**”). The Placement to AustSino in Sundance will be for a total value of approximately A\$58 million.

NR IPL commenced its relationship with Sundance in 2013 when it subscribed for convertible notes in, and entered into off-take arrangements with, Sundance. Since that time, the Group has continued to support Sundance as it seeks to develop its flagship Mbalam-Nabeba iron ore project which has an estimated indicated JORC resource of approximately 800 million MT of high grade hematite ore³.

Mr. William Randall, CEO of the Company commented:

“This is a game-changing deal for Sundance which allows it to emerge debt-free and with a strong partner with the capabilities, resources and contacts to progress the Mbalam-Nabeba project. It demonstrates how the Group partners with producers, nurturing lasting relationships which deliver value in the long-term. We look forward to working with Sundance, AustSino and their partners as the project progresses.”

Under the terms of the agreement Sundance will cancel the Notes in exchange for a combination of cash, new shares of Sundance and options in Sundance. The transaction is subject to the completion of the Placement. A\$50 million of the proceeds of the Placement will be used by Sundance to cancel the Notes. The Placement is subject to, amongst others, completion of a placement of shares by AustSino, relevant

¹ Sundance is company headquartered in Perth, Australia, and is listed on the Australian Securities Exchange (ASX:SDL). Sundance is an iron ore miner that is seeking to build a global iron ore business through the development of its flagship Mbalam-Nabeba iron ore project located in Central Africa.

² AustSino is a Perth, Australia-based mining exploration company, also listed on the Australian Securities Exchange (ASX: ANS).

³ Refer to Sundance's website at <http://www.sundanceresources.com.au/irm/content/resources-reserves.aspx?RID=236>.

regulatory approvals and the approval of the shareholders of both Sundance and AustSino. Such approvals are expected to be completed within four months. There is no guarantee that such approvals will be obtained. Further information on the Placement and the cancellation of the Notes is available on Sundance's website at <http://www.sundanceresources.com.au>.

NR IPL's existing off-take arrangements with Sundance continue unaffected. These arrangements provide NR IPL with the right to off-take not less than 50% of all iron product produced by the Mbalam-Naeba iron ore project in the first 10 years of its production.

The transaction does not impact the proposed debt restructuring under the restructuring support agreement, as announced by the Company on 14 March 2018, as the consideration would form part of the assets proposed to be sold and transferred to the new entity under the proposed restructuring.

2. Details of the Transaction

The consideration to be received by NR IPL for the cancellation of the Notes held by NR IPL (the "**Relevant Notes**") will comprise a combination of:

- (a) cash of approximately A\$11.9 million;
- (b) approximately 475.8 million new shares of Sundance (which represents an additional 1.5% shareholding interest based on the enlarged share capital of Sundance upon the issuance of new shares by Sundance to NR IPL and the other noteholders and the completion of the Placement) (the "**New Sundance Shares**"); and
- (c) 2,378.8 million options in Sundance (which, if exercised, represents a further shareholding interest of up to 9.7% based on the further enlarged share capital of Sundance assuming the exercise of the options in full by NR IPL only and none of the other noteholders and AustSino exercises their options) (the "**Additional New Sundance Shares**" and together with the New Sundance Shares, the "**Relevant Sundance Shares**").

Under the terms of the options, the exercise price for each Additional New Sundance Share is A\$0.02 (subject to customary adjustment provisions), the exercise period expires in September 2023⁴ and the options are otherwise on substantially the same terms as NR IPL's existing options in Sundance.

In accordance with Rule 1003(3) of the Singapore Exchange Securities Trading Limited Listing Manual (the "**Listing Manual**"), the maximum aggregate consideration attributable to the Relevant Sundance Shares is approximately A\$15.7 million, being the higher of:

- (i) A\$15.7 million, being the market value of the Relevant Sundance Shares, based on the weighted average price of the shares of Sundance transacted on the Australian Securities Exchange on 5 September 2018, being the last market day preceding the date of the agreement and on which trading in Sundance's shares is available for a full market day; or
- (ii) A\$7.8 million, being the net asset value represented by the Relevant Sundance Shares (which in turn represents an up to 11.2% additional shareholding interest in Sundance), based on the latest

⁴ Prior to the entry into of the binding term sheet, the Group held a 1.2% shareholding in Sundance. Pursuant to the terms of the executed binding term sheet, the Group will acquire an aggregate of up to 11.2% shareholding interest which will result in the Group holding an up to 12.4% shareholding interest in Sundance (assuming (a) the issuance of new shares by Sundance to NR IPL and the other noteholders, (b) the completion of the Placement by Sundance to AustSino and (c) the exercise of the options in full by NR IPL only and none of the other noteholders and AustSino exercises their options).

available consolidated financial statements of Sundance (being the consolidated financial statements for the six months ended 31 December 2017).

On the basis of the foregoing, the aggregate consideration for the cancellation of the Relevant Notes was A\$27.6 million (the “**Consideration**”).

The Consideration was arrived at on a willing buyer-willing seller basis after taking into account the face value and the book value of the Relevant Notes, the Company’s desire to consolidate its shareholding interests in Sundance, and the intention of the Company and the other noteholders to facilitate the restructuring of the balance sheet of Sundance in order to attract new investments to fund Sundance’s iron ore project.

The cash proceeds from the transaction of A\$11.9 million will be used for general corporate purposes.

3. **Information on the Relevant Notes**

The Relevant Notes were of a face value of approximately A\$32 million (or approximately US\$23 million) and have been fully impaired.

The excess of the Consideration over the book value of the Relevant Notes is A\$27.6 million. The gain upon the cancellation of the Relevant Notes would amount to A\$27.6 million based on the Consideration and the book value of the Relevant Notes.

Based on the latest unaudited consolidated financial statements of the Company for the six months ended 30 June 2018, the net profit/loss (before income tax, minority interests and extraordinary items) attributable to the Relevant Notes was nil.

4. **Rationale for the Transaction**

Sundance is undertaking this transaction in order to enhance its balance sheet and attract new investment to progress the development of its iron ore project. The transaction satisfies the Relevant Notes owed to NRIPL by Sundance, as well as to allow the Company to further consolidate its shareholding interests in Sundance. The noteholders are also supportive of the need to restructure the balance sheet of Sundance in order to attract new investments to fund Sundance’s iron ore project.

5. **Financial Effects**

The effect of the transaction on the earnings per share and the net tangible assets per share and of the Company is not material, assuming that the transaction had been effected at 1 January 2017 and 31 December 2017 respectively, being the beginning and the end of the most recently completed financial year.

6. **Chapter 10 of the Listing Manual**

The relative figures for the transaction computed on the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of the Relevant Notes as compared with the Group’s net asset value	Not applicable

Rule 1006	Bases	Relative Figures (%)
(b)	Net loss attributable to the Relevant Notes compared with the Group's net loss ⁽¹⁾	Not meaningful
(c)	The consideration ⁽²⁾ given compared with the market capitalisation of NGL ⁽³⁾	16%

Notes:

- (1) Net loss is defined as loss before income tax, minority interest and extraordinary items. The net loss attributable to the Relevant Notes for the six months ended 30 June 2018 was nil. The Group's net loss based on the latest unaudited consolidated financial statements of the Company for the six months ended 30 June 2018 is approximately US\$185 million.
- (2) Based on the Consideration of approximately AS\$27.6 million (or approximately S\$27.4 million based on an exchange rate of A\$1.00 to S\$0.993).
- (3) The market capitalisation of the Company of approximately S\$176.7 million is based on a total number of 1,327,483,781 shares of the Company in issue as at 24 September 2018, at the volume-weighted average price of S\$0.1331 per share transacted on 24 September 2018, being the market day preceding the date of the agreement.

As the relative figures for the transaction computed on the relevant bases set out in Rule 1006 of the Listing Manual exceed 5% but does not exceed 20%, the transaction is classified as a "discloseable transaction" for the purposes of Chapter 10 of the Listing Manual.

7. Interests of Directors and Controlling Shareholders

Save for their interests in the shares of the Company (if any), none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the transaction.

8. Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the transaction. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the transaction. However, it should be noted that NRIPL has the right, but not the obligation (a) at any time after it acquires, and (b) for so long as it continues to hold, voting power in Sundance of at least 5% (based on the number of voting shares on issue in Sundance), to appoint a nominee as a non-executive director in Sundance (and remove and replace that nominee).

9. Documents available for Inspection.

A copy of the agreement is available for inspection during normal business hours at the registered office of NGL at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and at the offices of Allen & Gledhill LLP, 30th Floor, One Marina Boulevard, Singapore 018989 for a period of three months commencing from the date of this announcement.

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About Noble Group

Noble Group (SGX: CGP) manages a portfolio of global supply chains covering a range of industrial and energy products. Noble facilitates the marketing, processing, financing and transportation of essential raw materials. Sourcing bulk commodities from low cost regions such as South America, South Africa, Australia and Indonesia, the Group supplies high growth demand markets, particularly in Asia and the Middle East. For more information please visit www.thisisnoble.com.

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