

## ASX ANNOUNCEMENT AND MEDIA RELEASE

15 April 2015

### ADDITIONAL LAND ACQUIRED ALONG STRIKE AT NAMDINI

**Cardinal Resources Limited** (ASX: CDV) (“Cardinal” or “the Company”), is pleased to announce that its wholly owned subsidiary, **Cardinal Mining Services Limited** (CMS), has signed a Heads of Agreement (HOA) with **Savannah Mining Ghana Limited** (Savannah), a Ghanaian based unlisted mining company, to provide “Mining Support” services to a further 11 Ghanaian Mining Licence holders which will provide additional ~1,900m of strike length at the Namdini Mining License.

### HIGHLIGHTS

- Savannah has entered into 11 separate agreements with Ghanaian Mining Licence holders, within close proximity to Cardinal’s Namdini Project.
- CMS signed binding HOA with Savannah to provide “Mining Support” services to “Explore and Develop”.
- Significant results from recent drilling activity at Namdini include:
  - 51m @ 3.58 g/t from 85m vertical
  - 43m @ 2.27 g/t from 87m vertical
  - 42m @ 2.35 g/t from 61m vertical
  - 41m @ 2.70 g/t from 98m vertical
  - 40m @ 1.37 g/t from 14m vertical
  - 29m @ 1.51 g/t from surface
  - 22m @ 3.03 g/t from 73m vertical

### Managing Director, Archie Koimtsidis, Ghana, commented:

“The signing of the HOA with Savannah provides Cardinal a strategic opportunity to expand its Namdini Project in Ghana. Through the HOA, Savannah has provided CMS with a further 11 development agreements with residential holders of Ghanaian Mining Licences to explore, develop, and operate the Mining Licences. Cardinal, through CMS, will provide “Mining Support” services toward the development of the Mining Licences secured by Savannah under the development agreements.

“This provides Cardinal with an additional ~1,900m of strike. RC drilling at the Namdini Mining Licence has intercepted some very encouraging gold grades at shallow depths over a strike length of only ~150m, we are all very pleased to now have over 10 times more strike length to drill.

“Cardinal plans to commence a new Phase 1 extensional drill program of ~3,000m of RC drilling north along strike into the newly acquired land extending from the current gold intercepts within weeks.

### Cardinal Resources Limited ABN 56 147 325 620

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“Savannah has agreed to immediately pursue further “Mining Support” contracts with other resident Ghanaian Mining License holders in the direct vicinity of the Namdini Mining License, which will expand the potential to identify areas hosting additional gold occurrences”.

#### **BINDING HOA BETWEEN CARDINAL MINING SERVICES LIMITED AND SAVANNAH MINING GHANA LIMITED**

##### **Key terms of HOA include the following:**

- CMS has entered into a Heads of Agreement with Savannah on an exclusive right of first refusal basis, to provide technical and financial support towards the development of Ghanaian Mining License(s) which Savannah will secure under development agreements;
- CMS will assume the management of the Mining Licences from exploration to development and operation, including the provision of mining support services as required;
- Funding for exploration and other costs to develop and operate the Mining License(s) will be provided by CMS, at its absolute discretion; CMS will be entitled to the entire gross mineral values won from the Mining Licenses;
- Savannah will receive a royalty fee for each Mining License received, the terms of which will be finalised on an individual basis.

#### **ABOUT SAVANNAH MINING GHANA LTD**

Savannah has entered into 11 Mining Licence Development Agreements with Ghanaian residential holders. These Mining Licenses are located adjacent to the Namdini Mining License (Figure 1 and 2). The terms of this agreement are materially the same as those entered into between CMS and Savannah.

##### **A summary of the Key Terms of the 11 Development Agreements are:**

1. The payment of US\$10,000 within 7 days of executing of the Agreement;
2. Subject to the satisfaction of due diligence investigations by CMS, an additional cash payment within 6 months of executing the Agreement;
3. An entitlement to receive net smelter receipts from the gross minerals won from the Mining Licence.

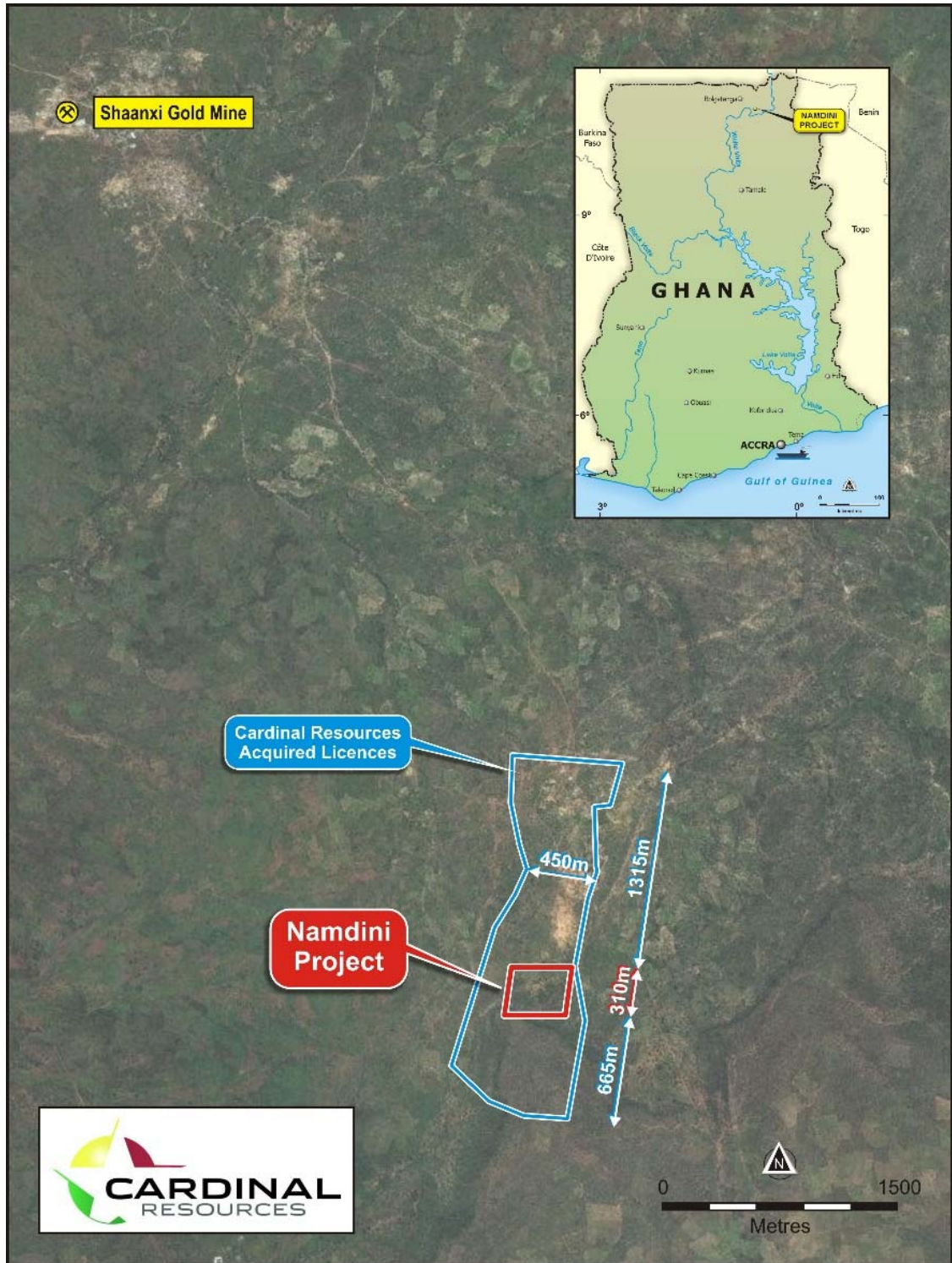


Figure 1: Namdini Proximity Map

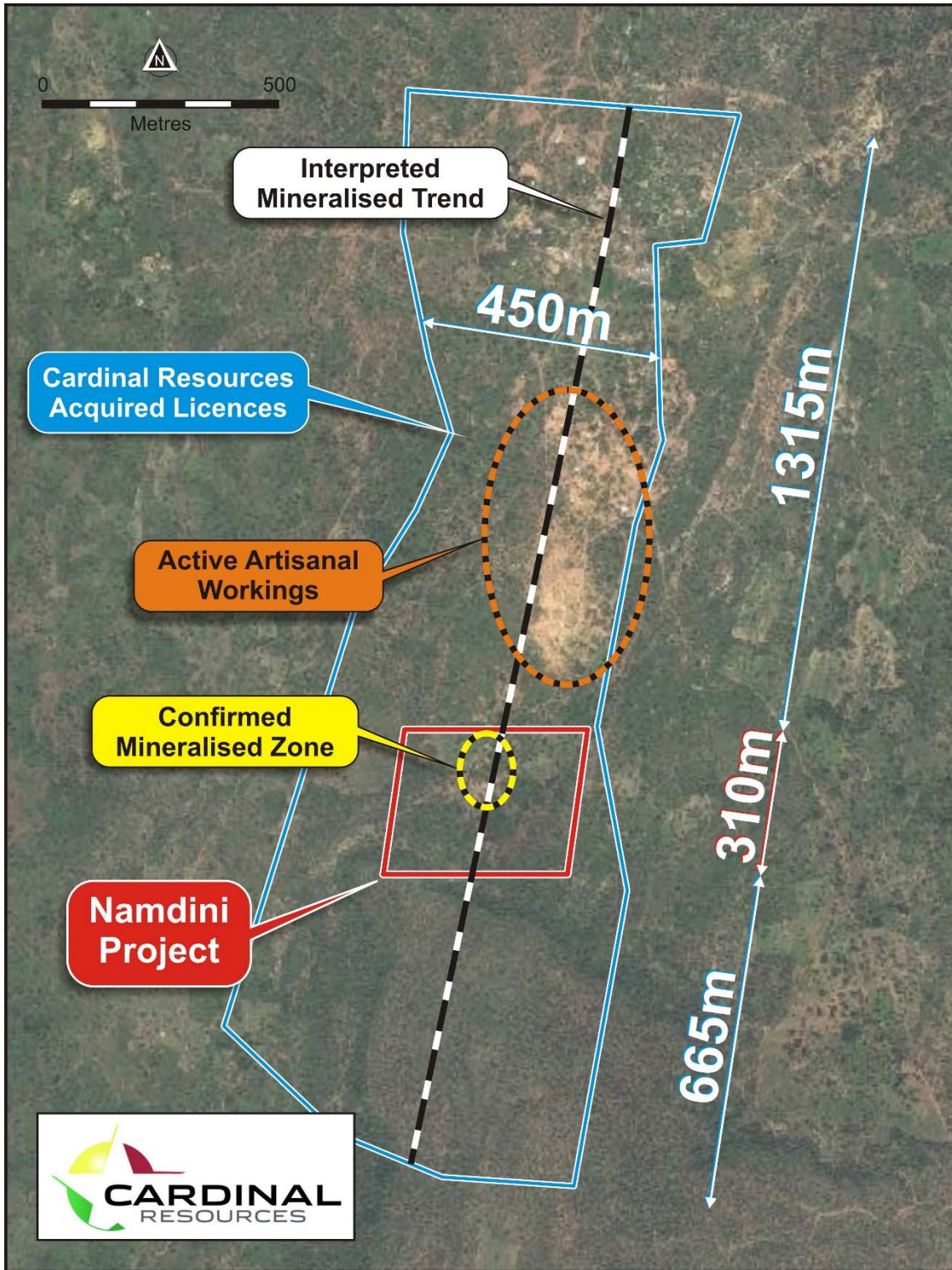


Figure 2: Namdini Acquired Licenses Map

**“GOLD RUSH” WITHIN NEWLY ACQUIRED LAND NORTH OF NAMDINI**



**Figure 3: Activities for ~1km beyond Namdini Pit**

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**Managing Director, Archie Koimtsidis, Ghana, further commented:**

“The Company is very pleased with this opportunity to drill north along strike beyond Namdini. Ghanaian stakeholders in the surrounding communities share a common view of entering into commercial arrangements with Cardinal to provide technical development and mining support with a view to future gold production”.

**For further information contact:**

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**JORC 2012**

This ASX announcement contains information extracted from the following reports which are available for viewing on the Company’s website [www.cardinalresources.com.au](http://www.cardinalresources.com.au):

- 23 March 2015 Wide Gold Intersections Continue at Namdini
- 19 January 2015 Cardinal Intersects 41m High Grade Gold Down Dip at Namdini
- 12 January 2015 Further High Grade Gold Intersected Along Strike at Namdini
- 5 November 2014 Cardinal Hits 43m Gold Intersection
- 26 August 2014 High Grade Gold, Shallow Intercepts at Namdini Continue

The Company confirms it is not aware of any new information or data that materially affects the information included in market announcements relating to exploration activities carried out at the Bolgatanga Project and all material assumptions and technical parameters underpinning the exploration activities in those market announcements continue to apply and have not been changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.