CARDINAL
RESOURCES LIMITED

Exploration Update
Indaba, February 2014

ASX : CDV

Exploration Update February 2014

Competent Person's Statement

The information in this report that relates to geophysical results and interpretation is based on information compiled by Mrs Anne Tomlinson, a Principal Geophysicist at Southern Geoscience Consultants. Mrs Tomlinson is a Member of the Australian Institute of Geoscientists, and has sufficient experience which is relevant to the type of activity being undertaken to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mrs Tomlinson consents to the inclusion in this report of the matters reviewed by her in the form and context in which they appear.

The Information in this report that relates to geological results and interpretation is based on information compiled by Mr Paul Abbott**,** a full time employee of Cardinal Resources Limited of Perth, West Australia. Mr Abbott is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Geological Society of South Africa and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Abbott consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

JORC 2012

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 and Subranum Project areas. 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.

Board

Chairman	**Klaus Eckhof** MAusIMM
Managing Director	**Archie Koimtsidis** MBA
Director	**Malik Easah** Ghanaian Citizen
Director	**Marcus Michael** CA, B Bus
Director	**Alec Pismiris** B Comm ICSA
Exploration Manager	**Paul Abbott** M Sc, FAusIMM, MGSSA

Capital Structure

	Tradeable	Escrowed	Total
Listed			
Fully Paid Ordinary Shares (CDV)	55,518,782	17,837,794	73,356,576
$0.20 options exercisable on or before 30 June 2014 (CDVO)	49,127,180	7,530,440	56,657,620
Unlisted			
- Options Ex. $0.20 on or before 31 December 2015	-	11,000,000	11,000,000
- Class A Performance Shares	-	50	50
- Class B Performance Shares	-	50	50

2013 Snapshot and 2014 Program

2013

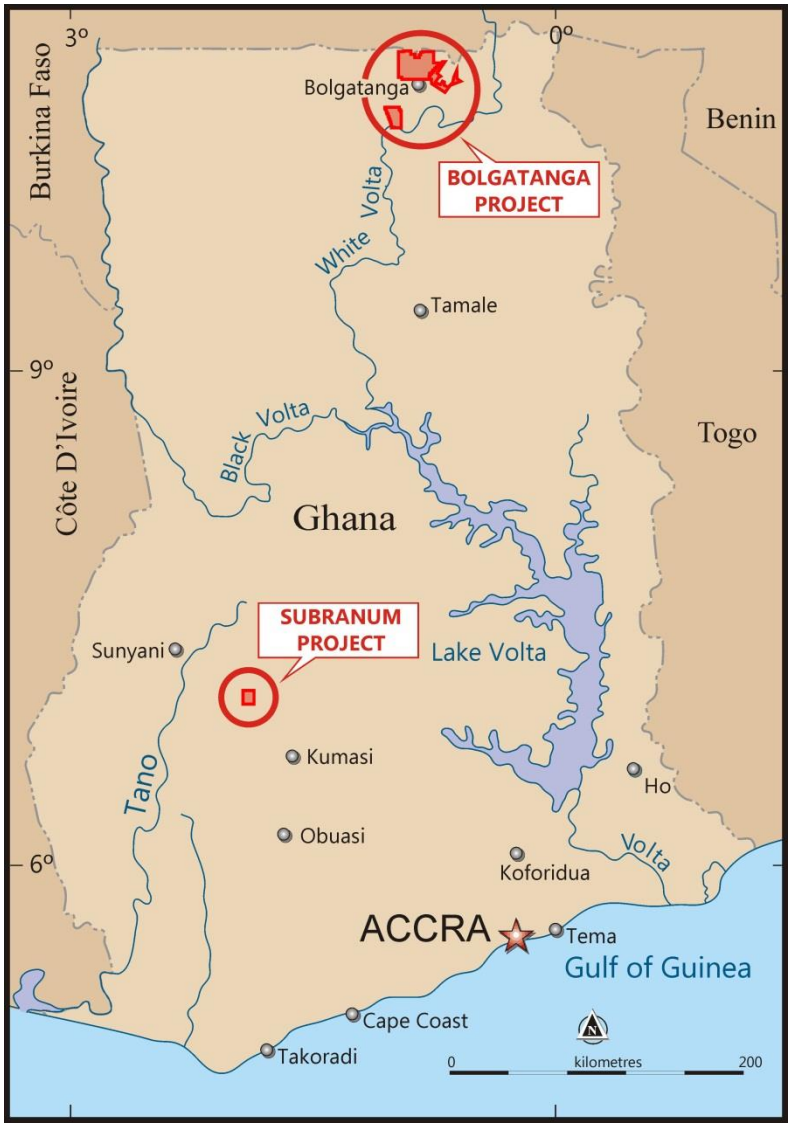
2014

ASX listing
Q1 2013

Geology and
Geophysics
***confirmed* by**
soil geochemical results

Maiden RC and
diamond drilling
program
Q1 to Q2 2014

Ghana Projects

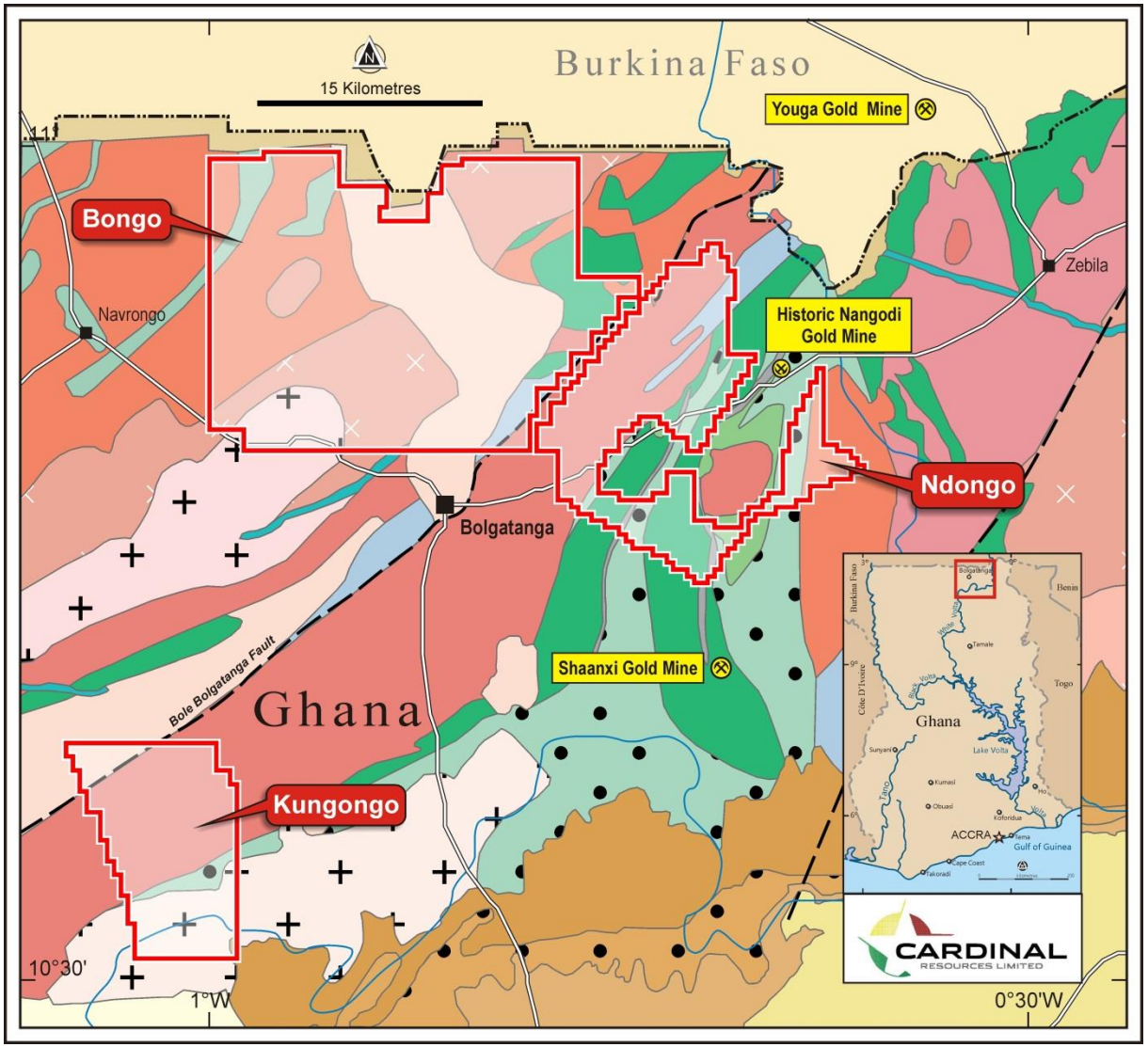


Ghana

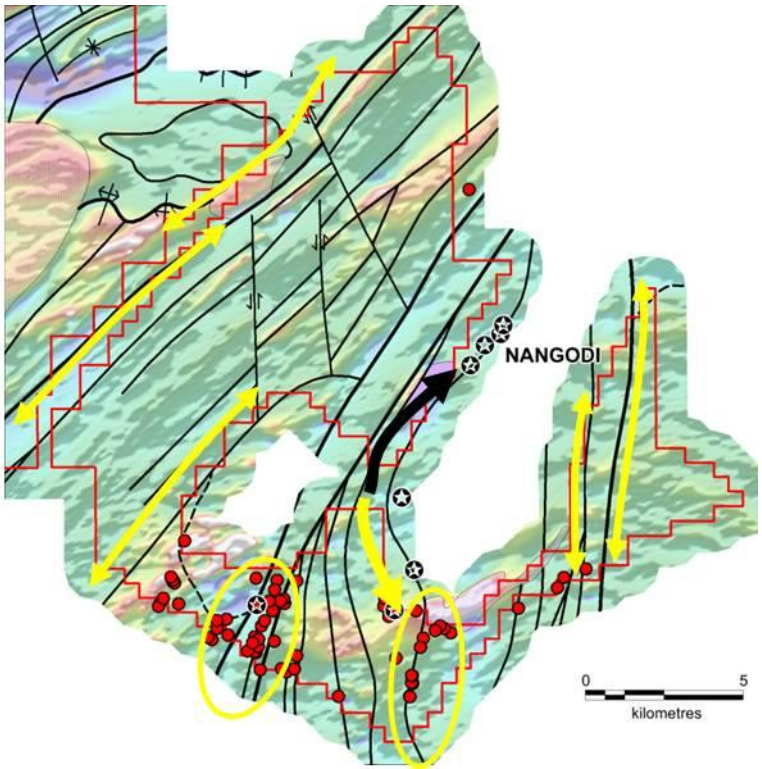
- **Bolgatanga Project**
- **Subranum Project**
- **Total tenement coverage ~760 km²**
- **Both projects hosted within Paleoproterozoic granite-greenstones**
- **Significant production from a number of gold mines and from numerous artisanal gold workings in both regions**
- **Over 120 km of possible mineralised structures interpreted**

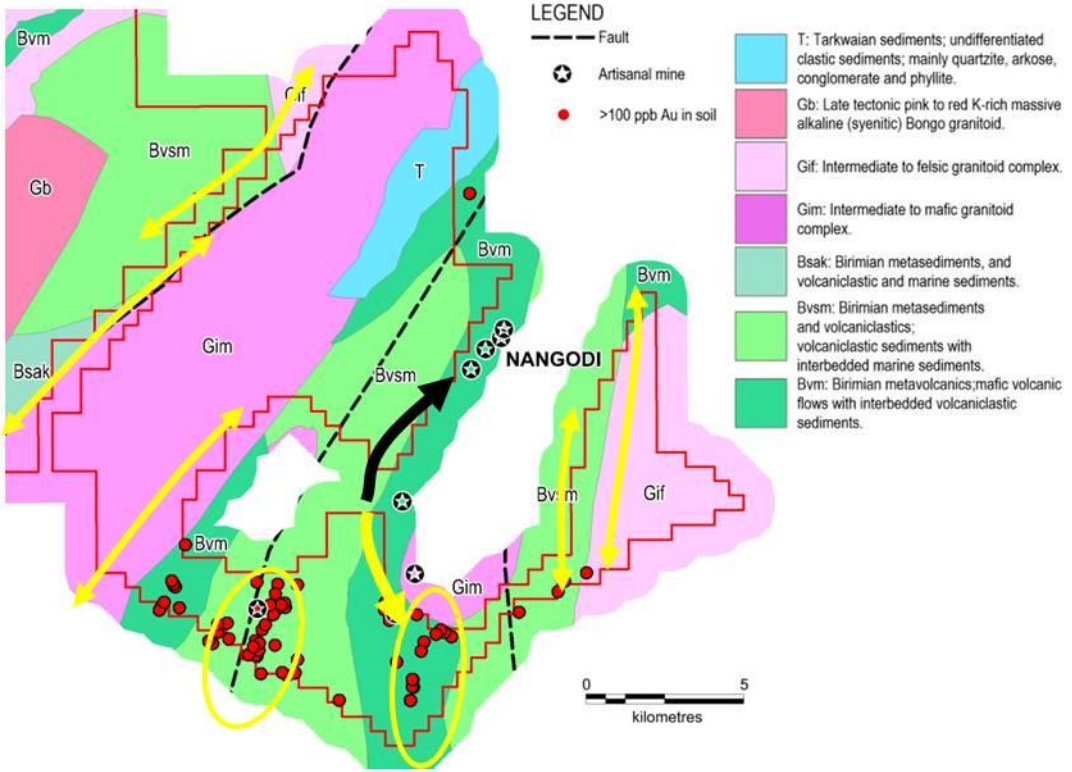
Bolgatanga Project

- Over 100 km of possible gold-bearing structures interpreted within the Bolgatanga Project
- Soil geochemical drilling has confirmed geology and geophysical structures within Ndongo tenement
- Approximately 11,000 metres drilled with an average of >350ppb Au along the central zone which strikes for 3km
- Maiden RC and diamond drilling program planned for Q1 – Q2 2014



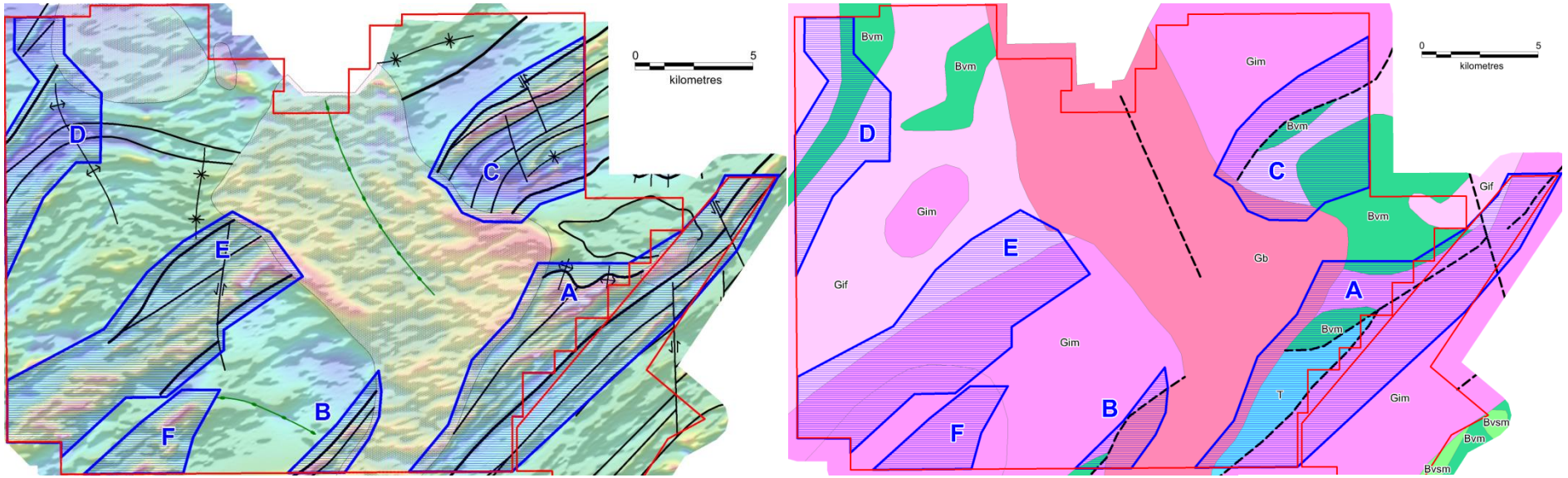
Flagship Ndongo Prospect – Drill Ready





- Potential mineralised structures highlighted in yellow
- Ndongo Central Zone – average of 360ppb, striking for 3 km
- Multiple N-NNE structures identified; over 50 km strike length
- Coincident with the historic Nangodi mine which has a known mineralised trend that continues into the Ndongo tenement and the anomalous gold in soil zone
- Gradient array IP survey commenced over Ndongo Central target

Bongo Prospect



Follow-up areas A-F (blue) over the RTP magnetic image.

- Six areas identified for initial field checking (Areas A-F)
- First priority is Area A across the major Bole-Bolgatanga Fault (18 km strike length)
- Possible greenstone belt rocks and major structures interpreted (Areas B, C, D, E, F); ~40+ km strike length
- Field checking commenced
- Follow-up IP and soil sampling programs being planned

LEGEND

Fault

T: Tarkwaian sediments; undifferentiated clastic sediments; mainly quartzite, arkose, conglomerate and phyllite.

Gb: Late tectonic pink to red K-rich massive alkaline (syenitic) Bongo granitoid.

Gif: Intermediate to felsic granitoid complex.

Gim: Intermediate to mafic granitoid complex.

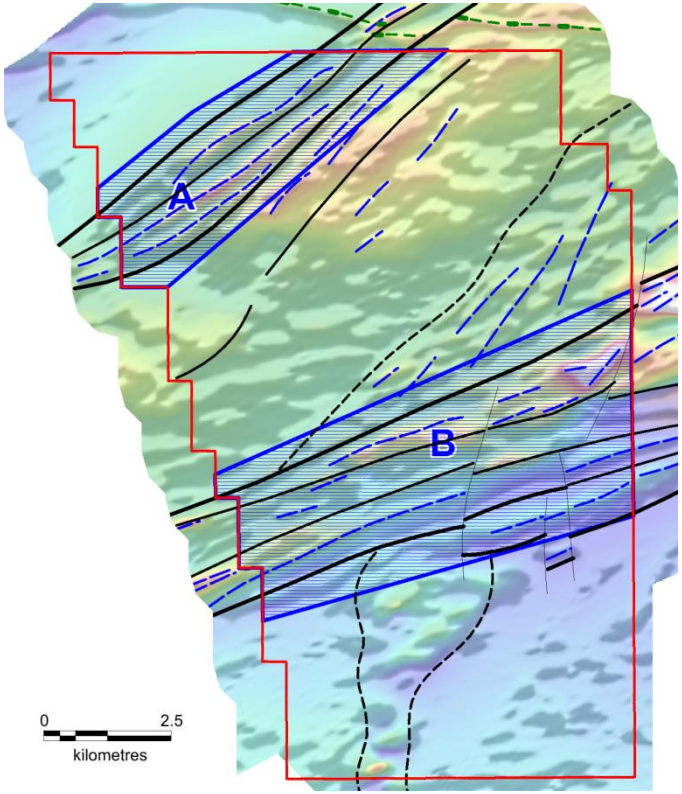
Bsak: Birimian metasediments, and volcaniclastic and marine sediments.

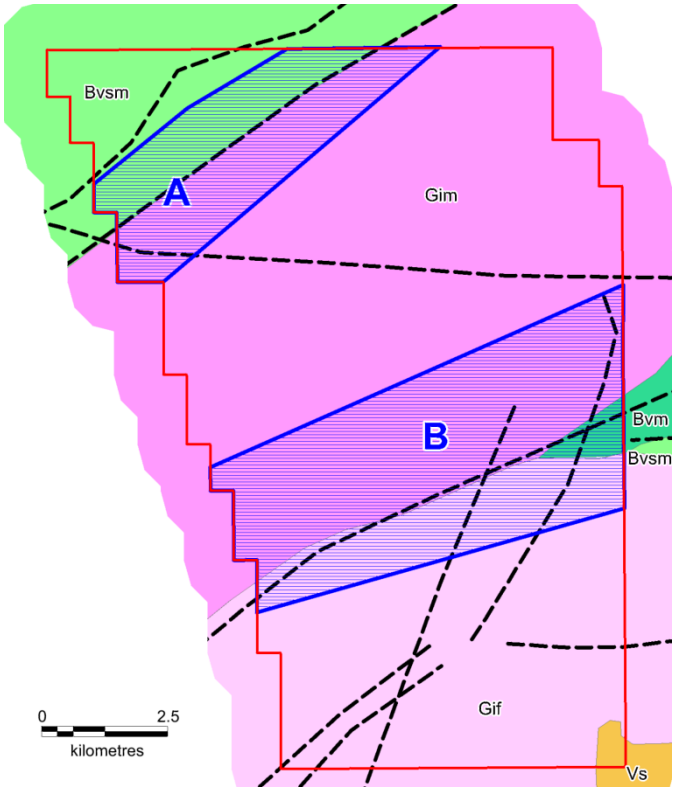
Bvsm: Birimian metasediments and volcaniclastics; volcaniclastic sediments with interbedded marine sediments.

Bvm: Birimian metavolcanics;mafic volcanic flows with interbedded volcaniclastic sediments.

Kungongo Prospect

Follow-up areas A & B (blue) over the RTP magnetic image





- Magnetics indicate two broad fault/shear zones (~30 km total length) bounding possible greenstone belt sequences
- Areas A and B field checked
- First priority is Area A across the southwest continuation of the major Bole-Bolgatanga Fault zone
- Artisanal shafts located to the northeast along this structure and Naga prospect immediately to the southwest
- Follow-up IP and soil sampling programs being planned

LEGEND

Fault

Vs: Voltaian platform sandstones, siltstones and shales.

Gif: Intermediate to felsic granitoid complex.

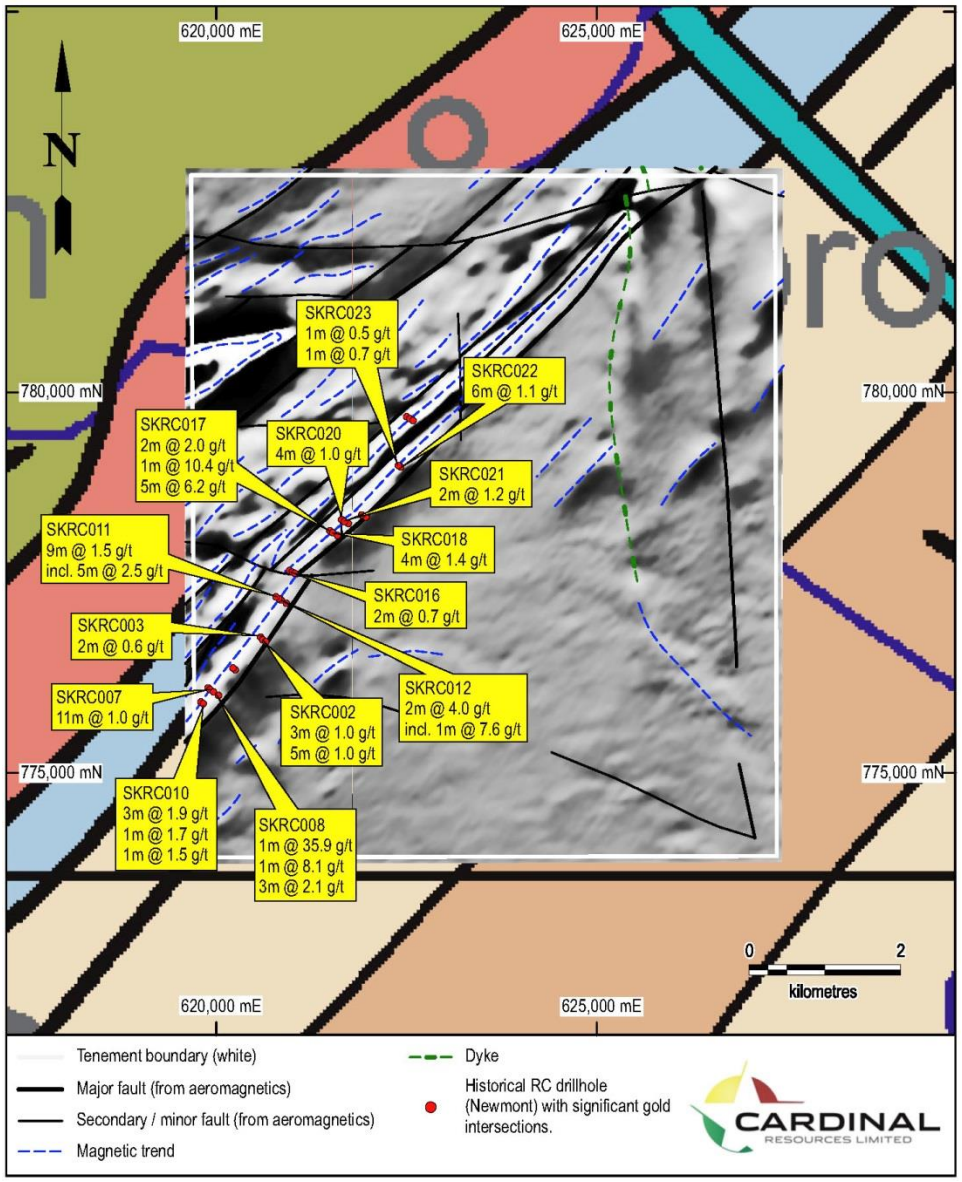
Gim: Intermediate to mafic granitoid complex.

Bvsm: Birimian metasediments and volcaniclastics; volcaniclastic sediments with interbedded marine sediments.

Bvm: Birimian metavolcanics;mafic volcanic flows with interbedded volcaniclastic sediments.

Subranum Project

- High resolution airborne magnetic-radiometric survey completed
- Major NNE structures delineating the eastern margin of the Sefwi greenstone belt identified; ~9 km strike length
- Proven gold mineralisation in historical soil and RC drilling
- Gold mineralisation associated with the margins of the belt at the Bibiani and Chirano camps to the southwest
- Ground IP surveys to be considered for further target refinement



2013 Successful Year of Exploration

Ndongo Prospect

- Circa 11,000 metres of Soil Geochemistry Drilling to date
- 3 Anomalous gold zones >100ppb delineated striking circa 7km
- Geology and Airborne Geophysics **confirmed** by the Soil Geochemistry
- Airborne Geophysics has identified multiple N-NNE structures circa 50 km strike length

Bongo Prospect

- Airborne Geophysics has identified 6 areas for initial field checking
- Circa 58 km of possible greenstone belt rocks and major structures

Kungongo Prospect

- Airborne Geophysics indicate 2 broad fault / shear zones circa 30 km total length bounding possible greenstone belt sequences

Subranum Project

- High resolution airborne geophysics has defined the 9 km structure in detail

2014 Q1 – Q2 Planned Exploration

Ndongo Prospect

- Detailed litho-structural interpretation and targeting from airborne geophysics integrated with existing geological and geochemical databases
- Ground IP Surveys;
  Gradient Array and or HRIP (High Resolution Induced Polarisation)
- 4,000 m maiden Reverse Circulation and or Diamond Drill program

Bongo Prospect

- Detailed litho-structural interpretation and targeting from airborne geophysics integrated with existing geological data
- Ground IP Surveys;
  Gradient Array and or HRIP (High Resolution Induced Polarisation)
- Maiden Soil Geochemistry Drilling program

Kungongo Prospect

- Detailed litho-structural interpretation and targeting from airborne geophysics integrated with existing geological data
- Ground IP Surveys;
  Gradient Array and or HRIP (High Resolution Induced Polarisation)
- Maiden Soil Geochemistry Drilling program

Subranum Project

- Detailed geophysical interpretation to be carried out and integrated with the extensive geological and sampling database to select targets for RC and diamond drilling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