

**ASX ANNOUNCEMENT AND MEDIA RELEASE**

11 July 2016

## **CAPTIAL RAISING TO PUSH AHEAD WITH DRILLING AT NANDIMI**

### **HIGHLIGHTS**

- **Introduction of two new cornerstone investors:**
  - **Precious Capital Global Mining and Metals Fund (Switzerland); and**
  - **Colonial First State Growth Equities (Australia)**
- **Strongly oversubscribed placement of 75 million shares at 29 cents per share**
- **Active work programme fully funded to push ahead with plans to drill out the gold discovery at the Namdini Project, Ghana**
- **Objective to define a maiden JORC Resource at Namdini Gold Project late in 2016**
- **Drilling will also begin at other regional targets in Ghana**

Cardinal Resources Limited (ASX: CDV) (“the **Company**”) is pleased to announce that it has completed a share placement of up to 75 million new shares at \$0.29 per share (“**Placement**”). The Placement will welcome a number of new, well credentialed fund managers to the Company's share register, including Precious Capital Global Mining and Metals Fund (“**Precious Capital**”) in Switzerland and Colonial First State Growth Equities (“**Colonial First State**”) in Australia, amongst others.

The Placement at \$0.29 cents per share represents a discount of only 6.7% to Cardinal's 5-day VWAP, and is a 20% premium to Cardinal's 30 day VWAP.

Precious Capital and Colonial First State provided cornerstone support for this capital raising, which was also well supported by a number of leading international institutional investors.

The funds raised will be applied primarily to fund further RC and diamond drilling at the Company's Namdini Gold Project in Ghana, West Africa, exploration of the Company's other Ghanaian properties, provide capital for any potential payments in relation to acquiring tenements located adjacent to the Namdini Gold Project, technical studies in respect of the Namdini Gold Project, and for working capital.

Hartleys Limited (Australia) is Lead Manager to the Placement, with Clarus Securities Inc. (Canada) and RFC Ambrian Limited (London) acting as Co-Managers to the Placement.

**Cardinal's Managing Director, Archie Koimtsidis said:**

“The addition of Precious Capital and Colonial, along with several other notable domestic and international institutional investors joining the share register in this placement, is a testament to the Namdini Gold Project, and of the team we have at Cardinal. The Company has a solid group of core shareholders in

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Australia, North America and Europe, with capacity to be part of future funding needs of the Company as we progress the Namdini Gold Project through technical studies, and eventually into gold production.

“The size of the bids received for the placement from a handful of well-respected resource investors is a positive step for the Company as we seek to grow our institutional and global profile”

Approximately 55.5 million shares to be issued in the Placement will be issued under the Company’s current ASX Listing Rule 7.1 and 7.1A capacity. The balance of the Placement shares, being up to approximately 19.5 million shares, will be issued subject to shareholder approval at a General Meeting of Cardinal shareholders to be held in late August 2016. A notice of meeting will be provided to shareholders in due course with respect to, amongst other things, the approval for the second tranche of the Placement.

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