

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Cardinal Resources Limited

ABN

56 147 325 620

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Unlisted Options2. Unlisted Options3. Unlisted Options4. Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 5,758,0002. 4,036,2003. 1,000,0004. 379,390 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Exercisable at \$0.825 on or before 21 December 20222. Exercisable at \$0.965 on or before 21 December 20223. Exercisable at \$0.75 on or before 21 December 20224. Ordinary Fully Paid Shares |

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

For personal use only

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1. No 2. No 3. No 4. Yes</p>
<p>5 Issue price or consideration</p>	<p>No consideration</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1. Issued to Board and key management personnel of the Company approved at the Annual General Meeting held on 22 November 2017. 2. Issued to Board members of the Company approved at the Annual General Meeting held on 22 November 2017. 3. Issued for services rendered to the Company. 4. Issued for services rendered to the Company.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>22 November 2017</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	1,000,000 Unlisted Options exercisable at \$0.75 on or before 1 December 2022 379,390 Ordinary Fully Paid Shares
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	Nil
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	21 December 2017

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

	Number	*Class
8 Number and *class of all *securities quoted on ASX (including the *securities in section 2 if applicable)	371,370,549	Fully Paid Ordinary Shares
	115,682,937	Options exercisable at \$0.15 on or before 30 September 2019

	Number	*Class
9 Number and *class of all *securities not quoted on ASX (including the *securities in section 2 if applicable)	6,000,000	Unlisted Options exercisable at \$0.22 on or before 14 March 2020
	1,000,000	Unlisted Options exercisable at \$0.75 on or before 21 December 2022
	18,500,000	Unlisted Options exercisable at \$0.50 on or before 12 April 2022
	5,758,000	Unlisted Options exercisable at \$0.825 on or before 21 December 2022
	4,036,200	Unlisted Options exercisable at \$0.965 on or before 21 December 2022
	50	Class A Performance Shares
	60	Class C Performance Shares

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
---	-----

Part 2 - Pro rata issue

+ See chapter 19 for defined terms.

For personal use only

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the *securities will be offered	N/A
14	*Class of *securities to which the offer relates	N/A
15	*Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	*Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) *Securities described in Part 1

(b) All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee

+ See chapter 19 for defined terms.

For personal use only

incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought N/A
- 39 +Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

 If the additional +securities do not rank equally, please state:
 - the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest paymentN/A

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A
----	---	-----

42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A	
Number	+Class						
N/A	N/A						

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

+ See chapter 19 for defined terms.

For personal use only

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Shipway
Company secretary

Date: 21 December 2017

Print name: Sarah Shipway

====

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid *ordinary securities on issue 12 months before the *issue date or date of agreement to issue	303,985,944
Add the following: <ul style="list-style-type: none"> • Number of fully paid *ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid *ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid *ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>1 February 2017 – 2,500 Fully Paid Ordinary Shares on exercise of Listed Options.</p> <p>21 April 2017 – 45,598,266 Fully Paid Ordinary Shares</p> <p>25 May 2017 – 476,247 Fully Paid Ordinary Shares approved at the Company’s Annual General Meeting held on 7 November 2016.</p> <p>1 August 2017 – 290,994 Fully Paid Ordinary Shares on exercise of Listed Options.</p> <p>22 August 2017 – 175,608 Fully Paid Ordinary Shares on exercise of Listed Options.</p> <p>19 October 2017 – 1,000,000 Fully Paid Ordinary Shares on exercise of Listed Options</p> <p>10 November 2017 – 1,000,000 Fully Paid Ordinary Shares on exercise of Listed Options</p>
Subtract the number of fully paid *ordinary securities cancelled during that 12 month period	N/A
“A”	352,529,559
Step 2: Calculate 15% of “A”	
“B”	0.15

+ See chapter 19 for defined terms.

For personal use only

	<i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	52,879,433
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>21 December 2017 – 379,390 Fully Paid Ordinary Shares</p> <p>21 December 2017 – 1,000,000 Unlisted Options</p>
"C"	1,379,390
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	52,879,433
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	1,379,390
Total ["A" x 0.15] – "C"	51,500,043
	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

For personal use only

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	352,529,559
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	35,252,955
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of *equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	22 November 2017 – 18,461,600 Fully Paid Ordinary Shares
“E”	18,461,600
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	35,252,955
Subtract “E”	18,461,600

+ See chapter 19 for defined terms.

For personal use only

<i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.10] – "E"	16,791,355 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

For personal use only

+ See chapter 19 for defined terms.

21 December 2017

ASX Limited
Level 40 Central Park
152-158 St Georges Terrace
PERTH WA 6000

CARDINAL RESOURCES LIMITED SHARE PLACEMENT – NOTICE UNDER SECTION 708A (5)(e) OF THE CORPORATIONS ACT

On 21 December 2017, Cardinal Resources Limited (**the Company**) issued 190,000 fully paid ordinary shares (**Shares**) at a deemed issue price of \$0.50 per Share and 189,390 Shares at a deemed issue price of \$0.58 per Share, to employees of the Company in consideration for services rendered to the Company.

The Company hereby notifies ASX under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**the Act**) that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- (b) as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (c) as at the date of this notice, the Company has complied with section 674 of the Act;
- (d) as at the date of this notice, there is no information to be disclosed which is excluded information (as defined by section 708A(7) of the Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Sarah Shipway
Company Secretary
Cardinal Resources Limited
P: + 61 8 6558 0573