

**PRESS RELEASE**

26 March 2020

**ASX/TSX: CDV**

2020-07

## **CARDINAL EXPANDS NAMDINI MINING LICENCE AREA**

**Cardinal Resources Limited** (ASX/TSX: CDV) is pleased to advise that it has received approval for the expansion of the current Mining Licence from 19 km<sup>2</sup> to 63 km<sup>2</sup>, more than tripling the size of the Mining Licence for its world-class Namdini Gold Project in Ghana.

### **HIGHLIGHTS**

- **Mining Licence increased to a maximum allowable area of 63 km<sup>2</sup> from 19 km<sup>2</sup> for a term of 15 years and is renewable**
- **Expanded Mining Licence allows for further financial optimisation by repositioning infrastructure such as tailings storage facilities, stockpiles and waste dumps**
- **Exploration potential enhanced within expanded area along the Namdini shear to the south**

**Cardinal's Chief Executive Officer / Managing Director, Archie Koimtsidis stated:**

*"It is most pleasing to have the Minister for Lands and Natural Resources and the Minerals Commission of Ghana support our Mining Licence area expansion. The expansion aligns with the Company's plan to not only significantly optimise the location of key infrastructure such as tailings storage facilities, stockpiles and waste dumps but also to further explore financial benefits during the Front-End Engineering and Design (FEED) of the Namdini Project. Further, it allows the Company to expand its exploration activities immediately south of Namdini which has great potential along the southern extension of the Namdini shear."*

### **Namdini Mining Licence**

The Minerals Commission of Ghana has approved a significant expansion of the Namdini Mining Licence. The new Mining Licence area covers a total of 63 km<sup>2</sup> which is the maximum allowable area (Figure 1).

A Large-Scale Mining License covering the Namdini Mining License was granted to Cardinal Namdini Mining Limited ("Cardinal Namdini"), a wholly owned subsidiary of Cardinal Resources Limited, by the Minister for Lands and Natural Resources under the Ghanaian Minerals and Mining Act 2006 (Act 703) in 2017.

The Large-Scale Mining Licence originally covered 19km<sup>2</sup> in the Dakoto area of the Talensi District in the Upper East Region of Ghana. The expanded Large-Scale Mining Licence now covers 63 km<sup>2</sup> (Figure 1) and has been granted for an initial period of 15 years commencing in 2020 and is renewable. The expanded Large-Scale Mining Licence allows Cardinal to optimise and de-risk mine and infrastructure design and optimise financial outcomes as the Company continues to progress the FEED programme.

Cardinal is readying for development of the world-class Namdini Gold Project located in Northern Ghana, subject to concluding project development financing. Once developed, the Namdini Gold Project is expected to produce over 360,000 ounces per annum for the first two years of operation and over the life of mine is expected to produce an average of 287,000 ounces per annum. The Definitive Feasibility Study completed in late 2019, indicated compelling economics, including a post-tax NPV<sub>5</sub> of over US\$958 million which is capable of generating over US\$1.55 billion in undiscounted project cashflow (assuming a gold price of US\$1,550/oz).

Cardinal's Project development timetable is outlined below.

## Project Development Timeline

### Proposed Project Development Schedule (subject to financing\*)

Milestone	Target timeline
<b>Advance Resettlement Action Plan to completion**</b>	Q3 2020
<b>Advance Front End Engineering and Design ("FEED") to completion</b>	Q4 2020
<b>Target production commencement</b>	H2 2022

*\*The Company's proposed project development schedule assumes that the Company is fully funded to proceed throughout and beyond the FEED process into early works and full construction. Whilst the Company is currently engaged in the financing process, the actual development schedule will depend upon the manner and timing of the Company's financing plans as well as any potential delays that may be associated with future Covid-19 disruptions. Dates are therefore indicative only.*

*\*\*Key milestone in relation to the RAP was achieved with approval from the Minerals Commission of Ghana (MinCom) received. For more information please see ASX/TSX press release dated 11 March 2020.*

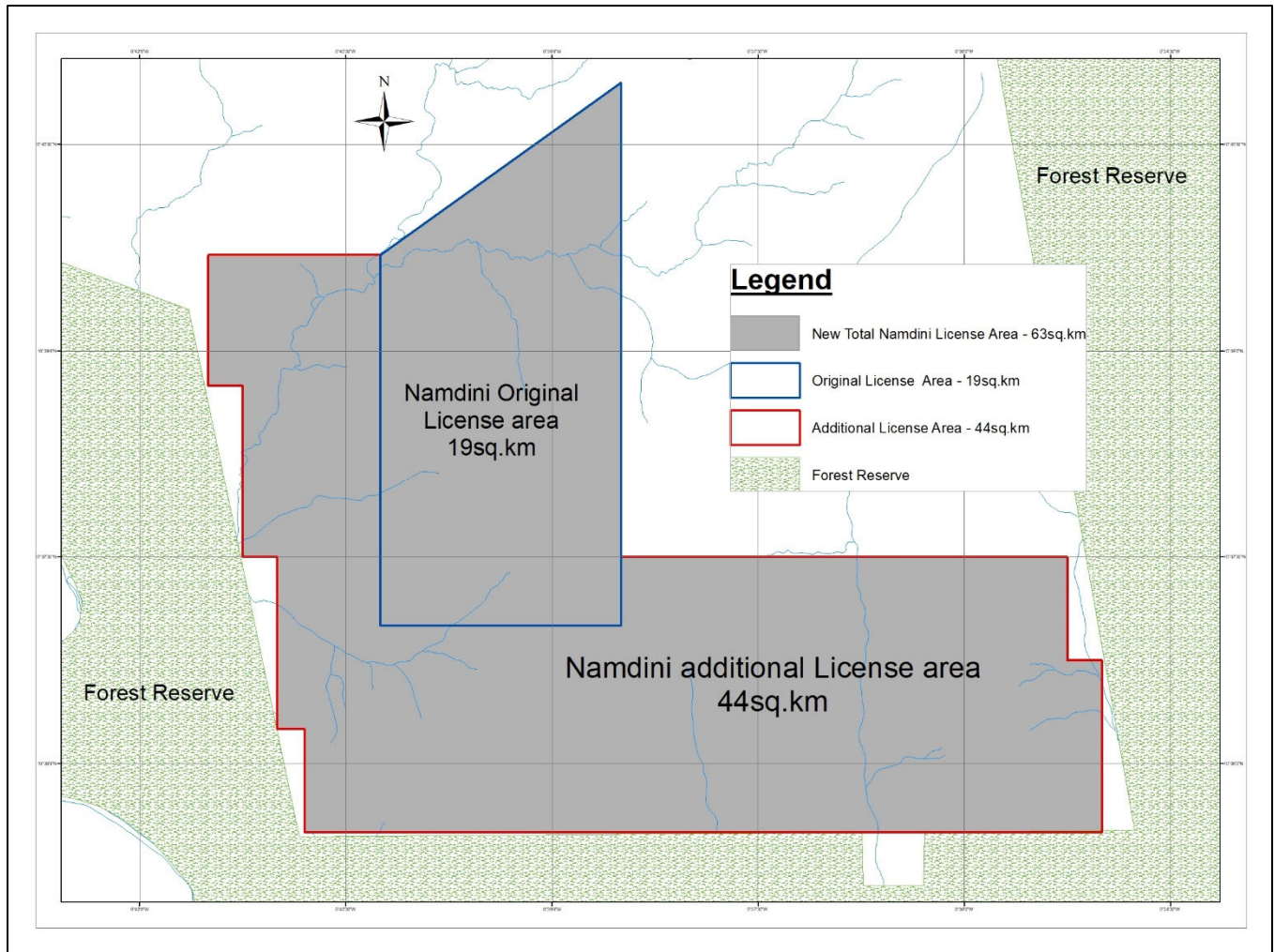


Figure 1: Namdini Mining Licence

## ABOUT CARDINAL

Cardinal Resources Limited (ASX/TSX: CDV) is a West African gold-focused exploration and development Company that holds interests in tenements within Ghana, West Africa.

The Company is focused on the development of the Namdini Project, for which the Company has published a gold **Ore Reserve of 5.1Moz** (138.6 Mt @ 1.13 g/t Au; 0.5 g/t cut-off), inclusive of 0.4Moz Proved (7.4 Mt @ 1.31 g/t Au; 0.5 g/t cut-off) and 4.7Moz Probable (131.2 Mt @ 1.12 g/t Au; 0.5 g/t cut-off).

The Company announced completion of the Definitive Feasibility Study (DFS), which was released 28 October 2019. The technical report on the Feasibility Study, prepared in accordance with NI 43-101 of the Canadian Securities Administrators was issued on SEDAR at [www.sedar.com](http://www.sedar.com) on 28 November 2019.

Cardinal confirms that it is not aware of any new information or data that materially affects the information included in its announcement of the Ore Reserve of 3 April 2019 and its completed Definitive Feasibility Study of 28 October 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

This announcement is authorized by the Board of Cardinal Resources Limited

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## Competent / Qualified Person Statement

The scientific and technical information in this announcement that relates to Exploration Results, Mineral Resources and Ore Reserves at the Namdini Gold Project has been reviewed and approved by Mr. Richard Bray, a Registered Professional Geologist with the Australian Institute of Geoscientists and Mr. Ekow Taylor, a Chartered Professional Geologist with the Australasian Institute of Mining and Metallurgy. Mr. Bray and Mr. Taylor have more than five years' experience relevant to the styles of mineralisation and type of deposits under consideration and to the activity which is being undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and as a Qualified Person for the purposes of NI43-101. Mr. Bray and Mr. Taylor are full-time employees of Cardinal and hold equity securities in the Company.

## Disclaimer

This ASX / TSX press release has been prepared by Cardinal Resources Limited (ABN: 56 147 325 620) ("Cardinal" or "the Company"). Neither the ASX or the TSX, nor their regulation service providers accept responsibility for the adequacy or accuracy of this press release.

This press release contains summary information about Cardinal, its subsidiaries and their activities, which is current as at the date of this press release. The information in this press release is of a general nature and does not purport to be complete nor does it contain all the information, which a prospective investor may require in

evaluating a possible investment in Cardinal.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Cardinal's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Cardinal and of a general nature which may affect the future operating and financial performance of Cardinal and the value of an investment in Cardinal including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

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### **Forward-looking statements**

Certain statements contained in this press release, including information as to the future financial or operating performance of Cardinal and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, anticipated timing of the feasibility study (FS) on the Namdini project, estimates and assumptions in respect of mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward – looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cardinal, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Cardinal disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after today's date or to reflect the occurrence of unanticipated events, other than required by the Corporations Act and ASX and TSX Listing Rules. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this press release are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.