

PRESS RELEASE
4 May 2020

ASX/TSX: CDV
2020-10

CARDINAL COMPANY UPDATE

HIGHLIGHTS

- Ghanaian Environmental Protection Agency (“EPA”) approves Cardinal’s Environmental Impact Statement (“EIS”), granting its Permit for development of the Namdini Gold Project
- Positive impact of strengthened gold price on project economics
- COVID-19 protective measures in place

Cardinal Resources Limited (ASX / TSX : CDV) (“Cardinal” or “the Company”) is pleased to provide an update in relation to the development of its 5.1Moz* Namdini Gold Project in Ghana, West Africa.

Project Permits and Approval Status

- July 2018 – Environmental Impact Statement (EIS) development and documentation process initiated
- December 2019 - Cardinal submitted its Draft EIS for development of the Namdini Project with Ghanaian EPA
- January 2020 - Ghanaian Environmental Protection Agency (EPA) completed its review of the Draft Environmental Impact Statement (EIS) for the development of the Namdini Project. The EIS was revised as needed and re-submitted in March 2020
- February 2020 - Relocation Action Plan (RAP) was approved. The RAP was developed over an extended period, inclusive of extensive consultation with the Project Affected People (PAP) and several levels of the Government. It was signed off by all PAP and subsequently approved by the Ghanaian Minerals Commission
- February 2020 - Water License was granted. Permits the use of water for construction and mine operations purposes
- April 2020 - Ghanaian EPA approves Cardinal’s EIS, granting its Permit for the development of the Namdini Gold Project

Project Fly-Through

The Company has completed a project fly-through at Namdini, this can be viewed on the Company’s website at www.cardinalresources.com.au.

Project Economic Outcomes

Following release of the Feasibility Study and accompanying NI43-101 Technical Report (*ASX/TSX Press Release dated 28 October and 28 November 2019 respectively*) the gold price has traded within the range of USD\$1,452 to USD\$1,757 per ounce.

The Feasibility Study evaluated the Namdini project outcomes at a gold price of USD\$1,350 per ounce, but also presented gold price sensitivities from USD\$1,150 per ounce and up to USD\$1,550 per ounce which Cardinal has set out below in Table 1 below.

Table 1 – Namdini Project Feasibility Study Outcomes (ASX/TSX Press Release dated 28 October and 28 November 2019 respectively)

Project Financial Model				
Gold Price	US\$ / oz	1,150	1,350	1,550
Capital Cost (including \$42M contingency)	US\$ M	390	390	390
All in Sustaining Costs (AISC) ¹				
Starter Pit	US\$ / oz	585	585	585
Life of Mine (15 years)	US\$ / oz	895	895	895
Total Project Payback	months	33	21	9
Pre-Tax NPV ^{5%}	US\$ M	406	914	1,438
Pre-Tax IRR	%	26	43	57

¹ Cash Costs + Royalties + Levies + Life of Mine Sustaining Capital Costs (World Gold Council Standard).

Royalties calculated at a rate of 5.5% at USD\$1,350/oz and 6.0% at USD\$1,550/oz and a corporate tax rate of 32.5%; both subject to negotiation.

The forecast financial information set out above in Table 1 was initially contained in Cardinal's Feasibility Study (refer Cardinal's ASX Announcement (ASX:CDV) of 28 October 2019 titled "Feasibility Study Confirms Namdini as Tier One Gold Project". Cardinal confirms that all the material assumptions underpinning the above forecast financial information in the Feasibility Study continue to apply and have not materially changed.

Corporate Activity

Please refer to the company's announcements of 16 March 2020 and 30 March 2020 in relation to the recent approach from Nord Gold.

The Company continues to work with the Special Purpose Committee to review all strategic alternatives.

COVID-19

There have been no confirmed cases of COVID-19 at any of the Company's sites or offices and a comprehensive response plan is in place to ensure the protection of our staff and contractors. The safety of our people, their families and the communities in which we operate are, and will always be Cardinal's first priority. The challenges of COVID-19 are constantly changing and we remain flexible and united in our responses to maintain staff safety.

All international travel into Ghana remains suspended, while on the ground in Ghana, the workforce has been reduced to key personnel only. Work from home operating procedures have been established where possible while site-based staff continue to operate in limited capacities. Although fieldwork has been scaled back, the Namdini Project Team is still actively working on adding value to the project.

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 Gold Project and released its Feasibility Study on October 28, 2019.

The Company announced completion of the Feasibility Study (FS), which was released October 28, 2019. The technical report on the FS, prepared in accordance with NI 43-101 of the Canadian Securities Administrators, was issued on SEDAR at www.sedar.com on November 28, 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 October 15, 2019, and included in the Company's completed Feasibility dated October 28, 2019 and the information on the drill results noted in this announcement. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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

Authorised for release by the Board of Cardinal Resources Limited.

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ASX Listing Rule 5.23.2

This report contains information extracted from the following reports which are available for viewing on the Company's website www.cardinalresources.com.au :

- 28 Nov 2019 Cardinal Files Feasibility Study NI 43-101 Technical Report
- 28 Oct 2019 Feasibility Study Confirms Namdini as Tier One Gold Project
- 15 Oct 2019 Mineral Resource and Ore Reserve Statement
- 18 Apr 2019 Addendum to Namdini Ore Reserve Press Release
- 03 Apr 2019 Cardinal's Namdini Ore Reserve Now 5.1 Moz
- 27 Mar 2019 Cardinal Intercepts High-Grade Shallow Gold at Ndongo East

The Company confirms it is not aware of any new information or data that materially affects the information included in this report relating to exploration activities 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. Cardinal 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. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

Disclaimer

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 April 3, 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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.

Except for statutory liability which cannot be excluded and subject to applicable law, each of Cardinal's officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this press release and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this Announcement or any error or omission here from. Except as required by applicable law, the Company is under no obligation to update any person regarding any inaccuracy, omission or change in information in this press release or any other information made available to a person nor any obligation to furnish the person with any further information. Recipients of this press release should make their own independent assessment and determination as to the Company's prospects, its business, assets and liabilities as well as the matters covered in this press release.

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, the impact of COVID-19 and the impact of government reactions thereto, 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.