

PRESS RELEASE
5 January 2021

ASX/TSX: CDV
2021-01

CARDINAL BOARD RECOMMENDS SHAREHOLDERS ACCEPT THE SHANDONG GOLD OFFER WITHOUT DELAY

Cardinal Resources Limited (ASX / TSX: CDV) (Cardinal or the Company) notes:

- the announcement made today by Shandong Gold Mining (HongKong) Co., Ltd. (**Shandong Gold**) that Shandong Gold has increased its aggregate acceptances in respect of its unconditional off-market takeover offer for Cardinal (**Shandong Gold Offer**) in excess of 68% of all Cardinal Shares;
- the ASX Release by Engineers & Planners Company Limited (**E&P**) released on the ASX on 31 December 2020 in which E&P stated that it will not proceed with its proposed off-market bid for all Cardinal Shares;
- the PR Newswire Press Release¹ dated 30 December 2020 by Dongshan Investments Limited (**Dongshan**) stating that it does not wish to waive its minimum 50.1% acceptance condition or proceed with the making of its takeover bid for Cardinal Shares; and
- the Nordgold S.E. (**Nordgold**) On-Market Takeover Bid has expired, Nordgold has stated that the Nordgold Off-Market Takeover Bid will not be dispatched and Nordgold has accepted the Shandong Gold Offer.

Other than the Shandong Gold Offer which is scheduled to expire at 7pm (Sydney time) on 12 January 2021, there are no other takeover offers available to shareholders, and the Company is not aware of any potential new offers to be presented.

Recommendation of Cardinal Board – Accept the Shandong Gold Offer

The Shandong Gold Offer is due to expire at **7pm (Sydney time) on 12 January 2021** (unless extended). Cardinal refers its Shareholders to:

- a) the *Key Reasons to Accept the Offer* set out in Cardinal's Target's Statement dated 11 August 2020 (as supplemented) (**Target's Statement**) in respect of the Shandong Gold Offer; and
- b) *Why you should accept the Offer* in section 7 of the Fourth Supplementary Bidder's Statement from Shandong Gold dated 29 December 2020.

In particular, Cardinal notes that if you retain your Cardinal Shares, the price which you will be able to sell them at a later date, the level of liquidity of Cardinal Shares and the continued listing of the Cardinal Shares on the ASX or TSX is uncertain and you will continue to be exposed to the risks associated with being a minority Cardinal Shareholder, some of those risks being set out in detail in the Target's Statement which was released on the ASX on 11 August 2020.

Having regard to the above, the Cardinal Board continues to recommend that Shareholders **ACCEPT** the Shandong Gold Offer (in the absence of a superior proposal), particularly given that:

¹ See: <https://www.prnewswire.com/ae/news-releases/dongshan-investments-limited-takeover-bid-for-cardinal-resources-limited-855000145.html>

- Shandong Gold has acquired control of Cardinal and now has relevant interest in over 68% of the Cardinal Shares and is the only remaining bidder offering to acquire your Cardinal Shares at and offer price of AU\$1.075 per Cardinal Share;
- Nordgold, E&P and Dongshan will not proceed with their respective takeover bids.

Director Acceptances

The Cardinal Directors who currently collectively hold approximately 3.5% of Cardinal's Shares have each either accepted, or are in the process of instructing their broker / controlling participant to initiate acceptance of, the Shandong Gold Offer in respect of all of the Cardinal Shares they own or control. **Attached** to this announcement is a copy of the Appendix 3Y Change of Director's Interest Notice for those Cardinal Directors whose acceptances have been processed.

Cardinal's joint financial advisors are Maxit Capital LP, BMO Capital Markets, Euroz Hartleys Limited and Canaccord Genuity Corp. Cardinal's legal advisors are HopgoodGanim Lawyers (Australia) and Bennett Jones LLP (Canada).

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 28 October 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 April 3, 2019. 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.

For further information contact:

Sarah Shipway
Company Secretary
Cardinal Resources Limited
P: +61 8 6558 0573
E: sarah@cardinalresources.com.au

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.

For further information on the Namdini project please see the Feasibility Study (FS) for the Namdini Gold Project, titled "Namdini Gold Project Feasibility Study 43-101 Report" by David Gordon, FAusIMM, Daryl Evans, FAusIMM, Nicolas Johnson, MAIG MPRM and Glenn Turnbull, FIMMM, MAusIMM, which was released on October 28, 2019. The technical report on the Feasibility Study, pursuant to NI 43-101 of the Canadian Securities Administrators, was issued on SEDAR at www.sedar.com on November 28, 2019.

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, 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.

Appendix 3Y

Change of Director's Interest Notice

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 30/09/01 Amended 01/01/11

Name of entity Cardinal Resources Limited
ABN 56 147 625 620

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Arthur Koimtsidis
Date of last notice	10 December 2020

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Not Applicable
Date of change	30 December 2020
No. of securities held prior to change	6,435,606 Fully Paid Ordinary Shares
Class	Fully Paid Ordinary Shares
Number acquired	Not Applicable
Number disposed	1,935,606 Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$1.075 per share off-market takeover offer from Shandong Gold (Shandong Gold Offer).
No. of securities held after change	4,500,000 Fully Paid Ordinary Shares
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Acceptance of the Shandong Gold Offer.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not Applicable
Nature of interest	Not Applicable
Name of registered holder (if issued securities)	Not Applicable
Date of change	Not Applicable
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Not Applicable
Interest acquired	Not Applicable
Interest disposed	Not Applicable
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Not Applicable
Interest after change	Not Applicable

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	Not Applicable
If prior written clearance was provided, on what date was this provided?	Not Applicable

⁺ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

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 30/09/01 Amended 01/01/11

Name of entity Cardinal Resources Limited
ABN 56 147 625 620

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Dr. Kenneth G. Thomas
Date of last notice	8 October 2020

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	N/A
Date of change	22 December 2020
No. of securities held prior to change	750,000 Fully Paid Ordinary Shares 2,180,049 Unlisted Milestone Options exercisable at \$0.679 on or before 21 December 2022
Class	Fully Paid Ordinary Shares
Number acquired	Not Applicable

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Number disposed	750,000 Fully Paid Ordinary Shares
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$1.05 per share off-market takeover offer from Shandong Gold (Shandong Gold Offer).
No. of securities held after change	2,180,049 Unlisted Milestone Options exercisable at \$0.679 on or before 21 December 2022
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Acceptance of the Shandong Gold Offer.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A

+ See chapter 19 for defined terms.

Interest after change	N/A
------------------------------	-----

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

+ See chapter 19 for defined terms.