

PRESS RELEASE

29 January 2021

ASX/TSX: CDV

2021-04

QUARTERLY ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2020

Cardinal Resources Limited (ASX: CDV; TSX: CDV) ("**Cardinal**" or "**the Company**") a Ghana gold focused exploration and development company, is pleased to present its Quarterly activities report for the period ended 31 December 2020.

HIGHLIGHTS

- On October 1, 2020 Nord Gold SE ("Nordgold") announced that their offer period for its unconditional on-market all cash offer for all of the ordinary shares in Cardinal had been extended to close of trade on ASX on October 22, 2020.
- On October 8, 2020 the Company advised that 6,570,167 unlisted milestone options issued on December 10, 2019 had been exercised under the terms and conditions of Cardinal's Employee Stock Option Plan.
- On October 12, 2020 Shandong Gold Mining (HongKong) Co., Limited ("Shandong Gold") announced that the offer period of its unconditional off-market all cash offer for all of the ordinary shares in Cardinal will remain open for acceptance from the Offer Date until 7:00pm (Sydney time) on October 23, 2020.
- On October 15, 2020 Nordgold announced that the offer period had been extended to close of trade on ASX on November 3, 2020.
- On October 19, 2020 Shandong Gold released its second supplementary bidder's statement and advised that the offer price of AU\$1.00 per Cardinal share was best and final in the absence of a higher competing offer.
- On October 21, 2020 Nordgold increased its offer price from AU\$0.90 to AU\$1.00 cash per share.
- On October 23, 2020 the Company advised that it had received 28 letters from shareholders who own or control in aggregate of 19.38% of the Company's shares to the effect that they intended to accept the unconditional off-market takeover offer by Shandong Gold by Friday, October 30, 2020 (subject to conditions).
- On October 23, 2020 Shandong Gold announced that its offer period will remain open for acceptance until 7:00pm (Sydney time) on October 30, 2020.
- On October 26, 2020 Cardinal announced that shareholders representing 22.81% of Cardinal's shares intended to accept Shandong Gold's offer in the absence of an increase from Nordgold or a superior offer.
- On October 26, 2020 Nordgold announced that it will not increase its AU\$1.00 cash offer price for each Cardinal share under its on-market unconditional offer, unless there is a higher competing offer.

- On October 26, 2020 Shandong Gold advised its intention to extend its offer period to December 31, 2020 and, if a higher competing offer were to be announced, to increase its offer price to AU\$1.05 per Cardinal share.
- On October 28, 2020 Nordgold announced its intention to supplement its on-market unconditional cash offer with an off-market offer on equivalent terms. If a higher completing offer is made, Nordgold may increase its offer price under its off-market offer, including to AU\$1.05 per share on another price that may defeat the higher competing offer and any competing offer from Shandong Gold.
- On October 29, 2020 Nordgold announced that the offer period had been extended to close of trade on ASX on November 20, 2020.
- On November 18, 2020 Nordgold extended on-market offer to December 7, 2020.
- On November 23, 2020 Nordgold lodged bidders' statement for an off-market takeover of CDV at A\$1.00 per share but the offer never opened. Nordgold announced relevant interest in CDV of 149.3m shares for approximately 27.8%.
- On November 24, 2020 a Ghanaian company, Engineers & Planners Company Ltd ("E&P") announced a conditional off-market takeover offer for Cardinal at A\$1.05 per share subject to conditions, including 50.1% minimum acceptance and requiring regulatory approvals (FIRB, local Ghanaian approvals, etc).
- On November 24, 2020 Shandong Gold increased its off-market bid from A\$1.00 per share to A\$1.05 per share, after the announcement of the higher E&P bid (being released from its "best and final" statement).
- On November 26, 2020 Nordgold considered that it is free from its "best and final" statement and extended its offer to December 14, 2020.
- On December 7, 2020 Nordgold extended its offer to December 23, 2020.
- On December 11, 2020 Nordgold increased its on-market offer to match Shandong Gold at A\$1.05 per share, with offer still closing on December 23, 2020.
- On December 22, 2020 Shandong Gold announced intention to increase off-market offer to A\$1.075 per share, conditional on Nordgold offer not being extended, and achieving relevant interest in CDV of more than 30% by December 31, 2020.
- On December 23, 2020 Nordgold on-market offer closed and Nordgold accepted the Shandong Gold offer.
- On the morning of December 24, 2020 Shandong Gold's relevant interest in CDV increased to 240.3 million shares for approximately 43.4%.
- On December 24, 2020 a new highly conditional intention to bid for Cardinal from Dongshan was announced.
- On December 24, 2020 Shandong Gold confirmed its increased bid to A\$1.075 per share, extended the offer to close on 12 January, 2020, and had acquired more than 50.1% of Cardinal.
- On December 29, 2020 Shandong Gold relevant interest in CDV increased to 283.89 million shares for approximately 51.26% and a supplementary bidder statement (4th) released.
- On December 29, 2020 Cardinal acknowledged that Shandong Gold has a controlling shareholding in the Company, and the Cardinal Board has determined not to engage with the other highly conditional bidders (Dongshan and E&P).
- On December 31, 2020 E&P and Dongshan both determined not to proceed with takeover bids for Cardinal.

- On December 31, 2020 Shandong Gold relevant interest in CDV increased to 356.7 million shares for approximately 64.4%.

Subsequent to the Quarterly:

- On January 12, 2020 Shandong Gold extended the offer period to January 19, 2021. Shandong Gold relevant interest in CDV increased to 511.6 million shares for approximately 92.3%.
- On January 13, 2020 Cardinal advised that all the Directors of Cardinal had accepted the Shandong Gold offer.
- On January 19, 2020 Shandong Gold's offer closed and its relevant interest in CDV increased to 95.51%.
- On January 27 2020 Shandong Gold lodged its compulsory acquisition notice and announced that it had a relevant interest in 95.62% of Cardinal. In accordance with ASX Listing Rule 17.4, Cardinal shares will be suspended 5 business days after the date of the notice, and once suspended, ASX will remove Cardinal from the official list of ASX at the close of trading on a date to be determined.

OUTLOOK

The principal activity of the Company is gold exploration and mine development in Ghana. The Company holds tenements prospective for gold mineralisation in Ghana in two granite-greenstone belts: the Bolgatanga Project and the Namdini Gold Project ("Namdini"), which are, respectively, located within the Greenstone Belts in northeast Ghana and the Subranum Project, which is located within the Sefwi Greenstone Belt in southwest Ghana.

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

In response to the COVID-19 pandemic and following advice from the World Health Organization ("WHO") as well as the Australian, Ghanaian, and Canadian Governments, Cardinal has enacted changes to its exploration programme and on-site development programme, primarily focused on the safety and well-being of our workforce.

Most international travel to Ghana remains suspended. On the ground in Ghana, the workforce has been reduced to key personnel only. According to the latest WHO External Situation Report (January 22, 2021), there had been 58,822 confirmed cases of COVID-19 in Ghana, including cases via local transmission. 358 deaths from COVID-19 have been recorded in Ghana at the time of this report. At the time of writing, the Northern Region of Ghana, where Cardinal's main tenements are located, have recorded 598 COVID-19 cases with three recorded deaths. Some restrictions and lockdowns have been eased in Ghana with the international airport partially opened. Strict COVID-19 Operational Procedures have been introduced on site and in Cardinal Offices in Perth and Accra.

The Company is doing everything to ensure it is well placed to resume normal business as soon as practically possible.



Figure 1: Cardinal Resources Tenements in Ghana

THE NAMDINI GOLD PROJECT

Property Title / Mining Lease

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

In February 2020, the Minister - in accordance with the Act- approved the application to expand the original Mining Lease to the maximum allowable area. The expanded Large-Scale Mining Licence now totals 63km² and is valid for a renewable term of 15 years from 2020 (Figure 2).

On July 20, 2020 the Company advised that its Namdini Project Mining Licence had officially received Sovereign Parliamentary Ratification in Ghana.

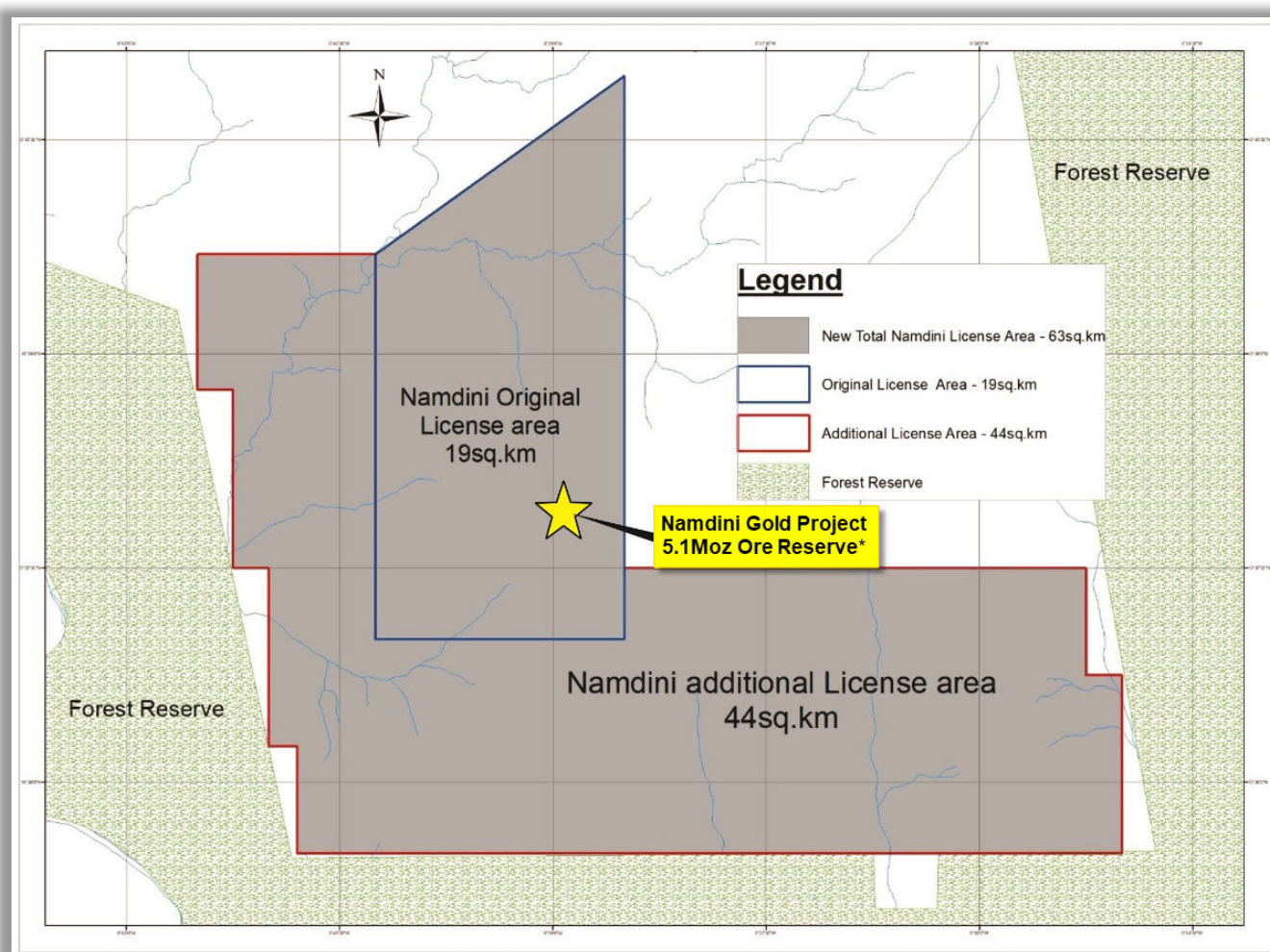


Figure 2: Location of 63 km² Namdini Project Mining Lease

*7.4Mt @ 1.31g/t Au for 0.4Moz Au Proved and 131.2Mt @ 1.12g/t Au for 4.7Moz Au Probable; 0.5g/t Au cut-off

Project Development Timeline

Table 1: Proposed Project development schedule (Subject to Financing and COVID-19 impact)

Milestone	Target timeline
Reinitiate and advance Front End Engineering and Design (“FEED”) to completion	Q3 2021
Advance Resettlement Action Plan to substantial completion	Q2 2021
Target production commencement	H2 2023

Project Development Partners

Table 2: FEED Team:

COMPANY	ROLE
Lycopodium	Feasibility Study Managers. Process plant and associated infrastructure. Capital and Process Operating cost estimation.
AMC Consulting	Mine design, planning, optimization, scheduling and mining contractor tendering
Orway Mineral Consultants	Comminution data analysis, crushing and grinding option studies.
ALS Laboratory (Perth)	Metallurgical test work to support the process design criteria.
Knight Piésold Consulting	Tailings Storage Facility and selected infrastructure design.
Independent Metallurgical Operations	Metallurgical test work management and analysis
MPR Geological Consultants	Mineral Resource modelling of the Namdini Deposit.
Orefind	Geology and deposit structural genesis.
Sebbag Group International	Mine Design Management and Review.
NEMAS Consult & Geosystems Consulting	Environmental Impact Assessment Study.
Whittle Consulting	Enterprise Optimization of the Namdini Project.
Alastri Software	Tactical Scheduling, Haulage Modelling and Reserving Software.
Maelgwyn Mineral Services Africa	Aachen™ process metallurgical optimization.
BDO Advisory	Financial Model Integrity & Reviewer (PEA, PFS and FS).
MKM Social	Socio-Economic Study and Resettlement Action Plan.

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 revised as needed and re-submitted in March 2020
- February 2020 - Relocation Action Plan (“RAP”) 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 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
- July 2020 – The Namdini Project Mining Licence had officially received Sovereign Parliamentary Ratification in Ghana
- October 2020 – The Namdini Project Fire Permit from the Ghana Fire Service was granted
- October 2020 - The Namdini Project Bulk Oil Facility permit from the Ghana EPA was approved

Health, Safety & Environment

Developing a safe, successful, and sustainable gold mine continues to be a principal focus for Cardinal Resources. Progress on permitting and Occupational Health & Safety initiatives are as follows:

- A Coronavirus monitoring and management program in place across the company. Daily meetings on Coronavirus update and prevention are ongoing on site.
- The Bulk Oil Facility permit from the Ghana EPA approved.
- Aquatic / biological and sediment baseline field data collection completed as part of the EPA permit requirement
- Flow monitoring of the Kubiliga and Zoan Buliga streams are ongoing.
- Aerial survey of the Tailings Storage Facility impact area at Namdini has been completed.
- Namdini site inspection by a team from the Ghana Fire Service in Bolgatanga as part of the Fire Certificate permitting process completed.
- The submission and approval of Namdini's Fire Permit has been completed.
- Drafting of Environmental System Operating Procedures are ongoing.
- Water monitoring returns submitted to the Water Resource Commission as part of permitting conditions.
- Inspector of Mines responsible for Machinery (Minerals Commission) has visited the Namdini site.
- HSE Standards (Risk and Opportunity Management, Change Management, Legal Requirement, Document Control, Monitoring and Measurement finalised.
- Dust monitor orders have been placed for Namdini site monitoring requirements.
- Cardinal quantitative risk register is under review. Health, Safety and Environment ("HSE"), Human Resources ("HR") and Commercial drafted.
- Minerals Commission and Water Resources Q3 reports submitted.
- Two sets of noise monitoring equipment received on site..
- Baseline Traffic Impact Assessment has been completed
- Meeting held with GridCo to review / assess the powerline along the re-aligned Access Road outside the Red Volta Forest Reserve
- Site visit by representatives from Geosystems and Knight Piesold has been completed. Consultants assessed three alternative sites for the construction of the proposed tailings dam

Community & Social Responsibility

- Sensitized Accra Site leaders to stop illegal mining activities in the community and backfilled all trenches.
- Project information-sharing meeting held with Datoko Chief and Elders
- Resolved Sheaga Chief and Elders' queries about portions of their lands in Namdini Mining Lease.
- Head of Northern Zone at Mincom, Tamale paid a familiarization visit to Cardinal Resources
- Negotiated with Biung leaders on the requirements for sacred area encroachment pacification
- Sensitized Accra Site leaders to stop illegal mining activities at Namdini.
- Socio-economic and Livelihood Impact Assessment contract finalized
- Final Health Impact Assessment ("HIA") report submitted by MKM Social
- Supported the Chief and people of Datoko to celebrate "Tenglebgre" festival
- Forestry Commission has approved Cardinal's application for Forestry Entry to construct mine access road and electrical pylons.

For personal use only

- Namdini Mining Lease sacred sites map has been completed.

Resettlement Action Plan (RAP)

The compensation for the 270 impacted households for loss of assets and livelihood has been completed for Namdini.

Further details are as follows:

- All respective Project Affected Persons (“PAPs”) for the compensation have been informed
- The third tranche of RAP payment was completed. The fourth tranche payment is being paid early February 2021
- Profiled and identified location of compensated structures for demolition
- 80% of paid structures demolished at Accra Site. Remaining 35 structures will be demolished early 2021.
- Compensation payment documentations (receipts and undertakings) completed



Figure 3 – Progress of Namdini Structure Demolition and Compensation

Front End Engineering Design “FEED”

All project works for the FEED program continue to be suspended due to the global spread of COVID-19 and the takeover bid process.

A significant interest in the project remains from vendors and contractors. The major suppliers for long lead items have informally indicated their manufacturing schedules have not changed since March 2020 when the COVID-19 was declared a pandemic.

A summary of the FEED activities up to the point of suspension were as follows:

- Cardinal continued negotiating the separable Engineering Procurement and Construction Management contracts with Lycopodium
- An 11kV power supply selected for the river abstraction pumps as opposed to a diesel generator set
- Splitting of the oxygen demand into two separable oxygen plants for redundancy
- Specifications of the lease boundary fencing to be upgraded.
- A carbon-in-leach (“CIL”) tower crane chosen as opposed to a gantry crane
- Addition of a semi-automatic Sodium Metabisulphite handling system
- Addition of a Lime Blower for delivery to the Process Plant outside of the Plant fence
- Haul truck crossovers for tailings and decant pipelines
- Flat pack versus block work for the permanent accommodation camp, fly camp and construction camp
- Reducing the size and hence cost of the primary crusher
- The site lay-out issued for final review
- The Project Execution Plan in the process of being reviewed by Cardinal
- An updated TSF dam breakage analysis completed and issued to Cardinal
- The WSF relocated and a new WSD designed to improve project economics.

The project execution schedule on the date of the suspension notice was ready for review by Cardinal.

Specific schedule target milestones remain defined as follows:

- Plant warehouse to be commissioned and handed over 12 months before first gold pour
- Incinerator to be commissioned and handed over 12 months before first gold pour
- Mining Service Area Facility to be commissioned and handed over 9 months before first gold pour
- Metallurgical laboratory to be commissioned and handed over 6 months before first gold pour

A constructability project review was completed during the FEED, to be ready for a planned Hazard Identification (“HAZID”) analysis. The HAZID was cancelled due to the suspension.

The following procurement packages remain in various stages of evaluation as follows:

- Fly Camp Facilities, Operation and Camp Management
- Site Survey Services
- Infrastructure Bulk Earthworks
- Plant Bulk Earthworks
- Concrete Works
- Field Erected Tanks and Steel Framed Buildings
- Construction Camp Services

Mining contract tender expressions of interest were sent to thirteen (13) potential mining contractors, however this process was also suspended due to the same reasons described in this section.

Pioneer Access Road

- Engaged with Feeder Roads to construct pioneer access road to the Namdini Gold Project site from the N10 national highway
- All affected farm enumerations and compensations was completed.
- Baseline reports for the aquatic and sediments survey were received and analysed.
- Enumeration of Shea, African dwarf beans and other commercial trees completed
- All mapping and road surveying was completed in this period
- Clearing of the Pioneer Access Road and Water Abstraction Access Road has been completed

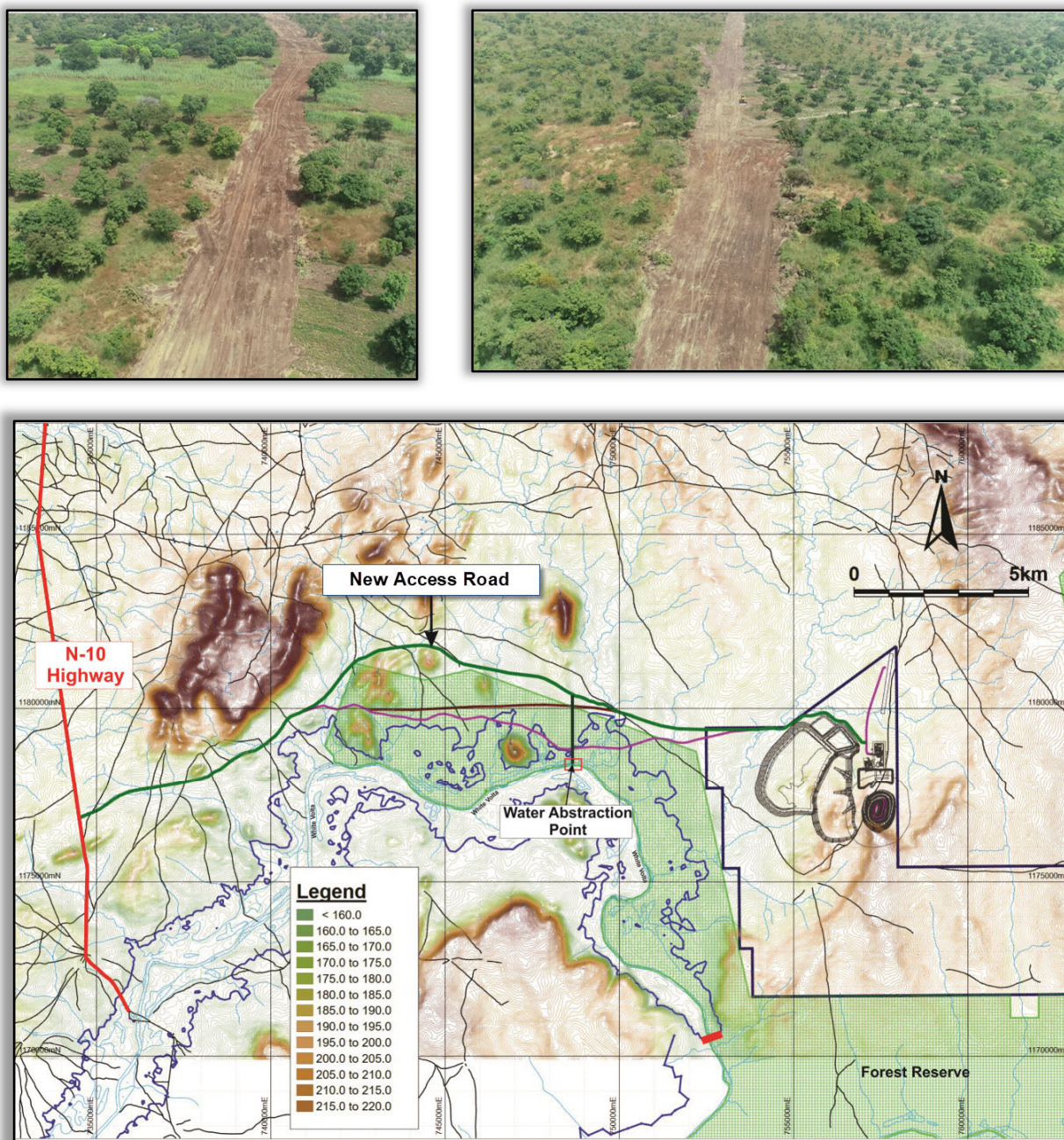


Figure 4 – Completed Clearing for the Namdini Pioneer Access Road

Namdini Infrastructure Sterilisation Drilling

During the Quarter, sterilisation drilling was suspended due to the COVID-19 restrictions. Sterilisation drilling to date has returned no significant mineralisation.

Namdini Infrastructure Geotechnical Drilling

No Geotechnical drilling and test-pitting were undertaken for the project infrastructure during the Quarter, due to the COVID-19 restrictions.

REGIONAL EXPLORATION UPDATE

The Company owns exploration rights to two exploration projects: The Bolgatanga Project which includes Bongo Licence Area, Kungongo Licence and Ndongo Licence Area (Figures 1 and 6) located in the northeast of Ghana and the Subranum Project located in the southwest of Ghana.

Exploration activities have included varying levels of airborne magnetic and radiometric surveying, regional and prospect-scale ground magnetic, gravity, chargeability, resistivity and radiometric geophysical surveys, regional and detailed geological mapping, rock chip and auger soil sampling and reverse circulation and diamond drilling programmes.

The Company's regional exploration programme during the Quarter was limited to field mapping and ground-truthing following a review of structures and targets generated from geophysical data, historical RC results and a follow up on identified geophysical targets with trenching and sampling programme at Yameriga (RL9/19) within the Ndongo Licence Area (Figure 5).

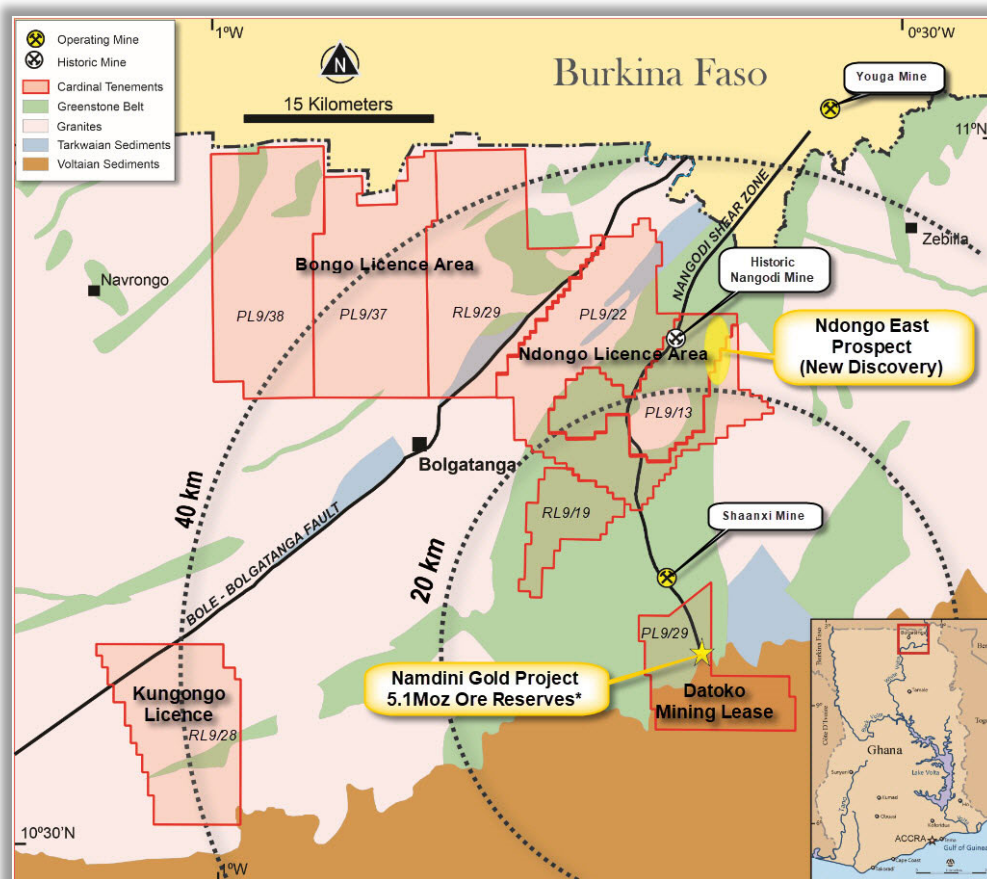


Figure 5: Namdini Gold Project and Bolgatanga Project Tenements

*7.4Mt @ 1.31g/t Au for 0.4Moz Au Proved and 131.2Mt @ 1.12g/t Au for 4.7Moz Au Probable; 0.5g/t Au cut-off

BOLGATANGA PROJECT

Ndongo Licence Area

The Ndongo Licence Area, hosts part of the extensive regional Bole-Bolgatanga Fault in the northwest and the prospective Nangodi Shear Zone in the centre of the licence area. The licence area wraps around the southern end of the Palungu granitoid intrusive, in the south-eastern region of the licence and forms the main area of perspectivity on the tenement (Figure 5).

The Ndongo Licence Area, comprises of the combined, Nangodi Prospecting Licence (PL9/13, covering a land size of 84.7km²), Ndongo Prospecting Licence (PL9/22, covering a land area of 157km²), and Yameriga Prospecting Licence (RL9/19, covering a land size of 36.78km²), granted to Cardinal to prospect for gold in the Bolgatanga and Talensi Nabdam District in the Upper East Region in the Republic of Ghana. The combined land area of the Ndongo Licence Area is 278.48km².

As part of the precautionary measures put in place by the Company to minimise the risk of exposure of employees amid the COVID-19 pandemic, the Company suspended all exploration activity at the Ndongo Licence Area during the Quarter.

Kungongo Licence Area

The Kungongo Prospecting Licence (RL9/28) is located approximately 40km west of Namdini Gold Project and covers a total land size of 122.4km². The licence hosts the extensive regional Bole-Bolgatanga fault over a length of 6km in the northwest corner of the tenement. The tenement is underlain by Birimian greenstones which have been extensively intruded by younger granitoids (Figure 5).

As part of the Company's precautionary measures put in place to minimize the risk of exposure of employees amid the COVID-19 pandemic, all exploration activity at Kungongo was placed on hold during the Quarter.

Bongo Licence Area

The Bongo Licence Area covers a total land area of 465km². It hosts part of the regional Bole-Bolgatanga Fault (Figure 5).

The Bongo Licence Area comprises of the combined, Bongo Prospecting Licence (RL9/29 covering a land size of 155km²) located in the Bongo area, Kandiga-Atibisi Prospecting Licence (PL9/38 covering a land size of 155km²) located in the Kandiga-Atibabisi area, and Zoko-Tarongo Prospecting Licence (PL9/37 covering a land size of 155km²) located in the Zoko-Tarongo area all in the Upper East region of Ghana.

The Company completed a trenching program over some high-order gold-in-soil anomalies at the Bongo Licence Area during the Quarter (Table 3 and Figure 6). The trenching program's purpose was to follow up on the soil anomalies to generate mineralisation targets for drilling.

A total of three trenches over 217m total length across the selected gold-in-soil anomalies were completed. Samples from these trenches have yet to be submitted to the analytical laboratory. Final assay results from the trenching program are expected during Q1_2021.

Table 3: Bongo Trenching Program

Programme	No. Trenches	Total (m)	No. Samples	No. Duplicates	No. Blanks	No. Standards	Total Samples
Trenching	3	217	217	11	4	6	238

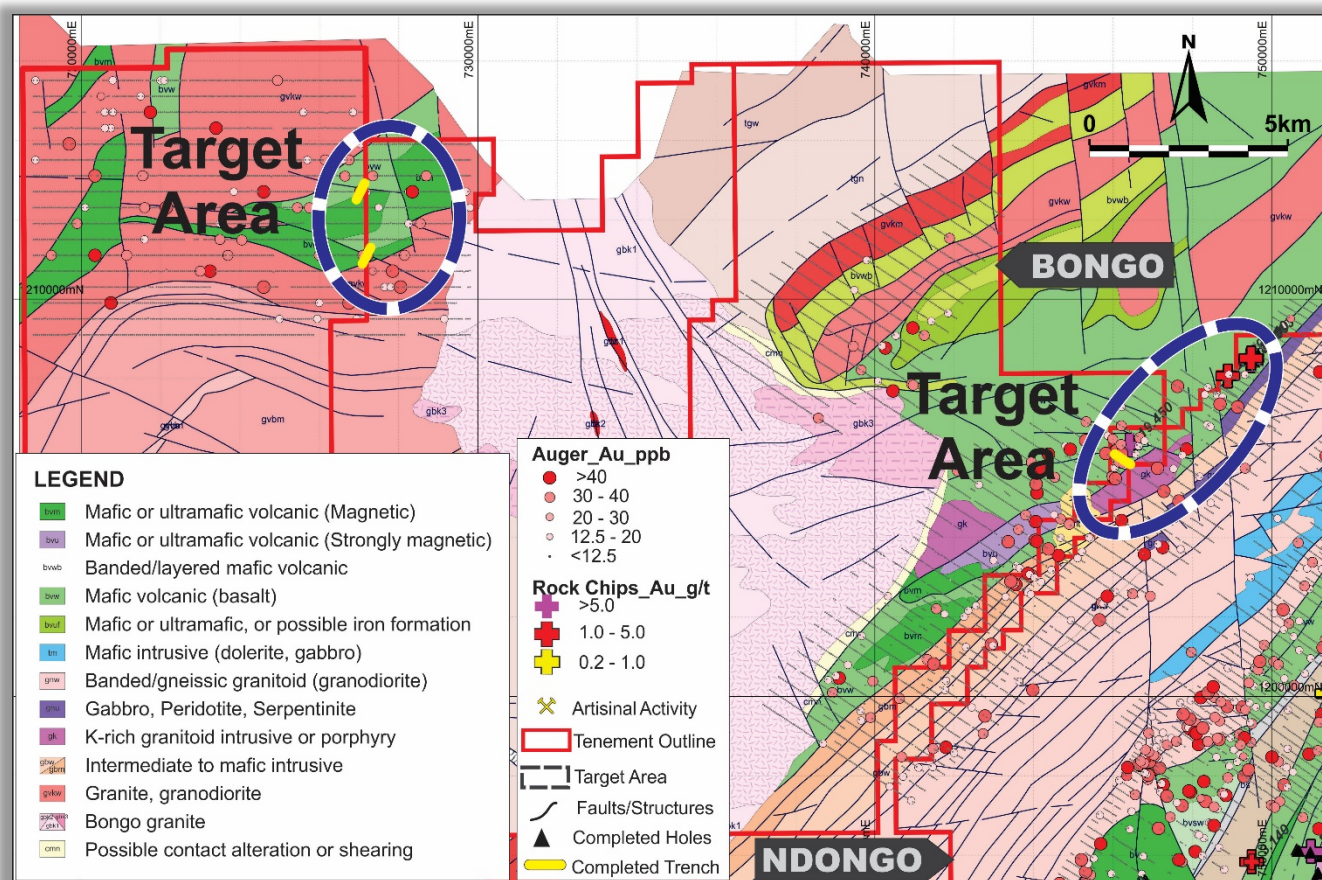


Figure 6: Bongo Licence Area Trench Locations

SUBRANUM PROJECT

The Subranum Project covers an area of 71.4km² located in southwest Ghana. The license straddles the eastern margin of the Sefwi Gold Belt which is bounded by the regional Bibiani Shear Zone (BSZ) stretching about 200km across southwestern Ghana (Figures 1 and 7).

There is 9km of the BSZ developed within the Subranum license trending NE to SW. The BSZ forms a very prospective, sheared contact between Birimian phyllites and greywackes to the southeast and mafic to intermediate volcanics and volcanoclastics to the northwest. Granitoid stocks of the Dixcove suite intrude this shear zone.

The portion of the Bibiani Shear Zone occurring within the Subranum tenement is 9km long, trending SW to NE. Previous extensive exploration has outlined a 5km long gold target, extending from the SW tenement boundary towards the NE, with the remaining 4km of the 9km strike length remaining relatively unexplored.

All exploration activities were on hold during this Quarter as part of the Company's precautionary measures to minimize the risk of exposure of employees to COVID-19.

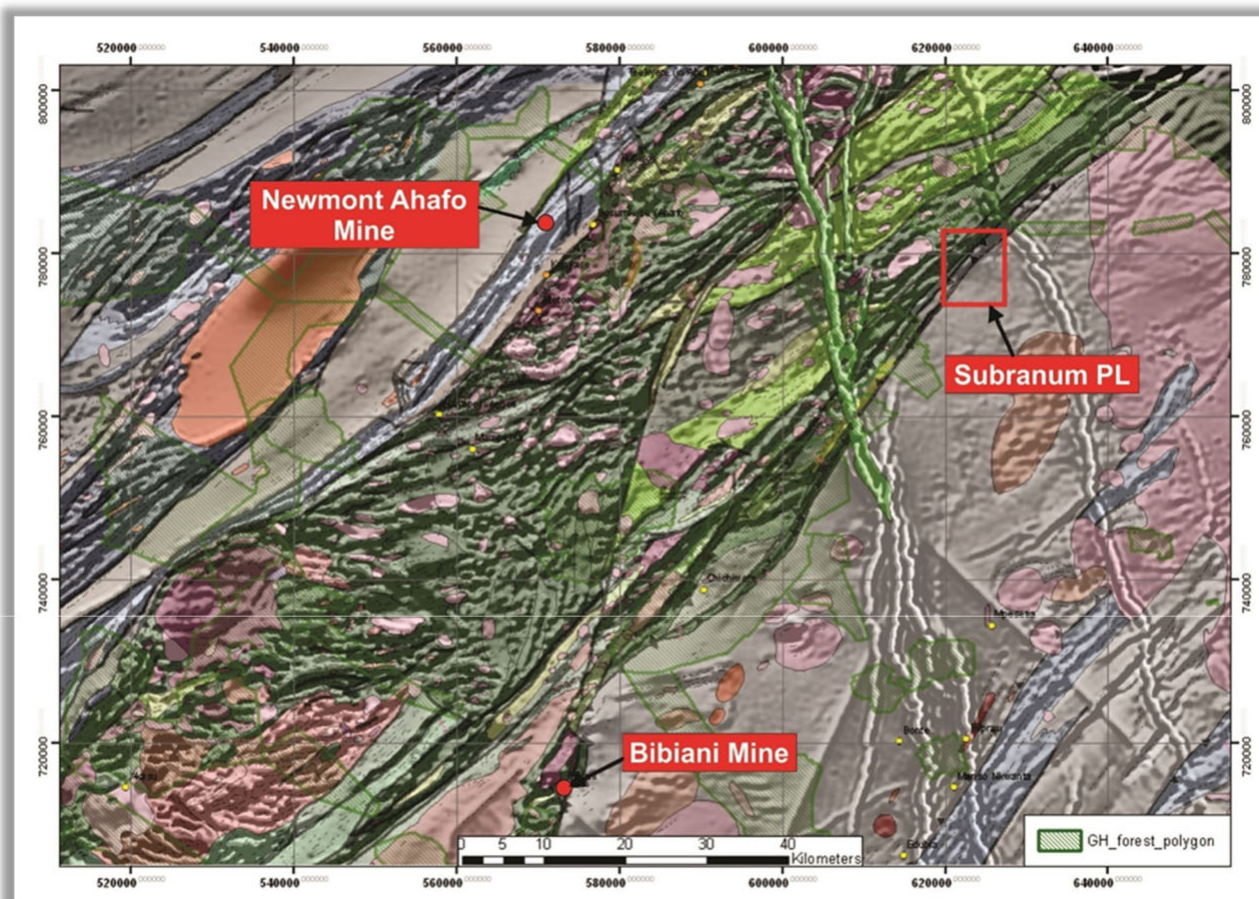


Figure 7: Subranum Project Tenement Straddling Bibiani Shear Zone

TENEMENT SCHEDULE - ASX LISTING RULE 5.3.3

The following tenement information is provided pursuant to ASX Listing Rule 5.3.3. No tenements in part or whole were relinquished, surrendered or otherwise divested during the Quarter ended December 31, 2020.

All Cardinal's tenements are in good standing with the Ghanaian Minerals Commission.

Project	Licence Area	Tenement Name	Tenement Number	Licence Type	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
Bolgatanga	Bongo	Bongo	RL9/29	Prospecting	-	-	100%
		Kandiga-Atibabisi	PL9/38	Prospecting	-	-	100%
		Zoko-Tarongo	PL9/37	Prospecting	-	-	100%
	Ndongo	Nangodi	PL9/13	Prospecting	-	-	100%
		Ndongo	PL9/22	Prospecting	-	-	100%
		Yameriga	RL9/19	Prospecting	-	-	100%
	Kungongo	Kungongo	RL9/28	Prospecting	-	-	100%
Namdini	Namdini	Datoko	PL9/29	Mining Lease	-	-	100%
Subranum	Subranum	Subin-Kaso	PL9/309	Prospecting	-	-	100%

CORPORATE UPDATE**Takeover Offers for Cardinal Resources Limited*****Shandong Gold***

On June 18, 2020 the Company advised that it had entered into a Bid Implementation Agreement with Shandong Gold Mining (HongKong) Co, Ltd (a subsidiary of Shandong Gold Mining Co, Ltd) ("**Shandong Gold**"), pursuant to which Shandong Gold had agreed to acquire 100% of the issued and outstanding ordinary shares in Cardinal at a price of A\$0.60 cash per share, by way of an off-market takeover offer.

On July 22, 2020 the Company advised that it had received a revised and improved proposal for an off-market takeover offer from Shandong Gold, pursuant to which Shandong Gold will offer to acquire all the shares in Cardinal it does not presently own at a cash price of A\$0.70 per share.

On August 19, 2020 Shandong Gold advised that condition set out in clause 6.1(b) of Appendix 1 of the Bidders Statement (FRIB Approval) had been fulfilled (so that the Offer has become free of that condition) as the Shandong Gold received the no objection notification in relation to the acquisition of all the Cardinal shares by the Bidder from the Treasurer's delegate today.

On September 7, 2020 The Company advised that Shandong Gold remained committed to acquiring 100% of the Shares in Cardinal and increased the Offer Price of the Shandong Gold Offer to A\$1.00 per share.

On September 15, 2020 the Company announced that the Cardinal Directors, who collectively held approximately 6.07% of the Cardinal ordinary shares had instructed their broker/controlling participant to initiate acceptance of the off-market takeover offer by Shandong Gold in respect of all the Cardinal shares they own or control.

On September 21, 2020 Shandong Gold declared the Offer unconditional in accordance with section 650F of the *Corporations Act 2001* (Cth).

On October 12, 2020 Shandong Gold advised the extension of the Offer Period such that the Offer would remain open for acceptance from the Offer Date until 7:00pm (Sydney time) on 23 October 2020.

On October 19, 2020 Shandong released its second supplementary Bidder's Statement and advised that the Offer price of \$1.00 per Cardinal Share was Best and Final in the absence of a higher competing offer.

On October 23, 2020 the Company advised that it had received 28 letters from person who own or control 19.38% of the Company's shares to the effect that they intend to accept the unconditional off-market takeover offer by Shandong by Friday, October 30, 2020.

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On October 26, 2020 Cardinal announced that Shareholders representing 22.81% of Cardinal's shares intend to accept Shandong Gold's offer in the absence of an increase from Nordgold or a superior offer.

On October 26, 2020 Shandong advised its intention to extend the Offer Period to December 31, 2020 and, if a higher competing offer were to be announced, to increase its Offer Price to \$1.05 per Cardinal Share.

On November 24 2020, Shandong Gold increases its off-market bid from A\$1.00/sh to A\$1.05/sh, after consideration of the higher E&P bid (removed its "best and final" statement).

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On December 24 2020, Shandong Gold relevant interest in CDV increases to 240.3m shares for ~43.4%.

On December 29 2020, Shandong Gold relevant interest in CDV increases to 283.89m shares for ~51.26%, supplementary bidder statement (4th) released.

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Engineers and Planners Company Ltd

On November 24, 2020 Ghanaian company Engineers & Planners Company Ltd ("E&P") announces a conditional off-market takeover offer for Cardinal at A\$1.05 per share, 50.1% minimum acceptance, requiring regulatory approvals (FIRB, local Ghanaian approvals, etc).

On December 29, 2020 E&P advised that they will not proceed with the Cardinal offer.

Dongshan

On December 24, 2020 new highly conditional intention to bid from Dongshan announced. The press release issued by Dongshan stated that the Company intended on making an off-market takeover offer of A\$1.20 per share to acquire all of the issued capital of Cardinal, subject to a number of conditions.

On December 30, 2020 PR Newswire Press released by Dongshan stated that it did not wish to waive its minimum 50.1% acceptance condition or proceed with the making of its takeover bid for Cardinal Shares and as a result the offer was withdrawn.

Nordgold

On March 16, 2020 Nord Gold SE (“Nordgold”) announced that it had submitted a non-binding indicative and conditional proposal to acquire all the issued share capital of Cardinal not already owned by Nordgold at A\$0.45775 per Cardinal Shares.

On July 15, 2020 Nordgold announced an offer to acquire on-market for \$0.66 per Cardinal share all the fully paid ordinary shares in Cardinal which are listed for quotation on the official list of the Australian Securities Exchange that exist or will exist at any time during the offer period and that are not already owned by Nordgold and its associates.

On September 2, 2020 Nordgold increased its offer price under its unconditional on-market takeover offer for Cardinal from \$0.66 to \$0.90 cash per share.

On September 10, 2020 Nordgold advised that it would extend its offer period to close of trade on September 24, 2020.

On September 17, 2020 Nordgold advised that it would extend its offer period to close of trade on October 8, 2020.

On October 15, 2020 Nordgold announced that the offer period had been extended to close of trade on ASX on November 3, 2020.

On October 21, 2020 Nordgold increased its offer price for the unconditional on-market all cash offer for all the ordinary shares in Cardinal from \$0.90 to \$1.00 cash per share.

On October 26, 2020 Nordgold announced that it will not increase its \$1.00 cash offer price for each Cardinal share under its on-market unconditional offer, unless there is a higher competing offer.

On October 28, 2020 Nordgold announced its intention to supplement its on-market unconditional cash offer with off-market offer on equivalent terms. If a higher competing offer is made, Nordgold may increase its offer price under its off-market offer, including to \$1.05 per share on another price that may defeat the higher competing offer and any competing offer from Shandong.

On October 29, 2020 Nordgold announced that the offer period had been extended to close of trade on ASX on November 20, 2020.

On November 23 2020, Nordgold lodges bidders’ statement for an off-market takeover of CDV at A\$1.00/sh but the offer never opens. Nordgold announces relevant interest in CDV of 149.3m shares for ~27.8%.

On November 26 2020, Nordgold considers that it is free from its “best and final” statement and extends its offer to December 14 2020.

On December 7 2020, Nordgold extends its offer to December 23 020.

On December 11 2020, Nordgold increases its on-market offer to match Shandong Gold at A\$1.05 per share, offer still closes December 23 2020.

On December 23 2020, Nordgold on-market offer closes and Nordgold accepts the Shandong Gold revised bid.

On December 24, 2020 Nordgold announced that it would accept Shandong Gold's offer, and as a result was no longer Cardinal's largest shareholder.

The Cardinal Board continues to unanimously recommend that Cardinal Shareholders **ACCEPT the Shandong Gold Offer**.

CAPITAL STRUCTURE

As at December 31, 2020 the Company had the following capital structure:

Capital Structure	Listed	Unlisted	Total
Fully Paid Ordinary Shares (CDV)	553,870,609	-	553,870,609
Unlisted Options Ex. \$0.75 on or before 21 Dec 2022	-	1,000,000	1,000,000
Milestone Options Ex. \$0.50 on or before 12 Apr 2022	-	2,500,000	2,500,000
Milestone Options Ex. \$0.965 on or before 21 Dec 2022	-	2,018,100	2,018,100
Milestone Options Ex. \$0.679 on or before 21 Dec 2022	-	2,180,049	2,180,049
Milestone Options Ex. \$0.59 on or before 21 Dec 2022	-	2,180,049	2,180,049
Unlisted Options Ex. \$1.00 on or before 21 Dec 2022	-	1,867,817	1,867,817

Cash Balance

The Company's cash balance at December 31, 2020 was approximately AU\$11.393 million.

APPENDIX 5B

Cardinal Resources Limited provides the following information in relation to payments to related parties and their associates, as required by 6.1 and 6.2 for the December 31, 2020 Appendix 5B.

HopgoodGanim Lawyers of which Michele Muscillo, a Non-Executive Director, is a partner of, provided legal services to the Company as transaction costs or something like this. Amounts that have been paid or payable total AU\$261,024 for the three months ended December 31, 2020.

During the Quarter ended December 31, 2020 a total of AU\$358,880 was paid to all Directors' of the Company as remuneration.

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 October 15, 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 5.1Moz** (138.6Mt @ 1.13g/t Au; 0.5g/t cut-off), inclusive of 0.4Moz Proved (7.4Mt @ 1.31g/t Au; 0.5g/t cut-off) and 4.7Moz Probable (131.2Mt @ 1.12g/t Au; 0.5g/t cut-off).*

Authorized for release by the Board of Cardinal Resources Limited.

For further information contact:

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Competent / Qualified Person Statement

The information in this press release that relates to Exploration Results is based on information prepared by Mr. Paul Abbott, a full-time employee of Cardinal Resources, who is a member of the Geological Society of South Africa. Mr. Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking 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".

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.

Cardinal confirms that it is not aware of any new information or data that materially affects the information included in its announcement Ore Reserve of 03 April 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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 :

- 26 Mar 2020 Cardinal Expands Namdini Mining Licence Area
- 11 Mar 2020 Cardinal Receives Approval for Resettlement Action Plan
- 27 Feb 2020 Cardinal Receives Key Water Extraction Permits
- 31 Jan 2020 31 Dec 2019 Quarterly Activities and Cashflow Report
- 29 Jan 2020 Namdini Project Finance Update
- 28 Nov 2019 Cardinal Files Feasibility Study NI 43-101 Technical Report
- 31 Oct 2019 Sep 2019 Quarterly Activities and Cashflow Report
- 28 Oct 2019 Feasibility Study Confirms Namdini as Tier One Gold Project
- 15 Oct 2019 Mineral Resource and Ore Reserve Statement
- 30 Sept 2019 Feasibility Study Update
- 16 July 2019 Cardinal's Starter Pit Infill Drilling Results
- 10 July 2019 Cardinal Reports Further Shallow High-Grade Gold
- 04 June 2019 Positive Metallurgical Update on the Namdini Project
- 18 April 2019 Addendum to Namdini Ore Reserve Press Release
- 03 April 2019 Cardinal's Namdini Ore Reserve Now 5.1 Moz
- 27 Mar 2019 Cardinal Intercepts High-Grade Shallow Gold at Ndongo East
- 23 Jan 2019 Cardinal Hits More High-Grade Shallow Gold at Ndongo East
- 28 Nov 2018 New Drill Season hits high-grade shallow gold at Ndongo East
- 29 Aug 2018 Cardinal Extends Ndongo East Discovery Strike Length
- 16 July 2018 Cardinal Makes New Gold Discovery at Ndongo East
- 28 May 2018 Encouraging First Pass Gold Results at Ndongo

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 October 15, 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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.

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 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cardinal Resources Limited

ABN

56 147 325 620

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(414)	(2,063)
(b) development	(2,560)	(2,560)
(c) production	-	-
(d) staff costs	(908)	(2,027)
(e) administration and corporate costs	(1,484)	(3,198)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	9
1.5 Interest and other costs of finance paid	(391)	(790)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	12	67
1.8 Other (provide details if material)	(185)	(341)
1.9 Net cash from / (used in) operating activities	(5,927)	(10,903)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(13)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(13)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	11,960
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	8,000	8,000
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(37)	(77)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(1,181)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	7,963	18,702

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,477	3,709
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,927)	(10,903)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(13)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,963	18,702

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(120)	(102)
4.6	Cash and cash equivalents at end of period	11,393	11,393

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,573	8,865
5.2	Call deposits	9,820	612
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	11,393	9,477

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	620
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	33,480	33,480
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	33,480	33,480
7.5	Unused financing facilities available at quarter end	-	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. The credit facility is secured by Ghana Infrastructure Fund completed on 1 June 2020. The key terms of the credit facility are as follows: • Committed loan facility of US\$25 million; • 24-month repayment term, being 1 June 2022; • Interest rate of greater of LIBOR or 1% + 7.75%; and • 50% of the interest if accrued and payable on maturity. The credit facility is secured against assets of Cardinal and its wholly owned subsidiary, Cardinal Namdini Mining Limited.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,927)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(5,927)
8.4	Cash and cash equivalents at quarter end (item 4.6)	11,393
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	11,393
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	Approximately 2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions: 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? Answer: Not Applicable	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not Applicable

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not Applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2021

Authorised by: Sarah Shipway
 Company Secretary
 (Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.