

PRESS RELEASE
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CARDINAL DEBT PURCHASED BY GHANA INFRASTRUCTURE INVESTMENT FUND FROM SPROTT

Cardinal Resources Limited (ASX / TSX : CDV) ("**Cardinal**" or "**the Company**") is pleased to announce that the senior secured credit facility (as amended in February 2020 and March 2020) ("**Facility**") has been assigned from Sprott Private Resource Lending (Collector), L.P. ("**Sprott**") to the Ghana Infrastructure Investment Fund ("**GIIF**"), a Ghana Government owned infrastructure investment vehicle. The Company has been informed that completion of the acquisition by GIIF occurred on 4 June 2020.

As a result of the acquisition, Cardinal's senior debt facility provider is now GIIF.

The balance of the Facility is approximately US\$23.8 million (following a US\$0.4 million repayment of the debt to Sprott prior to the transaction) and Cardinal has also been provided with further funding (from previously restricted cash) totaling an additional US\$3.1 million which now forms part of Cardinal's working capital. As part of the transaction, Cardinal has agreed to amend and restate the Facility under Ghanaian law.

Solomon Asamoah, CEO of the Ghana Infrastructure Investment Fund stated:

"As one of Africa's largest and most significant new gold discoveries, we at GIIF are very pleased to be able to enter into this very important transaction which ensures increased Ghanaian participation, through our capacity as a Sovereign owned fund."

"As stated many times by our President, H.E. Nana Akufo Addo, we believe it is very important that there is increased paid participation in all sectors of the domestic economy by Ghanaians, including the mining sector. GIIF is looking to play an important role by supporting both feeder and spin-off industries made possible by the increased economic activity and accompanying new infrastructure arising from the mining operation. The development of this large-scale gold mine is very important to Ghana as it will assist in bringing much needed jobs to the Upper East Region of Northern Ghana."

Archie Koimtsidis, CEO and Managing Director of Cardinal stated:

"On behalf of the Board of Cardinal Resources, we would like to thank GIIF and their entire team. The Company is very impressed with the GIIF organisation, especially the range of Ghanaian infrastructure projects that the organisation has managed to complete in such a short timeframe. It has been a pleasure working with GIIF since Q4 - 2019 to reach this point and we are very pleased that the Board of GIIF has approved this initial investment with its acquisition of the entire Sprott debt facility."

"This investment clearly demonstrates to all investors that Ghana is "Open for Business" as per The President, H.E. Nana Akufo Addo's speech at the 2019 Mining Indaba Conference in Cape Town, where he eloquently articulated the importance of Ghanaian paid financial participation into Ghanaian projects for the benefit of all its citizens long into the future."

"Cardinal is confident that GIIF will be a valuable stakeholder in the development of its 5.1 Moz Gold Mine in the Upper East Region of Ghana, West Africa and we would also like to take this opportunity to thank the Sprott Lending team for the sale of the debt facility to GIIF."*

*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).

A Feasibility Study released in Q4 -2019 demonstrated that Cardinal's flagship Namdini Gold Project in Ghana's Northern District has the potential to be a low capital cost, high-margin development opportunity at a US\$1,350 per ounce gold price.

The material commercial terms of the Facility (below) remain unchanged or are otherwise more favourable for Cardinal, as set out below:

- 24-month repayment term (the Sprott arrangements had a maturity date of 1 March 2021)
- Interest rate of 7.75% + the greater of 3 months LIBOR or 1% per annum
- Early repayment flexibility is continued and as per the arrangements with Sprott, a 5% redemption premium applies to all future repayments of the Facility
- Secured against the assets of Cardinal and its wholly owned subsidiaries in Ghana
- Upon a change of control of Cardinal, GILF may require repayment of the Facility (under the prior Sprott arrangements, immediate repayment was required in such circumstances)

Corporate Activity

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

The Company continues to work with the Special Purpose Committee and its advisors, Maxit Capital LP (Nth America), Hartleys Limited (Australia), BMO Capital Markets and Cannacord Genuity, to review all strategic alternatives.

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.

The Company announced completion of the Feasibility Study (FS), which was released 28 October 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 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 15 October 2019, and included in the Company's completed Feasibility dated 28 October 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

Authorised for release by the Board of Cardinal Resources Limited.

For further information contact:

Archie Koimtsidis
CEO / MD
Cardinal Resources Limited
P: +61 8 6558 0573

Alec Rowlands
IR / Corp Dev
Cardinal Resources Limited
P: +1 647 256 1922

Cannings Purple
Peta Baldwin or Warrick Hazeldine
E: pbaldwin@canningspurple.com.au
E: whazeldine@canningspurple.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 regarding the Namdini Gold Project please see 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 "www.sedar.com" on November 28, 2019.

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.