

PRESS RELEASE

31 July 2020

ASX/TSX: CDV

2020-20

QUARTERLY ACTIVITIES FOR THE PERIOD ENDED 30 JUNE 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 30 June 2020.

HIGHLIGHTS

- On March 16, 2020 the Company advised that it had received notification from Nord Gold SE (Nordgold) that it had acquired a relevant interest of 19.9% of the shares in Cardinal, (having acquired 16.4% stake previously owned by Goldfields Limited), and further advised that Nordgold had provided a non-binding indicative and conditional proposal to acquire all the issued capital of Cardinal that it did not already own for AU\$0.45775 per share in cash.
- On March 30, 2020 the Company updated its shareholders and provided commentary as to how the Company is managing the current COVID-19 pandemic.
- On May 4, 2020 the Company announced an update on permitting approvals and COVID-19 impacts on the Company’s progress.
- On June 5, 2020 the Company announced that the senior secured credit facility (as amended in February 2020 and March 2020) had been assigned from Sprott Private Resource Lending, L.P. to the Ghana Infrastructure Investment Fund (GIIF), a Ghana Government owned infrastructure investment vehicle.
- On June 16, 2020 the Company responded to media speculation in Ghana and advised that the Company continued strategic discussions with banks, financiers and other parties which continued to show interest in bringing the Namdini Project into production with a view to maximising economic outcomes. Whilst discussions in relation to any potential transaction remain ongoing, at that time no agreement had been entered into in relation to any transaction.
- On June 18, 2020 the Company announced the recommended all-cash takeover offer of Cardinal Resources by Shandong Gold Mining (Hong Kong) Co, Ltd (a subsidiary of Shandong Gold Mining Co, Ltd) (“Shandong Gold”). Cardinal entered into a Bid Implementation Agreement with Shandong Gold, pursuant to which Shandong Gold agreed to acquire 100% of the issued and outstanding ordinary shares in Cardinal at a price of AU\$0.60. Proposed implementation by way of an off-market takeover offer with a 50.1% minimum acceptance condition. The Board of Cardinal unanimously recommended acceptance of the Shandong Gold offer in the absence of a superior proposal.
- On July 7, 2020 the Company announced that it had raised AU\$11,960,000 as a result of the issue of 26,000,000 fully paid ordinary shares to Shandong Gold in accordance with the terms of the Bid Implementation Agreement.
- On July 15, 2020 Cardinal received an unconditional on-market takeover offer at AU\$0.66 per share from Nordgold. Having regards to the unsolicited nature of the takeover bid and the provisions of the Bid Implementation Agreement with Shandong Gold, the Board of Cardinal recommended a ‘take no action’ at the time in relation to the Nordgold takeover bid.

- On July 20, 2020 the Company advised that its Namdini Mining Licence had officially received Sovereign Parliamentary Ratification in Ghana.
- On July 22, 2020 the Company advised that it had received a revised and improved proposal for an off-market takeover from Shandong Gold, pursuant to which Shandong Gold will offer to acquire all of the shares in Cardinal it does not presently own at a cash price of \$0.70 per share.
- On July 27, 2020 the Company, after careful consideration of the Revised Shandong Gold Offer and Nordgold's unconditional on-market offer for Cardinal, Cardinal's Board of Directors (in consultation with the Special Committee, its financial and legal advisors), unanimously recommended that Cardinal shareholders
 - **ACCEPT** the Revised Shandong Gold Offer (in the absence of a superior proposal); and
 - **REJECT** the Nordgold Bid.
- On July 30, 2020 the Company advised that it had entered into a deed with each Shandong Gold Mining (HongKong) Co., Limited and Shandong Gold Mining Co., Ltd, to amend the Bid Implementation Agreement.

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.

All international travel remains suspended. On the ground in Ghana, the workforce has been reduced to key personnel only. According to WHO External Situation Report 189 (July 27, 2020), there had been 32,435 confirmed cases of COVID-19 in Ghana, including cases via local transmission. 161 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 308 COVID-19 cases with one death. Some restrictions and lockdowns have been eased. 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. The Project technical team and its partners are still actively working on adding value to the Namdini Gold Project.

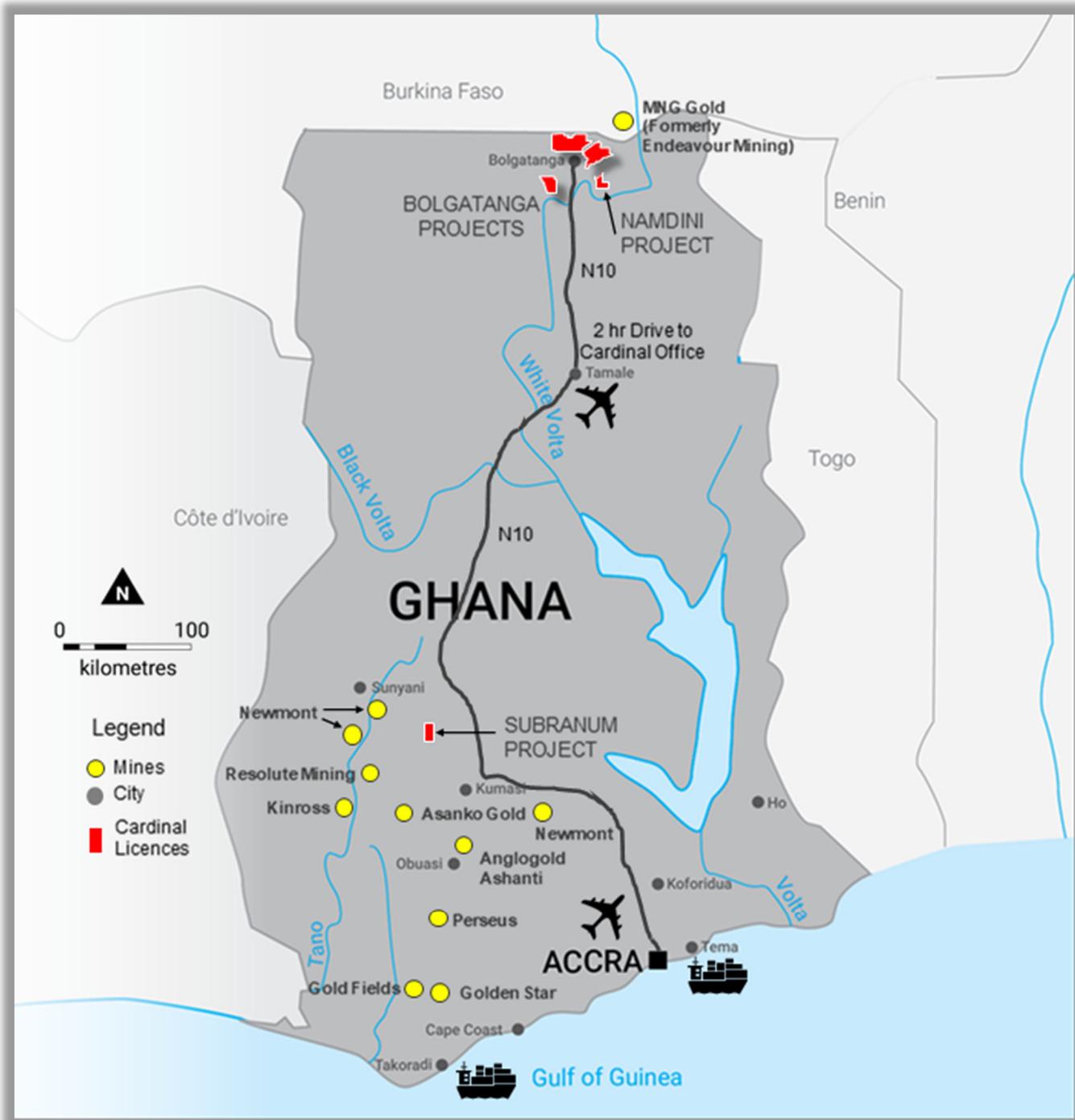


Figure 1: Cardinal Resources Tenements in Ghana

THE NAMDINI GOLD PROJECT

Property Title / Mining Lease

A Large-Scale Mining License covering the Namdini Mining Lease 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 Lease now totals 63km² and is valid for a renewable term of 15 years from 2020 (Figure 2).

Subsequent to the Quarter end the Company advised that its Namdini Mining Licence had officially received Sovereign Parliamentary Ratification in Ghana.

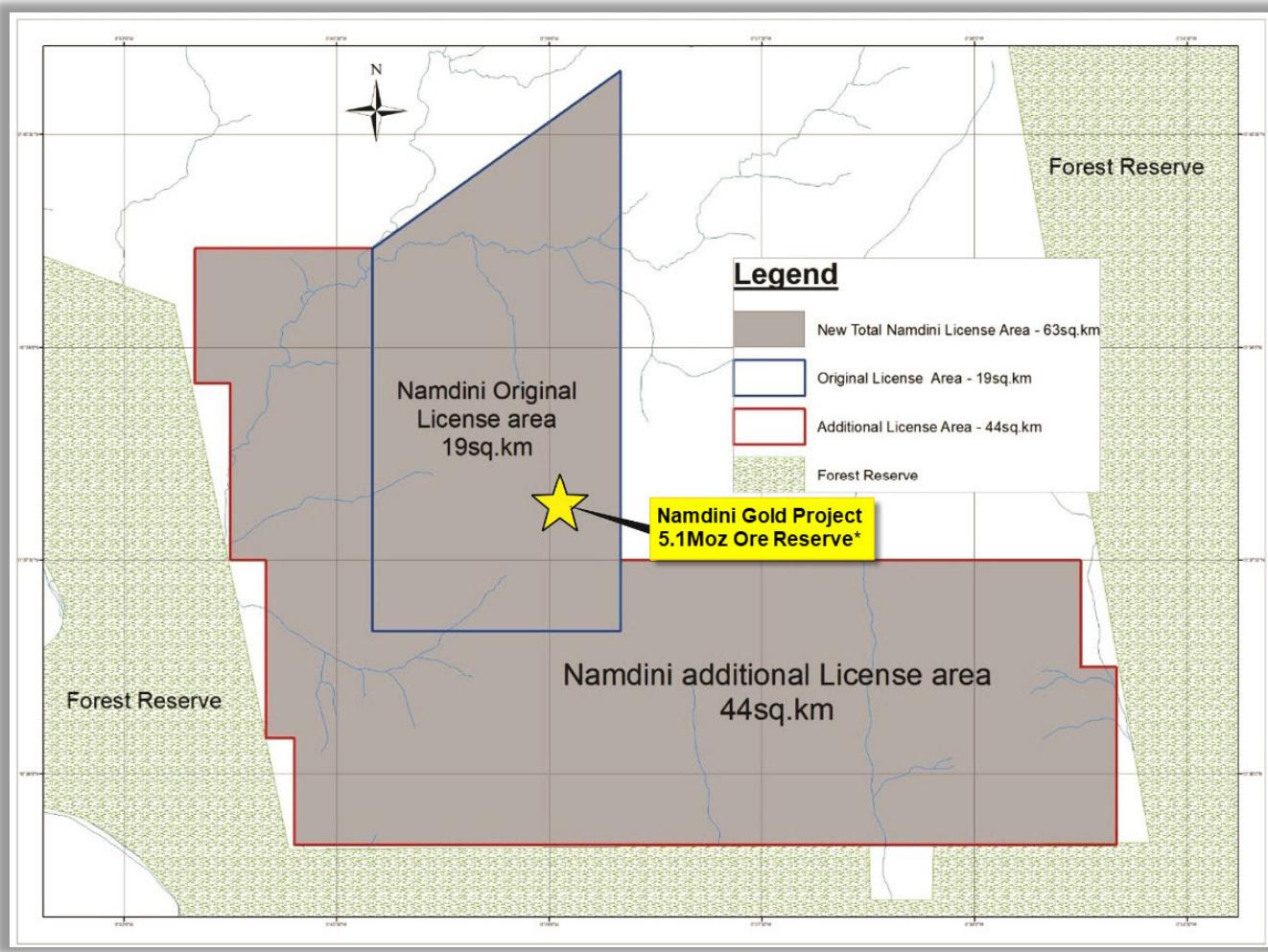


Figure 2: Location of 63 km² Namdini Mining Lease

*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
Advance Front End Engineering and Design (“FEED”) to completion	Q4 2020
Advance Resettlement Action Plan to substantial completion	Q1 2021
Target production commencement	H1 2023

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 US\$1,492 to US\$1,902 per ounce on 24 July 2020. The three-year running average to 24 July 2020 is US\$1,385 per ounce.

The Feasibility Study evaluated the Namdini project outcomes at a gold price of US\$1,350 per ounce, but also presented gold price sensitivities from US\$1,150 per ounce and up to US\$1,550 per ounce which Cardinal has set out below in Table 2 below.

**Table 2 – 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 US\$1,350/oz and 6.0% at US\$1,550/oz and a corporate tax rate of 32.5%; both subject to negotiation.

The forecast financial information set out above in Table 2 was initially contained in Cardinal’s Feasibility Study (refer Cardinal’s ASX Announcement dated October 28, 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.

Project Development Partners

Table 3: 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 Minerals 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 Mining Licence had officially received Sovereign Parliamentary Ratification in Ghana

The Company was granted an environmental permit for the Namdini Gold Project by EPA on April 20, 2020. The permit expires October 20, 2021. Renewal is expected on October 27, 2021 following the submission of an Environmental Management Plan (“EMP”). The EMP will be submitted six months prior to the expiry.

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

- Application for Bulk Oil Facility permit from the Ghana EPA
- Registration of the proposed Environmental Impact study with the EPA
- Application for zoning letter from the Talseni District Assembly

Outlook for the third quarter is as follows:

- Application for Fire Certificate from the Ghana National Fire Service
- Rehabilitate existing access road to the project site
- Application for chemical use permit from the EPA and Narcotics Board of Ghana
- Create access to proposed water abstraction point on the White Volta
- Implement operations Health, Safety and Environmental (HSE) Management System
- Application for mine operating permit from the Minerals Commission of Ghana

Resettlement Action Plan

MinCom has approved Cardinal’s RAP for its Namdini Gold Project in the Talseni District of the Upper East Region of Ghana, West Africa. The RAP report was produced in accordance with the Minerals and Mining (Compensation and Resettlement) Regulation 2012 (L.I 2175), and International Finance Corporation’s (“IFC”) Performance Standards on Social and Environmental Sustainability.

MinCom’s approval has paved the way for construction of 275 structures including residential and public buildings for the people of Accra Site and Buing village, which is planned for the next financial year. The 270 impacted households with a total population of 1,410 people will be compensated for loss of assets and livelihood. Existing infrastructure will be improved. The communities signed the Resettlement Agreement with the Company on February 11, 2020.

FEED Update

All works for the FEED programme were wound down for Cardinal’s appointed consultants following advice from the Company due to the global spread of COVID-19.

Additional land was acquired for the Namdini project area which resulted in the tailings storage facility (“TSF”), water storage facility (“WSF”) and waste storage dump (“WSD”) being optimised with the additional space being made available.

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
- The following design notices were being processed:
 - 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.

The project execution schedule was premised on a Financial Investment Decision (“**FID**”) date of May 1, 2020 and a site access date of September 1, 2020. At the time of suspension, the schedule was ready for review by Cardinal.

Specific schedule target milestones are 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 were in various stages of evaluation:

- 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.

Namdini Project Drilling

Namdini Infrastructure Sterilisation Drilling

During the Quarter, sterilisation drilling was suspended. Sterilisation drilling to date as expected has returned no significant mineralisation.

To date, approximately 37,164m of drilling has been completed, comprising of 381 reverse circulation ("RC") drillholes for approximately 36,529m and 2 diamond drillholes for approximately 635m (Figure 3).

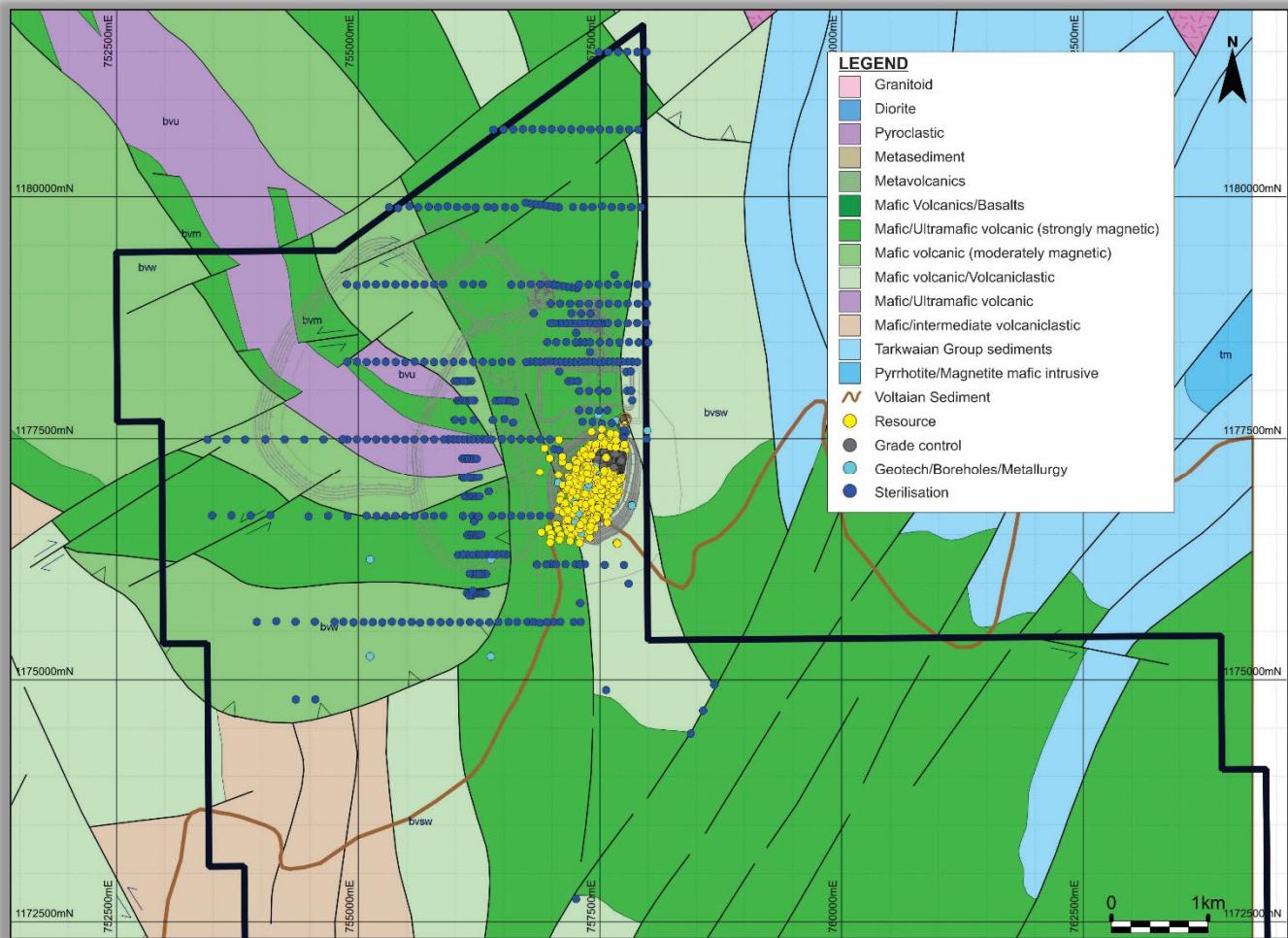


Figure 3: Namdini Project Showing Completed Drill Locations

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. Figure 4 highlights completed Geotech investigations on the TSF and Process Plant areas.

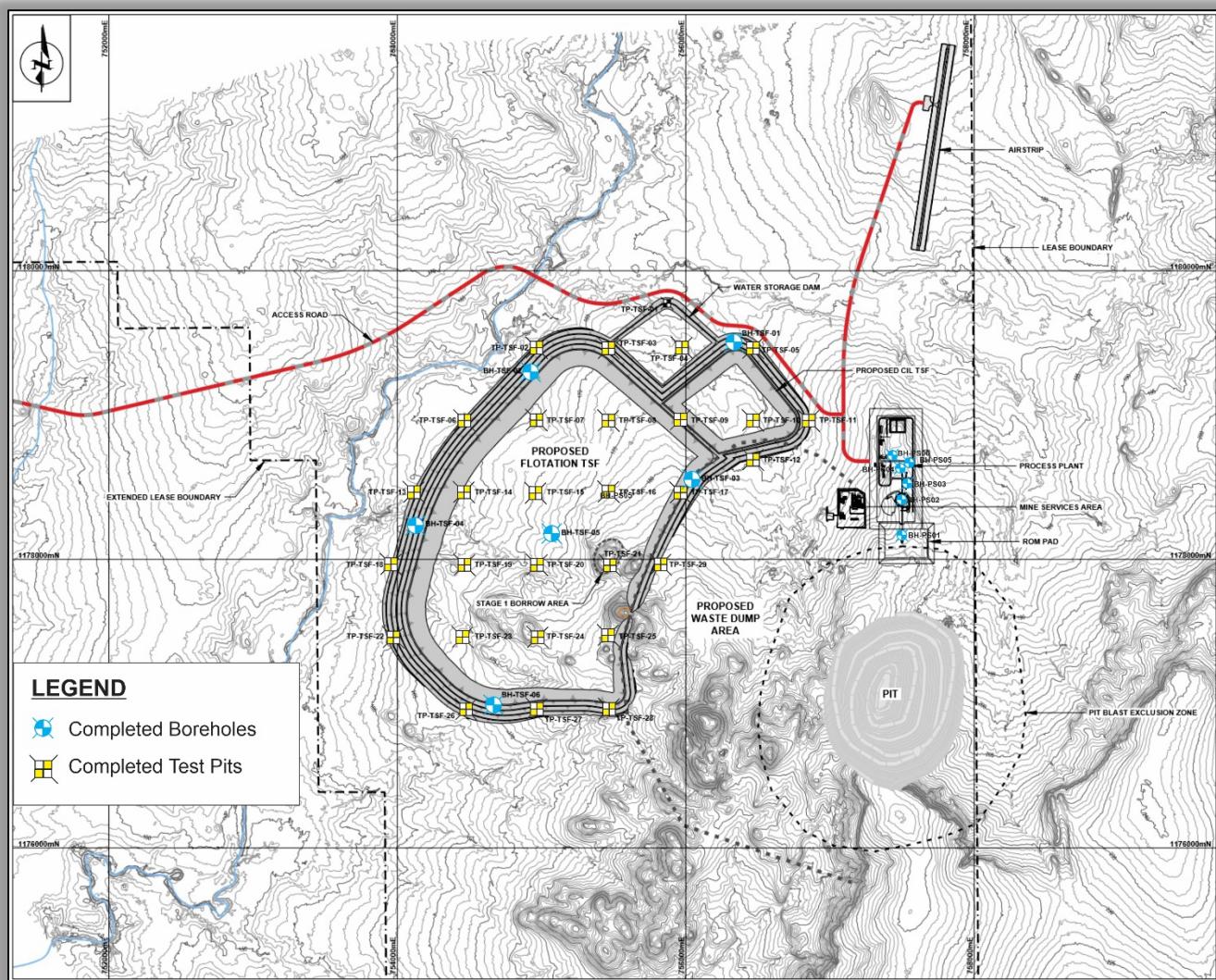


Figure 4: Completed Geotechnical Drill Locations on TSF and Process Plant Areas

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 5) located in the northeast of Ghana and the Subranum Project located in the southwest of Ghana (Figures 1 and 9).

The main focus of the Company's regional exploration programme during the Quarter was field mapping and ground-truthing initiated after 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) (Figure 5).

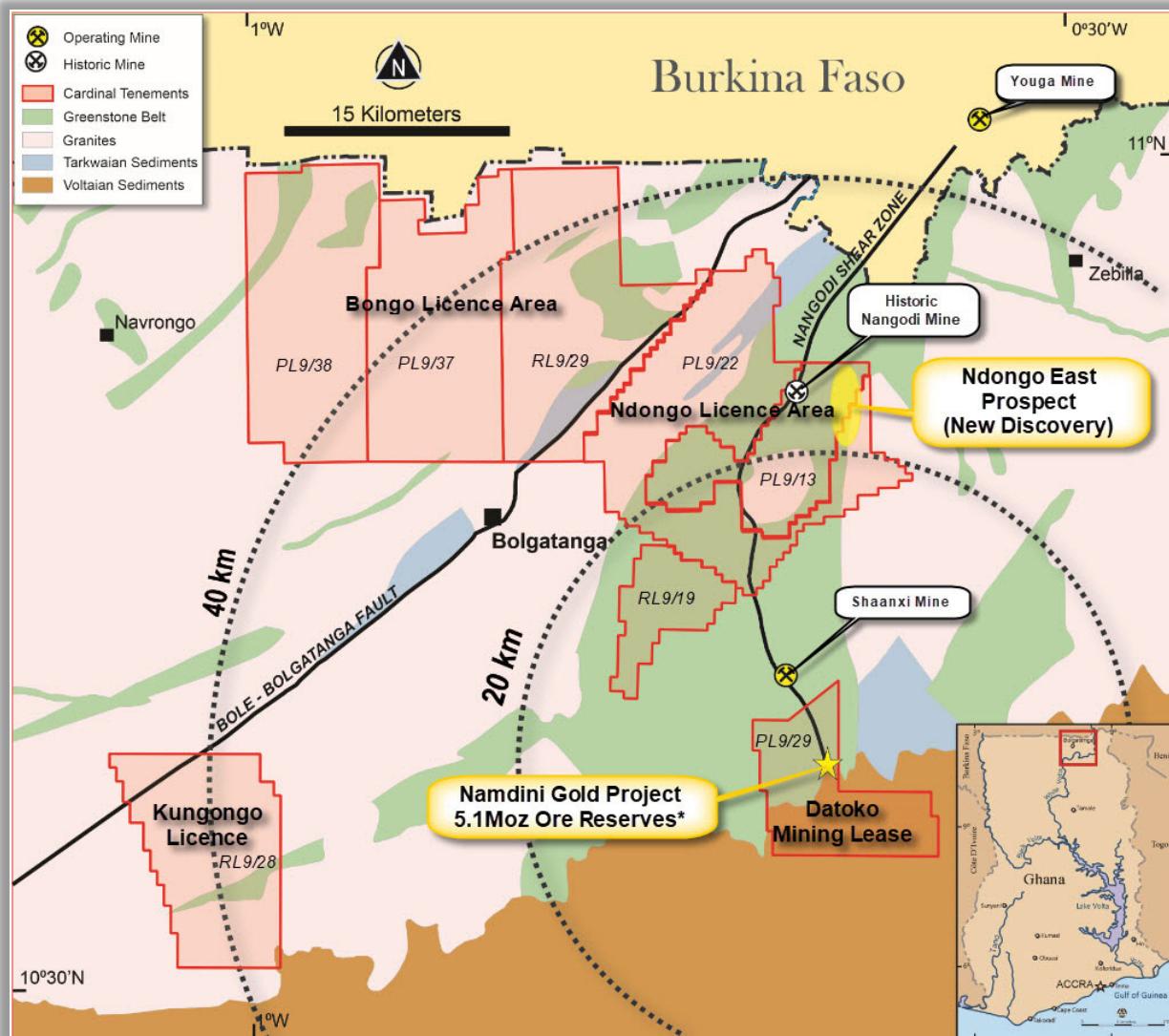


Figure 5: Namdini Mining Licence and Bolgatanga Project Tenements

*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 prospectivity on the tenement (Figure 5).

The Ndongo Licence Area, comprises of the combined, Nangodi Prospecting Licence (RL9/13, covering a land size of 84.7km²), Ndongo Prospecting Licence (RL9/22, 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.

The Company focused exploration activities during the Quarter at Yameriga conducting field mapping, ground truthing, trenching and some scout RC drilling after a review of geophysical targets, historical RC results and artisanal workings (Figure 6). Rock chip samples collected from veins in adits and rock dumps around adits in heavily artisanal areas returned significant gold assays. A summary of the highlighted results is shown in Table 5 and in Figure 6 below. The significant assays returned from the rock chip samples indicate the potential for discovery of high-grade economic gold mineralisation at Yameriga and warrant further detailed exploration work. Rock chips were mainly quartz veins (milky and smoky) with iron staining and occasional visible specks of gold. Primary rocks encountered were variably altered volcaniclastics with chlorite-silica alteration and specks of sulphides (Rock Chip sample pictures in Figure 7).

A total of 17 scout RC drillholes totaling 1,070m and 1 DD totaling 49.88m were also completed and dispatched to Intertek Laboratory. Assay results are still pending and will be reported next Quarter. Table 4 lists the drillhole and trenching activity undertaken within the quarter.

Table 4: Yameriga First Pass RC Drilling and Trenching

Programme	No. Holes	RC (m)	DD (m)	Total (m)	No. Samples	No. Duplicates	No. Blanks	No. Stds	Total Samples
Drilling	18	1,070	49.88	1,119.88	1,120	52	26	27	1,225
Trenching	2	-		34	49	2	1	1	53

Table 5: Yameriga Rock Chip Samples

SampleID	GridID	mEast	mNorth	mRL	Au (g/t)
YMRX047	UTM WGS84 Zone 30 North	743,390	1,185,571	223	129.2
YMRX044	UTM WGS84 Zone 30 North	743,377	1,185,567	225	13.5
YMRX041	UTM WGS84 Zone 30 North	743,388	1,185,564	223	68.4
YMRX019	UTM WGS84 Zone 30 North	743,223	1,185,872	218	28.9
YMRX017	UTM WGS84 Zone 30 North	743,222	1,185,873	218	20.0
R332468	UTM WGS84 Zone 30 North	744,687	1,183,665	119	4.7
R332454	UTM WGS84 Zone 30 North	745,364	1,185,748	179	0.7
R332447	UTM WGS84 Zone 30 North	744,946	1,184,192	232	7.2

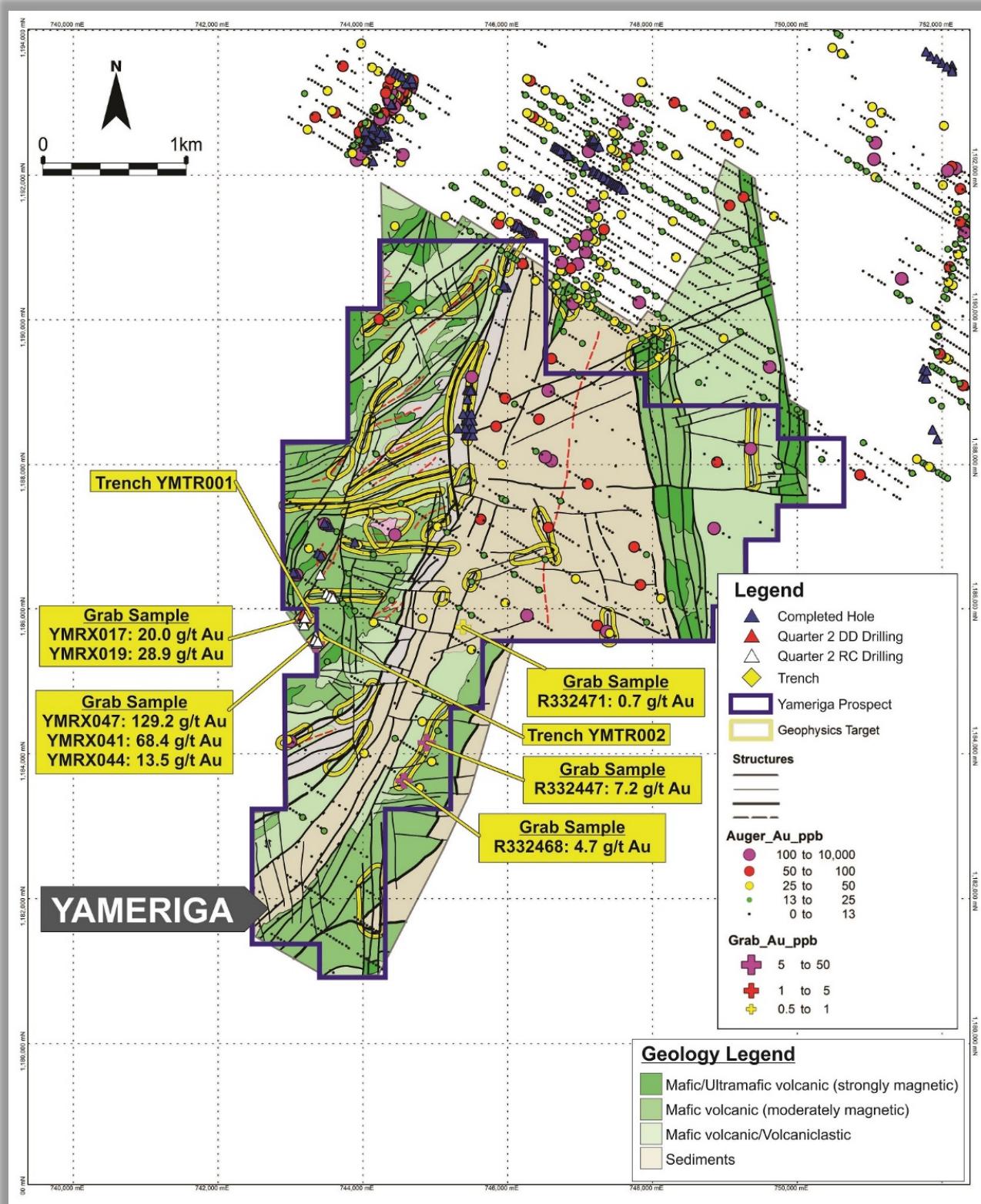


Figure 6: Yameriga Prospect with Drillholes, Trenches and Rock Chip Sample Locations.



Figure 7: Yameriga Rock Chip samples

Two follow-up trenches were also completed during the quarter for a total of 34m (Figures 6 and 8). The purpose for the trenching was to obtain a better understanding of the host rocks, styles of mineralisation, structural controls and to ultimately refine targets generated from geophysical surveys. Mapping and sampling (horizontally and vertically) were completed within the saprolite along the trench walls, targeting the two types of veins (milky and smoky) encountered (Figure 8). Trench YMTR002 returned significant gold assays summarised in Table 6.

Table 6: Summary of Individual Trench Significant Assays at Yameriga

TrenchID	Azimuth (°)	GridID	mEast	mNorth	mFrom	mTo	mWidth	Au (g/t)
YMTR002	170	UTM WGS84 Zone 30 North	743,382	1,185,562	1.0	3.0	2	33.3
YMTR002	170	UTM WGS84 Zone 30 North	743,380	1,185,568	7.0	12.0	5	2.5
YMTR002	170	UTM WGS84 Zone 30 North	743,380	1,185,568	11.0	12.0	1	1.0



Figure 8: Yameriga Trench YMTR002 looking South showing vein orientation types

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 (PL9/29 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-Atibisi 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.

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

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 (Figure 9).

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 volcaniclastics 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.

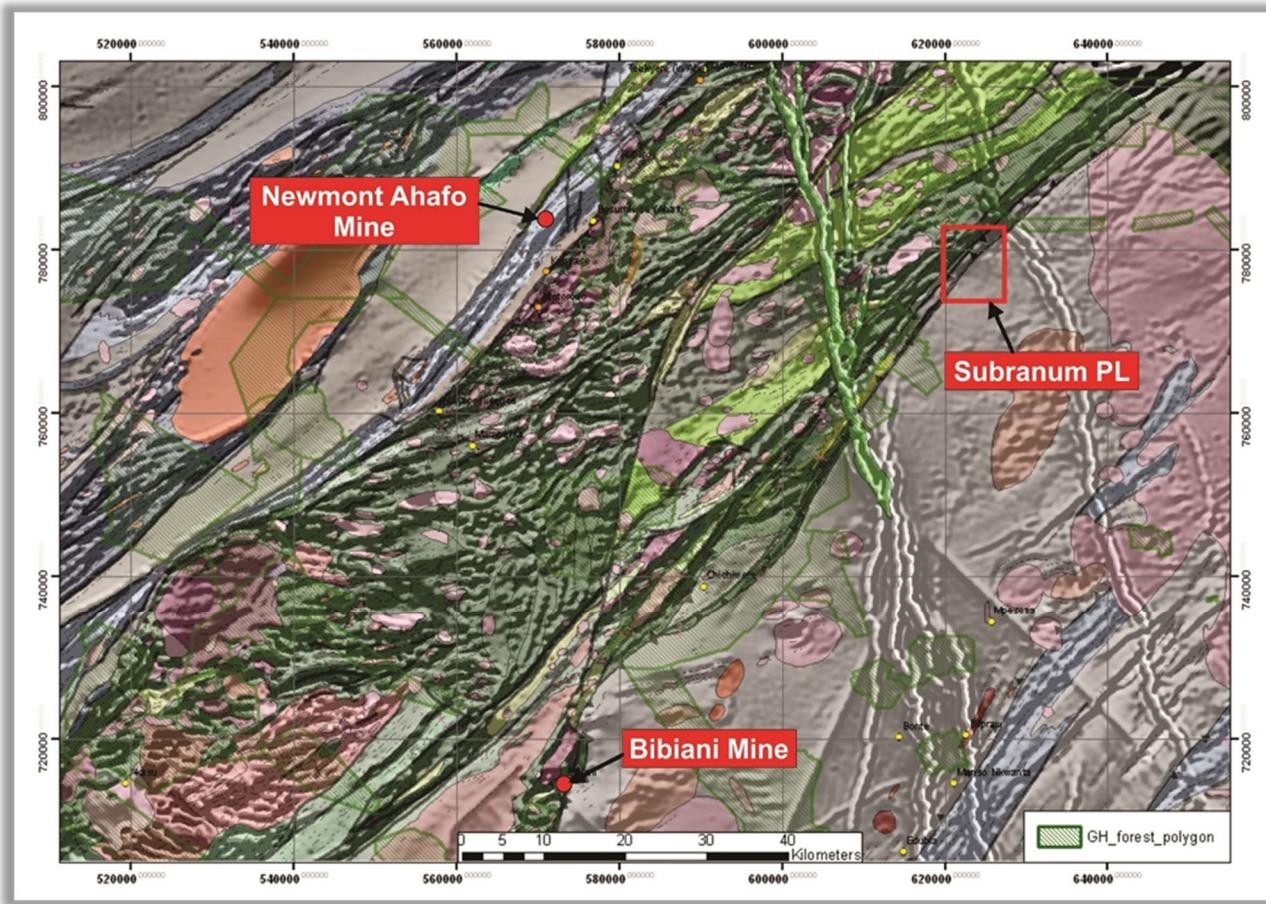


Figure 9: Subranum Project Tenement Straddling Bibiani Shear Zone

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 June 30, 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%
Namdini	Kungongo	Kungongo	RL9/28	Prospecting	-	-	100%
Subranum	Namdini	Datoko	PL9/29	Mining Lease	-	-	100%
Subranum	Subranum	Subin-Kaso	PL9/309	Prospecting	-	-	100%

CORPORATE UPDATE

Finance Update

The Company announced that the senior secured credit facility (as amended in February 2020 and March 2020) (“**Facility**”) had been assigned from Sprott Private Resource Lending L.P. (“**Sprott**”) to the Ghana Infrastructure Investment Fund (“**GIIF**”), a Ghana Government owned infrastructure investment vehicle.

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

The balance of the Facility was 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 agreed to amend and restate the Facility under Ghanaian law.

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 March 1, 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, GIIF may require repayment of the Facility (under the prior Sprott arrangements, immediate repayment was required in such circumstances)

Corporate Update

NordGold Bid

On March 16, 2020 the Company advised that it has received notification from Nord Gold SE (“**Nordgold**”) that it had acquired a relevant interest of 19.9% in shares of Cardinal, (having acquired the 16.4% stake previously owned by Goldfields Limited), and further advised that Nordgold had provided a non-binding indicative and conditional proposal to acquire all of the issued capital of Cardinal that it did not already own for \$A0.45775 per share in cash (“**Nordgold Bid**”).

Shandong Offer

On June 18, the Company announced that it had entered into a Bid Implementation Agreement with Shandong Gold Mining (Hong Kong) Co, Ltd (a subsidiary of Shandong Gold Mining Co, Ltd), 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.

Cardinal’s Board of Directors carefully considered the Shandong Gold Offer in consultation with the Special Committee appointed in connection with the strategic process. Accordingly, Cardinal’s Board of Directors unanimously recommended that all Cardinal shareholders accept the Shandong Gold Offer in the absence of a superior proposal.

Cardinal’s Directors, who collectively hold approximately 6.37% of Cardinal’s ordinary shares, intend to accept the Shandong Gold Offer in respect of all Cardinal shares they own or control by the later of 21 days after the offer is opened for acceptance and 5 days after dispatch of the Cardinal Target’s Statement, in the absence of a superior proposal.

Cardinal’s Board of Directors have been exploring a range of potential transactions to maximise value for shareholders and consider that the Shandong Gold Offer as the best option for shareholders, in the absence of a superior proposal, and will deliver several key benefits to shareholders including:

- **Certain and immediate value for Cardinal shareholders** - ability for shareholders to realize certain and immediate value at a significant premium to Cardinal's trading price on the ASX and TSX markets. By accepting the Shandong Gold Offer, subject to the Shandong Gold Offer going unconditional, Cardinal shareholders will receive cash consideration of A\$0.60 for every Cardinal share they own
- **No financing condition** - the Shandong Gold Offer is an all-cash offer and is not subject to any financing conditions
- **Avoids risks associated with mine development** – the Shandong Gold Offer eliminates exposure to the risks inherent in any new mine development, including financing, operational and regulatory risks

Subsequent to the quarter end the Company issued 26,000,000 fully paid ordinary shares to Shandong Gold to raise AU\$11.96 million in accordance with the BIA. Shareholder approval was not required for this Placement as the Company issued the shares under its Listing Rule 7.1 placement capacity.

The funds raised by the Placement will be used to ensure Cardinal may continue advancing the Namdini Project towards development and working capital.

Revised Nordgold Bid

On July 15, 2020 the Company received an unconditional on-market takeover offer for Cardinal at AU\$0.66 cash per share from Nordgold ("Revised Nordgold Bid").

Cardinal also noted that as the Nordgold Takeover Bid was unsolicited, it will need to be considered in detail by the Board, together with the Special Purpose Committee and its financial and legal advisers.

Revised Shandong Gold Offer

On July 27, 2020 Cardinal announced that the Company 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 of the shares in Cardinal it does not presently own at a cash price of A\$0.70 per Share (the "Revised Shandong Gold Offer").

After careful consideration of the Revised Shandong Gold Offer and Revised Nordgold Bid, Cardinal's Board of Directors (in consultation with the Special Committee, its financial and legal advisors), unanimously recommend that Cardinal shareholders:

- **ACCEPT** the Revised Shandong Gold Offer (in the absence of a superior proposal); and
- **REJECT** the Revised Nordgold Bid.

The recommended Revised Shandong Gold Offer of A\$0.70 cash per share values Cardinal at approximately A\$395 million on a fully diluted basis and represents an attractive premium of approximately 6.1% to the Revised Nordgold Bid of A\$0.66 cash per share announced on 15 July 2020.

The Board of Directors considered the Revised Nordgold Bid closely and in the context of the Revised Shandong Gold Offer and took into account, amongst other matters, the price and conditionality of the two offers.

Whilst the Board acknowledges that the Revised Nordgold Bid is unconditional, based on the information available to it at the date of this announcement, the Board has no reason to believe the conditions of the Revised Shandong Gold Offer (which include, amongst other conditions, 50.1% minimum acceptance by Cardinal shareholders and Foreign Investment Review Board (FIRB) approval), cannot be satisfied within a reasonable timeframe. Cardinal understands that Shandong Gold has received all necessary Chinese regulatory approvals,

with the result that the Revised Shandong Gold Offer is no longer conditional on any Chinese regulatory approvals.

The Board also notes that there is the potential for certain shareholders to be aggrieved by the structure of the Revised Nordgold Bid (namely those Shareholders holding Cardinal Shares in non-Australian depositaries or on branch registers). While the Revised Nordgold Bidder's Statement alludes to a practical mechanism whereby such Cardinal Shares can be moved to an Issuer Sponsored Holding or CHESS Holding in Australia in order to accept the Revised Nordgold Bid, it is possible that the Revised Nordgold Bid could be subject to regulatory issues (particularly in Canada) which could result in it being prevented from proceeding in the absence of corrective steps taken by Nordgold.

As the Directors have determined to continue to unanimously recommend that Cardinal Shareholders accept the Shandong Gold Offer (in the absence of a Superior Proposal), the Bid Implementation Agreement requires Cardinal and Shandong Gold to use their best endeavours to agree any amendments to the Bid Implementation Agreement which are reasonably necessary or desirable to reflect the revised and improved Shandong Gold Offer. Cardinal anticipates entering into an appropriate amending agreement to give effect to such amendments imminently.

Cardinal announced on 30 July 2020 that it had entered into a deed with each of Shandong Gold Mining (HongKong) Co., Limited and Shandong Gold Mining Co., Ltd, to amend the Bid Implementation Agreement ("Deed").

In summary, the Deed amends the BIA to, amongst other matters:

- increase the Offer Price to A\$0.70 per Share;
- note that the Offer will no longer be subject to any Chinese regulatory approvals;
- make certain changes to the proposed timetable of the Offer;
- increase the ascribed value per Cardinal Option for certain Options; and
- increase the break fee so that it continues to represent approximately 1% of the deal value.

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

Timetable and Next Steps

Detailed information relating to the Revised Shandong Gold Offer will be set out in the Bidder's Statement and Target's Statement, which are now expected to be dispatched to Cardinal shareholders on or about 13 August 2020. The Bidder's Statement and Target's Statement will set out important information, including how to accept the Revised Shandong Gold Offer, information about Shandong Gold and the key reasons as to why Cardinal Shareholders should accept the Revised Shandong Gold Offer (in the absence of a Superior Proposal).

CAPITAL STRUCTURE

As at July 30, 2020 the Company had the following capital structure:

Capital Structure	Listed	Unlisted	Total
Fully Paid Ordinary Shares (CDV)	526,024,522	-	526,024,522
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	-	18,500,000	18,500,000
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
Unlisted Milestone Options Ex on or before 10 Dec 2024	-	6,369,557	6,369,557
Unlisted Milestone Options Ex on or before 10 Dec 2024	-	5,476,530	5,475,530

Cash Balance

The Company's cash balance at June 30, 2020 was approximately AU\$3.7 million, subsequent to the quarter end the Company raised AU\$11.6 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 30 June 2020 2020 Appendix 5B.

HopgoodGanim Lawyers of which Michele Muscillo, a Non-Executive Director, is a partner of, provided legal services to the Company. Amounts that have been paid or payable total AU\$370,248 for the three months ended June 30, 2020.

During the Quarter ended June 30, 2020 a total of AU\$244,722 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:

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 (Investor Relations, Australia)
Peta Baldwin or Warrick Hazeldine
E: pbaldwin@canningspurple.com.au E: whazeldine@canningspurple.com.au

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 :

- 4 May 2020 Cardinal Company Update
- 30 Mar 2020 Company Update
- 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.

SCHEDULE 1
YAMERIGA PROSPECTING LICENCE SURFACE SAMPLING, TRENCH SAMPLING AND DRILL RESULTS

HoleID	Depth (m)	Dip (°)	Azimuth (°)	GridID	mEast	mNorth	mRL
YMDD003	38	-50	85	UTM WGS84 Zone 30 North	743,207	1,185,869	218
YMRC001	85	-50	85	UTM WGS84 Zone 30 North	743,206	1,185,817	218
YMRC002	85	-50	85	UTM WGS84 Zone 30 North	743,184	1,185,866	216
YMRC003	32	-50	85	UTM WGS84 Zone 30 North	743,199	1,185,918	216
YMRC004	72	-50	85	UTM WGS84 Zone 30 North	743,215	1,185,768	216
YMRC005	66	-50	85	UTM WGS84 Zone 30 North	743,209	1,185,889	216
YMRC006	20	-50	85	UTM WGS84 Zone 30 North	743,217	1,185,871	216
YMRC007	36	-50	260	UTM WGS84 Zone 30 North	743,229	1,185,872	216
YMRC008	74	-50	122	UTM WGS84 Zone 30 North	743,523	1,186,210	230
YMRC009	54	-50	80	UTM WGS84 Zone 30 North	743,372	1,185,566	220
YMRC010	54	-50	80	UTM WGS84 Zone 30 North	743,385	1,185,518	222
YMRC011	60	-50	80	UTM WGS84 Zone 30 North	743,373	1,185,616	221
YMRC012	50	-50	28	UTM WGS84 Zone 30 North	743,377	1,185,544	224
YMRC013	50	-50	28	UTM WGS84 Zone 30 North	743,360	1,185,565	221
YMRC014	50	-50	28	UTM WGS84 Zone 30 North	743,403	1,185,540	221
YMRC015	85	-50	123	UTM WGS84 Zone 30 North	743,436	1,186,475	224
YMRC016	85	-50	122	UTM WGS84 Zone 30 North	743,572	1,186,175	212

Meta-Data Listing of Drillholes

TrenchID	Azimuth (°)	GridID	mEast	mNorth	mFrom	mTo	mWidth	Au (g/t)	Comments
YMTR002	170	UTM WGS84 Zone 30 North	743,382	1,185,562	1.0	3.0	2	33.3	Vertical sampling
YMTR002	170	UTM WGS84 Zone 30 North	743,380	1,185,568	7.0	8.0	1	11.1	Horizontal sampling
YMTR002	170	UTM WGS84 Zone 30 North	743,380	1,185,568	11.0	12.0	1	1.0	Horizontal sampling

Summary of Individual Trench Significant Assays

SampleID	GridID	mEast	mNorth	mRL	Au (g/t)
YMRX047	UTM WGS84 Zone 30 North	743,390	1,185,571	223	129.2
YMRX044	UTM WGS84 Zone 30 North	743,377	1,185,567	225	13.5
YMRX041	UTM WGS84 Zone 30 North	743,388	1,185,564	223	68.4
YMRX019	UTM WGS84 Zone 30 North	743,223	1,185,872	218	28.9
YMRX017	UTM WGS84 Zone 30 North	743,222	1,185,873	218	20.0
R332468	UTM WGS84 Zone 30 North	744,687	1,183,665	119	4.7
R332454	UTM WGS84 Zone 30 North	745,364	1,185,748	179	0.7
R332447	UTM WGS84 Zone 30 North	744,946	1,184,192	232	7.2

Summary of Individual Random Rock Chip Samples

APPENDIX

JORC CODE 2012 EDITION

TABLE 1 REPORTING OF EXPLORATION RESULTS - YAMERIGA

Section 1 – Sampling Technique and Data

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<p>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</p>	<p>Random Rock Chip samples comprise of sampling of random surface rocks by collecting rock pieces suitable for assaying. Samples weigh on average 1.5kg. Samples are photographed both wet and dry and geologically logged.</p> <p>Trench Channel samples comprise of sampling of continuous 1m or 2m interval channel near the base on the entire length of the west face with intervals dictated by observed alterations and mineralisation. Each homogenised sample weighs on the average 2.0kg.</p> <p>Reverse Circulation (RC) drill samples are collected by using downhole sampling hammers with nominal 140mm diameters. Samples are collected through a cyclone and immediately weighed to determine recoveries; the entire sample is then split by a three-tier riffle splitter. Two samples (~2.5-3.0 kg) are collected, one for the laboratory, the other a duplicate stored at the Bolgatanga sample shed.</p> <p>Diamond drill sampling is by longitudinal half-core samples of HQ core size.</p>
Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	<p>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</p>	<p>Sampling is guided by Cardinal Resources protocols and Quality Control procedures as per industry standard.</p> <p>To ensure representative sampling: Trench Channel sample tool and sampling site are cleaned between samples and sample material collected over the same interval and volume to ensure representative nature of the samples.</p> <p>1m RC samples are collected from a cyclone, passing them through a 3-tier riffle splitter, and taking duplicate samples every 20th sample.</p>

Criteria	JORC Code Explanation	Commentary
	<p>Aspects of the determination of mineralisation that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p>HQ core samples are taken selectively through the altered, silicified and shear zones, with minimum 0.5m and maximum 1.5m lengths of sample.</p> <p>The determination of mineralisation is based on observed alterations, silicification and shearing of the lithologies.</p> <p>Random Rock Chip, Trench Channel and RC samples are crushed to -2mm, then a <1kg split sample is pulverised via LM2 Ring Pulveriser to a nominal 85% passing -75µm.</p> <p>Diamond drill samples are crushed to -2mm, and a <1kg split sample is then pulverised via LM2 Ring Pulveriser to a nominal 85% passing -75µm.</p> <p>For Random Rock Chip, RC and Diamond drill samples, a 200g sub-sample is taken from the pulverised material for analysis. A 50g charge weight is fused with litharge-based flux, cupelled and the prill dissolved in aqua regia. The gold tenor is then determined by AAS.</p> <p>For Trench Channel samples, a 1.5kg sub-sample is taken from the pulverised material and gold analysed using Active Cyanide Leach, 24-hour solvent extraction method.</p>
Drilling techniques	<p>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</p>	<p>Reverse circulation drilling uses sampling hammer of nominal 140mm diameter.</p> <p>Diamond core drilling is completed with core size of HQ with a standard tube. Triple tube is used in saprolite at the tops of the holes. Core is orientated to determine both azimuth and dip using digital Reflex ACT II RD orientation tool.</p> <p>Drillholes are inclined at -45° to -60° angles for optimal zone intersection. All drill collars are surveyed using Trimble R8 RTK GPS with downhole surveying every 30m using Reflex digital surveying instruments.</p>
	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p>	<p>Diamond core recovery is logged and captured into the database. The method of recording RC Chip and Core sample</p>

Criteria	JORC Code Explanation	Commentary
		<p>recoveries was to enter the relevant data on a hand-held Motion F5te Tablet PC using a set of standard templates supplied by Maxwell Geoservices, Perth (Maxwell).</p> <p>Reverse circulation sampling is good. RC chips are logged, weighed and captured to the database. RC sample recoveries are assessed by weighing 1m samples from the cyclone on a scale in the field and comparing with the theoretical volume contained in a 1m by 140mm diameter hole to calculate an estimated percentage sample recovery.</p> <p>Core recovered from each drill run is measured and compared with the drill run length drilled to calculate an estimated percentage core recovery. For core drilling the overall recoveries are excellent with weighted average recovery greater than 98%.</p>
	<p>Measures taken to maximise sample recovery and ensure representative nature of the samples.</p>	<p>Measures taken include the use of bigger HQ core size diamond drilling to maximise recovery, having a geologist onsite to examine core and core metres marked and orientated to check against the driller's blocks and ensuring that all core loss is taken into account.</p> <p>At the reverse circulation rig, sampling systems are routinely cleaned to minimise the opportunity for contamination and drilling methods are focused on sample quality. The measures taken to maximise RC sample recovery are through a cyclone and a 3-tier riffle splitter. Each 1m sample is passed twice through the splitter before sampling to ensure maximum homogenisation of each sample and to collect an unbiased representative sample to be assayed.</p> <p>The reverse circulation rigs have auxiliary compressors and boosters to help maintain dry samples. Where wet samples are encountered, the reverse circulation drilling is discontinued.</p>
	<p>Whether a relationship exists between sample recovery and grade and</p>	<p>No relationship is seen to exist between sample recovery and grade, and no sample</p>

Criteria	JORC Code Explanation	Commentary
	whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	bias has occurred due to preferential loss/gain of any fine/coarse material due to the acceptable sample recoveries obtained by the drilling methods employed.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	<p>Random Rock Chip samples are fully logged.</p> <p>All the exposed surfaces along the west trench wall sampled is geologically logged and entered directly to a digital Field Tough book laptop logging system using Cardinal geological codes.</p> <p>All drillholes are fully logged. The lithology, alteration and geotechnical characteristics of core are logged directly to a digital format on a Field Toughbook laptop logging system following procedures and using Cardinal geologic codes. Data is imported into Cardinal's central database after validation in LogChief™.</p> <p>Random Rock Chip and Trench Channel samples are only relevant to early stage exploration and not suitable to support Mineral Resource estimation.</p> <p>In the opinion of the Component Persons, all geological logging of RC and Core is to a level of detail to support future Mineral Resource estimation.</p>
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	<p>Logging is both quantitative and qualitative.</p> <p>All trench exposures are photographed.</p> <p>Both Random Rock Chip samples, Trench Channel samples, RC chips in trays and HQ core are photographed both in dry and wet form.</p> <p>The rock outcrop from where the Rock Chip sample was obtained is photographed with co-ordinates taken; portions of each sample submitted are retained as reference material.</p>
	The total length and percentage of the relevant intersections logged.	All drill holes are logged in full and to the total length of each drill hole.

Criteria	JORC Code Explanation	Commentary
Sub-sampling techniques and sample preparation	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p>	<p>Orientation of core is completed for all diamond holes and all are marked prior to sampling. Longitudinally cut half core samples are produced using a Core Saw with diamond impregnated blades. Samples are weighed and recorded.</p>
	<p>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</p>	<p>RC samples are split using a three-tier riffle splitter. The majority of RC samples are dry. On occasions that wet samples are encountered, they are dried prior to splitting with a riffle splitter.</p>
	<p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p>	<p>Random Rock Chip samples and Trench Channel samples are dried at 105°C for four hours and weighed. Samples are firstly Jaw Crushed and a second stage crushing is effected through a RSD Jaques crusher to a nominal -2 mm and then split to <1.0 kg. The reject sample is retained in the original bag and stored. The split is pulverised in a LM2 Ring Pulveriser to a nominal 85% passing 75μm.</p> <p>Approximately 200g sub-sample of the pulverised material of Random Rock Chip sample is used for assay. A 1.5kg sub-sample of the pulverised Trench Channel sample material was used for cyanidation bottle roll analysis for gold.</p> <p>RC drill samples are sorted and dried in an oven for 8 hours and weighed. They are then crushed to -2mm using a RSD Boyd crusher and a <1.0kg split is taken. The reject sample is retained in the original bag and stored. The split is pulverised in a LM2 Ring Pulveriser to a nominal 85% passing 75μm and a 200g sub-sample is used for analysis.</p> <p>Drill core samples are sorted, dried at 105°C for 4 hours and weighed. Samples are crushed through Jaques crusher to nominal -10mm. A second stage crushing is through Boyd crusher to nominal -2mm and then split to <1.0kg. The reject sample is retained in the original bag and stored. The split is pulverised in a LM2 Ring Pulveriser to a nominal 85% passing 75μm and approximately 200g sub-</p>

Criteria	JORC Code Explanation	Commentary
	<p>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</p>	<p>sample of the pulverised material is used for fire assay.</p> <p>All preparation equipment is flushed with barren material prior to commencement of the job.</p> <p>Cardinal Resources has protocols that cover the sample preparation at the laboratories and the collection and assessment of data to ensure that accurate steps are used in producing representative samples for the analytical process. Key performance indices include:</p> <p>Contamination index of 95% (that is at least 95% of blanks pass); failures can only be attributed to probable minor laboratory contamination.</p> <p>Crushed Size index of 95% passing 2 mm (1:50 sample screened).</p> <p>Grind Size index of 85% passing 75 microns (minimum 1:50 sample screened).</p> <p>Check Samples returning at worst 20% precision at 90th percentile and bias of 5% or better.</p> <p>Crusher and pulveriser are flushed with barren material at the start of every batch.</p>
	<p>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</p>	<p>Measures taken to ensure that the Trench Channel sampling is representative of the in-situ material collected is to take approximately 2.0kg homogenised samples across the entire 1m or 2m sampling interval.</p> <p>Measures taken to ensure that the RC sampling is representative of the in-situ material collected are to take field duplicate samples every 20th sample. Approximately 3kg samples from the splitter are retained from each sample and stored at the company's secured premises for possible re-assay.</p> <p>Measures taken to ensure that the core sampling is representative is to sample half core at 0.5m (minimum) to 1.5m (maximum) intervals through the recognisable altered, silicified, mineralised shear zones.</p>

Criteria	JORC Code Explanation	Commentary
		<p>Results of field duplicates for RC samples and Check Samples for both RC and DD samples are all evaluated to ensure that the results of each assay batch are acceptable.</p> <p>1:20 grind quality checks are completed for 85% passing 75µm criteria to ensure the representativeness of sub-samples.</p>
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate to the grain size.
Quality of Assay data and laboratory tests	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p>	<p>Trench Channel samples are analysed for gold using Active Cyanide Leach, 24-hour Solvent Extraction of a 1.5kg sample with AAS Finish: This analysis was undertaken at the Intertek laboratory in Ghana. Though, the cyanide leach method is considered a partial extraction technique, the 24-hour leach time should ensure high extraction. The larger sample volumes used for the leach method usually result in better representativity of grade where coarse grained gold/nuggety gold could potentially exist when compared to fire assay method which uses a much smaller sample volume that may not be representative due to coarse grained gold/nuggety gold existing in the sample volume.</p> <p>Random Rock Chip samples, RC samples and DD samples are analysed for gold by lead collection fire assay of a 50g charge with AAS finish; the assay charge is fused with the litharge-based flux, cupelled and prill dissolved in aqua regia with gold tenor determined by flame AAS. Fire assay is considered a total assay technique.</p> <p>In the opinion of the Competent Persons, the analytical methods are considered appropriate for the mineralisation style and is of industry standard.</p>
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No hand-held geophysical tools are used.

Criteria	JORC Code Explanation	Commentary
	<p>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</p>	<p>Cardinal's QAQC protocol is considered industry standard with certified reference materials (CRMs) submitted on a regular basis with routine samples. The CRMs having a range of values and blanks are inserted in the ratio of 1:20. Duplicates are taken at the riffle splitter every 20th sample. No duplicate samples are taken from DD core samples and trench samples.</p> <p>Pulps are submitted to a secondary laboratory for checks on the accuracy and precision of the primary laboratory.</p> <p>Coarse rejects are submitted back to the primary laboratory to assess the adequacy of the sub-sampling process.</p> <p>Laboratories' QAQC involves the use of internal laboratory standards using certified reference material and blanks.</p> <p>No standards are used for Rock Chip samples.</p>
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Significant results from Random Rock Chip sample and Trench Channel sample results have been verified by alternative company personnel.
	The use of twinned holes.	Significant drill intersections have been verified by alternative company personnel.
	The use of twinned holes.	None of the drill holes in this report are twinned.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data are captured on field tough book laptops using LogChief™ Software. The software has validation routines and data is then imported onto a secure central database.
	Discuss any adjustment to assay data.	The primary data is always kept and is never replaced by adjusted or interpreted data.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Random Rock Chip sample locations and Trench Channel sample sites are picked-up using hand-held GPS.
		Initially drill hole collar coordinates are obtained using handheld Garmin GPSmap 64s GPS within ±3m accuracy.

Criteria	JORC Code Explanation	Commentary
		Subsequently all drill collars are accurately surveyed using Trimble R8 RTK DGPS system within $\pm 10\text{mm}$ of accuracy (X, Y, Z).
	Specification of the grid system used.	Accuracy and quality of downhole surveys of RC and DD drill holes are determined by using Reflex Ez-Shot survey instrument at regular 30m intervals.
	Quality and adequacy of topographic control.	Coordinate and azimuth are reported in UTM WGS84 Zone 30 North. Topographic control at Yameriga was supplied by Southern Geoscience Consultants (Perth) using satellite imagery.
	Data spacing and distribution	Data spacing for reporting of exploration results. Random Rock Chip sampling involved collecting surface samples from areas of interest with visible gold mineralisation. Sampling has therefore not been completed on a regular grid.
		The trenches were located at 335m spacings and they were designed to cut across previously identified coincident gold-in-soil and geophysical anomalies. Data spacing is appropriate for reconnaissance stage exploration sampling programmes.
		The RC drilling was carried out on variably spaced fence lines (25m to 400m apart) with hole spacing of 50m along lines testing mineralisation up to a vertical depth of approximately 65m and covering a strike length up to 400m.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Exploration is at the early stage, and as such drill data spacing and distribution are insufficient to establish geological and grade continuity that are appropriate for reporting Mineral Resources and Ore Reserves.
Orientation of data in relation to geological structure	Whether sample compositing has been applied.	No sample compositing has been applied.
	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Rock Chip sampling has been selectively conducted. The orientation of trenches is not likely to bias the assay results and is not relevant given the early stages of exploration. Drillholes are orientated to achieve intersection angles as close to

Criteria	JORC Code Explanation	Commentary
		<p>perpendicular to the mineralisation as practicable based on geophysical modelling and field mapping data. Some sampling bias may occur.</p> <p>Systematic geological mapping and structural information from the current diamond drilling are required to determine the true orientation of dips and structures of the mineralisation.</p>
	<p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>No significant orientation-based sampling bias is known at this time.</p>
Sample security	<p>The measures taken to ensure sample security.</p>	<p>An independent Ghanaian security contractor is used to ensure sample security.</p> <p>The drilling contractor is accountable for drill core and RC chip production at the drill site. Final delivery from the drill site to the laydown area within the core yard is managed by Cardinal. The core yard technicians, field technicians and Geologists ensure the core and chips are logged, prepared and stored under security until conveyed to a nearby accredited sample preparation laboratory by Cardinal.</p> <p>At the time of sample delivery at the laboratory, a sign-off process between Cardinal and the laboratory ensures that samples and paperwork correspond and samples are receipted against the Cardinal submission sheets. The sample preparation laboratory is responsible for the samples from the time of collection from Cardinal until pulps and rejects are collected and checked by Cardinal Geologists.</p> <p>Two pulp samples are produced: one pulp dispatched by Cardinal to the appropriate laboratory for assay; the duplicate pulp and reject stored by Cardinal in a secure storage facility for possible re-assay or other testwork.</p>

Criteria	JORC Code Explanation	Commentary
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Sampling techniques are of industry standards.

Section 2 – Reporting of Exploration Results

(Criteria listed in section 1 will also apply to this section where relevant)

Criteria	JORC Code Explanation	Commentary
Mineral Tenement and Land Status	Type, name/reference number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Cardinal has 100% ownership of Yameriga Prospecting Licence PL9/19 covering a land size of 36.78km ² to prospect for gold in the Bolgatanga and Talensi Nabdam District in the Upper East Region in the Republic of Ghana. The Licence was originally owned by Red Back Mining Ghana Limited. In August 2017, Cardinal entered into a definitive agreement with Red Back Mining Ghana Limited to acquire total ownership of Yameriga Prospecting Licence. The Yameriga Prospecting Licences is subject to a 1% NSR royalty payable to Kinross Gold Limited (via its acquisition of Red Back Mining) on all minerals mined, removed and sold.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The Yameriga Prospecting Licence is current and in good standing at the Ghanaian Mineral Commission.
Exploration Done by Other Parties	Acknowledgment and appraisal of exploration by other parties.	Prior to Cardinal acquiring ownership of Yameriga from Red Back Mining Ghana Limited in August 2017, the Licence has been the subject of previous exploration by BHP, Africwest, Etruscan (JV with Red Back) and Abzu (JV with Red Back).
Geology	Deposit type, geological setting and style of mineralisation	The geological setting is a Paleoproterozoic Greenstone Belt comprising Birimian metavolcanics, volcaniclastics and metasediments located in close proximity to the Nangodi Shear Zone, a splay off the extensive Bole-Bolgatanga Fault. Gold mineralisation occurs within shear zones comprising alteration haloes containing higher grade lenses of altered, silicified, sheared metavolcanics and disseminated sulphides

Criteria	JORC Code Explanation	Commentary
Drill hole information	<p>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> Easting and northing of the drill hole collar Elevation or RL (Reduced Level elevation above sea level in meters) of the drill hole collar Dip and azimuth of the hole Down hole length and interception depth Hole length 	<p>A summary of the Random Chip sampling, Trench Channel sampling and drillhole information is provided in this document.</p>
	<p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>There has been no exclusion of information.</p>
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	<p>No weighting averaging techniques nor cutting of high grades have yet been undertaken.</p>
	<p>Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	<p>Aggregated intersections incorporating short lengths of high-grade results within the shear zones are calculated to include no more than intervals of 3m below grades of <0.5 g/t Au when assay results are reported.</p>
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>No metal equivalents are used in the intersection calculation.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of exploration results.</p>	<p>Random Rock Chip and Trench Channel sampling are designed to assess the potential of gold mineralisation sources.</p> <p>The relationship between mineralisation widths and intersection lengths from DD and RC drilling are not yet fully understood.</p>
	<p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p>	<p>The geometry of the mineralisation with respect to the drillhole angles is not yet known.</p>
	<p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</p>	<p>The geometry of the mineralisation is unknown; only downhole length is reported (no true width of mineralisation is reported).</p>
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being</p>	<p>Appropriate locality map, cross sections of the drilling, interpreted geology and</p>

Criteria	JORC Code Explanation	Commentary
	reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.	assays are included within the body of the accompanying document.
Balanced Reporting	Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	The accompanying document is considered to represent a balanced report.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Other exploration data collected is not considered material to this document at this stage. Further data collection will be reviewed and reported when considered material.
Further Work	<p>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Geological mapping, surface rock sampling, trenching, geochemical surveys, geophysical surveys and DD/RC drilling are continuing.

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")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(3,071)	(17,844)
(b) development	-	-
(c) production	-	-
(d) staff costs	(1,143)	(3,691)
(e) administration and corporate costs	(1,009)	(3,893)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	157
1.5 Interest and other costs of finance paid	(422)	(2,855)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	50	50
1.8 Other (provide details if material)	(324)	2,574
1.9 Net cash from / (used in) operating activities	(5,918)	(25,502)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(27)	(697)
(d) exploration & evaluation (if capitalised)	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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 – bank deed	1,498	(127)
2.6 Net cash from / (used in) investing activities	1,471	(824)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	17,893
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	3,746	7,810
3.6 Repayment of borrowings	-	(11,487)
3.7 Transaction costs related to loans and borrowings	(1,611)	(1,758)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	2,135	12,458
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	6,215	18,736
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(5,918)	(25,502)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	1,471	(824)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	2,135	12,458
4.5 Effect of movement in exchange rates on cash held	(194)	(1,159)
4.6 Cash and cash equivalents at end of period	3,709	3,709

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	3,402	4,717
5.2 Call deposits	307	1,498
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)	3,709	6,215

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	615
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

* Includes \$370,000 paid to Hopgood Ganim for legal services provided. Mr Muscillo, a director, is a partner of Hopgood Ganim. The legal services were provided on normal commercial terms.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	36,527	36,527
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	36,527	36,527
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 Company announced on 5 June 2020 that the senior debt facility had been transferred to the Ghana Infrastructure Fund, for details in relation the Facility please see ASX/TSX press release dated 5 June 2020.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(5,918)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(5,918)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	3,709
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	3,709
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.6

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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: The net operating cash flow for Q3 2020 is expected to substantially less than in Q2 2020 due to a significant reduction in activities as a result to seasonal restrictions and restrictions as a result of COVID-19.

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:

On 7 July 2020 the Company completed a placement to Shandong Gold Mining (HongKong) Co., Ltd (a subsidiary of Shandong Gold Mining Co., Ltd) in accordance with the terms of the Bid Implementation Agreement and raised \$11.96 million as a result of the issue of 26,000,000 fully paid ordinary shares.

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:

Yes, the Company expects to be able to continue its operations and meet its business objectives.

Compliance statement

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

Date: 31 July 2020

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.
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.