

15 March 2019

ASX/TSX: CDV

## MANAGEMENT INFORMATION CIRCULAR

**Cardinal Resources Limited** (ASX: CDV) (“**Cardinal**” or “**the Company**”) wishes to provide pursuant to the requirements of National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators, the following management information circular, to be read in conjunction with the Notice of General Meeting dated 5 March 2019.

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### 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.

**Cardinal Resources Limited ABN 56 147 325 620**

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## MANAGEMENT INFORMATION CIRCULAR

The Company is a reporting issuer in Canada. Accordingly, pursuant to the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators, the following disclosure is required to be included with the Explanatory Statement.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

This management information circular ("Management Information Circular") is furnished in connection with the solicitation of proxies by the management of Cardinal Resources Limited (the "Company") for use at the general meeting of the shareholders of the Company (the "Meeting") to be held at Suite 1, 28 Ord Street, West Perth, WA at 11:00am (AWST) on April 11, 2019, and at all adjournments thereof for the purposes set forth in the accompanying notice of general meeting (the "Notice"). The solicitation of proxies will be made primarily by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Company. Directors, officers and employees of the Company will not receive any extra compensation for such activities. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice. The Company may pay brokers or other persons holding ordinary shares of the Company ("Shares") in their own names, or in the names of nominees, for their reasonable expenses for sending proxies and proxy materials to beneficial owners of Shares and obtaining proxies therefrom. The cost of the solicitation will be borne directly by the Company.

No person is authorized to give any information or to make any representation other than those contained in this Explanatory Statement and Management Information Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Company. The delivery of this Explanatory Statement and Management Information Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

#### Non-Registered Shareholders in Canada

Only registered shareholders of the Company, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. However, in many cases, Shares beneficially owned by a person (a "Non-Registered Shareholder") are registered either:

- (a) in the name of an intermediary (an "Intermediary") with whom the Non-Registered Shareholder deals in respect of the Shares (Intermediaries include, among others: banks, trust companies, securities dealers or brokers, trustees or administrators of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan and similar plans); or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc., in Canada, and the Depository Trust Company, in the United States) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has distributed copies of the Notice, this Explanatory Statement and Management Information Circular and the accompanying form of proxy (collectively, the "Meeting Materials")

to the Intermediaries and clearing agencies for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless the Non-Registered Shareholders have waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the form of proxy. In this case, the Non-Registered Shareholder who wishes to submit a form of proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Limited, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, Canada, M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Shares they beneficially own. Should a Non-Registered Shareholder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should carefully follow the instructions provided on the voting instruction form or form of proxy. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the form of proxy is to be delivered.**

A Non-Registered Shareholder who has submitted a form of proxy may revoke it by contacting the Intermediary through which the Shares of such Non-Registered Shareholder are held and following the instructions of the Intermediary respecting the revocation of proxies.

### **Appointment of Proxies**

Enclosed herewith is a form of proxy for use at the Meeting. **A registered shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for the shareholder and on the shareholder's behalf at the Meeting, and at any adjournment thereof, other than the person designated in the form of proxy and may exercise such right by inserting the full name of the desired person in the blank space provided in the form of proxy.** If a shareholder is entitled to cast two or more votes at the Meeting, the shareholder may appoint a second proxy to attend and

vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. A shareholder who appoints two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointments do not specify the proportion or number of the shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded.

A form of proxy will not be valid unless it is signed by the shareholder or by the shareholder's attorney duly authorized in writing or, if the shareholder is a Company, executed by a duly authorized officer in accordance with the instructions attached on the enclosed form of proxy. The form of proxy to be acted upon must be delivered:

1. in respect of a shareholder registered on the Company's Australian register, prior to 11:00am (AWST) on April 9, 2019 by:
  - (a) post to Computershare Investor Services Pty Limited, GPO Box 242 Melbourne VIC 3001; or
  - (b) facsimile to Computershare Investor Services Pty Limited on facsimile number +1 800 783 447 (within Australia) and + 61 3 9473 2555 (outside Australia); or
  - (c) email to the Company at sarah@cardinalresources.com.au.
2. in respect of a shareholder registered on the Company's Canadian register, prior to 11:00pm (EST) on April 8, 2019 by mail to Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or by facsimile at +1 866 249 7775.

## **Revocation of Proxies**

A shareholder executing and delivering a form of proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

## **Voting of Proxies**

**The form of proxy accompanying this Explanatory Statement and Management Information Circular confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice and any other matters that may properly come before the Meeting.** At the time of printing this Explanatory Statement and Management Information Circular, management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. **If no voting instructions are indicated on the form of proxy, the proxy may vote as they choose subject to relevant laws.**

The Shares represented by the form of proxy will be voted in accordance with the instructions of the Shareholder on any ballot that may be conducted at the Meeting, or at any adjournment thereof, and if the Shareholder specifies a choice with respect to any matter acted upon, the Shares will be voted accordingly.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

### Description of Share Capital

The Company is authorized to issue an unlimited number of Shares. Each Share entitles the holder of record thereof to one vote per Share at all meetings of the shareholders of the Company subject to certain exclusion of votes described in the Notice and Explanatory Statement. As at the close of business on March 5, 2019, there were 382,220,817 Shares outstanding.

### Record Date

The Board has fixed March 13, 2019 as the record date for the determination of the shareholders of the Company entitled to receive the Notice entitled to vote at the Meeting.

### Ownership of Securities of the Company

As at March 5, 2019 to the knowledge of the directors and executive officers of the Company, no person or Company beneficially owned, or controlled or directed, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of voting securities of the Company except as stated below:

Name	Number of Shares Beneficially Owned, Controlled or Directed	Percentage of Outstanding Shares Beneficially Owned, Controlled or Directed
Corporate International Holdings B.V.	42,818,182 <sup>(1)</sup>	11.45%

Note:

(1) Reflects Shares held by Corporate International Holdings B.V., an indirect wholly-owned investment subsidiary of Gold Fields Limited, according to a report dated November 27, 2017 filed under Part 3 of National Instrument 62-103 – *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### PARTICULARS OF MATTERS TO BE ACTED UPON

For a detailed description of the matters to be acted upon, namely approval the issue of options to related parties, please refer to the Explanatory Statement included with this Management Information Circular and to "Election of Directors" herein.

### OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management of the Company knows of no matters to come before the Meeting other than as set forth in the Notice. However, if other matters, which are not known to management, should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## Equity Compensation Plan Information

The following table sets forth aggregated information, as at March 5, 2019, with respect to compensation plans of the Company under which equity securities of the Company are authorized for issuance.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders	27,518,100 <sup>(1)</sup>	\$0.48	10,249,052 <sup>(2)(3)</sup>
Equity compensation plans not approved by securityholders	-	-	-
<b>Total</b>	<b>27,518,100</b>	<b>\$0.48</b>	<b>10,249,052</b>

Notes:

- (1) Includes 6,000,000 Shares reserved for issuance pursuant to Options granted under the Prior Plan, 18,500,000 Shares reserved for issuance pursuant to Options granted outside of the Prior Plan and 3,018,100 issued under the Company's new plan.
- (2) Based on the aggregate number of Options remaining available for future issuance under the Prior Plan as of June 30, 2017. The maximum aggregate number of Options available for issuance under the Prior Plan at any point in time was 5% of the number of issued and outstanding Shares at such time. As at June 30, 2017, there were 350,529,559 Shares outstanding.
- (3) On October 17, 2017, the Company adopted the new Plan, which contains a 5% rolling limit (including Shares issuable pursuant to the Prior Plan) and the Company will no longer issue Options pursuant to the Prior Plan.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no person proposed to be nominated for election as a director of the Company, nor any associate of any such director, executive officer or proposed nominee, is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries, or indebted to another entity, where such indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, pursuant to a security purchase program of the Company or otherwise.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as otherwise set out in the Explanatory Statement and Management Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no informed person (as that term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators) of the Company, no person proposed to be nominated for election as a director of the Company, nor any associate or affiliate of any of them, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the ASX website at [www.asx.com.au](http://www.asx.com.au) Further financial information is provided in the audited consolidated financial statements of the Company for the financial year ended June 30, 2018 and related management's discussion and analysis which accompany this Explanatory Statement and Management Information Circular and have also been filed on SEDAR. Shareholders may also contact Sarah Shipway, the Corporate Secretary of the Company, by e-mail at [sarah@cardinalresources.com.au](mailto:sarah@cardinalresources.com.au) to request a copy of these documents.

The Company will provide any shareholder of the Company, without charge, upon request to the Corporate Secretary of the Company:

- (a) one copy of the audited consolidated financial statements of the Company for the financial year ended June 30, 2018, together with the report of the auditor thereon;
- (b) one copy of the management's discussion and analysis for the financial year ended June 30, 2018; and
- (c) one copy of this Explanatory Statement and Management Information Circular.

## **APPROVAL**

The directors of the Company have approved the contents of this Explanatory Statement and Management Information Circular and the sending thereof to the shareholders of the Company.

DATED at Toronto, Ontario this 5<sup>th</sup> day of March, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

*"Archie Koimtsidis"*  
Archie Koimtsidis

Chief Executive Officer and Managing  
Director