

QUARTERLY ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2019

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 December 31, 2019.

HIGHLIGHTS

- On October 3, 2019 the Company announced that it successfully raised \$17.6M through exercise of the Company’s Listed Options (ASX: CDVOA).
A total of 117,398,958 Listed Options were exercised, being 99.84% of the Listed Options on issue, only 188,081 Listed Options expired unexercised.
- On October 15, 2019 the Company announced its annual Ore Reserves and Mineral Resources statement.
- On October 28, 2019 the Company released its Feasibility Study confirming the Namdini Project as a tier one gold project.
- On November 28, 2019 Cardinal released its Feasibility Study NI 43-101 Technical Report.

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 Gold Project**” or “**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 0.4 Moz 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).

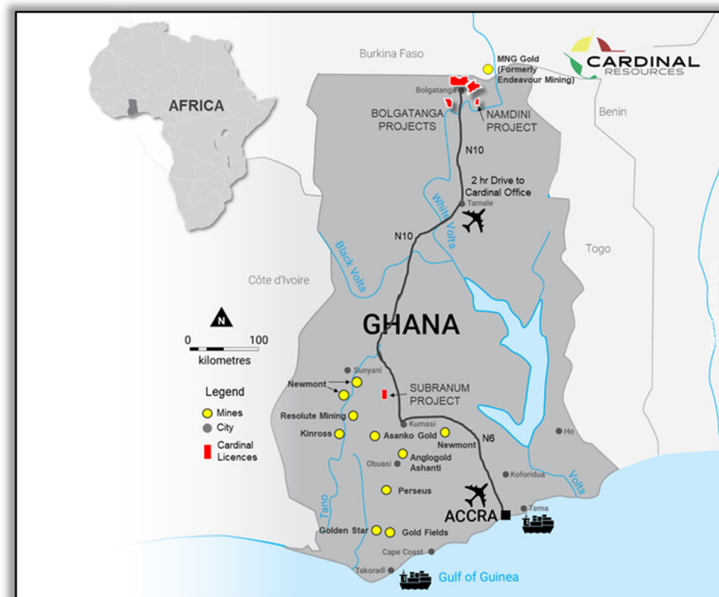


Figure 1: Cardinal Resources Tenements in Ghana

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 under the Ghanaian Minerals and Mining Act 2006 (Act 703) in December 2017. The Large-Scale Mining License covers 19.54 km² in the Dakoto area of the Talensi District Assembly in Upper East Region of Ghana evidenced by a Mining Lease for an initial period of 15 years and is renewable.

Project Development and Finance Update

Cardinal’s Board has approved this Feasibility Study and recommends progressing the Project to construction pending successful completion of financing activities.

The Company in conjunction with appointed financial advisers, Cutfield Freeman & Co, (ASX/TSX - Press Release dated 3 April 2019) have received a number of term sheets from banks and financiers.

With the release of the Feasibility Study and accompanying NI43-101 Technical Report (ASX/TSX Press Release dated 28 November 2019) additional banks, financiers and corporates have shown interest in Project Finance participation and have subsequently been granted access to the data room.

In addition, the Company is concurrently evaluating strategic alternatives to bring the Namdini Project into production with a view to maximising economic outcomes for Cardinal shareholders.

In the meantime, the Company remains in a strong financial position with cash reserves of approximately A\$20 million.

Project Development Partners:

Table 1: Study Team

COMPANY	ROLE
Lycopodium	Feasibility Study Managers. Process plant and associated infrastructure. Capital and Process Operating cost estimation.
Golder Associates	Mine design, planning, optimisation and scheduling. Geotechnical, Hydrology and Hydrogeological engineering. Mine operational costs.
Orway Minerals Consultants	Comminution data analysis, crushing and grinding option studies.
ALS Laboratory (Perth)	Metallurgical testwork to support the process design criteria.
Knight Piésold Consulting	Tailings Storage Facility and selected infrastructure design.
Independent Metallurgical Operations	Metallurgical testwork management, analysis and process flowsheet development.
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 & Geoscience Consulting	Environmental Impact Assessment Study.
Whittle Consulting	Enterprise Optimisation of the Namdini Project.

COMPANY	ROLE
Alastri Software	Tactical Scheduling, Haulage Modelling and Reserving Software.
Maelgwyn Mineral Services Africa	Aachen™ process metallurgical optimisation.
BDO Advisory	Financial Model Integrity & Reviewer (PEA, PFS and FS).
MKM Social	Socio-Economic Study and Resettlement Action Plan.

In conjunction with moving the Project toward a financial investment decision, work continues on further project optimisation with our Project Partners (Table 1) and regional exploration utilising Cardinal's strong cash at bank of approximately A\$20 million.

Cardinal's ~900 km² of prospective exploration tenure within hauling distance of the proposed Namdini gold production plant remains a short-term opportunity for project enhancement.

Exploration activities, including drilling, will recommence shortly with the stated aim of identifying shallow, high grade deposits that can augment existing Namdini ore to further enhance the current project economics. Recent positive results from exploration activities, for example at Ndongo East, provide encouragement that higher grade gold systems may exist in the region within trucking distance to the Namdini deposit.

Project Metallurgical Update

Feasibility study testwork was completed at Maelgwyn Mineral Services Africa (MMSA) laboratory in South Africa on the Aachen technology and was reported in September 2019. The testwork demonstrated improved project economics by allowing a coarser re-grind whilst maintaining similar recovery figures than reported in Cardinal's PFS.

The MMSA testwork indicated that a P90 (90% Passing) 9µm regrind particle size showed the best technical and economic return value. In conclusion, the MMSA testwork supports the inclusion of the Aachen technology within the process design of the Namdini Gold Project, which is now fully reflected in the flowsheet and estimates as reported in the issued Feasibility Study Report.

The ALS laboratory testwork for defining the process design criteria for the Feasibility Study was completed in September 2019 and all results were incorporated into the Feasibility Study engineering and process design. Qualitative testwork for elemental characterisation of leach residues is continuing at ALS. This testwork is informative work with no influence on the Feasibility Study results. This testwork will be complete early 2020.

Feasibility Study Update

The Company announced completion of the Feasibility Study (FS), which was released October 28, 2019. The technical report on the Feasibility Study, prepared in accordance with NI 43-101 of the Canadian Securities Administrators, was issued on SEDAR at www.sedar.com on November 28, 2019.

Key Technical and Financial Outcomes

The key technical and financial outcomes from the Feasibility Study on a 100% basis are summarised in Table 2, Table 3, Table 4 and Figure 2 following.

Table 2: Financial Summary for 9.5 Mtpa throughput (based upon a gold price of US\$1,350/oz)

KEY ECONOMIC RESULTS	UNIT	FEASIBILITY STUDY
Capital cost (including US\$40M contingency)	US\$ M	390
All-in Sustaining Cost (AISC) ¹	Starter Pit	US\$/oz
	Life of Mine	US\$/oz
Total Project payback	Months	21
Pre-Tax NPV US\$ (5% discount rate)	US\$ M	914
Post-Tax NPV US\$ (5% discount rate)	US\$ M	590
Pre-Tax IRR	%	43
Post-Tax IRR	%	33

Table Notes:

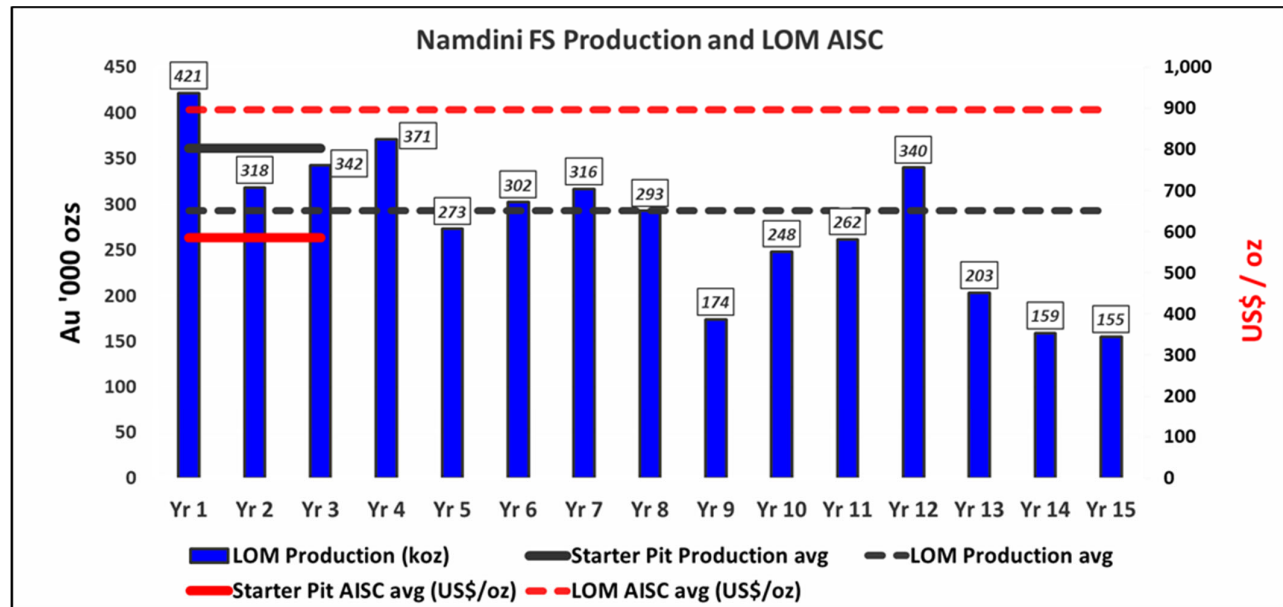
¹ Cash Costs + Royalties + Levies + Life of Mine Sustaining Capital Costs (World Gold Council Standard). Royalties calculated at a rate of 5.5% and a corporate tax rate of 32.5%; both subject to negotiation, and expected to be finalised over coming months.

Table 3: Starter Pit Production Summary

KEY ESTIMATED PRODUCTION RESULTS	UNIT	FEASIBILITY STUDY
Gold price	US\$/oz	1,350
Gold produced (average for full production years)	(koz/yr)	361
Gold head grade (Starter Pit, Ore Reserve)	g/t Au	1.41
Gold recovery (Starter Pit)	%	85
Strip ratio (Starter Pit)	W:O	0.9 :1
Ore mined (0.5 g/t cut-off grade)	Tonnes (Mt)	47
Waste mined	Tonnes (Mt)	43
Starter Pit life (including ramp-up)	Months	27
Total Project payback	Months	21

Table 4: LOM Production Summary (including Starter Pit)

KEY ESTIMATED PRODUCTION RESULTS	UNIT	FEASIBILITY STUDY
Gold price	US\$/oz	1,350
Gold produced (average for LOM full production years)	(koz/yr)	287
Gold produced (LOM)	(Moz)	4.2
Gold head grade (LOM, Ore Reserve)	g/t Au	1.13
Gold recovery (LOM)	%	83
Strip ratio (LOM)	W:O	1.9 : 1
Ore mined (0.5 g/t cut-off grade)	Tonnes (Mt)	138.6
Waste mined	Tonnes (Mt)	263
Mine life (Including ramp-up and mine closure)	years	15
Capital cost (including 11% contingency)	US\$ M	390
Total Project payback	Months	21

**Figure 2: Production Profile and LOM AISC**

Feasibility Study Conclusions

Overall

- The Namdini Gold Project is a significant gold deposit with highly attractive economics, which enjoys both regional and national support, strongly reinforcing the decision to proceed with development of the Project.
- The Project is located in a socially and economically stable region of the world. The climate is moderate and local infrastructure is available and has the required capacity to support the project.
- Cardinal has a long standing and robust relationship with the region's Development Committee, Talensi Traditional Council, regional communities, Chiefs and Elders.
- There is strong support nationally and regionally for the Project to be developed in a sustainable way to provide an uplift in an area that has not realized local investment and development opportunities. The social benefits are expected to be similar to those experienced in southern parts of Ghana where gold mines operate.
- The region is not densely populated and relocation requirements are not onerous. Community engagement with Cardinal's Relocation Action Plan (RAP) consultants shows support for the Project.
- Vegetation is sparse and the tenement area is flat thereby allowing for low cost and relatively easy bulk earthwork and transportation access requirements and activities.
- The project site is approximately 25km from the N10 highway which is the main transportation route from Tema, Accra, and into Burkina Faso in the north.
- The White Volta river is approximately 7km away allowing for a sustainable raw water source for the Project. Testing by ALS laboratory in Perth indicates that this water is suitable for process operations including flotation.
- A stable 161kV HV grid powerline is approximately 25km due west of the Project. Testing at the Bolgatanga substation close to the Project has shown that the power supply is stable and authorities have assured Cardinal that sufficient capacity from the current grid exists for the Project. Ghana is currently in an HV oversupply situation currently, which further de-risks this aspect of the Project infrastructure.
- Cardinal has a 15-year renewable Mining Lease. The environmental permitting is well advanced with the Ghanaian EPA and other regulatory authorities.
- Based on the positive FS outcome, the Cardinal Board has approved initiatives which will further de-risk the project. These include immediate advancement of the Namdini Gold Project to the FEED and Early Works Construction stages, plus advancement of the RAP subject to final project finance.
- The positive results of this FS of the Namdini Gold Project have confirmed that progression of the Project to the development and construction stage is warranted.
- Cardinal's exploration and resource drilling activities have defined a substantial Measured and Indicated Mineral Resource. Inferred Mineral Resources, which represent a small proportion of model estimates within the RPEEE pit shell, are generally at depths below 250m.

Mineral Resource Estimation

- Based on an external review, Golder concluded that the additional drilling has not materially changed the tonnes and grade in the Mineral Resource. The most significant change is to the reclassification of 7Mt from Indicated to Measured Resource.
- The 2019 recoverable Mineral Resource estimate is supported as an appropriate input to mining studies at the FS level and is a reasonable development from the previously reviewed 2017 and 2018 recoverable Mineral Resource estimates.

Metallurgy

- The Transition material at Namdini is only partially weathered (oxidised) and behaves in metallurgical test work similar to the Fresh material, with similar recoveries. The Transition material is to be processed with the Fresh material as part of the mill feed and thus these are combined in all the mine and mill schedules.
- The metallurgical work carried out to date indicates that gold can be recovered from Namdini Transition and Fresh ore feed using conventional flotation, regrind and Carbon In Leach (CIL) cyanidation techniques, and from Oxide ore feed using conventional CIL cyanidation techniques. The work is considered sufficient to define a technically and economically viable gold mining project.
- A substantial amount of drill core sample has been tested which adequately covers the entire deposit and rock types for the life of the operation. The sample representativity is considered by Cardinal to be appropriate.
- No unproven technologies are planned for the Project. Many process plants of this size have been constructed on time and within budget.

Mine Planning

- The Namdini Project has been evaluated by Golder based upon a conventional hard rock mining equipment fleet. There are no indicated requirements for untested or novel mining techniques.
- The Namdini Project is only moderately sensitive to both capital and mining costs, and relatively insensitive to the overall geotechnical slope angle of the pit as a result of the relatively low stripping ratio for a pit of this size.
- The adoption of a tactical level scheduling tool for the FS of the Namdini Project is a key driver in identifying operational cost benefit areas and minimising mining spend to maximise project value.
- The change of support adjustment in the recoverable Mineral Resource estimate assumed a moderately selective mining unit ("SMU") of 5m by 10m by 2.5m, which has been applied to the low-grade large-tonnage disseminated Namdini deposit. The chosen mining equipment is of medium scale (134t trucks and 400t face-shovels) and so less amenable to selective mining.
- A short-term model estimate based exclusively on RC grade control pattern of 10m by 15m with 1.5m sampling confirmed the MIK recoverable Mineral Resource estimate. The 10m by 15m grade control pattern is deemed a suitable grid for defining the ore zones at the mining scale anticipated.
- The Namdini deposit presents as a largely diffuse ore zone with limited high-grade selectivity options. The area of highest-grade potential has been chosen to commence the Starter Pit, given the positive results at very low gold prices. The degree of mining selectivity is however markedly less than one would normally see in similar massive gold deposits.
- In Golder's view, the proposed 10m full-bench bulk mining would not be supported by the current selectivity in the recoverable Mineral Resource model.

Ore Reserve Estimation

- Based on the information presented in the Feasibility Study, the Ore Reserve estimation process has converted approximately 80% of the combined Measured and Indicated Mineral Resources to Proved and Probable Ore Reserves.
- The proposed mine plan is technically achievable. All technical proposals made for the operational phase involve the application of conventional technology that is widely used in the gold industry. Financial modelling completed as part of the FS shows that the Project is economically viable under current assumptions. Material Modifying Factors (mining, processing, infrastructure, environmental, legal, social and commercial) were considered during the Ore Reserve estimation process.
- A site wide water balance was completed to ensure that adequate storage is available for both the mill process

and other water requirements. Results indicate that the raw water demands for the mill process can be met for the proposed production rate.

Infrastructure

- Approximately 260Mt (95 Mm³) of waste will be generated from the Life of Mine open pit development. The waste dump will be located directly to the west and northwest of the open pit.
- The process plant and mine services area will be located on relatively flat terrain to the north-northwest of the open pit and directly to the northeast of the waste dump.
- The TSF designs have been further optimised using locations defined in the PFS and incorporating more recent topography for the site area with the updated design parameters. The designs are based on downstream raise construction methods.
- A hydrogeological fieldwork programme was undertaken comprising a hydro-census of surrounding properties to identify groundwater users. Characterisation of groundwater quality by sampling and laboratory analysis, groundwater monitoring and hydraulic testing were completed. Development of a conceptual model for assessment of pit inflows, and assessment of the potential impacts of mine dewatering on groundwater and surface water systems, have been completed in support of the mine design.
- A hydrology programme including the development of a stormwater plan and overall site water balance has also been completed.

Environmental and other Permitting Requirements

- As part of the EIA Study and to support the EIS, Cardinal identified approximately 29 key stakeholders for the Project, including Government regulatory agencies, Government institutions, traditional and political authorities, Project communities and leaders, and non-Government authorities.
- Extensive social consultations and stakeholder engagement meetings have been held with key stakeholders.
- All key stakeholders consulted expressed their support for the Project. Stakeholders advised Cardinal to operate an 'open door' policy based on mutual respect.
- The process plant is designed to comply with the International Cyanide Management Code (ICMI, 2016) for the manufacture, transport, and use of cyanide in the production of gold.
- Construction, operational and post-closure monitoring has been planned and estimated for in the Feasibility Study to ensure regulatory and permitting compliance.

Overall Outcome

- Based on the positive Feasibility Study outcome, the Cardinal Board has approved initiatives which will further de-risk the project. These include immediate advancement of the Namdini Gold Project to the FEED and Early Works Construction stages, plus advancement of the Relocation Action Plan subject to final Project finance.
- The positive results of this FS of the Namdini Gold Project have confirmed that progression of the Project to the development and construction stage is warranted.

Environmental and Social Update

Developing a successful and sustainable gold mine continues to be a key focus for Cardinal. Progress on the environmental permitting is as follows:

- Environmental Impact Study (EIS) for the TSF will be submitted to the Ghana Environmental Protection Agency (EPA) for approval in January 2020.
- Environmental Impact Study (EIS) for the mine is awaiting approval from the Ghana Environmental Protection Agency (EPA). This is subject to the approval of the TSF ESIA.

Ghana based company, MKM Social have issued the Relocation Action Plan (RAP) and Socio-Economic and Health Baseline Study Report for Cardinal's review. The study outlines the framework to meet Ghana's Environmental Protection Agency permit requirement and international best practice such as the Equator Principles, the International Finance Corporation's (IFC) Performance Standards on Social and Environmental Sustainability.

Namdini Project Opportunities

The FS demonstrates a viable, globally significant, long-life gold project at Namdini. Potential remains for further improvements in Project economics which will form the basis of ongoing evaluation work, including:

- FEED and PEP programmes incorporating Whittle Consulting's mine and schedule optimisation plan.
- OPEX savings by evaluating a flotation cleaner circuit; potential to reduce required regrind power.
- Additional Mineral Resources that are not part of the current Ore Reserves which represent lateral strike and depth extensions to the current LOM pit design at US\$1,235/oz. Subject to the outcome of additional drilling beyond the current pit design, any economic discovery not in the current mine plan may extend the life of the current mine plan which may also include a new underground mine plan.
- The Regional land package may also have potential to define satellite pits with close proximity to Namdini. Recent results from drilling completed within the Ndongo Project, located approximately 24km north of Namdini are within hauling distance. Drill testing new zones of high-grade gold mineralisation to define satellite pits will recommence soon.

Project Development Timeline

The Company released its FS on October 28, 2019, having received the awaited Maelgwyn (Aachen™) laboratory results.

Table 5: Proposed Project development schedule (Subject to Financing*).

Milestone	Target timeline
Commence Front End Engineering and Design ("FEED")	Q4 2019
Advance Relocation Action Plan to completion	H1 2020
Target production commencement	H2 2022

**The Company's proposed project development schedule assumes that the Company is fully funded to proceed throughout and beyond the FEED process, into early works and full construction. Whilst the Company is currently engaged in the financing process as described in this release, the actual development schedule will depend upon the manner and timing of the Company's financing plans. Dates are therefore indicative only.*

Namdini Project Drilling

Namdini Infrastructure Sterilisation Drilling

The Company continued with sterilisation drilling of the proposed infrastructure area within the Namdini Mining License.

To date, approximately 34,727m of drilling has been completed, comprising of 355 RC holes for approximately 34,092m and 2 diamond drill holes for approximately 635m (Figure 3).

During the Quarter, 22 RC holes were completed for a total of 2,117m with 2,327 samples, including QAQC controls, that have been submitted to the laboratory for gold analysis using Fire Assay analytical technique (Table 6). This sterilisation drilling is ongoing and is aimed at ensuring that no major infrastructure developments are sited on areas of significant mineralisation (Figure 3).

Sterilisation drilling to date has returned no significant mineralisation.

Table 6: Namdini sterilisation drilling

Programme	No. Holes	RC (m)	DD (m)	Total (m)	No. Samples	No. Duplicates	No. Blanks	No. Stds	Total Samples
Sterilisation Drilling	22	2,117	-	2,117	569	104	54	52	2,327

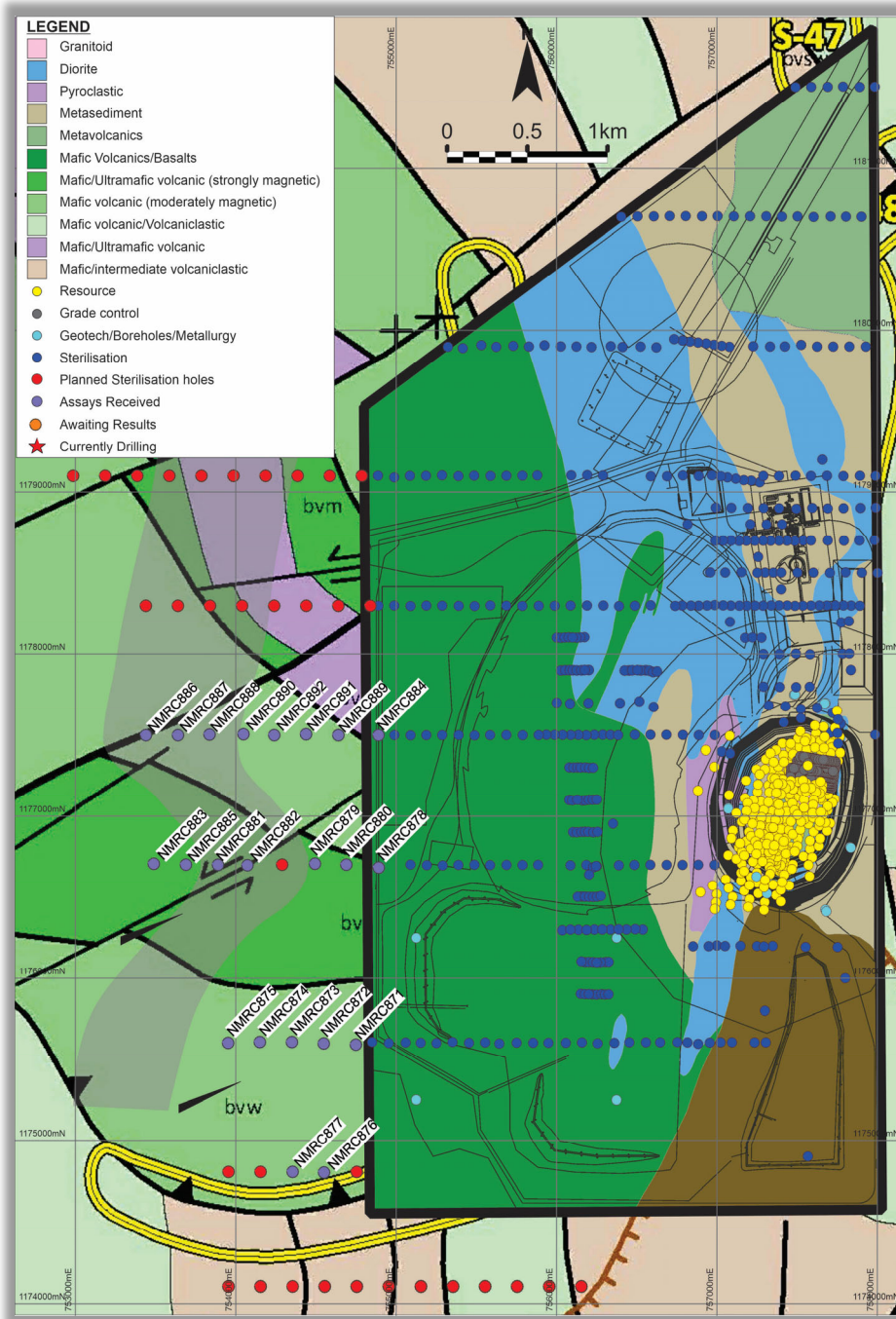


Figure 3: Namdini Project Drill Locations Showing the Proposed Infrastructure and the Designed Pit

REGIONAL EXPLORATION UPDATE

The Company has two exploration projects: The Bolgatanga Project which includes Bongo, Kungongo and Ndongo Prospecting License Areas (Figure 4) in the northeast of Ghana and the Subranum Project located in southwest Ghana (Figure 4).

The main focus of the Company’s regional exploration programme during the Quarter was completing multielement analysis and assessment of geochemical data and building on the initial structural review based on detailed geophysical and gold-only geochemical data at Ndongo East on its highly prospective areas along the Nangodi Shear Zone, within the Ndongo Prospecting License.

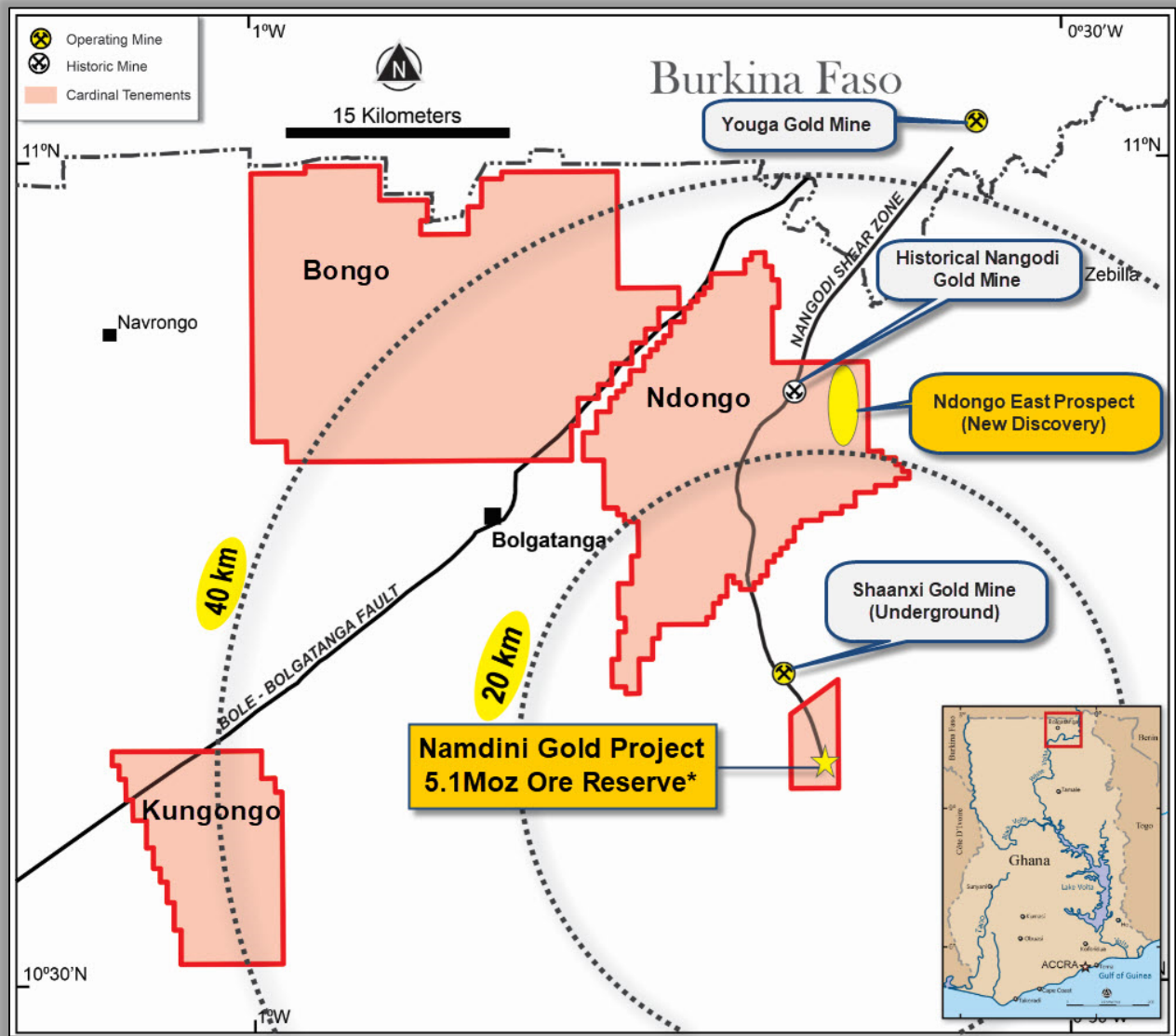


Figure 4: Namdini Mining License and Bolgatanga Project Tenements

*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 License Area

The Company has continued to concentrate its exploration focus this Quarter on the Ndongo License which covers an area of 325km² (Figure 4). Exploration has defined seven prospects (Figure 5) totalling approximately 70km in strike length within approximately 15-25km north of the Namdini Gold Project.

The Nangodi Shear Zone which lies within the Ndongo tenement is spatially related to no fewer than four major gold discoveries, including the Company's Namdini Gold Project, the Shaanxi Mine, the historic Nangodi Gold Mine and the Youga Gold Mine in Burkina Faso, adjacent to the Ghana border (Figure 4). In addition, there are numerous historic shallow artisanal workings along many parts of this shear zone.

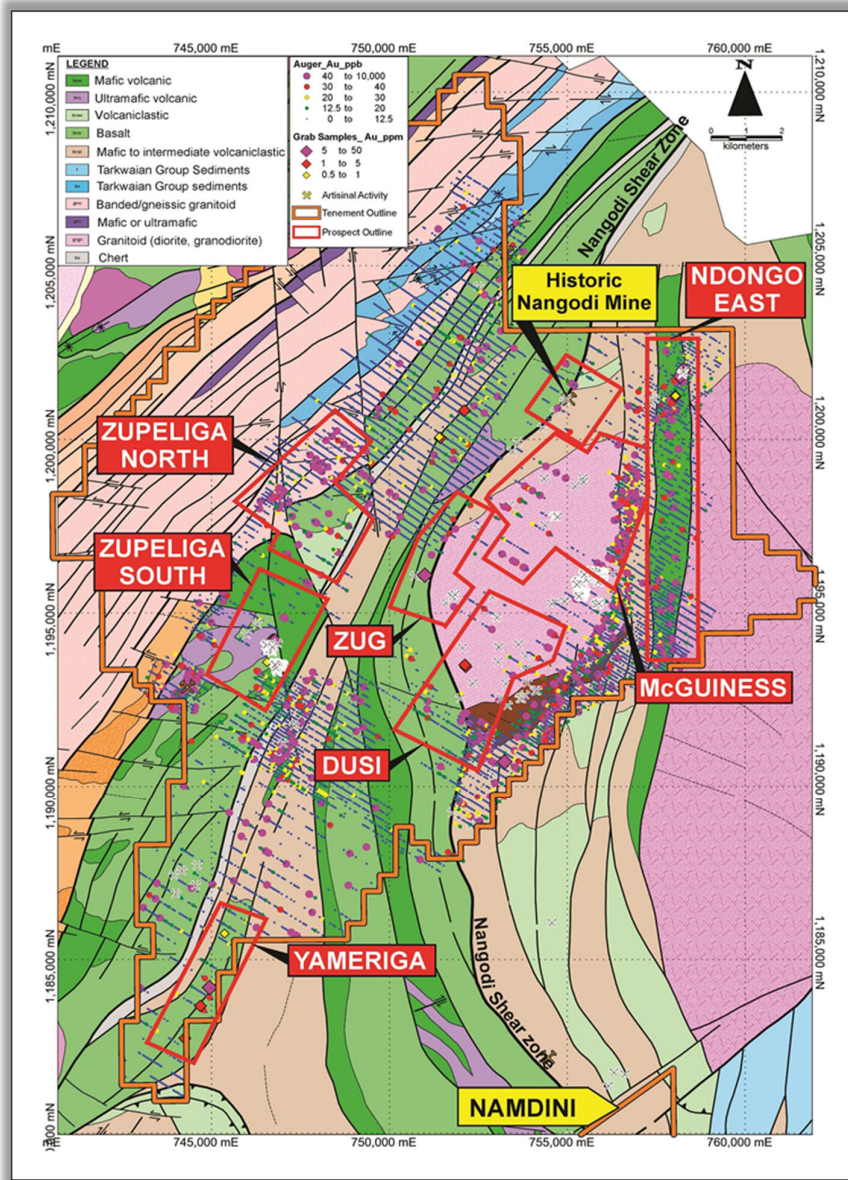


Figure 5: Ndongo Prospecting License showing Local Prospects

Ndongo East Prospect

During the Quarter, the Company commissioned CSA Global to undertake additional review of drill targets through a detailed assessment of auger geochemical data using 1,306 auger soil samples analysed for gold and multielement results from 4-Acid Digest with ICPMS finish for 48 elements. The aim was to identify multielement signatures in the data related to orogenic gold mineralisation to further enhance targeting at Ndongo.

The study initially indicates the following:

- Orogenic gold mineralisation at Ndongo is reflected in the auger data by a Gold-Molybdenum-Tungsten-Antimony-Copper-Arsenic-Silver multielement association.
- Multielement association is more robust for identifying priority drill targets as the gold can be dispersed in the regolith, away from source forming gold-only anomalies, which are likely not reflective of the underlying bedrock mineralisation.
- The main area of sampling, which encapsulates the initial Ndongo East discovery zone, has a linear Arsenic-Antimony-Gold anomaly interpreted as being a low-priority target relative to the Gold-Molybdenum-Tungsten-Antimony-Copper-Arsenic-Silver anomalies identified in the southern part (Target Zone 2 and Target Zone 3), as shown in Figure 6.

The results from the processing of geophysical data by Southern Geoscience and geochemical data by CSA Global continue to encourage further carefully measured investment into establishing viable shallow high-grade mineralised zones, which could develop into possible satellite pits for the Namdini Gold Project located approximately 24km south. The Company aims at executing a drill programme through Q1 2020 to test drill these high-priority targets.

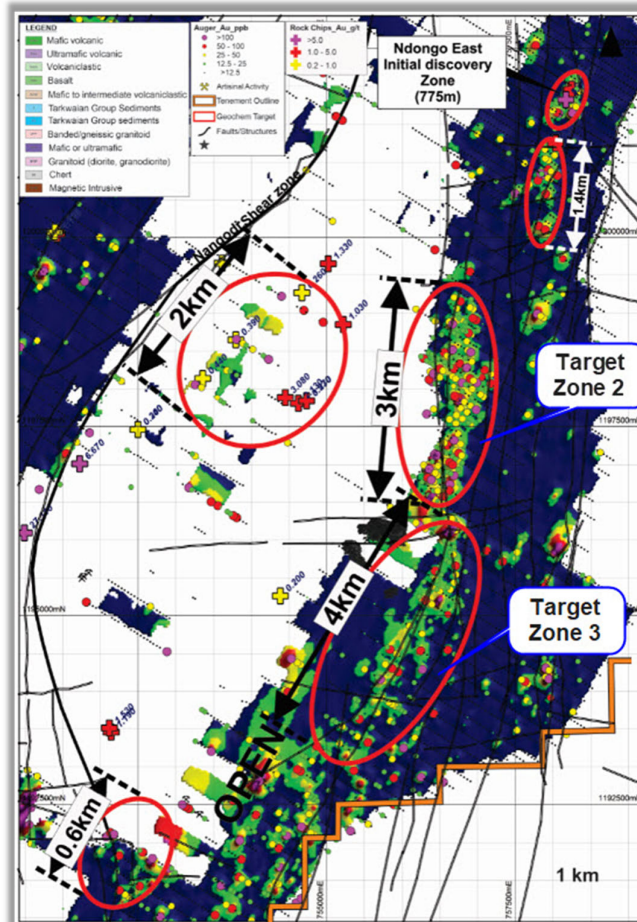


Figure 6: Ndongo East Targets over Auger Points and Gold Grade Contours

Kungongo Licence Area

The Kungongo License is located in northeast Ghana some 45km west of the Company's Namdini Gold Project. The License covers an area of approximately 120.12km² and is a renewable Exploration License (Figure 4).

No exploration activity was undertaken at Kungongo during the Quarter.

A programme of works has been submitted to the Forest Commission of Ghana to undertake a Gradient Array IP survey over the extended tenements across the Bole-Bolgatanga Shear. The programme of works is expected to be approved by the Forest Commission to allow this planned non-destructive survey to be undertaken during Q1 2020.

Bongo Licence Area

The Bongo Licence covers an area of approximately 465 km² adjacent to the regional Bole-Bolgatanga Shear and is dominated by three major intrusive complexes, predominantly granitoids of intermediate to foliated felsic basin types intercalated with mafic volcanic flows.

During the Quarter results were received for the auger sampling programme completed during Q3 2019 in the north east corner of the tenement along the Bole-Bolgatanga Shear. This programme was an extension to the original 400m by 50m auger programme completed immediately to the SW within this licence area. The programme consisted of 779 holes totalling 3,106m on a grid of 200m by 50m spacing. A total of 857 samples, including QAQC samples, were submitted for BLEG analyses. Results are being reviewed.

A Gradient Array Induced Polarization (GAIP) survey in the north east corner of the tenement along the Bole-Bolgatanga Shear was completed during the quarter on a 100m (line spacing) by 25m (station spacing) grid. A total of 202.5-line kilometres was completed. Final interpretations from Southern Geoscience Consultants were received and are being reviewed.

SUBRANUM PROJECT

No exploration activities were undertaken on this tenement during this Quarter due to the wet season in southern Ghana.

The Subranum Project covers an area of 69km² 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.

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

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

Only a very small portion of this 5km long gold target was diamond drilled during drilling programmes in 2018.

CORPORATE**\$17.6M Raised Through the Exercise of Listed Options**

On October 3, 2019 the Company advised that the Listed Options trading under the ticker code CDVOA expired on 30 September 2019 (Listed Options).

A total of 117,398,958 of the Listed Options were exercised, being 99.84% of the Listed Options on issue, raising approximately \$17.6 million in cash proceeds. Only 188,081 Listed Options expired unexercised.

The Company further noted that Directors' of the Company being Archie Koimtsidis, Malik Easah and Kevin Tomlinson had exercised all their Listed Options in the Company, totalling approximately \$1.67m.

TENEMENT SCHEDULE - ASX LISTING RULE 5.3.3

The following mining tenement information is provided pursuant to ASX Listing Rule 5.3.3. No tenements in part or whole were relinquished, surrendered or otherwise divested during the quarter ended December 31, 2019.

Tenement	License Status	Ref	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
Ghana					
<i>Bolgatanga Project</i>					
Ndongo	Prospecting	PL9/13, PL9/19, PL9/22 & PL936	-	-	100%
Kungongo	Prospecting	RL9/28	-	-	100%
Bongo	Prospecting	PL9/29, PL9/37 & PL9/38	-	-	100%
<i>Namdini Project</i>					
Namdini	Mining License	LVB14619/09	-	-	100%
<i>Subranum Project</i>					
Subranum	Prospecting	PL/309	-	-	100%

CAPITAL STRUCTURE

As at December 31, 2019 the Company had the following capital structure;

Capital Structure	Listed	Unlisted	Total
Fully Paid Ordinary Shares (CDV)	494,024,522	-	494,024,522
Unlisted Options Ex. \$0.22 on or before 18 Mar 2020	-	6,000,000	6,000,000
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	-	6,276,530	6,276,530
Class C Performance Shares	-	60	60

Cash Balance

The Company's cash balance at December 31, 2019 was approximately AU\$20 million.

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 Project, for which the Company has published a gold **Ore Reserve of 5.1Moz** (138.6 Mt @ 1.13 g/t Au; 0.5 g/t cut-off), inclusive of 0.4Moz Proved (7.4 Mt @ 1.31 g/t Au; 0.5 g/t cut-off) and 4.7Moz Probable (131.2 Mt @ 1.12 g/t Au; 0.5 g/t cut-off).

Exploration programmes are also underway at the Company's Bolgatanga (Northern Ghana) and Subranum (Southern Ghana) Projects.

Cardinal confirms that it is not aware of any new information or data that materially affects the information included in its announcement of the Ore Reserve of April 3, 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

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

Andrew Rowell
Cannings Purple
E: arowell@canningspurple.com.au
P: +61 400 466 226

Peta Baldwin
Cannings Purple
E: pbaldwin@canningspurple.com.au
P: +61 455 081 008

Competent / Qualified Person Statement

The scientific and technical information in this Quarterly report 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.

The scientific and technical information in this Quarterly report that relates to Exploration Results at the Bolgatanga Project and Subranum Project is based on information prepared by **Mr. Paul Abbott**, a full-time employee of Cardinal Resources Limited, 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 to 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".

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 :

- 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 March 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
- 18 Sept 2018 Cardinal Namdini Pre-Feasibility Study 4.76Moz Ore Reserve
- 29 Aug 2018 Cardinal Extends Ndongo East Discovery Strike Length
- 31 July 2018 Cardinal Executes U\$5 Million Term Sheet with Spratt
- 16 July 2018 Cardinal Makes New Gold Discovery at Ndongo East
- 28 May 2018 Encouraging First Pass Gold Results at Ndongo
- 19 April 2018 Technical Report on Namdini Gold Project Filed on SEDAR
- 04 April 2018 First Pass Regional Exploration Drilling Underway
- 05 Mar 2018 Cardinal Upgrades Indicated Mineral Resource to 6.5Moz
- 05 Feb 2018 Namdini Gold Project Preliminary Economic Assessment
- 12 Dec 2017 Cardinal Grade Control Drill Results Returned

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 3 April 2019. All material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.

Disclaimer

This ASX / TSX press release has been prepared by Cardinal Resources Limited (ABN: 56 147 325 620) ("Cardinal" or "the Company"). Neither the ASX or the TSX, nor their regulation service providers accept responsibility for the adequacy or accuracy of this press release.

This press release contains summary information about Cardinal, its subsidiaries and their activities, which is current as at the date of this press release. The information in this press release is of a general nature and does not purport to be complete nor does it contain all the information, which a prospective investor may require in evaluating a possible investment in Cardinal.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Cardinal's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Cardinal and of a general nature which may affect the future operating and financial performance of Cardinal and the value of an investment in Cardinal including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Except for statutory liability which cannot be excluded and subject to applicable law, each of Cardinal's officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this press release and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this Announcement or any error or omission here from. Except as required by applicable law, the Company is under no obligation to update any person regarding any inaccuracy, omission or change in information in this press release or any other information made available to a person nor any obligation to furnish the person with any further information. Recipients of this press release should make their own independent assessment and determination as to the Company's prospects, its business, assets and liabilities as well as the matters covered in this press release.

Forward-looking statements

Certain statements contained in this press release, including information as to the future financial or operating performance of Cardinal and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, anticipated timing of the feasibility study (FS) on the Namdini project, estimates and assumptions in respect of Mineral Resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward – looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cardinal, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Cardinal disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after today's date or to reflect the occurrence of unanticipated events, other than required by the Corporations Act and ASX and TSX Listing Rules. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this press release are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Cardinal Resources Limited

ABN

56 147 325 620

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & pre-development	(5,338)	(12,481)
(b) development	-	-
(c) production	-	-
(d) staff costs	(787)	(1,366)
(e) administration and corporate costs	(1,080)	(2,077)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	40	124
1.5 Interest and other costs of finance paid	(485)	(1,065)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material) – VAT/GST/FX	881	2,414
1.9 Net cash from / (used in) operating activities	(6,769)	(14,451)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(52)	(184)
(b) tenements (see item 10)	-	-
(c) investments	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(52)	(184)
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	12,499	16,573
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	12,499	16,573
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	14,741	18,736
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(6,769)	(14,451)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(52)	(184)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	12,499	16,573
4.5 Effect of movement in exchange rates on cash held	18	(237)
4.6 Cash and cash equivalents at end of period	20,437	20,437

+ See chapter 19 for defined terms

1 September 2016

Mining exploration entity and oil and gas exploration entity quarterly report

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	495	4,857
5.2	Call deposits	19,942	9,884
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)	20,437	14,741

6. Payments to directors of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	387
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

N/A

7. Payments to related entities of the entity and their associates		Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	\$38,321	\$38,321
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Please see press release dated 31 July 2018 for more information.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and pre-development	2,083
9.2 Development	-
9.3 Production	-
9.4 Staff costs	1,315
9.5 Administration and corporate costs	675
9.6 Other (provide details if material),- interest	759
9.7 Total estimated cash outflows	4,832

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

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

Sign here: Sarah Shipway
Company Secretary

Date: 31 January 2020

Print name: Sarah Shipway

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.