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Update: Cardinal Resources Equity Financing With Chinese Firm and Distribution JV With Global Support and First China Mobile Red Bird System

HANGZOU, CHINA and PITTSBURGH, PA -- (Marketwired) -- 01/11/16 -- Cardinal Resources Inc. (OTC PINK: CDNL), a global producer of patented, solar powered, community-scale drinking water systems, and China-based Hangzhou Sky Valley Water Technology Co., Ltd. ("HSVW") are completing a series of meetings focused on the completion of the two tranche \$7.5 million equity investment and the establishment of a China Joint Venture as well as evaluating the site for the first system deployment near Suzhou City. On December 16, 2015, Cardinal Resources announced it had signed a definitive Stock Purchase Agreement with HSVW.

Cardinal Resources and HSVW have been meeting in Xiamen, Hangzhou and Suzhou City with government officials, key suppliers, distributors, and investors. The key results of this first week of meetings include:

- A Strategic Agreement was signed between HSVW and China Merchant Bank (<http://english.cmbchina.com>) to establish the availability of financing for Cardinal's goods and services. This agreement expands the ability to market and commercialize Cardinal Resources' water treatment technologies in Asia and other international markets.
- Transfer of the funds for the first tranche investment has passed the first regulatory step.
- Key suppliers have been identified and screened for the production of the patented Red Bird System. Potential manufacturing locations have been identified.
- Significant new opportunities have been identified for the sale of Cardinal's goods and services. Cost and technical proposals are being prepared for those opportunities.
- The location for the installation of the first Red Bird System is a high visibility location near Suzhou City that will provide water for a growing community as well as a demonstration of the technology.

"We are excited about the continued expansion and progress of the opportunities provided by this HSVW transaction for China and global expansion," said Cardinal Resources CEO, Kevin Jones. "We are thrilled with the progress HSVW has made in moving the transaction and commercial opportunities forward and will continue to provide updates."

About the China Market

The United Nations reports as of June, 2015, 381 million people in China lack access to

piped, treated water, and the US Dept. of Commerce ITA estimated the total addressable market in China for this sector at \$29 billion in 2010.

About Hangzhou Sky Valley Water Technology Co., Ltd.

Hangzhou Sky Valley Water Technology Co., Ltd. is comprised of two majority, principal companies. The first has major equity interests in telecom, environment, alternative energy, high-tech new materials, industrial parks as well as port logistics, infrastructure and fund management. It's holding company is a Hong Kong "A-Shares" public company.

The second company operates a diversified portfolio of subsidiaries in real estate development, development and manufacturing of high-tech products; engineering design, construction and development of energy, transportation, telecommunication and other basic municipal infrastructures as well as active investments in banking, venture capital and private equity. It was approved by the Chinese Ministry of Foreign Economy and Trade and Ministry of Technology as an export base of high-tech products in a national high-tech industrial development zone. Its holding company is Shanghai Stock Exchange listed (SH-180 Index) and reported total assets of approximately US\$3 billion.

About Cardinal Resources

Cardinal Resources brings a unique blend of experience, technology, and focus to projects worldwide and across the United States from its office in the Pittsburgh, Pennsylvania area. Its commitment to Clean Water, Clean Environment, Worldwide includes the patented Red Bird System, a solar-powered community-sized drinking water system, and the Grey Bird Approach to wastewater treatment and green infrastructure as well as a deep range of traditional environmental and engineering services. For more info, visit us at www.cardinalres.com.

Forward-Looking Statements

Certain statements in this presentation constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs but they involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, such as business and political conditions in the geographic areas in which we sell our products, weather and natural disasters, changing interpretations of generally accepted accounting principles; outcomes of government reviews; inquiries and investigations and related litigation; continued compliance with government regulations; legislation or regulatory environments, requirements or changes adversely affecting the businesses in which we are engaged.

The information set forth herein should be read in light of such risks. You are urged to consider these factors carefully in evaluating the forward-looking statements herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by this cautionary statement. The forward-looking statements made herein speak only as of the date of this presentation and the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes

in the Company's expectations.

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Source: Cardinal Resources Inc.