



Clean Water.
Clean Environment.
Worldwide.

Cardinal Resources Inc.

General Update 2 – March 9, 2016

The following is an update of some of the activities at Cardinal Resources (CDNL) beyond our current China effort. As we move forward we are planning more regular updates to go along with the required filings for material events, financials, and press releases. While not a substitute for those formal filings of Material Events, we at Cardinal Resources are working to provide more information on our systems, projects, contracts, and opportunities. This update includes background on some of CDNL's longer term projects.

Environmental Services: Cardinal Resources has provided environmental remediation solutions, consulting services and custom water solutions in over 30 countries. While much of the focus is on our patented Red Bird System we continue to provide consulting services. Because most of the work is for commercial clients, the client names are not listed. Some of our current projects include:

- **Carroll and Dubies Superfund Site:** CDNL provides on-going monitoring and consulting services related to the removal and clean-up of a number of waste lagoons that the company completed. The clean-up entailed water treatment, the removal of sludge, and impacted soil. Currently the work consists of regular groundwater monitoring and consulting on the closure with the USEPA.
- **Remediation Services:** CDNL has provided environmental investigation and remediation services for a US Fortune 500 Company at a site in the US since CDNL was founded. This site is moving to the final phases for the clean-up of groundwater impacted by chlorinated solvents from historic operations. This long-term multimillion dollar project has been a steady base of work for CDNL and has reduced environmental impacts.
- **Upper Midwest:** For a confidential industrial client Cardinal Resources is managing the environmental remediation at a former industrial site. This is new work with a client that has worked with Cardinal Resources since its founding.
- **Cameroon Pesticide Evaluation:** CDNL, in cooperation with a US based NGO, will be providing training, assessment assistance and potentially where needed remediation at sites impacted by the storage of pesticides in Cameroon. This work which builds on our work in 2015 in Central Asia and Eastern Europe, is a key part of our meeting our mission of *Clean Water Clean Environment Worldwide*. In addition to the environmental improvement and revenue the project strengthens our base of knowledge and contacts in Central and West Africa.

- **Arizona Mining:** Another long term client, with ties to our Red Bird Systems, is developing a combined mine waste recovery project (reprocessing tailings) and developing proven gold reserves. CDNL has three tasks on the project. We provide environmental engineering in the permitting and remediation, feasibility support and Red Bird Systems for drinking and process water. A slow and steady project, this work has ties to our Red Bird Systems as one of our early prototypes was used to pump water from flooded mine works, and remove metals, radionuclides and bacteria so that the water could be reused.

Cameroon: With the reauthorization of the US Export Import Bank, the financing side of the project is once again moving ahead. As an alternative, if the SPA closes we can then finance through other sources. With multiple funding approaches moving ahead, we feel that this is the year we will move the Cameroon contract forward.

Panama: With the acceptance of the Red Bird System in Panama and continued random sampling of water by the Government of Panama we are now moving through the negotiation and purchasing process. In addition to the potential government sales, we are expanding our work with developers and private industry as there is increased pressure for these groups to provide water and waste water services in their developments.

India: While still an opportunity with lots of work ahead, CDNL is moving ahead again towards India. Long dormant, CDNL has completed custom water projects and environmental work in India. Our search for the right partner for India started with some of our original investors in the company who had strong ties in the country. We are now working with a multinational fund with strong long term ties in the country to find the proper approach. It will take time but if successful is a tremendous market for our systems and services.

Flint Michigan and other US Water Issues: The recent news has highlighted problems across the US with our aging water infrastructure. As the world knows, the issue with lead levels in the water at Flint is due to the changed source of water and the lack of corrosion protection in the treatment of the water. While the long-term solution for Flint involves a combination of treatment modification, pipe and fixture replacement, our Red Bird Systems, using water from the river or piped water, can provide interim relief by supplying water at a fraction of a cent per gallon to parts of a community in need. This water can be distributed in a number of ways including supplying the existing piped system with the addition of corrosion protection.

In other locations, mobile Red Bird Systems can be used for the short term treatment of water as pipelines are failing (reported issues in Louisiana) or water storage systems are being flushed (reported problems in Texas).

For smaller cities and towns, Community Red Bird Systems can be the long term solution. Using a distributed architecture, similar to the way a cell phone system works, multiple Red Bird Systems can be used to deliver clean drinking water at prices that are competitive to traditional infrastructure.

Cardinal Resources is actively working on providing solutions to US communities in need. This can take the form of emergency supply or a long term solution. In the case of Flint Michigan we are also working with a private group seeking to raise funds to supply a system as well as working through the government procurement processes.

Other Active Opportunities: We consider advanced opportunities ones that have moved from the request for information stage to detailed planning and quotations on specific systems and locations. A sample of advanced opportunities for Red Bird Systems include South Africa, Columbia, India, and Cameroon (different group from the signed contracts).

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.