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Clean Environment.  
Worldwide.

## Frequently Asked Questions on March 18, 2016 Update And General E-Mail March 24, 2016

Our Update dated March 18, 2016 generated a number of questions and we've received a few additional questions over the email. The following responds to the common questions.

- 1) **Are any of the contracts/projects generating any revenue?** Yes, the Wickenburg Arizona Project has been generating revenue primarily on the services side of the business and will continue throughout 2016. In addition this project will generate revenue from the sale of systems. We have also received payments for the system under production for Hangzhou Sky Valley Water (HSVW) as well as under the services agreement. As we have noted, Cardinal Resources has been providing environmental and geologic services since its founding. While we have shifted our focus towards the systems other services projects continue to generate revenue that does vary month to month.
- 2) **Where is that revenue shown?** All revenue is shown in our 10Q and 10K filings. We do not break out the services revenue by customer on the filings. Revenue from systems is shown by contract because of the revenue recognition rules we use. For HSVW and Vast Mountain there will be revenue shown in the next 10K and 10Q.
- 3) **Are there systems under construction and where are they going?** The systems currently under construction are for the Wickenburg project and HSVW.
- 4) **Are there systems going to Panama or Cameroon?** Not yet. For Panama, the purchasing process is on-going. For Cameroon, the government is going through the process to mandate a bank for the transaction.
- 5) **Has the first tranche transfer occurred?** No. It has been a slow process but a process that we can document independently.

### 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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