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Clean Environment.
Worldwide.

**Cardinal Resources Inc.,
April Update
April 21, 2016**

As April is coming to a close and next week is going to be very busy on the administrative and implementation fronts, we are sending out a brief update on what is going on at Cardinal Resources Inc. (CDNL) based on questions and comments we've received. This update provides general information and is not intended to take the place of filings to report material events with the Company.

The SPA and Hangzhou Sky Valley Water Technology Co. Ltd (HSVW): As reported through our 8K there was a modification in the receipt of funds. However, the overall terms remain the same. The use of the proceeds still focuses on the same categories on a prorated basis as each payment comes in. Timing of the first tranche payments is not a problem as each payment gives us significant working capital. Tranche two remains performance based.

The key take away from CDNL and HSVW perspective is we are now in a shift from the closing of the transaction to implementation of the actions under the SPA and commercialization in the China market. In addition, the implementation phase has the potential to bring a strong fundamental change in our ability to more quickly finance certain projects in emerging countries as well as providing internal financing to customers in select situations.

Next week's meetings in China are focused on that implementation and closing on key contracts in China for the Red Bird. We expect over the coming months to establish essentially a permanent presence in China to support our technology and the growth in the market.

A key provision of the SPA is the buyback of CDNL's stock with a portion of the proceeds. Because of the potential impacts of this step, we are moving quickly but making sure we are taking all the right steps. We will let our investors and the market know through the 8K process and other means, when this process is about to start.

CAMWATER: We continue to have progress on the implementation front even though the US Export Import Bank is still restricted from doing transactions over \$10.0 million due to a lack of a quorum on the Banks Board. MINEPAT, the finance ministry in Cameroon, is currently considering funding proposals from Citibank and Standard Chartered Bank to act as the Mandated Bank for a series of less than \$10.0 million transactions. Next week we will also be

meeting with banks related to HSVW to more quickly provide the entire finance in a single loan to the Republic of Cameroon. In either case we will also cover this contract with Export Credit Insurance.

We are also pursuing additional opportunities for system sales in Cameroon that will not require export credit agency financing. While smaller, these sales would move very quickly.

Arizona Services and Systems: CDNL is providing both environmental services and systems on this project. The services work is on-going and we have had teams on the ground working with the client on permitting and the project feasibility studies. Now the project is in the final stages before construction of the facilities at the site. This in turn is moving up the deployment of Red Bird Systems. The two systems will produce potable water that will be used for workers, production, and other uses such as dust control. The first system is scheduled to be delivered in the second quarter. The second system will be late second quarter or in the third quarter.

Upper Midwest Site Remediation: Working for a long standing commercial client that is confidential, the remediation of a former industrial site begins next week. This work will require a CDNL team on the ground for at least two weeks to supervise the clean-up activities. Following the clean-up there will be follow up reporting. This project is invoiced and revenue, estimated at \$350,000 to \$500,000 is reported on a time and materials basis.

Cameroon Environmental Services: Working in conjunction with an NGO and the UN, CDNL's team will be on the ground in May to train environmental professionals in Cameroon on the environmental assessment of sites impacted by agricultural chemicals. In addition, our team will participate in the site assessments and potentially remediation of sites.

Panama: Our partner in Panama continues to work with the government for the larger orders and we are working with private purchasers to develop sales. We also continue to look for purchasing through emergency procedures. This process is moving slower than anticipated due to the government's focus on having all purchases be transparent and avoid any corruption concerns.

Opportunities: We continue to pursue opportunities in new markets as well as our current markets. As these opportunities close we will report either through our Updates or if large through a more public reporting process.

As always, thank you for your interest in CDNL.

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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