

December 15, 2016



Cardinal Resources Terminates Securities Purchase Agreement with Hangzhou Sky Valley Water Technology Co.

PITTSBURGH, PA -- (Marketwired) -- 12/15/16 -- Cardinal Resources Inc. (OTC PINK: CDNL), a producer of patented solar powered clean water systems, today announced it has terminated the securities purchase agreement (SPA) signed on December 10, 2015 with Hangzhou Sky Valley Water Technology Co., Ltd. (HSVW) due to lack of fulfillment by HSVW of the funding commitments of the SPA.

The SPA had provided for the issuance of shares of common stock in Cardinal Resources exchange for aggregate gross proceeds of \$7,500,000. The transaction was meant to be closed in two tranches of \$3,750,000 from HSVW in exchange for up to 51% ownership of the issued and outstanding shares of Cardinal Resources' common stock. HSVW transferred \$1.1 million to a Trust Account in the US as part of the first tranche, which was never completed. HSVW received 4,896,905 shares of common stock for the funds that were released.

The Company filed an 8K today on the termination of the SPA.

"While we are disappointed that HSVW did not fulfill terms of the agreement as well as certain business obligations commensurate with the agreement, we are now poised to address the full potential of existing opportunities in Cameroon and other markets," said Cardinal Resources CEO Kevin Jones. "This is an upbeat development that will protect our IP in international markets. We are on track in cleaning up our balance sheets and making progress toward becoming a fully-reporting public entity again."

HSVW was a Hangzhou, China-based consortium that was formed to market, commercialize and manufacture Cardinal Resources' water treatment technologies in Asia, Africa and other international markets. Termination of the SPA also terminates any and all claims HSVW had to license, manufacture or in any other way utilize Cardinal Resources patented water purification technologies worldwide. Cardinal Resources will provide support for the patented Red Bird System purchased by HSVW.

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 wide range of traditional environmental and engineering services. For more info, visit:

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 our ability to obtain financing to continue our operations; reliance on third parties for parts and equipment to produce our products; unexpected design and engineering problems related to our products; business and political conditions in the geographic areas in which we sell our products; outcomes of government reviews; continued compliance with government regulations; legislative or regulatory environments; requirements or changes adversely affecting the businesses in which we are engaged and jurisdictions in which we market and sell our products.

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. Information on the company's website does not constitute a part of this release.

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Source: Cardinal Resources Inc.