

# Cardinal Resources Ltd

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## Cardinal Resources on track with Namdini Gold Project feasibility study

Cardinal Resources Ltd (ASX:CDV) (TSE:CDV) is on track to deliver a feasibility study for the 5.1 million-ounce ore reserve at Namdini Gold Project in northern Ghana this quarter.

The study is well advanced and will put the company in a position to make a final decision to mine by the end of the year.

Cardinal's CEO and managing director Archie Koimtsidis addressed investors at this week's Proactive CEO Sessions in Sydney and Melbourne.

### READ: Cardinal Resources drilling confirms high-grade gold from proposed starter pit area in Ghana

He said while the study was being carried out, the company was also working on financials and expected no major stumbling blocks in this process.

The company, which has a market cap of around \$153 million, was also pleased to be working with a supportive and proactive government in a country that was now Africa's largest gold producer.

A pre-feasibility study (PFS) has already demonstrated the robust nature of the Namdini project and provided a strong body of work for the feasibility study.

**Price:** 0.42

**Market Cap:** \$210.01 m

#### 1 Year Share Price Graph



#### Share Information

**Code:** CDV

**Listing:** ASX

**52 week High Low**  
0.545 0.23

**Sector:** Gold & silver

**Website:** www.cardinalresources.com.au

#### Company Synopsis:

Cardinal Resources Ltd (ASX:CDV) a gold focused exploration company with four tenements in Ghana, West Africa.

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### MAIDEN ORE RESERVE 4.76 Moz



KEY ECONOMIC RESULTS		UNIT	9.5 Mtpa
<b>Gold Price</b>	<i>Pit Design</i>	US\$ / oz	1,105
	<i>Financial Model</i>		1,250
<b>Development Capital Cost</b> <small>(including 15% contingency and owners costs)</small>		US\$ M	414
<b>All in Sustaining Costs</b> <small>(AISC)<sup>1</sup></small>	<i>Starter Pit</i>	US\$ / oz	599
	<i>Life of Mine</i>		769
<b>Total Project Payback</b>		years	1.8
<b>Post-Tax NPV</b> <small>(@ 5% discount)<sup>2</sup></small>		US\$ M	586
<b>Post-Tax IRR</b>		%	38

#### PFS

#### FINANCIALS

##### Study Consultants

- o Golder Associates
- o Lycopodium
- o Knight Piesold
- o ALS Laboratory
- o Oreway Mineral Consultants
- o IMO Metallurgical Consultants
- o MPR Geological Consultants
- o 9.5 Mtpa option selected on best economic return

##### Table Notes:

<sup>1</sup> Cash Costs + Royalties + Levies + Life Of Mine Sustaining Capital Costs (World Gold Council Standard)  
<sup>2</sup> Royalties calculated at a flat rate of 5% - subject to negotiation and corporate tax rate of 35% was used subject to negotiation

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The new study will factor an optimisation study recently undertaken on the Namdini ore reserve to ensure the optimal stage I pit design to accelerate capital payback and maximise returns for shareholders.

In the PFS the future Namdini operation was valued at US\$586 million post-tax using a 5% discount and assuming a gold price of US\$1,250.

Notably, using a gold price of US\$1,350 would increase the valuation by nearly 30% to US\$758, or over A\$1 billion.



## PFS PRODUCTION SUMMARY

- Maiden Ore Reserve 4.76 Moz
- Starter Pit yielding ~900 koz gold with 0.5 : 1 strip ratio
- Life of mine strip ratio of 1.4 : 1
- Mineralisation 1.1 km long and 350m wide
- >10,000 oz ounce per vertical metre at 0.5 g/t cut-off
- New conventional gold plant inclusive of conventional flotation and regrind to CIL

KEY ESTIMATED PRODUCTION RESULTS	UNIT	9.5 Mtpa	
		Starter Pit	Life of Mine
Gold Price – Financial Model	US\$ / oz	1,250	
Gold Produced <i>(Average for full production years)</i>	(oz / yr)	361,000	294,000
Gold Produced	(oz)	907,000	3,975,000
Gold Head Grade	g/t Au	1.31	1.14
Gold Recovery	%	86	84
Ore Mined <i>(0.5 g/t cut-off grade)</i>	Tonnes	24,000,000	129,600,000
Strip Ratio	W:O	0.5 : 1	1.4 : 1
Mine Life <i>(Inc ramp-up and mine closure)</i>	years	2.5	14
Development Capital Cost <i>(Including 15% contingency and owners costs)</i>	US\$ M	414	

**Table Notes:**

<sup>1</sup> Excludes ramp-up and for the Life of Mine scenario mine closure (Years where full production is not realised)

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Ongoing exploration is providing strong results with potential to add to the gold resources and reserves.

Most recently infill drilling at the proposed starter pit highlighted the robustness of the resource, strengthening the financing case.

### READ: Cardinal Resources intersects further high-grade gold within hauling distance of ore reserve at Namdini

Regional drilling has also been returning high-grade results from areas within hauling distance of the Namdini reserve.



## TIMELINE



Koimtsidis told investors that the company's Ghanaian story had impressed a number of brokers with recent research reports resulting in an average price target of A\$1.08.

Cardinal shares were up almost 6% to an intra-day high of 36 cents and are up 20% since July 10.

## Read the company's latest presentation here

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