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Shandong Gold Mining Co., Ltd.
Building 3 Shuntai Plaza 2000 Shunhua Road
Jinan, 250100 P.R. China

ASX Release

26 October 2020

Intention to extend Offer Period and, if a higher competing offer were to be made or announced, to increase Offer Price to A$1.05 per Cardinal Share

Highlights

- **Shandong Gold intends to bid A$1.05 per Cardinal Share if a higher competing offer to its current A$1.00 offer is made or announced**
- **Offer Period to be extended to 7.00pm (Sydney time) on Thursday, 31 December 2020 (unless extended)**

Shandong Gold Mining (HongKong) Co., Ltd (**Bidder**) refers to its off-market takeover offer for Cardinal Resources Limited ACN 147 325 620 (**Cardinal**) in relation to the Bidder's offer dated 13 August 2020 (as varied by notices dated 7 September 2020, 21 September 2020, 12 October 2020 and 23 October 2020) (**Shandong Gold Offer** or **Offer**). The Offer is contained in the bidder's statement issued by the Bidder and dated 11 August 2020 (as supplemented on 7 September 2020 and 19 October 2020) (**Bidder's Statement**).

Unless otherwise defined in this announcement, words defined in the Bidder's Statement have the same meaning in this announcement.

The Bidder also refers to:

- its announcement of 23 October 2020, in which the Bidder confirmed it will not increase its Offer price unless there is a higher competing offer (including an announcement of an intention to make a higher competing offer) exceeding A$1.00 per Cardinal share; and
- the announcement by Nord Gold SE (**Nordgold**) earlier today in which it committed not to increase its A$1.00 offer in the absence of a higher competing offer.

Intention to offer A$1.05 per Cardinal Share if a higher competing offer[1] is made or announced

[1] For the avoidance of doubt, each reference in this announcement to the "higher competing offer" qualification to the Bidder's "best and final" statement is a reference to the Bidder's current Offer price of A$1.00 per Cardinal Share.

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The Bidder announces that should a higher competing offer be made or announced, the Bidder intends to increase the Cash Consideration under its Offer to A$1.05 per Cardinal Share.

Extension of Offer Period

The Bidder also confirms its intention to extend its offer period to 7.00pm (Sydney time) on Thursday, 31 December 2020 (unless extended). Arrangements to formally extend the offer period will be made in due course.

Shareholders encouraged to accept the Shandong Gold Offer today to receive A$1.00 per Cardinal Share cash in three business days[2], whilst retaining the potential for a future additional payment of A$0.05 per share or more

Cardinal Shareholders are encouraged to accept the Shandong Gold Offer today in order to receive the benefit of the A$1.00 per Cardinal Share cash consideration in three business days[3], plus the benefit of at least an additional AUD5.0c per Cardinal Share in the event that a higher competing offer is made at some point between now and the expiry of the Offer.

This compares with the current Nordgold Offer, an acceptance of which would only deliver A$1.00 cash with no prospect of any additional future payment.

No guarantee or current indication that a higher competing offer will be made

Cardinal Shareholders should note that there is no guarantee or current indication (that Shandong Gold is aware of) that a higher competing offer will be made. Cardinal Shareholders should take this into account when evaluating whether to accept the Offer.

Enquiries

If you require assistance or have any enquiries in relation to the Bidder's Offer, please call **1300 148 804** (toll-free within Australia) or **+61 3 9415 4305** (from outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney Time). Canadian Branch Shareholders should contact their broker or financial adviser or call the Depositary Agent toll free at 1-800-564-6253 for assistance with respect to acceptance of the Offer.

This announcement has been authorised for release by the Bidder's board of directors.

Du Qiang
Director
Shandong Gold Mining (HongKong) Co., Limited

[2, 3] Payment will be dispatched within 3 business days of acceptance from tomorrow, 27 October 2020.