

24 November 2020

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

By: **ASX Online**

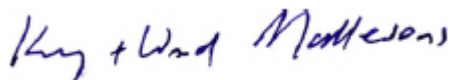
Dear Sir or Madam

Shandong Gold Mining (HongKong) Co., Limited – Third Supplementary Bidder's Statement

We act for Shandong Gold Mining (HongKong) Co., Limited, an entity incorporated in Hong Kong as a limited liability company, under Company Number 2489909 (**Bidder**) in respect of its off-market takeover bid (**Offer**) for all of the ordinary shares in Cardinal Resources Limited ACN 147 325 620 (ASX:CDV) (**Cardinal**).

On behalf of the Bidder, we attach a third supplementary bidder's statement issued by the Bidder and dated 24 November 2020, which supplements the bidder's statement dated 11 August 2020 (as supplemented on 7 September 2020 and 19 October 2020).

Yours sincerely



King & Wood Mallesons

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

THIRD SUPPLEMENTARY BIDDER'S STATEMENT 24 November 2020

in respect of the **RECOMMENDED** and **UNCONDITIONAL** all cash Offer by Shandong Gold Mining (HongKong) Co., Limited (Company Number 2489908) for all of the ordinary shares in Cardinal Resources Limited ABN 56 147 325 620

For each Cardinal Share you will receive A\$1.05

You should ACCEPT the unconditional Offer without delay

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to how to deal with this document, you should consult your legal, financial or other professional adviser as soon as possible

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) if you require assistance. Canadian Branch Shareholders should contact their broker or financial adviser or call the Depository Agent toll free at 1-800-564-6253 for assistance with respect to acceptance of the Offer.

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IMPORTANT INFORMATION

This document is the third supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth) issued by Shandong Gold Mining (HongKong) Co., Limited (**Bidder**) (**Third Supplementary Bidder's Statement**) to the Bidder's Statement dated 11 August 2020 (**Bidder's Statement**) as supplemented by the Bidder's first supplementary bidder's statement dated 7 September 2020 (**First Supplementary Bidder's Statement**) and the Bidder's second supplementary bidder's statement dated 19 October 2020 (**Second Supplementary Bidder's Statement**), in relation to the Bidder's off-market takeover bid for all of the ordinary shares in Cardinal Resources Limited ACN 147 325 620 (**Cardinal**) dated 13 August 2020 (as varied by notices dated 7 September 2020, 21 September 2020, 12 October 2020, 23 October 2020 and 26 October 2020 (**Notices**)) (**Offer**).

This Third Supplementary Bidder's Statement supplements, and is to be read together with, the Bidder's Statement, the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement. This Third Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement, the First Supplementary Bidder's Statement or the Second Supplementary Bidder's Statement.

A copy of this Third Supplementary Bidder's Statement was lodged with ASIC and provided to ASX on 24 November 2020. Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this Third Supplementary Bidder's Statement or the merits of the Offer.

Unless the context requires otherwise, defined terms in the Bidder's Statement, the First Supplementary Bidder's Statement and the Second Supplementary Bidder's Statement have the same meaning in this Third Supplementary Bidder's Statement. The rules of interpretation in section 9.2 of the Bidder's Statement also apply to this Third Supplementary Bidder's Statement.

SUPPLEMENTARY INFORMATION

1 Increase in Offer price to A\$1.05 per Cardinal Share

The Bidder notes the conditional off-market takeover offer for Cardinal at A\$1.05 cash per Cardinal Share announced by Engineers & Planners Company Limited on 24 November 2020 (**E&P Offer**). The E&P Offer is a higher competing offer to the Bidder's previous Offer price of A\$1.00 for the purposes of the Bidder's "best and final" statement made on 19 October 2020.

Accordingly, in accordance with the Bidder's announcement of 26 October 2020, the Bidder's Offer price has now been increased from A\$1.00 to **A\$1.05** cash per Cardinal Share.

The increased Offer price represents a premium of:¹

- 5% to Nordgold Offer price of \$1.00 per share announced on 21 October 2020;
- 320% over the closing price of \$0.25 of Cardinal Shares on 13 March 2020 (being the last unaffected share price prior to the Nordgold Indicative Proposal);
- 207% over the 20-day volume weighted average price of \$0.342 of Cardinal Shares up to 13 March 2020 (being the last trading day prior to the Nordgold Indicative Proposal); and
- 190% over the 6-month weighted average price of \$0.362 of Cardinal Shares for the period up to 13 March 2020 (being the last trading day prior to the Nordgold Indicative Proposal).

¹ Source: IRESS Limited. As permitted by ASIC *Corporations (Consents to Statements) Instrument 2016/72*, this paragraph contains ASX trading information sourced from IRESS Limited without its consent.

Importantly, unlike the E&P Offer, the Bidder's Offer is **unconditional** and the **A\$1.05** Cash Consideration will be dispatched to Cardinal Shareholders within **three business days** of accepting the Offer. Cardinal Shareholders are encouraged to accept the Bidder's Offer without delay in order to now receive the benefit of the **A\$1.05** Cash Consideration.

The increased Offer price will apply to all Cardinal Shareholders who accept the Bidder's Offer, including Cardinal Shareholders who have already accepted the Offer.

Annexure A includes a copy of the formal notice under section 650D of the Corporations Act in respect of the increase in Offer price.

2 Cash Consideration

Based on the number of Cardinal Shares on issue as at the date of this Third Supplementary Bidder's Statement, the maximum amount of cash that would be payable by the Bidder under the Offer if acceptances were received for all Cardinal Shares (including the Employee Shares) is approximately \$537.97 million.

As at the date of this Third Supplementary Bidder's Statement, the Bidder understands that Cardinal now has 27,746,015 Options on issue.

If the holders of all the Sale Options are legally permitted to exercise, and do exercise, those Cardinal Options, and accept the Offer in respect of the Cardinal Shares issued to them, approximately \$29.13 million additional Cash Consideration will be payable in accordance with the Offer.

Accordingly, the maximum Cash Consideration which may be required to settle acceptances under the Offer is approximately \$567.10 million.

On the basis of the arrangements described in the Bidder's Statement and the First Supplementary Bidder's Statement, the Bidder is of the opinion that it has a reasonable basis for holding the view, and holds the view, that the Bidder will be able to provide 100% of the Cash Consideration offered under the Offer.

3 Offer Period and next steps

The Offer is due to close at 7.00pm (Sydney time) on **31 December 2020** (unless extended).

The Bidder urges all Cardinal Shareholders to ACCEPT the Offer without delay.

As announced on 19 October 2020, the Bidder has waived the requirement that Cardinal Shareholders must send their completed Acceptance Form to Computershare by post. Accordingly, Cardinal Shareholders can now, in addition to returning the Acceptance Form by post, accept the Offer by submitting a scanned copy of their completed and signed Acceptance Form (together with all documents required by the instructions on the Acceptance Form) by email to corpactprocessing@computershare.com.au prior to the end of the Offer Period.

Cardinal Shareholders with any queries please contact the Offer Information Line on 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).

4 Amendment to the Bid Implementation Agreement

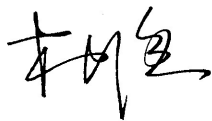
The Bidder intends to engage with Cardinal with a view to agreeing appropriate amendments to the Bid Implementation Agreement following the increase in the Offer price to A\$1.05.

5 Authorisation

This Third Supplementary Bidder's Statement has been approved by a resolution passed by the Directors of the Bidder.

Dated 24 November 2020.

Signed on behalf of the Bidder.



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

For personal use only

Annexure A

For personal use only

Shandong Gold Mining (HongKong) Co., Limited

A limited liability company incorporated in Hong Kong under Company Number 2489908

**Notice under section 650D(1) of the *Corporations Act 2001* (Cth)
Variation of offer – increase in offer consideration**

24 November 2020

To: Australian Securities and Investments Commission (ASIC)

ASX Limited

Cardinal Resources Limited (ACN 147 325 620) (Cardinal)

Each person to whom an Offer was made as described in section 650D(1)(c)(iii) of the *Corporations Act 2001* (Cth) (as modified by ASIC Class Order [CO 13/521])

This notice (**Notice**) is given under section 650D of the *Corporations Act 2001* (Cth) (**Corporations Act**) by Shandong Gold Mining (HongKong) Co., Limited, a limited liability company incorporated in Hong Kong under Company Number 2489908 (**Bidder**) in relation to its offer dated 13 August 2020 (as varied by notices dated 7 September 2020, 21 September 2020, 12 October 2020, 23 October 2020 and 26 October 2020) (**Offer**) under its off-market takeover bid to acquire all of the ordinary shares in Cardinal. 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 Notice, words defined in the Bidder's Statement have the same meaning in this Notice.

Variation: increase in Offer price

Pursuant to section 650D of the *Corporations Act*, the Bidder gives notice that it varies the Offer by increasing the Cash Consideration offered for each Cardinal Share under the Offer to \$1.05 per Cardinal Share.

Amendment

The Bidder's Statement and Acceptance Form are amended by replacing all references to the Offer price of "\$1.00" with "\$1.05".

Date and ASIC disclaimer

A copy of this Notice was lodged with ASIC on 24 November 2020. ASIC takes no responsibility for the contents of this Notice.

Authorisation

This Notice has been approved by a resolution passed by the directors of Shandong Gold Mining (HongKong) Co., Limited (Company Number 2489908), in accordance with section 650D(3A) of the *Corporations Act 2001* (Cth) (as inserted by ASIC Class Order [CO 13/521]).