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Brief Project Update
CAMWATER, Panama, Wickenburg AZ and China
March 18, 2016

Following our March 14, 2016 8K covering the HSVW Services contract and the SPA moving forward, we have been asked about the status of our CAMWATER, Panama and Wickenburg Arizona contracts. The following is a brief update on those projects and China.

CAMWATER: As a review of the information that is in the public record, Cardinal Resources signed a \$28.8 million contract with CAMWATER to provide our Red Bird Systems, engineering services, water storage tanks, mobile laboratories, piping, and vehicles. To move the work ahead we worked with CAMWATER and the Ministry of Economic Planning and Regional Development (MINEPAT) to apply for financing with the US Export Import Bank as called for in the contract. To facilitate the funding, a commercial bank that is approved for U.S. Export Import Bank (EXIM) transactions must be mandated (selected) by the Republic of Cameroon.

This contract is progressing again after the delays that occurred when EXIM's Charter was not renewed until December 4, 2016. Currently a series of meetings are being held in Cameroon between CAMWATER, MINEPAT, the Commercial Bank and Cardinal Resources, representatives to finalize the financial agreements and designate the Commercial Bank for EXIM's involvement in the transaction. With the final selection of the mandated bank, which is anticipated before the end of the month, we anticipate beginning work within 30 to 45 days. Please note, as the Commercial Bank represents the Republic of Cameroon and the non-disclosure agreements between Cardinal Resources and the Commercial Bank we cannot release the name of the bank at this time.

Until the financial documents are signed with EXIM and CAMWATER, We will also continue to move forward on the potential to fund the project through the banks in China based on the HSVW SPA. From our perspective the fastest route to delivering our systems and services while maintaining quality is the best route. So until all the documents are finalized we will continue to pursue viable options for the project finance.

Panama: As reported, the Government of Panama completed several inspections, conducted laboratory testing of the water, and accepted the performance of the system in Soloy. We are now working through the Government's purchasing procedures for multiple units. These procedures, which are necessary are at times slower than we would like. In these procedures there are two potential paths forward. There has been discussions of authorizing the purchase through emergency procedures as there is a critical need for water treatment in many areas of

the country. The second path, and more likely, is that we will continue to go through a longer formal review process.

Together with our distributor in Panama, we are also pursuing private opportunities with residential and resort developers. In several areas, permits have been suspended due to the lack of adequate drinking water and wastewater treatment, two needs Cardinal Resources can address. The advantage of the private opportunities is the ability for the purchaser to move quickly on a decision.

Wickenburg Arizona: Our integrated services and systems project near Wickenburg Arizona has been moving steadily forward. As previously reported, this is an on-going revenue generating contract that includes our services work on environmental permitting, engineering and mineral evaluations. On the system side of this project is the deployment of two CRB-10 systems for drinking water and process water supply in May-June 2016. Also included is a solar powered process water treatment and recycling systems scheduled for June-July 2016.

China: As reported we have received payments on our Services contract, and on the MRBS that is in production. Currently the work is focused on finalizing plans for a large system and services order that HSWW has for China as well as some activities on the establishment of the manufacturing facility. Once the final plans are established we will release news on the details. We will have a team in China on this work at the end of March and through April.

The SPA is moving forward as reported. The transfer is still in process as expected and plans are underway for a formal celebration in China at the first of the month. We have also commenced work on the key milestones under tranche one.

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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