



CARDERO RESOURCE CORP.

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CARDERO PROVIDES CORPORATE UPDATE

Vancouver, British Columbia - Cardero Resource Corp. (“Cardero” or the “Company”) (TSXV: CDU, Frankfurt: CR5, OTCBB: CDYCF) provides a corporate update. In November 2018, the Company completed acquisition of an undivided 100% interest in the Zonia copper oxide deposit (“Zonia” or the “Property”) (previous news release November 1, 2018). The Zonia copper oxide project in Arizona is a near-surface copper-oxide resource located on a brownfields site having already been partially mined in the late 1960s and ‘70s. The Company published a Preliminary Economic Assessment (“PEA”) (previous news release March 6, 2018), which outlines an open-pit, copper-oxide heap leach project with a 9-year mine life and favourable economics.

The deposit remains open for expansion along strike and at depth to the northeast of the main deposit. Cardero completed a geochemical survey and 28 line-kilometre Induced Polarization and Resistivity survey over the Zonia and contiguous Silver Queen properties, utilizing 200 metre spaced dipoles. Results of the geochemical survey outlined a large anomaly two kilometres northeast of the main deposit and which is a priority near-surface drill target.

PEA Highlights:

The base case economic assessment assumes a \$2.00/lb designed pit shell with a cut-off grade of 0.17% total copper. The estimated strip ratio in the economic assessment is 1:1 and a copper sale price of \$3.00/lb is assumed. The base case project scenario produces 92.6 million tons of leachable material over an 8.6-year mine life (Table 1). At a copper price of \$3.00/lb, the project shows an after-tax NPV_{8%} of \$192 million with a payback period of under 3 years (Table 2).

Table 1: Outcomes of the PEA

Production Profile	
Total Tons Leached	92.6 million
Head Grade	0.30%
Mine Life	8.6 years
Payback Period	2.89 years
Mill throughput	30,000 tpd
Copper Recovery (oxide)	73%
Copper Recovery (transition)	70%
Total Copper Recovered	421.5 million lbs
Average Annual Production	49.1 million lbs
Operating Costs	
Mining Costs	\$0.64/lb of copper
Processing Costs	\$0.74/lb of copper
G&A	\$08/lb of copper
Capital Requirements	
Initial Capital	\$198million
Sustaining Capital	\$40.8 million

Table 2: Financial Results at Various Discount Rates

Item	Result
NPV@6%	\$225 million
NPV@8%	\$192 million
NPV@10%	\$163 million
IRR	29.0%
Initial Capital	\$198 million
Cumulative Net Cash Flow After Taxes	\$331 million
Payback Period	2.89 years
Op Cost/Lb	\$1.46
All in Cost/Lb	\$2.06

The PEA was prepared by Global Resource Engineering Ltd. (“GRE”) of Denver, Colorado, prepared in accordance with *National Instrument 43-101 Standards of Disclosure of Mineral Projects* (“NI43-101”). GRE reported on the scoping-level capital and operating costs, and project economics associated with the potential development of the Zonia copper oxide project.

The PEA is preliminary in nature and includes inferred mineral resources that are too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that PEA results will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

In the Company’s opinion the full value of its asset is not currently reflected in the Company’s market capitalization and the Company believes that a fundamental transaction can be negotiated that will better reflect the value of the Zonia project. The Company is willing to consider a corporate merger or asset acquisition (a potential “**Transaction**”) if the terms of such a transaction better reflects the value of the Zonia asset. To that end the Company announces the engagement of Leede Jones Gable Inc. (“**Leede**”) to assist the Company in sourcing parties with potential interest in a Transaction.

ABOUT LEEDE JONES GABLE

Leede Jones Gable is one of Canada’s leading independent investment dealers providing a full range of investment products and services with offices across Canada.

Qualified Person

John Drobe P.Geo., Cardero's Chief Geologist and a qualified person as defined by National Instrument 43-101, has reviewed the scientific information that forms the basis for this news release, and has approved the disclosure herein. Mr. Drobe is not independent of the Company as he is an officer, a shareholder and holds incentive stock options.

ABOUT CARDERO RESOURCE CORP.

Cardero Resource Corp., headquartered in Vancouver, is a resource company focussed on building a minerals exploration and development company. Cardero has completed the option to acquire up to a 100% interest in the Zonia Copper Oxide Project, located in Arizona. Zonia is a near-surface copper-

oxide resource and a brownfields site having already been mined in the late 1960s and '70s. The entire resource (NI43-101 as amended and dated October, 2017), as currently defined, is located on private land and Cardero's plan going forward is to complete detailed engineering in anticipation of permitting the Project. The resource as currently defined has been pre-stripped and is ready for mining to begin.

On Behalf of the Board of Directors of
CARDERO RESOURCE CORP.

"Stuart Ross" (signed)

Stuart Ross, CEO and President

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Cautionary Note Regarding Forward-Looking Statements

Forward Looking Information: This news release includes certain information that may be deemed "forward looking information". Forward-looking information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. All information in this release, other than information of historical facts, including, without limitation, the availability of financing to the Company are forward-looking information that involve various risks and uncertainties. Although the Company believes that the expectations expressed in such forward-looking information are based on reasonable assumptions, such expectations are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking information. Forward-looking information is based on a number of material factors and assumptions. Factors that could cause actual results to differ materially from the forward-looking information include changes in project parameters as plans continue to be refined, future metal prices, availability of capital and financing on acceptable terms, general economic, market or business conditions, regulatory changes, delays in receiving approvals, and other risks detailed herein and from time to time in the filings made by the Company with securities regulatory authorities in Canada. Mineral exploration and development of mines is an inherently risky business. Accordingly, actual events may differ materially from those projected in the forward-looking information. For more information on the Company and the risks and challenges of our business, investors should review our continuous disclosure filings which are available at www.sedar.com. Readers are cautioned not to place undue reliance on forward-looking information. The Company does not undertake to update any forward looking information, except in accordance with applicable securities laws.

The TSX Venture Exchange has neither approved nor disapproved of the contents of this press release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.