

## Outlines Comprehensive Restructuring Plan \$1.5 Million Non-Brokered Private Placement

VANCOUVER, July 27, 2015 /CNW/ - Cardero Resource Corp. ("Cardero" or the "Company") (TSX: CDU) is pleased to announce a comprehensive restructuring plan (the "Plan") including acquisition of the Zonia copper oxide project ("Zonia"), for which the Company will seek shareholder approval at an Annual General and Special Meeting to be held August 26, 2015, in Vancouver, BC. Details of the restructuring plan will be outlined in an Information Circular and are summarized in this news release.

Upon approval by shareholders and the TSX, the Plan will result in the restructuring of US\$8.5 million of the Company's debt, sale of the Company's wholly-owned subsidiary Cardero Coal Ltd. ("Cardero Coal"), retention of a participation right (the "Retained Right") with respect to the Carbon Creek metallurgical coal project, acquisition of an advanced copper oxide project in Arizona, USA, and consolidation of the Company's stock at a rate of 1 new share for 10 old shares (the "Consolidation"). Post-Consolidation, a concurrent non-brokered \$1.5 million private placement will be completed at \$0.15 per share.

"We are delighted to announce a comprehensive restructuring plan that we believe will provide a platform on which to build a copper exploration and development company," stated Henk van Alphen, Cardero's President and CEO. "Copper is a commodity for which demand is expected to continue to expand as industrialization continues at pace across the globe. Large copper projects typically have long-lead times to development and medium-scale projects like Zonia create the opportunity for profitable production when copper prices start to move sharply upward."

Mr. van Alphen continued, "We are completing due diligence on a number of other copper opportunities and we intend to make other acquisitions, aiming to build a portfolio of copper assets at various stages of development."

Mr. Kopple added, "The management at Cardero have a proven track record in creating value for shareholders and I believe that this switch to a copper focus will allow them to create value again. I am happy to help facilitate this transition by restructuring the bulk of the debt to Cardero stock because I believe that the stock will ultimately create value for all Cardero shareholders. I will now be the Company's largest single shareholder and I am a long-term investor. I am looking forward to additional copper acquisitions as well as positive developments at Zonia in the coming months."

### ZONIA COPPER OXIDE DEPOSIT

The Company has entered into a letter agreement dated July 7, 2015 (the "Option Agreement") with Redstone Resources Corporation ("Redstone") under which the Company has been granted an exclusive option to acquire up to a 100% interest (the "Zonia Option") in the Zonia copper project, located in Arizona (the "Zonia Property").

#### Option Agreement Details

Pursuant to the terms of the Option Agreement, in order to exercise the Zonia Option, the Company must make aggregate cash payments of US\$2,100,000 and issue an aggregate of 16,000,000 post-Consolidation common shares over a three-year period as follows:

Table 1: Zonia Option Terms

		USD\$	Cardero Shares
2015	Paid	\$25,000	-
	Effective Date*	\$425,000	1,000,000
2016	First Anniversary plus 45 days	\$550,000	1,500,000
	First Anniversary plus 90 days	\$450,000	-
	First Anniversary plus 135 days	\$450,000	-
2017	Second Anniversary	\$100,000	3,000,000
2018	Third Anniversary	\$100,000	11,000,000
	Total	\$2,100,000	16,000,000

\* For the purposes of the Option Agreement, Effective Date has been defined as five business days following completion of the debt restructuring transactions described below and the Consolidation, as evidenced by a final notice of acceptance of same by the

TSX.

Once the initial payment of US\$425,000 has been made on the Effective Date, no additional payments will be due until one year and 45 days later, providing ample time for the Company to secure the necessary funds.

## Zonia Project Details

The Zonia copper oxide deposit is located in Arizona, USA. The project has been held under private ownership for almost 100 years and has undergone comprehensive exploration, metallurgical studies and mine development planning. The Company has completed due diligence with support from JDS Energy and Mining ("JDS"). The Company will produce a NI 43-101 Technical Report, which is expected to be available in due course.

Drilling on the property totals more than 60,000 metres in almost 700 drill holes, reducing technical risk considerably. Less than 30% of the complete land position has been explored and there is potential for expansion to the northeast and southwest. The deposit has a historical resource that was completed in 2011 by Tetra Tech using modern CIM-defined standards, as outlined in Table 2 below. The land package comprises patented claims, a state lease, private land and unpatented claims. The historical resource considers only resources that are located on patented claims / private land. Additional historical resources have been defined on unpatented claims.

Table 2: Historical Resources (2011)

Type	Cut-Off %	Million Tons	Copper %	Million Pounds Cu	Strip Ratio
Measured & Indicated (in-pit shell)	0.175	69.4	0.334	464	0.93

This historical resource estimate is considered relevant by Company, as it formed the primary justification for the acquisition of the Zonia Project. However, the Company cautions that the resource estimate is historical in nature and the Company is not treating such resources as a current resource under NI 43-101. Investors are further cautioned that a qualified person has not yet completed sufficient work to be able to verify the historical resources, and therefore they should not be relied upon.

The deposit has undergone deep oxidation from surface and metallurgical studies demonstrate that it is amenable to open-pit mining, heap-leaching and SX-EW to produce cathode copper, with an expected recovery of 73% overall.

The currently defined deposit is located on private land, where mine road construction and pre-stripping has already been completed. Power is available from the public grid within 7km of the mine site and the project has sufficient water supply to support mining and processing. The Company believes that permitting for the project will be streamlined due to the fact that no part of the project will impact public lands.

## Work Plan

The major components of the future work plan for the project are going forward include a maiden NI 43-101 compliant resource estimate, which is expected to convert the historical resource estimate to current resources.

Throughout the remainder of 2015 and the early part of 2016, the Company will dissect and analyze the database of work already completed to date by Redstone and former owners, including open pit design and optimization, production scheduling, metallurgical test work, geotechnical analysis, leach pad and process design, waste rock facility design, hydrogeological studies and reclamation planning. Upon selection of an appropriate development route, the Company plans to publish a Preliminary Economic Assessment.

Environmental work and permitting will be a parallel process. The Company has received advice regarding permitting requirements and some of the necessary baseline work and permit applications have already been completed. Notwithstanding this advanced-stage work, permitting will be an area of focus and the Company believes that a development plan located on private land will offer the easiest permitting route for the project, at least for the first phase of development.

In tandem with this work, the Company intends to seek an appropriate development partner and financier to move the project through feasibility and construction.

## PRIVATE PLACEMENT

In connection with the Plan and Cardero's obligations under the Zonia Option, the Company has arranged a non-brokered private placement consisting of 10 million post-Consolidation common shares at \$0.15 to raise gross proceeds of \$1,500,000. All shares issued in the placement will have a hold period of four months and one day from Closing. The net proceeds will be used to make the US\$425,000 Zonia option payment and for general working capital. Finder's fees may be paid on a portion of the private placement.

DEBT RESTRUCTURING

Debt to Kopple Lenders

The Kopple Lenders, being Kopple Family Partnership LP and E.L. II Properties Trust have agreed to the restructuring of US\$8.5 million of debt owed by the Company. The restructuring is achieved through a number of mechanisms, including sale of Cardero Coal to the Kopple Lenders for US\$3.6 million. The valuation attributed to Cardero Coal was subject to an independent valuation completed by an industry expert which will be attached to the Company's information circular in relation to the August 26 annual and special meeting.

The remainder of the restructuring is via issuance of preferred shares (valued at US\$2.0 million) and issuance of units (valued at US\$2.9 million). The preferred shares and units (shares and warrants) will be priced at the lesser of \$0.02 or the 15-day VWAP of the Company's common shares on the TSX immediately prior to the closing of the settlement transactions. The preferred shares will have voting rights equivalent to the Company's common shares, priority over the common shares in relation to the payment of dividends, a right of conversion into common shares and a fixed cumulate dividend rate of 8.0% of par value (being equal to the price) per annum payable yearly. Should any annual dividend not be paid, the cumulative dividend rate will increase to 10%. The Company will retain a right to redeem the preferred shares at price equal to their par value, plus any accrued and unpaid dividends, for a period of five years.

Retained Participation Right

The Company's wholly owned subsidiary Cardero Coal will be sold to the Kopple Lenders (US\$3.6 million as described above) as part of the process of debt restructuring. Cardero Coal's main asset is the Carbon Creek Metallurgical Coal deposit, located in the Peace River Coalfield, northeast British Columbia. Since acquiring the asset in 2011, Cardero has advanced the project significantly and the deposit has a current NI 43-101 compliant resource estimate of 290 million tonnes measured and indicated and 161 million tonnes inferred resources.

The metallurgical coal market has collapsed in the last several years, with benchmark pricing tumbling from a high of US\$330 per tonne in 2011 to US\$93 per tonne for the current quarter. Carbon Creek is a high-quality metallurgical coal deposit but it has minimal value while metallurgical coal prices remain so low. Selling Cardero Coal to the Kopple Lenders for US\$3.6 million allows Cardero to complete the debt restructuring, but the Company has a Retained Right to participate in any future sale of the Carbon Creek asset.

The Retained Right has been negotiated on a sliding scale such that the Company will receive maximum benefit if the asset is sold faster. For example, if Carbon Creek was sold in 2015, the Kopple Lenders would retain the first US\$15 million in net proceeds and Cardero would receive 95% of the remaining sale price (Table 3). The time at which the asset can be monetized, if at all, will be dependent on recovery of the metallurgical coal market. Cardero will remain as manager of the Carbon Creek Joint Venture for a minimum of four years and the Retained Right will be in force while Cardero is the manager.

Table 3: Retained Participation Right

Year of Sale	Initial Amount Retained by the Kopple Lenders	Percentage of Remaining Sale Proceeds Retained by Cardero
2015	US\$15,000,000	95%
2016	\$20,000,000	80%
2017	\$25,000,000	50%
2018	\$30,000,000	35%
2019	\$30,000,000	30%
2020-24	\$30,000,000	25%
2025	\$30,000,000	0%

### New Credit Facility

The balance of debt, expected to be less than US\$0.2 million at Closing will remain outstanding, pursuant to the terms of a new credit facility (the "Line of Credit") provided by the Kopple Lenders. The Kopple Lenders will continue to offer the Company a US\$1.0 million line of credit until the closing date repayable one year from Closing and by extension for up to an additional 2 years. To the extent that the Company uses the facility, credit will be subject to a 10% rate of interest and will be convertible to stock by the Kopple Lenders at their election at any time during the term. The Line of Credit will provide the Company with protection against ongoing market conditions and will ensure that property payments relating to the Zonia acquisition can be met.

### APPOINTMENT OF CHIEF GEOLOGIST

John Drobe will be appointed Chief Geologist in charge of the Zonia Project. John is a geologist with over 25 years' experience specializing in copper-gold porphyry, epithermal and skarn deposits through the Americas. Previously John held the position of Chief Geologist for Corriente Resources and was responsible for all aspects of exploration and resource definition at the company's Mirador, Panantza and San carlos porphyry copper deposits. Corriente was sold in 2010 was CAD\$679 million cash. John also serves as COO for [Indico Resources Ltd.](#), where he helped advance the Ocana copper oxide deposit towards production prior to the project receiving finance from an new operating partner in 2015.

### KOPPLE WARRANTS

The Kopple Lenders hold 110.4 million warrants priced at \$0.05. Of these, 60.4 million warrants will be cancelled. The remaining 50 million warrants will be transferred to management of Cardero as part of an incentive package, which post-consolidation will be 5 million warrants priced at \$0.50. The allocation of warrants among management will be approved by the Kopple Lenders, will immediately become non-transferrable, may not be re-priced, and will vest either over 5 years in equal annual installments or upon satisfaction by the Company of certain market conditions defined in the warrant certificates.

### TSX LISTING REVIEW

The Company has received notice from the Toronto Exchange that the exchange is reviewing the Company's eligibility for continued listing on the TSX. The Company believes that the comprehensive restructuring plan outlined here will address all of the deficiencies identified by the exchange and that assuming shareholder approval, the Company intends to provide written submissions to the exchange by September 4, 2015, before the exchange review meeting scheduled to take place on September 10, 2015.

### 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 portions of this news release, and has approved the disclosure herein. Mr. Drobe is not independent of the Company.

### ABOUT CARDERO RESOURCE CORP.

The common shares of the Company are currently listed on the Toronto Stock Exchange (symbol CDU), and the Frankfurt Stock Exchange (symbol CR5). For further details on the Company readers are referred to the Company's web site ([www.cardero.com](http://www.cardero.com)) and Canadian regulatory filings on SEDAR at [www.sedar.com](http://www.sedar.com).

On Behalf of the Board of Directors of  
[Cardero Resource Corp.](#)

"Henk van Alphen" (signed)  
Henk van Alphen, CEO and President

#### 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 potential of the Zonia general future plans and objectives for the Zonia project, the completion of the Plan and receipt of shareholder and regulatory approval therefor, the likelihood of receipt of value from the Retained Right, the availability of financing to the Company and the Company's plan in relation to its listing review 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](http://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

This press release is not, and is not to be construed in any way as, an offer to buy or sell securities in the United States.

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