CARDINAL
RESOURCES LIMITED

2015 ANNUAL REPORT

CORPORATE DIRECTORY

Board of Directors
Alec Pismiris – Non-Executive Chairman
Archie Koimtsidis – Managing Director
Malik Easah – Executive Director
Mark Thomas – Non-Executive Director
Simon Jackson – Non-Executive Director

Company Secretary
Sarah Shipway

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WEST LEEDERVILLE WA 6007

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Australian Business Number
ABN 56 147 325 620

Share Register
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Stock Exchange Code
CDV – Ordinary Shares
CDVOA – Listed Options

Auditors
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WEST PERTH WA 6005

CARDINAL
RESOURCES LIMITED

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REVIEW OF OPERATIONS

The Directors are pleased to present their report on Cardinal Resources Limited (**Cardinal** or the **Company**) for the year ended 30 June 2015.

GHANA GOLD PROJECTS

Cardinal Resources Limited, through its wholly owned subsidiary, Cardinal Resources Ghana Limited, holds five tenements prospective for gold mineralisation in Ghana in two NE-SW trending Paleoproterozoic granite-greenstone belts: the **Bolgatanga and Namdini Projects** located within the Nangodi and Bole-Bolgatanga Greenstone Belts in NE Ghana and the **Subranum Project** located within the Sefwi Greenstone Belt in SW Ghana (Figure 1).

Figure 1: Cardinal Resources Tenements in Ghana

BOLGATANGA PROJECT, GHANA

Exploration activities were mainly comprised of RC drilling at the Namdini Project.

NAMDINI PROJECT

The Namdini tenement is located ~12 km SE from Cardinal's Ndongo East Prospect and ~6 km SE of the producing Shaanxi Gold Mine. The area around the original Namdini Licence has been considerably expanded, which is anticipated to add to the Namdini Licence gold inventory already identified (Figure 2).

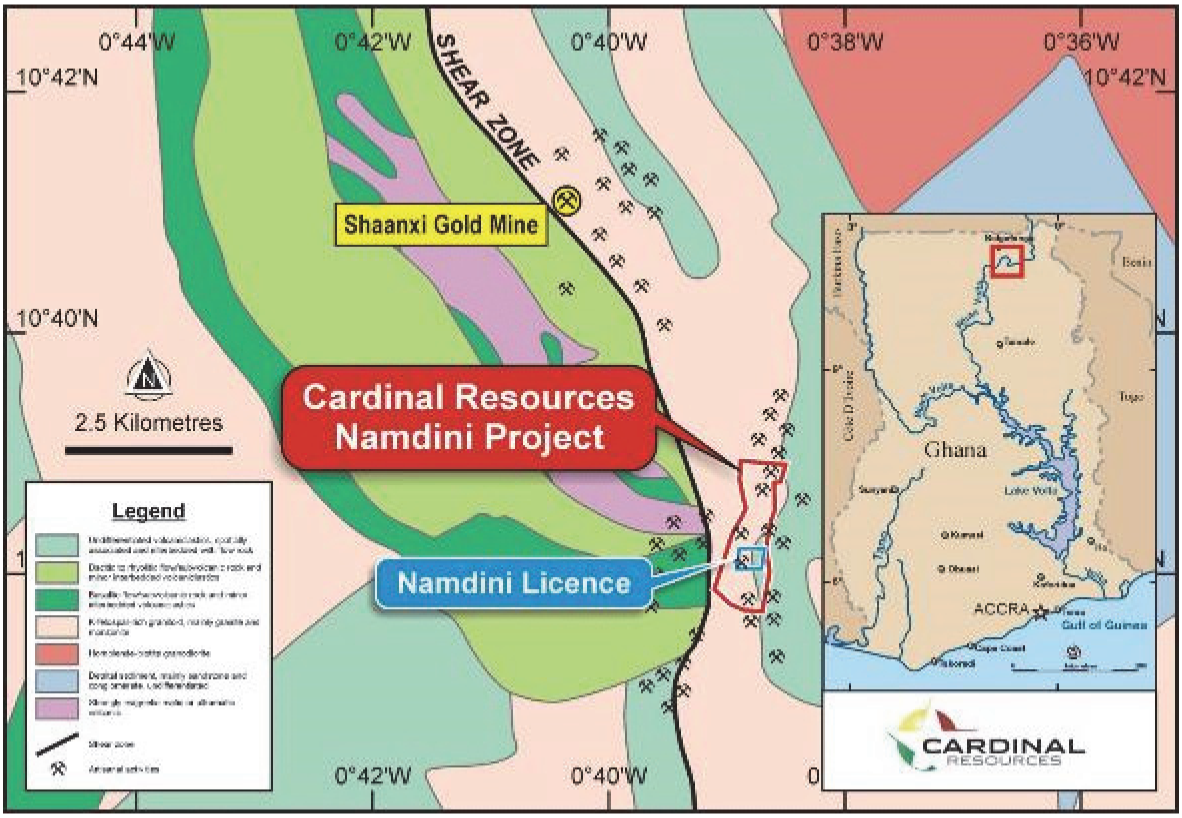

Figure 2: Namdini Project with Expanded Licences Area

There are active artisanal workings in monzonite granitoids within the enlarged project area which indicates that this area is mineralised which should increase the gold potential of the area (Figures 3 and 4). These active workings justified the decision to enlarge the Namdini Project area.

Figure 3: Active artisanal workings in monzonite granitoid

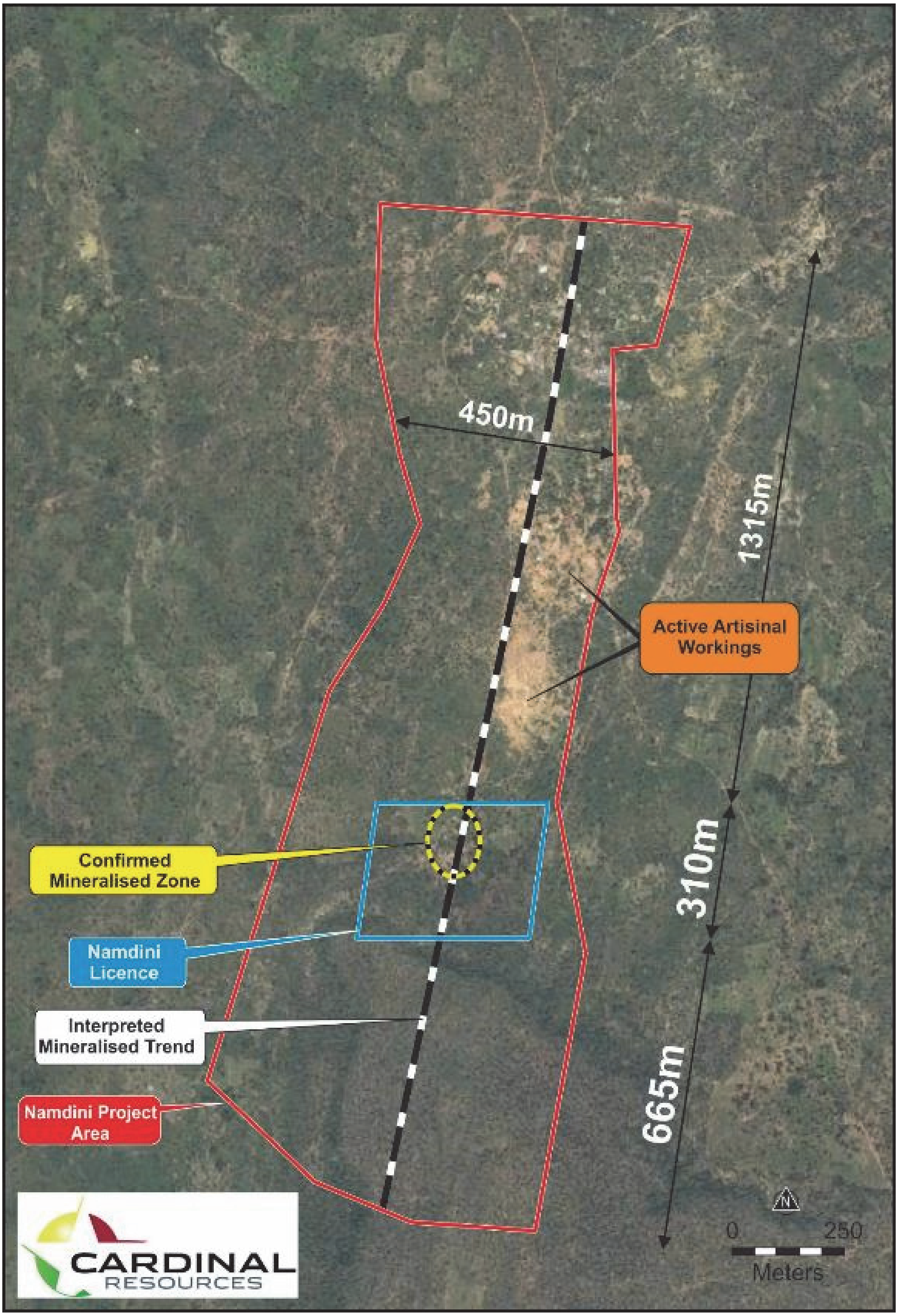

Figure 4: Namdini Project Area

RC DRILLING

The general strike of the host rocks is 10⁰ and dipping at approximately -60⁰ W. The RC drilling is orientated at 90⁰ to the strike of 100⁰ azimuth with all drill holes inclined to the east.

During this review period, RC drilling was concentrated within the Confirmed Mineralised Zone (Figure 4). 67 RC holes were drilled totalling 7,520m with a combined total of 8,252 samples, including duplicates, blanks and standards (Table 1), submitted to the SGS Laboratory, Ouagadougou, Burkina Faso for assaying by standard fire assay methods. QAQC protocols were observed by the taking of duplicates, and inserting in-house blanks and commercial certified reference material (CRM) as standards.

DRILL METHOD	No. Holes	Total (m)	No. Samples	Duplicates	Blanks	Stds
RC Drilling	67	7,520	7,514	369	185	184

Table 1: Namdini RC Drilling (Q3 2014 to Q2 2015)

NEW DRILL PROGRAM ON EXPANDED NAMDINI AREA

New RC and diamond drill programs are planned which will test at least three times more strike length than was drilled within the Confirmed Mineralised Zone (Figures 5 and 6).

The RC drill program is planned for up to 6,000m with 32 RC drill holes. Phase 1 will determine extensions to the current mineralisation within the altered volcaniclastic rocks, and Phase 2 will evaluate the monzonite granitoid quartz stockworks. The RC drill programs will test a further 600m of strike length to the north.

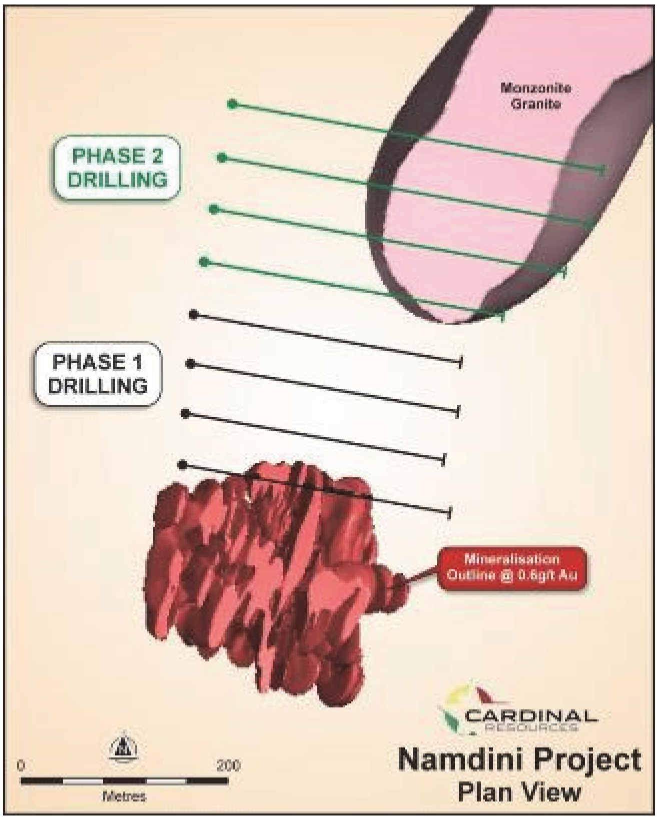

Figure 5: Namdini Project Plan View of planned drill fences

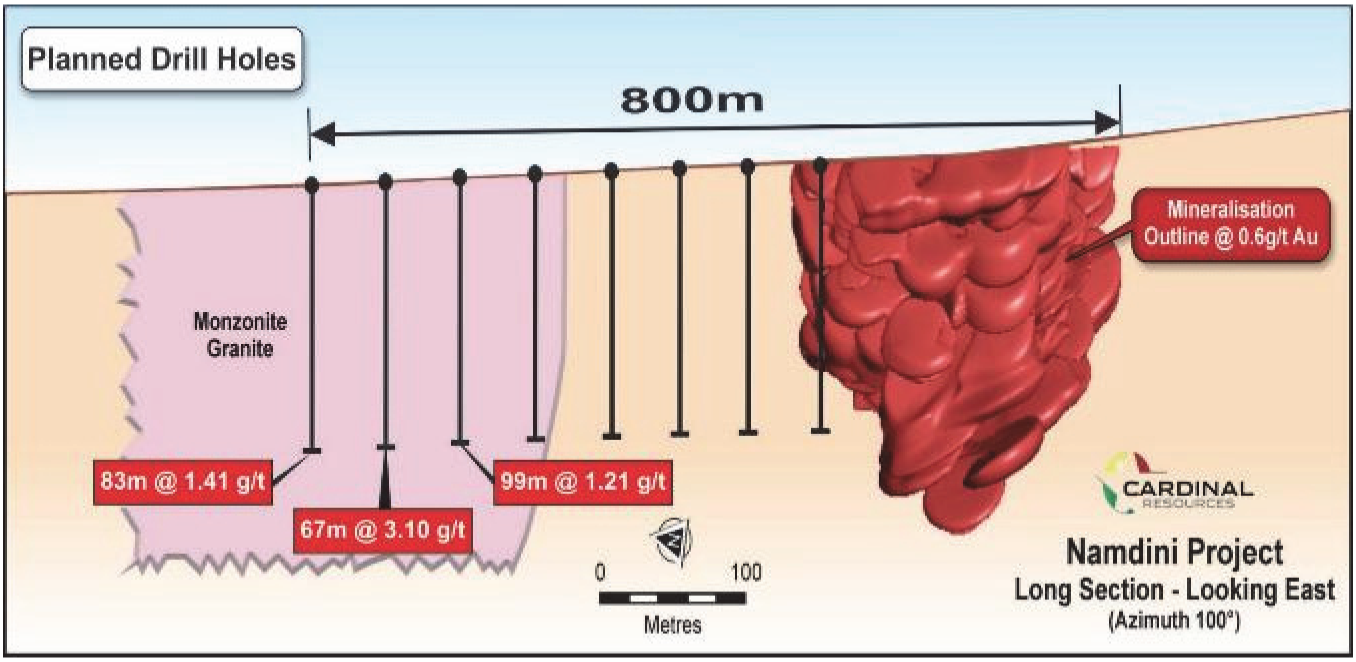

Figure 6: Long Section from Namdini Mineralisation (in south), through Phase 1 and Phase 2 RC Drilling (to north)

NDONGO PROSPECT

Ndongo Far East Prospect

The airborne geophysical survey over the Ndongo Tenement identified a magnetic body intruded into the low pressure dilation zone around the southern and SE margins of the Pelungu Granite (Figure 7).

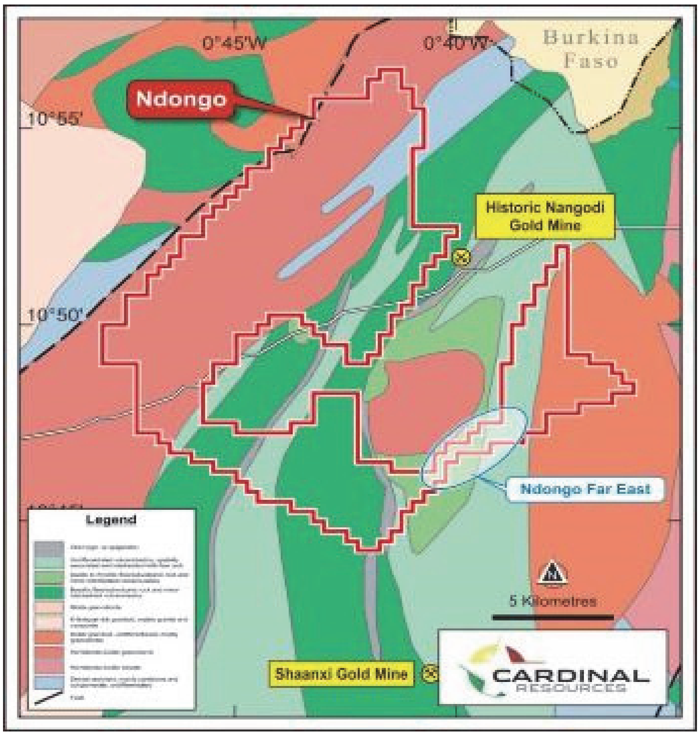

Figure 7: Ndongo Far East Prospect

Previous geochemical sampling in this area delineated anomalous gold-in-soil values around the margins of this magnetic intrusive (Figure 8).

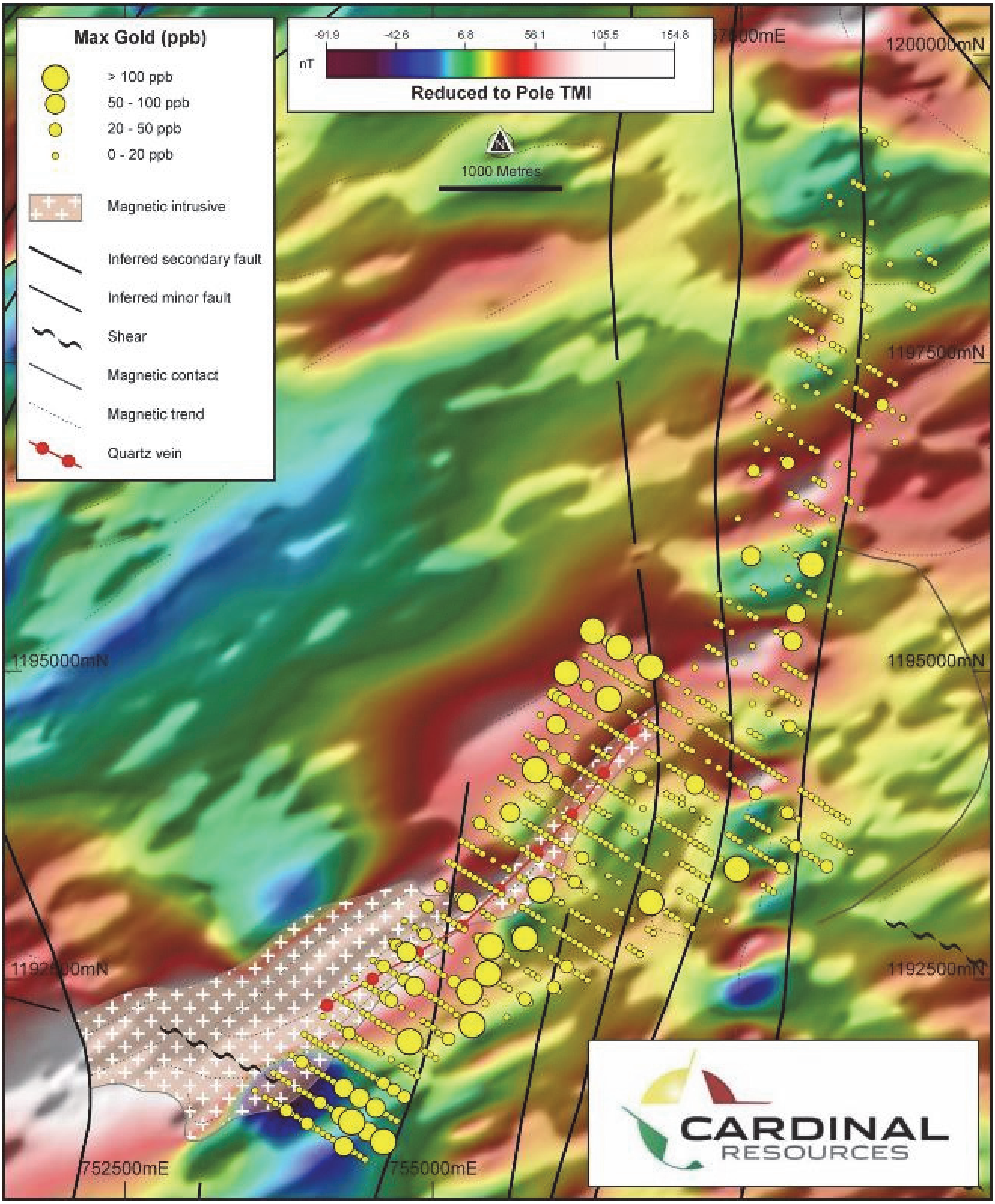

Figure 8: Ndongo Far East Prospect with gold-in-soil anomalies around magnetic intrusive

A Gradient Array Induced Polarisation (GAIP) survey over this target area has been planned which should indicate whether any gold-bearing sulphides are developed around the margins, or within, this magnetic intrusive.

BONGO PROSPECT

The airborne geophysical survey over the Bongo Prospect delineated six interpreted target areas containing ~40 km of possible mineralised structures (Figure 9).

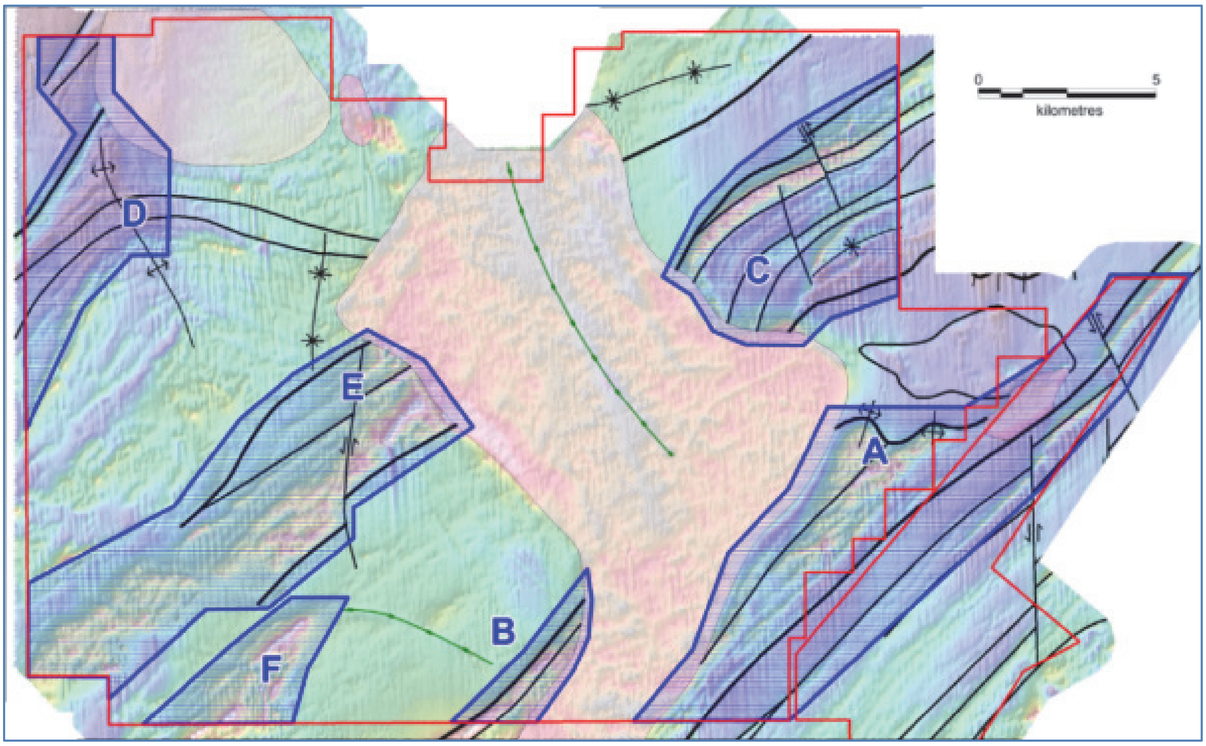

Figure 9: Bongo Prospect - 2013 airborne survey magnetic image with preliminary interpretation and six target zones

During the year field mapping over portions of Target C located magnetised mafic outcrops adjacent to an ultramafic unit. Rock chip sampling was done over the magnetised mafic outcrops and sent for multi-element analyses to determine their base metal potential. The analyses indicate there may be some base metal potential, which requires a ground geophysical survey to determine the extent of the magnetic rock unit and geochemical sampling to determine its base metal content.

KUNGONGO PROSPECT

The airborne geophysical survey over the Kungongo Prospect delineated two interpreted target areas containing ~30 km of possible mineralised structures (Figure 10).

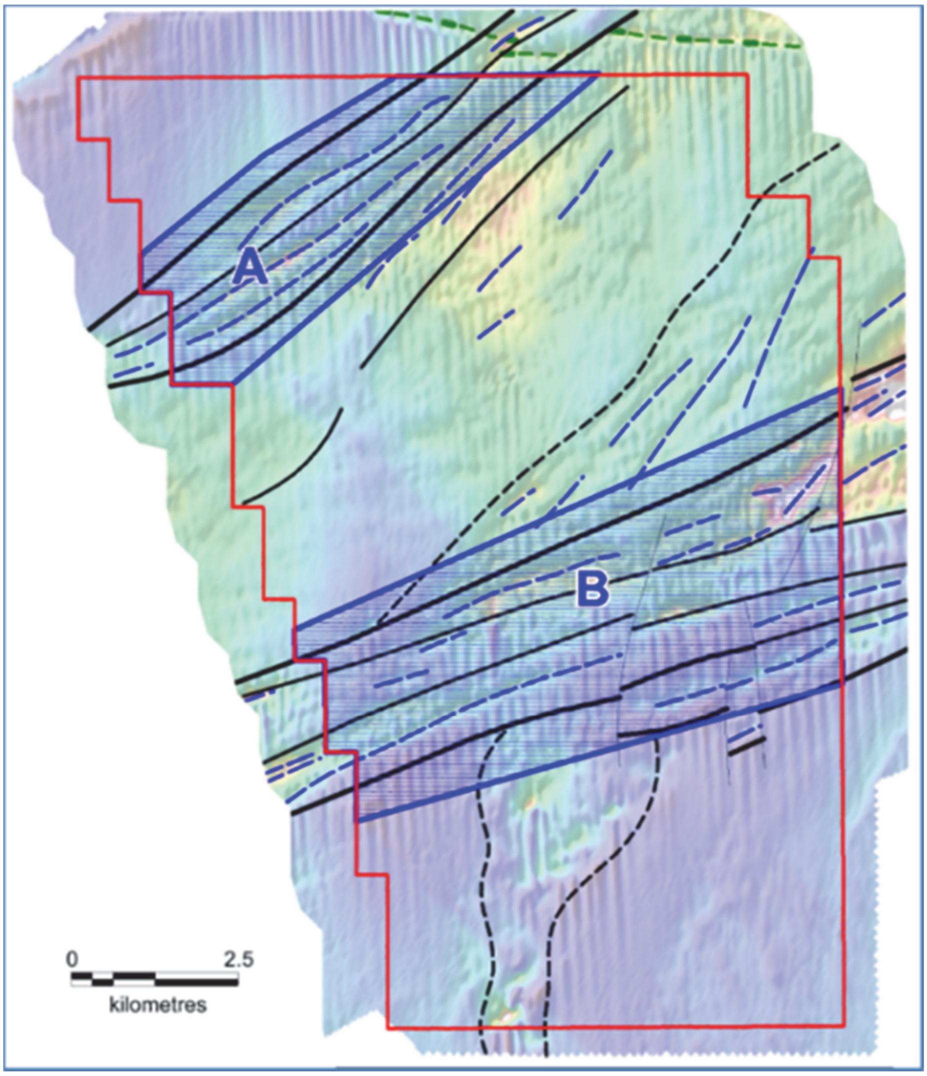

Figure 10: Kungongo – 2013 airborne survey magnetic image with preliminary interpretation and two target zones

Target A occurs over a ~6 km long portion of the SW extension of the regional Bole-Bolgatanga Fault (Shear) Zone which extends over northern Ghana (Figure 11). A soil sampling program over Target A will be planned to identify anomalous zones, followed by a RC drill program to assess these anomalies.

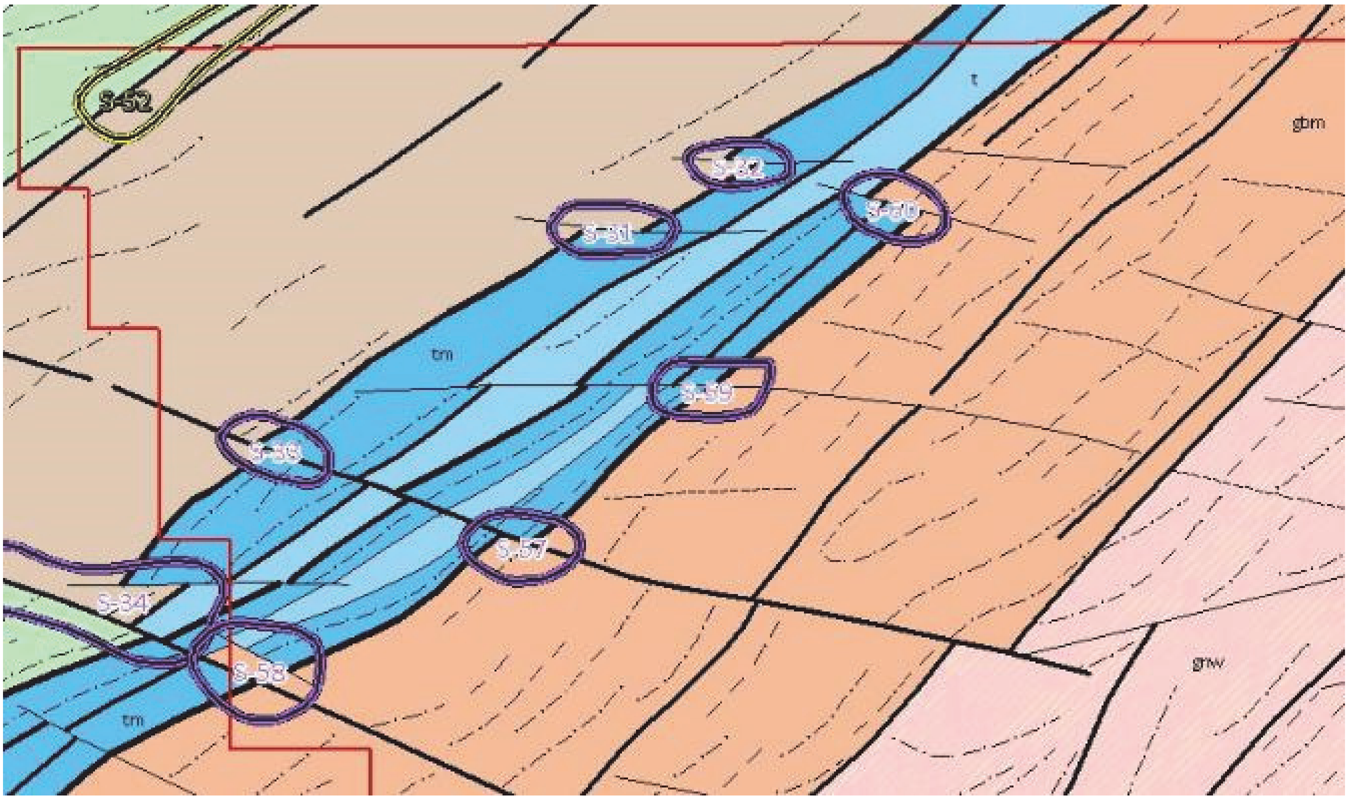

Figure 11: Target A, Kungongo Prospect with initial target areas

Target B occurs over a ~7 km long area underlain by Birimian greenstones and granitoids. A soil sampling program over Target B will be planned to identify anomalous zones, followed by a RC drill program to assess these anomalies.

SUBRANUM PROJECT

Previous exploration at Subranum has established that the significant anomalous zone has a 5.2km strike length. Previous drilling, however, had been on 11 fences of varying distances between 200m to >500m apart (Figure 12).

To properly evaluate the gold mineralisation contained within these anomalous zones, Cardinal has planned a systematic diamond drilling program at regular intervals across the strike length of these anomalies. This planned program will then determine whether the gold mineralisation is continuous or not, and whether there is a plunge to the mineralisation.

This drill program is being planned subject to seasonal conditions.

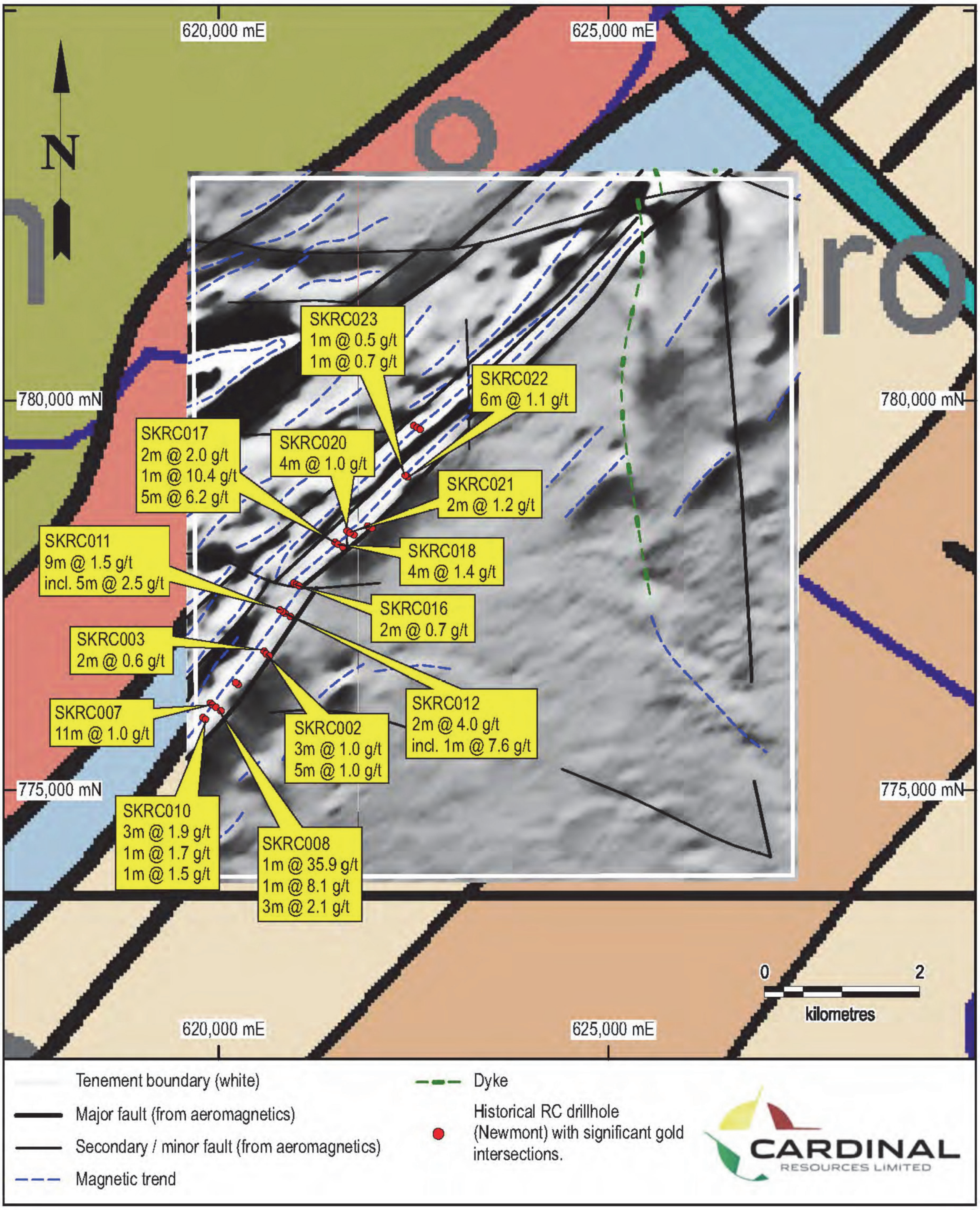

Figure 12: Historical RC drill holes (Newmont) with significant gold intersections highlighted. Magnetic greyscale image in background.

JORC 2012

The information in this operations report contains information extracted from the following ASX announcements which are available for viewing on the Company's website www.cardinalresources.com.au:

- 13 August 2014 High Grade, Shallow Gold Intercepts at Namdini
- 26 August 2014 High Grade, Shall Intercepts at Namdini Continue
- 16 September 2014 High Grade Discovery of Third Gold Zone at Namdini
- 24 September 2014 Drilling Campaign Extended at Namdini
- 7 October 2014 Third High Grade Gold Zone Continues at Namdini
- 28 October 2014 Cardinal Continues to Hit High-Grade Gold Intersections
- 28 November 2014 Further High Grade Gold Intersection at Namdini
- 12 January 2015 Further High Grade Gold Intersected Along Strike at Namdini
- 19 January 2015 Cardinal Intersects 41m High Grade Gold Down Dip Namdini
- 27 January 2015 Cardinal Hits 51m High Grade Gold Along Strike at Namdini
- 3 February 2015 Cardinal Hits 42m Gold Up Dip At Namdini
- 16 February 2015 High Grade Gold Continues Along Strike at Namdini
- 26 February 2015 High Grade Gold Continues Down Dip at Namdini
- 10 March 2015 Gold Hits Continue Along Strike and Section at Namdini
- 20 March 2015 Down Dip Extensions Confirmed at Namdini
- 23 March 2015 Wide Gold Intersections Continue at Namdini
- 30 March 2015 Gold Hits Continue at Namdini
- 10 April 2015 More Gold Hits Up and Down Dip at Namdini
- 13 April 2015 Gold Hits Continue down Dip at Namdini
- 12 May 2015 Cyanide Leach Results for Namdini Drill Samples

The Company confirms it is not aware of any new information or data that materially affects the information included in market announcements relating to exploration activities carried out at the Bolgatanga Project and all material assumptions and technical parameters underpinning the exploration activities in those market announcements continue to apply and have not been changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

CORPORATE UPDATE

The Company completed a number of successful capital raising initiative during the year.

On 18 September 2014 the Company confirmed it had successfully completed a capital raising to sophisticated and institutional investors to issue 18,000,000 fully paid ordinary shares, together with one free attaching listed option ("Listed Option") for every share subscribed for, exercisable at $0.15 on or before 30 September 2019, ('September 2014 Placement") to raise $900,000. The options were issued on 10 November 2014 after being approved at the Company's shareholder meeting held on 3 November 2014.

Further on 10 November 2014 the Directors of the Company (namely, Messrs Alec Pismiris, Archie Koimtsidis, Marcus Michael and Malik Easah) were allotted 4,880,000 fully paid ordinary shares and 4,880,000 Listed Option to raise $244,000, on the same terms and conditions as the September 2014 Placement.

On 22 January 2015 the Company advised that it had completed a Non-Renounceable Entitlement Issue of Options. The offer of one (1) Listed Option for every two (2) shares held by eligible shares on 1 October 2014 at an issue price of $0.01 per option. The Company raised $481,183 before costs from the offer.

On 5 June 2015 the completed a placement to sophisticated investors to raise $947,975 in capital through the issue of 14,584,231 fully paid ordinary shares $0.065 with a free attaching listed for every share subscribed for ("June 2015 Placement").

Further on 7 August 2015 the Directors of the Company (namely, Messrs Alec Pismiris, Archie Koimtsidis and Malik Easah) were allotted 1,838,462 fully paid ordinary shares and 1,838,462 Listed Option to raise $119,500, on the same terms and conditions as the June 2015 Placement.

Passing of Director

On the 15 June 2015 the Company announced with great sadness that Non-Executive Director Marcus Michael had passed away.

Marcus was a highly respected Board member, and his energy, experience and inspiration will be greatly missed.

Appointment of Two Non-Executive Directors

Subsequent to the year end on the 1 September 2015 the Company announced that Mark Thomas and Simon Jackson had been appointed as Non-Executive Directors of the Company.

Mark and Simons' skill and experience will enhance the Board and Cardinal looks forward to their contribution to the development of the Company's Projects to take the Company to the next level.

The Directors of Cardinal Resources Limited submit herewith the annual financial report of Cardinal Resources Limited for the period 1 July 2014 to 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The names and particulars of the directors of the Company as at 30 June 2015 and at the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

ALEC PISMIRIS B.Com, IGIA, MAICD
Non-Executive Chairman
Appointed 11 November 2010

Mr Pismiris is currently a director of Capital Investment Partners, a company which provides corporate advisory services. Since 1990 Mr Pismiris has served as a director and company secretary for various ASX listed companies as well as a number of unlisted public and private companies.

Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and is an associate of The Governance Institute of Australia. Mr Pismiris has over 25 years' experience in the securities, finance and mining industries. Mr Pismiris has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

During the past 3 years he has also served as a director of the following listed companies;

Company	Date of Appointment	Date of Resignation
Mount Magnet South NL	2 August 2013	Not Applicable
Aguia Resources Limited	26 May 2014	Not Applicable
Agrimin Limited	3 October 2013	Not Applicable
Pelican Resources Limited	24 March 2015	Not Applicable
Papillon Resources Limited	11 May 2006	3 October 2014
Gladiator Resources Limited	7 December 2012	22 March 2013

ARCHIE KOIMTSIDIS MBA
Managing Director
Appointed 27 December 2012

Mr Koimtsidis has for the last 21 years been involved in all facets of gold exploration, discovery, production and refining in West Africa and South America.

His most recent appointment prior to joining Cardinal was as the Deputy Country Manager of Ghana for PMI Gold Limited a joint TSXV and ASX listed company. During this time he was responsible for all field operational matters including coordination of exploration, drilling programs and human resource management relation to the Company's projects in Ghana.

Mr Koimtsidis has been instrumental in acquiring the Ghanaian projects on behalf of Cardinal and has a unique knowledge and understanding of geopolitical and operational matters relating to resources projects in West Africa.

During the past three years he has held no other listed company directorships.

MALIK EASAH
Executive Director
Appointed 27 December 2012

Mr Malik Easah is the principal of successful alluvial mining operations in the North West Adansi Gold Obotan concession and is currently developing additional payable gold permits within the Ashanti and Nangodi Gold belts of Ghana.

Mr Easah specializes in the manufacture of alluvial gold wash plants and recovery equipment and is regarded as an authority in the development of alluvial mining operations in Ghana.

Mr Easah is a resident in Ghana.

During the past three years he has held no other listed company directorships.

MARK THOMAS B.Sc (Hons)
Non-Executive Director
Appointed 31 August 2015

Mark Thomas has over 28 years' experience in exploration and mining geology, geostatistics and mining finance. In 1994 Mr Thomas joined Macquarie Bank Limited in the Metals and Energy Capital Division undertaking a broad range of equity and debt finance transactions in the mining sector.

Mr Thomas was an Executive Director of Macquarie Bank for 11 years until his retirement in late 2014. He has extensive equity investment and banking experience with gold projects in West Africa, including undertaking transactions for several of the significant gold mining projects developed in Ghana over the past two decades.

Mr Thomas is a graduate from the University of Wales with a Bachelor of Science (Hons) in Geology.

During the past three years he has held no other listed company directorships.

SIMON JACKSON B.Com, FCA
Non-Executive Director
Appointed 31 August 2015

Simon Jackson is a Chartered Accountant with over 25 years gold industry experience in Australia and Africa.

Mr Jackson was the Vice President Corporate Development and formerly the Chief Financial Officer for Red Back Mining Inc prior to its takeover by Kinross Gold Corporation in September 2010. He was an integral part of the senior management team that saw Red Back's market capitalisation grow from C$40 million in 2004 upon listing on TSX to over C$9 billion on takeover. While at Red Back, he oversaw the financing, development and construction of the company's mines in Ghana and Mauritania which today produce over 300,000 ounces of gold per year.

Mr Jackson is currently Non-Executive Director of Sarama Resources Ltd (TSXV: SWA) and Director of Orca Gold Inc. (TSXV: ORD). He holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia, initially spending 8 years with KPMG.

During the past 3 years he has also served as a director of the following listed companies;

Company	Date of Appointment	Date of Resignation
Sarama Resources Ltd	11 March 2011	Not Applicable
Orca Gold Inc.	4 April 2013	Not Applicable
RB Enrgy Inc.	31 January 2014	2 April 2015

MARCUS MICHAEL CA, B.Bus
Executive Director
Appointed 27 December 2012
Retired 11 June 2015

Mr Michael was a Chartered Accountant with extensive experience in the Australian financial markets including ASX company listings, equity and debt funding, mergers and acquisitions and corporate restructures and recapitalisations.

Mr Michael was a founding Director of Marshall Michael Pty Ltd, Chartered Accountants. Established in 1994 as a boutique corporate and business advisory, wealth management, tax advisory and financial and management reporting practice, servicing mining and exploration, healthcare and information technology sectors.

Mr Michael graduated from Curtin University with a Bachelor of Business and was a Member of the Institute of Chartered Accountants.

During the past 3 years he had also served as a director of the following listed companies;

Company	Date of Appointment	Date of Resignation
Argent Minerals Limited	4 April 2007	11 June 2015
Beacon Minerals Limited	19 March 2012	11 June 2015
St George Mining Limited	19 October 2009	11 June 2015

COMPANY SECRETARY

Sarah Shipway was appointed Company Secretary of Cardinal Resources on 27 December 2012. Sarah has a Bachelor of Commerce from Murdoch University and is a member of the Institute of Chartered Accountants.

DIRECTORS' INTEREST

At the date of this report, unless otherwise stated, the Directors held the following interests in Cardinal Resources.

Name	Note	Ordinary Shares	Listed Options	Unlisted Options	Class A Performance Shares	Class B Performance Shares
Alec Pismiris	-	3,300,000	2,227,500	554,712	-	-
Archie Koimtsidis	-	6,034,231	3,941,731	-	10	10
Malik Easah	-	5,598,481	6,772,731	-	10	10
Mark Thomas	-	650,000	650,000	-	-	-
Simon Jackson	-	-	-	-	-	-
Marcus Michael	1	5,009,683	3,504,842	-	10	10

Note 1: Directors holdings as at the date of retirement, being 11 June 2015

Other than detailed below, the Directors have no interest, whether directly or indirectly, in a contract or proposed contract with Cardinal Resources Limited during the financial year end.

Marshall Michael Pty Ltd Chartered Accountants, of which Marcus Michael was a Director, provides accounting, bookkeeping, corporate secretarial and administrative services to the Company.

PRINCIPAL ACTIVITIES

The principal activity of the Group is mineral exploration in Ghana.

RESULTS AND REVIEW OF OPERATIONS

The result of the consolidated entity for the financial year from 1 July 2014 to 30 June 2015 after income tax was a loss of $3,580,551 (2014: loss of $10,164,082).

A review of operations of the consolidated entity during the year ended 30 June 2015 is provided in the "Review of the Operations" immediately preceding this Directors' Report.

LIKELY DEVELOPMENTS

The Group's focus over the next financial year will be on its key projects – the Ghanaian tenements. Further commentary on planned activities at these projects over the forthcoming year is provided in the "Review of Operations".

The Board will continue to focus on creating value from the Company's existing resource assets, as well as pursuing new opportunities in resources sector to complement the Company's current projects.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have not been any significant changes in the state of affairs of the Group during the financial year, other than as noted in this financial report.

ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all applicable regulations when carrying out exploration work.

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

DIRECTORS' MEETINGS

The following table sets out the number of meetings held during each director's period of directorship during the year ended 30 June 2015 and the number of meetings attended by each director.

Name	Note	Eligible to attend	Attended
Alec Pismiris	-	8	8
Archie Koimtsidis	-	8	8
Malik Easah	-	8	6
Mark Thomas	2	-	-
Simon Jackson	2	-	-
Marcus Michael	1	8	7

Note 1: Mr Michael retired on 11 June 2015
Note 2: Mr Thomas and Mr Jackson were appointed on 31 August 2015

REMUNERATION REPORT – AUDITED

Remuneration policy

The remuneration policy of Cardinal Resources Limited has been designed to align directors' objectives with shareholder and business objectives by providing a fixed remuneration component, which is assessed on an annual basis in line with market rates. The Board of Cardinal Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

- The remuneration policy and setting the terms and conditions for the Executive directors and other senior staff members is developed and approved by the Board based on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained when considered necessary to confirm that executive remuneration is in line with market practice and is reasonable within Australian executive reward practices.

- All executives receive a base salary (which is based on factors such as length of service and experience) and, if applicable, statutory superannuation.

- The Group is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly as the entity moves from an exploration to a producing entity and key performance indicators such as profit and production and reserves growth can be used as measurements for assessing executive performance.

- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Executive Directors, in consultation with independent advisors, determine payments to the non-executives and review their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is currently $350,000 per annum. Fees for independent non-executive directors are not linked to the performance of the Group. To align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.
- During the financial year the Company did not employ the use of remuneration consultants.

Details of key management personnel (KMP)

Directors	Title	Date of Appointment	Date of Retirement
A Pismiris	Non-Executive Chairman	11 November 2010	Not Applicable
A Koimtsidis	Managing Director	27 December 2012	Not Applicable
M Easah	Executive Director	27 December 2012	Not Applicable
M Thomas	Non-Executive Director	31 August 2015	Not Applicable
S Jackson	Non-Executive Director	31 August 2015	Not Applicable
M Michael	Executive Director	27 December 2012	11 June 2015

The Company does not have any key management personnel that are not Directors.

Executive Directors' remuneration and other terms of employment are reviewed annually by the non-executive director(s) having regard to performance against goals set at the start of the year, relative comparable information and independent expert advice.

Except as detailed in the Director's Report, no director has received or become entitled to receive, during or since the financial year end, a benefit because of a contract made by the Group or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Group.

Remuneration of key management personnel

Remuneration for the financial year ended 30 June 2015.

	Short-Term Benefits			Post Employment Benefits	Long Term Benefits	Equity Settled Share-Based Payments	
Directors	Salary, Fees and Leave	Eligiable Termination Payment	Non Monetary	Superannuation	Long Service Leave	Shares/Options	Total
			(i)			(ii)	
	$	$	$	$	$	$	$
A Pismiris							
2015	36,000	-	1,405	-	-	-	**37,405**
2014	36,000	-	713	-	-	-	**36,713**
A Koimtsidis							
2015	110,000	-	4,294	-	-	-	**114,294**
2014	220,000	-	4,356	-	-	-	**224,356**
M Easah							
2015	75,000	-	2,927	-	-	-	**77,927**
2014	150,000	-	2,970	-	-	-	**152,970**
M Michael (iii)							
2015	45,000	20,000	2,704	4,275	-	-	**71,979**
2014	90,000	-	1,947	8,325	-	-	**100,272**
K Eckhof (iii)							
2015	-	-	-	-	-	-	**-**
2014	34,500	-	684	-	-	-	**35,184**
Total							
2015	**266,000**	**20,000**	**11,330**	**4,275**	**-**	**-**	**301,605**
2014	**530,500**	**-**	**10,670**	**8,325**	**-**	**-**	**549,495**

(i) Non monetary benefits are for directors' and officers' liability and legal expense insurance premiums.
(ii) No options or shares were granted as part of remuneration.
(iii) M Michael retired on 11 June 2015 and K Eckhof retired on 16 June 2014.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer or agent of the Company shall be indemnified out of the property of the entity against any liability incurred by him in his capacity as Officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

During the year the Company agreed to pay an annual insurance premium of $11,330 (2014: $10,670) in respect of directors' and officers' liability and legal expenses' insurance contracts, for directors, officers and employees of the Company. The insurance premium relates to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome.
- Other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty.

Shareholdings of key management personnel

Directors	Balance at 1 July 2014	Granted as remuneration	Net other change (i)	Balance at 30 June 2015 (ii)
Alec Pismiris	2,572,500	-	427,500	3,000,000
Archie Koimtsidis	4,725,000	-	540,000	5,265,000
Malik Easah	1,916,750	-	2,912,500	4,829,250
Marcus Michael	4,009,683	-	1,000,000	5,009,683
Total	**13,223,933**	**-**	**4,880,000**	**18,103,933**

Directors	Balance at 1 July 2013	Granted as remuneration	Net other change	Balance at 30 June 2014 (ii)
Alec Pismiris	2,572,500	-	-	2,572,500
Archie Koimtsidis	4,725,000	-	-	4,725,000
Malik Easah	1,916,750	-	-	1,916,750
Marcus Michael	4,009,683	-	-	4,009,683
Klaus Eckhof	1,500,000	-	-	1,500,000
Total	**14,723,933**	**-**	**-**	**14,723,933**

(i) On 10 November 2014 4,880,000 fully paid ordinary shares and 4,880,000 Options exercisable at $0.15 on or before 30 September 2019 were issued to directors on the same terms and conditions as the September 2014 Placement. The Directors' placement was approved at the Company's Annual General Meeting held on 3 November 2014.

(ii) Balance at the end of the financial year or at date of retirement, for Directors who retired before financial year end.

Listed Option holdings of key management personnel

Directors	Balance at 1 July 2014	Granted as remuneration	Expired during the year (i)	Net other change (ii), (iii)	Balance at 30 June 2015 (iv)
Alec Pismiris	1,911,250	-	(1,911,250)	1,927,500	1,927,500
Archie Koimtsidis	2,037,500	-	(2,037,500)	3,172,500	3,172,500
Malik Easah	958,375	-	(958,375)	6,003,500	6,003,500
Marcus Michael	2,382,025	-	(2,382,025)	3,504,842	3,504,842
Total	**7,289,150**	**-**	**(7,289,150)**	**14,608,342**	**14,608,342**

Directors	Balance at 1 July 2013	Granted as remuneration	Net other change	Balance at 30 June 2014 (iv)
Alec Pismiris	1,911,250	-	-	1,911,250
Archie Koimtsidis	2,037,500	-	-	2,037,500
Malik Easah	958,375	-	-	958,375
Marcus Michael	2,382,025	-	-	2,382,025
Klaus Eckhof	750,000	-	-	750,000
Total	**8,039,150**	**-**	**-**	**8,039,150**

(i) Expiry of listed options.

(ii) On 10 November 2014 4,880,000 fully paid ordinary shares and 4,880,000 Options exercisable at $0.15 on or before 30 September 2019 were issued to directors on the same terms and conditions as the

September 2014 Placement. The Directors' placement was approved at the Company's Annual General Meeting held on 3 November 2014.

(iii) During the year the Company issued an Options Entitlement Prospectus. Under the Prospectus each shareholder was offered One (1) Option for every Two (2) shares held by shareholders on 1 October 2014 for $0.01 per Option.

(iv) Balance at the end of the financial year or at date of retirement, for Directors who retired before financial year end.

Unlisted Option holdings of key management personnel

Directors	Balance at 1 July 2014	Granted as remuneration	Net other change	Balance at 30 June 2015 (i)
Alec Pismiris	544,712	-	-	544,712
Archie Koimtsidis	-	-	-	-
Malik Easah	-	-	-	-
Marcus Michael	-	-	-	-
Total	**544,712**	**-**	**-**	**544,712**

Directors	Balance at 1 July 2013	Granted as remuneration	Net other change	Balance at 30 June 2014 (i)
Alec Pismiris	544,712	-	-	544,712
Archie Koimtsidis	-	-	-	-
Malik Easah	-	-	-	-
Marcus Michael	-	-	-	-
Klaus Eckhof	-	-	-	-
Total	**544,712**	**-**	**-**	**544,712**

(i) Balance at the end of the financial year or at date of retirement, for Directors who retired before financial year end.

Class A Performance Shareholdings of key management personnel

Directors	Balance at 1 July 2014	Granted as remuneration	Net other change	Balance at 30 June 2015 (i), (ii)
Archie Koimtsidis	10	-	-	10
Malik Easah	10	-	-	10
Marcus Michael	10	-	-	10
Alec Pismiris	-	-	-	-
Total	**30**	**-**	**-**	**30**

Directors	Balance at 1 July 2013	Granted as remuneration	Net other change	Balance at 30 June 2014 (i), (ii)
Klaus Eckhof	10	-	-	10
Archie Koimtsidis	10	-	-	10
Malik Easah	10	-	-	10
Marcus Michael	10	-	-	10
Alec Pismiris	-	-	-	-
Total	**40**	**-**	**-**	**40**

(i) Balance at the end of the financial year or at date of retirement, for Directors who retired before financial year end.
(ii) On satisfaction of certain milestone events, each Class A Performance Share converts into 100,000 ordinary shares (refer to note 13 (e)) in which case each Director would become entitled to a further 1,000,000 ordinary shares.

Class B Performance Shareholdings of key management personnel

Directors	Balance at 1 July 2014	Granted as remuneration	Net other change	Balance at 30 June 2015 (i), (ii)
Archie Koimtsidis	10	-	-	10
Malik Easah	10	-	-	10
Marcus Michael	10	-	-	10
Alec Pismiris	-	-	-	-
Total	**30**	**-**	**-**	**30**

Directors	Balance at 1 July 2013	Granted as remuneration	Net other change	Balance at 30 June 2014 (i), (ii)
Klaus Eckhof	10	-	-	10
Archie Koimtsidis	10	-	-	10
Malik Easah	10	-	-	10
Marcus Michael	10	-	-	10
Alec Pismiris	-	-	-	-
Total	**40**	**-**	**-**	**40**

(i) Balance at the end of the financial year or at date of retirement, for Directors who retired before financial year end.
(ii) On satisfaction of certain milestone events, each Class B Performance Share converts into 100,000 ordinary shares (refer to note 13(e)) in which case each Director would become entitled to a further 1,000,000 ordinary shares.

END OF REMUNERATION REPORT

SHARES OPTIONS

Unissued shares

At the date of this report the Company had on issue 87,420,981 listed options in the Company, exercisable at $0.15 on or before 30 September 2019. During the financial year none of these listed options were converted into fully paid shares.

As at the date of this report the Company had on issue 11,000,000 unlisted options, exercisable at $0.20 on or before 31 December 2015. During the financial year none of these unlisted options were converted into fully paid shares.

Option holders do not have any rights to participate in any issues of shares of other interests in the Company or any other entity.

CORPORATE GOVERNANCE STATEMENT

Cardinal Resources is committed to ensuring that its policies and practices reflect a high standard of corporate governance. The Board has adopted a comprehensive framework of Corporate Governance Guidelines.

Throughout the 2015 financial year the Company's governance was consistent with the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The Group's Corporate Governance Statement can be viewed at the Company's Corporate Governance page at http://cardinalresources.com.au.

EVENTS SUBSEQUENT TO BALANCE DATE

On 7 August 2015 the Company issued 1,838,462 fully paid ordinary shares and 1,838,462 Options exercisable at $0.15 on or before 30 September 2019 to the Directors' of the Company, namely Messrs Alec Pismiris, Archie Koimtsidis and Malik Easah. The shares and options were issued under the same terms as the June 2015 Placement for an aggregate subscription amount of $119,500. The Directors' Placement was approved at the Company's general meeting held on 27 July 2015.

On 7 August 2015 the Company issued 14,584,231 free attaching options for every share subscribed for under the June 2015 Placement. The issue of the free attaching options was approved at the Company's general meeting held on 27 July 2015.

On 1 September 2015 the Company appointed Mark Thomas and Simon Jackson as Non-Executive Directors of the Company.

On 21 September 2015 Cardinal announced that it had acceptances and commitments from sophisticated and professional investors in respect of a placement to issue fully paid ordinary shares at 10 cents each with a free listed option, exercisable at $0.15 on or before 30 September 2019, for every two new shares subscribed for to raise up to $5.0 million.

The Placement will be undertaken in two tranches. The first tranche of 28,164,816 shares was issued on 25 September 2015 for approximately $2,816,481. The balance of the Placement shares, of up to 21,835,184 shares and all of the Listed Options will be issued subject to Cardinal shareholder approval being obtained.

The directors of the Company (namely, Messrs Alec Pismiris, Archie Koimtsidis, Malik Easah, Mark Thomas and Simon Jackson) will, subject to shareholder approval, participate in the placement to subscribe for a total of 8,418,820 Shares and 4,209,410 Listed Options for an aggregate subscription amount of $841,882.

On 30 September 2015 the Company announced that it had received a commitment from Macquarie Bank Limited in respect of a placement to issue 10,000,000 fully paid ordinary shares at 10 cents each with a free listed option, exercisable at $0.15 on or before 30 September 2019, for every two new shares subscribed for to raise up to $1.0 million. The shares and options will be issued on shareholder approval being obtained.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of the affairs of the Group in future financial years.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 53 of the financial report.

Non Audit Services

The Company's auditor, Somes Cooke, did not provide any non-audit services to the Company during the financial year ended 30 June 2015.

Signed in accordance with a resolution of the directors made pursuant to s 298(2) of the Corporations Act 2001.

On behalf of the directors

ARCHIE KOIMTSIDIS
Managing Director
Dated this 30 September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

Australian Dollar ($)	Note	30 JUNE 2015 $	30 JUNE 2014 $
REVENUE	3	**5,269**	**21,827**
EXPENDITURE			
Administration expenses	4	(616,772)	(566,432)
Depreciation expenses	11	(69,778)	(91,219)
Exploration expenses		(2,143,615)	(1,898,777)
Exploration expenditure written off		-	(47,719)
Impairment expense	10	(781,903)	(7,309,500)
Foreign exchange expense		111,073	(73,528)
LOSS BEFORE INCOME TAX		**(3,495,726)**	**(9,965,348)**
Income tax	5(a)	**-**	**-**
LOSS AFTER INCOME TAX		**(3,495,726)**	**(9,965,348)**
OTHER COMPREHENSIVE INCOME			
Items that me be reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations	14	(84,825)	(198,734)
TOTAL COMPREHENSIVE INCOME		**(3,580,551)**	**(10,164,082)**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE COMPANY		**(3,580,551)**	**(10,164,082)**
LOSS PER SHARE			
Basic and diluted – cents per share	16	(3.82)	(13.58)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

Australian Dollar ($)	Note	30 JUNE 2015 $	30 JUNE 2014 $
CURRENT ASSETS			
Cash and cash equivalents	17(a)	839,755	909,980
Trade and other receivables	8(a)	12,878	6,452
Other assets	8(b)	22,474	33,039
TOTAL CURRENT ASSETS		**875,107**	**949,471**
NON CURRENT ASSETS			
Capitalised exploration and evaluation	9	-	771,450
Plant and equipment	11	476,644	556,636
TOTAL NON CURRENT ASSETS		**476,644**	**1,328,086**
TOTAL ASSETS		**1,351,751**	**2,277,557**
CURRENT LIABILITIES			
Trade and other payables	12	368,148	127,366
TOTAL CURRENT LIABILITIES		**368,148**	**127,366**
TOTAL LIABILITIES		**368,148**	**127,366**
NET ASSETS		**983,603**	**2,150,191**
EQUITY			
Issued capital	13(a)	14,816,842	12,871,486
Reserves	14	354,952	(28,830)
Accumulated losses	15	(14,188,191)	(10,692,465)
TOTAL EQUITY		**983,603**	**2,150,191**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

Australian ($)	SHARE CAPITAL	OPTIONS RESERVE	FOREIGN EXCHANGE RESERVE	ACCUMULATED LOSSES	TOTAL EQUITY
	$	$	$	$	$
BALANCE AT 1 JULY 2014	**12,871,486**	**263,816**	**(292,646)**	**(10,692,465)**	**2,150,191**
Total comprehensive income	-	-	(84,825)	(3,495,726)	(3,580,551)
Share and options issued during the year	2,091,975	481,183	-	-	2,573,158
Share issue expenses	(146,619)	(12,576)	-	-	(159,195)
BALANCE AT 30 JUNE 2015	**14,816,842**	**732,423**	**(377,471)**	**(14,188,191)**	**983,603**
BALANCE AT 1 JULY 2013	**12,871,486**	**1,666,316**	**(93,912)**	**(2,129,617)**	**12,314,273**
Total comprehensive income	-	-	(198,734)	(9,965,348)	(10,164,082)
Expiry of options	-	(1,402,500)	-	1,402,500	-
BALANCE AT 30 JUNE 2014	**12,871,486**	**263,816**	**(292,646)**	**(10,692,465)**	**2,150,191**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

Australian Dollar ($)	Note	30 JUNE 2015 $	30 JUNE 2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Expenditure on mineral interests		(1,962,385)	(2,003,253)
Other payments to suppliers and employees		(564,600)	(541,476)
Interest received		5,269	21,617
Net cash outflow from operating activities	17(b)	**(2,521,716)**	**(2,523,112)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of mineral interest		-	(174,052)
Payments for term deposits		-	520,502
Purchase of plant and equipment		(50,465)	(477,099)
Net cash outflow from investing activities		**(50,465)**	**(130,649)**
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of shares and options net of capital raising costs		2,413,963	-
Net cash flows from financing activities		**2,413,963**	**-**
Net (decrease) in cash and cash equivalents		**(158,218)**	**(2,653,761)**
Cash and cash equivalents at the beginning of the financial year		909,980	3,634,269
Exchange rate adjustment		87,993	(70,528)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	17(a)	**839,755**	**909,980**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

1 CORPORATE INFORMATION

The financial report of Cardinal Resources Limited ("Cardinal Resources" or "the Company") for the year ended 30 June 2015 was authorised for issue in accordance with a resolution of the directors on 30 September 2015.

Cardinal Resources Limited is a company limited by shares, incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Company for the year ended 30 June 2015 comprise of the Company and its subsidiaries together referred to as the Group or consolidated entity.

The nature of the operations and principal activity of the Group is described in the directors' report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of the Financial Report

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report also complies with the International Financial Reporting Standards. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars. The following accounting policies have been adopted by the consolidated entity.

(b) Principles of Consolidation

The consolidated financial statements incorporate assets, liabilities and results of entities controlled by Cardinal Resources Limited at the end of the reporting period. A controlled entity is any entity over which Cardinal Resources has the power to govern the financial and operating policies so as to obtain the benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

When controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of year that they were controlled. A list of controlled entities is contained in note 24 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(c) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

(d) Adoption of new and revised standards

There are a number of new Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards early.

These standards are not expected to have a material impact on the Group in the current or future reporting periods.

(e) Statement of compliance

The financial report complies with Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS").

(f) Income Tax

Current income tax refunded/(expensed) charged to profit or loss is tax refundable/(payable). Those amounts recognised are expected to be recovered from/(paid to) the relevant taxation authority.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither that accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all the deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax is reviewed at each balance sheet date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are not in the income statement.

(g) Exploration and evaluation expenditure

All exploration and evaluation expenditure on areas of interest are expensed as incurred except for cost of acquisition, which may be capitalised to areas of interest and carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future. Where projects have advanced to the stage that directors have made a decision to mine, they are classified as development properties. When further development expenditure is incurred in respect of a development property, such expenditure is carried forward as part of the cost of that development property only when substantial future economic benefits are established. Otherwise such expenditure is classified as part of the cost of production or written off where production has not commenced.

(h) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Interest revenue is recognised using the effective interest method.

(i) Cash and cash equivalents

Cash and short-term deposits in the consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated cash outflows to be made to those benefits.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

(k) Impairment of assets

The consolidated group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the consolidated group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value less cost to sell. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and it is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systemic basis over its remaining useful life.

(l) Earnings per share

Basic earnings per share is calculated as net loss attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

(m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash Flows are included in the Consolidated Statement of Cash Flows on a net basis. The GST components of cash flows arising from investing and financial activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(n) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the consolidated profit or loss.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit or loss.

(o) Contributed equity

Ordinary shares and options are classified as contributed equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Significant accounting estimates and judgements

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Deferred taxation

The potential deferred tax asset arising from the tax losses and temporary differences have not been recognised as an asset because recovery of the tax losses is not yet considered probable (refer note 5).

Subsidiary Loans

Provision has been made for all unsecured loans with subsidiaries as it is uncertain if and when the loans will be recovered.

Exploration and evaluation assets

The accounting policy for exploration and evaluation expenditure results in costs of acquisition being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

This policy requires management to make certain estimates as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that the recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit and loss.

Impairment

The consolidated group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the consolidated group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using various key assumptions.

(q) Comparative information

Comparative information is amended where appropriate to ensure consistency in presentation with the current year.

3 REVENUE

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Other income		
Interest from financial institutions	5,269	21,827
	5,269	**21,827**

4 EXPENSES

Administration expenses include the following expenses:

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Salary, fees and leave	81,000	160,500
Eligible termination payment	20,000	-
Defined contribution superannuation expense	4,275	8,325
	105,275	**168,825**

5 INCOME TAX

(a) Prima facie income tax benefit at 30% on loss from ordinary activities is reconciled to the income tax provided in the financial statements

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Loss before income tax	(3,495,726)	(9,965,348)
Income tax calculated at 30%	(1,048,718)	(2,989,603)
Tax effect of;-		
Expenses not allowed	16	14,365
Sundry – temporary differences	477,812	2,549,044
Section 40-880 deduction	(67,729)	(58,177)
Future income tax benefit not brought to account	638,619	484,371
Income tax refund (payable) attributable to operating losses	**-**	**-**

(b) Deferred tax assets

The potential deferred tax asset arising from the tax losses and temporary differences have not been recognised as an asset because recovery of tax losses is not yet probable.

The benefits will only be obtained if:

(i) The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the losses to be realised;

(ii) The Group continues to comply with the conditions in deductibility imposed by the Law; and

(iii) No change in tax legislation adversely affect the Group in realising the benefits from the deductions or the losses.

6 AUDITOR'S REMUNERATION

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Auditing and review of the Company's financial statements	24,000	26,000
	24,000	**26,000**

7 KEY MANAGEMENT PERSONNEL

(a) Details of key management personnel

Directors and Executives

Alec Pismiris – Non-Executive Chairman
Archie Koimtsidis – Managing Director
Malik Easah – Executive Director
Mark Thomas – Non-Executive Director – appointed on 31 August 2015
Simon Jackson – Non-Executive Director – appointed on 31 August 2015
Marcus Michael – Executive Director – retired on 11 June 2015

(b) Compensation of key management personnel

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Salaries, fees and leave	266,000	530,500
Eligible termination payment	20,000	-
Non monetary	11,330	10,670
Post employment benefits – superannuation	4,275	8,325
	301,605	**549,495**

Refer to the remuneration report contained in the directors report for details of the remuneration paid/payable and share and options holdings in relation to each of Group's key management personnel for the year ended 30 June 2015.

8 CURRENT ASSETS

(a) Trade and Other Receivables

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Government taxes receivables	12,878	6,452
	12,878	**6,452**

GST and income tax amounts are non-interest bearing and have repayment terms applicable under the relevant government authorities. No trade and other receivables are impaired or past due.

(b) Other Assets

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Prepayments	13,882	23,395
Cash deposits	8,592	9,644
	22,474	**33,039**

9 CAPITALISED EXPLORATION AND EVALUATION

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Balance at the beginning of the year	771,450	8,011,945
Cost of acquisitions	-	174,052
Expenditure written off	-	(47,719)
Impairment (Note 10)	(781,903)	(7,309,500)
Foreign exchange movement	10,453	(57,328)
Balance at end of year (i)	**-**	**771,450**

(i) The Recoupment of costs carried forwarded in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation on the sale of the respective area.

10 IMPAIRMENT EXPENSE

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Impairment expense (i)	781,903	7,309,500
	781,903	**7,309,500**

(i) In light of the current market conditions, the Directors' have conservatively impaired its capitalised deferred exploration and evaluation expenditure by $781,903 as at 30 June 2015. As this is an estimation, the actual recoverable amount may be significantly different to this value. Future exploration and evaluation results and changes in commodity prices may increase the estimated recoverable amount in the future, which may result in the reversal of some or all of impairment recognised.

11 PLANT AND EQUIPMENT

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Plant and Equipment		
Carrying amount at the beginning of the year	556,636	251,277
Additions	50,465	467,455
Depreciation expense	(69,778)	(91,219)
Foreign exchange movement	(60,679)	(70,877)
Total plant and equipment	**476,644**	**556,636**

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Plant and equipment		
At cost	666,623	691,542
Less: accumulated depreciation	(189,979)	(134,906)
Total plant and equipment	**476,644**	**556,636**

12 TRADE AND OTHER PAYABLES

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Trade and other payables	331,107	85,017
Other accrued expenses	37,041	42,349
	368,148	**127,366**

13 ISSUED CAPITAL

(a) Movement in ordinary shares on issue

	NUMBER OF SHARES	$
As 1 July 2013	**73,356,576**	**12,871,486**
Transactions during the year		
Shares issued	-	-
Exercise of options	-	-
Less: transaction costs	-	-
At 30 June 2014	**73,356,576**	**12,871,486**
As 1 July 2014	**73,356,576**	**12,871,486**
Transactions during the year		
Shares issued (i)	37,464,231	2,091,975
Exercise of options	-	-
Less: transaction costs (ii)	-	(146,619)
At 30 June 2015	**110,820,807**	**14,816,842**

(i) The following shares were issued during the financial year ended 30 June 2015

- On 18 September 2014 18,000,000 shares, together with one (1) free attaching option for everyone one (1) share subscribed for, were issued at $0.05 per share pursuant to a placement to sophisticated investors;
- On 10 November 2014 4,880,000 shares, together with one (1) free attaching option for everyone one (1) share subscribed for, were issued at $0.05 per shares to the directors' of the Company. The directors' participation was approved at the Annual General Meeting held on 3 November 2014;
- On 5 June 2015 14,584,231 shares, together with one (1) free attaching option for everyone one (1) share subscribed for, were issued at $0.065 per share pursuant to a placement to sophisticated investors;

(ii) Transactions costs represent the costs of issuing the shares.

(b) Movement in options exercisable at $0.20 on or before 30 June 2014

	NUMBER OF OPTIONS	$
As 1 July 2013	**56,657,620**	**1,402,500**
Transactions during the year		
Options issued	-	-
Expiry of Options (i)	(56,657,620)	(1,402,500)
At 30 June 2014	**-**	**-**
As 1 July 2014	**-**	**-**
Transactions during the year		
Options issued	-	-
Expiry of Options	-	-
At 30 June 2015	**-**	**-**

(i) On 30 June 2014 56,657,620 options expired. None of these options were exercised.

(c) Movement in options exercisable at $0.15 on or before 30 September 2019

	NUMBER OF OPTIONS	$
As 1 July 2014	**-**	**-**
Transactions during the year		
Options issued (i)	70,998,288	481,183
Exercise of Options	-	-
Less: transaction costs (ii)	-	(12,576)
At 30 June 2015	**70,998,288**	**468,607**

(i) The following options were issued during the financial year ended 30 June 2015

- On 24 September 2014 the Company issued an Options Entitlement Prospectus that offered shareholders one (1) option for every two (2) shares held on 1 October 2014 at an issue price of $0.01 per option. A total of 48,118,288 options were issued under the Prospectus.
- On 18 September 2014 18,000,000 shares, together with one (1) free attaching option for everyone one (1) share subscribed for, were issued at $0.05 per share pursuant to a placement to sophisticated investors;
- On 10 November 2014 4,880,000 shares, together with one (1) free attaching option for everyone one (1) share subscribed for, were issued at $0.05 per shares to the directors' of the Company. The directors' participation was approved at the Annual General Meeting held on 3 November 2014.

(ii) Transactions costs represent the costs of issuing the options.

(d) Movement in unlisted options exercisable at $0.20 on or before 31 December 2015

	NUMBER OF OPTIONS	$
As 1 July 2013	11,000,000	10,000
Transactions during the year		
Options issued	-	-
At 30 June 2014	**11,000,000**	**10,000**
As 1 July 2014	11,000,000	10,000
Transactions during the year		
Options issued	-	-
At 30 June 2015	**11,000,000**	**10,000**

(e) Movement in Performance Shares

	NUMBER OF CLASS A PERFORMANCE SHARES (i)	$
As 1 July 2013	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2014	**50**	**-**
As 1 July 2014	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2015	**50**	**-**

	NUMBER OF CLASS B PERFORMANCE SHARES (i)	$
As 1 July 2013	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2014	**50**	**-**
As 1 July 2014	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2015	**50**	**-**

(i) The following performance shares were issued during the financial year ended 30 June 2013

On 28 December 2012, 100 performance shares were issued pursuant to the Cardinal offer.

There are 100 Performance Shares (convertible into a maximum of 10,000,000 Shares) on issue at 30 June 2015.

General terms attaching to the Performance Shares are set out below.

The Directors are currently of the opinion that the vesting conditions are unlikely to be met within 5 years from Completion date. As such, no value as been ascribed to the performance shares in the group's financial statements.

Class A Performance Shares

(a) Performance Shares: Each Class A Performance Share is a share in the capital of the Company.

(b) Class A Performance Shares shall confer on the holder (Holder) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of the Company.

(c) The Class A Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.

(d) The Class A Performance Shares do not entitle the Holder to any dividends.

(e) The Class A Performance Shares are not transferable.

(f) If at any time the issue capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of reorganisation.

(g) The Class A Performance Shares will not be quoted on ASX. However, upon conversion of the Class A Performance Shares into Shares, the Company must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.

(h) The Class A Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be required by ASX.

(i) The Shares into which the Class A Performance Shares will convert will rank pari passu in all respects with the other Shares on issue.

Conversion of the Performance Shares

(j) Each Class A Performance Share will convert into 100,000 Shares upon satisfaction of one of the following performance hurdles to the reasonable satisfaction of the Company by no later than 5 years from the 28 December 2012:

   (i) The establishment of an inferred resources (JORC compliant) of at least 1 million ounces of gold within the tenements owned by the Company or any of its subsidiaries comprised buy the Ghanaian Projects and DRC Projects;
   (ii) A project owned by the Company or any of its subsidiaries being comprised by the tenements the subject of all or part of the Ghanaian Projects or DRC Projects, being sold for at least $25 million in cash or cash equivalent; or
   (iii) A joint venture arrangement being entered into in respect of any tenement or tenements owned by the Company or of any of its subsidiaries and being comprised by all or part of the Ghanaian Projects or DRC Projects resulting in a payment in cash or cash equivalent of the Company or not less than $25 million.

   (with all of the above performance hurdles constituting the "Class A Performance Hurdle)

(k) The Company will issue the Holder with new holding statements for the Shares as soon as practicable following the conversion of the Class A Performance Shares into Shares.

Class B Performance Shares

(a) Performance Shares: Each Class B Performance Share is a share in the capital of the Company.

(b) Class B Performance Shares shall confer on the holder (Holder) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of the Company.

(c) The Class B Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.

(d) The Class B Performance Shares do not entitle the Holder to any dividends.

(e) The Class B Performance Shares are not transferable.

(f) If at any time the issue capital of the Company is reconstructured, all rights of a Holder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of reorganisation.

(g) The Class B Performance Shares will not be quoted on ASX. However, upon conversion of the Class B Performance Shares into Shares, the Company must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.

(h) The Class B Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be required by ASX.

(i) The Shares into which the Class B Performance Shares will convert will rank pari passu in all respects with the other Shares on issue.

Conversion of the Performance Shares

(j) Each Class B Performance Share will convert into 100,000 Shares upon satisfaction of one of the following performance hurdles to the reasonable satisfaction of the Company by no later than 5 years from 28 December 2012:

(i) The market capitalisation of the Company reaching at least $50 million on an undiluted basis determined by reference to the preceding 30 day VWAP;

(with all of the above performance hurdles constituting the "Class B Performance Hurdle)

(k) The Company will issue the Holder with new holding statements for the Shares as soon as practicable following the conversion of the Class B Performance Shares into Shares.

	NUMBER OF CLASS C PERFORMANCE SHARES (ii)	$
As 1 July 2013	-	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2014	**-**	**-**
As 1 July 2014	-	-
Transactions during the year		
Performance shares issued	60	-
At 30 June 2015	**60**	**-**

(ii) The following performance shares were issued during the financial year ended 30 June 2015

On 17 February 2015, 60 performance shares were issued pursuant to the Asset Sale Agreement with Savannah to purchase the highly prospective Ndongo North concession adjacent to the exiting Ndongo area within the Bolgatanga project area in North-East Ghana.

There are 60 Performance Shares (convertible into a maximum of 6,000,000 Shares) on issue at 30 June 2015.

General terms attaching to the Performance Shares are set out below.

The Directors are currently of the opinion that the vesting conditions are unlikely to be met within 5 years from the date issue. As such, no value as been ascribed to the performance shares in the group's financial statements.

The issue of 60 Performance Shares in the capital of the Company, each of which will convert to 100,000 Shares ranking equally with the existing Shares in the proportions set out below upon satisfaction of achieving a minimum JORC Inferred Resource of gold ounces within the Ndongo North Concession ("**Performance Hurdles**") by no later than five years after the date on which the Performance Shares are issued, being 18 February 2015;

Performance Shares	Performance Hurdles (JORC Inferred Au Resource)	Conversion to Ordinary Shares
10	500,000 ounces	1,000,000
5	750,000 ounces	500,000
5	1,000,000 ounces	500,000
5	1,250,000 ounces	500,000
5	1,500,000 ounces	500,000
5	1,750,000 ounces	500,000
5	2,000,000 ounces	500,000
5	2,250,000 ounces	500,000
5	2,500,000 ounces	500,000
5	2,750,000 ounces	500,000
5	3,000,000 ounces	500,000
60		**6,000,000**

In the event that the Company sells, transfers or otherwise disposes of all or part of the Ndongo North Concession to a third party prior to the issuing of any Shares upon conversion of any Performance Shares, then Savannah will be entitled to an amount equal to 49% of the sale proceeds less any related selling costs, exploration and mining costs (plus a fixed 30% overhead amount), purchase costs in connection with the acquisition of the Ndongo North Concession, and any other costs incurred with respect to the sale.

14 RESERVES

Movements in options reserve

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
At the beginning of the year	263,816	1,666,316
Options issued during the year (note 13(c))	468,607	-
Expiry of unlisted options (i)	-	(1,402,500)
At reporting date	**732,423**	**263,816**

(i) On 30 June 2014 56,657,620 options expired. None of these options were exercised.

Movements in foreign translation reserve

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
At the beginning of the year	(292,646)	(93,912)
Foreign translation	(84,825)	(198,734)
	(377,471)	**(292,646)**

15 ACCUMULATED LOSSES

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Accumulated losses at the beginning of the year	(10,692,465)	(2,129,617)
Loss for the year	(3,495,726)	(9,965,348)
Expiry of unlisted options	-	1,402,500
Accumulated losses at the end of the year	**(14,188,191)**	**(10,692,465)**

16 LOSS PER SHARE

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Loss attributable to the owners of the Company used in calculating basic and diluted loss per shares	(3,495,726)	(9,965,348)
	(3,495,726)	**(9,965,348)**

	2015 Number	2014 Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	91,614,740	73,356,576
Weighted average number of ordinary shares for diluted earnings per share	**91,614,740**	**73,356,576**

As the Company has made a loss for the year ended 30 June 2015, all options on issue are considered anti-dilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

17 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash at bank and in hand and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Current – cash at bank	839,755	909,980
	839,755	**909,980**

(b) Reconciliation of loss after tax to net cash flows from operations

	CONSOLIDATED 30 JUNE 2015 $	CONSOLIDATED 30 JUNE 2014 $
Loss after income tax	(3,495,726)	(9,965,348)
Non-cash flows in profit		
Depreciation expense	69,778	91,219
Exploration write off	-	47,719
Impairment expense	771,449	7,309,500
Foreign exchange movement	(111,073)	-
Changes in assets and liabilities		
Decrease in trade and other receivables	13,292	2,006
(Increase)/Decrease in prepayments	(9,153)	19,850
Increase/(Decrease) in trade and other payables	239,717	(28,058)
	(2,521,716)	**(2,523,112)**

18 SHARE BASED PAYMENTS

There were no share based payments made during the year ended 30 June 2015.

19 COMMITMENTS AND CONTINGENCIES

(a) Commitment

Mineral exploration commitment

In order to maintain the current rights of tenure to exploration tenements, the Group has the following discretionary exploration expenditure requirements.

	2015 $	2014 $
Not later than one year	-	-
Later than one year but not later than two years	-	-
	-	**-**

(b) Contingent liabilities and commitments

The Group fully owns four subsidiaries, the main activities of which are exploration. The effect of these subsidiaries is to make the Cardinal Resources owned subsidiaries contractually responsible for any transactions undertaken by the subsidiary. The parent entity has provided certain guarantees to third parties whereby certain liabilities of the subsidiary are guaranteed.

	2015 $	2014 $
Not later than one year	1,606,269	-
Later than one year but not later than two years	391,773	-
	1,998,042	**-**

Subranum Project: Cardinal Resources Subranum Limited has entered into a Sale and Purchase agreement with Newmont Ghana Gold Limited (a subsidiary of Newmont Mining Corporation) for the purchase of Subin Kasu Prospecting Licence (the “Subranum Project”).

Subject to the approval of the sale by the relevant Minister for the Ghanaian Mining Act, Cardinal Resources Subranum Limited will acquire 100% of the Subin Kasu Prospecting Licence and pay to Newmont Ghana Gold Limited US$50,000 on or before 10 days after the approval date, US$50,000 on the first anniversay of the approval date and a final $100,000 on the second anniversary date. In addition Cardinal Resources Subranum Limited will be required to spend US$250,000 on exploration within the first year from approval and a further US$750,000 in the second year.

Cardinal Resources Subranum Limited will be required to pay Newmont Ghana Gold Limited US$50,000 per annum from the date which Cardinal Resources Subranum Limited reports a "gold resource estimate" of 1 Moz of Gold. Subject to the grant of a Mining Lease under the Ghanaian Mining Act, Cardinal Resources Subranum Limited will be required to pay Newmont Ghana Gold Limited a 2% Net Smelter Royalty.

20 EVENTS SUBSEQUENT TO BALANCE DATE

On 7 August 2015 the Company issued 1,838,462 fully paid ordinary shares and 1,838,462 Options exercisable at $0.15 on or before 30 September 2019 to the Directors' of the Company, namely Messrs Alec Pismiris, Archie Koimtsidis and Malik Easah. The shares and options were issued under the same terms as the June 2015 Placement for an aggregate subscription amount of $119,500. The Directors' Placement was approved at the Company's general meeting held on 27 July 2015.

On 7 August 2015 the Company issued 14,584,231 free attaching options for every share subscribed for under the June 2015 Placement. The issue of the free attaching options was approved at the Company's general meeting held on 27 July 2015.

On 1 September 2015 the Company appointed Mark Thomas and Simon Jackson as Non-Executive Directors of the Company.

On 21 September 2015 Cardinal announced that it had acceptances and commitments from sophisticated and professional investors in respect of a placement to issue fully paid ordinary shares at 10 cents each with a free listed option, exercisable at $0.15 on or before 30 September 2019, for every two new shares subscribed for to raise up to $5.0 million.

The Placement will be undertaken in two tranches. The first tranche of 28,164,816 shares was issued on 25 September 2015 for approximately $2,816,481. The balance of the Placement shares, of up to 21,835,184 shares and all of the Listed Options will be issued subject to Cardinal shareholder approval being obtained.

The directors of the Company (namely, Messrs Alec Pismiris, Archie Koimtsidis, Malik Easah, Mark Thomas and Simon Jackson) will, subject to shareholder approval, participate in the placement to subscribe for a total of 8,418,820 Shares and 4,209,410 Listed Options for an aggregate subscription amount of $841,882.

On 30 September 2015 the Company announced that it had received a commitment from Macquarie Bank Limited in respect of a placement to issue 10,000,000 fully paid ordinary shares at 10 cents each with a free listed option, exercisable at $0.15 on or before 30 September 2019, for every two new shares subscribed for to raise up to $1.0 million. The shares and options will be issued on shareholder approval being obtained.

On 30 September 2015 the Company announced that it had received a commitment from Macquarie Bank Limited in respect of a placement to issue 10,000,000 fully paid ordinary shares at 10 cents each with a free listed option, exercisable at $0.15 on or before 30 September 2019, for every two new shares subscribed for to raise up to $1.0 million. The shares and options will be issued on shareholder approval being obtained.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of the affairs of the Group in future financial years.

21 FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that the financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

2015	Note	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Weighted average interest rate
		$	$	$	$	%
Financial assets						
Cash and cash equivalents	17 (a)	674,371	-	165,384	839,755	2.69%
Trade and other receivables	8 (a)	-	-	12,878	12,878	-
Other assets	8 (b)	-	-	22,474	22,474	-
		674,371	**-**	**200,736**	**875,107**	**-**
Financial liabilities						
Trade and other payables	12	-	-	368,148	368,148	-
		-	**-**	**368,148**	**368,148**	**-**

2014	Note	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Weighted average interest rate
		$	$	$	$	%
Financial assets						
Cash and cash equivalents	17 (a)	88,375	-	821,605	909,980	2.82%
Trade and other receivables	8 (a)	-	-	6,452	6,452	-
Other assets	8 (b)	-	-	33,039	33,039	-
		88,375	**-**	**861,096**	**949,471**	**-**
Financial liabilities						
Trade and other payables	12	-	-	127,366	127,366	-
		-	**-**	**127,366**	**127,366**	**-**

Based on the balances at 30 June 2015 a 1% movement in interest rates would increase/decrease the loss for the year before taxation by $6,743 (2014: $884).

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any allowance for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair value and is determined in accordance with the accounting policies disclosed in note 2 to the financial statements.

(d) Financial risk management

The Group's financial instruments consist mainly of deposits with recognised banks, investment in bank bills up to 90 days, accounts receivable and accounts payable. Liquidity is managed, when sufficient funds are available, by holding sufficient funds in a current account to service current obligations and surplus funds invested in bank bills. The directors analyse interest rate exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The main risks the Group is exposed to is through its financial instruments is the depository banking institution itself, holding the funds, and interest rates. The Group's credit risk is minimal as being an exploration Company, it has no significant financial assets other than cash and term deposits.

(e) Foreign Currency Risk

Foreign Currency Transactions and Balances

Functional and presentation currency
The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operations. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

Transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or new investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recouped in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Foreign exchange risk
Exposure to foreign exchange risk may result in the fair value or future cashflows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The following table shows the foreign currency risk on the financial assets and liabilities of the Group's operations denominated in currencies other than the functional currency of the operations. The foreign currency risk in the books of the parent entity is considered immaterial and is therefore not shown.

Consolidated Group	Net Financial Assets/(Liabilities) In AUD			
	AUD	USD	GHS	Total AUD
Functional currency of entity:				
Australian dollar	389,614	1,094	-	390,708
GHS New Cedi	-	121,972	(41,068)	80,904
Statement of financial position exposure	**389,614**	**123,066**	**(41,068)**	**471,612**

(f) Market Price Risk

The Group is not exposed to market price risk as it does not have any investments other than an interest in the subsidiaries.

22 RELATED PARTY TRANSACTIONS

The Group has no related parties other than the 100% owned subsidiaries disclosed in note 24 and the key management personnel as detailed in the remuneration report and disclosed in note 7. At 30 June 2015 balances due from the subsidiaries were:

Australian Dollar ($)	30 JUNE 2015 $	30 JUNE 2014 $
Cardinal Resources (Australia) Pty Ltd	4,306,405	4,129,130
Cardinal Resources Ghana Limited	1,548,460	814,485
Cardinal Resources Subranum Limited	8,020	8,670
Cardinal Mining Services Limited	340,190	-
	6,203,075	**4,952,285**

These amounts comprise of funds provided by the parent company for exploration activities.

Accounting, bookkeeping, corporate secretarial and administration service fees of $196,506 (2014: $160,542) were paid or payable on ordinary commercial terms during the year to Marshall Michael Pty Ltd, a company in which Mr Michael was a director. At 30 June 2015 $28,444 (2014: $10,872) was payable to Marshall Michael Pty Ltd.

23 SEGMENT REPORTING

For management purposes, the Group is organised into one main operating segment, which involves the exploration of minerals in Ghana. All of the Group's activities are interrelated, and discrete financial information is reported to the Board as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

24 SUBSIDIARIES

The parent entity, Cardinal Resources Limited, has 100% interest in the below subsidiaries. Cardinal Resources Limited is required to make all the financial and operating policy decisions of these subsidiaries.

Subsidiaries of Cardinal Resources Limited	Country of incorporation	Percentage owned %	
		2015	2014
Cardinal Resources (Australia) Pty Ltd	Australia	100%	100%
Cardinal Resources Ghana Limited	Ghana	100%	100%
Cardinal Resources Subranum Limited	Ghana	100%	100%
Cardinal Mining Services Limited	Ghana	100%	100%

The parent entity acquired a 100% interest in Cardinal Resources (Australia) Limited on 28 December 2012. Cardinal Resources (Australia) Limited has a 100% interest in Cardinal Resources Ghana Limited, Cardinal Mining Services Limited, and Cardinal Resources Subranum Limited.

25 PARENT COMPANY DISCLOSURE

(a) Financial Position for the year ended 30 June 2015

Australian Dollar ($)	30 JUNE 2015 $	30 JUNE 2014 $
Assets		
Current assets	725,395	152,631
Non-current assets	-	693,000
Total assets	**725,395**	**845,631**
Liabilities		
Current liabilities	317,532	89,119
Non-current liabilities	-	-
Total liabilities	**317,532**	**89,119**
Net assets	**407,863**	**756,512**
Equity		
Issued capital	14,926,167	12,993,387
Reserves	744,999	263,816
Accumulated losses	(15,263,303)	(12,500,691)
Total equity	**407,863**	**756,512**

(b) Financial Performance for the year ended 30 June 2015

Australian Dollar $	30 JUNE 2015 $	30 JUNE 2014 $
Loss for the year	(2,762,612)	(8,969,208)
Other comprehensive income	-	-
Total comprehensive loss	**(2,762,612)**	**(8,969,208)**

(c) Guarantees entered into by the Parent Entity

	30 JUNE 2015 $	30 JUNE 2014 $
	-	-
	-	**-**

DIRECTOR'S DECLARATION

In the opinion of the Directors of Cardinal Resources Limited ("the Company")

(a) The financial statements and the notes and the additional disclosures included in the directors' report designated as audited of the Group are in accordance with the Corporations Act 2001, including:

  (i) Giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended that date; and

  (ii) Complying with Accounting Standards and Corporations Regulations 2001, and:

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(c) The financial statements and notes comply with International Financial Reporting Standards as disclosed in note 2.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the Board

Archie Koimtsidis
Managing Director

Dated this 30 September 2015
Perth, Western Australia

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Profit from our Resources

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Chartered Accountants (Aus)
Business Consultants
Financial Advisors

Auditor's Independence Declaration

To those charged with governance of Cardinal Resources Limited

As auditor for the audit of Cardinal Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Somes Cooke

Somes Cooke

K Somes

Kevin Somes
Partner

Perth

30 September 2015

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Chartered Accountants (Aus)
Business Consultants
Financial Advisors

Independent Auditor's Report

To the members of Cardinal Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Cardinal Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of Cardinal Resources Limited comprising the entity and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards.*

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion

In our opinion:

(a) the financial report of Cardinal Resources Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in Note 2.

Report on the Remuneration Report
We have audited the Remuneration Report included in pages 18 to 23 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Opinion
In our opinion, the Remuneration Report of Cardinal Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

Somes Cooke

Somes Cooke

Ke Somes

Kevin Somes

Perth

30 September 2015

1 Distribution of holders

As at 30 September 2015 the distribution of shareholders was as follows:

Ordinary shares

Size of holding	Number of holders
1 – 1,000	4
1,001 –5,000	12
5,001 – 10,000	95
10,001 – 100,000	170
100,001 and over	155
Total	**436**

2 Voting rights

There are no restrictions to voting rights attached to the ordinary shares. On a show of hands every member present in person will have one vote and upon a poll, every member present or by proxy will have one vote each share held.

3 Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with Section 671B of the Corporation Act 2001 are;

Shareholder	Shares held	Percentage interest %
US Global Investors Inc	9,000,000	6.39%
Oceanic Capital Pty Ltd	7,184,803	6.04%

4 Top 20 shareholders

The names of the 20 largest shareholders on the share register as at 30 September 2015, who hold 52.20% of the ordinary shares of the Company, were as follows;

Shareholder	Number
HSBC Custody Nominees (Australia) Limited	9,130,000
Oceanic Capital Pty Ltd	8,501,526
Mr Malik Mohammad Easah	5,598,481
St Barnabas Investments Pty Ltd	5,256,250
Riverfront Nominees Pty Ltd <MCM Family A/C>	4,949,683
Mr Arthur Koimtsidis	4,819,231
Panga Pty Ltd	4,040,000
Bellarine Gold Pty Ltd <Ribblesdale Super Fund A/C>	3,369,000
J P Morgan Nominess Australia Limited	3,345,000
Fast Lane Australia Pty Ltd	3,000,000
Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	2,555,026
Yarandi Investments Pty Ltd <Griffith Family No 2 A/C>	2,458,288
Compusure Superannuation Pty Ltd <Compusure Staff S/F A/C>	2,309,321
AWD Consultants Pty Ltd	2,250,000
Norvest Projects Pty Ltd	2,050,000
ACP Investments Pty Ltd <The ACP Investment A/C>	2,000,000
Arredo Pty Ltd	2,000,000

Citicorp Nominees Pty Limited	1,994,000
Dixtru Pty Limited	1,973,551
Mr Danny Murphy + Mrs Susan Murphy <Danny Murphy Super Fund A/C>	1,910,000

5 Top 20 option holders

The names of the 20 largest option holders on the share register as at 30 September 2015, who hold 63.10% of the listed options of the Company, were as follows;

Optionholder	Number
Bellarine Gold Pty Ltd <Ribblesdale Super Fund A/C>	8,500,000
Mr Malik Mohammad Easah	6,772,731
Oceanic Capital Pty Ltd	5,158,390
AWD Consultants Pty Ltd	4,000,000
Riverfront Nominees Pty Ltd <MCM Family A/C>	3,474,842
Dixtru Pty Limited	3,086,776
Cleverman Investments Pty Ltd <The AK Investment A/C>	3,085,000
Yarandi Investments Pty Ltd <Griffith Family No 2 A/C>	2,700,000
Clariden Capital Limited	2,000,000
Redland Plains Pty Ltd <Brian Bernard Rodan S/F A/C>	1,950,000
Mrs Sophie Kyriazis	1,717,944
Mr Danny Murphy + Mrs Susan Murphy <Danny Murphy Super Fund A/C>	1,560,000
Fast Lane Australia Pty Ltd	1,500,000
HSBC Custody Nominees (Australia) Limited	1,500,000
Rojo Nero Capital pty Ltd	1,500,000
Nutsville Pty Ltd <Industrial Elect Co S/F A/C>	1,460,000
ACP Investments Pty Ltd <The ACP Investment A/C>	1,427,500
Mr Owen Barry Merrett + Mrs Joanne Ross Merrett <Merrett Super Fund A/C>	1,300,000
Mr David Ian Raymond Hall + Mrs Denise Allison Hall	1,269,231
Mr Russell Neil Creagh	1,200,000

6 Consistency with business objectives

The Company has used its cash and assets in a form readily convertible to cash that it had at the time of listing in a way the consistent with its stated objectives.

SCHEDULE OF TENEMENTS

Cardinal Resources Limited mineral interest as at 30 September 2015

Project	Registered Holder	Note	Status	Equity	Registry No
GHANA					
Bolgatanga Project					
Ndongo Prospect	Cardinal Resources (Ghana) Limited		Prospecting	100%	PL9/22
Ndongo North	Cardinal Resources (Ghana) Limited		Reconnaissance	100%	-
Kungongo Prospect	Cardinal Resources (Ghana) Limited		Reconnaissance	100%	RL9/28
Bongo Prospect	Cardinal Resources (Ghana) Limited		Reconnaissance	100%	RL9/29
Subranum Project					
Subranum Prospect	Newmont	1	Prospecting	-	PL6/309

1. Subranum Project: Cardinal Resources Subranum Limited has entered into a Sale and Purchase agreement with Newmont Ghana Gold Limited (a subsidiary of Newmont Mining Corporation) for the purchase of Subin Kasu Prospecting Licence (the "Subranum Project").

   Subject to the approval of the sale by the relevant Minister for the Ghanaian Mining Act, Cardinal Resources Subranum Limited will acquire 100% of the Subin Kasu Prospecting Licence and pay to Newmont Ghana Gold Limited US$50,000 on or before 10 days after the approval date, US$50,000 on the first anniversay of the approval date and a final $100,000 on the second anniversary date. In addition Cardinal Resources Subranum Limited will be required to spend US$250,000 on exploration within the first year from approval and a further US$750,000 in the second year.

   Cardinal Resources Subranum Limited will be required to pay Newmont Ghana Gold Limited US$50,000 per annum from the date which Cardinal Resources Subranum Limited reports a "gold resource estimate" of 1 Moz of Gold. Subject to the grant of a Mining Lease under the Ghanaian Mining Act, Cardinal Resources Subranum Limited will be required to pay Newmont Ghana Gold Limited a 2% Net Smelter Royalty.