



**FINANCIAL REPORT FOR THE
HALF YEAR ENDED 31 DECEMBER 2015**

This interim financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2015 and any public announcements made by Cardinal Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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The Directors are pleased to submit their report on Cardinal Resources Limited for the half-year ended 31 December 2015.

DIRECTORS

The names of the directors who held office during or since the end of the half-year are:

DIRECTOR	TITLE	DATE OF APPOINTMENT	DATE OF RETIREMENT
Mark Connelly	Non-Executive Chairman	19 November 2015	N/A
Archie Koimtsidis	Managing Director	24 December 2012	N/A
Malik Easah	Executive Director	24 December 2012	N/A
Mark Thomas	Non-Executive Director	31 August 2015	N/A
Simon Jackson	Non-Executive Director	31 August 2015	N/A
Alec Pismiris	Non-Executive Director	11 November 2010	19 November 2015

REVIEW AND RESULTS OF OPERATIONS

A summary of revenue and result for the half-year is set out below:

	2015	
	Revenue	Result
	\$	\$
Revenue and (Loss)	10,130	(3,486,497)

During the six month period the exploration and evaluation expenditure was \$2,903,322 (2014: \$1,101,845) administration costs were \$544,467 (2014: \$269,211) and impairment expense was \$0 (2014: \$773,963). Foreign exchange (loss)/gain was (\$48,838) (2014: gain of \$157,696) resulting in a total loss for the six months of \$3,486,497 (2014: \$1,983,164).

JULY - DECEMBER 2015 REVIEW OF OPERATIONS

The Board is pleased to provide the following Review of Operations for the half year period to 31 December 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 and diamond 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).

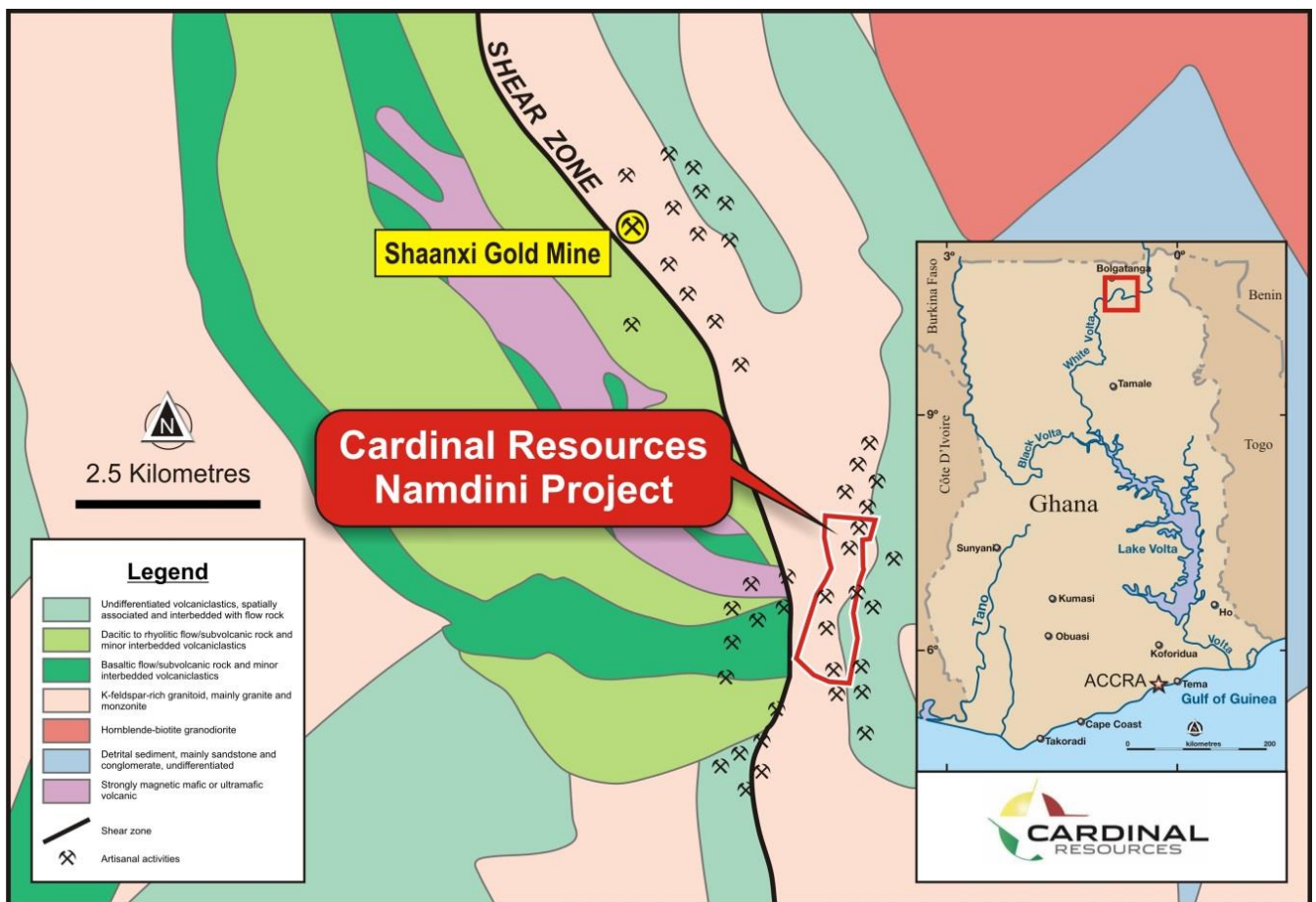


Figure 2: Namdini Project Area

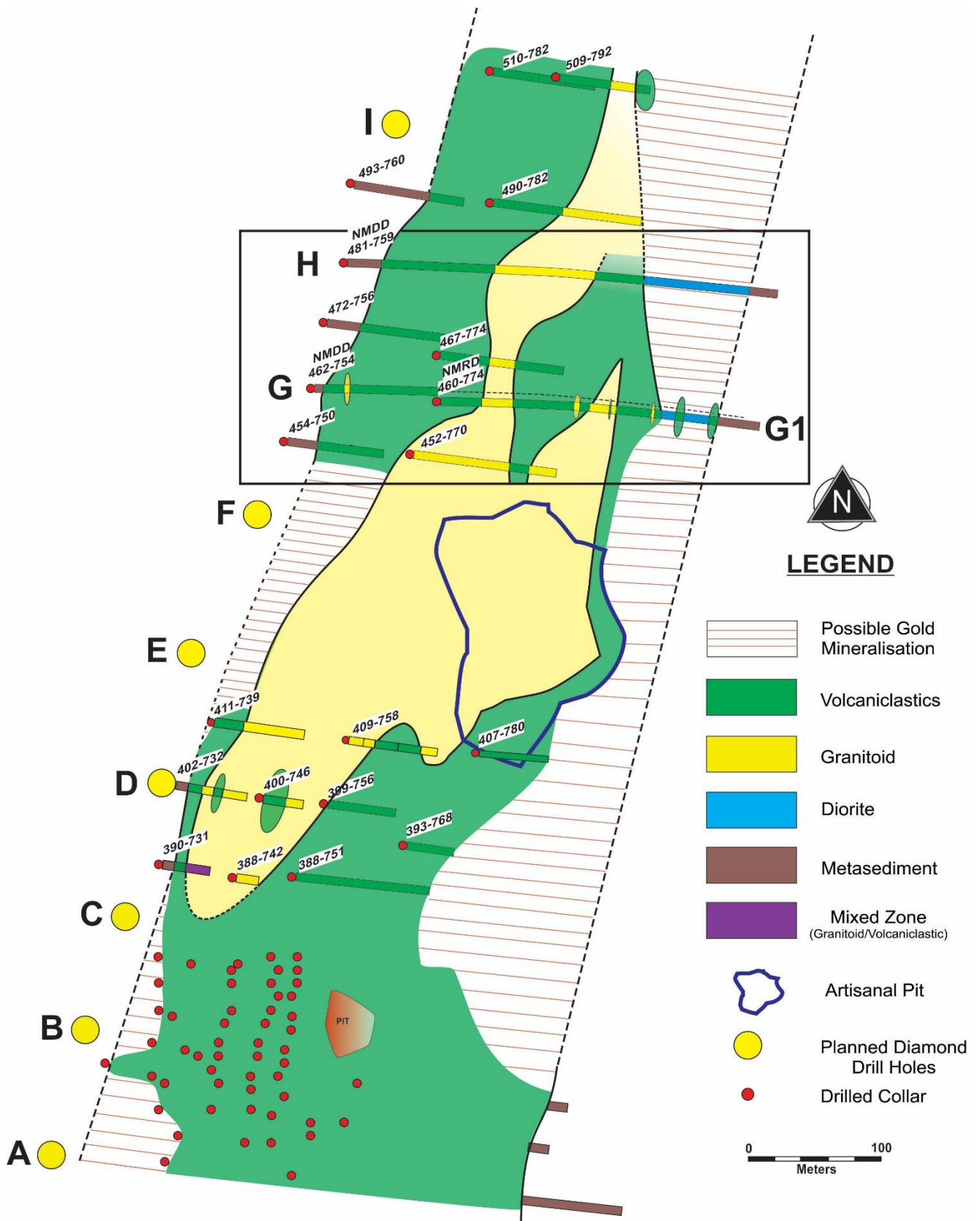


Figure 3: Namdini Project Area
(see Figure 4 for details of indicated area)

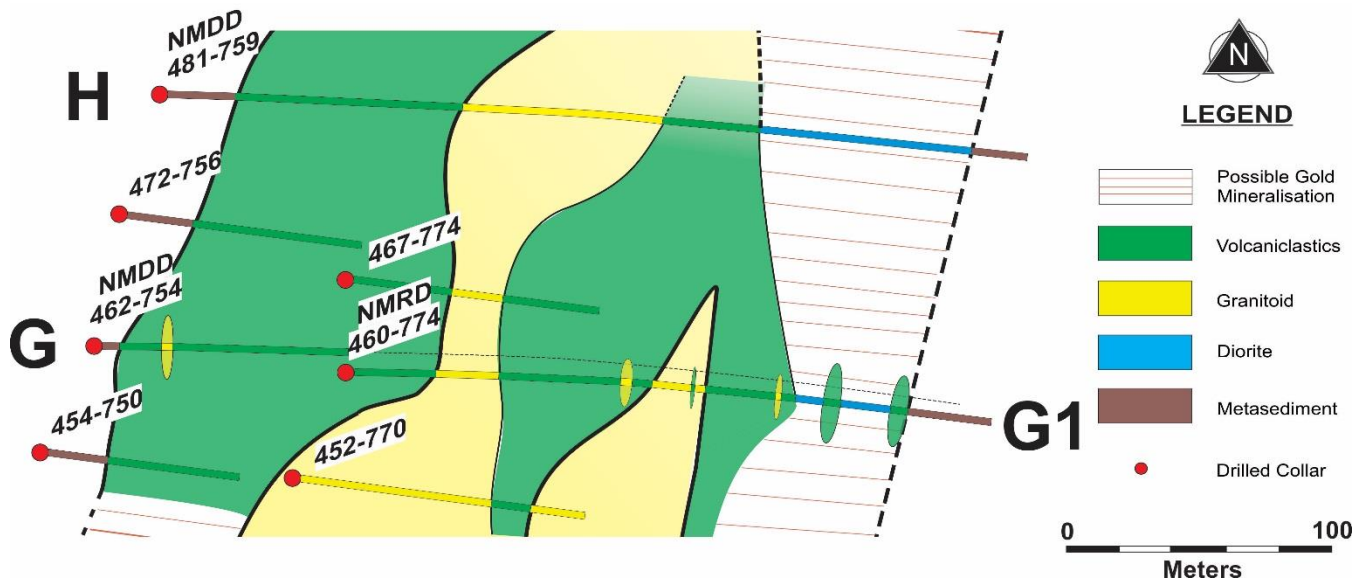


Figure 4: Diamond Drill Holes NMDD462-754, NMRD460-774 and NMDD481-759

NAMDINI PROJECT DRILLING

A total of 3 Diamond and 17 RC drill holes were completed during this review period totalling 2,329.28m. A total of 2,577 samples, including duplicates, blanks and standards, were submitted to SGS Laboratory, Ouagadougou, Burkina Faso, for standard fire assay (Table 1). QAQC protocols were observed by the taking of duplicates (RC drilling), and inserting in-house blanks and commercial certified reference material (CRM) as standards.

Drill Method	No. Holes	Total (m)	No. Samples	Duplicates	Blanks	Standards
DD Drilling	3	892.28	964	0	22	23
RC Drilling	17	1,437.00	1,423	74	35	36
Totals	20	2,329.28	2,387	74	57	59

Table 1: Namdini Drilling (H2 2015)

The drill rigs for the diamond drill holes were all aligned at -65° dip drilling east which allows for the shallowing of the drill hole with depth. The azimuth was set at 095° instead of 100° (normal to the strike of the formations) as the borehole trace usually deflects to the right with depth due to the clockwise rotation of the drill rods.

Further diamond drill holes are planned on Sections A to I (Figure 3).

Diamond Drilling

Two of the diamond drill holes (NMDD462-754 and NMDD481-759) were cored from surface. The soft near surface materials were drilled with a Triple Tube core barrel to reduce core losses. Once harder rock was encountered, then HW steel casing was inserted for drill hole stability and HQ size core was drilled to their final depths.

The diamond drill holes were surveyed near the top of each drill hole, then every 30m down the hole to determine the dip and azimuth of the drill holes with depth.

Combination RC and Diamond Drilling

NMRD460-774 was RC drilled from surface to 84m, then HW steel casing was inserted for drill hole stability and HQ size core was drilled to a final depth of 262.68m.

The RC drill hole was surveyed only for dip at the end of the RC drilled portion of the drill hole as the azimuth could not be determined due to the proximity of the metal rods which affects the magnetic readings. The drill hole was surveyed for both azimuth and dip a short distance below the end of the HW casing, and then every 30m down the hole to determine the dip and azimuth of the drill hole until completed.

The Core

The core was orientated at each drill run using a digital instrument. The core was marked showing the base of the drill hole, then the core from each drill run was laid in a length of angle iron to fit the core together so that the orientation line could be drawn along the length of the core at the drill site. Initial geotechnical parameters were measured at the drill site, with more detailed parameters measured in the core shed using this orientation line as the datum line.

The core was photographed then cut in half; one half was consistently sampled, with the remaining half stored in metal core trays and placed on metal racks under cover in the core shed at Bolgatanga (Figure 5). The half core samples were sent to the SGS Laboratory in Burkina Faso for fire assay.



Figure 5: Core trays stacked under cover in Bolgatanga core shed

RC Drilling

The general strike of the host rocks is 010° and dipping at approximately -60° W. The RC drilling is orientated at 90° to the strike of 100° azimuth with all drill holes inclined to the east.

During this review period, 17 RC drill holes were completed along strike north of “C” on Figure 3. A total of 1,437m was drilled with a combined total of 1,568 samples, including duplicates, blanks and standards (Table 1), submitted to the SGS Laboratory, Ouagadougou, Burkina Faso for assaying by standard fire assay methods.

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 6).

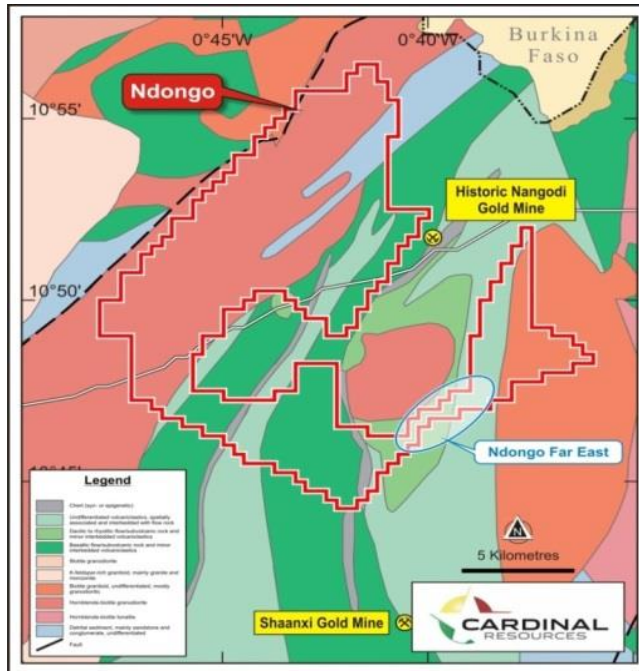


Figure 6: Ndongo Far East Prospect

Previous geochemical sampling in this area delineated anomalous gold-in-soil values around the margins of this magnetic intrusive (Figure 7).

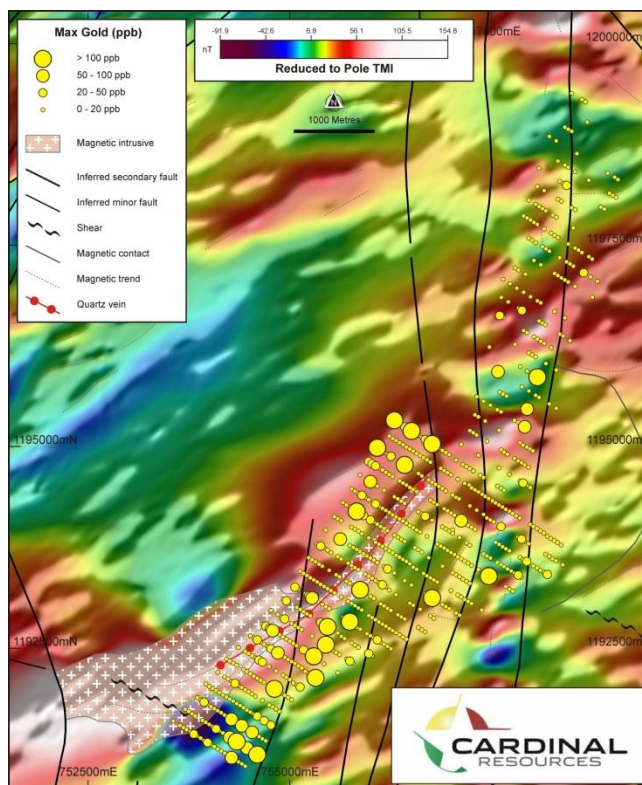


Figure 7: Ndongo Far East Prospect with gold-in-soil anomalies around magnetic intrusive

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 8).

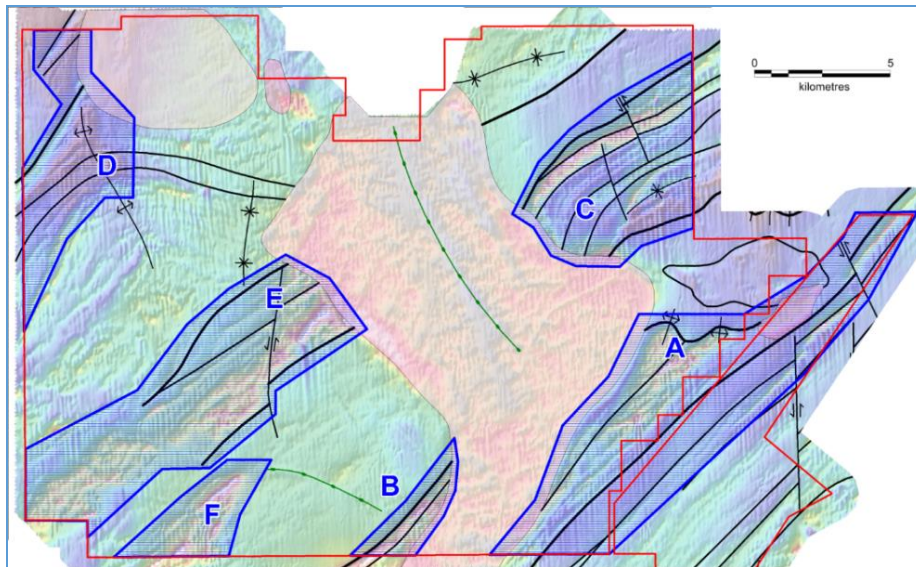


Figure 8: Bongo Prospect - 2013 airborne survey magnetic image with preliminary interpretation and six target zones

Target areas C and D were field checked to assess their suitability for Gradient Array Induced Polarisation (GAIP) surveys over them. Target C has the potential to contain base metal sulphides while Target D has the potential to contain gold-bearing sulphides.

KUNGONGO PROSPECT

The airborne geophysical survey over the Kungongo Prospect delineated two interpreted target areas (“A” and “B”) containing possible mineralised structures (Figure 9).

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. Target B occurs over a ~7 km long area underlain by Birimian greenstones and granitoids.

Target A: A Gradient Array Induced Polarisation (GAIP) survey has been planned over this area which should indicate whether any gold-bearing sulphides are developed along this shear zone (Figure 10). Once anomalous possible sulphide-bearing zones have been identified, a RC drill program will be planned to assess these anomalies.

Target B: A soil sampling program over Target B will be planned to identify anomalous zones, followed by a RC drill program to assess these anomalies.

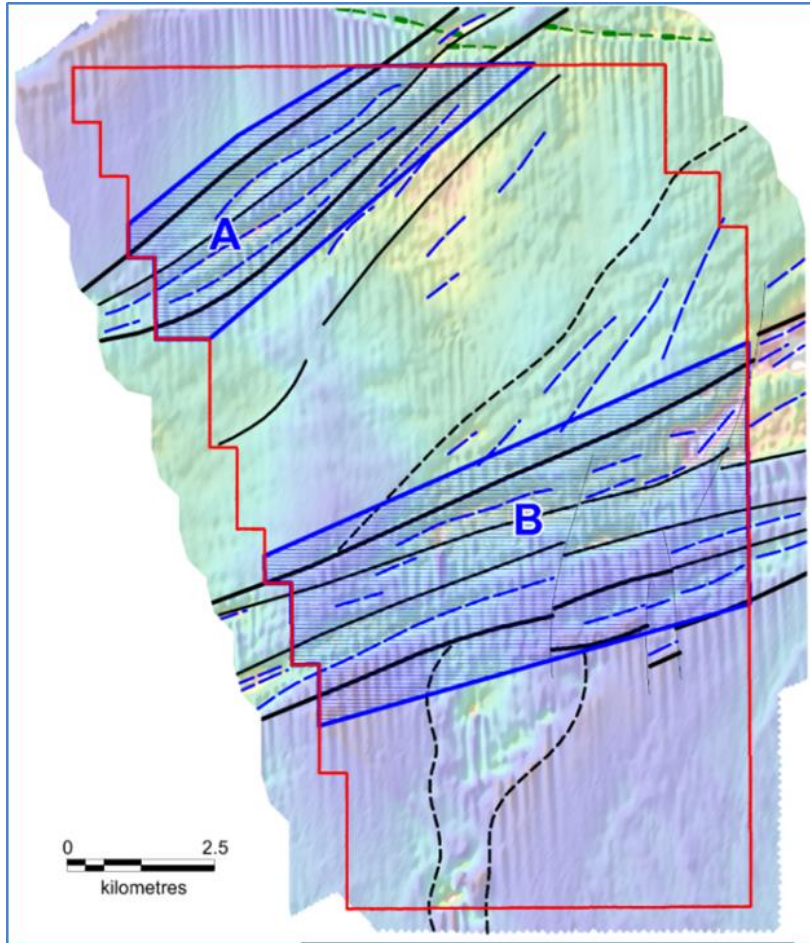


Figure 9: Kungongo – 2013 airborne survey magnetic image with preliminary interpretation and two target zones

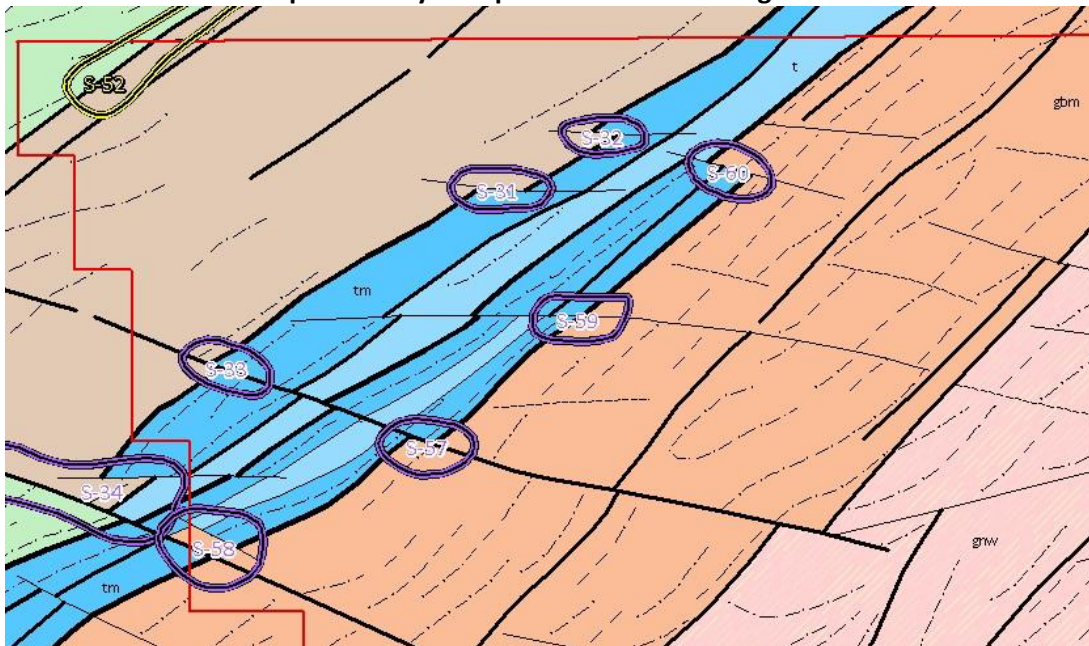


Figure 10: Target A, Kungongo Prospect with initial target areas

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 11).

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.

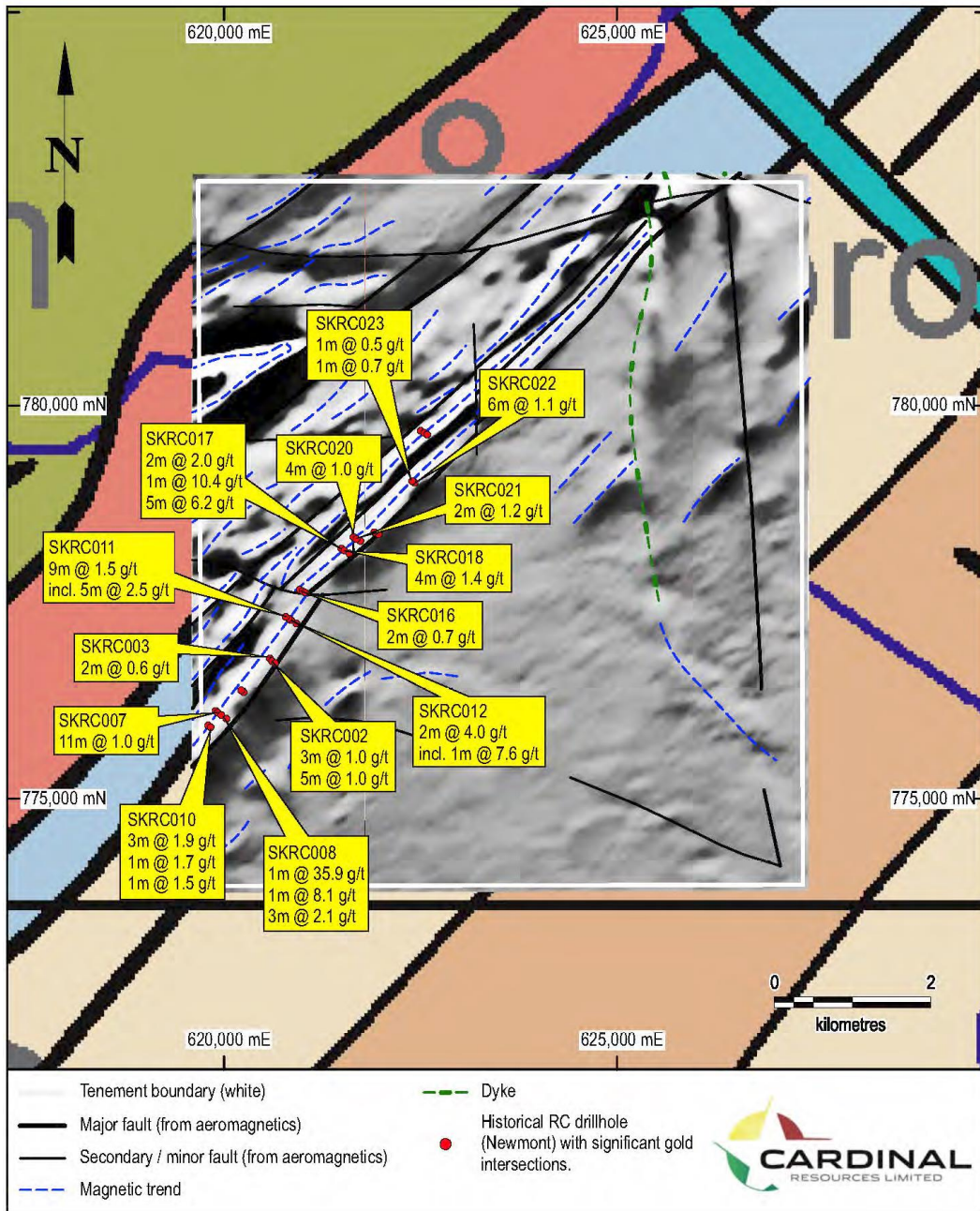


Figure 11: Historical RC drill holes (Newmont) with significant gold intersections highlighted. Magnetic greyscale image in background.

CORPORATE ACTIVITIES

Board Appointments

On the 1 September 2015 Cardinal was pleased to announce that Mark Thomas and Simon Jackson had been appointed as Non-Executive Directors of the Company.

Further on 19 November 2015 the Company was pleased to advise that Mark Connelly had been appointed as the Non-Executive Chairman of the Company.

Mr Connelly replaced Mr Alec Pismiris, who resigned from the Board.

Commenting on the Non-Executive Appointments, Archie Koimtsidis, Managing Director said:

“The Company is pleased to be able to attract such exceptional executives to the Board.

“Mr Thomas’ experience with Macquarie Bank, having funded numerous mines over the past 20 years, will be invaluable in progressing the Company’s objectives.

“Mr Jackson was part of an executive team that commissioned a mine in Ghana and was intergral in one of the most significant corporate transactions in the sectors in the past decade.

“Mr Connelly was welcomed to the role of Non-Executive Chairman whose important skills will be valuable in progressing the Company’s objectives.

“The Board thanks Mr Pismiris for his tireless efforts over the past four years. Mr Pismiris has been an active Board member and Chairman who has provided important contributions to the Company since its founding.

“The skills and experience from the new Board members will enhance the Board and we look forward to their contribution to the development of the Company’s Projects to take the Company to the next level.”

Capital Raising

On 7 August 2015 the Company advised that it had allotted 1,838,462 fully paid ordinary shares (“**Shares**”) at \$0.065 per share and 1,838,462 listed options, exercisable at \$0.15 on or before 30 September 2019 (“**Listed Option**”), to the Directors’ of the Company to raise \$119,500. The Director Placement was approved at the Company’s General Meeting held on 27 July 2015.

During the half year the Company raised a further \$6.03 million with a placement to sophisticated investors and one institutional investor through the issue of 60,332,116 shares at \$0.10 per share with a listed options for every two shares subscribed for.

The placement was in two tranches. Tranche 1 was completed on 25 September 2015 with 28,164,816 shares issued to raise a total of \$2,816,481.

Tranche two and all the options were issued on 27 November 2015, after receiving shareholder approval on 19 November 2015. Tranche 2 included the issue of 10,000,000 shares and 5,000,000 Listed Options to Macquarie Bank Limited (“Macquarie”).

On 30 September 2015 the Company advised that following a recently completed site visit by Macquarie to Cardinal’s Projects in Ghana, Cardinal agreed to issue shares and options to Macquarie on receipt on shareholder approval, which was obtained on 19 November 2015.

Commenting on the capital raising, Archie Koimtsidis, Managing Director said:

“We are very pleased with the strong level of support from new and existing shareholders who recognise the significant potential of our projects.

“We are pleased that the tremendous potential of our Ghanaian Projects is increasingly being recognised by a range of Sophisticated Investors.”

For further information contact:

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Cardinal Resources Limited
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Skype: cardinal.archie

JORC 2012

This ASX announcement contains information extracted from the following reports which are available for viewing on the Company's website www.cardinalresources.com.au:

- 12 February 2016 370m Extensive Gold Mineralised Zone from Surface
- 22 January 2016 285m Mineralised Gold Zone Intersected from Surface
- 12 January 2016 Latest Diamond Drill Hole Confirms More Wide Gold Zones
- 3 December 2015 133m Gold Intersection within Diamond Drill Hole
- 26 November 2015 Very Wide Gold Interstions in RC Drill Holes at Namdini
- 23 November 2015 Maiden Diamond Drill Hole Complated at Namdini Project
- 6 October 2015 New Drilling Plan for Namdini Project
- 9 September 2015 Gold Mineralisation Exceeds 100m Widths at Nadmini Project
- 28 August 2015 More RC Samples Submitted for Assaying
- 25 August 2015 RC Samples Submitted to Laboratory
- 18 August 2015 67m High Grade Gold Zone at Namdini Extension
- 29 July 2015 83m Mineralised Zone Further Along Strike at Namdini

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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15.

This report is made in accordance with a meeting of directors.



ARCHIE KOIMTSIDIS
Managing Director
Cardinal Resources Limited
Dated this 14 March 2016

Auditor's Independence Declaration

To those charged with the governance of Cardinal Resources Limited

As auditor for the review of Cardinal Resources Limited for the half year ended 31 December 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 review; and
- ii) no contraventions of any applicable code of professional conduct in relation to the review.



Somes Cooke



Nicholas Hollens
Partner

Perth

14 March 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Australian Dollar (\$)	Note	31 December 2015 \$	31 December 2014 \$
REVENUE		10,130	4,159
EXPENDITURE			
Administration expenses		(544,467)	(269,211)
Exploration and evaluation expenditure		(2,903,322)	(1,101,845)
Impairment expense	6	-	(773,963)
Foreign exchange (expense)/gain		(48,838)	157,696
LOSS BEFORE INCOME TAX		(3,486,497)	(1,983,164)
Income tax expense		-	-
LOSS AFTER INCOME TAX		(3,486,497)	(1,983,164)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		14,622	(10,584)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF THE COMPANY		(3,471,875)	(1,993,748)
BASIC AND DILUTED LOSS PER SHARE	3	(\$0.02)	(\$0.02)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Australian Dollar (\$)	Note	31 December 2015 \$	30 June 2015 \$
CURRENT ASSETS			
Cash and cash equivalents		2,962,810	839,755
Trade and other receivables		32,880	12,878
Other assets	4	98,835	22,474
TOTAL CURRENT ASSETS		3,094,525	875,107
NON-CURRENT ASSETS			
Capitalised exploration and evaluation	5	-	-
Plant and equipment		543,902	476,644
TOTAL NON-CURRENT ASSETS		543,902	476,644
TOTAL ASSETS		3,638,427	1,351,751
CURRENT LIABILITIES			
Trade and other payables		298,085	368,148
TOTAL CURRENT LIABILITIES		298,085	368,148
TOTAL LIABILITIES		298,085	368,148
NET ASSETS		3,340,342	983,603
EQUITY			
Issued capital	7	20,645,456	14,816,842
Reserves	8	105,758	354,952
Accumulated losses		(17,410,872)	(14,188,191)
TOTAL EQUITY		3,340,342	983,603

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Australian Dollar (\$)	SHARE CAPITAL \$	OPTIONS RESERVE \$	FOREIGN EXCHANGE RESERVE \$	ACCUMULATED LOSSES \$	TOTAL EQUITY \$
Balance at 1 July 2015	14,816,842	732,423	(377,471)	(14,188,191)	983,603
Comprehensive Income					
Profit for the period	-	-	-	(3,486,497)	(3,486,497)
Other comprehensive income	-	-	14,622	-	14,622
Total comprehensive income for the period	-	-	14,622	(3,486,497)	(3,471,875)
Shares and options issued during the period	6,152,722	-	-	-	6,152,722
Share issue expenses	(324,108)	-	-	-	(324,108)
Expiry of options	-	(263,816)	-	263,816	-
Balance at 31 December 2015	20,645,456	468,607	(362,849)	(17,410,872)	3,340,342
Balance at 1 July 2014	12,871,486	263,816	(292,646)	(10,692,465)	2,150,191
Comprehensive Income					
Profit for the period	-	-	-	(1,983,164)	(1,983,164)
Other comprehensive income	-	-	(10,584)	-	(10,584)
Total comprehensive income for the period	-	-	(10,584)	(1,983,164)	(1,993,748)
Shares and options issued during the period	1,144,000	280,753	-	-	1,424,753
Share issue expenses	(100,425)	-	-	-	(100,425)
Balance at 31 December 2014	13,915,061	544,569	(303,230)	(12,675,629)	1,480,771

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

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

Australian Dollar (\$)	31 December 2015 \$	31 December 2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments for exploration and evaluation	(2,835,802)	(885,138)
Payments to suppliers and employees	(671,315)	(311,509)
Interest received	4,233	2,465
Other	2,500	-
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(3,500,384)	(1,194,182)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(38,290)	(18,013)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(38,290)	(18,013)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares and options net of capital raising costs	5,828,610	1,341,463
NET CASH INFLOW FROM FINANCING ACTIVITIES	5,828,610	1,341,463
Net increase in cash and cash equivalents	2,289,936	129,268
Exchange rate adjustment	(166,881)	(98,365)
Cash and cash equivalents at the beginning of the half-year	839,755	909,980
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR	2,962,810	940,883

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

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The consolidated half-year financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial statements and notes also comply with International Financial Reporting Standard IAS 134.

The half-year report does not include full disclosures of the type normally included in an annual financial report. The half-year report is intended to provide users with an update on the latest annual financial statements of the Group. It is recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2015, together with any public announcements made during the half-year.

The half-year report has been prepared on an accruals basis and is based on historical costs.

The accounting policies applied by the Group in this half year report are the same as those applied by the Group in its financial report for the year ended 30 June 2015, except for the impact of the new Standards and Interpretations and changes in accounting policy described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. Adoption of these standards did not materially impact on the financial figures.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

NOTE 2: OPERATING SEGMENTS

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.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: LOSS PER SHARE

	31 DECEMBER 2015 \$	31 DECEMBER 2014 \$
Basic and diluted loss per share	(0.02)	(0.02)
Loss used in calculation of loss per share	(3,486,497)	(1,983,164)
	<u>Shares</u>	<u>Shares</u>
Weighted average number of shares used as denominator in basic and diluted calculating loss per share	<u>135,368,639</u>	<u>85,471,967</u>

NOTE 4: OTHER ASSET

	6 MONTHS TO 31 DECEMBER 2015 \$	YEAR TO 30 JUNE 2015 \$
Prepayments	62,854	13,882
Cash deposits	35,981	8,592
	<u>98,835</u>	<u>22,474</u>

NOTE 5: EXPLORATION AND EVALUATION

	6 MONTHS TO 31 DECEMBER 2015 \$	YEAR TO 30 JUNE 2015 \$
Costs carried forward in respect of areas of interest		
Balance at the beginning of period	-	771,450
Cost of acquisition	-	-
Expenditure written off	-	-
Impairment (Note 6)	-	(781,903)
Foreign exchange movement	-	10,453
	<u>-</u>	<u>-</u>

NOTE 6: IMPAIRMENT EXPENSE

	6 MONTHS TO 31 DECEMBER 2015 \$	6 MONTHS TO 31 DECEMBER 2014 \$
Impairment expense	-	(773,963)
	<u>-</u>	<u>(773,963)</u>

NOTE 7: ISSUED CAPITAL

(a) Movement in ordinary shares on issue

	NUMBER OF SHARES	\$
At 1 July 2014	73,356,576	12,871,486
Transactions during the year		
Shares issued	37,464,231	2,091,975
Exercise of options	-	-
Less: transaction costs	-	(146,619)
At 30 June 2015	110,820,807	14,816,842
At 1 July 2015	110,820,807	14,816,842
Transactions during the period		
Shares issued (7(a)(i))	62,170,578	6,152,722
Exercise of options	-	-
Less: transaction costs (7(a)(ii))	-	(324,108)
At 31 December 2015	172,991,385	20,645,456

(i) The following shares were issued during the period ended 31 December 2015

- On 7 August 2015 1,838,462 shares were issued at \$0.065 per share, together with one free listed option for every new share issued, to raise a total of \$119,500. The Shares were issued to the Directors' of the Company (namely, Messrs Alec Pismiris, Archie Koimtsidis, and Malik Easah). The Director Placement was approved at the Company's General Meeting held on 27 July 2015.
- On 25 September 2015 28,164,816 shares were issued at \$0.10 per share, together with one free listed option for every two new shares issued, to raise a total of \$2,816,481. The shares were issued under the Placement pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 and the Company's additional 10% placement capacity under ASX Listing Rule 7.1A.
- On 30 November 2015 24,050,184 shares were issued at \$0.10 per share, together with one free listed option for every two new shares issued, to raise a total of \$2,405,018. The shares issued was approved at the Company's General Meeting held on 19 November 2015.
- On 30 November 2015 8,117,116 shares were issued at \$0.10 per share, together with one free listed option for every new share issued, to raise a total of \$811,712. The Shares were issued to the Directors' of the Company (namely, Messrs Archie Koimtsidis, Malik Easah, Mark Thomas and Simon Jackson). The Director Placement was approved at the Company's General Meeting held on 19 November 2015.

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

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

	NUMBER OF OPTIONS	\$
At 1 July 2014	-	-
Transactions during the year		
Options issued	70,998,288	481,183
Exercise of options	-	-
Less: transaction costs (7(b)(i))	-	(12,576)
At 30 June 2015	70,998,288	468,607
At 1 July 2015	70,998,288	468,607
Transactions during the period		
Options issued (7(a)(i))	46,588,751	-
Exercise of options	-	-
At 31 December 2015	117,587,039	468,607

(i) Transaction costs represent the costs of issuing shares.

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

	NUMBER OF OPTIONS	\$
At 1 July 2014	11,000,000	263,816
Transactions during the year		
Options issued	-	-
At 30 June 2015	11,000,000	263,816
At 1 July 2015	11,000,000	263,816
Transactions during the period		
Options issued	-	-
Expired options	(11,000,000)	(263,816)
At 31 December 2015	-	-

(e) Movement in Performance Shares

	NUMBER OF CLASS A PERFORMANCE SHARES	\$
At 1 July 2014	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2015	50	-
At 1 July 2015	50	-
Transactions during the period		
Performance shares issued	-	-
At 31 December 2015	50	-
	NUMBER OF CLASS B PERFORMANCE SHARES	\$
At 1 July 2014	50	-
Transactions during the year		
Performance shares issued	-	-
At 30 June 2015	50	-
At 1 July 2015	50	-
Transactions during the period		
Performance shares issued	-	-
At 31 December 2015	50	-
	NUMBER OF CLASS C PERFORMANCE SHARES	\$
At 1 July 2014	-	-
Transactions during the year		
Performance shares issued	60	-
At 30 June 2015	60	-
At 1 July 2015	60	-
Transactions during the period		
Performance shares issued	-	-
At 31 December 2015	60	-

NOTE 8: RESERVES

	6 MONTHS TO 31 DECEMBER 2015 \$	YEAR TO 30 JUNE 2015 \$
Option Reserve		
Balance at beginning of period	732,423	263,816
Options issued during the period	-	468,607
Expiry of options	(263,816)	-
	<u>468,607</u>	<u>732,423</u>
	6 MONTHS TO 31 DECEMBER 2015 \$	YEAR TO 30 JUNE 2015 \$
Foreign Translation Reserve		
Balance at beginning of period	(377,471)	(292,464)
Foreign translation	14,622	(85,007)
	<u>(362,849)</u>	<u>(377,471)</u>
Reserve balance at reporting date	<u>105,758</u>	<u>354,952</u>

NOTE 9: CONTINGENCIES AND COMMITMENTS

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

NOTE 10: SUBSEQUENT EVENTS

On 2 March 2016 the Company announced that it had received commitments from institutional and professional investors in respect to a placement to issue 42,666,642 fully paid ordinary shares (“Shares”) at 12 cents per shares (“Placement”).

Subject to shareholder approval at a general meeting to be held in April 2016, the Company will issue up to a further 6,416,670 shares, which includes 1,750,002 Shares to Directors of Cardinal.

Except for the above, no matter or circumstance has arisen since 31 December 2015, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

NOTE 11: ESTIMATES & ASSUMPTIONS

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Future Rehabilitation

The Group measures the cost of future rehabilitation in relation to its tenements based on probable cost estimations at the date upon which tenements are altered from their original state. Fair values are determined using local data available. No rehabilitation provision is considered necessary at 31 December 2015.

NOTE 12: SUBSIDIARIES

The parent entity, Cardinal Resources Limited, has a 100% interest in the below companies. Cardinal Resources Limited is required to make all the financial and operating policy decisions for each subsidiary.

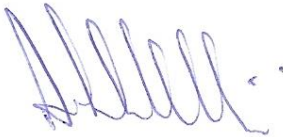
Subsidiaries of Cardinal Resources Limited	Country of Incorporation	Percentage Owned %	
		31 December 2015	30 June 2015
Cardinal Resources (Australia) Limited	Australia	100%	100%
Cardinal Resources (Ghana) Limited	Ghana	100%	100%
Cardinal Mining Services Limited	Ghana	100%	100%
Cardinal Resources Subranum Limited	Ghana	100%	100%

DIRECTOR'S DECLARATION

The directors of the Group declare that:

1. the financial statements and notes, as set out on pages 20 to 26 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2015 and of the performance for the 6 months ended on that date of the Group;
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a meeting of the Board of Directors.



ARCHIE KOIMTSIDIS
Managing Director
Cardinal Resources Limited
Perth, 14 March 2016

Independent Auditor's Review Report

To the members of Cardinal Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Cardinal Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Cardinal Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Cardinal Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Somes Cooke

SOMES COOKE

Nicholas Hollens

NICHOLAS HOLLENS

Partner

14 March 2016

Perth