



ASX ANNOUNCEMENT MEDIA RELEASE

30 October 2015

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2015

HIGHLIGHTS

- RC drilling identified wide mineralised gold zones north of original Namdini gold discovery
- New RC and diamond drill programs will test at least three times more strike length than previously drilled
- Placement to sophisticated investors of \$5.0 million
- Placement to Institutional Investor for \$1.0 million
- Appointment of two non-executive directors

Cardinal Resources Limited (ASX: CDV) ("Cardinal" or "the Company"), an African gold focused exploration company, is pleased to present to shareholders its Quarterly Activities report for the period ended 30 September 2015. Currently Cardinal holds four tenements within the Bolgatanga Project, with Subranum comprised of a single tenement (Figure 1).

From Bolgatanga, Ghana, Managing Director, Archie Koimtsidis said;

"All of the very encouraging results from the original Namdini gold discovery have provided valuable information for the assessment of the gold potential north along strike. The assessment of this entire drill program has greatly assisted in identifying the mineralised trend around Namdini so that the exploration areas could be expanded (Figure 2).

The expanded area contains active shallow artisanal workings within monzonite granitoids which attest to the gold potential of the enlarged area (Figure 3).

During the quarter a successful capital raising was completed in Australia to fund the new drilling programs. This capital raising has enabled Cardinal to finalise new RC and diamond drilling programs for the enlarged Namdini Project area. The RC drill program will test the mineralised Birimian volcaniclastic units and the monzonite granitoid quartz stockworks along strike extensions to the north (Figure 4).

We are optimistic that these new drill programs will intersect more gold mineralisation which will increase the gold potential of the enlarged Namdini area.

Subject to the information received during the RC drilling program, we have the flexibility to reposition the drill rig between the volcanicastics and the granitoids".

Cardinal Resources Limited ABN 56 147 325 620

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Figure 1: Cardinal Resources Tenements in Ghana

BOLGATANGA PROJECT, GHANA

Exploration activities during the quarter 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. The area around the original Namdini Licence has been considerably enlarged, by virtue of a Sale and Purchase Agreement being executed. It is anticipated that this larger land holding should increase the gold mineralisation along strike from the original Namdini gold discovery (Figures 2 and 4).

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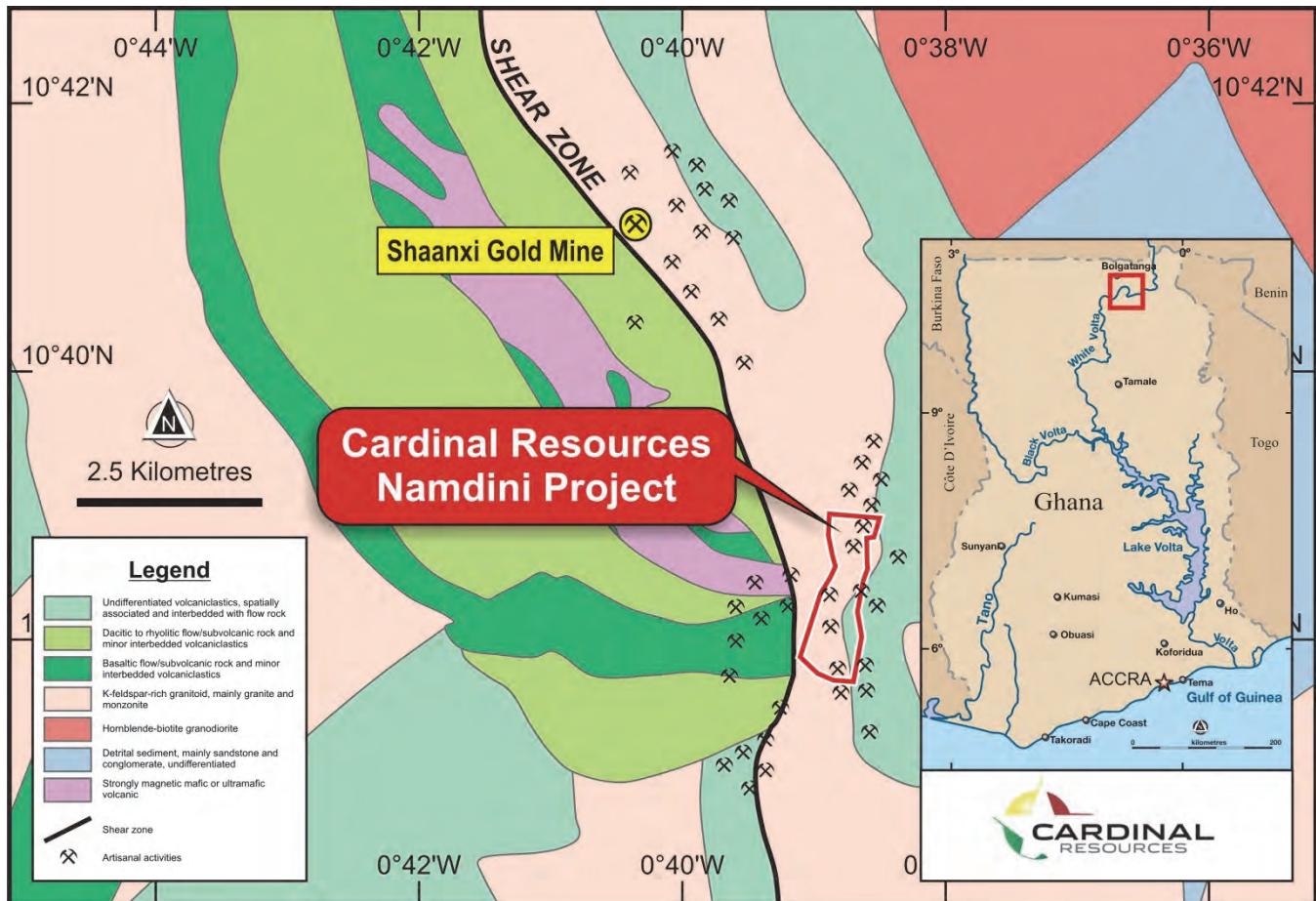


Figure 2: Enlarged Namdini Project Area

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 (Figure 3).



Figure 3: Active artisanal workings in monzonite granitoid

NEW DRILL PROGRAM ON ENLARGED NAMDINI AREA

New RC and diamond drill programs were planned during the quarter which will test at least three times more strike length than previously drilled on the original Namdini gold discovery area (Figure 4).

The RC drill program is planned for up to 6,000m with 32 RC drill holes to determine extensions to the current mineralisation within the altered volcaniclastic rocks, and to evaluate the mineralised monzonite granitoids containing quartz stockworks and quartz veins.

The diamond drilling core program is planned for up to 2,000m with 12 diamond drill holes for QA/QC verification.

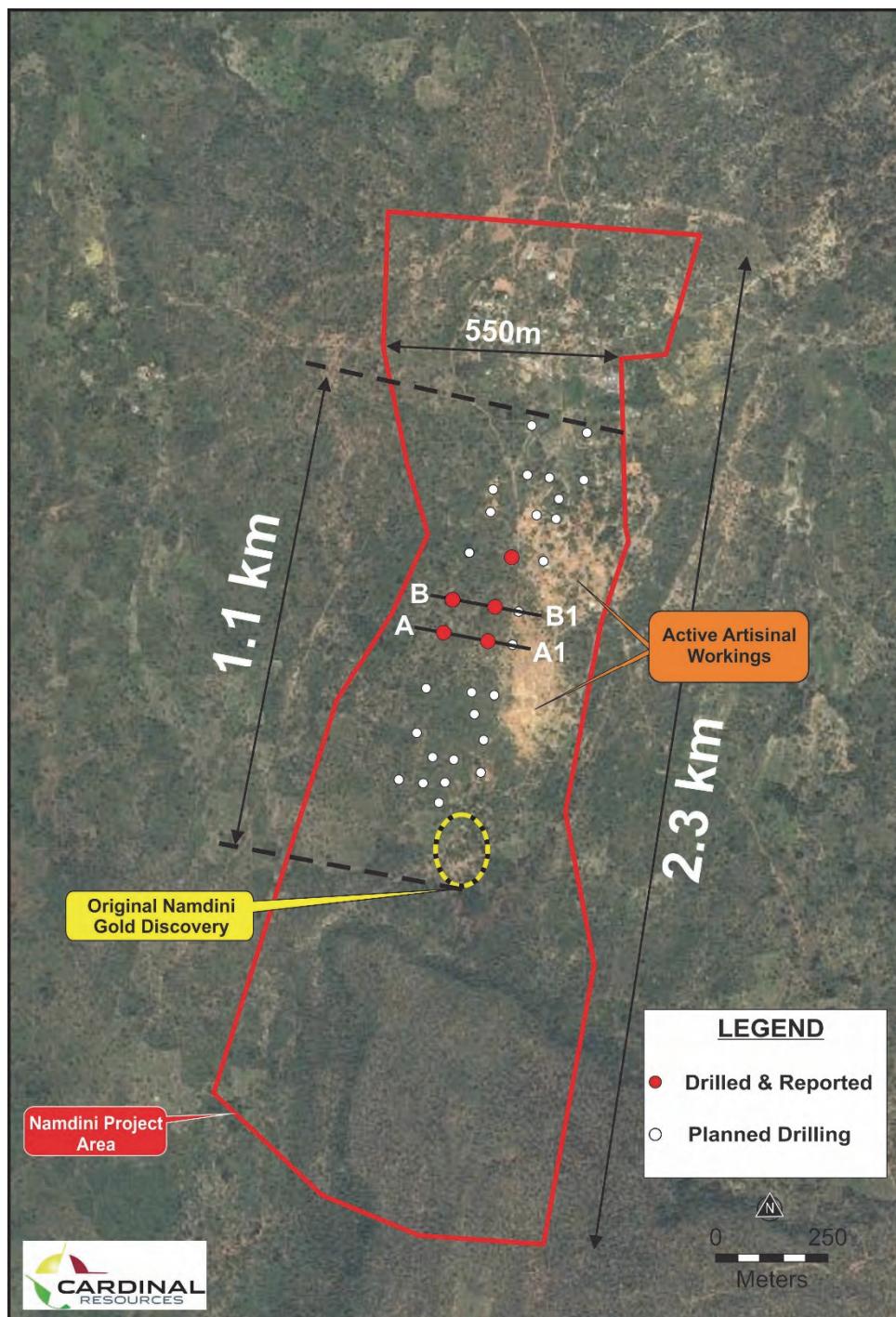


Figure 4: Location of drilled holes (red) and planned drill holes (white)

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 quarter, 4 RC holes were drilled (Figures 5 and 6) totalling 346m with a combined total of 380 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.

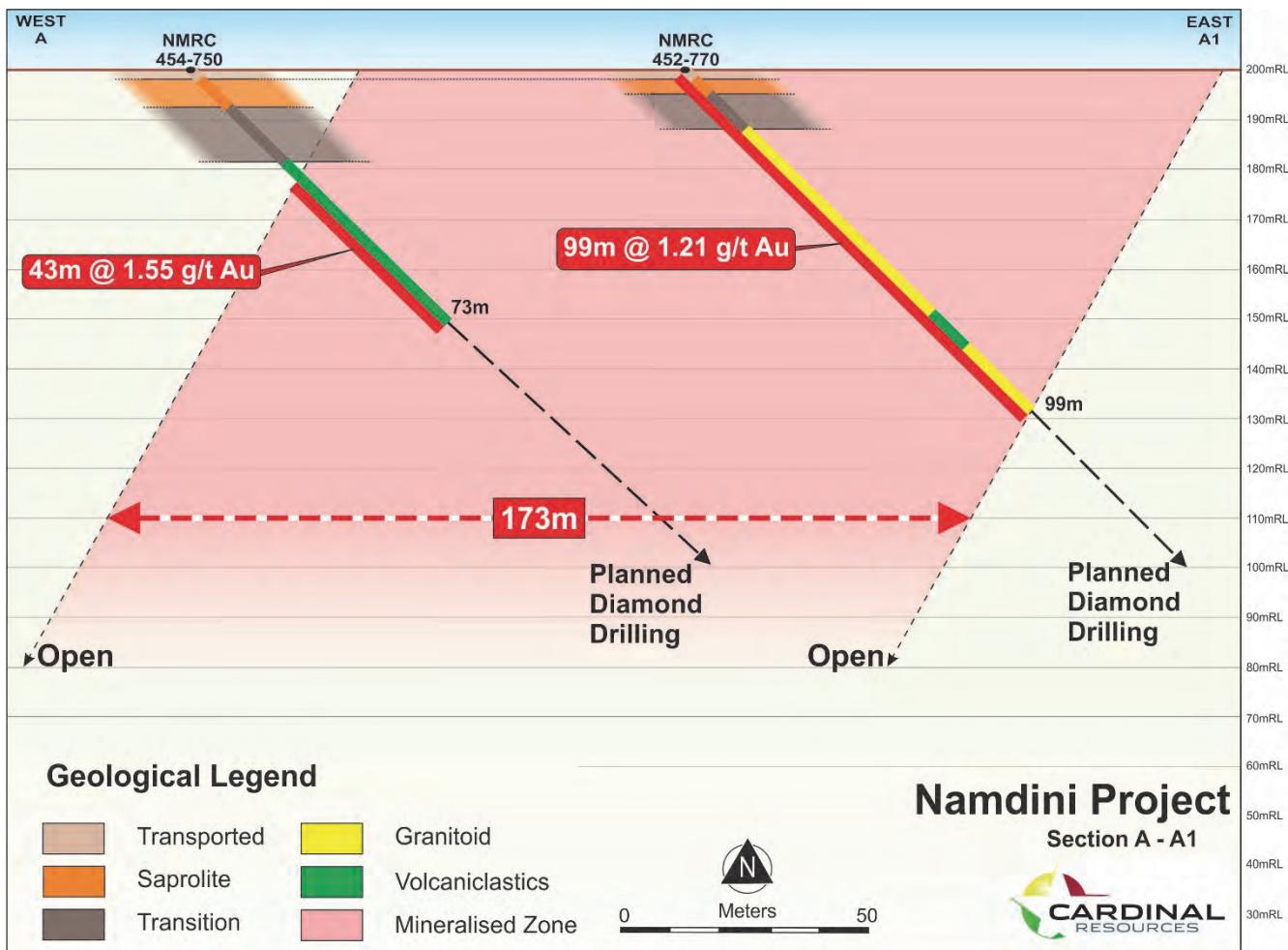


Figure 5: Drill hole section NMRC454-750 and NMRC452-770

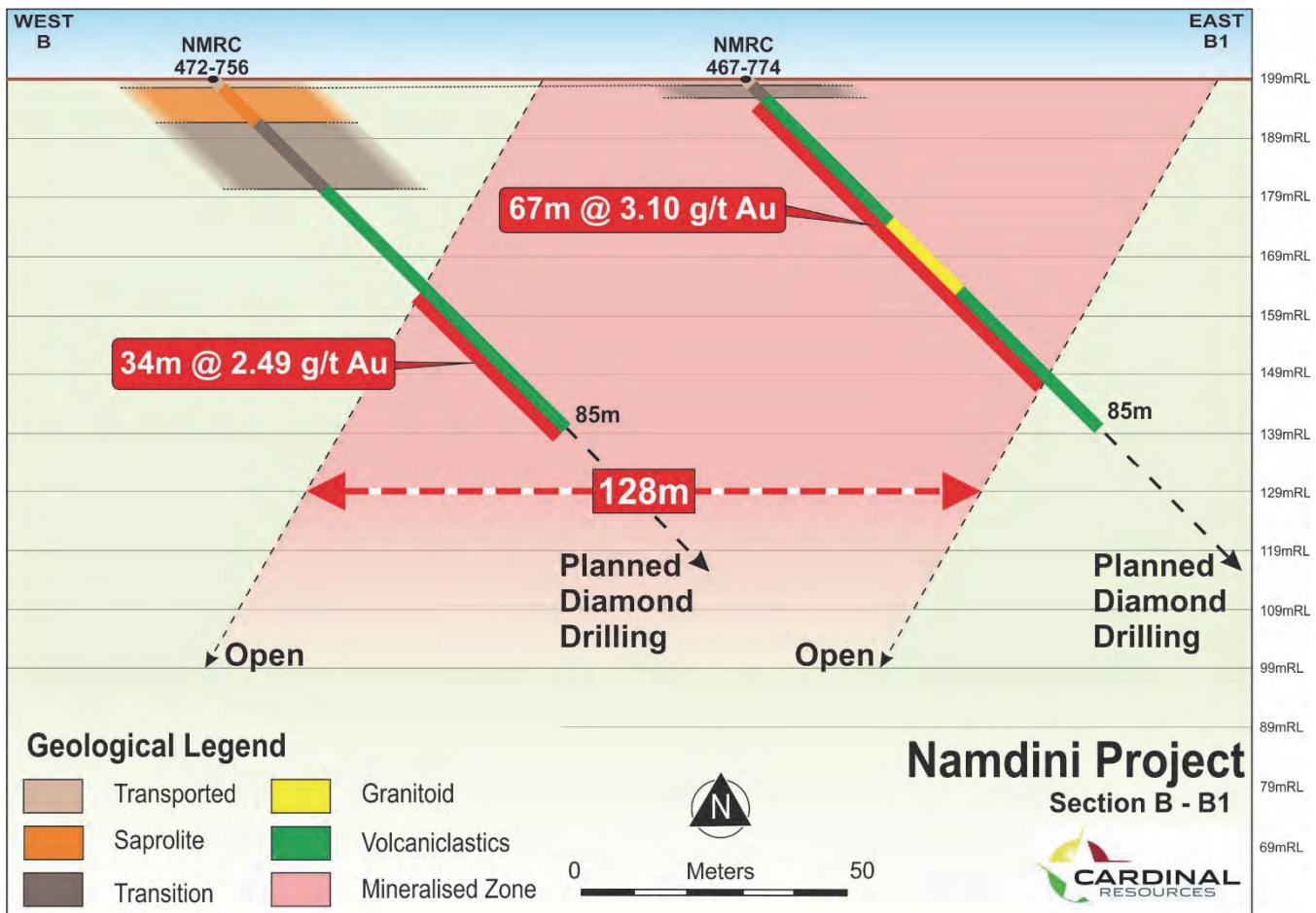


Figure 6: Drill hole section NMRC472-756 and NMRC467-774

DRILL METHOD	No. Holes	Total (m)	No. Samples	Duplicates	Blanks	Stds
RC Drilling (Namdini Q3, 2015)	4	346	345	18	8	9

Table 1: Namdini RC Drilling (Q3 2015)

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).

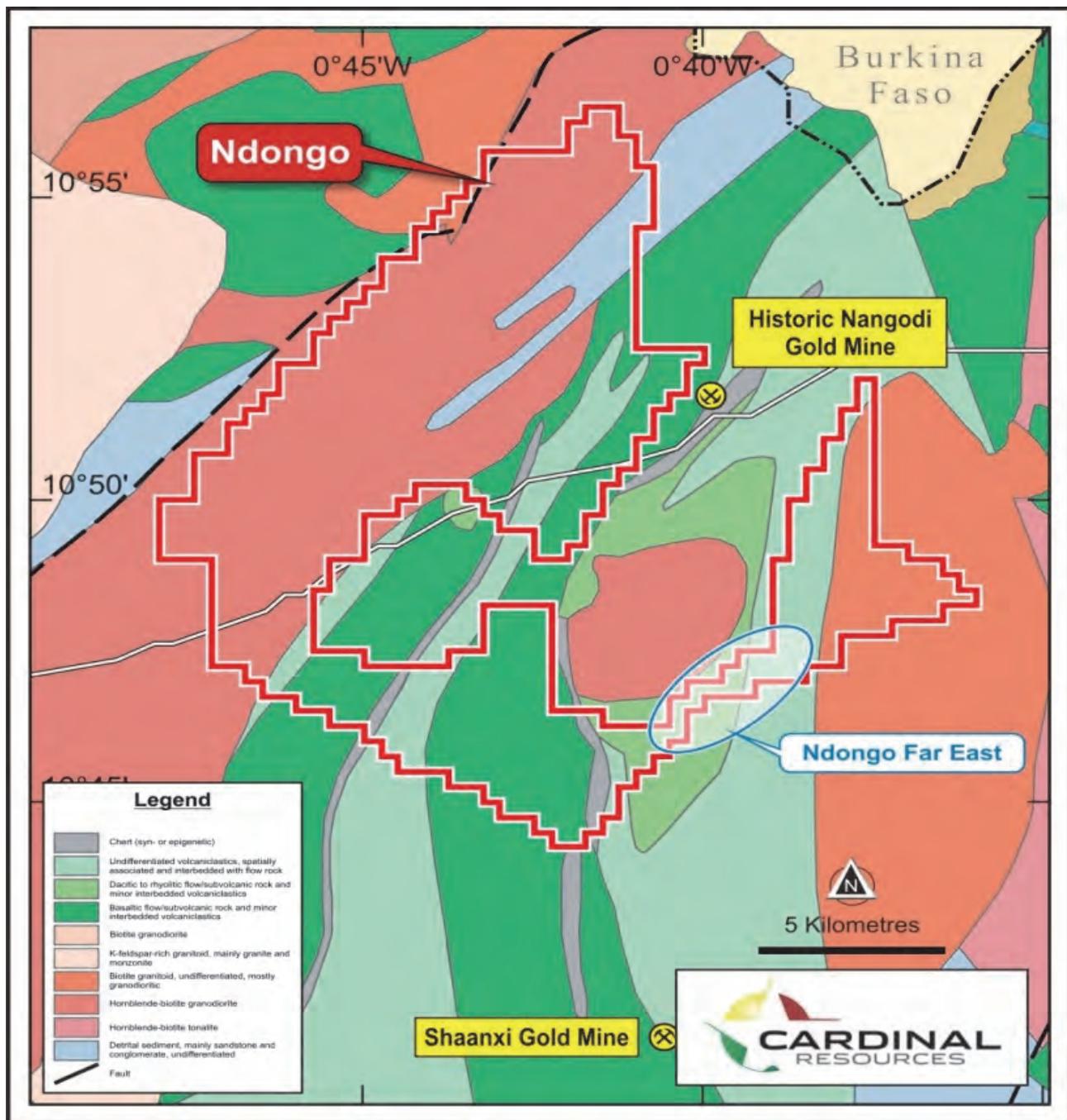


Figure 7: Ndongo Far East Prospect

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

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BONGO PROSPECT

The airborne geophysical survey over the Bongo Prospect delineated six interpreted target areas containing ~40 km of possible mineralised structures (Figure 8).

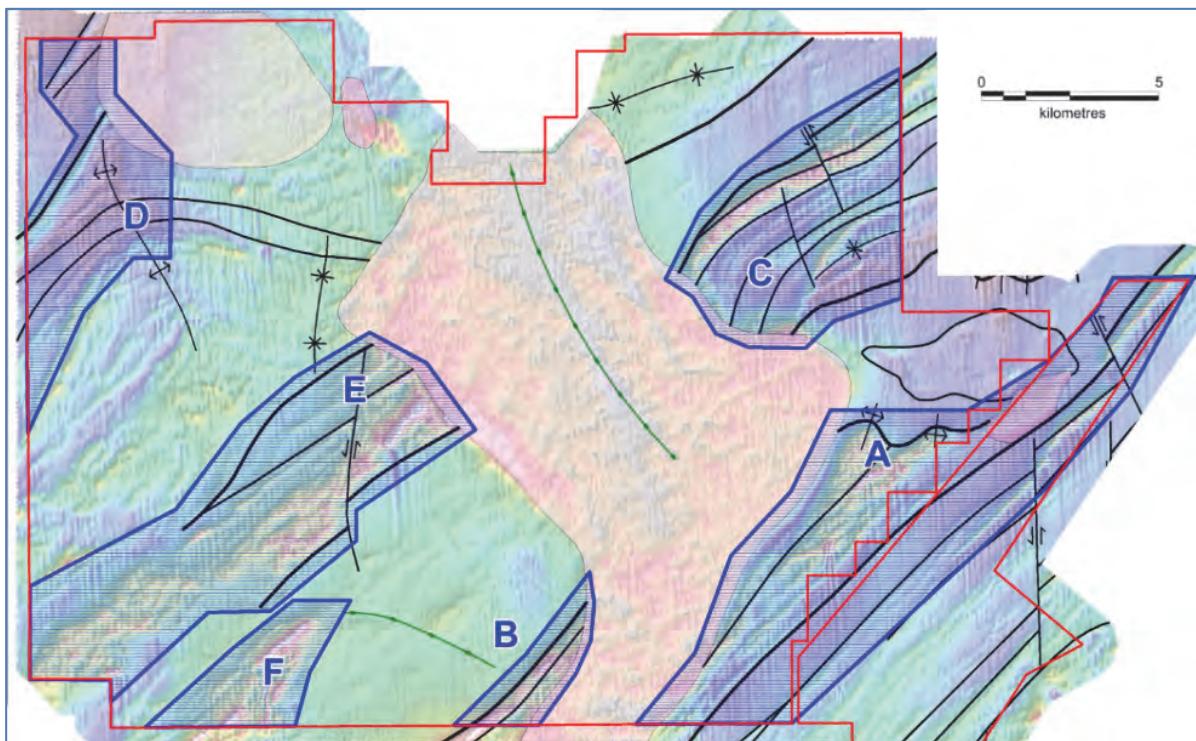


Figure 8: Bongo - 2013 airborne survey magnetic image with preliminary interpretation and six target zones

During the quarter 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 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.

During the quarter further reconnaissance field checking of airborne geophysical targets was completed over Target A. Accessibility to these targets was checked to enable a RC drill program to be planned.

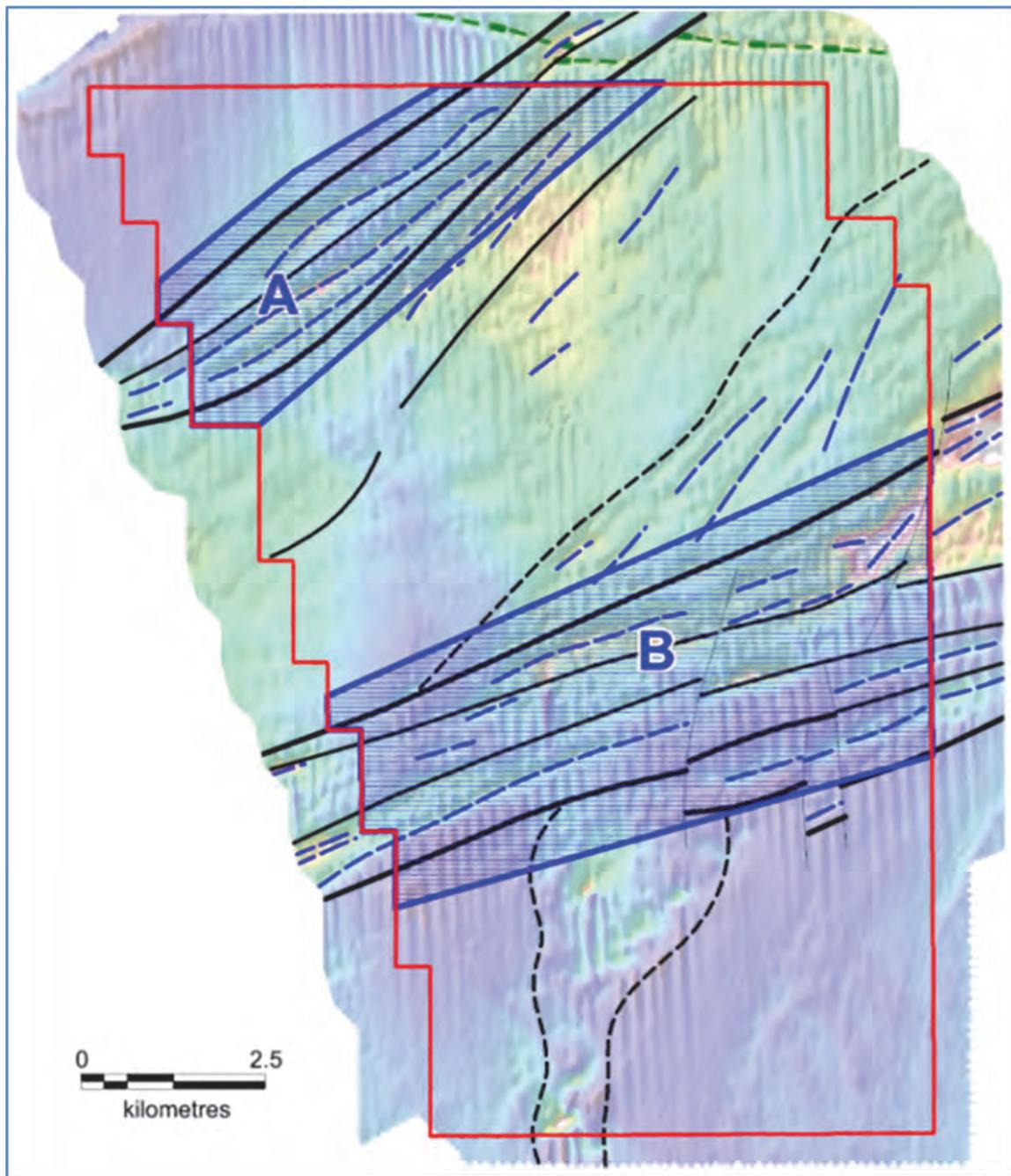


Figure 9: Kungongo – 2013 airborne survey magnetic image with preliminary interpretation and two target zones

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 10).

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.

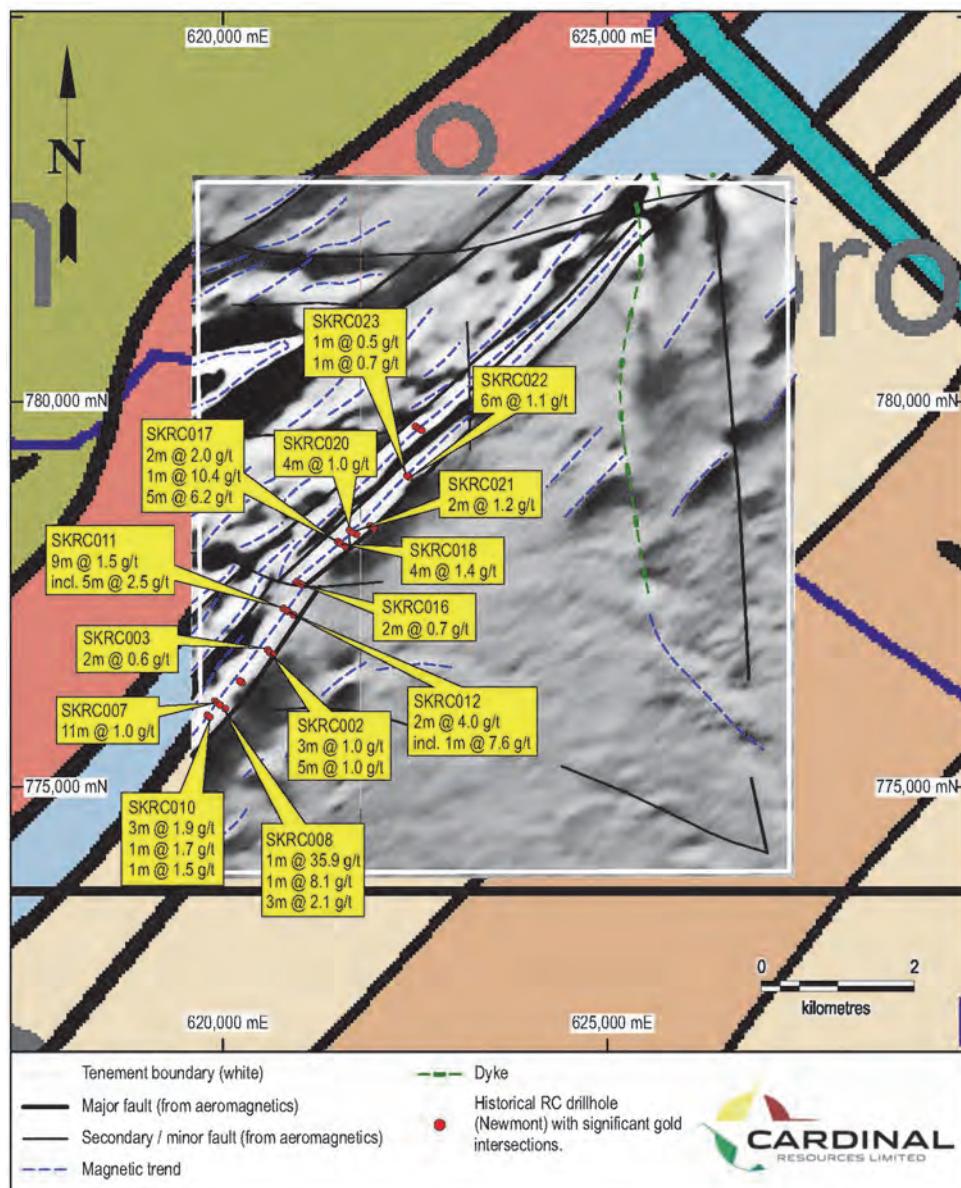
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Cardinal's planned diamond drill program of 5,100m will concentrate on the 3 high priority targets, namely the SW Target (1,500m), the Central Target (2,100m) and the NE Target (1,500m).

This drill program is being planned subject to seasonal conditions.



**Figure 10: Historical RC drillholes (Newmont) with significant gold intersections highlighted.
Magnetic greyscale image in background.**

CORPORATE

During the quarter the Company was pleased to advise that Mark Thomas and Simon Jackson had been appointed as Non-Executive Directors of the Company.

Commenting on the Non-Executive Director appointments, Chairman Alec Pismiris said:

"We are pleased to be able to attract such exceptional executives to the Board such as Mark and Simon.

Mark's experience with Macquarie Bank, having funded numerous mines over the past 20 years, will be invaluable in progressing the Company's objectives.

Simon was part of an executive team that commissioned a mine in Ghana and was integral in one of the most significant corporate transactions in the sectors in the past decade.

Their skills and experience 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."

Cardinal advises that from 1 October 2015 the Directors and the Exploration Manager's salaries will be as follows;

Position	Name	Salary and Wages AUD\$	Salary and Wages USD\$
Non-Executive Chairman	Alec Pismiris	\$48,000	-
Managing Director	Archie Koimtsidis	\$260,000	-
Executive Director	Malik Easah	-	\$132,000
Non-Executive Director	Simon Jackson	\$75,000	-
Non-Executive Director	Mark Thomas	\$48,000	-
Exploration Manager	Paul Abbott	-	\$108,000

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 quarter the Company raised a further \$6.0 million with a placement to sophisticated investors and one institutional investor through the issue of 60,000,000 fully paid ordinary shares ("Shares") at \$0.10 per share with a listed options for every two shares subscribed for.

The placement will take place 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 will be issued subject to shareholder approval being obtained. Tranche 2 includes 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, subject to shareholder approval being obtained.

On issue of the shares, Macquarie will become one of the largest shareholders in Cardinal with an equity position of 5.79%.

Capital Structure

As at the date of this report the Company has following capital structure;

Capital Structure	Listed	Unlisted	Total
Fully Paid Ordinary Shares (CDV)	140,824,085	-	140,824,085
Options Ex. \$0.15 on or before 30 September 2019	87,420,981	-	87,420,981
- Options Ex. \$0.20 on or before 31 December 2015	-	11,000,000	11,000,000
- Class A Performance Shares	-	50	50
- Class B Performance Shares	-	50	50
- Class C Performance Shares	-	60	60

Cash Balance

The Company's cash balance at 30 September 2015 was approximately \$2.701 million.

TENEMENT SCHEDULE - ASX LISTING RULE 5.3.3

The following mining tenement information is provided pursuant to ASX Listing Rule 5.3.3. No tenements in part or whole, were relinquished, surrendered or otherwise divested during the quarter ended 30 September 2015.

Tenement	Licence Status	Ref	Note	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
Ghana						
<i>Bolgatanga Project</i>						
Ndongo	Prospecting	PL9/22		-	-	100%
Kungongo	Reconnaissance	RL9/28		-	-	100%
Bongo	Reconnaissance	RL9/29		-	-	100%
Namdini	11 SS Mining Licenses		2	100%	-	100%
<i>Subranum Project</i>						
Subranum	Prospecting	PL/309	1	-	-	-

Notes:

- 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").
- Namdini Project:** Cardinal Mining Services Limited (a subsidiary of Cardinal Resources Limited) has entered into a Sale and Purchase agreement with Savannah Mining Limited (an affiliated company of Cardinal Mining Services) for the purchase of 11 SS Mining Licences (the "Namdini Project").



For further information contact:

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

- 6 October 2015 New Drilling Plan for Namdini Project
- 9 September 2015 Gold Mineralisation Exceeds 100m Widths at Namdini 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.

Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Cardinal Resources Limited

ABN

56 147 325 620

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(449) - - (271)	(449) - - (271)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	1	1
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	(39)	(39)
Net Operating Cash Flows		(758)	(758)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(279) - (4)	(279) - (4)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(283)	(283)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,041)	(1,041)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,936	2,936
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(10)	(10)
	Net financing cash flows	2,926	2,926
	Net increase (decrease) in cash held	1,885	1,885
1.20	Cash at beginning of quarter/year to date	816	816
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,701	2,701

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	66
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	N/A

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
	N/A
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
	N/A

+ See chapter 19 for defined terms.

Financing facilities available*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	1,150

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	194	167
5.2 Deposits at call	2,507	649
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,701	816

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description) Class A Performance Shares Class B Performance Shares Class C Performance Shares	50 50 60	- - -	- - -	- - -
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	- -	- -	- -	- -
7.3 +Ordinary securities	140,824,085	140,824,085	-	-

+ See chapter 19 for defined terms.

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	30,003,278 -	30,003,278 -	\$0.10 -	\$0.10 -
7.5	+Convertible debt securities (description)	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options (description and conversion factor)	87,420,981 11,000,000	87,420,981 -	Exercise price \$0.15 \$0.20	Expiry date 30 September 2019 31 December 2015
7.8	Issued during quarter	16,422,693	16,422,693	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway
 Company Secretary

Date: 30 October 2015

Print name: Sarah Shipway

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.