

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: **June 30, 2014**

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 0-54360

CARDINAL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

47-1579622
(IRS Employer
Identification No.)

203 Main Street
East Pittsburgh, PA 15112
(Address of principal executive offices)

(412) 374-0989
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Sec.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [] No [X]

As of August 15, 2014, there were 90,068,199 shares outstanding of the registrant's common stock.

TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION

<u>Item 1.</u>	<u>Financial Statements.</u>	<u>F-1</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	<u>3</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk.</u>	<u>8</u>
<u>Item 4.</u>	<u>Controls and Procedures.</u>	<u>8</u>

PART II – OTHER INFORMATION

<u>Item 1.</u>	<u>Legal Proceedings.</u>	<u>9</u>
<u>Item 1A.</u>	<u>Risk Factors.</u>	<u>9</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds.</u>	<u>9</u>
<u>Item 3.</u>	<u>Defaults Upon Senior Securities.</u>	<u>9</u>
<u>Item 4.</u>	<u>Mine Safety Disclosures.</u>	<u>9</u>
<u>Item 5.</u>	<u>Other Information.</u>	<u>9</u>
<u>Item 6.</u>	<u>Exhibits.</u>	<u>9</u>
<u>Signatures</u>		<u>10</u>

PART I – FINANCIAL INFORMATION**Item 1. Financial Statements.****CARDINAL RESOURCES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2014 AND DECEMBER 31, 2013 (Unaudited)**

ASSETS	June 30, 2014	December 31, 2013
CURRENT ASSETS		
Cash and cash equivalents	\$ 193,596	\$ 545,714
Accounts receivable, net	602,086	589,965
Inventory	14,137	14,137
Other current assets	28,430	28,430
TOTAL CURRENT ASSETS	<u>838,249</u>	<u>1,178,246</u>
PROPERTY, PLANT AND EQUIPMENT, NET	<u>247,263</u>	<u>261,109</u>
TOTAL ASSETS	<u>\$ 1,085,512</u>	<u>\$ 1,439,355</u>
LIABILITIES AND MEMBERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 1,836,818	\$ 1,602,968
Accounts payable - related parties	62,528	62,528
Notes payable	222,657	222,657
Notes payable - related parties	36,377	55,415
Convertible notes payable, net of discount of \$84,702 and \$77,011	231,298	180,989
Accrued liabilities	570,946	560,421
Derivative liabilities	67,038	
TOTAL CURRENT LIABILITIES	<u>3,027,662</u>	<u>2,684,978</u>
TOTAL LIABILITIES	<u>3,027,662</u>	<u>2,684,978</u>
STOCKHOLDERS' (DEFICIT) / EQUITY		
Preferred stock, \$.001 par value, 25,000,000 shares authorized; none of which issued and outstanding as of June 30, 2014 and December 31, 2013, respectively	-	-
Common stock, \$.001 par value, 300,000,000 shares authorized, 90,343,332 and 87,026,331 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively	90,343	87,026
Additional paid in capital	1,772,340	954,815
Accumulated deficit	(3,804,833)	(2,287,464)
TOTAL STOCKHOLDERS' (DEFICIT) / EQUITY	<u>(1,942,150)</u>	<u>(1,245,623)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT) / EQUITY	<u>\$ 1,085,512</u>	<u>\$ 1,439,355</u>

CARDINAL RESOURCES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2014 AND 2013 (Unaudited)

	For the Three Months		For the Six Months Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Revenues				
Sales	\$ (250,868)	\$ 149	\$ 44,552	\$ 89,905
Operating expenses				
Cost of sales	335,118	84,922	486,643	138,152
Selling, general and Administrative	374,825	113,723	655,842	104,660
Depreciation and amortization expenses	13,065	12,493	24,901	26,345
Total operating expenses	723,008	211,138	1,167,386	269,157
Loss from operations	(973,876)	(210,989)	(1,122,834)	(179,252)
Other expenses				
Interest expense	(33,539)	(7,093)	(67,899)	(14,851)
Interest income	-	9,575	-	24
Loss on extinguishment of debt	(303,411)	-	(303,411)	-
Changes in derivative liabilities	(12,038)	-	(12,038)	-
Gain from disposal of vehicle	-	-	-	16,847
Other expenses	(6,476)	-	(11,187)	-
Total other expenses	(355,464)	2,482	(394,535)	2,020
Income (loss) before income taxes	(1,329,340)	(208,507)	(1,517,369)	(177,232)
Income taxes	-	-	-	-
Net income (loss)	<u>\$ (1,329,340)</u>	<u>\$ (208,507)</u>	<u>\$ (1,517,369)</u>	<u>\$ (177,232)</u>
Earnings (loss) per share				
Basic	<u>\$ (0.02)</u>	<u>\$ (0.00)</u>	<u>\$ (0.02)</u>	<u>\$ (0.00)</u>
Weighted average number of shares outstanding				
Basic	<u>88,066,578</u>	<u>87,026,331</u>	<u>87,549,328</u>	<u>87,026,331</u>

**CARDINAL RESOURCES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2014 AND 2013 (Unaudited)**

	For the Six Months Ended	
	June 30, 2014	June 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$(1,517,369)	\$ (177,232)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expenses	24,901	26,345
Amortization of debt discounts	50,309	-
Loss on extinguishment of debt	303,411	-
Change in derivative liabilities	12,038	-
Gain from disposal of vehicle	-	(16,847)
Stock based compensation	200,000	-
Changes in operating assets and liabilities:		
Accounts receivable	(12,121)	(21,403)
Accounts payable	233,850	(48,014)
Accounts payable - related parties	-	24,400
Accrued liabilities	121,540	221,634
NET CASH PROVIDED BY OPERATING ACTIVITIES	(583,441)	8,883
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(11,055)	(163)
Proceeds from disposal of vehicle	-	24,284
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(11,055)	24,121
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments of notes payable	-	(45,285)
Repayments of notes payable - related parties	-	(38,902)
Proceeds from options exercises	22,378	-
Proceeds from sales of common stock	165,000	-
Proceeds from convertible notes payable	55,000	40,100
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	242,378	(44,087)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(352,118)	(11,083)
CASH AND CASH EQUIVALENTS:		
Beginning of period	545,714	11,133
End of period	\$ 193,596	\$ 50
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ 1,787
Supplemental disclosures of non-cash investing and financing activities:		
Debt discount due to member units issued with convertible notes	\$ 58,000	\$ 3,000
Stock issued to settle partial accrued salaries	\$ 111,015	\$ -
Stock issued to settle related parties notes	\$ 19,038	\$ -

CARDINAL RESOURCES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012 AND FOR SIX MONTHS ENDED
JUNE 30, 2014

	Preferred Stock \$0.001 par value		Common Stock \$0.001 par value		Additional Paid in Capital	Retained Earnings (Deficit)	Total Stockholders' (Deficit)
	Shares	Amount	Shares	Amount			
Balance, December 31, 2011	-	\$ -	46,623,554	\$ 46,624	\$ 109,628	\$ (685,963)	\$ (529,711)
Shareholders contribution	-	-	-	-	4,070	-	4,070
Net (loss)	-	-	-	-	-	(609,789)	(609,789)
Balance, December 31, 2012	-	\$ -	46,623,554	\$ 46,624	\$ 113,698	\$ (1,295,752)	\$ (1,135,430)
Reorganization due to reverse merger	-	-	36,000,000	36,000	(117,848)	-	(81,848)
Proceeds from sales of common stock	-	-	2,900,000	2,900	649,100	-	652,000
Common stock issued for services	-	-	500,000	500	124,500	-	125,000
Intrinsic value from beneficial conversion feature	-	-	-	-	86,368	-	86,368
Shares issued for conversion of debt	-	-	1,002,777	1,003	73,997	-	75,000
Warrants issued for services	-	-	-	-	25,000	-	25,000
Net (loss)	-	-	-	-	-	(991,712)	(991,712)
Balance, December 31, 2013	-	\$ -	87,026,331	\$ 87,026	\$ 954,815	\$ (2,287,464)	\$ (1,245,623)
Proceeds from sales of common stock	-	-	457,500	458	164,543	-	165,000
Conversion of debt	-	-	325,135	325	129,728	-	130,053
Common stock issued for services	-	-	500,000	500	199,500	-	200,000
Option exercises	-	-	2,034,368	2,034	20,344	-	22,378
Warrants issued for debt settlement	-	-	-	-	303,411	-	303,411
Net (loss)	-	-	-	-	-	(1,517,369)	(1,517,369)
Balance, June 30, 2014	-	\$ -	90,343,334	\$ 90,343	\$1,772,340	\$ (3,804,833)	\$ (1,942,150)

CARDINAL RESOURCES, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2014 AND 2013
(UNAUDITED)

NOTE – 1 BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with both generally accepted accounting principles for interim financial information, and the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The accompanying unaudited condensed consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) that are, in the opinion of management, considered necessary for a fair presentation of the results for the interim periods presented. Interim results are not necessarily indicative of results for a full year.

The unaudited condensed consolidated financial statements and related disclosures have been prepared with the presumption that users of the interim financial information have read or have access to the Company's annual audited consolidated financial statements for the preceding fiscal year. Accordingly, these unaudited condensed consolidated financial statements should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2013.

NOTE – 2 GOING CONCERN

These financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. However, as of June 30, 2014, the Company had an accumulated deficit and a working capital deficit. In addition, the Company currently has limited liquidity and has not completed its efforts to establish a stabilized source of revenues sufficient to cover operating costs over an extended period of time. These factors raise substantial doubt about the Company's ability to continue as a going concern.

Management has taken certain actions and continues to implement changes designed to improve the Company's financial results and operating cash flows. The actions involve certain cost-saving initiatives and growing strategies, including (a) utilization of outsourced build-to-order production; (b) expansion into new markets, (c) commercialization of patented products and; (c) significant reductions in lease costs. Management believes that these actions will enable the Company to improve future profitability and cash flow in its continuing operations through December 31, 2014. As a result, the financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of the Company's ability to continue as a going concern.

NOTE – 3 CONVERTIBLE NOTES

As of June 30, 2014 and December 31, 2013, the Company had outstanding balances on its convertible notes in the amount of \$231,298 and \$180,989, respectively, net of discounts of \$84,702 and \$77,011, respectively.

(A) Convertible Notes Payable

In October 2012, December 2012 and September 2013, the Company borrowed \$10,000, \$5,000 and \$13,000, respectively. The amounts convert automatically upon the completion of a Qualified Financing at a conversion price based upon the Qualified Financing. The amounts are due October 2014 and bear interest of 12%.

(B) Convertible Notes Payable – Derivative liabilities

On May 28, 2014, the Company issued a convertible promissory note of \$58,000 (the “Note”) to a third party. The Note bears an interest rate of 8% per annum and is due on March 2, 2015, pursuant to which the holder of the Note has an option to convert all or any portion of the accrued interest and unpaid principal balance of the Note into the common stock of the Company after 180 days upon commencement, at 58% of the Market Price, which means the average of the lowest three trading price during the ten trading days prior to the conversion date.

The Company has determined that the conversion feature of the Note represents an embedded derivative since the Note is convertible into a variable number of shares upon conversion. Accordingly, the Note is not considered to be conventional debt and the embedded conversion feature must be bifurcated from the debt host and accounted for as a derivative liability. Accordingly, the fair value of this derivative instrument has been recorded as a liability on the balance sheet with the corresponding amount recorded as a discount to the Note. Such discount will be accreted from the issuance date to the maturity date of the Note. The change in the fair value of the derivative liability will be recorded in other income or expenses in the statement of operations at the end of each period, with the offset to the derivative liability on the balance sheet. The fair value of the embedded derivative liability was determined using the Black-Scholes valuation model on the issuance date with the assumptions in the table below.

At June 30, 2014, the Company revalued the embedded derivative liability with the assumptions in the table below. For the period from May 28, 2014 (commencement date) to June 30, 2014, the Company decreased the derivative liability of \$67,185 by \$147 resulting in a derivative liability of \$67,038 at June 30, 2014.

Reporting Date	Fair Value	Term (Years)	Assumed Conversion Price	Market Price on Issuance Date	Volatility Percentage	Risk-free Rate
5/28/2014	\$ 67,185	0.76	\$ 0.145	\$ 0.25	176%	0.0011
6/30/2014	\$ 67,038	0.67	\$ 0.599	\$ 1.05	176%	0.0011

As of June 30, 2014, the carrying values of the Note were \$6,885, net of debt discounts of \$51,115. The Company recorded interest expense of \$420 related to the Note and amortization of debt discounts in amount of \$6,885 during the six months ended June 30, 2014. The interest expense of \$420 has been included under accrued liabilities as of June 30, 2014.

The Note	06/30/2014
Proceeds	\$ 58,000
Less derivative liabilities on initial recognition	(58,000)
Value of the Note on initial recognition	0
Add accumulated accretion expense	6,885
Balance as at June 30, 2014	\$ 6,885

NOTE – 4 CAPITAL TRANSACTIONS

During the second quarter of 2014, the Company completed a private placement pursuant to which the Company issued 120,000 shares of common stock to a accredited investor at a per share price of \$0.25. As a result of this private placement, the Company raised approximately \$30,000 in gross proceeds.

During the second quarter of 2014, the Company also completed a private placement pursuant to which the Company issued an aggregate of 337,500 shares of common stock to certain accredited investors at a per share price of \$0.40. In addition, the Company granted to the same investors three-year warrants to purchase an aggregate of 337,500 shares of its common stock at \$0.80 per share. As a result of this private placement, the Company raised approximately \$135,000 in gross proceeds.

During the second quarter of 2014, the Company issued 325,133 shares of common stock to the officer of the Company at a per share price of \$0.40 to settle the loan of \$19,038 due to this officer and part of his accrued compensation in amount of \$111,015. In addition, the Company granted to the same officer three-year warrants to purchase an aggregate of 325,133 shares of its common stock at \$0.80 per share.

The fair value of the warrants granted during the second quarter of 2014 was determined using the Black-Scholes valuation model on the grant date with the assumptions in the table set forth below. Accordingly, the fair value of 325,133 warrants granted for debt settlement resulted in loss on extinguishment of debt in amount of \$303,411 during the six months ended June 30, 2014.

Term (Years)	Exercise Price	Market Price on Issuance Date	Volatility Percentage	Risk-free Rate
3 years	\$ 0.80	\$ 0.25 - \$1.05	176%	0.0011

NOTE – 5 STOCK ISSUED FOR SERVICES

On May 23, 2014, the Board of Directors of the Company approved the issuance of 500,000 shares of common stock to the corporate counsel for legal services in connection with reporting compliance and corporate matters in 2014. The value of the shares in amount of \$200,000 was determined using recent cash sales of stock since the Company currently has a limited trading market. Accordingly, the Company calculated stock based compensation of \$200,000 as its fair value and recognized the expense during the six months ended June 30, 2014.

NOTE 6 - FAIR VALUE MEASUREMENTS

As defined in FASB ASC Topic 820, fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Topic requires disclosure that establishes a framework for measuring fair value and expands disclosure about fair value measurements. The statement requires fair value measurements be classified and disclosed in one of the following categories:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. The Company considers active markets as those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Pricing inputs other than quoted market prices included in Level 1 that are based on observable market data and are directly or indirectly observable for substantially the full term of the asset or liability. These include quoted market prices for similar assets or liabilities, quoted market prices for identical or similar assets in markets that are not active, adjusted quoted market prices, inputs from observable data such as interest rate and yield curves, volatilities or default rates observable at commonly quoted intervals or inputs derived from observable market data by correlation or other means.

Level 3: Pricing inputs that are unobservable or less observable from objective sources. Unobservable inputs should only be used to the extent observable inputs are not available. These inputs maintain the concept of an exit price from the perspective of a market participant and should reflect assumptions of other market participants. An entity should consider all market participant assumptions that are available without unreasonable cost and effort. These are given the lowest priority and are generally used in internally developed methodologies to generate management's best estimate of the fair value when no observable market data is available.

Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

Certain assets and liabilities are reported at fair value on a recurring or nonrecurring basis in the Company's consolidated balance sheets. The following methods and assumptions were used to estimate the fair values:

Cash and Cash Equivalents, Prepaid Expenses, Mining Rights, Accounts Payable and Accrued Liabilities

The carrying amounts approximate fair value because of the short-term nature or maturity of the instruments.

Derivatives

The following table sets forth, by level within the fair value hierarchy, the Company's financial assets and liabilities that were accounted for at fair value on a recurring basis as of June 30, 2014 and December 31, 2013, respectively:

Description	Fair Value Measurements at June 30, 2014 December 31, 2013			Total Carrying Value
	(Level 1)	(Level 2)	(Level 3)	
Derivative liability - 12/31/2013	\$ -	\$ -	\$ 0	\$ 0
Derivative liability - 6/30/2014	\$ -	\$ -	\$ 67,038	\$ 67,038

NOTE – 7 WARRANTS

The following table summarizes all warrant outstanding as of June 30, 2014, and the related changes during this period.

F-7

	Number of Warrants	Weighted Average Exercise Price
Stock Warrants		
Balance at January 1, 2014	3,276,000	\$ 0.47
Granted	662,633	\$ 0.80
Exercised	0	\$ 0
Expired	0	\$ 0
Balance at June 30, 2014	3,938,633	0.53
Warrants Exercisable at June 30, 2014	<u>3,938,633</u>	<u>\$ 0.53</u>

During the second quarter of 2014, the Company granted three-year warrants for the purchase of total 337,500 shares of the Company's common stock in the aggregate at \$0.80 per share in connection with the private placement of total 337,500 shares at \$0.40 per share.

During the second quarter of 2014, the Company granted three-year warrants for the purchase of total 325,133 shares of the Company's common stock in the aggregate at \$0.80 per share in connection with the settlement of the shareholder's loan and partial accrued compensation in amount of \$19,038 and \$111,015, respectively.

The fair value of the warrants granted during the second quarter of 2014 was determined using the Black-Scholes valuation model on the grant date with the assumptions in the table set forth below.

Term (Years)	Exercise Price	Market Price on Issuance Date	Volatility Percentage	Risk-free Rate
3 years	\$ 0.80	\$ 1.05	176%	0.0011

The aggregate intrinsic value of all warrants at June 30, 2014 was \$0.

NOTE – 8 OPTIONS

Upon the Closing of the Share Exchange Agreement, dated November 22, 2013, the Company converted the three Unit Option Agreements entered into by Cardinal Resources LLC, dated June 24, 2009, pursuant to which the 5-year Options to purchase total 100,601 units of Cardinal Resources LLC at a price of \$0.65 per Unit was converted to options to purchase 6,103,104 shares of the Company at a price of \$0.11 per share. The Share Exchange Agreement rate was used to convert the units and price per unit to shares and price per share. The options expire on June 24, 2014. The Company did not grant any registration rights with respect to any share of common stock issuable upon exercise of the options. These were treated as part of the reverse merger and recapitalization.

During the second quarter of 2014, 2,034,368 shares of common stock were issued upon the exercise of the options at a price of \$0.11 per share, or \$22,378 in total. The remaining options to purchase 4,068,736 shares of common stock expired without exercise. The aggregate intrinsic value of all options at June 30, 2014 was \$0.

No stock options were issued during the six months ended June 30, 2014.

NOTE – 9 COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

The Company has one long term contract in progress at June 30, 2014. Work has started on two additional long term contracts that will have costs and earnings in the third quarter:

Total Contract

Job	Revenues	Cost of Revenues	Estimated Gross Profit	Gross Profit %
Bayelsa as of March 31, 2014	\$6,300,000	\$3,443,651	\$2,856,349	45%
Changes during the second quarter of 2014	\$ 0	\$1,661,310	\$(1,661,310)	(26)%
Bayelsa as of June 30, 2014	\$6,300,000	\$5,104,961	\$ 1,195,039	19%

Six Months Ended June 30, 2014

Job	Revenues	Cost of Revenues	Gross Profit	Billed to Date	% Complete	Over (Under) Billed
Bayelsa	\$ 1,832,630	\$1,485,000	\$ 347,630	\$1,832,630	29%	\$ -
Less: previously recognized	(1,826,448)	(998,357)	(828,091)			
Totals	\$ 6,182	\$ 486,643	\$ (480,461)	\$1,832,630		\$ -

During the second quarter of 2014, the total estimated cost of Bayelsa contract was increased by \$1,661,310, from the initial estimation of \$3,443,651 to \$5,104,961, primarily attributable to increased numbers of components we used for this project. As a result, the revenues recognized during the first quarter of 2014 exceeded the revenues recognized during the six months ended June 30, 2014.

NOTE – 10 CONCENTRATION AND RISK

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and trade accounts receivable. The Company performs ongoing credit evaluations of its customers' financial condition, but does not require collateral to support such receivables. For international sales the Company requires financial payment guarantees such as Letters of Credit or Sovereign Guarantees. Based on a number of factors the Company may require credit insurance. The Company has enrolled in an Accounts Receivable Insurance program for new export sales.

During three and six months ended June 30, 2014, two customers composed approximately 99% of total revenue. During three and six months ended June 30, 2013, three customers composed approximately 73% of total revenue.

During three and six months ended June 30, 2014, there was no significant concentration in vendors. During three and six months ended June 30, 2013, three vendors composed approximately 71% of total purchases.

NOTE – 11 SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to June 30, 2014 to the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose in these financial statements other than the followings:

Subsequent to the second quarter of 2014, the Company completed a private placement pursuant to which the Company issued an aggregate of 237,500 shares of common stock to certain accredited investors at a per share price of \$0.40. In addition, the Company granted to the same investors three-year warrants to purchase an aggregate of 237,500 shares of its common stock at \$0.80 per share. As a result of this private placement, the Company raised approximately \$95,000 in gross proceeds.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This quarterly report on Form 10-Q and other reports filed by Cardinal Resources, Inc. (the "Company") from time to time with the SEC (collectively, the "Filings") contain or may contain forward-looking statements and information that are based upon beliefs of, and information currently available to, the Company's management as well as estimates and assumptions made by Company's management. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. When used in the Filings, the words "anticipate," "believe," "estimate," "expect," "future," "intend," "plan," or the negative of these terms and similar expressions as they relate to the Company or the Company's management identify forward-looking statements. Such statements reflect the current view of the Company with respect to future events and are subject to risks, uncertainties, assumptions, and other factors, including the risks relating to the Company's business, industry, and the Company's operations and results of operations. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended, or planned.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). These accounting principles require us to make certain estimates, judgments and assumptions. We believe that the estimates, judgments and assumptions upon which we rely are reasonable based upon information available to us at the time that these estimates, judgments and assumptions are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the periods presented. Our financial statements would be affected to the extent there are material differences between these estimates and actual results. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP and does not require management's judgment in its application. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result. The following discussion should be read in conjunction with our financial statements and notes thereto appearing elsewhere in this report.

Basis of Presentation

The following management's discussion and analysis is intended to provide additional information regarding the significant changes and trends which influenced our financial performance for the quarters ending June 30, 2014, and 2013. This discussion should be read in conjunction with the unaudited financial statements and notes as set forth in this Report.

Overview

Cardinal Resources began operations in 2004, providing environmental engineering services, remediation, water and waste water treatment to US companies on a global basis. In 2005, we began development of proprietary technologies to create sustainable water and waste water systems to be produced by Cardinal Resources and operated globally. The prototype filters were deployed in 2007, first full prototype was built in 2008 and the first full system was built in 2009. We were issued our first patents for our technologies and applications in 2009 with subsequent patents issued in 2012. In 2013 we signed significant Red Bird System contracts and began implementation.

During the time period when the Company was in the development of the Red Bird System and other sustainable technologies we continued to provide environmental services to our clients. As a result Cardinal Resources worked in over 20 countries including multimillion dollar projects in Australia, Brazil, Japan and China. As a result of our work we received recognition by U.S. Commercial Services as the Exporter of the Year in 2011 for Environmental and Congressional Export Achievement Awards. In 2013 Cardinal Resources was presented the Presidential E Award for Export Promotion.

In 2011, the Company made the decision to begin focusing on the transition to the systems based business. While we have continued to serve existing customers in our services area, we are projecting that the systems business will be dominant going forward.

The transition from primarily a services company to a systems/services company has been a significant challenge as reflected in the Company's financial statements. The Company while focused on the implementation of its existing contracts and expanding our base of business continues to work to resolve issues related to the past downturn. While those challenges are real, the Company continues to make progress in paying down past obligations and move the business forward.

Plan of Operations

Our Plan of Operations is focused on becoming the global preferred provider of sustainable water treatment systems using a distributed architecture. To meet this goal our plans call for the Company to expand our financial management, technical implementation staff, and market development. Part of our plan is to continue to expand our technologies, and approaches as well beginning with distributed waste water treatment. In terms of expansion our plan is to first have implementation well underway for our three large contracts in Cameroon, Nigeria, and Senegal. We can then move aggressively to close on other opportunities in our pipeline and expand into our next targets of India, Panama, and Southeast Asia. We are planning to continue to outsource our manufacturing within the US. Depending on growth within a specific region, we may in the future, outsource a portion of the assembly overseas while retaining US manufacturing for key components, technology protection and producing the majority of the systems sold.

Contracts

Cardinal Resources has over \$30.0 million in commercial contracts to provide the Red Bird System and associated services in Cameroon, Nigeria and Senegal. These contracts, which are back by a combination of bank guarantees, sovereign guarantees, and export bank financing, are scheduled for completion in early 2015. The two stage process, typical on projects using export bank financing, where you first obtain a commercial contract followed by a finance agreement does increase the time from contract to implementation. The Company does take steps, including prescreening deals with the banks to shorten this time frame. Over \$200.0 million in contract expansions are planned by the customers based on successful execution of the initial phases of each contract. The Company continues to provide environmental services, primarily to three customers on a smaller scale in the US.

Revenues

We generate our net sales from the sale of the patented Red Bird System and environmental services. Historically the majority of the sales have been tied to services but the majority of our sales are trending to the Red Bird System.

Cost of Sales

Our cost of sales includes internal labor, supply chain management, logistics and the purchase of components that are part of the Red Bird System.

Other items contributing to our cost of sales are the direct assembly labor at the outsourced manufacturer.

Gross Profit

Gross profit is affected by numerous factors, including our average selling prices, scheduling and our manufacturing costs. Another factor impacting gross profits is the ramp up of production going forward. As a result of the above, gross profits may vary from quarter to quarter and year to year.

Research and Development.

Research and development expense consists primarily of salaries and personnel-related costs in addition to the cost of products, materials and outside services used in our process and product research and development activities. We anticipate these costs rising as we begin to work on new technologies.

Selling, General and Administrative

Selling, general and administrative expense consists primarily of salaries and other personnel-related costs, professional fees, insurance costs, travel expense, and other normal selling expenses. We expect these expenses to increase in the near term, both in absolute dollars and as a percentage of net sales, to support the growth of our business as we expand our sales and marketing efforts, particularly international travel, improve our information processes and systems and implement the financial reporting, compliance and other infrastructure required by a public company. Over time, we expect selling, general and administrative expense to decline as a percentage of net sales as our net sales increase.

Use of Estimates

The discussion and analysis of our financial condition and results of operations are based upon audited consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amount of assets, liabilities, net sales and expenses and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to inventories, intangible assets, income taxes, warranty obligations, marketable securities valuation, derivative financial instrument valuation, end-of-life collection and recycling, contingencies and litigation and share based compensation. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Recent Developments

In July 2013 the Company signed a contract and received the down payment for a contract with the State of Bayelsa Nigeria for \$6.2 million to provide 10 Red Bird Systems and ancillary services. The contract is backed by a Bank Guarantee/Letter of Credit in the company's favor. In November 2013, the company signed a Commercial Export Contract with the Cameroon Water Corporation with a value of \$28.0 million to provide 35 systems, mobile laboratories, and ancillary products and services. Based on this contract the government of Cameroon has applied for credit through the U.S. Export Import Bank. Three Commercial banks have submitted Term Sheets to be the Designated Bank for the transaction.

In December 2013 the Company signed a contract for \$4.3 million with the Republic of Senegal to provide a solar powered waste water treatment system for the city of Touba.

Revenue from system sales is recognized on a Percentage of Costs basis. The number of units under the Bayelsa contract is increasing. Therefore the POC recognized revenue decreased, and was overstated in the first quarter. The adjustment is shown as negative sales in the second quarter while overall the potential sales are not impacted based on the total contract.

Results of Operations for the Three Months Ended June 30, 2014 and 2013:

	Three Months Ended	
	June 30,	June 30,
	2014	2013
Sales	\$ (250,868)	\$ 149
Gross Profit (Loss)	\$ 335,118	\$ 84,922
Research and Development Expenses	\$ ---	\$ --
General and Administrative Expenses	\$ 374,825	\$ 113,723
Operating Expenses	\$ 723,008	\$ 211,138
Other Income (Expense)	\$ (355,464)	\$ 2,482
Net Loss	\$ (1,329,340)	\$ (208,507)

[Table Of Contents](#)

For the three months ended June 30, 2014 and 2013, the Company reported a net loss of \$1,329,340 and \$208,507, respectively. The change in net loss between the three months ended June 30, 2014 and 2013 was primarily attributable to the ramp up costs associated with increased manufacturing activities, additional systems in production for upcoming government demonstrations and we continued to reduce outstanding accounts payable from historic operations.

Sales - Net sales for the three months ended June 30, 2014, were \$(250,868), compared to \$149 for the three months ended June 30, 2013. The negative sales reflects the adjust in the total costs associated with the Bayelsa project, while the low sales number in 2013.

Gross Profit(Loss) - During the three months ended June 30, 2014, our gross loss of over 100% as a percentage of sales is related to the sales adjustment, which created a negative sales value and the costs related to multiple systems in production.

Operating Expenses –

Research and Development - Research and Development for the three months ended June 30, 2014, and for the three months ended June 30, 2013 were insignificant. The lack of research and development is short term and is primarily attributable to the focus on implementation of existing contracts and opportunities.

General and Administrative Expenses – General and Administrative expenses for the three months ended June 30, 2014, were \$374,825 as compared to \$113,723 for the three months ended June 30, 2013. The change is primarily attributable to the expenses associated with the Company's various public security filings, increased payroll costs, higher travel and entertainment expenses associated with obtaining new customers.

Total Operating expenses for the three months ended June 30, 2014 were \$723,008, as compared to \$211,138 for the three months ended June 30, 2013.

We anticipate that as our operations increase our research and development expenses will increase because we believe that maintaining state of the art products is a key to our continued success, however, we believe that such expenses will constitute a lower percentage of our operating budget. We expect to achieve economies of scale in our general and administrative expenses as our operations increase as much of our administrative expenses are fixed costs, such as salaries of key personnel and rent. As a result, while we may need to hire additional personnel as operations increase, we believe that the increases in general and administrative expenses will be at a lower rate than the increase in revenues.

Other Income (Expense) - Other income (expense) for the three months ended June 30, 2014 was (\$355,464), as compared to \$2,482 for the three months ended June 30, 2013. The increase is primarily attributable increased by amortization of the discount from our notes payable charged to interest expense and loss on extinguishment of debt.

Liquidity and Capital Resources

The following table summarizes total current assets, liabilities and working capital at June 30, 2014 compared to December 31, 2013:

	<u>June 30,</u> <u>2014</u>	<u>December</u> <u>31, 2013</u>	<u>Increase/(Decrease)</u>
Current Assets	\$ 838,249	\$ 1,178,246	\$ (339,997)
Current Liabilities	\$ 3,027,662	\$ 2,684,978	\$ 342,684
Working Capital	<u>\$(2,189,413)</u>	<u>\$(1,506,732)</u>	<u>\$ (696,527)</u>

As of June 30, 2014, we had negative working capital of \$2,189,413 as compared to negative working capital of \$1,506,732 as of December 31, 2013. This was due to decreases in cash with expansion and increased liabilities on notes and derivative liability.

Net cash used in operating activities for the three months ended June 30, 2014 and 2013 was \$(583,441) and \$8,883 respectively. The increase in cash used in operating activities was primarily related to the increased marketing, increased manufacturing, and the adjustment in sales and increases in related working capital.

Net cash in all investing activities for the three months ended June 30, 2014 and 2013 was \$(11,055) and \$24,121 respectively due to the purchase of equipment in 2014.

The estimated working capital requirement for the next 12 months is \$1,800,000 with an estimated burn rate of \$150,000 per month. As reflected in the accompanying financial statements, the Company had cash of \$193,596 at June 30, 2014.

The ability of the Company to continue its operations is dependent on Management's plans, which include increasing revenue, decreasing debt, contract specific financing, raising of capital through debt and/or equity markets with some additional funding from other traditional financing sources, including term notes, until such time that funds provided by operations are sufficient to fund working capital requirements. The Company may need to incur additional liabilities with certain related parties to sustain the Company's existence.

The Company will require additional funding to finance the growth of its current and expected future operations as well as to achieve its strategic objectives. The Company believes its current available cash along with anticipated

Revenue may be insufficient to meet its cash needs for the near future if it does not receive the anticipated additional funding. There can be no assurance that financing will be available in amounts or terms acceptable to the Company, if at all. In that event, the Company would be required to change its growth strategy and seek funding on that basis, if at all.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Recent Accounting Pronouncements

There are no recent accounting pronouncements that are expected to have an effect on the Company's financial statements.

Critical Accounting Policies

Our financial statements and related public financial information are based on the application of accounting principles generally accepted in the United States ("GAAP"). GAAP requires the use of estimates; assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenues and expense amounts reported. These estimates can also affect supplemental information contained in our external disclosures including information regarding contingencies, risk and financial condition. We believe our use of estimates and underlying accounting assumptions adhere to GAAP and are consistently and conservatively applied. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions. We continue to monitor significant estimates made during the preparation of our financial statements.

Our significant accounting policies are summarized in Note 2 of our financial statements. While all these significant accounting policies impact our financial condition and results of operations, we view certain of these policies as critical. Policies determined to be critical are those policies that have the most significant impact on our financial statements and require management to use a greater degree of judgment and estimates. Actual results may differ from those estimates. Our management believes that given current facts and circumstances, it is unlikely that applying any other reasonable judgments or estimate methodologies would cause effect on our consolidated results of operations, financial position or liquidity for the periods presented in this report.

We believe the following critical accounting policies and procedures, among others, affect our more significant judgments and estimates used in the preparation of our consolidated financial statements:

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Such estimates and assumptions impact, among others, the following: allowance for bad debt, inventory obsolescence, the fair value of share-based payments.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from our estimates.

Revenues and Cost of Revenues

Revenues from fixed-price and cost-plus contracts are recognized on the percentage of completion method, whereby revenues on long-term contracts are recorded on the basis of the Company's estimates of the percentage of completion of contracts based on the ratio of actual cost incurred to total estimated costs. This cost-to-cost method is used because management considers it to be the best available measure of progress on these contracts. Revenues from cost-plus-fee contracts are recognized on the basis of costs incurred during the period plus the fee earned, measured on the cost-to-cost method.

Revenues from time-and-material and rate chart contracts are recognized currently as work is performed.

Revenues from maintenance service contracts are recognized on a straight-line basis over the life of the contract once the Company has an agreement, service has begun, the price is fixed or determinable and collectability is reasonably assumed.

Cost of revenues include all direct material, sub-contractor, labor and certain other direct costs, as well as those indirect costs related to contract performance, such as indirect labor and fringe benefits. Selling, general, and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability may result in revisions to cost and income, which are recognized in the period in which the revisions are determined. Changes in estimated job profitability resulting from job performance, job conditions, contract penalty provisions, claims, change orders, and settlements, are accounted for as changes in estimates in the current period. Claims for additional contract revenue are recognized when realization of the claim is probable and the amount can be reasonably determined.

The asset, "cost and estimated earnings in excess of billings on uncompleted contract" represents revenues recognized in excess of amounts billed. The liability, "billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenues recognized.

Off Balance Sheet Arrangements:

We do not have any off-balance sheet arrangements, financings, or other relationships with unconsolidated entities or other persons, also known as "special purpose entities" (SPEs).

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We do not hold any derivative instruments and do not engage in any hedging activities.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures.

Pursuant to Rule 13a- 15(b) under the Exchange Act, the Company carried out an evaluation, with the participation of the Company's management, including the Company's Principal Executive Officer ("PEO") and Principal Financial Officer ("PFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that

evaluation, the Company's PEO and PFO concluded that the Company's disclosure controls and procedures were not effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

(b) Changes in Internal Control over Financial Reporting.

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these, or other matters, may arise from time to time that may harm our business. The past debts of the company represent an increased risk which the Company is activity working to reduce through negotiations where appropriate and payment plans.

Item 1A. Risk Factors.

We believe there are no changes that constitute material changes from the risk factors previously disclosed in our Current Report on Form 10-K, filed with the SEC on May 16, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults upon Senior Securities.

There has been no default in the payment of principal, interest, sinking or purchase fund installment, or any other material default, with respect to any indebtedness of the Company.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

There is no other information required to be disclosed under this item which has not been previously disclosed.

Item 6. Exhibits.

Exhibit No.	Description
31.1	Certification by the Principal Executive Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)). *
31.2	Certification by the Principal Financial Officer of Registrant pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)). *
32.1	Certification by the Principal Executive Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
32.2	Certification by the Principal Financial Officer pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
101.INS	XBRL Instance Document **
101.SCH	XBRL Taxonomy Extension Schema **
101.CAL	XBRL Taxonomy Extension Calculation Linkbase **
101.DEF	XBRL Taxonomy Extension Definition Linkbase **
101.LAB	XBRL Taxonomy Extension Label Linkbase **
101.PRE	XBRL Taxonomy Extension Presentation Linkbase **

* Filed herewith

** In accordance with Regulation S-T, the XBRL-related information on Exhibit No. 101 to this Quarterly Report on Form 10-Q shall be deemed "furnished" herewith and not "filed."

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CARDINAL RESOURCES, INC.

Date: August 18, 2014

By: /s/ Kevin Jones
Name: Kevin Jones
Title: Chief Executive Officer (Principal Executive Officer) (Principal Financial Officer) (Principal Accounting Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Kevin Jones, certify that:

1. I have reviewed this Form 10-Q of Cardinal Resources Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 18, 2014

By: /s/ Kevin Jones

Kevin Jones
Principal Executive Officer
Cardinal Resources, Inc.

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Kevin Jones, certify that:

1. I have reviewed this Form 10-Q of Cardinal Resources, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 18, 2014

By: /s/ Kevin Jones

Kevin Jones
Principal Financial Officer
Cardinal Resources, Inc.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of Cardinal Resources, Inc. (the "Company"), on Form 10-Q for the period ended September 30, 2013, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Kevin Jones, Principal Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) Such Quarterly Report on Form 10-Q for the period ended March 31, 2014, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in such Quarterly Report on Form 10-Q for the period ended March 31, 2014, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 18, 2014

By: /s/ Kevin Jones

Kevin Jones
Principal Executive Officer
Cardinal Resources, Inc.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002**

In connection with this Quarterly Report of Cardinal Resources, Inc. (the "Company"), on Form 10-Q for the period ended March 31, 2014, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Kevin Jones, Principal Financial Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) Such Quarterly Report on Form 10-Q for the period ended March 31, 2014, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in such Quarterly Report on Form 10-Q for the period ended September 30, 2013, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 18, 2014

By: /s/ Kevin Jones
Kevin Jones
Principal Financial Officer
Cardinal Resources, Inc.
