UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

Amendment No. 1

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 22, 2013**

CARDINAL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

NEVADA	**000-54983**	**NONE**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

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

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Forward Looking Statements

This Current Report on Form 8-K and other reports filed by registrant from time to time with the Securities and Exchange Commission (collectively, the "Filings") contain or may contain forward-looking statements and information that is based upon beliefs of, and information currently available to, registrant's management, as well as estimates and assumptions made by registrant's management. 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 registrant or registrant's management identify forward-looking statements. Such statements reflect the current view of registrant with respect to future events and are subject to risks, uncertainties, assumptions and other factors (including the risks contained in the section of this Current Report on Form 8-K entitled "Risk Factors") relating to registrant's industry and registrant's operations and results of operations. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.

You should not place undue reliance on any forward-looking statement, each of which applies only as of the date of this Current Report on Form 8-K. Except as required by law, we undertake no obligation to update or revise publicly any of the forward-looking statements after the date of this Current Report on Form 8-K to conform our statements to actual results or changed expectations, or the results of any revision to these forward-looking statements.

Item 1.01 Entry Into A Material Definitive Agreement

Share Exchange Agreement

On November 22, 2013, JH Designs, Inc., a Nevada corporation (the "Company"), Cardinal Resources LLC ("Cardinal"), a privately-held company headquartered in Pittsburgh, Pennsylvania, and the members of Cardinal (the "Members"), entered into a Share Exchange Agreement (the "Agreement") pursuant to which the Company agreed to exchange the outstanding membership interests of Cardinal held by the Members for shares of common stock of the Company. Pursuant to the Agreement, the membership interests of Cardinal are exchanged for approximately 46,623,000 new shares of the Company's common stock, par value $0.001 per share. In addition, approximately 1,273,000 shares of the Company's common stock, and approximately 6,103,000 shares of the Company's common stock were reserved for issuance to holders of convertible promissory notes and options, respectively, issued by Cardinal.

At the Closing, Jonathan Hopp, the President and majority owner of the Company, submitted for cancellation 160,900,000 shares of common stock of the Company, and Members holding approximately 100% of the membership interests in Cardinal exchanged their interests for approximately 46,623,000 shares of common stock of the Company, and as a result, at the Closing and after giving effect to such cancellation of shares and to the private offering of securities described below, the Company had approximately 46,623,000 shares of common stock issued outstanding and no preferred stock issued and outstanding. The shares issued to Members of Cardinal constituted approximately 56.4% of the issued and outstanding shares of the Company's common stock at the Closing. As a result of the Agreement and the other transactions contemplated thereunder, Cardinal is now a wholly owned subsidiary of the Company.

Cardinal was organized as a limited liability company in Pennsylvania in October 2004. For accounting purposes, the share exchange transaction was treated as a reverse acquisition with Cardinal as the acquirer and JH Designs, Inc. as the acquired party. When we refer in this report to business and financial information for periods prior to the consummation of the reverse acquisition, we are referring to the business and financial information of Cardinal on a consolidated basis unless the context suggests otherwise. The transaction described above was a share exchange and not a merger of two entities. As a result, shareholder approval was not required for the business combination. As is reflected in the Share Exchange Agreement, the two companies, JH Designs, Inc. and Cardinal Resources, LLC were neither merged nor consolidated. The Cardinal Members simply exchanged their units for common shares of JH Designs, Inc. Both companies are still in existence, have their separate tax ID number, etc. and no plan of merger or related documents were filed with the relevant Secretary of State to consummate the transaction. Neither Nevada law (in the case of JH Designs, Inc.) nor Pennsylvania law (in the case of Cardinal Resources, LLC) required that these entities obtain shareholder approval for this type of share exchange transaction.

The above description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the Agreement, which is attached here to as Exhibit 2.2 to this Current Report on Form 8-K.

The sole director and majority shareholder of the Company has approved the Agreement and the transactions contemplated under the Agreement. The Managing Member and the Members of Cardinal have approved the Agreement and the transactions contemplated thereunder.

Subscription Agreements

On November 22, 2013, Cardinal completed a private placement pursuant to which Cardinal issued a convertible promissory note to certain accredited investors, which notes are convertible into shares of our common stock at $0.25 per share. In addition, Cardinal granted to the same investors three−year warrants to purchase an aggregate of 276,000 shares of our common stock at $0.25 per share. As a result of this private placement Cardinal raised approximately $230,000 in gross proceeds, which left $204,500 in net proceeds after the deduction of offering expenses in the amount of approximately $25,500. In connection with this private placement, Cardinal paid the placement agent, Felix Advisors, LLC a placement agency fee of approximately $23,000 and issued to the placement agent a warrant for the purchase of 27,600 shares of our common stock in the aggregate at $0.25 per share. The Company assumed these notes and warrants pursuant to an Assignment and Assumption Agreement dated November 22, 2013.

The above descriptions of the notes and the warrants do not purport to be complete and are qualified in their entirety by reference to the notes, warrants and assignment agreement, which are attached here to as Exhibit 4.1, 4.2 and 4.3 to this Current Report on Form 8-K, respectively.

On November 22, 2013, we also completed a private placement pursuant to which we issued an aggregate of 1.6 million shares of common stock to certain accredited investors at a per share price of $0.25. In addition, we granted to the same investors three−year warrants to purchase an aggregate of 1.6 million shares of our common stock at $0.50 per share. As a result of this private placement we raised approximately $400,000 in gross proceeds. We paid no fees or expenses in connection with this private placement.

The above descriptions of the warrants do not purport to be complete and are qualified in their entirety by reference to the subscription agreement and warrants, which are attached here to as Exhibit 4.4 and 4.5 to this Current Report on Form 8-K, respectively.

Item 2.01 Completion of Acquisition or Disposition of Assets

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

As described in Item 1.01 above, on November 22, 2013, the Company entered into a Share Exchange Agreement which resulted in Cardinal becoming our majority-owned subsidiary. Please note that the information provided below relates to the combined enterprises after the acquisition of Cardinal, except that information relating to periods prior to the date of the reverse acquisition only relate to JH Designs, Inc. unless otherwise specifically indicated.

DESCRIPTION OF BUSINESS

Our History

On July 29, 2010, the Company was incorporated under the laws of the State of Nevada. Jonathan Hopp served as our President and Chief Executive Officer, Secretary and Treasurer, from August 4, 2010, until his resignation on November 22, 2013. Mr. Hopp also served as our sole director until his resignation on November 22, 2013.

On September 1, 2010, we entered into a LLC Membership Purchase Agreement with Mr. Hopp, whereby for $1.00 we acquired a 100% limited liability company interest in Staged for Success LLC, a California limited liability company, which was owned 100% by Mr. Hopp. Staged for Success LLC, formed on February 19, 2009, is an entity through which Mr. Hopp had operated a home staging and interior design services business. Staged for Success LLC ("Staged for Success") is a wholly owned subsidiary of JH Designs, Inc. We operate our business through our Staged for Success LLC, which has operated a home staging and interior design services business since its inception.

On September 11, 2012, the board of directors and the majority of voting power held by the stockholders of the Company, approved an amendment to the Company's Articles of Incorporation (i) increasing the number of authorized shares of common stock from 100,000,000 to 300,000,000, and (ii) effecting a twenty-for-one (20:1) forward split of the Company's issued and outstanding shares of common stock. The increase in authorized shares of common stock and the forward stock split became effective under Nevada law on September 13, 2012. The forward split became effective with the Financial Industry Regulatory Authority, Inc. as of the opening of business on September 24, 2012. As a result of the forward stock split, each share of the Company's common stock issued and outstanding at the close of business on September 23, 2012 was split into 20 shares of the Company's common stock.

Acquisition of Cardinal and Related Financing

On November 22, 2013 we completed a reverse acquisition transaction with Cardinal whereby we issued to the Members of Cardinal an aggregate of approximately 46,623,00 shares of our common stock in exchange for 100% of the issued and outstanding membership interests of Cardinal. Cardinal thereby became our wholly owned subsidiary and the former Members of Cardinal became our controlling stockholders. We plan to amend our articles of incorporation to change our name to Cardinal Resources, Inc. Such amendment is expected to become effective in or about January 2014.

Upon the closing of the reverse acquisition, Jonathan Hopp, our sole director, submitted his resignation letter pursuant to which he resigned from all offices of the Company that he holds effective immediately and from his position as our director. Kevin Jones will be appointed as our sole director at the effective time of the resignation of Jonathan Hopp. In addition, our executive officers were replaced by the Cardinal executive officers upon the closing of the reverse acquisition as indicated in more detail below.

BUSINESS OF CARDINAL

Overview

Cardinal Resources has been working towards its mission of Clean Water, Clean Environment, Worldwide since its inception, and the founders have been working on solving water, wastewater, and environmental problems throughout their careers. Our commitment to that mission is reflected in the development of the patented Red Bird System and sustainable, appropriate technology solutions to waste water treatment. Cardinal Resources is focused on expanding and making our solutions the worldwide standard in sustainable water treatment. The Red Bird System is a patented solar-powered water treatment system with three base production models that can also be customized to specific needs. The Mobile Red Bird, housed in a trailer, and the Community Red Bird System-20, housed in a 20-foot ISO container, produce tens of thousands of gallons of clean water each day at a fraction of a cent per gallon. A third system, the Community Red Bird System-10, was specifically designed to be air mobile for government use and can also serve a community. Other high-volume systems under development. These are high-tech solutions designed to function in low-tech environments. Cardinal Resources provides innovative systems and solutions to water pollution, wastewater and environmental problems.

The Red Bird is totally integrated and within hours of delivery will provide the pumping from the water source, filtration to remove particles, and residual disinfection to meet U.S. and international standards. Delivering this volume of water at an approximate cost of $0.0014/gallon (0.0004/liter) using a combination of solar energy, purification technology, survivability, and sustainability in a setting with limited infrastructure is unique.

In a traditional system, a combination of aeration, chemical addition, and conditioning is required prior to filtration. Similarly, in a membrane-type filter, preconditioning of the water is also required. While effective at producing clean water, the process is energy-intensive, creates a significant waste stream (sedimentation sludge), and is infrastructure-intensive. The Red Bird's elimination of many of the process steps results in a more robust, sustainable system.

The patented Red Bird filtration system was developed using modeling of natural geologic systems (Geo-mimicry) to develop a system that uses natural materials to produce clear, clean water that retains the minerals which give water its taste. This high-tech simplicity eliminates multiple steps in the traditional processes used to produce clean drinking water and, as a result, significantly reduces the energy and costs required to produce clean drinking water.

Suppliers/Manufacturers

Cardinal Resources has two US based manufacturers for the Red Bird System and related products. Both manufacturers are qualified and have produced production units. Neither manufacturer has an exclusive licensing agreement.

Cardinal Resources owns 4% of its lead manufacturer , Forest Edge Manufacturing, LLC based in Wooster Ohio. Forest Edge was formed by Chemviron, Inc. and Cardinal Resources to focus on the production of Cardinal Resources systems and take advantage of the existing supply chain management system. Without expansion Forest Edge can assembly 12 CRB-20 systems per month or approximately $43 million in systems/year.

Cardinal Resources has a diverse supplier base with multiple suppliers available for key components and continues to expand its potential qualified supplier base. For those components with a limited supplier base, Cardinal Resources is developing exclusive agreements to insure supply and continues to research effective substitutes.

Dependence on a Few Major Customers

The majority of the contracted large multi-unit sales are to the State of Bayelsa Nigeria, the Republic of Cameroon, and the Republic of Senegal. Services and individual unit sales make up a smaller portion of the revenue.

Cardinal Resources is aggressively pursuing the expansion of its market and customer base and has a robust opportunity pipeline.

Market Size

It is estimated by the World Bank (2009) that over $630 billion is being spent on water worldwide with a significant percentage in the emerging and developing world. Within this total spending, the largest initial markets for the Red Bird are Rural and Periurban Communities, within developing/emerging countries, entrepreneurs in emerging countries that are selling water to communities either through bottled water or delivery, capacity building/conflict recovery, and green developers. In the public sector there is significant funding for water available, with international development agencies committing over $250 billion across more than 1,000 active water projects that meet the Red Bird criteria (Development Finance International, 2009). While there are opportunities and funding around the world for our approach, Cardinal Resources is initially focusing on West Africa with opportunistic responses to other markets such as other countries in Africa, South America, India, and Southeast Asia. While the public sector offers the best opportunity for large multi-unit orders, the private sector will also generate sales.

Sales, Marketing, and Distribution

The marketing and sales Cardinal Resources products and services utilize a combination of traditional process marketing using print and electronic media. In the emerging markets regional demonstrations of the system with groups of well qualified buyers give the company an edge over the competition by showing not only the quality of the Red Bird System but also by demonstrating our commitment to the market. In addition, participation in international trade shows can be a very effective tool in the water systems space. The sales and marketing effort is a combination of having good local partners with good competitive intelligence capabilities that can help find and qualify the opportunities, combined with the staff of Cardinal Resources.

Ultimately we are marketing and selling, clean water with a good taste in a combined system, service, and training approach. By design, the Red Bird System retains most of the natural minerals that give water its taste and multiple studies have shown that retaining the local taste of most waters is crucial for success. We support the systems through service programs and train the local operators thereby also driving economic development through jobs. In addition we have to recognize the cultural and political importance of clean water. By developing good working relationships with the local water authorities, organizations and governments we expand our viral marketing of our distributed architecture approach as well as our system.

The sales and marketing approach must also be adapted to local conditions that range from technical concerns to the outside color of the system. For example, in many of the developing marketing, while the internet is used extensively, there is also a certain distrust of marketing material printed direct from the web. Therefore we have to provide not only great web content, but also stand alone printed material. Knowing the technical concerns, for example trends in the type of preferred source water or contaminants of interest we can better position our solution.

As a company with a history in providing custom systems and services we are also always looking for opportunities to expand our sales channels into sustainable waste water treatment opportunities, water recycling, and environment engineering and remediation.

Currently we do not have independent distributors of our integrated systems. We believe that in this stage in our expansion, it is key that the Company stay in control of distribution to insure quality, and the appropriate application of our systems in water treatment. While some water treatment components are commodity items, our integrated systems still require highly trained sales-engineers to insure that the source water has been screened and the system is matched to the desired outcome. As we expand, we may accept select highly qualified distribution partners.

Competition

While there are other packaged water treatment systems on the market, but we believe that none have the capabilities of the patented Red Bird System. Our primary competitors (similar flow rates and size) in the market use either cartridge-based or membrane filtration and either ozone or UV oxidation for the final disinfection. As a result, these systems will have a much higher operation and maintenance cost and supply chain issues.

Intellectual Property

Cardinal Resources currently holds multiple issued patents for the filtration technology and its use in the Red Bird System, specialty filters for arsenic removal, fluoride removal, general absorption and taste modification. The Company also holds proprietary technology related to the breaking of silicon emulsions without chemical addition, sustainable waste water treatment, and mobile laboratory analysis of water. Cardinal Resources does look to patent other technologies and approaches in the field of sustainable water treatment.

Trademarks and Trade Secrets

We rely on a combination of US and international patent, trademark, copyright and trade secret laws to establish and protect our proprietary rights. We will also use technical measures, confidentiality agreements and non-compete agreements to protect our proprietary rights.

Employees

Cardinal currently has 10 full-time employees. Cardinal considers its employee relations to be good, and to date has not experienced a work stoppage due to a labor dispute. None of Cardinal's employees are represented by a labor union. For further information see section 5.02 below.

RISK FACTORS

You should carefully consider the risks described below together with all of the other information included in this report before making an investment decision with regard to our securities. The statements contained in or incorporated into this offering that are not historic facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following risks actually occurs, our business, financial condition or results of operations could be harmed. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment.

RISKS RELATED TO OUR BUSINESS

We are not profitable and may never be profitable.

Cardinal Resources' ability to achieve profitability depends upon many factors, including its ability to execute on existing contracts and to continue to develop new markets and commercialize new products. There can be no assurance that Cardinal Resources will ever achieve any significant revenues or profitable operations.

Cardinal Resources has a limited operating history.

Cardinal has been in existence for approximately 8 years and has made a transition from primarily a services based company to a systems based company. Our limited operating history means that there is a high degree of uncertainty in our ability to: (i) develop and commercialize new products; (ii) achieve significant market acceptance of our products; or (iii) respond to competition;. Additionally, even if we do implement our business plan, we may not be successful. No assurances can be given as to exactly when, if at all, we will be able to recognize profits high enough to sustain our business. We face all the risks inherent in a business, including the expenses, difficulties, complications, and delays frequently encountered in connection with conducting operations, including capital requirements. Given our limited operating history, we may be unable to effectively implement our business plan which would result in a loss of your investment.

Need for Additional Capital.

Since inception in 2004 and through September 2013, Cardinal has incurred net accumulated losses of $136,825. As of September 30, 2013 we had a working capital deficit of $245,748. We may need additional capital to fund our continuing operations. Currently, we plan to raise additional capital, but we have no committed sources of additional capital and our access to capital funding is always uncertain. There is no assurance that additional equity or debt financing will be available to us when needed, on acceptable terms or even at all. In the event that we are not able to secure financing, we may have to scale back our development plans or cease operations.

Raising needed capital in the future may be difficult as a result of our limited operating history.

When making investment decisions, investors typically look at a company's historical performance in evaluating the risks and operations of the business and the business's future prospects. Our limited operating history makes such evaluation and an estimation of our future performance substantially more difficult. As a result, investors may be unwilling to invest in us or such investment may be on terms or conditions which are not acceptable. If we are unable to secure such additional finance, we may need to cease operations.

RISKS RELATED TO THE COMPANY

We have a history of losses.

Cardinal has a history of losses from operations during the development and commercialization of its technology. Management is unable to predict if and when we will be to generate positive cash flow. Our plan regarding these matters is to raise additional debt and/or equity financing to allow us the ability to cover our current cash flow requirements and meet our obligations as they become due. There can be no assurances that financing will be available or if available, that such financing will be available under favorable terms. In the event that we are unable to generate adequate revenues to cover expenses and cannot obtain additional financing in the near future, we may seek protection under bankruptcy laws.

The majority of our business depends on a limited number of principal customers.

Because we depend on a limited number of principal customers for a majority of our sales, a loss of one principal customer could materially adversely affect our business and financial condition. Our ten largest accounts represented approximately 96% of our sales for the year ended 2012; approximately 99% of our sales for the year ended 2011 and approximately 99% of our sales for the nine months ended September 30, 2013.

Although we have multiyear contracts, and contracts backed by Letters of Credit our business would be negatively affected by the failure of our principal customers to purchase our products on a consistent basis or to renew such contracts. If these principal customers cease ordering products from us, our business could be materially adversely affected

All of our manufacturing is outsourced.

Presently we do not have any manufacturing facilities and all our manufacturing is out-sourced to Forest Edge LLC. In the event that Forest Edge ceases their operations or stop manufacturing our products, our inability to secure an alternative supplier would adversely affect our business and financial condition. Additionally, should we be forced to manufacture our products, we cannot give you any assurance that we will be able to develop internal manufacturing capabilities. Suppliers, may require us to purchase a minimum amount of materials or could require other unfavorable terms. Any such event would materially impact our prospects. Moreover, we cannot give you any assurance that any contract manufacturers or suppliers that we select will be able to supply our products in a timely or cost effective manner or in accordance with applicable regulatory requirements or our specifications.

There is no guarantee that our business goals of expansion into global markets will be realized.

We are currently selling products in the emerging countries of West Africa and Central Africa. If we are unable to expand into new markets such as other countries in Africa, Southeast Asia, Latin America or South America, we may fall short of our projections and our business and financial condition would be adversely affected.

Increases in the cost and restrictions on the availability of raw materials could adversely affect our financial results.

Our products include natural mineral media that has characteristics specific to the geologic setting of the mineral deposits. The availability or cost of such commodities may fluctuate widely due to government policy and regulation, or shortages due to mine interruption, depletion of the deposits, weather conditions, , increased demand for the same minerals, or other unforeseen circumstances. To the extent that any of the foregoing or other unknown factors increase the prices of such commodities or materials and we are unable to increase our prices or adequately hedge against such changes in a manner that offsets such changes, the results of its operations could be materially and adversely affected. Similarly, if supplier arrangements and relationships result in increased and unforeseen expenses, our financial results could be materially and adversely impacted.

Disruption of our supply chain could adversely affect our business.

Damage or disruption to our manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemic, strikes, the financial and/or operational instability of key suppliers, distributors, warehousing and transportation providers, or brokers, or other reasons could impair our ability to manufacture or sell our products. To the extent that we are unable to, or cannot financially mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, particularly when a product is sourced from a single location, there could be a materially adverse effect on our business and results of operations, and additional resources could be required to restore our supply chain.

Higher energy costs and other factors affecting the cost of producing, transporting, and distributing our products could adversely affect our financial results.

Rising fuel and energy costs may have a significant impact on the cost of operations, including the manufacture, transportation, and distribution of products. Fuel costs may fluctuate due to a number of factors outside of our control, including government policy and regulation and weather conditions. Additionally, we may be unable to maintain favorable arrangements with respect to the manufacturing costs of our products as a result of the rise in costs of procuring raw materials and transportation by our manufacturers. This may result in increased expenses and negatively affect operations.

Our results of operations can be significantly affected by the volatility in the prices of the raw materials that we use to produce our products.

Our raw materials costs are volatile and expose us to significant fluctuations in our product costs. We employ significant amounts of natural media and other materials in our manufacturing processes. The costs of these raw materials are volatile and beyond our control. Volatile raw materials costs can significantly affect our operating results and make period−to−period comparisons extremely difficult. We may not be able to hedge our raw material requirements at a reasonable cost or to pass on to our customers the increased costs of our raw materials.

Compliance with environmental regulations can be expensive, and our failure to comply with these regulations may result in adverse publicity and a material adverse effect on our business.

As a manufacturer, we are subject to various environmental laws and regulations on air emission, waste water discharge, solid wastes and noise. Although we believe that our operations are in substantial compliance with current environmental laws and regulations, we may not be able to comply with these regulations at all times. Therefore, if more stringent regulations are imposed in any jurisdiction in which we operate in the future, we will have to incur additional and potentially substantial costs and expenses in order to comply with new regulations, which may negatively affect our results of operations. If we fail to comply with any of the present or future environmental regulations in any material aspects, we may suffer from negative publicity and may be required to pay substantial fines, suspend or even cease operations.

Our failure to introduce new products and product enhancements and broad market acceptance of new technologies introduced by our competitors could adversely affect our business.

Many new water treatment technologies have been introduced over the past few years. Our ability to achieve significant and sustained penetration of key developing markets will depend upon our success in developing or acquiring state of the art technologies, either independently, through joint ventures or through acquisitions. If we fail to develop or acquire, and to manufacture and sell, products that satisfy our customers' demands, or if we fail to respond effectively to new product announcements by our competitors by quickly introducing competitive products, market acceptance of our products could be reduced and our business could be adversely affected.

Product branding is important to us and if our brands are misappropriated our reputation could be harmed which could result in lower sales having a negative impact on our financial results.

We rely upon a combination of trademark, licensing and contractual covenants to establish and protect the brand names of our products. We will be registering our trademark in multiple jurisdictions. In many market segments, our reputation is closely related to our brand names. Monitoring unauthorized use of our brand names is difficult, and we cannot be certain that the steps we have taken will prevent their unauthorized use, particularly in foreign countries where the laws may not protect our proprietary rights. Our brand names may be misappropriated or utilized without our consent and such actions may have a material adverse effect on our reputation and on the results of our operations.

We rely on key personnel and, if we are unable to retain or motivate key personnel or hire qualified personnel, we may not be able to grow effectively.

Our success depends in large part upon the abilities and continued service of our executive officers and other key employees, particularly Mr. Kevin Jones, President, and Ms. Barbara H. Jones Vice President for implementation. There can be no assurance that we will be able to retain the services of such officers and employees. Our failure to retain the services of our key personnel could have a materially adverse effect on our business. In order to support our projected growth, we will be required to effectively recruit, hire, train and retain additional qualified management personnel. Our inability to attract and retain the necessary personnel could have a materially adverse effect on our business.

We may not be able to effectively control and manage our growth, which would negatively impact our operations.

If our business and markets grow and develop it will be necessary for us to finance and manage expansion in an orderly fashion. We may face challenges in managing the expansion of our business and in integrating any acquired businesses with our own. Such eventualities will increase demands on our existing management, workforce and facilities. Failure to satisfy increased demands could interrupt or adversely affect our operations and cause administrative inefficiencies.

We may be unable to successfully execute our identified business opportunities or other business opportunities that we determine to pursue.

We currently have a limited corporate infrastructure. To pursue business opportunities, we will need to continue to build our infrastructure and operational capabilities. Our ability to do any of these successfully could be affected by any one or more of the following factors:

- our ability to raise substantial amounts of additional capital if needed to fund the implementation of our business plan;
- our ability to execute our business strategy;
- the ability of our products to achieve market acceptance;
- our ability to manage the expansion of our operations and any acquisitions we may make, which could result in increased costs, high employee turnover or damage to customer relationships;

- our ability to attract and retain qualified personnel;
- our ability to manage our third party relationships effectively; and
- our ability to accurately predict and respond to the rapid market changes in our industry and the evolving demands of the markets we serve.

Our failure to adequately address any one or more of the above factors could have a significant impact on our ability to implement our business plan and our ability to pursue other opportunities that arise.

Inability to Maintain Quality Control

All of our manufacturing is outsourced. Although we have entered into supply agreements specifying certain minimum acceptable quality standards, there is no assurance that our current quality assurance procedures will be able to effective monitor compliance. Additionally, in the event that we expand our operations and increase our output volume, including securing additional manufacturers, there is no assurance that we will be able to adequately maintain quality controls or that our current process is scalable.

Our products could be subject to product liability claims by customers and/or consumers, which would adversely affect our profit margins, results of operations and stockholder value.

If our products are not properly designed or built and/or personal injuries are sustained as a result of our equipment, we could be subject to claims for damages based on theories of product liability and other legal theories. The costs and resources to defend such claims could be substantial and, if such claims are successful, we could be responsible for paying some or all of the damages. Also, our reputation could be adversely affected, regardless of whether such claims are successful. Any of these results would adversely affect our profit margins, results from operations and stockholder value.

RISKS RELATED TO OUR INTELLECTUAL PROPERTY

Inability to defend our intellectual property.

Our business could be adversely affected if we are unable to adequately protect our intellectual property. Our current intellectual property consists of issued patents for our products, proprietary knowledge, pre-patent and patent pending technology. We may rely on a combination of patent, trademark, copyright and trade secret laws to establish and protect our proprietary rights. We will also use technical measures, confidentiality agreements and non-compete agreements to protect our proprietary rights.

Our intellectual property rights are valuable, and any inability to protect them could reduce the value of our services and brand.

Our business is largely based upon patentable technology and trade secrets that may not patentable. We may be unable to keep other companies from copying our technology, or we may be subject to legal actions alleging intellectual property infringement, unfair competition or similar claims against us. Companies may have intellectual property rights covering aspects of our technologies or businesses. Defending ourselves against intellectual property infringement or similar claims is expensive and diverts management’s attention.

RISKS RELATED TO THE STOCK

You will experience dilution of your ownership interest because of the future issuance of additional shares of our common stock and our preferred stock.

In the future, we may issue our authorized but previously unissued equity securities, resulting in the dilution of the ownership interests of our present stockholders. We are currently authorized to issue an aggregate of 325,000,000 shares of capital stock consisting of 300,000,000 shares of common stock, with $0.001 par value per share, and 25,000,000 shares of "blank check" preferred stock, with no par value.

We may also issue additional shares of our common stock or other securities that are convertible into or exercisable for common stock in connection with hiring or retaining employees or consultants, future acquisitions, future sales of our securities for capital raising purposes, or for other business purposes. The future issuance of any such additional shares of our common stock or other securities may create downward pressure on the trading price of our common stock. There can be no assurance that we will not be required to issue additional shares, warrants or other convertible securities in the future in conjunction with hiring or retaining employees or consultants, future acquisitions, future sales of our securities for capital raising purposes or for other business purposes, including at a price (or exercise prices) below the price at which shares of our common stock are trading.

Our common stock is quoted on the OTC Bulletin Board which may have an unfavorable impact on our stock price and liquidity.

Our common stock is quoted on the OTC Bulletin Board. The OTC Bulletin Board is a significantly more limited market than the New York Stock Exchange or Nasdaq system. The quotation of our shares on the OTC Bulletin Board may result in a less liquid market available for existing and potential stockholders to trade shares of our common stock, could depress the trading price of our common stock and could have a long−term adverse impact on our ability to raise capital in the future.

Our common stock is considered a penny stock, which may be subject to restrictions on market ability, so you may not be able to sell your shares.

If our common stock becomes tradable in the secondary market, we will be subject to the penny stock rules adopted by the SEC that require brokers to provide extensive disclosure to their customers prior to executing trades in penny stocks. These disclosure requirements may cause a reduction in the trading activity of our common stock, which in all likelihood would make it difficult for our shareholders to sell their securities.

Penny stocks generally are equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the NASDAQ system). Penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The broker-dealer must also make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These requirements may have the effect of reducing the level of trading activity, if any, in the secondary market for a security that becomes subject to the penny stock rules. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our securities, which could severely limit the market price and liquidity of our securities. These requirements may restrict the ability of broker-dealers to sell our common stock and may affect your ability to resell our common stock.

Our executive officers and directors will continue to beneficially own a material amount of our outstanding Common Stock.

Our executive officers and directors beneficially own approximately 48.8% of our outstanding common stock as of the Closing, including approximately 29.4% of our outstanding shares that are beneficially owned by our chief executive officer, Kevin Jones. As a result, if they act in concert with holders of a relatively small number of shares, our executive officers and directors will control all of the issues submitted to a vote of our shareholders.

We do not expect to pay dividends.

We have never declared or paid any cash dividends or distributions on our capital stock. We currently intend to retain our future earnings, if any, to support operations and to finance expansion and therefore we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of our operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividend. If the Company does not pay dividends, the Company's common stock may be less valuable because a return on an investor's investment will only occur if the Company's stock price appreciates.

There has been a limited trading market for our Common Stock which may impair your ability to sell your shares.

It is anticipated that there will be a limited trading market for the Common Stock on the NASD's Over-the-Counter Bulletin Board. The lack of an active market will impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market will also reduce the fair market value of your shares. An inactive market may also impair our ability to raise capital by selling shares of capital stock and may impair our ability to acquire other companies or technologies by using Common Stock as consideration.

If we fail to establish and maintain an effective system of internal control, we may not be able to report our financial results accurately or to prevent fraud. Any inability to report and file our financial results accurately and timely could harm our reputation and adversely impact the trading price of our Common Stock.

Effective internal control is necessary for us to provide reliable financial reports and prevent fraud. If we cannot provide reliable financial reports or prevent fraud, we may not be able to manage our business as effectively as we would if an effective control environment existed, and our business and reputation with investors may be harmed. As a result, our small size and any current internal control deficiencies may adversely affect our financial condition, results of operation and access to capital. We have not performed an in-depth analysis to determine if historical un-discovered failures of internal controls exist, and may in the future discover areas of our internal control that need improvement.

Our largest stockholder, Kevin Jones, holds a significant percentage of our outstanding voting securities and accordingly may make decisions regarding our daily operations, significant corporate transactions and other matters that other stockholders may believe are not in their best interests.

Mr. Kevin Jones, our CEO and sole director, is the beneficial owner of approximately 29.4% of our outstanding voting securities as of the Closing. As a result, he possesses significant influence over the election of our Board of Directors and significant corporate transactions. His ownership may also have the effect of delaying or preventing a future change in control, impeding a merger, consolidation, takeover or other business combination or discourage a potential acquirer from making a tender offer. Other stockholders may believe that these future decisions made by Mr. Jones are not in their best interests.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND PLAN OF OPERATIONS

This Current Report on Form 8-K contains forward-looking statements within the meaning of the federal securities laws. These include statements about our expectations, beliefs, intentions or strategies for the future, which we indicate by words or phrases such as "anticipate," "expect," "intend," "plan," "will," "we believe," "management believes" and similar language. Except for the historical information contained herein, the matters discussed in this "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this Current Report are forward-looking statements that involve risks and uncertainties. The factors listed in the section captioned "Risk Factors," as well as any cautionary language in this Current Report, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from those projected. Except as may be required by law, we undertake no obligation to update any forward-looking statement to reflect events after the date of this Current Report on Form 8-K.

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 nine months ended September 30, 2013 and 2012, and the years ended December 31, 2012 and 2011. This discussion should be read in conjunction with the audited 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.

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, 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 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.

Plan of Operations

Our Plan of Operations is focused on becoming the global preferred providers of sustainable water treatment systems using a distributed architecture. To meet this goal our plans calls 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 Senegal, Nigeria, and Cameroon. 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 the majority of the systems sold.

Revenues

We generate our net sales from the sale of environmental services and the patented Red Bird System. Historically the majority of the sales have been tied to services but beginning in 2012 and 2013 the majority of our sales are tied 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 and manufactured overhead from our component suppliers.

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 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 and the cost of products, materials and outside services used in our process and product research and development activities.

Selling, General and Administrative

Selling, general and administrative expense consists primarily of salaries and other personnel-related costs, professional fees, insurance costs, travel expense, other selling expenses as well as share based compensation expense relating to stock options. 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

Our discussion and analysis of our financial condition and results of operations are based upon our 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 an 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 is applying for credit through the U.S. Export Import Bank. This application is pending. 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.

Results of Operations for the nine months ended September 30, 2013 and 2012

The following table sets forth the summary income statement for the nine months ended September 30, 2013 and 2012:

	Nine Months Ended			
	September 30, 2013		**September 30, 2012**	
Sales -	$	815,051	$	1,445,237
Gross Profit (Loss)	$	179,759	$	(220,928)
Operating Expenses	$	635,292	$	1,666,685
Other Income (Expense)	$	(20,832)	$	(20,690)
Net Income (Loss)	$	158,927	$	(241,618)

For the nine months ended September 30, 2013 and 2012, the Company reported income of $158,927 and a net loss of $241,618, respectively. The change between the nine months ended September 30, 2013 and 2012 was primarily attributable to a material increase in sales of our Red Bird Systems, together with decreased labor costs, and reduced market development as we focused on the close of key contracts.

Sales - Net sales for the nine months ended September 30, 2013, were $815,051, compared to $1,445,237 for the nine months ended September 30, 2012. This change in sales is primarily a result of beginning the delivery of services and ancillary system components related to new contracts combined with the wrap up of certain services projects.

Gross Profit/Loss - During the nine months ended September 30, 2013, our gross profit as a percentage of sales was 64% compared to a gross loss as a percentage of sales of (15%) for the nine months ended September 30, 2012. This increase in gross profit percentage is primarily attributable to implementation of new and existing contracts.

Operating Expenses - Operating expenses for the nine months ended September 30, 2013, was $635,292, as compared to $1,666,165 for the nine months ended September 30, 2012. The $1,030,872 decrease is primarily attributable to decreased labor costs, and related operation costs.

Other Expense - Other expense for the nine months ended September 30, 2013, was $20,832, as compared to $20,690 for the nine months ended September 30, 2012, and was primarily attributable to interest expense in both periods.

Results of Operations for year ended December 31, 2012 and 2011

The following table sets forth the summary income statement for the year ended December 31, 2012 and 2011:

	Year/Period ended			
	December 31, 2012		December 31, 2011	
Sales	$	1,278,024	$	2,020,025
Gross Profit	$	496,117	$	492,319
Operating Expenses	$	1,074,794	$	647,074
Other Income (Expense)	$	(31,112)	$	(26,764)
Net Loss	$	(609,789)	$	(181,519)

For the year ended December 31, 2012 and 2011, the Company reported a net loss of $(609,789) and $ (181,519), respectively. The change in net loss between the year ended December 31, 2012 and 2011 was primarily attributable to following significant events:

Sales: Net sales for 2012 were $1,278,024, compared to $2,020,025 for 2011. Sales decreased due to a variety of factors including the changed direction of the Company which resulted in fewer sales of services, which reduced sales, general economic conditions which reduced customers spending on environmental services, and the maturation of the environmental services market. Systems sales were delayed as a major customer worked through the finance which was completed in July 2013.

Gross Profit/loss: For 2012 our gross profit as a percentage of sales was 39% compared to a percentage of sales of 24% for 2011. On a percentage basis, gross profit improved between 2011 and 2012 based on reduced labor costs, the location of services projects which resulted in lower direct expenses related to travel, and other cost reduction activities.

Operating Expense: Operating expenses for 2012 was $1,074,794 as compared to $647,074 for 2011 which is due primarily to the shifting direction of the Company which creates less billable labor in the short term. Increases in product and market development also increased our operating expenses.

Other Income (Expense): Other expense for 2012 was $31,112 compared to $26,764 for 2011. The increase is primarily due to increased interest expense related to extending payment terms and reducing debt payments to maintenance levels.

Liquidity and Capital Resources

The following table summarizes total current assets, liabilities and working capital at September 30, 2013 compared to December 31, 2012:

	Year/Period ended					
	September 30, 2013		December 31, 2012		Change	
Current Assets	$	1,360,411	$	50,096	$	1,310,315
Current Liabilities	$	2,606,159	$	1,495,030	$	1,111,129
Working Capital	$	(1,245,748)	$	(1,444,934)	$	199,186

As of September 30, 2013, we had working capital of $(1,245,748) as compared to working capital of $(1,444,934) as of December 31, 2012, an increase of $199,186. The change in working capital is primarily attributable to a material increase in cash and cash equivalents and accounts receivable, as a result of the increase in sales.

Net cash provided by operating activities also increased in the nine months ending September 30, 2013 compared to the same period in 2012 primarily due to receiving initial contract payments related to the Bayelsa contract.

Net cash in all investing activities increased with the sale of a vehicle in the period ending September 30, 2013 and limited purchases of new equipment.

Net cash used in all financing activities was ($117,657) in September 2013 compared to ($52,147) with the primary reason being the positive proceeds from the convertible notes issued in 2013.

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 revenues may be insufficient to meet its cash needs for the near future if it does not receive the anticipated additional funding, which include the raising of capital through debt and/or equity markets with some additional funding from other traditional financing sources, including term notes and lines of credit. Cardinal has raised $230,000 through the issuance of convertible notes, which are convertible into shares of our common stock at $0.25 per share, and three-year warrants at $0.25 per share for the purchase of an aggregate of 276,000 shares of our common stock, and we raised an additional approximately $400,000 through the issuance of approximately 1.6 million shares of common stock at $0.25 per share together with three-year warrants to purchase approximately 1.6 million shares at $0.50 per share. The Company anticipates that it will need approximately $3-5 million more in additional financing over the next twelve months to fully effectuate management's growth plans and to sustain the Company's existence. In addition to the debt and equity financing described above, the Company may need to incur additional liabilities with certain related parties. 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.

Revenue recognition–

In accordance with guidance by paragraph 605-10-S99-1 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") for revenue recognition, the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectability is reasonably assured.

(a) Sale of products

The Company recognizes revenue from the sale of products upon delivery to the customers and the transfer of title and risk of loss. The Company provides a warranty to the extent that the products conform to their approved usage at approved locations, are operated by trained operators, and maintained as required by the Operations and Maintenance procedures. The Company does pass through warranties on equipments that exceed the Company's system warranty. There were no claims on the Company's warranties during the years ended December 31, 2012 or 2011.

(b) Service revenue

Service revenue is primarily derived from engineering and technical services that are not an element of an arrangement for the sale of products. These services are generally billed on a time-cost plus basis. Revenue is recognized when service is rendered and accepted by the customers.

Advertising - Costs incurred for producing and communicating advertising for the Company are charged to operations as incurred.

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).

MANAGEMENT

Board Composition and Committees

The board of directors is currently composed of one member, Kevin Jones. The Company plans to add additional directors to the Board in the near future. All directors hold office until the next annual meeting of stockholders or until their respective successors are elected, except in the case of death, resignation or removal. A brief biography of our director is more fully described in Item 5.02, which is incorporated herein by reference.All Board action requires the approval of a majority of the directors in attendance at a meeting at which a quorum is present.

We currently do not have standing audit, nominating or compensation committees. We intend, however, to establish an audit committee, a nominating committee and a compensation committee of the board of directors as soon as practicable. We envision that the audit committee will be primarily responsible for reviewing the services performed by our independent auditors, evaluating our accounting policies and our system of internal controls. The nominating committee would be primarily responsible for nominating directors and setting policies and procedures for the nomination of directors. The nominating committee would also be responsible for overseeing the creation and implementation of our corporate governance policies and procedures. The compensation committee will be primarily responsible for reviewing and approving our salary and benefit policies (including stock options), including compensation of executive officers.

Our board of directors has not made a determination as to whether any member of our board is an audit committee financial expert. Upon the establishment of an audit committee, the board will determine whether any of the directors qualify as an audit committee financial expert.

Director Compensation

We have not paid our director fees in the past for attending scheduled and special meetings of our board of directors. In the future, we may adopt a policy of paying independent director a fee for their attendance at board and committee meetings. We do reimburse each director for reasonable travel expenses related to such director's attendance at board of directors and committee meetings.

Family Relationships

Except as described below, there are no family relationships among our directors or officers.

Kevin R Jones and Barbara H Jones have been married since 1985.

Code of Ethics.

Cardinal Resources has implemented a Code of Ethics, including compliance with the Federal Corrupt Practices Act, that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions as well as all employees and contractors. Our code of ethics is posted on our corporate website.

EXECUTIVE COMPENSATION

Company Summary Compensation

The following summary compensation table sets forth all compensation awarded to, earned by, or paid to the named executive officers paid by the Company during the period from inception (September 2010) through December 31, 2012.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Totals ($)
(1) Jonathan Hopp	2010	$ 0	0	0	0	0	0	0	$ 0
	2011	$ 0	0	0	0	0	0	0	$ 0
	2012	$ 0	0	0	0	0	0	0	$ 0

(1).

Option Grants Table

There were no individual grants of stock options to purchase our common stock made to the executive officers named in the Summary Compensation Table from inception through December 31, 2012.

Cardinal Summary Compensation

The following table sets forth information for Cardinal's most recently completed fiscal year concerning the compensation of Kevin Jones, our sole executive during the most recently completed fiscal years ended December 31, 2012, 2011 and 2010.

Name and Principal Position	Year	Salary ($)	Option Awards ($) (1)	All Other Compensation ($)	Total ($)
Kevin Jones, President, CEO and CFO	2012	$ 36,753	--	$ 13,541(1)	$ 50,293
	2011	$ 62,867	--	--	$ 62,867

(1) Salary Deferred

Aggregated Option Exercises and Fiscal Year-End Option Value Table

There were no stock options exercised since the date of inception of the Company through the date of this Current Report on Form 8-K by the executive officers named in the Summary Compensation Tables.

Long-Term Incentive Plan ("LTIP") Awards Table

There were no awards made toa named executive officers in the last completed fiscal year under any LTIP.

Compensation of Directors

Cardinal Resources does not currently pay non-executive directors to serve on the Board of Directors. In the future a compensation program may be developed.

Option Plan

We currently do not have a Stock Option Plan, however, we may to issue stock options pursuant to a Stock Option Plan in the future. Such stock options may be awarded to management, employees, members of the Company's Board of Directors and consultants of the Company.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

None.

PRE-CLOSING PRINCIPAL STOCKHOLDERS

Prior to the Closing, our former CEO Jonathan Hopp, beneficially owned 190,000,000 shares of common stock of the Company, or 96% or the issued and outstanding shares. We had no other executive officers, directors or owners of more than 5% of our common stock. All shares were owned directly by Mr. Hopp and he possesses sole voting and investment power with respect to the shares.

POST-CLOSING PRINCIPAL STOCKHOLDERS

The following table provides the names and addresses of each person known to us to own more than 5% of our outstanding shares of common stock as of November 22, 2013, and by the officers and directors, individually and as a group. Except as otherwise indicated, all shares are owned directly and the shareholders listed possesses sole voting and investment power with respect to the shares shown.

Name and Address of Beneficial Owner(1)	Shares (2)	Shares Underlying Convertible Securities (2)	Total Percent of Class
Kevin Jones, President, CEO, CFO	24,590,230	-	29.8%
All executive officers and directors as a group	24,590,230	-	29.8%
Barbara H. Jones	8,147,188	-	9.8%
Carol J. McKee	8,147,124	-	9.8%
Jonathan Hopp	29,100,000		35.2%

(1) Except as otherwise indicated, the persons named in this table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to community property laws where applicable and to the information contained in the footnotes to this table. Barbara H. Jones is Kevin Jones wife. Unless otherwise indicated, the address of the beneficial owner is Cardinal, 203 Main Street, East Pittsburgh PA 15112.

(2) Pursuant to Rules 13d-3 and 13d-5 of the Exchange Act, beneficial ownership includes any shares as to which a shareholder has sole or shared voting power or investment power, and also any shares which the shareholder has the right to acquire within 60 days, including upon exercise of common shares purchase options or warrants. There are approximately 83,781,510 shares of common stock issued and outstanding as of November 22, 2013.

DESCRIPTION OF SECURITIES

General

Our authorized capital stock consists of 300,000,000 shares of common stock, with $0.001 par value per share, and 25,000,000 shares of "blank check" preferred stock, with no par value. After consummation of the transaction contemplated by the Agreement, we currently have approximately 82,020,000 shares of common stock issued and outstanding and no shares of preferred stock issued and outstanding.

Common Stock

The following is a summary of the material rights and restrictions associated with our common stock. This description does not purport to be a complete description of all of the rights of our stockholders and is subject to, and qualified in its entirety by, the provisions of our most current Articles of Incorporation and Bylaws, which are included as exhibits to this Registration Statement.

The holders of our common stock currently have (i) equal ratable rights to dividends from funds legally available therefore, when, as and if declared by the Board of Directors of the Company; (ii) are entitled to share ratably in all of the assets of the Company available for distribution to holders of common stock upon liquidation, dissolution or winding up of the affairs of the Company (iii) do not have preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights applicable thereto; and (iv) are entitled to one non-cumulative vote per share on all matters on which stock holders may vote.

Our Bylaws provide that at all meetings of the stockholders for the election of directors, a plurality of the votes cast shall be sufficient to elect. On all other matters, except as otherwise required by Nevada law or the Articles of Incorporation, a majority of the votes cast at a meeting of the stockholders shall be necessary to authorize any corporate action to be taken by vote of the stockholders.

A "plurality" means the excess of the votes cast for one candidate over any other. When there are more than two competitors for the same office, the person who receives the greatest number of votes has a plurality.

Please refer to the Company's Articles of Incorporation, Bylaws and the applicable statutes of the State of Nevada for a more complete description of the rights and liabilities of holders of the Company's securities.

Blank Check Preferred Stock

The following is a summary of the material rights and restrictions associated with our preferred stock. This description does not purport to be a complete description of all of the rights of our stockholders and is subject to, and qualified in its entirety by, the provisions of our most current Articles of Incorporation and Bylaws, which are included as exhibits to this Registration Statement.

Our Board of Directors is authorized to determine or alter any or all of the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of preferred stock and, within the limitations or restrictions stated in any resolution or resolutions of the Board of Directors originally fixing the number of shares constituting any series, to increase or decrease (but not below the number of shares of any such series then outstanding) the number of shares comprising any such series subsequent to the issue of shares of that series, to set the designation of any series, and to provide for rights and terms of redemption, conversion, dividends, voting rights, and liquidation preferences of the shares of any such series.

Nevada Anti-Takeover Laws

The Nevada Business Corporation Law contains a provision governing "Acquisition of Controlling Interest." This law provides generally that any person or entity that acquires 20% or more of the outstanding voting shares of a publicly-held Nevada corporation in the secondary public or private market may be denied voting rights with respect to the acquired shares, unless a majority of the disinterested stockholders of the corporation elects to restore such voting rights in whole or in part. The control share acquisition act provides that a person or entity acquires "control shares" whenever it acquires shares that, but for the operation of the control share acquisition act, would bring its voting power within any of the following three ranges: (1) 20 to 33 1/3%, (2) 33 1/3 to 50%, or (3) more than 50%. A "control share acquisition" is generally defined as the direct or indirect acquisition of either ownership or voting power associated with issued and outstanding control shares. The stockholders or board of directors of a corporation may elect to exempt the stock of the corporation from the provisions of the control share acquisition act through adoption of a provision to that effect in the Articles of Incorporation or Bylaws of the corporation. Our Articles of Incorporation and Bylaws do not exempt our common stock from the control share acquisition act. The control share acquisition act is applicable only to shares of "Issuing Corporations" as defined by the act. An Issuing Corporation is a Nevada corporation, which; (1) has 200 or more stockholders, with at least 100 of such stockholders being both stockholders of record and residents of Nevada; and (2) does business in Nevada directly or through an affiliated corporation.

Pursuant to Nevada law, we have elected to not be governed by the Nevada "Acquisition of Controlling Interest" statute, under Article 8 of our Articles of Incorporation. Therefore, the provisions of the Acquisition of Controlling Interest statute do not apply to us.

The Nevada "Combination with Interested Stockholders Statute" may also have an effect of delaying or making it more difficult to effect a change in control of the Company. This statute prevents an "interested stockholder" and a resident domestic Nevada corporation from entering into a "combination," unless certain conditions are met. The statute defines "combination" to include any merger or consolidation with an "interested stockholder," or any sale, lease, exchange, mortgage, pledge, transfer or other disposition, in one transaction or a series of transactions with an "interested stockholder" having; (1) an aggregate market value equal to 5 percent or more of the aggregate market value of the assets of the corporation; (2) an aggregate market value equal to 5 percent or more of the aggregate market value of all outstanding shares of the corporation; or (3) representing 10 percent or more of the earning power or net income of the corporation. An "interested stockholder" means the beneficial owner of 10 percent or more of the voting shares of a resident domestic corporation, or an affiliate or associate thereof. A corporation affected by the statute may not engage in a "combination" within three years after the interested stockholder acquires its shares unless the combination or purchase is approved by the board of directors before the interested stockholder acquired such shares. If approval is not obtained, then after the expiration of the three-year period, the business combination may be consummated with the approval of the board of directors or a majority of the voting power held by disinterested stockholders, or if the consideration to be paid by the interested stockholder is at least equal to the highest of: (1) the highest price per share paid by the interested stockholder within the three years immediately preceding the date of the announcement of the combination or in the transaction in which he became an interested stockholder, whichever is higher; (2) the market value per common share on the date of announcement of the combination or the date the interested stockholder acquired the shares, whichever is higher; or (3) if higher for the holders of preferred stock, the highest liquidation value of the preferred stock. The effect of Nevada's business combination law is to potentially discourage parties interested in taking control of Omega Water Corp. from doing so if it cannot obtain the approval of our board of directors.

Pursuant to Nevada law, we have elected to not be governed by the Nevada "Combination with Interested Stockholders Statute," under Article 8 of our Articles of Incorporation. Therefore, the provisions of the Combination with Interested Stockholders Statute do not apply to us.

Dividends

We have not paid any cash dividends to our shareholders. The declaration of any future cash dividends is at the discretion of our board of directors and depends upon our earnings, if any, our capital requirements and financial position, our general economic conditions, and other pertinent conditions. It is our present intention not to pay any cash dividends in the foreseeable future, but rather to reinvest earnings, if any, in our business operations.

Warrants

There are approximately 276,000 warrants outstanding at $0.25 per share, and approximately 1.6 million warrants outstanding at $0.50 per share.

Options

There are 6,103,104 outstanding options to purchase our securities.

While there is no established public trading market for our Common Stock, our Common Stock is quoted on the OTC Markets OTCQB, under the symbol "JHDG".

The market price of our Common Stock is subject to significant fluctuations in response to variations in our quarterly operating results, general trends in the market and other factors, over many of which we have little or no control. In addition, broad market fluctuations, as well as general economic, business and political conditions, may adversely affect the market for our Common Stock, regardless of our actual or projected performance.

Holders

As of September 22, 2013, we had approximately 82,623,000 shares of our common stock par value, $0.001, issued and outstanding. There are approximately 45 beneficial owners of our common stock.

Transfer Agent and Registrar

The transfer agent for our common stock is Colonial Stock Transfer Company, Inc., 66 Exchange Place - Suite 100, Salt Lake City, Utah 84111, and their telephone number is: (801) 355-5740.

Penny Stock Regulations

The Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be an equity security that has a market price of less than $5.00 per share. Our Common Stock, when and if a trading market develops, may fall within the definition of penny stock and be subject to rules that impose additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors (generally those with assets in excess of $1,000,000, or annual incomes exceeding $200,000 individually, or $300,000, together with their spouse).

For transactions covered by these rules, the broker-dealer must make a special suitability determination for the purchase of such securities and have received the purchaser's prior written consent to the transaction. Additionally, for any transaction, other than exempt transactions, involving a penny stock, the rules require the delivery, prior to the transaction, of a risk disclosure document mandated by the Securities and Exchange Commission relating to the penny stock market. The broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and, if the broker-dealer is the sole market-maker, the broker-dealer must disclose this fact and the broker-dealer's presumed control over the market. Finally, monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. Consequently, the "penny stock" rules may restrict the ability of broker-dealers to sell our Common Stock and may affect the ability of investors to sell their Common Stock in the secondary market.

Dividend Policy

Any future determination as to the declaration and payment of dividends on shares of our Common Stock will be made at the discretion of our board of directors out of funds legally available for such purpose. We are under no contractual obligations or restrictions to declare or pay dividends on our shares of Common Stock. In addition, we currently have no plans to pay such dividends. Our board of directors currently intends to retain all earnings for use in the business for the foreseeable future. See "Risk Factors."

Equity Compensation Plan Information

Currently, there is no equity compensation plan in place.

LEGAL PROCEEDINGS

There are no material proceedings to which any director or officer, or any associate of any such director or officer, is a party that is adverse to our Company or any of our subsidiaries or has a material interest adverse to our Company or any of our subsidiaries. No director or executive officer has been a director or executive officer of any business which has filed a bankruptcy petition or had a bankruptcy petition filed against it during the past ten years. No director or executive officer has been convicted of a criminal offense or is the subject of a pending criminal proceeding during the past ten years. No director or executive officer has been the subject of any order, judgment or decree of any court permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities during the past ten years. No director or officer has been found by a court to have violated a federal or state securities or commodities law during the past ten years.

In addition, there are no material proceedings to which any affiliate of our Company, or any owner of record or beneficially of more than five percent of any class of voting securities of our Company, is a party that is adverse to our Company or any of our subsidiaries or has a material interest adverse to our Company or any of our subsidiaries. Currently there are no legal proceedings pending or threatened against us. We are not currently involved in any litigation that we believe could have a materially adverse effect on our financial condition or results of operations.

There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our Company, our common stock, any of our subsidiaries or of our Company's or our Company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

However, from time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. 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.

RECENT SALES OF UNREGISTERED SECURITIES

Reference is made to Item 3.02 of this Current Report on Form 8-K for a description of recent sales of unregistered securities, which is hereby incorporated by reference.

INDEMNIFICATION OF OFFICERS AND DIRECTORS

The directors and officers of the Company are indemnified as provided by the Nevada corporate law and our Bylaws. We have agreed to indemnify each of our directors and certain officers against certain liabilities, including liabilities under the Securities Act of 1933. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to our directors, officers and controlling persons pursuant to the provisions described above, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than our payment of expenses incurred or paid by our director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

We have been advised that in the opinion of the Securities and Exchange Commission indemnification for liabilities arising under the Securities Act is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities is asserted by one of our directors, officers, or controlling persons in connection with the securities being registered, we will, unless in the opinion of our legal counsel the matter has been settled by controlling precedent, submit the question of whether such indemnification is against public policy to a court of appropriate jurisdiction. We will then be governed by the court's decision.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the Agreement, on November 22, 2013, we issued approximately 46,623,000 shares of our Common Stock to the Members of Cardinal, their affiliates or assigns, in exchange for 100% of the outstanding membership interests of Cardinal. Such securities were not registered under the Securities Act of 1933.

On November 22, 2013, Cardinal completed a private placement pursuant to which Cardinal issued a convertible promissory note to certain accredited investors, which notes are convertible into shares of our common stock at $0.25 per share. In addition, Cardinal granted to the same investors three−year warrants to purchase an aggregate of 276,000 shares of our common stock at $0.25 per share. As a result of this private placement Cardinal raised approximately $230,000 in gross proceeds, which left $204,500 in net proceeds after the deduction of offering expenses in the amount of approximately $25,500. In connection with this private placement, Cardinal paid the placement agent, Felix Advisors, LLC a placement agency fee of approximately $23,000 and issued to the placement agent a warrant for the purchase of 27,600 shares of our common stock in the aggregate at $0.25 per share. The Company assumed these notes and warrants pursuant to an Assignment and Assumption Agreement dated November 22, 2013.

The above descriptions of the notes and the warrants do not purport to be complete and are qualified in their entirety by reference to the notes, warrants and assignment agreement, which are attached here to as Exhibit 4.1, 4.2 and 4.3 to this Current Report on Form 8-K, respectively.

On November 22, 2013, we also completed a private placement pursuant to which we issued an aggregate of 1.6 million shares of common stock to certain accredited investors at a per share price of $0.25. In addition, we granted to the same investors three−year warrants to purchase an aggregate of 1.6 million shares of our common stock at $0.50 per share. As a result of this private placement we raised approximately $400,000 in gross proceeds. We paid no fees or expenses in connection with this private placement.

The above descriptions of the warrants do not purport to be complete and are qualified in their entirety by reference to the subscription agreement and warrants, which are attached here to as Exhibit 4.4 and 4.5 to this Current Report on Form 8-K, respectively.

These securities were not registered under the Securities Act. These securities qualified for exemption under Section 4(2) of the Securities Act since the issuance of securities by us did not involve a public offering. The offering was not a "public offering" as defined in Section 4(2) due to the insubstantial number of persons involved in the deal, size of the offering, manner of the offering and number of securities offered. We did not undertake an offering in which we sold a high number of securities to a high number of investors. In addition, these shareholders had the necessary investment intent as required by Section 4(2) of the Securities Act since the Conventions Shareholders agreed to and received share certificates bearing a legend stating that such securities are restricted pursuant to Rule 144 of the Securities Act. This restriction ensures that these securities would not be immediately redistributed into the market and therefore not be part of a "public offering." Based on an analysis of the above factors, we have met the requirements to qualify for exemption under Section 4(2) of the Securities Act.

Item 4.01 Change In Registrant's Certifying Accountant

(a) Dismissal of Previous Independent Registered Public Accounting Firm

On November 22, 2013, concurrent with the change in control transaction discussed above, our board of directors approved the dismissal of Li and Company, PC as our independent auditor. Li and Company, PC's report on the financial statements for the fiscal years ended December 31, 2012 and 2011 contained no adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principle, other than for a going concern.

During the fiscal years ended December 31, 2012 and 2011, and in the subsequent interim period through November 22, 2013, the date of dismissal of Li and Company, PC, there were no disagreements with Li and Company, PC on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Li and Company, PC, would have caused them to make reference to the subject matter of the disagreements in its reports on the financial statements for such year. During the fiscal years ended December 31, 2012 and 2011, and in the subsequent interim period through November 22, 2013, the date of dismissal of Li and Company, PC, there were no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

We have provided a copy of the above disclosures to Li and Company, PC and requested Li and Company, PC to provide it with a letter addressed to the U.S. Securities and Exchange Commission stating whether or not Li and Company, PC agrees with the above disclosures. A copy of Li and Company, PC's letter will be filed by amendment to this Form 8-K.

(b) Engagement of New Independent Registered Public Accounting Firm

Concurrent with the decision to dismiss Li and Company, PC. as our independent auditor, our board of directors appointed Malone Bailey, LLC as our independent auditor.

During our two most recent fiscal years (ended December 31, 2011 and 2012) and from January 1, 2013, to the date of this current report, we did not consult Malone Bailey., LLC with respect to (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on our consolidated financial statements, and neither a written report was provided to us or oral advice was provided that Malone Bailey LLC concluded was an important factor considered by us in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement (as defined in Item 304(a)(1)(iv) of Regulation S−B and the related instructions to that Item) or a reportable event (as described in Item 304(a)(1)(v) of Regulation S−B).

Item 5.01 Changes in Control of Registrant.

As explained more fully in Item 2.01, in connection with the Agreement, on November 22, 2013, we issued approximately 46,623,000 shares of our Common Stock to the Members of Cardinal, their affiliates or assigns in exchange for the transfer of 100% of the outstanding membership interests of Cardinal held by the Members. As such, immediately following the transactions contemplated by the Agreement, the Members hold approximately 56.4% of the total combined voting power of all classes of our outstanding stock entitled to vote. Reference is made to the disclosures set forth under Item 2.01 of this Current Report on Form 8-K, which disclosure is incorporated herein by reference.

In connection with the Closing, and as explained more fully in Item 2.01 above under the section titled "Management" and in Item 5.02 of this Current Report, Jonathan Hopp, our former President, Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, and Chairman resigned from these positions.

Further, effective November 22, 2013, Mr. Kevin Jones was appointed as the sole member of our board of directors.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

(a) Resignation of Directors

Effective November 22, 2013, Mr. Jonathan Hopp resigned as the sole member of the Board of Directors. There were no disagreements between Mr. Hopp and us or any officer or director of the Company.

(b) Resignation of Officers

Effective November 22, 2013, Mr. Hopp resigned as our President, Chief Executive Officer, Chief Financial Officer, and Principal Accounting Officer.

(c) Appointment of Directors

Effective November 22, 2013, Kevin Jones was appointed as the sole member of the Board of Directors:

Please see also Section 5.02(d) of this current report, whose information is herein incorporated by reference.

(d) Appointment of Officers

Effective November 22, 2013, Kevin Jones was appointed President, Chief Executive Officer and Chief Financial Officer of the Company. The Company will hire additional officers, including full time CFO, in the near future.

The business background descriptions of the newly appointed officers and directors are as follows:

Kevin Jones, a Geologist from the University of Montana, has over 35 years of work experience in the fields of environmental remediation, engineering, water and wastewater, including extensive business development, strategic planning, and international operations. This experience has been gained through working for regulatory agencies, as a Principal (awarded ownership positions) in large public companies as well as having founded and operated businesses since 1996. The company he founded in 1996 quickly grew to the 7th Fastest Growing Environmental Engineering Firm in the United States (ZwiegWhite Associates) and reached the Engineering News Record Top 200 list. He founded Cardinal Resources LLC in 2004, which become one of the Fastest Growing Firms and a Tech 50 Company in the Pittsburgh Region. Mr. Jones' strategic direction and business development led the company to successfully complete work in over 20 countries around the globe for Fortune 100 Companies. The company was recognized as an Exporter of the Year for Environmental by U.S. Commercial Services in 2011. Mr. Jones was an Ernst and Young Entrepreneur of the Year Finalist in 2011. In addition to his business experience, Mr. Jones holds multiple issued patents for water treatment.

Family Relationships

Kevin Jones and Barbara Jones are married.

EMPLOYMENT AGREEMENTS OF THE EXECUTIVE OFFICERS

The Company is not a party to any employment agreement and has no compensation agreement with any of its officers and directors.

Item 5.06 Change in Shell Company Status.

Management has determined that, as a result of the transaction described in Item 2.01 of this Current Report, our company has ceased to be a shell company as defined in Rule 12b-2 promulgated under the *Securities Exchange Act of 1934*, *as amended*.

The disclosure under Item 2.01 of this Current Report on Form 8-K is responsive to this Item and is hereby incorporated by reference.

Item 9.01 Financial Statement and Exhibits.

(a) Financial Statements of Business Acquired. The Audited Financial Statements Cardinal Resources, are filed as Exhibit 99.2 to this Current Report on Form 8-K and are incorporated herein by reference.

(d) Exhibits. Exhibit No. Description

Exhibit No.	Description
2.1	LLC Membership Purchase Agreement, dated September 1, 2010, by and between the Company and Jonathan Hopp (incorporated herein by reference to the Company's Registration Statement on Form S-1, as amended (File No. 333-174196), as filed with the Securities and Exchange Commission on May 13, 2011).
2.2	Share Exchange Agreement dated November 22, 2013 by and among JH Designs, Inc., Cardinal Resources LLC, and the members of Cardinal (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
2.3	Share Cancellation Agreement between JH Designs, Inc. and Jonathan Hopp dated November 22, 2013 (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
3.1.1	Articles of Incorporation (incorporated herein by reference to the Company's Registration Statement on Form S-1, as amended (File No. 333-174196), as filed with the Securities and Exchange Commission on May 13, 2011).
3.1.3	Certificate of Amendment to Articles of Incorporation (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q (File No. 333-174196), as filed with the Securities and Exchange Commission on November 14, 2012).
3.1.3	Certificate of Change (incorporated herein by reference to the Company's Quarterly Report on Form 10-Q (File No. 333-174196), as filed with the Securities and Exchange Commission on November 14, 2012).
3.2	By-Laws (incorporated herein by reference to the Company's Registration Statement on Form S-1, as amended (File No. 333-174196), as filed with the Securities and Exchange Commission on May 13, 2011).
3.3	Certificate of Organization of Cardinal Resources, LLC dated March 9, 2006 (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
3.4	Certificate of Merger, LLC dated March 10, 2006 (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
3.5	Cardinal Resources, LLC Operating Agreement (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
4.1	Form of Convertible Bridge Note (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
4.2	Form of Warrant (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
4.3	Assignment and Assumption Agreement of Notes and Warrants (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
4.4	Form of JH Designs, Inc. Subscription Agreement (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
4.5	Form of JH Designs, Inc. Warrant (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
10.1	Agreement between the Bayelsa State Government and Cardinal Resources, LLC dated July 2, 2013 (incorporated herein by reference to the Company's Current Report on Form 8-K (File number 000-54983), as filed with the Securities and Exchange Commission on December 3, 2013).
99.2	Cardinal financial statements for the nine months ended September 30, 2013 and Audited financial statements for the fiscal years ended December 31, 2012 and December 31, 2011. *
101.INS	XBRL Instance Document**
101.SCH	XBRL Taxonomy Extension Schema Document**
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document**
101.LAB	XBRL Taxonomy Extension Label Linkbase Document**

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document**

* Attached hereto.

** In accordance with Regulation S-T, the XBRL-related information on Exhibit No. 101 to this Current Report on Form 8-K/A shall be deemed "furnished" herewith and not "filed."

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	JH Designs, Inc.
Date: March 24, 2014	By: */s/ Kevin Jones*
	Name: Kevin Jones
	Title: Chief Executive Officer

CARDINAL RESOURCES LLC

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(WITH REPORT OF

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM THEREON)

Index to Audited Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Cardinal Resources, LLC
Las Vegas, Nevada

We have audited the accompanying balance sheets of Cardinal Resources, LLC (the "Company") as of December 31, 2012 and 2011 and the related statements of operations, members' equity (deficit), and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2012 and 2011 and the related results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has negative working capital and suffered recurring losses from operations, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

MaloneBailey, LLP
www.malone-bailey.com
Houston, Texas

December 2, 2013

CARDINAL RESOURCES LLC
Balance Sheets
As of December 31, 2012 and 2011

	December 31, 2012	December 31, 2011
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 11,133	$ 50
Accounts receivable, net	35,533	318,486
Prepaid expenses	-	34,618
Other receivable	3,430	3,430
TOTAL CURRENT ASSETS	50,096	356,584
PROPERTY, PLANT AND EQUIPMENT, NET	318,401	367,396
TOTAL ASSETS	$ 368,497	$ 723,980
LIABILITIES AND MEMBERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$ 763,825	$ 621,640
Accounts payable - related parties	60,959	46,664
Notes payable	211,049	97,656
Notes payable - related parties	107,208	75,890
Convertible notes payable	70,000	-
Accrued liabilities	281,989	196,021
TOTAL CURRENT LIABILITIES	1,495,030	1,037,871
NON-CURRENT LIABILITIES		
Notes payable, net of current portion	8,897	215,820
TOTAL NON-CURRENT LIABILITIES	8,897	215,820
TOTAL LIABILITIES	1,503,927	1,253,691
MEMBERS' (DEFICIT)		
Members' equity	160,322	156,252
Accumulated deficit	(1,295,752)	(685,963)
TOTAL MEMBERS' (DEFICIT)	(1,135,430)	(529,711)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 368,497	$ 723,980

The accompanying notes are an integral part of these financial statements.

CARDINAL RESOURCES LLC
Statements of Operations
For the Years Ended December 31, 2012 and 2011

	For the Years Ended December 31, 2012	December 31, 2011
Revenues		
Sales	$ 1,278,024	$ 2,020,025
Operating expenses		
Cost of sales	781,907	1,527,706
Selling, general and Administrative	1,018,346	592,550
Depreciation and amortization expenses	56,448	54,524
Total operating expenses	1,856,701	2,174,780
Loss from operations	(578,677)	(154,755)
Other expenses		
Interest expense	(31,112)	(26,764)
Net loss	$ (609,789)	$ (181,519)

The accompanying notes are an integral part of the financial statements.

CARDINAL RESOURCES LLC
Statement of Members' Equity (Deficit)
For the Years Ended December 31, 2012 and 2011

	Members' Equity	Accumulated Deficit	Total Members' (Deficit)
Balance, December 31, 2010	$ 126,252	$ (504,444)	$ (378,192)
Sale of member units	30,000	-	30,000
Net loss	-	(181,519)	(181,519)
Balance, December 31, 2011	156,252	(685,963)	(529,711)
Sale of member units	4,070		4,070
Net loss		(609,789)	(609,789)
Balance, December 31, 2012	$ 160,322	$ (1,295,752)	$ (1,135,430)

The accompanying notes are an integral part of these financial statements.

CARDINAL RESOURCES LLC
Statements of Cash Flows
For the Years Ended December 31, 2012 and 2011

	For the Years Ended December 31, 2012	For the Years Ended December 31, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (609,789)	$ (181,519)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expenses	56,448	54,524
Bad debt expense	431,367	-
Changes in operating assets and liabilities:		
Accounts receivable	(148,414)	(10,258)
Other receivable	-	(3,430)
Prepaid expenses	34,618	(34,618)
Accounts payable	158,322	199,431
Accounts payable - related parties	14,295	25,954
Accrued liabilities	85,968	49,334
NET CASH PROVIDED BY OPERATING ACTIVITIES	22,815	99,418
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(7,453)	(210,804)
NET CASH USED IN INVESTING ACTIVITIES	(7,453)	(210,804)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of member units	4,070	30,000
Repayments of line of credit	-	(149,625)
Proceeds from notes payable	-	290,973
Repayments of notes payable	(93,530)	(28,479)
Proceeds from notes payable - related parties	50,602	39,687
Repayments of notes payable - related parties	(35,421)	(71,170)
Proceeds from convertible notes payable	70,000	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(4,279)	111,386
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,083	-
CASH AND CASH EQUIVALENTS:		
Beginning of period	50	50
End of period	$ 11,133	$ 50
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ 24,985	$ 9,096

The accompanying notes are an integral part of these financial statements.

NOTE – 1 ORGANIZATION AND BUSINESS BACKGROUND

Cardinal Resources, LLC (referred to herein as the "Company"), a Pennsylvania Limited Liability Company, was originally founded in Monroeville, Pennsylvania in 2004 by Kevin R. Jones, Barbara H. Jones and Joyce O'Connor. The business produces and distributes innovative water and wastewater treatment systems, including the patented solar powered Red Bird System, specialty patent and proprietary natural media filters. In addition, the Company provides their clients with environmental engineering, consulting, and remediation services.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and fiscal year

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) under the accrual basis of accounting. The Company's fiscal year-end is December 31.

Use of estimates

In preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. These accounts and estimates include, but are not limited to, the valuation of accounts receivables,income taxes and the estimation on useful lives of property, plant and equipment. Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

Accounts receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company extends unsecured credit to its customers in the ordinary course of business but mitigates the associated risks by performing credit checks and actively pursuing past due accounts. An allowance for doubtful accounts is established and determined based on managements' assessment of known requirements, aging of receivables, payment history, the customer's current credit worthiness and the economic environment. As of December 31, 2012 and 2011, the Company recorded an allowance for uncollectible accounts of $424,608 and $33,861.

Property, plant and equipment, net

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on the straight-line basis over the expected useful lives of 3-7 years from the date on which the asset became fully operational. Additions are capitalized and expenditures for maintenance and repairs are expensed as incurred.

NOTE – 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value for Financial Assets and Financial Liabilities

The carrying amounts of the Company's financial assets and liabilities, such as cash, accounts receivable, accounts payable and short-term borrowings approximate their fair values because of the short maturity of these instruments. The long-term borrowings approximate fair value since the related rates of interest approximate current market rates.

Embedded conversion features

The Company evaluates embedded conversion features within convertible debt and convertible preferred stock under ASC 815 "Derivatives and Hedging" to determine whether the embedded conversion feature should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings. If the conversion feature does not require derivative treatment under ASC 815, the instrument is evaluated under ASC 470-20 "Debt with Conversion and Other Options" for consideration of any beneficial conversion feature.

Revenue recognition

In accordance with guidance by paragraph 605-10-S99-1 of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") for revenue recognition, the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectability is reasonably assured.

(a) Sale of products

The Company recognizes revenue from the sale of products upon delivery to the customers and the transfer of title and risk of loss. The Company provides a warranty to the extent that the products conform to their approved usage at approved locations, are operated by trained operators, and maintained as required by the Operations and Maintenance procedures. The Company does pass through warranties on equipments that exceed the Company's system warranty. There were no claims on the Company's warranties during the years ended December 31, 2012 or 2011.

(b) Service revenue

Service revenue is primarily derived from engineering and technical services that are not an element of an arrangement for the sale of products. These services are generally billed on a time-cost plus basis. Revenue is recognized when service is rendered and accepted by the customers.

Cost of Goods Sold

Cost of goods sold consists primarily of costs of raw materials and direct labor, and other costs directly attributable to the production of products and the provision of services. Write-down of inventories to lower of cost or market is also recorded in cost of goods sold.

Income Taxes

The Company has elected to be a limited liability company under the applicable provisions of the Internal Revenue Code. Under those provisions, the Company does not pay federal or state income taxes on its taxable income. Instead, the members are liable for individual income taxes on their respective shares of taxable income.

As of December 31, 2012 and 2011, the Company did not have any significant unrecognized uncertain tax positions. The tax years from 2010 to 2012 remain subject to examination by taxing authorities.

Related parties

Parties, which can be a corporation or individual, are considered to be related if the Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence. The Company had accounts payable balances owed to related parties as of December 31, 2012 and 2011 of $60,959 and $46,664, respectively. Material related party debt transactions have been identified in Note 6 to the financial statements.

Recently issued accounting standards

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements up to ASU 2013-09, and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its consolidated financial condition or the consolidated results of its operations.

NOTE – 3 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 December 31, 2012, the Company had an accumulated deficit of $1,295,752 and a working capital deficit of $1,444,934. 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) reductions in raw materials costs, as well as packaging costs; (b) expansion of the business model 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, 2013. 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 – 4 PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment are comprised of the following amounts at the respective dates:

	Estimated Useful Life	As of December 31, 2012	2011
Cost:			
Machinery and equipment	7-10 years	$ 434,995	$ 427,542
Vehicles	5-7 years	82,835	82,835
Furniture and fixtures	10 years	55,005	55,005
Software	3 years	8,390	8,390
		581,225	573,772
Less: Accumulated depreciation		(262,824)	(206,376)
Net		$ 318,401	$ 367,396

The Company had depreciation expenses of $56,448 and $54,524 during the years ended December 31, 2012 and 2011, respectively.

NOTE – 5 NOTES PAYABLE

As of December 31, 2012 and 2011, the Company had notes payable of $219,946 and $313,476, respectively, from various local banks. The detailed terms were set forth as follows:

	As of December 31,	
	2012	**2011**
2008 GMC Sierra 3500, 8.99% annual interest, due on May 7, 2014	$ 18,497	$ 25,702
Dollar Bank, 10.27% annual interest, due on October 1, 2013	6,475	13,858
AFCO, 5.45% annual interest, due on September 1, 2012 and November 19, 2012	--	34,618
SBA Guaranteed Loan, 6.5% annual interest, in default as of December 31, 2012	194,974	239,298
Total notes payable	$ 219,946	$ 313,476
Less: Current portion of notes payable	(211,049)	(97,656)
Total long-term notes payable	$ 8,897	$ 215,820

Accordingly, the Company recorded interest expenses of $18,205 and $13,128 during the years ended December 31, 2012 and 2011, respectively.

Future minimum payments related to our notes payable as of December 31, 2012, for the next five years and the total amount thereafter are as follows.

Year ending December 31,	
2013	$ 9,600
2014	8,897
2015	-
2016	-
2017	-
Thereafter	-
	$ 18,497

NOTE – 6 NOTES PAYABLE – RELATED PARTIES

The Company had outstanding balances on its notes payable – related parties of the following amounts as of December 31, 2012 and 2011:

	As of December 31,	
	2012	**2011**
Loan from officers, 15% annual interest, due on September 8, 2016	$ 16,000	$ 16,000
Loan from member, 9.75% annual interest, due on demand	15,435	21,790
Loan from officer, 4.09% annual interest, due on demand	3,168	8,101
Loan from officer, 4.11% annual interest, due on December 31, 2013	64,572	--
Loan from officer, 15% annual interest, due on March 1, 2013	8,033	29,999
Total notes payable – related parties	$ 107,208	$ 75,890

Accordingly, the Company recorded interest expenses of $8,706 and $10,746 during the years ended December 31, 2012 and 2011, respectively.

NOTE – 7 CONVERTIBLE NOTES

The Company had outstanding balances on its convertible notes in the amount of $70,000 and $--as of December 31, 2012 and 2011, respectively. The convertible note was related to a Special Private Offering of Subordinated Convertible Debt, dated October 15, 2012. Pursuant to the terms of the Private Offering, the principal amount of the notes and all accrued interest automatically convert into the securities sold in the Company's next round of equity financing at a discount of 25%. The notes are due on October 16, 2013 with an annual interest rate of 12%.

Accordingly, the Company recorded interest expenses of $4,201 and $-- during the years ended December 31, 2012 and 2011, respectively.

The Company evaluated the embedded conversion feature under ASC 815 "Derivatives and Hedging" and determined derivative accounting does not apply to this conversion feature. The Company also evaluated the conversion feature under ASC 470-20 "Debt with Conversion and Other Options" and determined a beneficial conversion feature was not present.

NOTE – 8 MEMBERS' EQUITY

During the years ended December 31, 2012 and 2011, member units were sold for $4,070 and $30,000, respectively, in cash.

NOTE – 9 COMMITMENTS AND CONTINGENCIES

The Company leases its office and testing space under one long-term non-cancelable operating lease agreement, which continues through April of 2014. A storage facility was under lease for one year commencing in June 2011. We were in a month to month lease arrangement for the storage space after expiration.

The lease payments set forth in the following table include the rents for both office space and storage space.

Year ended December 31	Lease payment
2013	$ 108,742
2014	38,199
2015	2,927
2016	--
2017	--
Thereafter	--
Total	$ 149,868

For the years ended December 31, 2012 and 2011, rental expenses were $120,033 and $112,533, respectively.

NOTE – 10 CONCENTRATION AND RISK

During the year ended December 31, 2012, three customers composed approximately 73% of total revenue. During the year ended December 31, 2011, one customer composed approximately 76% of total revenue.

During the year ended December 31, 2012, two vendors composed approximately 71% of total purchases. During the year ended December 31, 2011, three vendors composed approximately 50% of total purchases.

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.

NOTE – 11 SUBSEQUENT EVENTS

During the six months ended June 30, 2013, the Company was being sued for failure to pay a note totaling $67,826. Judgment was ruled against the Company, and the Company paid the full amount on July 15, 2013. This amount was accrued at December 31, 2012.

The Company received proceeds of $40,100 from the issuance of convertible notes during the six months ended June 30, 2013. The convertible notes were related to a Special Private Offering of Subordinated Convertible Debt, dated October 15, 2012. Pursuant to the terms of the Private Offering, the principal amount of the notes and all accrued interest automatically convert into the securities sold in the Company's next round of equity financing at a discount of 25%. The notes are due on October 16, 2013 with an annual interest rate of 12%.

The Company evaluated the embedded conversion feature under ASC 815 "Derivatives and Hedging" and determined derivative accounting does not apply to this conversion feature. The Company also evaluated the conversion feature under ASC 470-20 "Debt with Conversion and Other Options" and determined a beneficial conversion feature was not present.

In addition to the convertible notes issued during the six months ended June 30, 2013, the Company also issued a total of 3,000 member units to the note holders of $20,100 of the total $40,100 in principal value. The fair value of the member units of $3,000, which was determined using the fair value of the most recent member units for cash transaction, was recorded as a debt discount on the notes and will be amortized using the effective interest method through the maturity date of the notes of October 16, 2013.

CARDINAL RESOURCES LLC

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013

(UNAUDITED)

Index to Unaudited Financial Statements

CARDINAL RESOURCES LLC
Balance Sheets
(Unaudited)

		September 30, 2013		December 31, 2012
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	1,273,597	$	11,133
Accounts receivable, net		83,384		35,533
Other receivable		3,430		3,430
TOTAL CURRENT ASSETS		1,360,411		50,096
PROPERTY, PLANT AND EQUIPMENT, NET		272,945		318,401
TOTAL ASSETS	$	1,633,356	$	368,497
LIABILITIES AND MEMBERS' DEFICIT				
CURRENT LIABILITIES				
Accounts payable	$	609,347	$	763,825
Accounts payable - related parties		89,418		60,959
Notes payable		104,955		211,049
Notes payable - related parties		55,545		107,208
Convertible notes payable, net of discounts of $3,000 and $-		110,100		70,000
Deferred revenue		1,000,000		-
Accrued liabilities		636,794		281,989
TOTAL CURRENT LIABILITIES		2,606,159		1,495,030
NON-CURRENT LIABILITIES				
Notes payable, net of current portion		-		8,897
TOTAL NON-CURRENT LIABILITIES		-		8,897
TOTAL LIABILITIES		2,606,159		1,503,927
MEMBERS' (DEFICIT)				
Members' equity		164,022		160,322
Accumulated deficit		(1,136,825)		(1,295,752)
TOTAL MEMBERS' (DEFICIT)		(972,803)		(1,135,430)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$	1,633,356	$	368,497

The accompanying notes are an integral part of these unaudited financial statements

CARDINAL RESOURCES LLC
Statements of Operations
(Unaudited)

	For the Nine Months Ended	
	September 30, 2013	September 30, 2012
Revenues		
Sales	$ 815,051	$ 1,445,237
Operating expenses		
Cost of sales	196,436	615,121
Selling, general and administrative	400,675	1,008,703
Depreciation and amortization expenses	38,182	42,341
Total operating expenses	635,292	1,666,165
Income (loss) from operations	179,759	(220,928)
Other expenses		
Interest expense	(20,832)	(20,690)
Total other expenses	(20,832)	(20,690)
Net **income (loss)**	$ 158,927	$ (241,618)

The accompanying notes are an integral part of these unaudited financial statements

CARDINAL RESOURCES LLC
Statements of Cash Flows
(Unaudited)

	For the Nine Months Ended	
	September 30, 2013	September 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 158,927	$ (241,618)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expenses	38,182	42,341
Bad debt expense	-	431,367
Gain from disposal of vehicle	(16,847)	
Changes in operating assets and liabilities:		
Accounts receivable	47,851	(256,344)
Prepaid expenses	-	(34,618)
Accounts payable	(154,478)	84,739
Accounts payable - related parties	28,459	16,980
Deferred revenue	1,000,000	
Accrued liabilities	354,805	(49,244)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,361,197	62,839
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(5,360)	(6,963)
Proceeds from disposal of vehicle	24,284	-
NET CASH USED IN INVESTING ACTIVITIES	18,924	(6,963)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of member units	-	4,070
Repayments of notes payable	(106,094)	(78,803)
Repayments of notes payable - related parties	(51,663)	(22,586)
Proceeds from convertible notes payable	40,100	-
NET CASH USED IN FINANCING ACTIVITIES	(117,657)	(52,147)
NET DECREASE IN CASH AND CASH EQUIVALENTS	1,262,464	3,729
CASH AND CASH EQUIVALENTS:		
Beginning of period	11,133	50
End of period	$ 1,273,597	$ 3,779
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ 2,079	$ 9,088
Supplemental disclosures of non-cash investing and financing activities:		
Debt discount due to member units issued with convertible notes	$ 3,000	$ --

The accompanying notes are an integral part of these unaudited financial statements.

NOTE – 1 BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The accompanying unaudited 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 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.

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 September 30, 2013, the Company had an accumulated deficit of $1,136,825 and a working capital deficit of $1,245,748. 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) reductions in raw materials costs, as well as packaging costs; (b) expansion of the business model 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 September 30, 2013. 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 NOTES PAYABLE

The Company made principal payments of 106,094 on outstanding notes payable during the nine months ended September 30, 2013.

In addition, the Company sold the GMC Sierra in amount of $24,284 on May 2, 2013 to Day Chevrolet and paid off the lease at that time.

NOTE – 4 NOTES PAYABLE – RELATED PARTIES

The Company made principal payments of $51,663 on outstanding notes payable to related parties during the nine months ended September 30, 2013.

The Company had outstanding balances on its notes payable – related parties of the following amounts as of September 30, 2013 and December 31, 2012:

	As of	
	9/30/2013	12/31/2012
Loan from officers, 15% annual interest, due on September 8, 2016	$ 16,000	$ 16,000
Loan from member, 9.75% annual interest, due on demand	6,018	15,435
Loan from officer, 4.09% annual interest, due on demand	3,168	3,168
Loan from officer, 4.11% annual interest, due on December 31, 2013	30,359	64,572
Loan from officer, 15% annual interest, due on March 1, 2013	-	8,033
Total notes payable – related parties	$ 55,545	$ 107,208

NOTE – 5 CONVERTIBLE NOTES

The Company received proceeds of $40,100 from the issuance of convertible notes during the nine months ended September 30, 2013. The convertible notes were related to a Special Private Offering of Subordinated Convertible Debt, dated October 15, 2012. Pursuant to the terms of the Private Offering, the principal amount of the notes and all accrued interest automatically convert into the securities sold in the Company's next round of equity financing at a discount of 25%. The notes are due on October 16, 2013 with an annual interest rate of 12%.

The Company evaluated the embedded conversion feature under ASC 815 "Derivatives and Hedging" and determined derivative accounting does not apply to this conversion feature. The Company also evaluated the conversion feature under ASC 470-20 "Debt with Conversion and Other Options" and determined a beneficial conversion feature was not present.

In addition to the convertible notes issued during the nine months ended September 30, 2013, the Company also issued a total of 3,000 member units to the note holders of $20,100 of the total $40,100 in principal value. The fair value of the member units of $3,000, which was determined using the fair value of the most recent member units for cash transaction, was recorded as a debt discount on the notes and will be amortized using the effective interest method through the maturity date of the notes of October 16, 2013.

NOTE – 6 SUBSEQUENT EVENTS

During the nine months ended September 30, 2013, the Company was being sued for failure to pay a note totaling $67,826. Judgment was ruled against the Company, and the Company paid the full amount on July 15, 2013. This amount was accrued at December 31, 2012.

On November 22, 2013, Cardinal completed a private placement pursuant to which Cardinal issued a convertible promissory note to certain accredited investors, which notes are convertible into shares of our common stock at $0.25 per share. In addition, Cardinal granted to the same investors three−year warrants to purchase an aggregate of 276,000 shares of our common stock at $0.25 per share. As a result of this private placement Cardinal raised approximately $230,000 in gross proceeds, which left $204,500 in net proceeds after the deduction of offering expenses in the amount of approximately $25,500. In connection with this private placement, Cardinal paid the placement agent, Felix Advisors, LLC a placement agency fee of approximately $23,000 and issued to the placement agent a warrant for the purchase of 27,600 shares of our common stock in the aggregate at $0.25 per share. The Company assumed these notes and warrants pursuant to an Assignment and Assumption Agreement dated November 22, 2013.

The above descriptions of the notes and the warrants do not purport to be complete and are qualified in their entirety by reference to the notes, warrants and assignment agreement, which are attached here to as Exhibit 4.1, 4.2 and 4.3 to this Current Report on Form 8-K, respectively.

On November 22, 2013, we also completed a private placement pursuant to which we issued an aggregate of 1.6 million shares of common stock to certain accredited investors at a per share price of $0.25. In addition, we granted to the same investors three−year warrants to purchase an aggregate of 1.6 million shares of our common stock at $0.50 per share. As a result of this private placement we raised approximately $400,000 in gross proceeds. We paid no fees or expenses in connection with this private placement.