

Chair's Report

Dear Fellow Shareholders

Once again, it is with pleasure that I present the 2011 Annual Report of Golden Rim.

Over the past 12 months, Golden Rim closely followed its systematic exploration strategy in West Africa. The Company completed regional geochemical sampling work, mapping, aeromagnetic and radiometric surveys in order to generate both prospective and measured targets for drilling. This major, methodical exercise took the Company's field staff almost all of the last West African field season to complete.

Following on from the regional exploration work, Golden Rim also conducted 5 drilling programs. Exciting drill intercepts were received and will be followed-up along with other drill targets during the forthcoming field season. Around 55,000m of reverse circulation and diamond drilling has been planned for this work.

At the Balogo Project, Burkina Faso, the Company discovered significant copper and gold mineralisation in the Cobra Shear Zone and discovered a new parallel shear zone containing high grade gold, the Netiana Shear Zone. The Netiana Shear Zone discovery was made after the reporting period and announced in August 2011. Golden Rim intends to complete a major follow-up drill program at this Project.

A drill program late in the field season at the Yako Project, Burkina Faso, also returned some very encouraging gold results. The Yako Project sits in the same region as Orezone Gold Corporation's 0.6Moz Sega deposit; Cluff Gold plc's 0.8Moz Kalsaka producing gold mine; and Riverstone Resources Inc's 1.93Moz Karma gold deposit. Golden Rim intends to continue with its systematic geochemical sampling program at the Yako Project along with an aeromagnetic survey and a further drill program.

In Mali, Golden Rim discovered, through trenching, broad zones of stockwork gold mineralisation at the Sepola Project (Linguekoto Prospect). A follow-up drilling program at this Prospect is also planned.

Golden Rim, as with all other business houses was not immune from the recent world economic crisis, but management, as stewards of the Company's purses, controlled the expenses of the Company carefully and this has stood the Company in good stead. Golden Rim had a \$5.3m cash balance at the end of the reporting period and management continues to monitor the economic conditions and the Company's funds on an ongoing basis.

Golden Rim exhibited at the recent Africa Down Under Conference held in Perth and also delivered a presentation. The Company was enthusiastically received by the audience and delegates and it is clear that Golden Rim and its West African exploration story are now pursued by the investing community widely.

On behalf of the Board and shareholders, I extend my thanks and congratulations to Craig Mackay and his team in Australia, Mali and Burkina Faso for an excellent year's work. I sincerely thank all shareholders once again for your continued support and I await with interest for the next field season in West Africa.

Yours sincerely



RICK CRABB
Chair