



West African gold explorer, **Golden Rim Resources Ltd** (ASX: GMR), is focused on the discovery and development of gold projects in West Africa.

With over a decade of experience working in Burkina Faso, the Company is well placed to turn discoveries into real value for shareholders.

The Kouri Gold Project, located in north-east Burkina Faso, contains over 1.4Moz in defined Mineral Resources, with significant upside potential to grow.

The Paguanta Zinc-Silver-Lead Project, in Chile, has a significant JORC Mineral Resource and US\$35m in past expenditure. The Company is working to divest the project.

ASX Code: GMR
Issued Shares: 1,163m
Market Capitalisation: \$12m
Cash: \$1.79m

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Highlights

Kouri Gold Project, Burkina Faso

- Re-commencement of a major drilling program following the end of the wet season. A total of 1,652m of reverse circulation (**RC**) drilling (13 holes) and 1,031.9m of diamond drilling (7 holes) were completed.
- A new zone of high-grade gold mineralisation was discovered at the Diabatou Prospect with a drill hole intercept of **9m at 3.6g/t gold**, from 49m, including **1m at 15.1g/t gold** in MRC016.
- A major regional exploration program comprising an IP/ground magnetic geophysical survey, auger drilling, geological mapping and rock chip sampling also continued in the Margou and Gouéli permits.
- Rock chip sample results including **41.2g/t gold, 14.7g/t gold, 14.6g/t gold and 10.1g/t gold** were obtained at the Kogodou Prospect, directly east of the current 1.4Moz Mineral Resource, highlighting the potential for a major strike extension to the Mineral Resource.
- The Company is awaiting a number of drill results from the laboratory in Burkina Faso. The delay in the results is due to a change in the assaying procedure which requires additional sample preparation time. The outstanding results relate to the following drill holes:
 - Extensional drilling of the 1.4Moz Mineral Resource to the NE and into the Kogodou Prospect (5 holes, for inclusion in a Mineral Resource update planned for the June 2020 quarter)
 - Diabatou Prospect (1 holes)
 - Diabatou East Prospect (3 holes)
- Currently the Company is conducting further diamond and RC drilling to test the extension of the Mineral Resource into the Kogodou Prospect.

This report relates to the activities of the Company for the quarter 1 October 2019 to 31 December 2019 (**Quarter**).

Kouri Gold Project, Burkina Faso (**Kouri**)

Kouri lies on a major mineralised fault zone that extends to the north-east into western Niger, where the 2.5Moz Samira Hill gold deposit is located. To the south-west, the fault zone is connected to the Markoye Fault system which controls several large gold deposits in Burkina Faso, including Kiaka (5.9Moz gold, B2Gold), Bombore (5.2Moz gold, Orezone) and Essakane (6.2Moz gold, IAMGOLD).

It has been a busy Quarter. On-ground exploration re-commenced in October 2019 following the end of the wet season. Diamond and reverse circulation drilling tested targets on the Margou and Goueli permits. Regional exploration consisted of an extensive Induced Polarisation (**IP**) / ground magnetics geophysical survey, auger drilling, geological mapping and rock chip sampling.

Drilling

During the Quarter a total of 1,652m of reverse circulation (**RC**) drilling (13 holes) and 1,031.9m of diamond drilling (7 holes) were completed. Assay results have been received for 5 of the diamond drill holes (MDH001 – MDH005) and 6 of the RC drill holes (MRC016 - MRC021). The assay results for the current drilling program are taking longer to receive than previous drilling programs due to a change in the assaying procedure which requires additional sample preparation time.

Diabatou Prospect – RC Drilling

A total of 7 RC holes (MRC016 – 022) for 908m have been completed at the Diabatou Prospect (Figure 1). The holes were designed to test artisanal workings and the southern end of a previously reported IP chargeability-high anomaly.

A new zone of high-grade gold mineralisation was discovered with a drill hole intercept of 9m at 3.6g/t gold, from 49m, including 1m at 15.1g/t gold in MRC016. This new zone of mineralisation remains open along strike and at depth.

The new high-grade zone lies 1km SW of the zone of high-grade gold mineralisation previously obtained in MRC008 (7m at 121.2g/t gold from 41m, including 1m at 783.8g/t gold from 44m) and is associated with a 400m, ENE-trending corridor of intense artisanal workings. Previous rock chip samples from the area returned results of 14.7g/t gold, 6.3g/t gold and 5.5g/t gold.

Despite intersecting various zones of quartz and/or pyrite mineralisation, no significant gold assays were obtained in MRC017 – 021. The strong pyrite mineralisation intersected in MRC017 – 019 seems to adequately explain the IP anomaly.

Assays for MRC022, which is located 360m ENE of MRC016 are expected in the next quarter.

Diabatou Prospect – Diamond Drilling

A total of 5 diamond drill holes (MDH001 – 005) for 773.9m were drilled at the Diabatou Prospect to test for extensions to the high-grade gold mineralisation intersected in a previous RC drill hole (MRC008).

Hole MDH001 was a twin hole to MRC008 (collared 1.5m NW) and intersected a mineralised zone of disseminated and veinlet quartz-pyrite-hematite-carbonate in sheared granite adjacent to the high-grade intercept in MRC008. While specks of visible gold were observed between 44-45m in MDH001 (opposite the interval of 1m at 783.8g/t gold in MRC008), the assays from MDH001 did not produce significant gold results. The highest intercepts obtained were 1m at 1.0g/t gold (44-45m) and 1m at 1.1g/t gold (54-55m).

Hole MDH002, which was drilled 70m beneath MDH001 and MRC008, and holes MDH003 – 005, which were drilled to the NE and the SW to test the interpreted strike extent of the high-grade mineralisation, intersected a number of zones of weak quartz-

pyrite mineralisation and again, did not return significant gold results. The highest-grade mineralisation was an intercept of 1m at 3.5g/t gold (135-136m) in MDH005.

Detailed drill core analysis (MDH001) has revealed that the mineralisation opposite the interval of 1m at 783.8g/t gold in MRC008 is related to a highly fractured zone in the granite. As a result, core orientation readings are not possible, and the orientation remains unclear. The only reliable orientations in MDH001 relate to shear-related quartz-pyrite-carbonate mineralisation within the granite. This mineralisation strikes 060°, dips steeply to the NW, and it is only associated with low-grade gold results.

Recent geological mapping has located mineralised cross-structures that clearly lie parallel to the current drilling direction at the Diabatou Prospect. These have also been subject to artisanal mining. One of these structures strikes 150° and dips 65-85° NE and lies 200m SW of MRC008. Another structure with a similar strike, but an unknown dip, has been interpreted to extend through the zone of high-grade mineralisation in MRC008. Of note, previous rock chip samples from artisanal workings related to this structure returned 8.4g/t gold and 12.1g/t gold.

Diabatou East Prospect

A total of 3 RC drill holes (MRC023 – MRC025) for 384m were drilled at the Diabatou East Prospect during the Quarter. Results are expected in the next quarter (Figure 1).

Kogodou Prospect

A total of 2 diamond drill holes (GDH001 – GDH002) for 258m and 3 RC drill holes (GRC006 – GRC008) for 360m were drilled at the Kogodou Prospect during the Quarter (Figure 1). Results are expected in the next quarter.

Auger Drilling

During the Quarter, a major auger drilling program commenced across the Margou Permit. Approximately 1/3 of the planned 15,000m auger program was completed for a total of 717 auger holes (4,177m). An average auger hole depth of 4m is expected with drilling being conducted on lines orientated at 150°.

Auger drilling started at the Diabatou Prospect and will then extend to systematically cover various target areas across the Margou Permit. The line spacing for the auger drilling at the Diabatou Prospect is 200m, with holes being drilled every 50m along the lines. Over other areas within the Margou Permit (including a number of interpreted cross-structure target areas) line spacing is planned initially at 400m line spacing, with holes every 50m along the lines.

Geophysical Survey

During the Quarter, an extensive ground magnetic and gradient-array IP geophysical survey was conducted within the Margou and Gouéli permits (Figure 1). A total of 550 line km (with 100m spaced lines) was completed. Data processing has commenced and a final report on the geophysical survey is expected during the next quarter.

Initial data from the survey has outlined a strong, 1.6km long, IP chargeability-high anomaly at the Diabatou Prospect. It is believed the IP anomaly is related to the pyrite mineralisation (up to 5%) that is associated with the high-grade gold mineralisation. Previous drilling intersections within the IP anomaly at Diabatou include: 7m at 121.2g/t gold from 41m, including 1m at 783.8g/t gold (hole MRC008); and 4m at 23.3g/t gold from 67m, including 1m at 65.7g/t gold (hole MRC014).

A second significant chargeability-high IP anomaly associated with high grade gold mineralisation has been obtained at the Diabatou East Prospect. The Diabatou South East Prospect lies 2.5km south east of the Diabatou Prospect. The newly discovered IP anomaly extends for 1.7km and trends ENE which cross-cuts the general NE orientation of the mineralisation in the region.

Mapping and Rock Chip Sampling

A program of regional geological mapping and rock chip sampling has been conducted on the Margou and Gouéli permits. To date a total of 1,063 rock chip samples have been collected from outcrop and artisanal pits across these permits. The assay results for 659 rock chip samples were reported during this Quarter. The results for a further 404 samples are expected next Quarter.

Results continue to confirm the exceptional prospectivity of the previously unexplored Margou and Gouéli permits. High-grade gold results cluster in four prospect areas: Kogodou, Diabatou, Diabatou East and Sirba (Figure 1).

The best new results of 41.2g/t gold, 14.7g/t gold, 14.6g/t gold and 10.1g/t gold were obtained at the Kogodou Prospect, directly east of the 1.4Moz Mineral Resource, highlighting the potential for a major strike extension to the Mineral Resource.

High grade rock chip sample results including 21.2g/t gold, 21.1g/t gold, 9.2g/t gold and 5.2g/t gold have been obtained from outcropping quartz veins hosted in volcanic rocks along the IP anomaly at the Diabatou East Prospect.

At the Diabatou Prospect, rock chip sample results up to 14.7g/t gold, 6.3g/t gold, and 5.5g/t gold were obtained from granite-hosted mineralisation in artisanal workings located 110m south of the initial IP chargeability-high anomaly. Rock chip sampling over most of the IP anomaly area was not possible as it is covered by laterite up to 5m in thickness. The new high-grade rock chip sample results lie immediately south of the laterite cover.

Paguanta Zinc-Silver-Lead Project, Chile (Paguanta)

Paguanta lies in the Tarapacá Region of northern Chile, approximately 120km northeast of Iquique and 30km west of the Chile-Bolivia border. The project area hosts both epithermal silver-lead-zinc-gold mineralisation and porphyry copper mineralisation.

Paguanta is situated approximately 40km north-east of the Cerro Colorado Mine, which is exploiting a large porphyry copper deposit with a Mineral Resource of 400Mt @ 0.62% copper for 5.5Blb of copper and annual copper cathode production of approximately 175Mlb.

Using a cut-off grade of 6% zinc equivalent, the Mineral Resource at Paguanta is 2.4Mt at 5.0% zinc, 1.4% lead, 88g/t silver and 0.3g/t gold (or 2.4Mt at 8.0% Zn Eq) for 190,000t of contained Zn Eq metal. Almost 50% of the Mineral Resources is in the Measured and Indicated categories. The Mineral Resource for the Patricia Prospect at Paguanta remains open at depth and along strike.

The Company's focus is currently on its work programs at Kouri and Paguanta remains on care and maintenance while divestment opportunities are being sought.

A Chilean company, Kura Minerals, is assisting with the divestment of Paguanta.

Babonga Gold Project, Burkina Faso (Babonga)

Babonga is located 70km north-east of Golden Rim's primary project in Burkina Faso, Kouri. Babonga has a highly coherent gold-in-soil anomaly approximately 2.1km long and 300m wide, located in the southern part of the project. This anomaly is coincident with a major regional fault that is connected to the major fault zone that hosts gold mineralisation at Kouri.

Aircore drilling has discovered widespread bedrock gold mineralisation, including a coherent zone of bedrock gold mineralisation (comprised of a series of stacked gold mineralised veins) over an area of 1km x 200m.

During the Quarter, no field work was completed at Babonga.

Corporate

The Company notes an attack on the SEMAFO operations in the Est Region of Burkina Faso in November 2019 which sadly resulted in fatalities and injuries. Golden Rim's drilling operations at its flagship Kouri Gold Project were not disrupted by the attack. The Company is not aware of any history of such attacks in the Gnanga Province in which Kouri is located.

Golden Rim takes the safety and security of its people, including staff and contractors, very seriously. The Company's safety and security procedures and practices are subjected to regular review. During the Quarter a further review was undertaken, with the assistance of specialist security advisers.

The Company held its 2019 Annual General Meeting during the Quarter. All the resolutions put to shareholders were passed on a show of hands.

At the end of the Quarter, 3,951,323 shares were released from voluntary escrow under the terms of the transaction to acquire the Margou and Gouéli permits.

Financial Summary

During the Quarter, most of the exploration and evaluation expenditure (\$1,429,000 (1.2(a) of Appendix 5B)) was spent at Kouri on drilling (diamond, RC and auger) and its related expenses, including assaying costs. Other costs included a geophysical survey.

There were no mining production and development activities during the Quarter or any expenditure on such.

The majority of the estimated expenditure for the next quarter is expected to be for exploration and evaluation at Kouri (\$610,000) with the balance being expenditure for administrative costs.

-ENDS-

For Further Information Please Contact:

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This ASX Announcement was authorized for release by the Board of Golden Rim Resources Ltd.

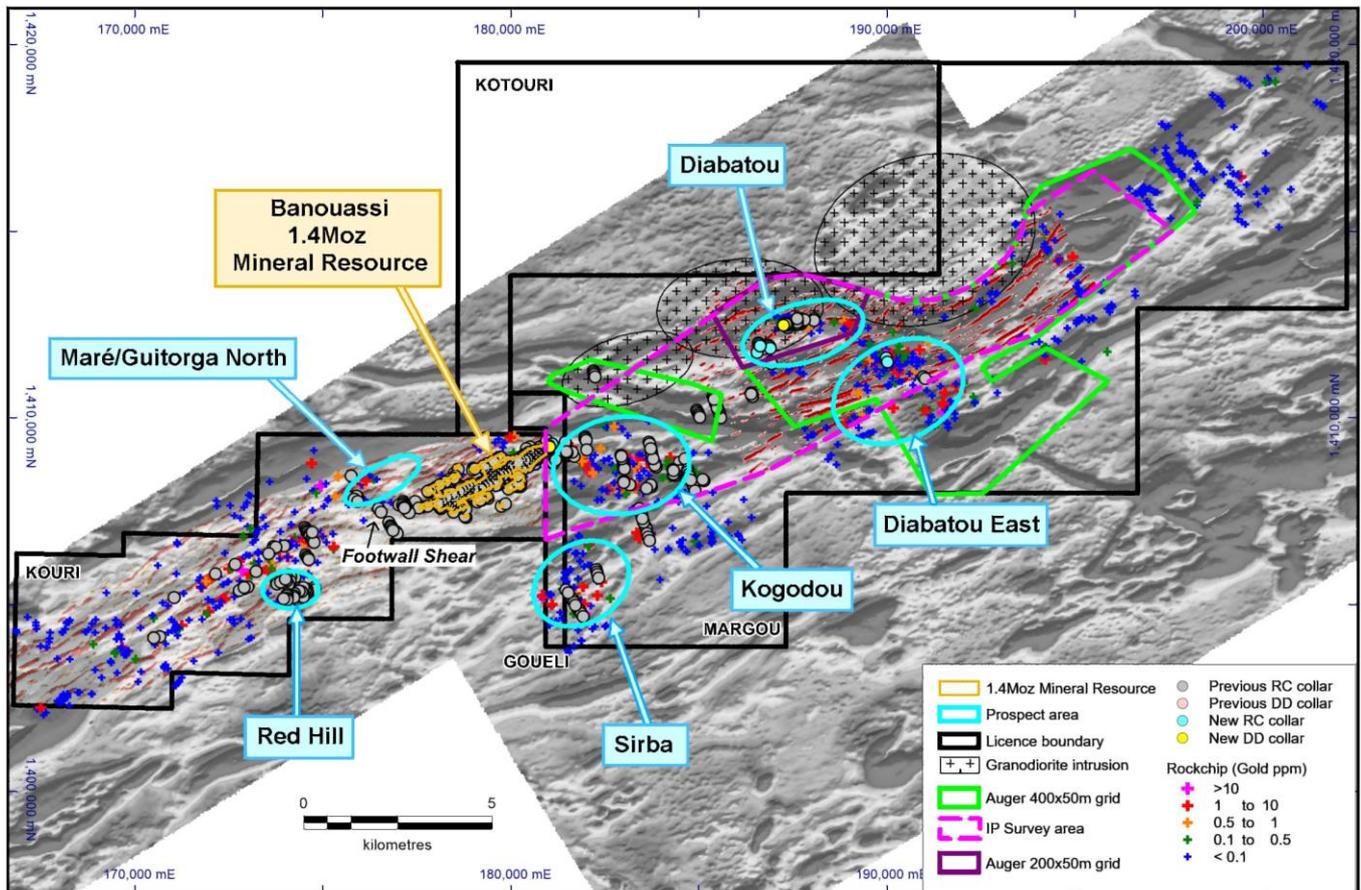


Figure 1. Kouri Gold Project permits and prospect areas over an aeromagnetic image (Golden Rim has exclusive right to acquire Kotouri Permit, upon grant).

Competent Persons Statement

The information in this report relating to previous exploration results and Mineral Resources are extracted from the announcements New Resource Estimation for Paguanta dated 30 May 2017; 1.4 Million Oz of Gold in Upgraded Kouri Mineral Resource dated 3 December 2018; Bonanza Intercept of 4m at 44.7g/t Gold at Kouri dated 16 January 2019; Commencement of Major Drilling Program at Kouri dated 6 May 2019; Kouri Exploration Update dated 17 May 2019; Positive Start to Exploration on new Kouri permits dated 4 June 2019; Broad zones of gold mineralisation identified in trenching at Kouri dated 11 June 2019; Golden Rim quadruples Kouri Gold Project dated 28 June 2019; Kouri Drilling Update dated 15 July 2019; Golden Rim Further Expands Kouri Gold Project dated 18 July 2019; 784g/t Gold Bonanza Intercept at Kouri dated 5 August 2019; Second High-Grade Zone Discovered in Granite at Kouri. 66g/t Gold Intersected dated 28 August 2019; Drilling Further Extends Gold Mineralisation Beyond Existing 1.4Moz Mineral Resource at Kouri dated 2 September 2019; Major Drilling Program Re-commences at Kouri dated 7 October 2019; Major Exploration Campaign Accelerates at Kouri dated 15 October 2019; 1.6km Geophysical Anomaly Associated with High Grade Gold at Kouri dated 1 November 2019; New High-Grade Gold Zone Discovered at Kouri, 9m at 3.6g/t including 1m at 15.1g/t dated 19 December 2019; More High-Grade Gold Results Obtained at Kouri dated 20 December 2019 and has been reported in accordance with the 2012 edition of the JORC Code. These announcements are available on the Company's website (www.goldenrim.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements.

Forward Looking Statements

Certain statements in this document are or maybe "forward-looking statements" and represent Golden Rim's intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Golden Rim, and which may cause Golden Rim's actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Golden Rim does not make any representation or warranty as to the accuracy of such statements or assumptions.

Appendix 1: Golden Rim Permit (Tenement) Schedule

Additional information in relation to the Company's permits held at the end of the Quarter (on a consolidated basis).

Permit name	Project name	Golden Rim Holding (%)	Changes in the Quarter to permits and/or interest
Burkina Faso			
Babonga	Babonga	100	
Kouri	Kouri	100	
Margou	Kouri	100	
Gouéli	Kouri	100	
Chile			
José Miguel 1 1-30 Exploitation	Paguanta	73	
José Miguel 2 1-30 Exploitation	Paguanta	73	
José Miguel 3 1-20 Exploitation	Paguanta	73	
José Miguel 4 1-30 Exploitation	Paguanta	73	
José Miguel 5 1-30 Exploitation	Paguanta	73	
José Miguel 6 1-30 Exploitation	Paguanta	73	
José Miguel 7 1-30 Exploitation	Paguanta	73	
José Miguel 8 1-10 Exploitation	Paguanta	73	
Carlos Felipe 1 1-30 Exploitation	Paguanta	73	
Carlos Felipe 2 1-30 Exploitation	Paguanta	73	
Carlos Felipe 3 1-30 Exploitation	Paguanta	73	
Carlos Felipe 4 1-30 Exploitation	Paguanta	73	
Carlos Felipe 5 1-30 Exploitation	Paguanta	73	
Carlos Felipe 6 1-30 Exploitation	Paguanta	73	
Teki I 1	Paguanta	100 - Conversion to Exploitation pending	
Teki I 2	Paguanta	100 - Conversion to Exploitation pending	
Teki I 3	Paguanta	100 - Conversion to Exploitation pending	
Teki I 4	Paguanta	100 - Conversion to Exploitation pending	
Teki I 5	Paguanta	100 - Conversion to Exploitation pending	
Teki I 6	Paguanta	100 - Conversion to Exploitation pending	
Teki I 7	Paguanta	100 - Conversion to Exploitation pending	

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

GOLDEN RIM RESOURCES LTD

ABN

39 006 710 774

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,429)	(3,118)
(b) development	-	-
(c) production	-	-
(d) staff costs	(184)	(346)
(e) administration and corporate costs	(250)	(532)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,863)	(3,996)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(11)	(36)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(11)	(36)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares & options	-	5,956
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(64)	(487)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(64)	5,469
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,729	353
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,863)	(3,996)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11)	(36)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(64)	5,469
4.5	Effect of movement in exchange rates on cash held	(4)	(3)
4.6	Cash and cash equivalents at end of period	1,787	1,787

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	471	208
5.2 Call deposits	1,286	115
5.3 Bank overdrafts		
5.4 Other (provide details) – term deposits	30	30
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,787	353

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
112
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	610
9.2 Development	-
9.3 Production	-
9.4 Staff costs	140
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	900

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 31 January 2020
(Company secretary)

Print name: Hayley Butcher

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.