



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

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

Golden Rim's flagship project is the Kouri Gold Project, located in north-east Burkina Faso. Kouri contains over 1Moz in defined Mineral Resources, with significant upside potential to grow.

### Head Office

Office 7, Level 2  
609 Canterbury Road  
SURREY HILLS VIC 3127  
AUSTRALIA  
T: + 61 3 9836 4146  
[www.goldenrim.com.au](http://www.goldenrim.com.au)

### Contact

Craig Mackay  
Managing Director  
[info@goldenrim.com.au](mailto:info@goldenrim.com.au)

### Directors

Glenister Lamont, Non-Executive Chairman  
Craig Mackay, Managing Director  
Kathryn Davies, Non-Executive Director

## Overview

### Kouri Gold Project, Burkina Faso

- Maiden Indicated and Inferred Mineral Resource of **20.8 million tonnes at 1.5 g/t gold for 1 million ounces** of contained gold at a cut-off-grade of 0.5 g/t gold (from surface to approximately 90m below surface).
- New high-grade lode discovered immediately to the southeast of the Guitorga Lodes with intercepts of 6m at 25.2 g/t gold from 8m, including 1m at 114 g/t gold in BARC279 and 3m at 9.3 g/t gold from 53m in BARC278.
- 5,500m regional auger drilling program commenced at Kouri to systematically explore the entire gold mineralised shear zone.

### Paguanta Zinc-Silver-Lead Project, Chile

- A Scoping Study to assess the viability of a 500 tpd underground mining operation at Paguanta with ore sorting, current metals prices and the latest JORC Mineral Resource continued to progress.
- The Company is continuing with discussions regarding divestment of the project.

## Corporate

- During the Quarter, Golden Rim issued a total of 25,613,901 shares to Ausdrill Limited (**Ausdrill**) under the drilling for equity agreement it has with Ausdrill. Ausdrill is now the Company's largest shareholder.

This report relates to the activities of the Company for the quarter commencing 1 April 2018 to 30 June 2018 (**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), Bombore (5.2Moz gold) and Essakane (6.2Moz gold).

### **Maiden Mineral Resource**

A significant milestone was reached during the Quarter with the Company announcing a maiden Mineral Resource at the Banouassi Prospect (**Banouassi**) at Kouri.

Independent experts, RPM Global, estimated an Indicated and Inferred Mineral Resource of **20.8 million tonnes at 1.5 g/t gold for 1 million ounces** of contained gold at a 0.5 g/t gold lower cut-off grade. The contained gold in the Mineral Resource is around double the size of the previous Exploration Target. Approximately 15.3% of the Mineral Resource is classified as Indicated and the remainder is classified as Inferred.

### **RC Drilling Program**

A Reverse Circulation (**RC**) drilling program continued at Banouassi subsequent to the release of the Mineral Resource. The drilling program comprised drilling additional targets in the immediate resource area, targeting additional shallow high-grade gold mineralisation.

A total of 35 RC drill holes (BARC277 – BARC311) (4,473m), were completed. Assay results were received for drill holes BARC260 to BARC279.

New high-grade gold intercepts included:

- 6m at 25.2 g/t gold from 8m including 1m at 114 g/t gold in BARC279;
- 3m at 9.3 g/t gold from 53m in BARC278
- 2m at 6.5 g/t gold from 84m, including 1m at 11.8 g/t gold in BARC273;
- 1m at 12.0 g/t gold from 5m in BARC267;
- 2m at 7.9 g/t gold from 103m, including 1m at 13.4 g/t gold in BARC261; and
- 2m at 5.1g/t gold from 227m in BARC262;

The drilling confirmed the considerable potential for additional gold mineralisation outside of the Mineral Resource area to be outlined. This includes the discovery of a new high-grade gold lode (6m at 25.2 g/t gold) associated with a 1.2km long Induced Polarisation (**IP**) geophysical anomaly that lies 100m southeast of the Mineral Resource (Figure 1). The new high grade gold lode was discovered in an area where no previous RC drilling had been conducted and where previous auger drilling returned results up to 2,017 ppb and 1,593 ppb gold under shallow soil cover.

The on-going RC drilling program continues to deliver results indicating potential strike and depth extensions to the mineralisation.

### **Regional Auger Drilling Program**

The Company commenced a 5,500m regional auger drilling program to systematically test the 12.5km long Kouri shear zone that extends to the southwest of the Banouassi prospect area. The auger holes are being drilled predominantly on a 500m x 50m pattern. Infill holes (100m x 25m) are drilled to follow up any anomalous results.

## 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 northeast of 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 JORC Mineral Resource is 2.4Mt at 5.0% zinc, 1.4% lead, 88 g/t silver and 0.3 g/t gold (or 2.4Mt at 8.0% Zn Eq) for 190,000t of contained Zn Eq metal. Almost 50% of the resource is in the Measured and Indicated categories. The resource for the Patricia Prospect (**Patricia**) at Paguanta remains open at depth and along strike.

### Scoping Study

A Scoping Study is currently being undertaken by Mintrex Pty Ltd (**Mintrex**) which is assessing the viability of a 500 tpd underground mining operation at Paguanta with ore sorting at current metal prices and using the updated JORC Mineral Resource estimate completed by Golden Rim in mid-2017. The existing feasibility study, which was prepared in 2013 by Golder Associates while the previous owners held the project, will also be reviewed.

The Scoping Study continued during the Quarter and is expected to be completed next quarter.

## Babonga Gold Project, Burkina Faso (**Babonga**)

Babonga is located 70km northeast 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 licence. 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

On 20 November 2017 the Company announced that it had entered into a drilling for equity arrangement with Ausdrill Limited (**Ausdrill**) whereby Ausdrill may subscribe for up to US\$1,000,000 worth of fully paid ordinary shares in the capital of the Company (**Shares**) in return for drilling services (**Agreement**).

During the Quarter, Golden Rim issued a total of 25,613,901 shares to Ausdrill under the Agreement. Ausdrill is now the Company's largest shareholder.

Subsequent to the end of the Quarter, the Company announced that it had received commitments to raise approximately \$3 million (before costs) through the issue of approximately 116 million Shares at an issue price of 2.6 cents per Share (**Placement**). The Placement will be undertaken in two tranches and includes an opportunity to participate in an offer of options, the issue of which is subject to shareholder approval. Under the first tranche, the Company will issue a total of 77,997,340 Shares at an issue price of 2.6 cents per Share to raise approximately \$2.03 million (before costs) (**Tranche 1**). The Tranche 1 Shares are expected to be issued on 7 August 2018 under the Company's Listing Rule 7.1 placement capacity (46,158,406 Shares) and Listing Rule 7.1A additional placement capacity (31,838,934 Shares) and are therefore not subject to shareholder approval. The balance of the Placement, comprising a further tranche of 38,461,540 Shares at the same issue price as Tranche 1 to raise an additional approximate \$1 million (before costs), will be issued subject to shareholder approval.

Also subsequent to the end of the Quarter, the Company announced that it will offer eligible existing shareholders the opportunity to participate in a Share Purchase Plan to raise up to a further \$1 million on similar terms as the Placement on a first come, first serve basis (see ASX Announcement 30 July 2018).

-ENDS-

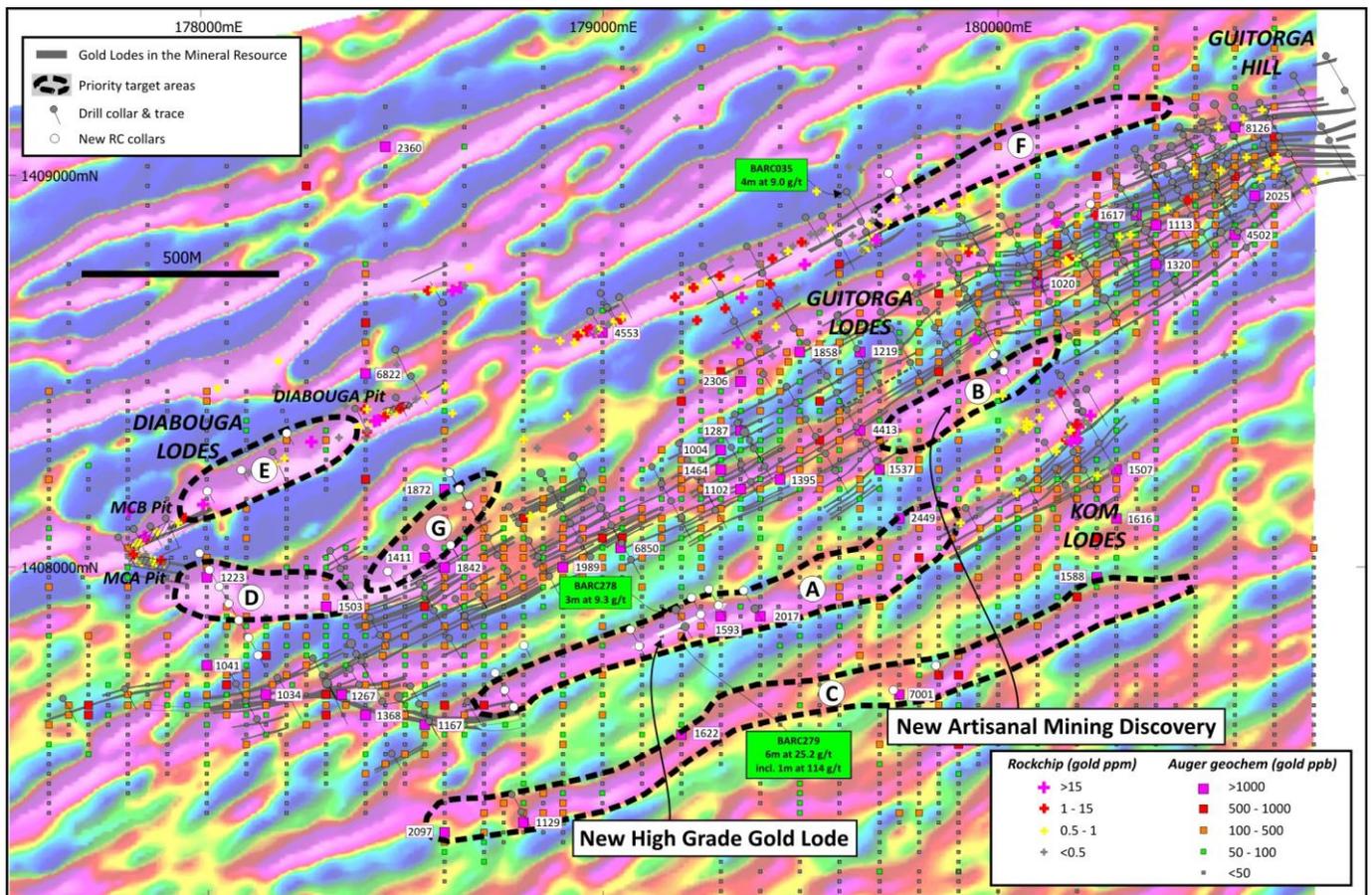


Figure 1. Priority new target areas (A – G) in the Mineral Resource area at Kouri over an IP chargeability geophysical image.



## **Competent Persons Statements**

*The information in this report relating to Exploration Targets, Mineral Resources and previous exploration results are extracted from the announcements Initial Exploration Target Defined for Korongou dated 17 July 2015; New Resource Estimation for Paguanta dated 30 May 2017; Amended Exceptional Metallurgical Results from Kouri dated 2 February 2018;; Outstanding Results from Ore Sorting Test Work at Paguanta dated 8 March 2018; 1Moz of Gold in Maiden Mineral Resource at Kouri dated 3 May 2018; Highly Anomalous Gold Auger Results Demonstrate Regional Prospectivity at Kouri dated 6 July 2018; High Grade Gold Hits Extend Mineralisation at Kouri dated 12 July 2018; New Gold Discovery at Red Hill Near Kouri Mineral Resource dated 16 July 2018; and Potential 1.5km Extension to Mineralisation at Kouri dated 24 July 2018 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](http://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.*

## **Contact Information**

### **Contact Information**

**Hayley Butcher**  
Golden Rim Resources Ltd  
Company Secretary & General Manager, Corporate  
+61 0409 880 009

### Appendix 1: Golden Rim Tenement Schedule

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

Tenement name	Project name	Golden Rim Holding (%)	Golden Rim's potential equity (%)	Changes in the Quarter
<b>Burkina Faso</b>				
Babonga	Babonga	100	100	
Kouri	Kouri	100	100	
<b>Chile</b>				
José Miguel 1 1-30 Exploitation	Paguanta	73	73	
José Miguel 2 1-30 Exploitation	Paguanta	73	73	
José Miguel 3 1-20 Exploitation	Paguanta	73	73	
José Miguel 4 1-30 Exploitation	Paguanta	73	73	
José Miguel 5 1-30 Exploitation	Paguanta	73	73	
José Miguel 6 1-30 Exploitation	Paguanta	73	73	
José Miguel 7 1-30 Exploitation	Paguanta	73	73	
José Miguel 8 1-10 Exploitation	Paguanta	73	73	
Carlos Felipe 1 1-30 Exploitation	Paguanta	73	73	
Carlos Felipe 2 1-30 Exploitation	Paguanta	73	73	
Carlos Felipe 3 1-30 Exploitation	Paguanta	73	73	
Carlos Felipe 4 1-30 Exploitation	Paguanta	73	73	
Carlos Felipe 5 1-30 Exploitation	Paguanta	73	73	
Carlos Felipe 6 1-30 Exploitation	Paguanta	73	73	
Teki I 1 Exploitation	Paguanta	100	100	
Teki I 2 Exploitation	Paguanta	100	100	
Teki I 3 Exploitation	Paguanta	100	100	
Teki I 4 Exploitation	Paguanta	100	100	
Teki I 5 Exploitation	Paguanta	100	100	
Teki I 6 Exploitation	Paguanta	100	100	
Teki I 7 Exploitation	Paguanta	100	100	

## 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")**

30 June 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,999)	(6,178)
(b) development	-	-
(c) production	-	-
(d) staff costs	(172)	(693)
(e) administration and corporate costs	(169)	(629)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,338)</b>	<b>(7,495)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(70)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	46
	(d) other non-current assets	-	783
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(3)</b>	<b>759</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares & options	2,565	7,654
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	(127)	(427)
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)	(56)	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,382</b>	<b>7,227</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,146	702
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,338)	(7,495)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	759
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,382	7,227
4.5	Effect of movement in exchange rates on cash held	17	11
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,204</b>	<b>1,204</b>

5. <b>Reconciliation of cash and cash equivalents</b> 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	1,174	1,116
5.2 Call deposits	30	30
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,204</b>	<b>1,146</b>

**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
111
-

**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

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

--

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	1,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	120
9.5 Administration and corporate costs	330
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>1,450*</b>

\* On 7 August 2018 the Company will issue 77,997,340 shares to raise approximately \$2.03 million (before costs) (see ASX Announcement 30 July 2018).

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
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:

(Company secretary)

Date: 30 July 2018

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.