

Golden Rim divests Burkina Faso gold assets for US\$15.5M cash

West African gold explorer Golden Rim Resources Ltd (ASX: GMR; **Golden Rim** or **Company**) is pleased to announce it has executed a binding agreement to sell its Kouri and Babonga gold projects in Burkina Faso, West Africa.

Highlights

- Total consideration of **US\$15.5 million** (approx. A\$22.3 million).
- Four staged **cash payments** over 12 months.
- First payment of **US\$600,000** (A\$860,000) due within 15 business days.
- Second payment of **US\$5.4 million** (A\$7.7 million) due within 30 days.
- Sale to private Burkinabé mining company, BAOR SARL (**BAOR**).
- Transaction is not subject to Golden Rim shareholder approval.
- As at 27 June 2022, Golden Rim had a market capitalisation of ~A\$15 million.
- As at 31 March 2022, Golden Rim had cash reserves of A\$4.25 million.
- Golden Rim will use proceeds from the transaction to advance its 930,000oz¹ gold Kada Gold Project (**Kada**) in Guinea.
- Golden Rim is awaiting latest auger drilling and geophysical survey results at Kada to plan follow-up drilling.

Golden Rim's Managing Director, Craig Mackay, said:

"Securing this deal to divest our non-core Burkina Faso gold assets is a fantastic outcome for Golden Rim and our shareholders that looks to deliver immediate and impactful value from projects which are no longer part of our core operations. While we have been focussed on our transformational new Kada oxide gold project in Guinea, our projects in Burkina Faso have been sitting on the backburner and are attracting little market value.

"With a resource base of 2Moz gold and extensive upside, the Burkina assets offer an exciting opportunity for an emerging Burkinabé mining company, such as BAOR SARL, and we wish the company much success with its plans.

"With the sale funds from these projects, we can accelerate our activities at Kada and ensure aggressive drilling and exploration to build our resource base without further dilutionary capital raising for the foreseeable future. This is a great outcome for our company and shareholders, and we are excited to deliver it."

¹ ASX Announcement: Kada Maiden Mineral Resource 930koz Gold dated 3 March 2022.

Key Transaction Terms & Conditions

Golden Rim has signed a binding sale agreement to sell 100% of the shares in its Burkina Faso subsidiary company that owns and operates its Kouri Gold Project (**Kouri**) and Babonga Gold Project (**Babonga**) for cash payments totalling US\$15.5 million.

The key terms and conditions of the sale are as follows:

- Cash payment of US\$600,000 within 15 business days of signing.
- Cash payment of US\$5.4 million within 30 days of signing.
- Cash payment of US\$6.0 million within 6 months of signing.
- Cash payment of US\$3.5 million within 12 months of signing.

Should a payment not be made by the due date, BAOR will be provided with a notice of breach, incurring 8% interest on outstanding monies. If the funds plus outstanding interest are not paid within 30 days, Golden Rim may terminate the Agreement, and any payments already received by Golden Rim are not refundable.

Golden Rim's shares in the subsidiary company are transferred to BAOR on the completion of the sale and when full payment has been received by Golden Rim.

The transaction is not subject to shareholder approval.

Sale Assets

Golden Rim's Kouri and Babonga gold projects are located in eastern Burkina Faso.

At Kouri, Golden Rim discovered and has outlined an Indicated and Inferred Mineral Resource of 50Mt at 1.3g/t gold for 2Moz². Kouri covers 325km² of highly prospective Birimian greenstones. Recent exploration has successfully located several high-grade gold shoots.

Babonga is located 41km north-east of Kouri on the same greenstone belt. The project covers 77km² and first-pass air core drilling conducted by Golden Rim discovered gold mineralisation in bedrock over 1km.

About BAOR

BAOR is a mining company based in Burkina Faso with regional ambitions. BAOR aims to create a major African mining group with its financial partners and is managed by Mr Roger Bambara, a business leader with significant experience in insurance. The acquisition of the Kouri and Babonga gold projects by BAOR is its starting point.

-ENDS-

² ASX announcement: Kouri Mineral Resource Increases by 43% Increase to 2 Million ounces Gold dated 26 October 2020 (Total Mineral Resource includes: Indicated Mineral Resource of 7Mt at 1.4g/t gold and Inferred Mineral Resource of 43Mt at 1.2g/t gold).

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ASX: GMR



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This announcement was authorised for release by the Board of Golden Rim Resources Ltd.

Competent Persons Statements

The information in this report relating to previous exploration results and Mineral Resources are extracted from the announcements; Kada Maiden Mineral Resource 930Koz Gold dated 3 March 2022; ASX announcement: Kouri Mineral Resource Increases by 43% Increase to 2 Million ounces Gold dated 26 October 2020; Bedrock Gold Discovered at Babonga, Burkina Faso dated 27 February 2017. These reports 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 and, in the case of the Mineral Resource estimate, that all material assumptions and technical parameters underpinning estimate continue to apply and have not materially changed.

The information in this report that relates to exploration results is based on information compiled by Craig Mackay, a Competent Person, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Mackay is a full-time employee of the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mackay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

ABOUT GOLDEN RIM RESOURCES

Golden Rim Resources Limited is an ASX listed exploration company with a portfolio of advanced minerals projects in Guinea and Burkina Faso, West Africa and in Chile, South America.

The Company's flagship project is the advanced Kada Gold Project in eastern Guinea. Guinea remains one of the most under-explored countries in West Africa. Golden Rim has outlined a maiden Inferred Mineral Resource of 25.5Mt at 1.1g/t gold for 930Koz³, the majority of which is shallow oxide-transitional gold mineralisation. Golden Rim is focussed on growing the Mineral Resource. Most of the 200km² project area remains poorly explored and there is considerable upside for the discovery of additional oxide gold mineralisation.

The Company discovered and has outlined an Indicated and Inferred Mineral Resource of 50Mt at 1.3g/t gold for 2Moz⁴ at the Kouri Gold Project, located in north-east Burkina Faso. Kouri covers 325km² of highly prospective Birimian greenstones. Recent exploration has successfully located several high-grade gold shoots. The Company has signed a binding sale agreement for the divestment of its Burkina Faso assets.

In northern Chile, Golden Rim has the Paguanta Copper and Silver-Lead-Zinc Project. Historically a silver mine, the Company has outlined a Measured, Indicated and Inferred Mineral Resource of 2.4Mt at 88g/t silver, 5.0% zinc and 1.4% lead for 6.8Moz silver, 265Mlb zinc and 74Mlb lead⁵ at the Patricia Prospect. The Mineral Resource remains open. At the Loreto Copper Project, an Option and Joint Venture agreement has been signed with Teck Chile whereby Teck Chile can acquire up to a 75% interest in the project.

ASX:GMR

Market Capitalisation: A\$15 million

Shares on Issue: 314 million

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³ ASX Announcement: Kada Maiden Mineral Resource 930koz Gold dated 3 March 2022.

⁴ ASX announcement: Kouri Mineral Resource Increases by 43% Increase to 2 Million ounces Gold dated 26 October 2020 (Total Mineral Resource includes: Indicated Mineral Resource of 7Mt at 1.4g/t gold and Inferred Mineral Resource of 43Mt at 1.2g/t gold).

⁵ ASX announcement: New Resource Estimation for Paguanta dated 30 May 2017 (Total Mineral Resource includes: Measured Mineral Resource of 0.41Mt at 5.5% zinc, 1.8% lead, 88g/t silver, 0.3g/t gold; Indicated Mineral Resource of 0.61Mt at 5.1% zinc, 1.8% lead, 120g/t silver, 0.3g/t gold; Inferred Mineral Resource of 1.3Mt at 4.8% zinc, 1.1% lead, 75g/t silver, 0.3g/t gold).