

## QUARTERLY ACTIVITIES REPORT PERIOD ENDED 31 DECEMBER 2022

West African gold explorer Golden Rim Resources Ltd (ASX: GMR; **Golden Rim** or **Company**) is pleased to provide its Quarterly Activities Report for the quarter ended 31 December 2022 (**Quarter**).

### KEY POINTS

#### Kada Gold Project, Guinea

- **10,000m** reverse circulation (**RC**) drilling program commenced, expected to increase the gold inventory in the Mineral Resource area and target other prospects along the Kada Gold Corridor.
- 2,233m of RC drilling (17 holes) completed at Massan Prospect, including all Priority 1 holes, where initial exploration drilling discovered multiple high-grade zones of mineralisation,
- Rig moved to Bereko Prospect, following up on multiple zones of high-grade mineralisation along a 5.5km-long bedrock gold anomaly, including previously reported shallow oxide intersections of **11m @ 6.3g/t gold** and **10m @ 5.6g/t gold**<sup>1</sup>. 288m (three holes) completed by end of reporting period.
- First seven RC holes dispatched to assay laboratory for analysis, results expected January 2023.
- Trenching commenced at Massan in January to enhance understanding on geometry and structural controls of mineralisation in the 930,000oz<sup>2</sup> gold Mineral Resource area.
- **3,500m** of diamond drilling (**DD**) is scheduled to commence in February 2023.
- First results from the RC drilling program are expected late January 2023.

#### Kouri Gold Project, Burkina Faso

- The Kouri Gold Project in Burkina Faso remains on care and maintenance as the Company explores potential divestment opportunities.

#### Paguanta Project, Chile

- The Paguanta project in Chile remains on care and maintenance as the Company explores potential divestment opportunities.

<sup>1</sup> ASX Announcement: Golden Rim hits shallow high-grade oxide gold at Bereko dated 19 May 2022

<sup>2</sup> ASX Announcement: Kada Maiden Mineral Resource 930,000oz Gold dated 3 March 2022. The Inferred Mineral Resource is 25.5Mt at 1.1g/t gold.

- The Company plans to engage a specialist consultant to review the Paguanta data to assist in the Company's strategy. This is scheduled for January 2023.

### **Loreto Project, Chile**

- Joint venture partner, Teck Resources, commenced 15 days of geological mapping in November 2022.
- Further work is planned for Q1 2023.

### **Corporate**

- Tim Strong appointed Golden Rim CEO following Craig Mackay's decision to step down as Managing Director.
- Chair transition announced and Dr Doug Jones appointed as Non-Executive Director.
- Golden Rim completes A\$2.44 million Placement (before costs) to fund exploration and drilling at Kada Project.
- Non-renounceable Entitlement Offer to raise up to an additional A\$5.89 million (before costs) closed 25 January 2023.

### **KADA GOLD PROJECT, GUINEA**

#### **RC Drilling Program Commences**

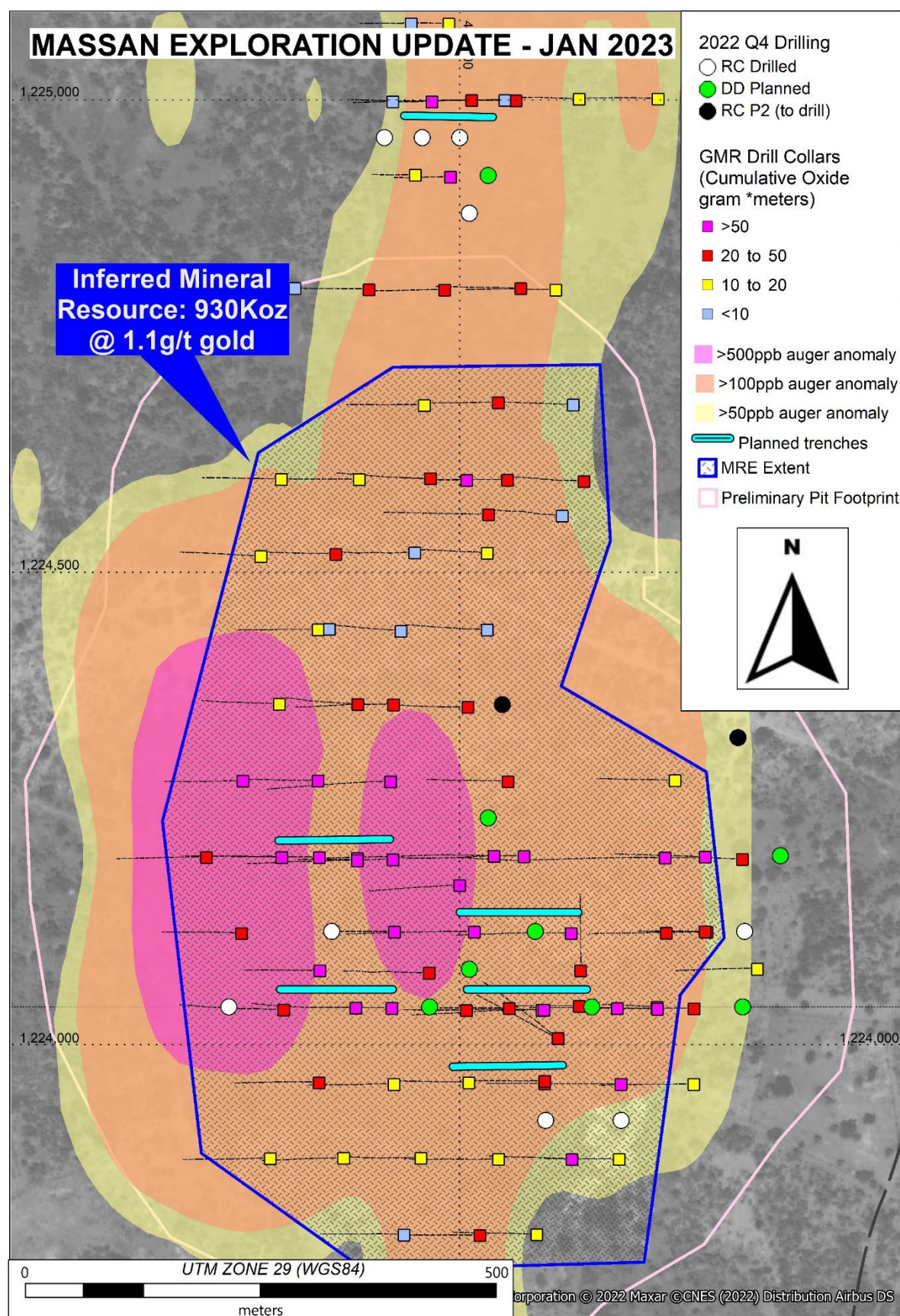
During the quarter, Golden Rim commenced the 10,000m RC drilling program at its Kada Oxide Gold Project in Guinea.

Following a comprehensive review of data from previous field campaigns, the Company planned exploration and resource extension drilling campaigns along the 15km Kada Gold Corridor. Both RC and diamond drilling programs were designed and will focus on resource extension in the Massan Prospect as well as further exploration at the Bereko Prospect.

The drilling programs includes follow-up exploration holes at the Bereko prospect after initial RC exploration drillholes intersected multiple zones of mineralisation (including **11m @ 6.3g/t gold** and **10m @ 5.6g/t gold**), as well as potential resource extensions around the open mineralisation at the margins of the maiden Mineral Resource at the Massan prospect. Drilling will also test numerous new exploration targets identified by recent Gradient-Array Induced Polarisation (**IP**) and Pole-Dipole IP geophysical surveys along the Kada Gold corridor.

#### **Current Progress & Next Steps**

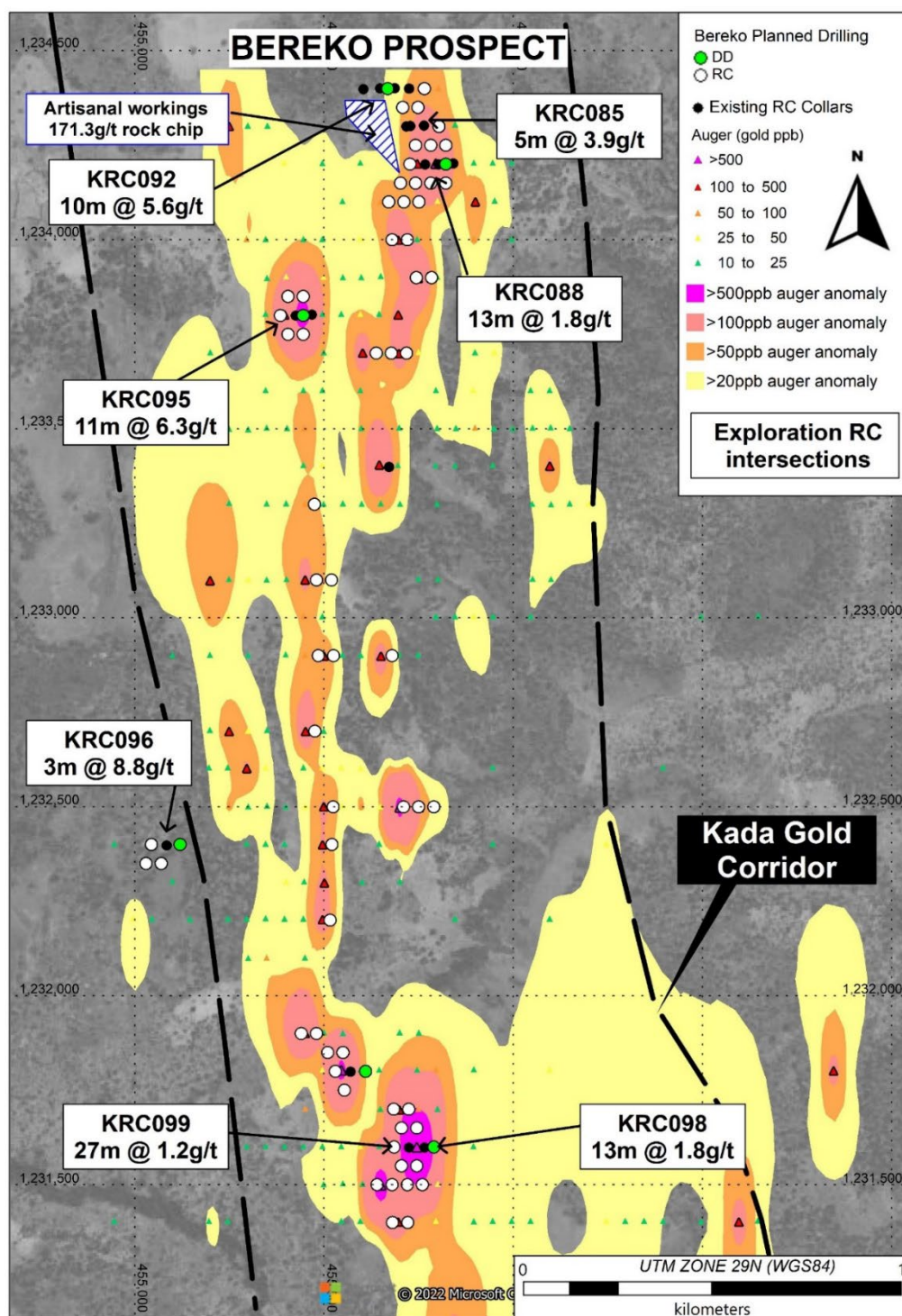
As reported in early January 2023, Golden Rim has successfully completed Priority 1 RC holes at the Massan prospect, with 17 holes drilled for 2,233m completed to date (Figure 1). Seven holes were extended as mineralisation was noted at the planned depth of these holes.



**Figure 1:** Drilling and trenching plan at Massan Prospect on auger gold anomaly map.



The RC rig has moved to the Bereko Prospect and commenced drilling, with 6,000m planned (Figure 2) along the 5.5km long bedrock gold anomalies, to follow up on multiple zones of mineralisation (including **11m @ 6.3g/t gold** and **10m @ 5.6g/t gold**) discovered in initial RC exploration drillholes completed in May 2022. As of the 31 December 2022, three holes for 288m have been completed at Bereko.



**Figure 2:** Drilling plan at Bereko prospect on gold auger anomaly map

A diamond drilling rig is scheduled to commence work in February 2023 with up to 3,500m of diamond drilling planned across both the Massan and Bereko prospects.

At Bereko, diamond drilling will focus on confirming the width, grade and extensions of the highly significant gold mineralisation discovered in the initial RC drilling program and providing the structural information required for resource estimation.

Diamond drilling at Massan has three main objectives: test numerous zones of open mineralisation at depth (including below **29m @ 8.5 g/t gold** in previous hole, KRC025<sup>3</sup>); testing numerous deeper exploration targets identified by Gradient-Array IP and Pole-Dipole IP geophysical surveys completed in late 2022; and providing further critical structural information to advance the Mineral Resource towards an Indicated classification.

The first seven RC holes from Massan have been dispatched to the assay laboratory for analysis, with results expected to be received in late January 2023.

In January, the Company commenced a trenching campaign (six trenches for approximately 800m) in the Mineral Resource Area at Massan. This trenching is expected to provide important structural information to assist in geological modelling and help guide the location of planned infill drilling in the Mineral Resource.

### **KOURI GOLD PROJECT, BURKINA FASO**

At the Kouri Gold Project, Golden Rim discovered and has outlined an Indicated and Inferred Mineral Resource of 50Mt at 1.3g/t gold for 2Moz<sup>4</sup>.

Kouri remains on care and maintenance as the Company pursues opportunities to create value for shareholders. No field exploration was conducted during the quarter.

### **PAGUANTA SILVER-LEAD-ZINC PROJECT, CHILE**

The Paguanta Silver-Lead-Zinc Project remains on care and maintenance and no field exploration was conducted during the quarter. Golden Rim has been seeking a divestment of Paguanta and is considering alternatives for realising value for shareholders.

The Company plans a review of the Paguanta data commencing in January 2023 to enhance divestment opportunities.

### **LORETO COPPER PROJECT, CHILE**

Golden Rim has a US\$17.6 million Option and Joint Venture Agreement with Teck Resources Chile Limitada (**Teck Chile**), a subsidiary of Teck Resources Limited (**Teck**), on its 100%-owned Loreto

<sup>3</sup> ASX Announcement: Kada Delivers Exceptional Shallow Oxide Gold Intersection dated 20 December 2021

<sup>4</sup> ASX announcement: Kouri Mineral Resource Increases by 43% 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).

Copper Project (**Loreto**). The Agreement allows Teck to acquire a 75% interest in the Loreto mineral concessions.

During the quarter, Teck continued social studies to map all nearby indigenous communities and work on establishing community engagement protocols. In November 2022 Teck conducted a 15-day geological mapping campaign at Loreto.

## **CORPORATE**

Details of the Company's mining and exploration activities for the quarter are set out above under each project heading. There were no further material developments and/or material changes in those activities. The Company did not undertake or incur any expenditure on any substantive mining production and development activities during the quarter.

### **Summary of Expenditure**

Payments for Investing Activities: Exploration and Evaluation mainly comprised drilling program costs at the Kada Gold Project in Guinea.

Payments to related parties of the entity and their associates relates to Directors fees and salaries (including superannuation and taxation) paid to/for Directors and their associates during the quarter.

### **A\$8.3 million Capital Raising**

The Company completed a placement in December for approximately A\$2.44 million (before costs) of approximately 81.5 million fully paid ordinary shares at A\$0.03 per share. The Company utilised its full placement capacity under ASX Listing Rule 7.1 (being 47,087,099 shares) and 7.1A (being 31,391,339 shares) to issue the placement shares.

Funds from the placement will be utilised towards exploration drilling and work programs at the Company's flagship Kada Gold Project in eastern Guinea and general working capital.

New Golden Rim director Dr Doug Jones agreed to subscribe for 3 million placement shares for A\$90,000. As per the requirements of ASX Listing Rule 10.11, Golden Rim is seeking shareholder approval for Dr Jones' participation in the placement at a shareholder meeting to be held on 15 February 2023.

The Company also launched a 1 for 2 pro-rata non-renounceable entitlement offer by way of the issue of approximately 196.2 million new fully paid ordinary shares (New Shares) at A\$0.03 per New Share to raise approximately A\$5.89 million (before costs), The offer closed on 25 January 2023.

The Capital Raising was joint lead managed by Argonaut Securities Pty Ltd and Canaccord Genuity (Australia) Limited.

### **Changes to Senior Management Team**

During the quarter, Golden Rim announced Craig Mackay would step down as Managing Director with Tim Strong appointed as Chief Executive Officer. Tim is an economic geologist with over 13 years' experience on six continents. Tim's commodity experience includes gold, copper, cobalt, nickel, lead and zinc, with a focus on West African shear hosted orogenic gold. Over his career, he has worked with major mining companies, junior exploration companies, and capital markets professionals on a range of projects from target generation through to exploration planning and strategy, resource estimation and feasibility level studies.

### **Board Changes**

In December, Golden Rim Chairman Adonis Pouroulis, advised the Company of his intention to resign in the near term to focus on other interests. Brett Montgomery was announced as the incoming Chairman in January 2023, effective 1 February 2023.

In addition, the Company appointed Dr Doug Jones as Non-Executive Director on 1 December 2022. Doug is a geologist with 45 years' experience in international technical, commercial, corporate, and project management gained in Sub Saharan and North Africa, Australia, Europe and the Americas.

### **Results of Annual General Meeting**

At Golden Rim's Annual General Meeting of Shareholders on 29 November 2022, all resolutions put to the meeting were decided by poll and approved by the required majority.

-ENDS-

Contact Information:

**Golden Rim Resources Ltd**

ABN 39 006 710 774

**Tim Strong**

**Chief Executive Officer**

+61 3 8677 0829

[tim@goldenrim.com.au](mailto:tim@goldenrim.com.au)

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

## PERMIT 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
Guinea			
Kada	Kada	51	
Bamfele	Kada	51 effective. 100% legal ownership, held on behalf of Kada Joint Venture.	
Burkina Faso			
Kouri	Kouri	100	
Margou	Kouri	100	
Gouéli	Kouri	100	
Babonga	Babonga	100	
Chile			
José Miguel 1 1-30 Exploitation	Paguanta	74	
José Miguel 2 1-30 Exploitation	Paguanta	74	
José Miguel 3 1-20 Exploitation	Paguanta	74	
José Miguel 4 1-30 Exploitation	Paguanta	74	
José Miguel 5 1-30 Exploitation	Paguanta	74	
José Miguel 6 1-30 Exploitation	Paguanta	74	
José Miguel 7 1-30 Exploitation	Paguanta	74	
José Miguel 8 1-10 Exploitation	Paguanta	74	
Carlos Felipe 1 1-30 Exploitation	Paguanta	74	
Carlos Felipe 2 1-30 Exploitation	Paguanta	74	
Carlos Felipe 3 1-30 Exploitation	Paguanta	74	
Carlos Felipe 4 1-30 Exploitation	Paguanta	74	
Carlos Felipe 5 1-30 Exploitation	Paguanta	74	
Carlos Felipe 6 1-30 Exploitation	Paguanta	74	
Teki I 1 1-20 Exploitation	Loreto	100	
Teki I 2 1-40 Exploitation	Loreto	100	
Teki I 3 1-60 Exploitation	Loreto	100	
Teki I 4 1-60 Exploitation	Loreto	100	
Teki I 5 1-60 Exploitation	Loreto	100	
Teki I 6 1-60 Exploitation	Loreto	100	
Teki I 7 1-20 Exploitation	Loreto	100	



## ABOUT GOLDEN RIM RESOURCES

Golden Rim Resources Limited is an ASX listed exploration company with a portfolio of advanced minerals projects in Burkina Faso and Guinea, 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 930Koz<sup>5</sup>, the majority of which is shallow oxide-transitional gold mineralisation. Golden Rim is focussed on growing the Mineral Resource. Most of the 200km<sup>2</sup> 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 2Moz<sup>6</sup> at the Kouri Gold Project, located in north-east Burkina Faso. Kouri covers 325km<sup>2</sup> of highly prospective Birimian greenstones. Recent exploration has successfully located several high-grade gold shoots. Golden Rim is seeking opportunities to divest 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 lead<sup>7</sup> at the Patricia Prospect. The Mineral Resource remains open.

At the Loreto Copper Project, Golden Rim has signed an Option and Joint Venture agreement with Teck Chile whereby Teck Chile can acquire up to a 75% interest in the project.

### END NOTES

The information contained in this announcement related to the Company's past exploration results is extracted from, or was set out in, the following ASX announcements which are referred to in this Quarterly Activities Report:

- The report released 18 October 2022, Geophysical surveying identifies additional gold targets.
- The report released 19 December 2022, 10,000m RC drilling commences at Kada Gold Project.
- The report released 9 January 2023, Drilling targets multiple high-grade gold zones at Kada.

**ASX:GMR**

**Market Capitalisation: A\$13.7 million**

**Shares on Issue: 392 million**

**T + 61 3 8677 0829 | E [info@goldenrim.com.au](mailto:info@goldenrim.com.au) | [goldenrim.com.au](https://www.goldenrim.com.au)**

<sup>5</sup> ASX Announcement: Kada Maiden Mineral Resource 930koz Gold dated 3 March 2022 (Inferred Mineral Resource of 25.5Mt at 1.1g/t gold).

<sup>6</sup> ASX announcement: Kouri Mineral Resource Increases by 43% 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).

<sup>7</sup> 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).

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GOLDEN RIM RESOURCES LTD

ABN

39 006 710 774

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(184)	(372)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(169)	(313)
	(e) administration and corporate costs	(262)	(501)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(611)</b>	<b>(1,182)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(50)	(50)
	(d) exploration & evaluation	(699)	(1,343)
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	1	1
	(d) investments	-	-
	(e) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(748)</b>	<b>(1,392)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,354	2,354
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(157)	(157)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,197</b>	<b>2,197</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	<b>1,398</b>	2,606
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(611)	(1,182)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(748)	(1,392)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,197	2,197

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-8	2
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,231</b>	<b>2,231</b>

<b>5. 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	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	2,201	1,368
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details) – Term Deposit	30	30
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,231</b>	<b>1,398</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	115
6.2 Aggregate amount of payments to related parties and their associates included in item 2	62
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(611)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(748)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,359)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,231
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,231
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.64
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The entity is currently finalising an Entitlement Offer which is anticipated to provide sufficient funding for the Company's current work programs.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Given the overall position and outlook of the entity, including its ability to secure additional funding via capital raisings, divestment of assets or other types of corporate transactions, the entity expects to be able to continue its operations and meet its business objectives.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## 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.

Date: 31 January 2023

Authorised by: Board of Directors  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.