

QUARTERLY ACTIVITIES REPORT PERIOD ENDED 31 MARCH 2021

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 March 2021 (**Quarter**).

Highlights

Kada Gold Project, Guinea

- Golden Rim completes **acquisition of an initial 25% of** the Kada Gold Project.
- Drilling underway to estimate a maiden resource at Kada in **H2 CY21**.
- Three power auger rigs mobilised to Kada with planned 15,000m auger drilling program progressing well - **510 holes for 5,628m completed by late March**.
- Zones of intense quartz - limonite mineralisation intersected in saprolite (weathered bedrock) beneath laterite and soil cover outside the area previously drilled by Newmont.
- First batch of auger samples despatched to the laboratory; results received **April**.
- **2,500m of diamond drilling** has commenced at Kada and a contract has been signed for **4,000m of reverse circulation (RC) drilling**, which is to commence **early May**.
- RC and diamond drilling will focus on Newmont gold resource area to prepare Kada maiden Mineral Resource – first diamond drilling results expected **mid-May**.
- Kada Gold Project to **expand to 300km²** with acquisition of the adjoining Damissa Koura permit.

Kouri Gold Project, Burkina Faso

- Golden Rim commences **2,000m (~10-hole) diamond drilling program** on the high-grade Diabatou Gold Shoot at Kouri.
- Drilling to test for depth extensions to the gold shoot beneath the current Mineral Resource pit shell and the deepest existing drill hole (MRC050) which returned **7m at 4.6g/t gold**, from 191m, including **3m at 10.2g/t gold**.
- First results from Diabatou diamond drilling expected in **early May**.

Corporate

- A\$5 million Placement completed to advance exploration at Kada and Kouri Gold Projects.

Kada Gold Project, Guinea

Acquisition and Expansion

On 12 January 2021, Golden Rim announced it had completed an initial 25% of the Kada Gold Project (**Kada**) in Guinea as the first step in acquiring up to 75% interest.

All conditions under the Earn-In and Incorporated Joint Venture Agreement (**JVA**) with respect to the initial acquisition were either satisfied or waived. As a result, the Company issued US\$2,500,000 worth of shares to the vendor (being 317,203,744 shares at approximately \$0.01 per share).

Shortly after, on 27 January 2021, Golden Rim announced that it had executed a Letter Agreement to acquire an extra two gold permits in Guinea. Acquisition of the Damissa Koura permit (**Damissa Koura**) expands Golden Rim's advanced Kada area, where Golden Rim is earning up to 75% interest, to ~300km². As with Kada, Newmont conducted RC and air core drilling at Damissa Koura, discovering additional broad zones of deep oxide gold mineralisation.

The Kankan West permit (**Kankan West**), 60km south of Kada, is directly west of Predictive Discovery's (ASX:PDI) Kankan permit where a gold-in-soil anomaly over 7km has been outlined.

Acquisition of the Damissa Koura and Kankan West permits are subject to the execution of a joint venture agreement and Guinean government approval, after which time Golden Rim plans to commence its field exploration. The joint venture agreement is prepared, and Guinean government approval is expected to be received shortly. The date for satisfaction of these conditions precedent has been amended from 26 April 2021 to 26 May 2021.

Auger Drilling

On 25 February, the Company announced that it had commenced a 15,000m power auger drilling program at Kada with contractor Sahara Natural Resources, using two rigs.

Drilling is being completed on 400m spaced lines, with 50m spaced sample points along each line (Figure 1). Areas that return anomalous gold results will be infilled on 200m spaced lines. The auger drilling will initially focus on a prominent, north-south, magnetic corridor that links Kada with AngloGold Ashanti's 10Moz gold Siguiri Mine, 35km to the north.

This auger drilling will also test coincident gold-in-soil anomalies previously outlined by Newmont, including sample sites that returned values up to **22,470ppb gold (22.5g/t gold)**. Drilling will also test several highly prospective granite contact target areas.

Auger drilling progressed well and a third power auger rig was contracted and mobilised to Kada, with 510 holes for 5,628m completed by late March. Drilling has intersected zones of intense quartz – limonite mineralisation in saprolite (weathered bedrock), beneath ~10m of laterite and soil cover, which is highly encouraging (Figure 2). The first batch of auger samples, for 558 holes, were dispatched to the laboratory with assay results received in April and announced on 19 April 2021. A summary of these results will also be reported in the June Quarterly report.

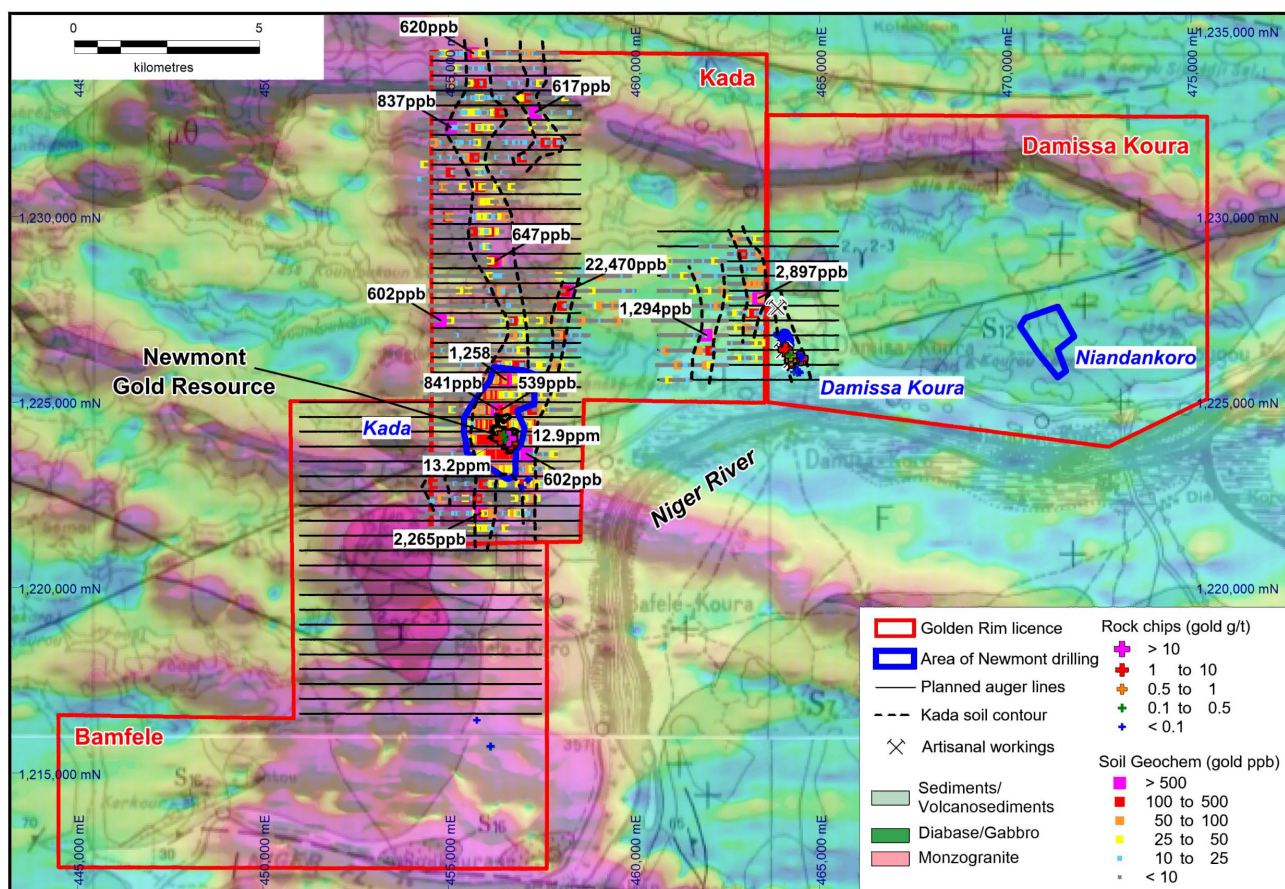


Figure 1. Planned 400m spaced auger drilling lines at Kada. Base map is a combination of published geology and airborne magnetics. Previous soil sampling by Newmont was conducted in the Kada Permit only. There is no previous soil sampling in the Bamfele and Damissa Koura permits.

RPM Advisory Services Pty Ltd prepared a 3D geological model for the predominantly oxide gold mineralisation in the previous Newmont non-JORC Gold Resource area. Golden Rim used this model to determine the location of the infill drilling (diamond and RC) required to prepare a maiden Mineral Resource at Kada, expected during 2H CY21.

Post quarter end, on 13 April, Golden Rim commenced 2,500m of diamond infill drilling. A contract has been signed for 4,000m of RC infill drilling and this is expected to commence in early May.



Figure 2. Power auger drilling at Kada. Right hand photo shows 1m samples from a typical hole with laterite cover (red samples) and underlying bedrock samples (cream-grey colour).

Kouri Gold Project, Burkina Faso

With personnel having been focussed on Kada over the previous months, Golden Rim announced a return to the Kouri Gold Project (**Kouri**) with the commencement of a **2,000m (~10-hole) diamond drilling** program on the high-grade Diabatou Gold Shoot at Kouri on 1 April 2021 (Figures 3 & 4).

Drilling is testing for depth extensions to the gold shoot beneath the current Mineral Resource pit shell and the deepest existing drill hole (MRC050) which returned **7m at 4.6g/t gold, from 191m, including 3m at 10.2g/t gold.**

The Kouri work program includes infill drilling also targeting the upper portions of the gold shoot to enable the Company to upgrade the Mineral Resource in this area to the Indicated category.

Golden Rim announced an updated global Indicated and Inferred Mineral Resource of 50 million tonnes at 1.3g/t gold for 2 million ounces¹ of contained gold at a 0.5 g/t gold lower cut-off for the Central, East and West Lodes at Kouri in October 2020.

¹ 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).

The high-grade Diabatou Gold Shoot mineralisation lies within the East Lodes Inferred Mineral Resource which comprises 48,000 ounces at 3.2g/t gold and is located 7km from the Central Lodes, which comprise the bulk of the global Mineral Resource.

The high-grade gold mineralisation that comprises the Diabatou Gold Shoot is located within a distinct and continuous zone of intense shearing, up to 10m wide, hosted along a granite-mafic volcanic contact. The shear zone strikes 070 – 075° and dips 65 – 70° south. Gold mineralisation is associated with quartz-pyrite veins, quartz-pyrite breccia (granite and mafic volcanic fragments) and disseminated pyrite.

Drilling results previously received suggest the shoot is approximately 250m long, steeply plunging to the west, and remains open at depth. Deeper drilling offers an outstanding opportunity to add additional high-grade gold ounces.

First results from Diabatou diamond drilling are expected in early May 2021.

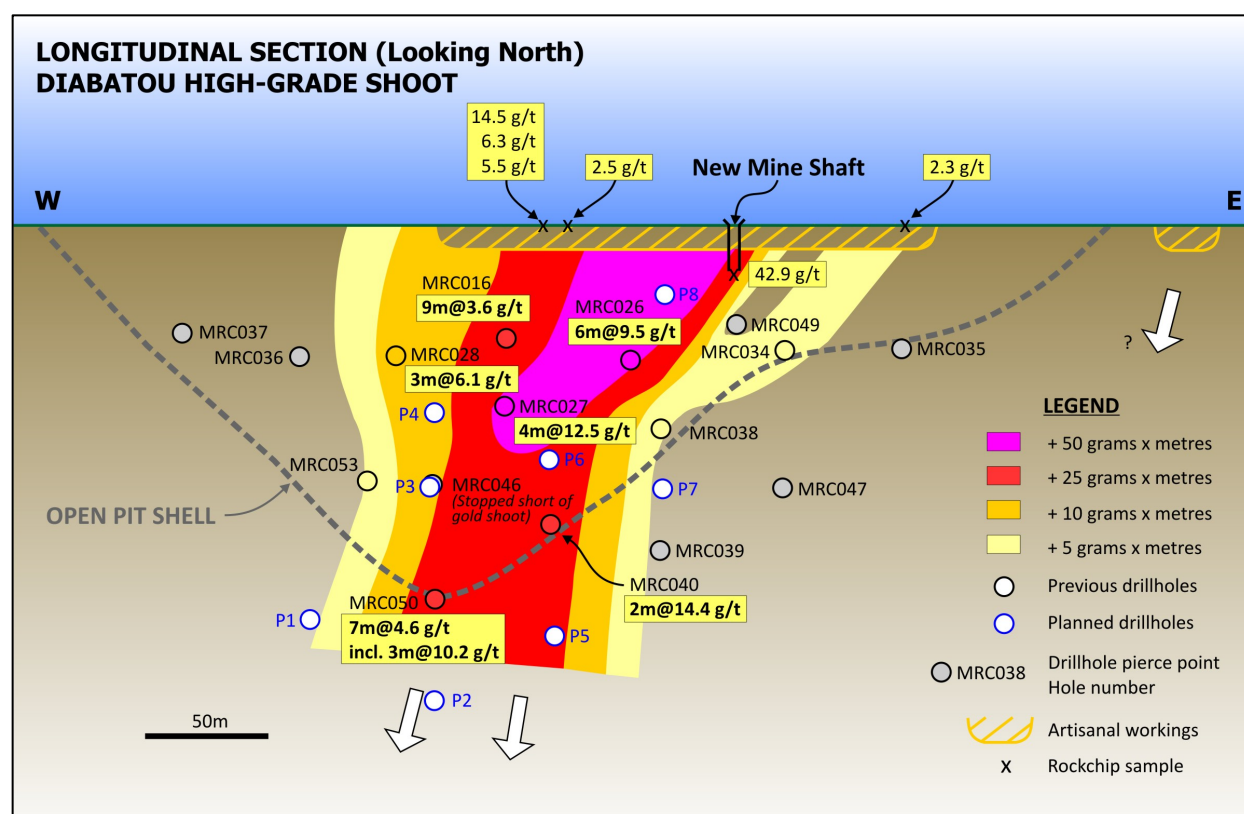


Figure 3. Diabatou Gold Shoot Longitudinal Section with the planned diamond drill holes.

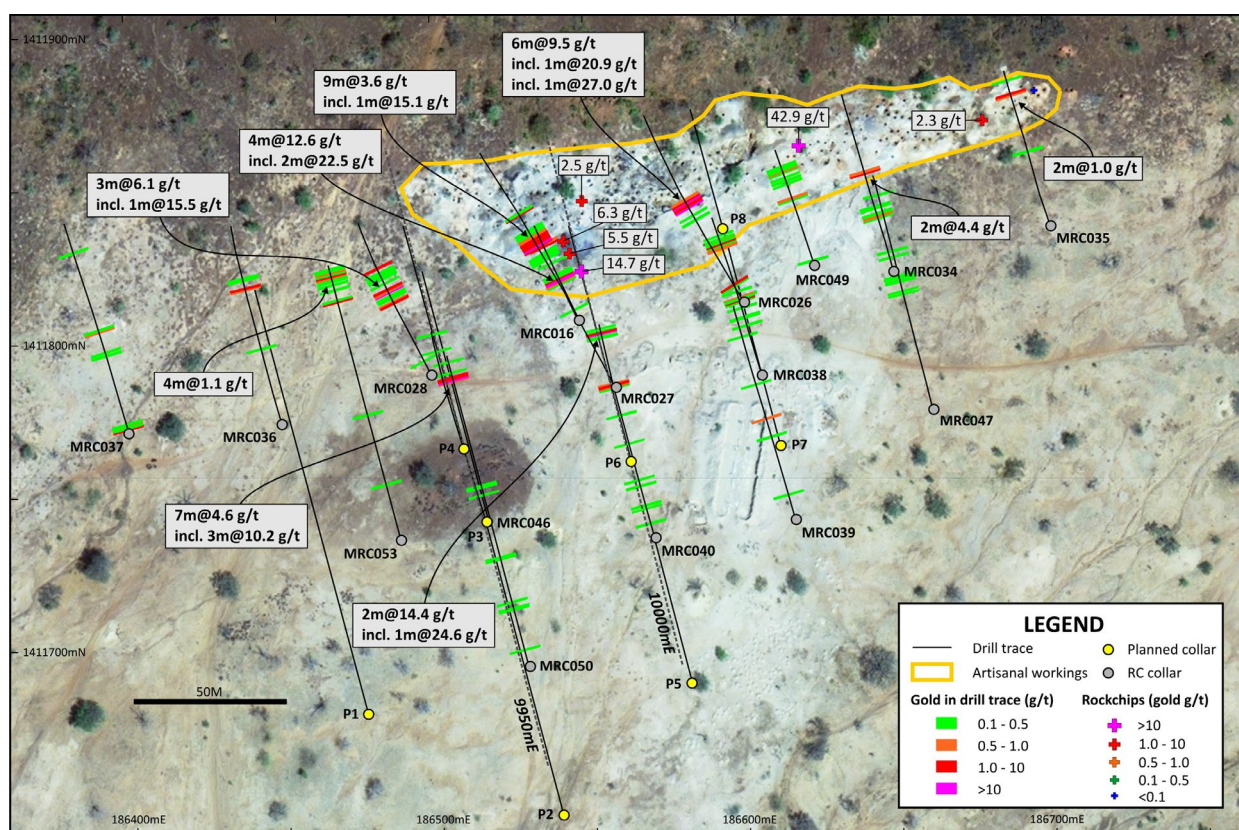


Figure 4. Plan depicting the existing drill holes and the planned drill holes on the Diabatou Gold Shoot.

Business Development

The Company has previously advised that it is investigating new business development opportunities. It is currently reviewing and investigating various new business opportunities across the African continent including advanced gold project opportunities.

CORPORATE

Capital Raising

On 2 February 2021, Golden Rim received commitments from investors to raise \$5 million, before costs, through the issue of 555,555,556 fully paid ordinary shares at \$0.009 per Share (**Placement**) to advance exploration at its West African gold projects. The Placement to qualified, institutional, sophisticated and professional investors took place in two tranches.

Tranche 1 was issued under the Company's Listing Rule 7.1 (224,177,737 shares) and 7.1A placement capacity (205,605,300 shares).

The remaining number of securities (125,772,519 shares) were issued to a few investors that elected to be part of Tranche 2, and which was approved by Shareholders on 24 March 2021. This also included participation by Golden Rim's Chairman, Adonis Pouroulis, who subscribed for a total of 40,222,210 shares (approx. \$362,000).

Proceeds from the Placement are being used to fund work programs on the Kada Gold Project in Guinea and the Kouri Gold Project in Burkina Faso, as well as for working capital.

Securities Issued

The Company issued 3,172,037 shares and 7,105,360 options to LHC Mine Finance for corporate finance advice received relating to projects and acquisitions. The options are exercisable at A\$0.01015 and will expire two years from the date of issue.

In addition, 3,076,471 shares were issued to Directors and staff in lieu of cash for remuneration owing as a means of preserving cash. Shares were issued under the Company's Remuneration Share Plan which was approved by Shareholders in June 2020.

Details of Activities of the Company

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 exploration and evaluation mainly comprised:

- Final costs of Kada Gold Project due diligence and other acquisition costs;
- Earthworks, mobilisation/setup and drilling at the Kada Gold Project; and
- Ongoing geological work and scoping study preparation at the Kouri Gold Project.

Payments to related parties of the entity and their associates of \$131,397, as disclosed in section 6.1, relates to Directors fees and salaries (including superannuation and taxation) paid to/for Directors and their associates during the quarter.

-ENDS-

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	
Guinea			
Kada	Kada	25%	
Bamfele	Kada	100% legal ownership, held in trust for joint venture company.	
Damissa Koura	Kada	0%	Acquisition subject to conditions precedent.
Kankan West	Kankan West	0%	Acquisition subject to conditions precedent.
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	Paguanta	100	
Teki I 2 1-40 Exploitation	Paguanta	100	
Teki I 3 1-60 Exploitation	Paguanta	100	
Teki I 4 1-60 Exploitation	Paguanta	100	
Teki I 5 1-60 Exploitation	Paguanta	100	
Teki I 6 1-60 Exploitation	Paguanta	100	
Teki I 7 1-20 Exploitation	Paguanta	100	

Competent Persons Statement

The information in this report relating to previous exploration results and the Mineral Resource at Kouri are extracted from the announcements: Golden Rim Confirms Major 3.5km Bedrock Gold Corridor at the Kada Gold Project dated 19 April 2021; Broad Zones of Deep Oxide Gold Mineralisation Confirmed at Kada dated 16 November 2020; Kouri Mineral Resource Increases by 43% to 2 Million Ounces Gold dated 26 October 2020; Extent of the High-Grade Diabatou Gold Shoot Doubled dated 31 July 2020; New Granite Contact Targets and High-Grade Gold Shoot at Kouri dated 2 June 2020; Drilling Intersects 4m at 12.6g/t Gold at Kouri dated 31 March 2020; Drilling Intersects 6m at 9.5g/t Gold at Kouri; and New Resource Estimation for Paguanta dated 30 May 2017; 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 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.

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 Burkina Faso and Guinea, West Africa and in Chile, South America.

The Company discovered and has outlined an Indicated and Inferred Mineral Resource of 50Mt at 1.3g/t gold for 2Moz¹ at the Kouri Gold Project, located in north-east Burkina Faso. Kouri is currently Golden Rim's flagship project and it covers 325km² of highly prospective Birimian greenstones. As exploration progresses, significant additional gold mineralisation, including a high-grade gold shoot, has been discovered and the gold inventory at Kouri is expected to grow.

The Company has recently secured the Kada Gold Project in eastern Guinea. Guinea remains one of the most under-explored countries in West Africa. Kada was previously explored by Newmont who completed 39km of drilling and defined a non-JORC gold resource. With infill drilling Golden Rim believes a maiden JORC Mineral Resource can be defined at Kada in the near-term. Most of the 300km² project area remains poorly explored and there is considerable upside for the discovery of additional gold mineralisation.

In northern Chile, Golden Rim has the Paguanta Silver-Lead-Zinc-Copper 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 lead² at Paguanta. The Mineral Resource remains open. In addition, the project has several exceptional porphyry-copper targets that remain untested.

1. 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).
2. 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).

28 April 2021

ASX:GMR



Contact Information:

Golden Rim Resources Ltd

ABN 39 006 710 774

Craig Mackay
Managing Director

+61 3 8677 0829

craig@goldenrim.com.au

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

ASX:GMR

Market Capitalisation: A\$29.4 million

Shares on Issue: 2,670 million

T + 61 3 8677 0829 | E info@goldenrim.com.au | goldenrim.com.au

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 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(909)	(2,268)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(188)	(409)
	(e) administration and corporate costs	(117)	(503)
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	Government grants and tax incentives	-	50
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(1,214)	(3,130)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(37)
	(d) exploration & evaluation (if capitalised)	-	(118)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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)	-	-
2.6	Net cash from / (used in) investing activities	-	(155)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,000	6,198
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	(280)	(388)
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	-	-
3.10	Net cash from / (used in) financing activities	4,719	5,810

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	647	1,628
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,214)	(3,130)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(155)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,719	5,810

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	14	13
4.6	Cash and cash equivalents at end of period	4,166	4,166

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	4,136	617
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	30	30
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,166	647

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	131
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

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8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,193)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,193)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,166
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,166
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.49
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.		
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
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:		
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:		
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:		
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: 28 April 2021

Authorised by: The Board of Golden Rim Resources Ltd

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.