

KADA GOLD PROJECT ACQUISITION UPDATE

West African gold explorer Golden Rim Resources Limited (ASX: GMR; **Golden Rim** or **Company**) provides the following update on the Kada Gold Project in Guinea.

Damissa Koura and Kankan West Permits

Golden Rim has agreed to further extend the date for satisfaction of the conditions precedent in the acquisition of two additional gold permits in Guinea, Damissa Koura and Kankan West, to 26 September 2021.

Golden Rim announced that it had executed a Letter Agreement to acquire up to a 75% interest in the extra two gold permits in Guinea on 27 January 2021. Acquisition of the Damissa Koura permit expands Golden Rim's advanced Kada Gold Project (**Kada**), where Golden Rim is earning up to 75% interest, to ~300km². Kada is located in a largely under-explored area of the Siguiri Basin in Guinea.

As with the Kada permit, Newmont conducted RC and air core drilling at Damissa Koura, discovering additional broad zones of deep oxide gold mineralisation. The Kankan West permit, 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 receiving Guinean government approval and the execution of a joint venture agreement, after which time Golden Rim plans to commence its field exploration. The joint venture agreement is prepared and will be signed once Guinea Government approval is received. Although Government approval is taking longer than anticipated, the Company has no reason to believe that approval will not be received.

Kada Earn-In and JV Terms – Additional Information

Golden Rim also refers to its announcement of the heads of agreement for the acquisition of Kada on 27 July 2020 (**Announcement**) as well as the execution of a formal earn-in and joint venture agreement for Kada (**Earn-In**) announced on 9 December 2020.

Pursuant to the Earn-in, Golden Rim may earn up to a 75% interest in Kada.

As announced on 12 January 2021, Golden Rim has earned an initial 25% interest in Kada (**Initial Interest**) and now has the right to earn a further 26% interest (**Second Interest**) as well as the right to manage and set the work programme.

As disclosed in the Announcement, to earn the Second Interest and bring its total interest in Kada to 51%, GMR must sole fund expenditure of not less than US\$4 million within 24 months, being 12 January 2023 (**Sole Funding Commitment**).

The Company advises that it is an agreed term of the Earn-in that Golden Rim will be deemed to have withdrawn from the Kada joint venture if the Sole Funding Commitment is not satisfied by 12 January 2023.

3 August 2021

ASX:GMR



The Company has undertaken a significant work program since January 2021, in addition to its due diligence work program during 2020, and is working towards defining a Maiden JORC Mineral Resource by the end of 2021. The recently completed drilling program included diamond, reverse circulation (**RC**) and auger drilling and the Company is extremely pleased with assay results received to date.

Infill diamond and RC drilling has intersected broad zones of deep oxide gold mineralisation in the Newmont gold resource area at Kada. The continuity of mineralised zones identified by Newmont have been confirmed and substantial areas of additional mineralisation have been located.

Golden Rim's auger drilling has delineated a 15km long, broad, north-south-trending, bedrock gold corridor that extends through the Newmont gold resource area. This corridor is highly prospective for additional oxide gold mineralisation outside the Newmont gold resource area (which extends for 800m) and is interpreted as sitting on a major regional gold trend that extends 35km north to AngloGold Ashanti's +10Moz gold Siguiri Mine.

The Board does not consider this additional information to be price sensitive and is confident, subject to this positive progress continuing, that the Company can meet the Sole Funding Commitment. The Board does however consider that investors should be aware that there is a risk the Company withdraws from the Kada joint venture if it does not meet the Sole Funding Commitment.

-ENDS-

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

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 recently announced an agreement to acquire 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 34km 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.

The Company discovered and has outlined a 2Moz Mineral Resource 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.

In northern Chile, Golden Rim has the Paguanta Silver-Lead-Zinc-Copper Project. Historically a silver mine, the Company has outlined a Mineral Resource comprising 6.8Moz silver, 74Mlb lead and 265Mlb zinc at Paguanta. The Mineral Resource remains open. In addition, the project has several exceptional porphyry-copper targets that remain untested. With Golden Rim's focus on gold in West Africa, the Company is seeking to divest the project.

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Market Capitalisation: A\$23million

Shares on Issue: 2,670million

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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).