Golden Rim Resources

ASX/Media Announcement

30 September 2020

Unaudited Full Year Accounts

Golden Rim Resources Ltd (ASX: GMR, **Golden Rim** or **Company**) provides its unaudited full year accounts for the period ending 30 June 2020 (**Reporting Period**).

The Company is relying on the relief provided under *ASIC Corporations (Extended Reporting and Lodgement Deadlines – Listed Entities) Instrument 2020/451 dated 15 May 2020* (**ASIC Relief**) to extend the lodgement date for its audited full year accounts for the Reporting Period.

Due to the COVID-19 pandemic restrictions, the Company experienced some delays in obtaining certain information in the preparation of its full year accounts. As a result of restrictions, the Company has been unable to gain access to particular documentation in a timely manner, resulting in delays.

The Company will immediately make a further announcement to the market if there is a material difference between its unaudited full year accounts and its audited full year accounts.

The Company also advises that it is intending to hold its Annual General Meeting on 17 November 2020.

-ENDS-

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This ASX Announcement was authorized for release by the Board Golden Rim Resources Ltd.

Golden Rim Resources Ltd

ABN 39 006 710 774

Unaudited Financial Statements

For the Year Ended 30 June 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Interest income		1,674	7,758
Other gains / losses	3	72,104	7,546
Administration expenses	4	(1,363,588)	(1,682,429)
Depreciation expense	8	(52,335)	(54,413)
Exploration and evaluation expenditure	9	(4,960,473)	(4,560,084)
Profit / (Loss) before tax		(6,302,618)	(6,281,622)
Income tax	5	-	-
Profit / (Loss) for the year		(6,302,618)	(6,281,622)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		(225,072)	17,887
Other comprehensive income for the year, net of income tax		(225,072)	17,887
Total comprehensive income for the year		(6,527,690)	(6,263,735)
Profit / (Loss) attributable to:			
Owners of the Company		(6,227,101)	(6,152,937)
Non-controlling interests	19(c)	(75,517)	(128,685)
		(6,302,618)	(6,281,622)
Total comprehensive income attributable to:			
Owners of the Company		(6,449,104)	(6,133,827)
Non-controlling interests	19(c)	(78,586)	(129,908)
		(6,527,690)	(6,263,735)
Earnings per share			
Basic (cents per share)	6	(0.56)	(1.27)
Diluted (cents per share)	6	(0.56)	(1.27)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As at 30 June 2020

	Note	Consolidated 2020 $	2019 $
Current Assets			
Cash and cash equivalents	20(a)	1,628,461	352,993
Trade and other receivables	7	18,235	17,505
Other assets		24,616	20,954
Total Current Assets		1,671,312	391,452
Non Current Assets			
Other financial assets		12,679	11,995
Plant and equipment	8	117,606	94,018
Exploration expenditure	9	5,796,886	5,925,234
Total Non Current Assets		5,927,171	6,031,247
Total Assets		7,598,483	6,422,699
Current Liabilities			
Trade and other payables	10	1,349,126	939,528
Provisions	11	106,361	120,982
Total Current Liabilities		1,455,487	1,060,510
Non Current Liabilities			
Provisions	11	121,458	108,059
Total Non-Current Liabilities		121,458	108,059
Total Liabilities		1,576,944	1,168,569
Net Assets		6,021,539	5,254,130
Equity			
Share capital	12	85,576,561	78,937,169
Reserves	13	1,734,815	1,601,375
Accumulated losses		(79,488,260)	(73,561,424)
Equity attributable to owners of the Company		7,823,116	6,977,120
Non-controlling interests	19(c)	(1,801,577)	(1,722,990)
Total Equity		6,021,539	5,254,130

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year ended 30 June 2020

	Note	Share Capital $	Accumulated Losses $	Option Reserve $	Foreign Currency Translation Reserve $	Non-controlling Interests $	Total Equity $
Balance at 30 June 2018		72,885,963	(68,316,662)	1,414,056	284,065	(1,593,082)	4,674,340
Loss for the year		-	(6,152,937)	-	-	(128,685)	(6,281,622)
Other comprehensive income for the year, net of income tax		-	-	-	19,110	(1,223)	17,887
Total comprehensive income for the year		-	(6,152,937)	-	19,110	(129,908)	(6,263,735)
Transactions with owners recorded directly in equity							
Issue of fully paid shares and options	12	6,710,541	-	792,335	-	-	7,502,876
Share issue costs	12	(659,351)	-	-	-	-	(659,351)
Fair value of options exercised	13	16	-	(16)	-	-	-
Fair value of expired options	13	-	908,175	(908,175)	-	-	-
Balance at 30 June 2019		78,937,169	(73,561,424)	1,298,200	303,175	(1,722,990)	5,254,130
Loss for the year		-	(6,227,101)	-	-	(75,517)	(6,302,618)
Other comprehensive income for the year, net of income tax		-	-	-	(222,002)	(3,070)	(225,072)
Total comprehensive income for the year		-	(6,227,101)	-	(222,002)	(78,587)	(6,527,690)
Transactions with owners recorded directly in equity							
Issue of fully paid shares and options	12	7,231,136	-	655,707	-	-	7,886,843
Share issue costs	12	(591,744)	-	-	-	-	(591,744)
Fair value of expired options	13	-	300,265	(300,265)	-	-	-
Balance at 30 June 2020		85,576,561	(79,488,260)	1,653,642	81,173	(1,801,577)	6,021,539

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Cash Flow From Operating Activities			
Payments to suppliers and employees		(1,170,817)	(1,502,493)
Payments for exploration and evaluation		(4,977,598)	(4,606,516)
Interest received		1,674	7,758
Government incentive received		50,000	-
Net Cash Outflows From Operating Activities	20(b)	(6,096,741)	(6,101,251)
Cash Flows from Investing Activities			
Payment for acquisition of assets, net of cash acquired	19(b)	-	(268,783)
Proceeds from sale of plant and equipment		-	18,611
Purchase of plant and equipment		(46,230)	(4,164)
Net Cash Outflows From Investing Activities		(46,230)	(254,336)
Cash Flows From Financing Activities			
Proceeds from issue of shares and options		7,429,796	5,978,912
Share issue costs		(591,786)	(465,956)
Share capital awaiting allotment		577,659	-
Net Cash Inflows From Financing Activities		7,415,669	5,512,956
Net increase / (decrease) in cash and cash equivalents		1,272,698	(842,631)
Cash and cash equivalents at the beginning of the financial year		352,993	1,203,976
Translation differences on cash held in foreign currencies		2,770	(8,352)
Cash and cash equivalents at the end of the financial year	20(a)	1,628,461	352,993

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
For the Year Ended 30 June 2020

1. Corporate Information

Golden Rim is a listed public company incorporated in Australia. The nature of the operations and principal activity of Golden Rim is mineral exploration focused on the discovery of gold resources. Refer to the Corporate directory information on page 3 for further information.

2. Basis of Accounting

(a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards and Interpretations ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial statements are prepared on an accruals basis and based on historical costs except for certain financial assets which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Except as disclosed in notes 2(b) through to 2(g) the Group's accounting policies, estimates and judgements are set out within each note disclosure.

The financial statements for the year ended 30 June 2020 were authorised for issue in accordance with a resolution of the directors on [*insert*] October 2020.

(b) Changes to accounting policies

(i) New and Amended Standards and Interpretations Adopted

None of the new and revised standards, interpretations and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2019 affected any of the amounts recognised in the reporting period or any prior period and are not likely to affect future periods.

AASB 16 – Leases ('AASB 16')

This standard replaces the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirements for leases to be classified as operating or financing leases.

The main changes introduced by the new Standard include:

- Recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- Depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- By applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- Additional disclosure requirements.

The transitional provisions of AASB 16 allowed a lessee to either retrospectively apply the standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application with the latter being the method applied by the Group. The standard affected primarily the accounting for the Group's operating leases. As at the reporting date, the Group has a non-cancellable operating lease commitment as disclosed in note 23. The lease relates primarily to premises occupied by the Group in the course of its operations and is for a term of 12 months. The directors have applied the short term exemption clause on adoption. The Group has recognised these payments on a straight-line basis, presented within administration expenses in profit and loss. The adoption of AASB 16 has not had a significant impact on the Group's financial statements.

(ii) Standards and Interpretations in issue not yet adopted

The Group has not applied any new and revised standards, interpretations and amendments to standards that have been issued to the date of authorisation of the financial statements but are not yet mandatory. None of these new pronouncements are likely to have a material impact on the Group in the current of future reporting periods. Standards not yet applied are as follows:

Standard/Interpretation/Amendment	**Effective for annual reporting periods beginning on or after**
AASB 17 Insurance Contracts	1 January 2021
AASB 1059 Service Concessions Arrangements; Grantors, **AASB 2018-5** Amendments to Australian Accounting Standards - Deferral of AASB 1059 and **AASB 2019-2** Amendments to Australian Accounting Standards - Implementation of ASSB 1059	1 January 2020
AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and amending Standards AASB 2015-10 and AASB 2017-5	1 January 2022
AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business	1 January 2020
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework	1 January 2020
AASB 2019-3 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform	1 January 2020
AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards not yet issued in Australia	1 January 2020
AASB 2019-7 Amendments to Australian Accounting Standards - Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations	1 January 2020

Standard/Interpretation/Amendment	Effective for annual reporting periods beginning on or after
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current	1 January 2022
AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments	1 January 2022
AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions	1 January 2020

In addition, as at the date of the Directors' Declaration the following IASB Standards and IFRS Interpretations Committee Interpretations were on issue but not yet effective, and for which Australian equivalent Standards and Interpretations have not yet been issued:

- IFRS 17 - Insurance Contracts
- Extension of temporary arrangements from applying IFRS 9

(c) Going Concern

The consolidated financial statements have been prepared on the going concern basis which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

During the reporting period the Group incurred a net loss after tax of $6,302,618 (2019 - $6,281,622) and experienced net cash outflows from operating and investing activities of $6,142,971 (2019 - $6,355,587). At 30 June 2020 the Group had net assets of $6,021,539 (2019 - $5,254,130) and net current assets of $215,825 (2019 net current liabilities - $669,058). As at 30 June 2020, the Group had a cash balance of $1,628,461.

As detailed in note 25:

- A share placement to raise approximately $2,700,000 (before costs) through the issue of 442,622,951 fully paid ordinary shares at an issue price of $0.0061 per share with one attaching option for every two shares subscribed for was finalised. This placement was comprised of 2 tranches. The first tranche was completed prior to the end of the reporting period (166,666,667 shares and 83,333,333 attaching options) and the second tranche was completed subsequent to the end of the reporting period (18 August 2020) (275,956,284 shares and 137,978,142 attaching options). The second tranche raised approximately $1,700,000 (before costs), of which $577,000 was received prior to the end of the reporting period; and

- Options issued under the placement referred to above were exercised subsequent to the end of the reporting period raising approximately $22,000 (before costs).

The Directors have prepared a cash flow forecast for the period ending 31 October 2021, which indicates that additional funding will be required to meet expected cash outflows in relation to its ongoing exploration and evaluation activities. The ability of the Group to continue to develop its projects and therefore to continue as a going concern is dependent on securing additional sources of funding of at least $2,200,000 via capital raisings, divestment of assets or other type of corporate transaction, in the final quarter of the 2020 calendar year.

The Directors have reviewed the Group's overall position and outlook in respect of the matters identified above, including the ability of the Group to secure additional funding, and are of the opinion that there are reasonable grounds to believe that the operational and financial plans in place are achievable and accordingly the Group will be able to continue as a going concern and meet its obligations as and when they fall due.

Should the Directors not be successful in achieving the matters set out above, there is a material uncertainty whether the Group will be able to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business.

These consolidated financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

(d) Foreign Currency Translation

(i) Functional and presentation currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in Australian dollars which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

The functional currency of the subsidiaries, Golden Rim Resources Burkina SARL and Nemaro Gold Ltd, is CFA Franc.

The functional currency of the subsidiaries, Paguanta Resources (Chile) SA and Compania Minera Paguanta SA, is Chilean Peso.

The functional currency of the subsidiary, Lafi Gold Limited is US dollars.

(ii) Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical costs continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

(iii) Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at exchange rates prevailing at the reporting date.
- Income and expenses are translated at average exchange rates for the reporting period.
- Equity transactions are translated at exchange rates prevailing at the dates of the transaction.

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in the Group's foreign currency translation reserve (attributed to non-controlling interests as appropriate). These differences are recognised in the income statement in the period in which the operation is disposed.

(e) Impairment of Assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case, the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Comparative Figures

When required by the Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

3. Other Gains / Losses

	Consolidated	
	2020	2019
	$	$
(Loss)/Gain on sale of plant and equipment	(593)	2,966
Government grant	50,000	-
Foreign exchange gains	22,697	4,580
	72,104	7,546

Gains or losses arising from the sale of assets are recognised at the later of the date on which all conditions of sale are met and the risks and rewards of ownership have been transferred.

The funds received under the Government grant relate to the stage one cashflow boost provided by the Government as a support for businesses during the COVID-19 pandemic. This amount is recognised when the criteria for entitlement are completed and the funds became receivable.

4. Expenses

	Consolidated	
	2020	2019
	$	$
Administration expenses comprise:		
Directors' fees	97,926	120,000
Employee benefits expenses		
Defined contribution superannuation expense	58,781	56,429
Share based payments	208,209	52,070
Other employee benefit expenses	529,828	703,587
Investor relations expense	203,577	414,175

Other share based payments	248,837	136,300
Other administration expenses	16,430	199,868
	1,363,588	1,682,429

Other share based payments refers to shares issued to external service providers as a measure to preserve cash during the onset of COVID 19. Refer to Note 14 for more detail on share based payments.

5. Income Tax

	Consolidated	
	2020 $	2019 $
Numerical reconciliation of income tax expense to prima facie tax payable:		
Profit / (Loss) before income tax expense	(6,302,618)	(6,281,622)
Income tax benefit calculated at 27.5%	(1,733,220)	(1,727,446)
Effect of amounts which are not deductible/(taxable) in calculating taxable income		
Share issue costs	(162,730)	(75,243)
Share based payments	31,361	20,699
Government cashflow boost	(13,750)	-
Other expenses	713	1,425
	(1,877,626)	(1,780,565)
Movement in temporary differences not recognised	126,808	70,043)
Effect of tax losses for which no deferred tax asset has been recognised	1,750,818	1,710,522
Income tax expense	-	-

	Consolidated	
	2020 $	2019 $
Deferred Tax Asset at 27.5%		
Loans (provisions)	1,471,655	1,402,625
Investments (provisions)	99,260	80,421
Capital raising costs	344,365	294,831
Other	31,796	101,558
Carry forward tax losses	20,388,199	18,637,381
	22,335,275	20,516,816

No income tax is payable by the Company. The consolidated entity has un-recouped Australian income tax losses comprising revenue losses of approximately $33.7 million (2019 - $32.0 million), foreign losses of approximately $38.3 million (2019 - $33.6 million) and capital losses of approximately $2.1 million (2019 - $2.1 million).

Such benefits have not been recognised and will only be obtained if:

(a) the consolidated entity derives future taxable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised;
(b) the losses are transferred to an eligible entity in the consolidated entity;
(c) the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and
(d) no changes in taxation legislation adversely affect the economic entity in realising the benefit from the deductions for the losses.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable income for the reporting period. Taxable income differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable income will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither taxable income nor accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable income against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity, respectively. Where current or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

6. Earnings per Share

	2020 Cents	2019 Cents
Basic and diluted loss per share	(0.56)	(1.27)
Weighted average number of shares outstanding during the year used in the calculation of basic loss per share	1,104,925,617	483,322,147

(a) Basic earnings per share

Basic earnings per share is determined by dividing net profit/loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

The profit or loss attributable to the owners of the Company has been used in the calculation of basic loss per share.

The Group's options and performance rights potentially dilute basic earnings per share in the future. However they have been excluded from the calculations of diluted earnings per share because they are anti-dilutive and out of the money for the years presented.

It was noted that the adoption of AASB 16 Leases has not resulted in any material impact on the basic and diluted EPS of the Company.

7. Trade and Other Receivables

	Consolidated	
	2020	2019
	$	$
Current		
GST refundable	9,041	17,505
Other receivables	9,194	-
	18,235	17,505

8. Plant and Equipment

	Consolidated	
	2020	2019
	$	$
Office equipment, at cost	244,602	244,014
Less: accumulated depreciation	(209,389)	(185,186)
	35,213	58,828
Motor vehicles, at cost	46,678	55,474
Less: accumulated depreciation	(46,678)	(55,474)
	-	-
Field equipment, at cost	334,695	304,148
Less: accumulated depreciation	(252,302)	(268,958)
	82,393	35,190
	117,606	94,018

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the reporting period are set out below.

	Office Equipment	Motor Vehicles	Field Equipment	Total
	$	$	$	$
Carrying amount at 30 June 2018	85,891	16,514	55,448	157,853
Additions	1,898	-	2,266	4,164
Disposals	(275)	(15,370)	-	(15,645)
Depreciation	(29,684)	(1,144)	(23,585)	(54,413)
Foreign exchange movement	998	-	1,061	2,059
Carrying amount at 30 June 2019	58,828	-	35,190	94,018

	Office Equipment	Motor Vehicles	Field Equipment	Total
	$	$	$	$
Additions	6,042	-	71,763	77,805
Disposals	(593)	-	-	(593)
Depreciation	(28,988)	-	(23,347)	(52,335)
Foreign exchange movement	(76)	-	(1,213)	(1,289)
Carrying amount at 30 June 2020	35,213	-	82,393	117,606

Each class of plant and equipment is carried at cost, less, where applicable, any accumulated depreciation and impairment losses.

Depreciation is recognised so as to write off the cost or valuation of plant and equipment less their residual values over their useful lives, using either the straight line basis or diminishing value method, commencing from the time the assets are held ready for use. The depreciation rates used for plant and equipment vary between 10% and 40%. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The carrying values of plant and equipment are tested for impairment in accordance with the policy in note 2(e) when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from an asset's employment and subsequent disposal. The expected net cash flows are discounted to their present values in determining recoverable amounts. An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying value is greater than its estimated recoverable amount.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals, being the difference between the sale proceeds and the carrying amount of the asset are recognised in profit or loss.

9. Exploration Expenditure

	Consolidated	
	2020	2019
	$	$
Costs at beginning of year	5,925,234	4,424,795
Acquisition of exploration projects (note 19(b))	-	1,432,975
Foreign exchange movement	(128,348)	67,464
Costs at end of year	5,796,886	5,925,234

Exploration and evaluation assets are initially measured at cost and include the acquisition of permits / licenses that provide the right to explore for minerals. All other exploration and evaluation expenditure including studies, exploratory drilling, trenching and sampling and associated activities is expensed as incurred.

Assets are recognised in relation to each separate area of interest in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified.

The ultimate recoupment of acquisition costs carried forward is dependent upon successful development and commercial exploitation, sale or farm out of the respective areas. The carrying values are based upon the Group's assumption that the exploration permits will be renewed when required, subject to the Group meeting agreed budgets and work programs. No impairment indicators have been identified by management. The exploration and evaluation expenditure above includes $2,428,055 relating to the acquisition costs of the Paguanta Project in Chile. The Company is currently seeking a corporate transaction with respect to its interest in this project. Exploration programs continue at the Kouri Gold Project in Burkina Faso.

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include prospectivity of an area of interest and economic and political environments. If an impairment trigger exists, the recoverable amount of the asset is determined.

There is some subjectivity involved in the carrying forward as capitalised or writing off to the income statement exploration and evaluation expenditure, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure reflect fairly the prevailing situation.

Exploration Commitments

The Group has the following expenditure commitments at balance date in respect of exploration interests, subject to the right to withdraw at any time.

	Consolidated	
	2020	2019
	$	$
Not later than one year	143,822	644,035
Later than one year, but not later than 5 years	67,098	570,280
Later than 5 years	-	-
	210,920	1,214,315

10. Trade and Other Payables

	Consolidated	
	2020	2019
	$	$
Trade creditors	709,818	874,204
Accrued expenses	31,500	40,461
Other creditors	607,808	24,863
	1,349,126	939,528

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which were unpaid at the balance date. The amounts are unsecured and are usually paid within 30 days of recognition.

11. Provisions

	Consolidated 2020 $	2019 $
Current		
Employee entitlements – annual leave	106,361	120,982
Non Current		
Employee entitlements – long service leave	121,458	108,059

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to balance date.

12. Issued Capital

	Consolidated 2020 $	2019 $
Issued Capital Fully paid ordinary shares: 1,456,306,317 (2019: 723,220,708)	85,576,561	78,937,169

Movements in ordinary share capital of the Company during the past 2 years were as follows:

		Number of Shares	Cents	$
30/06/2018		318,389,376		72,885,963
07/08/2018	Placement	77,997,340	2.60	2,027,931
	Less: fair value of free attaching options[1]			(308,089)
10/09/2018	Share purchase plan	15,076,875	2.60	391,999
	Less: fair value of free attaching options[1]			(59,553)
21/09/2018	Placement	38,461,540	2.60	1,000,000
	Less: fair value of free attaching options[1]			(151,923)
21/12/2018	Shares issued	9,967,333	1.50	149,510
24/01/2019	Shares issued	10,419,673	1.53	159,421
12/03/2019	Placement	117,578,000	1.30	1,528,514
17/05/2019	Placement	55,498,960	1.30	721,486
18/05/2019	Shares issued to service providers	8,700,000	1.30	113,100
28/06/2019	Shares issued to vendors of asset	71,130,936	1.60	1,138,095
30/06/2019	Exercise of options during year	675	7.50	50
	Fair value of options[1] exercised in year			16
	Cost of share issues			(659,351)
30/06/2019		723,220,708		78,937,169
23/07/2019	Placement	50,000,000	1.00	500,000
14/08/2019	Shares under cleansing prospectus	100	1.20	1
21/08/2019	Placement	130,000,000	1.40	1,820,000
18/09/2019	Rights Issue	246,334,429	1.40	3,448,682
23/09/2019	Placement	13,410,772	1.40	187,751
06/12/2019	Shares under cleansing prospectus	100	1.40	1
25/03/2020	Placement	45,448,784	0.60	272,693

		Number of Shares	Cents	$
02/04/2020	Shares issued to service provider	16,992,798	0.40	67,971
17/04/2020	Shares under cleansing prospectus	100	0.60	1
05/06/2020	Placement	30,666,667	0.60	184,000
09/06/2020	Shares under Remuneration Share Plan	10,949,872	0.86	94,169
11/06/2020	Shares issued to service providers	22,103,711	0.799	176,518
11/06/2020	Shares under Remuneration Share Plan	511,509	0.85	4,348
11/06/2020	Shares under cleansing prospectus	100	0.90	1
29/06/2020	Placement	166,666,667	0.61	1,016,667
	Less: fair value of free attaching options[1]			(541,667)
	Cost of share issues			(591,744)
30/06/2020		1,456,306,317		85,576,561

Note:

1. The value of options granted during the financial year was calculated as at the grant date using the Black Scholes option pricing model.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of, and amounts paid, on the shares held.

13. Reserves

	Consolidated	
	2020	2019
	$	$
Option Reserve (a)	1,653,642	1,298,200
Foreign Currency Translation Reserve (b)	81,173	303,175
	1,734,815	1,601,375

(a) Option Reserve

The Company had the following options on issue as at 30 June for the relevant years:

Option series	No. of options 2020	No. of options 2019	Exercise price $	Issue Date	Expiry date
Unlisted options					
Class Q	-	1,433,335	0.45	12/01/1017	28/11/2019
Class R	5,959,404	5,959,404	0.075	07/07/2017	06/07/2020
Class S	-	8,699,999	0.075	21/12/2017	21/12/2019
Class T	1,600,000	1,600,000	0.07	17/07/2018	17/07/2020
Class GMRULOPT10	71,256,735	71,256,735	0.04	14/09/2018	14/09/2020
Class GMRULOPT10	19,511,090	19,511,090	0.04	21/09/2018	14/09/2020
Class U	12,700,000	12,700,000	0.04	19/12/2018	19/12/2020
Class NDL Option	-	1	126,455	28/06/2019	28/12/2019
Class V	27,600,000	-	0.03	29/11/2019	29/11/2021
Class W	1,600,000	-	0.04	29/11/2019	19/12/2020
Class X	5,000,000	-	0.03	17/01/2020	17/01/2022
Class GMRULOPT11	83,333,333	-	0.01	29/06/2020	29/06/2022
	228,560,562	121,160,564			

Each option, except for the Class NDL option, gives the holder the right to subscribe for one ordinary share in the Company at the exercise price on or before the expiry date. The NDL option gave the holder the right to subscribe for 7,903,437 shares at an exercise price of $126,455.

Movements in the number of options and the Option Reserve in the past two years were as follows:

Issue / Expiry Date	Description	Number of Options	Fair value cents	$
30/06/2018	Balance	55,584,701		1,414,056
	Options issued during the year ended 30/06/2019			
17/07/2018	Class T	1,600,000	1.45	23,200
14/09/2018	Class GMRULOPT10	71,256,735	0.79	562,928
21/09/2018	Class GMRULOPT10	19,511,090	0.79	154,138
19/12/2018	Class U	12,700,000	0.41	52,070
28/06/2019	Class NDL	1	-	-
		105,067,826		792,336
	Options expired during the year ended 30/06/2019			
28/11/2018	Class P	(900,003)		(33,750)
31/01/2019	Listed options	(38,591,285)		(874,426)
		(39,491,288)		(908,176)
	Listed options exercised during the year ended 30/06/2019	(675)		(16)
30/06/2019	Balance	121,160,564		1,298,200
	Options issued during the year ended 30/06/2020			
29/11/2019	Class V	27,600,000	0.37	102,120
29/11/2019	Class W	1,600,000	0.12	1,920
17/01/2020	Class X	5,000,000	0.20	10,000
29/06/2020	Class GMRULOPT11	83,333,333	0.65	541,667
		117,533,333		655,707
	Options expired during the year ended 30/06/2020			
28/11/2019	Class Q	(1,433,335)		(70,950)
21/12/2019	Class S	(8,699,999)		(229,315)
28/12/2019	Class NDL	(1)		-
		(10,133,335)		(300,265)
	Balance at 30/06/2020	228,560,562		1,653,642

The option reserve relates to the fair value of options granted by the Company. The fair values of options are transferred to share capital on exercise, or to accumulated losses on expiry of the options.

The Class S options, Class T options, 25,000,000 Class GMRULOPT10 options and Class U options, Class V options, Class W options and Class X options were issued as share based payments (note 14).

(b) Foreign Currency Translation Reserve

	Consolidated	
	2020	2019
	$	$
At beginning of year	303,175	284,065
Foreign currency (loss) / gain for year	(222,002)	19,110
	81,173	303,175

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to Australian dollars are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

14. Share Based Payments

	Consolidated	
	2020 $	2019 $
Options		
Issued to directors and employees	112,120	52,070
Issued to other external service providers	1,920	220,700
Shares		
Issued to directors and employees	94,169	-
Issued to other external service providers	248,837	113,100
	457,046	385,870
Recognised as expense in profit or loss	457,046	188,370
Recognised as share issue costs	-	197,500
	457,046	385,870

Equity-settled share-based payments to directors, employees and others providing external services are measured at the fair value of the equity instruments at the date of issue. External services for the reporting periods included corporate advisory and investor relation services.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

The Group measures the cost of equity-settled share-based payment transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined by using a Black Scholes option pricing model, with appropriate assumptions. The fair value of shares is determined using market prices at the date of the transaction. The accounting estimates and assumptions relating to equity-settled transactions would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

At the Company's 2019 Annual General Meeting (held 29 October 2019), shareholders renewed their approval of the Company's Option Incentive Plan (**Option Plan**).

The Option Plan is designed to attract, retain and motivate eligible employees, promote and foster loyalty and support amongst eligible employees for the benefit of the Company, enhance the relationship between the Company and eligible employees for the long term mutual benefit of all parties and provide eligible employees with the opportunity to share in any future growth in value of the Company through the issue of options.

Under the Option Plan, each employee share option converts into one ordinary share in the Company on exercise. Unless the Board determines otherwise, no amounts are paid or payable by the recipient on receipt of the option. The options do not carry any rights to dividends or voting. The options may be exercised at any time from the date of vesting to the date of their expiry. The options granted under the Option Plan are offered to employees and directors on the basis of the Board's view of the contribution of the person to the Company. Any options issued to Directors are approved by shareholders prior to issue.

On 2 June 2020, the Company obtained shareholder approved to issue shares under the Company's Director and Employee Remuneration Plan (**Remuneration Share Plan**).

The Remuneration Share Plan provides directors and eligible employees with the ability to subscribe for Shares in lieu of the payment of cash remuneration, allowing the Company to preserve its cash reserves. Any shares issued under the Remuneration Share Plan to directors or their nominees are subject to prior shareholder approval under the Listing Rules. On 2 June 2020, the Company received such shareholder approval up to a maximum aggregate of $215,000 worth of shares to directors (or their nominee(s)), in lieu of directors' fees and remuneration for a period of 12 months which commenced on 1 March 2020. Shares issued to directors under the Remuneration Share Plan are issued at a price that is not less than the volume weighted average price of the Company's shares during the five days prior to the date of their issue.

In terms of ASX Listing Rules, securities issued under an employee incentive scheme which has been approved by shareholders within three years of the date of issue, are issued as an exception to a company's 15% placement capacity under the rules.

The following share-based payment arrangements were in existence during the current and prior reporting periods:

Option series	Grant date	Grant date fair value (cents)	Exercise price (cents)	Expiry date	Number of options
Expired					
Class Q Plan	12/01/2017	5.00	45.00	28/11/2019	1,433,335
Class S Plan	22/12/2017	2.64	7.50	21/12/2019	8,699,999
ASX Listed	21/12/2017	1.88	7.50	31/01/2019	10,000,000
Current					
Class T	17/07/2018	1.45	7.00	17/07/2020	1,600,000
Class U	19/12/2018	0.41	4.00	19/12/2020	12,700,000
Class V	29/11/2019	0.37	3.00	29/11/2021	27,600,000
Class W	29/12/2019	0.12	4.00	19/12/2020	1,600,000
Class X	17/01/2020	0.20	3.00	17/01/2022	5,000,000

All share options were fully vested on the grant date and there has been no alteration to the terms and conditions of the above share-based payment arrangements since the grant date apart from alterations as a result of the consolidation in previous years.

Movement, in the current and prior year, in the number and weighted average exercise price (WAEP) of share options issued as share based payments were as follows:

	2020		2019	
	Number	WAEP Cents	Number	WAEP Cents
Outstanding at the beginning of the year	49,433,334	5.90	21,033,337	11.34
Expired during the year	(3,033,335)	(24.96)	(10,900,003)	(3.98)
Issued during year	34,200,000	3.05	39,300,000	4.12
	80,599,999	3.62	49,433,334	5.90

The weighted average remaining contractual life of outstanding options issued as share based payments as at 30 June 2020 is 0.8 years (2019: 1.12 years). The weighted average fair value of the share options granted as share based payments during the financial year is 0.33 cents. The options were priced using the Black Scholes option pricing model as follows:

	Class V	Class W	Class X
Grant date share price	1.3 cents	1.3 cents	1.0 cent
Exercise price	3.0 cents	4.0 cents	3.0 cents
Expected volatility	92%	92%	88%
Option life	24 months	12 months	24 months

	Class V	Class W	Class X
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	0.79%	0.79%	0.80%

Historical volatility has been the basis of determining the basis of expected share price volatility and it is assumed that this is indicative of future trends, which may not eventuate.

The life of options is based on historical exercise patterns, which may not eventuate in the future.

15. Key Management Personnel Disclosure

Names and positions of key management personnel of the Company and the Group in office at any time during the reporting period were:

Name	Position
A Pouroulis	Non-Executive Chairman (appointed 16 January 2020)
C Mackay	Managing Director
K Davies	Non-Executive Director
G Lamont	Non-Executive Director (retired 1 April 2020)
H Butcher	General Manager, Corporate and Company Secretary

Compensation for Key Management Personnel (during the reporting period)

	Consolidated	
	2020	2019
	$	$
Short-term employee benefits	479,496	556,579
Post-employment benefits	44,143	45,171
Share based payments	177,113	43,870
	700,751	645,620

Other Transactions with Related Parties

A related party of Mr Mackay is employed by the Company on a casual basis and earned a gross remuneration of $6,038 (2019: $6,054) during the reporting period.

All transactions between related parties are on normal commercial terms and conditions and are conducted on an arm's length basis. There are no balances outstanding at year end and no loans with related parties.

16. Remuneration of Auditors – Deloitte Touche Tohmatsu

	Consolidated	
Deloitte and related network firms*	2020	2019
	$	$
Audit or review of the financial reports		
- Group	31,500	30,450
Statutory assurance services required by legislation to be provided by the auditor	13,388	13,125
	44,888	43,575
ARTL Auditores Chile Ltda and their related network firms		
Audit or review of financial reports:		
- Subsidiaries and joint operations	5,817	10,214

	5,817	10,214
	50,705	53,789

* The auditor of Golden Rim is Deloitte Touche Tohmatsu.

17. Related Parties

Directors and Key Management Personnel
Disclosures relating to directors and key management personnel are set out in the Directors' Report and note 15.

Subsidiaries
Balances and transactions between the Company and its subsidiaries (detailed in note 19), which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

18. Parent Entity Disclosures

Financial Position	Parent Entity	
	2020 $	2019 $
Assets		
Current assets	1,530,542	242,573
Non-current assets	5,512,607	5,495,190
Total assets	7,043,149	5,737,763
Liabilities		
Current liabilities	992,185	231,697
Non-current liabilities	7,217	108,059
Total liabilities	999,402	339,756
Net assets	6,043,747	5,398,007
Equity		
Share capital	85,576,561	78,937,169
Reserves		
Option reserve	1,653,641	1,298,200
Accumulated losses	(81,186,455)	(74,837,362)
Total equity	6,043,747	5,398,007
Loss for the year	(6,649,359)	(6,136,102)
Total comprehensive Income	(6,649,359)	(6,136,102)

In 2019 and 2020 the parent entity did not enter into any guarantees in relation to the debts of its subsidiaries, enter into any commitments for the acquisition of property, plant and equipment or have any contingent liabilities.

19. Subsidiaries and transactions with Non-Controlling Interests

(a) Interest in subsidiaries

Name of Subsidiary	Country of Incorporation	Cost of Company's Investment		Ownership Interest	
		2020 $	2019 $	2020 %	2019 %
Golden Rim Chile Pty Ltd	Australia	100	100	100	100
Golden Rim Resources Burkina SARL	Burkina Faso	2,141	2,141	100	100
Paguanta Resources (Chile) SpA	Chile	9,008,038	8,680,220	100	100

Name of Subsidiary	Country of Incorporation	Cost of Company's Investment		Ownership Interest	
Compania Minera Paguanta SA	Chile	-	-	73.9	73.7
Lafi Gold Limited	Guernsey	1,270,723	1,270,723	100	100
Nemaro Gold SARL	Burkina Faso	151,945	151,945	100	100
		11,432,847	10,105,129		

Paguanta Resources (Chile) SpA (**PRC**) owns shares in Compania Minera Paguanta SA (**CMP**). Lafi Gold Limited (**Lafi Gold**) owns 85% of the shares in Nemaro Gold SARL (**Nemaro**) while the Company owns the other 15% directly. Shares in the other subsidiaries are held directly by the Company. The subsidiaries have share capital consisting solely of ordinary shares, and the proportion of ownership interests held is equal to the voting rights held by the Group. The country of incorporation is also their principal place of business.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2020 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated on consolidation unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of profit or loss and other comprehensive income, changes in equity and financial position. These represent the non-controlling interests rights to a proportionate share of net assets upon liquidation. This is initially measure at the non-controlling interests proportionate share of net assets and subsequently changes by their share of changes in equity. Total comprehensive income is attributed even if this results in the non-controlling interests having a deficit balance.

(b) Significant restrictions

There are no significant restrictions noted in relation to these subsidiaries.

(c) Non-controlling interests

Set out below is summarised financial information for Compania Minera Paguanta SA in which a 26.1% (2019 – 26.3%) ownership interest is held by non-controlling interests. The amounts disclosed are before intercompany eliminations.

Summarised Financial Position	2020 $	2019 $
Current assets	7,986	5,099
Non current assets	840,446	1,005,466
Total assets	848,432	1,010,565
Current liabilities	28,721	42,568
Non current liabilities	1,241,746	1,398,424
Total liabilities	1,270,467	1,440,992
Net assets/(liabilities)	(422,035)	(430,427)
Accumulated non-controlling interest	(1,801,576)	(1,722,990)

Summarised Financial Performance

Summarised Financial Position	2020 $	2019 $
Loss for the period	(288,828)	(489,464)
Other comprehensive income	(11,741)	(4,656)
Total comprehensive income	(300,569)	(494,120)
Elements attributable to shareholders	78,587	129,908
Loss allocated to non-controlling interest	(75,517)	(128,685)
Other comprehensive income allocated to non-controlling interest	(3,070)	(1,224)
Summarised Cash Flows		
Cash outflow from operating activities	(325,849)	(2,137,958)
Cash inflow from financing activities	327,818	2,099,030
Net increase / (decrease) in cash and cash equivalents	1,969	(38,928)

20. Notes to the Statement of Cash Flows

(a) Reconciliation of Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at call, deposits with banks, and investments in money market instruments net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	Consolidated	
	2020 $	2019 $
Cash at bank	1,628,461	352,993

(b) Reconciliation of Loss after Income Tax to Net Cash Flow from Operating Activities

	Consolidated	
	2020 $	2019 $
Operating profit / (loss) after income tax	(6,302,618)	(6,281,622)
Depreciation	52,335	54,413
Loss / (gain) on sale of plant and equipment	593	(2,966)
Share based payments	457,046	188,370
Effect of foreign currency translation	(98,212)	(43,308)
Change in operating assets and liabilities:		
Decrease / (increase) in receivables	(730)	5,038
Decrease in other current assets	(4,340)	16,149
Decrease in trade and other payables	(199,593)	(40,797)
Increase / (decrease) in provision for employee entitlements	(1,222)	3,472
Net cash outflow from operating activities	(6,096,741)	(6,101,251)

21. Financial Instruments

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables, other current assets and trade and other payables.

The Group manages its exposure to key financial risks, including currency and interest rate risk in accordance with the Group's risk management policies and procedures. The objective of the Company's risk management policies and procedures is to identify key risks, understand the cause and impact of any risk, assess and prioritise each key risk and develop a plan to manage such, where applicable.

Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern. The group’s overall strategy remains unchanged from 2019.

The capital structure of the Group consists of equity attributable to equity holders, comprising issued capital, reserves, retained earnings and non-controlling interests (as disclosed in notes 12, 13 and 19).

The Group is not subject to any externally imposed capital requirements.

Carrying Amounts of Financial Assets and Liabilities

The financial assets and financial liabilities of the Group are initially recognised at fair value and subsequently carried at amortised cost and their carrying amounts are disclosed in the table below.

The carrying amounts of financial assets and financial liabilities of the Group approximate their fair values.

Carrying Amounts of Financial Assets and Liabilities of the Group

	Fixed Interest Rate		Floating Interest Rate		Non interest Bearing		Total	
	2020 $	2019 $	2020 $	2019 $	2020 $	2019 $	2020 $	2019 $
Financial Assets								
Cash and cash equivalents	30,000	30,000	1,455,807	129,203	142,654	193,790	1,628,461	352,993
Trade and other receivables	-	-	-	-	18,235	17,505	18,235	17,505
Other financial assets	-	-	-	-	12,679	11,995	12,679	11,995
Total financial assets	30,000	30,000	1,455,807	129,203	173,568	223,290	1,659,375	382,493
Interest rate	1.30%	2.05%	0.05%	0.22%				
Financial Liabilities								
Trade and other payables	-	-	-	-	1,349,126	939,528	1,349,126	939,528
Total financial liabilities	-	-	-	-	1,349,126	939,528	1,349,126	939,528
Interest rate	-	-	-	-				

The fixed interest rate cash and cash equivalents are held in a six month term deposit.

Interest Rate Risk

The economic entity's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on classes of financial assets and liabilities. The Group does not have a major exposure in this area as the interest rate earned on deposited funds does not vary greatly from month to month.

Sensitivity Analysis

The Company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

The effect on loss and total equity as a result of changes in the interest rate with all other variables remaining constant would be as follows:

	Consolidated	
	2020	2019
	$	$
Change in loss		
- Increase interest rate by 1% (one basis point)	14,858	1,452
- Decrease interest rate by 1% (one basis point)	(1,028)	(588)
Change in equity		
- Increase interest rate by 1% (one basis point)	14,858	1,452
- Decrease interest rate by 1% (one basis point)	(1,028)	(588)

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Consolidated Statement of Financial Position and notes to and forming part of the financial statements. The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments it has entered into.

Foreign Currency Risk and Sensitivity

The Group undertakes transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The Group does not hedge to reduce the foreign exchange risk as the directors believe the risk is not significant. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date in Australian dollars are as follows:

	Consolidated	
	2020	2019
	$	$
Assets		
- CLP (Chilean peso)	5,847	4,880
- USD (US dollar)	121	46,811
- XOF (CFA franc)	128,599	141,952
Foreign currency denominated monetary assets	134,567	193,643
Liabilities		
- CLP (Chilean peso)	28,946	44,798
- USD (US dollar)	33,930	8,482
- XOF (CFA franc)	543,588	784,015
Foreign currency denominated monetary liabilities	606,464	837,295

Sensitivity Analysis

The table below details the Group's sensitivity to a 10% increase or decrease in the Australian dollar against the relevant foreign currencies.

	Consolidated		
	AUD	2020	2019
		$	$
Change in profit / loss and equity			
- Increase in CLP rate by 10%	+10%	(2,100)	(3,629)
- Decrease in CLP rate by 10%	-10%	2,567	4,435
- Increase in USD rate by 10%	+10%	(3,074)	3,484
- Decrease in USD rate by 10%	-10%	3,757	(4,259)
- Increase in XOF rate by 10%	+10%	(37,726)	(58,369)
- Decrease in XOF rate by 10%	-10%	46,110	71,340

Market Price Risk

The Group is not exposed to any material market price risk.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Liquidity risk table of Financial Liabilities

	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	Total $
2020					
Non-interest bearing		739,967	609,159	-	1,349,126
2019					
Non-interest bearing		899,067	40,461	-	939,528

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Liquidity risk table of Financial Assets	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	Total $
2020						
Non interest bearing	-	160,889	-	-	12,679	173,568
Variable interest rate instruments	0.05	1,455,868	-	-	-	1,455,868
Fixed interest rate instruments	1.30	-	-	30,390	-	30,390
		1,616,757	-	30,390	-	1,659,826
2019						
Non interest bearing	-	211,294	-	-	11,995	223,289
Variable interest rate instruments	0.22	129,227	-	-	-	129,227
Fixed interest rate instruments	2.05	-	-	30,615	-	30,615
		340,521	-	30,615	11,995	383,131

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

22. Segment Information

The Group operates in one business, namely exploration for mineral resources in various geographical regions. The financial results from this business are presented to the Board which collectively performs the role of the chief operating decision maker on a geographical basis. Information on a geographical segment basis is presented below:

2020

	Australia $	South America $	Africa $	Eliminations / Unallocated $	Group $
Interest revenue	1,674	-	-	-	1,674
Other revenue	50,000	-	-	-	50,000
Gains / (losses)	22,697	-	(593)	-	22,104
Mineral exploration expenditure expensed	-	305,822	4,654,651	-	4,960,473
Depreciation expense	16,332	6,014	29,989	-	52,335
Segment result	(1,305,549)	(311,835)	(4,685,233)	-	(6,302,618)
Income tax expense	-	-	-	-	-
Segment assets	1,564,509	2,436,356	3,597,618	-	7,598,483
Segment liabilities	989,560	28,946	558,438	-	1,576,944
Additions to non-current assets	2,290	-	75,514	-	77,804

2019

	Australia $	South America $	Africa $	Eliminations / Unallocated $	Economic Entity $
Interest revenue	7,758	-	-	-	7,758
Gains / (losses)	1,631	5,915	-	-	7,546
Mineral exploration expenditure expensed	-	606,330	3,953,754	-	4,560,084
Depreciation expense	16,692	16,298	21,423	-	54,413
Segment result	(1,689,732)	(616,714)	(3,975,176)	-	(6,281,622)
Income tax expense	-	-	-	-	-
Segment assets	289,722	2,599,756	3,533,220		6,422,699
Segment liabilities	339,756	44,798	784,015	-	1,168,569
Additions to non-current assets	1,898	-	2,266	-	4,164

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment result represents the results of each segment without allocation of central administration costs and directors' salaries, share of losses of associates, investment income, gains and losses, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

23. Expenditure Commitments

Operating Lease Commitments

Non-cancellable leases contracted for the lease of premises that have not been capitalised in the financial statements.

	Consolidated 2020 $	Consolidated 2019 $
Not later than one year	36,907	31,589
Later than one year, but not later than 5 years	-	-
	36,907	31,589

Refer to note 9 for information on exploration expenditure commitments.

24. Contingent Liabilities

Chilean exporters may recover the value added tax (**VAT**) paid with respect to their exports. Under certain circumstances, exporters may claim VAT credits in advance before exports are completed or the VAT has been incurred. CMP has received such VAT credits in advance of Chilean Unidad Tributaria Mensual (UTM) 31,341 (approximately AUD2.8 million at 30 June 2020 exchange rates). It is expected that upon export, the VAT credit received will be applied to reduce this advanced VAT credit over time. If CMP does not carry out the exports as approved, such amounts of VAT credits claimed in advanced must be paid back to the tax authorities. These VAT credits were not reflected in the fair value of assets acquired and liabilities assumed above.

25. Events Occurring after Balance Date

Since the end of the reporting period there has not been any matter or circumstance occurring subsequent to the end of the reporting period that has significantly affected, or may significantly affect the operations of the consolidated entity, or the state of affairs of the consolidated entity in future financial years other than that stated below or elsewhere in this Annual Report:

Proposed Acquisition of the Kada Gold Project, Guinea

The Kada Gold Project is located in the central Siguiri Basin in Guinea and it lies 36km along strike from and to the south of the 10Moz Siguiri Gold Mine operated by AngloGold Ashanti The Kada Gold Project is an advanced project, with the Kada Permit having previously been explored by Newmont.

Newmont completed 33,857m of drilling (297 holes) and outlined a non-JORC gold resource. With infill drilling, Golden Rim believes it can calculate a maiden JORC Mineral Resource at the Kada Gold Project in the near-term.

There is considerable exploration upside at the Kada Gold Project. The gold mineralisation in the Newmont gold resource area remains open along strike and at depth. Approximately 90% of the gold-in-soil anomalies at the Kada Gold Project, including sample sites that have returned values up to 22,470ppb gold (22.5g/t gold), remain untested.

On 27 July 2020, the Company announced it had entered into a binding Heads of Agreement to acquire up to a 75% interest in the Kada Gold Project, subject to satisfaction or waiver of certain conditions (**Conditions Precedent**).

The Conditions Precedent must be satisfied or waived by no later than the end of a 4 month exclusivity period (defined below) (**Exclusivity Period**). In consideration for the Exclusivity Period, on 20 August 2020 Golden Rim paid a fee of US$300,000 through the issue of 33,572,316 shares at a deemed price of $0.01246 per share, which price is based on a 30-day VWAP calculation.

On 25 September 2020, the Company announced that a new exploration permit had been granted (Bamfele Permit), which adjoins the Kada Permit and will form part of the Kada Gold Project. The granting of the new permit effectively doubles the project area to 200k m^2.

Issues of securities

During the reporting period, the Company announced a share placement raising approximately $2.7m (before costs) through the issue of 442,622,951 fully paid ordinary shares at an issue price of $0.0061 per share with one attaching option for every two shares subscribed for. The attaching option has an exercise price of $0.01 and an expiry date that is 2 years from the date of issue. This placement is comprised of 2 tranches. Following shareholder approval on 12 August 2020, the Company issued the securities under the second tranche (275,956,284 shares and 137,978,142 attaching options) on 18 August 2020.

Following the approval of shareholders on 12 August 2020, on 20 August 2020 the Company issued 16,541,680 options with an exercise price of $0.0061 and an expiry date two years from the date of issue, to the lead manager of the placement announced on 19 June 2020.

The Company issued 2,220,343 shares following the exercise of unlisted options, raising approximately $22,000 (before costs). Further, the Company issued 100 shares under a cleansing prospectus at an issue price of $0.012 per share.

The following issues were made under the Remuneration Share Plan:

1. On 2 July 2020, 1,985,979 shares at a price of $0.0114 per share (based on a 5 day VWAP in accordance with the Remuneration Share Plan);

2. On 20 August 2020, 488,752 shares at a price of $0.0143 per share (based on a 5 days VWAP in accordance with the Remuneration Share Plan); and

3. On 25 September 2020, 436,823 shares at a price of $0.016 per share (based on a 5 day VWAP in accordance with the Remuneration Share Plan).

The Company continued to undertake financial measures to preserve cash given the impact of the COVID-19 pandemic. On 2 July 2020, a share placement of 13,395,800 shares at a deemed issue price of $0.01 per share (being a 10% discount to the last closing price of the shares traded), was made in settlement of an outstanding drilling invoice.