



Golden Rim Resources Ltd (ASX: GMR) (**Golden Rim** or **Company**) is developing its project portfolio. The Company has advanced exploration projects in Burkina Faso and Chile.

The Kouri Gold Project, in Burkina Faso, has widespread gold mineralisation and Golden Rim has outlined a considerable JORC Exploration Target. The Company is conducting drilling to outline a maiden JORC Mineral Resource.

The Paguanta Zinc-Silver-Lead Project, in Chile, has a significant JORC Mineral Resource and US\$35m in past expenditure.

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Glenister Lamont, Non-Executive Chairman
Craig Mackay, Managing Director
Kathryn Davies, Non-Executive Director

Overview

Kouri Gold Project, Burkina Faso

- The drilling program continues at the Banouassi Prospect (**Banouassi**). A diamond drilling program of 12 holes (for 1,530m) has been completed and 68 holes (for a total of 8,880m) of a planned 120 hole reverse circulation (**RC**) drilling program have been completed.
- High grade gold results received from the RC drilling program at Banouassi, include:
 - 12m at 8.3 g/t gold from 92m, including 1m at 78.9 g/t gold (BARC154);
 - 12m at 7.8 g/t gold from 77m, including 4m at 21.2 g/t gold (BARC198); and
 - 4m at 20.0 g/t gold from 23m, including 1m at 76.4 g/t gold (BARC169).

Paguanta Zinc-Silver-Lead Project, Chile

- A Scoping Study for a 500 tonnes-per-day (**tpd**) underground mining operation at the Patricia Prospect (**Patricia**) utilising ore sorting has commenced.
- A new geological model for Patricia has provided an improved understanding of the continuity of the mineralisation and the structural controls on the high-grade ore shoots.
- A new high-grade vein has been interpreted between Central and Cathedral veins at Patricia.

Corporate

- The Company received US\$600,000 (A\$790,000¹) for the sale of technical information.
- An equity for services agreement was entered into with Ausdrill Limited (**Ausdrill**) whereby Ausdrill may subscribe for up to US\$1,000,000 worth of ordinary fully paid shares in the Company (**Shares**) in return for drilling services.
- Shares were issued to Canadian broking firm, Eight Capital, as payment for their services.
- A consolidation of the Company's share capital on a 15 for 1 basis was completed.
- Long serving director and former Chairman, Rick Crabb, resigned as Non-Executive Director of the Company.

¹ Using a conversion rate of US\$1 = A\$0.76

This report relates to the activities of the Company for the quarter commencing 1 October 2017 to 31 December 2017 (**Quarter**).

Kouri Gold Project, Burkina Faso (**Kouri**)

Kouri lies on a major mineralised fault zone that extends to the north-east into western Niger, where the 2.5Moz Samira Hill gold deposit is located. To the south-west, the fault zone is connected to the Markoye Fault system which controls several large gold deposits in Burkina Faso, including Kiaka (5.9Moz gold), Bombore (5.2Moz gold) and Essakane (6.2Moz gold).

During the Quarter, Golden Rim commenced a large resource definition drilling program (1,500m diamond drilling and 15,000m RC drilling planned) at Banouassi. The drilling program comprised both infill and extensional drilling on the Guitorga Lodes gold mineralisation (Figures 1 and 2).

The diamond drilling program of 12 holes has been completed (BADH001 – BADH012 for a total of 1,530m) and all assay results have been received and reported.

The RC drilling program continues to progress well and to date, 68 holes (BARC131 – BARC198 for a total of 8,880m) of the planned 120 hole program have been completed. Assay results have been received and reported for all the RC holes completed to date.

High-grade intercepts included:

- 12m at 8.3 g/t gold from 92m, including 1m at 78.9 g/t gold in BARC154;
- 12m at 7.8 g/t gold from 77m, including 4m at 21.2 g/t gold in BARC198;
- 4m at 20.0 g/t gold from 23m, including 1m at 76.4 g/t gold in BARC169;
- 13m at 4.0 g/t gold from 49m, including 1m at 31.6 g/t gold and 8m at 3.9 g/t gold from 108m in BARC192;
- 6m at 8.3g/t gold from 10m and 4m at 8.2 g/t gold from 59m in BARC190;
- 2m at 23.9 g/t gold from 51m and 9m at 2.2 g/t gold from 120m in BARC197;
- 2m at 9.8g/t gold from 37m; including 1m at 19.0g/t gold in BARC165; and
- Three closely spaced parallel intercepts of 2m at 7.0 g/t gold from 97m; 4.2m at 18.8 g/t gold from 104.8m including 0.6m at 138.4 g/t gold; and 0.8m at 7.9 g/t gold from 122.2m in BADH004.

The results received to date confirm the strike continuity of the high grade mineralisation and the potential to extend the strike directionally both south-west and north-east.

Gold mineralisation occurs in multiple parallel zones over 3km within a major shear zone corridor. The combined true width of the mineralisation in this corridor ranges from approximately 20m to 40m.

Infill and extensional resource drilling assay results received to date cover approximately 1.5km of strike on the Guitorga Lodes. Approximately 1km in the north-east portion of the Guitorga Lodes and 0.5km in the centre of the Guitorga Lodes has been covered. The total strike length of the Guitorga Lodes is over 3km and the remainder of the RC program is designed to test all of this strike length, including the 650m gap within the area comprising the Exploration Target which remains to be tested.

Several areas of deeper drilling have extended the depth of the Guitorga Lodes to 180m below surface with the mineralisation remaining open at depth.

High Grade Gold Zones

Several zones of high-grade gold mineralisation have been delineated on the Guitorga Lodes. These zones may be related to areas where a series of east-west trending cross-structures intersect the north-east trending Guitorga Lodes. The cross-structures are highlighted in previous ground magnetic data. In the recent diamond drilling it was found that a magnetic mineral, pyrrhotite, is associated with some of the gold mineralisation at Kouri.

Guitorga Hill

Results from the RC drilling program have extended the strike of the gold mineralisation for a further 200m to the north-east of the Exploration Target into an area where gold mineralisation is currently being exploited by artisanal miners beneath a prominent laterite capped hill, named Guitorga Hill, where no previous drilling had been conducted.

During the Quarter Golden Rim completed its first hole (BARC185) on Guitorga Hill outside the area of artisanal mining and has intersected multiple zones of gold mineralisation hosted in a granodiorite intrusion. Intercepts include: 4m at 3.1 g/t gold from 175m, including 1m at 10.5 g/t gold; and 2m at 3.1 g/t gold from 198m (at the bottom of the hole).

The discovery of the granodiorite is significant as such intrusive rocks in mineralised areas of Burkina Faso can often host substantial gold mineralisation. A further 5 holes are planned to test the area of artisanal workings at Guitorga Hill as part of the current RC drilling program.

RC drilling by Ausdrill

Ausdrill was mobilised to site on 23 December 2017 to complete the remainder of the planned 15,000m RC drilling program (6,100m remaining).

Under its US\$1m drilling for equity agreement with Ausdrill, Golden Rim intends to extend the current RC drilling program to further delineate and expand zones of high grade gold mineralisation prior to the preparation of the Mineral Resource estimate scheduled for the first quarter of 2018.

Paguanta Zinc-Silver-Lead Project, Chile (Paguanta)

Paguanta lies in the Tarapacá Region of northern Chile, approximately 120km north-east of Iquique and 30km west of the Chile-Bolivia border. The project area hosts both epithermal silver-lead-zinc-gold mineralisation and porphyry copper mineralisation. Paguanta is situated approximately 40km north-east of BHP Billiton's Cerro Colorado Mine, which is exploiting a large porphyry copper deposit with a Mineral Resource of 400Mt @ 0.62% copper for 5.5Blb of copper and annual copper cathode production of approximately 175Mlb.

Using a cut-off grade of 6% zinc equivalent, the JORC Mineral Resource is **2.4Mt at 5.0% zinc, 1.4% lead, 88 g/t silver and 0.3 g/t gold** (or **2.4Mt at 8.0% Zinc Equivalent (Zn Eq)**) for **190,000t** of contained Zn Eq metal. Almost 50% of the resource is in the Measured and Indicated categories. The resource estimate for the Patricia Prospect (**Patricia**) at Paguanta remains open at depth and along strike.

While the Company is seeking a corporate transaction on Paguanta, during the Quarter, the Company conducted low cost activities aimed at adding value to the project.

Scoping Study

Golden Rim has commenced a Scoping Study which will assess the viability of a 500 tpd underground mining operation at Paguanta at current metal prices and using the updated JORC Mineral Resource estimate completed by Golden Rim in mid-2017. The existing feasibility study, which was prepared in 2013 by Golder Associates while the previous owners held the project, will also be reviewed.

Geological Model

Historical drilling at Patricia, from 2006 – 2012, totals 40,844m in 243 drill holes (130 diamond drill holes and 113 reverse circulation drill holes). To date, Golden Rim has re-logged 28 historical diamond drill holes. This information has been combined with the logging information from Golden Rim's recent drilling and a new geological model for the mineralised veins at Patricia has been prepared.

The new model has provided an improved understanding of the continuity of the principle east-west veins at Patricia, both along strike and down dip, as well as the location and orientation of high grade ore shoots along these veins. The ore shoots are generally located where the veins have been intersected and offset by a series of north-west trending faults. Both the east-west veins and the high-grade ore shoots remain open at depth and locally along strike. Several historical high-grade drilling intercepts between the Central and Cathedral veins have been interpreted in the new geological model as a north-west trending vein, named Paula Vein, which is 700m long and up to 10m wide.

Ore Sorting Test Work

Two bulk samples (>3% & >9% ZnEq) of mineralised drill core (approximately 100kg each) have been sent to Steinert Global, Australia (**Steinert**) for ore sorting test work. The test work is scheduled to be completed by the end of January 2018.

Golden Rim believes that the technology used by Steinert, mainly X-Ray and laser identification, to sort ore and waste products from the mining operation before being sent to a plant, may result in a significant increase to the grade of the ore expected to be delivered to a processing plant. The ore sorting system is expected to enable the mining of lower grade ore from Patricia that previously may have been deemed sub-economic.

Water Studies

Investigations into sourcing both surface and underground water for a potential mining operation at Paguanta have commenced. At this stage investigations have been positive and the supply of at least 15 l/s is believed to be achievable. Golden Rim hopes to initiate underground water exploration in the short term. Conceptual and basic engineering on water pipeline possibilities has also recently begun.

Cumbre Prospect

Cumbre is located approximately 700m south of Patricia and may be directly spatially related to the vein system at Patricia.

Previous geological mapping and rock chip sampling at Cumbre identified a series of east-west trending veins and stock works with anomalous zinc, silver, lead and manganese mineralisation and demonstrates the potential for further mineralised structures to the south of Patricia that may feed into a mine plan at Paguanta.

Babonga Gold Project, Burkina Faso (**Babonga**)

Babonga is located 70km north-east of Golden Rim's primary project in Burkina Faso, Kouri. Babonga has a highly coherent gold-in-soil anomaly approximately 2.1km long and 300m wide, located in the southern part of the licence. This anomaly is coincident with a major regional fault that is connected to the major fault zone that hosts gold mineralisation at Kouri.

Aircore drilling has discovered widespread bedrock gold mineralisation, including a coherent zone of bedrock gold mineralisation (comprised of a series of stacked gold mineralised veins) over an area of 1km x 200m.

During the Quarter, no field work was completed at Babonga.

Corporate

During the Quarter, the Company undertook certain activities to preserve and/or increase its cash position.

The Company completed an agreement with Endeavour Mining Corporation whereby the Company received US\$600,000 (A\$790,000²) for the sale of technical information relating to previously owned projects in West Africa.

The Company also has utilised, and has capacity to further utilise, equity for service arrangements by issuing Shares to service providers as a means to preserve cash. Significantly, the Company entered into agreement with Ausdrill whereby Ausdrill may subscribe for up to US\$1,000,000 worth of Shares in return for drilling services. Golden Rim has the option, at its sole discretion, to choose to pay Ausdrill for their services either in cash, Shares or a mixture of cash and Shares on a 50/50 basis. Further, the Company issued 1,333,333 Shares at an issue price of \$0.045 to Canadian broking firm, Eight Capital, as payment for their services.

The Company held its Annual General Meeting during the Quarter. Significantly, shareholder's approved a consolidation of its share capital on a 15 for 1 basis which was subsequently completed.

Also at the Annual General Meeting, long serving director and former Chairman, Rick Crabb, resigned as Non-Executive Director of the Company.

-ENDS-

Contact Information

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² Using a conversion rate of US\$1 = A\$0.76

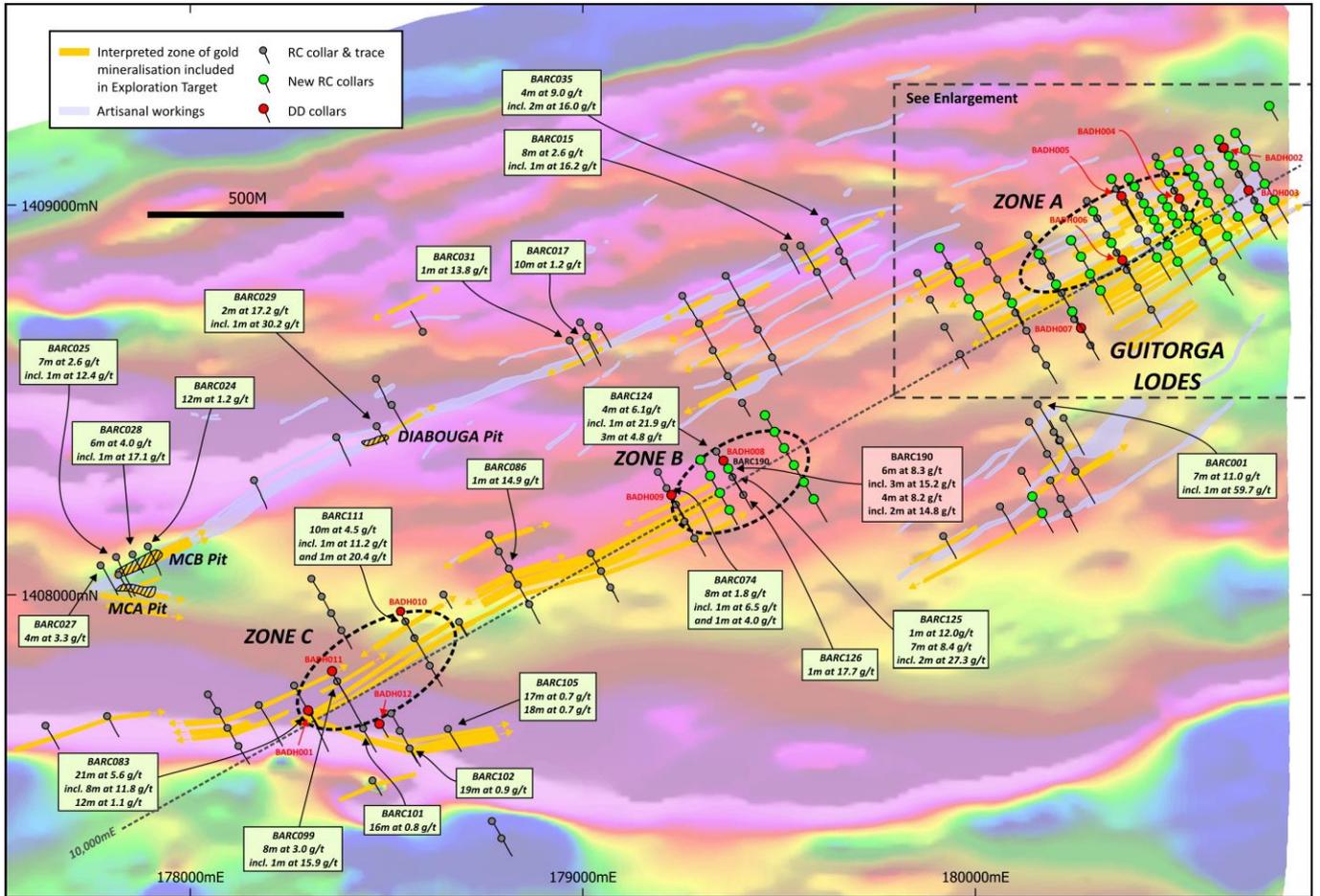


Figure 1. RC drill collars labelled with >10 m x g/t gold intercepts and the interpreted zones of gold mineralisation over a magnetic image at Banouassi. The location of the proposed RC holes and diamond holes for the current drilling program are shown in green and red circles respectively.

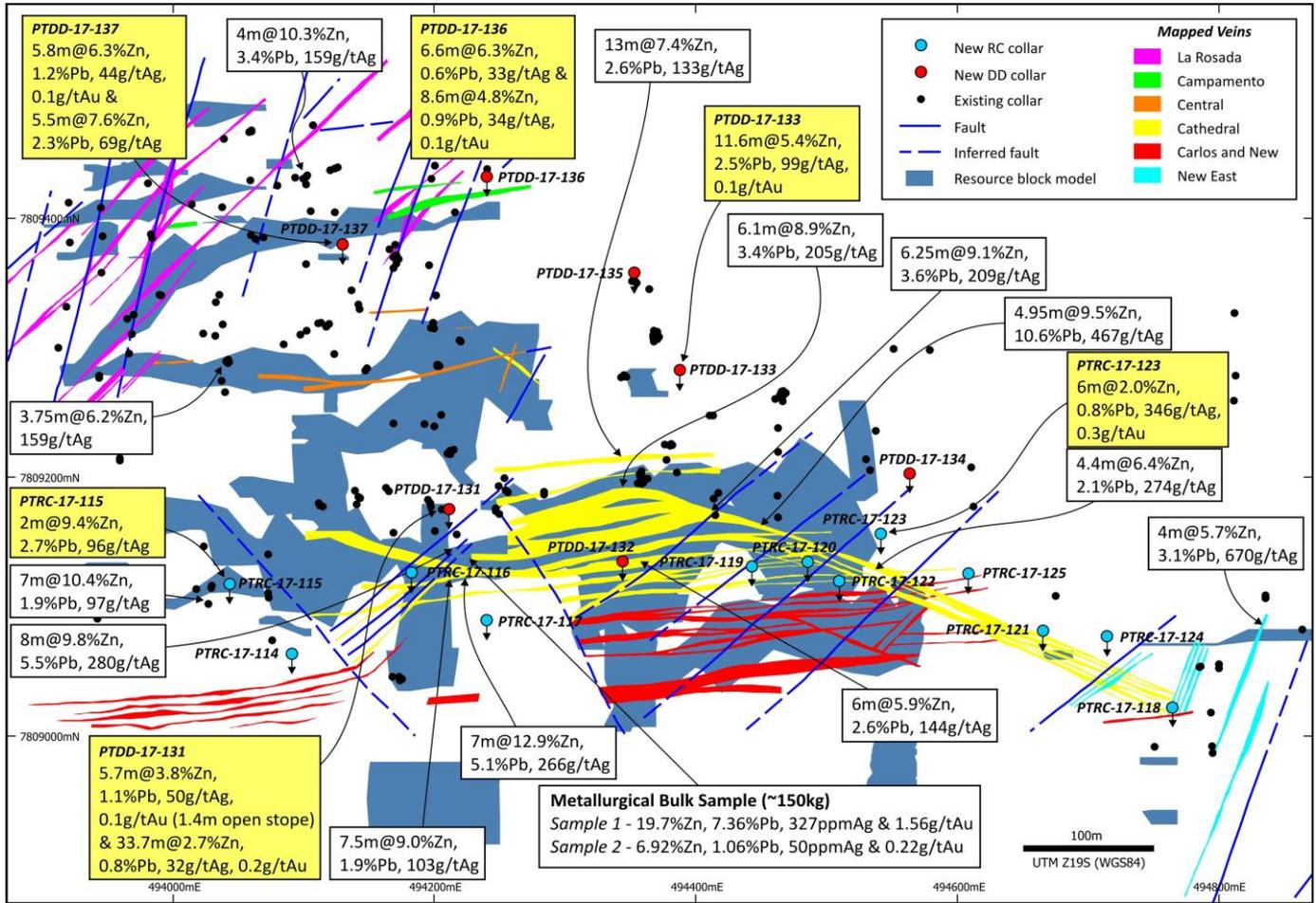


Figure 3 Plan showing the mapped zinc-silver-lead veins at Patricia, and the location of recent diamond drilling (red circles) and RC drilling (blue circles), and the current Mineral Resource outline.

Appendix 1: Golden Rim Tenement Schedule

Additional information in relation to the Company's tenements/licences held at the end of the Quarter (on a consolidated basis).

Tenement name	Project name	Golden Rim Holding (%)	Golden Rim's potential equity (%)	Changes in the Quarter
Burkina Faso				
Babonga	Babonga	100	100	
Kouri	Kouri	100	100	
Chile				
José Miguel 1 1-30 Exploitation	Paguanta	70	70	
José Miguel 2 1-30 Exploitation	Paguanta	70	70	
José Miguel 3 1-20 Exploitation	Paguanta	70	70	
José Miguel 4 1-30 Exploitation	Paguanta	70	70	
José Miguel 5 1-30 Exploitation	Paguanta	70	70	
José Miguel 6 1-30 Exploitation	Paguanta	70	70	
José Miguel 7 1-30 Exploitation	Paguanta	70	70	
José Miguel 8 1-10 Exploitation	Paguanta	70	70	
Carlos Felipe 1 1-30 Exploitation	Paguanta	70	70	
Carlos Felipe 2 1-30 Exploitation	Paguanta	70	70	
Carlos Felipe 3 1-30 Exploitation	Paguanta	70	70	
Carlos Felipe 4 1-30 Exploitation	Paguanta	70	70	
Carlos Felipe 5 1-30 Exploitation	Paguanta	70	70	
Carlos Felipe 6 1-30 Exploitation	Paguanta	70	70	
Teki I 1 Exploration	Paguanta	100	100	
Teki I 2 Exploration	Paguanta	100	100	
Teki I 3 Exploration	Paguanta	100	100	
Teki I 4 Exploration	Paguanta	100	100	
Teki I 5 Exploration	Paguanta	100	100	
Teki I 6 Exploration	Paguanta	100	100	
Teki I 7 Exploration	Paguanta	100	100	
Teki I 8 Exploration	Paguanta	100	100	

Competent Persons Statements

The information in this report relating to Exploration Targets, Mineral Resources and previous exploration results are extracted from the announcements Korongou Project Delivers Significant RC Drilling Results dated 18 June 2013; Korongou Delivers Significant Drilling Results dated 7 July 2014; Guitorga Delivers Significant Drilling Results 21m at 5.6 g/t gold including 8m at 11.8 g/t gold from 13m dated 11 May 2015; Initial Exploration Target Defined for Korongou dated 17 July 2015; New Resource Estimation for Paguanta dated 30 May 2017; Gold Intercepts Move Kouri Closer to Maiden Resource dated 6 July 2017; High Grade Gold Zone Intersected at Kouri dated 28 November 2017; and Further high-grade gold hits at Kouri dated 21 December 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.

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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

GOLDEN RIM RESOURCES LTD

ABN

39 006 710 774

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,894)	(2,676)
(b) development	-	-
(c) production	-	-
(d) staff costs	(199)	(365)
(e) administration and corporate costs	(70)	(286)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,162)	(3,325)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(9)	(67)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	46	46
	(d) other non-current assets	783	783
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	820	762

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares & options	-	3,140
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(70)	(175)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(70)	2,965

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,513	702
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,162)	(3,325)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	820	762
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(70)	2,965
4.5	Effect of movement in exchange rates on cash held	(1)	(4)
4.6	Cash and cash equivalents at end of period	1,100	1,100

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	1,070	2,483
5.2 Call deposits	30	30
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,100	2,513

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
117
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	625
9.2 Development	-
9.3 Production	-
9.4 Staff costs	200
9.5 Administration and corporate costs	175
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,000

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.



Sign here:

(Company secretary)

Date: 31 January 2018

Print name: .Hayley Butcher

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.