

GOLDEN RIVER RESOURCES CORP.  
Form 10-K  
September 28, 2011

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

\_\_\_\_\_  
FORM 10-K  
\_\_\_\_\_

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: June 30, 2011  
or

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from: \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 0-16097

GOLDEN RIVER RESOURCES CORPORATION  
(Exact name of Registrant as specified in its charter)

\_\_\_\_\_  
Delaware  
(State or Other Jurisdiction  
of Incorporation or Organization)

98-0079697  
(I.R.S. Employer  
Identification No.)

Level 8, 580 St Kilda Road Melbourne, Victoria, 3004, Australia  
(Address of principal executive offices) (Zip Code)

011 (613) 8532 2860  
(Registrant's telephone number, including area code)

N/A  
(Former name or former address, if changed since last report)

\_\_\_\_\_  
Securities registered pursuant to Section 12(b) of the Act: None

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Securities registered pursuant to Section 12(g) of the Act:

Title of each class  
Common Stock, par value \$.0001 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data file required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for any such shorter period that the registrant was required to submit and post such file). \*The registrant has not yet been phased into the interactive data requirements.

Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).  Yes  No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

The aggregate market value based on the average bid and asked price on the over-the-counter market of the Registrant's common stock, ("Common Stock") held by non-affiliates of the Company was US\$781,795 as at December 31, 2010.

There were 56,807,383 outstanding shares of Common Stock as of September 28, 2011.

**APPLICABLE ONLY TO REGISTRANTS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes  No

DOCUMENTS INCORPORATED BY REFERENCE

Not Applicable

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INDEX

PART I

|                 |  |    |
|-----------------|--|----|
| <u>Item 1.</u>  | <u>Business</u>  | 4  |
| <u>Item 1A.</u> | <u>Risk Factors</u>  | 47 |
| <u>Item 1B.</u> | <u>Unresolved Staff Comments</u>                           | 52 |
| <u>Item 2.</u>  | <u>Properties</u>  | 52 |
| <u>Item 3.</u>  | <u>Legal Proceedings</u>                                   | 53 |
| <u>Item 4.</u>  | <u>Submission of Matters to a Vote of Security Holders</u> | 53 |

PART II

|                 |   |    |
|-----------------|---|----|
| <u>Item 5.</u>  | <u>Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u> | 54 |
| <u>Item 6.</u>  | <u>Selected Financial Data</u>  | 55 |
| <u>Item 7.</u>  | <u>Management’s Discussion and Analysis of Financial Condition and Results of Operation</u>                         | 56 |
| <u>Item 7A.</u> | <u>Quantitative and Qualitative Disclosures About Market Risk</u>   | 61 |
| <u>Item 8.</u>  | <u>Financial Statements and Supplementary Data</u>  | 61 |
| <u>Item 9.</u>  | <u>Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</u>                         | 62 |
| <u>Item 9A.</u> | <u>Controls and Procedures</u>  | 62 |
| <u>Item 9B.</u> | <u>Other Information</u>  | 62 |

PART III

|                 |   |    |
|-----------------|---|----|
| <u>Item 10.</u> | <u>Directors, Executive Officers and Corporate Governance</u>   | 63 |
| <u>Item 11.</u> | <u>Executive Compensation</u>   | 66 |
| <u>Item 12.</u> | <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u> | 69 |
| <u>Item 13.</u> | <u>Certain Relationships and Related Transactions, and Director Independence</u>                      | 70 |
| <u>Item 14.</u> | <u>Principal Accounting Fees and Services</u>   | 71 |

PART IV

|                 |  |    |
|-----------------|--|----|
| <u>Item 15.</u> | <u>Exhibits, Financial Statement Schedules</u> | 73 |
|-----------------|--|----|

SIGNATURES

## PART I

### Information Regarding Forward Looking Statements

This report and other reports, as well as other written and oral statements made or released by us, may contain forward looking statements. Forward looking statements are statements that describe, or that are based on, our current expectations, estimates, projections and beliefs. Forward looking statements are based on assumptions made by us, and on information currently available to us. Forward-looking statements describe our expectations today of what we believe is most likely to occur or may be reasonably achievable in the future, but such statements do not predict or assure any future occurrence and may turn out to be wrong. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. The words "believe," "anticipate," "intend," "expect," "estimate," "project", "predict", "hope", "should", "may", and "will", other words and expressions that have similar meanings, and variations of such words and expressions, among others, usually are intended to help identify forward-looking statements.

Forward-looking statements are subject to both known and unknown risks and uncertainties and can be affected by inaccurate assumptions we might make. Risks, uncertainties and inaccurate assumptions could cause actual results to differ materially from historical results or those currently anticipated. Consequently, no forward-looking statement can be guaranteed. The potential risks and uncertainties that could affect forward looking statements include, but are not limited to:

- § the risks of mineral exploration stage projects,
- § political risks in foreign countries,
- § risks associated with environmental and other regulatory matters,
- § exploration risks and competitors,
- § the volatility of gold and other mineral prices,
- § availability of financing,
- § movements in foreign exchange rates,
- § increased competition, governmental regulation,
- § performance of information systems,
- § ability of the Company to hire, train and retain qualified employees,
- § the availability of sufficient, transportation, power and water resources, and
- § our ability to enter into key exploration and supply agreements and the performance of contract counterparties.

In addition, other risks, uncertainties, assumptions, and factors that could affect the Company's results and prospects are described in this report, including under the heading "Risk Factors" and elsewhere and may further be described in the Company's prior and future filings with the Securities and Exchange Commission and other written and oral statements made or released by the Company.

We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date of this document. The information contained in this report is current only as of its date, and we assume no obligation to update any forward-looking statements.

Item 1 Business

General

Our name is Golden River Resources Corporation and we sometimes refer to ourselves in this Annual Report as “Golden River Resources”, the “Company” or as “we,” “our,” or “us.” We changed our name from Bay Resources Ltd to Golden River Resources in March 2006. We are an exploration stage mining company. Our objective is to exploit our interest in the mineral claims in Nova Scotia and Nunavut, Canada which are in the Slave Craton and in the Committee Bay Greenstone Belt. Our principal exploration target is for gold and we are seeking to determine whether adequate gold reserves are present on the property covered by our claims to develop an operating mine. We are in the initial stages of our exploration program on the Slave and Committee Bay properties and have not yet identified any ore reserves.

We hold the interests in Nova Scotia through our subsidiary, Acadian Mining Corporation, a Canadian corporation (“Acadian”), in which we held a 71.48% interest at June 30, 2011 (71.96% as of the date of this Report); in the Slave Craton properties directly; and our wholly owned subsidiary named Golden Bull Resources Corporation holds the interests in the Committee Bay Greenstone Belt. Our wholly-owned subsidiary is referred to in this Annual Report as “Golden Bull”.

We sometimes refer to our claims collectively in this Annual Report as either the “Fifteen Mile Stream”, “Beaver Dam”, “Tangier”, “Goldenville” and “Forest Hill” which are all properties owned by Acadian; “Slave Properties” held by us or the “Committee Bay Properties” held by Golden Bull. Our claims are registered in the Mining Recorders Office in the relevant Districts of Canada and give us the right to explore and mine minerals from the property covered by the claims.

We were incorporated in the State of Delaware on February 1, 1973. We commenced our mineral exploration activities in 2002. Prior thereto, we were engaged in a number of other business activities that have been discontinued. Our executive offices are at Level 8, 580 St. Kilda Road, Melbourne, Victoria 3004 Australia and we have an office at 1 Yonge Street, Suite 1801, Toronto, Ontario M5E 1W7, Canada. Our website location is [www.goldenriverresources.com](http://www.goldenriverresources.com). Information included on our website shall not be deemed to be incorporated in this Annual Report. Golden Bull was incorporated on May 27, 2002 in the Province of Ontario, Canada and is licensed to do business in the Northwest Territories and Nunavut Canada.

#### Currency

Prior to July 1, 2009, the Company’s functional and reporting currency was the Australian dollar and its subsidiary, Golden Bull Resources Corporation’s functional currency was the Canadian dollar. However, as a result of the purchase of the controlling interest in Acadian Mining Corporation in Canada in July 2009, the Company determined that, for its fiscal 2010 and years subsequent to that, revenue and expenses were going to be primarily denominated in Canadian dollars (CDN\$). ASC Topic 830 “Foreign Currency Matters” states that the functional currency of an entity is the currency of the primary economic environment in which the entity operates. Accordingly the Company determined that from July 1, 2009 the functional and reporting currency of the Company was the Canadian dollar. Assets, liabilities and portions of equity were translated at the rate of exchange at July 1, 2009 and portions of equity were translated at historical exchange rates. Revenue and expenses were translated at actual rates. Translation gains and losses were included as part of accumulated other comprehensive loss.

Restatement of comparative numbers was made for the change in functional and reporting currency. The change was adopted prospectively beginning July 1, 2009 in accordance with ASC Topic 830.

References to dollars are to Canadian dollars (CDN\$) unless otherwise indicated as being Australian dollars (A\$) or United States dollars (US\$). For the convenience of the reader, the Canadian Dollar figures for the year ended June 30, 2011 have been translated into United States Dollars (US\$) using the rate of exchange at June 30, 2011 of  $CDN\$1.00=US\$1.02379$ .

#### History of the Company

Our predecessor corporation, Bayou Oil, was incorporated under the laws of Minnesota in 1973 and since that time it had a number of activities that have been ceased.



On February 13, 1998, we incorporated a 100% owned subsidiary, Baynex.com Pty Ltd (formerly Bayou Australia Pty Ltd), a corporation incorporated under the laws of Australia.

On June 29, 1999 we undertook a reverse stock split on a 1:20 basis and amended our Articles of Incorporation to amend the par value of our shares from US\$0.15 cents to US\$0.0001 cents per share. On September 27, 1999 we changed our name from Bayou International, Ltd to Baynet, Ltd.

In May 2000, we commenced work on the development of a B2B mining portal however, this was abandoned as it was considered uneconomic.

On August 21, 2000 we incorporated a new wholly owned subsidiary, Bay International Pty Ltd (now known as Bay Resources (Asia) Pty Ltd), a corporation incorporated under the laws of Australia. In October 2000, we changed our name to Bay Resources Ltd, and in March 2006, we changed it to Golden River Resources Corporation.

During fiscal 2001, we conducted a due diligence review of St. Andrew Goldfields Ltd ("St. Andrew") with a view to taking a substantial investment in St. Andrew. Following the conclusion of the review, we decided not to proceed with the investment.

In May 2002, we incorporated a new wholly owned subsidiary, Golden Bull Resources Corporation ("Golden Bull") (formerly 4075251 Canada Inc.), a corporation incorporated under the laws of Canada. Golden Bull is the vehicle that will be used by the Company to undertake exploration activities for gold on the Committee Bay Properties in Canada.

During the 2002 fiscal year we continued to expand our gold exploration business by:

- (i) entering into an agreement to explore for gold on Tahera's extensive property interests on the Slave Craton in northern Canada; and
- (ii) making application via Golden Bull, for properties in the highly prospective Committee Bay Greenstone Belt in Nunavut, Canada.

In October 2002 we entered into an agreement (via our wholly owned subsidiary Bay Resources (Asia) Pty Ltd) with the Tibet Bureau of Geology and Minerals Exploration Development, China to earn a minimum 51% interest in the Xigaze copper belt running in a 200 kilometre east-west trend either side of Lhasa. However, in February 2003 we decided to withdraw from these arrangements as a result of further hurdles being placed before us by the Chinese authorities that were not known at the time of entering into the agreement.

In April 2008 the Company deregistered 100% owned inactive subsidiaries Baynex.com Pty Ltd and Bay Resources (Asia) Pty Ltd, both companies incorporated under the laws of Australia.

On March 17, 2009, the Company announced that it had reached agreement with Acadian (TSX: ADA) to subscribe in a private placement transaction for up to 338,111,334 common shares ("Offering") in Acadian for aggregate gross investment of up to CDN\$10 million. The Offering was contemplated to close in two or more tranches. Following closing of all tranches, Golden River will hold 68.45% of Acadian.

The closing of the first tranche, for an aggregate of CDN\$1.0 million (3,811,133 shares) was subject to receipt of the required regulatory approvals, including the approval of the Toronto Stock Exchange which occurred in early June 2009. The Company held a 19.9% interest in Acadian at June 30, 2009.

The remaining CDN\$9 million of the Offering (30,000,000 shares at CDN\$0.30 per share) closed in several tranches upon the receipt of all necessary regulatory approvals, approval of the shareholders of Acadian and the satisfaction of certain other conditions precedent, including completion of due diligence by the Company. Acadian obtained approval from its shareholders at its annual meeting in June 2009. Throughout July to October 2009, further closings for an aggregate of CDN\$9 million occurred. In July 2010, the Company subscribed for a further 4,923,387 shares in Acadian at a cost of CDN\$1,477,016 taking its interest in Acadian to 71.48%.

In early July 2009, the Company announced that it had closed a transaction to purchase from RAB Special Situations (Master) Fund Limited (“RAB”) the special warrant to purchase 1,000,000 shares of Common Stock in the Company for no additional consideration expiring on June 9, 2016; and the warrant to purchase 2,000,000 shares of Common Stock in the Company at an exercise price of \$1.542 per share (\$0.364541, per share as adjusted) expiring on April 30, 2011, held by RAB, for an aggregate purchase price of US\$500,000. Closing occurred in early July 2009. Following settlement of the purchase, the Company cancelled the Special Warrant to purchase 1,000,000 shares of Common Stock in the Company for no additional consideration expiring on June 9, 2016, and the Warrant to purchase 2,000,000 shares of Common Stock in the Company at an exercise price of \$1.542 per share (\$0.364541, per share as adjusted) expiring on April 30, 2011.

During the fiscal year ended June 30, 2010, the Company entered into a subscription agreement with Northern Capital Resources Corp (“NCRC”) whereby NCRC would subscribe for 8.5 million shares at an issue price of US\$1.00 per share to raise US\$8.5 million. Subsequent to June 30, 2010, NCRC purchased an additional US\$1.4 million in the Company’s shares at the same purchase price. The proceeds have been utilized to help fund the acquisition of shares in Acadian and for working capital purposes. The Company’s Chairman, Chief Executive Officer and President, Mr. Joseph Gutnick, is the Chairman and Chief Executive Officer of NCRC and certain companies with which Mr. Gutnick is associated own approximately 36.52% of the outstanding common stock of NCRC. In addition, Legend International Holdings, Inc. (“Legend”), of which Mr. Gutnick is the Chairman and Chief Executive Officer, owns 31.46% of NCRC. NCRC currently holds approximately 96.578% of the outstanding common stock of the Company.

Effective May 10, 2010, the Company closed a transaction to purchase mineral properties in the Slave Craton of Northern Canada in accordance with terms originally agreed to in June 2008. Since 2002, the Company has held the rights to undertake gold and base metal exploration on the Slave Craton Properties held by Tahera Diamond Corporation (“Tahera”) in Northern Canada, subject to entering into a separate access agreement each time Golden River Resources wished to undertake exploration. Under the transaction closed with Tahera, the Company has purchased these properties for a consideration of CDN\$86,000 and the issue to Tahera of 300,000 shares of common stock in the Company. Tahera has retained rights to all diamond mineralization within the properties. As a result of the transaction, Golden River Resources now has unfettered access to these properties.

On September 2, 2010, the Board of Directors of the Company and the holder of a majority of the outstanding shares of Common Stock approved a reverse stock split of the Common Stock of 10:1 and approved the mailing of an Information Statement to stockholders in relation to the reverse stock split, which became effective on November 1, 2010. The Company has accounted for this reverse stock split and accordingly, all share and per share data has been retroactively restated.

Effective May 31, 2011, Acadian sold its lead and zinc interests, including the Scotia Mine, for CDN\$10 million.

It is the policy of our Board of Directors that we will not engage in any activities which would subject us to registration and reporting requirements of the Investment Company Act of 1940.

#### SEC Reports

We file annual, quarterly, current and other reports and information with the SEC. These filings can be viewed and downloaded from the Internet at the SEC’s website at [www.sec.gov](http://www.sec.gov). In addition, these SEC filings are available at no cost as soon as reasonably practicable after the filing thereof on our website at [www.goldenriverresources.com](http://www.goldenriverresources.com). These reports are also available to be read and copied at the SEC’s public reference room located at Judiciary Plaza, 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330.



## DESCRIPTION OF BUSINESS

### Introduction

We are an exploration stage company engaged in the identification, acquisition, exploration and development of mining prospects believed to have gold mineralization. The main objective is to explore, identify, and develop commercially viable prospects over which we have rights that could produce revenues. These types of prospects may also contain mineralization of metals often found with gold, such as platinum and silver and other 'base metals' (copper, nickel, lead, zinc) which also may be worth processing. Exploration and development for commercially viable mineralization of any metal includes a high degree of risk which careful evaluation, experience and factual knowledge may not eliminate, and therefore, we may never produce any revenues.

We hold interests in Nova Scotia via our investment in Acadian; in the Slave Craton directly; and Golden Bull holds the interests in the Committee Bay Greenstone Belt. We are in the initial stages of exploration programs and have not yet identified any ore reserves.

Please note that the Glossary in Appendix A to the Annual Report contains definitions for the geological and other specialized terms used in this section.

### Acadian Mining Corporation

On March 17, 2009, we entered into an Agreement with Acadian to complete a private placement. On completion, Golden River Resources held a 68.7% interest in Acadian. Golden River holds a 71.48% interest in Acadian at June 30, 2011. Since June 30, 2011, we have increased our interest in Acadian to 71.96%.

### Cautionary Note to U.S. Investors Regarding Canadian Mining Terminology

As a Canadian public company listed on the Toronto Stock Exchange, Acadian is required to publicly disclose in Canada information about its mining properties in compliance with Canadian National Instrument 43-101-Standards of Disclosure for Mineral Projects ("NI43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum (the "CIM") – CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended.

The terms "mineral reserve", "proven mineral reserve" and "probably mineral reserve" are Canadian mining terms as defined in accordance with NI 43-101. These definitions differ from the definitions in the United States Securities and Exchange Commission ("SEC") Industry Guide 7 ("SEC Industry Guide 7") under the Securities Act. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7, are normally not permitted to be used in reports and registration statements filed with the SEC and have not been included in this Report. In addition, disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measures and such unit measures have not been included in this Report.



## Acadian – Gold Assets

Acadian is a Nova Scotia-based corporation continued under the Canada Business Corporations Act. The Company is engaged in the acquisition, exploration and development of gold properties, and barite properties in the Province of Nova Scotia. Its current focus is to explore and develop its large portfolio of gold properties in Nova Scotia totaling approximately 70,000 hectares. Five of these properties have National Instrument 43-101 compliant gold resources, two of which (Beaver Dam and Fifteen Mile Stream) are being explored/developed as potential bulk tonnage-open pit deposits.

The Company has 7 material properties:

- (i) Beaver Dam gold property, located in Halifax County, Nova Scotia;
- (ii) Fifteen Mile Stream gold property, located in Halifax County, Nova Scotia
- (iii) Tangier gold property, located in Halifax County, Nova Scotia; and
- (iv) Forest Hill gold property, located in Guysborough County, Nova Scotia;
- (v) Goldenville gold property, located in Guysborough County, Nova Scotia.
- (vi) Golden seal gold property, Nova Scotia;
- (vii) Dufferin gold property, Nova Scotia

Each of the material properties is described below

### Beaver Dam

#### Introduction

Beaver Dam is the primary focus of Acadian's gold program as it is potentially a key property in Acadian's central processing and servicing strategy. The Beaver Dam property consists of 36 contiguous mineral exploration claims held 100% by Acadian under exploration license 05920 and covers approximately 582.5 hectares of surface area in Halifax County, Nova Scotia, approximately 135 km east of the provincial capital city of Halifax.

The Beaver Dam property has been the focus of extensive past exploration, including surface diamond drill holes completed on the property since 1977, and underground development and bulk sampling completed in the late 1980s.

The current Beaver Dam Technical Report effective date of July 16, 2007, discloses an updated mineralized material estimate for the Beaver Dam deposit based all complied historical data and exploration and metallurgical results completed by Acadian during the 2005 and 2006 drill programs. This includes 238 historic and underground drill holes and 133 diamond drill holes drilled by Acadian. In addition, the results for 6 NQ diamond drill holes from the 2007 drill program and metallurgical results for 3 PQ diamond drill holes from the 2006 drill program were not included in this mineralized material estimate. A three dimensional block model was developed for the deposit using Gemcom Surpac 6.0 modeling software. Mineralized materials were estimated by inverse distance cubed methodology with a minimum block grade threshold of 0.30g/t and high grade capping of composites at 14g/t or 25g/t depending on the spatial domain. Results of the mineralized material estimation program are presented below and are considered compliant with Canadian NI 43-101.





## Property Description and Location

The Beaver Dam gold property is 100% owned by Acadian and comprises 36 contiguous mineral exploration claims held by Acadian under exploration License 05920. The property covers approximately 582.5 hectares of surface area in Halifax County, Nova Scotia, approximately 135 km east of the provincial capital city of Halifax.

## Tabulation of Acadian Exploration Licenses at Beaver Dam

| Current License No. | NTS Sheet | Tract Claims     | No. of Claims | Renewal Date*  |
|---------------------|-----------|------------------|---------------|----------------|
| 05920               | 11 E 2 A  | 59 JKLM NOPQ     | 8             | March 22, 2010 |
|                     | 11 E 2 A  | 60 EFGHJKLMNO PQ | 12            |                |
|                     | 11 E 2 A  | 61 ABCDEFGH      | 8             |                |
|                     | 11 E 2 A  | 62 ABCDEFGH      | 8             |                |
| <b>TOTAL</b>        |           |                  | <b>36</b>     |                |

\* Represents the date when the license was last renewed.

The 36 claims of License 05920 form the specific focus of this report as the bulk of most previous exploration and mining activities and all current diamond drilling were carried out within this claim block.

Previous License 00047 was acquired from Westminer and subject to a pre-existing sliding scale royalty, payable to Acadia Mineral Ventures Limited ("AMV"), an unrelated company. The variable return net smelter royalty (NSR) payable to AMV is dependent on average mined ore grade ranging from 0.6% (at 4.7g/t or less) to a maximum of 3.0% (at 10.9g/t or more). \$300,000 is available as credit against future royalties at a maximum of 50% per royalty payment, payable twice a year.

Previous License 04516 was purchased from Henry Schenkels and is subject to a sliding scale net smelter royalty. A 0.5% royalty is payable if gold is more than \$265.01 US per ounce, to a maximum of 2% when the price goes above \$320 US per ounce. Additional royalties exist for silver, copper, lead and zinc credits.

## Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Beaver Dam Project is located in east central Nova Scotia on NTS 11E/02. Access from Halifax is by Highway 7 along the eastern shore for 120 kilometers to Sheet Harbour and then traveling northwest on Highway 224 between Sheet Harbour and Middle Musquodoboit for a distance of 18 kilometers. A gravel logging road runs northeast to Cameron Flowage, leading to the Beaver Dam Project, a distance of 7 kilometers from Highway 224. The town of Sheet Harbour is the nearest supply centre.

There is little evidence of the former mining activity at the site. The site was completely rehabilitated by Westminer upon closure of the mine in 1989. The portal and open cut mines were filled with waste rock, backfilled with soil and contoured. Ore and waste storage pads were covered with soil, contoured and seeded. A water control structure still remains on the property and water outflow has been dammed by beavers. All non-bedrock waste material was removed from the site. A power line and an onsite generator utilized during the previous operations have been removed from the site so no utilities are currently available.

The Beaver Dam Project is in an area of low topographic relief, with most of the area being at 140 meters elevation with scattered drumlins reaching 160 meters in elevation. Drainage is to the southeast along a number of poorly

drained streams and shallow lakes. There are a number of boggy areas within the property. Vegetation consists of spruce, fir and some hardwood. Logging has been widely carried-out, more recently including clear-cutting in the immediate area of the deposit.

Eastern Nova Scotia is characterized by northern temperate zone climatic conditions moderated by proximity to the Atlantic Ocean. Distinct seasonal variations occur, with winter conditions of freezing and substantial snowfall expected from late November through late March. Spring and fall seasons are cool, with frequent periods of rain. Summer conditions can be expected to prevail from late June through early September, with modest rainfall and daily mean temperatures in the 15 to 20 degree Celsius range. Maximum daily summer temperatures to 30 degrees Celsius occur, with winter minimums in the minus 25 to minus 30 degrees Celsius range. Mineral exploration field programs can be efficiently undertaken during the period May through late November, while winter programs can be readily accommodated with appropriate allowance for weather delays.

#### Mineralized Material Estimates

Compiled and interpreted results from 238 historic surface and underground diamond drill holes, results of specific historic underground sampling programs, and 133 diamond drill holes completed by Acadian during the 2005 and 2006 drill programs were assessed for use in developing a mineralized material estimate for the Beaver Dam property.

The Tables below present cut and uncut gold grade estimates and corresponding tonnage estimates prepared for the Beaver Dam property as at July 16, 2007. These reflect combined results from the Main Zone Central and Main Zone Envelop, the Mill Shaft Zone and the area 600 meters to the north of the main mine area known as the North Zone.

#### Beaver Dam Mineralized Material Estimate 0.30 g/t Cutoff (Cut)

|                   | Class | Tonnes*   | Gold g/t |
|-------------------|-------|-----------|----------|
| Main Zone Central |       | 9,080,000 | 1.53     |
| Total M+ID        |       | 9,080,000 | 1.53     |

#### Beaver Dam Mineralized Material Estimate 0.30 g/t Cutoff (Uncut)

|                   | Class  | Tonnes*   | Gold g/t |
|-------------------|--------|-----------|----------|
| Main Zone Central | M + ID | 9,090,000 | 2.01     |
| Total M+ID        | M + ID | 9,090,000 | 2.01     |

\* Rounded

Future work programs at Beaver Dam will include additional diamond drilling both to provide further definition on the currently delineated Main Deposit and potential expansion of gold mineralization identified at the Mill Shaft and Beaver Dam North areas, to the west and north respectively. Commencement of this program is subject to funding, and is anticipated to occur in 2012.

#### Fifteen Mile Stream

The Fifteen Mile Stream Property consists of three mineral licenses (06134, 06135 SL11/90) held by 6179053 Canada Incorporated ("6179053") (a 100% owned subsidiary of Acadian) subject to a 1% net smelter royalty, which cover the main gold district. A NI 43-101 compliant technical report was completed on effective date of May 27, 2008. Several additional licenses held by Acadian surround the licenses of 6179053 Canada Limited and cover lands considered prospective for additional gold mineralization.

#### Introduction

Hudgtec Consulting Limited ("Hudgtec") was retained in 2006 by 6179053 to complete an independent technical report and mineralized material estimate of its Fifteen Mile Stream Property in accordance with National Instrument 43-101

and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards on mineralized material and mineral reserves.

Work by Hudgtec included a comprehensive review and compilation of hardcopy and digital historic data on the property provided by 6179053 as well as additional historic and technical information located in the public record at NSNDR.

#### Property Description and Location

The Fifteen Mile Stream Property is located in eastern Halifax County in central Nova Scotia, approximately 95km northeast of the provincial capital, Halifax (Figure 1.0a 6179053 is the registered holder of 2 exploration and one special license (SL 11/90) that form its Fifteen Mile Stream Property.

#### Tabulation of Acadian's Exploration Licenses at Fifteen Mile Stream

| License No. | NTS Sheet | Tract | Claims        | No. of Claims | Renewal Date*    |
|-------------|-----------|-------|---------------|---------------|------------------|
| 06134       | 11 E 02 D | 1     | JKLMNOPQ      | 29            | May 20, 2010     |
|             | 11 E 02 C | 23    | J             |               |                  |
|             | 11 E 02 C | 24    | ABCDEFGHIJKLM |               |                  |
|             | 11 E 02 C | 12    | LMNO          |               |                  |
|             | 11 E 02 C | 13    | CDEF          |               |                  |
| 06135       | 11 E 02 D | 2     | PQ            | 2             | July 25 2010     |
| SL11/90     | 11 E 02 D | 23    | ABCDEFGH      | 8             | December 11 2010 |
| 05929       | 11 E 01 C | 13    | OP            | 2             | April 8 2010     |
| 06812       | 11 E 02 D | 1     | FGH           | 3             | April 8 2010     |
| 08226       | 11 E 02 D | 1     | ABC           | 25            | May 5 2010       |
|             | 11 E 02 D | 11    | JKLMNOPQ      |               |                  |
|             | 11 E 02 D | 12    | ABCDEFGHIJKPQ |               |                  |
|             | 11 E 02 D | 14    | AB            |               |                  |
| 08365       | 11 E 02 D | 24    | O             | 1             | August 18 2010   |
| 08371       | 11 E 02 D | 2     | GH            | 2             | August 21 2010   |
| 08443       | 11 E 02 D | 23    | KLOPQ         | 6             | June 20 2010     |
|             | 11 E 02 D | 24    | N             |               |                  |
| 08445       | 11 E 01 C | 13    | ABGHJKLMNQ    | 45            | April 18 2010    |
|             | 11 E 02 D | 14    | EFGHJKLMNQPQ  |               |                  |
|             | 11 E 02 D | 15    | N             |               |                  |
|             | 11 E 02 D | 35    | ABCDEFGH      |               |                  |
|             | 11 E 02 D | 36    | ABCDEFGH      |               |                  |
| 05930       | 11 E 02 D | 24    | PQ            | 2             | April 8 2010     |
|             | 11 E 02 D | 25    | ABGH          |               |                  |
|             | 11 E 01 C | 14    | CD            |               |                  |
|             |           |       | Total         |               |                  |

\* Represents the date when the license was last renewed.

The three licenses held by 6179053 comprise a total of 39 contiguous claims covering a surface area of approximately 631 hectares. Mineral exploration licenses are issued by NSDNR under the Resources Act of 1990. Staking of claims in Nova Scotia is based on an NTS based map staking system and these claims have not been legally surveyed. Yearly assessment expenditures and renewal fees are required in order to keep the claims in good standing.

Exploration License 06135 was purchased by 6179053 from Meguma Resource Enterprises Inc. Meguma retains a 1% net smelter royalty agreement of which, 6179053 may elect at its sole discretion to purchase for \$250,000, payable within 30 days of such election.

Records at the Registry and Information Management Services Division in Halifax confirmed the two main landowners recorded on Pan East documents from the 1980s as MacGregor Properties Ltd. of Halifax and the Crown. Two of the three main zones of mineralization, the Hudson and Egerton-MacLean occur on the MacGregor lands. The third zone of mineralization, the 149 East Zone is situated on land owned by the Crown.

No special governmental permits or approvals (apart from landowner or surface rights permission) are required to conduct exploration and drilling activities on the property. Drilling notification is required to be registered with NSDNR prior to commencement of any drilling activity. Additional permits are required prior to conducting trenching, mechanized bulk sampling or mining on the property.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the site is via Highway 374 which connects several large towns in Pictou County (eg., Stellarton, New Glasgow) with the coastal community of Sheet Harbour, a small town of a few hundred inhabitants located about an hour drive east of Halifax. A well maintained logging road located approximately 30 km north of Sheet Harbour and 50km south of Stellarton runs east off Highway 374 and effectively splits the property into northern and southern halves. Exploration supplies and most other items, including drilling and excavation contractors related to advanced exploration programs are available in the Sheet Harbour, Stellarton or Truro Areas. A major hydroelectric transmission line is located approximately 1km west of Highway 374, approximately 3km west of the Egerton - MacLean Area.

The area can be characterized as unpopulated, gently rolling and forested with elevations between 110 and 175m above sea level. The main drainage pattern on the property is from the northeast to west-southwest via Seloam Brook, a major tributary to Fifteen Mile Stream that flows south into the Atlantic Ocean near Sheet Harbour. Seloam Brook originates from a small power dam located near the southwest corner of Seloam Lake and flows west-southwest across the property and adjacent to the Egerton - MacLean and Hudson Areas. Consequently, the topography in the Egerton - MacLean and Hudson Areas is low-lying and swampy. Previous reports on the property documented flooding of the Egerton - MacLean Area during flood events linked to opening of the dam on Seloam Lake by the Nova Scotia Power Commission.

The climate of the area is similar to those set forth above with respect to the Beaver Dam Project.

#### Mineralized Material Estimation

Mineralized material within the solids were classified at this early stage in the project as inferred mineralized materials due to a number of factors, including the wide drill hole spacing

- incomplete sampling through the interpreted zones
- limited historical quality control procedures
- a significant nugget effect, and
- complex geology (multiple fold hinges and shears)

Recent work by Acadian included construction of computer digitized working plans and a three dimensional geological model to support a diamond drilling program, and sampling and assaying of historic drill core. The additional sampling by Acadian resulted in increased gold mineralized widths and grades; typically, grades increased by 20% to 50%. These results are considered encouraging and support the Company's confidence in identifying more

gold mineralized material at Fifteen Mile Stream.

A first phase diamond drilling program which will total approximately 4,000 metres on the Egerton-McLean and Hudson areas commenced in late June, 2011. The diamond drilling program is designed to expand the Egerton-McLean deposit, which currently has an inferred mineralized material estimate of 3.8 million tonnes grading 1.66 g/t gold, and to build on favourable initial drill results in the Hudson area.



## Tangier

## Introduction

The Tangier Project consists of 153 mineral claims within 11 mineral exploration licenses. Seventy-seven of the mineral claims were acquired by Acadian on March 24, 2003, under terms of a purchase agreement with Erdene Gold Inc. ("Erdene"). Acadian currently holds a 100% interest in these claims and acquired the mineral rights as part of its exploration, and evaluation programs to identify new gold targets on the Tangier Project. The Tangier Project totals 2,475 hectares of land located in Halifax County, Nova Scotia.

Mercator Geological Services Limited ("Mercator") was retained in 2004 to complete an evaluation and technical assessment and identify new gold targets of the Tangier Project. This work included a review of government assessment reports, government and industry technical reports, digital government data (eg. GIS database), published maps, and digital airborne geophysical data. A large collection of original hard-copy technical files from the 1986 to 1999 underground and surface exploration programs completed by Coxheath and Tangier Mining Inc. ("TMI") and Tangier Limited Partnership ("TLP") were accessed through the Province of Nova Scotia. This data compilation and database management was the basis of the Tangier Technical Report and, in 2005 and 2006, several exploration programs were undertaken in areas of interest on the property.

## Property Description and Location

The 150 contiguous exploration claims held by Acadian under 10 exploration licenses are detailed in the table below. These cover approximately 2,428 hectares of surface area and are located in Halifax County, Nova Scotia, approximately 85 kilometers east of the provincial capital city of Halifax. The 77 claims of exploration license 6140 form the specific focus of the existing NI 43-101 compliant technical report and mineralized material estimation due to concentration of most past exploration activity in the area covered by this license. Acadian holds an undivided 100% interest in all of their currently held mineral licenses at Tangier and the property is not subject to any royalties, back-in rights, payments or agreements with any other parties.

## Tabulation of Acadian's Exploration Licenses at Tangier

| License No. | NTS Sheet | Tract | Claims           | No. of Claims | Renewal Date*    |
|-------------|-----------|-------|------------------|---------------|------------------|
| 06018       | 11 D 15 A | 64    | ABCD EFGH        | 8             | January 21, 2011 |
| 06019       | 11 D 15 A | 65    | JKPQ             | 4             | January 21, 2011 |
| 06020       | 11 D 15 A | 66    | BC               | 6             | January 21, 2011 |
|             |           | 55    | LMNO             |               |                  |
| 06021       | 11 D 15 A | 56    | ABCD EFGH        | 8             | January 21, 2011 |
| 06140       | 11 D 15 A | 39    | OPQ              | 77            | June 19, 2010    |
|             |           | 40    | OPQ              |               |                  |
|             |           | 56    | JKLM NOPQ        |               |                  |
|             |           | 57    | ABCD EFGH JKLM   |               |                  |
|             |           | 58    | NOPQ             |               |                  |
|             |           | 59    | ABCD EFGH JKLM   |               |                  |
|             |           | 65    | NOPQ             |               |                  |
|             |           | 66    | ABGH JK          |               |                  |
|             |           | 79    | ABCD EFGH        |               |                  |
|             |           |       | D EFGH JKLM NOPQ |               |                  |
|             |           |       | ABCD             |               |                  |

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|       |           |    |                  |     |                    |
|-------|-----------|----|------------------|-----|--------------------|
| 06261 | 11 D 15 A | 65 | LMNO             | 4   | September 14, 2010 |
| 08216 | 11 D 15 A | 40 | J                | 3   | April 21, 2010     |
|       |           | 41 | MN               |     |                    |
| 08217 | 11 D 15 A | 55 | E                | 1   | April 21, 2010     |
| 08218 | 11 D 15 A | 64 | JKL              | 3   | April 21, 2010     |
| 08331 | 11 D 15 A | 35 | PQ               | 36  | September 8, 2010  |
|       |           | 37 | ABCGHJ           |     |                    |
|       |           | 38 | ABCDEFGHIJKLMOPQ |     |                    |
|       |           | 39 | JKLMN            |     |                    |
|       |           | 40 | EFGKLMN          |     |                    |
|       |           | 59 | C                |     |                    |
| TOTAL |           |    |                  | 150 |                    |

\* Represents the date when the license was last renewed.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Tangier Project is located in the rural community of Tangier, approximately 85 kilometers by road east of Halifax, Nova Scotia. Highway 7 crosses the southern portion of the property and access to the northern section is by the Mooseland Road, as well as various associated forestry access roads and trails. Additionally, several site access trails from the mine area were established during the previous exploration periods and these continue to provide access potential.

The climatic conditions are the same as set forth above with respect to the Beaver Dam Project.

The region surrounding the Tangier Project shows topographic relief of 25 meters or less and is typically characterized by coniferous forest cover. The portal entrance on the Tangier mine site sits 15 meters above sea level. The northwest trending Tangier River valley is the most prominent drainage feature in the property area and numerous small brooks, ponds and bogs occurring within the property drain into this system. Local topographic relief takes the form of east to northeast trending bedrock ridges that parallel the strike of underlying Goldenville Formation greywacke units. One such ridge marks the location of the northeast-trending Tangier Anticline. A prominent northwest trending fracture set is present in bedrock exposures in this area and bedrock faults of similar orientation have been documented through drilling and mining activities. In several instances these northwest trending structures appear to have exerted control on surface drainage patterns. Overburden on the property consists of glacial till that varies in thickness from nil to 10 meters or more.

The Tangier area is rural and sparsely populated, with a substantial percentage of its economy based on forestry and fishing activity. The Blueberry Hill mine site is located immediately north of Highway 7 at Tangier in an area characterized by a few isolated homes and other buildings situated along Highway 7.

With respect to site infrastructure and services, direct access to the provincial electrical power grid is possible and cabling is present to the site itself. Several buildings associated with the TLP period remain on site, including those that housed milling equipment, the assay laboratory and mine dry facilities. Additionally, a tailings pond used during both Coxheath and TLP periods is present and intact.

Surface rights in the area of existing mine and mill infrastructure are currently held by Mr L. Mason of Tangier and surface rights over the larger exploration property includes numerous additional landowners. No difficulties have been encountered in the past with respect to gaining access to private lands in the area for the purpose of mineral exploration. Furthermore, Acadian has secured a property access agreement with the owner of the mine site area for purposes of additional property exploration.

## Mineralized Material Estimates

Compiled and interpreted results from 138 past surface and underground diamond drill holes and results of specific past underground sampling programs were assessed for use in developing a mineralized material estimate for the Tangier Project.

The table below presents cut and uncut gold grade estimates and corresponding tonnage estimates prepared for the Tangier Project as at September 29, 2004, a day following the effective date of the Tangier Technical Report. These reflect combined results from the Blueberry Hill Mine area as well as the Strawberry Hill and Mooseland East areas.

### Mineralized Material Estimate for Tangier Project

#### Mineralized Material

| Gold Grade Threshold | *Tonnes | Gold Grade (g/t)<br>Uncut | Gold Grade (g/t)<br>50 g/t Cut |
|----------------------|---------|---------------------------|--------------------------------|
| 3.5 g/t              | 134,000 | 9.67                      | 9.67                           |
| 2.0 g/t              | 206,000 | 7.23                      | 7.23                           |
| 1.0 g/t              | 294,000 | 5.48                      | 5.48                           |

\*Rounded

## Forest Hill

### Introduction

The Forest Hill property consists of 92 contiguous mineral claims within 4 mineral exploration licenses. The Forest Hill property currently includes a 100% interest in these claims subject to a net smelter royalty agreement detailed below, and Acadian acquired the mineral rights as part of its exploration and evaluation programs to identify new gold targets on the Forest Hill property. The Forest Hill property totals 1,489 hectares of land located in Guysborough County, Nova Scotia.

Mercator was retained in July, 2003 by Acadian to complete an evaluation and technical assessment and identify new gold targets on the Forest Hill property. This work included a review of government assessment reports, government and industry technical reports, digital government data (eg. GIS database), published maps, and digital airborne geophysical data. A large collection of original hard-copy technical files from the 1982 to 1989 underground and surface exploration programs completed by Seabright, Westminer, DNR and Acadian were assessed. This data compilation and database management formed the basis of an NI 43-101 compliant mineralized material estimation effective August 10, 2004. Two subsequent drilling programs, managed by Mercator for Acadian generated mineralized material updates effective November 3, 2004 and September 28, 2005.

### Property Description and Location

The 173 mineral exploration claims held by Acadian, under 6 exploration licenses, are detailed in the Table below. These claims cover approximately 2,800 hectares of surface area and are located in Guysborough County, Nova Scotia, approximately 40 kilometers southeast of Antigonish, Guysborough County. The NI 43-101 compliant Forest Hill Technical Report mineralized material estimations focus on license 05985 and special license 1/99 due to concentration of most past exploration activity in the area covered by these licenses. Acadian holds an undivided 100% interest in all claims with 64 of the claims being subject to a maximum 2.65% net smelter royalty under an agreement with Henry Schenkels.



## Tabulation of Acadian's Exploration Licenses at Forest Hill

| License No. | NTS Sheet | Tract | Claims         | No. of Claims | Renewal Date*      |
|-------------|-----------|-------|----------------|---------------|--------------------|
| 06029       | 11 F 5 B  | 47    | LMNO           | 4             | March 7, 2011      |
| SL 1/99     | 11 F 5 B  | 49    | BG             | 2             | March 30, 2011     |
| 05981       | 11 F 5 B  | 46    | HJ             | 6             | April 12, 2010     |
|             | 11 F 5 B  | 47    | EFGH           |               |                    |
| 05985       | 11 F 5 A  | 37    | JKLM NOPQ      | 80            | September 20, 2010 |
|             | 11 F 5 A  | 60    | All Claims     |               |                    |
|             | 11 F 5 B  | 47    | JKPQ           |               |                    |
|             | 11 F 5 B  | 48    | JKLM NOPQ      |               |                    |
|             | 11 F 5 B  | 49    | ACDE FHJK LMNO |               |                    |
|             | 11 F 5 B  | 50    | PQ             |               |                    |
|             | 11 F 5 A  | 38    | All Claims     |               |                    |
|             | 11 F 5 A  | 59    | MN             |               |                    |
|             |           |       | DEFG JKLM NOPQ |               |                    |
| TOTAL       |           |       |                | 92            |                    |

\* Represents the date when the license was last renewed.

Many shafts and trenches have been backfilled at Forest Hill, however a number of small water-filled shafts and trenches still remain. Several localized areas have also been identified in which tailings deposits from historic milling operations are present. These are for the most part well documented and Westminer carried out a limited program of shaft back-filling on lands owned by Acadian prior to the sale of the surface title of a portion of the area to Votix Corporation Ltd. ("Votix"). Existing site conditions pose no obvious impediment to future exploration or potential development of the property. The Votix land at Forest Hill was acquired by Acadian in July 2009.

There are no known environmental liabilities on the Forest Hill Project as it exists. Based upon information reviewed, it would appear that existing site environmental conditions should not pose significant risk with respect to re-activation of exploration, mining and milling activities on the property; however, it is Acadian's responsibility pursuant to the Environment Act (Nova Scotia) ("Environment Act") and the Mineralized materials Act to obtain all permits to conduct such operations and comply with all laws and regulations for its activities.

The location of the known mineralized zones and mineralized material to date are: (a) the Teasdale shaft mine workings area specifically on the Schoolhouse 1, 2, 3A, 3B, 4A, 4B, 5A, 6A, Fraser Alimak veining package, Hudson veining package and Kennedy veining package, (b) adjacent to the limits of historic stoping on the Salmon River vein, centered at L950E, (d) on the Fraser Alimak veining package in L1200E to 1550E area as well as in the 1900 east development area and (e) on the Hudson veining package in the 1900 east development area and adjacent (south of) the Teasdale workings.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Forest Hill Project is located approximately 40 kilometers southeast of Antigonish, Guysborough County, at latitude 61° 45' 19" W - longitude 45° 18' 33" N, and is accessible via Highway 7 to Goshen and then by paved highway south to Country Harbour Cross Roads. From that point, the property is reached by traveling east 12 kilometres to the Forest Hill mine road which extends 5 kilometres south to the Teasdale shaft area. Numerous forest access roads, trails and a power line right of way provide further access across the property from this point.



The climatic conditions are the same as set forth above with respect to the Beaver Dam Project.

Mineral exploration field programs can be efficiently undertaken during the period May through late November, while winter programs can be readily accommodated with appropriate allowance for weather delays.

The area surrounding the Forest Hill Project is characterized as forested and unpopulated. Topography is gently rolling and ranges from a low of 100 meters above sea level to a high of 150 meters above sea level. Drainage is sluggish due to numerous swamps and bogs and several small lakes. Locally, northwest-southeast and northeast-trending bedrock fault zones appear to have exerted control on surface drainage patterns developed in this area of relatively thin glacial till.

The area surrounding the Forest Hill Project is rural and sparsely populated with a substantial percentage of its economy based on forestry sector activity. In recent years, development of a natural gas fractionation plant and pipeline system at nearby Goldboro, in support of offshore gas production facilities, has resulted in added economic diversity. Additional heavy industry development in the Goldboro area may take place in the future, in part due to availability of discounted natural gas rates available in a large municipal industrial park located in the community.

With specific reference to the Forest Hill Project, its undeveloped location, good road access, presence of a regional grid power line crossing the property, and presence of the modern Teasdale shaft and settling pond system used during the Seabright-Westminer period combine to make it an attractive location for future infrastructure development.

Key Surface rights in the area are currently held by the Crown and Acadian. No difficulties have been encountered in the past with respect to gaining access to the Crown (lease agreements) and private land in the area for the purpose of mineral exploration.

#### Mineralized Material Estimates

Compiled and interpreted results from the past surface and underground diamond drill holes, results of the 82 drill holes of Acadian's 2003-2005 exploration programs and summarized results of specific underground sampling programs were assessed by Mercator for use in developing a revised mineralized material estimate for the Forest Hill Project, inclusive of the 1900 East area of past bulk sampling and underground development. The definition of mineralized material and associated mineralized material categories used are those set out in the CIM Standards.

The Table below presents cut and uncut gold grade estimates and corresponding tonnage estimates prepared for the Forest Hill Project as at September 28, 2005. These reflect combined results from the mine area, the Goose Neck Lake area, the Line 2300E to 2650E area and the 1900 East area. Assumptions, estimation parameters, and methodologies associated with this estimate are discussed below under appropriate headings.

#### Mineralized Material Estimate for Forest Hill Project

##### Mineralized Material

| Gold Grade Threshold | *Tonnes | Gold Grade (g/t) |            |
|----------------------|---------|------------------|------------|
|                      |         | Uncut            | 50 g/t Cut |
| 1 g/t                | 355,000 | 15.96            | 10.19      |
| 3.5 g/t              | 225,000 | 24.02            | 14.91      |
| 5.0 g/t              | 199,000 | 26.48            | 16.19      |





## Goldenville

## Introduction

Acadian acquired the mineral rights to the Goldenville Project as part of its exploration, evaluation and development program for gold mineralized materials in Nova Scotia and holds an undivided 100% right title and interest in all exploration licenses comprising the Goldenville Project.

Acadian retained Mercator to complete a mineralized material estimate of the Goldenville. The Goldenville Technical Report, with an effective date of March 1, 2005, was developed in accordance with NI 43-101 and in accordance with the CIM Standards.

The Goldenville gold district is regarded as one of the most significant in Nova Scotia based on its recorded gold production of approximately 212,300 ounces from 551,797 tonnes of ore between 1862 and 1942. This indicates an historic recovered grade of 11.97 g/t.

## Project Description and Location

The Goldenville Project is located in Guysborough County, Nova Scotia, approximately 135 kilometers east of Halifax and 60 kilometers south of Antigonish. The village of Sherbrooke is located approximately 5 kilometers to the north. As shown in the table below, the Goldenville property consists of 116 contiguous mineral exploration claims under five mineral exploration licenses covering approximately 1878 hectares (4640 acres). Exploration license 05817 formed the specific focus of the Goldenville Technical Report and mineralized material estimation due to concentration of most past mining and exploration activity in the area covered by this license.

## Tabulation of Acadian's Exploration Licenses at Goldenville

| License No. | NTS Sheet | Tract | Claims       | No. of Claims | Renewal Date*    |
|-------------|-----------|-------|--------------|---------------|------------------|
| 05817       | 11 F 04 B | 108   | LMNO         | 40            | December 9, 2010 |
|             | 11 F 04 C | 12    | CDEF         |               |                  |
|             | 11 E 01 A | 97    | JKLM NOPQ    |               |                  |
|             | 11 E 01 A | 98    | JKLM NOPQ    |               |                  |
|             | 11 E 01 D | 1     | ABCD EFGH    |               |                  |
|             | 11 E 01 D | 2     | ABCD EFGH    |               |                  |
| 08324       | 11 E 01 A | 97    | EFGH         | 76            | April 9, 2010    |
|             | 11 E 01 A | 98    | EFGH         |               |                  |
|             | 11 E 01 A | 99    | JKLMNOPQ     |               |                  |
|             | 11 E 01 A | 100   | JKLMNOPQ     |               |                  |
|             | 11 E 01 A | 101   | JKPQ         |               |                  |
|             | 11 E 01 D | 1     | JKLM         |               |                  |
|             | 11 E 01 D | 2     | JKLM         |               |                  |
|             | 11 E 01 D | 3     | ABCDEFGHJKLM |               |                  |
|             | 11 E 01 D | 4     | ABCDEFGHJKLM |               |                  |
|             | 11 E 01 D | 5     | ABGHJK       |               |                  |
|             | 11 F 04 B | 108   | EFGKP        |               |                  |
|             | 11 F 04 C | 12    | BGKLM        |               |                  |
|             |           |       | Total        |               |                  |

\* Represents the date when the license was last renewed.

The mineral rights to this property are 100 per cent owned by Acadian. The property is not subject to any royalties, back-in rights, payments or agreements with any other parties.

Surface titles to lands covered by the Goldenville Project are held by various private interests and by the Crown. Notably, the main mineralized material area with the associated mine infrastructure occurs on a large block of provincial Crown land for which required access agreements had previously been arranged. Access agreements were also established at that time with various private landowners to accommodate surface exploration activities.

Acadian has not legally surveyed the mineral exploration claims at Goldenville. If a mining lease were granted at some time in the future, a legal survey of the claims would be required. Acadian had not applied for a mining lease at the time of report preparation.

#### Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Goldenville Project is easily accessible via Highway 7, which crosses the east end of the property, and 2 good quality gravel roads off of it run through the property. The village of Sherbrooke is located approximately 5 kilometers to the north of the Goldenville Project and provides access to basic services such as banking, grocery and other small stores, small restaurants and motel accommodations. Antigonish is located 60 kilometers to the north and is a much larger center with a substantial local supply base for most needs. Domestic power and telephone services are available at the Goldenville site.

The climatic conditions are the same as set forth above with respect to the Beaver Dam Project.

Numerous construction and heavy equipment contractors are based in Guysborough and Antigonish counties and many of these provided services during recent construction of the Sable Offshore Energy Inc. natural gas plant at nearby Goldboro and the associated pipeline infrastructure of Maritimes and Northeast Gas Pipeline Ltd. In general terms, the area can provide access to a well trained work force but lacks a recent history of mining operations. Unemployment levels in this predominantly rural area are typically higher than the provincial average.

The Goldenville property area is generally flat lying and occurs at an average elevation of approximately 55 meters above sea level. A large swampy area underlies the south central part of the claim group and the St. Mary's River crosses the eastern edge of the property. Glacial till cover is extensive in this area and limits bedrock exposure to an estimated 5% or less of surface area. A review of drilling records showed that overburden thickness ranges between 1m and 8m, and is primarily comprised of glacial till. Upper till zones in this part of Nova Scotia may be of far-traveled origin where drumlin structures are present but these typically overlie an otherwise locally derived basal till unit.

Original vegetative cover across the property was dominated by stands of balsam fir, spruce and hemlock, with isolated occurrences of hardwood. Historic mining activities have resulted in local disruption of the landscape by waste rock piles and clear cut forest harvesting has been carried on in some areas. A substantial acreage now shows various stages of forest re-growth

#### Mineralized Material Estimates

Compiled and interpreted results from 142 past surface and underground diamond drill holes and results of specific past underground sampling programs were assessed for use in developing a mineralized material estimate for the Goldenville Project. For report purposes, definitions of mineralized materials and associated mineralized material categories are those set out in the CIM Standards and further reflected in NI 43-101.

The table below presents cut and uncut gold grade estimates and corresponding tonnage estimates prepared for the Goldenville Project as of March 1, 2005. These reflect combined results from diamond drilling over a 1,700 meters area along strike between the Bluenose Mine and west of the Stuart Shaft as well as underground sampling from the Guysborough mine (Stuart shaft). Assumptions, estimation parameters and methodologies associated with these estimates are discussed below.



## Mineralized Material Estimate for Goldenville

## Mineralized Material

| Gold grade<br>Threshold | Tonnes<br>Uncut | Gold Grade<br>Uncut (g/t) | Gold Grade<br>(g/t) 50 g cut |
|-------------------------|-----------------|---------------------------|------------------------------|
| 3.5g/t                  | 62,554          | 16.62                     | 14.72                        |
| 2g/t                    | 106,976         | 10.76                     | 9.65                         |
| 1g/t                    | 181,047         | 6.96                      | 6.31                         |

## Golden Seal Property

The Golden Seal property comprises the east and west strike extensions of the Goldboro project currently being evaluated by Orex Exploration and Osisko Mining Corporation. Orex Exploration Inc. announced a 43-101 compliant mineralized material estimate at a 1.5 g/t cut off over a strike length of 1.5 kms of 2,711,000 tonnes grading 4.56 g/t gold in the mineralized material categories with an additional 3,438,000 tonnes grading 3.67 g/t gold in the mineralized material category. Acadian has a drill program planned for the fall of 2011 intended to confirm the presence of mineralization adjacent to the eastern end of the Orex-Osisko project and to test for potential mineralization further along strike to the east and west of the Orex-Osisko project.

## Dufferin Property

Acadian holds mineral claims adjacent the mining lease at the Dufferin Gold deposit held by Ressources Appalaches Inc. and StrikePoint Gold Inc. Recent drilling on the mining lease has extended the mineralized vein system close to Acadian's claims and previous work suggests a good probability that the vein system extends onto Acadian's claims. A limited drill program is planned for the fall of 2011 to test the presence of mineralization on Acadian's claims.

## Acadian - Other Assets

Acadian controls mineral claims hosting barite-fluorite deposits at Lake Ainslie, Cape Breton Island as well as a land position in the area. Work programs including compilation and evaluation of historical information and initial field investigations have been completed on the property. The surface rights necessary to develop the Upper Johnson and MacDougall deposits were acquired in early 2008. A trenching program conducted in late 2009 on the Upper Johnson vein area was successful in demonstrating the continuity of the Upper Johnson North Vein, which was previously believed to be discontinuous. Widths of the Upper Johnson North Vein in the trenches ranged between 0.60 and 2.05 metres. Vein grades ranged between 76% and 92% barite and 4.6% and 11.2% fluorite. The gangue mineral in the veins is predominantly calcite. A study of markets for barite from the deposit was recently completed and indicates potential markets for mud grade barite. A metallurgical testing program is planned for the fall of 2011 which will consist of sampling several tonnes from the Johnson Vein and processing studies at the Minerals Engineering Centre, Dalhousie University.

Acadian held a 29.18% interest in Royal Roads Corp. which was publicly traded on the TSX Venture Exchange. During the 2010 year, Acadian sold this investment.

## The Slave Craton Properties

During 2002, we reached an agreement with the Canadian company, Tahera Diamond Corporation, to explore for gold on Tahera's extensive properties on the Slave Craton in Nunavut, Canada. At that time, Tahera's Slave land package included 177 mineral claims and 11 Inuit Owned Land ("IOL") Concessions covering approximately 471,000

acres. Under the current (2010) agreement between Tahera, NTI and Golden River Resources, Golden River Resources now has unfettered access to the 3 Inuit Owned Land (“IOL”) Concessions in which Golden River Resources expressed interest; CO08-001 (Contwoyto), CO20-002 (Hood) and CO44-00-01 (Rockinghorse). These three IOL cover approximately 35,504 acres (14,368 hectares).

Tahera was a diamond mining company conducting diamond exploration in the northern Slave Craton and brought its Jericho diamond pipe into production in 2006. In 2008, Tahera was placed into the Companies' Creditors Arrangement Act ("CCAA"). During 2010, Golden River Resources negotiated and consummated an agreement to purchase outright the existing Hood, Contwoyto and Rockinghorse IOLs from Tahera. Under the transaction closed with Tahera, the company has purchased these three IOL properties for a consideration of CDN\$86,000.00 and the issue to Tahera of 3,000,000 shares of common stock in Golden River Resources. Under this agreement, Tahera has retained rights to all diamond mineralization within the property should any diamondiferous pipes be identified within the property boundaries at any point in the future. Also, under this agreement Tahera has retained two small IOL areas within the Hood IOL and one area within the Contwoyto IOL (which have subsequently been sold to Shear Minerals). These enclaves covered known diamond occurrences discovered by Tahera (the Tenacity and Contwoyto-1 kimberlite pipes). Under this reorganization of ownership by NTI, the Golden River IOLs were renamed. The Hood IOL is now known as CO20-002 and the Contwoyto IOL became CO08-001 (consisting of subareas A, B, C and D). Rockinghorse remains CO44-00-01 (consisting of subareas A and B).

The exploration properties that the Company has acquired are in three distinct areas: the High Lake Volcanic Belt, the Contwoyto Lake Area, predominantly underlain by the turbiditic sediments of the Contwoyto Formation and the Rockinghorse /Lake area underlain by granite/granite gneissic terrain west of the High Lake Volcanic Belt. All of these areas are located within the Slave Craton, of Nunavut.

The Hood River Inuit Owned Land ("IOL") concession contains the Company's exploration property in the High Lake Volcanic Belt which is located in the northwest section of the Slave Structural Province. The original Hood River IOL concession was subsequently consolidated and reduced to the current Hood River CO20-002 IOL concession which now encompasses an area of 20,623.3 acres (8,346 hectares). The high-grade Hood River gold showings identified to date occur within a 9 by 5 kilometre area in the west-central portion of the High Lake Greenstone Belt. Four main mineralized areas within the IOL have been identified to date; the North Fold Nose, the Penthouse (North and South), the Crown and the Blackridge Prospects.

The exploration properties in the Contwoyto Lake Area are located approximately 120 kilometres south of the Hood Property, on the east side of Contwoyto Lake, lying within the Contwoyto Formation and consists of the CO08-001A, B, C and D IOL subareas. The original CO-08-00-01, 02, 03 and 05 Concession Agreement totalled 65,250 acres but has subsequently been reduced to currently cover 9,706.3 acres (3,928 hectares). Mineralization specific to the properties includes a number of significant banded iron formation hosted gold prospects including the R44-R47, R43-R45 and the Area 5-5 Prospects. No kimberlite bodies are known to exist within the boundaries of the CO08-001 IOL.

Golden River Resources, through its 2010 agreement with Tahera and Nunavut Tunngavik Incorporated ("NTI": the Inuit organization which hold subsurface title to Inuit owned lands and is responsible, in consultation with the appropriate regional Inuit associations, for the administration and management of those subsurface rights) also acquired title to the Rockinghorse IOL (CO44-00-01). This property, located approximately 70 kilometres southwest of the Hood IOL, covers an area of 5,174.4 acres (2094 hectares). The property lies west of the High River Volcanic Belt but still within the Slave Craton. A narrow horizon of volcanic rocks has been mapped by government geologists cutting the surrounding granite/granite gneisses that underlie the property. To date, there is no record that gold exploration has been undertaken on this property and it has yet to be evaluated by the company.

Each of the properties has minimum annual exploration expenditure commitments required to be met to maintain the rights to the property. The minimum annual commitments can be met either by actual exploration expenditures or by making a cash payment in lieu of exploration expenditure.





Exploration work undertaken by Golden River Resources is subject to the Mining Land Use Regulations of the Indian and Northern Affairs Canada Mining Act. This Act requires Golden River Resources to obtain permits prior to performing significant exploration programs and sets standards that must be met for development and reclamation.

On April 1, 1999, the Nunavut Land Claims Agreement, dated May 28, 1993, between the Inuit of Canada's eastern arctic region and Her Majesty the Queen in right of Canada, came into force. Under this agreement, the Inuit were granted ownership of approximately 360,000 square kilometres of land in an area referred to as the Nunavut Settlement Area, including ownership of subsurface rights in approximately 37,500 square kilometres of those lands. Third party interests in lands in the Nunavut Settlement Area created on or after April 1, 1999 are granted, in the case of surface rights, by the appropriate regional Inuit association and, in the case of subsurface rights, by Nunavut Tunngavik Incorporated ("NTI") which will hold subsurface title to Inuit owned lands and will be additionally responsible, in consultation with the appropriate regional Inuit associations, for the administration and management of those subsurface rights. The Golden River Resources Inuit Owned Lands properties CO20-002, CO08-001 and CO44-00-01 are all administered by the NTI. All non-IOL mineral properties are administered by the Federal Government of Canada.

Exploration interest is currently focused on the Hood (CO20-002) IOL and Contwoyto (CO08-001) IOL concessions; however, the gold-bearing potential of the Rockinghorse (CO44-00-01) IOL will be evaluated during 2012.

The properties are maintained in good standing by applying an annual work commitment or a payment in lieu of work. Previously, payment of fees and exploration expenditures associated with the maintenance of Tahera Corporation's ground covered under the Slave Craton Agreement with Golden River Resources were the responsibility of Tahera. As of the consummation of the 2010 agreement, they become the responsibility of Golden River Resources.

#### Location

All mineral properties that fall under the Slave Agreement are located within the Slave Craton of the central arctic area of Nunavut, Canada. The Slave Craton is a relatively small Archean Craton, dominated by greenstone belts and turbidite sequences, underlain by older gneisses and intruded by granitoid bodies. The Slave Craton or Slave Structural Province, encompasses an elliptical area approximately 500 kilometres wide by 750 kilometres long, located between Great Slave Lake to the south and Coronation Gulf to the north (Figure 1). The company has negotiated three IOL agreements to cover three non-contiguous IOL areas within the Slave Craton (Figure 2); the Hood, Contwoyto and Rockinghorse IOLs.

#### Hood River IOL Concession (CO20-002)

The Hood River Inuit Owned Land Concession is in the High Lake Volcanic Belt located in the northwest section of the Slave Structural Province within Nunavut. The land holdings originally included 4 mining properties totalling 10,330 acres; however, all of these have subsequently lapsed as only the CO20-002 IOL concession is within the greenstone component of the High Lake Volcanic Belt and therefore the only portion with any exploration interest to us. The original Hood River CO-20 IOL concessions have been subsequently consolidated and reduced to the current Hood River CO20-002 IOL Concession which encompasses an area of 20,623.3 acres (8,346 hectares). The approximate centre of the Hood Concession is about 45 kilometres north of the Arctic Circle, and 530 kilometres north-northeast of Yellowknife. Historically the IOL concessions were held 50:50 by Benachee Resources Inc. and Snowpipe Resources Ltd. (both wholly owned by Tahera); however, currently Golden River Resources has 100% interest in the consolidated property; although all diamond interest has been waived to Tahera. There are no known encumbrances on the concession.



Figure 1. Location of the Slave Project Area within Nunavut and the Slave Structural Province (Slave Craton), Canada.

24

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Figure 2. Location of the Properties Covered By the Current GBR/NTI Agreement. Note that many of the marked Tahera held areas shown on this map are outdated as they have been reduced as claims have been allowed to expire. In Figure 2, lakes and rivers are shown in blue. (Modified: August 17, 2010.)

#### Contwoyto IOL Concession (CO08-001)

The original C0-08 Concession Agreement totalled 65,250 acres but has been subsequently reduced to the current 9,706.3 acres (3,928 hectares). The approximate centre of the C0-08 Concession is 100 kilometres south of the Arctic Circle, 100 kilometres north-northwest of Lac de Gras, and 380 kilometres north-northeast of Yellowknife. Again, historically the C0-08 Concession Agreement was held 50:50 by Benachee Resources Inc. and Snowpipe Resources Ltd. (both of which are wholly owned by Tahera); however, under the new 2010 agreement, the concession is now currently 100% held by Golden River Resources; although, again, all diamond interest has been waived to Tahera. There are no known encumbrances on the concession.

#### Rockinghorse IOL Concession (CO44-00-01)

As a result of the 2010 Tahera / Golden River Resources agreement, the concession is now currently 100% held by Golden River Resources with Tahera retaining the rights to any diamond mineralization identified on the property. The property covers 5174.4 acres (2094 hectares) in two non-contiguous subareas. The more southerly block of the Rockinghorse Concession (CO44-00-01A) lies on the Arctic circle and is situated approximately 475 kilometres north-northeast of Yellowknife. The northern block (CO-44-00-01B) lies approximately five kilometres north of the southern block. The IOL was originally acquired by Kennecott on December 31, 2000. There are no known encumbrances on the concession.

### Access, Infrastructure, Local Resources

Access to all the areas within the Slave Craton is by aircraft. In summer months, float equipped aircraft may land on local lakes of appropriate size including Contwoyto Lake, Napatulik (Rockinghorse) Lake, Penthouse Lake, and Carat Lake. In addition, airstrips are available for fixed wing aircraft equipped with tundra tires at the Lupin mine site, the ULU Mine Site and Tahera's Carat Camp (Jericho). Helicopter support is required to mobilize personnel from camp sites to the property work areas. A winter road which links Yellowknife to the Lupin Mine Site on Contwoyto Lake has historically been used for economical transportation of supplies during the winter months. This temporary ice road has been extended northward to Tahera's Carat Camp (and on to the ULU camp) in past winters; however, it has not re-established since the winter of 2007.

The Golden River Resources properties are located in the treeless Arctic, within the zone of permafrost. The weather in the property areas is typical of the continental barren lands which experience cool summers and extremely cold winters. Winter temperatures can reach -45 degrees. Summer temperatures are generally in the 5 to 10 degree Celsius range but can reach the high 20 degrees Celsius range. Average annual snowfall rarely exceeds 1 metre, most of which falls during autumn and spring storms. Small lakes are clear of ice usually by the third week in June and start freezing over again in mid to late September.

The topography of the area consists of low rolling hills with areas of low-lying swampy muskeg. Local relief is subdued, rarely exceeding 150 metres.

The closest community with regularly scheduled air service is Kugluktuk (formerly known as Coppermine) which is located 145 kilometres northwest of the Rockinghorse (CO-44) Concession and 200 kilometres northwest of the Hood River (CO-20) Concession. First Air has daily scheduled flights from Yellowknife to Kugluktuk. The main centre for transportation to the properties is through Yellowknife, 530 kilometres southwest of the Hood River Concession, and 410 kilometres southwest of the Contwoyto Concession. Fixed wing and helicopter charter services are available in Yellowknife, as are all supplies (groceries, lumber, fuel, etc.) and expediting services. Although currently inactive, additional existing infrastructure to potentially assist servicing the company's land holdings includes the Tahera Jericho Mine Site and the Lupin and ULU Mine Sites which were recently sold by China MinMetals Corp. (formerly Wolfden/Zinifex/Oz Minerals) to Elgin Mining; however, all are currently on care and maintenance. There is no infrastructure on the Hood, Contwoyto or Rockinghorse IOL Concessions.

### Exploration History

There are currently no known gold, silver or base metal mineral reserves identified on the Hood, Contwoyto or Rockinghorse IOL concessions. All work undertaken in the past has been strictly exploratory in nature.

All previous work reported by companies is quoted from open file government assessment reports. For the Slave Craton land holdings non diamond-related exploration activities are emphasized as these relate to our interest. Specifically, previous exploration work on the Hood River/High Lake and Contwoyto Lake land holdings are detailed as these are deemed to be most prospective for gold mineralization. It appears that in the past, the Rockinghorse property has only been evaluated for its diamond-bearing potential.

### Hood River/ High Lake Belt

Exploration around and directly within the Hood River properties began in 1965 and over the years has included sampling, mapping, trenching, and limited drilling programs, as well as ground and airborne geophysical surveys.

In 1989 the ULU Gold Deposit was discovered. It is located immediately adjacent to, and abuts against, the western border of Company's Hood River CO-20-002 IOL. Previous exploration efforts undertaken within the Hood River CO-20-002 IOL have outlined several key areas of anomalous gold mineralization which include the Penthouse North and South Zones, the Blackridge Zone, the Crown Zone and the North Fold Nose Zone.

In 1999 when the Nunavut Land Claims Agreement came into effect the Inuit were granted surface ownership of approximately 360,000 square kilometres of land, of which they have the subsurface rights for approximately 37,500 square kilometres. Nunavut Tunngavik Incorporated (NTI) is the entity through which these subsurface rights are administered. The Hood River Area around the ULU Deposit in which Golden River Resources has an exploration interest (this being the former CROWN, DEN, FIDO and ULU claims) was ultimately incorporated into NTI lands. The sole exception to this inclusion was the original ULU Claim currently being evaluated by Elgin Mining Inc. This claim has been brought to lease and is currently regulated by the federal government.

In March, 2003, Strongbow Resources Inc. and Nunavut Tunngavik Incorporated announced an agreement whereby Strongbow could explore a large parcel of land which covered all the south half of the High Lake Greenstone Belt and bordered Golden River Resources Hood IOL concession on the east, south, and west. After a initial period of evaluation, much of this ground has since been returned to NTI.

### Contwoyto Lake Area

Following the discovery of the Lupin Mine in 1960 (a gold-bearing banded iron formation deposit) located on the western shore of Contwoyto Lake, exploration for additional Lupin-style banded iron formation (BIF) hosted gold deposits commenced throughout the Contwoyto Formation. This resulted in the discovery of a number of prospects many of which occur on Golden River Resources' Contwoyto properties.

Significant results that substantiate the potential of the region to host gold mineralization have been reported on several key areas which include the R43-R45, the R44-R47 and the 5-5 prospects.

Diamond exploration began in the area in 1993. Discovery of several kimberlite bodies prompted Tahera to undertake a helicopter-borne EM and magnetic survey over 110 square kilometres in the Contwoyto Lake area. As part of the Tahera data set, this survey has delineated a number of prospective iron formations.

### Rockinghorse Lake Area

No previous gold exploration work has been documented to have been undertaken within the Rockinghorse IOL. The Rockinghorse property has only been evaluated for its diamond-bearing potential during a past exploration program undertaken by previous owners.

### Geological Setting

The Slave Structural Province encompasses an elliptical area approximately 500 kilometres wide by 750 kilometres long, located between Great Slave Lake to the south and Coronation Gulf to the north (Figure 1).





The Yellowknife Supergroup, an important host for ore deposits, occurs as twenty-six linear volcanic belts surrounded by granitic batholiths. These belts are typically isoclinally folded and generally range in age from 2715-2671 million years. The belts have been divided in the literature into either mafic volcanic-dominated (Yellowknife-Type) or felsic volcanic-dominated (Hackett River-Type). Yellowknife-Type volcanic belts are dominated by massive to pillowed basalt flows with lesser amounts of felsic volcanic, volcanoclastic rocks, clastic sedimentary rocks and occasionally synvolcanic conglomerate and carbonate units. The Hackett River-Type belts are defined by the abundance of calc-alkaline felsic and intermediate volcanic rocks generally intercalated with turbidite sedimentary sequences.

At least five episodes of Proterozoic diabase dike "swarms" (dated between 2400 million years and 600 million years) have been recorded within the Slave Structural Province. These dike sets form local positive relief where they intrude easily eroded lithologies such as the meta-turbidites and negative relief in areas where they are juxtaposed with granites and gneisses.

No known gold, silver or base metal mineral reserves are known on our mineral properties. All previous programs undertaken by Golden River Resources have been exploratory in nature.

#### Prospects

The Slave Craton is a well mineralized area with huge potential for discovering mineral deposits. To date, within the craton, diamond, gold, copper, lead and zinc deposits have been identified.

#### Hood River IOL Concession (CO20-002)

High grade gold showings have been identified within a 9 by 7 kilometre block in the west-central portion of the High Lake Greenstone Belt within the CO20-002 IOL (Figure 3). To date, four main mineralized areas are known to occur; the North Fold Nose Zone, Penthouse Zones, Crown Zones and Blackridge Zone. The mineral prospects on the property occur in rocks of the same age and nature as mineralization at the adjacent ULU Gold Deposit where gold occurs in brecciated basaltic wall rock clasts which are replaced by acicular arsenopyrite + quartz + potassium feldspar.

There is a spatial relationship between the gold-bearing zones of the ULU Deposit and the axial trace of the ULU Anticline. The North Fold Nose Area within the CO20-002 IOL covers the northern-most two kilometres of this important fold axis. Several gold-bearing zones have been previously identified in this area. In one area along the axis of the anticline, a one metre wide quartz vein outcrops for over 40 metres. Grab samples of this vein material contain arsenopyrite, pyrite, pyrrhotite, chalcopyrite, and native copper mineralization. Highly anomalous silver and bismuth geochemical values were also returned from these samples.

Additional mineralized zones were discovered in the central fold of the North Fold Nose. A highly anomalous gold value was produced within the prospect area from narrow quartz-pyrite vein rubble.

Previous exploration by Aber (1985), BHP-Utah (1988, 1989 and 1992) and Golden River (2004, 2006) has outlined five zones of gold mineralization on the Crown Prospect (now largely lying within the existing CO20-002 IOL). At the "Main Zone" several highly anomalous gold values were returned from samples taken within an 800 metre long, silicified, basalt/biotite schist contact zone. Seven trenches have been dug into the Main Zone Area. Silicified zones up to 6 metres wide containing disseminated arsenopyrite were noted. The "B Zone" is parallel to, and 80 metres east of, the Main Zone. The structural setting and mineralogy of this zone is similar to that at the Main Zone. Elevated gold values have been identified over a distance of 450 metres and the zone is reported to be open to the north. Elevated gold values were also reported from grab samples, obtained from the "Western Zone" and also from the folded stratigraphy of the "Eastern" and "Fold" Zones, of silicified basalt and sediment which contained disseminated

arsenopyrite mineralization.

The Penthouse Prospects are located to the northwest of the Crown Prospects. The original sampling on the South Penthouse Grid returned anomalous gold values. The highest grade sample was from a silicified, north-trending shear zone which can be traced for approximately 200 metres. Another northeast-trending shear, this one traceable for 250 metres on the North Penthouse Area returned significant gold results from samples taken of narrow arsenopyrite-bearing veins. Several additional, highly prospective zones of surface mineralization have been identified in the Penthouse Area.

Geochemical samples of the polymetallic quartz veins in the area contain highly elevated silver values along with anomalous zinc, lead, cadmium, and antimony values. This style of mineralization is very similar to the auriferous polymetallic quartz vein at the Northern Fold Nose on the historic ULU 2 Claim.

Five principal styles of mineralization were identified by BHP on the Penthouse Grid, namely:

- Auriferous, silicified zones which contain arsenopyrite mineralization within sediments;
- Auriferous, arsenopyrite-bearing quartz veins which occur at mafic volcanic-sediment contacts;
- Auriferous, polymetallic, quartz veins transecting the mafic volcanic stratigraphy;
- Stratabound, massive sulphide mineralization at the mafic volcanic-sediment contact; and
- Auriferous, polymetallic, quartz veins hosted by sediments adjacent to the same mafic volcanic-sediment contact.

In the Penthouse Area, massive sulphide mineralization is present as discontinuous pods, locally up to 1.5 metres thick, which occur along the western basalt-sediment contact on the South Penthouse Grid. Historically, anomalous values of gold, silver, copper lead and zinc have been returned from surface grab sampling. No drilling was carried out on the Southern Penthouse Prospect.

The Blackridge Prospect is located south of the Crown Prospects and across the south-eastern edge of a granitic intrusion. This area was initially evaluated by Aber Resources Ltd. during the 1985 field season. The mineralization consists of an altered and locally brecciated gabbro-hosted, silicified zone. The principal mineralized zone can be traced intermittently on surface for at least 700 metres northeast and is up to 2.5 - 3.5 metres wide. Anomalous gold values have been identified along this structure.

Figure 3. Mineralized Areas Within the CO20-002 IOL. (Modified: August 19, 2010.)

Contwoyto IOL Concession (CO08-001)

More than 100 iron formation-hosted gold occurrences occur in the Point Lake - Contwoyto Lake meta-sedimentary sequence. The most notable gold-bearing iron formation is on the west side of Contwoyto Lake, in the vicinity of the formerly producing, Lupin Gold Mine. Mineralization on the east side of Contwoyto Lake, specific to the Golden River Resources CO08 IOL Property includes a number of significant iron formation hosted gold prospects including the R43-R45, the R44-R47, the Area 4-5 and the Area 5-5 Prospects (Figure 4).

The poorly exposed R43-R45 Prospect is reported to be hosted by a “Z”-shaped, folded iron formation up to 10 metres wide and traceable intermittently for over 1.3 kilometres. Initial, minor, “grab” sampling of the banded iron formation in the area by Golden River Resources crews has, so far, failed to reproduce the sampling results reported by previous workers. Significantly more detailed sampling and geologic mapping of this area is required. The geology, mineralization, alteration and structure are reported to be extremely similar to the Lupin Gold Mine (located across the lake, 28 kilometres to the west) where gold mineralization occurred in a “Z” folded iron formation and was associated with pyrrhotite and arsenopyrite mineralization. The reported R43-R45 “Z” fold would be of the same magnitude as that at the Lupin Mine. No previous drilling has ever been reported to have been undertaken from the R43-R45 Area.

The R44-R47 Prospect is hosted by an iron formation up to 5 metres wide and traceable on surface for 1.9 kilometres. Again, significant historical gold values have been returned from surface sampling but have yet to be reproduced by initial Company sampling. Significantly more detailed sampling and geologic mapping of this area is also required. No drilling in this area has been reported.

On the Area 5-5 Prospect, several east-west trending, 300 to 2,700 metres long EM conductors have been outlined. A total of six iron formations have been identified, four of which are coincident with the EM conductors. Sulphide-rich boulders of iron formation located at the southwest section of Area 5-5 have yielded gold values. The "Fox A" Prospect is also within the Area 5-5 zone. Here the iron formation is 33 metres wide and 220 metres long and has returned gold values. Drilling undertaken in 1987 on the Area 5-5 Prospect included 8 holes totalling 942 metres. All eight holes intersected iron formation and returned gold from a section containing pyrite, arsenopyrite and pyrrhotite mineralization. Four short drill holes on the Area 5-5 zone in 1988 tested a folded iron formation as outlined by an IP survey. DDH 88-4, drilled 225 metres west of an earlier high grade intercept, intercepted a further significant gold intersection in pyrite-rich, siliceous iron formation. A further high grade surface prospect containing arsenopyrite and quartz-rich iron formation boulders was apparently not drilled. The other drill holes intersected siliceous +/- sulphidic iron formation ranging from 5.7 to 15.0 metres thick.

Figure 4. Mineralized Areas Within the CO08-001 IOL. (Modified: August 18, 2010.)

Rockinghorse IOL Concession (CO44-00-01).

No previous gold exploration work has been documented to have been undertaken within the Rockinghorse (CO44-00-01) IOL. The Rockinghorse property has only been evaluated for its diamond-bearing potential during a past exploration program undertaken by Tahera/Kennecott. To date, no mineralized prospects have been identified within the Rockinghorse IOL (Figure 5).

32

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Figure 5. The Rockinghorse (CO44-00-01) IOL. (Modified: August 18, 2010.)

#### Work Programs

The first phase of the Company's planned exploration programs over the Hood River and Contwoyto IOL claim groups was carried out in August 2004 and consisted of exploration mapping, sampling and prospecting. This initial program was designed to follow up and assess geophysical and geological anomalies reported by previous workers with a focus on targeting and expanding areas for phase two work.

Hood River IOL Concession (CO20-002).

Golden River Resources has spent CDN\$104,446 on exploration on the Hood River IOL Concession. Four key areas warrant further investigation.

Northern Fold Nose - This zone is located approximately 3 kilometres north of the ULU Deposit and is thought to be part of the major fold structure which hosts the ULU Deposit. Additional mineralized zones were discovered within the Northern Fold Nose Area. Acicular arsenopyrite was noted in narrow shears within silicified basalt just south of the Northern Fold Nose. Chip sampling of the exposed veins during the 2004/2006 field seasons yielded several samples carrying anomalous gold values.

The Penthouse Prospects are underlain by a geologically and structurally complex package of mafic volcanic and meta-sedimentary rocks. The meta-sediments are thought to have formed the conduit for mineralizing fluids. Gabbroic sills occur within the mafic volcanic and sedimentary package and form marker horizons which outline the structural complexity of the area.

Penthouse North Zone - During the 2004 program, a total of 65 samples were taken in the North Penthouse Area; 30 of these or 46 per cent of these samples yielded gold values of >500ppb Au and 20 of these samples or 31 percent of all the samples taken on this prospect during 2004 yielded gold values of >1000ppb Au. During 2006, a total of 91 samples were taken in the North Penthouse Area; 44 of these or 48 percent of the samples taken from this area yielded gold values of >500ppb Au and 27 of these samples or 30 percent of all the samples taken on this prospect during 2006 yielded gold values of >1000ppb Au.

Penthouse South Zone - During 2004, a total of 53 samples were taken in the South Penthouse Area; 12 of these or 23 percent of the samples taken from this area yielded gold values of >500ppb Au and 6 of these samples or 11 percent of all the samples taken on this prospect during 2004 yielded gold values of >1000ppb Au. During 2006, a total of 147 samples were taken in the South Penthouse Area; 28 of these or 19 percent of the samples taken from this area yielded gold values of >500ppb Au and 25 of these samples or 17 percent of all the samples taken on this prospect during 2006 yielded gold values of >1000ppb Au. In both of the Penthouse Areas, the samples exhibited a strong, positive arsenic-gold relationship.

Cursory analysis of airborne geophysical data suggests that the South and North Penthouse Areas may actually one zone that is over 2 kilometres in strike length. Exposure in the central recessive area between the two zones is limited due to a transecting river valley and overburden cover.

Crown Area - The 2004 field work consisted largely of examining and sampling of the trenches in this area. A total of 60, 1.0 metre to 1.5 metre chip samples were taken from these trenches and 32 per cent of these samples returned with anomalous gold values. Due to time constraints and the fact that significant detailed sampling had previously been undertaken during the 2004 program, results of which already indicated this area to be a significant drill target that should be explored further, the Crown Area was not evaluated during the 2006 program.

Blackridge Area - The main mineralization occurs along a gabbro-sediment contact. The previously described linear mineralized contact zone was extended to slightly over a distance of 750 metres.

Anomalous geochemical results were returned from grab samples of siliceous meta-volcanics and meta-sediments with the highest gold values being returned from trenches cut into the gabbro – meta-volcanic/meta-sediment contact zone. The company has obtained a total of 68 samples from this prospect. Elevated gold and copper values were noted. During the 2004 program, a total of 39 samples were taken in the Blackridge Area; 14 of these or 36 percent of the samples taken from this area yielded gold values of >500ppb Au and 13 of these samples or 33 percent of all the samples taken on this prospect during 2004 yielded gold values of >1000ppb Au. During 2006, a total of 29 samples were taken in the Blackridge Area; 12 of these or 41 percent of the samples taken from this area yielded gold values of >500ppb Au and 9 of these samples or 31 percent of all the samples taken on this prospect during 2006 yielded gold values of >1000ppb Au. Generally, the 2004 and 2006 results were an improvement over the reported historical results.





#### Contwoyto IOL Concession (CO08-001)

We spent CDN\$109,057 on exploration on the Contwoyto IOL Concession. Some key areas that warrant further investigation include:

Area 5-5 - Field work revealed the area to be underlain by a package of amphibole-rich, silicate facies iron formation. This area produced the best gold results in the Contwoyto concession. Previous geophysical surveys over the area indicated the zone trends west, off shore, into the East Arm of Contwoyto Lake, proximal to the Area 5-5 Zone. Initial rock chip sampling from this and the contained "Fox A" Area by the company returned significant geochemical results. Significantly more detailed geologic mapping, ground geophysical surveys, trenching and sampling of this area is required before final testing by a diamond drill program.

R43-R45 Prospect - The poorly exposed R43-R45 Prospect is reported to be hosted by a Z-shaped, folded iron formation up to 10 metres wide and traceable intermittently for over 1.3 kilometres. Prior to defining specific drill targets in this area significantly more detailed geologic mapping, geophysical surveying, trenching and sampling of this area is required to first confirm the exact shape and size of the reported "Z" fold.

R44-R47 Prospect - The R44-R47 Prospect is hosted by an iron formation up to 5 metres wide and traceable on surface for 1.9 kilometres. Significantly more detailed geologic mapping, geophysical surveying, trenching and sampling of this area is required to define the exact shape and size of any folding subsequent to defining specific drill targets.

An airborne geophysical survey has outlined a number of strong magnetic anomalies that have no surface expression. These areas require further investigation.

#### Rockinghorse IOL Concession (CO44-00-01)

To date, no work has been undertaken by the company on the Rockinghorse (CO44-00-01) IOL.

#### Geophysical Surveys

The company has not undertaken any surface or airborne geophysical surveys over the property. It does however, have access to Tahera's airborne (helicopter) geophysical magnetic data collected over specific areas of both the Contwoyto and Hood Inuit owned lands generated during Tahera's search for kimberlite bodies. Specific ground magnetic (Mag), electromagnetic (EM) and induced polarization (IP) surveys are being planned over areas of identified surface mineralization in both the Contwoyto and Hood IOL.

#### Further Exploration – Slave Craton

After the initial Tahera (and subsequent Golden River) evaluation the Contwoyto IOL concession of the Contwoyto Lake Area, the original size of the concession was dramatically reduced from 65,250.8 acres to the current 9,706.3 acres. The Company believes that all prospective ground was retained. The area reduction was done in conjunction with Tahera Diamond Corp. and it served to greatly reduce the amount of exploration assessment requirements for this area.

To maintain the Contwoyto IOL into 2012, a work commitment or a cash payment in lieu of assessment work estimated in the amount of CDN\$157,000.00 due on December 31, 2011 will be required. To maintain the Hood IOL into 2012 a work commitment or a cash payment in lieu of assessment work estimated to be in the amount of CDN\$334,000.00 also due on January 01, 2012 will be required. To maintain the younger Rockinghorse IOL into

2012, a work commitment or a cash payment in lieu of assessment work estimated in the amount of CDN\$63,000 due on December 31, 2011 will be required. The 2009 and 2010 in lieu of assessment payment for all areas were waived by NTI due to the fact that the Company couldn't access the ground as a result of the recent Tahera restructuring.

As a result of the a compilation of the historical exploration results previously undertaken in the area and the results of the company's 2004 field season, several areas quickly emerged as having a strong potential to host gold mineralization, based on geological, mineralogical and structural criteria and as such would require further examination.

In late July 2006, Golden River Resources mobilized equipment and personnel to further prospect, assess and evaluate the Contwoyto Lake and Hood River Areas. The work program was to follow up Golden River Resources' highly successful 2004 examination with a focus on highlighting key areas on which to develop a future (2012) drilling program.

During the 2006 summer field program, 901 samples were taken throughout the Contwoyto and Hood IOL concession and several areas were soon targeted as key regions for future work based on current geological modeling, the re-assessment of historical work and sample results from the 2004 program. All 2006 rock samples were sent for preparation and analysis by Acme Analytical Laboratories Ltd. in Vancouver. Samples were analyzed with a 36 element geochemical procedure and gold Fire Assays was subsequently conducted where warranted.

The 2006 field program and sampling was under the direct supervision of Bruce Goad, P. Geo., a Qualified Person under the applicable Canadian disclosure regulations for mineral exploration companies. No exploration programs were undertaken during either 2007, 2008, 2009, 2010 or 2011. A follow-up exploration program is currently being planned for both concession areas, to be undertaken during 2012.

Hood River IOL Concession (CO20-002).

The Penthouse Prospect covers a large, structurally controlled, 3 kilometre long zone of sheared and brecciated siliceous basalts and sediments that may be directly analogous to the nearby ULU Deposit. Arsenopyrite mineralization has been identified within a 500 metre wide by 2,700 metre long area proximal to volcanic-sediment contacts.

Significant geochemical/assay results of rock chip sampling within this zone of the Hood River IOL are presented in table format below.

| Sample No. | Mineralized Zone<br>(CO-20-00-03R IOL) | Gold<br>(ppb) | Gold<br>(g/t) | Silver<br>(g/t) |
|------------|--|---------------|---------------|-----------------|
| 167468     | Penthouse South                        | >100,000      | 62.18         | 12.9            |
| 167470     | Penthouse South                        | 20,926        | 39.79         | 4.4             |
| 150361     | Penthouse South                        | 28,317.7      | 38.68         | 5.3             |
| 150205     | Penthouse South                        | 5,275.3       | 9.41          | 0.9             |
| 147250     | Penthouse North                        | 5,940         | 8.88          | 2.4             |
| BR040      | Penthouse North                        | 2,831.9       | 8.73          | 3.3             |
| 150226     | Penthouse South                        | 8,501.7       | 7.8           | 6.4             |
| 150238     | Penthouse North                        | 8,283.7       | 7.49          | 3.5             |
| 150216     | Penthouse South                        | 5,703.7       | 5.81          | 76              |
| 150218     | Penthouse South                        | 5,595.5       | 5.68          | 57.3            |
| 167474     | Penthouse South                        | 3,623         | 5.33          | 19.2            |

The results to date strongly suggest the need for follow up drill investigation. These surface results will be combined with proposed geophysical survey data to form the basis for new drill targets to be explored during 2012.

The North Fold Nose is another area where significant gold mineralization was identified through rock chip sampling. These samples were collected over an area measuring 400 metres by 800 metres. The North Fold Nose zone is located approximately 3 km north of the ULU deposit and appears to be the northern extension of the same major fold structure which hosts the ULU deposit.

Significant results are presented in table format below.

| Sample No | Mineralized Zone<br>(CO-20-00-03R IOL) | Gold<br>(ppb) | Gold<br>(g/t) | Silver<br>(g/t) |
|-----------|--|---------------|---------------|-----------------|
| 150241    | North Fold Nose                        | 57793.2       | 70.46         | 29.3            |
| 150245    | North Fold Nose                        | 40704.4       | 46.06         | 85.1            |
| 185863    | North Fold Nose                        | 17578.2       | 19.79         | 6.8             |
| 185851    | North Fold Nose                        | 16562         | 16.75         | 4.8             |
| 150242    | North Fold Nose                        | 14444         | 18.44         | 10.9            |
| 150246    | North Fold Nose                        | 5526.9        | 6.48          | 10.8            |
| 150248    | North Fold Nose                        | 4537.3        | 5.7           | 2.2             |
| 150249    | North Fold Nose                        | 4257.2        | 4.91          | 1.9             |
| 185852    | North Fold Nose                        | 3098.2        | 5.01          | 1.5             |

The mineralization in the Blackridge, Crown, Penthouse and North Fold Nose Areas of the property all require additional mapping and drill testing during a proposed 2012 exploration program.

#### Contwoyto IOL Concession (CO08-001)

With the use of recent airborne geophysical surveys and new structural data, Golden River Resources has outlined numerous zones of banded iron formations with strike lengths of over several kilometres on the Contwoyto concession. A total of 381 samples were collected from the Contwoyto concession. To date the scope of work has been limited to a more regional nature in this area. The majority of the best values (between 600 and 14,000 ppb gold) come from folded and faulted deformation zones within several of the iron formation horizons. The size and nature of at least three areas appear similar to the nearby Lupin Mine. Further detailed work is required over the principle areas of the Contwoyto concession including proposed ground geophysical surveying and geological mapping.

Golden River remains very encouraged by the 2004 and 2006 exploration programs which were successful in finding new locations of strong mineralization. Following these initial field investigation programs, the characteristics and gold-bearing potential of the Hood and Contwoyto IOL's are better understood. Subsequent to the acquisition of the results of a proposed geophysical program yet to be undertaken within both areas, it can be reasonably expected that additional quality drill targets should be identified.

#### Rockinghorse IOL Concession (CO44-00-01)

An initial program to evaluate the gold-bearing potential of the Rockinghorse IOL will be undertaken during 2012. Depending upon initial results, the exploration program will either become focused or if results are negative, the property will be allowed to lapse.

#### The Committee Bay Greenstone Belt Properties

In June 2002, highly prospective ground within the Committee Bay Greenstone Belt ("CBGB") was selected and staked on behalf of the Company. Golden River Resources owns 100 percent interest of its ten Committee Bay Area Properties. All claims are on federally owned ground and mineral title is administered by the federal government.

The Committee Bay Greenstone Belt is located approximately 240 kilometres northeast of Baker Lake in Nunavut, Canada and is believed to represent the largest under-explored greenstone belt in North America, with potential to host world-class gold deposits.

The geology is highly prospective for banded iron formation hosted gold mineralization (as in the 3 million ounce Meadowbank and the 4.6 million ounce Meliadine gold deposits located to the south of the properties, and north the hamlets of Baker Lake and Rankin Inlet, respectively). The Golden River Resources (through Golden Bull Resources, a 100 percent subsidiary of Golden River Resources) Properties protect several auriferous iron formations. In addition to the banded iron formation (“BIF”)-hosted gold targets, this belt has potential for shear-hosted lode gold, Witswaterstrand-style gold, komatiite-hosted stratiform-nickel-copper (Kambalda analogy), and platinum group elements (“PGE’s”) occurring in layered igneous complexes (Laughland Lake Anorthosite Suite).

Originally 29 properties were staked comprising a land area of 71,694 acres in the Committee Bay Greenstone Belt in central Nunavut, Canada. These properties were recorded on October 16, 2002. From the original area the company retained a total of 49,815.19 acres on 22 claims which comprise 10 individual properties. To maintain the properties in good standing, the Company was required to spend a total of CDN\$197,798 of assessment work by October 16, 2004. A total of CDN\$98,879 (CDN\$2 per acre) is required in each subsequent year up to 2012 (at which point a decision to bring the properties to lease must be made). During the 2004 field season, the Company spent CDN\$1.567 million on exploration and all amounts in excess of the 2004 commitment were applied to offset against future assessment commitments. As a result of the amount the Company spent during 2004, it has already met the expenditure commitments until 2010 for some properties and to 2012 for most others. To maintain the properties past October 16, 2012, the claims must undergo a legal land survey of the boundaries during 2012 and subsequently be brought to lease. A list of the mining properties in the Committee Bay Greenstone Belt is included as Appendix B to this Annual Report.

#### Location

The Committee Bay Claims are located 245 to 365 kilometres northeast of the hamlet of Baker Lake (Qamani'tuaq), Nunavut, Canada, or 210 to 320 kilometres west to southwest of the hamlet of Repulse Bay (Naujat). The remote community of Kugaaruk (formerly Pelly Bay) is 190 to 305 kilometres northeast of the claim groups. The company's land holdings in the Committee Bay Greenstone Belt include 22 properties in 10 claim blocks. These properties total approximately 49,815.19 acres and all were recorded on October 16, 2002. The sole exception to this is the GB 1 Claim which was recorded on September 13, 2004. There are no known encumbrances on any of the Company's properties.



Figure 6. Location of Committee Bay Area Project.

#### Access, Infrastructure, Local Resources

Access to the properties is by fixed wing aircraft. Alternatively, float equipped planes have the option of landing at some of the larger lakes (Laughland Lake, Walker Lake, etc.) or on sections of the Hayes River. Helicopter support is required to mobilize personnel from camp to the property areas.

The Committee Bay Greenstone Belt lies within the zone of permafrost. The mean annual temperature of -20 degrees Celsius reflects its Arctic location (the Arctic Circle transects the property area). The climate is typical of the Eastern Arctic with average temperatures in the winter months of -30 degrees Celsius to -35 degrees Celsius, and +10 degrees Celsius to +12 degrees Celsius in the summer. The ground remains snow covered for more than 250 days a year (generally September to June). Rivers break up in June and lakes are generally ice bound until mid July.

The project area is on the northern section of the Wager Plateau, a shield area that has been significantly modified by glacial processes. Elevations range from 122 metres above sea level in the southwest to 560 metres above sea level in the northeast.

The closest community with regularly scheduled air service is Baker Lake, about 350 kilometres to the southwest. Canadian North and First Air flights arrive from Yellowknife and Iqaluit. Calm Air flies from Winnipeg to Rankin Inlet (Kangiqliniq) and then on to Baker Lake daily except Sundays. Kivalliq Air flies from Cambridge Bay (Qaluktuuttiaq) to Baker Lake enroute to Rankin Inlet. Fuel and expediting services are available in Baker Lake or Rankin Inlet. There is no infrastructure in the claim area. Committee Bay Resources maintains the Hayes River field camp which seasonally services their Three Bluffs Deposit. A winter airstrip and fairly regular supply flights generally service this site.

## Property History

All previous work reported by companies is quoted from Open File government assessment reports.

Following the release of Heywood's original geology map of the area in 1961, several exploration companies performed work within the Committee Bay Greenstone Belt. The nickel-copper potential of ultramafic rocks was the primary target of this first exploration wave. Between 1969 and 1970, explorers mapped, sampled and conducted limited geophysical surveys on areas now covered by the company's current "AA" and "EE" Properties. This historical program outlined several electromagnetic conductors to be coincident with surface mineralization. The best trenched nickel value occurred on the "EE" Property within a 1.46 kilometre long conductor.

Further exploration was undertaken during the general nickel-copper reconnaissance between 1970 and 1974 and more detailed work followed in 1975 and again in 1976. Geologic mapping, ground magnetic and EM surveys were conducted in the Hayes River Area. Although prospective rock units carrying nickel and copper values were identified, no further follow up work was recommended.

In 1986, reconnaissance rock samples were taken from within the area currently held by the company's Pickle Property.

Southwest of the Central Tonalite, a conspicuous large oval intrusion, in the area of the company's Pickle Property, several prospecting permits were granted to the Committee Bay Joint Venture (CBJV) in 1993. Sampling by CBJV returned gold values in sheared, banded iron formation which hosted pyrite +/- arsenopyrite mineralization. Although CBJV's Pickle 1 Claim was staked in 1995, no follow-up work was reported. The airborne magnetic expression of the iron formation at this site is 70–100 metres thick and traceable intermittently on surface for 1.35 kilometres.

In 1992, reconnaissance sampling in the Committee Bay Area was undertaken on behalf of the CBJV. Several highly anomalous gold values were returned from rock samples taken by field crews. Follow-up work was performed in 1993. High gold values corresponded to samples of banded iron formation containing quartz veining and/or silicification and pyrite, pyrrhotite, ( $\pm$ ) arsenopyrite mineralization. In 1995, additional rock samples were obtained, and eight drill holes totalling 811.41 metres were completed. This work exclusively focused on the Bluff Claims in Hayes River Area and the Inuk Area located further to the northeast. In 1996, the CBJV flew a 13,262 line-kilometre detailed geophysical survey (magnetics and VLF), collected additional rock samples and drilled 6 diamond drill holes at Three Bluffs. Approximately CDN\$5.4 million was collectively spent on the Committee Bay Greenstone Belt between 1992 and 2001 by explorers. This exploration focused on three areas: Laughland Lake, Hayes River and Curtis River.

Numerous gold occurrences were discovered by the CBJV between 1992 and 2001. Of particular note are the Pickle, Four Hills, Cop, Ghost Coyote, Ridge, Bluff Group and West Plains Prospects.

The Company's five Wrench Claims which comprise the Wrench Property were previously within prospecting permits granted to the CBJV in 1994. Reconnaissance sampling by the CBJV returned a series of gold anomalies over a distance of approximately three kilometres and all located within sheared, oxide banded, iron formation in their northern part of their adjacent BLUFF Claim Block.

The Committee Bay Greenstone Belt was the subject of two separate 3 year (2000-2003) government Targeted Geoscience Initiatives ("TGI"). These TGIs consisted of a collaboration among the Geological Survey of Canada, Canada-Nunavut Geoscience Office and university partners. The stated objective of the TGI was to increase the level and cost-effectiveness of private sector exploration for mineral resources within the Committee Bay Greenstone Belt. Government work in the Committee Bay Greenstone Belt included 1:100,000 scale geologic mapping,

prospecting, surficial mapping, drift prospecting, and airborne geophysical surveys. Airborne magnetic surveys (400 metre flight line spacing) were carried out and released as total field maps in 2002. Quaternary research involved multimedia sampling for gold and base metals and this drift prospecting/sampling was carried out between 2001 and 2003.

The government aeromagnetic survey shows a northeast continuation of the Three Bluffs iron formation for at least three kilometres onto the Golden River (through a 100 percent ownership of its subsidiary Golden Bull Resources) Wrench Properties. Government sampling in 2001 on this trend, eastward from the Three Bluffs Deposit, returned gold values from sulphide-bearing (pyrite + pyrrhotite), quartz-veined intervals of oxide banded iron formation within the area currently covered by the boundaries of the company's Wrench Property.

Numerous other prospective gold targets within the Committee Bay Greenstone Belt (West Plains, Four Hills, Coyote, etc) are the subject of ongoing investigation by North Country Gold Corp. ("NCG" - formerly Committee Bay Resources Limited ("CBR")). For the most part, the mineral properties of Golden River Resources either border on, or are along strike of, an adjacent NCG (formerly: CBR) Prospect.

Figure 7. Location of the Company's Committee Bay Greenstone Belt Mineral Claims.

## Geologic Setting

The Prince Albert Group (“PAG”) incorporates a series of Archean-aged greenstone belts that stretch approximately 600 kilometres northeast from the Aylmer Shear Zone in the south to the eastern tip of Melville Peninsula in the north. A 300 kilometres long section southwest of Committee Bay is referred to as the Committee Bay Greenstone Belt.

The stratigraphy of the Committee Bay Greenstone Belt includes banded iron formation up to 50 metres thick, komatiite volcanic flows, basalts, intermediate to felsic tuffs, and quartz-cobble conglomerates. Deformation is recorded by major shear zones, second order faults, complex folding, and felsic intrusions. Numerous gold prospects are spread out over a 260 x 40 kilometre area including NCG’s (formerly: CBR) Inuk Zone in northeast Committee Bay and their Three Bluffs, Antler and Hayes Zones in the Hayes River Area.

The approximate age of the Committee Bay Greenstone Belt ranges from 2.718 billion years to 2.732 billion year old. Younger plutonic intrusions include the 1830 Million year old Hudson monzo-granites. Laterally continuous, northeast-trending, quartz-feldspar porphyry dikes, 0.5 metre to 10 metre wide, are traceable for hundreds of metres in the Three Bluffs Area. Age dates for these porphyry dikes are not currently available.

## Prospects

The Committee Bay Greenstone Belt appears to have the potential to host a number of mineral deposit types including banded iron formation hosted gold, shear-hosted lode gold, komatiite hosted, stratiform, nickel-copper (Kambalda analogy) mineralization, and platinum group elements in layered igneous complexes.

Examples of iron formation-hosted gold mineralization include the company’s Wrench Property where government sampling in 2001 returned gold values from samples of sulphide-bearing (pyrite + pyrrhotite), quartz-veined intervals of oxide banded iron formation. This section of anomalous, gold-bearing iron formation is over 6.5 kilometres long and includes not only the NCG (formerly Committee Bay Resources) Three Bluff’s, Antler and Hayes occurrences but also the Golden River Resources’ Wrench Showing on the adjacent Wrench Claim Block.

Other iron formation-hosted gold examples include mineralization on the company’s Pickle Property. The gold values are found in sulphide-rich sections (arsenopyrite and pyrite) of the sheared, oxide + silicate facies banded iron formation. The airborne magnetic expression of the iron formation at this site is 70–100 metres thick and traceable intermittently on surface for 1.35 kilometres.

In addition, anomalous gold values have been identified in sampling of iron formation found on the Company’s NN1 and NN2 Properties.

An example of shear-hosted, gold mineralization in the Committee Bay Greenstone Belt is NCG’s (formerly: CBR) Coyote Prospect where high-grade gold values were returned from an intensely sheared gabbro with quartz veins, pyrite + pyrrhotite + chalcopyrite + visible gold. The hosting structure is a splay off the east-west Walker Lake Shear Zone and is a classic setting for shear-hosted gold mineralization. Through Golden Bull Resources, Golden River Resources holds title to a claim immediately adjacent to either side of the Coyote Claim Prospect. Rock exposure on these two claims is extremely limited.

Komatiite-hosted (Kambalda-style) nickel potential exists on the company’s EE Property (EE 1-3 Claims). These properties cover anomalous nickel values spread over 930 metres along a contact between a thick ultramafic body and sediments. Elevated copper values were also reported in samples. A second ultramafic/sediment contact on the western edge of the western EE Claim also has anomalous nickel over a similar strike length. The folded stratigraphy in the centre of the EE Property is also appears to have the potential to host gold mineralization but exposure is

somewhat limited in this area.

The Laughland Lake Anorthosite Suite (“LLAS”) also has good PGE-hosting potential. Although the company has no claims in the area, rusty zones defined by sulphide gossans of up to 100 metres wide and 500 metres long have been reported. Moderately anomalous platinum, palladium nickel and copper values have been reported from sampling of these zones.

#### Work Program

A total of CDN\$1.567 million was spent on the Company’s Committee Bay Greenstone Belt 2004 program. A large portion of the expense went to establishing a re-usable base-camp into this extremely remote location. All field, office, and camp supplies, as well as fuel, were flown in to a tiny island at the north end of Walker Lake upon which the base camp had been established. All subsequent field activities were helicopter supported.

The 2004 exploration program began in late May with a geophysical program on the Wrench Property. This is covered in the “Geophysical Surveys” section. Subsequently, between June 2004 and early September 2004, a regional, grassroots-type prospecting/mapping program was undertaken to explore all of the company’s mineral properties in the Committee Bay Greenstone Belt. Each of the 22 claim blocks which comprise the company’s 10 properties holds significant mineralization. In some localities outcrop was not abundant or even observed; however, many of the claim sites were selected to cover key magnetic anomalies identified from the government regional airborne survey.

A total of 1,476 rock samples were removed and analyzed from the company’s 22 existing mineral claims. In addition, a small soil grid was established on the Wrench Property and 658 soil samples were collected. Anomalous gold values were returned from sampling on several of the claim areas. Of particular note were the results from the company’s Wrench Property which cover an area adjacent to the NCG’s (formerly: CBR) Three Bluffs Deposit and Antler and Hayes Showings. This property was found to exhibit identical structures and lithologies as to those NCG (formerly: CBR) has identified on their adjacent Three Bluffs Property. Sampling along exposed banded iron formation produced high gold values within the 1.5 kilometre strike length of the targeted iron formation horizon.

#### Geophysical Surveys

The entire Committee Bay Greenstone Belt Area has been covered by government funded, 400 metre flight-line spacing airborne magnetic surveys to produce map coverage at a scale of 1:100,000. These surveys identify areas where linear magnetic anomalies exist: generally linear magnetic anomalies reflect underlying magnetic banded iron formation. This was undertaken as part of the government TGI initiative. To date the company’s Wrench Property is the only Golden River Resource area that has been subjected to ground geophysical surveys.

#### Wrench Property

An eighty six-line picket grid was established over the Wrench Claims by Aurora Geosciences Ltd. of Yellowknife, NWT. Grid point control was accomplished using GPS technology. Lines were spaced every one hundred metres and in total the grid was comprised of 176.46 line kilometres. Subsequently, two geophysical surveys were undertaken. Total field magnetic surveying was carried out with readings obtained at 6.25 metre stations. Horizontal loop electromagnetic (HLEM) surveying was also undertaken. Readings for this survey were spaced at twenty five metre intervals.

The Wrench Claim Group comprises five contiguous properties covering approximately 4,900 hectares. A government aeromagnetic survey confirms that the Wrench iron formation is directly connected with, and along strike from NCG’s (formerly: CBR) Three Bluffs and Antler iron formation-hosted gold deposit.

The geophysical program served a number of purposes. The magnetic survey accurately traced the iron formation and delineated important structural information such as faulting and folding. The HLEM component highlighted where the conductive pyrrhotite-rich sections of the iron formation are located and, in conjunction with the magnetic surveys, define potential trenching and drill targets.



The magnetic survey outlined a strong, six kilometre long, northeast-trending, magnetic anomaly along that exists along the western half of the grid. In the southeastern portion of the grid, two additional strong, parallel, magnetic anomalies were also recorded. The HLEM survey outlined 17 distinct conductive trends/anomalies, most of which are coincident with, or flank, very strong magnetic features.

Field verification of the magnetic anomalies indicated that the magnetic anomalies are a result of the presence of continuous banded iron formation units that underlie the grid area.

#### Proposed Work

We did not conduct any exploration activities on our Committee Bay prospects during fiscal 2008, 2009 2010 or 2011.

The large assessment credit excess accrued as a result of the 2004 program that was applied toward the claims allowed the company to meet its expenditure commitments until October 16, 2012 for most properties (see Appendix B). However, as a result of the high gold potential of the claims and exploration interest in the Committee Bay Greenstone Belt, further work is being planned.

Future exploration programs will involve additional ground geophysical surveys, geologic mapping, prospecting, sampling, and drilling. Identification and definition of drill targets will be the primary objective.

Four areas already present themselves as obvious drill targets:

- i) the Wrench Prospect which is along strike from NCG's (formerly: CBR) Three Bluffs Deposit and recently identified Antler mineralized zone
- ii) the Pickle Property iron formation which has the thickest intervals of sheared banded iron formation
- iii) the West Claim/Property which is adjacent to, and on strike with, the geophysical anomalies currently identified by NCG (formerly: CBR) on their West Plains Property

and

- iv) the "S"-folded magnetic anomaly underlying the KK Property will have to be drill tested as there is no outcrop exposed in the area of the anomaly or more specifically, the fold hinges

The Company has not scheduled the timing of these future exploration activities, which will depend on the availability of funds and ongoing developments on its Slave Craton Prospects. All claims must be surveyed during 2012 and brought to lease by October 16, 2012 or they will lapse as no further assessment can be applied past this date. Once the claims have been brought to lease, they can be maintained by paying taxes which accrue annually.

## Regulation

### Mining in Canada

The mining industry in Canada operates under both federal and provincial or territorial legislation governing the exploration, development, production and decommissioning of mines. Such legislation relates to the method of acquisition and ownership of mining rights, labour, health and safety standards, royalties, mining and income taxes, exports, reclamation and rehabilitation of mines, and other matters. The mining industry in Canada is also subject to legislation at both the federal and provincial or territorial levels concerning the protection of the environment. Legislation imposes high standards on the mining industry to reduce or eliminate the effects of waste generated by extraction and processing operations and subsequently deposited on the ground or emitted into the air or water. The design of mines and mills, and the conduct of extraction and processing operations, are subject to the regulatory restrictions. The exploration, construction, development and operation of a mine, mill or refinery require compliance with environmental legislation and regulatory reviews, and the obtaining of land use and other permits, water licenses and similar authorizations from various governmental agencies. Legislation is in place for lands under federal jurisdiction or located in certain provinces and territories that provide for the preparation of costly environmental impact assessment reports prior to the commencement of any mining operations. These reports require a detailed technical and scientific assessment as well as a prediction of the impact on the environment of proposed mine exploration and development.

Failure to comply with the requirements of environmental legislation may result in regulatory or court orders being issued that could result in the cessation, curtailment or modification of operations or that could require the installation of additional facilities or equipment to protect the environment. Violators may be required to compensate those suffering loss or damage by reason of mining activities and the violators, including our officers and directors, may be fined or, in some cases, imprisoned if convicted of an offence under such legislation. Provincial and territorial mining legislation establishes requirements for the decommissioning, reclamation and rehabilitation of mining properties that are closed. Closure requirements relate to the protection and restoration of the environment and the protection of public safety. Some former mining properties must be managed for a long time following closure in order to fulfill regulatory closure requirements. The cost of closure of existing and former mining properties and, in particular, the cost of long-term management of open or closed mining properties can be substantial.

### Government Regulations

We are committed to complying and, to our knowledge, are in compliance with all governmental and environmental regulations. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. Our exploration work is subject to the Mining Land Use Regulations of the Indian and Northern Affairs Canada Mining Act. This Act requires us to obtain permits prior to performing significant exploration programs.

We cannot predict the extent to which future legislation and regulation could cause additional expense, capital expenditures, restrictions, and delays in the development of our Canadian properties, including those with respect to mining properties. Our activities are not only subject to extensive federal, provincial and local regulations controlling the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment. We will be obligated to take steps to ensure that such streams draining the property do not become contaminated as a result of our activities on the property. We are not aware of any environmental problems on the property as of the date of this filing.

The mining industry in Nunavut and Nova Scotia, where our exploration properties are situated, operates under Canadian federal, state and territorial legislation governing prospecting, development, production, environmental protection, exports, income taxes, labour standards, mine safety and other matters. We believe our Canadian

operations are operating in substantial compliance with applicable law.

Our exploration works is subject to environmental regulation primarily by the Federal Department of Indian Affairs and Northern Development and the Nunavut Water Board in Nunavut, and in Nova Scotia, the Nova Scotia Department of Resources. The Department of Fisheries & Oceans (Canada) and the Department of the Environment (Canada) have an enforcement role in the event of environmental incidents, but presently have no direct regulatory role in relation to exploration activity.

On April 1, 1999, the Nunavut Land Claims Agreement, dated May 28, 1993, between the Inuit of Canada's eastern arctic region and Her Majesty the Queen in right of Canada, came into force. Under this agreement, the Inuit were granted ownership of approximately 360,000 square kilometres of land in an area referred to as the Nunavut Settlement Area, including ownership of subsurface rights in approximately 37,500 square kilometres of those lands. Third party interests in lands in the Nunavut Settlement Area created prior to April 1, 1999 are protected under the Nunavut Land Claims Agreement. Where a third party was granted a mining lease under the Canada Mining Regulations in lands comprising the Nunavut Settlement Area, that interest continues in accordance with the terms and conditions on which it was granted, including any rights granted under the legislation that give rise to the interest. However, where any successor legislation has the effect of diminishing the rights afforded to the federal government, it will not bind the Inuit without its consent. The Inuit are entitled to receive whatever compensation is payable by the interest holder for the use of exploitation of mineral rights. The federal government continues to administer the third party interest on behalf of the Inuit, unless the third party and the Inuit enter into an agreement under which the third party agrees to the administration of their interest by the Inuit. In the event such an agreement is reached, the applicable legislation will cease to apply to the third party interest. Subsurface interests in such lands continue to be administered in accordance with applicable legislation relating to those interests and are not affected by the Nunavut Land Claims Agreement.

Third party interests in lands in the Nunavut Settlement Area created on or after April 1, 1999 are granted, in the case of surface rights, by the appropriate regional Inuit Association and, in the case of subsurface rights, by Nunavut Tunngavik Incorporated which will hold subsurface title to Inuit owned lands and will be additionally responsible, in consultation with the appropriate regional Inuit Associations, for the administration and management of those subsurface rights.

#### Government Requirements for Maintenance of Claims

The regulations governing the requirements for the maintenance of claims is dependent upon whether the claims are within a federal or state jurisdiction or if they are located on ground that is controlled by the NTI under the Nunavut Land Claims Agreement,

##### Within The Slave Craton

Golden River Resources controlled IOL properties within the Slave Craton fall under the jurisdiction of both the Federal government and the Nunavut Land Claims Agreement. Fees and exploration expenditures associated with the maintenance of company's ground covered under the Agreement among Golden River Resources, Tahera Corp. and NTI are the responsibility of Golden River Resources Corporation.

##### Within The Committee Bay Greenstone Belt

The Nunavut Government has granted the Company interest in the 22 mineral claims which comprise 10 distinct mineral properties in the Committee Bay Greenstone Belt described in this report. All claims fall under the jurisdiction of Federal regulations.

To keep the existing 22 claims in good standing, the Company was required to spend a total of CDN\$197,798 of qualifying assessment work by October 16, 2004. Assessment work must be filed with the Mining Recorder within 30 days of the claim's anniversary date or within 60 days of the lapsing notice date.

A total of CDN\$98,879 (CDN\$2 per acre) is required in each subsequent year up to 2012 (at which point a decision to bring the properties to lease must be made).

During 2004, the Company spent a total of CDN\$1,566,962 of on its Committee Bay Area Properties. All assessment work was filed and the excess of CDN\$1,369,164 was used to offset the expenditure (assessment) requirement due in following years. As a result, the Company has already met its assessment expenditure commitments until 2012 for most properties.

By October 16, 2012 all of the company's Committee Bay area claims (except GB-1) must have been legally surveyed and subsequently brought to lease as by this date they will have had their maximum ten years of assessment applied. After this date, no further assessment can be applied therefore, to maintain the claims they must be brought to lease. Once the claims have been legally surveyed and brought to lease, they can be maintained by paying taxes which accrue annually.

#### Within Nova Scotia

The Nova Scotia government has granted Acadian interests in claims as listed in the sections under Acadian – Gold Interests where details are included in respect to each project. To keep the existing claims in good standing, Acadian is required to spend CDN\$640,985 during fiscal 2012.

#### Employees

We use temporary employees in our field exploration program. The services of our Chief Executive Officer, Joseph Gutnick and Chief Financial Officer and Secretary, Peter Lee, as well as clerical employees are provided to us on a part-time as needed basis pursuant to a Service Agreement dated November 25, 1988 (the "Service Agreement") between us and AXIS Consultants Pty Limited ("AXIS"). AXIS also provides us with office facilities, equipment, administration and clerical services in Melbourne, Australia pursuant to the Service Agreement. The Service Agreement may be terminated by written notice by either party.

Other than this, we rely primarily upon consultants to accomplish our exploration activities. We are not subject to a union labour contract or collective bargaining agreement.

Acadian has six Directors (including its Chief Executive Officer, who was appointed on June 24, 2010). The Board of Acadian is currently represented by two persons acting on behalf of the Company, three Directors independent of Golden River and the Chief Executive Officer. Acadian also have its own exploration, financial and administrative employees, which total 12 in number.

#### Item 1A Risk Factors

You should carefully consider each of the following risk factors and all of the other information provided in this Annual Report before purchasing our common stock. An investment in our common stock involves a high degree of risk, and should be considered only by persons who can afford the loss of their entire investment. The risks and uncertainties described below are not the only ones we face. There may be additional risks and uncertainties that are not known to us or that we do not consider to be material at this time. If the events described in these risks occur, our business, financial condition and results of operations would likely suffer. Additionally, this Annual Report contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. This section discusses the risk factors that might cause those differences.

#### Risk Factors

##### Risks of Our Business

**We Lack an Operating History And Have Losses Which We Expect To Continue Into the Future.**

To date we have no source of revenue. We have no operating history as a mineral exploration or mining company upon which an evaluation of our future success or failure can be made. Our ability to achieve and maintain

profitability and positive cash flow is dependent upon:

- exploration and development of the property covered by our mineral claims;

47

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- our ability to locate economically viable mineral reserves in the property covered by our mineral claims;
- our ability to raise the capital necessary to conduct exploration and preserve our interest in the mineral claims, increase our interest in the mineral claims and continue as an exploration and mining company; and
- our ability to generate revenues and profitably operate a mine on the property covered by our mineral claims.

#### World Economic Conditions Could Adversely Affect Our Results of Operations and Financial Condition

The effects of the recent global financial crisis are difficult to accurately predict. As a result of this crisis, conditions in the credit markets have become uncertain and risk adverse. These adverse conditions may make it harder for the Company to raise additional funds to finance the continued development of its business. Continued adverse economic conditions could adversely affect our liquidity, results of operations and financial condition.

We Have No Known Gold Reserves And We Cannot Assure You That We Will Find Such Reserves. If We Develop A Gold Reserve, There Is No Guarantee That Production Will Be Profitable.

We have not identified any gold reserves on the properties covered by our mineral claims and we cannot guarantee we will ever find any. Also, to the extent that commercial mineral reserves have been identified by other companies on properties that are adjacent to or within the same geographic region as our exploration properties, this does not mean that we will be successful in identifying commercial mineral reserves on our properties. Even if we find a gold reserve, there is no assurance that we will be able to mine them. Even if we develop a mine, there is no assurance that we will make a profit. If we do not find gold reserves, you could lose part or all of your investment.

We Will Need Additional Financing To Determine If There Is Gold Or Other Commercial Minerals And To Maintain The Mineral Claims.

Our success will depend on our ability to raise additional capital. Commencing in fiscal 2012, we will be required to undertake field exploration programs on both the Slave and Committee Bay properties in order to maintain the leases. The Company will be required to make payments of approximately CDN\$577,000 prior to the end of 2011 and incur expenditure or make payments in lieu of expenditure of CDN\$611,252 prior to the end of 2012. Further, Acadian has an obligation to spend amounts on its mineral properties in order to maintain the leases and is required to spend CDN\$640,985 and issue 29,118 Acadian shares on gold exploration properties during fiscal 2012. However, at this time, we have not found a commercially viable gold deposit and further exploration is required. There is no assurance whatsoever that funds will be available from any source or, if available, that they can be obtained on terms acceptable to us to make these investments. If funds are not available in the amounts required to maintain an interest, we will be unable to proceed further on the Committee Bay Properties, Slave Properties and Acadian Properties and our operations would be severely limited, and we would be unable to reach our objective. This could cause the loss of all or part of your investment.

The Report Of Our Independent Registered Public Accounting Firm Contains An Explanatory Paragraph Questioning Our Ability To Continue As A Going Concern.

The report of our independent registered public accounting firm on our consolidated financial statements as of June 30, 2011 and for the years ended June 30, 2011 and 2010 and for the period July 1, 2002 (inception of exploration stage) through June 30, 2011 includes an explanatory paragraph questioning our ability to continue as a going concern. This paragraph indicates that we have not yet commenced revenue producing operations and have a retained



deficit of CDN\$31,301,000 which could raise substantial doubt about our ability to continue as a going concern. Our consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

#### We Are A Small Operation And Do Not Have Significant Capital.

Because we will have limited working capital, we must limit our exploration. If we are unable to raise the capital required to undertake adequate exploration, we may not find gold or other commercial minerals even though our property may contain gold or other commercial minerals. If we do not find gold or other commercial minerals we may be forced to cease operations and you may lose your entire investment.

#### We May Not Find Any Ore Reserves That Are Economical

If we are unable to raise the required capital or we do not find gold or other commercial minerals on the properties or we cannot remove the gold or other commercial minerals discovered economically, we may have to look for other mineral rights on other properties in Canada or other parts of the world. Alternatively, we may cease operations altogether and you may lose your entire investment.

#### Weather Interruptions In Nunavut May Affect And Delay Our Proposed Exploration Operations.

We can only work above ground at our mineral claims in Nunavut, Canada from late May until early October and from mid-December to March of each year. Once we are able to work underground, we plan to conduct our exploration year round, however, it is possible that snow or rain could cause roads leading to our claims to be impassible. This could impair our ability to meet our objectives and may increase our costs beyond our ability, if any, to secure financing, which would adversely affect the value of your investment and our ability to carry on business.

#### If Our Officers And Directors Stopped Working For Us, We Would Be Adversely Impacted.

None of our executive officers or directors works for us on a full-time basis other than Mr. Grant Ewing who is employed on a full time basis as the president of Acadian. There are no proposals or definitive arrangements to compensate our officers and directors or to engage them on a full-time basis. They each rely on other business activities to support themselves. They each have a conflict of interest in that they are officers and directors of other companies. You must rely on their skills and experience in order for us to reach our objective. We have no employment agreements or key man life insurance policy on any of them. The loss of some or all of these officers and directors could adversely affect our ability to carry on business and could cause you to lose part or all of your investment.

#### We Could Encounter Delays Due To Regulatory And Permitting Delays.

We could face delays in obtaining mining permits and environmental permits. Such delays could jeopardize financing, if any, in which case we would have to delay or abandon work on the properties.

#### Gold Price Fluctuations.

If we are successful in developing a gold ore reserve, our ability to raise the money to put it into production and operate it at a profit will be dependant on the then existing market price of gold. Declines in the market prices of gold may render reserves containing relatively low grades of ore uneconomic to exploit, and we may be required to discontinue exploration, development or mining on the properties, or write down our assets. If the price of gold is too low we will not be able to raise the money or produce any revenue. We cannot predict the future market price of gold. A sustained decline in the market price of gold could cause a reduction in the value of your investment and you may lose all or part of your investment.



There Are Uncertainties Inherent In The Estimation Of Gold Or Other Mineral Reserves.

Based upon our preliminary study of the properties we believe that the potential for discovering gold reserves exists, but we have not identified such gold reserves and we are not able to estimate the probability of finding recoverable gold ore. Such estimates cannot be calculated from the current available information. Reserve estimates, including the economic recovery of gold ore, will require us to make assumptions about recovery costs and gold market prices. Reserve estimation is, by its nature, an imprecise and subjective process and the accuracy of such estimates is a function of the quality of available data and of engineering and geological interpretation, judgment and experience. The economic feasibility of the properties will be based upon our estimates of the size and grade of ore reserves, metallurgical recoveries, production rates, capital and operating costs, and the future price of gold. If such estimates are incorrect or vary substantially it could affect our ability to develop an economical mine and would reduce the value of your investment.

If We Define An Economic Ore Reserve And Achieve Production, It Will Decline In The Future. An Ore Reserve Is A Wasting Asset.

Our future ore reserve and production, if any, will decline as a result of the exhaustion of reserves and possible closure of any mine that might be developed. Eventually, at some unknown time in the future, all of the economically extractable ore will be removed from the properties, and there will be no ore remaining. This is called depletion of reserves. Ultimately, we must acquire or operate other properties in order to continue as an ongoing business. Our success in continuing to develop reserves, if any, will affect the value of your investment.

There Are Significant Risks Associated With Mining Activities.

The mining business is generally subject to risks and hazards, including quantity of production, quality of the ore, environmental hazards, industrial accidents, the encountering of unusual or unexpected geological formations, cave-ins, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in damage to, or destruction of, our mineral properties or production facilities, personal injury or death, environmental damage, reduced production and delays in mining, asset write-downs, monetary losses and possible legal liability. We could incur significant costs that could adversely affect our results of operation. Insurance fully covering many environmental risks (including potential liability for pollution or other hazards as a result of disposal of waste products occurring from exploration and production) is not generally available to us or to other companies in the industry. What liability insurance we carry may not be adequate to cover any claim.

We Are Subject To Significant Environmental And Other Governmental Regulations That Can Require Substantial Capital Expenditure, And Can Be Time-Consuming.

We are required to comply with various Canadian laws and regulations pertaining to exploration, development and the discharge of materials into the environment or otherwise relating to the protection of the environment, all of which can increase the costs and time required to attain operations. We will have to obtain exploration, development and environmental permits, licenses or approvals that may be required for our operations. There can be no assurance that we will be successful in obtaining, if required, a permit to commence exploration, development and operation, or that such permit can be obtained in a timely basis. If we are unsuccessful in obtaining the required permits it may adversely affect our ability to carry on business and cause you to lose part or all of your investment.

Mining Accidents Or Other Adverse Events At Our Property Could Reduce Our Production Levels.

If and when we reach production it may fall below estimated levels as a result of mining accidents, cave-ins or flooding on the properties. In addition, production may be unexpectedly reduced if, during the course of mining,

unfavorable ground conditions or seismic activity are encountered, ore grades are lower than expected, or the physical or metallurgical characteristics of the ore are less amenable to mining or processing than expected. The happening of these types of events would reduce our profitability or could cause us to cease operations which would cause you to lose part or all of your investment.

The acquisition of gold mineral properties is subject to substantial competition. If we must pursue alternative properties, companies with greater financial resources, larger staffs, more experience, and more equipment for exploration and development may be in a better position than us to compete for properties. We may have to undertake greater risks than more established companies in order to compete which could affect the value of your investment.

#### We Are Substantially Dependent Upon AXIS To Carry Out Our Activities

We are substantially dependent upon AXIS for our senior management, financial and accounting, corporate legal and other corporate headquarters functions. For example, each of our officers is employed by AXIS and, as such, is required by AXIS to devote substantial amounts of time to the business and affairs of the other stockholders of AXIS.

We are one of ten affiliated companies. Each of the companies has some common Directors, officers and shareholders. In addition, each of the companies is substantially dependent upon AXIS for its senior management and certain mining and exploration staff. A number of arrangements and transactions have been entered into from time to time between such companies. Currently, there are no material arrangements or planned transactions between the Company and any of the other affiliated companies other than AXIS, except that one of these companies, Northern Capital Resources Corp, is our principal stockholder. However, it is possible we may enter into such transactions in the future which could present conflicts of interest. In addition, there may be conflicts among the Company and the other companies that AXIS provides services to with respect to access to executive and administrative personnel and other resources.

Historically, AXIS has allocated corporate opportunities to each of the companies engaged in the exploration and mining industry after considering the location of each of the companies' operations and the type of commodity for which each company explores within its geographic region. At present, there are no conflicts among the Company and the other nine companies with respect to the principal geographic areas in which they operate and/or the principal commodities that they are searching for.

Pursuant to a services agreement, AXIS provides us with office facilities, administrative personnel and services, management and geological staff and services. No fixed fee is set in the agreement and we are required to reimburse AXIS for any direct costs incurred by AXIS for us. In addition, we pay a proportion of AXIS indirect costs based on a measure of our utilization of the facilities and activities of AXIS plus a service fee of not more than 15% of the direct and indirect costs. AXIS has charged us a service fee of 15% for this fiscal year. This service agreement may be terminated by us or AXIS on 60 days' notice. See "Item 13 - Certain Relationships and Related Party Transactions."

#### Future Sales of Common Stock Could Depress The Price Of Our Common Stock

Future sales of substantial amounts of common stock pursuant to Rule 144 under the Securities Act of 1933 or otherwise by certain stockholders could have a material adverse impact on the market price for the common stock at the time. There are presently 56,179,096 outstanding shares of our common stock held by stockholders which are deemed "restricted securities" as defined by Rule 144 under the Securities Act. Under certain circumstances, these shares may be sold without registration pursuant to the provisions of Rule 144. In general, under rule 144, a person (or persons whose shares are aggregated) who has satisfied a six-month holding period and who is not an affiliate of the Company may sell restricted securities without limitation as long as the Company is current in its SEC reports. A person who is an affiliate of the Company may sell within any three-month period a number of restricted securities which does not exceed the greater of one (1%) percent of the shares outstanding or the average weekly trading volume during the four calendar weeks preceding the notice of sale required by Rule 144. In addition, Rule 144 permits, under certain circumstances, the sale of restricted securities by a non-affiliate without any limitations after a one-year holding period. Any sales of shares by stockholders pursuant to Rule 144 may have a depressive effect on the price of our Common stock.



### Our Common Stock Is Traded Over the Counter, Which May Deprive Stockholders Of The Full Value Of Their Shares

Our common stock is quoted via the Over The Counter Bulletin Board (OTCBB). As such, our common stock may have fewer market makers, lower trading volumes and larger spreads between bid and asked prices than securities listed on an exchange such as the New York Stock Exchange or the NASDAQ Stock Market. These factors may result in higher price volatility and less market liquidity for the common stock.

### A Low Market Price May Severely Limit The Potential Market For Our Common Stock

Our common stock is currently trading at a price substantially below \$5.00 per share, subjecting trading in the stock to certain SEC rules requiring additional disclosures by broker-dealers. These rules generally apply to any equity security that has a market price of less than \$5.00 per share, subject to certain exceptions (a “penny stock”). Such rules require the delivery, prior to any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated therewith and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and institutional or wealthy investors. For these types of transactions, the broker-dealer must make a special suitability determination for the purchaser and have received the purchaser’s written consent to the transaction prior to the sale. The broker-dealer also must disclose the commissions payable to the broker-dealer, current bid and offer quotations for the penny stock and, if the broker-dealer is the sole market maker, the broker-dealer must disclose this fact and the broker-dealer’s presumed control over the market. Such information must be provided to the customer orally or in writing before or with the written confirmation of trade sent to the customer. Monthly statements must be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stock. The additional burdens imposed upon broker-dealers by such requirements could discourage broker-dealers from effecting transactions in our common stock.

### The Market Price Of Your Shares Will Be Volatile.

The stock market price of gold mining exploration companies like us has been volatile. Securities markets may experience price and volume volatility. The market price of our stock may experience wide fluctuations that could be unrelated to our financial and operating results. Such volatility or fluctuations could adversely affect your ability to sell your shares and the value you might receive for those shares.

### Item 1B Unresolved Staff Comments

Not applicable

### Item 2 Properties

The Company occupies certain executive and office facilities in Melbourne, Victoria, Australia which are provided to it pursuant to the Service Agreement with AXIS. See “Item 1- Business- Employees” and “Item 13 - Certain Relationships and Related Transactions and Directors’ Independence”. The Company believes that its administrative space is adequate for its current needs.

In addition, we have an office in North America at Suite 1801, 1 Yonge Street, Toronto ON Canada. The office receives mail, couriers and facsimiles on our behalf and forwards any documents received to us. The lease is for six months and can be renewed on a month to month basis. We pay a fee of CDN\$30 per month. This is a temporary arrangement whilst we determine whether to open a permanent office. Acadian occupies office facilities at Dartmouth, a suburb of Halifax in Nova Scotia, Canada at a cost of CDN\$112,682 per annum.





Item 3            Legal Proceedings

There are no pending legal proceedings to which the Company is a party, or to which any of its property is the subject, which the Company considers material.

Item 4            Submission of Matters to a Vote of Security Holders

Not Applicable

53

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## PART II

## Item 5 Market for Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is traded in the over-the-counter market and quoted on the OTCBB under the symbol "GORV". The trading for the common stock has been sporadic and the market for the common stock cannot be classified as an established trading market.

The following table sets out the high and low bid information for the common stock as reported by the OTCBB for each period/quarter indicated in US\$:

| Calendar Period | High Bid(1) | Low Bid(1) |
|-----------------|-------------|------------|
| 2009            |             |            |
| First Quarter   | 0.09        | 0.01       |
| Second Quarter  | 0.15        | 0.07       |
| Third Quarter   | 0.165       | 0.03       |
| Fourth Quarter  | 0.20        | 0.06       |
| 2010            |             |            |
| First Quarter   | 0.27        | 0.10       |
| Second Quarter  | 0.25        | 0.145      |
| Third Quarter   | 0.15        | 0.01       |
| Fourth Quarter  | 0.07        | 0.00       |
| 2011            |             |            |
| First Quarter   | 0.00        | 0.00       |
| Second Quarter  | 0.00        | 0.00       |

(1) The quotations set out herein reflect inter-dealer prices without retail mark-up, mark-down or commission and may not necessarily reflect actual transactions.

As of September 28, 2011, there were 56,807,408 shares of common stock issued and outstanding.

For information concerning shares issuable upon exercise of outstanding stock options see Notes 7 and 8 of the Notes to the Consolidated Financial Statements.

To date we have not paid any dividends on our common stock and we do not expect to declare or pay any dividends on our common stock in the foreseeable future. Payment of any dividends will depend upon our future earnings, if any, our financial condition, and other factors deemed relevant by the Board of Directors.

## Shareholders

As of September 28, 2011, the Company had approximately 92 shareholders of record.

## Dividend Policy

It is the present policy of the Board of Directors to retain earnings, when incurred, for use in our business. We have not declared any cash dividends to the holders of its Common Stock and do not intend to declare such dividends in the foreseeable future.

Transfer Agent

Our United States Transfer Agent and Registrar is Continental Stock Transfer and Trust Company.

## Item 6 Selected Financial Data

Our selected consolidated financial data presented below for each of the years in the two-year period ended June 30, 2011, and the balance sheet data at June 30, 2011 and 2010 have been derived from consolidated financial statements, which have been audited by PKF. The selected financial data should be read in conjunction with our consolidated financial statements for each of the years in the two-year period ended June 30, 2011, and Notes thereto, which are included elsewhere in this Annual Report.

(Consolidated Statement of Operations Data)  
(in thousands, except per share data)

|   | Year ended June 30 |                   | 2011<br>Conv.<br>Transl |
|---|--------------------|-------------------|-------------------------|
|   | 2010<br>CDN\$000s  | 2011<br>CDN\$000s | US\$000s                |
| Revenues  | -                  | -                 | -                       |
| Costs and expenses  | 6,485              | 5,508             | 5,639                   |
| Loss from operations  | (6,485 )           | (5,508 )          | (5,639 )                |
| Other income (loss)   | 1                  | 6                 | 6                       |
| Adjustment to fair value on stepped acquisition                       | 7,433              | -                 | -                       |
| Gain on bargain purchase  | 10,305             | -                 | -                       |
| Other non-operational gains and costs                                 | 1,397              | 835               | 855                     |
| Provision for deferred income taxes                                   | (2,624 )           | (3,749 )          | (3,838 )                |
| Equity in profits of unconsolidated entity                            | 234                | -                 | -                       |
| Net gain from sale of subsidiary                                      | -                  | 641               | 656                     |
| Net profit (loss)   | 10,261             | (7,775 )          | (7,960 )                |
| Net profit attributable to non-controlling interests                  | 1,404              | 846               | 866                     |
| Net profit (loss) attributable to Golden River Resources shareholders | 11,665             | (6,929 )          | (7,094 )                |
|   | CDN\$              | CDN\$             | US\$                    |
| Basic and diluted net profit/(loss) per common equivalent shares      |                    |                   |                         |
| Net loss per share  | 0.65               | (0.17 )           | (0.17 )                 |
| Weighted average number of shares outstanding (000s)                  | 18,052             | 40,488            | 40,488                  |
| Balance Sheet Data  |                    |                   |                         |
|   | CDN\$000s          | CDN\$000s         | US\$000s                |
| Total assets  | 52,648             | 44,836            | 45,903                  |
| Total liabilities   | (11,445 )          | (8,139 )          | (8,333 )                |
| Total equity  | 41,203             | 36,697            | 37,570                  |



## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation

## General

The following discussion and analysis of our financial condition and plan of operation should be read in conjunction with the Financial Statements and accompanying notes and the other financial information appearing elsewhere in this report. This report contains numerous forward-looking statements relating to our business. Such forward-looking statements are identified by the use of words such as believes, intends, expects, hopes, may, should, plan, projected, contemplates, anticipates or similar words. Actual operating schedules, results of operations, ore grades and mineral deposit estimates and other projections and estimates could differ materially from those projected in the forward-looking statements.

We are an exploration stage mining company. Our objective is to exploit our interest in the mineral claims in Nova Scotia and Nunavut, Canada. Our principal exploration target is for gold and we are seeking to determine whether adequate gold reserves are present on the property covered by our claims to develop an operating mine. We are in the initial stages of our exploration program and we have not yet identified any ore reserves. We have not generated any revenues from operations.

On September 2, 2010, the Board of Directors of the Company and the holder of a majority of the outstanding shares of Common Stock approved a reverse stock split of the Common Stock of 10:1 and approved the mailing of an Information Statement to stockholders in relation to the reverse stock split, which became effective on November 1, 2010. The Company has accounted for this reverse stock split and accordingly, all share and per share data has been retroactively restated.

## Foreign Currency Translation

The Company's consolidated financial statements are reported in Canadian dollars. The income and expenses of our foreign operations are translated into Canadian dollars at the average exchange rate prevailing during the period. Assets and liabilities of the foreign operations are translated into Canadian dollars at the period-end exchange rate. The following table shows the period-end rates of exchange of the Australian and US dollar compared with the Canadian dollar during the periods indicated.

| Year ended |           |   |             |
|------------|-----------|---|-------------|
| June 30    |           |   |             |
| 2010       | CDN\$1.00 | = | A\$1.1142   |
|            | CDN\$1.00 | = | US\$0.9542  |
| 2011       | CDN\$1.00 | = | A\$0.9661   |
|            | CDN\$1.00 | = | US\$1.02379 |

The Company's financial statements are prepared in Canadian dollars (CDN\$). A number of costs and expenses are incurred in US and Australian dollars and the conversion of these costs to CDN\$ means that the comparison of costs between fiscal 2010 and 2011 is not necessarily a true comparison.

## Results of Operations

Year ended June 30, 2011 versus Year ended June 30, 2010

As a result of (i) the acquisition of a 19.9% interest in Acadian in May 2009, the Company accounted for this investment under the equity accounting method for July 2009; (ii) the acquisition of further shares in Acadian on July 31, 2009, resulting in Acadian becoming a subsidiary at that date, resulted in the Company consolidating Acadian's results; and (iii) the sale by Acadian of all of the shares in ScoZinc Limited on May 31, 2011, there is a lack of comparability between the Company's results for the fiscal year ended June 30, 2011 as compared to the fiscal year ended June 30, 2010.



Total costs and expenses have decreased from CDN\$6,485,000 for the year ended June 30, 2010 to CDN\$5,508,000 (US\$5,639,000) for the year ended June 30, 2011. The decrease was a net result of:

- i) A decrease in exploration expenditure written off from CDN\$3,277,000 in fiscal 2010 to CDN\$2,175,000 (US\$2,227,000) in fiscal 2011. In fiscal 2011, no field exploration was undertaken on the Slave or Committee Bay Properties; and the costs incurred relate to consultants providing exploration reviews and advice on the Slave and Committee Bay Properties. Included within exploration expenditure for fiscal 2011 is CDN\$1,865,000 (US\$1,909,000) (2010: CDN\$2,495,000) for work undertaken by Acadian for field exploration activities on its gold properties and certain maintenance work on its Scotia mine which was on care and maintenance until the sale of the Scotia mine assets on May 31, 2011.
- ii) Legal, accounting and professional costs of CDN\$667,000 in fiscal 2010 and CDN\$667,000 (US\$683,000) in fiscal 2011. During fiscal 2011, we incurred legal expenses of CDN\$99,000 (US\$101,000) for general legal work; audit fees of CDN\$203,000 (US\$208,000) for professional services in relation to financial statements, the quarterly reports on Form 10-Q and annual report on Form 10-K; taxation compliance costs of CDN\$69,000 (US\$71,000); CDN\$13,000 (US\$13,000) from our stock transfer agent for management of the share register; and CDN\$283,000 (US\$290,000) relating to Acadian which includes expenses relating to general legal work, secretarial services, financing reporting reviews and taxation services. During fiscal 2010, we incurred legal expenses of CDN\$65,000 for general legal work; audit fees of CDN\$188,000 for professional services in relation to financial statements, the quarterly reports on Form 10-Q and annual report on Form 10-K; taxation compliance costs of CDN\$89,000; CDN\$10,000 from our stock transfer agent for management of the share register; and CDN\$297,000 relating to Acadian which includes expenses relating to legal work for the completion of the reorganization proceedings for its subsidiary, secretarial services and financing reporting reviews.
- iii) An increase in administrative costs from CDN\$1,867,000 in fiscal 2010 to CDN\$2,134,000 (US\$2,185,000) in fiscal 2011. During fiscal 2011, AXIS charged us CDN\$113,000 (US\$116,000) for management and service fees, Director's fees and salaries incurred on behalf of the Company including fees paid to an independent director, President and Chief Executive Officer, Director, Secretary and Chief Financial Officer and other staff of AXIS who provide services to the Company; we incurred CDN\$16,000 (US\$16,000) for lodgement of Company filings with the SEC; CDN\$8,000 (US\$8,000) for travel and accommodation; CDN\$6,000 (US\$6,000) for Delaware franchise tax and CDN\$1,991,000 (US\$2,039,000) for Acadian which includes CDN\$1,155,000 (US\$1,183,000) for salaries; CDN\$32,000 (US\$33,000) for office rent; CDN\$246,000 (US\$252,000) in office costs; CDN\$116,000 (US\$119,000) for travel; CDN\$133,000 (US\$136,000) in insurance premiums; CDN\$65,000 (US\$66,000) for lodgement of Company filings with Canadian authorities; and CDN\$244,000 (US\$250,000) for external consultants and information. During fiscal 2010, AXIS charged us CDN\$135,000 for management and service fees; Director's fees and salaries incurred on behalf of the Company including fees paid to an independent director, President and Chief Executive Officer, Director, Secretary and Chief Financial Officer and other staff of AXIS who provide services to the Company; we incurred CDN\$13,000 for lodgement of Company filings with the SEC; and CDN\$1,719,000 for Acadian which includes CDN\$922,000 for salaries; CDN\$102,000 for office rent; CDN\$323,000 in office costs; CDN\$129,000 for travel; CDN\$126,000 in insurance premiums; CDN\$75,000 for lodgement of Company filings with Canadian authorities; and CDN\$42,000 for investor relations and information.

- iv) A increase in stock based compensation from CDN\$39,000 for fiscal 2010 to CDN\$162,000 (US\$166,000) for fiscal 2011 as a result of the options issued to Directors and executives by Acadian which are being progressively expensed over the vesting period (see note 8 concerning Acadian's options). Final amortisation expenses of options previously issued by the Company were incurred in 2010 compared to several vestings of options by Acadian in 2011.
- v) A decrease in depreciation and amortization expense from CDN\$488,000 in fiscal 2010 to CDN\$431,000 (US\$441,000) in fiscal 2011. The depreciation and amortization expenses for fiscal 2011 relates to the activities of Acadian which is amortizing equipment and amortization for the ScoZinc mine and mill (which was on care and maintenance) prior to sale on May 31, 2011.
- vi) A decrease in interest expense (income) from CDN\$147,000 in fiscal 2010 to CDN\$(61,000) (US\$63,000) in fiscal 2011. The interest expenses for fiscal 2010 relates to the activities of Acadian which was paying interest on capital debt and the final cost of having the debtor in possession financing in place. During fiscal 2011, the accrual for interest was reversed on a third party liability following confirmation and payment of the final agreed amount owing.

As a result of the foregoing, the loss from operations decreased from CDN\$6,485,000 for the year ended June 30, 2010 to CDN\$5,508,000 (US\$5,639,000) for the year ended June 30, 2011.

The Company recorded a foreign currency exchange loss of CDN\$242,000 (US\$248,000) for the year ended June 30, 2011 compared to a foreign currency exchange gain of CDN\$42,000 for the year ended June 30, 2010 primarily due to revaluation of advances from affiliates which are denominated in A\$.

The Company recorded a profit on disposal of plant and equipment of CDN\$48,000 (US\$49,000) for the year ended June 30, 2011 for which there was no comparable amount for the year ended June 30, 2010. Acadian disposed of surplus equipment.

The Company has recorded a write-off of plant and equipment of CDN\$170,000 (US\$174,000) for the year ended June 30, 2011 for which there was no comparable amount for the year ended June 30, 2010. Acadian wrote down the carrying value of plant and equipment after a physical review.

The Company obtained control of Acadian in July, 2009 and since that date the Company has consolidated the results of Acadian. In accordance with US GAAP, the Company calculated the difference between the fair value of assets acquired at acquisition date and the carrying value of its investment in an unconsolidated entity (Acadian) at acquisition date. For the year ended June 30, 2010, the Company recorded an adjustment to fair value on stepped acquisition of CDN\$7,433,000. There was no comparable adjustment in the year ended June 30, 2011.

The Company has recorded a gain on bargain purchase of CDN\$10,305,000 which is disclosed separately on the consolidated statement of operations for the year ended June 30, 2010. The gain represents the excess of the fair value of the net assets acquired over (i) fair value of the non-controlling interest; (ii) fair value of the equity investment held prior to acquisition; and, (iii) the cash consideration paid, subsequent to acquiring a majority interest in Acadian.

Acadian settled a debt to an equipment supplier during the year ended June 30, 2011. The debt had arisen several years ago when ScoZinc Limited (a subsidiary of Acadian) was placed in "CCAA" and the equipment supplier called a guarantee provided by Acadian. Acadian negotiated a settlement of the guarantee on deferred payment terms. The final payment was made in April 2011 and a gain arose at that time being the difference between the amount of the guarantee and the amount of the final settlement. There was no comparable transaction in fiscal 2010.



Acadian signed a letter agreement with Selwyn Resources Ltd (Selwyn) whereby Selwyn would acquire the zinc and lead assets of the Company. On May 31, 2011, Acadian closed the transaction and sold 100% of the shares of ScoZinc Limited, a wholly owned subsidiary, for cash consideration of CDN\$10 million (US\$10.2 million), less legal costs CDN\$197,251 (US\$201,944). Net proceeds were CDN\$9,802,749 (US\$10,035,956). The Company has accounted for the disposal of ScoZinc in accordance with accounting guidance for the impairment or disposal of long-lived assets.

Included in the Company's consolidated statement of operations are costs and expenses of ScoZinc during the Company's term of ownership. Such costs and expenses which were for certain maintenance work incurred to secure ScoZinc's mining properties and related environmental monitoring amounted to \$1,418,000 and \$784,000 for the years ended June 30, 2011 and 2010, respectively. During the course of the Company's term of ownership as its mine was on care and maintenance before and during the Company's ownership period, ScoZinc did not have any revenues from mining operations, nor was any exploration activity cost expended.

The Company recorded a gain from the sale of ScoZinc, net of closing costs, of CDN\$641,000 (US\$656,000). This was represented by the difference between the net sale proceeds of CDN\$9,802,749 (US\$10,035,956) less the book value of net assets sold which were:

|  |               |
|--|---------------|
| Assets                                   | CDN\$         |
| Current assets                           | \$ 120,796    |
| Cash held for remediation                | 2,812,500     |
| Property, Plant and Equipment            | 4,954,355     |
| Mineral rights                           | 4,026,855     |
| Total assets sold                        | \$ 11,914,506 |
| Liabilities                              |               |
| Accounts payable and accrued liabilities | \$ 152,623    |
| Accrued site remediation                 | 2,600,000     |
| Total liabilities related to assets sold | \$ 2,752,623  |
| Net book value of assets sold            | \$ 9,161,883  |

The Company recorded an increase in interest income from CDN\$1,000 for the year ended June 30, 2010 to CDN\$6,000 (US\$6,000) for the year ended June 30, 2011.

The Company recorded a profit on sale of equity investment of CDN\$1,355,000 relating to the sale by Acadian of its equity investment in Royal Roads Corp for the year ended June 30, 2010, for which there was no comparable amount for the year ended June 30, 2011.

The loss before income taxes and equity in profits/(losses) of non-consolidated entities for the year ended June 30, 2011 was CDN\$(4,026,000) (US\$(4,122,000)) compared to a profit for the year ended June 30, 2010 of CDN\$12,651,000.

The Company has recorded a provision for deferred tax of CDN\$3,749,000 (US\$3,838,000) for the year ended June 30, 2011 compared to a provision for tax of CDN\$2,624,000 for the year ended June 30, 2010, as a result of the acquisition of majority interest in Acadian in July 2009 and sale by Acadian of 100% of the shares of ScoZinc Limited, a wholly owned subsidiary on May 31, 2011. The accounting standard requires the Company to recognize a provision for tax for the difference between the fair value of the net assets of Acadian and the acquisition cost.



The Company held a 19.9% interest in Acadian at June 30, 2009 which increased to 52.764% at July 31, 2009. The Company accounted for its 19.9% interest in Acadian for the month of July 2009 using the equity method of accounting. Further, the Company via Acadian, held a 29.18% interest in Royal Roads Corp which is also accounted for using the equity method of accounting and its share of the profits of the non-consolidated entities for the year ended June 30, 2010 was CDN\$234,000. Acadian sold its interest in Royal Roads in April 2010.

The net loss was CDN\$7,775,000 (US\$7,960,000) for the year ended June 30, 2011 compared to a net profit of CDN\$10,261,000 for the year ended June 30, 2010.

The share of the net loss attributable to the non-controlling interests of Acadian amounted to CDN\$846,000 (US\$866,000) for the year ended June 30, 2011 compared to the share of net loss of CDN\$1,404,000 for the year ended June 30, 2010.

The net loss attributable to Golden River Resources stockholders amounted to CDN\$6,929,000 (US\$7,094,000) for the year ended June 30, 2011 compared to a net profit of CDN\$11,665,000 for the year ended June 30, 2010.

#### Liquidity and Capital Resources

During the fiscal year 2011, net cash used in operating activities was CDN\$6,988,000 (US\$7,154,000), comprising of the net loss of CDN\$7,775,000 (US\$7,960,000) adjusted for major non-cash items of (i) provision for deferred income tax of CDN\$3,749,000 (US\$3,838,000); (ii) gain on settlement of guarantee obligation of CDN\$1,199,000 (US\$1,228,000); (iii) reversal of site remediation estimate of CDN\$200,000 (US\$205,000) and (iv) net change in accounts payable and accrued expenses of CDN\$2,183,000 (US\$2,235,000). During fiscal 2011, net cash from investing activities was CDN\$8,212,000 (US\$8,407,000) consisting of CDN\$1,477,000 (US\$1,512,000) being the cost of the additional investment in Acadian to increase our interest to 71.48%, CDN\$9,803,000 (US\$10,036,000) being the net proceeds from the sale by Acadian of 100% of the shares of ScoZinc Limited, proceeds from disposal of surplus equipment CDN\$76,000 (US\$78,000) and CDN\$190,000 (US\$195,000) for the purchase of property and equipment. During fiscal 2011, net cash from financing activities was CDN\$1,604,000 (US\$1,642,000) being the funds from sale of common stock of CDN\$3,097,000 (US\$3,171,000); borrowings from affiliates of CDN\$2,497,000 (US\$2,556,000); and repayments to affiliates of CDN\$3,990,000 (US\$4,085,000).

As at June 30, 2011, the Company had short-term obligations of CDN\$1,712,000 (US\$1,752,000) comprising accounts payable and accrued expenses of CDN\$812,000 (US\$831,000) and note payable of CDN\$900,000 (US\$921,000).

We have CDN\$3,792,000 (US\$3,882,000) in cash at June 30, 2011.

Since June 30, 2010, the Company has raised in a private placement transaction with Northern Capital Resources Corp ("NCRC") CDN\$3,097,661 through the sale of 33,875,580 shares of common stock. The proceeds have been utilized to fund the further acquisition of shares in Acadian and repay CDN\$1,622,400 (A\$1,600,000) of liabilities.

The Company received CDN\$9,802,749 (US\$10,035,956) from the sale by Acadian of 100% of the shares of ScoZinc Limited. The proceeds have repaid in full the remediation costs of CDN\$1,887,790 agreed with the Province of Nova Scotia to remediate the Scotia Mine facility, repaid advances from AXIS Consultants Pty Ltd of CDN\$1,233,069 (A\$1,186,718), repaid advance from Northern Capital Resources of CDN\$1,064,301 and for working capital purposes.

Since fiscal 2004, we have undertaken field exploration programs on our Committee Bay and Slave properties. In relation to the Committee Bay properties, this was more than the minimum required expenditure and as a result, we

have not had a legal obligation to undertake further exploration on these properties. However, our properties are prospective for gold and other minerals and commencing in fiscal 2011, we will be required to undertake field exploration programs on both the Slave and Committee Bay properties in order to maintain the leases. The Company will be required to incur expenditure or make payments in lieu of expenditure of CDN\$577,000 prior to the end of 2011 and CDN\$611,252 prior to the end of 2012. Further, Acadian has an obligation to spend amounts on its mineral properties in order to maintain the leases and is required to spend CDN\$640,985 and issue 29,118 Acadian shares on gold exploration properties during fiscal 2012. Our budget for general and administration costs for fiscal 2012 is CDN\$500,000 and Acadian's budget for the general and administration costs for fiscal 2012 is CDN\$1,400,000. We are currently investigating capital raising opportunities which may be in the form of either equity or debt, to provide funding for working capital purposes and future exploration programs. There can be no assurance that such capital raising will be successful, or that even if an offer of financing was received by the Company, it is on terms acceptable to the Company.

#### Impact of Australian Tax Law

Australian resident corporations are subject to Australian income tax on their non-exempt worldwide assessable income (which includes capital gains), less allowable deductions, at the rate of 30%. Foreign tax credits are allowed where tax has been paid on foreign source income, provided the tax credit does not exceed 30% of the foreign source income.

Under the U.S./Australia tax treaty, a U.S. resident corporation such as us is subject to Australian income tax on net profits attributable to the carrying on of a business in Australia through a “permanent establishment” in Australia. A “permanent establishment” is a fixed place of business through which the business of an enterprise is carried on. The treaty limits the Australian tax on interest and royalties paid by an Australian business to a U.S. resident to 10% of the gross interest or royalty income unless it relates to a permanent establishment. Although we consider that we do not have a permanent establishment in Australia, it may be deemed to have such an establishment due to the location of its administrative offices in Melbourne. In addition we may receive interest or dividends from time to time.

#### Impact of Australian Governmental, Economic, Monetary or Fiscal Policies

Although Australian taxpayers are subject to substantial regulation, we believe that our operations are not materially impacted by such regulations nor is it subject to any broader regulations or governmental policies than most Australian taxpayers.

#### Impact of Recent Accounting Pronouncements

For a discussion of the impact of recent accounting pronouncements on the Company’s financial statements, see Note 2 to the Company’s Consolidated Financial Statements which are attached hereto.

#### Item 7A. Quantitative and Qualitative Disclosures about Market Risk

At June 30, 2011, the Company had outstanding loan facilities of CDN\$54,242 (A\$55,538). No interest is currently payable of the loan.

The Company reports in CDN\$ and holds cash in Australian dollars. At June 30, 2011, this amounted to A\$7,509. A change in the exchange rate between the A\$ and the CDN\$ will have an effect on the amounts reported in the Company’s consolidated financial statements, and create a foreign exchange gain or loss. A movement of 1% in the A\$ versus the CDN\$ exchange rate will have a CDN\$78 effect on the consolidated balance sheet and statement of operations.

#### Item 8. Financial Statements and Supplementary Data

See F Pages



Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no changes in accountants or any disagreements with accountants on any matter of accounting principles or practices or financial statement disclosures during the two years ended June 30, 2011.

Item 9A Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Our principal executive officer and our principal financial officer evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 as amended) as of the end of the period covered by this report. Based on that evaluation, such principal executive officer and principal financial officer concluded that, the Company's disclosure controls and procedures were effective as of the end of the period covered by this report at the reasonable level of assurance.

(b) Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange act Rules 13a-15(f) under the Securities Exchange Act of 1934, as amended. Under the supervision of management and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation of internal control over financial reporting, our management concluded that our internal controls over financial reporting were effective as of June 30, 2011.

(c) Attestation report of the Registered Public Accounting Firm

This Annual Report on Form 10-K does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's independent registered public accounting firm pursuant to an exemption for smaller reporting companies under Section 989G of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

(d) Change in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation of such internal control that occurred during the Company's last fiscal quarter that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

(e) Other

We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Therefore, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Our disclosure controls and procedures are designed to provide such reasonable assurance of achieving our desired control objectives, and our principal executive officer and principal financial officer have concluded, as of June 30, 2011, that our disclosure controls and procedures were effective in achieving that level of reasonable assurance.

Item 9B

Other Information

None.

62

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## PART III

## Item 10. Directors, Executive Officers and Corporate Governance

The following table sets forth our directors and executive officers, their ages and all offices and positions with our company. Officers and other employees serve at the will of the Board of Directors.

| Name              | Age | Position(s) Held  |
|-------------------|-----|---|
| Joseph Gutnick    | 59  | Chairman of the Board, President, Chief Executive Officer and Director        |
| David Tyrwhitt    | 73  | Director  |
| Peter Lee         | 54  | Director, Secretary, Chief Financial Officer and Principal Accounting Officer |
| Mordechai Gutnick | 34  | Director  |
| Grant Ewing       | 50  | President and Chief Executive Officer of Acadian                              |

## Director Qualifications

The following paragraphs provide information as of the date of this report about each director as well as about each executive officer. The information presented includes information each director has given us about his age, all positions he holds, his principal occupation and business experience for the past five years, and the names of other publicly-held companies of which he currently serves as a director or has served as a director during the past five years.

## Joseph Gutnick

Mr Gutnick is a leading mining industry entrepreneur and has been Chairman of the Board, President and Chief Executive Officer since March 1988. He is currently Executive Chairman, President and Chief Executive Officer of numerous public listed companies in Australia and North America including Legend International Holdings, Inc., a US corporation traded on the OTC market, Executive Chairman and President of Aurum, Inc. and Electrum International, Inc., U.S. corporations traded on the OTC market, Executive Chairman, President and Chief Executive Officer of Northern Capital Resources Corp and Great Central Resources Corp, US corporations and Executive Chairman, Managing Director and Chief Executive Officer of North Australian Diamonds Limited, Top End Uranium Ltd and Quantum Resources Limited, which are listed on the Australian Stock Exchange. Mr Gutnick has been responsible for overseeing the discovery of the Plutonic gold deposit and the discovery, development and operation of the world class Bronzewing and Jundee gold mines in Australia. He was awarded the Diggers award at the 1997 Diggers and Dealers Industry Awards and is a former Director of the World Gold Council. He is a Fellow of the Australasian Institute of Mining & Metallurgy and the Australian Institute of Management and a Member of the Australian Institute of Company Directors.

Mr Gutnick's extensive experience in leading teams in building and operating major mining operations in Australia as well as his experience in founding and serving as the chief executive officer and chairman of a number of public companies will provide our Board with valuable executive leadership and management experience.

Mr Gutnick devotes sufficient of his business time to the affairs of the Company to advance the Company's operations.



David Tyrwhitt

Dr Tyrwhitt was appointed a Director in November 1996. He is a geologist, holding a Bachelor of Science and PhD degrees and has 50 years experience in mineral exploration and management development and operation of gold mines in Australia. Since 1996, Mr Tyrwhitt has served as a consulting geologist through David S. Tyrwhitt & Associates (June 2002 to present) and Auminex Sdn. Bhd. (1996 to June 2002). Dr Tyrwhitt has been a Director of numerous public listed companies in Australia in the mining industry and is currently a Director of Hawthorn Resources Limited, Bassari Resources Ltd and Quantum Resources Limited listed on the Australian Securities Exchange, Legend International Holdings, Inc., a US corporation listed on the OTC market and Northern Capital Resources Corp.

Dr Tyrwhitt's experience in working on mining projects in Australia and technical skills as a geologist will provide our Board with an industry-based perspective to mining operations.

Peter Lee

Mr Lee has been Chief Financial Officer and Principal Accounting Officer since August 1989 and was appointed a Director in February 1996. Mr Lee is a Member of the Institute of Chartered Accountants in Australia, a Fellow of Chartered Secretaries Australia Ltd., a Member of the Australian Institute of Company Directors and holds a Bachelor of Business (Accounting) from Royal Melbourne Institute of Technology. He has over 30 years commercial experience and is currently Chief Financial Officer and Company Secretary of North Australian Diamonds Limited, Top End Uranium Ltd and Quantum Resources Limited, which are listed on the Australian Stock Exchange and Chief Financial Officer and Secretary of Legend International Holdings, Inc. and Electrum International, Inc., Secretary of Aurum, Inc., US corporations traded on the OTC market and Northern Capital Resources Corp and Great Central Resources Corp, US corporations and a Director of Acadian Mining Corporation, a corporation listed on Toronto Stock Exchange.

Mr Lee's extensive financial and secretarial background in the mining and exploration industry in the US provides our Board with valuable experience in those areas and Mr Lee is one of our nominees on the Acadian board of directors.

Mr Lee devotes sufficient of his business time to the affairs of the Company and Acadian to advance the Company's activities.

Mordechai Gutnick

On September 14, 2005, Mr Gutnick was elected a non-executive Director. He is a businessman and long-term investor in the mining industry. From April 2001 to June 2002, Mr Gutnick served as a project advisor for AXIS, which provides services to the Company; from July 2002 to April 2003, Mr Gutnick was a private investor; and between May 2003 and October 2010, Mr Gutnick was a non-executive director of Quantum Resources Limited. Mr Gutnick has been appointed to the Audit and Remuneration Committee's, effective September 14, 2005. Mr Mordechai Gutnick is the son of Mr Joseph Gutnick.

Mr Gutnick's knowledge and experience in the mining and exploration industry provides our Board with valuable experience in those areas.

Grant Ewing

Mr Grant Ewing has been President and Chief Executive Officer of Acadian since June 24, 2010. Mr Ewing is a seasoned mining executive with extensive experience in all aspects of mineral exploration and development. Prior to

joining Acadian Mining, Mr Ewing was employed as President and Chief Executive Officer of Staccato Gold Resources Ltd. from November 2007 to June 2010 where he was responsible for the overall management of the company's affairs. Before this he served as President and Chief Operating Officer of Linear Metals Corp, a junior mining company in 2007 and prior to that, he was Executive Vice President for Tahera Diamond Corporation where he supervised the corporate development, investor relations, and exploration divisions.

All Directors have been appointed for a one-year term which expires in November 2011.

Mr Gutnick was formerly the Chairman of the Board, Dr Tyrwhitt was formerly an independent Director and Mr. Lee was formerly Company Secretary of Centaur Mining & Exploration Ltd., an Australian corporation, which commenced an insolvency proceeding in Australia in March 2001.

Directors need not be stockholders of the company or residents of the State of Delaware. Directors are elected for an annual term and generally hold office until the next Directors have been duly elected and qualified. Directors may receive compensation for their services as determined by the Board of Directors. A vacancy on the Board may be filled by the remaining Directors even though less than a quorum remains. A Director appointed to fill a vacancy remains a Director until his successor is elected by the Stockholders at the next annual meeting of Shareholder or until a special meeting is called to elect Directors.

#### Board, Audit Committee and Remuneration Committee Meetings

Our Board of Directors consists of four members, of whom two have been, and continue to be, independent under applicable regulations. During fiscal 2011, our Board of Directors met once. The Board of Directors also use resolutions in writing to deal with certain matters, and during fiscal 2011, two resolutions in writing were signed by all Directors.

We do not have a nominating committee. Historically our entire Board has selected nominees for election as directors. The Board believes this process has worked well thus far particularly since it has been the Board's practice to require unanimity of Board members with respect to the selection of director nominees. In determining whether to elect a director or to nominate any person for election by our stockholders, the Board assesses the appropriate size of the Board of Directors, consistent with our bylaws, and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, the Board will consider various potential candidates to fill each vacancy. Candidates may come to the attention of the Board through a variety of sources, including from current members of the Board, stockholders, or other persons. The Board of Directors has not yet had the occasion to, but will, consider properly submitted proposed nominations by stockholders who are not directors, officers, or employees of Golden River Resources on the same basis as candidates proposed by any other person.

#### Audit Committee

Dr David Tyrwhitt and Mr Mordechai Gutnick constitute our Audit Committee. It is the opinion of the Board of Directors that each of them is an independent director as defined in Rule 10A-3 of the Securities Exchange Act of 1934. In addition, the Board believes that Mr Tyrwhitt would meet the director independence requirements of the Nasdaq Stock Market if we were listed on such Market, but that Mr Mordechai Gutnick would not meet such Nasdaq independence requirements in light of his family relationship with Mr Joseph Gutnick who is our Chief Executive Officer. Our Audit Committee does not include a "financial expert" as defined in Item 401 (e) of Regulation S-K. The Company only has two independent Directors and neither of these independent Directors has a finance background. The Chair of the Audit Committee met with the external auditors on four occasions during fiscal 2011 in respect to annual and quarterly reports prior to the reports being filed.

#### Remuneration Committee

The Board has a Remuneration Committee comprised of two independent directors. During fiscal 2011, the Remuneration Committee did not meet.





## Code of Ethics

We have adopted a Code of Conduct and Ethics and it applies to all Directors, Officers and employees. A copy of the Code of Conduct and Ethics is posted on our website at [www.goldenriverresources.com](http://www.goldenriverresources.com) and we will provide a copy to any person without charge. If you require a copy, you can download it from our website or alternatively, contact us by facsimile or email and we will send you a copy.

## Stockholder Communications with the Board

Stockholders who wish to communicate with the Board of Directors should send their communications to the Chairman of the Board at the address listed below. The Chairman of the Board is responsible for forwarding communications to the appropriate Board members.

Mr Joseph Gutnick  
Golden River Resources Corporation  
PO Box 6315 St. Kilda Road Central  
Melbourne, Victoria 8008 Australia

## Section 16(a) Beneficial Ownership Reporting Compliance

Pursuant to Section 16(a) of the Securities Exchange Act of 1934, our Directors, executive officers and beneficial owners of more than 10% of the outstanding Common Stock are required to file reports with the Securities and Exchange Commission concerning their ownership of and transactions in our Common Stock and are also required to provide to us copies of such reports. Based solely on such reports and related information furnished to us, we believe that in fiscal 2011 all such filing requirements were complied with in a timely manner by all Directors, executive officers and greater than 10% stockholders, except that Mr Gutnick and Northern Capital each filed a Form 4 after the due dates for such Forms.

## Item 11. Executive Compensation.

The following table sets forth the annual salary, bonuses and all other compensation awards and pay outs on account of our Chief Executive Officer for services rendered to us during the fiscal years ended June 30, 2011 and 2010. No other executive officer received more than US\$100,000 per annum during this period.

## Summary Compensation Table

| Name and<br>Principal<br>Position                  | Year | Salary        | Bonus | Stock<br>Awards | Option<br>Awards | Non-Equity<br>Incentive Plan<br>Compensation | Change in<br>Pension Value<br>and<br>Nonqualified<br>Deferred<br>Compensation<br>Earnings | All Other<br>Compensation |     |
|--|------|---------------|-------|-----------------|------------------|--|---|---------------------------|-----|
| Joseph<br>Gutnick,<br>Chairman<br>of the<br>Board, | 2011 | CDN\$20,476 - | -     | -               | -                | -  | -   | CDN\$1,843                | CDN |
|  | 2010 | A\$16,771 -   | -     | -               | -                | -  | -   | A\$1,503                  | A   |

President  
and CEO

Grant

|                                      |      |              |              |   |              |   |   |              |     |
|--------------------------------------|------|--------------|--------------|---|--------------|---|---|--------------|-----|
| Ewing,                               | 2011 | CDN\$250,000 | CDN\$125,000 | - | CDN\$138,765 | - | - | CDN\$5,568   | CDN |
| Director,<br>President<br>and CEO    | 2010 | -            | -            | - | -            | - | - | -            | -   |
| - Acadian<br>Peter Lee,              | 2011 | -            | -            | - | -            | - | - | -            | -   |
| Acting<br>President<br>and CEO       | -    | -            | -            | - | -            | - | - | -            | -   |
| - Acadian<br>Will                    | 2010 | -            | -            | - | -            | - | - | -            | -   |
| Felderhof,<br>President<br>and CEO – | 2011 | -            | -            | - | -            | - | - | -            | -   |
| Acadian<br>(6)                       | 2010 | CDN\$92,454  | -            | - | -            | - | - | CDN\$330,000 | CDN |

1. The amounts listed were paid by us to AXIS, which provides the services of Mr J I Gutnick.
2. Excludes options granted to Kerisridge Pty Ltd and Fast Knight Nominees Pty Ltd of which Mr J I Gutnick is a Director and Shareholder (see Item 13 – Certain Relationships and Related Party Transactions)
3. Includes amounts paid by AXIS to an accumulation superannuation plan on behalf of Mr J I Gutnick.
4. Includes 250,000 options that have vested.
5. The amounts included in the table for option awards has been calculated in accordance with ASC 718.
6. Mr Felderhof resigned as President and CEO of Acadian on February 19, 2010. Amounts included within All Other Compensation include CDN\$300,000 termination payments under Mr Felderhof's historical employment agreement.

For additional information about the Service Agreement and the Consulting Agreement see “Item 1 - Business - Employees” and “Item 13 - Certain Relationships and Related Transactions”.

We have a written policy that we will not enter into any transaction with an officer, Director or affiliate of the Company or any member of their families unless the transaction is approved by the Audit Committee and the Audit Committee determines that the terms of the transaction are no less favourable to us than the terms available from non-affiliated third parties or are otherwise deemed to be fair to the Company at the time authorised.

#### Outstanding Equity Awards at Fiscal Year-End

| Option Awards   |   |   |  |                            |                        | Stock Awards  |   |   |   |  |
|---|---|---|--|----------------------------|------------------------|---|---|---|---|--|
|   |   |   |  |                            |                        | Equity Incentive Plan                                   | Equity Incentive Plan                         | Market Awards:  | Equity Incentive Plan   | Equity Incentive Plan  |
|   |   |   | Equity Incentive Plan Awards:                                    |                            |                        | Number of Shares or Units of Stock That Have Not Vested | Shares or Units of Stock That Have Not Vested | Unearned Shares, Units or Rights That Have Not Vested | Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested | Value of Unearned Shares, Units or Rights That Have Not Vested |
| Name  | Number of Securities Underlying Unexercised Options (#) Exercisable | Number of Securities Underlying Unexercised Options (#) Unexercisable | Number of Securities Underlying Unexercised Options (#) Unearned | Option Exercise Price (\$) | Option Expiration Date | Not Vested  | Not Vested                                    | Not Vested  | Value of Unearned Shares, Units or Rights That Have Not Vested                  | Value of Unearned Shares, Units or Rights That Have Not Vested |
| J o s e p h Gutnick, Chairman of the Board, President and CEO | -   | -   | 50,000   | US\$1.00                   | 10/15/14               | -   | -   | -   | -   | -  |
|   | -   | -   | 200,000  | US\$0.3084                 | 10/19/11               | -   | -   | -   | -   | -  |

#### 2004 Stock Option Plan

The 2004 Plan provides for the granting of options. The maximum number of shares available for awards is 10% of the issued and outstanding shares of common stock on issue at any time (on a fully diluted basis). If an option expires or is cancelled without having been fully exercised or vested, the remaining shares will generally be available for grants of other awards.

The 2004 Plan is administered by the Remuneration Committee of the Board comprised solely of directors who are not employees or consultants to Golden River Resources or any of its affiliated entities.

Any employee, director, officer, consultant of or to Golden River Resources or an affiliated entity (including a company that becomes an affiliated entity after the adoption of the 2004 Plan) is eligible to participate in the 2004 Plan if the Committee, in its sole discretion, determines that such person has contributed significantly or can be expected to contribute significantly to the success of Golden River Resources or an affiliated entity. During any one

year period, no participant is eligible to be granted options to purchase more than 5% shares of our issued and outstanding common stock or if they provide investor relations activities, or are a consultant to the Company, 2% of the issued and outstanding shares of common stock in any 12 month period.

Options granted under the 2004 Plan are to purchase Golden River Resources common stock. The term of each option will be fixed by the Remuneration Committee, but no option will be exercisable more than 10 years after the date of grant. The option exercise price is fixed by the Remuneration Committee at the time the option is granted. The exercise price must be paid in cash. Options granted to participants vest and have a term of 10 years, unless otherwise decided by the Board of Directors at the time of issue.

No award is transferable, or assignable by the participant except upon his or her death.

The Board may amend the 2004 Plan, except that no amendment may adversely affect the rights of a participant without the participant's consent or be made without stockholder approval if such approval is necessary to qualify for or comply with any applicable law, rule or regulation the Board deems necessary or desirable to qualify for or comply with.

Subject to earlier termination by the Board, the 2004 Plan has an indefinite term except that no Incentive Stock Options ("ISO") may be granted following the tenth anniversary of the date the 2004 Plan is approved by stockholders.

None of the proposed recipients have received any stock options or other equity based forms of compensation from us for at least the last three years.

Other than the issue of these Options, there are no other current plans or arrangements to grant any options under the 2004 Plan.

#### Compensation Pursuant to Plans

The Company does not have any pension or profit sharing plans.

#### Compensation to Directors

| Name                         | Fees<br>Earned or<br>Paid in<br>Cash<br>(CDN\$) | Stock<br>Awards<br>(\$) | Option<br>Awards<br>(\$) | Non-Equity<br>Incentive Plan<br>Compensation<br>(\$) | Change in<br>Pension Value<br>and<br>Nonqualified<br>Deferred<br>Compensation |                                   | Total<br>(CDN\$) |
|------------------------------|---|-------------------------|--------------------------|--|---|-----------------------------------|------------------|
|                              |   |                         |                          |  | Earnings  | All Other<br>Compensation<br>(\$) |                  |
| David Tyrwhitt               | 20,476  | -                       | -                        | -  | -   | 1,843                             | 22,319           |
| M o r d e c h a i<br>Gutnick | 20,476  | -                       | -                        | -  | -   | 1,843                             | 22,319           |

It is our policy to reimburse Directors for reasonable travel and lodging expenses incurred in attending Board of Directors meetings. Commencing January 2005, non-management Directors are paid Directors fees of A\$20,000 per annum, plus statutory superannuation of 9% in accordance with Australian law.

#### Securities authorized for issuance under equity compensation plans

The following table sets forth, as of June 30, 2011, information regarding options under our 2004 stock option plan, our only active plan. The 2004 stock option plan has been approved by our stockholders. Outstanding options under this plan that are forfeited or cancelled will be available for future grants. All of the options are for the purchase of our common stock.

| Plan Category  | Number of securities to<br>be issued upon exercise<br>of outstanding options<br>(a) | Weighted average<br>Exercise price of<br>outstanding options<br>(b) | Number of securities<br>remaining available for<br>future issuances under<br>equity compensation<br>plans<br>(excluding securities<br>reflected in column (a))<br>(c) |
|--|---|---|---|
| Equity compensation<br>plans approved by<br>security holders     | 485,000   | \$ US4.22   | 5,195,759 1)  |
| Equity compensation<br>plans not approved<br>by security holders | -   | -   | -   |
| Total  | 485,000   | (1) \$ US4.22   | 5,195,759 1)  |

(1) The maximum number of shares available for issuance under the 2004 stock option plan is equal to 10% of the issued and outstanding shares (on a fully diluted basis) of common stock, at any time.

## Principal Officers Contracts

The principal officers do not have any employment contracts.

## Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth certain information regarding the beneficial ownership of our common stock by each person or entity known by us to be the beneficial owner of more than 5% of the outstanding shares of common stock, each of our directors and named executive officers, and all of our directors and executive officers as a group as of September 28, 2011.

| Title of Class         | Name and Address of Beneficial Owner* | Amount and nature of Beneficial Owner | Percentage of class (1) |
|------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Shares of common stock | Joseph and Stera Gutnick              | 56,179,096 (2)(3)(4)(5)(6)            | 98.46                   |
| Shares of common stock | Northern Capital Resources Corp       | 54,863,387 (4)                        | 96.5                    |
| Shares of common stock | David Stuart Tyrwhitt                 | 5,000 (2)(9)                          | **                      |
| Shares of common stock | Mordechai Zev Gutnick                 | 75,000 (2)(8)                         | **                      |
| Shares of common stock | Peter James Lee                       | 125,000 (2)(7)                        | **                      |
|                        | All officers and Directors as a group | 56,384,096 (10)                       | 98.46                   |

\* Unless otherwise indicated, the address of each person is c/o Golden River Resources Corporation, Level 8, 580 St. Kilda Road, Melbourne, Victoria 3004 Australia

\*\* less than 1%

## Notes:

- (1) Based on 56,807,408 shares outstanding as of September 28, 2011.
- (2) Does not include 125 shares of Common Stock beneficially owned by us.
- (3) Includes 539,460 shares of Common Stock owned by Edensor Nominees Pty Ltd., 175,399 shares of Common Stock owned by Kerisridge Pty Ltd., 150,000 shares of Common Stock owned by Surfer Holdings Pty Ltd, 200,000 shares of Common Stock owned by Kalycorp Pty Ltd and 850 shares of Common Stock owned by Pearlway Investments Proprietary Limited, of which Mr Joseph Gutnick, Stera M. Gutnick and members of their family are officers, Directors and principal stockholders.
- (4) Includes 54,863,387 shares of Common Stock owned by Northern Capital Resources Corp (“NCRC”). Mr Joseph Gutnick is the Chairman and Chief Executive Officer of NCRC and certain companies with which Mr Gutnick is associated own approximately 36.53% of the outstanding common stock of NCRC. In addition, Legend International Holdings, Inc. (“Legend”), of which Mr Gutnick is the Chairman and Chief Executive Officer, owns 31.46% of NCRC.
- (5) Joseph Gutnick and Stera Gutnick are husband and wife.
- (6) Includes 250,000 shares issuable upon exercise of stock options.

- (7) Includes 125,000 shares issuable upon exercise of stock options.
- (8) Includes 75,000 shares issuable upon exercise of stock options.
- (9) Includes 5,000 shares issuable upon exercise of stock options.
- (10) Includes 455,000 shares that are issuable upon exercise of stock options.



Item 13. Certain Relationships and Related Transactions, and Director Independence

We are one of ten affiliated companies. Each of the companies have some common Directors, officers and shareholders. In addition, some of the companies owns equity in and is substantially dependent upon AXIS for its senior management and certain mining and exploration staff. The Company owns 9.09% of the outstanding shares of AXIS and accounts for this interest at its cost price of \$1. A number of arrangements and transactions have been entered into from time to time between such companies. It has been the intention of the affiliated companies and respective Boards of Directors that each of such arrangements or transactions should accommodate the respective interest of the relevant affiliated companies in a manner which is fair to all parties and equitable to the shareholders of each. Currently, there are no material arrangements or planned transactions between the Company and any of the other affiliated companies other than AXIS, except that, one of these companies, Northern Capital Resources Corp. is the principal stockholder of the Company.

AXIS is paid by each company for the costs incurred by it in carrying out the administration function for each such company. Pursuant to the Service Agreement, AXIS performs such functions as payroll, maintaining employee records required by law and by usual accounting procedures, providing insurance, legal, human resources, company secretarial, land management, certain exploration and mining support, financial, accounting advice and services. AXIS procures items of equipment necessary in the conduct of the business of the Company. AXIS also provides for the Company various services, including but not limited to the making available of office supplies, office facilities and any other services as may be required from time to time by the Company as and when requested by the Company.

We are required to reimburse AXIS for any direct costs incurred by AXIS for the Company. In addition, we are required to pay a proportion of AXIS's overhead cost based on AXIS's management estimate of our utilisation of the facilities and activities of AXIS plus a service fee of not more than 15% of the direct and overhead costs. AXIS has not charged the 15% service fee to us during fiscal 2010 or 2011. Amounts invoiced by AXIS are required to be paid by us. We are also not permitted to obtain from sources other than AXIS, and we are not permitted to perform or provide ourselves, the services contemplated by the Service Agreement, unless we first requests AXIS to provide the service and AXIS fails to provide the service within one month.

The Service Agreement may be terminated by AXIS or ourselves upon 60 days prior notice. If the Service Agreement is terminated by AXIS, we would be required to independently provide, or to seek an alternative source of providing, the services currently provided by AXIS. There can be no assurance that we could independently provide or find a third party to provide these services on a cost-effective basis or that any transition from receiving services under the Service Agreement will not have a material adverse effect on us. Our inability to provide such services or to find a third party to provide such services may have a material adverse effect on our operations.

In accordance with the Service Agreement, AXIS provides the Company with the services of our Chief Executive Officer, Chief Financial Officer and clerical employees, as well as office facilities, equipment, administrative and clerical services. We pay AXIS for the actual costs of such facilities plus a maximum service fee of 15%.

During fiscal 2011 and 2010, AXIS provided services in accordance with the service agreement of CDN\$113,099 and CDN\$135,291 respectively. During fiscal 2011 and 2010, AXIS advanced Golden River Resources CDN\$1,738,821 and CDN\$465,832 respectively. During fiscal 2011, Golden River Resources repaid AXIS CDN\$2,926,446. The amounts owed to AXIS at June 30, 2011 and 2010 were CDN\$54,242 and CDN\$1,128,768 respectively and are reflected in non-current liabilities – advances from affiliates. During fiscal 2011 and 2010, no interest was charged by AXIS.

During the fiscal year ended June 30, 2010, the Company entered into a subscription agreement with Northern Capital Resources Corp (“NCRC”) whereby NCRC would subscribe for 8.5 million shares at an issue price of US\$1.00 per share to raise US\$8.5 million. During September 2009, pursuant to the subscription agreement, the Company (i) issued 5,056,671 shares of common stock at an issue price of US\$1.00 per share raising CDN\$5,056,071, (ii) on March 31, 2010, issued a further 4,903,680 shares of common stock at a purchase price of US\$1.00 per share for aggregate proceeds of CDN\$5,181,196, and (iii) on July 14, 2010, issued 1,427,580 shares of common stock to NCRC at an issue price of US\$1.00 per share, raising CDN\$1,475,261. Effective as at December 31, 2010, the Company issued a further 32,448,000 shares to NCRC at an issue price of US\$0.05 per share, raising CDN\$1,622,400. The proceeds have been utilized to help fund the acquisition of shares in Acadian and for working capital purposes. Mr. Joseph Gutnick is the Chairman and Chief Executive Officer of NCRC and certain companies with which Mr. Gutnick is associated own approximately 36.52% of the outstanding common stock of NCRC. In addition, Legend International Holdings, Inc. (“Legend”), of which Mr. Gutnick is the Chairman and Chief Executive Officer, owns 31.46% of NCRC. NCRC currently holds approximately 96.578% of the outstanding common stock of the Company. During fiscal 2011 and 2010, NCRC advanced Golden River Resources CDN\$860,845 and CDN\$nil respectively. During fiscal 2011, Golden River Resources repaid NCRC CDN\$1,064,301. The amount owed to NCRC at June 30, 2011 and 2010 under current liabilities – advances from affiliates was CDN\$nil and CDN\$203,456 respectively.

Acadian acquired the remaining 50% of the 15 Mile Stream mineral claims for a cash payment of CDN\$70,000 and a non-interest bearing note for CDN\$1.0 million due July 2010 and a 1% net smelter royalty payable to Mr. Will Felderhof, the former President and CEO of Acadian, and members of his family. On July 8, 2010, the Company extended the terms of the CDN\$1.0 million note for a further 12 months and paid a CDN\$100,000 principal payment. Amounts due are reflected in current and non-current liabilities – note payable at June 30, 2011 and June 30, 2010 respectively. On July 8, 2011, the Company paid the amount owed in full.

#### Transactions with Management.

We have a written policy that we will not enter into any transaction with an Officer, Director or affiliate of us or any member of their families unless the transaction is approved by a majority of our disinterested non-employee Directors and the disinterested majority determines that the terms of the transaction are no less favourable to us than the terms available from non-affiliated third parties or are otherwise deemed to be fair to us at the time authorised.

#### Item 14. Principal Accounting Fees and Services

The following table shows the audit fees we were billed by PKF for fiscal 2011 and 2010.

|                    | 2011         | 2010         |
|--------------------|--------------|--------------|
| Audit fees         | CDN\$160,838 | CDN\$197,307 |
| Audit related fees | -            | -            |
| Tax fees           | 45,709       | 93,054       |
| Total              | CDN\$206,547 | CDN\$290,361 |

Audit fees were for the audit of our annual financial statements, review of financial statements included in our 10-Q quarterly reports, and services that are normally provided by independent auditors in connection with our other filings with the SEC. This category also includes advice on accounting matters that arose during, or as a result of, the audit or review of our interim financial statements.

Tax fees for 2010 relate to the preparation of the fiscal years 2004 through 2010 tax returns and the 2011 fees relate to the fiscal 2011 tax returns and various other tax planning and compliance related filings.

As part of its duties, our Audit Committee pre-approves audit and non-audit services performed by our independent auditors in order to assure that the provision of such services does not impair the auditors' independence. Our Audit Committee does not delegate to management its responsibilities to pre-approve services performed by our independent auditors.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Consolidated Financial Statements and Notes thereto.

The Consolidated Financial Statements and Notes thereto listed on the Index at page F-1 of this Annual Report on Form 10-K are filed as a part of this Annual Report.

(b) Exhibits

The Exhibits to this Annual Report on Form 10-K are listed in the Exhibit Index at page 81 of this Annual Report.

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES  
(An Exploration Stage Company)

Consolidated Financial Statements

June 30, 2011 and 2010

(with Report of Independent Registered Public Accounting Firm)

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CONTENTS

|   | Page       |
|---|------------|
| Report of Independent Registered Public Accounting Firm   | F-2        |
| Consolidated Balance Sheets                               | F-3        |
| Consolidated Statements of Operations                     | F-4        |
| Consolidated Statements of Stockholders' Equity (Deficit) | F-5        |
| Consolidated Statements of Cash Flows                     | F-8        |
| Notes to Consolidated Financial Statements                | F-9 – F-23 |

F-1

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of  
Golden River Resources Corporation

We have audited the accompanying consolidated balance sheets of Golden River Resources Corporation and Subsidiaries (An Exploration Stage Company) as of June 30, 2011 and 2010, and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for the years ended June 30, 2011 and 2010 and the cumulative period from July 1, 2002 (inception of exploration activities) through June 30, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits include consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Golden River Resources Corporation and Subsidiaries at June 30, 2011 and 2010, and the results of its operations and its cash flows for the years ended June 30, 2011 and 2010 and the cumulative period from July 1, 2002 (inception of exploration activities) through June 30, 2011 in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As described in note 1, at June 30, 2011 the Company had not yet commenced revenue producing operations and had a retained deficit of CDN\$31,301,000 (US\$32,046,000). These conditions raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management's plans in regard to these matters are also discussed in note 1.

PKF

New York, NY  
September 27, 2011

F-2

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GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES  
 (An Exploration Stage Company)  
 Consolidated Balance Sheets  
 June 30, 2011 and 2010

|  | June 30,<br>2011<br>CDN\$000's | June 30,<br>2010<br>CDN\$000's | Convenience<br>Translation<br>2011<br>US\$000's |
|--|--------------------------------|--------------------------------|---|
| <b>ASSETS</b>                                    |                                |                                |   |
| Current Assets                                   |                                |                                |   |
| Cash   | 3,792                          | 957                            | 3,882   |
| Receivables                                      | 152                            | 78                             | 156   |
| Prepaid expenses and deposits                    | 41                             | 141                            | 42  |
| <b>Total Current Assets</b>                      | <b>3,985</b>                   | <b>1,176</b>                   | <b>4,080</b>                                    |
| Non Current Assets                               |                                |                                |   |
| Cash held for site remediation (notes 11 and 12) | 109                            | 925                            | 112   |
| Property, plant and equipment (notes 12 and 14)  | 979                            | 6,757                          | 1,002   |
| Mineral rights (notes 12 and 13)                 | 39,763                         | 43,790                         | 40,709  |
| <b>Total Non Current Assets</b>                  | <b>40,851</b>                  | <b>51,472</b>                  | <b>41,823</b>                                   |
| <b>Total Assets</b>                              | <b>44,836</b>                  | <b>52,648</b>                  | <b>45,903</b>                                   |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>      |                                |                                |   |
| Current Liabilities                              |                                |                                |   |
| Accounts payable and accrued expenses            | 812                            | 2,090                          | 831   |
| Note payable (note 6)                            | 900                            | -                              | 921   |
| Other current liability (note 15)                | -                              | 2,099                          | -   |
| Advances from affiliates (note 6)                | -                              | 203                            | -   |
| <b>Total Current Liabilities</b>                 | <b>1,712</b>                   | <b>4,392</b>                   | <b>1,752</b>                                    |
| Non Current Liabilities                          |                                |                                |   |
| Accrued site remediation                         | -                              | 2,400                          | -   |
| Note payable                                     | -                              | 900                            | -   |
| Advances from affiliates (note 6)                | 54                             | 1,129                          | 56  |
| Deferred tax liability (note 16)                 | 6,373                          | 2,624                          | 6,525   |
| <b>Total Non Current Liabilities</b>             | <b>6,427</b>                   | <b>7,053</b>                   | <b>6,581</b>                                    |
| <b>Total Liabilities</b>                         | <b>8,139</b>                   | <b>11,445</b>                  | <b>8,333</b>                                    |
| Commitments (Note 10)                            |                                |                                |   |

Stockholders' Equity:

Common Stock: \$.0001 par value

400,000,000 shares authorized

56,807,408 and 22,931,828 issued and outstanding

|  |           |           |           |
|--|-----------|-----------|-----------|
|  | 5         | 2         | 5         |
| Additional paid-in-capital                         | 53,578    | 48,810    | 54,853    |
| Less treasury stock at cost, 250 shares            | (19 )     | (19 )     | (19 )     |
| Accumulated other comprehensive loss               | (372 )    | (372 )    | (381 )    |
| Retained profit (deficit) during exploration stage | (6,553 )  | 376       | (6,709 )  |
| Retained (deficit) prior to exploration stage      | (24,748 ) | (24,748 ) | (25,337 ) |

Golden River Resources Stockholders' Equity

21,891 24,049 22,412

Non Controlling Interests (note 12)

14,806 17,154 15,158

Total Equity

36,697 41,203 37,570

Total Liabilities and Equity

44,836 52,648 45,903

The accompanying notes are an integral part of the consolidated financial statements.

## GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)

Consolidated Statements of Operations  
for the years ended June 30, 2011 and 2010

and for the cumulative period July 1, 2002

(inception of exploration activities) to June 30, 2011

|  | June 30, 2011<br>CDN\$000's | June 30,<br>2010<br>CDN\$000's | Convenience<br>Translation<br>2011<br>US\$000's | July 1, 2002<br>to<br>June 30, 2011<br>CDN\$000's |
|--|-----------------------------|--------------------------------|---|---|
| Revenues   | \$ -                        | \$-                            | \$ -  | \$ -  |
| Costs and expenses:  |                             |                                |   |   |
| Stock based compensation   | 162                         | 39                             | 166   | 2,922   |
| Exploration expenditure  | 2,175                       | 3,277                          | 2,227   | 8,763   |
| Depreciation and amortization  | 431                         | 488                            | 441   | 919   |
| Interest (income) expense, net   | (61 )                       | 147                            | (63 )   | 483   |
| Legal, accounting and professional   | 667                         | 667                            | 683   | 2,403   |
| Administration expenses  | 2,134                       | 1,867                          | 2,185   | 7,388   |
| Total costs and expenses   | 5,508                       | 6,485                          | 5,639   | 22,878  |
| (Loss) from operations   | (5,508 )                    | (6,485 )                       | (5,639 )  | (22,878 )   |
| Foreign currency exchange gain (loss)  | (242 )                      | 42                             | (248 )  | (359 )  |
| Adjustment to fair value on stepped acquisition  | -                           | 7,433                          | -   | 7,433   |
| Gain on bargain purchase   | -                           | 10,305                         | -   | 10,305  |
| Profit on disposal of plant and equipment  | 48                          | -                              | 49  | 48  |
| Write off of plant and equipment   | (170 )                      | -                              | (174 )  | (170 )  |
| Other income:  |                             |                                |   |   |
| Profit from sale of equity investment  | -                           | 1,355                          | -   | 1,355   |
| Gain on settlement of guarantee obligation (note 15)   | 1,199                       | -                              | 1,228   | 1,199   |
| Net gain from the sale of subsidiary (note 12)   | 641                         | -                              | 656   | 641   |
| Interest (expense) income – net, related entity  | -                           | -                              | -   | 5   |
| – other  | 6                           | 1                              | 6   | 17  |
| Profit/(loss) before income taxes and equity in<br>profits/(losses) of unconsolidated entities | (4,026 )                    | 12,651                         | (4,122 )  | (2,404 )  |
| Provision for deferred income taxes (note 16)  | (3,749 )                    | (2,624 )                       | (3,838 )  | (6,373 )  |
| Profit/(loss) before equity in profit/(losses) of<br>unconsolidated entities                   | (7,775 )                    | 10,027                         | (7,960 )  | (8,777 )  |
| Equity in profits/(losses) of unconsolidated entities  | -                           | 234                            | -   | (26 )   |

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|   |          |        |          |          |
|---|----------|--------|----------|----------|
| Net profit/(loss)   | (7,775 ) | 10,261 | (7,960 ) | (8,803 ) |
| Net loss attributable to non-controlling interests                    | 846      | 1,404  | 866      | 2,250    |
| Net profit/(loss) attributable to Golden River Resources Stockholders | (6,929 ) | 11,665 | (7,094 ) | (6,553 ) |
| Basic and diluted net profit/(loss) per common equivalent shares      |          |        |          |          |
| Net profit/(loss) per share   | (0.17 )  | 0.65   | (0.17 )  | (0.77 )  |
| Weighted average number of common shares used per share calculation   | 40,488   | 18,052 | 40,488   | 8,575    |

The accompanying notes are an integral part of the consolidated financial statements.

F-4

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## GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)

Consolidated Statements of Stockholders' Equity (Deficit)

June 30, 2010 and 2011

and for the cumulative period July 1, 2002

(inception of exploration activities) to June 30, 2011

|   | Common<br>Shares | Treasury<br>Stock<br>Amount | Treasury<br>Stock<br>Cost | Additional<br>Paid-in<br>Capital | Retained<br>Profit/(Deficit)<br>during<br>the<br>Exploration<br>stage | Retained<br>(Deficit)<br>prior to<br>Exploration<br>stage | Deferred<br>Compensation | Accumulated<br>Other<br>Compre-<br>hensive<br>Loss | Non-Controlling<br>Interests | Total       |
|---|------------------|-----------------------------|---------------------------|----------------------------------|---|---|--------------------------|--|------------------------------|-------------|
|   | 000's            | CDN\$000's                  | CDN\$000's                | CDN\$000's                       | CDN\$000's  | CDN\$000's  | CDN\$000's               | CDN\$000's   | CDN\$000's                   | CDN\$000's  |
| Balance June 30, 2002   | 635              | -                           | \$ (19 )                  | \$ 24,061                        | -   | \$ (24,748 )  | -                        | \$ (461 )  | -                            | \$ (1,167 ) |
| Net loss  | -                | -                           | -                         | -                                | \$ (639 )   | -   | -                        | -  | -                            | (639 )      |
| Balance June 30, 2003   | 635              | -                           | \$ (19 )                  | \$ 24,061                        | \$ (639 )   | \$ (24,748 )  | -                        | \$ (461 )  | -                            | \$ (1,806 ) |
| Issuance of 175,398 shares and warrants in lieu of debt repayment | 175              | -                           | -                         | \$ 2,331                         | -   | -   | -                        | -  | -                            | \$ 2,331    |
| Sale of 167,000 shares and warrants                               | 167              | -                           | -                         | \$ 2,221                         | -   | -   | -                        | -  | -                            | \$ 2,221    |
| Issuance of 694,306 shares on cashless exercise of options        | 694              | -                           | -                         | -                                | -   | -   | -                        | -  | -                            | \$ 0        |
| Net unrealized (loss) on foreign exchange                         | -                | -                           | -                         | -                                | -   | -   | -                        | \$ (317 )  | -                            | \$ (317 )   |
| Net (loss)  | -                | -                           | -                         | -                                | \$ (1,616 )   | -   | -                        | -  | -                            | \$ (1,616 ) |
| Balance June 30, 2004   | 1,671            | -                           | \$ (19 )                  | \$ 28,613                        | \$ (2,255 )   | \$ (24,748 )  | -                        | \$ (778 )  | -                            | \$ 813      |
| Issuance of 140,000 options under 2004 stock option plan          | -                | -                           | -                         | \$ 1,646                         | -   | -   | \$ (1,646 )              | -  | -                            | \$ 0        |
| Amortization of 140,000 options under 2004 stock option plan      | -                | -                           | -                         | -                                | -   | -   | \$ 1,095                 | -  | -                            | \$ 1,095    |
| Net unrealized (loss) on foreign                                  | -                | -                           | -                         | -                                | -   | -   | -                        | \$ (17 )   | -                            | \$ (17 )    |

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|  |       |   |          |             |             |              |           |           |   |             |
|--|-------|---|----------|-------------|-------------|--------------|-----------|-----------|---|-------------|
| exchange   |       |   |          |             |             |              |           |           |   |             |
| Net/(loss)   | -     | - | -        | -           | \$ (3,156 ) | -            | -         | -         | - | \$ (3,156 ) |
| Balance June 30,<br>2005   | 1,671 | - | \$ (19 ) | \$ 30,259   | \$ (5,411 ) | \$ (24,748 ) | \$ (551 ) | \$ (795 ) | - | \$ (1,265 ) |
| To eliminate<br>deferred<br>compensation<br>against<br>Additional<br>Paid-In Capital     | -     | - | -        | \$ (551 )   | -           | -            | \$ 551    | -         | - | \$ 0        |
| Issuance of<br>1,000,000 shares<br>and 2,000,000<br>options in lieu of<br>debt repayment | 1,000 | - | -        | \$ 3,321    | -           | -            | -         | -         | - | \$ 3,321    |
| Capital gain on<br>shares and<br>options issued in<br>lieu of debt<br>repayment          | -     | - | -        | \$ (1,610 ) | -           | -            | -         | -         | - | \$ (1,610 ) |
| Sale of<br>2,000,000<br>normal warrants  | -     | - | -        | \$ 827      | -           | -            | -         | -         | - | \$ 827      |
| Sale of<br>1,000,000<br>special warrants   | -     | - | -        | \$ 887      | -           | -            | -         | -         | - | \$ 887      |
| Amortization of<br>140,000 options<br>under 2004 stock<br>option plan                    | -     | - | -        | \$ 532      | -           | -            | -         | -         | - | \$ 532      |
| Net unrealized<br>gain on foreign<br>exchange  | -     | - | -        | -           | -           | -            | -         | \$ 369    | - | \$ 369      |
| Net (loss)   | -     | - | -        | -           | \$ (1,588 ) | -            | -         | -         | - | \$ (1,588 ) |
| Balance June 30,<br>2006   | 2,671 | - | \$ (19 ) | \$ 33,665   | \$ (6,999 ) | \$ (24,748 ) | \$ -      | \$ (426 ) | - | \$ 1,473    |

F-5

## GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)

Consolidated Statements of Stockholders' Equity (Deficit)

June 30, 2010 and 2011

and for the cumulative period July 1, 2002

(inception of exploration activities) to June 30, 2011

(Continued)

|  | Shares | Amount     | Treasury Stock | Additional Paid-in Capital | Retained Profit/(Deficit) during the Exploration stage | Retained (Deficit) prior to Exploration | Accumulated Other Comprehensive Loss | Non-Controlling Interests | Total      |
|--|--------|------------|----------------|----------------------------|--|---|--------------------------------------|---------------------------|------------|
|  | 000's  | CDN\$000's | CDN\$000's     | CDN\$000's                 | CDN\$000's   | CDN\$000's                              | CDN\$000's                           | CDN\$000's                | CDN\$000's |
| Costs associated with sale of normal and special warrants    | -      | -          | -              | \$(3)                      | -  | -                                       | -                                    | -                         | \$(3)      |
| Amortization of 140,000 options under 2004 stock option plan | -      | -          | -              | \$19                       | -  | -                                       | -                                    | -                         | \$19       |
| Amortization of 465,000 options under 2006 stock option plan | -      | -          | -              | \$510                      | -  | -                                       | -                                    | -                         | \$510      |
| Net unrealized gain on foreign exchange                      | -      | -          | -              | -                          | -  | -                                       | \$48                                 | -                         | \$48       |
| Net (loss)   | -      | -          | -              | -                          | \$(1,965)  | -                                       | -                                    | -                         | \$(1,965)  |
| Balance June 30, 2007  | 2,671  | \$-        | \$(19)         | \$34,191                   | \$(8,964)  | \$(24,748)                              | \$(378)                              | -                         | \$82       |
| Amortization of 465,000 options under 2006 stock option plan | -      | -          | -              | \$333                      | -  | -                                       | -                                    | -                         | \$333      |
| Net unrealized gain on foreign exchange                      | -      | -          | -              | -                          | -  | -                                       | \$27                                 | -                         | \$27       |
| Net (loss)   | -      | -          | -              | -                          | \$(1,073)  | -                                       | -                                    | -                         | \$(1,073)  |
| Balance June 30, 2008  | 2,671  | \$-        | \$(19)         | \$34,524                   | \$(10,037)   | \$(24,748)                              | \$(351)                              | -                         | \$(631)    |
| Amortization of 465,000 options under 2006 stock option plan | -      | -          | -              | \$173                      | -  | -                                       | -                                    | -                         | \$173      |
| Sale of 10,000,000   | 10,000 | \$1        | -              | \$681                      | -  | -                                       | -                                    | -                         | \$682      |

|  |        |      |          |           |              |              |      |           |             |             |
|--|--------|------|----------|-----------|--------------|--------------|------|-----------|-------------|-------------|
| shares   |        |      |          |           |              |              |      |           |             |             |
| Net unrealized (loss) on foreign exchange                              | -      | -    | -        | -         | -            | -            | -    | \$ (43 )  | -           | \$ (43 )    |
| Forgiveness of advances from affiliate                                 | -      | -    | -        | \$ 588    | -            | -            | -    | -         | -           | \$ 588      |
| Net (loss)   | -      | -    | -        | -         | \$ (1,252 )  | -            | -    | -         | -           | \$ (1,252 ) |
| Balance June 30, 2009  | 12,671 | \$ 1 | \$ (19 ) | \$ 35,966 | \$ (11,289 ) | \$ (24,748 ) | \$ - | \$ (394 ) | -           | \$ (483 )   |
| Amortization of 465,000 options under 2006 stock option plan           | -      | -    | -        | \$ 39     | -            | -            | -    | -         | -           | \$ 39       |
| Sale of 9,960,351 shares   | 9,960  | \$ 1 | -        | \$ 10,763 | -            | -            | -    | -         | -           | \$ 10,764   |
| Issuance of 300,000 shares as part purchase price of mining properties | 300    | -    | -        | \$ 627    | -            | -            | -    | -         | -           | \$ 627      |
| Re-purchase of warrants  | -      | -    | -        | \$ (579 ) | -            | -            | -    | -         | -           | \$ (579 )   |
| Net unrealized gain on foreign exchange                                | -      | -    | -        | -         | -            | -            | -    | \$ 22     | -           | \$ 22       |
| Net profit   | -      | -    | -        | -         | \$ 10,261    | -            | -    | -         | -           | \$ 10,261   |
| Adjustment for additional investment in consolidated subsidiary        | -      | -    | -        | \$ 1,994  | -            | -            | -    | -         | \$ (1,994 ) | \$ 0        |
| Fair value of non-controlling interest                                 | -      | -    | -        | -         | -            | -            | -    | -         | \$ 20,552   | \$ 20,552   |
| Net loss attributable to non-controlling interests                     | -      | -    | -        | -         | \$ 1,404     | -            | -    | -         | \$ (1,404 ) | \$ 0        |
| Balance June 30, 2010  | 22,931 | \$ 2 | \$ (19 ) | \$ 48,810 | \$ 376       | \$ (24,748 ) | \$ - | \$ (372 ) | \$ 17,154   | \$ 41,203   |



## GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)

Consolidated Statements of Stockholders' Equity (Deficit)

June 30, 2010 and 2011

and for the cumulative period July 1, 2002

(inception of exploration activities) to June 30, 2011

(Continued)

|  | Shares | Amount   | Treasury<br>Stock<br>at<br>Cost | Additional<br>Paid-in<br>Capital | Retained<br>Profit/(Deficit)<br>during<br>the<br>Exploration<br>stage | Retained<br>(Deficit)<br>prior to<br>Exploration<br>stage | Deferred<br>Costs | Accumulated<br>Other<br>Compre-<br>hensive<br>Loss | Non-Controlling<br>Interests | Total       |
|--|--------|----------|---------------------------------|----------------------------------|---|---|-------------------|--|------------------------------|-------------|
|  | 000    | CDN\$000 | CDN\$000                        | CDN\$000                         | CDN\$000  | CDN\$000  | CDN\$000          | CDN\$000   | CDN\$000                     | CDN\$000    |
| Issue of 33,875,580 shares                                       | 33,876 | \$ 3     | -                               | \$ 3,094                         | -   | -   | -                 | -  | -                            | \$ 3,097    |
| Amortization of 800,000 options under employee stock option plan | -      | -        | -                               | \$ 162                           | -   | -   | -                 | -  | -                            | \$ 162      |
| Net (loss)   | -      | -        | -                               | -                                | \$ (7,775 )   | -   | -                 | -  | -                            | \$ (7,775 ) |
| Adjustment for additional investment in consolidated subsidiary  | -      | -        | -                               | \$ 1,512                         | -   | -   | -                 | -  | \$ (1,512 )                  | \$ 0        |
| Adjustment due to issue of shares by subsidiary                  | -      | -        | -                               | -                                | -   | -   | -                 | -  | \$ 10                        | \$ 10       |
| Net loss attributable to non-controlling interests               | -      | -        | -                               | -                                | \$ 846  | -   | -                 | -  | \$ (846 )                    | \$ 0        |
| Balance June 30, 2011  | 56,807 | \$ 5     | \$ (19 )                        | \$ 53,578                        | \$ (6,553 )   | \$ (24,748)   | \$ -              | \$ (372 )  | \$ 14,806                    | \$ 36,697   |

The accompanying notes are an integral part of the consolidated financial statements.

## GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)

Consolidated Statements of Cash Flows  
for the Years Ended June 30, 2010 and 2011and for the cumulative period July 1, 2002  
(inception of exploration activities) to June 30, 2011

|  | 2011       | 2010       | Convenience<br>Translation<br>2011 | July 1,<br>2002<br>to June 30,<br>2011 |
|--|------------|------------|------------------------------------|--|
|  | CDN\$000's | CDN\$000's | USD\$000's                         | CDN\$000's                             |

## CASH FLOWS FROM OPERATING ACTIVITIES

|  |          |           |          |           |
|--|----------|-----------|----------|-----------|
| Net profit/(loss)  | (7,775 ) | 10,261    | (7,960 ) | (8,803 )  |
| Adjustments to reconcile net profit (loss) to net cash (used)<br>in operating activities |          |           |          |           |
| Foreign currency exchange (gain)/ loss   | 242      | (42 )     | 248      | 359       |
| Depreciation/amortization of plant and equipment   | 431      | 488       | 441      | 919       |
| Stock based compensation   | 162      | 39        | 166      | 2,922     |
| Provision for deferred income tax  | 3,749    | 2,624     | 3,838    | 6,373     |
| Equity in profits/(losses) of non-consolidated entities                                  | -        | (234 )    | -        | 26        |
| Adjustment to fair value on stepped acquisition  | -        | (7,433 )  | -        | (7,433 )  |
| Bargain purchase of controlled entities  | -        | (10,305 ) | -        | (10,305 ) |
| Profit from sale of equity investment  | -        | (1,355 )  | -        | (1,355 )  |
| Profit on disposal of plant and equipment  | (48 )    | -         | (49 )    | (48 )     |
| Gain on settlement of guarantee obligation   | (1,199 ) | -         | (1,228 ) | (1,199 )  |
| Net gain from sale of subsidiary   | (641 )   | -         | (656 )   | (641 )    |
| Write off of exploration costs   | 377      | -         | 386      | 377       |
| Write off of plant and equipment   | 170      | -         | 174      | 170       |
| Accrued interest added to principal  | (61 )    | 147       | (62 )    | 259       |
| Net change net of acquisition in:  |          |           |          |           |
| Receivables  | (82 )    | (71 )     | (84 )    | (159 )    |
| Staking deposit  | -        | -         | -        | 22        |
| Prepaid expenses and deposits  | 70       | (141 )    | 72       | (71 )     |
| Accounts payable and accrued expenses  | (2,183 ) | 479       | (2,235 ) | (1,579 )  |
| Accrued site remediation   | (200 )   | -         | (205 )   | (200 )    |
| Net Cash (Used) in Operating Activities  | (6,988 ) | (5,543 )  | (7,154 ) | (20,366 ) |

## CASH FLOW FROM INVESTING ACTIVITIES

|  |          |          |          |           |
|--|----------|----------|----------|-----------|
| Acquisition of majority owned subsidiary net of cash<br>acquired | (1,477 ) | (7,585 ) | (1,512 ) | (10,062 ) |
| Proceeds of sale of equity investment                            | -        | 1,963    | -        | 1,963     |
| Proceeds of disposal of plant and equipment                      | 76       | -        | 78       | 76        |
| Proceeds of disposal of subsidiary (net)                         | 9,803    | -        | 10,036   | 9,803     |

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|   |        |          |        |        |
|---|--------|----------|--------|--------|
| Purchase of plant and equipment                     | (190 ) | (155 )   | (195 ) | (370 ) |
| Net Cash Provided By/(Used) in Investing Activities | 8,212  | (5,777 ) | 8,407  | 1,410  |

CASH FLOW FROM FINANCING ACTIVITIES

|                                 |          |          |          |          |
|---------------------------------|----------|----------|----------|----------|
| Borrowings from affiliates      | 2,497    | 5,378    | 2,556    | 8,841    |
| Repayments to affiliates        | (3,990 ) | (3,166 ) | (4,085 ) | (7,156 ) |
| Proceeds from issuance of stock | 3,097    | 10,764   | 3,171    | 13,861   |
| Repayment of borrowings         | -        | (139 )   | -        | (139 )   |
| Sale of warrants (net)          | -        | -        | -        | 4,749    |
| Re-purchase of warrants         | -        | (579 )   | -        | (579 )   |
| Proceeds from loan payable      | -        | -        | -        | 3,261    |

|   |       |        |       |        |
|---|-------|--------|-------|--------|
| Net Cash Provided by Financing Activities | 1,604 | 12,258 | 1,642 | 22,838 |
|---|-------|--------|-------|--------|

|                                  |   |   |   |       |
|----------------------------------|---|---|---|-------|
| Effects of Exchange Rate on Cash | 7 | - | 7 | (90 ) |
|----------------------------------|---|---|---|-------|

|                             |       |     |       |       |
|-----------------------------|-------|-----|-------|-------|
| Net Increase in Cash        | 2,835 | 938 | 2,902 | 3,792 |
| Cash at Beginning of Period | 957   | 19  | 980   | -     |

|                       |       |     |       |       |
|-----------------------|-------|-----|-------|-------|
| Cash at End of Period | 3,792 | 957 | 3,882 | 3,792 |
|-----------------------|-------|-----|-------|-------|

Supplemental Disclosures

|               |    |     |    |     |
|---------------|----|-----|----|-----|
| Interest Paid | 44 | 139 | 45 | 523 |
|---------------|----|-----|----|-----|

NON CASH FINANCING ACTIVITY

|  |   |   |   |       |
|--|---|---|---|-------|
| Debt repaid through issuance of shares | - | - | - | 5,771 |
|--|---|---|---|-------|

|                                  |     |   |     |     |
|----------------------------------|-----|---|-----|-----|
| Write off of plant and equipment | 170 | - | 174 | 170 |
|----------------------------------|-----|---|-----|-----|

|   |   |   |   |       |
|---|---|---|---|-------|
| Stock options recorded as deferred compensation | - | - | - | 1,258 |
|---|---|---|---|-------|

|                                      |   |   |   |     |
|--------------------------------------|---|---|---|-----|
| Extinguishment of related party debt | - | - | - | 593 |
|--------------------------------------|---|---|---|-----|

|  |   |     |   |     |
|--|---|-----|---|-----|
| Stock issued for acquisition of properties | - | 627 | - | 627 |
|--|---|-----|---|-----|

The accompanying notes are an integral part of the consolidated financial statements.

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES  
(An Exploration Stage Company)  
Notes to Consolidated Financial Statements  
June 30, 2011 and 2010

(1) ORGANIZATION AND BUSINESS

Golden River Resources Corporation ("Golden River Resources") is incorporated in the State of Delaware. The principal shareholders of Golden River Resources are companies associated with the President of Golden River Resources and his spouse. These companies owned 96.51% of Golden River Resources as of June 30, 2011.

During fiscal 1998, Golden River Resources incorporated a further subsidiary, Baynex.com Pty Ltd, under the laws of Australia, Baynex.com Pty Ltd has not traded since incorporation. On August 21, 2000, Golden River Resources incorporated a new wholly owned subsidiary, Bay Resources (Asia) Pty Ltd, a corporation incorporated under the laws of Australia. In May 2002, the Company incorporated a new wholly owned subsidiary, Golden Bull Resources Corporation (formerly 4075251 Canada Inc), a corporation incorporated under the laws of Canada. Golden Bull Resources Corporation is undertaking exploration activities for gold in Canada.

Golden River Resources as part of its business strategy is increasing its gold and base metal exploration activity in Canada and is continually sourcing new ground in Canada which is one of the most prospective areas for new gold discoveries. On March 17, 2009, the Company announced that it had reached agreement with Acadian Mining Corporation (TSX: ADA) ("Acadian") to subscribe in a private placement transaction for up to 33,811,134 common shares ("Offering") in Acadian for aggregate gross investment of up to CDN\$10 million. The Offering was contemplated to close in two or more tranches giving Golden River a 68.7% holding of Acadian.

The closing of the first tranche, for an aggregate of CDN\$1.0 million (3,811,133 shares) was subject to receipt of the required regulatory approvals, including the approval of the Toronto Stock Exchange which occurred in early June 2009. The Company held a 19.9% interest in Acadian at June 30, 2009.

Throughout July 2009, Golden River Resources subscribed for further shares to a value of CDN\$4 million and at July 31, 2009, the Company held a 52.764% interest in Acadian. As a result, Golden River Resources has since that time consolidated the results of Acadian. On September 30, 2009, a further closing for an aggregate of CDN\$1 million occurred increasing the Company's interest in Acadian to 57.145% and during October 2009, Golden River Resources completed its subscription in Acadian by subscribing for shares to the value of CDN\$4 million which increased its interest in Acadian to 68.7%. On July 8, 2010, Golden River Resources subscribed for a further 4,923,387 common shares at a price of CDN\$0.30 per share for an aggregate CDN\$1,477,016. Golden River holds 38,734,520 common shares in Acadian for a 71.48% interest at June 30, 2011. During July 2011, Golden River Resources purchased a further 259,500 common shares in Acadian at a cost of CDN\$79,985. Golden River Resources currently holds 38,994,020 common shares in Acadian for a 71.96% interest.

The financial statements presented herein have been prepared on a consolidated basis to include the accounts of Golden River Resources and its other subsidiaries (collectively "the Company"). All intercompany balances and transactions have been eliminated in consolidation.

As further described on note 7, effective November 1, 2010, the Company had a 1-for-10 reverse stock split of its Common Stock and accordingly, all share and per share data has been retroactively restated.

In November 2010, Acadian consolidated its outstanding common shares on a basis of one post-consolidation share for every ten pre-consolidation shares as approved by the shareholders of Acadian. Acadian's common shares

commenced trading on a consolidated basis on November 17, 2010. All comparative figures have been retroactively adjusted as if this share consolidation occurred on January 1, 2010.

The Company's consolidated financial statements are prepared using generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, Golden River Resources is an exploration stage company which has not yet commenced revenue producing operations and has sustained recurring losses since inception, all of which raises substantial doubt as to its ability to continue as a going concern.

In addition, Golden River Resources has historically relied on loans and advances from corporations affiliated with the President of Golden River Resources and fund raising through the sale of equity instruments. Based on discussions with these affiliate companies, the Company believes this source of funding will continue to be available.

F-9

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Other than the arrangements noted above, the Company has not confirmed any other arrangement for ongoing funding. The Company's ability to continue operations through fiscal 2012 is dependent upon future funding from capital raisings, or its ability to commence revenue producing operations and positive cash flows.

(2) RECENT ACCOUNTING PRONOUNCEMENTS

In January 2010, the FASB issued ASU 2010-01, Equity (Topic 505) – Accounting for Distributions to Shareholders with Components of Stock and Cash. ASU 2010-01 clarifies that the stock portion of a distribution to shareholders that allows them to elect to receive cash or shares with a potential limitation on the amount of cash that all shareholders can elect to receive is considered a share issuance. ASU 2010-01 is effective for interim and annual periods ending on or after December 15, 2009 and should be applied on a retrospective basis. The adoption of ASU 2010-01 did not have any impact on our financial position, results of operations or cash flows.

In January 2010, the FASB issued ASU No. 2010-06, Fair Value Measurements and Disclosures: Improving Disclosures about Fair Value Measurements, under ASC No. 820-10. The update requires new disclosures about significant transfers in and out of Level 1 and Level 2 fair value measurements. ASU No. 2010-06 also clarifies disclosures required about inputs, valuation techniques and the level of disaggregation applied to each class of assets and liabilities. These updates are effective for interim and annual reporting periods beginning after December 15, 2009. These amendments have no material impact on the Company's financial results given that they relate to disclosure and presentation only.

In April 2010, the FASB issued ASU 2010-13, Share Based Payment Awards Denominated in Certain Currencies. The ASU guidance issued to amend ASC 718, Compensation – Stock Compensation clarifies that an employee share-based payment award that has an exercise price denominated in the currency of the market in which a substantial portion of the entity's equity shares trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity should not classify such an award as a liability if it otherwise qualifies as equity. This amended guidance is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010, with early adoption permitted. The adoption of ASU 2010-13 did not have a material impact on our financial position, results of operations or cash flows.

In December 2010, the FASB issued ASU 2010-28 which amends "Intangibles- Goodwill and Other" (Topic 350). The ASU modifies Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting entities, they are required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. An entity should consider whether there are any adverse qualitative factors indicating that impairment may exist. The qualitative factors are consistent with the existing guidance in Topic 350, which requires that goodwill of a reporting unit be tested for impairment between annual tests if an event occurs or circumstances changes that would more likely than not reduce the fair value of a reporting unit below its carrying amount. ASU 2010-28 is effective for fiscal years, and interim periods within those years beginning after December 15, 2010. The adoption of this ASU requires management to further analyze and evaluate goodwill for impairment on a periodic basis.

In December 2010, the FASB issued ASU 2010-29 which address diversity in practice about the interpretation of the pro forma revenue and earnings disclosure requirements for business combinations (Topic 805). This ASU specifies that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. This ASU also expands the supplemental pro forma disclosures under Topic 805 to include a description of the nature and amount of material, nonrecurring pro-forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. ASU 2010-29 is effective prospectively for business combinations for which the acquisition date is on or after the

beginning of the first annual reporting period beginning on or after December 15, 2010. The adoption of this ASU did not have a material impact on the Company's financial position, results of operations or cash flows.

In May 2011, the Financial Accounting Standards Board (FASB) issued ASU No. 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." The amendments in this Update generally represent clarifications of Topic 820, but also include some instances where a particular principle or requirement for measuring fair value or disclosing information about fair value measurements has changed. This Update results in common principles and requirements for measuring fair value and for disclosing information about fair value measurements in accordance with U.S. GAAP and IFRSs. The amendments in this Update are to be applied prospectively. For public entities, the amendments are effective during interim and annual periods beginning after December 15, 2011. Early application by public entities is not permitted. The Company does not expect this guidance to have a significant impact on our financial position, results of operations or cash flows.

F-10

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In June 2011, the FASB issued Accounting Standards Update (“ASU”) 2011-05, Presentation of Comprehensive Income. This ASU is intended to increase the prominence of other comprehensive income in financial statements by presenting the components of net income and other comprehensive income in one continuous statement, referred to as the statement of comprehensive income, or in two separate, but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in stockholders’ equity. This new guidance is effective for fiscal years and interim periods beginning after December 15, 2011. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income under current accounting guidance; therefore, adoption of the new guidance in the third quarter of fiscal 2012 will not have any impact on the Company’s financial position, results of operations or cash flows.

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed in connection with the preparation of the consolidated financial statements.

(a) Principles of Consolidation

The consolidated financial statements include the assets and liabilities of the Company and the entities it controlled at the end of the financial period and the results of the Company and the entities it controlled during the year. Where entities are not controlled throughout the entire financial year, the consolidated results include the results of those entities for that part of the period during which control exists. The effect of all transactions between entities in the group and the inter-entity balances are eliminated in full in preparing the consolidated financial statements.

(b) Functional and Reporting Currency

Prior to July 1, 2009, the Company’s functional and reporting currency was the Australian dollar and its subsidiary, Golden Bull Resources Corporation’s functional currency was the Canadian dollar. However, as a result of the purchase of the controlling interest in Acadian Mining Corporation in Canada in July 2009, the Company’s fiscal 2010 revenue and expenses were going to be primarily denominated in Canadian dollars (CDN\$). ASC Topic 830 “Foreign Currency Matters” states that the functional currency of an entity is the currency of the primary economic environment in which the entity operates. Accordingly the Company determined that from July 1, 2009 the functional and reporting currency of the Company is the Canadian dollar. Assets, liabilities and portions of equity were translated at the rate of exchange at July 1, 2009 and portions of equity were translated at historical exchange rates. Revenue and expenses were translated at actual rates. Translation gains and losses were included as part of accumulated other comprehensive loss.

Restatement of comparative numbers was made for the change in functional and reporting currency. The change was adopted prospectively beginning July 1, 2009 in accordance with ASC Topic 830.

(c) Business Combinations

In December 2007, the ASC guidance for business combinations was updated to provide new guidance for recognizing and measuring identifiable assets and goodwill acquired, liabilities assumed, and any noncontrolling interests in the acquiree. The updated guidance also provides disclosure requirements to enable users of the financial statements to evaluate the nature and financial effects of the business combination.



In April 2009, the guidance was updated to address application issues on initial recognition and measurement, subsequent measurement and accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. This update is effective for assets or liabilities arising from contingencies in business combinations for which the acquisition date is on or after January 1, 2009. The Company's acquisition of the 68.7% interest in Acadian Mining Corporation, completed on August 6, 2009, was accounted for using this guidance.

(d) Noncontrolling Interests

In December 2007, the ASC guidance for noncontrolling interests was updated to establish accounting and reporting standards pertaining to: (i) ownership interests in subsidiaries held by parties other than the parent ("noncontrolling interests"), (ii) the amount of net income attributable to the parent and to the noncontrolling interests, (iii) changes in a parent's ownership interest, and (iv) the valuation of any retained noncontrolling equity investment when a subsidiary is deconsolidated. If a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary is measured at fair value and a gain or loss is recognized in net income based on such fair value. For presentation and disclosure purposes, the guidance requires noncontrolling interests to be classified as a separate component of equity. Noncontrolling interests reflect third parties ownership interest in entities that are consolidated as less than 100% owned.

(e) Fair Value of Financial Instruments

FASB issued ASC Topic 825 “Financial Instruments” which requires the Company to disclose, when reasonably attainable, the fair market values of its assets and liabilities which are deemed to be financial instruments. The Company’s financial instruments consist primarily of cash, receivables, accounts payable and accrued expenses, and advances from affiliates. The carrying amounts of cash receivables, accounts payable and accrued expenses approximate their respective fair values due to the short term maturities of these instruments. The fair value of advances from affiliates are not practicable to estimate as no similar market exists for these instruments and as it does not have a specified date of repayment.

(f) Mineral Property Acquisition, Exploration Costs and Amortization of Mineral Rights

Mineral property acquisition, exploration and development costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. When it is determined that a mining deposit can be economically and legally extracted or produced based on established proven and probable reserves, further exploration costs and development costs incurred after such determination will be capitalized. The establishment of proven and probable reserves is based on results of final feasibility studies which indicate whether a property is economically feasible. Upon commencement of commercial production, capitalized costs will be transferred to the appropriate asset category and amortized over their estimated useful lives. Capitalized costs, net of salvage values, relating to a deposit which is abandoned or considered uneconomic for the foreseeable future, will be written off.

(g) Reclamation and Remediation Obligations (Asset Retirement Obligations)

Reclamation costs are allocated to expense over the life of the exploration activity and are periodically adjusted to reflect changes in the estimated present value resulting from the passage of time and revisions to the estimates of either the timing or amount of the reclamation and remediation costs. The asset retirement obligation is based on when the spending for an existing environmental disturbance will occur. The Company reviews, on at least an annual basis, the asset retirement obligation at each exploration site.

Future remediation costs are accrued based on management’s best estimate at the end of each period of the costs expected to be incurred. Such cost estimates include, where applicable, plugging of drill holes, removal of consumables and ripping of drill pads and tracks. Changes in estimates are reflected in earnings in the period an estimate is revised.

Accounting for reclamation and remediation obligations requires management to make estimates unique to each exploration operation of the future costs the Company will incur to complete the reclamation and remediation work required to comply with existing laws and regulations. Actual costs incurred in future periods could differ from amounts estimated. Additionally, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required. Any such increases in future costs could materially impact the amounts charged to earnings for reclamation and remediation.

(h) Comprehensive Income (Loss)

The Company follows ASC Topic 220 “Comprehensive Income” (“ASC 220”). ASC 220 requires a company to report comprehensive profit/(loss) and its components in a full set of financial statements. Comprehensive profit/(loss) is the change in equity during a period from transactions and other events and circumstances from non-owner sources, such as unrealized gains (losses) on foreign currency translation adjustments. Changes in unrealized foreign currency translation gains or (losses) during fiscal 2011 and 2010 amounted to CDN\$nil and

CDN\$22,000 respectively. Accordingly, comprehensive income (loss) for the years ended June 30, 2011 and 2010 amounted to CDN\$6,929,000 and CDN\$11,687,000 respectively.

(i) Property and Equipment

Property, plant and equipment are recorded at cost. Depreciation is provided for on office assets using the declining balance method at the following annual rates (in the year of acquisition one-half of the calculated depreciation is recognized):

F-12

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|  |    |   |
|--|----|---|
| Automotive equipment                   | 30 | % |
| Building                               | 5  | % |
| Office fixtures and computer equipment | 20 | % |
| Equipment                              | 20 | % |

In fiscal year 2010, mine site assets were depreciated on a straight line balance method over the expected life of the mine at thirteen and one half years.

All other assets are depreciated over a period covering their estimated useful lives.

(j) Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. For the periods presented there were no cash equivalents.

(k) Federal Income Tax

ASC Topic 740 prescribes how a company should recognise, measure, present and disclose in its financial statements uncertain tax positions that the Company has taken or expects to take on a tax return. Additionally for tax positions to qualify for deferred tax benefit recognition under ASC 740, the position must have at least “more likely than not” chance of being sustained upon challenge by the respective taxing authorities, and whether or not it meets that criteria is a matter of significant judgement. The Company believes that it does not have any uncertain tax positions that would require the recording or disclosure of a potential tax liability.

The Company follows the asset and liability approach which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. For the period presented, there was no taxable income. There are deferred income taxes resulting from temporary differences in reporting certain income and expense items for income tax and financial accounting purposes. The Company, at this time, is not aware of any net operating losses which are expected to be realised.

(l) Net Profit/Loss per Share

The Company follows the FASB ASC Topic 260 “Earnings per Share” provisions which require the reporting of both basic and diluted profit/(loss) per share. Basic profit/(loss) per share is computed by dividing net profit/(loss) available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted net profit/(loss) per share reflect the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. Anti-dilutive effects on net profit/(loss) per share are excluded.

(m) Lease Liability

Leases meeting certain criteria are accounted for as a capital lease. Imputed interest is charged against income. The capitalised value of the assets is depreciated over the term of the lease. The Company has entered into leasing agreements of four year terms for mining equipment. Obligations under capital lease are reduced by the rental payments net of imputed interest. All other leases are treated as operating leases.

(n) Impairment or Disposal of Long-Lived Assets

The Company accounts for its long-lived assets in accordance with ASC Topic 360, “Impairment or Disposal of Long-Lived Assets”. ASC Topic 360 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of its assets, including property, plant and equipment and mineral rights, by estimating the future net cash flows expected to result from the asset, including eventual disposition. If the future net cash flows are less than the carrying value of the asset, the impairment loss is recorded equal to the difference between the asset’s carrying value and fair value or disposable value.

(o) Stock Options

For the issuances of stock options, the Company follows the fair value provisions of FASB issued guidance now codification ASC Topic 718, “Compensation-Stock Compensation”. Topic 718 requires the Company to measure the cost of employee services received in exchange for an award of equity instruments based on grant date fair value. The cost will be recognised over the period during which an employee is required to provide service in exchange for the award – usually the vesting period. In the case where there is no required service period, the fair value of the equity instruments is expensed immediately.

(p) Pension Plans

The Company does not have any pension or profit sharing plans. The Company's staff employed in Canada are subject to Canadian requirements for contributions to pension plans. Contributions to employee benefit or health plans during the years ended June 30, 2011 and 2010 were CDN\$50,163 and CDN\$34,469 respectively.

(q) Concentrations of credit risk

The Company monitors its position with, and the credit quality of, the financial institution it invests with. As of the balance sheet date, and periodically throughout the year, the Company has maintained balances in various operating accounts in excess of federally insured limits.

(r) Convenience Translation to US\$

The consolidated financial statements as of and for the year ended June 30, 2011 have been translated into United States dollars using the rate of exchange of the United States dollar at June 30, 2011 (CDN\$1.00=US\$1.02379). The translation was made solely for the convenience of readers in the United States.

(s) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure on contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(t) Comparative Figures

Where necessary, comparative figures have been restated to be consistent with current year presentation.

(4) CONCENTRATION OF RISKS

Cash Balances

Cash consists of all cash balances and highly liquid investments with an original maturity of three months or less. Because of the short term nature of these investments, the carrying amounts approximate their fair value.

The Company held in interest bearing cash accounts at June 30, 2011, CDN\$3,781,000 (US\$3,693,000) in Canadian banking institutions, CDN\$8,000 (US\$8,000) in Australian banking institutions and CDN\$3,000 (US\$3,000) in US banking institutions.

Mineral Rights and Foreign Operations

The Company has mineral rights in Canada.

(5) INVESTMENT SECURITIES

The Company has several small historical cost based investments that it has provided a full valuation for diminution and carries at a \$nil value at June 30, 2011 and 2010.

(6)

AFFILIATE TRANSACTIONS

Golden River Resources advances to and receives advances from various affiliates. All advances between consolidated affiliates are eliminated on consolidation.

During fiscal 2011 and 2010, AXIS provided services in accordance with the service agreement of CDN\$113,099 and CDN\$135,291 respectively. During fiscal 2011 and 2010, AXIS advanced Golden River Resources CDN\$1,738,821 and CDN\$465,832 respectively. During fiscal 2011, Golden River Resources repaid AXIS CDN\$2,926,446. The amounts owed to AXIS at June 30, 2011 and 2010 were CDN\$54,242 and CDN\$1,128,768 respectively. During fiscal 2011 and 2010, no interest was charged by AXIS.

F-14

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During the fiscal year ended June 30, 2010, the Company entered into a subscription agreement with Northern Capital Resources Corp (“NCRC”) whereby NCRC would subscribe for 8.5 million shares at an issue price of US\$1.00 per share to raise US\$8.5 million. Pursuant to the subscription agreement, the Company (i) issued 5,056,671 shares of common stock at an issue price of US\$1.00 per share raising CDN\$5,582,790 during September 2009, (ii) on March 31, 2010, issued 4,903,680 shares of common stock at a purchase price of US\$1.00 per share for aggregate proceeds of CDN\$5,181,196, and (iii) on July 14, 2010, issued 1,427,580 shares at an issue price of US\$1.00 per share, raising CDN\$1,475,261. Effective as of December 31, 2010, the Company issued a further 32,448,000 shares at an issue price of US\$0.05 per share, raising CDN\$1,622,400. The proceeds have been utilized to help fund the acquisition of shares in Acadian and for working capital purposes. Mr Joseph Gutnick is the Chairman and Chief Executive Officer of NCRC and certain companies with which Mr Gutnick is affiliated owned approximately 36.52% of the outstanding common stock of NCRC. In addition, Legend International Holdings, Inc., of which Mr. Gutnick is the Chairman and Chief Executive Officer and a principal stockholder, owns 31.46% of NCRC. NCRC currently holds approximately 96.578% of the outstanding common stock of the Company. During fiscal 2011 and 2010, NCRC advanced Golden River Resources CDN\$860,845 and CDN\$nil respectively. During fiscal 2011, Golden River Resources repaid NCRC CDN\$1,064,301. The amount owed to NCRC at June 30, 2011 and 2010 under current liabilities – advances from affiliates was CDN\$nil and CDN\$203,456 respectively.

In July 2009, Acadian acquired the remaining 50% of the 15 Mile Stream mineral claims for a cash payment of CDN\$70,000 and a non-interest bearing note for CDN\$1.0 million due July 2010 and a 1% net smelter royalty payable to Mr. Will Felderhof, the former President and CEO of Acadian, and members of his family. On July 8, 2010, the Company extended the terms of the CDN\$1.0 million note for a further 12 months and paid a CDN\$100,000 principal payment. Amounts due are reflected in current liabilities – note payable at June 30, 2011. On July 8, 2011, the Company paid the amount owing in full.

(7) STOCKHOLDERS’ EQUITY

In February and March 2004, holders of options to acquire 800,000 shares of the common stock informed the Company of their intentions to exercise the cashless exercise feature of their option agreement. As a result the Company issued 694,306 shares of its common stock.

In March 2004, the Company raised US\$1,670,000 (CDN\$2,221,000) through a private placement by issuing 167,000 shares of common stock and warrants to purchase 167,000 shares of common stock at US\$13.00 per share. The warrants expired two years from the date of issuance as they were not exercised.

In March 2004, the Company received a loan from an affiliated entity in the amount of CDN\$2,241,000 (US\$1,754,000) which was used to repay other outstanding amounts due to affiliated entities. This loan was later satisfied through the issuance of 175,398 shares of common stock and warrants to purchase 175,398 shares of common stock at US\$13.00 per share. The warrants expired two years from the date of issuance as they were not exercised.

At June 30, 2005 the Company had warrants outstanding to purchase 342,398 shares of common stock at US\$13.00 per share. All of the warrants expired in 2006.

In May 2006, the Company issued 1,000,000 shares of common stock at an issue price of CDN\$1.70 (US\$1.542) and 2,000,000 warrants with an exercise price of CDN\$1.70 (US\$1.54) and a latest exercise date of April 30, 2011 as repayment of a debt of CDN\$1,700,000 (A\$2,000,000) to an affiliated entity.

In June 2006, the Company raised US\$1,542,000 (CDN\$2,527,000) from RAB Special Situations (Master) Fund Limited (“RAB”) through a private placement of 2,000,000 normal warrants and 1,000,000 special warrants. The normal



warrants have an expiry date of April 30, 2011 and an exercise price of US\$1.542 (CDN\$1.60).

Effective December 9, 2008, the Company completed a private placement offering in which the Company sold an aggregate of 10,000,000 shares of common stock at a purchase price of US\$0.05 per share for aggregate proceeds of US\$500,000. The Private Placement was made to Fast Knight Nominees Pty Ltd, a company associated with Mr Joseph I Gutnick, President and Chief Executive Officer of Golden River Resources Corporation.

During early July 2009, the Company entered into a warrant purchase agreement with RAB whereby the Company agreed to repurchase the following Warrants to purchase shares of Common Stock in the Company that had been issued to RAB in 2006: (i) Special Warrant to purchase 1,000,000 shares of Common Stock in the Company for no additional consideration expiring on June 9, 2016, and (ii) Warrant to purchase 2,000,000 shares of Common Stock in the Company at an exercise price of US\$1.542 per share expiring on April 30, 2011, for an aggregate purchase price of US\$500,000 (CDN\$524,000). Settlement of the purchase occurred on July 1, 2009. Following settlement of the purchase, the Company cancelled the Special Warrant to purchase 1,000,000 shares of Common Stock in the Company for no additional consideration expiring on June 9, 2016, and the Warrant to purchase 2,000,000 shares of Common Stock in the Company at an exercise price of US\$1.542 per share expiring on April 30, 2011.

During fiscal 2010, the Company completed a series of private placements to Northern Capital Resources Corp (“NCRC”) for an aggregate of 9,960,351 shares of common stock at a purchase price of US\$1.00 per share for aggregate proceeds of CDN\$10,764,000 (US\$9,960,351).

Effective May 10, 2010, the Company closed a transaction to purchase mineral properties in the Slave Craton of Northern Canada with Tahera Diamond Corporation and part of the purchase consideration was the issue of 300,000 shares of common stock in the Company which were valued at CDN\$626,000 (US\$598,000).

On July 14, 2010, the Company issued 1,427,580 shares of common stock at an issue price of US\$1.00 per share, raising CDN\$1,475,261, pursuant to the subscription agreement dated July 14, 2010 between the Company and NCRC.

On September 2, 2010, the Board of Directors of the Company and the holder of a majority of the outstanding shares of Common Stock approved a 1-for-10 reverse stock split of the Common Stock and approved the mailing of an Information Statement to stockholders in relation to the reverse stock split, which became effective on November 1, 2010. The Company has accounted for this reverse stock split and accordingly, all share and per share data has been retroactively restated.

Effective as of December 31, 2010, the Company completed a private placement to NCRC for 32,448,000 shares of common stock at a purchase price of US\$0.05 per share, representing the then trading price of the Company’s stock, raising CDN\$1,622,400.

(8) ISSUE OF OPTIONS UNDER STOCK OPTION PLAN

The Company follows the provisions of ASC Topic 718 Compensation-Stock Compensation (“ASC 718”), which addresses the accounting for share-based payment transactions in which a company receives employee services in exchange for (a) equity instruments of that company or (b) liabilities that are based on the fair value of the Company’s equity instruments or that may be settled by the issuance of such equity instruments.

The Company has accounted for all options issued based upon their fair market value using either the Black Scholes or Binomial option pricing method. Prior to 2006, the Company used the Black Scholes option pricing method to determine the fair market value of options issued. In 2006, the Company changed from using the Black Scholes option pricing method to the Binomial option pricing model. The Binomial option pricing model breaks down the time to expiration into a number of steps or intervals and can therefore be used to value American style options, taking into account the possibility of early exercise and reflect changing inputs over time. The options issued in 2006 have three vesting periods and therefore, the Company believed the Binomial option pricing model is a more accurate measure of the fair value of the options.

In October 2004, the Board of Directors and Remuneration Committee of the Company adopted a Stock Option Plan and agreed to issue 140,000 options to acquire shares of common stock in the Company, at an exercise price of US\$10.00 per option, subject to shareholder approval which was subsequently received on January 27, 2005. All such options were vested by July 2006. The exercise price of US\$10.00 was derived from the issue price of common stock from the placement of shares on September 30, 2004 and is considered by the Company’s Directors to be the fair value of the common stock. The options expire on October 15, 2014.

The Company calculated the fair value of the 140,000 options using the Black Scholes valuation method using a fair value share price of US\$10.00, strike price of US\$10.00, maturity period of 5 years 7 ½ months, risk free interest rate of 5.15% and volatility of 20%. The total value of the options were amortized over the vesting period. At March 31, 2011, the options are fully vested.

Consistent with the provisions of ASC 718, the Company recorded the fair value of stock option grants in stockholders equity. Under ASC 718 an equity instrument is not considered to be issued until the instrument vests. Accordingly, as provided in ASC 718 effective July 1, 2005, the Company has reversed CDN\$551,000 (US\$445,900) being the unamortized restricted stock compensation at June 30, 2005 included in stockholders equity for the unvested portions of stock option grants awarded prior to the effective date of ASC 718.

Since the issue of the options in 2004, 60,000 options have lapsed following the termination of participants to the issue.

F-16

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A summary of the options outstanding and exercisable at June 30, 2011 are as follows:

|                   | Outstanding      | Exercisable      |
|-------------------|------------------|------------------|
| Number of options | 80,000           | 80,000           |
| Exercise price    | US\$10.00        | US\$10.00        |
| Expiration date   | October 15, 2014 | October 15, 2014 |

On October 19, 2006, the Directors of the Company agreed to offer a further 465,000 options under the Stock Option Plan. The options had no issue price, an exercise price of US\$3.084 and a latest exercise date of October 19, 2016. The options vested 1/3 on October 19, 2007 ("T1"), 1/3 on October 19, 2008 ("T2") and 1/3 on October 19, 2009 ("T3"). The Company obtained an external valuation on the options from an unrelated third party.

The Company, through an unrelated third party consultant, has calculated the fair value of the 465,000 options using the binomial option pricing model using a fair value share price of US\$3.00, exercise price of US\$3.08, expected life T1 - 5 years 6 months, T2 - 6 years, T3 - 6 years 6 months, risk-free interest rate of 4.75% and volatility of 90%. The total value of the options equates to CDN\$1,207,860 (US\$1,060,200) and such amount was amortised over the vesting period. At June 30, 2011, the options were fully vested.

Since the issue of the options in 2006, 60,000 options have lapsed following the termination of participants to the issue.

A summary of the options outstanding and exercisable at June 30, 2011 are as follows:

|                   | Outstanding      | Exercisable      |
|-------------------|------------------|------------------|
| Number of options | 405,000          | 405,000          |
| Exercise price    | US\$3.08         | US\$3.08         |
| Expiration date   | October 19, 2016 | October 19, 2016 |

#### Acadian

At the annual and special meeting of shareholders of Acadian held on June 14, 2007, the shareholders adopted a 10% "rolling" incentive stock option plan (the "Plan"). Options granted under the Plan have a five-year term. Options are granted at a price no lower than the market price of the common shares at the time of the grant. The rules of the Toronto Stock Exchange ("TSX") provide that all unallocated options issuable under a "rolling" stock option plan must be approved by shareholders every three years after institution of the stock option plan. The plan was approved at the Annual General Meeting of Acadian held June 24, 2010. In determining the stock-based compensation expense, in fiscal 2011, the fair value of the options issued were estimated using a Black-Scholes option pricing model with the weighted average assumptions used of risk-free interest rate of 1.50%, expected dividend yield of 0.00% expected stock price volatility of 62%, expected life of options of 5 years and grant date fair value of CDN\$0.30.

Acadian options currently outstanding are:

On June 15, 2010, Acadian granted 500,000 options to one Acadian director with an exercise price of CDN\$0.45 per share expiring June 15, 2015, to be vested one-third on grant date, one-third after 12 months from grant date and one-third after 24 months from grant date. The total value of the options equates to CDN\$138,765 and such amount is amortized over the vesting period. For the year ended June 30, 2011, stock based compensation expense relating to stock options was CDN\$115,638.

A summary of the Acadian options outstanding and exercisable at June 30, 2011 are as follows:

|                   |               |               |
|-------------------|---------------|---------------|
|                   | Outstanding   | Exercisable   |
| Number of options | 500,000       | 333,333       |
| Exercise price    | CDN\$0.45     | CDN\$0.45     |
| Expiration date   | June 15, 2015 | June 15, 2015 |

As at June 30, 2011, there was CDN\$23,128 of unrecognized compensation cost, before income taxes, related to unvested stock options.

On August 18, 2010, Acadian granted 300,000 options to three Acadian directors with an exercise price of CDN\$0.45 per share expiring August 18, 2015, to be vested one-third on grant date, one-third after 12 months from grant date and one-third after 24 months from grant date. The total value of the options equates to CDN\$56,349 and such amount is amortized over the vesting period. For the year ended June 30, 2011, stock based compensation expense relating to stock options was CDN\$42,261.

A summary of the options outstanding and exercisable at June 30, 2011 are as follows:

|                   | Outstanding     | Exercisable     |
|-------------------|-----------------|-----------------|
| Number of options | 300,000         | 100,000         |
| Exercise price    | CDN\$0.45       | CDN\$0.45       |
| Expiration date   | August 18, 2015 | August 18, 2015 |

As at June 30, 2011, there was CDN\$14,087 of unrecognized compensation cost, before income taxes, related to unvested stock options.

On June 23, 2011, Acadian granted 100,000 options to its Chief Financial Officer with an exercise price of CDN\$0.45 per share, expiry date of June 23, 2016 to be vested one third on grant date, one third after 12 months from grant date and one third after 24 months from grant date. The total value of the options equates to CDN\$12,338 and such amount is amortized over the vesting period. For the year ended June 30, 2011, stock based compensation expense relating to stock options was CDN\$4,113.

A summary of the options outstanding and exercisable at June 30, 2011 are as follows:

|                   | Outstanding   | Exercisable   |
|-------------------|---------------|---------------|
| Number of options | 100,000       | 33,333        |
| Exercise price    | CDN\$0.45     | CDN\$0.45     |
| Expiration date   | June 23, 2016 | June 23, 2016 |

As at June 30, 2011, there was CDN\$8,226 of unrecognized compensation cost, before income taxes, related to unvested stock options.

(9) PROFIT(LOSS) PER SHARE

Basic profit/(loss) per share is computed based on the weighted average number of common shares outstanding during the period.

Profit/(Loss) per share

The Company calculates profit/(loss) per share in accordance with ASC Topic 260, "Earnings per Share".

The following table reconciles the diluted weighted average shares outstanding used for the computation:

|   | Year ended June 30 |               |
|---|--------------------|---------------|
|   | 2011<br>'000s      | 2010<br>'000s |
| Diluted weighted average shares             |                    |               |
| Basic                                       | 40,488             | 18,052        |
| Effect of employee stock based awards       | -                  | -             |
| Diluted weighted average shares outstanding | 40,488             | 18,052        |

Options to acquire 485,000 shares of common stock were not included in the diluted weighted average shares outstanding as such effects would be anti-dilutive.

(10)

COMMITMENTS

In July 2011, the Company entered into a lease for an office premises with minimum annual lease payments of \$112,682. The lease begins on July 1, 2011 and ends on June 30, 2016 with a right to terminate after June 30, 2013 for a penalty equal to four months base rent.

The Company is committed to minimum annual lease payments of CDN\$103,607 on its office premises until October 2013. Effective September 1, 2010, the Company has sublet the office premises for a rental equivalent of the lease commitment.

F-18

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Future minimum contractual obligations under operating leases are as follows:

|      | CDN\$   |
|------|---------|
| 2012 | 216,289 |
| 2013 | 216,289 |
| 2014 | 147,218 |
| 2015 | 112,682 |
| 2016 | 112,682 |
|      | 805,160 |

The Company has an obligation to spend CDN\$611,252 on its exploration properties or make payments in lieu of expenditure during fiscal 2012 to maintain its properties.

Total rent expense incurred by the Company amounted to CDN\$29,341 and CDN\$107,676 in fiscal 2011 and 2010, respectively.

Acadian has an obligation to spend CDN\$640,985 and issue 29,118 Acadian shares on its exploration properties during fiscal 2012 to maintain its properties.

(11) CASH HELD FOR SITE REMEDIATION

Acadian has agreed with the relevant authorities in Canada to remediate exploration and mine sites to an agreed status at the end of exploration and /or mining operations at the sites. Currently the Company has CDN\$109,000 on deposit with the relevant authorities in Canada to cover the cost of this remediation work.

(12) INVESTMENTS/SUBSIDIARIES

Golden River Resources as part of its business strategy is increasing its gold and base metal exploration activity in Canada and is continually sourcing new ground in Canada which is one of the most prospective areas for new gold discoveries. On March 17, 2009, the Company announced that it had reached agreement with Acadian Mining Corporation (TSX: ADA) ("Acadian") to subscribe in a private placement transaction for up to 33,811,134 common shares ("Offering") in Acadian for aggregate gross investment of up to CDN\$10 million. The Offering was contemplated to close in two or more tranches giving Golden River a 68.7% holding of Acadian.

The Company held a 19.9% equity interest in Acadian at June 30, 2009. Throughout July 2009, Golden River Resources subscribed for further shares to a value of CDN\$4 million and at July 31, 2009, the Company held a 52.764% controlling interest in Acadian. As a result, Golden River Resources has since that time consolidated the results of Acadian.

The transaction was accounted for using the acquisition method required by ASC Topic 805, Business Combinations. On the acquisition date of July 31, 2009, the fair value of the non-controlling interest was CDN\$20,553,000. The fair value of non-controlling interest was based on an estimate of the fair value of Acadian's net assets. The following table summarises the aggregate purchase price allocation and fair value of the non-controlling interest in Acadian as of July 31, 2009:

|                           | CDN\$000's | Fair Value Hierarchy |
|---------------------------|------------|----------------------|
| Cash and cash equivalents | 1,414      | Level 1              |
| Receivables               | 45         | Level 3              |



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|   |         |   |         |
|---|---------|---|---------|
| Property, plant & equipment (net)                   | 7,089   |   | Level 3 |
| Prepayments   | 71      |   | Level 3 |
| Investment in Royal Roads Corp                      | 855     |   | Level 3 |
| Cash held for remediation                           | 925     |   | Level 3 |
| Mineral rights                                      | 43,790  |   | Level 3 |
| Fair value of assets                                | 54,189  |   | Level 3 |
| Accounts payable & accrued expenses                 | (3,152  | ) | Level 3 |
| Other current liability                             | (2,099  | ) | Level 3 |
| Equipment loans payable                             | (371    | ) | Level 3 |
| Advance from Royal Roads Corp                       | (2,654  | ) | Level 3 |
| Accrued site remediation                            | (2,400  | ) | Level 3 |
| Fair value of liabilities                           | (10,676 | ) |         |
| Net assets acquired                                 | 43,513  |   |         |
| less: Cash consideration of additional 32.875%      | (4,000  | ) |         |
| less: Fair value of previously held equity interest | (8,655  | ) | Level 1 |
| less: Fair value of non-controlling interest        | (20,553 | ) | Level 1 |
| Bargain purchase gain                               | 10,305  |   |         |

F-19

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The aggregate value of (a) the purchase price paid for the acquisition of the Acadian shares, (b) the fair value of non-controlling interest in Acadian and (c) the fair value of our previously held equity interest in Acadian before the additional share acquisition was less than the fair value of the net assets acquired, which resulted in a bargain purchase gain, which has been recognised in the Company's consolidated statement of operations.

As a result of the Company attaining control over Acadian, the Company's previously held 19.9% interest was remeasured to fair value.

The fair-value of the mineral rights acquired in the acquisition was prepared by an investment banking firm with substantial experience in merger and acquisition transactions including provision of fairness opinions and valuations. Accordingly, the Company has attributed a fair value of CDN\$43,790,000 to mineral rights and the inputs categorised as Level 3 inputs under the accounting guidance for fair value measurements.

The fair value of the non-controlling interest was based on the report and inputs categorised as Level 1 inputs under the accounting guidance for fair value measurement.

The fair value of the assets acquired includes receivable which are fair valued using the income approach and inputs categorised as Level 3 inputs under the accounting guidance for fair value measurements. The fair value of property, plant and equipment was based on the value assigned in the investment banker's report; and for cash held for site remediation is as agreed with the relevant authorities in Canada.

The fair value of the liabilities includes accounts payable and accrued expenses, equipment loans payable, advance from equity accounted associate which were valued based on underlying terms and maturity dates; non-interest bearing liability was valued based on information available. The fair value of accrued site remediation is as agreed with the relevant authorities in Canada and from information provided.

The acquisition of Acadian was achieved in stages. The acquisition date fair value of the equity interest in Acadian immediately before the acquisition date was CDN\$8,655,000 and the amount of the gain recognized as a result of remeasuring to fair value the equity interest in Acadian before the business combination amounted to CDN\$7,433,000 and has been recognized in the consolidated statement of operations as "Adjustment to fair value on stepped acquisition".

The gain on the identifiable net assets of Acadian caused a difference in the carrying value of the Company's Acadian investment between financial reporting and income taxes and resulted in a deferred tax liability (see note 16).

The transaction contemplated several closings and was subject to several pre-conditions including approval by TSX and due diligence. Between the time of entering into the agreement and the acquisition date, world economic conditions have improved, metal prices have increased significantly and world stock markets have rallied. This resulted in significantly higher fair values for the assets of Acadian compared to the values at the time the agreement was entered into. Furthermore, Acadian was in a distressed state at the time the agreement was entered into.

During September and October of 2009, the Company purchased additional shares in Acadian for CDN\$5 million, increasing its holding in Acadian from 52.67% to 68.7%. As a result of this transaction, the Company recorded a \$1,994,000 adjustment to additional paid in capital and to non-controlling interest, representing the difference between the amount paid for such additional shares and the carry amount of the investment.

The consolidated statement of operations of the Company includes the operations of Acadian since July 31, 2009. The following unaudited pro-forma information presents the results of operations for the fiscal year ended June 30, 2010, as if the acquisition of Acadian had occurred on July 1, 2009.

F-20

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|   | 2010<br>CDN\$000's |
|---|--------------------|
| Revenue   | -                  |
| Net profit(loss) attributable to Golden River Resources | 13,296             |
| Basic and diluted profit(loss) per share                | 0.74               |

The pro-forma revenue disclosed above reflects the operations of Acadian which includes approximately CDN\$680,000 of operating expenses and recorded a gain on settlement of liabilities under Companies' Creditors Arrangement Act of approximately CDN\$2,800,000. In addition, the net profit for 2010 includes CDN\$17,738,000 of gains resulting from the acquisition of Acadian in July 2009..

During the year ended June 30, 2011, the Company purchased an additional 4,923,387 shares, increasing its holding in Acadian to 71.48% at June 30, 2011. The cost to the Company was CDN\$1,477,016. As a result of this transaction, the Company recorded a CDN\$1,512,000 adjustment to additional paid in capital and to non-controlling interest, representing the difference between the amount paid for such additional shares and the carry amount of the investment.

During July 2011, the Company purchased a further 259,500 common shares in Acadian at a cost of CDN\$79,985. The Company currently holds 38,994,020 common shares in Acadian for a 71.96% interest.

The amount of revenue of Acadian for the year ended June 30, 2011 and June 30, 2010 included in the Consolidated Statement of Operations were CDN\$nil and CDN\$nil and the amount of profit/(loss) was CDN\$757,854 and CDN\$(7,354,910) respectively.

Acadian signed a letter agreement with Selwyn Resources Ltd (Selwyn) on February 18, 2011 whereby Selwyn would acquire the zinc and lead assets of the Company. On May 31, 2011, Acadian closed the transaction and sold 100% of the shares of ScoZinc Limited, a wholly owned subsidiary, for cash consideration of CDN\$10 million (US\$10.2 million), less legal costs CDN\$197,251 (US\$201,944). Net proceeds were CDN\$9,802,749 (US\$10,035,956). The following table presents summarized financial information of the net assets sold:

|  |               |
|--|---------------|
| Assets                                   |               |
| Current assets                           | \$ 120,796    |
| Cash held for remediation                | 2,812,500     |
| Property, Plant and Equipment            | 4,954,355     |
| Mineral rights                           | 4,026,855     |
| Total assets sold                        | \$ 11,914,506 |
| Liabilities                              |               |
| Accounts payable and accrued liabilities | \$ 152,623    |
| Accrued site remediation                 | 2,600,000     |
| Total liabilities related to assets sold | \$ 2,752,623  |
| Net book value of assets sold            | \$ 9,161,883  |

The Company recorded a gain from the sale of ScoZinc, net of closing costs, of CDN\$641,000 (US\$656,000).

Included in the Company's consolidated statement of operations are costs and expenses of ScoZinc during the Company's term of ownership. Such costs and expenses which were for certain maintenance work incurred to secure ScoZinc's mining properties and related environmental monitoring amounted to CDN\$1,418,000 and CDN\$784,000 for the years ended June 30, 2011 and 2010, respectively. During the course of the Company's term of ownership as

its mine was on care and maintenance before and during the Company's ownership period, ScoZinc did not have any revenues from mining operations, nor was any exploration activity cost expended.

The Company has accounted for the disposal of ScoZinc in accordance with accounting guidance for the impairment or disposal of long-lived assets.

The sale of ScoZinc caused an adjustment to deferred tax liability (see Note 16).

(13)

#### MINERAL RIGHTS

The fair-value of the mineral rights acquired in the acquisition of Acadian was based upon a valuation report prepared by an investment banking firm with substantial experience in merger and acquisition transactions including provision of fairness opinions and valuations. Accordingly, the Company has attributed a fair value of CDN\$43,790,000 to mineral rights. On the sale by Acadian of 100% of the shares in ScoZinc Limited, a wholly owned subsidiary, the attributed fair value of CDN\$4,026,855 to ScoZinc mineral rights was included in assets sold as discussed in Note 12 Investments/Subsidiaries.

F-21

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The carrying value of mineral rights at June 30, 2011 is CDN\$39,763,000.

Under US GAAP, exploration expenditure is expensed to the income statement as incurred, unless there is a reserve on the property.

(14) **PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is stated at cost. The Company records depreciation and amortization, when appropriate, using straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. Additions, major renewals and replacements that increase the property's useful life are capitalized. Property sold or retired, together with the related accumulated depreciation is removed from the appropriate accounts and the resultant gain or loss is included in net income (loss).

|   | At June 30, 2011 |                                      |                            | At June 30, 2010 |                                      |                            |
|---|------------------|--------------------------------------|----------------------------|------------------|--------------------------------------|----------------------------|
|   | Cost<br>CDN\$    | Accumulated<br>Depreciation<br>CDN\$ | Net Book<br>Value<br>CDN\$ | Cost<br>CDN\$    | Accumulated<br>Depreciation<br>CDN\$ | Net Book<br>Value<br>CDN\$ |
| Office                                    | 260,119          | (21,986 )                            | 238,133                    | 260,119          | (7,184 )                             | 252,935                    |
| Automotive equipment                      | 93,726           | (9,373 )                             | 84,353                     | 63,015           | (20,214 )                            | 42,801                     |
| Office fixtures and computer<br>equipment | 339,238          | (88,321 )                            | 250,917                    | 257,702          | (53,230 )                            | 204,472                    |
| Land                                      | 405,617          | -                                    | 405,617                    | 405,617          | -                                    | 405,617                    |
| Mine site                                 | -                | -                                    | -                          | 6,258,440        | (407,667 )                           | 5,850,773                  |
| Other                                     | -                | -                                    | -                          | 6,589            | (6,589 )                             | -                          |
|   | 1,098,700        | (119,680 )                           | 979,020                    | 7,251,482        | (494,884 )                           | 6,756,598                  |

The depreciation expense for the year ended June 30, 2011 amounted to CDN\$431,000 (US\$441,000) and for the year ended June 30, 2010 amounted to CDN\$488,000.

(15) **OTHER CURRENT LIABILITY**

ScoZinc (a subsidiary of Acadian until it was sold on May 31, 2011) entered into lease agreements for heavy equipment with an Equipment Supplier ("Equipment Supplier") which transferred substantially all the benefits and risks of ownership to ScoZinc. ScoZinc's obligations under the leases were guaranteed by Acadian. In addition, Acadian had guaranteed the payment obligations with regard to such lease agreements. The accompanying financial statements reflect an accrual of the estimated amount owing under this obligation which amounted to approximately CDN\$2.1 million at June 30, 2010.

During November 2010, Acadian entered into an agreement with the Equipment Supplier to make monthly instalment payments through May 2011 totalling CDN\$900,000 which would satisfy in full the aforementioned obligation under the guarantee. Acadian made payments in accordance with the agreement through May 2011.

The agreement contained a provision that states that in the event Acadian fails to make any of the payments as required, the Equipment Supplier shall be entitled to take any and all actions available to it to enforce its rights under the guarantee. During May 2011, the period in which all of the payments required under the agreement were made in full and Acadian was relieved of its obligation by the Equipment Supplier, the remaining balance of the accrued liability was derecognized and a related gain of CDN\$1.2 million was recorded by Acadian.

(16)

INCOME TAXES

The Company has adopted the provisions of ASC Topic 740 "Income Taxes". ASC 740 requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The Company is subject to taxation in both the USA and Canada.

F-22

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At June 30, 2011 and 2010, deferred taxes consisted of the following:

|                                  | USA<br>2011<br>CDN\$000s | Canada<br>2011<br>CDN\$000s | Total<br>2011<br>CDN\$000s |
|----------------------------------|--------------------------|-----------------------------|----------------------------|
| Deferred tax assets              |                          |                             |                            |
| Net operating loss carry-forward | 1,923                    | 218                         | 2,141                      |
| Exploration expenditure          | 805                      | 1,675                       | 2,480                      |
|                                  | 2,728                    | 1,893                       | 4,621                      |
| Less valuation allowance         | (2,728 )                 | (1,893 )                    | (4,621 )                   |
|                                  | -                        | -                           | -                          |
| Deferred tax liability           |                          |                             |                            |
| Investment in subsidiary         | (6,373 )                 | -                           | (6,373 )                   |
| Net deferred taxes               | (6,373 )                 | -                           | (6,373 )                   |
|                                  |                          |                             |                            |
|                                  | USA<br>2010<br>CDN\$000s | Canada<br>2010<br>CDN\$000s | Total<br>2010<br>CDN\$000s |
| Deferred tax assets              |                          |                             |                            |
| Net operating loss carry-forward | 1,869                    | 118                         | 1,987                      |
| Exploration expenditure          | 716                      | 1,567                       | 2,283                      |
|                                  | 2,585                    | 1,685                       | 4,270                      |
| Less valuation allowance         | (2,585 )                 | (1,685 )                    | (4,270 )                   |
|                                  | -                        | -                           | -                          |
| Deferred tax liability           |                          |                             |                            |
| Investment in subsidiary         | (2,624 )                 | -                           | (2,624 )                   |
| Net deferred taxes               | (2,624 )                 | -                           | (2,624 )                   |

Under ASC 740-10 tax benefits are recognised only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The valuation allowance offsets the net deferred tax asset for which there is no assurance of recovery. The valuation allowance will be evaluated at the end of each year, considering positive and negative evidence about whether the deferred tax asset will be realized.

At that time, the allowance will either be increased or reduced; reduction could result in the complete elimination of the allowance if positive evidence indicates that the value of the deferred tax assets is no longer impaired and the allowance is no longer required.

Carry-forward net operating losses will be available to offset future taxable income. Total available net operating loss carryforwards in the United States, which are subject to limitations, amount to approximately CDN\$5,400,000 at June 30, 2011 expire in years 2023 through 2030. Net operating loss carryforwards in Canada do not have a definite expiration date and amounted to CDN\$5,313,615.

Included in accounts payable and accruals is an amount of CDN\$246,528 being an estimated liability to the IRS in relation to late filing of prior year tax returns. The Company has estimated the potential maximum liability and is making representations to the IRS in relation to the quantum of this liability.



The Company has evaluated significant events subsequent to the balance sheet date and, through the date these financial statements were issued, has determined that there were no subsequent events or transactions which would require recognition or disclosure in the consolidated financial statements, other than noted herein.

Since June 30, 2011, Golden River Resources purchased a further 259,500 common shares in Acadian at a cost of CDN\$79,985. Golden River Resources currently holds 38,994,020 common shares in Acadian for a 71.96% interest.

On July 8, 2011, the Company made a final payment of CDN\$900,000 in relation to the acquisition of the 15 Mile Stream property (note 6).

F-23

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Appendix A

GLOSSARY OF TERMS

In this Form 10-K, the company utilizes certain capitalized and abbreviated terms, as well as technical terms, which are defined below.

|                       |  |
|-----------------------|--|
| AMPHIBOLE             | A family of silicate minerals forming prism or needlelike crystals. Amphibole minerals generally contain iron, magnesium, calcium and aluminum in varying amounts, along with water.   |
| ANOMALY               | Pertaining to the data set resulting from geochemical or geophysical surveys; a deviation from uniformity or regularity.   |
| ANTICLINE             | An upward-curving (convex) fold in rock that resembles an arch. The central part contains the oldest section of rock.  |
| ARCHEAN               | The time interval between 3800-2500 million years ago. The Archean is one of the Precambrian time intervals.   |
| ARSENOPYRITE          | A tin-white or silver-white to steel-grey mineral (FeAsS).   |
| ASSAY                 | To analyze the proportions of metals in a specimen of rock or other geological material. Results of a test of the proportions of metals in a specimen of rock or other geological material.  |
| BEDROCK               | A general term for the rock, usually solid, that underlies soil or other unconsolidated superficial material.  |
| BIOTITE               | A dark brown to dark green or black mica mineral.  |
| BRECCIA               | A rock that is composed of larger than sand size angular fragments that are cemented together by a finer-grained matrix; in this sense the fragmentation is usually a result of movement on nearby or adjoining fault or fracture zones.                           |
| CHALCOPYRITE          | Copper iron sulfide mineral (CuFeS <sub>2</sub> ). Color is brassy yellow.   |
| CHIP SAMPLE           | A sample of a vein or other mineralized structure that is collected by way of small pieces of rock taken at regular and frequent intervals on a transect across the structure; intended to be a relatively accurate representation of the tenor of mineralization. |
| CLAIM (Mineral Claim) | A defined, specific area identified on the ground within which the holder of the legal title to the area has the exclusive right to search and develop any mineral substance that occurs within the given area of the claim boundaries.                            |
| CRATON                | The relatively stable nucleus of a continent. Cratons are made up of a shield-like core of Precambrian Rock and a buried extension of the shield.  |
| DYKE                  | A tabular igneous intrusion that cuts across the bedding or foliation of the country rock.   |

FAULT

A fracture or fracture zone in rock along which there has been displacement of the two sides relative to each other and parallel to the fracture plane.

FOLD AXIS

A fold axis, is the closest approximation to a straight line that when moved parallel to itself, generates the form of the fold

A-1

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|                    |   |
|--------------------|---|
| GABBRO             | A dark, coarse-grained intrusive igneous rock. Gabbro is made of calcium-rich plagioclase, with amphibole and/or pyroxene, and is chemically equivalent to basalt.  |
| GEOPHYSICAL SURVEY | In mineral exploration, the collection of seismic, gravitational, electrical, radiometric, density or magnetic data to aid in the evaluation of the mineral potential of a particular area.   |
| GRAB SAMPLE        | A specimen of mineralized bedrock or float, usually about fist-sized, that may be collected as a representation of the mineralized zone as a whole. Because of bias, either unintended or otherwise, and because of the generally high natural variability typical of gold-silver vein mineralization, grades of grab samples should not be considered as a reliable estimation of a mineralized zone as a whole but they nonetheless serve to establish the presence of mineralization with grades of economic interest. |
| GRANITE            | A coarse-grained intrusive igneous rock with at least 65% silica. Quartz, plagioclase feldspar and potassium feldspar make up most of the rock and give it a fairly light color. Granite has more potassium feldspar than plagioclase feldspar.   |
| GRANODIORITE       | A coarse-grained igneous plutonic rock intermediate in composition between quartz diorite and quartz monzonite; containing quartz, plagioclase, and potassium feldspar, with biotite and hornblende as the dominant mafic components.   |
| GREENSTONE         | A metamorphic rock derived from basalt or chemically equivalent rock such as gabbro. Greenstones contain sodium-rich plagioclase feldspar, chlorite, and epidote, as well as quartz.  |
| GPT                | Abbreviation for gram per ton; equivalent to one part per million (ppm).  |
| HLEM               | Abbreviation for Horizontal Loop Electro Magnetic geophysical surveys.  |
| IGNEOUS            | Said of a rock or mineral that solidified from molten or partly molten material; also applied to processes leading to, or resulting from the formation of such rocks.   |
| INTRUSION          | Emplacement of magma (molten rock) into pre-existing rock. Dikes, sills and batholiths are intrusions.  |
| IP                 | A type of geophysical survey method called Induced Polarization.  |
| IRON FORMATION     | A chemical sedimentary rock containing at least 15% iron and commonly containing chert. The iron may be present as oxide, silicate, carbonate, or sulfide.  |
| KOMATIITE          | An igneous suite of magnesium-rich, ultramafic lavas.   |
| MAFIC              | Pertaining to or composed dominantly of the ferromagnesian rock forming silicates; said of some igneous rocks and their constituent minerals.   |
| MASSIVE            | Said of a stratified rock that occurs in very thick, homogenous beds.   |
| METALLIC           | A mineral chiefly composed of, or containing, one or more metals as a primary constituent.  |

A-2

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|                          |   |
|--------------------------|---|
| MINERALIZATION           | The process or processes by which a mineral or minerals are introduced into a rock, resulting in an enriched deposit; or the result of these processes.   |
| MINERALIZED              | Rock that has undergone the process of mineralization.  |
| NET SMELTER RETURN (NSR) | The NSR is characterized by royalty payments that are a fixed or variable percentage of the sales price, or gross revenue, the mining operator receives from the sale of mineral product from the property.   |
| RETURN ROYALTY           | A general term for a residual benefit that is a percentage of the value for which a smelter will reimburse the provider of ore to the smelter, after deduction for various smelting fees and penalties and, often after cost of transportation has been deducted. |
| ORE                      | The naturally occurring material from which a mineral or minerals of economic value can be extracted profitably or to satisfy social or political objectives.   |
| OUTCROP                  | The part of a rock formation that appears at the surface of the ground.   |
| OVERBURDEN               | Loose soil, sand, gravel, broken rock, etc. that lies above the bedrock.  |
| PERMAFROST               | A permanently frozen layer of soil or subsoil, or even bedrock, which occurs to variable depths below the Earth's surface in arctic or subarctic regions.   |
| PPB                      | Abbreviation for part per billion.  |
| PPM                      | Abbreviation for part per million.  |
| PROPERTY                 | An area of ground controlled by an individual or company that consists of one or more contiguous mineral claims.  |
| PROSPECTING              | Pertaining to the search for outcrops or surface exposures of mineral deposits, primarily by non-mechanical methods.  |
| PYRITE                   | Iron sulfide mineral (FeS). Forms silvery to brassy metallic cubes or masses.   |
| PYRRHOTITE               | Iron sulfide mineral (Fe(1-x)S). Generally forms as bronze, metallic masses. The mineral is weakly magnetic.  |
| QUARTZ                   | A glassy silicate and common rock forming mineral (SiO <sub>2</sub> ).  |
| RESERVE                  | An estimate within specified accuracy limits of the valuable metal or mineral content of known deposit that may be produced under current economic conditions and with present technology.  |
| RESOURCE                 | Pertaining to the quantity or bulk of mineralized material without reference to the economic viability of its extraction (see reserve).   |
| SEDIMENT                 | Fragmental material that originates from weathering of rocks and that is transported by air, water, ice or other natural agents, and that forms in layers on the Earth's surface at ordinary  |

temperatures in a loose, unconsolidated form; e.g. silt, sand, gravel, etc.

SCHIST

A strongly foliated rock, formed by dynamic metamorphism, that can be split into thin flakes or slabs due to well developed parallelism of more than 50% of the minerals.

A-3

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|                    |  |
|--------------------|--|
| SHEARED            | A descriptive term for rock that is deformed as a result of stresses that cause or tend to cause parts of a body to slide relative to each other along their plane of contact.   |
| STRIKE             | The course or bearing of the outcrop of an inclined bed, vein or fault plane on a level surface; the direction of a horizontal line perpendicular to the dip.  |
| STRUCTURAL MAPPING | Geological mapping that focuses in collection of data pertaining to the orientation of beds, faults and fractures as well as other structures that modify the distribution of bedrock and mineralized zones.   |
| SULPHIDE MINERAL   | A mineral compound characterized by the linkage of sulphur with a metal or semimetal.  |
| TRACE              | Pertaining to assay values; as used in this report, this term refers to gold grades of less than 0.01 oz/ton (0.3gpt).   |
| ULTRAMAFIC         | Igneous rocks made mostly of the mafic minerals clino- and/or ortho-pyroxenes (e.g. hypersthene, augite) and/or olivine.   |
| VEIN               | An epigenetic mineral filling of a fault or other fracture in a host rock, in tabular or sheet-like form, often as a precipitate from a hydrothermal fluid.  |
| VMS                | Volcanic Massive Sulphide deposit. VMS deposits consist of massive accumulations of sulphide minerals (more than 60% sulphide minerals) which occur in lens-like or tabular bodies parallel to the volcanic stratigraphy or bedding. VMS deposits are generally accepted to have formed at or near discharge vents of hydrothermal systems on the sea floor. |



## Slave Craton Mining Claims

| Tag#                  | Claim  | NTS      | Acres     | Registered | Next Anniversary | Type of Property  |
|-----------------------|--------|----------|-----------|------------|------------------|-------------------|
| Jericho Mining Claims |        |          |           |            |                  |                   |
| ML3793                | DJB 19 | 076-L-04 | 344.0     | 09-Jun-99  | 09-Jun-20        | Lease             |
| ML3794                | JD 94  | 076-L-04 | 2524.0    | 09-Jun-99  | 09-Jun-20        | Lease             |
| ML3795                | JD 313 | 076-L-04 | 2515.0    | 09-Jun-99  | 09-Jun-20        | Lease             |
| ML3796                | OD 44  | 076-L-04 | 422.0     | 09-Jun-99  | 09-Jun-20        | Lease             |
| ML3797                | OD 45  | 076-L-04 | 325.0     | 09-Jun-99  | 09-Jun-20        | Lease             |
| ML3798                | OD 61  | 076-L-04 | 508.0     | 09-Jun-99  | 09-Jun-20        | Lease             |
|                       |        |          | 6,638.0   |            |                  |                   |
| Jericho Group         |        |          |           |            |                  |                   |
| F31092                | JD 92  | 076-L-04 | 2,272.60  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31093                | JD 93  | 076-L-04 | 2,569.60  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31095                | JD 95  | 076-L-04 | 2,363.10  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31096                | JD 96  | 076-L-04 | 2,582.50  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31310                | JD 310 | 076-L-03 | 632.70    | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31311                | JD 311 | 076-L-03 | 890.90    | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31312                | JD 312 | 076-L-03 | 1,144.00  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31314                | JD 314 | 076-L-03 | 2,118.10  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
| F31315                | JD 315 | 076-L-03 | 2,117.60  | 26-Jan-93  | 26-Jan-04        | Lease Applied For |
|                       |        |          | 16,691.10 |            |                  |                   |
| F35015                | OD 25  | 076-E-13 | 2,255.50  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35016                | OD 26  | 076-E-13 | 2,255.50  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35017                | OD 27  | 076-E-13 | 2,165.40  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35018                | OD 28  | 076-E-13 | 375.10    | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35019                | OD 29  | 076-E-13 | 444.20    | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35020                | OD 30  | 076-E-13 | 2,509.60  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35021                | OD 31  | 076-E-13 | 2,548.70  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |
| F35022                | OD 32  | 076-E-13 | 2,582.50  | 18-Jun-93  | 05-Sep-24        | Lease Applied For |

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|        |        |          |                       |           |           |  |
|--------|--------|----------|-----------------------|-----------|-----------|--|
| F35031 | OD 41  | 076-E-13 | 2,435.90              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35032 | OD 42  | 076-E-13 | 2,435.90              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35033 | OD 43  | 076-E-13 | 2,420.80              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35036 | OD 46  | 076-E-13 | 2,066.00              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35037 | OD 47  | 076-E-13 | 2,029.90              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35038 | OD 48  | 076-E-13 | 2,029.90              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35048 | OD 58  | 076-E-14 | 2,582.50              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35049 | OD 59  | 076-E-14 | 2,582.50              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35050 | OD 60  | 076-E-14 | 2,582.50              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35052 | OD 62  | 076-E-14 | 508.60                | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35053 | OD 63  | 076-E-14 | 2,582.50              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35055 | OD 65  | 076-E-14 | 2,582.50              | 18-Jun-93 | 05-Sep-24 | Lease Applied<br>For<br>Lease Applied<br>For |
| F35065 | OD 75  | 076-E-14 | 2,582.50<br>44,558.50 | 18-Jun-93 | 22-Nov-25 | Lease Applied<br>For                         |
| F45947 | DJB 17 | 076-L-03 | 160.10                | 06-Jul-94 | 06-Jul-04 | Lease Applied<br>For                         |

## CONTWOYTO INUIT OWNED LANDS

| Tag#        | Claim | NTS      | Acres    | Registered | Next Anniversary | Type of Property |
|-------------|-------|----------|----------|------------|------------------|------------------|
| CO-08-00-01 |       | 076-E-15 | 3819.01  | 01-Jan-95  | 31-Dec-08        | Mineral Claim    |
| CO-08-00-02 |       | 076-E-15 | 3263.82  | 01-Jan-95  | 31-Dec-08        | Mineral Claim    |
| CO-08-00-03 |       | 076-E-15 | 2708.66  | 01-Jan-95  | 31-Dec-08        | Mineral Claim    |
| CO-08-00-05 |       | 076-E-15 | 1269.60  | 31-Dec-99  | 31-Dec-08        | Mineral Claim    |
|             |       |          | 11061.10 |            |                  |                  |

## HOOD RIVER CLAIMS

|                  |  |         |           |           |           |                     |
|------------------|--|---------|-----------|-----------|-----------|---------------------|
| CO 20 - 00 - 03R |  | 76-L-15 | 15,453.81 | 01-Jan-97 | 01-Jan-09 | IOL - Mineral Claim |
|------------------|--|---------|-----------|-----------|-----------|---------------------|

## ICE CLAIMS

|        |        |         |          |           |           |              |
|--------|--------|---------|----------|-----------|-----------|--------------|
| F22432 | ICE032 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| F22433 | ICE033 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| F22464 | ICE064 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| F22534 | ICE334 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| F22535 | ICE335 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| F22537 | ICE337 | 76-E-06 | 2582.5   | 01-Apr-92 | 02-Jul-23 | Mining Lease |
| ML3464 | ICE336 | 76-E-06 | 2665.0   | 14-Feb-96 | 21-Apr-15 | Mining Lease |
|        |        |         | 18,160.0 |           |           |              |

## ROCKINGHORSE CLAIMS

|        |       |         |           |           |           |               |
|--------|-------|---------|-----------|-----------|-----------|---------------|
| F74771 | NAP 4 | 86-I-10 | 2582.5    | 11-Jun-02 | 13-Mar-12 | Mineral Claim |
| F74772 | NAP 5 | 86-I-10 | 2582.5    | 11-Jun-02 | 13-Mar-10 | Mineral Claim |
| F74773 | NAP 6 | 86-I-10 | 2582.5    | 11-Jun-02 | 13-Mar-12 | Mineral Claim |
| F74776 | NAP 9 | 86-I-10 | 2582.5    | 11-Jun-02 | 13-Mar-10 | Mineral Claim |
|        |       |         | 10,330.00 |           |           |               |

|             |  |         |       |           |           |                     |
|-------------|--|---------|-------|-----------|-----------|---------------------|
| CO44 -00-01 |  | 86-I-11 | 414.0 | 01-Jan-97 | 01-Jan-09 | IOL - Mineral Claim |
|-------------|--|---------|-------|-----------|-----------|---------------------|

|        |        |         |           |           |           |                   |
|--------|--------|---------|-----------|-----------|-----------|-------------------|
| F38623 | OK 123 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38627 | OK 127 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38628 | OK 128 | 86-I-11 | 2582.5    | 18-Jun-93 | 29-Apr-24 | KCEI Lease        |
| F38629 | OK 129 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38648 | OK 148 | 86-I-11 | 2169.3    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38649 | OK 149 | 86-I-11 | 2169.3    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38652 | OK 152 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38653 | OK 153 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38654 | OK 154 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
| F38665 | OK 165 | 86-I-11 | 2582.5    | 18-Jun-93 | 05-Sep-24 | Applied for Lease |
|        |        |         | 24,998.60 |           |           |                   |

## Committee Bay Greenstone Belt Claims

The following is a list of our claims in the Committee Bay Greenstone Belt:

| Claim name | Claim No. | NTS Sheet | Recording Date | Anniversary Date |
|------------|-----------|-----------|----------------|------------------|
| Pick 1     | F54799    | 56K/03    | 16-Oct-02      | 16-Oct-12        |
| Pick 2     | F54798    | 56K/03    | 16-Oct-02      | 16-Oct-12        |
| Pick 3     | F54760    | 56K/03    | 16-Oct-02      | 16-Oct-12        |
| EE 1       | F54757    | 56K/06    | 16-Oct-02      | 16-Oct-11        |
| EE 2       | F54756    | 56K/06    | 16-Oct-02      | 16-Oct-11        |
| EE 3       | F54758    | 56K/06    | 16-Oct-02      | 16-Oct-12        |
| K 1        | F60304    | 56K/11    | 16-Oct-02      | 16-Oct-10        |
| K 2        | F60305    | 56K/11    | 16-Oct-02      | 16-Oct-10        |
| CAY 1      | F60252    | 56K/09    | 16-Oct-02      | 16-Oct-12        |
| CAY 3      | F60254    | 56K/09    | 16-Oct-02      | 16-Oct-12        |
| AA 1       | F60249    | 56J/13    | 16-Oct-02      | 16-Oct-10        |
| AA 2       | F60250    | 56J/13    | 16-Oct-02      | 16-Oct-10        |
| NN 1       | F60307    | 56K/16    | 16-Oct-02      | 16-Oct-12        |
| NN 2       | F60251    | 56O/04    | 16-Oct-02      | 16-Oct-12        |
| WREN 1     | F60231    | 56J/11    | 16-Oct-02      | 16-Oct-12        |
| WREN 2     | F60232    | 56J/14    | 16-Oct-02      | 16-Oct-12        |
| WREN 3     | F60233    | 56J/14    | 16-Oct-02      | 16-Oct-12        |
| WREN 4     | F60234    | 56J/14    | 16-Oct-02      | 16-Oct-12        |
| WREN 5     | F60235    | 56J/14    | 16-Oct-02      | 16-Oct-12        |
| WEST       | F60212    | 56K/03    | 16-Oct-02      | 16-Oct-12        |
| HOST 3     | F85351    | 56K/03    | 16-Oct-02      | 16-Oct-12        |
| GB-1       | F85352    | 56K/03    | 13-Sep-04      | 13-Sep-12        |

as confirmed by the mining recorder

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorised.

GOLDEN RIVER RESOURCES  
CORPORATION.

(Registrant)

By:

Peter J Lee  
Director, Secretary,  
Chief Financial Officer  
and Principal Financial  
and Accounting Officer

Dated: September 28, 2011

## FORM 10-K Signature Page

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons in the capacities and on the dates indicated.

| Signature               | Title  | Date               |
|-------------------------|--|--------------------|
| 1.<br>Joseph Gutnick    | Chairman of the Board,<br>President and Chief Executive<br>Officer (Principal Executive<br>Officer), and Director. | September 28, 2011 |
| 2.<br>David Tyrwhitt    | Director.  | September 28, 2011 |
| 3.<br>Peter Lee         | Director, Secretary,<br>Chief Financial Officer and<br>Principal Financial and<br>Accounting Officer.              | September 28, 2011 |
| 4.<br>Mordechai Gutnick | Director.  | September 28, 2011 |

## EXHIBIT INDEX

| Incorporated by<br>Reference to: | Exhibit<br>No | Exhibit   |
|----------------------------------|---------------|---|
| (1)                              | Exhibit 3.1   | 3.1 Certificates of Incorporation of the Registrant   |
| (1)                              | Exhibit 3.2   | 3.2 By-laws of the Registrant   |
| (2)                              | Exhibit A     | 3.3 Amendment to Certificate of Incorporation dated July 17, 1999   |
| (3)                              |               | 3.4 Amendment to Certificate of Incorporation dated October 17, 2000  |
|                                  |               | 3.5 Amendment to Certificate of Incorporation dated April 6, 2005   |
| (6)                              | Exhibit 3.1   | 3.6 Amendment to Certificate of Incorporation dated March 10, 2007  |
|                                  | *             | 3.7 Amendment to Certificate of Incorporation dated December 14, 2009   |
| (4)                              | Exhibit 10.5  | 10.1 Service Agreement dated November 25, 1988, by and between the Registrant and AWI Administration Services Pty Limited                           |
| (5)                              | Exhibit 10.6  | 10.2 Agreement with Tahera Corporation  |
| (7)                              | Exhibit 99.4  | 10.3 Warrant to purchase 20 million shares of common stock  |
| (8)                              | 10.1          | 10.4 Subscription Agreement with Acadian Mining Corporation   |
| (9)                              | 99.1          | 10.5 Form of Subscription Agreement with Northern Capital Resources Corporation   |
| (10)                             | 99.2          | 10.6 Property Purchase and Sale Agreement with Tahera Corporation   |
| (11)                             | 99.1          | 10.7 Share Purchase Agreement dated as of May 25, 2011, with respect to the sale of the Registrant's subsidiary, ScoZinc Limited.                   |
|                                  | *             | 21 List of Subsidiaries as at June 30, 2011.  |
|                                  | *             | 31.1 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Peter James Lee.      |
|                                  | *             | 31.2 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 by Joseph Isaac Gutnick. |
|                                  | *             | 32.1 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Joseph Issac Gutnick. |
|                                  | *             | 32.2 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 by Peter James Lee       |

\* Filed herewith

Financial Statements for the years ended June 30, 2011 and 2010.

Golden River Resources Corporation and its Subsidiaries

Audited Consolidated Financial Statements for the Company and its Subsidiaries for the year ended June 30, 2011 and Audited Consolidated Financial Statements for the Company and its Subsidiaries for the year ended June 30, 2010.

- (1) Registrant's Registration Statement on Form S-1 (File No. 33-14784).
- (2) Registrant's Definitive Information Statement dated August 11, 1999.
- (3) Registrant's Definitive Information Statement dated October 17, 2000.
- (4) Registrant's Annual report on Form 10-K for the fiscal year ended June 27, 1989.
- (5) Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002.
- (6) Registrant's Quarterly Report on Form 10-OSB for the quarter ended March 31, 2007.
- (7) Registrant's Current Report on Form 8-K filed on June 15, 2007.
- (8) Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2009.
- (9) Registrant's Current Report on Form 8-K filed on September 8, 2009
- (10) Registrant's Current Report on Form 8-K filed on May 18, 2010
- (11) Registrant's Current Report on Form 8-K filed on June 7, 2011