GOLDEN RIVER RESOURCES CORP.
Form 10-Q
February 13, 2009

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

FORM 10-Q

| x | QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: December 31, 2008
or

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

For the transition period from: _____________ to _____________

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

Delaware	0-16097	98-0079697
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

Level 8, 580 St Kilda Road Melbourne, Victoria, 3004, Australia
(Address of Principal Executive Office) (Zip Code)

011 (613) 8532 2866
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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.

| x | Yes | | No

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		x	

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

| | Yes | | x | | No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. There were 126,711,630 outstanding shares of Common Stock as of February 12, 2008. (Does not include 10,000,000 shares of common stock that are issuable upon exercise of Special Warrants, without the payment of any additional consideration.)

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

Table Of Contents

EXHIBIT INDEX

Exh. 31.1	Certification
Exh. 31.2	Certification
Exh. 32.1	Certification
Exh. 32.2	Certification

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

Introduction to Interim Financial Statements.

The interim financial statements included herein have been prepared by Golden River Resources Corporation ("Golden River Resources" or the "Company") without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "Commission"). Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. These interim financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2008.

The 2007 financial statements have been restated to reflect certain adjustments resulting from the valuation of the Company's stock option grants (refer to Note 2).

In the opinion of management, all adjustments, consisting of normal recurring adjustments and consolidating entries, necessary to present fairly the financial position of the Company and subsidiaries as of December 31, 2008, the results of its operations for the three month and six month periods ended December 31, 2008 and December 31, 2007, and the changes in its cash flows for the six month periods ended December 31, 2008 and December 31, 2007, have been included. The results of operations for the interim periods are not necessarily indicative of the results for the full year.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

UNLESS OTHERWISE INDICATED, ALL FINANCIAL INFORMATION PRESENTED IS IN AUSTRALIAN DOLLARS.

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

	December 31 2008 A$000's (Unaudited)
ASSETS	
Current Assets	
Cash	
Receivables	
Total Current Assets	
Total Assets	
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	
Current Liabilities	
Accounts Payable and Accrued Expenses	
Total Current Liabilities	
Total Liabilities	
Commitments and Contingencies (Notes 10 and 11)	
Stockholders' Equity (Deficit):	
Common Stock: $.0001 par value 200,000,000 shares authorized, 126,714,130 and 26,714,130 issued	
Additional Paid-in-Capital	37
Less Treasury Stock at Cost, 2,500 shares	
Accumulated Other Comprehensive Loss	
Retained Deficit during exploration stage	(11
Retained Deficit prior to exploration stage	(26
Total Stockholders' Equity (Deficit)	
Total Liabilities and Stockholders' Equity (Deficit)	

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES

(An Exploration Stage Company)
Consolidated Statements of Operations
Three and Six Months Ended December 31, 2008 and 2007 and for the cumulative period
July 1, 2002 (inception of exploration activities) to December 31, 2008
(Unaudited)

	Three Months Ended December 31, 2008 A$000's	Three Months Ended December 31, 2007 A$000's restated	Six Mo E Dece 31, A$0
Revenues	$-	$-	
Costs and Expenses:			
Stock Based Compensation	46	107	
Exploration Expenditure	40	(20)	
Loss on Disposal of Equipment	-	-	
Interest Expense, net	-	-	
Legal, Accounting and Professional	26	14	
Administrative	55	135	
	167	236	
(Loss) from Operations	(167)	(236)	(
Foreign Currency Exchange Gain (Loss)	(17)	1	
Other Income:			
Interest - net, related entity	-	-	
- other	7	-	
(Loss) before Income Tax	(177)	(235)	(
Provision for Income Tax	-	-	
Net (Loss)	(177)	(235)	(
Basic net (Loss) Per Common Equivalent Shares	$(0.00)	$(0.01)	$(0
Weighted Number of Common Equivalent Shares Outstanding (000's)	61,989	36,714	49,

See Notes to Consolidated Financial Statements

4

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Six Months Ended December 31, 2008 and 2007 and for the cumulative period
July 1, 2002 (inception of exploration activities) to December 31, 2008
(Unaudited)

	2008 A$000's	A
		re
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Loss)	$(380)	
Adjustments to reconcile net (loss) to net cash (used) in Operating Activities		
Foreign Currency Exchange Loss	25	
Depreciation of Plant and Equipment	-	
Stock based compensation	132	
Accrued interest added to principal	-	
Net Change in:		
Receivables	13	
Staking Deposit	-	
Prepayments and Deposits	-	
Accounts Payable and Accrued Expenses	171	
Net Cash (Used) in Operating Activities	(39)	
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Plant and Equipment	-	
Net Cash (Used) in Investing Activities	-	
CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
Net Borrowings from Affiliates	-	
Sale of Shares / Warrants (net)	755	
Proceeds from Loan Payable	-	
Net Cash Provided by Financing Activities	755	
Effects of Exchange Rate on Cash	(24)	
Net Increase (decrease) in Cash	692	
Cash at Beginning of Period	8	

Cash at End of Period	$700
Supplemental Disclosures	
Interest Paid	-
NON CASH FINANCING ACTIVITY	
Debt repaid through issuance of shares	-
Stock Options recorded as Deferred Compensation	-

See Notes to Consolidated Financial Statements

5

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)
December 31, 2008
and for the cumulative period July 1, 2002
(inception of exploration activities) to December 31, 2008
(Unaudited)

	Shares	Common Stock Amount	Treasury Stock, at Cost	Additional Paid-in Capital	Retained (Deficit) (during the Exploration stage)	Ret (D (pr Explo
	000's	A$000's	A$000's	A$000's	A$000's	A
Balance June 30, 2002	6,347	$1	$(20)	$25,175	-	$(26
Net loss	-	-	-	-	$(681)	
Balance June 30, 2003	6,347	$1	$(20)	$25,175	$(681)	$(26
Issuance of 1,753,984 shares and warrants in lieu of debt repayment	1,754	-	-	$2,273	-	
Sale of 1,670,000 shares and warrants	1,670	-	-	$2,253	-	
Issuance of 6,943,057 shares on cashless exercise of options	6,943	$1	-	$(1)	-	
Net unrealized loss on foreign exchange	-	-	-	-	-	
Net (loss)	-	-	-	-	$(1,723)	
Balance June 30, 2004	16,714	$2	$(20)	$29,700	$(2,404)	$(26
Issuance of 1,400,000 options under 2004 stock option plan	-	-	-	$1,720	-	
Amortization of 1,400,000 options under						

2004 stock option plan	-	-	-	-	-	
Net unrealized gain on foreign exchange	-	-	-	-	-	
Net/(loss)	-	-	-	-	$(3,367)	
Balance June 30, 2005 (Note 2)	16,714	$2	$(20)	$31,420	$(5,771)	$(26

See Notes to Consolidated Financial Statements

6

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)
December 31, 2008
and for the cumulative period July 1, 2002
(inception of exploration activities) to December 31, 2008
(Unaudited) Continued

	Shares	Common Stock Amount	Treasury Stock, at Cost	Additional Paid-in Capital	Retained (Deficit) (during the Exploration stage)	Ret (De (pri Explo s
	000's	A$000's	A$000's	A$000's	A$000's	A
To eliminate deferred compensation against Paid-In Capital	-	-	-	$(576)	-	
Issuance of 10,000,000 shares and 20,000,000 options in lieu of debt repayment	10,000	$1	-	$3,882	-	
Capital gain on shares and options issued in lieu of debt repayment	-	-	-	$(1,883)	-	
Sale of 20,000,000 normal warrants	-	-	-	$997	-	
Sale of 10,000,000 special warrants	-	-	-	$1,069	-	
Amortization of 1,400,000 options under 2004 stock option plan	-	-	-	597	-	
Net unrealized loss on foreign exchange	-	-	-	-	-	
Net (loss)	-	-	-	-	$(1,694)	
Balance June 30, 2006 (Note 2)	26,714	$3	$(20)	$35,466	$(7,465)	$(2
Costs associated with sale of normal and special warrants	-	-	-	$(5)	-	

Amortization of 1,400,000 options under 2004 stock option plan	-	-	-	$20	-	
Amortization of 4,650,000 options under 2006 stock option plan	-	-	-	$593	-	
Net unrealized loss on foreign exchange	-	-	-	-	-	
Net (loss)	-	-	-	-	$(2,097)	
Balance June 30, 2007 (Note 2)	26,714	$3	$(20)	$36,074	$(9,562)	$(2

See Notes to Consolidated Financial Statements

7

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)
December 31, 2008
and for the cumulative period July 1, 2002
(inception of exploration activities) to December 31, 2008
(Unaudited) Continued

	Shares	Common Stock Amount	Treasury Stock, at Cost	Additional Paid-in Capital	Retained (Deficit) (during the Exploration stage)	Retained (Deficit (prior to Exploration stage
	000's	A$000's	A$000's	A$000's	A$000's	A$000'
Amortization of 4,650,000 options under 2006 stock option plan	-	-	-	$388	-	-
Net unrealized loss on foreign exchange	-	-	-	-	-	-
Net (loss)	-	-	-	-	$(1,145)	-
Balance June 30, 2008	26,714	$3	$(20)	$36,462	$(10,707)	$(26,402)
Amortization of 4,650,000 options under 2006 stock option plan	-	-	-	$132	-	-
Sale of 100,000,000 shares	100,000	$15	-	$740	-	-
Net unrealized gain on foreign exchange	-	-	-	-	-	-
Net (loss)	-	-	-	-	$(380)	-
Balance December 31, 2008	126,714	$18	$(20)	$37,334	$(11,087)	$(26,402)

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Notes to Consolidated Financial Statements
December 31, 2008

(1) Organisation

Golden River Resources Corporation ("Golden River Resources"), formerly Bay Resources Ltd, is incorporated in the State of Delaware. The principal shareholders of Golden River Resources are companies associated with Mr JI Gutnick and Mrs S Gutnick. These companies owned 95.25% of Golden River Resources as of December 31, 2008. 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. On March 8, 2006, shareholders approved the change of the Company's name to Golden River Resources.

(2) Adjustments and Restatement of Financial Statements

The financial statements for the three and six months ended December 31, 2007 have been restated to revise the Company's estimated fair value of certain stock option grants.

In October 2006, the Company granted 4,650,000 options under the Stock Option Plan to the Company's officers, directors and consultants. The Company utilized the services of an external valuer to determine the value of the options using the binomial option pricing model. At the time, the market price used in the binomial option pricing model was US$0.166 which was based on the price that the Company had been able to conclude a private placement and at the time believed this to be the fair value of the shares of common stock. The Company has now determined the market price (US$0.30) of the shares of common stock at the time of the issue of options as quoted on the OTCBB should have been used in the binomial option pricing model. The effect of the adjustment is an increase in Stock-Based Compensation expense in the three and six months ended December 31, 2007 by approximately A$54,000 and A$110,000 respectively.

In October 2004, the Company granted 1,400,000 options under the Stock Option Plan to the Company's officers, directors and consultants. The Company has recorded an adjustment to the estimated fair value of these options based upon a revision to the original volatility rate used in the fair value calculation. The effect of the adjustment is an increase in the opening retained earnings (deficit) at July 1, 2006 and additional paid-in capital by approximately A$1.1 million. Such adjustment had no effect on total stockholders' equity or the Company's cash flows, and has also been reflected in the 2005 and 2006 statement of stockholders' equity included in the accompanying consolidated financial statements.

The effects of the above adjustments are as follows:

Statement of operations for the three and six months ended December 31, 2007

	Three months end December 31, 2007			Six months end Dece	
	As previously filed A$	Adjustment to restate A$	Restated A$	As previously filed A$	Adjustm to rest A$
Stock Based Compensation expense	53	54	107	107	110
Net (loss)	(181)	(54)	(235)	(471)	(110
Basic net (loss) per Common Equivalent Shares	$(0.00)	$(0.00)	$(0.01)	$(0.01)	$(0.00

(3) Affiliate Transactions

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

Included in payables at December 31, 2008 was A$835,146 due to AXIS. During the six months ended December 31, 2008 and 2007 AXIS advanced Golden River Resources A$125,500 and A$25,000 respectively, provided services in accordance with the service agreement of A$77,095 and A$252,725. During the six months ended December 31, 2007 and 2008 AXIS did not charge interest and AXIS reversed A$6,525 of interest charged as at June 30, 2008. AXIS is affiliated through common management and ownership.

During the six months ended December 31, 2008 Joseph Gutnick advanced Golden River Resources A$1,258 which was included in payables at December 31, 2008.

Effective December 9, 2008 Golden River Resources issued Fast Knight Nominees Pty Ltd, a company associated with Mr J I Gutnick, 100,000,000 shares of Common Stock at an issue price of US$0.005, raising US$500,000 (A$755,000) additional working capital. The issue price was based on market prices at the time of the transaction. There are no registration commitments associated with this issuance of shares.

(4) Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, Fair Value

Measurements which provides enhanced guidance for using fair value to measure assets and liabilities. SFAS No. 157 provides a common definition of fair value and establishes a framework to make the measurement of fair value in generally accepted accounting principles more consistent and comparable. SFAS No. 157 also requires expanded disclosures to provide information about the extent to which fair value is used to measure assets and liabilities, the methods and assumptions used to measure fair value, and the effect of fair value measures on earnings. SFAS No. 157 is effective for financial statements issued in fiscal years beginning after November 15, 2007 and for interim periods within those fiscal years. In February 2008, the FASB staff issued Staff Position No. 157-2 "Effective date of FASB Statement No. 157" ("FSP FAS 157-2"). FSP FAS 157-2 delayed the effective date of FAS 157 for nonfinancial assets and nonfinancial liabilities, except for items that are recognised or disclosed at fair value in the financial statements on a recurring basis (at least annually). The provisions of FSP FAS 157-2 are effective for the Company's fiscal year beginning July 1, 2009. The adoption of this interpretation has not and is not expected to have a material impact on the Company's future reported financial position or results of operations.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115", which permits companies to choose to measure many financial instruments and certain other items at fair value. The provisions of FAS 159 are effective for the Company's fiscal year which commenced July 1, 2008. The adoption of FAS 159 did not have a material impact on the Company's consolidated financial position, results or operations or cash flows.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations" ("SFAS 141(R)"), which replaces SFAS 141. SFAS 141(R) requires assets and liabilities acquired in a business combination, contingent consideration, and certain acquired contingencies to be measured at their fair values as of the date of acquisition. SFAS 141(R) also requires that acquisition-related costs and restructuring costs be recognized separately from the business combination. SFAS 141(R) is effective for fiscal years beginning after December 15, 2008 and will be effective for business combinations entered into by the Company after July 1, 2009. The Company is currently evaluating the potential impact of adopting this statement on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51" ("SFAS 160"). SFAS 160 clarifies the accounting for noncontrolling interests and establishes accounting and reporting standards for the noncontrolling interest in a subsidiary, including classification as a component of equity. SFAS 160 is effective for fiscal years beginning after December 15, 2008. The Company does not currently have any minority interests.

In March 2008, the FASB issued FSAB Statement No. 161 "Disclosure about Derivative Instruments and Hedging Activities-an amendment of FASB statements No. 133 ("FAS 161") which provides revised guidance for enhanced disclosures about how and why an entity uses derivative instruments, how derivative instruments and related hedged items are accounted for under FAS 133, and how derivative instruments and the related hedged items affect and entity's financial position, financial performance and cash flows. FAS 161 is effective for the Company's fiscal and interim periods beginning after November 15, 2008. The Company does not currently have any derivative instruments and is not involved in any hedging activities.

In May 2008, the FASB issued SFAS No. 162 "The Hierarchy of Generally

Acceptable Accounting Principles" ("SFAS 162"). SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of non-governmental entities that are presented in conformity with generally accepted accounting principles in the United States. This statement is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles". Although the Company will continue to evaluate the application of SFAS 162, the Company does not believe the adoption of SFAS 162 will have a material impact on its financial statements.

(5) Comprehensive Income (Loss)

The Company follows SFAS No. 130 "Reporting Comprehensive Income" ("SFAS 130"). SFAS 130 requires a company to report comprehensive income (loss) and its components in a full set of financial statements. Comprehensive income (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 gains or (losses) during the six months to December 31, 2008 and 2007 amounted to A$1,000 and A$(6,000) respectively. Accordingly, comprehensive loss for the six months ended December 31, 2008 and 2007 amounted to A$(380,000) and A$(587,000) respectively.

(6) Going Concern

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate continuation of Golden River Resources as a going concern. Golden River Resources is in the exploration stage, has sustained recurring losses which raises substantial doubts 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. Based on discussions with these affiliate companies, Golden River Resources believes this source of funding will continue to be available. Other than the arrangements noted above, Golden River Resources has not confirmed any other arrangement for ongoing funding. As a result Golden River Resources may be required to raise funds by additional debt or equity offerings in order to meet its cash flow requirements during the forthcoming year.

The accumulated deficit of the Company from inception through December 31, 2008 amounted to A$37,489,000 of which A$11,087,000 has been accumulated from July 2002, the date the Company entered the Exploration Stage, through December 31, 2008.

(7) Income Taxes

Golden River Resources should have carried forward losses of approximately US$37.1 million as of June 30, 2008 which will expire in the year 2009 through 2028. Golden River Resources will need to file tax returns for those years having losses on which returns have not been filed to establish the tax benefits of the net operating loss carry forwards. Due to the uncertainty of the availability and future utilization of those operating loss carry forwards, management has provided a full valuation against the related tax benefit.

(8) Issue of Options under Stock Option Plan

The Company follows the provisions of SFAS No.123(R), Share-Based payment, 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 1,400,000 options to acquire shares of common stock in the Company, at an exercise price of US$1.00 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$1.00 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 1,400,000 options using the Black Scholes valuation method using a fair value share price of US$1.00, strike price of US$1.00, maturity period of 5 years 7 1/2 months, risk free interest rate of 5.15% and volatility of 20%. This equates to a value of US31.85 cents per option. The total value of the options equates to A$1,744,800 (US$1,352,820) and such amount was amortized over the vesting period. At December 31, 2008, the options were fully vested.

Since the issue of the options, 600,000 options have lapsed following the termination of participants to the issue.

A summary of the options outstanding and exercisable at December 31, 2008 are as follows:

	Outstanding	Exercisable
Number of options	800,000	800,000
Exercise price	US$1.00	US$1.00
Expiration date	October 15, 2014	October 15, 2014

On October 19, 2006, the Directors of the Company agreed to offer a further 4,650,000 options under the Stock Option Plan. The options have no issue price, an exercise price of US30.84 cents, and a latest exercise date of October 19, 2016. The options vest 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 4,650,000 options using the binomial option pricing model using a fair value share price of US$0.30, exercise price of US30.84 cents, 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 A$1,406,287 (US$1,060,200) and is being amortized over the vesting periods. For the three and six months ended December 31, 2008, the amortization amounted to A$45,763 and A$132,250 respectively and no options were forfeited. At December 31, 2008, the remaining value of the unamortized deferred compensation of these 4,050,000 outstanding options amounted to A$111,254.

Since the issue of the options, 600,000 options have lapsed following the termination of participants to the issue.

A summary of the options outstanding and exercisable at December 31, 2008 are as follows:

	Outstanding	Exercisable
Number of options	4,050,000	2,700,000
Exercise price	US$0.308	US$0.308
Expiration date	October 19, 2016	October 19, 2016

(9) Loss per share

Basic (loss) per share is computed based on the weighted average number of common shares outstanding during the period. Dilutive loss per share has not been presented as the effects of common stock equivalents are anti-dilutive. The Company has on issue 10,000,000 special warrants which are exercisable at any time until expiration and for no consideration. However, there is a restriction in the subscription agreement that does not allow the Company to process a warrant exercise notice if the holder (and its associates) would hold more than 9.99% of the shares of common stock unless the holder provides the Company with 61 days prior notice in which case the holder can exercise the entire 10,000,000 warrants. Accordingly, the Company has included 10,000,000 shares issuable by exercise of the special warrants in the weighted number of common equivalent shares outstanding.

Earnings per share

The Company calculates loss per share in accordance with SFAS No. 128, "Earnings per Share".

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

	Six months ended December 31	
	2008	2007
Weighted average shares	000's	000's
Outstanding - basic	39,214	26,714
- Warrants	10,000	10,000
Weighted average shares outstanding	49,214	36,714

The options to purchase 4,850,000 shares of common stock are not included in the earnings per share computation as such amounts would be anti-dilutive.

(10) Contingent Liability

The Company has received an invoice from a corporation that conducted the pegging of the claims in Canada on behalf of the Company. A number of claims that were pegged were not ultimately issued to the Company due to a number of errors by the pegging company. The Company had advised the pegging company that it does not believe any further payments are due to the pegging company as a result of the economic loss incurred by Golden River Resources. The Company believes that if it is unsuccessful in defending any claim that is brought against it, the maximum potential liability is CDN$59,000 (A$66,218). No accrued liability has been recorded in the accompanying financial statement pending the ultimate disposition of this matter.

(11) Commitments

In June 2008, the Company agreed on terms with Tahera Diamond Corporation to obtain full control of the mining properties that are listed in the Tahera/GRR agreement through the issuance of 3,000,000 shares of common stock and the payment of CDN$86,000. The CDN$86,000 was paid prior to June 30, 2008. The issuance of 3,000,000 shares of common stock has not been brought to account in the financial statements as the final agreements have not yet been executed.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FUND COSTS CONVERSION

The consolidated statements of operations and other financial and operating data contained elsewhere here in and the consolidated balance sheets and financial results have been reflected in Australian dollars unless otherwise stated.

The following table shows the average rate of exchange of the Australian dollar as compared to the US dollar and Canadian dollar during the periods indicated:

6 months ended December 31, 2007 A$1.00 = US$0.8767
6 months ended December 31, 2008 A$1.00 = US$0.6907
6 months ended December 31, 2007 A$1.00 = CDN$0.8610
6 months ended December 31, 2008 A$1.00 = CDN$0.8446

RESULTS OF OPERATION

Three Months Ended December 31, 2008 vs. Three Months Ended December 31, 2007.

Costs and expenses decreased from A$236,000 in the three months ended December 31, 2007 to A$167,000 in the three months ended December 31, 2008. The Company's financial statements are prepared in Australian dollars (A$). A number of the costs and expenses of the Company are incurred in US$ and CDN$ and the conversion of these costs to A$ means that the comparison of the three months ended December 31, 2008 to the three months ended December 31, 2007 does not always present a true comparison.

The decrease in costs and expenses is a net result of:

a) an increase in legal, accounting and professional expense from A$14,000 for the three months ended December 31, 2007 to A$26,000 for the three months ended December 31, 2008, primarily as a result of costs associated with the Company's SEC compliance obligations.

b) a decrease in administrative costs including salaries from A$135,000 in the three months ended December 31, 2007 to A$55,000 in the three months ended December 31, 2008, primarily as a result of a decrease in the cost of services provided by AXIS in accordance with the service agreement.

c) an increase in the exploration expenditure expense from (A$20,000) for the three months ended December 31, 2007 to A$40,000 for the three months ended December 31, 2008. For the three months ended December 31, 2007, the costs related to consultants providing exploration reviews and advice, and adjustment to cost of rehabilitation as the Company was required to pay the estimated cost of the rehabilitation in advance and the actual cost was less than the estimated cost. No field exploration was undertaken during the quarters ended December 31, 2007 and December 31, 2008. The costs for the quarter ended December 31, 2008 related to consultants providing exploration reviews and advice.

d) a decrease in stock based compensation from A$107,000 for the three months ended December 31, 2007 to A$46,000 for the three months ended December 31, 2008 as a result of a decrease in the number of options outstanding combined with a number of options being fully expensed prior to the current period. See Note 8 concerning the Company's outstanding stock options.

As a result of the foregoing, the loss from operations decreased from A$236,000 for the three months ended December 31, 2007 to A$167,000 for the three months ended December 31, 2008.

The Company recorded a foreign currency exchange loss of A$17,000 for the three months ended December 31, 2008 compared to a foreign currency exchange gain of A$1,000 for the three months ended December 31, 2007.

Other income increased from A$nil in the three months ended December 31, 2007 to A$7,000 in the three months ended December 31, 2008.

The net loss was A$178,000 for the three months ended December 31, 2008 compared to a net loss of A$235,000 for the three months ended December 31, 2007.

Six Months Ended December 31, 2008 vs. Six Months Ended December 31, 2007

Costs and expenses decreased from A$576,000 in the six months ended December 31, 2007 to A$362,000 in the six months ended December 31, 2008. The Company's financial statements are prepared in Australian dollars (A$). A number of the costs and expenses of the Company are incurred in US$ and CDN$ and the conversion of these costs to A$ means that the comparison of the six months ended December 31, 2008 to the six months ended December 31, 2007 does not always present a true comparison.

The increase in expenses is a net result of:

a) an increase in legal, accounting and professional expense from A$31,000 for the six months ended December 31, 2007 to A$66,000 for the six months ended December 31, 2008. For the six months ended December 31, 2008, there was an increase costs associated with the Company's SEC compliance obligations.

b) a decrease in administrative costs including salaries from A$273,000 in the six months ended December 31, 2007 to A$81,000 in the six months ended December 31, 2008 primarily as a result of a decrease in the cost of services provided by AXIS in accordance with the service agreement.

c) an increase in the exploration expenditure expense from A$55,000 for the six months ended December 31, 2007 to A$83,000 for the six months ended December 31, 2008 primarily as a result of the costs related to consultants providing exploration reviews and advice. No field exploration was completed during the six months ended December 31, 2007 and 2008.

d) a decrease in stock based compensation from A$217,000 for the six months ended December 31, 2007 to A$132,000 for the six months ended December 31, 2007 as a number of options being fully expensed prior to the current period. See Note 8 concerning the Company's outstanding stock options.

As a result of the foregoing, the loss from operations decreased from A$576,000 for the six months ended December 31, 2007 to A$362,000 for the six months ended December 31, 2008.

Other income increased from A$nil in the six months ended December 31, 2007 to A$7,000 in the six months ended December 31, 2008.

The Company recorded a foreign currency exchange loss of A$25,000 for the six months ended December 31, 2008, compared to A$5,000 for the six months ended December 31, 2007.

The net loss was A$381,000 for the six months ended December 31, 2008, compared to a net loss of A$581,000 for the six months ended December 31, 2007.

Liquidity and Capital Resources

For the six months ended December 31, 2008, net cash used in operating activities was A$39,000 primarily consisting of the net loss of A$380,000; offset by a decrease in receivables of A$13,000, an increase in accounts payable and accrued expenses of A$171,000 and an increase in stock based compensation of A$132,000.

As of December 31, 2008 the Company had short-term obligations of A$882,000 comprising accounts payable and accrued expenses.

In December 2008, Golden River Resources received funds for and issued 100,000,000 shares of common stock at an issue price of US$0.005 for a total of US$500,000 (A$755,000). The funds will be used for working capital. The securities that are being issued pursuant to the Private Placement are being issued in reliance upon an exemption from the registration requirements of the

Securities Act of 1933, as amended (the "Act) under Section 4(2) of the Act.

We have A$700,000 in cash at December 31, 2008.

During fiscal 2004 and 2005, we undertook a field exploration program 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 do not have a legal obligation to undertake further exploration on those properties during their life. However our properties are prospective for gold and other minerals. We undertook further exploration in August 2006 on the Slave Properties and we spent A$193,000 on such exploration activities in fiscal 2008 and to date A$83,000 in fiscal 2009 for maintenance cost. 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 a capital raising will be successful, or that even if an offer of financing is received by the Company, it is on terms acceptable to the Company.

The Company is in the process of preparing an exploration plan and budget for 2009 and anticipates exploration expenditure of approximately A$500,000.

The Company is considered to be an exploration stage company, with no significant revenue, and is dependent upon the raising of capital through placement of its common stock, preferred stock or debentures to fund its operations. In the event the Company is unsuccessful in raising such additional capital, it may not be able to continue active operations. Golden River Resources has historically relied on loans and advances from corporations affiliated with the President of Golden River Resources. Based on discussions with these affiliate companies, Golden River Resources believes this source of funding will continue to be available and accordingly has prepared the financial statements on a going concern basis.

Cautionary Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995.

Certain information contained in this Form 10-Q's forward looking information within the meaning of the Private Securities Litigation Act of 1995 (the "Act"). In order to obtain the benefits of the "safe harbor" provisions of the act for any such forwarding looking statements, the Company wishes to caution investors and prospective investors about significant factors which among others have affected the Company's actual results and are in the future likely to affect the Company's actual results and cause them to differ materially from those expressed in any such forward looking statements. This Form 10-Q report contains forward looking statements relating to future financial results. Actual results may differ as a result of factors over which the Company has no control including, without limitation, the risks of exploration and development stage projects, political risks of development in foreign countries, risks associated with environmental and other regulatory matters, mining risks and competition and the volatility of gold and copper prices, movements in the foreign exchange rate and the availability of additional financing for the Company. Additional information which could affect the Company's financial results is included in the Company's Form 10-K on file with the Securities and Exchange Commission.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

At December 31, 2008, the Company had no outstanding loan facilities. At December 31, 2008, assuming no change in the cash at bank, a 10% change in the A$ versus US$ exchange rate would have an effect of A$598 on the Company's cash position.

Item 4. 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 control and procedures were effective as of the end of the period covered by this report.

(b) Change in Internal Control over Financial Reporting

No change in our internal control over financial reporting occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

(c) Other

We believe that a controls system, no matter how well designed and operated, can not 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.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Not Applicable

Item 1A. Risk Factors.

Not Applicable

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On December 9, 2008 the Company sold an aggregate of 100,000,000 shares of common stock at a purchase prices of US$0.005 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, and was effected pursuant to the terms of a Subscription Agreement as disclosed in a Current Report on Form 8-K filed with the Securities and Exchange Commission on December 9, 2008.

Item 3. Defaults Upon Senior Securities.

Not Applicable

Item 4. Submission of Matters to a Vote of Security Holders.

Not Applicable

Item 5. Other Information.

Not Applicable

Item 6. Exhibits.

(a)

Exhibit No.	Description
31.1	Certification of Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Golden River Resources Corporation

By:
/s/ Joseph I. Gutnick

Joseph I. Gutnick
Chairman of the Board, President and
Chief Executive Officer
(Principal Executive Officer)

By:
/s/ Peter Lee

Peter Lee
Director, Secretary and
Chief Financial Officer
(Principal Financial Officer)

Dated 13 February, 2009

EXHIBIT INDEX

Exhibit No.	Description
31.1	Certification of Chief Executive Officer

	required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002