GOLDEN RIVER RESOURCES CORP.
Form 10QSB
November 14, 2006

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

FORM 10-QSB

(Mark one)

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

For the quarterly period ended September 30, 2006 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
(formerly BAY RESOURCES LTD)
(Exact name of Registrant as specified in its charter)

Delaware	98-0079697
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

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

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

Indicate by check mark whether the Registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 X No

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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. There were 26,711,630 outstanding shares of Common Stock as of November 10, 2006. (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.)

Transitional Small Business Disclosure Format (Check one) Yes _____ No x _____

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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-KSB for the year ended June 30, 2006.

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 September 30, 2006, the results of its operations for the three month period ended September 30, 2006 and September 30, 2005, and the changes in its cash flows for the three month period ended September 30, 2006 and September 30, 2005, 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 generally accepted accounting principles 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.

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GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Balance Sheet
September 30, 2006
(Unaudited)

	A$000's
ASSETS	
Current Assets	
Cash	1,047
Receivables	239
Prepayments and Deposits	53
Total Current Assets	1,339
Non Current Assets	
Property and Equipment, net	7
Total Non Current Assets	7
Total Assets	1,346
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities	
Accounts Payable and Accrued Expenses	315
Total Current Liabilities	315

Total Liabilities	315
Stockholders' Equity:	
Common Stock: $.0001 par value 100,000,000 shares authorized, 26,714,130 issued	3
Less Treasury Stock at Cost, 2,500 shares	(20)
Additional Paid-in-Capital	34,335
Other Comprehensive Loss	(9)
Retained Deficit during exploration stage	(6,876)
Retained Deficit prior to exploration stage	(26,402)
Total Stockholders' Equity	1,031
Total Liabilities and Stockholders' Equity	1,346

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Operations
Three Months Ended September 30, 2006 and 2005 and for the cumulative period
July 1, 2002 (inception of exploration activities) to September 30, 2006
(Unaudited)

	Three Months Ended September 30, 2006 A$000's	Three Months Ended September 30, 2005 A$000's	July 1, 2002 to September 30, 2006 A$000's
Revenues:	$-	$-	$-
Costs and Expenses:			
Stock Based Compensation	7	78	575
Exploration Expenditure	374	38	3,036
Loss on Disposal of Equipment	-	-	1
Interest Expense, net	(5)	26	407
Legal, Accounting and Professional	23	15	510
Administrative	129	151	2,318
	528	308	6,847
(Loss) from Operations	(528)	(308)	(6,847)
Foreign Currency Exchange Gain (Loss)	(16)	(7)	(29)

(Loss) before Income Tax	(544)	(315)	(6,876)
Provision for Income Tax	-	-	-
Net (Loss)	(544)	(315)	(6,876)
Basic net (Loss) Per Common Equivalent Shares	$(0.03)	$(0.02)	$(0.51)
Weighted Number of Common Equivalent Shares Outstanding (000's)	16,714	16,714	13,498

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
Three Months Ended September 30, 2006 and 2005 and for the cumulative period July 1, 2002 (inception of exploration activities) to September 30, 2006
(Unaudited)

	2006 A$000's	2005 A$000's	July 1, 2002 to September 30, 2006 A$000's
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (Loss)	(544)	(315)	(6,876)
Adjustments to reconcile net (loss) to net cash used in Operating Activities			
Foreign Currency Exchange Loss/(Gain)	16	7	17
Depreciation of Plant and Equipment	2	2	20
Stock based compensation	7	78	575
Accrued interest added to principal	-	26	184
Net Change in:			
Receivables	(206)	(2)	(239)
Staking Deposit	-	-	23
Prepayments and Deposits	-	-	(54)
Accounts Payable and Accrued Expenses	(236)	31	(156)
Short Term Advance - Affiliates	(1)	-	(36)
Net Cash (Used) in Operating Activities	(962)	(173)	(6,542)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Plant and Equipment	-	-	(27)

Net Cash (Used) in Investing Activities	-	-	(27)
CASH FLOW PROVIDED BY FINANCING ACTIVITIES			
Net Borrowings from Affiliates		178	1,031
Sale of Warrants (net of offering costs)	(7)	-	4,311
Proceeds from Loan Payable	-	-	2,273
Net Cash Provided by Financing Activities	(7)	178	7,615
Net Increase (decrease) in Cash	(969)	5	1,046
Cash at Beginning of Period	2,016	2	1
Cash at End of Period	1,047	7	1,047
Supplemental Disclosures			
Interest Paid	-	-	359
NON CASH FINANCING ACTIVITY			
Debt repaid through issuance of shares	-	-	4,273
Stock Options recorded as Deferred Compensation	-	-	575

See Notes to Consolidated Financial Statements

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GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)
September 30, 2006
and for the cumulative period July 1, 2002
(inception of exploration activities) to September 30, 2006
(Unaudited)

	Shares	Common Stock Amount	Treasury Stock, at Cost	Additional Paid-in Capital	Retained Earnings (Deficit) (during the Exploration stage)	Retained Earnings (Deficit) (prior to Exploration stage)	Deferr Comp sat
	000's	A$000's	A$000's	A$000's	A$000's	A$000's	A$00
Balance June 30, 2002	6,347	$1	$(20)	$25,175	-	$(26,402)	
Net loss	-	-	-	-	$(681)	-	

Balance June 30, 2003	6,347	$1	$(20)	$25,175	$(681)	$(26,402)	
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)	$(26,402)	
Issuance of 1,400,000 options under 2004 stock option plan	-	-	-	$575	-	-	$(5
Amortization of 1,400,000 options under 2004 stock option plan	-	-	-	-	-	-	$3
Net unrealized gain on foreign exchange	-	-	-	-	-	-	
Net/(loss)	-	-	-	-	$(2,600)	-	
Balance June 30, 2005	16,714	$2	$(20)	$30,275	$(5,004)	$(26,402)	$(1
To eliminate deferred compensation against Paid-In Capital	-	-	-	$(198)	-	-	$1
Issuance of 10,000,000 shares and 20,000,000 options in lieu of debt repayment	10,000	$1	-	$1,999	-	-	
Sale of 20,000,000 normal warrants	-	-	-	$997	-	-	
Sale of 10,000,000 special warrants	-	-	-	$1,069	-	-	

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)
September, 2006
and for the cumulative period July 1, 2002
(inception of exploration activities) to September 30, 2006
(Unaudited) Continued

	Shares	Common Stock Amount	Treasury Stock, at Cost	Additional Paid-in Capital	Retained Earnings (Deficit) (during the Exploration stage)	Retained Earnings (Deficit) (prior to Exploration stage)	Deferr Comp sat
	000's	A$000's	A$000's	A$000's	A$000's	A$000's	A$00
Amortization of 1,400,000 options under 2004 stock option plan	–	–	–	$(191)	–	–	
Net (loss)	–	–	–	–	$(1,328)	–	
Balance June 30, 2006	26,714	$3	$(20)	$34,333	$(6,332)	$(26,402)	
Costs associated with sale of normal and special warrants	–	–	–	$(5)	–	–	
Amortization of 1,400,000 options under 2004 stock option plan	–	–	–	$7	– –	–	
Net unrealized loss on foreign exchange	–	–	–	–	–	–	
Net (loss)	–	–	–	–	$(544)	–	
Balance September 30, 2006	26,714	$3	$(20)	$34,335	$(6,876)	$(26,402)	

See Notes to Consolidated Financial Statements

GOLDEN RIVER RESOURCES CORPORATION AND SUBSIDIARIES
(An Exploration Stage Company)
Notes to Consolidated Financial Statements
September 30, 2006

(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 77.48% of Golden River Resources as of September 30, 2006. During fiscal 1998, Golden River Resources incorporated a further subsidiary, Baynex.com Pty Ltd (formerly Bayou Australia 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 (formerly Bayou International Pty Ltd), a corporation incorporated under the laws of Australia. In June 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) Short-Term Advance Affiliate

During the three months ending September 30, 2006 the Company repaid A$1,329 owing to Joseph Gutnick, President of Golden River Resources.

(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 receivables at September 30, 2006 was A$176,062 due by AXIS, an affiliated management company. At September 30, 2005 the Company owed AXIS A$405,705. During the three months ending September 30, 2006 and 2005 AXIS advanced Golden River Resources A$125,936 and A$103,885, respectively including services in accordance with the service agreement of A$95,936 and A$88,885 respectively and advanced/reimbursed AXIS A$319,000 and A$2,850 respectively for outstanding amounts, including carried forward outstanding amounts and a short term advance to assist with the payment of anticipated future costs incurred on the behalf of the Company. During the three months ending September 30, 2005 AXIS charged interest of A$7,906 at an interest rate of 9.35%. During the three months ending September 30, 2006 the Company charged AXIS interest of A$3,463 at an interest rate between 9.35% to 9.80%.These entities are affiliated through common management and ownership.

Wilzed Pty Ltd, a company associated with the President of the Company, Joseph Gutnick, provided loan funds to enable the Company to meet its liabilities and has paid certain expenses on behalf of the Company. During the three months ending September 30, 2005, Wilzed loaned the Company A$77,433 and charged interest of A$16,834. The interest rate charged by Wilzed for the three months was 9.35%. At September 30, 2005, the Company owed Wilzed A$769,742. At September 30, 2006, there were no amount owing to Wilzed as they had been repaid in full during the three months ended June 30, 2006.

Interest expense incurred on loans and advances due to affiliated entities approximated A$25,950 in the three months ended September 30, 2005 and $nil in the three months ended September 30, 2006.

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

Notes to Consolidated Financial Statements
September 30, 2006

(4) Going Concern

The accompanying consolidated financial statements have been prepared in conformity with generally accepted accounting principles, which contemplates continuation of Golden River Resources as a going concern. Golden River Resources is in the exploration stage, has sustained recurring losses and has a net working capital deficiency which raises substantial doubts as to its ability to continue as a going concern. However, Golden River Resources anticipates that it will be able to defer repayment of obligations until it has sufficient liquidity to enable these loans to be repaid or other arrangements to be put in place. 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 September 30, 2006 amounted to A$33,278,000 of which A$6,876,000 has been accumulated from July 2002, the date the Company entered the Exploration Stage, through September 30, 2006.

(5) Income Taxes

Golden River Resources files its income tax returns on an accrual basis. Golden River Resources should have carry-forward losses of approximately US$22.6 million as of June 30, 2006 which will expire in the years 2007 through 2025. 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. The valuation allowance did not change being US$7.5 million at June 30, 2005 and US$7.5 million at June 30, 2006 .

(6) Issue of Options under Stock Option Plan

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 and up to a further 500,000 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. Of the total 1,400,000 options issued, 350,000 vested immediately following shareholder approval, 50,000 vested on September 30, 2005, 333,331 vested on July 27, 2005, 333,334 vested on January 27, 2006 and 333,335 vested on July 27, 2006. If the additional 500,000 options were not granted as the proposed recipient had resigned. 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.

Notes to Consolidated Financial Statements
September 30, 2006

(6) Issue of Options under Stock Option Plan (Cont'd)

The Company has accounted for all options issued in 2004 based upon their fair market value using the Black Scholes pricing model. There were no options issued by the Company in the fiscal year ended June 30, 2006 or the three months ended September 30, 2006.

The Company has calculated the fair value of the 1,400,000 options using the Black Scholes valuation method using a 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 US$0.3185 per option. The total value of the options equates to A$575,100 (US$445,900) and is being amortized over the vesting period. For the three months ended September 30, 2006, the amortization amounted to A$6,771.

On January 1, 2006, the Company adopted revised SFAS No.123, 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. Because the Company had previously adopted the fair value recognition provisions of SFAS No. 123, the revised standard did not have a material impact on its financial statements.

Consistent with the provisions of APB No.25, the Company recorded the fair value of stock option grants in stockholders equity and an offsetting deferred compensation amount within stockholders equity for the unearned stock compensation cost. Under SFAS No.123R an equity instrument is not considered to be issued until the instrument vests. Accordingly, as provided in SFAS No.123R, the Company has reversed the unamortized restricted stock compensation included in stockholders equity for the unvested portions of stock option grants awarded prior to the effective date of SFAS No.123R.

During the three months ended September 30, 2005, 50,000 options lapsed when Mr P. Ehrlich resigned as a Director and during the three months ended September 30, 2006 250,000 options lapsed when Mr P. Althaus resigned as Chief Operating Officer.

A summary of the options outstanding and exercisable at September 30, 2006 are as follows:

	Outstanding	Exercisable
Number of options	1,100,000	1,100,000
Exercise price	US$1.00	US$1.00
Expiration date	October 15, 2014	October 15, 2014

(7) Subsequent Event

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 US$0.3084, and a latest exercise date of October 19, 2016. The options vest 1/3 on October 19, 2007, 1/3 on October 19, 2008 and 1/3 on October 19, 2009. The Company is currently obtaining an external valuation on the options for the purpose of determining the amortization of the options.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

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:

3 months ended September 30, 2005 A$1.00 = US$.7603
3 months ended September 30, 2006 A$1.00 = US$.7571
3 months ended September 30, 2005 A$1.00 = CDN$.8905
3 months ended September 30, 2006 A$1.00 = CDN$.8321

RESULTS OF OPERATION

Three Months Ended September 30, 2006 vs. Three Months Ended September 30, 2005.

Revenue increased from A$nil in the three months ended September 30, 2005 to A$5,344 in the three months ended September 30, 2006. The increase in revenue is a result of interest earned on monies owed to the Company by AXIS A$3,463 and from the monies held in bank accounts $A1,881.

Costs and expenses increased from A$308,000 in the three months ended September 30, 2005 to A$533,000 in the three months ended September 30, 2006. The Company's financial statements are prepared in Australian dollars (A$). 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 September 30, 2006 to the three months ended September 30, 2005 does not always present a true comparison.

The increase in expenses is a net result of:

a) a decrease in interest expense (net) from A$26,000 for the three months ended September 30, 2005 to A$nil for the three months ended September 30, 2006. For the three months ended September 30, 2006, the Company had no interest bearing liabilities as they had been repaid in full. AXIS provides management and geological services to the Company pursuant to a Service Deed dated November 25, 1988. AXIS charged A$7,906 in interest on outstanding amounts at a rate of 9.35% for the three months to September 30, 2005 and Wilzed charged A$16,834 in interest.

b) an increase in legal, accounting and professional expense from A$15,000 for the three months ended September 30, 2005 to A$23,000 for the three months ended September 30, 2006 primarily as a result of additional work in reviewing the Form SB-2 for which there was no comparable amount in the three months ended September 30, 2005 .

c) a decrease in administrative costs including salaries from A$151,000 in the three months ended September 30, 2005 to A$129,000 in the three months ended September 30, 2006, primarily as a result of reduced administrative salaries and costs following the resignation of the Chief Operating Officer.

d) an increase in the exploration expenditure expense from A$38,000 for the three months ended September 30, 2005 to A$374,000 for the three months ended September 30, 2006 primarily as a result of increased exploration activity. The cost for the three months ended September 30, 2006 represents the field and sampling program undertaken at the Company's exploration properties within the Slave Craton in Nunavat, Canada. No field exploration was undertaken during the 2005 field season due to the high level of field exploration in the 2004 field season and limited funding.

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e) a decrease in stock based compensation from A$78,000 for the three months ended September 30, 2005 to A$7,000 for the three months ended September 30, 2006. Following shareholder approval on January 27, 2005 the Company issued 1,400,000 options pursuant to the 2004 Stock Option Plan. Of the total 1,400,000 options issued, 350,000 vested immediately following shareholder approval, 50,000 vested on September 30, 2005, 333,331 vested on July 27, 2005, 333,334 vested on January 27, 2006 and the balance of 333,335 vested on July 27, 2006. The exercise price of US$1.00 was derived from the issue price of common stock from the placement of shares on March 31, 2004 and is considered by the Company's Directors to be the fair value of the common stock. The Company has calculated the fair value of the 1,400,000 options issued in January 2005 using the Black Scholes valuation method using a 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 US$0.3185 per option or a total of A$575,100. Of this amount, A$6,771 has been amortized and charged to operations in the September 2006 quarter.

As a result of the foregoing, the loss from operations increased from A$308,000 for the three months ended September 30, 2005 to A$528,000 for the three months ended September 30, 2006.

The net loss was A$544,000 for the three months ended September 30, 2006 compared to a net loss of A$315,000 for the three months ended September 30, 2005.

Liquidity and Capital Resources

For the three months ended September 30, 2006, net cash used in operating activities was A$962,000 primarily consisting of the net loss of A$544,000; a decrease in receivables of A$206,000 and a decrease in accounts payable and accrued expenses of A$236,000.

Effective as of June 9, 2006, Golden River Resources, entered into a Subscription Agreement with RAB Special Situations Fund (Master) Limited ("RAB") pursuant to which the Company issued to RAB in a private placement transaction (the "Private Placement") for an aggregate purchase price of A$2,000,000 (US$1,542,000): (i)10,000,000 special warrants (the "Special Warrants"), each of which is exercisable at any time to acquire, without additional consideration, one (1) share (the "Special Warrant Shares") of Common Stock, US$0.001 par value ("Common Stock"), of the Company, and (ii) warrants (the "Warrants") for the purchase of 20,000,000 shares of Common Stock, US$0.001 par value (the "Warrant Shares"), at an exercise price of A$0.20 (US$0.1542) to be exercisable until April 30, 2011.

The Company agreed to prepare and file with the Securities and Exchange Commission a registration statement covering the resale of the shares of Common

Stock issuable upon exercise of the Special Warrants and the Warrants. The Company is required to prepare and file with the SEC within sixty (60) calendar days after the Closing Date (the "Filing Deadline") a registration statement at the sole expense of the Company, in respect of the Subscriber, so as to permit a public offering and resale of the Common Stock acquirable upon conversion of the Special Warrants, the Common Stock acquirable upon exercise of the Warrants and the Common Stock issued as Liquidated Damages (collectively, the "Registrable Securities") in the United States under the 1933 Act by the Subscriber as selling stockholder and not as underwriter. Golden River shall use its best efforts to cause such Registration Statement to become effective as soon as possible thereafter, and within the earlier of: (i) one hundred twenty (120) calendar days after the Closing Date (one hundred and fifty (150) calendar days in the event the SEC shall elect to review the Registration Statement), or (ii) five (5) calendar days of the SEC clearance to request acceleration of effectiveness (the "Effectiveness Deadline"). The Company agreed that in the event that the Registration Statement to be filed by the Company is not filed with the SEC on or before the Filing Deadline, or (ii) such Registration Statement is not declared effective by the SEC on or before the Effectiveness Deadline, then the Company shall (x) for the period commencing on the sixty first (61st) day after the Closing Date and on the first day of each month thereafter until the date that the Registration Statement is filed and (y) for the period commencing on the one hundred twenty first (121st) day after the Closing Date (the one hundred fifty first (151st) day after the Closing Date in the event the SEC shall elect to review the Registration Statement) the Company will pay to the Subscriber as liquidated damages and not as a penalty for such failure (the "Liquidated Damages"): on the first day of each month thereafter until the Registration Statement is declared effective by the SEC either: (A) a cash payment equal to 2% of the Purchase Price or (B) at the sole election of the Subscriber, shares of Common Stock equal to 2% of the number of shares of Common Stock purchased by the Subscriber.

Once such registration statement has been filed and declared effective, the Company is obligated to keep such registration statement effective until the earlier of (i) the date that all of the Registrable Securities have been sold pursuant to such registration statement, (ii) all Registrable Securities have been otherwise transferred to persons who may trade such shares without restriction under the Securities Act, and the Company has delivered a new certificate or other evidence of ownership for such securities not bearing a restrictive legend, or (iii) all Registrable Securities may be sold at any time, without volume or manner of sale limitations pursuant to Rule 144(k) or any similar provision then in effect under the Securities Act; or (iv) 2 years from the effective date.

The Company met the Filing Deadline and the SEC declared the registration statement effective in October 2006.

As of September 30, 2006 the Company had short-term obligations of A$315,000 comprising accounts payable and accrued expenses.

We have A$1,047,000 in cash at September 30, 2006. We are investigating the possibility of raising cash flow through money in Canada for exploration purposes.

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 to date we have spent A$374,000. 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 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.

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

Certain information contained in this Form 10-QSB's forward looking information within the meaning of the Private Securities Litigation Act of 1995 (the "Act") which became law in December 1995. 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-QSB 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-KSB on file with the Securities and Exchange Commission.

Item 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15 as of the end of the period covered by this report. Based upon that evaluation, such officers concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in this report is recorded, processed, summarized and reported on a timely basis.

Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II

OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Not Applicable

Item 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

Not Applicable

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
3.1	Amendment to Certificate of Incorporation of the Company
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
Peter Lee, Director, Secretary and

Chief Financial Officer
(Principal Financial Officer)

Dated November 14, 2006

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