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# Quarterly Report

For the quarter ended December 2018

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## Highlights

- Commenced auger drilling work at five priority prospects; Rabbers Lookout, Casuarina Valley, Fortuna, Wiggies and Northern Gold. Completed 543 auger holes and currently waiting for geochemical analysis or integrating geochemical analysis data with bedrock lithological logging.
- Commenced rock chip sampling at Transit Corridor prior to commencing an auger drilling program at the prospect to obtain bedrock samples for lithological analysis.
- Completing data processing of higher resolution geophysical survey data and generation of updated better quality gravity images to assist ongoing exploration activities.
- Received confirmation granting to Rimfire two new Exploration Licences (EL8804 and EL8805) in an area where rocks have been reinterpreted by Company geoscientists as Ordovician age. Rimfire overall tenement area increases by 234km<sup>2</sup> to 915km<sup>2</sup>.

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Rimfire Pacific Mining NL (ASX: RIM) (“the Company” or “Rimfire”) is pleased to provide the December 2018 Quarterly Activity Report for activities undertaken at Fifield NSW.

During the last Quarter the Company undertook bedrock auger drilling following the integration of high-resolution gravity survey with past exploration data at six priority prospects of Casuarina Valley, Rabbers Lookout, Wiggies, Fortuna, Northern Gold and Transit Corridor. The integration of bedrock lithological samples and geochemical assay data results with existing datasets will be done predominantly in the first quarter of 2019 and will impact the design and prioritisation of field work activities in the first two quarters of 2019.

In addition, the evaluation of Sorpresa to confirm that the high grade zones provide sufficient mineralisation at a suitable cut-off grade to allow development of a mining operation continues, with completion of sectional interpretations and construction of mineralisation boundary wireframes within the broader Sorpresa discovery (ASX Announcement: 23 December 2014, Sorpresa Maiden Resource Estimate).

**Going for gold.**

## PROJECT ACTIVITY DETAIL

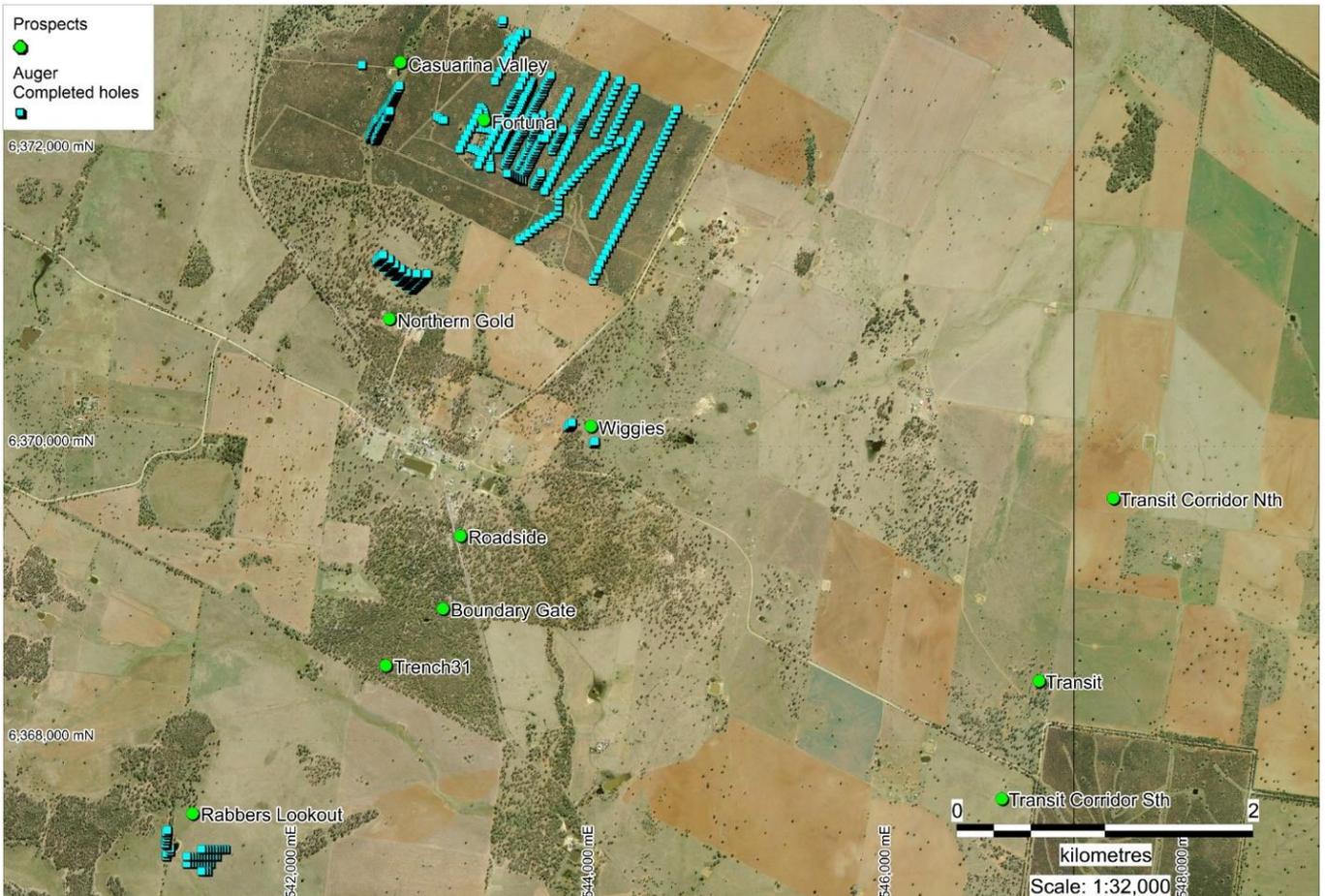
Total drilling and sampling work for the December Quarter

The Fifield project main field work activities in the period were auger drilling and rock chip sampling.

TABLE: December Quarter Field Discovery Work

DRILLING SUMMARY			
Drilling Type	Holes	Metres	Prospect Areas
Auger	543	1,261	Rabbers Lookout, Fortuna, Casuarina Valley, Northern Gold, Transit
Other Field Programs			
Program Type	Number	Prospect Areas	
Soil/LAG samples	57	Casuarina Valley	
Surface Rock Samples	55	Transit	
Geological Reconnaissance Mapping	0km <sup>2</sup>	Nil	

Figure 1: shows the location of key prospects and the auger work completed during the Quarter.



## High Resolution Gravity Survey covering 240km<sup>2</sup> Area

In September Rimfire awarded Atlas Geophysics, a specialist gravity surveying company, the contract for a high resolution gravity survey at the Fifield tenements over a planned area of 240km<sup>2</sup>. During the Quarter data processing of the high resolution data (nominal 400m x 400m & 200m x 200m spacing) survey work was completed with generation of updated gravity images and grids to assist with planning and prioritisation of future field exploration activities.

The primary focus of the survey was the Southern Ordovician area which is seen as prospective for Cowal and Northparkes style mineralisation. 2018 field mapping and sampling programs in this area have led to an alternative model where rocks could be Ordovician age and far more prospective for porphyry copper / gold or gold systems. Additional areas covered by the survey included the Fortuna and Casuarina Valley Prospect areas, with the new gravity data lifting the priority of work in these areas.

## Prospect Auger Programs

In line with the Company's Dual Strategy (ASX Announcement: 25 September 2018, Dual Strategy - Sorpresa Appraisal and Regional Discovery) prospects were reviewed and those within 4km of the Sorpresa Resources were assessed by the technical team. Where regolith conditions were considered appropriate programs of Auger drilling to generate insitu geochemical samples were implemented. The areas covered are shown in Figure 1.

The Company is currently in the process of integrating assay results with lithological logging, new gravity data and pre-existing datasets. The results of this process are expected to guide a review of prospectivity and development of progressive work programs for the coming months.

## Tenement Position

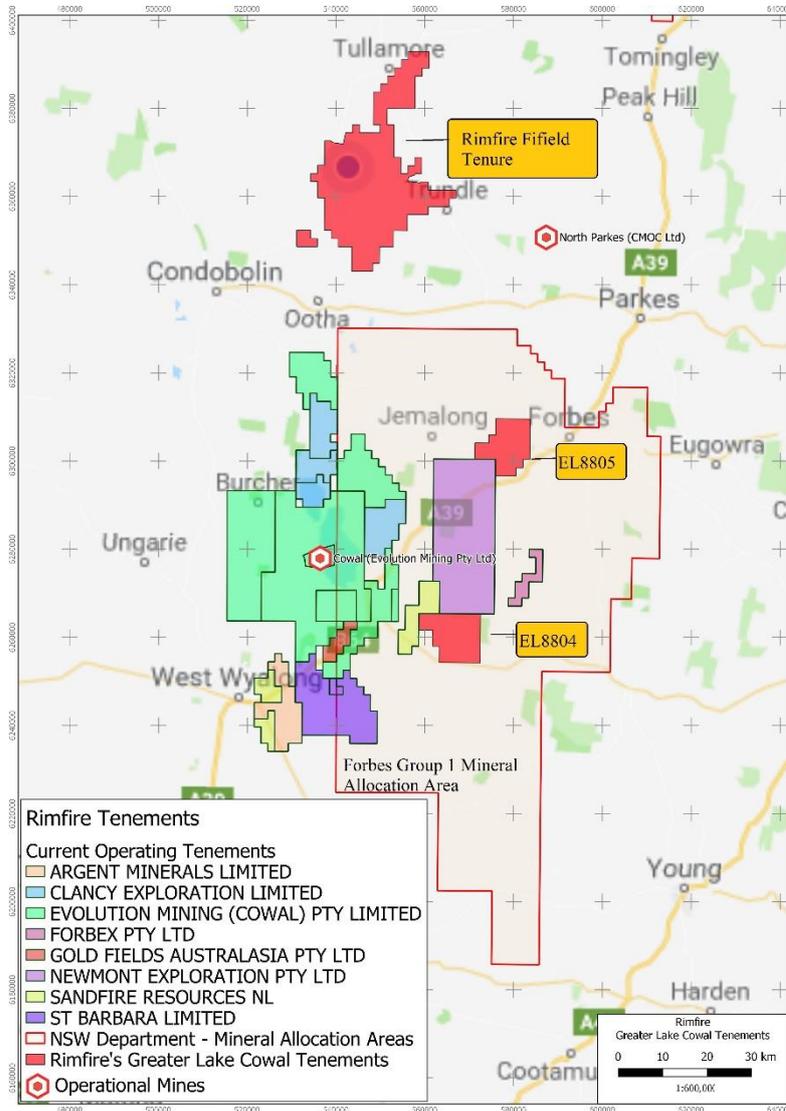
During the Quarter, the NSW Government confirmed the granting of two new Exploration Licences, EL8804 and EL8805, which increases Rimfires overall tenement area by 234km<sup>2</sup> to 915km<sup>2</sup>.

The licences cover an area of recently reinterpreted Ordovician age rocks that has had little exploration for epithermal / porphyry style systems as historically the focus was on other types of mineralisation models. If the interpretation is correct, and the Ordovician volcanics are present, then they have the potential to host significant copper-gold mineral systems similar to Cowal and Northparkes mines which would significantly change the prospectivity of the terrain.

Subsequent to the licence application, the NSW Government has gazetted (Gazette No 77 of 10 August 2018) the area surrounding the new exploration licences as a Mineral Allocation Area which triggered a five-year moratorium on new applications. Existing licence holders can continue exploration programs.

The Company maintained its tenement interest in the Broken Hill area of 78km<sup>2</sup> with Perilya as operator. A full listing of exploration licences held by the Company is contained in Appendix A of this report.

Map 1: shows the location of the recently granted EL8804 and EL8805, Greater Lake Cowal Area tenements in relation to the existing Fifield tenure.



## CORPORATE ACTIVITY

### Management Changes

Subsequent to the end of the Quarter, the Company announced on 24th January 2019 changes to the Management of the Company. John Kaminsky is to retire from Managing Director role on 31st January 2019 due to health and personal circumstances, and will continue as a Non-Executive Director of the Company. Ramona Enconniere will also retire from the the Board of the Company on 31st January 2019. John and Ramona have both made tremendous contributions to the Company over more than 13 years. The Board, Management and Rimfire team wish John and Ramona every success going forward. The Company will appoint Craig Riley as CEO effective from 1st February 2019. Craig is currently Rimfire's Business Development Manager, thereby ensuring a rapid and smooth transition.

## Cash, Funding, Facilities and Investments

The Company's cash at bank at 31 December 2018 was \$0.753 million.

During the December Quarter a Non-Renounceable Rights Issue (Rights Issue) was undertaken to raise approximately \$2.1 million before costs from the issue of 235,869,389 New Ordinary Shares. The Rights Issue was supported with over \$500k pre-committed and Directors participating in the offer. The Rights Issue raised \$1.1 million before costs.

The funds raised by the Rights Issue will provide additional working capital and enable Rimfire to continue with its work programs at the Fifield Project area in NSW, building upon the important milestones already established in the Sorpresa gold and silver project and make further advances in the regional discovery where an emerging gold and copper signature is being established.

## Annual General Meeting

During the Quarter the Company held its Annual General Meeting. Ian McCubbing was re-elected as a Director and all other resolutions were passed.

## Commodity Pricing for the Quarter

During the Quarter the gold price strengthened with world market participants assessing the impact of US foreign trade policy on global markets, finishing the quarter with an increase in value of 8% (USD 1,282 per ounce). Since the start of 2019 the gold price has continued to appreciate and is now at USD 1,318 per ounce.

Gold and Silver Prices from [www.kitco.com](http://www.kitco.com) in New York in USD and Copper and Cobalt Prices from [LME.com](http://LME.com) in USD.

Commodity	Price USD 1-Oct-18	Price USD 31-Dec-18	December 2018 Quarter % change
Gold (oz)	1,191.00	1,282.10	7.65%
Silver (oz)	14.52	15.47	6.54%
Copper (t)	6,170	5,964	-3.34%
Cobalt (t)	57,500	54,500	-5.22%

Craig Riley  
CEO (Designate)

## Appendix A - Rimfire Exploration Licences

Below is a listing of the exploration licences held by Rimfire Pacific Mining NL as at 31 December 2018.

Tenement	Location	Beneficial Percentage Held	Units	Interest Acquired / Farmed in during Qtr	Interest Disposed / Farmed out during Qtr
EL7959	Fifield	100%	7	-	-
EL5534	Fifield	100%	40	-	-
EL7058	Fifield	100%	35	-	-
M(C)L305	Fifield	100%	1.9ha	-	-
M(C)L306	Fifield	100%	2.0ha	-	-
EL8401	Fifield	100%	100	-	-
EL5565	Fifield	100%	4	-	-
EL8543	Fifield	100%	1	-	-
EL8542	Fifield	100%	32	-	-
EL6241	Fifield	100%	15	-	-
EL8804	Greater Lake Cowal Area	100%	42	100%	-
EL8805	Greater Lake Cowal Area	100%	39	100%	-
EL5958	Broken Hill	*	27	-	-

\* Rimfire retains a 10% free carried interest. Perilya is the operator, holding a 90% interest.

## ABOUT RIMFIRE

Rimfire Pacific Mining is an ASX listed (code: RIM) resources exploration company that has its major focus at Fifield in central NSW, located within the Lachlan Transverse Zone (LTZ). In 2010~11 the Company made a greenfields gold and silver discovery, named "Sorpresa", announcing a JORC Compliant Inferred & Indicated Maiden resource in 2014. The discovery history of Sorpresa is shown in the [Hyperlink to the ASX presentation to the Mineral Council May 2017](#).

The current main Sorpresa trend containing predominantly gold (+/- silver) mineralisation is approximately 1.5km in length. Assessment is ongoing to determine options for monetisation of existing Sorpresa discoveries in conjunction with field work to explore a broader zone (7km x 2km corridor) that has the right structure, lithologies and geophysical signatures to produce further discoveries.

### Discovery Potential in the wider Fifield District

The potential (established with New Gold Inc., during the 2017 earn-in venture) for the Fifield area is an aggregate discovery in excess of 4 million ounces of gold equivalent metal, being capable of supporting a mine life in excess of 10 years, and within the lower third of industry costs of production.

## **Competent Persons Declarations**

The information in the report to which this statement is attached that relates to Exploration and Resource Results is based on information reviewed and/or compiled by Todd Axford who is deemed to be a Competent Person and is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Axford has over 23 years' experience in the mineral and mining industry. Mr Axford is employed by Geko-Co Pty Ltd and is a consulting geologist to the Company. Todd Axford has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Todd Axford consents to the inclusion of the matters based on the information in the form and context in which it appears.

## **Forward looking statements Disclaimer:**

This document contains "forward looking statements" as defined or implied in common law and within the meaning of the Corporations Law. Such forward looking statements may include, without limitation, (1) estimates of future capital expenditure; (2) estimates of future cash costs; (3) statements regarding future exploration results and goals. Where the Company or any of its officers or Directors or representatives expresses an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and the Company or its officers or Directors or representatives as the case may be, believe to have a reasonable basis for implying such an expectation or belief. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward looking statements. Such risks include, but are not limited to, commodity price fluctuation, currency fluctuation, political and operational risks, governmental regulations and judicial outcomes, financial markets and availability of key personnel. The Company does not undertake any obligation to publicly release revisions to any "forward looking statement", or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.