



Rimfire Pacific Mining Limited

ACN 006 911 744

INTERIM REPORT 31 DECEMBER 2024

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General information

The financial statements cover Rimfire Pacific Mining Limited as a consolidated entity consisting of Rimfire Pacific Mining Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Rimfire Pacific Mining Limited's functional and presentation currency.

Rimfire Pacific Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors.

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the “consolidated entity”) consisting of Rimfire Pacific Mining Limited (**ASX: RIM**) referred to hereafter as “**Rimfire**”, “the **company**” or “**parent entity**” and the entities it controlled at the end of, or during, the Financial Half Year ended 31 December 2024 (“**Period**”, “**Half-Year**”).

DIRECTORS

The following persons were directors of Rimfire Pacific Mining Limited during the Period and up to the date of this report, unless otherwise stated:

- Ian McCubbing – Independent, Non-Executive Director and Non-Executive Chairman,
- David Hutton – Managing Director and Chief Executive Officer,
- Andrew Knox – Independent, Non-Executive Director, and
- Greg Keane – Alternate Executive Director to Ian McCubbing.

PRINCIPAL ACTIVITIES

During the Half-Year, the principal continuing activities of the consolidated entity consisted of the discovery and development of economic mineral deposits.

RESULTS OF OPERATIONS

The net result for the Half-Year, after applicable income tax expense, was a loss of \$1,584,248.

The key impact on the loss for the current Half-Year compared to the December 2023 Half-Year (Comparison Period) loss of \$691,476, was primarily the increase in professional fees incurred due to dealing with legal matters relating to termination of the earn-in agreements with exploration partner Golden Plains Resources Pty Ltd.

DIVIDENDS

No dividends were paid during the half-year, nor are any recommended.

REVIEW OF OPERATIONS

Rimfire is an ASX-listed Critical Minerals exploration company which is advancing projects within the Fifield (“FI”) and Broken Hill (“BH”) districts of New South Wales (*Figure 1*).

During the Half-Year, Rimfire announced maiden Mineral Resource Estimates for two scandium prospects located on its Fifield and Avondale Projects - 3Mt @ 240 ppm Sc (1,120t Sc Oxide) Indicated and Inferred Mineral Resource estimate at the Melrose prospect, and a 21Mt @ 125 ppm Sc (4,050t Sc Oxide) Inferred Mineral Resource at the Murga North prospect. The Company also announced an Exploration Target for the surrounding Murga area (excluding Murga North) of 100 to 200Mt at 100 to 200ppm Sc (15Kt – 46Kt Scandium Oxide)*.

Declaring maiden Scandium Mineral Resources for Melrose and Murga North and an accompanying Exploration Target for the broader Murga area is an important first step in achieving Rimfire’s objective of building a **globally significant scandium resource inventory** at Fifield.

Murga North and Murga lie on the Fifield Project and Melrose lies on the Avondale Project. After announcing the Mineral Resource Estimates, Rimfire also completed a 61-hole (1,276 metre) air core drilling program within the southern portion of the Murga Exploration Target during the Period. As well as returning multiple strongly

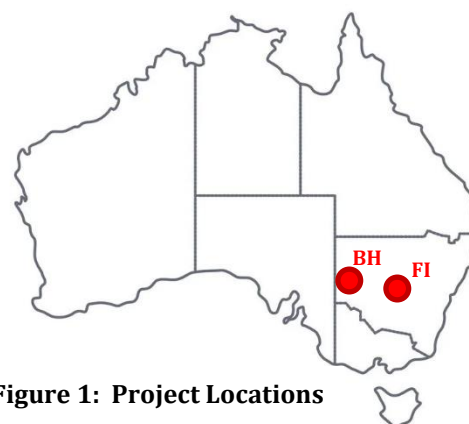


Figure 1: Project Locations

anomalous intercepts, the program validated the use of magnetic data as one of the key geological criteria used to generate the Murga Exploration Target.

At the end of the Half-Year the Company commenced a diamond drill program to enhance the company's understanding of the geological setting and geochemical prospectivity of the broader Murga area with the results expected during the March 2025 Quarter.

The Company expanded its scandium project portfolio by entering into a Buy Option Agreement with Javelin Minerals Limited (JAV:ASX) for EL8666 ("Malamute") which lies 50 kilometres north of Fifield and contains a number of scandium drill intercepts and untested magnetic anomalies which are interpreted to indicative of potential new scandium occurrences. The company also applied for a new exploration licence (ELA6848) adjacent to Malamute which is also deemed to be prospective for scandium. Collectively the two tenements are referred to as the "Rabbit Trap Scandium Project".

At Broken Hill a diamond drilling program (5 holes / 974 metres) to test for extensions of previously drilled high-grade cobalt mineralisation at the Bald Hill Cobalt Copper prospect returned further high-grade cobalt mineralisation and associated copper, i.e., 63m @ 0.18% Co, 0.08% Cu from 118m in FI2614, **including 11m @ 0.21 % Co, 0.1% Cu and 9m @ 0.22% Co, 0.09% Cu.**

***Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.**

Operational Review – Scandium projects

During the Period, Rimfire announced separate maiden scandium Mineral Resource estimates for Melrose and the northern portion of the Murga area ("Murga North") prospects, together with an additional Exploration Target for the broader Murga area (excluding Murga North) which are located at Fifield 70 kilometres northwest of Parkes in central NSW (*Rimfire ASX Announcement dated 5 September 2024*).

Resource Estimate Details

H&S Consultants Pty Ltd (HSC) were engaged by Rimfire to undertake a Mineral Resource Estimate for the Melrose and Murga North Scandium Prospects. The Mineral Resources were reported in accordance with the 2012 JORC Code and Guidelines using a 100ppm scandium cutoff grade (see *Tables 1 – 2*).

Please refer to Rimfire's ASX Announcement dated 5 September 2024 for all supporting information and JORC Tables.

Rimfire also confirms that it is not aware of any new information or data that materially affects the information included in the 5 September 2024 ASX announcement, and that all material assumptions and technical parameters underpinning the estimates in that ASX announcement continue to apply and have not materially changed.

Table 1: Melrose Scandium Deposit Mineral Resource Estimate (100ppm Sc cut-off grade).

Category	Mt	Sc ppm	Sc ₂ O ₃ ppm	Co ppm	Ni ppm	Sc Tonnes	Sc ₂ O ₃ Tonnes	Co Tonnes	Ni Ticker
Indicated	2.9	250	380	570	2,000	730	1,100	1,700	5,900
Inferred	0.1	200	310	430	1,300	16	20	30	100
Total	3.0	240	380	570	2,000	740	1,120	1,730	6,000

* Sc tonnage multiplied by 1.53 to convert to Sc₂O₃. Table includes minor rounding errors.

Table 2: Murga North Scandium Deposit Mineral Resource Estimate (100ppm Sc cut-off grade).

Category	Mt	Sc ppm	Sc ₂ O ₃ ppm	Sc Tonnes	Sc ₂ O ₃ Tonnes
Inferred	21.0	125	190	2,650	4,050
Total	21.0	125	190	2,650	4,050

* Sc tonnage multiplied by 1.53 to convert to Sc₂O₃.

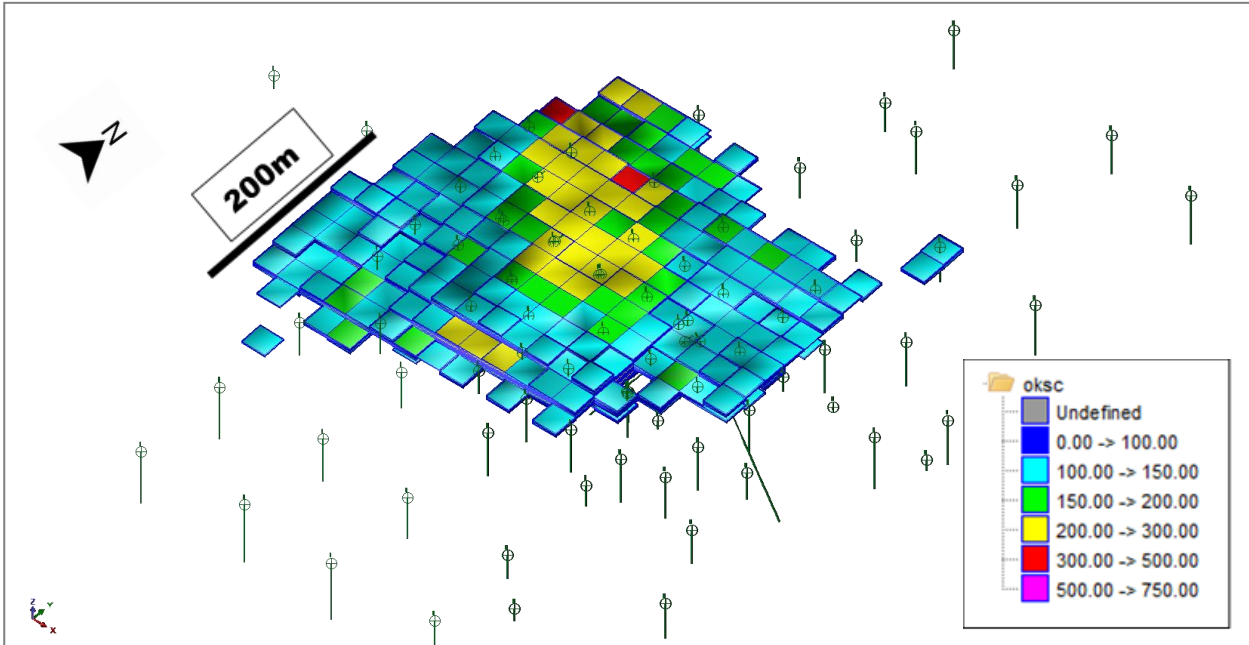


Figure 2: Scandium Block Grade Distribution for the Melrose Mineral Resources with drillhole collars in green. Oblique view looking down to NW

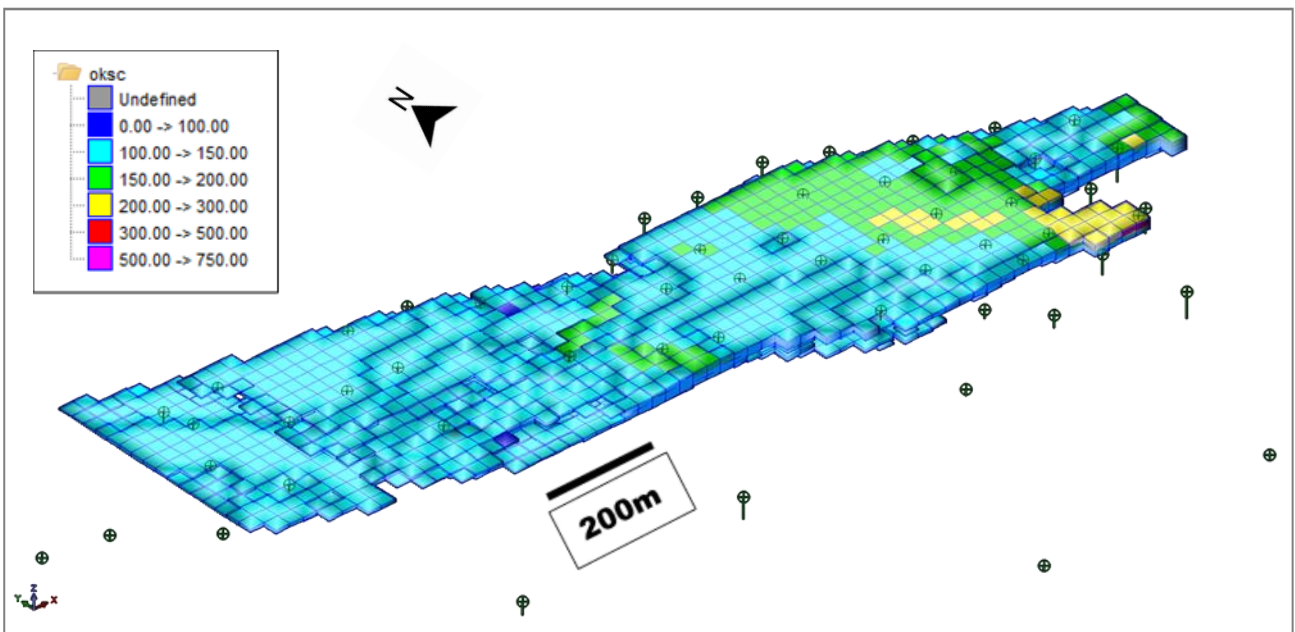


Figure 3: Scandium Block Grade Distribution for the Murga North Mineral Resource with drillhole collars in green. Oblique view looking down to NE

In addition, HSC also defined an Exploration Target for the broader Murga area (excluding the Murga North Mineral Resource).

It is based on an outline of the scandium-bearing pyroxenite interpreted from aeromagnetic data and results of Rimfire's 2024 reconnaissance air core drilling (on nominal 400m x 400m centres) throughout the Murga area.

The boundaries of the Exploration Target are shown in *Figure 6* and an average thickness of 15 metres has been assumed along with a default density of 2.15kg/m³. However, it is unknown at this stage if the whole outlined area will have reasonable prospects for eventual extraction, so HSC assumed that only 50% of the area within the pyroxenite outline was classified as the Exploration Target.

Given the above, the Exploration Target for the broader Murga area is: 100 to 200Mt at 100 to 200ppm Sc (15Kt – 46Kt Scandium Oxide)*.

The broader Murga area (*outlined in Figure 7*) is just one part of Rimfire's extensive landholding in the area which has potential for scandium discovery, as evidenced by previous exploration programs reported by the company at the Currajong and Forrest View prospects (*Figure 4 and see Rimfire ASX Announcements dated 3 October 2023, 12 February 2024 and 6 May 2024*).

***Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.**

Significance of the Melrose and Murga North Mineral Resources

At Melrose and Murga North, scandium (+/- nickel and cobalt) occurs within a flat – lying weathered saprolite (clay) horizon overlying a sequence of Silurian - Ordovician mafic / ultramafic intrusive rocks (Alaskan style) comprising dunite, wehrlite, pyroxenite and gabbro.

Historically most of the exploration work throughout the area has focused on gold and platinum.

Since embarking upon a scandium-focused exploration strategy in late 2022, Rimfire has been steadily developing a pipeline of scandium prospects, (e.g.; Melrose, Murga, Forrest View and Currajong) with the strategic objective of building **a globally significant scandium resource inventory** in the Fifield district of NSW.

The maiden Mineral Resource estimates for Melrose and Murga North represents the first step in pursuit of that objective, with subsequent conversion of the Murga Exploration Target into Mineral Resources and advancing additional scandium exploration targets as further steps.

While the Melrose Mineral Resource is largely “closed off”, the Murga North Mineral Resource remains open to the west and south.

The area contained within the Murga Exploration Target was air core drilled by Rimfire on 400m x 400m hole spacings. This drilling successfully intersected strong scandium anomalism at multiple locations within the boundaries of the Murga Exploration Target (*see Rimfire ASX Announcement dated 6 May 2024 for drillhole specifications and Exploration Result details*), i.e.;

- 13m @ 188ppm Sc (288ppm Sc Oxide) from 3 metres in FI2514 **including 4m @ 248ppm Sc (380ppm Sc Oxide) from 7 metres**
- 6m @ 111ppm Sc (179ppm Sc Oxide) from 6 metres in FI2513,
- 21m @ 106ppm Sc (162ppm Sc Oxide) from 3 metres in FI2547,
- 3m @ 127ppm Sc (195ppm Sc Oxide) from 13 metres in FI2549,
- 6m @ 106ppm Sc (163ppm Sc Oxide) from 9 metres,
- 6m @ 108ppm Sc (165ppm Sc Oxide) from 24 metres in FI2549,
- 18m @ 174ppm Sc (266ppm Sc Oxide) from 1 metre in FI2561 **including 3m @ 226ppm Sc (346ppm Sc Oxide) from 7 metres**
- 27m @ 188ppm Sc (288ppm Sc Oxide) from 0 metres in FI2434 **including 12m @ 224ppm Sc (344ppm Sc Oxide) from 3 metres**

Note - Scandium oxide (Sc Oxide) grade is calculated using a conversion factor of 1.5338, i.e. Sc grade x 1.5338 equals the Sc Oxide grade.

To better understand their significance and to potentially convert the Murga Exploration Target to a Mineral Resource, further air core drilling, and diamond drilling was conducted.

HSC's resource estimate work recommended that drill hole spacings of 100m x 100m or less should be used in any subsequent drilling to better define internal grade zones and mineralisation thickness variation.

Diamond drilling was recommended to "twin" selected air core holes (to confirm air core assay grades), enhance the density database, obtain bulk samples of laterite mineralisation for metallurgical test work and to better understand the geology and scandium mineralisation potential of the underlying fresh basement.

Murga Air Core Drilling

To infill the previous drilling (as per HSC's recommendations) and to test several additional magnetic anomalies, 61 air core holes (FI2617 to FI2677: 1,259 metres – *Figure 6*) were drilled during the Period on 100m - 200m centres across the central and southern portions of the Murga Exploration Target.

Drilling was undertaken in the central and southern portions of Murga first because this was an area of Murga that we knew least about. Strongly anomalous scandium was returned from shallow depths across multiple holes, including the highest grade Murga drill intercept to date (in FI2671);

- 16m @ 327ppm Sc (501ppm Sc Oxide) from 13 metres in FI2671 **including 9m @ 404ppm Sc (620ppm Sc Oxide) from 13 metres,**
- 22m @ 250ppm Sc (383ppm Sc Oxide) from 1 metre in FI2656 **including 8m @ 297ppm Sc (456ppm Sc Oxide) from 9 metres,**
- 12m @ 229ppm Sc (351ppm Sc Oxide) from 2 metres in FI2617,
- 5m @ 317ppm Sc (486ppm Sc Oxide) from surface in FI2618,
- 9m @ 237ppm Sc (364ppm Sc Oxide) from 25 metres in FI2668,
- 23m @ 223ppm Sc (342ppm Sc Oxide) from 1 metre in FI2619,
- 10m @ 209ppm Sc (320ppm Sc Oxide) from 2 metres in FI2620,
- 19m @ 219ppm Sc (336ppm Sc Oxide) from 10 metres in FI2675 **including 5m @ 301ppm Sc (462ppm Sc Oxide) from 9 metres,**
- 10m @ 184ppm Sc (282ppm Sc Oxide) from 2 metres in FI2664,
- 12m @ 168ppm Sc (258ppm Sc Oxide) from 2 metres in FI2665,
- 15m @ 173ppm Sc (265ppm Sc Oxide) from 2 metres in FI2666,
- 3m @ 159ppm Sc (244ppm Sc Oxide) from 4 metres in FI2674,
- 12m @ 179ppm Sc (275ppm Sc Oxide) from surface in FI2676, and
- 7m @ 184ppm Sc (282ppm Sc Oxide) from 8 metres in FI2677.

Importantly scandium and pyroxenite rock types were intersected across several of the previously untested magnetic anomalies which is **significant given** it validates the use of magnetic data as one of the key geological criteria used to originally determine the boundaries of the Murga Exploration Target.

Of note is the previously undrilled 1.2 kilometre long "Glenburn" magnetic anomaly which lies within the central portion of the Murga Exploration Target (*Figures 6-8*). Air core drilling of Glenburn returned strongly anomalous scandium from multiple holes including the FI2671 intercept which is the highest-grade drill intercept at Murga to date;

- 16m @ 327ppm Sc (501ppm Sc Oxide) from 13 metres **including 9m @ 404ppm Sc (620ppm Sc Oxide) from 13 metres.**

See *Rimfire's ASX Announcement 16 December 2024* for further details.

Murga Diamond Drilling

Rimfire recently completed the **first ever** diamond drilling at the Murga Exploration Target with two diamond holes (*FI2678 and FI2679: 298.7m metres – Figure 5*) drilled within the central and southern portions of Murga during and immediately following the Period. Each hole was drilled into an area of known scandium mineralisation underlain by an untested magnetic anomaly interpreted to represent pyroxenite rocks within fresh basement.

The aim of the drilling was threefold; to collect samples of scandium – mineralised laterite material for geochemical analysis and future metallurgical test work, to confirm the presence of underlying pyroxenite (basement) rock types and collect core samples of the basement rocks for geochemical analysis (to determine their scandium prospectivity).

The pyroxenite rocks have been shown at other scandium occurrences within the Fifield district to be spatially associated with the scandium – bearing laterite mineralisation and are interpreted to be the primary source of scandium.

As detailed in Rimfire’s ASX Announcement dated *22 January 2025*, both holes intersected thick zones of laterite rocks overlying altered magnetic rocks interpreted to be pyroxenite thereby confirming that magnetic anomalies are “mapping” pyroxenite rocks in the basement (*Figure 5*).

Drill core samples have been submitted to SGS Pty Ltd with assay results expected to be received by the end of February 2025.

See *Rimfire’s ASX Announcement dated 22 January 2025* for further details.

Rabbit Trap

During the Period Rimfire expanded its scandium exposure in central NSW following the execution of an Option to Purchase Agreement with Javelin Minerals Limited (JAV: ASX) for their Exploration Licence 8666 (*EL8666*) which is located 50km north of Rimfire’s Fifield scandium projects. If Rimfire elects to exercise the Option to Purchase (by 30 April 2026 at the latest), then the exploration licence will become 100% - owned by Rimfire (see *Rimfire’s ASX Announcement dated 31 October 2024*).

Rimfire has added to the Javelin tenement with a new Exploration Licence application (*ELA6848*) which adjoins the northern and eastern margin of *EL8666* (*Figure 9*).

Combined the two exploration licences cover an area of 310km² and are collectively known as the “Rabbit Trap Scandium Project” because of their proximity to the well-known Rabbit Trap Hotel (*est. 1929*), (*Figure 9*).

Rabbit Trap Scandium Opportunities

Regionally the project lies north along strike from the company’s Fifield and Avondale projects and covers a north trending belt of Silurian / Ordovician – age mafic / ultramafic intrusive rocks (Alaskan – Ural style) that are prospective for a range of critical minerals including scandium, nickel cobalt and the platinum group elements (PGEs).

From Rimfire’s work at Fifield and Avondale, scandium typically occurs within a strongly weathered laterite horizon overlying magnetic ultramafic (pyroxenite) intrusive rocks (*Figure 9*).

At Rabbit Trap wide spaced (e.g. 250 x 250m centres) reconnaissance air core drilling undertaken in 2019 and 2023 by previous explorers has identified strongly anomalous scandium (Sc) within a flat – lying weathered and lateritised pyroxenite at the Malamute prospect, i.e.

- 18m @ 217ppm Sc (333ppm Sc Oxide) from 30 metres in MA07 **including 6m @ 331ppm Sc (507ppm Sc Oxide)**,
- 9m @ 197ppm Sc (302ppm Sc Oxide) from 8 metres in MA08 **including 3m @ 272ppm Sc (417ppm Sc Oxide)**,

- 9m @ 242ppm Sc (371ppm Sc Oxide) from 34 metres in MA44 **including 3m @ 373ppm Sc (572ppm Sc Oxide), and**
- 10m @ 270ppm Sc (414ppm Sc Oxide) from 25 metres in MA48 **including 4m @ 295ppm Sc (452ppm Sc Oxide).**

Note - Scandium oxide (Sc Oxide) grade is calculated using a conversion factor of 1.5338, i.e. Sc grade x 1.5338 equals the Sc Oxide grade.

Scandium at Malamute is present over a 400m x 500m area and remains open to the west.

Consistent with other scandium occurrences in the district, Malamute is characterised by a discrete magnetic anomaly which is “mapping” the underlying pyroxenite unit (*Figure 9*).

While Rimfire was originally attracted to the Malamute prospect as a single scandium target to supplement the Company’s flagship Murga prospect (which contains the Murga North MRE and separate Murga Exploration Target) further to the south on the Fifield project, a review of publicly available magnetic imagery for the broader area has identified three additional multiple “look alike” magnetic anomalies all within the boundaries of the Rabbit Trap Project which have never been drill tested (*Figure 9*).

See *Rimfire’s ASX Announcement dated 27 November 2024* for further details.

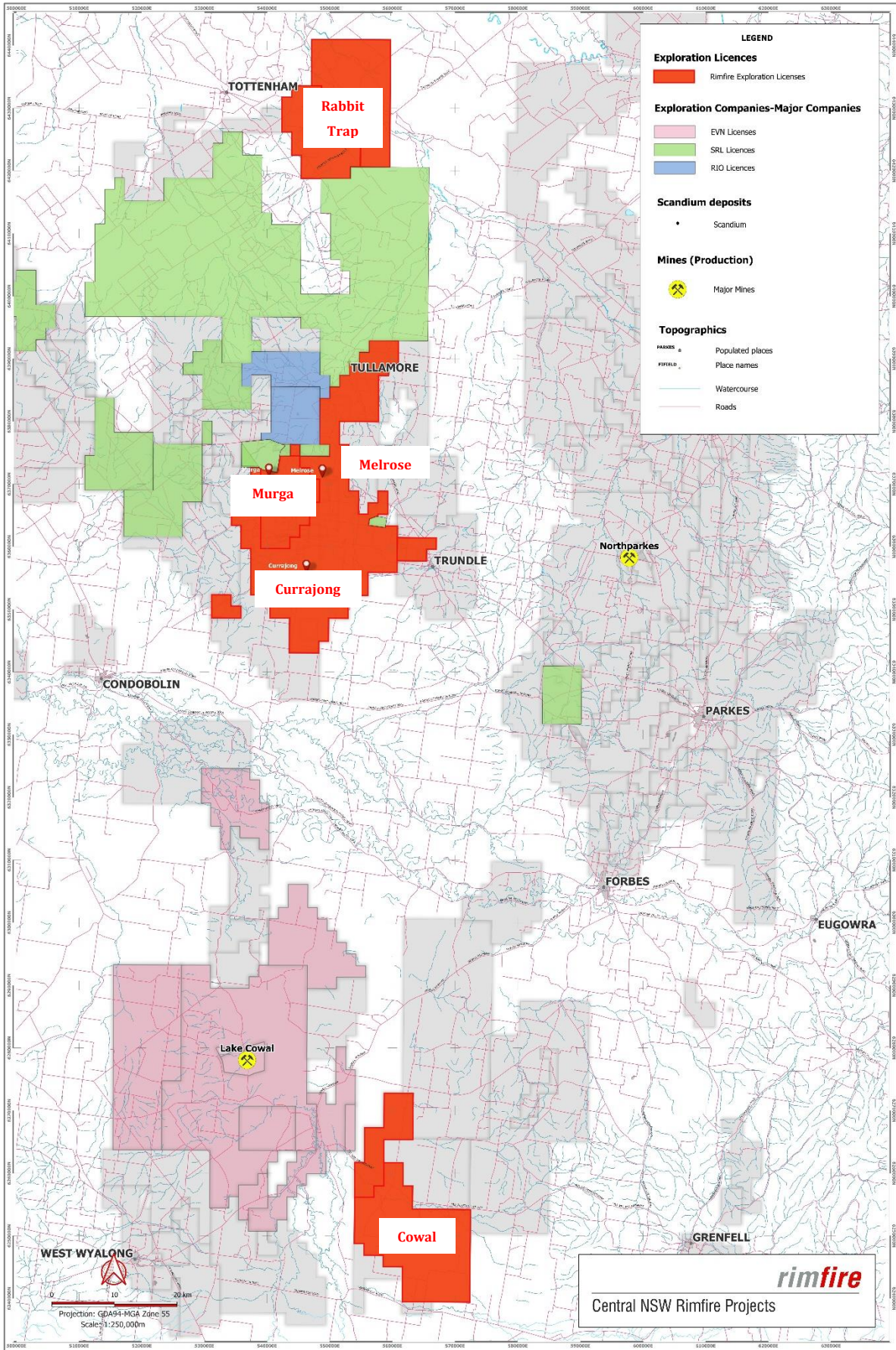


Figure 4: Fifiield project locations showing Rimfire (red) and competitors (Rio Tinto – blue and Sunrise Energy Metals – green).

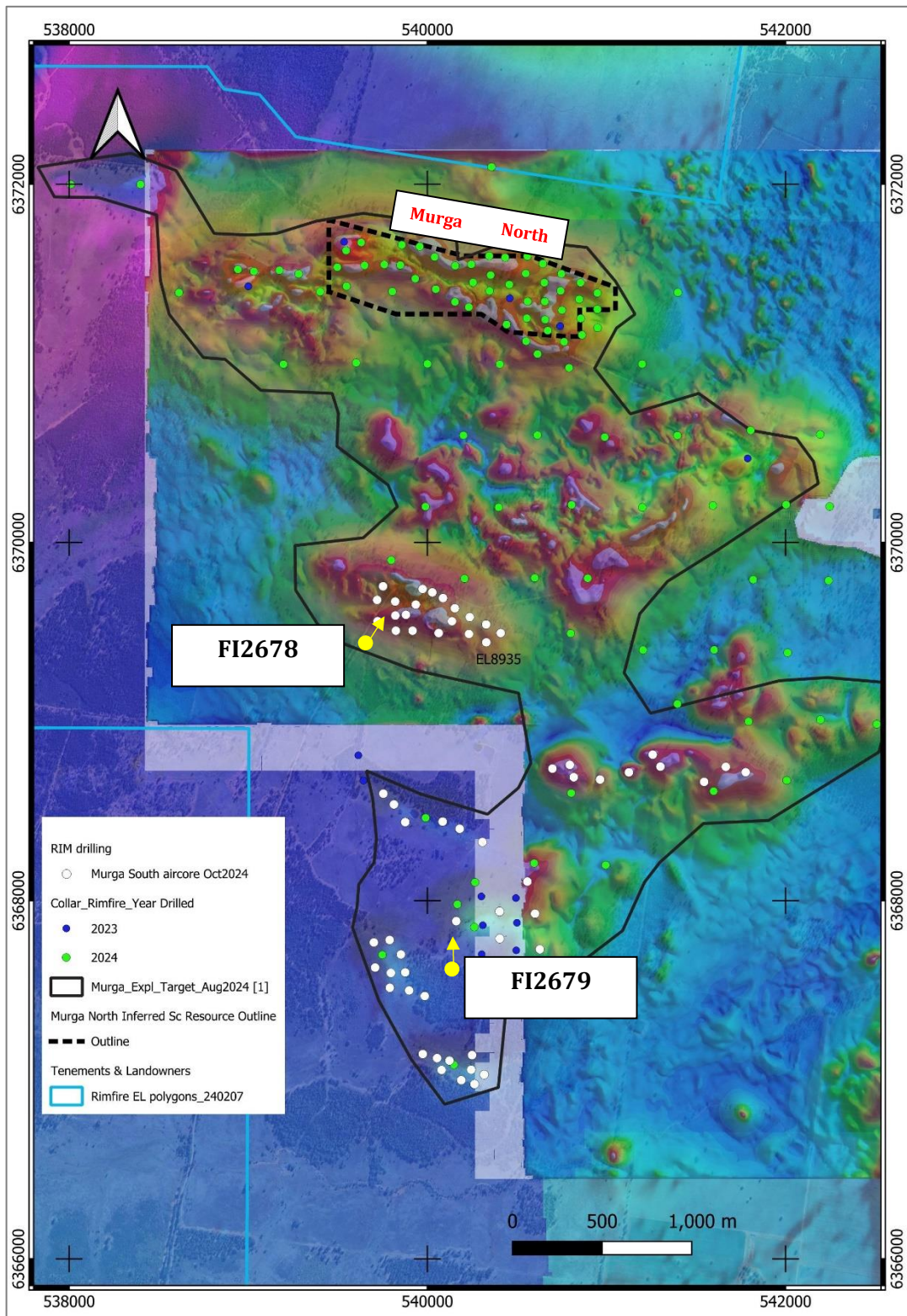


Figure 5: Murga Exploration Target – October / November 2024 infill air core drilling locations (white circles) and diamond drill holes (yellow circles) – background TMI image and with Murga North MRE boundaries shown.

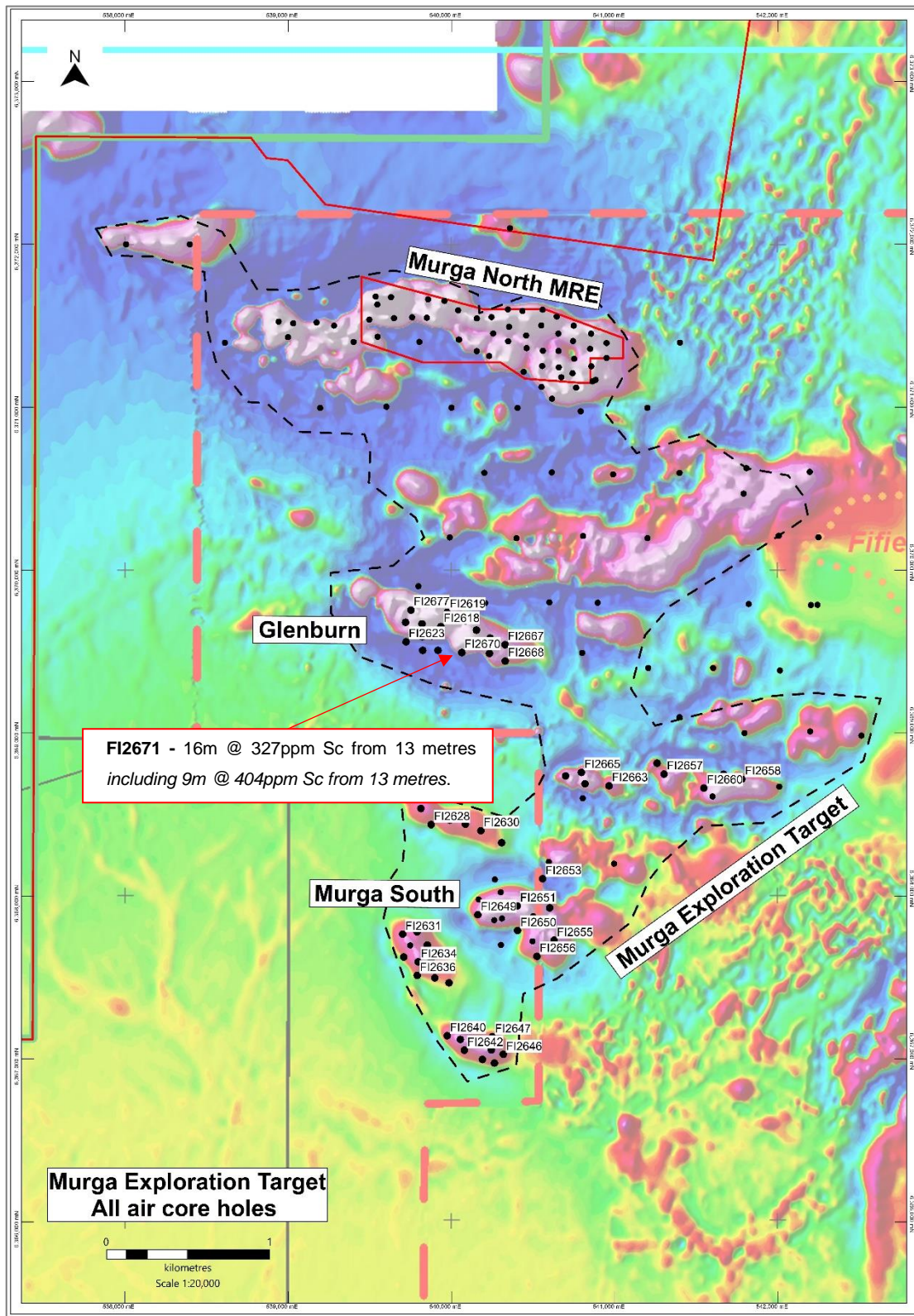


Figure 6: Murga Exploration Target – all drill holes with the October / November 2024 infill air core drilling locations (highlighted with hole ID labels) – background TMI image.

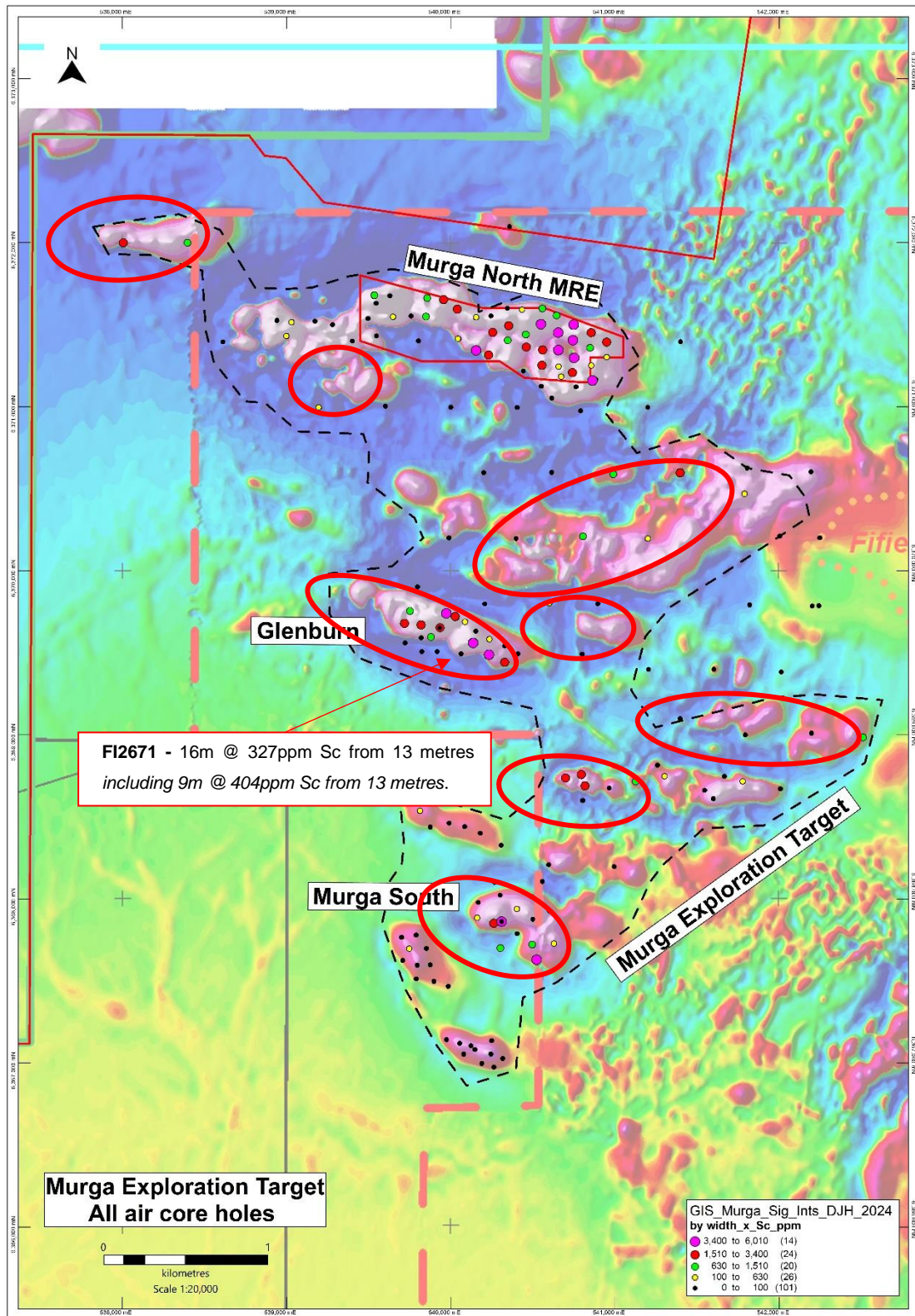


Figure 7: Murga Exploration Target – all drill holes colour coded by scandium accumulation, i.e. intercept width multiplied by intercept grade. The method is useful in highlighting areas of greatest accumulation and areas for follow-up. Follow up areas highlighted by red polygons.

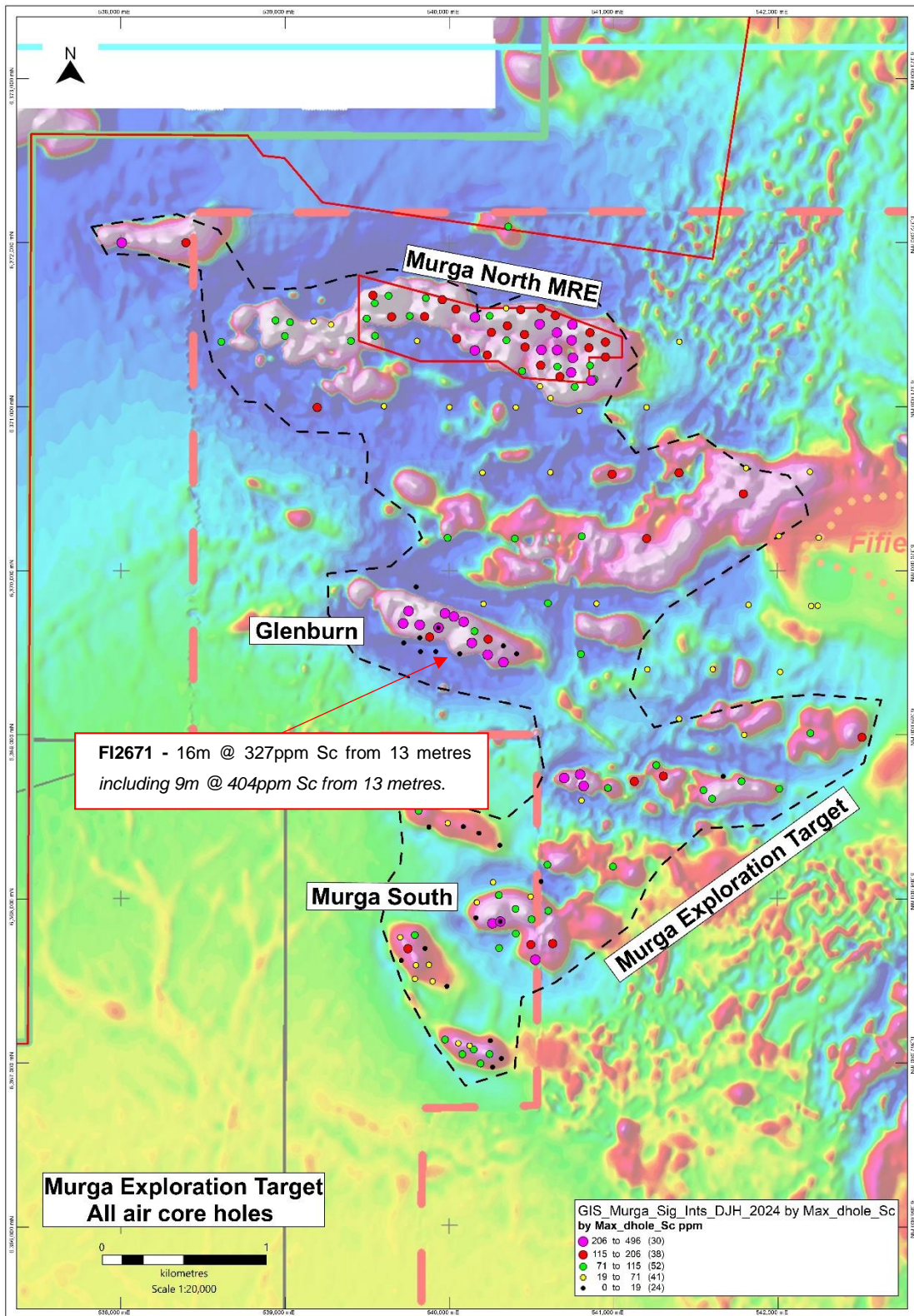


Figure 8: Murga Exploration Target – all drill holes colour coded by maximum downhole scandium grade. The method is useful in highlighting areas of highest grade and areas for follow-up.

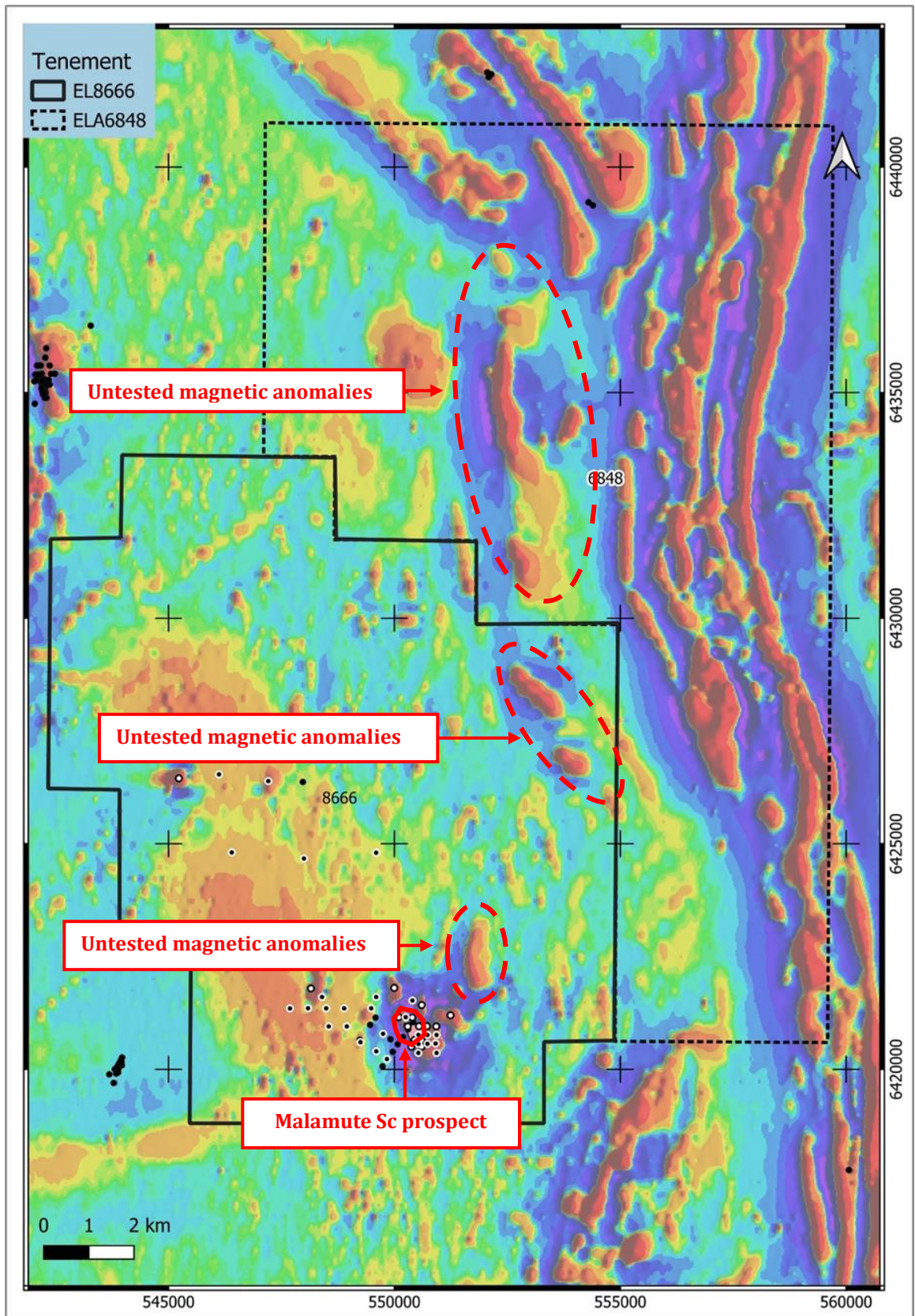


Figure 9: Rabbit Trap Scandium Project showing location of Malamute prospect and untested magnetic anomalies

Operational Review – Cobalt and Copper projects

Broken Hill

Cobalt mineralisation and associated copper anomalism at the Bald Hill cobalt copper prospect (*Figure 10*) occurs within a folded and faulted sulphide-bearing quartz - albite psammopelitic composite gneiss unit which broadly dips to the east and is underlain by a barren quartz – potassium feldspar gneiss.

Cobalt and copper are associated with disseminated to semi massive sulphides (pyrite – pyrrhotite +/- chalcopyrite) that are locally brecciated, and silica altered.

5 diamond holes (FI2612 – FI2616 / 974 metres) were drilled during the Period to test for extensions of previously drilled high-grade cobalt (Co) mineralisation at Bald Hill, e.g., 33m @ 0.11% Co from 58 metres in FI2469 *including 4m @ 0.23% Co and 2m @ 0.21% Co*, and 125m @ 0.13% Co from 198 metres in FI2470 *including 97m @ 0.15% Co* (see *Rimfire's ASX Announcement dated 8 Augst 2024*).

The latest drilling successfully returned multiple drill intercepts (*Figure 9*);

- 2m @ 0.37% Cu from 63 metres in FI2612,
- 29m @ 0.12% Co from 66 metres in FI2612,
- 18m @ 0.16% Co, 0.16% Cu from 110 metres in FI2612 **including 5m @ 0.21% Co, 0.23% Cu**
- 29m @ 0.17% Co, 0.10% Cu from 67 metres in FI2613,
- 20.6m @ 0.13% Co, 0.09% Cu from 96.4 metres in FI2613,
- 17m @ 0.16% Co, 0.11% Cu from 152 metres in FI2613,
- 16m @ 0.16% Co, 0.11% Cu from 173 metres in FI2613,
- 63m @ 0.18% Co, 0.08% Cu from 118 metres in FI2614, **including 11m @ 0.21 % Co, 0.1% Cu and 9m @ 0.22% Co, 0.09% Cu,**
- 6m @ 0.14% Co, 0.08% Cu from 185 metres in FI2614,
- 21m @ 0.15% Co, 0.07% Cu from 211 metres in FI2614,
- 9m @ 0.14% Co, 0.04% Cu from 129 metres in FI2615,
- 31m @ 0.12% Co, 0.07% Cu from 129 metres in FI2615, **including 10m @ 0.14% Co, 0.08% Cu and 13m @ 0.14% Co, 0.08% Cu,**
- 1m @ 0.11% Co, 0.09% Cu from 74 metres in FI2616,
- 1m @ 0.12% Co, 0.06% Cu from 83 metres in FI2616, and
- 1m @ 0.14% Co, 0.05% Cu from 97 metres in FI2616.

Significance of the drilling results

Rimfire's Bald Hill Prospect represents one of, if not the **highest-grade cobalt sulphide occurrence in the Olary and Broken Hill domain** (as part of the mineralised Curnamona Province) with other examples typically showing equivalent and significantly lower grades, i.e., Havilah Resources' (HAV.ASX) Mutooroo Copper Cobalt Gold Deposit and Cobalt Blue's (COB.ASX) Broken Hill Cobalt Project respectively.

Mutooroo has a total combined [sulphide] resource of 12.53Mt @ 1.53% copper, 0.16% cobalt and 0.20 g/t gold (191Kt copper, 20Kt cobalt and 86Koz gold - see *Havilah's ASX Announcement dated 05 June 2020*).

It is worth noting that Mutooroo also contains copper sulphide mineralisation with Havilah's latest ASX Announcement detailing new drilling results such as 12m @ 1.57% copper, 0.16% cobalt and 0.39g/t gold approximately 200 metres outside the Mutooroo JORC Measured resource envelope (see *Havilah ASX Announcement dated 13 September 2024*).

The Broken Hill Cobalt Project has a global Mineral Resource estimate comprising 126.5Mt at 867 ppm (0.08%) cobalt equivalent (CoEq) [i.e., 690 ppm (0.07%) cobalt, 7.5% sulphur & 134 ppm nickel] for 87Kt contained cobalt using a 275 ppm CoEq cut-off (see *Cobalt Blue ASX Announcement dated 30 November 2023*).

Given the broad geological similarities with Mutooroo, Rimfire believes there is **potential to find significant copper mineralisation at Bald Hill**.

This copper potential is reinforced by the broad zone of strong copper anomalism associated with lower zone of cobalt sulphide mineralisation in FI2612, i.e., 18m @ 0.16% Co, 0.16% Cu from 110 metres *including 5m @ 0.21% Co, 0.23% Cu*.

This is the first time in drilling at Bald Hill that we have seen a direct association between copper and cobalt with previous copper intercepts typically restricted to narrow gossanous intervals within the overlying weathered rocks.

Work undertaken to date has highlighted the size and grade potential of Bald Hill with cobalt mineralisation intersected in drilling over an area of 500 metres x 200 metres. While mineralisation remains open down dip and along strike, and several targets within the immediate area require drill testing, Rimfire believes that given depressed global cobalt commodity prices enough work has been done at Bald Hills to demonstrate its significance, which can be leveraged when commodity prices improve in the future.

Future work will focus on assessing other base metal targets within the broader Broken Hill Project area such as Staurolite Ridge, but only at a level of activity that doesn't detract from the company's Fifield scandium assets, which represent the strategic and commercial priorities for the Company and its shareholders right now.

See *Rimfire's ASX Announcement dated 20 November 2024* for further details.

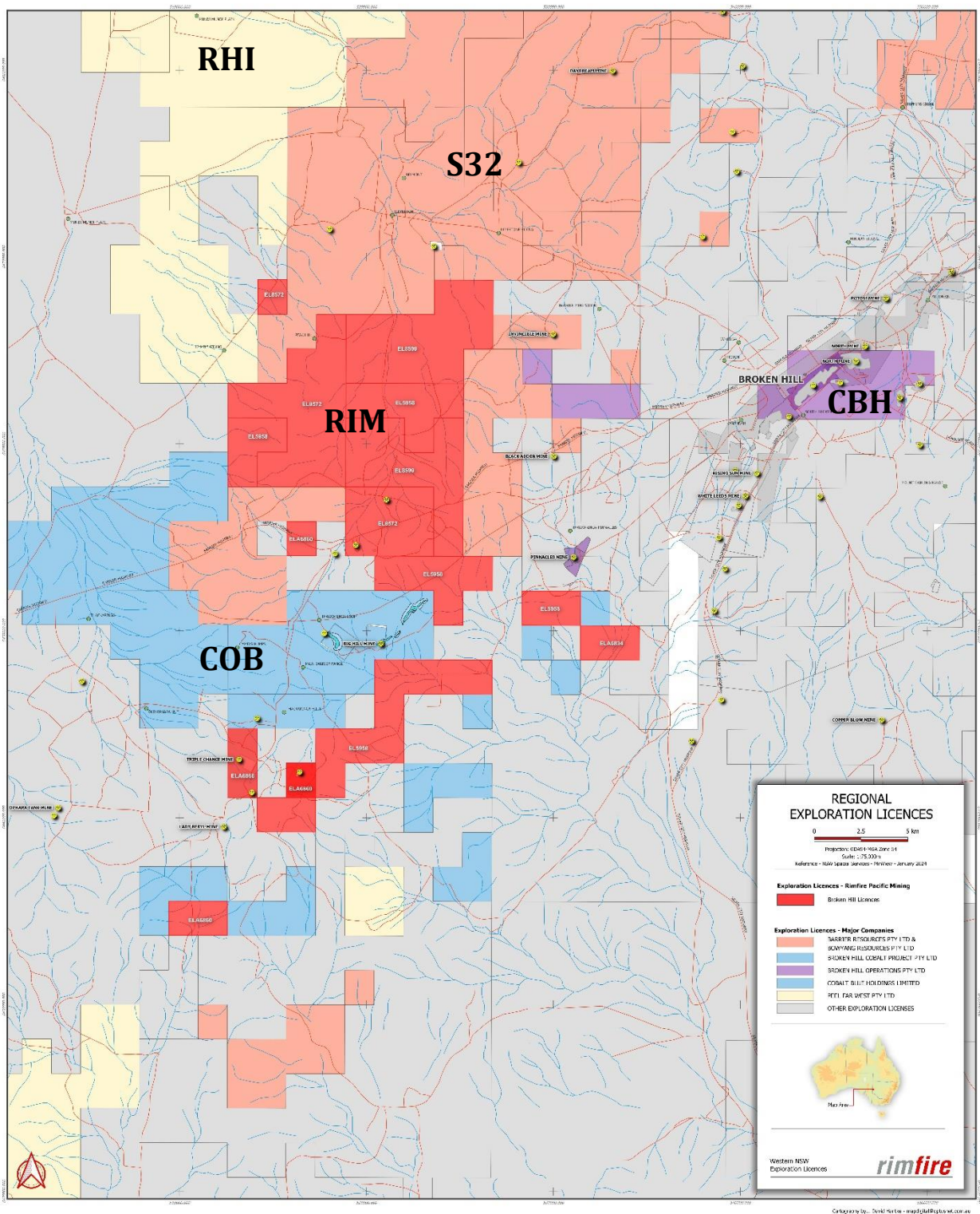


Figure 10: Rimfire’s Broken Hill Project (red blocks), and location of Bald Hill and Stauroilite Ridge. (S32 – South 32 Limited JV with Barrier Resources and Bowyang Pty Ltd / CBH – Coolabah Metals Pty / RHI – Red Hill Minerals Earn In and JV with Peel Mining / COB – Cobalt Blue Broken Hill Cobalt Project).

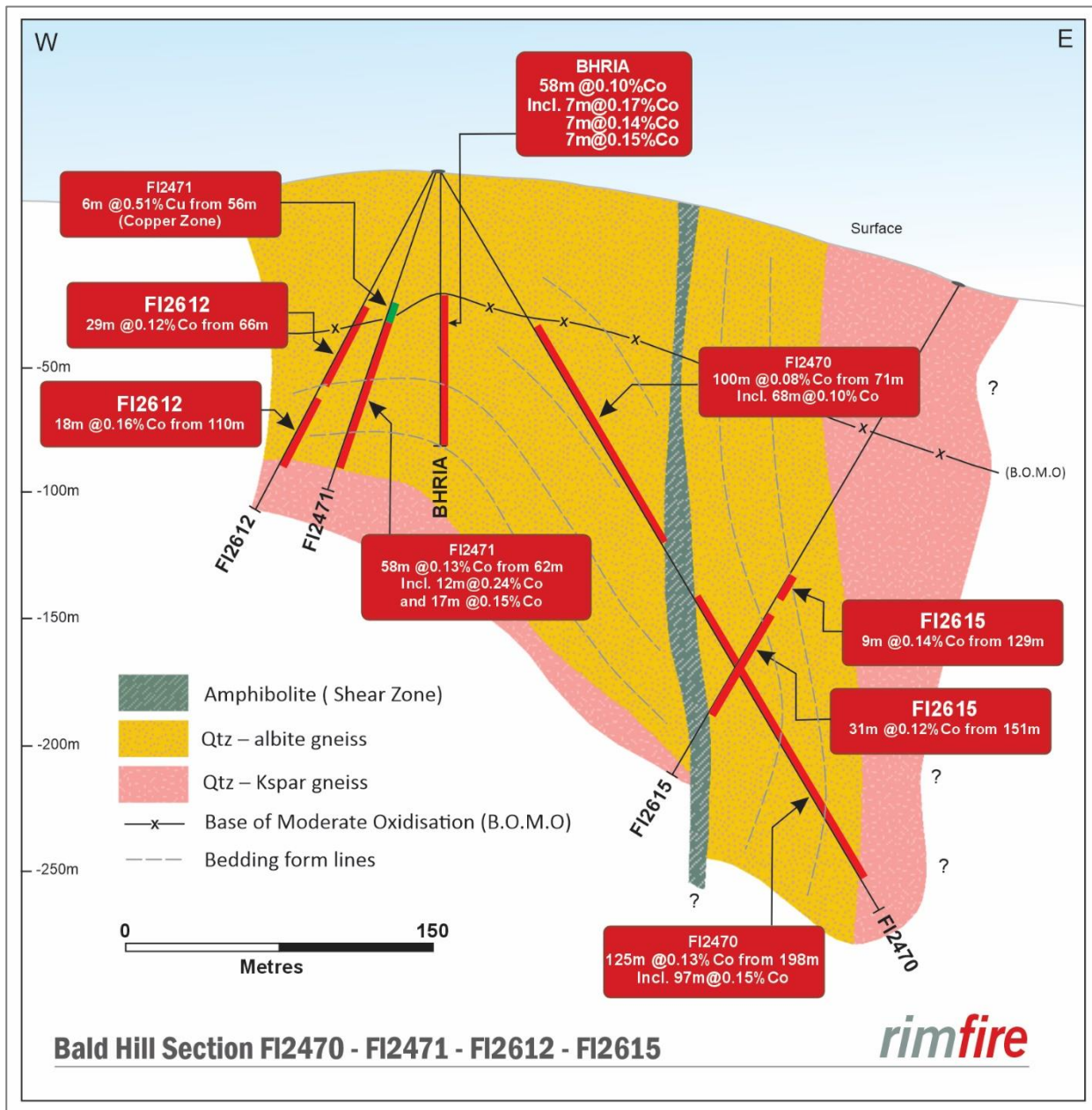


Figure 11: Bald Hill cross section looking north. The section shows drill intercepts and geological interpretation.

Tenement Position

There has also been ongoing routine submittal of various compliance reports including Annual Technical Reports (under IMER standards) to NSW Department of Planning, Industry and Environment – Resources and Geoscience to meet government compliance requirements for Rimfire’s Exploration Licences and Mining Lease. The Company continues to maintain its tenements in the Lachlan Oregon area of central NSW and in Broken Hill, covering an area of circa 1,734km².

The Company has also sought to apply new ground for exploration when suitably identified areas of land become available, during the Period three new exploration licences were applied for in the Albert and Broken Hill areas.

Below is a table of project tenure held as at 31 December 2024.

Project	Location	Tenement	Current Area (units / Ha)	Current Period Grant	Expiry Date	Commodity
Rabbit Trap	Albert	EL8666**	50			Scandium
		ELA6848	59			
Fifield*	Fifield	EL6241	15	17/05/2024	17/05/2027	Scandium / Gold / Silver
		M(C)L305	1.9 Ha		18/11/2027	
		EL8935	21	4/02/2023	3/02/2026	
Avondale*	Fifield	EL5565	4	25/03/2022	24/03/2025	Scandium / Cobalt / Other Critical Minerals
		EL7058	35	2/02/2023	1/02/2026	
		EL7959	7	17/08/2023	16/08/2026	
		EL8401	98	22/10/2024	22/10/2027	
		EL8542	27	24/03/2023	23/03/2026	
		EL8543	1	28/03/2023	27/03/2026	
Valley	Fifield	EL8401	2	22/10/2024	22/10/2027	Copper / Gold
		EL8542	5	24/03/2023	23/03/2026	
Cowal	Cowal	EL8329	26	5/12/2023	4/12/2026	Copper / Gold
		EL8804	44	31/10/2024	31/10/2026	
		EL9397	91	23/04/2022	22/04/2025	
Broken Hill	Broken Hill	EL5958	27	25/06/2022	24/06/2025	Cobalt / Copper
		EL8572	19	23/05/2024	23/05/2026	
		EL8599	20	20/06/2024	20/06/2026	
		ELA6834	2			
		ELA6860	6			

* Subject to arbitration after Company terminated the Earn-ins that related to this ground in 2024

** Purchase Option for 100% at the Company's discretion

Competent Persons Declaration

The information in the report that relates to Exploration and Resource Results is based on information reviewed and/or compiled by David Hutton who is a Competent Person and is a Fellow of The Australasian Institute of Mining and Metallurgy.

Mr Hutton has over 30 years' experience in the minerals industry and is the Managing Director and CEO of Rimfire Pacific Mining. Mr Hutton 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'.

Mr Hutton consents to the inclusion of the matters based on the information in the form and context in which it appears.

The data in this report that relates to Mineral Resource estimates and Exploration Target is based on information evaluated by Mr Simon Tear who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 (the "JORC Code"). Mr Tear is a Director of H&S Consultants Pty Ltd and he consents to the inclusion in the report of the Mineral Resources and Exploration Target in the form and context in which they appear.

CORPORATE ACTIVITIES

Management Changes

None.

Annual General Meeting

The Company held its Annual General Meeting on the 20 November 2024, with all resolutions being carried.

Cash, Funding and Capital Structure

At 31 December 2024, Rimfire had cash of \$0.6 million.

Capital structure of the Company as at 31 December 2024;

- Ordinary Fully Paid Shares - 2,355,401,076
- Unquoted Options expiring with various dates and prices, issued to staff, consultants, and directors – 96,600,000
- Unquoted Options expiring 28 February 2025 @ \$0.02 (2 cents) – 82,333,332
- Unquoted Options expiring 31 December 2025 @ \$0.05 (5 cents) – 15,266,665

July 2024 Placement

During July 2024 Rimfire raised \$1.15 million through a share placement pursuant to Section 708 of the Corporations Act (Cth). The placement comprised the issue of a total of 45,800,000 fully paid ordinary shares at an issue price of \$0.025 (2.5 cents) per share. The issue price of the placement represented a 10.7% discount to the closing share price on 28 June 2024 and a 150% premium to the issue price of the Company's last placement (see Rimfire's ASX Announcement dated 14 December 2023).

In addition, 15,266,665 free attaching unlisted options were issued on a one (1) for three (3) basis, being one (1) free attaching unlisted option for every three (3) new shares subscribed for and issued under the placement with an exercise price of \$0.05 (5 cents) each, and an expiry date of 31 December 2025. The 45,800,000 placement shares were issued under Rimfire's existing ASX Listing Rule 7.1A placement capacity and the 15,266,665 unlisted options were issued under Rimfire's existing ASX Listing Rule 7.1 placement capacity.

Exercise of Options

During September 2024, Rimfire received \$1.2 million from option holders for the exercise of a total of 60,166,665 \$0.02 exercise price unlisted options (expiring 28-Feb-2025 with an exercise price of \$0.02) (2c Options). The new shares were allotted on 8 October 2024 and Rimfire issued a "cleansing prospectus" to facilitate the on-sale of the shares to be issued upon exercise of the 2c Options on 10 October 2024.

Fifield and Avondale Earn-ins Termination Update

As previously disclosed to the ASX, Rimfire terminated the Fifield and Avondale Earn-in Agreements in light of the judgement of the Victorian Supreme Court in: Resource Capital Ltd v Giovanazzo [2024] VSC 548 (Judgment) (See Rimfire ASX Announcement 26 September 2024 and 29 October 2024).

Given the Fifield and Avondale Earn-in Agreements were terminated prior to GPR satisfying the earn-in requirements, GPR has no interest in the Projects going forward. The express terms of the Agreements do not require the Company to repay GPR any funding provided by it prior to termination in these circumstances.

As previously disclosed to ASX, GPR has commenced arbitrations against Rimfire regarding the validity of the termination of the Fifield Earn-in Agreement and the Avondale Earn-in Agreement. Final arbitration hearings were previously scheduled for 19 to 21, and 24 March 2025 (see Rimfire ASX Announcements dated 13 November 2024 and 26 November 2024).

For reasons unrelated to Rimfire, following a request by GPR to relist the existing hearing dates, the final arbitration hearings are now scheduled for 21 to 23, and 26 to 27 May 2025.

EVENTS SUBSEQUENT TO THE END OF THE HALF YEAR

Subsequent to the Half Year end, in March 2025 the Company received firm commitments to raise \$2m through the issue of 80m shares at an issue price of \$0.025 per share (“**Placement**”) pursuant to Section 708 of the Corporations Act (Cth). The Placement is in addition to \$1.65m in funding from the recent exercise of \$0.02 options (“**Options**”) and associated underwriting for the unexercised portion of the Options (i.e. \$3.65m in total before costs from the Placement and Options).

The share placement was strongly supported by several new shareholders and by existing shareholders who elected to increase their shareholdings.

Placement details

The Placement comprises the issue of a total of 80,000,000 fully paid ordinary shares at an issue price of \$0.025 (2.5 cents) per share, raising \$2M to sophisticated investors eligible under section 708 of the Corporations Act.

The issue price of the shares to be issued pursuant to the Placement represents a 16.7% discount to the closing share price of \$0.03 on 7 March 2025.

In addition, 80,000,000 free attaching unlisted options are being issued on a one (1) for one (1) basis, being one (1) free attaching unlisted option for every new share subscribed for and issued under the Placement with an exercise price of \$0.03 (3 cents) each, and an expiry date of 31 March 2027 (“**Attaching Options**”).

The Placement will be undertaken in two tranches. Tranche 1 will result in the issue of 72,000,000 fully paid ordinary shares and 72,000,000 free attaching unlisted options, utilising the Company’s ASX Listing Rule 7.1 placement capacity. Tranche 2, which is subject to shareholder approval, will result in the issue of a further 8,000,000 fully paid ordinary shares, and 8,000,000 free attaching unlisted options to Directors of the Company who have committed a combined amount of \$200,000 in the Placement. The Company intends to hold a General Meeting in late April 2025 to seek approval of the issue of shares and free attaching options pursuant to Tranche 2 of the Placement.

The new shares issued pursuant to the Placement will rank equally with the existing Rimfire fully paid ordinary shares quoted on the ASX.

Settlement of Tranche 1 of the Placement is expected to occur on Thursday 20 March 2025 and shortly thereafter the Company will make an application to the ASX seeking a quotation of the Placement shares.

Exercise of Underwritten Options

As previously announced (see Rimfire ASX Announcement dated 4 December 2024), Rimfire entered into an Underwriting Agreement for the 82,333,332 unlisted Options (“**Options**”) which had an exercise price of \$0.02 (2 cents) and expiring on 28 February 2025.

Of the Options, 36,333,332 were validly exercised raising \$726,666 and for which funds have now been received and shares allotted (See Rimfire ASX Announcement dated 5 March 2025).

46,000,000 Options were not exercised and have now lapsed. Accordingly, the Underwriter will subscribe for 46,000,000 shares. A significant number of the unexercised options were held by an option holder who is also a sub-underwriter pursuant to the Underwriting Agreement.

To subscribe for the 46,000,000 shares, the Underwriter will fund an amount of \$920,000 to Rimfire with settlement of funds to occur on Tuesday, 18 March 2025.

There are no other matters or circumstances arisen since 31 December 2024, which has significantly affected, or may significantly affect the operations of the consolidated entity, the result of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Ian McCubbing', written in a cursive style.

Ian McCubbing
Chairman

Dated in Melbourne, 14 March 2025

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Rimfire Pacific Mining Limited for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



R J MORILLO MALDONADO

Partner

Melbourne, Victoria

Dated: 14 March 2025

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated Entity	
		31-Dec-24	31-Dec-23
		\$	\$
Revenue from continuing operations	2	7,227	21,191
Expenses:			
Employee benefits expense		(224,020)	(232,194)
Non-executive directors' fees		(80,175)	(60,004)
Professional costs	3	(956,216)	(189,459)
Occupancy costs		(22,181)	(15,817)
Marketing expense		(43,261)	(31,690)
Depreciation		(7,007)	(9,843)
Insurance		(27,537)	(24,382)
Share-based payment expense		-	(57,204)
Share registry and listing expenses		(124,496)	(62,539)
Other administration expenses		(98,030)	(29,535)
Impairment of exploration expenditure		(8,552)	-
Profit/(Loss) before income tax		(1,584,248)	(691,476)
Income tax expense		-	-
Profit/(Loss) after income tax		(1,584,248)	(691,476)
Other comprehensive income		-	-
Total comprehensive loss for the period		(1,584,248)	(691,476)
Loss per share attributable to the members of Rimfire Pacific Mining Ltd			
Basic loss per share (cents per share)	10	(0.07)	(0.03)
Diluted loss per share (cents per share)	10	(0.07)	(0.03)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	Consolidated Entity	
		31-Dec-24	30-Jun-24
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		631,094	187,666
Trade and other receivables	7	218,528	93,387
Financial asset		-	102,720
Prepayments		11,880	1,737
TOTAL CURRENT ASSETS		861,502	385,510
NON-CURRENT ASSETS			
Trade and other receivables		185,000	185,000
Property, plant and equipment	4	286,772	299,071
Exploration and evaluation costs	5	17,543,424	16,789,935
TOTAL NON-CURRENT ASSETS		18,015,196	17,274,006
TOTAL ASSETS		18,876,698	17,659,516
CURRENT LIABILITIES			
Trade and other payables		747,005	186,504
Employee benefits		118,653	118,221
Contract liability		-	118,405
TOTAL CURRENT LIABILITIES		865,658	423,130
NON-CURRENT LIABILITIES			
Employee benefits		15,544	14,851
TOTAL NON-CURRENT LIABILITIES		15,544	14,851
TOTAL LIABILITIES		881,202	437,981
NET ASSETS		17,995,496	17,221,535
EQUITY			
Issued Capital	6	40,981,889	38,623,680
Reserves		438,190	438,190
Accumulated losses		(23,424,583)	(21,840,335)
TOTAL EQUITY		17,995,496	17,221,535

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Consolidated Entity	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	38,623,680	438,190	(21,840,335)	17,221,535
Loss after income tax	-	-	(1,584,248)	(1,584,248)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	38,623,680	438,190	(23,424,583)	15,637,287
<i>Transaction with owners in their capacity as owners</i>				
Shares issued during the year	2,365,000	-	-	2,365,000
Transaction costs related to share issues	(6,791)	-	-	(6,791)
Balance at 31 December 2024	40,981,889	438,190	(23,424,583)	17,995,496
Balance at 1 July 2023	36,294,888	425,564	(20,380,018)	16,340,434
Profit/(Loss) after income tax	-	-	(691,476)	(691,476)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	36,294,888	425,564	(21,071,494)	15,648,958
<i>Transaction with owners in their capacity as owners</i>				
Shares issued during the year	1,950,000	-	-	1,950,000
Share-based payment	-	57,204	-	57,204
Transaction costs related to share issues	(36,207)	-	-	(36,207)
Balance at 31 December 2023	38,208,681	482,768	(21,071,494)	17,619,955

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Note	Consolidated Entity	
	31-Dec-24	31-Dec-23
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(973,123)	(635,478)
Other Income	-	250
Interest received	6,145	3,006
Net cash used in operating activities	<u>(966,978)</u>	<u>(632,222)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for mining tenement exploration	(1,263,240)	(711,584)
Reimbursements of exploration expenditure charged to GPR Earn-in	315,437	251,227
Net cash used in investing activities	<u>(947,803)</u>	<u>(460,357)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,145,000	1,950,000
Proceeds from options exercised	1,220,000	-
Transaction costs associated with share issues	(6,791)	(30,000)
Net cash provided by/(used in) financing activities	<u>2,358,209</u>	<u>1,920,000</u>
Net Increase in cash held	443,428	827,421
Cash and cash equivalents at beginning of the year	187,666	377,231
Cash and cash equivalents at end of the year	<u>631,094</u>	<u>1,204,652</u>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

SIGNIFICANT ACCOUNTING POLICIES

Note 1 Basis of Preparation and Statement of Compliance

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting* ("AASB 134"). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,584,248 and had net cash outflows from operating activities of \$966,978 for the six months ended 31 December 2024. Also, as at 31 December 2024 the consolidated entity's current liabilities exceeded its current assets by \$4,156.

Notwithstanding the above matters, the Directors, after reviewing the consolidated entity's cash forecast for a period of 12 months from the date of approval of these financial statements, have concluded that it is reasonably foreseeable that the consolidated entity will be able to continue as a going concern. The Directors' assessment considered the following factors:

- As at 31 December 2024, the consolidated entity had cash and cash equivalents of \$0.6m;
- Since 31 December 2024, the consolidated entity has received \$0.7m from the issue of shares on exercise of options in February 2025, with the remaining balance of \$0.9m to be paid by the Underwriter by 18 March 2025. In addition, the consolidated entity has received firm commitments to raise \$2m (before costs) through the issue of 80 million shares at an issue price of \$0.025 per share from a share placement, with settlement of Tranche 1 proceeds \$1.8m to be received by 20 March 2025, and the remaining balance of \$0.2m to be received after a Shareholder meeting is held in late April 2025 to approve Directors' participation in the share placement (refer to note 13 for details);
- The consolidated entity has the ability to defer or reduce certain operating expenses and exploration expenditure, if necessary, whilst meeting minimum tenement expenditure commitments; and
- The Directors are considering a number of external funding alternatives such as a farm-out of exploration commitments and raising of additional equity funds. The consolidated entity has a history of successfully undertaking capital raisings (including the most recent \$3.65m equity funding raised since 31 December 2024, refer to Note 13 for details).

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

2. REVENUE FROM CONTINUING OPERATIONS

	Consolidated Entity	
	31-Dec-24	31-Dec-23
	\$	\$
Interest Income	6,145	3,006
Sundry Income	1,082	18,185
Total revenue from continuing operations	<u>7,227</u>	<u>21,191</u>

3. PROFESSIONAL COSTS

Increase in professional fees incurred due to dealing with legal matters relating to termination of the earn-in agreements with exploration partner Golden Plains Resources Pty Ltd.

4. PROPERTY, PLANT AND EQUIPMENT

	Consolidated Entity	
	31-Dec-24	30-Jun-24
	\$	\$
LAND		
Freehold land		
At cost	226,834	226,834
Total Land	<u>226,834</u>	<u>226,834</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	233,524	223,444
Accumulated depreciation	(200,009)	(186,233)
	<u>33,515</u>	<u>37,211</u>
Motor Vehicle		
At cost	50,772	57,966
Accumulated depreciation	(24,349)	(22,940)
	<u>26,423</u>	<u>35,026</u>
TOTAL PLANT AND EQUIPMENT	<u>59,938</u>	<u>72,237</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>286,772</u>	<u>299,071</u>

5. EXPLORATION AND EVALUATION COSTS

	Consolidated Entity	
	31-Dec-24	30-Jun-24
	\$	\$
Opening Balance	16,789,935	15,949,760
Additional expenditure	1,100,333	2,011,563
Impairment of exploration expenditure	(8,552)	(178,228)
Reimbursed exploration expenditure	(338,292)	(993,160)
Closing balance	<u>17,543,424</u>	<u>16,789,935</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

6. CONTRIBUTED EQUITY

	Half-Year Ended 31-Dec-24	Year Ended 30-Jun-24	Half-Year Ended 31-Dec-24	Year Ended 30-Jun-24
	Number of Securities		Value of Securities \$	
Issued Shares				
Fully paid ordinary shares	2,355,401,076	2,248,601,078	40,981,892	38,623,680
Ordinary shares on issue at beginning of period	2,248,601,078	2,005,244,731	38,623,683	36,294,888
Movements during the period				
Issue of shares	45,800,000	243,356,347	1,145,000	2,365,002
Issue of shares on the exercise of options	60,999,998		1,220,000	
Transaction costs relating to issues			(6,791)	(36,207)
Shares on issue at end of period	2,355,401,076	2,248,601,078	40,981,892	38,623,683

Unlisted Options

At end of the Half Year, 31 December 2024, there were 194,199,997 unissued shares under option at various issue prices and vesting dates subject to vesting conditions.

7. TRADE AND OTHER RECEIVABLES

	Consolidated Entity	
	31-Dec-24	30-Jun-24
	\$	\$
Current		
Security deposits & other current assets	218,301	93,160
Other receivables	227	227
	<u>218,528</u>	<u>93,387</u>
Non-Current		
Security Deposits	185,000	185,000
	<u>185,000</u>	<u>185,000</u>

8. TRADE AND OTHER PAYABLES

	Consolidated Entity	
	31-Dec-24	30-Jun-24
	\$	\$
Trade creditors	676,051	100,215
Sundry creditors and accrued expenses	179,422	133,161
GST collected	(108,467)	(46,872)
	<u>747,005</u>	<u>186,504</u>

9. SEGMENT REVENUES AND RESULTS

The consolidated entity operated predominantly in one industry being mining, exploration and prospecting and one geographical area, being Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers "CODM") in assessing performance and determining the allocation of resources. There is no aggregation of operating segments. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the annual report.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

10. EARNINGS PER SHARE

		Consolidated Entity	
		31-Dec-24	31-Dec-23
		\$	\$
a.	Reconciliation of Earnings to Loss		
	Loss used in the calculation of basic EPS	(1,584,248)	(691,476)
	Loss used in the calculation of dilutive EPS	(1,584,248)	(691,476)
b.	Weighted average number of ordinary shares outstanding during the half year used in calculation of basic EPS	2,320,399,073	2,100,244,731
	Potential ordinary shares	-	-
	Weighted average number of ordinary shares outstanding during the half year used in calculation of dilutive EPS	2,320,399,073	2,100,244,731
c.	Classification of securities		
	Share options are anti-dilutive and securities have not been classed as potential ordinary shares and are not included in the determination of dilutive EPS.	-	-
d.	Ordinary shares issued between reporting date and time of completion of the financial report	-	-
	Basic loss per share (cents per share)	(0.07)	(0.03)
	Diluted loss per share (cents per share)	(0.07)	(0.03)

11. EXPLORATION AND MINING LEASE COMMITMENTS

The consolidated entity is committed to capital expenditure on its various exploration and mining licences and leases as follows:

		Consolidated Entity	
		31-Dec-24	30-Jun-24
		\$	\$
	Payable		
	- Not later than 1 year	405,481	601,310
	- Later than 1 year but not later than 5 years	149,372	162,458
		<u>554,853</u>	<u>763,768</u>

12. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As outlined in the Directors' report, Rimfire terminated the Fifield and Avondale Earn-in Agreements in light of the judgement of the Victorian Supreme Court in: Resource Capital Ltd v Giovinazzo [2024] VSC 548 (Judgment) (See Rimfire ASX Announcement 26 September 2024 and 29 October 2024).

Given the Fifield and Avondale Earn-in Agreements were terminated prior to GPR satisfying the earn-in requirements, GPR has no interest in the Projects going forward. The express terms of the Agreements do not require the Company to repay GPR any funding provided by it prior to termination in these circumstances.

As previously disclosed to ASX, GPR has commenced arbitrations against Rimfire regarding the validity of the termination of the Fifield Earn-in Agreement and the Avondale Earn-in Agreement. Final arbitration hearings were previously scheduled for 19 to 21, and 24 March 2025 (see Rimfire ASX Announcements dated 13 November 2024 and 26 November 2024).

For reasons unrelated to Rimfire, following a request by GPR to relist the existing hearing dates, the final arbitration hearings are now scheduled for 21 to 23, and 26 to 27 May 2025.

As with all litigation, it is not possible to predict with certainty the outcome of the arbitration and award of costs, if any.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

13. EVENTS SUBSEQUENT TO THE END OF HALF YEAR

Subsequent to the Half Year end, in March 2025 the Company received firm commitments to raise \$2m through the issue of 80m shares at an issue price of \$0.025 per share ("Placement") pursuant to Section 708 of the Corporations Act (Cth). The Placement is in addition to \$1.65m in funding from the recent exercise of \$0.02 options ("Options") and associated underwriting for the unexercised portion of the Options (i.e. \$3.65m in total before costs from the Placement and Options).

The share placement was strongly supported by several new shareholders and by existing shareholders who elected to increase their shareholdings.

Placement details

The Placement comprises the issue of a total of 80,000,000 fully paid ordinary shares at an issue price of \$0.025 (2.5 cents) per share, raising \$2M to sophisticated investors eligible under section 708 of the Corporations Act.

The issue price of the shares to be issued pursuant to the Placement represents a 16.7% discount to the closing share price of \$0.03 on 7 March 2025.

In addition, 80,000,000 free attaching unlisted options are being issued on a one (1) for one (1) basis, being one (1) free attaching unlisted option for every new share subscribed for and issued under the Placement with an exercise price of \$0.03 (3 cents) each, and an expiry date of 31 March 2027 ("Attaching Options").

The Placement will be undertaken in two tranches. Tranche 1 will result in the issue of 72,000,000 fully paid ordinary shares and 72,000,000 free attaching unlisted options, utilising the Company's ASX Listing Rule 7.1 placement capacity. Tranche 2, which is subject to shareholder approval, will result in the issue of a further 8,000,000 fully paid ordinary shares, and 8,000,000 free attaching unlisted options to Directors of the Company who have committed a combined amount of \$200,000 in the Placement. The Company intends to hold a General Meeting in late April 2025 to seek approval of the issue of shares and free attaching options pursuant to Tranche 2 of the Placement.

The new shares issued pursuant to the Placement will rank equally with the existing Rimfire fully paid ordinary shares quoted on the ASX.

Settlement of Tranche 1 of the Placement is expected to occur on Thursday 20 March 2025 and shortly thereafter the Company will make an application to the ASX seeking a quotation of the Placement shares.

Exercise of Underwritten Options

As previously announced (see Rimfire ASX Announcement dated 4 December 2024), Rimfire entered into an Underwriting Agreement for the 82,333,332 unlisted Options ("Options") which had an exercise price of \$0.02 (2 cents) and expiring on 28 February 2025.

Of the Options, 36,333,332 were validly exercised raising \$726,666 and for which funds have now been received and shares allotted (See Rimfire ASX Announcement dated 5 March 2025).

46,000,000 Options were not exercised and have now lapsed. Accordingly, the Underwriter will subscribe for 46,000,000 shares. A significant number of the unexercised options were held by an option holder who is also a sub-underwriter pursuant to the Underwriting Agreement.

To subscribe for the 46,000,000 shares, the Underwriter will fund an amount of \$920,000 to Rimfire with settlement of funds to occur on Tuesday, 18 March 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

There are no other matters or circumstances arisen since 31 December 2024, which has significantly affected, or may significantly affect the operations of the consolidated entity, the result of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Ian McCubbing
Chairman

Dated in Melbourne, 14 March 2025

RSM Australia Partners

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Rimfire Pacific Mining Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Rimfire Pacific Mining Limited ('the Company'), and its subsidiaries (together referred as 'the Consolidated entity'), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, notes comprising a summary of material accounting policies and other explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Consolidated entity does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ('ASRE 2410'). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Rimfire Pacific Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to be 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to be 'R J Morillo Maldonado'.

R J MORILLO MALDONADO
Partner

Melbourne, Victoria
Dated: 14 March 2025

CORPORATE DIRECTORY

Directors:	Ian McCubbing (Non-Executive Chairman) David Hutton (Managing Director and CEO) Andrew Knox (Non-Executive Director) Greg Keane (Alternate Director for Ian McCubbing)
Company Secretary:	Stefan Ross
Registered Office:	Level 4, 96-100 Albert Road South Melbourne VIC 3205
Auditors:	RSM Australia Partners Level 27 120 Collins Street Melbourne VIC 3000
Company Lawyers:	Lennox Group Pty Ltd 8 Chapel Street Cremorne VIC 3121
Share Registry:	Computershare Investor Services Pty Ltd Yarra Falls 452 Johnston St Abbotsford VIC 3067 Tel: 1300 787 272
Bankers:	Westpac Banking Corporation 114 William Street Melbourne VIC 3000
Stock Exchange Listing:	Australian Securities Exchange Home Exchange – Melbourne
ASX Code:	<u>RIM</u>
Email Address:	rimfire@rimfire.com.au
Website Address:	www.rimfire.com.au