
Quarterly Report

For the quarter ended September 2019

Highlights

- The Company closed its Rights Issue during the quarter after raising \$0.8m before costs with \$0.5m being raised directly from the Rights Issue and \$0.3m being raised through placement of the shortfall.
- Subsequent to the end of the Quarter the company raised an additional \$0.5m before costs from a sophisticated investor-led placement through Fresh Equities, providing financial stability and the ability for the company to execute it's planned programs of work.
- Rimfire commenced the Phase 1 drilling program on 20 September 2019, with the program achieving the following;
 - ✓ Two RC holes totalling 165.5m at the Northern Gold prospect,
 - ✓ Twenty-five Aircore holes totalling 1,042m drilled across the Northern and Southern Areas.

Rimfire Pacific Mining NL (ASX: RIM) ("the Company" or "Rimfire") is pleased to provide the September 2019 Quarterly Activity Report for activities undertaken at Fifield NSW.

The Company continues to pursue its Dual Strategy ([ASX Announcement: 25 September 2018, Dual Strategy](#)) of ongoing exploration for further discoveries including large scale porphyry style gold or copper/gold systems in interpreted Ordovician Volcanic geology and monetisation of Sorpresa. The Company will utilise funds from recent capital raising on exploration drill testing of the Northern and Southern Exploration Areas with the goal to discover a large scale porphyry style gold or copper/gold systems in interpreted Ordovician Volcanic geology. In conjunction with this work, the company will also undertake drill testing of the Northern Gold Prospect which is interpreted to be part of an Intrusion Related Gold System (IRGS). The monetisation of Sorpresa will be influenced by the results from the Northern Gold work program.

Craig Riley, Managing Director at Rimfire states:

"The last quarter was a transitional phase for the company as it finalised funding for forthcoming field activities and completed all the necessary logistical planning (NSW government approvals, landowner access agreements and scheduling with drilling contractor) to undertake the Phase 1 drilling program in September 2019 consistent with the field program activity schedule stated previously. The Phase 1 drilling results are expected shortly and will strongly influence the focus and strategy of Phase 2 drilling activities to be undertaken in the last quarter of 2019."

Going for gold.



Health, Safety, Environment and Community

Health and Safety

There was one significant (high level) potential Safety related incident involving a contractor commuting on a public road during the last quarter. There were no injuries to personnel and the company has undertaken an incident investigation to learn from the event with no outstanding issues relating to the event. The Total Year To Date performance for Minor Injuries, Medical Treatment Injuries and Lost Time Injuries remains zero.

Environment

There has been one environmental incident during the last quarter. There was an estimated 20 litre spill of diesel fuel on the edge of a public road that passes through a Rimfire Exploration Licence. The area was fully remediated. All drill sites from the recent Phase 1 drilling program have been rehabilitated with routine ongoing monitoring of these sites to be undertaken in accordance with company environmental rehabilitation processes.

Community

In preparation for undertaking drilling activities there has been extensive landholder or landowner consultation and coordination meetings. During the drilling program there was daily communication with landholders to ensure company activities had minimal impact on farmers. There were no problems encountered with property landholders or landowners during the recent Phase 1 drilling program.

Field Project Activity

The Fifield project main activities in the 3 month period to 30 September 2019 have been focused on planning of the Phase 1 drilling program including securing NSW Government approvals, Landholder Access Agreements, selection and scheduling of contractors to support Phase 1 drilling program activities at the Northern Area, Southern Area and Northern Gold Project targets.

There has also been ongoing routine submittal of 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 (EL7959, EL6241, EL5565, EL5543).

Intrusion Related Gold System

Recent analysis of exploration data indicates that an Intrusion Related Gold System (IRGS) genetic model is most appropriate for explaining the multiple occurrences of predominantly gold mineralisation within the Sorpresa Basin and surrounding area (~5km). Some significant features of IRGS Deposit types include:

- Gold grades of >1-2 g/t in disseminated systems and higher in vein systems.
- Gold deposit size ranges from small, +100k oz; to large +1 Moz; to mega +10 Moz

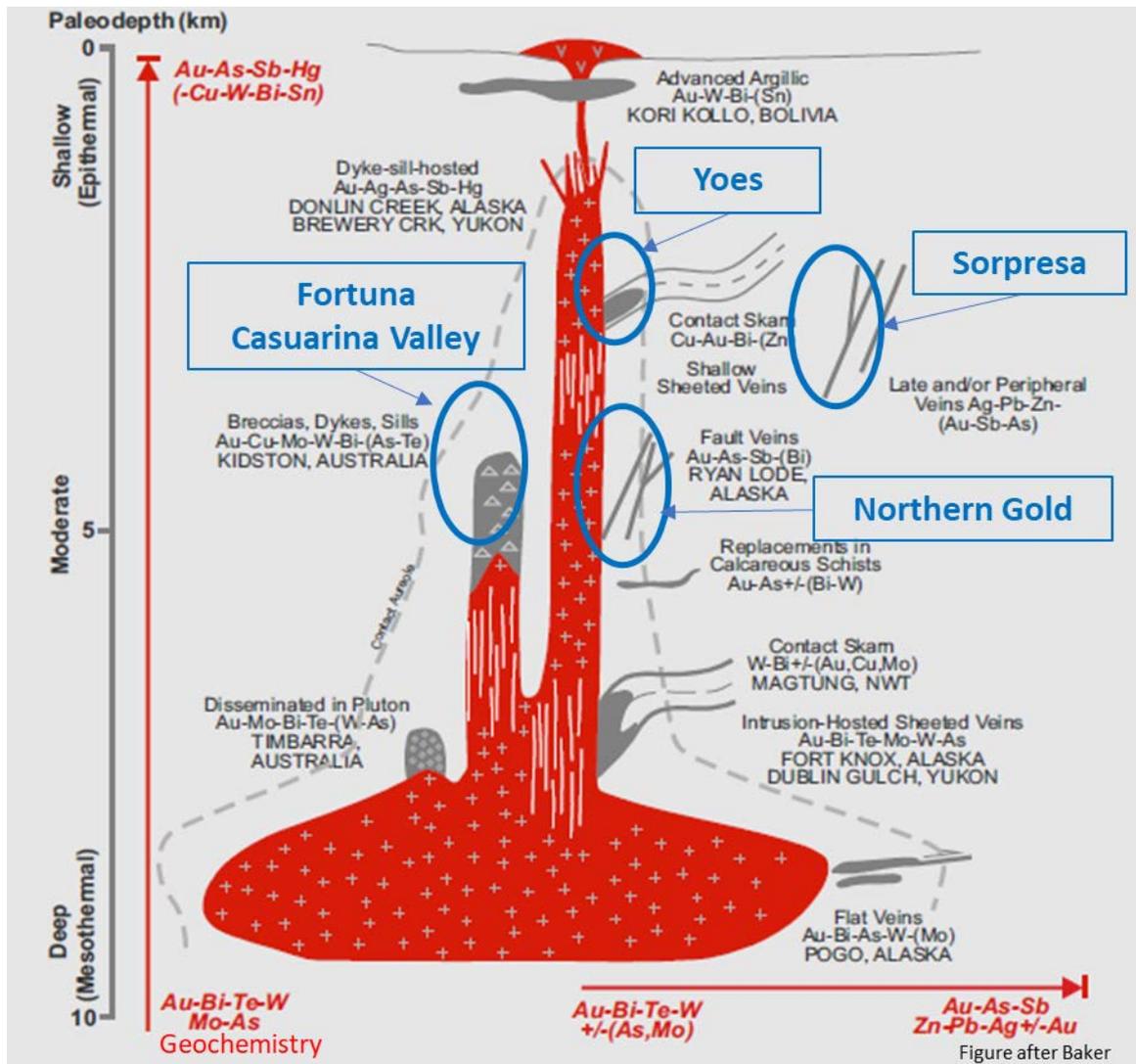
The Northern Gold (Figure 1) is considered part of this broad system of mineralisation. A program of 4 RC drill holes inclined at 60 degrees of average depth 75m for a total of 300m drilling were planned to provide samples of the bedrock



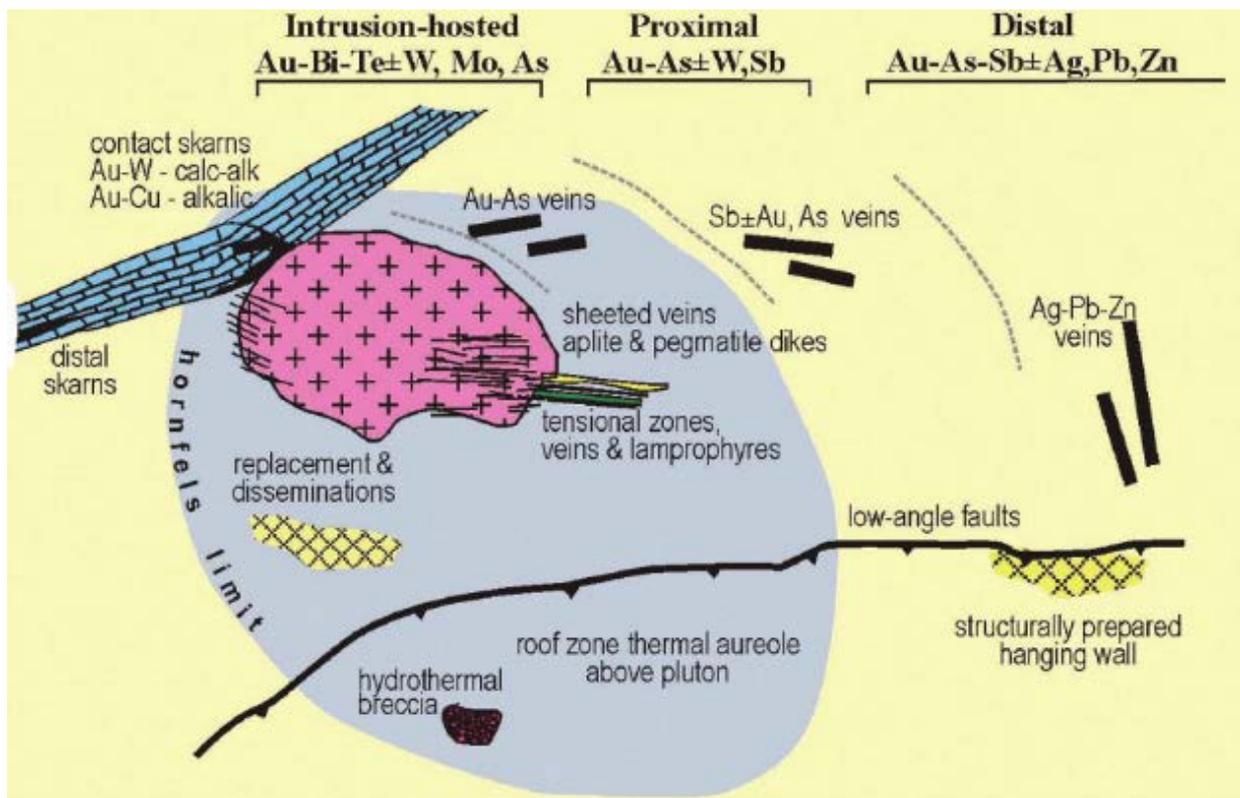
and better understand controls on mineralisation in a zone of historical shallow mining shafts which is approximately 400m long and 80m wide and covered by about 5 to 10m of transported overburden.

In the recent Phase 1 drilling program there were a total of two (2) RC holes totalling 165.5m (average depth 83m) drilled at Northern Gold. The purpose of the Phase 1 drilling is to help frame the Phase 2 follow up drilling program at Northern Gold that is scheduled for Q4 2019.

Figure 1: IRGS Genetic Model and Conceptual Position of Some Rimfire Prospects



Schematic Intrusion Related Gold System (IRGS) model showing lateral and vertical zonation in mineralisation styles, and interpreted position of Sorpresa Prospects. (Modified from Lang et al, 2000)



General plan model of IRGS illustrating various mineralisation styles, locations and outward metal zoning. (Modified from Hart et al., 2002)

Northern and Southern Areas

A significant focus has been the exploration potential of the Northern and Southern Areas for the discovery potential of a major copper / gold or gold mineralised system such as Northparkes (Cu/Au) or Cowal (Au).

The reconnaissance geological field mapping of the 30km² Northern Area was completed prior to Phase 1 drilling program. This information was incorporated into the design of aircore drill hole locations for the Northern Area. A program of 11 vertical aircore holes of average depth 20m for a total of 360m drilling was planned to provide samples of the bedrock which is generally covered by approximately 10 metres of transported soils.

The reconnaissance geological mapping of the 100km² Southern Area mapping was utilised in the design of aircore drill hole locations. A program of 35 vertical aircore holes of average depth 50m for a total of 1,750m drilling was planned to provide samples of the bedrock which is generally covered by approximately 30 metres of transported soils.

In the recent Phase 1 drilling program there were a total of twenty-five (25) aircore holes totalling 1,042m (average depth 42m) drilled across the Northern and Southern Areas. The Phase 2 drilling program activities scheduled for Q4 2019 will utilise the outcomes from the Phase 1 drilling program to influence hole locations and strategy.



CORPORATE ACTIVITY

Cash, Capital Structure, Funding, Facilities and Investments

The Company's cash at bank at 30 September 2019 was \$0.5m. This cash balance has subsequently been increased due to the placement of \$0.5m before costs to sophisticated investors in October 2019.

Table 2 - Changes in Capital Structure*

Security Class	30 June 2019	30 September 2019 (after close of Rights Issue and Shortfall placement)
Ordinary Shares on Issue (RIM)	1,069,618,073	1,353,158,438
Listed Options - 2.2 cents, expire 1 May 2020 (RIMOB)	131,140,518	131,140,518
Listed Options – 1.0 cents, expire 1 May 2020 (RIMOC)	-	277,540,365
Unlisted Options – Various Prices and Vesting Dates	74,000,000	74,000,000

*Excludes placement of \$0.5m made to sophisticated investors during October 2019, ASX Announcement: [Investor Led Placement](#)

The Company continues to actively manage costs with Non-Executive Directors continuing to be unpaid during the quarter.

Commodity Pricing for the Quarter

During the September Quarter 2019 the gold price continues to appreciate, finishing the quarter with a 5% increase in value of USD 1,463.80 per ounce. The gold price continues to trade at greater than AUD 2,000 per ounce, trading at AUD 2,128 per ounce (using an exchange rate USD:AUD of 0.70). Gold and Silver Prices from [www.kitco.com](#) in New York in USD and Copper and Cobalt Prices from [LME.com](#) in USD.

Commodity	Price USD 30 June 2019	Price USD 30 Sep 2019	Sep 2019 Quarter % change	Price USD 23 Oct 2019
Gold (oz)	1,391.20	1,463.80	5.2%	1,490.60
Silver (oz)	15.18	16.91	11.4%	17.52
Copper (t)	5,998	5,609	-5.1%	5,794



Appendix A - Rimfire Exploration Licences

Below is a listing of the exploration licences held by Rimfire Pacific Mining NL as at 30 September 2019.

No.	Licence	Location	Interest	Interest Aquired / Farmed In During Quarter	Interest Aquired / Farmed Out During Quarter
1	EL7959	Fifield	100%	-	-
2	EL5534	Fifield	100%	-	-
3	EL7058	Fifield	100%	-	-
4	M(C)L305	Fifield	100%	-	-
5	M(C)L306	Fifield	100%	-	-
6	EL8401	Fifield	100%	-	-
7	EL5565	Fifield	100%	-	-
8	EL8543	Fifield	100%	-	-
9	EL8542	Fifield	100%	-	-
10	EL6241	Fifield	100%	-	-
11	EL8804	Greater Lake Cowal Area	100%	-	-
12	EL8805	Greater Lake Cowal Area	100%	-	-
13	EL 5958*	Broken Hill	10%	-	-

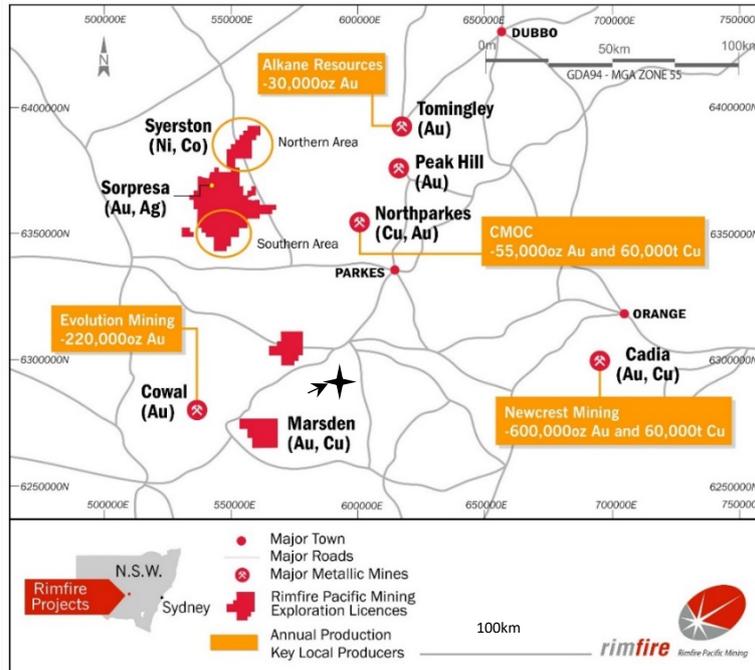
* Perilya manages the tenement with Rimfire being free carried



ABOUT RIMFIRE

Rimfire Pacific Mining (RIM) is an ASX listed resources exploration company with its major focus at Fifield in central NSW, located within the Lachlan Transverse Zone (LTZ). In 2011 the Company made a greenfields discovery, named “Sorpresa”, announcing a JORC Inferred & Indicated Maiden resource in 2014. The information provided in “About Rimfire” is available to view on the company’s website: [ASX Announcements](#).

Figure 1: Location Plan Rimfire Exploration Licences and Project Areas



Rimfire is exploring for a major copper / gold or gold mineralised system such as at Northparkes (Cu/Au) or Cowal (Au) on 915km² of Exploration Licences 100km west of Parkes in central NSW. Multiple prospects with potential for further gold discoveries exist in the area around Sorpresa which are part of Rimfire’s 681km² contiguous tenements. Rimfire also holds two exploration licences covering 234km²; located 40 to 60kms south of the Fifield Project, in an area now part of a moratorium associated with the MinEx Cooperative Research Centre program ([minexcrc.com.au](#))

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.