
Quarterly Report

For the quarter ended December 2020

Highlights

- ✓ Rimfire Pacific Mining NL (“Rimfire”) successfully raised \$0.5m (before costs) from a fully underwritten Share Placement Plan (SPP) to shareholders
- ✓ Second Quarter Earn-in exploration cash call has been paid by Golden Plains Resources (GPR) enabling the Sorpresa Development Project work programs to continue
- ✓ Contract for Sorpresa Development Project Environmental Impact Assessment (EIA) awarded to ERIAS
- ✓ Drilling commenced and is continuing at Sorpresa Development Project
- ✓ Drilling of first 2 RC holes at The Valley complete

Rimfire Pacific Mining NL (ASX: RIM) (“the Company” or “Rimfire”) is pleased to provide the December 2020 Quarterly Activity Report for activities undertaken at their Lachlan Fold Belt projects around Fifield NSW and the significant strengthening of the Company’s financial position.

The Company completed a successful capital raising of a fully underwritten SPP of \$0.5m, through the issue of 40 million shares at an issue price of \$0.0125 (1.25 cents) per share. The net proceeds from the SPP strengthen the Company’s balance sheet and will provide funding for ongoing exploration work for a significant size (> 1Moz gold +/- 1Mt copper) porphyry or skarn style copper-gold discovery outside the GPR Earn-in Area (GPR sole funding).

The Company received the scheduled Second Quarter Cash Call payment from Golden Plains Resources Pty Ltd (GPR) during the quarter. As at the end of the quarter, a total of \$960,000 has been received from GPR comprising \$630,000 in cash calls for the Sorpresa development and exploration Earn-in area and \$330,000 for administration fee, as part of the First Year Commitments.

Health, Safety, Environment and Community

Health and Safety

There were no Health or Safety related incidents during the last quarter. The Total Year To Date performance for Minor Injuries, Medical Treatment Injuries and Lost Time Injuries remains zero.

The Company continues to monitor the required Covid-19 preventive measures when undertaking office or field activities. There was a small delay to recommencement of operations in January 2021 due to Queensland State Government movement restrictions for people from the Greater Brisbane Area. The company appreciates the ongoing support of the local community, employees and contractors during this period of abnormal business conditions.

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Environment

There has been further rainfall in early 2021 that has kept all dams at the Fifield project site at capacity and fully saturated the surface soils. This rainfall has caused a short delay to the recommencement of drilling activities after the Christmas / New Year period as access tracks to drill hole locations were too wet to support heavy vehicle movements. The Company continues to collaborate with farmers to ensure drilling operations have minimal impact on farming activities.

Community

There have been no significant community events during the past Quarter.

Operations

Sorpresa Development Project - GPR Earn-in Area

The Company completed the initial phase of planned aircore drilling program for the Sorpresa Development Project. The primary purpose of the drilling was to obtain bedrock lithological, alteration and geochemical samples at planned infrastructure locations and partially tested prospects. Geochemical samples have been dispatched to the laboratory with results to be available soon.

The aircore drilling at the Sorpresa Development Project consisted of

1. 26 holes totaling 670m at the Gravity Jog Prospect immediately south of the Sorpresa Development Project obtained bedrock samples from an interesting structural feature identified from geophysical (magnetics and gravity) that warrants further testing.
2. 7 holes totaling 262m at the Sorpresa Development Project obtained bedrock samples from areas where it is proposed to place infrastructure. This information will help guide decisions on suitable location for mine infrastructure such as process plant.
3. 21 holes totaling 559m at Northern Gold Prospect to obtain bedrock samples from a sectional line across the zone of historical gold pits with a footprint of 400m by 80m.
4. 4 holes totaling 376m at 114 Corridor to obtain bedrock samples from interpreted shallower updip extension of a historical deeper gold intercept of 1m at 114g/t Au from 159m downhole depth. ([ASX Announcement: Bonanza Grade 17 July 2013](#)) This structure is a north west / south east feature that cross cuts the Sorpresa mineralization.
5. 3 holes totaling 231m at Transit Prospect to obtain bedrock samples to better understand the geometry of previous intersected mineralization. ([ASX Announcement: Gold at Transit 19 Sept 2017](#))

Target	metres	No. Holes	Av Depth (m)	Method
Gravity Jog	670	26	26	Aircore
Sterilisation	262	7	37	Aircore
Northern Gold	559	21	27	Aircore
114-Corridor	376	4	94	RC
Transit	231	3	77	RC
Total	2098	61		

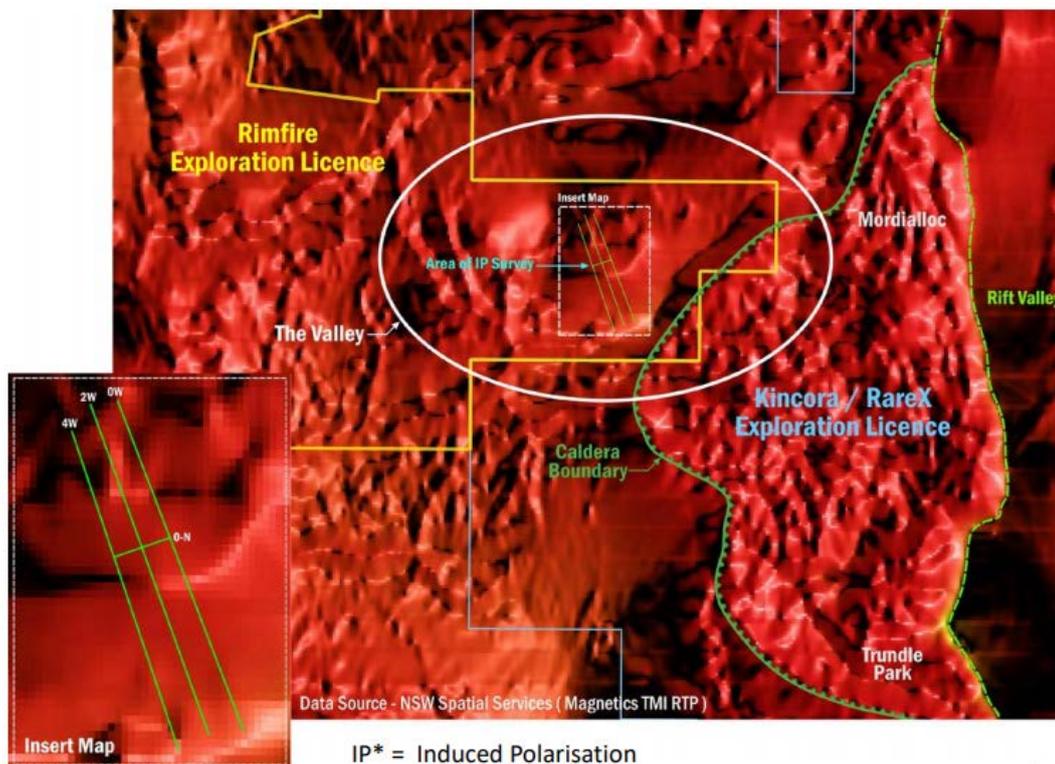
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During the Quarter the Earn-in Management Committee awarded the Lead Environmental Consultant contract to the ERIAS Group who will be responsible for delivering the Environmental Impact Assessment (EIA) and Environmental Impact Statement (EIS) that are essential requirements for obtaining Development Consent for the Sorpresa project.

Lachlan Fold Belt Projects – Outside GPR Earn-in Area

The Valley drilling program consists of 5 x 150m RC / diamond tail drill holes to test Induced Polarisation (IP) features (zones of anomalous chargeability and resistivity responses in the bedrock substrate). The Valley target is approximately 5km west of the Kincora Copper / RareX Mordialloc porphyry copper / gold target (Figure 1).

Figure 1: Location Plan of Valley Target



During the Quarter, 2 reverse circulation (RC) holes totaling 296m were completed at The Valley prospect with assay results expected in the first quarter of 2021.

Harvesting activities in the local area have resulted in the 3 remaining holes being delayed until February 2021, following completion of the drilling program at the Sorpresa Development Project.

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CORPORATE ACTIVITY

Cash, Capital Structure, Funding, Facilities and Investments

After completion of the \$0.5m SPP and expenditure undertaken during the Quarter, the Company's cash at bank at 31 December 2020 was \$2.12m. During the December Quarter the Company also received \$300k for payment of the second quarterly cash call for the Earn-in with GPR which is held in trust in the Earn-in account and drawn down as expenditure is made in the Earn-in Area. The balance of the Earn-in account at 31 December 2020 was \$0.46m, which is not included in the Company's cash balance of \$2.12m. Subsequent to the end of the quarter the third quarterly cash call of \$0.3m was made by GPR into the Earn-in account.

Table 1 - Changes in Capital Structure

Security Class	30 September 2020	31 December 2020
Ordinary Shares on Issue (RIM)	1,752,571,527	1,806,244,735
Unlisted Options – Various Prices and Vesting Dates	57,500,000	30,000,000

The change in the Company's capital structure during the Quarter was due to the issue of 40m shares for the completed SPP and senior management exercising 27.5 million unlisted options that had vested for a net gain of 13.7m shares, which were exercised prior to the AGM.

The Company continues to maintain a tight rein on costs as State and Federal government stimulus packages that were released to soften the impact of the downturn in economy due to the Covid-19 pandemic end. Related party transactions of \$170k (section 6.1 and 6.2 of the December 2020 Quarter Appendix 5B) are payments for salary and STI (including statutory superannuation) to Craig Riley (MD and CEO) for the December 2020 Quarter, and payments made to Directors including the deferred Director Fees covering the period of March 2020 to December 2020.

Due to the increase in actual and planned drilling activity during the quarter the NSW Department of Resources increased the amount held as bonds on the affected tenements (increase \$32k). The Company also purchased two site vehicles to replace older units.

The continuing strength of commodity prices has generated increased focus on exploration companies that hold ground positions in highly prospective areas such as the Lachlan Fold Belt in central NSW, which is being now being reported by media commentators as a "hotspot". The Company has a significant land tenure position in this region and as previously advised to the market we will continue to evaluate opportunities that may support the growth and funding activity of the Company.

Commodity Pricing for the Quarter

During the December Quarter 2020 the gold price continued to appreciate, finishing the quarter with a 0.4% increase in value to USD 1,898/AUD 2,410 per ounce (using an exchange rate USD:AUD of 0.77, 25th January 2021). Silver and Copper also appreciated in value during the December Quarter with an increase of 12% and 17% respectively. Gold and Silver Prices from www.kitco.com in New York in USD and Copper and Cobalt Prices from LME.com in USD.

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Table 2 – Commodity Pricing

Commodity	USD		%age Change	AUD		%age Change
	30/09/2020	31/12/2020		30/09/2020	31/12/2020	
Gold (oz)	1,891.00	1,898.00	0.37%	2,644.76	2,464.94	-6.80%
Silver (oz)	23.50	26.37	12.21%	32.86	34.25	4.22%
Copper (t)	6,610	7,742	17.13%	9,245	10,054.55	8.76%

*Note: Using an exchange rate of AUD:USD 0.715 at 30 September 2020 and 0.77 at 31 December 2020

Appendix A – Rimfire Exploration Licences

Below is a listing of the exploration licences held by Rimfire Pacific Mining NL as at 31 December 2020.

No.	Licence	Location	Interest	Interest Acquired / Farmed In During Quarter	Interest Reduced / Farmed Out During Quarter
1	EL7959	Fifield	100%	-	-
3	EL7058	Fifield	100%	-	-
4	M(c)L305**	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	EL8935**	Fifield	100%	-	-
14	EL5958*	Broken Hill	10%	-	-

*Perilya manages the tenement with Rimfire being free carried

** Subject to earn-in entered into during the June Quarter, however no interest in tenements to be ceded until earn-in conditions met in full

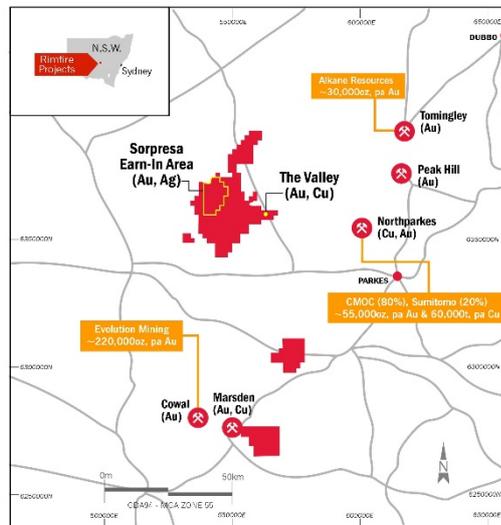
This announcement is authorised for release to the market by the Board of Directors of Rimfire Pacific Mining NL.

For further information please contact:

Craig Riley, Managing Director, +61 3 9620 5866

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 and Indicated maiden resource in 2014. The information provided in “About Rimfire” is available to view on the company’s website: [ASX Announcements](#). In May 2020, Rimfire signed an Earn-in Agreement with Golden Plains Resources (GPR) covering an area of 103km² covering Sorpresa and surrounding area.



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. It includes multiple prospects with potential for further gold discoveries in the 103km² area within the GPR Earn-in area around Sorpresa with all work in this area funded by GPR. Rimfire retains responsibility for funding exploration programs over the rest of its Exploration Licences that also includes two licences covering 234km² located about 50kms south of the Fifield Project in a prospective area that is now part of the MinEx Cooperative Research Centre program (minexcrc.com.au).

Competent Persons Declaration

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 Craig Riley who is deemed to be a Competent Person and is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Riley has over 25 years’ experience in the mineral and mining industry. Mr Riley is employed by Rimfire Pacific Mining (RIM) and is an employee of the Company. Craig Riley 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’. Craig Riley 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.

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