



Copper now on the Scene at Fifield

Eclipse South – Chalcopyrite in Hole Fi 0588 Assay 4m @ 6.5% Cu & 2.3g/t Au

**RIMFIRE PACIFIC MINING NL
ANNUAL REPORT 2015**





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Dear Shareholders,



It is my pleasure to present the Annual Report for Rimfire Pacific Mining NL for the Financial Year ending 30 June 2015. This is my first report to you as Chairman since my election by the Board in March 2015, when John Kaminsky vacated the role of Chairman to focus on the role of Managing Director and CEO. This has been a year of achievement for Rimfire: discovery in the field; results from laboratory testing; studies; release of the maiden JORC 2012 compliant Resource; and in Rimfire's growing recognition as one of the most active and efficient exploration companies in Australia.

Exploration Progress

Rimfire's Strategy remains to enhance the value of the Sorpresa resource while pursuing defined prospects in Regional areas of our tenements. This year Rimfire completed some 13,400 metres of well-planned drilling in the Sorpresa project areas, and Regional areas mainly within 6km east and south of the Sorpresa discovery. Regional targets progressed, for example, from conceptual status through to high grade intersections with new targets identified. Anomalies identified led to targeted drilling, such as the RC drilling at Eclipse South, resulting in high grade copper and gold values announced recently. Announcements regularly explain Strategy and our intense work program is summarised in the Exploration Report.

The Company has now significantly transformed the Fifield district with a clear gold association and most recently a copper signature developing to the eastern margins. Rimfire's emerging work occurs in one of the most important gold-copper corridors in the world, the Lachlan Transverse Zone (LTZ), and accordingly we are now well placed to pursue "company making discoveries" that have a capacity to transform the Company.

Maiden Resource at Sorpresa and Further Studies

A milestone was the announcement of the JORC 2012 compliant Indicated and Inferred mineral resource of approximately 250,000 ounce gold equivalent (50:50 Au:Ag) for the Sorpresa Gold and Silver discovery and mostly in the oxide zone. Further in-fill drilling was undertaken at Sorpresa and preliminary studies, including a metallurgical and process options review are continuing to assess the economics and guide further work.

These studies led to the recently reported assays reinforcing earlier work. As previously announced, Rimfire has been considering partnership opportunities and has signed a number of Confidentiality Agreements with potential collaborator companies, and these discussions are active.

Regional Exploration

The Company has applied for a further 290km² of Exploration Licence area to the east of the Company's current tenements. Regional scale assessment will commence in a targeted program later this year after all approvals are in place.

Rimfire has invested shareholder funds in six Regional exploration targets at **Eclipse Trend, Yoes Lookout, Carlisle (two targets), Twilight Dam** and **Moonrise**. The work has returned gold grades that demonstrate the extent of the system we are investigating, and most encouragingly have been confirmed post-end of Financial Year by assays with intersections of up to **2m @ 10.95% Cu and 3.87 g/t Au** at Eclipse South.

Much of this investigation drilling has been carried out with support from the NSW Government Co-operative Drilling Program grant, awarded to Rimfire in September 2014 in a competitive process and expended on a matching dollar basis. Rimfire was invited to present to the [NSW Resources Investment Conference](#) 28 July 2015, and was very well received for its focus, efficiency and field achievements underpinned by this program. The Board wishes to thank the NSW Government for the valuable funds and recognition that this program affords to the Company.

Deployment of Shareholders' Funds and Company Market Value

In December 2014, the company completed a Rights Issue of one new share for every six held at an application price of 2 cents and one free carried option exercisable at 5 cents within 12 months. The issue, raised \$1.1M together with other funds to support working capital requirements and exploration activities per the program outlined last year, including:

- ✓ Announcement of the Maiden Resource at Sorpresa
- ✓ In-fill drilling and resource definition within Sorpresa
- ✓ Regional exploration programs at Carlisle and Eclipse Trend

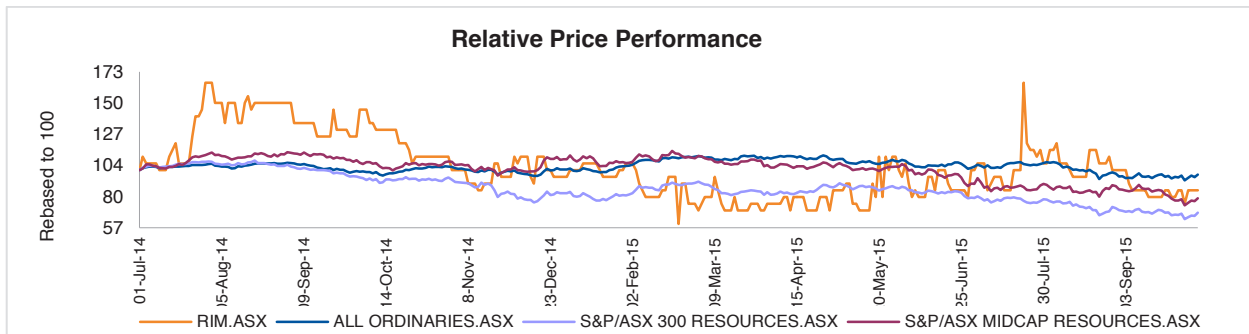
In addition, Rimfire deployed funds in:

- ✓ Further resource studies, metallurgical studies, mining and process options at Sorpresa
- ✓ Regional programs at Yoes, Eclipse South, Moonrise and Twilight Dam



- ✓ Developing relationships and agreement frameworks with potential collaborators and investors
- ✓ Gaining better understanding of the complex and encouraging geology of the district
- ✓ Applying for additional Exploration Licence areas in prospective country to the east of Yoes

This year, most mining companies' share prices declined along with the falls in prices of major commodities. Rimfire, with its focus on gold, silver and base metals, has outperformed its peers in the resources sector over the past year. The Rimfire share price VWAP over the year was 2.1 cents, and ended the year at 2.0 cents, in a trading range high of 3.3 cents to a 1.2 cents low. The Board remains of the view that the Company has upside potential in the current share price.



The Company continues to manage its cash reserves carefully and anticipates receipt of an AusIndustry R&D program refund of up to \$1.0M in the 2nd quarter of the 2015/16 Financial Year.

Economic Outlook

The gold price, ready availability of services and falling costs have helped the producers in the gold industry in Australia. The junior exploration sector has lagged by comparison, but there are encouraging signs of market bottoming at the time of writing. Rimfire has taken advantage of much lower drilling, services and staffing costs than was the case only a short time ago. As noted in global research focused on the sector (refer to [Exploration Industry Presentation](#)), Rimfire performs well against benchmarks of discovery efficiency and low overheads. This means good value for shareholder funds expended in the current environment. It is Rimfire's ambition to come through this period with a strong base of knowledge and mineable resources from our Fifield tenements.

Appreciation and Thanks

Community support, respect for the environment and good relations with land holders are critical factors. Rimfire places high priority on relationships built up over many years, and in care for the land. We employ local people, use local services, and live nearby. Our prosperity will be shared with the community in coming years. We thank them for their support.

While focused on costs and maintaining output, Rimfire's staff have served us well. I thank my fellow directors for their wisdom, continuity and skills. The Board granted medical leave during the year to Ramona Enconniere, a long time director. We value her contribution and wish her well in her convalescence. I thank our exploration team, the core of our business, our associates, consultants and contractors for their services. I particularly mention outstanding contributions by:

- ✓ John Kaminsky, after retiring as Executive Chairman in March 2015, continued as Managing Director and CEO to lead the company with vigour and imagination;
- ✓ Colin Plumridge, Principal Geologist, the inspiration for the discovery at Sorpresa, and surrounding district, still actively engaged and mentor to our exploration team, providing vision for the next phase of exploration.

The Board wishes to express its appreciation to the continued support of long term shareholders, of whom there are many, and of new shareholders who joined the Company during the year.

I thank you for the opportunity to serve your company through this time of transition. We are fortunate to be in an exciting area of Australia, and have some of the best people in our industry. We have support and goodwill from community, government, and most importantly, our shareholders. We expect that next year will bring changes, as well as anticipated rewards for the investment and effort we are all making together. I assure you of the alignment of the Board with your concerns as shareholders, and that the Board remains committed to open communications with you through regular reports on our progress.

John Gillett
Chairman of the Board
Dated 5th October 2015

FIFIELD PROJECT AREA EXPLORATION

Rimfire Pacific Mining NL (Rimfire or the Company) is currently focussed on exploration for gold (Au), silver (Ag) and base metals such as copper (Cu) on its Fifield Project Area located at Fifield, in Central Western NSW and its goal is to establish and develop a minable resource(s) within the currently identified Cu, Au, Ag and Pt mineralisation located within the greater Sorpresa (35km²) project areas.

During the year the Company reached a major milestone with the announcement of its maiden JORC 2012 compliant Indicated and Inferred mineral resource for the Sorpresa Gold and Silver Project ("Sorpresa Resource") being **6.4Mt for 7.9 million ounces of silver and 125,000 ounces of gold (at a 0.5g/t Au & 25g/t Ag cut-off)**.

Significantly, the regional prospects have also started to show promise and potential for ore grade intersections relatively close to surface. The discovery of high grade Cu and Au results in RC drilling at Eclipse South, **4m @ 6.5% Cu & 2.3g/t Au from 119m in Fi588**, has been significant and vindicates the Company's decision to keep exploring despite the difficulties and uncertainty of the global financial markets.

The Company was awarded a \$175,000 grant from the NSW Government Co-Operative Drilling Program in September 2014 and has applied this dollar for dollar drilling expenditure grant to pursue multiple targets over the 12 month period of the grant.

The Company also owns 210 hectares of freehold land at Fifield, which covers much of the historic alluvial platinum/gold workings in the district, and is the registered holder of the following exploration and mining licenses:

Exploration Licences	EL5534, EL5565, EL6241, EL7058, EL7959 and EL5958 at Broken Hill Rimfire retains a 10% free carried interest, managed by Perilya 90%
Mining Leases	M(C)L 305 M(C)L 306
Exploration Licence Application	ELA5178

Exploration Summary and Highlights

The major highlight for the Company was the ongoing drill delineation of gold and silver mineralisation along strike and at depth at the Sorpresa gold and silver mineralised zone. This additional drilling, along with several twin holes of critical areas confirmed the robustness of the mineralisation model and led to the estimation and reporting, to JORC 2012 compliant standards, of an Indicated and Inferred resource at Sorpresa.

The maiden Indicated and Inferred resource estimate includes a combined resource of **6.4Mt for 125Koz Au and 7.9Moz Ag (at 0.5 g/t Au & 25 g/t Ag cut off)**. This equates to approximately 250,000 gold equivalent ounces, made up of 50:50 gold and silver. Within this resource, a significant proportion of the material is oxide and initial metallurgical work indicates oxide leach recoveries for gold in excess 94% at the Trench 31 area.

In addition, the Company believes there are near surface zones of structurally controlled higher grade oxide material and these zones have been the focus of ongoing drill assessment in order to add geological confidence and move toward an upgraded measured status.

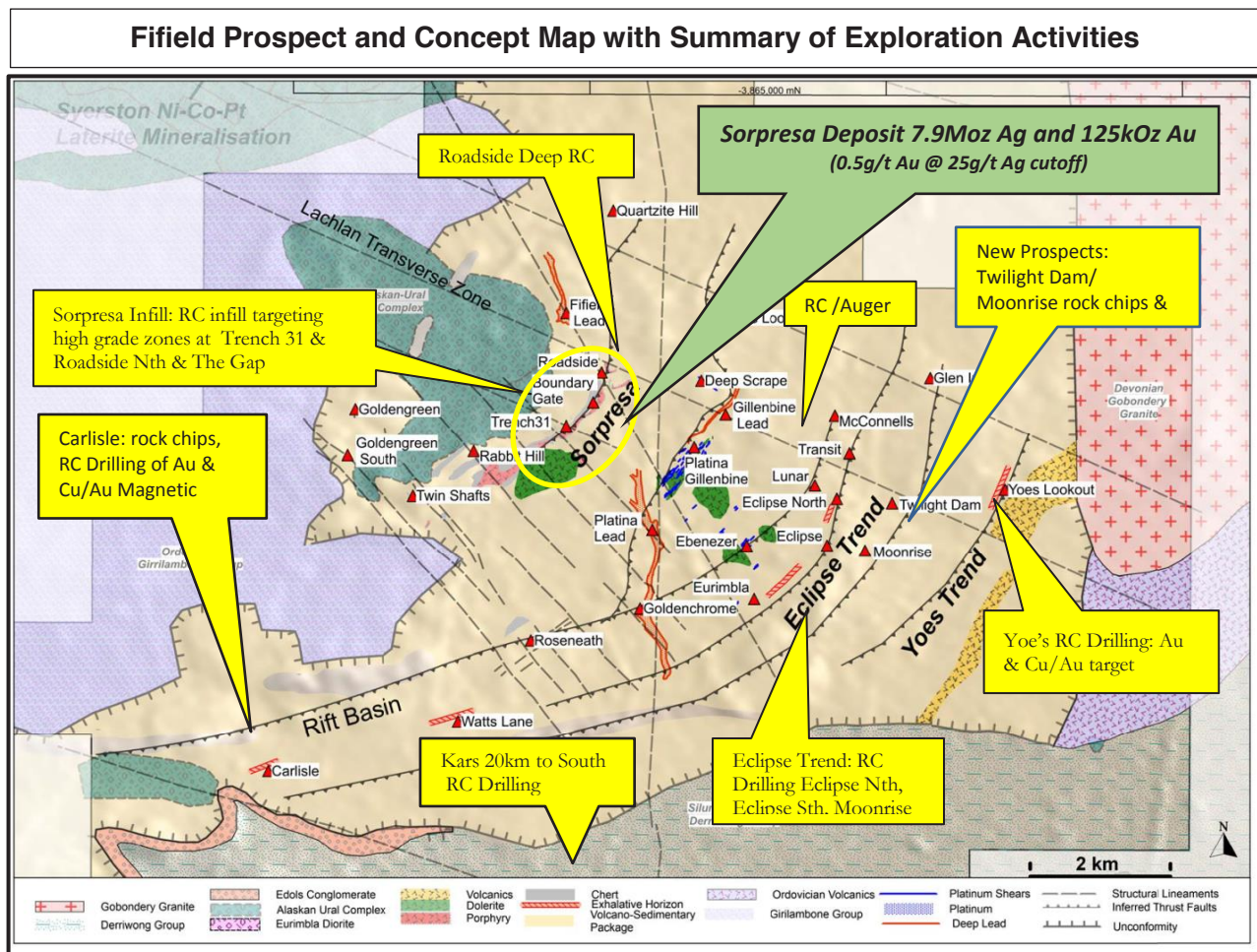
The regional exploration activity run in unison with the Sorpresa Resource development, continued to expand as regional targets began to emerge as rock chip, soil sampling and bedrock auger drilling returned large areas of gold and base metal anomalism. These targets, generally within a 6 kilometre radius of the Sorpresa resource may represent parts of a larger mineralised system and potentially host significant additional mineral resources to complement the Sorpresa resources. Furthermore an application was submitted for an additional tenement covering 290km² of prospective ground to the east of the Company's current lease holdings.

Despite the difficult financial market conditions Rimfire has adopted a countercyclical exploration strategy of "doing more for less" thus advancing Sorpresa and its regional targets efficiently and successfully, to enable the development of additional drill targets. Collectively amongst the prospects, a total of 13,419m of drilling (Auger, RAB, and RC) was accomplished during the year, including drilling at regional targets outside of the main Sorpresa Resource area which generated significant intersections.

These regional prospects in many instances have first pass RC drilling, with the most significant results reported during the latter part of the year being the high grade copper and gold values announced at the Eclipse South prospect which included:

- 4m @ **6.5%Cu** & 2.3 g/t Au from 119m, incl. 2m @ **10.95% Cu** & 3.87 g/t Au from 120m in Fi 588:

This result has vindicated the Company's strategy of developing the Sorpresa Au/Ag resource whilst continuing to explore for additional resources in a variety of mineralisation styles and environments within the 6km radius.



Other significant exploration highlights include:

- **Eclipse Trend:** Auger drilling extended the Au and Cu geochemical anomaly beyond 2.2km strike length with peak values up to 510ppb Au and 1650ppm Cu. RC drilling intersected significant Cu and Au values downhole which require deeper RC drilling follow-up
- **Yoe's Lookout** bedrock anomaly which extends over 1.7km @ 20ppb Au and has returned gold grades up to 3.4g/t Au in quartz stockworked, magnetite rich, skarn style altered metasediments. Follow-up RC drilling intersected broad Au/Cu anomalism within iron rich calcic skarn style altered rocks.
- **Carlisle Prospect:** Two mineralised targets.
 - **Target 1:** Gold in rock chips up to 23g/t Au in sheared quartz sulphide sediments which returned 4m @ 3.29 g/t Au gold from 3m in RC drilling.
 - **Target 2:** The geophysical magnetic high anomaly, with a potential regional thrust fault and Cu/Au target was RC drilled but cover sediments and water inflow prevented the target being reached
- **Twilight Dam:** Siliceous gossanous float returned up to 6.19 g/t Au and associated with strong hydrothermal alteration and Au, As, Cu, Ba geochemical anomalism - yet to be drilled
- **Moonrise:** Part of the Eclipse Trend- extensive auger drilling defined linear Au, As, Bi & Pb geochemical anomalies. Rock chips returned up to 4.17 g/t Au

Sorpresa Gold and Silver Project Exploration and Development

Highlights achieved in the last 12 months at the Sorpresa Gold and Silver project area included:

- Infill RC drilling to extend the understanding and position of the Roadside, Roadside North, Join-up and BGE mineralisation to allow resource modelling over 1.5km x 0.4km area
- Completion of the maiden Indicated and Inferred JORC 2012 compliant resource estimation by an Independent Mining Consultant
- Drilling at The Gap defined a mineralised connection between Trench 31 and Boundary Gate East
- Successful completion of the program of RC twinning designed to establish repeatability of selected mineralised intervals within the Sorpresa Resource

- Ongoing close spaced infill drilling continues to delineate high grade, near surface oxide mineralisation at Trench 31 and Roadside
- RC Drill testing remains ongoing for both shallow oxide and deep extensions and potential repeated lodes
- Additional metallurgical test work was undertaken on composite 60kg samples with respect to gravity, leaching and flotation looking at recoveries of Au and Ag. The samples were representative of both oxide and primary mineralisation from areas most likely to be sourced for open pit material and the results were pending.

Highlights of Significant Gold intersections at Trench 31 within the Sorpresa mineralised system included:

Hole	Main Intersection	Including
Fi 0496	6m @ 4.72g/t Au from 2m	Incl. 2m @ 7.96g/t Au from 2m
Fi 0497	6m @ 7.47g/t Au from 4m	Incl. 4m @ 10.67g/t Au from 6m
Fi 0498	6m @ 6.02g/t Au from 6m	Incl. 2m @ 9.51g/t Au from 6m
Fi 0507	6m @ 5.9g/t Au from 6m	Incl. 2m @ 12.25g/t Au from 6m
Fi 0508	6m @ 3.24g/t Au from 6m	Incl. 2m @ 12.25g/t Au from 6m
Fi 0513	4m @ 8.28g/t Au from 6m	Incl. 4m @ 8.28g/t Au from 6m
Fi 0514	4m @ 7.45g/t Au from 10m	Incl. 2m @ 12.55g/t Au from 10m
Fi 0515	6m @ 5.75g/t Au from 10m	Incl. 2m @ 10.65g/t Au from 14m
Fi 0517	4m @ 7.38g/t Au from 16m	Incl. 2m @ 12.33g/t Au from 18m

Significant mineralised intersections at the Roadside Area, located within the Sorpresa Resource system, indicating potential for mineralised extensions included:

Hole	Main Intersection	Including
Fi 407	13m @ 44g/t Ag and @ 0.35g/t Au from 196m and 9m @ 77g/t Ag from 212m	Incl. 3m @ 1.01g/t Au from 201m Incl. 1m @ 399g/t Ag
Fi 409	8m @ 99g/t Ag from 165m	Incl. 2m @ 194 g/t Ag
Fi 410	12m @ 29g/t Ag and 0.32g/t Au from 161m	Incl. 1m @ 161 g/t Ag
Fi 411	37m @ 0.40g/t Au from 148m	Incl. 1m @ 1.02; 1m @ 1.54; 1m @ 1.92 g/t Au
Fi 413	5m @ 40g/t Ag from 23m and 13m @ 104g/t Ag and 0.61g/t Au from 44m and 7m @ 2.17g/t Au and 70g/t Ag from 63m	Incl. 1m @ 764g/t Ag and 3.20g/t Au Incl. 1m @ 10.80g/t Au and 72g/t Ag
Fi 415	21m @ 0.53g/t Au from 44m	Incl. 2m @ 2.67; 1m @ 2.10 g/t Au
Fi 416	3m @ 58g/t Ag from 111m and 7m @ 0.79g/t Au from 135m	Incl. 1m @ 134g/t Ag
Fi 417	9m @ 1.21g/t Au from 149m	Incl. 1m @ 6.38g/t Au
Fi 424	10m @ 79g/t Ag and 0.32g/t Au from 55m and 12m @ 0.97g/t Au	Incl. 3m @ 153g/t Ag Incl. 5m @ 1.91g/t Au
Fi 425	4m @ 28g/t Ag from 117m and 10m @ 0.70g/t Au from 128m	Incl. 1m @ 2.73g/t Au

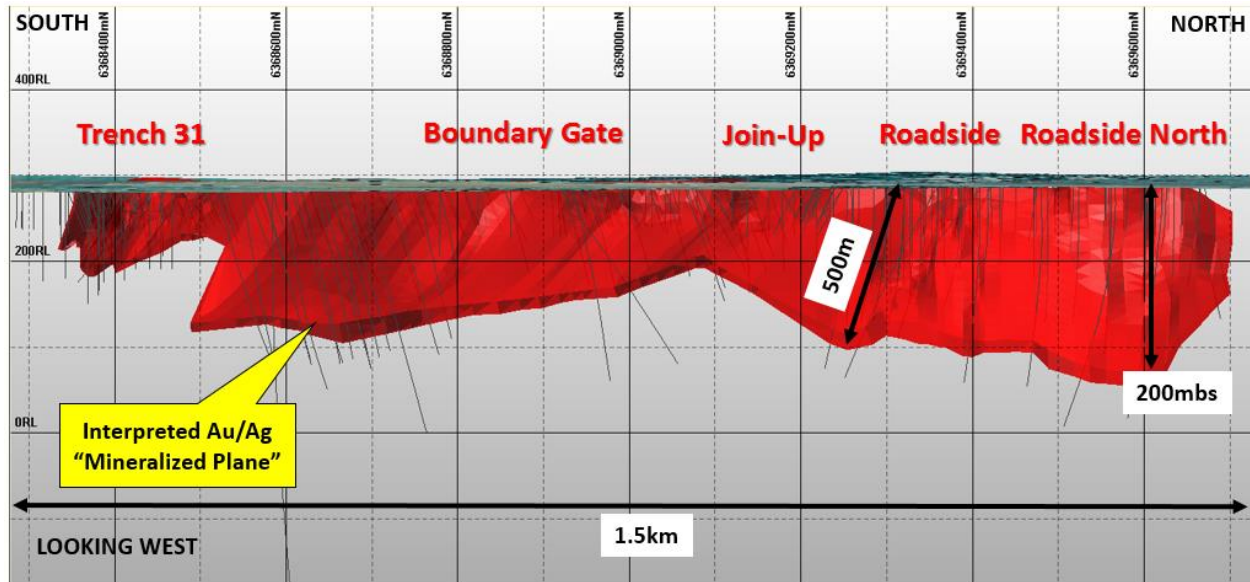
Sorpresa – Maiden Indicated and Inferred JORC (2012) Compliant Resource Estimate

The delivery of the Company's first JORC 2012 compliant resource marks a major milestone for the Company and the resource contains an estimated 6.4Mt for 7.9 million ounces of silver and 125,000 Oz of gold (at a 0.5g/t Au & 25g/t Ag cutoff). H&S Consultants Pty Ltd was engaged by the Company to audit the Sorpresa data and estimate the Maiden Sorpresa Au/Ag Mineral Resource ('the Resource').

The Resource comprises ten structural domains across six areas in which the strike and dip of the mineralisation varies. Domains were generated by wire-framing of geological data and the use of a nominal grade threshold of 0.10 g/t AuEq where $AuEq = (Au + Ag/60)$ within the host unit. The host to the mineralisation is a sequence of meta-sediments, quartzite and cherts and andesitic volcanic rocks, generally east dipping and variably folded. A rhyolite to rhyodacite porphyry sill is an important marker position to the mineralisation, with the thickest and highest grade mineralisation generally occurring underneath the sill.

The mineralisation has a low temperature of formation indicating an epithermal setting and is currently interpreted to represent a Carbonate Base Metal Epithermal Au/Ag style. Age dating of the host stratigraphy and mineralisation currently suggests mineralisation could be related to Siluro-Devonian Volcanism (e.g. Mineral Hill / Mt Boppy) and potentially hosted in Cambro-Ordovician meta-sediments, mafic volcanics and ultramafic intrusives, themselves potential hosts to Tritton / Besshi style VMS mineralisation. Examples of both styles of mineralisation have now been interpreted across the Fifield district.

North – South Composite Long Section View, Looking West, of the 1.5 km Sorpresa Mineralised Zone



The Resource identified a complex, mineralised system comprised of structurally controlled, variably dipping and plunging ‘shoots’ of gold and silver mineralisation, across a 1.5km strike. Within this resource the Company recognizes the potential to define several zones of high grade, near surface, oxide mineralised Au/Ag material which may be amenable to selective open pit mining methods.

The Trench 31 gold area at the southern end of the Sorpresa mineralisation and the Roadside silver/gold area at the north end, represent two such areas which the Company has been actively exploring with close spaced shallow RC drilling. This drilling continues and seeks to further define the grade, distribution and continuity of mineralisation within the shoots also working towards a measured resource status.

Within this resource approximately 25% of the resource tonnage is classified as oxide material which has 40% of the contained gold and 25% of the contained silver ounces.

Structurally the mineralisation is predominately confined to a variably east dipping, gently folded, variably plunging mineralised plane. This plane shows remarkable continuity down dip and along strike, however, the grade within the plane is somewhat enigmatic, yet has a capacity to deliver exceptional bonanza grades of gold and silver.

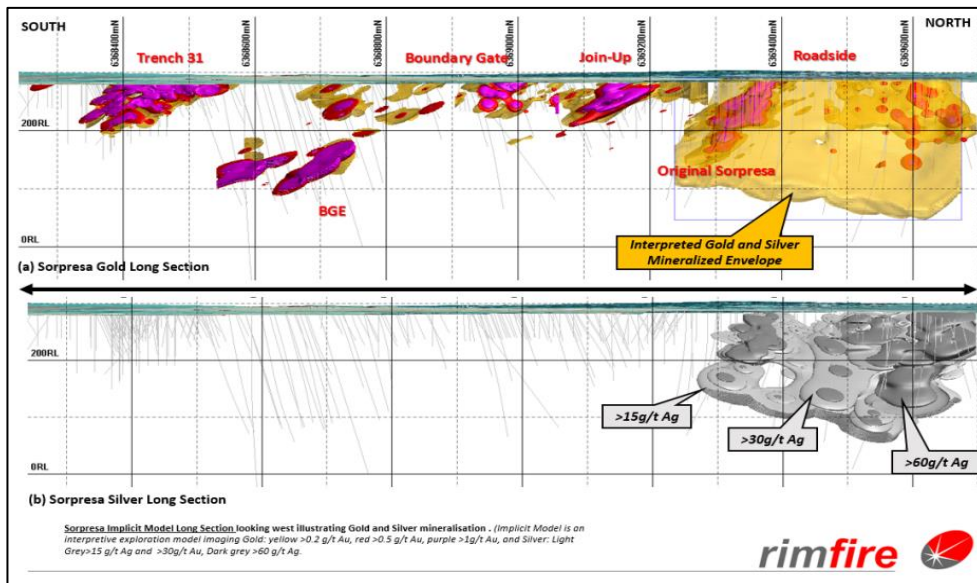
As an exploration target, the mineralised plane coupled with the rhyolite porphyry sill ‘marker horizon’ and greater detailed understanding of the stratigraphy, has enabled and will continue to enable, targeted broad step out drilling, at a reduced drill intensity.

Scoping for high grade lenses and pods, changes in orientation and folding within the larger mineralised plane, is an exploration target for extensions and repeat lenses close to the known mineralisation and far beyond to the east. Such targets are continuously being identified and assessed for further testing.



The Company believes that potential upside exists at Sorpresa by defining additional resources in under explored areas along strike to the south and at depth, down dip to the east and also in gap areas between mineralised domains.

Sorpresa Composite Long Section looking west: interpreted Gold and Silver mineralised envelope



REGIONAL EXPLORATION

Summary and Highlights

The current regional exploration strategy is based upon identifying and pursuing the underlying prospectivity of the broader Fifield geological setting, within an approximate 6 kilometres of the Sorpresa resource. During the year a number of exploration targets have been advanced through geological mapping, rock chip sampling and soil and auger geochemistry and then tested with RC drilling.

The Company advanced its **Prospect Pyramid Portfolio** and despite the difficult financial conditions continued to develop a process of review, rating and prioritization of its targets in order to progress and grow the pipeline for new targets, in parallel with the defined Sorpresa Au/Ag resource.

One of the most significant geochemical targets tested during the period was the Eclipse Trend which extends for over two kilometres and is characterized at surface by selectively mineralised, banded epithermal quartz veining, iron silica gossan and brecciation, thought to be associated with a large epithermal or hybrid VMS alteration system, possible distal to a larger porphyry system. To date shallow RC drilling in conceptual target areas along the Eclipse Trend, supported by surface geochemistry has produced a number of ore grade Cu and Au intersections highlighted by the Eclipse South quartz sulphide zone in **Fi0588** which returned:

- 4m @ **6.5% Cu** & 2.3g/t Au from 119m incl. 2m @ **10.95% Cu** & 3.87 g/t Au from 120m.

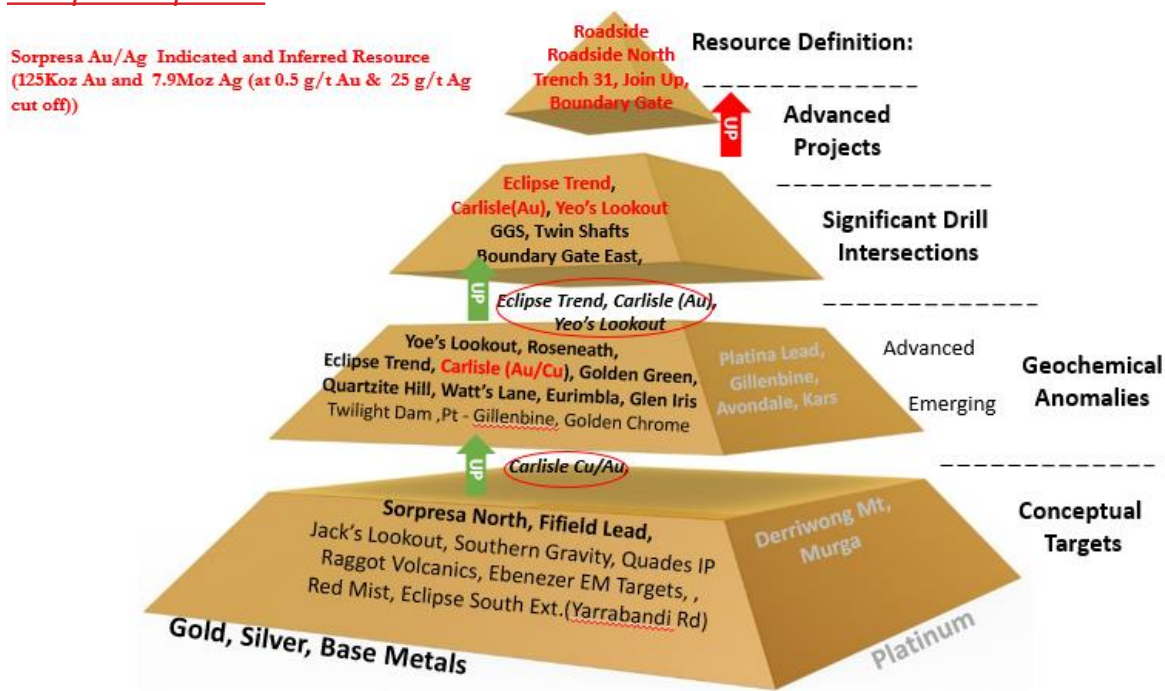
Other significant results from along the Eclipse Trend include:

- 2m @ 0.98g/t Au & **0.35% Cu** from 18m, incl. 1m @ 1.71g/t Au & **0.40% Cu** from 19m and 20m @ 0.43g/t Au & **0.10% Cu** from 28m, incl. 1m @ 3.50 g/t Au & **0.29% Cu** from 43m in **Fi 0569**
- 6m @ 0.12g/t Au & **0.10% Cu** from 12m, incl. 2m @ 0.55g/t Au & **0.21% Cu** from 34m and 14m @ 0.21g/t Au & **0.14% Cu** from 28m, incl. 2m @ 0.44g/t Au & **0.28% Cu** from 38m in **Fi 0570**

The Company believes these broad zones of copper and gold near surface mineralisation, within a package of strongly altered sediments and volcanoclastic rocks, may be part of a major regional structure and mineralised epithermal system. The high grade Cu /Au values in Fi0588 indicate that ore grade mineralisation exists within the sequence of altered rocks at the Eclipse Trend and that further strategic exploration and geophysical targeting is warranted along with additional drill testing to vector towards the more mineralised parts of the system.

The balance of prospects, together with ongoing drill testing, forms a strong pipeline of emerging targets and additional new opportunities. This regional work is a significant achievement which will lead to ongoing development during the next period and complements the Sorpresa resource development work.

Prospect Pipeline



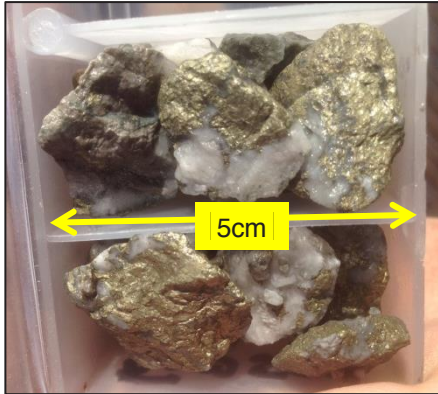
Highlights from the regional work programs included:

- ❑ **Eclipse South** quartz chalcopyrite zone in **Fi 0588** : 4m @ 6.5% Cu & 2.3g/t Au from 119m incl. 2m @ 10.95% Cu & 3.87 g/t Au from 120m
- ❑ **Eclipse Trend:** Multiple targets within an interpreted polymetallic Low Sulphidation Epithermal system or hybrid VMS. Bedrock gold and base metal anomaly was expanded to 2.2km along strike with 3 main target areas which were tested by RC drilling.
- ❑ Geological reconnaissance and rock chip sampling in a previously unexplored area between the Eclipse Trend copper and gold prospects and Yoe's Lookout gold prospect, has defined two new gold/copper prospects termed **Twilight Dam & Moonrise**.
- ❑ **Yoe's Lookout:** two distinct target types hosting gold, and copper and gold bedrock anomalies respectively.
 - Target 1: Gold, based on a large (1.7km) auger geochemistry anomaly and RC drilling returns of :
 - 2m @ 0.77 g/t Au from 24m in Fi 0551 and 2m @ 0.96 g/t Au from 36m in Fi 0555
 - Target 2: Gold-copper, strong magnetic feature, skarn style alteration, broad anomalous mineralised zones including:
 - 30m @ 1100ppm Cu from 102m, including 4m @ 2700ppm Cu in Fi 0563
- ❑ **Carlisle Prospect:** rock chip sampling of surface float returned Au values of 23g/t Au, 13.75g/t Au, 12.55g/t Au and 9.6g/t Au.
 - RC drilling below this zone returned 4m @ 3.5 g/t Au from 4m in Fi0429
 - Additional conceptual Cu/Au magnetic target defined but not yet fully tested

Eclipse Trend – 3.5km East of Sorpresa

The first pass RC drilling completed on the Eclipse Trend was designed to test below anomalous gold and base metal geochemistry previously defined in soil sampling and auger drilling. Extensive low sulphidation epithermal quartz-chalcedony-carbonate-barite-sulphide vein and gossanous breccia float is observed with high grade gold values up to 18.7g/t Au, 32g/t Ag and 0.62% Cu, 0.78% Pb. A total of 27 RC holes for 2132m (Fi 568-594) was completed by a contract driller on shallow drill traverses in 3 locations along 2.2km of strike. The Company also owns and operates a small RC rig with limited depth capacity but which undertakes shallow infill drilling in selected areas and completed a total of 4108 metres.

The Eclipse South zone is defined by a 400m long Au/As auger anomaly, interpreted to represent Au-As rich epithermal vein structures. RC drilling in this area comprised 10 holes for 970m (Fi0581- Fi0590) and was highlighted by a significant zone of strong quartz, chalcopyrite mineralisation in RC hole Fi 0588 (4m @ 6.5%Cu & 2.3 g/t Au from 119m. The quartz/copper zone is in a geologically complex structural location but from initial interpretations could be a structurally hosted vertical quartz rich Cu/Au pipe (Cobar type) and further exploration and interpretation is required to put this interval into context with the surrounding anomalism.

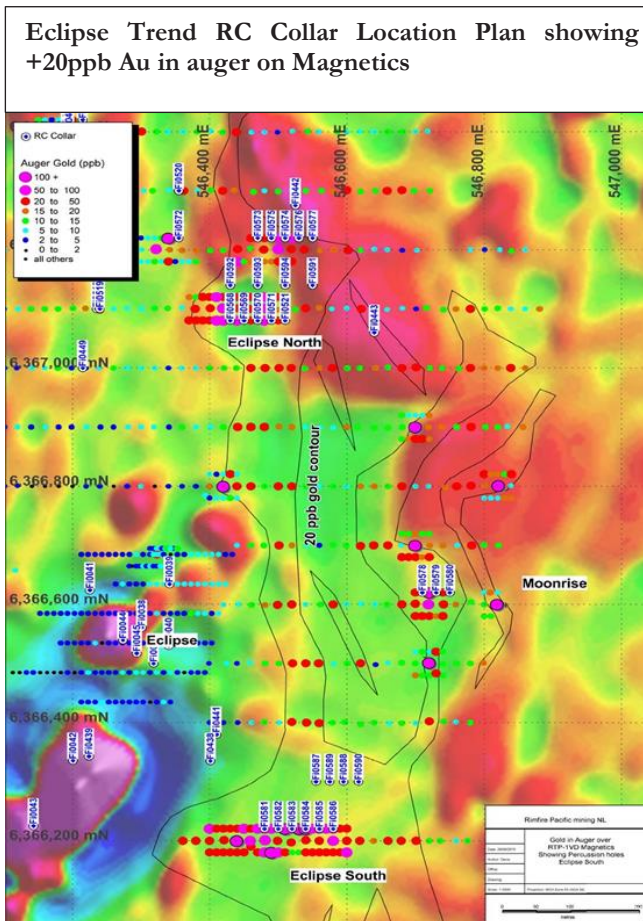


Eclipse South – Chalcopyrite
RC Hole Fi 0588

The Company recognises the importance of this drill intersection as a validation of its regional exploration program away from the Sorpresa resource and is excited by the tenor of both the gold and copper grades and to have achieved this outcome on first pass drilling.

Electrical geophysical techniques may be warranted to assist targeting, and includes EM for conductivity. If the sulphide zone is less massive and the sulphides are more disseminated as occurs in the Eclipse North and Yoe's mineralised horizons then geophysical applications such as surface 3D Induced Polarisation may be more effective at defining chargeability and resistive zones often associated with sulphide mineralisation.

The Eclipse North and Moonrise comprises a greater than 800m long Au-Cu (\pm Bi-Ag-Ba) auger anomaly (>20ppb Au, with peak values of 550ppb Au & 1,650ppm Cu), interpreted as a Cu-Au epithermal style of mineralisation which remains open to the south.



Shallow RC drilling on broad spaced drill traverses was completed for a total of 17 holes for 614m (Fi 564- 580) targeted at Cu-Au auger geochemical anomalies with coincident epithermal quartz-carbonate-sulphide vein float and malachite bearing gossan, with Au/Cu values (up to 18.7g/t Au & 0.53% Cu). Aeromagnetic interpretation also indicates this anomalism occurs at the intersection of regional N-S & N-W structural corridors.

The drilling intersected a volcano-sedimentary package consisting of interbedded volcanoclastic siltstones, sandstones, and polymictic intermediate volcanic breccias, with minor jasper and chert horizons. The package is intruded by dolerite and quartz-feldspar porphyry sills and dykes.

A significant zone of hydrothermal alteration, veining and brecciation, which is characterised by pervasive chlorite-sericite-carbonate-silica-feldspar-barite-sulphide alteration, with significant disseminated and veined pyrite \pm chalcopyrite, appears to be increasing in intensity with depth to the north-east possibly towards an unexplained magnetic high anomaly.

Significant Au-Cu anomalism was defined in the drilling with Fi 569 returning values highlighted below:

- 8m @ 0.28g/t Au & 0.14% Cu from 14m, (Incl. 1m @ 1.77g/t Au & 0.40% Cu)
- 20m @ 0.43g/t Au & 0.10% Cu from 28m, (Incl. 1m @ 3.5g/t Au & 0.29% Cu)

New Regional Discovery – Twilight Dam

Geological reconnaissance and rock chip sampling in a previously unexplored area between the Eclipse Group of gold prospects and Yoe's Lookout gold prospect has defined two new gold prospects termed Twilight Dam and Moonrise.

At the Twilight Dam gold prospect >500m strike of siliceous gossan float has been defined associated with sheared, silica-limonite (after sulphide & carbonate) altered, meta-sediments. Rock chip sampling of the siliceous gossanous float has returned values up to 6.19g/t Au, indicating the potential for a hydrothermal alteration system with significant gold mineralisation.

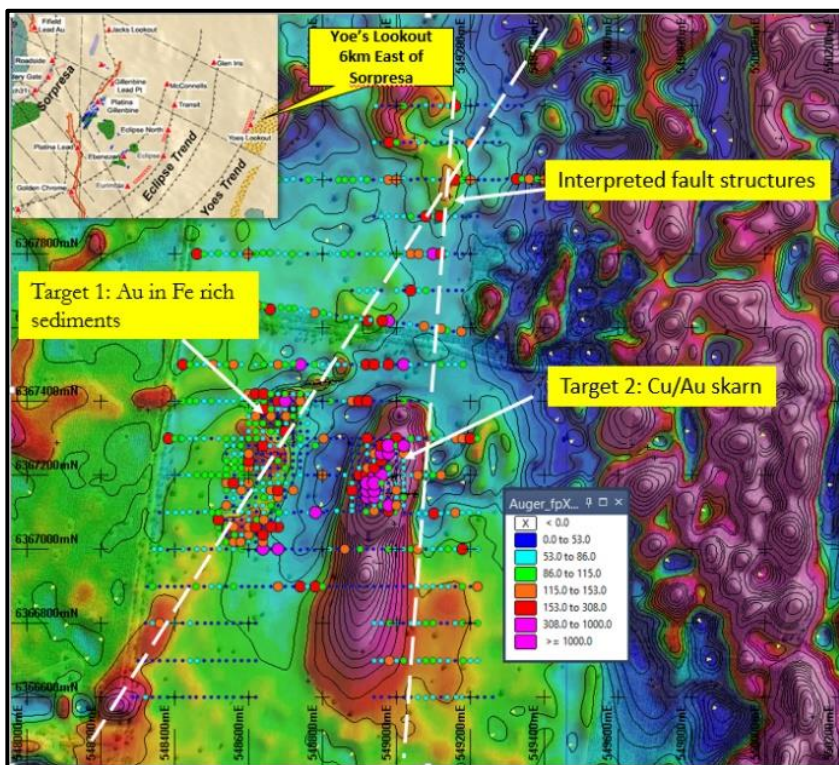
At the Moonrise gold prospect >400m strike of siliceous gossan float has been defined possibly at the contact between sheared, silica-limonite (after sulphide & carbonate) altered meta-sediments and mafic volcanic rocks. Rock chip sampling of the siliceous gossanous float has returned assays up to 4.17g/t Au associated with arsenic, bismuth and lead pathfinder anomalism. The gold in rock chip anomalism possibly represents a south-east extension of Au/As auger anomalies previously defined to the west as part of the Eclipse group of Au prospects.

Yoe's Lookout – 6km East of Sorpresa

Work conducted at the **Yoe's Lookout** has generated two significant mineralised targets based on geological reconnaissance, historic percussion drilling, rock chip, soil and auger geochemistry and the geophysical surveys. Both targets were tested by 2 phases of RC drilling for a total of 13 RC holes (Fi 0551- Fi 0563) for 1114m in phase 1 and 5 RC holes for 332m (Fi 0595-Fi 0599) in phase 2. Both targets returned encouraging Au and Cu anomalism.

- Target 1 comprised 7 holes for 420m (Fi 0551- Fi 0557). Significant drilling results included:
 - 2m @ 0.77g/t Au from 24m in Fi 0551
 - 2m @ 0.96g/t Au from 36m in Fi 0555
 - 4m @ 0.29g/t Au from 12m in Fi 0552
- Target 2 Significant RC drill intersections included
 - 18m @ 781ppm Cu from 68m and 4m @ 0.14g/t Au from 62m in Fi 0560
 - 30m @ 1052ppm Cu from 102m including 4m @ 2680ppm Cu in Fi 0563 and
 - 30m @ 741 ppm Cu from 58m and 4m @ 0.3g/t Au from 156m in Fi 0562

Yoe's Lookout: Au/Cu Targets on Magnetic image(RTP 1VD)



The second phase of RC drilling was a single line of 5 RC holes for 332m (Fi 0595 - Fi 599) which was completed along strike of previously defined gold in auger geochemistry and tested the northern extension of this anomalous zone which is highlighted by peak Au in auger values of 1620ppb Au.

The drilling intersected fine grained and strongly altered siliceous chlorite, carbonate andesitic volcanic with finely disseminated pyrite and minor quartz veining.

Significant gold intersections include:

- 1 m@ 4.19g/t Au from 18m in Fi 0596
- 4m@ 0.83g/t Au from 1m in Fi 0597

Yoe's Lookout demonstrates widespread Cu and Au anomalism on an extensive scale and ongoing work in this area will be guided by petrology studies and surface geophysical methods aimed at targeting the source of the disseminated and vein sulphides at depth.

Carlisle Prospect

Located approximately 6km SW of Sorpresa, field exploration of the Carlisle prospect discovered two main targets:

A gold target: comprised of outcropping ironstone and fresh sulphides in quartz-pyrite-arsenopyrite veined pyritic quartzite in a NNE trending shear zone.



Carlisle grab sample: 23g/t

First pass rock chip results including 13.7g/t Au, 7.29g/t Au, 7.02g/t Au & 6.22g/t Au, were followed up with further mapping, soil geochemistry and rock chip sampling which has generated even higher grade results including 23g/t Au, 13.75g/t Au, 12.55g/t Au and 9.6g/t Au. A program of RC drilling consisting of 8 holes for 512m (Fi429 to Fi436) indicated that the mineralisation occurs along a gently east dipping (-32°) silica-gossan/sulphide zone, hosted at the contact between meta-sediments and a dolerite sill. Significant RC results include:

- 4m @ 3.5g/t Au from 4m in Fi 0429
- 2m @ 2.73g/t Au from 7m in Fi 0434
- 1m @ 4.16g/t Au from 13m Fi 0436

The second target is a concealed diffuse magnetic high anomaly with peripheral silica, magnetite, hematite alteration, and pyritisation. A program of 4 holes (Fi564 - Fi567) were completed for total of 382m to penetrate beneath the overlying cover rocks and test the margin and central peak of the magnetic anomaly. However the cover sequence proved to be considerably thicker than anticipated and drilling was hampered by an unexpected influx of water and the host rock to the magnetic feature was not intersected.

Two of the RC holes on the periphery of the magnetic anomaly intersected intense chlorite (+/-carbonate-hematite-epidote-pyrite) altered, non-magnetic basement sediments, which is consistent with the mineralising model. The model is based upon 3D inversion modelling of a high resolution aeromagnetic and radiometric survey and interprets a regional curvilinear 'fertile' thrust fault.

Second order faults from the main thrust fault also display surface gold results up to 1.1g/t Au and trace native copper in sub-crop. This structural model shows similarities to the current Sorpresa structural understanding and rift basin stratigraphy some 6kms to the NE.

KARS Platinum and Gold Prospect

At Kars, 20km to the south of Sorpresa, the Company undertook RC drilling in an 8 hole program for 276m. The reconnaissance program was part of the renewal requirement of the exploration licence, which the Company regards as prospective for platinum and gold.

Assays were returned with two holes providing intersections of anomalous platinum including:

- 4m @ 0.24g/t Pt from 20m plus 7m @ 0.16g/t Pt from 44m in Fi 487
- 4m @ 0.28g/t Pt from 4m in Fi 490

Concluding Remarks – Looking Forward

The estimation of the Sorpresa Resource is an important milestone for the Company this year. It is anticipated that the Company will continue to strive for discovery growth within, and adjacent to the Sorpresa mineralisation. Whilst important progress has been made, there is still more to learn on the complexity of the mineralising system. Currently less than 20% of the known Sorpresa style geology has been tested for its mineralisation potential.

The regional work has now established a foundation of mineralisation based upon rockchip, soil sampling and RC drilling which will form the basis of ongoing work programs in the coming year. The regional targets comprise a variety of mineralisation styles and types which creates diversity and forms an important element of the Company's prospect portfolio strategy to help mitigate discovery risk by reducing dependency on any one area.

The Company strategy continues to focus on building its discovery inventory in the regional work, predominantly within 6km radius of Sorpresa, whilst looking to enhance and evaluate the Sorpresa gold and silver resource.

The Company goal is to establish and define mineable resources and this concept is in the forefront of consideration for the ongoing field programs. It should again be remembered that "discovery" is a potential value creator for the Company, so the regional work remains a critical component. The Fifield area is well supported with access to infrastructure and skills suitable for any potential mining scenario and this adds further validity to the pursuit of mineralisation in the district.

Shareholders should be encouraged by the Sorpresa resource development as well as the additional mineralisation on a large scale being uncovered in the surrounding Fifield district. The Company believes a company making opportunity exists within its tenement holding and this remains an aspiration for the Company. This is based on the strengthening foundation established in the work to date, as well as the potential for the area to host significant mineral resources.

Competent Persons Declarations

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

Mr Plumridge has over 45 years' experience in the mineral and mining industry and is employed by Plumridge & Associates Pty. Ltd. and acts a consulting geologist to the Company. Colin Plumridge has sufficient experience that is relevant to the style of mineralisation and type of deposit 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'. Colin Plumridge has previously consented to the inclusion of the matters based on his historic information in the form and context in which it appears.

Historic information & previously published material under 2004 JORC standard referenced in this report:

The information provided is extracted from the reports entitled and listed in the table below created on the dates shown and is available to view additionally on the Company Website at hyperlink: [ASX Announcements](#). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.

In addition, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements which operated under the 2004 JORC reporting requirements. Mr Colin Plumridge was the Competent Person at that time and consented to the inclusion in the original reports in the form and context in which it appeared, please refer to the Competent Persons declaration above for additional information.

Table 1 Dates and Hyperlinks for previously referred to results in this report

ASX March 30th 2012	Coherent Gold geochemistry at Yoes Lookout Confirmed – Fifield NSW
ASX June 13th 2012	High Grade Gold Intersection Sorpresa Project – Fifield NSW
ASX July 26th 2012	Successful Intersections at Sorpresa Gold Project
ASX October 10th 2012	Highest Gold and Silver Grades seen to date at Sorpresa Project
ASX March 27th 2013	Additional Assays at Sorpresa Gold Project
ASX June 13th 2013	Further Positive RC Drilling Results at Sorpresa Project
ASX July 17th 2013	Diamond Drilling Reveals Bonanza Grade of 1m @ 114g/t Au
ASX October 21st 2013	Results Confirm Extensions of Gold and Silver at Sorpresa Project
ASX December 20th 2013	High Grade Silver extensions continue at Roadside
ASX February 14th 2014	Gold Intersections Confirm New Intersections at Sorpresa
ASX May 16th May 2014	4,000m RC Drilling Program at Sorpresa Project - Regional Intersection 2m @ 9.11g/t Gold
ASX May 30th May 2014	Drilling Update and 3D Exploration Model for Sorpresa Project - 2m @ 7.49g/t Gold intersected
ASX July 23rd 2014	Encouraging Regional Rock Chip Results up to 13.7g/t Gold, Fifield NSW
ASX August 18th 2014	New High Grade Rock Chip Results up to 23g/t Au at Fifield NSW
ASX August 26th 2014	Sorpresa Gold and Silver Mineralisation Extended at Fifield, NSW
ASX November 28th 2014	Encouraging Gold Results Intersected in New Shallow Oxide Position at Sorpresa
ASX December 8th 2014	High Grades Intersected in Sorpresa Resource Definition Drilling
ASX December 23rd 2014	Sorpresa Maiden Resource Fifield NSW - 6.4Mt for 125kOz of gold and 7.9Moz of silver
ASX January 30th 2015	December Quarter Exploration Report
ASX February 20th 2015	Sorpresa RC Drilling Assays Finalised, New RC Drilling underway to extend mineralisation
ASX February 23rd 2015	Gold Intersections confirmed from Surface at Carlisle, Fifield NSW
ASX 23rd March 2015	Encouraging Results including 2m @ 10.09g/t Gold Intersected at Sorpresa
ASX 13th April 2015	Skarn style mineralisation intersected with Copper Anomalism at Yoes Lookout Prospect
ASX 23rd July 2015	4m @ 6.5% Cu and 2.3g/t Au Massive Chalcopyrite at Eclipse

Your Directors present their report on the company and its controlled entity for the financial year ended 30 June 2015.

Directors

The names of Directors in office during the whole of the financial year and up to the date of this report:

John Gillett (appointed 17 July 2014)
 John Kaminsky
 Graham Billingham
 Thomas Burrowes
 Ramona Enconniere

Principal Activities

The principal activities of the consolidated entity during the financial year were the exploration and development of economic mineral deposits.

Review of Operations

The Company continued to make steady progress in the last year, with work focused exclusively in the 35km² area at Fifield NSW, which includes the Sorpresa gold (Au) and silver (Ag) project area and the regional prospects located within 6km radius of Sorpresa.

The Company established a maiden resource at Sorpresa whilst continuing to search for discovery growth in the mineralisation potential in adjacent areas.

The countercyclical expenditure strategy adopted in the previous period was continued. Advantageous drilling rates coupled with the receipt of a drilling grant from the NSW Government ("New Frontiers" initiative) enabled the Company to perform more field work. The Company managed a high ratio of "in ground" expenditure (approximately 80%), thus minimising overheads and maximising opportunities to advance the discoveries at Fifield.

This approach enabled a solid market news flow from the operational results which contributed to the overall good performance of the Company, in extremely difficult market trading conditions, particularly for junior exploration companies.

A summary of the important outcomes in the reporting period included:

- **Establishing the Maiden Inferred and Indicated Mineral Resource for the Sorpresa Deposit** comprising of:
 - 6.4Mt for 125kOz of gold and 7.9Moz of silver (at 0.5g/t Au & 25g/t Ag cutoff)
 - An assessment of economic potential has commenced and will continue to be examined
- **Advances in the prospect portfolio of more than 30 targets within the 6km radius of Sorpresa** was prioritised and is undergoing various stages of preliminary testing, with some encouraging results for gold and copper
 - Yoes Lookout, Eclipse Trend and Carlisle underwent first pass RC drilling with creditable results
 - Follow up work is anticipated in 2015/16.
- **A copper signature appears to be emerging in the Fifield district**, accompanying the expanding gold signature
- **Drilling on the Eclipse Trend** gave some important results for gold and copper, **including high grade intersection in drill hole Fi 0588:**
 - **4m @ 6.5% Cu**; 2.30g/t Au; 10g/t Ag, from 119m, Incl **2m @ 10.95% Cu**; 3.87g/t Au; 16.6g/t Ag

Metal zonation remains an observed feature of the regional Fifield geology, on kilometre scale and has been well highlighted again in emerging work on the Eclipse Trend and Yoes areas. The Company continues to develop its understanding of the mineralisation setting and its promising potential at Fifield, with additional mineralisation concepts undergoing regular review and consideration within this highly complex geological system.

The Company believes that the "wider project area" of 35km² continues to have multi-million ounce gold equivalent potential. The dual strategy of pursuing the Sorpresa resource, in parallel with further discovery growth in the regional opportunities is a sensible balance in the Company's view.



The price of gold traded downwards from approximately USD1,350/oz to USD1,100/oz during the period, whilst silver traded from USD21/oz to USD15/oz respectively. In the Company's view, the commodity price outlook represents limited downside risk for gold and silver at these prices, particularly with the global financial environment which remains somewhat uncertain.

Mr John Gillett became a Non-Executive Director to the Board of the Company in July 2014 and subsequently was confirmed as Non-Executive Chairman in March 2015. Mr Gillett's considerable engineering, project and resources experience across a wide array of jurisdictions provides additional skills to the Board. This complements the Board, providing a contribution in expertise in the pursuit of a development path being examined for the Company's project areas.

The Board of Directors extends its appreciation to all personnel, partners, contractors and stakeholders, who have made valuable contributions to the Company's projects and work programs in the period.

Financial Position

The net assets of the consolidated entity have increased to \$12,383,004 at 30 June 2015 from \$12,077,162 at 30 June 2014. The Company continued to ensure that overhead costs during the financial year were carefully managed. monitored.

The Company was successful in raising further capital (approx. \$1.093M) with a Rights Issue completed in December 2014. The Board sincerely acknowledges new and existing shareholders who participated in this finance.

Additionally, \$1.163m in AusIndustry R&D funding was received in the period. Also, the Company was able to draw upon the grant that was awarded from the NSW Department of Resources and Industry, for New Frontiers Co-operative Drilling funds. This will provide a contribution of approx. \$175,000 in the 2015~16 period, towards drilling programs undertaken by the Company, within the greater Sorpresa area. These funding sources were non dilutionary to shareholders.

The equity markets have continued their declines in both liquidity and value for most companies in the exploration sector, with a bear market operating now for the last 3 years. Despite this, the Company's shares have performed above the market sector indices for the last 4~5 years, outperforming many peers, in difficult trading conditions. Whilst risk capital remains fragile, drill results are being recognised by the market, as evidenced by the Company share price and volume (>21 million shares 22nd July 2015) movements associated with drill hole Fi 0588, which assayed 4m @ 6.5% Cu.

Although the commodity prices and resource equity markets remained depressed in the period, it is hard to see further sustained large downside at this juncture. It seems likely that a turning point is now being observed that will reflect modest improvements or a sustained sideways movement in the markets. The Company believes that considerable professional market investor funds designated for the resources sector will gradually be deployed over the next 2 years. The preference has been for these professional funds to seek late stage development projects, or existing operations, however, there is recognition that quality exploration areas should be able attract greater interest going forward in 2016.

Future Developments, Prospects and Business Strategies

The Company is committed to the emerging potential of the gold, silver and copper mineralisation being observed within the Fifield district, principally within the 6km radius of the known Sorpresa gold and silver resource project.

The vision and strategy being adopted by the Company can be summarised as follows:

- **Maintain an overall "Prospect Portfolio" exploration strategy at Fifield**
 - Looking for a multimillion ounce gold equivalent outcome
 - The Regional Prospects are to be developed in parallel with the advanced Sorpresa Project
 - This approach provides risk mitigation, and assists longevity in pursuit of discoveries
 - Commodity focus is Gold, Silver, Copper & Platinum – a good suite of metals

- **Enhance and highlight the Fifield district's appeal through discovery looking to attract partner interest**

- **Undertake frequent ranking assessment of the Prospect Priorities "Pyramid"**
 - This provides disciplined and efficient exploration focus
 - Therefore ensuring the opportunity to make the best discoveries possible

- **Continue resource growth at Sorpresa – examine its commercial context**
 - Look to a preliminary commercial understanding in 2015 ~16 – focus on higher grade lenses

- **Build more discoveries which should add value to the share price**
 - Aim for resource aggregation within 6km radius of Sorpresa
 - This recognises that the Company has a history of low cost discovery expertise

The regional potential at Fifield has been further enhanced with the emergence of the recent copper signature, particularly through the work at Eclipse Trend and Yoes areas. An application was made for additional exploration tenement area (approx. 200km²) to the east of Yoes.

The Sorpresa resource is undergoing further technical and economic appraisal, with additional metallurgy, pitshell analysis and process assessment. This also includes closer examination of the higher grade lenses, and in particular attempts to understand the structural controls operating on gold and silver, within Sorpresa. Similarly, discovery growth is being pursued looking to grow the Sorpresa resource, and the Company envisages this will be part of a dynamic and ongoing process in the next period.

Operating Results

The loss of the consolidated entity amounted to \$720,794 (2014: \$2,216,830).

Dividends

No dividends were paid during the financial year, nor are any recommended at 30 June 2015 (30 June 2014 : Nil).

No Significant Changes in State of Affairs

The Sorpresa Gold and Silver discovery at Fifield provides the core focus for the Company going forward. The Platinum potential remains important.

After Balance Date Events

No other matters or circumstances which have arisen since the end of the financial year have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Environmental Issues

The consolidated entity aims to ensure that the highest standard of environmental care is achieved. The Board maintains the responsibility to ensure that the consolidated entity's environment policies are adhered to and to ensure that the consolidated entity is aware of and is in compliance with all relevant environmental legislation. There have been no environmental breaches during the 2015 financial year.

Information on Directors

John Gillett Non-Executive Chairman <i>Bachelor of Engineering Civil (Hons), Diploma of Business Management, FIE Aust, MICE (UK), CEng, MAICD</i>	
Experience And Expertise	John was appointed a Director of Rimfire Pacific Mining NL on 17 th July 2014 and became Non-Executive Chairman on 3 rd March 2015. He is a professional civil engineer with business experience in the resources industry, infrastructure and services to government over a 40 year period. He has gained company director, management, business development and project experience in large corporate and multinational businesses. He has lived and worked in Australia, USA, UK and Indonesia. John's areas of expertise include strategic and business planning for new businesses, feasibility studies, environmental impact studies, approvals, design and project/construction management for mining, water, transport and building projects. In addition, he brings sound commercial judgement, risk management skills, experience in regulatory compliance and government relationships to the board.
Other Current Directorships	None.
Former Directorships in Last 3 Years	None.
Special Responsibilities	Chairman of the Board (appointed 3 March 2015). Member of Risk and Audit Committee (appointed 26 September 2014). Chairman of Remuneration Committee (appointed 9 December 2014).

John Kaminsky Managing Director and Chief Executive Officer <i>Bachelor of Applied Science (Chemistry) (RMIT), MBA (Melbourne Business School)</i>	
Experience And Expertise	John was appointed Director of Rimfire Pacific Mining NL and Axis Mining NL in April 2004. He brings strong strategic and international skills to the company and has more than 20 years' experience in international trade, including chemicals, plastics, metals, minerals, ores, concentrates and energy products. He assumed the role of Executive Chairman in December 2004 and became Managing Director and Chief Executive Officer on 3 rd March 2015.
Other Current Directorships	None.
Former Directorships in Last 3 Years	None.
Special Responsibilities	Managing Director and Chief Executive Officer (appointed 3 March 2015). Executive Chairman (ceased 3 March 2015). Member of the Risk and Audit Committee (ceased 25 September 2014). Remuneration Committee (alternate to G Billinghamurst) (ceased 8 December 2014).

Graham Billinghamurst Non-Executive Director and Secretary	
Experience And Expertise	Graham was appointed Director of Rimfire Pacific Mining NL and Axis Mining NL in May 1999. He comes to the Board with an extensive background in investment banking and corporate development in the Australasian region. As an investment banker and finance director, he brings to the Board extensive corporate, financial and commercial expertise.
Other Current Directorships	None.
Former Directorships in Last 3 Years	None.
Special Responsibilities	Member of the Remuneration Committee.

Thomas Burrowes Non-Executive Director <i>Bachelor of Economics (Hons), MBA (Melbourne Business School)</i>	
Experience And Expertise	Thomas was appointed Director of Rimfire Pacific Mining NL in December 2010. He has accrued extensive operational and management experience at Board level within junior Australian resource companies over the past 25 years. After an initial career in funds management he has held Executive directorship positions in 7 resource companies. He makes a valuable contribution with his depth of resource industry experience, public company involvement, exploration knowledge, financial market understanding, new project awareness and a wide range of industry contacts
Other Current Directorships	None.
Former Directorships in Last 3 Years	Stellar Resources Limited 2004 – May 2014 (Non-Executive Director).
Special Responsibilities	Chair of the Risk and Audit Committee. Member of the Remuneration Committee (re-appointed 9 December 2014).

Ramona Enconniere Non-Executive Director <i>Bachelor of Commerce (University of Melbourne), MBA (Melbourne Business School)</i>	
Experience And Expertise	Ramona was appointed Director of Rimfire Pacific Mining NL in May 2005. She has professional affiliations with the Australian Society of CPA and the Australian Institute of Banking and Finance. She makes an excellent contribution to the Board through her experience gained in corporate banking and the funding of mergers and acquisitions, loan syndications, project financing, debt raising via capital markets/securitisation with Citibank, Bank of America, OCBC (Overseas-Chinese Bank Corporation) and National Australia Bank.
Other Current Directorships	None.
Former Directorships in Last 3 Years	None.
Special Responsibilities	Member of the Remuneration Committee (ceased to be Chair 8 December 2014). Member of the Risk and Audit Committee (ceased on 25 September 2014).

Meetings of Directors

During the financial year, meetings of Directors were held as detailed below.
Attendances by each Director during the year were:

	Directors' Meetings		Risk and Audit Committee Meetings		Remuneration Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
John Gillett	6	6	2	1	2	2
John Kaminsky	6	6	0	0	0	0
Graham Billingham	6	6	0	0	2	2
Thomas Burrowes	6	6	2	2	2	2
Ramona Enconniere	6	5	0	0	2	1

Shares held beneficially:

John Gillett	-
John Kaminsky	24,515,503
Graham Billingham	-
Thomas Burrowes	1,177,519
Ramona Enconniere	1,668,333

Shares in which there is a relevant interest:

John Gillett	4,252,834
John Kaminsky	5,322,666
Graham Billingham	18,990,356
Thomas Burrowes	-
Ramona Enconniere	10,248,837

Options

In association with the Share Rights Issue, 54,643,681 free options were issued during the year with an exercise price of 5 cents and an expiry date of 14 December 2015.

The Remuneration Report, which has been audited, outlines the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The Remuneration Report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration for the year ended 30 June 2015
- Service agreements
- Share-based compensation
- Additional information

Principles used to determine the nature and amount of remuneration

The Board of Rimfire Pacific Mining NL established a Remuneration Committee to allow the Company to maintain its ability to attract and retain the best executives and Directors to run and manage the consolidated entity, as well as create alignment between Directors, executives and shareholders.

Remuneration policy is now under review, to meet the needs of the Company, to create a better alignment to industry practices for remuneration and to accommodate changes to law. The Remuneration Review Committee has benchmarked Company remuneration against comparable businesses and found that the Company has remunerated below the median of the industry, whilst the Company has performed well above industry metrics, on a number of measures. The Richard Schodde report (hyperlink: [Exploration Industry Presentation AGM Nov 2014](#)) (supported by other documentation on relative market cap of other exploration companies) shows Rimfire has performed superior to most peers. Low cost administration, low cost discovery, high enterprise value and above average cash reserves, were achieved with minimal dilutions.

The Company is reviewing the application of laws effective 1 July 2015 applicable to the use of employee share schemes and performance rights.

Remuneration policy for Directors and senior executives is reviewed annually by the Board and includes a mix, as determined by the Board on advice of the Remuneration Committee, and depending on the nature of employment agreements, of fixed remuneration, (which is based on factors such as capability, effectiveness, work tasks, responsibilities, length of service and experience), superannuation, fringe benefits, short term bonus, long term incentives including and wholly or partly in securities, subject to any necessary shareholder or regulatory approvals.

Reviews take into account the consolidated entity's performance, executive and Non-Executive Director performance and comparable information from industry, including other listed companies in the resources sector. Independent external advice is sought as required. The review for 2014/15 and the determinations for 2015/16 is still underway at the time of this report. Criteria for executive and director appraisal include:

- maintaining high standards of work place health and safety, environmental compliance and community liaison
- leading the development of strategy, and communicating this to stakeholders
- maintaining and adding to capital resources necessary to execute the company's strategy, with minimal dilution and costs to shareholders
- technical advancement in the exploration potential of the project areas
- managing operations and expenditure to efficient levels and within budgets,
- preserving financial and business integrity and managing risk under difficult industry conditions
- recruiting, managing and training personnel to ensure access to high levels of skill in the industry
- managing investor relations and Company communication
- ability to multi-skill and cover as much of the company's skill needs from in-house resources

With respect to executive appraisal, key performance criteria have included the maintenance of an adequate level of operating capital, maximising the economic cycle, managing expenditure to efficient levels, and management under difficult industry conditions. Developing and retaining exploration personnel expertise, therefore enabling the best possible examination and enhancement of the Company's exploration portfolio, is considered important, and this is required to be done whilst operating to high standards of governance, including work place safety.

The Board is aware of the need to maintain competitive remuneration to reward performance which benefits shareholders and advances the Company. To this end the current review is proposing to re-introduce short term bonus and long term incentive programs to motivate and reward those people who create shareholder value and make the greatest contribution to the Company.

The Board is constrained by financial resources in this regard and remuneration reviews for the last few years have not resulted in remuneration increases for Non-Executive Directors, the Chief Executive or senior professional staff. A new approach is being taken in the current review which the Board intends will benefit the key contributors in our team as well as shareholders. Pending the finalisation of this review, the Managing Director and Chief Executive Officer is currently on a roll-over of his previous arrangements with the Company. In 2014/15, there was no increase in his remuneration from the previous two reporting periods. There has been no change to the remuneration of Non-Executive Directors in the period. To align Directors' interests with shareholder interests, Directors are encouraged to hold shares in the Company.

Details of Remuneration for the Year Ended 30 June 2015

The remuneration for each Director of the consolidated entity and other Key Management Personnel during the year was as follows:

Benefits to senior executives and the Non-Executive Directors consisted exclusively of cash benefits in the period. A non-executive Director Pool of \$200,000 was available in 2015 (\$200,000 in 2014) and represents the maximum aggregate payments to Non-Executive Directors, in their capacities as Directors, that can be paid in any one year without requiring additional shareholder approval. The actual Non-Executive Director pool utilised in the 12 month period was \$117,500 in total (\$90,000 in 2014). This rate is below the industry norm.

2015	Primary		Post	Equity	Total
	Salary, Fees & Commissions	Cash Bonus	Employment Superannuation Contributions	Compensation Shares & Options	
Name of Director	\$	\$	\$	\$	\$
Non-Executive Directors					
J Gillett	25,114	Nil	2,386	Nil	27,500
G Billingham	30,000	Nil	Nil	Nil	30,000
R Enconniere	30,000	Nil	Nil	Nil	30,000
T Burrowes	27,397	Nil	2,603	Nil	30,000
Executive Director					
J Kaminsky	238,532	Nil	22,661	Nil	261,193
	<u>351,043</u>	<u>Nil</u>	<u>27,650</u>	<u>Nil</u>	<u>378,693</u>

2014	Primary		Post	Equity	Total
	Salary, Fees & Commissions	Cash Bonus	Employment Superannuation Contributions	Compensation Shares & Options	
Name of Director	\$	\$	\$	\$	\$
Non-Executive Directors					
G Billingham	30,000	Nil	Nil	Nil	30,000
R Enconniere	30,000	Nil	Nil	Nil	30,000
T Burrowes	27,460	Nil	2,540	Nil	30,000
Executive Director					
J Kaminsky	238,532	Nil	22,064	Nil	260,596
	<u>325,992</u>	<u>Nil</u>	<u>24,604</u>	<u>Nil</u>	<u>350,596</u>

Performance Income as a Proportion of Total Remuneration

No performance based bonuses were paid during the year ended 30 June 2015 (2014: nil).

Service Agreements

The Managing Director and Chief Executive Officer, Mr J Kaminsky, had an arrangement with the Company to provide services, and this was put in place with effect on 1 January 2012. Currently the contract basic conditions have rolled over, and a new agreement will be in place shortly.

The Non-Executive Directors have been appointed on an ongoing basis and the Company does not have any retirement benefit obligations upon their cessation as a Director.

Share Based Compensation of Directors & Executives

No shares or options were granted to Directors or Executives, exercised, expired or held during the years ended 30 June 2015 or 30 June 2014.

Additional Disclosures Relating to Key Management Personnel

Shareholdings

Number of Shares held by Key Management Personnel

	Balance 01/07/14	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30/6/15
2015					
Parent Entity Directors					
J Gillett (appointed 17 July 2014)	-	-	-	4,252,834	4,252,834
J Kaminsky	26,338,169	-	-	3,500,000	29,838,169
G Billinghamurst	16,548,837	-	-	2,441,519	18,990,356
T Burrowes	1,009,302	-	-	168,217	1,177,519
R Enconniere	9,167,170	-	-	2,750,000	11,917,170
Total	53,063,478	-	-	13,112,570	66,176,048

* Net change other refers to shares purchased during the financial year.

	Balance 01/07/13	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30/6/14
2014					
Parent Entity Directors					
J Kaminsky	25,979,332	-	-	358,837	26,338,169
G Billinghamurst	16,200,000	-	-	348,837	16,548,837
T Burrowes	800,000	-	-	209,302	1,009,302
R Enconniere	8,818,333	-	-	348,837	9,167,170
Total	51,797,665	-	-	1,265,813	53,063,478

* Net change other refers to shares purchased during the financial year.

Options

Number of Options held by Key Management Personnel

	Balance 01/07/14	Granted as Remuneration	Options Expired	Net Change Other*	Balance 30/06/15	Total Vested 30/06/15	Total 30/06/15
2015							
Parent Entity Directors							
J Gillett**	-	-	-	2,421,834	2,421,834	2,421,834	2,421,834
J Kaminsky	-	-	-	3,500,000	3,500,000	3,500,000	3,500,000
G Billinghamurst	-	-	-	2,441,519	2,441,519	2,441,519	2,441,519
T Burrowes	-	-	-	168,217	168,217	168,217	168,217
R Enconniere	-	-	-	2,750,000	2,750,000	2,750,000	2,750,000
Total	-	-	-	11,281,570	11,281,570	11,281,570	11,281,570

* Options granted as part of Rights Issue.

** John Gillett appointed on 17 July 2014.

	Balance 01/07/13	Received as Remuneration	Options Expired	Net Change Other	Balance 30/06/14	Total Vested 30/06/14	Net Change Other*
2014							
Parent Entity Directors							
J Kaminsky	-	-	-	-	-	-	-
G Billinghamurst	-	-	-	-	-	-	-
T Burrowes	-	-	-	-	-	-	-
R Enconniere	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Executives

There were no executives other than the Managing Director and Chief Executive Officer, Mr John Kaminsky, at balance date.

OTHER MATTERS

Indemnifying Officers

The Company maintains a directors and officers insurance policy. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of the premium.

The Company has not otherwise during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or any related body corporate against a liability incurred as such an officer or auditor.

Directors covered by the Directors & Officers Liability Insurance Policy at the time of this report are:

Mr John Gillett
Mr Graham Billingham
Ms Ramona Enconniere

Mr John Kaminsky
Mr Thomas Burrowes

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

Auditor's Independence Declaration

The auditor independence declaration required under Section 307C of the Corporations Act 2001 forms part of this Directors' Report and is included on page 25.

Non-Audit Services

There were no non-audit services provided by BDO East Coast Partnership during the financial year.

Signed in accordance with a resolution of the Board of Directors.



Director John Gillett

Dated this 27th day of August 2015



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DECLARATION OF INDEPENDENCE BY SIMON SCALZO TO THE DIRECTORS OF RIMFIRE PACIFIC MINING NL

As lead auditor of Rimfire Pacific Mining NL for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Rimfire Pacific Mining NL and the entities it controlled during the period.



Simon Scalzo
Partner

BDO East Coast Partnership

Melbourne, 27 August 2015

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.

Introduction

The Directors of Rimfire Pacific Mining NL recognise the need for high standards of corporate governance and are focused on fulfilling their responsibilities individually and as a Board to all of the Company stakeholders. The Board supports the guidelines in the “Corporate Governance Principles and Recommendations” (“Principles”) established by the ASX Corporate Governance Council.

Given the size and structure of the Company, the nature of its business, the stage of its development and the cost of strict and detailed compliance with all of the recommendations, the Company has adopted some modified systems, procedures and practices to allow it to reasonably meet the principles of good corporate governance, consistent with the guidelines and recommendations. At the end of this Corporate Governance Statement a table is included detailing the recommendations with which the Company does not strictly comply, including reasons for departure from any stated Principles.

The following sections outline the Company practices in complying with the Principles.

Principle 1: Lay Solid Foundations for Management and Oversight

During the reporting period, the Company appointed Mr John Gillett as independent Chairman of the Company, and Mr John Kaminsky moved to the role of Managing Director and Chief Executive Officer. This structure is in line with the ASX Principles of Governance. The respective roles of the Board and executive management are as follows:

1. The Board, in conjunction with the CEO, defines and sets the Company’s business objectives and strategy. The role of the Board is to lead and oversee the management and direction of the Company, approve and monitor plans, budgets and organization, and oversee risk and compliance. The Board reports to Shareholders and regulators as required.
2. The CEO leads the Company in executing the Company strategy, and in managing all Company operations, finances, human resources, reporting and compliance. The CEO reports directly to the Board and regularly consults with the Chairman and individual Directors on matters of relevance and of individual expertise. The CEO is responsible for reporting on matters of compliance, takes responsibility for risk management processes and a review of executive management, remuneration practices and insurance needs of the Company.

The Directors are able and encouraged to seek external professional advice as may be required, depending on circumstance.

Directors are required to disclose and appropriately report matters that affect their independence and conform to the Company’s trading policy governing dealings in the Company’s securities, including any related financial instruments.

The Company undertakes various checks before appointing or putting forward to the Shareholders a new director and annually seeks confirmation of the Directors’ good standing.

The Board has delegated all day to day management of the Company to the executive management, subject to any specific expertise requested by management of the Board, on a case by case basis. Major contracts for procurement and matters involving significant commitment of Company resources are required to be consulted with the Chairman, and submitted to the Board for approval where appropriate.

The Board has two committees to assist and advise on matters:

Remuneration Committee: This Committee advises the Board on the employment terms and conditions and remuneration for the CEO, Non-Executive Directors and senior management personnel. The Committee undertakes reviews of the CEO performance and remuneration at least annually and comprises all Directors except the CEO. During the reporting period, the Board undertook a review of Board performance as a whole and of individual Directors, and continues to review the board structure for an appropriate mix of skills. The appointment of Mr John Gillett as Director in July 2014 added to Board skills and diversity of backgrounds available to the Company.

Risk and Audit Committee: This Committee comprises two independent directors and other directors are invited to attend Risk and Audit meetings. The Committee meets as required to advise on half yearly and annual audits, and consults with the independent Auditors of the Company. The Company maintains appropriate insurances, registers of Workplace Health and Safety performance and other risk issues in the business.

Each member of the Board has committed to spending sufficient time to enable them to carry out their duties as a Director of Company. One third of the Directors retire annually and are free to seek re-election by Shareholders. The Company does not have a formal diversity policy, given the size of the Company, at this point in time. However, the Company applies the common sense principle that the person of the right experience, skills and aptitude for a particular vocational need will be chosen for a vacancy within the Company. This has resulted in diversity in the work place as “a natural outcome”, rather than a formulated approach.

<u>Board Composition by Gender</u>			
Executive Directors		Non-Executive Directors	
Male	Female	Male	Female
1	Nil	3	1

<u>Senior Executive Composition by Gender</u>	
Male	Female
1	Nil

Principle 2: Structure the Board to Add Value

Composition of the Board

The ASX Corporate Governance Council recommends that composition of the Board be determined so as to provide a Company with a broad base of industry, business, technical, administrative and corporate skill and experience considered necessary to represent Shareholders and fulfill the business objectives of a Company.

The Board currently comprises an independent Non-Executive Chair, three independent Non-Executive Directors and the Managing Director/CEO.

As a junior exploration Company, the key performance criteria for the Directors and executives are their ability to bring ideas, judgement, business experience, risk assessment skills, and background in the exploration and mining industry. Our Directors have appropriate networks, knowledge of capital raising approaches, and experience in exploration for minerals and in project development. Directors and senior managers individually have professional skills in mining, geology, science, finance, banking, engineering and project development. They have experience in procuring services and contracts with suppliers, and in managing within modest resources. Efficiency and effectiveness are key performance measures.

Nomination of Other Board Members

Due to the small size of the Company, the responsibility for nominations is carried by the whole Board. As noted one new Board member was appointed in the reporting period and Board composition is under continuous review.

Independent Advice

Each of the Directors is entitled to seek independent advice at Company expense to assist them to carry out their responsibilities.

Principle 3: Act Ethically and Responsibly

Directors, officers, employees and consultants to the Company are required to observe high standards of behaviour and business ethics in conducting business on behalf of the Company.

Directors are required to disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director or the interests of any other party in so far as it affects the activities of the Company. A Director may not participate in any decision where he or she has a conflict of interest. The Board would act in accordance with the Corporations Act if conflict cannot be removed or if it persists.

Directors, staff and insiders are required to make disclosure of any share trading. A formal Trading Policy was released to the ASX at the end of 2010. The cornerstone of the Company policy in relation to share trading is that officers, employees and contractors are prohibited from trading whilst in possession of unpublished price sensitive information concerning the Company. That is information which a reasonable person would expect to have a material effect on the price or value of the Company securities. An officer must discuss the proposal to acquire or sell shares with the Chairman prior to doing so to ensure that there is no price sensitive information of which that officer might not be aware. The undertaking of any trading in securities by Directors must be notified to the Company and Chairman who makes disclosure to ASX within the required reporting time-table guidelines.

An extract of the Trading Policy is provided as follows:

A Representative in possession of price sensitive information which is not generally available to the market must not deal in the Company's securities at any time, either directly, or indirectly.

*In addition, each Representative is permitted to trade in the Company's securities throughout the year **except** during designated closed periods. The closed periods are between the end of the March, June, September and December quarters and the release of the Company's next quarterly report to the ASX, so long as the Company is required by the Listing Rules to lodge quarterly reports.*

Certain trading activity is not subject to the policy such as transfers to super funds where the transferor maintains the beneficial ownership of the securities. The full list of acceptable trading activity is listed in the full policy document as released in December 2010 to the ASX. There are exceptional circumstances where trading can occur outside the policy in cases of specific hardship. These details are outlined in detail in the full policy document.

Principle 4: Safeguard Integrity in Corporate Reporting

A Risk and Audit Committee operates within the Company.

The Committee consists of the following:

T Burrows (Chair)	Non-Executive Director	
J Gillett	Non-Executive Director	(appointed 26 September 2014)
R Enconniere	Non-Executive Director	(ceased 25 September 2014)
J Kaminsky	Executive Director	(ceased 25 September 2014)

The main responsibilities of the Risk and Audit Committee are to:

1. Review the annual financial statements with the Managing Director and Chief Executive Officer and the external Auditors and make appropriate recommendations to the Board;
2. Review all regular financial reports to be made to the public and make appropriate recommendations to the Board prior to their release ;
3. Monitor compliance with statutory and Australian requirements for financial reporting;
4. Review reports from management and external Auditors on any significant proposed regulatory, accounting or reporting issues, to assess the potential impact on the Company's financial reporting process.
5. Review insurances, and other risk management processes within the Company

The Managing Director and Chief Executive Officer is required to state in writing that the Company's Financial Reports present a true and fair view in all material respects of the Company's financial condition and operational results in accordance with relevant accounting standards.

The Committee is also charged with the responsibilities of recommending to the Board the appointment, removal and remuneration of the external Auditors and reviewing the terms of their engagement and the scope and quality of the audit.

An analysis of fees paid to the external Auditors, including a breakdown of fees of non-audit services, is provided in the notes to the financial statements. It is the policy of the external Auditors to provide an annual declaration of their independence to the Board.

Each Board member is invited to join the Risk and Audit meetings with the external Auditors and the Auditor has access to each Board member.

The external Auditor is requested to attend the Annual General Meeting and be available to answer Shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Principle 5: Make Timely and Balanced Disclosure

The Managing Director and Chief Executive Officer has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirement in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, Shareholders, the media and the public.

All material information concerning the Company, including its financial situation, performance and ownership are posted on the Company web site to ensure all investors have equal and timely access.

Principle 6: Respect the Rights of Shareholders

The Board recognises its responsibility to ensure that its Shareholders are informed of all major developments affecting the Company.

All Shareholders who nominate to do so receive a copy of the Company's Annual Report. The annual, half yearly and quarterly reports are prepared in accordance with the ASX Listing Rules and are posted on the Company's web site. Regular updates on operations are made via ASX releases, including access to any audiocast or video materials. Information on the Company is posted on the Company's website. This amongst other information includes all text in relation to any notices on meetings to be held by the Company. When analysts are briefed on aspects of the Company's operation, the material used in the presentation is released to the ASX and posted on the Company's website. The Company posts on its website concurrently any presentations made in public forums about Company activities.

Shareholders have the option to receive communications from and to communicate to the Company and its share registry electronically.

Principle 7: Recognise and Manage Risk

A key element of the Board's role is the assessment and management of risk. In the past, the Board exercised its responsibility to oversee risks in the Company through the Board as a whole. During the reporting period, the Board asked the Risk and Audit Committee to expand its responsibility to advise on risk.

The Company has always had a strong focus on risk in field activities, including workplace health and safety, business risk arising through equipment, community and environmental factors. The Company maintains a risk register and has built a safety and environmental culture into its operations, and monitors compliance with policy and legal requirements.

Inherent in the way the Company does business is to balance potential rewards with the cost of conducting exploration programs. The Company employs a number of strategies to mitigate its risks including using both in-house and contractor services, flexible employment arrangements to adjust resources to work loads, using low cost exploration and investigation techniques to define drill targets, and conduct of preliminary studies of options to better understand potential value creation for Shareholders.

The Company is conscious of the risk in maintenance of the database and securing this against accidental or malicious loss, theft or misuse. The Company undertakes peer review of prospects and priorities using by both internal personnel and external parties, to challenge exploration assumptions at various times.

Although the Company is not yet in production and sale of mineral commodities, investor views of our industry are influenced by commodity and currency price fluctuation. The Company does not rely on debt funding so that interest rate fluctuations are not a risk at this time. Where considered to be commercially viable in relation to risk mitigated or transferred, the Company takes out insurance policies appropriate to its business.

The Company has in place internal financial control processes. These include methods of ensuring value for money in procurement, probity in contracting and approvals of Company funds, appropriate use of signing authority, and dual signatures on bank accounts. External Auditors review our systems and our compliance with control policies.

Maintenance of solvency is a serious Board and Management responsibility. Careful monitoring of expenditures against budget is carried out continuously, and cash balances and forecasts are monitored to ensure the Company is able to meet its obligations as and when they arise. As the Company is substantially reliant on shareholder funding to continue its activities, the state of equity markets and an ongoing supportive response from shareholders to the capital raising needs of the Company are of primary importance.

From time to time the Board will need to authorise equity raisings, capital or joint operations with funding implications with other parties, and/or major capital expenditure. Other routine operating expenditures are the responsibility of management in accordance with programmes and budgets approved by the Board.

With a personnel complement of less than 10, the Company does not keep an internal audit function. The Board exercises its monitoring and supervisory responsibilities through:

1. Review of reporting and use of internal controls.
2. Compliance with the Corporations Act 2001, Australian Securities Exchange, Australian Taxation Office and Australian Securities and Investments Commission requirements.
3. Improving the quality of the management and accounting information through plans for upgrading its accounting software system.
4. Follow-up and rectification by management of any deficiencies in controls or procedures.

As part of the annual audit process, the Board receives annually, the assurance from the Managing Director and Chief Executive Officer by signed declaration.

Principle 8: Remunerate Fairly and Responsibly

A Remuneration Committee operates within the Company.

The committee currently consists of the following:

- J Gillett (appointed as member and Chair 9 December 2014).
- R Enconniere (ceased Chair 8 December 2014)
- G Billinghamurst
- T Burrowes
- J Kaminsky (and alternate G Billinghamurst) (ceased 8 December 2014).

The Remuneration Review Committee makes recommendations to the Board on remuneration and other terms of employment for the CEO, senior executives, and Non-Executive Directors. This is done by annual reviews of individual performance, comparison with industry data and with comparable companies. From time to time external remuneration consultants are engaged to verify Committee processes.

Depending on the employment status of Company personnel and applicable employment law, remuneration may include a base salary or fixed contract remuneration, plus defined benefits either included in all-in rates of pay or paid as additional benefits, such as superannuation, leaves, fringe benefits, short term incentive/bonus, and long term incentives (which may include shares, options on shares or performance rights).

Remuneration packages are set at affordable market levels and aim to attract and retain high calibre staff and align the interests of personnel with those of Shareholders. Remuneration of Non-Executive Directors is treated separately and determined by the Board within the maximum amount approved by the Shareholders from time to time. Currently, the annual pool established for payments to Non-Executive Directors is \$200,000 (2014: \$200,000) in aggregate. Not all of this pool is used at present.

Further information on Directors' and Executives' remuneration is set out in the Directors' Report and Remuneration Report.

Table of Departures and Explanations (from the recommendations of the ASX Corporate Governance Council)

Recommendation Reference (Principle Number reference)	Departure from Recommendation	Explanation for Departure
1.5	No formal policy exists for work place personnel diversity, which includes gender diversity.	The Company balances its skill needs with geographic, experience and personal attribute diversity, on merit.
2.1	No separate Nomination Committee currently exists.	As a small Company, it is more practical for the Board as a whole to take on the responsibility for new Director nominations. The Company has Director assessment guidelines it implements for potential new and existing Directors.
2.6	The process for performance evaluation of the Board, committees, individual Directors and key Executives. There is no separate section on the Company website currently devoted to Corporate Governance.	Corporate Governance is covered in the Annual Report and a new website is under construction to incorporate more information in the future.
3.1	No formal code of conduct has been established as to reporting and investigating unethical practices, except for conflict of interest and insider trading.	The business practices adopted by the Board recognise that proper compliance with legal and other obligations is mandatory for all Directors and the Company as a whole.
4.1	The structure of the Risk and Audit Committee comprises two independent Directors.	All Directors are invited to participate in Risk and Audit meetings.
4.1	The Risk and Audit Committee does not have a formal charter.	The Risk and Audit Committee role has been expanded and a new charter will be prepared.
5.1	Limited written policy and procedure exists to ensure that compliance with ASX Listing Rules disclosure requirements are met at senior management level.	ASX listing rules are complied with. External qualified professionals provide additional advice and support to the Company decision making process.
6.2	The Company has no formally designed communication strategy with Shareholders beyond ensuring continuous disclosure is met.	The Board is conscious of the need to continually keep Shareholders and markets advised. The ASX announcement platform and website are the main bases for communication with Shareholders. Detailed disclosures are provided.
7.1 and 7.2	There is a policy on management of risk in operations, but a broader risk policy is being developed..	A broader risk review and related insurance review of risks is planned.
7.3	The Company receives a statement of compliance under Section 295A concerning the integrity of the financial statements from the Managing Director and Chief Executive Officer, but the Company has no appointed Chief Financial Officer.	The Company complies with the guidelines through use of external services and has a qualified CPA as an internal financial and administrative officer. The Company and Board use external auditors and accountants to ensure compliance.

Project Area	Units	Reference	Date Granted	Expiry Date	Registered Holder	State	Mineral Focus
Fifield	15	EL6241	17-May-04	16-May-18	100% Rimfire	NSW	Platinum/ Gold/Base Metal
Fifield	40	EL5534	23-Oct-98	22-Oct-15	100% Rimfire	NSW	Platinum/ Gold/Base Metal
Fifield	4	EL5565 ^a	24-Mar-99	23-Mar-15	100% Rimfire	NSW	Platinum
Fifield	35	EL7058	1-Feb-08	01-Feb-17	100% Rimfire	NSW	Platinum/ Gold/Base Metal
Fifield	1.9ha	MC305	18-Nov-04	17-Nov-19	100% Rimfire	NSW	Gold/Platinum/ Silver
Fifield	2ha	MC306	18-Nov-04	17-Nov-19	100% Rimfire	NSW	Gold/Platinum/ Silver
Fifield	7	EL7959	16-Aug-12	16-Aug-17	100% Rimfire	NSW	Gold/Base Metal
Broken Hill	54	EL5958 ^{a b}	24-Jun-02	23-Jun-15	100% Rimfire	NSW	Base Metals

Notes:

a - Renewal applications have been lodged.

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

	Note	Consolidated Entity	
		2015	2014
		\$	\$
Revenue from continuing operations	2	228,939	202,571
Expenses:			
Employee benefits expense		(358,594)	(265,728)
Non-executive directors' fees		(117,500)	(90,000)
Professional costs		(98,805)	(164,025)
Occupancy costs		(32,998)	(33,159)
Travel costs		(16,623)	(13,113)
Marketing expense		(87,511)	(65,679)
Depreciation		(51,720)	(46,513)
Insurance		(35,554)	(30,296)
Share registry and listing expenses		(48,925)	(49,226)
Impairment write off of exploration costs		(2,578)	(1,613,784)
Loss on disposal of plant and equipment		(16,325)	(4,337)
Other administration expenses		(82,600)	(43,541)
Loss before income tax	3	(720,794)	(2,216,830)
Income tax benefit	4	-	-
Loss after income tax		(720,794)	(2,216,830)
Other comprehensive income		-	-
Total comprehensive loss for the year		(720,794)	(2,216,830)
Loss per share for the year attributable to the members of Rimfire Pacific Mining NL			
Basic loss per share (cents per share)	6	(0.10)	(0.33)
Diluted loss per share (cents per share)	6	(0.10)	(0.33)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of Financial Position as at 30 June 2015



	Note	Consolidated Entity	
		2015	2014
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	1,297,896	2,355,073
Trade and other receivables	8	157,060	84,080
Other current assets	11	16,507	23,915
TOTAL CURRENT ASSETS		<u>1,471,463</u>	<u>2,463,068</u>
NON-CURRENT ASSETS			
Trade and other receivables	8	150,000	150,000
Property, plant and equipment	10	543,003	558,921
Exploration & evaluation costs	12	10,705,929	9,543,362
TOTAL NON-CURRENT ASSETS		<u>11,398,932</u>	<u>10,252,283</u>
TOTAL ASSETS		<u>12,870,395</u>	<u>12,715,351</u>
CURRENT LIABILITIES			
Trade and other payables	13	470,948	615,314
Provisions	14	16,443	22,875
TOTAL CURRENT LIABILITIES		<u>487,391</u>	<u>638,189</u>
TOTAL LIABILITIES		<u>487,391</u>	<u>638,189</u>
NET ASSETS		<u>12,383,004</u>	<u>12,077,162</u>
EQUITY			
Contributed equity	15	26,131,450	25,104,814
Accumulated losses		<u>(13,748,446)</u>	<u>(13,027,652)</u>
TOTAL EQUITY		<u>12,383,004</u>	<u>12,077,162</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Statement of Changes in Equity

for the year ended 30 June 2015

Consolidated Entity

	Contributed Equity \$	Accumulated Losses \$	Total \$
Balance at 1 July 2014	25,104,814	(13,027,652)	12,077,162
Shares issued during the year	1,124,874	-	1,124,874
Transaction costs related to share issues	(98,238)	-	(98,238)
Total comprehensive loss for the period	-	(720,794)	(720,794)
Balance at 30 June 2015	26,131,450	(13,748,446)	12,383,004
Balance at 1 July 2013	21,861,063	(10,810,822)	11,050,241
Shares issued during the year	3,320,784	-	3,320,784
Transaction costs related to share issues	(77,033)	-	(77,033)
Total comprehensive loss for the period	-	(2,216,830)	(2,216,830)
Balance at 30 June 2014	25,104,814	(13,027,652)	12,077,162

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Statement of Cash Flows

for the year ended 30 June 2015



	Note	Consolidated Entity	
		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(932,251)	(438,049)
Sundry income received		250	-
Interest received		47,666	61,498
Income tax offset received		185,527	135,974
Net cash (used) in operating activities	22a	<u>(698,808)</u>	<u>(240,577)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(64,763)	(58,176)
Payment for exploration and evaluation costs		(2,369,253)	(2,494,064)
Proceeds from NSW government grant		31,122	-
Tax offsets received for investing activities		1,028,098	1,027,769
Proceeds from deposits		500	-
Proceeds from sale of property, plant and equipment		605	3,154
Net cash used in investing activities		<u>(1,373,691)</u>	<u>(1,521,317)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		1,092,874	3,284,535
Transaction costs associated with share issues		(77,552)	(77,033)
Net cash provided by financing activities		<u>1,015,322</u>	<u>3,207,502</u>
Net (decrease)/increase in cash held		(1,057,177)	1,445,608
Cash at beginning of the year		<u>2,355,073</u>	<u>909,465</u>
Cash at end of the year	7	<u><u>1,297,896</u></u>	<u><u>2,355,073</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1 **Notes to the Consolidated Financial Statements**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Rimfire Pacific Mining NL is a profit orientated entity for the purpose of the financial report.

The financial report covers the economic entity of Rimfire Pacific Mining NL and its controlled entity. Rimfire Pacific Mining NL is a listed public company, incorporated and domiciled in Australia.

The principal activities of the consolidated entity during the financial year were the exploration and development of economic mineral deposits.

The financial report of Rimfire Pacific Mining NL and its controlled entity, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report was authorised for issue by Directors on the date of signing the directors' declaration.

The financial report is presented in Australian dollars, has been prepared on an accruals basis and is based on historical costs.

Accounting Policies

a. Significant Judgements and Key Assumptions

Judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements concern the future successful exploration and development of mining tenements including the saleability of mined resources.

The following key assumption has been made concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

It is assumed that the mining tenements currently being explored by the consolidated entity will be successfully developed with minerals being produced and commercially sold on the market at some future point, as yet unspecified. The production of saleable minerals is assumed to be at least sufficient to recover the costs of exploration and development. Should this assumption prove incorrect then material adjustments may have to be made for impairment losses in respect of capitalised exploration costs.

b. Going Concern

The consolidated entity incurred an operating loss of \$720,964 and had cash outflows from operating activities of \$698,808 for the year ended 30 June 2015. The ability of the consolidated entity to continue as a going concern is dependent on a number of factors, one being the continuation and availability of funds. These conditions indicate a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern.

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business for the following reasons:

- As at 30 June 2015, the consolidated entity had cash and cash equivalent of \$1,297,896.
- Consolidated entity is anticipating the receipt of a R&D tax incentive in the next 12 months. This is consistent with previous years' cash inflows from the government grant.
- Directors have a number of external funding alternatives available such as a farm-out of exploration commitments or raising additional equity funds. The Company has a history of successfully undertaking capital raisings during the last 10 years.
- The Board also has the ability to defer or reduce operating activities and exploration expenditure if necessary, whilst meeting minimum tenement expenditure commitments.

Based on the consolidated entity successfully actioning the above, the directors believe that the consolidated entity will continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the company be unable to continue as a going concern and meet its debts as and when they fall due.

c. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Rimfire Pacific Mining NL as at 30 June 2015 and the results of all subsidiaries for the year then ended. Rimfire Pacific Mining NL and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

d. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on the taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the consolidated statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Rimfire Pacific Mining NL and its wholly-owned Australian subsidiary have not formed an income tax consolidated group under the tax consolidation regime.

e. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the cost basis, being the amounts which have been paid for the asset.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of property, plant and equipment, but excluding freehold land, is depreciated using a reducing balance method commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Leasehold improvements	15%
Plant and equipment	7.5%-30%
Office furniture	10%-40%
Motor Vehicles	19%

f. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

g. Exploration Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

h. Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Profit and Loss and Other Comprehensive Income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of cash-generating unit to which the asset belongs.

i. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year including entitlements arising from wages and salaries and annual leave, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the consolidated entity to employee superannuation funds and are charged as expenses when incurred.

j. Cash and cash equivalents

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash includes cash on hand and deposits with banks or financial institutions net of bank overdrafts.

k. Trade and Other Receivables

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

l. Trade and Other Payables

Trade payables and other payables are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services. Payments are normally settled on 30 day terms.

m. **Financial Instruments**

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment loss has arisen. Impairment losses are recognised in the Statement of Profit and Loss and Comprehensive Income.

n. **Revenue Recognition**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of goods and services tax (GST).

o. **Government Grants**

Government grants relating to assets such as capitalised exploration expenditure are recognised in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset. Government grants relating to expenses are recognised in the profit and loss as other income.

p. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

q. **Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to the owners of Rimfire Pacific Mining NL, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

r. **Segment Reporting**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. Rimfire Pacific Mining NL does not have any separately reportable segments.

s. **Contributed Equity**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t. **Equity Settled Compensation**

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees or contractors in exchange for the rendering of services. Equity-settled share-based compensation benefits have been provided to contractors in the current financial year.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees or contractors to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

u. **New, revised or amending Accounting Standards and Interpretations adopted**

All new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Rimfire Pacific Mining NL and its subsidiary's operations and effective for annual reporting periods beginning on 1 July 2014 have been adopted by the consolidated entity.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

v. **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2015. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 9 Financial Instruments and its consequential amendments

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2018 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments

Part A of this Standard applies to annual reporting periods ending on or after 20 December 2013. Part B of this Standard applies to annual reporting periods beginning on or after 1 January 2014. Part C of this Standard applies to annual reporting periods beginning on or after 1 January 2015. Part A of this Standard makes various editorial corrections to Australian Accounting Standards. It updates references to the Framework in a manner that is consistent with the amendments made by the International Accounting Standards Board (IASB) in its corresponding pronouncements. Part B of this Standard makes amendments to particular Australian Accounting Standards to delete references to AASB 1031. Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge accounting and makes consequential amendments to AASB 9 and numerous other Standards. Part C also amends AASB 9 to permit requirements relating to the "own credit risk" of financial liabilities measured at fair value to be applied without applying the other requirements of AASB 9 at the same time. Furthermore, Part C of this Standard amends the mandatory effective date of AASB 9 so that AASB 9 is required to be applied for annual reporting periods beginning on or after 1 January 2017 instead of 1 January 2015. The adoption of these amendments will not have a material impact on the consolidated entity.

Note 2 Revenue

	Consolidated Entity	
	2015	2014
	\$	\$
Other income		
Interest	43,162	66,597
Research and development tax offset income*	185,527	135,874
Sundry Income	250	-
Total Revenue	<u>228,939</u>	<u>202,571</u>

* Additional funds of \$1,028,098 received during the year (2014: \$1,027,769) as part of the R&D tax offset has been applied against the Exploration Expenditure asset disclosed in Note 12.

Note 3 Loss for the Financial Year

	Consolidated Entity	
	2015	2014
	\$	\$

The net loss for the financial year has been arrived at after charging the following:

Expenses

Professional costs for R & D tax offset claim	12,997	93,099
Rental expense	22,682	22,683
Superannuation contribution expense	26,394	13,015
Superannuation contributions capitalised	84,026	92,405

Note 4 Income Tax Expense

	Consolidated Entity	
	2015	2014
	\$	\$
a. The prima facie tax/(benefit) on loss before tax is reconciled to the income tax as follows:		
Prima facie tax/(benefit) on loss before tax at 30% (2014: 30%)	(216,238)	(665,049)
Add:		
Tax effect of:		
- non-allowable items	3,300	10,875
- net current year tax losses not recognised, temporary differences and deductible exploration expenditure.	289,578	722,951
	<u>76,640</u>	<u>68,777</u>
Less:		
Tax effect of:		
- Research and Development tax offset income	(55,658)	(40,793)
- capitalised share placement costs	(20,982)	(27,984)
Income tax benefit/(expense) attributable to loss	<u>-</u>	<u>-</u>
The deferred tax asset arising from tax losses has not been recognised as an asset because recovery is not probable:		
Tax losses carried forward	5,716,987	5,599,474
Temporary differences – exploration costs	(3,211,779)	(2,863,008)
Temporary differences – other	69,025	93,526
Net Deferred tax asset not recognised	<u>2,574,233</u>	<u>2,829,992</u>
Balance of franking account at year end	<u>-</u>	<u>-</u>

Potential deferred tax assets attributable to tax losses carried forward have not been brought to account because Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable.

Future benefits attributable to temporary differences have not been brought to account as the Directors do not believe it is appropriate to regard the realisation of such benefits as probable. These benefits will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realized;
- (b) the company continue to comply with the conditions for deductibility imposed by law, and
- (c) no changes in tax legislation adversely affect the company in realizing the benefit from the deductibility for the loss.

Rimfire Pacific Mining NL and its wholly owned entity have not opted to enter the tax consolidation regime as at 30 June 2015.

Note 5 Auditor's Remuneration

	Consolidated Entity	
	2015	2014
	\$	\$
Remuneration of the auditor for:		
- auditing or reviewing the financial reports	38,180	36,990
	38,180	36,990

Note 6 Earnings per Share

	Consolidated Entity	
	2015	2014
	\$	\$
a. Reconciliation of Earnings to Loss		
Loss used in the calculation of basic EPS	(720,794)	(2,216,830)
Loss used in the calculation of dilutive EPS	(720,794)	(2,216,830)
b. Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	716,941,260	672,291,376
Potential ordinary shares	-	-
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	716,941,260	672,291,376
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)	(0.10)	(0.33)
Diluted loss per share (cents per share)	(0.10)	(0.33)

Note 7 Cash and Cash Equivalents

	Consolidated Entity	
	2015	2014
	\$	\$
Cash at bank and on hand	127,896	100,820
Short term deposits	1,170,000	2,254,253
	1,297,896	2,355,073

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash at bank	127,896	100,820
Term deposits with maturity of 3 months or less	1,170,000	2,254,253
	1,297,896	2,355,073

Refer to Note 23 for the risk exposure analysis for cash and cash equivalents.

Note 8 Trade and Other Receivables

	Consolidated Entity	
	2015	2014
	\$	\$
OTHER RECEIVABLES		
CURRENT		
Security deposits	13,049	13,549
Interest receivable	3,038	7,542
Other receivables	140,973	62,989
	<u>157,060</u>	<u>84,080</u>
NON-CURRENT		
Security deposits	<u>150,000</u>	<u>150,000</u>

Refer to Note 23 for the risk exposure analysis for receivables. At the reporting date, no receivables were past due or impaired.

Note 9 Controlled Entity

	Country of Incorporation	Percentage Owned (%)	
		2015	2014
Parent Entity			
Rimfire Pacific Mining NL			
Subsidiary of Rimfire Pacific Mining NL			
Axis Mining NL	Australia	100	100

Note 10 Property, Plant and Equipment

	Consolidated Entity	
	2015	2014
	\$	\$
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	460,943	452,253
Accumulated depreciation	(204,212)	(172,924)
	<u>256,731</u>	<u>279,329</u>
Motor Vehicle		
At cost	53,211	62,200
Accumulated depreciation	(29,263)	(27,232)
	<u>23,948</u>	<u>34,968</u>
Office Furniture		
At cost	86,098	52,369
Accumulated depreciation	(50,740)	(34,733)
	<u>35,358</u>	<u>17,636</u>

Note 10 **Property, Plant and Equipment (Cont'd)**

	Consolidated Entity	
	2015	2014
	\$	\$
Leasehold Improvements		
At cost	419	419
Accumulated depreciation	(288)	(265)
	131	154
Total Plant and Equipment	316,168	332,087
Total Property, Plant and Equipment	543,002	558,921

a. Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

2015	Freehold Land \$	Motor Vehicles \$	Plant and Equipment \$	Office Furniture \$	Leasehold Improvements \$	Total \$
Consolidated Entity:						
Balance at the beginning of year	226,834	34,968	279,329	17,635	155	558,921
Additions	-	-	29,423	35,340	-	64,763
Disposals	-	(4,972)	(11,805)	(153)	-	(16,930)
Transfers	-	-	-	-	-	-
Depreciation expense	-	(6,048)	(28,185)	(17,464)	(24)	(51,721)
Depreciation capitalised	-	-	(12,031)	-	-	(12,031)
Carrying amount at the end of year	226,834	23,948	256,731	35,358	131	543,002

2014	Freehold Land \$	Motor Vehicles \$	Plant and Equipment \$	Office Furniture \$	Leasehold Improvements \$	Total \$
Consolidated Entity:						
Balance at the beginning of year	226,834	44,937	277,319	16,582	2,628	568,300
Additions	-	3,600	42,204	12,372	-	58,176
Disposals	-	(5,568)	(702)	(1,221)	-	(7,491)
Transfers	-	-	4,863	(2,417)	(2,446)	-
Depreciation expense	-	(8,001)	(30,804)	(7,681)	(27)	(46,513)
Depreciation capitalised	-	-	(13,551)	-	-	(13,551)
Carrying amount at the end of year	226,834	34,968	279,329	17,635	155	558,921

Note 11 Other Assets

	Consolidated Entity	
	2015	2014
	\$	\$
CURRENT		
Prepaid expenses (insurance, rent, body corporate)	16,507	23,915

Note 12 Exploration & Evaluation Costs Carried Forward

	Consolidated Entity	
	2015	2014
	\$	\$
NON-CURRENT		
Exploration Expenditure		
Costs carried forward in respect of areas of interest in:		
– exploration and evaluation phases	10,705,929	9,543,362
Opening balance	9,543,362	9,555,471
Additional expenditure	2,190,665	2,629,444
Research and development tax offset	(1,028,098)	(1,027,769)
Impairment write off	-	(1,613,784)
Closing balance	10,705,929	9,543,362

Ultimate recoupment of these costs is dependent on successful development and commercial exploration or alternatively sale of the respective areas of interest.

No exploration expenditure was written off during 2015. Exploration expenditure written off during the 2014 year related to mining tenements EL6106 and EL6144. The company elected to concentrate exploration activity on more prospective areas of interest and consequently these tenements were not renewed.

Note 13 Trade and Other Payables

	Consolidated Entity	
	2015	2014
	\$	\$
CURRENT		
Trade creditors	154,622	394,461
Sundry creditors and accrued expenses	316,326	220,853
	470,948	615,314

Note 14 Provisions

	Consolidated Entity	
	2015	2014
	\$	\$
CURRENT		
Employee benefits	16,443	22,875

Note 15 **Contributed Equity**

	Consolidated Entity	
	2015	2014
	\$	\$
744,001,176 (2014: 687,757,495) fully paid ordinary shares	26,131,450	25,104,814
	26,131,450	25,104,814
a. Ordinary shares		
At the beginning of the reporting period	25,104,814	21,861,063
Shares issued during the year		
— 18 December 2014	1,092,874	-
— 29 May 2015	32,000	-
— Shares issued in the previous year	-	3,320,784
Transaction costs relating to share issues	(98,238)	(77,033)
At reporting date	26,131,450	25,104,814
	2015	2014
	No.	No.
At the beginning of reporting period	687,757,495	610,529,976
Shares issued during year		
— 18 December 2014	54,643,681	-
— 29 May 2015	1,600,000	-
— Issued in the previous year	-	77,227,519
At reporting date	744,001,176	687,757,495

b. Share-based payments

On 29 May 2015, 1,600,000 shares were issued for capital raising costs (\$21,000) and technical consultancy services (\$11,000) at an issue price of \$0.02 per share and a total transactional value of \$32,000.

c. Capital Management

Management controls the capital of the consolidated entity in order to ensure that the Company remains a going concern as a primary objective and is able to deliver suitable exploration, as the circumstances allow. This is done, to the best of management's ability in the prevailing business and economic circumstances. The consolidated entity's debt and capital includes ordinary share capital, listed options and financial liabilities.

The Board may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. The Board has no current plans to adjust the capital structure. There are no plans to distribute dividends in the next financial year.

The consolidated entity is not subject to any externally imposed capital requirements.

d. Options

In association with the Share Rights Issue, 54,643,681 free options were issued during the year with an exercise price of 5 cents and an expiry date of 14 December 2015 (2014 : Nil).

No options were exercised during the current financial year.

Note 16 Parent Entity Information

Set out below is the supplementary information about the parent entity.

	2015	2014
	\$	\$
Current assets	1,471,236	2,462,841
Total assets	12,870,168	12,715,124
Current liabilities	485,891	636,689
Total liabilities	485,891	636,689
Issued capital	26,131,450	25,104,814
Accumulated losses	(13,747,173)	(13,026,379)
Total equity	12,384,277	12,078,435
Loss of the parent entity	(720,794)	(2,216,830)
Comprehensive loss of the parent entity	(720,794)	(2,216,830)

Parent Entity Commitments:

All capital and operating commitments of the group have been entered into by the Parent Entity. Refer to note 17 for these commitments. The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

Note 17 Capital and Leasing Commitments

	Consolidated Entity	
	2015	2014
	\$	\$
a. Operating Lease Commitments		
<u>Office & Other Premises</u>		
Payable		
— not later than 1 year	17,011	22,682
— later than 1 year but not later than 5 years	-	17,011
	17,011	39,693

The office premises lease is a non-cancellable lease with a two-year term, with rent payable monthly in advance, and commenced on 1st April 2014. The lease agreement has a fixed yearly payment value of \$22,682 per annum plus GST. The lease allows for sub-letting of all lease areas.

b. **Capital Expenditure Commitments**

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

	Consolidated Entity	
	2015	2014
	\$	\$
Payable		
— not later than 1 year	235,000	225,500
— later than 1 year but not later than 5 years	379,000	450,000
	614,000	675,500

Note 18 Contingent Liabilities and Contingent Assets

The Directors are not aware of any matters or circumstances which have arisen during or since the financial year which may significantly affect the operations of the consolidated entity, the results of those operations or state of affairs of the consolidated entity in future years.

Note 19 Segment Reporting

Business and Geographical Segments

The consolidated entity operates predominantly in one business and geographic segment, being mineral exploration and prospecting within Australia.

Segment information is presented using a “management approach”, i.e. Segment information is provided on the same basis as information used for internal reporting purposes by the board of directors. At regular intervals, the board is provided management information at a group level for the group’s cash position, the carrying values of exploration permits and a group cash flow forecast for the next 12 months of operation. On this basis, no segment information is included in these financial statements.

Note 20 Related Party Details

	2015	2014
	\$	\$

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with director related parties:

(i) In the current financial year the wife of Mr J Kaminsky was paid in respect of administrative services.	22,579	21,174
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Note 21 Events Occurring after the Reporting Period

There are no matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Note 22 Cash Flow Information

Consolidated Entity

	2015	2014
	\$	\$

a. Reconciliation of Cash Flow from Operations with Loss after Income Tax

Loss after income tax	(720,794)	(2,216,830)
Non-cash flows in loss		
Depreciation	51,720	46,513
Impairment write off on exploration costs	2,578	1,613,784
Loss on disposal of PPE	16,325	4,337
Changes in assets and liabilities relating to operations		
(Increase)/decrease in prepayments	7,408	(5,090)
(Increase)/decrease in other receivables	3,643	194,944
Increase/(decrease) in trade creditors and accruals	(53,256)	113,242
Increase/(decrease) in provisions	(6,432)	8,523
Cash flows used in operations	(698,808)	(240,577)

b. Cash not available for use

There was no cash as at the end of the year which was unavailable for use.

c. Non-cash Financing and Investing Activities

There were no non-cash financing and investing activities carried out during the year.

Note 23 Financial Risk Management

a. Financial Risk Management Objectives and Policies

The consolidated entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other risks.

Risk management is carried out by senior executives under policies approved by the Board of Directors. These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Interest rate risk

The consolidated entity's main interest rate risk arises from its holdings of cash and cash equivalents on deposit. Deposits held at variable rates expose the consolidated entity to interest rate risk. Deposits held at fixed rates expose the consolidated entity to fair value risk. The consolidated entity's exposure to interest rate risk is set out in Note 23(b).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity exposure to credit risk is limited to security deposits provided to landlords and other third parties. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Categorisation of financial instruments

Financial assets	Note	Category	Carrying value 2015 \$	Carrying value 2014 \$
Cash & cash equivalents	7	N/A	1,297,896	2,355,073
Trade and other receivables	8	Trade and other receivables at amortised cost	307,060	234,080
Financial liabilities				
Trade and other payables	13	Financial liabilities measured at amortised cost	470,948	615,314

Note 23 Financial Risk Management (Cont'd)

b. Interest Rate Risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating Interest Rate		Fixed Interest Rate		Non-interest Bearing		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$		\$		\$		\$	
Financial Assets								
Cash	126,946	99,869	1,170,000	2,254,253	950	950	1,297,896	2,355,072
Receivables	150,000	150,000	-	-	157,060	84,080	307,060	234,080
Other Financial Assets	-	-	-	-	-	-	-	-
Total Financial Assets	276,946	249,869	1,170,000	2,254,253	158,010	85,030	1,604,956	2,589,152
Financial Liabilities								
Trade and sundry creditors	-	-	-	-	470,948	615,314	470,948	615,314
Total Financial Liabilities	-	-	-	-	470,948	615,314	470,948	615,314
Net Financial Assets	276,946	249,869	1,170,000	2,254,253	(312,938)	(530,284)	1,134,008	1,973,838

Note 23 Financial Risk Management (Cont'd)

Net Fair Values

c.

The carrying amounts of financial assets and liabilities approximate the net fair value unless otherwise stated.

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

Recognised financial instruments

Cash: The carrying amount approximates fair value.

Trade and other receivables: The carrying amount approximates fair value.

Term Deposits: The carrying amount approximates fair value.

Trade and other payables: The carrying amount approximates fair value.

d. Sensitivity Analysis

The group has performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2015, the effect on loss after tax and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Entity	
	2015	2014
	\$	\$
Change in loss after tax		
- Increase in interest rate by 2%	5,539	4,997
- Decrease in interest rate by 2%	(5,539)	(4,997)
Change in equity		
- Increase in interest rate by 2%	5,539	4,997
- Decrease in interest rate by 2%	(5,539)	(4,997)

The above changes are based on the effect of an interest rate change in relation to funds held in deposit with financial institutions

Note 24

Company Details

The registered office and principal place of business of the Company is:

Rimfire Pacific Mining NL
"Exchange Tower"
Suite 411, 530 Little Collins Street
Melbourne VIC 3000

In the directors' opinion:

1. the attached financial statements and notes and the Remuneration Report thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
3. the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date;
4. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
5. The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors



Director

John Gillett

Dated this

27th day of August 2015



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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Rimfire Pacific Mining NL

Report on the Financial Report

We have audited the accompanying financial report of Rimfire Pacific Mining NL, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Rimfire Pacific Mining NL, would be in the same terms if given to the directors as at the time of this auditor's report.

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation, other than for the acts or omissions of financial services licensees.



Opinion

In our opinion:

- (a) the financial report of Rimfire Pacific Mining NL is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1b in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1b, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 6 to 8 of the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Rimfire Pacific Mining NL for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Practice



Simon Scalzo
Partner

Melbourne, 27 August 2015

1. The shareholder information set out below was applicable as at 30 September 2015

(a) Distribution of Shareholders by Class

Category (Size of Holding)	Total Holders	Fully Paid Ordinary Shares	% of Issued Capital
1 – 1,000	169	50,289	0.01
1,001 – 5,000	156	523,182	0.07
5,001 – 10,000	184	1,575,432	0.21
10,001 – 100,000	836	36,074,852	4.85
100,001 & over	664	705,777,421	94.86
Total	2,009	744,001,176	100.00

(b) The number of holders with shareholdings in less than marketable parcels was 865 as at 30 September 2015.

(c) The number of holders of each class of equity security as at 30 September 2015 was:

Class of Security	Number
Fully Paid Ordinary Shares	2,009

(d) Voting Rights

Every Member is entitled to be present at a meeting and may vote.

On a show of hands, every Member has one vote.

On a poll every Member has:

- one vote for each fully paid share; and
- voting rights pro-rata to the amount paid up on each partly paid share held by the Member.

(e) 20 Largest Shareholders - Ordinary Capital as at 30 September 2015

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. TJS Investments (Aust) Pty Ltd	27,718,263	3.73
2. Mr John Kaminsky	24,515,503	3.30
3. Pacific Nominees Limited	22,384,404	3.01
4. Mr Choong Guang Koh	19,000,000	2.55
5. Warcoll Holdings Pty Ltd	18,990,356	2.55
6. Dr Gary Robert Lillicrap, Mr Damian Gary Lillicrap, Mrs Imelda Anne Lillicrap	16,448,837	2.21
7. Tranco Pty Limited	14,000,000	1.88
8. Cooe Investments Pty Ltd	13,518,604	1.82
9. Ralston Corporation Pty Ltd	13,286,094	1.79
10. Mr Kerry Peter Jelbart & Dr Stephen Bruce Jelbart	11,515,000	1.55
11. Mr Ronald Roy Foote & Mrs Renate Foote	10,166,667	1.37
12. G F Wilson Pty Ltd	9,000,000	1.21
13. HSBC Custody Nominees (Australia) Limited	8,935,565	1.20
14. Suvale Investments Pty Ltd	8,350,000	1.12
15. Esperance Investments Pty Ltd	8,339,300	1.12
16. Mr Tian Joo Lee	8,228,561	1.11
17. Mr William Theodore Durnell	8,000,000	1.08
18. Mr Laurie John Newman	7,838,014	1.05
19. Estate Late Simon Korua	7,339,900	0.99
20. Mr Kenneth Davidson	7,255,230	0.98
	<u>264,830,298</u>	<u>35.60</u>

2. **The name of the company secretary is Mr Graham Billingham.**
3. **The address and telephone number of the registered office and principal administrative office is:**

Suite 411, 530 Little Collins Street
Melbourne VIC 3000

Telephone: (03) 9620 5866
Facsimile : (03) 9620 5822
Website : www.rimfire.com.au

4. **The register of securities is held at the following address:**

Computershare Registry Services
117 Victoria Street
West End QLD 4001

Telephone: 1300 787 272
Facsimile : (07) 3237 2152

5. **Stock Exchange Listing**

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

6. **Vendor Securities**

There are no restricted securities on issue as at 30 September 2015.

Directors:	John Gillett (Chairman) John Kaminsky (Managing Director & CEO) Graham Billinghamurst Thomas Burrowes Ramona Enconniere
Company Secretary:	Graham Billinghamurst
Registered Office:	Suite 411, 530 Little Collins Street Melbourne VIC 3000
Auditors:	BDO East Coast Partnership Level 14, 140 William Street Melbourne VIC 3000
Lawyers of the Company:	McNab Lawyers Level 3, 139 Collins Street Melbourne VIC 3000
Share Registry:	Computershare Investor Services Pty Ltd 117 Victoria Street West End QLD 4001 Tel: 1300 787 272
Bankers:	Macquarie Bank Limited 300 Queen Street Brisbane QLD 4000
Stock Exchange Listing:	Australian Stock Exchange Home Exchange – Melbourne ASX Code: RIM
Email Address:	rimfire@rimfire.com.au
Website Address:	www.rimfire.com.au



www.rimfire.com.au