rimfire pacific mining nl
a.c.n. 006 911 744
floor 13
379 queen street
brisbane Q 4000

telephone 61 7 3211 7177
facsimile 61 7 3211 7166
e-mail rimfire@rimfire.com.au
website www.rimfire.com.au

26 October 2005

The Manager
Company Announcement Office
Australian Stock Exchange

QUARTERLY REPORT

For the period July 1st to 30th September 2005

EXPLORATION ACTIVITIES

The Company consolidated its development of the shear zone dyke model at the Fifield NSW district Platinum Project during the quarter with additional field work and data collation conducted. The model is now the basis for the next stage of exploration activity where the Company believes the potential exists to determine the bedrock source of primary coarse grain Platinum (Pt) and Gold (Au). The identified shear zones at Fifield that brecciate and chemically alter basic-ultrabasic dykes constitute important targets for the December quarter exploration activity of the Company and represent the basis for a significant primary platinum discovery, in the Company's opinion.

The Company had a relatively light field based program in the quarter and was focussed on data collation and planning the next stage exploration program after completing its capital raising, announced in its Prospectus lodged on 18th August 2005 which closed on 27th September 2005, raising $800,119.

The Company was pleased to announce that Mr Colin Plumridge had been appointed Exploration Manager of the Company on 29th July 2005. The Company considers the exploration work on the Platinum project conducted by Colin since his involvement at Fifield in January 2005 to be an outstanding contribution to the project.

Highlights of the September Quarter 2005 included;

- **Auger drill programme continued with a total of 120 holes drilled to the end of September.**
- **Detailed mapping has been completed extended to now cover an area of 2000m x 500m for topography, old workings and geology.**

- **Reworking, examination and re-interpretation of the detailed airborne magnetic study at Platina-Gillenbine previously conducted by the Company, and relating the data directly to the mapped features.**

- **Rock petrology, bedrock samples and soil samples have been examined**

- **"System Geology Map at Platina-Gillenbine" completed enabling the orientation of a next stage trenching and RC drill program.**

Progress on the search for primary bedrock source of coarse grain Platinum.

The work conducted during the quarter at Fifield has again been designed to help detect high priority target zones for the primary bedrock source of Platinum that the Company believes to exist within the Platina-Gillenbine area. The Company believes it has made significant progress in determining the source of the coarse grain Pt and Au evident in the adjacent areas.

Auger Drilling

The program has continued allowing the Company to achieve cost effective and rapid follow up of target areas for bedrock platinum mineralization under the 2 – 10m of alluvial and soil cover in the area. This program has enabled the orientation of the next phase of exploration which will include extended trenches and an RC drill program.

Commodity pricing for the September quarter

The price of Platinum firmed throughout the quarter starting in July at **USD 865/ounce** and trading in September above **USD 900/ounce** (www.Kitco.com). The price of platinum has continued to be approximately double the price of gold in the last 12 months.

CORPORATE ACTIVITIES

The Company issued and successfully completed an offer to shareholders of a 1 for 3 rights issue that raised $800,119. The prospectus was lodged on 18th August 2005 and the offer closed on 27th September 2005 slightly oversubscribed.

The Company has continued to reduce its overheads and cash outgoings where possible. The Company has reduced its office lease obligation by approximately 50% as at 30th September 2005.

Appointment of New non executive Director

The Company appointed Mr Andrew Knox as a new non executive Director on the 7th of July 2005. Mr Knox brings extensive commercial expertise to the Company, having considerable public company and resource industry experience.

Appointment of New Exploration Manager

The Company appointed Mr Colin Plumridge as the New Exploration Manager on 29th July 2005. Colin has an outstanding record in field prospecting geology, implementing many successful exploration programs, always with a strong practical emphasis on site.

Tenement Position

The Company has applied to the NSW Department of Mineral Resources for a renewal of its Diamond Tenements at Bingara EL6106 and EL5880, with a reduction in total area of approximately 50%. The Company believes the key features within the reduced area are retained in the renewal application.

Similarly, the Company has applied to the NSW Department of Mineral Resources for a renewal of its Platinum Tenement EL6144 (Hylea), with a reduction in total area of approximately 50%. The Company believes the key features within the reduced area are retained in this renewal application.

The results of the applications are both pending.

Cash, Facilities and Investments

As previously advised, the Company put in place a loan facility of $300,000 in June 2005 and this was provided by the Executive Chairman. In July 2005 the Company had drawn $100,000 of this facility, ahead of its capital raising which was due for completion end of September 2005.

As at 30th September 2005 the Company had approximately $844,000 in cash and $200,000 in available loan facility.

Issued Capital

New securities (Fully Paid Ordinary Shares 2,000,000) were issued in the quarter as a result of the exercise of 2,000,000 call options (OP9) by the Chairman on 1st July 2005. The issued capital as at 30th September 2005 was:

133,353,172 ordinary shares
35,676,394 OP7 listed options ex @ .08 cents expiring 30 September 2006
7,000,000 OP8 unlisted options ex @ .08 cents expiring 30 September 2006
2,000,000 OP9 unlisted options ex @ Nil cents expiring 15 January 2006

It should be noted that the allotment of 44,451,090 new ordinary shares under the Company's rights issue occurred on 4th October 2005, this changed the total number of issued ordinary shares to 177,804,262 as at that date.

JOHN KAMINSKY
Chairman

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information provided by, Mr Colin Plumridge, as a "Competent Person" (as defined in the JORC Code Appendix 5A Amended 17/12/2004) He is a member of the Australasian Institute of Mining and Metallurgy and has in excess of 5 years experience in the field of activity being reported on. This report accurately reflects the information compiled by this member and he has agreed to the publication of this information in this form.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

Rimfire Pacific Mining NL

ACN or ARBN	Quarter ended ("current quarter")
006 911 744	30 September 2005

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors	4	4
1.2	Payments for (a) exploration and evaluation	(27)	(27)
	(b) development		
	(c) production		
	(d) administration	(128)	(128)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)(rent received on sublease of premises)	1	1
	Net Operating Cash Flows	(149)	(149)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects		
	(b)equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a)prospects		
	(b)equity investments		
	(c)other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Refund of bond on mining tenement lease at "Many Peaks" - $12,000	10	10
	Borrowing costs of Loan Facility ($500)		
	GST paid in respect of tenement sale ($1,500)		

	Net investing cash flows	10	10
1.13	Total operating and investing cash flows (carried forward)	(139)	(139)

1.13	Total operating and investing cash flows (brought forward)	(139)	(139)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. (Note 6)	804	804
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	100	100
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) Transaction costs relating to issue of shares	(4)	(4)
	Net financing cash flows	900	900
	Net increase (decrease) in cash held	761	761
1.20	Cash at beginning of quarter/year to date	83	83
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	844	844

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Not Applicable

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	300	100
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	150,000
4.2	Development	Nil
	Total	150,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	831	53
5.2	Deposits at call	13	30
5.3	Bank overdraft	-	
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	844	83

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				

6.2	Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	Nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil			
7.3	**+Ordinary securities (Note 6)**	133,353,172	133,353,172		
7.4	Changes during quarter (Note 6) (a) Increases through issues Increases from exercise of options	2,000,000	2,000,000	2.30	2.30
	(b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5	**+Convertible debt securities**	Nil			
7.6	Changes during quarter (a) Increases through issues	Nil			
	(b) Decreases through securities matured, converted	Nil			

7.7	**Options** *(description and conversion factor)*	44,676,394	35,676,394	*35,676,394 @ 8 cents each* *7,000,000 @ 8 cents each* *2,000,000 @ nil consideration*	*Expiry date* 30-9-2006 30-9-2006 15-01-2006
7.8	Issued during the quarter	Nil	Nil		
7.9	Exercised during quarter on 1 July 2005	2,000,000	Nil		
7.10	Expired during quarter	Nil			
7.11	**Debentures** *(totals only)*	Nil			
7.12	**Unsecured notes** *(totals only)*	Nil			

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: (Chairman) Date: 26th October 2005

Print name: **JOHN KAMINSKY**

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

6 **Issued and quoted Securities at end of current quarter.** The total number and total quoted ordinary securities as at the end of September 2005 is 133,353,172 pursuant to item 7.3. This number of shares does not take into account shares issued subsequent to the quarter relating to the Company's 1 for 3 rights issue at $0.018 per share which opened on 6th September 2005 and closed 27th September 2005. Rimfire Pacific Mining NL allotted 44,451,090 shares on 4th October 2005 relating to the rights issue, though the cash issued in respect of this allotment was received before 30 September 2005, which is adequately disclosed at item 1.14 being $804,000. The cash received in respect of the rights issue has been reflected in this report within item 1.14. However item 7.3 and 7.4 do not reflect the increase in ordinary securities within the same period, due to the physical allotment occurring post the period.