rimfire pacific mining nl
a.c.n. 006 911 744

Exchange Tower
Suite 810
530 Little Collins Street
Melbourne Victoria
Australia. 3000

Telephone 61 3 9620 5866
Facsimile 61 3 9620 5822
e-mail: rimfire@rimfire.com.au
website: www.rimfire.com.au

29 January 2007

The Manager
Company Announcement Office
Australian Stock Exchange

QUARTERLY REPORT

For the period October 1st to December 31st 2006

EXPLORATION ACTIVITIES SUMMARY – PLATINUM AT FIFIELD

The major work conducted in the period was the completion of the first phase of a trenching program, supported by additional auger holes at the Platina-Gillenbine prospect assisting the definition of the primary coarse grain Platinum (Pt) mineralisation discovered in the area.

The trenching program commenced in the last week of September 2006, and during the quarter trenches 14, 14A, 14B, 15, 16A and 16B were opened for an aggregate total in excess of 200m of trenching.

These trenches have now been sampled as required, with many samples having been processed and mapped into newly extended and more precise Pt contours. **Pt is consistently and with repeatability recovered from within the bedrock breccia below the subsoil clay layer.** A good correlation appears to exist for these two layers, in determining Pt position.

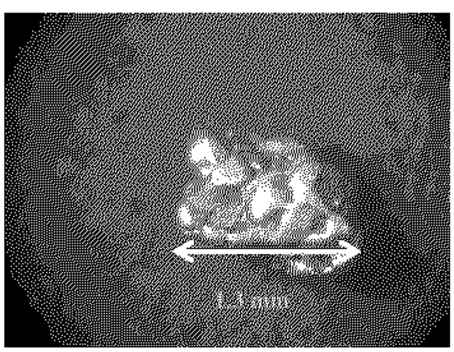
These initial trenches have now been remediated, with the remaining unprocessed samples due to be finished within February 2007. **This phase of trenching has provided valuable insight and the Company believes it has now positively identified the source area of the coarse grain Pt at Platina-Gillenbine.**

Platina Pt Prospect - Key Summary Highlights

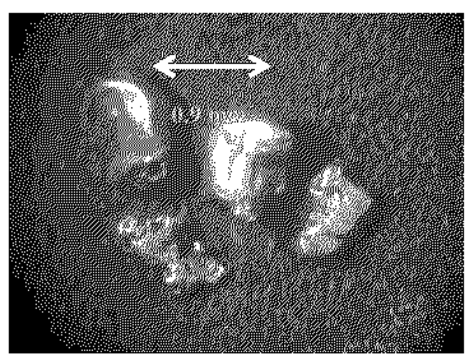
- The Company believes the current coarse grain Pt mineralised work area at Platina-Gillenbine is **part of a SW to NE trending corridor of approximately 8km of potential Pt mineralisation.**

- **Pt contours have been extended in the sub soil clay layers and are now also more precise through the trenching conducted to date.**
    - Coarse and fine grain primary Pt was recovered from the weathered bedrock in every trench that was opened
    - Contours of 0.5g/t Pt and 0.75g/t Pt were mapped for the trenching (see ASX release 13th December 2006). **In the quarter a high grade (visual estimate) of 3.7g/t Pt was noted.**
- **An empirical association between subsoil clay Pt and the deeply clay weathered bedrock breccia appears to exist as seen in the trenching program. Discrete zones of Pt appear to exist. The breccia has a slight magnetic character.**
- **Numerous coarse Pt grains have been recovered (27 in sizes ranging 0.25mm to 1.4mm), along with 17 fine Pt grains (sizes less than 0.25mm) from the bedrock to date.**
    - However, larger sample sizes are needed to achieve reliable grade estimates of the coarse grain Pt bearing bedrock.
- To date, through visual inspection of grains, limited bedrock grade estimates have indicated 0.1g/t to 0.7g/t Pt. **The Company sees this as very encouraging, given that these isolated Pt grains are unevenly distributed, and sample sizes have been relatively small to date.**
    - **The Company is expecting to encounter higher grade Pt through more extensive work**

The Company's goal is to **establish the concept of the potential for a minable open cut mineralised corridor** of the coarse grain Pt occurring within the bedrock at Fifield. A large corridor of mineralisation rather than a single lode is more likely to exist in the Company's opinion. The current work at Platina Gillenbine is within a focused 800m section of the total corridor potential at Fifield (the trenching program covers 150m of the 800m).



Tr16B Pt grain from bedrock breccia
(at 2m depth, note re-entrant angles in the face indicating primary Pt genesis)



Tr16A Pt grains
(at 3 separate sample locations at 1m intervals)

New trenches will be opened in the current quarter to extend the Pt mineralisation contours and seek more knowledge on the Pt being recovered from the bedrock position.

The remaining questions concern determining the extent of the Pt zoning, Pt distribution, Pt grade and trying to delineate a coherent commercial Pt resource with suitable tonnage. Further trenching and bulk samples will be pursued in this regard, and should also provide further assistance in the understanding of the geological controls operating in the mineralised system.

The Company has expended considerable time and effort to upgrade its sample processing at Fifield in the last 2 months with the installation of a new indoor facility that has a larger crushing and grinding capability for bigger samples. This will be commissioned in Q1 2007.

Platinum Exploration – "South Platina" within Fifield NSW

The Company has now commenced processing of its soil sampling and appraisal program of the Pt potential to the south west of the Platina prospect (duly named "South Platina"). The program will assess the Pt exploration potential through this line sampling within EL6241. The program covers an extensive geographic area, following up previous field observations made.

Initial observations are encouraging, identifying a possible 400m new Pt geochemical anomaly, not reported or recognised by other explorers in the past. The Company is looking to provide greater definition to this anomaly in Q1 2007.

DIAMOND EXPLORATION ACTIVITY FOR THE DECEMBER QUARTER

The Company has identified **the first focused structural target for an investigative drill program at the Tom and Jerry prospect. Discussions are underway with suitable contractors to proceed with an investigative RC drill program** in Q1 2007, subject to availability and permitting.

Summary of Bingara Diamond Activity

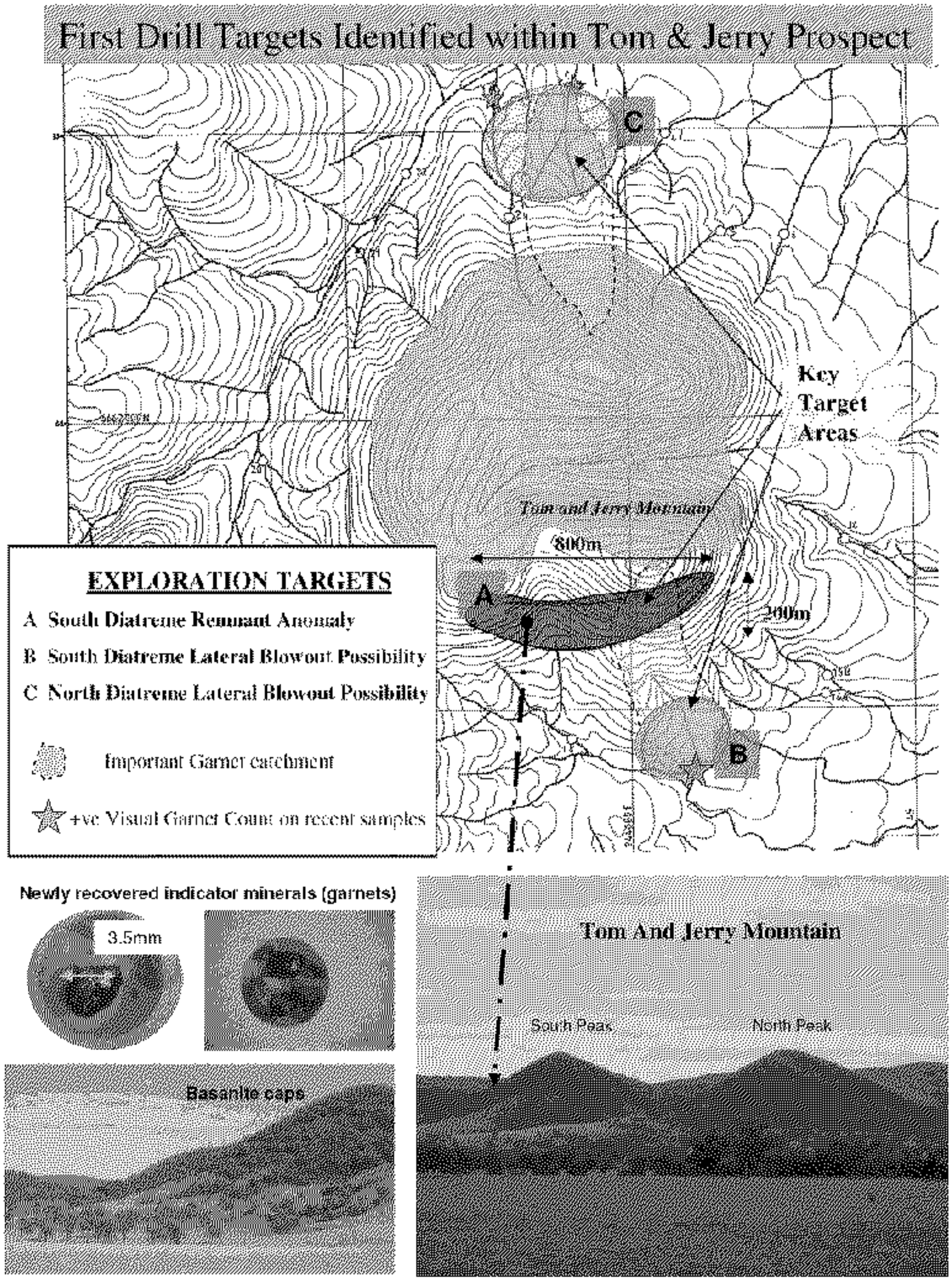
- During the last quarter creek drainage sampling completed at Bingara **showed high levels of key indicator minerals (garnets)** narrowly confined to the newly identified structural anomaly.
    - The recent heavy minerals that were processed and reviewed with visual inspection confirm that key drainage areas are significant.
- **A new "Southern Diatreme remnant anomaly" of dimensions 800m x 150m** is believed to exist on the southern slope of the Tom & Jerry Mountain.
- A key outcome of recent field work has concluded that the key garnet indicator minerals are derived from a **"diatreme remnant host rock"** hidden by the basanite scree.
- A conceptual geological model has been proposed for the anomaly (see ASX release 11 December 2006)

Proposed Immediate Bingara Exploration Program

The Company is greatly encouraged by the specific nature of the anomaly now identified. The scree material at Tom and Jerry will be sampled across the target area and ground magnetics undertaken in order to determine the most favourable locations for drilling within the anomaly.

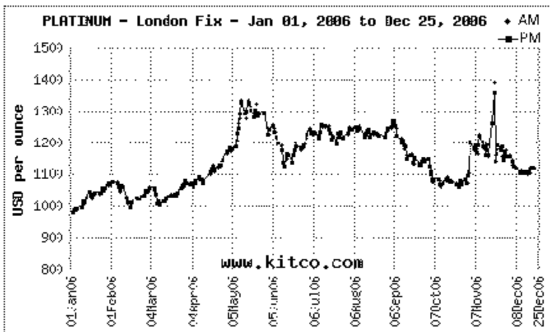
The exploration site is being examined currently to enable suitable positioning of the drill rig. It is anticipated that an initial reconnaissance of 4~8 drill holes (50m at -60 dip) would be required to test the anomaly in principle. The samples would then be tested for indicator garnet grains and micro diamonds.

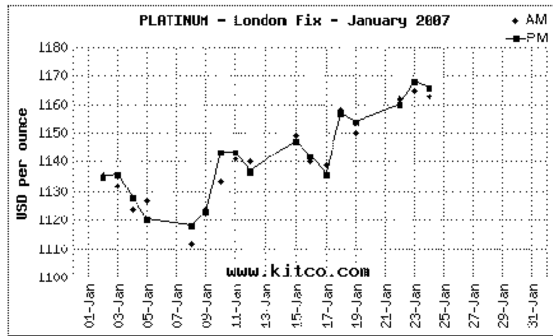
A summary of the proposed target areas is shown below:



Commodity pricing for the December quarter

The price of platinum in the December quarter traded predominantly in the range of USD 1,100 to USD 1,200 per ounce, with the exception of a breakout to USD1,400 per ounce in November. At the time of writing, Platinum was again trading strongly towards USD1,200 per ounce (www.Kitco.com).





CORPORATE ACTIVITIES

Company AGM held on 29 November 2006 – Exploration Presentation

The Company held its Annual General Meeting with all Directors in attendance and an excellent presentation was provided by Colin Plumridge, Exploration Manager. The Company outlined its vision to define a commercial Platinum mineralised corridor at Fifield NSW through its exploration, and gave scenarios on the type and style of mining operation that could exist at Fifield, should the current program continue to develop to an eventual successful conclusion.

The presentation also highlighted the good progress made at the Bingara diamond project and the first drill targets that are now identified at Tom & Jerry prospect at Bingara.

The presentation is available on the Company website at www.rimfire.com.au (presentations).

Tenement Position

The Company awaits its renewals from NSW Department of Mineral Resources for two of its Fifield exploration licences, namely EL5534 and EL6241.

Cash, Facilities and Investments

As at 31st December 2006 the Company had approximately $386,000 in usable cash, with additional available loan facilities of $300,000.

Issued Capital

The issued capital of the Company changed during the quarter with the exercising in November of 2,000,000 call options to ordinary shares, the granting of unlisted call options and ordinary shares after approval was received at the Company AGM in November, and a capital raising offered to all shareholders through a Share Purchase Plan (SPP) which raised $275,000 from 9,166,624 in December.

The issued capital at the close of business at 31st December 2006 was:

210,520,886 ordinary shares

4,500,000 unlisted call options ex @ $0.12 expiring 30 September 2007
1,500,000 unlisted call options ex @ Nil cents expiring 15 July 2007
1,500,000 unlisted call options ex @ Nil cents expiring 15 January 2008
6,000,000 unlisted call options ex @ $0.12 expiring 30 September 2008

JOHN KAMINSKY
Chairman

The information in the report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is compiled by Mr Colin Plumridge, who is a Member of The Australian Institute of Mining and Metallurgy, with over 30 years experience in the mineral exploration and mining industry. Mr Plumridge is employed by Plumridge & Associates Pty. Ltd. Mr Plumridge has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Plumridge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

ARBN	Quarter ended ("current quarter")
59 006 911 744	31 December 2006

Consolidated statement of cash flows

			Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors		-	
1.2	Payments for	(a) exploration and evaluation	(124)	(179)
		(b) development	-	
		(c) production	-	
		(d) administration	(88)	(153)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		4	9
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
	Net Operating Cash Flows		(208)	(323)
	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		-	-
	Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)		(208)	(323)

1.13	Total operating and investing cash flows (brought forward)	(208)	(323)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	275	275
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	
	Net financing cash flows	275	275
	Net increase (decrease) in cash held	67	(48)
1.20	Cash at beginning of quarter/year to date	319	434
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	386	386

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	51
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

$50,600 was paid to Strategic International Ventures Pty Ltd an associated company of the Executive Chairman for services rendered by him for the period August 2006 to December 2006.

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	-
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
	Total	100

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	11	98
5.2	Deposits at call	375	221
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	386	319

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				
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**	210,520,886	210,520,886		
7.4	Changes during quarter (a) Increases through issues	11,716,624	11,716,624	*9,166,624 @ 3.0 cents each* *2,550,000 @ nil cents each*	
	Increases from exercise of options	2,000,000	2,000,000	*2,000,000 @ nil cents each*	
	(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)*	13,500,000	Nil	*4,500,000 @ 12 cents each* *6,000,000 @ 12 cents each* *1,500,000 @ nil cents each* *1,500,000 @ nil cents each*	*Expiry date* 30/9/2007 *30/9/2008* *15/7/2007* *15/1/2008*
7.8	Issued during the quarter	9,000,000	Nil	Nil	Nil
7.9	Exercised during quarter	2,000,000	Nil	Nil	Nil
7.10	Expired during quarter	Nil	Nil		
7.11	**Debentures** *(totals only)*	Nil	Nil		
7.12	**Unsecured notes** *(totals only)*	Nil	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: .... Date: 29/01/2007
(Chairman)

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flows Statements* 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.