

27 September 2018

Rockfire Resources plc
(formerly Papua Mining plc)
(“Rockfire” or the “Company”)

Interim Results

Rockfire Resources plc announces interim results for the six months ended 30 June 2018 and presents an update in respect of its exploration activities on its licences.

Highlights

- Initial drilling results from the Company’s 100%-owned Lighthouse Project obtained confirmed intersection of wide zones of near-surface gold and silver
- Rock sampling and structural mapping completed at the Double Event Prospect, which forms part of the Lighthouse Project
- Rock sampling and structural mapping completed at the One Mile Mountain and Homeward Bound Prospects, which form part of the Marengo Gold Project
- Reverse Circulation drilling undertaken in June 2018 at Double Event Prospect returned intercepts of gold and silver mineralisation.
- Monarch Exploration tenement granted for a 5-year period and further tenement application made for licence adjoining Mt Leyshon mining lease

Exploration Activities

Reverse Circulation drilling undertaken in December 2017 at the Plateau Prospect within the Lighthouse tenement, Queensland returned wide intercepts of gold and silver mineralisation.

Two RC holes (BPL002 and BPL004) were drilled into the main line of mineralisation with the aim of increasing the depth and strike extension of gold/silver mineralisation which was identified from historical drilling. These holes confirmed the validity of historical drilling results (from 30 years ago) and also successfully increased the lateral and vertical extensions to the mineralisation.

Two holes (BPL001 and BPL003) were drilled off the line of mineralisation with the aim of definitively testing the east and west margins of a rhyolite dome which were previously thought to be unmineralised. Hole BPL001 intersected another gold lode (2m @ 0.83g/t Au + 9.2g/t Ag from 28m downhole) which expanded the exploration potential on the western side of the rhyolite dome.

Hole BPL003 intersected a very broad zone of previously unknown silver (145m @ 1.2g/t Ag) starting at 16m downhole, which includes a strong zone of 40m @ 3.0g/t Ag from 55m downhole. This hole was drilled on the eastern margin of the rhyolite dome and provides an exciting new exploration zone to be followed up in further drilling.

Papua Mining plc							
Plateau Prospect, Queensland							
Significant RC drilling results Nov/Dec 2017							
Hole Number	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Zn (%)	Cu (%)
BPL001	28	30	2	0.83	9.2		
BPL002	39	61	22	1.86	22.3		
BPL002	129	145	16	0.21	3.2	1.1	
BPL003	32	95	63		2.3		
BPL004	129	139	10	1.37	12.4		
BPL005	139	141	2	1.00	7.7	1.0	0.2
BPL006	0	20	20				0.2
BPL007	16	36	20	0.50	2.5		
BPL007	0	43	43		2.0		
BPL007	0	22	22			0.4	
BPL008	18	28	10	1.90	9.0		
BPL008	25	49	24			0.5	
BPL009	no significant assays						
BPL010	no significant assays						
BPL011	244	245	1	1.00			

A thorough review of the drilling completed at Plateau in November/December was undertaken in March 2018, with the review examining grade, geology and various elemental ratios including Cu (copper), As (arsenic), Ag (silver), K (potassium), magnetite and pyrite. The technical analysis has shown that there is an increase in K and pyrite with depth, as well as sericite/silica alteration below historical hole PL092.

When compared with other intrusion-related mineralisation models, Plateau is interpreted to lie within the distal zones (upper levels) of a large, mafic mineralising system. The upper levels of mineralisation between PL092 and BPL003 are open to the north and south and the North Zone remains open at depth. To enhance our understanding of the potential and to ensure our exploration strategy targets the highest gold potential, a geophysical survey involving CSAMT (Controlled-Source, Audio-frequency Magnetotellurics) is being planned for Plateau.

In February 2018, Rockfire completed rock sampling and structural mapping at the Double Event Prospect, which forms part of the Lighthouse Project. Forty-nine (49) surface rock samples were collected from along the mapped strike of the Double Event Prospect.

Whilst sampling and mapping, the Company's geologists reported abundant quartz veining and subsequent sampling of the veins returned some gold assays in excess of 1 ounce/tonne gold including; 37.7g/t, 33.3g/t, 33.1g/t, 25.9g/t, 24.3g/t, 23.5g/t and a number of additional high-grade gold results. Silver results include 56.8g/t, 54.0g/t, 52.7g/t, 46.7g/t, 38.7g/t and 37.1g/t and other high-grade silver values. High lead values include 4.46%, 3.64% and 3.29% Pb.

The average of all rock samples collected by the Company was 8.45g/t Au, with 76% of results over 1g/t Au and just over 50% of rocks returning assays above 3g/t Au. A quarter of all samples (25%) returned gold in excess of 10g/t Au. These results validate and in-fill historical rock sampling data at Double Event from 1987, which also returned high grade gold assays up to 87g/t Au and 400g/t Ag.

The rock sampling at Double Event was aimed at validating rock sampling information collected in 1987, as well as refining the position and orientation of gold lodes within the limits of and beyond the mapped historical workings. The historic mine workings and anomalous rock samples extend for over

3km in length. Only the eastern and central parts of the lode were sampled by the Company during the February 2018 campaign, however it is intended that the entire 3km strike will be sampled.

The rock sampling, geological and structural mapping carried out by the Company has helped to refine the orientation of the lodes. Previously, the strike of mineralisation was thought to be east-west, however the true orientation of the lodes is now understood to be 115°. With this new orientation being clarified, the interpretation is of multiple, parallel lodes, which provides a more specific target for future RC drilling at Double Event to delineate a near-surface, high-grade gold resource.

In March 2018, the Queensland Government granted Exploration Licence EPM26726 (“Monarch”) to Rockfire, through its wholly-owned Australian subsidiary, for a period of 5 years. The Company has already commenced work on the tenement, with historical reports being accumulated and historical data being digitised.

Monarch is situated south of Charters Towers between the Mt Leyshon Gold Mine and the Black Jack Gold Mine and lies approximately 12km northwest of ROCK’s “Lighthouse” tenement. Despite Monarch’s proximity to large-scale gold mines, little historical exploration has been carried out. Multiple old gold workings occur, the largest being Gregory’s, Lady Musgrave and Mabel Jane. Gregory’s workings are 430m long and down to 42m deep, Lady Musgrave workings are 230m long, 10m wide and down to 23m deep and Mabel Jane workings are 183m long, 10m wide and down to 61m deep. Each of these workings tend to be vertical in orientation and occur along northwest faults and veins which are thought to be structural geological links between Mount Leyshon and Black Jack.

April 2018 saw the Company complete rock sampling and structural mapping at the One Mile Mountain and Homeward Bound Prospects which form part of the Marengo Gold Project. Sixty-nine (69) surface rock samples were collected. There are 37 historical gold workings at Marengo, some with hand-dug shafts more than 45ft deep, which is testimony to significant gold winnings at the time.

During their field mapping, ROCK geologists reported large regional faults, semi-regional ring-fractures, abundant veining, sulphides (pyrite and chalcopyrite) and epidote alteration. On compiling the mapped geological features, two distinct circular patterns are evident which strongly suggests that two separate, intrusion-related gold/copper systems have been encountered.

In support of this conclusion, anomalously high Bismuth/Tellurium ratios (0.42% Bi / 244ppm Te) highlight a reduced mafic, intrusion-related mineralising setting – the core of which correlates well with high gold-in-rock samples. The Bi/Te ratios highlight a “bullseye” target on the north-western edge of the Homeward Bound System and is proximal to the centre of the mineralising system.

The One Mile Mountain System consists of a medium-grained, porphyritic hornblende/biotite diorite, which has its mafic mineral component largely altered to chlorite. Surrounding and partly intruding into One Mile Mountain, granodiorite, altered gabbro, altered diorite and a swarm of abundant northwest-striking aplite dykes have been mapped.

Reconnaissance mapping also identified a new target area approximately 2km northwest of One Mile Mountain with high grade copper (17.7%) and silver (342g/t Ag). Little is known about this new area, known as Bee Creek but further work to be undertaken at Marengo will include this new area.

Gradient array and dipole – dipole geophysics at the Marengo gold/copper project in Queensland during June 2018, defined linear and quasi linear IP and resistivity anomalies at One Mile Mountain which may be related to high grade gold zones sitting on the edge of a deeper porphyry system.

The IP chargeability and resistivity anomalies form a classic sigmoidal shape representative of dilation zones or “jogs” along a north-westerly trending structure. Such zones and patterns typically provide a unique space for mineralization to precipitate. Additionally, one line of dipole-dipole IP / resistivity was completed across the gradient array anomalies at One Mile Mountain, which confirmed the zones and highlighted an emerging chargeability high at around 80m depth and may be indicative of the top of a large porphyry gold / copper system.

A total of 20 line km of gradient array and 1.5 line km of dipole-dipole geophysics were completed by geophysical contractor Fender Geophysics with a focus on the One Mile Mountain and Homeward Bound Prospects within the Marengo Project.

The standout anomalies from the survey were at One Mile Mountain, where a significant anomalous zone of 400m x 200m was defined. Previous rock chip sampling at One Mile Mountain returned 30.4 g/t Au, 21 g/t Au and 7.5 g/t Au, suggesting that the chargeability and resistivity patterns potentially highlight a mineralised system.

Anomalous resistive responses were also recorded at the Homeward Bound Prospect, however the structure appears less defined. Owing to its proximity to One Mile Mountain, Homeward Bound remains a high-priority target and will be explored in conjunction with One Mile Mountain. An additional resistive high target has also been identified to the northeast of One Mile Mountain and will also be subject to follow-up exploration.

Reverse Circulation drilling undertaken in June 2018 at Double Event Prospect returned intercepts of gold and silver mineralisation.

Assay results for all 14 holes drilled at Double Event in June 2018

Hole Number	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)
BDE001				no significant assays	
BDE002	25	26	1	6.00	30.1
BDE003	14	16	2	0.91	4.6
BDE004	24	28	4	1.20	4.0
BDE005	10	13	3	1.30	4.3
BDE006	41	43	2	2.51	4.7
BDE007	39	42	3	2.70	7.7
BDE008	21	23	2	0.50	1.5
BDE009	20	24	4	0.15	1.0
BDE010	14	18	4	0.50	1.0
BDE011	4	5	1	0.54	1.0
BDE012	3	4	1	0.45	0.9
BDE013	14	17	1	0.73	2.0
BDE014	23	26	3	2.10	3.7

Drilling was designed to test near-surface, multiple, parallel shear zones, where numerous historical workings are evident. Hydrothermal alteration surrounds the hanging wall (upper contact) of the shear zones and comprises intense sericite and moderate epidote and haematite alteration. The highest-grade gold intercepts are located in sulphide-rich quartz veins, with sulphides including arsenopyrite, pyrite, galena (Lead), and sphalerite (Zinc).

Drilling program statistics – Double Event Prospect, Lighthouse Project – June 2018.

Hole ID	MGA E	MGA N	RL m	Zone	Azi mag	Dip	EOH m
BDE001	442327	7757866	368	55K	008	-55	27
BDE002	442368	7757851	369	55K	008	-55	78
BDE003	442410	7757853	370	55K	008	-55	33
BDE004	442433	7757844	371	55K	008	-55	42
BDE005	442467	7757830	371	55K	008	-60	54
BDE006	442482	7757825	369	55K	008	-60	50
BDE007	442501	7757822	369	55K	008	-60	60
BDE008	442524	7757817	368	55K	008	-55	57
BDE009	442543	7757816	367	55K	008	-60	70
BDE010	442559	7757813	365	55K	008	-60	70
BDE011	442585	7757817	365	55K	008	-60	60

BDE012	442620	7757806	363	55K	008	-60	37
BDE013	442659	7757788	360	55K	018	-60	40
BDE014	442698	7757775	358	55K	008	-60	36
						Total	714 m

Interim Results

Our Consolidated Statement of Comprehensive Income for the six months ended 30 June 2018 shows a loss of £285,739 compared to a loss of £94,787 in the same period last year. Administrative costs in the period amounted to £285,739 (6 months to 30 June 2017: £94,787) as a result of increased personnel, payment of accrued liabilities and administrative costs associated with on-going exploration programs. (The loss for the current period includes a share based payment of £6,000.

Additionally, the Company incurred exploration expenditure of £294,008. Cash and cash equivalents at 30 June 2018 totalled £574,142 (31 December 2017: £1,257,194).

Board changes

There were a number of changes to the Board of the Company during the period. In February, John Haggman resigned from the Board due to family health reasons. In June, Michael Somerset-Leeke, Hugh McCullough and Kieran Harrington resigned from the Board of the Company. With an exciting portfolio of projects in Queensland, each of the three directors felt that it was an appropriate time for them to step back from the day-to-day affairs of the Company and to welcome new leadership for the management and future direction of the Company. All three retiring directors had been associated with the Company since its admission to trading on AIM in March 2012 and the Company is grateful for their valuable contributions and extensive efforts in that time.

The Company welcomed the appointment on 6 June 2018 of Gordon Hart as a Non-Executive Director and Mr Hart has now assumed the role of Non-Executive Chairman of the Company.

It is the Company's intention to appoint a further Non-Executive Director to the Board as soon as practicable and the Board remains committed to maintaining high standards of corporate governance.

Competent Person Statement:

Information in this announcement that relates to exploration results is based on information compiled by Mr David Price, a Director of Rockfire Resources plc, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Price has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and under the AIM Rules - Note for Mining and Oil & Gas Companies. Mr Price consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

For further information on the Company, please visit www.rockfireresources.com or contact the following:

Rockfire Resources PLC

Email: david@rockfireresources.com

David Price, Chief Executive Officer

Cenkos Securities plc

Tel: +44 (0)131 220 6939

(Nominated Adviser & Joint Broker)

Derrick Lee / Beth McKiernan

First Equity Limited

Tel: +44 (0)20 7374 2212

(Joint Broker)

Jason Robertson

**Condensed Interim Consolidated Statement of
Comprehensive Income
For the six months ended 30 June
2018**

	6 months to 30 June 2018 stg £	6 months to 30 June 2017 stg £	12 months to 31 December 2017 stg £
	Note (unaudited)	(unaudited)	(audited)
Administrative costs	(285,739)	(94,787)	(380,388)
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(Loss)/income before tax	(285,739)	(94,787)	(380,388)
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Income tax expense	0	0	0
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(Loss)/income attributable to equity owners for the period	(285,739)	(94,787)	(380,388)
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Items that maybe reclassified subsequently to profit or loss:			
Other comprehensive (loss)/gain - foreign exchange translation movement	0	0	(245,363)
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Total comprehensive (loss)/income attributable to equity owners for the period	(285,739)	(94,787)	(625,751)
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Earnings/(loss) per share attributable to equity owners			
Basic	4 (0.01)	(0.01)	(0.01)
Diluted	4 (0.01)	(0.01)	(0.01)

Condensed Interim Consolidated Statement of Financial Position

As at 30 June 2018

		6 months to 30 June 2018 stg £ (unaudited)	6 months to 30 June 2017 stg £ (unaudited)	12 months to 31 December 2017 stg £ (audited)
	Note			
ASSETS				
Non-current assets				
Intangible assets	4	1,928,582	1,533,936	1,634,574
Goodwill		602,456		602,456
Total non-current assets		2,531,039	1,533,936	2,237,030
Current Assets				
Cash and cash equivalents		574,142	281,316	1,257,194
Total current assets		574,142	281,316	1,257,194
Total assets		3,105,180	1,815,252	3,494,224
EQUITY				
Equity attributable to owners of the parent:				
Share capital	5	6,339,011	5,624,153	6,339,011
Share premium		13,114,313	10,432,630	13,114,312
Other reserves		2,295,035	2,083,178	2,295,035
Share based payment reserve		1,080,289	964,513	1,074,289
Foreign exchange reserve		0	775,610	0
Share warrant reserve		29,676	0	29,676
Retained deficit		(19,905,621)	(18,206,495)	(19,619,882)
Total equity		2,952,703	1,673,589	3,232,441

LIABILITIES

Current liability			
Trade and other payables	152,477	141,663	261,783
Total current liabilities	152,477	141,663	261,783
Total liabilities	152,477	141,663	261,783
Total equity and liabilities	3,105,180	1,815,252	3,494,224

**Condensed Interim Consolidated Cash Flow Statement
For the six months ended 30 June 2018**

	6 months to 30 June 2018 stg £ (unaudited)	6 months to 30 June 2017 stg £ (unaudited)	12 months to 31 December 2017 stg £ (audited)
Cash flow from operating activities			
Profit/(loss) for the period	(285,739)	(94,787)	(380,388)
Adjustments to reconcile net profit/(loss) before tax to cash flow from operating activities:			
Share Based Payments	6,000	7,315	28,392
Currency adjustments	0	0	(35,613)
Net (decrease)/increase in operating liabilities -Trade and other payables	(109,306)	7,890	80,007
Net cash flow from operating activities	(389,045)	(79,582)	(307,602)
Cash flow from investing activities			
Purchase of intangible assets	(294,008)	(14,549)	(214,496)
Acquisition of BGM Investments PTY Ltd	(0)	0	(49,900)
Net cash used in investing activities	(294,008)	(14,549)	(264,396)
Cash flow from financing activities			
Proceeds from issuance of ordinary shares	0	0	1,602,501
Share issue costs	0	0	(148,756)
Net cash used in financing activities	0	0	1,453,745
Net increase/(decrease) in cash and cash equivalents	(683,052)	(94,131)	881,747

Cash and cash equivalents at the beginning of the period	1,257,194	375,447	375,447
Effect of foreign exchange rate changes	0	0	0

Cash and cash equivalents at the end of the period	574,142	281,316	1,257,194
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Condensed Interim Consolidated Statement of Changes in Equity
For the six months ended 30 June 2018

	Share Capital	Share Premium	Other Reserves	Share Based Payment Reserve	Share Warrant Reserve	Share Warrant Reserve	Retained Deficit	Total Equity
	stg £	stg £	stg £	stg £	stg £	stg £	stg £	stg £
Balance at 31 December 2016	5,624,153	10,432,630	2,083,178	957,198	0	775,610	(18,111,708)	1,761,061
Profit/(Loss) for the period	0	0	0	0	0	0	(94,787)	(94,787)
Issue of share capital	0	0	0	0	0	0	0	0
Share Based Payment	0	0	0	7,315	0	0	0	7,315
Balance at 30 June 2017	5,624,153	10,432,630	2,083,178	964,513	0	775,610	(18,206,495)	1,673,589
Profit/(Loss) for the period	0	0	0	0	0	0	(285,601)	(285,601)
Foreign exchange translation	0	0	0	0	0	(245,363)	0	(245,363)
Issue of share capital	191,348	1,860,397	0	0	0	0	0	2,051,745
Share Warrants	0	0	0	0	16,994	0	0	16,994
Share Based Payment	0	0	0	21,077	0	0	0	21,077
Change in functional currency	523,510	821,285	211,857	88,699	12,682	(530,247)	(1,127,786)	0
Balance at 31 December 2017	6,339,011	13,114,312	2,295,035	1,074,289	29,676	0	(19,619,882)	3,232,441
Profit/(Loss) for the period	0	0	0	0	0	0	(285,739)	(285,739)

Issue of share capital	0	0	0	0	0	0	0	0
Share Based Payment	0	0	0	6,000	0	0	0	6,000
Balance at 30 June 2018	6,339,011	13,114,312	2,295,035	1,080,289	29,676	0	(19,905,621)	2,952,703

Rockfire Resources plc
Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended 30 June 2018

1 Group and Principal activities

For the purposes of these financial statements, the term “RR plc Group” is defined as the companies Rockfire Resources plc (the “Company”), BGM Investments PTY Ltd, Papua Mining Limited, Aries Mining Limited and Sagittarius Mining Limited.

Rockfire Resources plc is a public limited company, admitted to trading on AIM, and is incorporated and domiciled in England and Wales.

Rockfire Resources plc acquired 100% of the share capital of Papua Mining Limited on 20 December 2011, however each of the companies of the RR plc Group have effectively operated as a group under common management for a number of years although they did not comprise a statutory group for the entire duration of the comparative period ended 31 December 2011 as defined by International Accounting Standards.

Rockfire Resources plc also acquired 100% of the share capital of BGM Investments PTY Ltd on 16 October 2017.

The RR plc Group’s main activity is the exploration for gold and copper resources in Australia and Papua New Guinea, as set out in the Directors’ Report.

2 Basis of preparation

This interim report on the unaudited consolidated financial statements is for the six month period ended 30 June 2018. It does not include all the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2017, which were prepared under International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

The consolidated financial statements have been prepared under the historical cost convention except for share based payments which are valued at the date of grant.

These unaudited consolidated half-year financial statements have been prepared in accordance with accounting policies consistent with those set out in the Group’s financial statements for the year ended 31 December 2017, which were prepared in accordance with IFRS as adopted by the EU.

The consolidated financial statements incorporate the financial statements of the Company and subsidiaries controlled by the Company as at 30 June 2018.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2017, prepared under IFRS as adopted by the EU, have been filed with the Registrar of Companies. Those accounts have received an unqualified audit report and did not contain statements or matters to which the auditors drew attention under the Act.

The Group's consolidated financial statements are presented in Sterling £.

The group changed its name to Rockfire Resources plc (formerly Papua Mining plc) on 18 June 2018.

3 Accounting policies

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2017.

4 Intangible assets

	30 June 2018	30 June 2017	31 December 2017
Group	£	£	£
Exploration costs			
At beginning of period	1,634,574	1,519,377	1,420,051
Additions	294,008	14,549	214,496
At the end of year	<u>1,928,582</u>	<u>1,533,936</u>	<u>1,634,547</u>

The Group's principal subsidiary undertakings at 30 June 2018, all of which are included in the consolidation, were as follows:

Proportion	Class of	Nature of	Country of
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	held	shareholding	business	incorporation
Name of Company				
Subsidiary undertakings				
Papua Mining Limited	100%	Ordinary	Exploration	British Virgin Islands
Aries Mining Limited	100%	Ordinary	Exploration	Papua New Guinea
Sagittarius Mining Limited	100%	Ordinary	Exploration	Papua New Guinea
BGM Investments PTY Limited	100%	Ordinary	Exploration	Australia

5 Share capital

	30 June 2018	30 June 2017	31 December 2017
Group	Number	Number	Number

Issued share capital

Ordinary shares of £0.001 each	343,342,293	151,994,423	343,342,293
Deferred shares of £0.099 each	51,215,534	51,215,534	51,215,534

	30 June 2018	30 June 2017	31 December 2017
Issued share capital	£	£	£
Fully paid	6,339,011	5,624,153	6,339,011
	<u>6,339,011</u>	<u>5,624,153</u>	<u>6,339,011</u>

Fully paid ordinary shares carry one vote per share and carry the right to dividends. There are no shares held by the entity or its subsidiaries or associates.

133,913,044 ordinary shares of £0.001 each were issued at a price of £0.0115 per share on 13 October 2017. In addition, 133,913,044 warrants to subscribe for ordinary shares of £0.001 each were granted at a price of £0.023. 1,087,000 ordinary shares of £0.001 were issued at a price of £0.0115

per share on 13 October 2017 in lieu of fees incurred in connection with the placing and 6,150,435 warrants to subscribe for ordinary shares of £0.001 each were granted at a price of £0.023 and 4,347,826 ordinary shares of £0.001 each were issued at a price of £0.0115 per share on 13 October 2017 in lieu of fees incurred in connection with the placing.

52,000,000 ordinary shares of £0.001 each were issued at a price of £0.0115 per share on 16 October 2017 as part consideration for the acquisition of BGM Investments Pty Ltd.