



**rimfire pacific mining nl**  
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17 February 2020

Todd Lewis  
Adviser, Listings Compliance (Melbourne)  
ASX Limited  
Level 4, North Tower  
525 Collins Street  
MELBOURNE VIC 3000

By email: todd.lewis@asx.com.au  
ListingsComplianceMelbourne@asx.com.au

Dear Todd,

**Rimfire Pacific Mining NL (“the Company”) – Response to ASX Appendix 5B query**

We acknowledge receipt of ASX’s letter dated 12 February 2020 regarding the Company’s quarterly report for the period ended 31 December 2019 lodged with ASX on 31 January 2020 and respond to your queries in number order as follows:

1. Yes, RIM expects that it will continue to have negative operating cash flows for the time being.
2. RIM has a number of external funding alternatives available such as a farm-out of exploration commitments or raising additional equity funds and as part of the Company’s responsibility and normal course of business to ensure avenues of funding, the Company maintains ongoing discussions and relationships with potential parties. The Company has a history of successfully undertaking capital raisings during the last 15 years and has entered into significant partnerships in the past.

The Board also has the ability to defer or reduce operating activities and exploration expenditure if necessary, whilst meeting minimum tenement expenditure commitments, including the planned phase 3 drilling program due to commence late in the current quarter. The planned phase 3 drilling program is included in the estimated cash outflows for the March 2020 quarter as disclosed in the Appendix 5B announced to the market on 31 January 2020.

Payments to Directors continue to be delayed and Head Office expenditure is constantly reviewed and appropriate steps taken to ensure cash conservation, whilst ensuring that the Company receives value for money services.


The Company also owns assets such as freehold land and plant and equipment in Fifield which can be used to access suitable funding for the Company. RIM will make an announcement in accordance with its continuous disclosure obligations under Listing Rule 3.1 when appropriate.

Given the Company's historical ability to raise capital and a supportive shareholder base, we consider it likely that the Company will be successful in raising further funds if and when required. The Company has also recently refreshed its placement capacity under ASX Listing Rule 7.1 and 7.1A. The Company also notes that it has 131,140,518 RIMOB quoted options, exercisable at \$0.022 (2.2 cents) per Option and 433,780,419 RIMOC quoted options, exercisable at \$0.01 (1 cent) per Option, both expiring on 1 May 2020. Results of exploration activities between now and expiry date may result in the exercise of some or all of these options and provide an additional source of funding for the Company.

3. The Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding as described in answer to Question 2 above.
4. The Company confirms that it is in compliance with Listing Rule 3.1. The Company believes that there is no information that should be given to the ASX about its financial condition, in accordance with that Rule that has not already been released to the market.
5. I confirm that the above response to the questions have been authorised and approved in accordance with the Company's continuous disclosure policy and has been authorised by the Board of Directors.

Please do not hesitate to contact me if you would like to discuss any of the above matters.

For and on Behalf of the Board  
**RIMFIRE PACIFIC MINING NL**



**MELANIE LEYDIN**  
**Company Secretary**



12 February 2020

Reference: ODIN13886

Ms Melanie Leydin  
Company Secretary  
Rimfire Pacific Mining NL  
Room 411  
530 Little Collins Street  
Melbourne Australia 3000

By email:

Dear Ms Leydin

**Rimfire Pacific Mining NL ('RIM'): Appendix 5B Query**

ASX refers to RIM's Appendix 5B quarterly report for the period ended 31 December 2019 lodged with ASX Market Announcements Platform on 31 January 2020 (the 'Appendix 5B').

ASX notes that RIM has reported:

- negative net operating cash flows for the quarter of \$458,000;
- cash at the end of the quarter of \$516,000; and
- estimated cash outflows for the next quarter of \$458,000.

It is possible to conclude, based on the information in the Appendix 5B that if RIM were to continue to expend cash at the rate indicated by the Appendix 5B, RIM may not have sufficient cash to continue funding its operations.

In view of that, ASX asks RIM to respond separately to each of the following questions and requests for information:

1. Does RIM expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has RIM taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does RIM expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please confirm that RIM is complying with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that rule that has not already been released to the market.
5. Please confirm that RIM's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of RIM with delegated authority from the board to respond to ASX on disclosure matters.

**When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **09:30 AM AEDT Tuesday, 18 February 2020**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in RIM's securities under Listing Rule 17.3. You

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should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, RIM's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [ListingsComplianceMelbourne@asx.com.au](mailto:ListingsComplianceMelbourne@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1 and Listing Rule 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to RIM's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that RIM's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in RIM's securities under Listing Rule 17.1. If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Todd Lewis**  
Adviser, Listings Compliance (Melbourne)