

5<sup>th</sup> November 2015

Dear Shareholder

## **Re: 1 for 7 rights issue – Partially Underwritten by CPS Capital Group and Directors**

On the 2<sup>nd</sup> November 2015, Rimfire Pacific Mining NL (“Rimfire”) announced a partially underwritten non-renounceable rights issue (Rights Issue) to raise approximately **\$2.126 million before costs** from the issue of 106,285,882 New Ordinary Shares (New Shares). CPS Capital Group Pty Ltd is Lead Manager and Partial Underwriter to the issue.

The Rights Issue offers **one (1) new share for every seven (7) shares held at an application price of 2.0 cents per share, with one free attached option for every new share**. The offer is open to all eligible shareholders who have a resident Australian or New Zealand address, and who hold Rimfire shares at 10<sup>th</sup> November 2015 (the “Record Date”).

The funds raised will provide additional working capital and enable Rimfire to continue with its work programs at Fifield NSW, building upon the important milestones already established in the Sorpresa gold and silver project and make further advances in the regional prospects where an emerging gold and copper signature is being established.

### **Key Highlights of the Offer include:**

- The shares are **offered at 2.0 cents which represents a 16% discount** to the volume weighted average price (VWAP) for Rimfire shares traded in the 100 days period up to 23<sup>rd</sup> October 2015 (VWAP was 2.4 cents).
- **For each New Share, there will be attached a free option**, expiring on 15<sup>th</sup> May 2017, exercisable at 3.5 cents.
- **Directors have indicated they will take up approx. \$200,000 (9.4% of issue) in entitlements and underwriting.**
- The issue is a **non-renounceable rights issue** therefore shareholders not wishing to take up their entitlement in whole or in part will have their **entitlement lapse at the closing date on 30th November 2015**.
- The issue aims to **raise \$2.126 million** before costs.
- **The issue is being partially underwritten to a maximum of \$312,000 by Rimfire Directors and CPS Capital Group**
- **Shareholders may apply for additional new shares, above their entitlement**, according to the conditions of the offer.

### **Offer Document and Entitlement & Acceptance Form**

An offer document setting out details of the offer will be despatched to you on the **13<sup>th</sup> November 2015**. This will be accompanied by a personalised application form with instructions how to accept your entitlement.

### **Work Program Intentions and Corporate Activities**

During the next phase of exploration and assessment, the major priorities for the Company at Fifield will involve:

- ✓ Sorpresa resource, further definition, discovery growth and economic parameters assessment
  - Continue the definition and understanding of the high grade lens areas with further drilling
  - Seek to extend the discovery growth into new adjacent areas, based on geophysics, mineralisation projections and testing additional concepts in modelling the known resource
- ✓ Continue discussions with potential commercial partners for the Company’s project areas, aiming to:
  - Assist accelerated outcomes in discovery growth through additional committed expenditure
  - Look at development opportunities for the Sorpresa resource
- ✓ Maintain a discovery growth focus on the regional opportunities for gold and copper which will involve the follow up of the prioritised regional prospects under development:
  - This will involve a range of activities, including geophysics, RC drilling and geochemistry
  - Immediate areas of interest include Eclipse Trend and Yoes areas

[Specific Programs are subject to flexibility in deployment, based on emerging results and other contingencies and therefore may alter without notice.]

It is the Company's view that we are through the bottom of the resources down cycle with evidence of better recognition and appreciation emerging of companies with quality project potential such as Rimfire's stage of development. The Company has signed a number of Confidentiality Agreements and will be pursuing discussions accordingly.

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 of the tenement holdings.

Rimfire's emerging work occurs in one of the most important gold-copper corridors in the world, the LTZ, and we are now well placed to pursue "company making discoveries" that have a capacity to transform the Company.

A presentation of the Company can be accessed at hyperlink: [NSW Resources Investment Conference 27-28<sup>th</sup> July 2015 Sydney](#)

### **Important Dates for the Rights Issue**

You will need to be aware of the following key dates relating to the offer.

Documents lodged with ASIC	2 <sup>nd</sup> November 2015
Issue Announced	2 <sup>nd</sup> November 2015
Form 3B notified to ASX	4 <sup>th</sup> November 2015
Notice of Issue sent to eligible shareholders	5 <sup>th</sup> November 2015
Ex rights Date	6 <sup>th</sup> November 2015
Record Date to determine Entitlements under the Rights Issue	10 <sup>th</sup> November 2015
Prospectus and Entitlement and Acceptance Form despatched	13 <sup>th</sup> November 2015
Closing Date for acceptances	30 <sup>th</sup> November 2015
Notification of shortfall to Underwriters	3 <sup>rd</sup> December 2015
Allotment and issue of New Shares and New Options	7 <sup>th</sup> December 2015
Quotation of New Shares and New Options	8 <sup>th</sup> December 2015
Despatch of shareholding statements for New Shares and New Options	9 <sup>th</sup> December 2015

[Please note the above dates are indicative only. The Company reserves the right to vary the closing date of the Rights Issue, which may have a consequential effect on the subsequent dates. The directors also reserve the right not to proceed with the offer, in part or in whole, at any time prior to allotment. In that event, all Application Money will be returned without interest.]

The Company is now positioned to undertake its additional work programs and corporate activities over the next period and the additional funds to be raised in the New Rights Issue, will contribute to this.

Sincerely,



**JOHN KAMINSKY**  
CEO and Managing Director  
Rimfire Pacific Mining NL



**JOHN GILLETT**  
Non Executive Chairman  
Rimfire Pacific Mining NL