

rimfire



**RIMFIRE PACIFIC MINING NL
ABN 59 006 911 744**

NOTICE OF ANNUAL GENERAL MEETING

And

EXPLANATORY MEMORANDUM

Date of Meeting	19 November 2009
Time of Meeting	10.00 am
Place of Meeting	RACV Club (City) 501 Bourke Street Melbourne Victoria 3000 "Bayside Room 6" Level 2

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

RIMFIRE PACIFIC MINING NL
ABN 59 006 911 744

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Rimfire Pacific Mining NL ("Company") will be held at RACV Club (City) 501 Bourke Street, Melbourne Victoria 3000, "Bayside Room 6" Level 2 on 19 November 2009 at 10.00 am (Melbourne time).

The Explanatory Memorandum which accompanies and forms part of this "Notice of Annual General Meeting" describes the various matters to be considered at the annual general meeting.

AGENDA

ORDINARY BUSINESS

Item 1 - FINANCIAL STATEMENTS AND REPORTS

"To receive and consider the Company's annual report comprising the Directors' Report, Auditor's Report and Financial Statements for the year ended 30 June 2009."

The electronic version of the annual report can be found at:

Rimfire Pacific Mining NL website http://www.rimfire.com.au/asx_announcements.htm

ASX website at <http://www.asx.com.au/research/companies/index.htm>

To consider, and if thought fit, pass the following resolutions, with or without amendment, as ordinary resolutions of the Company.

Item 2 - Resolution 1: REMUNERATION REPORT

"To adopt the Remuneration Report for the Year ended 30 June 2009."

Short explanation

The Corporations Act 2001 requires listed companies to put to shareholders at the AGM a non-binding resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report.

Shareholders will be given an opportunity to ask questions concerning the Remuneration Report at the AGM. As stated, the resolution is non-binding.

Item 3 - Resolution 2: RE-ELECTION OF DIRECTOR JOHN KAMINSKY

"That Mr John Kaminsky, who retires by rotation in accordance with Article 40 of the Company's constitution, and being eligible offers himself for re-election, be re-elected as a Director".

Short explanation

The Company's constitution requires one third of the Directors (other than the Managing Director) to retire at each Annual General Meeting, being the Directors longest in office at the date of the Annual General Meeting. A Director may not serve for a period of more than 3 years, without retiring, but may make himself/herself available for re-election for a subsequent period.

Mr Kaminsky must therefore retire and has offered himself for re-election. The details of all Directors are set out in the Directors' Report section of the Annual Report.

Item 4 - Resolution 3: ESTABLISHMENT OF REMUNERATION POOL FOR NON-EXECUTIVE DIRECTORS

“To establish an annual remuneration pool for Non-Executive Directors to a maximum value of \$120,000 in aggregate, to be subdivided and distributed to each Non-Executive Director as set out in the Explanatory Memorandum.”

Short explanation

The Company's constitution requires the Non-Executive Directors (other than the Managing Director) seek shareholder approval authorising payment of remuneration for services provided to the Company, in their capacity as Non-Executive Directors. It is proposed that a "Remuneration Pool" be established, enabling the Company to adequately compensate the Non-Executive Directors, in aggregate, providing both flexibility and bounded constraints on Non-Executive Director remuneration at a level consistent with a Company of this size. Such a pool, once established would represent a maximum value that could be drawn to its limit on an annual basis, each and every year subsequent to this resolution passing. The estimated draw down on the Remuneration Pool for the period 1st December 2009 to 30th November 2010 would be \$72,000. Further details are set out in the Explanatory Memorandum.

Voting Exclusion Statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 3 by a Director of the Company, and by associates of that person. The Directors of the Company at the date of this Notice are Mr Graham Billingham, Mr Andrew Knox, Ms Ramona Enconiere and Mr John Kaminsky.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides (and the acknowledgment box on the proxy form in relation to this resolution is marked).

BY ORDER OF THE BOARD



Graham Billingham
Company Secretary

DATED; 2nd October 2009.

PROXY, REPRESENTATIVE AND VOTING ENTITLEMENT INSTRUCTIONS

PROXY AND BODY CORPORATE REPRESENTATIVE INSTRUCTIONS

Shareholders are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

Shareholders who are a body corporate are able to appoint representatives to attend and vote at the Meeting under Section 250D of the Corporations Act 2001 (Cth).

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) and certificates appointing body corporate representatives or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) or certificate appointing a body corporate representative must be deposited at, posted to, or sent by facsimile transmission to the Company's office, as follows:

**Suite 411, 530 Little Collins Street, Melbourne, Victoria, Australia, 3000
or Fax (03) 9620-5822 (or International Fax 613 9620-5822)**

and not less than 48 hours before the time for holding the Meeting, or adjourned Meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the shareholder or his/her attorney duly authorized in writing or, if the shareholder is a corporation, in the manner permitted by the Corporations Act.

The proxy may, but need not, be a shareholder of the Company.

In the case of shares jointly held by two or more persons, all joint holders must sign the proxy form.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7:00pm, 17th November 2009. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of members of Rimfire Pacific Mining NL ABN 59 006 911 744 ("Rimfire" or "Company") in connection with the business to be conducted at the Annual General Meeting of members to be held on 19th November 2009 at 10.00am ("Meeting").

The Notice of Meeting sets out the details of three (3) separate resolutions to be put to Shareholders comprising the following:

- Resolution 1 seeks the approval to adopt the Remuneration Report as it appears in the 2009 Annual Report. The resolution is non binding on the Company.
- Resolution 2 seeks the re-election Mr John Kaminsky as a Director of the Company;
- Resolution 3 seeks to establish a remuneration pool for Non-Executive Directors.

Resolutions 1 & 2 are standard for an Annual General Meeting of a Company and no further comments are made below.

Specific comments relating to Resolution 3 is set out below.

2. RESOLUTION 3 – APPROVAL OF REMUNERATION POOL FOR NON-EXECUTIVE DIRECTORS

2.1 Introduction

The Company proposes to allow Mr Graham Billingham, long standing Director, Ms Ramona Enconniere and Mr Andrew Knox who were appointed Directors to the Company during 2005 (April and July respectively) to receive cash as is appropriate in their roles as Non-Executive Directors.

The payment is designed to act as the core form of remuneration for Non-Executive Directors of the Company. The recipients will receive a cash benefit of a value appropriate to the roles being performed.

All current Non-Executive Directors of the Company have not received any cash payment for their roles as officers of the Company since 1 July 2004, in the case of Mr Billingham and since their appointments as Directors, in the case of Ms Enconniere and Mr Knox.

It is proposed to establish a remuneration pool of a certain size, designed to represent the maximum allowable payments, in aggregate, to Non-Executive Directors. This remuneration pool would apply to the current Non-Executive Directors and would also apply to any replacements or additions to the Non-Executive Directors of the Company.

Under Section 41 of the Constitution of the Company, the following provisions are made for payments to Officers of the Company:

41. **REMUNERATION OF DIRECTORS**

41.1 Each Director shall be entitled to remuneration for his services from the date of his election or appointment to the Board.

41.2 The remuneration of the Directors (other than non-Executive Directors) shall be such sum as shall be determined by the Board PROVIDED THAT such remuneration shall not include a commission on or percentage of operating revenue.

[See LR10.17]

41.3 The Directors shall also be entitled to be paid all reasonable travelling, hotel and other expenses incurred by them in attending and returning from meetings of the Directors of the Company or otherwise in connection with the business of the Company or in the execution of their duties as Directors.

41.4 The remuneration of non-Executive Directors shall be such sum (if any) as shall be determined by resolution of the Company and shall continue until altered by a subsequent resolution of the Company PROVIDED THAT such remuneration must be expressed as a fixed sum for each non-Executive Director.

[See LR10.17.2].

41.5 Notice of any proposed increase in the remuneration of the Directors, whether payable by the Company or any unlisted subsidiary of the Company, shall be given in the notice convening the Meeting at which the proposed increase is to be considered. Such notice shall specify the amount of the proposed increase and the maximum sum that may be paid.

[See LR10.17.1].

41.6 Except as provided in this Constitution, the Directors shall not without the prior consent of the Company given in Meeting have the power to fix or pay a salary or allowance for the Chairman of Directors as such in addition to the amount of remuneration for the Directors determined by the Company in Meeting. Notice of any proposed payment of such salary or allowance, or any proposed increase in same, (whether payable by the Company or any unlisted subsidiary of the Company) shall be given in the notice convening the Meeting at which the proposal is to be considered. Such notice shall specify the amount of the proposed salary, allowance or increase, and the maximum sum that may be paid.

It is proposed that an aggregate pool of \$120,000 per annum be established to cover actual and potential payments to Non-Executive Directors of the Company for services as a director.

As the Constitution requires remuneration to be expressed as a fixed amount for each Non-Executive Director, the pool would theoretically allow a maximum payment for each non executive director of \$40,000 per year. However, it is not intended to pay this amount, and for the period 1st Dec 2009 to 30th November 2010 it is proposed that the Non-Executive Directors receive remuneration as follows:

Table A

Director	Amount
Andrew Knox	\$24,000
Ramona Enconniere	\$24,000
Graham Billinghamurst	\$24,000
TOTAL	\$72,000

The balance of the available pool gives flexibility if another non executive director is appointed because the Board can remunerate that person without having to obtain shareholder approval. The pool is also an important factor in attracting talented individuals as non executive directors. The balance of the pool will not be paid if no further non executive director appointments are made in FY10.

It is proposed that a monthly pro rata payment is made. A summary of the material items of the pool establishment is set out below:

2.2 Additional information

This proposed resolution, if passed, will confer a financial benefit to a related party. Shareholder approval for the benefit is not required under the Corporations Act as the benefit relates to remuneration of an officer of the Company. However, approval is required under the Company's Constitution. The Company therefore provides the following information:

a) The related parties to whom the resolution would permit the financial benefit to be given are:

Mr Graham Billinghamurst, Ms Ramona Enconniere and Mr Andrew Knox being Non-Executive Directors of the Company. Any additionally appointed Non-Executive Directors of the Company or replacement Non-Executive Directors would also be entitled to draw upon the remuneration pool proposed.

b) The nature of the financial benefit

The specific nature of the proposed financial benefit to be given is set out in Table A above. This represents the proposed payment to the current Non-Executive Directors only. Subsequent years may require payments of varying amounts and to a different composition of Non-Executive Directors, but always limited by the aggregate value of the remuneration pool established, namely, \$120,000. This aggregate value can only be altered by subsequent Shareholder resolution, if seen fit to do so, at a future point in time.

c) Directors' Recommendation

Each Director, other than Mr Kaminsky, declines to give a recommendation, as a related party to the transaction proposed. Mr Kaminsky recommends that the resolution be approved, for the reasons set out in section 2.1.

d) Costs and Detriments of Providing Financial Benefit

The costs to the Company will have a direct effect on the cash balance of the Company, up to the value of the remuneration pool total, namely \$120,000.

e) Non-Executive Directors' Interest Disclosure

Non Executive Directors' Shareholdings for the Year Ended 30 June 2009

Director	Shares held beneficially:	Shares in which there is a relevant interest:
Graham Billinghamurst	Nil	11,379,166
Ramona Enconniere	2,710,000	3,583,333
Andrew Knox	4,166,666	1,500,000

Details of Remuneration for the Year Ended 30 June 2009

The remuneration for each Non-Executive Director of the consolidated entity during the year was as follows:

Director	Primary		Post	Equity	Total
	Salary, Fees & Commissions	Cash Bonus	Employment	Compensation	
	\$	\$	\$	\$	\$
A. Knox	Nil	Nil	Nil	22,500	22,500
G. Billinghamurst	Nil	Nil	Nil	22,500	22,500
R Enconniere	Nil	Nil	Nil	22,500	22,500
	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>	<u>67,500</u>	<u>67,500</u>

a) Valuation

The Company has estimated the value of the payments to apply in the period at the date of 1 December 2009 to 30th November 2010 to be as shown in Table A, assuming no change in the number of Non-Executive Directors in this period. The maximum possible payment in the period would otherwise be \$120,000, representing the full value of the remuneration pool.

b) Any other information that is reasonably required by shareholders to make a decision and that is known to the Company or any of its Directors

There is no other information known to the Company or any of its Directors save and except as follows:

Appointment of Additional Non-Executive Directors

It is possible that the Company could appoint additional Non-Executive Directors to the Board of the Company. In this case the available pool of remuneration allocation would extend to the new Non-Executive Director(s).

Taxation Consequences

In so far as the Company is aware, there are no adverse taxation consequences to the Company arising from the proposed remuneration in accordance with Resolution 3.

Superannuation Entitlement

In addition to the individual payments made to Non-Executive Directors as remuneration set out above, statutory employer sponsored superannuation payments may be required, currently set by the government at 9% of base payment.

The Company is required to attract and maintain quality Non-Executive Directors if it wishes to succeed in its business objectives. To do so it must offer competitive remuneration that compensates a Non-Executive Director for the time and risk associated with the role. When Non-Executive Directors' fees were last paid in cash (June 2004), Non-Executive Directors were entitled to each receive \$24,000 per annum. The Directors voluntarily suspended this payment in the past, and now wish to establish a discretionary pool as a means of dealing with Non-Executive remuneration in the future.

It is the Company's belief that the proposed level of benefit is commensurate within a reasonable band for a Company of this size.

2.3 Listing Rules issues

Listing Rule 10.17 requires shareholder approval to be obtained, if a company increases the total amount payable to all non executive directors. The following information must be given to shareholders:

a) *the amount of the increase:* Non-Executive Directors have not received cash payment since 2004 and a remuneration pool has not previously been established therefore the amount of the increase in the pool is \$120,000. .

b) *a voting exclusion statement:* this information is set out in the Notice of Meeting.

Proxy Form

RIMFIRE PACIFIC MINING NL
ABN 59 006 911 744

All correspondence to:
Rimfire Pacific Mining NL
Suite 411, "Exchange Tower"
530 Little Collins Street
Melbourne, Victoria. 3000
Phone : (03) 9620 5866
Facsimile : (03) 9620 5822

Shareholder Reference:

Appointment of Proxy

I/we being member/s of Rimfire Pacific Mining NL and entitled to attend and vote hereby appoint

<input type="checkbox"/>	The Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>	Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting
--------------------------	--	-----------	----------------------	--

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Rimfire Pacific Mining NL to be held on 19 November 2009 at 10.00 am and at any adjournment of that meeting.

*****IMPORTANT***:**

<input type="checkbox"/>	If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on Item 4 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy, even if he has an interest in the outcome of those Resolutions and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.
--------------------------	---

The Chairman of the Meeting intends to vote undirected proxies in favour of all of the Resolutions below.

Voting directions to your proxy - please mark to indicate your directions

Business

		For	Against	Abstain*
Item 2	TO ADOPT THE REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	RE-ELECTION OF JOHN KAMINSKY AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	ESTABLISHMENT OF REMUNERATION POOL FOR NON-EXECUTIVE DIRECTORS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

____/____/____
Date

How to complete the Proxy Form

1. Your Name and Address

Please complete your name and address. Please note that you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person or company you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two entities as proxies to attend the meeting and vote on a poll, which can be persons or companies. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the security holders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation which is either the shareholder or the proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

6. Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by delivery or facsimile to:

Rimfire Pacific Mining NL
Suite 411, "Exchange Tower"
530 Little Collins Street
Melbourne Victoria 3000
Fax no: (03) 9620-5822