

17 April 2023

RIMFIRE PACIFIC MINING LIMITED - GENERAL MEETING OF SHAREHOLDERS – 19 MAY 2023

Notice is hereby given that the General Meeting of Shareholders of Rimfire Pacific Mining Limited (“Rimfire” or the “Company”) will be held at the offices of Vistra Australia (Melbourne) Pty Ltd at Level 4, 96-100 Albert Road, South Melbourne VIC 3205 and virtually via Zoom Webinar at 2:00pm (AEST) on Friday, 19 May 2023 (“GM”).

Recent legislative changes to the *Corporations Act 2001* (Cth) means there are new options available to shareholders as to how the communication from the Company can be received. The Company will not be dispatching physical copies of the meeting documents and notices, including the Notice of Meeting for the GM, unless you request a physical copy to be posted to you.

The Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website: <https://www.rimfire.com.au> or at the Company’s share registry’s website www.investorvote.com.au.
- A complete copy of the Meeting Materials have been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “RIM”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will have received or will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

For Shareholders who wish to attend the meeting virtually via the Zoom Webinar, the registration details are contained in the Meeting Materials.

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communications preferences or sign up to receive your shareholder communications via email, please update your details at <https://www.computershare.com/au>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online at the above website links please contact our share registry Computershare Investor Services Pty Limited <https://www.computershare.com/au> or by phone on +61 3 9415 4000 (outside Australia) or 1300 850 505 (within Australia) to obtain a copy.

Yours sincerely,



Stefan Ross
Company Secretary
Rimfire Pacific Mining Limited



RIMFIRE PACIFIC MINING LIMITED
ABN 59 006 911 744

Notice of General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 19 May 2023

Time of Meeting:
2:00pm (AEST)

Location of Meeting: Vistra Australia (Melbourne) Pty Ltd, Level 4, 96-100
Albert Road, South Melbourne VIC 3205

For registration to attend virtually via the Zoom Webinar, please follow:

<https://us06web.zoom.us/j/82658969750?pwd=YXk1bkxxTkh6ZmJCdFEzSk15TWgxdz09>

*This Notice of General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay*

RIMFIRE PACIFIC MINING LIMITED

ABN 59 006 911 744

Registered office: St Kilda Road Towers, Suite 142, Level 1, 1 Queens Road, Melbourne VIC 3004

NOTICE OF GENERAL MEETING

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Recent legislative changes to the Corporations Act 2001 (Cth) means there are new options available to shareholders as to how the communication from the Company can be received. The Company will not be dispatching physical copies of meeting documents and notices, including the Notice of Meeting for the GM, unless you request a physical copy to be posted to you.

The Notice of Meeting and accompanying explanatory statement ("**Meeting Materials**") are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website www.rimfire.com.au or at the Company's share registry's online voting site, Investor Vote at www.investorvote.com.au.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market Announcements page at www.asx.com.au under the Company's ASX code "RIM".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communications preferences or sign up to receive your shareholder communications via email, please update your details at <https://www.computershare.com/au>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

Shareholders attending the Meeting virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions. The virtual meeting can be attended using the following details:

The live webcast can be attended using the following details:

When: Friday, 19 May 2023 at 2.00pm (AEST)

Topic: Rimfire Pacific Mining Limited General Meeting

Register in advance for this webinar:

<https://us06web.zoom.us/j/82658969750?pwd=YXk1bkxxTkh6ZmJCdFEzSk15TWgxdz09>

After registering for the virtual webinar, you will receive a confirmation email containing information about joining the meeting. Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting, being **2:00pm (AEST) on Wednesday, 17 May 2023**. To lodge your proxy, please follow the directions on your personalised proxy form.

The Company will conduct a poll on each resolution presented at the Meeting. The Company is happy to accept and answer questions submitted prior to the Meeting by email to stefan.ross@vistra.com. The Company will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

RIMFIRE PACIFIC MINING LIMITED

ABN 59 006 911 744

Registered office: St Kilda Road Towers, Suite 142, Level 1, 1 Queens Road, Melbourne VIC 3004

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS

Resolution 1: Ratification of Prior Issue of Shares under Tranche One Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, under and for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 170,666,665 fully paid ordinary Shares at an issue price of \$0.006 (0.6 cents) per Share to sophisticated investors eligible under section 708 of the Corporations Act (Cth) on the terms and conditions set out in the Explanatory Statement.”

Resolution 2: Ratification of Prior Issue of Unlisted Options

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, under and for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 unlisted Options in the Company issued to Euroz Hartleys Ltd (or their nominee(s)) as a facilitation fee in relation to the Placement on the terms and conditions set out in the Explanatory Statement.”

Resolution 3: Approval of Issue of Shares to Director Mr Ian McCubbing (or his nominee(s)) under Tranche Two Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 16,666,666 Shares at an issue price of \$0.006 (0.6 cents) per Share in the Company to Mr Ian McCubbing (Director of the Company), or his nominee(s), on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Resolution 4: Approval of Issue of Shares to Director Mr David Hutton (or his nominee(s)) under Tranche Two Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 1,666,666 Shares at an issue price of \$0.006 (0.6 cents) per Share in the Company to Mr David Hutton (Director of the Company), or his nominee(s), on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Resolution 5: Approval of Issue of Shares to Director Mr Andrew Knox (or his nominee(s)) under Tranche Two Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 8,333,333 Shares at an issue price of \$0.006 (0.6 cents) per Share in the Company to Mr Andrew Knox (Director of the Company), or his nominee(s), on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Resolution 6: Approval of Issue of Shares to Alternate Director Mr Greg Keane (or his nominee(s)) under Tranche Two Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to issue 1,666,666 Shares at an issue price of \$0.006 (0.6 cents) per Share in the Company to Mr Greg Keane (Alternate Director of the Company), or his nominee(s), on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

BY ORDER OF THE BOARD



Stefan Ross
Company Secretary
Dated: **12 April 2023**

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEST) on the date 48 hours before the date of the General Meeting. Only those persons will be entitled to vote at the General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.
3. **Proxies**
 - a. Votes at the General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each Shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a Shareholder of the Company.
 - d. If a Shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the Shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, Proxy Forms must be received by the Company's Share Registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the General Meeting, this is no later than **2:00pm (AEST) on Wednesday, 17 May 2023**. Any proxy received after that time will not be valid for the scheduled meeting.
 - i. By post to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001
 - ii. By fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)
 - iii. Online by going to www.investorvote.com.au or by scanning the QR code found on the enclosed Proxy Form with your mobile device
 - iv. For Intermediary Online Subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

4. Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Notes 6 and 7 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolutions 1 & 2

The Company will disregard any votes cast in favour of these Resolutions by any person who participated in the issue of the securities or any associates of those persons.

However, this does not apply to a vote cast in favour of the Resolution(s) by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution(s) in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution(s) as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution(s); and
 - ii. the holder votes on the Resolution(s) in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolutions 3, 4, 5 and 6

The Company will disregard any votes cast in favour of each of Resolutions 3, 4, 5 and 6 (respectively and separately) by or on behalf of

- Mr Ian McCubbing, Mr David Hutton, Mr Andrew Knox, and Mr Greg Keane or any person(s) who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or
- an associate of person referred to in the preceding point.

However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution(s) in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to

- the Chair to vote on the Resolution(s) as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution(s); and
 - ii. the holder votes on the Resolution(s) in accordance with directions given by the beneficiary to the holder to vote in that way.

7. Enquiries

Shareholders are invited to contact the Company Secretary, Stefan Ross on +61 3 9620 5866 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Background to Resolutions

On 21 February 2023 the Company announced that it was undertaking a capital raising of \$1.2 million (before costs) via a Placement in two tranches (respectively **Tranche One** and **Tranche Two**), comprising the issue of a total of 198,999,996 fully paid ordinary Shares at an issue price of \$0.006 (0.6 cents) per Share (**Placement**), with Tranche One being made to sophisticated investors eligible under section 708 of the Corporations Act (Cth) and Tranche Two to Rimfire Directors (subject to shareholder approval). In addition, 5,000,000 unlisted Options were issued as a facilitation fee in relation to the Placement, with an exercise price of \$0.02 (2 cents) each, and an expiry date of 28 February 2025.

The Tranche One Placement Shares (being 170,666,665 Shares) were issued under Rimfire's existing ASX Listing Rule 7.1A placement capacity on 28 February 2023. The Company is seeking ratification of this issue under Resolution 1.

The Tranche Two Placement Shares to be issued to Rimfire Directors (being 28,333,331 Shares) will be subject to shareholder approval at this general meeting.

The issue price of the Placement Shares represents a 23% discount to the 15-trading day VWAP to 16 February 2023.

The 5,000,000 unlisted Options were issued as a facilitation fee in relation to the Placement to Euroz Hartleys Ltd (or their nominee(s)) and were issued under Rimfire's existing ASX Listing Rule 7.1 placement capacity.

Resolution 1: Ratification of Prior Issue of Shares under Tranche One Placement

Background

As noted above, the Company is seeking shareholder approval to ratify the issue of 170,666,665 Shares issued on 28 February 2023 at an issue price of \$0.006 (0.6 cents) per Share on the terms as announced to the ASX on 21 February 2023.

The Shares were issued without shareholder approval under the Company's 10% additional placement capacity under ASX Listing Rule 7.1A.

ASX Listing Rules

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over a twelve (12) month period to fifteen percent (15%) of the fully paid ordinary shares it had on issue at the start of that period. Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue equity securities comprising up to ten percent (10%) of issued capital. The Company obtained this approval at its annual general meeting on 24 November 2022.

The issue of the Tranche One Placement Shares does not fall within any of those exceptions and, as it has not been approved by the Company's shareholders, it effectively uses up part of the Company's ten percent (10%) placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1A for the twelve (12) months following the date of issue of the Tranche One Placement Shares.

ASX Listing Rule 7.4 provides that an issue under ASX Listing Rule 7.1 is treated as having been made with shareholder approval if the issue did not breach ASX Listing Rule 7.1 and shareholders of the company subsequently approve it. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule. This also applies for issues made using the 10% Placement Facility. Accordingly, Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of the Tranche One Placement Shares is now being sought in order to reinstate the 10% Placement Facility.

Resolution 1 is an ordinary resolution. If Resolution 1 is passed, the Tranche One Place Shares will be excluded in calculating the Company's 10% Placement Facility, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the

Tranche One Placement issue date. If Resolution 1 is not passed, the Tranche One Placement Shares will be included in calculating the Company's 10% Placement Facility, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the Tranche One Placement issue date.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) the total number of fully paid ordinary shares in the Company that were issued is 170,666,665;
- b) the Shares were issued at an issue price of \$0.006 (0.6 cents) per Share;
- c) the Shares allotted and issued rank pari pasu with all existing securities of their class;
- d) the Shares were issued on 28 February 2023;
- e) the Shares were allotted and issued to sophisticated investors eligible under section 708 of the Corporations Act (Cth). There were no participants in the Placement that were investors required to be disclosed under ASX Guidance Note 21;
- f) Funds raised from the Tranche One Placement will be used to support exploration activities on Rimfire's 100% owned projects and provide ongoing working capital.

Board Recommendation

The Board recommends that shareholders vote in favour of this Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolution 2: Ratification of Prior Issue of Unlisted Options

Background

As noted above, the Company is seeking shareholder approval to ratify the issue of 5,000,000 unlisted options issued on 28 February 2023 at an exercise price of \$0.02 (2 cents) each, and an expiry date of 28 February 2025 as per the terms announced on 21 February 2023.

The Options are being issued to Euroz Hartleys Ltd (or their nominee(s)) as a facilitation fee in relation to the Placement.

The Options were issued without shareholder approval under the Company's existing Placement Capacity under ASX Listing Rule 7.1.

ASX Listing Rules

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over a twelve (12) month period to fifteen percent (15%) of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the unlisted Options under the Placement was within the Company's available placement capacity under ASX Listing Rule 7.1.

The issue of the 5,000,000 unlisted Options issued to Euroz Hartleys Ltd (or their nominee(s)) as a facilitation fee in relation to the Placement, does not fall within any of those exceptions and, as it has not been approved by the Company's shareholders, it effectively uses up part of the fifteen percent (15%) limit in Listing Rule 7.1. This reduces the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the twelve (12) months following the date of issue of the unlisted Options.

ASX Listing Rule 7.4 provides that an issue under ASX Listing Rule 7.1 is treated as having been made with shareholder approval if the issue did not breach ASX Listing Rule 7.1 and shareholders of the

Company subsequently approve it.

The Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4 in order to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

If Resolution 2 is approved, the prior issue of the 5,000,000 unlisted Options may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore be able to issue additional equity securities without the Options the subject of Resolution 2 counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1.

If Resolution 2 is not approved, the prior issue of 5,000,000 unlisted Options will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1, which will limit the Company's future placement capacity under Listing Rule 7.1 over the 12 month period.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) the total number of unlisted Option in the Company that were issued is 5,000,000, exercisable at \$0.02 (2 cents) each, expiring 28 February 2025;
- b) the unlisted Options were issued for Nil consideration;
- c) a summary of the terms of the unlisted Options are as follows:
 - 5,000,000 unlisted Options exercisable at \$0.02 (2 cents) each, expiring on 28 February 2025, with each Option exercisable into one (1) fully paid ordinary share in the Company if the option is exercised.

The full terms and conditions of the Options are set out in Annexure 1.

- d) The Options were issued on 28 February 2023;
- e) The Options were allotted and issued to Euroz Hartleys Ltd (or their nominee(s)); and
- f) The Options were issued as a facilitation fee in relation to the Placement.

Board Recommendation

The Board recommends that shareholders vote in favour of this Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolutions 3, 4, 5 and 6: Approval of Issue of Shares to Directors (or their Nominee(s)) under Tranche Two Placement

As noted in the background of this Explanatory Statement above, the Company is seeking shareholder approval to allow the Company's Directors, Mr Ian McCubbing, Mr David Hutton and Mr Andrew Knox (or their respective nominee(s)) and the Company's Alternate Director, Mr Greg Keane (or his respective nominee(s)) to participate in Tranche Two of the Placement as announced on 21 February 2023 and pursuant to ASX Listing Rule 10.11 to allot and issue a total of 28,333,331 fully paid ordinary shares at an issue price of \$0.006 (0.6 cents) per Share in the Company. The issue price of \$0.006 (0.6 cents) per Share is the same as the issue price at which the Shares have been offered to sophisticated investors eligible under section 708 of the Corporations Act (Cth) under the Tranche One Placement.

The details of the Shares proposed to be issued under Resolutions 3, 4, 5 and 6 are as follows:

Resolution	Name of the Director / Nominee(s)	Number of Shares	Issue Price per Share	Funds to be raised from issue of Shares
Resolution 3	Mr Ian McCubbing (or his nominee(s))	16,666,666	\$0.006	\$100,000.00
Resolution 4	Mr David Hutton (or his nominee(s))	1,666,666	\$0.006	\$10,000.00
Resolution 5	Mr Andrew Knox (or his nominee(s))	8,333,333	\$0.006	\$50,000.00
Resolution 6	Mr Greg Keane (or his nominee(s))	1,666,666	\$0.006	\$10,000.00
	Total	28,333,331		\$170,000.00

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Directors of the Company in the Placement is required under ASX Listing Rule 10.11.

Resolutions 3, 4, 5 and 6 seek the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If Resolutions 3, 4, 5 and 6 are passed, the Company will be able to proceed with the issue and each of Mr Ian McCubbing, Mr David Hutton, Mr Andrew Knox and Mr Greg Keane (or their nominee(s)) will receive 16,666,666, 1,666,666, 8,333,333 and 1,666,666 Shares respectively at an issue price of \$0.006 (0.6 cents) per Share.

If all or any of Resolutions 3, 4, 5 and 6 are not passed, the Company will not proceed with the issue and the applicable Director(s) (or their nominee(s)) will not receive the Shares as described above.

If approvals are given under ASX Listing Rule 10.11, approvals are not required under ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.13 in respect of the proposed issues of Shares to each Director under Resolutions 3, 4, 5 and 6 (respectively):

- (a) the proposed recipients are Mr Ian McCubbing, Mr David Hutton and Mr Andrew Knox (or their respective nominee(s)), each of whom is a Director of the Company, or their respective nominee(s) (each of which would be an associate of the respective Director). Mr Greg Keane is also a proposed recipient (or his nominee(s)), and is an Alternate Director of the Company, or his nominee(s) (each of which would be an associate of Mr Greg Keane);
- (b) each of the proposed recipients are related parties of the Company as each of them are Directors of the Company, and thus approval is being sought under ASX Listing Rule 10.11.1;
- (c) 16,666,666 Shares are proposed to be issued to Mr Ian McCubbing, 1,666,666 Shares to Mr David Hutton, 8,333,333 Shares to Mr Andrew Knox, and 1,666,666 Shares to Mr Greg Keane (or their respective nominee(s)), being a total of 28,333,331 Shares;
- (d) the Shares will be issued no later than one month after the date of the Meeting;
- (e) the Shares will be issued at an issue price of \$0.006 (0.6 cents) per share;
- (f) Funds raised from the Tranche Two Placement will be used to support exploration activities on Rimfire's 100% owned projects and provide ongoing working capital.

Board Recommendation

The Board (with the respective directors abstaining in relation to the relevant Resolution regarding their own proposed Shares) recommends that shareholders vote in favour of Resolutions 3, 4, 5 and 6.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolutions 3, 4, 5 and 6.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“**\$**” means Australian Dollars;

“**Associate**” has the meaning given to it in the Listing Rules;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the Board of Directors of the Company or a committee appointed by such Board of Directors;

“**Chair**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

(a) a spouse or child of the member; or

(b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means Rimfire Pacific Mining Limited ABN 59 006 911 744;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Intermediary Online Subscribers**” has the meaning given to it by Computershare Investor Services Pty Limited (ABN 48 078 279 277);

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**NED**” means each of the Non-Executive Directors of the Company;

“**Notice**” means this Notice of Meeting including the Explanatory Statement;

“**Options**” means the right of the holder to be issued one new Share on payment of the applicable exercise price.

“**Proxy Form**” means the proxy form attached to the Notice;

“**Resolution**” means a resolution referred to in the Notice;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Share Registry**” means Computershare Investor Services Pty Limited (ABN 48 078 279 277);

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

ANNEXURE 1 – TERMS AND CONDITIONS OF OPTIONS (RESOLUTION 2)

Terms and Conditions of the Options

(a) Entitlement

- (i) Each Option issued to Euroz Hartleys Ltd (or their nominee(s)) entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Options

- (i) 5,000,000 unlisted Options, exercisable at \$0.02 (2 cents) each, expiring 28 February 2025.
- (ii) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry. Options must be exercised for the whole number of Options issued (i.e., all of the Options must be exercised in one parcel).
- (iii) Options cannot be exercised if, as a result of the exercise, the Option holder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (iv) Remittances must be made payable to 'Rimfire Pacific Mining Limited' and cheques should be crossed 'Not Negotiable'.
- (v) All Options will lapse on the earlier of the:
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (vi) If a takeover bid within the meaning of the *Corporations Act 2001* (Cth) is made for the shares in the Company and the bidder becomes entitled to compulsorily acquire all of the shares, any Options not exercised by the date which is seven days after the date the bidder became so entitled shall immediately lapse.
- (vii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) The Company does not intend to apply for quotation of the Options issued to Euroz Hartleys Ltd (or their nominee(s)).
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 5 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:

- (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
- (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
- (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
- (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

(f) **Adjustments to Options and Exercise Price**

- (i) Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph (f)(ii) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- (ii) The method of adjustment for the purpose of paragraph (f)(i) shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(A) Pro Rata Cash Issues

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

where:

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities into which one Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex-rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

(B) Pro-Rata Bonus Issues

If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price will not change.



Rimfire Pacific Mining Limited
ABN 59 006 911 744

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00PM (AEST) on Wednesday, 17 May 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 182551

SRN/HIN:

PIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Rimfire Pacific Mining Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate 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, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Rimfire Pacific Mining Limited to be held at Vistra Australia (Melbourne) Pty Ltd, Level 4, 96-100 Albert Road, South Melbourne, VIC 3205 and virtually via Zoom Webinar on Friday, 19 May 2023 at 2:00PM (AEST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

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

	For	Against	Abstain
1 Ratification of Prior Issue of Shares under Tranche One Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Unlisted Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issue of Shares to Director Mr Ian McCubbing (or his nominee(s)) under Tranche Two Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Issue of Shares to Director Mr David Hutton (or his nominee(s)) under Tranche Two Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Issue of Shares to Director Mr Andrew Knox (or his nominee(s)) under Tranche Two Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of Issue of Shares to Alternate Director Mr Greg Keane (or his nominee(s)) under Tranche Two Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically