

25th February 2018

ASX Release

New Gold Inc. Completes Strategic Withdrawal from Australia Announces its withdrawal from Fifield Project Earn-In

Rimfire Pacific Mining NL
ABN 59 006 911 744

Corporate Details:

ASX Code: RIM

Issued capital:

943,477,555 Ordinary Shares
2,300,000 Unlisted Options

Cash Status (31-12-2017):

\$1.981m

Mineral Focus:

Gold, Silver, Copper, Cobalt,
Platinum

Established Resource:

Sorpresa
125k oz Au, 7.9m oz Ag
(inferred and indicated)

Directors:

Non-Executive Chairman:

Ian McCubbing

Managing Director & CEO:

John Kaminsky

Non-Executive Directors:

Ramona Enconniere
Andrew Greville

Company Secretary:

Melanie Leydin

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Rimfire Pacific Mining NL (ASX code “RIM” or the “Company”) advises it has been notified during the weekend by New Gold Inc. (TSX/NYSE code: NGD) of its intention to not proceed with the next stage (Year 2) of the Fifield Earn-In Agreement, effective immediately.

New Gold Inc. spent more than \$2M in the Fifield project area during the 12 month period to 31st December 2017. By withdrawing at this stage of the earn-in, this **leaves Rimfire with 100% retained interest in the entire Fifield project area, and therefore no project dilution.**

The withdrawal from the Rimfire Earn-in Agreement follows the earlier divestment decision by New Gold Inc. on [21 November 2017 to sell \(to Aurelia Metals\)](#) its only other project area in Australia, The Peak Mines, Cobar NSW.

Mark Petersen, VP Exploration, New Gold Inc. stated:

“As a result of a recent change in New Gold’s strategic direction, the company has determined that it will not be continuing with its option to earn an interest in the Fifield property.”

John Kaminsky, CEO, Rimfire commented:

“We have valued the contribution made by the New Gold Inc. Team in the \$2M spend during 2017, with excellent progress on the Fifield project achieved. At the same time we are sympathetic to New Gold Inc.’s decision to withdraw from Australia, given their changed strategic direction.

“A strong foundation for discovery growth has now been built in the Fifield project, and Rimfire has 100% of the benefit of this work, going into 2018.

“One of the key operational benefits of the earn-in agreement for Rimfire during 2017, was that Rimfire never lost touch with the project area, with our personnel and program ideas being used to service the New Gold Inc. interests in the Fifield Project.

“Accordingly, we will continue with the completion of drilling programs in the Tout East and Area 2 locations, with recommencement of this work due next week. A new mapping program is due to commence in March, and the historic review of Cobalt observations continues within the Fifield project area.

“We expect a consistent newsflow reporting and additional program initiatives to follow for the key target domain areas that will be further tested in 2018, including the important [Steeton and Transit Gold-Copper areas.](#)”

“The Company may also examine additional partnership opportunities for the progression of the Fifield project area, in what is now a greatly improved climate for junior companies.”

Key Summary of Highlights of the Project Benefits to Rimfire after the 2017 earn-in period

- ❑ Detailed airborne geophysics survey and interpretation for entire tenement package (669km²)
- ❑ Regional Aircore and auger drilling geochemistry and lithology programs (Phase 1 and Phase 2)
 - Leading to a greater understanding of the underlying geology of the project area
 - Identification of specific “key target domains” for further discovery potential
- ❑ Extensive prospecting, sampling and mapping identifying new prospective targets in structural locations
- ❑ Successful Transit gold-copper prospect RC drilling program produced the largest widths for gold intersections seen to date in the Fifield district, and 4km east of Sorpresa
- ❑ Detailed alteration studies, looking for additional target vectors for large scale mineralising systems
- ❑ Overall refinement of discovery concept and targeting criteria
- ❑ Expenditure by New Gold Inc. in these combined programs of \$2M
- ❑ 100% of the Project area remains with Rimfire

Rimfire will continue to develop a process of review, rating and prioritization of its key target domain opportunities to progress and grow the pipeline for new discoveries.

The large number and diverse nature of the regional targets forms an important element of the Company’s prospect portfolio strategy helping mitigate discovery risk by reducing dependency on any one prospect or commodity. The Fifield area is well supported with access to infrastructure and skills suitable for any potential mining scenario and this adds further validity to the pursuit of mineralisation in the district.

Shareholders should be encouraged by the mineralisation demonstrated on a large scale within the Fifield district. Rimfire believes a company making discovery opportunity exists within its tenements.



JOHN KAMINSKY
CEO and Managing Director

Figure 1: Fifield District Prospect Map – with neighbouring activity – on geology and structure background

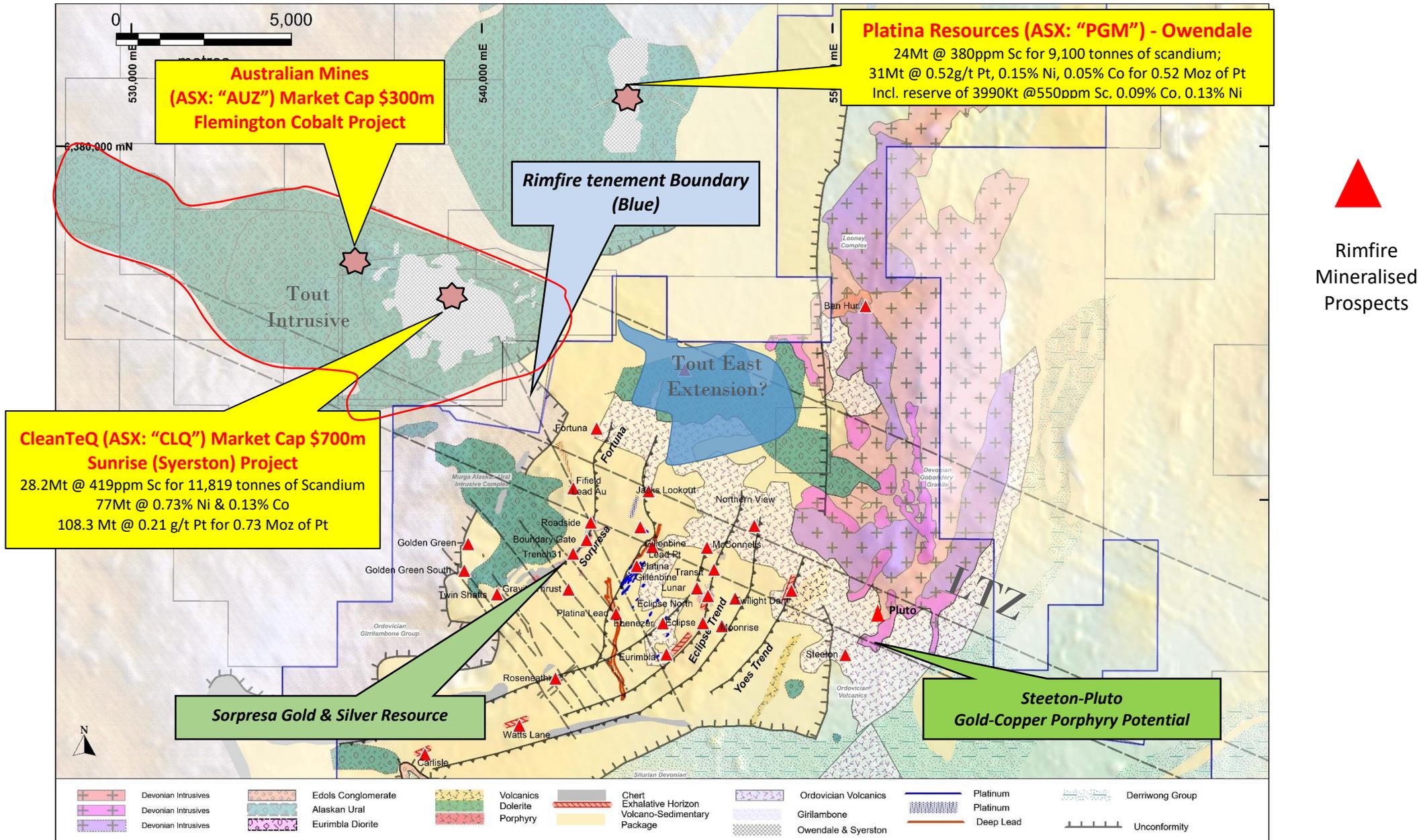
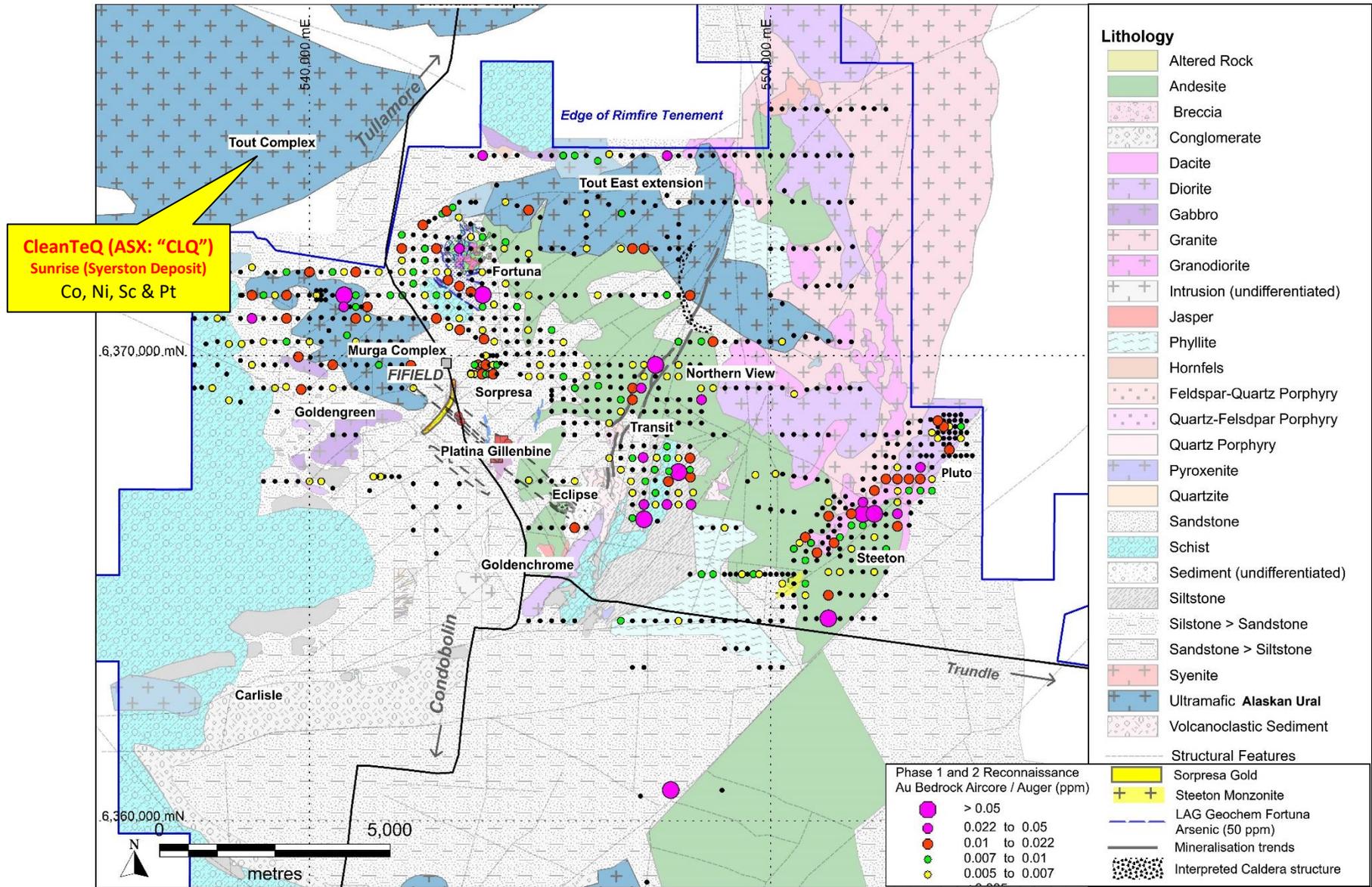


Figure 2: Some Key Targets shown on Geology, Structure Interpretations with Phase 1 & 2 Aircore (Au) at Fifield (Northern and Central Tenement Location)



ABOUT RIMFIRE

Rimfire Pacific Mining is an ASX listed (code: RIM) resources exploration company that has its major focus at Fifield in central NSW, located within the Lachlan Transverse Zone (LTZ). In 2010~11 the Company made a greenfields gold and silver discovery, named “Sorpresa”, announcing a JORC Compliant Inferred & Indicated Maiden resource in 2014.

The current main Sorpresa trend containing gold and silver mineralisation is approximately 1.5km in length and is at various stages of further discovery growth assessment, including the larger 7km x 2km Sorpresa corridor.

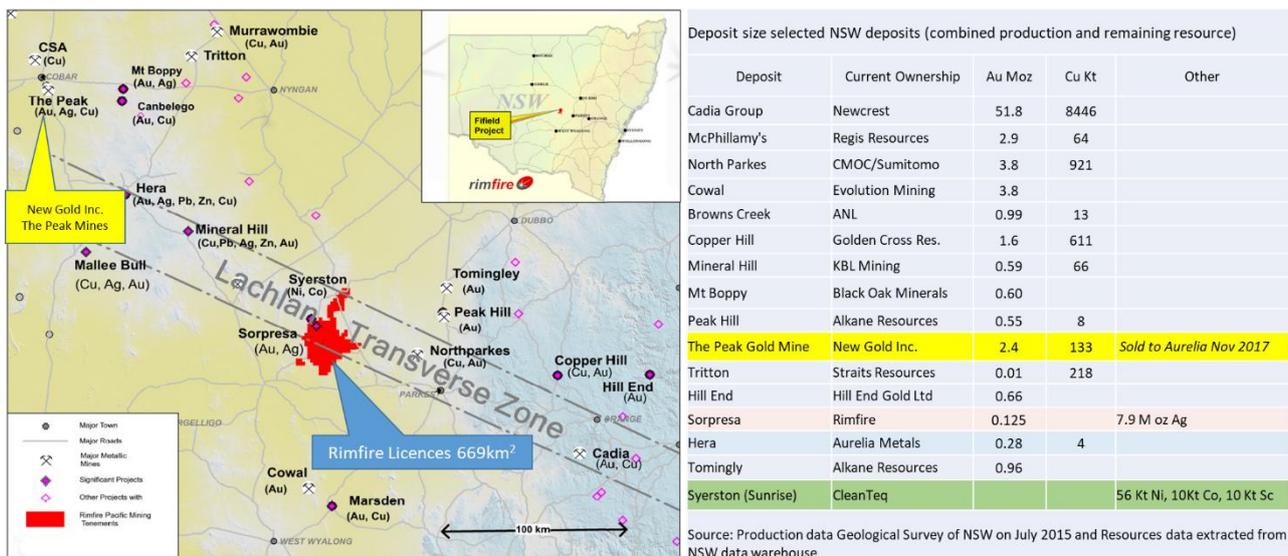
Multiple prospects involving hard rock potential for Gold, Silver, Copper and Platinum have been established within a >6km radius of the Sorpresa discovery at Fifield, which is part of the contiguous 669km² tenement position held.

More recently, Rimfire is also examining for cobalt potential within its tenements.

Aspiration target in the wider Fifield District

The discovery aspiration for the Fifield area is an aggregate discovery outcome in excess of 4 million ounces of gold equivalent metal, being capable of supporting a mine life in excess of 10 years, and within the lower third of industry costs of production.

Location Map of Rimfire Tenements within the LTZ Corridor showing district project context



Recent Presentation and ASX Activity Summary Reports and Analyst hyperlinks related to Rimfire

- The Company released its [Investor Forum Presentation on 31st January 2018](#)
- [An analyst update was provided on the Company](#), through Share Café, Gavin Wendt (of Minelife)
- [ASX Release December 2017 Quarterly Activities](#)