

# Rimfire Pacific Mining NL

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## Rimfire Pacific and New Gold hunting for multi-million ounce bounty

Rimfire Pacific Mining NL (ASX:RIM) and earn-in joint venture partner and New Gold Inc. (NYSEMKT:NGD, TSE:NGD) are jointly undertaking first pass drilling on five targets at Fifield in New South Wales.

Fifield is located within the East Lachlan Fold Belt area which is host to many major gold and copper mines, including the world class porphyry system within the Cadia Valley operations owned by Newcrest.

New Gold is a multi-billion dollar capped company and gold producer, and is familiar with the region as it operates The Peak mine at Cobar, and is now hunting large scale mineralised systems with Rimfire.

The joint ventures aspiration targets an aggregate 4 million plus ounce gold equivalent discovery in the Fifield district, in the medium term.

The objective is for a resource of this size to have a capability of supporting a minimum mine life in excess of 10 years, and within the lower third of industry costs of production.

### Discovery methodology

The New Gold Inc. discovery methodology will provide an increased geological understanding of the district as a base used to identify the best prospects for drill testing.

Already major regional geochemistry programs and airborne geophysics surveys have been deployed, enhancing the discovery potential of the area.

In parallel, Rimfire is continuing to apply its highly recognised prospecting skills to the discovery process, complementing the New Gold approach to the Fifield area.

The two companies are working in very close collaboration, both as active partners.

Rimfire and New Gold are now undertaking first pass drilling on five targets, using a combination of reverse circulation and/or diamond drilling, as appropriate to each target.

The potential porphyry target areas at Moonrise and Golden Chrome prospects will each be drilled to depths of more than 500 metres.

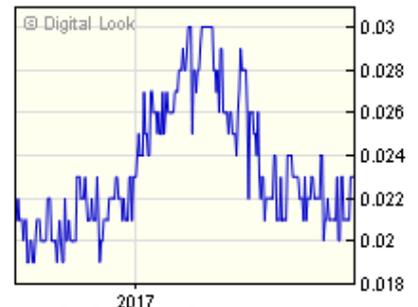
### Drilling to date

The joint venture is set to increase exploration news flow across three prospects.

**Price:** A\$0.023

**Market Cap:** A\$21.7M

### 1 Year Share Price Graph



### Share Information

**Code:** RIM

**Listing:** ASX

**52 week High Low**  
0.031p 0.018p

**Sector:** Mining

**Website:** www.rimfire.com.au

### Company Synopsis:

Rimfire Pacific Mining NL (ASX:RIM) is listed on the Australian Securities Exchange.

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1. At the Moonrise gold-copper prospect, diamond drilling has commenced, with reverse circulation pre-collars having been completed on two holes.

Historically (2015) Rimfire intersected 4 metre at 6.5% copper to the west of the current drilling, so increasing the geological context for that result is being sought as part of the outcomes with the current drill program.

A diamond tail finish will take one of the holes to a total depth of 500 metres to 600 metres.

2. Over at the Golden Chrome gold-copper prospect the reverse circulation phase has already been completed, and is now ready for diamond drilling.

A diamond tail finish will take one hole to a total depth of about 500 metres.

3. Finally at the Transit gold prospect reverse circulation drilling has commenced using a second drill rig, with the plan for seven holes covering 800 metres.

The Transit and Moonrise prospects are located along the Eclipse gold and copper trend, and are situated around 4 kilometres east of Rimfire's Sorpresa project.

Recent results from Sorpresa include: 16 metres at 1.92g/t gold and 251g/t silver from 58 metres. Within this intersection was: 1 metre at 2240g/t silver.

Another highlight was: 26 metres at 1.89g/t gold from 6 metres, including 1 metre at 24.9g/t gold. Historically, Sorpresa has yielded some spectacular results, including: 14 metres at 24.4g/t gold and 26 metres at 155g/t silver, in the same drill hole.

Sorpresa currently hosts a resource of 7.9 million silver ounces and 125,000 gold ounces and is considered part of a much bigger mineralising system operating at Fifield

Why the interest in Fifield

New Gold's interest in the Fifield area is drawn through the geological similarities to their producing New Afton gold-copper-silver mine in Canada, which in turn has strong similarities to the Cadia and North Parkes copper-gold provinces.

The company's consideration costs to form the joint venture included a \$500,000 investment directly into Rimfire, and it must spend \$2 million within the first 12 months, with no withdrawal rights.

To earn a 51% interest, New Gold must have spent a total of \$7 million within the first 3 years, or withdraw with no interest.

New Gold is providing 15% of the earn-in funding directly to Rimfire to use at its total discretion, recognising the valuable contribution Rimfire can make with its field expertise and discovery approach.

New Gold can extend their interest in the Fifield projects, with additional

expenditure of \$5 million giving a stake of 70%.

Adding interest for Rimfire, should the Sorpresa gold-silver resource be part of a mining operation an additional payment of \$5 million would flow to the company.

Rimfire also has the option to spend an additional \$3 million on its own account as a credit to the project area.

This overall package of funding means the incentive is for both partners to advance the project area.

This also includes the flexibility for completion of some Sorpresa scoping work, if appropriate.

Rimfire therefore is well positioned over the medium term from a partner that has a proven history of completing development and production projects.

#### Rimfire appointment enhances board

The company has made a series of industry experienced appointments to its board and management team in the last 12 months.

Andrew Greville recently joined the Rimfire board as a non-executive director, and brings significant experience from most recently working for Xstrata Copper.

Ian McCubbing, chairman, commented on the appointment: "Andrew's experience includes a highly distinguished career with Xstrata.

"In recent years he has built a successful resource consultancy practice, which includes representing a range of operating mines.

"His deep understanding of the resource industry value chain and regular interface with the resource financial community will be of great benefit as we seek to go to the next level as a company."

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