



PROSPECTUS

For an Offer of 2 New Shares and 2 New Options for every 5 Shares held at an issue price of 1.3 cents per New Share by way of a Renounceable Rights Issue to raise approximately \$1.62 million before costs.

UNDERWRITER AND LEAD MANAGER
PATERSONS SECURITIES LIMITED ACN 008 896 311

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

IMPORTANT NOTICE

This Prospectus is dated 20 May 2010. A copy of this Prospectus has been lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus.

No Shares will be issued or allotted on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Rimfire Pacific Mining NL ACN 006 911 744 ("Rimfire") will apply to ASX for quotation of the New Shares and New Options within 7 days after the date of this prospectus. ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may quote the New Shares and New Options is not to be taken in any way as an indication of the merits of Rimfire.

Before deciding to invest in Rimfire, you should read and understand the entire Prospectus and, in particular, in considering Rimfire's prospects, you should consider the risk factors that could affect Rimfire's performance. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest. Investing in Rimfire involves risks. See 'Risk Factors' in Section 5 for a discussion of certain risk factors that you should consider before deciding to invest in Rimfire.

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus or has not been released to ASX with the authorisation of Rimfire.

The Entitlement and Acceptance Form accompanying this Prospectus is important. Please refer to the instructions in Section 4 of this Prospectus regarding the acceptance of your Entitlement. Applications can only be submitted on a valid Entitlement and Acceptance Form that is only available with this Prospectus.

Restrictions on distribution

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or to otherwise permit a public offering of Rights or New Shares and New Options in any jurisdiction outside Australia. This Prospectus is not to be distributed in, and no offer of New Shares and New Options is to be made in, countries other than Australia and New Zealand.

Neither the Rights, nor New Shares and New Options have been or will be registered under the US Securities Act of 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

It is the responsibility of Applicants to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by Rimfire as a representation that there has been no breach of such laws, that the Applicant is an Eligible Shareholder and that the Applicant is physically present in Australia or New Zealand.

Shareholders outside Australia and New Zealand should refer to Section 1.1.10 of this Prospectus for details of how your Entitlement will be dealt with.

Rights trading

Your Rights may have value. If you decide not to exercise all or part of your Rights you should consider whether to sell your Rights. It is important that you either accept or sell your

Entitlement in accordance with the instructions in Section 4 of this Prospectus and on the back of the Entitlement and Acceptance Form.

Individual applicants are responsible for determining their allocations of Rights and New Shares and New Options before trading in them. Eligible Shareholders trade in Rights or New Shares and New Options before receiving confirmation of their allocation at their own risk.

Shareholders who take no action in respect of their Rights will receive no benefits. An Entitlement and Acceptance Form accompanies this Prospectus.

Prospectus availability

This Prospectus is available in electronic form at <http://www.rimfire.com.au> and www.asx.com.au only for persons within Australia. Persons who access the electronic form of this Prospectus must ensure that they download and read the entire Prospectus.

A printed copy of this Prospectus is available free of charge by calling Rimfire on (03) 9620 5866, or by contacting the Rimfire Shareholder Information Line on 1300 087 429 (within Australia) and +61 3 9415 4275 (outside Australia).

Definitions and glossary, financial amounts and time

Definitions of certain terms used in this Prospectus are contained in Section 7. **All references to currency are to Australian dollars and all references to time are to AEST, unless otherwise indicated.**

Enquiries

For further information in relation to the Offer, please call Rimfire's Company Secretary Mr Graham Billingham on (03) 9620 5866, or contact the Rimfire Shareholder Information Line on 1300 087 429 (within Australia) and +61 3 9415 4275 (outside Australia).

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INVESTMENT HIGHLIGHTS

- ◆ **Platinum assessment at Fifield NSW - Further positive progress made**
 - ◆ **A geological control established within the bedrock system at "Pit One"**
 - ◆ **Bedrock targets identified for drilling or bulk testing at "Platina-Gillenbine"**
 - ◆ **Extensive Pt and Au gravel system being delineated and tested on Rimfire freehold, for commercial potential**
 - ◆ **Investigation and assessment of Deep Lead mining potential**
 - ◆ **"Unmined section", "historic workings review" and "new Lead possibility" are all being examined**
 - ◆ **"Ebenezer Prospect" Pt anomaly (4km²), a large area to be further tested**
- ◆ **Gold potential shown at Fifield**
 - ◆ **Includes "Fifield Hard Rock", "Sorpresa" and "Goldengreen"**
 - ◆ **Extensive geochemistry grid to identify suitable targets for RC drilling**
- ◆ **Continuous exploration activities centred on the Company Freehold at Fifield**
 - ◆ **Ongoing work programs, utilising the Company processing facility**
 - ◆ **More detailed examination of metallurgical processes is underway**
- ◆ **Additional project potential in Base metal at Fifield and Diamond at Bingara**
 - ◆ **Horton Valley No.1 and No.2 pipes await bulk sampling**

INVESTMENT RISKS

- ◆ **Section 5 outlines the principal risks involved in investing in Rimfire. The Directors consider that the key risks include no guarantee of exploration success and no guarantee of a profitable development of any discovery.**

IMPORTANT DATES

Notice of Issue sent to eligible shareholders	21 May 2010
Shares trade "ex-rights" and Rights trading commences on the Australian Securities Exchange	26 May 2010
Record Date to determine Entitlements under the Rights Issue	1 June 2010
Prospectus and Entitlement and Acceptance Form despatched	4 June 2010
Last day of Rights trading	11 June 2010
Closing Date for acceptances	21 June 2010
Allotment and issue of New Shares and New Options	25 June 2010
Despatch of shareholding statements for New Shares and New Options	29 June 2010

This timetable is indicative only and subject to change. The Directors generally reserve the right to vary these dates, including the Closing Date without prior notice. The Directors also reserve the right not to proceed with the whole or part of the Offer at any time prior to allotment. In that event, all Application Money will be returned without interest.

Corporate Directory

Directors:	John Kaminsky (Chairman) Graham Billinghamurst Ramona Enconniere Andrew Knox
Company Secretary:	Graham Billinghamurst
Registered Office:	Suite 411, 530 Little Collins Street Melbourne, Victoria 3000 Ph 03 9620-5866
Exploration Office:	Suite 411, 530 Little Collins Street Melbourne, Victoria 3000
Underwriter:	Patersons Securities Limited Level 23, Exchange Plaza 2 The Esplanade Perth WA 6000
Auditors:	PKF Chartered Accountants Level 14, 140 William Street Melbourne, Victoria 3000
Lawyers for the Company:	McNab Lawyers Level 5, 111 Collins Street Melbourne, Victoria 3000
Share Registry:	Computershare Investor Services Pty Limited Level 19, 307 Queen Street Brisbane, Queensland 4001
	Reply Paid Details / Return Address: GPO Box 52, Melbourne, Victoria. 8001
	Phone: 1300 552 270 Fax: +61 7 3237 2152
Bankers:	Macquarie Bank Limited 300 Queen Street Brisbane, Queensland 4000
Stock Exchange Listing:	Australian Securities Exchange Home Exchange – Brisbane ASX Code – RIM
Email address:	rimfire@rimfire.com.au
Website address:	http://www.rimfire.com.au

LETTER FROM THE CHAIRMAN

Dear Shareholder

This Prospectus outlines the details of a **fully underwritten renounceable rights issue of two (2) ordinary New Shares and two (2) free attaching New Options at 1.3 cents per New Share, for every five (5) ordinary shares** held in Rimfire Pacific Mining NL to raise approximately **\$1.62 million** (before costs of issue), in anticipation of the Company's continuing exploration programs.

I encourage you to carefully consider the contents of this Prospectus with a view to participating in the issue.

Platinum exploration remains the dominant focus of the Company. The Fifield area offers the opportunity to achieve a commercial outcome for the widespread Platinum (Pt) mineralisation evident in the district, so this objective will be the major driver for exploration activity again during 2010 and beyond.

During the past year, the Company placed major emphasis on preparing and executing its bulk sampling program in the **Pit One area** on the Company freehold. This program necessitated important upgrades in site infrastructure and processes thus laying a positive foundation for future work at Fifield.

A high standard of detailed exploration work conducted by the Company over an extended period means that the Fifield area has now been positively redefined in geological terms. As a consequence the Company has now established more than eight project areas and prospects of importance involving Platinum (Pt), Gold (Au) and Base Metal, constructing a new geological map for the district in the process.

A potential commercial outcome for Platinum on the Company's key tenements EL5534 and EL6241 at Fifield is underpinned by key criteria now established as follows:

- **The regional geological context is favourable**, with Fifield residing in a highly mineralised corridor (Lachlan-Cadia Lineament) in NSW and the newly defined Tresylva-Platina Corridor of Faults.
- **The scale of the combined Pt anomalies (6km²) is highly significant. The coarse Pt is confirmed as "primary" and of "local provenance".**
- **Coarse Pt is being recovered from the bedrock system. A geological control has been established, providing an overall proof of concept.**
- Whilst pursuing the bedrock potential for Pt is the major goal, **important Tier Two Pt targets have emerged**, including the extensive near surface gravels, the Deep Lead and the tributary systems on the Company freehold (210 hectares) in particular.
- If a resource(s) is established, the metallurgical pathway for **recovery of the coarse Pt grains in both the bedrock and gravel systems appears to be a simple gravity process**, hence production costs for any possible commercial mining activity are likely to be at the lower end.
- **Platinum is a desirable class of commodity to pursue, and priced at attractive levels**, with a mix of industrial, financial and consumer demand. Pt is benchmarked as a "premium product" in society and appears to have a positive sentiment with tighter supply and increasing demand during 2010. Pricing recovered from USD\$800/oz in 2008 to the current levels of approx. USD\$1,600/oz (Kitco).

In aggregate, this means the commercial Pt target being sought is a prize worth pursuing.

The vision for the Platinum projects at Fifield is to develop tier one resource areas within the bedrock that have “open cut mining characteristics”, for the primary coarse grain Platinum. Tier two Pt and Au targets will be exploited, if encountered and feasible, in the process.

Mineralisation at Fifield is highly zoned and diverse, involving Platinum, Gold and Base Metals. To this extent, the gold mineralisation will also be further examined.

During the next phase of exploration, the major priorities within the Company’s tenements will involve:

- ➔ **Continued pursuit of a potential commercial outcome for tier one Pt targets** at the “Platina-Gillenbine” and “Ebenezer” project areas, working on the Company freehold and adjacent locations within the Company’s key tenements, EL5534 and EL6241.
 - This will involve completion of work in the Pit One area and additional sample sites targeting the Pt within the bedrock.
- ➔ **The delineation and testing of tier two Pt targets** within the Platina Lead and gravel systems on the Company freehold.
- ➔ **Advancing the understanding and definition of gold mineralisation systems** at “Sorpresa”, “Eclipse North”, “Fifield Hard Rock” areas and the “Golden Green” area. There is recognition that the Au potential could be larger than previously thought.

The Pt project areas are a priority for the Company, hence minimal work was conducted recently towards the diamond areas at Bingara NSW. The exploration at Bingara will focus on the establishment of more pipes, thus building upon the Horton Valley No.1 and No.2 pipes discovered in 2007.

In conclusion, the Company will pursue its exploration activities in a responsible manner, recognising the need to add value to its project areas and realise its broader vision of successfully delivering a positive project outcome at Fifield. The aim of quantifying a potential cash flow from its exploration areas with tier two type Platinum targets is also a priority for the Company in the coming year.

The proceeds of the Rights Issue would enhance the prospects of the Company by expanding its cash reserves, thus allowing the Company to complete further exploration and development work for the various projects primarily at Fifield in a suitable time frame.

The Rights Issue will also permit shareholders to apply for Additional New Shares and New Options above their entitlement subject to the conditions of the offer.

The Company still believes that it is developing projects with strong exploration credentials and potential.

My fellow Directors and I welcome your participation in this Rights Issue.



JOHN KAMINSKY
EXECUTIVE CHAIRMAN

Section 1 DETAILS OF RIGHTS ISSUE

1.1 The Issue

This Prospectus offers via a renounceable pro rata entitlements issue to Shareholders approximately 124,790,443 New Shares and 124,790,443 New Options on the basis of 2 New Shares and 2 New Options for every 5 Shares held at the Record Date at an issue price of 1.3 cents for each New Share to raise approximately \$1.62 million before issue costs.

1.2 Underwriting

The Issue is fully underwritten by Patersons Securities Limited. A summary of the Underwriting Agreement is set out in Section 6 of the Prospectus.

1.3 Entitlement to Rights Issue

Shareholders who are on Rimfire's Share Register at the close of business on the Record Date, being 7:00 pm on 1 June 2010, will receive **Rights to acquire two (2) fully paid ordinary Shares (each a "New Share") for every five (5) ordinary Shares held** as at 7:00 pm (AEST), 1 June 2010 ("the Record Date"), at an issue price of 1.3 cents (\$0.013) per Share and one (1) free option attaching to every one (1) New Share issued, having an exercise price of 4 cents (\$0.04) and an expiry date of 7:00pm (AEST) 31 August 2011 (each a "New Option").

Fractional entitlements will be rounded up to the nearest whole number of New Shares and New Options. For this purpose, holdings in the same name are not aggregated for calculation of Entitlements, however, if Rimfire considers that holdings have been split to take advantage of rounding, Rimfire reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Entitlement and Acceptance Form setting out your Entitlement to New Shares and New Options accompanies this Prospectus.

1.4 Applying for Additional New Shares and New Options

Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options regardless of the size of their present holding.

Entitlements not taken up may become available as Additional New Shares and New Options. The allocation of Additional New Shares and New Options (if any) will be determined by the Company and the Underwriter at their absolute discretion. Excess Application Moneys will be refunded without interest.

It is possible, particularly if there is an active Rights trading market, that there will be few or no Additional New Shares and New Options available for issue. It is an express term of the Offer that applicants for Additional New Shares and New Options will be bound to accept a lesser number of Additional New Shares and New Options allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest.

1.5 Use of proceeds

Rimfire expects to raise approximately \$1.62 million under the Rights Issue before Offer costs and will use the proceeds as set out in Section 2.

1.6 Actions Required by Shareholders

An explanation of the actions required by Shareholders is set out in Section 4.

1.7 Allotment and Application Money

All Eligible Shareholders who accept the Offer will receive their Entitlement in full.

New Shares and New Options will be issued only after all Application Money has been received and ASX has granted permission for the New Shares and New Options to be quoted. It is expected that New Shares and New Options will be issued on 25 June 2010 and trading of the New Shares and New Options on the Australian Securities Exchange is expected to commence on 29 June 2010.

All Application Money received before New Shares and New Options are issued will be held in a special purpose account. Excess Application Money received for Additional New Shares and New Options will be refunded without interest. Upon allotment of New Shares and New Options the balance of funds in the account plus accrued interest will be received by the Company. If the New Shares and New Options are not quoted by ASX within three months after the date of this Prospectus, Rimfire will refund all Application Money in full (without interest).

1.8 Closing Date

The Closing Date for acceptance of your Entitlement is 7:00 pm on 21 June 2010. The Company reserves the right to cancel the Rights Issue at any time prior to allotment.

1.9 Rights trading

Trading of Rights commences on the Australian Securities Exchange on 26 May 2010 with the last day of trading being on 11 June 2010. All or part of an Eligible Shareholder's Rights may be traded on the Australian Securities Exchange or otherwise sold between these dates should you choose not to accept all or part of your Entitlement.

1.10 Treatment of Overseas Shareholders

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand because of the small number of such Shareholders, the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand and the value of the Securities offered. The Prospectus is sent to those Shareholders for information only.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares and New Options.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia (other than to Eligible Shareholders).

The Company has appointed the Underwriter (or associates of the Underwriter) as nominee to try to sell the Non-qualifying Foreign Shareholders' Rights. The Underwriter (or associates of them) will only be able to sell the rights if there is a viable market in the rights and a premium over the expenses of sale can be obtained.

Any such sale will be at a price and be conducted in a manner that the nominee will determine in its absolute discretion.

The proceeds of sale (in Australian dollars) will be distributed to the Non-qualifying Foreign Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale and the distribution of the proceeds), save that individual amounts of less than \$10 will be retained by Rimfire. Neither the Company nor the nominee will be liable for any failure to sell the Rights or to sell the Rights at any particular price. If there is no viable market for the Rights of the Non-qualifying Foreign Shareholders, their Entitlement will be allowed to lapse and the relevant New Shares and New Options will be available as Additional New Shares and New Options (refer section 1.4).

1.11 Rights and liabilities attaching to New Shares and New Options

From Issue, the New Shares issued under this Prospectus will rank equally in all respects with existing Shares and upon exercise of the New Options, if this should occur, the resulting shares from exercise, shall rank equally with existing Shares. Summaries of the important rights attaching to Shares, as set out in the Company's Constitution, and rights attaching to new options are contained in Section 6 of this Prospectus. There are no liabilities attaching to New Shares and New Options.

1.12 No prospective financial forecasts

The Company is an exploration company. Given the speculative nature of exploration, mineral development and production and the status of the Company's exploration projects there is no basis for the Directors to forecast future revenue and they do not do so.

1.13 Summary only

The information set out in this Section provides a summary of the information contained in this Prospectus. Applicants should read this Prospectus in its entirety prior to making a decision to accept the Offer. If you have any questions about investing in the Company, please contact your stockbroker, accountant or independent financial adviser.

Section 2 PURPOSE AND EFFECT OF THE RIGHTS ISSUE

2.1 Purpose of the Rights Issue

The net funds raised from the issue of New Shares and New Options through the Offer after payment of all associated costs, are expected to provide the Company with approximately \$1,494,282 million in additional capital.

The funds raised will enable Rimfire to continue its work programs at Fifield and Bingara as described within Section 3 of this document in an ordered and efficient manner over the next two years without concern as to working capital requirements. The use and allocation of capital may need to alter during the course of the Company's programs. Extra funds may be allocated to a particular project if warranted by exploration results and conversely expenditure on particular projects may be cut back if exploration results disappoint. The Directors believe that the capital raised will also provide them with a cash reserve that will give them the ability to take advantage of any opportunities which arise which are complementary to the Company's existing program. The following table shows the proposed application of funds.

Source of Funds

Closing Cash 31 December 2009	\$841,837
Proceeds of Share Issue	\$1,622,276
Approximate Cost of the issue	-\$127,994
Funds on completion of the issue	\$2,273,724

Use of Funds next 2 years

Bingara Diamonds area	\$200,000
Fifield Platinum Area	\$650,000
Fifield Gold Area	\$200,000
Fifield Base Metal Area	\$100,000
Cash Reserve	\$373,724
Working capital, creditors, overhead costs	\$750,000
Total	\$2,273,724

The Directors reserve the right to make any adjustments to the use of funds as they see fit to manage the needs of the Company. Additional funds up to a maximum value of \$5.0 million may become available to the company, should the New Options be exercised, however, the Company is not relying on these additional funds for its planned exploration.

2.2 Effect of the Rights Issue

The principal effects of the Rights Issue will be to:

- increase the Company's cash reserves by approximately \$1.494 million after taking into account the costs of the Rights Issue;
- provide the Company with additional capital for the purposes referred to in section 2.1, thus enabling the orderly and efficient execution of the current work programs at Fifield and Bingara, as outlined; and
- increase the total number of issued Shares (refer section 2.3).

Pro-forma consolidated historical financial information is provided in the following paragraphs summarising the effect of the Rights Issue.

2.3 Effect of the Rights Issue on capital structure

The effect of the Rights Issue on the Company's issued share capital will be as follows:

Ordinary Shares	Number	% Equity
Existing Shares	311,976,107	71.4%
Issue under Share Offer	124,790,443	28.6%
Totals	436,766,550	100%

Options	Number	% Options
New Options	124,790,443	94.3%
*Existing On issue (Employees/Contractors)	7,500,000	5.7%
Total	132,290,443	100%

* No change to the number of options on issue at the time of the Prospectus

2.4 Effect of the Rights Issue on Rimfire's financial position

Set out below is the audited Consolidated Balance Sheet of the Company as at 31 December 2009 and a pro forma Consolidated Balance Sheet of the Company after the Rights Issue. The financial information prepared below is prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

RIMFIRE CONSOLIDATED BALANCE SHEET

		Audited Accounts	Proforma Adjustments	Proforma Accounts
		31-Dec-09	31-Dec-09	31-Dec-09
Note		\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	1	841,837	1,494,282	2,273,724
Receivables		28,816		28,816
Other current assets		6,123		6,123
TOTAL CURRENT ASSETS		876,776	1,494,282	2,308,663
NON-CURRENT ASSETS				
Receivables		162,969		162,969
Property, plant and equipment		345,390		345,390
Exploration & evaluation costs carried forward		4,474,551		4,474,551
TOTAL NON-CURRENT ASSETS		4,982,910		4,982,910

RIMFIRE PACIFIC MINING NL

TOTAL ASSETS		5,859,686	1,494,282	7,291,573
CURRENT LIABILITIES				
Payables	2	143,872		143,872
Provisions		2,497		2,497
TOTAL CURRENT LIABILITIES		<u>146,369</u>		<u>146,369</u>
TOTAL LIABILITIES		<u>146,369</u>		<u>146,369</u>
NET ASSETS		<u>5,713,317</u>	<u>1,494,282</u>	<u>7,145,204</u>
EQUITY				
Share Capital	3	14,681,951	1,494,282	16,113,838
Options reserve				
Accumulated losses		- 8,968,634	-	8,968,634
TOTAL EQUITY		<u>5,713,317</u>	<u>1,494,282</u>	<u>7,145,204</u>

Note 1 Reconciliation of Cash at Bank

Cash at Bank 31 December 2009		841,837	
Funds to be raised from the Offer		1,622,276	
Estimated Costs of the issue		-	<u>127,994</u>
Proforma Cash on Hand			<u><u>2,336,119</u></u>

Note 2 Trade and Other Payables

Trade Payables 31 December 2009		<u>143,872</u>	
Proforma Trade and Other Payables			<u>143,872</u>

Note 3 Contributed Equity

Contributed Equity 31 December 2009		14,681,951	
Shares issued pursuant to Issue		1,622,276	
Costs of Capital Raising		-127,994	<u> </u>
Proforma Issued Capital			<u>16,176,233</u>

2.5 Market Price of Shares

The highest and lowest market closing sales prices of the Shares during the historic 6 months up to 5th May 2010 were:

Highest:	\$0.025 (9/12/2009)
Lowest:	\$0.015 (17/03/2010)

The volume weighted average sale price (VWAP) on the Australian Securities Exchange of the Shares during the historic periods up to 4th May 2010 was 1.83 cents VWAP for the 3 months period and for the 6 months period the VWAP was 2.01 cents.

The market sale price of the Company's Shares on the Australian Securities Exchange as at the close of business on 5th May 2010 was \$0.020.

Section 3 COMPANY INFORMATION

Background

Exploration Overview

Exploration within the Fifield Platinum Project remains the key emphasis, building upon work in the previous years. The geology and mineralizing systems at Fifield continue to offer new and diverse project opportunities in Platinum (Pt), Gold (Au) and base metal. The Company now has more than eight project areas of significance at Fifield.

The key overall objective of the Company continues to be "the establishment of potential open cut minable resource(s) within the 6km² zone of currently identified Pt mineralisation noted within the Platina-Gillenbine and Ebenezer project areas", which includes both tier 2 alluvial targets and the greater bedrock system as a tier 1 target.

The Company is specifically investigating the commercial potential of the alluvial system on its freehold (210 hectares). The targets comprise the multilevel gravel system, un-mined portions of the historic Platina Deep Lead and the likelihood of Pt bearing tributaries feeding into the Platina Valley. This assessment could also provide important information on the bedrock source of Pt and Au adjacent and within this system.

In general terms, whilst not established to date, the Company believes there is reasonable evidence that suggests a resource, within its Platinum exploration work areas has the potential to be determined in an appropriate time frame. The geological model adopted by the company shows emerging evidence of a geological control for the bedrock Pt mineralisation in shear zones and breccias.

Exploration Strategy and Direction

The Company's strategy recognises it must carefully balance the needs of exploration within a more volatile global economic climate and is therefore endeavouring to focus its efforts on the most promising project initiatives now established at Fifield. Given that the highly mineralised region at Fifield NSW is significantly underexplored in historic terms (in the Company's view), it is important to set clear priorities, that remain sufficiently flexible to accommodate the exploration results as they unfold. This is a key element to the ongoing direction and assessment by the Company.

Exploration priorities within the Company's key tenements, EL5534 and EL6241, have been established consistent with the following principles:

- **Maintain high quality exploration, within a relatively low cost structure.**
- **The dominant exploration focus for the Company will remain the pursuit of primary coarse grain Pt within the bedrock, at Fifield NSW, in the "Platina-Gillenbine" and "Ebenezer" areas.**
- **The tangible nature of the Pt mineralisation in particular, existing in the surface and near surface positions at Fifield, will be assessed for its commercial return possibilities**, with bulk testing, and where appropriate, larger scale trial mining.
 - Bulk sampling for Pt on the Company freehold as a first stage priority
 - Pt mineralisation will be assessed within soils, subsoil clays, gravels, deep leads and bedrock

- The objective is to define areas of commercial importance that can contribute a cash positive return towards the ongoing exploration programs, in harmony with the overall bedrock exploration strategy.
- **Other project priorities will proceed in order of merit as exploration results continue to accumulate**, but will be focused primarily at Fifield on the prospects "Sorpresa" (Au), "Fifield Hard Rock (Au)", "Goldengreen" (Au) and "Eclipse-Eclipse North" (Au and VMS style base metal).
- Diamonds will have modest exploration expenditure in the short term.

Project and Mineralisation Background – Fifield NSW

The Fifield Platinum Project is comprised of seven tenements and two mineral claims covering known alluvial and hard rock platinum mineralisation at Fifield in central western NSW. The Company is conducting exploration on the source(s) of the coarse grained platinum historically mined in the Fifield area and the recognised gold and base metal potential now seen. The following areas for exploration or development are held:

Exploration Licences - EL5534 EL5565 EL6144 EL6241 EL7058 EL7233 EL7234

Mineral Claims - MC 305 MC 306

There is a significant variation in mineralisation styles at Fifield, which includes Au, Pt and Cu/Base Metal prospects, with these occurring across a zone of less than 10km width. This observation also provides further support to the interpretation of the region as being a complex volcanic rift setting, with evidence for multiple, polymetallic mineralisation events associated with sub-volcanic intrusives, shearing and brecciation at various scales.

Accordingly, the exploration shows that metal zoning remains an important feature of the regional geology at Fifield. In the context of the Lachlan – Cadia Lineament, the Fifield area has prominent mineralisation that is underexplored and represents an excellent exploration setting for commercial mineralisation discovery in the Company's view.

A key feature of the exploration landscape at Fifield NSW is the minimal outcrop available for examination. However, in many instances the depth to bedrock is less than two metres, so a combination of soil geochemistry, auger drilling and trenching to bedrock with complementary bulk sampling is rapid and effective way to explore for significant mineralisation. These activities are also relatively low cost to undertake.

Historic Pt mining at Fifield yielded in excess of a reported 20,000 oz of Pt from the deep leads and surface soil mining (circa. 1890~1930). The major deep lead was the "**Platina Lead**", worked at a depth from 12m to 25m over a length of 2.5km with a reported grade of approx. 15g/t recovered Pt.

The northern extent of the Platina Lead was not able to be defined historically. This northern section represents an important component of the Pt bearing alluvial system, both with respect to its commercial potential and the exploration knowledge base that the Lead provides, with respect to the source area(s) for Pt entering the alluvial system along the full extent of the Platina Lead.

Background on "Pit One" – discovery of Platinum mineralised veins

"Pit One" is located on the Company freehold and is considered an important area, linking the shear zone system, at Platina-Gillenbine to the gradation of the near surface bedrock position to the alluvium covered valley containing the Platina Deep Lead system.

The "Pit One" sampling area appears geologically influenced by the "Eastern Shear Zone" Pt surface anomaly. Accordingly, the Pit One area is being extensively evaluated with auger drilling, trenching and bulk sampling for the significance and orientation of the Pt position in the bedrock at this location.

The trenching program conducted on the Company freehold in October 2008 resulted in the Company making a significant discovery and reaching a critical new milestone concerning the geological control of the Pt mineralizing system at Fifield. The Company believes that this could be representative of the entire mineralised Pt system observed at Fifield within the Platina-Gillenbine and Ebenezer project areas (approx. 6km²) and is a key milestone with respect to Pt exploration at Fifield.

This trenching within the "Pit One" Pt bulk sampling locality demonstrated that coarse Pt is present in the underlying bedrock, shown to be contained within mineralised veins. The vein structures identified are being further examined and appear to be a geological and structural control on the Pt mineralisation.

Given the successful discovery of the Pt vein structure within Rimfire's own freehold boundary, a wider district sampling program using this type of large scale exposure would be used at an appropriate time on other prospective sites within the "Ebenezer" Pt anomaly.

The key expectation of the Pit One program includes a thorough assessment of the recovered Pt, Au and other heavy minerals with an exposure of the underlying bedrock geology also. Field observation and petrological review, under microscope, of the morphology of the coarse metal grains recovered, indicates many Au and Pt grains appear to have a local provenance.

Status of the Recent Pit One Excavation

Whilst the work in Pit One is not complete, a number of important outcomes have been achieved.

- In total 5 Blocks have been mined to bedrock (blocks A, B, C, D and E) within Pit One area, where the Pt bearing gravel layer has been substantially removed, and processed through the gravity plant. The upper weathered bedrock floor is now exposed
 - Approx 1,200g of Pt/Au clean HVC¹ has been recovered in Pit One gravels to date, estimated from 2,400 tonnes of "undiluted gravels".
- Excavation and sampling has occurred within the underlying bedrock system, in locations Tile 1, Tile 2 and Block E at Pit One on the Company Freehold
- Key structural geology is being sampled and continues to yield Pt and Au grains. The sampling program is ongoing and assessments are done internally through the Company facilities

Multiple sampling points of interest have been selected within the tile areas in the bedrock floor. Several sample areas have been gravity processed with Pt and Au grains that now have been confirmed as being recovered from the bedrock.

Whilst this is an early stage of the bedrock assessment, the Company is extremely encouraged by both the interesting and complex geology revealed in the bedrock floor at "Tile One" and the Pt, Au and Chromite shown to be present to date.

¹ HVC = High Value Concentrate, with Pt and Au grains cleaned to the highest purity, but prior to refining

The shear zones revealed in "Tile One" are very dynamic in both structure and rock alteration. Complex fault patterns traverse areas of brecciation, curved shear zones, sulphide stockworks and variously coloured altered rocks.

The main shear zone found within Pit One, to date, has the most Pt grains. This shear zone has been tracked over 30m and found to connect with the Pt bearing shear zone previously located in Trenches 24 and 24a.

This shear zone is being exposed in a series of "tiles" especially designed to test grades over a total distance of 80m all within the Pit One area. "Tile Two" has been excavated, in a similar fashion to "Tile One", revealing the complex shear zone over a distance of 10m, and showing a width between 3m to 7m.

The exploration concept is to locate Pt bearing shear zones and follow these along strike and try to locate sufficient Pt ore grade in these shears, via bulk sampling.

The major exploration activities at Fifield planned during 2010 and beyond

The immediate focus for work programs looking forward will be to continue the assessments for Pt and Au on the Company Freehold, whilst also continuing the examination of the Au mineralisation, particularly in the Sorpresa Area. The next stage activities can be summarised as follows:

- Complete the bulk sampling and trial mining within the Pit One Area of both gravel and bedrock systems, with estimation of Pt grades
- To generate, if possible, a positive cash return for the Company by recovering Pt and Au from the overlying gravel above the bedrock.
- The Company will continue to track the geology at Pit One, testing for Pt, Au and Chromite in the Bedrock. This will involve further tiles and deeper excavations within tiles.
- Complete the delineation of the Pt bearing gravel (approx. 2km x 0.5km) and tributary areas prospective for mining on the Company freehold and bulk sample this system.
- Further define and bulk sample previously unmined sections of the extension of the Platina Lead
- In addition, the historically mined portion of the Platina Lead will be bulk tested for its commercial potential and its interaction with the primary system for Pt & Au in the bedrock
- Apply for permitting to open additional Bulk sampling locations within EL6241 and EL5534, located outside the Company Freehold (4 sites) for determination of Pt grades in bedrock
 - These areas are at Platina-Gillenbine and Ebenezer, and would be undertaken with the knowledge gained from Pit One.
 - The new sites in most instances have considerable Pt grade determination in previous trenching and auger drilling in the near surface positions.
- Apply the results from extensive geochemistry grids over the "Sorpresa" and "Fifield Hard Rock" Au areas, to proceed with an RC drill program on the best available targets for Au mineralisation.

Major Additional Areas for Bedrock Testing for Pt at Fifield – Background

“Platina-Gillenbine” Platinum Area – Within EL5534 but not on Company Freehold

Past trenching provided valuable insight and the Company believes it has now positively identified the source area of the coarse grain Pt at “Platina-Gillenbine”.

Pt contours have been extended in the sub soil clay layers and are now also more precise through the trenching conducted in 2006~7.

- Coarse and fine grain primary Pt was recovered from the weathered bedrock in every trench that was opened
- Contours of 0.5g/t Pt and 0.75g/t Pt were mapped for the trenching
- A high grade (visual grain size internal company estimate) of 3.7g/t Pt was noted in the subsoil clay layer

However, larger sample sizes are needed to achieve reliable grade estimates of the coarse grain Pt bearing bedrock.

The remaining questions concern determining the extent of the Pt zoning, Pt distribution, Pt grade and trying to delineate a coherent commercial Pt resource with suitable tonnage. Further trenching and bulk samples will be pursued in this regard, and should also provide assistance in the understanding of the geological controls operating in the mineralised system.

New Pits for bulk sampling will continue to be opened to strengthen the connection of the subsoil Pt contours to the underlying bedrock and extend the testing of the Pt mineralised corridor.

“Ebenezer” Platinum Prospect - Background

“Ebenezer” is located 500m SE of the Platina-Gillenbine work area within EL5534 and EL6241. An initial major soil sampling program was conducted in 2007. The results demonstrated significant coarse grain Pt is present, with associated gold (Au) in some areas.

Pt grades in predominantly residual soil samples were observed at more than 1g/t Pt, with a maximum grade seen to date of approximately 1.6g/t.

The Ebenezer prospect is considered an extremely large precious metal soil anomaly (2km x 2km), and given the large spaced sampling and the positive nature of the results obtained to date, the Company is very encouraged by the potential of the area.

The next stage work program would involve tighter gridded sampling, with bulk testing of suitable target areas, including the Pit 2 area, already identified.

Summary of exploration in other areas at Fifield – Gold dominant focus within EL5534

A brief commentary is provided on the other relevant areas of exploration at Fifield as follows:

Details on “Sorpresa” and Fifield “Hard Rock” Areas – Gold and Base Metal Target Background

The Sorpresa prospect consists of gold and base metals in soil anomaly located near an historic shaft. The prospect was drilled by Rimfire in 2008 and a body of mineralization inferred from

the analyses of the drill hole samples. The host to mineralization is a breccia with an uncertain size and orientation.

Recognition of the Sorpresa mineralization and old workings adjacent to and over a porphyritic intrusive within an extensive weak metamorphic aureole suggests further potential over a much larger area than previously sampled.

The intrusion is visible on the aeromagnetic data held by Rimfire and this will assist in defining further exploration areas.

The "Sorpresa" Au and Base Metal prospect is undergoing an additional extensive geochemistry grid, based on the observation that the target mineralized system could be significantly larger than originally conceived. Similarly, the adjacent bedrock location to the Fifield Lead, has been extensively sampled for geochemistry, and this prospect is known as the "Fifield Hard Rock Gold".

Following further soil sampling designed to complete coverage over the prospective areas, a trial IP survey may be undertaken prior to a planned program of RC drilling.

"Eclipse North" Prospect – Possible VMS style target developed from Cu and Pb Geochemistry

The Pb anomalism encountered is considered important, even though relatively low values are seen in the "Eclipse North" soil geochemistry. Based on the experience at "Sorpresa", the underlying mineralisation potential is well worth pursuing at "Eclipse North", given a similar soil geochemistry was obtained at "Sorpresa". The area at Eclipse North also has a significant, albeit subtle, gold soil anomaly.

Eclipse North has favourable exploration characteristics, including positive surface indications, ease of exploration, partly mappable geology, reasonable exposed gossan width (20~30m), evidence for significant sulphide veins and significant quartz veining present.

"Goldengreen" Prospect – Possible fine Au dispersed in Sediments

The Goldengreen South area was explored in 2008 using soil geochemistry, shallow bedrock geochemistry via auger drilling, geological mapping and ground magnetics. The mineralization is partly exposed and has been mined on a very small scale about 70 years ago.

Whilst the work is at an early stage, it should nevertheless be recognised that the Company has confirmed previously at Fifield that "Au is disseminated in Sediments" and no adequate explanation currently exists. A regional plot of this shear-fault direction shows it to be highly disruptive to the Murga and Tout Intrusives to the north, indicating this is a large feature that needs to be prospected for disseminated Au.

Further assessment of this prospect is justified.

Bingara Diamonds Project exploration areas – Bingara NSW

The Bingara Diamond Project is comprised of four tenements at Bingara in central north western NSW. The company is conducting exploration for the hard rock source(s) of the alluvial diamonds historically mined in the Bingara-Copeton district and holds the following areas for exploration:

Exploration Licences - EL6106 EL5880 EL6893 EL6894

The Company has exploration targets to discover the hard rock source(s) of 500,000 carats of diamonds historically mined during the past 100 years in the Bingara-Copeton area, north-

eastern NSW. A key exploration tool has now been developed to find this hard rock diamond source(s) that the Company believes to exist at Bingara and elsewhere in NSW.

The results to date represent significant advances in the Company's exploration within the Horton Valley for diamond. The Company discovered two "Pipes" during 2007, where key indicator mineral has now been observed in fresh rock, below surface, and structurally controlled to "explosive vents". The Company is seeking to make further pipe discoveries in the district.

At an appropriate time a bulk sampling program would be subsequently planned, subject to permitting, to investigate for contained diamond in the pipes.

The information relating to the Company's exploration activities and results (including in this section of the prospectus) has been compiled by Mr Colin Plumridge, who is a Member of The Australian Institute of Mining and Metallurgy, with over 30 years experience in the mineral exploration and mining industry. Plumridge & Associates Pty. Ltd provide Mr Plumridge's services as Exploration Consultant to the Company. Mr Plumridge has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Plumridge consents to be named in the prospectus and consents to the inclusion in this prospectus of statements based on information he has provided in the form and context in which it appears.

Section 4 ACTION REQUIRED BY SHAREHOLDERS

4.1 What Eligible Shareholders may do

The number of New Shares and New Options to which Eligible Shareholders are entitled (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

As an Eligible Shareholder, you may:

- take up all of your Entitlement;
- apply for Additional New Shares and New Options (refer Section 4.3);
- sell all of your Entitlement on the Australian Securities Exchange (refer Section 4.4);
- take up part of your Entitlement and sell the balance on the Australian Securities Exchange (refer Section 4.5);
- take up part of your Entitlement and allow the balance to lapse (refer Section 4.6);
- deal with part or all of your Entitlement other than on the Australian Securities Exchange (refer Section 4.7); or
- allow all or part of your Entitlement to lapse (refer section 4.8).

Non-qualifying Foreign Shareholders may not take any of the steps set out in Sections 4.2 to 4.7.

4.2 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in that form.

You should then forward your completed Entitlement and Acceptance Form together with your Application Money in accordance with Section 4.9 to reach the Company's Share Registry no later than 7:00 pm on 21 June 2010.

4.3 Applications for Additional New Shares and New Options

Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options as described in section 1.4.

A single cheque should be used for the Application Money for your Entitlement and the number of Additional New Shares and New Options you wish to apply for as stated on the Entitlement and Acceptance Form.

4.4 Selling all your Entitlement on the Australian Securities Exchange

If you wish to sell all of your Entitlement on the Australian Securities Exchange, complete the appropriate section on the back of the accompanying Entitlement and Acceptance Form marked "Instructions to Your Stockbroker" and lodge the Entitlement and Acceptance Form with your stockbroker as soon as possible, or otherwise provide instructions to your stockbroker regarding the number of Rights you wish to sell on ASX. You can sell your Rights on ASX from 26 May 2010 until 11 June 2010. The Company accepts no responsibility for any failure by your stockbroker to carry out your instructions.

4.5 Taking up part of your Entitlement and selling the balance on the Australian Securities Exchange

If you wish to take up only part of your Entitlement, complete the accompanying Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 4.2. You may then provide instructions to your stockbroker regarding the number of Rights you wish to sell on the Australian Securities Exchange.

4.6 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 4.2. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from selling/trading your Rights.

4.7 Dealing with part or all of your Entitlement other than on the Australian Securities Exchange

You may transfer all or part of your Rights to another person other than on the Australian Securities Exchange provided that the purchaser is not a Non-qualifying Foreign Shareholder or would not be a Non-qualifying Foreign Shareholder if the purchaser was the registered holder of Shares.

If you wish to transfer all of your Entitlement to another person other than on the Australian Securities Exchange, forward a completed standard renunciation form (obtainable from the Company's Share Registry) and the applicable transferee's cheque or bank draft for any Application Money for the New Shares and New Options they wish to subscribe for to the Company's Share Registry by 7:00pm on 21 June 2010.

If you wish to transfer part of your Entitlement to another person other than on the Australian Securities Exchange only, but also want to take up some or all of the balance of your Entitlement, you will need to take the steps described above in relation to the Rights you wish to transfer and complete the accompanying Entitlement and Acceptance Form in respect of the

Rights you wish to take up. You will need to lodge the form in accordance with the procedure in Section 4.2.

If the Share Registry receives both a completed renunciation form and a completed Entitlement and Acceptance Form in respect of the same Rights, the renunciation will be given effect in priority to the acceptance.

4.8 Allow all or part of your Entitlement to lapse

Your Rights may have value. Rights are renounceable, which enable Eligible Shareholders who do not wish to accept some or all of their Entitlement to sell or trade all or part of their Rights on the Australian Securities Exchange. Any part of your Entitlement that is not accepted or sold will lapse.

4.9 Payment

(a) By Cheque

The Application Price for New Shares and New Options is payable in full on application by a payment of 1.3 cents per New Share. The Entitlement and Acceptance Form must be accompanied by a cheque or bank draft for the Application Monies.

Cheques or bank drafts must be drawn in Australian currency on an Australian bank and made payable to "**Rimfire Pacific Mining RI AC**" and crossed "Not Negotiable". Applicants must not forward cash. Receipts for payment will not be issued.

You should ensure that sufficient funds are held in relevant account(s) to cover the cheque(s). If the amount of your cheque(s) for Application Money is not sufficient to pay for the number of New Shares and New Options you have applied for, you may be taken to have applied for such lower number of New Shares and New Options as your cleared Application Money will pay for or your Application may be rejected.

**CHEQUES SHOULD BE MADE PAYABLE TO:
"RIMFIRE PACIFIC MINING - RI AC"
AND CROSSED "NOT NEGOTIABLE".**

Entitlement and Acceptance Forms and cheque payments will not be accepted after the Close Date of 7:00pm AEST on 21 June 2010, and no New Shares or New Options will be issued to you in respect of that application and your payment will be refunded to you.

You need to ensure that your completed Entitlement and Acceptance Form and cheque payment reaches the Share Registry at the following address:

**Rimfire Pacific Mining NL
c/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001
Australia**

An Australian reply paid envelope addressed to the Share Registry has been enclosed with this Prospectus for your convenience.

(b) Payment by BPAY®

To apply and pay via BPAY, you should:

- Read this Prospectus and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- Make your payment via BPAY for the number of New Shares and New Options you wish to subscribe for (being the Offer Price of \$0.013 per New Share and New Option multiplied by the number of New Shares and New Options you are applying for) so that it is received by no later than 7:00pm (AEST) on 21 June 2010. You can only make a payment via BPAY if you are the holder of an account with an Australian financial institution.

If you choose to pay via BPAY you are not required to submit the Entitlement and Acceptance Form.

If you make payment by 7:00pm (AEST) on 21 June 2010, New Shares and New Options will be allotted to you on 25 June 2010.

Your payment will not be accepted after 7:00pm (AEST) on 21 June 2010 and no New Shares or New Options will be issued to you in respect of that Application.

If you have multiple holdings you will have multiple BPAY reference numbers. To ensure you receive your Entitlement in respect of that holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. You may also have your own limit on the amount that can be paid via BPAY. It is your responsibility to check that the amount you wish to pay via BPAY does not exceed your limit.

If the amount of payment is insufficient to pay in full for the number of New Shares and New Options you applied for, or is more than the number of New Shares and New Options you applied for, you will be taken to have applied for such whole number of New Shares and New Options which is covered in full by your payment, to the extent that this does not exceed your Entitlement. Alternatively, Rimfire may in its discretion reject your Application, in which case any payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

If you apply for Additional New Shares and Additional New Options in excess of your Entitlement and you are not allocated all or some of the Additional New Shares or Additional New Options applied for, the relevant payment will be refunded to you after the allotment date in accordance with the Corporations Act, without interest.

4.10 Enquiries

If you have any questions about your Entitlement please contact the Company's Share Registry at the Rimfire Pacific Mining Shareholder Information Line on 1300 087 429 (within Australia) or +61 3 9415 4275 (outside Australia).

Alternatively, contact your stockbroker or other professional adviser.

4.11 Brokerage

No brokerage or stamp duty is payable by Shareholders who accept their Entitlement to New Shares and New Options.

Section 5 RISK FACTORS

The New Shares and New Options offered under this Prospectus are considered speculative because of the inherent risks associated with minerals exploration and appraisal and the current status of the Company's exploration projects. In addition, there are risks inherent in investing in the share market in general.

The Directors have considered and identified in this section of the Prospectus the critical areas of risk associated with investing in the New Shares and New Options. The risks identified by the Directors are not exhaustive and potential investors should read this Prospectus in full and seek professional advice if they require further information on material risks in deciding whether to subscribe for New Shares and New Options.

5.1 Specific Risks

5.1.1 Exploration Risks

All of the Company's projects are at the exploration stage. The business of minerals exploration, project development and production involves risks by its very nature. There can be no assurance that exploration of the tenements, or any other tenement in which the Company may acquire an interest in the future, will result in the discovery of an economic mineral deposit. Even if an apparent viable mineral deposit is identified, there is no guarantee that it will be able to be profitably exploited.

Any exploitation of a deposit will involve the need to obtain the necessary licences or clearances from relevant authorities, and renewals of licences and permits, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Exploration and development may be hampered by mining, heritage and environmental legislation, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies.

Exploration may ultimately be unsuccessful, resulting in a reduction of the value of the Company's projects, diminution in the cash reserves of the Company and possible relinquishment of the exploration tenements. Outcomes of the exploration program outlined in this Prospectus will affect the future performance of the Company and its Shares.

5.1.2 Production Risks

Operations such as design and construction of efficient mining and processing facilities, competent operation and managerial performance, and efficient transport and marketing services, are required to be successful. In particular production operations can be hampered by force majeure circumstances, engineering difficulties, cost overruns, inconsistent recovery rates and other unforeseen events. In the event the Company's exploration projects identify economic deposits development of production may be affected by these matters.

5.1.3 Access to Land

Significant delays may be experienced in gaining access to privately owned freehold or leasehold land. Delays may be caused by weather, deference to landholders' activities such as cropping, harvesting, calving and mustering, and other factors.

5.1.4 Cultural Heritage

Delays may be experienced if evidence of Aboriginal cultural heritage exists on any land to which the Company requires access.

When exercising a right or permission for access to any land, it is an offence, to disturb physical evidence of human occupation of prehistoric or historic significance without statutory permission. This restriction applies to any activity including minerals exploration and production.

The Company has not undertaken the comprehensive research, investigations or enquiries which would be necessary to enable it to form an opinion with certainty as to whether any such evidence exists on any land covered by Rimfire's tenements.

5.1.5 Environmental Impact Constraints

The Company's exploration and appraisal programs will, in general, be subject to approval by government authorities. Development of any mineral resources will be dependent on the Company being able to obtain environmental approvals to carry out its planned activities, and then being able to meet all environmental conditions placed on such activities.

5.1.6 Exploration and Appraisal Expenditure

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs must be flexible enough to respond to the results obtained.

The actual scope, costs and timetables of exploration programs may differ substantially from the proposals set out in this Prospectus. Financial failure, or default by any future alliance or joint venture partner of the Company, may require the Company to face unplanned expenditure or risk forfeiting relevant tenements.

5.1.7 Funding

Unless and until the Company develops or acquires income producing assets, it will be dependent upon its existing financial resources as augmented by the funds raised by this Offer, and its ability to obtain future equity or debt funding to support exploration evaluation and development of the properties in which it has an interest. The Company's ability to raise further equity or debt or to divest part of its interest in a project, and the terms of such transactions, will vary according to a number of factors, including the success of exploration results and the future development of the Company's projects, stock market conditions and prices for metals in world markets.

5.1.8 Key Personnel

The ability of the Company to achieve its objectives depends on the retention of key external contractors who constitute its technical panel and provide technical expertise. If the Company cannot secure external technical expertise (for example to carry out drilling) or if the services of the present technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

5.1.9 Volatility in the price of minerals

Commodity prices are influenced by the physical and investment demand for those commodities. Fluctuations in commodity prices may influence timing, viability and management of projects in which the Company has an interest.

5.1.10 Volatility in the market price of Shares

Although the Company is listed on the Official List, there is no assurance that an active trading market for its Shares or the Securities will be sustained. There is also no assurance that the market price for the Securities will not decline below the issue price. The market price of the Company's Shares and Securities could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares and Securities in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares and Securities decreasing so that they trade at prices significantly below the issue price, without regard to the Company's operating performance. Equally, the market price of the Shares may be less than the exercise price of the New Options at the date the New Options are exercisable.

5.1.11 Negative publicity may adversely affect the Share Price

Any negative publicity or announcement relating to any of our substantial shareholders or key personnel may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of this negative publicity or announcement may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

5.1.12 Insurance Risks

The Company maintains insurance coverage that is substantially consistent with exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

5.1.13 Construction Capital Costs

The Company is conscious that at present, there is competition for skilled labour and that material costs have increased. The impact of these factors is that there are upward costs pressures in the market.

5.1.14 Government Regulation and Policy

The Company's tenements may be subject to extensive regulation by local, state and federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities.

There can be no assurance that future government policy will not change and this may adversely affect the long term prospects of the Company. In addition, future changes in governments, regulations and policies may have an adverse impact on the Company.

5.1.15 Native Title

The existence of native title and/or native title claims in relation to the land on which the Company may have an adverse impact on the Company's activities and its ability to fund those activities. It is impossible at this stage to quantify the impact that these matters may have on the Company's operations but the main risks include:

- Delays or difficulties in obtaining the grant of the applications for Authorities, renewals or conversions of the Authorities, or further applications, as a result of the right to negotiate process, as this process can take as long as 2 years.
- Compensation may be payable by the Company as a result of agreements made pursuant to the right to negotiate or alternative process or as a result of a compensation order made by the Federal Court in the event native title has been determined to exist. The amount of such compensation is not quantifiable at this stage.
- If native title is found to exist the nature of the native title may be such that consent to mining is required from the native title holders but is withheld or only granted on conditions unacceptable to the Company.
- The risk that Aboriginal sites and objects exist on the land the subject of the Authorities, the existence of which sites and objects may preclude or limit mining activities in certain areas of the Authorities. Further, the disturbance of such sites and objects is likely to be an offence under the applicable legislation, exposing the Company to fines and other penalties.

5.2 General Risks

5.2.1 General Economic Climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs and on metals prices.

The Company's future income, asset values and share price can be affected by these factors and, in particular, by the market price for any metals that the Company may produce and sell.

5.2.2 Stock Market Conditions

The market price of the New Shares and New Options when quoted on the ASX will be influenced by international domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of minerals exploration companies quoted on the ASX, including Rimfire.

The stock market has in the past and may in the future be affected by a number of matters including:

- commodity prices;
- market confidence;

- supply and demand for money; and
- currency exchange rates.

5.2.3 Commodity Prices May Go Down

The demand for, and price of, commodities is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative commodities, actions taken by governments and international cartels, and global economic and political developments. Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices and, in particular, a material decline in the price of commodities may have a materially adverse effect on the Company's business, financial condition and results of operations.

5.2.4 Governments May Stop Exploration and Production Activities

Any material adverse changes in government policies or legislation of the various countries in which it operates affecting mining and exploration activities may affect the viability and profitability of the Company.

5.2.5 Foreign Currency and Exchange Rate Fluctuations

Revenue and expenditure of the Company may be domiciled in currencies other than Australian dollars and as such expose the Company to foreign exchange movements, which may have a positive or negative influence on the Australian dollar equivalent of such revenue and expenditure.

The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist manage these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

5.2.6 Speculative Nature of Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares in the Company.

Section 6 ADDITIONAL INFORMATION

6.1 Nature of the Prospectus

This Prospectus is issued under section 713 of the Corporations Act.

6.2 Further documents

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office. In addition, the Company will provide, upon request and free of charge, any or all of the following documents to any person considering this offer:

- (a) the 2009 Annual Report of Rimfire which contains the financial statements and consolidated financial statements for the twelve months to 30 June 2009;
- (b) the continuous disclosure notices given by Rimfire listed below;

ASX Announcements from 1 July 2009

Date		Pages
18/05/2010	Trading Halt	2
30/04/2010	Quarterly Activities Report - March 2010	17
30/04/2010	Quarterly Cashflow Report - March 2010	6
16/03/2010	Half Year Accounts to 31 December 2010	16
10/03/2010	Platinum Update on Company Held Freehold, Fifield	5
27/01/2010	Exploration Report December Quarter 2009	16
27/01/2010	Cashflow Report December Quarter 2009	6
19/11/2009	19 November 2009 Chairman address to 2009 AGM	4
19/11/2009	Results of 2009 AGM	2
19/11/2009	Presentation to 2009 AGM	63
18/11/2009	Bedrock Testing Commences for Pt within Pit One Fifield NSW	8
29/10/2009	Cash Flow Report September Quarter 2009	6
29/10/2009	Exploration Report September Quarter 2009	11
16/10/2009	Annual Report to Shareholders for the Period to 30 June 2009	68
16/10/2009	Notice of Meeting/Proxy Form for AGM 19 November 2009	10
07/09/2009	Director Report and Financial Statements 30 June 2009	48
04/08/2009	Audiocast of Quarterly Exploration Report	1
30/07/2009	Quarterly Exploration Report to June 2009	8
30/07/2009	Quarterly Cashflow Report to June 2009	6

6.3 Schedule of Tenements

Project Area	Units	Reference	Date Granted	Expiry Date	Registered Holder	State	Mineral Focus
Fifield	15	EL6241 ^a	17-May-04	16-May-10	Rimfire	NSW	Platinum/ Gold/Base Metal.
Fifield	40	EL5534 ^d	23-Oct-98	22-Oct-10	Rimfire	NSW	Platinum/ Gold/Base Metal.
Fifield.	4	EL5565	24-Mar-99	23-Mar-11	Rimfire	NSW	Platinum.
Fifield.	70	EL7058	1-Feb-08	31-Jan-10	Rimfire	NSW	Platinum/ Gold/Base Metal.
Fifield.	12	EL6144 ^c	24-Oct-03	23-Oct-09	Rimfire	NSW	Platinum/ Gold/Base Metal.
Fifield.	4	EL7233	31-Oct-08	30-Oct-10	Rimfire	NSW	Gold/Base metal
Fifield.	13	EL7234	31-Oct-08	30-Oct-10	Rimfire	NSW	Gold/Base Metal.
Fifield	1.9ha	MC305 ^a	17-Nov-04	17-Nov-09	Rimfire	NSW	Gold/Platinum/ Silver
Fifield	2ha	MC 306 ^a	17-Nov-04	17-Nov-09	Rimfire	NSW	Gold/Platinum/ Silver
Bingara Diamonds	69	EL6106	29-Jul-03	28-Jul-11	Rimfire	NSW	Diamonds.
Bingara Diamonds	2	EL5880	31-July-01.	30-Jul-11	Rimfire	NSW	Diamonds.
Bingara Diamonds	4	EL6893	4-Oct-07	3-Oct-11	Rimfire	NSW	Diamonds
Bingara Diamonds	18	EL6894	4-Oct-07	3-Oct-11	Rimfire	NSW	Diamonds
Broken Hill	74	EL5958 ^b	24-Jun-07	26-Jun-09	Rimfire	NSW	Base Metals

Note a : Renewal applications have been lodged for EL 7058, EL 6144, EL 6241, MC 305, MC 306

Note b : Rimfire retains a 10% free carried interest. Perilyna is the operator, holding a 90% interest.

Note c : Black Range Minerals NL signed a Mineral Sharing Deed with Rimfire in 2002, for Nickel – Cobalt rights in EL6144.

Note d : Ivanplats Syerston Pty Ltd (formerly named Syerston Nickel Pty Ltd as a 100% subsidiary company of Black Range Minerals NL, the previous owner) and Rimfire signed a Farmin Joint Venture Agreement in August 1999 on Nickel – Cobalt rights in EL5534 & EL5565. (A Nickel laterite intersect was encountered on the Avondale structure, through the previous program operated by Black Range Minerals NL, in approximately the year 2000).

6.4 CHES

The Company participates in CHES and will despatch holding statements in lieu of share and option certificates that set out the number of New Shares and New Options issued to each successful Applicant under this Prospectus.

It is the responsibility of Applicants to determine their allocation before trading in the New Shares and New Options. Applicants who sell New Shares and New Options before they receive their statement do so at their own risk.

6.5 Rights and liabilities attaching to New Shares

The rights attaching to ownership of the New Shares are set out in the Company's Constitution, a copy of which is available for inspection at the registered office of the Company during business hours. The following is a summary of the principal rights of holders of the New Shares:

- Ranking

New Shares are ordinary shares in the capital of the Company and rank equally with all other ordinary shares issued by the Company. Currently all shares issued by the company are ordinary shares.

- Meetings and Voting

Each holder of Shares will be entitled to receive notice of and to attend and vote at any duly convened annual general meeting or extraordinary general meeting of the Company.

At any such meeting of the Company every Shareholder present in person, or by proxy, attorney or representative appointed pursuant to the Corporations Act has one vote on a show of hands and upon a poll, one vote for every Share held by them.

- Dividends

New Shares will participate in any dividend declared by the Company from time to time. Subject to the rights of holders of shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon.

- Transfer of the Shares

Transfer of New Shares may be effected in any manner required or permitted by ASX Listing Rules or Securities Clearance House Business Rules or by an instrument of transfer in any usual form or by another form approved by the Directors or recognised by the Corporations Act or the ASX Listing Rules.

The Company, may refuse to register any transfer of Shares or apply a holding lock to prevent a proper Securities Clearance House transaction where permitted to do so by the Corporations Act, the ASX Listing Rules or the SCH Business Rules. If the Directors decline to register a transfer, the Company must within five (5) business days after the date of lodgement of such transfer give to the lodging party written notice of the refusal and the precise reasons for it.

- Winding up

Upon paying the Application Price, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up. Surplus assets after the winding up of the Company shall be distributed firstly in repayment of paid-up capital with any balance being distributed among Shareholders in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up of the Shares held by them.

- Future increases in Capital

The allotment and issue of any New Shares is under the control of the Directors. Subject to the Listing Rules, the Company's Constitution and the Corporations Act, the Directors may allot or otherwise dispose of New Shares on such terms and conditions as they see fit.

- Variation of Rights

At present, the Company has only ordinary shares on issue. If the shares of another class were issued, the rights and privileges attaching to ordinary shares could only be altered with the approval of a resolution passed at a separate general meeting of the holders of ordinary shares by a three quarter majority of such holders or the written consent of the holders of at least three quarters of the ordinary shares.

There are no liabilities attaching to New Shares.

6.6 Option Terms and Conditions

The terms and conditions of the New Options are as follows:

- i) the New Options will be exercisable at any time prior to 7:00pm AEST on the 31 August 2011. New Options not exercised on or before the Option Expiry Date will automatically lapse;
- ii) each New Option entitles the holder to subscribe for one Share upon payment of 4 cents per New Option;
- iii) the New Options may be exercisable wholly or in part by completing an application form for Shares delivered to the Company's Share Registry, accompanied by payment of 4 cents per New Option, and received by it any time prior to the Option Expiry Date;
- iv) the Company will in accordance with Listing Rule 2.8, make application to have the New Options listed for Official Quotation;
- v) shares issued on the exercise of the New Options will rank pari-passu with the then existing issued ordinary shares;
- vi) the Company will in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of New Options listed for Official Quotation'
- vii) there will be no participating entitlements inherent in the New Options to participate in new issues of capital which may be offered to Shareholders during the currency of the New Options. Prior to any new pro rata issue of securities to Shareholders, holders of New Options will be notified by the Company and will be afforded 7 Business Days before the record date (to determine entitlements to the issue), to exercise New Options;
- viii) in the event the Company proceeds with a pro rata issue (except a bonus issue) of Shares to the holders of Shares after the date of issue of the New Options, the exercise price of the New Options will be adjusted in accordance with the formula set out in Listing Rule 6.22.2;
- ix) in the event of any re-organisation (including reconstructions, consolidations, subdivision, reduction of capital) of the issued capital of the Company, the New Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged; and

the New Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant New Options.

6.7 Taxation

The Directors consider that it is not appropriate to give advice regarding the taxation consequences associated with the acquisition, sale or exercising of Rights, or the subsequent

disposal of any Shares subscribed for under this Prospectus. The Directors recommend that all Eligible Shareholders consult their own professional tax advisors.

6.8 Material Contracts – Underwriting Agreement

Under an underwriting agreement dated 19 May 2010 (***Underwriting Agreement***), Patersons Securities Limited (***Underwriter***) has agreed to underwrite the Offer.

Upon completion, the Underwriter will receive a management fee of \$60,000 and an underwriting fee of 5% of the amount underwritten. The Underwriter will also receive payment of reasonable costs and expenses incurred by the Underwriter in connection with the Offer. The Company will also pay any GST applicable to any fee payable to the Underwriter under the Underwriting Agreement.

The Underwriter has discretion to terminate the Underwriting Agreement for reasons that are standard in agreements of this nature including if the All Ordinaries Index published by ASX falls 10% or more below its level on 18 May 2010 if the price of the Company's shares falls below the Price or if regulatory action is taken in relation to the Prospectus.

6.9 Privacy

If you apply for New Shares and New Options, you will provide personal information to the Company. Company laws and tax laws require some of the information to be collected and kept. The Company will collect, hold and use the information provided by you to process your application and to administer your investment in the Company.

If you do not provide the information requested in the Entitlement and Acceptance Form, the Company and the Share Registry may not be able to process your application.

The Company may disclose your personal information for purposes related to your investment to the Company's agents and service providers. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- the Underwriter to confirm applications; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising, on the Shares and for associated actions.

The Company complies with its legal obligations under the Privacy Act 1988 (Cth).

You may request access to your personal information held by (or on behalf of) the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Share Registry as follows:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne VIC 3001

Or by telephone: 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

6.10 Interests of Directors

SUMMARY OF INTERESTS
for the period ending 13 May 2010

ISSUED TO:	ORDINARY SHARES			OPTION 1		
	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	TOTAL
DIRECTORS						
John Kaminsky	15,766,666	4,512,666	20,279,332	2,000,000		2,000,000
Graham Billinghamurst		11,379,166	11,379,166		1,500,000	1,500,000
Ramona Enconniere	2,710,000	3,583,333	6,293,333	1,500,000		1,500,000
Andrew Knox	4,166,666	1,500,000	5,666,666		1,500,000	1,500,000
Total Directors' Interests	22,643,332	20,975,165	43,618,497	3,500,000	3,000,000	6,500,000

Table (2) Directors' Remuneration to 30 June 2009

Details of Remuneration for the Year Ended 30 June 2009

The remuneration for each Director of the consolidated entity receiving the highest remuneration during the year was as follows:

2009	Primary		Post Employment	Equity Compensation	Total
Name of Director	Salary, Fees & Commissions	Cash Bonus	Superannuation Contributions	Shares & Options	\$
	\$	\$	\$	\$	
<u>Non-Executive Directors</u>					
A. Knox	Nil	Nil	Nil	22,500 (i)	22,500
G. Billinghamurst	Nil	Nil	Nil	22,500 (i)	22,500
R Enconniere	Nil	Nil	Nil	22,500 (i)	22,500
<u>Executive Director</u>					
J Kaminsky	126,055	Nil	45,945	15,974 (ii)	187,974
	126,055	Nil	45,945	83,474	255,474

(i) Shares issued during the year

(ii) Amortisation expense of options issued in prior years

In addition, the Non-Executive Directors, have a benefit from 1st December 2009 as follows, as agreed by a vote of Members at the AGM, held on 19th November 2009, the relevant table is disclosed below from the NOM.

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.

In addition, the Executive Chairman was entitled to receive a total remuneration of \$96,000 in the period from 1/07/2009 to 31/12/2009.

6.11 Interests and Consents of Experts and Advisers

The following parties have given (and not before the date of this document withdrawn) their consent to be named in this document in the form and context in which they are named and in the case of Mr Plumridge to the inclusion of statements said to be based on statements made by him:

- Patersons Securities Limited, in the capacity of Underwriter and Lead Manager;
- McNab Lawyers, in the capacity of Solicitor to the Company;
- Mr Colin Plumridge as principal of Plumridge & Associates, Exploration Manager and Contractor to the Company

Each of Patersons Securities Limited and McNab Lawyers:

- has not authorised or caused the issue of this Prospectus;
- has not made any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, except where expressly stated above;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and except where expressly stated above; and
- was not involved in the preparation of the Prospectus or any part of it except where expressly attributed to that person.

Patersons Securities Limited is acting as Underwriter and Lead Manager and for this is being paid a management fee of \$60,000 and an underwriting fee of 5% of the funds underwritten under the Offer. Patersons Securities Limited is also entitled to reimbursement of out of pocket expenses.

McNab Lawyers is acting as Solicitor to the Company and for this is being paid a fee of approximately \$20,000 (plus GST), and interests associated with Mr Robert McNab the principal of McNab Lawyers, holds 244,250 shares in the capital of the Company.

Mr Plumridge has an interest in 500,000 shares in the capital of the Company and 1,000,000 options with an exercise price of 12 cents per share (expiry Sept 30th 2010).

6.12 Electronic prospectus

Pursuant to class order 00/44 the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus in the basis of a paper Prospectus lodged with ASIC and the issue of shares and options in response to an electronic application, subject to compliance with certain provisions.

If you have received this Prospectus as an Electronic Prospectus please ensure that you have the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please e-mail the Company at rimfire@rimfire.com.au and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the Entitlement and Acceptance Form, it was not provided with an entire copy of the Prospectus and any relevant supplementary or replacement material or any of those documents were incomplete or altered. In such case, the Application monies received will be dealt with in accordance with section 722 of the Corporations Act.

6.13 Directors' authorisation

Each Director of Rimfire Pacific Mining NL has given, and has not withdrawn, their consent to the lodgement of this Prospectus with ASIC.

Signed on behalf of the Directors pursuant to a Resolution of the Board.



JOHN KAMINSKY
EXECUTIVE CHAIRMAN
Dated: 20 May 2010

Section 7 KEY DEFINITIONS

"Additional New Shares and New Options " means New Shares and New Options in addition to an Eligible Shareholder's Entitlement for which an Applicant makes an Application, as described in section 1.4.

"Applicant" means a person who submits an Application.

"Application" means a valid application made to subscribe for Securities in accordance with the Offer.

"Application Money" means monies received from persons applying for Securities pursuant to the terms of the Rights Offer.

"Application Price" means 1.3 cents per Share.

"ASIC" means Australian Securities & Investments Commission.

"ASTC" means ASX Settlement and Transfer Corporation Pty Ltd.

"ASX" means ASX Limited ACN 008 624 691.

"AEST" means Australian Eastern Standard Time

"Business Day" means a day on which trading takes place on the stock market of ASX.

"CHESS" means ASX Clearing House Electronic Sub-registry System.

"Closing Date" means 21 June 2010 or such other date as may be determined by the Directors and the Underwriters under this Prospectus.

"Company" and **"Rimfire"** means Rimfire Pacific Mining NL ACN 006 911 744 and where relevant, its subsidiary companies.

"Constitution" means the Company's Constitution as at the date of this Prospectus.

"Corporations Act" means the Corporations Act 2001 (Commonwealth).

"Directors" means the Directors of the Company.

"Dollar" or **\$** means Australian dollars.

"Eligible Shareholder" means a Shareholder other than a Non-Qualifying Foreign Shareholder.

"Entitlement" means a Shareholder's entitlement to subscribe for Securities offered by this Prospectus.

"Entitlement and Acceptance Form" means the Entitlement and Acceptance Form attached to or accompanying this Prospectus that sets out the Entitlement of Shareholders to subscribe for Securities pursuant to the Rights Issue.

"Issue" means the issue of Securities under this Prospectus.

"Listing Rules" means the Listing Rules of the ASX.

"New Share" means a fully paid ordinary share in the capital of the Company to be issued under this Prospectus.

"New Option" means an option to acquire a Share exercisable at 4 cents on or before 30 August 2011 to be issued under this Prospectus.

"Non-qualifying Foreign Shareholder" means a Shareholder, whose registered address is not in Australia or New Zealand.

"Rimfire" means Rimfire Pacific Mining NL ACN **006 911 744**.

"Offer" means the offer of 2 New Shares and 2 New Options for every 5 existing Shares held at the Record Date at an issue price of 1.3 cents per New Share.

"Official List" means the official list of the ASX.

"Prospectus" means the prospectus constituted by this document.

"Record Date" means 1 June 2010.

"Rights" means the right to subscribe for New Shares and New Options under this Prospectus.

"Rights Issue" has the same meaning as the Offer.

"SCH Business Rules" means the business rules of the securities clearing house which operates CHESS.

"Securities" means the New Shares and New Options to be issued under this Prospectus.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means the holder of a Share registered on the Record Date.

"Share Registry" means Computershare Investor Services Pty Limited (ABN 48 078 279 277)

"Shortfall Shares" means New Shares and New Options for which successful valid applications have not been received by the Closing Date.

"Underwriter" means Patersons Securities Limited (ACN 008 896 311).

"Underwriting Agreement" means the underwriting agreement dated on or about the same date as this Prospectus, between the Underwriter and the Company.