

# rimfire



**rimfire pacific mining nl**  
a.c.n. 006 911 744

12<sup>th</sup> August 2013  
Company Announcements Platform  
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**Letter and Offer to Shareholders to Participate in SPP**  
**- Offer closes 17<sup>th</sup> September 2013**

The attached letter with associated offer/acceptance form was despatched to shareholders on 12<sup>th</sup> August 2013.

Yours faithfully

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**JOHN KAMINSKY**  
**Executive Chairman**  
**Rimfire Pacific Mining NL**



12<sup>th</sup> August 2013

Dear Shareholder,

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In this letter I am providing you with the offer, terms and conditions for the recently announced (ASX announcement dated 5<sup>th</sup> August 2013) **Share Purchase Plan (SPP)**, which the Board of Directors of Rimfire Pacific Mining NL (ASX:"RIM" or the "Company") has approved.

The SPP entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase **up to \$15,000** worth of ordinary fully paid shares in the Company (Shares) **free from all brokerage and commissions** (Offer). The Board has a target for the SPP to raise up to \$750,000, and may scale back any excess above this amount.

**The Directors of the Company intend to participate in the SPP and we also look forward to your continued support.**

## Price of Shares under the Offer – Share Price History

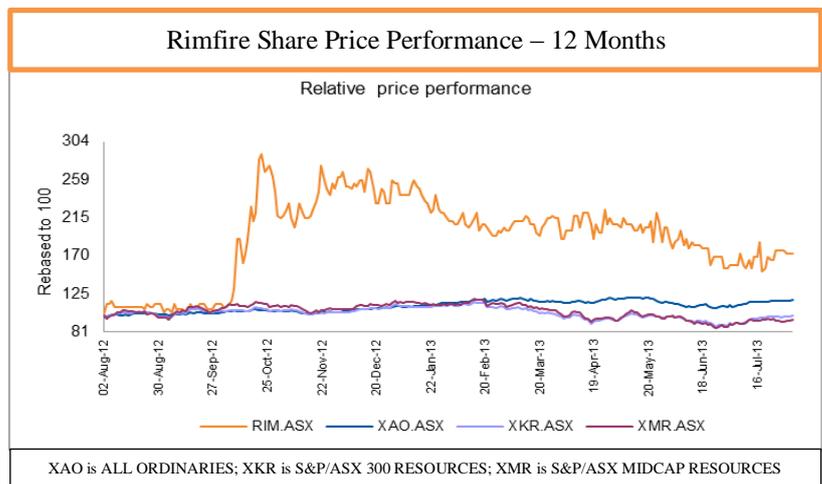
The purchase price of the new Shares being offered under the SPP has been set at **4.3 cents per Share**.

The VWAP (volume weighted average price) of Rimfire Shares up to the 2<sup>nd</sup> August 2013 (the SPP record date) for 1 month prior was **4.8 cents** per share and for 3 months prior was **5.2 cents** per share respectively. The **offer price of 4.3 cents** per share represents a discount respectively of approximately a **10.4%** and **17.3%** to the VWAP market prices.

Prior to the record date recent market pricing for the shares was a high point of **5.4 cents** on 17<sup>th</sup> July 2013, with a low point at **4.4 cents** on 18<sup>th</sup> July 2013, and shares closed at **5.0 cents** on 31<sup>st</sup> July 2013.

The SPP announced recognises that loyal shareholders should be afforded the participation right alongside the recent placement completed. Pricing for the SPP is identical to the placement.

**As at the record date, the Company has been one of the best performing resource stocks on the ASX in the last 12 months. The SPP offers opportunity to access stock not readily available on the market in larger volumes.**



## Current Rimfire Projects – The Sorpresa Gold (Au) and Silver (Ag) Project Area

The Company's current activities are set out in the recent [Quarterly Exploration Activities Report June 2013 \(click\)](#).

The funds raised will be used by the Company to increase working capital and to fund continued drilling, development and exploration, principally at the Company's **Sorpresa gold and silver Project** in Fifield NSW.

The high quality of the Sorpresa Gold and Silver project area and its exciting potential has underpinned the recent success of the Company, continually delivering excellent outcomes in the last 14 months including:

- Extremely high grades for gold and silver at accessible depths**, including bonanza grades
- That the host geology (receptive horizon) for the mineralization has **good scale, continuity, shape and remains open**
- An important connection to the IP geophysics**, allowing easier targeting of the important host geology
- The wider prospective area for gold is greater than 8km<sup>2</sup>**, of which Sorpresa is just part (**Appendix1**)

Although a resource is yet to be established, the Company considers it has a very exciting project area with **multi-million ounce gold potential**. In the last 14 months, best drill holes include:

- **14m @ 21.9g/t Au (incl. 2m @ 87.5g/t Au) from 34m Plus 6m @ 93.8g/t Ag**
- **14m @ 24.4g/t Au (incl. 2m @ 118g/t Au) from 26m Plus 26m @ 155g/t Ag**
- **1m @ 114g/t Au from 159m Plus 1m @ 33g/t Ag**
- **10m @ 535g/t Ag from 70m (incl. 2m @ 2020g/t Ag) Plus 10m @ 1.0g/t Au**

## **Shareholders Eligible to Participate in the SPP**

The right to participate in the Offer under the SPP is available exclusively to shareholders who are registered as holders of Shares in RIM at 5pm (EST) on the record date of 2<sup>nd</sup> August 2013 and whose jurisdiction allows participation under the laws of that country (Eligible Shareholders).

## **Subscription and Application Procedure**

If you would like to participate in the Offer, please return your completed Application Form enclosed with this letter, together with your **cheque, or BPay payment** for the subscription monies for the number of Shares you wish to acquire, to Rimfire Pacific Mining NL on or before the **closing date of 5pm (EST) on 17<sup>th</sup> September 2013**. No late applications will be accepted (subject to the Company's discretion to extend the closing date). A reply paid envelope is included for your convenience. **Please note that the statutory maximum investment per shareholder under the SPP is \$15,000.**

**Under this SPP, a shareholder may only elect to purchase shares from one of the offers outlined below:**

Offer	Number of shares	Payment
A	348,837	\$15,000
B	209,302	\$9,000
C	139,535	\$6,000
D	69,767	\$3,000
E	34,884	\$1,500

The maximum investment that each shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

## **Additional Information and Important Dates**

The Offer cannot be transferred and the Directors of the Company reserve the right to reject any application over \$15,000, or to group applications that in their judgment are from the same entity. Shares allotted under the SPP will be issued approximately 5 business days after the closing date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

**The target number of Shares of the SPP to be issued pursuant to this Offer is approximately 17.44 million shares raising a value of \$750,000.** In the event of an oversubscription by the Closing Date **the Directors may, in their absolute discretion,** scale-back all applications on a pro-rata or other basis, or accept the oversubscription.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

While the offer price is at a discount to the average trading price as described above, the market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of this Offer. This means that the subscription price you pay for the Shares may exceed the market price of the Shares at the date of allotment of Shares under this Offer. Further this offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of RIM, previous disclosures made by RIM to ASX or consult your professional adviser when deciding whether or not to accept the offer and participate in the SPP.

Offers made under the SPP are not renounceable (i.e. eligible shareholders may not transfer their rights to any Shares offered under the SPP).

## **Indicative Timetable**

Record Date	2 <sup>nd</sup> August 2013
Opening date of Offer	12 <sup>th</sup> August 2013
Closing date of Offer	17 <sup>th</sup> September 2013
Issue of Shares under the SPP	25 <sup>th</sup> September 2013
Quotation of Shares on ASX	27 <sup>th</sup> September 2013

**These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their Entitlement and Acceptance Forms as early as possible.**

A placement was finalized on 5<sup>th</sup> August 2013 and **was also at 4.3 cents per share**, raising approximately \$1.92 million before costs. With the extra funds from the placement and the SPP, the Company will be in a position to continue its exciting development and exploration plans on the **Sorpresa Gold and Silver Project**.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company, on (03) 9620 5866.

On behalf of the Board of Directors we thank you for the support you have shown your Company to date and I encourage you to strongly consider further support, through this SPP offer.

Yours Sincerely

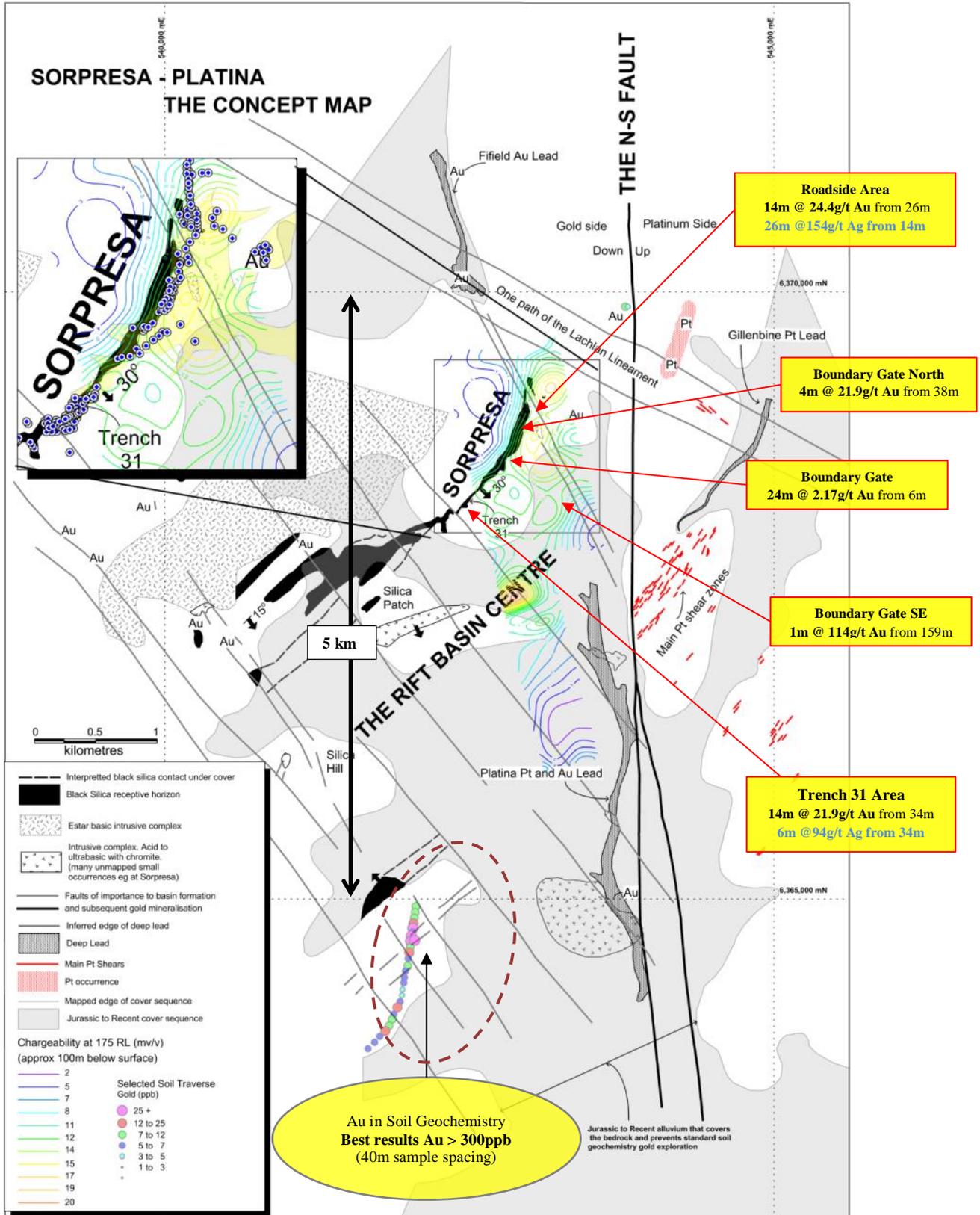
A handwritten signature in black ink, appearing to read 'J. Kaminsky', with a horizontal line underneath it.

John Kaminsky  
Executive Chairman  
Rimfire Pacific Mining

## Appendix 1

### The Geological Concept Model the Wider Sorpresa Area– Syncline Rift Basin in Plan View

(Note that the IP survey response at approx. 100m depth is overlaid, selected assays only for orientation are shown)



The current work area is shown above, with Sorpresa representing just a small part of the wider prospective area for gold. The important black silica geology (shown in black above) is seen across a vast area. The alluvium covered areas (shown in grey above) also have potential for masking this black silica geology. The target area for gold is considered greater than 8km<sup>2</sup>.