



PROSPECTUS

For an Offer of 1 New Shares and 1 New Option for every 6 Shares held at an issue price of 2.0 cents per New Share by way of a Non Renounceable Rights Issue to raise approximately \$2.292 million before costs.

LEAD MANAGER

PATERSONS SECURITIES LIMITED ACN 008 896 311

DIRECTORS PARTIAL UNDERWRITING

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 14 November 2014. 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 4 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 3 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 1.9 of this Prospectus for details of how your Entitlement will be dealt with.

Rights Entitlement and "Above Entitlement" application opportunity

You may accept your Entitlement in accordance with the instructions in Section 3 of this Prospectus and on the back of the Entitlement and Acceptance Form. In addition, you may apply for additional shares, "above entitlement", subject to availability at the time of closing.

The Company may also accept subscriptions above the total number of New Shares and New Option issued under this Rights Issue, using its 15% discretionary capital placement capacity.

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 6. **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 on (03) 9620 5866, or contact the Rimfire Shareholder Information Line on 1300 850 505 (within Australia) and +61 3 9415 4000 (outside Australia).

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IMPORTANT DATES

Documents lodged with ASIC	14 November 2014
Issue Announced	14 November 2014
Form 3B notified to ASX	17 November 2014
Notice of Issue sent to eligible shareholders	17 November 2014
Ex rights Date	19 November 2014
Record Date to determine Entitlements under the Rights Issue	21 November 2014
Prospectus and Entitlement and Acceptance Form despatched	26 November 2014
Closing Date for acceptances	12 December 2014
Notification of shortfall to Underwriters	17 December 2014
Allotment and issue of New Shares and New Options	18 December 2014
Despatch of shareholding statements for New Shares and New Options	22 December 2014

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 Thomas Burrowes John Gillett
Company Secretary:	Graham Billinghamurst
Registered Office:	Suite 411, 530 Little Collins Street Melbourne, Victoria 3000 Ph 03 9620-5866
Underwriters:	Ramona Enconniere and John Gillett
Auditors:	BDO Chartered Accountants Level 14, 140 William Street Melbourne, Victoria 3000
Lawyers for the Company:	Carton Solicitors 211 Toorak Corporate Centre 19 Milton Parade, Malvern VIC 3144
Share Registry:	Computershare Investor Services Pty Limited GPO BOX 505 Melbourne Victoria 3001 Australia Phone: 1300 850 505 Fax: +61 3 9473 2563
Stock Exchange Listing:	Australian Securities Exchange Home Exchange – Melbourne ASX Code – RIM
Email address:	rimfire@rimfire.com.au
Website address:	http://www.rimfire.com.au

Section 1 DETAILS OF RIGHTS ISSUE

1.1 The Issue

This Prospectus offers via a non renounceable pro rata entitlements issue to Shareholders approximately 114,626,249 New Shares and 114,626,249 New Options on the basis of 1 New Share and 1 New Option for every 6 Shares held at the Record Date at an issue price of 2.0 cents for each New Share to raise approximately \$2.292 million before issue costs.

1.2 Underwriting

The Offer is partially underwritten by two Directors of Rimfire to the amount of \$100,000. A summary of the Underwriting Agreement is set out in Section 5.6 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 21 November 2014, will receive **Rights to acquire one (1) fully paid ordinary Shares (each a "New Share") for every six (6) ordinary Shares held** as at the Record Date, at an issue price of 2.0 cents (\$0.02) per Share and one (1) free option attaching to every one (1) New Share issued, having an exercise price of 5 cents (\$0.05) and an expiry date of 7:00pm (AEST) 14 December 2015 (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 – “Above Entitlement”

Entitlements not taken up may become available as 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.

The allocation of Additional New Shares and New Options (if any) will depend on the availability of Entitlements not taken up and will be determined by the Board and Underwriters at their absolute discretion. It may be necessary to scale back allocations depending on the level of Applications received.

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. There can be no guarantee that you will receive any Additional New Shares and Options applied for, and you may receive all, some or none of them.

Excess Application Money will be refunded without interest.

In the event that Application are received for New Shares and New Options, and Additional New Shares and New Options in excess of the total amount of New Shares and New Options being offered under this Rights Issue (being 114,626,249 New Shares and 114,626,249 New Options), the Board at its total discretion may accept these Applications using Rimfire’s 15% discretionary capital placement capability.

1.5 Use of proceeds

Rimfire expects to raise approximately \$2.292 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 3.

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 18 December 2014 and trading of the New Shares and New Options on the Australian Securities Exchange is expected to commence on 22 December 2014.

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 if not accepted 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 12 December 2014. The Company reserves the right to cancel the Rights Issue at any time prior to allotment.

1.9 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).

1.10 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 5.4 of this Prospectus. There are no liabilities attaching to New Shares and New Options.

1.11 No prospective financial forecasts

The Company is a mineral 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.

1.12 Investment Risks

Section 4 outlines the key risk factors 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. 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

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 \$2.29m million in additional capital before costs.

The funds raised will enable Rimfire to continue its work programs at Fifield as described within Section 2.1 of this document in an ordered and efficient manner. The use and allocation of capital may need to alter during the course of the Company's priorities and programs. Extra funds may be re-allocated to any particular project according to results and needs. 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.

<u>Source of Funds</u>	
Closing Cash 30 June 2014	\$2,355,073
Proceeds of Share Issue	\$2,292,525
Approximate Cost of the issue	-\$102,925
Proposed Funds on completion of the issue (Base 30 June 2014)	\$4,544,673
<u>Approximate Use of Funds to Dec 2015</u>	
Fifield Sorpresa project Area, Extension, Resource	\$2,180,005
Fifield Regional Area Focus on advanced	\$726,668
Cash Reserve	\$610,000
Overheads and Working capital	\$1,028,000
Total	\$4,544,673

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 \$6.88 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 work programs.

2.2 Effects of the Rights Issue

The principal effects of the Rights Issue will be to:

- increase the Company's cash reserves by approximately \$2.175 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
- 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	687,757,495	85.7%
Issue under Share Offer	114,626,249	14.3%
Totals	<u>802,383,744</u>	<u>100%</u>

Options	Number	% Options
New Options	114,626,249	100%

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 30 June 2014 and an unaudited 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).

		Audited Accounts	Proforma Adjustments	Proforma Accounts
		30-Jun-14	30-Jun-14	30-June-14
	Note	\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	1	2,355,073	2,189,600	4,544,673
Receivables		84,080		84,080
Other current assets		23,915		23,915
TOTAL CURRENT ASSETS		<u>2,463,068</u>	<u>2,189,600</u>	<u>4,652,668</u>
NON-CURRENT ASSETS				
Trade and other receivables		150,000		150,000
Property, plant and equipment		558,921		558,921
Exploration & evaluation costs		9,543,362		9,543,362
TOTAL NON-CURRENT ASSETS		<u>10,252,283</u>		<u>10,252,283</u>
TOTAL ASSETS		<u>12,715,351</u>	<u>2,189,600</u>	<u>14,904,951</u>
CURRENT LIABILITIES				
Trade and other payables	2	615,314		615,314
Provisions		22,875		22,875

RIMFIRE PACIFIC MINING NL

TOTAL CURRENT LIABILITIES		638,189		638,189
TOTAL LIABILITIES		638,189		638,189
NET ASSETS		12,077,162	2,189,600	14,266,762
EQUITY				
Contributed equity	3	25,104,814	2,189,600	27,294,414
Accumulated losses		(13,027,652)		(13,027,652)
TOTAL EQUITY		12,077,162	2,189,600	14,266,762

Note 1 Reconciliation of Cash and Cash Equivalents

Cash and cash equivalents at 30 June 2014	2,355,073
Funds to be raised from the Offer	2,292,525
Estimated costs of the issue	(102,925)
Proforma Cash on Hand	4,544,673

Note 2 Trade and Other Payables

Trade and other payables 30 June 2014	615,314
Proforma Trade and Other Payables	615,314

Note 3 Contributed Equity

Contributed Equity 30 June 2014	25,104,814
Shares issued pursuant to Issue	2,292,525
Costs of Capital Raising	(102,925)
Proforma Issued Capital	27,294,414

2.5 Market Price of Shares

The highest and lowest market closing sales prices of the Shares during the historic 6 months up to 7th November 2014 were:

Highest:	\$0.035 (30/07/2014)
Lowest:	\$0.015 (12/05/2014)

The volume weighted average sale price (VWAP) on the Australian Securities Exchange of the Shares during the historic periods up to 7th November 2014 was 2.66 cents VWAP for the 3 months period, and for the 6 months period the VWAP was 2.31 cents.

The market sale price of the Company's Shares on the Australian Securities Exchange as at the close of business on 7th November 2014 was \$0.022.

Section 3 ACTION REQUIRED BY SHAREHOLDERS

3.1 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 (refer Section 3.2);
- apply for Additional New Shares and New Options (refer Section 3.3);
- take up part of your Entitlement and allow the balance to lapse (refer Section 3.4); or
- allow all or part of your Entitlement to lapse (refer section 3.4).

Non-qualifying Foreign Shareholders may not take any of the steps set out in Sections 3.2 to 3.7.

3.2 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 3.6 to reach the Company's Share Registry no later than 7:00 pm on 12 December 2014.

3.3 Applications for Additional New Shares and New Options

Eligible Shareholders who have applied for their full Entitlement may, in addition to their Entitlement, apply for Additional New Shares and New Options as described in section 1.4. There is no limit to the amount of Additional New Shares and New Options you may apply for, however there can be no guarantee that you will receive all or any of the Additional New Shares and New Options applied for.

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.

3.4 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 3.6. If you take no further action, the balance of your Entitlement will lapse.

3.5 Allow all your Entitlement to lapse

Any part of your Entitlement that is not accepted will lapse and you will receive no benefit from it.

3.6 Payment

(a) By Cheque

The Application Price for New Shares and New Options is payable in full on application by a payment of 2.0 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 12 December 2014, 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**

**"Yarra Falls"
452 Johnston Street
ABBOTSFORD VIC 3067**

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 \$0.02 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 12 December 2014. 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 12 December 2014, New Shares and New Options will be allotted to you on 18 December 2014.

Your payment will not be accepted after 7:00pm (AEST) on 12 December 2014 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.

3.7 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 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Alternatively, contact your stockbroker or other professional adviser.

3.8 Brokerage

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

Section 4 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.

4.1 Specific Risks

4.1.1 Exploration Risks

The Company's projects are at the early or late 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 any exploration program outlined in this Prospectus will affect the future performance of the Company and its Shares.

4.1.2 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.

4.1.3 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.

4.1.4 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.

4.1.5 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.

4.1.6 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.

4.1.7 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.

4.1.8 Key Personnel

The ability of the Company to achieve its objectives depends on the access to key personnel and external contractors who constitute its technical panel and provide technical expertise. If the Company cannot secure 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.

4.1.9 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.

4.1.10 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.

4.1.11 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.

4.1.12 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.

4.1.13 Construction Capital Costs

The Company is conscious that in the future, there could be competition for skilled labour and key materials, and the impact of these factors could be that there are upward costs pressures on any forecasts.

4.1.14 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.

4.1.15 Native Title

The existence of native title and/or native title claims in relation to the land on which the Company operates 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.

4.2 General Risks

4.2.1 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.

4.2.2 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.

4.2.3 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.

4.2.4 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.

4.2.5 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.

4.2.6 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 5 ADDITIONAL INFORMATION

5.1 Nature of the Prospectus

This Prospectus is issued under section 713 of the Corporations Act. As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASX or ASIC lodged under these continuous disclosure obligations may be obtained from, or inspected at, an ASIC office.

The Company will, on request, provide you free of charge with a copy of any of the following documents:

- (i) the annual financial report most recently lodged with ASIC and ASX by the body;
- (ii) any half-year financial report lodged with ASIC and ASX by the body
- (iii) any continuous disclosure notices given by the body after the lodgment of that annual financial report and before the lodgment of the copy of the prospectus with ASIC and ASX.

Documents lodged since the lodgment of the annual financial report are as follows:

Date lodged	Nature of document
10/11/2014	Change of Director's Interest Notice - John Gillett
31/10/2014	Quarterly Activities Report September 2014
31/10/2014	Quarterly Cashflow Report Sept 2014
24/10/2014	Constitution Adopted 22 Nov 2013

5.2 CHESS

The Company participates in CHESS 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.

5.3 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 give to the lodging party written notice of the refusal and the precise reasons for it in accordance with the Listing Rules.

- 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 one class of share on issue, being ordinary shares. If 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.

5.4 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 14 December 2015. 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 5 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 5 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.

5.5 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.

5.6 Material Contracts – Partial Underwriting Agreement

The Underwriters have agreed to partially underwrite the Offer to \$100,000. The Underwriting Agreement between the Underwriters and the Company was executed on 13 November 2014. The Underwriting Agreement contains the following key terms (defined terms below have the same meaning as given to them in the Underwriting Agreement):

- i) Under the terms of the Underwriting Agreement, the Underwriters are not entitled to any fees or brokerage for underwriting the Offer;
- ii) The Underwriters are directors of the Company. Accordingly they will receive a benefit from the Underwriting Agreement;
- iii) The Directors of the Company other than the Underwriters have resolved that the benefit being received by the Underwriters as related parties are reasonable in the circumstances and on arms length terms or better. Any Shares and Options issued

to the Underwriter will be on the same terms and price as New Shares and New Options;

- iv) If there is a Shortfall (being the number of Underwritten Shares for which Valid Applications have not been received before the Closing Date), the Underwriters must, by 18 December 2014, lodge or cause to be lodged with the Company applications for the Underwritten Shares comprising the Shortfall (including the application money);
- v) The Company has made a number of representations and warranties under the Underwriting Agreement, including that the Offer complies with the requirements of the Corporations Act, this Prospectus contains all material information required under the Corporations act and does not contain any misleading or deceptive information, and that the Company has complied with its continuous disclosure requirements. The Company has indemnified the Underwriters against losses arising if these representations and warranties are wrong.

5.7 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 Underwriters 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 505
Melbourne VIC 3001

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

5.8 Interests of Directors

The interests of Directors in Shares in the Company as at the date of this Prospectus is as follows:

Director	No of Shares
G Billingham	16,548,837
R Enconniere	9,167,170
T Burrowes	1,009,302
J Gillett	1,031,000
J Kaminsky	<u>26,338,169</u>
Total	<u>53,063,478</u>

Directors other than the Underwriters have advised that they intend to take up their full entitlements under the Offer. As a result their proportional interest in the Company will not change as a result of the Offer.

The Underwriters may be issued with the following maximum number of New Shares as a result of the Underwriting Agreement:

Director	New Shares	Cumulative holding
R Enconniere	2,750,000	11,917,170
J Gillett	2,250,000	3,281,000

As there will be approximately 802m Shares on issue following completion of the Offer, changes to the holdings of the Underwriters are not material.

5.9 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.

- Patersons Securities Limited, in the capacity of Lead Manager;
- Carton Solicitors, in the capacity of Solicitor to the Company;
- Mr John Gillett, Ms Ramona Enconniere as partial Underwriters

Each of Patersons Securities Limited and Carton Solicitors:

- 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 Lead Manager and for this is being paid a management fee of \$30,000 and a broking fee up to 6% of the funds procured under the Offer. Patersons Securities Limited is also entitled to reimbursement of out of pocket expenses.

Carton Solicitors is acting as Solicitor to the Company and for this is being paid a fee of approximately \$11,000 (plus GST).

5.10 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.

5.11 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: 14 November 2014

Section 6 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 2.0 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 12 December 2014 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 5 cents on or before 14 December 2015 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 1 New Shares and 1 New Options for every 6 existing Shares held at the Record Date at an issue price of 2.0 cents per New Share.

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

"Prospectus" means the prospectus constituted by this document.

"Record Date" means 21 November 2014.

"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" or "Underwriters" means Ramona Enconniere and John Gillett.

"Underwriting Agreement" means the underwriting agreement dated 13 November 2014, between the Underwriter and the Company.