



23rd May 2013

Company Announcements Platform
Australian Securities Exchange

Diamond and RC Drilling Completed, RAB drilling extended **- RAB holes show important geology continues to the south west at the Sorpresa Project**

Three drilling programs have been running concurrently at the Sorpresa Project, Fifield NSW. Diamond drilling and RC drilling have completed the drilling phases of their programs, whilst the RAB drilling program continues.

Sorpresa Drilling Summary Update

- **5 Diamond drill holes (approx. 1,400m)** were completed, assessment and processing of core is well advanced
 - Dispatch of selected core for assay will occur in stages over the next few weeks
 - Mineralization was encountered in each drill hole
 - The 5th hole was taken to a depth of 502m, providing additional geological context
- **38 RC drill holes (approx. 4,200m) program is completed**, with depths of 80m~150m at 5 locations
 - Mineralization is noted in the field for most holes, assays will be finalized within a few weeks
 - The program was extended due to rig availability and target readiness
- **125 RAB drill holes (approx. 950m)**, with depths of 6m~12m completed to date
 - Drilling is ongoing with additional traverses planned
 - Geological logging has indicated important “black silica” (silicified carbonaceous sediment) similar to the known Sorpresa geology
 - The RAB drilling doubles the prospective area south west of Trench 31 area at Sorpresa
(Appendices provide additional information and context)

Diamond Drilling Program

The diamond drilling program is now completed with 5 holes (approx. 1,400m) having been drilled. The geology has now been logged, with each of the 5 holes having intersected mineralized zones. Core orientation for structure determination will take a further two weeks, with priority intervals to be finalised and sampled for laboratory assay.

In addition, preliminary sampling and review has been undertaken for metallurgy on historic RC cuttings. Petrological assessment on parts of the diamond core has commenced to assist the understanding of the characteristics of the various geological components of the Sorpresa mineralization.

The 5th diamond drill hole was taken to a depth of approx. 500m, to assist the further context of the stratigraphy and geology at Sorpresa. The hole is considered to provide guidance on the important geological changes noted in the SE direction from the other preceding diamond holes.

There is some geological consistency across the 5 diamond drill holes and leads the Company to conclude the mineralized system is likely continuous and large scale.

The diamond core is providing insights into an understanding of the underlying system geology at the Sorpresa. This is the first core seen on the project and deepest holes drilled to date. Preliminary observations on the diamond core have been reported in previous ASX announcements.

Hyperlink: [ASX Announcement 26th April 2013 – Mineralized Zones Intersected in Diamond Drilling](#)



The Head of Exploration, Colin Plumridge, commented:

“The completion of the drilling for both the diamond and RC programs marks an important step. Evaluation of the diamond core continues, with petrology, metallurgy and structural assessment well underway.

A high percentage of the core is brittle and fractured due to the complex brecciation in much of the core, particularly the first 4 holes. Careful handling of the core, in preparation for assay is warranted, so assays will be a few weeks away yet.

A first pass geological log has been established of the diamond core, and we can certainly recognize mineralized features, so we await with keen anticipation the ensuing results from all the evaluation work, including assays, to grow our knowledge of the system.



Diamond Drilling Core Yard Logging

The RC drilling program was extended, with the increased rig availability. A major component of the last component of work was focused on the Roadside Area, stepping out to the east. Field XRF results indicate that the silver mineralization definitely continues in this direction, so we await the assays to provide details on both silver and gold at Roadside.

The RAB drill program has doubled one of the key Sorpresa style geology units to the south west. This entire area (shown in Appendix 2) looks impressive and has been hidden under shallow alluvium cover. We have noted historic gold workings and observations adjacent to the area, so remain hopeful this expanded area is prospective for the Sorpresa style gold and silver mineralization.

It has been an incredibly busy 6 weeks, with a strong portfolio of drill programs that help the company advance to the next level of understanding.”

The Executive Chairman, John Kaminsky, explained:

“I want to commend the entire Rimfire team in its dedication to servicing the most intense work programs yet conducted by the Company. Three concurrent drill programs, quite diverse in their type, focus and logistics were well executed and handled with skill, dedication and due care.

The drilling programs have added a substantial momentum to the overall field programs. The recent intense work conducted will provide added dimensions that will enable an advance in our understanding of the geology, mineralization, structure and metallurgy considerations, whilst also have expanded the size of the project area at Sorpresa.



Fractured Core Fi 327 Boundary Gate SE

Samples are being evaluated in each of the drill programs and once logged, prepared and dispatched, we should see assay results being completed and compiled in the next 2 to 3 weeks. The diamond core is a little tricky to handle because it is so fractured in parts, so it tends to be a bit slower.

The latest drill programs have already established important principles, particularly the IP connection to the mineralization in the diamond drilling, combined with the emergence of the well-defined porphyry geology, the mineralization continuity at Roadside in the RC drilling and the doubling of the prospective mineralization area south west of Sorpresa in the RAB drilling.

The programs have been well worth the time and effort in planning and execution, we eagerly await the results at all levels. ”

RC Percussion Drilling Completed at Sorpresa – 38 holes

The RC drill program was completed after intermittent drilling due to weather, crewing and maintenance issues. In light of rig availability, the program was extended beyond original design plans, due to the myriad of excellent targets remaining.

- 38 RC holes (approx. 4,200m), with depths of 80m~150m were completed at 5 locations within Sorpresa
- Based on handheld XRF, many holes appear mineralized and assays for the program are expected within the next 3 weeks or so
- The Roadside area mineralization in particular appears to remain coherent in step out drilling to the east

RAB Traverse Drilling update at Sorpresa – 125 holes drilled and program now extended

RAB drilling is being undertaken to the south west of the known gold mineralized position at Trench 31 location where much of the highly prospective Sorpresa Project Area (8km²) has not been explored and is concealed under shallow alluvium. This is the first extensive prospecting for gold under the alluvium cover sequence at Sorpresa district.

The program is ongoing, having been extended from the original 6 traverse lines. A summary of the status is:

- 125 drill holes to shallow depths (6~12m) have now completed, with 25m to 50m spacings
- Additional traverse lines have been drilled
- Mineralized bedrock has been identified with handheld XRF
- Relevant geology appears present including “black silica”, doubling the known area of this important rock type
- Geochemistry assays will be compiled for the bedrock and used as a basis for deciding deeper reconnaissance drilling to be conducted at a later stage

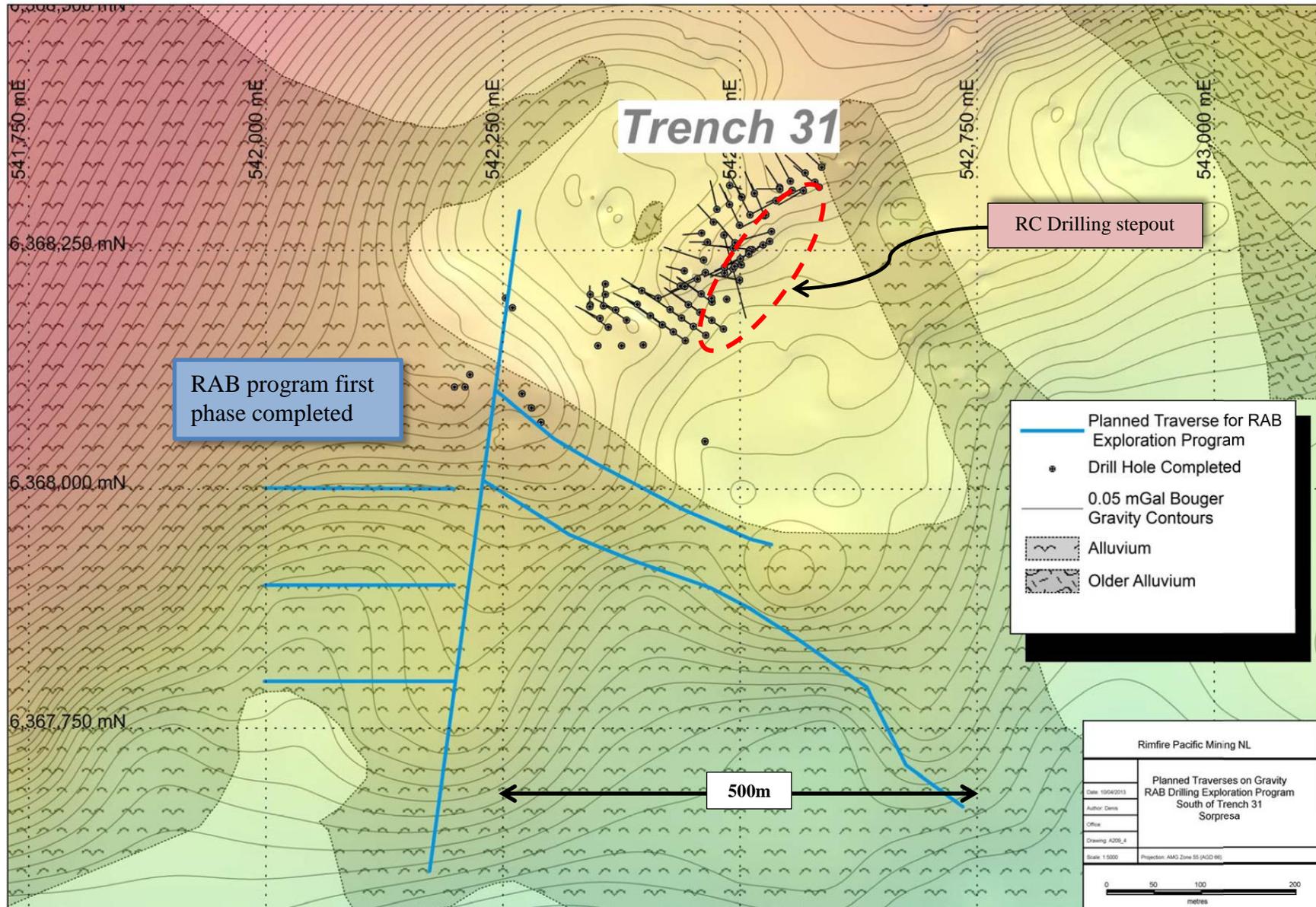


JOHN KAMINSKY
Executive Chairman

The information in the report to which this statement is attached that relates to Exploration Results is compiled by Mr Colin Plumridge, who is a Member of The Australian Institute of Mining and Metallurgy, with over 40 years experience in the mineral exploration and mining industry. Mr Plumridge is employed by Plumridge & Associates Pty. Ltd. and is a consulting geologist to the Company. He has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which is being undertaken to qualify as Competent Persons as defined in the 2004 edition of the “Australian Code for Reporting of Mineral Resources and Ore reserves”. Mr Plumridge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

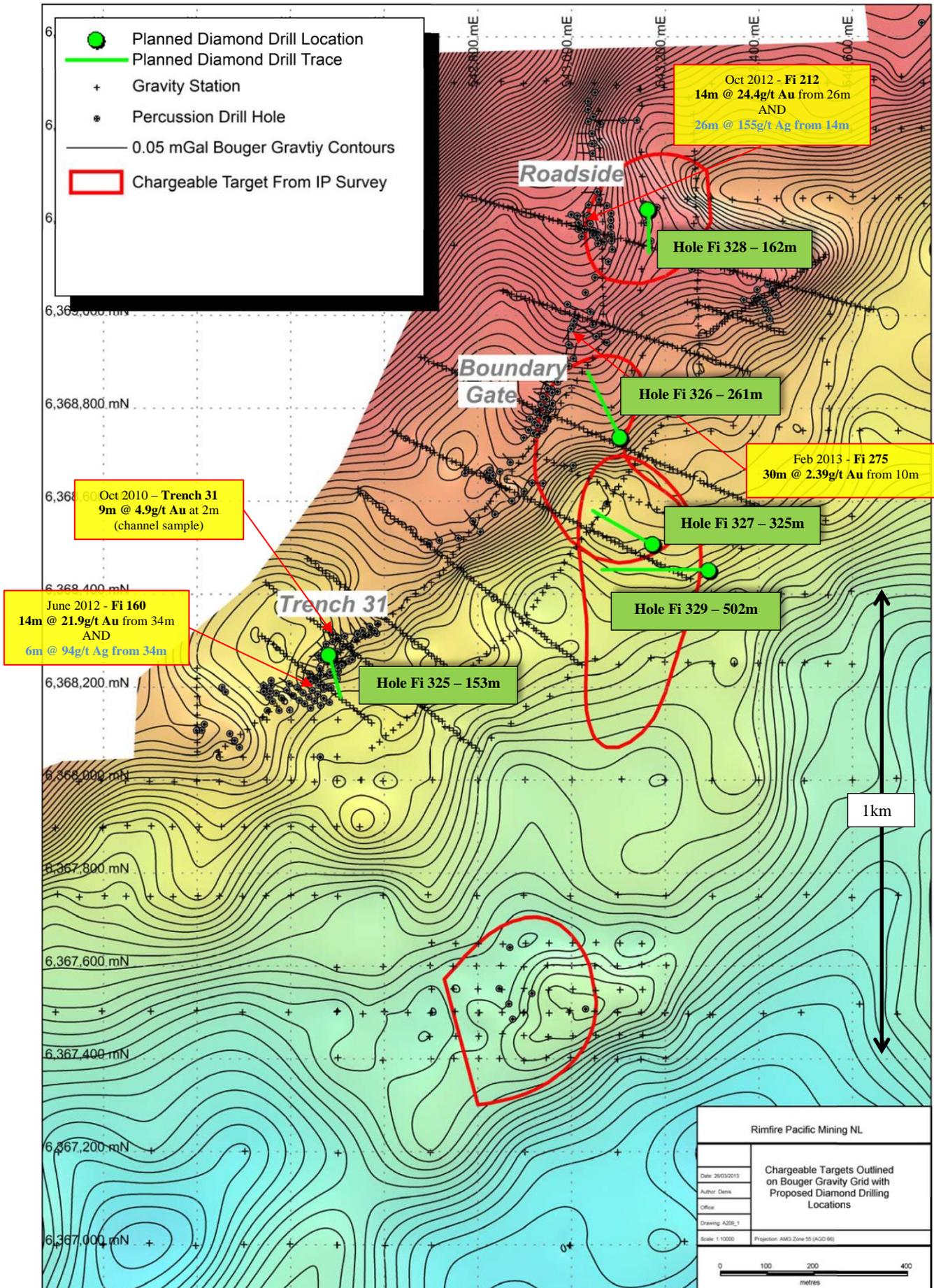
Appendix 1

(RAB Drill Program Lines South East of Trench 31 Completed – Shown on background of Gravity contours and Alluvium cover)



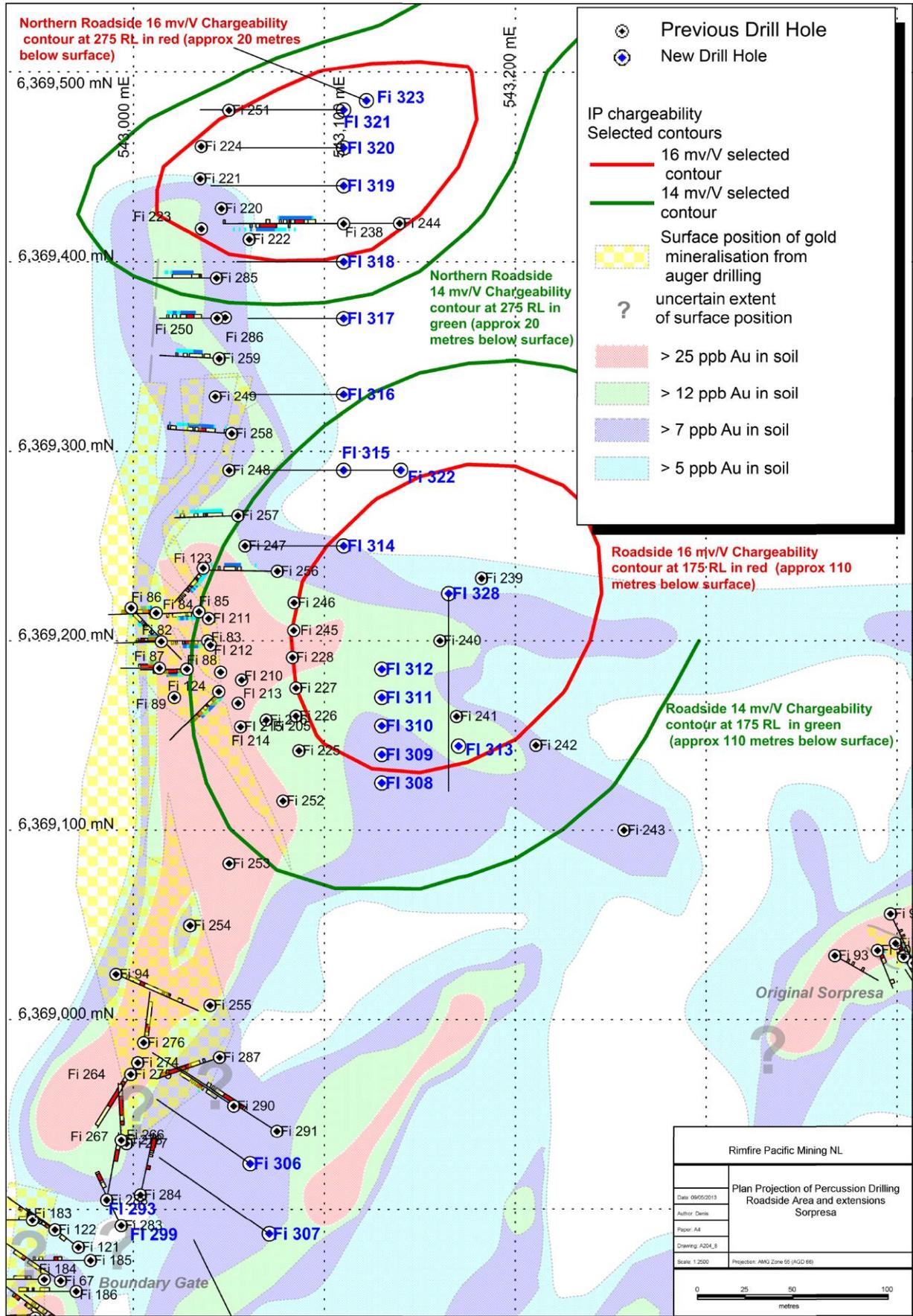
APPENDIX 3

Diamond Drill Hole Locations Sorpresa – Shown on Integrated Gravity Survey



APPENDIX 4

“Roadside Area” at Sorpresa – New RC Drill Hole Locations shown on Geochemistry Background



Appendix 5

Sorpresa District Geological Concept Model – Syncline Rift Basin in Plan View

(Note that the IP survey chargeable response at approx. 100m depth is overlaid)

