



22<sup>nd</sup> November 2013

Australian Securities Exchange Limited  
Company Announcements Office

## **Chairman's Address – Annual General Meeting** **22<sup>nd</sup> November 2013**

Good morning ladies and gentlemen. It is my pleasure to welcome you, as Executive Chairman of the Company, to the Annual General Meeting for 2013. Firstly, I would like to acknowledge the absence today of Ramona Enconniere, Non-Executive Director and wish her a speedy recovery in a difficult time for Ramona and her family.

During the last 12 months the Company has achieved some further important outcomes with the expansion of the Sorpresa Gold and Silver project area at Fifield NSW and has laid a platform for discovery growth in the wider district.

This time last year I was able to report some of the best gold intersections seen in Australian greenfields exploration during 2012. We have built solidly upon these results during 2013, particularly the strong silver expression shown at the Roadside location, where much of our effort has been expended recently.

High grades for gold and silver were again encountered at Sorpresa, including bonanza grade:

- Fi 329 DDH - 1m @ 114g/t Au from 159m Plus 1m @ 33g/t Ag
- Fi 241 - 10m @ 535g/t Ag from 70m (incl. 2m @ 2020g/t Ag) Plus 10m @ 1.0g/t Au
- Fi 287 - 4m @ 21.9g/t Au from 38m

These results were spread across a large area re-affirming the view that the potential for high grade continues, with the more work that is done.

The Sorpresa discovery is located within the highly mineralised Lachlan-Cadia Lineament in NSW, where the Company's exploration activities are visible and well recognised. It should be noted that a recent change in control of the North Parkes (previously RioTinto) copper-gold mine took place to Chinese investors, again highlighting the attraction of the district.

The global economic conditions worsened considerably during the past year. Most resource industry commentators have labelled the markets in junior resource stocks the worst they have seen. With a backdrop of low gold and silver prices (peak prices sitting some 50% above current levels), global investor sentiment has shifted to discounted late stage assets, and this has impacted severely on the exploration end of the industry, with an extremely difficult environment in which to raise the higher risk capital needed.

Liquidity in most stocks is thin, and share prices are easily damaged with any volume sellers. However, as we have observed in the past, markets stabilise, risk capital returns and the bargain hunters will have had their rewards.

The Company is in healthy financial shape, with a solid cash position, has a skilled technical team and a strong project base within an important mineralized district. Our market capitalization (at around \$24M, 18/11) has

been well above average on the ASX in this sector (placing us approximately in the top 200 of 760 Mining/Metal/Mineral listed on the ASX), especially considering no resource is yet established by the Company.

The Board has adopted a strategy to continue the work at Fifield, and in fact increase the rate. This was done on the assumption that the Company's project areas and prospects are of high quality and can continue to deliver results with the expectant newsflow. As always, it should be recognised that ultimately the project is beholden to "what's in the ground", so considerable work is still required and not without risk.

Amidst this circumstance, the Company managed to attract important additional working capital, at a stronger market valuation than a year ago. To this extent the Board of Directors is to be congratulated for its foresight and the new and existing shareholders of the Company sincerely thanked for the excellent support shown in the recent capital raisings, which provided a combined \$3.3m in September 2013, with only small transaction costs applying.

In addition, the Company has underway, an **Ausindustry R & D application and is advised this would likely result upto a further \$1M inflow of new cash.** This is non dilutive to shareholders and will further strengthen the Company financial position, with funds expected within first quarter 2014.

The alternative strategy of "hanging on and hoping markets just get better", is not viable, yet there are approximately 250 resource companies with less than \$1M cash total on the ASX, many will not survive.

The exploration work conducted at Sorpresa and the surrounding district at Fifield has now established further key milestones during the last 12 months, including:

- ❑ **Diamond drill program conducted midyear provided major positive insights to the district potential**
  - No firm geological limits exist to the "Greater Sorpresa" field size – it has extensive room to grow
  - Similarities are emerging with the "Carbonate Base Metal Epithermal Gold Mineralization Model" which is very well credentialed, and includes **Lake Cowal and Porgera** as successful examples of operating mines
  - An advancement in the platinum geology understanding has occurred
- ❑ **Continued Intersections of high grade gold and silver values**, suggesting such grades are not rare
- ❑ **The "receptive horizon" host geology of Sorpresa is approx. 1.7km strike x 0.4km and open**
- ❑ **3D shapes of the various parts of the Sorpresa mineralization are being modelled moving towards resource definition as discovery extension grows.** The most recent rounds of drilling and follow up drilling planned will provide valuable input to progress and timing in this regard
- ❑ **The Greater Sorpresa area is estimated at 8km<sup>2</sup>**, contains multiple mineralization targets being advanced
  - RAB drilling has doubled the relevant host geology to the South West of Trench 31
- ❑ **Strong correlations to geophysics (particularly IP and gravity) is assisting mineralization targeting**
- ❑ **A positive environmental permitting record providing a clear path for further work to proceed**

The exploration capability has been greatly enhanced recently with the commencement of Darren Glover as Exploration and Development Manager, and further geological field personnel also added at Fifield. This builds

upon the excellent foundation established by Colin Plumridge and provides additional expertise to a project area that has grown substantially from the discovery period in 2010.

Implementation of modelling tools and modern database management has now occurred, enabling rapid assessment of data and quicker targeting decisions with immediate feedback generated. This process should accelerate the opportunity for further discoveries within the Greater 8km<sup>2</sup> Sorpresa area with Colin remaining an important component of the discovery process. **I wish to again emphasise, that value creation through further discovery is very much part of the Company strategy.**

Many prospects have been identified at Fifield, including Rabers, Yoes and Eclipse amongst others. It needs to be firmly understood that this regional work is equally important to the growth of the Company. Drilling occurs continuously throughout the year, with RC, RAB and auger helping to achieve these goals.

The Platina Lead, approximately 4~5km in length which was Australia's largest platinum producing paleo-channel, will be bulk sampled, with its basement geology assessed in the light of the Sorpresa discovery. In addition the residual Platinum and Gold grades will be examined.

The Company is aiming at significant growth in milestones over the next 12 months. Geometric shapes for the gold and silver mineralization are being established at Sorpresa with the direction towards resource definition part of the Company strategy. It is already recognised that the gold and silver mineralization encountered to date at Sorpresa is near surface and generally flat dipping, so these are positive attributes towards commercial potential, whilst other aspects of the mineralization will be examined in the next period also, including metallurgy.

An exploration presentation will be provided by Darren Glover and Colin Plumridge following this address.

The Company recognises that hard work remains to be done, and is not without risk, but at each stage of development in the exploration we continue to be encouraged and remain of the view that Fifield, within the greater Sorpresa area, has the capacity to host multimillion ounces of gold equivalent metal. The district looks capable to yield the discovery of world class deposits leading to a "Company Making" opportunity.

Despite the share price decline more recently, the Company has still generally outperformed its peers in the market in the last 18 months. The Company has bolstered its exploration expertise, improved its financial position, maintains its momentum on the quality of project area at Fifield and has the tenacity to provide the maximum effort in attempting to deliver value to shareholders in 2014.

There are many practical hurdles for the Company to achieve its vision of establishing, in a reasonable time frame, an open cut grade mining operation at Fifield. Nevertheless, this is the goal and the exploration effort is firmly focused with this in mind.

The combined efforts of my fellow Directors, the Exploration Team headed by Darren Glover and Colin Plumridge, staff, stakeholders and consultants have all contributed to the results achieved by the Company this year and should be recognised accordingly. The long hours, continued dedication, which is provided with enthusiasm and good humour have enabled the Company to make advances for the benefit of all shareholders.

Most importantly, the Board of Directors expresses its hearty appreciation to all shareholders for their ongoing support, particularly in the difficult 2013 year for investors. During 2014 the Company will be endeavouring to keep all shareholders and stakeholders informed of its progress and we are particularly pleased to have commenced the partnership with Fortbridge Consulting who have been appointed as a specialist resources

investor relations firm. This is designed to facilitate a wider distribution of the newsflow to be generated by Rimfire in 2014, and to develop further the Company relationship with brokers and buy side investors, including a greater international reach.

In conclusion, considerable effort will be required by the Company over the next 12 months. The Company remains optimistic that it can achieve the best results possible in the Fifield area and will be working its hardest to create value and growth for shareholders.

Sincerely



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**JOHN KAMINSKY**  
**Executive Chairman**

*The information in the report to which this statement is attached that relates to Exploration Results is compiled 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. Mr Plumridge has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which is being undertaken 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 the inclusion in the report of the matters based on his information in the form and context in which it appears.*