



25th November 2011

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Chairman's Address – Annual General Meeting

25th November 2011

Good morning ladies and gentlemen. It is my pleasure to welcome you, as Executive Chairman of the Company, to the Annual General Meeting for 2011.

The Company has had an extremely productive 12 months at Fifield NSW, with the significant advancement at the Sorpresa fine gold project area, and the important implications for this greenfields discovery, which represents but a small component of the wider gold potential now evident within the adjacent 20km² area.

The Sorpresa project area has undergone an early “first pass” phase of RC drilling, with approximately 3,500m drilled over a strike length of 1.6km, within four discrete areas. The foundation exploration work leading to the success of this RC drilling needs to be fully recognised. Utilising classic exploration techniques of soil and bedrock geochemistry integrated with skilled geological mapping and real time analysis of samples in the field has established a basis for further discoveries in the Company’s opinion.

Critical milestones have now been reached in the exploration work at Sorpresa and the surrounding district at Fifield. These include:

- Confirmation that soil and bedrock geochemistry actually reflects the presence of a disseminated fine gold area of considerable size and promise as shown in the RC drilling.
- The mineralised system has the capacity to host high grade Au intersections, as reflected in RC drilling, whilst silver is an important additional component in parts of the system.
- The success rate of RC drilling, with intersections greater than 1g/t Au in 34/56 holes, indicates the potential strength and extent of the system over the drilled strike.
- The identified area **at Sorpresa alone**, prospective for Au, is 4km², with considerable room for growth within this area for expansion of the known gold system recently drilled.
- Whilst further drilling work is required to finalise resource estimates of the areas drilled to date, conceptual exploration target estimates of the potential for tonnes and grades are beginning to be assembled in Area 1.
- A conceptual exploration target will be explored for within the mineralised Black Silica gold receptive horizon now identified at Sorpresa. A target tonnage in the range of 10 to 20 million tonnes and using a grade range of 1.5 to 2.5g/t Au, has a theoretical target

capacity to host **0.5million to 1.5million ounces of Au** * in this area alone. The geological arguments are well reasoned and the evidence from work to date gives great encouragement to the belief that this is a realistic goal in this location.

The relationship of the Sorpresa fine gold prospect to the other known fine gold occurrences in the district has been elevated on the Company's exploration agenda. Numerous known "historic bedrock gold scratchings" have been mapped, sampled and examined, with the key marker geology of Black Silica being present in many locations. This important new observation lends strong credibility to the goal of establishing a range of new Sorpresa like discoveries within this key 20km² area.

The results to date for Sorpresa, coupled with the district wide exploration conducted by the Company, and the impressive scale of the geology unfolding, leads the Company to the view that world class Au discoveries will be forthcoming in this district.

The strategic location of the Sorpresa discovery at Fifield within the Lachlan-Cadia Lineament has placed a stronger emphasis on the visibility of the Company's exploration to observers of this important corridor. With corridor neighbours such as Newcrest, Riotinto, Ivanhoe, Kimberley Metals and Platina Resources, amongst many others, the focus is likely to remain in this highly prospective location for some time, with new emerging mines or expansions underway currently.

The professionalism and thoroughness of the work undertaken by Colin Plumridge and the exploration team at Fifield demonstrates clearly that the potential for new discoveries at Fifield is significant, with highly zoned mineralisation that includes Platinum, Gold and Base Metal areas. The exploration team is to be commended for its advancement of the Sorpresa discovery and for laying the foundation for a Company making opportunity at Fifield

The Company now has its "eye in" on the important features for the fine Au mineralisation at Fifield. Historically in the last 130 years, the prospectors searching for lead like Au systems suffered in their pursuits due to the lack of strong surface expression for the gold, with its very fine nature, an absence of outcrop and minimal quartz gangue. Rimfire's belief, and persistence supported by an on-the-ground presence, enabled a redefinition of the entire Fifield area for its gold potential. This is commendable for a small company such as Rimfire.

Last year I commented that "...many geologists can describe what is – very few geologists can envisage what might be...". To then apply the skill and discipline necessary to reach a successful outcome is a rare combination, especially in an area such as Fifield, categorised as "too difficult" by many.

The Company therefore has a simple key strategic goal, to maximise Colin's capacity to work unencumbered and make more discoveries at Fifield.

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Disclaimer - "That the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource."

Whilst the trenching program proposed for the Platina Lead was delayed due to equipment availability, permitting and priorities within Sorpresa, this program is still considered important. The exploration and assessment has the capacity to provide valuable insights into the bedrock source for Platinum (and Gold) and simultaneously provides a commercial test on the Platina Lead itself for residual platinum and gold contained in that structure. The work at Sorpresa has offered great encouragement to the geological potential for platinum, not just gold.

On this basis Platinum exploration still remains a relevant and important focus for the Company. The Fifield area still offers the opportunity to achieve a commercial outcome for the widespread Platinum mineralisation evident in the district, so this objective will continue to be pursued in 2012.

Mr Colin Plumridge, Head of Exploration, will provide some excellent presentation material following this address giving context to the Company exploration status.

Extreme volatility has again dominated the world economic outlook, hence regular re-appraisal is required of the economic context to chart the correct course going forward for the Company. The return of risk capital to the market during the previous year was short lived, however, the Company managed its capital requirements well, allowing our important work at Fifield to continue relatively uninterrupted.

The last Company placement and options exercise issues were both well supported in difficult circumstances with turning markets. I would like to thank shareholders for their show of continued support in the quality exploration programs the Company is pursuing.

Exploration is a tough business and has an inherent high risk associated with its style of activities in general, however, the potential rewards based on a thorough approach, such as that adopted by the Company, provides great opportunity to its shareholders. The market has re-rated the company from 2 years ago and the Company believes it has the quality of ground, exploration expertise and systematic determination to again move to a higher rating level over the next 12 months.

The Company's vision still remains "to achieve an open cut grade mining operation of bedrock Gold and Platinum mineralisation". The exploration results and geological models continue to positively support this view.

The Company has identified priorities over the next period as follows:

- **Advancing the Gold mineralisation opportunities at Sorpresa, and adjacent locations. We now have a much deeper knowledge base to move forward more aggressively.**
- **To this end, plans for drilling have been formulated for 11 areas, encompassing 40,000m of Auger, Aircore and RC drilling, to be implemented in phases.**
- **Determining resource estimates for drilling performed at various locations within Sorpresa in particular.**

- The geological and commercial assessment of the Platina Lead has now taken on new relevance with the noted Chrome geology encountered at Sorpresa, so will be pursued further.

On behalf of the Company I would like to extend my gratitude to all the people associated with the Company during the last 12 months. My fellow Directors, staff, consultants, property owners and partners have all contributed positively to the Company during 2011, allowing the Company to establish a successful path for 2012.

In addition, I would again like to sincerely convey my appreciation to the Company shareholders, for their continued loyalty and their strong support, for which our Company is most grateful and dependant.

During the next twelve months Rimfire is seeking to emerge with important exploration outcomes that should change the rating of the Company again, when realised. The Company has an expanded exploration plan to implement in 2012. Shareholders should take an active interest in the Company's direction and activities, whilst the Company continues to strive for a commercial success in its exploration.

Sincerely



JOHN KAMINSKY
Executive Chairman

For further information or comment, please contact:
Mr 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.