

rimfire



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29th April 2008

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QUARTERLY REPORT

For the period January 1st to March 31st 2008

HIGHLIGHTS FOR THE QUARTER FIFIELD NSW

Ebenezer Platinum in Soil Anomaly

- *The permit for "Pit 1" Bulk Sampling is now approved, with new trenching (Tr 17) and auger drilling having commenced, sample processing is partially underway.*
- An EM Geophysical survey was completed and additional ground magnetic survey conducted. An integrated review of all Geophysical data has commenced.
- Re-examination of previous trenching programs (Tr C) alongside "Pit 1" for coarse Pt in shear zone geology is underway.

Platina-Gillenbine Platinum Area

- *A new Pt in soil anomaly was determined in 100m soil line sampling and trends into the "Pit 1" area. The new anomaly appears to be derived from a defined shear zone. Additional auger drilling and "infill soil line sampling" has commenced.*
- An EM Geophysical survey was completed, and an integrated review of all Geophysical data commenced.
- Additional shear zone areas were sampled, successfully recovering coarse grain Pt from bedrock.

Eclipse Base Metal Area with VMS Style Potential

- The EM Geophysical survey was completed. An interim auger drill program in two locations was undertaken and assayed.
- Elevated Copper anomalism was demonstrated in auger drill assays. A highly altered geological sequence has been interpreted in the auger drill programs conducted.

Goldengreen Area with Shear Zone Gold Potential

- Extensive soil sampling and auger drilling was conducted in the period and assayed, to determine geology and the near surface indicated Au position.
- A Ground Magnetic Geophysical survey was completed with detailed geological mapping.

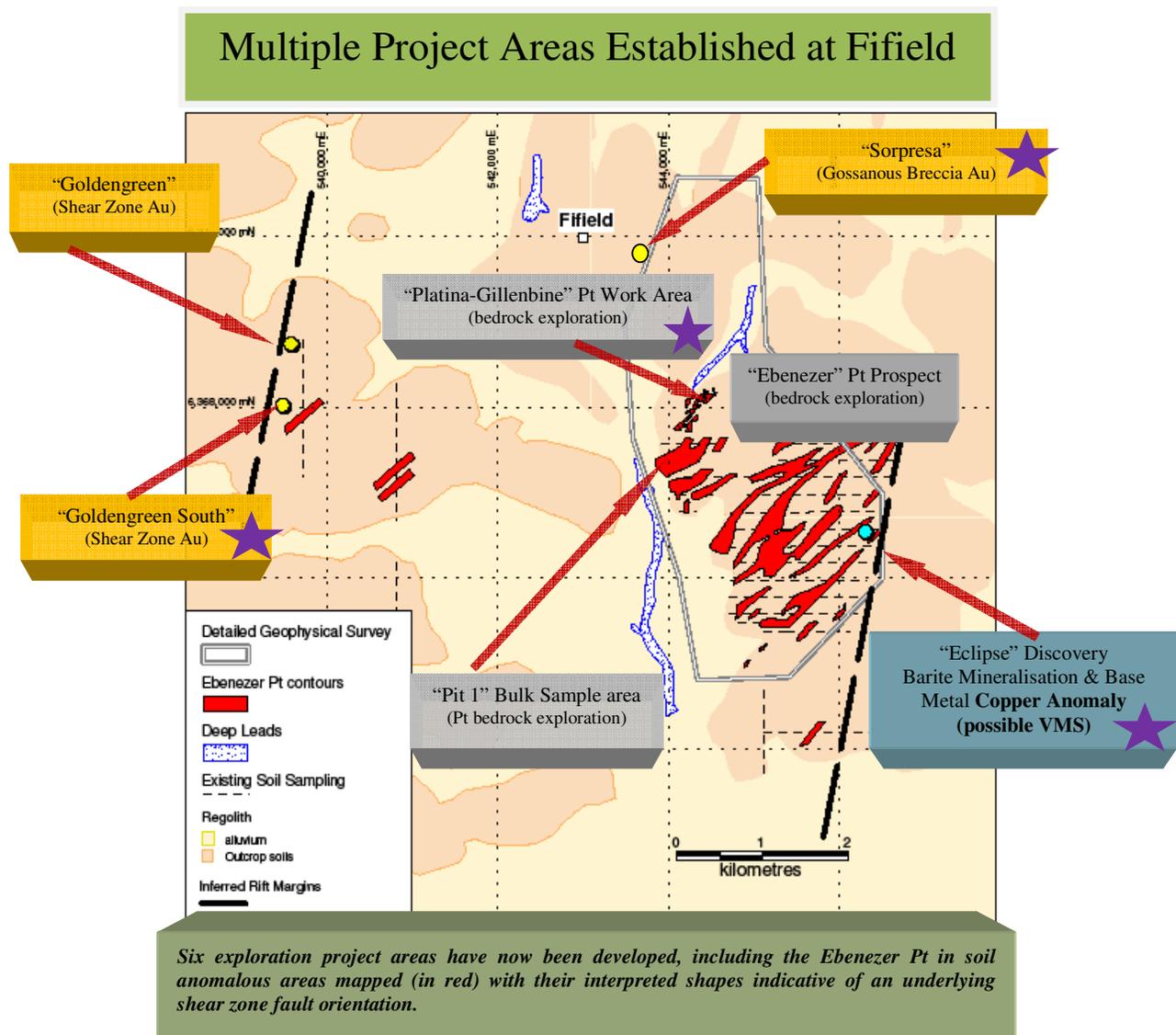
Sorpresa Brecciated Gossan Area with Gold Potential

- *A single 4kg rock sample returned a repeatable independent laboratory fire assay of 8.8g/t Au. This sample was taken near an historic prospect shaft.*

- The area has been mapped with limited outcrop, and additional rock samples have been gathered. A line of auger drilling has also been conducted.
- An identified preliminary target area of 250m x 50m has been established with potential to host Au within this newly identified shear zone/breccia.

A Reconnaissance RC Drill program was planned in the quarter

- The Company had planned approximately a 1,000m RC drill program to investigate sections of four prospects, namely Eclipse, Goldengreen South, Platina-Gillenbine and Sorpresa. *Drilling had commenced as at 17th April.*



★ *Project areas for the RC drill program*

EXPLORATION SUMMARY

The exploration emphasis for the Company in the quarter was to continue major work programs within the Fifield area in NSW.

The Company completed an EM Geophysical survey at “Ebenezer”, “Goldengreen” and “Eclipse”. These results were then examined in the light of the Company’s other recent geophysical surveys (Ground Magnetics, Radiometrics and Gravity) and the wider auger drill and soil sampling programs being conducted at Fifield.

A reconnaissance 1,000m RC Drill program was designed and was underway as at 17th April 2008. The drill program will examine four of the defined prospect areas at Fifield, including two Gold areas (“Goldengreen South” and “Sorpresa”), Copper anomalism at part of “Eclipse” and coarse grain Platinum at “Platina-Gillenbine”.

The objective of this RC Drill program is to provide “reconnaissance testing” of various discrete geochemical and structural targets at four different prospects of these contrasting mineralization styles.



Reconnaissance RC Drilling commenced at “Eclipse” Area

Approval was received from the regulatory authority enabling the Company to commence “trial bulk sampling” operations at “Pit One” on the Company’s freehold within the Ebenezer Pt anomaly. A positioning trench (Tr 17) and preliminary auger drilling have already been undertaken.

The Company continues to conduct extensive soil sampling and subsoil auger drilling within the various work areas to assist with geological interpretation and geochemical assays where appropriate.

The newly recognised “Sorpresa” Gold prospect was added by the Company to the current four major project areas already established in the vicinity of the Fifield township.

While Sorpresa is at an early stage of evaluation, the initial potential shown in the single assay conducted to date is encouraging. The large area of additional rock float mapped and the auger drilling observations to date at Sorpresa, make this an interesting prospect for the Company.

In the second quarter 2008, the Company intends to undertake the following activities at Fifield:

- Complete its RC Drill program at Fifield
- Advance the development phase of “Pit 1” area within Ebenezer
- Complete soil sampling programs and open additional trenches at Platina-Gillenbine
- Conduct additional auger drilling at all prospects, to determine mineralised areas and assist geological interpretation further
- Investigate additional bulk sample areas within Platina-Gillenbine and Ebenezer Pt areas

- Open trenches at Goldengreen Au area, to assist in determining geological orientation
- Conduct target determination at the KARS Pt area

The regional geology at Fifield is providing good indications of metal zoning. At the western rift margin, Au occurs with some Pt, in the rift centre, Pt occurs with some Au, and on the eastern rift contact, base metals are present. The area is very dynamic geologically and represents an excellent exploration setting for commercial mineralisation discovery. The Fifield projects each have significant potential in the Company’s view, and continue to reflect the under-explored nature of the Fifield area.

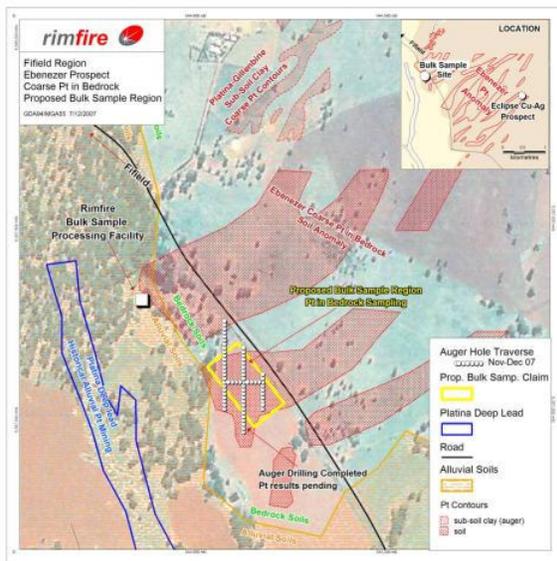
In addition to the work at Fifield, the Company conducted further diamond indicator mineral searches through soil sampling programs at its Bingara diamond project area, focussing on the Trevallyn prospect and the location South of Horton Valley No.1 Pipe. The Company believes additional “Pipes” are possible in these areas, based on key indicator mineral occurrence encountered to date and will pursue its ongoing program at Bingara accordingly.

SELECTED BULK SAMPLING AREA AT EBENEZER – “PIT ONE” PLATINUM AREA

The permit approval allowing the Company to proceeding with the bulk sampling program at “Pit 1” was received in the quarter. Preliminary work is already underway, with auger drilling and trenching (Tr17) conducted to assist orientation of the bulk sampling.

The next stage of exploration using bulk sampling will assist the Company to better determine Pt location, its orientation and Pt concentration below the residual soil layer¹, therefore enabling an exploration focus to be established targeting the highly prospective Pt areas within Ebenezer.

It is also likely that the Pt distribution along a shear zone is uneven and narrower than the soils above them, and for this reason Rimfire will take bulk samples of the bedrock, in order to estimate Pt grades.



Ebenezer Pt in Soil Anomalous Area – “Pit 1” Bulk Sample Area permit approved

¹ The Company considers the Pt obtained at Ebenezer is from residual to semi-residual soils, hence the results represent underlying bedrock source(s) for the Pt

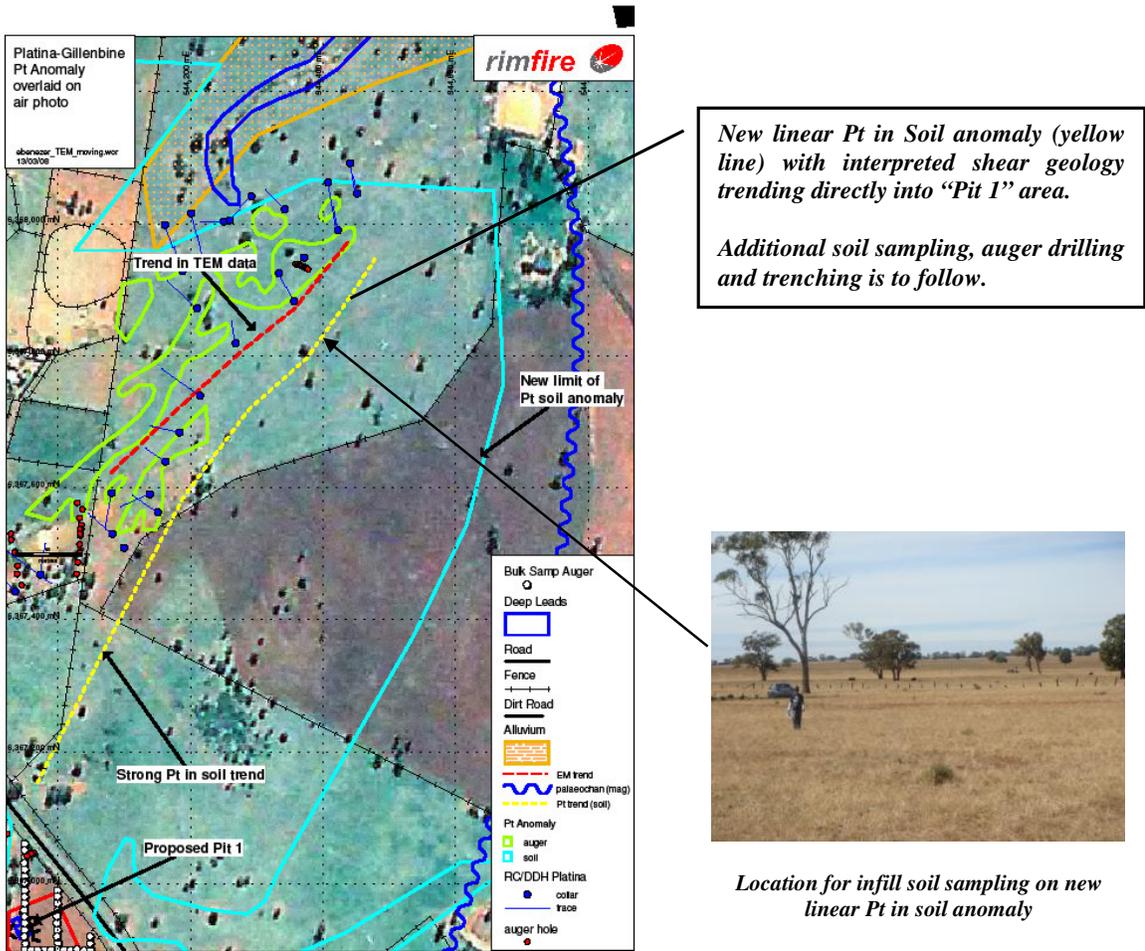
PLATINA-GILLENBINE AREA - COARSE GRAIN PLATINUM IN BEDROCK

Previous extensive trench work by the Company within the Platina-Gillenbine Pt prospect area has revealed several brecciation zones in bedrock which have contained encouraging grades of coarse grain, primary Pt. The Company will attempt to drill test the grade of the breccia zones via 4 vertical drill holes to 36m each. This is an experimental approach to sampling technique and will be compared to the trench result above the drilling. The samples will be treated at the Company’s processing plant at Fifield, for coarse Pt and Au, recovered through gravity separation.

A new coarse platinum in soil anomaly south of the immediate Platina-Gillenbine work area has been determined in 100m spaced soil sampling. This new anomaly has the following characteristics:

- The soil sampling results recovering coarse grain Pt in this location were encouraging
- It occurs on previous “unmined areas” at Platina-Gillenbine
- The interpreted geological structure is a shear zone. The structure is quite linear and extends in the direction of the “Pit 1 area”

Further gridded soil sampling is planned. Follow up trenching and further auger drilling will be conducted to try and delineate another area for potential bulk sampling of coarse grain Pt.



SORPRESA – “NEW BRECCIA HOSTED GOLD PROSPECT”

During the Company’s ongoing regional exploration a selected gossan-breccia rock sample FiR 73 (4kgs) from an old prospecting shaft, in an area north of Platina-Gillenbine. The entire rock sample was crushed and sub-sampled and then assayed at an independent laboratory. *A grade of 8.8gt Au was determined under Fire Assay method.*

Subsequent auger drilling close to the shaft revealed gossanous breccia over an 8m width surrounded by additional scattered smaller occurrences of gossanous breccia.

The prospect and its surrounds have a masking soil cover that prohibits a reliable estimate of the extent of the mineralization. Occasional float of gossanous breccia laying on the masking soil provides a mineralization target area of 250m x 50m.

Early RC drilling is warranted on the section where auger drilling has recently been completed. Little is known about this new area, but it shows promise of a “mineralization style” that is suited to open cut mining. Three (3) angled RC drill holes are planned for a total of 140m. Samples will be assayed at an independent laboratory.



Cross section of gossan breccia rock type recovered at “Sorpresa” recently (FiR 73)



Auger drill line at Sorpresa with proposed RC drill hole location

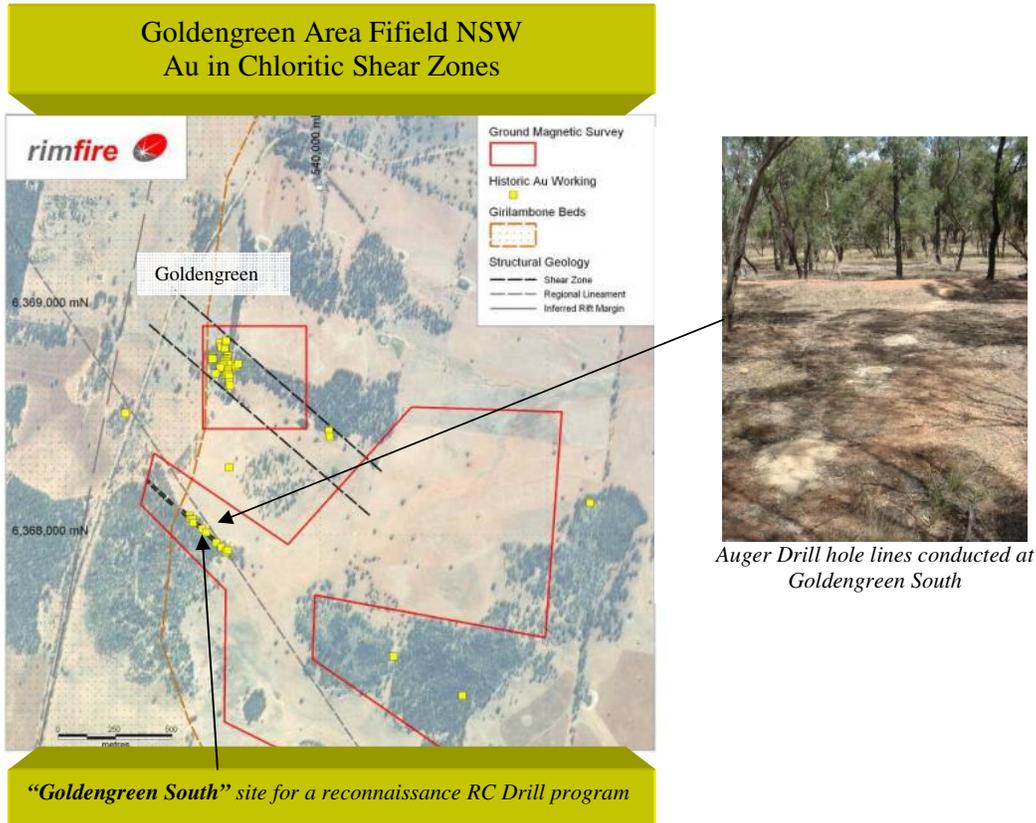
GOLD IN SHEAR ZONES – “GOLDENGREEN SOUTH” AREA

The Goldengreen South area has been explored in 2008 using soil geochemistry, shallow bedrock geochemistry via auger drilling, geological mapping and ground magnetics. The mineralization is partly exposed and has been mined on a very small scale about 70 years ago. A shear zone has now been identified measuring about 20m to 40m wide and in excess of 500m long.

The Au grade of the shear zone is unknown, but also expected to be uneven in distribution. The current RC drilling will try and establish if the mineralization has sufficient potential to warrant a later more extensive and expensive drill program for delineation.

The RC drilling program currently underway will be conducted on two lines 90m apart. Each line will have 3 angle RC drill holes, each hole of 36m depth. Samples will be assayed by independent laboratory for Au.

In addition, the Company is still evaluating numerous Au prospects within the wider Goldengreen area, however, more geochemistry and structural interpretation via trenching is considered necessary prior to any commencement of deeper drilling, due to the more complex nature of the geology.



ECLIPSE AREA – COPPER ANOMALY WITHIN A VMS² STYLE PROSPECT

The Eclipse VMS prospect has evolved into a copper (Cu) anomaly of greater than 1000m length and appears to be unconstrained at this stage of exploration.

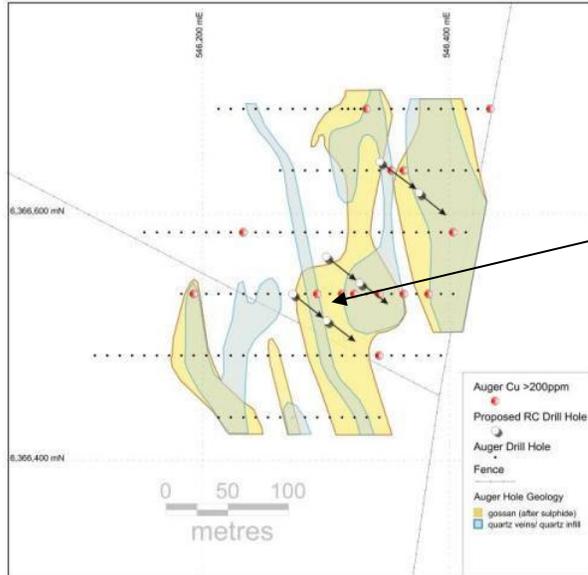
Intensive shallow auger drilling has defined a cohesive zone of gossan (weathered sulphide mineralization) and quartz veining coincident with the copper geochemical anomaly. The auger drilling and surface geochemistry has advanced the prospect to the stage where RC drilling is required to test the continuation of Cu at depth, below the leached surface profile which has been sampled to date.

This is the first deep drilling at this prospect. Six (6) angled holes were planned for a total of 600m and the samples will be assayed by independent laboratory.

An EM Geophysical Survey was completed in the quarter. An offset lead (Pb) anomaly encountered in auger drilling requires further delineation.

² Volcanic Massive Sulphide

Eclipse Reconnaissance RC Drill Holes



Designated area for RC Drill Program

DIAMOND EXPLORATION QUARTERLY ACTIVITY SUMMARY

During the quarter, the Company conducted modest activities restricted to additional soil sampling, and petrological examination. The soil sampling programs have been successful in helping to isolate key diamond indicator mineral sources in the search for additional “pipe structures” within its Diamond Project area at Bingara NSW.

Work conducted in the period included:

- ◆ Additional petrology performed on some of the Company’s earlier samples
- ◆ The Trevallyn Prospect has been further assessed with soil sampling.
- ◆ Analysis of garnet indicator mineral previously identified 1km South of Horton Valley No.1 Pipe.
 - Petrology of the surface garnet chemistry at this new prospect was received indicating “crustal” origin. However, the Company will continue to pursue the prospect with a broader sampling, to check for any “mantle zoning” associated with the crustal garnets recovered to date.
- ◆ New exploration licences at Bingara
 - Regional sampling programs have commenced and continue for these new areas
- ◆ A small local sample washing plant has been established at Bingara to assist sample processing

COMMODITY PRICING FOR THE MARCH 2008 QUARTER

The price of platinum in the March quarter traded strongly and predominantly above USD 1,800 per ounce in this period. The price had a peak beyond USD 2,200 per ounce during February and March (www.Kitco.com).



CORPORATE ACTIVITIES

Tenement Position

Renewal was received for EL6144 and EL5565 at Fifield. New Exploration Licence was granted for Fifield, namely, EL 7058.

Cash, Facilities and Investments

As at 31st March 2008 the Company had approximately \$2.608 million in usable cash.

Issued Capital

The issued capital of the Company was unchanged during the quarter.

The issued capital at the close of business at 31st March 2008 was:

305,976,107 ordinary shares

750,000 unlisted call options ex @ Nil cents expiring 15th July 2008

750,000 unlisted call options ex @ Nil cents expiring 15th January 2009

6,000,000 unlisted call options ex @ \$0.12 expiring 30th September 2008

7,500,000 unlisted call options ex @ \$0.12 expiring 30th September 2010

JOHN KAMINSKY
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 30 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 he is undertaking 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

Rimfire Pacific Mining NL

ARBN

59 006 911 744

Quarter ended ("current quarter")

31 March 2008

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|--|
| 1.1 Receipts from product sales and related debtors | - | |
| 1.2 Payments for | | |
| (a) exploration and evaluation | (238) | (573) |
| (b) development | - | |
| (c) production | - | |
| (d) administration | (87) | (370) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 35 | 68 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) – GST received | - | 43 |
| Net Operating Cash Flows | (290) | (832) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a)prospects | - | - |
| (b)equity investments | - | - |
| (c) other fixed assets | (3) | (15) |
| 1.9 Proceeds from sale of: | | |
| (a)prospects | - | - |
| (b)equity investments | - | - |
| (c)other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other – Rental Bond for new premises | (3) | (3) |
| Net investing cash flows | (6) | (18) |
| 1.13 Total operating and investing cash flows (carried forward) | (296) | (850) |
| 1.13 Total operating and investing cash flows (brought forward) | (296) | (850) |

| | | | |
|---|---|-------|-------|
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 9 | 2,549 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (provide details if material) - Return of share issue proceeds to investors as paid after application expiry, transaction costs related to rights issue | (19) | (237) |
| Net financing cash flows | | (10) | 2,312 |
| Net increase (decrease) in cash held | | (306) | 1,462 |
| 1.20 | Cash at beginning of quarter/year to date | 2,914 | 1,146 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 2,608 | 2,608 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 42 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

\$42,240 was paid to Strategic International Ventures Pty Ltd for services rendered by the Executive Chairman during the period November 2007 to January 2008.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

| |
|--|
| |
|--|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

| |
|--|
| |
|--|

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | Nil | Nil |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|---------|
| 4.1 Exploration and evaluation | 200 |
| 4.2 Development | - |
| Total | 200 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 91 | 289 |
| 5.2 Deposits at call | 2,517 | 2,625 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 2,608 | 2,914 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note 2) | Interest at beginning of quarter | Interest at end of quarter |
|-----|--|-----------------------------|----------------------------------|----------------------------|
| 6.1 | Interests in mining tenements relinquished | | | |

6.2 Interests in mining tenements acquired or increased

| | | | |
|---------------|--------------------|--|------|
| EL7058 | New grant 1/2/2008 | | 100% |
|---------------|--------------------|--|------|

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|--------------|---------------|---|--|
| 7.1 Preference + securities (description) | Nil | | | |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | Nil | | | |
| 7.3 +Ordinary securities | 305,976,107 | 305,976,107 | | |
| 7.4 Changes during quarter (a) Increases through issues | Nil | Nil | Nil cents | Nil cents |
| Increases from exercise of options | Nil | Nil | Nil cents | Nil cents |
| (b) Decreases through returns of capital, buy-backs | Nil | Nil | Nil | Nil |
| 7.5 +Convertible debt securities | Nil | | | |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | Nil | | | |

| | | | | | |
|------|--|------------|-----|--|---|
| 7.7 | Options <i>(description and conversion factor)</i> | 15,000,000 | Nil | 6,000,000 @ 12 cents each 7,500,000 @ 12 cents each 750,000 @ nil cents each 750,000 @ nil cents each | <i>Expiry date</i> 30/9/2008 30/9/2010 15/7/2008 30/11/2008 |
| 7.8 | Issued during the quarter | Nil | Nil | Nil | Nil |
| 7.9 | Exercised during quarter | Nil | Nil | Nil | Nil |
| 7.10 | Expired during quarter | - | - | | |
| 7.11 | Debentures <i>(totals only)</i> | Nil | Nil | | |
| 7.12 | Unsecured notes <i>(totals only)</i> | Nil | Nil | | |

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law [or other standards acceptable to ASX \(see note 5\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Chairman)

Date: 29th April 2008

Print name: **JOHN KAMINSKY**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Issued and quoted securities. The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flows Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.