



Shareholder Update – January 2008

Dear Shareholder,

On behalf of the Board of Directors I would like to thank you for your support in this formative period of Spitfire Resources' life as a listed company.

Since our launch on the Australian Securities Exchange on the 12th of December 2007, the market has swung up and down on fears of a US recession and other big picture factors.

Yet despite this turbulence, the Spitfire team remains highly optimistic about the future. This optimism stems from the fact that your company is well cashed-up, is targeting its exploration efforts towards manganese (a commodity currently in great demand by the world's steel producers) and has a very prospective ground position at its South Woodie Woodie project in Western Australia.

While Spitfire can't physically begin drilling at South Woodie Woodie till the end of the current wet season, the company has been extremely busy since listing planning for its first campaign. This process has been expedited by the appointment of Nathan Cull as Exploration Manager. Mr. Cull, who is an experienced geologist, has specialised in both exploring for and mining manganese at Woodie Woodie – a large mining camp located approximately 50km directly north of Spitfire's ground position. Already Mr. Cull's wealth of geological knowledge has shone the spotlight on the prospectivity of yet-to-be explored areas in Spitfire's tenements.

In times of share market fluctuation it is easy to lose focus. Spitfire's board remains committed to those objectives set out in the company's prospectus. We consequently look forward to exciting times ahead as our resourcing and mobilisation processes continue. Naturally updates on all results will be made to the ASX and posted on the company's website at www.spitfireresources.com

We have taken this opportunity to enclose the December 2007 Quarterly Report as well as the Annual Report election notice. We are also building an electronic mailing database and if you would like your own personal updates on the company's progress, please forward your email contact details to admin@spitfireresources.com

Yours sincerely,

A handwritten signature in black ink, appearing to read "James Hamilton", is written over a light blue horizontal line.

James Hamilton
Managing Director