



MEDIA / ASX RELEASE

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SPITFIRE EXPANDS EAST PILBARA MANGANESE FOOTPRINT AND DEFINES NEW TARGETS

ANOMALOUS MANGANESE INTERSECTED AT BANDITS PROSPECT, NORTH OF TALLY-HO

- *Strategic new tenement secured 38km NW of Woodie Woodie Mine*
 - *Spitfire's ground position in the region expands to 1,804 sq km*
 - *Anomalous manganese results returned from Bandits prospect, 9km north of Tally-Ho*
 - *Multiple new targets identified with potential for both DSO and Tally-Ho style mineralisation*
 - *Planning underway for new drilling programme commencing in October 2010*
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Spitfire Resources Limited (ASX: **SPI** – "Spitfire" or "the Company") is pleased to provide an update on several positive developments with its manganese exploration activities in the East Pilbara region of Western Australia.

New Tenement Expands Regional Holding to 1,804 sq km

Spitfire has secured a prospective new manganese exploration tenement located approximately **38km** north-west of the **Woodie Woodie** Manganese Mine and approximately 110km north of Spitfire's South Woodie Woodie Project.

The tenement application, ELA45/3730, which covers an area of 43 sq km, increases the Company's ground holdings in the emerging East Pilbara manganese province to more than **1,800 sq km**, making it one of the largest land-holders in the district (*see Figure 1*).

The tenement is located in close proximity to the Oakover Manganese Project (Jupiter Mines), where recent significant near-surface manganese intersections have been reported in a 43-hole RC drilling program by Jupiter including **2m @ 35.5% Mn** and **4m @ 31.21% Mn** (*see Jupiter Mines ASX Statement – 23 July 2010*).

The tenement also lies near Shaw River Resources' **Baramine Manganese Project**, where a drilling program is currently underway.

The new tenement is reported to contain outcrops of Carawine Dolomite and Pinjian Chert, the main host rock formations for the high-grade manganese deposits at Woodie Woodie.

The expanded South Woodie Woodie Project area lies close to several active manganese exploration projects as well as three existing manganese processing facilities.

These include the existing Woodie Woodie mine, the Nicholas Downs mine and the Auvex “Ant Hill” Mine.

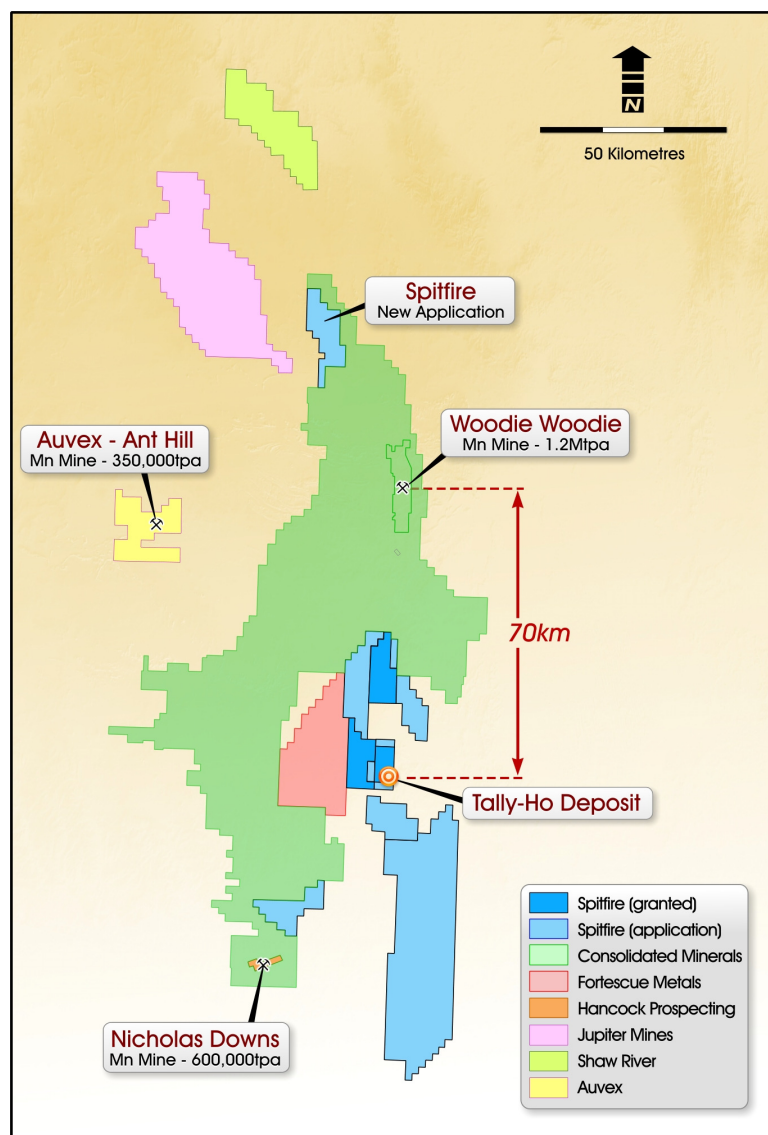


Figure 1 – South Woodie Woodie Exploration Map, showing location of new tenement

Anomalous Manganese Intersected at Bandits Prospect

As reported in the June 2010 Quarterly Report, a Phase I program of reconnaissance drilling was completed last Quarter across 15 geophysical and geological target areas at South Woodie Woodie. The targets are located throughout EL46/616, which hosts the Tally-Ho manganese deposit

Geological logging of the results indicated that hole WWS079, located 9km north of the Tally-Ho deposit intersected 20 metres of visual mineralisation.

Assay results have now been received for WWS079 and three other drill holes in the vicinity, WWS072, WWS082 and THRC076, which intersected visual manganese mineralisation.

All of these holes intersected relatively narrow widths of anomalous manganese, with the highest grade being 12.3% Mn, as summarised below:

Hole_ID	Easting	Northing	From	To	Mn	Fe	Al2O3	SiO2	S	P	PbO
	GDA94	GDA94	Metres	Metres	%	%	%	%	%	%	%
WWS072	317259	7529543	32	33	7.81	5.95	14.6	51.8	0.001	0.13	0.012
WWS072	317259	7529543	56	57	7.65	3.52	15	55.8	0.001	0.138	0.013
WWS079	314472	7535592	31	32	7.65	14.2	6.39	53.1	0.011	0.016	0.013
WWS079	314472	7535592	32	33	7.53	13.6	6.61	53.6	0.011	0.016	0.014
WWS079	314472	7535592	33	34	6.17	12.4	5.66	59.2	0.008	0.015	0.011
WWS079	314472	7535592	34	35	7.41	12.3	4.14	59.9	0.006	0.014	0.012
WWS082	313791	7535720	44	45	7.04	0.84	0.81	85.7	0.002	0.008	0.005
THRC076	317467	7258683	42	43	12.3	41.2	1.01	11.3	0.001	0.214	0.007
THRC076	317467	7258683	43	44	7.98	39.2	1.39	20.8	0.001	0.185	0.005

The mineralisation has been interpreted to be similar in style to that found at Tally-Ho.

While the mineralisation at Tally-Ho comprises multiple high-grade seams, drilling at Bandits has intersected a single narrow seam.

While at this stage the prospect appears to have limited economic potential, Spitfire is encouraged by the widespread nature of these anomalous intersections, combined with the presence of outcropping high-grade manganese.

Follow-up drilling is planned in this area to test for the presence of larger accumulations of Tally-Ho-style mineralisation as part of the planned Phase II drilling program commencing in October this year (see below).

Phase II Drilling and Exploration

Regional exploration activities are continuing at the South Woodie Woodie Project including mapping together with interpretation of the previously completed airborne geophysical surveys.

A number of new targets have been identified within the current prospect area on EL46/616, to the north of the Tally-Ho deposit and on the tenement of EL46/615 to the north.

These include targets which are considered prospective for direct shipping-style manganese, as well as lower-grade Tally-Ho-style mineralisation.

Preparations are continuing for Phase II drilling, with Programs of Work (POW's) to be submitted in August for both the 616 and 615 tenements

Drilling is planned to commence, subject to approvals, heritage clearances and drill rig availability, in October 2010.

ENDS

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Competent Person's Statement

The information in this report relating to exploration results and mineral resources is based on information compiled by Mr. N. Cull who is a Member of the Australian Institute of Geoscientists. Mr. Cull is Exploration Manager for Spitfire Resources Ltd, and consents to the inclusion in this type of report of the information as presented. He has sufficient experience relevant to the style of mineralisation and to the type of activity described to qualify as a competent person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.'

About Spitfire Resources

Spitfire Resources Limited (ASX Code: SPI) is an emerging Australian resource development company focused on the carbon steel materials sector. Spitfire's flagship asset is the South Woodie Woodie Manganese Project, which is located approximately 50km down-strike to the south from the 1.2Mtpa Woodie Woodie Manganese Mine in the East Pilbara region of Western Australia.

Spitfire's initial exploration success at South Woodie Woodie has been within the Southern Target Area, where it has defined a near-surface manganese deposit at the Tally-Ho Prospect, in an area which has had little historical exploration.

Spitfire's principal focus will remain the exploration and evaluation of manganese deposits in the East Pilbara, although it has also acquired a portfolio of advanced thermal coal projects in Tasmania and prospective base metals tenure in the Northern Territory which offer the potential for future diversification.