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ASX RELEASE

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Australian exploration company, Spitfire Resources Limited (ASX Code: **SPI** – “Spitfire” or “the Company”), wishes to advise that it is currently conducting exclusive due diligence for the proposed acquisition of a coal project in Tasmania.

The Company has not yet reached a formal agreement with the vendors of the project as to the terms of any acquisition.

Spitfire will provide an update to the market in accordance with the ASX listing rules should a formal agreement be finalized.

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About Spitfire Resources

Spitfire Resources Limited (ASX Code: SPI) is an Australian resource company initially focused on the exploration and development of a portfolio of manganese exploration assets in the East Pilbara region of Western Australia. Spitfire listed on the Australian Securities Exchange in December 2007 following a successful A\$6 million Initial Public Offer (IPO).

*AIM-listed Churchill Mining Plc is the Company's largest shareholder, which it received as vendor consideration for the divestment to Spitfire of its asset, an 80% interest in the **South Woodie Woodie Manganese Project** in Western Australia's East Pilbara region.*

The South Woodie Woodie Project comprises three granted Exploration Licences covering an area of approximately 490km². The principal area of initial exploration focus lies some 50km down-strike from the 1Mtpa Woodie Woodie manganese mine.

Spitfire also recently announced that it had secured a substantial portfolio of new exploration tenure near the South Woodie Woodie Project, more than doubling its existing land holdings in the prospective East Pilbara region. The Company has lodged applications for four strategic tenements, covering a total area of 899 square kilometres, which are located approximately 13km south-east of the South Woodie Woodie Project.

Some of the new ground package abuts tenements managed by Consolidated Minerals, the former listed owner of the Woodie Woodie mine, and who was recently bought by private Ukrainian group Palmary Enterprises. Spitfire selected the ground after completing interpretive geological work suggesting that the area to the south-east could host strike extensions of a potential corridor of manganese host rocks.

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