



ABN 40 125 578 743

MEDIA / ASX RELEASE

28 June 2011

DRILLING RESUMES AT SOUTH WOODIE WOODIE *Extensional and in-fill drilling at Contact and Contact North discoveries*

Spitfire Resources Limited (ASX: **SPI**) is pleased to advise that drilling has resumed at the **South Woodie Woodie Manganese Project** in the East Pilbara region of Western Australia. (see *Figure 1*).

As previously outlined (see *ASX Announcement – 3 June 2011*), the new phase of Reverse Circulation (RC) drilling is designed to extend and in-fill the Contact North and Contact discoveries.

This new drilling round has already intercepted a near-surface manganese layer extending the Contact deposit to the north-west. Hole CON088 intercepted a visually logged 6m manganese layer from 9m deep. Previously drilled RC Hole CON052, situated 100m west of CON088 returned assays of 6m at 18.92 per cent manganese from 4m deep, including 3m of 19.92 per cent manganese from 5m deep. These two holes have extended the Contact deposit at least another 120m in a north-westerly direction.

Spitfire discovered Contact North during the first phase of drilling earlier this year and to date has delineated a substantial zone of near-surface manganese mineralisation extending over an area approximately 640m by 580m. The mineralisation remains open in most directions, particularly to the north and north-west, which will be the initial focus of drilling (see *Figure 2*).

After the Company has successfully defined the limits of the mineralisation at Contact and Contact North, the rig will undertake in-fill drilling with a view to establishing JORC compliant resource estimates for both deposits.

A diamond drill rig has also recently arrived on site and will undertake core drilling at Contact and Contact North to extract samples for metallurgical test work.

As reported earlier this month, initial assay results from the first round of drilling at Contact North included some of the highest manganese grades ever reported by Spitfire from its exploration in the East Pilbara region, confirming that Contact North is emerging as the Company's flagship discovery at South Woodie Woodie. The results support the Company's previously announced Exploration Target of **5-10Mt grading 15-25% Mn** for the Contact-Contact North discovery.

Contact North is Spitfire's third manganese discovery at South Woodie Woodie, with the discovery of Tally-Ho in 2008 and then Contact and Contact North in 2010/2011 respectively.

Spitfire also plans to commission a Gradient Array IP (Induced Polarisation) survey to be undertaken over a newly identified prospect to the south-west of Contact. This target area, which was identified by surface geological mapping, contains highly prospective geology that is hosted in Carawine dolomite, which is the same rock type that hosts Consolidated Minerals Woodie Woodie 1.2mtpa manganese mine.

Gradient array IP was the geophysical exploration technique which was successfully used by Spitfire last year in the Contact area. This resulted directly in the discovery of Contact North.

Depending on the results of the survey, consideration will be given to drill testing this new area during subsequent phases of drilling at South Woodie Woodie this year.

** Because the potential quantity and grade of this Exploration Target is conceptual in nature, Spitfire notes in accordance with Section 18 of the JORC Code that there has been insufficient verification of previous exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.*

ENDS

Released by:
Mr. Nicholas Read
Read Corporate
Telephone: (61-8) 9388 1474

On behalf of:
Mr. John Mackenzie
Managing Director
Spitfire Resources Limited
Telephone: (61-8) 6382 3700
www.spitfireresources.com

On behalf of:
Mr. James Hamilton
Executive Chairman
Spitfire Resources Limited
Telephone: (61-8) 6382 3700
www.spitfireresources.com

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 a senior geological consultant 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 70km down-strike to the south from the 1.2Mtpa Woodie Woodie Manganese Mine in the East Pilbara region of Western Australia.

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 prospective base metals tenure in the Northern Territory which offer the potential for future diversification.

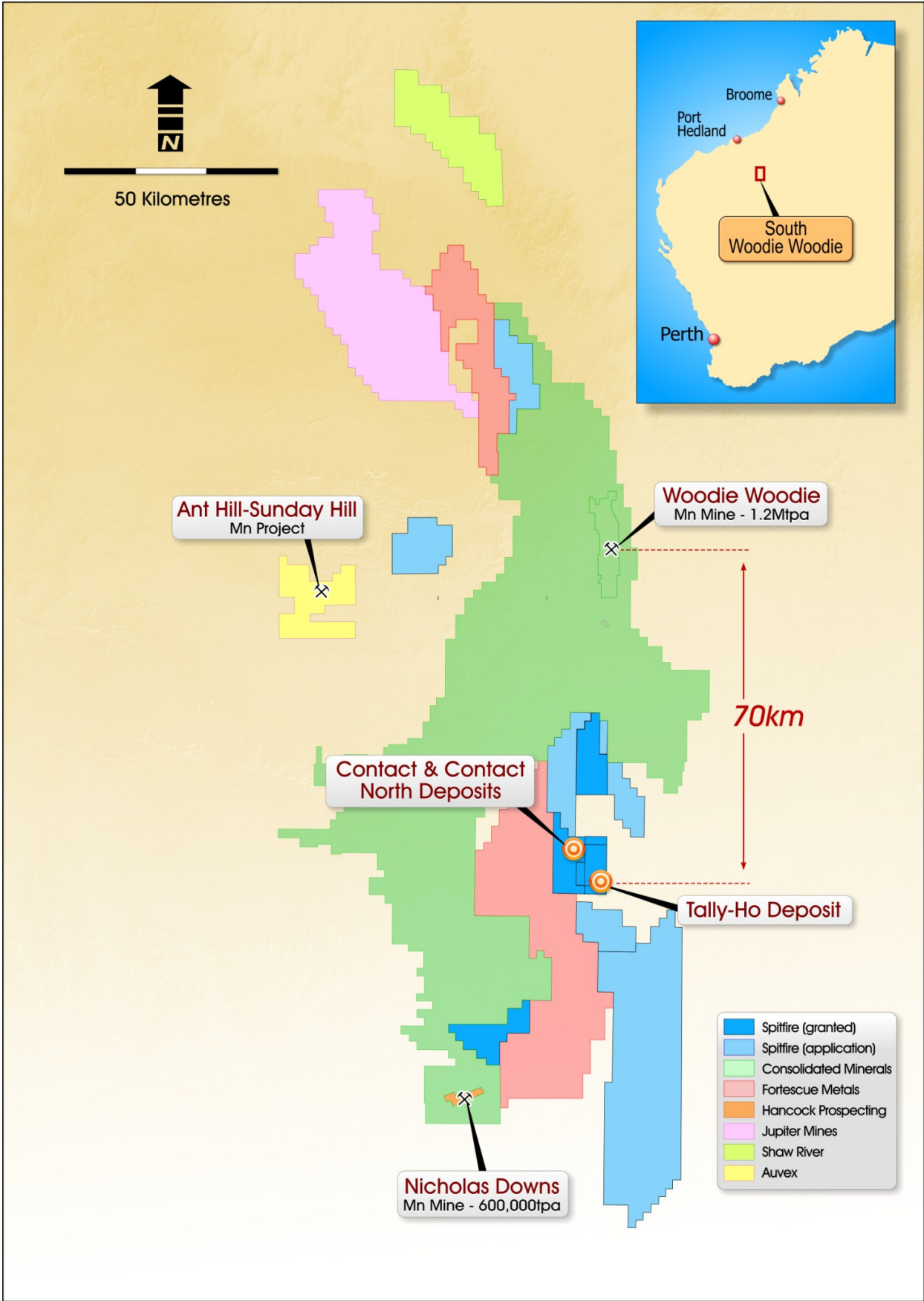


Figure 1 – Spitfire Tenement holding and deposit locations

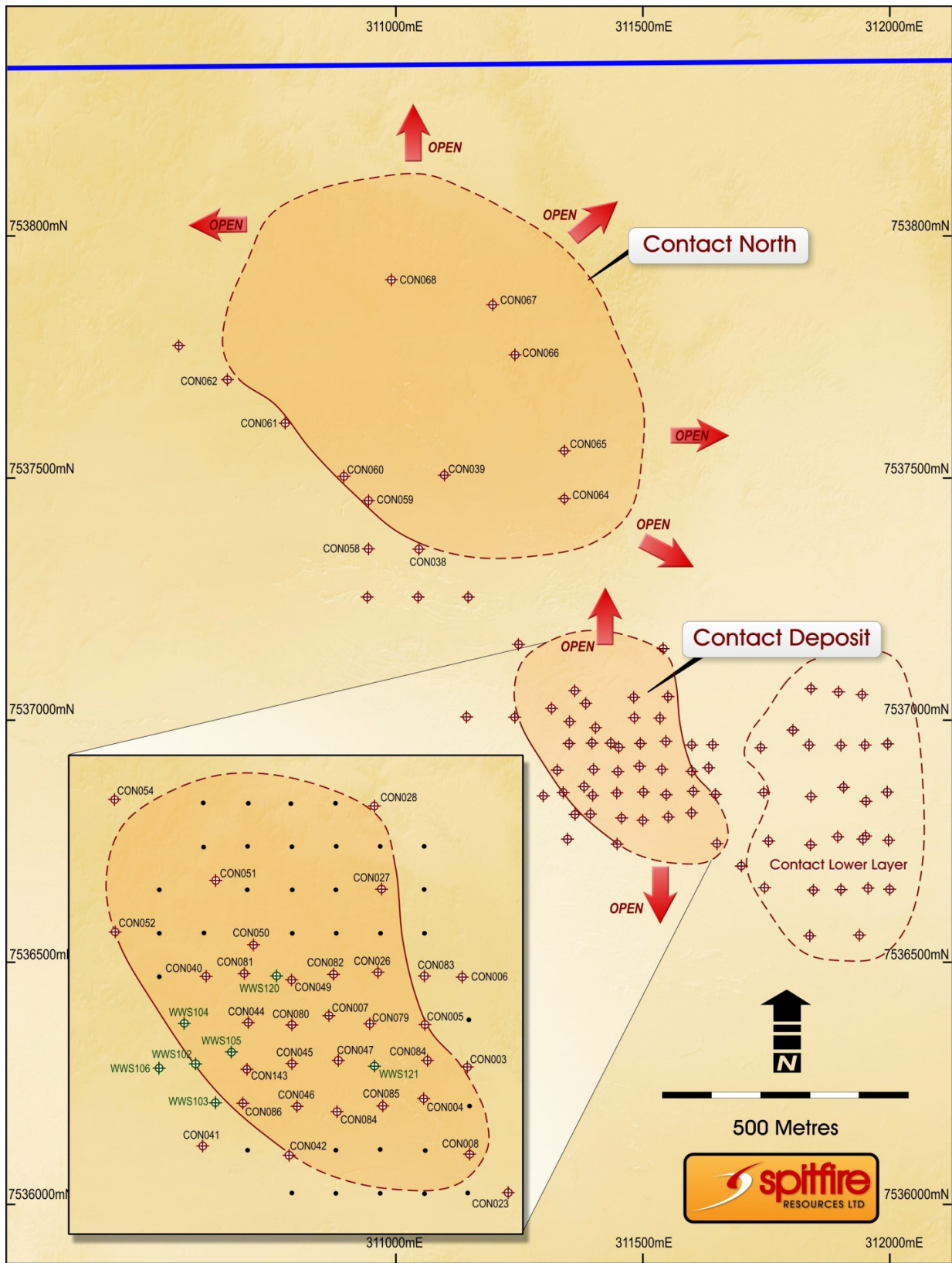


Figure 2 – Location Plan of Contact and Contact North