

## SPITFIRE CONFIRMS SIGNIFICANT NEAR-SURFACE MANGANESE DISCOVERY AT CONTACT NORTH

*Rich near surface layer grading up to 37% manganese highlights strong potential for Spitfire's South Woodie Woodie Manganese Project.*

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- **Highly encouraging assay results of up to 37.27% Mn confirms newly discovered Contact North (South Woodie Woodie Project) is a substantial near-surface manganese discovery with a high-grade zone. Best results include:**
  - **20m @ 23.06% Mn from 51m (CON039), including:**
    - 16m @ 24.26% Mn from 53m,
    - 5m @ 29.50% Mn from 57m
    - 2m @ 34.23% Mn from 57m & 1m @ 37.27% Mn at 58m
  - **11m @ 26.54% Mn from 38m (CON064), including:**
    - 4m @ 29.25% Mn from 38m
    - 2m @ 34.80% Mn from 40m
  - **11m @ 20.21% Mn from 55m (CON067), including:**
    - 6m @ 24.8% Mn from 58m
    - 1m @ 33.33% Mn at 60m & 1m @ 32% Mn at 62m
  - **7m @ 21.06% Mn from 36m (CON068), including:**
    - 4m @ 29.48% Mn from 36m
    - 2m @ 30.45% Mn from 38m
    - 1m @ 32.65% Mn at 36m
  - **7m @ 20.76% Mn from 49m (CON066), including:**
    - 5m @ 23.93% Mn from 49m
    - 1m @ 30.88% Mn at 49m
- **High-grade zone expected to provide significant boost to the economic prospects of Spitfire's South Woodie Woodie Manganese Project.**
- **All RC drill holes at Contact North intersected mineralisation with assays indicating a manganese layer averaging 7-20m in thickness and grading over 20% Mn commencing from an average depth of 36-50m, with an internal high-grade layer averaging 4-5m in thickness.**
- **This new High Grade core contains multiple 1m RC assays intersections grading greater than 30%.**
- **Contact North mineralisation currently drilled over an area ~640m long (N-WSW) and ~588m wide (E-W) and remains open in most directions.**

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- **Further assays received from the original Contact discovery are encouraging. Best results include:**
    - **18m @ 18.45% Mn from 15m (CON047), including:**
      - **6m @ 24.75% Mn from 15m**
      - **5m @ 29.50% Mn from 15m**
      - **1m @ 33.15% Mn at 17m & 1m @ 31.97% Mn at 16m**
    - **10m @ 21.12% Mn from 27m (CON007), including:**
      - **5m @ 27.59% Mn from 30m**
      - **1m @ 30.07% Mn from 34m**
    - **9m @ 21.93% Mn from 8m (CON044), including:**
      - **4m @ 26.30% Mn from 13m**
      - **1m @ 30.98% Mn at 15m**
    - **6m @ 20.52% Mn from 6m (CON040), including:**
      - **3m @ 24.42% Mn from 6m**
  - **Major new drilling programme set to commence, designed to extend and in-fill Contact North discovery, complete infill drilling at the Contact deposit, (700m to the south) and extend and in-fill the previous Tally-Ho discovery.**
  - **Upcoming drilling will also test several newly discovered regional exploration targets to the north-west and south-west of Contact/Contact North, offering the potential for further manganese discoveries.**
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Spitfire Resources Limited (ASX: **SPI**– “Spitfire” or “the Company”) is pleased to report that it has received highly encouraging assay results from recent drilling at the **Contact North zone** at its **South Woodie Woodie Manganese Project** in the East Pilbara region of Western Australia (see *Figure 1*), with the new results confirming the discovery of a substantial new zone of near-surface manganese mineralisation.

Further to its ASX Release of 17 May 2011, Spitfire has received assay results for most of the initial Reverse Circulation (RC) drill holes completed at Contact North, which is located 700m north of the previously discovered Contact deposit (see *Figure 2*).

The results – which include the highest manganese grades ever reported by Spitfire from its exploration in the East Pilbara region – have confirmed that Contact North is rapidly emerging as the Company’s flagship discovery at South Woodie Woodie. 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.

The drilling at contact North has so far identified an extensive zone of near-surface manganese mineralisation at Contact North extending over an area approximately 640 metres by 580 metres which remains open in most directions.

This manganese layer, which averages between 7 and 20 metres in thickness, combined with the presence of an **internal layer of high-grade material with multiple assays grading more than 30% Mn**, makes this a highly attractive exploration target for Spitfire from a potential future mining perspective, consistent with its objective of discovering and developing low-cost manganese deposits which can be exploited by open pit mining.

The new results also provide strong support for the Company's previously announced Exploration Target\* of **5-10Mt grading 15-25% Mn** for the Contact-Contact North discovery.

Spitfire has completed the first phase of its 2011 drilling program at South Woodie Woodie, with a total of 9,281m of RC drilling (87 holes) completed to date. In light of the outstanding results from Contact North, Spitfire has secured a drill rig to complete a short interim RC drilling programme commencing in 3-4 weeks. This programme is designed to extend the mineralisation at Contact North, which remains open in most directions. In addition final in-fill drilling will be completed at Contact, to enable an initial JORC resource to be calculated. This RC drilling will coincide with the planned PQ Diamond programme for the Contact Deposit. This programme has now been extended to the Contact North deposit.

Spitfire has also secured a second rig to commence drilling in late September. This will allow Spitfire to continue its aggressive exploration programme on high potential geological targets in the vicinity whilst continuing with an in-fill program at the Contact North deposit as well as extending and in-filling the Tally-Ho deposit.

Further details on this upcoming programme will be provided in due course, however it is anticipated that up to 15-20,000m of additional drilling will be undertaken in the next 12 months.

The "Contact" area is located in the north-eastern part of Spitfire's 100%-owned tenement EL46/787, 11km north-west of the Company's Tally-Ho deposit and approximately 70km directly south of the world-class Woodie Woodie Manganese Mine operated by Consolidated Minerals Limited (see Figure 1).

\* 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.

### Contact North Drilling Results

Following the previously reported visual intersections of manganese mineralisation at Contact North (see ASX Announcement – 17 May 2011), assay results have been received for the majority of the RC drill holes drilled in this area.

Highlighted assay results from Contact North are summarised below:

**Table 1 – Highlighted weighted average assays from the current Drill programme**

Hole ID	From	To	Intercept	Mn %	Al <sub>2</sub> O <sub>3</sub> %	Fe %	SiO <sub>2</sub> %
<b>CON039</b>	51	71	20m	23.06	4.46	16.02	27.18
Including	53	69	16m	23.41	5.07	15.78	26.10
	57	62	5m	29.50	5.56	15.14	16.22
	57	59	2m	<b>34.24</b>	5.66	11.30	14.85
	58	59	1m	<b>37.27</b>	4.39	12.20	10.50
<b>CON064</b>	38	49	11m	26.54	3.30	20.62	17.31
Including	38	42	4m	29.25	2.76	21.18	13.17
	40	42	2m	<b>34.80</b>	2.56	14.95	14.21
<b>CON067</b>	55	66	11m	20.21	4.07	15.71	32.71
Including	58	64	6m	24.81	4.71	17.18	21.53
	60	61	1m	<b>33.33</b>	3.01	13.30	15.90
	62	63	1m	<b>32.00</b>	2.48	15.00	16.90

Hole ID	From	To	Intercept	Mn %	Al <sub>2</sub> O <sub>3</sub> %	Fe %	SiO <sub>2</sub> %
<b>CON068</b>	36	43	7m	21.06	5.90	15.38	32.56
Including	36	40	4m	29.48	6.23	15.08	18.93
	38	40	2m	<b>30.46</b>	3.38	17.30	18.40
	36	37	1m	<b>32.65</b>	7.56	13.30	14.00
<b>CON066</b>	49	56	7m	20.76	1.34	16.77	36.21
Including	49	54	5m	23.94	1.33	13.42	36.56
	49	50	1m	<b>30.88</b>	0.88	3.81	41.90
<b>CON059</b>	50	55	5m	18.00	2.67	13.15	43.18
	59	67	8m	13.29	0.83	4.00	69.40
Including	66	67	1m	<b>32.13</b>	0.36	12.10	26.10
<b>CON058</b>	71	74	3m	24.36	1.57	1.17	56.30
Including	71	72	1m	29.03	1.89	1.49	47.30
	73	74	1m	<b>30.45</b>	1.16	0.75	48.50
<b>CON062</b>	45	53	8m	13.95	3.23	16.41	43.79
Including	47	50	3m	20.27	2.04	18.93	31.53
<b>CON065</b>	67	73	6m	10.06	4.54	10.88	58.35
Including	68	71	3m	14.69	3.43	11.36	51.57
<b>CON038</b>	67	77	10m	5.01	4.69	18.82	52.94

*Table 1 Continued – Highlighted weighted average assays from the current Drill programme*

### Contact Drilling Results

The Company has received additional drilling results for the Contact deposit, further adding to the encouraging results reported on 17 May 2011. These results confirm the presence of a zone of near-surface manganese mineralisation at Contact. Additional results include:

Hole ID	From	To	Intercept	Mn %	Al <sub>2</sub> O <sub>3</sub> %	Fe %	SiO <sub>2</sub> %
<b>CON047</b>	15	33	18	18.45	6.78	13.70	36.47
Including	15	21	6	24.75	5.12	14.36	27.13
	17	18	1	<b>33.15</b>	4.52	14.40	14.60
	16	17	1	<b>31.97</b>	3.51	17.00	14.30
<b>CON007</b>	27	37	10	21.12	5.06	11.10	37.49
Including	30	35	5	27.59	4.89	9.57	28.94
	34	35	1	<b>30.07</b>	2.72	10.10	26.50
<b>CON044</b>	8	17	9	21.93	5.92	14.44	30.82
Including	13	17	4	26.30	5.47	12.67	27.25
	15	16	1	<b>30.98</b>	5.44	16.10	14.70
<b>CON040</b>	6	12	6	20.52	7.13	15.18	30.18
Including	6	9	3	24.42	7.52	14.90	24.00
<b>WWS105</b>	3	7	4	19.98	7.44	16.93	27.40
Including	5	6	1	<b>31.30</b>	6.83	9.51	21.70
<b>CON045</b>	14	21	7	15.46	6.04	16.43	38.24

*Table 2 – Highlighted assays from the current Drill programme*

The results from Contact are encouraging; however assays from the eastern lower portion of the deposit – where a broad thicknesses of visual mineralisation was intersected indicates that the grade of this material is unlikely to meet Spitfire’s immediate criteria for focusing on near-surface deposits which can be upgraded to a direct shipping product.

### **Management Comment and Future Program**

Spitfire’s Managing Director, Mr John Mackenzie, said the latest results indicate that Contact North is a significant discovery with the potential to add substantial value to the Company.

“We are very encouraged by the results, which define a large body of mineralisation which remains open in most directions,” he said. “Accordingly, the Board has committed to resume drilling as soon as possible to define the Contact North mineralisation and lay the foundations for an initial JORC resource.

“In addition, the next phase of drilling will complete coverage of the Contact deposit, and enable us to commence work immediately on a JORC resource estimate,” he continued. “We will also return to the Tally-Ho deposit to in-fill and extend the current resource, and commence initial testing of some exciting new prospects identified in close proximity to Contact and Contact North.

“These are exciting times for Spitfire as we continue to ramp up the largest and most aggressive exploration program in our history,” Mr Mackenzie added. “We intend to allocate significant resources towards rapidly progressing our three deposits and to discovering others from prospective geological targets we have identified in the area. We look forward to reporting further information on our upcoming activities in the weeks ahead.”

### **ENDS**

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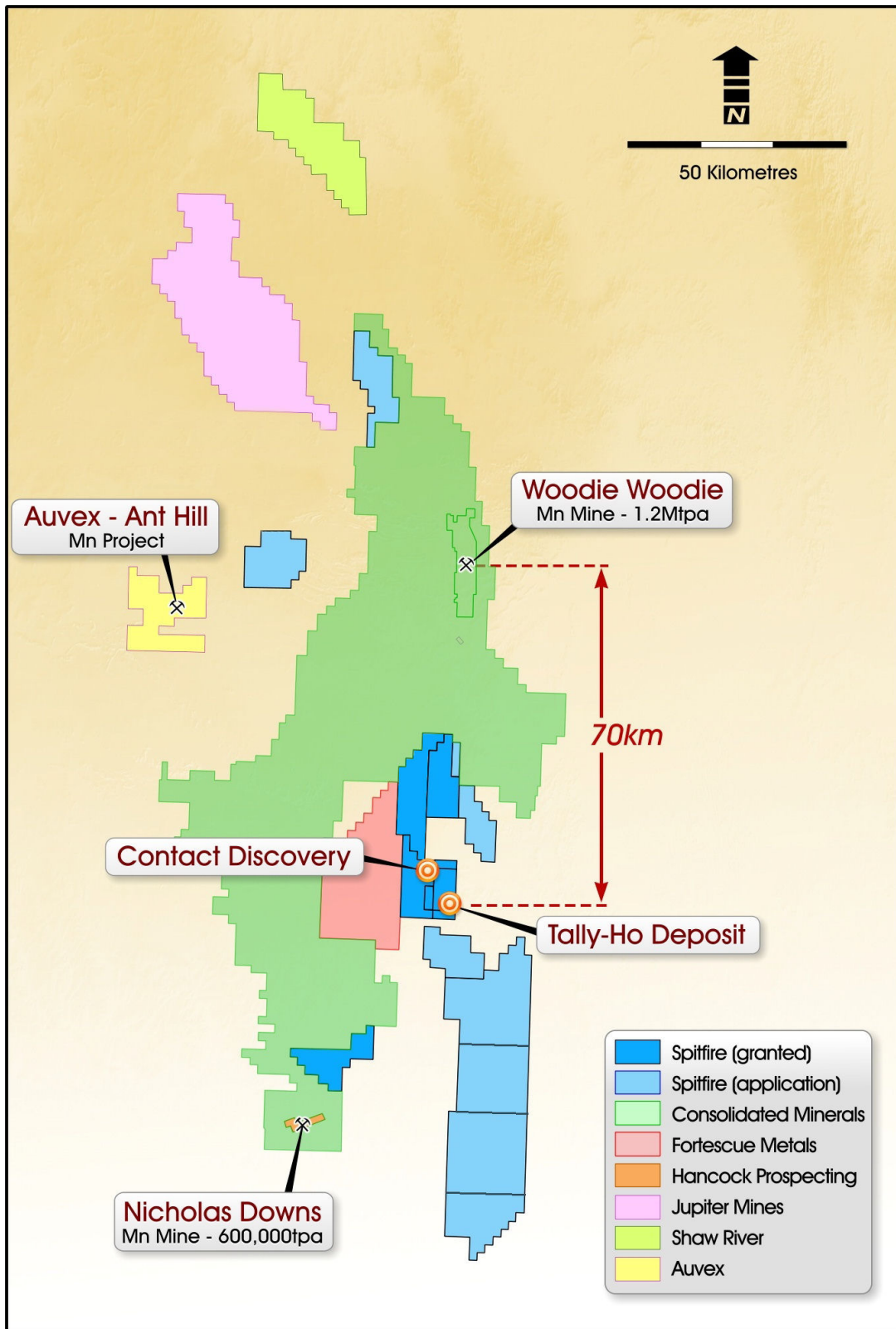
### **Competent Person’s Statement**

*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 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**

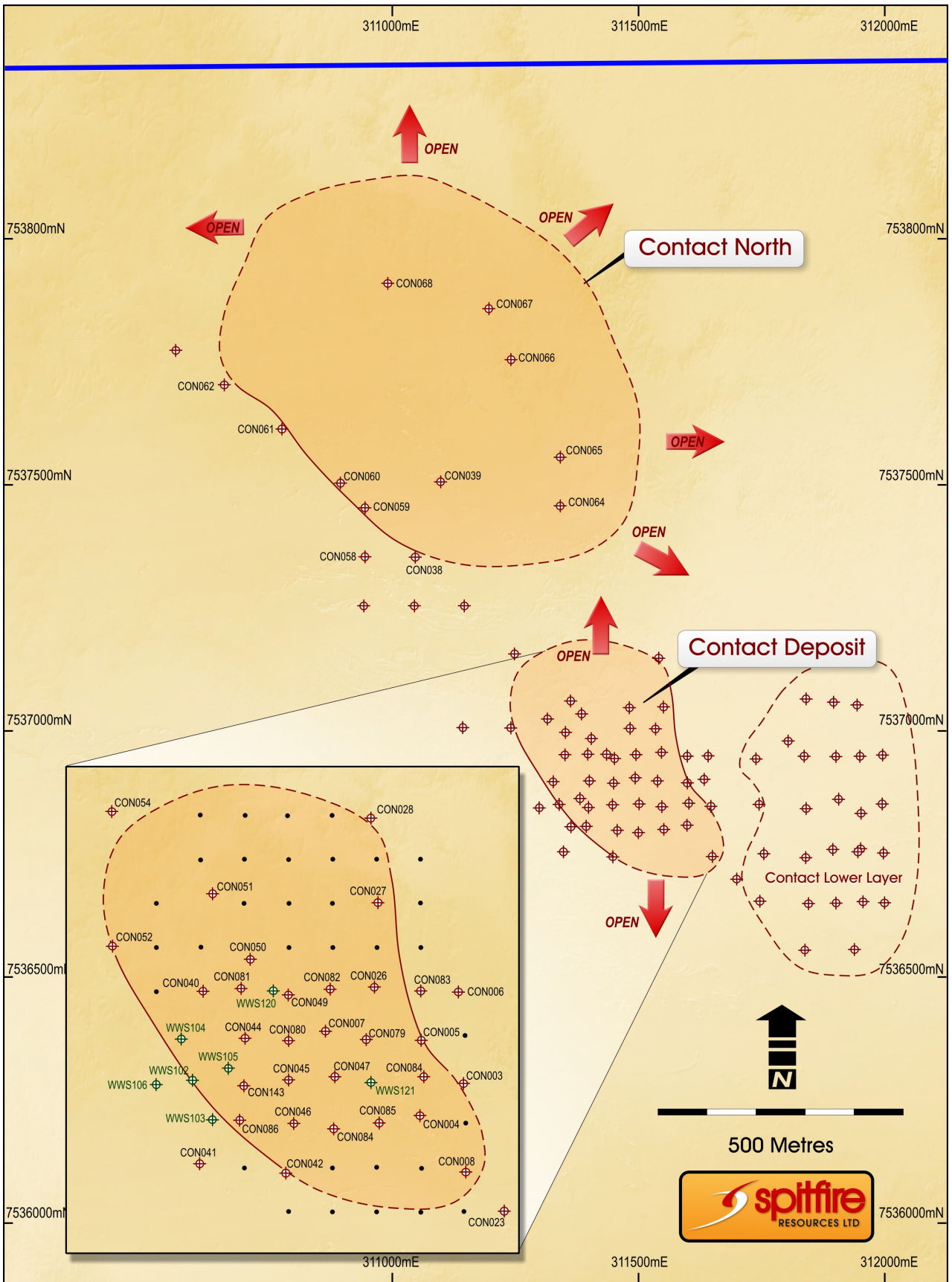


Figure 2 – Location Plan of Contact and Contact North