



MEDIA/ASX RELEASE

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MAIDEN DRILLING PROGRAM COMMENCES AT SOUTH WOODIE WOODIE MANGANESE PROJECT

KEY POINTS

- **Initial 7,000m RC drilling program starts at the South Woodie Woodie manganese project, East Pilbara**
 - **Seven priority targets to be tested in initial phase of drilling**
 - **Second round of drilling planned for October 2008 to test expanded range of targets from geological mapping**
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Australian exploration company, Spitfire Resources Limited (ASX Code: **SPI** – “Spitfire”), is pleased to announce the commencement of its **maiden drilling program** at the Company’s **80%-owned South Woodie Woodie** Project, located in the East Pilbara region of Western Australia.

The initial program will comprise of up to 34 holes for approximately 7,000 metres of Reverse Circulation (RC) drilling at seven defined targets which were selected on the basis of geophysical surveys and field work previously undertaken over the South Woodie Woodie tenements. These techniques included IP (Induced Polarisation), EM (Electro-Magnetic) and gravity surveys, which have become an accepted part of manganese exploration in the district.

Six of the targets were selected on the basis of geophysical anomalism, with the seventh target representing a manganese occurrence discovered earlier this year.

Spitfire’s South Woodie Woodie tenements are located 35-70km south of the Woodie Woodie manganese mining centre. The Company’s exploration strategy is based on the utilisation of sophisticated geophysical techniques in conjunction with specific geological knowledge to search for manganese deposits that are not outcropping.

In addition to this initial drilling program, the Company has substantially expanded the scope of its exploration program – which has recently identified several additional areas with manganese potential. This interpretive geological work underpinned Spitfire’s recent decision to secure an additional extensive portfolio of exploration tenure to the south-east of its South Woodie Woodie tenements.

A second drilling program is planned for October 2008 which will test some of these newly generated targets. Geological mapping will be ongoing throughout the year to refine the target selection process.

Commenting on the announcement, Spitfire’s Managing Director, Mr. James Hamilton, said: “We are very pleased that our maiden drilling program is now underway, coming after our successful A\$6 million IPO and listing on the Australian Securities Exchange late last year.



"The current drilling program represents only the very first stage of our exploration campaign in this highly prospective district, where we believe the potential to delineate substantial new manganese deposits is high," Mr. Hamilton continued.

"We have significantly expanded the scope of our 2008 exploration plans, with an extensive geological mapping program scheduled to commence across our broader tenement position," he said. "We anticipate that this will deliver a pipeline of additional targets to be tested by drilling later in the year."

Results from the current drilling program will be announced to the market as they become available.

Spitfire recently attracted the strategic support of the diversified Norwegian-based industrial, trading and metals & alloys group, Tinfos AS, as a new major shareholder via a share placement. On 15 April, leading French mining and metals company Eramet SA announced that it had reached agreement to acquire Tinfos's business and operations for cash and shares, valuing the group at €593 million.

The acquisition of Tinfos marks a further consolidation of the global manganese industry as global demand for manganese continues to rise. Eramet is the world's second largest manganese alloys producer after Ukraine-based Nikopol. The acquisition is expected to increase its manganese alloys production by more than 20%.

The geological statements and commentary in the above update are based on information compiled by Nat Cull. Mr. Cull has reviewed the information and has satisfied himself that the content is accurate. Mr. Cull is a full-time employee of Spitfire Resources Ltd and holds the position of Exploration Manager. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person. Mr. Cull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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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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