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SPITFIRE COMPLETES DUE DILIGENCE ON TASMANIAN COAL ACQUISITION

Australian exploration company, Spitfire Resources Limited (ASX Code: **SPI** – “Spitfire”), is pleased to advise the successful completion of due diligence on Black Rock Energy Pty Ltd (“Black Rock”).

Black Rock’s assets comprise applications for the Langloh Coal Project, the Avoca Coal Project, the Ouse Coal Project and the Sandfly Coal Project, located in Tasmania.

Highlights of the Acquisition as announced to the market on 23 May 2008 are:

- an existing 10Mt JORC compliant In Situ Inferred black coal resource at the Langloh Coal project;
- acquisition terms comprising 10M Spitfire shares in Stage 1;
- stage 2 comprising 10M Spitfire shares or a A\$2M cash payment (at Spitfire’s election) conditional on the delineation of a 25 Mt JORC in situ Inferred resource across the projects;
- extensive historical drilling and sampling supporting an initial exploration target range of an additional 35Mt to 45Mt of thermal coal within the tenement portfolio;
- excellent regional infrastructure and three deepwater port options; and
- Aggressive drilling planned to extend the existing JORC resource.

The acquisition remains subject to and conditional upon:

- the granting of the Exploration Licences for the Langloh and Avoca projects and confirmation of the applications for the Ouse and Sandfly projects; and
- receipt by both Spitfire and Black Rock of all and any consents and regulatory approvals (including those required by the Corporations Act and/or ASX) in respect of the final transaction including shareholder approval for the issue of Spitfire shares to the Black Rock shareholders.

The proposed acquisition provides Spitfire with an opportunity to significantly expand the existing JORC compliant 10 Mt In Situ Inferred thermal coal resource at Langloh within a 12 month timeframe as the basis for a potential niche thermal coal export business in Tasmania. It also provides an attractive pipeline of exploration opportunities in the region for additional thermal coal deposits.

Commenting on the acquisition, Spitfire’s Managing Director, Mr. James Hamilton, said: “The successful completion of due diligence is an important step in the acquisition of Black Rock Energy and serves to further cement our confidence in these high quality projects.”

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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.

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.

In May 2008 Spitfire announced a conditional agreement to acquire Black Rock Energy Pty Ltd, the owner of a prospective portfolio of Tasmanian Coal Projects.

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