

# MARCH 2015 QUARTERLY ACTIVITIES REPORT

## HIGHLIGHTS

- **Spitfire to acquire large limestone project in Zambia**
- **Acquisition will target booming African cement sector**
- **Project to be quickly elevated up the value curve with simple mapping, drilling and scoping work**

**ASX Code:** SPI  
SPIOA

**Issued Capital:**  
255.1M Ordinary Shares

**Directors:**  
Executive Chairman:  
James Hamilton

Director/Secretary:  
Russell Hardwick

Non Executive Director:  
Ian Huitson

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### 1. White Lion Limestone Project

During the Quarter, Spitfire Resources Limited announced that it had entered into a Binding Heads of Agreement to acquire 100% of the White Lion Limestone Project in Zambia. (*For full details see ASX White Lion release dated March 25*).

The White Lion limestone project is located approximately 100km from the Zambian capital Lusaka. It sits on a granted Large Scale Mining Licence and covers a total area of 245 square kilometres.

Mapping and airborne surveys of the White Lion project indicate that the limestone deposition covers an area of approximately 60 square kilometres.

Strong GDP growth across Africa is driving infrastructure development and therefore cement demand. This acquisition is designed to tap into this growth.

The upfront consideration for the acquisition is \$A2.1 million in fully paid ordinary Spitfire Resources shares based on a 30 day volume weighted average price. These shares will be escrowed for a minimum of 12 months.

A second conditional payment of A\$4.2 million in fully paid ordinary Spitfire Resources shares is proposed when not less than 80 million JORC inferred tonnes\* of limestone is delineated and a Scoping Study that demonstrates the potential for a large-scale, long-life, economic project is completed.

With the acquisition comes access to an in-country development team with more than four years experience in Zambia. Spitfire personnel will also be given access to office and operational infrastructure in Johannesburg (to ensure best practice technical support and facilitate future discussions with supportive African financial institutions), in Lusaka (for in-country project management) and at the White Lion exploration site (for man mobilisation and drill core storage).

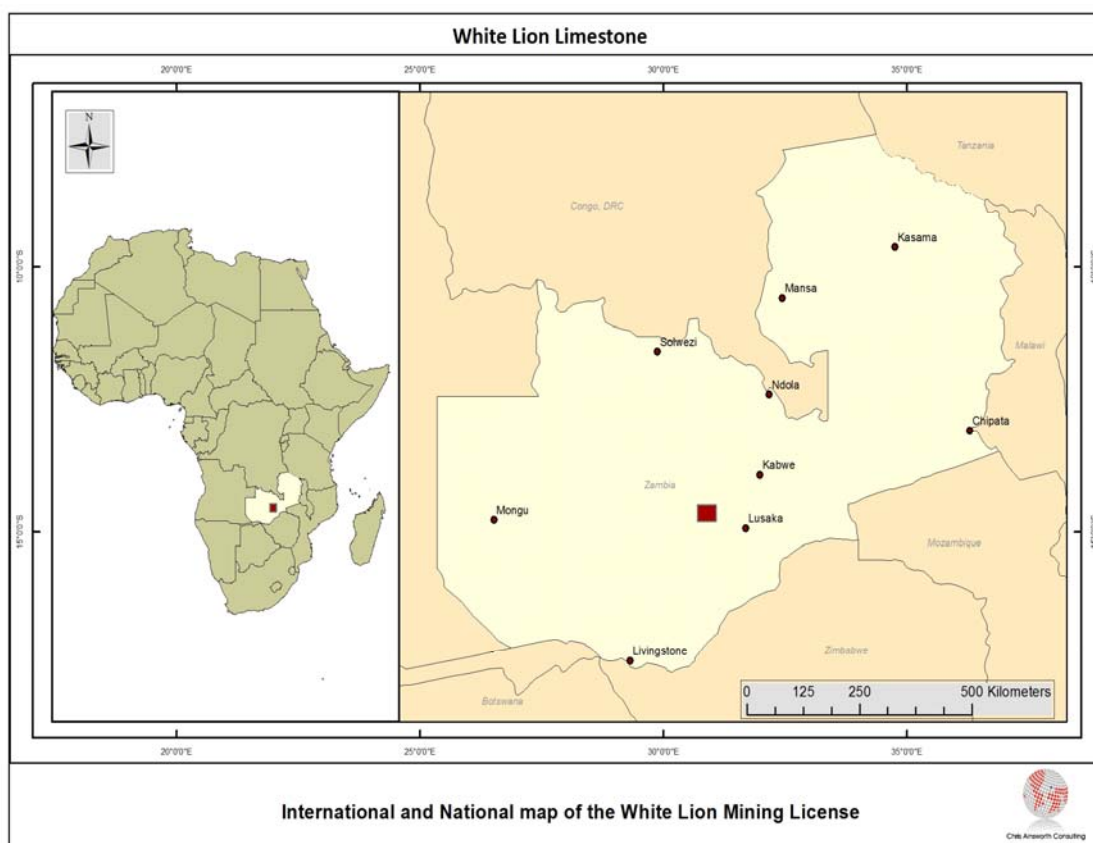
The acquisition is conditional on the satisfaction of certain conditions precedent including the approval of shareholders. This approval will be sought by way of a general meeting of the Company's shareholders as soon as practicable.

To further this process, Spitfire has engaged the, Johannesburg based, MSA Group to produce an Independent Valuation for the project and Moore Stephens to produce an Independent Expert's Report on the transaction. A Notice of Meeting will be sent to shareholders shortly.

Subject to receiving approval for the acquisition from shareholders, Spitfire plans to begin work at White Lion immediately. The Company has put together preliminary budgets for a mapping, diamond drilling and scoping programme that will cost approximately \$1 million and is expected to see work ongoing at the project until the middle of 2016.

#### Exploration Target Statement\*

Target tonnages and grades contained herein are conceptual in nature and may or may not be realised through completion of further exploration and other studies on the targets described. As such, it is uncertain if further exploration will result in the determination of tonnages and grades that conform to minerals resources or ore reserves under the JORC code.



**Figure 1. White Lion location map.**





***Figure 2: Industrial minerals geologist Robert Barnett at site. Figure 3 this quarry has been mined to 10 metres depth for road base – sampling shows it contains cement grade limestone and that the mineralisation is open in all directions.***





*Figure 4: Outcropping limestone is abundant at White Lion. The estimated size of the deposition area is 60 square kilometres.*

## **2. South Woodie Woodie Manganese Project**

No fieldwork was conducted at South Woodie Woodie during the quarter. Spitfire continues to look at ways of maximising value from this project in light of its planned change of focus and jurisdiction. A data room has been established and discussions with interested parties are continuing.

## **3. Cash Position**

The company had cash reserves of \$A2.9 million at the end of the quarter.

**James Hamilton**  
**Executive Chairman**

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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. Stuart Peterson, the Company's Consulting Exploration Manager, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Peterson has sufficient experience relevant to the styles of mineralisation mentioned and to the type of activities described to qualify as a competent person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.'*

### **SCHEDULE OF TENEMENTS**

State	Tenement Code	Beneficial Interest (%)
<b>SOUTH WOODIE WOODIE MANGANESE PROJECT</b>		
Western Australia	<b>E46/710</b>	<b>80</b>
Western Australia	<b>E46/615</b>	<b>80</b>
Western Australia	<b>E46/616</b>	<b>80</b>
Western Australia	<b>E46/787</b>	<b>100</b>
Western Australia	<b>E46/828</b>	<b>100</b>
Western Australia	<b>E46/829</b>	<b>100</b>
Western Australia	<b>E46/830</b>	<b>100</b>
Western Australia	<b>E46/834</b>	<b>100</b>
Western Australia	<b>E46/835</b>	<b>100</b>
Western Australia	<b>E46/893</b>	<b>100</b>
Western Australia	<b>E46/0976</b>	<b>100</b>
Western Australia	<b>E46/0968</b>	<b>100</b>