

ASX Release – 21 April 2009

MARCH 2009 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

South Woodie Woodie Manganese, East Pilbara

- Heritage clearances obtained for follow-up 2,500 metre RC drilling program at South Woodie Woodie.
- Initial 50-hole program scheduled to commence in May targeting newly discovered **Tally-Ho prospect**.
- Drilling to test an area approximately 200m x 200m between previous best intercepts including:
 - **6m @ 20.48% Mn** (including **1m @ 36.0% Mn**), **7m @ 21.8% Mn**, **4m @ 15.8% Mn** and **7m @ 15.1% Mn**
- Detailed geological mapping and photo interpretation work started by an expert mapping geologist with specific manganese experience.

Coal Acquisition, Tasmania

- Exploration Licence granted covering the Ouse thermal coal project.
- Option to acquire the Elderslie Exploration Licence Application (ELA) exercised.

Corporate

- Shareholders approve share placement capacity of up to A\$2 million.
- Cash reserves of A\$4.8 million at the end of the Quarter.

Overview

While global financial and commodity conditions remained challenging during the March 2009 Quarter, Spitfire Resources Limited (ASX: SPI – “Spitfire” or “the Company”) was active on a number of fronts.

The main focus of activity was completing preparations for a follow-up drilling program at the South Woodie Woodie Project. As previously reported, drilling last year resulted in the discovery of a significant zone of near-surface manganese mineralisation at the Tally-Ho prospect. This prospect lies within a completely untested area in the southern portion of the South Woodie Woodie granted tenement area.

Drilling is scheduled to commence at Tally-Ho in May 2009 to test for extensions to the mineralisation and to in-fill areas between previously reported ore grade manganese intercepts. Results from this drilling program are expected by mid-year.



Spitfire Resources Limited

ACN 125 578 743

Corporate Details

ASX Code: SPI

Issued Capital:
80.2M Ordinary Shares

Substantial Shareholders:
Churchill Mining Plc (31.19%)
Eralloys Holding AS (10.79%)

Directors:

Chairman and Managing Director:
James Hamilton

Non Executive Director:
Russell Hardwick

Non Executive Director:
Chris Daws

Contact:

Suite 1, 346 Barker Road
Subiaco, Western Australia 6008

PO Box 8050
Subiaco East, Western Australia 6008

Tel: +61 (0)8 6382 3700
Fax: +61 (0)8 6382 3777

Email: admin@spitfireresources.com

Web: www.spitfireresources.com

1. South Woodie Woodie Manganese

The South Woodie Woodie Project area comprises three granted Exploration Licences covering an area about 40km long and up to 15km wide. These tenements lie along strike and to the south of the 1Mtpa Woodie Woodie Manganese Mining Centre, operated by Consolidated Minerals Limited.

Spitfire has an 80% interest in these three licences with an option to purchase the remaining 20% for A\$3 million in cash or shares and by spending A\$1.5 million on exploration within 18 months from its listing date. In February 2008, the Company announced that it had significantly expanded its ground holding in the East Pilbara region by lodging applications for four strategic tenements covering a total area of approximately 899km², located approximately 13km south east of the northern project area. Upon grant these tenements will be owned 100% by Spitfire.

During the Quarter, Spitfire completed detailed preparations for a follow-up drilling program at the South Woodie Woodie Project.

The drilling program has been designed to follow up significant intersections of shallow manganese mineralisation reported last Quarter from the Tally-Ho Prospect, located in the southern part of Spitfire's granted tenement package.

Best intercepts of **6 metres @ 20.48% Mn from 12m (including 1m @ 36.0% Mn)**, **7 metres @ 21.8% Mn from 9m**, **4 metres @ 15.8% Mn from 31m** and **7 metres @ 15.1% Mn from 14m** – were returned from the previous drilling program.

The intersections have been interpreted as defining a coherent zone of mineralisation extending over an area of approximately 200 metres by 200 metres, and located about 30 metres north of an extensive ridge of high-grade manganese outcrop which was located during last year's field-mapping exercise (see ASX Announcement – 3 November 2008).

Heritage Clearances

During the Quarter, a block heritage survey was completed over the Tally-Ho Prospect which was approved by the Niyiyaparli Group. This has cleared an area of 1,250m by 900m, covering the main zone of exploration interest.

The Company is also planning to undertake heritage clearances for the northern part of its granted tenement package with the Njamal Group. This process will be undertaken as part of the ongoing regional exploration program (see below).

Drilling Program and Logistics

Spitfire has contracted a drilling company to undertake a program of approximately 2,500 metres of Reverse Circulation (RC) drilling at the Tally-Ho Prospect. Earthworks for site preparation are scheduled to commence at the beginning of May and the logistics contractor is also expected to have other facilities in place by this time.

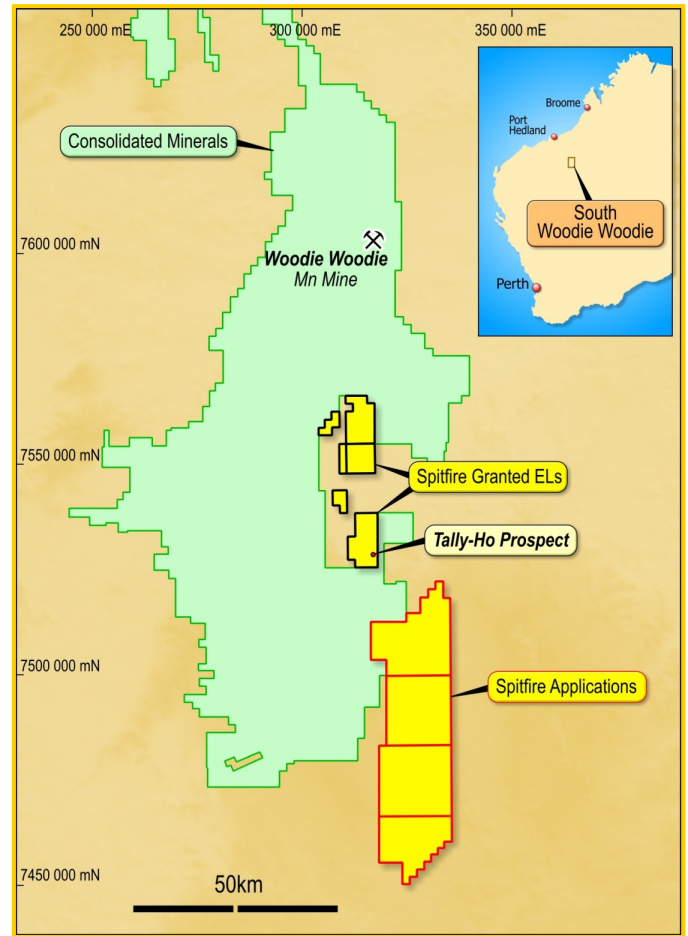


Figure 1: The South Woodie Woodie Project is located along strike and to the south of the Woodie Woodie Manganese Mining Centre

The drilling program will comprise approximately 50 shallow RC holes which will be drilled to an average depth of 50 metres. The drilling will target the main zone of interest, covering an area of approximately 200 metres by 200 metres between the previously reported intersections shown in Fig 2 below:

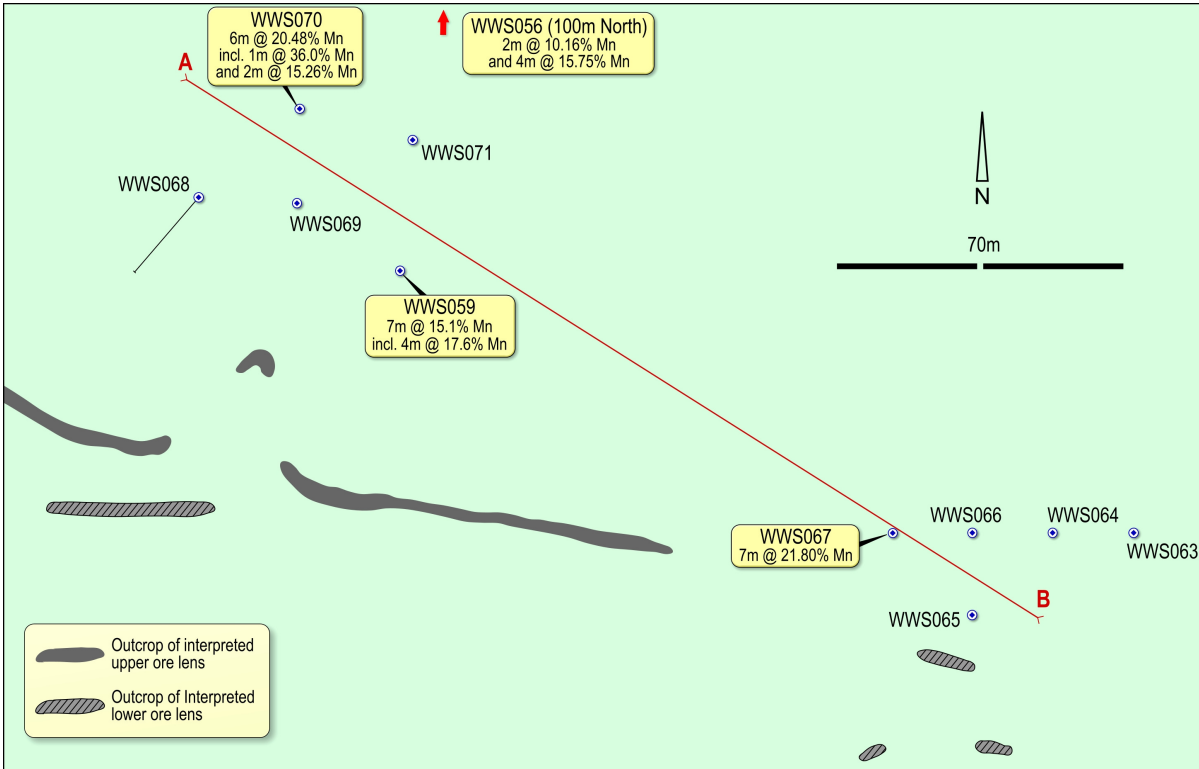


Figure 2 – Tally-Ho Prospect: Drill Hole and Outcrop Locations

No drilling was conducted in the central portion of this zone during the previous program due to the constraints of available heritage clearances.

Drilling is expected to start in May and the entire program will take approximately two weeks to complete. Samples will be submitted for analysis, with assay results expected by mid-year.

Digirock Pty Limited has been contracted to supply an experienced geologist on site to supervise drilling and log RC drill holes.

Holes will be drilled on 20 metre spacings with occasional 40 metre step-outs. This will provide sufficient drill density to support an initial resource estimate for the Tally-Ho Prospect should the drilling prove to be successful.

Should it be warranted, Spitfire also intends to dispatch samples immediately for preliminary metallurgical test work in order to assess the beneficiation potential of the mineralised zone.

The targeted zone is shown in oblique cross-section in Figure 4 below. The interpreted mineralised zone has been extrapolated to mimic the continuity seen in the outcrop that approximately parallels the section. The central zone and extensions both down dip and along strike will be the main targets for the forthcoming round of drilling.



Figure 3 – Tally-Ho Prospect: RC drilling samples

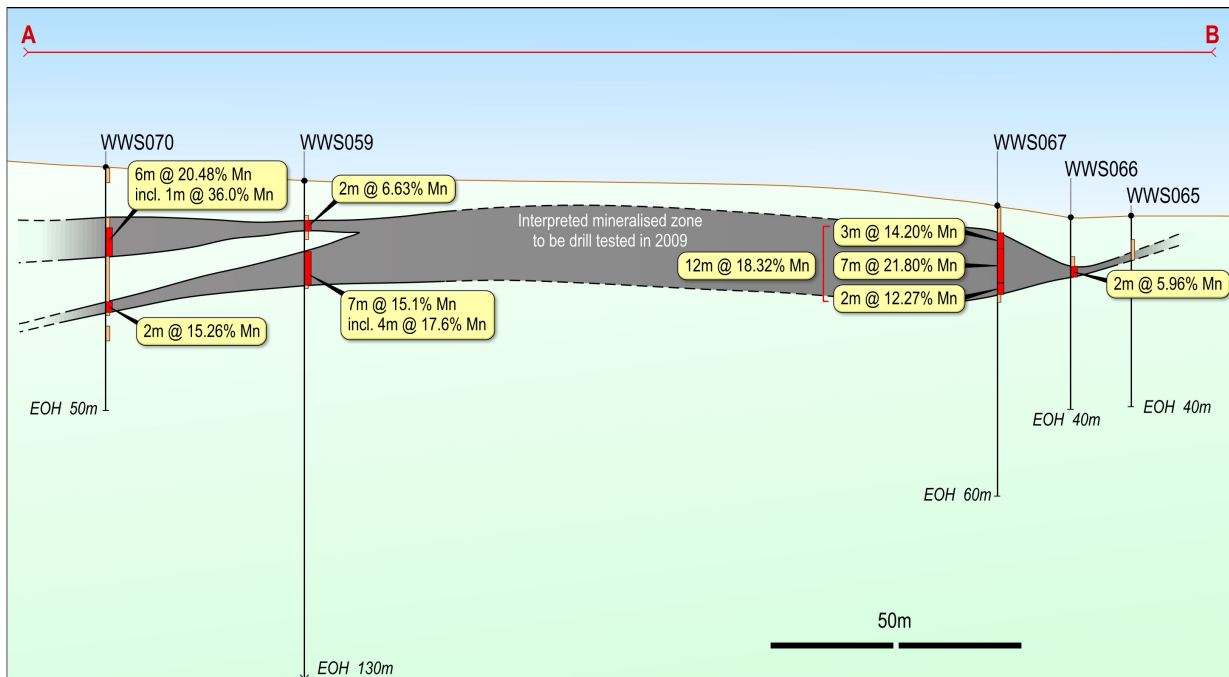


Figure 4 – Tally-Ho Oblique Cross-section

The mineralised zone appears to dip approximately 4° to the north. The intersections tend to increase in both grade and thickness towards the central, untested area.

Regional Exploration

During the Quarter, Spitfire contracted an expert independent mapping geologist with in-depth knowledge of the Woodie Woodie region. He will conduct a program of detailed mapping, both in the Tally-Ho area and the Northern Tenement area, where last year's drilling returned intersections including **5 metres @ 6.47% Mn** from surface in hole WWS055, **3m @ 6.55% Mn** from 61 metres in hole WWS051 and **2m @ 7.05% Mn** from 56m in hole WWS049

The independent geologist has extensive knowledge of East Pilbara manganese models and has confirmed the mineralisation style to be identical to that of Woodie Woodie. Structural complexity has been identified in both prospective areas. Understanding the structural setting on a local scale is a priority.

Spitfire will review its broader regional exploration program after assessing the results of the follow-up drilling at Tally-Ho and reviewing the results of the detailed mapping program.

2. Tasmanian Coal

The Tasmanian Coal project comprises a prospective portfolio of coal exploration properties located in the Derwent Valley, north-west of Hobart in Tasmania. In May 2008, Spitfire reached agreement with the shareholders of Black Rock to acquire all of its issued capital. Black Rock's assets comprise of the Langloh Coal Project, which has an existing 10 million tonne in-situ thermal Coal resource, the Avoca Coal Project, the Ouse Coal Project and the Elderslie Project.

During the Quarter, the Exploration Licence Application (ELA) covering the **Ouse thermal coal project** in Tasmania was formally granted. This follows the granting of ELA's covering the **Langloh** and **Avoca** projects last Quarter, paving the way for exploration and evaluation activities to proceed.

During April 2009, the Company exercised its option with privately owned company, Allambie Construction & Equipment Company Pty Ltd, to acquire a new Exploration Licence Application ("ELA") at **Elderslie**, in southern Tasmania. This acquisition complements the Langloh, Avoca and Ouse Projects.

The Elderslie tenements were previously explored by BHP and contain a number of known thermal coal occurrences, offering promising exploration potential. Like the rest of the Company's Tasmanian coal portfolio, it is located in close proximity to existing rail, road and other infrastructure.

Spitfire is continuing to assess the exploration potential and optimum strategy for advancing its Tasmanian coal portfolio.

3. Corporate

Shareholders approved all resolutions at the Company's General Meeting of shareholders, held on 6 March 2009, including a resolution giving authority to the Company to issue additional shares to raise up to A\$2 million.

The Company continues to minimise overheads where possible with the cash position at the end of the Quarter of A\$4.8 million.



JAMES HAMILTON
Managing Director

For further information please contact:
Mr. James Hamilton
Managing Director

Tel: +61 (0)8 6382 3700
Fax: +61 (0)8 6382 3777
Email: admin@spitfireresources.com

Competent Person's Statement – South Woodie Woodie Project

The information in this report relating to exploration results from the South Woodie Woodie Manganese Project is based on information compiled by Mr. N. Cull who is a Member of the Australian Institute of Geoscientists. Mr. Cull is Exploration Manager for Spitfire Resources Ltd, and consents to the inclusion in this report of the information as presented. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration 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'.

Competent Person's Statement – Tasmanian Coal Project

The information in this Report/Announcement/Statement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Neil Fraser who is a Member of The Australasian Institute of Mining and Metallurgy. Neil Fraser is employed by Marston International Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Neil Fraser consents to the inclusion in the Report/Announcement/Statement of the matters based on his information in the form and context in which it appears.