

5 OCTOBER 2017

ASX/MEDIA RELEASE

DRILLING COMMENCES AT ALICE RIVER GOLD PROJECT

Spitfire Materials Limited (ASX: SPI) is pleased to advise that it has commenced its maiden drilling program at the Alice River Gold Project in Queensland. The initial Reverse Circulation drilling program, comprising 17 holes for approximately 2,430m, will be conducted over the Alice Queen and One Mile Mining Leases and is expected to take 2-3 weeks to complete.

The Alice River Gold Project is located 270km west of Cooktown, or 470km north-west of Cairns, in NE Queensland, at the southern end of the Savannah Province (see Figure 1). The project encompasses eight Exploration Permits (EPM's) and eight granted Mining Leases (ML's).

Spitfire's Managing Director, John Young, said the initial phase of RC drilling was designed to follow-up historical sampling results and modelling that resulted in the definition of an initial Exploration Target, which was reported earlier this year (see ASX release dated 26th May 2017 for full details).

The Alice River Project has a long history of prospecting and exploration work, commencing with the discovery of gold in the area by John Dickie in 1903. In the late 1970s, Anaconda Australia explored the northern parts of the project around the Potallah and Gossan prospects including undertaking geochemical surveys, geophysical surveys and drilling. In the 1980s to 1990s, a significant amount of exploration work was conducted by Cyprus Gold Australia, Beckstar and Goldminco, which focused further south around the Peninsula King, Alice Queen and Posie prospects.

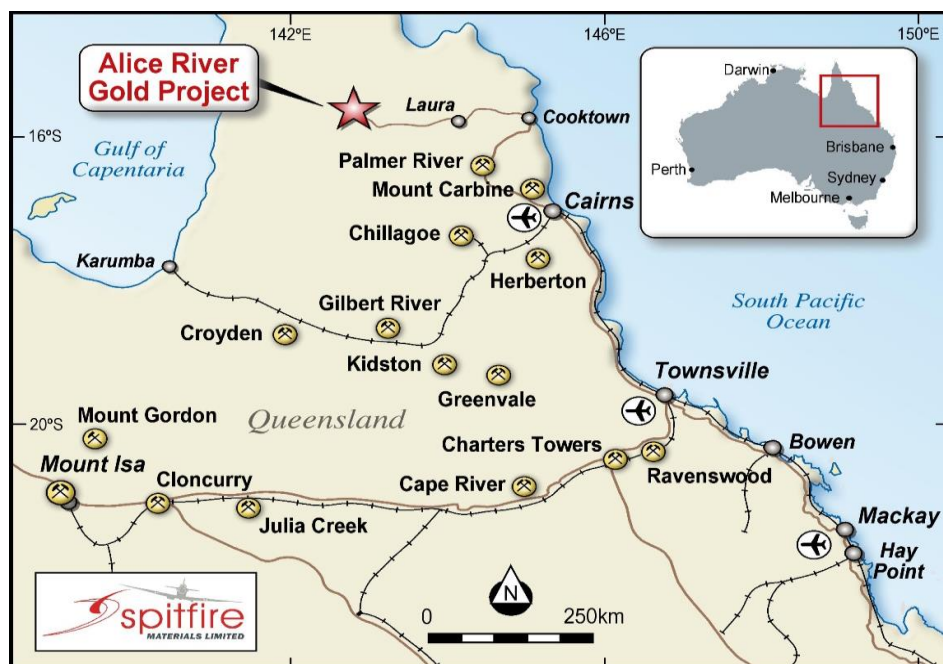


Figure 1 – Alice River Gold Project, Location Plan

The key Exploration Licence, EPM 26266, was recently granted over the central 15km of the Alice River shear zone, providing contiguous coverage over the eight granted Mining Leases. Exploration on granted EPM 26266 has been postponed as the Company continues to work with the Olkola Corporation on a suitable access agreement, including appropriate cultural and heritage surveys.

For further information contact:

INVESTORS:

John Young Spitfire Materials Limited
Telephone: 0419 954 020
Email: admin@spitfirematerials.com.au

MEDIA:

Nicholas Read Read Corporate
Telephone: 0419 929 046
Email: info@readcorporate.com.au

Competent Person's Statement

The information in this announcement relating to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by the Company's proposed Managing Director, Mr John Young, a competent person, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Young 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Young has disclosed to the Company that he is a substantial shareholder in the Company. Mr Young consents to the inclusion in this announcement of the matters based on his information in the form and content in which it appears.