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ASX RELEASE

## SPITFIRE EXECUTES DIRECTOR LOAN FACILITY AGREEMENTS

**Facilities will ensure Spitfire can maintain current exploration and development momentum at its key WA gold projects while it completes merger with Excelsior Gold**

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Spitfire Materials Limited ("Spitfire" or the "Company") is pleased to advise that it has entered into loan facility agreements with entities associated with its Chairman, Peter Buttigieg, and Executive Director, Neil Biddle (together, the "Lenders") for unsecured loan facilities up to an aggregate of A\$1 million.

Together with its existing cash reserves, any funds drawn under the loan facilities will be used for ongoing exploration activities at the Aphrodite and Mulwarrie Gold Projects in the North Kalgoorlie region of WA, working capital and to assist with the costs of the recently announced merger with Excelsior Gold Limited (ASX: EXG).

As outlined in the ASX announcement of 25 June, the merger with Excelsior Gold will create a leading diversified Australian gold company with a 2.1Moz JORC Resource and the ability to unlock the strong synergies between the two companies' respective WA gold projects.

During the merger implementation period (scheduled to be completed in late September), Spitfire intends to maintain its current significant activity levels at both the Aphrodite and Mulwarrie Gold Projects to ensure it can move ahead expeditiously with a Pre-Feasibility Study on the combined Spitfire/Excelsior portfolio.

Spitfire's Managing Director, Mr John Young, said the loan facility agreements would provide the Company with additional funding support, if required, from two of its largest shareholders during the merger implementation period.

*"These loan facilities demonstrate a strong measure of support and commitment from two of the Company's Directors and key shareholders," he said. "With a major 6,000m diamond drill program in full swing at Aphrodite, a maiden JORC resource in preparation for Mulwarrie and a number of other pre-development activities underway on our expanded gold development strategy, we are very focused on continuing to progress our Australian gold strategy at full pace while we complete the merger with Excelsior Gold."*

The key terms of the loan facility agreements are set out below:

- Provision of unsecured loan facilities of up to an aggregate of A\$1,000,000 by the Lenders, comprising of a loan facility of up to A\$500,000 from an entity associated with Chairman Peter Buttigieg and a loan facility of up to A\$500,000 from an entity associated with Executive Director Neil Biddle;

- Spitfire can draw down on the loan facilities at any time until the earlier of:
  - the date of the implementation of the merger between Spitfire and Excelsior by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth); or
  - 30 November 2018;
- Interest rate of 12.5%; and
- Any amount drawn on the loan facilities must be repaid, together with accrued interest owing to the Lenders, following the earlier of:
  - the implementation of the merger between Spitfire and Excelsior by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth); or
  - Spitfire undertaking and completing an equity capital raising.

**For further information contact:**

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