



28 NOVEMBER 2018

ASX/MEDIA RELEASE

NEW PHASE OF RESOURCE EXTENSION AND UPGRADE DRILLING COMMENCES AT BARDOC GOLD PROJECT, WA

Drilling underway targeting high-grade underground extensions of Zoroastrian and Blueys South lodes; Resource upgrade drilling also planned at Mulwarrie.

Key Points:

- ~1,500m RC and diamond drill program underway targeting potential high-grade extensions of recently discovered down-plunge extensions of the Zoroastrian South and Blueys South lodes.
 - Previous drilling by Excelsior Gold returned intersections from outside the Mineral Resource at Zoroastrian including 7m @ 4.8g/t Au incl. 4m @ 7.3g/t at Zoroastrian South and 16m @ 2.67g/t at Blueys South.
 - The rig will then return to Mulwarrie to upgrade the current Resource to Indicated status.
 - Ongoing mining studies on the newly-consolidated Bardoc Gold Project have highlighted the potential to improve open pit optimisation results with work currently underway.
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Spitfire Materials Limited (ASX:SPI) is pleased to advise that it has commenced a new phase of resource extension and upgrade drilling at its flagship 100%-owned **Bardoc Gold Project**, located 55km north of Kalgoorlie in Western Australia.

Drilling will start initially at the Zoroastrian South and Blueys South lodes targeting potential down-plunge extensions of these two high-grade lodes, where previous drilling by Excelsior Gold returned highly encouraging results. Following completion of this program the rig will move to the Mulwarrie deposit (located 10km north of the Davyhurst mining centre and 65km from Bardoc), to complete two diamond holes designed to upgrade the resource category to Indicated.

The new drilling program follows just weeks after the recently announced group Mineral Resource Estimate for the Bardoc Gold Project comprising Measured, Indicated and Inferred Mineral Resources totalling 38.6Mt at 2.1g/t for 2,582,000 ounces (see ASX release: 13 November 2018)¹.

Spitfire Materials' Managing Director, Mr John Young, said the new drilling program was designed to test some clearly identified opportunities to extend the high-grade underground lodes at the Zoroastrian deposit.

¹ Spitfire ASX Release, 13 November 2018: "2.6Moz Consolidated JORC Resource for Bardoc Gold Project Sets Strong Foundation for New Australian Gold Development"

“We’re pleased to be back in the field drilling again just two weeks after announcing a consolidated 2.6 million ounce JORC Mineral Resource estimate for the Bardoc Project. This new phase of drilling will target recently identified extensions of two of the high-grade lodes at the Zoroastrian deposit, while also aiming to upgrade the Mulwarrie Resource to Indicated status, available for conversion to Ore Reserves. We see a number of opportunities to continue growing our gold inventory at Bardoc, and we plan to advance these opportunities as quickly as we can in parallel with ongoing mining and development studies.”

ZOROASTRIAN SOUTH AND BLUEYS SOUTH EXTENSION DRILLING

A short program comprising four diamond drill holes for 1,500m has commenced targeting potential down-plunge extensions for two of the multiple high-grade lodes at the Zoroastrian deposit. The main target is the South Zoroastrian Lode, which daylights some 500m south of the recently completed Zoroastrian Central Pit and plunges to the north at about 40-50 degrees (see Figure 1).

Previous drilling intersected high-grade mineralisation outside the current Zoroastrian Mineral Resource with KNC180101 returning an intersection of **7m @ 4.83g/t Au from 410m** down-hole, including **4m @ 7.27g/t Au from 412m**. This drill hole intersected strong mineralisation some 100m down-plunge of the deepest previous mineralisation in KNC170040 of **7m @ 7.13g/t Au from 342m** (ASX announcement 12 October 2018). **The Zoroastrian South Lode is open at depth and can be targeted with extensional drilling to increase the known high-grade gold resource.**

At Blueys South, a single hole will follow up the Blueys South Lode, where previous drilling returned a broad intercept of **16m @ 2.67g/t Au from 135m** in KNC180098.

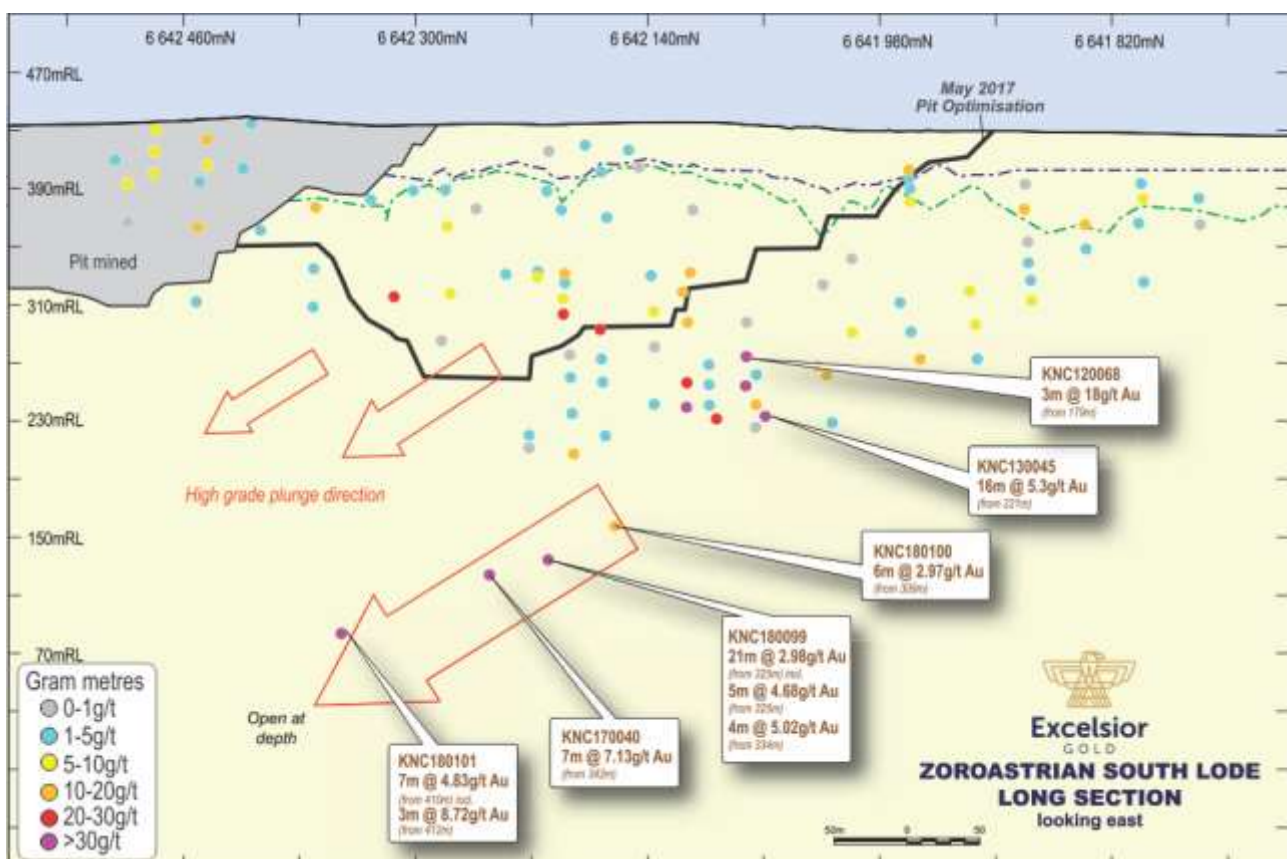


Figure 1: Zoroastrian Long Section – South Lode

MULWARRIE

At the Mulwarrie deposit, two diamond holes are planned to assist in refining the structural interpretation of both the Central and Southern Lodes. The northern area (Central Lode and Eastern Lodes) has flat structures off an eastern hanging wall while the southern area has multiple steep structures and no flat structures. The two holes are targeted at interpreted high-grade mineralisation and are also designed to collect key geotechnical information.

Given the wide-spaced nature of the drilling over certain areas of the Mulwarrie Project (80m spacing), additional drilling is required to convert additional Inferred Resources to Indicated and to maximise the Resource potential. There is also significant exploration upside at Mulwarrie between the Southern and Central Areas (see Figures 2 and 3, Spitfire ASX Release, 30 January 2018).

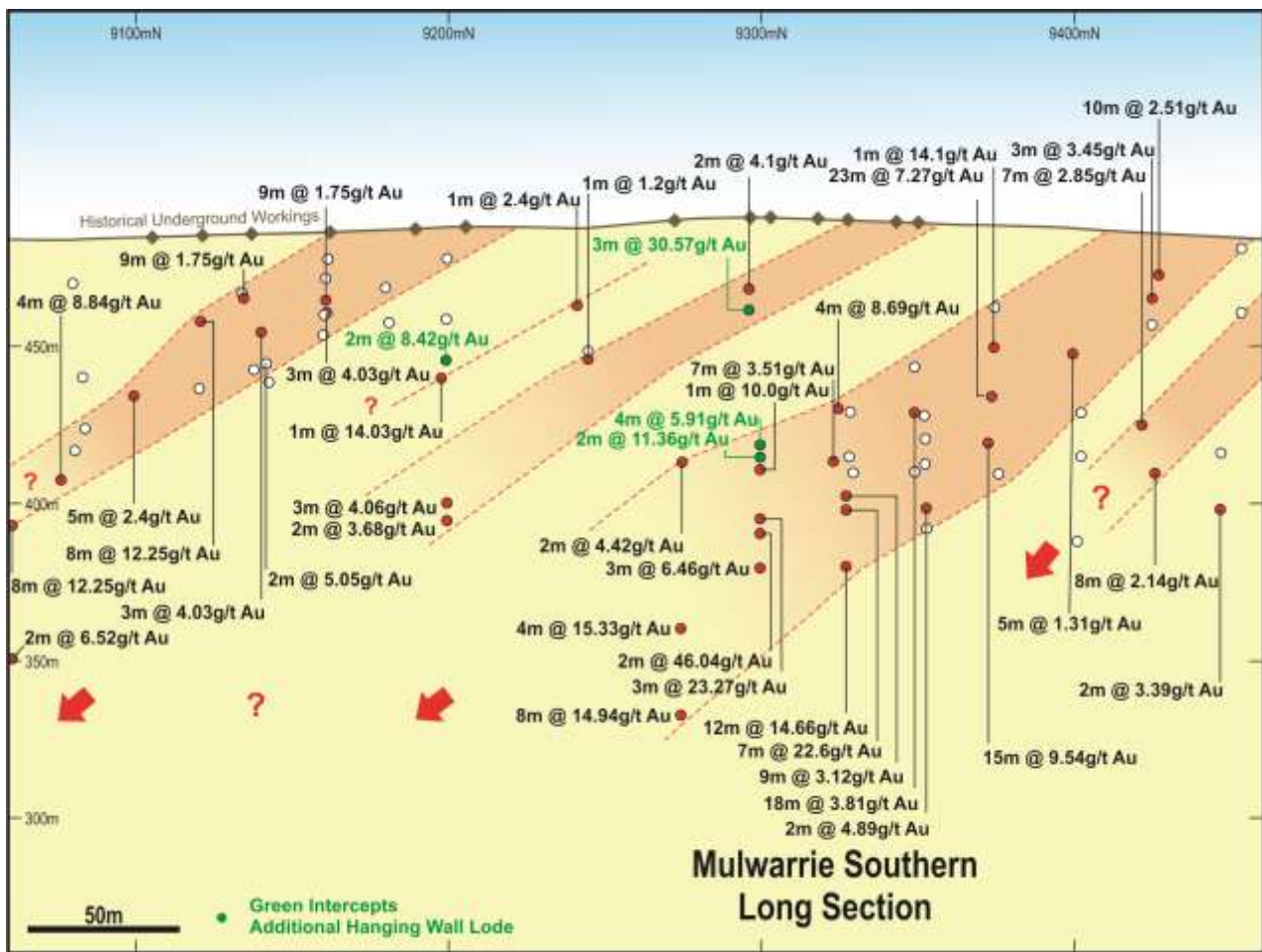


Figure 2: Mulwarrie Southern Long Section

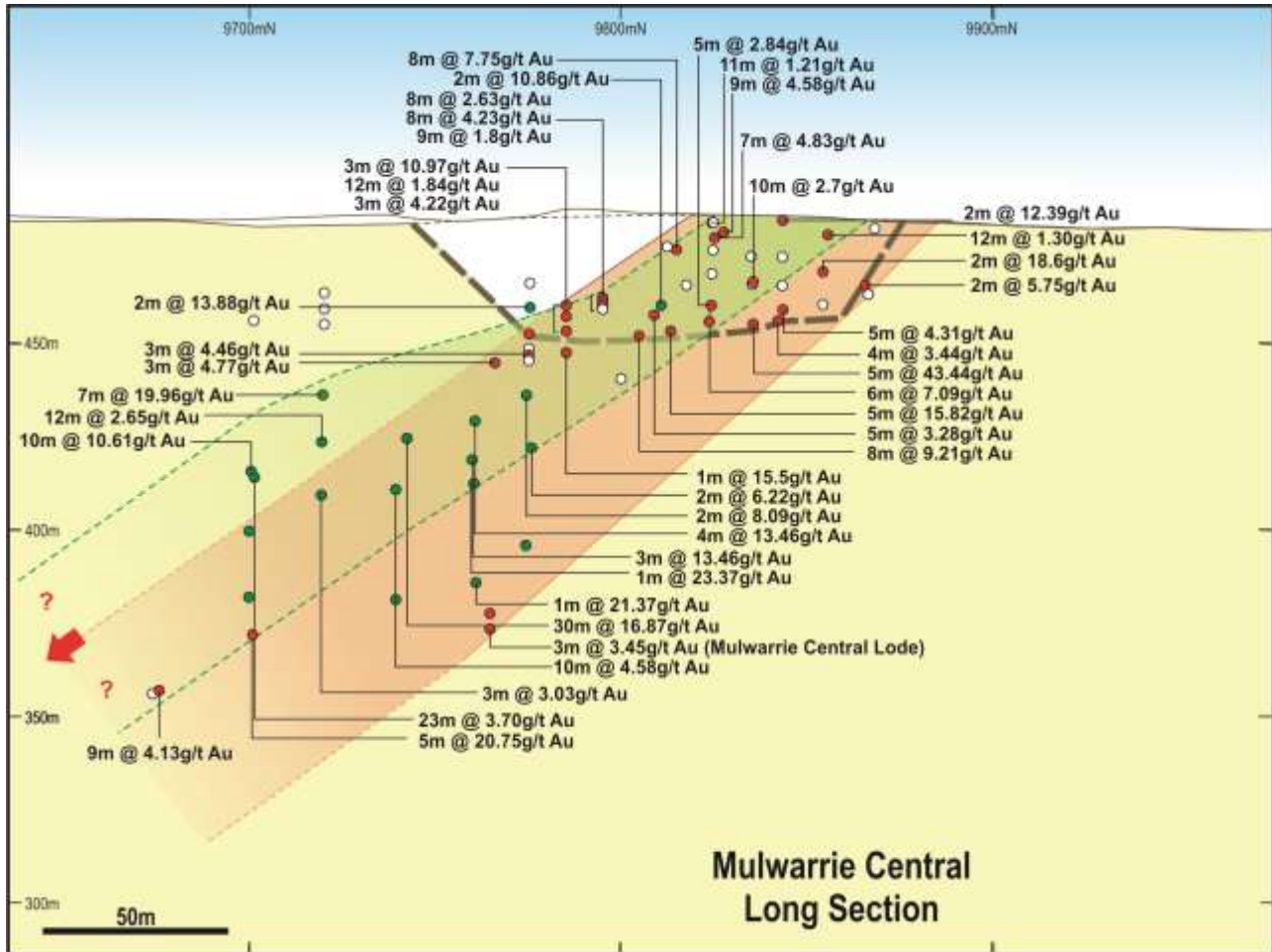


Figure 3: Mulwarrie Central Long Section

BARDOC GOLD PROJECT – BACKGROUND

The New Bardoc Gold Project was formed in October 2018 following completion of the merger between Excelsior Gold and Spitfire Materials, bringing together significant resources and excellent potential for growth (refer Scheme Booklet dated 13 August 2018).

Located 30km north of Kalgoorlie on the Goldfields Highway, the New Bardoc Gold Project runs contiguously north for 50km in the Eastern Goldfields. There are four main deposits and a multitude of smaller projects within the 200km² land holding, providing a large Resource base and excellent exploration potential within the prolific Norseman-Wiluna greenstone belt and junction of the Bardoc Tectonic Zone (BTZ) and the Blag Flag Fault (BFF).

These two deep-seated crustal structures host many multi-million-ounce deposits, including the world-renowned Golden Mile in Kalgoorlie.

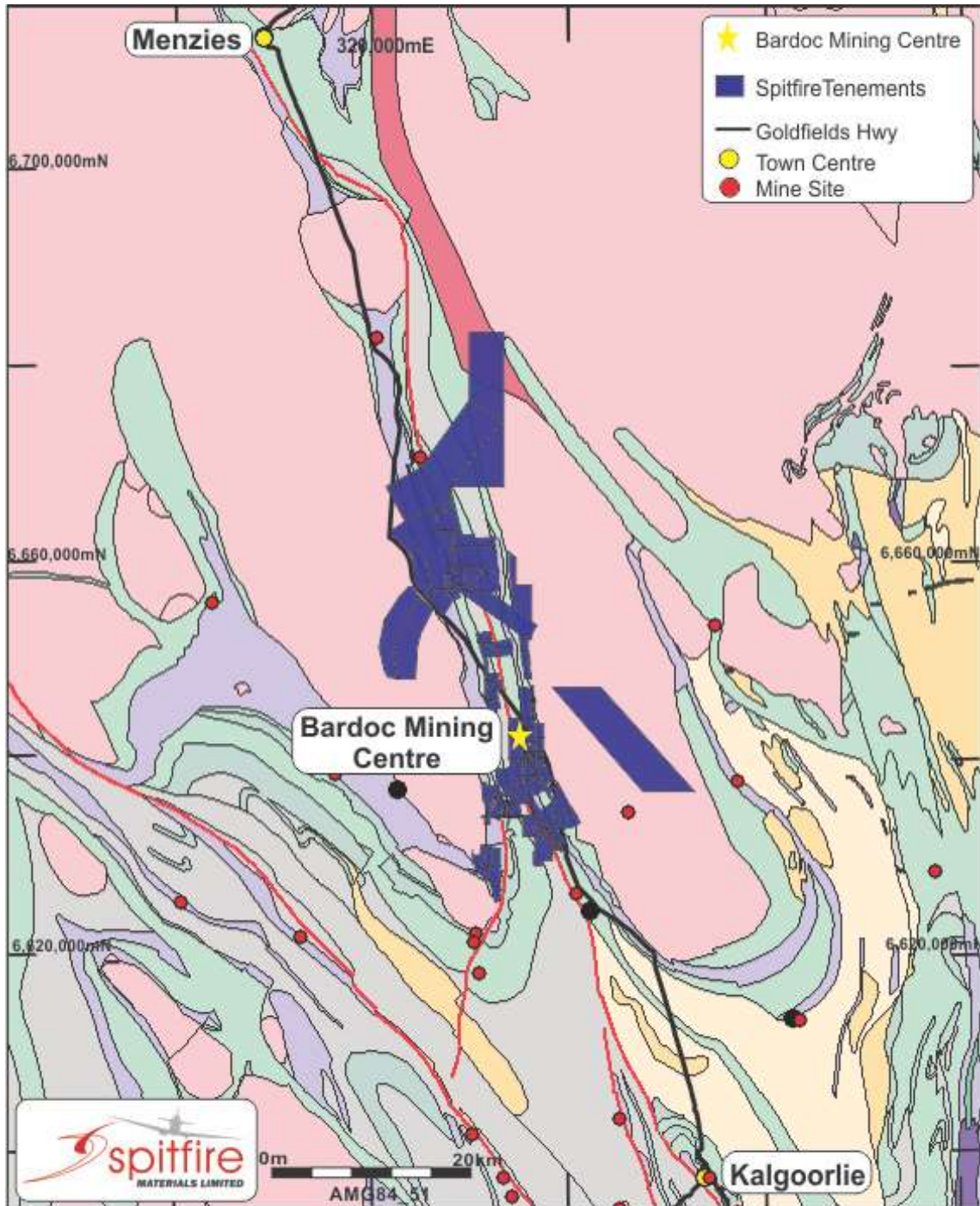


Figure 4: Bardoc Gold Project, Geology and Location Plan

UPDATE ON ALICE RIVER PROJECT

In light of its ongoing focus on the 2.6Moz Bardoc Gold Project, Spitfire has decided to withdraw from the Farm-in Agreement covering the Alice River Gold Project in North Queensland.

This will allow it to focus its attention and resources on the exciting growth opportunity at Bardoc, which is expected to form the cornerstone of a long-term gold business in Western Australia's premier gold region.

Competent Person – Mineral Resource Estimates

The Information in this report that relates to Mineral Resources is extracted from the report entitled “2.6Moz Consolidated JORC Resource for Bardoc Gold Project “on 13 November 2018 and is available to view on www.spitfirematerials.com.au. The Company confirms that is not aware of any new information or data that materially effects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person’s findings are presented have not materially modified from the original market announcement.

Qualifying Statement

This report may include forward-looking statements. These forward-looking statements are based on a number of assumptions made by the Company and its consultants in light of experience, current conditions and expectations concerning future events which the Company believes are appropriate in the present circumstances. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Spitfire Materials Limited, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect the circumstances or events after the date of this release.

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