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ASX/MEDIA RELEASE

SPITFIRE STRENGTHENS NORTH KALGOORLIE GROWTH PIPELINE WITH ACQUISITION OF 100% OF MULWARRIE GOLD PROJECT

**Acquisition of remaining 49% from joint venture partner secures 100% ownership
of potential satellite ore source to its flagship Aphrodite Gold Project**

Spitfire Materials Limited (ASX: SPI) is pleased to advise that it has further strengthened its growth pipeline in the North Kalgoorlie district in Western Australia after executing a binding terms sheet to acquire the remaining 49% of the Mulwarrie Gold Project, located 150km north-west of Kalgoorlie.

The transaction gives Spitfire 100% ownership of this strategically located high-grade gold project and is consistent with its consolidation and growth strategy in WA's Eastern Goldfields.

Spitfire earned an initial 51% interest in the Mulwarrie Project under an existing Farm-in/Joint Venture agreement with Goldfield Argonaut Pty Ltd ("vendors").

Under the terms of the agreement, Spitfire has agreed to issue the vendors 10,000,000 fully-paid ordinary Spitfire shares which will be voluntary escrowed for 12 months and \$100,000 in cash. The shares will be issued under the Company's existing Listing Rule 7.1 placement capacity. The agreement includes a number of conditions precedent including the parties obtaining all necessary regulatory and third-party approvals.

Since mid-2017, Spitfire has confirmed the continuity of high-grade mineralisation in several zones over 1.2km of strike at the Mulwarrie Project, extending from the Mulwarrie Central to the Mulwarrie Southern Prospects, with successive drill programs returning encouraging high-grade assays (see recent ASX release dated 30 January 2018).

The Mulwarrie Project lies just 65km from the Company's flagship 100%-owned 1.26Moz, Aphrodite Gold Project (see ASX release dated 25 January 2018) and represents a compelling regional growth opportunity to be considered as part of a broader development of the 1.26Moz Aphrodite Gold Project.

Spitfire's Managing Director, Mr John Young, said:

"This acquisition is consistent with our corporate strategy, which is to build a sizeable and high-quality gold resource inventory in the North Kalgoorlie region centred on our Aphrodite Project.

"Because of its outstanding grade and strategic location, we believe that Mulwarrie offers outstanding synergies with Aphrodite, and we are looking forward to undertaking further drilling programs to establish a maiden JORC Resource which can be evaluated as part of our broader development studies at Aphrodite."

BACKGROUND ON THE MULWARRIE GOLD PROJECT

The Mulwarrie Gold Project is located 150km north-west of Kalgoorlie in the Ularring District of the North Coolgardie Mineral Field. The project encompasses two contiguous tenements, M30/119 (67.98 Ha) and M30/145 (111.69 Ha), which lie 10km north-west of the Davyhurst Mining centre.

During three phases of work in 2017, Spitfire was successful in outlining the mineralised system over a strike length of 1.2km.

Highlights* from the most recent drilling program targeting the Southern Zone have extended the high-grade mineralisation to depths well below 100m, and highlighted new zones of mineralisation in the hanging wall. Significant assay results included:

- **17MWRC103** 2m @ 6.52 g/t Au from 105m; and
1m @ 11.95 g/t Au from 105m
- **17MWRC105** 4m @ 5.91 g/t Au from 78m; including
1m @ 19.65 g/t Au from 78m, and
2m @ 11.36 g/t Au from 86m, including
1m @ 21.28 g/t Au from 86m, and
2m @ 46.04 g/t Au from 123m, and
2m @ 1.14g/t Au from 136m
- **17MWRC108** 4m @ 15.63 g/t Au from 142m, including
1m @ 53.6 g/t Au from 143m, and
3m @ 2.74 g/t Au from 164m, and
8m @ 14.94 g/t Au from 176m, including
5m @ 22.27 g/t Au from 177m

*Results reported in ASX release 30 January 2018, follow up drilling is planned in Q3 2018.

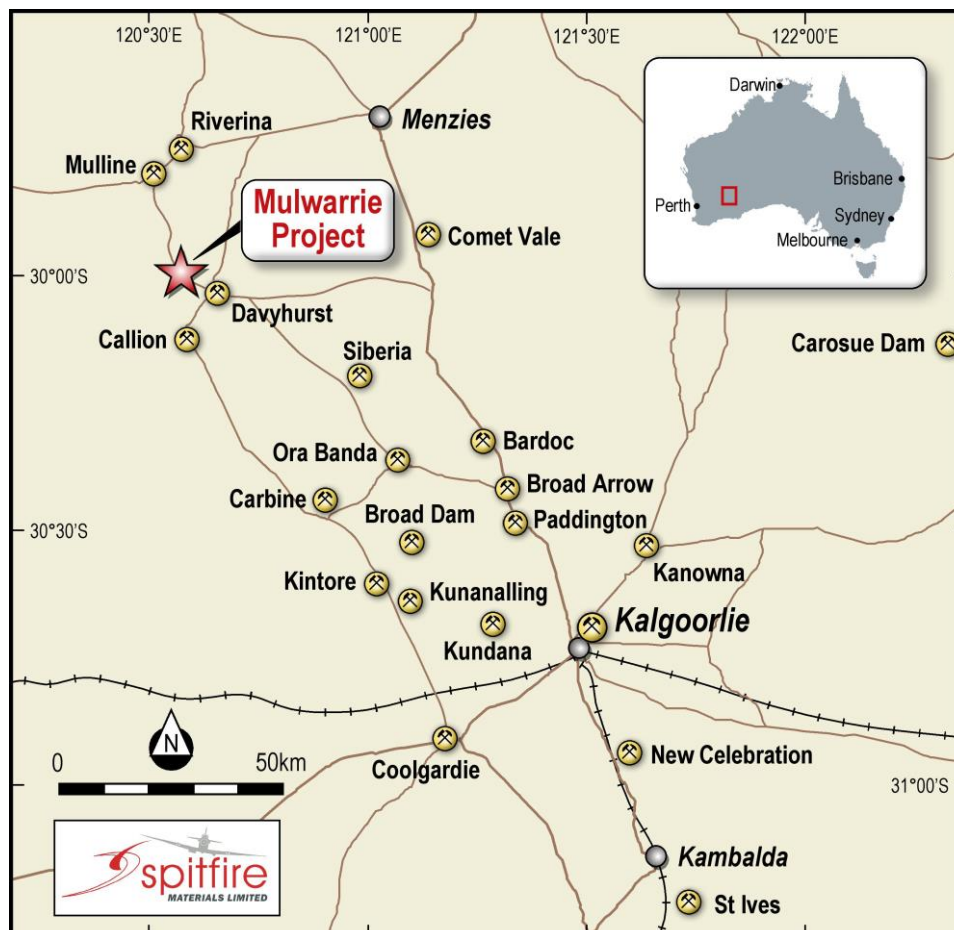


Figure 1: Mulwarrie Gold Project, Location

In the late 1980s, Callion Mining Pty Ltd mined the Mulwarrie Central West Pit, extracting 24,344 tonnes at 3.88g/t for 94.5kg (3,037oz) of gold. The waste-to-ore stripping ratio was 5.25:1, with gold ore extracted to a maximum depth of 36 vertical metres over a strike length of 150m.

Outside of this figure, historical underground production in the Mulwarrie District – including the Mulwarrie Project area – has recorded production of 26,344oz of gold from **19,728 tonnes for an average grade of 41.53g/t Au.**

The two tenements which comprise the Mulwarrie Gold Project lie within a 10km wide greenstone belt which forms the north-west extension of the Coolgardie Line. The structurally dominant, north-trending Mt Ida fault lies approximately 4km east of the Mulwarrie Mining Centre. Most of the lithologies within this greenstone belt are steeply-dipping and well foliated along a NNW/SSE trend.

For further information contact:

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