
Tinfos takes 14% stake in Spitfire

Monday, 24 Mar, 2008

Australian exploration company Spitfire Resources Limited announced that it has secured the strategic support of the diversified Norwegian based industrial, trading and metals & alloys group, Tinfos AS, as its new major shareholder via a 14% share placement.

Spitfire has agreed to make a placement of AUD 8.65 million shares at 20 cents per share to Tinfos, raising AUD 1.73 million. The proceeds of the share placement will further strengthen Spitfire's cash position to in excess of AUD 7 million and will be used to accelerate the Company's manganese exploration activities in the East Pilbara region of Western Australia.

In addition to acquiring the strategic interest in Spitfire, Tinfos has agreed

1. To consider assisting Spitfire with future financing either by way of project mining finance or direct company capital injection to help Spitfire evaluate, explore and develop other manganese projects.
2. To consider providing technical and funding support to Spitfire to assist it in evaluating and developing its South Woodie Woodie Manganese Project in Western Australia.

Mr James Hamilton MD of Spitfire said that the Company was delighted to have secured the involvement of Tinfos, a leading supplier of metals and alloys and key player in the global manganese business, as a supportive major shareholder. He added that "We are pleased to welcome Tinfos as a new major shareholder and strategic partner to help us with our manganese ambitions. In addition to strengthening our cash position during a particularly difficult period in global equity markets, this share placement introduces a strong strategic partner to the Company to support our forthcoming manganese exploration activities."

Mr Hamilton said that "Tinfos also understands and is supportive of Spitfire's secondary corporate goal, which is to bring in other assets to the company even if they are non-manganese related. Ultimately, this partnership significantly increases the range of development options we have available to us at South Woodie Woodie should our forthcoming exploration programs be successful." He added that "With the global manganese market continuing to strengthen on the back of strong demand from the steel industry and tightening high-grade ore supply, Spitfire is now ideally placed to capitalize given the support and knowledge of Tinfos."

Spitfire Resources Limited is an Australian resource company initially focused on the exploration and development of a portfolio of manganese exploration assets in the East Pilbara region of Western Australia.

For more news visit at www.steelguru.com