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21ST MARCH 2017

INTERIM STATEMENT FOR THE SIX MONTHS ENDED 31ST DECEMBER 2016

Spitfire Oil Limited (“Spitfire” or “the Company”) is pleased to publish a copy of its condensed consolidated unaudited interim results for the six months ended the 31st December 2016.

Spitfire and its subsidiaries (together “the Group”) recorded a loss before tax for the six months ended the 31st December 2016 of A\$375,293 (2015: A\$460,906). With cash balances of A\$3.6m, the Group has benefited from interest receipts of A\$42,945 (2015 A\$58,350) in the period. Operating costs were A\$188,936 (2015 A\$258,065) and provision has been made for impairment of exploration and development costs incurred of A\$229,302 (2015 A\$261,191).

Chairman’s Statement

Chairman Mladen Ninkov commented, “2017 has continued the appalling conditions found in the junior oil & gas sector over the past 5 years and beyond. As outlined previously to shareholders, the seismic shift to renewable energy generation and the continuing supply from existing and previously excluded hydrocarbon producers, has made this sector untenable for the junior, listed, oil & gas companies. The focus of the Company now firmly lies in the hard rock mining sector where supply shortages are becoming more pronounced. Despite evaluating over 100 acquisition opportunities, none met the parameters set by the Company. The directors continue to actively scour the world using their industry relationships to discover the Company’s next acquisition knowing the difficulty even this strategic pathway entails.”

Further Information

SPITFIRE OIL LIMITED
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Spitfire Oil Limited’s shares are quoted on the Alternative Investment Market (AIM)
of the London Stock Exchange (symbol SRO).
The Company’s news releases are available on the Company’s web site: www.spitfireoil.com

SPITIFIRE OIL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
OR OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016
(EXPRESSED IN AUSTRALIAN DOLLARS)

		Half-year		Full-year
		31 December	31 December	30 June
		2016	2015	2016
		Unaudited	Unaudited	Audited
	Note	A\$	A\$	A\$
OTHER INCOME		42,945	58,350	125,328
EXPENDITURE				
Corporate expenses		(188,936)	(252,476)	(346,012)
Other expenses		-	(5,589)	(127,736)
OPERATING LOSS		(145,991)	(199,715)	(348,420)
Imparment – exploration and evaluation costs		(229,302)	(261,191)	(275,194)
LOSS BEFORE INCOME TAX		(375,293)	(460,906)	(623,614)
INCOME TAX		-	-	-
LOSS AFTER INCOME TAX		(375,293)	(460,906)	(623,614)
OTHER COMPREHENSIVE INCOME, NET OF TAX		-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF SPITFIRE OIL LIMITED		(375,293)	(460,906)	(623,614)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company (cents per share).	6	(1.4)	(1.7)	(2.4)

The above consolidated statement of profit or loss or other comprehensive income should be read in conjunction with the accompanying notes.

SPITFIRE OIL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016
(EXPRESSED IN AUSTRALIAN DOLLARS)

	31 December 2016 Unaudited A\$	31 December 2015 Unaudited A\$	30 June 2016 Audited A\$
Note			
CURRENT ASSETS			
Cash and cash equivalents	3,571,897	3,976,987	3,840,997
Trade and other receivables	-	-	798
Accrued revenues	13,250	-	63,887
Other current assets	33,956	36,747	119,533
TOTAL CURRENT ASSETS	3,619,103	4,013,734	3,925,195
NON-CURRENT ASSETS			
Plant and equipment	163	163	164
Capitalised exploration and evaluation costs	4,340,000	4,340,000	4,340,000
Other non-current assets	45,000	45,000	45,000
TOTAL NON-CURRENT ASSETS	4,385,163	4,385,163	4,385,164
TOTAL ASSETS	8,004,266	8,398,897	8,310,359
CURRENT LIABILITIES			
Trade and other payables	198,484	55,114	129,284
TOTAL CURRENT LIABILITIES	198,484	55,114	129,284
TOTAL LIABILITIES	198,484	55,114	129,284
NET ASSETS	7,805,782	8,343,783	8,181,075
EQUITY			
Issued capital	5 19,289,284	19,289,284	19,289,284
Accumulated losses	(11,483,502)	(10,945,501)	(11,108,209)
TOTAL EQUITY	7,805,782	8,343,783	8,181,075

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

SPITFIRE OIL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Issued Capital A\$	Options Reserve A\$	Accumulated Losses A\$	Total A\$
BALANCE AT 31 DECEMBER 2014	19,289,284	-	(10,072,484)	9,216,800
Loss for the period	-	-	(412,111)	(412,111)
TOTAL COMPREHENSIVE LOSS	-	-	(412,111)	(412,111)
BALANCE AT 30 JUNE 2015	19,289,284	-	(10,484,595)	8,804,689
Loss for the period	-	-	(460,906)	(460,906)
TOTAL COMPREHENSIVE LOSS	-	-	(460,906)	(460,906)
BALANCE AT 31 DECEMBER 2015	19,289,284	-	(10,945,501)	8,343,783
Loss for the period	-	-	(162,708)	(162,708)
TOTAL COMPREHENSIVE LOSS	-	-	(162,708)	(162,708)
BALANCE AT 30 JUNE 2015	19,289,284	-	(11,108,209)	8,181,075
Loss for the period	-	-	(375,293)	(375,293)
TOTAL COMPREHENSIVE LOSS	-	-	(375,293)	(375,293)
BALANCE AT 31 DECEMBER 2015	19,289,284	-	(11,483,502)	7,805,782

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SPITFIRE OIL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2016
(EXPRESSED IN AUSTRALIAN DOLLARS)

	Half-year		Full-year
	31 December	31 December	30 June
	2016	2015	2016
	Unaudited	Unaudited	Audited
	A\$	A\$	A\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees	(133,360)	(337,912)	(463,010)
Interest received	93,582	152,697	155,788
Net cash (outflow) from operating activities	(39,778)	(185,215)	(307,222)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure	(229,302)	(261,191)	(275,194)
Net cash (outflow) from investing activities	(229,302)	(261,191)	(275,194)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS			
	(269,080)	(446,406)	(582,416)
Cash and cash equivalents at the beginning of the period	3,840,977	4,428,982	4,428,982
Effects of exchange rate changes on cash and cash equivalents	-	(5,589)	(5,589)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,571,897	3,976,987	3,840,977

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

SPITFIRE OIL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: BASIS OF PREPARATION OF THE SIX MONTH FINANCIAL REPORT

This condensed consolidated interim financial report for the six month reporting period ended 31 December 2016 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*.

The summary accounts set out above do not constitute statutory accounts as defined by Section 84 of the Bermuda Companies Act 1981 or Section 435 of the UK Companies Act 2006. The condensed consolidated statement of financial position at 30 June 2016 and the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the year then ended have been extracted from the Group's 2016 statutory financial statements upon which the auditors' have opined that they have been unable to obtain sufficient audit evidence to support the Director's assertion that the recoverable amount of the mineral resource tenement asset is at least equal to its carrying value. Apart from the possible effects of the foregoing the auditors opinion is unqualified. The condensed consolidated statement of profit or loss or other comprehensive income has been prepared using information extracted from the Group's 2015 statutory financial statements.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by Spitfire Oil Limited during the interim reporting period in accordance with the continuous disclosure requirements.

Copies of this interim report are available from the Company's London office, 8th Floor, 54 Jermyn Street, London, SW1Y 6LX.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Adoption of new and revised accounting standards

In the six months ended 31 December 2016, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2016.

It has been determined by the Group that, there is no material impact of the new and revised standards and interpretations on its business and therefore no change is necessary to the Group's accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

No retrospective change in accounting policy or material reclassification has occurred requiring the inclusion of a third Statement of Financial Position as at the beginning of the comparative financial period, as required under AASB 101.

NOTE 2: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. For management purposes, the Group has identified only one reportable segment, being the exploration and mining for valuable resources that produce energy in Australia.

SPITFIRE OIL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

NOTE 3: DIVIDENDS

The Company has not declared any dividends in the period ended 31 December 2016.

NOTE 4: CONTINGENCIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

NOTE 5: ISSUED CAPITAL

	31 December 2016		31 December 2015		30 June 2016	
	No	A\$	No	A\$	No	A\$
<u>Issued and Paid Up Capital</u>						
Fully Paid Ordinary Shares	25,884,001	19,289,284	25,884,001	19,289,284	25,884,001	19,289,284
Total Issued Capital		<u>19,289,284</u>		<u>19,289,284</u>		<u>19,289,284</u>

NOTE 6: LOSS PER SHARE

	31 December 2016	31 December 2014	30 June 2016
Basic and diluted loss per share (cents)	(1.4)	(1.7)	(2.4)
a) Net loss used in the calculation of basic and diluted loss per share (A\$)	(375,293)	(460,906)	(623,614)
b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	25,884,001	25,884,001	25,884,001

Options that are considered to be potential ordinary shares are excluded from the weighted average number of ordinary shares used in the calculation of basic loss per share. Where dilutive, potential ordinary shares are included in the calculation of diluted loss per share.

All the options on issue do not have the effect to dilute loss per share. Therefore they have been excluded from the calculation of diluted loss per share. There have been no other conversions to, call of, or subscriptions for ordinary shares since the reporting date and before the completion of this report.

NOTE 7: SUBSEQUENT EVENTS

No matter or circumstance has arisen since 31 December 2016, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.