

King Island Scheelite Limited to raise \$1,000,000

ASX: KIS

Market Capitalisation	\$ 7.9m
Shares on Issue	82.7m
52 Week High	\$ 0.26
52 Week Low	\$ 0.08
Share Price (31/07/12)	\$ 0.095

King Island Scheelite Limited

The Dolphin Project on King Island, Tasmania could meet a significant proportion of the world's tungsten requirements over a 10 year mine life. Producing 3,500 tonnes of tungsten trioxide (WO₃) per annum in an industry standard 65% tungsten concentrate which typically trades at a 20% discount to ammonium paratungstate (APT).

Tungsten price

Metal Pages APT USD40,000 / tonne (27/07/2012)

Project Resources

*Dolphin – 61,350t WO₃
Bold Head – 15,780t WO₃
Tailings – 4,590t WO₃*

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King Island Scheelite Limited (**KIS**) is pleased to announce a capital raising through a 1:6 renounceable rights issue to eligible shareholders of ordinary shares in KIS (**Offer**). The Offer is fully underwritten and will raise \$1,000,000.

The proceeds of the Offer will be used to fund working capital for the Company for at least the next 12 months. The Company will continue to progress development funding for the Dolphin Project.

The Offer price of \$0.072 per Company share is at a discount of approximately 22% to the volume weighted average market price for the Company's shares on the five trading days preceding the Offer (\$0.092 per share).

Offer Summary

Eligible shareholders under the Offer, will be able to subscribe for 1 new ordinary share in KIS for every 6 existing shares held at the record date, Monday 13th August 2012, at an issue price of \$0.072 per share (**Entitlements**).

Several existing shareholders, including HFTT Pty Ltd (associated with Tony Haggarty) and Ranamok Pty Ltd (associated with Andy Plummer), will underwrite the Offer.

These Entitlements are renounceable. This means that the rights may be traded on the ASX or otherwise transferred if eligible shareholders do not wish to take up some or all of their Entitlements. Shareholders who take up their full Entitlement will be able to apply for additional shares at the same price, \$0.072 per share.

This Offer will be open between Friday 17th August 2012 and Friday 31st August 2012.

Further details on this Offer, including how to participate, will be provided in an Information Booklet to be despatched on or about Friday 17th August 2012 to eligible shareholders. This document has been lodged with ASX today and is available for review on ASX's website, www.asx.com.au.

For further information, please contact:

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