

23 October 2020

KIS Raises A\$2.5 million to Advance Dolphin Tungsten Mine Redevelopment

King Island Scheelite Limited (ASX: KIS) ("KIS" or "the Company") is pleased to announce it has received binding commitments for A\$2,568,000, in its recent capital raising ("the Placement").

The Placement has been oversubscribed by a range of institutional and sophisticated investors including Director Chris Ellis¹ and other large shareholders, including Elphinstone Holdings Pty Ltd.

The Placement will result in the issue of approximately 46.7 million new fully paid ordinary shares ("New Shares") at A\$0.055 per share ("Offer Shares"), with one free attaching listed option ("Attaching Option")² for every two New Shares issued in the Placement.

A total of 39,327,272 Shares will be issued under the Company's existing placement capacity in accordance with ASX Listing Rule 7.1. Shares subscribed for by a Director of the Company and by selected existing large shareholders (who have agreed to be allocated all their Shares subject to shareholder approval), which total 7,363,638 Shares, will be issued subject to shareholder approval at a general meeting to be held in December.³ The free attaching listed options will be issued subject to shareholder approval at the general meeting to be held in December.³

Funds raised through the Placement will be used to further advance the Company's 100%-owned Dolphin Tungsten Mine located on King Island, Australia.

KIS is continuing discussions with the Critical Minerals Facilitation Office ("CMFO") as well as other State agencies regarding support for the redevelopment of the Dolphin Mine, given its strategic and regional economic importance.

The Placement has been led by Mac Equities Partners.

¹ As Mr Ellis is a related party, his participation in the Placement is subject to shareholders' approval.

² Each Attaching Option provides the holder with the right to be issued one fully paid share in the Company for an exercise price of \$0.10 each, on any date from the grant date to the expiry date (1 August 2021).

³ Date is indicative and may change, subject to compliance with applicable legal and regulatory requirements.



King Island Scheelite Executive Chairman, Johann Jacobs, said:

"We are delighted to welcome several new institutional investors to support KIS at an exciting stage of the Company's story.

"Our strategy has positioned us well to move forward with our plans to redevelop King Island's Dolphin Tungsten Mine. The capital we raise through this placement will empower us to see the project through to financial close.

"We thank our existing shareholders and incoming investors for their support, and look forward to executing the Company's growth strategy through what we expect will be a highly active FY21."

This announcement has been authorised for release by the Directors of King Island Scheelite Ltd.

For further information, please contact:

Executive Chairman
Johann Jacobs
King Island Scheelite Limited
E: kis@kisltd.com.au
T: +61 416 125 449

Investor Relations
Tim Dohrmann
NWR Communications
E: tim@nwrcommunications.com.au
T: +61 468 420 846

W: www.kingislandscheelite.com.au