

King Island Scheelite Limited

**KING ISLAND
SCHEELITE**



Balfour Joint Venture executed

KIS continues to assess exploration potential and to that end has executed joint venture agreements with Pleiades Resources Pty Ltd (Pleiades) to explore for tin and tungsten within Pleiades Balfour Tenements in western Tasmania. This unincorporated joint venture is to conduct exploration work in relation to the tenements and, subject to a decision to mine, undertake development and mining operations.

The initial work program, to be funded by KIS involves a gravity survey costing \$180,000. This will provide KIS with a 35% interest in the joint venture. This program will be managed by Pleiades.

Subject to the results of the survey and agreement by both parties, the joint venture agreement allows for a further drilling program. This work estimated at \$550,000, will be funded by KIS and would take the KIS joint venture interest to 70%. This and future programs are to be managed by KIS.

KIS then have the option to acquire the remaining 30% joint venture interest for a consideration of \$1 million and the grant of a royalty.

KIS look forward to working with Pleiades on this exciting potential.

Submitted by: **Simon Bird**
 Chief Executive Officer

10th February, 2009
Sydney