

20<sup>th</sup> December 2011

KING ISLAND  
SCHEELITE



**ASX/Media Announcement**

**FURTHER TUNGSTEN BENEFICIATION POTENTIAL AT DOLPHIN**

King Island Scheelite Limited (KIS) has made substantial progress towards the completion of its definitive feasibility study (DFS) ahead of redeveloping the Dolphin project on King Island. Allied with this work has been extensive engagement with potential off-takers.

Project value would likely be enhanced by further beneficiation of the Dolphin product. This would involve further processing the 65% scheelite concentrate to produce ammonium paratungstate (APT).

APT typically trades at a >25% premium to scheelite concentrate. Producing APT would, however, involve technical issues and additional costs which need to be better understood.

The KIS team, together with the GR Engineering team, is currently undertaking a scoping study to assess the APT option. This study, expected to be completed late January 2012, will be based on current production assumptions before taking into account the potential for additional mineable ore. The DFS will now be finalised on completion of this study.

Yours Faithfully,

A handwritten signature in blue ink, appearing to read 'Simon Bird', with a stylized flourish at the end.

**Simon Bird**  
**Chief Executive Officer**  
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