

PURCHASE OF LAND ADJOINING DOLPHIN MINE, GRASSY, KING ISLAND



ASX: KIS

Market Capitalisation	\$20.3 million
Shares	244.5 million
Quoted options	13.6 million
52 Week High	13.5 cents
52 Week Low	3.5 cents
Share Price	8.3 cents

Board of Directors

Johann Jacobs	Chairman
Allan Davies	Director
Chris Ellis	Director

King Island Scheelite Limited (KIS)

through its 100% Dolphin Project on King Island, Tasmania is one of the world's richest tungsten deposits and could meet a significant proportion of the world's tungsten requirements over a minimum 13 years.

Tungsten price

Metal Pages APT USD 277.50 / mtu
(18 Sept 2018))

King Island Scheelite Limited ABN 40 004 681 734

Level 26, 259 George Street
Sydney NSW 2000

GPO Box 5154
Sydney NSW 2001

P. +61 2 8622 1402
Email: kis@kisltd.com.au
www.kingislandscheelite.com.au

ACQUISITION OF LAND IN GRASSY

- King Island Scheelite Limited (ASX: KIS) is pleased to advise that its wholly-owned subsidiary, Australian Tungsten Pty Ltd, has entered into a contract to purchase a property and improvements, known as 'Portside Links', from one of its neighbours, at the Dolphin Mine in Grassy, King Island (**Acquisition**).
- KIS regards the Acquisition as a strategic acquisition, providing it with direct access to the Port, as well as enabling it to secure all the land requirements necessary for the redevelopment of the mine.
- A summary of the key terms of the Acquisition is included in the Annexure.
- The Acquisition has been financed through a loan of \$2.7m, on normal commercial terms, from an entity associated with KIS's major shareholder and director Chris Ellis (**Loan**). The Loan will also be used for general working capital purposes.
- The terms of the Loan include the granting of security, in the form of a first registered mortgage, by the Company in favour of Chris Ellis' associated entity, over the Acquisition land and other local residential land. The grant of the security in relation to the Loan is subject to shareholder approval under Listing Rule 10.1.
- The Loan has been negotiated on an arm's length basis.

9 October 2018

Johann Jacobs
Chairman

ANNEXURE

Sellers	Mr Kenneth Chapman, Mrs Marilyn Chapman and Portside Links Pty Ltd as trustee for the Portside Trust.
Consideration	\$2.6 million, payable either in cash or by a cheque drawn by a bank, on the Settlement Date.
Conditions	The contract for the Acquisition is not subject to any conditions, other than the standard conditions that apply to the Standard Form Contract for Sale of Real Estate in Tasmania.
Settlement Date	As the contract for the Acquisition is effectively unconditional, settlement will occur in the normal course of Tasmanian law and is anticipated to occur on 16 November 2018.
Terms	<p>The terms of the contract for the Acquisition are usual and customary for a contract of that nature.</p> <p>The Sellers are permitted to remain on Acquisition land to conduct their existing businesses for a period of 6 months after the Settlement Date, or such other period as agreed in writing by the parties.</p>