



1 April 2008

ASX Announcement

Update on progress of King Island Scheelite and Hunan Nonferrous Metals joint venture agreement

In December 2007 King Island Scheelite Ltd (ASX:KIS) and Hunan Nonferrous Metals Corp (HNC) announced that the two companies had signed documents to create a joint venture to develop the KIS scheelite ore body on King Island, Tasmania. These documents are subject to a number of conditions precedent being satisfied before project funding is in place and construction commences.

Whilst the majority of these conditions have been satisfied, including approval being granted by the Australian Foreign Investment Review Board, KIS shareholders and the Chinese provincial authorities, approval is still pending from the central Chinese government in Beijing. HNC has advised KIS that it expects that this approval will be received in the next 4 to 6 weeks. The JV partners anticipate that construction activities will commence in May.

For additional information about King Island Scheelite please visit the company's website – www.kingislandscheelite.com.au

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