



13th February 2012

ASX/Media Announcement

LAND PURCHASE FINALISED

King Island Scheelite Limited (KIS) has finalised the purchase of land from King Island Council, necessary for the development of its tungsten mine. This property, comprising 240.9ha, covers the land required for the mine site, tailings dam and processing facilities. Together with land already held in the Grassy township this transaction is an important step for the Dolphin Project which is focused on bringing the tungsten mine on King Island into production in 2014.

Details of the property acquired are provided in the attached diagram and cover all land necessary for mining and processing activities at the Dolphin Mine.

With the plan now to reopen the underground operation, instead of expanding the former open pit, the environmental impact is expected to be significantly reduced and current approvals require amending to reflect this reduced impact. An environmental effects report lodged with the Environmental Protection Authority last year, once approved, will enable King Island Council and Mineral Resources Tasmania to update the Development and Mining Lease approvals respectively.

Any amendments to permit commitments and conditions, along with the outcome of potential further beneficiation review, will then be incorporated into the final Feasibility Study.

Having obtained all necessary land and permits, and with the confirmation of a robust development plan, KIS will be well placed to conclude off-taker arrangements and secure the funding required for this project.

Yours Faithfully,

Simon Bird
Chief Executive Officer
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Certificate of Title Vol. 163390 Folio 1

The combined titles are shown in red previously known as Certificate of Title Vol. 133061 Folio 1 & 2.

