

King Island Scheelite Ltd

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King Island Scheelite secures \$2 million debt to progress restart of tungsten mine

King Island Scheelite Limited (ASX:KIS) has secured funding to progress plans to recommence production at its high-grade Dolphin Tungsten Project on King Island in the Bass Strait.

The company entered the \$2 million loan agreement with executive director Chris Ellis, which has interest payable of 8% per annum above the bank bill swap rate (BBSW).

As required, shareholders will be requested to approve the details of the loan at the next annual general meeting (AGM).

READ: King Island Scheelite appoints general manager of project development for Dolphin Project

The funds provide King Island with the necessary working capital to continue with its ongoing activities at the Dolphin mine site.

It also allows the company to further progress negotiations with potential financiers and joint venture partners, to secure the funding required to recommence production at Dolphin.

King Island's chairman Johann Jacobs said: "Having the loan from Chris is of huge advantage to KIS and all its shareholders, as it provides KIS with the opportunity to proceed with negotiations on financing structures and progressing with operational milestones at the Project, ahead of finalising the financing plan for Dolphin."

June feasibility study supports profitable tungsten mining operation

In early June 2019, KIS revealed positive results from its updated feasibility study and reserve estimate for the Dolphin Tungsten Project.

The study forecast an open-cut operation that would mine and process about 400,000 tonnes per annum of ore for eight years to produce about 3,500 tonnes of tungsten trioxide concentrate per year.

This concentrate will be selling into a market with strong growing demand and constrained supply.

Proactive caught up with King Island in early June 2019 for an update.

Price: 0.065

Market Cap: \$17.18 m

1 Year Share Price Graph



Share Information

Code: KIS

Listing: ASX

52 week High Low
0.098 0.052

Sector: General mining & base metals

Website: www.kingislandscheelite.com.au

Company Synopsis:

King Island Scheelite Ltd (ASX:KIS) remains committed to the redevelopment of its wholly-owned Dolphin Tungsten Project in Tasmania.

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