27 May 2021

Multi Gravity Separators confirm results for Dolphin Project

- **Full scale multi gravity separator acquired and has been successfully installed in Burnie**
- **Bulk sample extracted from the Dolphin Project has been shipped to Burnie**
- **Throughput capacity testing has confirmed the number of units that will be required**
- **Concentrate produced is consistent with the best pilot scale results to date**
- **Optimisation testing continues**
- **Project Funding discussions are ongoing**

King Island Scheelite Limited (**ASX: KIS**) ("**KIS**" or "the **Company**") is pleased to provide an update to previous announcements made in relation to metallurgical test-work performed on multi gravity separators.

As advised to the market on 9 December 2020, significant test-work was undertaken by ALS in Burnie, Tasmania utilising a pilot-scale Multi Gravity Separator ("**MGS**") as a means of separating heavy scheelite particles and rejecting lighter calcite particles for ore from Company's the Dolphin Tungsten Mine.

The results achieved in the pilot scale machine were extremely encouraging and prompted the Company to verify the scale-up factors in a full-scale machine. During the last quarter, KIS entered into a rental/purchase agreement with the suppliers of the MGS machines, resulting in a full scale machine arriving in Burnie on 1st April 2021.

During that quarter, the Company also extracted a 10 tonne representative ore sample from Dolphin and shipped it to Burnie.

First stage "sighter" tests were commenced in early April, focusing on metallurgical performance and throughput. Results to date have confirmed the number of units incorporated in the Revised Feasibility Study to be required for full scale production.

The concentrate from these tests has been fed to the dressing stage (flotation) with results that are consistent with the best pilot scale results in terms of grade and recovery to dressed concentrate.

Optimisation testing is ongoing with a focus on building on the Company's understanding of the effect of machine operating parameters on particular recovery of scheelite to concentrate.

Corporate - Funding

The Company is continuing its discussions with financiers with the aim to achieve financial close by late June / early July 2021.

This market announcement has been approved by the Board of King Island Scheelite Limited.

For further information, please contact:

Executive Chairman
Johann Jacobs
King Island Scheelite Limited
E: johann.jacobs@kisltd.com.au
T: +61 416 125 449

Investor Relations
Tim Dohrmann
NWR Communications
E: tim@nwrcommunications.com.au
T: +61 468 420 846

W: www.kingislandscheelite.com.au

Competent Persons Declaration

The information in this announcement that relates to metallurgy and processing, and fairly represents, information and supporting documentation compiled by Mr. Alvin Johns, an independent mining consultant working for Asther Pty Ltd. Mr. Johns is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr. Johns has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements associated with metallurgical testwork and process design, based on the information in the form and context in which they appear.

Forward Looking Statements

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, metallurgical or process performance. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, competition for capital, acquisition of skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

JORC (2012) Table 1 report

Section 1Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
Sampling Techniques	• Nature and Quality of sampling (e.g. cut channels, random chips or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or hand held XRF instruments etc.). • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverized to produce 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or sampling types (e.g., submarine nodules) may warrant disclosure of detailed information.	• The Dolphin Scheelite Skarn has been sampled through numerous historic underground and surface diamond drilling campaigns between 1947 and 1989 by the previous mine operators. • Recent diamond drilling campaigns were completed by KIS in 2005, 2006, 2011, 2013 and 2014. • 636 historic diamond drill holes for 56,667.8m • 113 recent drillholes for 9,975.8m. • Approximately 3 ft or 1m samples of 1-3kg were taken from diamond saw cut drill core whilst respecting geological boundaries. • Bulk samples for Multi Gravity Separator (MGS) metallurgical testwork were obtained from the historic Dolphin Open Cut. 3 approximately 5 tonne samples were collected from different sites within the open cut, crushed to sub 10mm and homogenized to create a simulated representative ore feed.
Drilling Techniques	• Drill type (e.g., core, reverse circulation, open hole hammer, rotary air blast, auger, bangka, sonic etc.) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other type, where core is oriented and if so by what method	• Generally, NQ diamond core for surface drillholes and BQ or BQ equivalent for underground drill holes. • Core not oriented.
Sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize sample recovery and ensure representative nature of the samples.	• Core reconstituted, marked up and measured for recovery in all drilling campaigns. • Generally excellent (95-100%)

Section 1Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred.	• No relationship between recovery and grade was observed
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative of quantitative in nature. Core (or costean, channel etc.) photography.	• Historic core geologically logged onto typed paper logs. • Recent core geologically logged onto excel spreadsheets by experienced geologists. • Standard lithology codes used for interpretation. • RQD and recoveries logged. • Historic and recent logs loaded into excel spreadsheets and uploaded into access database.
Sub-Sample techniques and sample preparation	• If core, whether cut or sawn and whether quarter of half taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results of field duplicate/second half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled	• No record of historic sample preparation • Half core split by diamond saw on 0.5 – 1.0m samples while respecting geological contacts. • Bagged core delivered to commercial Laboratories in Burnie (BRL, AMMTECH, ALS) • Half core crushed to 80% passing 2mm. • Crushed sample quartered to 500g and pulverized to pass 75 micron. • Bulk metallurgical sample crushed to sub 10mm using a mobile crusher and screen. • Sample preparation for metallurgical test work was completed at ALS laboratories Burnie.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysics tools, spectrometers, hand-held XRF instruments, etc., the parameters used in	• No record of QAQC procedures were available for historic sampling. • Recent samples assayed for WO_3 and Mo by XRF at Burnie Research Laboratories (AMMTECH, ALS).

Section 1Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• Historic samples assayed for WO_3 and Mo by XRF in on site mine laboratories with check samples assayed by Amdel. • No formal QAQC analysis cited for recent validation drilling campaign.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel • The use of twinned holes • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols • Discuss any adjustment to assay data	• No independent laboratory analyses completed. • Minor verification of historic data with recent drilling campaigns. • Twinned Metallurgical holes show excellent correlation with primary hole. • Primary assay data was received electronically and stored by consultant geologist. • All electronic data uploaded to access database. • Historic data loaded into Access database. • Data validation with Surpac software, basic statistical analysis and comparison with historic plans and sections. • Negative results for below detection limit assay data has been entered as 0.01%WO_3
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys) trenches, mine workings and other locations used in mineral resource estimation. • Specification of grid system used. • Quality and accuracy of topographic control	• All hole collar surveys by licensed surveyor. • All coordinates in historic mine grid ISG and GDA94 • RL's as MSL • Down hole surveys by downhole camera •
Data Spacing and distribution	• Data spacing for exploration results. • Whether data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures and classifications applied.	• Sample spacing approximately 20 x 20m or better for much of the resource. • Drill spacing is considered to be appropriate for the estimation of Measured and Indicated Mineral resources.

Section 1Sampling Techniques and Data		
Criteria	**JORC Code Explanation**	**Commentary**
	• Whether sample compositing has been applied	• Samples have been composited on 1m intercepts for the resource estimation.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material.	• The majority of DDH have been drilled north-south or vertical sub-perpendicular the gently dipping mineralisation. • Drill hole orientation is not considered to have introduced any material sampling bias.
Sample Security	• The measures taken to ensure sample security	• Post 2005 samples ticketed and bagged on site. • Delivered by courier to laboratories in Burnie. • All historic data digitally captured and stored in customised access database. • Data integrity validated with Surpac Software for EOH depth and sample overlaps. • Manual check by reviewing cross sections with the historic drafted sections and plans. • Basic statistical analysis supports data validation
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data	• No audits or reviews of sampling data and techniques completed.

SECTION 2, REPORTING OF EXPLORATION RESULTS		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral tenement and land tenure status	• Type reference, name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of tenure held at the time of reporting along with known impediments to obtaining a license to operate the area	• ML1/2006 Grassy King Island EL19/2001 and MLA2030P/M • The ML, MLA and EL's are 100% owned by Australian Tungsten Pty Ltd, a subsidiary of KIS. • The area is a historic scheelite mining district and there are no known or experienced impediments to operating a license in this area. • EL19/2001 requires annual renewal. • State Royalties 5.35%, Osisko Royalty 1.5%, HNC Royalty 2% capped at $3.9M
Exploration done by other parties	• Acknowledgement and appraisal of exploration by other parties	• The Dolphin Mine operated intermittently as an open cut and underground operation until its closure in 1990 by King Island Scheelite, Geopeko and North Ltd. • Exploration and resource drilling completed by these previous companies. • KIS commenced feasibility studies into reopening the operation from 2005 until the present.
Geology	• Deposit type, geological setting and style of mineralisation	• The Dolphin Scheelite deposit is a metasomatic skarn hosted in hornfelsed Cambrian calcareous sedimentary rocks on the northern margin of the Grassy Granite, southeast King Island. The deposit forms a roof pendant located on the surface of the granite. The skarn consists of layered and banded garnet skarn and pyroxene-garnet skarn replacing two principal carbonate horizons, B and C Lens. Scheelite occurs as coarse and fine disseminations in the skarn mineralogy.
Drill Hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes • easting and northing of the drill hole collar	• Not applicable. This announcement refers to metallurgical testwork and is not a report on Exploration Results. • Drill hole information previously reported in Mineral Resource Estimation Report (ASX:KIS April 2015).

SECTION 2, REPORTING OF EXPLORATION RESULTS		
Criteria	**JORC Code Explanation**	**Commentary**
	• elevation or RL of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth • hole length • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	
Data aggregation methods	• In reporting of Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cutoff grades are usually material and should be stated. • Where aggregate intercepts include short lengths of high grade results and longer lengths of low grade results, the procedure used for aggregation should be stated and some examples of such aggregations should be shown in detail • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Not applicable. This announcement refers to metallurgical testwork and is not a report on Exploration Results. • A summary of resource validation drill intercepts has been previously reported in Mineral Resource Estimation Report (ASX:KIS April 2015). • Mineralised zones were reported as length weighted intercepts.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known)	• Most drill holes have been drilled to intercept the deposit at high angles to best represent true widths of the mineralisation. • Systematic resource drilling on 20m sections.
Diagrams	• Appropriate maps and sections (with scales) and tabulated intercepts should be included for any significant discovery being reported. These	• Not applicable. This announcement refers to metallurgical testwork and is not a report on Exploration Results.

SECTION 2, REPORTING OF EXPLORATION RESULTS		
Criteria	**JORC Code Explanation**	**Commentary**
	should include, but not be limited to a plan view of drill collar locations and appropriate sectional views.	• Detailed plans and sections previously reported in Mineral Resource Estimation Report (ASX:KIS April 2015).
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/ or widths should be practiced to avoid misleading reporting of Exploration Results	• Not applicable. This announcement refers to metallurgical testwork and is not a report on Exploration Results. • Exploration Results previously reported in Mineral Resource Estimation Report (ASX:KIS April 2015).
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to); geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment, metallurgical results, bulk density, groundwater, geochemical and rock characteristics, potential deleterious or contaminating substances.	• Bulk samples and diamond drill core have been selected for metallurgical test work. Bulk samples were hand selected from outcropping mineralisation in the historic dolphin open cut for the various mineralised domains. • Summary details of test work are located in JORC Table 1 Section 4 of this report.
Further work	• The nature and scale of planned further work (e.g., test for lateral extensions or depth extensions or large scale step out drilling) • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Further resource extension drilling west and south east of Indicated Resource. • Resource plans and sections previously reported in Mineral Resource Estimation Report (ASX:KIS April 2015).

SECTION 3, REPORTING OF MINERAL RESOURCE ESTIMATIONS		
Criteria	**JORC Code Explanation**	**Commentary**
Database Integrity	• Measures to ensure the data has not been corrupted by, for example transcription or keying errors, between its initial collection and its use for Mineral Resource estimation. • Data Validation and procedures used.	• All data captured and stored in customised Access database. • Recent digital data uploaded from laboratory reports to Access database. • Data integrity validated with Surpac Software for EOH depth and sample overlaps and transcription errors. • Historic data digitized by database consultants and uploaded to access database. • Data validated against historic plans and sections. • Minor errors in data location, fixed in data base. • Negatives in database converted to 0.01% WO_3 and Mo.
Site Visits	• Comment on any site visits by the competent person and the outcome of any of those visits. • If no site visits have been undertaken indicate why this is the case.	• Numerous site visits during various drilling campaigns since 2010.
Geological Interpretation	• Confidence in (or conversely the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and any assumptions made. • The effect if any of alternative interpretations on Mineral Resource estimation • The use of geology in guiding and controlling the Mineral Resource estimation • The factors effecting continuity of both grade and geology.	• High confidence in the geological model. High quality sectional interpretation from underground mapping and drill hole data by Geopeko Ltd. • Diamond drillholes and sections used for geological domaining. • No alternative geological interpretations were attempted. • Geology model used for mineralised domain modeling. • Brittle faulting and skarn mineralogy effect grade domaining.
Dimensions	• The extent and variability of the mineral resource expressed as length (along strike or otherwise) plan width and depth below surface to the upper and lower limits of the Resource.	• Semi-continuous SE shallow plunging and dipping stratabound mineralisation extends 1150m in strike, by 750m width and dips from 80m above sea level in the west to 380m below sea level in the east.

SECTION 3, REPORTING OF MINERAL RESOURCE ESTIMATIONS		
Criteria	**JORC Code Explanation**	**Commentary**
Estimation and Modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by products • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterization). • In the case of block model interpolation the block size in relation to the average sample spacing and search employed. • Any assumptions behind modeling of selected mining units • Any assumptions about correlation between variables • Description of how the geological interpretation was used to control the resource estimates. • Discussion of the basis for using or not using grade cutting or capping • The process of validation, the checking process used, the comparison of model data to drill hole data, and the use of reconciliation data if available.	• Block modeled estimation completed with Surpac™ software licensed to Tim Callaghan. • Wire-framed solid models created from diamond drillholes and 20m sectional interpretation. • Solid models snapped to drill holes • Minimum mining width of 3m @ 0.2% WO_3 • Internal dilution restricted to 3m with allowances for geological continuity • Data composited on 1m downhole lengths including WO_3 and Mo • Top cutting based on CV and grade histograms for B Lens and PGH domains only. • Excellent correlation between WO_3 and Mo grades for C lens, poor correlation for B Lens • Model extent of 563600N to 564500N, 219250E to 220600E, -400mRL to 100mRL. Block dimensions of 10mN x 10mE x 10mRL block size with sub-celling to 1.25m. • Variogram models well constructed with moderate to high nugget effect (50%) and moderate range of 15 to 30m to sill for most geological domains. • Search ellipse set at 100m spherical range to ensure all blocks populated with minor anisotropy of 1:2 • Ordinary kriged block model constrained by geology solid model • Block grades validated visually against input data • Good correlation with previous estimations • Very good correlation of depleted model with historic underground production

SECTION 3, REPORTING OF MINERAL RESOURCE ESTIMATIONS		
Criteria	**JORC Code Explanation**	**Commentary**
Moisture	• Whether the tonnages were estimated on a dry basis or with natural moisture, and the method of determination of moisture content.	• The estimate based on a dry tonnage basis
Cut-off Parameters	• The basis of the adopted cutoff grades or cutoff parameters	• Cut off grades have been based on estimated mine grade break even costs. Operating costs and financial parameters were provided by external consultants and KIS. A break even cutoff grade of 0.3% WO_3 is calculated for open pit resources. • 0.2% WO_3 cut off used for modelling and reporting.
Mining Assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or if applicable external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• Conventional blast load haul open pit operation in the first 4 years of mine life. Ore production rate of 400ktpa and waste movement of approximately 1Mtpa is expected from scoping studies. • Underground mining will involve conventional decline accessed room and pillar extraction with waste and sand backfill. Production rates are expected to be 300-400ktpa.
Metallurgical assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions made regarding metallurgical treatment processes and parameters made when estimating Mineral Resources may not always be rigorous. When this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• Refer to Table 1 Section 4 of this report.

SECTION 3, REPORTING OF MINERAL RESOURCE ESTIMATIONS		
Criteria	**JORC Code Explanation**	**Commentary**
Environmental assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status for early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• Refer to Table 1 Section 4
Bulk Density	• Whether assumed or determined. If assumed the basis for the assumptions. If determined the methods used, whether wet or dry, the frequency of measurements, the nature size and representativeness of the samples. • The bulk density for bulk materials must have been measured by methods that adequately account for void spaces (vughs, porosity etc.), moisture and difference between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• Bulk density derived from historic operations (Balind 1989). • Validation of density measurements made with Post 2014 drill core using the Archimedes Method. • Bulk density used as below: B Lens = 3.1 C Lens = 3.4 Waste = 2.9
Classification	• The basis for the classification of the Mineral Resource into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in continuity of Geology and metal values, quality, quantity and distribution of the data).	• Confidence in the geological model, data quality and interpolation is considered to be sufficient for Mineral Resource located within 30m of sample data to be classified as Indicated Resource. • Excellent correlation of grade with historic production provides confidence in the estimation.

SECTION 3, REPORTING OF MINERAL RESOURCE ESTIMATIONS		
Criteria	**JORC Code Explanation**	**Commentary**
	• Whether the result appropriately reflects the Competent Persons view of the deposit.	• The resource classification appropriately reflects the views of the Competent Person • None of the resource has been classified as Measured Resource due to a reliance on historic data and mine void models that cannot be adequately validated.
Audits or Reviews	• The results of any Audits or Reviews of the Mineral Resource estimates.	• No audits or reviews have been completed for this estimation
Discussion of relative accuracy/confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource Estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy of the estimate. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The geological model and data quality within 30m of level development is well understood and modeled. • The effects of localised brittle faulting is well understood from underground mapping and drilling. • There is excellent confidence in the global tonnage estimation. • Grade and tonnage estimation of the void model has excellent reconciliation with historic underground production. • There is some local uncertainty in the accuracy of the digital mine model. This is unlikely to have a material effect on the resource estimation for feasibility studies.

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
Mineral Resource estimate for conversion to Ore Reserve	• Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. • Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves	• The resources utilised in this estimation were derived from a digital resource block model bm415_20.mdl as described in the Dolphin Mineral Resource Estimate April 2015 provided by Resource and Exploration Geology. • Indicated Mineral Resource estimated at 9.6 Mt at 0.90% WO_3. This Reserve Estimate has been estimated using the same geological model as used in the April 2015 Resource Statement. • The Mineral Resources Statement was signed by Mr. Tim Callaghan, an Independent Consultant. Mr. Callaghan is an AUSIMM member and has sufficient relevant experience to qualify as a Competent Person. • The Mineral Resource reported is inclusive of the Ore Reserves.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Mr. Alan Fudge of Polberro Consulting previously worked as Geotechnical Engineer, Mining Engineer and Underground Superintendent at the mine over a period of 9 years while the mine was operating in the 1980's. • Tim Callaghan of Resource and Exploration Geology has had numerous site visits since 2010 to the present.
Study status	• The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves • The Code requires that a study to at least Prefeasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that	• This study is a feasibility study into processing and open cut mining followed by underground mining of the Dolphin Orebody. • Numerous technical studies including mining, geological, metallurgical, geotechnical, site infrastructure and marketing have been conducted by KIS over the past decade. • 2019 Feasibility Study and Reserve Estimation of the Dolphin Open Cut mine producing 3.0Mt @

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
	material Modifying Factors have been considered.	0.73% WO_3 forms the basis of this updated feasibility study. • The underground reserve estimate outlined in this study is based on remnant resources external to and below the 2019 open cut reserve. As such the UG reserve estimate should not be viewed in isolation.
Cut-off parameters	• The basis of the cut-off grade(s) or quality parameters applied.	• Cut off grades for the 2019 OC and 2020 UG mine were calculated from financial parameters provided by KIS and estimated recoveries and operating costs from technical studies. • The mine planning and ultimate open cut design was prepared based on the marginal cut-off grade of 0.2% WO_3. • Underground minable resources were defined by a 0.7% WO_3 cut off with a 0.7% WO_3 stope cut off used to estimate the Mineral Reserve.
Mining factors or assumptions	• The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). • The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. • The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre- production drilling. • The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). • The mining dilution factors used. The mining recovery factors used.	• OC mining methods are described in KIS 2019 Feasibility Study (*ASX:KIS 3 June 2019*). • The mining method used to determine the OC Ore Reserve was conventional open pit mining using backhoe style hydraulic excavators loading off highway dump trucks for both waste and ore mining • OC Geotechnical parameters defined by PSM 30º slope in marine sand 15m berm on sand-rock interface 50º – 70º face angle depending on domain 10 20m face height depending on domain 5-7m berms depending on domain • The in-situ OC ore was modified in order to simulate the mining process and the effects this has upon ore recovery, losses and dilution15 cm loss and 15 cm dilution was applied to all

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
	• Any minimum mining widths used. • The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. • The infrastructure requirements of the selected mining methods.	mineralization in the block model, along any block edge that was immediately adjacent a waste block. • In summary the basis for the OC pit limits were: -20m contour of the base of the marine sand Pit slopes constrained by geotechnical domains Morphology of existing pit 0.2% WO_3 block cutoff. • Whittle Optimiser used to verify OC pit limits – physically constrained pit limits well within economic limits. • 20m single truck ramp 10% grade • Underground Mining methods are summarised below: • PPCAF recovery is based on 82.5% traditional recovery for 14m centre 6x6 post pillar pattern (C Lens).
		• PPCAF dilution based on historic rate of 15% (C Lens). • UHB Recovery based on theoretical 70-86% with 10% dilution – reduction in recovery to allow for shoulder and crown pillar loss where the upper level contains old fill or anticipated ground control issues (C Lens). • DHB Recovery based on theoretical 86% with 10% dilution – allows for shoulder pillar loss (C Lens). • CAF recovery is dependent upon orebody width, ground condition and stope shape and varies from 70-90% with 10% dilution (C Lens). • Remnant mining recovery ranges from 50-80% with 10-20% dilution (C – Lens). • Dilution levels generally low as stope perimeters tend to be on both grade and design boundaries

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
		rather than a strict contact cut off – dilution is a combination of fill, low grade and waste rock. • B-Lens mining based on physical designs of CAF and PPCAF stopes within the >0.7%WO_3 mineralised zone or the zone as a whole. Typical B-Lens CAF recoveries of 70-90% with 10% dilution and post pillar recoveries of 75-90% with 5-10% dilution. • Scheduled Primary/Secondary transverse stoping with consolidated fill for Lower Wedge bench stoping program.
Metallurgical factors or assumptions	• The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. • Whether the metallurgical process is well-tested technology or novel in nature. • The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. • Any assumptions or allowances made for deleterious elements. • The existence of any bulk sample or pilot scale testwork and the degree to which such samples are considered representative of the orebody as a whole. • For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	• The proposed process plant is similar to the historic operation which closed in 1992 with some modernization of equipment and processes. • Numerous laboratory test programs have been completed since 2006 involving gravity, flotation, leaching and magnetic separation. These are the same unit processes used in the historical operations at Dolphin. • The aim of the recent work was to apply modern equipment and methods to the process design. Test results achieved suggest improvement in performance when using contemporary equipment. Overall results indicate that recoveries in the range of 73% to 82.8% are achievable from gravity separation using spirals, tables and multi gravity separators. Coarse and fine gravity concentrate will require flotation dressing to achieve saleable grade of 63.5% WO_3. • Samples used for most of the lab test work has been sourced from infill diamond drilling campaigns between 2008 and 2018.or bulk samples from the historic open cut. Samples are representative of scheduled ore production. Variability testing was

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
		completed demonstrating the range of plant performance expected. • The major deleterious elements include; Mo, SiO_2, P, S and F. KIS has negotiated limits according to offtake requirements. • Recent testing, that included the Multi Gravity Separator (MGS) was conducted at full sized plant scale and compared to pilot scale results. The preparation of feed to the MGS was conducted at plant scale. • Historic plant recovery was positively influenced by supplying uniform high grade feed.
Environmental	• The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	• KIS has previously applied for, and received approval from King Island Council in 2006, for the development of a large open pit and processing plant at the Dolphin mine site. • Environmental Protection Notice 7442/2 issued by the EPA on 2 October 2017 • Council development applications approved.
Infrastructure	• The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.	• Development of the site will necessitate the reinstatement or design and construction of access roads, process plant site, tailings storage facility, site office, heavy vehicle workshop, fuel storage, process water storage and pump line, potable water, explosives storage, power plant, site accommodation. • Water supply from Lower Grassy Dam • Located 2km form township of Grassy
Costs	• The derivation of, or assumptions made, regarding projected capital costs in the study. • The methodology used to estimate operating costs.	• OC Mining fleet capital developed from 1st principal owner operator by Xenith, plant capital provided by Gekko, tailings storage facility capital cost provided

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
	• Allowances made for the content of deleterious elements. • Allowances made for the content of deleterious elements. • The source of exchange rates used in the study. • Derivation of transportation charges. • The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. • The allowances made for royalties payable, both Government and private.	by PSM, additional site infrastructure capital cost estimation by BR Design. • OC Mine operating cost derived from Xenith cost model and database, plant operating cost provided by Gekko and Asther. Metal price and exchange rate assumptions provided by independent analysts ARGUS. • Process plant and site infrastructure assumed to have been depreciated prior to development of underground mine. • UG mine capital estimated from schedule and cost database.
		• UG Mine operating cost derived from 1st principals using schedule and cost database. • Metal price and exchange rate assumptions provided by independent analysts ARGUS. • The APT price is discounted by the purchaser by 20%. The APT price discounted by 3% for high Mo content. • Transportation charges derived from local and state shipping contractors • State Royalties 5.35%, Osisko Royalty 1.5%, HNC Royalty 2% capped at $3.9M
Revenue factors	• The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. • The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	• Metal price and exchange rate assumptions provided by independent analysts ARGUS. • The APT price discounted by the purchaser by 20%. The APT price is discounted by 3% for high Mo content. • The head grades as reported in this reserve estimate were not factored.

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
Market assessment	• The demand, supply and stock situation for the particular commodity, consumption trend and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	• Market forecasts were based on a report prepared by ARGUS, an independent research firm with expertise and specialisation in the minerals industry and strategic research on the minerals industry and various mineral and metal commodities. • The study indicated that Tungsten is used in many diverse commercial, industrial, construction, mining and military applications.
Economic	• The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. • NPV ranges and sensitivity to variations in the significant assumptions and inputs.	• Inputs to the economic analysis were: Mine production schedule, including tungsten production schedule, produced as part of the Feasibility Study. Mine operating costs, process operating costs and general and administrative costs as stated above. APT price as stated above. Applicable royalties and taxes and duties per the mining code of Tasmania. Discount rate of 8% • The Project's sensitivity to various inputs were also investigated. The Project is most sensitive to APT price, exchange rate and recovery. However, the project value remained positive up to a 20% reduction in APT price.
Social	• The status of agreements with key stakeholders and matters leading to social license to operate.	• KIS has regularly engaged with the Tasmanian EPA and King Island Council to explain the likely changes in project impacts to the local community and the environment. KIS has also held community consultations. King Island Council approved the amended mining operations without triggering any requirement for a further development application to be lodged or a permit issued. Local employment survey well received.

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
Other	• To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: • Any identified material naturally occurring risks. • The status of material legal agreements and marketing arrangements. • The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	• No material naturally occurring risks have been identified to the Project. • A royalty of 5.3% is payable to the Tasmanian state government and a 3.5% is payable to third parties. • All relevant mining leases have been granted with 2080P/M granted until 2029. EL19/2001 expires in December 2020 and will require an expenditure commitment of 200K for a two year term of extension. All land required for the Project is owned by KIS. All relevant EPA environmental permitting and local government planning approvals have been granted.
Classification	• The basis for the classification of the Ore Reserves into varying confidence categories. confidence categories. • Whether the result appropriately reflects the Competent Person's view of the deposit. • The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	• Ore Reserves which have been reported as Probable Reserves have been derived directly from the Mineral resource classified as Indicated Resource. None of the resource was classified as Measured Mineral Resource. • The Competent Person's are satisfied that the stated Ore Reserve classification reflects the outcome of the technical and economic studies
Audits or reviews	• The results of any audits or reviews of Ore Reserve estimates.	• No audits or reviews of the Ore Reserve estimates have been undertaken to date.
Discussion of relative accuracy/confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve	• In the estimating of these Ore Reserves, the confidence levels as expressed in the Mineral Resource estimates have been accepted in the respective resource classification categories. • The Ore Reserves estimates relate to global estimates in the conversion of Mineral Resources to Ore Reserves. Spacing of the drill data and

SECTION 4 ESTIMATION AND REPORTING OF RESERVES		
Criteria	**JORC Code Explanation**	**Commentary**
	within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on. Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	underground mine mapping on which the estimates are based, relative to the intended local selectivity of the mining operations are sufficient to have a high level of confidence in the estimate. • Accuracy and confidence of modifying factors are generally consistent with the current level of this study. The modifying factors applied in the estimation of the Ore Reserves are considered to be of a sufficiently high level of confidence not to have a material impact on the viability of the estimated Ore Reserves. The Ore Reserve WO_3 grades are consistent with historic production figures.