



KINGSMILL
Capital Ventures Inc.
(a capital pool company)

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**KINGSMILL CAPITAL VENTURES INC.
ANNOUNCES UPDATE ON QUALIFYING TRANSACTION**

December 20, 2007 –Toronto, Ontario – Kingsmill Capital Ventures Inc. (“KCV”) (KCV.P-TSX VENTURE) is pleased to provide an update on the status of its Qualifying Transaction (“QT”) announced on August 8, 2007. KCV has entered into an arm’s length agreement in principal with Universal Settlements International Inc. (“USI”) to acquire a portfolio of life settlements in exchange for common shares of KCV. Please see the press release of August 8, 2007 for further details. It can be accessed at www.sedar.com.

After discussions with the TSX Venture Exchange, KCV’s legal counsel and Agent, Jones, Gable & Company Limited (“JG”) and its counsel, it was determined that the preparation and filing of a prospectus was the most appropriate method for providing disclosure on this transaction. Although a lengthy and detailed process, a prospectus will provide shareholders and investors with a better understanding of the initial business opportunity and provide a solid foundation for current and future fund raising efforts by KCV. The directors of KCV along with its counsel, auditors and USI have been working diligently over the last months to complete the prospectus and related documents. The Company anticipates filing a preliminary prospectus in January.

As described in its news release of August 8, 2007, KCV intends to complete an offering of KCV shares for aggregate net proceeds of not less than C\$2,000,000 which shall be closed concurrent with the closing of the QT. The proceeds from this issuance of KCV shares are intended to be used for working capital and general corporate purposes, including premium payments and policy administration. At this time, it is expected that the securities to be issued will be priced at the QT price of C\$0.30 per share.

Since August 8th, 2007 there have been several positive industry developments.

Among the industry highlights:

- July 2007- Life Settlements Top \$12 Billion in record year (2006).¹
- The Institutional Life Markets Association was created to lobby for the industry. Members include Goldman Sachs Inc, Credit Suisse Group and Bear Stearns Cos.²
- November 2007 - Dutch pension provider Cordares makes first investment in the life settlements market. Cordares manages 26.5 billion Euros for 5 Dutch pensions.³
- December 2007 - At the 18th annual Executive Conference for the Life Insurance Industry it was reported that 60% of insurance executives predicted that the secondary market for life insurance would experience significant growth in the next five years.⁴

- December 2007 - The Goldman Sachs Group announces that it has launched the first index that will allow market participants to measure, manage and trade exposure to longevity and mortality risks in a standardized, transparent, and real time manner.⁵

The directors and management of KCV remain committed this transaction. We would like to thank our shareholders for your continued support and patience and we will endeavor to continue to move forward towards completion of the transaction in a timely manner.

For further information, please contact David Mitchell, President by email: info@kingsmillcapital.com or phone: 416-534-9996 ext. 101.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance. There can be no assurance that the transaction will be completed as proposed or at all.

Jones, Gable & Company Limited, subject to completion of satisfactory due diligence and the satisfaction of certain other conditions, has agreed to act as agent, on a commercially reasonable efforts basis, in connection with the transaction. This agency relationship should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

¹Journal of Structured Finance- Summer 2007

²Wall Street Journal Online- November 26, 2007

³Life Exchange-November 13, 2007

⁴InsuranceNewsNet-December 14, 2007

⁵Goldman Sachs News Release- December 14, 2007