

## **ACQUISITION UPDATE: DUE DILIGENCE SUCCESSFULLY COMPLETED**

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### **Highlights**

- Due Diligence successfully completed on Cheetah
- Completion of acquisition expected late September
- Cheetah accelerating development of Thor Lake Project

Vital Metals Limited (ASX: **VML**) ("**Vital**" or the "**Company**") is pleased to advise it has successfully completed due diligence on Cheetah Resources Pty Ltd ("**Cheetah**").

### **Completion of Acquisition of Cheetah**

The acquisition of Cheetah is subject to shareholder approval and the Company expects to dispatch a notice of meeting to shareholders on or around August 23 to approve the acquisition, with a view to completing the transaction in late September 2019.

On completion, Mr Geoff Atkins will be appointed as Managing Director of Vital and Mr Evan Cranston will be appointed as non-executive director.

### **Increase of Loan Facility to Cheetah**

As announced June 25, 2019 Vital has provided an unsecured loan facility to Cheetah of up to A\$3,000,000 for the purpose of funding Cheetah's obligations arising under the Avalon Agreement, the Montero Agreement, and for other working capital purposes.

Vital and Cheetah have subsequently agreed to increase the loan facility to \$4,500,000 on the same terms and conditions.

Approximately \$500,000 of the funds will be utilised to accelerate development of the Thor Lake project including:

- conversion of the existing 43-101 resource to JORC 2012 standards
- additional exploration drilling on the North T Zone
- bench scale test work on ore sorting and leaching for the Thor Lake project;

and \$1,000,000 will be utilised to fund Cheetah's payment obligations to acquire the Thor Lake project arising under the Avalon Agreement.

**ENDS**

**Contact:**

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Executive Director

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**ABOUT VITAL METALS**

Vital Metals Limited (ASX:VML) is an explorer and developer holding a portfolio of gold, technology metals and base metals. Our projects are located across a range of jurisdictions in West Africa and Germany.

**Nahouri Gold Project – Burkina Faso**

The Nahouri Gold Project (100% Vital) is located in southern Burkina Faso. The Project is made up of three contiguous permits; the Nahouri, Kampala and Zeko exploration permits. The Project is located in highly prospective Birimian Greenstone terrain with 400 sq km of contiguous tenements lying on the trend of the Markoye Fault Corridor.

**Aue Project – Germany**

The Aue Project (100% Vital) is located in the western Erzgebirge area of the German state of Saxony. The permit, comprising an area of 78 sq km is located in the heart of one of Europe's most famous mining regions surrounded by several world class mineral fields. Historical mining and intensive exploration work carried out between from the 1940s and 1980s showed high prospectivity of the Aue permit area for cobalt, tungsten, tin, uranium and silver mineralisation.

**Vital Metals Limited**

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**Board & Management**

**Francis Harper**  
Chairman

**Phillip Coulson**  
Executive Director

**Zane Lewis**  
Executive Director

**Peter Cordin**  
Non-Executive Director

**Sebastian Andre**  
Company Secretary

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