ASX/ Media Announcement
6 June 2017

Vital extends Kollo South's high grade zone 13m at 9 g/t Au including 2m at 46 g/t Au from 174m

HIGHLIGHTS

- More high-grade gold results from RC drilling at Kollo South:
  - **KRC353 has returned 13m at 9.0 g/t Au including 2m at 46.2 g/t Au from 174m**
- High-grade thick gold mineralisation now extended over 100m on the contact of an intensely sheared graphitic marker unit that strikes at least 400m in an east-west orientation
- Mineralisation remains open at depth with drilling in progress to test depth and strike extensions

KRC 353 was drilled to extend the strike length from previous results including:

- KRC352: 17m at 6.0 g/t Au from 114m including 2m at 30.5 g/t Au
- KRC303: 17m @ 3.34 g/t Au from 145m
- KRC255: 15m @ 7.78 g/t Au from 108m
- KRC001: 4m @ 18 g/t Au from 77m (ends in mineralisation)

Gold explorer Vital Metals Limited (ASX:VML) is pleased to report more high-grade gold mineralisation from exploration drilling at its 100% owned Kollo Gold Project in Burkina Faso, West Africa.

Vitals' Managing Director Mr Mark Strizek said:

"RC hole KRC353 has returned 13m at 9.0 g/t Au including 2m at 46 g/t Au from 174m at Kollo South. We are very encouraged by the continuity of high grade mineralisation on the clearly visible contact zone as we continue to progress drilling along strike and at depth."

"The contact zone remains our focus as it continues to deliver high grade gold mineralisation with intersections of more than 100 gram metres now being traced over 100m strike.

The sheared marker unit associated with contact zone mineralisation has been traced for another 300m along strike and gold mineralisation is also open at depth with more drilling underway."

Kollo South Drilling

Recent drilling from the current program at Kollo South has returned significant intersections including KRC352 which was reported two 2 weeks ago:

- **KRC353: 13m at 9.0 g/t Au from 174 including 2m at 46.2 g/t Au** – contact zone
- **KRC352: 17m at 6.0 g/t Au from 114m including 2m at 30.5 g/t** Au – contact zone
- KRC372: 10m @ 2.5 g/t Au from 71m on a felsic/mafic contact

A list of the drill results along with plans and sections are contained in this announcement.

Contact zone mineralisation has been intersected over a strike length of 100m and the sheared marker unit associated with contact zone mineralisation has been traced in drilling and on surface for another 300m.

High grade contact zone mineralisation is believed to have an easterly plunge which is confirmed by our ongoing drill program; testing the contact zone over 50m sections from west to east at drill depths ranging from 150 to 250m. Currently two holes are waiting for diamond tails (KRC372 and KRC374 did not reach target depth due to water inflows) and another eight are planned.

KRC366 (50m east of KRC353 and 60m up dip) intersected the sheared marker unit and returned gold mineralisation. Excessive water inflow resulted in the loss of 3m of sample between 97 to 100m. A hole is planned to test for down dip extension of contact zone mineralisation.

KRC373 (150m east of KRC353 and 60m up dip) intersected the sheared marker unit and KRC374 will test for down dip extension of contact zone mineralisation.

KRC367 – KRC 371 were drilled to test for an offset repetition of the sheared marker unit on the western side of a north-south trending fault with assay results pending for a further six holes.

Diamond drilling is expected to start this week to complete diamond tails on RC holes to test contact zone mineralisation.

Africa Mining Services (Ausdrill) has advised that the track mounted RC rig and support vehicle have completed their final round of inspections required by Burkina Faso customs and are expected to mobilise to site this week. This rig will be deployed to the previously untested Kollo Hill.

Next Steps

Exploration activities continue in Burkina Faso and the Company will be providing regular updates on drilling progress with the next results expected towards the end of June.

Contact:
Mark Strizek
Managing Director
Vital Metals Ltd
Phone: +61 8 9388 7742
Email: vital@vitalmetals.com.au

Media Inquiries:
Nathan Ryan
Investor Relations
NWR Communications
Phone: +61 420 582 887
Email: nathan.ryan@nwrcommunications.com.au

Competent Person's Statement

Information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Mark Strizek, a Competent Person who is a Member or The Australasian Institute of Mining and Metallurgy. Mr Strizek is a full time employee of the Company. Mr Strizek has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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". Mr Strizek consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Forward looking statements

Certain written statements contained or incorporated by reference in this new release, including information as to the future financial or operating performance of the Company and its projects, constitute forward-looking statements. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intend", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

Forward-looking statements include, among other things, statements regarding targets, estimates and assumptions in respect of tungsten, gold or other metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates. Forward-looking statements are necessarily based upon a number of estimates and assumptions related to future business, economic, market, political, social and other conditions that, while considered reasonable by the Company, are inherently subject to significant uncertainties and contingencies. Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Such factors include, but are not limited to: competition; mineral prices; ability to meet additional funding requirements; exploration, development and operating risks; uninsurable risks; uncertainties inherent in ore reserve and resource estimates; dependence on third party smelting facilities; factors associated with foreign operations and related regulatory risks; environmental regulation and liability; currency risks; effects of inflation on results of operations; factors relating to title to properties; native title and aboriginal heritage issues; dependence on key personnel; and share price volatility and also include unanticipated and unusual events, many of which are beyond the Company's ability to control or predict.

For further information, please see the Company's most recent annual financial statement, a copy of which can be obtained from the Company on request or at the Company's website: www.vitalmetals.com.au. The Company disclaims any intent or obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. All forward-looking statements made in this new release are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, not to put undue reliance on such statements.

Figure 1: Project Location Plan

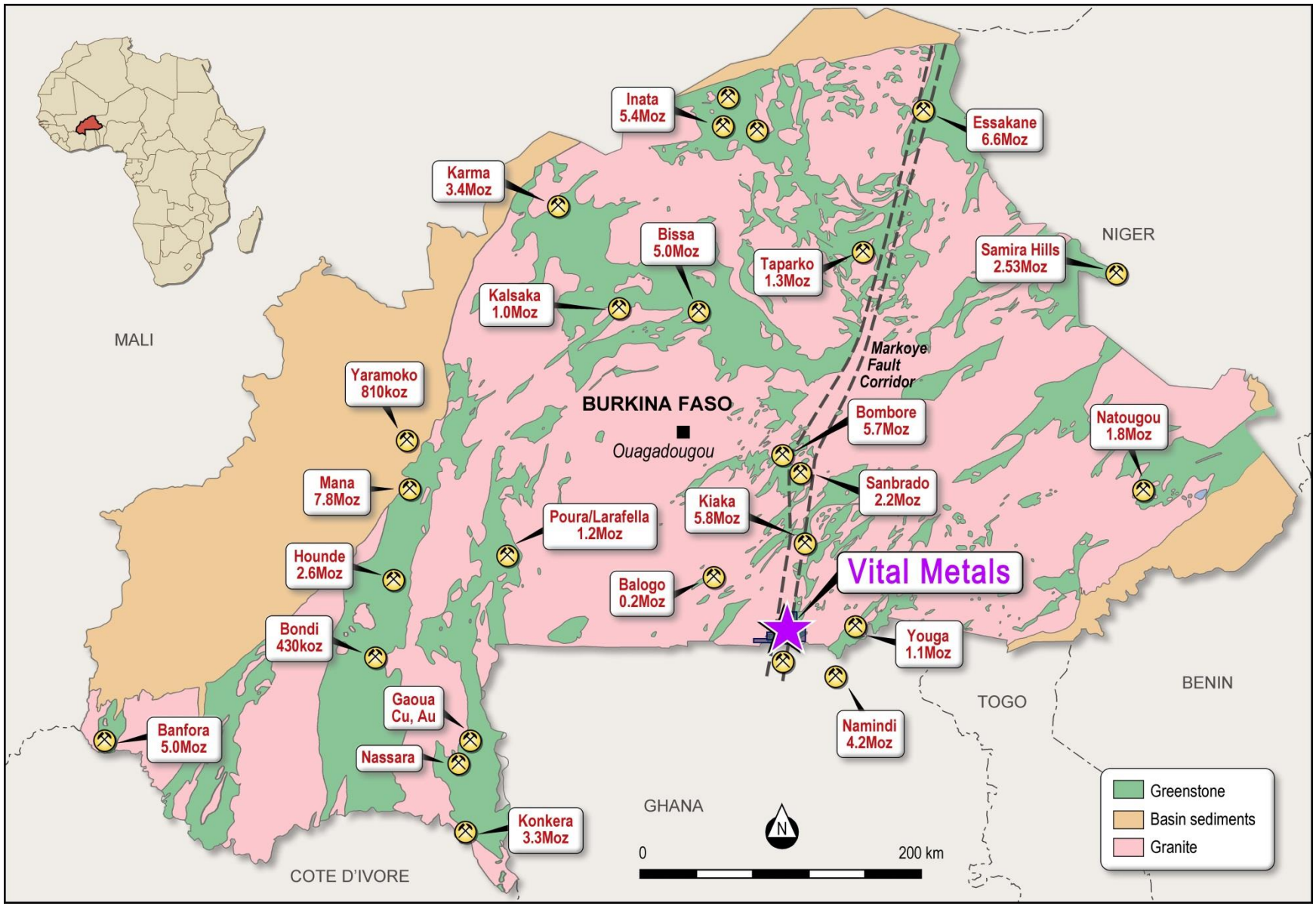
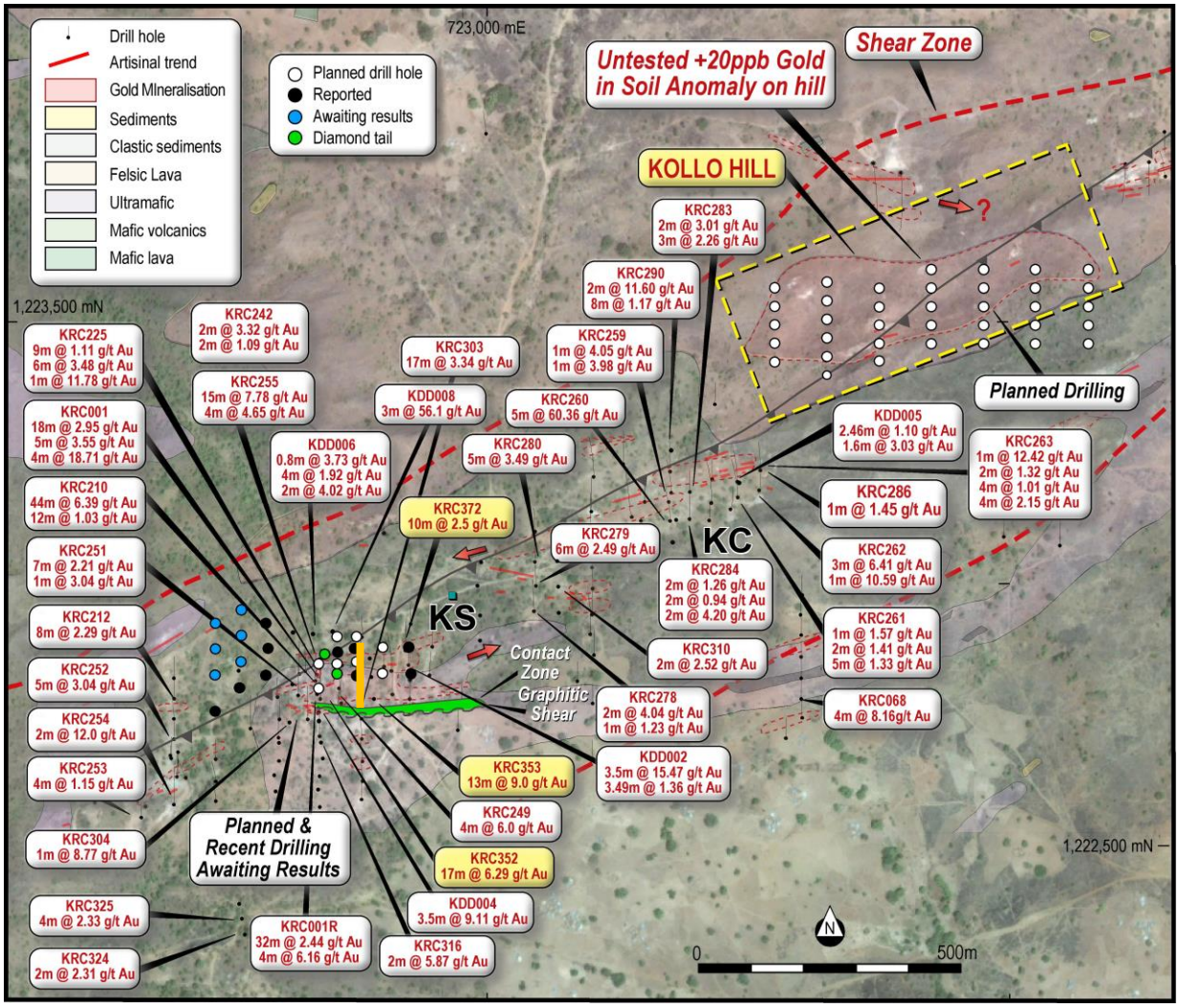


Figure 2: Plan showing new holes and planned drilling[1]



[1] Includes: Results reported previously 22/05/2017, 20/01/2017, 18/04/2016 and 17/12/2013 - The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements. Also includes results reported previously 25/5/2010, 24/3/2011, 9/6/2011, 3/8/2011, 30/1/2012, 20/2/2012, 29/3/2012. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements.

Figure 3: Kollo South – Drill Cross Section

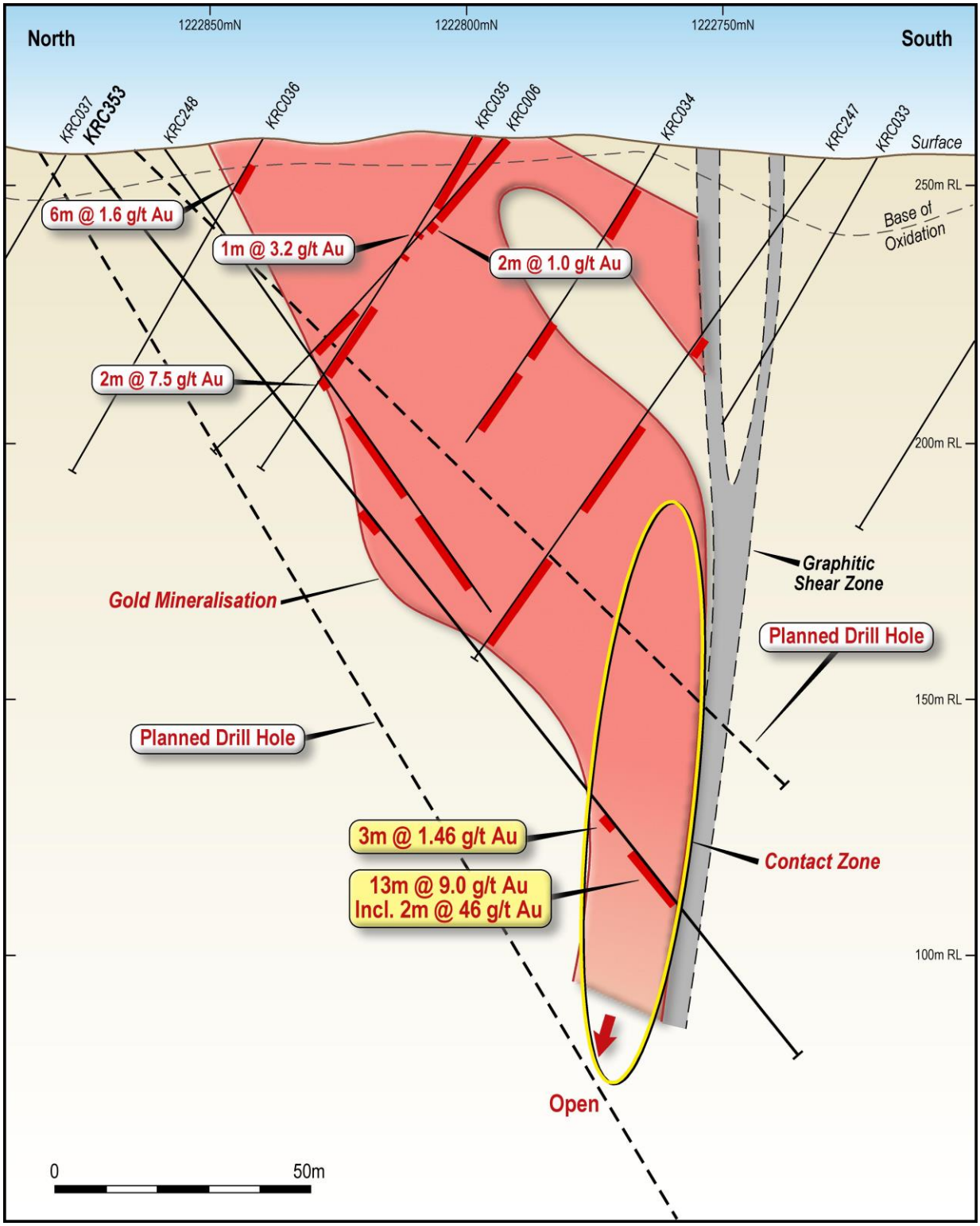


Table 1. Significant Drill Intersections

Hole ID	From	To	Interval	Au g/t	DH TYPE	Easting	Northing	RL	Az	Dip	EOH	Project	Target
KRC353	89	94	5.0	0.5	RC	722,756	1,222,875	257	180	-52	225	Kollo South	Contact
KRC353	165	168	3.0	1.5	RC	722,756	1,222,875	257	180	-52	225	Kollo South	Contact
KRC353	**174**	**187**	**13.0**	**9.0**	**RC**	**722,756**	**1,222,875**	**257**	**180**	**-52**	**225**	**Kollo South**	**Contact**
includes	**177**	**179**	**2.0**	**46.2**	**RC**	**722,756**	**1,222,875**	**257**	**180**	**-52**	**225**	**Kollo South**	**Contact**
KRC366	0	2	2.0	0.7	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	10	15	5.0	0.4	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	16	22	6.0	0.5	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	48	53	5.0	0.6	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	61	62	1.0	0.9	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	86	90	4.0	1.2	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	94	95	1.0	0.5	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	100	101	1.0	1.3	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	116	117	1.0	0.8	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	133	134	1.0	0.6	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC366	142	144	2.0	0.8	RC	722,798	1,222,825	261	180	-55	160	Kollo South	Contact
KRC367			NSI		RC	722,481	1,222,748	251	180	-45	70	Kollo South	KSW
KRC368			NSI		RC	722,525	1,222,796	249	180	-45	70	Kollo South	KSW
KRC369			NSI		RC	722,583	1,222,925	250	180	-45	50	Kollo South	KSW
KRC370			NSI		RC	722,586	1,222,874	252	180	-45	50	Kollo South	KSW
KRC371	24	26	2.0	0.8	RC	722,582	1,222,827	251	180	-45	78	Kollo South	KSW
KRC372	60	68	8.0	0.9	RC	722,794	1,222,884	264	180	-55	115	Kollo South	Contact
KRC372	**71**	**81**	**10.0**	**2.5**	**RC**	**722,794**	**1,222,884**	**264**	**180**	**-55**	**115**	**Kollo South**	**FV/MV**
KRC372	83	84	1.0	1.3	RC	722,794	1,222,884	264	180	-55	115	Kollo South	Contact
KRC372	91	92	1.0	0.5	RC	722,794	1,222,884	264	180	-55	115	Kollo South	Contact
KRC372	98	100	2.0	1.0	RC	722,794	1,222,884	264	180	-55	115	Kollo South	Contact
KRC373			NSI		RC	722,794	1,222,884	264	180	-55	115	Kollo South	Contact
KRC374	4	6	2.0	1.3	RC	722,900	1,222,876	267	180	-55	114	Kollo South	Contact

- All holes are RC
- Sampling is done over 1m intervals within mineralised areas or a 2m composite sample is taken where drilling is taking place within first pass areas.
- Composite intervals selected using a 0.4 g/t Au cut-off, 2m max included waste and no top cut
- Gold assaying was completed at ALS and ACTLABS laboratories in Ouagadougou using 50g fire assay and an atomic absorption spectrometer (AAS) finish
- Notes:
    - KRC366 3m sample loss from 97m near contact, will drill contact zone down dip
    - KRC372 did not reach target depth - to be completed with diamond tail
    - KRC373 intersected graphitic shear – will drill contact zone down dip
    - KRC374 did not reach target depth - to be completed with diamond tail

Section 1: Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *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 (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g 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 mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The Kollo Gold Project is being drilled using Diamond Core Drilling (DD) and Reverse Circulation (RC) drilling. A total program of 12000m is proposed. Holes are angled towards 000° or 180°magnetic to optimally intersect mineralised zones. All RC samples were weighed to determine recoveries. All potentially mineralised zones were then split and sampled at 1m intervals using three-tier riffle splitters. QA/QC procedures were completed as per industry best practice standards (certified blanks and standards and duplicate sampling). Samples were despatched to SMS and ACTLABS in Ouagadougou for sample preparation, where they were crushed, dried and pulverised to produce a sub sample for analysis using a fire assay facility in Ouagadougou where 50g fire assays, AAS finishes and screen fire assays have been conducted.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation "RC" drilling within the exploration area comprises 5 1/8 inch diameter face sampling hammer and hole depths range from 13m to 100m. Diamond drilling comprises HQ diameter core, at holes between 75m and 202m depth.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond core was reconstructed into continuous runs for orientation; marking depths were checked against the depths marked on core blocks. RC recoveries are logged and recorded in the database. Overall recoveries are >75% for the RC; there are no significant sample recovery problems. A technician is always present at the rig to monitor and record recovery. A cyclone and splitter were used to provide a uniform sample and were routinely cleaned. Vital Metals employees managed sampling to ensure correct sampling practices. RC samples were

		visually checked for recovery, moisture and contamination. A booster was used when drilling wet holes, to maintain dry samples each wet hole was purged after a rod change and before the commencement of drilling the next rod. Core recoveries were generally good with 90% average recovery. As the mineralised zone is generally silicified and competent, core loss was not observed to be an issue over the mineralised zones. No significant bias is expected and any potential bias is not considered material.
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 or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Vital Metals uses specifically designed log sheets to capture all geological data. During logging, part of the RC sample is washed, logged and placed into chip trays, which are stored on site. Geotechnical logging was carried out on all diamond drill holes for recovery, RQD and number of defects (per interval). Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure/Geotech table of the database. Logging of diamond core and RC samples recorded lithology, mineralogy, mineralisation, structural (DDH only), weathering, alteration, colour and other features of the samples. Core was photographed in both dry and wet form. All drilling has been logged to a standard that is appropriate for inclusion in any future Mineral Resource estimation or mining studies and metallurgical studies.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core 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 maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• Diamond core sampling intervals were based on lithological or alteration boundary contacts, with a minimum down hole length of 0.2m and maximum of 1.28m. The core was photographed, structurally logged, cut and half core was sent for assay. Sampling of RC holes was completed on 1-metre downhole intervals or as a 2-metre composite sample; bulk samples were taken from the cyclone by Vital Metals field assistants and split through a three-tier Jones riffle splitter to collect 2 6.5kg samples. Every attempt was made to ensure that the splitter that was used was in

	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	good condition, level and that the splitter was cleaned with compressed air after each sample was passed through it to minimise contamination. Every effort was made to ensure that samples were sampled dry. Field QAQC procedures included the insertion of field duplicates and commercial standards. Field duplicates were inserted at 15m intervals or where mineralisation was anticipated and Standards were inserted at 30m intervals. Approximately 1:15 RC field duplicates were taken from 1m riffle split samples at the rig. Sample sizes are considered to be appropriate to accurately represent the gold mineralisation at Kollo based on the intersections, the sampling methodologies, observed gold particle size and assay values.
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 geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying was completed at SGS and ACTLABS laboratories in Ouagadougou using 50g fire assay and an atomic absorption spectrometer (AAS) finish which is considered a near total assaying technique if completed properly. This method is appropriate and returns accurate and precise values for gold. Field QAQC procedures included the insertion of field duplicates and commercial standards. The laboratory inserted feldspar flushes, standards, repeats and duplicates. Repeat or duplicate analysis for samples shows that the precision of samples is within acceptable limits.
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.*	• Several independent personnel visually verified intersections in diamond core and RC chips as well as trenches and outcrops. Primary data was collected using a set of company standard Excel templates on Toughbook laptop computers using lookup codes. The geo-information was validated on-site by the Company's database technicians and then validated and merged into a final database by the company's database manager. There has not been any adjustment to assay data
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine*	• Drill hole collar locations as reported have been picked-up using a Garmin GPS. Final locations will come from a pickup by a surveyor using a total

	workings and other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	station. Base stations have been set up on site based on the Trigonometrical point outside of town of Po. Downhole surveying was completed by the drilling contractor using a Reflex EZ-shot Downhole Survey instrument. All drill holes have been located using UTM grid WGS84 Z30N. Topographic control has been gained with the use of ASTER data on 50m centres. Spot heights have been measured by surveyors in areas with moderate to high relief.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Further drilling is required to test zones of gold anomalism along the Kollo trend with areas remaining untested due to hilly terrain. Areas where drilling has been conducted drill hole fences are generally spaced on 80m centres however there are a number of infill holes on sections which reduce the across strike distance between holes to 40m. There appears to be reasonable geological and grade continuity between sections however further drilling is required to enable support for the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. There has been no compositing of samples with samples reported as a weighted average across zones of mineralisation.
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 the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill sections are approximately orientated North to South with respect to grid North. This orientation allows for the delineation of East-West structures internal to the shear zone as well as the overall ENE-WSW trend. Holes are drilled at -65° to -50° with a lift and westerly deviation generally observed in downhole surveys. Diamond drilling observations confirm that mineralisation intersects drilling at angles between 45-70° to core axis.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by Vital. Samples are stored on site and delivered by Vital personnel to SGS and ACTLABS Ouagadougou for sample preparation. Whilst in storage, they remain under guard in a locked yard. Tracking sheets are used track the progress of batches of samples

Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Vital personnel and consultants have completed numerous site visits and data reviews since acquiring the project. No material issues have been noted.

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 the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Kollo gold project is located on the Doulnia exploration permit, which is one of Vital's three contiguous exploration tenements (Doulnia, Kampala and Zeko). The permits are held by Vital Metals Burkina SARL (a wholly owned subsidiary of Vital Metals). The combined area of the permits covers over 400km2 and give the holder the right to explore for gold. Annual licence fees have been paid up to date with the Burkinabe authorities. The current Mining Code provides free state equity participation of 10 per cent in all companies on the delivery to the company of an industrial exploitation permit for a large-scale mine. This state equity participation is free and non-dilutable. The Doulnia Permit is subject to a 2.25% net smelter royalty with Ampella Mining Burkina SARL. The Mining Code also provides for payment of a gross production royalty ranging from 3% (<US$1000), 4% ($1000-1300) and 5% (>$1300).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• There was a high level of zinc exploration conducted over the area in the mid 1990's to the mid 2000's. A number of drill holes in the immediate vicinity of the Kollo Gold Project were drilled for Zinc by Anmercosa. A number of trenches were completed by Ampella Mining SARL in 2008-2009.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Vital's Kollo Project sits within the Markoye Structural Corridor that is host to several world class gold deposits, including at least two recent major gold discoveries (Cardinal Resources' Namdini Project in Ghana and West African Resources' Tanlouka Project). The

		geometry of mineralized structures, with significant dilation along steep east-west veins, is consistent with dextral movement along the ENE trending Kollo Shear Corridor. The main rock types observed in diamond core from Kollo are; fine grained moderately to strongly foliated, variably sheared mafic to intermediate intrusive, and; a mixed deformed unit consisting of strongly foliated schist and ductile tectonic breccia. Fe-carbonate, pyrite and strong silica alteration are associated with gold mineralization and hosted in zones of brittle deformation which overprint the sheared intrusive.
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* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole 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.*	• Intercepts that form the basis of this announcement are detailed in a table within the body of this announcement and incorporate Hole ID, Easting, Northing, Dip, Azimuth, Depth and Assay data for mineralised intervals. Appropriate maps and plans also accompany this announcement.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Mineralised weighted average intercepts were calculated using a 0.35 g/t gold cut-off grade and maximum of 1.0m internal dilution. Higher grade intercepts will typically be reported in addition to the overall intercept i.e. 15m @ 7.78g/t from 105m (inc 1m @ 59.76/t from 115m).
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.*	• Drill hole angles of -60 and -55 to grid North are adequate for the mineralisation intercepted.

widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Diamond drilling observations confirm that mineralisation intersects drilling at angles between 45-70° to core axis. All exploration drilling results to date have been reported as down hole lengths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to diagrams in text
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.*	• All grades, high and low, are reported accurately with "from" and "to" depths and "hole identification" shown.
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 test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Gold recoveries of >95% Au were obtained from preliminary metallurgical testwork conducted in 2012. These tests confirm that the majority of the gold is free milling and can be recovered using a conventional CIL cyanidation process. The Testwork was conducted on three composite samples created from RC drilling intervals at Kollo South and Kollo Central taken from depths ranging from 70m to 125m. The metallurgical work was undertaken by NAGROM in Australia with confirmatory gold assays undertaken by Ultratrace. No attempt was made in these tests to determine the optimum cyanide dosing rates and this work remains to be completed at a later date. This work has confirmed that that the mineralisation is neither preg-robbing nor refractory and provides a solid foundation to any future project studies.
Further work	• *The nature and scale of planned further work (eg tests 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 infill drilling is planned and is ongoing. A figure showing proposed work programs is included in the body of this report.

ABOUT VITAL METALS

Vital Metals Limited (**ASX: VML**) is an explorer and developer , focused on progressing three highly prospective mineral Projects: the Watershed Tungsten Project in far north Queensland, Australia, the Aue Tungsten Project in Saxony, Germany and the Doulnia Gold Project in southern Burkina Faso, West Africa.

Watershed Tungsten Project – Queensland

The Watershed scheelite (calcium tungstate) Project, in far north Queensland, 150 kilometres north-west of Cairns, is the Company's flagship venture. The Watershed Tungsten Project is a development-ready project that has a completed Definitive Feasibility Study (DFS), is fully permitted and has all landowner and Indigenous agreements in place.

Aue Tungsten Project – Germany

The Aue Tungsten 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, being surrounded by several world class mineral fields. Historical mining and intensive exploration work carried out between from the 1940's and 1980's showed high prospectivity of the Aue permit area for tungsten, tin, uranium and silver mineralisation.

Doulnia Gold Project – Burkina Faso

The Doulnia Gold Project (100% Vital) is located in southern Burkina Faso. The Project is made up of three contiguous permits; the Doulnia, 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 and hosting the Kollo Gold Project and Boungou South Gold Prospect.

Vital Metals Limited

ASX Code: VML

ACN: 112 032 596

Suite 1, 91 Hay Street,
Subiaco, WA 6008

T: +61 8 9388 7742
F: +61 8 9388 0804
E: vital@vitalmetals.com.au

www.vitalmetals.com.au

Board & Management

David Macoboy
Chairman

Mark Strizek
CEO and Managing Director

Peter Cordin
Non-Executive Director

Francis Harper
Non-Executive Director

Andrew Simpson
Non-Executive Director

Ian Hobson
Company Secretary

Capital Structure

1,055.7 million shares

255.2 million unlisted options