

Elizabeth Harris  
Principal Adviser  
ASX Compliance Pty Ltd  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

By e-mail: [elizabeth.harris@asx.com.au](mailto:elizabeth.harris@asx.com.au)

Dear Elizabeth,

**RE: Response to ASX Price & Volume Query**

Vital Metals Limited (ASX: VML) (**Vital Metals** or the **Company**) refers to your Price and Volume Query letter dated 11 January 2018 and provides the following responses:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company notes the following:
  - a. On 7 December 2017 Vital Metals announced it had commenced a 3,000m maiden RC drill program at the Bella Tondi prospect in Niger where significant hard rock artisanal mining over a strike length of +1.5km and up to 20,000 artisanal miners had been working.
  - b. Vital Metals has a 100% interest in the development-ready Watershed Tungsten Project in Queensland which benefits from a completed Definitive Feasibility Study and is fully permitted.
  - c. The tungsten price in Australian Dollars is at near decade highs which may be viewed on the Company's website ([www.vitalmetals.com.au](http://www.vitalmetals.com.au)).
4. The Company confirms it is in compliance with the listing rules and, in particular, listing rule 3.1.
5. The Company confirms that the Company's response has been authorised and approved by officers of the Company that have delegated authority from the Board to respond to ASX disclosure matters.

Yours faithfully,

Mark Strizek  
Managing Director  
Vital Metals Ltd

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## ABOUT VITAL METALS

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

### 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 development-ready having a completed Definitive Feasibility Study (DFS), is fully permitted and has all landowner and Indigenous agreements in place.

### 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.

### Bouli Gold Project – Niger

The Bouli Gold Project is a portfolio of three highly prospective gold permits in Niger, West Africa covering 4,289km<sup>2</sup> held by a subsidiary of SUMMA (a private Turkish company). Vital is working to earn interest in the project via the funding of an exploration work program.

### 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 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, cobalt, uranium and silver mineralisation.

#### Vital Metals Limited

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[www.vitalmetals.com.au](http://www.vitalmetals.com.au)

#### Board & Management

David Macoboy  
Chairman

Mark Strizek  
CEO and Managing Director

Peter Cordin  
Non-Executive Director

Andrew Simpson  
Non-Executive Director

Francis Harper  
Non-Executive Director

Matt Foy  
Company Secretary

#### Capital Structure

1,320 million shares

231 million unlisted options

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11 January 2018

Mr Matthew Foy  
Company secretary  
Vital Metals Limited  
Suite 1, 91 Hay Street  
Subiaco  
WA 6008

Dear Mr Foy

**Vital Metals Limited (“VML”): Price Query**

We note a change in the price of VML’s securities from a closing price of \$0.007 on Wednesday 27 December 2017 to a closing price today of \$0.014.

We also note an increase in the trading volume of VML’s securities today to a level that is significantly above the average trading volume on days when VML’s securities are traded.

In light of this, ASX asks VML to respond separately to each of the following questions and requests for information:

1. Is VML aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
  - a) Is VML relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in VML’s securities would suggest to ASX that such information may have ceased to be confidential and therefore VML may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
  - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
  - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that VML may have for the recent trading in its securities?
4. Please confirm that VML is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that VML's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VML with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **6:30 AM AWST** tomorrow **Friday 12 January 2018**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, VML's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me at [TradingHaltsPerth@asx.com.au](mailto:TradingHaltsPerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to VML's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that VML's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Elizabeth Harris  
**Principal Adviser, Listings Compliance (Perth)**