

VITAL TO INITIATE COBALT EXPLORATION AT AUE PROJECT, GERMANY

HIGHLIGHTS

- Vital Metals to initiate cobalt exploration at its 100% owned Aue project in Saxony, Germany
- Permit is located in an area of important historic cobalt production, neighbouring the Schneeberg Mine which is estimated to have produced over 12,000 tonnes of cobalt ore
- 5 small-scale historic mines on Aue with biconi veins of the type mined at Schneeberg which produced high-grade ore of between 1% and 3% contained cobalt
- Previous East German exploration focused on uranium and tungsten and the permit has not been explored for cobalt using modern exploration techniques

Vital Metals Limited (ASX: VML) is pleased to announce it will initiate exploration at its Aue permit in Saxony, Germany, with a program of field mapping and geochemical sampling.

The Aue project is in the Erzgebirge region of Germany. The area has a rich history of cobalt production with mining occurring from the 16th century through to the late 1930s.

Cobalt production came firstly as a by-product from silver mining and later in dedicated mining operations. The mines fed the numerous cobalt blue factories in the area producing blue porcelain and glass.

One of the better known historic mines was Schneeberg, located 4km north-northwest of the Aue permit. Historical production is estimated 12,000 tonnes of cobalt and nickel metal from mainly hand-picked ore. This ore is believed to grade between 1% to 3% cobalt won from biconi (Ag-U) veins containing cobalt and nickel arsenides (skutterudite, rammelsbergite) and native bismuth.

Government geological maps and mining records show that there were at least 5 historic mines on Vital's Aue permit where mining took place on biconi veins of the type mined at Schneeberg during this period.

Vital acquired the project in 2015 for its tungsten prospectivity, which was mined in Zschorlau in the western part of the permit area from quartz-wolframite veins between 1917 and 1959.

Previous East German exploration at Aue was focused on uranium and tungsten, and the permit has not been explored for cobalt using modern exploration techniques.

Vital Metals Managing Director Mark Strizek said the Company was keen to take a closer look at the cobalt potential at Aue.

"The permit is right in the heart of Europe's technology and manufacturing centre. We are seeing incredibly strong demand that shows no sign of slowing and the Government is very supportive of the development of these technology metals. After reviewing the data we have on Aue, we are confident that using modern exploration techniques we can unlock its potential as a cobalt play, and we are looking forward to accelerating our efforts there." he said.

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Competent Person's Statement

The 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 of 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 undertaken 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.

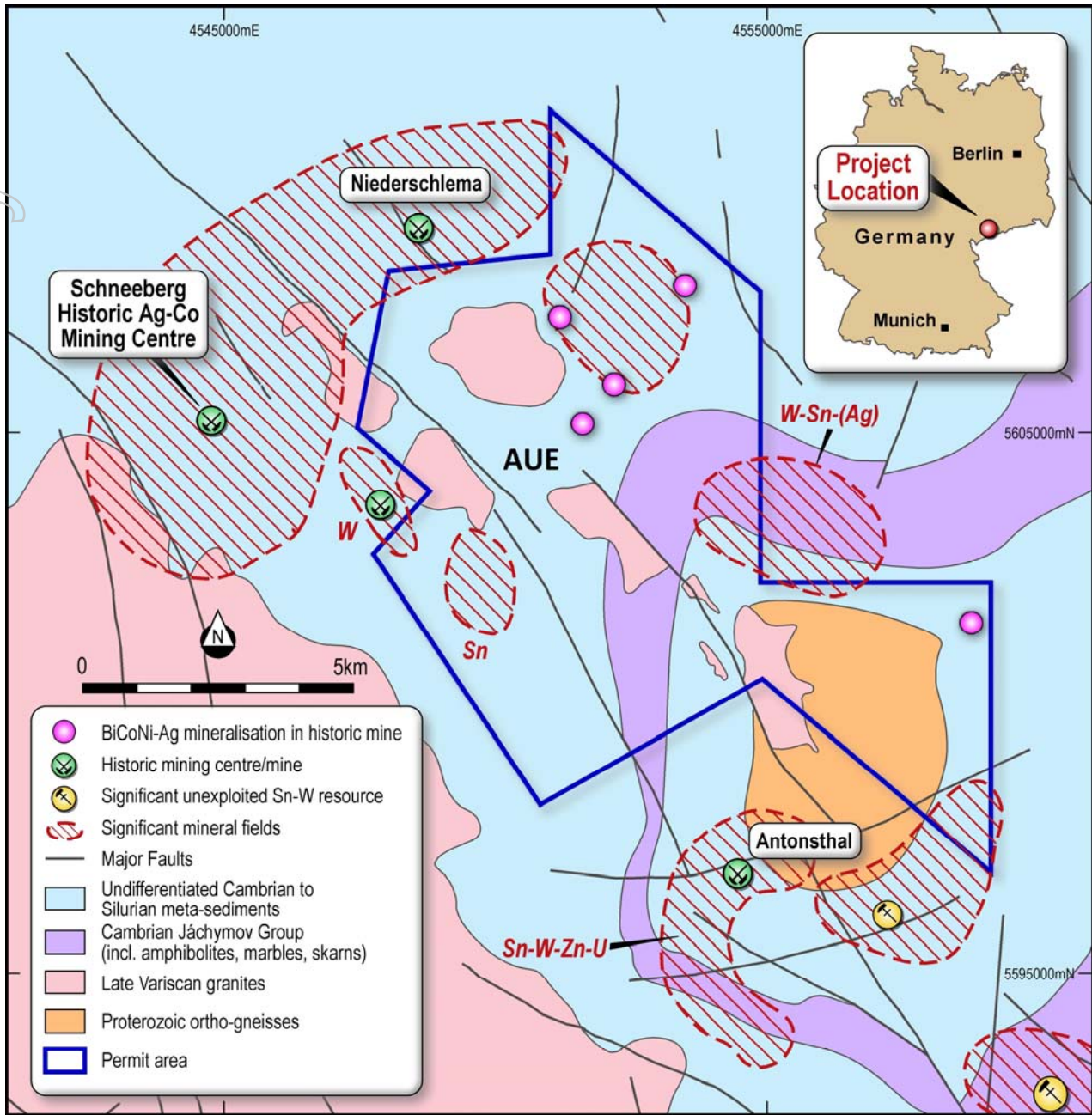
Forward-looking statements include, among other things, statements regarding targets, estimates and assumptions in respect of tungsten, gold or other metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery 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.

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Figure 1: Project Location Plan



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ABOUT VITAL METALS

Vital Metals Limited (**ASX:VML**) is an explorer and developer holding a portfolio of technology metals, gold and base metals. Our projects range from shovel ready development to advanced exploration across a range of jurisdictions in Australia, West Africa and 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 a development-ready project that has 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 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.

Bouli Gold Project – Niger

The Bouli Gold Project is a portfolio of three highly prospective gold permits in Niger, West Africa covering 4,289km² 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 Technology Metals Project – Germany

The Aue Technology Metals 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, cobalt and silver mineralisation.

Vital Metals Limited

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Board & Management

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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