

14 September 2010

ASX announcement

Vital Metals Identifies New Gold Targets at Doulnia

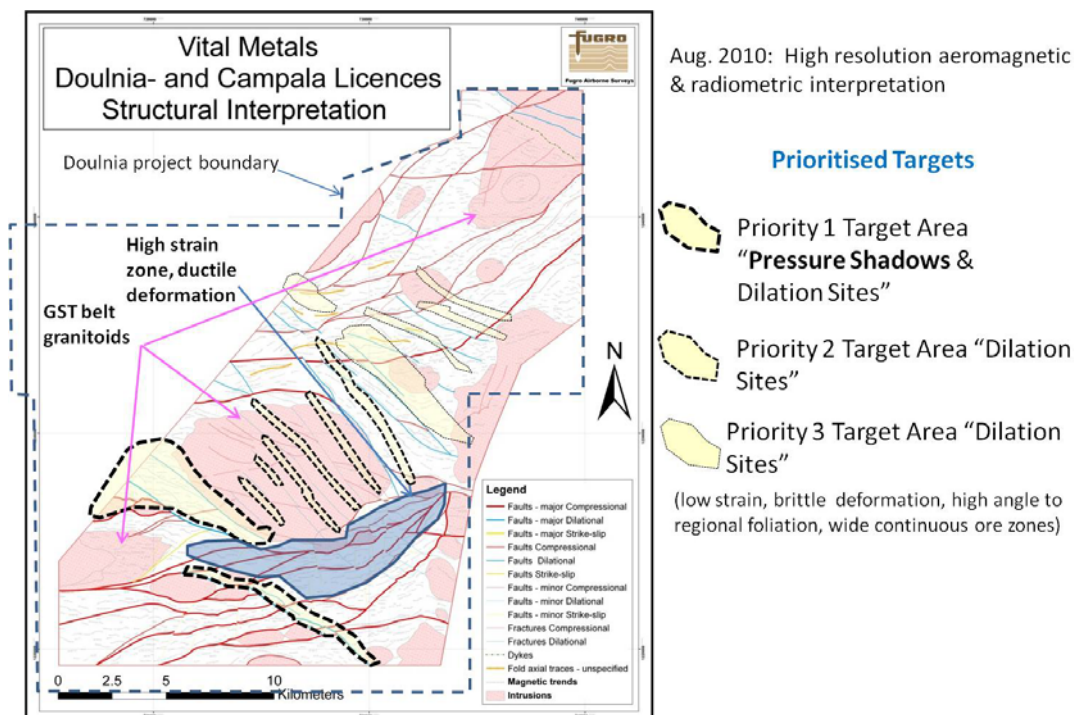
Highlights:

- High resolution aeromagnetic survey provides detailed structural interpretation
- Definition of priority “Pressure Shadow” and “Dilation Site” Drill targets
- New soil sampling results
- Hyperspectral mineral alteration mapping underway
- Explanatory presentation released to ASX & www.vitalmetals.com.au

In August, Vital Metals (ASX code VML) engaged Fugro Airborne Services to interpret the recently completed high resolution aeromagnetic and radiometric survey of its Doulnia gold project in Burkina Faso, West Africa.

Fugro’s structural interpretation provides:

- A detailed local structural architecture and explanatory synopsis for the project;
- Several new highly prospective “Pressure Shadow” and “Dilation Site” target areas for drill testing in November.
- An increase in our belief of the gold prospectivity of the Doulnia project area.



Fugro structural interpretation of high resolution aeromagnetic and radiometric survey of Doulnia Project Area & prioritised target areas.

Fugro's structural interpretation and explanatory synopsis identified that the syn-orogenic (internal) Tiebele Granite is bounded on the north and south sides by (sinistral) shear zones that likely provide linkages to the Tenkedogo and Bole shear zones which host the nearby Kiaka and Youga gold deposits, respectively. Fugro's interpretation has provided the following new gold targeting strategy:

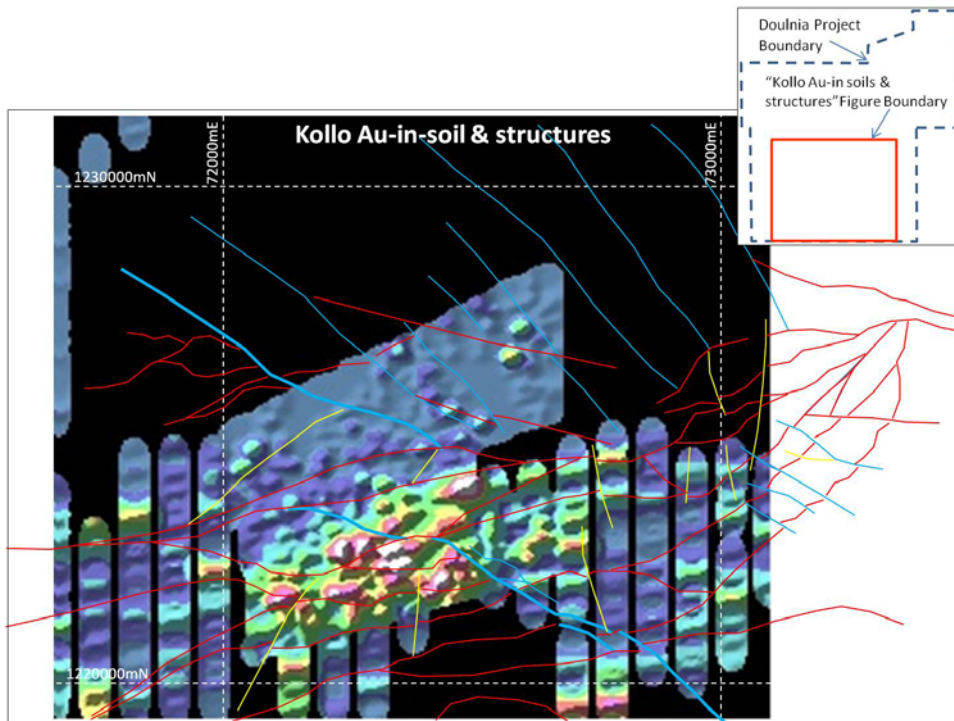
Priority 1 Targets: "Pressure Shadow" area adjacent to the western margin of the Tiebele Granite. Similar, Pressure Shadow-hosted, multi-million ounce gold deposits include Kanowna Belle, Sigma La Marque and Nogbele / Banfora. The Pressure Shadow area, an interpreted low-strain zone, is transected by two NW-trending interpreted dilation structures, over 7.5km in length.

About 2.5km south, a similar style of pressure shadowing around internal granite bodies accompanied by around 9km of NW trending interpreted dilation, is coincident with anomalous gold-in soil results (see below) and high grade (eg. 30m @ 3.60g/t Au, 4m @ 18g/t Au) Phase 1 drill intersections. Of significance is the placement of the highly encouraging early results within a district-scale context allowing for the identification of new areas of high prospectivity.

Priority 2 Targets: A number of NW-trending interpreted dilation structures within and on the contact of the Tiebele Granite. ASTER satellite imagery indicates a number of these structures are enveloped by strong alteration. Hyperspectral alteration mapping is underway which will provide a quantum leap in our understanding of the au-critical alteration signature of Doulnia. Dilation structures between two bounding shear zones within a granitoid (similar to Tiebele) host a sizable proportion of resource of the Nogbele / Banfora gold deposit elsewhere in Burkina Faso.

Priority 3 Targets: Interpreted NW-trending dilation structures between the bounding shear zones extend into the greenstone belt to the NE of the Tiebele Granite. Previous exploration has identified a corridor of NW-trending deformation and EM conductors on the NE margin of the Tiebele Granite which warrants further investigation.

Soil sampling at Doulnia continues during the current wet season. It is anticipated that first pass (800m x 50m) soil sampling of the entire greenstone belt will be complete by the end of the wet, in November. Results to date confirm the highly anomalous nature of the Doulnia greenstone belt and structures. Of significance is an interpreted regional NW trending dilation structure transecting a significant area of gold-in soil anomalism, the subject of our Phase 1 Drill programme.



Kollo Au-in-soil results overlain on major structures.
 (yellow: 49-112 ppb Au; red: 113-199ppb Au; white: >200ppbAu)

Vital Metals is a technical focused, West African gold exploration company. Our gold mineralisation interpretation of the Doulnia project area is continually improving as results come to hand. The interpretation released today provides a solid foundation for our ongoing exploration, including our Phase 2 drill programme due to commence in November.

Competent Person Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Howard W. Carr (CEO,MD), an employee of the Company. Dr Carr is a member of the Australian Institute of Geoscientists (AIG) and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Carr consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

-ENDS-

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