

ASX / Media Announcement 9 June 2011

MORE POSITIVE RESULTS FROM DOULNIA DRILLING

- **Encouraging gold assay results continue to be intersected at Vital Metals' Doulnia Gold Project in Burkina Faso, West Africa**
 - **Significant intercepts include:**
 - **4m at 8.16 g/t gold from 68m (KRC068)**
 - **5m at 6.34 g/t gold from 80m (KRC082)**
- **12,000-metre, phase 2 program some 50% complete**
- **Vital on track to meet the first Joint Venture farm-in milestone with Ampella Mining (AUD 1.5M for 60%)**
- **Second RC rig secured to allow exploration of identified targets through wet season.**

West African gold explorer and tungsten developer (Queensland), **Vital Metals Ltd** (Vital) (ASX: VML) and Farm In Partner Ampella Mining Limited (ASX: AMX) are pleased to provide an update on exploration progress at the Doulnia Gold Project in Burkina Faso.

Exploration Results

Since the last update on 24 March 2011 which reported drill results from 66 holes in the Phase 2, 12,000m drilling program currently underway; an additional 30 holes have been drilled from which assay results from four-meter composites have now been received.

Chairman, David Macoboy said the latest results continue to confirm the Doulnia Project's gold prospectivity.

"We are committed to progressing exploration activities at the Doulnia Project. Each batch of results adds to our understanding of the local geology, and increases our confidence in the prospectivity of the Project."

Significant intervals from latest assay results include:

- 4m at 8.16 g/t gold from 68m (KRC068)
- 5m at 6.34 g/t gold from 80m (KRC082)



A full listing of assay results, including these significant intercepts is presented in Table 1.

As the phase 2 round of drilling reaches the halfway stage, the Kollo prospect has been tested on a more regional scale, leading to an increased geological understanding of the area (Figures 3 and 4).

“Our geologists have identified that gold mineralisation at Kollo is largely hosted within quartz feldspar porphyry, and we are currently reviewing all assay results, geology logging and field mapping with the aim of refining the exploration model for the remaining drilling. That will focus on the most prospective soil anomalies that are associated with felsic litho types,” Mr Macoboy said.

“Vital’s confidence in the gold prospectivity of the Kollo prospect is further supported by a significant increase in artisanal mining in the immediate vicinity of the prospect.

“While artisanal mining does pose some management challenges in the field, it provides first hand evidence on the prospectivity of the area.”

Farm-in Milestone

Vital is on track to meet the first farm-in milestone, with a spend of AUD1.5M to secure a 60% interest in the Doulunia Gold Project Joint Venture with Ampella. This significant milestone is expected to be reached in the current quarter. Vital has the option to earn a 70% interest in the Joint Venture through spending AUD3.5M; while sole funding a Project Bankable Feasibility Study will earn Vital an 80% interest in the Project.

Second RC Rig

Vital has secured the services of a second RC Rig, which will be on-site in June. This rig will provide Vital with a significant operational upgrade for the field programs. A number of priority drill targets identified from the soil-sampling program remain un-drilled. The second RC Rig will allow testing of all of these targets and provide the necessary infrastructure to drill through the wet season.

ENDS

Competent Person’s Statement

The information in this announcement that relates to exploration results is based on information compiled by Ms Libby Colgan, who is a Member of the Australasian Institute of Geoscientists. Ms Colgan is an independent consultant and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Ms Colgan consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

About Vital Metals

Vital Metals Ltd is an Australian-based mineral exploration and development company focused on progressing two highly prospective mineral projects: The Doulunia Gold Project in southern Burkina Faso, West Africa and the advanced Watershed Tungsten Project in far north Queensland, Australia.



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. Vital has entered into a formal Earn-In Agreement with JOGMEC (Japan Oil, Gas and Metals National Corporation) where JOGMEC can earn 30% of the Project for \$5.4M over 2 years. The funds will be used to complete a BFS (Bankable Feasibility Study). The Company has also been progressing environmental approvals for Watershed, which is being assessed under the EIS process.

Doulnia Gold Project – Burkina Faso

In November 2009, Vital entered into a farm-in agreement with Ampella Mining Ltd to earn up to 80% of the Doulnia Gold Project in southern Burkina Faso, West Africa. Vital has completed a comprehensive review of previous exploration and the regional to local geophysical, structural, geological and geochemical attributes of the Project. The Phase 1 drill programme confirmed the highly prospective nature of the project in general and the Kollo Prospect in particular and the current Phase 2 programme is expanding that potential. Vital has also applied for two exploration tenements (100%) adjacent to the farm-in area.

Project Locations



For further details, refer to the company's website, www.vitalmetals.com.au:

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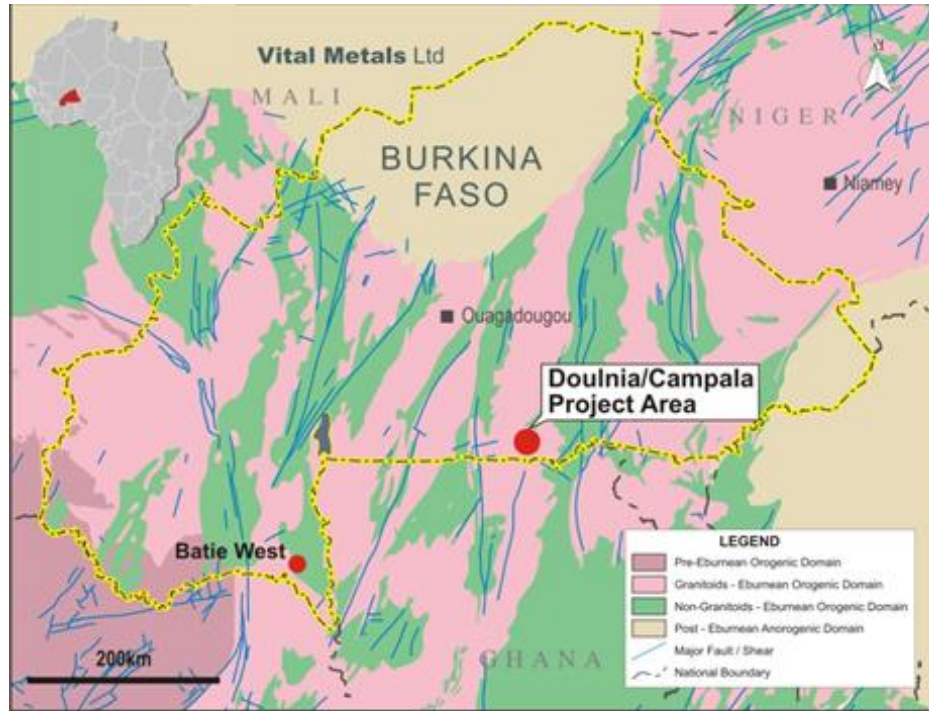


Figure 1 - Doulnia/Campala Project - Location Plan

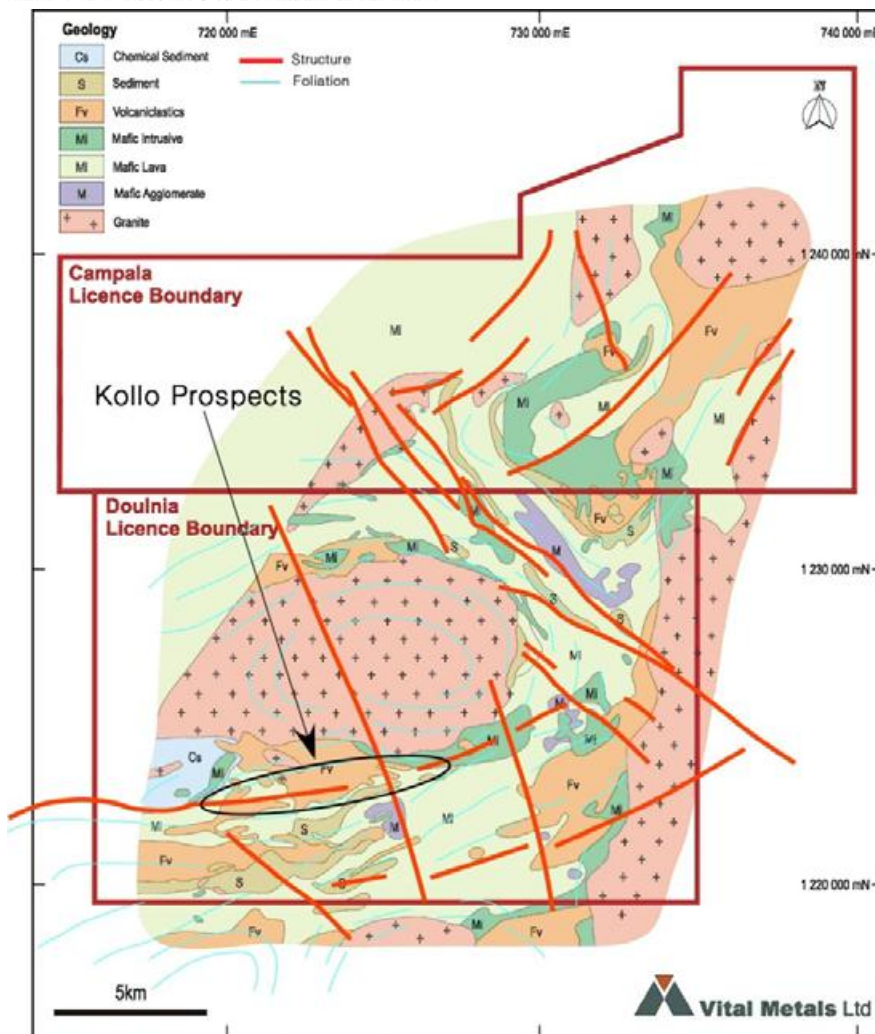


Figure 2 - Doulnia/Campala Project - Geological Setting



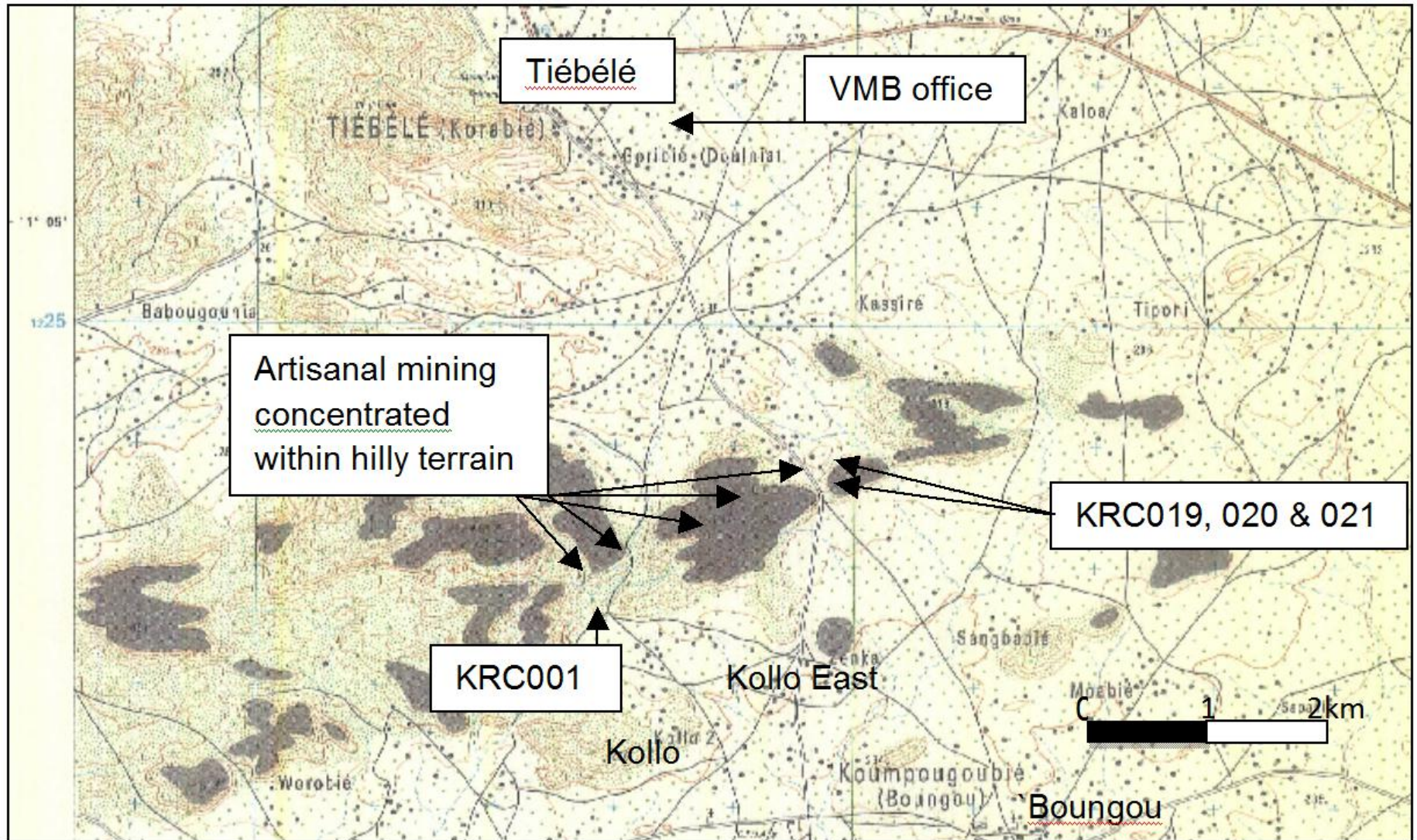


Figure 3 – Map showing the Kollo prospects, Vital field office and selected drill collar locations

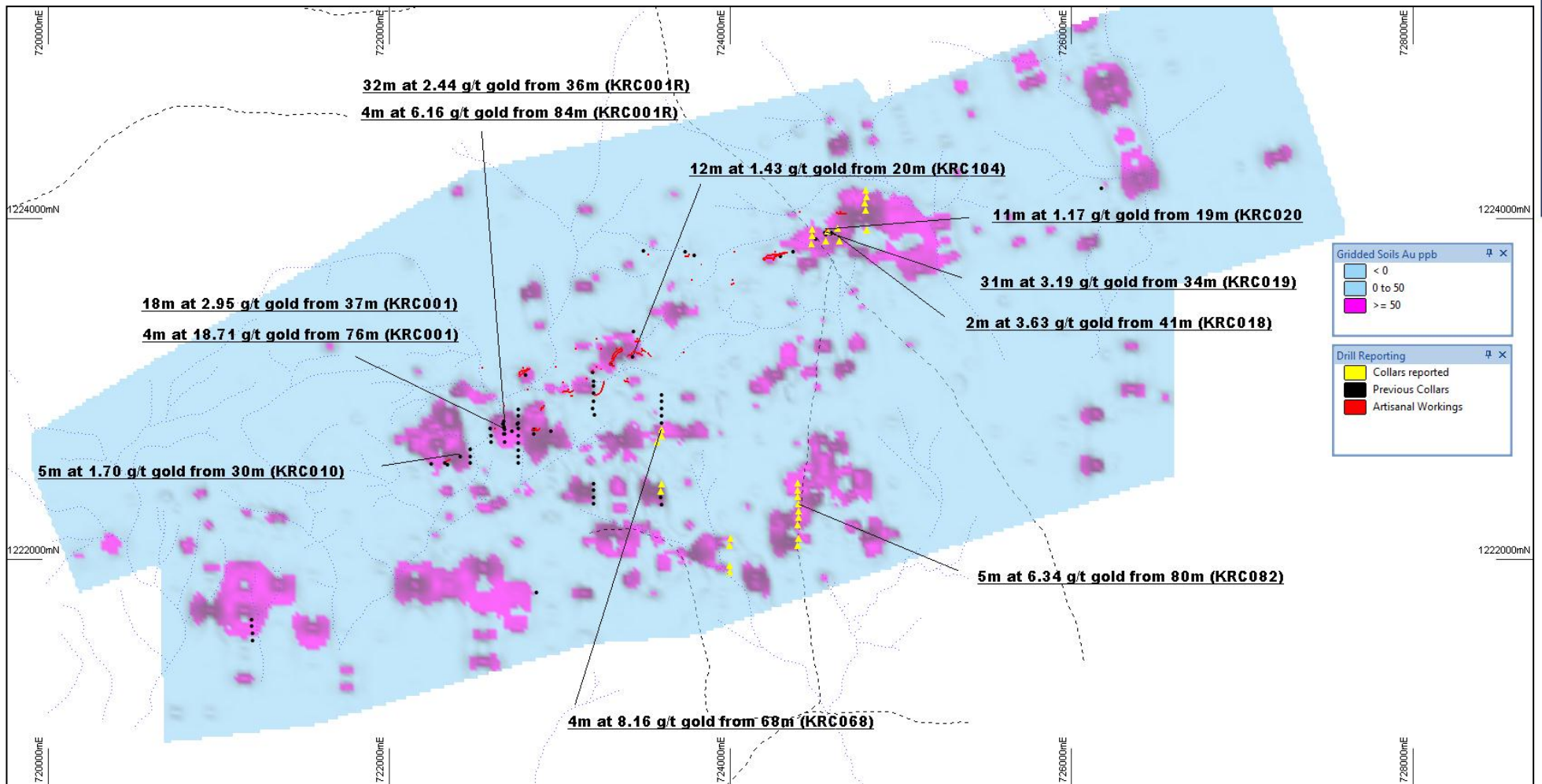


Figure 4 – Map showing significant RC intercepts from the Kollo prospect with gridded soils and artisanal workings as background

Table 1: Gold Assays for Exploration Drilling at Kollo project

Hole ID	East UTM WGS84	North UTM WGS84	Depth (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade (g/t Au)
KRC065	723,597	1,222,399	75	0	-60	NSI			
KRC066	723,600	1,222,438	79	0	-60	NSI			
KRC067	723,571	1,222,682	79	0	-60	52	56	4	1.08
KRC068	723,602	1,222,722	75	0	-60	12	16	4	0.39
						68	72	4	8.16
						NSI			
KRC069	723,600	1,222,759	75	0	-60	NSI			
KRC075	724,001	1,222,120	75	0	-60	NSI			
KRC076	724,000	1,222,080	75	0	-60	NSI			
KRC077	723,996	1,221,962	75	0	-60	NSI			
KRC078	723,997	1,221,926	75	0	-60	NSI			
KRC080	724,399	1,222,444	75	0	-60	68	72	4	0.34
KRC081	724,400	1,222,402	75	0	-60	NSI			
KRC082	724,400	1,222,281	85	0	-60	56	60	4	0.31
						80	85	5	6.34
KRC083	724,400	1,222,241	75	0	-60	NSI			
KRC084	724,400	1,222,202	75	0	-60	NSI			
KRC085	724,401	1,222,120	85	0	-60	NSI			
KRC086	724,398	1,222,081	75	0	-60	NSI			
KRC087	724,561	1,223,863	130	0	-60	36	40	4	0.36
						52	56	4	0.23
						64	76	12	0.84
KRC088	724,478	1,223,847	79	0	-60	24	36	12	0.71
KRC089	724,482	1,223,898	75	0	-60	12	20	8	0.85
						28	32	4	1.61
						52	75	19	0.59
KRC090	724,481	1,223,936	75	0	-60	36	40	4	0.36
KRC091	724,574	1,223,922	75	0	-60	16	24	8	1.18
						40	44	4	0.24
						64	72	8	0.93



Hole ID	East UTM WGS84	North UTM WGS84	Depth (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade (g/t Au)
KRC092	724,632	1,223,940	85	0	-60	8	12	4	0.27
KRC094	724,644	1,223,864	85	0	-60	NSI			
KRC095	724,801	1,223,927	91	0	-60	12	20	8	2.81
						24	28	4	0.21
						32	36	4	0.28
						40	44	4	0.21
KRC097	724,796	1,224,045	85	0	-60	NSI			
KRC098	724,793	1,224,088	75	0	-60	NSI			
KRC099	724,802	1,224,124	75	0	-60	NSI			
KRC100	724,798	1,224,162	85	0	-60	NSI			
KRC114	724,400	1,222,322	85	0	-60	NSI			
KRC115	724,399	1,222,364	75	0	-60	NSI			

NSI = No Significant Intercept

Table 1 shows the complete list of mineralised gold intercepts from 4m sample composites.

Mineralised intercepts have been generated by applying a nominal 0.2 g/t Au lower cut-off grade.

Results reported are for drilling and assaying completed since 24 March 2011 and received and validated prior to date of this release.

The RC chips were assayed by Fire Assay at BIGS Global Laboratories in Ouagadougou using a 50g charge.

Vital inserted QA/QC reference material samples (blanks and gold standards) at regular intervals of not less than one in 20 for all batches of samples.