

**ASX / Media Announcement
16 November 2011**

**VITAL METALS TO START NEW 6000m GOLD
EXPLORATION DRILLING PROGRAM IN BURKINA FASO**

Highlights

- 6000m reverse circulation (RC) drilling program to start in Burkina Faso
- A drilling program over the Kollo gold prospect to test and extend the known limits of gold mineralisation with the aim of defining a maiden resource
- A first pass exploration drill program is also scheduled over the Boungou South prospect to test a 1.2km gold soil anomaly
- Vital's new country manager is on site directing exploration activities

Vital Metals Ltd (Vital) (ASX: VML) is pleased to announce that an RC rig will be starting next week to begin work on a new 6000m RC drilling program.

The rig will be drilling at the Doulnia tenement (Vital 60%, Ampella 40%) in which Vital has the potential to earn an 80% interest from joint venture partner Ampella Mining Ltd.

The drill program has two aims; to extend the known limits of gold mineralisation at the Kollo prospect with the goal of defining a resource, and to test a 1.2km gold-in-soil anomaly at the Boungou South prospect, which is located to the south east of Kollo. The drilling will start at Kollo which has previously reported notable gold intercepts such as:

- 18m at 2.95 g/t gold from 37m from KRC001 ¹
- 31m at 3.19 g/t gold from 34m from KRC019 ¹
- 44m at 6.39 g/t gold from 8m which included 4m at 58.03 g/t gold from 24m from KRC210 ²

¹ Reported previously 3/8/2011
² Reported previously 24/3/2011

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First pass exploration drilling is also planned to test a 1.2km gold-in-soil anomaly at the Bounkou South prospect. The gold-in-soil anomaly (located in Birimian Greenstones adjacent to a granitoid) is open along strike and has a maximum width of around 200m with a maximum gold in soil value reporting at 1478ppb Au.

Vital is also pleased to announce that Mr Jamie Williamson has accepted the appointment of Country Manager for Vital Metals in Burkina Faso. Jamie comes to Vital after spending nearly 3 years with Anglo Ashanti working on their gold projects throughout Africa. His skills will be invaluable as Vital seeks to define an initial gold resource at Kollo.

Vital's MD, Mark Strizek said that he was extremely pleased to have secured Jamie as Country Manager and believes that Vital will be able to accelerate its exploration efforts in Burkina Faso.

"We have restructured our exploration team in Burkina Faso; firstly we secured the services of West African geology specialists SEMS Exploration, who have done great things with Gryphon Minerals Ltd. Secondly, we have secured Jamie as County Manager to lead the SEMS team. He has specific skills in resource management in Africa which will be invaluable as we work to define a gold resource at Kollo."

"Vital is extremely positive about the upcoming field season in Burkina Faso. The company is committed to gold exploration and has recently increased its tenure and exposure to the Birimian Greenstone terrain (in particular to the highly prospective Bole Shear Zone Markoye Fault Zone junction area) in Burkina Faso. Vital now has a strategic tenement package of around 850 km² of contiguous tenements (including JV lease areas) which increases the potential for further gold discoveries." Mr Strizek said.

ENDS

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

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ABOUT VITAL METALS

Vital Metals Ltd (ASX:VML) is a high-value metals explorer and developer, focused on progressing two highly prospective mineral projects: the advanced Watershed Tungsten Project in far north Queensland, Australia 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. Vital has entered into a formal Earn-In Agreement with JOGMEC (Japan Oil, Gas and Metals National Corporation) where JOGMEC will earn 30% of the Project for \$5.4M. The funds are being used to complete a Definitive Feasibility Study (DFS) which is scheduled for completion in Q4 2012.

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. Vital has expanded its landholding adjacent to the Doulnia farm-in area, and to-date has been granted the Mediga exploration tenement (100%), with an application in train for the Zeko exploration tenement.

About JOGMEC

Japan Oil, Gas and Metals National Corporation (JOGMEC) was established in 2004. JOGMEC is Government owned and integrates the functions of the former Japan National Oil Corporation, which was in charge of securing a stable supply of oil and natural gas and the former Metal Mining Agency of Japan, which was in charge of ensuring a stable supply of nonferrous metal and mineral resources and implementing mine pollution control measures. It has an annual budget of around 1,564 billion yen (\$18B) and provides financial assistance, technology development and technical support to Japanese companies and their foreign partners.



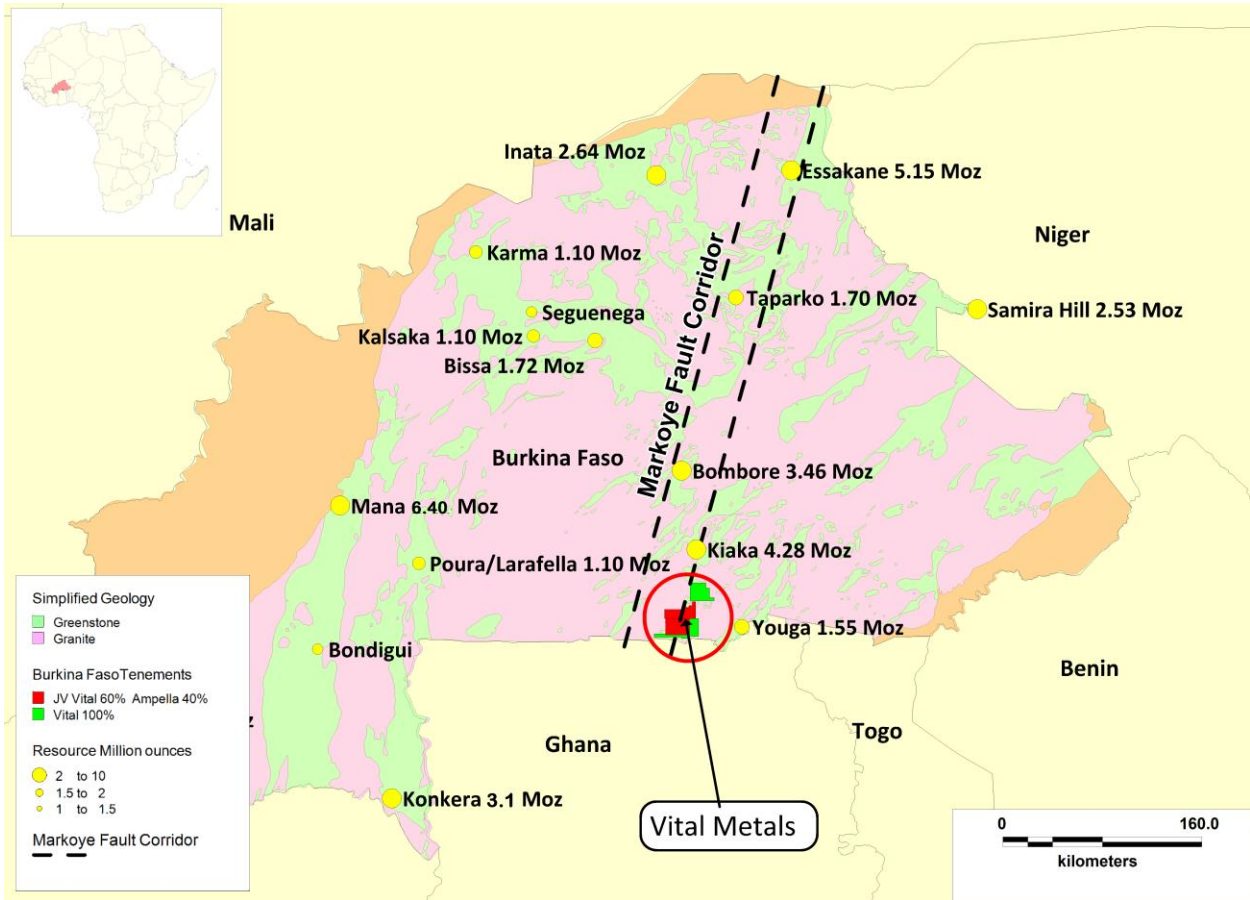


Figure 1: Location of Vital Metals tenements in Burkina Faso

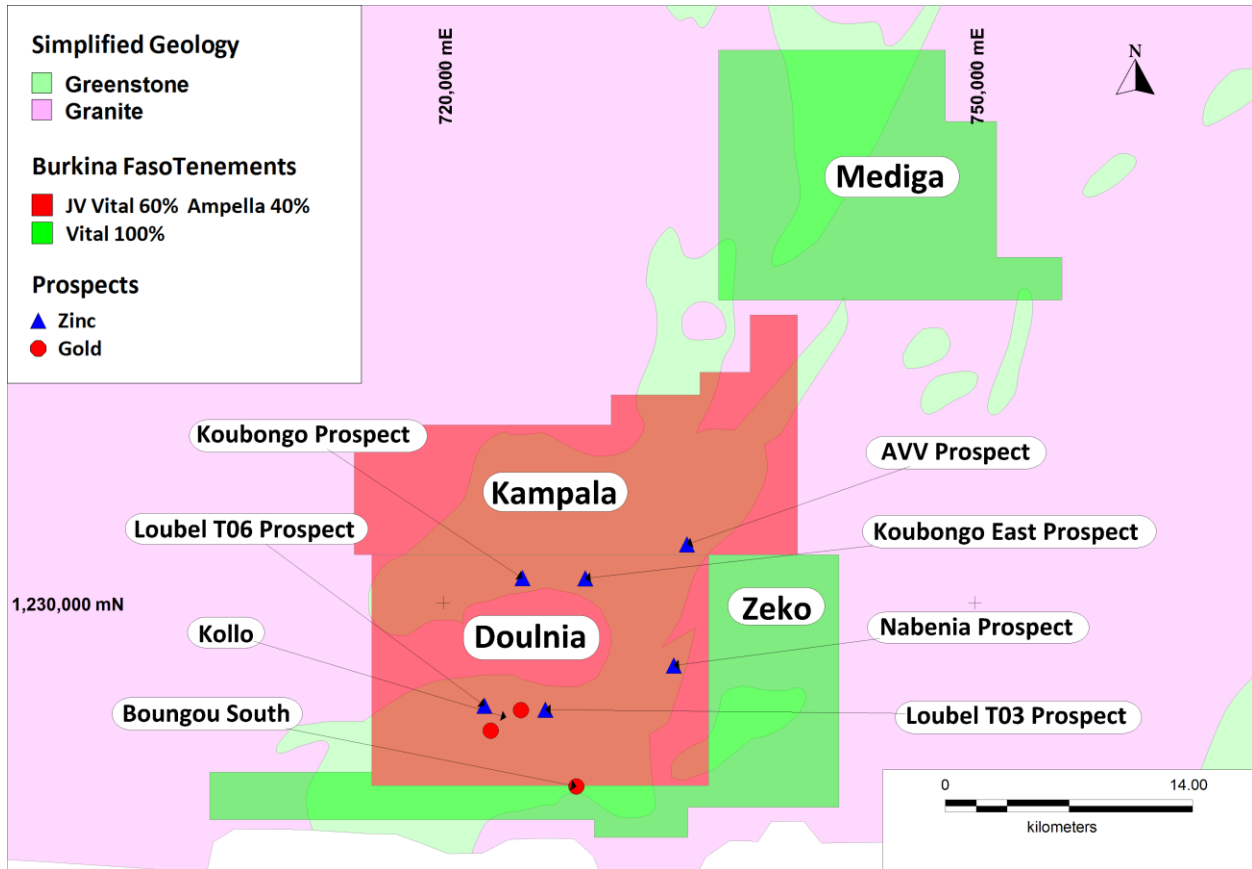


Figure 2: Location of Vital Metals tenements and prospects in Burkina Faso

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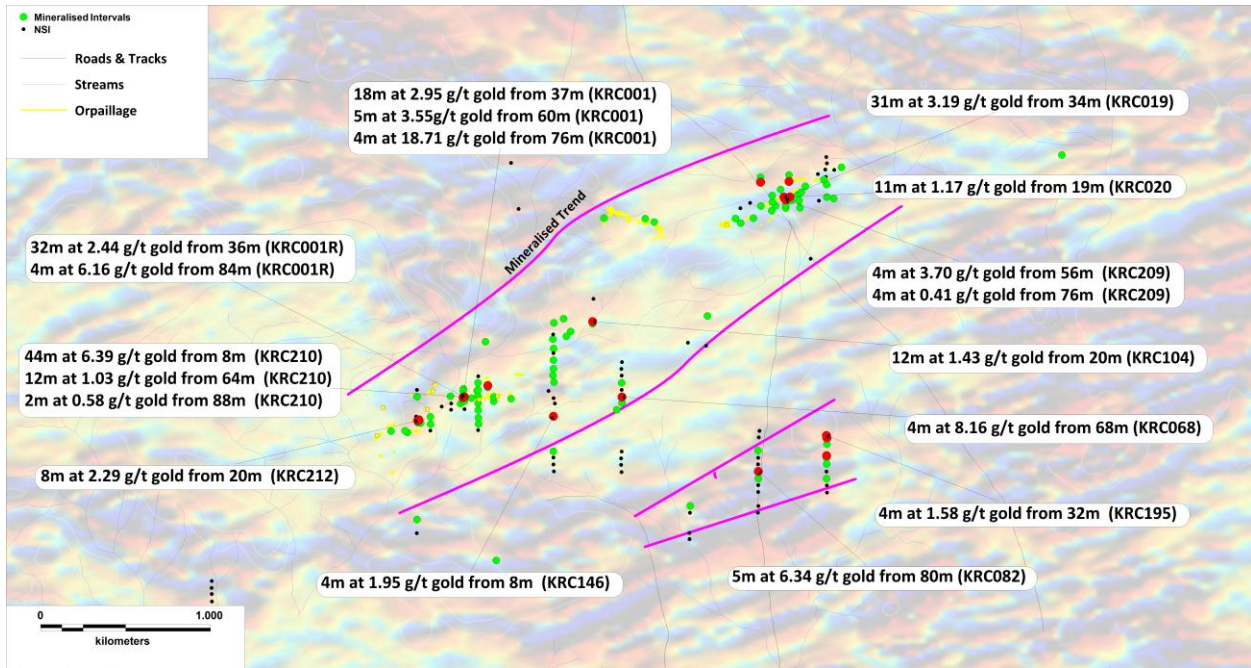


Figure 3: Kollo Drilling and significant intercepts

All results reported previously 25/5/2010, 24/3/2011, 9/6/2011, 3/8/2011

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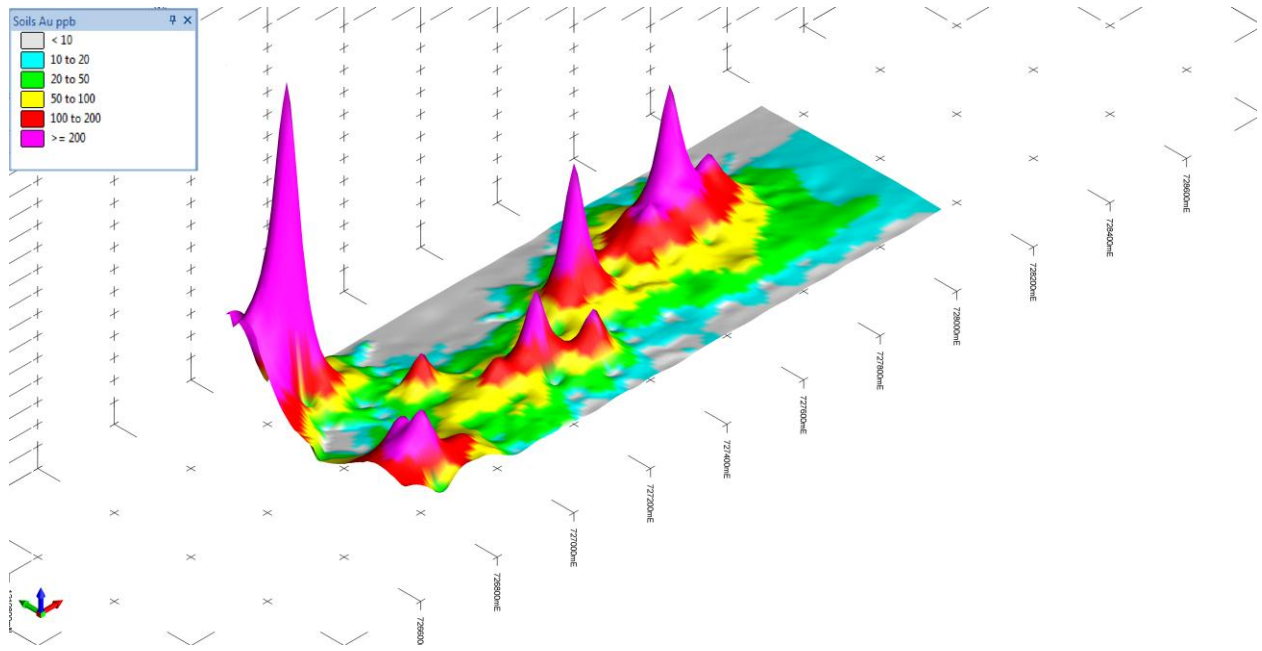


Figure 4: Boungou South 3D contoured gold in soil anomalies

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