

VITAL METALS COMMENCES DRILLING AT KOLLO GOLD PROJECT, BURKINA FASO

HIGHLIGHTS

- Reverse Circulation (RC) drilling has started at the Kollo Gold Project
- First holes drilled as part of a 12,500 metre (~100 hole) drilling program to test:
 - Infill and extensions of the high-grade, near-surface mineralisation along the +4km Kollo trend
 - Newly identified gold mineralisation within over 40km of largely untested structural corridors
- Additional track mounted RC rig secured for drill testing of Kollo Hill:
 - 1km of strike length on the Kollo shear zone between Kollo Central and Kollo North that has never been tested
 - Rig is in Ghana and will be mobilising to site once customs have been cleared
- Auger exploration program continues working on infill drilling and regional testing
- Exploration drilling program fully funded following \$5M raising

Gold explorer Vital Metals Limited (ASX: VML) is pleased to announce that it has commenced RC drilling at its 100%-owned Kollo Gold Project in Burkina Faso, West Africa.

The Kollo project is located on the highly prospective Markoye Fault Corridor which also hosts West African Resources' high grade 2.2Moz Sanbrado Gold Project.

Commenting on the start of RC drilling, Vitals' Managing Director Mark Strizek said:

"It is very pleasing to get drilling operations underway at Kollo. We have excellent grades from previous drilling at Kollo and will be looking to build on these".

We will be testing depth extensions of high grade mineralisation at targets like Kollo Hill, which has never been drilled and is book-ended by gold mineralisation".

"Our auger program is also beginning to delineate multiple targets over 40km of largely untested structural corridors".

The company is well positioned to deliver considerable news flow from exploration activities in Burkina Faso and will be providing regular updates on drilling progress.

ENDS

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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.

Figure 1: Project Location Plan

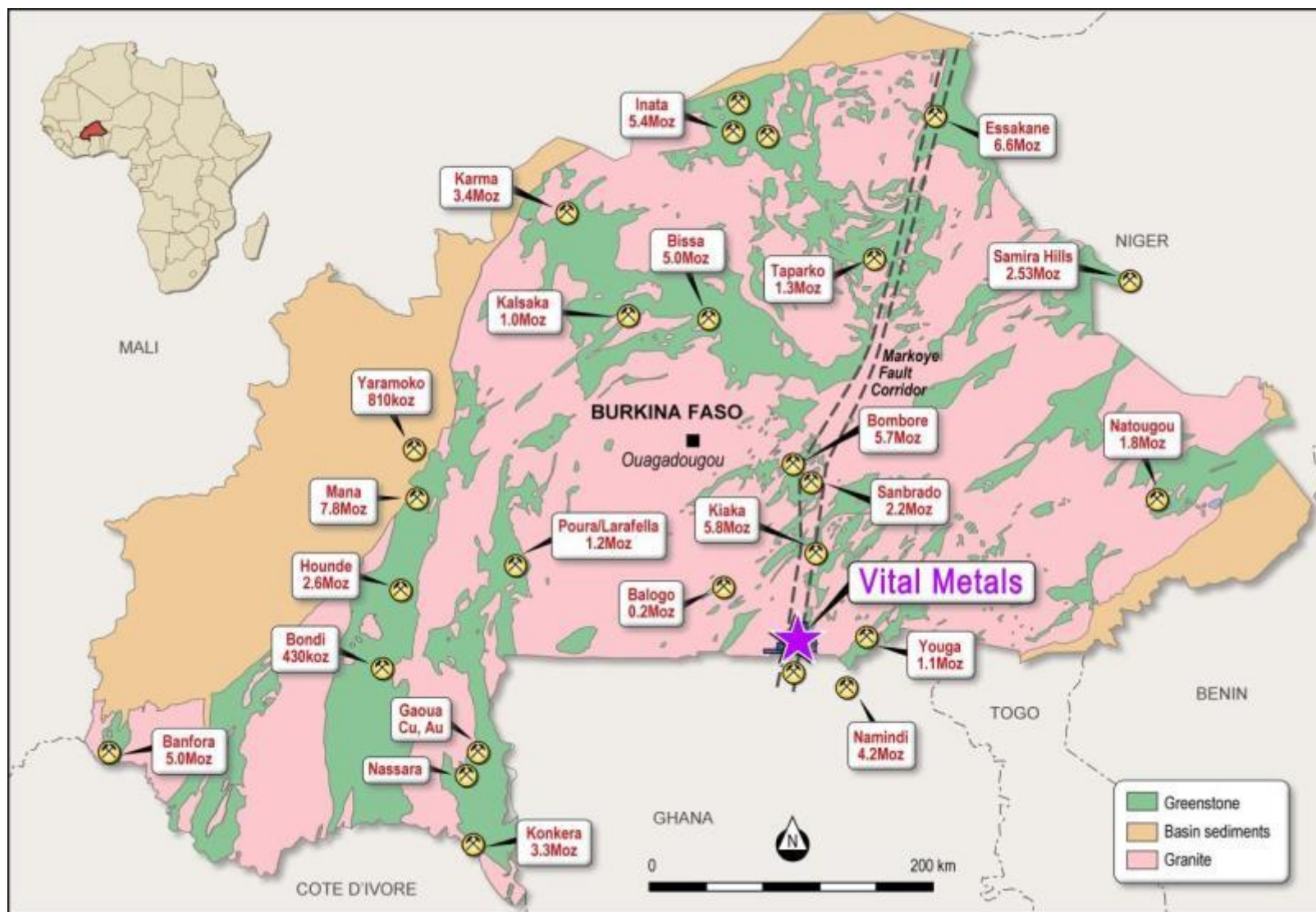
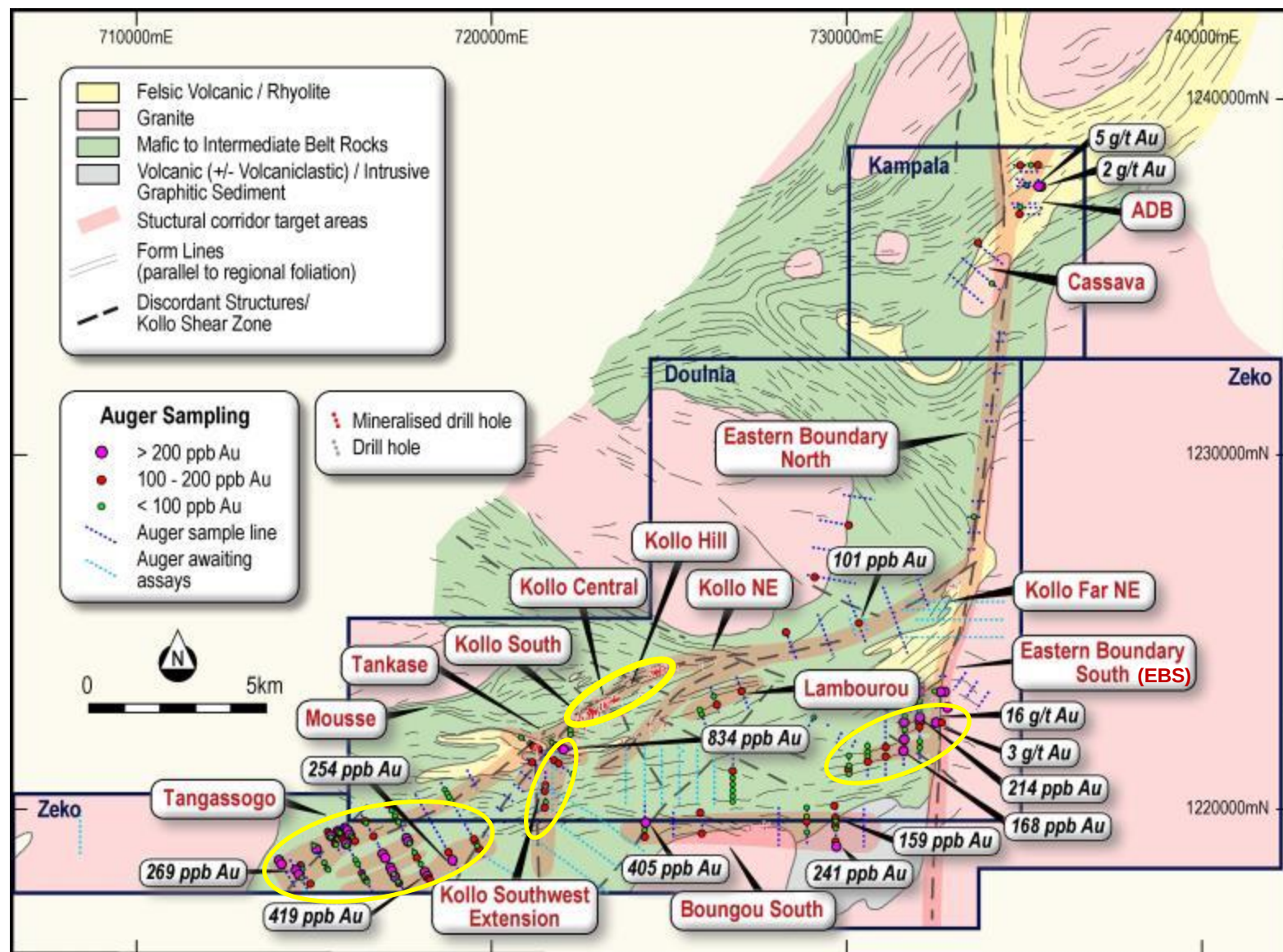


Figure 2: Vital Metals Burkina Tenement Portfolio – showing Kollo and regional auger target areas



Auger results reported previously 6/4/2017 and 27/2/2017 - the Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement.

ABOUT VITAL METALS

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

Doulunia Gold Project – Burkina Faso

The Doulunia Gold Project (100% Vital) is located in southern Burkina Faso. The Project is made up of three contiguous permits; the Doulunia, 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 Bounbou South Gold Prospect.

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.

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, 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 and silver mineralisation.

Vital Metals Limited

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Board & Management

David Macoboy
Chairman

Mark Strizek
CEO and Managing Director

Peter Cordin
Non-Executive Director

Andrew Simpson
Non-Executive Director

Ian Hobson
Company Secretary

Capital Structure

735.7 million shares

91.9 million unlisted options