

QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 2019

Vital Metals Limited (ASX: VML) (**Vital** or the **Company**) is pleased to report on its activities during the March 2019 Quarter.

EXPLORATION

Nahouri Gold Project, Burkina Faso

Vital Metals has suspended all exploration activity in Burkina Faso. The Company notes ongoing security concerns in the country and the State of Emergency declared by the Burkina Faso government for several northern provinces, which is in place until July 2019.

The Company's Burkina Faso tenements remain in good standing. The Company has also received a number of approaches from mining companies assessing exploration data on the Burkina Faso tenements and intends to progress those approaches while the Company monitors the security environment in Burkina Faso.

Vital will provide shareholders with an update by way of ASX announcement should the situation in Burkina Faso improve and a decision to resume exploration be taken.

During this period, the Company has taken steps to minimise expenditure in Burkina Faso.

Aue Cobalt Project, Germany

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.

During the March quarter there was no exploration activities on the project.

CORPORATE

Vital is holding over \$14 million in cash and is actively reviewing a consistent stream of projects for potential acquisition in a climate of depressed valuations for resources assets.

Board Update:

Mr Phillip Coulson and Mr Zane Lewis were appointed as Executive Directors of the Company on March 27, 2019.

Mr Coulson and Mr Lewis will be responsible for overall management of the Company's operations and will focus on development of the Company's exploration assets and assessment of new projects for potential acquisition or investment.

Resignation of Mr Mark Strizek

Mr Mark Strizek resigned as Managing Director effective 24 January 2019.

Resignation and Appointment of Company Secretary

As announced March 27, 2019 Mr Matthew Foy has resigned as Joint Company Secretary. In addition, Mr Lewis resigned as Joint Company Secretary.

Mr Sebastian Andre was appointed as Company Secretary effective March 27, 2019.

Mr Andre is a Chartered Secretary with 8 years of experience as an adviser at the ASX where he facilitated the listing of 35 entities and personally advised over 300 listed companies. Sebastian specialises in providing corporate compliance, governance and administrative advice to companies and their boards. Mr Andre holds a Bachelor of Commerce in Accounting from Curtin University and is a member of the Governance Institute of Australia.

Unmarketable Parcel Share Sale Facility

On March 11, 2019 the Company announced a share sale facility (**Facility**) for holders of less than a marketable parcel of the Company's shares (defined in the ASX Listing Rules as a parcel of securities of not less than \$500 in value) (**Small Holding**). The Company has approximately 2,922 shareholders of which approximately 1,219 hold a Small Holding (representing approximately 1.7% of the Company's issued shares).

A Small Holding will be any registered shareholding of less than 62,500 shares on the Record Date. The Record Date for the purposes of establishing holders of Small Holdings has been set at 5pm WST on 8 March 2019.

The Company is providing the Facility to holders of Small Holdings to sell their shares without incurring any costs that could otherwise make a sale of their shares uneconomic. In addition, the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

The sale price will be the volume weighted average price received for the sale of all shares under the Facility (**Sale Price**). Each shareholder who does not elect to retain their shareholding will have their shares sold through the Facility as soon as practicable after the Closing Date. Proceeds are expected to be distributed within fourteen days of the sale.

A summary of the key dates in relation to the Facility is as follows:

Event	Date
Small Holding Record Date	8 March 2019 at 5.00pm (WST)
Small Holding Facility announcement to ASX	12 March 2019
Letters sent to shareholders holding a Small Holding	12 March 2019
Closing Date for receipt of Share Retention Forms	23 April 2019 at 5:00pm (WST)
Small Holding Payment date	Expected to be on or about 7 May 2019

ENDS

Contact:

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Executive Director

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ABOUT VITAL METALS

Vital Metals Limited (ASX:VML) is an explorer and developer holding a portfolio of gold, technology metals and base metals. Our projects are located across a range of jurisdictions in West Africa and Germany.

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 Nahouri, 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.

Aue Project – Germany

The Aue 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 surrounded by several world class mineral fields. Historical mining and intensive exploration work carried out between from the 1940s and 1980s showed high prospectivity of the Aue permit area for cobalt, tungsten, tin, uranium and silver mineralisation.

Vital Metals Limited

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Board & Management

Francis Harper
Chairman

Phillip Coulson
Executive Director

Zane Lewis
Executive Director

Peter Cordin
Non-Executive Director

Sebastian Andre
Company Secretary

Appendix A - Schedule of Tenements as at 31 March 2019

Location	Tenement	Status	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Burkina Faso	Nahouri	100%	100%	0%	100%
	Kampala	100%	100%	0%	100%
	Zeko	100%	100%	0%	100%
Germany	Aue	100%	100%	0%	100%