

ASX / MEDIA RELEASE**27 March 2008****VITAL METALS AWARDS LYCOPODIUM ENGINEERING PTY LTD PLANT
DESIGN WORK**

Vital Metals Ltd (ASX Code: VML) has commissioned Lycopodium Engineering Pty Ltd to undertake the process plant design work for the Watershed Project in far north Queensland as part of the feasibility study for the project.

Lycopodium Engineering Pty Ltd won the work on a competitive tender basis which builds on its current experience in the processing of tungsten ores. Lycopodium is currently undertaking an EPCM contract with Queensland Ores Limited at its Wolfram Camp mine, located north west of Dimbulah in north Queensland.

The design of the tungsten (scheelite) processing plant includes a crusher capable of 2.5 million tonnes annual throughput, discharging to a coarse ore stockpile. The ore will then flow to a five deck screen in preparation for ore sorting using X – ray ore sorters. At this point, approximately 55% of the material will be rejected to waste, which will in effect double the ore grade going into the plant.

The ore will then be processed using spirals and shaking tables or with a possible small fatty acid flotation process. The target production level is 4,000 tonnes of WO₃ concentrates, which represents approximately 5% of world demand.

Vital Metals remains on schedule to complete the Watershed Project feasibility study by September 2008.

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

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