

Vast Resources

Current Price: 0.585p

Market Cap (M): £26.5

EV (M): £37

Quarterly Production

Vast Resources (“Vast”) has announced its December quarter production figures. During the quarter, the company treated 29,435t of ore at the Manaila mine to produce 889t of copper concentrate grading 19.8% and 165t of zinc concentrate grading 30%. At the Pickstone-Peerless gold mine in Zimbabwe, 61,356t of ore was milled to produce 4,352oz of gold.

Comment

This was another excellent quarter for Vast with both Manaila and Pickstone-Peerless mines performing well. Moreover, based on our remodelling of Vast following the recent strategic investment and partial disposal of the Pickstone-Peerless holding, we now have a valuation of 2.2p per share based on the current number of shares and fully diluted for the options, based on a net present value calculation at 10% discount rate.

Manaila

At Manaila, 29,269t of ore was mined with 38,538t of waste, with 29,435t being milled. The ore and waste tonnes mined were below the Brandon Hill estimates due to extreme weather conditions on site. 889t of copper concentrate were produced along with 165t of zinc concentrate. All the copper concentrate and 200t of zinc concentrate were sold for US\$1,237/t and US\$600/t respectively. Despite the lower than forecast tonnes mined and milled, the operating cost, when measured on a per tonne basis dropped 3% from US\$33 to US\$32 as a result of the lower stripping ratio during the quarter. It was highly encouraging to see a significant increase in zinc concentrate production, up 371% to 165t. BHC expects this trend to continue through calendar 2017, along with an increase in concentrate grade from circa 30% zinc to 45% zinc.

[Download the Vast Resources Flashnote](#)

For further information, please contact:

Research: +44 20 3463 5030

Sales: +44 20 3463 5050

www.brandonhillcapital.com

[Click here to view the Brandon Hill Research Disclaimer](#)

[Unsubscribe Brandon Hill Oil & Gas Research](#)

Unsubscribe Brandon Hill Mining Research

2015 © Copyright Brandon Hill Capital. Member of The London Stock Exchange.
Authorised and regulated by the Financial Conduct Authority.