

28 July 2017

Vast Resources plc
(“Vast” or the “Company”)

Quarterly Production Summary & Operations Update

Vast Resources plc, the AIM listed mining company with operations in Romania and Zimbabwe, presents its operational update and production summary for the three months ended 30 June 2017 (calendar year ‘Q2 2017’).

To view a presentation, which presents the Q2 2017 results together with the previous four quarters, please visit the Company’s website: www.vastresourcesplc.com.

Production Overview:

Q2 2017 was a solid quarter for Vast, which saw operations at the Manaila Polymetallic Mine (“Manaila”) in Romania and the Pickstone-Peerless Gold Mine (“Pickstone-Pickstone”) in Zimbabwe improve significantly over the previous quarter in terms of tonnes mined, tonnes milled and overall production profile. Importantly, performance post period end has also been encouraging at both mines, confirming an improved trend compared to previous quarters.

Manaila Production Summary

(commissioned on 14 August 2015, Vast Ownership 100%.):

Results for the quarter demonstrate a considerable improvement over Q1 2017. An acceleration of this improving trend was evidenced in a marked upturn in performance in the last two weeks of June, continuing Q3 2017.

Summary of Q2 2017 Production:

- **41% increase in tonnes of ore mined** from Q1 2017 to 27,707 dry tonnes (Q1 2017: 19,711 dry tonnes*)
- **54% increase in tonnes of ore milled** from Q1 2017 to 28,082 dry tonnes (Q1 2017: 18,262 dry tonnes*)
- **57% increase in copper concentrate** produced from Q1 2017 to 828 dry tonnes (Q1 2017: 526 dry tonnes)
- **Copper concentrate grade maintained** above 18% threshold at 18.2% (Q1 2017: 18.8%)
- **19% increase in zinc concentrate** produced from Q1 2017 to 157 dry tonnes (Q1 2017: 132 dry tonnes)

- **51% increase in zinc concentrate grade** from Q1 2017 to 39.8% (Q1 2017: 26.3%)
- **Inaugural concentrate production** from test phase of the Knelson Concentrator extracting a pyrite concentrate containing gold credits – 5 dry tonnes at a grade of 45g/t produced since commissioning on 25 April 2017

Pickstone-Peerless Production Summary

(commissioned on 20 August 2015, Vast ownership 25%):

Production at Pickstone-Peerless has recovered from the slowdown in open-pit mining operations occasioned by the high rainfall experienced during Q1 2017. A return to mining higher grade areas in the open-pit has also facilitated an increase in production over the prior quarter.

- **33% increase in tonnes of ore mined** from Q1 2017 to 68,659 tonnes (Q1 2017: 51,660 tonnes)
- **15% increase in tonnes of ore milled** from Q1 2017 to 58,923 tonnes (Q1 2017: 51,102 tonnes)
- **36% increase in gold production** from Q1 2017 to 4,037 ounces (Q1 2017: 2,974 ounces)

Development Overview:

The production summary should be read in concert with the development initiatives underway in Romania and Zimbabwe. The purpose of these development initiatives is to increase and optimise production, lower operating costs and build a portfolio of long term sustainable mining operations.

Manaila Expansion & Regional Metallurgical Complex Romania

- 10-hole drill programme for 1,000 metres nearing completion at the Carlibaba prospect located adjacent to the current Manaila open pit
- Objective to prove up potential to support a second open pit mining operation at Manaila and establish an enlarged mining complex that will utilise a centralised metallurgical processing facility
- Full results from Carlibaba drill programme anticipated for release in H2 2017 together with an outline of Carlibaba's development path
- Planning of prospecting activities at Piciorul Zimbrului and Magura Neagra licences underway – exploration licences will be applied for once prospecting work is complete

Faneata Tailings Facility ("Faneata") Romania

- Prospecting licence granted in May 2016 over the Faneata tailings dam located 7km from the Baita Plai Polymetallic Mine – intention to use Baita Plai processing facility 6.5km away
- An internally generated Maiden JORC Compliant Resource Estimate in March 2017 defined a total Mineral Resource of 3.0Mt (Gross, 2.4Mt being net to Vast)
- Metallurgical test work has commenced to determine optimal processing method
- A feasibility study to recover the contained metals is underway
- Application has been made for an exploitation right over the tailings dam in anticipation of positive feasibility results
- Preliminary economic assessment indicates a break even total processing recovery of 25%

Pickstone-Peerless & Giant Gold Project Zimbabwe

- Construction of sulphide plant progressing on time and on budget ahead of commissioning during the coming quarter
- 75% increase in installed primary milling capacity anticipated once sulphide plant is commissioned to 35,000 tonnes per month from the current 20,000 tonnes per month
- Mill grade expected to increase from ~2.35g/t** gold ('Au') to between 3.00g/t Au and 4.00g/t Au over a 6 to 9-month period as higher-grade sulphide ore is mined and processed, resulting in a significant increase in production
- Evaluation of the Giant Gold Project – located 28km from Pickstone-Peerless, which has a current JORC-compliant inferred resource of 500,000oz of gold, is ongoing

Roy Pitchford, Chief Executive of Vast, commented:

“Manaila has delivered a significant improvement in performance compared to the previous quarter, and this upturn in operations is anticipated to continue throughout Q3 2017 demonstrating a clear upward trajectory in our production profile. This improvement has been delivered through our Romanian operational team’s efficient and effective attention to remedial actions undertaken during Q1 and Q2 2017 to resolve persistent open-pit and production issues, and will support the delivery of a consistent 15,000 tonnes per month mill feed from September.”

“The quantity and quality of the zinc concentrate production at Manaila has improved dramatically, with production during calendar consistently registering grades over on average 40% at Manaila. Positive progress has also been made with concentrate production from test phase of the Knelson Concentrator, which extracts a pyrite concentrate containing gold credits. Work is on-going to optimise production from the Knelson Concentrator with the objective of this contributing to Manaila’s revenue and enhancing our overall production profile. The important lessons learnt from turning around the performance at Manaila will be factored into future operational plans and the proposed”

new metallurgical complex to be sited at our Carlibaba prospect, located near to our Manaila open pit.

“Looking now to Zimbabwe, mining, processing and production levels at Pickstone-Peerless have recovered from the previous quarter, and importantly, progress in the construction of the sulphide processing facility is progressing on schedule ahead of commissioning in Q3 2017. The sulphide plant is a critical development for Pickstone-Peerless and should increase production capacity by approximately 75%, promising a significant increase in ounces produced.

“We remain confident that the underlying quality and value prospects of our mines in both Zimbabwe and Romania are excellent and expect production rates to be further enhanced going forward.”

Further Information

Romanian Interests

Manaila Mine

The operational focus during the period has been on deploying remedial capital expenditure to resolve persistent mining and production issues experienced at Manaila to increase the flows and measurement of ore fed into the mill. This work has delivered a significant improvement in Manaila’s production profile in Q2 2017 and improvements in this regard are expected to continue to be realised in Q3 2017.

The refurbishment of the Manaila milling and flotation circuits has been largely completed to allow for 15,000tpm to be processed and a tertiary crusher has been ordered and pending delivery will allow for the crushing circuit to comfortably provide sufficient mill feed tonnage at the correct particle size. The Company’s objective is to achieve a consistent run rate of 15,000tpm by September 2017.

Planned maintenance work, including the relining of the primary mill, is being undertaken at the mine currently. This will result in reduced operations for a brief period whilst the necessary work is completed. Nonetheless, thanks to a strong start to July, with an average milled rate of 464 tonnes per day, production is expected to resume and continue at the improved levels achieved over recent weeks.

The gravity line was commissioned during the quarter to recover a pyrite concentrate which has gold and silver associated with it. The gravity line is producing the expected concentrate grade but has yet been unable to deliver the expected mass on a consistent basis. Work is ongoing at the open pit and the plant to understand the effects of the various ore types on the gravity line recovery.

Zinc is being produced at grades which are attracting increased unit sales prices and the quantities produced are steadily increasing.

Restricted capacity for the transportation of ore to the Iacobeni Metallurgical Complex was also addressed in Q2 2017 by increasing the number of ore transport vehicles. Further capacity will be arranged in Q3 2017 to improve deliveries from the open-pit.

Manaila Expansion & Regional Metallurgical Complex

Further to the announcement on 8 June 2017, the 10-hole drill programme for 1,000 metres at the Carlibaba prospect is now well advanced with six out of the eight drill holes currently completed. All samples will be despatched to ALS analytical laboratories in Rosia Montana once drilling is complete.

To date, the drilling has intersected sulphide mineralisation close to the planned depths and has returned better than expected widths, further confirming the geological interpretation. Full results and analysis is expected for publication in September 2017.

Once drilling at Carlibaba has been completed and the proposed investment outlined below has been finalised, the Company will begin to actively evaluate appraisal activities at Piciorul Zimbrului and Magura Neagra. Further updates will be made available as appropriate.

Baita Plai Manaila Mine & Faneata Tailings Dam

The Board and management are aware of shareholders' frustrations regarding the timescales for the grant of the Baita Plai mining sub-licence. However, as reported previously, it would be imprudent for the Company to comment on the specifics of the process as there is currently no direct precedent for this situation.

However, the entire team at Vast would like to take this opportunity to reiterate the spirit of cooperation we have experienced with the Romanian authorities since Vast became active in the country. Since 2014, Vast, through its subsidiary companies, has been granted five licences – all promptly and without issue – highlighting that Baita Plai is certainly the exception to the rule.

The Board and management, together with the Romanian authorities, remain focussed on resolving the outstanding issues to deliver the mining sub-licence in as short a timeframe as practicable. The Company will update shareholders of any developments as soon as we are able to do so.

Once granted, the Company anticipates that production could begin within six months and have forecast a capex budget of \$1.2 million. It is intended that this capex would be funded from the proposed investment of \$10 million detailed below.

The licence at Baita Plai constitutes a separate right from the prospective licence over Faneata, which is located 7km from Baita Plai. Faneata has the potential to be a stand-alone mining operation and a Feasibility Study is currently being undertaken at the tailings dam to define the parameters for development. The results of this study were anticipated towards the end of Q2 2017, however due to unforeseen delays with transport and custom clearance, the results are now anticipated during Q3 2017. In anticipation of positive results, application has been made for an exploitation right over the tailings dam.

Zimbabwean Operations

Pickstone-Peerless Gold Mine

The primary focus during the period has been on the advancement of the sulphide processing facility, which is due for commissioning during Q3 2017, and is expected to double production capacity at Pickstone-Peerless. During Q2 2017, the third mill was placed on its foundation plinths and the sulphide flotation units were delivered to the mine site and are in the process of being installed. The additional CIL tanks were approximately 50% complete at the end of the period. The upgraded crushers are on site and being installed and post quarter end the upgraded crushing circuit has been commissioned.

We have been informed that production at the toll treatment plant, which was commissioned during Q1 2017, is progressing well. Whilst we await formal confirmation of current production rates, artisanal recovery is expected to be 50% with the remaining 50% to be shared between Vast and the artisanal plant operator. Accordingly, the plant is expected to generate a modest amount of gold for Pickstone-Peerless. Nonetheless, the construction of the plant has significantly strengthened the Company's relationship with the local artisanal miners, the community and government.

Evaluation of the gold resource potential at Giant Gold Mine has commenced. The objective is to define a larger gold resource to support an initial scoping study, which, if positive, would be followed with pre-feasibility/feasibility studies. A similar artisanal gold milling facility as installed at Pickstone-Peerless Gold Mine is anticipated to be installed at Giant.

The success of the Pickstone-Peerless Gold Mine has resulted in further gold mining opportunities being presented in Zimbabwe. In conjunction with Vast's co-investors in Zimbabwe, these opportunities are being jointly evaluated with a view to significantly increasing gold production.

Corporate Update

As announced on 24 July, Vast has entered into a conditional head of terms relating to a proposed investment of up to US\$10 million by a corporate finance and investment firm with significant experience in and investment in Romania.

If the proposed investment proceeds, following the satisfaction of the various criteria set out in the heads of terms announcement, the funds would be used for the Company's capital expenditure and working capital requirements, mostly for the expansion of the Romanian operations.

The Board sees this proposed investment as a highly encouraging and positive development, which would enable Vast to execute its strategic objectives in Romania. The Board will provide further information on this proposed investment in the coming weeks.

Production Statistics

June 2017 Quarterly Production Summary

Operational data:

		June'17 Quarter	Mar'17 Quarter	Dec'16 Quarter	Sep'16 Quarter
Manaila	Units				
Ore mined	Tonnes	27,707	19,711 ⁽¹⁾	23,905 ⁽²⁾	25,620 ⁽³⁾
Waste mined	Cubic Metre	53,267	45,143	38,538	117,558
Stripping ratio	Times	1.9	2.3	1.6	4.6
Ore milled	Tonnes	28,082	18,262 ⁽¹⁾	26,786 ⁽²⁾	25,092 ⁽³⁾
Milled Grade - Cu	Percentage	0.73%	0.79%	0.91%	0.71%
Milled Grade - Zn	Percentage	0.74%	0.76%	0.88%	0.74%
Concentrate produced - Cu	Dry tonnes	828	526	889	616
	Percentage	18.2%	18.8%	19.5%	20.4%
Concentrate produced - Zn	Dry tonnes	157	132	165	35
	Percentage	39.8%	26.3%	30.0%	29.6%
Concentrate sold - Cu	Dry tonnes	995	321	889	960
Concentrate sold - Zn	Dry tonnes	252	0	200	0
Concentrate in stock at period end Cu	Dry tonnes	38	206	0	0
Concentrate in stock at period end Zn	Dry tonnes	37	132	0	35

Operational data:

		June'17 Quarter	Mar'17 Quarter	Dec'16 Quarter	Sep'16 Quarter
Pickstone-Peerless	Units				
Ore mined	Tonnes	68,659	51,660	70,930	69,500
Waste and low-grade ore mined	Tonnes	1,035,785	546,126	435,083	497,840
Stripping ratio	Times	15.1	10.6	6.1	7.2
Ore milled	Tonnes	58,923	51,102	61,356	65,573
	Grams per				
Milled Grade	Tonne	2.35	2.06	2.41	2.57
Gold produced	Ounces	4,037	2,974	4,352	4,910
Gold sold	Ounces	3,992	2,873	4,706	5,025
Gold in stock at period end	Ounces	755	710	609	962

- (1) *Converted to dry tonnes. Previously wet tonnes mined of 21,901 and wet tonnes milled of 20,291*
- (2) *Converted to dry tonnes. Previously wet tonnes mined of 25,245 and wet tonnes milled of 29,776*
- (3) *Converted to dry tonnes. Previously wet tonnes mined of 27,848 and wet tonnes milled of 27,724*

Quarterly Conference Call

Roy Pitchford, Chief Executive of Vast, will host a conference call for shareholders at 12.00 p.m. today.

To participate in this conference call, please dial 0808 109 0701, or +44 (0) 20 3003 2701 if you are calling from outside of the UK, and enter participant code 1109957# when prompted to do so. Please note that all lines will be muted except for Vast's management, however the Company invites shareholders to submit questions to its public relations adviser, St Brides Partners Ltd, ahead of the call via email to shareholderenquiries@stbridespartners.co.uk or through the online chat function.

To access the online chat function, please use the link below and log in as a participant using the event number 957 679 072 followed by the password, 'Vast':

<https://sbmf.webex.com/sbmf/onstage/g.php?MTID=e37f78826fd1b0f7ba83bfa32ffbbf087>

On the right-hand side of the screen you will find an option to submit questions during the call. The Q&A function will only be made live once the call has commenced.

The management team will strive to answer as many questions as possible during the call. A recording of the call will also be made available on the Company's website.

If you have any problems accessing the call, please contact St Brides Partners Ltd on shareholderenquiries@stbridespartners.co.uk or call +44 (0) 20 7236 1177.

A copy of the presentation will also be uploaded to the Research, Media & Presentations page of the website at www.vastresourcesplc.com shortly before the call commences.

Competent Person's Review:

This announcement has been reviewed by Mr Craig Harvey, Chief Operating Officer at Vast, and a member of the Geological Society of South Africa and the Australian Institute of Geoscientists. Mr Harvey meets the definition of a "qualified person" as defined in the AIM Note for Mining, Oil and Gas Companies.

* In the previous Quarterly Production Summary, this figure was reported as wet tonnes however from April 2017 all tonnage measurement are reported as dry tonnes

** Calculated as an average grade over the previous four quarters

-ENDS-

For further information visit www.vastresourcesplc.com or please contact:

Vast Resources plc Roy Pitchford (Chief Executive Officer)	www.vastresourcesplc.com +44 (0) 20 7236 1177
Beaumont Cornish - Financial & Nominated Adviser Roland Cornish James Biddle	www.beaumontcornish.com +44 (0) 020 7628 3396
Brandon Hill Capital Ltd – Joint Broker Jonathan Evans	www.brandonhillcapital.com +44 (0)20 3463 5016
Peterhouse Corporate Finance Ltd – Joint Broker Duncan Vasey	www.pcorpfin.com +44 (0) 20 7469 0936
St Brides Partners Ltd Susie Geliher Charlotte Page	www.stbridespartners.co.uk +44 (0) 20 7236 1177

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (“MAR”).