

**24 April 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 31 March 2017.

**Overview:**

During the quarter, extreme cold in Romania and very high rainfall in Zimbabwe adversely affected mining operations.

**Manaila Polymetallic Mine ("Manaila") in Romania**

*(commissioned on 14 August 2015, Vast Ownership 50.1%.):*

Despite conditions in Romania reaching lows of minus 30 degrees Celsius, that being approximately 10 degrees Celsius colder on average compared to the comparative quarter for the previous year (3 months ended 31 March 2016), Vast managed to maintain its operations:

- 21,901 tonnes ore mined (March 2016: 20,362 tonnes; December 2016: 25,269)
- 20,291 tonnes ore milled (March 2016: 22,510 tonnes; December 2016: 29,439;)
- Achieved a milled copper grade of 0.79% (March 2016: 0.96%; December 2016: 0.91%) and milled zinc grade of 0.76% (March 2016: 0.94% - this was not a separate zinc concentrate and was a deleterious element within the copper concentrate, which accordingly incurred a penalty. The Company now has a separate zinc line which provides an additional revenue stream; December: 0.88%)
- 526 tonnes copper concentrate produced at an average grade of 18.8% (March 2016: 822 tonnes at an average grade of 17.2%; December: 889 tonnes at an average grade of 19.5%)
- 132 tonnes zinc concentrate produced at an average grade of 26.3% (March 2016: 0 tonnes; December 2016: 165 tonnes at an average grade of 30.0%)
- Calendar Q1 production levels are typically lower compared to the rest of the year - the unusually cold temperatures experienced in Q1 2017 exacerbated the usual seasonal drop off in activity:

- impeded the transport of ore to the Iacobeni Metallurgical Complex; normal mining operations resumed at the end of March;
- curtailed ore deliveries from the open-pit;
- the ore stockpile at Iacobeni froze solid, preventing it being fed to the crusher circuit;
- the flotation circuits froze up to such an extent that their operation would have resulted in mechanical damage to the equipment
- Additional operational developments impacted production rates:
  - the planned increase in the stripping ratio to 2.1 (December: 1.5) to expose additional ore mining faces.
  - the larger mill experienced a breakdown in mid-March resulting in reduced milling capacity by utilising the smaller of the two mills – this has now been fixed.
- Processing specialists Minxcon Group (“Minxcon”) continue to work on enhancing the quantity and quality of the zinc concentrate production, which in the month of April has been consistently registering up to 45%.
- A gravity recovery facility is being installed to recover the significant gold and silver contained in the tailings, which will generate a third revenue stream. The Company anticipates that this line will be operational in H2 2017.

### **Baita Plai Polymetallic Mine (“Baita Plai”) and Faneata Tailings Facility (“Faneata”) in Romania**

*(Vast Ownership 80%):*

- Prospecting licence granted in May 2016 over the Faneata tailings dam located 7km from Baita Plai.
- Completed 825m drill programme at Faneata in November 2016.
- 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).
- Intention to use Baita Plai processing facility 6.5km away.
- Metallurgical test work has commenced to determine optimal processing method.
- A feasibility study to recover the contained metals is underway and due for completion in H2 2017. A preliminary economic assessment indicates a break even total processing recovery of 25%.
- Continued progress towards obtaining the mining sub-licence for Baita Plai in accordance with Romanian due process – the granting of this mining-licence will allow for commissioning of the Company's third mine.

### **Pickstone-Peerless Gold Mine (“Pickstone-Peerless”) in Zimbabwe**

*(commissioned on 20 August 2015, Vast ownership 50%):*

- 51,102 tonnes ore milled (March 2016: 54,237; December 2016: 61,356). High rainfall hampered open pit mining operations, and wet, sticky ore restricted the crusher feed facilities.
- 2,974 ounces gold produced (March 2016: 2,808; December 2016: 4,352). Lower grade areas in the open-pit were mined as they remained accessible and low-grade stockpiles were used to supplement volumes.
- A milled grade of 2.06 grams per tonne was achieved (March 2016: 1.71; December 2016: 2.41) notwithstanding the negative impact of the high rainfall during part of the quarter
- Construction of the sulphide processing plant is well underway. First sulphide production is scheduled for Q3 2017 (calendar year).
- Evaluation of the nearby Giant Gold Mine, which has a current JORC-compliant inferred resource of 500,000oz of gold, is ongoing.
- Construction of the toll treatment plant to process ore from nearby artisanal mining operations commenced during the quarter and was commissioned during the current quarter.

**Roy Pitchford, Chief Executive of Vast, commented:**

“This has undoubtedly been a challenging quarter for the Company from an operational perspective. In Romania, the months of January-March are generally considered to be the most difficult operationally with many mines opting to close their operations. The fact that we managed to not only maintain production during this period but also achieved it during a year that experienced such extreme lows is a significant achievement. In Zimbabwe, we were presented with a different set of challenges due to the unusually high rainfall.

Whilst seasonal changes are to be expected these extreme weather occurrences are unusual and of course temporary. Accordingly, we remain confident that the underlying quality and value prospects of our mines are excellent and expect production rates to increase going forward.

“The quantity and quality of the zinc concentrate production has already improved, with production during April consistently registering grades up to 45% at Manaila. Furthermore, remedial actions taken in March and capital expenditure planned for the current quarter will facilitate a consistent 15,000 tonnes per month mill feed during the September quarter. Positive progress has also been made to install the gold and silver recovery circuit and once operational, targeted for H2 2017, will contribute to Manaila’s revenue. Additionally, the experience gained during the period will be factored into future operational plans and the proposed new metallurgical complex to be sited at the Manaila open-pit mine.

“Production at Pickstone-Peerless is returning to normal levels and additional gold production is expected from the artisanal gold processing facility that has recently been commissioned. Continued good progress on the sulphide processing facility promises further increased gold production at Pickstone-Peerless in Q3 2017, and longer-term, the development of the Giant Gold Mine provides the Company with the ability to be a growing gold producer. We remain confident of the future opportunities ahead.”

### March 2017 Quarterly Production Summary

#### Operational data:

		Mar'17	Mar'16	Dec'16
<b>Manaila</b>	<b>Units</b>	<b>Quarter</b>	<b>Quarter</b>	<b>Quarter</b>
Ore mined	<b>Tonnes</b>	21,901	20,362	25,269
Waste mined	<b>Cubic Metre</b>	45,143	130,925	38,538
Stripping ratio	<b>Times</b>	2.1	6.4	1.5
Ore milled	<b>Tonnes</b>	20,291	22,510	29,435
Milled Grade - Cu	<b>Percentage</b>	0.79%	0.96%	0.91%
Milled Grade - Zn	<b>Percentage</b>	0.76%	0.94%*	0.88%
Concentrate produced - Cu	<b>Dry tonnes</b>	526	822	889
	<b>Percentage</b>	18.8%	17.2%	19.5%
Concentrate produced - Zn	<b>Dry tonnes</b>	132	0	165
	<b>Percentage</b>	26.3%	0%	30.0%
Concentrate sold - Cu	<b>Dry tonnes</b>	321	1,010	889
Concentrate sold - Zn	<b>Dry tonnes</b>	0	0	200
Concentrate in stock at period end Cu	<b>Dry tonnes</b>	206	78	0
Concentrate in stock at period end Zn	<b>Dry tonnes</b>	132	0	0

#### Operational data:

		Mar'17	Mar'16	Dec'16
<b>Pickstone-Peerless</b>	<b>Units</b>	<b>Quarter</b>	<b>Quarter</b>	<b>Quarter</b>
Ore mined	<b>Tonnes</b>	51,660	63,825	70,930
Waste and low-grade ore mined	<b>Tonnes</b>	546,126	244,855	435,083
Stripping ratio	<b>Times</b>	10.6	3.8	6.1
Ore milled	<b>Tonnes</b>	51,102	54,237	61,356
	<b>Grams per</b>			
Milled Grade	<b>Tonne</b>	2.06	1.71	2.41
Gold produced	<b>Ounces</b>	2,974	2,808	4,352
Gold sold	<b>Ounces</b>	2,873	2,475	4,706
Gold in stock at period end	<b>Ounces</b>	710	556	609

\*This was not a separate zinc concentrate and was a deleterious element within the copper concentrate, which accordingly incurred a penalty. The Company now has a separate zinc line that provides an additional revenue stream.

### **Quarterly Conference Call**

Roy Pitchford, Chief Executive of Vast, will host a conference call for shareholders at 10.00 a.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 7061153# 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](mailto: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 959 041 582 followed by the password, 'Vast':

<https://sbfm.webex.com/sbfm/onstage/g.php?MTID=e62d8ea047bc3c39f5cbcd22c52d93335>

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](mailto: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](http://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.

**\*\*ENDS\*\***

**For further information visit [www.vastresourcesplc.com](http://www.vastresourcesplc.com) or please contact:**

**Vast Resources plc**

Roy Pitchford (Chief Executive Officer)

[www.vastresourcesplc.com](http://www.vastresourcesplc.com)

+44 (0) 20 7236 1177

**Beaumont Cornish - Financial & Nominated Adviser**

Roland Cornish

James Biddle

[www.beaumontcornish.com](http://www.beaumontcornish.com)

+44 (0) 020 7628 3396

**Brandon Hill Capital Ltd – Joint Broker**

Jonathan Evans

[www.brandonhillcapital.com](http://www.brandonhillcapital.com)

+44 (0)20 3463 5016

**Peterhouse Corporate Finance Ltd – Joint Broker**

Duncan Vasey

[www.pcorpfin.com](http://www.pcorpfin.com)

+44 (0) 20 7469 0936

**St Brides Partners Ltd**

Susie Geliher

Charlotte Page

[www.stbridespartners.co.uk](http://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”).*