

MINING FLASHNOTE

VAST Resources (VAST AIM)

25 June 2018

Stock Data

Share Price:	0.59p
Market Cap (M):	£30.3
EV (M):	£65.9

Price Chart



52 Week Range

0.235p	0.59p	0.779p
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Company Summary

Vast Resources was originally a Zimbabwean focused company called African Consolidated Resources. The opportunity to acquire some base metal assets in Romania changed the focus of the company and caused it to change its name to Vast Resources.

MAIN SHAREHOLDERS HOLDING

MAIN SHAREHOLDERS	HOLDING
HSBC	4.32%
Kate Margaret	3.23%
Hargreaves Lansdown Asset	2.62%
Interactive Investor Trading	2.12%

Source: Bloomberg

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Vast Releases Baitai Plai Licence Update: Ministerial Agreement Obtained

Event

Vast Resources ("Vast") has announced that the agreement has been obtained from the Minister of Economy in relation to the Association Licence Agreement with Baita SA, the holder of the Baita Plai Head Licence.

Comment

This is a milestone development in the Company's process towards being granted the right to mine at its 80% owned Baita Plai Polymetallic Mine in Romania, with the only outstanding item now being formal approval by Romania's National Agency for Mineral Resources ("ANRM"). It is anticipated that this will be confirmed in early July 2018.

Obtaining the Minister's agreement, which was received following meetings between the Company, and the appropriate ministerial representatives, is the culmination of almost a years' activities which commenced in July 2017 with the commencement of a competitive selection process intended to expedite the granting of the right to mine. The Company was advised in August 2017 of the successful selection of its 80% subsidiary, African Consolidated Resources SRL and work since then has been focussed on establishing the detailed terms of the Association Licence. Finalisation of these detailed contractual terms with Baita SA was announced on 30 May 2018.

A letter received by Baita SA quotes "we are now at the end of the association procedure of Licence 99/1999."

This is very important for Vast since in the BHC valuations it accounts for approximately 40% of the value of the company. Further, being an underground mine it is far less likely to be impacted by cold weather in winter. Its throughput will be constrained by the hoisting capacity of the shaft, but there are plans for underground pre-concentration which should increase the metal content of the ore that will be hoisted.

With an in-situ ore grade of around 6% copper equivalent, and the experience gained in turning around Manaila, Baita Plai should make a significant contribution to the profitability of Vast.

Research Disclosures

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 11 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 25 June 2018

<u>Company Name</u>	<u>Disclosure</u>
Vast Resources (VAST AIM)	1, 2, 7, 8, 9

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