

MINING FLASHNOTE

VAST Resources (VAST AIM)

30 November 2017

Stock Data

Share Price:	0.60p
Market Cap (M):	£29.4
EV (M):	£43.4

Price Chart



52 Week Range

0.104p	0.60p
0.77p	

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

Hargreaves Lansdown	7.86%
HSBC	4.17%
Halifax Share Dealing	3.92%
Mortimer Kate Margaret	2.94%
Toronto-Dominion Bank	2.24%
Barclays PLC	1.90%

Source: Bloomberg

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Vast Completes Carlibaba Drilling

Event

Vast Resources ("Vast") has announced the results of its final phase of drilling at the Carlibaba prospect ('Carlibaba'), the proposed location of a second open pit mining operation at the Manaila Polymetallic Mine in Romania ('Manaila').

Comment

The results of the last 9 holes of an 18 hole programme have been released. They totalled 1,150.2m and take the total exploration programme to 2,150m.

This exploration is vitally important for Vast, with historic drilling having previously highlighted polymetallic potential. Unfortunately, there is no remaining core from the original drilling, only the assay results. The current exploration programme has verified these results, and they will now be used in the resource calculation. If sufficient ore is proven up, this will justify a second open pit, which would help to justify a new mill. The full set of results for the eighteen holes is included over leaf.

A revised JORC compliant resource is expected to be released in 1H 2018.

By BHC's calculations, Manaila accounts for 15.5% of the valuation of Vast, but only has around 4 years life remaining. Any extension to the Manaila mine life would have a significant impact on the value of both Manaila and Vast.

In addition, if sufficient ore resources are found to justify a new mill, this will bring additional benefits which will further enhance the valuation. Apart from the benefits of newer technology on the processing, the re-siting of the mill would reduce transport costs, both from the mine to the mill and of the tailings. If state of the art instrumentation were part of the design, it should also be possible to reduce manning levels.

Table 1: The results of the complete drilling programme

Drill hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	Cu %	Pb %	Zn %	
F001 *	28	55	27.0	0.28	11.19	0.49	0.21	0.45	
F002 *	21.5	24	2.5	0.26	4.72	0.21	0.01	0.06	
	41	48.5	7.5	0.06	1.23	0.13	0.04	0.05	
F003 *	85	97	12.0	0.16	3.00	0.49	0.01	0.07	
	101.3	105	3.7	0.22	3.03	0.33	0.03	0.08	
F004 *	109.2	113.7	4.5	0.18	9.98	1.17	0.08	0.21	
	122	127.7	5.7	0.77	10.63	0.80	0.04	0.15	
F005 *	114.6	127	12.4	0.44	14.60	1.11	0.18	0.43	
F006 *	122	124	2.0	Intersected underground drive. Massive sulphides in the final 0.10 metres of core obtained.					
F007 *	63	67.3	4.3	0.20	3.53	0.29	0.03	0.07	
	87	89.5	2.5	0.06	-	0.16	0.01	0.14	
F008 *	26	27.5	1.5	0.15	5.00	0.15	0.07	0.14	
F009 *	79	81	2.0	0.10	11.40	0.38	0.11	0.36	
	136	145.5	9.5	0.36	39.42	1.48	0.40	0.83	
F010	0.0	80.0	80.0	No Intersection					
F011	0.0	139.0	139.0	Faulted					
F012	38.5	38.8	0.3	0.23	9.0	1.25	0.04	32.10	
	80.4	91.0	7.2	0.65	57.5	1.13	0.63	13.82	
F013	61.3	62.8	1.5	0.13	18.3	0.43	0.45	14.34	
	92.0	94.7	2.7	0.33	62.4	0.94	1.18	11.99	
	100.5	105.0	4.5	0.26	16.2	0.39	0.27	4.37	
F014	227.8	228.5	0.7	0.27	7.0	0.63	0.05	9.76	
F015	0.0	227.0	227.0	Faulted, Intrusive, Breccia					
F016	112.0	128.0	4.7	0.08	3.6	0.10	0.03	13.03	
F017	0.0	107.0	107.0	Faulted					
F018	70.9	77.4	6.5	0.12	9.1	0.65	0.09	6.34	

Source: Vast Resources Plc

Research Disclosures

Peter Rose

Peter has 31 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 10 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 30 November 2017

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

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