

MINING FLASHNOTE

VAST Resources (VAST AIM)

16 October 2018

Stock Data

Share Price:	0.62p
Market Cap (M):	£34.2
EV (M):	£68.3

Price Chart



52 Week Range

0.322p	0.62p
0.779p	

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	11.72%
Interactive Investor	8.04%
Halifax Sharedealing	6.70%
Barclays	5.57%

Source: Vast Resources & Bloomberg

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Vast Announces Signing of Association with Baita SA and Association Licence Granted

Event

Vast Resources ("Vast") has advised that following the 10 October 2018 announcement of the formal approval by ANRM of the grant of an Association Licence to African Consolidated Resources srl, the Company's 80% subsidiary, AFCR and Baita SA, the holder of the head licence, have now signed the pre-agreed commercial contract, and AFCR now has the right to mine at the Baita Plai Polymetallic Mine in Romania ("Baita Plai").

Comment

Hopefully the last hurdle has been jumped. Andrew Prelea, Vast's CEO commented "The commercial Association Contract has now been executed and the agreed amount of money settled. We will now deploy the start-up team to Baita Plai to commence the implementation of the re-start programme. We intend to publish the start-up works programme in order for shareholders to keep track of the re-start schedule over the coming days and provide regular updates over the course of the next six months as we target initial production from Baita Plai in H1 2019".

One of the problems with the restart will be the winter. Romania's winters can be very harsh and although Baita Plai is an underground mine, there are still parts of the operation that are exposed to the elements. Underground mining needs to get development well ahead of production and the harsh Romanian winter could well work to Baita Plai's advantage, with lots of development getting done before production actually starts.

It also has significantly higher grades than Manaila, which should enable higher recoveries and significantly higher production. If all goes well it should be contributing to Vast's profitability in late 2019.

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 16 October 2018

Company Name	Disclosure
Vast Resources (VAST AIM)	1, 2, 7, 8, 9

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