

## Vast Resources plc

("Vast" or the "Company")

### Overview of the Interim Results for the six months to 31 October 2019

The Company has arranged financing which it has prioritised for the Baita Plai Polymetallic Mine ("BPPM") in Romania and the Chiadzwa Community Concession in Zimbabwe. The Company is in the process of drawing down on the first tranche of the Atlas Capital Markets facility (\$7.1 million gross) and expects to receive funds shortly. The first tranche will be applied to placing BPPM into production and to the repayment of financial creditors. The Manaila Polymetallic Mine ("MPM") continues on care and maintenance with the expectation of a second funding round at a later stage. Prior to the receipt of the first tranche of funding, the Company has diverted resources from MPM to upgrade, develop, and maintain BPPM in order to accelerate the project to production and in December 2019 conducted a cold commissioning as well as a drilling campaign. Finally, discussions continue regarding the conclusion of the Company's diamond joint venture with its Zimbabwe stakeholders. These discussions are in line with previous expectations, save on timing.

#### Financial

- Interim period follows change of accounting reference date from 31 March to 30 April as announced on 8 April 2019. Six month comparatives for 31 October 2018 have been included.
- 19% decrease in administrative and overhead expenses for the six month period ended 31 October 2019 (\$2.0 million) compared to the six month period ended 31 October 2018 (\$2.4 million).
- Foreign exchange losses of \$0.8 million for the period compared to \$1.4 million for the six month period ended 31 October 2018. Included within the \$0.8 million of foreign exchange losses is \$0.6 million in respect of the Company's operations in Zimbabwe.
- 36% decrease in losses after taxation from continuing operations in the period (\$3.5 million) compared to the six month period ended 31 October 2018 (\$5.5 million).
- \$15 million (net \$13.5 million before costs) binding conditional bond facility signed.
- Cash balances at the end of the period \$1.216 million compared to \$0.775 million as at 31 October 2018.

#### Operational Development

- Concluded a joint venture with Chiadzwa Mining Resources (Pvt) Ltd, a company designated to represent Chiadzwa Community interests in the Chiadzwa Community Diamond Concession (the "Concession").
- Continued discussions to finalise the joint venture agreement with Zimbabwe Consolidated Diamond Company (Pvt) Ltd ("ZCDC") which will enable the Concession to procure a special grant for the mining of diamonds. Discussions are in line with expectations, save on timing.
- Transitioned resources from MPM to BPPM in order to continue the upgrade and development of BPPM.

#### *Post period end:*

- Revised an existing agreement with Botswana Diamonds PLC ("BOD") resulting in BOD acquiring a 2.5% interest in the cashflows generated from Vast's share in the Concession. In consideration for this interest BOD will provide know-how for all aspects of exploration, mining, processing and marketing in relation to the Concession.
- Cold commissioning of BPPM and commencement of drilling programme to establish a JORC.

## Funding

### Share issues during the period: gross proceeds before cost of issue

Date	No of shares issued	Gross issue proceeds		
		£	\$	
28 May	775,862,068	900,000	1,142,010	Placing - new investor
21 Jun	1,221	6	8	Exercise of Open Offer warrants
7 Aug	244	1	1	Exercise of Open Offer warrants
13 Aug	595,454,545	655,000	789,799	Placing - new investor
30 Sep	902,592,977	1,805,186	2,225,975	Placing - new investor
24 Oct	34,000,000	47,600	61,471	Exercise of warrants
	<u>2,307,911,055</u>	<u>3,407,793</u>	<u>4,219,264</u>	

### Post period end:

Date	No of shares issued	Gross issue proceeds		
		£	\$	
7 Nov	20,000,000	50,000	64,110	Exercise of Share Appreciation Rights
23 Dec	18,318	92	119	Exercise of Open Offer warrants
31 Dec	260,629	1,303	1,721	Exercise of Open Offer warrants
2 Jan	1,275	6	8	Exercise of Open Offer warrants
	<u>20,280,222</u>	<u>51,401</u>	<u>65,958</u>	

## Debt Funding

- Documentation was signed for a US\$15 million binding conditional bond issue deed for a facility up to US\$ 15 million through an issuance of secured convertible bonds to a UK based fund, Atlas Capital Markets Ltd (“Atlas”).

### Post period end

- Issued a drawdown notice for the funding of the first tranche of the Atlas facility. The Company expects to receive funds shortly.

## Board and Management

### Post period end

- Appointment of Paul Fletcher as Finance Director on 11 November 2019; Roy Tucker continues as Business Director.

## **CHAIRMAN'S STATEMENT**

We had two key objectives for this reporting period. The first was to secure financing for our Romanian and Zimbabwe operations, and the second was to finalise the joint venture agreements in order to start mining activities at the Chiadzwa Community Diamond Concession (the "Concession").

The team made good progress in securing a US\$15 million facility from Atlas (net US\$13.5 million before costs), and post period end we were very pleased that we were in a position to drawn down on the first US\$ 7.1 million tranche of the facility. We anticipate that we will receive these funds shortly. They will be applied to fund the capital expenditure programme that will put BPPM into production, as well as repay creditors. This clearly marks a significant turning point for the Company and we look forward to reporting on progress in the months to come.

While good progress was also made in concluding a joint venture agreement with the Chiadzwa Community, to date we have been unable to finalize the joint venture agreement with ZCDC, which, amongst other matters, will enable the Company and our other Zimbabwean stakeholders to procure a special grant for the exploration, development, and mining of the Concession. As Andrew highlights in his report, we were concerned in the unexpected delay in signing the ZCDC joint venture agreement but we are pleased that discussions with the various Zimbabwe stakeholders are in line with previous expectations, other than on timing, and we remain confident that we will commence our mining operations in the near future. The Company is well placed to move quickly to monetise this opportunity with US\$ 7.9 million binding and conditional funding available in the form of tranches 2 to 4 of the Atlas facility.

As I mentioned in my report at the year end, the Company has been through a testing period marked equally by great opportunities and challenges. The Company and the management team has met these challenges head-on and the effort and commitment has paid dividends in recent months. The Company is now on a firm footing to realising the underlying value of its key Romanian asset, BPPM, and is well positioned to successfully execute on its Zimbabwe diamond opportunity upon finalisation of the ZCDC joint venture agreement.

**Brian Moritz**

**Chairman**

## CHIEF EXECUTIVE OFFICER'S REPORT

This has been a busy and critical period in the Company's development. We were able to register some notable accomplishments in the half year and after the period end that provide the necessary operational and financial platform to allow the Company to begin to unlock the underlying value of its key assets, the Baita Plai Polymetallic Mine ("BPPM") and the Chiadzwa Community Diamond Concession (the "Concession").

On 26th September we concluded a joint venture with Chiadzwa Mining Resources (Pvt) Ltd, a company designated to represent Chiadzwa Community interests in the Concession. This resulted in the formation of Katanga Mining (Pvt) Ltd ("Katanga"), a majority owned Vast company that will invest in Chiadzwa Community Company (Pvt) Ltd ("CCC"), a company with specific objectives to carry out exploration, resource development and mining in the Chiadzwa Community Diamond Concession. A further joint venture agreement between Katanga and the Zimbabwe Consolidated Diamond Company (Pvt) Ltd ("ZCDC"), a government entity which represents the Republic of Zimbabwe in the diamond sector is due to be signed, and which will result in the procurement of a special grant from the Zimbabwe authorities allowing the exploration and mining of diamonds within the Concession and will establish the final interests of Vast, the Community, and ZCDC in CCC. While we appreciate and share shareholders' concern in the unexpected delay in signing this second agreement with ZCDC, discussions with the various Zimbabwe stakeholders are in line with previous expectations, save on timing, and we are confident that we will commence our mining operations in the near future. Full details of the Chiadzwa joint venture will be announced at the same time as the conclusion and announcement of the ZCDC joint venture to which it is linked.

On 24th October documentation was signed with Atlas Capital Markets Ltd ("Atlas") for a US\$15 million binding conditional convertible bond facility. The authorities necessary for the bond issue were approved by shareholders on 8th November. The facility is divided into four tranches, the first tranche of US\$7.1 million being applied to bringing BPPM into production and the repayment of two existing creditors, Sub-Sahara Goldia Investments (US\$ 1 million in full and final settlement) and Mercuria (US\$ 1 million in partial settlement). Mercuria will continue to support the Company's Romanian operations under a tripartite intercreditor agreement with Atlas and the Company. We are in the process of drawing down the US\$7.1 million tranche from Atlas which we anticipate receiving shortly and which will be applied immediately to BPPM, enabling the commencement of production in H1 2020. This represents a very significant and critical step for the Company, as was also the announcement at the end of last year of the cold commissioning of BPPM and the commencement of a drilling programme. The results of the drilling programme will be used to further define the grades and resource and will support the process of confirming a JORC resource.

On 28th November the Company revised an existing agreement with Botswana Diamonds PLC ("BOD"). Upon finalising the Katanga / ZCDC agreement, BOD will receive an interest of 2.5% in Vast Resources Enterprises Ltd ("VRE") with Vast retaining an interest of 97.5%. In consideration for this interest BOD will provide know-how on all aspects of exploration, mining, processing and marketing in relation to the Concession.

We enter 2020 in a far stronger position than at any time in the Company's history. We are resourced to place BPPM into production in the near future and we are well placed to execute our Zimbabwe diamond strategy as soon as the agreement with ZCDC is concluded, a process that we believe will be concluded shortly.

**Andrew Prelea**  
**Chief Executive Officer**

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

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**Condensed consolidated statement of comprehensive income**  
for the six months ended 31 October 2019

	<b>31 Oct 2019</b>	<b>30 Apr 2019</b>	<b>31 Oct 2018</b>
	<b>6 Months</b>	<b>13 Months</b>	<b>6 Months</b>
	<b>Group</b>	<b>Group</b>	<b>Group</b>
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Revenue	-	3,432	2,137
Cost of sales	-	(4,344)	(2,882)
Gross loss	-	(912)	(745)
Overhead expenses	(3,179)	(8,195)	(4,588)
Depreciation of property, plant and equipment	(411)	(1,206)	(819)
Profit / (loss) on sale of property, plant and equipment	-	84	(2)
Share option and warrant expense	(69)	(264)	(38)
Sundry income	33	311	136
Exchange loss	(773)	(2,798)	(1,448)
Other administrative and overhead expenses	(1,959)	(4,322)	(2,417)
<b>Loss from operations</b>	<b>(3,179)</b>	<b>(9,107)</b>	<b>(5,333)</b>
Finance income	-	1	-
Finance expense	(345)	(845)	(191)
<b>Loss before taxation from continuing operations</b>	<b>(3,524)</b>	<b>(9,951)</b>	<b>(5,524)</b>
Taxation charge	-	-	-
<b>Total loss after taxation from continuing operations</b>	<b>(3,524)</b>	<b>(9,951)</b>	<b>(5,524)</b>
<b>Profit after taxation from discontinued operations</b>	<b>-</b>	<b>17,047</b>	<b>1,520</b>
<b>Total profit (loss) after taxation for the period</b>	<b>(3,524)</b>	<b>7,096</b>	<b>(4,004)</b>
<b>Other comprehensive income</b>			
Items that may be subsequently reclassified to either profit or loss			
(Loss) / gain on available for sale financial assets	-	(3)	1
Exchange gain on translation of foreign operations	34	1,941	625
<b>Total comprehensive profit / (loss) for the period</b>	<b>(3,490)</b>	<b>9,034</b>	<b>(3,378)</b>
<b>Total profit / (loss) attributable to:</b>			
- the equity holders of the parent company	(3,398)	243	(5,142)
- non-controlling interests	(126)	6,853	1,138
	<b>(3,524)</b>	<b>7,096</b>	<b>(4,004)</b>
<b>Total comprehensive profit / (loss) attributable to:</b>			
- the equity holders of the parent company	(3,364)	2,181	(4,516)
- non-controlling interests	(126)	6,853	1,138
	<b>(3,490)</b>	<b>9,034</b>	<b>(3,378)</b>
<b>Loss per share – basic and diluted</b>	<b>(0.04)</b>	<b>(0.00)</b>	<b>(0.10)</b>
<b>Loss per share continuing operations – basic and diluted</b>	<b>(0.04)</b>	<b>(0.16)</b>	<b>(0.10)</b>

**Condensed consolidated statement of changes in equity**  
for the six months ended 31 October 2019

	Share capital \$'000	Share premium \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Available for sale reserve \$'000	EBT reserve \$'000	Retained deficit \$'000	Total \$'000	Non-controlling interests \$'000	Total \$'000
<b>At 30 April 2018</b>	<b>20,052</b>	<b>77,284</b>	<b>1,664</b>	<b>(2,656)</b>	<b>3</b>	<b>(3,942)</b>	<b>(95,934)</b>	<b>(3,529)</b>	<b>23,683</b>	<b>20,154</b>
Total comprehensive loss for the period	-	-	-	625	1	-	(5,142)	(4,516)	1,138	(3,378)
Share option and warrant charges	-	-	38	-	-	-	-	38	-	38
Share options and warrants lapsed	-	-	(10)	-	-	-	10	-	-	-
Acquired through business combination:										
- Delta Gold Zimbabwe (Pvt) Ltd	-	-	-	-	-	-	-	-	(1,694)	(1,694)
Derecognition of EBT reserve	-	-	-	-	-	3,942	(3,715)	227	-	227
Disposal of available for sale investments	-	-	-	-	(4)	-	-	(4)	-	(4)
Shares issued for cash:	592	2,792	-	-	-	-	-	3,384	-	3,384
- to settle liabilities	-	-	-	-	-	-	-	-	-	-
<b>At 31 October 2018</b>	<b>20,644</b>	<b>80,076</b>	<b>1,692</b>	<b>(2,031)</b>	<b>-</b>	<b>-</b>	<b>(104,781)</b>	<b>(4,400)</b>	<b>23,127</b>	<b>18,727</b>
Total comprehensive loss for the period	-	-	-	1,309	-	-	3,625	4,934	5,079	10,013
Share option and warrant charges	-	-	142	-	-	-	-	142	-	142
Share options and warrants lapsed	-	-	(219)	-	-	-	219	-	-	-
Derecognised on discontinued operations:										
- Dallaglio Investments (Private) Limited	-	-	-	-	-	-	-	-	(28,247)	(28,247)
Shares issued for cash	3,058	1,609	-	-	-	-	-	4,667	-	4,667
<b>At 30 April 2019</b>	<b>23,702</b>	<b>81,685</b>	<b>1,615</b>	<b>(722)</b>	<b>-</b>	<b>-</b>	<b>(100,937)</b>	<b>5,343</b>	<b>(41)</b>	<b>5,302</b>
Total comprehensive loss for the period	-	-	-	34	-	-	(3,398)	(3,364)	(126)	(3,490)
Share option and warrant charges	-	-	69	-	-	-	-	69	-	69
Share options and warrants lapsed	-	-	(387)	-	-	-	387	-	-	-
Shares issued for cash	2,859	1,066	-	-	-	-	-	3,925	-	3,925
<b>At 31 October 2019</b>	<b>26,561</b>	<b>82,751</b>	<b>1,297</b>	<b>(688)</b>	<b>-</b>	<b>-</b>	<b>(103,948)</b>	<b>5,973</b>	<b>(167)</b>	<b>5,806</b>

**Condensed consolidated statement of financial position**

As at 31 October 2019

		<b>31 Oct 2019</b>	<b>30 Apr 2019</b>	<b>31 Oct 2018</b>
		<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>
		<b>Group</b>	<b>Group</b>	<b>Group</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Assets</b>	<b>Note</b>			
<b>Non-current assets</b>				
Property, plant and equipment	3	11,998	11,261	52,242
Investment in joint ventures		-	-	548
Goodwill arising on consolidation		-	-	566
		<u>11,998</u>	<u>11,261</u>	<u>53,356</u>
<b>Current assets</b>				
Inventory	5	472	413	5,033
Receivables	6	1,961	2,537	8,431
Available for sale investments		-	-	15
Cash and cash equivalents		1,216	569	775
<b>Total current assets</b>		<u>3,649</u>	<u>3,519</u>	<u>14,254</u>
<b>Total Assets</b>		<u>15,647</u>	<u>14,780</u>	<u>67,610</u>
<b>Equity and Liabilities</b>				
Capital and reserves attributable to equity holders of the Parent				
Share capital		26,561	23,702	20,644
Share premium		82,751	81,685	80,076
Share option reserve		1,297	1,615	1,692
Foreign currency translation reserve		(688)	(722)	(2,031)
Retained deficit		(103,948)	(100,937)	(104,781)
		<u>5,973</u>	<u>5,343</u>	<u>(4,400)</u>
Non-controlling interests		(167)	(41)	23,127
<b>Total equity</b>		<u>5,806</u>	<u>5,302</u>	<u>18,727</u>
<b>Non-current liabilities</b>				
Loans and borrowings	7	3,073	4,043	23,607
Provisions	9	489	489	2,465
Deferred tax liability		-	-	3,330
		<u>3,562</u>	<u>4,532</u>	<u>29,402</u>
<b>Current liabilities</b>				
Loans and borrowings	7	2,348	1,476	11,956
Trade and other payables	8	3,931	3,470	7,525
<b>Total current liabilities</b>		<u>6,279</u>	<u>4,946</u>	<u>19,481</u>
<b>Total liabilities</b>		<u>9,841</u>	<u>9,478</u>	<u>48,883</u>
<b>Total Equity and Liabilities</b>		<u>15,647</u>	<u>14,780</u>	<u>67,610</u>



**Condensed consolidated statement of cash flow**  
for the six months ended 31 October 2019

	31 Oct 2019 Unaudited Group \$'000	30 Apr 2019 Audited Group \$'000	31 Oct 2018 Unaudited Group \$'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit (loss) before taxation for the period</b>			
- from continuing operations	(3,524)	(9,951)	(5,524)
- from discontinued operations	-	17,047	1,520
<b>Adjustments for:</b>			
Depreciation and impairment charges	411	4,554	2,138
(Profit) loss on sale of property, plant and equipment	-	(76)	2
Gain on disposal of discontinued operations	-	(8,649)	-
Loss on disposal of available for sale investments	-	10	-
Share option expense	69	264	38
	(3,044)	3,199	(1,826)
<b>Changes in working capital:</b>			
Decrease (increase) in receivables	613	2,140	(2,439)
Decrease (increase) in inventories	(55)	1,290	(1,000)
Increase (decrease) in payables	490	(1,275)	2,639
	1,048	2,155	(800)
Taxation paid	-	-	-
<b>Cash generated by / (used in) operations</b>	<b>(1,996)</b>	<b>5,354</b>	<b>(2,626)</b>
<b>Investing activities:</b>			
Payments to acquire property, plant and equipment	(1,184)	(11,391)	(4,443)
Payments to acquire new subsidiary	-	(4,480)	(4,480)
Proceeds on disposal of property, plant and equipment	-	168	85
Net cash inflow on disposal of discontinued operations	-	1,592	-
Proceeds of derecognition of EBT reserve	-	221	221
Decrease (increase) in investment in joint venture	-	559	(54)
	-	-	-
<b>Total cash used in investing activities</b>	<b>(1,184)</b>	<b>(13,331)</b>	<b>(8,671)</b>
<b>Financing activities:</b>			
Net proceeds from the issue of ordinary shares	3,925	8,110	4,667
Proceeds from loans and borrowings granted	156	6,165	6,985
Repayment of loans and borrowings	(254)	(7,029)	(53)
<b>Total proceeds from financing activities</b>	<b>3,827</b>	<b>7,246</b>	<b>11,599</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>647</b>	<b>(731)</b>	<b>302</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>569</b>	<b>1,300</b>	<b>473</b>
<b>Cash and cash equivalents at end of period</b>	<b>1,216</b>	<b>569</b>	<b>775</b>

## Interim report notes

### 1 Interim Report

These condensed interim financial statements, which are unaudited, are for the six months ended 31 October 2019 and consolidate the financial statements of the Company and all its subsidiaries. The statements are presented in United States Dollars.

The financial information set out in these condensed interim financial statements does not constitute statutory accounts as defined in Section 434(3) of the Companies Act 2006. The condensed interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the period ended 30 April 2019 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs"). The Auditor's report on those financial statements was unqualified and did not contain a statement under s.498(2) or s.498(3) of the Companies Act 2006.

While the Auditors' report for the period ended 30 April 2019 was unqualified, it did include a material uncertainty related to going concern, to which the Auditors drew attention by way of emphasis without qualifying their report. Full details of these comments are contained in the report of the Auditors on Pages 23-27 of the annual financial statements for the period ended 30 April 2019, released elsewhere on this website on 30 September 2019.

The accounts for the period have been prepared in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" ("IAS 34") and the accounting policies are consistent with those of the annual financial statements for the period ended 30 April 2019, unless otherwise stated, and those envisaged for the financial statements for the year ended 30 April 2020.

#### **New IFRS accounting standards**

IFRS 16 Leases became effective for the Group from 1 January 2019. The principal impact of IFRS 16 will be to change the accounting treatment by lessees of leases currently classified as operating leases. Lease agreements will give rise to the recognition by the lessee of an asset, representing the right to use the leased item, and a related liability for future lease payments. Lease costs will be recognised in the income statement in the form of depreciation of the right of use asset over the lease term, and finance charges representing the unwind of the discount on the lease liability. The adoption of IFRS 16 does not materially impact the carrying value of lease liabilities given the Group's negligible leasing exposure. As the effects of applying these standards are considered immaterial to the Group, the Group has elected not to demonstrate the impact of these standards on the current period's results and not to restate prior periods on adoption of the new standards in 2019.

#### **Going concern**

After review of the Group's operations and of the funding opportunities open to the Group, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the unaudited condensed interim financial statements.

This interim report was approved by the Directors on 17 January 2019.

## 2 Segmental analysis

	Continuing operations				Discontinued operations			
	Mining, exploration and development		Admin and corporate	Total	Mining, exploration and development		Admin and corporate	Total
	Europe \$'000	Africa \$'000	\$'000	\$'000	Europe \$'000	Africa \$'000	\$'000	\$'000
<b>Six months to 31 October 2019</b>								
Revenue	-	-	-	-	-	-	-	-
Production costs	-	-	-	-	-	-	-	-
Gross profit (loss)	-	-	-	-	-	-	-	-
Depreciation	(409)	-	(2)	(411)	-	-	-	-
Profit (loss) on sale of property, plant and equipment	-	-	-	-	-	-	-	-
Share option and warrant expense	-	-	(69)	(69)	-	-	-	-
Sundry income	33	-	-	33	-	-	-	-
Exchange (loss) gain	(156)	-	(617)	(773)	-	-	-	-
Other administrative and overhead expenses	(722)	-	(1,237)	(1,959)	-	-	-	-
Finance income	-	-	-	-	-	-	-	-
Finance expense	(189)	-	(156)	(345)	-	-	-	-
Profit on disposal of discontinued operations	-	-	-	-	-	-	-	-
Taxation (charge)	-	-	-	-	-	-	-	-
Profit (loss) for the year from continuing operations	(1,443)	-	(2,081)	(3,524)	-	-	-	-
<b>31 October 2019</b>								
Total assets	14,516	-	1,131	15,647	-	-	-	-
Total non-current assets	11,998	-	-	11,998	-	-	-	-
Additions to non-current assets	1,184	-	-	1,184	-	-	-	-
Total current assets	2,120	-	1,529	3,649	-	-	-	-
Total liabilities	8,329	-	1,512	9,841	-	-	-	-

## 2 Segmental analysis (continued)

	Continuing operations				Discontinued operations			
	Mining, exploration and development		Admin and corporate	Total	Mining, exploration and development		Admin and corporate	Total
	Europe	Africa			Europe	Africa		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Thirteen months to 30 April 2019</b>								
Revenue	3,328	-	104	3,432	-	31,243	-	31,243
Production costs	(4,344)	-	-	(4,344)	-	(18,527)	-	(18,527)
Gross profit (loss)	(1,016)	-	104	(912)	-	12,716	-	12,716
Depreciation and impairment	(1,200)	-	(6)	(1,206)	-	(3,348)	-	(3,348)
Profit (loss) on sale of property, plant and equipment	86	-	(2)	84	-	(8)	-	(8)
Share option and warrant expense	-	-	(264)	(264)	-	-	-	-
Sundry income	311	-	-	311	-	670	-	670
Exchange (loss) gain	(2,283)	-	(515)	(2,798)	-	6,494	(779)	5,715
Other administrative and overhead expenses	(1,516)	-	(2,806)	(4,322)	-	(4,894)	(22)	(4,916)
Finance income	-	-	1	1	-	2	-	2
Finance expense	(413)	-	(432)	(845)	-	(1,014)	-	(1,014)
Loss on disposal of subsidiary company loans	-	-	-	-	-	8,649	-	8,649
Taxation (charge)	-	-	-	-	-	(1,408)	(11)	(1,419)
Profit (loss) for the year from continuing operations	(6,031)	-	(3,920)	(9,951)	-	17,859	(812)	17,047
<b>30 April 2019</b>								
Total assets	13,611	-	1,169	14,780	-	-	-	-
Total non-current assets	11,220	-	41	11,261	-	-	-	-
Additions to non-current assets	1,684	-	53	1,737	-	14,371	-	14,371
Total current assets	2,441	-	1,078	3,519	-	-	-	-
Total liabilities	8,434	-	1,044	9,478	-	-	-	-

2 Segmental analysis (continued)

	Continuing operations				Discontinued operations			
	Mining, exploration and development		Admin and corporate	Total	Mining, exploration and development		Admin and corporate	Total
	Europe \$'000	Africa \$'000	\$'000	\$'000	Europe \$'000	Africa \$'000	\$'000	\$'000
<b>Six months to 31 October 2018</b>								
Revenue	2,137	-	-	2,137	-	16,932	-	16,932
Production costs	(2,882)	-	-	(2,882)	-	(12,840)	-	(12,840)
Gross profit (loss)	(745)	-	-	(745)	-	4,092	-	4,092
Depreciation	(818)	-	(1)	(819)	-	(1,319)	-	(1,319)
Profit (loss) on sale of property, plant and equipment	-	-	(2)	(2)	-	-	-	-
Share option and warrant expense	-	-	(38)	(38)	-	-	-	-
Sundry income	136	-	-	136	-	215	-	215
Exchange (loss) gain	(1,047)	-	(401)	(1,448)	-	1	-	1
Other administrative and overhead expenses	(866)	-	(1,551)	(2,417)	-	(839)	(20)	(859)
Finance income	-	-	-	-	-	23	-	23
Finance expense	(191)	-	-	(191)	-	(685)	52	(633)
Loss on disposal of subsidiary company loans	-	-	-	-	-	-	-	-
Taxation (charge)	-	-	-	-	-	-	-	-
Profit (loss) for the year from continuing operations	(3,531)	-	(1,993)	(5,524)	-	1,488	32	1,520
<b>31 October 2018</b>								
Total assets	14,105	-	20	14,125	53,485	-	-	53,485
Total non-current assets	10,768	-	-	10,768	42,588	-	-	42,588
Additions to non-current assets	421	-	1	422	4,021	-	-	4,021
Total current assets	2,849	-	388	3,237	10,749	268	-	11,017
Total liabilities	8,484	-	662	9,146	24,877	14,860	-	39,737

### 3 Property, Plant and equipment

Group	Plant and machinery	Fixtures, fittings and equipment	Computer assets	Motor vehicles	Buildings and Improvements	Mining assets	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cost at 1 May 2018</b>	<b>19,297</b>	<b>178</b>	<b>307</b>	<b>722</b>	<b>3,749</b>	<b>27,693</b>	<b>2,760</b>	<b>54,706</b>
Revaluation	-	-	-	-	-	-	-	-
Additions during the period	254	40	83	115	46	1,314	2,591	4,443
Acquired through business combination	2,319	20	-	2	1,790	-	-	4,131
Reclassification	260	-	-	-	5	-	(265)	-
Disposals during the period	-	-	-	-	(87)	-	-	(87)
Foreign exchange movements	(189)	(2)	(6)	(32)	(171)	(278)	(62)	(740)
<b>Cost at 31 October 2018</b>	<b>21,941</b>	<b>236</b>	<b>384</b>	<b>807</b>	<b>5,332</b>	<b>28,729</b>	<b>5,024</b>	<b>62,453</b>
Revaluation	-	10	1	40	-	-	-	51
Additions during the period	1,089	55	19	174	120	3,851	752	6,060
Acquired through business combination	493	1	102	-	-	-	-	596
Reclassification	(14)	-	-	-	129	-	(115)	-
Disposals during the period	(14)	-	-	-	5	-	-	(9)
Discontinued operations	(20,142)	(243)	(382)	(707)	(2,240)	(26,188)	(2,830)	(52,732)
Foreign exchange movements	(150)	(13)	(6)	(69)	(134)	(218)	(47)	(637)
<b>Cost at 30 April 2019</b>	<b>3,203</b>	<b>46</b>	<b>118</b>	<b>245</b>	<b>3,212</b>	<b>6,174</b>	<b>2,784</b>	<b>15,782</b>
Additions during the period	-	1	-	37	-	-	1,146	1,184
Foreign exchange movements	(6)	-	-	(5)	(10)	(16)	(10)	(47)
<b>Cost at 31 October 2019</b>	<b>3,197</b>	<b>47</b>	<b>118</b>	<b>277</b>	<b>3,202</b>	<b>6,158</b>	<b>3,920</b>	<b>16,919</b>
<b>Depreciation at 1 May 2018</b>	<b>4,898</b>	<b>85</b>	<b>147</b>	<b>410</b>	<b>540</b>	<b>1,721</b>	<b>604</b>	<b>8,405</b>
Charge for the period	1,548	16	42	28	76	428	-	2,138
Foreign exchange movements	(198)	(4)	(10)	(31)	(56)	(33)	-	(332)
<b>Depreciation at 31 October 2018</b>	<b>6,248</b>	<b>97</b>	<b>179</b>	<b>407</b>	<b>560</b>	<b>2,116</b>	<b>604</b>	<b>10,211</b>
Charge for the period	1,162	28	120	72	134	794	106	2,416
Acquired through business combination	52	-	9	-	-	-	-	61
Disposals during the period	(4)	-	-	-	-	-	-	(4)
Discontinued operations	(5,402)	(84)	(238)	(319)	(68)	(1,828)	-	(7,939)
Foreign exchange movements	(103)	(6)	(4)	(28)	(41)	(42)	-	(224)
<b>Depreciation at 30 April 2019</b>	<b>1,953</b>	<b>35</b>	<b>66</b>	<b>132</b>	<b>585</b>	<b>1,040</b>	<b>710</b>	<b>4,521</b>
Charge for the period	184	6	4	14	57	146	-	411
Foreign exchange movements	(2)	-	-	(2)	(4)	(3)	-	(11)
<b>Depreciation at 31 October 2019</b>	<b>2,135</b>	<b>41</b>	<b>70</b>	<b>144</b>	<b>638</b>	<b>1,183</b>	<b>710</b>	<b>4,921</b>
<b>Net book value at 31 October 2018</b>	<b>15,693</b>	<b>139</b>	<b>205</b>	<b>400</b>	<b>4,772</b>	<b>26,613</b>	<b>4,420</b>	<b>52,242</b>
<b>Net book value at 30 April 2019</b>	<b>1,250</b>	<b>11</b>	<b>52</b>	<b>113</b>	<b>2,627</b>	<b>5,134</b>	<b>2,074</b>	<b>11,261</b>
<b>Net book value at 31 October 2019</b>	<b>1,062</b>	<b>6</b>	<b>48</b>	<b>133</b>	<b>2,564</b>	<b>4,975</b>	<b>3,210</b>	<b>11,998</b>

#### 4 Loss per share

	<b>31 Oct 2019 Unaudited Group</b>	<b>30 Apr 2019 Audited Group</b>	<b>31 Oct 2018 Unaudited Group</b>
Profit and loss per ordinary share has been calculated using the weighted average number of ordinary shares in issue during the relevant financial year.			
The weighted average number of ordinary shares in issue for the period is:	9,017,815,872	5,887,042,985	5,372,499,686
Profit / (loss) for the period: (\$'000)	(3,398)	243	(5,142)
Profit / (loss) per share basic and diluted (cents)	(0.04)	0.00	(0.10)
Profit / (loss) for the period from continuing operations: (\$'000)	(3,398)	(9,649)	(5,356)
Profit / (loss) per share for the period from continuing operations - basic and diluted	(0.04)	(0.16)	(0.10)
Profit / (loss) for the period from discontinued operations: (\$'000)	-	9,892	214
Profit / (loss) per share for the period from discontinued operations - basic and diluted	-	0.17	0.00

The effect of all potentially dilutive share options is anti-dilutive.

#### 5 Inventory

	<b>31 Oct 2019 Unaudited Group \$'000</b>	<b>30 Apr 2019 Audited Group \$'000</b>	<b>31 Oct 2018 Unaudited Group \$'000</b>
Minerals held for sale	61	61	1,145
Production stockpiles	48	48	1,711
Consumable stores	363	304	2,177
	<u>472</u>	<u>413</u>	<u>5,033</u>

#### 6 Receivables

	<b>31 Oct 2019 Unaudited Group \$'000</b>	<b>30 Apr 2019 Audited Group \$'000</b>	<b>31 Oct 2018 Unaudited Group \$'000</b>
Trade receivables	-	-	412
Other receivables	839	1,502	2,414
Short term loans	211	174	-
Prepayments	60	74	2,506
VAT	851	787	3,099
	<u>1,961</u>	<u>2,537</u>	<u>8,431</u>

#### 7 Loans and borrowings

	<b>31 Oct 2019 Unaudited Group</b>	<b>30 Apr 2019 Audited Group</b>	<b>31 Oct 2018 Unaudited Group</b>
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	\$'000	\$'000	\$'000
<b>Non current</b>			
Secured borrowings	5,035	4,043	9,120
Unsecured borrowings	206	-	14,838
less amounts payable in less than 12 months	(2,168)	-	(351)
	<u>3,073</u>	<u>4,043</u>	<u>23,607</u>
<b>Current</b>			
Secured borrowings	2,018	978	3,802
Unsecured borrowings	330	498	4,269
Bank overdrafts	-	-	3,885
	<u>2,348</u>	<u>1,476</u>	<u>11,956</u>
Total loans and borrowings	<u>5,421</u>	<u>5,519</u>	<u>35,563</u>

## 8 Payables

	31 Oct 2019 Unaudited Group \$'000	30 Apr 2019 Audited Group \$'000	31 Oct 2018 Unaudited Group \$'000
Trade payables	1,298	1,193	4,460
Other payables	1,293	1,033	2,380
Other taxes and social security taxes	1,340	1,027	538
Accrued expenses	-	217	147
	<u>3,931</u>	<u>3,470</u>	<u>7,525</u>

## 9 Provisions

	31 Oct 2019 Unaudited Group \$'000	30 Apr 2019 Audited Group \$'000	31 Oct 2018 Unaudited Group \$'000
Provision for rehabilitation of mining properties			
- Provision brought forward from previous periods	489	1,397	1,397
- Liability recognised during period	-	-	1,068
- Derecognised on disposal of subsidiary	-	(908)	-
	<u>489</u>	<u>489</u>	<u>2,465</u>

## 10 Events after the reporting date

### Shares issued

Date	No of shares issued	Gross issue proceeds		Reason for issue
		£	\$	
7 Nov	20,000,000	50,000	64,110	Exercise of Share Appreciation Rights
23 Dec	18,318	92	119	Exercise of Open Offer warrants
31 Dec	260,629	1,303	1,721	Exercise of Open Offer warrants
2 Jan	1,275	6	8	Exercise of Open Offer warrants
	<u>20,280,222</u>	<u>51,401</u>	<u>65,958</u>	



On 28th November the Company revised an existing agreement with Botswana Diamonds PLC (BOD), BOD will now be a consulting partner in the development of the Chiadzwa Community Concession in Zimbabwe, providing know-how on all aspects of exploration, mining, processing and marketing. Upon finalising the Katanga / ZCDC agreement, BOD will receive an interest of 2.5% in Vast Resources Enterprises Ltd ("VRE").

On 16<sup>th</sup> December the Company announced the cold commissioning of BPPM and on 23<sup>rd</sup> December the commencement of a drilling programme, the results of which will be used to further define the grades and resource and will support the process of confirming a JORC resource.

On 2<sup>nd</sup> January the Company has submitted a drawdown request for the First Tranche Issuance to Atlas Capital Markets Limited in accordance with the terms and conditions of the Bond Issuance Deed.