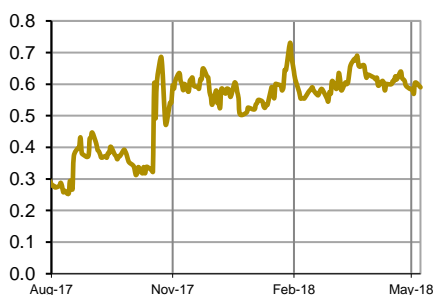


# VAST Resources (VAST AIM)

08 May 2018

**Stock Data**

Share Price:	0.59p
Market Cap (M):	£30.3
EV (M):	£67.0

**Price Chart**

**52 Week Range**

0.253p	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**

Hargreaves Lansdown Asset	18.68%
Interactive Investor Sharedealing	12.18%
Halifax Share Dealing	10.08%
Barclays Wealth and Investment	6.74%

Source: Bloomberg

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## Vast Releases March 2018 Quarterly Production Summary

### Event

Vast Resources ("Vast") has released its March quarterly production summary and operations update. The figures for Manaila were very low, the result of the winter shutdown when an extended stripping programme was conducted. However, gold produced and sold at the Pickstone-Peerless mine were at their highest recorded levels.

### Comment

#### Manaila

Manaila mined and processed 15,344t and 13,616t respectively. The stripping ratio jumped to 19.4:1 as huge strides were made to put the mining back in a position where it is not scratching for ore in the pit. Consequently, both copper and zinc head grades improved. Copper concentrate production was 386t grading 17.3% copper and zinc concentrate production was 84t grading 30.4% zinc.

The extended strip programme is expected to see operations back to normal in the June quarter with good head grades and recoveries as the full benefits of the recently installed additional crusher are expected to be felt. An indication of what to expect going forward is indicated in the production figures for the last 2 weeks in March when 3,514t were milled grading 0.84% copper and 0.89% zinc.

#### Pickstone-Peerless

Mining during the quarter was impacted by heavy rainfall in February. The mine had also backed itself into an awkward position with a lack of stripping. This problem was addressed in the quarter when the strip ratio increased to 24.4:1 but is expected to drop back to a more normal 15 in the current quarter and thereafter. Also, mill throughput was impacted by plant mechanical problems and the delayed availability of spares.

These problems were more than compensated for by an increase in the grade of ore processed which rose to 2.78g/t and is expected to remain around this level until the sulphide ore starts to be processed. In total, 65,342t of ore were milled and 80,639t processed. This resulted in the production of 6,326oz of gold and sales of 6,549oz as stocks were reduced.

Now that these problems have been resolved, the mine is expected to process in excess of 90,000t per quarter going forward. In addition, the commissioning of the ultra-fine grinding mills, part of the sulphide processing circuit, is proceeding well and it is expected that they will be used on the oxide ore until the plant switches over to processing the sulphide ores. If this option is taken, it is expected to have a beneficial impact on recoveries.

## 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 08 May 2018

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

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