

MINING FLASHNOTE

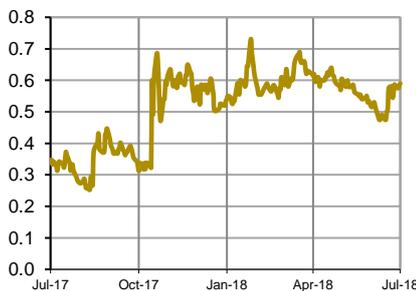
# VAST Resources (VAST AIM)

04 July 2018

### Stock Data

Share Price:	0.59p
Market Cap (M):	£31.7
EV (M):	£35.7

### Price Chart



### 52 Week Range

0.253p		0.59p
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

HSBC	4.12%
Kate Margaret	3.09%
Hargreaves Lansdown Asset	2.62%
Interactive Investor Trading	2.12%

Source: Bloomberg

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## Vast Releases June 2018 Quarterly Production Summary

### Event

Vast Resources ("Vast") has released its June quarterly production summary and operations update. The figures for Manaila shows a significant improvement, reflecting the extended stripping programme that was conducted over the winter. The Pickstone-Peerless gold mine, produced and sold record levels of gold.

### Comment

#### Manaila

Manaila mined and processed 26,022t and 27,497t respectively. The stripping ratio retreated to 11.9 from 19.4:1 as the focus returned to mining ore. Both copper and zinc head grades improved again. This resulted in a significant increase in copper concentrate production, up from was 386t grading 17.3% copper to 911t grading 17.9% copper. Zinc concentrate production at 151t grading 34.8% zinc more than double the amount of contained zinc over the previous quarter.

Overall this was a huge improvement over previous quarters. Tonnes mined and milled, grades and recoveries were all towards the best quarterly performances and as a result there was excellent copper production. Now that the plant is operating at steady a state, we envisage further improvements in the September quarter, especially with regards to the zinc circuit, where recoveries and concentrate grades needs work. Vast has also paid the deposit for some new dumper trucks and excavators which is expected to result in higher utilisation rates and allow for a more consistent rate of mining of both ore and waste.

These improvements have placed Manaila on track to meet the concentrate tonnage requirements in the off-take agreement and funding offer concluded with Mercuria on the 21st March 2018.

#### Pickstone-Peerless

With the problems encountered in the March quarter behind them, Pickstone-Peerless had an excellent quarter, producing a record 6,969oz of gold. This was due to a 20% increase in tonnes milled, and a slightly better recovery, which more than compensated for the drop in grade.

It was the highest quarter tonnage ever milled at Pickstone-Peerless, and with the mill constantly treating in excess of 30,000tpm BHC expects this excellent performance to be repeated going forward.

## 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 04 July 2018

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

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