

MINING FLASHNOTE

VAST Resources (VAST AIM)

06 August 2018

Stock Data

Share Price:	0.635p
Market Cap (M):	£34.1
EV (M):	£69.5

Price Chart



52 Week Range

0.253p	0.635p	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	11.72%
Interactive Investor	8.04%
Halifax Sharedealing	6.70%
Barclays	5.57%

Source: Bloomberg

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Vast Releases Baitai Plai Licence Update: Joint Application Submitted to ANRM

Event

Vast Resources ("Vast") has announced that following acceptance of the agreement by the Minister of Economy (the "Minister") as announced on 22 June 2018, the State owned company Baita SA, the holder of the Baita Plai Head Licence, and the Company's 80% subsidiary African Consolidated Resources srl ("AFCR") have now, with the accord of the Minister submitted their joint formal application to Romania's National Agency for Mineral Resources ("ANRM") for the grant to AFRCR of an Association Licence, which will give AFRCR the right to mine at Baita Plai.

Comment

The joint application to ANRM is the final stage in what has been a protracted legal and administrative process and the Company has reason to believe that the actual grant of the Association Licence will follow shortly.

This is a further milestone development in the Company's process towards being granted the right to mine at its 80% owned Baita Plai Polymetallic Mine in Romania. Being granted formal approval by the ANRM is the last remaining step in what has been very slow process. Whilst Vast remains optimistic that the grant of the Association Licence will follow shortly, events proceed very slowly in Romania and BHC believes it more likely to occur in September than August.

However, when it does arrive, it will be a major step forward for Vast. In the BHC valuations it accounts for approximately 40% of the value of the company. Further, being an underground mine it is far less likely to be impacted by cold weather in winter. Its throughput will be constrained by the hoisting capacity of the shaft, but there are plans for underground pre-concentration which should increase the metal content of the ore that will be hoisted.

With an in-situ ore grade of around 6% copper equivalent, and the experience gained in turning around Manaila, Baita Plai should make a significant contribution to the profitability of Vast.

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 06 August 2018

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

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