

Vast Resources plc / Ticker: VAST / Index: AIM / Sector: Mining

24 July 2017

Vast Resources plc

("Vast" or "the Company")

Conditional Heads of Terms for US\$10 million Investment

Vast Resources plc, the AIM-listed mining company with operations in Romania and Zimbabwe, is pleased to advise shareholders that it has entered into a conditional heads of terms relating to a proposed investment of up to US\$10 million in Vast ('the Proposed Investment') by a corporate finance and investment firm with significant experience in and investment in Romania (the 'Investor').

The Proposed Investment is also subject to the rights of Sub-Sahara Goldia Investments ('Sub-Sahara') pursuant to its US\$4 million loan to the Company as announced on 30 January 2017 which has a right to provide equivalent finance to the Proposed Investment if the terms and conditions are the same.

The Proposed Investment is in two stages, US\$8 million at Stage 1 and an additional US\$2 million at Stage 2. Stage 1 is a direct subscription by the Investor for new shares in Vast Resources Romania Ltd ('VRR') which company will hold all Vast's Romanian assets and would result in the Investor holding 51% of VRR. Stage 2 would result in the subscription by the Investor for a nominal number of further shares in VRR followed immediately by the acquisition of the Investor's entire holding in VRR by Vast for the issue of ordinary shares in Vast at 0.4p per share and which, depending on exchange rate fluctuations and share issues through warrant exercises, is estimated to give Investor approximately 29% of the enlarged share capital of Vast.

Stage 2 will require the passing of an ordinary resolution at a General Meeting of Vast.

The funds raised must be used for the Company's capital expenditure and working capital requirements, mostly for the expansion of the Romanian operations. Subject to Stage 2 being completed there is also an allocation of funds for costs in connection with the possible demerger of the Zimbabwe assets from the Company.

The Proposed Investment and its Stages are subject to preconditions of a standard nature including the completion of the Investor's due diligence and the procurement of the release of Sub-Sahara's security over the Company's non-Zimbabwe assets. For Stage 2 specific conditions include; (1) that Vast can legally procure the payment of a dividend from Breckridge (Pvt) Limited ('Breckridge'), the owner of the Pickstone Peerless Gold Mine in Zimbabwe, subject to there being distributable profits in Breckridge, and (2) that Vast can procure to the satisfaction of the Investor the visibility of dividend payments by Breckridge and or payment from funds in Breckridge to Vast of an appropriate proportion of general administrative costs of Vast following completion of the Proposed Investment.

The Proposed Investment is subject to agreement and signing by all relevant parties of necessary documentation, including a detailed subscription and shareholders' agreement and the provision to the Investor of customary warranties and representations appropriate to the Proposed Investment relating to the Company, its business, assets and liabilities.

Roy Pitchford, Chief Executive of Vast, commented:

"The Proposed Investment by a strategic investor of up to US\$10 million should enable us to execute our strategic objectives in Romania, and I look forward to providing further updates as appropriate as this process continues."

****ENDS****

For further information, visit www.vastresourcesplc.com or please contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

Notes

Vast Resources plc is an AIM listed mining and resource development company focussed on the rapid advancement of high quality brownfield projects and recommencing production at previously producing mines in Romania.

Vast Resources currently operates the Manaila Polymetallic Mine in Romania, which was commissioned in 2015. The Company's portfolio also includes the Baita Plai Polymetallic Mine in Romania, where work is currently underway towards obtaining the relevant permissions to start developing and ultimately commissioning the mine.

The Company also has interests in a number of projects in Southern Africa including a 25.01 per cent. interest in the producing Pickstone-Peerless Gold Mine in Zimbabwe.

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Source: Vast Resources plc via Globenewswire