

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

8 February 2016

## **Vast Resources plc**

("Vast" or the "Company")

### **Quarterly Production Summary**

Vast Resources plc, the AIM listed mining company with operations in Romania and Zimbabwe, is pleased to report an operational update and production summary for the three months ended 31 December 2015.

#### **Overview:**

Vast's inaugural quarterly production summary following the commissioning of its initial two mines:

Manaila Polymetallic Mine in Romania commissioned on 14 August 2015

Pickstone-Peerless Gold Mine in Zimbabwe commissioned on 20 August 2015

Break-even status achieved at both mines within first production quarter

Optimisation programmes underway to improve grade control and plant efficiencies to enhance profitability

Production ramping up at both mines - target of 20,000 tonnes at each site by end of H1 2016

Continued progress towards obtaining mining sub-licence for Baita Plai Polymetallic Mine in accordance with Romanian due process post-merger (announced 30 November 2015) - grant of mining-licence will allow for commissioning of the Company's third mine

#### **Roy Pitchford, Chief Executive of Vast, commented:**

*"Our evolution into a mining and production company is making strong headway, and it gives me great pleasure to report that both Manaila and Pickstone Peerless achieved operational break-even in their first quarter of production. It should be noted that this progress has been made during a period of sustained low commodity prices highlighting the inherent quality of the Company's assets. We have achieved a great deal from a standing-start and are now in the process of implementing optimisation programmes to improve grade control and plant efficiencies with the objective of significantly enhancing performance and profitability moving forward. In addition, with the positive cashflow generated from our producing mines, the Company is well placed to achieve its objective of becoming a mid-sized mining company in the short to medium term."*

### **Quarterly Production Summary**

This first quarterly production report is another milestone in the journey of Vast's development into a mining and production company, following commissioning of the Manaila Polymetallic Mine and Pickstone-Peerless Gold Mine in August 2015.

Operationally the two mines have achieved break even status during the first reported production quarter. Costs and efficiencies are improving and as always in mining projects, further improvements are possible and management in both Romania and Zimbabwe are focussed on reducing costs and improving mining and processing efficiencies.

#### **Manaila Polymetallic Mine ("MPM")**

At MPM the mining rate averaged in excess of 11,200 tonnes of ore per month. During the quarter the existing operational mill was still ramping up to its design capacity of 10,000 tonnes per month

and has undergone a full refurbishment, including new liners. The second mill, currently non-operational, is being refurbished and is expected to be in production from April 2016 onwards.

With both mills operational, the mine will have an installed milling capacity of 20,000 tonnes per month.

In conjunction with the increased processing capacity, a second flotation line is being installed enabling MPM to produce separate copper and lead/zinc concentrates. Metallurgical testwork undertaken by the Company indicates that the second flotation circuit will increase plant recoveries resulting in higher-grade concentrates. In addition to the improved grade, moving away from a bulk concentrate will increase the marketing flexibility of the product

		<b>Dec'15 Quarter</b>
<b>Operational data: Manaila</b>	<b>Unit</b>	
Ore mined	Tonnes	33,756
Ore milled	Tonnes	26,375
Concentrate produced	Dry tonnes	745
Concentrate sold	Dry tonnes	550
<i>Concentrate in stock at period end*</i>	<i>Dry tonnes</i>	<i>266</i>
<i>* Sold after 31 December 2015</i>		
<b>Cash costs</b>	<b>\$/tonnes milled</b>	<b>30</b>
<b>Cash costs</b>	<b>\$/tonnes of concentrate</b>	<b>1,064</b>
<b>Average sales price achieved</b>	<b>\$/tonnes of concentrate</b>	<b>1,033</b>

### Pickstone-Peerless Gold Mine ('PPGM')

At PPGM the plant processed an average of 15,400 tonnes per month at an average plant head grade of 1.97g/t producing 2,601 ounces for the quarter to December 2015. The strategy is to now work towards achieving up to 20,000 tonnes per month. Head grades during the quarter were negatively impacted by the presence of artisanal miners in the shallower parts of the mine. With the assistance of the authorities the artisanal miners have now been removed and the short term mine plans are being reviewed in order to optimise the tonnage and mill feed grade.

Consideration is now being given to the future higher grade sulphide resources that are scheduled for future mining.

		<b>Dec'15 Quarter</b>
<b>Operational data: Pickstone-Peerless</b>	<b>Unit</b>	
Ore mined	Tonnes	46,285
Ore milled	Tonnes	46,291
Gold produced	Ounces	2,601
Gold sold	Ounces	2,375
<i>Gold in stock at period end*</i>	<i>Ounces</i>	<i>225</i>
<i>* Sold after 31 December 2015</i>		
<b>Cash costs</b>	<b>\$/tonnes milled</b>	<b>47</b>

Cash costs	\$/oz of gold	831
Average sales price achieved	\$/oz of gold	1,080

**\*\*ENDS\*\***

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

Roy Pitchford (Chief Executive Officer)	+40 (0) 372 988 988 (O) +40 (0) 741 111 900 (M) +44 (0) 7793 909985
Roy Tucker (Finance Director and Company Secretary)	+44 (0) 1622 816918 +44 (0) 7920 189012
Pierre Joubert (Chief Financial Officer)	+40 (0) 72 829 0145 +27 (0) 835788054
Strand Hanson Limited - Financial & Nominated Adviser James Spinney James Bellman	www.strandhanson.co.uk +44 (0) 20 7409 3494
Daniel Stewart and Company plc - Joint Broker Martin Lampshire David Coffman	www.danielstewart.co.uk +44 (0) 20 7776 6550
Dowgate Capital Stockbrokers Ltd - Joint Broker Jason Robertson Neil Badger	www.dowgatecapitalstockbrokers.co.uk +44 (0)1293 517744
St Brides Partners Ltd Susie Geliher Charlotte Heap	www.stbridespartners.co.uk +44 (0) 20 7236 1177

*This announcement is distributed by NASDAQ OMX Corporate Solutions on behalf of NASDAQ OMX Corporate Solutions clients. The issuer of this announcement warrants that they are solely responsible for the content, accuracy and originality of the information contained therein. Source: Vast Resources plc via Globenewswire*

HUG#1984233