

Interim Results

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

Vast Resources plc ("Vast" or the "Company") **22 December 2017**

Interim Results for the six months to 30 September 2017

Highlights

Financial

Post period end

Operational development

Post period end:

Board and Management

Post period end:

Share Issues

Date	No of Shares	£	\$	Reason for issue
4 Apr	6,116	31	39	Open offer warrants exercised
1 Jun	20,000,000	57,000	73,473	Advisor warrants exercised
14 Jun	51,386	207	335	Open offer warrants exercised
26 Jul	225,017	1,125	1,488	Open offer warrants exercised

CHIEF EXECUTIVE OFFICER'S REPORT

The half year results have been affected by a number of scenarios that have impacted the period both positively and negatively.

The cost of sales increase, from 58% of revenue for the half year to September 2016 to 79% of revenue for the current half year, has been occasioned by additional overburden stripping at the Pickstone-Peerless Gold Mine in Zimbabwe to facilitate sulphide mining and to provide adequate mining areas for future periods. The benefits of this overburden removal will be positively felt during future reporting periods.

The 2017 Annual Report Strategic Report refers to the transaction with Sub-Sahara Goldia Investments ('Sub-Sahara'), which involved the divestment of an effective 25% interest in the Pickstone-Peerless Gold Mine and the Giant Gold Mine in Zimbabwe. This transaction was only completed after 31 March 2017 and accordingly its effect - a loss on disposal of interest in subsidiary loans of \$12.538 million - is reflected in these half year statements. Under the arrangements, 49.9% of the parent company's loans to Canape Investments (Pvt) Limited were sold to Sub-Sahara and these loans are now reflected as a liability in the Group's accounts, whereas prior to the transaction they cancelled out on consolidation. Further explanation is given

in note 10 to the financial statements.

Reagent consumption at the Manaila Polymetallic Mine Zinc flotation circuit was higher than planned as a consequence of inefficiencies in the flotation, thickening and concentrate filtrate sections. The quality of the zinc concentrate improved significantly, but initially, at the expense of the quantity of zinc recovered. The areas of inefficiency in the zinc flotation circuit have been identified and are being addressed. The focus now is to maintain the quality, reduce the costs, and increase the quantity produced.

The mined grades at Manaila have been below expected levels because of funding constraints limiting overburden removal in areas of higher grade. The lower mined grades have consequently constrained the copper and zinc concentrate volumes. The plant throughput increased 49.2% over the six months to March 2017 in terms of tonnes milled and resulted in lower grades. The increase in the milled tonnage however exacerbated the need for increased overburden removal. The cash constraint occurred as a consequence of acquiring 49.9% of Sinarom Mining SRL by accelerating loan repayments to the vendor that would have had to be repaid without the benefit of the additional holding in the Company.

At the time of this transaction it was expected that a strategic investment into Sinarom would have recovered the \$2.5m paid for the 49.9% interest, as well as provide funding for evaluating the new prospecting areas in Romania. The absence of the strategic investment funding occasioned by the adoption of a preferred form of funding by way of offtake finance, thus reducing potential dilution, has constrained Vast's cash resources until the alternative offtake funding is secured.

The weakening of the United States Dollar vis-a-vis the Romania Lei, created an exchange rate gain that assisted in reducing the current period's overhead expenses compared to the half year to September 2016.

The anticipated offtake funding will enable increased overburden stripping at Manaila, exposing higher grades that will enable increased levels of copper and zinc concentrate production. It will also facilitate construction of the new metallurgical complex at Manaila, enable the reopening of the Baita Plai Polymetallic Mine, and, along with the increased production at the Pickstone-Peerless Gold Mine, will enhance both the profitability and the cash generation capacity of the Company.

With regard to Zimbabwe, notwithstanding the recent political developments, it is anticipated that the profits generated in the Pickstone-Peerless Gold Mine after repayment of the bank overdraft, which was obtained in order to fund the recently constructed sulphide plant, will, unless agreed otherwise with our co-investors, be retained in Zimbabwe in order to finance the development of the Giant Gold Mine.

My stepping off the board and management of the Company facilitates the passing on of the baton to younger management. Andrew Prelea is Romanian and well placed to pursue the Company's focus there and take Vast to its next level of development. As a consequence of this change, and as mentioned in the announcement of 30 January 2017 dealing with the agreement by Sub-Sahara to make a \$4 million loan to the Company repayable after four years, Sub-Sahara has the right to recall the loan on 60 days' notice. Sub-Sahara has duly been asked to confirm that as a result of the change they will not be seeking to exercise this right.

Vast will be focussing on its core operations in both Romania and Zimbabwe, vigorously addressing the opportunities in both jurisdictions and building on its experience and intellectual know-how gained since its transformation to a mining company that begun in 2014.

To this will be added appropriate board and management expertise along with an interactive approach with shareholders to assure a commonality of purpose. The Company will continue with its efforts to be an attractive investment to institutional shareholders as well.

I wish the Company, board and management every success for the future.

Roy Pitchford
Chief Executive Officer

CHAIRMAN'S STATEMENT

In Romania, our focus during the period has been to secure the Baita Plai association licence, to improve the performance of the Manaila Polymetallic Mine and to expand our mineralised footprint in the area proximal to the present open pit mining operation.

At Manaila, as indicated in the September quarterly production report, copper concentrate volumes and quality have improved considerably. Zinc concentrate quality is also meeting off-takers' requirements and volumes are slowly improving. A third revenue stream through a pyrite concentrate, which includes gold and silver, is being ramped up. These improvements will transform this underperforming asset into a cash flow positive mining operation in due course.

Drilling in the adjacent Carlibaba prospecting licence area, which has been undertaken to determine its suitability as a second open pit mine within the Manaila licence area, has delivered the first indications of an extensive and resource rich prospect. We are hopeful that we will be able to declare a JORC compliant Mineral Resource for this asset in the first Quarter of next year and, based on the drill results received to date, and subject to an economic assessment, we believe that Carlibaba will support the development of a second open pit operation at Manaila, in addition to a new metallurgical processing facility on site, which would reduce Manaila opex costs.

The award of Baita Plai association licence has absorbed much executive time over the last year and I am happy to report that significant progress in meeting the authorities' due diligence requirements relating to the award of the Baita Plai association licence has been made in the last few months. We have confidence that a positive outcome in this regard is imminent

We are continuing to evaluate the Piciorul Zimbrului and Magura Neagra prospecting licences, which are potentially valuable additions to our growing portfolio of interests in Romania. Located 74km from Manaila, both licences are attractive polymetallic targets and we look forward to further advancing these assets in 2018 as we look to build our mineralised footprint.

Political developments in Zimbabwe are encouraging. The Board believes that political stability and an improved management of the local economy herald more favourable prospects for the Group's Zimbabwean assets.

At Pickstone-Peerless, the new sulphide plant has been brought on stream and is producing significantly higher volumes of gold, further enhancing the its cash flow generative capacity. The evaluation of the proximal Giant Gold Mine licence area has also commenced. This will enhance further the value of the Group's Zimbabwe gold assets.

Prices for the Group's key commodities: copper, zinc and gold are holding up well. A key driver for these prices is a stronger global economy in part arising from the continued momentum of China's economic growth and in part the prospect of electric vehicles.

Finally, Roy Pitchford has resigned from the board with effect from 31 December 2017. I would like

to thank Roy for all his work on behalf of the Company and wish him well for the future.

Brian Moritz
Chairman

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Consolidated statement of comprehensive income
for the six months ended 30 September 2017

		30 Sep 2017	31 Mar 2017	30 Sep 2016
		Unaudited	Audited	Unaudited
		Group	Group	Group
	Note	\$'000	\$'000	\$'000
Revenue		14,882	23,767	14,117
Cost of sales		(11,815)	(17,381)	(8,180)
Gross profit		3,067	6,386	5,937
Overhead expenses		(2,509)	(8,047)	(5,509)
Depreciation and impairment of property, plant and equipment	4	(1,259)	(2,593)	(1,019)
Profit (loss) on sale of property, plant and equipment		29	81	167
Share option and warrant expense		-	(1,648)	(384)
Other administrative and overhead expenses		(1,279)	(3,887)	(4,273)
Profit (loss) from operations		558	(1,661)	428
Finance income		20	105	90
Finance expense		(676)	(812)	(253)
Loss on disposal of interest in subsidiary loans	10	(12,538)	-	-

(Loss) profit before taxation from continuing operations		(12,636)	(2,368)	265
Taxation (charge) credit		-	(1,193)	-
Total (Loss) profit after taxation for the period		(12,636)	(3,561)	265
Other comprehensive income				
Items that may be subsequently reclassified to either profit or loss				
Gain on available for sale financial assets		2	3	-
Exchange gain (loss) on translation of foreign operations		(976)	750	119
Total comprehensive profit (loss) for the period		(13,610)	(2,808)	384
Total profit (loss) attributable to:				
- the equity holders of the parent company		(13,916)	(4,437)	(947)
- non-controlling interests		1,280	876	1,212
		(12,636)	(3,561)	265
Total comprehensive profit (loss) attributable to:				
- the equity holders of the parent company		(14,890)	(3,684)	(828)
- non-controlling interests		1,280	876	1,212
		(13,610)	(2,808)	384
Loss per share - basic and diluted	3	(0.30)	(0.13)	(0.04)
Loss per share from continuing operations- basic and diluted		(0.30)	(0.13)	(0.04)

Consolidated statement of changes in equity
for the six months ended 30 September 2017

	Share capital	Share premium	Share option reserve	Foreign currency translation reserve	Available for sale reserve	EBT reserve	Retained deficit	Total	N in
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$
At 31 March 2016	16,105	71,652	2,099	(1,978)	(3)	(3,942)	(67,471)	16,462	1
Total comprehensive loss for the period	-	-	-	750	3	-	(4,437)	(3,684)	8
Share option and warrant	-	-	1,648	-	-	-	-	1,648	-

charges									
Share options and warrants lapsed	-	-	(1,857)	-	-	-	1,857	-	-
Convertible loan fair value adjustment	-	-	-	-	-	-	223	223	-
Shares issued:									
- for cash consideration	2,064	2,112	-	-	-	-	-	4,176	-
- to settle liabilities	1,251	1,038	-	-	-	-	-	2,289	-
At 31 March 2017	19,420	74,802	1,890	(1,228)	-	(3,942)	(69,828)	21,114	12
Total comprehensive loss for the period	-	-	-	(976)	2	-	(13,916)	(14,890)	1,
Share options and warrants lapsed	-	-	(79)	-	-	-	79	-	-
Investment received in subsidiary - Ronquil Enterprises (Pvt) Ltd	-	-	-	-	-	-	(757)	(757)	2,
Interest in mining asset	-	-	-	-	-	-	(4,604)	(4,604)	4,
Acquisition of NCI in subsidiary - Sinarom Ming Group SRL	-	-	-	-	-	-	(4,075)	(4,075)	1,
Shares issued:									
- for cash consideration	28	49	-	-	-	-	-	77	-
At 30 September 2017	19,448	74,851	1,811	(2,204)	2	(3,942)	(93,101)	(3,135)	22

Consolidated statement of financial position

As at 30 September 2017

		30 Sep 2017	31 Mar 2017	30 Sep 2016
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		Unaudited	Audited	Unaudited
		Group	Group	Group
		\$'000	\$'000	\$'000
Assets	Note			
Non-current assets				
Property, plant and equipment	4	43,929	38,563	32,805
Deferred tax asset		465	465	1,658
		44,394	39,028	34,463
Current assets				
Inventory	5	2,806	2,811	2,123
Receivables	6	5,490	5,960	4,438
Available for sale investments		12	10	8
Cash and cash equivalents		1,723	1,326	2,797
Total current assets		10,031	10,107	9,366
Total Assets		54,425	49,135	43,829
Equity and Liabilities				
Capital and reserves attributable to equity holders of the Parent				
Share capital		19,448	19,420	17,618
Share premium		74,851	74,802	73,170
Share option reserve		1,811	1,890	1,781
Foreign currency translation reserve		(2,204)	(1,228)	(1,859)
Available for sale reserve		2	-	(3)
EBT reserve		(3,942)	(3,942)	(3,942)
Retained deficit		(93,101)	(69,828)	(67,711)
		(3,135)	21,114	19,049
Non-controlling interests		22,507	12,394	12,730
Total equity		19,372	33,508	31,779
Non-current liabilities				
Loans and borrowings	7	19,059	3,166	1,314
Provisions	9	1,140	1,095	948
		20,199	4,261	2,262
Current liabilities				
Loans and borrowings	7	7,974	3,935	2,349
Trade and other payables	8	6,880	7,431	7,439
Total current liabilities		14,854	11,366	9,788
Total liabilities		35,053	15,627	12,050
Total Equity and Liabilities		54,425	49,135	43,829

Consolidated statement of cash flow
for the six months ended 30 September 2017

	30 Sep 2017	31 Mar 2017	30 Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Group
	\$'000	\$'000	\$'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (loss) before taxation for the period	(12,636)	(2,368)	265
Adjustments for:			
Depreciation and impairment charges	1,259	2,593	1,019
(Profit) loss on sale of property, plant and equipment	(29)	(81)	(167)
Loss on disposal of interest in loans	12,538	-	-
Convertible loan FV adjustment	-	223	-
Liabilities settled in shares	-	2,289	55
Share option expense	-	1,648	384
	1,132	4,304	1,556
Changes in working capital:			
Decrease (increase) in receivables	(274)	(1,658)	(542)
Decrease (increase) in inventories	(3)	(722)	(211)
Increase (decrease) in payables	(1,307)	1,010	823
	(1,584)	(1,370)	70
Cash used in operations	(452)	2,934	1,626
Investing activities:			
Payments to acquire property, plant and equipment	(6,084)	(8,769)	(1,496)
Proceeds on disposal of property, plant and equipment	64	234	378
Proceeds of third party investment in subsidiary	1,700	-	-
Payments to acquire controlling interest in subsidiary	(2,303)	-	-
Proceed of loan assignment	2,300	-	-
Total cash used in investing activities	(4,323)	(8,535)	(1,118)
Financing Activities:			
Proceeds from the issue of ordinary shares, net of issue costs	77	4,176	2,976
Proceeds from loans and borrowings granted	7,171	5,272	-
Repayment of loans and borrowings	(2,076)	(3,352)	(1,518)
Total proceeds from financing activities	5,172	6,096	1,458
Increase (decrease) in cash and cash equivalents	397	495	1,966
Cash and cash equivalents at beginning of period	1,326	831	831
Cash and cash equivalents at end of period	1,723	1,326	2,797

Interim report notes

1 Interim Report

The condensed interim financial statements, which are unaudited, are for the six months ended 30 September 2017 and consolidate the financial statements of the Company and all its subsidiaries. The statements are presented in United States Dollars.

The financial information set out in these condensed interim financial statements does not constitute statutory accounts as defined in Section 434(3) of the Companies Act 2006. The condensed interim financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2017 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs"). The Auditor's report on those financial statements was unqualified and did not contain a statement under s.498(2) or s.498(3) of the Companies Act 2006.

While the Auditors' report for the year ended 31 March 2017 was unqualified, it did include an emphasis of matter concerning going concern, to which the Auditors drew attention by way of emphasis without qualifying their report. Full details of these comments are contained in the report of the Auditors on Pages 13 and 14 on the annual financial statements for the year ended 31 March 2017, released elsewhere on this website on 22 September 2017.

The accounts for the period have been prepared in accordance with International Accounting Standard 34 "*Interim Financial Reporting*" ("IAS 34") and the accounting policies are consistent with those of the annual financial statements for the year ended 31 March 2017, unless otherwise stated, and those envisaged for the financial statements for the year ended 31 March 2018.

After review of the Group's operations and of the funding opportunities open to the Group, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the unaudited condensed interim financial statements. This interim report was approved by the Directors on 21 December 2017.

2 Segmental analysis

	Mining, exploration and development		Administration and corporate	To
	Europe	Africa		
	\$'000	\$'000	\$'000	\$'000
Six Months to 30 September 2017				
Revenue	2,832	12,050	-	14,882
Production costs	(2,212)	(9,603)	-	(11,815)
Gross profit (loss)	620	2,447	-	3,067
Depreciation	(747)	(510)	(2)	(1,259)
Profit (loss) on sale of property, plant and equipment	29	-	-	29
Other administrative and overhead expenses	2	(123)	(1,158)	(1,079)

Finance income	-	20	-	20
Finance expense	-	(575)	(101)	(676)
Loss on disposal of interest in loan accounts	-	-	(12,538)	(12,538)
Profit (loss) for the year from continuing operations	(96)	1,258	(13,798)	(12,636)

	Mining, exploration and development		Administration and corporate	Total
	Europe	Africa		
30 September 2017	\$'000	\$'000	\$'000	\$'000
Total assets	15,388	38,957	80	54,425
Total non-current assets	11,716	33,165	(487)	44,494
Additions to non-current assets	2,145	3,939	-	6,084
Total current assets	3,672	5,792	567	9,931
Total liabilities	5,278	14,447	15,328	35,053

Year to 31 March 2017				
Revenue	2,629	21,138	-	23,767
Production costs	(3,746)	(13,635)	-	(17,381)
Gross profit (loss)	(1,117)	7,503	-	6,386
Depreciation and impairment	(1,338)	(1,251)	(4)	(2,593)
Profit (loss) on sale of property, plant and equipment	81	-	-	81
Share option and warrant expense	-	-	(1,648)	(1,648)
Other administrative and overhead expenses	(769)	(457)	(2,661)	(3,887)
Finance income	1	104	-	105
Finance expense	-	(89)	(724)	(812)
Taxation (charge)	-	(1,193)	-	(1,193)
Profit (loss) for the year from continuing operations	(3,141)	4,617	(5,037)	(3,561)
Total assets	10,878	34,860	3,397	49,135
Total non-current assets	9,001	29,720	307	39,028
Additions to non-current assets	2,681	6,386	-	9,067
Total current assets	1,876	5,141	3,090	10,107
Total liabilities	7,362	6,213	2,052	15,627

Six Months to 30 September 2016				
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Revenue	1,310	12,807	-	14,117
Production costs	(2,389)	(5,791)	-	(8,180)
Gross profit (loss)	(1,079)	7,016	-	5,937
Depreciation and impairment	(296)	(721)	(2)	(1,019)
Share option and warrant expense	-	-	(384)	(384)
Other administrative and overhead expenses	(852)	(231)	(3,190)	(4,273)
Finance income	(1)	20	71	90
Finance expense	-	(33)	(220)	(253)
Profit (loss) for the year from continuing operations	(1,964)	4,176	(1,947)	265

	Mining, exploration and development		Administration and corporate	Total
	Europe	Africa		
30 September 2016	\$'000	\$'000	\$'000	\$'000

Total assets	11,679	31,156	994	43,829
Total non-current assets	9,210	25,249	4	34,463
Additions to non-current assets	1,319	-	177	1,496
Total current assets	2,469	5,908	989	9,366
Total liabilities	6,204	3,038	2,808	12,050

3 Loss per share

	30 Sep 2017	31 Mar 2017	30 Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Group
Loss per ordinary share has been calculated using the weighted average number of ordinary shares in issue during the relevant financial year.			
The weighted average number of ordinary shares in issue for the period is:	4,676,819,360	3,457,555,538	2,702,330,000
Losses for the period: (\$'000)	(13,916)	(4,437)	(947)
Loss per share basic and diluted (cents)	(0.30)	(0.13)	(0.04)
Loss per share from continuing operations - basic and diluted	(0.30)	(0.13)	(0.04)
The effect of all potentially dilutive share options is anti-dilutive.			

4 Property, Plant and equipment

	Plant and machinery	Fixtures, fittings and	Computer assets	Motor vehicles	Buildings and Improvements	Mining assets	Capital Work in progress
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		equipment						
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost at 1 April 2016	7,997	165	174	487	3,559	22,184	1,623	3
Revaluation	23	(6)	-	72	318	-	-	4
Additions during the year	559	46	58	240	47	1,281	6,836	9
Reclassification	946	1	-	2	(470)	1,520	(1,999)	-
Disposals during the year	(97)	-	-	(159)	(17)	-	-	(
Impairment	(962)	-	-	-	-	-	-	(
Foreign exchange movements	(65)	(4)	(5)	(37)	(206)	(39)	(78)	(
Cost at 31 March 2017	8,401	202	227	605	3,231	24,946	6,382	4
Revaluation	-	-	-	-	-	-	-	-
Additions during the period	440	8	98	10	2	411	5,115	6
Reclassification	838	(29)	29	-	235	188	(1,261)	-
Disposals during the period	(83)	(62)	(78)	(60)	-	-	(35)	(
Foreign exchange movements	163	5	2	44	216	281	36	7
Cost at 30 September 2017	9,759	124	278	599	3,684	25,826	10,237	5
Depreciation at 1 April 2016	2,157	92	116	296	234	151	604	3
Charge for the year	902	29	23	76	154	833	-	2
Disposals during the year	(55)	-	-	(61)	(3)	-	-	(
Foreign exchange movements	(41)	(2)	-	(28)	(40)	(6)	-	(
Depreciation at 31 March 2017	2,963	119	139	283	345	978	604	5
Charge for the year	768	9	47	104	44	283	4	1

Disposals during the period	(83)	(62)	(78)	(60)	-	-	-	(
Foreign exchange movements	62	4	-	31	27	47	-	1
Depreciation at 30 September 2017	3,710	70	108	358	416	1,308	608	6
Net book value at 31 March 2016	5,840	73	58	191	3,325	22,033	1,019	3
Net book value at 31 March 2017	5,438	83	88	322	2,886	23,968	5,778	3
Net book value at 30 September 2017	6,049	54	170	241	3,268	24,518	9,629	4

5 Inventory

	Sep 2017	Mar 2017	Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Company
	\$'000	\$'000	\$'000
Minerals held for sale	1,029	1,369	924
Production stockpiles	946	606	525
Consumable stores	831	836	674
	2,806	2,811	2,123

6 Receivables

	Sep 2017	Mar 2017	Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Company
	\$'000	\$'000	\$'000
Trade receivables	384	101	443
Other receivables	520	694	1,293
Short term loans	526	457	-
Prepayments	982	1,677	539
VAT	3,078	3,031	2,163
	5,490	5,960	4,438

7 Loans and borrowings

	Sep 2017	Mar 2017	Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Company
	\$'000	\$'000	\$'000
Non-current			
Secured borrowings	20,757	4,839	1,741
Unsecured borrowings	-	-	119
less amounts payable in less than 12 months	(1,698)	(1,673)	(546)
	19,059	3,166	1,314
Current			
Bank overdrafts	5,023	859	-
Unsecured borrowings	1,253	1,403	1,803
Current portion of long term borrowings	1,698	1,673	546
	7,972	3,935	2,349
Total loans and borrowings	27,033	7,101	3,663

8 Payables

	Sep 2017	Mar 2017	Sep 2016	
	Unaudited	Audited	Unaudited	
	Group	Group	Company	
	\$'000	\$'000	\$'000	
Trade payables	5,377	5,784	4,125	
Other payables	1,250	1,325	2,478	
Other taxes and social security taxes	160	237	749	
Accrued expenses	93	85	87	
	6,880	7,431	7,439	

9 Provisions

	Sep 2017	Mar 2017	Sep 2016
	Unaudited	Audited	Unaudited
	Group	Group	Company
	\$'000	\$'000	\$'000
Provision for rehabilitation of mining properties			
- Provision brought forward from previous periods	1,095	954	954
- Liability recognised during period	45	141	(6)
	1,140	1,095	948

10 Financing arrangement

On 29 May 2017 the Company completed a financing arrangement with SSCG Africa Holdings Ltd originally announced on 30 January 2017. Under this arrangement the Company received gross proceeds of US\$8 million, principally to advance the Company's core activities in Romania. This comprised a US\$4 million loan, repayable on 30 January 2021 and a US\$4 million payment in respect of a 49.99% interest in the Company's principal Zimbabwean assets, consisting its 50% shareholding in Dallaglio Investments (Private) Limited, the holding company for the Pickstone Peerless Gold Mine, and the assignment of 49.9% of the intercompany loan owing by Canape Investments (Private) Limited to Vast Resources Plc.

The assignment of the intercompany loan, with a book value of \$14.838 million, for consideration of \$2.3 million (included in the \$4.0 million referred to above), gave rise to the recognition of a loss on disposal of \$12.538 million as reported in the Statement of Comprehensive Income

11 Acquisition of remaining shareholding in Sinarom Mining Group SRL

On 22 March 2017 the Company announced it had concluded an agreement to acquire the remaining 49.9% interest in Sinarom Mining Group SRL ("Sinarom"). The purchase consideration for the shares and loan accounts comprising the assets acquired was a total of \$2.303 million and, all conditions precedent being met, the acquisition was concluded on 19 July 2017.

12 Events after the reporting date

Baita Plai licence

On 18 October 2017 the Company announced that its Romanian subsidiary, African Consolidated Resources SRL, had been advised in writing that a board meeting of Baita SA had concluded on 16 October requesting its shareholder - the Ministry of Economy - to approve the association on the licence for the exploitation and processing of the polymetallic ore from the Baita Bihor SA exploitation perimeter, which contains the Vast Resources 80% owned Subsidiary AFCR Polymetallic Mining assets in Baita Plai, in compliance with all the current legal provisions.

Management

Brian Basham did not offer himself for re-election as a director of the Company at the Annual General Meeting held on 20 October 2017.

On 18 December 2017 Roy Pitchford announced his retirement as Group CEO with effect from 31 December 2017. The Company announced that Andrew Prelea will be appointed to the Board and CEO position to replace him.

Fund raising

Placing and open offer to shareholders

On 21 November the Company announced the completion of a placing of 190,476,190 ordinary 0.1p shares at an issue price of 0.525p per share. The proceeds of the issue were \$1.32 million (£1.0 million) and the shares were issued on 5 December 2017.

On 24 November the Company announced that it was making an open offer to shareholders of an entitlement to subscribe for 1 share for each 20 shares held, at an issue price of 0.525p per share. On 12 December the Company announced that this offer had been over-subscribed by a factor of 34.5%; the offer raised £1.23 million (approx. \$1.64 million) . As a result of this offer 234,261,876 new ordinary 0.1p shares will be issued.

Exercise of warrants

Date	No of Shares	£	\$	
9 Oct	2,228	11	15	Open offer
17 Oct	2,112	11	14	Open offer

27 Oct	1,061,060	5,305	6,926	Open offer
30 Oct	183,180	916	1,198	Open offer
1 Nov	265,161	1,326	1,750	Open offer
3 Nov	36,794	184	243	Open offer
21 Nov	1,000,000	5,000	6,600	Open offer
27 Nov	807,018	4,035	5,326	Open offer
6 Dec	382,062	1,910	2,570	Open offer
13 Dec	123,533	618	826	Open offer

Change in joint broker

On 21 November the Company announced the appointment of SVS Securities Plc as Joint Broker.

****ENDS****

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Source: Vast Resources plc via Globenewswire