

Shareholder Q&A

31.10.2022 | [GlobeNewswire](#)

[Vast Resources Plc](#) / Ticker: VAST / Index: AIM / Sector: Mining

31 October 2022

[Vast Resources Plc](#)
("Vast" or the "Company")

Shareholder Q&A

[Vast Resources Plc](#), the AIM-listed mining company, is pleased to provide the market with answers to a number of questions submitted by shareholders ahead of and during the recent General Meeting held on 24 October 2022.

General

1. Is the GM called for 24 Oct 2022 (asking for increased share issue authorities) a result of any other operational issues not disclosed by the Board prior to the GM voting?

All price sensitive information was announced prior to the General Meeting.

2. Why is the Board asking for "exactly 40%" of current issued shares authorities or c.652m shares (ie £651,857 at par nominal value)?

The decision was not geared around a specific percentage but on the monetary value at par nominal value. The Company gave the percentage information to provide shareholders with a relative scale to link to shareholdings.

3. Are the Board going to introduce "share price hurdles (SPHs)" whenever issuing new shares under the proposed authorities so that over time the company leverages new share issues at optimal market prices?

New share issuances at premium prices in the current economic environment will prevent the Company from raising capital and this will ultimately not be in the best interests of the Company.

4. How can you possibly have mismanaged cashflow predictions over such a short period of time?

The Company conducts thorough cashflow management and forecasting, but naturally there are certain things outside of the Company's control, such as shipping availability, which affects forecasting. The Company is in a capex intensive period with the ramp up in production at its Baita Plai Polymetallic Mine in Romania ('Baita Plai'), so any deviation to cashflows such as delayed shipments of concentrate create liquidity requirements.

5. How can you as a board be trusted long term when you can't manage assets in a 4-month window?

This question was submitted prior to the Company announcing Q3 production data at its Baita Plai Polymetallic Mine which highlights achievements made at the mine over a 3-month window. The Company

announced, as part of the Q3 production announcement, that it has increased production via the utilisation of the Mantis rigs. This resulted in a significant increase in tonnes mined and the quality of the concentrate produced from an average of 16% in July and August, to over 22% with peaks of 28.5%. September 2022 was the most successful month of underground production at Baita Plai with the mine producing 7,900 tons of ore, accounting for 50% of underground production in Q3 2022.

Board/Management

6. Why have the Company Management not cut their salaries by 60-70% as have other companies for share options (such as Block Energy) for example given the poor performance to date and current market conditions?

The entire Board have significant deferred salary amounts owed to them. These will be detailed in the upcoming annual report. The board have continued to defer salaries post the reporting period.

7. On what basis are salaries set - what is the remuneration methodology?

Salaries are set by market tested benchmarking. The last benchmarking exercise showed the Board remuneration is set at the lower quartile in comparison to companies of a similar size and stage.

8. Why do management have "Insignificant" shareholdings only amounting in aggregate to 20,138,435 ordinary shares representing approximately 1.24% of the ordinary shares of the Company (with Andrew Prelea holding just over 16m of those shares alone).

Management purchased its current shareholding at significantly higher prices and the current shareholdings are held at a significant loss and have been in closed periods throughout much of this year

9. Why are management not buying more shares on the open market?

In accordance with FCA regulation, management are currently in a closed period and are unable to buy shares.

10. Why are management not substituting their salaries for share options to demonstrate their confidence in the company's future even if they do not want to purchase shares on the open market?

As per the above, in accordance with FCA regulation management are currently in a closed period and are unable to purchase shares.

11. Can the Board please explain the lack of Board Diversity (ie lack of ethnic minorities and women) and therefore as a consequence if this has resulted in lack of management performance and whether the two are interlinked?

The Board maintains an open and inclusive hiring policy across all hiring levels within the Company. The Company hires people based on merit and experience and availability at the time of hiring. Diversity remains a focus for the Company.

Operations

12. I assume that one of the main causes of the cash shortage is the late start to long hole stoping. We were led to believe that the first Mantis drill was in use at the production face in early July, why did it take so long to start long hole stoping?

As per the announcement on 21 October 2022, production at Baita Plai in July and August 2022 was

affected by a requirement to change the working faces to enable the implementation of Long Hole Stoping. The initial downward perforation strategy for Long Hole Stoping was subsequently adjusted to vertical drilling in Level 17, to mitigate against the deflection of the drilling rods and this effective drilling strategy will now be maintained.

13. Surely one of the main benefits of a mechanised approach is to reduce manpower, so why has the workforce increased from 280 in June to 360 today? What are these people doing and how much extra do they cost?

As announced, the mine is currently working in four separate high productivity mining areas utilising Long Hole Stope methodology in addition to continuing production on two working faces with room and pillar mining method of extraction. Accordingly, underground production is expected to continue its growth into Q1 2023. The completion of Spiral number 3 will further increase the volume of underground ore production, which is intended to ensure the longevity of the mine from Q2 2023. The room and pillar mining method and the spiral development require additional workforce over and above the requirements to operate the Mantis Rigs. The additional activity is planned to maintain the ramp up in production.

14. Can the Board confirm the staff strikes involving 300 workers and was this material disclosure according to stated FCA and AIM listing rules on disclosure and transparency?

The staff strike was an illegal strike consisting of 100 workers and this was quickly disbanded with no adverse effect on production levels at Baita Plai. There was no material disclosure required. The events mentioned in the press were not true or correct.

15. What is the latest with the molybdenum flotation line installed at Baita Plai; is a molybdenum concentrate now being produced?

Molybdenum production continues at Baita Plai. The Company will update the market when it has achieved volumes sufficient for commercial sale.

****ENDS****

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ABOUT VAST RESOURCES PLC

[Vast Resources Plc](#) is a United Kingdom AIM listed mining company with mines, development projects and mining interests in Romania, Tajikistan and Zimbabwe.

In Romania, the Company is focused on the rapid advancement of high-quality projects by recommencing production at previously producing mines.

The Company's Romanian portfolio includes 100% interest in Vast Baita Plai SA's producing Polymetallic Mine, located in the Apuseni Mountains, Transylvania, an area which hosts Romania's largest polymetallic mines. The mine has a JORC compliant Reserve & Resource Report which underpins the initial mine production life of approximately 3-4 years with an in-situ total mineral resource of 15,695 tonnes copper equivalent with a further 1.8M-3M tonnes exploration target. The Company is now working on confirming an enlarged exploration target of up to 5.8M tonnes.

The Company also owns the Manaila Polymetallic Mine in Romania, which the Company is looking to bring back into production following a period of care and maintenance. The Company has also been granted the Manaila Carlibaba Extended Exploitation Licence that will allow the Company to re-examine the exploitation of the mineral resources within the larger Manaila Carlibaba licence area.

Vast has an interest in a joint venture company which provides a share of revenue generated from the Takob Mine processing facility in Tajikistan. The Takob Mine opportunity, which is 100% financed, will provide Vast with a 12.25 percent royalty over all sales of non-ferrous concentrate and any other metals produced.

In Zimbabwe, the Company is focused on the commencement of the joint venture mining agreement on the Community Diamond Concession, Chiadzwa, in the Marange Diamond Fields.

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