

London Stock Exchange listed mining company Vast Resources reported on merger approval for its Romania mining operations in Baita Bihor Polymetallic Mine. Court decided to transfer the mine property rights to Vast. Local medias reported on protests from local community and environment experts but also on volatile support for AIM investor.

Vast Resources reported that it has received a legal opinion following the confirmation of the merger agreement between Vast's 80% owned Romanian subsidiary, African Consolidated Resources SRL ("Vast Romania") and its subsidiary, Mineral Mining SA, (the "Merger") by the Appeal Court of Cluj as announced on 30 November 2015.

Court decision prescribes that Vast Romania has the legal right to obtain the right to mine at Baita Bihor Polymetallic Mine without any further legal argument by the holder of the head-licence, Baita SA, as Vast Romania is now the legal owner of the rights, assets and liabilities of Mineral Mining SA ("MMSA"). Under a signed protocol between Baita SA and MMSA of 6 August 2013 the Mining Sub-Licence should now only be a matter of due process.

The Mining Sub-Licence to be granted by Baita SA requires the approval of the Romanian National Mining Agency and such approval must be given if Vast Romania fulfils all of three criteria required under the Romanian mining law. These criteria are: the owning of the relevant mining assets; technical and financial competence; and the company not being insolvent and with taxes and royalties paid up to date. The technical and financial competence requirement in relation to Vast was recently verified by ANRM in granting the extension of the mining licence at Manaila referred to in Vast's announcement of 23 October 2015 and the other two requirements will be satisfied by Vast Romania when it pays creditors of MMSA which become due contemporaneously with the granting of the Mining Sub-Licence to Vast Romania, reads the company release.

If Baita SA delays the granting of the Mining Sub-Licence, Baita SA would be liable to pay damages to Vast Romania to compensate it for additional costs incurred and/or loss of profits. As stated in the announcement of 30 November 2015, the rights of Vast Romania to the Mining Sub-Licence following the completion of the Merger stand independent of the agreement that Vast Romania reached with Baita SA announced on 23 November 2015. The route that the Company will now follow is to pursue vigorously its new contractual rights to obtain the Mining Sub-Licence following the Merger. This action is now in process.

source: miningsee.eu