

ASX Announcement
5 February 2020

Dear Shareholders,

With the commencement of a new year, I would like to take the opportunity to update you on the core activities of your company, as we seek to continue to advance our flagship asset, the Marymia Gold Project in the mid-west region of Western Australia - and deliver value for our shareholders.

New Managing Director

Firstly, I would like to personally welcome Mr Andrew Stocks as our new managing director. I have already had the pleasure of talking with Andrew at some length prior to his official start date of the 20th January 2020, and I am delighted to see first-hand how Andrew has embraced the board's objectives of rapidly expanding the Marymia resource base to sustain a long-life gold mining operation, and to move the company forward to production as quickly as possible. To see him so clearly aligned with our vision from the outset, can only benefit our aims and work programs to actually achieve these objectives.

Company Development

Over the past twelve months our targeted exploration drilling programs at the Marymia Project have delivered continual success, with high-grade results that position Vango at the forefront of its ASX-listed junior gold peer group. The outstanding results have reaffirmed the board's belief that our core objectives for the Project are achievable. With the skill set that Andrew brings to the board, you can be confident that your company has the strength and experience in its personnel to achieve its objectives and grow the company's value. Those dual objectives are to continue to grow the Company's high-grade gold resource base at the Marymia Project, and to become a significant, stand-alone gold producer – and the successful achievement of these objectives will deliver significant shareholder value.

Strategic Alliance with Lodestar Minerals

I would also like to provide some commentary on our strategic alliance with Lodestar Minerals (ASX: LSR) - one of our neighbouring exploration companies in the Marymia area. Our work with Lodestar will be an ongoing focus in the year ahead, and we believe it has the capacity to deliver further value for Vango shareholders.

More broadly, we are also of the view that such alliances have the strategic benefit of enhancing the awareness and the attractiveness of the Marymia district as a whole, for the benefit of all the companies operating in the region, including Vango, - to attract investment and funding, and position the Marymia district as a leading, active exploration and mining precinct.

Our vision is to establish the Marymia Gold Project as the development and mining hub of choice in the area. We will seek to pursue further opportunities to form alliances with other

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players in the district, which will be designed to add value to Vango and strengthen the Marymia resources district. We will keep the market informed on material progress of any such opportunities.

Binding Term Sheet with Dampier Gold

On the 14 November 2019, Vango Mining confirmed its decision that it would not consent to a further extension of the termination date for the BTS.

Having already provided DAU with six extensions of the termination date since May 2019, the Vango board formed the view that any further extensions of the termination date would not result in the productive commercial progress of the BTS.

The two companies ongoing difficulties in resolving complications arising from the ambiguous and, in some instances, nonsensical wording of the BTS, resulted in irreconcilable and incompatible differences in the interpretation and application of the BTS. As a result, Vango concluded that it would be in the best commercial interests of both companies and their shareholders to not extend the termination date any further.

Vango is a significant shareholder of DAU. As such it looks forward to DAU progressing its own project interests, and delivering value for all DAU shareholders.

Shareholder Interaction

As your Chairman, I see it as a core function of my role to make myself available to engage with shareholders and to answer any questions you may have. I, and the rest of the Vango executive team, will continue to maintain this open approach to shareholder communication. I encourage shareholders to contact the Company with any questions or queries you may have in relation to our operations and activities, and also our strategy for delivering shareholder value.

Yours sincerely,



Bruce McInnes

Executive Chairman
Vango Mining Limited