

23 January 2023

Market Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Target's Statement

In accordance with item 14 of subsection 633(1) of the Corporations Act 2001 (Cth), we **enclose** a copy of the target's statement of Vango Mining Limited (**Vango**) dated 23 January 2023 in relation to the off-market takeover bid by Catalyst Metals Limited (ACN 118 912 495) (**Catalyst**) for all the ordinary shares in Vango (**Target's Statement**).

A copy of the Target's Statement was lodged today with the Australian Securities & Investments Commission and sent to Catalyst.

This announcement has been authorised for release by Bruce McInnes, Executive Chairman.

Yours faithfully,



Bruce McInnes
Executive Chairman

Vango Mining Limited
(ACN 108 737 711)

Target's Statement

This Target's Statement has been issued in response to the off-market takeover bid made by Catalyst Metals Limited (ACN 118 912 495) (**Catalyst**), for all the ordinary shares in Vango.

The directors of Vango unanimously recommend that you

ACCEPT

Catalyst's Offer (in the absence of a superior proposal).

Important Information

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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Key Dates

Date of Catalyst's Offer	16 January 2023
Date of this Target's Statement	23 January 2023
Date for notice of status of Offer Conditions	10 February 2023
Close of Offer Period (unless extended or withdrawn)	5:00 pm (Perth time) on 20 February 2023

These dates may change as permitted under the Corporations Act. Any changes to the above timetable will be notified on Vango's website at <https://vangomining.com/>

Vango Shareholder Information

Vango has established an Offer Information Line for Vango Shareholders. If you have any queries in relation to the Offer, you can call the Offer Information Line on 1300 737 760 (toll free, for calls made from inside Australia) between 9:00 am and 5:00 pm (Sydney time) Monday to Friday. Calls to the Offer Information Line may be recorded.

Further information relating to Catalyst's Offer can be obtained from Vango's website at <https://vangomining.com/>.

Important Notices

Nature of this document

This document is a Target's Statement issued by Vango Mining Limited (ACN 108 737 711) (**Vango**) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover bid made by Catalyst Metals Limited (ACN 118 912 495) (**Catalyst**) for all the ordinary shares in Vango.

ASIC lodgement

This Target's Statement is dated 23 January 2023 and was lodged with the ASIC and given to ASX on that date. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the contents of this Target's Statement.

Defined terms

A number of defined terms are used in this Target's Statement. These terms are explained in Section 11 of this Target's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement and defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not contain personal advice. Your Vango Directors encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Disclaimer as to forward looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Vango operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement.

None of Vango, Vango's officers and employees, any persons named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Disclaimer as to information

The information on Catalyst and the Catalyst Group contained in this Target's Statement has been prepared by Vango using publicly available information. The information in the Target's Statement concerning Catalyst and the Catalyst Group has not been independently verified by Vango. Accordingly Vango does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside of Australia.

Photographs and Diagrams

Photographs used in this Target's Statement which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Target's Statement or its contents or that the assets shown in them are owned by Vango or Catalyst. Diagrams used in this Target's Statement are illustrative only and may not be drawn to scale.

Privacy

Vango has collected your information from the Vango register of Vango Shareholders for the purpose of providing you with this Target's Statement. The type of information Vango has collected about you includes your name, contact details and information on your shareholding in Vango. Without this information, Vango would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Vango Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Vango's Related Bodies Corporate and external service providers (such as the share registry of Vango and print and mail service providers) and may be required to be disclosed to regulators such as ASIC and the ASX. If you would like details of information about you held by Vango, please contact the Offer Information Line. Calls to the Offer Information Line may be recorded.

Chairman's Letter



23 January 2023

Dear Vango Shareholders

Takeover bid by Catalyst Metals Limited

On 10 January 2023, Vango announced that it had entered into a bid implementation agreement with Catalyst Metals Limited, pursuant to which Catalyst Metals Limited (ACN 118 912 495) (**Catalyst**) would make conditional offers for all of the Vango Shares on issue (**Offer**).

Catalyst is an ASX listed mineral exploration company with interests in gold exploration projects in the Bendigo Goldfields region and the producing Henty Gold Mine in Tasmania.

Catalyst is offering 5 Catalyst Shares for every 115 Vango Shares (**Offer Consideration**).

Based on Catalyst's last closing price on 6 January 2023 of \$1.205¹, the implied value of the Offer Consideration is approximately \$66.0 million or \$0.052 per Vango Share, representing an attractive premium of:

- 19.1% to the closing price of Vango Shares of \$0.044 on 6 January 2023;
- 30.2% to the 5-day VWAP of Vango Shares of \$0.040; and
- 33.5% to the 30-day VWAP of Vango Shares of \$0.039.

Based on Catalyst's last closing price prior to the date of this Target's Statement of \$1.422, the implied value of the Offer Consideration is approximately \$77.9 million or \$0.062 per Vango Share, representing an attractive premium of 26.2% to the closing price of Vango Shares of \$0.049 on that date.

On successful completion of the Offer, Vango Shareholders will hold approximately 35.7% of the Combined Group², enabling you to have ongoing exposure to Vango's assets as well as full exposure to the benefits of becoming a shareholder in a larger, financially stronger and more diversified gold mining and exploration company.

The Offer is subject to a number of conditions, which are detailed in full in section 11.8 of the Bidder's Statement and Annexure A of this Target's Statement.

Recommendation and reasoning

Your Vango Directors unanimously recommend that you accept the Offer, in the absence of a superior proposal. The principal reasons for your Vango Directors' recommendation are:

- (a) the Offer Consideration represents a premium to recent trading prices of Vango Shares;

¹ Being the last trading day in Catalyst Shares and Vango Shares before the announcement of discussions between Catalyst and Vango on 9 January 2023.

² Assuming Catalyst acquires 100% of Vango pursuant to the Offer and no Catalyst Shares are issued other than under the Offer.

- (b) exposure to a larger and more diversified portfolio of high-quality gold assets;
- (c) decrease in funding risks for Vango Shareholders;
- (d) Vango Shareholders with ~73% of all Vango Shares have either accepted, or indicated an intention to accept the Offer in the absence of a superior proposal;
- (e) you may be eligible for CGT roll-over relief;
- (f) there are risks in not accepting the Offer – minority ownership consequences; and
- (g) as at the date of this Target’s Statement, no superior proposal for Vango has emerged;

The detailed reasons for this recommendation are set out in Section 2.

Vango Directors and Vango Shareholders support of the Offer

Each Vango Director has either accepted, or intends to accept the Offer in the absence of superior proposal, in respect of the Vango Shares they own, or control, (representing ~460 million Vango Shares or 36.5%³ of all Vango Shares). This includes two of Vango’s largest shareholders, Zhenzhu (Carol) Zhang and Yan Chao (Hunter) Guo, who have each accepted the Offer in accordance with the terms of Pre-Bid Acceptance Deeds with Catalyst in respect of ~252 million Vango Shares (representing 19.99% of all Vango Shares).

In addition, Vango Shareholders who collectively own or control a further ~462 million Vango Shares (representing a further 36.6% of all Vango Shares) have also stated they presently intend to accept, or procure the acceptance of, the Offer for all of those Vango Shares, in the absence of a superior proposal.

Collectively, the Vango Directors and Vango Shareholders who have either accepted, or indicated an intention to accept the Offer in the absence of a superior proposal, control a total of ~73% of the Vango Shares on issue.

Accepting the Offer and next steps

The Bidder’s Statement outlines the details of the Offer and contains a personalised Acceptance Form, with instructions on how to accept the Offer.

The Offer Period is scheduled to close at 5:00 pm (Perth time) on 20 February 2023 (unless extended).

To accept the Offer, simply follow the instructions outlined in section 11.3 of the Bidder’s Statement and printed on the Acceptance Form. To be valid, your acceptance must be received before the close of the Offer Period.

Please be aware that once you accept the Offer, you may not be able to withdraw your acceptance (unless in some limited circumstances prescribed by the Corporations Act). This means, once you accept the Offer, you may not be able to sell, or accept any other offer, in respect of your Vango Shares. See Section 5.11 for further details.

In considering whether to accept the Offer, the Vango Directors encourage you to:

- read the whole of this Target’s Statement and the Bidder’s Statement;

³ Including 130 million Vango Shares held by Vango Directors under the Vango Share Loan Plan which, pursuant to the terms of the Vango Share Loan Plan, require the Offer to be declared unconditional and Catalyst to have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares. This excludes Vango Shares issued to an entity controlled by Shengqiang (Sean) Zhou under an equity incentive plan in June 2019. The loan repayment period for this issue has expired and Vango has commenced the process of disposing of these Vango Shares in accordance with the rules of that plan, with the net proceeds of the disposal to be retained by Vango in satisfaction of the non-recourse loan made available for the issue of those shares.

- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- consider the choices available to you as outlined in Section 4;
- carefully consider Section 3;
- carefully consider Section 2.8, including the risks of becoming a minority Vango Shareholder; and
- obtain personal advice from your broker, financial adviser, accountant, lawyer or other professional adviser on the implications of accepting the Offer.

Further information

Vango will keep Vango Shareholders informed of any material developments in relation to the Offer through releases to the ASX (which will also be published on Vango's website).

I encourage you to read this document carefully. If you need any more information, I recommend that you seek professional advice or call Vango's Offer Information Line between 9:00 am and 5:00 pm (Sydney time) Monday to Friday.

Yours sincerely



Bruce McInnes
Executive Chairman
For and on behalf of
Vango Mining Limited

1. Key questions and answers

This Section answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Vango Shareholders. This Section should be read together with all other parts of this Target's Statement.

Question	Answer
What is Catalyst's Offer for my Vango Shares?	<p>Catalyst is offering 5 Catalyst Shares for every 115 Vango Shares that you hold.</p> <p>If, at the time the Offer is made to you, you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder, you will not receive Catalyst Shares. Instead, you will be paid by the Nominee the net proceeds of the sale of the Catalyst Shares you would have otherwise been entitled to. See section 11.7 of the Bidder's Statement for more information.</p>
Is the Offer open to exercised Vango Options?	<p>Holders of Vango Options whose Vango Options vest and are converted into Vango Shares during the Offer Period, will be able to accept the Offer in respect of the Vango Shares that are issued to them.</p> <p>Catalyst has entered, or proposes to enter, into Option Cancellation Deeds with each of the holders of Vango Options, summaries of which are set out in section 5.2 of the Bidder's Statement.</p>
Is the Offer open to exercised Vango Notes?	<p>No. Catalyst has stated it has entered into a binding term sheet with Collins St Value Fund to exchange the existing Vango Notes for new convertible notes in Catalyst, conditional on Catalyst acquiring 100% of the ordinary shares of Vango.</p> <p>Further details are set out in section 5.2(c) of the Bidder's Statement.</p>
What choices do I have as a Vango Shareholder?	<p>As a Vango Shareholder, you have the following choices in respect of your Vango Shares:</p> <ul style="list-style-type: none">• accept the Offer;• sell your Vango Shares on the ASX (unless you have previously accepted the Offer and you have not validly withdrawn your acceptance); or• do nothing. <p>There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 4.</p>

Question	Answer
What are the Vango Directors recommending?	Each Vango Director recommends that you accept the Offer (in the absence of a superior proposal). The reasons why the Vango Directors are recommending that you accept the Offer are set out in Section 2.
What risks are associated with the Offer?	You should carefully consider the risk factors that could affect the performance of Catalyst and the Combined Group before deciding whether to accept the Offer. There are also risks associated with not accepting the Offer. A summary of the key risk factors is set out in Section 8 and section 8 of the Bidder's Statement.
What do the Vango Directors intend to do with any Vango Shares that they hold?	<p>Each Vango Director has either accepted, or intends to accept the Offer in the absence of superior proposal, in respect of the Vango Shares they own, or control, (representing ~460 million Vango Shares or 36.5%⁴ of all Vango Shares). This includes two of Vango's largest shareholders, Zhenzhu (Carol) Zhang and Yan Chao (Hunter) Guo, who have each accepted the Offer in accordance with Pre-Bid Acceptance Deeds with Catalyst in respect of ~252 million Vango Shares (representing 19.99% of all Vango Shares).</p> <p>Option Cancellation Deeds have been entered into in respect of all the Vango Options each Vango Director owns or controls, summaries of which are set out in section 5.2 of the Bidder's Statement.</p>
How do I accept the Offer?	<p>If you wish to accept the Offer, you must accept for all of your Vango Shares (and not a lesser number) and any acceptance for fewer than all of your Vango Shares will be treated as being for all your Vango Shares, unless section 11.1(j) of the Bidder Statement applies to you.</p> <p>You may accept the Offer at any time during the Offer Period.</p>

⁴ Including 130 million Vango Shares held by Vango Directors under the Vango Share Loan Plan which, pursuant to the terms of the Vango Share Loan Plan, require the Offer to be declared unconditional and Catalyst to have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares. This excludes Vango Shares issued to an entity controlled by Shengqiang (Sean) Zhou under an equity incentive plan in June 2019. The loan repayment period for this issue has expired and Vango has commenced the process of disposing of these Vango Shares in accordance with the rules of that plan, with the net proceeds of the disposal to be retained by Vango in satisfaction of the non-recourse loan made available for the issue of those shares.

Question	Answer
	<p>Full details of how to accept the Offer are set out in section 11.3 of the Bidder's Statement and on the Acceptance Form.</p>
<p>What are the consequences of accepting the Offer now?</p>	<p>If you accept the Offer, unless withdrawal rights are available (see below), you will give up your right to sell your Vango Shares on the ASX or otherwise deal with your Vango Shares while the Offer remains open.</p> <p>The effect of acceptance is set out in section 11.5 of the Bidder's Statement. Vango Shareholders should read that section in full to understand the effect that acceptance will have on their ability to exercise rights attaching to their Vango Shares and the representations and warranties they give by accepting the Offer.</p>
<p>If I accept the Offer, can I withdraw my acceptance?</p>	<p>Under the terms of the Offer, you may only withdraw your acceptance if:</p> <ul style="list-style-type: none"> • the Offer Conditions have not all been fulfilled or freed by the time specified in the Bidder's Statement, resulting in the Offer automatically terminating and your Vango Shares being returned to you; or • Catalyst varies the Offer in a way that postpones, for more than one month, the time when Catalyst needs to meet its obligations under the Offer. This will occur if Catalyst extends the Offer Period by more than one month and the Offer is still subject to one or more Offer Conditions at the time of your purported withdrawal. A notice will be sent to you at the time explaining your rights in this regard. <p>See Section 5.11 and section 11.5 of the Bidder's Statement for further details.</p>
<p>What happens if I don't accept the Offer?</p>	<p>You will remain a Vango Shareholder, unless you sell your Vango Shares on the ASX, and will not receive the consideration under the Offer.</p> <p>If Catalyst becomes entitled to compulsorily acquire your Vango Shares, Catalyst has stated it intends to proceed with the compulsory acquisition. If your Vango Shares are compulsorily acquired by Catalyst, it will be on the same terms</p>

Question	Answer
	<p>(including the same consideration for each Vango Share acquired) as the Offer.</p> <p>Vango Shareholders should also carefully consider Section 2.8 in relation to the risks of becoming a minority Vango Shareholder. In addition, refer to sections 6.3 and 6.4 of the Bidder's Statement for details regarding Catalyst's intentions if Catalyst acquires control of Vango but does not become entitled to compulsorily acquire Vango Shares (i.e. more than 50% but less than 90%).</p>
<p>When does the Offer close?</p>	<p>The Offer closes at 5.00pm (Perth time) on 20 February 2023, unless it is extended under the Corporations Act.</p> <p>Please be aware that there is no guarantee that Catalyst will extend the Offer Period beyond this date. Accordingly, your Vango Directors recommend that you should assume that the Offer Period will not be extended beyond this date.</p>
<p>Can the Offer Period be extended?</p>	<p>Yes. While the Offer is subject to the Offer Conditions, Catalyst may extend the Offer Period at any time before giving the Notice of Status of Conditions and otherwise only in limited circumstances.</p> <p>However, if the Offer is unconditional (that is all of the Offer Conditions are fulfilled or freed), Catalyst may extend the Offer Period at any time before the end of the Offer Period.</p> <p>In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period Catalyst improves the consideration offered under the Offer, or Catalyst's voting power in Vango increases to more than 50%. If this occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event.</p>
<p>What are the conditions to the Offer?</p>	<p>The Offer is subject to a number of conditions.</p> <p>The outstanding Offer Conditions as at the date of this Target's Statement are (in summary form only):</p> <ul style="list-style-type: none"> • (minimum acceptance) at the end of the Offer Period, Catalyst having a Relevant Interest in at least 70% (by number) of all of the Vango Shares;

Question	Answer
	<ul style="list-style-type: none"> • (Treatment of Vango Options and Vango Notes) all Performance Options have been cancelled for nil consideration; all L39 Options have been cancelled or acquired; and all Vango Notes have been dealt with under an agreement between the holder of the Vango Notes and Catalyst; • (no Prescribed Occurrence) no Prescribed Occurrence happens in the period between the Announcement Date and the end of the Offer Period; • (no Other Occurrence) no Other Occurrence happens in the period between the Announcement Date and the end of the Offer Period; • (Funding Condition) Vango enters into an agreement for a line of credit with a third party on the following key terms: <ul style="list-style-type: none"> ○ the line of credit is for an amount of no less than \$5 million; ○ the principal and accrued interest are only repayable at a date which is no earlier than 4 months after the Announcement Date; ○ the interest on the debt is no more than 10% per annum; ○ the debt is unsecured; and ○ other than interest, there are no other fees payable by Vango to the third party debt provider in relation to the debt funding; and • (no material adverse change) no material adverse change occurring with respect to Vango. <p>Full terms of the Offer Conditions are set out in section 11.8 of the Bidder's Statement. Vango strongly advises Vango Shareholders to read the terms and conditions in full.</p> <p>Under the Bid Implementation Agreement, Catalyst has agreed, subject to the Corporations Act, that in the event it obtains a Relevant Interest in at least 70% of all of the Vango Shares and provided Vango has satisfied the Funding Condition to the Offer, Catalyst will waive all remaining Offer Conditions and declare the Offer to be free from any remaining Offer Conditions. However, Catalyst</p>

Question	Answer
	<p>will have no such obligation to the extent that a breach of a an Offer Condition, or a circumstance that is reasonably likely to result in a breach of an Offer Condition, or a material breach of the Bid Implementation Agreement by Vango, has occurred before the date the Funding Condition and minimum acceptance Offer Condition are both satisfied.</p>
<p>What happens if the conditions of the Offer are not satisfied or waived?</p>	<p>If the Offer Conditions are not satisfied or waived by the end of the Offer Period (or in the case of the Offer Condition in paragraph (c) of Annexure A (prescribed occurrences), the Offer will lapse and your acceptance will be void. You would then be free to deal with your Vango Shares even if you had accepted the Offer.</p> <p>See Section 5.9 for further details.</p>
<p>Can Catalyst withdraw the Offer?</p>	<p>Catalyst may not withdraw the Offer if you have already accepted it.</p> <p>Before you accept the Offer, Catalyst may withdraw the Offer with the written consent of ASIC and subject to conditions (if any) specified in such consent.</p>
<p>When will I be sent my consideration if I accept the Offer?</p>	<p>In the usual case, you will be issued your consideration on or before the earlier of:</p> <ul style="list-style-type: none"> • the day that is one month after the date of your acceptance or, if at the time of your acceptance the Offer is subject to an Offer Condition, one month after the Offer becomes, or is declared, unconditional; and • the day that is 21 days after the end of the Offer Period. <p>Full details of when you will be issued consideration are set out in Section 5.12 and section 11.6 of the Bidder's Statement.</p> <p>Ineligible Foreign Shareholders and Small Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time. See section 11.7 of the Bidder's Statement for more information.</p>

Question	Answer
<p>What are the tax implications of accepting the Offer?</p>	<p>A general outline of the tax implications of accepting the Offer is set out in section 9 of the Bidder's Statement.</p> <p>As the outline is a general outline only, Vango Shareholders are encouraged to seek their own specific professional advice as to the taxation implications applicable to their circumstances.</p>
<p>What happens if Catalyst improves the consideration under its Offer?</p>	<p>If Catalyst improves the consideration offered under its Offer, all Vango Shareholders who have accepted the Offer will be entitled to the benefit of that improved consideration (whether they accepted the Offer before or after the consideration is improved).</p>
<p>What will happen to Vango following the end of the Offer Period?</p>	<p>Catalyst has stated that, whether Vango becomes wholly or partly owned by Catalyst, its present intention in relation to Vango is, primarily, to:</p> <ul style="list-style-type: none"> • conduct a strategic review of Vango's operations following completion of the Offer. The strategic review provides an opportunity to re-set the exploration and development strategy at Marymia; and • replace members of the Vango Board with its own nominees to constitute at least a majority of the members of the Vango Board. <p>In addition, in the event of acquiring at least 90% of the Vango Shares, Catalyst has stated it intends to compulsorily acquire the remaining Vango Shares, arrange for Vango to be removed from the official list of ASX and evaluate the future operation and management requirements of the Combined Group.</p> <p>See section 6 of the Bidder's Statement for further details on Catalyst's intentions following the end of the Offer Period.</p>
<p>Will I need to pay brokerage or stamp duty on acceptance of the Offer?</p>	<p>You will not pay stamp duty on the disposal of your Vango Shares if you accept the Offer.</p> <p>If your Vango Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Catalyst, you will not incur any brokerage in connection with your acceptance of the Offer.</p>

Question	Answer
	<p>If your Vango Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Vango Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your stockbroker) or the relevant nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>
<p>Is there a number that I can call if I have further queries in relation to the Offer?</p>	<p>If you have any further queries in relation to the Offer, you can call the Offer Information Line on 1300 737 760 (toll free, for calls made from inside Australia) between 9:00 am and 5:00 pm (Sydney time) Monday to Friday. Calls to the Offer Information Linen may be recorded.</p>

2. Recommendation of Vango Directors

2.1 Recommendation

Your Vango Directors have carefully considered the Offer and unanimously recommend that you accept the Offer, in the absence of a superior proposal.

Each Vango Director has either accepted the Offer, or intends to accept the Offer in the absence of superior proposal, in respect of the Vango Shares they own, or control, (representing ~460 million Vango Shares or 36.5%⁵ of all Vango Shares). This includes two of Vango's largest shareholders, Zhenzhu (Carol) Zhang and Yan Chao (Hunter) Guo, who have accepted the Offer in pursuant to Pre-Bid Acceptance Deeds with Catalyst in respect of ~252 million Vango Shares (representing 19.99% of all Vango Shares).

In considering whether to accept the Offer, the Vango Directors encourage you to:

- (a) read the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) consider the choices available to you as outlined in Section 4;
- (d) carefully consider Section 3;
- (e) carefully consider Section 2.8, including the risks of becoming a minority Vango Shareholder; and
- (f) obtain financial advice from your broker or financial adviser regarding the Offer and obtain taxation advice on the effect of accepting the Offer.

2.2 Summary

The principal reasons for your Vango Directors' recommendation are:

- (a) the Offer Consideration represents a premium to recent trading prices of Vango Shares;
- (b) exposure to a larger and more diversified portfolio of high-quality gold assets;
- (c) decrease in funding risks for Vango Shareholders;
- (d) Vango Shareholders with ~73% of all Vango Shares have either accepted, or indicated an intention to accept the Offer in the absence of a superior proposal;
- (e) you may be eligible for CGT roll-over relief;
- (f) there are risks in not accepting the Offer – minority ownership consequences; and
- (g) as at the date of this Target's Statement, no superior proposal for Vango has emerged.

⁵ Including 130 million Vango Shares held by Vango Directors under the Vango Share Loan Plan which, pursuant to the terms of the Vango Share Loan Plan, require the Offer to be declared unconditional and Catalyst to have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares. This excludes Vango Shares issued to an entity controlled by Shengqiang (Sean) Zhou under an equity incentive plan in June 2019. The loan repayment period for this issue has expired and Vango has commenced the process of disposing of these Vango Shares in accordance with the rules of that plan, with the net proceeds of the disposal to be retained by Vango in satisfaction of the non-recourse loan made available for the issue of those shares.

The detailed reasons are set out in the remainder of this Section 2.

2.3 The Offer Consideration represents a premium to recent trading prices of Vango Shares

By accepting the Offer you will receive 5 Catalyst Shares for every 115 Vango Shares you hold.

The Offer represents a substantial and attractive premium to Vango Shareholders of:

- (a) 19.1% to the closing price of Vango Shares of \$0.044 on 6 January 2023 (being the last trading day in Catalyst Shares and Vango Shares before the release of an announcement regarding discussions between Catalyst and Vango on 9 January 2023);
- (b) 30.2% to the 5-day VWAP of Vango Shares of \$0.040;⁶ and
- (c) 33.5% to the 30-day VWAP of Vango Shares of \$0.039; and
- (d) 26.2% to the closing price of Vango Shares of \$0.049 on the date prior to the date of this Target's Statement.

2.4 Exposure to a larger and more diversified portfolio of high-quality gold assets

On successful completion of the Offer, as it is a scrip offer, Vango Shareholders will hold approximately 35.7% of the Combined Group⁷, enabling you to have ongoing exposure to Vango's assets as well as full exposure to the benefits of becoming a shareholder in a larger, financially stronger and more diversified gold mining and exploration company.

The tenement holdings of both companies are all high-grade, highly prospective in terms of exploration and future development potential.

The Combined Group will have controlling positions across three Australian gold belts:

- (a) In Victoria, a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and host to the most developed gold project in the Bendigo/Fosterville area (Agnico Eagle's high grade Fosterville gold mine).
- (b) In Tasmania, a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and home to the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.
- (c) In WA, a large tenement package with 40 kilometres of strike in the world-class Marymia Gold Belt where the existing 1Moz high grade resource⁸ has potential to significantly increase given largely underexplored nature of the tenement package, with close proximity to operating Plutonic mine providing strategic and development optionality.

⁶ VWAPs are for the period to and including 6 January 2023 (being the last trading day of Catalyst Shares and Vango Shares before the announcement of discussions between Catalyst and Vango on 9 January 2023).

⁷ Assuming Catalyst acquires 100% of Vango pursuant to the Offer and no Catalyst Shares are issued other than under the Offer.

⁸ Comprising 663koz indicated and 339 inferred as announced by Vango in an announcement titled "Marymia Mineral Resource Increases to One Million Ounces" dated 20 May 2020. Vango confirms that it is not aware of any new information or data that materially affects the information included in the referenced announcement and that all material assumptions and technical parameters underpinning the relevant Minerals Resource estimate continue to apply and have not materially changed.

The similarity of Catalyst's and Vango's assets creates the opportunity for numerous synergies, including removal of duplicate overhead costs, corporate fees and charges.

Section 2 of the Bidder's Statement contains further information regarding Catalyst.

2.5 Decrease in funding risks for Vango Shareholders

On successful completion of the Offer, Catalyst has stated that the Combined Group is expected to have available cash and cash equivalents of approximately \$19.3 million (with \$10.6 million in debt) and a cash generative operating gold mine at Henty.

The Combined Group's enlarged size and strong balance sheet should improve access to ongoing debt and equity funding at a lower cost than Vango could achieve on a stand-alone basis. The Combined Group will also have the flexibility to allocate more funds and resources to advance Vango's projects and pursue further growth opportunities.

2.6 Vango Shareholders with ~73% of all Vango Shares have either accepted the Offer, or indicated an intention to accept the Offer in the absence of a superior proposal

Each Vango Director has either accepted the Offer, or intends to accept the Offer in the absence of a superior proposal, in respect of the Vango Shares they own, or control, (representing ~460 million Vango Shares or 36.5%⁹ of all Vango Shares). This includes two of Vango's largest shareholders, Zhenzhu (Carol) Zhang and Yan Chao (Hunter) Guo, who have each accepted the Offer under the terms of Pre-Bid Acceptance Deeds with Catalyst in respect of ~252 million Vango Shares (representing 19.99% of all Vango Shares).

In addition, Vango Shareholders who collectively own or control a further ~462 million Vango Shares (representing a further 36.6% of all Vango Shares) have also stated they presently intend to accept, or procure the acceptance of, the Offer for all of those Vango Shares, in the absence of a superior proposal.

Collectively, the Vango Directors and Vango Shareholders who have either accepted, or indicated an intention to accept the Offer in the absence of a superior proposal, control a total of ~73% of the Vango Shares on issue.

Support from Vango's largest shareholders provides positive endorsement of the Offer and (assuming those shareholders act in accordance with their stated intentions) a pathway to achieve the 70% minimum acceptance Offer Condition and completion of the Offer in a timely manner, which you can accelerate by also accepting the Offer.

The Vango Shareholders above have consented to the inclusion of their intention statement in this Target's Statement.¹⁰

2.7 You may be eligible for CGT roll-over relief

Vango Shareholders may benefit from CGT scrip roll-over relief if Catalyst is able to acquire at least 80% of all Vango Shares.

⁹ Including 130 million Vango Shares held by Vango Directors under the Vango Share Loan Plan which, pursuant to the terms of the Vango Share Loan Plan, require the Offer to be declared unconditional and Catalyst to have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares. This excludes Vango Shares issued to an entity controlled by Shengqiang (Sean) Zhou under an equity incentive plan in June 2019. The loan repayment period for this issue has expired and Vango has commenced the process of disposing of these Vango Shares in accordance with the rules of that plan, with the net proceeds of the disposal to be retained by Vango in satisfaction of the non-recourse loan made available for the issue of those shares.

¹⁰ See Section 9.5 for a list of Vango Shareholders who have provided Vango with a signed statement of intent.

Each Vango Shareholder's tax position is different. Vango Shareholders are encouraged to seek their own independent tax advice regarding the specific tax consequences of the Offer, including the application and effect of income tax and other tax laws to their particular circumstances.

A summary of the general Australian income tax, stamp duty and GST consequences of the Offer for Vango Shareholders is set out in section 9 of the Bidder's Statement. However, Vango Shareholders should not rely solely on the summary contained in section 9 of the Bidder's Statement in substitution for specific advice on their own affairs from a registered tax agent.

2.8 There are risks in not accepting the Offer – minority ownership consequences

Catalyst has stated that it does not currently intend to waive the Minimum Acceptance Condition (but reserves the right to do so). This means that if the Minimum Acceptance Condition is waived and Catalyst acquires more than 50% but less than 90% of all Vango Shares, there is a risk that, if you do not accept the Offer by the end of the Offer Period (and the other Offer Conditions are satisfied or waived), you may end up being a minority Vango Shareholder. This will have a number of possible implications, including:

- (a) Catalyst may be in a position to cast the majority of votes at a general meeting of Vango. This will enable it to control the composition of the Vango Board and senior management, determine Vango's dividend policy and control the strategic direction of the business. Further, where Catalyst acquires 75% or more of the Vango Shares, Catalyst will be able to pass a special resolution of Vango. This will enable Catalyst to, among other things, change Vango's constitution;
- (b) the liquidity of Vango Shares may be lower than at present;
- (c) there may be limited institutional support for Vango Shares;
- (d) if the number of Vango Shareholders is less than that required by the Listing Rules to maintain an ASX listing, then the ASX may suspend and/or de-list Vango. If this occurs, any remaining Vango Shareholders will not be able to sell their Vango Shares on market; and
- (e) if Catalyst acquires a majority of the Vango Shares, your Vango Directors believe that it is unlikely that a subsequent takeover bid for Vango will emerge at a later date from a third party.

2.9 No superior proposal for Vango has emerged

Since announcement of the Offer, no superior proposal has emerged that would cause the Vango Directors to reconsider their recommendation. As at the date of this Target's Statement, the Offer is the only corporate control proposal capable of being put to Vango Shareholders.

The Bid Implementation Agreement prohibits Vango from soliciting third party proposals during the term of the Bid Implementation Agreement. Catalyst also has a right under the Bid Implementation Agreement to match any third party proposal that is received.

If a third party proposal emerges your Vango Directors will carefully consider the proposal to determine whether it is a superior proposal and will inform you of any material developments which may affect their current recommendation that the Offer is the most favourable proposal for all your Vango Shares.

3. Other considerations of the Offer

3.1 Possible reasons not to accept the Offer

There are some reasons why Vango Shareholders may choose not to accept the Offer, including:

- (a) **You may disagree with the recommendation of the Vango Directors:** You may have a different view on the merits of the Offer and believe that the Offer Consideration is inadequate to acquire your Vango Shares;
- (b) **You may wish to remain a Vango Shareholder:** Accepting the Offer will result in you no longer being a Vango Shareholder, and you will no longer be entitled to participate in the future of Vango, or exercise your rights as a Vango Shareholder (including voting rights);
- (c) **The tax consequences of the Offer may not be favourable to you given your financial position:** Acceptance of the Offer may have tax implications for Vango Shareholders. You should carefully read and consider the potential Australian tax consequences of accepting the Offer as summarised in section 9 of the Bidder's Statement; and
- (d) **You may consider there is potential for a proposal superior to the Offer to emerge for Vango Shares:** It is possible that a proposal that is superior to the Offer materialises in the future, accepting the Offer would mean that Vango Shareholders would not have the opportunity to consider such future potential offer, unless you are able to withdraw your acceptance (which is only permitted in limited circumstances). As at the date of this Target's Statement, no alternative proposal has been received by Vango.

3.2 Risks associated with accepting the Offer and becoming a Catalyst Shareholder

Details on the risks associated with accepting the Offer and being a Catalyst Shareholder are contained in Section 8 and section 8 of the Bidder's Statement.

4. Your choices as a Vango Shareholder

<p>ACCEPT the Offer</p>	<p>This is the course of action unanimously recommended by your Vango Directors in the absence of a superior proposal.</p> <p>Sections 11.3 and 11.4 of the Bidder's Statement contain details on how to accept the Offer made to you.</p> <p>If you decide to accept the Offer made to you, your acceptance must be received before the close of the Offer Period which is currently scheduled to occur at 5.00pm (WST) on 20 February 2023 unless the Offer Period is extended in accordance with the Corporations Act.</p>
<p>Sell your Vango Shares on ASX</p>	<p>Vango Shareholders can sell their Vango Shares on market for the market price at the time (unless you have previously accepted the Offer made to you and you have not validly withdrawn your acceptance).</p> <p>The latest price for Vango Shares may be obtained on the ASX website at www.asx.com.au.</p> <p>Vango Shareholders who sell their Vango Shares on market may be liable for capital gains tax and may incur a brokerage charge. Vango Shareholders who wish to sell their Vango Shares on market should contact their broker for information on how to effect that sale.</p> <p>If you sell your Vango Shares on market, you will receive the consideration for the sale of your Vango Shares sooner than if you accept Catalyst's Offer. In addition, if you sell your Vango Shares on market you will lose your ability to accept:</p> <ul style="list-style-type: none"> • Catalyst's Offer and receive the Catalyst Shares as consideration (and possible increases in the consideration); and • any offer from a competing bidder if one eventuates.
<p>Do nothing</p>	<p>If you do not wish to accept the Offer made to you or to sell your Vango Shares on market, you can choose to do nothing.</p> <p>By doing nothing you will continue to remain a Vango Shareholder although, if Catalyst acquires 90% of Vango Shares during or at the end of the Offer Period, Catalyst will be entitled to compulsorily acquire the Vango Shares it does not already own.</p> <p>If the Offer is completed with Catalyst acquiring more than 50% but less than 90% of Vango Shares, Vango Shareholders who do not accept the Offer will become minority Vango Shareholders.</p> <p>The Offer is conditional on Catalyst acquiring at least 70% of Vango Shares (on a fully diluted basis). Catalyst may waive this Offer Condition in its sole discretion, in which case Catalyst may become a minority Vango Shareholder.</p> <p>Vango Shareholders should refer to sections 6.4 and 6.5 of the Bidder's Statement for Catalyst' intentions in these situations, and Sections 8.4 and 8.5 for the risks of remaining a Vango Shareholder.</p>

5. Summary of Catalyst's Offer

5.1 Overview

This Section contains a summary of the terms and conditions of Catalyst's Offer.

The full terms and conditions of the Catalyst Offer are set out in section 11 of the Bidder's Statement.

5.2 Overview

Catalyst is offering to acquire all of the Vango Shares from Vango Shareholders.

If you wish to accept the Offer, you must accept for all of your Vango Shares (and not a lesser number) and any acceptance for fewer than all of your Vango Shares will be treated as being for all your Vango Shares, unless you are holder of Vango Shares subject to the Vango Share Loan Plan and section 11.1(j) of the Bidder Statement applies to you.

If you are a holder of Vango Shares under the Vango Share Loan Plan, the Offer must be declared unconditional and Catalyst must have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares.

Holders of Vango Options whose Vango Options vest and are converted into Vango Shares during the Offer Period, will be able to accept the Offer in respect of the Vango Shares that are issued to them. Catalyst has entered, or proposes to enter, into Option Cancellation Deeds with each of the holders of Vango Options, summaries of which are set out in section 5.2 of the Bidder's Statement.

The Offer does not extend to the Vango Notes. Catalyst has stated it has entered into a binding term sheet with Collins St Value Fund to exchange the existing Vango Notes for new convertible notes in Catalyst, conditional on Catalyst acquiring 100% of the ordinary shares of Vango. Further details are set out in section 5.2(c) of the Bidder's Statement.

5.3 Consideration payable to Vango Shareholders who accept the Offer

The consideration being offered by Catalyst is 5 Catalyst Shares for every 115 Vango Shares you hold. If this calculation results in an entitlement to a fraction of a Catalyst Share, that fraction will be rounded down to the next whole number of Catalyst Shares.

If, at the time this Offer is made to you, you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder, you will not receive Catalyst Shares. Instead, you are offered and will receive the net proceeds of the sale, by a nominee appointed by Catalyst, of the Catalyst Shares you would have otherwise been entitled to. Please refer to section 11.7 of the Bidder's Statement for more information.

If you accept the Offer made to you, the value of the consideration you will receive will depend on the price of Catalyst Shares at the time they are issued to you under the Offer. You should be aware that the implied value of the Offer will fluctuate with changes in the market price of Catalyst Shares.

5.4 Offer Conditions

Catalyst's Offer is subject to a number of Offer Conditions. The Offer Conditions are set out in full in section 11.8 of the Bidder's Statement and Annexure A of this Target's Statement. You are strongly advised to read the terms and conditions in full.

In summary, the outstanding Offer Conditions to the Offer, as at the date of this Target's Statement, are (in summary form only):

- (a) **(minimum acceptance)** at the end of the Offer Period, Catalyst having a Relevant Interest in at least 70% (by number) of all of the Vango Shares;
- (b) **(Treatment of Vango Options and Vango Notes)** all Performance Options have been cancelled for nil consideration; all L39 Options have been cancelled or acquired; and all Vango Notes have been dealt with under an agreement between the holder of the Vango Notes and Catalyst;
- (c) **(no Prescribed Occurrence)** no Prescribed Occurrence happens in the period between the Announcement Date and the end of the Offer Period;
- (d) **(no Other Occurrence)** no Other Occurrence happens in the period between the Announcement Date and the end of the Offer Period;
- (e) **(Funding Condition)** Vango enters into an agreement for a line of credit with a third party on the following key terms:
 - (i) the line of credit is for an amount of no less than \$5 million;
 - (ii) the principal and accrued interest are only repayable at a date which is no earlier than 4 months after the Announcement Date;
 - (iii) the interest on the debt is no more than 10% per annum;
 - (iv) the debt is unsecured; and
 - (v) other than interest, there are no other fees payable by Vango to the third party debt provider in relation to the debt funding; and
- (f) **(no material adverse change)** no material adverse change occurring with respect to Vango.

As at the date of this Target's Statement, Vango is not aware of any act, omission, event or fact that would result in the failure of any of the Offer Conditions.

Subject to the Corporations Act, Catalyst may declare the Offer to be free from any Offer Condition or to extend the Offer at any time.

Under the Bid Implementation Agreement, Catalyst has agreed, subject to the Corporations Act, that in the event it obtains a Relevant Interest in at least 70% of all of the Vango Shares and provided Vango has satisfied the Funding Condition to the Offer, Catalyst will waive all remaining Offer Conditions and declare the Offer to be free from any remaining Offer Conditions. However, Catalyst will have no such obligation to the extent that a breach of an Offer Condition, or a circumstance that is reasonably likely to result in a breach of an Offer Condition, or a material breach of the Bid Implementation Agreement by Vango, has occurred before the date the Funding Condition and minimum acceptance Offer Condition are both satisfied.

5.5 Notice of Status of Conditions

Section 10.2 of the Bidder's Statement provides that Catalyst will give a Notice of Status of Conditions to the ASX and Vango on 10 February 2023 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

Catalyst is required to set out in its Notice of Status of Conditions:

- (a) whether the Offer is free of any or all of the Offer Conditions;
- (b) whether, so far as Catalyst knows, any of the Offer Conditions have been fulfilled; and

- (c) Catalyst's voting power in Vango.

If the Offer Period is extended before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Catalyst is required, as soon as practicable after the extension, to give a notice to the ASX and Vango that states the new date for the giving of the Notice of Status of Conditions.

If an Offer Condition is fulfilled (so that the Offer becomes free of that Offer Condition) during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Catalyst must, as soon as practicable, give the ASX and Vango a notice that states that the particular Offer Condition has been fulfilled.

5.6 Offer Period

Catalyst's Offer opened for acceptance on 16 January 2023. Unless Catalyst's Offer is extended or withdrawn, it is open for acceptance until 5:00 pm (Perth time) on 20 February 2023.

The circumstances in which Catalyst may extend or withdraw its Offer are set out in Sections 5.7 and 5.8 respectively.

5.7 Extension of the Offer Period

Catalyst may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 5.5) while the Offer is subject to Offer Conditions. However, if the Offer is unconditional (that is, all the Offer Conditions are fulfilled or freed), Catalyst may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- (a) Catalyst improves the consideration offered under the Offer; or
- (b) Catalyst's voting power in Vango increases to more than 50%.

If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

5.8 Withdrawal of Offer

Catalyst may not withdraw the Offer made to you if you have already accepted it. Before you accept the Offer made to you in respect of each of your Catalyst Shares, Catalyst may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

5.9 Lapse of Offer

The Offer will lapse if the Offer Conditions are not freed or fulfilled by the end of the Offer Period (or in the case of the Offer Condition in paragraph (c) of Annexure A (prescribed occurrences), within 3 Business Days after the end of the Offer Period), in which case, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In that situation, you will be free to deal with your Vango Shares as you see fit.

5.10 Effect of acceptance

The effect of acceptance of the Offer is set out in section 11.5 of the Bidder's Statement. Vango Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Vango Shares and the representations and warranties which they give by accepting of the Offer.

5.11 Your ability to withdraw your acceptance

If you accept the Offer made to you, you only have limited rights to withdraw that acceptance.

You may only withdraw your acceptance of the Offer if:

- (a) the Offer Conditions are not fulfilled or waived by the time specified in the Bidder's Statement, resulting in the Offer automatically terminating and your Vango Shares being returned to you;; or
- (b) Catalyst varies the Offer in a way that postpones, for more than one month, the time when Catalyst needs to meet its obligations under the Offer. This will occur if Catalyst extends the Offer Period by more than one month and the Offer is still subject to one or more Offer Conditions at the time of your purported withdrawal.

5.12 When you will receive your consideration if you accept the Offer

If you accept the Offer, you will be issued your Offer Consideration on or before the later of:

- (a) one month after the date the Offer becomes, or is declared, unconditional or one month after the date you accept the Offer (whichever is later); and
- (b) 21 days after the end of the Offer Period.

Ineligible Foreign Shareholders and Small Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time.

Full details of when you will be issued your consideration are set out in section 11.6 of the Bidder's Statement.

5.13 Effect of an improvement in consideration

If Catalyst improves the consideration offered under the Offer, all Vango Shareholders to whom the Offer is made, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration should they accept the Offer and the Offer becomes or is declared unconditional.

5.14 Taxation consequences of a change in control in Vango

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Offer are set out in section 9 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

5.15 Compulsory acquisition

(a) Compulsory acquisition following the Offer

Catalyst has indicated in section 6.2 of its Bidder's Statement that, if it satisfies the required thresholds, it intends to compulsorily acquire any outstanding Vango Shares in accordance with the Corporations Act. Accordingly, Vango Shareholders should assume that, if Catalyst becomes entitled to exercise its right to compulsorily acquire any outstanding Vango Shares, Catalyst will exercise that right.

Catalyst will be entitled, under section 661A of the Corporations Act, to compulsorily acquire any Vango Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the Offer Period:

- (i) Catalyst and its Associates acquire Relevant Interests in at least 90% (by number) of the Vango Shares; and
- (ii) Catalyst and its Associates have acquired at least 75% (by number) of the Vango Shares that Catalyst has offered to acquire under the Offer.

If these thresholds are met, Catalyst will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Vango Shareholders who have not accepted the Offer.

If compulsory acquisition occurs under section 661A of the Corporations Act, Vango Shareholders that have their Vango Shares compulsorily acquired will be issued their consideration later than Vango Shareholders that accept the Offer.

Vango Shareholders have statutory rights to challenge any compulsory acquisition. However, a successful challenge will require the relevant Vango Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their Vango Shares.

(b) **General compulsory acquisition**

It is also possible that Catalyst will, at some time during or after the end of the Offer Period, either alone or with a Related Body Corporate, hold full beneficial interests in at least 90% (by number) of all the Vango Shares. Catalyst would then have rights to compulsorily acquire all of the Vango Shares that it does not own within six months of becoming the holder of 90% (by number) of all the Vango Shares. The price which Catalyst would have to pay to compulsorily acquire all of the remaining Vango Shares under this alternative compulsory acquisition regime would have to be considered in a report of an independent expert.

Vango Shareholders would have certain rights under the Corporations Act to challenge a compulsory acquisition pursuant to the procedures outlined in the Corporations Act, but a challenge would require people who hold at least 10% of the Vango Shares that are proposed to be the subject of the compulsory acquisition to object to the compulsory acquisition. If people holding such number of Vango Shares object to the compulsory acquisition, and Catalyst still wishes to proceed with the compulsory acquisition, Catalyst would be required to establish to the satisfaction of a court that the terms of the compulsory acquisition represent 'fair value' for the Vango Shares. In the absence of a challenge by people holding the requisite number of Vango Shares, Vango Shareholders who have their Vango Shares compulsorily acquired under this procedure are likely to be sent their consideration approximately five to six weeks after the compulsory acquisition notices are dispatched to them.

6. Information regarding Vango

6.1 Background information on Vango

Vango is an ASX listed Australian gold exploration and development company focused on drilling near-term development and production targets to build its resource base, in parallel with targeting significant high-grade gold discoveries at depth.

Vango's primary asset is the 100% owned Marymia Gold Project located approximately 300 kilometres northeast of Meekatharra in the mid-west region of Western Australia, at the northern end of the world class Eastern Gold Fields Province.

Vango has also entered into a Farm-in and Joint Venture Agreement with Lodestar Minerals Limited (ASX:LSR) (**Lodestar**) for the nearby Ned's Creek Project whereby Vango can earn up to a 51% interest in the project by expending \$5 million on exploration over 3 years (with a minimum spend of \$1 million per annum). In October 2021, Vango and Lodestar agreed to vary the Farm-in and Joint Venture Agreement to allow Vango to suspend its expenditure commitment for one year ending on or about 11 October 2022, with Vango then having a further 1 year to earn a balance of 19.84% if it elects to do so. As at the date of this Target's Statement, Vango has not yet made such an election.

6.2 Directors of Vango

As at the date of this Target's Statement, the directors of Vango are:

Name	Position
Bruce McInnes	Executive Chairman
Shengqiang (Sean) Zhou	Deputy Chairman, Non-Executive Director
Zhenzhu (Carol) Zhang	Non-Executive Director
Yan Chao (Hunter) Guo	Non-Executive Director
Craig Wallace	Non-Executive Director

6.3 Principal activities of Vango and the Vango Group

(a) Marymia Gold Project

Vango's Marymia Gold Project sits on 45 granted mining leases which are all pre-native title with >40 kilometres in strike length along the Marymia Gold Belt, which extends from the 5.5Moz Plutonic Gold Mine owned by Superior Gold. The Marymia Gold Project's existing Resource is 1Moz @ 3 g/t Au, underpinned by the Trident Deposit, whose resource is 410koz @ 8 g/t Au, with immediate extensions open at depth/along strike, and also includes an interest in the K2 Deposit with a Resource of 107koz @ 8.9 g/t Au.

In FY22, Vango completed a significant drill program targeting extensions to mineralisation below 11 historical pits within the project area. These pits are outside of the current resource areas for the project, and Vango considers that definition of extensions to these mineralised systems could provide early resources for operations within the project area. A total of 73 RC holes were completed for 12,001 metres of drilling.

Drilling was designed to test the continuity and tenor of mineralised structures at depth below the pits as well as potential for parallel structures that may not have been previously identified. The drilling in all areas intersected the projected mineralisation with some intersections showing excellent economic potential, such as Skyhawk and Parrot, which were immediately followed up with second phases of drilling. Other pits such as Redfin, Rosella and Pigeon also showed good promise while others will be lower priority targets moving forward.

(b) **Ned's Creek Joint Venture Project**

Ned's Creek is located 20 kilometres from the Marymia Gold Project, 300 kilometres northeast of Meekatharra in the Mid-West region of Western Australia (see Figure 1 below).

On 1 May 2019, Vango announced that it entered into a binding terms sheet with Lodestar whereby Vango had the option to earn up to a 51% interest in Lodestar's Ned's Creek tenements, containing the Contessa, Gidgee Flat, Central Park and Brumby high-grade gold discoveries.

On 17 July 2019, Vango announced that it exercised its option to enter into a Farm-in and Joint Venture agreement with Lodestar, Dampier (Plutonic) Pty Ltd (ACN 131 670 963) and Audacious Resources Pty Ltd (ACN 138 678 707) to earn up to a 51% interest in Lodestar's Ned's Creek Project by spending \$5 million on exploration over a three-year period, with a minimum spend of \$1 million per annum.

In October 2021, Vango and Lodestar agreed to vary the Farm-in and Joint Venture Agreement to allow Vango to suspend its expenditure commitment for one year ending on or about 11 October 2022, with Vango then having a further 1 year to earn a balance of 19.84% if it elects to do so. As at the date of this Target's Statement, Vango has not yet made such an election.

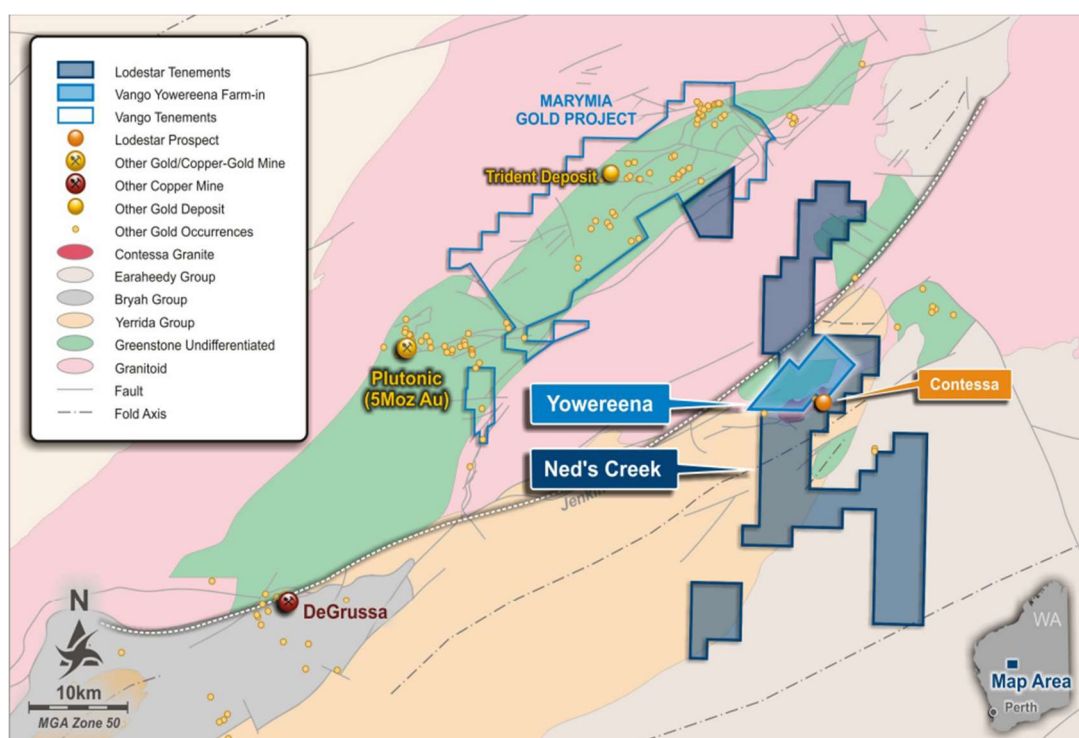


Figure 1: Ned's Creek Tenements including Contessa Prospect location, adjacent to Marymia Gold Project

6.4 Financial information and related matters

Vango's last published audited financial statements are for the financial year ended 30 June 2022 and were lodged with ASX on 30 September 2022.

Further details of Vango's operational, financial and exploration activities for the intervening periods are provided in Vango's quarterly report lodged with the ASX on:

- (a) 31 October 2022 (for the quarter ending 30 September 2022).

Copies of these reports may be obtained from Vango's website at www.vangomining.com and ASX's website at www.asx.com.au (ASX:VAN).

So far as the Vango Directors are aware:

- (a) the financial position of Vango has not materially changed since the date of the annual report for the full year ending 30 June 2022 lodged with ASX on 30 September 2022 other than a reduced cash position in the normal course of operating its business; and
- (b) there has not been any matter or circumstances, other than those referred to in the annual report for the full year ending 30 June 2022 and this Target's Statement that has significantly affected, or may significantly affect the operations or the financial position of Vango, the results of operations of Vango, or the state of affairs of Vango in future financial years.

Vango Shareholders should refer to Section 9.7 in connection with the potential effect of the Offer on Vango's financing arrangements and material contracts.

Please refer to section 2.8 of the Bidder's Statement for financial information about Catalyst and section 7.7 of the Bidder's Statement for financial information of the Combined Group.

6.5 Forecast financial information for the Vango Group

The financial performance of the Vango Group in any period will be influenced by various factors that are outside the control of the Vango Directors and that cannot, at this time, be predicted with a high level of confidence. In particular, the financial performance of the Vango Group will be materially affected by costs relating to exploration activities, prevailing exchange rates which are subject to material change from time to time.

The Vango Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe they do not have a reasonable basis to forecast future earnings. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

6.6 Dividend issues for Vango Shareholders

No dividends have been paid on Vango Shares.

6.7 Vango's intentions if Offer does not proceed

Vango will continue to advance its strategy of growing its high-grade gold endowment at the Marymia Gold Project to achieve its ambitions of becoming a significant high-grade Western Australian gold miner. In the near term, Vango's focus and strategy will be to obtain financing for future mining.

6.8 Vango's issued securities

As at the date of this Target's Statement, Vango's issued equity securities consisted of:

Class	Number
Listed securities	
Ordinary shares	1,259,937,632
Unlisted securities	
Performance options exercisable at various exercise prices with various expiry dates (Performance Options)	75,000,000
Options exercisable at \$0.1120 with an expiry date of 20 August 2023 (L39 Options)	6,000,000
Vango Notes	151,250,000

6.9 Vango Convertible Securities

(a) Performance Options

As at the date of this Target's Statement, Vango has 75,000,000 Performance Options on issue to various Vango Directors.

Vango issued a total of 100,000,000 Performance Options on 24 June 2019 to key management personnel as part of their remuneration. Of those, 25,000,000 expired on 18 June 2022 without being exercised.

The details of the Performance Options currently on issue are set out in the below table. The specific terms and conditions of the Performance Options are set out in Vango's notice of general meeting released on 1 May 2019.

Category	Expiry Date	Exercise Price	Shengqiang (Sean) Zhou	Bruce McInnes	Zhenzhu (Carol) Zhang	Total
C	18/06/24	\$0.30	10,000,000	10,000,000	5,000,000	25,000,000
D	18/06/24	\$0.35	5,000,000	5,000,000	2,500,000	12,500,000
E	18/06/24	\$0.50	5,000,000	5,000,000	2,500,000	12,500,000
F	18/06/24	\$0.60	10,000,000	10,000,000	5,000,000	25,000,000
Total	-	-	30,000,000	30,000,000	15,000,000	75,000,000

Catalyst has entered into option cancellation agreements with the holders of the Performance Options (each dated on or about 9 January 2023), whereby each has agreed to cancel for nil consideration all of the Performance Options held by each of them if Catalyst acquires a Relevant Interest in at least 50.1% of Vango Shares on issue and the Offer becomes (or is declared) unconditional by the date which is 3 Business Days after the end of the Offer Period (**Option Cancellation Deeds**).

(b) L39 Options

As of the date of this Target's Statement, Vango has 6,000,000 unlisted options on issue to L39 exercisable at \$0.1120 per option and which expire on 20 August 2023 (**L39 Options**). The terms and conditions of the L39 Options are set out in Vango's notice of general meeting released on 13 July 2020.

Catalyst and Vango have agreed that as soon as practicable after Catalyst makes the Offer, Catalyst and Vango will make an offer to L39 for the cancellation of the L39

Options, conditional on Catalyst acquiring a Relevant Interest in at least 50.1% of Vango Shares on issue by the end of the Offer Period and the Offer becoming (or being declared) unconditional and any necessary ASX waivers.

(c) **Vango Notes**

On 1 April 2022, Vango announced that it secured a funding package of up to \$10 million from Collins St Value Fund (**CSVF**) to advance exploration and development at the Marymia Gold Project. The funding package consisted of:

- Tranche 1: an issue of convertible notes with a subscription value of \$7.5 million (face value of \$9.075 million) that may be converted for a price of \$0.06 per Vango Share; and
- Tranche 2: at Vango's election and within 12 months from the issue of the Tranche 1 convertible notes, an issue of additional convertible notes with a subscription value of \$2.5 million (face value of \$3.025 million) that may be converted for a price of \$0.06 per Vango Share. Vango has not drawn on the Tranche 2 Notes as at the date of this Target's Statement.

The Vango Shareholders approved the issue of the 151,250,000 Vango Notes to CSVF at Vango's general meeting held on 16 June 2022, the terms and conditions of which are summarised in Vango's notice of general meeting released to the ASX on 16 May 2022.

Catalyst has stated that on 10 January 2023, Catalyst and CSVF entered into a binding term sheet (**Term Sheet**) under which CSVF agreed to redeem all of the Vango Notes for nil cash consideration and Catalyst agreed to issue the outstanding face value of the Vango Notes in the form of new convertible notes in Catalyst (**Catalyst Notes**), subject to Catalyst making a takeover bid for all the issued Vango Shares and Catalyst acquiring 100% of all Vango Shares. The condition must be satisfied by 10 July 2023 unless the compulsory acquisition process under Chapter 6A of the Corporations Act is occurring, or there are reasonable prospects that Catalyst will obtain further acceptances such that Catalyst will likely acquire 100% of all of the issued Vango Shares. Notwithstanding this, if Catalyst has not acquired 100% of all of the issued Vango Shares by 10 September 2023, the agreement will terminate. The condition may only be waived by both Catalyst and CSVF in writing.

Catalyst has stated, in section 5.2(c) of the Bidder's Statement, subject to the satisfaction of the condition to the Term Sheet, CSVF has agreed to subscribe for the Catalyst Notes on the following terms:

- (i) the Conversion Price will be at a price per Catalyst Share of a 20% premium to the 30-day VWAP of Catalyst Shares on the ASX prior to the Announcement Date;
- (ii) the maturity date of the Catalyst Notes will be 31 March 2024;
- (iii) Catalyst may redeem the Catalyst Notes at any time prior to the Maturity Date by paying the full outstanding face value of the Catalyst Notes, and by issuing the number of options to acquire Catalyst Shares calculated by dividing the outstanding face value of the Catalyst Notes by the Conversion Price. Each option will expire on the maturity date of the Catalyst Notes, will be exercisable into Catalyst Shares at an exercise price equivalent to the Conversion Price and will otherwise be on the usual terms of unquoted options issued by companies listed on the ASX;

- (iv) if there is a change of control of Catalyst and CSVF does not elect to convert the Catalyst Notes, Catalyst may redeem the Catalyst Notes by paying CSVF an additional amount equivalent to 3.0% of the outstanding face value of the Catalyst Notes that are redeemed but will not be required to issue the options contemplated above. However, Catalyst may not redeem the Catalyst Notes during the 30 day period after the board of Catalyst recommends that Catalyst Shareholders accept a takeover bid for Catalyst Shares or the Catalyst Board otherwise recommends a merger between Catalyst and another company; and
- (v) the existing security over Vango and its assets will remain but will secure the obligations of Catalyst in relation to the Catalyst Notes. In addition, Catalyst will grant CSVF first ranking security over all Vango Shares held by Catalyst.

Catalyst has also stated that further details regarding the terms of the Catalyst Notes will be set out in Catalyst's notice of meeting seeking Catalyst shareholder approval in relation to the Catalyst Notes.

6.10 Vango's employee incentive scheme

The shareholders of Vango approved an employee incentive scheme at a general meeting held on 8 October 2021, the terms and conditions of which are summarised in Vango's notice of general meeting released to the ASX on 7 September 2021.

6.11 Vango's Share Loan Plan

The shareholders of Vango approved Vango's 2021 Share Loan Plan at a general meeting held on 8 October 2021, the terms and conditions of which are summarised in Vango's notice of general meeting released to the ASX on 7 September 2021 (**Vango Share Loan Plan**).

As at the date of this Target's Statement, there are 130,000,000 Vango Shares on issue under the Vango Share Loan Plan, all held by Vango Directors.

The Vango Share Loan Plan provides that all loans will be forgiven upon a change of control occurring, which under the terms of the plan, will occur upon the Offer being declared unconditional and Catalyst acquiring a Relevant Interest in more than 50% of Vango Shares.

6.12 Substantial holders

As at the Last Practicable Date, based on Vango's FY22 Annual Report and any subsequent substantial holder notices lodged with ASX, the substantial holders of Vango were:

Substantial holder	Number	Percentage*
Catalyst Metals Limited ¹	282,282,485	22.4%
Yanchao (Hunter) Guo	163,839,254	13.00%
Zhenzhu (Carol) Zhang	160,757,026	12.76%
Shengqiang (Sean) Zhou	96,123,203	7.63%
Bruce McInnes	69,371,373	5.51%
Jianhua Li	64,000,000	5.08%

¹ Catalyst Metals Limited's relevant interest arises as a result of acceptances under the Offer up to 20 January 2023.

** Based on there being 1,259,937,632 Vango Shares currently on issue and excluding any new Vango Shares to be issued in connection with the Offer or on exercise or vesting of Vango's convertible securities.*

6.13 Recent trading of Vango Shares

Vango Shares are quoted on ASX. Set out below is a table showing relevant trading prices of Vango Shares on ASX.

Comparative trading price of Vango Shares	Price
Highest trading price in the 4 months up to and including 6 January 2023 (being the last trading day before announcement of discussions between Catalyst and Vango on 9 January 2023)	\$0.044
Lowest trading price in the 4 months up to and including 6 January 2023	\$0.035
Closing price of Vango Shares traded on ASX on 6 January 2023	\$0.044
Closing price of Vango Shares traded on ASX on the Last Practicable Date	\$0.049

6.14 Publicly available information about Vango

Vango is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Vango is subject to the ASX Listing Rules which require continuous disclosure of any information Vango has that a reasonable person would expect to have a material effect on the price or value of its securities.

In addition, Vango is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Vango may be obtained from, or inspected at, an ASIC office.

A substantial amount of information about Vango, including its ASX announcements, is available in electronic form from its website at www.vangominer.com. Copies of ASX announcements made by Vango are also available on ASX's website at www.asx.com.au (ASX:VAN).

7. Information regarding Catalyst and the Combined Group

7.1 Overview of Catalyst

Catalyst is an ASX mineral exploration company with interests in gold exploration projects in the Bendigo Goldfields region and the producing Henty Gold Mine in Tasmania.

Catalyst has stated that the two pillars of its current strategy are:

- (a) in Victoria, Catalyst holds a prized landholding with a large, contiguous dominant tenement package covering 75 kilometres of strike length immediately north of the proven +22Moz Bendigo Goldfields and near Agnico Eagle's high grade Fosterville gold mine; and
- (b) in Tasmania, Catalyst owns a strategic tenement package covering 25 kilometres of strike length of the under explored Henty fault and operates the high-grade Henty Gold Mine which has produced 1.4Moz of gold at a head grade of 8.9 g/t gold.

Further information about Catalyst is set out in sections 2 and 3 of the Bidder's Statement.

7.2 Information about the Combined Group

Information about the Combined Group, including Board composition, pro-forma financial information and capital structure is set out in section 7 of the Bidder's Statement.

Further information about Catalyst's intentions is set out in section 6 of the Bidder's Statement.

8. Risk factors

8.1 Introduction

In considering the Offer, Vango Shareholders should be aware that there are a number of risk factors associated with either accepting the Offer or rejecting the Offer and continuing to hold Vango Shares.

In deciding whether to accept the Offer, Vango Shareholders should read this Target's Statement and the Bidder's Statement carefully and consider these risks. While some of these risks can be mitigated, some are outside the control of Vango and the Vango Board and cannot be mitigated.

The risks set out in this Section do not take into account the individual investment objectives, financial situation, position or particular needs of Vango Shareholders. The risk factors set out in this Section are not an exhaustive list of all risks. In addition, these risks are general in nature only and do not cover every risk that may be associated with an investment in Vango now or in the future. The mining, exploration and development of natural resources are activities which are speculative in nature and are subject to significant risks.

There may also be additional risks and uncertainties not currently known to Vango, or which are currently known to Vango but which Vango currently considers to be individually immaterial, which may adversely affect Vango's business, operations and future prospects and the price or value of Vango Shares in the future.

Risks relating to accepting the Offer and being a holder of Catalyst Shares as part of a Combined Group are set out in section 8 of the Bidder's Statement. Some additional risks are summarised in Sections 8.2 and 8.3.

Risks associated with rejecting the Offer and continuing as a Vango Shareholder, are set out in Section 8.4.

The risks of Vango continuing as a stand-alone entity in the event the Offer is not successful are summarised in Section 8.5.

If you are unclear in relation to any matter you should consult your legal, investment, taxation or other professional adviser.

8.2 Risks associated with accepting the Offer

(a) The Offer is conditional

Catalyst's Offer is subject to a number of Offer Conditions, a number of which are outside Vango's control. While Catalyst may free the Offer of Offer Conditions (e.g. if they are not able to be satisfied), there is no guarantee that Catalyst will do so.

If you accept the Offer while it is subject to a Condition, you will give up the ability to deal with your Vango Shares (e.g. to sell them on ASX), unless you first exercise any right of withdrawal of your acceptance.

(b) Limited withdrawal rights

As described in section 11.5 of the Bidder's Statement, you may only withdraw your acceptance of the Offer in limited circumstances (see also Section 5.11). Otherwise, you will be unable to withdraw your acceptances even if the value of the Catalyst Shares to be issued to you as consideration varies from the date of your acceptance.

(c) **Possibility of a superior proposal emerging**

If you accept the Offer, you will forego the opportunity to benefit from any superior proposal by another party for your Vango Shares should such a proposal eventuate, unless you are able to withdraw your acceptance. As at the date of this Target's Statement, the Vango Board is not aware of a proposal by anyone to make a superior proposal.

(d) **Ineligible Foreign Shareholders and Small Parcel Shareholders**

Ineligible Foreign Shareholders and Small Parcel Shareholders will not be issued with Catalyst Shares. Instead, those Catalyst Shares will be sold on their behalf by a nominee and the proceeds of sale (net of expenses) remitted to the Ineligible Foreign Shareholders and Small Parcel Shareholders. Those Ineligible Foreign Shareholders and Small Parcel Shareholders will therefore no longer be exposed to any potential upside relating to the assets of Vango or the Combined Group.

(e) **Inability to obtain rollover relief**

There is a risk the Offer is made unconditional while Catalyst has not acquired a relevant interest sufficient to obtain rollover relief. If that occurs, and you have accepted the Offer then there is a risk that you may not receive capital gains tax rollover relief, which circumstance you may be required to pay tax on the disposal of your Vango Shares.

(f) **Possibility of future Vango Share price appreciation**

You may be able to sell your Vango Shares in the future for more valuable consideration than that offered under the Offer (although Vango can give no assurances and makes no forecast of whether this will occur).

8.3 Risks associated with holding Catalyst Shares in the Combined Group

If you accept the Offer (and the Offer becomes unconditional) you will become a shareholder in Catalyst. The Combined Group will, moving forward, be subject to a range of risks. Many of these risks are risks that are common to most gold exploration companies looking to explore, develop and operate gold projects and, to a large extent comprise of risks that Vango Shareholders already face.

Sections 8.2 and 8.3 of the Bidder's Statement set out the risks that Vango Shareholders may face when investing in Catalyst Shares. You should read those sections of the Bidder's Statement carefully and in full.

You should also read Section 8.5 of this Target's Statement which sets out risks that Vango Shareholders face if the Offer is unsuccessful, as a number of these risks will also apply to the Combined Group if the Offer is successful.

8.4 Risks associated with not accepting the Offer if the Offer is successful

(a) **Minority shareholding**

If you decide not to accept the Offer and remain a Vango Shareholder (and assuming the Offer is completed but your Vango Shares are not compulsorily acquired) the outcome of the Offer may be that Catalyst controls or is a major Shareholder of Vango and you are a minority Vango Shareholder.

If this occurs, the liquidity of your Vango Shares may be reduced. Further, ASX may also de-list Vango, which would mean that you would not be able to sell your Vango Shares on market.

You should consider carefully Catalyst' current intentions depending on the extent to which Catalyst acquires Vango Shares as a result of the Offer, which are set out in section 6 of the Bidder's Statement.

If Catalyst acquires more than 50% but less than 90% of Vango Shares, it will be able to cast the majority of votes at a general meeting of Vango, which will enable it to control the Vango Board and senior management, determine Vango's dividend policy and control the strategic direction of Vango. In addition, Catalyst proposes to replace members of the Vango Board with its own nominees to constitute at least a majority of the members of the Vango Board.

If Catalyst acquires 75% or more of Vango Shares, it will be able to pass special resolutions of Vango. This will enable Catalyst to amend Vango's constitution.

(b) **Financing**

On 1 April 2022, Vango announced that it secured a funding package of up to \$10 million from Collins St Value Fund (**CSVF**) to advance exploration and development at the Marymia Gold Project. Refer to Section 6.9(c) for further details.

Vango Shareholders approved the issue of the 151,250,000 Vango Notes to CSVF at Vango's general meeting held on 16 June 2022, the terms and conditions of which are summarised in Vango's notice of general meeting released to the ASX on 16 May 2022.

The change of control which will occur if Catalyst acquires control of Vango under the Offer is a "liquidity event" under Vango's facility with CSVF.

Catalyst has stated that it has entered into an agreement with CSVF in relation to the Vango Notes. Catalyst has stated that on 10 January 2023, Catalyst and CSVF entered into a binding term sheet (**Term Sheet**) under which CSVF agreed to redeem all of the Vango Notes for nil cash consideration and Catalyst agreed to issue the outstanding face value of the Vango Notes in the form of new convertible notes in Catalyst (**Catalyst Notes**), subject to Catalyst making a takeover bid for all the issued Vango Shares and Catalyst acquiring 100% of all Vango Shares. The condition must be satisfied by 10 July 2023 unless the compulsory acquisition process under Chapter 6A of the Corporations Act is occurring, or there are reasonable prospects that Catalyst will obtain further acceptances such that Catalyst will likely acquire 100% of all of the issued Vango Shares. Notwithstanding this, if Catalyst has not acquired 100% of all of the issued Vango Shares by 10 September 2023, the agreement will terminate. The condition may only be waived by both Catalyst and CSVF in writing.

Refer to section 5.2(c) of the Bidder's Statement for further information.

If change of control occurs but Catalyst does not acquire 100% (e.g. Catalyst acquires more than 50% but less than 100%) CSVF may give Vango notice of an event of default in respect of this event and CSVF may require Vango to accelerate repayment of amounts owing under the convertible note facility, being an amount of \$9.075 million. Acceleration of repayments to CSVF may adversely affect Vango's and the Combined Group's financial position.

8.5 Risks associated with being a Vango Shareholder if the Offer is unsuccessful

There are various risks associated with continuing to hold Vango Shares if the Offer is unsuccessful. Some of these risks are of a more general nature that apply to any investment in a listed company, while others are specific to the industry in which Vango operates or are specific to Vango.

Many of these risks are outside the control of Vango and the Vango Board. There can be no certainty that Vango will achieve its stated objectives or that any forward looking statements will eventuate.

Additional risks and uncertainties not currently known to Vango may also have a material adverse effect on Vango's business and the information set out below does not purport to be, nor should it be construed as representing, an exhaustive list of the risks that may affect Vango.

Specific risks associated with being a Vango Shareholder are summarised below.

(a) **Litigation**

The Vango Group is involved in the litigation referred to in Section 9.8.

In addition, Vango is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Vango may also be involved in disputes with third parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Should any such claim or dispute be determined not in Vango's favour, this may impact adversely on Vango's operations, financial performance and financial position.

Industry specific risks associated with being a Vango Shareholder include the following.

(b) **Exploration and Operating Risk**

Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of Vango's projects, or any other mineral licences that may be acquired in the future will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of Vango may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of Vango.

The success of Vango will depend upon:

- (i) Vango's ability to maintain title to its projects;
- (ii) Vango being able to delineate economically mineable resources and reserves;
- (iii) positive movements in the price of gold and exchange rate fluctuations;
- (iv) Vango obtaining all consents and approvals (including environmental approvals) necessary to continue its exploration activities; and
- (v) the successful management of development operations.

In the event that Vango's exploration programs prove to be unsuccessful, this could lead to a diminution in the value of its projects, a reduction in the cash reserves of Vango and possible relinquishment of some or all of its projects.

Until Vango is able to realise value from its projects, it is likely to incur ongoing operating losses.

(c) **Resources and Reserves**

There are currently Resource estimates in respect of Vango's projects. Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(d) **Exploration Costs**

The exploration costs of Vango are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect Vango's viability.

(e) **Title Risks, Native Title and Aboriginal Heritage**

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, Vango could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements or renewal of tenements will be approved.

It is also possible that, in relation to tenements which Vango has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of Vango to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Attaining a negotiated agreement with native title claimants or holders to facilitate the grant of a valid mining lease can add significantly to the costs of any development or mining operation.

In addition, the ability of Vango to conduct activities on exploration or mining tenements is subject to compliance with laws protecting Aboriginal heritage. Conduct of site surveys to ensure compliance can be expensive and subject to delays. If any Aboriginal sites are located within areas of proposed exploration, mining or other activities, the ability of Vango to conduct those activities may be dependent on Vango obtaining further regulatory consents or approvals.

The Aboriginal Cultural Heritage Act 2021 (WA) was passed in December 2021 and some provisions in it are now operational, however, as at the date of this Target's Statement there is no definitive timing on the commencement of the remaining provisions of the Act. The new Act introduces a new and vastly more complex regime in relation to the protection of Aboriginal cultural heritage in Western Australia with severe penalties for non-compliance. This legislation has the potential to slow down the process of obtaining requisite approvals, particularly during the transition phase.

The Vango Directors will closely monitor the potential effect of native title claims and Aboriginal heritage sites involving tenements in which Vango has or may have an interest.

(f) **Access and third-party interests**

The tenure of Vango is regularly subject to overlap by third party tenure applications which are routinely subject to objection by Vango under the Mining Act 1978 (which results in administrative proceedings before the Warden). These matters are generally resolved by way of an access agreement for the protection of Vango's rights arising under its granted tenements.

Vango may be required to obtain the consent from the holders of third-party interests which overlay areas within its tenements, prior to accessing or commencing any exploration or mining activities on the affected areas. No assurance can be given that necessary access will be obtained when required or on acceptable terms.

(g) **Joint venture parties, agents and contractors**

The Vango Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which Vango is or may become party to, or the insolvency or managerial failure by any of the contractors or other service providers used by Vango, which may adversely affect Vango's activities.

(h) **Environmental liabilities and Occupational Health and Safety risk**

The operations and proposed activities of Vango in Australia are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, Vango's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is Vango's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Vango (or to other companies in the minerals industry) at a reasonable price.

To the extent that Vango becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Vango and could have a material adverse effect on Vango. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If Vango fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage. Safety legislation may also change in a manner that may include requirements, in addition to those now in effect, and a heightened degree of responsibility for companies and their directors and employees.

There is also a risk that environmental and occupational health and safety laws and regulations may become more onerous, making Vango's operations more expensive.

(i) **Land rehabilitation requirements**

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on resource companies, in order

to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on Vango in connection with its activities, Vango will need to allocate financial resources that might otherwise be spent on further exploration and/or development programs.

(j) **Mine Development**

Possible future development of mining operations at Vango's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If Vango commences production on a project, its operations may be disrupted by a number of risks and hazards which are beyond the control of Vango. No assurance can be given that Vango will achieve commercial viability through the development of the project.

The risks associated with the development of a mine will be considered in full, should the project reach that stage.

(k) **Commodity Price Volatility and Exchange Rate Risk**

If Vango achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of Vango to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of Vango. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macroeconomic factors (such as inflation, interest rates, currency exchange rates and global and regional demand for, and supply of gold).

Falls in the gold price can render economic gold resources sub-economic. If the price of gold should fall below or remain below Vango's estimated or actual costs of production for any sustained period due to these or other factors and events, Vango's exploration, development or mining could be delayed or even abandoned. A delay in exploration or development or mining or the abandonment of one or more of Vango's projects may require Vango to write-down any mineral resources or reserves and may have a material adverse effect on Vango's production, earnings and financial position.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of Vango are and will be taken into account in Australian currency, exposing Vango to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

If Vango achieves exploration/development success which leads to viable mining production, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates.

(l) **Climate change and social risks**

There are a number of climate related factors that may affect the operations and proposed activities of Vango, including, the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market challenges related to climate change mitigation. Vango may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. While Vango will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that Vango will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by Vango, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which Vango operates.

Establishment of strong relationships with the community and other stakeholders is fundamental to the long-term success of Vango's business. Although Vango endeavours to conduct its business in a manner which respects those communities and ensures mutually beneficial outcomes, Vango's activities may have or be perceived to have an adverse impact on local communities, cultural heritage, the environment, or other matters which may result in community concern, adverse publicity, activism, litigation or other adverse actions taken by community, environmental or other action groups. Failure to maintain and build strong relationships and such adverse actions could affect Vango's social licence to operate, its reputation and lead to delays and increase costs which may adversely impact on Vango's operations, financial position and/or performance and the market price of the Vango Shares.

(m) **Insurance**

The future viability of and profitability of Vango is also dependent on a number of other factors which affect the performance of all industries, and not just mineral exploration and mining, such as COVID-19 and pandemic risks, cyber security risks, industrial disputation, litigation, natural disasters and extreme weather conditions and acts of war and terrorism or the outbreak or escalation of international hostilities and tensions.

Vango intends to obtain insurance for its operations in accordance with industry practice. However, no assurance can be given that Vango will be able to obtain insurance cover for all risks faced by Vango at reasonable rates or that the insurance cover it arranges will be adequate and available to cover all possible claims.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of Vango.

(n) **Royalties**

Vango's gold mining projects will be subject to Western Australian royalties. If State royalties rise, the profitability and commercial viability of Vango's projects may be negatively impacted.

(o) **Change in Law and Regulation**

Vango's activities may be impacted by regulatory or other changes implemented by the Commonwealth or Western Australian Governments. A change in laws that impact on Vango's operations, such as land access, Native Title, environmental protection, carbon emissions, labour, mining, taxation and royalties, could have an adverse impact on Vango's operations. Mining industry activities are subject to discretionary regulations and approvals, the exercise of which cannot always be predicted.

General risks associated with being a Vango Shareholder include the following.

(p) **Additional requirements for capital**

Additional funding may be required in the event costs exceed Vango's estimates and existing cash reserves and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which Vango may incur. If such events occur, additional funding will be required.

Vango may seek to raise further funds through equity or debt financing, joint ventures, or other means. Failure to obtain sufficient financing for Vango's activities may result in delay and indefinite postponement of their activities and the proposed exploration and development strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to Vango and might involve substantial dilution to Shareholders.

(q) **Reliance on key personnel**

Vango's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on Vango's business.

(r) **Economic and financial market risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on Vango's activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Securities regardless of Vango's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither Vango nor the Vango Directors warrant the future performance of Vango or any return on an investment in Vango.

(s) **Force majeure**

Vango, now or in the future, may be adversely affected by risks outside the control of Vango including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(t) **Trading price of Shares**

Vango's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that Vango's market performance will not be adversely affected by any such market fluctuations or factors.

There can also be no assurance that there will be, or continue to be, an active market for securities in Vango or that the price of those securities will increase. As a result, Shareholders may, upon selling their securities in Vango, receive a market price for their securities that is less than the price of securities offered pursuant to the Offer.

9. Additional Information

9.1 Interests and dealings in Vango securities

(a) Interests in Vango securities

As at the date of this Target's Statement, the Vango Directors had the following Relevant Interests in Vango securities:

Director	Vango Shares	Vango Options ¹
Bruce McInnes ²	69,371,373	30,000,000
Shengqiang (Sean) Zhou ³	66,123,203	30,000,000
Zhenzhu (Carol) Zhang ⁴	160,757,026	15,000,000
Yan Chao (Hunter) Guo ⁵	163,839,254	Nil
Craig Wallace	280,616	Nil

Notes:

- 1 All Vango Options are proposed to be cancelled as per the terms of the Option Cancellation Deeds.
- 2 50,000,000 Vango Shares are subject to the terms of the Vango Share Loan Plan.
- 3 40,000,000 Vango Shares are subject to the terms of the Vango Share Loan Plan. The quantity of Vango Shares stated in the table excludes 30,000,000 Vango Shares issued under an equity incentive plan in June 2019. The loan repayment period for this issue has expired and Vango has commenced the process of disposing of these Vango Shares in accordance with the rules of that plan, with the net proceeds of the disposal to be retained by Vango in satisfaction of the non-recourse loan made available for the issue of those shares.
- 4 Acceptance has occurred in relation to 88,069,640 Vango Shares under the terms of a Pre-Bid Acceptance Deed. 40,000,000 Vango Shares are subject to the terms of the Vango Share Loan Plan.
- 5 Acceptance of all of these Vango Shares has occurred under the terms of a Pre-Bid Acceptance Deed.

(b) Dealings in Vango Shares

No Vango Director has acquired or disposed of a Relevant Interest in any Vango Shares or Vango Options in the 4 month period ending on the date immediately before the date of this Target's Statement.

9.2 Interests and dealings in Catalyst securities

(a) Interests in Catalyst Group securities

As at the date of this Target's Statement, no Vango Director had a Relevant Interest in any Catalyst Group securities.

(b) Dealings in Catalyst securities

Neither Vango, nor any of its Associates, nor any Vango Director has acquired or disposed of a Relevant Interest in any Catalyst Group securities in the 4 month period ending on the date immediately before the date of this Target's Statement.

9.3 Benefits and agreements

(a) **Benefits in connection with retirement from office**

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Vango or related body corporate of Vango.

(b) **Agreements connected with or conditional on the Offer**

Other than as set out in this Target's Statement, there are no agreements made between any Vango Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Vango Shares.

(c) **Benefits from Catalyst Group**

None of the Vango Directors have agreed to receive, or are entitled to receive, any benefit from any member of the Catalyst Group which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Vango Shares.

(d) **Interests of directors in contracts with Catalyst**

None of the Vango Directors have any interest in any contract entered into by any member of the Catalyst Group.

9.4 Pre-Bid Acceptance Deeds

On or about 9 January 2023, Catalyst entered into pre-bid acceptance deeds with each of Zhenzhu (Carol) Zhang and Yan Chao (Hunter) Guo (**Pre-Bid Shareholders**) under which each the Pre-Bid Shareholders have agreed to accept the Offer in respect of 251,908,894 Vango Shares held by the Pre-Bid Shareholders, the total of which represents 19.99% of the Vango Shares on issue (**Pre-Bid Acceptance Deeds**).

Each of the Pre-Bid Shareholders has accepted the Offer.

9.5 Statements of Intent

Vango has received signed statements of intent from Vango Shareholders who collectively own or control 669,985,016 Vango Shares, representing 53.18% of all Vango Shares, that they presently intend to accept, or procure the acceptance of, the Offer for all of those Vango Shares, in the absence of a superior proposal.

A list of the Vango Shareholders who have indicated their intention to accept, or procure the acceptance of, the Offer is set out in the table below:

Vango Shareholder	Number of Vango Shares	Percentage
Kongwell Management Limited	107,837,767	8.56%
Jianhua Li	77,979,195	6.19%
ZhenZhu Zhang*	72,687,386	5.77%
Bruce McInnes*	69,371,373	5.51%
Shengqiang Zhou*	66,123,203	5.25%

Vango Shareholder	Number of Vango Shares	Percentage
Ruogu Ma	42,275,001	3.36%
Mr Christopher Kuznetsoff	41,037,561	3.26%
Malcolm Smith	27,302,757	2.17%
Liu Xiaohui	21,059,496	1.67%
Yi Luan	19,700,000	1.56%
Deping Song	15,896,615	1.26%
Kris Sales	15,159,936	1.20%
Zhongze Chen	14,949,242	1.19%
Vanderfour Pty Ltd	12,610,617	1.00%
Martine Beaumont	11,696,037	0.93%
Mr Mark Camilleri	11,569,919	0.92%
Jun Long Tai Pty Ltd	11,124,661	0.88%
John Francis Griffin	10,428,763	0.83%
New Alliance Wealth Pty Ltd	7,508,378	0.60%
Ray Watson Pty Ltd	5,719,409	0.45%
Mr Daniel Poldmaa	3,051,171	0.24%
Mr Aidan Moore	2,500,000	0.20%
BP Quill Pty Limited	2,115,913	0.17%
Craig Wallace	280,616	0.02%
Total	669,985,016	53.18%

**Inclusive of 130 million Vango Shares held by Vango Directors under the Vango Share Loan Plan which, pursuant to the terms of the Vango Share Loan Plan, require the Offer to be declared unconditional and Catalyst to have acquired a Relevant Interest in more than 50% of Vango Shares for the Offer to be accepted in relation to those shares.*

Each of the Vango Shareholders listed above have consented to the disclosure of their statement of intent in the Target's Statement.

9.6 Effect of the takeover on Vango's Loan Shares

The Vango Share Loan Plan provides that all loans will be forgiven upon a change of control occurring, which, under the terms of the plan, will occur upon the Offer being declared unconditional and Catalyst acquiring a Relevant Interest in more than 50% of Vango Shares.

9.7 Effect of the takeover on Vango's financing and material agreements

Other than as set out in Section 8.4(b), to the best of each Vango Director's knowledge, none of the material contracts or financing arrangements to which Vango is a party contains change of control provisions which may be triggered as a result of, or as a result of acceptances of, the Offer.

9.8 Material litigation

Other than as set out below, as far as the Vango Directors are aware, Vango is not involved in any ongoing litigation which is material in the context of Vango and its Related Bodies Corporate taken as a whole.

Vango (and its related body corporate, Dampier (Plutonic) Pty Ltd) is currently involved in the following litigation:

- (a) CACV 23 of 2022: Billabong Gold Pty Ltd (**Billabong**) v Vango Mining Limited and Anor (**Vango**), being an appeal by Billabong of the orders of His Honour Justice Martin which were handed down on 11 February 2022 in respect of Billabong Gold Pty Ltd v Vango Mining Limited [2021] WASC 459 (**Billabong Judgment**). Billabong's appeal alleges, in essence, that the Primary Judge erred in finding that agreements contemplated or entered into by Vango and Dampier (Plutonic) Pty Ltd in 2016 were breaches of a right of first refusal that could be enforced by Billabong and be subject to an order for mandatory injunctive relief. The relevant 2016 agreements were concerned with the purchase by Vango of the tenement interests that were held by Dampier (Plutonic) Pty Ltd. At that time, Dampier (Plutonic) Pty Ltd was a wholly owned subsidiary of Dampier Gold Limited and held a 40% interest in each of the tenements the subject of the Plutonic Gold Dome Project. The various versions of the tenement sale agreements exchanged in 2016 ultimately did not complete and, instead, the sale of the 40% interest in each of the tenements progressed as a share sale agreement by which Dampier (Plutonic) Pty Ltd became a wholly owned subsidiary of Vango. It is not alleged that the right of first refusal applied to the share sale agreement. By the appeal, Billabong is seeking orders that it be entitled to be offered, and accept, one of the 2016 agreements for the purchase of the 40% interest in the Plutonic Gold Dome Project tenements. The appeal is listed for hearing on Wednesday, 15 February 2023 and Thursday, 16 February 2023.

In relation to costs awarded to Billabong in respect of the Billabong Judgment, costs have been submitted to the Supreme Court for taxation. The date for the taxation has not yet been notified to the parties.

- (b) CACV 112 of 2022: Vango Mining Limited and Dampier (Plutonic) Limited v Zuleika Mining Limited (**Zuleika**), being an appeal by Vango of orders 1 and 2 handed down on 31 October 2022 of Her Honour Justice Smith in respect of Zuleika Gold Limited (formerly known as Dampier Gold Ltd) v Vango Mining Limited [2022] WASC 357 (**Zuleika Decision**). The orders were for a declaration that Zuleika has a 4.1% beneficial interest in M52/183 (containing K2) and any contiguous tenements which cover adjacent, on strike or down dip extensions of the K2 ore body or mineralisation zones, and the 4.1% interest is to be held on trust. Further, pursuant to the Zuleika Decision, Vango is to do all things to transfer a 4.1% registered interest to Zuleika. The appeal alleges that the Primary Judge erred in law in finding that Zuleika had earned a joint venture interest (whether 4.1% or otherwise) under the Binding Terms Sheet dated 12 May 2017. The Appellant's case was lodged on 21 December 2022. Zuleika's answer is due to be filed on 2 February 2023. The hearing for the Zuleika Decision was in relation to the issue of determining liability only. The issue of damages will be the subject of a separate hearing following the determination of the appeal. The costs of the Zuleika Decision were awarded against Vango (following a

separate hearing on 19 December 2022), however, to the extent relevant to the construction issue (being the appeal ground), Vango intends to include that costs order in the appeal once the order has been formally made.

9.9 Consent to be named

Edwards Mac Scovell has given, and has not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as Australian legal advisers to the Target in the form and context in which it is named.

Edwards Mac Scovell has not advised on the laws of any foreign jurisdiction, and has provided no tax advice in relation to any jurisdiction.

Edwards Mac Scovell has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

9.10 Reliance on ASIC modifications

As permitted by ASIC Class Order 13/521 this Target's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX, including the Bidder's Statement lodged by Catalyst. Pursuant to this Class Order, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Target's Statement.

Pursuant to section 638(5) of the Corporations Act (as modified by ASIC Class Order 13/521) and ASIC Corporations (Consents to Statements) Instrument 2016/72, any Vango Shareholder may obtain a copy of any of those documents from Vango during the Offer Period free of charge (and within 2 business days of making a request) by contacting the Offer Information Line.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, also as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement also contains trading data obtained from IRESS without their consent.

9.11 Regulatory and other approval, consent or waiver requirements

Under the terms of the Bid Implementation Agreement, Vango has agreed to provide all reasonable assistance in connection with making the offers to cancel the L39 Options, including consulting with Catalyst in good faith in relation to the need for any waivers from the ASX Listing Rules and applying to ASX for all waivers which Catalyst considers necessary.

9.12 No other material information

This Target's Statement is required to include all the information that Vango Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any director of Vango.

The Vango Directors are of the opinion that the information that Vango Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- (b) the information contained in Vango's releases to the ASX, and in the documents lodged by Vango with ASIC before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

The Vango Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Vango Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Vango Directors have had regard to:

- (a) the nature of the Vango Shares;
- (b) the matters that shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to professional advisers to Vango Shareholders; and
- (d) the time available to Vango to prepare this Target's Statement.

10. Authorisation

This Target's Statement has been approved by a resolution passed by the directors of Vango. All Vango Directors voted in favour of that resolution.

Signed for and on behalf of Vango:



Bruce McInnes
Executive Chairman
For and on behalf of
Vango Mining Limited

11. Glossary and Interpretation

11.1 Glossary

Where the following terms are used in this Target's Statement they have the following meanings:

A\$ or **\$** means an Australian dollar, the lawful currency of the Commonwealth of Australia.

Acceptance Form means the acceptance form for the Offer accompanying the Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of Catalyst, which forms part of the Bidder's Statement.

Announcement Date means the date of announcement of the Offer, 10 January 2023.

ASIC means Australian Securities & Investments Commission.

Associate has the meaning given to that term in sections 10 to 17 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules or Listing Rules means the official listing rules of ASX.

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX.

Bid Implementation Agreement or **BIA** means the bid implementation agreement dated 10 January 2023 between Vango and Catalyst, the material terms of which are set out in section 10.1 of the Bidder's Statement.

Bidder's Statement means the statement of Catalyst under Part 6.5 of Division 2 of the Corporations Act issued in relation to the Offer.

Business Day means a day on which banks are open for business in Perth, Australia, excluding a Saturday, Sunday or public holiday.

Catalyst means Catalyst Metals Limited (ACN 118 912 495) (ASX:CYL).

Catalyst Board means the board of directors of Catalyst.

Catalyst Group means Catalyst and its Related Bodies Corporate.

Catalyst Shares means fully paid ordinary share in the issued capital of Catalyst.

Catalyst Shareholder means a person who is recorded in Catalyst's register of members as the holder of one or more Catalyst Shares.

CGT means capital gains tax.

CHESS Holding means a number of Vango Shares which are registered on Vango's share register being a subregister administered by ASX Settlement Pty Limited and which records uncertificated holdings of shares.

Combined Group means the group of companies resulting from the combination of the Catalyst Group and the Vango Group should the Offer be successful.

Controlling Participant in relation to your Vango Shares has the same meaning as in the ASX Settlement Operating Rules.

Corporations Act means the Corporations Act 2001 (Cth).

CSVF means Collins St Asset Management Pty Ltd ACN 601 897 974 as trustee for the Collins St Value Fund.

Funding Condition means the Offer Condition set out in paragraph (e) of Annexure A.

FY means a financial year ending 30 June.

GST means Australian goods and services tax.

Ineligible Foreign Shareholder means, for the purpose of the Offer, a Vango Shareholder whose address as shown in the register of members of Vango is in a jurisdiction other than Australia or its external territories and New Zealand unless Catalyst determines (in its absolute discretion) that it is not legally or practically constrained from making the Offer to a Vango Shareholder in the relevant jurisdiction and to issue Catalyst Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction.

Issuer Sponsored Holding means a holding of Vango Shares on Vango's issuer sponsored subregister.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.

L39 means L39 Pty Ltd (ABN 66 152 101 392).

L39 Options means 6,000,000 Vango Options held by L39 and each exercisable at \$0.1120 with an expiry date of 20 August 2023.

Last Practicable Date means the last practicable date prior to the date of this Target's Statement, being 20 January 2023.

Listing Rules means the Official Listing Rules of ASX, as amended and waived by ASX from time to time.

Mineral Resource has the meaning given in the JORC Code.

Minimum Acceptance Condition means the Offer Condition set out in paragraph (a) of Annexure A.

Mining Tenements means each of the following mining tenements:

L 52/154	M 52/220	M 52/234	M 52/278	M 52/299	M 52/478
L 52/188	M 52/226	M 52/235	M 52/279	M 52/303	M 52/572
E 52/2071	M 52/227	M 52/246	M 52/291	M 52/321	M 52/593
E 52/2072	M 52/228	M 52/247	M 52/304	M 52/323	M 52/654
P 52/1587	M 52/229	M 52/257	M 52/305	M 52/366	M 52/748
P 52/1588	M 52/230	M 52/258	M 52/306	M 52/367	M 52/779
P 52/1609	M 52/231	M 52/259	M 52/320	M 52/369	M 52/780
M 52/183	M 52/232	M 52/269	M 52/292	M 52/370	M 52/781
M 52/217	M 52/233	M 52/270	M 52/293	M 52/396	M 52/782
M 52/218	M 52/219				

Moz means million ounces.

Notice of Status of Conditions means Catalyst's notice disclosing the status of the Offer Conditions which is required to be given by section 630(3) of the Corporations Act.

Offer or **Catalyst's Offer** means the offer to acquire all the Vango Shares made by Catalyst on the terms and conditions set out in section 11 of the Bidder's Statement.

Offer Conditions means the conditions to the Offers set out in Annexure A to this Target's Statement.

Offer Consideration means 5 Catalyst Shares for every 115 Vango Shares.

Offer Information Line means 1300 737 760 (toll free, for calls made from inside Australia) which is open between 9:00 am and 5:00 pm (Sydney time) Monday to Friday.

Offer Period means the period with respect to the Offer during which the Offer is open for acceptance in accordance with section 11.2 of the Bidder's Statement.

Option Cancellation Deeds has the meaning given in Section 6.9.

Other Occurrence means an occurrence of any of the following where that occurrence was not consented to by Catalyst in writing and is not the result of Vango taking or procuring any action required to be taken or procured by it under the Bid Implementation Agreement:

- (a) any subsidiary of Vango converting all or any of its securities into a larger or smaller number of securities;
- (b) any Vango Group Member reclassifying, combining, splitting, redeeming or cancelling directly or indirectly any of its securities;
- (c) any Vango Group Member incurring any financial indebtedness or issuing any debt securities, other than in the ordinary course of business;
- (d) any Vango Group Member making any loans, advances or capital contributions to, or investments in, any other person (other than to or in Vango or any wholly-owned subsidiary of Vango in the ordinary course of business), other than in the ordinary course of business;
- (e) any Vango Group Member ceasing, or threatening to cease, to carry on business;
- (f) any Vango Group Member is deregistered as a company or otherwise dissolved;
- (g) any Vango Group Member is or becomes unable to pay its debts when they fall due;
- (h) any Vango Group Member entering into any arrangement, commitment or agreement with a related party (as that term is defined in section 228 of the Corporations Act);
- (i) any Vango Group Member making or amending any tax election, changing any method of tax accounting, settling or compromising any tax liability (other than payroll tax in respect of directors' fees), filing any material amended tax return, entering into a closing agreement, surrendering any right to claim a material tax refund or consents to the extension or waiver of the limitation period applicable to any material tax claim or assessment, other than in the ordinary course of business;
- (j) any Vango Group Member paying, discharging, settling, satisfying, compromising, waiving, assigning or releasing any claims, liabilities or obligations exceeding \$100,000 other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in Vango financial statements or incurred in the ordinary course of business consistent with past practice;

- (k) Vango or any of its subsidiaries authorising, recommending or proposing any release or relinquishment of any contractual right, except in the ordinary course of business consistent with past practice;
- (l) any Vango Group Member:
 - (i) increasing the remuneration of, paying any bonus (other than in accordance with existing contractual entitlements as at the date of the Bid Implementation Agreement) to or otherwise varying the employment arrangements of any Vango Director or any employee of the Vango Group whose total employment cost exceeds \$100,000;
 - (ii) issuing any securities, options or performance rights to any of the employees of the Vango Group, or accelerating the rights of any such employee to compensation or benefits of any kind (including, without limitation, under any executive or employee share or option plan and including, without limitation, by vesting any outstanding performance rights);
 - (iii) paying any employee termination or retention payments (otherwise than in accordance with contractual entitlements existing at the date of the Bid Implementation Agreement which were disclosed to Catalyst prior to the date of the Bid Implementation Agreement);
 - (iv) entering into employment arrangements (or amending the terms of any existing employment arrangements) with any individual which could involve a member of the Vango Group giving a commitment to such individual in excess of \$100,000 per annum;
 - (v) entering into, offering to enter into or agreeing to enter into any agreement, joint venture, asset or profit share, partnership or commitment which would require expenditure, or the foregoing of revenue, by Vango and / or any of its subsidiaries of an amount which is, in aggregate, more than \$150,000, other than in the ordinary course of business;
 - (vi) entering into, amending or terminating any Material Contract; or
 - (vii) resolving, agreeing, committing or announcing an intention to do any of the things referred to in sub-paragraphs (a) to (l) (inclusive).

Oz means ounce.

Performance Options has the meaning given to that term in Section 6.8.

Pre-Bid Acceptance Deeds has the meaning given in Section 9.4.

Pre-Bid Shareholders has the meaning given in Section 9.4.

Prescribed Occurrence means an event described in section 652C(1) or section 652C(2) of the Corporations Act.

Related Bodies Corporate has the meaning given in the Corporations Act.

Relevant Interest has the meaning given in section 608 and section 609 of the Corporations Act.

Section means a section of this Target's Statement.

Small Parcel means a parcel of Catalyst Shares having a value of less than \$500 based on the highest closing price of Catalyst Shares on the ASX during the period from the date of the

Bidder's Statement until the earlier of the end of the Offer Period and five ASX trading days before the first day on which Catalyst must provide the Offer consideration under the Offer.

Small Parcel Shareholder means a Vango Shareholder who would be entitled to receive a total number of Catalyst Shares as consideration under the Offer which constitute a Small Parcel.

Sydney time means time as observed in Sydney, New South Wales, Australia.

Target's Statement means this document (including the attachments and annexures), being the statement of Vango under Part 6.5 Division 3 of the Corporations Act issued in relation to the Offer.

Vango means Vango Mining Limited ABN 68 108 737 711 (ASX: VAN).

Vango's FY22 Annual Report means Vango's Annual Financial Report and Directors' Report for the year ended 30 June 2022, lodged with ASX on 30 September 2022.

Vango Board means the board of directors of Vango.

Vango Director means a director of Vango.

Vango Group means Vango and each of its subsidiaries.

Vango Group Member means any member of the Vango Group.

Vango Notes means the convertible note issued to CSVF by Vango pursuant to the convertible note agreement between Vango and CSVF dated 31 March 2022.

Vango Options means the L39 Options and the Performance Options.

Vango Share Loan Plan has the meaning given in Section 6.11.

Vango Shares means fully paid ordinary shares in the capital of Vango, including those shares on issue at the end of the Offer Period.

Vango Shareholder means person who is registered as the holder of a Vango Share in the Vango share register.

Vango Warranties means the representations and warranties provided by Vango under the Bid Implementation Agreement, as set out in section 10.1(e) of the Bidder's Statement.

VWAP means volume weighted average price.

11.2 Interpretation

In this Target's Statement:

- (a) other words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words of any gender include all genders;
- (c) words indicating the singular include the plural and vice versa.
- (d) an expression indicating a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a section, clause, attachment and schedule is a reference to a section of, clause of and an attachment and schedule to this Target's Statement as relevant;

- (f) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement;
- (h) a reference to time is a reference to time in Sydney, Australia; and
- (i) a reference to dollars, \$, A\$, AUD, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia unless otherwise stated.

12. Corporate Directory

<p>Directors</p> <p>Bruce McInnes Executive Chairman</p> <p>Shengqiang (Sean) Zhou Deputy Chairman, Non-Executive Director</p> <p>Zhenzhu (Carol) Zhang Non-Executive Director</p> <p>Yan Chao (Hunter) Guo Non-Executive Director</p> <p>Craig Wallace Non-Executive Director</p> <p>Company Secretary</p> <p>Ian Morgan</p> <p>ASX Code</p> <p>VAN</p>	<p>Registered Office</p> <p>Aurora Place Building 1, Level 29 88 Phillip Street Sydney NSW 2000</p> <p>Email: info@vangomining.com</p> <p>Company Website</p> <p>https://vangomining.com/</p> <p>Offer Information Line</p> <p>1300 737 760 (toll free, for calls made from inside Australia)</p> <p>Open 9:00 am and 5:00 pm (Sydney time) Monday to Friday</p> <p>Share Registry*</p> <p>Boardroom Pty Limited Grosvenor Place Level 8, 210 George Street Sydney NSW 2000</p> <p>Australian Legal Adviser</p> <p>Edwards Mac Scovell Level 1, 8 St Georges Terrace Perth WA 6000</p>
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* This entity has been included for information purposes only and have not been involved in the preparation of the Target's Statement.

Annexure A – Offer Conditions

Catalyst's Offer is subject to the following Offer Conditions:

(a) **Minimum acceptance**

At the end of the Offer Period, Catalyst has a Relevant Interest in at least 70% (by number) of all of the Vango Shares.

(b) **Treatment of Vango Options and Vango Notes**

By the end of the Offer Period:

- (i) all Performance Options have been cancelled for nil consideration;
- (ii) all L39 Options have been cancelled or acquired; and
- (iii) all Vango Notes have been dealt with under an agreement between the holder of the Vango Notes and Catalyst.

(c) **No Prescribed Occurrence**

No Prescribed Occurrence happens in the period between the Announcement Date and the end of the Offer Period.

(d) **No Other Occurrence**

No Other Occurrence happens in the period between the Announcement Date and the end of the Offer Period.

(e) **Funding Condition**

Vango enters into an agreement for a line of credit with a third party on the following key terms:

- (i) the line of credit is for an amount of no less than \$5 million;
- (ii) the principal and accrued interest are only repayable at a date which is no earlier than 4 months after the Announcement Date;
- (iii) the interest on the debt is no more than 10% per annum;
- (iv) the debt is unsecured; and
- (v) other than interest, there are no other fees payable by Vango to the third party debt provider in relation to the debt funding.

(f) **No material adverse change**

Between the Announcement Date and the date on which the Offer Period ends (both inclusive), no event, change, condition, matter or thing (each an **Event**) occurs, is disclosed or announced or becomes known to Catalyst which has had, will have or is reasonably likely to have (whether individually or when aggregated with one or more other Events) a material adverse effect on the business, assets, liabilities, financial or trading position, performance, profitability or prospects of the Vango Group (taken as a whole), which will include, without limitation to the foregoing, the following:

- (i) any amendment, variation, termination, withdrawal, cancellation, surrender, declaration of invalidity, or failure to renew in respect of any interest in any of the Mining Tenements; or
- (ii) a material breach of the Vango Warranties.