

9 November 2018

By Electronic Lodgment

The Manager
Company Announcements Office
ASX Limited

Dear Sir/Madam

Vango Mining Limited (**Vango Mining**) refers to the disclosure of the dispute with Billabong Gold Pty Ltd (**Billabong**) and Superior Gold Inc in section 11.3 of the **Replacement Bidder's Statement** dated 15 October 2018 and section 1 of the **Second Supplementary Bidder's Statement** dated 15 October 2018.

On 8 November 2018, Billabong commenced proceedings against Vango Mining and DPPL in the Supreme Court of Western Australia in relation to Billabong's claims under an Ore Treatment Agreement that were described in section 1 of the Second Supplementary Bidder's Statement.

Vango Mining terminated the Ore Treatment Agreement more than 12 months ago. Billabong is seeking a declaration that Vango Mining and DPPL breached an alleged first rights of refusal under the Ore Treatment Agreement and further seeks an injunction requiring Vango Mining and DPPL to comply with Billabong's alleged first rights of refusal or, alternatively, damages. Vango Mining considers that the claims of Billabong are speculative and without merit. Vango Mining intends to vigorously defend the proceedings.

Vango Mining notes that Billabong's claim:

- to the extent it is a claim against DPPL, relates to matters occurring at a time when DPPL was a wholly owned subsidiary of Dampier Gold Limited;
- relates to matters which occurred in 2016 and the first half of 2017 and which have therefore been known to Billabong for a substantial period of time; and
- is substantially similar to the subject of a previous dispute notice given by Billabong in July 2017 (but Billabong then elected not to proceed with the dispute).

Given this background, Vango has questions about Billabong's motivation for choosing to wait until this point to commence proceedings, being some years after the relevant matters occurred and over 15 months following Billabong's previous dispute notice which it did not proceed with.

Vango Mining will send a Third Supplementary Bidder's Statement to Dampier Gold shareholders as soon as practicable.

Yours faithfully

Mr Bruce McInnes
Executive Chairman