

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

VANGO MINING LIMITED

ABN

68 108 737 711

Quarter ended ("current quarter")

December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,493)	(5,020)
(b) development	-	-
(c) production	-	-
(d) staff costs	(67)	(143)
(e) administration and corporate costs	(1,349)	(1,806)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(2,908)	(6,967)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	5,256
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(80)	(308)
3.5	Proceeds from borrowings	570	1,599
3.6	Repayment of borrowings	(200)	(200)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (issue of options)		
	Repayment of Plan Loan made under "Vango Mining Limited Employee Loan Share Plan" – approved on 27 August 2018 by members	763	1,362
3.10	Net cash from / (used in) financing activities	1,053	7,709

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,633 ¹	36
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,908)	(6,967)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,053	7,709
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	778	778

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	778	2,633
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	778	2,633

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
482
-

Reimbursement of expenses \$77,111.
Director fees \$404,774

¹ Including cash security deposit \$10,000.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	2,684	2,684
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	4,000	4,000
8.4 Included below a description of each facility above. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

1 Loan facilities (unsecured)				
Interest Rate per annum	Loan Facility	Amount Drawn	Term	
	A\$'000	A\$'000		
9%	2,184	2,184	6 Months	
15%	500	500	18 Months	
	<u>2,684</u>	<u>2,684</u>		
2 Other (Convertible Notes- unsecured)				
Interest Rate per annum	Note Facility	Amount Drawn	Conversion price per Share	Term
	A\$'000	A\$'000		
8% payable on maturity	2,500	2,500	7 cents	18 months
15% payable on maturity	1,500	1,500	18 cents	18 months
	<u>4,000</u>	<u>4,000</u>		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	130
9.2	Development	
9.3	Production	
9.4	Staff costs	66
9.5	Administration and corporate costs	304
9.6	Other (provide details if material)	
9.7	Total estimated cash outflows	500²

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 31 January 2019

(Director/Company secretary)

Print name: Ian Morgan

² The Company's operating cash outflows are \$2,908,000 actual (December 2018 quarter) and \$500,000 forecast (March 2019 quarter). Cash on hand at 31 December 2018 totalled \$778,000. December 2018 cash on hand is expected to cover cash outflows during the March 2019 quarter, with \$288,000 cash on hand expected at 31 March 2019. The Company expects that funds will be available to finance future operations and that realisation of assets and settlement of liabilities will occur in the normal course of business. \$500,000 forecast operating cash outflows for the March 2019 quarter are mainly discretionary. The Company would raise additional funds before committing to further operating cash outflows of the same scale. Whilst it develops the Marymia Gold Project (formerly the Plutonic Dome Gold Project), the Company expects to continue to have negative operating cash flows. In order to commercialise the Marymia Gold Project and generate future revenues, additional funding will be required.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.