

Market Announcement
2 July 2018

UPDATE ON PROPOSED DEBT TO EQUITY CONVERSION

On 5 April 2018, gold exploration and development company Vango Mining Limited (**ASX: VAN**) (Vango, the Company) announced that the Company plans to issue shares at 4.5 cps (9,537,849) and 6.0 cps (83,275,167) to the total value of \$5,425,713 to holders of debt in the Company, in order to retire a substantial amount of unsecured debt from its balance sheet. A Convertible Note to the value \$2,500,000 was also proposed to be issued to convert the remaining unsecured debt into a convertible security (see ASX announcement on 5 April 2018 for full details).

The conversion of this debt is a core priority for the Company and will deliver a stronger capital position and clean balance sheet as it seeks to advance the development of the Plutonic Dome Project. The debt holders have verbally indicated their willingness to enter into voluntary escrow agreements on their issued equity for a period of (6) months.

In addition, subject to the ASX Listing Rules and *Corporations Act 2001* (Cth) including Company members' approval, the Company announced *"the issue of the Company's ordinary fully paid shares...to the Company's Directors...by issue and allotment of 30,000,000 Company ordinary fully paid shares at \$0.06 each (\$1,800,000)"* in accordance with Vango's employee share plan.

Vango has now decided not to issue 30,000,000 Company Shares to the Company's Directors, nor proceed to request members' approval.

The Company has lodged a final draft notice of general meeting of the Company's members with ASX in accordance with ASX Listing Rule 15.1.4, to apply for an ASX "Notice of No Objection" in accordance with ASX Listing Rule 15.1.

The Company is further required to obtain approval of the final draft notice of general meeting from the Australian Securities and Investments Commission (**ASIC**).

The general meeting of the Company's members requesting approval of the proposed issue of remaining securities announced on 5 April 2018 is expected to be held about one month after the Company receiving final ASX and ASIC approvals.

ENDS

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