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ASX Announcement
5 April 2018

PROPOSED ISSUE OF SECURITIES BY VANGO

Gold exploration and development company Vango Mining Limited (ASX: VAN) (Vango, the Company) is pleased to announce that it has negotiated, subject to the ASX Listing Rules and *Corporations Act 2001* (Cth) including Company members' approval, the issue of the Company's ordinary fully paid shares and convertible notes for:

- Shares proposed to be issued to repay the Company's unsecured debt owed to the Company's directors or their related entities ($2,461,967) and third parties ($2,963,746) totalling $5,425,713;
- Convertible note proposed to be issued to an unrelated party and the Company's substantial shareholder (Mr YanChao Guo $2,500,000) to convert the Company's unsecured debt into a convertible security; and
- Shares to the Company's Directors in accordance with the Vango Mining Limited Employee Equity Incentive Plan approved on 30 November 2017 by Shareholders by issue and allotment of 30,000,000 Company ordinary fully paid shares at $0.06 each ($1,800,000). Each Director is proposing that their shares would be subject to voluntary escrow until such time, at the Director's discretion, the Director pays the Company $0.06 for each Share.

Bruce McInnes, the Company's Executive Chairman, said "*the Company's Directors and other lenders have shown strong support for the Company's exploration and development plans for Vango's Plutonic Dome Gold Project in the mid-west region of Western Australia. Conversion of the Company's debt into equity re-structures the Company's balance sheet and assists it with any future financing opportunities. Directors' share remuneration to be proposed for approval by the Company's members is to be reviewed by non-conflicted Directors and is recognition of the hard work done by the Company's Directors over several years to progress Vango's development.*"

ENDS

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Information provided in accordance with ASX Listing Rule 3.10.3:

Class of securities to be issued	**Ordinary fully paid shares**			**Convertible note**
Number of securities to be issued (if known) or maximum number which may be issued	122,813,016			35,714,285
Principal terms of the securities to be issued			Number	• Principal: $2,500,000 • Interest rate: The coupon rate is 8% per annum and all interest is payable at maturity. • Security held: Unsecured • Maturity Date is 18 calendar months from the issue date • Conversion mechanism: Holder can convert all or part of the note principal, at any time until the Maturity Date, at a fixed price of $0.07 per Share • Maximum number of Shares into which the loan can convert 35,714,285 ($2,500,000/$0.07)
	Ordinary fully paid shares ranking equally in all respects with an existing class of quoted shares		92,813,016	
	Ordinary fully paid shares subject to voluntary escrow		30,000,000	
	Total		122,813,016	
Issue price or consideration	Price per Share	Number of Shares	$	$2,500,000
	$0.045	9,537,849	429,203	
	$0.060	113,275,167	6,796,510	
	Total	**122,813,016**	**7,225,713**	
Purpose of the issue			**$**	Repay the Company's debt
	Repay the Company's debt		5,425,713	
	Directors' bonus shares issued in accordance with the Vango Mining Limited Employee Equity Incentive Plan		1,800,000	
	Total		**7,225,713**	
Whether the entity will seek security holder approval in relation to the proposed issue of securities	Yes			Yes
Whether the issue will be to a class of security holders	No			No