

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2021

Highlights

- 2021 drilling campaign commenced at flagship Marymia Gold Project, and is ongoing
- Drilling is targeting 11 priority open pits not currently part of Marymia's 1.02Moz @ 3.0 g/t Au JORC 2012 Resource[^]
- 14 RC holes for a total of 2,465m completed to date of a minimum 15,000m campaign - ability to further expand drilling subject to results
- First-pass drilling at highest priority open pits - Skyhawk, Parrot and Apollo - complete, and drilling currently underway at Prickleys open pit
- Initial assessment is highly encouraging - shows geological continuity of previously identified structures, including alteration and sulphides, consistent with gold mineralisation at Marymia
- Drilling has been extended in some holes at Skyhawk and Parrot to test structures and alteration zones not previously encountered in historical drilling
- Assays from initial holes submitted for laboratory analysis - results to be released when available
- Vango aims to deliver a substantial Indicated and Inferred resource increase to the existing Marymia resource this year
- Successful Placement completed to raise \$6.1m to fund ongoing field work programs

Vango Mining Limited (Vango, ASX: VAN) is pleased to present its Quarterly Activities Report for the period ending 30 June 2021.

Vango is an exploration and development company focused on exploring and developing the Company's key asset, the 100% owned Marymia Gold Project (Marymia, the Project), in the Mid-West region of Western Australia (Figure 1). In the near-term, the Company is focused on expanding its high-grade resource base to support its plans to become a significant gold mining and production company.

The Company has commenced its 2021 drilling campaign at the Marymia Project (ASX announcement, 9 July 2021).

The 2021 field season is focused on drilling at 11 priority open-pit targets, not currently part of the Marymia JORC 2012 resource base, and is designed to add significant, near-surface resources amenable to open pit mining as part of any future mining operation at the Marymia Project.

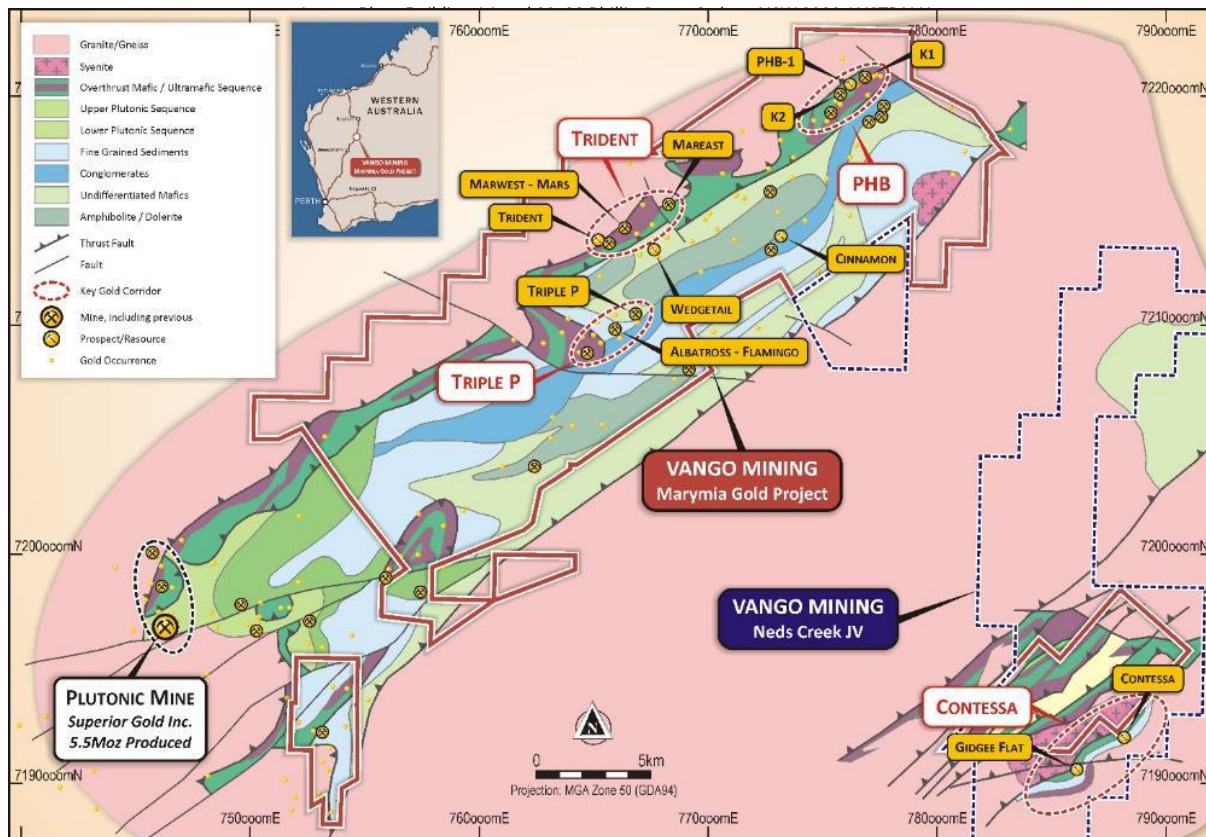


Figure 1: Marymia Gold Project and Ned's Creek JV tenements showing key target corridors

Operations

The Company plans to complete a minimum of 15,000 metres of reverse circulation (RC) drilling in the 2021 drilling campaign, with the ability to expand the campaign subject to results.

Drilling is specifically designed to deliver a substantial (Indicated and Inferred) resource increase to the existing Marymia resource base. It will also enhance the understanding of the mineralised zones within the targeted open pits for the benefit of Vango's mine planning, and for assessing funding requirements for the Company's proposed stand-alone mining operation.

This campaign is also designed to deliver 'critical mass' to increase the mine life of a proposed future mining operation from Marymia's resource base, specifically targeting an increase in total ounces to ensure that mill capacity of any future mining operation is maximised over the Project's total mine life.

2021 Drilling Campaign Commenced

14 holes for 2,465m RC Drilling Completed to date

Vango's 2021 drilling campaign is focused on 11 priority open-pit targets at the Marymia Project. These are the Apollo, Exocet, Ibis, Kookaburra, Parrot, Pigeon, Prickleys, Redfin, Rosella, Skyhawk and Speckled open pits (Figure 2).

The Skyhawk, Parrot and Apollo open pits have been assessed as the highest priority targets, and drilling has commenced at these targets.

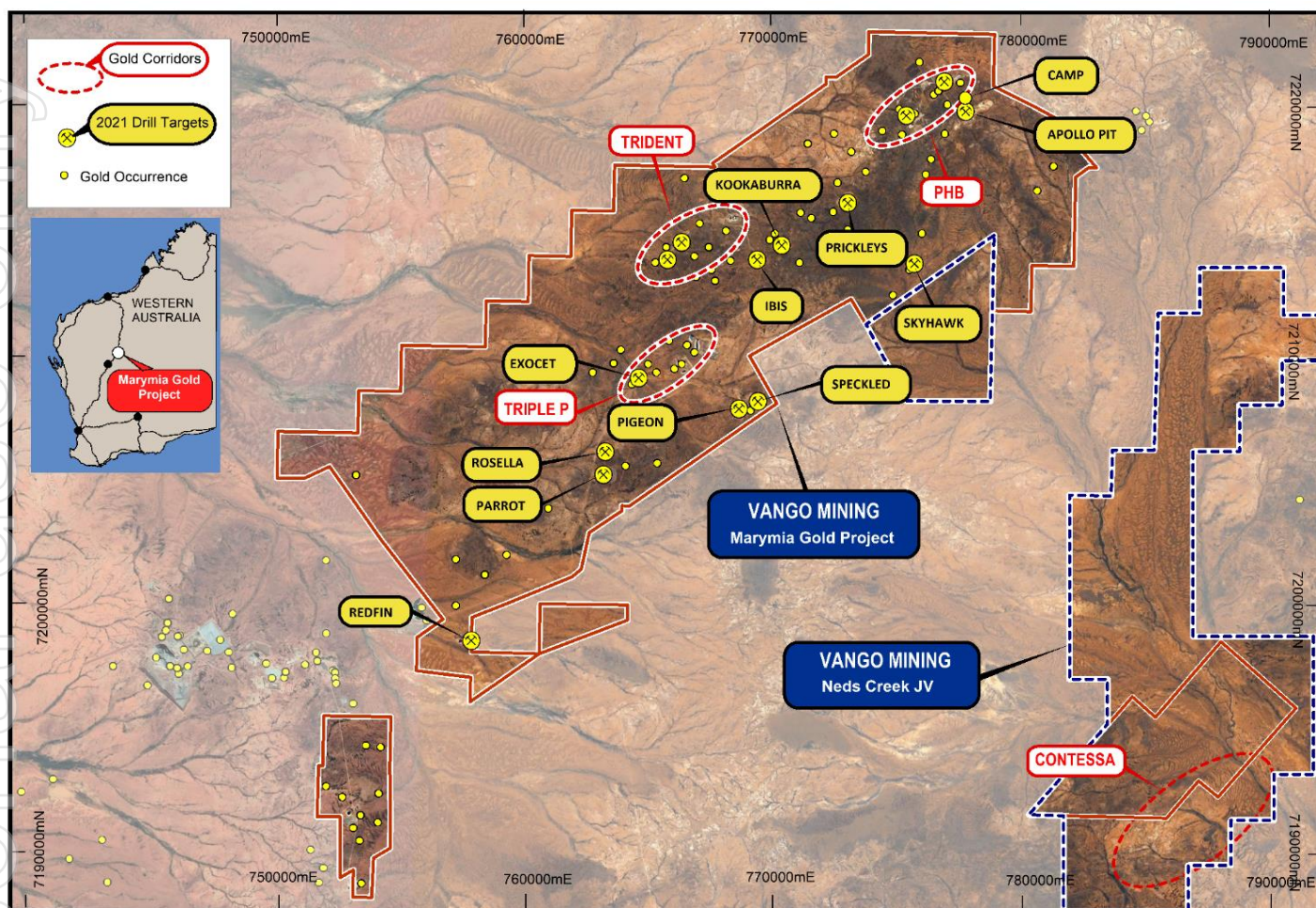


Figure 2: Marymia Gold Project showing the 11 priority open pits to be targeted in 2021 drilling campaign

Subsequent to the quarter, first-pass drilling was completed at the Skyhawk (7 holes), Parrot (4 holes) and Apollo (3 holes) open pits, and drilling is currently underway at the Prickleys open pit.

In total, to date, the Company has completed 14 holes for 2,465 metres of reverse circulation (RC) drilling at these initial priority open pits targets (ASX announcement, 29 July 2021). Drilling remains ongoing.

Positive Initial Indications from Drilling

The Company's initial assessment of the drilling to date has been highly encouraging. Drilling has demonstrated the geological continuity of structures, including alteration and sulphides, consistent with previous drilling results from these deposits.

At Skyhawk and Parrot in particular, drilling was extended in several holes. Previous drilling in these areas had concentrated heavily on the oxide material, and the strong continuation of the structures observed in the current drilling with associated alteration is significant. Some of the prospective zones appear to be new structures, having not been recognised or significantly tested.

Vango notes that the presence of these structures and alteration zones may not correlate with economic gold mineralisation, but assay results are keenly awaited. Follow-up second and third

phases of drilling have now been planned at Skyhawk and Parrot, and, subject to the initial results, will test the systems to around 120m-150m below surface.

Assays from these initial holes have been submitted for laboratory analysis, and results will be released when they become available.

Background to 2021 Drilling Campaign

Vango completed an extensive 20,000 metre RC and diamond drilling drill campaign in 2020, and all results from this campaign have been released to the market. The program focused on priority targets at the Trident gold corridor and PHB gold corridor at Marymia.

Vango has completed an extensive geological review and modelling of the Marymia Project, incorporating results from the 2020 drilling campaign. The results of this work have formed the basis of Vango's 2021 field season. It is focused on open-pit targets and is designed to add significant, near-surface resources to the existing Marymia JORC resource base.

The Company plans to release an updated and expanded JORC 2012 resource for the Marymia Project, including results from the 2020 and 2021 drilling campaigns, in the second half of calendar 2021.

Corporate

Placement to Raise \$6.1m

During the quarter Vango successfully completed a Placement to sophisticated and professional investors to raise A\$6.1 million via the issue of:

- approximately 62.8 million fully paid ordinary shares at A\$0.065 per share to unrelated investors to raise approximately A\$4.1 million; and
- approximately 30.8 million fully paid ordinary shares at A\$0.065 per share to related investors to raise approximately A\$2.0 million.

Funds raised will be used for the Company's ongoing exploration and development work at the Marymia Gold Project.

Vango also converted A\$0.2 million owed to unrelated contractors into equity, via the issue of approximately 3.1 million shares at A\$0.065 per share. Further details on the Placement are provided in ASX announcement of 15 June 2021.

Authorised for release by the Board of Vango Mining Limited.

-ENDS-

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Previous ASX releases referenced in this ASX release:

^ VAN ASX, 20/05/20 Vango Mineral Increases to One Million Ounces

The information in this announcement is extracted from reports lodged as market announcements summarised above.

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

About Vango Mining

Vango Mining Limited (ASX: VAN) is an exploration mining company with ambitions of becoming a high-grade WA gold miner by developing the 100% owned Marymia Gold Project (**Marymia**) located in the mid-west region of Western Australia, consisting of 45 granted mining leases over 300km.

Marymia has an established high-grade resource of 1Moz @ 3 g/t Au, underpinned by Trident - 410koz @ 8 g/t Au, with immediate extensions open at depth/along strike.

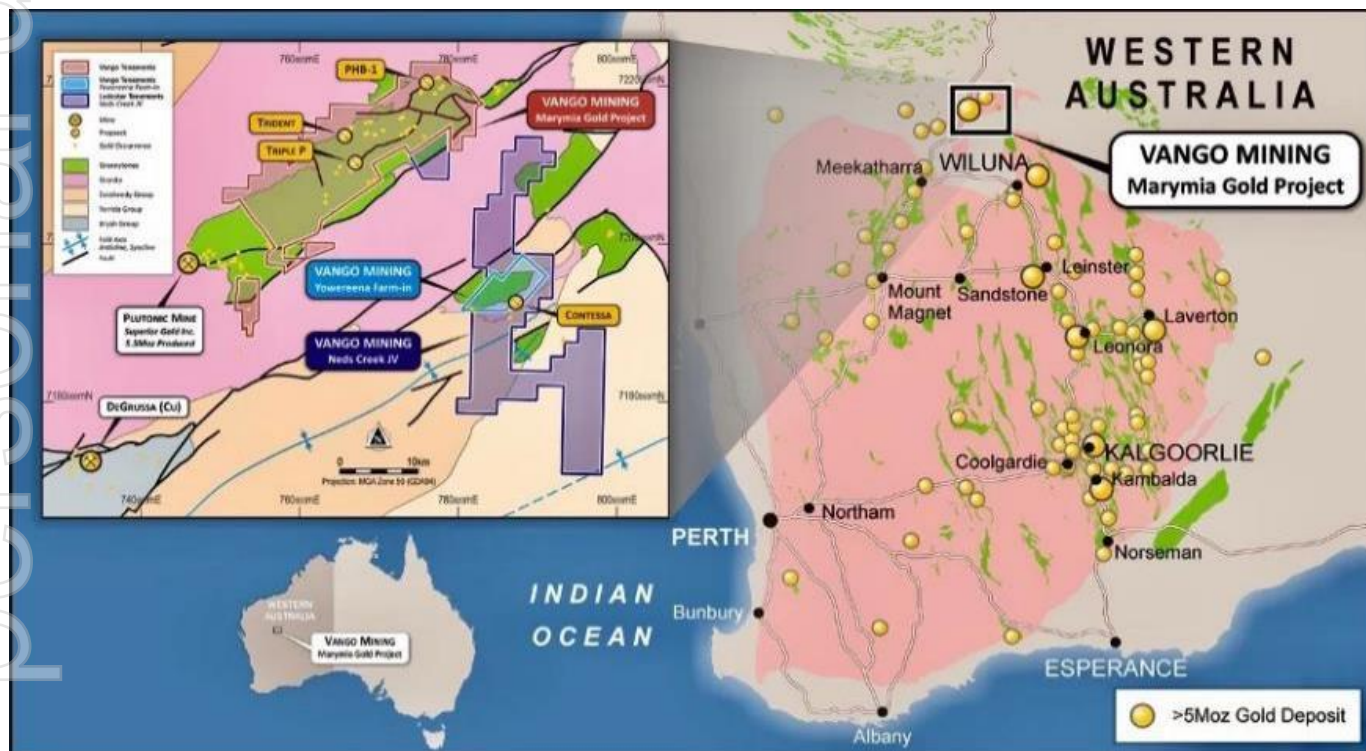


Figure 3: Location of Marymia Gold Project in the Yilgarn block of Western Australia.

The Marymia Gold Project has the potential to become one of Australia's largest high-grade production mines. The Greenstone Belt at the Marymia region includes six major gold corridors - all on granted mining leases, that remain largely un-tested beyond 100m depth, supported with an extensive drilling and geophysical database. Historical mining between 1992-2001, produced 580,000 ounces of gold almost entirely from open-pits. The geology is primarily formed of volcanic rocks, dominated by basalt, with minor sedimentary rocks inter-leaving the volcanic formations.

The Company is progressing a deliberate strategy focussed on growing its high-grade gold endowment to support its ambitions of becoming a significant high-grade, gold producer. To this end, the Company is currently focused on a multi stage 36,000 metre drilling program testing high-grade extensions and deeper 'Plutonic' targets, with stage one 20,000 metre program underway at PHB and Trident corridors, including over 7,000 metres of diamond drilling.

In parallel with the high-grade resource extension and definition program, the Company is also testing several much larger scale targets, looking for repeats of the Plutonic-style mineralisation. The Plutonic gold mine sits along strike to the southwest of Vango's ground (Figure 3) and has produced over 5.5Moz from a geological sequence known as the Mine-

Mafic. This same geological sequence is interpreted from geophysical imagery to continue for 40km in Vango's Marymia tenements, however the majority of the Mine-mafic sequence in Vango's ground remains un-tested.

Dual success, through the company's resource growth program, in combination with large-scale 'Plutonic analogue' targets drilling program, has the potential to lead to a material change to the scale of Vango's planned high-grade gold mining operations at Marymia.

JORC compliant Mineral Resource Estimate (ASX Announcement dated 20 May 2020*)

MARYMIA GOLD PROJECT JORC 2012 MINERAL RESOURCE ESTIMATE – MAY 2020										
Deposit	Cut-off	Indicated			Inferred			Total		
Mineral Resource	Au g/t	K t	g/t	K oz	K t	g/t	Oz	Kt	g/t	K oz
Open Pits	0.5	5,300	1.8	311	2,950	1.6	150	8,250	1.7	461
Underground	3.0	1,142	9.6	352	992	5.9	189	2,134	7.9	541
Total		6,442	3.2	663	3,942	2.7	339	10,384	3.0	1,002

* VAN confirms all material assumptions and technical parameters underpinning the Resource Estimate and Reserve continue to apply, and have not materially changed as per Listing Rule 5.23.2

Mineral Resources reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (Joint Ore Reserves Committee Code – JORC 2012 Edition).

Open pit resources reported within optimised conceptual pit shells at A\$2,500/oz gold price above a 0.5 g/t Au cut off and include oxide, transition and fresh material.

Trident underground resources are retained as first reported 18 April 2019¹ above a 3.0 g/t Au cut-off grade, and modelled at a gold price of A\$2,000/oz, on the basis that the information has not materially changed since last reported. Other underground resources reported above a 3.0 g/t Au cut off (with minor 2.5 g/t Au cut-off material included for continuity purposes) and includes fresh material only.

Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.

Competent Persons Statements

The Statement of Mineral Resource Estimates has been compiled by Dr. Spero Carras who is a full-time employee of Carras Mining Pty Ltd and a Fellow of the Australian Institute of Mining and Metallurgy ("FAusIMM"). Dr. Carras has sufficient experience, including over 40 years' experience in gold mine evaluation, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ("JORC") Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Dr. Carras consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to exploration results has been reviewed, compiled and fairly represented by Mr David Jenkins, a Member of the Australian Institute of Geologists and a full time employee of Terra Search Pty Ltd. Mr Jenkins has sufficient experience, including over 28 years' experience in exploration and resource evaluation relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Jenkins consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that

such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Interest in Mining and Exploration Licences

As at 30 June 2021

Project	Location	Tenement	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter	Status
Plutonic Dome	Western Australia	L52/154	100	-	-	Application
		P52/1609	100	-	-	Application
		M52/183	100	-	-	Granted
		M52/217	100	-	-	Granted
		M52/218	100	-	-	Granted
		M52/219	100	-	-	Granted
		M52/220	100	-	-	Granted
		M52/226	100	-	-	Granted
		M52/227	100	-	-	Granted
		M52/228	100	-	-	Granted
		M52/229	100	-	-	Granted
		M52/230	100	-	-	Granted
		M52/231	100	-	-	Granted
		M52/232	100	-	-	Granted
		M52/233	100	-	-	Granted
		M52/234	100	-	-	Granted
		M52/235	100	-	-	Granted
		M52/246	100	-	-	Granted
		M52/247	100	-	-	Granted
		M52/257	100	-	-	Granted
		M52/258	100	-	-	Granted
		M52/259	100	-	-	Granted
		M52/269	100	-	-	Granted
		M52/270	100	-	-	Granted
		M52/278	100	-	-	Granted
		M52/279	100	-	-	Granted
		M52/291	100	-	-	Granted
		M52/292	100	-	-	Granted
		M52/293	100	-	-	Granted
		M52/299	100	-	-	Granted
		M52/303	100	-	-	Granted
		M52/304	100	-	-	Granted
		M52/305	100	-	-	Granted
		M52/306	100	-	-	Granted
		M52/320	100	-	-	Granted
		M52/321	100	-	-	Granted
		M52/323	100	-	-	Granted
		M52/366	100	-	-	Granted
		M52/367	100	-	-	Granted
		M52/369	100	-	-	Granted
		M52/370	100	-	-	Granted
		M52/396	100	-	-	Granted
		M52/478	100	-	-	Granted
		M52/572	100	-	-	Granted
		M52/593	100	-	-	Granted
		M52/654	100	-	-	Granted
		M52/748	100	-	-	Granted
		M52/779	-	-	-	JV
		M52/780	-	-	-	JV

Project	Location	Tenement	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter	Status
SARCO	Laos	M52/781	-	-	-	JV
		M52/782	-	-	-	JV
		E52/2071	100	-	-	Granted
		E52/2072	100	-	-	Granted
		E52/2440	-	-	-	JV
		E52/2456	-	-	-	JV
		E52/2468	-	-	-	JV
		E52/2493	-	-	-	JV
		E52/2734	-	-	-	JV
		E52/3473	-	-	-	JV
		E52/3476	-	-	-	JV
		L52/188	100	-	-	Granted
		P52/1587	100	-	-	Granted
		P52/1588	100	-	-	Granted
		Yuqida	17.15 ¹	-	-	Granted

Exploration Expenditure Summary

During the quarter ended 30 June 2021, Vango's cash expenditure for exploration & evaluation totalled \$1,103,000² and consisted of:

	\$000
Drilling and Project Management	645
Equipment hire	203
Government rents and levies	55
Assays	4
Consumables	50
Environment and Rehabilitation	25
Other	121
	<u>1,103</u>

¹ The SARCO (Sino Australian Resources Co., Limited) is a joint venture between Vango (49%) and NFC-China (51%). LSI66 is 51% owned by SARCO and Yuqida is 35% owned by SARCO (moving to 49% post grant of mining lease).

² Refer Item 2.1(d) of Vango's Appendix 5B Mining exploration entity or oil and gas exploration entity quarterly cash flow report to 30 June 2021.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Vango Mining Limited

ABN

68 108 737 711

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(123)	(786)
	(e) administration and corporate costs	(644)	(2,368)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(854)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	103	353
1.9	Net cash from / (used in) operating activities	(664)	(3,655)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(60)	(587)
	(d) exploration & evaluation	(1,103)	(10,542)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	1,663
	(e) 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	(1,163)	(9,466)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,080	15,857
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(500)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	6,080	15,357

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,975	3,992 ¹
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(664)	(3,655)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,163)	(9,466)

¹ \$3,992,000 comprises \$3,949,000 cash at bank plus \$43,000 secured cash deposit.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,080	15,357
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,228	6,228

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	6,185	1,933
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	43	43
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,228	1,976

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	114 ²
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

² Item 6.1 comprises directors' fees (\$84,499), directors' superannuation (\$10,916) and reimbursement of directors' expenditure incurred on behalf of the Company (\$18,980)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(664)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,103)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,767)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,228
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,228
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: 30 July 2021

Authorised by: By the board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.