

## NOT COVERED

Current Price \$0.12  
Market Cap \$89.6m

Ticker: VAN  
Sector: Metals & Mining

Shares on Issue (m): 747.0  
Market Cap (\$m): 89.6  
Cash (\$m): 0.1  
Enterprise Value (\$m): 89.5

52 wk High/Low: \$0.22 \$0.10  
12m Av Daily Vol (m): 184.0

Projects Stage  
Marymia Exploration

Resource Status  
Resource update expected H1 2020

Operating Jurisdiction  
Western Australia

Directors:  
Bruce McInnes Executive Chairman  
Sean Zhou Deputy Chairman  
Andrew Stocks Managing Director  
Steve Clynk Chief Executive Officer

Substantial Shareholders: %  
Directors 24%



Please refer to important disclosures at end of the report (from page 4)

Wednesday, 4 March 2020

## Vango Mining (VAN)

### The Vango bus is coming

Analyst | Jeff Sansom

#### Quick Read

Vango Mining (VAN) holds 45 Mining Licences across ~40km of strike within the Marymia Greenstone Belt, extending north east from the Superior Gold's (SGI:TSX) Plutonic Gold Mine. Currently, VAN has a resource at the Trident deposit, consisting of 1.59Mt at 8.0 g/t Au for 410koz of contained gold. The Company is currently focused on drill testing priority near-term development and production targets, to increase its existing resource base suitable to justify a mining investment case. Exploration is also looking to test high-grade targets at >100m depth. Recent drilling results of the PBH-1 target, northeast of the historically mined K2 open pit, has intersected gold mineralisation which could represent a new discovery. Assays returned 7m at 103.6 g/t Au from 48m, including 3m at 240 g/t Au with follow up drilling currently being planned. We believe that VAN could increase their resource base to ~1.0Moz from several open pit, underground and regional sources.

#### Marymia Exploration Results / Positive

**A history of mining with limited exploration at depth:** Between 1992 and 2001, Resolute Mining (RSG:ASX) produced ~580Koz Au primarily from several open pit mines along strike of the prolific Plutonic Gold Mine, which has produced >5.5Moz Au. Under RSG, exploration activities focused on a number of shallow open pit opportunities, with limited drilling below 100m depth.

**Exploration success within known gold corridors:** The Company is focused on drilling of near-term development and production targets, whilst also drill testing potential priority, high-grade targets at >100m depth. To date, drilling has been successful at identifying high-grade gold mineralisation within two gold corridors, the Trident Corridor and the Triple-P Corridor. The primary focus has been on the Trident Corridor with drilling being successful in intersecting high-grade gold mineralisation below the previous Mareast open pit as well as at the Mars deposit, immediately to the northwest of the Marwest historical open pit. Drilling within the Triple-P Corridor indicated multiple high-grade intersections within potential open pit and underground targets. The overarching aim of VAN is to delineate additional resources to justify an investment decision to support the development of mining infrastructure and the commencement of mining.

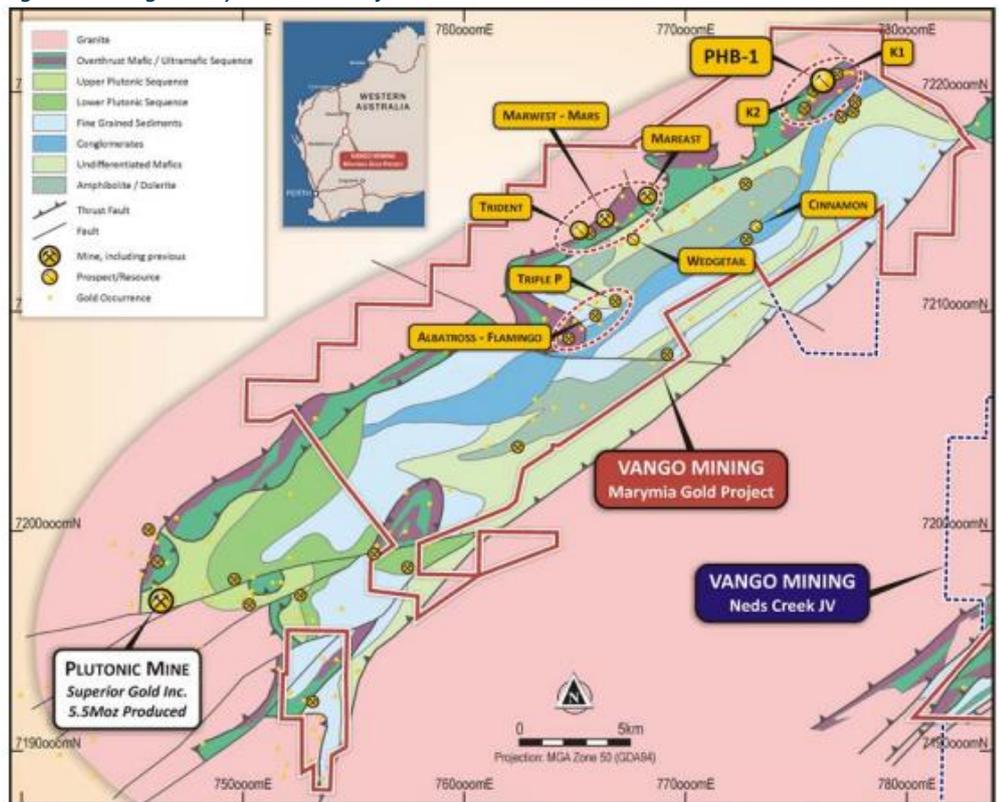
**High-grade gold intersections:** Drilling at the PHB-1 prospect, located immediately northeast of the historical K2 mine, returned exceptional assay results of 7m at 103.6 g/t Au from 48m, including 3m at 240 g/t Au. Drilling was initially focussed on extensions of the Main Lode, however the intersection of the relatively shallow Eastern Lode could represent a new discovery, which is open to the northeast, the southeast and at depth. Follow up drilling is being planned to test for extensions of the Eastern Lode.

**Vango could expand their resource to ~1.0Moz in the short to medium term.**

**Resource growth potential:** Given the highly prospective nature of the Marymia Greenstone Belt and the drilling success to date, Argonaut believes that the current resource of 1.59Mt at 8g/t Au for 410Koz contained gold is just the starting point for Vango. In the short to medium term, we believe that Vango could achieve a resource of ~1.0Moz across a number of regional open pit and underground deposits, which would be sufficient to support a development and mining investment decision.

In late 2019, Vango appointed Mr. Andrew Stocks as Managing Director, a mining engineer with +30 years’ resource sector experience holding strategic management roles. The appointment of Mr Stocks is expected to provide VAN with a strong focus on project development and delivery while installing a culture of corporate performance.

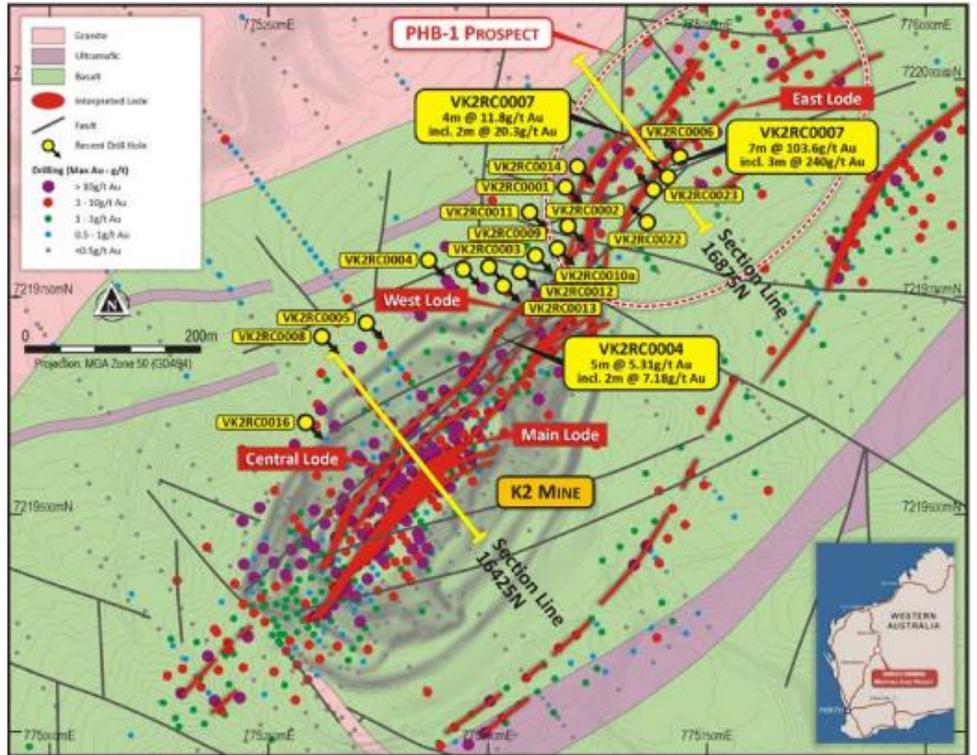
Figure 1: Vango Marymia Gold Project



**VAN holds a significant land package in a prolific greenstone belt...**

Source: VAN

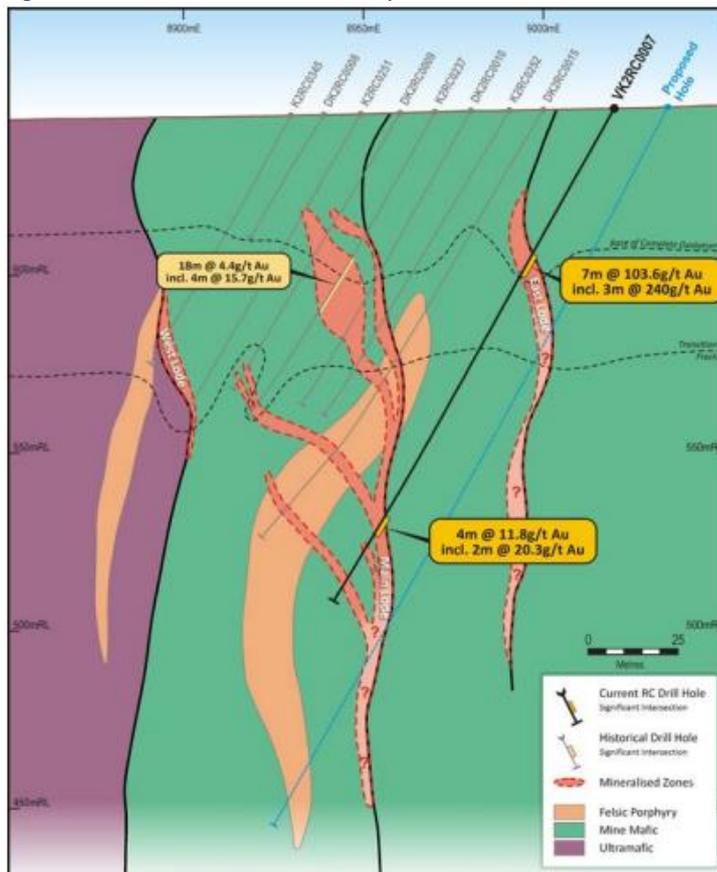
Figure 2: Drilling around the Historical K2 Mine



...with drilling focused across several priority targets.

Source: VAN

Figure 3: The Eastern Lode Discovery



The Eastern Lode discovery to the immediate northeast of the historical K2 open pit.

Source: VAN

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