

19 November 2019

### **Dispute with Vango Mining Limited**

Dampier Gold Limited (ASX:DAU) (**Dampier**) wishes to advise shareholders that it is in receipt of a letter from Vango Mining Limited (ASX: VAN) (**Vango**) dated 14 November 2019 by which Vango makes certain claims with respect to Dampier's interest in the K2 Joint Venture tenement (M52/183) (**K2 Project**) and rights to earn further equity in the tenement pursuant to the Binding Terms Sheet dated 12 May 2017 (**BTS**).

Under the BTS, Dampier has the right to earn up to a 50% beneficial and legal interest in the K2 Project by expending the lesser of 50% of Capex (a defined term) for the K2 Project or A\$3M in project expenditure. As at the date of this announcement, Dampier has already expended at least A\$245,239.78 (as agreed and acknowledged in the BTS) in valid project expenditure and that such expenditure formed part of Dampier's minimum 4.1% interest in the K2 Project.

Vango asserts in its letter, that it will not grant any further extensions to the earn-in period under the K2 joint venture, Vango considers that Dampier has failed to satisfy the required expenditure during this period and in Vango's view the BTS has now lapsed.

Dampier advises shareholders of the following matters:

- Vango has failed to acknowledge Dampier's existing interest in the K2 Project;
- Vango has refused to approve expenditure tranches presented by Dampier at numerous joint venture meetings for the development of the K2 Project, to enable Dampier to spend funds required to increase its joint venture interest to 50%;
- Vango has refused to approve all exploration budgets prepared/submitted by Dampier and/or allow Dampier to expend any funds whatsoever (other than the initial \$245,239.78) on the K2 Project, including reimbursement of funds spent by Vango during the term of the BTS;
- Vango has failed to acknowledge or deliberately obfuscated and not progressed the joint venture;
- Vango has failed to acknowledge Dampier's role as exploration manager under the BTS; and
- Vango has breached a number of its Warranties given to Dampier pursuant to the Joint Venture.

It is Dampier's firm intention to continue to vigorously pursue all of its rights and entitlements in respect of the K2 Project, including, without limitation, its right to seek damages, specific performance, costs and interest.

**Malcolm Carson**

**EXECUTIVE CHAIRMAN**

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