

ASX RELEASE

16 May 2022

UPDATE ON ZULEIKA'S LITIGATION AGAINST VANGO MINING LIMITED

Zuleika Gold Limited (**Zuleika**) (ASX: ZAG) wishes to provide the market with an update regarding its litigation against Vango Mining Limited (**Vango**) (ASX: VAN) and Vango's wholly owned subsidiary, Dampier (Plutonic) Pty Ltd (**DPPL**).

On 26 May 2020, Zuleika announced that it had commenced proceedings in the Supreme Court of Western Australia against Vango and DPPL regarding the Farm-in Joint Venture Binding Terms Sheet the parties entered into on 12 May 2017 (ZAG Announcement: 16 May 2017). In the proceedings, Zuleika claims substantial damages, costs and an order requiring the transfer of Zuleika's beneficial interest earned pursuant to the K2 Project Farm-in-Joint Venture Binding Terms Sheet.

The interest that Zuleika claims in the proceedings is an interest in M52/183 (**Tenement**) and any contiguous tenements which cover adjacent, on-strike or down-dip extensions of the Keillor 2 (K2) ore-body or mineralised zones. The K2 mine on the Tenement is within the Marymia project area referred to by Vango as the PHB Corridor.

Earlier this year, Zuleika amended its claim to increase the beneficial interest it seeks pursuant to the terms of the K2 Project Farm-in-Joint Venture Binding Terms Sheet. Zuleika now claims a beneficial interest of 11.87%, alternatively 4.1%. In addition to its claim for damages, interest and costs, Zuleika seeks:

- a declaration that Zuleika has a beneficial interest of 11.87%, alternatively 4.1%, in the Tenement and any contiguous tenements which cover adjacent, on-strike or down-dip extensions of the K2 ore-body or mineralised zones, and that Vango and DPPL hold 11.87%, alternatively 4.1%, of their collective legal interest in the Tenement on trust for Zuleika; and
- an order that Vango and DPPL do all things necessary so as to transfer 11.87%, alternatively 4.1%, of their legal interest in the Tenement to Zuleika.

A trial to determine issues of liability was held in the Supreme Court of Western Australia for 6 days between 21 March 2022 and 25 March 2022, and on 30 March 2022 (**Trial**). Senior Counsel and Junior Counsel from the Western Australian Bar appeared on Zuleika's behalf, instructed by Commercial Litigation and Dispute Resolution firm, Bennett + Co. The Honourable Justice Smith will now determine all issues of liability, including whether to grant Zuleika the orders it seeks regarding its claimed interest in the Tenement and the K2 ore body and whether Vango and DPPL are liable to pay Zuleika damages.

If the Court finds in Zuleika's favour, the next stage of litigation is to determine the quantum of damages and costs payable by Vango and DPPL to Zuleika.

Prior to his passing (ZAG Announcement: 10 February 2022), Mr Malcolm Carson, Zuleika's former Chairman, provided substantial written and oral evidence for the proceedings. Mr Carson did so under incredibly difficult circumstances and we wish to thank and acknowledge Malcolm again for his dedication and commitment to Zuleika, its shareholders and Zuleika's claim.

While the Court has not provided any indication as to when the decision may be published, Zuleika is hopeful that a decision will be delivered this year.

Zuleika's past announcements regarding the litigation were made on:

- 19 Nov 2019
- 12 Feb 2020
- 26 May 2020
- 23 June 2020
- 3 Aug 2020
- 11 Nov 2020
- 12 Nov 2020
- 30 Jun 2021
- 4 Jan 2022
- 28 April 2022

Annie Guo, Managing Director of Zuleika, who attended and observed the Trial stated:

"Zuleika is confident of a favourable outcome following the conclusion of the Trial and looks forward to receiving the Court's decision. In the event that the Court finds in Zuleika's favour, Zuleika intends to continue vigorously pursuing its claim against Vango and DPPL for substantial damages."

Authorised for release by the Board

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