

## ASX Announcement

30 October 2018

### QUARTERLY ACTIVITIES REPORT For the period ending 30 September 2018

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#### Highlights:

##### **Napié Project - Côte d'Ivoire**

- Maiden drilling program completed on 17 July 2018
- Diamond drilling (DD) assay results received from maiden drilling program
- Twinning of previously reported NARC017 by NADD006 extends gold mineralised zone deeper
- Two styles of gold mineralisation observed
- Significant gold intersections in DD holes on Tchaga Prospect include:
  - **1m at 215.53g/t Au** from 65m in NADD004
  - **21.5m at 0.72g/t Au** from 14m in NADD005
  - **7.5m at 1.40g/t Au** from 2m in NADD006; and
    - 1.7m at 3.01g/t Au** from 42.1m; and
    - 4.15m at 1.96g/t Au** from 46.85; and
    - 3.3m at 6.98g/t Au** from 62.3m; and
    - 8.7m at 1.31g/t Au** from 109.3m
- The extreme high-grade gold hosted in quartz in NADD004 may suggest potential higher-grade gold mineralised shoots within the broader gold-mineralised altered rock package.

##### **Niou Project – Burkina Faso**

- Regional soil sampling program assays received which outlined a 7km gold soil anomaly.
- Geological mapping of high priority targets commenced in October in preparation for drilling
- New artisanal gold mining site discovered during mapping with area of planned drilling
- Infill soil sampling program planned ahead of drilling
- 1,200m air core (AC) and 600m reverse circulation (RC) drill programs planned in Q4-2018

##### **Tangora Project - Burkina Faso**

- a JV partner is being sought to finance exploration to allow Mako to focus efforts on more advanced projects

**Mako Gold Limited** (“Mako” or “the Company”; **ASX:MKG**) is pleased to present its Quarterly Activities Report for the period ending 30 September 2018. The wet season in West Africa which is not conducive to efficient field exploration occurred during most of the quarter. After completing its maiden drilling program on the Napié Project in early July 2018, the Company’s focus during the quarter has been to evaluate the data received from its recent exploration programs on the Napié Project in Côte d’Ivoire and the Niou and Tangora Projects in Burkina Faso in preparation for upcoming exploration programs.

### Napié Project - Côte d’Ivoire

Mako Gold’s flagship Napié Project is located in north-central Côte d’Ivoire within the Daloa greenstone belt (Figure 1). Mako is earning up to a 75% interest in the Napié Project under a farm-in and joint venture agreement with Occidental Gold SARL, a subsidiary of West African gold miner Perseus Mining Limited (ASX/TSX:PRU).

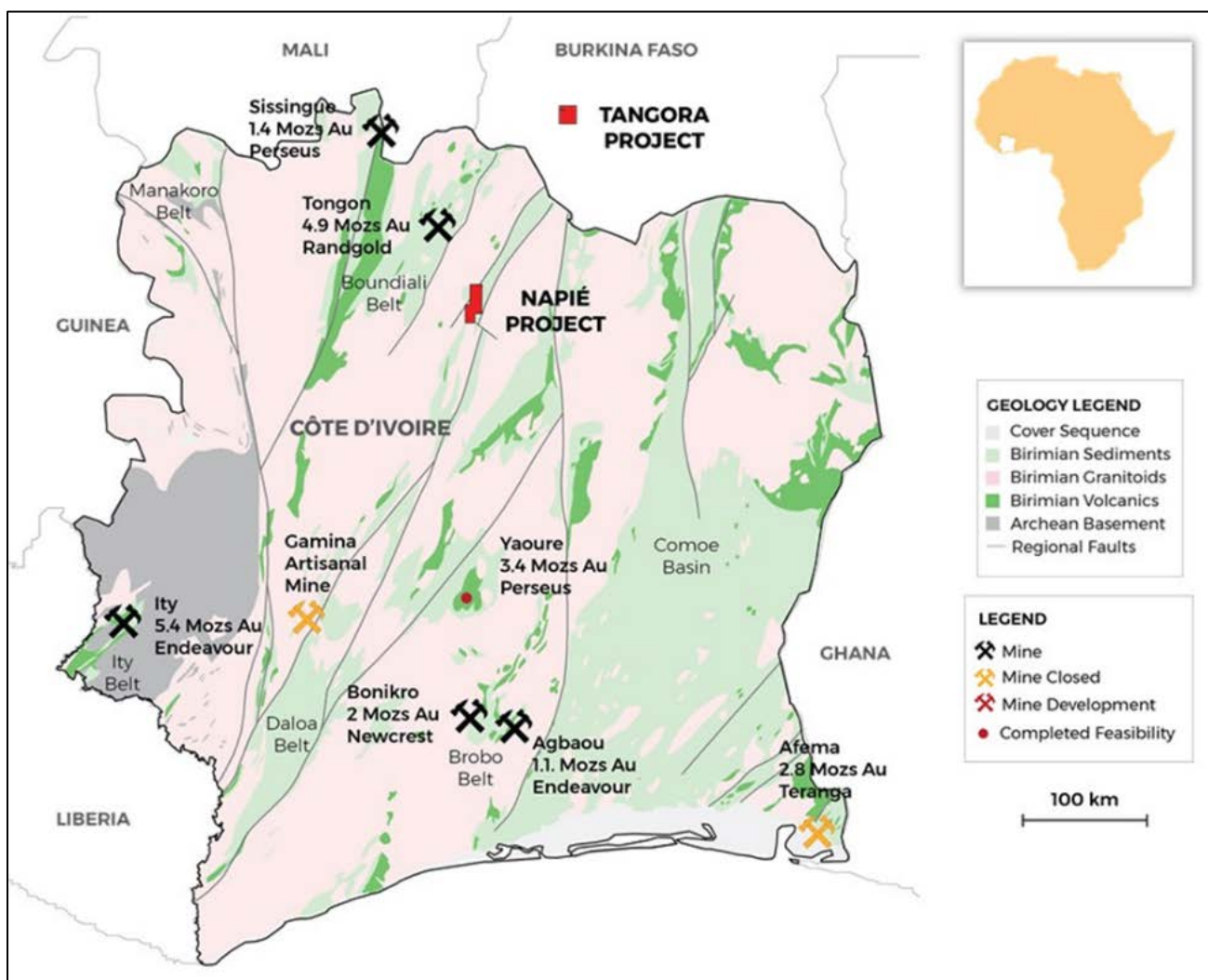
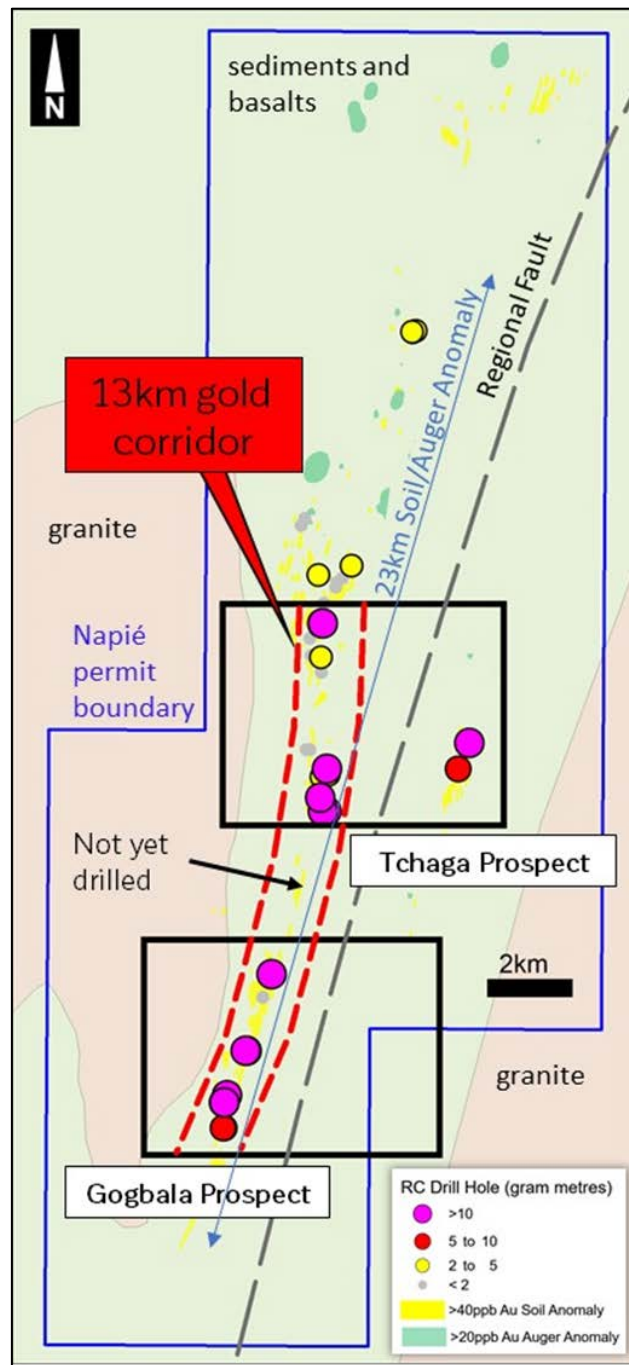


Figure 1: Napié Project location - Cote d’Ivoire

**Napié - Maiden Drilling Program Completed**

The Company completed its maiden drilling program on 17 July 2018. The program consisted of 52 RC holes for a total of 4,171m drilled and 6 DD holes for a total of 609m drilled. The maiden drilling program was designed to test high priority targets identified by Mako along a 23km soil/auger anomalies, as well as a separate 2km soil anomaly to the east.

The successful first-pass RC and DD drilling program highlighted the potential for large high-grade gold deposits on the Napié Project. Wide-spaced drilling outlined a 13km long gold corridor including the 5km Tchaga Prospect and 4km Gogbala Prospect (Figure 2). The untested portions of the soil/auger anomalies will be a target for future exploration after the priority Tchaga and Gogbala Prospects have been advanced.



**Figure 2: Napié Project with Gogbala and Tchaga Prospects**

**Napié - Assay Results Received for Diamond Drilling**

Assay results were received subsequent to the reporting period, for the six DD holes totalling 609m, which were completed on the Tchaga Prospect as part of the maiden drilling program (see ASX announcement dated 9 October 2018).

The DD holes were drilled primarily to get a better understanding of the structural controls of gold mineralisation at the Napié Project. The DD holes were strategically placed to test artisanal gold mine workings and to follow-up gold-bearing RC drill holes.

A plan view of DD holes with significant values can be found on Figure 3.

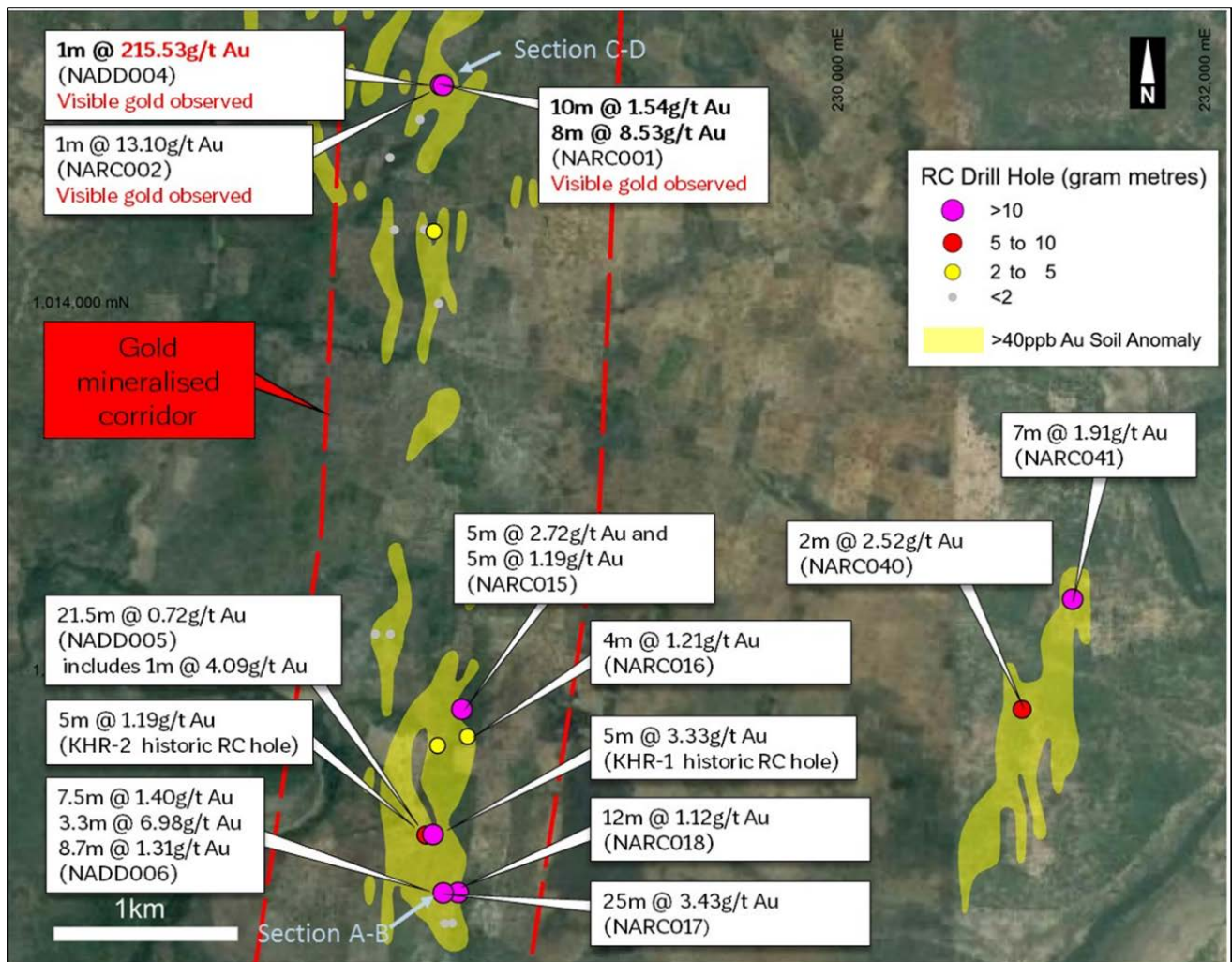


Figure 3: Napié Project – Significant DD hole intersections on Tchaga Prospect

**Napié - Two Styles of Gold Mineralisation Identified**

- Visual examination of core after the assays were received suggest two styles of mineralisation as follows:
  - Style 1: Strong silica/sericite/iron carbonate alteration with quartz stringers as shown in NADD006 in Figure 4. The alteration zone is intermittent in intensity (weak to strong) over a 76m envelope as shown in Figure 6

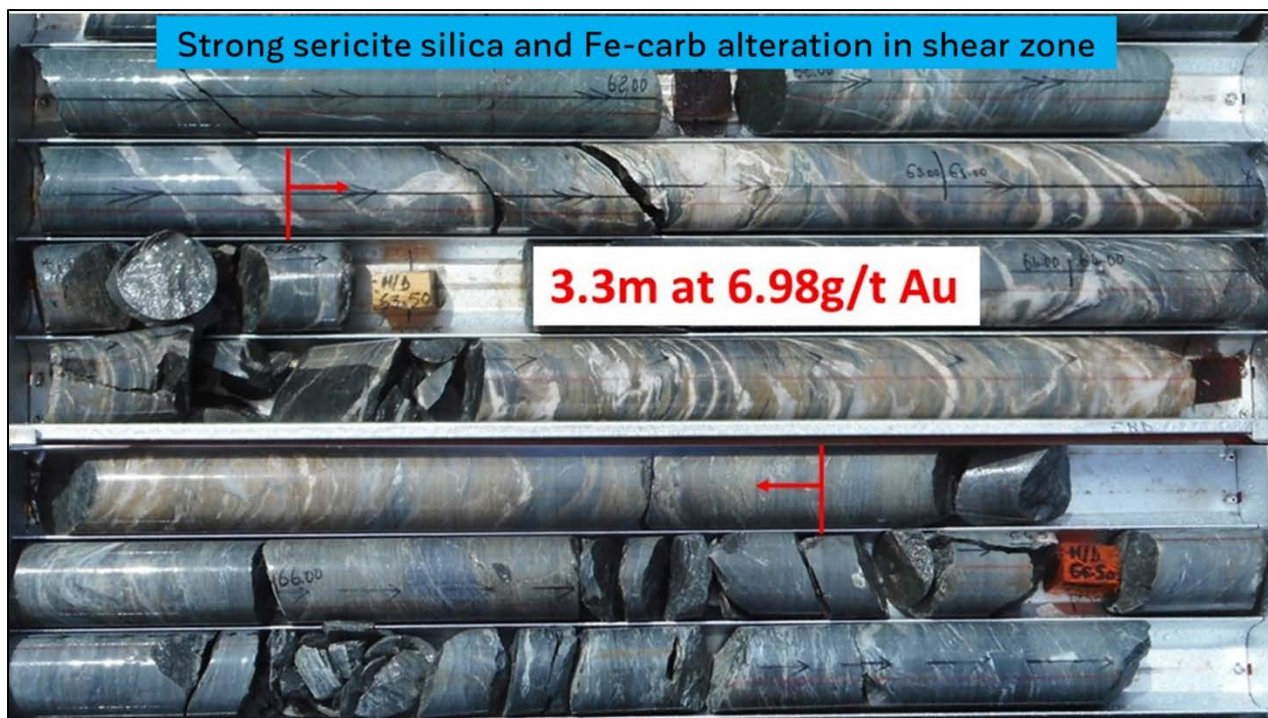


Figure 4: NADD006 - high-grade gold assays associated with silica, sericite and iron carbonate alteration

- Style 2: Strong silica alteration with quartz veins hosting high-grade gold as shown in Figure 5



Figure 5: NADD004- Silicification and quartz veining in extreme high-grade diamond drill core

**Napié - NADD006 Extends Mineralisation and Displays Significant Alteration**

NADD006 was drilled to twin NARC017 in which Mako had a previously reported assay of 25m at 3.43g/t Au (Figure 6). NARC017 had ended in mineralisation at 100m. NADD006 extended the mineralised zone slightly deeper from NARC017 including a new drill intersection of 8m of 1.31g/t Au from 109.3m.

Highlights of NADD006 include:

- **7.5m at 1.40g/t Au** from 2m;
- **1.7m at 3.01g/t Au** from 42.1m;
- **4.15m at 1.96g/t Au** from 46.85;
- **3.3m at 6.98g/t Au** from 62.3m;
- **1.15m at 2.36g/t Au** from 89.85m;
- **1.0m at 2.9g/t Au** from 105m;
- **8.7m at 1.31g/t Au** from 109.3m

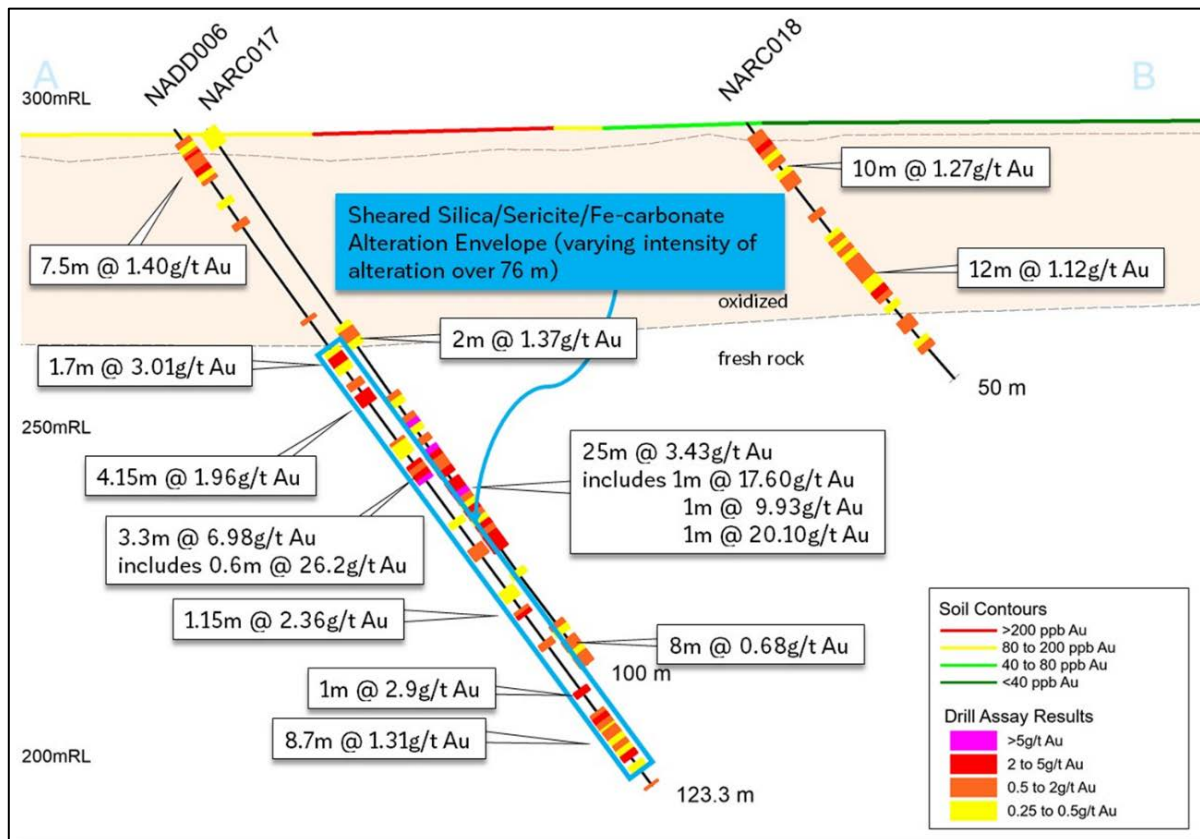


Figure 6: NADD006 Extends mineralised zone deeper

Hole NADD006 is particularly interesting as it clearly shows an association between gold mineralisation and the alteration mineral assemblages. There is a marked visual association between sheared, sericite, silica and iron carbonate altered rock, and gold mineralisation. Figure 4 is a typical example of the altered sheared core which returned high-grade gold assays. Figure 6 is indicative of the relationship between gold mineralisation and the 76m-long alteration zone, which ranges from weak to strong alteration.

#### **Napié - Intersection in NADD004 Suggests Second Gold-mineralised Zone**

NADD004 was drilled as a follow-up hole to NARC001 which had the following previously announced gold and assay results:

- **10m at 1.54g/t Au** from 10m in hole NARC001; including
  - **1m at 5.36g/t Au**; and
- **8m at 8.53g/t Au** from 31m; including
  - **2m at 30.17g/t Au** with **visible gold observed**

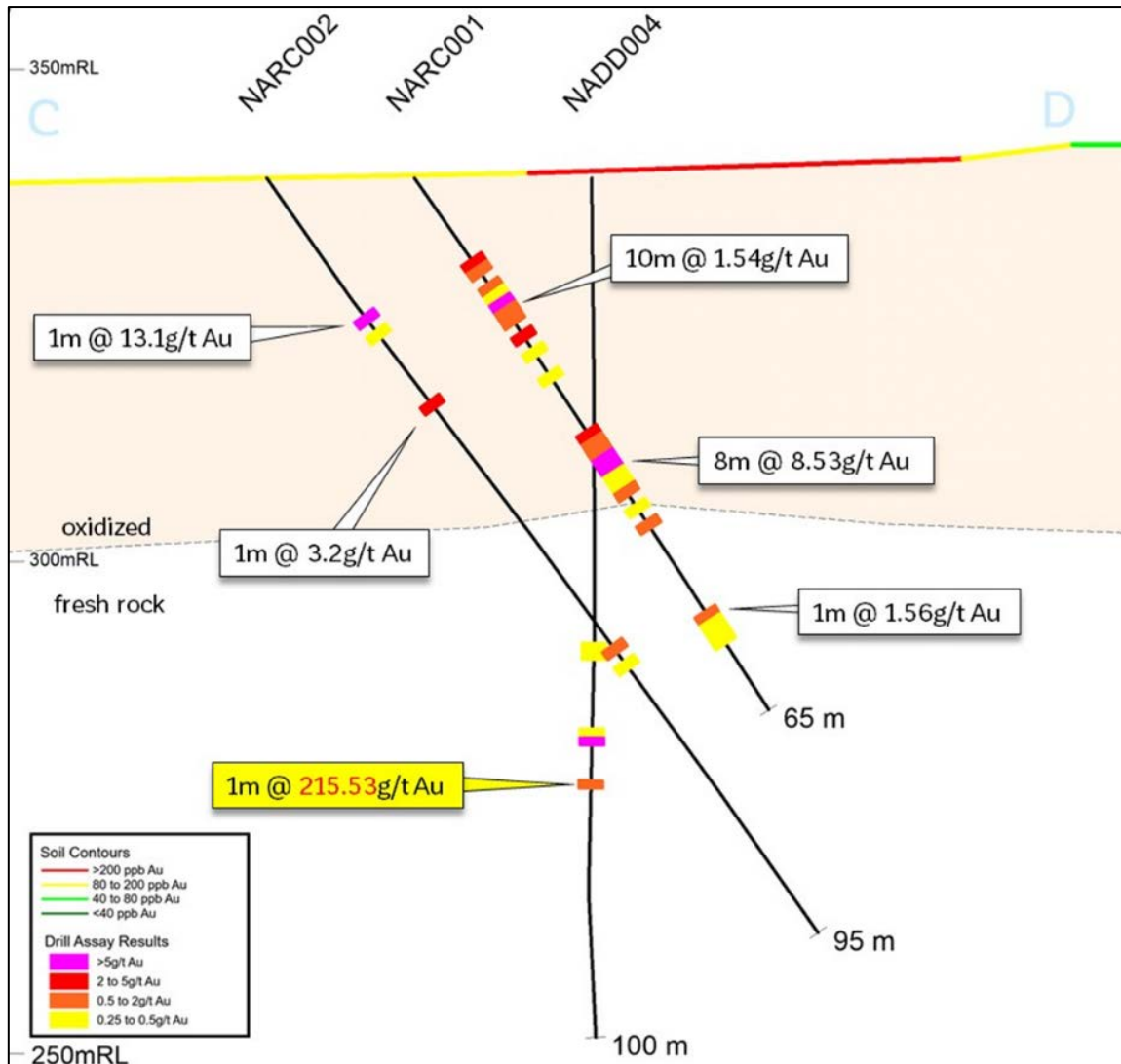


Figure 7: Cross-section looking north showing relative positions of NARC001 and NADD004

NARC001 had been drilled from west to east as shown in Figure 7. NADD004 was drilled from north to south to attempt to get a 3-dimensional interpretation at the mineralised area surrounding NARC001. NADD004 was collared 23m north and 18m to the east of NARC001. It appears that the extreme high-grade gold (**215.52 g/t Au**) encountered from 65-66m depth in NADD004 (Figure 7) may be a separate mineralised shoot deeper than the previously reported 8m at 8.53g/t Au in NARC001 within the broad mineralised zone. The area encompassing these holes will be a focus for follow-up drilling in the next phase of exploration.

### Napié - Other DD Results

NADD005 was drilled to validate the only two historic RC drill holes with historic results reported up to 5m @3.33g/t Au.

Highlights of NADD005 include:

- **21.5m at 0.72g/t Au** from 14m including;
  - **1m at 4.09g/t Au** and
- **1m at 3.38 g/t Au** from 60m

Holes NADD001 to NADD003 were designed to test outcropping metre-wide quartz veins on artisanal gold mining sites. As is common in Birimian terrains, quartz veins pinch and swell along strike and at depth. As a result, the veins were not intersected in NADD001-NADD003 and no significant values were returned for those holes.

### **Napié – Upcoming Work**

#### *Structural Geology Expert Contracted to Review DD Core*

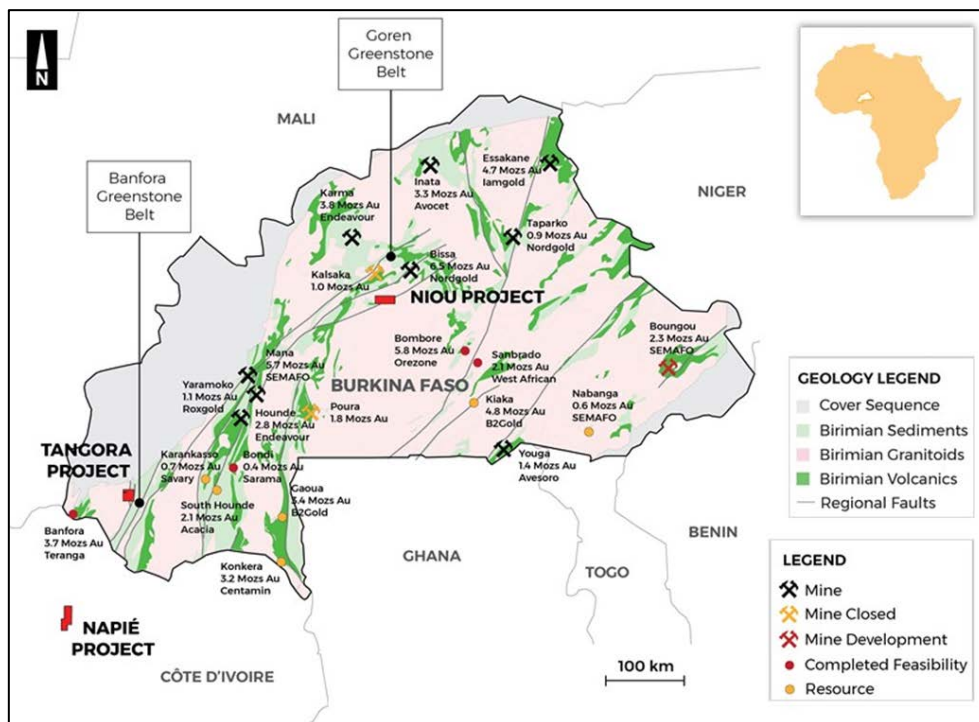
Mako has contracted a structural geology consultant to visit the Napié Project in early November with a view to better understand the structural characteristics which control the gold mineralisation. The consultant will inspect the DD core and outcrops on the property to develop a geological model to help in the selection of drill hole locations for the next phase of drilling.

#### *Induced Polarization (IP) Program Planned*

A geophysical contractor is being contracted to complete an IP geophysical survey on the Tchaga and Gogbala Prospects. Review of the assay results has demonstrated a strong correlation between sulphide content, silicification and gold assay results. Typically, low-grade gold is associated with 1% sulphides and high-grade gold is associated with up to 5% sulphides. The sulphides consist of pyrite and minor arsenopyrite. The association of the gold, sulphides and silica alteration suggest that IP would be an ideal tool for helping delineating drill targets since IP should identify sulphide zones as chargeability highs and zones of silicification as resistivity highs. The survey is scheduled to begin in early November. The areas outlined for the IP survey will be approximately 5km<sup>2</sup> which may be divided into two or more blocks.

### **Niou and Tangora Projects – Burkina Faso**

The Niou and Tangora Projects are located in central and southwestern Burkina Faso respectively (Figure 8). Both the permits are held under 3-year option agreements with local owners for the right to acquire 100% ownership by Mako Gold<sup>2</sup>.



**Figure 8: Niou and Tangora Project locations - Burkina Faso**



## Niou Project

### Niou - 7km Anomaly Outlined from Soil Sampling Program

Assay results of the recently completed soil sampling program conducted over a 52km<sup>2</sup> area of favourable geology and structure were received during the reporting period (Figure 9). The artisanal gold mining area was not sampled to avoid contamination issues from the workings. Sampling was conducted on a 200m x 200m spaced grid for a total of 1,373 samples. The soil geochemical program outlined a 7km long +20ppb gold soil anomaly within which lies the large artisanal gold mining site.

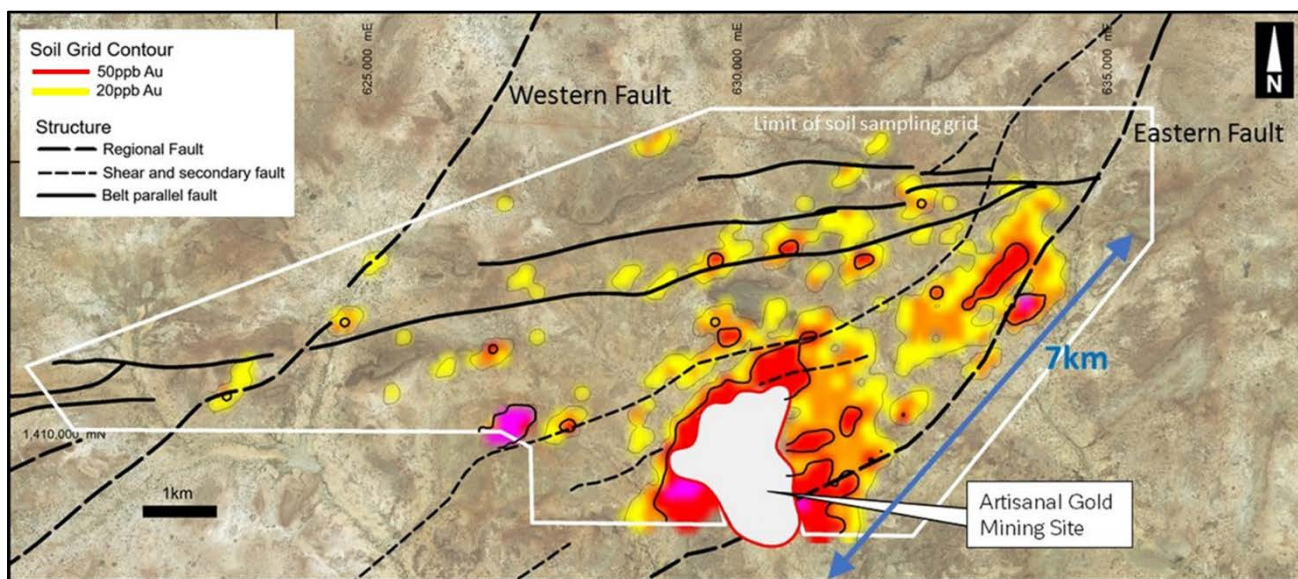


Figure 9: Niou Project – 7km soil anomaly outlined in soil geochem program

### Niou - Current and Future Work

#### *Geological Mapping of High-priority Targets Commenced*

A field crew led by Mako’s Chief Geologist is currently mapping high-priority targets identified from Mako’s regional soil sampling program. The object of the geological mapping is to identify specific drill targets within the artisanal site and to gain geological information to help in targeting drill holes on the 2.5km-long soil anomaly NE of the main artisanal site.

#### *Infill Soil Sampling Program Planned*

An infill soil geochemical survey is scheduled to commence shortly (late October) to follow up on the anomaly identified by Mako’s regional soil geochem survey (Figure 10). The previous regional soil geochem program was conducted on a 200m x 200m sample spacing grid and identified a 2.5km long x 600m wide +20ppb gold soil anomaly which includes a 1.2km long x 200m wide +50ppb gold soil anomaly. The infill geochem survey will be conducted on a 50m x 50m spaced grid. The purpose of the program is to identify specific drill targets within the survey area.

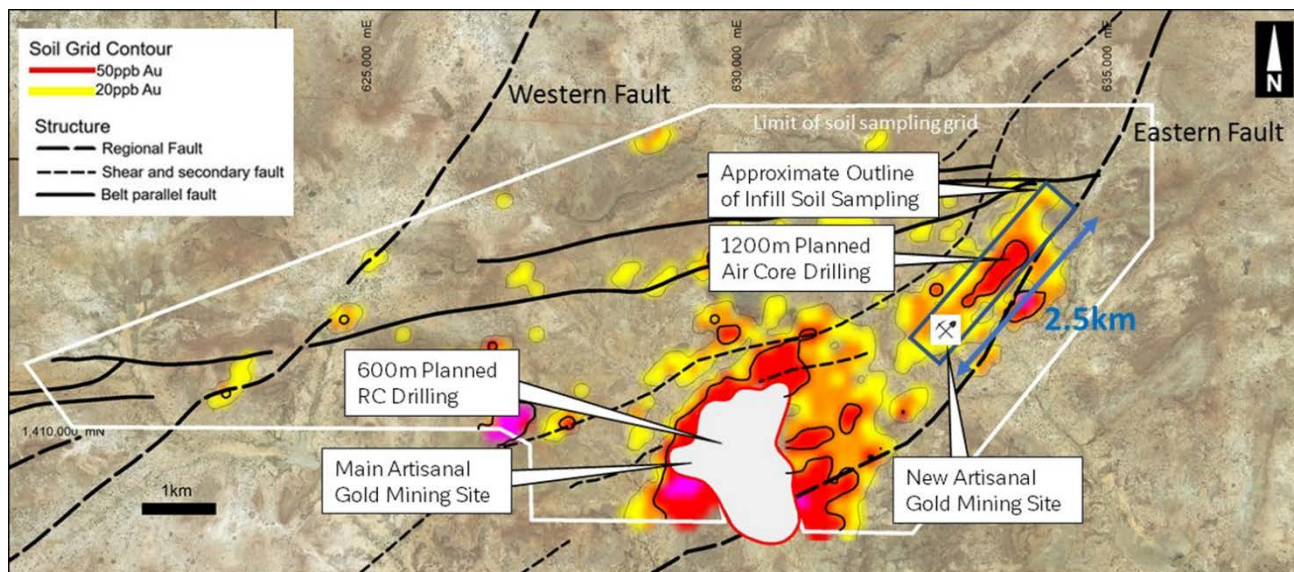


Figure 10: Niou proposed infill soil sampling, AC and RC drilling targets, and new artisanal mining site

### *New Artisanal Gold Mining Site Being Developed*

A new artisanal gold mining site is currently being developed by local artisanal miners and has been located by the mapping crew (Figure 11). The site is along strike of the NE soil trend (to the south) and lines up along that trend with the main artisanal mining site. The location of the new artisanal gold mine workings is located on Figure 10.



Figure 11: Niou - New artisanal gold mining site

### *1,200m AC and 600m RC Drill Programs Planned*

A 1,200m air core (AC) drill program is planned in Q4-2018 within the area of the infill soil geochem survey area once assay results are received. Several lines of heel to toe AC lines will be planned across the soil anomaly. Maximum drilling depth will likely be 40m.

A 600m reverse circulation (RC) drill program is planned in Q4-2018 on the main artisanal gold mining site.

## Tangora Project

### Tangora Project – Joint Venture Partner Sought

No further work has been completed on the Tangora Project during the reporting period. Since Mako is prioritising the Napié and Niou Projects for exploration, a JV partner is being sought to finance exploration on the lower priority Tangora Project.

## Corporate

- Resolute Mining Limited increased their holdings in MKG from 15.8% to 19.45% during the quarter
- 63.3m shares on issue
- 15.0 listed option on issue
- Market capitalisation of \$7.6m (at \$0.12/share)
- Cash of \$3.65 million as at 30 September 2018

The top 10 shareholders as at 24 October 2018 are:

### MAKO GOLD LIMITED

Ordinary Shares

Rank	Name	24-Oct-18	%IC
1	Resolute (Treasury) Pty Ltd	12,301,000	19.45%
2	Peter Francis Rene Ledwidge & Ann Louise Ledwidge*	7,533,433	11.91%
3	Elliott Nominees Pty Ltd*	3,266,667	5.16%
4	Ibrahim Bondo*	2,000,000	3.16%
5	David Harper	1,375,000	2.17%
6	Citicorp Nominees Pty Limited	1,280,001	2.02%
7	Mr Gregor Bruce Chalmers	1,025,000	1.62%
8	Sanperez Pty Ltd	900,000	1.42%
9	Terrance Frederick Burling	750,000	1.19%
10	Davis Family Capital Pty Ltd	650,000	1.03%
	<b>Total</b>	<b>31,081,101</b>	<b>49.14%</b>
	<b>Balance of register</b>	<b>32,168,999</b>	<b>50.86%</b>
	<b>Grand total</b>	<b>63,250,100</b>	<b>100.00%</b>

\* escrowed to 16/4/20

### Share trading in the quarter

Name	Code	Price			Volume			
		High	Low	Close	Total Volume	Daily Average Volume	Total Value	Daily Average Value
Mako Gold Limited	MKG.ASX	\$0.23	\$0.107	\$0.125	4,894,595	75,301	\$704,143	\$10,833

### Tenement Schedule

Location	Permit Name	Permit Number	Legal Holder	Ownership	Mako Agreement
Côte d'Ivoire	Napié	181 /MIM/DGMG DU	Occidental Gold SARL (1)	100%	Farm-in JV
Burkina Faso	Niou	2018-142/MMC/SG/DGCM	Nouvelle COFIBI SARL (2)	100%	Option Agreement
Burkina Faso	Tangora	2016/046/MEMC/SG/DGCM	Mr. Daouda Ouedraogo (2)	100%	Option Agreement

(1) Mako Gold Limited has a Farm-In and Joint Venture Agreement with Occidental Gold SARL. The agreement gives Mako the right to earn 51% of the Napié Permit by spending US\$1.5M on the property within three years and the right to earn 75% by sole funding the project to completion of a Feasibility Study.

(2) Mako Gold SARL, a 100%-owned Burkina Faso subsidiary of Mako Gold Limited, signed option agreements in July 2016 with the permit owners giving Mako an option to acquire a 100% interest in both the Niou and the Tangora Permits.

There were no changes in tenement interests in the quarter.

A total of \$652,000 was incurred on exploration projects in the quarter with \$394,000 on the Napié project and \$258,000 on the Niou and Tangora projects.

Additional project opportunities in West Africa were also reviewed during the quarter and will be evaluated in further detail in Q4 when Mako management returns to West Africa.

### September 2018 Quarter ASX Announcements

Further details including 2012 JORC reporting tables where applicable, which relate to results and announcements in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- Significant Gold Mineralisation at Second prospect at Napié 9 July 2018
- Further Gold Mineralisation from RC Drilling Napié 7 August 2018
- Further Gold Mineralisation from Diamond Drilling at Napié 9 October 2018

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Further information on Mako Gold can be found on our website [www.makogold.com.au](http://www.makogold.com.au)

**Competent Person's Statement**

The information in this report that relates to Exploration Results is based on information compiled by Mrs Ann Ledwidge B.Sc.(Hon.) Geol., MBA, who is a Member of The Australasian Institute of Mining and Metallurgy. Mrs Ledwidge is a full-time employee and a substantial shareholder of the Company. Mrs Ledwidge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mrs Ledwidge consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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## About Mako Gold

Mako Gold Limited (**ASX:MKG**) is an Australian based exploration company with gold projects in Côte d'Ivoire and Burkina Faso in the gold-bearing West African Birimian Greenstone Belts which hosts more than 60 +1Moz gold deposits.

The Company's focus is to explore its portfolio of highly prospective projects with the aim of making a significant high-grade gold discovery. Senior management has a proven track record of high-grade gold discoveries in West Africa.

