

21 May 2019

[Name of security holder]
[Security holder's address]

Dear Shareholder

Mako Gold Limited ACN 606 241 829 - non-renounceable rights issue - notice to security holders

Mako Gold Limited (**Mako**) is pleased to announce a non-renounceable rights issue to eligible shareholders, on the basis of 1 new fully paid ordinary shares for every 4 shares held, at an issue price of \$0.085 per share (**New Shares**), to raise approximately \$1,524,424, based on Mako's undiluted share capital (**Rights Issue**). Assuming no existing options on issue in the Company are exercised and all shares are issued under the Placement, approximately 17,934,404 fully paid ordinary shares will be offered under the Rights Issue.

The Rights Issue will be available to all registered shareholders who hold shares on Monday, 27 May 2019 (**Record Date**) with registered addresses in Australia and New Zealand (**Eligible Shareholders**).

In accordance with the Listing Rules of the ASX, Mako has considered the number of shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand and the size of the shareholdings held by those shareholders. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses in various jurisdictions outside of Australia and New Zealand, the Company has formed the view that it is unreasonable to extend the Rights Issue to those shareholders. Accordingly, shareholders outside of Australia and New Zealand will not be entitled to participate in the Rights Issue.

The purpose of the Rights Issue is to raise approximately \$1,524,424 before the costs of the Rights Issue. The funds raised from the Rights Issue will be used for the purposes of drilling, further exploration work, to cover the costs of the issue and to provide working capital.

A proposed timetable for the Rights Issue is set out in the table below:

Event	Date
Announcement of Rights Issue. Offer Document and Appendix 3B lodged with ASX	Monday, 20 May 2019 (pre-market open)
Notice of Rights Issue sent to option holders	Monday, 20 May 2019
Notice of Rights Issue sent to shareholders	Tuesday, 21 May 2019
Shares commence trading on an ex basis	Friday, 24 May 2019
Record Date for the Rights Issue (7.00pm Brisbane time)	Monday, 27 May 2019
Despatch Offer Document to shareholders and entitlement and acceptance form to shareholders and despatch announced to ASX	Thursday, 30 May 2019

Event	Date
Opening date of Rights Issue (9.00am Brisbane time)	Thursday, 30 May 2019
Closing date of Rights Issue (5.00pm Brisbane time)	Thursday, 20 June 2019 at 5.00pm (Brisbane time)
Shares commence trading on deferred settlement basis	Friday, 21 June 2019
Advise ASX of any shortfall	Tuesday, 25 June 2019
Allotment of New Shares under Rights Issue	Thursday, 27 June 2019
Despatch of holding statements for New Shares and deferred settlement trading ends	Friday, 28 June 2019
Normal trading of New Shares on ASX begins	Friday, 28 June 2019

This timetable is indicative only and may be subject to change subject to the requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**) and the ASX Listing Rules.

The Rights Issue is being made without a disclosure document, under the exemption granted in section 708AA of the Corporations Act. Mako will prepare and send an offer document to shareholders on Thursday, 30 May 2019, as set out in the timetable above. The Offer Document has not been lodged with ASIC. The Offer Document has been released to the ASX on Monday, 20 May 2019 and is available on the Company's website www.makogold.com.au and the ASX website.

Excluded information

Mako advises that as at the date of this notice there is no information:

1. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
2. that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (b) the rights and liabilities attaching to the New Shares.

Further information

The Company anticipates that, approximately 17,934,404 New Shares will be issued (this number may have to be increased by a total of 4,374,995 New Shares if all existing option holders exercise their options in accordance with the option terms and prior to the Record Date), assuming all shares are issued under the Placement. The New Shares will be issued for \$0.085 each.

Upon completion of the Rights Issue, and assuming it is fully subscribed and that existing option holders do not exercise their options, the issued capital of Mako will comprise:

- approximately 89,672,019 fully paid ordinary shares (assuming all shares are issued under the Placement);
- 14,999,983 Listed Options exercisable at \$0.30 expiring on 16 April 2021;
- 2,500,000 unlisted options exercisable at \$0.30 expiring on 26 April 2021; and
- 1,000,000 unlisted options exercisable at \$0.30 expiring on 30 April 2021.

The New Shares will rank equally in all respects with Mako's existing shares. If an eligible shareholder's entitlement results in a fraction of a New Share, the shareholder's entitlement will be rounded up to the nearest whole number. There will be no change to the dividend policy of the Company as a result of the Rights Issue.

Trading in the New Shares is expected to commence on Friday, 28 June 2019, the first business day following dispatch of the holding statements for the New Shares.

An Appendix 3B applying for quotation of the New Shares was lodged with ASX on Monday, 20 May 2019.

Mako encourages all eligible shareholders to participate in the capital raising.

Yours faithfully



Mark Elliott
Chairman
Mako Gold Limited