

Transfer of Large Scale Mining Licence

Megado Gold Limited ("the Company") (ASX: MEG) holds 80% of the shares in the Ethiopian company, Babicho Mining PLC. Babicho Mining PLC is the licensee of an exploration mining licence comprising a total land area of 131.96km² in Oromia National Regional State, Ethiopia (EL\00106\2019).

Babicho Mining PLC lodged an application with the Ministry of Mines and Petroleum (Ethiopia) in late July 2020 which was confirmed by the Ministry on 23 September 2020, to transfer ownership of its Large Scale Mining Licence for Placer Gold (MOM\LSML\112\2017) ("Large Scale Mining Licence") to Babicho Minerals PLC, an unrelated Ethiopian entity. The Large Scale Mining Licence comprises an area of 4.7416 km² within the Babicho exploration licence area of 131.96km².

The Company understands that the Ministry is assessing the transfer application and has requested further documentation from Babicho Minerals PLC. The Company expects that the transfer of this licence will take place this year.

Once the Large Scale Mining Licence transfer is complete, Babicho Mining's exploration licence area of 131.96km² will be to the exclusion of the Large Scale Mining Licence area of 4.7416 km².

For and on behalf of the Board

A handwritten signature in black ink, appearing to read "A. Bertolatti".

Aaron Bertolatti
Director and Company Secretary
Megado Gold Limited