ASX Announcement

6 MAY 2021

HIGH-GRADE GOLD IN TRENCHES AT BABICHO GOLD PROJECT

HIGHLIGHTS

- **Peak trench result: 30m @ 1.27g/t Au (inc. 11.1m @ 3.21g/t Au) from BBTR002, along strike from historical trench TR-C6 which returned 10m @ 3.5g/t Au**
- **Wide zones (up to 30m) of gold mineralisation have been consistently intersected in trenching over 1.5km along strike**
- **Quartz veining and shear zones with gold mineralisation at surface continuous and open over 2km strike length**
- **Additional 5,000m trenching program to commence in May 2021 with drilling to follow**
- **Initial drilling results expected shortly**

Ethiopian-focused gold explorer Megado Gold (ASX:MEG) (**Megado** or the **Company**) is pleased to provide results from the Company's Babicho Gold Project (Figure 1), located in the Adola Gold Belt in southern Ethiopia.

Megado Gold CEO and Managing Director, Michael Gumbley, commented:

> *"The first trench results at the Babicho Gold Project are extremely compelling for Megado. They support our thesis that the Project has the potential to host significant gold deposits. These results, coupled with those returned historically, confirm the existence of high-grade mineralisation across an impressive strike length of over 2km. This gives us the confidence to accelerate exploration at Babicho. Megado will move quickly to initiate a follow-up 5,000m trenching program followed by further drilling. We are extremely enthusiastic of progress made at Babicho and eager to expand activities there in 2021."*

Results from Megado's recent trenching program at Babicho have returned encouraging instances of gold mineralisation peaking **at 30m @ 1.27g/t Au** including a higher grade interval of **11.1m @ 3.21g/t Au from trench BBTR002** (Figure 2; Table 1). Hole BBDD001, completed after the trench was dug, included a strong visually mineralised interval of a highly silicified schist hosting quartz veins with pyrite (3%) and chalcopyrite

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(<1%), which indicate a zone of mineralisation dipping moderately to the east and apparently plunging to the north. Results from BBDD001 and the other drillholes completed at Babicho are expected shortly.

Importantly for the Company, wide zones of quartz veining upwards of 10-20m have been consistently intersected along a strike of 1.5km in trenches and the drillholes.

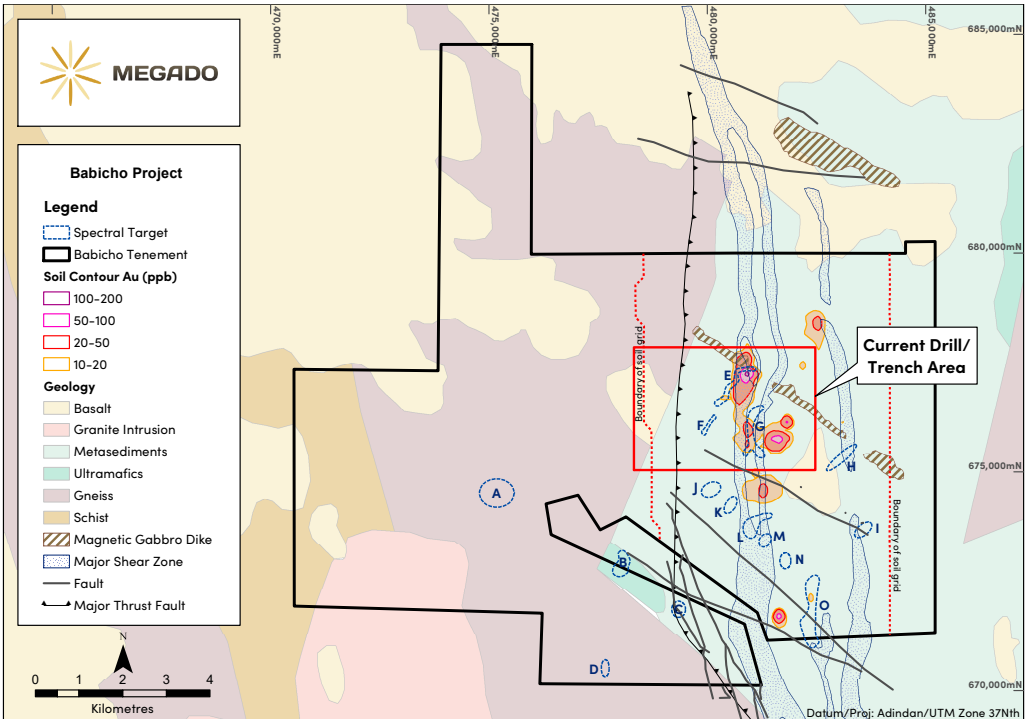

Figure 1- Babicho Gold Project Overview. Silingo Shear in centre (coincident with soil anomaly), Biloya Shear to east – both part of the tenement scale Babicho Shear Zone, of which is part of the belt-wide Lega Dembi-Sakaro shear zone.

Maiden Trench Program at the Babicho Gold Project

As the Company announced on 5 November 2020, historical soil sampling at Babicho delineated a coherent and highly significant 2km long gold-in-soil anomaly. This anomaly coincides with the major N-S trending shear zone that hosts the Lega Dembi and Sakaro gold deposits (>3.0Moz). Historical work included four trenches and four shallow drill holes with results headlined by **10m @ 3.5g/t Au and 1m @ 35.3g/t Au** (from trenches TR-C6 and TR-C5 respectively).

Megado's preliminary fieldwork on the soil anomaly confirmed Babicho's potential to host significant gold mineralisation. To test the theory, the team devised an initial ten trench program of some 989m dug over a 2km span (Figures 3, 4, & 5). The program's goal centred on testing the western margin of the Silingo Shear Zone. The trenching results suggest highly encouraging and broad gold mineralisation (Figure 2; Table 1; Appendices 1 & 2).

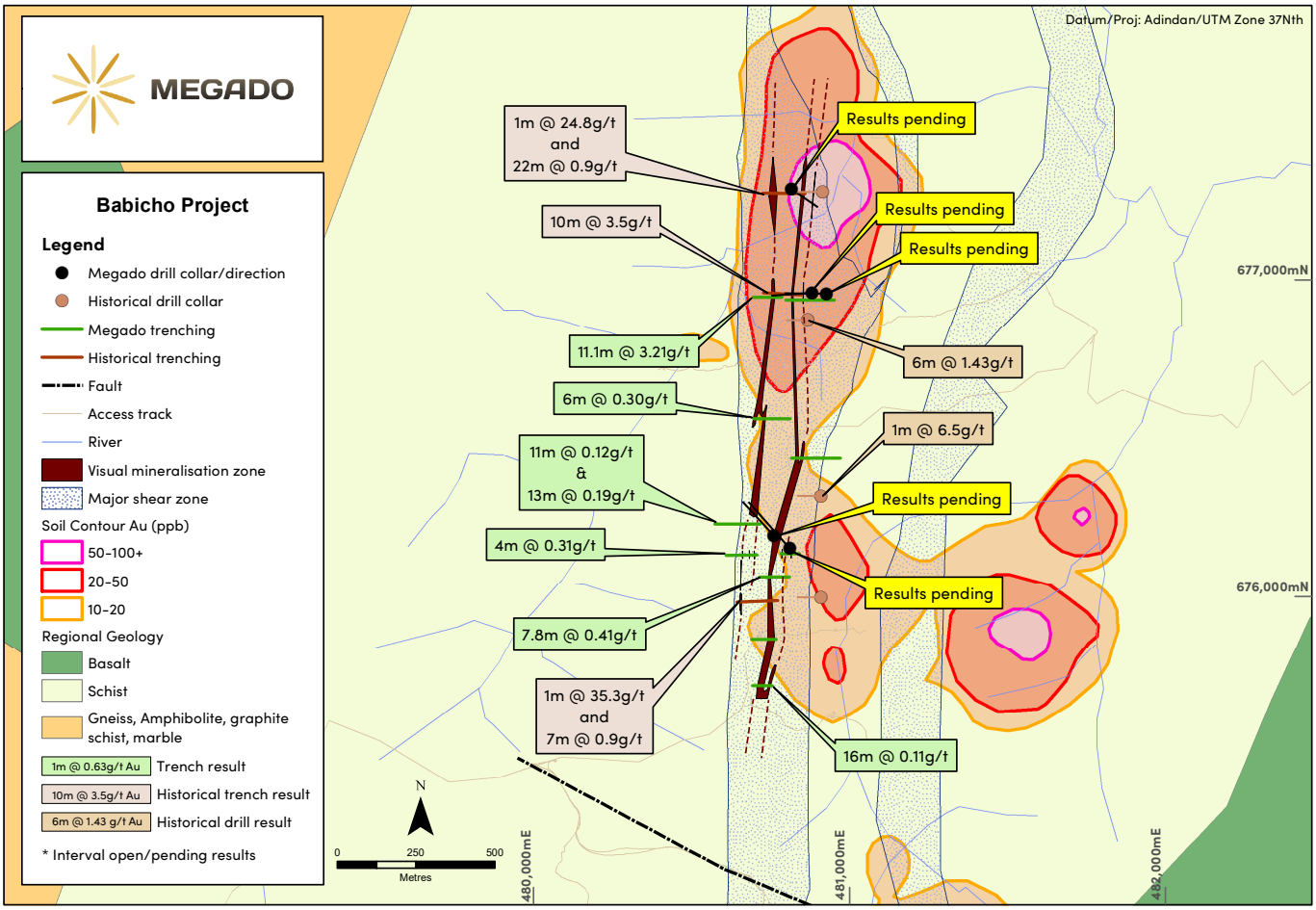

Figure 2 - Results from trenching (recent and historical) and drilling (historical) at the Babicho Gold Project

Table 1 - Significant Intercepts from initial trenching program at Babicho Gold Project

Trench ID	From (m)	To (m)	Width (m)	Au (g/t)
BBTR002	44	74	**30**	**1.27**
inc.	*59*	*70.1*	***11.1***	***3.21***
BBTR005	89	93	4	0.31
BBTR006	93	104	11	0.12
and ^	130	143	13	0.19
BBTR007	23.2	31	**7.8**	**0.41**
BBTR009	46	62	16	0.11
BBTR010	2	8	6	0.3
and	37	38	1	2.09

^ BBTR006: 143m end of trench, intercept ends in mineralisation – 1m @ 0.61g/t Au

All reported widths are downhole/along trench and are not necessarily indicative of true widths.

Figure 3 – Megado's team working the first trench at the Babicho Gold Project

Megado has completed an initial drilling program at Babicho; assay results are still pending. Megado is highly encouraged by highly silicified schist hosting quartz veins with pyrite (3%) and chalcopyrite (<1%) intersected in drilling, particularly in hole 1 (BBDD001) underneath trench BBTR002 (11.1m @ 3.21g/t Au). Once final drill results are available and have been reviewed, Megado will update the market.

Planned Follow-up Activities

As noted in the 5 November 2020 announcement, Megado intends to fully test Babicho's high-order soil anomaly along its length and into previously unexplored areas. These first results justify this approach in identifying the characteristics of this highly prospective structure, as well as providing targets for future drilling programs throughout CY2021 and beyond.

The immediate focus for Babicho is to follow-up these encouraging results with a more extensive trenching and subsequent drilling program. Megado intends to commence a 10 trench, 5,000m program in May 2021. Specific focus will be applied to the areas directly north and south of BBTR001 in order to clarify the extent of the mineralisation in this zone.

Furthermore, numerous targets remain untested. The first phase trenching focused on the western margin of the Silingo Shear Zone. Future programs in and around the Silingo Shear Zone will target the soil anomalies to the south and southeast and its eastern margin, as well as all of the Biloya Shear – both constitute the Babicho Shear, which itself is part of the broader Lega Dembi-Sakaro Shear Zone within the

Adola Gold Belt. The expectation is that the second phase trenching program will continue to provide credence to the Company's thesis that the mineralisation evidenced at Babicho has the potential to host gold deposits of significant scale.

Trenching will also be followed shortly thereafter with a second drilling campaign intended to delineate mineralisation extents. This drilling will likely commence in Q2 CY 2021.

Figure 4 – Megado's team during initial trenching phase

Figure 5 – Trenching at Babicho

Related ASX Announcements

20201217	Quartz Veining with Visible Sulphides Intersected at Babicho
20201201	Maiden Drilling Program Underway at Babicho Gold Project
20201105	Surface Sampling at Babicho Highlights Anomalous Gold Trend

-ENDS-

Authorised for release by: Michael Gumbley, MD and CEO.

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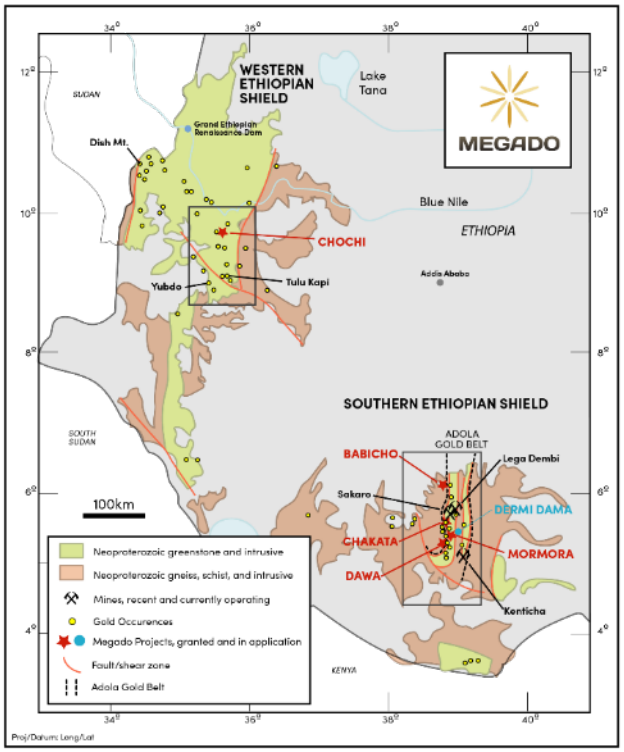
About Megado Gold

Megado Gold Ltd is an ASX listed company with five high-quality gold exploration assets covering 511km^2 and one licence application covering 227km^2 in southern and western Ethiopia with the geological potential to host gold deposits of significant scale.



Ethiopia contains a world-class greenstone geological terrane and hosts part of the prolific Arabian-Nubian Shield (ANS). The Megado Belt in southern Ethiopia is hosted within the broader Adola Belt, a granite-greenstone terrane that is part of the ANS, and is characterised by a dominant N-S trending suite of metamorphosed rocks hosting significant occurrences of gold mineralisation, including Ethiopia's only modern gold mines, Lega Dembi and Sakaro (+3.0Moz Au).

Megado has premium land position immediately along strike to the north and south of the Lega Dembi and Sakaro deposits covering the same fertile greenstone host rocks and structural setting, in addition to an asset located proximal to Ethiopia's next gold mine, the +1.5Moz Tulu Kapi deposit (AIM-listed KEFI Minerals).

Megado has assembled a strong technical team with specific Ethiopian and gold exploration experience, led by Dr Chris Bowden, Executive Director, who has spent 5 years living in Ethiopia as General Manager for ASCOM Precious Metals Mining, where he was responsible for the discovery and subsequent drill out of the initial 1.5Moz Dish Mountain Gold deposit in western Ethiopia, a virgin greenfields discovery.

Minimal modern exploration has been conducted in Ethiopia, in comparison to similar greenstone belts in West Africa, Canada and Western Australia where modern techniques have successfully delineated numerous gold deposits.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this

forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Competent Person Statement

Information in this "ASX Announcement" relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves has been compiled by Dr Chris Bowden who is a Fellow and Chartered Professional of the Australian Institute of Mining and Metallurgy and is an Executive Director of Megado Gold Ltd.

He has sufficient experience that is relevant to the types of deposits being explored for and qualifies as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012 Edition). Dr Bowden has consented to the release of the announcement.

APPENDIX 1: DRILL AND TRENCH COLLARS

Trenching:

HoleID	Easting_GPS	Northing_GPS	RL_GPS	Depth	Azim_Grid	Dip
BBTR001	480798	676938	2173	154	090	0
BBTR002	480694	676948	2165	91	090	0
BBTR003	480815	676440	2224	156	090	0
BBTR004	480783	676137	2175	57	090	0
BBTR005	480608	676132	2211	101	090	0
BBTR006	480573	676231	2204	143	090	0
BBTR007	480714	676063	2100	95	090	0
BBTR008	480689	675866	2206	77	090	0
BBTR009	480689	675721	2210	63	090	0
BBTR010	480696	676564	2214	116	090	0

Drilling:

HoleID	Easting_GPS	Northing_GPS	RL_GPS	Depth	Azim_Mag	Dip
BBDD001	480880	676962	2191	203.9	272	-55
BBDD002	480926	676959	2191	243.5	272	-60
BBDD003	480760	676194	2185	273.7	322	-60
BBDD004	480810	676154	2177	348.3	322	-60
BBDD005	480815	677289	2107	174	122	-55

APPENDIX 2: JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	The nature of the samples in the body of this ASX Release relate to trench samples from the Babicho Project, Ethiopia, within tenements held by Megado Gold Ltd. Trench sampling was undertaken along excavated trenches dug perpendicular to the inferred strike of the structures, and sampled. Trenches were hand cleaned, mapped, and sample intervals were marked. A 10 cm channel was cut in the floor of the trench with a hammer and chisel to collect a continuous sample over the sample intervals. Drill core sampling was predominantly from HQ half core, otherwise from PQ half core. Samples were collected from the core trays after they had been transported to the camp at Adola, marked up, recovery recorded, and core cut in half by a diamond saw. Sample intervals and sites were chosen selectively to reflect geological features relevant to the target style of mineralisation.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Measures taken to ensure sample representivity include controls on sample quality and sample location, including for drilling, collar position; downhole survey; and, downhole depths. These are validated by GPS, compass; wireline DH survey tools; and, regular counting of drill rods downhole to verify reported core block depths. Core quality is checked by the geologist to ensure removal from core tube to core tray is done correctly, that drill core has not been re-drilled, and other checks, including core recovery measurements, to ensure drill core is representative of in-situ material drilled. Sample intervals are reviewed and selectively cut lengthwise (downhole) to represent an equal half of visually identified mineralisation. Otherwise, the core is cut near and along the downhole orientation line, and systematically sample the right-hand side (looking downhole), preserving the downhole orientation line on the left-hand side of core. Coarse and pulp duplicate samples are taken, as well as blanks and CRM samples inserted into analysis batches, to test for accuracy and precision in sample representivity.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Drill core assay results are still pending.
	In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to	All samples discussed in this ASX Release are derived from 'industry standard': trenching, wireline diamond core drilling (HQ or PQ diameter drill core), sampling methods,

Criteria	JORC Code explanation	Commentary
	produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.	laboratory preparation and element analysis, QAQC, and data review. Core samples were cut in half lengthwise (downhole) with a core saw. Sample downhole intervals lengths ranged from 0.5m to 2.15m. Individual sample weights were in the range of 2kg maximum, to 3.5kg minimum, and an average of 3kg. A suite of QAQC samples were used to test for accuracy, precision, and contamination. All samples were prepared by ALS and analysed by ALS laboratories for gold and a multi-element suite (including silver and base metals). QAQC and laboratory processes are discussed in further detail below.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Drilling was done by local contractor Orezone, utilising a customized track-mounted and purpose-built wireline diamond core drill rig. Drill holes were drilled from surface as angle holes (ranging from -55deg to -60deg) using HQ/PQ diameter diamond core drill string. Drilling fluids were used to maximise cutting penetration, improve water circulation Drill core was oriented by downhole wireline ezimarker method every drill run (typically 3m), back-checked for consistency between orientation marks across multiple runs. The drilling contractor (Orezone) conducted downhole wireline survey of the drill holes every 20m by a Reflex Ezitrac precision instrument. The drilling program was supervised by experienced Megado Gold personnel.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Drill core recovery was calculated per run by measuring core length recovered against drill depth as reported on core blocks. Drilling depths were cross-checked by visually verifying the length and number of drill rods downhole, for example during bit changes and rods pulled out. Analysis of the measured core recovery data show recoveries for the drilling program averaged 95%.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The ground conditions encountered to date have return high degrees of sample returns with good RQD. Half-core samples were double bagged (plastic inner with ticket book tag, calico outer), with both sample bags labeled with sample number, weighed and recorded in a hard-copy sample register and digital database.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Drill sample assay results are still pending. Once received, a plot of sample recovery to gold grade will be done to determine if there is an observable relationship, and therefore potential sample bias.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Trenches were geologically logged using the company's predefined logging codes for lithological, mineralogical, and physical characteristics. Drill core samples initially require mark-up of core boxes and RQD logging, structural logging, and core photography done. Drill core samples have been geologically logged. Cross section interpretations as well as geological logs were done to a level suitable to inform the selective sampling of this early-stage exploration drilling. No Mineral Resource estimation, mining studies or metallurgical studies have been conducted at this stage.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Geological logging was qualitative in nature. RQD and structural logging were quantitative in nature. Core tray photography has been done on all intervals of core, using a Canon DSLR camera, typically at 4Mb/each resolution.
	The total length and percentage of the relevant intersections logged.	All trenches and drillholes have been logged, representing the total length for 100%.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Drill core samples from PQ and HQ core were cut lengthwise (downhole) using a industry standard core saw and blades by trained personnel following cut line marked by the geologist.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Trench sample intervals were marked by the geologist mapping the trenches with spray paint. Aluminum tags marking the sample number were placed to allow for any future follow up. All material from the channel for the sample interval was collected into a sample bag that was uniquely numbered.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	All trench and drill core samples were sent to ALS laboratory in Addis Ababa, Ethiopia for sample preparation, and then ALS Perth for chemical analysis. ALS is an ISO/IEC 17025:2005 certified laboratory.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	An increased crush and grind preparation (higher % pass rate, increased split volume of material) has been adopted to minimize potential nugget affect of gold, and thus maximise representivity of samples. The crushing preparation code was CRU-31 (Prep 31Y) (Crush to 70% less than 2mm, riffle split off 1kg, pulverize split to better than 85% passing 75 microns. The pulverizing code used was PUL-31 (Prep 31) (Crush to 70% less than 2mm, riffle split off 1kg, pulverize split to better than 85% passing 75 microns Coarse and pulp rejects are retained for each sample. An early analysis of the reject tails and size pass rates for both the crush and grind circuits indicate that the coarse and

Criteria	JORC Code explanation	Commentary
		pulp split samples are considered representative of the primary sample.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	An early analysis of course and pulp duplicate results suggest they are within acceptable variance thresholds (nominally 10%) and thus the sub-sampling techniques and sample preparation are considered representative and appropriate.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample size is considered appropriate for the target style of mineralisation, the requirements for laboratory sample preparation and analyses, and consideration reporting is for early-stage Exploration Results.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Pulp samples (250gm) prepared in ALS Ethiopia are sent through registered airfreight (e.g., DHL) to ALS laboratory in Perth for Au and multielement analysis. ALS is an ISO/IEC 17025:2005 and ISO9001:2015 certified laboratory. The analyses code was Au-AA25-Fire Assay with ME-MS61 (multi-acid digestion with ICP-MS finish). The nature of the laboratory assay sampling techniques are considered 'industry standard' and appropriate.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable - no data from geophysical tools were used to determine analytical results in this ASX Release.
	Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	QA/QC procedures implemented include: one coarse duplicate, one laboratory-prepared pulp duplicate, one Certified Reference Material (CRM) standard, and one blank for every 16 regular samples, making a batch of 20. Sample dispatched were done aggregating these 20 sample batches up to 60 samples. 60 samples are run in the same fire assay, thus 3 lots of each QAQC samples were exposed in every fire assay run of 60 samples. Given the nature of the rock sampling, internal lab standards were considered appropriate for reconnaissance rock samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Once assay data is received, it is verified by the database manager responsible for importing laboratory results into the database. Logging data and core sample intervals have been compiled by the senior geologists directly involved in the drilling program, under guidance of the Exploration Manager.
	The use of twinned holes.	No twinned holes have been completed as part of this ASX Release, as the program is at an early stage.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data is recorded preferentially into proprietary data capture software or otherwise into digital spreadsheets or hand-written documents. All original hardcopy logs and sample reference sheets are kept for reference. Digital data

Criteria	JORC Code explanation	Commentary
		entry is validated through the application of database validation rules and is also visually verified by the responsible geologist through GIS and other software. Any failures are sent back to the responsible geologist for correction and re-submission. Data is stored in an SQL database managed through proprietary software. The database is backed up as part of the Company server backup protocol.
	Discuss any adjustment to assay data.	Assay data is imported into the Company database from original lab files via automated queries, thus minimising error in tagging samples with results. No adjustments are made to the assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Preliminary collar XYZ locations are determined with a hand held Garmin GPS, using an averaging waypoint method (3 minutes) producing levels of accuracy +/- 3m. At the end of a drilling campaign (or as required), collar XYZ locations are subsequently picked up by local surveyors using GPS units to sub cm-scale XYZ accuracy. Both location datasets are preserved in the database. The drilling contractor (Orezone) conducted downhole surveys every 20m (producing dip and azimuth data) using a Reflex Ezitrac Orientation precision instrumentation.
	Specification of the grid system used.	The grid system used is Universal Transverse Mercator (Adindan), Zone 37 Northern Hemisphere.
	Quality and adequacy of topographic control.	Topographic control to date has used GPS data, which is adequate considering the small relief (100m) in the area
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Trench spacing is variable, with closer spacing on zones where surface sampling has given encouraging results (30-40m along strike) and some scout trenches testing conceptual targets hundreds of meters from the mapped veins. Drill holes have been completed up to 220m apart (see plan map in main body of this release). Drill core sample intervals within each drillhole range from 0.5m to 1.0m, selectively sampled to end of hole depths. Drill collars vary within each pad in azimuth and dip targeting down dip mineralisation of surface mineralisation. Sampling intervals were based on geological boundary and alteration/veining where possible.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	No Mineral Resource or Ore Reserve have been estimated in this ASX Release.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Orientation of sampling is deemed to be appropriate to maximise boundaries and structural trends. The sampling undertaken targeted all rock types present. Structural recordings have been integrated into the conceptual mode and database.

Criteria	JORC Code explanation	Commentary
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Trench and drilling orientation is at a high enough angle to lithological boundaries and structural trends to indicate the sampling is minimised and unbiased by the direction of trenching/drilling.
Sample security	*The measures taken to ensure sample security.*	From the point of sample generation to laboratory, samples (and reject returns) are under the full security and Chain of Custody of the Company. This is done by the following procedures: Trench samples and drill core produced at the rig is inspected regularly (multiple times daily) and collected by the Company at end of dayshift. Core and samples are securely locked overnight in an on-site secure facility. Post on-site logging and processing, core is transported to the Company's long-term core storage facility under the direct supervision of a Company representative. Core is securely locked at the long-term storage. Core is further processed for sampling by Company representatives under guidance of the Exploration Manager. Bagged samples are secured by tags and delivered by a Company representative to a courier service to deliver to the sample preparation laboratory. The preparation laboratory sends pulp samples directly to the assay laboratory for analysis via door-to-door courier service. All rejects are returned under courier service and stored in the Company's secure lock-up long-term core storage facility.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of sampling techniques and data have been undertaken at this time.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Information regarding tenure is included in the company's September 2020 quarterly activities report released to the ASX on 20 October 2020.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	The Concessions are believed to be in good standing with the governing authority and there is no known impediment to operating in the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Limited and historical exploration works have been done on the area, which included regional soil geochemistry, ground geophysics, geological mapping and few rockchip sampling by Canyon Resources (1995-99). Further detailed mapping, rock chip sampling and trenching, followed by 4 known diamond drillholes by Canyon/JCI (1999).
Geology	*Deposit type, geological setting and style of mineralisation.*	The target area is underlain by rocks of metavolcanic sediments that include quartzite, graphitic quartzite, metavolcanics, chlorite schist, amphibolites, amphibole-

Criteria	JORC Code explanation	Commentary
		biotite schist, and metagranodiorite. The rock units generally strike north-south dipping subvertical towards west. The quartz veins occur as fracture filling in quartzite/graphitic quartzite and metagranodiorite, and concordant to the foliation in others. Gold mineralisation is interpreted to be hosted within orogenic and mesothermal quartz veins/stockworks and their selvedges.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	A summary of exploration results and associated grades is shown in Table 1 of this release.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	This information has not been excluded from this release.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.*	Weighted average sample assay intercepts are calculated from individual sample interval downhole widths and related assay results. The weighted average intercepts are calculated by multiplying the assay of each drill sample by the length of each sample, adding those products and dividing the product sum by the entire downhole length of the mineralised interval.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	Low grade internal dilution allowance is 2m at 0g/t Au.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values have been reported in this ASX Release.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	The results reported in this announcement are considered to be of an early stage in the exploration of the project.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Mineralisation geometry is not accurately known as the exact orientation and extend of the known mineralised are not yet determined.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	All drillhole depths and sample intervals are reported as downhole measurements, as also noted in the body of this ASX Release. More drilling and analysis of structural data is required to more accurately determine true widths of mineralisation from downhole widths.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These*	Appropriate maps, sections, and tables have been included in this ASX Release.

Criteria	JORC Code explanation	Commentary
	should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Not all sample assay data has been included in this report as it is not considered material beyond the representatively reported high and low grade results presented in the main body of this ASX Release. Visual Estimates: visual estimates of sulphide abundance in this release are based on field geologists observations and estimates. Visual estimates should never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principle economic interest; nor do visual estimates provide information regarding impurities or deleterious physical properties. More substantive and reliable data in the form of laboratory analyses will be available once final sample analysis has been completed.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	To the best of our knowledge, no meaningful and material exploration data have been omitted from this ASX Release.
Further work	*The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Megado Gold is reviewing the data to determine the best way to advance the projects and will notify such plans once confirmed.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to figure 2 in the main body of this ASX Release that shows where drilling (and other works) have been conducted, and highlight possible extensions and where future drilling campaigns may focus.