

QUARTERLY ACTIVITIES REPORT

For the period ending 31 March 2020

HIGHLIGHTS

- Diamond drilling intersected several high-grade zones including **7.7m at 11.65g/t Au** on the Tchaga Prospect, Napié Project, Côte d’Ivoire
- Down-dip continuity of gold mineralised zone confirmed
- Gold mineralisation extended from 120m to 185m vertical metres - open at depth and along strike
- Mako utilised its drill-for-equity facility with Geodrill to fund 50% of drilling contractor costs
- Measures implemented to conserve cash during COVID 19 crisis
- Binding Term Sheet for Sale of Niou Project in Burkina Faso to Nordgold for US\$700,000 signed subsequent to reporting period

Mako Gold Limited (“Mako” or “the Company”; ASX:MKG) is pleased to present its Quarterly Activities Report for the period ending 31 March 2020. Activities are reported for exploration on its flagship Napié Project in Côte d’Ivoire.

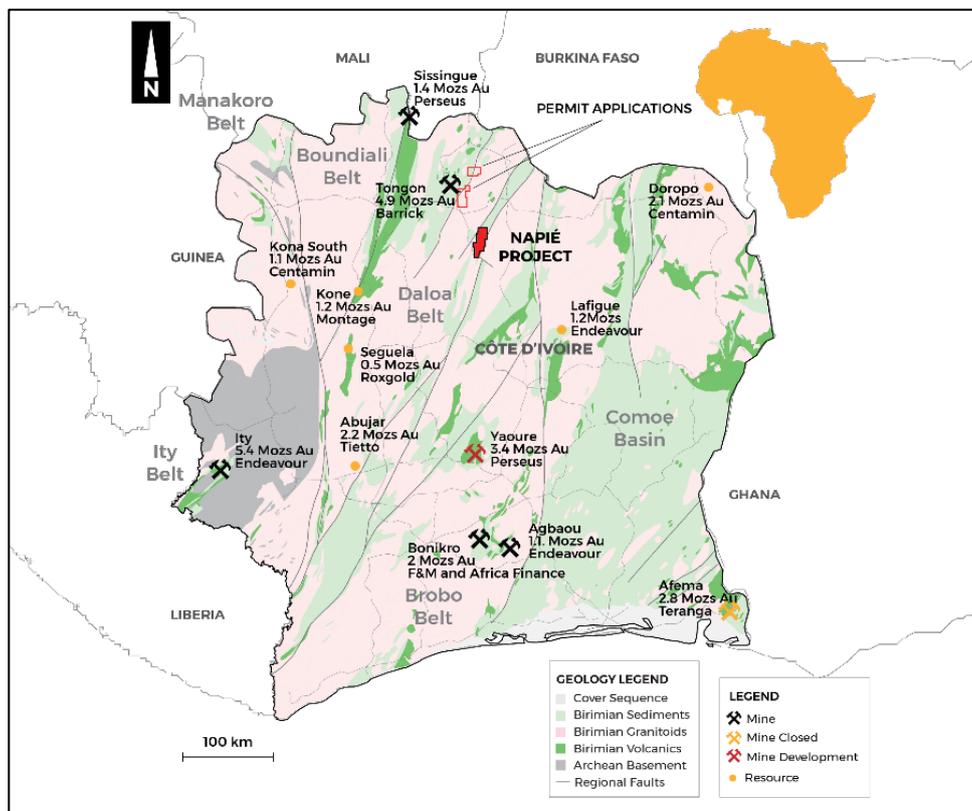


Figure 1: Napié Project and Mako permit applications - Côte d’Ivoire

QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

High-grade gold results received in diamond drilling - Tchaga Prospect

During the reporting period assay results were received for the four-hole, 412m diamond drilling (DD) program on the Tchaga Prospect (**Figure 2**).

Assay results returned multiple high-grade gold intercepts, including **7.7m at 11.65g/t Au**, including **1m at 47.3g/t Au** (NARC058DD) within a broad mineralised zone, and **2.3m at 16.04g/t Au** (NADD008).

Significant drill intersections on the Tchaga Prospects intersected during the Q1-20 DD program include:

NARC058DD

- **1.8m at 3.86g/t Au** from 162.2m
- **7.7m at 11.65g/t Au** from 169m; including
 - **3.55m at 23.06g/t Au** from 171.7m; including
 - **1m at 47.3g/t Au** from 172m
- **8.1m at 2.02g/t Au** from 199.9m; including
 - **2.1m at 4.54g/t Au** from 199.9m

NADD008

- **2.3m at 16.04g/t Au** from 64.7m; including
 - **1m at 28.06g/t Au** from 64.7m

NARC056DD

- **6m at 1.85g/t Au** from 174m; including
 - **1m at 8.19g/t Au** from 177.9m

Current and previous drill results have confirmed the presence of multiple gold mineralised zones along a strike length of 1.4km (Figure 2). Gold mineralisation projected to surface (interpreted from drilling and induced polarity [IP] survey) is shown in pink bands on Figure 2.

Gold mineralisation had been tested to 120m vertical depth by the Company's previous drill programs. The Q1-20 DD program **confirmed gold mineralisation down to 185m**, highlighted high-grade gold at depth and extended the continuity of down-dip gold mineralisation. A cross section showing the consistent gold mineralisation down dip is shown in Figure 3.

Gold mineralisation remains open at depth, along strike and to the west.

The incorporation of structural information from the oriented core from the DD program has enhanced the company's understanding of gold mineralisation and will allow for better targeting of RC drill holes, thereby making better use of shareholder funds.

The Company intends to follow up the positive DD results with an RC drilling program after the COVID 19 travel restrictions are relaxed in Côte d'Ivoire.

QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

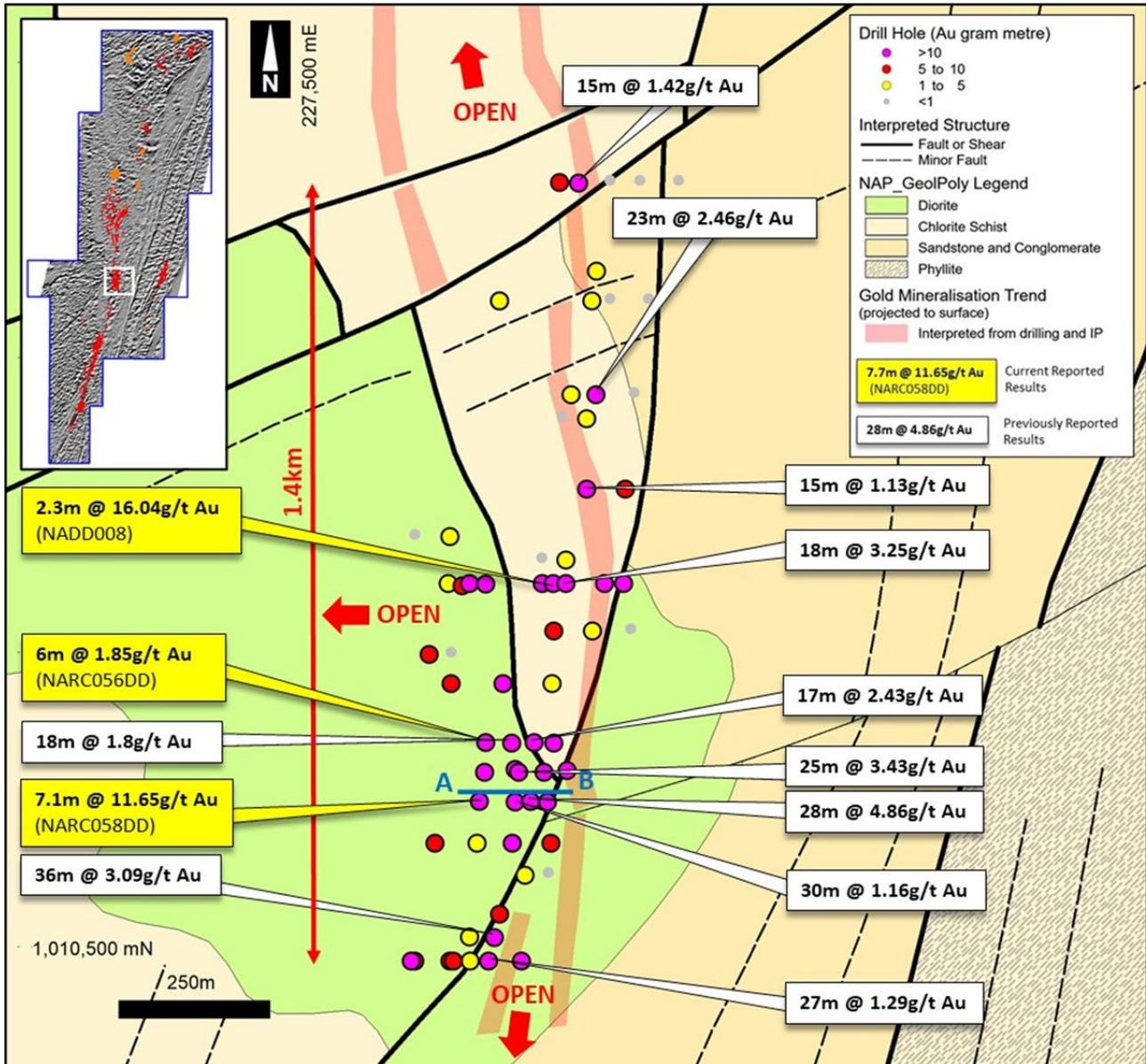


Figure 2: Tchaga Prospect - Select gold intercepts from current and previous drilling – Inset map - Napié permit showing Tchaga (white square) along soil (red) and auger (orange) anomaly on magnetics

QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

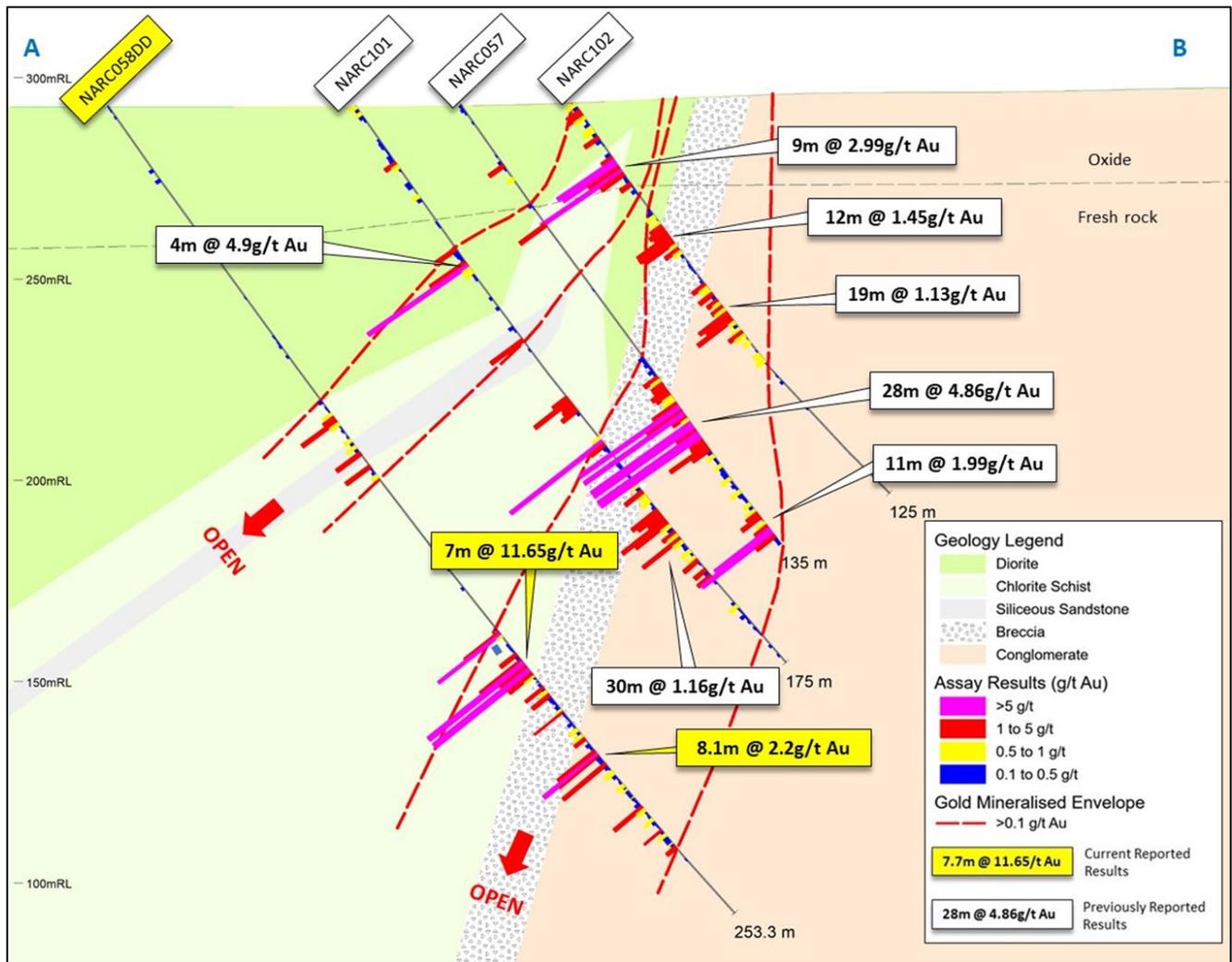


Figure 3: Cross-section A-B looking north showing high-grade gold intersects in diamond drilling, extending gold mineralisation to 185m vertical depth

Mineralisation on the Tchaga Prospect is associated with a 23km-long gold soil and auger anomaly and is located along a coincident +17km-long shear zone, thought to be a major control for gold mineralisation. The Tchaga Prospect is one of four prospects identified by drilling by Mako thus far. The short-term goal is to outline a JORC-compliant resource on Tchaga and thereafter continue drilling on the other prospects to hopefully increase resources (Figure 4).

QUARTERLY ACTIVITIES REPORT
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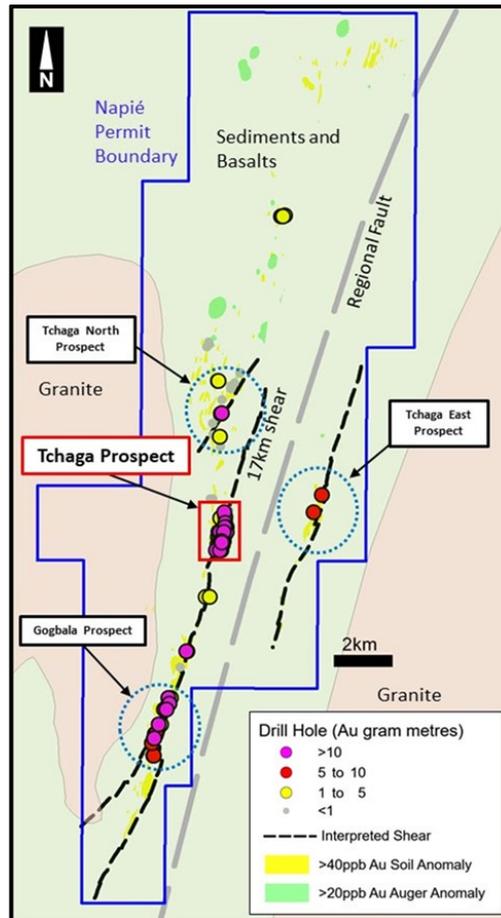


Figure 4: Tchaga Prospect – Napié Project

Drill-for-equity utilised for partial payment of DD program

The Company used its drill-for-equity facility with Geodrill to pay 50% of drill contractor costs in the Q4-20 DD program by the issue of 1,006,492 shares - \$70,454. Under the terms of the agreement, Mako can elect (UP TO November 2020) to pay half of the drilling invoices in shares to Geodrill (TSX:GEO), thereby helping to conserve cash reserves.

Mako's response to COVID-19 crisis

In response to the COVID-19 crisis, Mako Gold has implemented the following changes in order to mitigate reduced activity levels, potential personal and financial risks associated with the pandemic:

- Offices have been closed in Australia and West Africa and employees are working from home.
- Field work is suspended at our Napié Project in Côte d'Ivoire until the Company feels it is safe to resume activities (no work had been planned on the Niou Project in Burkina Faso).
- All Directors' salaries and fees, including the Managing Director have been deferred. Deferred salaries will be reimbursed at a later date in either cash and/or shares.
- Senior Management salaries have been reduced by 50%, with the remaining 50% deferred under the same terms as directors.
- All non-essential expenditures have ceased.

QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

Sale of Niou Project – Burkina Faso to Nordgold

Subsequent to the reporting period Mako signed a binding term sheet to sell its Niou Project in Burkina Faso to Nordgold. Nordgold is an international gold miner which produces 1 million ounces of gold per year from 10 mines (5 in Russia, 3 in Burkina Faso and one each in Guinea and Kazakhstan). Nordgold has an operating mine within 50km of the Niou Project, which makes them an ideal choice of operator for the project.

Under the terms of the Binding Term Sheet, the parties agree to enter into the sale agreement (**Proposed Sale Agreement**) within 10 days of the date of the Binding Term Sheet. Under the terms of the Proposed Sale Agreement Mako will receive USD\$700,000 in consideration for the sale (**Purchase Price**), which is approximately AUD\$ 1.07 million.¹ In addition, Mako will retain a 1% Net Smelter Royalty (“NSR”) if Nordgold discovers an NI 43-101 compliant resource of at least 2 million ounces gold and advances the resource to production. Nordgold has the right to repurchase the NSR at any time for USD\$ 4.5 million which is the current equivalent of approximately AUD\$6.89 million.²

Mako announced a discovery on the Niou permit in January 2019 but had not undertaken any further work on the project since, due to prioritising exploration on its flagship Napié Project in Côte d’Ivoire.

The transaction terms of the Binding Term Sheet and Proposed Sale Agreement are listed below:

Transaction Terms

- Mako lodged the transfer of the Niou Permit from the Burkina Faso vendor to Mako Gold SARL (Mako’s wholly-owned Burkina Faso subsidiary) on 8 January 2020 as per the conditions set out in the Option Agreement signed with the vendor³. The Proposed Sale Agreement is conditional on the transfer to Mako Gold SARL being approved by the Cadastre Minier and Minister of Mines of Burkina Faso. Immediately after Mako Gold SARL receives the decree for the Niou Permit, Mako will initiate the transfer of the Niou Permit to Nordgold’s Burkina subsidiary, Jilbey Burkina SARL (“Jilbey”).
- Mako Gold SARL lodged an application for the Niou Sud permit (Figure 1) with the Burkina Faso Ministry of Mines on 10 October 2019.) The Proposed Sale Agreement is also conditional upon the Cadastre Minier granting and the Minister of Mines of Burkina Faso approving the grant of the Niou Sud Permit to Mako Gold SARL. Mako is to transfer Niou Sud permit to Jilbey as soon as the Niou Sud Permit is decreed to Mako Gold SARL. However, the payment of the Purchase Price is not conditional upon the transfer of the Niou Sud Permit to Nordgold.
- The Proposed Sale Agreement will become definitive and binding in Burkina Faso when the signed English version of the Sale Agreement has been translated into French and signed, as the French version will be the legally binding version of the Sale Agreement in Burkina Faso, since the official language of Burkina Faso is French. The French version of the Sale Agreement must also be approved by the Burkina Faso Ministry of Mines.
- Nordgold and Jilbey are to use reasonable endeavours to ensure the speedy transfer of the Niou and Niou Sud permits to Jilbey from the Burkina Faso Ministry of Mines.
- Payment of the Purchase Price by Nordgold to Mako will occur on the Deferred Payment Date (90 days following the date on which Mako lodges the transfer with respect to the Niou Permit, or the date on which the Niou Permit is granted to Jilbey by the Cadastre Minier and Ministry of Mines of Burkina Faso (“Lodgement Date”).

¹ Using Oanda exchange rate of 1USD:1.53AUD

² Using Oanda exchange rate of 1USD:1.53AUD

³ Refer to Section 9.2 of Mako Gold’s Prospectus and section 4.7 of the Supplementary Prospectus, lodged on the ASX on 13 April 2018

QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

- If on the expiration of 90 days from the Lodgement Date, the transfer of the Niou Permit from Mako to Jilbey is not registered by the Cadastre Minier, either party may terminate the agreement, and the Deferred Payment shall not be effected.

Corporate

- 101.682m shares on issue at the date of this report
- 15.0m listed \$0.30 options on issue
- 3.5m unlisted \$0.30 options on issue
- Market capitalisation of \$4.27m (at \$0.042/share) as at 30 April 2020
- Cash of \$0.626 million as at 31 March 2020
- During the period the company issued 1,006,492 shares under the drill for equity agreement with Geodrill Ltd to meet \$70.5k of drilling costs.

The top 10 shareholders as at 21 April 2020:

Ordinary Shares

Rank	Name	21 Apr 20	%IC
1	Resolute (Treasury) Pty Ltd	15,235,085	14.98
2	Mr Peter Francis Rene Ledwidge & Mrs Ann Louise Ledwidge	7,533,433	7.41
3	Abbotsleigh Pty Ltd	3,571,429	3.51
4	Elliott Nominees Pty Ltd	3,416,667	3.36
5	J P Morgan Nominees Australia Pty Limited	2,350,982	2.31
6	Mr David Harper	2,320,378	2.28
7	Berto Nominees Pty Ltd	2,214,286	2.18
8	Ibrahim Bondo	2,000,000	1.97
9	HSBC Custody Nominees (Australia) Limited	1,997,296	1.96
10	PW and VJ Cooper Pty Limited	1,865,155	1.83
	Total	42,504,711	41.80
	Balance of register	59,177,641	58.20
	Grand total	101,682,352	100.00

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	\$0.076	\$0.027	\$0.035	6,838,074	108,541	\$405,328	\$6,434

Tenement Schedule

Location	Permit Name	Permit Number	Legal Holder	Mako Interest	Status
Côte d'Ivoire	Napié	281 /MIM/DGMG DU	Occidental Gold SARL	Earning up to 75%	Granted
Burkina Faso	Niou	²⁰¹⁹⁻ <u>142/MMC/SG/DGCM</u>	Nouvelle COFIBI SARL	Earning up to 100%	Granted

Napié: On 7th September 2017 Mako Gold Limited signed 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 pending US\$1.5M on the property within three years and the right to earn 75% by sole funding the property to completion of a Feasibility Study. Mako completed the expenditure requirement to earn the initial 51% in 2019.

Niou: The decree for the 2nd renewal of the Niou permit was issued by the Burkina Ministry of Mines on 18 July 2018. As per Burkina regulations the size of the permit was reduced by 25% and is now 187.5km². Mako Gold SARL, a 100%-owned Burkina Faso subsidiary



QUARTERLY ACTIVITIES REPORT

For the period ending 31 March 2020

of Mako Gold Limited, signed an option agreement dated 31 July 2016 with the permit owner giving Mako an option to acquire 100% interest in the Niou Permit and the documentation for the transfer of the permit to Mako has been lodged with the authorities in Burkina.

A total of \$668,000 was incurred on exploration projects in the quarter with \$544,000 on the Napie project and \$124,000 on the Niou project.

March 2020 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 with the ASX:

- 1 May 2020 - Sale of Niou Project – Burkina Faso to Nordgold
- 5 March 2020 - High-Grade Results Extend Mineralisation at Depth at Tchaga
- 3 December 2019 - Exceptional Results Continue at Tchaga Napie Project
- 8 October 2019 - Drill-for-Equity MOU with Geodrill for up to US1\$M
- 9 August 2019 - Mako Receives Final Drill Results for Napie Project
- 25 July 2019 - Strike Length of Mineralisation at Napie Project Doubles
- 13 March 2019 - Wide High-Grade Fold Results of up to 28m@4.86g/t from Napie
- 29 January 2019 – Gold Discovery at Niou Project – Burkina Faso
- 22 June 2018 - Wide High-Grade Gold Intersected in Maiden Drilling Program
- 13 April 2018 - Section 9.2 of Mako Gold’s Prospectus and section 4.7 of Mako Gold’s Supplementary Prospectus

Approved by the Board

Peter Ledwidge
Managing Director

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Further information on Mako Gold can be found on our website 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 Australian Institute of Geoscientists (AIG). 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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This Announcement (“Announcement”) is for informational purposes only and is not a prospectus, disclosure document or offer document under the Corporations Act 2001 (Cth) (“Corporations Act”) or any other law. This Announcement does not constitute, and is not to be construed as, an offer to issue or sell, or a solicitation of an offer or invitation to subscribe for, buy or sell securities in Mako Gold Limited ACN 606 241 829 (“Mako”). The material in this announcement has been prepared by the Company and contains summary information about the Company’s activities. The truth or accuracy of the information in this announcement cannot be warranted or guaranteed by the Company. The information in this announcement is of a general background nature and



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QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

does not purport to be complete or contain all the information security holders would require to evaluate their investment in the Company. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements which are available at www.makogold.com.au. Other than to the extent required by law (and only to that extent) the Company and its officers, employees and professional advisors make no reannouncement or warranty (express or implied) as to, and assume no responsibility or liability for, the contents of this announcement.

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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 70 +1Moz gold deposits.

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



QUARTERLY ACTIVITIES REPORT
For the period ending 31 March 2020

About the Flagship Napié Gold Project

Mako Gold has entered into a farm-in and joint venture agreement with Occidental Gold SARL, a subsidiary of West African gold miner Perseus Mining Limited (ASX/TSX:PRU) to earn up to 75% of the Napié Permit conditional on certain milestones being achieved. For details of the agreement please refer to Section 9.1 of Mako Gold's Prospectus and section 4.6 of Mako Gold's Supplementary Prospectus, lodged on the ASX on 13 April 2018.

About the Niou Gold Project

Mako Gold's wholly owned Burkina Faso subsidiary, Mako Gold SARL, signed on 31 July 2016 an option agreement with a Burkinabe private company for 100% ownership of the Niou Permit. For details of the agreement please refer to Section 9.2 of Mako Gold's Prospectus and section 4.7 of Mako Gold's Supplementary Prospectus, lodged on the ASX on 13 April 2018. Mako Gold announced a gold discovery on the Niou Project on 29 January 2019. Mako signed an agreement to sell the Niou Project to Norgold on 1 May 2020.