



MAKO GOLD LIMITED

ASX Announcement

24 July 2018

TANGORA RC DRILLING AND ROCK CHIP SAMPLING RESULTS

Highlights:

- Mako Gold received assay results from its 1005m maiden reverse circulation (RC) drilling program at the Tangora Project in Burkina Faso¹
- 10 RC drill holes were positioned along 5 lines to test the two largest gold artisanal sites on the permit
- Best drill intersection returned was:
 - 24m at 0.16g/t Au from 4m in TARC002 within oxide zone
- Follow-up rock chip sampling program returned no significant values
- Mako to cease exploration spending on Tangora Project at this time, in order to focus on higher priority Napié and Niou Projects and potential new projects
- Further drill assay results awaited in coming weeks on Mako's flagship Napié Project in Côte d'Ivoire

Mako Gold's Managing Director, Peter Ledwidge commented:

"The object of the short drilling program and regional rock chip sampling program was to rapidly evaluate the potential of the Tangora Project by testing the artisanal gold mining sites, the areas most likely to yield positive results. Based on the drilling and rock chip sampling results received, Mako will redirect its planned spending on the Tangora project to the higher priority Napié and Niou Projects. We remain optimistic that the Company will provide positive news flow to our shareholders from the Napié and Niou Projects in the weeks to come."

Assay Results Received from Maiden Drilling Program

Mako Gold Limited ("Mako" or "the Company"; ASX:MKG) advises that it has received all assay results from the 1005m RC drilling program on the company's 183.8km² Tangora Project in Burkina Faso (Figure 1).

The RC drilling program was designed to test the two largest artisanal gold mining sites on the permit to approximately 90m vertical depth. 10 RC holes were drilled in the areas of concentrated artisanal mining shafts within the broader artisanal mining zones (Figure 2). Previous rock chip samples from these sites have returned values of up to 14g/t Au². The holes were positioned along 5 lines and drilled in a scissor configuration thereby testing various potential gold-bearing quartz vein orientations below the artisanal mining sites.

¹ Mako Gold SARL, a 100%-owned Burkina Faso subsidiary of Mako Gold Limited, signed an option agreement dated 30 July 2016 with the permit owner giving Mako an option to acquire 100% interest in the Tangora Permit. Refer to Section 9.3 of Mako's Prospectus lodged on the ASX on 13 April 2018, for details of the Tangora Option Agreement.

² Refer to Section 4.8 and Annexure A Section 7.8 of Mako's prospectus lodged on the ASX on 13 April 2018 for details on the previous exploration completed on the Tangora Project

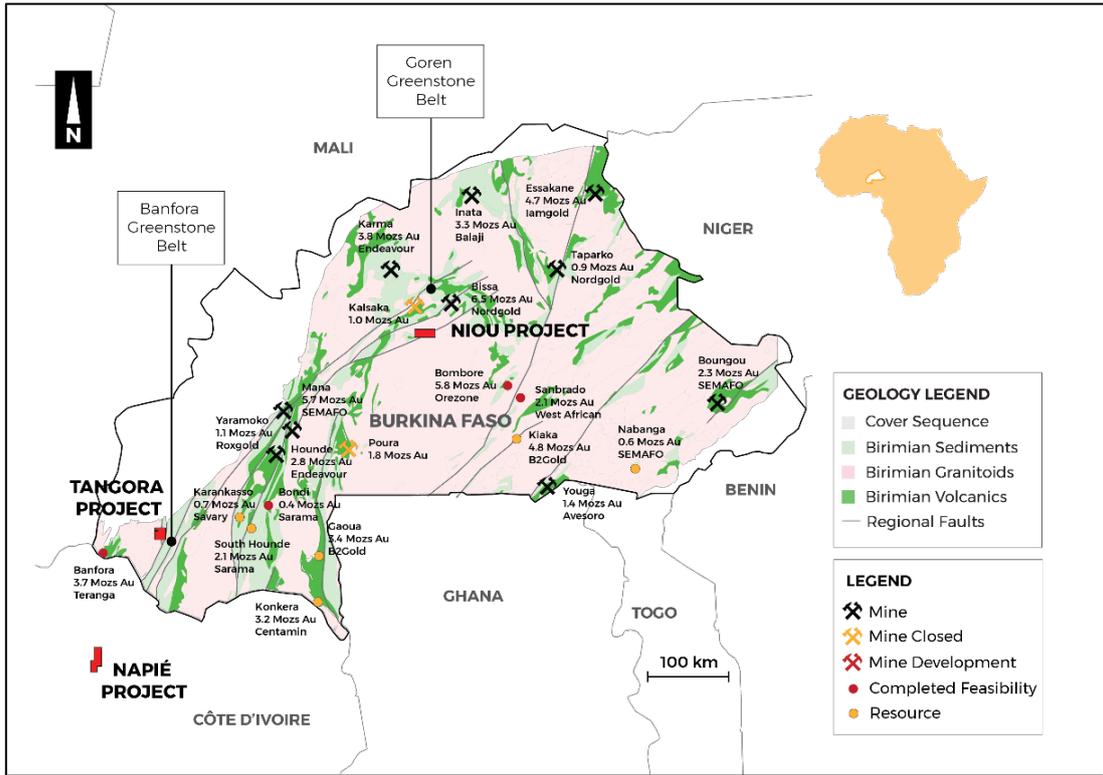


Figure 1: Tangora Project location map

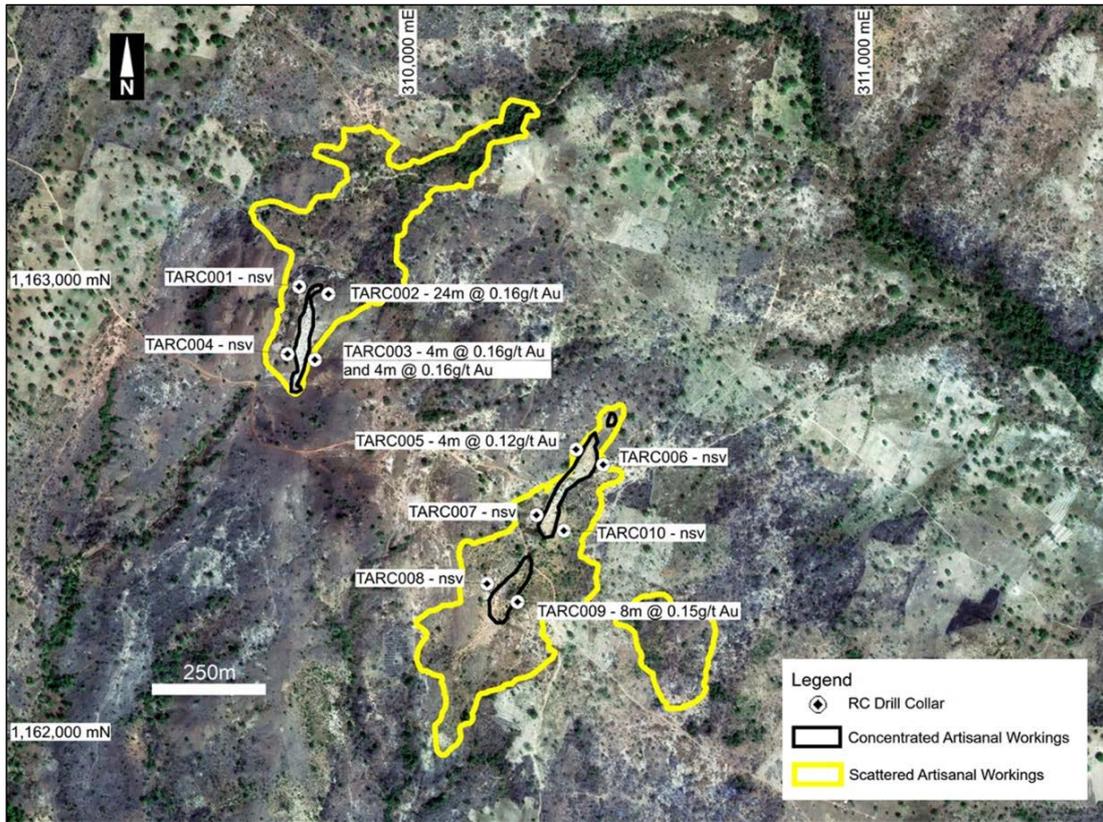


Figure 2: Drill hole locations and results in artisanal gold mining sites

Low-grade gold mineralisation was intersected in near-surface oxide zone in four drill holes from 4m composite samples. Intersections above 0.1g/t Au are:

- 24m at 0.16g/t Au from 4m in TARC002;
- 4m at 0.16g/t Au from 16m and 4m at 0.14g/t Au from 32m in TARC003;
- 4m at 0.12g/t Au from 8m in TARC005;
- 8m at 0.15g/t Au from 20m in TARC009

Assay Results Received for Rock Chip Sampling Program

Assay results were received for a follow-up rock chip sampling program completed over other artisanal gold mining sites (Figure 3). The artisanal mining sites are located on the eastern edge of the permit outside of the immediate drilling area where previous rock chip sampling had returned values of up to 14g/t Au³. A total of 44 new rock chip samples were collected (shown in blue in Figure 3). The best assay result received was 0.23g/t Au. 24 samples of the total 44 samples returned values above detection limit for gold. This indicates the presence of gold in over half of the samples collected, however the values returned are not of economic interest.

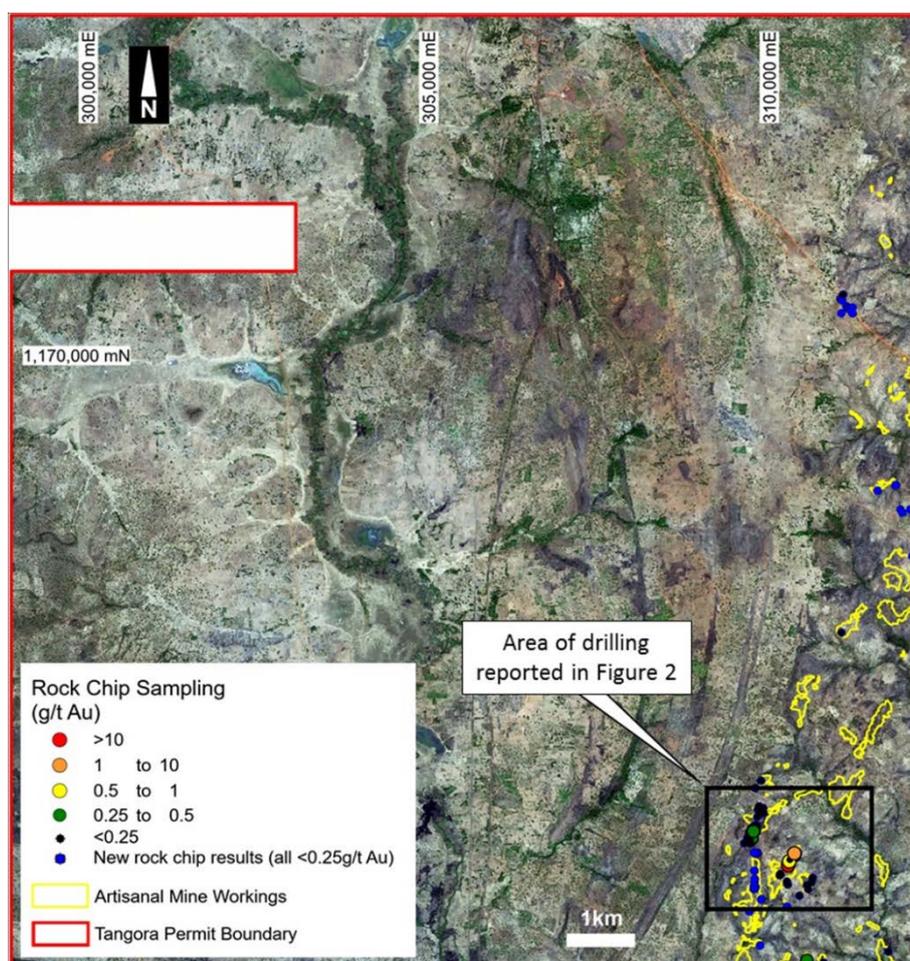


Figure 3: Rock chip sampling locations and results

³ Refer to Section 4.8 and Annexure A Section 7.8 of Mako's prospectus lodged on the ASX on 13 April 2018 for details on the previous exploration completed on the Tangora Project

Mako to Cease Exploration Spending on Tangora Project

Part of Mako's exploration strategy is to drill test projects as soon as possible in order to rapidly evaluate the potential of projects. This allows the Company to focus its exploration on its more prospective projects and on potential new project acquisitions. In line with this strategy, Mako will cease any further exploration on the Tangora Project at this time and will seek a JV partner for the Project to explore other artisanal gold mining sites that remain untested. Mako has therefore decided to redirect the budgeted funds from Tangora to its highly prospective Napié and Niou Projects which have returned high-grade results thus far in drilling and rock chip sampling respectively. Mako is currently evaluating and negotiating new project opportunities.

Napié Project - Further Drill Assay Results Pending

High-grade results were previously announced from multiple drill holes in widely spaced drilling from Mako's flagship Napié Project. Individual assays returned values up to 51g/t Au. Significant widths of gold mineralisation, up to 26m, were intersected in multiple drill holes⁴. Mako is awaiting assays results for the remaining 16 RC drill holes and 6 DD drill holes on the Napié project in Côte d'Ivoire. Results will be announced when they come to hand.

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Competent Person's Statement

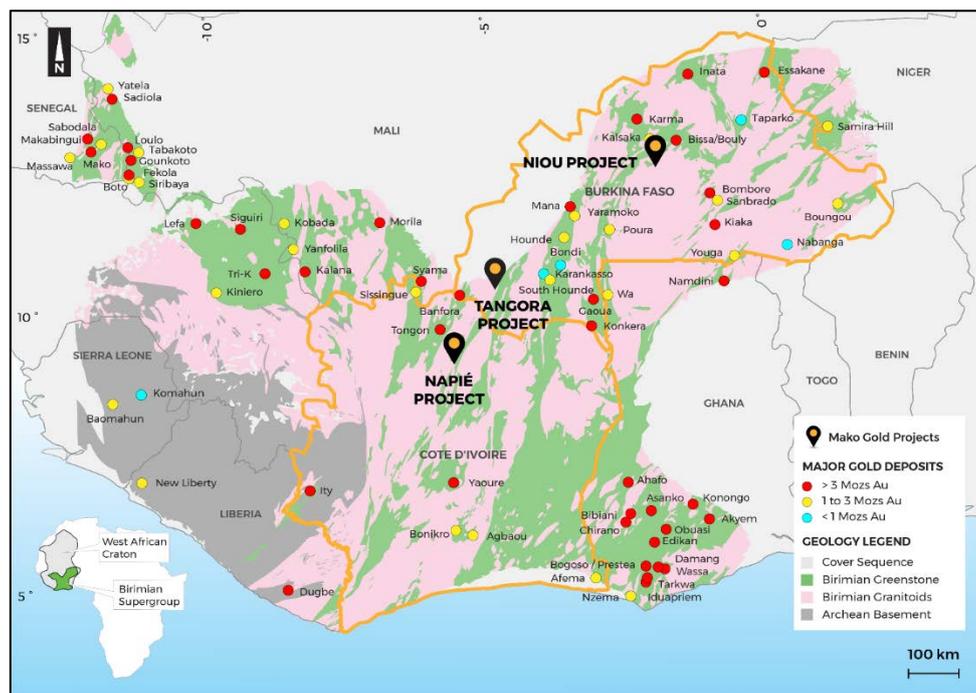
The information in this report that relates to Exploration Results is based on information compiled by Mrs Ann Ledwidge B.Sc.(Hon.) Geol., MBA, who is a Member of The Australasian Institute of Mining and Metallurgy. Mrs Ledwidge is a full-time employee and a substantial shareholder of the Company. Mrs 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.

⁴ Refer ASX announcement dated 22 June 2018

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.



Appendix 1 – Summary Drilling Results (0.1g/t cut-off grade)

Target Area	Hole No.	East (WGS84)	North (WGS84)	RL (m)	TD (m)	Dip	Az (true)	From (m)	To (m)	Width (m)	Au (g/t)
West	TARC001	309766	1162981	317	96	-60	105	No values >0.1g/t Au			
	TARC002	309830	1162964	317	109	-60	285	4	28	24	0.16
	TARC003	309800	1162819	336	100	-60	285	16	20	4	0.16
								32	36	4	0.14
TARC004	309740	1162832	333	96	-60	105	No values >0.1g/t Au				
East	TARC005	310374	1162621	312	100	-55	105	8	12	4	0.12
	TARC006	310433	1162587	307	108	-55	285	No values >0.1g/t Au			
	TARC007	310287	1162476	316	96	-55	105	No values >0.1g/t Au			
	TARC008	310178	1162324	330	100	-55	105	No values >0.1g/t Au			
	TARC009	310245	1162284	324	100	-55	285	20	28	8	0.15
	TARC010	310347	1162441	314	100	-55	285	No values >0.1g/t Au			

Appendix 2 - Assessment and Reporting Criteria

Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg 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.</i>	This report relates to results for rock chip sampling and reverse circulation (RC) drilling on the Tangora Permit. Drilling on the permit is at an early stage. Initial exploration drilling is reconnaissance in nature and is focussed on areas of untested artisanal workings.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Rock chip samples comprise multiple pieces of rock with a total sample weight of approximately 1-2kg. Select samples were collected from artisanal mining pits or from spoil piles adjacent to artisanal pits. Drill sampling was undertaken along the entire length of RC drill holes. RC drill hole samples were collected at 1m intervals with approximately 5kg riffle split and preserved for future assay as required.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to 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 (eg submarine nodules) may warrant disclosure of detailed information.</i>	Approximately 1 – 2kg rock chip grab samples were collected and submitted in their entirety to internationally accredited SGS Labs in Ouagadougou. RC drilling was used to obtain 1m drill samples which were riffle split on site to approximately 0.5kg and then composited to a 4m interval of approximately 2kg which was submitted for laboratory analysis. Rock chip and RC drill samples were submitted to SGS laboratory in Ouagadougou for sample preparation during which the field sample was dried, the entire sample crushed to 75% passing 2mm, with a 1.5kg split by riffle splitter pulverized to 85% passing 75 microns in a ring and puck pulveriser. From this, a 200g subsample was collected and 50g analysed by Fire Assay, with AAS finish for gold with a 0.01ppm lower detection limit.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i>	RC drilling is carried out using a 5 ³ / ₈ -inch face sampling hammer using a UDR900 drill rig.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC recoveries were determined by weighing each drill metre bag.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	The drill metre intervals collected were weighed to ensure consistency of sample size and monitor sample recoveries.
	<i>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.</i>	No relationship has been observed between sample recovery and grade.
Logging	<i>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.</i>	The UTM location, sample type, and key geological observations are recorded into an approved data collection sheet for each rock chip sample collected, following standard Mako Gold procedures for rock chip sampling. Geological logging was carried out on all RC chips by Mako Gold geologists. This included lithology, alteration, intensity of oxidation, intensity of foliation, sulphide percentages and vein percentages.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of rock chip samples is qualitative and based on field observations. A standard lithological and alteration legend is used to produce consistent qualitative logs for RC chips. Sulphide and vein content (expressed as %) are quantitative in nature. Intensities are qualitative in nature. A sample of RC chips are washed and retained in chip trays marked with hole number and down hole interval. All RC chip trays are photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes are logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable to RC drilling.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples are riffle split in the field to a notional 0.5kg sample per metre drilled and 4 samples composited to represent a 4m interval. The use of a booster and auxiliary compressor provide dry samples for depths below the water table.

Criteria	JORC Code explanation	Commentary
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	A riffle splitter is used for RC samples to provide representative sub-samples. Industry standard sample preparation is conducted under controlled conditions within the laboratory and is considered appropriate for the sample types.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	QAQC samples (2 blanks, 1 duplicate and 1 standard) were submitted with each drill hole. A review of the sampling was carried out by the supervising geologist to ensure all procedures were followed and best industry practice carried out. Sample sizes and preparation techniques are considered appropriate. Standard QAQC procedures were followed by SGS Labs. Replicates and duplicates were inserted as per lab practise.
	<i>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.</i>	To ensure rock chips samples are representative of what is at the site, multiple pieces are collected at a site and placed in a plastic bag for a total weight between approximately 1 to 2kg. Duplicates are inserted in each RC drill hole and sampling results are reviewed regularly.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered to be appropriate for the nature of mineralisation within the project area.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Rock chip and RC samples were assayed at SGS laboratory in Ouagadougou using 50g fire assay for gold which is considered appropriate for this style of mineralisation. Fire assay is considered total assay for gold.
	<i>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.</i>	No geophysical tools have been used to determine assay results for any elements.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Monitoring of results of duplicates, blanks and standards is conducted regularly. Internal laboratory QAQC checks are reported by SGS and reviewed regularly.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	All sample results uploaded to the database were cross-checked with the lab assay certificates. No resampling was conducted. Significant drill intersections are routinely monitored through review of drill chip photographs.
	<i>The use of twinned holes.</i>	No twinning of holes was undertaken in this program which is at an early stage of exploration.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary data is collected on field sheets and then compiled on standard Excel templates for validation and data management.
	<i>Discuss any adjustment to assay data.</i>	All samples returning assay values below detection limit are assigned a value of 0.005g/t Au (half of the lower detection limit). No other adjustments have been applied to assay data.
Location of data points	<i>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.</i>	A handheld GPS was used to record rock chip sample locations using UTM (WGS84, zone 30N) coordinate system. Drill hole collar locations are located and reported using a handheld GPS with a location error of +/- 5m. Down hole surveys are routinely commenced from 6m down hole depth and additional readings taken at approximately 30m intervals thereafter.
	<i>Specification of the grid system used.</i>	The grid system used is WGS84. A northern hemisphere zone is applied that is applicable to the location of individual project areas.
	<i>Quality and adequacy of topographic control.</i>	A detailed topographic survey of the project area has not been conducted.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Rock chip samples were collected from artisanal pits and their surrounding spoil piles where ever possible throughout the artisanal mine area. RC drill holes are irregularly located, as they are based on exploration targets.
	<i>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.</i>	RC drilling reported is at an early stage of exploration and has not been used to estimate any mineral resource or reserve.
	<i>Whether sample compositing has been applied.</i>	Rock chip samples were taken from discrete areas at the UTM coordinate location noted and were not composited with other samples collected. RC samples were riffle split from 1m drill runs to an approximate 500g weight and composited to 4m intervals which were then submitted for assay. Approximately 5kg was riffle split from the 1m drill sample and retained.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Exploration is at an early stage and, as such, knowledge on exact location of mineralisation and its relation to lithological and structural boundaries is not accurately known. However, the current drill hole orientation is considered appropriate for the program to reasonably assess the prospectivity of known structures interpreted from surface and other data sources.
	<i>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.</i>	No orientation-based sampling bias has been identified in the data to date.
Sample security	<i>The measures taken to ensure sample security.</i>	Samples are stored securely on the project site under supervision of security guards and/or Company personnel. Company personnel maintain chain of custody of the samples prior to either collection from site by laboratory personnel or drop off at the laboratory by Company personnel. Documentation is prepared to record handover of samples to laboratory personnel.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	There have been no external audits or reviews of the sampling techniques or data at this early stage of exploration.

Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	The Tangora Permit was granted to Mr. Daouda Ouedraogo by decree N°2012/00012/MCE/SG/DGCMC and was renewed by decree N°2016/046/MEMC/SG/DGCMC and is valid from 22 March 2015 to 22 March 2018. An application for renewal of the Tangora Permit was lodged with the Mines Ministry three months prior to the permit's expiry date. Mako Gold SARL, a 100%-owned Burkina Faso subsidiary of Mako Gold Limited, signed an option agreement dated 30 July 2016 with the permit owner giving Mako an option to acquire 100% interest in the Tangora Permit. A 1% profit-based royalty is retained by the current permit owner.
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The tenement is in good standing and no known impediments exist.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Limited historical exploration has been conducted by Precision Resources SARL a local Burkina Faso company. Refer to Section 4.8c and Annexure A Section 7.8.1 of the Mako Gold Prospectus lodged on the ASX on 13 April 2018 for a description of previous exploration completed on the permit.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The Tangora Permit straddles the western margin of the Proterozoic-aged Banfora greenstone belt. Exploration is at an early stage. The style of mineralisation sought is structurally controlled orogenic gold, within an interpreted broad shear zone related to a regional-scale fault and secondary splays. Gold artisanal mining sites are aligned within the margin of the greenstone belt near the greenstone-granite contact.
Drill hole information	<i>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:</i> <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. 	All drill collars are shown in Figure 3. Intervals returning greater than 0.1g/t Au have been reported. A summary of drill information is contained in Appendix 1 of this report.
Data aggregation methods	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	A nominal 0.1g/t Au lower cut-off has been applied. All reported assays have been length weighted. No density weighting or high-grade cuts have been applied.
	<i>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.</i>	High grade gold intervals internal to broader zones of mineralisation are reported as included intervals. High grade intervals contained within broader zones of mineralisation are routinely specified in the summary results tables.

Criteria	JORC Code explanation	Commentary
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values have been used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Intersection lengths are reported as down hole lengths (the distance from the surface to the end of the hole, as measured along the drill trace). True widths are unknown at this time as the orientation of mineralisation is not understood at this early stage of exploration.
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to Figures contained within this report.
Balanced reporting	<i>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.</i>	All results are reported.
Other substantive exploration data	<i>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.</i>	No other exploration data that is considered meaningful and material has been omitted from this report
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	No further work is planned at this time.