ASX Announcement

21 May 2018

HIGH-GRADE ROCK CHIP RESULTS ON NIOU PROJECT

Highlights:

- High-grade rock chip assay results of up to **34.8g/t Au** from Niou Project in Burkina Faso
- 30 grab samples collected from underground artisanal mining shafts and spoil piles identifies 3 high grade gold zones within 2km long by 1km wide artisanal mining site
- All samples returned positive gold values
- Sampling conducted to enhance understanding of artisanal site prior to planned drilling after the wet season
- Napié Project drilling program progressing well in Côte d'Ivoire
- Tangora Project in Burkina Faso scheduled to commence drilling in mid-June

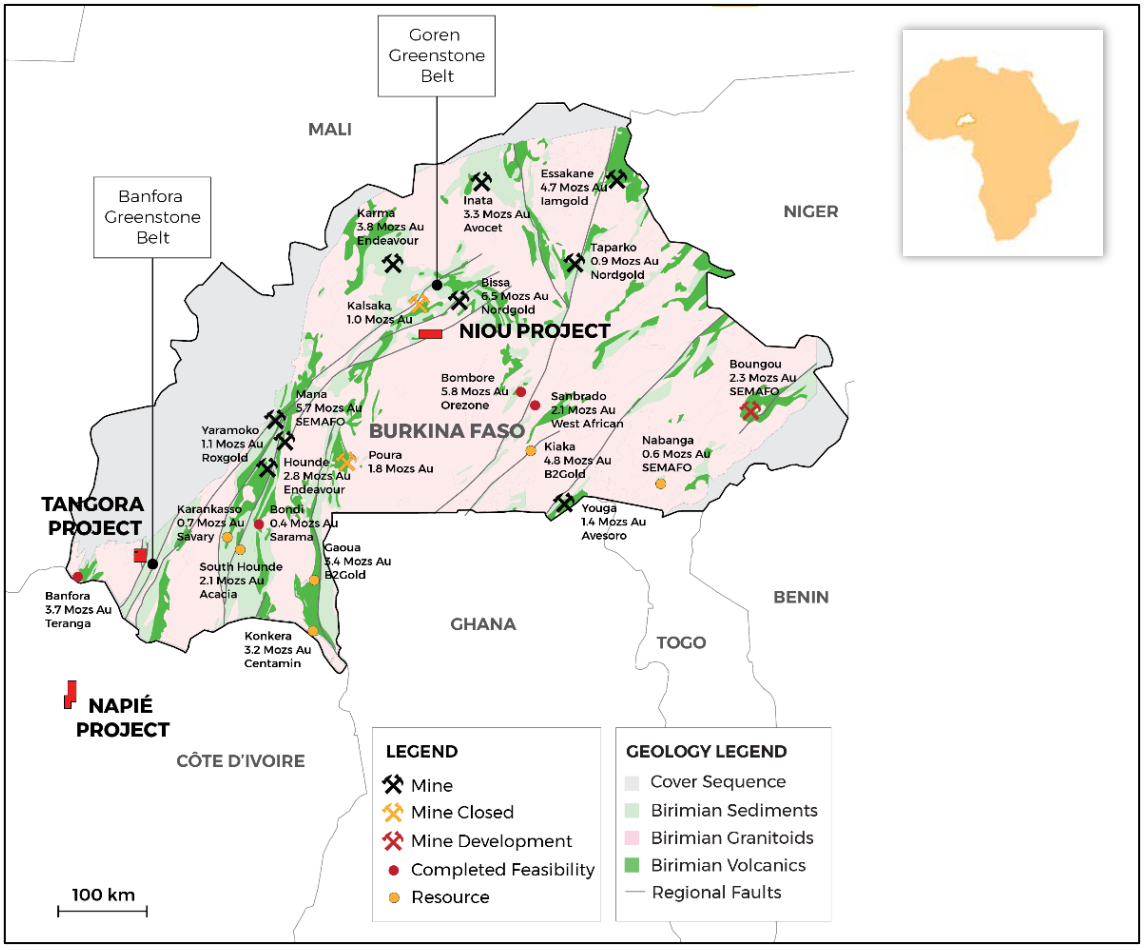

Figure 1:Niou Project location-Burkina Faso

Three High-grade Gold Zones Defined on Artisanal Mining Site

Mako Gold Limited ("**Mako" or "the Company"**) is pleased to advise that it has received further encouraging rock chip assay results from the Company's 250km^2 Niou Project in Burkina Faso, West Africa (Figure 1). The rock chip sampling program was a follow-up on the 2017 rock chip program[1] to enhance geological knowledge and increase certainty that the Niou artisanal gold mining site presents a valid high-grade gold target for drilling.

A total of 30 samples were collected at the artisanal site from shafts and spoil piles. In certain cases, the artisanal miners collected samples of the mineralisation from their shafts, which are reported to be as deep as 80m. Figure 2 shows the rock chip sample results along with the better assay results returned from the 2017 sampling program.

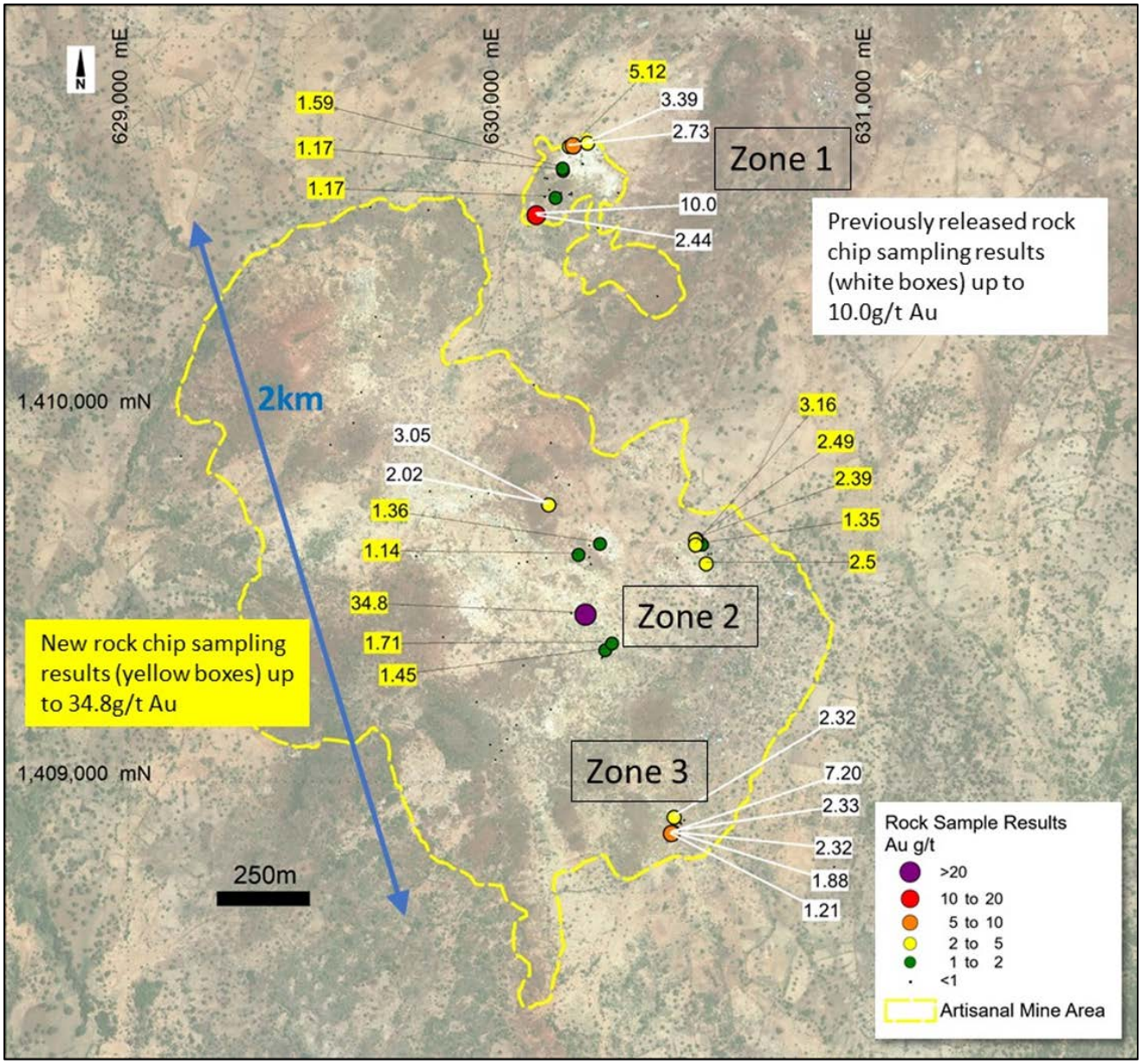

Figure 2: Location of recent rock chip samples on Niou gold artisanal mining site.

[1] Refer to Section 4.7 and Annexure A Section 6.8 of Mako's Prospectus lodged on the ASX on 13 April 2018 for details on the previous exploration completed on the Niou Project

Forward Program Including Drilling

There is a total of 9 exploration targets identified within the Niou Project including Target 1 (T1), the 2km long by 1km wide gold artisanal mining site referred to in this announcement (Figure 3). Mako is planning a drilling program focussed on T1 following the wet season, which usually ends in late October to early November. The rock chip sampling to date has outlined three distinct zones of higher grade gold mineralisation, which will be the focus of initial drill testing.

The other 8 targets interpreted from available geophysical data will be investigated and mapped in the coming weeks. The 7km long gold in soil anomaly shown in Figure 3 is the result of a wide-spaced soil sampling program commissioned by the permit holder prior to Mako acquiring rights to the permit[1]. During the current field season, Mako is planning a 50km^2, 200m x 200m soil geochemistry program which will cover all the other gold targets within the Niou Project.

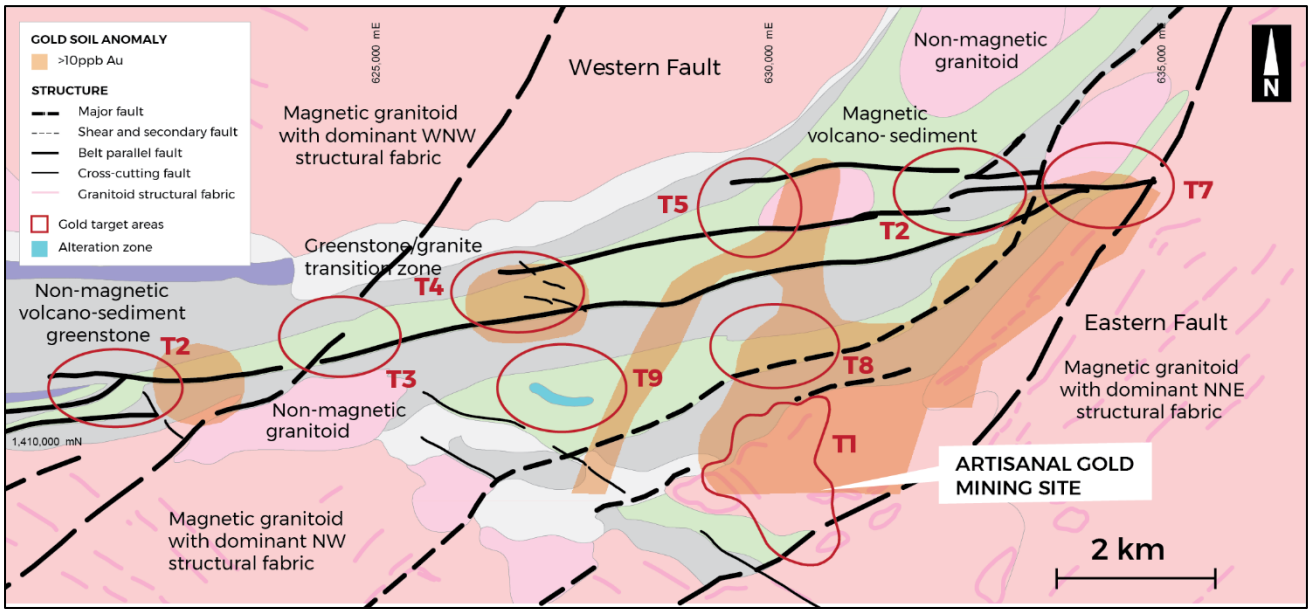

Figure 3: Niou Project exploration targets with location of Target 1 (T1) on the 2 km-long artisanal gold mining site where rock chip samples were collected.

Mako's Managing Director, Peter Ledwidge commented:

"The results we received from the Niou rock chip sampling program continues to increase our confidence in the prospectivity of the Project and validates our strategy to initially drill test the potentially high-grade targets within the extensive gold artisanal mining site. We now look forward to commencing the drill program following the wet season."

Drilling Program Progressing Well on Napié Project in Côte d'Ivoire

Mako is pleased with the progress of the drilling program on the Napié Project in Côte d'Ivoire. 4 reverse circulation (RC) holes and 1 diamond drilling (DD) hole of the planned 5000m RC and 500m DD holes have been completed to date. The first sample dispatch should happen shortly, with assay results following sometime in June.

Drilling Program to Commence on Tangora Project in Burkina Faso in Mid-June

A 1200m RC drilling program is scheduled to commence on the Tangora Project in Burkina Faso in early to mid-June. Mako will advise shareholders as soon as this program commences.

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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 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.

Appendix 1 - Assessment and Reporting Criteria

Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*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.*	This report relates to results for rock chip sampling. 30 rock chip samples were collected over two artisanal mining sites located in the south of the Niou Permit. No drilling has been completed to date on the permit.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	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 from the material provided by the artisanal miners as representative of what they are mining, or as select grab samples from spoil piles adjacent to artisanal pits.
	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.	Approximately 1 – 2kg grab samples were collected and submitted in their entirety to internationally accredited SGS Labs in Ouagadougou. The samples were analysed by 50g Fire Assay, with AAS finish for gold analysis with a 0.01ppm lower detection limit.
Drilling techniques	*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).*	Not applicable to the information announced in this report which relates to a rock chip sampling program.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Not applicable to the information announced in this report which relates to a rock chip sampling program.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Not applicable to the information announced in this report which relates to a rock chip sampling program.
	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.	Not applicable to the information announced in this report which relates to a rock chip sampling program.

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.*	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.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of rock chip samples is qualitative and based on field observations.
	The total length and percentage of the relevant intersections logged.	Not applicable to the information announced in this report which relates to a rock chip sampling program.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable to the information announced in this report which relates to a rock chip sampling program.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable to the information announced in this report which relates to a rock chip sampling program.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation was conducted at SGS Labs in Ouagadougou following industry standard practice. All samples were oven dried, jaw crushed to 75% passing 2mm, then a 1.5kg riffle split was pulverized to 85% passing 75 microns. A 200g sub-sample was then collected from the pulverized material.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Standard QAQC procedures were followed by SGS Labs. Replicates and duplicates were inserted as per lab practise.
	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.	To ensure samples are representative of what is at the site, multiple pieces of rock chips are collected at a site and placed in a plastic bag for a total weight between approximately 1 to 2kg.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Approximately 1 to 2kg of material was collected which is within industry norms for rock chip sample size.
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.*	A 50g sample was analysed by Fire Assay with Atomic Absorption Finish. Fire Assay method provides total gold content of the sample. SGS inserted standard reference samples.
	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.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Standard QAQC procedures were followed by SGS Labs. 1 Reagent Blank in 84 1 Preparation Blank (prep process blank) in 84 2 Weighed replicate (pulp) in 84 2 Preparation Duplicate (re split – coarse reject) in 84 4 SRM's in 84
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Sample results uploaded to the database were cross-checked with the lab assay certificates. No resampling was conducted.
	The use of twinned holes.	Not applicable.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Sample logging was done on paper and entered into excel files.
	Discuss any adjustment to assay data.	Assay data provided in excel format from the lab was merged with sample logging 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.*	A handheld GPS was used to record sample locations using UTM (WGS84, zone 30N) coordinate system.
	Specification of the grid system used.	The grid system used is WGS84. A northern hemisphere zone is applied that is applicable to the location of the project area.
	Quality and adequacy of topographic control.	A detailed topographic survey of the project area has not been conducted.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Rock chip samples were collected from artisanal pits and their surrounding spoil piles where ever possible throughout the artisanal mine area.
	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.	Not applicable as no estimation is being undertaken.
	Whether sample compositing has been applied.	Samples were taken from discrete areas at the UTM coordinate location noted and were not composited with other samples collected.
Orientation of data in relation	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	There was no orientation to the sampling. Samples were collected where it was possible to sample bedrock due to artisanal mining activity within the 2km x 1km area.

Criteria	JORC Code explanation	Commentary
to geological structure	*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.*	Not applicable.
Sample security	*The measures taken to ensure sample security.*	Rock chip samples were delivered to the SGS laboratory in Ouagadougou by Mako Gold personnel. An in-house chain of custody procedure is followed by Mako Gold for all samples.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audit or review was conducted.

Section 2 - Reporting of Exploration Results

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.*	The Niou Permit was granted to Nouvelle COFIBI SARL, a company registered in Burkina Faso, by decree N°2015/000394/MME/SG/DGCM and is valid from 15th September 2014 to 15th September 2017. An application for renewal of the Niou Permit was lodged with the Mines Ministry three months prior to the permit's expiry date. The permit renewal fee has been paid and the renewal decree is awaited. Mako Gold SARL, a 100%-owned Burkina Faso subsidiary 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. A 1% profit-based royalty is retained by the current permit owner.
	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.	The tenement is in good standing and no known impediments exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Limited historical exploration has been conducted by Nouvelle COFIBI SARL, the owner of the Niou Permit. Refer to Section 4.7 of the Mako Gold Prospectus lodged on the ASX on 13 April 2018 for a description of previous exploration completed on the permit.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Niou Permit overlies a portion of the Proterozoic-aged Goren greenstone belt. Exploration is at an early stage, but mineralisation appears related to a narrow east-west volcano-sedimentary belt, and shearing and secondary structures related to a major regional northeast-trending fault
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	Not applicable. No drilling has been undertaken.
Data aggregation methods	*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.*	Not applicable.
	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.	Not applicable. No aggregate intercepts have been reported.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable.
Relationship between mineralisation widths and intercept lengths	*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').*	Not applicable. No drilling has been undertaken.

Criteria	JORC Code explanation	Commentary
Diagrams	*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.*	Refer to Figures contained within this report**.**
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.*	All results are reported.
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.*	Mako Gold contracted New Resolution Geophysics (NRG) to fly a geophysical survey over the entire permit in 2016. Southern Geoscience Consultants were engaged in 2016 by Mako Gold to compile a geological and regolith interpretation using the data generated by NRG. 9 target areas were identified. 53 rock chip samples were collected by Mako Gold in 2016-2017. 196 continuous chips and 30 selective grab samples were collected from within 3 trenches excavated by Mako Gold in 2017. Geochemical (soil) sampling had been conducted over a portion of the permit by the permit owner. Refer to Section 4.7 and Annexure A of Mako Gold's Prospectus lodged on the ASX on 13 April 2018 for details on previous exploration results.
Further work	*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.*	Refer to description contained within this report**.**