

MAKO RECEIVES US\$700,000 COMPLETING THE SALE OF NON-CORE NIOU PROJECT IN BURKINA FASO

HIGHLIGHTS

- ❖ **Sale agreement completed with Nordgold for the Niou Project in Burkina Faso**
- ❖ **Mako has received US\$700,000 (c. A\$945,000)¹ from Nordgold**
- ❖ **Mako retains a 1% NSR** if Nordgold discovers a resource of at least 2Moz gold and advances the resource to production
- ❖ Nordgold has right to repurchase the **NSR from Mako for US\$4.5M** at any time
- ❖ The funds received from the sale, in conjunction with proceeds from the recent capital raising, positions Mako with a **strong cash balance of c.\$14.9M² to aggressively explore** its flagship Napié Project, and its Korhogo Project, both located in Côte d'Ivoire

Mako Gold Limited (“**Mako**” or “**the Company**”; **ASX:MKG**) is pleased to announce that it has completed the sale agreement with Nord Gold SE (“**Nordgold**”) to sell the Niou Permit and Niou Sud Permit (Figure 1) (“**Sale Agreement**”) and has received full payment of US\$700,000 (c.A\$945,000).

Under the terms of the Sale Agreement, Mako has received US\$700,000 (circa A\$945,000) upfront cash consideration for the sale. In addition, Mako retains a 1% Net Smelter Royalty (“**NSR**”) if Nordgold discovers a NI 43-101 compliant resource of at least 2Moz gold and advances the resource to production. Nordgold has the right to purchase the NSR at any time for **US\$4.5M** (A\$6.1M)³.

The divestment of the Niou Project in Burkina Faso allows Mako to focus its exploration efforts and capital on its flagship Napié Project and Korhogo Project in Côte d'Ivoire.

Mako’s Managing Director Peter Ledwidge commented:

“Completion of the Sale Agreement with Nordgold bolsters our healthy balance sheet and will contribute to our aggressive exploration programs. We are pleased to have retained a 1% NSR on the Niou Project leaving Mako some upside to our gold discovery. Proceeds from the sale, in addition to the proceeds of our recent placement, will be applied to our highly prospective projects in Côte d'Ivoire as we move towards and beyond our upcoming Maiden Resource Estimate at the Napié Project, and as we shortly embark on our maiden drilling program at Korhogo.”

¹ Using Oanda exchange rate of 1USD:1.35AUD.

² Comprises cash reserves of \$4.55M as at 30 June 2021 (unaudited), proceeds of the completion of the Niou Project sale of \$0.95M (US\$0.7M) from the divestment of the Niou project as announced 1 May 2020 and anticipated net proceeds of \$9.4M from the recent capital raising (after costs).

³ For details of the Sale Agreement refer to ASX releases dated 1 May 2020 and 2 June 2020.

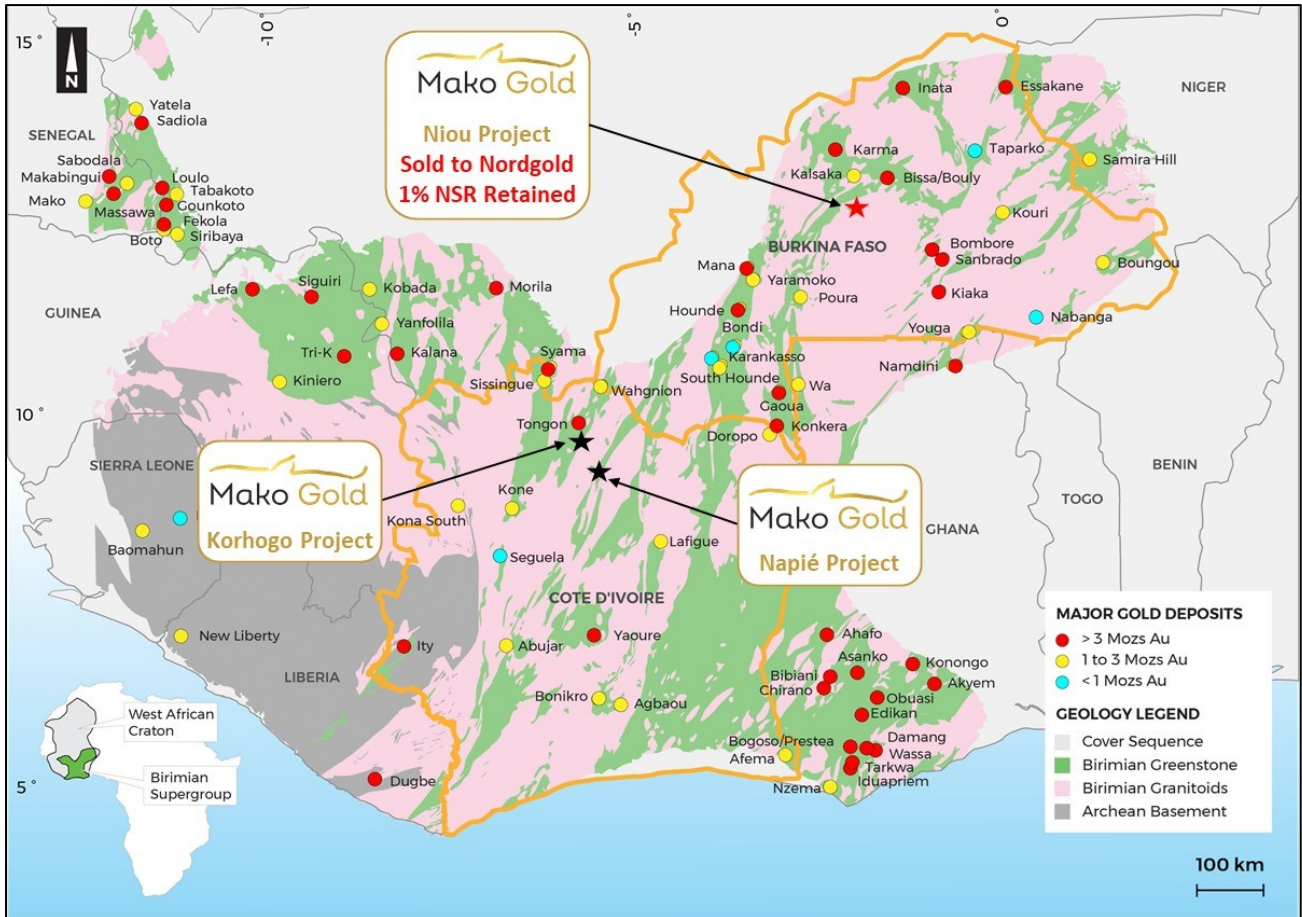


Figure 1: Mako Projects including Niuou Project where Mako retains a 1% NSR following sale to Nordgold

This announcement has been approved by the Board of Mako Gold

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ABOUT MAKO GOLD

Mako Gold Limited (**ASX:MKG**) is an Australian based exploration Company focused on advancing its flagship Napié Gold Project (296km²) in Côte d'Ivoire located in the West African Birimian Greenstone Belts which hosts more than 70 +1Moz gold deposits. Senior management has a proven track record of high-grade gold discoveries in West Africa and aim to deliver significant high-grade gold discoveries.

Mako Gold entered into a farm-in and joint venture agreement on the Napié Permit with Occidental Gold SARL, a subsidiary of West African gold miner Perseus Mining Limited (ASX/TSX:PRU). Mako currently own a 51% interest in Napié and has the ability to earn up to 75% interest through the delivery of a Feasibility Study⁴.

Mako has recently entered into a binding agreement with Perseus Mining (ASX:PRU) to consolidate ownership from 51% to 90%.⁵

In addition, Mako Gold has 100% ownership of the Korhogo Gold Project comprising two permits (296km²) covering 17km of faulted greenstone/ granite contact (high-grade gold targets) located within 30km of Barrick's operating Tongon Gold Mine (4.9Moz Au) in a highly prospective greenstone belt that also hosts Montage Gold's 3.2Moz Kone gold deposit, both located in Côte d'Ivoire, as well as Endeavour's 2.7Moz Wahgnion gold mine across the border in Burkina Faso (Figure 2).

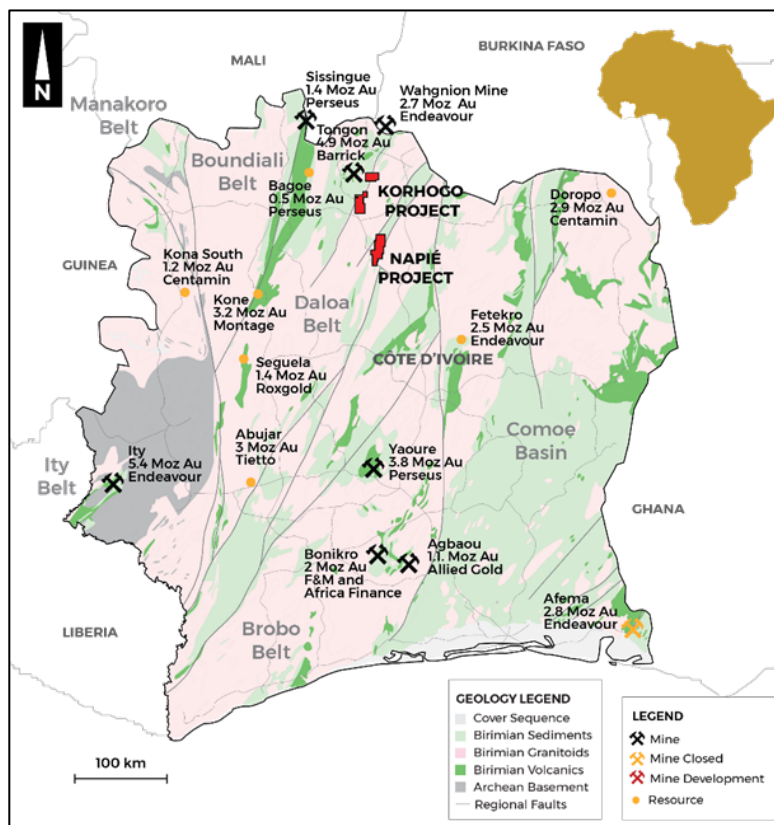


Figure 2: Côte d'Ivoire - Mako projects on simplified geology with mines and deposits

¹ 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.

⁵ Refer to ASX release dated 29 June 2021

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 2019⁶.

ABOUT NORDGOLD

Nordgold is an internationally diversified gold producer established in 2007. Nordgold has a proven track record of operational excellence and benefits from a significant international development pipeline. The Company is relentlessly focused on shareholder value, committed to running safe, efficient, profitable operations, which enable it to generate strong cashflows and in turn, continue to invest in its pipeline of new growth opportunities while generating returns for investors.

Nordgold operates 10 mines (5 in Russia, 3 in Burkina Faso and one each in Guinea and Kazakhstan). It has several prospective projects in feasibility study and advanced exploration phases, as well as a diverse portfolio of early-stage exploration projects and licences in Burkina Faso, Russia, French Guiana, and Canada. Nordgold employs over 8,000 people.

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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⁶ Refer to ASX announcement dated 29 January 2019

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