



Announcement Summary

Entity name

MAKO GOLD LIMITED

Announcement Type

New announcement

Date of this announcement

Friday August 21, 2020

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
n/a	Unlisted \$0.1725 30/9/22 options	4,000,000
MKG	ORDINARY FULLY PAID	86,956,522

Proposed +issue date

Friday August 28, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

MAKO GOLD LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

84606241829

1.3 ASX issuer code

MKG

1.4 The announcement is

New announcement

1.5 Date of this announcement

Friday August 21, 2020

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

 Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	Monday September 28, 2020	<input checked="" type="checkbox"/> Estimated	No

Comments

A total of 86,956,522 ordinary shares are to be issued by way of a placement. Approval is being sought for the issue of part of the placement of ordinary shares (44,918,290 shares) and for the approval to issue 4,000,000 unlisted 17.25 cent options expiry date 30/9/22.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

 Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

 No

Details of +securities proposed to be issued

ASX +security code and description

MKG : ORDINARY FULLY PAID

Number of +securities proposed to be issued

86,956,522

Offer price details



Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.11500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

Unlisted \$0.1725 30/9/22 options

+Security type

Options

Number of +securities proposed to be issued

4,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

The securities are being issued to the Joint Lead Managers as part of the fee for services



Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.1725

Expiry date

Friday September 30, 2022

Details of the type of +security that will be issued if the option is exercised

MKG : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

one fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Options will be unlisted \$0.1725 30/9/22 options. Full option terms will be included in the EGM notice in relation to the approval for their issue.

Part 7C - Timetable

7C.1 Proposed +issue date

Friday August 28, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

25,222,939



7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

16,815,293

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

To provide certainty of funding for the company to enable its drilling to proceed on its projects

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Discovery Capital Partners Pty Limited (ABN 25 615 635 982) and Blue Ocean Equities Pty Limited (ABN 53 151 186 935)

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

The Company will pay the Joint Lead Managers a placement sales fee equal to 5% of the amount calculated by multiplying the number of Placement Shares in respect of which Valid Applications are received and accepted and Placement Shares issued, by the Issue Price, out of which the Joint Lead Managers shall pay all external broker or intermediary fees as agreed by the Joint Lead Managers.

The Company will pay the Joint Lead Manager, a management fee equal to 1% of the amount calculated by multiplying the total number of Shares issued under the Placement, by the Issue Price.

The Company will issue to the Joint Lead Managers 4 million equity call options with an exercise price of 50% above the Issue Price with a 2-year term to expiry.

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue



Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Exploration and drilling campaigns at the Company's Napié Gold Project;
Initial exploration on two exploration permits under application; and
Corporate costs and general working capital requirements.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue