

Notice of Annual General Meeting and Explanatory Memorandum

Mako Gold Limited ACN 606 241 829

Date of Meeting: 14 November 2019

Time of Meeting: 9.30am (Brisbane time)

Place of Meeting: Mako Gold Limited
Suite 2, Level 17
300 Adelaide Street
Brisbane QLD 4000

This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Shareholders of **Mako Gold Limited ACN 606 241 829 (Company)** will be held at the offices of Mako Gold, Suite 2, Level 17, 300 Adelaide Street, Brisbane, Qld 4000, on 14 November 2019 at 9.30am (Brisbane time).

Terms used in this Notice of Meeting are defined in Section 9 of the accompanying Explanatory Memorandum.

Agenda

Ordinary business

Financial Reports

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the accounts for the Company and its controlled entities for the financial year ended 30 June 2019.

1. Resolution 1 - Remuneration Report

To consider and, if thought fit, pass the following Resolution as an advisory Resolution:

"That the Remuneration Report for the year ended 30 June 2019 (as set out in the Directors' Report) is adopted."

Voting

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Restriction pursuant to Section 250R(4) of the Corporations Act

A vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 1 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- either:
 - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
 - the voter is the chair of the meeting and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the Resolution; and
 - expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company or, if the Company is part of a consolidated entity, for the entity.

Voting Intentions of Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chairman to vote on undirected proxies are set out in the accompanying Explanatory Memorandum.

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2. Resolution 2: Re-election of Mr Michele Muscillo as a director

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

“That Mr Michele Muscillo, who retires by rotation in accordance with Rule 38.1 of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

3. Resolution 3: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the allotment and prior issue of 8,487,515 ordinary shares issued on 24 May 2019 (**May Placement**), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

Voting Restriction pursuant to Listing Rule 7.5.6

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of a person who participated in the May Placement or an associate of that person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

4. Resolution 4: Issue of Shares to GeoDrill

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

*“That, in accordance with Listing Rule 7.1, and for all other purposes, the Company be authorised to issue up to 5,000,000 Shares (**GeoDrill Shares**) to GeoDrill on the terms and conditions contained in this Notice of Meeting and attached Explanatory Memorandum.”*

Voting Restriction pursuant to Listing Rule 7.3.8

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- GeoDrill and any other person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the entity); and
- an associate of those persons.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

5. Resolution 5: Adoption of ESOP

To consider and, if thought fit, pass the following resolution, as an Ordinary Resolution of the Company, with or without amendment:

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“That the Employee Share and Option Plan (ESOP), which is summarised in the attached Explanatory Memorandum, be approved and that for the purposes of Exception 9(b) of Listing Rule 7.2 and for all other purposes, the issue of securities under the ESOP within three (3) years from the date of this resolution be an exception to Listing Rules 7.1 and 7.1A.”

Voting Restriction pursuant to Listing Rule 7.2 exception 9

The Company will disregard any votes cast in favour of the Resolution 5 by or on behalf of a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or any associate of them.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Voting Restriction pursuant to Section 250R(4) of the Corporations Act

A vote on this Resolution 5 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report; and
- a Closely Related Party of such a member.

However, the above persons may cast a vote on Resolution 5 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member; and
- either:
 - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
 - the voter is the chair of the meeting and the appointment of the chair as proxy:
 - does not specify the way the proxy is to vote on the Resolution; and
 - expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company or, if the Company is part of a consolidated entity, for the entity.

Voting Intentions of Chair

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, including Resolution 5, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair may change his/her voting intention on any Resolution, in which case an ASX announcement will be made. Further details, in relation to the ability of the Chairman to vote on undirected proxies are set out in the accompanying Explanatory Memorandum.

Special business

6. Resolution 6: Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following resolution, as a Special Resolution of the Company, with or without amendment:

“That, pursuant to and in accordance with ASX Listing Rule 7.1A, and for all other purposes, the shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the meeting, at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions in the Explanatory Memorandum (Placement Securities).”

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Voting Restriction pursuant to Listing Rule 7.3A.7

The Company will disregard any votes cast in favour of this Special Resolution by or on behalf of a person and any associates of that person who:

- is expected to participate in the issue of the Placement Securities; or
- who will obtain a material benefit as a result of the proposed issue of the Placement Securities, except a benefit solely in their capacity as a holder of shares if the resolution is passed.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

Notes

Notes

- (a) Terms used in this Notice of Meeting are defined in the “Interpretation” section of the accompanying Explanatory Memorandum.
- (b) A detailed summary of the Resolutions is contained within the Explanatory Memorandum.

Shareholders should be aware that any undirected proxies given to the Chair will be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution.

General business

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By order of the board

Paul Marshall

Company Secretary
14 October 2019

Explanatory Memorandum

1. Introduction

This Explanatory Memorandum is provided to shareholders of **Mako Gold Limited ACN 606 241 829 (Company)** to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at [the offices of Mako Gold, Suite 2, Level 17, 300 Adelaide Street, Brisbane, Qld 4000, on 14 November 2019 at 9.30am (Brisbane time)].

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in Section 9.

2. Consider the company's annual report

The Company's Annual Financial Report comprising the Directors' Report and Auditor's Report, Directors' Declaration, Statement of Financial Performance, Balance Sheet, Statement of Cashflows and notes to and forming part of the accounts for the Company and its controlled entities for the financial year ended 30 June 2019 were released to ASX Limited on 27 September 2019.

The Company's Annual Report is placed before the Shareholders for discussion.

No voting is required for this item.

3. Consider the company's annual report

Remuneration Report

In accordance with Section 250R of the Corporations Act, the Board has submitted its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the Annual Financial Report for the period ending 30 June 2019.

The Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive Directors and senior executives of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of executive Directors and senior executives of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting.

Recommendation

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

A vote on this Resolution is advisory only and does not bind the Directors or the Company.

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Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies

Members of the Key Management Personnel (**KMP**) and their Closely Related Parties (**CRP**) (**Restricted Voters**) and proxies of Restricted Voters are restricted from voting on a resolution which is connected directly or indirectly with the remuneration of a member of the Key Management Personnel (**Voting Restriction**). Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction applies to Resolution 1. However, it does not apply where:

- (a) the member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a Restricted Voter) as a proxy where the appointment specifies the way the proxy is to vote on the resolution; or
- (b) the Chairperson is appointed in writing (by a Shareholder who is not a Restricted Voter) as a proxy where the appointment does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairperson to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders should be aware that any undirected proxies given to the Chairperson will be cast by the Chairperson and counted in favour of the resolutions the subject of this Meeting (including Resolution 1) subject to compliance with the Corporations Act.

The Proxy Form attached to this Notice has been prepared on this basis.

4. Resolution 2: Re-election of Mr Michele Muscillo as a director

Rule 38.1 of the Company's Constitution and ASX Listing Rule 14.4 requires that at each AGM, one-third of the Directors in office (excluding directors appointed to fill casual vacancies or a Managing Director) must stand for re-election, with Directors required to retire based upon length of tenure. Rule 38.6 of the Company's Constitution requires that a Director shall not continue in office for a period in excess of three (3) consecutive years or until the third annual general meeting following her/his appointment, whichever is the longer, without submitting himself for re-election.

Mr Muscillo retires in accordance with the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election as a Director.

Mr Muscillo was appointed as a Director on 20 April 2017.

Mr Muscillo is a Partner specialising in corporate law with HopgoodGanim Lawyers. He is an admitted Solicitor and has a practice focusing almost exclusively on mergers and acquisitions, and capital raising. He has a Bachelor of Laws from Queensland University of Technology and was a recipient of the QUT University Medal.

In his role with HopgoodGanim Lawyers, Mr Muscillo has acted on a variety of corporate transactions including initial public offerings, takeovers and other acquisitions. Mr Muscillo's experience brings to the Board expertise on corporate regulation, governance and compliance matters.

Mr Muscillo was previously a director of ASX-Listed Orbis Gold Limited until its takeover by TSX-Listed Semafo, and is a non-executive director of ASX-Listed Aeris Resources Limited, Xanadu Mines Limited and Cardinal Resources Limited.

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Recommendation

The Directors (with Mr Muscillo abstaining) recommend that you vote in favour of this Ordinary Resolution.

5. Resolution 3: Ratification of Prior Issue of Shares

Background

On 24 May 2019, the Company issued 8,487,515 Shares to sophisticated and professional investors under a placement (as announced by the Company on 20 May 2019), utilising the Company's existing capacity under Listing Rule 7.1.

Listing Rule 7.1

This Resolution proposes that Shareholders of the Company approve and ratify that prior issue and allotment of the 8,487,515 Shares that were issued on 24 May 2019.

All of the Shares were issued by utilising the Company's existing capacity under Listing Rule 7.1.

Listing Rule 7.1 allows the Board of an ASX listed entity to issue up to 15% of the Company's issued capital in any 12 month period without the approval of the Shareholders of the Company.

Listing Rule 7.4 provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1.

The effect of approval of this Resolution is to allow the Board of the Company to issue additional securities within the 15% limit under Listing Rule 7.1 after this Resolution is adopted, instead of having to wait 12 months after the issue.

Listing Rule 7.5

Pursuant to Listing Rule 7.5, the following information is provided in respect of the Listing Rule 7.4 approval sought under Resolution 3:

(a) **The number of securities issued**

The Company issued 8,487,515 Shares.

(b) **The price at which the securities were issued**

The issue price of the Shares issued on 24 May 2019 was \$0.085 per Share.

(c) **The terms of the securities**

The Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.

(d) **The names of the persons to whom the entity issued the securities or the basis on which those persons were determined**

The Shares were issued under a private placement to sophisticated and professional investors.

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(e) **The use (or intended use) of the funds raised**

In relation to the Shares issued pursuant to the private placement, funds raised have been and will be applied by the Company for the purposes of drilling, further exploration work on the Company's projects, to cover the costs of the placement and to provide working capital.

(f) **A voting exclusion statement**

A voting exclusion statement is set out under Resolution 3 of the Notice of Meeting.

Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

6. Resolution 4: Issue of Shares to GeoDrill

As announced by the Company on 8 October 2019, the Company has entered into a memorandum of understanding (**MoU**) with GeoDrill Limited (**GeoDrill**) for the undertaking of drilling activities by GeoDrill on the Company's Burkina Faso and Cote d'Ivoire projects. The Company will commit up to US\$1,000,000 for this drilling program, with the first stage consisting of up to US\$500,000 worth of drilling activities.

GeoDrill may be (at Mako's election) be remunerated for these services in part, and subject to any required approvals being obtained, by the issue of Shares. Specifically, the Company will receive monthly invoices from GeoDrill and (subject to receiving all necessary approvals) has the option to pay 50% in cash and 50% via the issue of Shares, at a deemed issue price equal to the 15-day VWAP of Company Shares immediately prior to the date of the relevant monthly invoice (**Issue Price**).

Resolution 4 seeks Shareholder approval to issue up to a maximum of 5,000,000 Shares (the GeoDrill Shares) to GeoDrill, at a minimum issue price of \$0.05 per Share, noting that the number of Shares that will ultimately be issued will depend on the 15 day VWAP immediately prior to the invoice date. The \$0.05 floor is included in order to meet ASX Listing Rules that require a minimum issue price to be included in any such resolution. If the 5,000,000 total is not sufficient to meet the number of shares needing to be issued, or if the Issue Price falls below \$0.05, the Company has the option to pay in cash, issue any further Shares from its placement capacity or seek further shareholder approval at the relevant time.

Listing Rule 7.1 - Issues exceeding 15% of capital

Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any 12 month period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the 12 month period (**15% Capacity**) without either the prior approval of a majority of disinterested shareholders, or the issue otherwise falls within one of the prescribed exceptions to Listing Rule 7.1 (**15% Rule**).

Equity Securities issued with shareholder approval under Listing Rule 7.1 do not count towards the 15% Capacity.

The GeoDrill Shares are Equity Securities under the Listing Rules.

Therefore the Company is seeking Shareholder approval in accordance with Listing Rule 7.1 to issue the GeoDrill Shares, so that the GeoDrill Shares do not count towards the Company's 15% Capacity.

Explanatory Memorandum

Information for Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, the Company provides the following information:

Listing Rule		Information
7.3.1:	Maximum number of Securities to be issued	<p>The Company will issue up to 5,000,000 Shares to GeoDrill under this approval.</p> <p>The Company currently has on issue 89,672,084 Shares. If the maximum number of GeoDrill Shares are issued as approved by Resolution 4, the Company will have 94,672,084 Shares on issue of which the GeoDrill Shares will represent approximately 5.28%.</p>
7.3.2:	Date by which the Company will issue the Securities	<p>The GeoDrill Shares will be issued within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.</p>
7.3.3:	Issue price of Equity Securities	<p>Under the terms of the GeoDrill MoU, Shares will be issued to GeoDrill at an issue price being the 15-day VWAP of Company Shares immediately prior to the date of the relevant monthly invoice (Issue Price).</p> <p>Any GeoDrill Shares issued under the approval will be issued under the approval sought by this Resolution 4 will be issued at a minimum issue price of \$0.05 per share. If the Issue Price drops below this minimum amount, the Company will not issue Shares under this approval. If the Company still wished to remunerate GeoDrill via the issue of Shares, it will instead issue Shares to GeoDrill under its placement capacity, or seek further shareholder approval as required.</p>
7.3.4:	Allottees of Equity Securities	<p>The GeoDrill Shares will be issued to GeoDrill Limited pursuant to the GeoDrill MoU.</p>
7.3.5:	Terms of the Equity Securities	<p>The GeoDrill Shares shall rank pari passu with all other existing Shares on issue in the Company.</p>
7.3.6:	Use of funds raised	<p>The GeoDrill Shares are being issued as part of the consideration to be paid to GeoDrill under the terms of the GeoDrill MoU.</p>
7.6.7:	Dates of allotment	<p>The GeoDrill Shares will be allotted progressively.</p>
7.6.8:	Voting Exclusion Statement	<p>A voting exclusion statement is included in the Notice of Meeting.</p>

Recommendation

The Directors recommend that you vote in favour of this Resolution.

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7. Resolution 5: Adoption of ESOP

The Company proposes to adopt an employee share and option plan (ESOP) pursuant to which issued capital of the Company may be made available to directors, senior management and employees as a form of longer term equity incentive.

Pursuant to Resolution 7, the Company is seeking Shareholder approval to adopt the ESOP and approval for any potential future issue of securities under the Company's ESOP as an exception under Listing Rule 7.2, Exception 9(b) to Listing Rules 7.1 and 7.1A.

Approval of the ESOP is sought under exception 9 to Listing Rule 7.2 so that any issue of securities under the ESOP over the next 3 years is disregarded when determining the 15% threshold of the Company.

No securities have been issued under the ESOP since its last approval, as this is the first approval sought for the ESOP.

A summary of the ESOP is set out in Schedule 1 to this Notice of Meeting.

A voting exclusion statement is set out under Resolution 5 of the Notice of Meeting.

Recommendation

The Directors recommend that you vote in favour of this Ordinary Resolution.

8. Resolution 6: Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A

Introduction

Resolution 6 seeks Shareholder approval to issue an additional 10% of issued capital over a 12 month period pursuant to Listing Rule 7.1A. If passed, this Resolution will allow the Company to allot and issue up to the number of new Equity Securities calculated in accordance with Listing Rule 7.1A.2 (**Placement Securities**) each at an issue price of at least 75% of the VWAP for the Company's Equity Securities in that class (calculated over the last 15 days on which trades in the Equity Securities are recorded immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within five trading days of that date, the date on which the Placement Securities are issued) (**Issue Price**).

This approval is sought pursuant to Listing Rule 7.1A. Under Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by special resolution at the annual general meeting, are permitted to issue an additional 10% of issued capital over a 12 month period from the date of the annual general meeting (**Additional 10% Placement**). The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its issued capital without shareholder approval over a 12 month period pursuant to Listing Rule 7.1.

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Listing Rule 7.1A

(a) General

(1) Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index.

The Company has a market capitalisation of less than \$300 million and is not included in the S&P/ASX300 Index, and is therefore eligible to undertake an Additional 10% Placement under Listing Rule 7.1A.

In the event that the Company for any reason ceases to be eligible to utilise Listing Rule 7.1A after the Company has already obtained shareholders' approval pursuant to this Resolution 6, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities.

(2) Special Resolution

Listing Rule 7.1A requires this Resolution 6 to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the meeting.

(b) 10% Placement Period - Listing Rule 7.1A.1

See section (h) below for details on the period during which Placement Securities may be issued if Resolution 6 is approved.

(c) Calculation for Additional 10% Placement - Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of ordinary securities on issue 12 months before the date of issue or agreement:

- (1) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- (2) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (3) plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rules 7.1 or 7.4 (but note that this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without shareholder approval); and
- (4) less the number of fully paid ordinary securities cancelled in the 12 months.

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D is 10 percent.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(d) **Information to be given to ASX - Listing Rule 7.1A.4**

If Resolution 6 is passed and the Company issues any Placement Securities under Listing Rule 7.1A, the Company will give to ASX:

- (1) a list of allottees of the Placement Securities and the number of Placement Securities allotted to each (this list will not be released to the market); and
- (2) the following information required by rule 3.10.5A, which will be released to the market on the date of issue:
 - (A) details of the dilution to the existing holders of Equity Securities caused by the issue;
 - (B) where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing shareholders would have been eligible to participate;
 - (C) details of any underwriting arrangements, including any fees payable to the underwriter; and
 - (D) any other fees or costs incurred in connection with the issue.

(e) **Listing Rules 7.1 and 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The Company will have the capacity to issue the following shares on the date of the Meeting:

- (1) Subject to shareholder approval being obtained under Resolution 3, up to 12,950,813 shares under Listing Rule 7.1; and
- (2) subject to shareholder approval being obtained under Resolution 3 and this Resolution 6, up to 8,967,208 shares under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described above).

Specific Information required by Listing Rule 7.3A

(f) **Minimum Price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.1**

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an issue price of not less than 75% of the VWAP for the Equity Securities over the 15 trading days immediately before:

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- (1) the date on which the price at which the Placement Securities are to be issued is agreed; or
- (2) if the Placement Securities are not issued within five trading days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the issue price on the date of issue of the Placement Securities.

(g) **Risk of economic and voting dilution - Listing Rule 7.3A.2**

As provided by Listing Rule 7.3A.2, if Resolution 6 is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 89,672,084 shares. The Company could issue 8,967,208 shares on and from the date of the Meeting if Resolution 6 is passed (however, it is important to note that the exact number of Equity Securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2 details of which are set out above). Any issue of Placement Securities will have a dilutive effect on existing shareholders.

There is a specific risk that:

- (1) the Market Price for the Company's Equity Securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the meeting; and
- (2) the Placement Securities may be issued at a price that is at a discount to the Market Price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.2, the table below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the Market Price of the shares has halved. The table below also shows additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the Market Price of the shares has:

- decreased by 50%; and
- increased by 100%.

Variable "A" in Listing Rule 7.1A.2	Voting Dilution	Dilution		
		\$0.043 50% decrease in Issue Price	\$0.086 Issue Price	\$0.172 100% increase in Issue Price
Current Variable A	10% voting dilution	8,967,208		
89,672,084 Shares	Funds raised	\$385,590	\$771,180	\$1,542,360
50% increase in current Variable A	10% voting dilution	13,450,813		
134,508,126 Shares	Funds raised	\$578,385	\$1,156,770	\$2,313,540
100% increase in current Variable A	10% voting dilution	17,934,417		
179,344,168 Shares	Funds raised	\$771,180	\$1,542,360	\$3,084,720

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The above table is based on the following assumptions:

- The Market Price is \$0.086 based on the closing price of the Shares on ASX on 2 October 2019.
- The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only shares are issued), and not any shares issued under the 15% placement capacity available under Listing Rule 7.1.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The Company issues the maximum number of Placement Securities.
- The issued share capital has been calculated in accordance with the formula in Listing Rule 7.1A(2) as at 2 October 2019.
- The issue price of the Placement Securities used in the table is the same as the Market Price and does not take into account the discount to the Market Price (if any).

(h) Final date for issue - Listing Rule 7.3A.3

As required by Listing Rule 7.1A.1, the Company will only issue and allot the Placement Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 14 November 2020. The approval under Resolution 6 for the issue of the Placement Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the AGM.

(i) Purpose - Listing Rule 7.3A.4

The purpose for which the Placement Securities may be issued include to raise funds for the Company and as non-cash consideration (further details of which are set out below). Funds raised from the issue of Placement Securities, if undertaken, would be applied for the purposes of drilling and further exploration work on the Company's projects and/or general working capital.

(j) Shares Issued for Non-cash consideration - Listing Rule 7.3A.4

The Company may issue Placement Securities for non-cash consideration, such as the acquisition of new assets or investments or as payment for services. If the Company issues Placement Securities for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Placement Securities complies with Listing Rule 7.1A.3.

(k) Company's Allocation Policy - Listing Rule 7.3A.5

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

Explanatory Memorandum

- (1) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (2) the effect of the issue of the Placement Securities on the control of the Company;
- (3) the financial situation and solvency of the Company; and
- (4) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not Related Parties or associates of a Related Party of the Company.

Further, if the Company is successful in acquiring new assets or investments for which Placement Securities are issued as consideration, it is likely that the allottees of some of the Placement Securities will be the vendors of the new assets or investments.

(l) **Previous shareholder approval under listing rule 7.1A**

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A,

Voting Exclusion Statement

A voting exclusion statement is included in the notice of meeting.

Recommendation

The Directors recommend that you vote in favour of this Special Resolution.

9. Interpretation

Annual Report means the document entitled “Mako Gold Limited Annual Financial Report – Financial Year Ended June 2019 of the Company.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange (as applicable).

Board means the board of directors of the Company.

Company means Mako Gold Limited ACN 606 241 829.

Constitution means the constitution of the Company from time to time.

Corporations Act means the *Corporations Act 2001* (Cth) as amended, varied or replaced from time to time.

Director means a director of the Company.

Directors’ Report means the document dated 27 September 2019 entitled ‘Directors’ Report’ contained within the Annual Report.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum accompanying the Notice of Meeting.

Key Management Personnel has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of that entity.

Listing Rules means the official listing rules of the ASX as amended from time to time.

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Mako Gold means Mako Gold Limited ACN 606 241 829.

Market Price means the closing price on of Shares in the Company on the ASX on a particular day.

Meeting or **Annual General Meeting** means the annual general meeting to be held on 14 November 2019.

Notice of Meeting or **Notice** means the notice of meeting giving notice to shareholders of the Meeting, accompanying this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast at a general meeting of shareholders.

Resolution means a resolution proposed at the Meeting.

Share means an ordinary fully paid share in the issued capital of the Company.

Shareholder means a holder of Shares in the Company.

Special Resolution means a resolution:

- (a) of which notice has been given as set out in paragraph 249L(1)(c) of the Corporations Act; and
- (b) that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

VWAP means the volume weighted average closing price.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Paul Marshall (**Company Secretary**):

Email: pmarshall@makogold.com.au

Explanatory Memorandum

Schedule 1 – Summary of ESOP

Note that terms not otherwise defined in the Notice or Explanatory Memorandum have the meaning given to them under the ESOP (referred to below as the “Plan”)

1. The Plan is to extend to Eligible Persons or Eligible Associate (as the case may be) of Mako Gold Limited ACN 606 241 829 (**Company**) or an Associated Body Corporate of the Company as the Board may in its discretion determine.
2. The total number of Securities which may be offered by the Company under the Plan shall not at any time exceed 5% of the Company’s total issued Shares when aggregated with the number of Securities issued or that may be issued as a result of offers made at any time during the previous three year period under:
 - (a) an employee incentive scheme covered by ASIC CO 14/1000; or
 - (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme.
3. The Shares are to be issued at a price determined by the Board.
4. The Options are to be issued for no consideration.
5. The exercise price of an Option is to be determined by the Board at its sole discretion.
6. The Option Commencement Date will be any such date or dates with respect to the Options or tranches of Options (as the case may be) as may be determined by the Board prior to the issuance of the relevant Options.
7. The Option Period commences on the Option Commencement Date and ends on the earlier of:
 - (a) the expiration of such period nominated by the Board at its sole discretion at the time of the grant of the Option but being not less than two years;
 - (b) if an Eligible Person’s employment or engagement with the Company or an Associated Body Corporate ceases because of an Uncontrollable Event, the earlier of:
 - (1) the expiry of the Option Period; or
 - (2) six months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement;
 - (c) if an Eligible Person’s employment or engagement with the Company or an Associated Body Corporate ceases because of a Controllable Event:
 - (1) the expiry of the Option Period; or
 - (2) three months (or such other period as the Board shall, in its absolute discretion, determine) from the date on which the Eligible Person ceased that employment or engagement; or
 - (d) the Eligible Person ceasing to be employed or engaged by the Company or an Associated Body Corporate of the Company due to fraud, dishonesty or being in material breach of their obligations to the Company or an Associated Body Corporate.
8. Eligibility to participate is determined by the Board. Eligibility is restricted to Eligible Persons (or their Eligible Associates where applicable) of the Company or an Associated Body Corporate of the Company. The Board is entitled to determine:
 - (a) subject to paragraph 2, the total number of Shares and Options to be offered in any one year to Eligible Persons or Eligible Associates;
 - (b) the Eligible Persons to whom offers will be made; and
 - (c) the terms and conditions of any Shares and Options granted, subject to the Plan.
9. In respect of Options, Option holders do not participate in dividends or in bonus issues unless the Options are exercised.

Explanatory Memorandum

10. Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the ASX Listing Rules.
11. In the event of a pro rata issue (except a bonus issue) made by the Company during the term of the Options the Company may adjust the exercise price for the Options in accordance with the formula in the terms of the Plan.
12. The Board has the right to vary the entitlements of Participants to take account of the effect of capital reorganisations, bonus issues or rights issues.
13. The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of Shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for exercise of the Options.
14. The Board may impose as a condition of any offer of Shares and Options under the Plan any restrictions on the transfer or encumbrance of such Shares and Options as it determines.
15. The Board may vary the Plan.
16. The Plan is separate to and does not in any way form part of, vary or otherwise affect the rights and obligations of an Eligible Person under the terms of his or her employment or arrangement.
17. At any time from the date of an Offer until the Acceptance Date of that Offer, the Board undertakes that it shall provide information as to:
 - (a) the Current Market Price of the Shares; and
 - (b) the acquisition price of the Shares or Options offered where this is calculated by reference to a formula, as at the date of the Offer,to any Participant within three Business Days of a written request to the Company from that Participant to do so.
18. Any Offer made pursuant to the Plan will specify whether subdivision 83A-C of the applicable Tax Laws applies to that Offer such that any tax payable by a Participant under the Offer will be deferred to the applicable deferred taxing point described in that subdivision.

In the Plan:

Controllable Event means cessation of employment or engagement other than by an Uncontrollable Event.

Uncontrollable Event means:

- (a) death, serious injury, disability or illness which renders the Eligible Person incapable of continuing their employment or engagement (or providing the services the subject of the engagement) with the Company or Associated Body Corporate;
- (b) forced early retirement, retrenchment or redundancy; or
- (c) such other circumstances which results in an Eligible Person leaving the employment of or ceasing their engagement with the Company or Associated Body Corporate and which the Board determines is an Uncontrollable Event.

LODGE YOUR VOTE

-  **ONLINE**
www.linkmarketservices.com.au
-  **BY MAIL**
Mako Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
-  **BY FAX**
+61 2 9287 0309
-  **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138
-  **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Mako Gold Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:30am (Brisbane time) on Thursday, 14 November 2019 at Mako Gold Limited, Suite 2, Level 17, 300 Adelaide Street, Brisbane QLD 4000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 & 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 & 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

STEP 2

Resolutions	For	Against	Abstain*		For	Against	Abstain*	
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5	Adoption of ESOP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Michele Muscillo as a director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6	Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of Shares to GeoDrill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

STEP 3

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input style="width: 200px; height: 30px;" type="text"/>	<input style="width: 200px; height: 30px;" type="text"/>	<input style="width: 200px; height: 30px;" type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all shareholders must sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:30am (Brisbane time) on Tuesday, 12 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Mako Gold Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**