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Target's Statement

of Mako Gold Limited ACN 606 241 829 in response to the off-market takeover bid by Aurum Resources Limited 650 477 286 to acquire all of your Shares and certain of your Options in Mako Gold Limited

Accept the Offers

from Aurum Resources Limited 650 477 286 to acquire:

- **all of your Mako Shares, on the basis of 1 Aurum Share for every 25.1 Mako Shares;**
- **all of your Mako Class A Options, on the basis of 1 Aurum Share for every 170 Mako Class A Options; and**
- **all of your Mako Class B Options, on the basis of 1 Aurum Share for every 248 Mako Class B Options,**

in the absence of a Superior Proposal.

Your Directors unanimously recommend that you ACCEPT THE OFFERS in the absence of a Superior Proposal.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

It should be read in its entirety, if you are in doubt about how to deal with this document, you should consult your legal, financial or other professional adviser immediately.

HopgoodGanim LAWYERS

Legal Adviser

EUROZ HARTLEYS

Financial Adviser

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IMPORTANT NOTICES

Nature of this document

This Target's Statement is dated 14 November 2024 and is given under Part 6.5 Division 3 of the Corporations Act by Mako Gold Limited ACN 606 241 829 (**Mako**) in response to the Bidder's Statement dated 30 October 2024 and Offers dated 4 November 2024 by Aurum Resources Limited 650 477 286 (**Aurum**), to acquire all of the Mako Shares and all of the Mako Options.

A copy of this Target's Statement was lodged with ASIC and sent to the ASX on 14 November 2024. Neither ASIC, ASX nor any of their officers take any responsibility for the content of this Target's Statement.

This Target's Statement and the Bidder's Statement contain important information. You should read both documents carefully and in their entirety.

Investment Decision

This Target's Statement does not take into account the individual investment objectives, financial situation and particular needs of each Mako Securityholder. You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offers for your Mako Shares or Mako Options (as applicable).

Shareholder Information

If you have any questions in relation to the Offers, please call the Mako information line on 1300 853 781for callers within Australia or on +61 1300 853 781 for callers outside Australia from Monday to Friday between 8.30am to 5.30pm (Sydney time).

Announcements relating to the Offers can be obtained from Mako's website at www.makogold.com.au.

Interpretation

Capitalised terms used in this Target's Statement are defined in section 12 of this document.

Forward Looking Statements

This Target's Statement contains certain forward looking statements and statements of current intention. Such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Mako is involved as well as general economic conditions and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected. None of Mako, any of its officers, or any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood in any forward looking statement, and you should not place undue reliance on these statements.

Forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Foreign Jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Maps and Diagrams

Any maps, diagrams, charts, graphs and tables contained in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in maps, diagrams, charts, graphs and tables is based on information available as at the date of this Target's Statement.

Information about Aurum in this Target's Statement

Except where disclosed in this Target's Statement, the information about Aurum contained in this Target's Statement has been prepared by Mako using publicly available information including the Bidder's Statement, which has not been independently verified. Accordingly, except to the extent required by law, Mako does not assume responsibility for the accuracy or completeness of such information.

Privacy

Mako has collected your information from the register of Mako Shareholders and Mako Optionholders for the purpose of providing you with this Target's Statement. The type of information Mako has about you includes your name, contact details and information on your holdings in Mako. Without this information, Mako would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of securityholders to be held in a public register. Your information may be disclosed on a confidential basis to external service providers (including the Mako Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Mako, please contact the Mako Share Registry on 1300 554 474 (within Australia), or +61 1300 554 474 (outside Australia) between 8.30am and 7.30pm (Sydney time) Monday to Friday.

Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

Risk Factors

Mako Securityholders should note that there are a number of risks attached to their investment in Mako. Mako Securityholders should also note that there are risks involved in accepting the Offers. Please refer to section 9 for further information.

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CHAIR'S LETTER

Dear Mako Securityholders

ACCEPT THE OFFERS (in the absence of a Superior Proposal)

I am writing to you in response to the off-market takeover bid announced by Aurum Resources Limited (**Aurum** or **Bidder)**, to acquire all of the Mako Shares and Mako Options.[1]

This Target's Statement sets out your Directors' response to the Offers and contains their recommendation, reasons for that recommendation, and other important information you should consider when deciding whether to accept or reject the Offers.

Your Board has carefully considered:

- **the Share Offer of 1 Aurum Share for every 25.1 Mako Shares; and**
- **the Option Offers of:**
  - **1 Aurum Share for every 170 Mako Class A Options; and**
  - **1 Aurum Share for every 248 Mako Class B Options,**

and unanimously recommends that you ACCEPT THE OFFERS (in the absence of a Superior Proposal).

The Mako Directors believe that you should ACCEPT the Offers (in the absence of a Superior Proposal) because:

1. The Offers represent a significant and attractive premium for Mako Securityholders.
2. The Mako Board unanimously recommends that you accept the Offers, in the absence of any Superior Proposal.
3. Aurum expects to acquire 17.8% interest in Mako via pre-bid acceptance agreements with Mako's significant shareholders.
4. The Offers represent the opportunity to become a shareholder in an enlarged, well-funded and low-cost gold exploration business in West Africa.
5. Strong pro forma balance sheet removes immediate funding uncertainty and mitigates risk of significant dilution.
6. The Offers provide enhanced trading liquidity, re-rating potential.
7. Reduce Mako Securityholders' exposure to risks associated with a standalone entity.
8. No Superior Proposal has emerged.
9. There are risks in not accepting the Offers.

Your Board recommends that you read this Target's Statement in its entirety and consider the Offers, having regard to your own personal risk profile, investment strategy and tax circumstances. To ACCEPT the Offers you should follow the instructions set out in the Bidder's Statement.

If you are in doubt as to whether to accept or reject the Offers, you should seek your own independent professional advice.

[1] For the sake of clarity, the Mako Options includes the Mako Class A Options and the Mako Class B Options and excludes the Mako Non-Bid Options.

On behalf of all Directors of Mako, I thank you for your continued support.

Yours faithfully



Michele Muscillo
Non-Executive Chair
Mako Gold Limited

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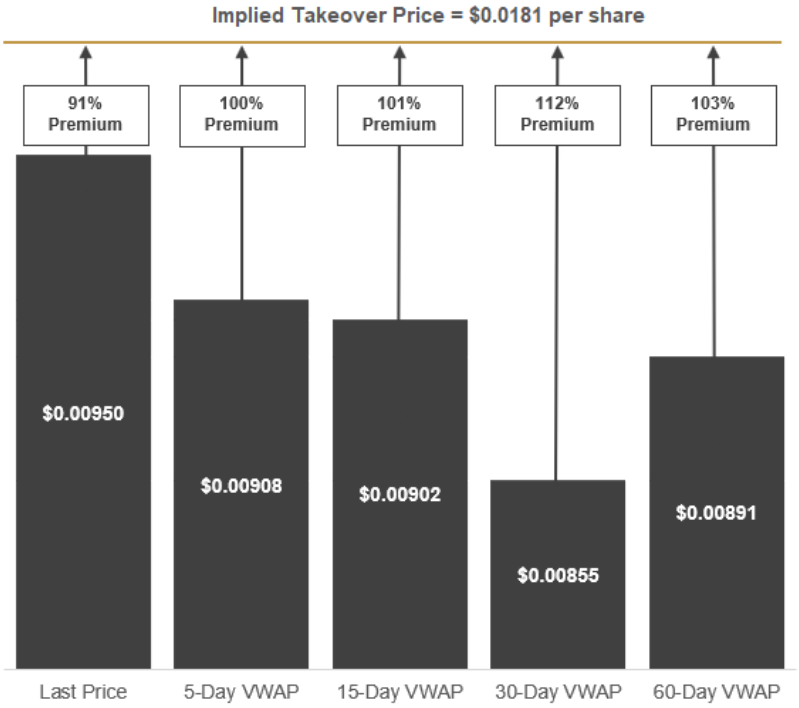
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KEY REASONS TO ACCEPT THE OFFERS

The Mako Board unanimously recommends that you ACCEPT the Offers (in the absence of a Superior Proposal) for the following key reasons.

REASON 1 The Offers represent a significant and attractive premium for Mako Securityholders

- Mako Shareholders will receive 1 Aurum Share for every 25.1 Mako Shares they hold, which represents an implied offer price of $0.0181 per Mako Share,[2] representing a strong premium to Mako's trading price over an extended period of time.
- The following chart shows the implied value of Aurum's Share Offer.

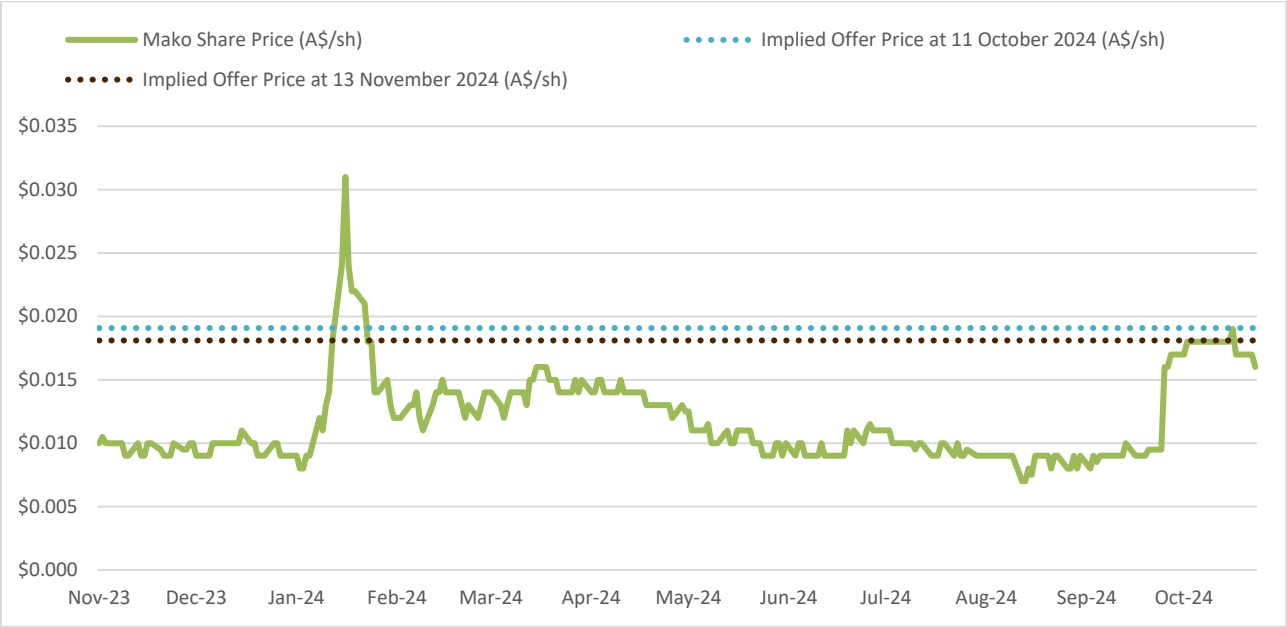


Implied Value Based on Aurum's Share Offer[3]

- Based on Aurum's 5-day VWAP of $0.456 per as at 11 October 2024, the last day of trading in Mako Shares and Aurum Shares before the Offers were announced, the Offer Consideration for the Share Offer implies a value of $0.0181 per Mako Share.
- The Share Offer represents an attractive premium of:
  - 91% to the last closing price of $0.00950 per Mako Share on 11 October 2024;
  - 100% to the 5-day VWAP of $0.00908 per Mako Share as at 11 October 2024;
  - 112% to the 30-day VWAP of $0.00855 per Mako Share as at 11 October 2024; and
  - 103% to the 60-day VWAP of $0.00891 per Mako Share as at 11 October 2024.

[2] Based on the last closing price of Mako and Aurum shares on 11 October 2024, the last day of trading in Mako Shares and Aurum Shares before the Offers were announced.
[3] Based on Aurum's 5-day VWAP of $0.456 per share.

- Aurum also proposes to acquire 100% of two classes of unlisted options in Mako, being:
  - 1 Aurum Share for every 170 Class A Options[4]
  - 1 Aurum Share for every 248 Class B Options[5]
- The share price performance of Mako Shares on the ASX over the past 12 months compared to the implied Share Offer price as at 11 October 2024 (the last practicable date prior to the Announcement Date) and last close price prior to the date of this Target's Statement is presented below.



- Based on the last close price immediately prior to release of this Target's Statement (being 13 November 2024), the implied offer price is $0.01908 per Mako Share, representing a premium of 123% to Mako's 30-day VWAP prior to the Announcement Date.

REASON 2 The Mako Board unanimously recommends that you accept the Offers, in the absence of any Superior Proposal

- In the absence of a Superior Proposal, all of Mako's Directors unanimously recommend that Mako Securityholders accept the Offers.
- Each of the Mako Directors have provided intention statements to accept the Offers in respect of any Mako Shares and Mako Options that they own or control, subject in each case to there being no Superior Proposal. The Mako Directors collectively own or control 15,246,869 Mako Shares (representing 1.55% of Mako Shares on issue) and 1,166,668 Mako Options (representing 0.43% of all Mako Options on issue).

REASON 3 Aurum expects to acquire 17.8% interest in Mako via pre-bid acceptance agreements with Mako's significant shareholders

- A number of Mako's largest shareholders, comprising Dundee Resources Limited (78,653,747 Mako Shares), Sparta Invest AG (40,000,000 Mako Shares), Delphi Unternehmensberatung

[4] Being the 43,333,359 Options issued by the Company with an exercise price of $0.05 and expiring on 30 June 2025.
[5] Being the 200,000,000 Options issued by the Company with an exercise price of $0.02 and expiring on 31 January 2025.

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Aktiengesellschaft (7,351,504 Mako Shares), Geodrill Limited (33,186,871 Mako Shares) and David Harper (16,518,791 Mako Shares) (together, the **Pre-Bid Mako Securityholders**) have entered into pre-bid acceptance deeds (**Pre-Bid Acceptance Deeds**) with Aurum, in which they have given their commitment to accept the Offers in respect of all the Mako Shares and Mako Options they own or control, in the absence of a Superior Proposal.

- The Pre-Bid Mako Securityholders collectively own or control 175,710,913 Mako Shares (representing 17.8% of Mako Shares on issue) and 18,329,898 Mako Options (representing 6.78% of all Mako Options on issue).

- The commitments given by the Pre-Bid Mako Securityholders are in addition to the indications given by the Mako Directors. Collectively, the Mako Directors and Pre-Bid Mako Securityholders who have either agreed or indicated an intention to accept the Offers, in the absence of a Superior Proposal, hold a total of 19.35% of the Mako Shares on issue.

- Aurum has disclosed a Relevant Interest of 28.16% of Mako Shares immediately prior to the date of this Target's Statement.[6]

REASON 4 The Offers represent the opportunity to become a shareholder in an enlarged, well-funded and low-cost gold exploration business in West Africa

The acquisition of Mako by Aurum will provide for far greater exploration spend than Mako can fund itself, and with greater cost efficiency given Aurum's fleet of owner-operated diamond drilling rigs which have resulted in significantly lower drilling costs.

Diversified exposure and strong management team.

– The integration of Mako and Aurum will create an emerging exploration and development gold business in West Africa, with cash of over A$20 million[7] to advance the flagship Napié and Boundiali Projects in northern Côte d'Ivoire.

– Mako Securityholders will gain exposure to significant upside around Aurum's maiden Mineral Resource Estimate for the Boundiali Gold Project, targeted for later Calendar Year 2024.

– Mako Securityholders who accept the Offers will be led by a highly experienced management team who have been involved in a range of activities including grass roots discovery, resource drill-out, feasibility studies and project finance. If the Offers are successfully completed, Mako Securityholders will benefit from the Aurum management team's proven track record of successful exploration and production.

Increased drilling efficiencies

– Exposure to low cost and efficient exploration drilling through Aurum's owner-operator drilling model with 6 company-owned diamond drill rigs operating at its Boundiali Project.

– Once Aurum has acquired a Relevant Interest in at least 50.1% of Mako Shares, it intends to commence diamond drilling at Napié utilising its owner-operated diamond rigs (provided that the expenditure for such operations can be achieved within Aurum's current budget plan). See section 8.3 of the Bidder's Statement.

[6] See 'Substantial Holder Notice' issued by Aurum on 13 November 2024.
[7] Based on Mako and Aurum collective cash balances as at 15 October 2024, and prior to costs associated with the transaction.

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Stronger balance sheet and enhanced funding capability

- Mako Securityholders will be exposed to a strong balance sheet with over A$20 million[8] cash to advance exploration and resource growth at the Napié Project.
- The larger market capitalisation of Aurum, greater liquidity and larger portfolio will likely mean equity raisings in the future will be available to Aurum on more favourable terms that Mako could achieve on its own

REASON 5 Strong pro forma balance sheet removes immediate funding uncertainty and mitigates risk of significant dilution

- Mako's Napié Project is still in its exploration phase, and unfortunately has not been able to be progressed as quickly in recent years as the Mako Board would have liked, in large part due to an inability to raise sufficient equity capital for exploration, and difficult market conditions for micro-cap exploration companies.
- To continue advancing the Napié Project on a standalone basis, Mako would be required to raise significant new capital for exploration activities, which would likely require a steep discount to recent trading prices to enable Mako to raise funds in a highly competitive market for risk-capital. This would lead to significant equity dilution of existing Mako Shareholders, to the extent they do not participate in any equity capital raisings.
- Aurum has the ability to fund further exploration at the Napié Project with its existing strong balance sheet and ability to raise a greater amount of capital on better financing terms than is possible for Mako.

REASON 6 Aurum Offers provide enhanced trading liquidity, re-rating potential

- Mako currently has very low liquidity on the ASX. Over the past year, Mako's average daily value traded was $71,792. In contrast, over the same period, Aurum's average daily value traded was $108,462.[9]
- If the Offers are successful, the Aurum Shares issued as Offer Consideration for the Mako Securities will have greater liquidity than the Mako Shares. By accepting the Offers and swapping your Mako Securities for Aurum Shares, you will be able to trade your new shares with greater ease.

REASON 7 Reduce Mako Securityholders' exposure to risks associated with a standalone entity

- Mako Securityholders will gain exposure to Aurum's highly complementary Boundiali Gold Project while continuing to maintain their exposure to the potential future upsides associated with Mako's assets. These potential benefits will be acquired as the same time as Mako Securityholders mitigate the exposure risks associated with owning securities in a standalone entity.
- The Napié Project is Mako's only advanced asset, creating significant 'single-asset risk' should anything negative happen to impact the future viability of the Napié Project. This risk is significantly mitigated by the exposure Mako Securityholders will gain to Aurum's Boundiali Gold Project.

[8] Refer to footnote 6.
[9] Daly average of the cumulative value traded between 11 October 2023 and 11 October 2024.

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REASON 8 No Superior Proposal has emerged

- Over several months the Mako Directors have assessed various options to maximise shareholder value in Mako, including speaking with other potential merger partners. As at the date of this Target's Statement, no Superior Proposal has emerged that would cause the Mako Directors to reconsider their current Recommendation, nor is there any suggestion that a Competing Proposal or a Superior Proposal is expected.

- If a Competing Proposal emerges, the Mako Directors will carefully consider that proposal to determine whether it is a Superior Proposal and will inform you of any material developments which may affect the Recommendation of the Mako Directors.

REASON 9 There are risks in not accepting the Offers

- If the Offers are unsuccessful and no other offers emerge, the price of Mako Shares may fall below the current trading price and liquidity levels, leaving Mako Securityholders exposed to the ongoing risks associated with an investment in Mako (some of which are noted above in REASON 7).

- In particular:

  - Mako Securityholders will have full exposure to the exploration and potential development risk associated with Mako's existing projects, and will not benefit from Aurum's exploration and development expertise; and

  - there is a strong probability that Mako will have to raise additional funds to meet its expenditure obligations and for general working capital purposes.

- If you do not accept the Offers and the relevant Offer becomes unconditional:

  - in the case of the Share Offer, liquidity in Mako Shares may be significantly reduced or Aurum may be entitled to remove Mako from the official list of the ASX;

  - in the case of each of the Offers, and subject to Aurum obtaining a Relevant Interest in 90% of the relevant class of securities, Aurum may be entitled to compulsorily acquire your Mako Shares and/or your Mako Options (as the case may be). If this happens, you will receive the Offer Consideration for the relevant Mako Securities later than you would have received it if you had accepted the relevant Offer.

Further details on the risks associated with not accepting the Offers (including minority ownership consequences) are set out in section 9 of this Target's Statement.

If you retain your Mako Securities, you will continue to be exposed to the risks associated with being a Mako Securityholder. A non-exhaustive summary of such risks is set out in section 9.6 of this Target's Statement.

Mako Securityholders should note that there are also risks associated with accepting the Offers. Details of the risks associated with accepting the Offers are contained in section 11 of the Bidder's Statement and sections 9.2 to 9.4 of this Target's Statement.

The Mako Board unanimously recommends that you ACCEPT the Offers by Aurum (in the absence of a Superior Proposal).

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1. FREQUENTLY ASKED QUESTIONS ABOUT THE OFFERS

For the purposes of enabling you to understand some of the complex issues which arise during the process of a takeover bid, we have provided this question and answer guide.

This section is not intended to address all issues that may be relevant to you. This section should be read together with the rest of this Target's Statement.

Question		Answer	Further Information
1.1	**What is this Target's Statement?**	This Target's Statement has been prepared by Mako and provides Mako's response to Aurum's Offers, including the recommendation of your Directors.	
1.2	**Who is the Bidder?**	Aurum Resources Limited 650 477 286.	Section 7
1.3	**What are the Offers?**	Aurum is offering to acquire: • all Mako Shares, on the basis of 1 Aurum Share for every 25.1 Mako Shares you hold (**Share Offer**); and • all Mako Options, on the following basis: o 1 Aurum Share for every 170 Mako Class A Options you hold; and o 1 Aurum Share for every 248 Mako Class B Options you hold, (together, the **Option Offers**). You may only accept the Share Offer in respect of all of your Mako Shares and the Option Offers in respect of all of your Mako Options.	Section 2
1.4	**What is the Share Offer?**	Aurum is offering 1 Aurum Share for every 25.1 Mako Shares you hold. You may accept the Share Offer only in respect of all, and not part, of the Mako Shares that you hold. The Share Offer extends to Mako Shares that come into existence because of the exercise of Mako Convertibles from the Register Date to the end of the Offer Period.	Section 2
1.5	**What are the Conditions of the Share Offer?**	The Share Offer is subject to the Share Offer Conditions, which are set out in detail in section 2.3 of this Target's Statement and in section 13.8 of the Bidder's Statement.	Section 2.3
1.6	**What are the Option Offers?**	Pursuant to the Option Offers, Aurum is also offering: • 1 Aurum Share for every 170 Mako Class A Options you hold; and • 1 Aurum Share for every 248 Mako Class B Options you hold.	Section 3

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Question		Answer	Further Information
1.7	**What are the Conditions of the Option Offers?**	The Option Offers are subject to the Option Offers Conditions, which are set out in detail in section 3.3 of this Target's Statement and in section 14.9 of the Bidder's Statement.	Section 3.3
1.8	**What are my alternatives?**	As a Mako Securityholder you have the following choices in respect of your Mako Securities: 1. accept the Offers (as recommended by the Mako Directors in the absence of a Superior Proposal); 2. reject the Offers by doing nothing; or 3. sell your Mako Shares (if any) on the ASX at the prevailing market price (unless you have previously accepted the Share Offer and you have not validly withdrawn your acceptance). When deciding what to do, you should carefully consider the Mako Directors' recommendation and other important factors set out in this Target's Statement.	Section 4
1.9	**What do the Director's recommend?**	Your Directors unanimously recommend that you **ACCEPT THE OFFERS** (in the absence of a Superior Proposal) (**Recommendation**). The reasons for this recommendation are set out in this Target's Statement. If there is a change in the Recommendation or any other material developments in relation to the Offers, Mako will lodge a supplementary target's statement.	
1.10	**If I accept the Offers, can I withdraw my acceptance?**	No. You cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offers, Aurum varies the Offers in a way that postpones, for more than one month, the time when Aurum has to meet its obligations under the Offers, and at that time, the Offers are subject to one of the Conditions.	Section 4.4
1.11	**Can Aurum vary the Offers?**	Yes, Aurum can vary the Offers by extending the Offer Period (subject to certain restrictions), increasing the Offer Consideration or waiving the Conditions (subject to certain restrictions). The Mako Directors do not know if Aurum will vary its Offers. Any such variation will be announced to the ASX. Section 4.5 of this Target's Statement for further information regarding the restrictions on Aurum's ability to vary the Offers.	Section 4.5
1.12	**When do the Offers close?**	The Offers are scheduled to close at 7.00pm (Sydney time) on 4 December 2024 (unless extended or withdrawn). The Offer Period may also be automatically extended in certain circumstances.	Section 2.2 Section 4.5

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Question	Answer	Further Information
1.13 What will happen if Aurum improves the Offer Consideration?	If Aurum improves the Offer Consideration, any Mako Securityholders who have accepted the Offers will be entitled to the benefit of that improved consideration (whether they accepted the Offers before or after the consideration is improved). If this occurs, the Mako Directors will carefully consider the revised Offers and advise Mako Securityholders accordingly. However, there is no guarantee that Aurum will improve the Offer Consideration offered for any of the Offers.	Section 4
1.14 What happens if I do nothing?	**Share Offer** If you do not accept the Share Offer, you will retain your Mako Shares and will not receive the Offer Consideration in respect of those securities. **Option Offers** If you do not accept the Option Offers, you will retain your Mako Options and will not receive the Offer Consideration in respect of those securities. Refer also to section 1.15 below.	Section 5.2
1.15 Can I be forced to sell my Mako Securities?	**Share Offer** If Aurum obtains sufficient acceptances from other Mako Shareholders such that Aurum acquires a Relevant Interest in 90% or more of the total number of Mako Shares, Aurum may compulsorily acquire your Mako Shares. If this happens, you will receive the Offer Consideration at the end of the compulsory acquisition process. This means you will receive the Offer Consideration for your Mako Shares later than you would have received it if you had accepted the Share Offer. **Option Offers** If Aurum obtains sufficient acceptances from other Mako Optionholders such that Aurum acquires a Relevant Interest in 90% or more of the total number of Mako Options, Aurum may compulsorily acquire your Mako Options. If this happens, you will receive the Offer Consideration at the end of the compulsory acquisition process. This means you will receive the Offer Consideration for your Mako Options later than you would have received it if you had accepted the Option Offers.	Section 5
1.16 How many Mako Shares does Aurum hold?	In section 7.6 of the Bidder's Statement, Aurum states that neither Aurum nor any of its Associates had provided consideration for any Mako Shares or Mako Options during the 4 months prior to the date of Bidder's Statement other than pursuant to the Pre-Bid Acceptance Deeds.	Section 10.2 Section 10.5

Question	Answer	Further Information
	Pursuant to the Pre-Bid Acceptance Deeds, Aurum has: • acquired a Relevant Interest in 175,710,913 Mako Shares as at the date of the Bidder's Statement, representing a voting power of 17.8%; and • agreed to acquire 34,848,689 Mako Options, representing 2.77% of the Mako Securities on issue, on a fully diluted basis.	
1.17 How do I accept the Offers?	If you choose to accept the Offers, how you accept the Offers will depend on whether your Mako Securities are in an Issuer Sponsored Holding or a CHESS Holding. If you hold your Mako Securities in an Issuer Sponsored Holding (your Securityholder Reference Number will begin with "I"), you must complete the Acceptance Form in accordance with the instructions set out on the form and return it to the address on the Acceptance Form so that it is received before 7.00pm (Sydney time) on the last day of the Offer Period. Otherwise, if you hold your Mako Securities in a CHESS Holding (your Holder Identification Number will begin with "X") either contact your Controlling Participant (usually your Broker) and instruct them to accept the Offers on your behalf, or complete the Acceptance Form in accordance with the instructions on it and return it to the address on the Acceptance Form. Full details of how to accept the Offers are set out in section 2 of the Bidder's Statement. If you are a Controlling Participant, acceptance of the Offers must be initiated in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.	Section 5.1
1.18 What happens if I accept the Offers?	If you accept the Offers while they are still conditional, unless withdrawal rights are available, you will not be able to: 1. sell your Mako Shares accepted under the Offers on the ASX (that is, you will not be able to settle the trade using those Mako Shares); 2. sell your Mako Securities accepted under the Offers to any other bidder that may make a takeover offer; and 3. otherwise deal with your Mako Securities accepted under the Offers while the Offers remain open.	Section 2.6 Section 3.6

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Question	Answer	Further Information
	If the Conditions are not satisfied or waived and the Offers lapse, all contracts resulting from acceptance of the Offers will be void and you will be free to deal with your Mako Securities accepted under the Offers.	
1.19 Can Aurum withdraw the Offers?	Yes, but only in limited circumstances with the consent of ASIC.	Section 4.6
1.20 Can I accept the Offers for less than all of my Mako Securities?	No, you can only accept for all of your Mako Shares and/or Mako Options (as applicable).	
1.21 What are the tax implications of accepting the Offers?	There may be tax implications from the sale of your Mako Securities. You should obtain independent advice from your professional adviser or tax adviser in this regard. Section 4.8 of this Target's Statement specifies possible tax implications for Mako Securities arising from the Offers. See also section 15 of the Bidder's Statement.	Section 2.8 Section 3.8 Section 4.8
1.22 Will I need to pay stamp duty if I accept the Offers?	The Bidder's Statement says that Mako Securityholders will not pay any stamp duty on accepting the Offers.	
1.23 What if I have other questions about the Offers?	If you have any questions in relation to the Offers, please call the Mako information line on 1300 853 781for callers within Australia or on +61 1300 853 781 for callers outside Australia from Monday to Friday between 8.30am to 5.30pm (Sydney time) or email info@makogold.com.au.	
1.24 What if I want to sell my Mako Shares on-market?	During the Offer Period, you may sell your Mako Shares[10] on market for cash (less brokerage), provided you have not accepted the Offers for those Mako Shares. If you have already accepted the Offers, you will be unable to settle any subsequent on-market sale of your Mako Shares, unless you become entitled to withdraw your acceptance. You should contact your Broker for information on how to sell your Mako Shares on the ASX and your tax adviser to determine your tax implications of such a sale.	Section 5.3
1.25 When will I receive my consideration if I accept the Offers?	If you accept the Offers and the Offers become unconditional, Aurum will issue the consideration to you on or before the earlier of: 1. the date that is one month after the date of your acceptance, or if at the time of your acceptance the Offers are still subject to one or more Conditions, the date that is one month after the Offers becomes unconditional; and	Section 2.7 Section 3.7

[10] You may also exercise your Mako Options and deal with the resulting Mako Shares accordingly.

Question	Answer	Further Information
	2. 21 days after the end of the Offer Period. Full details regarding the consideration for your Mako Securities are set out in section 13.6 and section 14.7 of the Bidder's Statement.	

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2. DETAILS OF THE SHARE OFFER

2.1 Summary of the Share Offer

On 16 October 2024, Mako and Aurum jointly announced that they had entered into a Bid Implementation Agreement (**BIA**) under which Aurum agreed to make the Share Offer and the Option Offers (together, the **Offers**). Under the Share Offer, Aurum is offering 1 Aurum Share for every 25.1 Mako Shares you hold.

The terms and conditions of the Share Offer are set out in section 13 of the Bidder's Statement.

2.2 Offer Period

The Share Offer will remain open for acceptance until 7.00pm (Sydney time) on the Closing Date, unless extended under the Corporations Act or withdrawn with the written consent of ASIC under the Corporations Act. See section 4.5 for further detail regarding variations to the Offers.

2.3 Conditions of the Offers

The Offers are subject to a number of Conditions. The Conditions applicable to the Share Offer (**Share Offer Conditions**) are set out in Schedule 2 of the BIA and are summarised below.

See also sections 13.8 to 13.10 of the Bidder's Statement for information regarding the Share Offer Conditions.

Share Offer Conditions

Subject to section 13.9 of the Bidder's Statement, the Share Offer, and any contract resulting from your acceptance of the Share Offer, remains subject to the following Share Offer Conditions as at the date of this Target's Statement:

(a) **No Termination of the Option Offers**

Between the Announcement Date and the end of the Offer Period (inclusive), neither party has terminated the BIA with respect to the Option Offers.

(b) **No Prescribed Occurrences**

Between the Announcement Date and the end of the Offer Period (inclusive), none of the following events (**Prescribed Occurrences**) occurs:

(1) Mako converts all or any of Mako Shares into a larger or smaller number of shares;

(2) Mako, or a Subsidiary, does any of the following:

(A) resolves to reduce its share capital in any way;

(B) enters into a buy-back agreement; or

(C) resolves the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;

(D) issues shares or agrees to issue shares; or

(E) grants an option over its shares or agrees to grant an option over its shares;

(F) issues, or agrees to issue, convertible notes;

(G) disposes, or agrees to dispose, of the whole (or a substantial part) of its business or property;

(H) charges (or agrees to charge) the whole (or a substantial part) of its business or property;

(I) resolves to be wound up;

(3) a liquidator or provisional liquidator of Mako or of a Subsidiary is appointed;

(4) a court makes an order for the winding up of Mako or of a Subsidiary;

(5) an administrator of Mako, or of a Subsidiary, is appointed under section 436A, 436B or 436C of the Corporations Act;

(6) Mako or a Subsidiary executes a deed of company arrangement; and

(7) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Mako or of a Subsidiary.

(c) **No Regulated Events**

Between the Announcement Date and the end of the Offer Period (inclusive), none of the following events (**Regulated Events**) occurs:

(1) any Target Group member announces, declares or determines to pay any dividend or announces or makes any other distribution (whether in cash or in specie) to its members;

(2) any Target Group member:

(A) acquires or disposes of any shares or other securities in any body corporate or any units in any trust;

(B) acquires substantially all of the assets of any business; or

(C) exercises or waives any pre-emptive rights or rights of first or last refusal in respect of any undertaking, entity, asset or business (or such interest in an undertaking, entity, asset or business) held by another person,

the value of which exceeds, or which could reasonably be expected to exceed, $100,000 (individually) or $500,000 (in aggregate);

(3) any Target Group member borrows or agrees to borrow any money, other than under the Loan Agreement or in the ordinary course of business, or as otherwise agreed to in writing by both parties;

(4) Mako is in material breach of the terms of the Loan Agreement;

(5) any Target Group member does any of the following in respect of any Key Tenement which any Target Group member holds or has any right title or interest in:

(A) relinquishes, sells or disposes of any interest or creates any encumbrance over any of the Key Tenements;

(B) takes any action or omits to take any action that results in or may reasonably be expected to result in a breach of the terms of any of the Key Tenements or any environmental authority relating to any of the Key Tenements; or

(C) takes any action or omits to take any action that results in or may reasonably be expected to result in the surrender of any of the Key Tenements or any environmental authority relating to any of the Key Tenements;

(D) varies or waives its rights in any materially adverse respect, or terminates, cancels, surrenders, forfeits or allows to lapse or expire other than due to the

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expiry of its term (without renewal on terms and conditions that are no less favourable to the Target Group) a Key Tenement;

(6) any Target Group member varies or waives its rights in any materially adverse respect, or terminates, cancels, surrenders, forfeits or allows to lapse or expire (without renewal on terms and conditions that are no less favourable to the Target Group) any material licence, lease or Authorisation (excluding a Key Tenement) (or a number of licences, leases or authorisations which, when taken together, are material to the conduct of the business of the Target Group as a whole);

(7) any Target Group member agrees to waive or adversely vary in a material respect any material rights under, or terminate any Material Contract;

(8) any Target Group member enters into a transaction or arrangement which, if completed, would result in a third party entitled to, acquire any legal, beneficial or economic interest in production from the Target Group member's current or future operations or right to sell or market production (other than an agreement with Aurum);

(9) any Target Group member enters into or agrees to enter into any agreement, contract, lease, joint venture, partnership, farm-in agreement, off-take agreement or other arrangement or instrument (including a commitment to contribute to exploration, appraisal, development or other costs and expenditure if a call or other demand is made upon it), which:

(A) materially affects the ability of any Target Group member to freely market its share of the resource from the Key Tenement;

(B) imposes obligations or liabilities on any Target Group member of at least $600,000 per annum or $50,000 per month; or

(C) restricts the ability of any Target Group member or any person who controls the Target from engaging in or competing with any business in any place;

(10) any Target Group member incurs or agrees to incur capital expenditure in excess of $100,000;

(11) any Target Group member gives any guarantee of, or security for, or financial accommodation, or indemnity in connection with the obligations of any person other than a Target Group member;

(12) any Target Group member gives or agrees to give any encumbrance over any of its assets (or an interest in any of its assets), other than liens in the ordinary and usual course of business;

(13) any Target Group member agrees to accelerate rights of any person to receive any benefit under any employee incentive plan, vary any employee incentive plan, grant or issue any new rights under any employee incentive plan or introduce a new employee incentive plan, other than acceleration or vesting of any existing Target Convertibles pursuant to the terms of any employee incentive plan;

(14) any Target Group member agrees to increase in any material respect the remuneration of, makes or offers to make any bonus payment, retention payment or termination payment to, or otherwise materially change the terms and conditions of employment of any Director or any employee of any Target Group member, other than in respect of:

(A) an annual salary review in the ordinary course of business; or

(B) any bonus, retention or termination payments which does not in aggregate exceed $100,000;

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(15) any Target Group member commences, comprises or settles any litigation or similar proceeding for an amount exceeding $100,000; and

(16) any Target Group member fails to comply in all material respects with all laws and regulations applicable to its business or does or omits to do anything which might result in the termination, revocation, suspension, modification or non-renewal of any authorisation held by it, other than an event:

(A) as reasonably required by an applicable law or by any government agency;

(B) as disclosed in an announcement by Mako to the ASX or a publicly available document lodged with ASIC, in the 12 months prior to the Announcement Date; or

(C) fairly disclosed or arising from information fairly disclosed in the Target Due Diligence Information.

2.4 Notice of status of Share Offer Conditions

Aurum has indicated in section 13.12 of the Bidder's Statement that it will give a notice on the status of the Share Offer Conditions on or before 22 November 2024 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

The Corporations Act requires that such notice state:

- whether the Share Offer is free from the Share Offer Conditions;
- whether the Share Offer Conditions have been fulfilled as at the date of the notice; and
- the voting power of Aurum in Mako.

If the Offer Period is extended before the date the notice is required to be given, the date that Aurum must give its notice is taken to be postponed for the same period. In this case, Aurum is required to notify Mako and the ASX of the new date for giving the notice as soon as reasonably practicable after the extension.

If a Share Offer Condition is fulfilled (so that the Share Offer become free of that Share Offer Condition) during the Offer Period but before the date on which the notice of status of conditions is required to be given, Aurum must, as soon as reasonably practicable, give Mako and the ASX a notice that states that the particular Share Offer Condition has been fulfilled.

2.5 Consequences if Share Offer Conditions are not satisfied

Your acceptance of the Share Offer, and any contract resulting from your acceptance of the Share Offer, will be automatically void if at the end of the Offer Period the Share Offer Conditions have not been fulfilled or waived. In that situation, you will be free to deal with the relevant Mako Shares as you see fit.

2.6 Effect of acceptance

The effect of acceptance of the Share Offer is set out in section 13.5 of the Bidder's Statement. You should read those sections in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your Mako Shares and the representations and warranties which you give by accepting the Share Offer.

2.7 Payment of consideration

Aurum set out in section 13.6 of the Bidder's Statement the timing of the provision of the consideration to Mako Shareholders who accept the Share Offer. In general terms, if you accept the Share Offer and the contract resulting from your acceptance of the Share Ofer becomes

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unconditional, you will receive the consideration to which you are entitled under the Share Offer on or before the earlier of the day that is:

(a) one month after the date of your acceptance or, if at the time of your acceptance the Share Offer is subject to any Share Offer Condition, one month after the Share Offer becomes unconditional; and

(b) 21 days after the end of the Offer Period.

Aurum's obligation to issue and allot any Aurum Shares to which you are entitled will be satisfied by Aurum:

(a) entering your name on the register of members of Aurum; and

(b) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in Aurum's latest copy of Mako's register of members, a holding statement or confirmation notice in your name.

2.8 Taxation consequences

In making a decision whether to accept the Offers, Mako Securityholders should also have regard to the fact that the disposal of Mako Securities may have taxation consequences. Mako Securityholders should carefully read and consider the potential Australian taxation consequences of accepting the Offers as set out in section 4.8 of this Target's Statement and also section 15 of the Bidder's Statement.

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3. DETAILS OF THE OPTION OFFERS

3.1 Summary of the Option Offers

As noted above in section 2.1, on 16 October 2024 Mako and Aurum jointly announced that they had entered into the BIA under which Aurum agreed to make the Share Offer and the Option Offers. Under the Option Offers, Aurum is offering:

(a) 1 Aurum Share for every 170 Mako Class A Options you hold; and

(b) 1 Aurum Share for every 248 Mako Class B Options you hold.

The terms and conditions of the Options Offers are set out in section 14 of the Bidder's Statement.

3.2 Offer Period

The Option Offers will remain open for acceptance until 7.00pm (Sydney time) on the Closing Date, unless extended under the Corporations Act or withdrawn with the written consent of ASIC under the Corporations Act. See section 4.5 for further detail regarding variations to the Offers.

3.3 Conditions of the Offers

The Offers are subject to a number of Conditions. The Conditions applicable to the Option Offers (**Option Offers Conditions**) are set out in Schedule 3 of the BIA and are summarised below.

See also sections 14.9 to 14.11 of the Bidder's Statement for information regarding the Share Offer Conditions.

Option Offers Conditions

Subject to section 14.10 of the Bidder's Statement, the Option Offers, and any contract resulting from your acceptance of the Option Offers, remains subject to the following Option Offers Conditions as at the date of this Target's Statement:

(a) **No Termination of the Share Offer**

Between the Announcement Date and the end of the Offer Period (inclusive), neither party has terminated the BIA with respect to the Share Offer.

(b) **No Prescribed Occurrences**

Between the Announcement Date and the end of the Offer Period (inclusive), no Prescribed Occurrence has occurred.

(c) **No Regulated Events**

Between the Announcement Date and the end of the Offer Period (inclusive), no Regulated Event has occurred.

(d) **Transfer Condition (ASX Waiver)**

Mako receives from ASX, before the end of the Offer Period, a waiver of ASX Listing Rule 6.23.4 (**ASX Waiver**) to the extent necessary to permit Mako to amend, without shareholder approval, the terms and conditions of the Mako Options which on their terms are incapable of transfer, to permit their transfer to Aurum on the following conditions:

(1) the Offers have been declared unconditional; and

(2) Aurum has acquired voting power in Mako of at least 50.1%.

(e) **Condition connected to ASX Waiver**

If required by the terms of the ASX Waiver:

(1) the Offers have been declared unconditional; and

(2) Aurum has acquired voting power in Mako of at least 50.1%.

3.4 Notice of status of Option Offers Conditions

Aurum has indicated in section 14.13 of the Bidder's Statement that it will give a notice on the status of the Option Offers Conditions on 22 November 2024 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

The Corporations Act requires that such notice state:

- whether the Option Offers is free from the Option Offers Conditions;
- whether the Option Offers Conditions have been fulfilled as at the date of the notice; and
- the voting power of Aurum in Mako.

If the Offer Period is extended before the date the notice is required to be given, the date that Aurum must give its notice is taken to be postponed for the same period. In this case, Aurum is required to notify Mako and the ASX of the new date for giving the notice as soon as reasonably practicable after the extension.

If an Option Offers Condition is fulfilled (so that the Option Offers become free of that Option Offers Condition) during the Offer Period but before the date on which the notice of status of conditions is required to be given, Aurum must, as soon as reasonably practicable, give Mako and the ASX a notice that states that the particular Option Offers Condition has been fulfilled.

3.5 Consequences if Option Offers Conditions are not satisfied

Your acceptance of the Option Offers, and any contract resulting from your acceptance of the Option Offers, will be automatically void if at the end of the Offer Period the Option Offers Conditions have not been fulfilled or waived. In that situation, you will be free to deal with the relevant Mako Options as you see fit.

3.6 Effect of acceptance

The effect of acceptance of the Option Offers is set out in section 14.6 of the Bidder's Statement. You should read those sections in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your Mako Options and the representations and warranties which you give by accepting the Option Offers.

3.7 Payment of consideration

Aurum set out in section 14.7 of the Bidder's Statement the timing of the provision of the consideration to Mako Optionholders who accept the Option Offers. In general terms, if you accept the Option Offers and the contract resulting from your acceptance of the Option Offers becomes unconditional, you will receive the consideration to which you are entitled under the Option Offers on or before the earlier of the day that is:

(a) one month after the date of your acceptance or, if at the time of your acceptance the Option Offers are subject to any Option Offers Condition, one month after the Option Offers become unconditional; and

(b) 21 days after the end of the Offer Period.

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3.8 Taxation consequences

In making a decision whether to accept the Offers, Mako Securityholders should also have regard to the fact that the disposal of Mako Securities may have taxation consequences. Mako Securityholders should carefully read and consider the potential Australian taxation consequences of accepting the Offers as set out in section 4.8 of this Target's Statement and also section 15 of the Bidder's Statement.

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4. INFORMATION APPLICABLE TO BOTH OFFERS

4.1 The Offers are unanimously recommended by the Mako Directors

The Mako Directors unanimously recommend that Mako Securityholders accept the Offers, in each case in the absence of a Superior Proposal.

4.2 Mako Director's intentions in relation to the Offers

Each Mako Director intends to accept, or procure the acceptance of, the Offers in respect of all Mako Shares and Mako Options held or controlled by them by no later than the date that is the later of:

(a) 5:00pm (Perth time) on the date of despatch of this Target's Statement (**Despatch Date**); and

(b) where a Competing Proposal is announced prior to the Despatch Date, the date that is 2 Business Days after either:

(1) the date that the Mako Directors determine that such Competing Proposal is not likely to be a Superior Proposal; or

(2) the date that, following compliance with all 'matching rights' processes set out in the BIA, a Counter Proposal is determined to be more favourable or no less favourable to Mako and the Mako Securityholders than the Competing Proposal.

4.3 Intentions of Aurum and the Combined Entity

Please refer to section 8 of the Bidder's Statement for a summary of Aurum's intentions in respect of Mako following the Offers.

If the Offers are successfully completed, you will become a shareholder in Aurum and Mako will become a part of the Aurum Group as Aurum's wholly-owned Subsidiary. The Aurum Group (including the Mako Group) is referred to in the Bidder's Statement as the **Combined Entity**. Please refer to section 9 of the Bidder's Statement for a summary of the profile of the Combined Entity.

4.4 Effect of accepting the Offers and rights of withdrawal

Accepting the Offers would (subject to the withdrawal rights discussed below):

(a) prevent you from accepting any higher takeover bid that may be made by a third party or any alternative transaction proposed that may be recommended by the Mako Board;

(b) relinquish control of your Mako Shares and/or Mako Options (as applicable) to Aurum with no guarantee of the provision of consideration until the Offers become, or are declared, unconditional - as the Offer Period can be extended by Aurum, this could result in further delays in the provision of consideration to you; and

(c) give Aurum the option to keep your Mako Shares and/or Mako Options (as applicable) if the relevant Conditions of the Offers are not satisfied (i.e. by waiving the Conditions), in which case you will still receive the relevant Offer Consideration.

If you accept the Offers, you will have a right to withdraw your acceptance in limited circumstances. Those withdrawal rights comprise general statutory withdrawal rights under the Corporations Act. In summary:

(a) under the Corporations Act, you may withdraw your acceptance of the Offers if Aurum varies those Offers in a way that postpones, for more than one month, the time when Aurum needs to meet its obligations under the Offers and the Offers are still subject to one or more Conditions. This will occur if Aurum and Mako agree to extend the Offer Period by more than one month while the Offers are still subject to any of the Conditions; and

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(b) in those circumstances, you will have one month after the date that the extension is agreed between Aurum and Mako to withdraw your acceptance. Your statutory withdrawal rights will terminate on the expiry of that one month. However, if the Offer Period is then extended further, you may receive further statutory withdrawal rights.

If you become entitled to withdraw your acceptance, you will be sent a notice from Aurum, explaining your rights in this regard.

4.5 Changing the Offers

(a) ***Variation of the Offers***

Aurum may vary the terms of the Offers in any manner permitted by the Corporations Act, provided that the varied terms are no less favourable to Mako Securityholders than the Agreed Bid Terms.

Subject to the Corporations Act and the terms of the ASX Waiver, Aurum can vary the Offers by:

(1) waiving any of the Conditions, subject to clause 4.2(b) of the BIA (see section 4.5(b)(1) below);

(2) extending the Offer Period, subject to clause 4.2(c) of the BIA (see section 4.5(b)(2) below); or

(3) increasing the consideration offered under the Offers.

If you accept either or both of the Offers and Aurum subsequently increases the consideration offered in respect of those Offers, you are entitled to receive the improved consideration.

(b) ***Waiving Conditions and extending the Offer Period (clause 4.2 of the BIA)***

Under the terms of the BIA, Aurum:

(1) has agreed to declare the Share Offer to be free from all Share Offer Conditions upon Aurum having acceptances of at least 50.1 of all Mako Shares;[11] and

(2) may only extend the Offer Period beyond 2 months if:

(A) Aurum has declared the Share Offer to be free from all Share Offer Conditions; or

(B) Mako has otherwise provided its prior written consent to the extension.[12]

4.6 Withdrawal of the Offers

Aurum may also withdraw the Offers with the written consent of ASIC, as described in section 13.13 and section 14.14 of the Bidder's Statement.

4.7 Ineligible Foreign Securityholders and Unmarketable Parcels

If your address on the register of Mako Shares or Mako Options is in a jurisdiction other than the Eligible Jurisdictions you will be considered to be an **Ineligible Foreign Securityholder**.

If the total number of Aurum Shares you are entitled to receive as consideration under any of the Offers is an Unmarketable Parcel, you will be considered to be an **Unmarketable Parcel Holder**.

[11] *See clause 4.2(b) of the Bid Implementation Agreement*.
[12] *See clause 4.2(c) of the Bid Implementation Agreement*.

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Ineligible Foreign Securityholders and Unmarketable Parcel Holders are entitled to accept the Offers in the same way as other Mako Securityholders, but you will not be entitled to receive Aurum Shares in consideration for your acceptance. Instead, the Aurum Shares to which you would otherwise be entitled will be issued to a Nominee who will sell those shares on the ASX and provide you with the net sale proceeds.

If you are an Ineligible Foreign Securityholder or an Unmarketable Parcel Holder, you should refer to sections 13.7 and 14.8 of the Bidder's Statement for further details.

4.8 Taxation consequences

In making a decision whether to accept the Offers, Mako Securityholders should also have regard to the fact that the disposal of Mako Shares or Mako Options (as applicable) may have taxation consequences. Mako Securityholders should carefully read and consider the potential Australian taxation consequences of accepting the Offers as set out below.

Section 15 of the Bidder's Statement also contains information regarding the tax implications of accepting into the Offers for Mako Securityholders to consider.

(a) **Introduction**

The following is a summary of the potential Australian income tax and capital gains tax (**CGT**) consequences generally applicable to Mako Securityholders who dispose of Mako Shares and Mako Options (as applicable) under the Offers. This summary is based on the law and practice in effect on the date of this Target's Statement.

The following summary is not intended to be an authoritative or complete statement of the Australian tax laws applicable to the specific circumstances of every Mako Securityholder. In particular, this summary is only applicable to Mako Securityholders that are Australian residents for income tax purposes and hold their Mako Shares or Mako Options (as applicable) on capital account for investment purposes and only considers the Australian tax position.

This summary does not apply to Mako Securityholders:

(1) who hold their Mako Shares and/or Mako Options (as applicable) as trading stock or as revenue assets;

(2) who acquired their Mako Shares and/or Mako Options (as applicable) as part of an employee share scheme operated by Mako, or otherwise in return for services;

(3) that may be subject to special tax rules, such as financial institutions, insurance companies, partnerships (except where expressly stated), tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or

(4) who are subject to the "Taxation of Financial Arrangements" rules as defined in section 230 of the *Income Tax Assessment Act 1997* (Cth).

The outline contained in this section is not intended to be, and should not be relied upon as, taxation advice or financial advice. The applicable tax treatment may vary according to individual circumstances, and as such, each Mako Shareholder and Mako Optionholder should seek independent tax advice in connection with the Offers that is specific to their particular circumstances.

(b) **CGT consequences on the disposal of Mako Shares and Mako Options for Resident Mako Securityholders**

This section applies to Mako Securityholders who are residents of Australia for Australian income tax purposes and hold their Mako Shares and/or Mako Options (as applicable) on capital account.

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When a Mako Securityholder accepts the Share Offer and/or the Option Offers (as applicable) and their Mako Shares and/or Mako Options (as applicable) are subsequently transferred to Aurum, they will have disposed of those Mako Securities for Australian CGT purposes.

On disposal of their Mako Shares and/or Mako Options (as applicable), Mako Securityholders will make a capital gain to the extent that the market value of the Offer Consideration exceeds the tax cost base of the Mako Securities disposed.

Alternatively, a Mako Securityholder will make a capital loss on the transfer of their Mako Shares and/or Mako Options (as applicable) to Aurum, equal to the amount by which the reduced cost base of their relevant Mako Securities is more than the capital proceeds (i.e. the market value of the Offer Consideration). A capital loss may be used to offset a capital gain made in the same income year or be carried forward to offset a capital gain made in a future income year (subject to the satisfaction of certain loss recoupment tests which apply if the Mako Securityholder is a company or trust).

The capital proceeds received for the disposal of the Mako Shares and/or Mako Options (as applicable) should be calculated by reference to the market value of the Aurum Shares that each Mako Securityholder receives in exchange.

The sum of all capital gains incurred by a Mako Securityholder in the year in which the transaction occurs, reduced by any capital loss incurred during that year, or carried forward from prior years, should be included in the assessable income of the Mako Securityholder, after applying the relevant CGT discount that may be applicable and subject to CGT scrip for scrip relief being available – where any capital gain is instead disregarded (as discussed further below).

(c) **Cost base or reduced cost base of Mako Securities**

Generally, the cost base of Mako Securities should be equal to the amount paid to acquire the Mako Shares and/or Mako Options (as applicable), or the assessable income brought to account by the Mako Securityholder in respect of their acquisition of the Mako Shares and/or Mako Options (as applicable).

Incidental costs incurred by a Mako Securityholder in respect of their acquisition or ownership of Mako Securities (such as brokerage and undedicated borrowing costs) may also be included in the cost base of the Mako Shares and/or Mako Options (as applicable) they own.

The reduced cost base of Mako Securities is usually determined in a similar but not identical manner to the cost base although some differences in the calculation of reduced cost base do exist depending on the individual circumstances of each Mako Securityholder.

(d) **CGT scrip for scrip rollover**

Mako Shareholders

Where Aurum acquires 80% or more of the Mako Shares, a Mako Shareholder may be eligible to choose CGT scrip for scrip rollover relief in respect of the disposal of their Mako Shares, so that any resulting CGT gain on the disposal of Mako Shares is disregarded.

A Mako Shareholder can only elect for CGT scrip for scrip rollover relief to apply if a capital gain results on the disposal of their Mako Shares.

Mako Shareholders do not need to inform the Australian Taxation Office or document their choice to claim CGT scrip for scrip roll-over relief in any particular way, other than to complete their income tax return in a manner consistent with their choice.

As set out in section 15.1(c)(vi) of the Bidder's Statement, Aurum has confirmed that it **will not** make a choice under subsection 124-795(4) of the *Income Tax Assessment Act 1997* (Cth) to deny scrip for scrip roll-over relief (where it would otherwise be available).

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Where rollover relief is chosen, the tax cost base of the Aurum Shares received by a Mako Shareholder should equal the tax cost base of the Mako Shares disposed of. Furthermore, this tax cost base will be allocated on a proportionate basis across the Aurum Shares received and is relevant in determining any future CGT liability on the subsequent disposal of the Aurum Shares.

For the purposes of determining whether the CGT discount applies on any subsequent disposal of the Aurum Shares, the date on which a Mako Shareholder is deemed to have acquired the Aurum Shares, will be the date they acquired their original Mako Shares.

In the event the Offers become unconditional and Aurum does not increase its holding to at least 80% of the Mako Shares on issue as a result of the Offers, CGT scrip for scrip rollover relief will not be available for any Mako Shareholders.

Mako Optionholders

CGT scrip for scrip rollover relief will not be available in respect of the disposal of Mako Options by Mako Optionholders.

(e) **CGT discount**

The CGT discount may apply to Mako Securityholders who are individuals, complying superannuation funds or trusts, who have held, or are taken to have held, their Mako Shares and/or Mako Options (as applicable) for at least 12 months at the time of the disposal of their Mako Securities to Aurum.

The CGT discount is not available to a Mako Securityholder that is a company.

The CGT discount allows a Mako Shareholder (who has not elected to CGT scrip for scrip rollover relief) or Mako Optionholder, who is an individual, or a trustee of a trust, to discount the capital gain by 50%, thereby including only the remaining 50% of the capital gain in their assessable income for tax purposes.

A Mako Shareholder (who has not elected CGT scrip for scrip rollover relief), or a Mako Optionholder, that is a complying superannuation entity may discount the capital gain by one-third, thereby only including two-thirds of the capital gain in the taxable income of that complying superannuation entity.

Such Mako Securityholders will be eligible for the CGT discount provided:

(1) the Mako Shares and/or Mako Options (as applicable) were acquired at least 12 months before the disposal to Aurum;

(2) the Mako Securityholder did not choose to index the cost base of their Mako Shares (if applicable); and

(3) the CGT discount is applied to the capital gain only after any available capital losses are first applied to reduce the capital gain.

(f) **CGT consequences on the disposal of Mako Securities for non-resident Mako Securityholders**

If you are a non-resident Mako Securityholder and accept the Offers you will not be entitled to receive Aurum Shares in exchange for your Mako Shares and/or Mako Options (as applicable) unless Aurum determines that:

(1) it is lawful and not unduly onerous and not unduly impracticable to issue you with Aurum Shares on acceptance of the Offers; and

(2) is not unlawful for you to accept the Offers by the law of the relevant place outside Australia or its external territories.

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As set out in section 12.6 of the Bidder's Statement, the Nominee will arrange for the Aurum Shares that are exchanged for your Mako Shares and/or Mako Options (as applicable) to be sold. You will receive the proceeds of sale (less brokerage and sale expenses) of the Aurum Shares in accordance with the process set out in section 12.6 of the Bidder's Statement.

Broadly, non-residents are not entitled to claim any CGT discount on disposal of a CGT asset that was acquired after 8 May 2012. The capital gains tax discount is explained further above.

(g) **Stamp duty**

No stamp duty should be payable by Mako Securityholders on the acquisition by Aurum of their Mako Shares or Mako Options (as applicable) under the Offers or on the receipt by the Mako Securityholders of the Aurum Shares as Offer Consideration.

(h) **Goods and Services Tax (GST)**

The sale of Mako Shares or Mako Options (as applicable) by existing Mako Securityholders as contemplated will not attract GST. Similarly, no GST will be payable on the acquisition of Aurum Shares.

GST will be payable on any fees or charges that a Controlling Participant (in respect of Shares in a CHESS Holding) or a broker, bank, custodian or other nominee (in respect of Shares held for a separate beneficial owner) may charge in connection with acceptance of the Offers.

Where Mako Securityholders are registered or required to be registered for GST, any GST incurred on expenses that relate to the sale of existing Mako Securities or acquisition of new securities may not be recoverable if the individual Mako Securityholder exceeds the financial acquisitions threshold as set out in the relevant GST legislation. However, a reduced input tax credit equal to 75% of the GST incurred may still be available if the acquisition constitutes a reduced credit acquisition.

Where Mako Securityholders are not registered, or required to be registered for GST, no GST implications should arise in relation to the Offers.

(i) **Obtain your own taxation advice**

Do not rely on the comments or the statements contained in this Target's Statement (or the Bidder's Statement) as advice about your own affairs. The taxation laws are complex and there could be implications in addition to those generally described in this Target's Statement (and the Bidder's Statement).

Accordingly, consult your own tax advisers for advice applicable to your individual needs and circumstances. To the extent permitted by law, Mako does not accept any responsibility for tax implications for individual Mako Securityholders.

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5. YOUR CHOICES AS A MAKO SECURITYHOLDER

Your Directors unanimously recommend that you accept the Offers (in the absence of a Superior Proposal).

As a Mako Securityholder you can respond to the Offers in three ways.

5.1 Accept the Offers

To accept the Offers, follow the instructions set out in section 13.3 (*Share Offer*) and/or section 14.4 (*Option Offers*) of the Bidder's Statement.

In summary, if you choose to accept the Offers, how you accept the Offers will depend on whether your Mako Securities are in an Issuer Sponsored Holding or a CHESS Holding.

(a) **Issuer Sponsored Holding**

If your Mako Securities are held in an Issuer Sponsored Holding (your Securityholder Reference Number will begin with "I"), you can accept the Offers by completing and signing the Acceptance Form in accordance with the instructions on the form, and returning it (together with all documents required by the instructions on it) so that it is received at the address shown on the Acceptance Form before the end of the Offer Period.

(b) **CHESS Holding**

If you hold your Mako Securities in a CHESS Holding (your Holder Identification Number will begin with "X") you can accept the Offers by instructing your Controlling Participant to accept the Offers on your behalf before the end of the Offer Period. Usually your Controlling Participant is a person, such as a stockbroker, with whom you have a sponsorship agreement within the meaning of the ASX Settlement Operating Rules. Alternatively, you can accept the Offers by completing and signing the Acceptance Form in accordance with the instructions on the form, and returning it (together with all documents required by the instructions on it) so that it is received at the address shown on the Acceptance Form in sufficient time for Aurum to instruct your Controlling Participant to accept the Offers on your behalf before the end of the Offer Period.

Mako Securityholders should specifically refer to the risks set out in section 9 of this Target's Statement.

5.2 Reject the Offers

If you wish to reject the Offers you need not take any action. If you decide to do nothing, you should be aware of the rights of Aurum to compulsorily acquire your Mako Securities in certain circumstances.

If during or at the end of the Offer Period, Aurum and its Associates:

(c) together have Relevant Interests in at least 90% (by number) of all the Mako Shares; and

(d) have acquired at least 75% (by number) of the Mako Shares for which the offers are made under the Share Offer,

Aurum will be entitled to compulsorily acquire those Mako Securities in which it does not have an interest.[13] Aurum has indicated that, in such circumstances, it intends to compulsorily acquire the Mako Shares[14] and it may compulsorily acquire the Mako Options[15] in which it has not acquired a

[13] *Pursuant to sections 661A and 663A of the Corporations Act.*
[14] *Pursuant to section 661A of the Corporations Act.*
[15] *Pursuant to section 663A of the Corporations Act (or, in the event that Aurum has acquired a Relevant Interest in at least 90% of the Mako Options, pursuant to section 661A of the Corporations Act).*

Relevant Interest. In that situation, you may receive consideration for your Mako Securities later than those Mako Securityholders who accept the Offers.

If you do not accept the Share Offer and Aurum acquires a Relevant Interest in less than 90% but more than 50% of all Mako Shares, you will become a minority shareholder in Mako, which will expose you to different risks and uncertainties. Mako Securityholders should specifically refer to the risks set out in section 9 of this Target's Statement.

5.3 Sell your Mako Shares on the ASX

During the Offer Period, you can still sell some or all of your Mako Shares on market for cash if you have not already accepted the Offers in respect of those Mako Shares.

The latest price for Mako Shares may be obtained from the ASX website www.asx.com.au (ASX:MKG).

If you sell your Mako Shares on market you:

(a) will lose the ability to accept the Share Offer and any higher offer in respect of those Mako Shares (which may or may not eventuate);

(b) will lose the opportunity to receive future returns from Mako;

(c) may be liable for CGT on the sale; and

(d) may incur a brokerage charge.

5.4 Enquires

If you have any queries in relation to the Offers, you should contact your financial, legal or other professional adviser.

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6. INFORMATION ABOUT MAKO

6.1 Introduction

(a) **History and corporate group structure**

Mako is a company limited by shares that is incorporated and domiciled in Australia. It is an Australian-based exploration company focused on advancing its flagship Napié Gold Project located in Côte d'Ivoire in the West African Birimian Greenstone Belts which hosts more than 70 +1Moz gold deposits (Figure 1) (**Napié Project**). Senior management has a proven track record of high-grade gold discoveries and delineation of Mineral Resources in West Africa.

Mako had the following wholly-owned subsidiaries:

(1) Mako Gold SARL (incorporated in Burkina Faso – 100%);

(2) Mako Côte d'Ivoire SARLU (incorporated in Côte d'Ivoire – 100%); and

(3) Manta Côte d'Ivoire SARLU (incorporated in Côte d'Ivoire - 100%).

Further information is available on the Company's website at https://makogold.com.au/.

(b) **Key personnel**

The Mako Directors as at the date of this Target's Statement are as follows:

(1) Michele Muscillo (Non-Executive Chairman);

(2) Peter Ledwidge (Managing Director); and

(3) Steven Zaninovich (Non-Executive Director).

Profiles of each of the Mako Directors are set out below in section 6.4 of this Target's Statement.

Members of the Mako senior management personnel as at the date of this Target's Statement are as follows:

(1) Paul Marshall (Company Secretary);

(2) Ann Ledwidge (General Manager - Exploration);

(3) Ibrahim Bondo (Operations Manager West Africa); and

(4) Boukare Guigma (Chief Geologist).

Profiles of each of the senior management personnel of Mako are available on Mako's website at https://makogold.com.au/board-and-management/.

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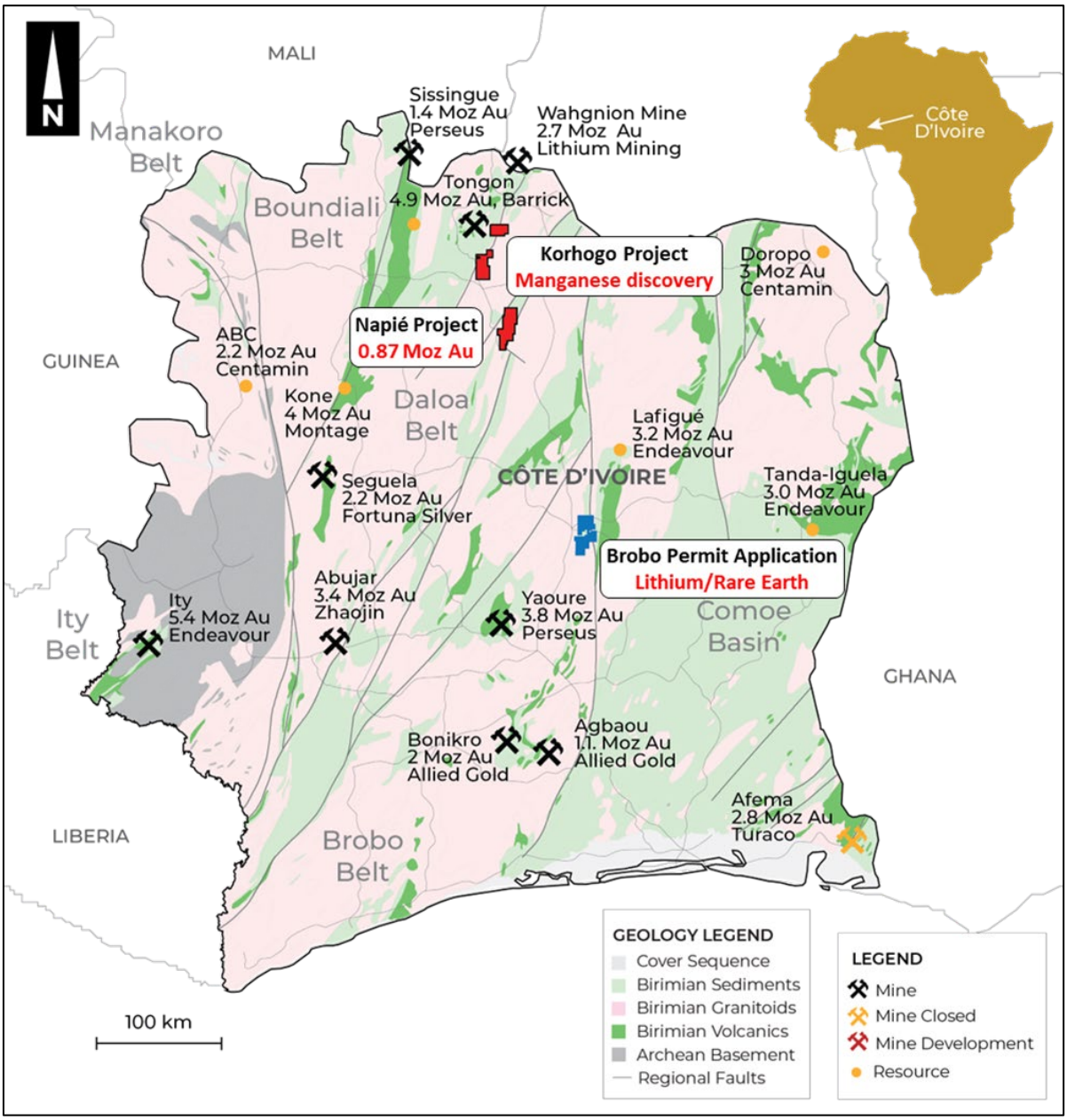


Figure 1. Mako Gold permits in Côte d'Ivoire

6.2 Operations

Napié Gold Project

Mako's Napié Project hosts 868,000 ounces at 1.20g/t gold Maiden Mineral Resource[16] (Figure 2) and is located along the same belt as the 3.4Moz Abujar Mine discovered by Tietto. The project area covers 224km2 and consists of the Tchaga and Gogbala deposits located on the Napié shear, with only around 4.4km of a total of 30km systematically drilled to date included in the Mineral Resource Estimate.

[16] *Refer to MKG ASX announcement released 14 June 2022.*

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Deposit	Category	Tonnes (Mt)	Gold Grade (g/t)	Cont. Au (koz)
Tchaga	Inferred	14.6	1.16	545
Gogbala	Inferred	7.8	1.29	323
Global Resource	**Total**	**22.5**	**1.20**	**868**

Resources reported at a cut-off grade of 0.6g/t gold

Figure 2. Napié maiden mineral resource estimate

Napié is a shallow, open pittable gold resource. The maximum resource estimation depth is between 160 meters and 195 meters across the two deposits, however 93% of the resource estimate is shallower than 150m vertical depth (Figure 3). Deeper and extensional drilling has the potential to rapidly add to existing ounces at Napié.

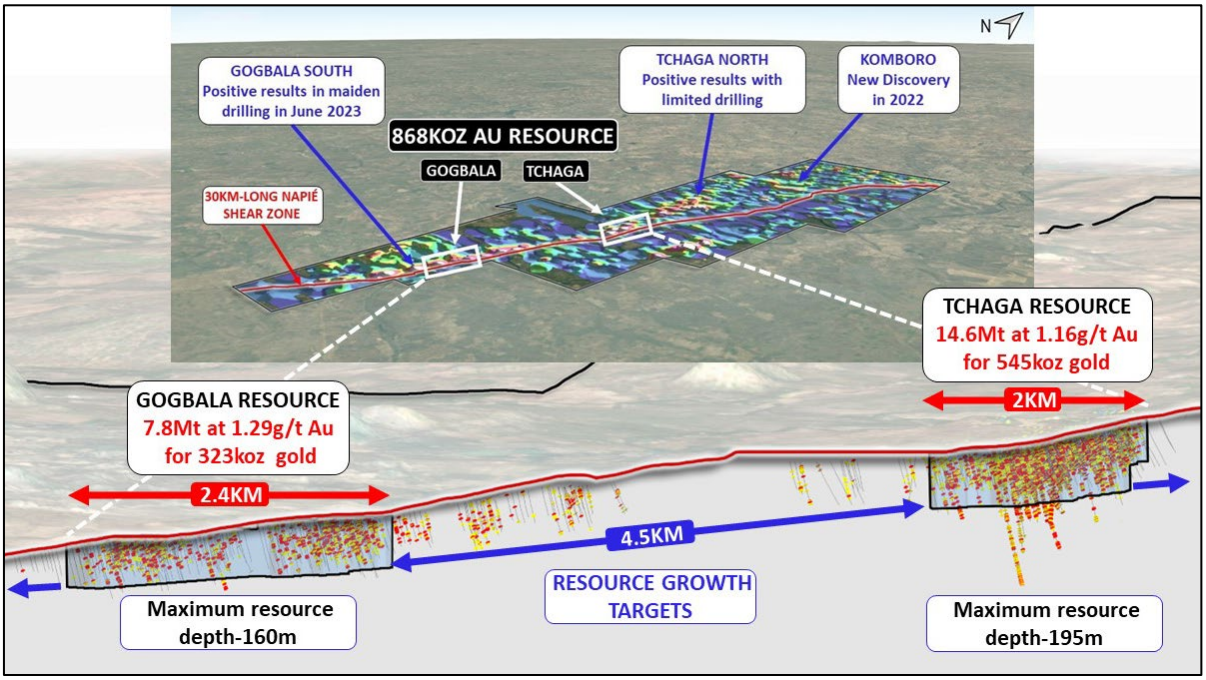


Figure 3. Napié shallow resource with significant growth potential

Tchaga

The Tchaga deposit consists of three high-grade zones (Figure 4) with results including:[17]

- **41m at 4.51g/t Au** from 17m in NARC216.
- **13m at 20.82g/t Au** from 32m in NARC145.
- **32m at 7.10g/t Au** from 13m, including 9m at 22.73g/t Au from 36m in NARC184.
- **10m at 18.98g/t Au** from 7m in NARC486.
- **26m at 4.34g/t Au** from surface in NARC214.
- **36m at 3.09g/t Au** from 43m in NARC107DD.
- **28m at 4.86g/t Au** from 83m in NARC057.
- **25m at 3.43g/t Au** from 53m in NARC017.

[17] *Refer to MKG ASX announcements released 22 June 2018, 13 March 2019, 3 December 2019, 15 July 2020, 11 August 2020, 17 November 2020, 14 December 2020, 13 January 2021, and 17 August 2021.*

- **14m at 5.46g/t Au** from surface in NARC124.

Drilling to the west of Tchaga intersected 6m at 6.03g/t Au from 91m in NARC830 within a shear zone thought to be parallel to the main Tchaga shear.[18] This western shear zone presents a new target for further high-grade gold (Figure 4).

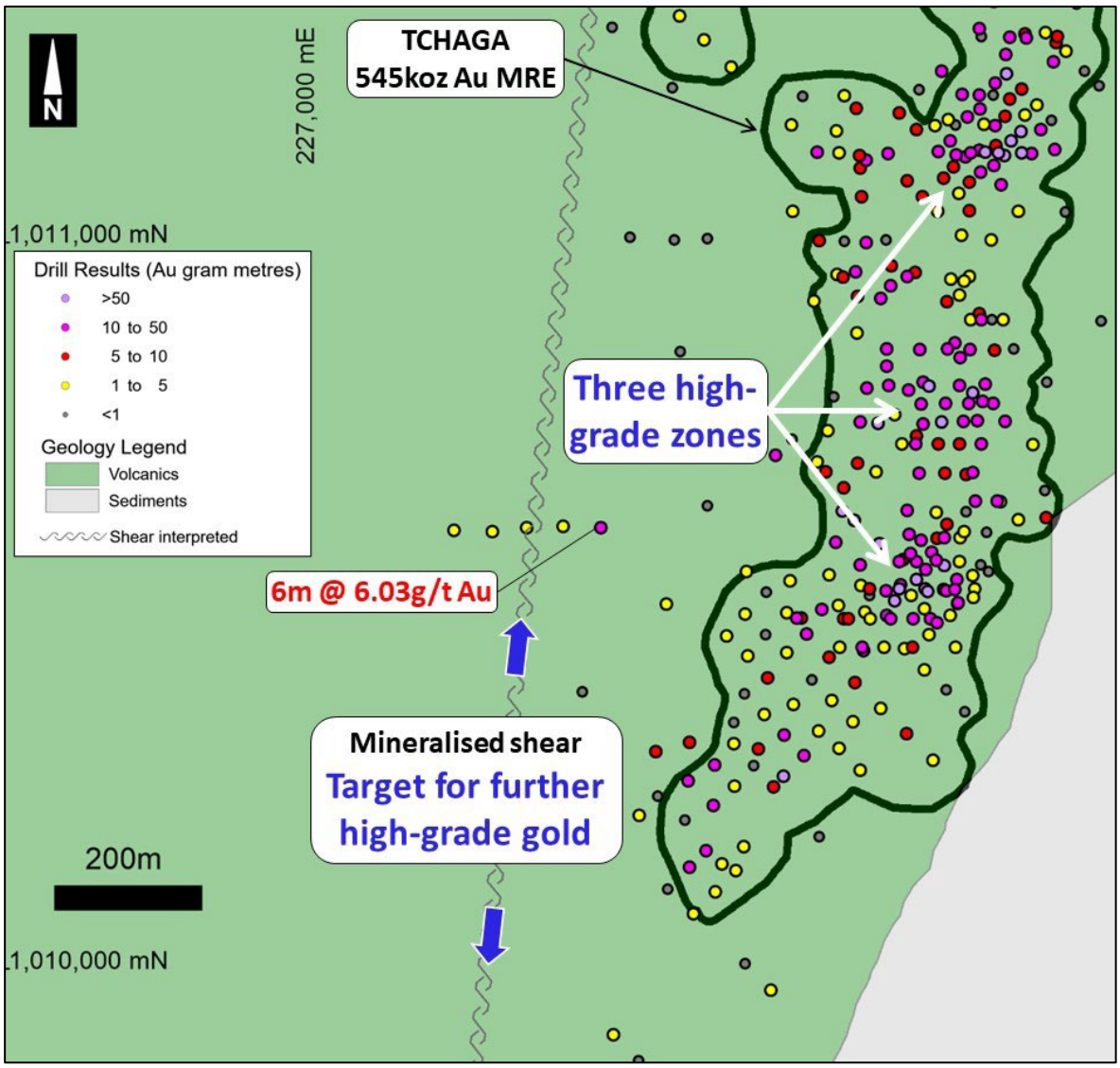


Figure 4. Tchaga resource showing potential at depth and to the west and south

Gogbala

The Gogbala resource consists of three separate areas mainly due to the lack of drill holes between them (Figure 5).

[18] *Refer to MKG ASX announcement released 13 July 2023.*

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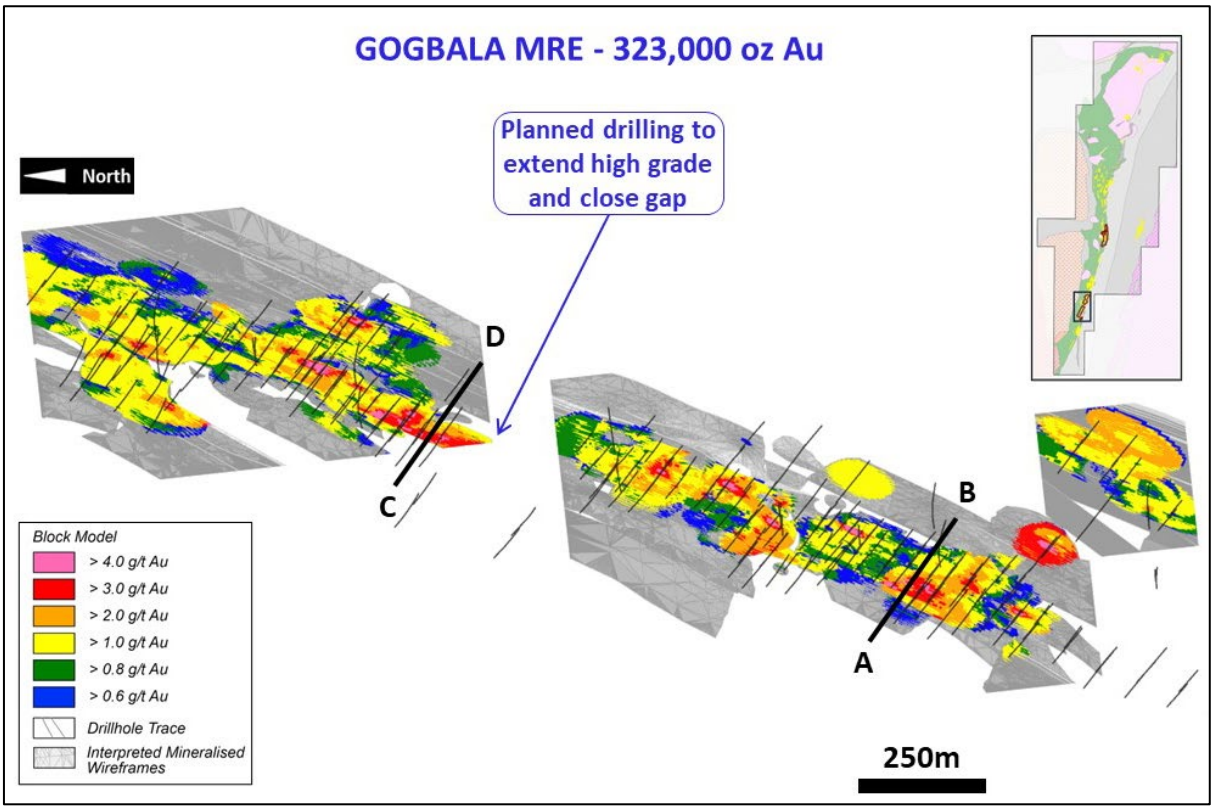


Figure 5. Gogbala MRE block model

Significant results in drilling at Gogbala include:[19]

- **11.2m at 7.40g/t Au** from 172m in NARC294DD.
- **17m at 4.13g/t Au** from 57m in NARC660.
- **20m at 3.41g/t Au** from 19m in NARC531.
- **12m at 5.39g/t Au** from 11m in NARC035.
- **35m at 1.72g/t Au** from 43m in NARC553.
- **4m at 14.78g/t Au** from 93m in NARC668.
- **7m at 6.70g/t Au** from 6m in NARC518.
- **13m at 3.34g/t Au** from 168m in NARC712.
- **23m at 1.81g/t Au** from 19m in NARC535.

Drilling between the north and south areas of Gogbala will close the gap and allow the mineralised zones to be extended which would add ounces to the resource. In addition, closing the gap would allow the mineralisation to better fit into a pit shell. There is significant opportunity to add ounces as depth with drilling below 150m vertical depth as shown on sections A-B on Figure 6 and C-D on Figure 7.

[19] *Refer to MKG ASX announcements released 9 July 2018, 9 September 2021, 6 October 2021, 13 October 2021, 30 March 2022, 26 April 2022 and 25 May 2022.*

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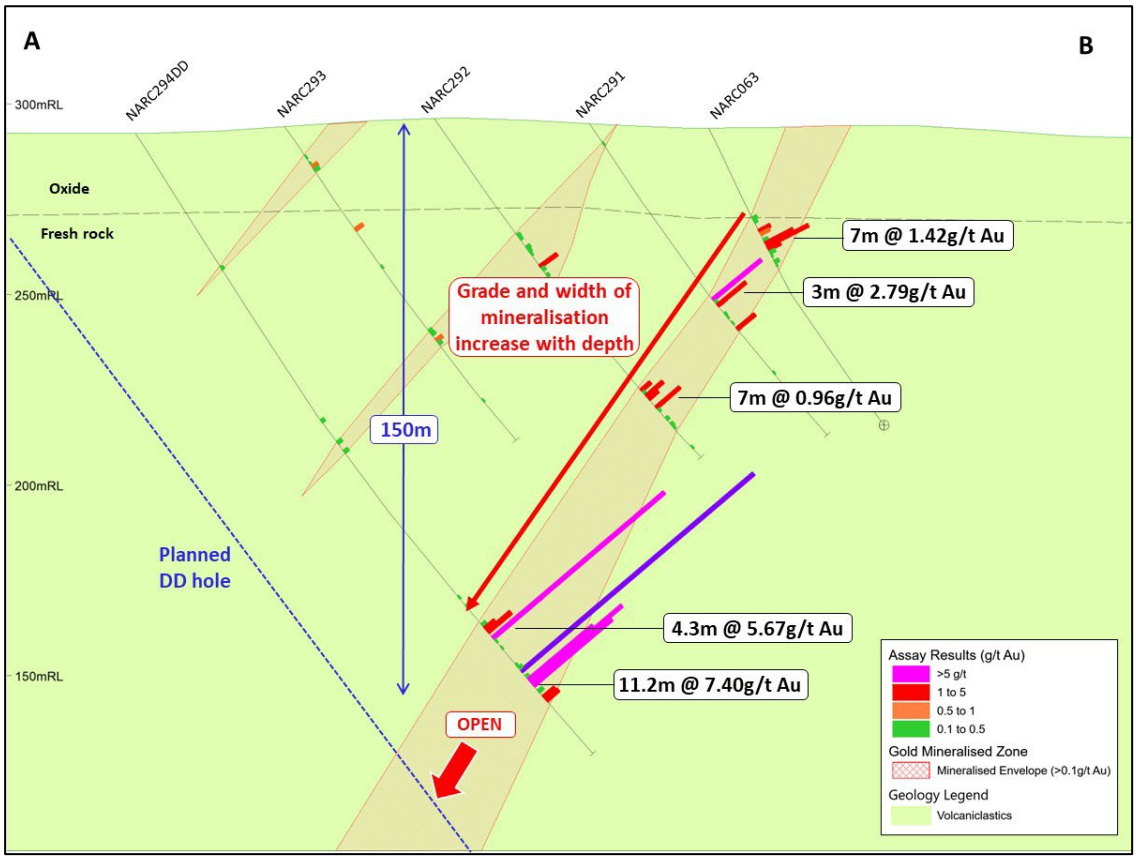


Figure 6. Gogbala resource section A-B showing potential at depth and along strike

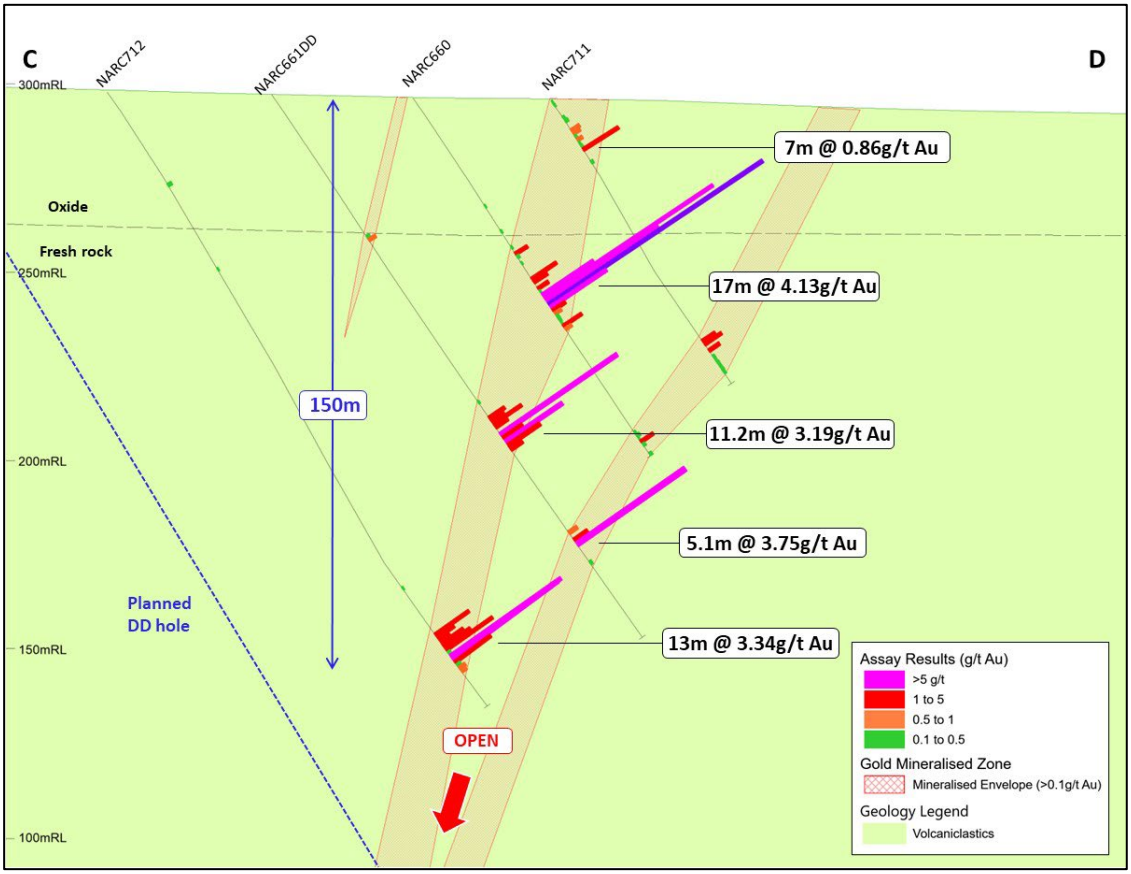


Figure 7. Gogbala resource section C-D showing potential at depth and along strike

Preliminary recovery test work at Tchaga shows excellent average recoveries of over 94%, with strong recoveries attributable to the gold associated with the pyrite (not locked within the pyrite).[20] The project is well situated with access to hydroelectricity, bitumen road and water.

In addition to the Tchaga and Gogbala deposits, numerous other prospects within Gogbala South, Tchaga North and Komboro areas have been identified through rock chip sampling and drilling that have the potential to add significant ounces with further drilling (Figure 8).

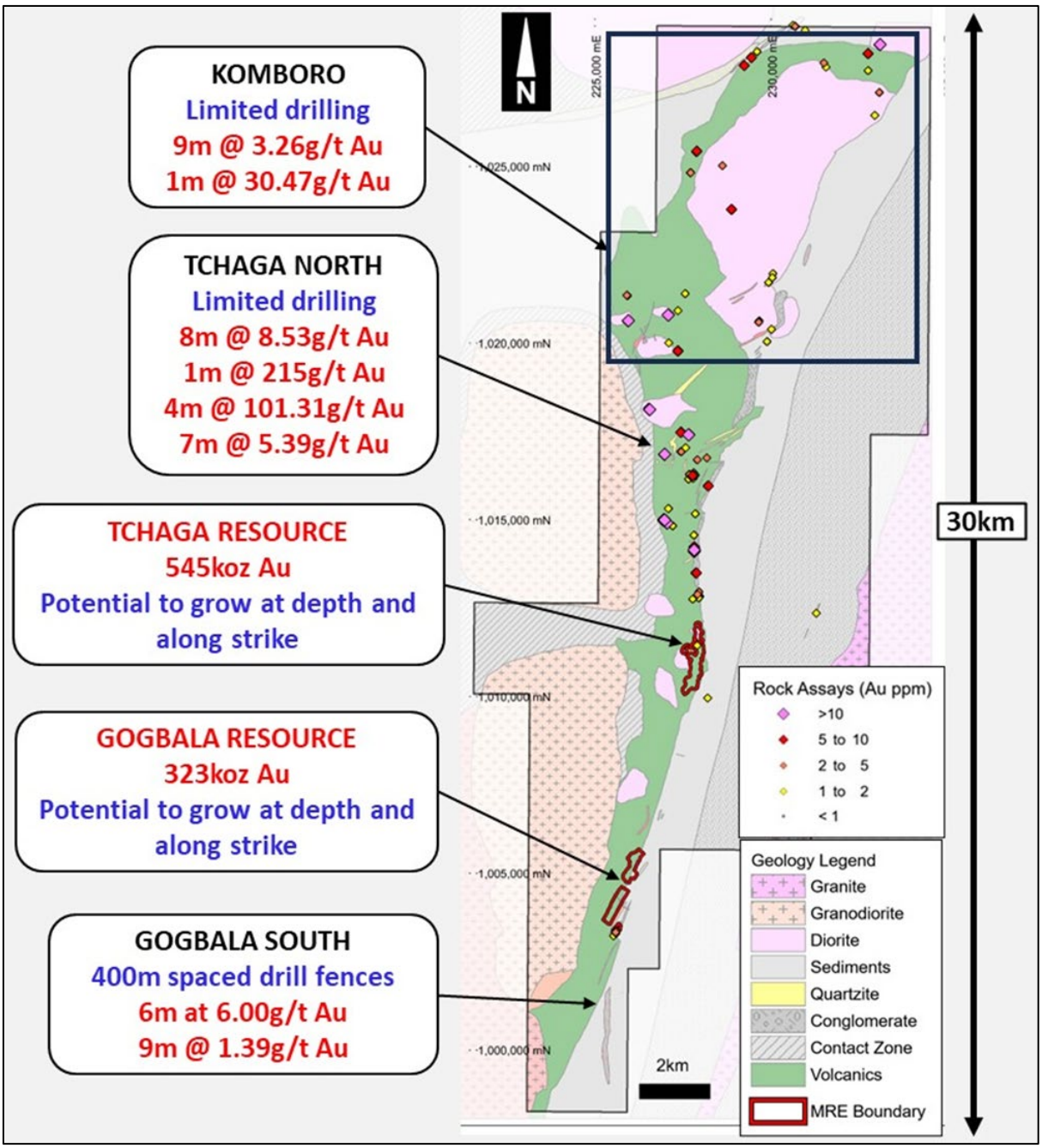


Figure 8. Multiple prospects at Napié Project

[20] *Refer to MKG ASX announcement released 25 September 2019.*

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Gogbala South

Subsequent to the maiden MRE preliminary drilling on wide-spaced (400m spaced) fences at Gogbala South highlighted potential to add to the resource in the near-term. Successful maiden drilling identified multiple mineralised structures that extend over 800m in strike length (Figure 9).

Significant drill results at Gogbala South include[21] 6m at 6.00g/t Au from 62m in NARC776 and 9m at 1.39g/t Au from 79m in NARC778.

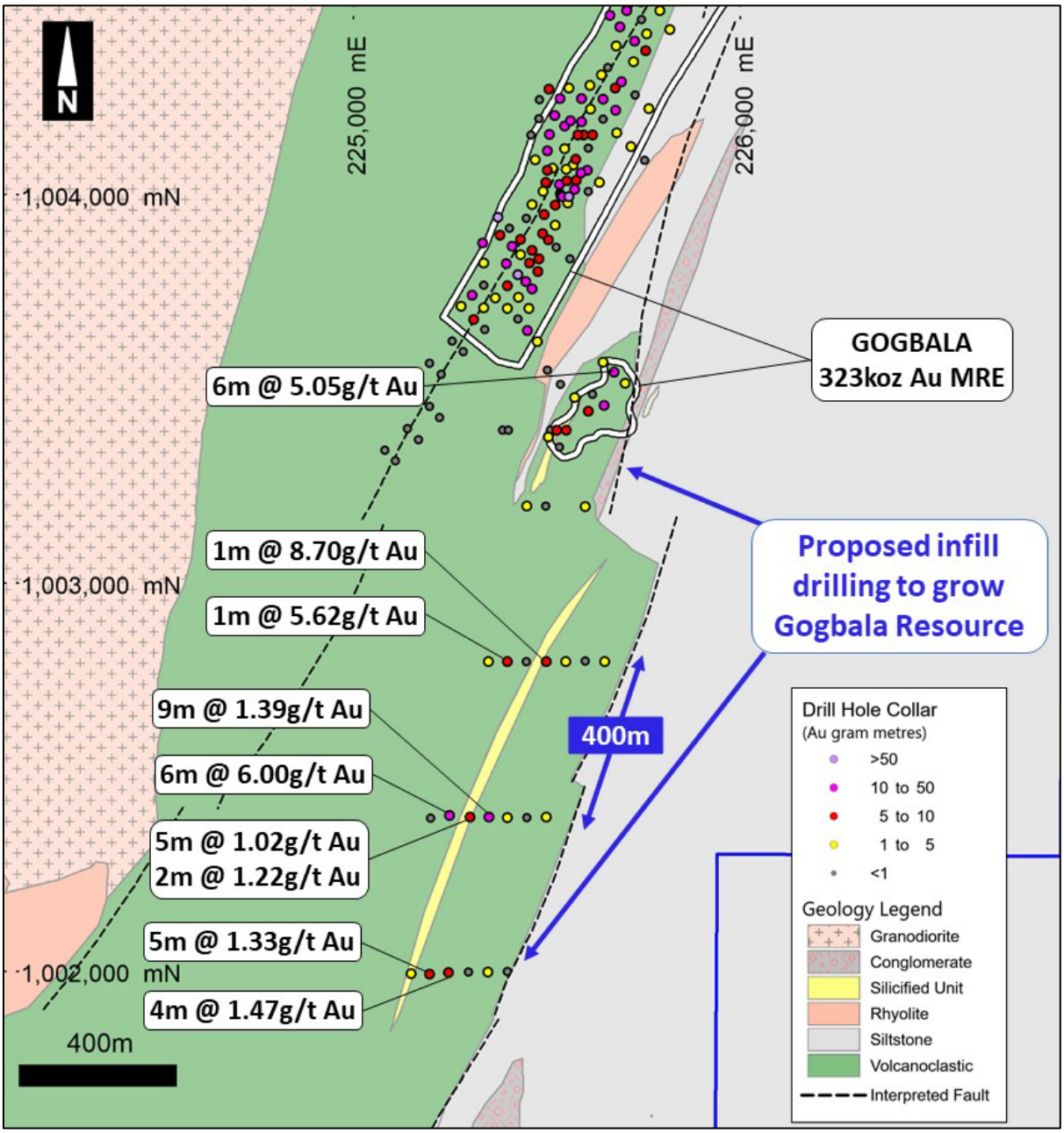


Figure 9. Gold mineralised zones in wide-spaced drilling at Gogbala South

Tchaga North

The Tchaga North area consists of multiple prospects with artisanal workings, rock chip samples[22] up to 79.50g/t Au and drilling results which warrant further work. Highlights of drill results include[23] 10m at 1.54g/t Au from 10m and 8m at 8.53g/t Au from 31m in NARC001, 1m at 215g/t Au from 65m in

[21] *Refer to MKG ASX announcement released 14 June 2023.*
[22] *Refer to MKG ASX announcement released 1 February 2024.*
[23] *Refer to MKG ASX announcements released 22 June 2018, 9 October 2018, 13 July 2023, and 13 August 2024.*

NADD004 and 8m at 2.23g/t Au from 19m in NARC810 in multiple structures at the Discovery Zone; 7m at 5.39g/t Au from 87m in NARC849 in limited drilling at the Big Site; and 1m at 44.86g/t Au from 6m in NARC819 associated with the volcanic/intrusive contact at the Double Zone (Figure 10).

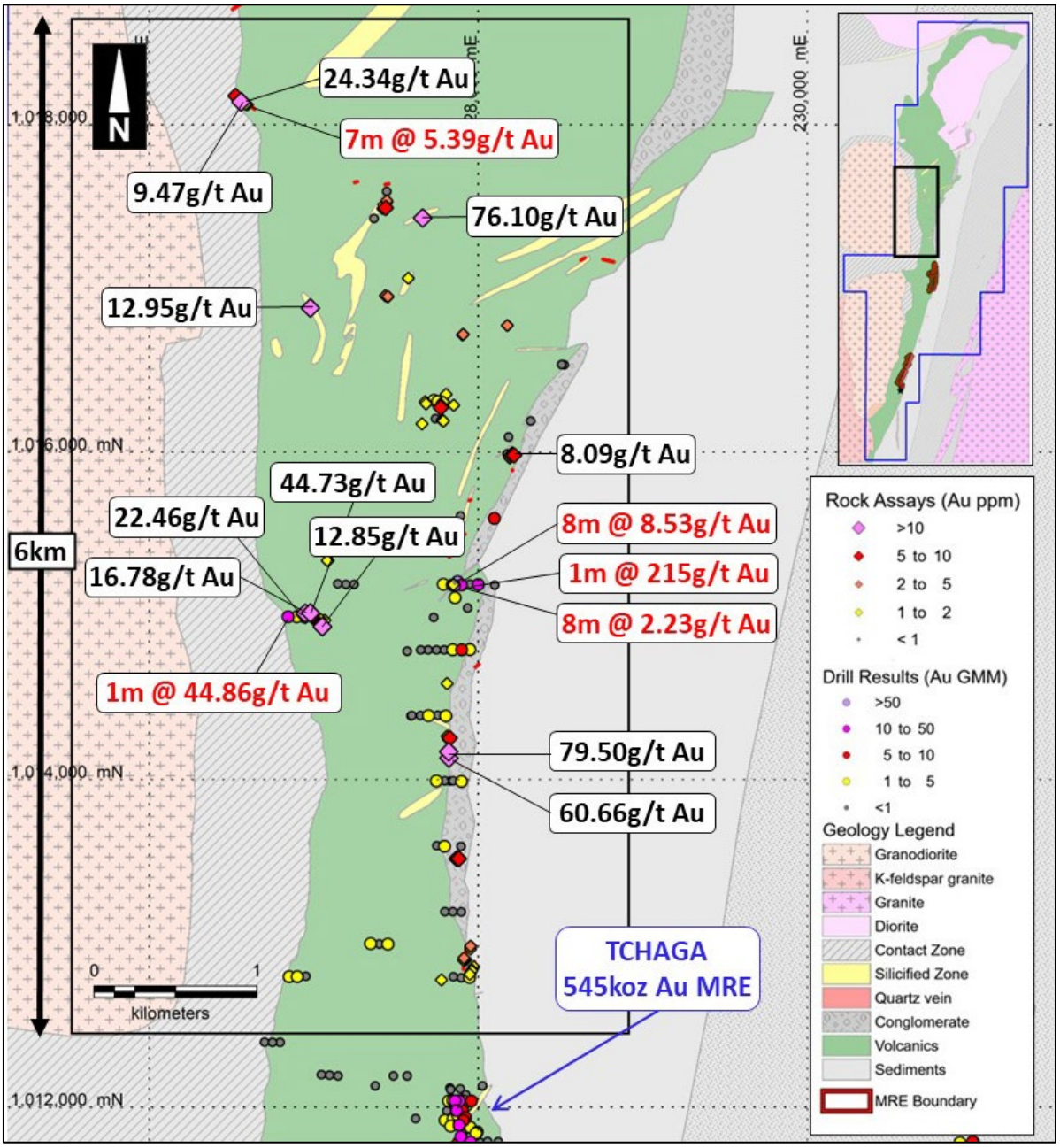


Figure 10. Multiple prospects for follow up drilling at Tchaga North

Komboro

Mako has recently completed rock chip sampling at the Komboro prospect at the Napié Project, which returned very high-grade results including 170g/t Au, 41.92g/t Au and 6.27g/t Au, showing potential for resource growth in the underexplored, northern part of Mako's permits.[24]

Very limited drilling has been completed in the immediate area. Results such as 9m at 3.26g/t Au and 1m at 30.47g/t Au in NARC741[25] further highlight the potential of this region (Figure 11).

[24] *Refer to MKG ASX announcement released 13 September 2024.*

[25] *Refer to MKG ASX announcement released 11 July 2022*.

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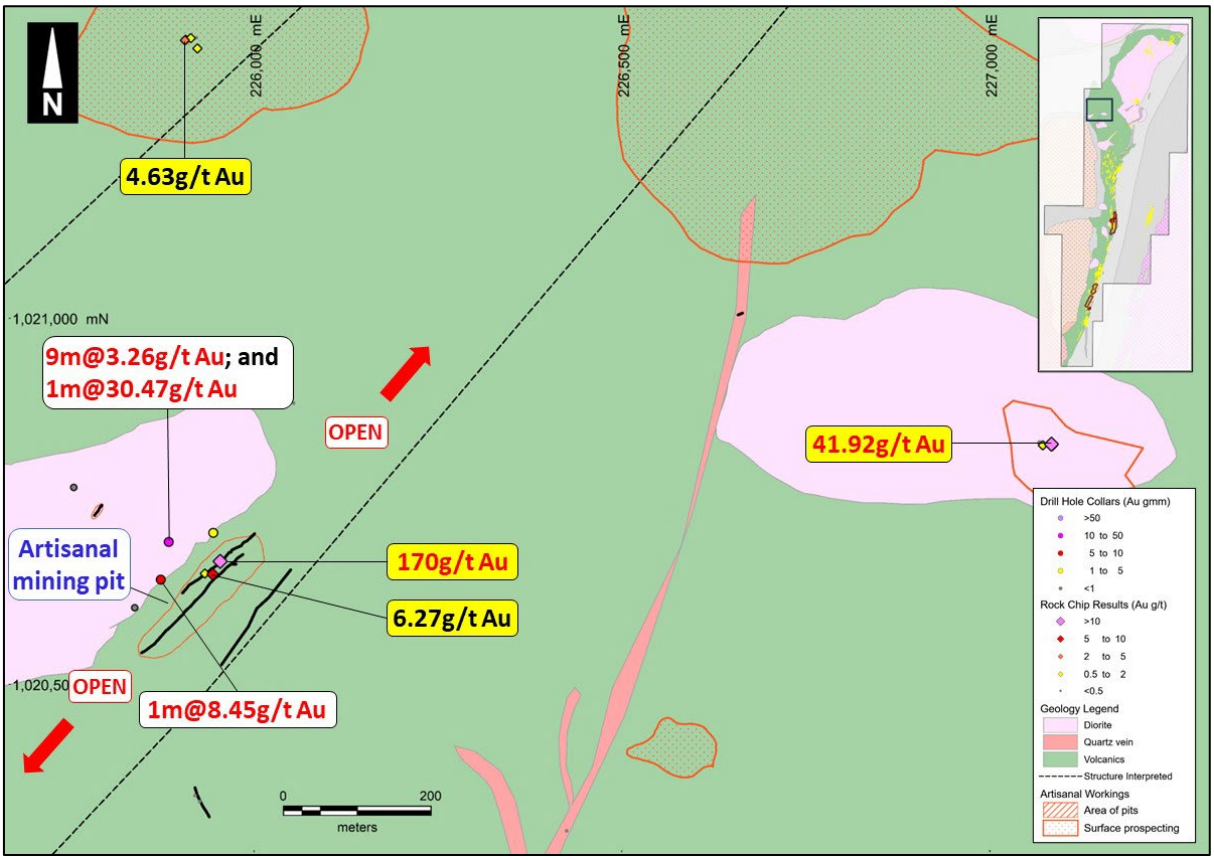


Figure 11. Komboro K1 prospect with high-grade rock chips and drilling intercepts

Korhogo Project

In addition to the Napié Project, Mako has 100% ownership of the Korhogo 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).

A significant manganese discovery was announced on the Korhogo Project which has the potential to be a globally significant deposit and provides Mako with an entry into the critical battery minerals race.[26]

Subsequent to the discovery, seven manganese-rich bands with a strike length of up to 8km have been mapped at surface with rock chips results up to 33% Mn. Five bands exhibit IP geophysical signatures up to 300m wide and down to at least 250m vertical depth (Figure 12 and Figure 13).

[26] *Refer to MKG ASX announcement released 26 April 2023.*

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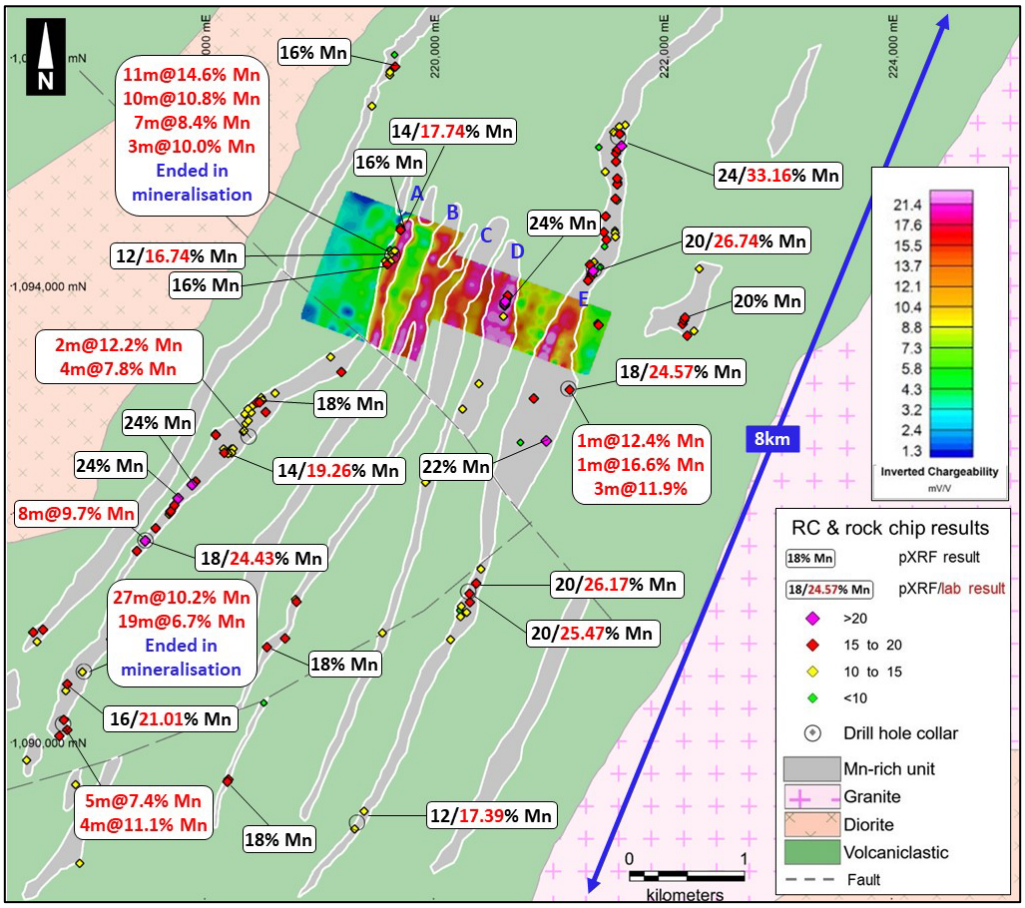


Figure 12. Korhogo Project: Extensive mapped Manganese and Partial IP Geophysical Survey Coverage

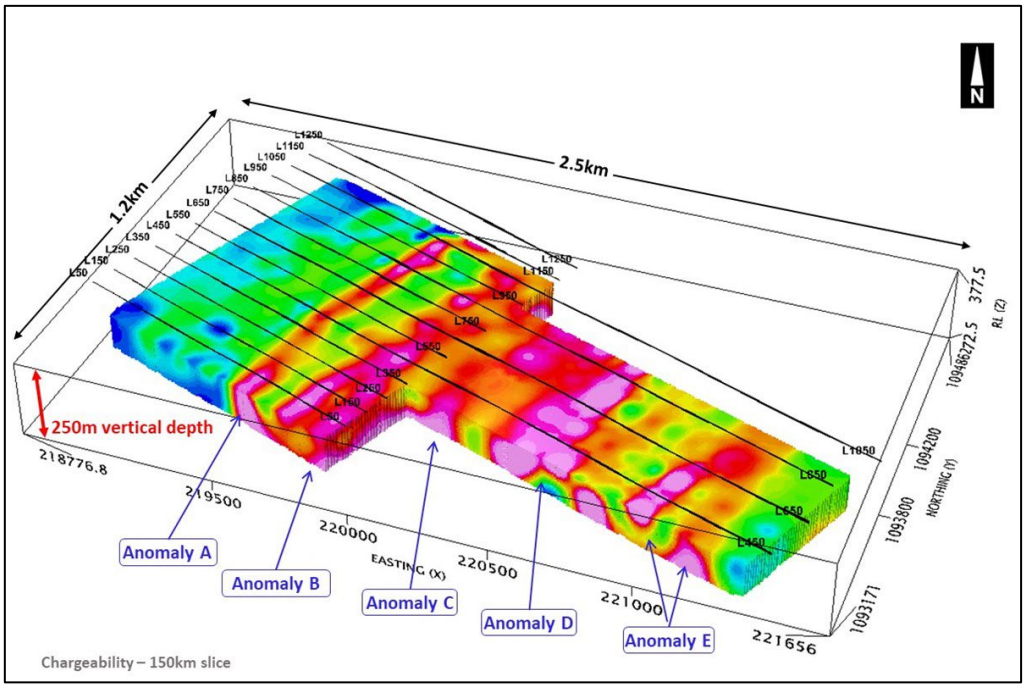


Figure 13. IP chargeability slice at 150m depth

The Korhogo Project is in an ideal location for a bulk commodity with access to high voltage power lines, rivers and dams nearby, as well as being 40km to a rail line 550km from the Port of Abidjan (Figure 14).

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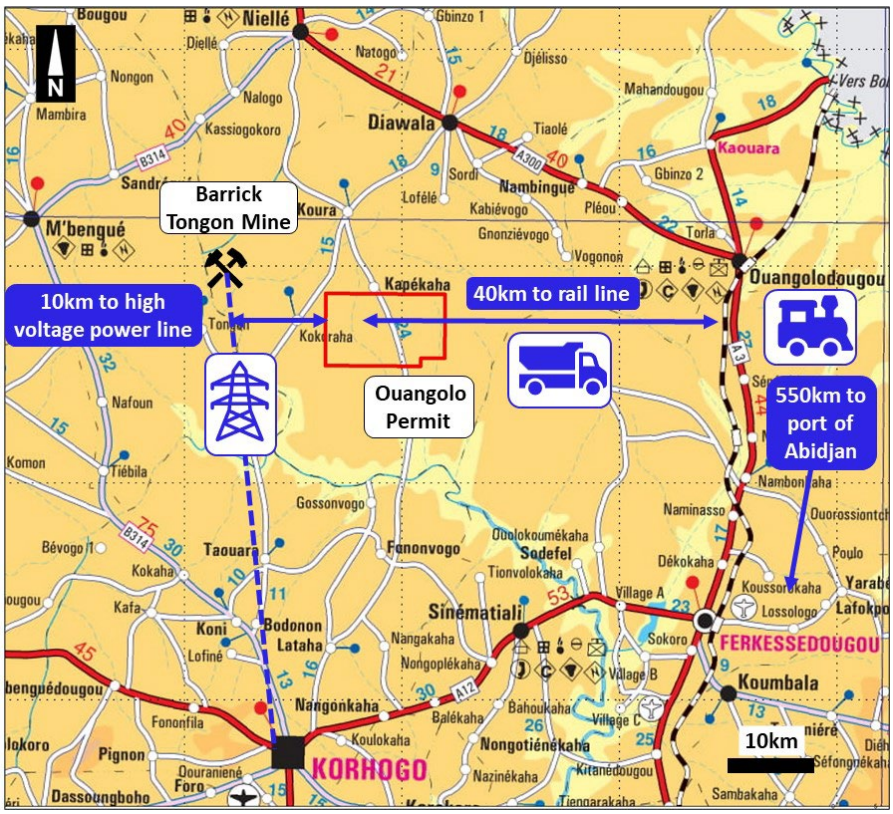


Figure 14. Ouangolo permit with surrounding outstanding infrastructure for bulk minerals

There are four operating manganese mines in Cote d'Ivoire (Figure 15). All of the mines ship the manganese concentrate to tidewater by road. One of Mako's advantages is to have a rail line within 40km of the project.

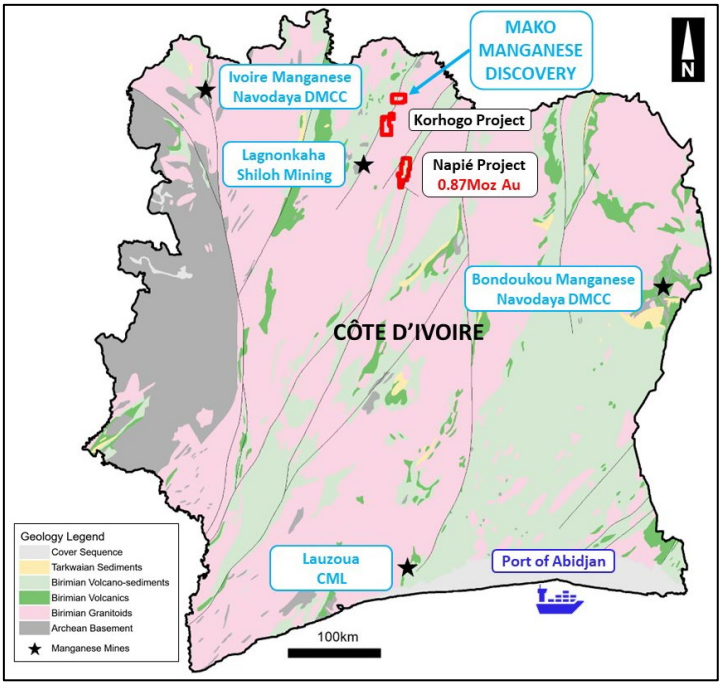


Figure 15. Mako manganese project and manganese mines in Cote d'Ivoire

6.3 Directors

Michele Muscillo (Non-Executive Chairman)

Bachelor of Laws

Michele 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, Michele has acted on a variety of corporate transactions including initial public offerings, takeovers and other acquisitions. Michele's experience brings to the Board expertise on corporate regulation, governance and compliance matters.
Michele was previously a director of ASX-Listed Orbis Gold Limited and Cardinal Resources (ASX:CDV) and was instrumental in both takeovers. He is a non-executive director of ASX-Listed Aeris Resources (ASX:AIS) and Xanadu Mines (ASX:XAM).

Peter Ledwidge (Managing Director)

BSc Geology, MAIG, MAICD

Peter Ledwidge, Managing Director and founder of Mako Gold is a geologist with over 30 years' experience in exploration and mining. His career has focussed primarily on gold in Canada, Africa and Australia.

Prior to founding Mako Gold, Peter was a senior manager with ASX-listed Orbis Gold whereby he secured all of Orbis' permits in Burkina Faso and Côte d'Ivoire. Peter played a critical role in the discovery of the Nabanga gold deposit and thereafter contributed geological ideas towards the discovery of the Boungou mine.
Peter is fluently bilingual in French, the working language of the majority of West Africa and has established and maintained good professional contacts in West Africa.

Steven Zaninovich (Non-Executive Director)

B.Eng, MAusIMM

Steve is a degree qualified engineer with over 25 years' experience in the mining industry. His career has encompassed all stages of the project development life cycle, from exploration and feasibility to construction and operations. Steve has worked extensively in West Africa and Australia in a variety of project development, maintenance and operational roles. He served as COO with Gryphon Minerals before assuming the role of Vice President of Major Projects and becoming part of the Executive Management Team at Teranga Gold Corporation ("Teranga") following its acquisition of Gryphon, where he was responsible for the bankable feasibility study for the Wahgnion Gold Project. Steve has extensive West African on the ground experience, predominantly in gold, including Ghana, Burkina Faso, Mali, Senegal and Côte d'Ivoire.

Steve is currently a Non-Executive Director of Sarama Resources Ltd (TSXV:SWA), Kodal Minerals (AIM:KOD.L) and Maximus Resources Ltd (ASX:MXR). He previously held Non-Executive Director roles with Centaurus Metals, Gryphon Minerals, Orway Minerals Consultants, and an Executive position with Lycopodium Minerals.

6.4 Summary of financial information

Set out below is an extract of Mako's consolidated statement of financial position as at 30 June2024 as contained in Mako's Annual Report for 2024 which was announced to the ASX on 27 September 2024. It should be read with its accompanying notes.

(a) **Historical financial information**

The historical financial information set out below for the Mako Group is extracted from the 2022, 2023 and 2024 annual financial reports. The full financial statements for FY22, FY23 and FY24 were audited by BDO Audit Pty Ltd who issued an unqualified audit opinion. A

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copy of Mako's consolidated financial statements can be found on its website: https://makogold.com.au/.

Financial Position as at	30 June 2022 $ (Audited)	30 June 2023 $ (Audited)	30 June 2024 $ (Audited)
Cash and cash equivalents	2,863,555	2,795,905	1,852,606
Short term investments	28,600	28,600	28,600
Trade and other receivables	191,009	48,829	64,218
Other current assets	61,821	51,113	94,209
Total current assets	**3,144,985**	**2,924,447**	**2,039,633**
Right of use assets	212,928	168,874	124,820
Exploration & evaluation assets	24,839,284	31,126,323	33,976,808
Total non-current assets	**25,052,212**	**31,295,197**	**34,101,628**
Total assets	**28,197,197**	**34,219,644**	**36,141,261**
Trade and other payables	1,613,119	1,568,753	215,862
Lease liabilities	41,280	44,783	48,713
Provisions	205,015	200,787	253,643
Total current liabilities	**1,859,414**	**1,814,323**	**518,217**
Lease Liabilities	193,597	148,814	100,101
Total non-current liabilities	**193,597**	**148,814**	**100,101**
Total liabilities	**2,053,011**	**1,963,137**	**618,318**
Net assets	**26,144,186**	**32,256,508**	**35,522,943**
Share capital	31,734,331	38,492,132	42,882,835
Reserves	874,635	1,806,220	1,925,044
Accumulated losses	(6,464,780)	(8,041,844)	(9,284,936)
Total equity	**26,144,186**	**32,256,508**	**35,522,943**

(b) **Historical consolidated statement of profit and loss and other comprehensive income**

Set out below is an extract of Mako's consolidated statement of profit or loss and other comprehensive income as at 30 June 2024 as contained in Mako's Annual Report for 2024 which was announced to the ASX on 27 September 2024. It should be read with its accompanying notes.

		Consolidated	
		2024	2023
	Note	$	$
Other Income	2	18,848	18,122
Amortisation expenses	3	(44,054)	(44,054)

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Finance expenses	3	(6,344)	(7,913)
Project option fee	3	(50,000)	-
Share-based payments	20	(122,161)	(456,140)
Employment and consultancy expenses	3	(384,611)	(377,232)
Corporate and other expenses	3	(654,769)	(709,847)
Loss before tax		(1,243,092)	(1,577,064)
Income tax expense	4	-	-
Loss for the year		(1,243,092)	(1,577,064)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency transaction differences for foreign operations		(3,337)	3,837
Income tax expense	4	-	-
Other comprehensive income for the period, net of tax		(3,337)	3,837
Total comprehensive income for the year attributable to:			
Owners of Mako Gold Limited		(1,246,429)	(1,573,227)
Loss per share			
Basic and diluted loss per share (cents per share)	17	(0.17)	(0.35)

For details of the notes to the accounts, please see Mako's Annual Report for 2024 which can be located on the ASX website at www.asx.com.au using Mako's ASX code 'MKG' or Mako's website at https://makogold.com.au/.

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6.5 Issued capital

As at the date of this Target's Statement, Mako's issued Share capital was 986,619,075 Ordinary Shares.

Mako has also issued the following securities which are not quoted on the ASX:

Securities	Expiry Date	Exercise Price	Number
Unlisted options (ASX:MKGAO)	31 December 2025	$0.015	16,000,000
Unlisted options (ASX:MKGAN)	31 January 2025	$0.02	200,000,000
Unlisted options (ASX:MKGAL)	30 June 2025	$0.05	43,333,359
Unlisted options (ASX:MKGAM)	30 June 2026	$0.045	11,000,000
Total			**270,333,359**

Please see Mako's 2024 Annual report for further information.

6.6 Substantial holders

As at 13 November 2024, the following entities (together with any of their Associates) have a Relevant Interest in 5% or more of Mako's shares:

Name	Shares	Relevant Interest in shares (%)
Curious Commodities Pty Ltd	75,654,943	7.67%
Dundee Resources Limited	78,653,747	8.00%

6.7 Publicly available information

Mako is a company listed on the ASX and is subject to periodic and continuous disclosure requirements of the ASX Listing Rules and the Corporations Act, which requires Mako to disclose to the market through ASX any information Mako has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities. Mako is in compliance with its continuous disclosure requirements under the Corporations Act and the ASX Listing Rules. A substantial amount of information on Mako is publicly available, including Mako's 2024 Annual Report, which can be accessed by referring to Mako on www.asx.com.au (ASX:MKG).

Mako is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Mako may be obtained from, or inspected at, an ASIC office.

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7. INFORMATION ABOUT AURUM

7.1 Disclaimer

The information about Aurum contained in this Target's Statement has been prepared using publicly available information, including information in the Bidder's Statement, and has not been independently verified by Mako. Accordingly, Mako does not, subject to the Corporations Act, make any representation or warranty, express or implied as to the accuracy or completeness of this information nor does Mako assume any responsibility for it.

The information on Aurum in this Target's Statement should not be considered comprehensive. Please refer to the Bidder's Statement for further information in respect of Aurum.

7.2 Overview of Aurum

Section 4 and section 5 of the Bidder's Statement provides background information regarding Aurum.

Aurum is an ASX-listed gold exploration company incorporated in Western Australia on 25 May 2021 and listed on the ASX in 2021 (ASX:AUE). The principal activities of Aurum are the exploration, and development of, its Boundiali Gold Project in Côte d'Ivoire, West Africa (**Boundiali Project**).

Aurum owns and operates diamond drill rigs and has conducted over 40,000m of diamond drilling on high priority targets since October 2023. It has maintained a gold focus since acquiring Aldoro Resources Limited's (ASX:ARN) gold assets in November 2021.

7.3 Aurum Directors

Section 4.3 of the Bidder's Statement provides biographical details for the directors of Aurum. The Aurum Directors as at the date of this Target's Statement are:

- Mr Troy Flannery - Non-Executive Chair
- Dr Caigen Wang - Managing Director
- Mark Strizek - Executive Director

7.4 Overview of assets and activities of Aurum

Aurum has interests in four neighbouring exploration tenements, PR0808, PR0893, PR414 and PR283, located in the Boundiali Greenstone Belt, comprising the Boundiali Project. This belt hosts Resolute Mining Limited's (ASX: RSG) Syama gold mine and its southern extension, into Côte d'Ivoire, hosts several high-grade discoveries including Perseus Mining Limited's Sissingué gold mine and Montage Gold Corp's (TSX: MAU) 4.5Moz Koné gold project.

The Boundiali Project hosts prospective Birimian greenstones as Aurum's four tenements are held within the Tongon-Sissingue triangle.

Further information in relation to the assets and activities of Aurum, including detail regarding the historical exploration at the tenements, is located in section 4.2 of the Bidder's Statement.

7.5 Aurum financial information

Section 4.6 of the Bidder's Statement contains financial information in respect of Aurum. In addition, financial statements and information for Aurum can be obtained from the ASX's website at www.asx.com.au (ASX:AUE).

7.6 Aurum securities

As at the date of this Target's Statement, Aurum has issued the following securities:

Securities	Description	Number
Ordinary Shares	Fully paid ordinary shares in the capital of Aurum[1]	152,532,194
Options	Listed options	7,265,842
	Unlisted options	24,516,576
Performance Rights	Issued under Aurum's Employee Securities Incentive Plan[2]	41,850,000
Performance Options	Issued under Aurum's Employee Securities Incentive Plan[2]	16,000,000

Notes:

1. See section 5.7 of the Bidder's Statement for further information regarding the rights and liabilities attaching to Aurum's ordinary shares.

2. See section 5.3 of the Bidder's Statement for further information regarding the Employee Securities Incentive Plan.

See section 5.2 of the Bidder's Statement for further information regarding recent trading of Aurum Shares on the ASX.

7.7 Aurum substantial shareholders

As set out in the Bidder's Statement, the following shareholders held 5% or more of Aurum as at the date of the Bidder's Statement:

Substantial holder	Person's votes	Percentage / Voting power
Multiple Resources Pty Ltd and Caigen Wang	9,561,217	6.28%
CTC Sharing Pty Ltd	6,000,000	9.69%
Jian Zhao	6,000,000	9.69%
Yao N'Kanza	9,572,534	6.29%
The Pioneer Development Fund (Aust) Limited	3,500,000	11.67%

As noted above, the information about Aurum contained in this Target's Statement has been prepared using publicly available information, including information in the Bidder's Statement, and has not been independently verified by Mako. Accordingly, Mako does not, subject to the Corporations Act, make any representation or warranty, express or implied as to the accuracy or completeness of this information nor does Mako assume any responsibility for it.

7.8 Publicly available information regarding Aurum

Aurum is a company listed on the ASX and is subject to the periodic and continuous disclosure requirements of the Corporations Act and the ASX Listing Rules. Further information relating to the business and operations and financial performance and position of the Aurum Group that has been disclosed by Aurum in accordance with these obligations is available from the ASX website at www.asx.com.au (ASX:AUE) and in section 4.7 of the Bidder's Statement.

Further information regarding Aurum and its business can be found in Aurum's website at https://www.aurumres.com.au/.

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8. DIRECTORS' RECOMMENDATION AND INTERESTS OF MAKO DIRECTORS

8.1 The Mako Directors

The following are Directors of Mako as at the date of this Target's Statement:

- Michele Muscillo - Non-Executive Chair
- Peter Ledwidge - Managing Director
- Steve Zaninovich - Non-Executive Director

Further details in respect of the Mako Directors are set out in section 6.4 of this Target's Statement.

8.2 Mako Directors' recommendation

After taking into account each of the matters in this Target's Statement and in the Bidder's Statement, each of your Directors recommends that you ACCEPT the Offers (in the absence of a Superior Proposal).

In considering whether to accept the Offers, your Directors encourage you to:

- read the whole of this Target's Statement and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- consider the reasons for the Mako Directors' recommendations noted in this Target's Statement; and
- obtain financial advice from your broker or financial adviser about the Offers and obtain taxation advice on the effect of accepting the Offer.

The interests of each Mako Director in Mako are set out in this section 8.4 of this Target's Statement.

8.3 Reasons to ACCEPT the Offers

The reasons that the Mako Directors recommend that you ACCEPT the Offers (in the absence of a Superior Proposal) are outlined in the section of the Target's Statement entitled "KEY REASONS TO ACCEPT THE OFFERS".

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8.4 Directors' interests in Mako

At the date of this Target's Statement, Directors and their Associates have a Relevant Interest in the following Mako Securities:[27]

Director	Share	Class A Options	Class B Options
Michele Muscillo	1,501,913	166,667	Nil
Peter Ledwidge	12,621,866	833,334	Nil
Steve Zaninovich	1,123,090	166,667	Nil

Please see Mako's 2024 Annual Report for further information.

Each Director intends to accept, or procure the acceptance of, the Offers in respect of all Mako Shares and Mako Options held or controlled by them by no later than the date that is the later of:

(a) 5:00pm (Perth time) on the date of despatch of the Target's Statement (**Despatch Date**); and

(b) where a Competing Proposal is announced prior to the Despatch Date, the date that is 2 Business Days after either:

(1) the date that the Mako Directors determine that such Competing Proposal is not likely to be a Superior Proposal; or

(2) the date that, following compliance with all 'matching rights' processes set out in the BIA, a Counter Proposal is determined to be more favourable or no less favourable to Mako and the Mako Securityholders than the Competing Proposal.

8.5 Recent dealings in shares by Mako Directors

In the four months preceding the date of this Target's Statement, none of the Mako Directors (or their respective Associates, as the case may be) have acquired or disposed of any Mako Securities.

8.6 Interests or dealings in Aurum securities

None of the Mako Directors or any of their respective Associates have any Relevant Interest in the securities of Aurum or any Related Body Corporate of Aurum, or have acquired or disposed of any securities of Aurum or any Related Body Corporate of Aurum in the four months preceding the date of this Target's Statement.

8.7 No payments or benefits

No Director has agreed to receive, or is entitled to receive, any benefit in Aurum or Mako which is conditional on, or is related to, the Offers, other than in their capacity as a Mako Securityholder or as is noted below in section 8.8.

As a result of the Offers, no benefit (other than a benefit permitted by sections 200F or 200G of the Corporations Act) has been or will be given to a person:

(a) in connection with the retirement of that person from the Board or management of Mako or its Related Bodies Corporate; or

[27] *The Directors (and their Associates) do not have a Relevant Interest in the Mako Non-Bid Options.*

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(b) who holds, or has held a position on the board or management of Mako or its Related Bodies Corporate, or a spouse, relative or Associate of such person, in connection with the transfer of the whole or any part of the undertaking or property of Mako; or

(c) which would require approval of Mako Shareholders under section 200B of the Corporations Act.

8.8 Arrangements with Mako Directors

Board transition arrangements

As noted below in section 10.1(f), the BIA requires that following the Effective Control Date:

(a) Mako must take all actions necessary to procure the appointment of such number of directors nominated by Aurum (**Aurum Nominee Directors**) such that a majority of the Mako Board is composed of the Aurum Nominee Directors; and

(b) Aurum will offer a position on Aurum's board of directors to an existing Mako Director.

However, Mako will not be required to appoint any Aurum Nominee Directors which the Mako Board, acting reasonably, considers is not appropriate to act as a Director[28] in which case Mako must liaise with Aurum for an alternative person to act as a Nominee Director.

Upon the Actual Control Date, Mako must procure the resignation of all Directors (other than the Aurum Nominee Directors) from their positions on the Mako Board.

Further, upon the successful completion of the Offers, Aurum intends to invite Mr Steve Zaninovich (a non-executive director of Mako) to join the Aurum board with a view to drawing on Mr Zaninovich's mine development experience as the merged businesses' assets are progressed through studies and ultimately targeting development. See section 9.10 of the Bidder's Statement for further detail regarding the arrangements between Mr Zaninovich and Aurum.

Consultancy agreements

Aurum has made conditional offers to each of Peter Ledwidge and Ann Ledwidge as follows:

(a) to appoint Mr Ledwidge as a consultant in an advisory capacity for a 12 month term; and

(b) to appoint Mrs Ledwidge as an exploration consultant to Aurum.

Further detail regarding these conditional offers and the consultancy arrangements contemplated in same is set out in section 9.10 of the Bidder's Statement.

8.9 No agreement or arrangement with any Director of Mako

Except as described above, there is no agreement or arrangement made between any Director or any Related Body Corporate or Associate of any Director and any other person in connection with or conditional upon the outcome of the Offers.

8.10 Interests held by directors of Mako in any contract entered into by Aurum

No Director, nor any Related Body Corporate or Associate of Aurum, has an interest in any contract entered into by Aurum or any Director, Related Body Corporate or Associate of Aurum.

[28] *Specifically, if the Aurum Nominee Director is not of good character or repute or has inappropriate experience to be a director of a public company in Australia or does not hold (or has not applied for) a Director Identification Number.*

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9. RISK FACTORS

9.1 Introduction

In considering the Offers, Mako Shareholders should be aware that there are a number of risk factors associated with either accepting the Offer, or rejecting the Offer and continuing to hold Mako Shares.

The risk factors presented in this section 9 are not an exhaustive list of all risks and risk factors related to Mako and the Offer. Additional risks and uncertainties not currently known to Mako may also have an adverse impact on Mako.

The section 9 does not take into account the investment objective, financial situation, position or particular needs of Mako Shareholders. Each Mako Shareholder should consult their legal, financial, taxation or other professional advisor if they have any queries.

9.2 Risks associated with accepting the Offers

Conditions of the Offers

As described in sections 2.3 and 3.3 of this Target's Statement, the Offers are subject to the Conditions. If the Conditions are not satisfied by the applicable date (or waived by Aurum), the Offers will not be free of the Conditions and therefore will not proceed.

Aurum has agreed that, in accordance with the terms of the Bid Implementation Agreement, upon Aurum having acceptances of at least 50.1% of all Mako Shares, to declare the Share Offer to be free from all Conditions.

Based on information available to the Mako Board as at the date of this Target's Statement, the Mako Directors have no reason to believe that the Conditions of the Offers cannot be satisfied within a reasonable period of time.

If the Conditions of the Offers were to ultimately not be satisfied or waived (to the extent that they are able to be waived), then in the absence of the Offers the price of the Mako Shares on the ASX may potentially decline.

Limited withdrawal rights

Once you have accepted the Offers, you will only be able to withdraw such acceptance in very limited circumstances. Such a withdrawal right will arise if, after you have accepted the Offers, Aurum varies the Offers in a way that postpones, for more than one month, the time when Aurum has to meet its obligations under the Offers, and at that time, the Offers are subject to one of the Conditions.

Otherwise, you will be unable to withdraw your acceptance even if the value of Aurum varies significantly from the date of your acceptance of the Offers or a Superior Proposal is announced.

CGT - Offers

If the Offers become unconditional, CGT rollover relief will not be available if Aurum acquires less than 80% of the Mako Shares under the Share Offer. A general overview of the tax implication of accepting the Offers for Australian resident Mako Securityholders is set out in section 15 of the Bidder's Statement and section 4.8 of this Target's Statement.

Mako Securityholders should not rely on the taxation considerations set out in section 15 of the Bidder's Statement and section 4.8 of this Target's Statement as being advice on their own affairs. Mako Securityholders should consult with their own independent taxation advisers regarding the taxation implications of accepting the Offers given their particular circumstances.

Issue of securities as consideration

Aurum will issue Aurum Shares as Offer Consideration in each of the Share Offer and the Option Offers. The market value of such securities will fluctuate depending on the market value of Aurum Shares.

If you accept the Offers and the Offers become unconditional, you will no longer be a Mako Securityholder.

This will mean that you will have a less concentrated interest in any potential upside associated with Mako's projects than if you remained a Mako Securityholder, including (if applicable) any increase in the Mako Share price or any benefits that may ultimately be realised by Mako. It will also mean that you will become an Aurum Shareholder and as such will become exposed to the performance of Aurum's other projects and interests. The price of new Aurum Shares issued as part of the Offer Consideration may be impacted by the future performance of the other parts of Aurum's business.

The risks of investing with Aurum are discussed in section 11 of the Bidder's Statement and in section 9.2 of this Target's Statement.

You will no longer be able to sell your Mako Shares on-market

If you accept the Share Offer, you will no longer be able to trade your Mako Shares on the market. There is a possibility that the Mako Share price may exceed the Offer Consideration during part of the Offer Period. Refer to section 14.6 of the Bidder's Statement in relation to the effect of accepting the Share Offer (and the Offers generally).

Mako has not independently verified Aurum's information

In preparing the information in this Target's Statement, Mako has relied upon information in relation to Aurum which is publicly available through Aurum's continuous and periodic disclosure under the Corporations Act and ASX Listing Rules and certain non-public information provided by Aurum. Mako has not been able to verify the accuracy, reliability or completeness of all of the information which was disclosed by Aurum. In addition, there may be other potentially materially price sensitive information which Aurum has not disclosed in reliance of an exception to the continuous disclosure requirements set out in ASX Listing Rule 3.1A.

As Mako has conducted only limited due diligence on Aurum, there could be circumstances relating to Aurum which Mako are unaware of and which could adversely affect the anticipated results of the operations of the Combined Entity. If any of the data or information provided to and relied upon by Mako in its limited due diligence process and its preparation of this Target's Statement proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of the Combined Entity may be materially different to the pro-forma statement of financial position in the Bidder's Statement. It should also be noted that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on the Combined Entity in the future.

9.3 Risks specific to certain outcomes of the Offers

Aurum meets 90% compulsory acquisition threshold

Aurum has indicated that if, as a result of the Offers, it and its Associates obtain a Relevant Interest in at least 90% of the Mako Shares, Aurum intends to proceed with a compulsory acquisition of the outstanding Mako Shares. If such compulsory acquisition occurs, Mako Shareholders who have their Mako Shares compulsorily acquired will not receive the Offer Consideration until after the compulsory acquisition notices are dispatched to them.

Refer to section 5.2 of this Target's Statement for further information.

Aurum obtains controlling interest in Mako

If Aurum acquires a Relevant Interest in at least 50.1% but less than 90% of the Mako Shares on issue, it will be able to control the outcome of ordinary resolutions of the Mako Shareholders (including resolutions relating to the composition of Mako's Board).

If Effective Control of Mako passes to Aurum, but Aurum does not meet the conditions to allow compulsory acquisition of the remaining Mako Shares, the remaining Mako Shareholders (who have not accepted the Offers) will become minority shareholders in Mako. If this occurs, there may be

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additional factors that need to be considered, alongside the Mako Directors' recommendation. These factors may include:

(a) Aurum will be in a position to cast the majority of votes at a general meeting of Mako. This will enable Aurum to control the composition of the Mako Board and senior management and control the strategic direction of Mako's business;

(b) the Mako Share price may fall immediately following the end of the Offer Period, and it is unlikely that Mako's Share price will contain any takeover premium;

(c) liquidity of Mako Shares may be lower than present;

(d) if the number of Mako Shares or Mako Shareholders is less than that required by the ASX Listing Rules to maintain ASX listing, then Aurum may seek to have Mako removed from the official list of the ASX. If this occurs, Mako Shares will not be able to be bought or sold on the ASX, and will only be able to be bought or sold privately;

(e) Aurum may not be able to implement its stated intentions in relation to Mako's business as set out in section 8 of the Bidder's Statement; and

(f) if Aurum acquires 75% or more of Mako's Shares it will be able to pass a special resolution of Mako. This will enable Aurum, amongst other things, to change Mako's constitution and may enable Aurum to seek to have Mako removed from the official list of the ASX.

9.4 Risks associated with being a Aurum securityholder

There are certain risks involved in holding Aurum Shares and those risks are outlined in section 11.3 of the Bidder's Statement.

There are also certain risks that relate to the merger of Mako and Aurum should the Offers succeed. Aurum has summarised these risks in section 11.3 of the Bidder's Statement.

The Mako Board also draws your attention to the risks set out below.

Issue of Aurum Shares as Offer Consideration

Mako Securityholders are being offered consideration under the Offers that consists of a specified number of Aurum Shares, rather than a number of Aurum Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the Aurum Shares.

Furthermore, Aurum will issue a significant number of Aurum Shares under the Offers. Some Mako Securityholders may not intend to continue to hold Aurum Shares and may wish to sell them on the ASX. There is a risk that if a significant number of Mako Securityholders seek to sell their Aurum Shares this may adversely impact the price of Aurum Shares.

Unless Aurum acquires at least 80% of the Mako Shares under the Offers, CGT scrip for scrip rollover relief will not be available in respect of the Aurum Shares received in exchange for the Mako Shares.

CGT scrip for scrip rollover relief will not be available in respect of the disposal of Mako Options by Mako Optionholders. The potential Australian taxation consequences of accepting the Offers as set out in section 4.8 of this Target's Statement and also section 15 of the Bidder's Statement.

Integration risks

There are risks that any integration between the businesses of Mako and Aurum may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

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Accounting

Aurum will be required to perform a fair value assessment of all of Mako's assets and liabilities if the Offers are successful. This assessment may result in increased depreciation and amortisation charges. There is a risk that these charges may be substantially greater than those that would exist in Aurum and Mako as separate businesses. This may reduce the future earnings of the Combined Entity.

Change in risk and investment profile

Mako Securityholders who accept the Offers will be exposed to risk factors relating to Aurum, and to certain additional risks relating to the Combined Entity and the integration of the two companies.

These include risks relating to the operation of a broader suite of assets (both in nature and scale) than Mako owns.

9.5 Risks associated with not accepting the Offers

In considering whether to accept the Offers, Mako Securityholders should be aware of the risks relating to Mako, its business and assets as well as the general risks associated with an investment in securities markets.

No premium

Mako Securityholders who do not accept the Offers may not receive the premium implied by the Offers. Further, in the absence of the Offers, the price of Mako Shares on the ASX may potentially decline.

Minority ownership consequences

If Aurum acquires a Relevant Interest in at least 50.1% of all Mako Shares and declares the Share Offer to be unconditional (as required under section 4.2(b) of the Bid Implementation Agreement), then it is possible that effective control of Mako passes without the ability of Aurum to compulsorily acquire the remaining Mako Shares (which requires a Relevant Interest in at least 90% of Shares).

Once effective control passes, Aurum will have the ability to appoint a majority of directors to the Mako Board and, in doing so, take control of the day-to-day operations of the business. Mako Shareholders who do not accept the Offers will remain as minority shareholders and be subject to a number of additional risks, including:

- reduced liquidity; and
- greater difficulty in realising value for Mako Shares with Aurum likely to hold a blocking stake to any proposals received from a rival bidder.

Refer to section 8 of the Bidder's Statement for more information regarding Aurum's intentions in relation to Mako, including at different levels of ownership.

Potential for future less favourable offer

If the Offer is unsuccessful and there is a subsequent decline in the price of Mako Shares, there may exist potential for opportunistic or hostile offers, which may be less advantageous to Mako Securityholders, to emerge in the future. This could expose Mako to heightened risk and reduced negotiating leverage in potential future transactions, potentially compromising Mako Securityholders' long-term return on investment.

Uncertain that Mako will receive similar or superior offers in the future

If the Offers are unsuccessful there is a risk that Mako Securityholders may not receive an offer of similar or superior value in the future. There is no guarantee that Mako will attract bids with comparable benefits or premiums. This could result in a missed opportunity for Mako

Securityholders, potentially impacting their long-term financial prospects and overall return on investment.

Perseus deferred consideration

On 6 September 2017, Mako entered into farm-in and joint venture agreement with Occidental Gold Sarl (**OG**), an in-country subsidiary of Perseus Mining Limited ACN 106 808 986 (**Perseus**), in relation to the Napié Project (**Farm-In Agreement**). As at 28 June 2021, Mako had earned a 51% interest in the Napié Project under the Farn-In Agreement and, subject to completion of a feasibility study, was entitled to earn up to a further 25% interest in the Napié Project.[29]

In order to consolidate ownership of the Napié Project, Mako and its subsidiary Mako CI SARLU CI-ABJ-2018-B-24535 (**MCI**), entered an agreement with OG and Perseus for the purchase by MCI of 100% of OG's legal and beneficial interest in the Farm-In Agreement and the Napié Project (**OG's Napié Interests**).[30]

The consideration for the sale and purchase of OG's Napié Interests under the agreement (**SPA**) is payable over multiple tranches, with part of the consideration[31] issued at the time of completion and the balance of the consideration (**Deferred Consideration**)[32] being paid on the occurrence of certain milestones.

The SPA also provides that, if there is a change in control of Mako (**Change of Control**) before the occurrence of the second milestone[33] without the prior written consent of Perseus:

(a) any outstanding milestones will be deemed to have occurred; and

(b) any unpaid Deferred Consideration must be paid to OG in immediately available funds within 60 days of the Change of Control occurring.

Assuming Aurum acquires a Relevant Interest in more than 50% of the Mako Shares on issue, a Change of Control will occur once the Share Offer is declared to be unconditional. Since the second milestone has not yet been achieved, unless the written consent of Perseus is obtained to the corresponding Change of Control Mako will be required to pay the Deferred Consideration in the sum of $4,800,000 to OG in immediately available funds within 60 days of the Share Offer being declared unconditional.

Mako does not have sufficient funding to pay this amount if the payment is required to be made, and Mako would need to seek funding from its Shareholders (including Aurum) in order to discharge the obligation to pay. Unless Aurum was successful in acquiring all of Mako's Shares under the Offers (such that Mako was a wholly owned subsidiary of Aurum), it is likely that Mako would need to undertake a capital raising (in the form of a rights issue under which all Mako Shareholders, including Aurum, could participate) to fund this amount. If Mako was unable to raise sufficient funds to discharge the liability to Perseus (if it were to eventuate), this may have an adverse impact on Mako's ongoing solvency.

Perseus and OG have committed not to seek recovery of the Deferred Consideration from Mako until the earlier to occur of:

(a) the date which is 30 days after Aurum obtains a Relevant Interest in at least 90% of Mako's Shares pursuant to the Share Offer; and

[29] Which would give Mako a total 75% interest in the Napié Project.
[30] Including the joint venture agreement between OG and African American Investment Fund (entered in the Abidjan Business Register under number 209578) (**AAIF**) pursuant to which AAIF has a 10% interest in the Napié Project free carried to completion of a feasibility study).
[31] Being 13,800,000 Mako Shares issued at $0.101 per Mako Share, for a total implied value of $1,393,800.
[32] Being the sum of $4,800,000 to be paid in two separate payments, with the first payment (in the sum of $2,400,000) to be made upon the first milestone being achieved, and the second payment (in the sum of $2,400,000) to be made upon the second milestones being achieved.
[33] Namely, the first sale of ore extracted from the Napié Project.

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(b) subject to the Offers having first closed or expired (**Expiry**), the date which is 60 days following written notice from Perseus to Mako (issued after Expiry) requiring payment of the Deferred Consideration.

9.6 Risks associated with holding Mako Securities

If you decide not to accept the Offers and retain your Mako Securities, you will continue to be exposed to the risks associated with being a Mako Securityholder. Holding Mako Securities (particularly Mako Shares) provides an economic interest in the ongoing operational activities of Mako. However, there is no guarantee that Mako will become profitable in the future as the business is affected by many risk factors.

These may be risks that are widespread risks associated with any form of business or specific risks associated with Mako's business and the industry in which it is involved.

The following summary represents some of the major risk factors which affect Mako. These risk factors ought not to be taken as exhaustive of the risks faced by Mako or Mako Securityholders. These factors, and others not specifically referred to, may in the future materially affect the financial performance of Mako and the value of Mako Securities. Where relevant, the risk factors below assume the Offers will not be successful and Mako will continue to develop its projects.

(a) *General market risks*

The economic condition of both domestic and global markets may affect the performance of companies such as Mako. Adverse changes in macroeconomic conditions, including global, regional and local economic growth, the costs and general availability of credit, the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption and consumer spending, sentiment and levels of employment, amongst others, are outside of the control of Mako and may have a material adverse effect on the financial performance of Mako.

(b) *Future Share price*

There is a risk that the Mako Share price may fall if the Offers are unsuccessful. The Mako Directors are not in a position to speculate on the future trading price of the Mako Shares, including if the Offers lapse. The future price of Mako Shares is dependent not only on Mako's performance, but also on external market and other factors.

(c) *Financing and capital*

Substantial capital expenditure is required for mineral exploration, appraisal, development and production. The future prospects of Mako, including the successful development of Mako's assets and/or the acquisition of new assets will be influenced by the ability of Mako to access funding via operating cash flows or debt or equity markets on commercially acceptable terms. Operating cash flows and access to debt and equity markets is affected by a number of factors beyond the control of Mako including commodity prices and general economic conditions.

There is also no assurance that Mako will be successful in raising capital in the future as and when it is required, in order to fully finance and develop Mako's projects. Volatile market conditions may prevent or make it difficult for Mako to obtain debt financing or equity financing on commercially acceptable terms. If access to adequate funding is not maintained by Mako, Mako may not be able to take advantage of opportunities or otherwise respond to market conditions. Failure to obtain funding on a timely basis and on reasonably acceptable terms may also cause Mako to postpone or abandon development plans, or to relinquish or forfeit rights in relation to the Mako's assets, which may delay or suspend Mako's business strategy and could have a material adverse effect on Mako's activities.

(d) *Gold Price Risk*

Changes to the market price of gold, which in the past have fluctuated widely, will affect the future profitability of Mako's operations and its financial condition. Mako's revenues,

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profitability and viability depend on the future market price of gold produced from Mako's mines. The price of gold is set in the world market and is affected by the numerous industry factors beyond Mako's control including the demand for precious metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for jewellery and industrial products containing metals, gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and procedures of gold and other metals in response to any of the above factors, and global and regional political and economic factors.

A decline in the market price of gold below Mako's proposed production costs for any sustained period may have a material adverse impact on the ability of Mako to finance the exploration and development of its existing and future mineral projects. Such a decline would also impact on the profit, cashflow and results of operations of Mako's anticipated future operations.

(e) *Risks of operating in Côte d'Ivoire (sovereign risk and foreign country mining risk)*

Mako's projects in Côte d'Ivoire are subject to the risks of operating in foreign countries, including political and economic considerations such as civil and tribal unrest, war (including in neighbouring countries), terrorist actions, criminal activity, nationalisation, invalidation of government orders, failure to enforce existing laws, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations or uphold property rights, changing government regulations with respect to mining (including royalties, environmental requirements, labour, taxation, land tenure, foreign investments, income repatriation and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the title to properties or mineral rights in which Mako has interests, problem or delays renewing licences and permits, opposition to mining from local, environmental or other non-governmental organisations, increased financing costs, instability due to economic underdevelopment, inadequate infrastructure, and the expropriation of property interests, as well as by law and policies of Côte d'Ivoire affecting foreign trade, investment and taxation. As African governments continue to deal with deficits and depressed economies, the strength of commodity prices has resulted in the gold mining sector being targeted as a source of revenue. Governments are continually assessing and reviewing the terms for a mining company to exploit resources in their countries.

Furthermore, Mako requires consultants and employees work in Côte d'Ivoire to carry out its planned exploration and development programs. It may be difficult from time to time to find or hire qualified people in the mineral exploration industry who are situated in Côte d'Ivoire, or to obtain all of the necessary services or expertise in Côte d'Ivoire, or to conduct operations on its projects at reasonable rates. If qualified people and services or expertise cannot be obtained in Côte d'Ivoire, Mako may need to seek and obtain those services from service providers located outside of Côte d'Ivoire which could result in delays and higher costs to Mako.

In addition, local tribunal authorities in West Africa exercise significant influence with respect to local land use, land labour and local security. No assurance can be given that the co-operation of such authorities, if sought, will be obtained, and if obtained, maintained.

In the event of a dispute arising from Mako's activities, Mako may be subject to the exclusive jurisdiction of courts or arbitral proceedings outside of Australia or may not be successful in subjecting persons to the jurisdiction of courts in Australia, either of which could unexpectedly and adversely affect the outcome of a dispute.

No guarantee or assurance can be given regarding future stability in Côte d'Ivoire as such stability is beyond the control of Mako. Any of the above events could delay or prevent Mako

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from exploring or developing its properties even if economic quantities of minerals are found and could have a material adverse impact upon Mako's foreign operations.

(f) *Mineral Exploration, Development and Operating Risks*

Mineral exploration is highly speculative in nature, generally involves a high degree of risk and frequently is non-productive. The mineral tenements of Mako are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited or will result in a profitable commercial mining operation.

Resource acquisition, exploration, development, and operation involve significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Significant expenses are required to locate and establish economically viable mineral deposits, to acquire equipment, and to fund construction, exploration and related operations, and few mining properties that are explored are ultimately developed into producing mines.

Success in establishing an economically viable project is the result of a number of factors, including the quantity and quality of minerals discovered, proximity to infrastructure, metal and mineral prices which are highly cyclical, costs and efficiencies of the recovery methods that can be employed, the quality of management, available technical expertise, taxes, royalties, environmental matters, government regulation (including land tenure, land use and import/export regulations) and other factors. Even in the event that mineralization is discovered on a given property, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change as a result of such factors. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in Mako not receiving an adequate return on its invested capital, and no assurance can be given that any exploration program of Mako will result in the establishment or expansion of resources or reserves.

Mako's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold and other minerals, including hazards relating to the discharge of pollutants or hazardous chemicals, changes in anticipated grade and tonnage of ore, unusual or unexpected adverse geological or geotechnical formations, unusual or unexpected adverse operating conditions, slope failures, rock bursts, cave-ins, seismic activity, the failure of pit walls, pillars or dams, fire, explosions, and natural phenomena and 'Acts of God' such as inclement weather conditions, floods, earthquakes or other conditions, any of which could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, damage to property, environmental damage, unexpected delays, monetary payments and possible legal liability, which could have a material adverse impact upon Mako. In addition, any future mining operations will be subject to the risks inherent in mining, including adverse fluctuations in fuel prices, commodity prices, exchange rates and metal prices, increases in the costs of constructing and operating mining and processing facilities, availability of energy and water supplies, access and transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment, and industrial accidents and labour actions or unrest. The occurrence of any of these risks could materially and adversely affect the development of a project or the operations of a facility, which could have a material adverse impact upon Mako.

(g) *Relinquishment of Tenement Area Risk*

The mining laws of Côte d'Ivoire require that upon each renewal of a prospecting licence, the holder must surrender at least 25% of the area covered unless an additional fee is paid.

Although Mako will use its best efforts to seek to ensure that, in each case, the area retained has greater exploration, development and production potential than the area relinquished

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there can be no assurance that the area relinquished will not ultimately have greater mineral resources and ore reserves and a more positive outlook than the area retained upon renewal.

(h) *Changes in Law and Government Regulation and Policy Risk*

The mineral exploration activities undertaken by Mako are subject to laws and regulations governing health and worker safety, employment standards, exports, taxation, waste disposal, management and use of toxic substances and explosives, protection of the environment, mine development and production, protection of endangered and protected species, reclamation, historic and cultural preservation and other matters. Exploration activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, royalties, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety.

Mako's exploration programs in Côte d'Ivoire will, in general, be subject to approval by the Ministère des Mines et de la Géologie (**Ministry of Mines**) and other governmental agencies. Development of any of Mako's properties will be dependent upon the Napié Project meeting environmental guidelines set by the Ministère de l'Environement, du Dévelopement Durable et de la Transition Écologique (**Ministry of the Environment and Sustainable Development**) and, where required, being approved by governmental authorities such as the Ministry of Mines and the Ministère des Eaux et Forêts (**Ministry of Water and Forests**).

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions which could have a material adverse impact upon Mako. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws and regulations governing operations, title matters, land ownership, tenement interests or mining rights or more stringent implementation thereof could have a substantial adverse impact on the Napié Project and cause increases in exploration expenses, capital expenditures or productions costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

(i) *Estimation of Mineralisation, Resources and Reserves Risk*

There is a degree of uncertainty attributable to the calculation of mineralisation, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralisation are actually mined and processed, the quantity of mineralisation and reserve grades must be considered estimates only. These estimates depend upon geological interpretation and statistical inference drawn from drilling and sampling analysis, which may prove unreliable. There can be no assurance such estimates will be accurate. In addition, the quantity of reserves and mineralisation may vary depending on commodity prices. Any material changes in quantity of reserves, mineralisation, grade or stripping ratio may affect the economic viability of a mine. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production. The inclusion of mineral resource estimates should not be regarded as a representation that these amounts can be economically exploited and no assurances can be

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given that such resource estimates will be converted into reserves. Different experts may provide different interpretations of resource estimates.

(j) *Permitting and Licensing Risk*

In addition to mineral rights, Mako will require some or all of the following permits, licences or other regulatory approvals to be able to carry out business operations in Côte d'Ivoire as it advances its projects: (i) environmental permits; (ii) approved environmental management plans and environmental certificates; (iii) reclamation bonds and approved reclamation plans; (iv) water usage permits; (v) business operating permits; (vi) licences to export, sell or dispose of minerals; (vii) permits to operate foreign exchange retention accounts with a trustee bank; and (viii) immigration quotas to employ a specified number of who are not from Côte d'Ivoire to work on mining projects. Mako believes that it will be able to obtain and maintain in the future all such necessary licences and permits to carry on the activities which it intends to conduct, and intends to comply in all material respects with the terms of such licences and permits.

There can be no guarantee, however, that Mako will be able to obtain and maintain, at all times, all the necessary licences and permits required to undertake the proposed exploration and development or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of a particular property.

(k) *Access to land*

Land access is critical to the operations of Mako. Immediate and continuing access to land within Mako's licence and permit areas cannot in all cases be guaranteed as Mako may be required to obtain the consent of the owners and occupiers of the relevant land or surrounding land. Compensation may be required to be paid to the owners and occupiers by Mako in order for Mako to carry out exploration activities.

Additional to land access within Mako's licence and permit area, land access may be required outside these areas for purposes of vehicle access via road/s and infrastructure access such as powerlines and water pipelines. Permitting authorisation of these required access corridors cannot in all cases be guaranteed as Mako may be required to obtain the consent of the owners and occupiers of the relevant land and / or surrounding land. Compensation may be required to be paid to the owners and occupiers by Mako in order for Mako to carry out development. Some of these areas may be in protected forest areas which require an additional level of authorisation from the relevant government departments.

(l) *Artisanal Miners risk*

Mako's projects are held in areas of Côte d'Ivoire that have historically been mined by artisanal miners. As Mako further explores and advances its projects, it may be required to arrange the removal of any artisanal miners operating on its properties. There is a risk that such artisanal miners may oppose Mako's operations, which may result in a disruption to any planned development and/or mining and processing operations. In addition, artisanal miners have historically used chemicals that are harmful to the environment to separate the precious metals from the ore. There can be no assurance that Mako will not be subject to environmental liabilities resulting from such operations in the future, which could have a material adverse impact on Mako. In addition, artisanal work practices are often unsafe and accidents and/or incidents may occur on Mako's property, and there is an added reputation risk that third parties may wish to link the activities of the artisanal miners to that of Mako in the event of accidents or incidents, which could have a material adverse impact on Mako.

(m) *Environmental, Health and Safety Regulations of the Resource Industry Risk*

Mako believes it is in substantial compliance with the relevant environmental laws and regulations in Côte d'Ivoire, however Mako notes a continuing trend toward substantially increased environmental requirements and evolving corporate social responsibility expectations in Côte d'Ivoire, including the requirement for more permits, analysis, data

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gathering, community hearings, and negotiations than have been required in the past for both routine operational needs and for new development projects.

Due to bureaucratic delays, there can be no assurance that all permits which Mako may require for construction of mining facilities and conduct of mining operations, particularly environmental permits, will be obtainable on reasonable terms or timeframes or that compliance with such laws and regulations would not have an adverse effect on the profitability of any mining project that Mako may undertake.

All phases of the Company's operations are subject to environmental regulations in various jurisdictions. If the Company's properties are proven to host economic reserves of metals, mining operations will be subject to national and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment.

Mining operations will be subject to national and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of mining methods and equipment. Various permits from government bodies are required for mining operations to be conducted; no assurance can be given that such permits will be received.

No assurance can be given that environmental standards imposed by national or local authorities will not be changed or that any such changes would not have material adverse effects on the Company's activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on the Company. Additionally, the Company may be subject to liability for pollution or other environmental damage, which it may not be able to insure against.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulation and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Mining is subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to Mako (or to other companies in the minerals industry) at a reasonable price. To the extent that Mako becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to Mako and could have a material adverse effect on Mako. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

(n) *Land Rehabilitation Risk*

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimise long term effects on land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on Mako in connection with its mineral

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exploration and development, Mako must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

(o) *Cultural Heritage Risk*

There are sites of cultural significance documented within the area of the Napié Project and the Korhogo Project. Mako has in place measures to help preserve local customs and cultural heritage, and works with the relevant local communities to avoid or minimise impact on sites of cultural significance from Mako's activities.

(p) *Relocation of project affected people risk*

Mako plans to develop the Napié Project and, in doing so, it will be necessary to relocate some families (**Project Affected People**). Mako will develop a relocation action plan to address the process of this initiative when required, in accordance with the relevant laws and requirements in Côte d'Ivoire, to ensure that all Project Affected People are treated fairly and consistently.

Such plan will require the consent of the relevant government departments in Côte d'Ivoire and there may be additional costs and administrative delays in obtaining approval for the plan.

(q) *Labour and Employment Risk*

As Mako's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well additional staff for operations. In addition, given the remote location of most of Mako's properties, infrastructure shortcoming in the surrounding areas, and the shortage of a readily available labour force in the mining industry, Mako may experience difficulties obtaining and retaining requisite skilled employees in Côte d'Ivoire in the event one or more of its project is developed. While Mako believes that it will be successful in attracting and retaining qualified personnel and employees, there can be no assurance of such success.

(r) *Disease impact on Labour and Employment Risk*

Malaria and other tropical diseases represent a serious threat to maintaining a skilled workforce in the mining industry in Côte d'Ivoire. There can be no assurance that Mako will not lose members of its workforce or workforce manhours or incur increased medical costs, which may have a material adverse effect on Mako's operations.

(s) *Contractors*

The business activities of Mako rely on the engagement of experienced and qualified contractors and suppliers on commercially reasonable terms.

Mako's business, operations and financial performance may be materially and adversely affected if any of its proposed contractors are not available as and when required or do not perform their contractual obligations as expected by Mako. Where Mako relies on third parties to deliver goods or perform services, there can be no guarantee that the relevant third parties will deliver those goods or perform those services in the manner that delivers upon Mako's plans and expected outcomes which, in turn, may adversely affect the financial position, performance and prospects of Mako.

(t) *Loss of key personnel*

Mako relies on a number of well qualified and experienced key senior personnel. Loss of such personnel, or a failure to recruit and retain suitably qualified and experienced personnel in the future may adversely affect the financial performance of Mako. Such failure may also result in damage to the reputation of Mako which may have additional adverse consequences for the financial performance and prospects of Mako.

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(u) *Insurances*

Mako maintains insurance for certain activities within ranges of coverage that they each believe to be consistent with industry practice. However, in certain circumstances insurance proceeds may not be adequate to cover all potential liabilities and losses. Additionally, recovery under insurances is subject to the terms and conditions of the relevant insurance policies which may include material exclusions and uninsured excess amounts (or deductibles).

Where Mako does not have insurances in place in respect of a relevant loss or hazard, or a relevant insurance policy does not respond as anticipated, Mako may be exposed to material uninsured losses which, in turn, may impact upon the financial performance of Mako. There is a risk that insurance premiums may increase to a level where Mako considers it is unreasonable or, not to a level of coverage which is in accordance with industry practice. No assurance can be given that Mako will be able to obtain such insurance coverage in the future at reasonable rates or that any coverage it arranges will be adequate to cover claims.

(v) *Future Profitability Risk*

To date, Mako has experienced a negative operating cash flow and has not commenced commercial production on any of its properties. There can be no assurance that significant additional losses will not occur in the near future or that Mako will be profitable in the future. Mako expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. There can be no assurance that Mako will generate any revenues, operate profitably or provide a return on investment in the future.

(w) *Repatriation of Earnings Risk*

Mako conducts its operations through foreign subsidiaries and holds substantially all of its assets in such subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between Mako and its subsidiaries could restrict Mako's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on Mako's valuation and share price. Moreover, there is no assurance that Côte d'Ivoire or any other foreign country in which Mako may operate in the future will not impose restrictions on the repatriation of earnings to foreign entities.

(x) *Exchange rate risk*

Fluctuations in exchange rates between the Australian dollar and other operational currencies may result in foreign exchange gains or losses which may affect the financial performance of Mako.

(y) *Litigation*

Mako may be involved in disputes and litigation relating to the conduct of its business. The risk of litigation is a general risk of Mako's business and it may incur costs in making payments to settle claims or in complying with any court order (which may not be covered adequately, if at all, by insurance). Any material dispute or litigation could adversely affect the financial position and the financial performance of Mako.

(z) *Other risks*

Additional risks and uncertainties not currently known may also have an adverse effect on Mako and the value of its Shares. The information set out in this section 9.4 does not purport to be, nor should it be construed as representing, an exhaustive summary of the risks that may affect the performance of Mako's Shares.

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10. ADDITIONAL INFORMATION

10.1 Bid Implementation Agreement

On 15 October 2024, Aurum and Mako entered into the Bid Implementation Agreement pursuant to which Aurum agreed to make the conditional off-market offer for all Mako Shares and separate conditional off-market offers for all Mako Options. A full copy of the Bid Implementation Agreement was released to ASX on 16 October 2024.

Key terms of the Bid Implementation Agreement, are detailed below:

(a) **The Offers**

As noted above, Aurum is offering to acquire:

(1) all Mako Shares for the consideration of 1 Aurum Share for every 25.1 Mako Shares held; and

(2) all Mako Options, for the following consideration:

(A) 1 Aurum Share for every 170 Mako Class A Options held; and

(B) 1 Aurum Share for every 248 Mako Class B Options held.

The Share Offer will extend to Mako Shares that are issued during the Offer Period as a result of the conversion of any Mako Convertibles.

(b) **Takeover Bid Conditions**

Each of the Offers are subject to certain Conditions which are detailed in full at section 2.3 (with respect to the Share Offer) and at section 3.3 (with respect to the Option Offers) of this Target's Statement.

(c) **Facilitating the Offers**

To the extent reasonably required in connection with the Offers, during the Exclusivity Period, Mako will use its reasonable endeavours to provide Aurum with access to:

(1) its books and records;

(2) any information reasonably requested by Aurum; and

(3) its senior management, external auditors and accountants and other advisers,

subject to any existing confidentiality obligations owed to third parties or privacy laws

(d) **Mako Board Recommendation**

Under the BIA, the Mako Directors have agreed to unanimously recommend that Mako Securityholders accept the Offers, in the absence of a Superior Proposal (**Recommendation**).

(e) **Conduct of Business**

During the Exclusivity Period, Mako must conduct its business in the ordinary course, in accordance with all applicable laws and regulations and consistent with the Budget and Work Program, provided that nothing restricts Mako from engaging in anything required or permitted to be done or not done under the Bid Implementation Agreement or otherwise required to be done in connection with the legal obligations for the implementation of the Takeover Bid or matters consented to in writing by Aurum (acting reasonably).

(f) **Board Changes**

Upon Aurum having Effective Control (i.e. having a Relevant Interest in at least 50.1% of all Mako Shares and the Share Offer being declared, or otherwise becoming, unconditional):

(1) Aurum will have the right to nominate such number of directors to the Mako Board (**Aurum Nominee Directors**) so that a majority of the Mako Board is composed of the Aurum Nominee Directors;

(2) Mako must take all actions necessary to procure the appointment of such Aurum Nominee Directors; and

(3) Aurum will offer a position on Aurum's board of directors to an existing Mako Director.

However, Mako will not be required to appoint any Aurum Nominee Directors which the Mako Board, acting reasonably, considers is not appropriate to act as a Director[34] in which case Mako must liaise with Aurum for an alternative person to act as a Nominee Director.

Upon Aurum having Actual Control (i.e. a Relevant Interest in at least 90% of all Mako Shares and the Share Offer being declared, or otherwise becoming, unconditional), Mako must procure the resignation of all Directors (other than the Aurum Nominee Directors) from their positions on the Mako Board.

(g) **ASX Waiver**

As noted above in section 3.3(d) of this Target's Statement, Mako must obtain a waiver of ASX Listing Rule 6.23.4 from ASX to the extent necessary to permit Mako to amend, without shareholder approval, the terms and conditions of the Mako Options which on their terms are incapable of transfer, to permit their transfer to Aurum on the following conditions:

(1) the Offers have been declared unconditional; and

(2) Aurum has acquired voting power in Mako of at least 50.1%.

(h) **Mako Convertibles**

As described below in section 10.4, prior to the Share Offer becoming unconditional (and subject to any necessary ASX waivers) Aurum must make an offer to acquire all outstanding Mako Non-Bid Options or otherwise seek the consent from the holders of those Mako Non-Bid Options for the cancellation of those securities on terms materially consistent with the terms of the Offers.

(i) **Variation of the Offers**

A summary of Aurum's ability to vary the Offers is set out above in section 4.5 of this Target's Statement.

(j) **Extension of the Offer Period**

The initial Offer Period will remain open for at least one month from the date of the Offers, subject to Aurum's right to extend the period in accordance with the Corporations Act and provided that Aurum may close the Offers prior to such time if a Condition has been breached.

As noted above in section 4.5(b) of this Target's Statement, Aurum may only extend the closing date of the Offers beyond the period ending 2 months after commencement of the Offer Period if:

[34] *Specifically, if the Aurum Nominee Director is not of good character or repute or has inappropriate experience to be a director of a public company in Australia or does not hold (or has not applied for) a Director Identification Number.*

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(1) Aurum has declared the Share Offer to be unconditional; or

(2) Mako has provided its prior written consent.

(k) **Compensating Amount**

Each of Mako and Aurum have agreed to pay a break fee in the sum of $90,000 (excluding GST) to the other party (**Compensating Amount**) in certain circumstances.

Aurum will be required to pay the Compensating Amount to Mako if Mako terminates the Bid Implementation Agreement in accordance with clause 9.1(a)(i) or clause 9.1(a)(ii).

Mako will be required to pay the Compensating Amount to Aurum if Aurum terminates the Bid Implementation Deed as a result of:

(1) Mako entering into, approving or recommending, any agreement regarding a Competing Proposal (other than a confidentiality agreement with a Third Party);

(2) the Mako Directors failing to make, withdrawing or adversely modifying the Recommendation in respect of the Offers;

(3) Mako being in material breach of the Bid Implementation Agreement.

In each of the circumstances contemplated above, the paying party must pay the Compensating Amount to the receiving party within 10 Business Days of receipt of a demand for payment

(l) **Exclusivity**

Mako has agreed to be bound by certain exclusivity obligations under the Bid Implementation Agreement during the Exclusivity Period, subject to the Fiduciary Exception at paragraph 10.1(o) below.

These exclusivity obligations include no shop, no talk and no due diligence restrictions pursuant to which Mako:

(1) warrants that, other than the discussions with Aurum in respect of the Takeover Bid, it has not participated or been involved in negotiations or discussions in respect of any:

(A) actual, proposed or potential Competing Proposal; or

(B) transaction that would, or would reasonably be expected to, reduce the likelihood of success of the Takeover Bid,

with any Third Party and has ceased any such discussions or negotiations to the extent that they were on foot prior to the date of the Bid Implementation Agreement (being 15 October 2024);

(2) must not solicit, invite, encourage or initiate any inquiry, expression of interest, offer, proposal or discussion by any Third Party in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal;

(3) must not (directly or indirectly) engage in or participate in any discussions or negotiations, or communicate any intention to do any of these things, with any Third Party in relation to (or which may reasonably be expected to lead to) a Competing Proposal, even if that Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Mako or any of its Related Persons or that Third Party has publicly announced the Competing Proposal; and

(4) subject to the Fiduciary Exception, directly or indirectly solicit, invite, initiate or encourage or facilitate, enable or permit any Third Party to undertake due diligence

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investigations or make available to any Third Party (or permit any such Third Party to receive) any non-public information, in respect of or relating to Mako, its Subsidiaries, or any of their businesses, Tenements, assets and operations, in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, an actual, proposed or potential Competing Proposal.

(m) **Notification of approaches**

During the Exclusivity Period, Mako must notify Aurum of:

(1) any approach, inquiry or proposal made by any Third Party to Mako or any Related Person, to initiate any discussions or negotiations that concern, or that could reasonably be expected to lead to, a Competing Proposal;

(2) any request made by any Third Party to Mako or any Related Person for any information relating to Mako, its Subsidiaries, or any businesses, Tenements, assets or operations, in connection with such Third Party formulating, developing or finalising, or assisting in the formulation, development or finalisation of, an actual, proposed or potential Competing Proposal; or

(3) the provision by Mako or any Related Person of any information relating to Mako or any of its Subsidiaries or any of their businesses, Tenements, assets or operations to any Third Party in connection with or for the purposes of any actual, proposed or potential Competing Proposal,

within 2 Business Days of any such event.

This paragraph applies regardless of any prior discussions or negotiations between Mako and that Third Party or any adviser to that Third Party

(n) **Matching rights**

During the Exclusivity Period, Aurum has matching rights with respect to a Competing Proposal made in respect of the Offers.

Mako must not enter into an agreement with a Third Party with respect to a Competing Proposal, unless:

(1) it has determined that the Competing Proposal would be or would be likely to be a Superior Proposal; and

(2) it has provided Aurum with the details of the Competing Proposal and at least 5 Business Days to provide a matching or superior proposal to the terms of the Competing Proposal; and

(3) by the expiry of the 5 Business Days, either Aurum has:

(A) not announced a matching or superior proposal to the Competing Proposal; or

(B) announced a proposal to the Completing Proposal (**Counter Proposal**), however the Mako Board, acting in good faith, determines that the Counter Proposal is not more favourable to Mako Securityholders than the Competing Proposal, taking into account all terms and conditions of the Counter Proposal.

(o) **Fiduciary exception**

The restrictions detailed at paragraph 10.1(l) above do not apply to the extent that it restricts Mako from responding to a written bona fide actual, proposed or potential Competing Proposal, provided the Mako Board has determined in good faith based on the information then available and after consultation from its independent financial and legal advisers, that:

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(1) the Competing Proposal is, or may reasonably be expected to lead to a Superior Proposal; and

(2) failing to respond with respect to the Competing Proposal would be reasonably likely to constitute a breach of any of the legal obligations or fiduciary duties of the Mako Board.

Before Mako can rely on this Fiduciary Exception, the Mako Board must, acting in good faith, and obtain written legal advice confirming that failing to take action which is proposed to be taken with respect to the relevant Competing Proposal would, or would be likely to, involve a breach of the legal obligations or fiduciary duties of each Mako Director.

(p) **Warranties**

Each of Aurum and Mako have provided standard warranties to the other.

(q) **Announcements**

Neither Aurum nor Mako may make an announcement relating to the Takeover Bid unless the announcement is:

(1) permitted or required by the Bid Implementation Agreement;

(2) has the prior approval of the other party; or

(3) is required by any applicable law or the ASX Listing Rules.

Where a party is required by law or the ASX Listing Rules to make an announcement regarding the subject matter of the Bid Implementation Agreement, it must give to the other party reasonable notice of the announcement, together with a draft of the proposed announcement to allow the other party an opportunity to comment on the same.

(r) **Termination**

In addition to the standard termination clauses, the Bid Implementation Agreement provides that Aurum may terminate the document where:

(1) a Superior Proposal is made or publicly announced by a Third Party;

(2) Mako accepts or enters into or offers to accept or enter into, any agreement arrangement or understanding regarding a Competing Proposal (other than a confidentiality agreement with a Third party);

(3) any Mako Director fails to make, withdraws or adversely modifies the Recommendation; or

(4) any Mako Director fails to comply with its obligations under its intention statement (described below in section 10.3).

10.2 Pre-Bid Acceptance Deeds

On 15 October 2024, Aurum entered into Pre-Bid Acceptance Deeds with certain Mako Securityholders and associated parties (**Pre-Bid Mako Securityholders**).

Under each of the Pre-Bid Acceptance Deeds, each Pre-Bid Mako Securityholder has agreed to accept, or procure that its applicable related party accepts, the Offers with respect to their Mako Shares and/or Mako Options (as applicable) by 5.00pm (Perth time) on the date that is 10 Business Days after the commencement of the Offer Period (subject to no Superior Proposal emerging).

The Pre-Bid Acceptance Deeds relate only to the Mako Shares and Mako Options and do not apply to any other Mako securities held by the relevant Pre-Bid Mako Securityholder.

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Each Pre-Bid Mako Securityholder has agreed not to deal with any of its Mako Securities except to transfer same to Aurum in accordance with the terms of the Pre-Bid Acceptance Deeds, which are described in further detail in section 12.3 of the Bidder's Statement.

See also section 10.5 below for further information regarding the Relevant Interest acquired by Aurum in Mako Securities as a result of the Pre-Bid Acceptance Deeds.

10.3 Intention Statements

Aurum has received signed intention statements from each of the Mako Directors who collectively own or control 15,246,869 Mako Shares (representing 1.55% of all Mako Shares) and 1,166,668 Mako Class A Options (representing 0.43% of all Mako Options), that they presently intend to accept, or procure the acceptance of, the Offers for all of those Mako Shares and Mako Options, in the absence of a Superior Proposal.

A list of the Mako Directors who have indicated their intention to accept, or procure the acceptance of, the Offers is set out in the table below:

Director	Mako Shares	% of Mako Shares	Mako Options[35]	% of Mako Class A Options
Michele Muscillo *Non-Executive Chairman*	1,501,913	0.15	166,667	0.38
Peter Ledwidge *Managing Director*	12,621,866	1.28	833,334	1.9
Steven Zaninovich *Non-Executive Director*	1,123,090	0.11	166,667	0.38
Total	**15,246,869**	**1.55**	1,166,668	2.7%

Each of the Mako Directors listed above has consented to the disclosure of their intention statement in this Target's Statement.

Collectively, the Pre-Bid Mako Securityholders and Mako Directors who have either agreed, or indicated an intention, to accept the Offers control a total of 1.55% of the Mako Shares on issue and 0.43% of all Mako Options (being 2.7% of the Mako Class A Options) on issue, indicating strong support for the Offers, in the absence of a Superior Proposal.

10.4 Mako Convertibles

The proposed treatment of the Mako Convertibles in connection with the Offers are set out below:

Exercise price	Expiry date	Number	ASX Code	Proposed treatment in connection with the Offers
$0.05	30 June 2025	43,333,359	MKGAL	See section 3 of this Target's Statement in relation to treatment of the Class A Options.
$0.045	20 June 2026	11,000,000	MKGAM	See below in relation to the treatment of these Mako Non-Bid Options.

[35] Each Mako Director holds Mako Class A Options.

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$0.02	31 January 2025	200,000,000	MKGAN	See section 3 of this Target's Statement in relation to treatment of the Class B Options.
$0.015	31 December 2025	16,000,000	MKGAO	See below in relation to the treatment of these Mako Non-Bid Options.
	Total	**270,333,359**		

Mako Options

The Mako Options are the subject of the Option Offers, as described in section 3 of this Target's Statement.

As noted above in section 8.4, the Mako Directors hold Mako Options.

Mako Non-Bid Options

Pursuant to the terms of the BIA and as is set out in section 12.1(i) of the Bidder's Statement, prior to the Share Offer becoming unconditional Aurum must enter into arrangements with the holders of the Mako Non-Bid Options pursuant to which Aurum will either acquire the Mako Non-Bid Options or the Mako Non-Bid Options will be cancelled on terms materially consistent with the terms of the Offers.

Aurum agrees that the Share Offer will extend to all Mako Shares issued as a result of the exercise of the Mako Non-Bid Options (if any) from the Register Date to the end of the Offer Period.

Mako agrees to apply to ASX for such waivers of the ASX Listing Rules as may be required for the purpose of transferring all Mako Non-Bid Options to Aurum.

10.5 Notice of the Bidder's voting power

(a) **Aurum's interests in Mako Securities**

As noted above in section 10.2 of this Target's Statement, Aurum has entered into Pre-Bid Acceptance Deeds with the Pre-Bid Mako Securityholders who hold, in aggregate 175,710,913 Mako Shares and 34,848,689 Mako Options.

Accordingly, pursuant to the Pre-Bid Acceptance Deeds, Aurum has:

(1) acquired a Relevant Interest in 175,710,913 Mako Shares as at the date of the Bidder's Statement, representing a voting power of 17.8%; and

(2) agreed to acquire 34,848,689 Mako Options, representing 2.77% of Mako's securities on issue, on a fully diluted basis.

A summary of the Pre-Bid Acceptance Deeds is set out in section 12.3 of the Bidder's Statement.

In addition, all of the Mako Board have provided intention statements to accept the Offers for all the Mako Securities they own or control (representing 1.55% of all Mako Shares and 0.43% of all Mako Options) in the absence of a Superior Proposal (as described in section 10.3 above).

Collectively, the Mako Directors and Pre-Bid Mako Securityholders who have either agreed or indicated an intention to accept the Share Offer, in the absence of a Superior Proposal, hold a total of 19.35% of the Mako Shares on issue.

(b) **Aurum's dealings in Mako Securities**

As set out in section 7.6(b) of the Bidder's Statement, neither Aurum nor any Associate of Aurum has provided, or agreed to provide, consideration for any Mako Shares or Mako Options

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under any purchase or agreement during the 4 months before the date of the Bidder's Statement, except pursuant to the Pre-Bid Acceptance Deeds.

Aurum is required to notify the ASX and Mako before 9.30am (Sydney time) on each trading day during the Offer Period where there is an increase in Aurum's Relevant Interest representing at least 1% in Mako's issued capital.

10.6 ASX Relief

Under the Bid Implementation Agreement, Mako has agreed to apply to ASX for any waivers of the ASX Listing Rules as may be required for the purposes of the Option Offers as soon as practicable after the date of Bid Implementation Agreement and to consult with Aurum in relation to any application to be made to ASX in this regard.

10.7 Loan Agreement

Aurum and Mako have entered into an unsecured loan agreement pursuant to which Aurum has agreed to provide Mako with a working capital facility of up to A$1.5 million to assist with costs incurred by Mako in connection with the Takeover Bid and other working capital requirements until the Offers are completed (**Loan Agreement**).

The key terms of the Loan Agreement are set out in section 12.2 of the Bidder's Statement.

In summary:

(a) **Conditions**

Aurum is not obliged to make available any utilisation of the loan facility (**Drawing**) unless and until the Bid Implementation Agreement has been validly executed and delivered unconditionally, and Mako has lodged a copy of the Target's Statement.

Subsequently, Aurum is not obliged to make available any Drawing:

(1) if Aurum has terminated the Loan Agreement as a result of certain trigger events, including where the Mako Directors fail to make the Recommendation or Mako being required to pay the Compensating Amount to Aurum (**Termination Event**);

(2) if, at the date specified on the drawdown notice, the Offer Period has ended and Aurum does not have a Relevant Interest in at least 50.1% of all Mako Shares;

(3) unless Aurum is satisfied that:

(A) the Bid Implementation Agreement is in full force and effect;

(B) Mako is not in default under the Bid Implementation Agreement;

(C) no default event has occurred; and

(D) the monthly drawdown limit of $250,000 has not been reached.

(b) **Approved Purpose**

The proceeds from a Drawing may only be used for the agreed budget and working capital requirements set out in the Loan Agreement.

(c) **Repayment**

Mako must pay the money due and payable (**Amount Owing**) on or before the repayment date, being twelve months from the date of execution of the Bid Implementation Agreement unless terminated by Aurum earlier in accordance with paragraph below.

(d) **Early Termination Notice**

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If an Early Termination Event occurs, Aurum may issue a written notice demanding repayment of the Amount Owing within 45 days of such notice.

(e) **Voluntary Prepayment and First Capital Raise**

Mako may voluntarily repay any amount of the Amount Owing at any time. In the event that Aurum does not obtain a Relevant Interest in at least 50.1% of all Mako Shares by the end of the Offer Period, Mako agrees to apply the funds raised from the first capital raise undertaken subsequent to end of the Offer Period (less costs of undertaking the capital raise) to the repayment of the Amount Owing.

(f) **Interest**

Interest will be payable on the Amount Outstanding at a rate of 10%. However, this rate will increase to 12% on overdue amounts.

(g) **Participation Right**

Where Aurum holds at least 10% of the Mako Shares (on an undiluted basis) (**Threshold**), Mako agrees not to make certain offers of equity securities[36] to a third party (**Equity Offer**) unless Aurum is also given a reasonable opportunity to participate in the Equity Offer on the same terms (**Participation Right**).

Aurum's Participation Right is subject to neither ASX Listing Rule 10.11 nor section 611 (item 7) of the Corporations Act applying to the issue of securities to Aurum under the Equity Offer, and will cease in the event that Aurum's holding in Mako falls below the Threshold. Aurum's Participation Right will not be reinstated in the event that its holding in Mako Subsequently increases above the Threshold.

(h) **Events of Default**

If an Event of Default has occurred, Aurum may at any time, by written notice to Mako, declare all or any part of the Amount Owing to be either payable on demand or due and owing.

Events of Default include:

(1) Mako fails to perform an obligation in relation to the Loan Agreement or any other document deemed a transaction document and any document varying them (**Transaction Document**) and has not remedied the failure within ten Business Days;

(2) Mako fails to pay any amount payable by it under a Transaction Document within 5 Business Days of the due date for payment;

(3) a Transaction Document becomes void or unenforceable;

(4) a member of the Mako Group grants any interest in their material assets to a third party;

(5) the occurrence of a Prescribed Occurrence or a Regulated Event; or

(6) Aurum becomes entitled to terminate the Bid Implementation Agreement and proceeds with such termination, other than:

(A) in circumstances which would also constitute an Early Termination Event;

(B) where the Takeover Bid is prohibited or restrained permanently by a government body; or

[36] Being an issue of equity securities by Mako other than an Excluded Issue as that term is defined in this Target's Statement.

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(C) where Aurum withdraws the Takeover Bid or the Takeover Bid lapse for any reason.

'Events of Default is also defined under the Loan Agreement to certain other events of default that are considered standard for agreements of this nature.

(i) **Other**

The Loan Agreement otherwise contains other clauses including representations, warranties, undertakings, and assignment provisions that are considered standard for agreements of this nature.

10.8 Disclosing entity

Mako is a disclosing entity and as such is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules.

Copies of the documents filed with the ASX may be obtained from the ASX website at www.asx.com.au or Mako's website at https://makogold.com.au/.

Copies of the documents lodged with ASIC in relation to Mako may be obtained from, or inspected at, an ASIC office.

Shareholders may obtain a copy of:

- the 2024 Annual Report of Mako;
- Mako's constitution; and
- any document lodged by Mako with the ASX between the release of the 2024 Annual Report to the ASX and the date of this Target's Statement,

free of charge upon request by contacting Mako or on the ASX website at www.asx.com.au.

10.9 No other material information

This Target's Statement is required to include all information that Mako Securityholders and their advisers would reasonably expect to receive to make an informed assessment whether to accept the Offers, but only to the extent that:

- it is reasonable for the Mako Securityholders and their advisers to expect to receive that information in the Target's Statement; and
- the information is known to the Mako Directors.

The Mako Directors are of the opinion that the information that the Mako Securityholders and their professional advisers would reasonably require to make an informed assessment whether to accept or reject the Offers is contained within:

- this Target's Statement;
- the Bidder's Statement (to the extent that the information contained in that document is not inconsistent with the Target's Statement); and
- the annual and other financial reports, releases, announcements and documents lodged by Mako with ASX and/or ASIC.

In preparing this Target's Statement, the Mako Directors have assumed that the information contained in the Bidder's Statement is accurate. However, the Mako Directors do not take any

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responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all of the statements contained within it.

In deciding what information should be contained in this Target's Statement, the Mako Directors have had regard to:

- the nature of the Mako Shares and Mako Options;
- the matters that Mako Securityholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to the professional advisers of Mako Securityholders; and
- the time available to Mako to prepare the Target's Statement.

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11. CONSENTS

11.1 Directors

The Mako Directors have given and have not, before the lodgement of this Target's Statement with ASIC, withdrawn their consent to be named in this Target's Statement in the form and context in which they are named.

11.2 Third Parties

HopgoodGanim Lawyers, has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement as Australian legal adviser to Mako in respect of the Offers in the form and context in which it is named. HopgoodGanim Lawyers, does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based. To the maximum extent permitted by law, HopgoodGanim Lawyers, expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Link Market Services has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement as Share Registry to Mako in respect of the Offers in the form and context in which it is named. Link Market Services does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based. To the maximum extent permitted by law, Link Market Services expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Euroz Hartleys has given and has not before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement as financial adviser to Mako in respect of the Offers in the form and context in which it is named. Euroz Hartleys does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based. To the maximum extent permitted by law, Euroz Hartleys expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Perseus Mining Limited ACN 106 808 986 (**Perseus**) has given and has not before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement in the form and context in which it is named. Perseus does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based. To the maximum extent permitted by law, Perseus expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Occidental Gold Sarl (**OG**) has given and has not before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement in the form and context in which it is named. OG does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based. To the maximum extent permitted by law, OG expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

11.3 Publicly available information and ASIC modifications

This Target's Statement contains statements which are made in, or based upon, statements contained in the Bidder's Statement lodged with ASIC. As permitted by *ASIC Corporations (Takeover Bids) Instrument 2023/683* (**ASIC Instrument 2023/683**), the consent of Aurum is not required for the inclusion of these statements in the Target's Statement. Any Mako Securityholder may obtain a copy of those documents free of charge during the Offer Period by contacting Mako's Company Secretary, Paul Marshall on +61 433 019 836 from Monday to Friday between 8.30am to 5.00pm (Brisbane time) or by email to pmarshall@makogold.com.au.

Mako has also relied on the modification to section 638(5) of the Corporations Act set out in ASIC Instrument 2023/683 to include, without obtaining specific consent, statements which are made in, or

based on statements made in, the following documents announced via the ASX:

Entity	Announcement	Date of Announcement
Mako	Recommended Takeover of Mako by Aurum Resources	16 October 2024
Mako	Rock chip Results up to 170g/t Au on Komboro at Napie	16 September 2024
Mako	Shallow High-Grade Gold from Scout Drilling at Tchaga North	13 August 2024
Mako	New High-Grade Gold Discovered at Tchaga North	24 April 2024
Mako	Geophysics Indicates Wide Manganese Extending at Depth at Korhogo	19 March 2024
Mako	High-Grade Rock Chips Extend Tchaga North Drill Target	5 March 2024
Mako	New Large-Scale Manganese Zones Identified at Korhogo	13 February 2024
Mako	New Areas at Napie with very High Rock Chip Results	1 February 2024
Mako	Significant Manganese Discovery Confirmed at Korhogo	21 August 2023
Mako	Napie Project New Gold Discoveries	13 July 2023
Mako	First RC Drilling Delivers High-Grade Gold at Gogbala South	14 June 2023
Mako	Two 7km Manganese-Rich Horizons Discovered at Korhogo	26 April 2023
Mako	Phase 2 Auger Results Vector in to New RC Targets at Napie	20 March 2023
Mako	Auger Results Indicate Potential for Napie Resource Growth	25 January 2023
Mako	Mako Completes 90% Consolidation of Napie Gold Project	21 October 2022
Mako	High-Grade Gold Discovery at Napie Komboro Prospect	11 July 2022
Mako	Mako Delivers 868koz Maiden Resource at Napie Project	14 June 2022

No person who has made any of these statements has consented to the relevant statement being included in or accompanying this Target's Statement in the form and context in which it is included.

Mako will, on request and during the Offer Period, provide a copy of the above documents (or the relevant parts of those documents containing the statement) free of charge and within two business days of the request to any Mako Securityholder. To obtain a copy of any of those documents, or the relevant parts of those documents containing the statements, please call Paul Marshall on +61 433 019 836 from Monday to Friday between 8.30am to 5.00pm (Brisbane time) or by email to pmarshall@makogold.com.au. As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72* (**ASIC Instrument 2016/72**), this Target's Statement may also contain statements which:

(a) fairly represents what purports to be a statement by an official person;

(b) are a correct and fair copy of, or extract from:

(1) a statement which has already been published in a book, journal or comparable publication; or

(2) what purports to be a public official document.

In addition, as permitted by ASIC Instrument 2016/72, the Target's Statement contains security price trading data sourced from the ASX website.

Also, ASIC has published various instruments providing for modifications and exemptions that generally apply to all persons including Mako, in relation to the operation of Chapter 6 of the Corporations Act.

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12. GLOSSARY AND INTERPRETATION

12.1 In this Target's Statement unless the contrary intention appears the following words have the following meanings:

Acceptance Form means the form of acceptance and transfer accompanying the Offers or any replacement or substitute acceptance form provided by or on behalf of Aurum.

Actual Control Date means the date on which Aurum has:

(a) declared the Share Offer to be free from all Share Offer Conditions or the Share Offer otherwise being unconditional;

(b) a Relevant Interest in at least 90% of all Mako Shares;

(c) paid all outstanding Director fees; and

(d) procured director and officer run off insurance for the Mako Directors for a 7 year period.

Agreed Bid Terms means the terms on which the Offers are made, as set out in Schedule 4 of the Bid Implementation Agreement.

Announcement Date means 16 October 2024.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market operated by it.

ASX Listing Rules means the official listing rules of the ASX.

ASX Operating Rules Procedures means the procedures of the operating rules of ASX in force from time to time.

ASX Settlement Operating Rules means the operating rules of the ASX Settlement Pty Limited as amended and replaced from time to time.

ASX Settlement Participant means a participant under the ASX Settlement Operating Rules.

Aurum Nominee Directors has the meaning set out in section 8.8 of this Target's Statement.

Bid Implementation Agreement or **BIA** means the agreement dated 16 October 2024 between Mako and Aurum which sets out the key terms and conditions on which Aurum makes the Offers.

Bidder or **Aurum** means Aurum Resources Limited 650 477 286.

Bidder Group or **Aurum Group** means Aurum and each of its Related Bodies Corporate.

Bidder's Statement means the Bidder's Statement dated 30 October 2024 prepared by Aurum to Mako and given to Mako in accordance with the provisions of Part 6.5 of the Corporations Act.

Broker means a person who is a share broker and a participant in CHESS.

Business Day means Monday to Friday inclusive except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day the ASX declares is not a business day.

CGT means Australian Capital Gains Tax.

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CHESS means the Clearing House Electronic Sub-registry System operated by the ASX which provides for the electronic transfer, settlement and registration of securities.

CHESS Holding means a holding of Shares on the CHESS Sub-register of Mako.

CHESS Sub-register has the meaning given in the ASX Settlement Operating Rules.

Closing Date means the closing date of the Offers, being 4 December 2024 (unless extended or withdrawn).

Combined Entity means the Aurum Group which will exist following the Offers, should the Offers be successful and Mako become a subsidiary of Aurum.

Compensating Amount means the break fee payable under the Bid Implementation Agreement in certain circumstances, as described in section 10.1(k) of this Target's Statement.

Competing Proposal has the meaning set out in the Bid Implementation Agreement.

Conditions means the Share Offer Conditions and the Option Offers Conditions.

Controlling Participant means the Broker or ASX Settlement Participant who is designated as the controlling participant for shares in a CHESS Holding in accordance with the ASX Settlement Operating Rules.

Counter Proposal has the meaning set out in the Bid Implementation Agreement.

Corporations Act means the *Corporations Act 2001* (Cth).

Early Termination Event means, in the context of the Loan Agreement:

(a) a Mako Director:

(1) recommending against, qualifying or revising their support of or revoking or withdrawing their recommendation or approval of the Offers to the relevant Mako Securityholders; or

(2) fails to recommend the Offers to the relevant Mako Securityholders in accordance with the Bid Implementation Agreement,

provided that:

(3) a statement by a Mako Director that Mako Securityholders take no action pending the assessment of a Competing Proposal by the Mako Board; or

(4) a statement by a Mako Director that Mako has initiated or is progressing through the matching right process set out in clause 6 of the Bid Implementation Agreement,

will not be an Early Termination Event. For the avoidance of any doubt, a statement or action that satisfies sub-paragraph (a)(1) or sub-paragraph (a)(2) above at the conclusion of the matching rights process shall constitute an Early Termination Event;

(b) a Prescribed Occurrence or a Regulated Event occurs;

(c) the Compensating Amount becomes payable by Mako to Aurum under the Bid Implementation Agreement; or

(d) a person other than Aurum or its Associates acquires a Relevant Interest in 50% or more of the Mako Shares or voting power (within the meaning of section 610 of the Corporations Act) of 50% or more in Mako.

Effective Control means Aurum having a Relevant Interest in at least 50.1% of the Mako Shares and the Share Offer has become or has been declared unconditional.

Effective Control Date means the date on which Effective Control has occurred.

Eligible Jurisdictions means

(a) Australia and its external territories;

(b) New Zealand;

(c) Germany; and

(d) any other person or jurisdiction in respect of which Aurum reasonably believes that it is not prohibited and not unduly onerous or impractical to issue Aurum Shares to a Mako Shareholder or a Mako Optionholder with a registered address in such jurisdiction.

Excluded Issue means, in the context of the Loan Agreement, any issue of equity securities by Mako, but excluding an issue of equity securities to the extent that it is:

(a) under or pursuant to:

(1) a share purchase plan or a bonus issue, a pro rata entitlement issue or any other rights made available to all Mako Shareholders;

(2) a dividend or distribution plan (as defined in the ASX Listing Rules);

(3) an employee incentive scheme or any other employee, director, officer or consultant incentive arrangement; or

(4) an agreement, arrangement or understanding disclosed by Mako to the ASX prior to the date of the Loan Agreement;

(b) in respect of:

(1) the exercise or conversion of any equity securities on issue as at the date of the Loan Agreement;

(2) any merger, business combination, tender offer, takeover or scheme of arrangement; or

(c) to Aurum or a related entity of Aurum.

Exclusivity Period has the meaning set out in the Bid Implementation Agreement.

Euroz Hartleys means Euroz Hartleys Limited ACN 104 195 057.

Fiduciary Exception means the carve out to the exclusivity obligations as described in section 10.1(l) of this Target's Statement.

Ineligible Foreign Securityholder means a Mako Securityholder whose registered address is in a jurisdiction other than the Eligible Jurisdictions.

Issuer Sponsored Holding means a holding of Mako Shares on the Issuer Sponsored Sub-register of Mako.

Issuer Sponsored Sub-register has the meaning given in the ASX Settlement Operating Rules.

Key Tenement has the meaning set out in the Bid Implementation Agreement.

Loan Agreement means the loan agreement dated 16 October 2024 between the Aurum (as lender) and Mako (as borrower) on the terms described in section 10.7 of this Target's Statement.

Mako Board means the board of Directors of Mako.

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Mako Class A Options means the 43,333,359 unlisted options to subscribe for Mako Shares, with an exercise price of $0.05 and expiring on 30 June 2025 (ASX: MKGAL). Referred to as the 'June 2025 Options' in the Bidder's Statement.

Mako Class B Options means the 20,000,000 unlisted options to subscribe for Mako Shares, with an exercise price of $0.02 and expiring on 31 January 2025 (ASX: MKGAN). Referred to as the 'January 2025 Options' in the Bidder's Statement.

Mako Convertibles means those securities on issue as at the date of this Target's Statement that are convertible (either by the holder, by Mako or otherwise by its terms of issue) into Mako Shares, as described in section 10.1 of this Target's Statement.

Mako Directors and **Directors** means the directors of Mako (unless the context requires otherwise).

Mako Optionholders means the holders of the Mako Options.

Mako Options means the Mako Class A Options and the Mako Class B Options but excludes the Mako Non-Bid Options.

Mako Non-Bid Options means all Mako Convertibles excluding the Mako Options.

Mako Securityholders means Mako Shareholders and Mako Optionholders.

Mako Securities means the Mako Shares and Mako Options.

Mako Shareholders means the holders of Mako Shares as at the Register Date.

Mako Share Registry or **Share Registry** means Link Market Services.

Mako Shares or **Shares** means the fully paid ordinary shares in the capital of Mako.

Marketable Parcel has the meaning given in the ASX Operating Rules Procedures which, among other things, includes a parcel of shares, the value of which is not less than $500.

Material Contract has the meaning set out in the Bid Implementation Agreement.

Napié Project means the project described in section 6.2 of this Target's Statement.

Nominee means a sale nominee appointed by Aurum, and approved by ASIC, to sell the Aurum Shares that would otherwise be issued to the Ineligible Foreign Securityholders.

Offers means the Share Offer and the Option Offers.

Offer Consideration means the consideration offered pursuant to the Offers, as follows:

(a) in the case of the Share Offer, 1 Aurum Share for every 25.1 Mako Shares held; and

(b) in the case of the Option Offers:

  (1) 1 Aurum Share for every 170 Mako Class A Options held; and

  (2) 1 Aurum Share for every 248 Mako Class B Options held.

Offer Period means the period during which the Offers are open for acceptance as described in section 13.2 and section 14.3 of the Bidder's Statement.

Option Offers means:

(a) the offer for Mako Options contained in section 14 of the Bidder's Statement; or

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(b) the off-market takeover bid constituted by that offer and each other offer by Aurum for Mako Options in the form of that offer, in each case as varied in accordance with the Corporations Act,

as the context requires.

Option Offers Conditions means the Conditions applicable to the Option Offers, as described in section 3.3 of this Target's Statement.

Options means an option to subscribe for Mako Shares.

Pre-Bid Acceptance Deeds means the deeds entered into between Aurum and each of the Pre-Bid Mako Securityholders on 15 October 2024 in relation to their acceptance into the Offers with respect to the Mako Securities held by each of the Pre-Bid Mako Securityholders.

Pre-Bid Mako Securityholders means those Mako Securityholders who signed Pre-Bid Acceptance Deeds, being Dundee Resources Limited, Sparta Invest AG, Delphi Unternehmensberatung Aktiengesellschaft, Geodrill Limited and Mr David Harper.

Prescribed Occurrence has the meaning set out in section 2.3(b) of this Target's Statement**.**

Recommendation means the unanimous recommendation of the Mako Directors that Mako Securityholders accept the Offers in the absence of a Superior Proposal.

Register Date means 24 October 2024, being the date set by Aurum under section 633(2) of the Corporations Act.

Regulated Event has the meaning set out in section 2.3(c) of this Target's Statement.

Related Body Corporate has the meaning given in the Corporations Act.

Related Person has the meaning set out in the Bid Implementation Agreement.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Share Offer means:

(a) the offer for Mako Shares contained in section 13 of the Bidder's Statement; or

(b) the off-market takeover bid constituted by that offer and each other offer by Aurum for Mako Shares in the form of that offer, in each case as varied in accordance with the Corporations Act,

as the context requires.

Share Offer Conditions means the Conditions applicable to the Share Offer, as described in section 2.3.

Subsidiary has the meaning set out in section 9 of the Corporations Act.

Superior Proposal has the meaning set out in the Bid Implementation Deed.

Takeover Bid means the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act**.**

Takeovers Panel means the Takeovers Panel constituted under the Corporations Act.

Target or **Mako** or **Company** means Mako Gold Limited ACN 606 241 829.

Target Convertibles has the meaning set out in the Bid Implementation Agreement.

Target Due Diligence Information has the meaning set out in the Bid Implementation Agreement.

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Target Group or **Mako Group** means Mako and each of its Related Bodies Corporate.

Target's Statement means this document.

Tenements has the meaning set out in the Bid Implementation Deed.

Third Party means any party other than Aurum or Mako.

Trading Days has the meaning given in the ASX Listing Rules.

Unmarketable Parcel means a parcel of Aurum Shares that does not constitute a Marketable Parcel.

Unmarketable Parcel Holder means a Mako Securityholder whose interest in Mako is such that, if they accepted an Offer, the Offer Consideration to be issued to that Mako Securityholder would be an Unmarketable Parcel.

VWAP means Volume Weighted Average Price.

12.2 In this Target's Statement, unless the contrary intention appears:

(a) the singular includes the plural and vice versa;

(b) the masculine gender includes the feminine and (where a corporation is or may be concerned) the neuter;

(c) words and expressions defined in the Corporations Act have the same meanings;

(d) headings are for ease of reference only and do not affect the meaning or interpretation;

(e) all currency and dollar amounts are denominated in Australian dollars unless noted otherwise;

(f) a reference to legislation or to a provision of legislation includes any modification or re-enactment of it, any legislative provision substituted for it and any regulations and statutory instruments issued under it;

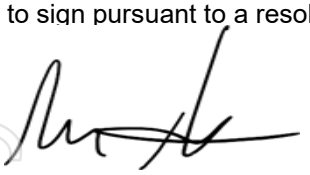
(g) if a word or phrase is defined, its other grammatical forms have a corresponding meaning; and

(h) a reference to time is a reference to Australian Western Standard Time.

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Dated 14 November 2024

Signed for and on behalf of Mako Gold Limited ACN 606 241 829 by Michele Muscillo, who is authorised so to sign pursuant to a resolution passed at a meeting of the Mako Directors.



Michele Muscillo

Chairman

Mako Gold Limited

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CORPORATE DIRECTORY

Directors	Michele Muscillo – Non-Executive Chair
	Peter Ledwidge – Managing Director
	Steven Zaninovich – Non-Executive Director
Registered Office	C/- HopgoodGanim Lawyers
	Level 8, Waterfront Place
	1 Eagle Street
	Brisbane Qld 4000
Principal Administrative Office	Level 6, 144 Edward Street
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	Telephone: +61 417 197 842
	Email: admin@makogold.com.au
Website	www.makogold.com.au
Share Registry	Link Market Services
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	Brisbane Qld 4000
Stock Exchange Listing	Australian Securities Exchange
	ASX Code: MKG
Solicitors	HopgoodGanim Lawyers
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