

MEGADO GOLD TO LIST ON THE ASX

HIGHLIGHTS

- **Megado Gold (ASX:MEG) successfully raised A\$6m at \$0.20 per share via strongly supported IPO**
- **Five granted permits covering 511km² (with an additional licence application covering 227km²) for a total land area of over 700km² in under-explored areas along strike from existing gold mines**
- **Maiden drilling program planned to commence in the coming weeks**
- **Field exploration program underway and rapidly expanding**
- **Regionally experienced and capable management team**

Ethiopian focused gold explorer Megado Gold Limited (ASX:MEG) (Megado or the Company) is pleased to advise it will commence trading on the Australian Securities Exchange (ASX) at 12:00pm AEDT today, after successfully raising A\$6m at \$0.20 per share for its initial public offering (IPO). The Company issued 30m shares for its IPO (total shares on issue 71.5m), giving the Company a fully diluted market cap of A\$17.6m.

Megado Gold CEO and Managing Director, Michael Gumbley, commented:

"We would like to thank shareholders for their support in what was a strongly backed IPO. We have been working towards this as a team for some time and expect to commence our maiden drilling program in the coming weeks.

Earlier this year we compiled a vast satellite imagery dataset to identify potential gold targets consistent with the two large operating mines along strike from our permits. Our initial interpretation identified over 50 targets some of which are coincident with major gold-in-soil anomalies and outcropping gold-bearing quartz veins which is really exciting. Drilling is expected to commence early in November as we progressively start to test these."

Megado has six Ethiopian Gold projects covering an area of over 700km². Five of the projects, covering 511km², are granted permits, with an additional licence application in progress covering an area of approximately 227km². The Mormora, Dawa and Chakata projects are 100% owned by Megado, whilst the Babicho and Chochi projects are owned 80% in partnership with local Ethiopian partners. The Dermi Dama Licence will be owned 100% by the Company once awarded.

The Company is planning to commence drilling at the Babicho project, the first of its priority targets in the coming weeks. This drilling will initially target a significant 2km long gold-in-soil anomaly with outcropping gold-bearing quartz veins. Using a systematic, technical approach, Megado already has extensive sampling, mapping and trenching underway across its projects. Megado also expects to double its full-time geologist team from 6 to at least 12 in-country employees to accelerate the on-ground review of anomalies and first-pass grassroots exploration across its holdings.

The current exploration program includes:

- Examining dozens of satellite derived spectral targets;
- Confirming coincidence of spectral targets with historical results;
- Identifying multiple gold-in-soil anomalies and outcropping gold-bearing quartz veins;
- Sourcing local service providers to prepare additional drill pads and commence new trenching; and
- Drilling an initial phase of up to six drill holes for 1,200m at Babicho

Babicho represents the first step of Megado's current field exploration campaign. Upon completion of the initial phase 1 drilling program at Babicho, the focus will shift to Chakata. Chakata is located just 5km along strike from Ethiopia's largest modern mines, Lega Dembi and Sakaro, which have produced more than 3Moz. Standout, walk-up drill targets at Chakata will be the Company's priority there, given the historical sampling, trenching and drilling that has been completed.

The Chakata exploration plan includes:

- Review of spectral targets;
- Further ground-truthing of historical results; and
- Most importantly, drilling the most compelling targets.



Figure 1 | Megado's Yonas Chemed and Hassen Jiffar presenting to the local community at Babicho



Figure 2 | Community members constructing a bridge for the drill rig

The Company has been overwhelmed by community members' support for Megado's work. The *woredas* (local districts) have demonstrated keen interest in the programs for exploration and community investment, turning out in numbers to meet the team and learn more about the Company's plans. Nothing exhibited this support more than the community taking the initiative to construct a small bridge and reinforce roads which will allow access to bulldozers and drill rigs.

-ENDS-

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About Megado Gold

Megado Gold Ltd is an ASX listed company with interests in a portfolio of highly prospective exploration projects located in significantly underexplored regions of southern and western Ethiopia.

Ethiopia is geologically highly prospective for gold deposits of significant scale and contains a world-class greenstone geological terrain and hosts part of the prolific Arabian-Nubian Shield (ANS). The Megado Belt in southern Ethiopia is hosted within the broader Adola Belt, a granite-greenstone terrain that is part of the ANS, and is characterised by a dominant N-S trending suite of metamorphosed rocks hosting significant occurrences of gold mineralisation, including Ethiopia's only modern gold mines, Lega Dembi and Sakaro (+3.0Moz Au).

Megado has premium land position immediately along strike to the north and south of Lega Dembi / Sakaro covering the same fertile greenstone host rocks and structural setting, in addition to an asset located proximal to Ethiopia's next gold mine, the +1.5Moz Tulu Kapi deposit (AIM-listed KEFI Minerals).

Megado has assembled a strong technical team with specific Ethiopian and gold exploration experience. Chris Bowden, Executive Director, spent 5 years living in Ethiopia as General Manager for ASCOM Precious Metals Mining, where he was responsible for the discovery and subsequent drill out of the ~2Moz Au Dish Mountain Gold deposit in western Ethiopia, a virgin greenfields discovery.

Previous preliminary exploration work, artisanal workings and gold-in-soil anomalies have demonstrated large, widespread gold mineralisation across Megado's tenement package, coincident with highly favourable geological setting. Remote sensing data captured and interpreted by Megado has identified significant spectral anomalies within Megado's Mormora and Babicho Projects, which have the same alteration signatures as Lega Dembi (along strike) and are found in the same host rocks and structural setting (importantly, remote sensing was a key early tool in the discovery of Dish Mountain.)

Minimal modern exploration has been conducted in Ethiopia, in comparison to similar greenstone belts in West Africa, Canada and Western Australia where modern techniques have successfully delineated numerous gold deposits.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

