Mako Mining Corp. Reports Results of an Updated Mineral Resource Estimate for San Albino

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Highlighted by a Measured and Indicated Resource of 177,800 Ounces with a Diluted Grade of 10.21 g/t Gold

VANCOUVER, Oct. 19, 2020 - Mako Mining Corp. (TSXV: MKO) (OTCQX: MAKOF) ("Mako" or the "Company") is pleased to report the results of an updated mineral resource estimate prepared by Mine Development Associates ("MDA"), a division of RESPEC, out of Reno, Nevada, at Mako's wholly-owned San Albino gold project ("San Albino") located in Nueva Segovia, Nicaragua. A technical report for the updated mineral resource estimate will be filed in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") under the Company's SEDAR profile at www.sedar.com within 45 days of this news release, and on the Company's website at www.makominingcorp.com.

This updated technical report is part of the corporate objectives established for Mako following the management changes that were announced in 2019 (see press releases dated March 13, 2019 and August 9, 2019). In 2019, an infill drill program was initiated, which grew to over 24,000 meters ("m"), that focused primarily on the first 120 m from surface at San Albino. The goal of the infill drilling program was to better define the open pit mineral resource estimate in the preliminary economic assessment dated April 29, 2015, prepared by P&E Mining Consultants Inc. (the "2015 PEA"), which is superseded by this updated technical report. As the infill drilling program progressed, an internal geological model was created and in February 2020 that internal model was handed off to MDA as the foundation for the updated mineral resource estimate. MDA found the Company's internal model useful and reasonable, and refined the model only slightly before using it to control the estimate.

MDA believes that the exploration procedures, sampling and data derived by Mako is high quality and that the Company's internal geological model was sound and required few changes. MDA has also been retained to begin evaluating the exploration work being performed at the Las Conchitas area, with the goal of preparing a maiden mineral resource estimate.

Akiba Leisman, Chief Executive Officer of Mako states that "this updated technical report confirms San Albino's rank among the highest-grade open pit gold projects in the world. Importantly, it is the first time a mineral resource estimate has been calculated at San Albino where the domains used for estimation are an accurate representation of the geological controls that define the high-grade mineralization. In addition, MDA, led by Principal Geologist Steve Ristorcelli, has conservatively reflected the selective open pit mining methods presently being utilized at San Albino, such that management has confidence that the fully diluted open pit grade of 9.54 g/t Au in the Measured and Indicated categories can be met or exceeded when mined. It should also be noted that the mineralization at San Albino remains open along strike and at depth, and that while a substantial portion of the underground resource in the Inferred mineral resource category from the 2015 PEA was not included in this resource update, it is in part due to the lack of drilling below 120 m at San Albino since 2013. The Company plans to begin addressing the underground potential at San Albino in 2021 and looks forward to continuing to work with MDA on future mineral resource estimates at San Albino, Las Conchitas and other exploration targets on our approximately 188 square kilometer land package."

Mineral Resources

For reporting, technical and economic factors likely to influence the "reasonable prospects for eventual economic extraction" were evaluated using the best judgement of MDA. In evaluating the open-pit potential, MDA ran a series of optimized pits using variable gold prices and parameters. The chosen mining cost is US$2 per tonne ("/t"), processing cost US$60/t, G&A cost US$5/t and metallurgical recoveries used are 95% and 70% for gold and silver, respectively. To evaluate the potential for underground mining, MDA ran a series of stope optimizations at variable cutoffs and for the reporting cutoff grade MDA assumes an average

mining cost of US$70/t, processing cost of US$60/t and G&A of US$10/t. The factors used in defining cutoff grades are based on US$1,750/oz gold.

For greater clarity, all mineral resources categorized by MDA, including the Inferred mineral resources, are part of a likely economic extraction plan.

Open Pit, Underground and Historical Dumps

Measured

Cutoff	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Various*	115,200	11.74	43,500	17.6	65,100

Indicated

Cutoff	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Various*	426,300	9.86	135,100	17.4	238,600

Measured and Indicated

Cutoff	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Various*	541,500	10.21	177,800	17.4	303,700

Inferred

Cutoff	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Various*	421,600	7.44	100,900	12.6	170,600

* Various includes the fully diluted method for the open pit, for underground resources a cutoff grade of 2.5 g/t Au is used and for historical dumps a cutoff grade of 1.0 g/t Au is used.

Open Pit

Measured

	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Fully Diluted*	114,700	11.78	43,400	17.5	64,700

Indicated

	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Fully Diluted*	196,200	8.25	52,000	15.6	98,500

Measured and Indicated

	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Fully Diluted*	310,900	9.54	95,400	16.3	163,200

Inferred

	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
Fully Diluted*	226,700	8.50	62,000	14.1	102,400

* Effectively, all estimated vein material is above cutoff. The fully diluted open pit grade was determined by applying 1.0 m of dilution comprised of a 0.5 m rind both above and below all veins.

Underground

Measured

Cutoff g/t Au	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
2.5	500	10.20	100	28.9	400

Indicated

Cutoff g/t Au	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
2.5	230,100	11.24	83,100	18.9	140,100

Measured and Indicated

Cutoff g/t Au	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
2.5	230,600	11.22	83,200	19.0	140,500

Inferred

Cutoff g/t Au	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
2.5	116,100	8.42	31,400	13.7	51,200

Historical Dumps, Inferred

Cutoff g/t Au	Tonnes	g/t Au	Oz Au	g/t Ag	Oz Ag
1.0	78,800	2.95	7,500	6.7	17,000

Composites

Composite lengths of 1.0 m were used to support a resource block size of 1.0 m high. Although the majority of sample lengths are 1.0 m or less in the veins and halos, some de-compositing was necessary. MDA evaluated the models using 1.0 m and 1.5 m composites, and the model performed better using 1.0 m composite intervals.

Capping of samples was done prior to compositing. Details of capping levels and number of samples are given in the table below. Capping levels were determined considering coefficients of variation ("CV"), cumulative probability plots, and outlier sample locations.

Domain	Au Capping level (g/t)	Number capped	Ag Capping level (g/t)	Number capped
Arras vein	100	7	150	7
Naranjo vein	65	5	80	5
San Albino vein	100	7	150	5
Historical Dumps	25	42	70	21

Descriptive statistics of the composite samples are given in the table below.

Arras Vein

	Valid	Median	Mean	Std Dev	CV	Minimum	Maximum	Units
Au	698	7.65	14.30	19.26	1.3	0.04	212.69	g/t
Au Capped	698	7.65	13.91	16.71	1.2	0.04	100.00	g/t
Ag	693	19.0	27.2	28.7	1.0	0.4	204.2	g/t
Ag Capped	693	19.0	26.9	27.2	1.0	0.4	150.0	g/t

Naranjo Vein

	Valid	Median	Mean	Std Dev	CV	Minimum	Maximum	Units
Au	121	13.80	20.99	20.82	0.9	0.06	89.87	g/t
Au Capped	121	13.80	20.20	18.69	0.9	0.06	65.00	g/t
Ag	121	19.5	29.3	32.2	1.1	2.1	193.0	g/t
Ag Capped	121	19.5	26.2	21.4	0.8	2.1	80.0	g/t

San Albino Vein

	Valid	Median	Mean	Std Dev	CV	Minimum	Maximum	Units
Au	750	9.42	16.25	18.16	1.1	0.05	136.00	g/t
Au Capped	750	9.42	16.03	17.08	1.0	0.05	100.00	g/t
Ag	750	17.9	26.4	25.5	0.9	0.3	177.0	g/t
Ag Capped	750	17.9	26.3	25.1	0.9	0.3	150.0	g/t

Mineral Domains

Three major veins (San Albino, Naranjo and Arras) were modeled based on drill and trench data. For the San Albino vein, which comprises the majority of the open pit mineral resource estimate, the hanging wall halo mineralization was modeled separately from the footwall halo, while the mineralized halos around Arras and Naranjo were modeled as envelopes without a distinction of hanging wall and footwall. MDA did not separate vein versus halo for the El Jobo vein or other "miscellaneous" veins. El Jobo and miscellaneous veins are a very small part of the total mineral resource and are entirely categorized as Inferred mineral resources.

Two mineral domains – almost coincident with and driven by the geologic model – were used to control the gold and silver resource estimate: a low-grade halo domain containing mineralized wall rock with grades generally between approximately 0.1 g/t Au and 2-4 g/t Au, and a vein domain beginning at approximately 2-4 g/t Au.

The gold mineralization in the low-grade domain is in sheared and/or brecciated wallrock in the margins of gold-bearing quartz veins and contains sparse, often broken or brecciated, discontinuous quartz veins. The vein domain comprises quartz vein with minor sulfides, and minor, intensely sheared and mineralized wall rock. Cumulative probability plots indicate the presence of a third and higher-grade sub-domain above approximately 20-30 g/t Au. This high-grade mineralization is contained in quartz veins with "styolitic" textures, galena, and common visible gold. Although distinct, the higher-grade quartz vein domain was not modeled separately from the main vein domain because of volume and continuity considerations.

Estimation

A conservative approach has been applied to all estimation, particularly where there is any uncertainty. The San Albino vein, where the vast majority of the open pit ounces are located, was particularly well drilled. In the San Albino vein, about half of the block grade estimates were based on the closest samples ?10 m away, and 85% of all blocks were located within 30 m of a composite sample. Classification of the mineral resources considered adequacy and reliability of sampling, geologic understanding, results of quality control analyses, geologic complication, and apparent grade continuity. A Measured mineral resource classification was permitted only in the San Albino vein, because there is a very good understanding of its geology and because there is extensive drilling and trench sampling. Indicated mineral resources were permitted only in San Albino and Arras veins. All Naranjo vein has been classified as an Inferred mineral resource because its geology is poorly understood, but like all Inferred mineral resources, resource classification there will most likely be upgraded with additional drilling. Historical workings at Arras are likely substantially underreported so an area around suspected workings has been classified as Inferred mineral resources. Furthermore, any block that touches modeled workings is classified as Inferred mineral resources, in addition to reducing tonnes for mining.

Dilution

Mining dilution is an important factor at San Albino in part because the vein is, in some places, so thin that the dilution can render it uneconomic, but also because the operation requires very detailed grade control. A helpful feature of the vein is that in many places it has distinct hanging wall and footwall contacts, which aid with grade control. This mineral resource includes an approximately 0.5 m rind of dilution both above and below the vein. The dilution grade varies from zero to averaging up to 0.5 g/t Au. In all cases, the dilution grade is taken from the mineral resource estimate and is not a singularly applied grade. It is expected that underground dilution will be greater because of ground conditions, shallow dip, minimum mining height, and less control on locating hanging wall and footwall. MDA is reporting full-block-diluted grades for the underground for all material within the optimized stopes at a mining cutoff of 2.5 g/t Au (blocks are 1.0 m high by 1.0 m across strike and 2.0 m long).

Potential for Increased Grade

Clustering of high-grade data necessitated use of a quadrant search to minimize spreading out the high grade. This clustering is clearly demonstrated by the difference between Measured versus Indicated mineral resource grades. While higher grade in higher-classification material is not unusual, at San Albino the effect was exaggerated by normal exploration and follow-up drilling to better define the higher grades. Given that history, both the Indicated and Inferred mineral resource grades may increase as well.

Post Model Performance

After the effective date of the current mineral resource estimate, there were seven new holes with assays in the mineralized zone or projection of the mineralized zone. Four of those holes drilled areas where the model predicted no mineralization, which was confirmed by this later drilling. The other three holes were drilled into areas where mineralization was expected. One intersected good grade precisely where mineralization was expected, although the model had interpolated that area as low-grade halo mineralization. The second hole intersected mineralization with good grade where adjacent holes on either side of a fault were lower grade, however the location of the mineralization was substantially different than expected as the mineralized zone had been offset by faulting. The area around this fault is classified as Inferred mineral resources. Indeed, all mineralization around these faults is classified as Inferred mineral resources because of this known lack of certainty of location. The third hole intersected the vein where predicted and encountered better than expected grade.

Importantly, San Albino is open along strike and at depth, and with additional drilling, MDA believes that mineral resources are likely to be upgraded and expanded.

2015 Resource Estimate

The 2015 PEA estimated mineral resources totaling 152,000 Indicated ounces of gold and 787,000 Inferred ounces of gold. This updated mineral resource estimate totals 177,800 Measured and Indicated ounces and 100,900 Inferred ounces of gold. Comparing the 2015 and 2020 models, it was evident that the general

location of the 2015 mineralized zone was modeled appropriately with respect to locations of the principal domains albeit generous in thickness and extrapolation. Several 2015-modeled solids depicting vein mineralization have since been drilled showing that mineralization does not exist where modeled in 2015. Another reason for the difference is that MDA took a more conservative approach to modeling extrapolations and projections from drill data, where no drilling was done since 2013. The 2020 volume of modeled veins and veins-plus-halo were 89% and 46% lower, respectively, compared to the 2015 single-domain volumes.

An important difference between the 2015 and 2020 models is the interpretations of the mineralization. The vein and vein zones (both averaging >15 g/t Au) have distinct, sharp-bounded contacts usually within low-grade halos. By modeling these veins and halos as one in 2015, the extreme high-grades in the vein were spread out into the larger volume of the halo in the estimate, thereby over-estimating metal, albeit at lower grades than exist in the vein and vein zones.

Qualified Person

Steven Ristorcelli, CPG, a geologist and qualified person (as defined under NI 43-101) has read and approved the technical information contained in this press release. Mr. Ristorcelli is the Principal Geologist at Mine Development Associates in Reno, Nevada working on the updated mineral resource estimate for San Albino.

On behalf of the Board,

Akiba Leisman
Chief Executive Officer

About Mako

Mako Mining Corp. is a publicly listed gold mining, development and exploration firm. The Company is developing its high-grade San Albino gold project in Nueva Segovia, Nicaragua. Mako's primary objective is to bring San Albino into production quickly and efficiently, while continuing exploration of prospective targets in Nicaragua.

Forward-Looking Information: Some of the statements contained herein may be considered "forward-looking information" within the meaning of applicable securities laws. The forward-looking information contained herein is based on the Company's current plans, expectations and assumptions, including the expectation that narrow, high-grade structures at San Albino can be mined open pit with limited levels of dilution; that the average diluted grade will likely drift lower as more benches are mined at San Albino; that the updated technical report will be filed within 45 days from this news release; that a maiden mineral resource estimate will be completed at Las Conchitas; that the Company will begin to address in 2021 the lack of drilling below 120 m at San Albino; that the Company will continue to work with MDA on future mineral resource updates at San Albino, Las Conchitas and other exploration targets on its land package; that the estimated costs and cut-off grades used in the mineral resources estimates will prove to be accurate; the expectation that the current grades may increase and mineral resources may be expanded.. Such forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking information, including, without limitation, the risk of economic and/or technical failure at the San Albino project associated with making a production decision without demonstrated economic and technical viability; that grades may not increase; that mineral resources may not be expanded; the Company determines not to work with MDA on additional work in the future; that the cut-off grades and other assumptions used in the mineral resource estimates do not prove accurate; that the Company does not continue to find positive results from its reconnaissance exploration program and proposed drilling on its concessions; that exploration and assay results do not confirm continuity of mineralization as expected; political risks and uncertainties involving the Company's exploration properties; the inherent uncertainty of cost estimates and the potential for unexpected costs and expense; commodity price fluctuations and other risks and uncertainties as disclosed in the Company's public disclosure filings on SEDAR at www.sedar.com. Such information contained herein represents management's best judgment as of the date hereof, based on information currently available and is included for the purposes of providing investors with the Company's plans and expectations regarding the San Albino project, and may not be appropriate for other purposes. Mako does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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