

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

### Part I Reporting Issuer

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Mako Mining Corp.		None	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Kevin Bullock	(416) 408-3703	kbullock@makominig.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
Suite 501, 595 Howe Street		Vancouver, British Columbia, Canada V6C 2T5	
<b>8</b> Date of action		<b>9</b> Classification and description	
November 9, 2018		Common Shares	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
38116E	N/A	TSX.V: MKO	N/A

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On November 9, 2018, Golden Reign Resources, Ltd. ("Golden Reign") acquired all of the issued and outstanding common shares of Marlin Gold Mining Ltd. ("Marlin") (the "Arrangement"). Specifically, Marlin shareholders received 0.5138 Golden Reign common shares for every one Marlin common share exchanged pursuant to the Arrangement. The Arrangement was structured as a share-for-share exchange with Marlin shareholders directly exchanging their Marlin common shares for Golden Reign common shares with Marlin becoming a wholly-owned subsidiary of Golden Reign. Immediately after the Arrangement, Golden Reign changed its name to "Mako Mining Corp."

The Arrangement is described in full in the Management Information Circular of Golden Reign dated as of September 26, 2018 (the "Circular"), which is available at [www.sedar.com](http://www.sedar.com).

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Golden Reign intends that the Arrangement qualify as a tax-deferred reorganization within the meaning of Code Section 368(a). As a result, if the Arrangement qualifies as a tax-deferred reorganization within the meaning of Code Section 368(a), each Marlin shareholder would generally have a tax basis in the Golden Reign common shares he, she or it received pursuant to the Arrangement equal to such shareholder's aggregate tax basis in the Marlin common shares surrendered in exchange therefor.

Certain Marlin shareholders that fail to file a timely gain recognition agreement with the IRS may recognize a gain under Code Section 367.

Even if the Arrangement qualifies as a reorganization under Code Section 368(a), certain special rules would apply if Marlin was classified as a passive foreign investment company, as defined under Code Section 1297, for any tax year during which a shareholder held Marlin common shares. Former Marlin shareholders should review the Circular and consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ For purposes of calculating fair market value, the fair market value of the Golden Reign common shares on November 9, 2018 is estimated at U.S. \$0.14, which was the closing price for Golden Reign shares on the TSX Ventures Exchange on November 9, 2018 (as converted to U.S. dollars using the daily exchange rate published by the Bank of Canada on November 9, 2018).

Shareholders should consult with their own tax advisors to determine whether they are required to recognize any gain and what measure of fair market value is appropriate.



**Part II Organizational Action** (continued)


**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Golden Reign intends that its acquisition of Marlin pursuant to the Arrangement qualify as a reorganization within the meaning of Section 368(a) of the Code. Consequently, if the Arrangement qualifies as a reorganization within the meaning of Code Section 368(a), the U.S. federal income tax consequences of the Arrangement to Marlin shareholders would be determined under the Code Sections 354, 358, 1001 and 1221.

In addition, if Marlin was classified as a passive foreign investment company as defined under Code Section 1297 (a "PFIC"), then Code Sections 1291-1298 would be applicable. Former Marlin shareholders should consult their own tax advisors regarding the potential application of the PFIC rules.

**18** Can any resulting loss be recognized? ► If the Arrangement qualifies as a reorganization within the meaning of Code Section 368(a), then in general, each Marlin shareholder who received Golden Reign common shares pursuant to the Arrangement should not recognize any loss.

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► In general, any gain recognized should be reported by shareholders for the taxable year which includes November 9, 2018 (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2018 calendar year).

**Sign Here** Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►  Date ► 12/24/2018

Print your name ► Scott Kelly Title ► Chief Financial Officer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Kendall R. Fisher		Dec 24, 2018		P01980923
	Firm's name ► Dorsey & Whitney LLP	Firm's EIN ► 41-0223337		Phone no. (206) 903-8793	
Firm's address ► Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, Washington 98104					