

Makara Announces C\$350,000 Private Placement and Shares for Debt Settlement

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Vancouver, BC – October 7, 2022 – Makara Mining Corp. (CSE: MAKA) (the “**Company**”) announces that it will proceed with a private placement of up to 7,000,000 units of the Company and a shares for debt transaction whereby the Company will enter into debt settlement agreements with certain creditors.

Private Placement

The Company will proceed with a private placement of up to 7,000,000 units (the “**Units**”) at a price of C\$0.05 per Unit for aggregate gross proceeds of up to C\$350,000 (the “**Offering**”). There is no minimum number of Units or minimum aggregate proceeds required to close the Offering and the Company may, at its discretion, elect to close the Offering in one or more tranches.

Each Unit will consist of one common share of the Company (a “**Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire, on payment of C\$0.06 to the Company, one Share of the Company (each, a “**Warrant Share**”), subject to adjustment in certain circumstances, for a period of 24 months from the closing date (the “**Closing Date**”).

The Offering will be conducted pursuant to exemptions from the requirement to deliver a prospectus pursuant to applicable securities laws. The Company may make a portion of the Offering available to existing shareholders. Accordingly, the Company may rely on BC Instrument 45-534 – *Prospectus Exemption for Distributions to Existing Security Holders* and the corresponding blanket orders and rules implementing CSA Notice 45-313 – *Prospectus Exemption for Distributions to Existing Security Holders* in the participating jurisdictions in respect thereof (collectively, the “**Existing Security Holder Exemption**”). As at the date hereof, the Existing Security Holder Exemption is available in each of the provinces and territories of Canada, with the exception of Newfoundland and Labrador. Subject to applicable securities laws, the Company will permit each person or company who, as of October 31, 2022 (being the record date set by the Company pursuant), holds Shares as of that date to subscribe for the Units that will be distributed pursuant to the Offering, provided that the Existing Security Holder Exemption is available to such person or company. Subscriptions will first be allocated to subscribers who are not relying on the Existing Security Holder Exemption. In the event that aggregate subscriptions for Units under the Offering exceed the maximum number of securities to be distributed, then Units sold pursuant to the Existing Security Holder Exemption will be allocated to qualifying existing shareholders on a pro rata basis based on the number of Units subscribed for. Insiders may participate in the Offering. Qualifying shareholders who wish to participate in the Offering should contact Cole Lesueur or Grant Hendrickson at the numbers below:

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The Offering is not subject to any minimum subscription level. The proceeds of the Offering will be allocated accordingly: (i) to the costs of the Offering; (ii) on general corporate activities including permitting, legal costs, audit fees and listing fees required to maintain the Company in good standing; and (iii) on exploration work limited to a small geochemistry survey.

In addition to the Existing Security Holder Exemption, the Offering will also be conducted pursuant to other available prospectus exemptions. A portion of the Offering may be completed pursuant to exemptions adopted pursuant to CSA Notice 45-318 – *Prospectus Exemption for Certain Distributions through an Investment Dealer* (“**CSA 45-318**”) and the corresponding blanket orders and rule implementing CSA 45-

318 in the participating jurisdictions in respect thereof (collectively, the “**Investment Dealer Exemption**”). As at the date hereof, the Investment Dealer Exemption is available in each of Alberta, British Columbia, Saskatchewan, Manitoba and New Brunswick. Each subscriber relying on the Investment Dealer Exemption must obtain advice regarding the suitability of the investment from a registered investment dealer.

There is no material fact or material change of the Company that has not been disclosed.

Shares for Debt Transactions

The Company will enter into debt settlement agreements with certain creditors (the “**Creditors**”) to settle an aggregate of C\$86,541 in debt (the “**Debt**”). In settlement of the Debt, the Company will issue an aggregate of up to 1,730,820 Shares at a deemed price of \$0.05 per Share (the “**Debt Settlement**”), subject to any Creditor(s) electing to convert their debt to be part of the Offering. The indebtedness relates to outstanding fees owing to directors, officers and employees for their service to the Company for the period of July 2022 to September 2022.

Six of the Creditors are non-arm’s length parties of the Company and the issuance of such Shares to the non-arm’s length Creditors each constitute a “related party transaction” as defined in Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and (b) and 5.7(1)(a) of MI 61-101 as the securities do not represent more than 25% of the Company’s market capitalization and the Company is not listed on specified markets. The participation by the non-arm’s length Creditors in the Debt Settlement was approved by the Company’s board of directors (the “**Board**”).

All securities issued in connection with the Debt Settlement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

About Makara Mining Corp.

Makara Mining Corp. is a mineral exploration company focused on the acquisition, exploration and development of gold properties. The Company is based in Vancouver, B.C. and holds options over the Rude Creek Property and Idaho Creek Property located in the Yukon. Additional information about the Company is available at www.makaramining.com.

ON BEHALF OF THE BOARD

Grant Hendrickson
Director and Chief Executive Officer
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The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy of accuracy of this news release.

FORWARD-LOOKING STATEMENTS

This news release includes certain forward-looking statements concerning the use of proceeds of the Offering, the future performance of our business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and the availability of financing, as described in more detail in our recent securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.