

## Equus Mining at a Glance

Equus Mining is an ASX listed Resource Company focused on developing natural resource projects strategically located near existing mine and other infrastructure. Exploration is progressing at the company's flagship Los Domos gold and silver project located in Chile's XI Region, adjacent to the Cerro Bayo gold and Silver mine.

The company's Mina Rica thermal coal project, located adjacent to ship loading facilities, is focused on developing thermal coal resources for the Chilean power generation market and replacing the high level of thermal coal imports.

## Facts

<b>ASX Code:</b>	<b>EQE</b>
<b>Share Price (27 July 2017):</b>	<b>\$0.04</b>
<b>Shares on Issue:</b>	<b>668M</b>
<b>Market Capitalisation:</b>	<b>A\$28M</b>

## Directors and Officers

**Mark Lochtenberg**  
Non-Executive Chairman

**Ted Leschke**  
Managing Director

**Juerg Walker**  
Non-Executive Director

**Robert Yeates**  
Non-Executive Director

**Marcelo Mora**  
Company Secretary

**Cameron Peacock**  
Investor Relations and Business Development

## Quarterly Activities Report June 2017

Equus Mining Limited ('Equus' or 'Equus Mining') (ASX: EQE) is pleased to report on its activities for the quarter ended 30 June 2017.

## Summary of Activities

### Los Domos Gold-Silver Project

- Drilling at the previously undrilled Los Domos gold-silver project commenced during the 2017 June quarter.
- A significant and shallow high grade intercept was recorded in the maiden drill hole (LDD 001) with assays received subsequent to the end of the quarter.
- An 8.39m mineralised interval returned a weighted average of 0.71 g/t Au, 248 g/t Ag, 20.72% Pb and 7.07% Zn from 45.75m down hole.
- This high grade 8.39m interval includes an exceptionally high grade core zone interval of 3.14m @ 0.35 g/t Au, 523.42 g/t Ag, 38.06% Pb and 8.75 % Zn.
- Drill hole LDD 001 is the first hole in a 2,000m drill programme which is to test individually mapped target structures.
- To date, 8 prospect drill targets, exhibiting characteristic epithermal metal zonation, have been defined by mapping and geochemical sampling of epithermal veins and breccias.
- The Los Domos gold and silver project is located in Chile's XI Region and adjacent to the Cerro Bayo gold and silver mine.

## Los Domos Gold-Silver Project

Drilling at the previously undrilled Los Domos gold-silver project commenced during the 2017 June quarter. A significant and shallow high grade intercept was recorded in the maiden drill hole (LDD 001) with assays received subsequent to the end of the quarter. An **8.39m mineralised interval returned a weighted average of 0.71 g/t Au, 248 g/t Ag, 20.72% Pb and 7.07% Zn from 45.75m** down hole.

The individual assay intervals are as follows:

Sample Number	From m	To m	Width m	Au g/t	Ag g/t	Pb %	Zn %
LDD0003	45.75	46.67	0.92	2.45	178	12.60	4.21
LDD0004	46.67	46.98	0.31	0.22	19	3.23	2.06
LDD0005	46.98	47.75	0.77	0.92	59	6.15	8.65
LDD0006	47.75	48.31	0.56	1.09	66	3.87	5.14
LDD0007	48.31	49.01	0.70	0.59	111	26.90	7.67
LDD0008	49.01	49.60	0.59	0.19	25	1.41	3.25
LDD0009	49.60	50.35	0.75	0.31	30	4.24	6.69
LDD0010	50.35	51.00	0.65	0.71	114	18.45	8.42
LDD0011	51.00	51.61	0.61	0.17	1,010	69.33	3.92
LDD0012	51.61	52.38	0.77	0.22	692	45.07	14.25
LDD0013	52.38	52.67	0.29	0.46	348	22.98	11.25
LDD0014	52.67	53.14	0.47	0.29	444	44.22	12.55
LDD0015	53.14	54.14	1.00	0.55	185	15.05	4.94
<b>Total/Weighted Average</b>			<b>8.39</b>	<b>0.71</b>	<b>248</b>	<b>20.72</b>	<b>7.07</b>

Importantly, this high grade intercept occurred directly beneath previously reported surface channel sampling (Channel 7C) which was relatively low grade (7m @ 0.82g/t Au, 18g/t Ag, 1.40% Pb, 1.26% Zn) but enriched in high level path finder metals such as antimony and arsenic. This is an early “proof of concept” for the vertical zonation model developed during the early mapping and sampling exploration stages of the Los Domos project.

This high grade 8.39m interval includes an exceptionally high grade core zone interval of **3.14m @ 0.35 g/t Au, 523.42 g/t Ag, 38.06% Pb and 8.75 % Zn** and occurs in the footwall and adjacent to an additional 11.66m interval grading 0.44 g/t Au, 10 g/t Ag, 0.71% Pb and 0.77 % Zn from 36.10m down hole. Assays for an intervening 3.93m interval are still pending\*.

Intercept	From m	To m	Width m	Au g/t	Ag g/t	Pb %	Zn %
Low Grade*	30.16	45.75	11.66	0.24	10	0.71	0.76
<b>High Grade</b>	<b>45.75</b>	<b>54.14</b>	<b>8.39</b>	<b>0.71</b>	<b>248</b>	<b>20.72</b>	<b>7.07</b>
<b>Total/Weighted Average</b>	30.16	54.14	20.05	0.44	110	9.08	3.40

This drill intercept is interpreted as representing the down dip extension of an outcropping zone of higher level, weaker precious and base metal mineralisation at the T7 Structure Prospect, which was previously channel sampled at surface. Surface sampling and mapping indicates that this outcropping mineralisation extends over at least a 300m strike length to the west-northwest and the host west-northwest trending fault structure can be traced for at least 800m. (See Maps 1 & 2).



**Photo 1. Drilling Hole LDD 001 at Los Domos T7 Target**



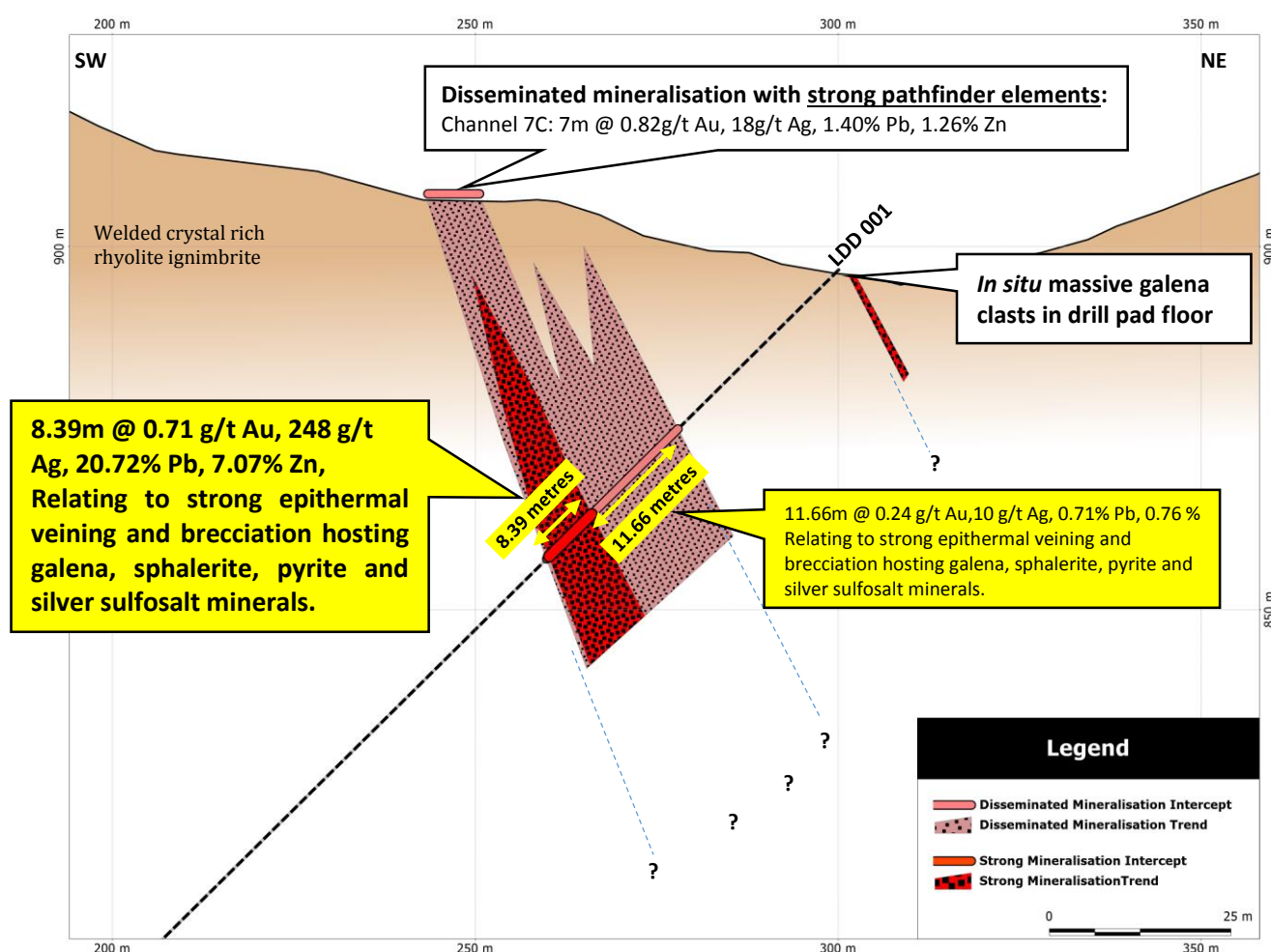
**Photo 2. Drill Hole LDD 001 drill core at 46 to 55 metres depth showing strong galena rich, quartz vein and breccia mineralisation**



The high grade mineralisation intersected in LDD 001 at the T7 Structure Prospect comprises brecciated, sphalerite and galena rich, banded epithermal quartz veins and hydrothermal breccias hosted in quartz crystal rich tuff. This mineralization is interpreted as representing part of a multiphase, Intermediate Sulphidation epithermal style of mineralisation which occurs within the dominantly Low Sulphidation epithermal style characteristic of the Los Domos project area.

**The T7 Structure Prospect is one of at least 8 structural targets at Los Domos that are demonstrating metal zonation typically found in epithermal minerals systems and still to be drill tested.**

**Map 1. Cross Section of Drill Hole LDD-001**



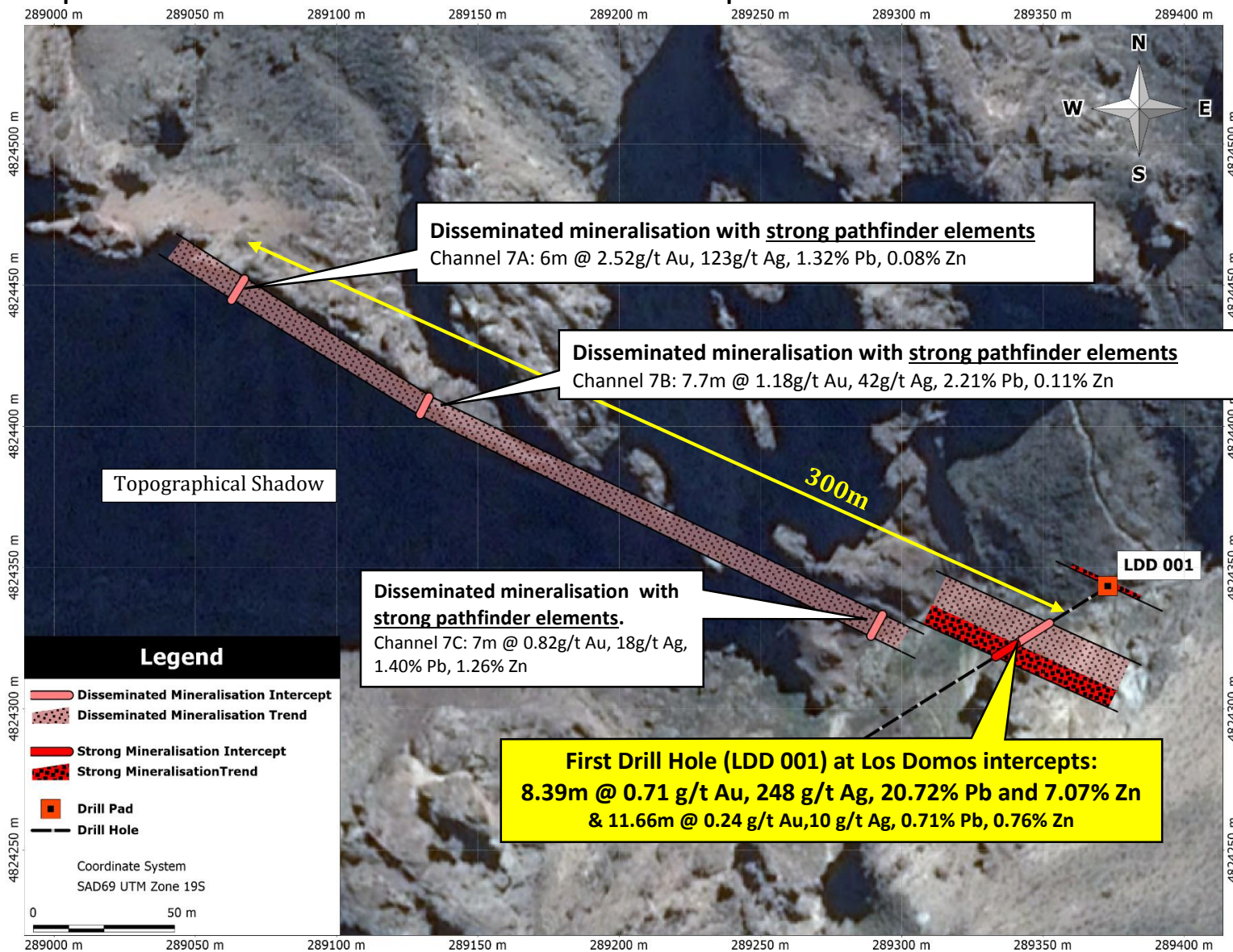
Drill hole LDD 001 is the first hole in a 2,000m drill programme at the Los Domos Gold-Silver Project. This program will test up to eight individually mapped target structures which have been defined through surface sampling and exhibit characteristic epithermal metal zonation<sup>(i, ii, iii, iv, v)</sup>. See Map 3. Detailed target descriptions are outlined in the March 2017 Quarterly Activities Report released 28 April 2017.

In summary, four of these targets have returned high grade gold and silver mineralisation from quartz veins outcropping at surface and are considered to represent the interval within the hydrothermal system within or just above the precious metal bearing zone. Another four structures have returned anomalous gold and silver values and elevated epithermal pathfinder metals typically found above the precious metal zones. The four prospects with target structures that have yielded high-grade gold and silver mineralisation with average values expressed as gold equivalent over sampled strike lengths include:

- **T1 Structure Prospect:** 15.02 g/t AuEq average sample grade 430 m strike length
- **T2 Structure Prospect:** 3.99 g/t AuEq average sample grade 250 m strike length
- **T7 Structure Prospect:** 5.24 g/t AuEq average sample grade 270 m strike length
- **T8 Structure Prospect:** 7.59 g/t AuEq average sample grade 100 m strike length

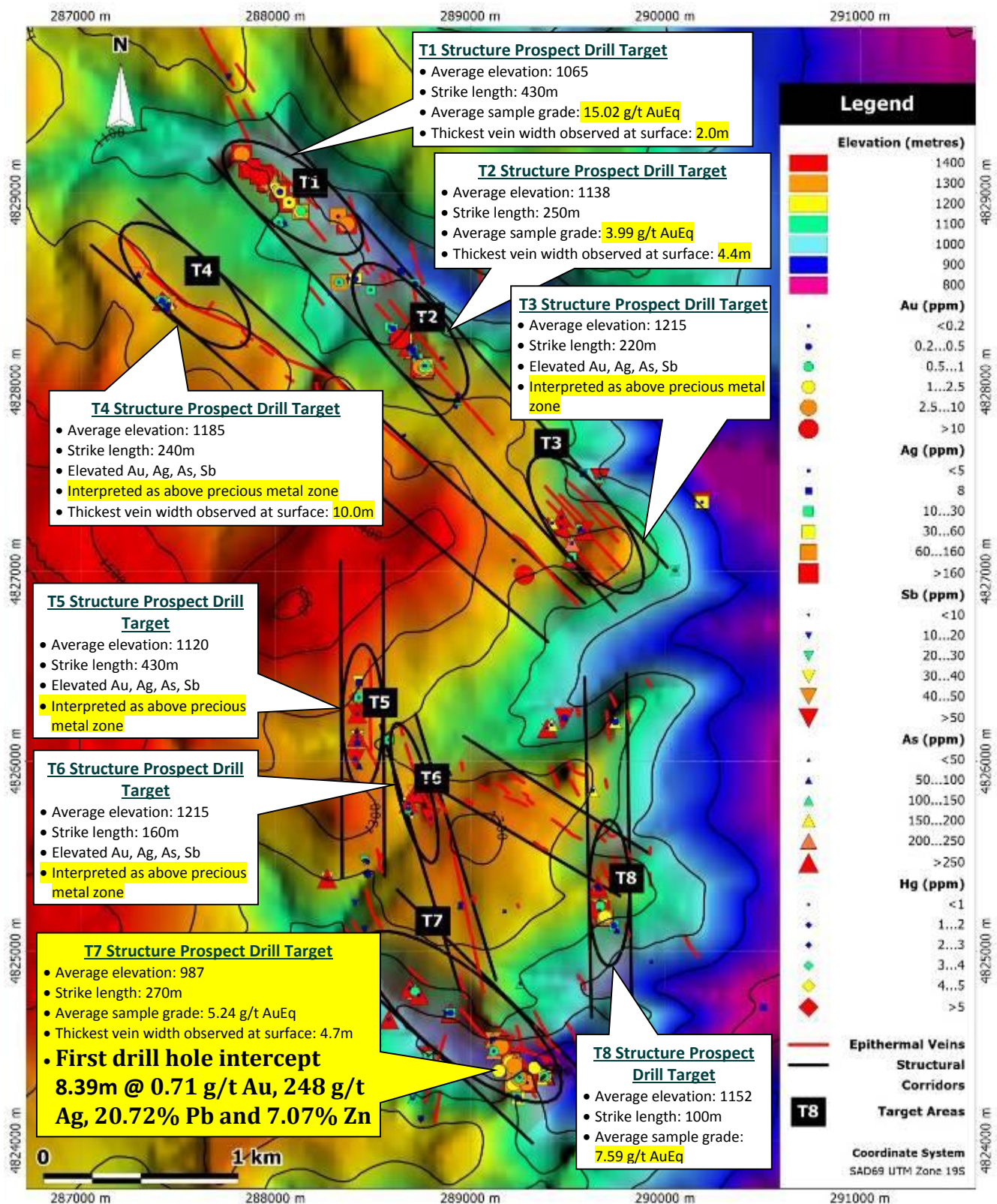


**Map 2. Plan of Drill Hole LDD 001 and surface mineralised intercepts**



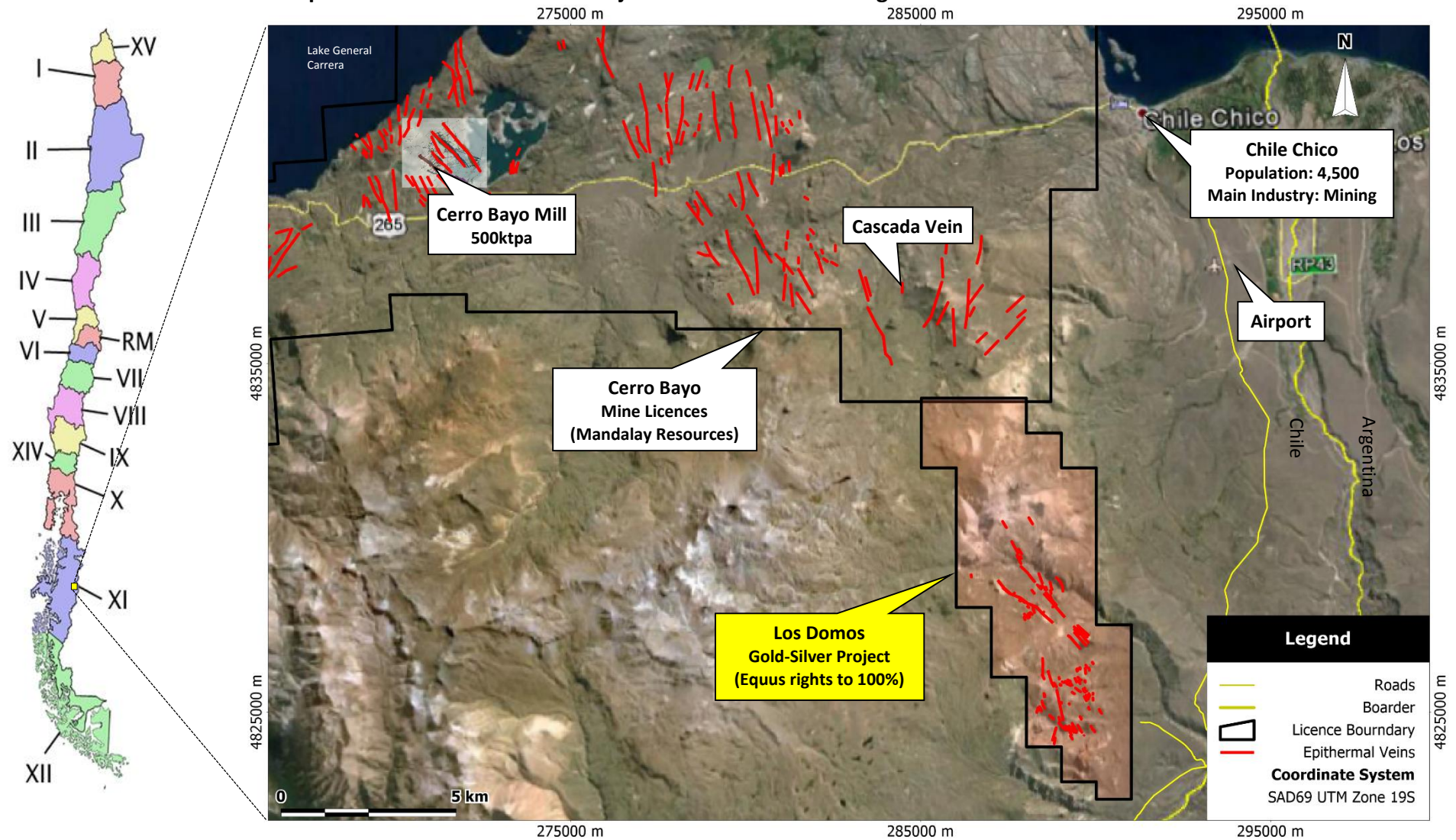


### Map 3. Los Domos Gold-Silver Geochemical Sampling Results Summary





**Map 4. Los Domos Gold-Silver Project Location in Chile's Region XI**



## Mina Rica

No work was undertaken at the Company's Mina Rica thermal coal project during the June quarter. The Company continues to review its strategic options in relation to this asset.

## Corporate

**Exploration Expenditure:** During the quarter ended 30 June 2017 Equus invested a total of \$161k in exploration.

### For further information, please contact:

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### About Equus Mining and the Los Domos Gold-Silver Project

Equus Mining Limited (Equus, ASX: EQE) has acquired the rights to acquire 100% of the Los Domos gold-silver project located in the XI Region of Chile from Terrane Minerals SpA under a staged earn-in agreement. Upon completion of an initial 2,000 metres drill programme Terrane will transfer the Los Domos project assets into a Joint Venture (JV) Company in which Equus will hold an initial 51%. Equus then has a two-year option period to buy the remaining 49% interest in the JV Company by issuing Terrane \$450,000 worth of Ordinary Shares at an issue price of 1.2c

The Los Domos gold-silver project is well located 15km south of the township of Chile Chico and adjacent to the Cerro Bayo gold-silver mine. See Map 4. This mine was until recently producing approximately 2 Mozpa of silver and 20 Kozpa gold or approximately two thirds nominal flotation plant capacity of 500ktpa throughput, however production has been suspended indefinitely and *force majeure* declared following a mine flooding event in June 2017<sup>(a)</sup>. With an altitude range of 800m to 1,200m and a dry, moderate climate, the Los Domos Project is able to be explored year round.

### pjn9005

*(i) All the material assumptions underpinning exploration results for sample numbers LD00001 to LD00102 are outlined in Table 1 and Appendix 1 in the initial public report titled Los Domos Gold-Silver project (see ASX release dated 25 October 2016) and continue to apply and have not materially changed.*

*(ii) All the material assumptions underpinning exploration results for sample numbers LD00103 to LD00205 are outlined in Table 1 and Appendix 1 in the December 2016 Quarterly Activities Report (see ASX release dated 31 January 2017) continue to apply and have not materially changed.*

*(iii) All the material assumptions underpinning exploration results for sample numbers LD00206 to LD00382 are outlined in Table 1 and Appendix 1 in the report titled Los Domos Gold-Silver Project High Grade Assay Results (see ASX release dated 3 March 2017) continue to apply and have not materially changed.*

*(iv) All the material assumptions underpinning exploration results for sample numbers LD00283 to LD00400 are outlined in Table 1 and Appendix 1 in the report titled Los Domos Gold-Silver Project Yields Further High Grade Assay Results (see ASX release dated 31 March 2017) continue to apply and have not materially changed.*

*(v) All the material assumptions underpinning exploration results for sample numbers LDD0001 to LDD00050 are outlined in Table 1 in the report titled Significant High Grade Assays From Shallow Depth Intercept In First Drill Hole At Los Domos Gold-Silver Project (see ASX release dated 12 July 2017) continue to apply and have not materially changed.*



(vi) Gold Equivalent Calculation Formula (AuEq)

$$\text{AuEq(g/t)} = \text{Au(g/t)} + \text{Ag(g/t)} \times$$

$$\text{ie Ag:Au} = 68:1$$

$$\frac{\text{Price per 1 Ag(g)} \times \text{Ag Recovery (\%)}}{\text{Price per 1 Au(g)} \times \text{Au Recovery (\%)}}$$

Gold Equivalent Calculation Assumptions

Gold Price:	US\$1244 per ounce	US\$40 per gram	The metallurgical recoveries for Au and Ag are based on the recoveries being achieved by a neighbouring Cerro Bayo mine which is operating in the same geologic setting as the Los Domos project. It is EQE's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.
Silver Price:	US\$18.35 per ounce	US\$9c per gram	
2016 Gold Recovery*:	84.93%		
2016 Silver Recovery*:	87.40%		

\*Source: [http://www.mandalayresources.com/wp-content/uploads/2013/09/Cerro\\_Bayo\\_Operating\\_Statistics\\_Q4\\_2016.pdf](http://www.mandalayresources.com/wp-content/uploads/2013/09/Cerro_Bayo_Operating_Statistics_Q4_2016.pdf)

(a) [www.mandalayresources.com](http://www.mandalayresources.com)

**COMPETENT PERSON'S STATEMENT:**

The information in this report that relates to Exploration Results for the Los Domos Gold-Silver project is based on information compiled by Damien Koerber. Mr Koerber is a geological consultant to the Company. Mr Koerber is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Koerber has a beneficial interest as shareholder and Director of Terrane Minerals SpA ('vendor') in Los Domos Gold-Silver project and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**Tenement Information**

Project	Tenement As at 31 March 2017	Tenements Added during the quarter	Tenements disposed during the quarter	Tenement As at 30 June 2017	% interest	Type of Tenement
Mina Rica	Mina Rica 1		Mina Rica 1	-	100	Exploration
	Mina Rica 2		Mina Rica 2	-	100	Exploration
	Mina Rica 4		Mina Rica 4	-	100	Exploration
	Mina Rica 6		Mina Rica 6	-	100	Exploration
	Mina Rica 8		Mina Rica 8	-	100	Exploration
	Mina Rica 11		Mina Rica 11	-	100	Exploration
	Mina Rica 12			Mina Rica 12	100	Exploration
	Mina Rica 15			Mina Rica 15	100	Exploration
	Mina Rica 16			Mina Rica 16	100	Exploration
	Mina Rica 19			Mina Rica 19	100	Exploration
	Mina Rica 20			Mina Rica 20	100	Exploration
	Mina Rica 23			Mina Rica 23	100	Exploration
	Mina Rica 26			Mina Rica 26	100	Exploration
	Mina Rica 29			Mina Rica 29	100	Exploration
	Mina Rica 30			Mina Rica 30	100	Exploration
	Mina Rica 31			Mina Rica 31	100	Exploration
	Mina Rica 32			Mina Rica 32	100	Exploration
	Mina Rica 33			Mina Rica 33	100	Exploration
	Mina Rica 34			Mina Rica 34	100	Exploration
	Mina Rica 35			Mina Rica 35	100	Exploration
	Mina Rica 36			Mina Rica 36	100	Exploration
	Mina Rica 37			Mina Rica 37	100	Exploration
	Mina Rica 38			Mina Rica 38	100	Exploration
	Mina Rica 39			Mina Rica 39	100	Exploration
	Mina Rica 40			Mina Rica 40	100	Exploration
	Mina Rica 41			Mina Rica 41	100	Exploration
	Mina Rica 42			Mina Rica 42	100	Exploration

Project	Tenement As at 31 March 2017	Tenements Added during the quarter	Tenements disposed during the quarter	Tenement As at 30 June 2017	% interest	Type of Tenement
<b>Mina Rica</b>	Mina Rica 43			Mina Rica 43	100	Exploration
	Mina Rica 44			Mina Rica 44	100	Exploration
	Mina Rica 45			Mina Rica 45	100	Exploration
	Mina Rica 46			Mina Rica 46	100	Exploration
	Mina Rica 47			Mina Rica 47	100	Exploration
	Kol 1		Kol 1	-	100	Exploration
	Kol 2		Kol 2	-	100	Exploration
	Kol 3		Kol 3	-	100	Exploration
	Kol 4		Kol 4	-	100	Exploration
	Kol 5		Kol 5	-	100	Exploration
	Kol 6		Kol 6	-	100	Exploration
	Kol 7		Kol 7	-	100	Exploration
	Kol 8		Kol 8	-	100	Exploration
	Kol 9		Kol 9	-	100	Exploration
	Kol 10		Kol 10	-	100	Exploration
	Kol 11		Kol 11	-	100	Exploration
	Kol 12		Kol 12	-	100	Exploration
	Kol 14		Kol 14	-	100	Exploration
	Kol 15		Kol 15	-	100	Exploration
	Kol 16		Kol 16	-	100	Exploration
	Brunswick 3A			Brunswick 3A	100	Exploration
	Brunswick 4A			Brunswick 4A	100	Exploration
<b>Rubens</b>	Rio Rubens Este 1	Glo 1	Rio Rubens Este 1	Glo 1	100	Exploration
	Rio Rubens Este 2	Glo 2	Rio Rubens Este 2	Glo 2	100	Exploration
	Rio Rubens Este 3	Glo 3	Rio Rubens Este 3	Glo 3	100	Exploration
	Rio Rubens Este 4	Glo 4	Rio Rubens Este 4	Glo 4	100	Exploration
	Rio Rubens Este 5	Glo 5	Rio Rubens Este 5	Glo 5	100	Exploration
	Rio Rubens Este 6	Glo 6	Rio Rubens Este 6	Glo 6	100	Exploration
	Rio Rubens Este 7	Glo 7	Rio Rubens Este 7	Glo 7	100	Exploration
	Rio Rubens 1	Glo 8	Rio Rubens 1	Glo 8	100	Exploration
	Rio Rubens 2		Rio Rubens 2	-	100	Exploration
	Rio Rubens 3		Rio Rubens 3	-	100	Exploration
	Rio Rubens 4		Rio Rubens 4	-	100	Exploration
	Rio Rubens 5		Rio Rubens 5	-	100	Exploration
	Rio Rubens 6		Rio Rubens 6	-	100	Exploration
	Rio Rubens 7		Rio Rubens 7	-	100	Exploration
	Rio Rubens 8		Rio Rubens 8	-	100	Exploration
	Rio Rubens 9		Rio Rubens 9	-	100	Exploration
	Rio Rubens 10		Rio Rubens 10	-	100	Exploration
	Rio Rubens 11		Rio Rubens 11	-	100	Exploration

\*Rio Rubens Este 1 to 7 changed name to Glo 1 to 7. Rio Rubens1 changed name to Glo 8





Project	Tenement As at 31 March 2017	Tenements Added during the quarter	Tenements disposed during the quarter	Tenement As at 30 June 2017	% interest	Type of Tenement
<b>Perez</b>	Rio Perez A		Rio Perez A	-	100	Exploration
	Rio Perez B		Rio Perez B	-	100	Exploration
	Rio Perez C		Rio Perez C	-	100	Exploration
	Rio Perez D		Rio Perez D	-	100	Exploration
	Rio Perez E		Rio Perez E	-	100	Exploration
	Rio Perez F		Rio Perez F	-	100	Exploration
	Rio Perez G		Rio Perez G	-	100	Exploration
	Rio Perez H		Rio Perez H	-	100	Exploration
	Skyring 1		Skyring 1	-	100	Exploration
	Skyring 2		Skyring 2	-	100	Exploration
	Skyring 3		Skyring 3	-	100	Exploration
	Skyring 4		Skyring 4	-	100	Exploration
	Skyring 5		Skyring 5	-	100	Exploration
	Skyring 6		Skyring 6	-	100	Exploration
	Skyring 7		Skyring 7	-	100	Exploration
	Skyring 8		Skyring 8	-	100	Exploration
	Skyring 9		Skyring 9	-	100	Exploration
	Skyring 10		Skyring 10	-	100	Exploration
	Skyring 11		Skyring 11	-	100	Exploration
	Skyring 12		Skyring 12	-	100	Exploration
	Skyring 13		Skyring 13	-	100	Exploration
	Skyring 14		Skyring 14	-	100	Exploration
	Skyring 15		Skyring 15	-	100	Exploration
	Skyring 16		Skyring 16	-	100	Exploration
	Skyring 17		Skyring 17	-	100	Exploration
	Skyring 18		Skyring 18	-	100	Exploration
	Skyring 19		Skyring 19	-	100	Exploration
	Skyring 20		Skyring 20	-	100	Exploration
	Skyring 21		Skyring 21	-	100	Exploration
	Skyring 22		Skyring 22	-	100	Exploration
	Skyring 23		Skyring 23	-	100	Exploration
	Skyring 24		Skyring 24	-	100	Exploration
	Skyring 25		Skyring 25	-	100	Exploration
	Skyring 26		Skyring 26	-	100	Exploration
	Skyring 27		Skyring 27	-	100	Exploration
	Skyring 28		Skyring 28	-	100	Exploration
	Skyring 29		Skyring 29	-	100	Exploration
	Skyring 30		Skyring 30	-	100	Exploration
	Skyring 31		Skyring 31	-	100	Exploration

Project	Tenement As at 31 March 2017	Tenements Added during the quarter	Tenements disposed during the quarter	Tenement As at 30 June 2017	% interest	Type of Tenement
<b>Los Domos</b>	Electrum 1			Electrum 1A	see note 1 below	Exploration
	Electrum 2			Electrum 2A	see note 1 below	Exploration
	Electrum 3			Electrum 3A	see note 1 below	Exploration
	Electrum 4			Electrum 4A	see note 1 below	Exploration
	Electrum 5			Electrum 5A	see note 1 below	Exploration
	Electrum 6			Electrum 6A	see note 1 below	Exploration
	Electrum 7			Electrum 7A	see note 1 below	Exploration
	Electrum 8			Electrum 8	see note 1 below	Exploration
	Electrum 9			Electrum 9	see note 1 below	Exploration
	Electrum 10			Electrum 10	see note 1 below	Exploration
	Electrum 11			Electrum 11	see note 1 below	Exploration
	Electrum 12A *			Electrum 12A *	see note 1 below	Exploration
<b>Ghana</b>	Pedregoso I			Pedregoso I	see note 2 below	Mining Concessions
	Pedregoso VIII			Pedregoso VIII	see note 2 below	Mining Concessions
	Honda 20			Honda 20	see note 2 below	Mining Concessions
	Osenace			Osenace	90%	Exploration
	Asamankese			Asamankese	90%	Exploration
	Pramkese			Pramkese	90%	Exploration
	Kwatechi			Kwatechi	7%	Exploration

- 1) The Company's wholly owned subsidiary, Southern Gold SpA has an option to acquire 100% of the Los Domos Gold project. The Company is earning a 51% interest in the project through the drilling program of 2,000 metres.
- 2) As part of Los Domos Gold project, Terrane Mineral SpA has an option to acquire 100% of the Mining Concessions from Patagonia Gold SC.