



About Equus Mining:

Equus Mining is an ASX listed Company focused on developing natural resource projects strategically located near existing mine and other infrastructure.

Follow-up Stage III drilling commenced in January 2019 at the Company's flagship project, Los Domos, located in Chile's XI Region. Drilling to date at Los Domos has defined substantial high-grade, precious-base metal mineralisation at the T7 Target which remains open along strike and at depth.

The Cerro Diablo project is a precious-base metals project, where surface mapping and sampling has defined significant zones of mineralisation ready for 1st pass drilling.

Both projects are located in Chile's XI Region, near Mandalay Resources Corporation's Cerro Bayo mine and 1,500 tonne per day mill and flotation plant infrastructure which has been under care and maintenance since June 2017.

Overview:

ASX Code:	EQE
Share Price (29 December 2018):	\$0.016
Shares on Issue (29 December 2018):	897M
Market Capitalisation:	A\$14.4M

Directors and Officers

Mark Lichtenberg

Non-Executive Chairman

John Braham

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 December 2018

Equus Mining Limited ('Equus Mining' or the 'Company') (ASX: EQE) provides this update on activities for the quarter ended 31 December 2018.

Summary of Activities

Los Domos Project

- Following the completion during the quarter of interpretation of work completed to date, planning and permitting, Stage III drilling has now commenced.
- Modelling of geology at the T7 Target has defined at least two Au-Ag-Zn-Pb mineralised, west-northwest and north-northwest trending host structures that outcrop over strike lengths of 800-+1000m which have been drilled at relatively shallow levels in widely spaced holes over approximately 600m.
- Stage III drilling at T7 is designed to test for extensions of high-grade mineralisation both along strike and down dip, targeting stronger mineralised levels of the epithermal system, in more competent host rocks.
- Drilling at the T7 Target has commenced during January 2019.

Cerro Diablo Project

- Further mapping and sampling have further defined widespread high-grade mineralisation at the Cerro Diablo precious and base metal project for which preparation for 1st stage drilling was completed during the quarter.
- Cerro Diablo's location provides potential synergies with the nearby Los Domos project and Mandalay Resources Corporation's Cerro Bayo mine.

Los Domos – Stage III drilling to focus on high-grade T7 Target

The T7 Target hosts a polymetallic multiphase, Intermediate Sulphidation epithermal style of mineralisation with significant values of Au, Ag, Pb, Zn and Cu which is hosted in at least two, west-northwest to northwest trending structures. The host structures outcrop at relatively high topographic levels in strongly brecciated, low competency rock units over an approximate strike length between 800m to 1,000m respectively.

Interpretations of metal zonation from drilling to date indicate that an Au-Ag and Zn rich mineralisation phase is becoming increasingly dominant to the north and northwest and at depth, within the host structures. The drilling also indicates that thick, more competent rock units which are more favourable for hosting wider quartz vein-breccia style, high grade mineralisation occur at depth.

Drilling of at the T7 Target commenced following the end of the December quarter during January 2019. This drilling is designed to test for higher grade extensions at depth and along strike to mineralisation intersected in relatively shallow, wide spaced drilling completed to date along an approximate 600m strike length.

The host structures at the T7 Target structure comprise two of at least 11 major structures defined throughout the Los Domos project that host a cumulative strike length of mapped epithermal veining of approximately 12km.

To date, scout drilling of 5 of these structures has returned wide, highly anomalous precious-base metal and pathfinder element mineralised intervals which are interpreted to correspond to higher level portions of the epithermal system as compared to those at T7.

Cerro Diablo Cu-Au-Ag-Zn-Pb Project

The Cerro Diablo project comprises a 4,554-hectare area which was staked in 2017. Mapping and sampling to date has defined multiple zones of extensive hydrothermal alteration and precious-base metal mineralisation throughout a 2.1km x 1.2km area.

During the December 2018 quarter, further mapping has further defined the geometries of high-grade mineralisation at the project in preparation for initial drill testing.

Cerro Diablo is the Company's second strategic discovery after Los Domos with both located in the Chilean portion of the world class Deseado Massif mineral province.

Los Domos and Cerro Diablo Projects – strategically well located

The Los Domos gold-silver project is located 15km south of the township of Chile Chico and adjacent to the Cerro Bayo gold-silver mine owned by Mandalay Resources Corporation. The Cerro Diablo project is located 25 kilometres north-northwest of the mine (see Figures 1 and 2). Up until June 2017, this mine was producing approximately 2 Mozpa of silver and 20 Kozpa gold with nominal flotation plant capacity of 500ktpa throughput.

Production was suspended and force majeure declared following a mine flooding event in June 2017 which has exacerbated high unemployment throughout the region. 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. Cerro Diablo has a similar altitude range with slightly higher precipitation.

Los Domos and Cerro Diablo – located within a world class mineral province

Both the Los Domos and Cerro Diablo precious and base metal projects are located in the western portion of the world class Deseado Massif mineral province (see Figure 1). This mineral province includes the Santa Cruz Province mining district in Argentina and the Cerro Bayo mine district in Chile, the latter of which is proximal to the Company’s projects, and throughout which mineralisation is hosted by Jurassic age volcanic rocks. The Deseado Massif hosts large gold and silver deposits in Argentina including Cerro Vanguardia, Cerro Negro, San Jose & Cerro Moro and has a current combined +30 Moz AuEq known resource endowment (see Table 1).

Table 1. Projects Located in the Deseado Massif

	Gold (Moz)	Silver (Moz)	Gold Eq. (Moz)
Cerro Vanguardia	8.9	137	10.7
Cerro Negro	7.1	62	7.9
San Jose (Huevos Verdes)	1.5	103	2.9
Cerro Moro	1.2	75	2.2
Cap Oeste-Cose	1.2	35	1.7
Manantial Espejo	0.8	60	1.6
Cerro Bayo	0.7	68	1.6
Joaquin	0	57	0.8
Las Calandrias	0.8	0	0.8
Martha	0	24	0.3
Virginia-Santa Rita	0	15	0.2
Don Nicolas	0.3	0	0.3
Lomada de Leiva	0.13	0	0.1
	22.6	636	31.1

Figure 1 Cerro Diablo and Los Domos projects are both located within the Deseado Massif

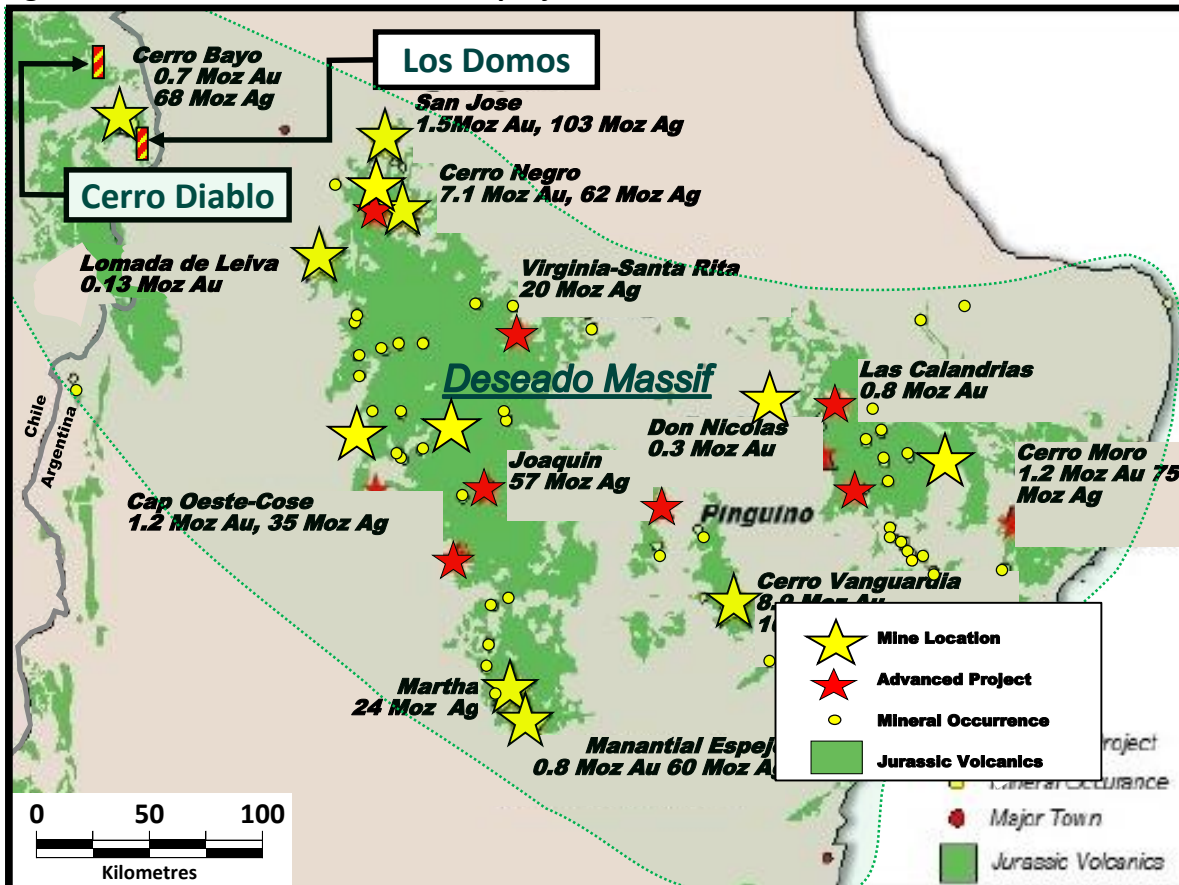
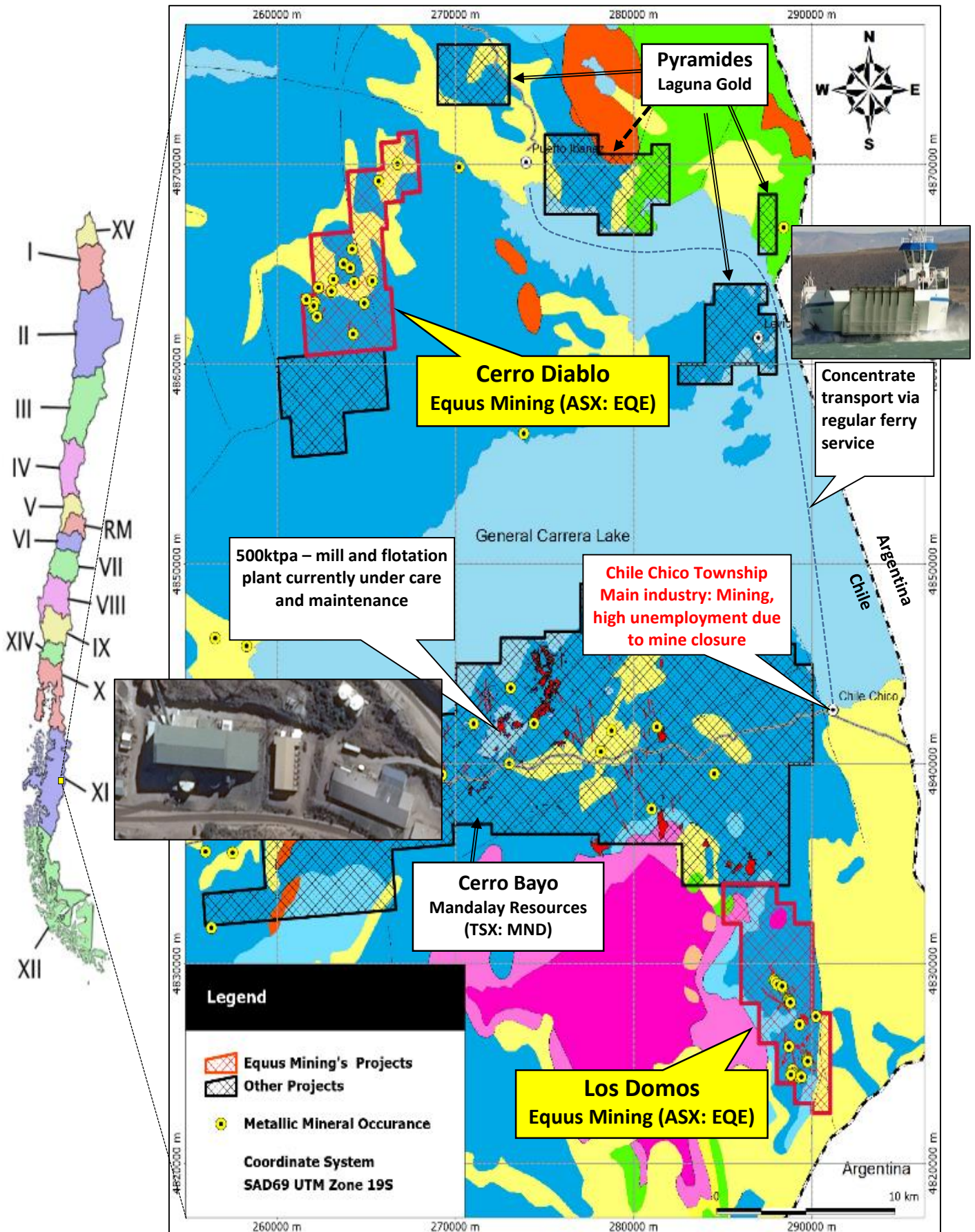




Figure 2. Los Domos and Cerro Diablo Projects Location in Chile's Region XI





Coal Assets

No work was undertaken at the Company's Mina Rica or Rubens thermal coal project during the 2018 December quarter. The Company decided during the quarter to cease paying claim fees on the Mina Rica claims and these claims were annulled. The Company continues to review its strategic options in relation to the Rubens thermal coal assets.

Corporate

During the December 2018 quarter the Company rearranged its Board of Directors with the resignation of Managing Director Ted Leschke and the appointment of John Braham as Executive Director and acting Managing Director.

During the quarter the Company concluded its acquisition of 100% of the Los Domos project from Terrane Minerals SpA through the issue to Terrane Minerals SpA of 28,812,500 fully paid ordinary shares in Equus Mining Limited in consideration for the Electrum exploration licences.

During the quarter the Company completed the novation from Terrane Minerals SpA of a right to 75% interest in mining concessions owned by Patagonia Gold SpA which form part of the Los Domos Project (see Table 2). Documentation, including the incorporation of a new Joint Venture company with Patagonia Gold SpA, will be concluded during the March quarter.

During the quarter ended 31 December 2018 Equus invested a total of \$593K in exploration.

For further information, please contact:

John Braham
Managing Director
+61 2 9300 3366

jbraham@equusmining.com

Cameron Peacock
Investor Relations and Business Development
+61 439 908 732

cpeacock@equusmining.com

Website: www.equusmining.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.

The information in this report that relates to Exploration Results for the Cerro Diablo precious and base metal project is based on information compiled by Jason Beckton. Mr Beckton is a geological consultant to the Company. Mr Beckton 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 Beckton has a beneficial interest as shareholder of Equus Mining Limited and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



Table 2. Tenement Information

Project	Tenement As at 30 Sept 2018	Tenements Added during the quarter	Tenements disposed during the quarter	Tenement As at 30 Dec 2018	% interest	Type of Tenement	
Mina Rica	Mina Rica 12		Mina Rica 12		0	Exploration	
	Mina Rica 15		Mina Rica 15		0	Exploration	
	Mina Rica 16		Mina Rica 16		0	Exploration	
	Mina Rica 19		Mina Rica 19		0	Exploration	
	Mina Rica 20		Mina Rica 20		0	Exploration	
	Mina Rica 23		Mina Rica 23		0	Exploration	
	Mina Rica 26		Mina Rica 26		0	Exploration	
	Mina Rica 29		Mina Rica 29		0	Exploration	
	Mina Rica 30		Mina Rica 30		0	Exploration	
	Mina Rica 31		Mina Rica 31		0	Exploration	
	Mina Rica 32		Mina Rica 32		0	Exploration	
	Mina Rica 33		Mina Rica 33		0	Exploration	
	Mina Rica 34		Mina Rica 34		0	Exploration	
	Mina Rica 35		Mina Rica 35		0	Exploration	
	Mina Rica 36		Mina Rica 36		0	Exploration	
	Mina Rica 37		Mina Rica 37		0	Exploration	
	Mina Rica 38		Mina Rica 38		0	Exploration	
	Mina Rica 39		Mina Rica 39		0	Exploration	
	Mina Rica 40		Mina Rica 40		0	Exploration	
	Mina Rica 41		Mina Rica 41		0	Exploration	
	Mina Rica 42		Mina Rica 42		0	Exploration	
	Mina Rica 43		Mina Rica 43		0	Exploration	
	Mina Rica 44		Mina Rica 44		0	Exploration	
	Mina Rica 45		Mina Rica 45		0	Exploration	
	Mina Rica 46		Mina Rica 46		0	Exploration	
	Mina Rica 47		Mina Rica 47		0	Exploration	
		Brunswick 3A		Brunswick 3A		0	Exploration
		Brunswick 4A		Brunswick 4A		0	Exploration
Rubens	Glo 1			Glo 1	100	Exploration	
	Glo 2			Glo 2	100	Exploration	
	Glo 3			Glo 3	100	Exploration	
	Glo 4			Glo 4	100	Exploration	
	Glo 5			Glo 5	100	Exploration	
	Glo 6			Glo 6	100	Exploration	
	Glo 7			Glo 7	100	Exploration	
	Glo 8			Glo 8	100	Exploration	



Los Domos	Electrum 1A			Electrum 1A	100	Exploration
	Electrum 2A			Electrum 2A	100	Exploration
	Electrum 3A			Electrum 3A	100	Exploration
	Electrum 4A			Electrum 4A	100	Exploration
	Electrum 5A			Electrum 5A	100	Exploration
	Electrum 6A			Electrum 6A	100	Exploration
	Electrum 7A			Electrum 7A	100	Exploration
	Electrum 8			Electrum 8	100	Exploration
	Electrum 9			Electrum 9	100	Exploration
	Electrum 10			Electrum 10	100	Exploration
	Electrum 11			Electrum 11	100	Exploration
	Electrum 12A			Electrum 12A	Note 1	Exploration
	Pedregoso I			Pedregoso I	Note 1	Mining Concession
	Pedregoso VII			Pedregoso VII	Note 1	Mining Concession
	Honda 20			Honda 20	100	Mining Concession
Cerro Diablo	Diablo 1			Diablo 1	100	Exploration
	Diablo 2			Diablo 2	100	Exploration
	Diablo 3			Diablo 3	100	Exploration
	Diablo 4			Diablo 4	100	Exploration
	Diablo 5			Diablo 5	100	Exploration
	Diablo 6			Diablo 6	100	Exploration
	Diablo 7			Diablo 7	100	Exploration
	Diablo 8			Diablo 8	100	Exploration
	Diablo 9			Diablo 9	100	Exploration
	Diablo 10			Diablo 10	100	Exploration
	Diablo 11			Diablo 11	100	Exploration
	Diablo 12			Diablo 12	100	Exploration
	Diablo 13			Diablo 13	100	Exploration

- 1) As part of Los Domos Gold project, Terrane Minerals SpA has, through the drilling of 1,000 metres, earned a 75% interest in the Mining Concessions of Patagonia Gold. The right to this interest has been novated to the Company, with documentation completing the Company's 75% interest to be completed in the March quarter 2019.