

About Equus Mining:

Equus Mining is an ASX listed Company focused on exploring for and developing gold and silver resource projects centered on the Cerro Bayo Mining district in Southern Chile.

Following initiation of the 3 year option to acquire Mandalay Resources Corporation's Cerro Bayo Mine district and infrastructure in Region XI, Southern Chile, Equus has implemented a dual track strategy comprising advancement of greenfields exploration throughout the highly prospective Cerro Bayo mine lease in parallel with re-evaluating existing resource potential within close proximity to the Cerro Bayo processing plant.

During the quarter, maiden drilling and surface geochemical sampling of a series of newly generated large scale, prospective drill targets delivered positive, early stage results providing strong impetus for further drilling.

Based on early stage work the company considers the district to hold good potential for hosting significant additional gold and silver resources.

Equus is well positioned via the option for the Cerro Bayo acquisition with the transformational opportunity to leverage exploration success at its three projects towards becoming a significant precious metal producer in a world class gold-silver epithermal district.

Overview:

ASX Code: EQE

Share Price (31 December 2019): \$0.013

Shares on Issue (31 December 2019): 1,409M

Market Capitalisation: A\$18.313M

Directors and Officers

Mark Lichtenberg
Non-Executive Chairman

John Braham
Managing Director

Damien Koerber
Chief Operating Officer & Executive Director

Robert Yeates
Non-Executive Director

Marcelo Mora
Company Secretary

Quarterly Activities Report 31 December 2019

Equus Mining Limited ('Equus' or 'Equus Mining') (ASX: EQE) provides this update on activities for the quarter ended 31 December 2019.

Summary of Activities

Cerro Bayo Mine District Exploration

- Subsequent to signing of the 3 year option to acquire Mandalay Resources Corporation Cerro Bayo Project in Chile on the 7th October 2019, Equus initiated maiden drilling in mid December on greenfields exploration targets generated from field review and historic data.
- Drilling is ongoing and to date has delivered positive geological and geochemical results which indicate potential for a large scale, mineralised system at the Frison Target
- Newly generated, greenfields Droughtmaster Prospect reported high grade surface geochemical results including 2.8m @ 4.48 g/t Au, 543 g/t Ag and 2.5m @ 3.06 g/t Au, 760.5 g/t Ag programmed for maiden drill testing.
- Equus has engaged an experienced external resource consultant to focus on initial resource evaluation efforts around the historically mined Taitao Mine area located proximal to the Cerro Bayo plant. Work involves assessing various internal development and expansion studies carried out by previous owners and a planned first stage confirmatory drilling program to test potential extensions of mineralised zones peripheral to the historic pits.

Los Domos Project

- Additional studies required by the relevant authorities for completion of the Environmental Impact Report (DIA), were finalised in the December quarter for which submission is planned during the March 2020 quarter.

Cerro Bayo Mine District and Infrastructure Acquisition Option

On the 7th October 2019, Equus executed binding documentation with Mandalay Resources Corporation (TSX:MND, OTCQB: MNDJF) for a 3 year option to acquire Mandalay's Cerro Bayo Project in Region XI, Southern Chile. The Cerro Bayo Project infrastructure is optimally situated nearby Equus's Los Domos and Cerro Diablo Projects (Figure 1).

Key aspects of the agreement include:

- The option entitles the Company to, within a 3 year period starting from commencement of the definitive option agreement, acquire all the mining properties, resources and mine infrastructure of the entire issued share capital of Compania Minera Cerro Bayo Ltd, a wholly owned Mandalay Resources subsidiary including:
 - Mining Properties and Resources*: contiguous 29,495 hectare mining claim package optimally located with respect to the mine infrastructure accompanied with large database of surface and drill hole geochemical and geological data;
 - Mine Infrastructure: includes a 1,500tpd flotation processing plant (currently on care and maintenance), permitted tailings storage facility and all power generation, stationary and mobile equipment required for eventual mine restart;
 - Mine Property Assets: surface land (1500 hectares) and surface access rights (5600 hectares) and water rights sufficient for eventual mine restart.
- Upon a review date, designated as 18 months from commencement of the definitive option agreement period, either party may terminate the agreement whereby:
 - If neither Mandalay or the Company decide to terminate the agreement, the Company will contribute US\$50,000 per month towards Care and Maintenance until the end of the Option Period;
 - If Mandalay Resources terminates the agreement after 18 months, it will grant to the Company a Right of First Refusal on terms satisfactory to Equus regarding any sale of Cerro Bayo or its assets until the expiry of the Option Agreement.
- On execution of the option by the Company at anytime within the 3 year option period, the Company is to:
 - Issue Mandalay ordinary shares representing 19% of the issued share capital of the Company. In this case, Mandalay will be entitled to nominate one member of the Company's board of directors;
 - Pay Mandalay a 2.25% NSR on gold and silver production from the Cerro Bayo Mine properties, payable once the Mine has produced at least 50,000 gold equivalent ounces;
 - The Company holds the option to repurchase the 2.25% NSR from Mandalay;
 - Contribute to 50% of the eventual Cerro Bayo mine closure liabilities (i.e. 50% of approximate total of US\$14.5m based on the current government approved closure plan).

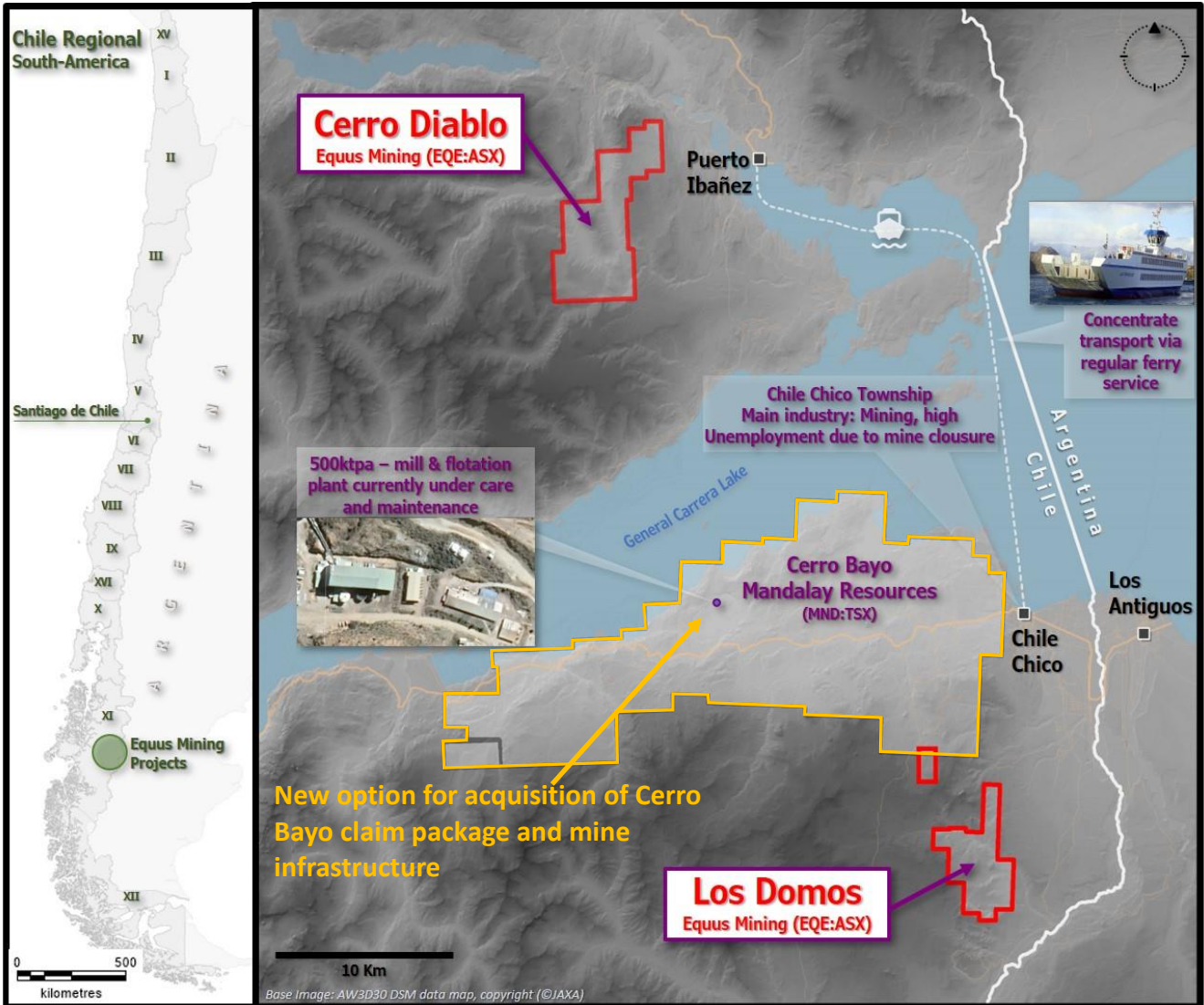
Key aspects of the Cerro Bayo Project include:

- Cerro Bayo mine historic gold and silver production over the period April 2002 to August 2008 by Coeur Mining was 2.58 million tonnes grading 4.2 g/t Au and 346.7 g/t Ag** (348,424 Oz Au, 28.76 Moz Ag);
- Production by Mandalay Resources Corporation from 2011 to end 2016 was 2.3 million tonnes with average grades of 1.8 g/t Au and 237 g/t Ag** (133,119 Oz Au, 17.52 Moz Ag);
- The 29,495 hectare mining claim package, as identified** to date, hosts at least 90 vein, stockwork and breccia structures hosting gold and silver mineralization, located in six principal areas.

* Resources relate to any remaining Resources as part of those reported effective December 31, 2016 by Mandalay Resources Corporation – Cerro Bayo Project, Project #2559 according to Canadian Institute of Mining definitions in an independent National Instrument 43-101 Technical Report filed March 31, 2017. The remaining Resources have not been independently verified by Equus and no representation or warranty is made by the Company as to the existence of any remaining Resources, accuracy, completeness or reliability of the information. Equus plans as part of future work on the Cerro Bayo Project to verify remaining Resources and as per ASX listing rules, that the future reporting of ore reserves, and mineral resources comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code").

** Reported effective December 31, 2016 by Mandalay Resources Corporation – Cerro Bayo Project, Project #2559 according to Canadian Institute of Mining definitions in an independent National Instrument 43-101 Technical Report filed March 31, 2017.

Figure 1. Cerro Bayo, Los Domos and Cerro Diablo Projects - Chile's Region XI



Detailed review of historic exploration and mine data was initiated in the March/June 2019 quarters and comprehensive field based review including detailed mapping and sampling of a portion of the currently highest ranking followup drill targets was initiated in the September 2019 quarter. This information is being integrated into a framework exploration database for the design of the Company's maiden near mine and greenfields exploration drill programs which will be directed to a pipeline of ranked drill targets.

During the reporting period, detailed structural analysis from newly processed multispectral Landsat satellite and aeromagnetic data combined with detailed mapping and geochemical sampling has defined three priority drill target prospect areas denominated Brahman, Simmental and Droughtmaster. The central zones of interest within the first two of these areas are located within 2.5km to the southeast and 1.5km to the southwest respectively from the Cerro Bayo plant and the latter is located 12km to the southeast. All three prospects feature good established access.

Brahman Prospect- Frison Target

The Brahman prospect was targeted as hosting the interpreted south-eastern continuation of large scale faulting which hosts the Delia Vein system, which was mined historically in the Laguna Verde area (Figure 2). Within this prospect, the Frison Target comprises the portion of the fault corridor characterised by broadly east-west trending, wide (up to 3m), quartz veins and quartz stockwork and hydrothermal breccias (both up to 10m wide) and hydrothermal alteration, which extends over a strike length of a 1,150m (Photo 1).

The Frison Target is interpreted to occupy a structural setting favourable for large scale vein development based on the target being centered proximal to the intersection of district scale, respective northwest and northeast trending fault corridors which are interpreted to act as major controls on mineralization throughout the Laguna Verde mine district (e.g. Delia, Dagny, Branca and Coyita vein systems). In other precious metal deposits throughout the Deseado Massif Mineral province, portions of host faults proximal to the inflection of where they trend from northwest to more east-west can be favourable structural targets for enhanced precious metal deposition and vein development (e.g. Zoe Vein of the Cerro Moro Au-Ag deposit, Deseado Massif Mineral Province District, Argentina). The target's prospectivity is further highlighted by the newly recognized extensive outcrop and drill intersection of an intrusive dome complex, similar to that which commonly occurs spatially related to mineralization elsewhere throughout the Cerro Bayo district, which occurs broadly coincident with veining.

Importantly, although the Frison Target is located in close vicinity and accessed via good infrastructure to the Cerro Bayo processing plant facility, no historic drilling nor significant surface geochemical sampling has been conducted to date to test the most prospective, approximately 1100m long portion of the structure.

Rock and continuous rock chip channel geochemical sampling of outcrop totalling 136 samples was conducted by Equus along the mapped extensions of veining and brecciation for which significant precious metal and pathfinder element results were received (i), which include:

- Chip Sample : 0.9m @ 1 g/t Au, 5.32 g/t Ag, 448 ppm Pb, 1400 ppm Zn;
- Rock chip channel CC021: 1.2m @ 0.16 g/t Au, 22 g/t Ag, 726 ppm Sb, 8200 ppm Pb, 540 ppm Zn;
- Rock chip channel CC027: 3.1m @ 0.52 g/t Au, 5.84 g/t Ag, 1732 ppm Pb, 770 ppm Zn.

Figure 2. Brahman Prospect-Frison Target: Plan view showing structural setting of Frison Target in prospective, east-west trending inflection developed at intersection of northwest trending Delia-Dagny-Coyita-Branca veins of the Laguna Verde area and marginal to northeast trending graben.

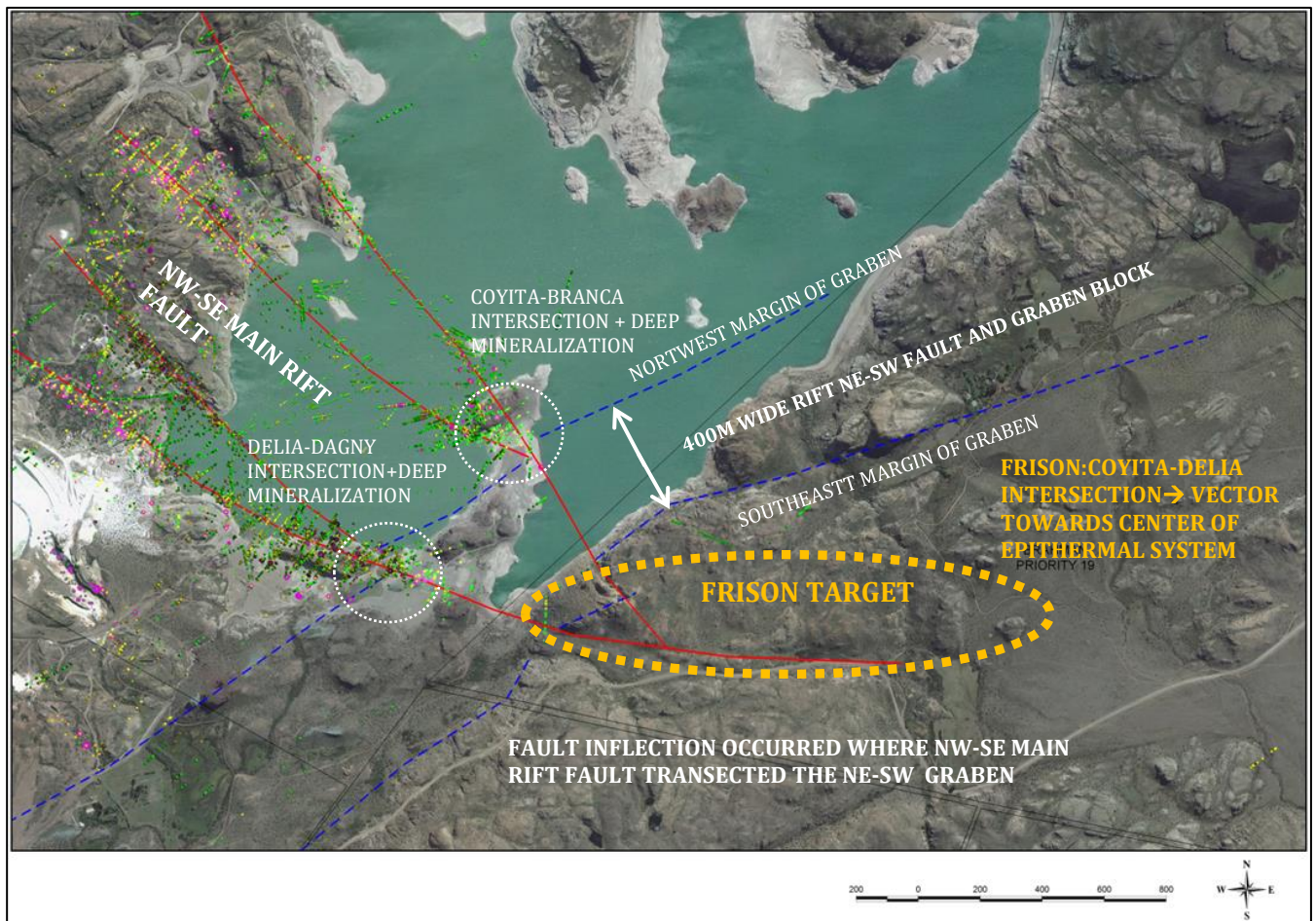
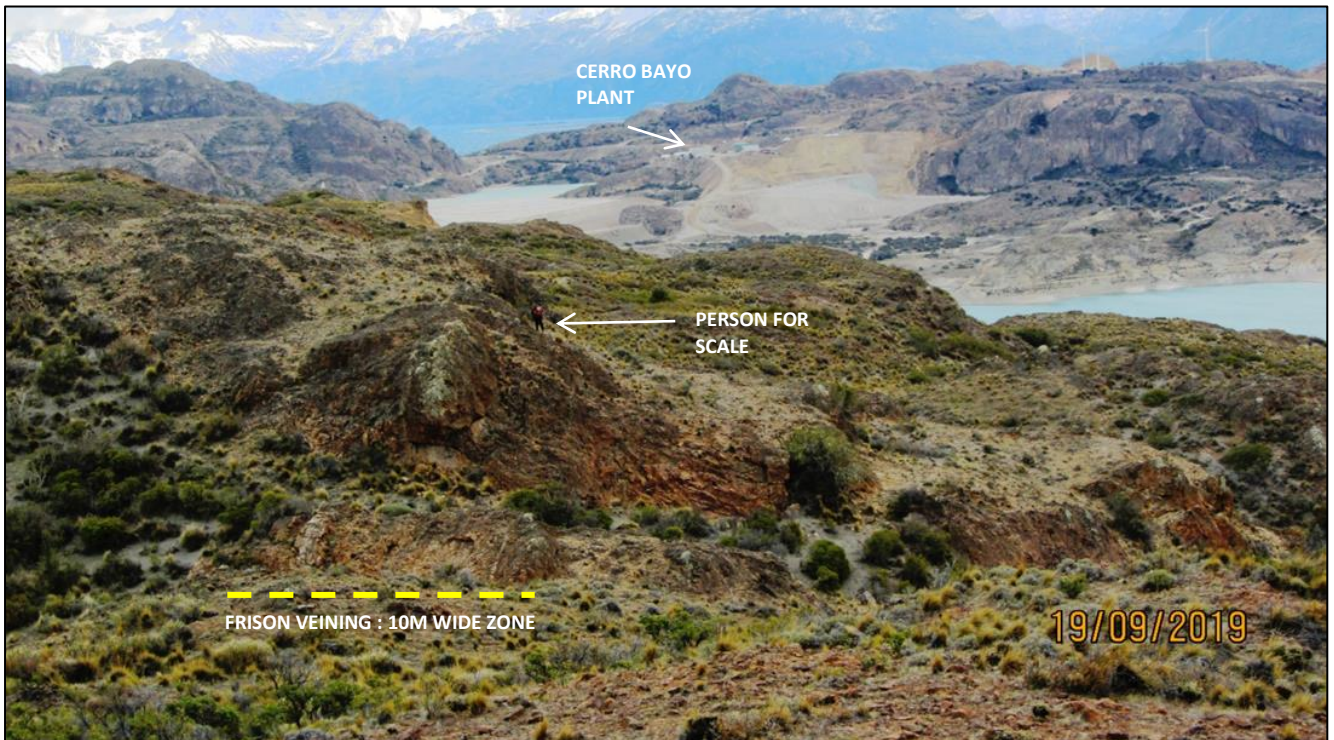


Photo 1. Frison Target (Looking west-northwest towards Cerro Bayo plant infrastructure)-View of recently discovered chalcedonic quartz vein /vein breccias hosted within strongly silicified-clay altered rhyolite dome complex.



Maiden exploration drilling at the Frison Target commenced in mid-December for which to date, subsequent to the end of the December quarter, a total of 5 holes were completed (holes CBD002 and CDB004 to CBD007 totaling 1,264.1m) (ii). To date, subsequent to the end of the December quarter, approximately 147 sample results (23% of total) have been received for the first 3 holes drilled in Frison (ii). Remaining results for the latter holes are expected by mid-February.

The initial three drill holes at Frison comprising CBD002, CDB004 to CDB006 were positioned to target the upper near surface portions of the Frison Target structure to establish the down dip orientation and continuity of veining and brecciation along three, 150-250m spaced north south orientated sections, along an approximate 500m long portion of the 1.2km long, east-west trending host outcropping structure (Figure 2). Drill holes were also directed beneath zones of veining and brecciation highlighted by previous surface geochemical sampling which reported values up to 0.52 g/t Au and 22 g/t Ag Au (i). It should be emphasized that grades from the relatively shallow intercepts in these holes were expected to replicate the weakly anomalous to low grades, characteristic of the higher levels of the Delia Vein.

All these holes intersected broad intervals (45-90m wide) of phreatic hydrothermal brecciation and high-level style, dominantly chalcedonic quartz epithermal veining (individual veins between 0.3-3m wide) along a large scale, steeply north dipping normal fault contact. This fault also acted as the conduit for the intrusion of large complex of pre-mineral age, faulted and brecciated rhyodacitic domes.

From results received to date, hole CBD002 reported the highest geochemical result from chalcedonic veining of 0.02 g/t Au, 19.4 g/t Ag between 126.4-126.75m. The relative topographic level of this interval is approximately 120m above the top of the mined Delia shoot, which sits approximately 750m along the interpreted strike extension of the Frison structure to the west-northwest (Figure 3). Based on quartz type, clay type alteration and related pathfinder element geochemistry (Zn, Sb, As, Mo) of veining in hole CBD002, it is interpreted to represent lower grade veining that characteristically occurs at the upper epithermal levels above deeper, higher grade ore shoots throughout the Cerro Bayo mine district.

Drillhole CBD007 was collared approximately 100m to the north of holes CBD002 and CBD004 as a stepback hole designed to test:

- Veining at the intersection of the east-west trending Frison Structure and the host northwest trending fault to the mined Coyita mineralization approximately 750m to the north west, and
- Additional veining and deeper epithermal levels further towards the north, in the hanging wall of the host east-west trending Frison Fault.

Intersections of higher temperature, saccharoidal > chalcedonic veining and black silica matrix supported hydrothermal brecciation have been visually reported over a large interval of CBD007 an example of which is shown in Figure 4 and Photo 2.

Further drilling of deeper step-back holes is ongoing along the approximate 400m strike length of the Frison Target structure for which results are expected during the March 2020 quarter.

Figure 3. Frison Target- Drill hole locations and Ag results

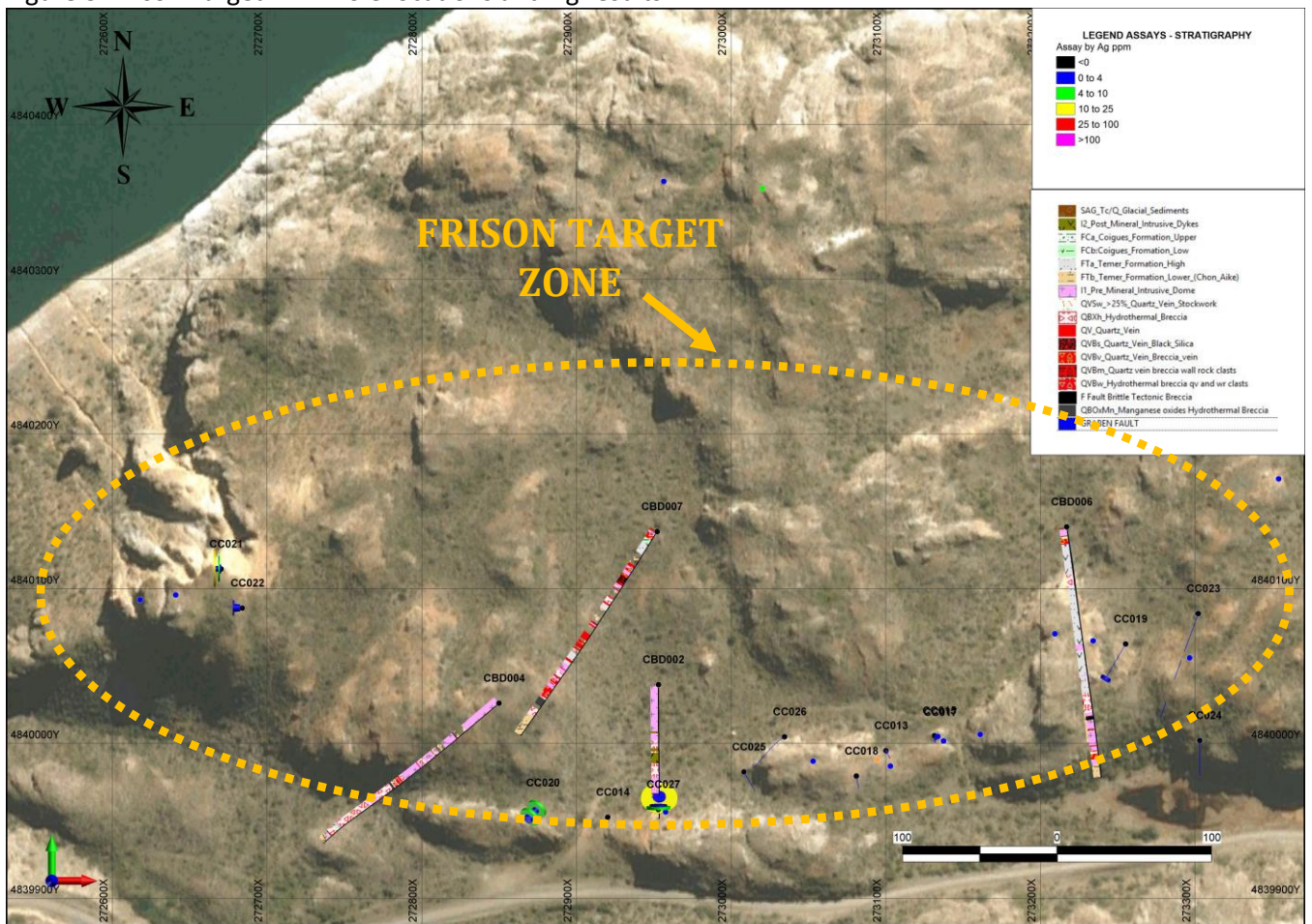




Figure 4. Hole CBD002-CBD007 geological section with Ag downhole geochemistry (NB. Results pending for hole CBD007)





Photo 2. Hole CBD007: 65.05-77.15m interval: Saccharoidal to chalcedonic quartz veining with brecciated vein clasts cemented by black pyrite- Sb-Zn-As-Mo rich chalcedonic quartz



Simmental Prospect

The Simmental Prospect was targeted from the significant areal extent and intensity of hydrothermal alteration within a highly prospective structural setting comprising the southwestern extension of a district scale, northeast-southwest trending fault bounded graben which hosts several of the principal northwest trending vein systems of the nearby Laguna Verde area, including Delia, Dagny, Branca and Coyita (Figure 5).

Five principle northwest trending structures have been mapped in detail by Equus throughout an approximately 1300m x 1350 m area of the prospect of which the higher priority include the Pinto, Azteca and Andaluz vein and hydrothermal breccias. Collectively these latter three veins extend over an approximate 2.9 km strike length and attain widths between 0.5-3m. The majority of these structures remain completely untested by historic drilling, and where partially drill tested, were generally only tested by reverse circulation or small diameter diamond core drilling (e.g. BQ) to relatively shallow depths (generally less than 80m).

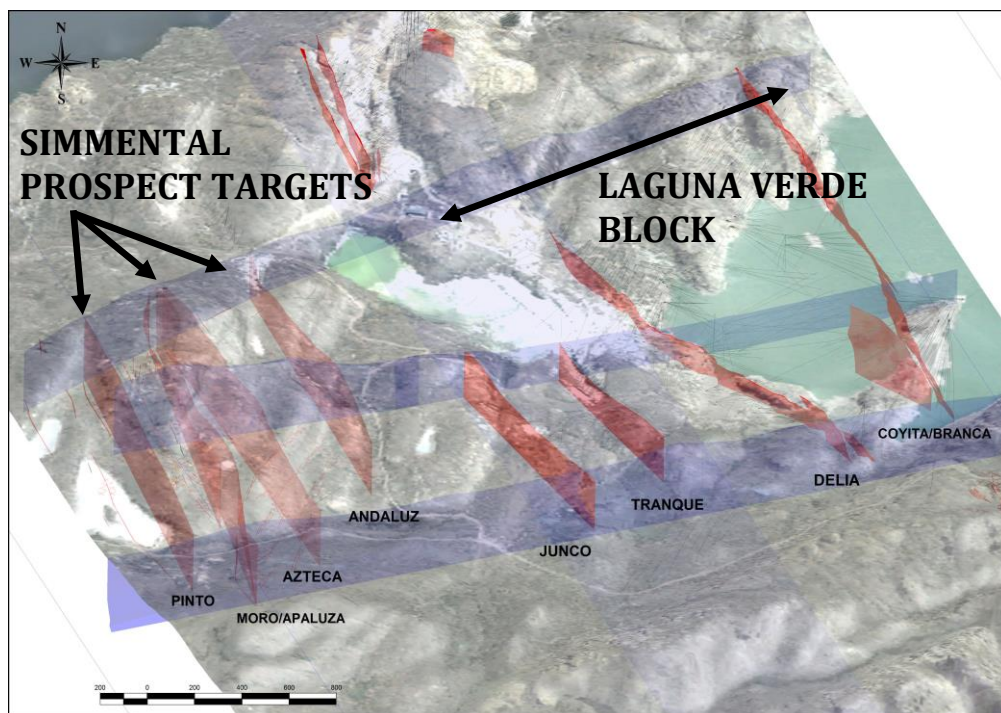
Rock chip and continuous chip channel geochemical sampling totalling 152 samples was conducted along throughout the Simmental Prospect from which the highest grade, precious metal and pathfinder element results (including Pb, Zn, Sb, Mo) include:

- Pinto Vein: 0.5m @ 80.9 g/t Au, 3230 g/t Ag, 13200 ppm Pb, 15800 ppm Zn, 160 ppm Sb (Sample No. 7184);
- Azteca Vein: 0.45m @ 50.8 g/t Au, 137 g/t Ag, 300 ppm Pb, 148 ppm Mo (Sample No. 7085);

Summary geochemical results from the individual structures include:

- Pinto Vein: From a total of 51 rockchip samples, the highest 11 samples average 16.14g/t Au, 461.2 g/t Ag (23.24g/t AuEq65*);
- Azteca Vein: From a total of 21 channel and rockchip samples, the highest 6 samples average 12.24 g/t Au, 31.8 g/t Ag (12.73g/t AuEq65*).

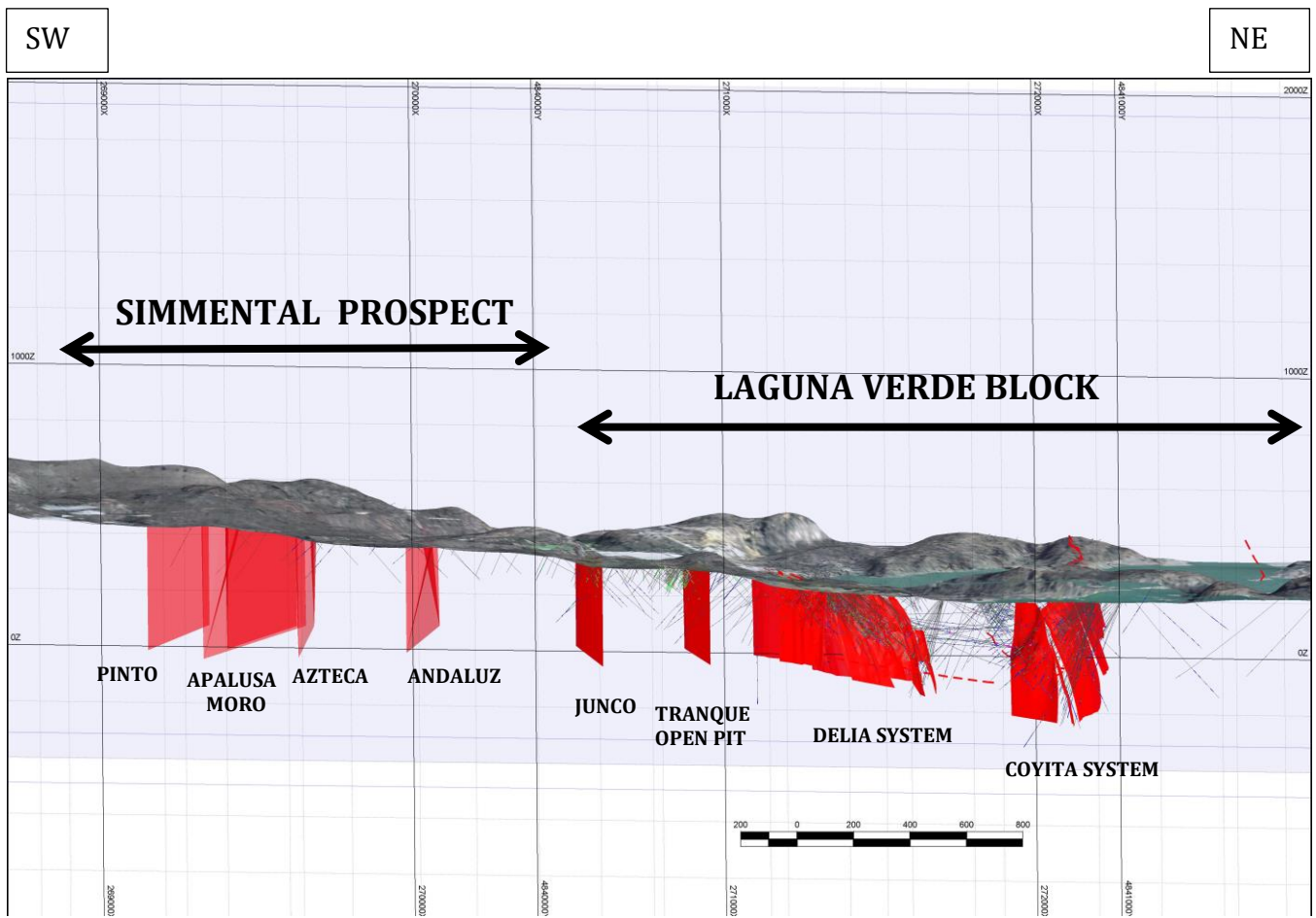
Figure 5. Simmental Prospect: (looking to the north) modelled three dimensional view of northwest trending Simmental Prospect and Laguna Verde vein deposits (red) and interpreted east-northeast, fault bounded host structural corridors (blue)



*AuEq₆₅ is the sum of the value of gold and silver in a given interval represented as a gold equivalent g/t value calculated via the formula:
Au assay in g/t + (silver assay in g/t ÷ 65)

Importantly, the target vein structures at the Simmental Prospect outcrop at an elevation averaging approximately 200m above that of the top of the subparallel principal veins, which were emplaced approximately 1.5km to the north-northeast at the Laguna Verde area, within the interpreted north-northeast fault controlled, host structural corridor (Figure 6). Based on the relative higher position of the outcropping veins at the Simmental Prospect, it is interpreted that they potentially represent the upper zonation levels of epithermal vein mineralization, below which potential for enhanced vein and precious metal deposition may exist.

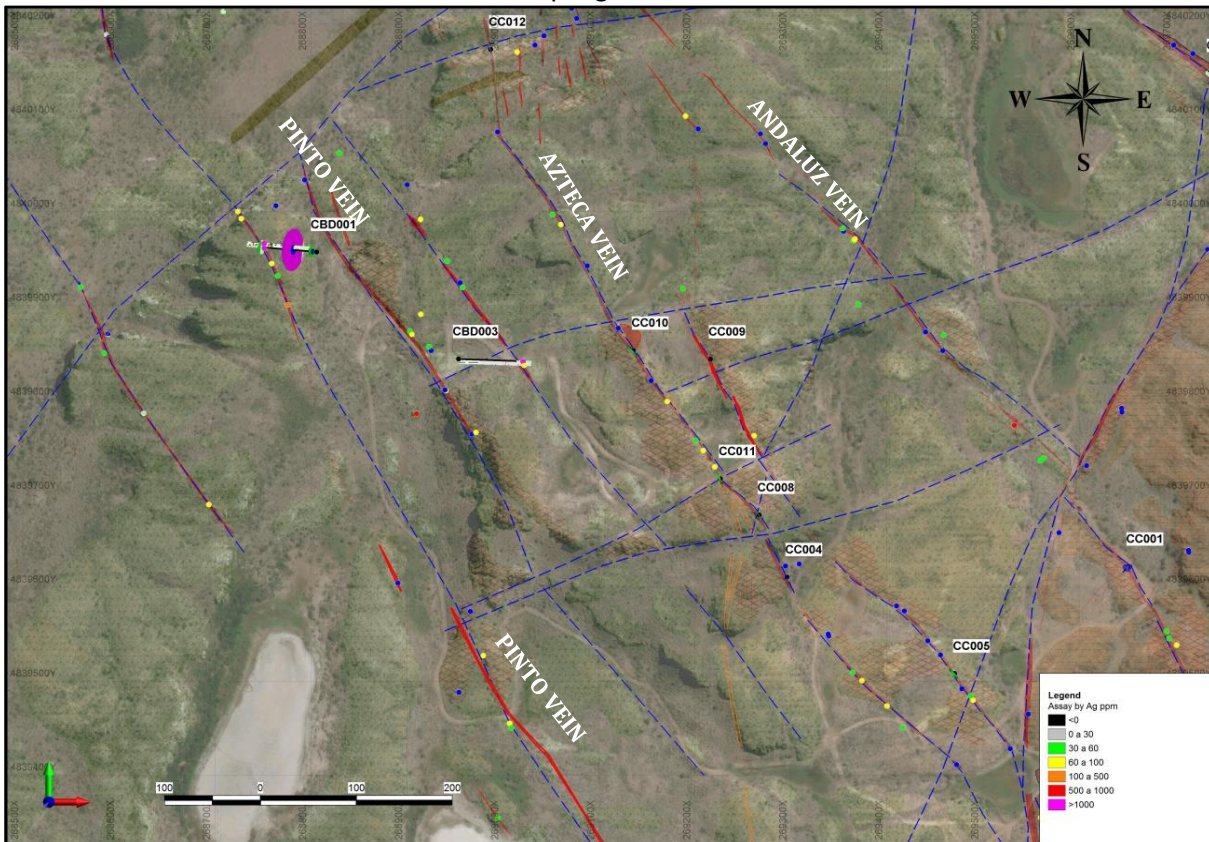
Figure 6. Simmental Prospect: (looking to the north) three dimensional view showing modelled northwest trending vein host structures and relative differences in elevation between Simmental Prospect and Laguna Verde vein deposits



Initial exploration drilling at the Simmental Target commenced in mid-December for which subsequent to the end of the December quarter to date, a total of 2 holes were drilled at the prospect (holes CBD001 and CDB003 totaling 194.75m) (ii) for which results were received subsequent to the end of the December quarter.

Of the two, broadly 200m spaced holes completed at the Pinto vein system (Figure 7), a high-grade Ag intercept was reported from a 0.3m wide high quartz vein from Hole CBD001 of 0.3m @ 0.79 g/t Au, 283 g/t Ag from 28.4-28.7m. This intercept occurs approximately 40m down dip below the previously reported high grade channel chip sample result of 221 g/t Au, 7,800 g/t Ag (i) and serves to show further potential for high grade mineralization to extend at depth and along strike, the latter of which has been mapped to extend over an approximate 1.2 km length. The other four principle vein structures at Simmental remain to be drill tested according to their priority within Equus's pipeline of targets throughout the Cerro Bayo district.

Figure 7. Simmental Prospect: Plan view showing drill locations at Pinto Vein target and Ag results from holes CBD001 and CBD003 and surface channel sampling.

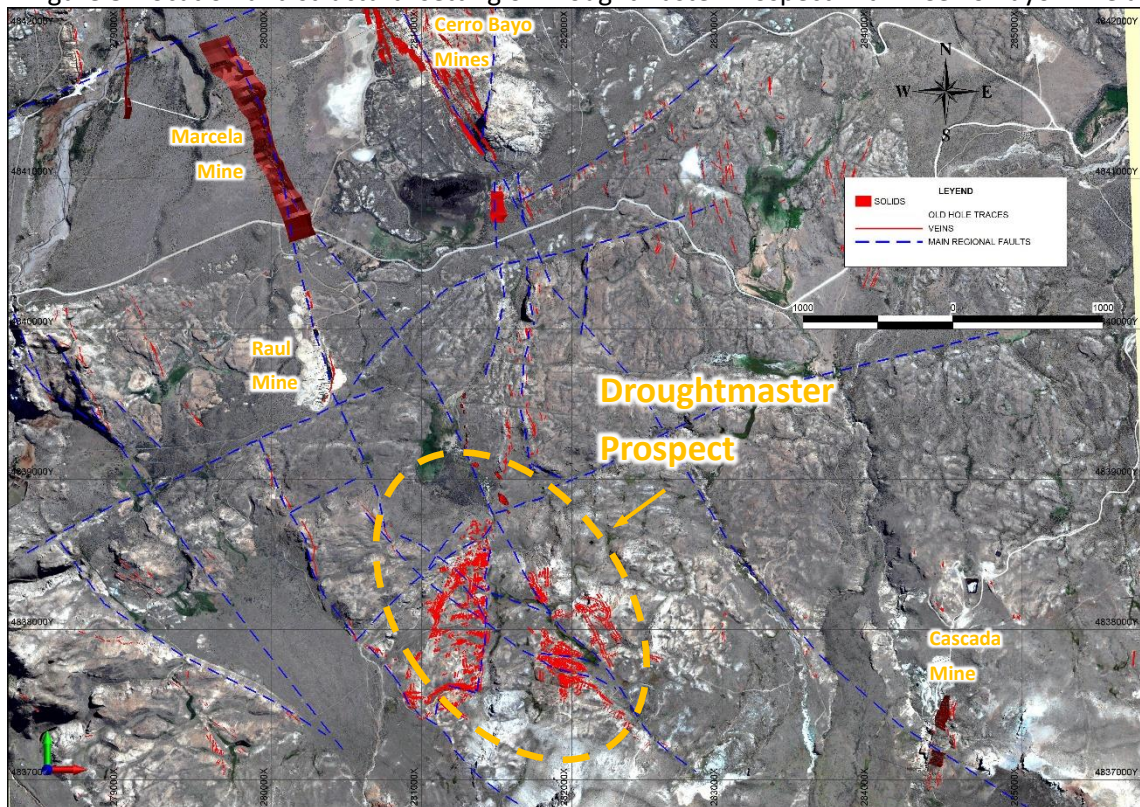


Droughtmaster Prospect-Exploration Results

The Droughtmaster Prospect represents a newly generated target located approximately 12km to the southeast of the processing plant infrastructure and importantly, 3 km due south of the significant historical producing Cerro Bayo mine area (Figure 8). The prospect area occupies a highly prospective structural setting along the northwest-southeast mineralised corridor that hosts the historic Marcela Mine, approximately 2.5km to the northwest, comprising the intersection of two major structures which feature:

- an early stage, district scale north-south trending zone of dilation hosting large scale vein emplacement (up to 10m wide) and rhyolitic doming mapped over a +2km strike length
- a later stage series of north-west to west-northwest trending horst-graben fault controlled veins and vein breccias which have a collective strike length of approximately 3km and widths between 0.5-20m.

Figure 8. Location and structural setting of Droughtmaster Prospect within Cerro Bayo mine area



Detailed mapping and a total of 111 continuous channel and 66 rockchip samples were taken predominantly pertaining to the second stage of veining along 4 main vein trends including Breton, Belga, Splay 1-3 and Percheron (Figure 9). From this sampling (ii), high grade sample results include:

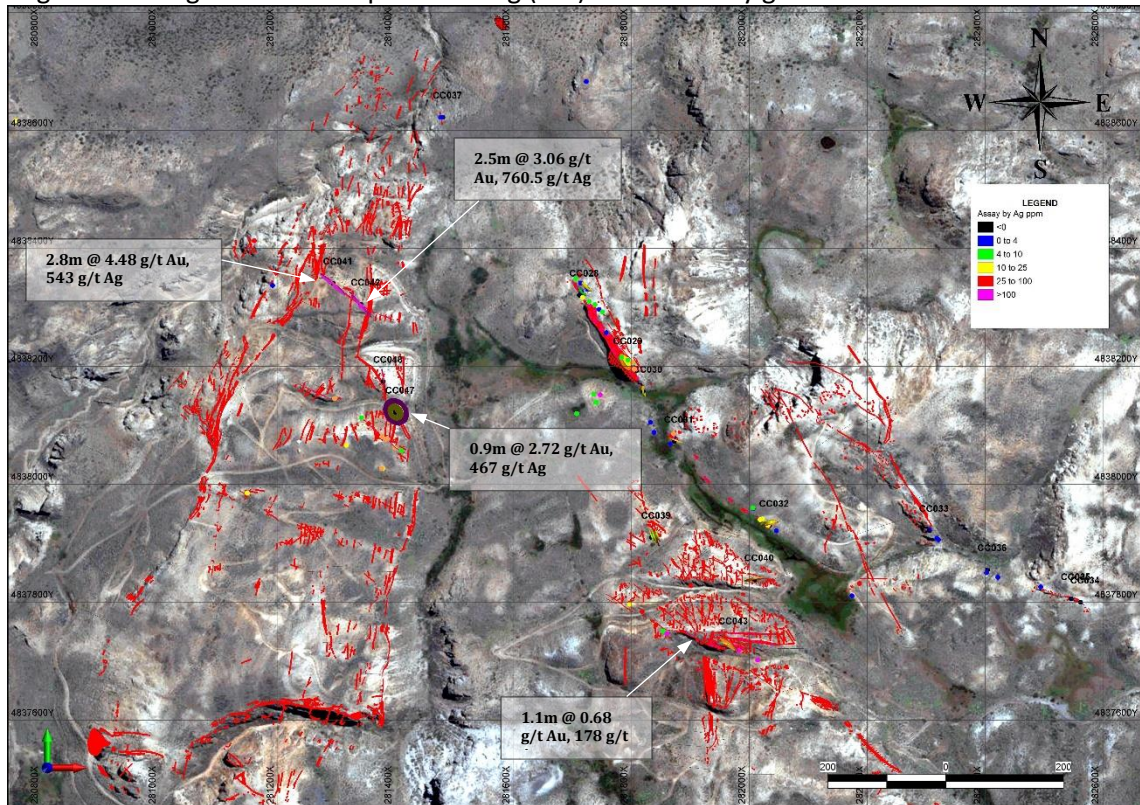
Breton Vein

- Composite Channel CC041: 2.8m @ 4.48 g/t Au, 543 g/t Ag
- Composite Channel CC042: 2.5m @ 3.06 g/t Au, 760.5 g/t Ag
- Selective sample 7326: 13.3 g/t Au, 1705 g/t Ag (taken over several 5cm wide sheeted veins over a 2m wide zone)

Belga Vein

- Composite Channel CC047: 0.9m @ 2.72 g/t Au, 467 g/t Ag
- Composite Channel CC048: 2m @ 1.97 g/t Au, 190.4 g/t Ag
- Channel sample 7495: 0.3m @ 0.7 g/t Au, 234 g/t Ag
- Composite Channel sample CC043: 1.1m @ 0.68 g/t Au, 178 g/t Ag
- Channel sample 7494: 1.5m @ 0.57 g/t Au, 234 g/t Ag
- Selective sample 7997: 2.38 g/t Au, 795 g/t Ag

Figure 9. Droughtmaster Prospect- veining (red) and summary geochemical results



A 1,800m maiden drill program is planned for the Droughtmaster Prospect during the March 2020 quarter which will focus on testing of the Breton, Splay 1-3, Percheron and Belga vein trends.

The Brahman, Droughtmaster and Simmental Prospect drill targets were generated during a relatively short period of field review and target definition throughout the Cerro Bayo Mine claim package since signing of the option agreement, and represent a limited proportion of targets that the Company has identified for field based revision. The Company is confident that continuing drill target generative work has the capacity to identify significant targets with potential for hosting significant new, additional gold and silver resources throughout the Cerro Bayo Mine claim package.

RESOURCE REVIEW

Equus is implementing a dual track strategy comprising continued advancement of greenfields exploration throughout the highly prospective Cerro Bayo mine lease in parallel with re-evaluating existing resource potential within close proximity to the Cerro Bayo processing plant.

Equus will focus initial resource evaluation efforts around a series of historically mined shallow open pits within the Taitao Mine area which are located within 1.2km of the Cerro Bayo plant. Equus is currently developing a 1st stage confirmatory drilling program to test some existing mineralised zones that occur in the immediate periphery of the historic shallow Taitao pits.

In addition, Equus has engaged an experienced external resource consultant to assist with assessing various internal Taitao mine development and expansion studies carried out by previous owners.

Based on Equus' early stage review, key features of the Taitao Mine area include:

- Significant peripheral and remnant gold and silver mineralization exists within the Taitao Mine area which is ideally located between 0.3 to 1.2km from the Cerro Bayo mineral processing infrastructure;
- Mineralization is characterized by a series of northwest trending subvertical to moderately easterly dipping banded veins, sheeted and stockwork veins and veinlets which overprint an earlier phase of north-south to north-northeast trending hydrothermal and tectonic breccias. The veining and brecciation is hosted in a large pervasively hydrothermally altered sequence of variably welded rhyolitic -dacitic tuff;
- The Taitao Mine area mineralization extends over a continuous strike length of approximate 1.2km and varies in width generally between 0.5 to 5m for individual veins and to up to 50m for stockwork-breccia style of mineralization;
- Locally in the northeastern portion of the Taitao Mine area (denominated as the Northeast Stockwork zone), stockwork vein mineralization attains approximately 260m in width;
- Topography data indicates that the Taitao open pits were generally mined to depths of 35-45m;
- The Taitao Mine area was principally mined between 1995 and 2000 as five (5) semi-contiguous shallow open pits (Taitao, Porvenir, Breccia, OO, NE);
- During 1995 to 2000, USD gold and silver price averaged USD \$325/oz, and USD \$5.2/oz respectively;
- A large database of approximately 60,000m of surface and underground exploration tunnel-based drilling and channel sampling was compiled from the Taitao Mine area by Coeur Mining (the Cerro Bayo mine's original owner) between 1993-2003;
- During 2003-2006, Coeur Mining conducted several internal open pit expansion scoping studies on the Taitao Mine area;
- Mine production from the Taitao Mine area ceased in November 2000 due to the temporary suspension of processing operations (which extended to April 2002);
- No further significant mine production has occurred from the Taitao Mine area beyond November 2000;
- During the period of renewed operations by Coeur Mining between 2002-2008, mining was principally focused on newly discovered high-grade underground resources approximately 11km to the east of the plant in the Cerro Bayo area;
- Based on the historical data it is considered by Equus that significant potential remains for additional resources beneath and along strike of the existing mined areas.

Based on the historic data and particularly enhanced by the current metals prices, the directors of Equus are excited about the potential of the Taitao mine area and advancing confirmational drilling and near-term resource related studies, in parallel with drill testing of a pipeline of newly generated, highly prospective greenfield targets.



Corporate Update

Damien Koerber, the company's Chief Operating Officer, was appointed to the board at the Annual General Meeting on the 27th November 2019.

Los Domos Project

Additional studies required by the relevant authorities for completion of the Environmental Impact Report (DIA), were finalised in the December quarter for which submission is planned during the March 2020 quarter.

Corporate

During the quarter ended 30 December 2019 Equus invested a total of \$341,000 in exploration.

This announcement has been approved by the Managing Director John Braham.

For further information, please contact:

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Managing Director

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pjn10251

COMPETENT PERSON'S STATEMENT:

The information in this report that relates to Exploration Results for the Cerro Bayo & Los Domos Gold-Silver project is based on information compiled by Damien Koerber. Mr Koerber is a fulltime employee 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 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.

(i) All the material assumptions underpinning exploration results for sample numbers 7080 to 7100, 7176-7325, 7826-7949 are outlined in Appendix 1 in the initial public report titled Drilling to Commence at Cerro Bayo Mine District Exploration Targets (see ASX release dated 18 November 2019) and continue to apply and have not materially changed.

(ii) All the material assumptions underpinning exploration results are outlined in Appendix 1 and Table 1 in the initial public report titled Positive Drilling and Surface Exploration Results and Resource Review Update at Cerro Bayo Mine District (see ASX release dated 30 January 2020) and continue to apply and have not materially changed.

Table 1. Tenement Information

Project	Tenement as at 30 September 2019	Tenements added during the quarter	Tenements disposed during the quarter	Tenement as at 30 December 2019	% interest	Type of Tenement
Los Domos	Electrum 3A 1-24			Electrum 3A 1-24	100	Mining Concession ¹
	Electrum 4A 1-26			Electrum 4A 1-26	100	Mining Concession ¹
	Electrum 5A 1-42			Electrum 5A 1-42	100	Mining Concession ¹
	Electrum 6A			Electrum 6A	100	Exploration ²
	Electrum 6A 1-32			Electrum 6A 1-32	100	Mining Concession ²
	Electrum 7A			Electrum 7A	100	Exploration ²
	Electrum 7A 1-44			Electrum 7A 1-44	100	Mining Concession ²
	Electrum 8			Electrum 8	100	Exploration
	Electrum 10			Electrum 10	100	Exploration
	Electrum 11			Electrum 11	100	Exploration
	Pedregoso I 1-30			Pedregoso I 1-30	Note 3	Mining Concession
	Pedregoso VII 1-30			Pedregoso VII 1-30	Note 3	Mining Concession
	Honda 20 1-20			Honda 20 1-20	Note 3	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) Key portions of the original Electrum exploration claims have been converted to Mining claims
- 2) Key portions of the original Electrum exploration claims have been converted to Mining claims and adjacent portions have been conserved with extended tenure of the original exploration claims via a reduction in their respective area
- 3) The Company incorporated effective 12 August 2019 a joint venture company titled Equus Patagonia SpA with Patagonia Gold SCM, the Chilean subsidiary of Patagonia Gold Corp (TSXV: PGDC). This entity incorporates the Company's 75% interest in mining concessions owned by Patagonia Gold SCM, which form part of the Los Domos Project. Southern Gold SpA can acquire a further 20% interest in the Mining Concessions via sole funding exploration through the Equus Patagonia SpA joint venture company at which point Patagonia Gold SCM has the right to retain a 5% free carried interest or convert its equity into a 1.5% NSR.