

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 30 JUNE 2020

Equus Mining Limited ('Equus' or 'Company') (**ASX: EQE**) is pleased to provide an update on its activities for the June 2020 Quarter. The Company's focus during the reporting period continued to comprise Greenfields exploration and Brownfields resource confirmatory drilling at the Cerro Bayo gold-silver project, located in Chile.

HIGHLIGHTS FOR THE JUNE 2020 QUARTER

- ▶ Standout results from greenfields Diamond Drilling (DD) at the Droughtmaster Prospect with 9-holes (totaling 2,044m) returning an intersection of **3.81m at 20.4 g/t gold and 55.5 g/t silver from 109m**, including **1.06m at 62.58 g/t gold and 129.3 g/t silver from 112m**¹.
- ▶ Significant progress was made at the Taitao Pit area with confirmatory resource evaluation drilling confirming shallow and broad mineralized zones, potentially suitable for an 'open-pittable' production scenario.
- ▶ The Company completed 1,385m of DD drilling at NE and Central Taitao, with better results both reported during and post reporting period including^{2,3}:
 - ▶ Hole CBD025: **19.0m at 1.26 g/t gold and 10.0 g/t silver from 68.5m**, including **9.6m at 1.93 g/t gold and 12.3 g/t silver from 77.92m**
 - ▶ Hole CBD026: **12.5m at 1.45 g/t gold, 30.9 g/t silver from 36.8m**
 - ▶ Hole CBD030: **0.7m at 23.2 g/t gold and 111.0 g/t silver from 15.9 metres**
 - ▶ Hole CBD034: **28.6m at 1.14 g/t gold and 8.6 g/t silver from 48 metres** including **7.65m at 2.27g/t gold and 10.67 g/t silver from 56.9 metres**;
 - ▶ **4.2m at 1.47 g/t gold and 15.3 g/t silver from 35.65 metres**
 - ▶ A review of historical drilling results^{4,5} from NE and Central Taitao also identified substantial wide, well mineralized zones beneath the current pit floor, to support the results from the confirmatory Equus drill drilling, including:

NE TAITAO

- ▶ **19m at 4.4 g/t gold and 27.4 g/t silver**
- ▶ **1m at 3.5 g/t gold and 17.2 g/t silver**
- ▶ **10m at 2.6 g/t gold and 9.3 g/t silver**
- ▶ **23m at 1.7 g/t gold and 8.8 g/t silver**
- ▶ **16m at 1.6 g/t gold and 14.1 g/t silver**
- ▶ **9m at 1.6 g/t gold and 15.0 g/t silver**

¹ ASX Announcement: STANDOUT INTERSECTION BOLSTERS DROUGHT MASTER POTENTIAL
<https://wsecure.weblink.com.au/pdf/EQE/02238028.pdf>

² ASX Announcement: BROAD ZONES OF SHALLOW GOLD-SILVER MINERALISATION CONFIRMED BENEATH TAITAO PITAT CERRO BAYO
<https://wsecure.weblink.com.au/pdf/EQE/02247975.pdf>

³ ASX Announcement: DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT
<https://wsecure.weblink.com.au/pdf/EQE/02256113.pdf>

⁴ ASX Announcement: DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT
<https://wsecure.weblink.com.au/pdf/EQE/02256113.pdf>

⁵ Details regarding the reporting of the historical results can be found on page 9 of the announcement dated 17th July 2020

CENTRAL TAITAO

- ▶ 16m at 2.5 g/t gold and 104.3 g/t silver
 - ▶ 3.0m at 3.3 g/t gold and 288.0 g/t silver
 - ▶ 6.4m at 1.2 g/t gold and 382.9 g/t silver
 - ▶ 14m at 0.9 g/t gold and 10.5 g/t silver
 - ▶ 5.1m at 3.1 g/t gold and 65.0 g/t silver
 - ▶ 2.5m at 2.4 g/t gold and 70.0 g/t silver
 - ▶ 4.9m at 2.2 g/t gold and 35.9 g/t silver
- ▶ The Taitao Pit was historically mined from 1995 to mid-2000 with an average gold price circa US\$300/oz and silver US\$5/oz⁶. The current gold price at circa US\$1,900/oz (+630%) and silver US\$24/oz (+480%), paired with its proximity to a turn key flotation plant and infrastructure coupled with potential operational efficiencies, highlights the compelling opportunity for Equus to become a profitable near-term gold and silver producer.

CORPORATE

- ▶ Post reporting period, the Company completed a AUD\$3.5 million institutional placement, with cornerstone investments made by Palisades Goldcorp Ltd. (AUD\$1.0 million) and Tribeca Investment Partners Pty. Ltd. (AUD\$1.0 million)⁷.
- ▶ Importantly, Equus has granted Tribeca Global Resources Credit Pty Ltd a right of first refusal to provide Equus with up to US\$20 million of debt funding towards restarting production at the Cerro Bayo Project over the next 24 months.
- ▶ Post reporting period, the Company announced that Mandalay Resources planned to commence processing of low-grade stockpiles in early Q4 2020 at an initial rate of 40Kt per month⁸.
- ▶ The results of this processing campaign will provide Equus with valuable insight on the plant in operation and its potential profitability, with valuable additional confirmatory data to be included in the re-start study, particularly in light of the Company being able to execute its option to acquire the whole project at anytime within the option period.

RELATED PARTY EXPENDITURE

- ▶ During the June quarter, the aggregate amount of payment to related parties and their associates totalled \$125,212. All of this was payments to Directors or Director related entities for Directors' consulting fees.

⁶ Kitco Historical Gold Price Chart 1995-2020

⁷ ASX Announcement: Completion of Institutional Placement

<https://wcsecure.weblink.com.au/pdf/EQE/02256622.pdf>

⁸ ASX Announcement: DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT

<https://wcsecure.weblink.com.au/pdf/EQE/02256113.pdf>

SEPTEMBER - DECEMBER 2020 QUARTER WORK PROGRAMS

- ▶ Further drill target definition is underway with a further minimum of 2,500m of DD drilling planned during Q3-Q4 at near mine targets.
- ▶ Greenfields drill target definition is underway with a provisional minimum of 2,500m of follow-up drilling including that at the Percheron and Frison vein targets during Q3-Q4.
- ▶ The JORC compliant Resource Estimation on the Taitao Pit is scheduled to be completed by end Q3 2020.
- ▶ Resource evaluation to form basis of a restart study expected to be completed by end Q4 2020.

For further information please contact:

John Braham

Managing Director

T: +61 400 852 245

E: jbraham@equusmining.com

EQUUS MINING - PROJECTS AND INTERESTS

Equus Mining (ASX:EQE) is a Sydney-based precious metals exploration Company for which it's Flagship Cerro Bayo Project is held under a 3-year option to acquire 100% of all the Project's mining properties, resources and mine infrastructure from Mandalay Resources Corporation⁹.

The project contains an existing 1,500 tpd processing plant through which historical production of 645Koz Gold and 45Moz Silver¹⁰ was achieved up until the mine's temporary closure in mid-2017. The Cerro Bayo Project is located central to the approximate 350km² of prospective gold-silver claim holdings held by the company (Figure 2).

Equus has a dual-track development strategy comprising continued advancement of Greenfields and Brownfields exploration in parallel with re-evaluation of existing resource potential within close proximity of the Cerro Bayo processing plant.

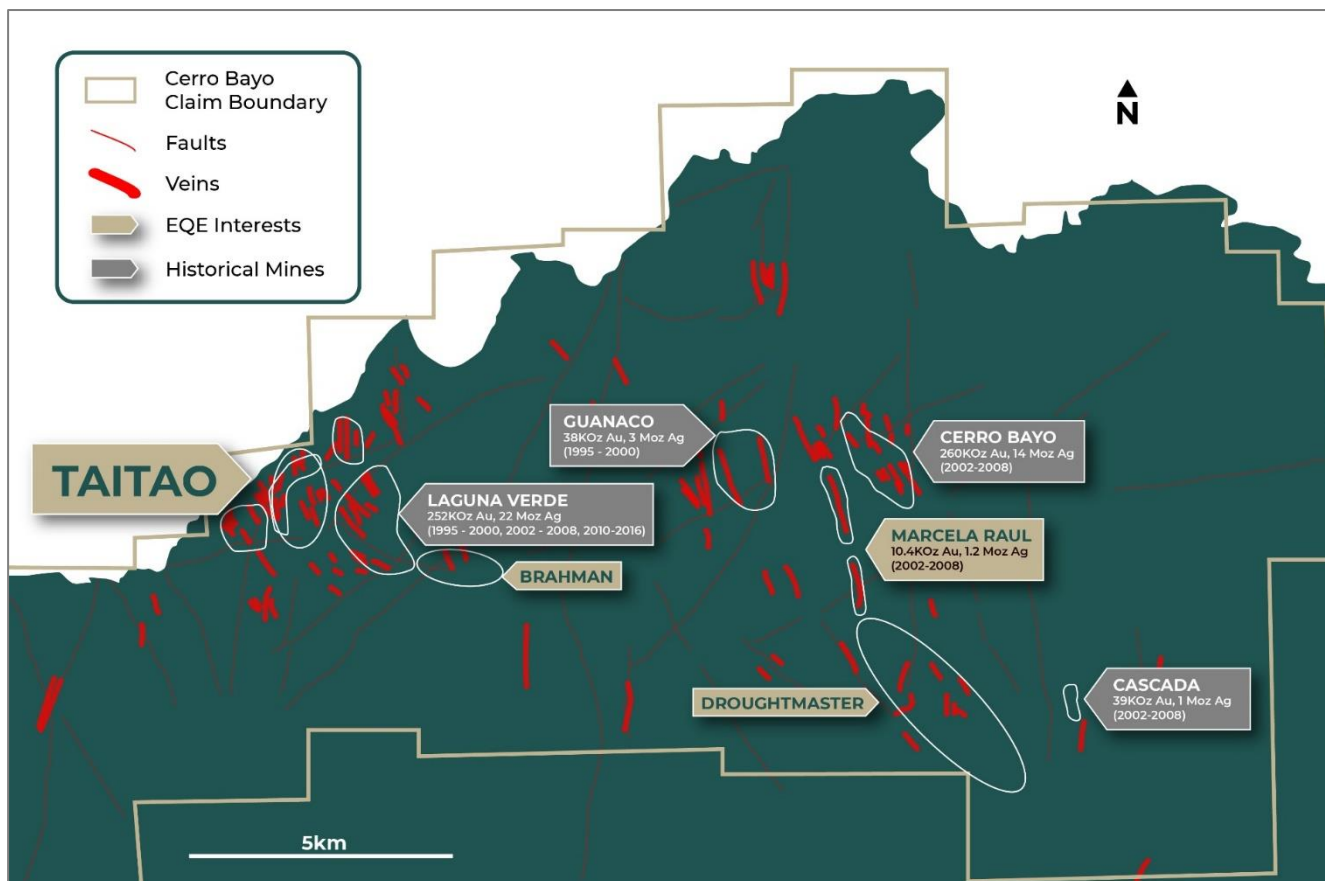


Figure 1 - Equus Mining's Flagship Cerro Bayo Mine Project, including infrastructure and other projects

DROUGHTMASTER PROSPECT (GREENFIELDS TARGET)

The Droughtmaster Prospect was identified by Equus as a high priority greenfields drill target hosting widespread epithermal veining located 12km from the Cerro Bayo processing facility.

Prior to drill testing, the Company completed mapping and channel and rock-chip sampling throughout the prospect which reported high-grade surface channel geochemical results including 2.8m @ 4.48 g/t gold, 543

⁹ ASX Announcement - 8 October 2019 Equus Executes Option to Acquire Mandalay Resources Corporation's Cerro Bayo Mining Project <https://wsecure.weblink.com.au/pdf/EQE/02156517.pdf>

¹⁰ Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010. & March 21, 2017 Report #2699

g/t silver¹¹. The initial field work assisted in identifying the Breton, Belga, Splay 1-3 and Percheron vein trends which were tested in the maiden drill program. Highly encouraging shallow and high-grade results were announced from the initial 9-hole (totalling 2,044m) DD drilling program including standout results from the Percheron Vein structure of:

- ▶ Hole CBD020:
 - ▶ **3.81m at 20.4 g/t gold and 55.5 g/t silver** from 109m, **including 1.06m at 62.58 g/t gold and 129.3 g/t silver** from 112m (Figure 2).
- ▶ Hole CBD016:
 - ▶ **0.64m @ 1.44 g/t gold, 240.0 g/t silver** from 68.10m
 - ▶ **0.62m @ 17.28 g/t gold, 271.0 g/t silver** from 73.5m
 - ▶ **1.01m @ 5.32 g/t gold, 43.1 g/t silver** from 96.57m

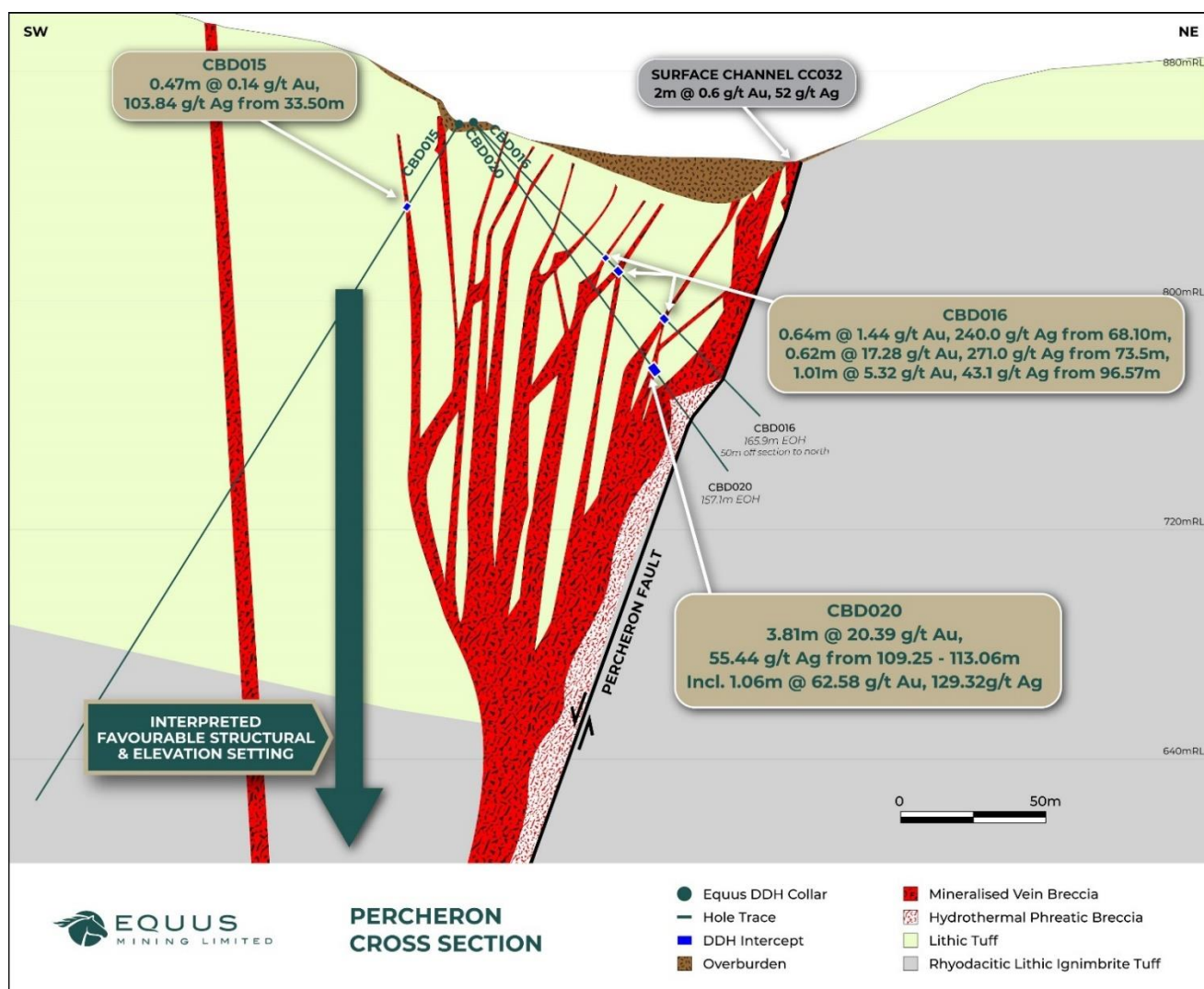


Figure 2 - Droughtmaster Prospect Geological Cross Section for Drill-hole CBD020

¹¹ ASX Announcement - POSITIVE DRILLING AND SURFACE EXPLORATION RESULTS AND RESOURCE REVIEW UPDATE AT CERRO BAYO MINE DISTRICT
<https://wsecure.weblink.com.au/pdf/EQE/02196888.pdf>

The host fault corridor trend extends approximately 2.5km to the northwest towards the historic Marcela Mine (Remaining 43.101 compliant Measured and Indicated Resources of 21.8Koz gold at 2.53 g/t gold and 2.74 Moz silver at 318 g/t silver¹²).

Results to date are interpreted to relate to the upper portions of a wide, large-scale epithermal system throughout which good potential exists for discovery of high-grade mineralisation in deeper prospective levels along this fault trend. Greenfields drill target definition is underway with a provisional second phase of 2,500m follow-up drilling planned at the Percheron and Frison vein targets.

TAITAO PIT

During the period, the company completed a confirmatory diamond drilling program (totalling 1,385m) at NE and Central Taitao. Drilling was undertaken to confirm historical drill data used for the historic resource modelling and will be incorporated to produce a JORC 2012 compliant Resource by the end of Q3 2020. The Resource evaluation will form the basis of a re-start study expected to be completed by the end Q4 2020. The re-start study will initially focus on resources beneath the Taitao Pit and the Marcela Mine areas.

Results from the drilling confirmed shallow and broad mineralized zones, potentially suitable for an 'open-pit' production scenario. Better results included:

- ▶ Hole CBD025: **19.0m at 1.26 g/t gold and 10.0 g/t silver from 68.5m**, including **9.6m at 1.93 g/t gold and 12.3 g/t silver from 77.92m**
- ▶ Hole CBD026: **12.5m at 1.45 g/t gold, 30.9 g/t silver from 36.8m**
- ▶ Hole CBD030: **0.7m at 23.2 g/t gold and 111.0 g/t silver from 15.9 metres**
- ▶ Hole CBD034: **28.6m at 1.14 g/t gold and 8.6 g/t silver from 48 metres** including **7.65m at 2.27 g/t gold and 10.67 g/t silver from 56.9 metres;**
 - ▶ **4.2m at 1.47 g/t gold and 15.3 g/t silver from 35.65 metres**

A review of historical drilling data from NE Taitao (Figure 3) identified substantial wide and well mineralised zones beneath the current pit floor, to support the results from CDB025, including:

- ▶ **19m at 4.4 g/t gold and 27.4 g/t silver**
- ▶ **11m at 3.5 g/t gold and 17.2 g/t silver**
- ▶ **10m at 2.6 g/t gold and 9.3 g/t silver**
- ▶ **23m at 1.7 g/t gold and 8.8 g/t silver**
- ▶ **16m at 1.6 g/t gold and 14.1 g/t silver**
- ▶ **9m at 1.6 g/t gold and 15.0 g/t silver**

¹² Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010. & March 21, 2017 Report #2699

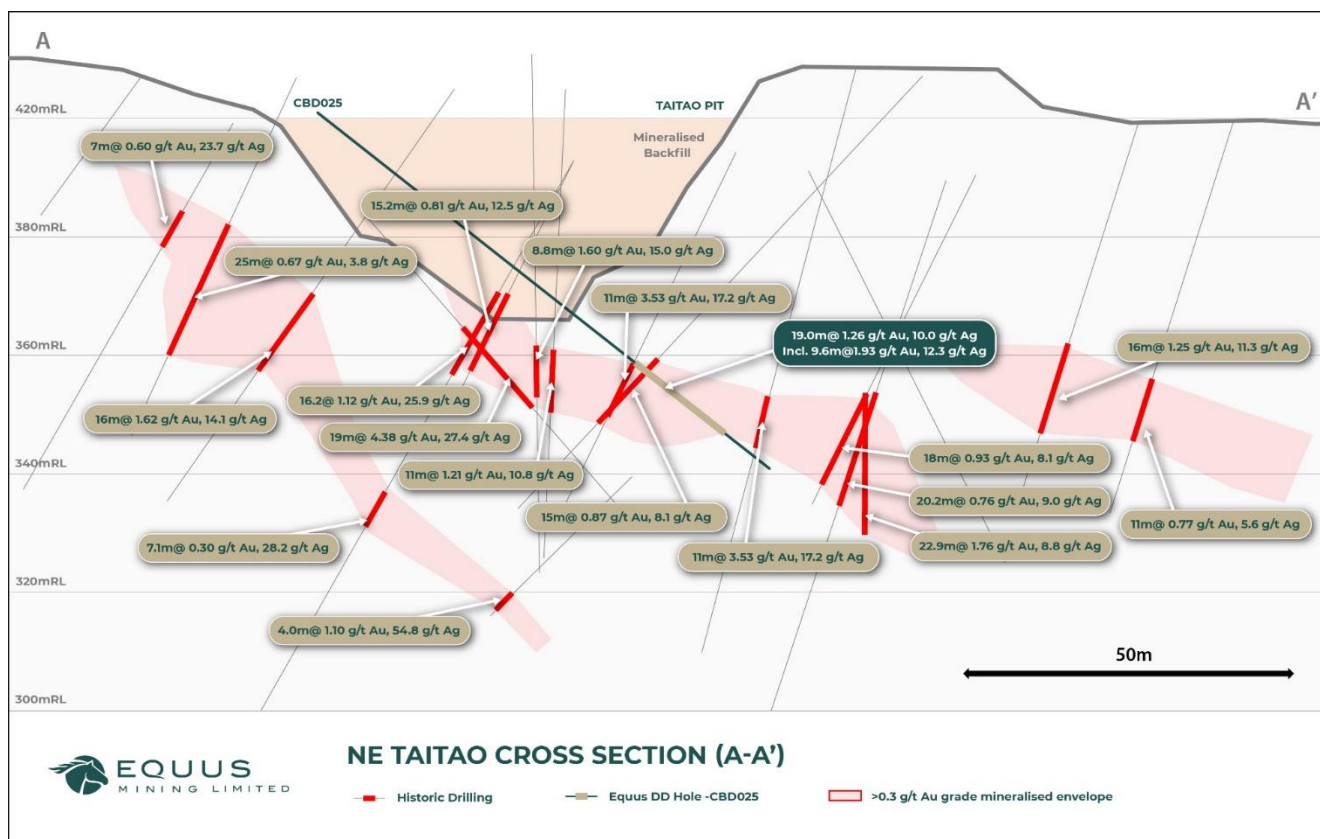


Figure 3 – NE Taitao Equus drill results from DD hole CBD025 overlain historical results

The review of historical drilling data from Central Taitao (Figure 4) identified multiple mineralized zones beneath the pit floor, characterised by high-grade silver intersections, with better historic results including:

- ▶ 16m at 2.5 g/t gold and 104.3 g/t silver
- ▶ 3.0m at 3.3 g/t gold and 288.0 g/t silver
- ▶ 6.4m at 1.2 g/t gold and 382.9 g/t silver
- ▶ 14m at 0.9 g/t gold and 10.5 g/t silver
- ▶ 5.1m at 3.1 g/t gold and 65.0 g/t silver
- ▶ 2.5m at 2.4 g/t gold and 70.0 g/t silver
- ▶ 4.9m at 2.2 g/t gold and 35.9 g/t silver

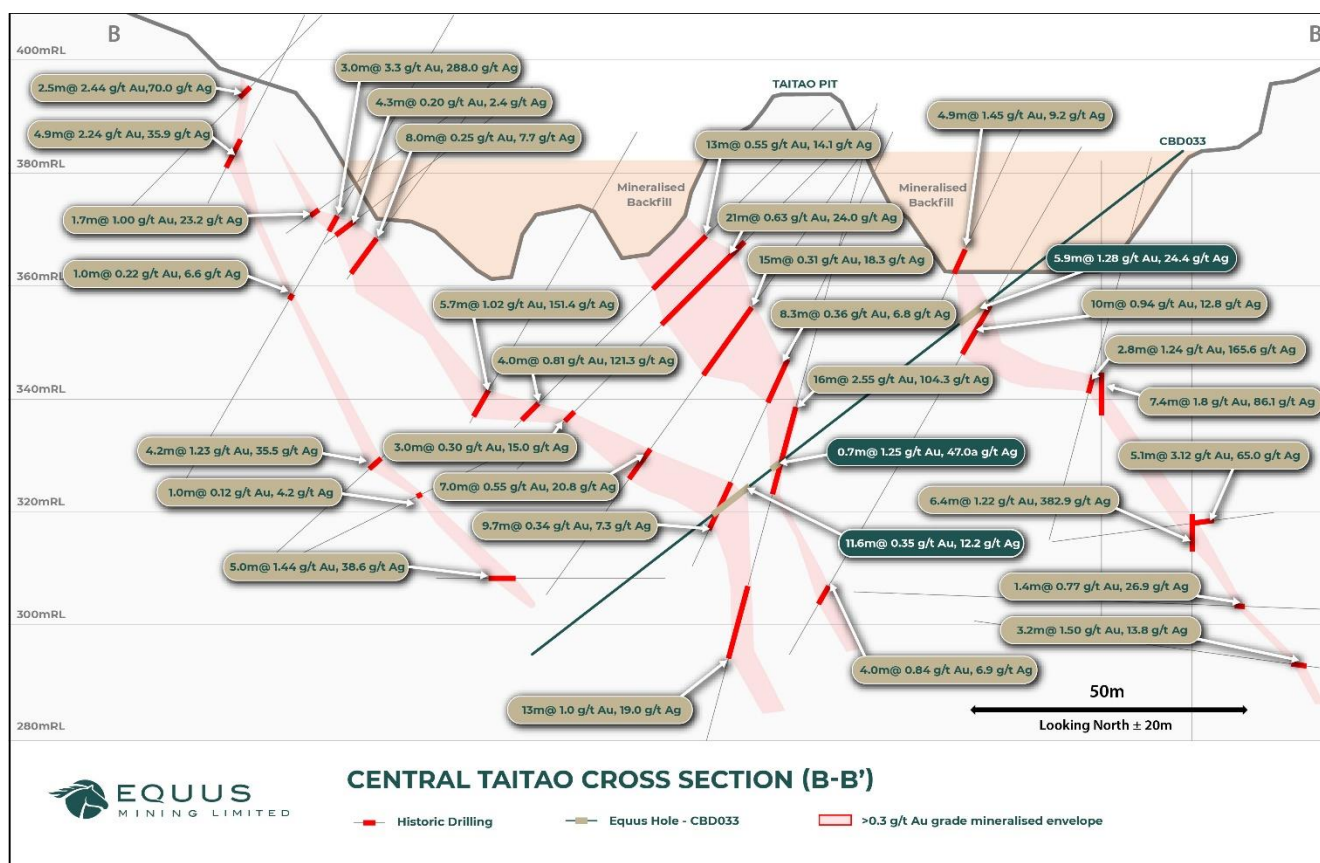


Figure 4 – Equus drill results from DD hole CBD033 overlain historical results

Importantly, Mandalay Resources (TSX:MND, OTCQB: MNDJF) is planning to re-commence processing of low-grade stockpiles in early Q4 2020 at an initial rate of 40Kt per month. Equus has an option with Mandalay Resources to acquire all the Cerro Bayo mining properties, resources and mine infrastructure, including the 1,500tpd Cerro Bayo processing plant at any time within the option period. The results of this processing campaign will provide Equus with valuable insight on the plant in operation and its potential profitability, with valuable additional confirmatory data to be included in the re-start study.

Post reporting period, the company announced that it had granted Tribeca Global Resources Credit Pty Ltd a right of first refusal to provide Equus with up to US\$20 million of debt funding over the next 24 months to restart production at the Cerro Bayo Project.

With a potential mine restart by Mandalay confirmed and the Company granting Tribeca Global Resources Credit Pty Ltd a right of first refusal to provide Equus with up to US\$20 million of debt funding to restart production at the Cerro Bayo Project over the next 24 months¹³, the results from the subsequent two quarters will be an important stepping stone to becoming a potential near-term gold-silver producer.

RELATED PARTY EXPEDITURES

During the June quarter, the aggregate amount of payment to related parties and their associates totalled \$125,212, all of this was payments to Directors or Director related entities for Directors consulting fees.

¹³ ASX Announcemnt - Completion of Institutional Placement
<https://wcsecure.weblink.com.au/pdf/EQE/02256622.pdf>

2020 JUNE QUARTER - ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

25-Jun	Cerro Bayo Project update
25-May	Standout Intersection Bolsters Droughtmaster Potential
16-Apr	Cerro Bayo Exploration update

These announcements are available for viewing on the Company's website www.equusmining.com/ under the Investors tab.

TABLE 1. TENEMENT STATUS – JUNE QUARTER 2020

Project	Tenement as at 30 March 2020	Tenements added during the quarter	Tenements disposed during the quarter	Tenement as at 30 June 2020	% interest	Type of Tenement
Los Domos	Electrum 3A 1-24			Electrum 3A 1-24	100	Mining Concession
	Electrum 4A 1-26			Electrum 4A 1-26	100	Mining Concession
	Electrum 5A 1-42			Electrum 5A 1-42	100	Mining Concession
	Electrum 6A			Electrum 6A	100	Exploration
	Electrum 6A 1-32			Electrum 6A 1-32	100	Mining Concession
	Electrum 7A			Electrum 7A	100	Exploration
	Electrum 7A 1-44			Electrum 7A 1-44	100	Mining Concession
	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 1	Mining Concession
	Pedregoso VII 1-			Pedregoso VII 1-30	Note 1	Mining Concession
		Honda 20 1-20			Honda 20 1-20	Note 1
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

Notes to Table 1: 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.

- END -

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

For further information please contact:



John Braham

Managing Director

T: +61 400 852 245

E: jbraham@equusmining.com

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COMPETENT PERSON'S STATEMENT:

The information in this report that relates to Exploration Results for the Cerro Bayo 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.