

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 30 SEPTEMBER 2020

Equus Mining Limited ('Equus' or 'Company') (**ASX: EQE**) is pleased to provide an update on its activities for the September 2020 Quarter. The Company's focus for the reporting period was the advancement of the Cerro Bayo gold-silver project, located in Chile.

HIGHLIGHTS FOR THE SEPTEMBER 2020 QUARTER

Taitao Pit Resource Estimation

- ▶ Results received from an 11-hole (1,385m) program of resource confirmatory drilling beneath the Taitao Pit, which intersected shallow and broad mineralised zones, potentially amenable to an 'open-pittable' production scenario. Significant intersections included¹:
 - ▶ Hole CBD034: **28.6m at 1.14 g/t gold** and **8.6 g/t silver** from 48m
 - ▶ Hole CBD030: **0.7m at 23.2 g/t gold** and **111.0 g/t silver** from 15.9m
 - ▶ Hole CBD033: **5.9m at 1.28 g/t gold** and **24.4 g/t silver** from 50.34m
- ▶ Historical drill data from both NE Taitao and Central Taitao support recent drilling results, with significant historical drill intersections including:
 - ▶ **37.35m at 2.09 g/t gold** and **9.58 g/t silver** from 38.71m, including **13.6m at 3.96 g/t gold** and **14.18 g/t silver** from 55.4m,
- ▶ Taitao Pit Resource Estimation & Mine Restart Study is progressing well with significant potential for additional resources beneath and along strike of the existing mined areas (historical production of ~45Moz of silver & ~0.65Moz of gold between 1995-2017²)
- ▶ Mandalay Resources is reviewing the option to commence processing of low-grade stockpiles in early 2021 at an initial rate of 40,000 tonnes per month.

Pegaso Brownfield Targets

- ▶ Planned 25-hole (5,500m) Diamond Drilling program to test Pegaso brownfields targets based on mapping, geochemical sampling and review of historical drilling undertaken by Coeur d'Alene Mines Corporation (now Coeur Mining) and Mandalay Resources.
- ▶ Historic drilling intercepts for follow-up from the Pegaso Target areas include³:
 - ▶ CGH165: **5.05m at 19.45 g/t gold and 302.69 g/t silver** from 88m
 - ▶ DCO015: **1.4m @ 5.23 g/t gold, 597.9 g/t silver** from 130m

¹ASX Announcement - DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT
<https://wsecure.weblink.com.au/pdf/EQE/02256113.pdf>

²Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010 & March 21, 2017 Report #2699

³ASX Announcement - REVIEW OF HISTORICAL DRILLING GENERATES NEW GOLD-SILVER BROWNFIELDS TARGETS AT CERRO BAYO
<https://wsecure.weblink.com.au/pdf/EQE/02266302.pdf>

- ▶ Detailed mapping and geochemical sampling totalling 112 samples across the Pegaso II, Pegaso III, and Pegaso IV Targets, to assist in target definition for the drill program returned a peak value of 17.8 g/t gold and 4,350 g/t silver (84.7 g/t Au equivalent)⁴.

Droughtmaster Prospect

- ▶ Stage 2 diamond drilling program commenced with encouraging initial results received post September quarter end which are supportive of a strong gold-silver mineralised epithermal vein system at the Droughtmaster Prospect, including:
 - ▶ Hole CBD037:
 - **2.05m @ 2.36 g/t gold, 151.4 g/t silver** from 56.40m, including **0.42m @ 9.86 g/t gold, 469.0 g/t silver** from 58.03m
 - **0.20m @ 3.83 g/t gold, 93.50 g/t silver** from 65.13m
 - **0.24m @ 7.84 g/t gold, 73.0 g/t silver** from 66.70m
 - **0.21m @ 13.10 g/t gold, 566.0 g/t silver** from 81.6m
- ▶ Further drilling will vector in on potentially wider high-grade mineralised portions of the system with a further 4 holes at Droughtmaster still pending assays to test down dip and along strike from the previously drilled hole CDB020 (**3.81m @ 20.4 g/t gold, 55.5 g/t silver** from 109m)⁵.

⁴ASX Announcement - SAMPLING DELIVERS FURTHER HIGH GRADE SILVER RESULTS FROM PEGASO TARGETS
<https://wsecure.weblink.com.au/pdf/EQE/02279829.pdf>

⁵Further Shallow High-Grade Gold-Silver Results from Droughtmaster And Project Update
<https://wsecure.weblink.com.au/pdf/EQE/02298655.pdf>

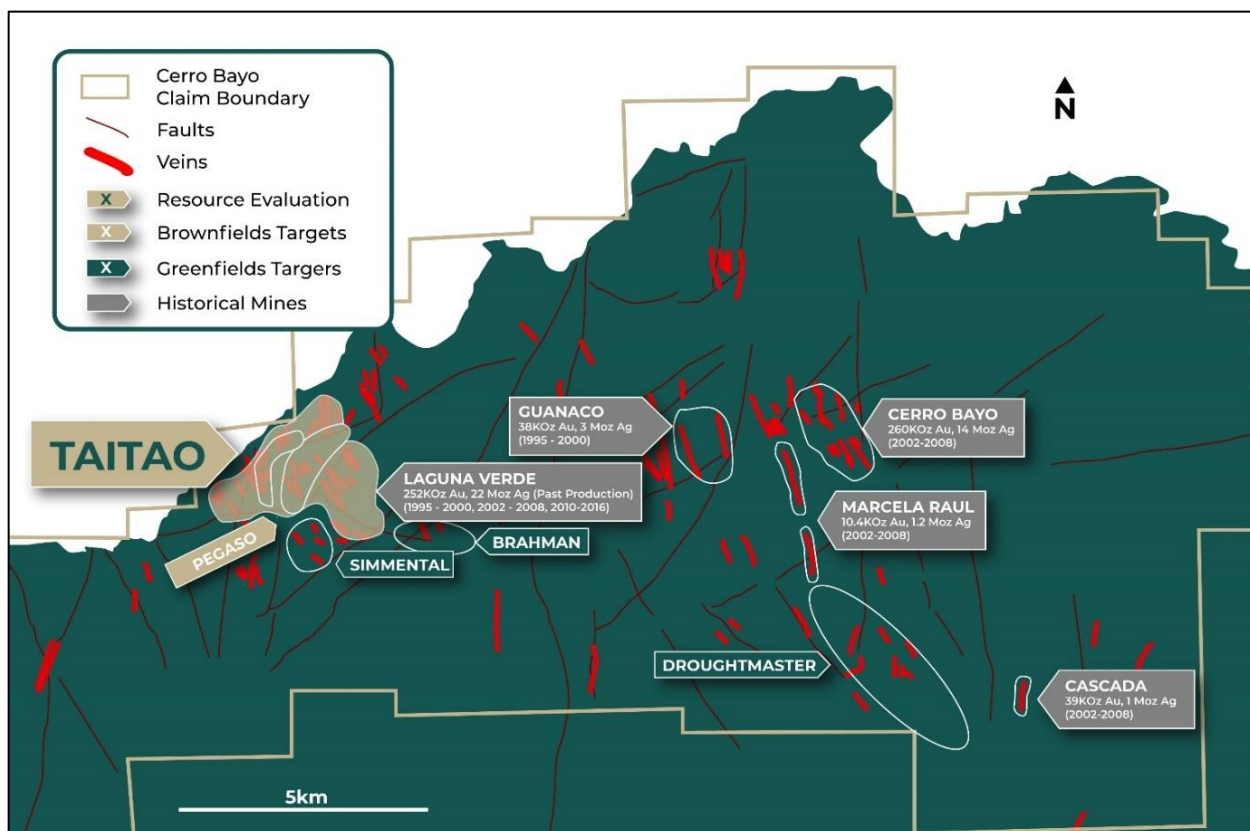


Figure 1 - Equus Mining's Flagship Cerro Bayo Mine Project, including infrastructure, historic mines and interpreted geological structures

CORPORATE

- ▶ Mandalay Resources is reviewing the option to commence processing of low-grade stockpiles in early 2021 at an initial rate of 40,000 tonnes per month⁶. Results from their processing campaign will provide valuable additional confirmatory data that will be included in the re-start study.
- ▶ During the quarter the Company completed an equity raising of \$3.5 million before costs with significant support from Palisades Goldcorp Ltd. and Tribeca Investment Partners Pty Ltd. Additionally, the Company 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 to restart production at the Cerro Bayo Project over the next 24 months.
- ▶ Expenditure incurred on exploration and related activities during the September 2020 Quarter totalled \$429,465.

RELATED PARTY EXPENDITURE

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

⁶ASX Announcement - 17 JULY 2020 DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT
<https://wsecure.weblink.com.au/pdf/EQE/02256113.pdf>

TAITAO PIT DIAMOND DRILLING, RESOURCE ESTIMATION & MINE RESTART STUDY

During April and May 2020, the Company completed 11 holes (totalling 1,385m) of resource confirmatory drilling beneath and peripheral to the Taitao Pit to confirm results and interpretations based on the large volume of historical drilling data the Company inherited as part of the Mandalay option agreement.

In mid-July, the Company released results from the drilling (Figure 2), with significant intercepts at both NE Taitao (CBD034 & CBD030) and Central Taitao (CBD033) including:

- ▶ Hole CBD034: **28.6m at 1.14 g/t gold and 8.6 g/t silver** from 48m including; **7.65m at 2.27 g/t gold and 10.67 g/t silver** from 56.9m;
- ▶ Hole CBD030: **0.7m at 23.2 g/t gold and 111.0 g/t silver** from 15.9m
- ▶ Hole CBD033: **5.9m at 1.28 g/t gold and 24.4 g/t silver** from 50.34m

CBD030 and CBD034 confirmed substantial wide and well-mineralised zones identified in historical drilling data below the old pit from NE Taitao, with better historical results including⁷:

NE Taitao

- ▶ **22.77m at 2.11 g/t gold, 12.99 g/t silver** from 25m, incl. **9m at 3.26 g/t gold, 16.41 g/t silver** from 25m;
- ▶ **37.35m at 2.09 g/t gold, 9.58 g/t silver** from 38.71m, incl. **13.6m at 3.96 g/t gold, 14.18 g/t silver** from 55.4m;
- ▶ **16.96m at 2.2 g/t gold, 18.48 g/t silver** from 22m, incl. **5m at 4.49 g/t gold, 35.12 g/t silver** from 22m;

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**

⁷ASX Announcement - DRILLING CONFIRMS BROAD ZONES OF SHALLOW MINERALISATION BELOW TAITAO PIT
<https://wsecure.weblink.com.au/pdf/EQE/02256113.pdf>

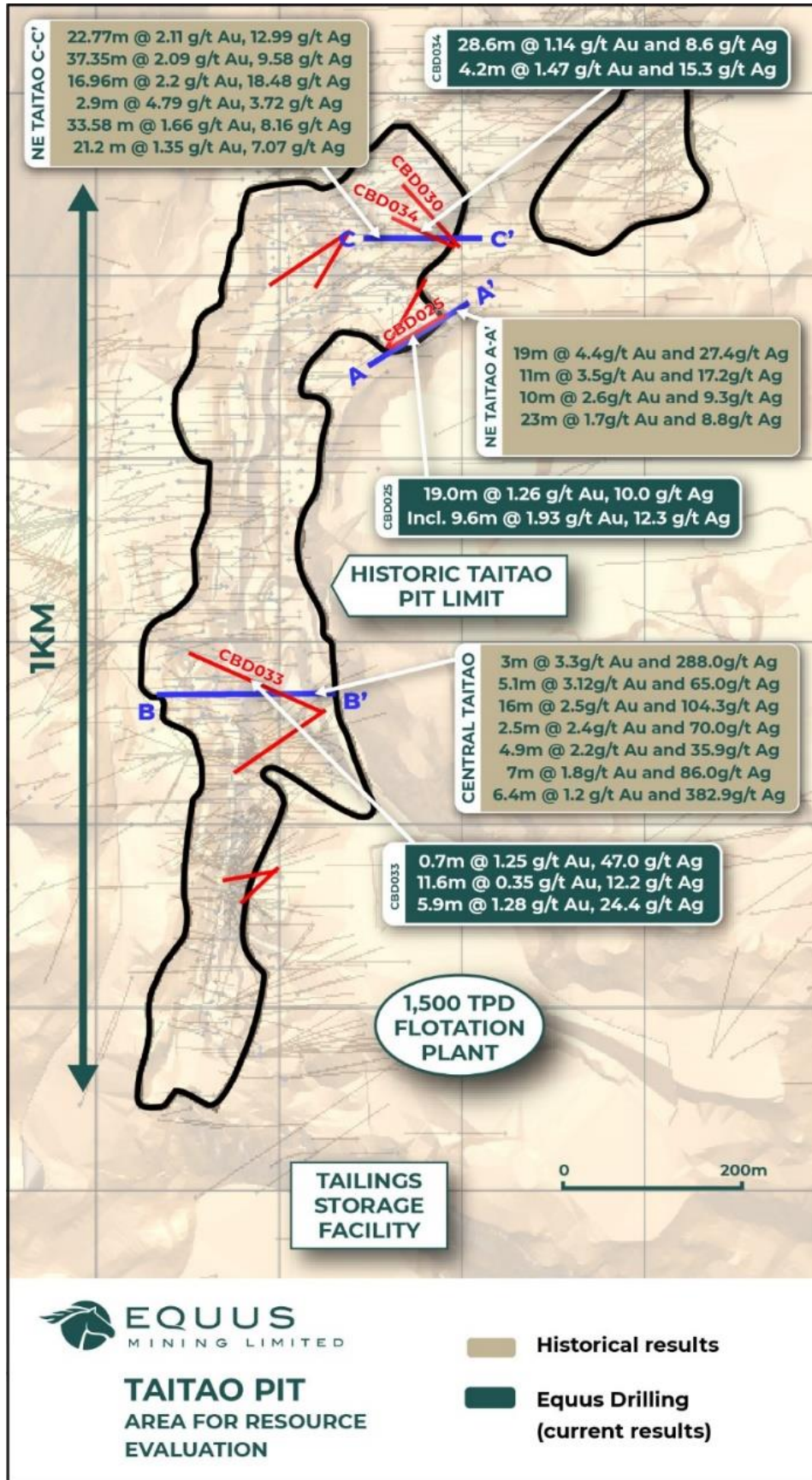


Figure 2 - Taitao Pit, with Equus and historical drillhole summary results and location of nearby processing plant

It is considered by Equus that significant potential remains for additional resources beneath and along strike of the existing mined areas and immediately adjacent to the flotation plant infrastructure. The resources confirmed throughout the Taitao Pit area will be the initial focus of the mine restart study which may also incorporate processing of low grade stockpiles, and the subsequent inclusion of resources defined from the company's current brownfields and greenfields exploration.

PEGASO I-V TARGETS

The Pegaso I-V Targets represent five high-priority brownfields targets with a cumulative strike length of more than 3.5km. The targets are located within 2km from the Cerro Bayo 1,500tpd flotation plant and geologically comprise a favourable intersection of underexplored host faults and stratigraphy to potentially host significant mineralisation beneath shallow high-grade historic drilling results. During August and early September, the Company announced results from a review of historical data and a geochemical sampling program completed over Pegaso II, III and IV in the preceding months, for which the Company has designed a 25-hole (5,500m) Diamond Drilling program for initial testing of the Pegaso II-III and IV Targets.

Historical Data Review

A review of historical drilling at the Pegaso Targets indicated good potential for significant gold-silver mineralisation to extend between previously mined areas both the Delia NW and Porvenir-Chatito Mines (Pegaso II) and the Dagny and Porvenir-Chatito Mines (Pegaso III) (Figure 3)⁸ over individual strike lengths of approximately 1km.

⁸ASX Announcement - REVIEW OF HISTORICAL DRILLING GENERATES NEW GOLD-SILVER BROWNFIELDS TARGETS AT CERRO BAYO
<https://wsecure.weblink.com.au/pdf/EQE/02266302.pdf>

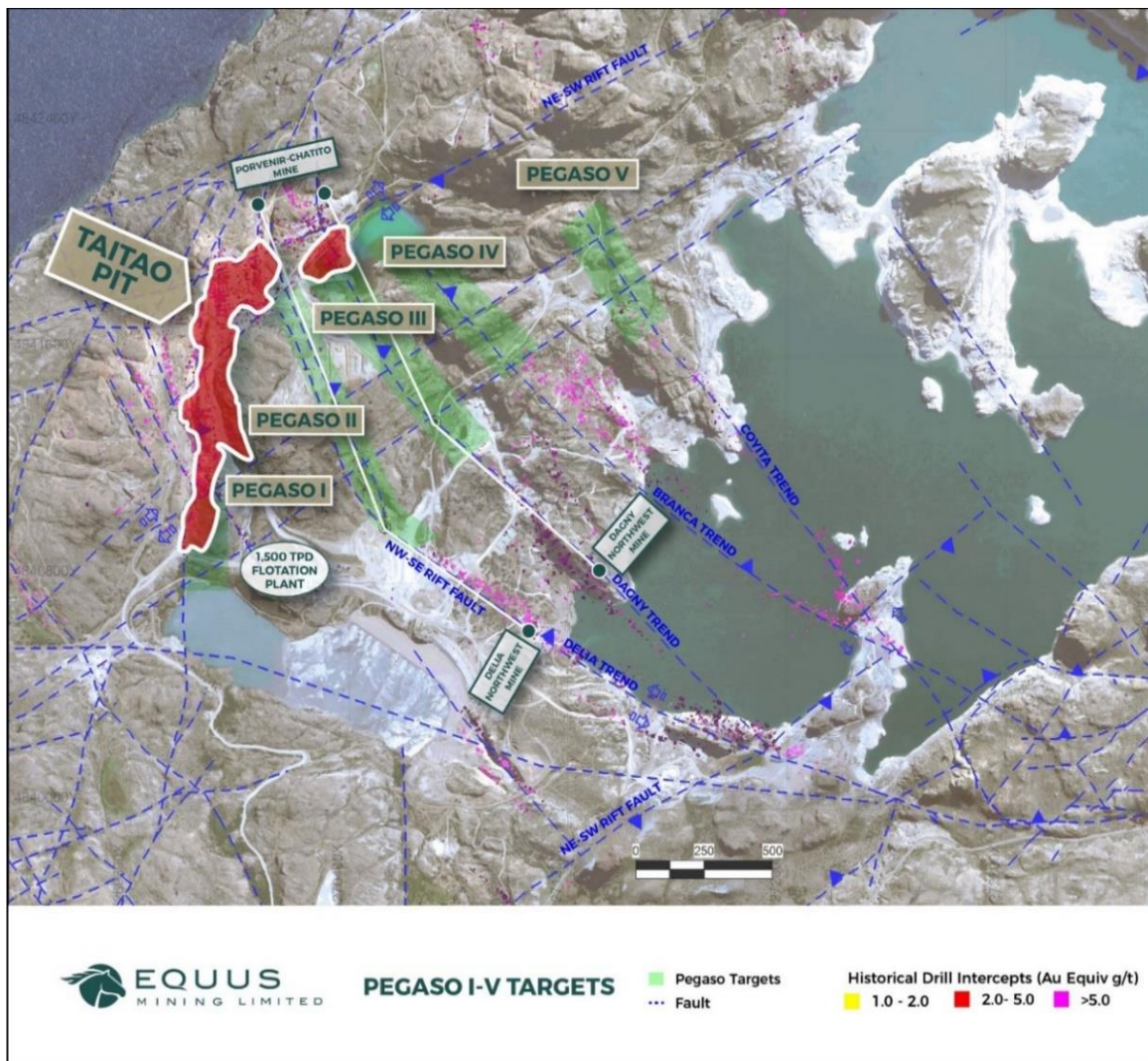
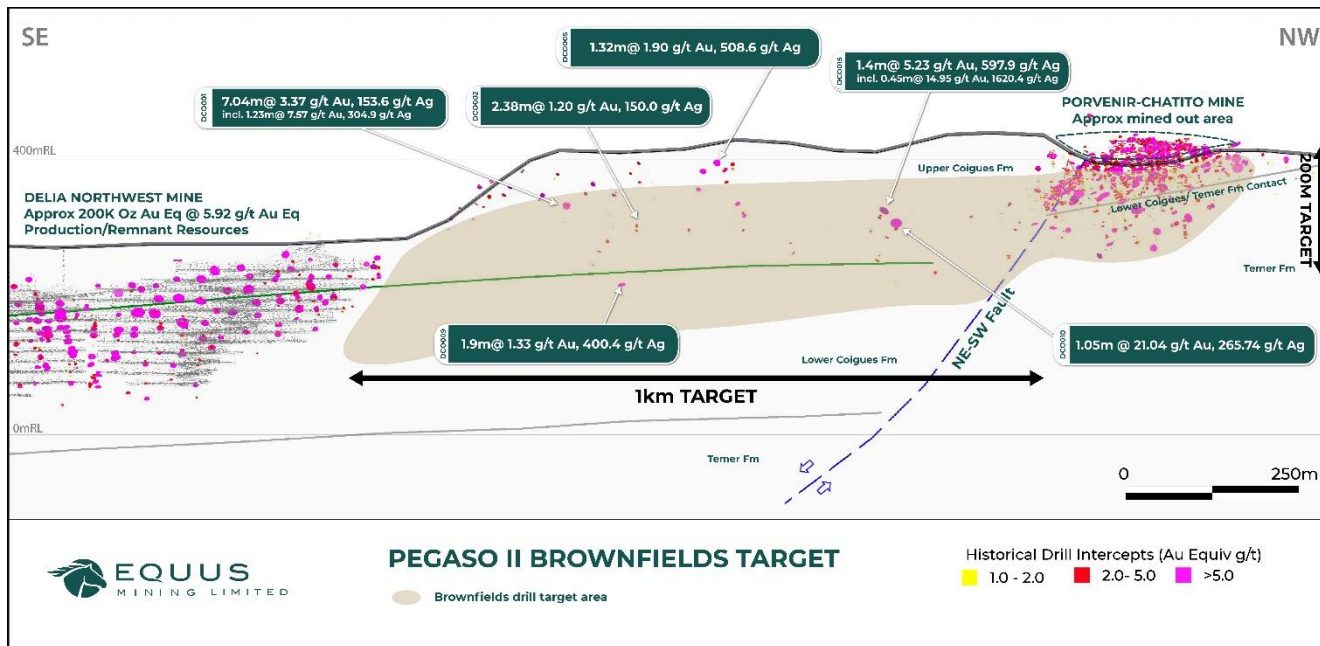


Figure 3 - Pegaso I-V targets within 2km of the Cerro Bayo Gold-Silver Plant

Relatively shallow, significant but sparse historical drilling results which indicate good potential at depth along these target trends include (Figure 4 & 5):

Pegaso II

- ▶ DCO001: **7.04m at 3.37 g/t gold, 153.6 g/t silver** from 69.51m incl. **1.23m at 7.57 g/t gold, 304.9 g/t silver** from 69.51m
- ▶ DCO005: **1.32m at 1.90 g/t gold, 508.61 g/t silver** from 29.8m
- ▶ DCO009: **1.9m at 1.33 g/t gold, 400.43 g/t silver** from 191.7m
- ▶ DCO010: **1.05m at 21.04 g/t gold, 265.74 g/t silver** from 130.9m
- ▶ DCO015: **1.4m at 5.23 gold, 597.9 g/t silver** from 129.75m incl. **0.45m at 14.95 g/t gold, 1620.4 g/t silver** from 130.70m
- ▶ DLV13-049: **4.10m at 6.74 g/t gold, 40.10 g/t silver** from 156.8m
- ▶ BPR260: **2m at 4.41 g/t gold, 112.0 g/t silver** from 58.0m



Pegaso III

- ▶ CGH165: **5.05m at 19.45 g/t gold and 302.69 g/t silver** from 87.95m
- ▶ DDAG-41: **0.2m at 4.44 g/t gold and 330.56 g/t silver** from 93.72m
- ▶ DDAG-104: **0.4 m at 0.73 g/t gold and 296.42 g/t silver** from 84.72m
- ▶ FCH215: **0.17m at 5.4 g/t gold and 721.48 g/t silver** from 133.95m
- ▶ DFLO002: **1.76m at 0.61 g/t gold, 53.13 g/t silver** from 38.24m

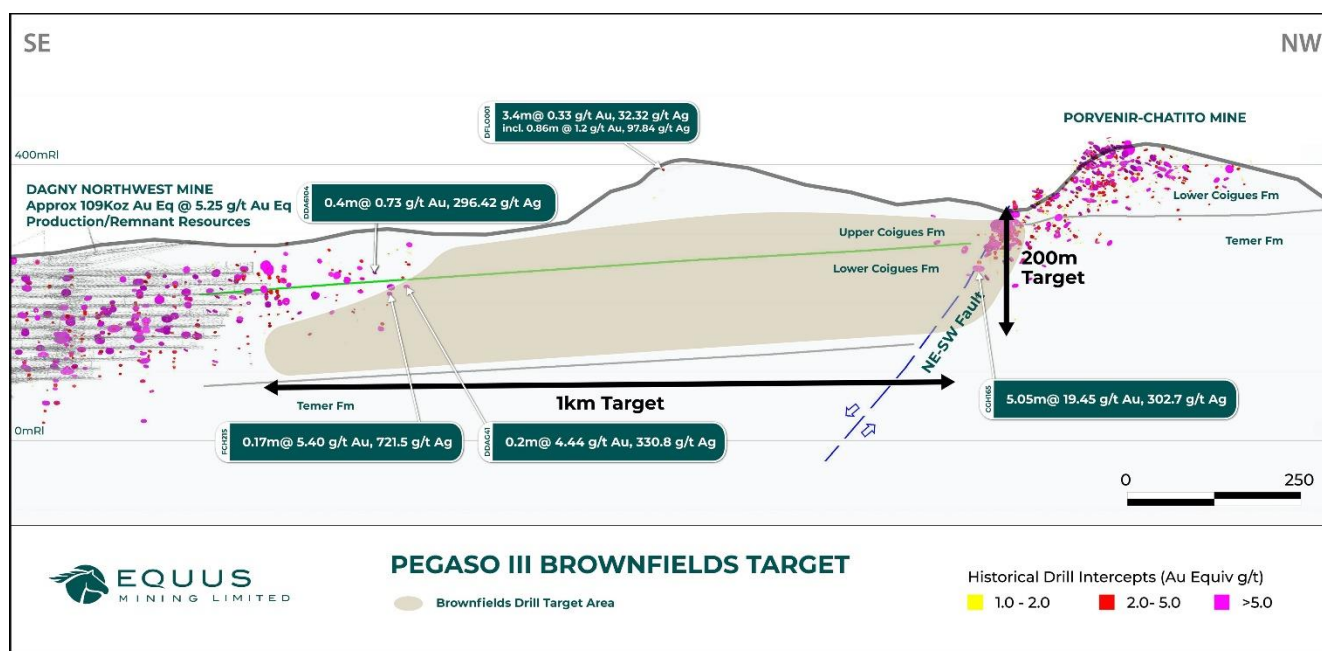


Figure 5 - Pegaso III Brownfields Target, with historical drilling results and target area

Pegaso Target Rock-chip Sampling Results

The Company completed a detailed mapping and sampling program across the Pegaso II, Pegaso III and Pegaso IV Targets as part of the design of a Stage 1 25-hole (5,500m) diamond drill program.

A total of 112 samples were collected, with results confirming high-grade silver mineralisation across all three targets, including a peak value of **4.6 g/t gold and 2,810 g/t silver** (Figure 6)⁹⁻¹⁰. Sample results relate to continuous rock chip channel samples of outcropping quartz veins and breccias with widths of between 0.1 to 3m.

At Pegaso II, 19 samples were collected averaging a grade of **0.8 g/t gold and 408 g/t silver** including the peak value of **4.6 g/t gold and 2,810 g/t silver**. A further 18 samples collected averaged a grade of **0.2 g/t gold and 49.5 g/t silver** including a peak value of **0.9 g/t gold and 239.0 g/t silver**.

Pegaso III initially saw 6 samples collected averaging a grade of **0.5 g/t gold and 71 g/t silver** including a peak value of **0.4 g/t gold and 149 g/t silver**. A further 32 samples collected averaged a grade of **2.9 g/t gold and 506.5 g/t silver** including a peak value of **17.8 g/t gold and 4,350.0 g/t silver**. Importantly, the higher grade samples (generally > 3 g/t Au equivalent) report to outcropping veining along an approximate 300m long strike length below which remains largely untested by historical drilling.

Pegaso IV saw 27 samples collected averaging a grade of **0.7 g/t gold and 93.0 g/t silver** including a peak value of **4.92 g/t gold and 45 g/t silver**. A further 7 samples collected averaged a grade of **0.3 g/t gold and 45.5 g/t silver** including a peak value of **1.0 g/t gold and 96.7 g/t silver**.

⁹ ASX Announcement - SAMPLING DELIVERS HIGH GRADE SILVER RESULTS FROM PEGASO BROWNFIELD TARGETS & UPCOMING INVESTOR WEBINAR
<https://wsecure.weblink.com.au/pdf/EQE/02271139.pdf>

¹⁰ ASX Announcement - SAMPLING DELIVERS FURTHER HIGH GRADE SILVER RESULTS FROM PEGASO TARGETS
<https://wsecure.weblink.com.au/pdf/EQE/02279829.pdf>

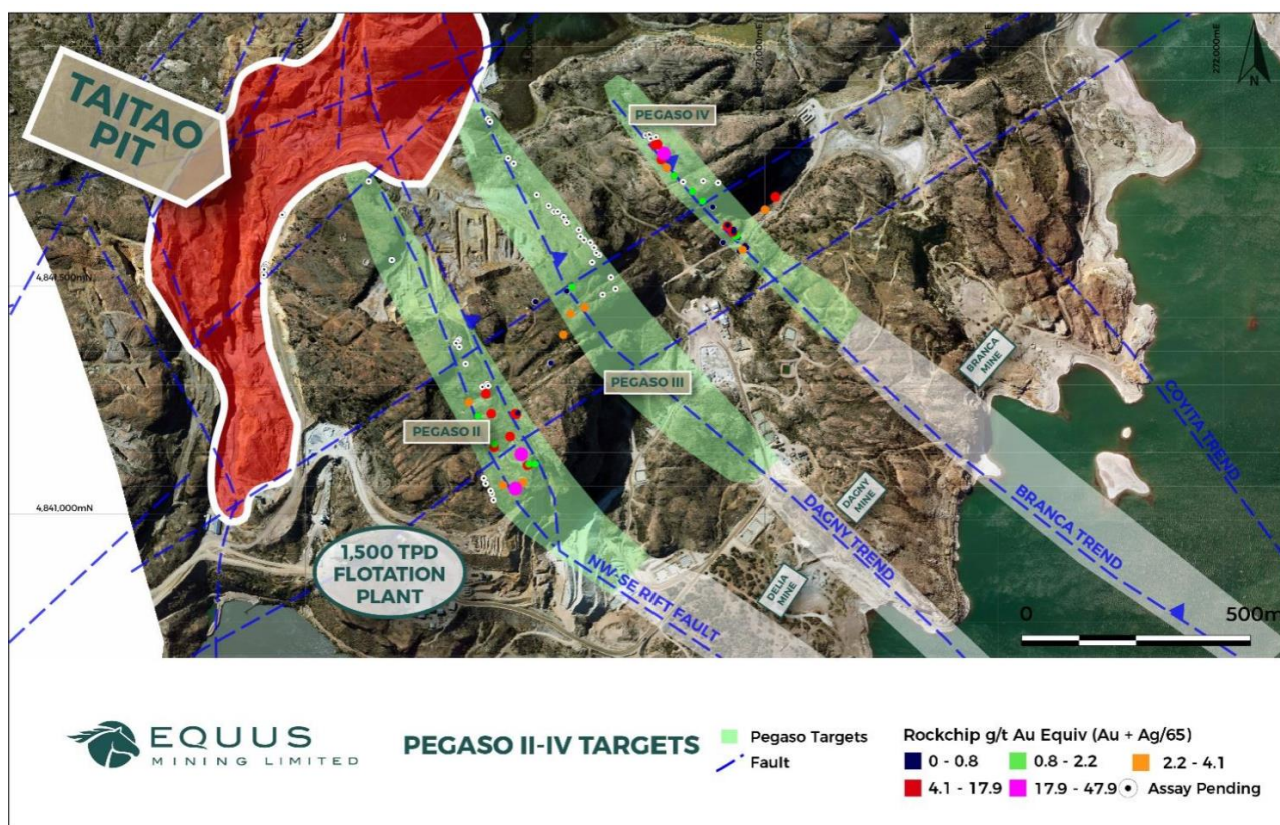


Figure 6 - Pegaso Targets, with location of rock-chip samples within the mapped vein hosting trends

DECEMBER QUARTER PLANNED ACTIVITY

- ▶ Encouraging shallow, high-grade results were received post the September quarterly period from three of seven holes of the Stage 2 drilling program (programmed total of approximately 2,000m) at the Droughtmaster Prospect, with better intercepts including¹¹:
 - ▶ Hole CBD037:
 - **2.05m @ 2.36 g/t gold, 151.4 g/t silver** from 56.40m, including **0.42m @ 9.86 g/t gold, 469.0 g/t silver** from 58.03m
 - **0.20m @ 3.83 g/t gold, 93.50 g/t silver** from 65.13m
 - **0.24m @ 7.84 g/t gold, 73.0 g/t silver** from 66.70m
 - **0.21m @ 13.10 g/t gold, 566.0 g/t silver** from 81.6m
- ▶ The shallow, high grade, nature of these intercepts is considered to be characteristic of the upper and peripheral portions of many of the significant productive veins throughout the Cerro Bayo District.

¹¹ Further Shallow High-Grade Gold-Silver Results from Droughtmaster And Project Update
<https://wcsecure.weblink.com.au/pdf/EQE/02298655.pdf>

- ▶ Previous drill testing by the Company at the Droughtmaster Prospect reported high-grade drill results from hole CDB020 including **3.81m @ 20.4 g/t gold, 55.5 g/t silver** from 109m, incl. **1.06m @ 62.58 g/t gold, 129.3 g/t silver** from 112m¹².
- ▶ Further drilling at Droughtmaster will seek to vector in on potentially wider high-grade mineralised portions of the vein system with assays outstanding for a further 4 holes drilled to target mineralization both down dip and along strike from hole CDB020.
- ▶ The Company continues to progress its dual-track Greenfields/Brownfields strategy with the Taitao resource estimation in progress with Cube Consulting in Perth, Australia. Finalisation of the resource is scheduled for completion end November 2020.
- ▶ Mine restart studies are underway by an in-country third party consultant involving an initial review of historic production data and will include potential beneficiation solutions, mine scheduling and permitting. The company is working to a schedule for re-start studies to be completed by the end Q1/2021.
- ▶ Brownfields exploration drilling at the Pegaso II, III and IV Targets with a planned 25-hole diamond drilling program (5,500m) to test near mine targets.

EQUUS MINING PROJECTS AND INTERESTS

Equus Mining (ASX:EQU) is a Sydney-based precious metals exploration Company with a focus on the Cerro Bayo Mine District, located in Southern Chile. With 350km² of prospective Gold-Silver landholdings, the Company's Flagship Cerro Bayo Project contains a 1,500 ktpa existing Gold-Silver processing plant, tailings storage facility and power generation, and most of the stationary and mobile equipment required for eventual mine restart.

The Company is currently undertaking a resource evaluation on gold-silver mineralisation beneath and peripheral to the historic Taitao Pit and aggressively advancing brownfields and greenfields exploration on high-priority targets. A mine restart study is scheduled for completion during Q1/2021.

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

¹² ASX Announcement - 25th May 2020 Standout Intersection Bolsters Droughtmaster Potential
<https://wcsecure.weblink.com.au/pdf/EQE/02238028.pdf>

2020 SEPTEMBER 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:

26th October 2020	Further Shallow High-Grade Gold-Silver Results from Droughtmaster And Project Update
11th Sep 2020	High grade silver rock chip results at Cerro Bayo
26th Aug 2020	Webinar Presentation
25th Aug 2020	Sampling Delivers High Grade Silver Results
13th Aug 2020	New Gold and Silver Targets at Cerro Bayo
20th Jul 2020	Equus \$3.5m Share Placement
17th Jul 2020	Drilling Confirms Shallow Gold Silver Mineralisation

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

TABLE 1. TENEMENT STATUS – SEPTEMBER QUARTER 2020

Project	Tenement as at 30 June 2020	Tenements added during the quarter	Tenements disposed during the quarter	Tenement as at 30 September 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 1-30			Pedregoso VII 1-30	Note 1	Mining Concession
	Honda 20 1-20			Honda 20 1-20	Note 1	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

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:

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Managing Director

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The Company confirms it is not aware of any new information or data that materially affects the information included in this quarterly activities report or the announcement dated 26 October 2020 title "Shallow High-Grade Gold-Silver Results – Droughtmaster" and that all material assumptions and technical parameters underpinning the exploration activities in this market announcements continue to apply and have not materially changed.

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.