

Suspension of Processing, Cerro Bayo Project

The Directors of Equus Mining Limited ('Equus' or 'the Company') have decided to suspend stockpile processing operations at its Cerro Bayo Project, placing the processing infrastructure on care and maintenance, whilst continuing to explore its world class epithermal gold and silver property. This decision has been made after significant effort over the last few months to optimize the project to generate positive cashflow. Processing will continue over the next week as remaining relatively higher grade stockpile ore is fed to the processing plant.

The Directors believe that preservation of capital and a focus on exploration for high potential targets, particularly advancing Equus's success in exploring the Appaloosa Fault at Cerro Bayo, provides the best pathway to increased value for all stakeholders.

Equus inherited the stockpile processing operation when it acquired Cerro Bayo in December 2021. Whilst technically successful, with over 3000 tonnes of concentrates shipped to customers, a combination of factors have made it no longer economically viable. Rising costs, particularly for fuel, made power generation and transport costs unsustainably high, and the addition of pre-screening to increase grades by circa 30% was not enough to overcome the increase in operating costs.

The processing of low grade stockpiles since February 2021 has demonstrated that the processing plant and infrastructure is capable of consistently achieving nameplate throughput and high gold and silver recoveries even on low grade stockpile ore. This supports the Director's view that when sufficient higher grade resources are delineated at Cerro Bayo, Equus has 100% ownership of very valuable and efficient processing infrastructure that can be readily brought back online.

The suspension of processing and continuing care and maintenance will result in the retrenchment of a significant proportion of our staff in Chile. This is very disappointing for Equus, and for the township community of Chile Chico where the majority of our staff are based. We are very appreciative for the work of all our local staff, and hope that in the future many of them can be re-employed by Equus as part of a larger operation. Any staff being retrenched will receive 100% of their statutory benefits and accruals. We look forward to continued strong relations with the local community as we explore, creating the possibility for a long future for Equus in Chile Chico and long term benefits for local stakeholders.

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

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