



EQUUS
MINING LIMITED

ABN 44 065 212 679

10 October 2014

Announcement Summary

The Mina Rica project is one of three strategic thermal coal projects recently acquired by Equus Mining Limited's (ASX: EQE). Subsequent to the interpretation of oil & gas wells which had revealed the presence of previously obscured coal seams at Mina Rica, the correlation of seismic sections indicates that the near surface expression of coal bearing strata extends for 11km within the project area. Mina Rica is located close to critical infrastructure and Chile is desperately short of domestically sourced thermal coal so there is a ready market for new coal production.

Seismic Sections Indicate Orientation & Extent of Coal Bearing Strata

The Mina Rica project is one of three thermal coal projects in Chile's Magallanes coal basin recently acquired by Equus Mining Limited (ASX: EQE). This project is considered highly strategic given its close proximity to key infrastructure and Chile's severe shortage of domestically supplied thermal coal. The Mina Rica thermal coal project covers 85km² of the coal bearing Loreto Formation on the north side of the Brunswick Peninsula and is situated adjacent to the dormant Pecket mine and coal loader owned by a third party.

On the 16 September EQE announced that it had interpreted key information from oil & gas wells which reveal the presence of coal seams previously obscured by a thin layer of gravel (5m average thickness) at Mina Rica. Oil well tri-cone drilling has intersected coal horizons over broad zones from deeper portions of a broad anticlinal limb. Wireline logs confirm the occurrence of coal seams. These zones are simply projected to surface and indicate the existence of shallow dipping coal deposits suitable for bulk open cut extraction.

Several seismic sections pass through the Mina Rica project and reveal sedimentary layering orientations. Correlation of these seismic sections together with the incorporation of log data from oil & gas wells indicates the possible orientation and extensions of coal bearing strata throughout the entire Mina Rica project area. Bedding dip ranges from 7 to 10 degrees at the northern project boundary to 0 to 5 degrees in the southern project area.

The near surface expression of this coal bearing strata strikes in a south-south westerly direction over a length of 11km from the adjacent dormant Pecket mine (See Map 1). This 11km long zone now constitutes a major drilling target.

There are 13 recognised coal seams at the adjacent Pecket mine of which Seams 5 & 6 were mined commercially as one combined unit approximately 10 metres in thickness. Unwashed coal product was loaded onto ships via a +2,000 tonne per hour ship loader. The coal is ranked as low sulphur (0.3%), sub-bituminous best suited for blending with higher sulphur imported thermal coals (currently 14 million tonnes per annum).

Equus is targeting shallow dipping coal deposits suitable for bulk open cut extraction. See EQE announcement dated 16 September which covers Equus mining thermal coal projects and explains Chile's desperate shortage of domestic thermal coal.

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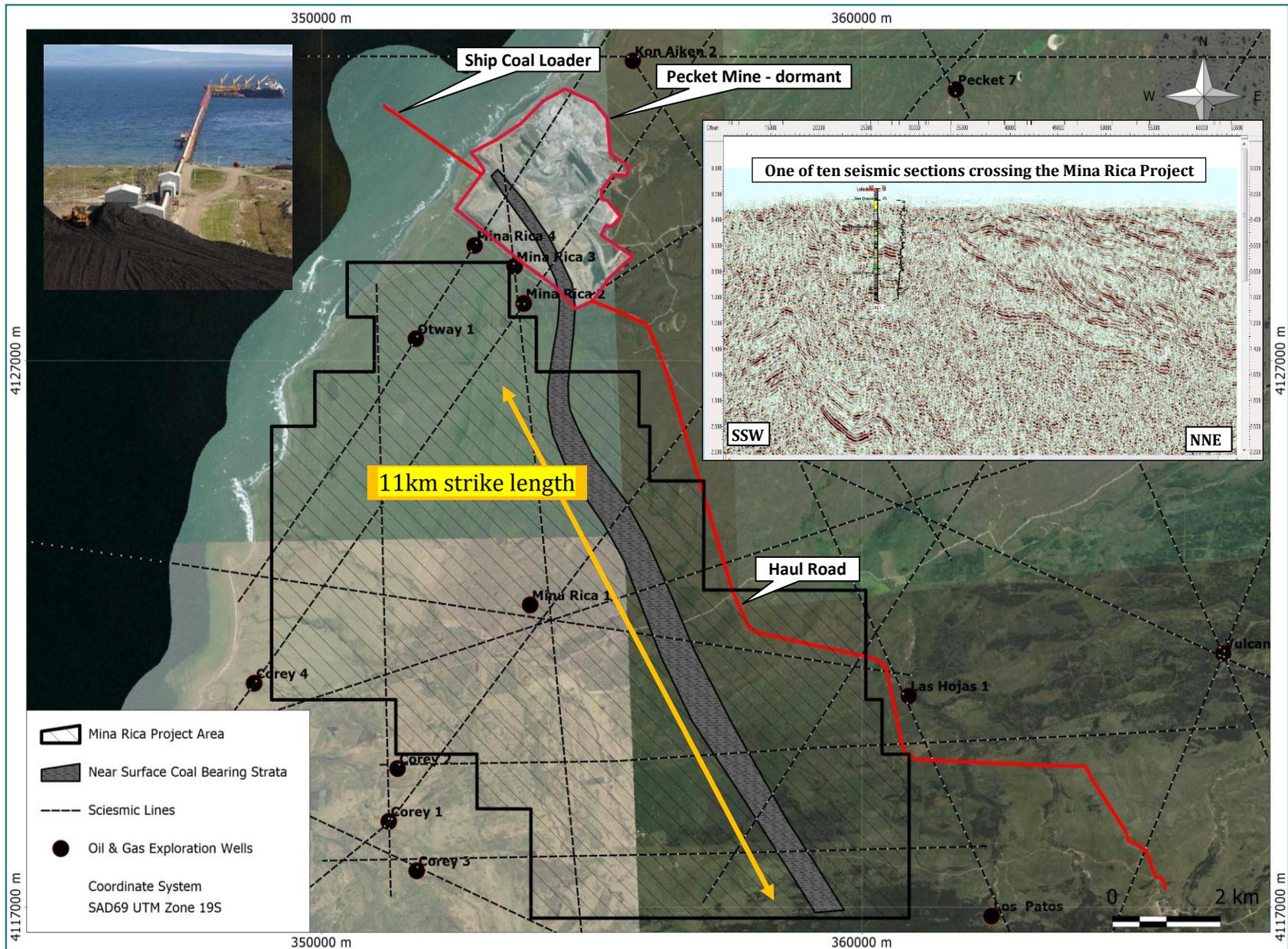
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Map1. Mina Rica Map showing 11km of interpreted near surface expression of coal bearing strata





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