EQUUS MINING LIMITED
ABN 44 065 212 679

19 February 2018

NEWLY AQUIRED CERRO DIABLO PROJECT AUGMENTS EQUUS MINING'S STRATEGY AT LOS DOMOS

Equus Mining Limited ('Equus') (ASX: EQE) is pleased to announce the acquisition of the prospective Cerro Diablo precious and base metal project. This acquisition is consistent with EQE's focus on developing natural resource projects strategically located near existing mine and other infrastructure and augments the potential synergies with the Company's nearby Los Domos project.

Cerro Diablo Acquisition Detail

- The Cerro Diablo project was secured through making relatively low cost Exploration Licence applications over an area of 4,554 hectares several months prior.

- Mineralisation at Cerro Diablo is interpreted to be largely structurally controlled intermediate sulphidation precious and base metal epithermal.

- The project area features extensive hydrothermal argillic alteration and hosts outcropping precious–base metal veins within Jurassic aged felsic domes and volcanics. The project is located within a NNW trending structural corridor featuring dextral strike slip faulting which has resulted in preferentially orientated NNE dilational structures hosting precious and base metal mineralisation.

- Cerro Diablo has not received any modern day exploration although historically, metallic mineral occurrences have been recorded including values as high as 8.4 g/t Au, 87 g/t Ag, 2.0% Cu, 8.2% Pb and 7.2% Zn from separate spot sampling[1]. See Figure 1 and Appendix I. Individual veins have been recorded to extend over +300m strike and are up to 10m wide.

- There are two small historic mines located within the boundaries of the project called Mina Alón and Mina Las Cáscaras.

- Cerro Diablo is located in Chile's Region XI, some 40 kilometres north-northwest of the Company's flagship Los Domos project where a 2nd phase 7,500m drill programme is in progress. See Figure2.

- Access to the Cerro Diablo project is via 10km of established roads and tracks from the township of Puerto Ibañez located on the north shore of Lake General Carrera.

- Field work has commenced with reconnaissance surface sampling and mapping.

[1]Disclosure Note: The above-described analytical results and those listed in Appendix I are considered to be historical and not in accordance with the JORC code. The reliability of the historical data is uncertain but is considered to be relevant by Company management. It is the Company's intention to verify, wherever reasonably possible, the most significant historical data; however, there is a risk that the Company's confirmation work may produce results that substantially differ from the historical results.

Figure 1. Cerro Diablo project – newly acquired by EQE

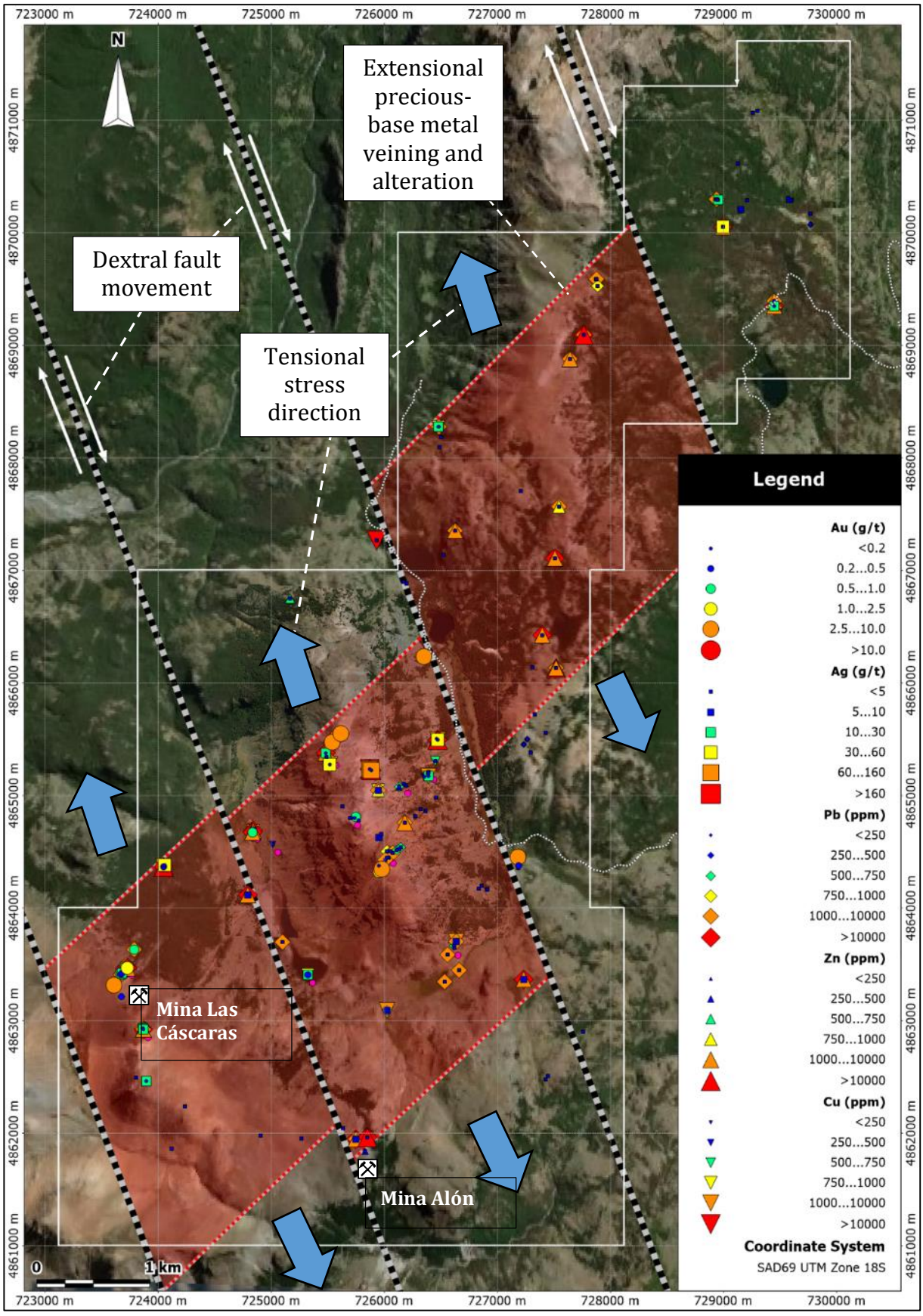
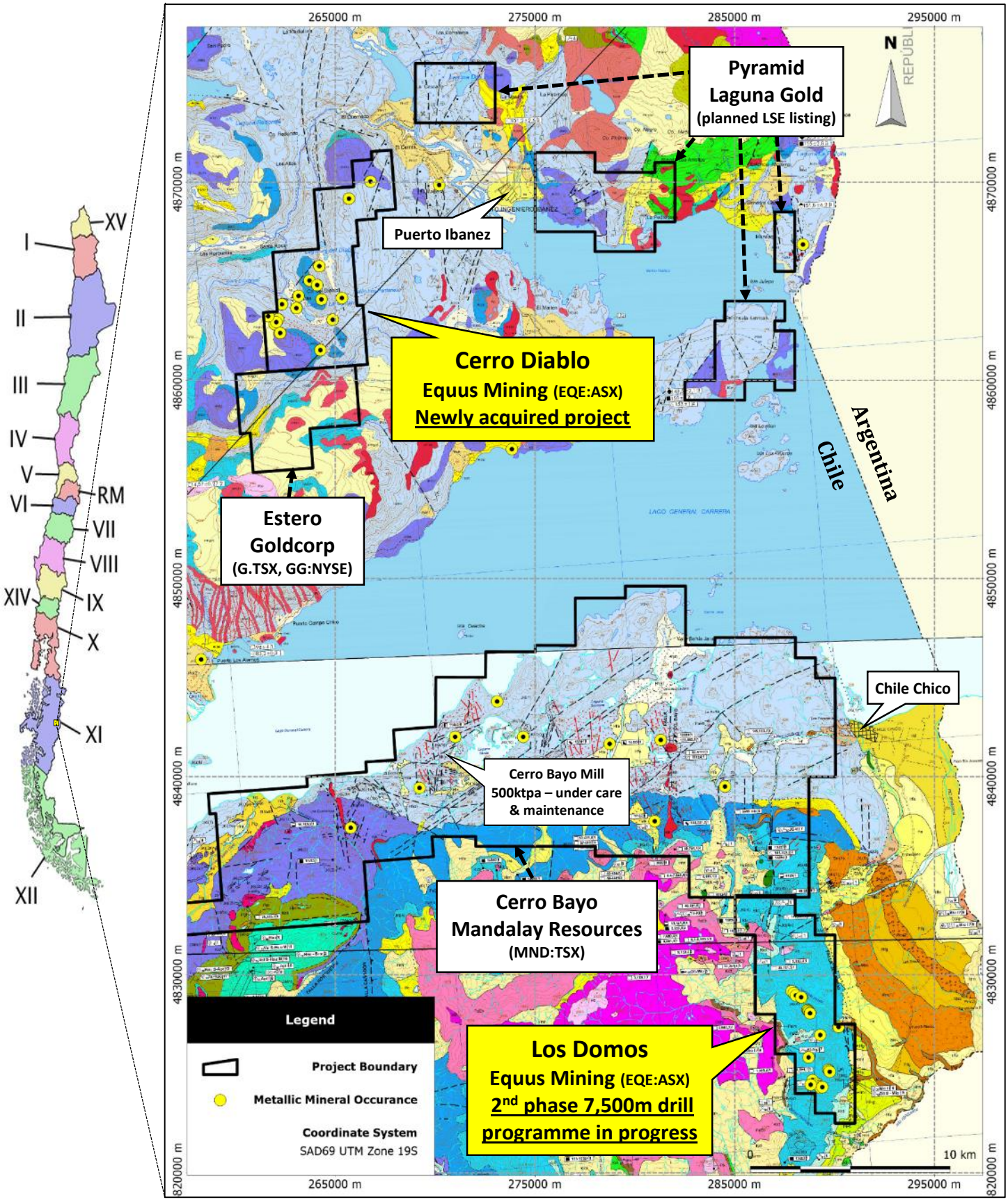


Figure 2. Regional map showing location of new project Cerro Diablo



Cerro Diablo – located within a world class mineral province

- The Cerro Diablo precious and base metal project, like Los Domos, is located within the world class Deseado Massif mineral province. See Figure 3.

- This mineral province includes the Santa Cruz Province mining district in Argentina and the Cerro Bayo mine district in Chile, the latter of which is where EQE's projects are located, throughout which mineralisation is hosted by Jurassic age volcanic rocks.

- The Deseado Massive hosts large gold and silver deposits in Argentina including Cerro Vanguardia, Cerro Negro, San Jose & Cerro Morro and has a current combined 29.8 Moz AuEq known resource endowment.

Figure 3. Cerro Diablo and Los Domos projects are both located within the Deseado Massif

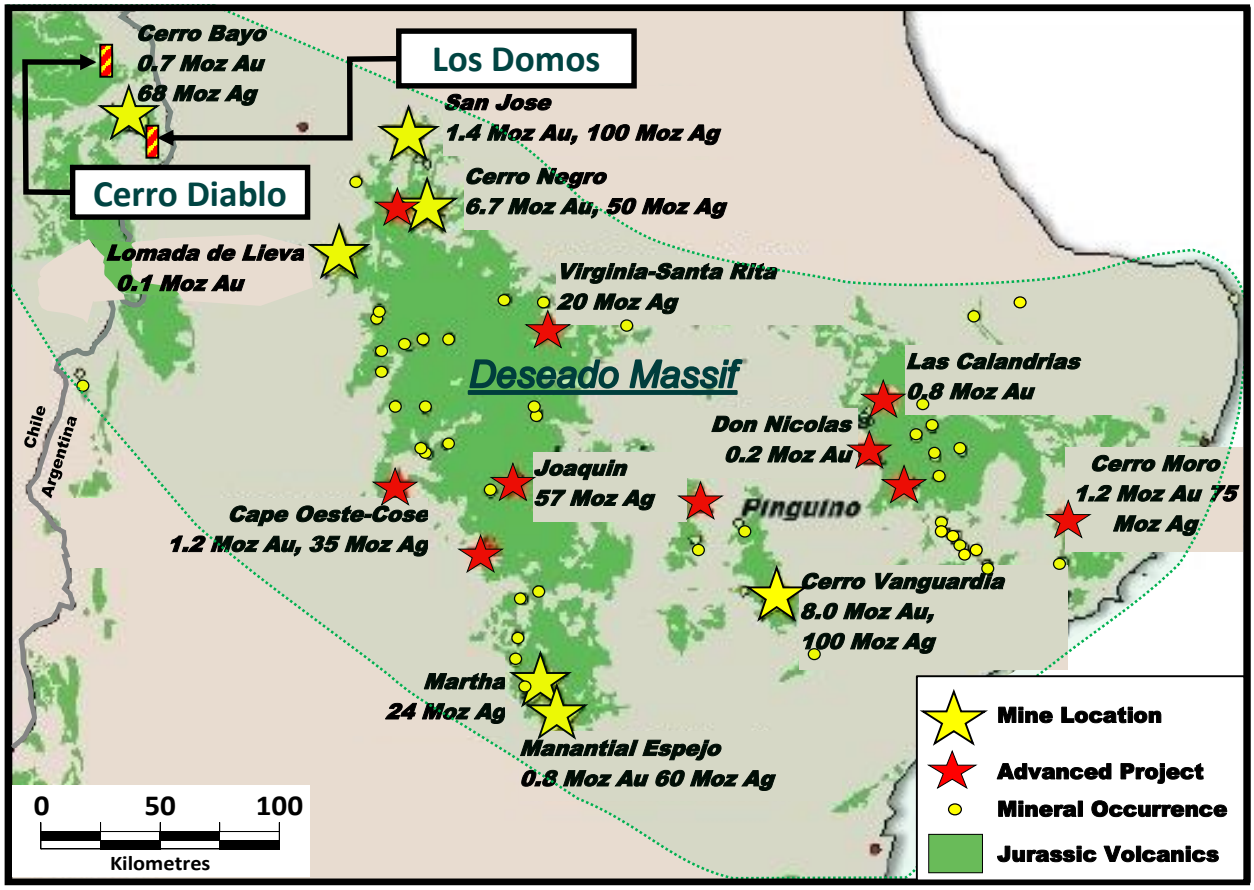


Table1. Deposits located within the Deseado Massif mineral province

	Gold Moz	Silver Moz	**Gold Equiv. Moz**
Cerro Vanguardia	8.0	100	**9.5**
Cerro Negro	6.7	50	**7.4**
San Jose (Huevos Verdes)	1.4	100	**2.9**
Cerro Morro	1.2	75	**2.3**
Cape Oeste-Cose	1.2	35	**1.7**
Manantial Espejo	0.8	60	**1.7**
Cerro Bayo	0.7	68	**1.7**
Joaquin	0.0	57	**0.9**
Las Calandrias	0.8	0	**0.8**
Martha	0.0	24	**0.4**
Virginia-Santa Rita	0.0	15	**0.2**
Don Nicolas	0.2	0	**0.2**
Lomada de Leiva	0.1	0	**0.1**
	21.2	585	**29.8**

For further information, please contact:

Ted Leschke
Managing Director
+61 2 9300 3366
tleschke@equusmining.com

Cameron Peacock
Investor Relations and Business Development
+61 439 908 732
cpeacock@equusmining.com

Website: www.equusmining.com

About Equus Mining and the flagship Los Domos Precious and Base Metal Project

Equus Mining Limited (Equus, ASX: EQE) has acquired the rights to acquire 100% of the Los Domos gold-silver project located in the XI Region of Chile from Terrane Minerals SpA under a staged earn-in agreement. With the completion of an initial 1,000m drill programme Terrane is now to transfer the Los Domos project assets into a Joint Venture (JV) Company in which Equus will hold an initial 51% (previously the requirement was 2,000m). Equus then has a two-year option period to buy the remaining 49% interest in the JV Company by issuing Terrane $450,000 worth of Ordinary Shares at an issue price of 1.2c

The Los Domos gold-silver project is well located 15km south of the township of Chile Chico and adjacent to the Cerro Bayo gold-silver mine. See Figure 8. This mine was until recently producing approximately 2 Mozpa of silver and 20 Kozpa gold or approximately two thirds nominal flotation plant capacity of 500ktpa throughput, however production has been suspended indefinitely and *force majeure* declared following a mine flooding event in June 2017 [xi]. With an altitude range of 800m to 1,200m and a dry, moderate climate, the Los Domos Project is able to be explored year-round.

(a) www.mandalayresources.com

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COMPETENT PERSON'S STATEMENT:

The information in this report that relates to Exploration Results for the Cerro Diablo precious and base metal project is based on information compiled by Jason Beckton. Mr Beckton is a geological consultant to the Company. Mr Beckton 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 Beckton 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 appear

Appendix I – Assay Results

Sample Number	Easting SAD69 H19	North SAD69 H19	*In situ* or float	Au ppm	Ag ppm	Pb ppm	Zn ppm	Cu ppm
8270	726,479	4,868,274	float	0.035	2	12	34	239
8271	726,480	4,868,274	in situ	0.051	0.7	108	56	1
8272	726,501	4,868,185	in situ	0.0025	1.2	291	43	16
8273	726,488	4,868,094	in situ	0.013	2.3	112	94	74
8274	724,791	4,864,117	float	0.126	5.1	10700	2570	267
8275	725,100	4,863,696	in situ	0.026	3.1	5470	2360	48
8276	726,022	4,863,091	in situ	0.0025	0.9	2280	794	18
8277	726,533	4,863,347	float	0.27	1.6	91	209	46
8278	726,663	4,863,450	float	0.012	1.3	495	22	139
8374	725,928	4,867,267	in situ	0.012	3.2	79	27	109
8375	726,172	4,866,899	in situ	0.012	11.5	316	16	772
8376	726,197	4,866,883	in situ	0.0025	2.3	9820	6420	6
8377	725,849	4,861,961	in situ	0.028	1.2	102	46	6
8378	725,831	4,861,840	in situ	0.006	1.8	49	47	12
8379	725,748	4,861,950	in situ	0.008	1.3	61	1	63
8380	725,636	4,862,043	in situ	0.021	29.5	144	51	37
8381	725,267	4,861,955	in situ	0.009	1.4	57	59	13
8382	724,906	4,861,980	in situ	0.007	0.5	264	95	9
8383	724,119	4,861,860	in situ	0.027	0.5	14	36	4
8384	723,609	4,863,314	in situ	0.135	86.7	35800	16700	20200
8385	723,674	4,863,214	in situ	0.068	25.9	46	152	6950
8386	724,838	4,864,689	in situ	0.157	5.5	15600	1230	846
8387	724,832	4,864,672	float	3.93	6.4	128	79	30
8388	726,347	4,866,234	in situ	5.4	6.2	562	33	26
8389	726,462	4,865,507	in situ	0.008	25.4	1115	37	927
8390	726,470	4,865,497	in situ	0.283	0.6	244	73	4
8394	726,449	4,865,306	in situ	0.0025	0.9	3060	1380	145
8395	726,388	4,865,208	in situ	0.007	3	124	66	105
8396	726,383	4,865,201	in situ	0.022	2.2	225	23	7
8397	726,388	4,865,174	float	0.022	8.5	595	37	2300
8398	726,352	4,865,170	in situ	0.017	4	733	58	96
8418	723,862	4,862,931	float	0.071	3.4	2700	23	174
8419	723,866	4,862,922	in situ	0.059	3.6	11600	2140	86
8420	723,800	4,862,496	in situ	0.045	2.2	40	10	1
8421	723,893	4,862,461	in situ	0.183	0.5	42	53	12
8422	724,236	4,862,241	in situ	0.041	0.025	100	110	1
8423	724,051	4,864,373	in situ	0.013	8.6	4210	89	1225
8424	724,049	4,864,368	in situ	0.02	44.2	3170	8720	254
8425	724,059	4,864,381	in situ	0.034	12.8	2180	838	485
8426	723,726	4,863,470	in situ	4.91	3.8	626	13	70
8427	722,718	4,862,807	in situ	0.01	1.2	33	74	21
8428	722,769	4,862,836	in situ	0.015	1.5	16	66	367

Sample Number	Easting SAD69 H19	North SAD69 H19	*In situ* or float	Au ppm	Ag ppm	Pb ppm	Zn ppm	Cu ppm
8429	723,669	4,863,412	in situ	0.07	14.6	19700	2850	511
8430	723,672	4,863,406	in situ	0.092	32.7	2010	229	1695
8431	723,678	4,863,423	in situ	2.51	1.6	168	19	25
8432	723,703	4,863,462	in situ	0.075	5.7	6870	462	345
8433	723,720	4,863,493	in situ	0.588	2	92	61	59
8434	723,787	4,863,632	in situ	0.29	14	15800	11300	2050
8438	725,165	4,866,751	in situ	0.0025	0.025	30	68	2
8439	725,693	4,864,799	in situ	0.0025	4.3	119	17	111
8440	725,709	4,864,798	in situ	0.211	0.7	52	92	7
8441	725,736	4,864,800	in situ	0.335	0.6	51	106	3
8442	725,745	4,864,809	in situ	1.465	22.1	21700	6860	924
8443	725,772	4,864,779	float	0.01	1	2940	26	158
8444	725,971	4,864,656	in situ	0.005	4.4	646	314	154
8445	725,949	4,864,627	in situ	0.099	2.4	2520	20	79
8446	726,024	4,864,506	in situ	0.058	1.9	424	57	46
8447	726,024	4,864,447	in situ	0.55	9.1	6140	368	453
8448	725,950	4,864,379	in situ	0.015	2.6	268	180	44
8449	725,977	4,864,348	float	0.034	34.1	81800	23100	6370
8450	725,957	4,864,326	float	3.93	12.2	172	148	41
8451	726,005	4,864,429	in situ	0.38	17.6	2210	75	401
8452	726,112	4,864,513	float	0.128	2.2	24	16	76
8453	726,055	4,864,506	in situ	0.015	2.4	1710	4	130
8454	726,039	4,864,446	in situ	0.0025	2.1	168	33	96
8455	726,073	4,864,489	in situ	0.125	12.2	6450	1710	148
8456	726,132	4,864,527	in situ	0.023	1.6	2330	176	69
8457	726,142	4,864,539	in situ	0.01	9.3	380	36	146
8458	725,525	4,865,516	in situ	0.01	0.8	428	168	43
8459	725,544	4,865,498	in situ	0.079	13.1	27800	337	278
8460	725,538	4,865,472	in situ	8.41	2.7	326	104	9
8461	725,483	4,865,377	in situ	0.017	4.3	5160	1950	79
8462	725,486	4,865,339	in situ	0.081	15.8	608	28	133
8463	725,516	4,865,273	float	0.363	4.1	3530	108	166
8464	725,631	4,864,904	in situ	0.015	1.1	1365	144	70
8465	725,013	4,864,566	in situ	0.112	3.3	1440	154	103
8466	725,321	4,863,405	in situ	0.007	3.2	4670	15600	108
8467	726,559	4,863,584	in situ	0.0025	0.8	1605	158	55
8468	726,615	4,863,668	in situ	0.034	6.7	285	106	66
8469	726,619	4,863,646	in situ	0.0025	0.025	21	69	2
8470	726,637	4,863,702	in situ	0.019	2.7	406	37	241
8479	725,614	4,865,552	in situ	0.006	4.9	38900	34700	48
8480	725,869	4,865,235	in situ	0.008	0.8	1355	14700	48
8481	725,887	4,865,225	in situ	0.071	23.5	608	108	664
8482	725,943	4,865,047	in situ	0.0025	0.025	245	475	37
8483	726,130	4,865,074	in situ	0.282	23.4	501	63	905
8484	726,168	4,865,102	in situ	0.02	3	630	72	25

Sample Number	Easting SAD69 H19	North SAD69 H19	*In situ* or float	Au ppm	Ag ppm	Pb ppm	Zn ppm	Cu ppm
8485	726,192	4,865,089	in situ	0.0025	1.3	192	588	33
8486	726,180	4,864,762	in situ	0.03	3.4	198	21	435
8487	726,272	4,864,816	in situ	0.012	1.8	112	88	4
8488	726,320	4,864,879	in situ	0.011	1.6	102	40	47
8489	726,364	4,864,861	in situ	0.0025	15.4	16600	1730	304
8490	726,458	4,864,983	in situ	1.355	2.7	82	13	42
8675	727,517	4,866,134	in situ	0.096	3.4	620	338	126
8676	727,516	4,866,135	in situ	0.025	2.7	23	48	1
8677	727,330	4,865,719	in situ	0.008	1	8	89	41
8678	727,427	4,865,556	in situ	0.0025	1.4	61	32	41
8679	727,264	4,865,501	in situ	0.015	2.2	54	64	167
8680	727,232	4,865,452	in situ	0.027	1.9	69	27	21
8681	727,296	4,865,381	in situ	0.0025	0.6	185	108	18
8682	727,308	4,866,139	in situ	0.0025	1.5	15	17	42
8683	727,396	4,866,424	in situ	0.0025	6.4	1585	3690	58
8684	726,625	4,867,350	in situ	0.005	0.9	45	28	52
8685	727,506	4,867,107	in situ	0.012	0.6	16	67	4
8686	727,207	4,867,704	in situ	0.006	0.5	52	90	13
8687	727,873	4,869,590	in situ	0.0025	1.6	568	5220	84
8688	727,874	4,869,590	float	0.036	2.2	1975	9	206
8689	727,878	4,869,584	in situ	0.013	4.8	814	43	8
8690	727,886	4,869,525	in situ	0.0025	0.7	42	1	57
8691	727,887	4,869,527	in situ	0.006	0.5	61	9	39
8692	727,762	4,869,094	in situ	0.008	1.3	226	70	115
8693	727,643	4,868,880	in situ	0.006	0.6	28	72	2
8694	727,543	4,867,568	in situ	0.009	0.025	5	26	53
8695	727,183	4,864,456	in situ	0.071	84.8	56600	72100	7810
8696	726,835	4,864,175	in situ	0.013	1.5	28	29	31
8697	726,859	4,864,196	in situ	0.0025	0.9	6	21	2
8698	726,907	4,864,165	in situ	0.017	3.9	701	44	43
8699	726,908	4,864,166	in situ	0.0025	3.1	122	75	114
8700	727,428	4,862,478	in situ	0.0025	3.6	85	77	70
8701	727,447	4,862,509	in situ	0.013	0.025	8	40	3
8702	727,759	4,862,900	in situ	0.009	0.025	16	36	7
8703	727,233	4,863,364	in situ	0.059	41.2	323	34	312
8704	729,445	4,869,347	in situ	0.005	0.025	66	40	4
8705	729,448	4,869,393	in situ	0.006	0.025	26	48	3
8706	728,992	4,870,052	in situ	0.007	1	407	64	68
8707	728,992	4,870,053	in situ	0.047	2	1425	240	110
8708	729,151	4,870,204	in situ	0.0025	1.1	876	64	35
8709	729,150	4,870,207	in situ	0.0025	0.025	30	74	2
8710	729,151	4,870,207	in situ	0.007	2.5	275	74	137
8711	729,209	4,870,289	in situ	0.054	3.2	102	111	56
8712	729,126	4,870,613	in situ	0.0025	0.025	20	4	42
8713	729,301	4,871,084	in situ	0.187	1.5	40	41	132

Sample Number	Easting SAD69 H19	North SAD69 H19	*In situ* or float	Au ppm	Ag ppm	Pb ppm	Zn ppm	Cu ppm
8714	729,261	4,871,064	in situ	0.016	2.3	228	118	24
8715	729,569	4,870,282	in situ	0.038	2.7	49	88	591
8716	729,768	4,870,072	float	0.074	1.2	55	106	158
8717	729,770	4,870,170	in situ	0.0025	0.025	17	65	5
8718	729,765	4,870,171	in situ	0.013	1.3	117	24	16
8719	729,572	4,870,308	in situ	0.0025	0.025	7	26	26
8720	726,521	4,867,137	in situ	0.0025	0.025	58	32	2
8721	728,951	4,870,293	in situ	0.32	13.2	1940	75	142
8722	728,948	4,870,290	in situ	0.017	1.8	121	48	22
8723	728,945	4,870,291	in situ	0.011	1.9	50	29	13
8724	728,943	4,870,294	in situ	0.009	1.7	39	11	39
8725	728,942	4,870,296	float	0.0025	0.025	65	16	7
8726	728,938	4,870,298	float	0.0025	0.025	18	27	7
8727	728,936	4,870,298	in situ	0.0025	0.025	15	16	0.5
8728	728,934	4,870,299	in situ	0.132	1.8	85	43	68
8729	730,729	4,877,351	in situ	0.0025	4.4	159	81	37
8730	729,602	4,870,292	in situ	0.0025	0.025	14	10	2
8731	729,592	4,870,281	in situ	0.017	2.1	632	12	146
8732	727,146	4,864,444	in situ	0.0025	2	80	102	4
8733	727,184	4,864,356	in situ	0.124	3.3	551	417	140
8734	727,183	4,864,386	float	0.007	5.3	1930	767	907
8735	727,184	4,864,376	in situ	0.094	8.2	19800	1315	88
8736	727,183	4,864,456	in situ	0.0025	3.1	2920	1005	243
8737	727,184	4,864,461	float	0.01	1	142	169	10100
8738	727,188	4,864,486	in situ	0.688	9.2	13900	1335	510