

## **SAMPLING DELIVERS HIGH GRADE SILVER RESULTS FROM PEGASO BROWNFIELD TARGETS & UPCOMING INVESTOR WEBINAR**

**Equus Mining Limited** ('Equus' or 'Company') (**ASX: EQE**) is pleased to report encouraging rock-chip sampling results from the Pegaso group of brownfields targets, located within 2km from the plant infrastructure at the Cerro Bayo Project, Chile.

### **SUMMARY**

- ▶ The Company completed a detailed mapping and sampling program across the Pegaso II, Pegaso III, and Pegaso IV Targets in advance of a planned 25-hole (5,500m) Diamond Drilling program (Figure 1).
- ▶ 55 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** (Appendix 1). Sample results relate to continuous rock chip channel samples of outcropping quartz veins and breccias with widths of between 0.1 to 3m.
- ▶ **Investor Webinar** Sydney, Australia, 27 August 2020 – Managing Director John Braham, along with Chief Operating Officer Damien Koerber, will provide an overview of the Company's recent activities at Cerro Bayo, as well as important information about the resource evaluation and mine re-start studies currently underway - followed by a Q&A session. Details of the webinar noted at the bottom of this announcement.
- ▶ A new corporate presentation will be available from the company's website on the 26th August 2020

### **ROCK CHIP SAMPLING RESULTS**

- ▶ PEGASO II:
  - ▶ 19 samples collected averaging a grade of **0.8 g/t gold and 408 g/t silver** including a peak value of **4.6 g/t gold and 2,810 g/t silver**
- ▶ PEGASO III:
  - ▶ 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**
  - ▶ Results from a further 26 rock chip samples taken over veining which host visible silver bearing sulphide minerals along the mapped ~ 400m extension of the Pegaso III Target to the north west are pending.
- ▶ PEGASO IV:
  - ▶ 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 total of 56 samples taken along mapped extensions of the Pegaso II and III Targets are pending assay results, with the Company to announce further exploration results and activities in the coming weeks.
- ▶ The Pegaso Targets represent five high-priority drill targets with a cumulative strike length of more than 3.5km.

- ▶ The Company recently announced results from a review of historical drilling at the Pegaso Targets. This review indicated good potential for significant gold-silver mineralisation to extend over strike lengths of approximately 1km between both the Delia NW and Porvenir-Chatito Mines (Pegaso II) and the Dagny and Porvenir-Chatito Mines (Pegaso III) respectively.

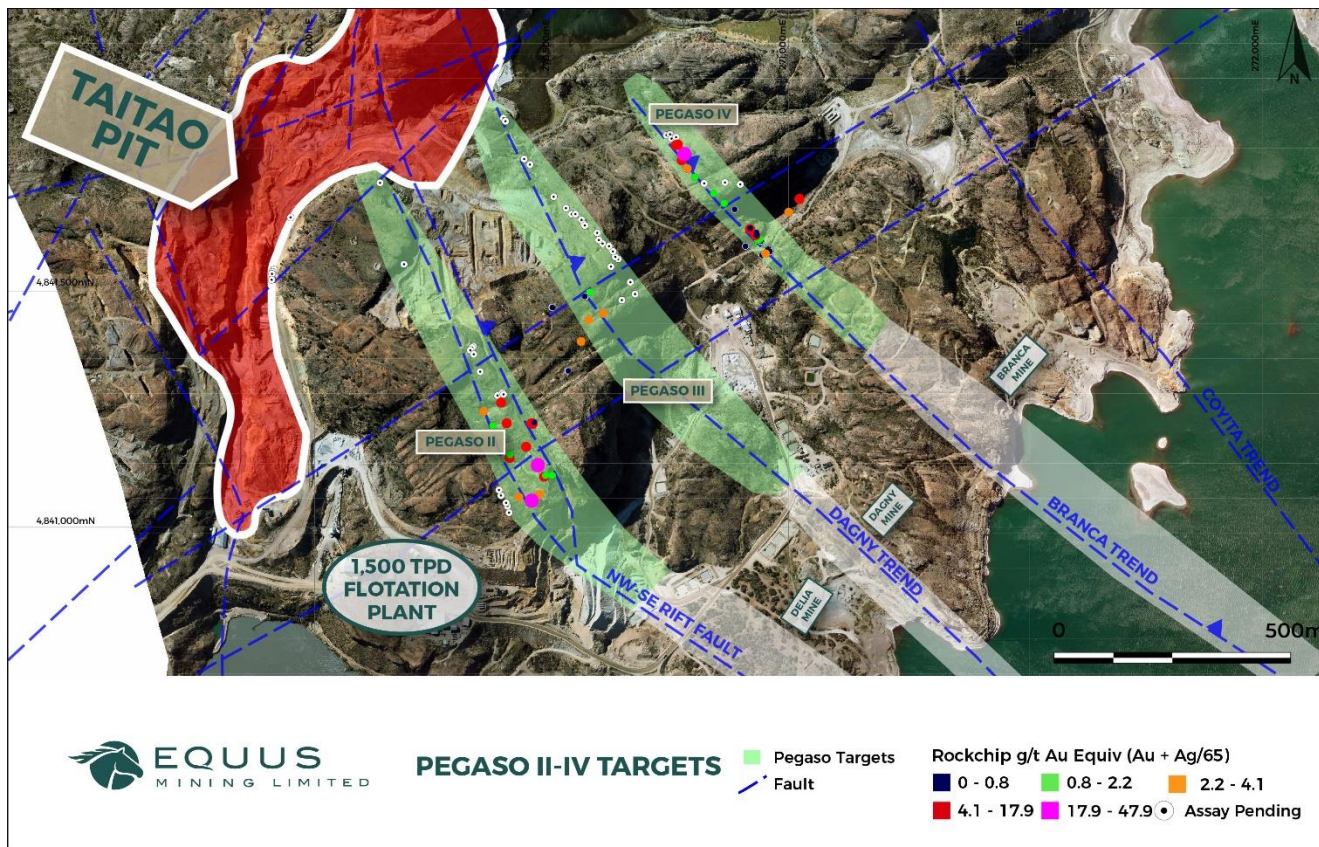


Figure 1 – Pegaso Targets, with location of rock-chip samples within the mapped vein hosting trends

**Commenting on the results, Managing Director John Braham:**

*“These high-grade results provide us with further confidence of the compelling brownfield potential at the Cerro Bayo Project, particularly considering these targets sit along trend from several of the more significant, historical high-grade silver and gold producing mines. We are highly encouraged by both the large scale of the Pegaso Targets and the high-grade results returned from both surface geochemistry and limited historical drilling and we are looking forward to further definition of drill targets on the back of pending rock chip sampling results.*”

**CERRO BAYO DRILLING ACTIVITY**

- ▶ The Company continues to progress its dual-track Greenfields/Brownfields exploration strategy incorporating the review of historical drilling and detailed mapping and geochemical sampling as the basis for generation of further resource definition opportunities.

- ▶ Standout results from greenfields drilling at the Droughtmaster Prospect returned 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**. Stage 2 drilling at Droughtmaster is scheduled to commence in late August with a planned 1,500m program to target beneath and along strike from previously reported high-grade silver-gold intercepts.<sup>1</sup>
- ▶ Reinterpretation of historical drilling results has generated new gold-silver brownfields targets at Cerro Bayo, 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. Relatively shallow, significant historical drilling results<sup>2</sup> which indicate good potential at depth and along strike include:
  - ▶ **PEGASO II:**
    - ▶ DCO001: **7.04m at 3.37 g/t gold and 153.6 g/t silver from 69.51m** including **1.23m at 7.57 g/t gold and 304.9 g/t silver** from 69.51m
    - ▶ DCO005: **1.32m at 1.90 g/t gold and 508.61 g/t silver** from 29.8m
    - ▶ DCO009: **1.9m at 1.33 g/t gold and 400.43 g/t silver** from 191.7m
    - ▶ DCO010: **1.05m at 21.04 g/t gold and 265.74 g/t silver** from 130.9m
    - ▶ DCO015: **1.4m at 5.23 g/t gold and 597.9 g/t silver from 129.75m** including **0.45m at 14.95 g/t gold and 1620.4 g/t silver** from 130.70m
    - ▶ DLV13-049: **4.10m at 6.74 g/t gold and 40.10 g/t silver** from 156.8m
    - ▶ BPR260: **2m at 4.41 g/t gold and 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 and 53.13 g/t silver** from 38.24m
- ▶ Based on historical Taitao drill data and mine development and expansion studies, it is considered by Equus that significant potential remains for additional resources beneath and along strike of the existing mined areas.

<sup>1</sup> ASX Announcement 31 July 2020 Quarterly Activities Report  
<https://wcsecure.weblink.com.au/pdf/EQE/02261474.pdf>

<sup>2</sup> ASX Announcement 13 August 2020 New Gold and Silver Targets at Cerro Bayo  
<https://wcsecure.weblink.com.au/pdf/EQE/02266302.pdf>

**CERRO BAYO PROJECT**

The Company'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 Corporation<sup>3</sup>. The project contains an existing 1,500 tpd processing plant through which historical production of 645Koz Gold and 45Moz Silver<sup>4</sup> was achieved up until the mine's temporary closure in mid-2017. The Cerro Bayo Project is located central to the approximate 350km<sup>2</sup> of prospective gold-silver claim holdings held by the company (Figure 2).

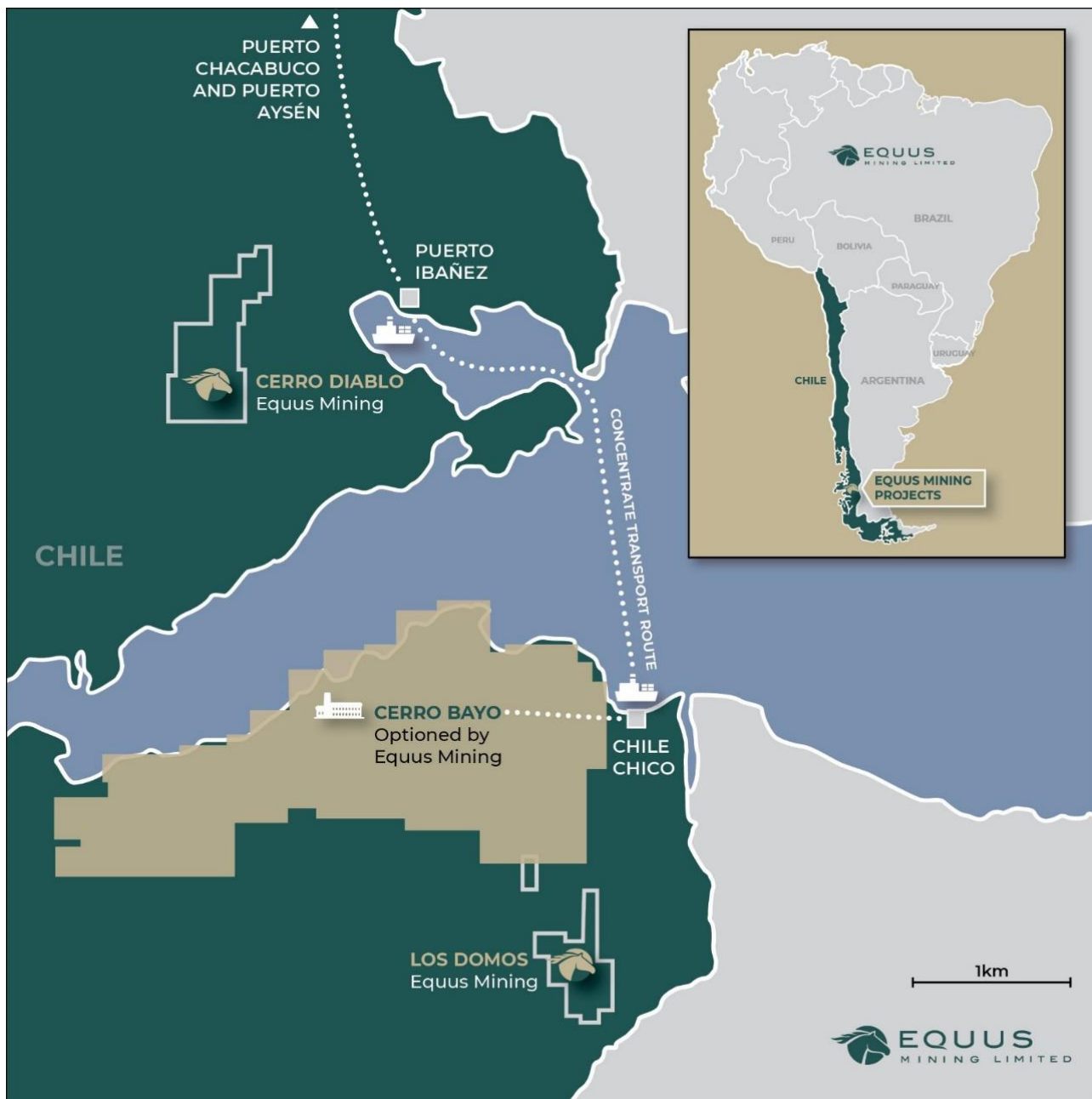


Figure 2 – Location plan of Equus Mining's Cerro Bayo mining district and other projects.

- END -

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

<sup>3</sup> ASX Announcement - 8 October 2019 Equus Executes Option to Acquire Mandalay Resources Corporation's Cerro Bayo Mining Project <https://wcsecure.weblink.com.au/pdf/EQE/02156517.pdf>

<sup>4</sup> Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010. & March 21, 2017 Report #2699

**For further information please contact:**

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**Webinar Details**

**Date & Time:** 27 August 2020, 11:30am (AEST)

**Register Via:** <https://attendee.gotowebinar.com/register/7617893054850805008>

**Replay:** Will be available at [www.equusmining.com](http://www.equusmining.com) after the event

**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.*

pjn10456

**JORC Code, 2012 Edition – Table 1**  
**EQUUS MINING LIMITED CERRO BAYO EXPLORATION PROGRAM**

**A. DIAMOND DRILLING & SURFACE SAMPLING**

**Section 1 Sampling Techniques and Data**

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>Industry standard diamond drilling is used by Equus to obtain continuous core samples.</li> <li>Continuous core sampling ensures high sampling representation.</li> <li>All HQ (63.5 mm diameter) and NQ (47.6 mm diameter) core sample depths are recorded according to depths maintained by the project geologist's technician. These depths are determined by a combination of cross checking of driller recorded depths and the geologists own recorded depths which takes into account core loss.</li> <li>All core samples are placed in secure industry standard core storage trays and transported to a secure logging and core cutting facility onsite in the Cerro Bayo Mine facilities.</li> <li>Core sampling and logging by a qualified geologist is targeting Au-Ag and base metal bearing quartz veins, breccias and zones of silicification, which are known to host gold-silver and base metal mineralisation, within rhyolite ignimbrite of the Jurassic age Ibanez Formation. The use of a Vanta XRF instrument is generally utilised by Equus geologists to aid the logging process of mineralised zones.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>Rock chip and continuous rockchip channel samples were collected by a qualified geologist of quartz veins, breccias and zones of silicification, all hosted within rhyolite ignimbrite of the Jurassic age, Ibanez Formation.</li> <li>Sample locations were surveyed with a handheld GPS using Coordinate Projection System SAD69 UTM Zone 19S.</li> <li>Representative chip samples of 2-3Kg weight were taken perpendicular to the strike of the outcrop over varying width intervals generally between 0.1-2.0m except where noted.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>All holes drilled by Equus are cored in their entirety from the base of surface regolith cover in which HQ (63.5 mm diameter) triple tube coring is conducted to hole completion.</li> <li>Diamond drilling size may be reduced to NQ (47.6 mm diameter) in the case that broken ground is encountered.</li> <li>Historic drilling conducted at Cerro Bayo includes reverse circulation drilling and HQ, NQ and BQ diameter drilling.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>Each core hole drill interval is reviewed for linear core recovery based on measured recovered intervals from drilled intervals from which percentage recoveries are calculated.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>All diamond drill core is geologically logged, marked up and photographed by a qualified geologist. All geological and geotechnical observations including lithology and alteration, mineralisation type, orientation of mineralised structures with respect to the core axis, recoveries, specific density and RQD are recorded.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>Rock chip and continuous rockchip channel samples were geologically logged by a qualified geologist.</li> <li>The geology, mineralogy, nature and characteristics of mineralization and host rock geology, and orientation of the associated mineralised structures, was logged by a qualified geologist and subsequently entered into a geochemical database.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or Rock Chip and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>Mineralised core and adjacent intervals core are sampled at intervals ranging from a minimum 0.3m interval to maximum 1m based on geological boundaries, defined by a qualified geologist.</li> <li>Assaying is undertaken on representative, diamond saw cut ½ core portions of HQ core (63.5 mm diameter) and NQ (47.6 mm diameter) core.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>Rock chip and continuous rockchip channel samples were generally taken under dry conditions with a minimum and maximum sample width of 0.1m and 2.0m respectively.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Samples are stored in a secure location and transported to the ALS laboratory in Santiago via a certified courier. Sample preparation initially comprises weighing, fine crush, riffle split and pulverizing of 1kg to 85% &lt; 75µm under laboratory code Prep-31.</li> <li>Pulps are generally initially analysed for Au, Ag and trace and base elements using method codes: <ul style="list-style-type: none"> <li>Au-ICP21 (Au by fire assay and ICP-AES. 30 g nominal sample weight with lower and upper detection limit of 0.001 and 10 ppm Au respectively),</li> <li>ME-MS41 (Multi-Element Ultra Trace method whereby a 0.5g sample is digested in aqua regia and analyzed by ICP-MS + ICP-AES with lower and upper detection limit of 0.01 and 100 ppm Ag respectively)</li> <li>Au-AA23 (Au by fire assay and analysis by Atomic Absorption. 30 g)</li> <li>Ag-AA62 (Ag via 0.5g sample digested HF-HNO3-HClO4 digestion, HCl leach and Atomic Absorption)</li> </ul> </li> <li>For high grade samples method codes include: <ul style="list-style-type: none"> <li>Au-GRA21 (by fire assay and gravimetric finish 30 g nominal sample weight for Au values &gt; 10 g/t up to 1,000 g/t Au),</li> <li>ME-OG46 Ore Grade Ag by Aqua Regia Digestion and ICP-AES (with lower and upper detection limit of 1 and 1500 ppm Ag respectively) and Ag-GRA21 (Ag by fire assay and gravimetric finish, 30 g nominal weight for ≥</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>1500 g/t to 10,000 g/t Ag)</p> <ul style="list-style-type: none"> <li>○ Zn-AA62 (for &gt;1% up to 30% Zn)</li> <li>○ Pb-AA62 (for &gt;1% up to 20% Zn)</li> </ul> <ul style="list-style-type: none"> <li>• Alternate certified blanks and standards for Au and Ag are submitted by Equus within each laboratory batch at a ratio of 1:20 (i.e. 5%) for which QA/QC revision is conducted on results from each batch.</li> <li>• Internal laboratory QAQC checks are reported by the laboratory and a review of the QAQC reports suggests the laboratory is performing within acceptable limits</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>• For drill core sample data, laboratory CSV result files are merged with downhole geological logs and unique sample numbers. No adjustments were made to the assay data.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>• For rock chip sample data, laboratory CSV result files are extracted from the secure ALS webtrieve online platform and merged with geological and GPS location data files using unique sample numbers. No adjustments were made to the assay data.</li> <li>• Reported geochemical results are compiled by the company's chief geologist, and verified by the Company's chief operating officer.</li> <li>• Surface rockchip sample assays are shown in Appendix I as per when reported for the first time.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>• Drill hole collar position are currently located using handheld GPS receivers and will be subsequently more accurately surveyed by a qualified surveyor at a later date using a differential GPS system.</li> <li>• Coordinate Projection System SAD69 UTM Zone 19S.</li> <li>• All holes are surveyed for downhole deviation using a Gyroscope downhole survey tool at the completion of each hole.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>• Samples are located in x, y and z coordinates using handheld GPS receivers.</li> <li>• Coordinate Projection System SAD69 UTM Zone 19S</li> <li>• The topographic control, using a handheld GPS, is considered adequate for the sampling program.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>• Results will not be used for resource estimation prior to any supporting drilling being carried out.</li> <li>• Compositing of assay results where applicable on contiguous samples has been applied on a weighted average basis.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>• Results will not be used for resource estimation prior to any supporting drilling being carried out.</li> <li>• Compositing of assay results where applicable on contiguous samples has been applied on a weighted average basis.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this</i></li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>• Drilling is designed to intersect host mineralised structures as perpendicular to the strike and dip as practically feasible. In the initial stages of drill testing of targets, scout drilling is in some cases required to establish the geometries of the target host mineralised structures.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<i>should be assessed and reported if material.</i>	<p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>Representative rock chip samples of 2-3Kg weight were taken perpendicular to the strike of the vein outcrop over 0.1m to 2 metre intervals except where noted.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples are numbered and packaged under the supervision of a qualified geologist and held in a secure locked facility and are not left unattended at any time. Samples are dispatched and transported by a registered courier via air to ALS Minerals in Santiago.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews of the data management system have been carried out.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>Equus Mining Limited on the 7th October 2019 executed binding documentation with Mandalay Resources Corporation (TSX:MND, OTCQB: MNDJF) for a 3 year option to acquire Mandalay's Cerro Bayo Project in Region XI, Southern Chile. Under this agreement, Equus Mining Limited is funding and managing exploration with the aim of defining sufficient resources to warrant execution of the option.</li> <li>The laws of Chile relating to exploration and mining have various requirements. As the exploration advances, specific filings and environmental or other studies may be required. There are ongoing requirements under Chilean mining laws that will be required at each stage of advancement. Those filings and studies are maintained and updated as required by Equus Mining's environmental and permit advisors specifically engaged for such purposes.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Historic exploration was conducted by Compania Minera Cerro Bayo Ltda (owned previously by Couer Mining and currently by Mandalay Resources Corporation) which included both reverse circulation and diamond drilling and surface sampling and mapping. Validation of drill information is carried out by Equus in the form of inspection of original logs and assay certificates and where possible physical hole collar positions.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Cerro Bayo district hosts epithermal veins and breccias containing gold and silver as well as base metal mineralization. The deposits show multiple stages of mineralization and display open-space filling and banding, typical of low-sulphidation epithermal style mineralization. Mineralogy is complex and is associated with mineralization and alteration assemblages that suggest at least three stages of precious and base metal deposition. Exploration model types of both Low Sulphidation (e.g. Cerro Negro, Santa Cruz, Argentina) and Intermediate Sulphidation deposits (San Jose and Cerro Morro, Santa Cruz, Argentina and Juanacipio, Mexico) are being targeted throughout the Cerro Bayo district.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> <li>Drill hole collar positions are determined by a Garmin GPS using the grid system SAD69 UTM Zone 19S and will be more accurately surveyed by a qualified surveyor at a later date.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>Sample locations were surveyed with a handheld GPS using Coordinate Projection System SAD69 UTM Zone 19S. Composite sample channels were surveyed with collar, dip, azimuth and length whereby azimuths and dips of Composite chip channel samples were surveyed by a Brunton compass as per the table below. Individual channel and/or rockchip samples were surveyed with a point coordinate for which please refer to Appendix 1-Surface Sampling for relevant coordinate and elevation information. In due course sample locations may be surveyed by a differential GPS.</li> <li>Drilling and surface sampling assays are shown in Appendix I as per when reported for the first time.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Neither equivalent or upper or lower cut-off grades are used in any tables or summations of the data.</li> <li>Aggregated averages of rock sampled assays are weighted according to the sample length as per normal weighted average calculations.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p><u>Drill Sampling</u></p> <ul style="list-style-type: none"> <li>Intercepts quoted for all drill holes relate only to down hole intervals at this stage and further drilling will be required to determine the true widths of mineralization.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>All sample intervals over vein outcrop were taken perpendicular to the strike of the vein outcrop</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<p><u>Drill Sampling</u></p> <ul style="list-style-type: none"> <li>The location and geological and geochemical information received in drilling are displayed in the attached maps and/or tables.</li> </ul> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> <li>The location and results received for surface samples are displayed in the attached maps and/or Tables.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Results for samples with material assay values are displayed on the attached maps and/or tables. In most cases the adjacent host bedrock to veining either side of an apparent mineralised interval was also sampled to establish mineralization boundaries.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Metallurgical recovery tests have not been conducted on the Greenfields prospects explored by Equus Mining.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Further work including exploration drilling is planned to test zones beneath and along strike from both high grade and anomalous precious metal and pathfinder element surface geochemical results.</li> </ul>

**APPENDIX 1- ROCK CHIP SAMPLING RESULTS FROM THE PEGASO PROSPECTS (PEGASO II, III, IV)**

Sample_ID	East SAD69 H19	North SAD69 H19	RL	Sample_Width	Au g/t	Ag g/t	AuEq g/t (Au + Ag/65)
7395	270501	4841467	422.1	3.00	0.07	31.30	0.55
7396	270570	4841491	411.8	0.50	0.05	28.70	0.49
7397	270581	4841499	407.7	1.00	0.20	43.80	0.87
7398	270761	4841811	395.0	2.00	1.02	203.00	4.14
7399	270535	4841333	407.3	0.30	0.03	3.15	0.08
7400	270562	4841395	406.1	2.00	0.40	149.00	2.69
7401	270484	4841109	389.0	0.10	0.62	295.00	5.16
7402	270471	4841133	388.0	0.10	4.60	2810.00	47.83
7403	270446	4841172	396.0	0.10	0.82	510.00	8.66
7404	270405	4841222	399.0	0.10	0.83	241.00	4.54
7405	270501	4841112	385.0	0.10	0.27	85.20	1.58
7406	270487	4841112	389.0	0.10	0.29	94.20	1.74
7407	270474	4841072	380.0	0.10	0.50	150.00	2.80
7408	270458	4841058	379.0	0.10	2.08	1175.00	20.16
7409	270431	4841066	379.0	0.10	0.41	199.00	3.47
7410	270408	4841145	390.0	0.10	0.27	59.90	1.19
7411	270411	4841149	391.0	0.10	0.91	288.00	5.34
7412	270412	4841156	393.0	0.10	0.37	89.50	1.75
7413	270459	4841222	405.0	0.10	0.58	443.00	7.40
7414	270460	4841221	408.0	0.10	0.60	401.00	6.77
7415	270457	4841222	406.0	0.10	0.82	337.00	6.00
7416	270463	4841224	409.0	0.10	0.14	29.00	0.58
7417	270393	4841266	410.0	0.10	0.43	290.00	4.89
7418	270376	4841217	398.0	0.10	0.12	68.50	1.17
7419	270356	4841247	408.0	0.10	0.54	189.00	3.44

Sample_ID	East SAD69 H19	North SAD69 H19	RL	Sample_Width	Au g/t	Ag g/t	AuEq g/t (Au + Ag/65)
7420	270944	4841578	314.0	2.00	0.05	3.86	0.10
7421	270941	4841608	322.0	0.30	0.14	18.35	0.42
7422	270909	4841597	338.0	0.10	0.04	10.85	0.20
7423	270939	4841612	336.0	0.10	0.57	71.10	1.66
7424	270935	4841610	340.0	0.60	1.30	20.40	1.61
7425	270930	4841620	339.0	0.40	4.92	45.20	5.62
7426	270578	4841441	400.0	1.00	1.29	67.70	2.33
7428	270609	4841455	397.2	2.00	0.96	108.00	2.62
7429	271023	4841697	323.9	1.50	1.98	339.00	7.19
7430	271000	4841669	327.5	1.50	1.16	77.50	2.35
7431	270957	4841590	345.6	1.00	0.06	20.70	0.38
7432	270950	4841582	343.1	3.00	0.04	4.18	0.11
8626	270932	4841626	338.0	0.40	0.03	20.60	0.35
8627	270932	4841620	341.0	0.10	0.21	17.85	0.48
8628	270918	4841633	347.0	0.40	3.44	57.10	4.32
8629	270923	4841633	345.0	0.30	0.39	41.70	1.04
8630	270919	4841635	344.0	0.30	0.06	3.24	0.11
8631	270961	4841586	341.0	0.60	0.05	25.90	0.45
8632	270959	4841586	339.0	0.30	0.12	7.82	0.24
8633	270955	4841588	339.0	0.60	0.10	9.44	0.24
8634	270951	4841581	337.0	0.70	0.38	123.00	2.27
8635	270886	4841675	364.0	3.00	0.16	12.70	0.35
8636	270864	4841688	395.0	0.40	0.53	37.20	1.10
8637	270842	4841709	404.0	0.30	0.44	47.40	1.17
8638	270802	4841743	409.0	0.30	0.41	77.10	1.59
8639	270785	4841758	408.0	0.30	0.20	10.05	0.36
8640	270786	4841761	412.0	0.30	0.21	148.00	2.48
8641	270774	4841779	405.0	0.25	1.42	209.00	4.64
8642	270780	4841792	404.0	0.30	1.76	1050.00	17.91
8643	270766	4841812	391.0	0.30	0.89	219.00	4.26