

FURTHER SHALLOW HIGH-GRADE GOLD-SILVER RESULTS EXTENDS FOOTPRINT OF MINERALISED SYSTEM AT DROUGHTMASTER

Equus Mining Limited ('Equus' or 'Company') (ASX: EQE) is pleased to report encouraging results from a drill program in progress at the Droughtmaster Prospect and Project update at its Cerro Bayo Project, Chile.

HIGHLIGHTS

DROUGHTMASTER PROSPECT

- ▶ Further encouraging high-grade results supportive of a significant gold-silver mineralised epithermal vein system at the Droughtmaster Prospect, including:
 - ▶ Hole CBD039A:
 - **3.0m @ 9.17 g/t gold, 172.9 g/t silver** from 68.75m, including **2.09m @ 12.53 g/t gold, 210.09 g/t silver (15.76 g/t Au equivalent¹) from 69.18m**
- ▶ Significant veining has been logged in a further step out hole drilled approximately 40m towards the southeast along strike from hole CBD039A and is still pending assays.
- ▶ High-grade results from hole CBD039A are interpreted to comprise contiguous along strike extensions of high-grade results reported from previous holes drilled along an approximate 90m strike length towards the northwest including CDB016², CDB020³ and CBD037⁴.
- ▶ 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.

COMMENCEMENT OF PEGASO TARGET BROWNFIELDS DRILLING

- ▶ 1st stage drill testing has commenced on the Pegaso II and III targets focusing on potential extensions to high-grade historical drill intercepts located along host structures that extend individually over approximately 1km strike length between significant centres of historic production.
- ▶ Historic drilling intercepts for follow-up from the Pegaso Target II and III areas include⁵:
 - ▶ DCO001: **7.04m @ 3.37 g/t gold and 153.6 g/t silver (5.73 g/t Au equivalent¹)** from 69.51m
 - ▶ CGH165: **5.05m @ 19.45 g/t gold and 302.69 g/t silver (24.10 g/t Au equivalent¹)** from 88m

TAITAO RESOURCE ESTIMATION AND MINE RESTART STUDY

- ▶ Taitao Pit Resource Estimation is near completion and Mine Restart Study progressing well with significant potential for additional resources beneath and along strike of the existing mined areas (~45Moz of silver & ~0.65Moz of gold of historical production between 1995-2017⁶)
- ▶ Additionally, 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 via the commissioning of the 500ktpa plant Cerro Bayo providing Equus with the potential to fast track production.

¹ Gold equivalent (AuEq) is based on the formula $AuEq = Au + (Ag/65)$

² ASX Announcement - Shallow High-Grade Gold-Silver Drill Results from Droughtmaster Prospect and Commencement of Drilling at Taitao Pit
<https://wsecure.weblink.com.au/pdf/EQE/02238028.pdf>

³ ASX Announcement - 25th May 2020 Standout Intersection Bolsters Droughtmaster Potential
<https://wsecure.weblink.com.au/pdf/EQE/02238028.pdf>

⁴ ASX Announcement - 26th October 2020 Further Shallow High-Grade Gold-Silver Results from Droughtmaster And Project Update
<https://wsecure.weblink.com.au/pdf/EQE/02298655.pdf>

⁵ ASX Announcement - Review of Historical Drilling Generates New Gold-Silver Brownfields Targets at Cerro Bayo
<https://wsecure.weblink.com.au/pdf/EQE/02266302.pdf>

⁶ Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010 & March 21, 2017 Report #2699

DROUGHTMASTER STAGE 2 DIAMOND DRILLING

- ▶ Further encouraging shallow, high-grade results have been received from the initial stage 2 follow-up diamond drilling (completed total of 2,029m), targeting multiple gold-silver mineralised vein structures at the Droughtmaster Prospect.
- ▶ Results have been received from seven of ten holes drilled to date at the Percheron Vein target (drill hole collar information provided in Table 1 and drill results provided in Appendix 1), with better results including:
 - ▶ Hole CBD039A:
 - **3.0m @ 9.17 g/t gold, 172.9 g/t silver** from 68.75m, including **2.09m @ 12.53 g/t gold, 210.09 g/t silver (15.76 g/t Au equivalent⁷)** from 69.18m
 - ▶ The high-grade interval in Hole CBD039A is interpreted to represent the southeastern extension of high-grade mineralisation intercepted in previously reported results from holes CBD016, CBD020 and CBD037 over an approximate strike length of 90m, which included (Figure 1).
 - ▶ Hole CB016⁸:
 - **0.64m @ 1.44 g/t gold, 240.0 g/t silver (5.13 g/t Au equivalent⁸)** from 68.10m
 - **0.62m @ 17.28 g/t gold, 271.0 g/t silver (21.45 g/t Au equivalent⁸)** from 73.5m
 - **1.01m @ 5.32 g/t gold, 43.1 g/t silver (5.98 g/t Au equivalent⁸)** from 96.57m
 - ▶ Hole CB020⁹:
 - **3.81m @ 20.4 g/t gold, 55.5 g/t Ag silver (21.25 g/t Au equivalent⁸)** from 109m, including **1.06m @ 62.58 g/t gold, 129.3 g/t Ag silver** from 112m.
 - ▶ Hole CBD037¹⁰:
 - **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 (17.07 g/t Au equivalent⁸)** from 58.03m
 - **0.24m @ 7.84 g/t gold, 73.0 g/t silver (8.96 g/t Au equivalent⁸)** from 66.70m
 - **0.21m @ 13.10 g/t gold, 566.0 g/t silver (21.8 g/t Au equivalent⁸)** from 81.6m
 - ▶ Collectively, these intercepts are interpreted to relate to a series of steeply southwest dipping, sheeted and stockwork quartz veining and hydrothermally brecciated zones that are interpreted to comprise a gently plunging vein-breccia system vectoring and open towards the southeast.
 - ▶ The precious metal bearing zones of veining and brecciation intersected in drilling to date correspond predominantly to a series of hangingwall splays to the large scale, north-west trending Percheron Fault, which has been mapped over a strike length of approximately 3km.

⁷ Gold equivalent (AuEq) is based on the formula $AuEq = Au + (Ag/65)$

⁸ ASX Announcement - Shallow High-Grade Gold-Silver Drill Results from Droughtmaster Prospect and Commencement of Drilling at Taitao Pit
<https://wsecure.weblink.com.au/pdf/EQE/02238028.pdf>

⁹ ASX Announcement - 25th May 2020 Standout Intersection Bolsters Droughtmaster Potential
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¹⁰ ASX Announcement - 26th October 2020 Further Shallow High-Grade Gold-Silver Results from Droughtmaster And Project Update
<https://wsecure.weblink.com.au/pdf/EQE/02298655.pdf>

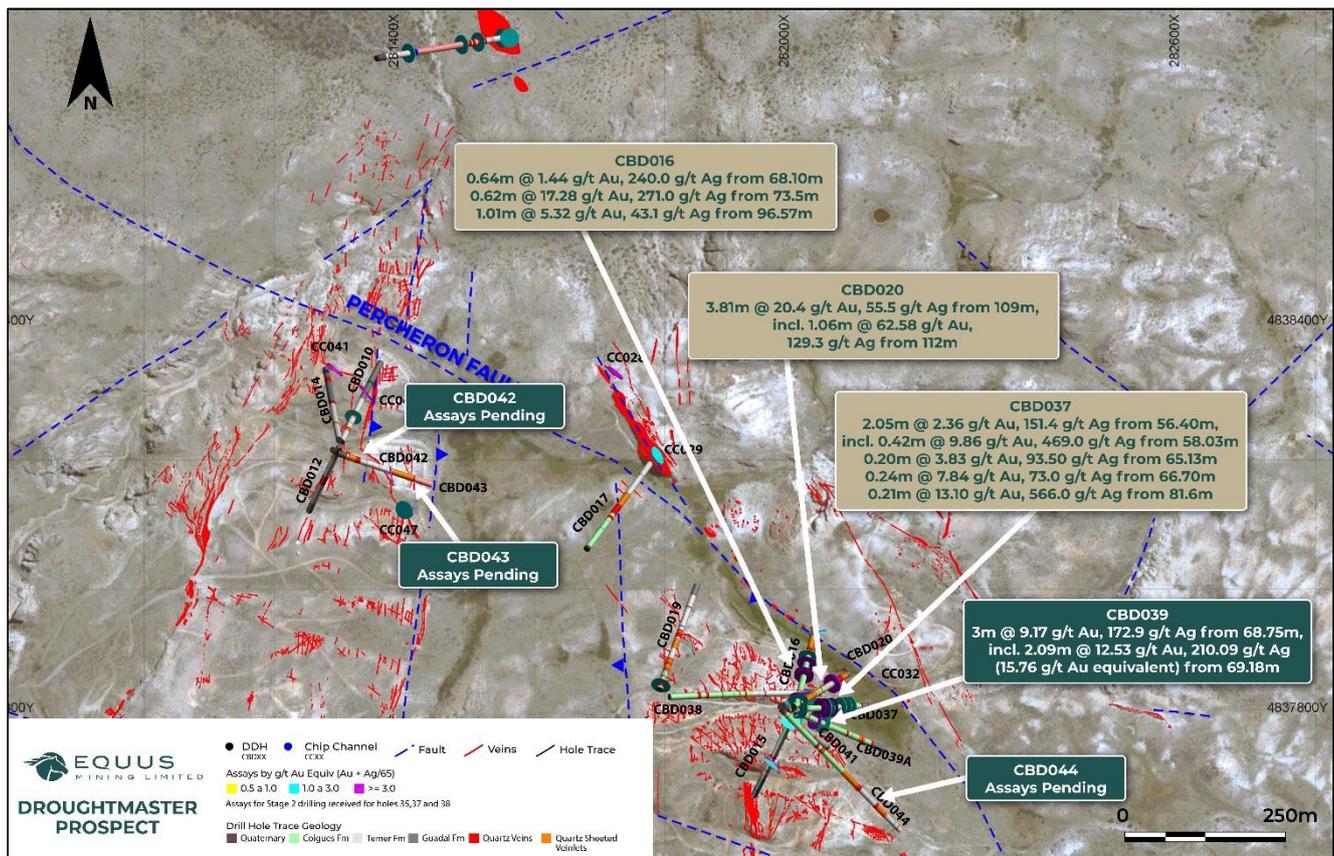


Figure 1 – Droughtmaster Prospect – Plan showing vein outcrop and summary trench and drillhole geochemical results

- ▶ Assays remain outstanding for a further 3 holes at Droughtmaster with results expected late December 2020, one of which was drilled to target mineralisation approximately 40m along strike to the southeast from hole CDB039A. A follow-up drill program will be designed upon receipt of final results from this campaign which provisionally will target further extensions towards the southeast (Figure 2).
- ▶ The Droughtmaster Prospect was identified by Equus as a high priority greenfields drill target hosting widespread epithermal veining located 12km from the Cerro Bayo processing facility.

PEGASO TARGETS - STAGE 1 DRILL TESTING UNDERWAY

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 and along strike shallow high-grade historic drilling results.

First stage drill testing has commenced on the Pegaso II and III targets with the initial focus on defining potential extensions to high-grade historical intercepts¹¹ and beneath high Au-Ag grade rock chip geochemical results reported previously¹² & ¹³ (Figure 2), including:

¹¹ ASX Announcement – Review of Historical Drilling Generates New Gold-Silver Brownfields Targets at Cerro Bayo
<https://wsecure.weblink.com.au/pdf/EQE/02266302.pdf>

¹² ASX announcement 25th Aug 2020 Sampling Delivers High Grade Silver Results
<https://wsecure.weblink.com.au/pdf/EQE/02271139.pdf>

¹³ ASX announcement 11 September 2020 High grade silver rock chip results at Cerro Bayo
<https://wsecure.weblink.com.au/pdf/EQE/02279829.pdf>

► PEGASO II Target:

- Historical drill hole: DCO001: **7.04m @ 3.37g/t gold and 153.6 g/t silver** from 69.51m including **1.23m @ 7.57 g/t gold and 304.9 g/t silver (12.3 g/t Au equivalent)** from 69.51m
- Rockchip geochemical results: peak value of **4.6 g/t gold and 2,810 g/t silver (47.83 g/t Au equivalent)**

► PEGASO III Target:

- Historical drill hole: CGH165: **5.05m at 19.45 g/t gold and 302.69 g/t silver (24.1 g/t Au equivalent)** from 87.95m (Figure 2).
- Rockchip geochemical results: peak value of **17.8 g/t gold and 4,350.0 g/t silver (84.7 g/t Au equivalent)**

Both the Pegaso II and III targets comprise host vein structures that extend between significant centres of historic production, individually over approximately 1km strike lengths. The company believes these targets remain underexplored based on the sparsity of historic drilling along these structures.

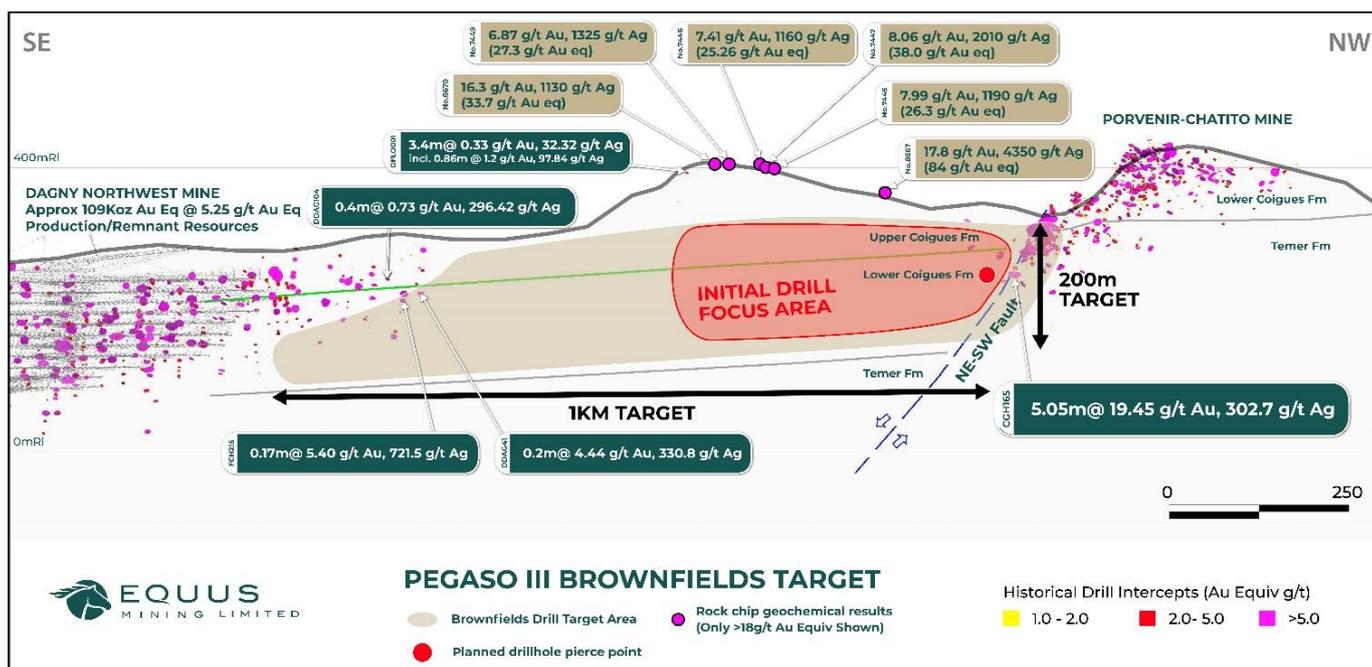


Figure 2 – Pegaso II Target – Long section showing historic drillhole, Equus rock chip geochemical results, initial drill target focus area and planned pierce point of 1st hole

TAITAO PIT RESOURCE ESTIMATION & MINE RESTART STUDY

- ▶ 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 prior to end 2020.
- ▶ Based on historical Taitao mine development and expansion studies and progress with the current resource estimation, it is considered by Equus that significant potential remains for additional resources beneath and along strike of the existing mined areas. The resources confirmed throughout the Taitao Pit area will be the initial main 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/greenfields exploration.
- ▶ Mine restart studies are advancing by an in-country third party consultant involving initial comprehensive review of historic production data and which will include potential beneficiation solutions, mine scheduling and permitting. In conjunction with the assessment of resources by Cube Consulting, various concepts for re-starting the treatment plant are being considered by our technical staff and consultants. The company is working to a schedule for re-start studies to be completed by the end Q1/2021, however, Equus management continues to actively monitor COVID related developments and will provide further updates should the situation change.
- ▶ Mandalay Resources is reviewing the option to commence processing of low-grade stockpiles by early 2021 at an initial rate of 40,000 tonnes per month.

Damien Koerber, Chief Operating Officer, Equus Mining Commented:

"Further high-grade results relating to relatively shallow intercepts at Droughtmaster provide continued encouragement for the potential of the prospect to host significant high-grade, gold-silver mineralisation. Upon completion of the stage 2 follow-up program and compilation of final results, further drilling will be designed accordingly and will seek to define further extensions both along strike and at depth.

The Company is also pleased to reaffirm to shareholders that execution of our dual track strategy continues with the commencement of drilling at the brownfield Pegaso targets. We are excited to drill test these targets as we see compelling potential to define extensions to high-grade historical drill intercepts between significant centres of historic production.

We are further encouraged by the good progress on our brownfields resource estimation at the Taitao Pit area and look forward to releasing a maiden resource later in Q4 2020. While a degree of uncertainty surrounds the effect of the COVID-19 virus, the Company highly appreciates the efforts of its local staff and subcontractors to date in the strict implementation of protocols to reduce the possibility of infection and maintain the wellbeing of our local stakeholders."

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 Corporation¹⁴. The project contains an existing 1,500 tpd processing plant through which historical production of 645Koz Gold and 45Moz Silver¹⁵ was achieved up until the mine's temporary closure in mid-2017. The Cerro Bayo Project is located central to the approximate 350km² of prospective gold-silver claim holdings held by the company (Figure 3).

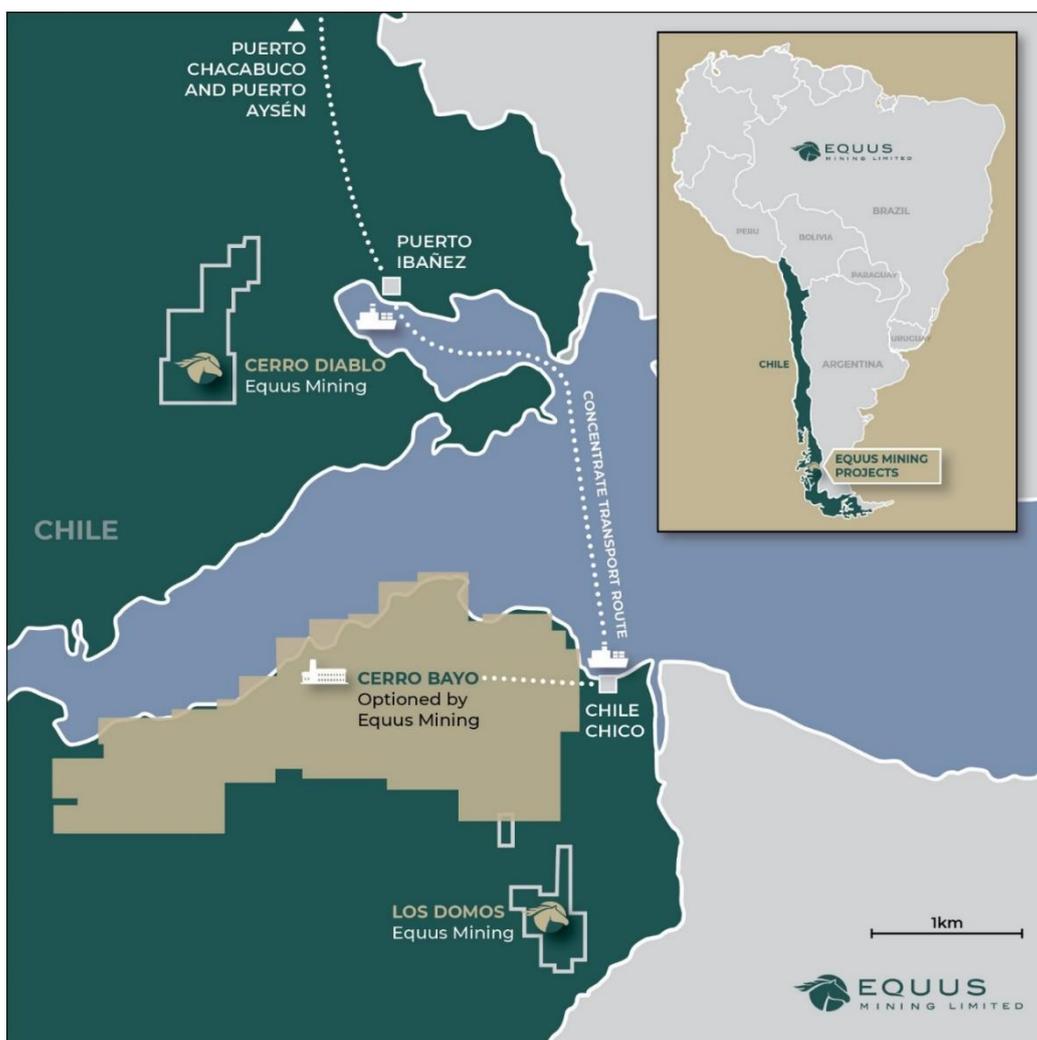


Figure 2 – Location plan of Equus Mining's Cerro Bayo mining district and other projects.

- END -

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

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¹⁴ ASX Announcement - 8 October 2019 Equus Executes Option to Acquire Mandalay Resources Corporation's Cerro Bayo Mining Project
<https://wsecure.weblink.com.au/pdf/EQE/02156517.pdf>

¹⁵ Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010. & March 21, 2017 Report #2699

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.

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
Sampling techniques	<ul style="list-style-type: none"> 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> Industry standard diamond drilling is used to obtain continuous core samples. Continuous core sampling ensures high sampling representation. 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. 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. 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> 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. Sample locations were surveyed with a handheld GPS using Coordinate Projection System SAD69 UTM Zone 19S. 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.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> All holes are cored in their entirety from the base of surface regolith cover and HQ (63.5 mm diameter) coring is conducted to hole completion. Diamond drilling size may be reduced to NQ (47.6 mm diameter) in the case that broken ground is encountered.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> Rock chip and continuous rockchip channel samples were geologically logged by a qualified geologist. 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.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or Rock Chip and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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. 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> 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.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) 	<ul style="list-style-type: none"> 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% < 75µm under laboratory code Prep-31. Pulps are generally initially analysed for Au, Ag and trace and base elements using method codes: <ul style="list-style-type: none"> 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), 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) For high grade samples method codes include: <ul style="list-style-type: none"> Au-GRA21 (by fire assay and gravimetric finish 30 g

Criteria	JORC Code explanation	Commentary
	<p><i>and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>nominal sample weight for Au values > 10 g/t up to 1,000 g/t Au),</p> <ul style="list-style-type: none"> ○ 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 ≥ 1500 g/t to 10,000 g/t Ag) ○ Zn-AA62 (for > 1% up to 30% Zn) ○ Pb-AA62 (for > 1% up to 20% Zn) <ul style="list-style-type: none"> • 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. • Internal laboratory QAQC checks are reported by the laboratory and a review of the QAQC reports suggests the laboratory is performing within acceptable limits
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> • 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> • 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. • Reported geochemical results are compiled by the company's chief geologist, and verified by the Company's chief operating officer. • Surface rockchip sample assays are shown in Appendix I as per when reported for the first time.
<p>Location of data points</p>	<ul style="list-style-type: none"> • <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> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> • 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. • Coordinate Projection System SAD69 UTM Zone 19S. • All holes are surveyed for downhole deviation using a Gyroscope downhole survey tool at the completion of each hole. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> • Samples are located in x, y and z coordinates using handheld GPS receivers. • Coordinate Projection System SAD69 UTM Zone 19S • The topographic control, using a handheld GPS, is considered adequate for the sampling program.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <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> • <i>Whether sample compositing has been applied.</i> 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> • Results will not be used for resource estimation prior to any supporting drilling being carried out. • Compositing of assay results where applicable on contiguous samples has been applied on a weighted average basis. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> • Results will not be used for resource estimation prior to any supporting drilling being carried out. • Compositing of assay results where applicable on contiguous samples has been applied on a weighted average basis.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> 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.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> 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.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews of the data management system have been carried out.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> 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. 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.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historic exploration was conducted by Compania Minera Cerro Bayo Ltda which included drilling and surface sampling and mapping.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> 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.

Criteria	JORC Code explanation	Commentary																																																																						
Drill hole Information	<ul style="list-style-type: none"> 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"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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. <p>Percheron Target-Droughtmaster Prospect Drill Hole Collars</p> <table border="1"> <thead> <tr> <th rowspan="2">Hole ID</th> <th rowspan="2">Target</th> <th>East</th> <th>North</th> <th>RL</th> <th>Dip</th> <th>Azimuth</th> <th>Total Depth</th> </tr> <tr> <th>(SAD 69 Zone19S)</th> <th>(m)</th> <th>(m)</th> <th>-x°</th> <th>x°</th> <th>(m)</th> </tr> </thead> <tbody> <tr> <td>CBD035</td> <td>Percheron</td> <td>281996</td> <td>4837817</td> <td>857</td> <td>65</td> <td>58</td> <td>200</td> </tr> <tr> <td>CBD036</td> <td>Percheron</td> <td>281995</td> <td>4837816</td> <td>857</td> <td>80</td> <td>58</td> <td>187.2</td> </tr> <tr> <td>CBD037</td> <td>Percheron</td> <td>281995</td> <td>4837814</td> <td>857</td> <td>40</td> <td>88</td> <td>181.8</td> </tr> <tr> <td>CBD038</td> <td>Percheron</td> <td>281807</td> <td>4837833</td> <td>868</td> <td>30</td> <td>88</td> <td>279.6</td> </tr> <tr> <td>CBD039_A</td> <td>Percheron</td> <td>281981</td> <td>4837819</td> <td>858</td> <td>40</td> <td>113</td> <td>215.2</td> </tr> <tr> <td>CBD040</td> <td>Percheron</td> <td>281980</td> <td>4837820</td> <td>858</td> <td>59</td> <td>113</td> <td>178.0</td> </tr> <tr> <td>CBD041</td> <td>Percheron</td> <td>281978</td> <td>4837818</td> <td>858</td> <td>53</td> <td>133</td> <td>220.0</td> </tr> </tbody> </table> <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> 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. Drilling and surface sampling assays are shown in Appendix I as per when reported for the first time. 	Hole ID	Target	East	North	RL	Dip	Azimuth	Total Depth	(SAD 69 Zone19S)	(m)	(m)	-x°	x°	(m)	CBD035	Percheron	281996	4837817	857	65	58	200	CBD036	Percheron	281995	4837816	857	80	58	187.2	CBD037	Percheron	281995	4837814	857	40	88	181.8	CBD038	Percheron	281807	4837833	868	30	88	279.6	CBD039_A	Percheron	281981	4837819	858	40	113	215.2	CBD040	Percheron	281980	4837820	858	59	113	178.0	CBD041	Percheron	281978	4837818	858	53	133	220.0
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Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Neither equivalent or upper or lower cut-off grades are used in any tables or summations of the data. Aggregated averages of rock sampled assays are weighted according to the sample length as per normal weighted average calculations. 																																																																						
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> 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. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> All sample intervals over vein outcrop were taken perpendicular to 																																																																						

Criteria	JORC Code explanation	Commentary
	<i>should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	the strike of the vein outcrop
Diagrams	<ul style="list-style-type: none"> 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. 	<p><u>Diamond Drilling Sampling</u></p> <ul style="list-style-type: none"> The location and visual results received in diamond drilling are displayed in the attached maps and/or tables. <p><u>Surface Sampling</u></p> <ul style="list-style-type: none"> The location and results received for surface samples are displayed in the attached maps and/or Tables.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Metallurgical recovery tests have not been conducted.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> 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.

Appendix I – Drill Hole Assay Results

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	Sample ID	Au g/t	Ag g/t
CBD039A	68.75	69.18	0.43	14459	1.75	153
CBD039A	69.18	70.17	0.99	14460	8.89	292
CBD039A	70.17	70.46	0.29	14461	0.52	32.4
CBD039A	70.46	70.87	0.41	14462	0.74	53.3
CBD039A	70.87	71.07	0.20	14463	0.17	18.75
CBD039A	71.07	71.27	0.20	14464	84.50	575
CBD039A	71.27	71.55	0.28	14465	0.07	3.03
CBD039A	71.55	71.75	0.20	14466	2.78	65.1