MAIDEN INFERRED MINERAL RESOURCE ESTIMATE, CERRO BAYO PROJECT

302,000oz Au Equiv. at 2.5 g/t Au Equiv.
Comprised of 227koz Au at 1.9 g/t Au and 5,844koz Ag at 48 g/t Ag

HIGHLIGHTS

- Equus continues to execute its dual track strategy of leveraging brownfields resources and greenfield discoveries for a near-term mine restart with a maiden Inferred Mineral Resource Estimate (MRE) at the Taitao Pit area of **302,000 gold equivalent ounces** at **2.5 g/t Au equivalent**[1] comprised of:
  - **227koz gold** at **1.9 g/t gold** and **5,844koz silver** at **48 g/t silver**
- Near surface Mineral Resources have been reported within an optimised pit shell based on a gold and silver price of US$1,850 per ounce and US$24 per ounce respectively. Around 64% of the near surface MRE occurs within the reporting pit shell at an average grade of 2.1 g/t Au equivalent (reported at a 0.8 g/t AuEq cut off). A higher grade reporting cut off of 2.0 g/t AuEq was applied to Mineral Resources below the pit shell resulting in an average grade of 3.7 g/t Au equivalent. Figures 1 to 4 show graphical representations of the MRE block model and resource reporting shell.
- MRE based on combined Historical drilling and confirmatory drilling conducted by Equus totaling approximately 1,180 holes for a total of 112,139m.
- The Taitao open pit and underground resources are optimally located between 300m to 1500m to the 500ktpa Cerro Bayo flotation plant
- The maiden Inferred MRE provides the Company with a solid foundation for increasing the confidence in available Mineral Resources and further progressing the Company's mine restart study during 2021.
- There is significant potential for additional resources beneath and along strike of the existing mined areas and throughout the large 295 sq.km Cerro Bayo claim package. Current high priority follow-up brownfields and greenfields targets include:
  - Potential resource extensions at depth and along strike of the current Taitao pit area with further follow-up drilling at Taitao anticipated to begin in H1 2021.
  - Marcela historic underground mining precinct.
  - Pegaso I-V Targets- current drilling focused on mapped vein structures located within 2km from the Cerro Bayo flotation plant. The Pegaso mapped vein trends occur between significant centres of historic production with a cumulative strike length of more than 3.5km. Target structures remain only partially explored by historic drilling and have returned high grade surface geochemical results up to 17.8 g/t Au, 4350 g/t Ag[2].
  - Droughtmaster Prospect- early stage, shallow high-grade drill results including 3.81m @ 20.4 g/t Au, 55.5 g/t Ag from 109m[3].
- 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 via the re-start of the 500ktpa Cerro Bayo flotation plant providing Equus with the potential to fast track production.
- The estimation and reporting of the MRE has been conducted by leading independent consultants, Cube Consulting in Perth, Australia and Marcos Valencia in Santiago, Chile.

[1] Gold equivalent (AuEq) is based on the formula AuEq g/t = Au g/t + 0.0128 x Ag g/t
[2] ASX Announcement - Sampling Delivers Further High Grade Silver Results From Pegaso Targets https://wcsecure.weblink.com.au/pdf/EQE/02279829.pdf
[3] 9 ASX Announcement - 25th May 2020 Standout Intersection Bolsters Droughtmaster Potential https://wcsecure.weblink.com.au/pdf/EQE/02238028.pdf

Equus Mining Limited ('Equus' or 'Company') **(ASX: EQE)** is pleased to announce a maiden Inferred Mineral Resource of 302,000 gold equivalent ounces at 2.5 g/t Au equivalent[4] at the previously partially exploited Taitao Pit within the Company's Cerro Bayo Project, Chile.

The Maiden Taitao MRE is reported in Table 1. The Mineral Resource estimate is classified and reported in accordance with the 2012 JORC guidelines with relevant details provided in the JORC (2012) Table 1.

Table 1 – Taitao Inferred Mineral Resource Estimate December 2020

	Cut-off grade (AuEq g/t)	Tonnes (kt)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Au (koz)	Ag (koz)	AuEq (koz)
Open pit	0.8 g/t	2,915	1.6	38	2.1	148	3,602	194
Underground	2.0 g/t	901	2.7	77	3.7	79	2,242	108
Total - Inferred		**3,816**	**1.9**	**48**	**2.5**	**227**	**5,844**	**302**

Notes:

1. **Mineral Resources are classified and reported in accordance with the 2012 JORC Code.**
2. **Mineral Resources are defined using a long-term gold price of US$1,850 per ounce and a silver price of US$24 per ounce.**
3. **Open pit Mineral Resources are reported at a cut-off grade of 0.8 g/t AuEq. Pit optimisation shells were used to constrain the resources.**
4. **Underground Mineral Resources are reported at a cut-off of 2.0 g/t AuEq beneath the open pit shells.**
5. **Gold Equivalents (AuEq) were calculated as AuEq = Au + 0.0128 x Ag based on a gold and silver price of US$1,850/oz and US$24/oz and recoveries of gold and silver of 86% and 85% respectively.**
6. **Epithermal vein domains are modelled between hangingwall and footwall contacts. No internal selectivity, minimum mining width or dilution has been applied.**
7. **Stockwork domains are modelled using a Selective Mining Unit (SMU) of X=2.5m, Y=5m, Z=2.5m. Dilution has been incorporated into the SMU.**
8. **A bulk density of 2.64 g/cm3 has been applied to the epithermal veins. A bulk density of 2.57 g/cm3 has been applied to the stockwork and waste domains.**
9. **Numbers may not add due to rounding**

John Braham, Managing Director, Equus Mining Commented:

"The Taitao maiden Mineral Resource Estimate provides a valuable milestone for the company and helps cement an important pathway towards execution of the option to acquire the Cerro Bayo Project and transition towards becoming a gold-silver producer. The Company thanks our in-country team for execution of the program during 2020 that formed the basis of the MRE and Cube Consulting and Marcos Valencia for the work they have put into providing this independent resource estimate.

This Mineral Resource Estimate forms the building block to achieving a significant resource inventory throughout what the Company views as a large highly prospective and proven gold-silver producing district which we continue to aggressively seek to add additional ounces via further drilling at depth and along strike at Taitao, and further discoveries at our many other brownfields and greenfields exploration prospects.

The MRE will form a valuable part of our upcoming mine restart study which we are anticipating to deliver to shareholders during 2021. The Taitao Mineral Resource is ideally located within 1.5km from the Cerro Bayo 1,500tpd mill and flotation plant.

[4] Gold equivalent (AuEq) is based on the formula AuEq g/t = Au g/t + 0.0128 x Ag g/t

TAITAO MINERAL RESOURCE ESTIMATE INFORMATION

The MRE was based on significant historical drilling and data undertaken and collected by previous owners including local Chilean subsidiaries of Freeport Mining, Coeur Mining and Mandalay Resources, as well as confirmatory drilling undertaken by Equus. Historical drilling was comprised of Diamond Drilling, Reverse Circulation, and Surface and Underground Exploratory tunnel continuous rock channels. Detailed historical data included:

- Diamond Drilling – totaling 693 holes for an approximate total of 65,580m.
- Reverse Circulation- totaling 487 holes for an approximate total of 46,559m.
- Surface and Underground continuous Rock channel – total of 566 channels for an approximate total of 4293m.

Furthermore, confirmatory drilling was undertaken by Equus with results received in July 2020. This comprised of diamond drilling totalling 1,455m in 14 holes.

The database of historical data has been validated and compiled by Equus Mining geologists and reviewed by a Chile based Competent Person who have reconciled a representative amount of available hardcopy drill logs and assay results against the digital drill hole database.

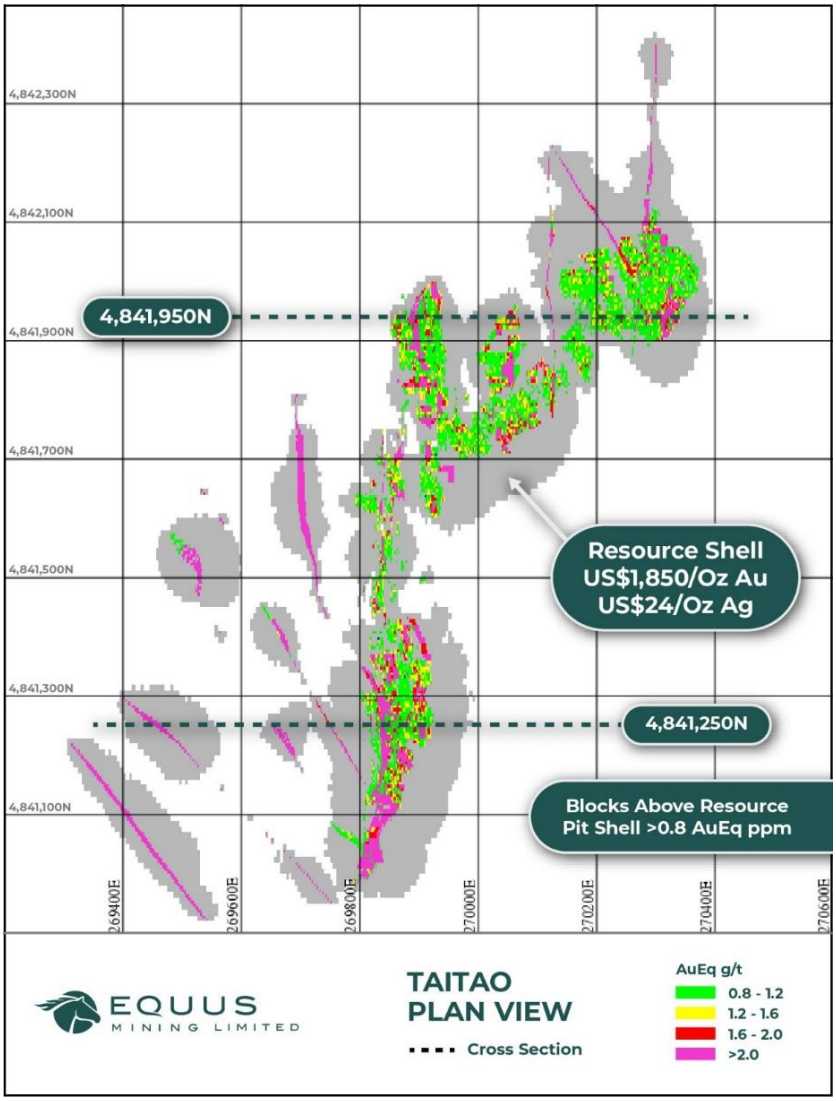

Figure 1 –Plan View of US$1850 oz Au and US$24 oz Ag Taitao pit optimisation resource reporting shell

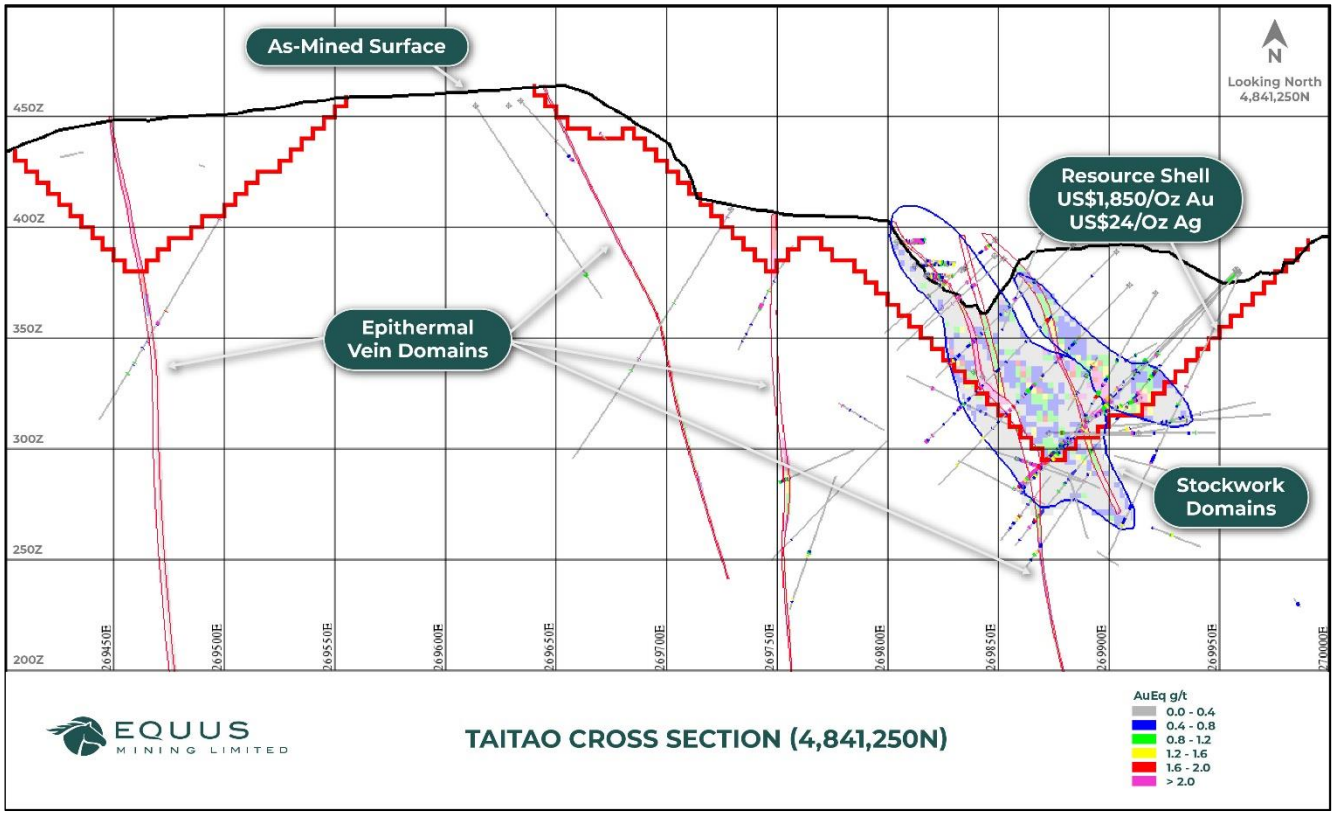

Figure 2 –Section 4,841,250N with US$1850 oz Au and US$24 oz Ag Taitao pit optimisation resource reporting shell

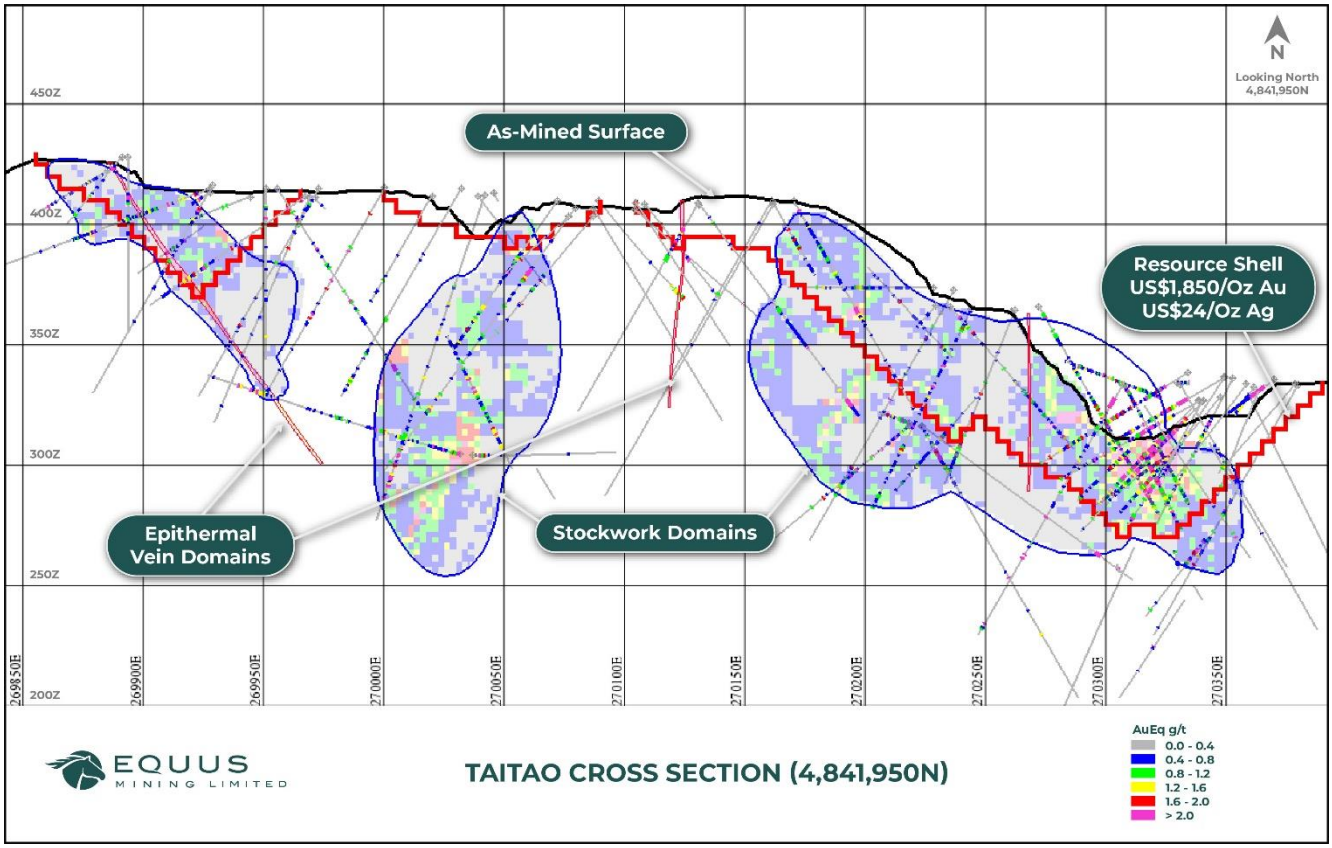

Figure 3 –Section 4,841,950N with US$1850 oz Au and US$24 oz Ag Taitao pit optimisation resource reporting shell

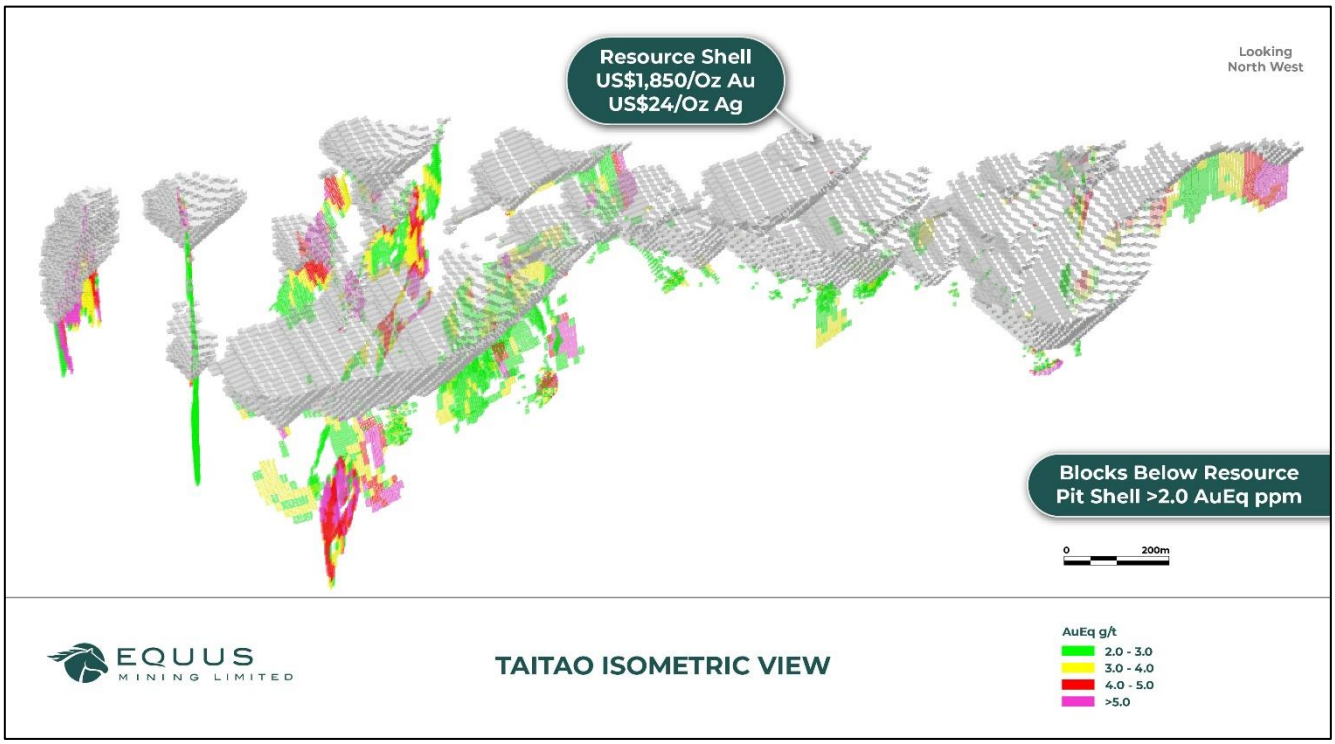

Figure 4 –Isometric view of blocks below US$1850 oz Au and US$24 oz Ag Taitao pit optimisation resource reporting shell

REPORTING OF HISTORIC RESULTS FROM TAITAO

Historical results referenced in this announcement are pre-2012 exploration results. The mining and exploration activity was undertaken from 1980-1989 by a subsidiary of Freeport Mining and subsequently from 1995-2000 (pre-JORC) by Coeur d'Alene Mines Corporation (now Coeur Mining or "Coeur"); initially from the Taitao open pit operations in the Laguna Verde area and then from underground operations in the Cerro Bayo area.

As per ASX requirements for reporting pre-1989 historical data, Equus notes that the results are not reported in accordance with the JORC Code 2012; a competent person has not done sufficient work to disclose the exploration results in accordance with the JORC Code 2012; it is possible that following further evaluation and/or exploration work that the confidence in the prior reported exploration results may be reduced when reported under the JORC Code 2012; that nothing has come to the attention of Equus that questions the accuracy or reliability of the former owner's exploration results, but Equus is in the process of independently validating the former owner's exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results. The levels of gold and silver reported, from past drilling activity, is a key factor in guiding Equus's exploration strategy. The previous drilling activity, which produced these results, involved multiple reverse circulation and diamond drill holes and check assaying, providing Equus with confidence that the results are reliable, relevant and an accurate representation of the available data and studies undertaken by previous exploration activity.

Proposed additional verification work includes further resource and geotechnical drilling and review and validation of historical drill core which Equus is currently undertaking.

MINE RESTART STUDY ADVANCING

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 planning and scheduling and permitting. In conjunction with Cube Consulting, the Company will aim to upgrade key areas of the Mineral Resource to a higher level of classification confidence to support all technical aspects of the re-start study and ultimately formulate Ore Reserves. The company is working to a schedule for re-start studies to be completed during 2021. The recently completed MRE will provide a valuable basis for the mine restart study at the Cerro Bayo project.

Additionally, 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. Any work conducted by Mandalay Resources will provide valuable insight into the operational capabilities of the 1,500tpd mill and flotation plant.

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[5]. The project contains an existing 1,500 tpd processing plant through which historical production of 645Koz Gold and 45Moz Silver[6] was achieved up until the mine´s temporary closure in mid-2017. The Cerro Bayo Project is located central to the approximate 350km^2 of prospective gold-silver claim holdings held by the company (Figure 5).

[5] 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
[6] Based on Mandalay Resources Corporation, Cerro Bayo Mine NI 43-101 Technical Reports dated May 14, 2010. & March 21, 2017 Report #2699

Figure 5 – 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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COMPETENT PERSON'S STATEMENT:

The information in this announcement that relates to Mineral Resource estimates is based on information compiled by Mr Patrick Adams and Mr Marcos Valencia, who are both Fellow's of the Australasian Institute of Mining and Metallurgy. Mr Adams is a full time employee of Cube Consulting Pty Ltd and Mr Valencia is a full time employee of Octant Management. *Mr Adams and Mr Valencia have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Adams and Mr Valencia consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data- TAITAO MRE 2020

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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 30 g 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.*	• **Historic Data** • Data collected during 1994-2007 by Compañía Minera Cerro Bayo Ltd or CMCB (formerly Cia Minera CDE Fachinal Ltda) which is a 100% owned subsidiary of Mandalay Resources Corporation) comprising of Reverse Circulation, BQ, NQ and HQ Diamond Drilling and Surface and Underground Exploratory tunnel continuous rock channels. • All the respective samples from the above methods were analyzed at the Cerro Bayo Mine assay laboratory located at the mine site. This lab contains all the facilities for sample preparation, fire, wet and atomic absorption assays, as well as offices, washrooms, reagents and general storage. An audit was performed by Lakefield Research in 2002 on the laboratory. Their findings were that the laboratory meets international standard operating procedures. • The sample preparation and assay procedures for the historic data comprised: o Each drill and/or channel sample is identified with a unique sample number that is tracked throughout the assaying process. o The as-received samples that range between 0.5 and 5.0 kg were weighed prior to crushing. Following weighing, the sample was jaw crushed to produce a 9.5 mm product, roll crushed to achieve 90% passing 2.00 mm (10 mesh ASTM) product, then split with a 1-in rifle to approximately 0.50 kg. This 0.50 kg sample is dried for 2 hours at 102° C prior to being pulverized using a plate pulverizer to 100% passing 0.15 mm (100 mesh ASTM). After pulverizing each sample, the bowl, ring, and puck assembly are disassembled with the pulverized sample and placed on a rolling cloth. The pulverizer assembly is placed back in the bowl with another sample. Two assemblies are used in an alternating fashion. The pulverized sample is rolled and transferred to a numbered envelope. Silica sand is pulverized at the end of the entire sample run in order to minimize possible contamination for the next run. o Assaying was done by fire assaying methods (30

Criteria	JORC Code explanation	Commentary
		g charge) with a gravimetric finish. Each sample is fire-assayed using a traditional lead oxide flux as well as a known addition of silver, called in inquart. The samples are placed in gas fired assay furnaces. The fusion of the flux and inquarted sample produces a molten mixture that is poured into conical molds and cooled. The lead button formed during the fusion process is separated from the cooled slag and pounded to remove any adhering slag. The lead button is then cupelled using a magnesium oxide cupel. The remaining doré bead is flattened and weighed. The weighed doré is placed in a test tube and concentrated nitric acid added. The button is then rinsed, ammonia added, and rinsed again. The button is dried and then roasted for 5 minutes. After cooling, the gold is weighed. Gold to silver ratios are checked. If greater than 0.40 additional silver and lead is added, and the sample re-analyzed. ○ The gold and silver present in the sample are expressed according to the following formula: ▪ Au (g/t) = Au (mg) / sample weight (g); and ▪ Ag (g/t) = (Au + Ag) (mg) – Au (mg) / sample weight (g) • **Equus Mining Drilling** • The sample preparation and assay procedure for the Equus drill data comprised: ○ Each drill sample is identified with a unique sample number ○ **Gold analysis:** The sample is assayed by method code Au-AA23 (Fire Assay Fusion, AAS Finish) by ALS Laboratories Santiago, Chile in which sample decomposition by Fire Assay Fusion in which a 30g gram sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. ○ The bead is digested in 0.5 mL dilute nitric acid in the microwave oven, 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 4 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards (lower limit of 0.005 g/t Au and upper Limit 10 g/t Au). ○ For samples > 10 g/t Au and < 1000 g/t Au the method code Au-GRA21 was implemented using Fire Assay Fusion sample decomposition and gravimetric analysis whereby a prepared 30 g sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents in order to produce a lead button. The lead button containing the precious metals is cupelled to remove the lead. The remaining gold and silver bead are parted in dilute nitric acid, annealed and weighed as gold.

Criteria	JORC Code explanation	Commentary
		○ **Silver analysis:** The sample is assayed by method code ME-AA62 by ALS Laboratories Santiago, Chile in which sample decomposition is via HNO3-HClO4-HF-HCl digestion (ASY-4ACID) and analysis by AAS ○ The method involves that a prepared sample (0.4) g is digested with nitric, perchloric, and hydrofluoric acids, and then evaporated to dryness. Hydrochloric acid is added for further digestion, and the sample is again taken to dryness. The residue is dissolved in nitric and hydrochloric acids and transferred to a volumetric flask (100 or 250) mL. The resulting solution is diluted to volume with de-mineralized water, mixed and then analyzed by atomic absorption spectrometry against matrix-matched standards (lower limit of 1 g/t Ag and upper Limit 1500 g/t Ag). ○ For samples between >1500 g/t Ag and < 10,000 g/t Ag the method code Ag-GRA21 was implemented using Fire Assay Fusion sample decomposition and gravimetric analysis whereby a prepared 30g sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents in order to produce a lead button. The lead button containing the precious metals is cupelled to remove the lead. The remaining gold and silver bead are parted in dilute nitric acid, annealed and weighed as gold. Silver is then determined by the difference in weights.
Drilling techniques	• *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).*	The resource calculation utilised a combination of: • **Historic Data**: • Diamond Drilling – totaling 693 holes for an approximate total of 65,580m. Three sizes of core drilling have been drilled in the Taitao Resource area: ○ BQ (36 mm) drilled from surface and underground; ○ NQ (47 mm) drilled from surface; and ○ HQ (64mm) drilled from surface. ○ The majority of the holes drilled in the Taitao Resource area are BQ in size. Drilling was carried out by contractors and by CDE Chilean Exploration personnel using CMCB owned rigs (Diamec 252 and Diamec 262). It is unclear whether the diamond core from the historic drilling was orientated. • Reverse Circulation: 5 and 5.5 inch face sampling hammer -a total of 487 holes for an approximate total of 46,559m. • Surface and Underground continuous Rock channel – total of 566 channels for an approximate total of 4293m. Channel sampling was done with a jack hammer in both open pits and underground. Samples are taken perpendicular to the mineralized structure at intervals of 3 meters in underground operations and every 5 meters in open pits. For underground mining the samples are taken from the back, and the sampling is repeated every 4-5 m of vertical advance (approximately two cuts or lifts). The minimum sample length is 0.30 m and the maximum

Criteria	JORC Code explanation	Commentary

		length is 1.00 m. The width of the channel ranges from 0.20 to 0.40 m and the depth is typically 0.20 m.
		
		• **Equus Mining Drilling**
		  • Triple tube HQ3 Diamond Drill Holes (totaling 1455m in 14 holes CBD021-CBD034) 3 holes of which (CBD021, CBD028, CBD031) were abandoned prior to reaching bedrock.
		  • All drill hole collars are clearly marked and labelled in the field with cement collar bases and metallic drill name tags
		  • All core from the Equus drilling was orientated using a Coretell ORIshot (Gen4) orientation device.

Drill sample recovery	• *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.*	• All Equus Mining diamond drilling utilized HQ3 triple tube core device to ensure maximum recoveries (average 97% achieved in bedrock). • Historic DDH drilling – Reported recoveries of DDH drill samples were recorded in approximately 70% of the recovered historical logs which generally indicated greater than 90% recovery. • Historic RC drilling was carried out at the Laguna Verde area in the very early stage of exploration in the district; between 1990 and 1992 generally using a 5 inch bit and was reinitiated starting in November 2003 using a 5.5 inch bit. Sampling was performed on 1 meter increments with a targeted total sample size of 40-45kg. Reported recoveries of RC drill samples by weight were recorded in approximately 70% of the recovered historical logs which generally indicated greater than 90% recovery.
Logging	• *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.*	• **Historic drill data**- Sampling of core drilling was performed under strictly geological criteria. Geologic and geotechnical logging are performed on the core. The former was carried out by geologists for lithological, structural and mineralogical information, while the latter was done by trained personnel for recovery and RQD information. Core recoveries are consistently high, averaging over 90%. Mineralized intervals were selected for assaying for gold and silver content. In cases where the holes were aimed for a specific target, sampling is carried out only in selected intervals of geological interest (veins, veinlets or stockworks), as well as in the adjacent footwall and hanging-wall host rock. Sampling interval size varies from a minimum of 0.15 meter to a maximum of 2.0 meters. The mean length is 0.50 meters. Due to the small core size (BQ), the entire core was consumed in the assaying process. Digital photographs are taken of the core to keep a permanent record. Intervals that were not assayed are in storage at the mine site. • From a total of 1,180 historic drill holes used in the Taitao resource estimation, a total of 650 physical logs were recovered by Equus, and subsequently scanned and geological parameters compiled in a digital excel database. • All Equus Mining diamond drill core was geologically logged in detail along 1m intervals, photographed and recoveries, RQD and specific gravity (SG) methodically measured and recorded.

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*
		• Historic drill data sample techniques included:
		  • Diamond Core – manual hydraulic ½ core splitting (HQ and NQ core holes) and whole core assaying (BQ holes)
		  • RC chips – manually riffle split on site down to 3kg samples
		• All Equus Mining diamond drill core was sampled in an onsite

Criteria	JORC Code explanation	Commentary
	• *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.*	core cutting facility. Representative half core sawn segments were cut by diamond saw subsequent to logging, marking of sample intervals and core cutting lines and digital photography on a drill tray basis. • Equus Mining diamond drill core was generally sampled in detail in 0.2 m to 1.5 m length intervals based primarily on geological parameters and samples were marked considering minimum and maximum lengths of 0.2m and 1.5m respectively. The half core samples were packed and sent by certified air courier to the ALS laboratory in Santiago, Chile for analysis, A comprehensive QAQC program was carried out which incorporated several CRM's including standard pulps and blanks. Throughout drilled intervals of low grade backfill, sampling was generally conducted on 5m intervals.
Quality of assay data and laboratory tests	• *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) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• For the historic drill data, an internal quality control program was implemented by CMCB which comprised: o Duplicate assay pulps on 5% of volume; o Duplicate assay splits on 5% of volume; and o Standards inserted every 20th sample. CMCB utilized four mineral standards for the drilling: o CBm-06 - 1.17 g/t Au, 72.19 g/t Ag o CBm-03- 1.11 g/t Au, 134.46 g/t Ag o CBm-04- 11.79 g/t Au, 617.56 g/t Ag o CBm-05- 97.54 g/t Au, 4,651 g/t Ag • QAQC results from historic data is not available. • For the Equus Mining diamond drill core, quality control procedures adopted include the insertion of a range of certified geochemical standards and blanks that were inserted methodically on a one for every 20 sample basis (5%). o CDN-ME-1307 1.02 g/t Au, 54.1 g/t Ag o CDN-ME-16 1.48 g/t Au, 30.8 g/t Ag o Oreas 605b-1.72 g/t Au, 1015 g/t Ag o CDN-ME-1403- 0.954 g/t Au, 53.9 g/t Ag • For the Equus Mining diamond drill core, analysis was conducted for the results for the standards and blanks. Accuracy is monitored by certified standards which have an accepted value plus 2 standard deviations and additionally precision is monitored in a percentile relative variation range within 2 standard deviations.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No direct twinned holes of historic hole traces have yet been drilled by Equus Mining. • Equus Mining have drilled several confirmatory holes within the mineralized zones previously defined by historic drilling. The Equus Mining drilling generally confirms the expected style of mineralization and grade tenor of the historic drilling. • No adjustment to either the Equus Mining drilling nor historic drill assay data was made
Location of data points	• *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.* • *Specification of the grid system used.*	• The datum South American 69 Huso 19 south was adopted for the drill collar surveying and topographic bases • For the Equus Mining diamond drilling, all collars were surveyed with a Differential GPS Trimble GNSS Trimble R2 Sub-Foot

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	antenna and Nomad 1050 LC receiver using TerraSync data software. This system provides accuracy of approximately <20cm for x, y and z m. • All Equus drill holes were downhole surveyed in a continuous down hole trace format using a STMicroelectronics MEMS gyroscope • For the historic drill hole collar data, the drill hole collars were surveyed with a industry standard theodolite and total station survey instruments by in-house and third party contractors. • A number of different grid systems have been used at Cerro Bayo between 1994 and 2020. Equus Mining have transformed all available data onto the datum South American 69 Huso 19 south. • Equus Mining undertook numerous random field checks on historic collar locations. Historic collar locations were generally found to be within ±5m of the expected position in chosen datum. • The majority of the historic diamond drill hole collars were surveyed with a Sperry-sun down hole survey instrument. No down hole surveys were conducted on any of the historic reverse circulation drill holes. • Topographic control is adequate for the current Inferred Mineral Resource Estimate.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• No drill results are included in this announcement. • Drill hole spacing within he stockwork domains is variable and ranges from around 10m to 40m. • Drill hole spacing within the vein domains is highly variable and typically ranges from 10m to 60m. There are minor instances where drill hole spacing within the vein domains exceeds 60m. • Data spacing from within the stockwork and vein domains is sufficient to establish the degree of geological and grade continuity to support the Mineral Resource classification as applied. • Drill hole samples within the stockwork domains were composited to 1m down-hole intervals for resource modelling. Drill hole samples within the vein domains were composited into single intercept composites across the full width of the vein.
Orientation of data in relation to geological structure	• *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.*	• Vein domains are typically sub-vertical and generally strike north-south and north-west. Drilling is from a combination of surface and underground locations and has been aligned, where possible, to intersect the veins structures at an orthogonal angle to their strike orientation. • Mineralization within the stockwork domains is complex and multiple orientations are evident. Drilling orientations are also variable to adequately evaluate this style of mineralization. • The drilling orientations are appropriate for the styles of mineralization under consideration and sampling achieves an un-biased representation of the mineralization.
Sample security	• *The measures taken to ensure sample security.*	• For the Equus Mining diamond drill core, senior field technicians were constantly visiting and reviewing the drilling process and transport of the core from the hole collar to the Cerro Bayo mine logging and sampling facility. All core and samples were maintained in the enclosed and locked logging facility from which batches of bagged samples were subsequently transported to the Balmaceda airport by vehicle and transported via air courier directly to the ALS Laboratory in Santiago.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A review of sampling techniques and data was carried out by the Competent Person, Mr Marcos Valencia, during a field visit

Criteria	JORC Code explanation	Commentary
		conducted between November 12 to 21, 2020. • The Mr Valencia undertook verification checks for consistency between laboratory source files, geological logging and database tables, Validation checks were also undertaken for historical and Equus Mining drill hole collar coordinates. No significant discrepancies were identified. • Mr Valencia considers that the sample preparation, security, and analytical procedures adopted for the Taitao resource drilling provide an adequate basis for the current Mineral Resource estimates.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary

Mineral tenement and land tenure status	• *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 licence to operate in the area.*
		• The Taitao Resource area is located wholly within third party mining claims held by the Chilean subsidiary Compania Minera Cerro Bayo Ltd (formerly Cia Minera CDE Fachinal Ltda) which is a 100% owned subsidiary of Mandalay Resources Corporation.
		• Equus Mining via its subsidiary Minera Equus Chile Limitada holds a 3-year option to acquire 100% of Compania Minera Cerro Bayo Ltd which entitles Equus to explore Mandalay's 29,495 hectare Cerro Bayo mine district and to acquire the mining properties and mine infrastructure which includes a tailings facility and 1,500tpd processing plant (currently on care and maintenance) through which approximate historical production of 645Koz Gold and 45Moz Silver was achieved up until the mine´s temporary closure in mid-2017. The initial 18 month period of the option agreement commenced on the 7th September 2020. Consideration for completion of the acquisition, should Equus exercise its option, will be the issue to Mandalay of 19% of Equus's share capital at the time of exercise and a 2.25% NSR on production from the Cerro Bayo mining claims, subject to a re-purchase option in favour of Equus. Equus will also assume 50% of the closure costs at Cerro Bayo, up to an agreed maximum of those final approved closure costs.
		• The two mining claims that host the resource area include:
		  • Carrera 1-37 Nacional Registration No. (Rol) 11201-0155-9, 370 hectares
		  • Laguna 1-100 Nacional Registration No. (Rol) 11201-0084-6, 760 hectares
		• The mining claims are in good standing and the pertinent annual fees were paid in March 2020.
		• The Taitao Open Pit was largely originally exploited between 1995 to November 2000 and then only partially between 2002 to 2007. Approximately 80Koz gold and 4.93Moz of silver were produced via open pit at average grades of approximately 1.63 g/t Au, 106 g/t Ag and 7.2Koz gold and 0.38KOz of silver were produced via underground mining at average grades of approximately 3.17 g/t Au, 164.3 g/t Ag. A Taitao open pit and underground mine expansion study was conducted internally by Couer Mining during 2003 based on the scenario of a combined conceptual heap leach and flotation plant processing flow sheet.
		• All the land within which the Taitao Resource is

Criteria	JORC Code explanation	Commentary
		contained is owned by Compania Minera Cerro Bayo Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• A large portion of the historic drill, tunnel and geochemical database was completed by other previous operators of the project and mine areas including: • Freeport Chilean Exploration Company: conducted exploration between 1980 and 1989 which culminated in a prefeasibility study completed in 1989. • CDE Chilean Mining Corporation (subsidiary of Coeur Mining) acquired the project in 1990 and subsequent to further exploration, engineering and a feasibility study conducted by Fluor Daniel Wright following which a 1,500 tpd flotation plant was constructed and production commenced in 1995. During the period 1991 to 1994 NCL Ingeneira y Construccion S.A. completed an environmental impact study (EIA), which was voluntarily submitted by CDE Chilean Mining Corporation and received approval for exploitation of resources/reserves at the Taitao Pit and numerous other slot cut and underground resources in the Laguna Verde and Guanaco areas, the processing plant, tailings storage facility and throughout surrounding mining claim tenure covering approximately 23,900 hectares. The exploitation of the Taitao open pit was concentrated in four areas denominated Taiato, 00, Brecha and Noreste.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralization is typical of a low sulphidation type and is interpreted to be of a multi-stage, open space filling epithermal origin resulting in mineralized veins, stockworks and breccias. Two different mineralization events can be recognized at Taitao. A mesothermal early stage Ag-Mo-Zn-Pb with subordinated gold, well exposed in the Taitao and Breccia zones; and, a late stage typical epithermal gold-silver rich system, of the low sulfidation type, representative of the main mineralization stage of the district, represented by the NW trending Condor vein systems. • Two main vein systems are recognized at Laguna Verde. NS to NNE trending brecciated veins and breccias varying in dip from vertical to 45° E, and N15°W to N35°W oriented veins varying in dip between vertical and 75° NW and SE. Strike lengths up to 800 meters have been recognized in some of the vein systems evaluated to date. Widths are highly variable between the different vein systems and in individual veins along-strike and down-dip varying from centimeters up to 50 meters in breccias and stockworks (sheeted zones). • Brecciated veins and tectonic breccias are the typical structures of the early stage mineralization while the late stage epithermal mineralization is represented by banded veins, locally brecciated. They consist mainly of fine-grained quartz and chalcedonic silica, adularia, and fluorite, with minor amounts of barite and carbonates. The general sulfide content is low, less than 5%, being higher in the early stage event. Sulfides are mainly pyrite, silver sulphosalts and locally sphalerite as disseminations, clusters, and bands.

Criteria	JORC Code explanation	Commentary
		• Molybdenum mineralization is common in veins and tectonic breccias in the Laguna Verde zone and consists of specs and fine disseminations of molybdenite accompanied by tungsten and zinc rich wulfenite and jordisite. Oxidation has produced ferrimolybdenite and ilsemanite close to the surface.

Drill hole Information	• *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:*
	  ○ *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.*
		• No drill hole results are reported in this announcement

Data aggregation methods	• *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.*	• No drill hole results are reported in this announcement • The Mineral Resource Estimate includes gold equivalent grades incorporating gold and silver USD prices of $1,850/oz and $24/oz, respectively. These prices reflect Equus Mining's view on long-term commodity prices for these metals. Metallurgical recoveries have been included in the gold equivalent calculation which are based on historic metallurgical performance of similar mineralization through the existing processing plant. Assumed metallurgical recoveries are 86% for gold and 85% for silver. These parameters give the following gold equivalent formula: ○ AuEq g/t = Au g/t + 0.0128 x Ag g/t

Relationship between mineralisation widths and intercept lengths	• *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 should be a clear statement to this effect (eg 'down hole length, true width not known').*
		• No drill hole results are reported in this announcement
		• Two distinct styles of mineralization comprise this Mineral Resource Estimate:
		  • Stockwork domains:- characterized by wide zones of breccia and sheeted veining. Drill intercepts are commonly 5m-30m in width.
		  • Vein domains:- characterized by distinct individual narrow veins that can be continuous for several hundred meters. Drill intercept widths typically range from a few centimeters to several meters. Average vein true width is approximately 1.6m.

Diagrams	• *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.*	• See diagrams included in the body of this announcement.
Balanced reporting	• *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.*	• No drill hole results are reported in this announcement

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *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.*	• Equus Mining have undertaken a program of bulk density determinations on drill core to confirm historical values. A total of 114 bulk density determinations have been carried out resulting in an average bulk density of 2.57 g/cm3 for stockwork and waste material and 2.64 g/cm3 for epithermal vein material. • Equus Mining have undertaken detailed surface mapping and survey in and around the historic Taitao open pit. This work has been used to help develop the geological, structural and mineralization model and validate topographical features such as pit excavations and areas of backfill.

Further work	• *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.*
		• Additional work is planned to increase the confidence in the Mineral Resource Estimation. Further work programs include:
		  • A program of diamond drill twinning of a selective number of historic hole traces.
		  • ¼ core split duplicates of the half core sample intervals segments
		  • Duplicate check assaying of pulps and coarse rejects at a primary and secondary external certified third-party laboratory.
		  • Extensional and infill drilling to expand the Mineral Resource base and increase confidence the existing Mineral Resource.
		  • Additional programs of bulk density determinations.
		  • In-pit mapping and sawn channel sampling
		  • High resolution drone based topographic survey
		  • In-pit ground penetrating radar survey to determine areas of backfill and validate historic mining surfaces
		  • Multi-element analysis on existing sample pulps and drill core to develop a geometallurgical model.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The database of historical data has been validated by Equus Mining Geologists who have reconciled a representative amount of available hardcopy drill logs and assays results against the digital drill hole database. This historic data has been reviewed in 3D against drilling undertaken by Equus Mining. • The Competent Person, Mr Marcos Valencia, has undertaken sufficient independent checks on the database integrity to conclude there are no material discrepancies. • RC and diamond drilling assay data has been used in this estimate. The Competent Person, Mr Patrick Adams, has undertaken comparative data analysis to determine that no material bias exists between the two drill and sampling methods. There is a trend within the vein domains for the RC to be slightly lower grade compared to the diamond drill assay. This can be explained by the more precise sampling of core which allows an accurate identification of the vein edge compared to the systematic 1m down

Criteria	JORC Code explanation	Commentary
		hole RC sampling. • Mr Adams has undertaken checks on minimum and maximum assay data results and collar co-ordinates. A visual review of down hole survey outcomes has shown no material deviations.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was made by the Competent Person, Mr Marcos Valencia, between November 12 to 21, 2020. During the visit the Mr Valencia visited the logging facilities and observed geological and geotechnical logging, sampling and recording of specific gravity parameters. Additionally, Mr Valencia observed the location of a select number of collars from historic drilling and all the Equus drill collars. • No site visit has been conducted by the Competent Person, Mr Patrick Adams, who is responsible for undertaking the resource estimation components of the Mineral Resource Estimate.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• There is a medium to high confidence level in the geological interpretation and a high confidence level in the interpreted vein mineralization. The resource estimate volumes have been guided by the geology. Previous mining activity has clearly exposed the significant mineralized trends associated with quartz veining. Additionally, significant geological mapping on the project has identified structural controls and stockwork extensions to mineralization. The grades are highest in the vein sets and weaker within the associated stockwork domains of the footwall and hanging wall units. The deposit appears similar in style to many narrow vein gold deposits.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The drilling used for the estimate of the Mineral Resource to date spans a vertical depth of approximately 300m over a strike length of ~1,500m, mineralization has been intersected over a strike length of ~1km and is still open to the east and down-dip. The main vein mineralized envelopes (geologically defined) are 0.2m-14m wide (horizontal width) and sub-vertical in a sheet like orientation striking approximately north- south. A total of 13 veins have been interpreted. The mineralization projects to the surface as demonstrated by previous mining activity and surface trench sampling. Four enveloping and vein associated stockwork domains have been interpreted at a cut off gold grade of 0.2g/t.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg*	• Both styles of interpreted mineralization (vein and stockwork) have required the application of internal sub-domaining to reduce the variability of contained composite data. Within each vein domain two grade cut offs were identified – a low and a high grade cut off for gold and for silver. Indicators based on these cut offs have been interpolated and sub domains of low, medium and high grade defined on a 50% probability of a block being in the low or high-grade domain. Within the stockwork a single low cut off was defined for each domain based on the gold grade only. Indicators based on the low cut-offs have been interpolated and sub-domains of low grade defined on a 50% probability of a block being in the low grade domain. The defined low and medium grade gold domains have also been used for the silver estimates in the stockworks. Sub domained

Criteria	JORC Code explanation	Commentary
	sulphur for acid mine drainage characterisation). • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	blocks and informing data have been treated as hard boundaries for grade interpolation. High grade limits on outlier grade accumulations based on individual domain statistics have been applied to the composite data where necessary. High grade limits are typically applied around the 98th to 99th percentile of the grade distribution. • Interpolation of gold and silver grade has been undertaken using Surpac Mining Software in the vein domains. Methodology in the vein domains was Ordinary Kriging of accumulation (Au x horizontal width) and of horizontal width; followed by a calculation of grade performed in a flattened 2D plane. A parent block size of 10m N x 10m Z x 1m E was used. The 2D estimate was rotated back into 3D space and flagged into the final block model. • Interpolation of gold and silver grade has been undertaken using Isatis Mining Software in the stockwork and waste domains. The estimation methodology used in the stockwork domains was Local Uniform conditioning with an assumed SMU of 2.5 x 5 x 2.5m (X x Y x Z). High grade cuts of gold and silver were applied to input composite data as required. • No correlation of gold and silver has been assumed for vein or stockwork domains • Validation of the estimates on a domain by domain basis has consisted of global statistical comparison, swath plot comparison and visual inspection. All validation undertaken shows the estimation to be within expected tolerances.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnes are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Geological logging is used to dimension the vein domains; stockwork domains have been generally modelled using a minimum of 2m contiguous downhole above 0.2 g/t gold with a maximum of 6m included sub-grade. This cut off represents the lower limit of alteration and stockwork veining and is evident as an inflection of the cumulative histograms for the domain gold distributions. • Mineral Resources have been reported at two cut-off grades reflecting Equus Mining's view on reasonable prospects for eventual economic extraction by either open pit or underground mining scenarios: 1. Open pit: At 0.8 g/t AuEq within an optimal pit shell generated using metal prices of US$1,580/oz and US$24/t for gold and silver respectively. 2. Underground: At 2.0 g/t AuEq below the optimal pit shell
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the*	• Economic evaluation of the Taitao Mineral Resource is at an early stage and mining parameters have not yet been confidently established. • Reasonable prospects of eventual economic extraction by medium scale open pit methods were established using an optimization shell modelled in Whittle Mining software. A reporting cut-off of 0.8 AuEq g/t was applied for reporting Mineral Resources within the optimized shell. • Parameters used for the reporting shell are: • Processing Rate: 0.6Mtpa;

Criteria	JORC Code explanation	Commentary
	basis of the mining assumptions made.	• Selective Mining Unit (SMU) of X=2.5m, Y=5.0M and Z=2.5m • SMU includes dilution from re-blocking • No additional mining dilution • No additional mining loss • Overall slope angle 45° • Mining cost L&H D&B US$3/tonne for ore and waste • Processing cost US$23/tonne ore • Metallurgical Recovery % Gold 4.718xAu_ppm+79.1 • Metallurgical Recovery % Silver 0.0309xAg_ppm+82.2 • Metal Price Gold US$1,850/ounce • Metal Price Silver US$24/ounce • Selling Cost Gold US$5/ounce • Selling Cost Silver 5 % • Royalties Gold and Silver 3% • Reasonable prospects of eventual economic extraction by small scale underground methods were established by applying a higher reporting cut-off of 2.0 AuEq g/t to Mineral Resources occurring outside the optimized open it shell.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Metallurgical recovery assumptions have been applied using processing records from the nearby Cerro Bayo plant between 1995 and 2016. • Previous processing records have identified a positive grade-recovery relationship as follows: • Metallurgical Recovery % Gold 4.718 x Au_ppm +79.1 • Metallurgical Recovery % Silver 0.0309 x Ag_ppm + 82.2 • The Cerro Bayo plant was used to process Taitao open pit ore intermittently between 1995 and 2016.
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• The Taitao resource area was the focus of significant open pit and limited underground mining during the years mainly between 1995-2000 and then only partially between 2002 to 2007. • In 1999, following a revised estimation of resources/reserves in both the Taitao Pit and Guanaco and Cerro Bayo area CDE Chilean Mining Corporation presented and received approval from the Chilean environmental authorities in February 2000 of an Environmental Declaration Study for the modification of its future planned open pit and underground mining activities. This study incorporated an estimated exploitation scenario production of approximately 1Mt of ore and 5.5Mt of waste from the expanded Taitao open pit and 0.13Mt ore and 15Kt waste from underground beneath the Taitao Pit area. Based on the drop in precious metals subsequent to this period this planned exploitation was essentially not executed for the resources from this study. • With respect to the hypothetical future exploitation of the current Taitao open pit resource and particularly given the age of the before mentioned environmental approvals it is deemed that it will be necessary to conduct further environmental studies and approvals sort for exploitation permits.

Criteria	JORC Code explanation	Commentary
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk densities were determined by site geological staff using Archimedean principals. A relatively small number of determinations (114) have been supplied. These determinations are located in competent diamond core and so reflect the deeper less weathered rocks. The samples were weighed in air (DryWt) and then submerged in water and the water displacement measured (WetWT) and the formula Density=DryWT/(DryWT-WetWT) was applied. • For the RC samples, there were no measured densities. Density was assigned into the resource model in two passes; vein domains assigned 2.64 gm/cm3; stockwork and waste 2.57 gm/cm3.

Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.*
	• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*
		• Classification was undertaken on the basis of geological confidence, reliability of input data, estimation quality and data spacing.
		• The MRE has been classified as Inferred for several reasons:
		  • The prevalence of historic data used in the estimate. The historic data largely lacks systematic QA/QC supporting data. Recent drilling by Equus with supporting QA/QC data indicates that no material issues with the historic drilling data.
		  • Relatively small number of recent density determinations within the different mineralized styles which can be improved by domain selected determinations in all future drilling.
		  • Inherent uncertainty in the accuracy of historic open-pit and underground mining depletions and backfill volumes. Further work is required to increase confidence and accuracy of historic mining depletion.
		  • The Mineral resource classification of Inferred appropriately reflects the Competent Persons view of the deposit risk.

Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• This Mineral Resource Estimate has not been reviewed or audited externally. • The Mineral Resource estimates have been reviewed internally by Equus Mining geologists and are considered to appropriately reflect the mineralization styles and grade tenor supported by drilling data.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*	• No geostatistical procedure has been applied to model relative accuracy or establish confidence intervals. • The Mineral Resource Estimate has used a local uniform conditioning methodology for the stockwork domains which may be considered a local estimate. The vein domains are estimated by Ordinary Kriging which results in a global estimate. • Production records are incomplete and so do not facilitate a precise reconciliation to model.

Criteria	JORC Code explanation	Commentary
	• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	