

Quarterly Activities Report for Quarter Ended 31 March 2022

HIGHLIGHTS

- Resource development drill planning and preparation works continued in preparation for the first drilling season at the Hamersley Project since the Company completed its IPO
- Stantec Australia (formerly Engenium) completed a Port and Logistics Options study, indicating multiple road and rail options to key port locations
- Environmental approval requirement gap analysis study completed by Umwelt.
- Appointment of OSOS Alliance as Indigenous Affairs, Native Title and Community Affairs consultant
- Engagement with Wintawari Guruma Aboriginal Corporation (WGAC) with regard to the timing of Heritage Surveys and drilling program
- Project generation progressed with the review of a number of potential acquisition opportunities

Equinox Resources Limited (“Equinox” or “Company”) is pleased to present your Company’s quarterly activities report for the March 2022 quarter. The primary focus of your Company’s activities over the quarter was on the implementation of our systematic development strategy for our Hamersley Iron Ore Project (“**Hamersley Project**”) and in particular key activities required to de-risk and progress the potential development of the project.

The Hamersley Iron Ore Project (Pilbara Western Australia, 100% interest)

The Hamersley Project is strategically located in the infrastructure-rich Pilbara iron ore province of Western Australia. The Project comprises granted Mining Lease (M47/1450).

The Company’s key activities completed over the March quarter included completion of the preparation and planning for the Company’s upcoming drilling campaign, on-going stakeholder engagement and consultation with the Wintawari Guruma Aboriginal Corporation (“**WGAC**”) to plan and conduct the heritage surveys to support the drilling program, completion of a Port and Logistics study and completed a draft Environmental Gap Analysis report for the Hamersley Project with Umwelt.

Drill Planning and Preparation

During the quarter, drill planning and preparation works were completed in preparation for the Company’s first drilling campaign. These works included securing all required permitting and approvals with the Department of Mines, Industry Regulation and Safety (“**DMIRS**”), the appointment of top tier drilling contractors, numerous site visits, completion of ordering and receipt of all consumables for drilling.



Image 1: Testing Water Table Levels



Image 2: Conducting site inspection with Tonnes Plus

As previously announced, Equinox appointed CSA Global (“**CSA**”) as the Company’s geological consultant to conduct a detailed analysis of the geological model and to assist in the design of a targeted drilling program as part of the Company’s development focused strategy for the Hamersley Project.

Based on the work completed by CSA, the Company announced a planned 27 hole, 2,700 metre infill Reverse Circulation (“**RC**”) drilling program. The program has been designed to infill the current JORC Indicated Resources area, which is anticipated to be the location of initial potential mine development. The objective is to provide appropriate ore body definition to support mine planning and feasibility studies.

In addition to the RC drilling, the proposed program includes an additional 700 metres of targeted PQ Diamond Drilling (“**DD**”), which will provide samples to conduct metallurgical test work, product lump and fine ore sintering assessment at respected iron and steel research institutes as well as providing samples to potential customers for assessment.

The Company’s tendering process for RC and DD drilling concluded in December 2021. Proposals were received from a number of drilling contractors during the quarter. The RC and DD drilling contracts were awarded to highly qualified companies who have significant and successful track records of drilling in the Pilbara region. The drilling program was planned for June 2022, subject to all required statutory permits, necessary consents, approvals and heritage survey.

Native Title Engagement and impact on planned Drilling activities

The Company continued with its extensive and regular open, transparent and consultative dialogue with the WGAC with regards to our planned drilling and future potential development program. As previously announced, the Company had requested that updated archaeological and ethnographic surveys be undertaken on the planned drilling area and ultimately on the entire Hamersley Project.

Comprehensive Heritage Surveys are a necessary part of a consultative and collaborative approach to progressing potential project development and your Company is committed to carrying these out with the utmost respect and dedication as part of the Company’s environmental, social and governance responsibilities. The Company has continued with its extensive community engagement, including its regular open and consultative dialogue with the WGAC with regards to our planned drilling and future potential development program. As previously announced, the Company had requested that updated archaeological and ethnographic surveys were required to be undertaken on the planned drilling area and ultimately on the entire Hamersley Project.

Heritage surveys are a necessary part of a consultative and collaborative approach to progressing potential project development and Equinox is committed to carrying these out with the utmost respect as part of the Company’s environmental, social and governance responsibilities.

Additionally, the operating environment has changed significantly, principally with regard to how resources companies engage with their key indigenous stakeholders, since the historic events in the Pilbara, that resulted in the destruction of items of cultural significance. These historic events have been keenly felt by the WGAC given the impacts on Eastern Guruma country by mining operations.

Given that your company is seeking to pursue development on Eastern Guruma country, we have sought to consult extensively with the WGAC on planned drilling activities which form part of the overall project development plan. During this process the WGAC have made clear to your Company that new heritage surveys are required ahead of any ground disturbance activities occurring on-site.

Additionally, it should be noted that the potential impact of COVID-19 on indigenous communities is understandably a key concern for the WGAC. The WGAC have advised your Company that for the necessary heritage surveys to be completed, suitable COVID-safe accommodation needs to be secured for the survey party of the WGAC's in-house cultural heritage group-Yular Heritage. The WGAC are particularly keen to avoid having their survey team accommodated in mining camps or population centres in the Pilbara.

As previously advised in our announcement of 26 April 2022, and post the end of the March Quarter, despite the WGAC and the Company's best endeavours to secure suitable accommodation we have not yet been able to achieve this. Due to this, the requested and required heritage surveys will not be completed in time to meet the originally planned drilling program timeline. Accordingly, the Company has taken the decision to delay the drilling program until such time that the Heritage Surveys have been completed.

Your Company will continue working with the WGAC to secure appropriate accommodation and to ensure these heritage surveys are completed as soon as possible. Once these heritage surveys have been completed, and subject to the outcomes, the drilling program will be reviewed and implemented.

The Company is also extremely pleased to have appointed OSOS Alliance as its independent Indigenous Affairs consultant to advise and support the Company with developing and maintaining its traditional owner relationships, the Hamersley Project site management plans and commitments. OSOS Alliance is a majority-owned Aboriginal business and provides a wealth of knowledge and experience in the areas of Indigenous Affairs, Native Title and Community Affairs through an Indigenous leadership team led by Peter Harris.



Image 3: Craig Wallis on Site with Peter Harris from OSOS Alliance

During the quarter, your Company engaged with a number of local businesses and community elders in the region of the Hamersley Project, these included Gumula Aboriginal Corporation and Ashburton Aboriginal Corporation. The community and local businesses support the development of the asset and are able to provide direct and valuable resources and skills for potential future construction and operations.

Port and Logistics Study

As part of the Company’s development strategy, the Company appointed Stantec Australia (formerly Engenium) to undertake a Port and Logistics study (“**the Study**”) for consideration in the Company’s potential development of the Hamersley Project. The Study was finalised during the quarter and investigated and assessed all potential options that may be available to access the iron ore market by road, rail and port. The Study results indicate there are multiple road and port options available for the Hamersley Project.

Each logistics option will be further assessed in detail during planned feasibility studies to determine associated impacts and potential capital and operating costs.

A number of options to potentially haul product from the Hamersley Project site to the Port Headland or Onslow ports are depicted in Figures 1 and 2 below, respectively. The Study identified a number of logistic options which could be potentially available to Equinox, including three potentially viable road route options to access the Port Headland port with the shortest potential route being 353km in length and the longest reaching 475km in length, together with three options to access the Onslow port with the shortest potential route being 448km in length and the longest reaching 539km in length.

A key berth in the Port Headland port location is Utah Point, a dedicated public user berth, which is owned and operated by the Pilbara Ports Authority (“**PPA**”). Recent public announcements have indicated that the entire Port Hedland export facility has been re-assessed and the overall capacity of the location has been remodelled and increased. Equinox’s submission for potential future capacity allocation at the Utah Point public export facility has been confirmed by the PPA.

There is significant activity by existing large iron ore producers in the Pilbara at present, with numerous conceptual port and logistics options being considered at Port Hedland and in the Onslow area. These include potential port and logistics-hub development in the Ashburton region and expansion of export capacity in South-West Creek and at Utah Point (Port Hedland) and potential upgrades of public roads that are relevant to the Hamersley Project.

Further detailed information on the outcome of the Study together with the assumptions and potential matters which may impact these options are found in our announcement of 9 March 2022.

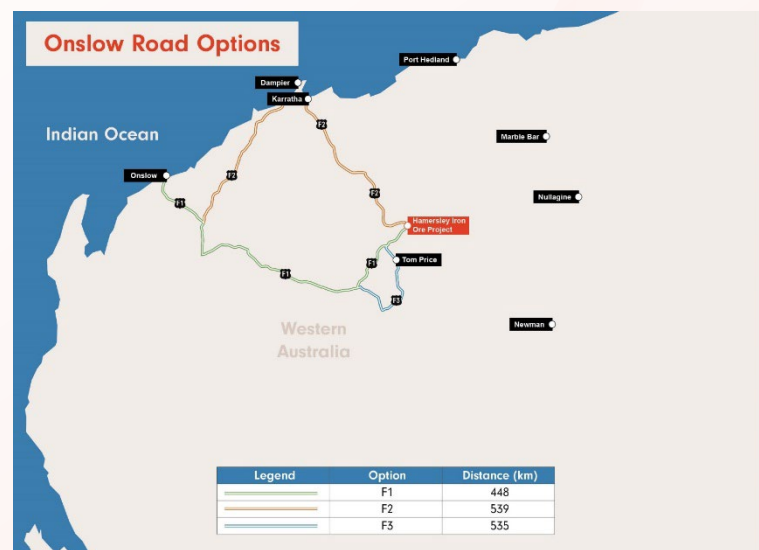
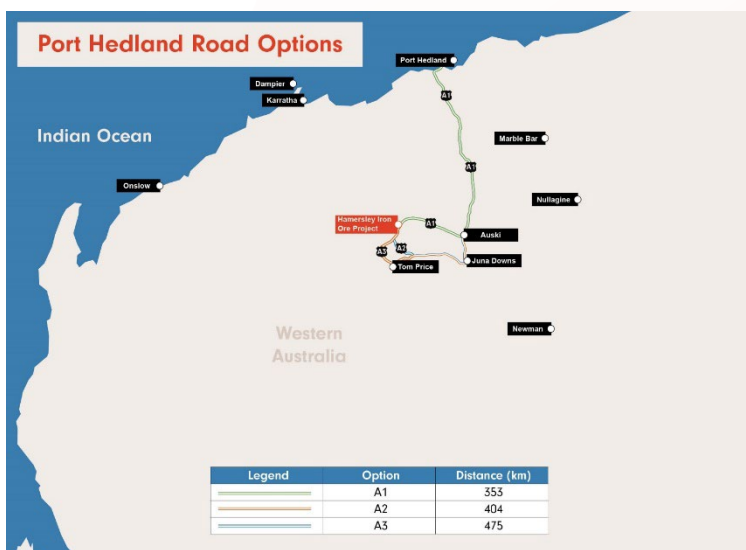


Figure 1 Hamersley Project Site Transport Options to Port

Figure 2 Hamersley Project Site Transport Options to Onslow

Business Development

During the quarter your company reviewed a number of potential acquisition opportunities and partnerships. The Company continues to actively seek and assess potential acquisition opportunities that would have a strategic fit for the Company and that have the potential to deliver value for Shareholders.

Environmental Approvals

The Company appointed Umwelt to conduct an environmental requirements gap analysis on the Hamersley Project and provide the Company with a detailed Environmental Approvals process and estimates to complete all required surveys, assessment and application support documentation, as part of the Hamersley Project development planning. The final analysis and report is scheduled to be completed in Q2, 2022.

Corporate

Appendix 5B

The Appendix 5B quarterly cashflow report for the quarter ended 31 March 2022 is submitted separately.

The Group had a cash balance of \$6,741k as at 31 March 2022. Exploration expenditure during the quarter totalled \$238k.

Use of Funds

A comparison of the Company's actual expenditure since admission to the Official List of ASX to 31 March 2022 against estimated expenditure in the Use of Funds statement in the Prospectus dated 31 August 2021 as supplemented by the Supplementary Prospectus dated 7 September 2021 (together the "Prospectus") is set out below:

Use of funds	Prospectus estimate (2 years)	Use until 31 Mar 22
Exploration and development at the Hamersley Iron Ore Project	4,970,000	490,463
Corporate Administration	1,950,000	418,136
Working capital	528,000	182,562
Expenses of the Offers	852,000	740,179
Expenses of the Acquisition	500,000	425,485
M&A budget for complementary assets/opportunities	200,000	3,154
Total	9,000,000	2,259,979

Use of funds variance explanations are outlined below:

- significant variances on operational expenditures are as a result of the Company being only listed for 5.5 months into the 2 year prospectus estimate;
- variances in expenses of the offer relate to higher than estimated legal fees.

Related Parties

As outlined in Section 6 of the attached Appendix 5B, during the March quarter approximately \$115k in payments were made to related parties and/or their associates as director's remuneration.

Capital Structure

The Capital Structure at the end of the March quarter is as follows:

- 95,500,001 Ordinary Shares on issue;
- 17,000,000 Unlisted Options on issue; and
- 9,500,000 Performance Shares on Issue.

There have been no changes made to the Company capital structure during the March quarter.

EQN's exploration tenement interests

Project	Tenement ID	EQN's Interest
Hamersley Project	ML 47/1450-I	100%

ASX Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements released during the December quarter on the ASX announcements platform.

26-Apr-22	Market Update Drilling Program
09-Mar-22	Hamersley Project Update
26-Feb-22	Half Yearly Report
24-Jan-22	Quarterly Activity Report
13-Dec-21	Native Title Agreement
30-Nov-21	Project Update
12-Oct-21	Pre-Quotation Disclosures
12-Oct-21	Supplementary Prospectus
12-Oct-21	Prospectus

These announcements are available for viewing on the Company's website under the Investors tab. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements above.

About Equinox Resources

Equinox Resources Limited is a development-focussed Company strategically located in the infrastructure-rich Pilbara iron ore province of Western Australia. The Company's Hamersley Iron Ore Project is located 60km north-east of Tom Price in the Pilbara.

The Company is focused on the development and implementation of systematic exploration and feasibility studies. The aim is to identify and quantify a processing plan that produces a saleable quality product, which will be attractive to customers, whilst also investigating infrastructure solutions that may support development of the Hamersley Project.

- END -

For further information please contact:

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Authorised for release by the Board of Equinox Resources Limited.

Compliance Statement

This announcement contains information on the Hamersley Iron Ore Project extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. EQN is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources (as that term is defined in the JORC Code) that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. ASX announcements are as follows:

- Prospectus dated – 31 August 2021
- Supplementary Prospectus dated – 7 September 2021
- Pre-Quotation Disclosures – 12 October 2021
- Equinox Appoints CSA Global as Geological Consultants – 20 October 2021
- Project Update – 30 November 2021
- Half Yearly Report – 26 February 2022
- Hamersley Project Update – 9 March 2022
- Market Update Drilling Program – 26 April 2022

Forward-looking Statements

Certain statements included in this release constitute forward-looking information. Statements regarding EQN's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that EQN's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that EQN will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of EQN's mineral properties. The performance of EQN may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors.

These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of exploration sample, mapping and drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves and resources, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the company's prospects, properties and business strategy.

There is continuing uncertainty as to the full impact of COVID-19 on EQN's business, the Australian economy, share markets and the economies in which EQN conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on EQN's business or the price of EQN securities.

Except for statutory liability which cannot be excluded, each of EQN, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission. EQN undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Equinox Resources Limited

ABN

65 650 503 325

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(178)	(356)
(b) development		
(c) production		
(d) staff costs	(145)	(267)
(e) administration and corporate costs	(18)	(139)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
- GST received/ paid	43	(41)
1.9 Net cash from / (used in) operating activities	(298)	(803)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	-	(17)
(d) exploration & evaluation	(60)	(532)
(e) investments		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) investments		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(60)	(549)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	9000
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(685)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings	-	(222)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.10 Net cash from / (used in) financing activities	-	8,093

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	-	-
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(298)	(803)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(60)	(549)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	8,093

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	6,741	6,741

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,741	7,099
5.2	Call deposits		
5.3	Bank overdrafts		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,741	7,099

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(115)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(298)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(60)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(358)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,741
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,741
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	19
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2022

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.