

## Quarterly Activities Report for Quarter Ended 31 March 2023

### HIGHLIGHTS

- Hamersley environmental desktop studies advanced; expected to be finalised Q2 2023.
- Equinox's Canadian portfolio expanded with the staking of additional 585 new claims in Ontario, Canada.
- Continued engagement with the Wintawari Guruma Aboriginal Corporation with preliminary Heritage Survey undertaken during the Quarter.

**Equinox Resources Limited ("Equinox" or "Company")** is pleased to present the Company's quarterly activities report for the quarter ending 31 March 2023 ("the Quarter"). The primary focus of the Company's activities over the Quarter was on furthering the development 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. In parallel with the work on the Hamersley project the Company secured an additional 585 prospective exploration claims in Ontario, Canada. Together with the existing tenement packages, these all aim to deliver additional long-term value for our shareholders.

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

The Hamersley Project is strategically located in the infrastructure-ready Pilbara iron ore province of Western Australia, in close proximity to Iron ore producing mines owned by FMG and Rio Tinto. The Project comprises the granted Mining Lease (M47/1450).

In February 2023, newly appointed CEO Gower He and executive director Agha Shahzad Pervez carried out a site visit to Hamersley with representatives from CSA Global in preparation for planned development activities.

During this quarter, the Wintawari Guruma Aboriginal Corporation ("WGAC") conducted an updated Heritage Survey over the area, limited to the Company's intended approved Program of Works ("POW") area, with preliminary finding results being received subsequent to the Quarter end. This survey identified two new sites of cultural heritage and one new site of archaeological area of cultural concern over the areas covered by the Company's proposed POW (see ASX announcement 17 April 2023). Whilst significant culturally, the findings are limited to the coverage of this proposed POW. The Company is awaiting the final Open Report from the WGAC, which is due later this month. The Company will look to further understand these areas of significance through continual dialogue with WGAC. In parallel, the Company intends to develop a new POW for the Hamersley Project outside of the surveyed area.

### Environmental Survey's and Planning

Umwelt Environmental and external consultants continued to provide ongoing environmental support to the Company with regards to its Hamersley Project development planning during the Quarter. This has been in the form of completed desktop studies and the planning of field studies to pave pathways for the environmental approvals process.

Experienced consultants have been engaged to undertake flora and vegetation, terrestrial fauna and subterranean fauna studies to assess key areas of the Project that were identified from the gap analysis.

The flora and vegetation study includes a desktop assessment, a detailed and targeted flora and vegetation surveys as required by EPA Guidance. The desktop is near completion and is expected to be finalised in CYQ2 2023 and will be used to inform design of field surveys. The flora and vegetation field surveys are due to occur during an upcoming autumn season and is proposed to be followed by species identification and preparation of a survey report.

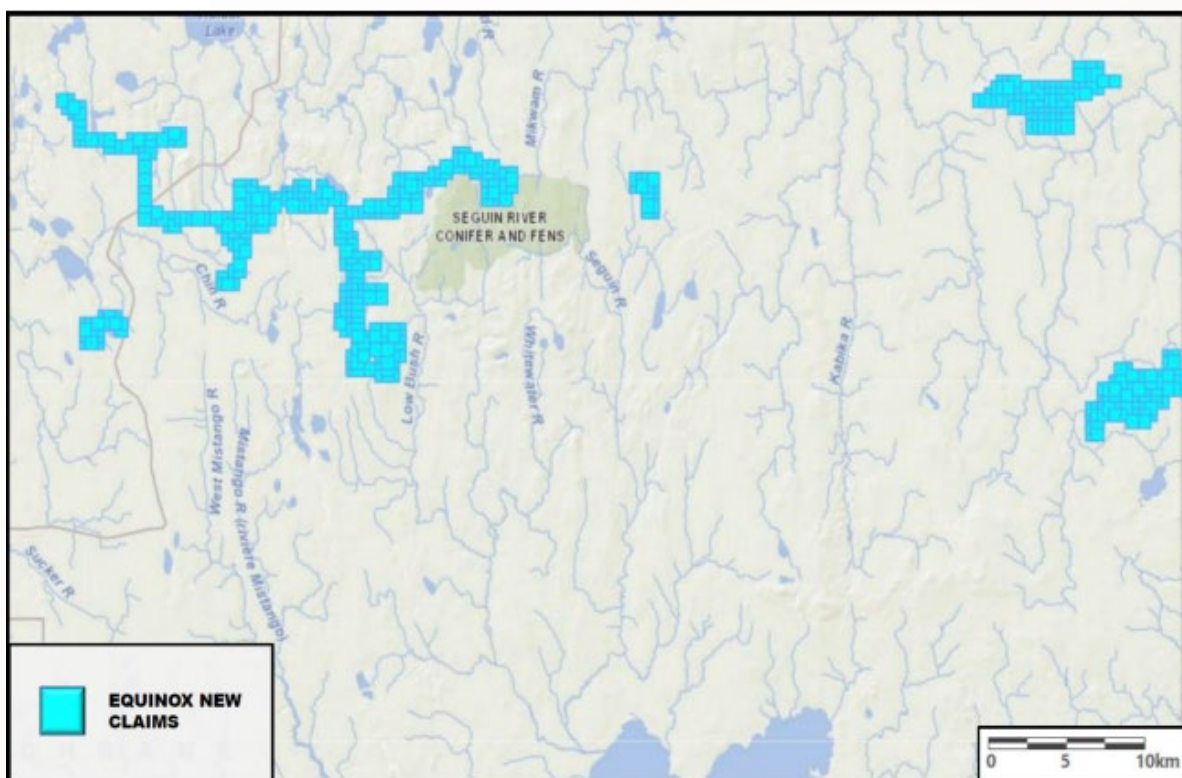
The terrestrial fauna study includes a desktop assessment for vertebrate fauna and SRE invertebrate fauna, targeted field surveys as required by EPA Guidance. The desktop is near completion and is expected to be finalised in CYQ2 2023 to inform design of field surveys. The terrestrial fauna field surveys are due to occur in the upcoming spring season resulting in a combined technical report.

The subterranean fauna study includes a desktop assessment of potential habitats to determine whether field survey work is required. The desktop assessment has been finalised and preliminary advice is that a subterranean survey program following the current EPA Guidance will be necessary.

These studies are important in understanding the ultimate environmental permitting process for the Hamersley Project, with the desktop studies allowing for key aspects to be addressed in future field surveys. These key activities are required to de-risk and progress the potential development of the project.

#### **Larder Lake (Ontario, Canada, 100% interest)**

In February 2023, Equinox staked additional land in Canada comprising of 585 claims, covering a total of 121 km<sup>2</sup> (Figure 1). The newly staked mining claims are located in the Larder Lake mining division of Ontario and are situated on and near the “Case Batholith” complex. The Case Pegmatite system associated with the batholith is well documented and hosted in the south-eastern part of the Case batholith. Ontario is a mining friendly jurisdiction and well serviced by the highway, roads, and associated infrastructure.



*Figure 1 – Larder Lake Project Area Location Map*

**Dome Lake (Ontario, Canada, 100% interest)**

No significant activities were completed during the Quarter.

**Auxesia Project (Kambalda Western Australia, 100% interest)**

No significant activities were completed during the Quarter.

**Business Development**

During the quarter the Company continued to review potential acquisition opportunities and partnerships that have a strategic fit for the Company and that have the potential to deliver value for Shareholders.

Equinox's prospectus dated 31 August 2021 as supplemented by the supplementary prospectus dated 7 September 2021 (together, "the Prospectus") outlined the Company's use of funds, whereby Equinox has allocated \$200,000 for project generative activities.

**Corporate****Management team strengthened**

Highly experienced mining executive and experienced Iron Ore, Lithium and battery metals industry professional, Mr Jiahe "Gower" He was appointed Chief Executive Officer ("CEO") during the Quarter.

Gower is a trusted, respected and highly experienced mining executive and a certified CPA with over 20 years' experience in the resources sector. He has recently held various senior positions at Mitsui overseeing Mitsui's strategic trade and investment plans across a variety of commodities including Iron Ore, Lithium, and other battery related minerals.

At Mitsui, Gower also managed stakeholder management at various levels within the mining industry, both domestically and internationally, planned and executed divisional strategies to the Australian and Japanese headquarters. Through his work with Mitsui, Gower also managed joint venture engagements including marketing and global partners network, implemented company marketing and operational strategies, oversaw joint ventures, managed M & A, stakeholder management and dispute resolutions. Gower was also previously an Executive Director of potential West Australian Lithium miner Red Dirt Metals Ltd.

**Appendix 5B**

The Appendix 5B quarterly cashflow report for the quarter ended 31 March 2023 is submitted separately.

The Group had a cash balance of \$4,903k as of 31 March 2023. 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 2023 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 23
Exploration and development at the Hamersley Iron Ore Project	4,970,000	1,069,811
Corporate Administration	1,950,000	1,184,242
Working capital	528,000	488,209
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	188,723
<b>Total</b>	<b>9,000,000</b>	<b>4,096,640</b>

The material variation on the exploration and development at the Hamersley Iron Ore Project has arisen as a result of delays with heritage and other matters as noted herein. The Company intends to consider an additional POW for the Hamersley Iron Ore Project. While the resultant delays have reduced the Company's ability to expend funds as expeditiously as planned in the Company's Prospectus, the Company remains committed to the Hamersley Iron Ore Project and expending the funds committed in the Prospectus.

#### Related Parties

As outlined in Section 6 of the attached Appendix 5B, during the Quarter approximately \$79k in payments were made to related parties and/or their associates for director's remuneration (\$49k) and CFO services (\$30k).

#### Capital Structure

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

- 95,500,001 Ordinary Shares on issue;
- 7,000,000 Unlisted Options on issue; and
- 9,500,000 Performance Shares on Issue.

#### EQN's exploration tenement interests

Project	Tenement/Tenure ID	Acquired during the quarter	Disposed during the quarter	EQN's Interest
Hamersley Project	ML 47/1450-I	-	-	100%
Auxesia Project	E15/1902, E15/1903	-	-	100%
Dome Lake Project	764625-765049, 765123-765135, 765156-765200, 765365-765382, 766417-766444, 766899-766928, 766939-767162	-	-	100%
Larder Lake Project	772983-773057, 773007-773096, 773108-773206, 776638-776660, 777437-777462, 777464-777479, 783088-783122, 783131-783178, 790316-790450, 790562-790572, 790574-790623, 790625-790671	100%	-	100%

- END -



**For further information please contact:**

**Gower He**  
**Chief Executive Officer**

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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](http://www.eqnx.com.au) or [www.asx.com.au](http://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
- Hamersley Project Update – 9 March 2022
- Market Update Drilling Program – 26 April 2022
- Equinox Secures Australian and Canadian Exploration Areas – 15 December 2022
- Equinox Expands Canadian Exploration Portfolio – 16 February 2023
- Hamersley Project Heritage Survey Completed – 3 April 2023
- Heritage Survey – Preliminary Results – 17 April 2023

### **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.

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 2023

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	(35)	(85)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(140)	(289)
	(e) administration and corporate costs	(47)	(437)
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	62	87
1.9	Net cash from / (used in) operating activities	(160)	(724)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(21)
	(d) exploration & evaluation	(248)	(410)
	(e) investments	-	-
	(f) other non-current assets	-	(49)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(248)</b>	<b>(480)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,311	6,107
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(160)	(724)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(248)	(480)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## 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	4,903	4,903

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	4.903	5.311
5.2	Call deposits		
5.3	Bank overdrafts		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4.903	5.311

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	(79)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
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.		

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.		



8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(160)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(248)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(408)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,903
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,903
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	12.0
<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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 20px;">                     Answer: N/A                 </div>	
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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 20px;">                     Answer: N/A                 </div>	
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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 20px;">                     Answer: N/A                 </div>	
<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

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

Date: 26 April 2023

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

## Notes

1. 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.
2. 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.

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

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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.