Thick Intercepts of up to 41 metres of Saprolitic Clay in Initial Drilling at Rio Negro REE Prospect

Maiden drill program off to a strong start with 655 metres drilled to date, successfully penetrating through the saprolitic clays to the basement geology.

Highlights

- 41 metres of highly weathered saprolitic clay intersected in the first Reverse Circulation (RC) drill hole (CG-RC24-001) and 11 metres intersected in the second RC drill hole (CG-RC24-002).
- 28 of the planned 92 auger drill holes, plus a further 17 twin holes, have been completed so far – amounting to 45 auger drill holes for 476 metres of drilling.
- A total of 655 metres has been drilled since the commencement of the Company's maiden drilling program at Campo Grande. Assay samples are due to start being returned from late June 2024.
- An additional two RC drill holes have been added to the drill program targeting areas that are close to airborne radiometric thorium and ternary anomalies.

Equinox Resources Limited (ASX: EQN) ("Equinox" or the "Company") is pleased to provide an update on its progress with the initial drilling program at the '**Rio Negro**' prospect within its district-scale '**Campo Grande**' Rare Earth Project in the province of Bahia, Brazil.

The first Reverse Circulation (RC) drill hole, CGRC-24-001, has intersected a zone of thick saprolitic clays extending up to 41 metres in depth. The second RC drill hole, CGRC-24-002, intersected a clay layer 11 metres in depth.

A total of 45 auger drill holes have been completed so far, totalling 476 metres. This brings the cumulative total of metres drilled since the commencement of drilling operations to 655 metres.

The initial batch of drill core samples collected from the RC and auger drilling operations has been dispatched to laboratories, with assay results expected back from June 2024.

Equinox's CEO, Zac Komur, commented:

"Exceptional progress continues to be made by our exploration and drilling team at the Rio Negro prospect within our Campo Grande Project. Our initial drilling efforts have successfully uncovered significant layers of saprolitic clay, reaching depths of up to 41 metres, as we continue to build a comprehensive geological profile of the prospect and region.

"The team has been highly productive, drilling a total of 655 metres so far. I eagerly anticipate the assay results, along with additional surface sample results from the region, to help us identify our next prospect."

RC Drilling Update

Two Reverse Circulation (RC) drill holes have been completed to date on the Rio Negro prospect. The first RC hole (CG-RC24-001) reached a depth of 120 metres, intersecting a 41-metre-thick layer of clay. The clay is predominantly reddish in colour but can also appear yellowish and orange. The red-coloured intervals are magnetic, ranging in intensity from weak to strong. The other intervals are generally non-magnetic and contain a certain amount of fine sand.

From 41 metres onward, hard rock begins, predominantly mafic/ultramafic (black), which also varies in magnetic intensity. The greyish rocks may or may not be magnetic and have a charnockitic composition. Whitish and reddish-coloured rocks are non-magnetic and have a granitic composition.

The other RC hole (CG-RC24-002) reached a depth of 59 metres, intersecting an 11-metre-thick layer of clay interlayered with sand. As in the first RC hole, the clay is predominantly reddish in colour but can also appear yellowish and orange. The red-coloured intervals are magnetic, ranging in intensity from weak to strong. The other intervals are generally non-magnetic and contain a certain amount of fine sand. The greyish rocks may or may not be magnetic and have a charnockitic composition.

Considering the results obtained from the two holes drilled, the Company plans to drill two more RC holes at the Rio Negro Prospect, targeting greater thicknesses of the alteration profile.

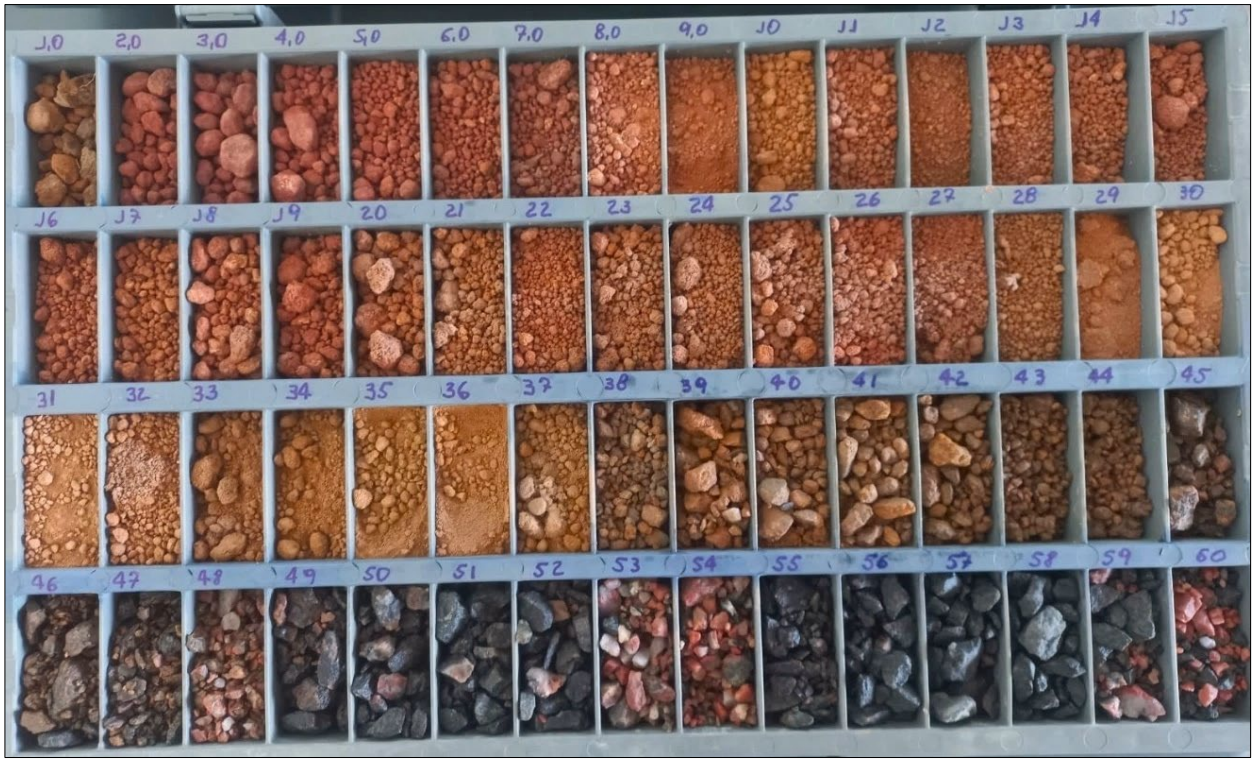

Figure 1: CG-RC24-001 RC chip samples per meter. Saprolitic clay intercept up to 41 metres.

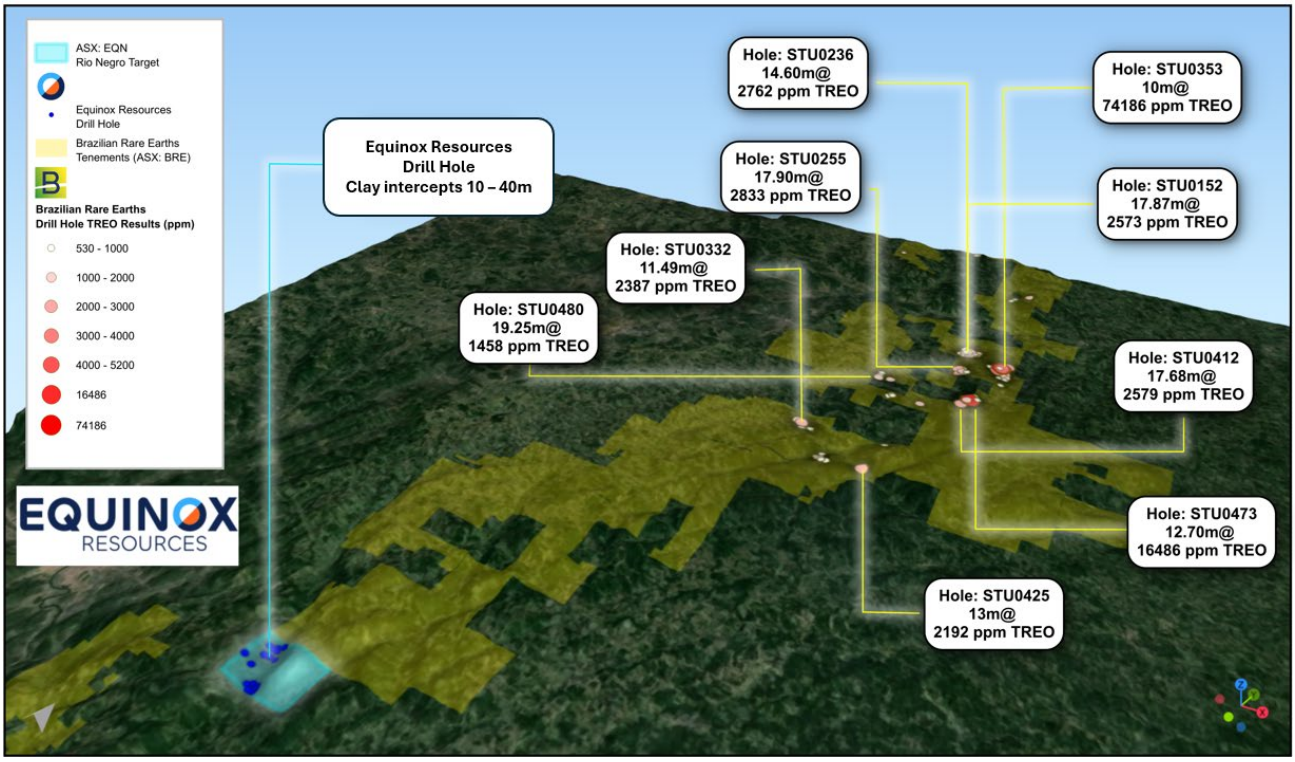

Figure 2: Rio Negro Drilling depth in comparison to Brazilian Rare Earths (ASX:BRE) depths.[1]

Rio Negro Auger Drilling Update

A total of 45 auger drill holes have been completed to date on the Rio Negro prospect. The auger drill can reach a maximum depth of 20 metres, and holes that do not reach this depth encounter hard rock that cannot be penetrated by the auger drill bit.

To date, 476 metres have been drilled with an average of 10.60 metres per drill hole. All holes have intersected and recovered a saprolitic clay, predominantly reddish in colour with different intensities of magnetism, ranging from weak to strong.

Yellowish clays also occur, generally non-magnetic, sometimes with some sandy fraction associated. With each working day, the production of metres drilled per day increases without losing quality in the recovery of the drilled material. This considerably increases the amount of geological information in the prospect and keeps the drilling schedule up to date.

[1] Refer to Brazilian Rare Earths Limited Prospectus dated 13 November 2023. The Campo Grande Project's proximity to the Rocha da Rocha Rare Earths Project does not guarantee the prospectivity of the Campo Grande Project.

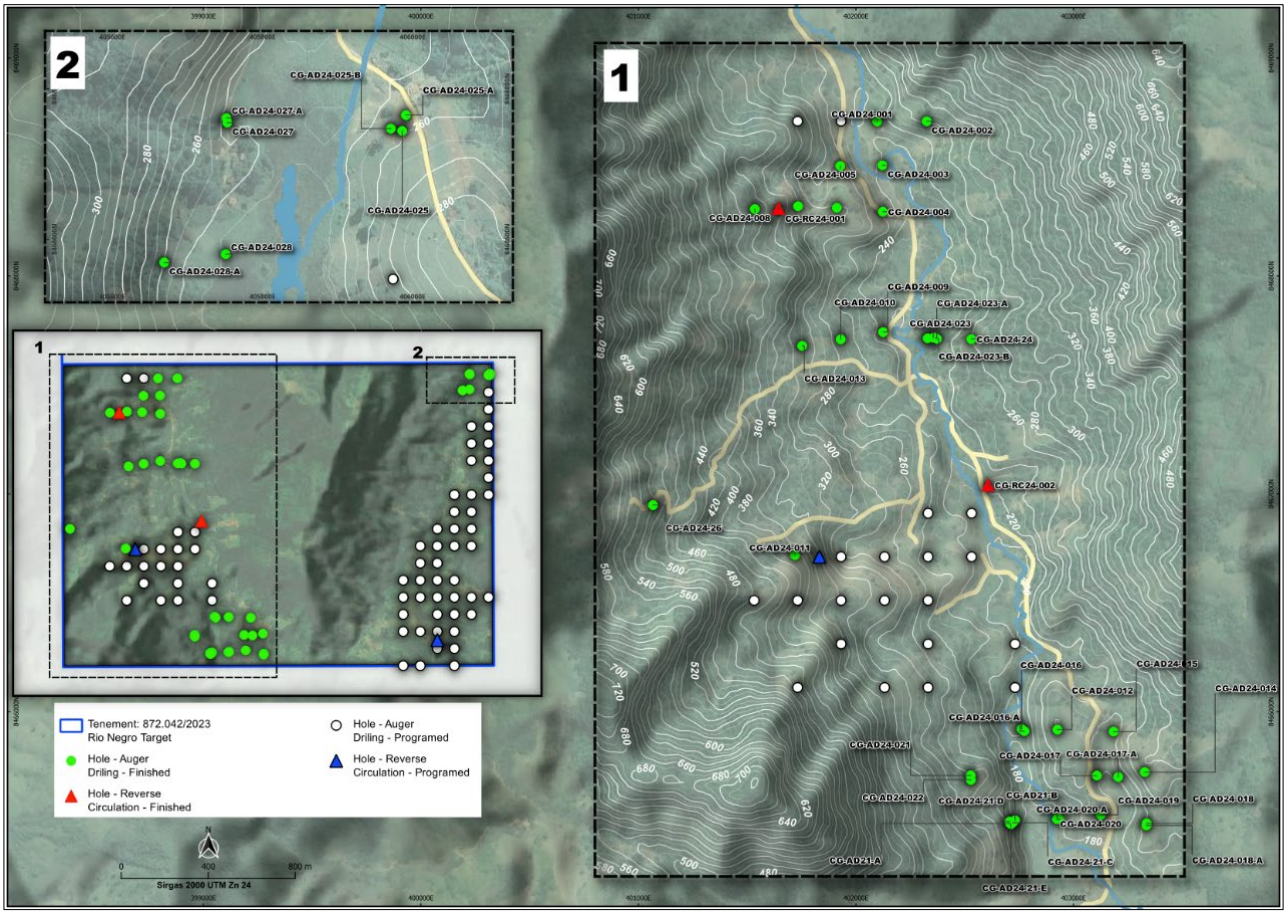

Figure 3: Rio Negro Prospect and the status of Auger and RC drilling campaign.

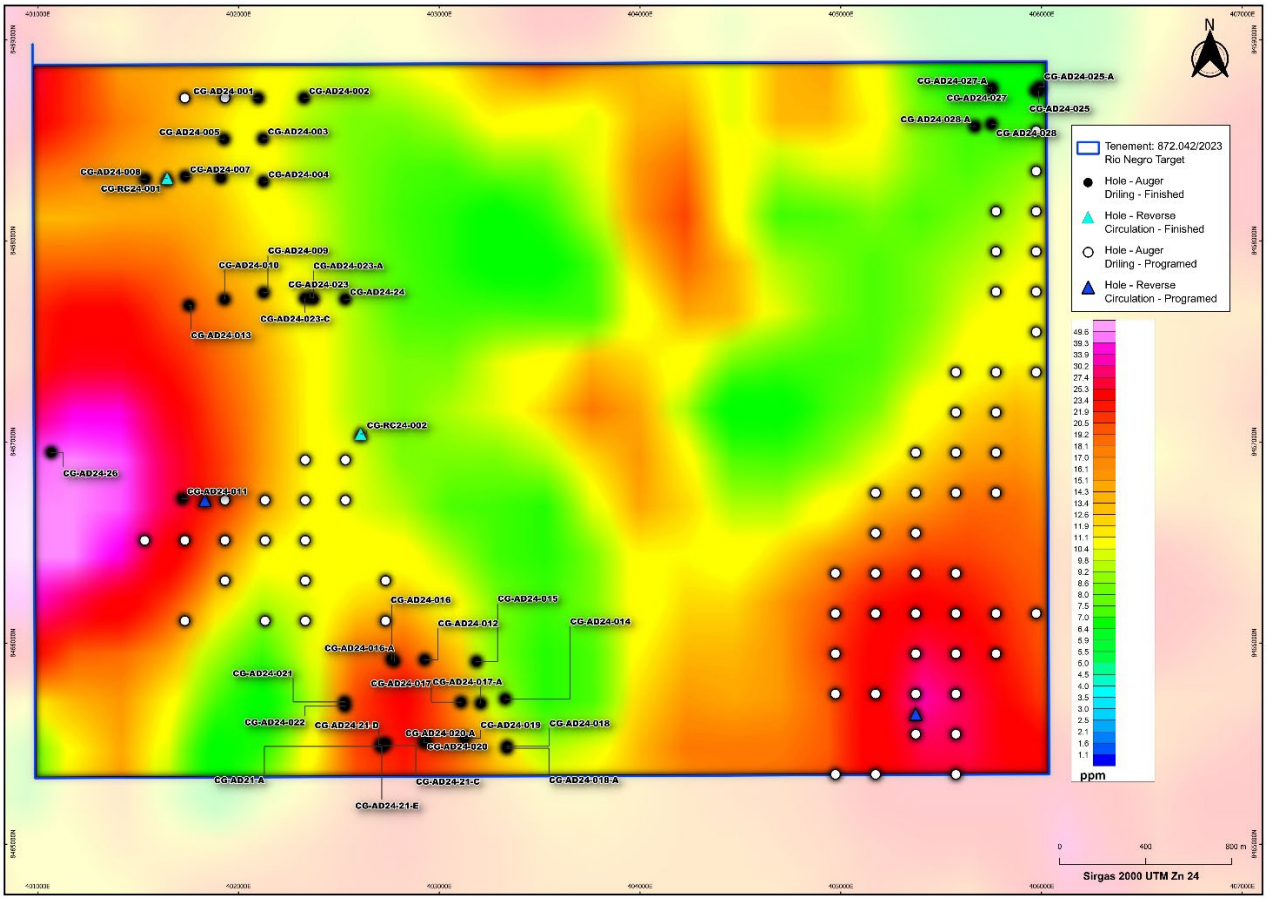

Figure 4: Airborne radiometric thorium map with auger and RC holes drilled and programmed at the Rio Negro Prospect.

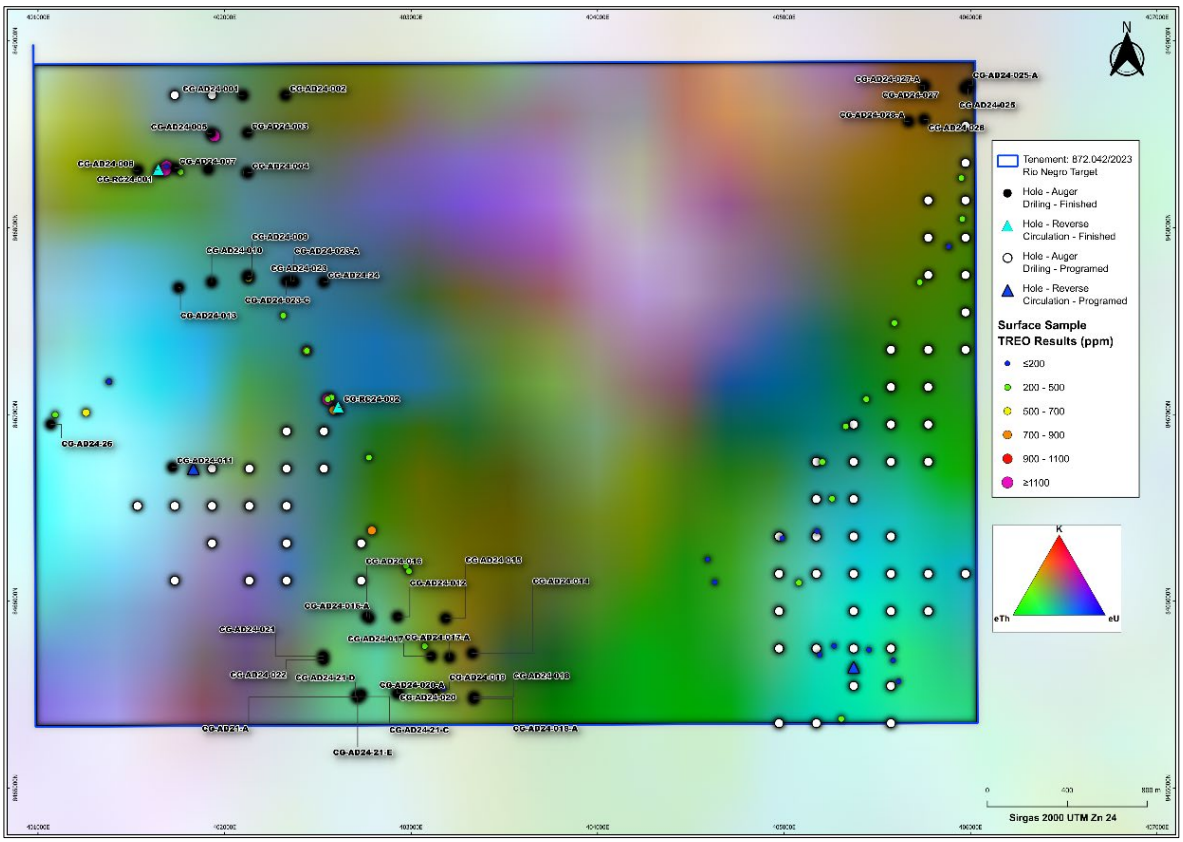

Figure 5: Airborne radiometric ternary map with auger and RC holes drilled and programmed at the Rio Negro Prospect.

Figure 6: CG-RC24-001 RC hole location. This hole intersected 41 metres of highly weathered saprolitic clay.

Figure 7: Sample collection underway at the CG-RC24-001 RC drill rig.

Figure 8: Some auger holes drilled at Rio Negro Prospect.

Figure 9: Material intercepted by auger drilling stored in plastic core cases in the field to be transported to the exploration shed.

Figure 10: Plastic core cases with auger drilling samples and plastic bags with RC drilling samples stored in the Equinox exploration shed in Jequié.

Representative images of the prospective rare earth clay do not confirm the presence of REE mineralisation, which can only be detected by assay.

This geological setting is known to potentially host REE mineralisation within the area, however visual inspection should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the principal factors of economic interest.

Furthermore, visual inspections may provide no information regarding impurities or deleterious physical properties relevant to valuations.

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Authorised for release by the Board of Equinox Resources Limited.

COMPETENT PERSON STATEMENT

The information in this report which relates to Exploration Results is based on information compiled by Mr Luciano Oliveira, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Oliveira is the Exploration Manager for Equinox Resources Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Oliveria consents to the inclusion in the announcement of the matters based on that information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to in this release and that all material assumptions and technical information referenced in the market announcement continue to apply and have not materially changed. All announcements referred to throughout can be found on the Company's website: eqnx.com.au.

COMPLIANCE STATEMENT

This announcement contains information on the Campo Grande Project extracted from ASX market announcements dated 28 November 2023, 27 February 2024, 5 March 2024 and 2 April 2024 released by the Company and 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.

FORWARD LOOKING STATEMENTS

This announcement may contain certain forward-looking statements and projections. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. Forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. Equinox Resources Limited does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Equinox Resources Limited or any of its directors, officers, agents, employees, or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement.

APPENDIX A: Completed Auger Drill Holes

Drill ID	Easting (m)	Northing (m)	Elevation (m)	Total Depth (m)
CG-AD24-001	402099	8468709	262	8.00
CG-AD24-002	402327	8468710	292	20.00
CG-AD24-003	402123	8468508	248	7.00
CG-AD24-004	402125	8468295	265	15.50
CG-AD24-005	401929	8468505	284	11.00
CG-AD24-006	401913	8468313	312	20.00
CG-AD24-007	401735	8468320	330	6.50
CG-AD24-008	401536	8468307	379	20.00
CG-AD24-009	402126	8467742	244	20.00
CG-AD24-010	401931	8467709	259	18.00
CG-AD24-011	401721	8466718	394	17.00
CG-AD24-012	402928	8465917	249	20.00
CG-AD24-013	401754	8467679	325	20.00
CG-AD24-014	403329	8465722	269	20.00
CG-AD24-015	403186	8465908	224	10.50
CG-AD24-016	402763	8465920	189	6.50
CG-AD24-016A	402776	8465910	192	17.00
CG-AD24-017	403109	8465706	226	7.50
CG-AD24-017A	403207	8465700	237	10.75
CG-AD24-018	403338	8465487	247	10.00
CG-AD24-018A	403337	8465477	248	7.75
CG-AD24-019	403127	8465526	229	19.00
CG-AD24-020	402926	8465506	189	7.00
CG-AD24-020A	402926	8465506	189	10.80
CG-AD24-020B	402934	8465509	206	7.90
CG-AD24-021	402710	8465486	202	6.00
CG-AD24-021A	402073	8465487	202	5.75
CG-AD24-021B	402733	8465501	207	3.50
CG-AD24-021C	402722	8465490	213	6.00
CG-AD24-021D	402708	8465495	221	4.75
CG-AD24-021E	402714	8465483	219	2.50
CG-AD24-022	402530	8465686	275	19.40
CG-AD24-023	402357	8467716	235	2.60
CG-AD24-023A	402366	8467716	235	2.75
CG-AD24-023B	402374	8467711	236	5.00
CG-AD24-023C	402331	8467714	234	2.50
CG-AD24-024	402532	8467710	269	14.75
CG-AD24-025	405996	8468743	270	8.75
CG-AD24-025A	405991	8468765	267	6.00
CG-AD24-025B	405971	8468747	266	6.00

APPENDIX A CONTINUED: Completed Auger Drill Holes

Drill ID	Easting (m)	Northing (m)	Elevation (m)	Total Depth (m)
CG-AD24-026	401068	8466948	529	19.75
CG-AD24-027	405753	8468755	260	6.00
CG-AD24-027A	405752	8468761	262	7.00
CG-AD24-028	405751	8468580	255	4.00
CG-AD24-028A	405669	8468569	268	5.00

APPENDIX B: Completed RC Drill Holes

Drill ID	Easting (m)	Northing (m)	Elevation (m)	Total Depth (m)
CG-RC24-001	401645	8468311	363	120.00
CG-RC24-002	402609	8467040	253	59.00

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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.*	• Auger samples were recovered directly from the auger bucket and placed onto a plastic core case, photographed, and geologically logged in the field. The samples were transported to the EQN exploration shed where the drilled intervals are divided in half in the longitudinal direction, meter by meter. Half of each meter drilled and recovered was placed in a plastic bag and identified with a sequential number. The remaining half of each meter sampled was stored in the plastic core case. • The samples recovered in the reverse circulation survey were homogenized and quartered in the field, meter by meter, using a Jones quarterer. 1/4 of the sample from each drilled meter was placed in a plastic bag and identified with a sequential number. The rest of the sample was placed in plastic bags identified with the name of the hole and the interval (depth) and taken to the exploration shed where they were properly stored.
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).*	• Auger drilling is being done with a powered auger with a 3" auger bit. Holes are vertical and not oriented. The maximum depth achievable with the powered auger is 20m, and this is only achievable if the hole do not encounter fragments of rocks/boulders etc sitting within the weathered profile, and / or the water table. • Reverse Circulation drilling was carried out with a MOD.FG-06 drilling rig with 4" hammer, on a platform on a 4x4 military truck and 01 ATLAS COPCO COMPRESSOR. to drill vertical holes with an operational depth limit of 120m.
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.*	• Auger sample recovery calculated as length of sample recovered per interval drilled. • Generally within a range of 80 – 100%. • Reverse circulation sample recovery calculated according to the sample weight. • Generally within a range of 90 – 100%.

Criteria	JORC Code explanation	Commentary
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.*	• All auger and reverse circulation holes are logged by EQN geologists. For every 1m drilled with auger, the material is described in a drilling bulletin detailing the colour, weathering, alteration, texture and any geological observations. • Qualitative logging with systematic photography of the stored box from auger and reverse circulation holes. • The auger sample description is made according to the tactile-visual characteristics, such as material (soil, colluvium, saprolite, rock fragments); material color; predominant particle size; presence of moisture; indicator minerals; extra observations. If the water level is reached, is also described. • The entire auger hole is logged. • The reverse circulation sample description is made according to the geological features such as color; predominant particle size; mineralogy; structure degree of weathering, magnetism and extra observations. If the water level is reached, is also described. • The chip samples are used for describe reverse circulation samples.
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.* • *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.*	• Auger sampling procedure is completed in the exploration shed in Jequié. • Sample preparation will be conducted at commercial lab comprising oven drying, crushing of entire sample to 75% < 3mm followed by rotary splitting and pulverisation of 250 grams at 95% minus 150#. • The < 3mm rejects and the 250 grams pulverised sample will be returned to Equinox for storage.
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*	• 2 duplicate samples are inserted by EQN into each auger hole • 1 blank sample, 3 certified reference material (standard with low, medium and high grades) samples and 1 duplicate sample are inserted by EQN into each batch from reverse circulation samples. Each batch are composed of 50 samples, 45 of which belong to exploration intervals and 5 are QA/QC

Criteria	JORC Code explanation	Commentary
	accuracy (ie lack of bias) and precision have been established.	samples (duplicate, blank and standards).
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.*	• Some twin holes were drilled due to geological conditions of the terrain such as fragments of rocks/boulders etc sitting within the weathered profile, and / or the water table. They are named with the same nomenclature as the original hole with the addition of sequential letters of the alphabet • Data entry procedures included collar coordinates are recorded and holes are logged and photographed at the drill site prior to information being transferred into Excel spreadsheets back at the office. Drilling data is kept in Excel spreadsheets in a well organised structure of file folders on a local network and in the 'Cloud'. Geological data is logged onto paper and transferred to Excel spreadsheets at end of the day and then transferred into the drill hole database.
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.* • *Quality and adequacy of topographic control.*	• The UTM SIRGAS2000 zone 24S grid datum is used for current reporting. The drill holes collar coordinates for the holes reported are currently controlled by hand-held GPS with 4 m precision.
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.*	• Auger holes are 200m apart, designed for testing high grades TREO shown in soil channel samples collected from the surface. • The data spacing and distribution is sufficient to establish the level of REE elements present in the target area and its continuity along the weathering profile appropriate for a Mineral Resource. • RC holes are located over the high grade TREO to evaluate the vertical distribution of REE. • No sample composition was applied.
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.*	• The auger and reverse circulation drill holes are vertically oriented, deemed appropriate for the supergene deposit that will be explored. Expected mineralisation is developed in the weathered horizon, reflecting weathering and parent rock, and is expected to be predominantly horizontal, thus the vertical sampling.
Sample security	• *The measures taken to ensure sample security.*	• Samples are removed from the field and transported back to exploration shed for sample preparation and sample storage

Criteria	JORC Code explanation	Commentary
		facility of the company where they are checked and organized. After checking, all samples are weighed then the samples undergo a being packed in plastic bags, packed into batches of 50 samples, and despatched to SGS-Geosol for analysis. • The remaining sample is stored in plastic core cases, labelled with the hole name and sampled intervals. Samples are securely locked up in the storage shed.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling techniques and data have been reviewed by the Competent Person and are found to be of industry standard.

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections.)

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.*	• Campo Grande Project is situated about 250km south-west of Salvador in north-eastern Brazil. • The tenement count considers 99 applications for grant of tenements. • Rio Negro Prospect: ANM 872.042/2023 Area:1.793,35 hectares Status: Research Permit • Location: Jequié
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No other exploration is known apart from the government agency's field mapping and geophysical data work.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation in the region consists of Ionic Adsorbed Clay and residual heavy mineral concentrations of REE elements associated with deeply weathered profiles over Middle Archean ortho and para granulite facies rocks and Late Archean high K ferroan A-type granitoid sequences. The Archean sequences were metamorphosed to granulite facies in the Transamazonian orogeny and then intruded by Paleoproterozoic post tectonic charnockitic granites. Concentrations of REE minerals are present in the Later Archean A-type granitoids and in small mafic intrusive bodies. Mineralisation is predominantly Ionic Adsorbed Clay.

Criteria	JORC Code explanation	Commentary

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.*
		• Auger and Reverse Circulation hole locations and diagrams are presented in this announcement.
		• Details are tabulated in the 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.*	• Not applicable, geochemical results of auger and reverse circulation samples have not yet been sent by the laboratory.
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').*	• Geochemical results of auger and reverse circulation samples have not yet been sent by the laboratory.
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.*	• Appropriate diagrams are included in the main 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.*	• All exploration results are presented in the current report
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.*	• There is no additional substantive exploration data to report.
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.*	• Expand the auger and reverse circulation drilling campaing. • Metallurgical test work with ammonium sulfate leaching