

EQUATOR

RESOURCES LIMITED

ACN: 127 411 796

20 July 2016

Project Update

Equator Resources Limited (ASX:EQU) ("Equator" or "the Company") provides the following update on exploration activities and proposed work at the Acacia Frazer project located in the Northern Territory, approximately 50kms south of Darwin.

The project area is situated within the northern part of the Pine Creek Orogen, which is host to several occurrences of gold, uranium and base metal mineralisation. The Company believes the Acacia Frazer Project area has potential to host an economically viable mineralisation with substantial benefit to both exploration and potential development with excellent infrastructure, proximity and availability of skilled labour within a favourable mining jurisdiction.

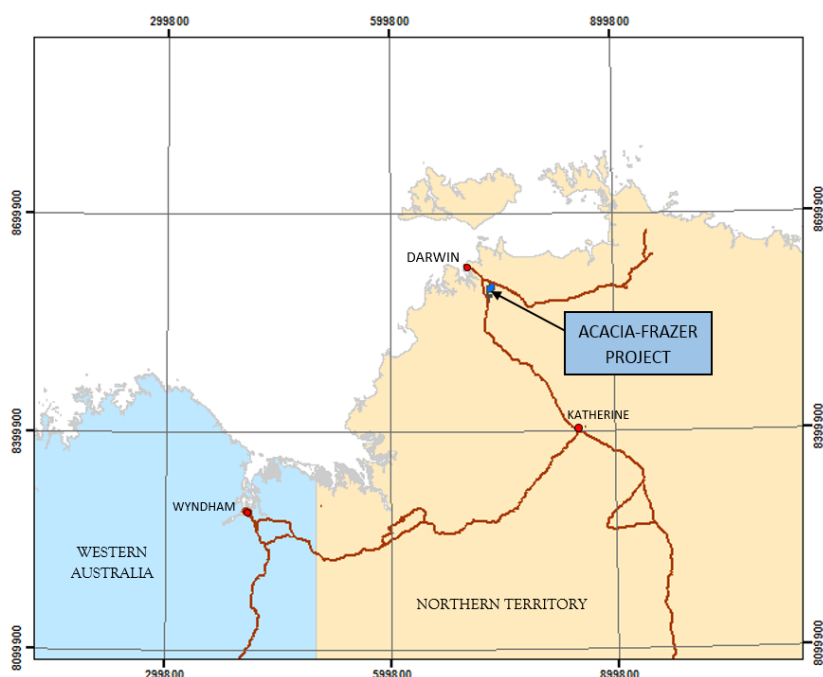


Figure 1- Location Map

Since the announcement of the recapitalisation of Equator in November 2015, the re-structured Board of Equator has successfully re-capitalised the Company to evaluate the Acacia Frazer Project, including funds for administrative and working capital purposes which resulted in successfully reinstating quotation of the Company's securities to the ASX in June 2016. Equator is also successfully

renewing exploration licences and engaging technical staff to re-evaluate and assess exploration potential on the Acacia Frazer Project.

The new management team has undertaken a number of desk top studies including interpretation of regolith and geomorphological mapping with satellite imagery and SRTM products. This work will be integrated with historical surface geochemistry and any newly acquired rock chip data as available in ongoing studies and proposed reconnaissance field activities.

In July and August 2016 the company intends to initiate reconnaissance mapping and surface sampling programs at the Acacia Frazer Project. Several areas of interest within the project area have been highlighted in ongoing desktop studies. The planned reconnaissance activities will assist in prioritising proposed follow-up work based on prospectivity defined from desktop study results and other historical data.

No field based exploration since November 2015 has been conducted on the project.

For and on behalf of the Board

Jason Bontempo

Director