

EQUATOR

RESOURCES LIMITED

ACN: 127 411 796

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GROUND POSITION SIGNIFICANTLY INCREASED AND WORK PROGRAM COMMENCES

- **COBALT CAMP GROUND POSITION SIGNIFICANTLY INCREASED SUBSTANTIALLY**
- **EXPLORATION AND GEOPHYSICAL WORK PROGRAMS COMMENCED**
- **FURTHER EXPANSION PLANS UNDERWAY TO INCREASE ACREAGE**

Equator Resources Limited (ASX: EQU) (the "Company" or "Equator") is pleased to announce a significant increase to its land position in the Cobalt Camp, Ontario. The company has acquired via acquisitions and ground staking approximately a further 4500 acres of ground since the announcement of the acquisition of Ophiolite Properties in November 2016. This increases Equator's land holding by over 30% and strengthens the Company's position as one of largest claim holders in the Cobalt camp targeting cobalt-silver mineralisation.

The company has commenced its exploration work program on the Cobalt Camp with geophysics and geo-modelling. The Company's geophysical program comprises a multi-sensor helicopter-borne survey over 2,210 line kilometres to be followed by ground IP surveys. This program is the first of its kind to be completed over the company's tenure.

INCREASED GROUND POSITION

In addition to the Silverfields mine acquired post November 2016, a significant past producing Co-Ag mine operated by Teck (refer ASX:EQU release 17 Feb 2017), the company has added new property to its existing significant cobalt prospective land holding within the greater Cobalt camp (refer Figure 1).

Cooper Lake

The company has staked further known Cobalt occurrences in the Cooper Lake area. The claims include the historic Co-Ag mineralised Ogistoh exploration mine with a small past production history where ore was reported to contain 5% Co¹. The Ogistoh shaft was approximately 80 ft deep and 40 feet of drifting was completed on its northwest side. The Cooper Lake properties also contain the Cunningham and Pubelow Co-Ag occurrences.

Gillies Limit, Lorrain and South Lorrain

Claims were also staked in the Gillies Limit and Lorrain Twp effectively tying both major claim groups together which covers more cobalt mineral prospective ground. In the South Lorrain/Silver Centre area, more claims were staked making the two claim groups located in that area contiguous which are nearby the Canadian Lorrain mine. Further claims staked include Co prospective land south of the Oxbow Lake and Oslund-

¹ (Ontario Ministry of Northern Development and Mines ("MNDM") report ref : MDI31M03NW00020)

Hermiston Co-AG occurrences. Assays from a historic diamond drilling program adjacent to Oxbow Lake returned results including, 3.25% Co over 3.1 ft. DDH 8 yielded , 1.41% Co over 2.8 ft. ²

The company continues to assess further potential cobalt mineral rich properties via acquisition and staking.

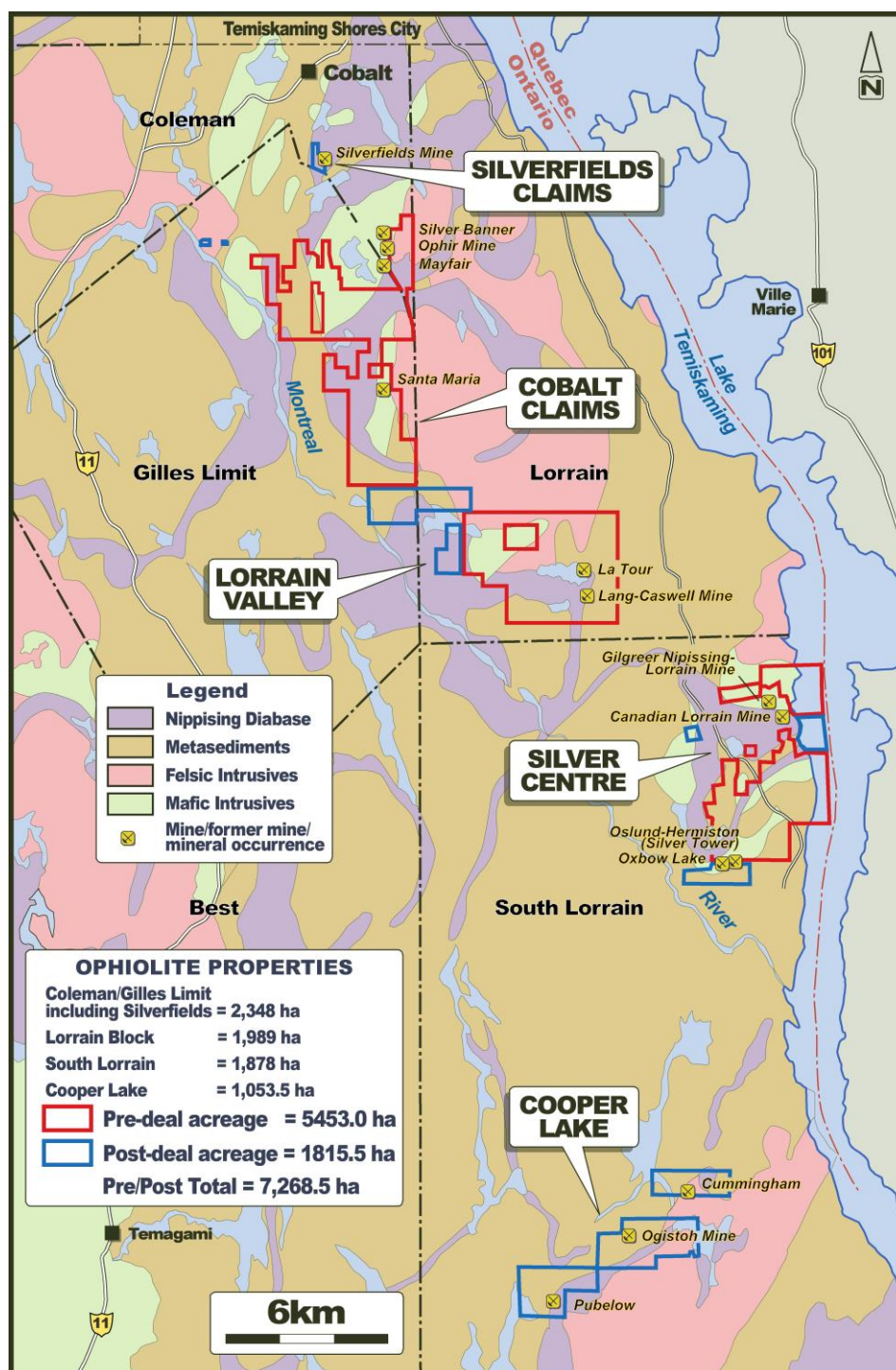


Figure 1: Equator's latest Ground Position in the Historic Cobalt Mining Camp

² (Ontario Ministry of Northern Development and Mines ("MNDM") report ref : MDI31M03NW00020)

EXPLORATION and GEOPHYSICAL WORK PROGRAMS COMMENCED

The ongoing exploration program at the company's Cobalt camp projects since completion in February 2017 has consisted of:

- On-going GIS data integration, studying historical exploration including underground drilling and mine workings data.
- On the 17th of March, 2017, the commencement of a combined high-resolution airborne magnetic and VLF-EM survey to better map main geological contacts, known veins and their extent and to locate new veins distribution, and gain an understanding of the structural control on the vein intrusion and metal deposits.

The survey will comprise 2210 line kilometres from the White Eagle **Quadri-MAG** (latest generation advanced 4-sensor magnetometer array) and VLF-EM.

It will be flown using 50-metre spacing with 3 main directions depending on geology and location. The Cobalt Town Claims will be flown in the NE-SW direction, the Lorrain Valley Cobalt (North-South), and the Silver Centre Cobalt Claims (East-West).

The ultra-wide horizontal and vertical gradient allow mapping of subtle changes in rock properties. The platform is towed under a helicopter for maximum ground proximity and the slow speed allow measurement every 2-3 meters.

The multiple layers of information will help understand in 3-dimension the structural fabrics on surface and at depth. Major geological structures in the project areas exhibit a general spatial relationship to known mineralized veins in the region.

Looking Ahead

The Geophysical program is expected to be completed in the next 2 weeks followed by data processing.

The Company is working towards confirming an exploration plan and budget over March and April 2017 placing it in a position to take advantage of the North American summer to complete a significant exploration program including ground geophysics, mapping, and sampling, followed by target delineation and drilling across the 3 groups of claims.

Selected sampling and or drilling may occur on more advanced areas based on geological control where subsurface geology is better warranted by drilling particularly at the Silverfields mine area almost immediately or the Ophir mine, these being 2 of the 7 historic mines situated within the Company's Cobalt camp land package.

BACKGROUND ON THE COBALT CAMP PROJECT

The Cobalt area is an established Tier-1 mining district, with extensive road, rail and port infrastructure, able to target future production to key North American, and export markets. The district is a proven mining region with over 600Moz Ag and 45Mlbs of Co-production from previous operating mines. Much

of this silver was extracted in early 1900's, with minimal focus on Co or on high grade Co regions which were typically left behind or used as a tracer to track silver.

Mineralisation in the area occurs as silver-cobalt arsenides plus other cobalt arsenides such as skutterudite, cobaltite, smaltite hosted within quartz and calcite veins. Historical sampling from some of these veins (Lang-Caswell) shows exceptionally high grades of cobalt (4-12%). (Source: Northern Ontario Ministry of Development and Mines "MNDM")

Within the Assets, up to 80-90% of mineralised zones are related to the Nipissing diabase, Huronian sediments and Keewatin volcanics - particularly near contact points between the diabase and the latter two rock types, which is typical regionally. The Assets cover over 20kms of highly prospective ground along these contact points.

The Project claims include and are adjacent to former operating mines with historic silver and cobalt production. Miners in early 1900s targeted easy to access outcrop due to the lack of geophysical technology that exists today. There has been minimal modern day exploration carried out to date.

The Cobalt Camp Projects include significant exploration upside and further growth opportunities due to minimal modern exploration techniques applied, structures are relatively shallow and amenable to IP analysis and low cost shallow drilling. Former mines provide a significant database for the Company on production assets and for exploration programs to target along strike.

ENDS

For more information, please contact:

Corporate

Jason Bontempo
Executive Director
jasonb@equatorresources.com.au

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Gary Grabowski, who is a qualified geologist in Ontario. Mr Grabowski is a geological consultant for the Company. Mr Grabowski has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Grabowski consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.