

## Quarterly Activities Report for Quarter Ended 30 June 2023

### HIGHLIGHTS

- CEO site visit to Canada and local First Nation engagement.
- Multispectral Imagery analytics on Canadian claims indicate over 310 potential areas of interest.
- Hamersley environmental desktop study finalised, field surveys to commence Q3 2023.

**Equinox Resources Limited (ASX: EQN, “Equinox” or the “Company”)** is pleased to present the Company’s quarterly activities report for the quarter ending 30 June 2023 (“the Quarter”). The primary focus of the Company’s activities over the Quarter was on progressing development activities associated with the Hamersley Iron Ore Project (“Hamersley Project”). In addition, the company has completed initial desktop studies supported by multispectral imagery analytics in order to assess the potential of its new claims in Ontario for lithium and rare earths mineralisation. Field work has commenced to assist in defining a detailed exploration works program. Early results from these activities have been encouraging, including the identification of numerous potential pegmatite outcrops that the Company considers warrants an expedited exploration works program.

### **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. The Project consists of the granted Mining Lease (M47/1450) which is situated near iron ore producing mines owned by FMG and Rio Tinto.

During this Quarter, the company applied for 185 hectares of additional land (E47/4987), located adjacent to the south-western corner of M47/1450. The application process is expected to complete within 12 months and the additional tenure is expected to complement the Project’s development potential. The Company will continue to review additional tenure in the area where there are opportunities to improve exploration or development potential.

The company continues to have dialogue with the Wintawari Guruma Aboriginal Corporation (“WGAC”) for the Company’s current and future intended approved Program of Works (“POW”) area and Heritage Survey.

### **Environmental Surveys and Planning**

The desktop studies on flora and fauna were completed by Umwelt Environmental and external consultants in support of Project development planning during the Quarter. Field surveys are expected to commence in Q3 2023 and are an important step towards complying with EPA Guidance for project development.

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

Our CEO, Gower He, and the Company’s local consulting geologist conducted a site visit during the Quarter, marking out specific areas of interest for further assessment. Early desktop studies and multispectral imagery provided by GeoCloud Analytics identified 206 and 55 potential pegmatite outcrops for Dome and Larder Lake, respectively. The combined results were extremely encouraging, and the Company intends to commence an expedited exploration program to assess these prospective targets in the next quarter. This will be supported by the Company’s successful

application for inclusion in the Ontario Junior Exploration Program ("OJEP"), which provides for up to CAD 200,000 in government funding for Project exploration activities, subject to standard qualifying conditions.

Our CEO, also met with the Dome Lake and Larder Lake First Nations groups to introduce the Company and commence early dialogue on our projects.



Figure 1 –Gower He, CEO at Dome Lake Project.

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

Early studies completed. The company will continue to assess the viability of this project.

### **Business Development**

During the Quarter the Company continued to review potential acquisition opportunities and partnerships that have a strategic fit for the Company which may deliver additional value for our 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

### Board Changes

On the 4<sup>th</sup> of July, Mr Ming Tsen (Vincent) Chye was appointed as Non-Executive Director of Equinox.

Mr Chye is an experienced corporate development executive with over 17 years' experience working with ASX and internationally listed companies.

Mr Chye is currently responsible for WA corporate development for an ASX100 listed energy company with a focus on strategic decarbonisation, renewable, firming and energy storage projects. Previously, he held senior advisory and in-house positions focussing on transactions and strategic projects, including at CITIC Ltd, Wesfarmers Ltd and Ernst & Young. In addition to extensive experience in acquisitions and equity capital markets, Mr Chye has specific expertise in the development of greenfield mining, processing, and logistics in the bulk minerals sector.

The Board considers Mr Chye to be an independent director of the Company.

On the same day Mr Mena Habib resigned from his position as Non-Executive Director of Equinox.

### Appendix 5B

The Appendix 5B quarterly cashflow report for the quarter ended 30 June 2023 is submitted separately.

The Group had a cash balance of \$4,267k as of 30 June 2023. Exploration expenditure during the quarter totalled \$229k.

### Use of Funds

A comparison of the Company's actual expenditure since admission to the Official List of ASX to 30 June 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 30 June 23
Exploration and development at the Hamersley Iron Ore Project	4,970,000	1,209,171
Corporate Administration	1,950,000	1,471,898
Working capital	528,000	571,118
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	315,386
<b>Total</b>	<b>9,000,000</b>	<b>4,733,237</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. In response to these challenges, the Company has submitted an additional POW for the Hamersley Project while maintaining ongoing discussions with the WGAC regarding the Company's intended approved POW for both current and future activities. 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 \$73k in payments were made to related parties and/or their associates for director's remuneration (\$43k) and CFO services (\$30k).

#### Capital Structure

The Capital Structure at the end of the June 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%
	E47/4987	100% (Under application)	-	100% (Under application)
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%

- END -

**For further information please contact:**

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

P: +61 8 6109 6689

E: [info@eqnx.com.au](mailto:info@eqnx.com.au)

**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

This announcement contains information on the Dome Lake and Larder Lake Projects 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:

- Canadian Projects Field Work & First Nations Engagement - 20 June 2023
- Canadian Lithium Projects Update - 26 May 2023
- Investor Presentation - 28 March 2023
- Equinox Expands Canadian Exploration Portfolio - 16 February 2023
- Equinox Secures Australian and Canadian Exploration Areas - 15 December 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.

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")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation		(40)	(126)
(b) development			
(c) production			
(d) staff costs		(144)	(433)
(e) administration and corporate costs		(262)	(698)
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		38	126
<b>1.9 Net cash from / (used in) operating activities</b>		<b>(408)</b>	<b>(1,131)</b>
<b>2. Cash flows from investing activities</b>			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements			
(c) property, plant and equipment		(4)	(25)
(d) exploration & evaluation		(229)	(640)
(e) investments			
(f) other non-current assets			

## 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 (12 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		(49)
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	<b>Net cash from / (used in) investing activities</b>	<b>(233)</b>	<b>(714)</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		
3.10	<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	4,903	6,107
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(408)	(1,131)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(233)	(714)
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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	5
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,267</b>	<b>4,267</b>

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	4,267	4,903
5.2	Call deposits		
5.3	Bank overdrafts		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,267</b>	<b>4,903</b>

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	(73)
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	<b>Total financing facilities</b>	<b>-</b>	<b>-</b>
7.5	<b>Unused financing facilities available at quarter end</b>		
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)	(408)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(229)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(637)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,267
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,267
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	6.7
<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: N/A	
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: N/A	
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: N/A	
<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: 31 July 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.

**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.