

Equinox Gold Releases First Quarter Financial Results

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VANCOUVER, British Columbia, May 03, 2018 (GLOBE NEWSWIRE) -- [Equinox Gold Corp.](#) (TSX-V:EQX) (OTC:EQXGF) ("Equinox Gold" or the "Company") is pleased to announce that the Company has released its unaudited condensed consolidated interim financial statements ("Q1 Financial Statements") and related management's discussion and analysis ("Q1 MD&A") for the three months ended March 31, 2018 ("Q1 2018" or the "Quarter").

Equinox Gold's principal assets are its wholly-owned, past-producing Aurizona gold mine in Maranhão, Brazil ("Aurizona") and its wholly-owned, past-producing Castle Mountain gold mine in California, USA ("Castle Mountain"). The Company's primary focus is completing construction and achieving production at Aurizona, which is on track to pour gold before the end of 2018. The Company is also completing a prefeasibility study for Castle Mountain, targeted for completion in mid-2018, with the objective of recommencing production in 2020.

First Quarter 2018 Financial Highlights and Recent Developments

- Full-scale construction of Aurizona approved in early January
 - Construction fully funded, on budget and on schedule
 - Mining contract signed and activities underway, currently focused on removing waste from the Piaba pit and developing access roads
 - Aurizona construction project-to-date financial highlights (includes project construction activities from Q4 2017) as of March 31, 2018:
 - Budget of \$146 million
 - Project-to-date capital expenditures ("capex") of \$43.5 million
 - Commitments made of \$75.5 million (includes project-to-date capex)
 - Undrawn portion of construction debt facility of \$70.0 million
 - Aurizona construction capex of \$21.3 million during Q1 2018
- Total Q1 2018 exploration spend of \$3.0 million
 - Spent \$1.7 million on Castle Mountain prefeasibility study preparation
- Retired \$15.0 million of debenture purchased by Ross Beaty via conversion into common shares
- Received \$14.8 million (C\$18.4 million) cash, net of financing costs, pursuant to shareholder's exercise of non-dilution rights
- Received milestone payment of \$4.7 million in April 2018 related to December 2017 sale of Coringa project
- Q1 2018 net loss of \$4.4 million
- Working capital of \$59.4 million at March 31, 2018, including cash and marketable securities of \$52.2 million
- Koricancha operation generated \$6.1 million in revenue and recorded a \$0.9 million loss
 - Collected \$1.6 million of value-added tax refund in April 2018

Aurizona

Equinox Gold's Board of Directors approved full-scale construction at Aurizona in early January 2018. During the Quarter the Company expended \$21.3 million on Aurizona construction activities which, when added to the amount expended on early project works during Q4 2017, brings the total construction expenditures at March 31, 2018 to \$43.5 million.

With a construction budget of \$146 million and \$43.5 million in project expenditures to date, the remaining project capital will be funded by cash and marketable securities of \$52.2 million and \$70.0 million of undrawn construction debt financing.

Construction is proceeding on schedule to achieve first gold pour by year-end 2018. The overall project was 44% complete at the end of March and plant construction was 27% complete. Mining activities commenced in mid-April and are currently focused on removing waste from two locations in the Piaba pit and developing access roads in preparation for ore mining in Q3 2018.

While the Aurizona operations team is focused on achieving production, Equinox Gold's exploration team is focused on mine life extension and district-scale opportunities. During the Quarter the Company announced the results from exploration at six targets east and north-east of the reserve pit, where drilling discovered broad intervals of economic grade gold mineralization and several new mineralized structures. These discoveries, approximately four kilometres of western strike extension and other district-scale targets will be tested with upcoming exploration programs, and a study is underway examining opportunities to develop the underground potential of the Aurizona gold deposit. In addition, drill results from more than 11,000 metres of drilling in 2017 at the Piaba and Piaba West targets are being incorporated into a resource update that is targeted for completion in mid-2018.

Castle Mountain

Activities at Castle Mountain during the Quarter focused on the exploration and related technical activities required to complete a prefeasibility study for the Castle Mountain Project with the objective of restarting production. The prefeasibility study is examining a production restart in a phased ramp-up scenario, starting with Phase 1 run-of-mine ("ROM") heap leaching of backfill material from previous operations and ramping up to a full restart in Phase 2 that will include milling of a limited stream of higher-grade material and ROM leaching of the balance. While the base case plan for Phase 2 operations had originally contemplated three processing streams – ROM heap leaching for low-grade material, crushing and heap leaching of medium-grade material and milling for a limited stream of higher-grade material – metallurgical studies have shown higher than expected recoveries using ROM heap leach processing. As a result, the Company is advancing an alternative Phase 2 flow sheet employing ROM heap leach of low and medium-grade material and milling of high-grade material. This simplified flow sheet reduces operating complexity and also brings significant economic benefits to the project, reducing both up-front capital costs and long-term operating costs.

The Company expended \$1.7 million on exploration and related technical activities during the Quarter to support the Castle Mountain prefeasibility study. Completion of the prefeasibility study is targeted for mid-2018 with the potential to commence Phase 1 production in 2020.

During the Quarter the Company announced that exploration has identified a new zone of significant mineralization at the East Ridge target, peripheral to the current resource pit, with grades significantly higher than the current resource grade. Additional drilling to examine East Ridge and other Castle Mountain targets is planned for later in 2018. Exploration at Castle Mountain in 2017 focused on upgrading material previously classified as waste or inferred resources within and adjacent to the pit shells with the objective of incorporating this material into the prefeasibility study.

Corporate and Other

In February 2018, Equinox Gold received \$14.8 million (C\$18.4 million), net of finance costs, in cash from Pacific Road Resources Funds ("Pacific Road") and issued 21 million Equinox Gold common shares pursuant to Pacific Road's exercise of non-dilution rights.

Ross Beaty, Chairman of Equinox Gold, has invested approximately \$30 million since October 2017 to become the Company's largest shareholder and currently holds approximately 12% of Equinox Gold's common shares. Of these share purchases, Mr. Beaty acquired approximately 22.5 million common shares in January 2018 pursuant to a share and debenture purchase agreement between Equinox Gold, Mr. Beaty and [Sandstorm Gold Ltd.](#) ("Sandstorm"), whereby Sandstorm sold to Mr. Beaty 4.0 million common shares of Equinox Gold and \$15.0 million principal of the debenture payable by Equinox Gold to Sandstorm at a combined purchase price of approximately \$18.2 million. The debenture sold to Mr. Beaty was retired through the issuance of approximately 18.5 million common shares.

The Company's Koricancha processing facility processes ore purchased from small scale and artisanal miners throughout Peru. During the Quarter Koricancha processed 10,992 tonnes of ore and sold

4,777 ounces of gold for revenue of \$6.1 million. Cost of sales was \$7.0 million, which includes \$5.2 million of ore purchasing costs and \$1.8 million of other production costs, resulting in a net loss at the operation of \$0.9 million for the Quarter.

Additional information regarding the Company's financial results, activities underway at Aurizona and Castle Mountain and the Company's long-term business strategy is available in the Q1 Financial Statements and accompanying Q1 MD&A, which are available for download on the Company's website at www.equinoxgold.com and on SEDAR at www.sedar.com.

On Behalf of the Board of Equinox Gold Corp.

“Christian Milau”

CEO & Director

About Equinox Gold

Equinox Gold is a Canadian mining company with a multi-million-ounce gold resource base, near-term and growing gold production from two past-producing mines in Brazil and California, and a long-term growth platform with a diverse portfolio of gold and copper assets in North and South America. Construction is underway at the Company's Aurizona project in Brazil with the objective of pouring gold by late 2018, and a prefeasibility study is underway at the Company's Castle Mountain project in California with the objective of restarting production. Further information about Equinox Gold's current portfolio of assets and long-term growth strategy is available at www.equinoxgold.com or by email at ir@equinoxgold.com.

Equinox Gold Contacts

Christian Milau, CEO
Rhylin Bailie, Vice President Investor Relations
Tel: +1 604-558-0560
Email: ir@equinoxgold.com

Cautionary Notes and Forward-Looking Statements

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This document contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). The use of the words “will”, “expected”, “objective”, “anticipated”, “underway”, “targeted”, “expectation”, “scheduled” and similar expressions are intended to identify forward-looking statements. Forward-looking statements contained in this news release include, but are not limited to, statements regarding construction activities underway at Aurizona, the Castle Mountain prefeasibility study, the potential for other assets of the Company, and the growth potential of the Company. Although the Company believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since the Company can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in the Company's periodic filings with Canadian securities regulators, and assumptions made with regard to the Company's ability to complete construction at Aurizona on budget or at all, and the timing to achieve production; the Company's ability to complete the Castle Mountain prefeasibility study and the results of the study; the Company's ability to recommence production at Castle Mountain; and the Company's ability to achieve its expected growth and production potential. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligations to publicly update and/or revise any of the included

forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.

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