

September 19, 2019

**Re: Urgent request for information concerning tailings dam management**

To whom it may concern:

Equinox Gold Corp. (“Equinox Gold” or the “Company”), formerly Trek Mining Inc., is a Canadian gold producer with two mines in production: the Mesquite Gold Mine in California and the Aurizona Gold Mine in Brazil and a development project, the Castle Mountain Gold Mine in California.

Aurizona, an open-pit mine operating in northeastern Brazil, is the Company’s only project with a tailings storage facility (“TSF”). Mesquite and Castle Mountain are both open-pit heap leach gold mines and do not have TSFs.

As a responsible gold producer, Equinox Gold is committed to upholding best applicable practices at all of its operations, including the safe storage and disposal of mining waste. Equinox Gold welcomes this opportunity to disclose its TSF management practices and to provide both existing and potential investors with the knowledge that Equinox Gold has the systems in place to ensure that its people, the environment and local communities are protected.

Any additional requests for information or clarity regarding any of the disclosure in this document should be directed to:

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Yours sincerely,



Christian Milau  
CEO

The following information is provided in response to the disclosures requested by the Church of England Pensions Board in the letter dated July 24, 2019, titled "*Urgent request for information concerning tailings dam management*".

a) **Please provide an overview of your tailings management system and how you manage risk.**

Equinox Gold and its subsidiaries are committed to the safe and responsible management and storage of tailings during the life of operations and subsequent to mine closure. We comply with all regulatory requirements and employ best applicable practices and standards. Equinox Gold takes a proactive risk-based approach to the management of tailings. This involves the identification, control, mitigation and monitoring of risks as they pertain to our workforce, the environment and local communities.

Equinox Gold has a Tailings Management System in place to ensure that the Aurizona TSF is operated appropriately. This management system contains:

- Documented commitments and assignment of accountability.
- Register of legal obligations and other commitments.
- Risk management process and formal risk register.
- Operations Maintenance and Surveillance (OMS) manual specific to the TSF.
- Specific training for employees performing roles related to the TSF.
- Reporting and investigation process to be used in the event of incidents or non-conformances.
- Emergency response procedures that ensure that personnel are trained and equipped in the extremely unlikely event of an incident.
- Audit and assurance program that includes:
  - i. Inspections are performed twice per month by trained operators and geotechnical staff, with results submitted to ANM, the National Mining Agency.
  - ii. Internal TSF inspection audits are completed annually.
  - iii. Dam safety inspections by an external engineer are completed annually.
  - iv. In Brazil, and in accordance with the classification of the structure, a dam safety audit is completed once every three years and following any change of TSF design.
  - v. Following the completion of each TSF raise, a new dam break study is performed and findings from this study inform the Emergency Action and Response Plan.
  - vi. Using the Canadian Dam Safety Association guidelines, a dam safety review is performed once every five years by an independent qualified professional.
- External engagement and feedback processes to identify issues of public safety and any other relevant issue with local community members and representatives as well as regulatory authorities.

- b) **Confirm whether your approach to tailings management has changed or will change in light of the recent tailings disasters at Brumadinho, Mariana, Mt Polley and others. Have you, for example, reviewed all tailings storage facilities with upstream dam construction, and taken any steps necessary to protect local communities and the environment e.g. buttressing, evacuation?**

Please note that the construction of the Aurizona Gold Mine Vené TSF is centerline and not upstream as was the case in the aforementioned Brazilian tailings dam breaches.

Equinox Gold reviewed its already comprehensive approach to tailings management in light of the Brumadinho tailings disaster. The following changes have been or will be adopted:

- Independent external consultants engaged to complete an external TSF audit in June 2019, which confirmed the overall stability of the TSF.
- Approval has been given to form an Independent Tailings Review Board (ITRB). The ITRB will be made up of independent technical experts and their role will be to further review the design, construction and management practices of structures for all Equinox Gold TSFs. The ITRB will provide advice and recommendations to inform senior management. This level of oversight is an additional level beyond that of the Engineer of Record. This is considered best available practice and Equinox Gold expects the first meeting to take place in the first half of 2020.
- The TSF management system will be reviewed against the *Towards Sustainable Mining Tailings Protocol* to ensure the Company is following current best practices. This review shall take place during first half of 2020.
- Aurizona has reviewed its dam break study and verified that the TSF complies with the latest Brazilian TSF Legislation, which came into effect following the Brumadinho tailings breach.

c) **Additional requested information**

1. "Tailings Facility" Name/identifier	Aurizona Gold Mine - Vené Tailings Storage Facility
2. Location	1°18'8.17"S 45°45'42.83"W
3. Ownership	Mineração Aurizona S.A. which is a wholly-owned subsidiary of Equinox Gold
4. Status	Active
5. Date of initial operation	December 2010
6. Is the dam currently operated or closed as per currently approved design?	Yes
7. Raising method	Centerline
8. Current Maximum Height	31.6m to the TSF crest
9. Current tailings storage impoundment volume	5,127,605 m <sup>3</sup>

10. Planned tailings storage impoundment volume in 5 years time	25,286,991 m <sup>3</sup>
11. Most recent independent expert review	August 2019
12. Do you have full and complete relevant engineering records including design, construction, operation, maintenance, and/or closure?	Yes
13. What is your hazard categorization of this facility, based on the consequence of failure?	<p>Brazilian regulations - Low risk, Class B Mining Dam</p> <p>Canadian Dam Safety Association guidelines - "Very High" consequence</p> <p>Note:</p> <ul style="list-style-type: none"> <li>• A dam's classification (also referred to as a dam consequence classification) is based on potential impacts of failure (i.e. consequences) on the safety of the population, the environment, cultural values, property and infrastructure.</li> <li>• The classification is not reflective of the current condition of the dam.</li> <li>• The classification is set as Low, Significant, High, Very High or Extreme according to guidelines set by the Canadian Dam Association Dam Safety Guidelines.</li> <li>• The classification is used to establish design criteria (i.e. the higher the consequence the more robust the design), as well as to set the frequency of inspection and the requirements for the preparation of an emergency preparedness plan.</li> <li>• Dam classification is based on the extent of a hypothetical failure (inundation).</li> </ul>
14. What guideline do you follow for the classification system?	Brazilian law and the Canadian Dam Safety Association guidelines.
15. Has this facility at any point in its history, failed to be confirmed or certified as stable, or experienced notable stability concerns, as identified by an independent engineer (even if later certified as stable by the same or a different firm).	<p>During a period of care and maintenance (i.e. cessation of operations) BVP (a Brazilian engineering company) issued an unstable TSF certificate in September 2017. <b>This certificate was not issued as a result of instability,</b> but because a new consultant engineering company was retained and needed to perform investigations prior to accepting any liability for the structure. Two additional stability compliance certificates have been issued since this time.</p>
16. Do you have internal/in house engineering specialist oversight of this facility? Or do you have external engineering support for this purpose?	Aurizona Gold Mine has both internal and external specialists
17. Has a formal analysis of the downstream impact on communities,	Yes. Vené TSF dam break analysis was completed in March 2018 and revised in 2019.

<p>ecosystems and critical infrastructure in the event of catastrophic failure been undertaken and reflect final conditions? If so, when did this assessment take place?</p>	
<p>18. Is there a) closure plan in place for this dam, and b) does it include long term monitoring?</p>	<p>a) Yes, under revision. b) Yes.</p>
<p>19. Have you, or do you plan to assess your tailings facilities against the impact of more regular extreme weather events as a result of climate change, e.g. over the next two years?</p>	<p>Extreme weather events are considered in design for both 1-in-10,000 year and 5-day duration flood events.</p>
<p>20. Any other relevant information and supporting documentation.</p> <p>Please state if you have omitted any other exposure to tailings facilities through any joint ventures you may have.</p>	<p>The future extension of the South Waste Dump is designed to form a downstream buttress of the main dam embankment. This will significantly increase the dam factor of safety, decreasing the risk of dam failure.</p> <p>The dam break analysis has shown that in the event of a tailings breach, the tailings would flow into the operating pit, avoiding the surrounding environment and community.</p> <p>Aurizona Gold Mine has an early warning alarm system in place in the event of a TSF failure and has evacuation procedures in place to ensure the safety of all workers. This is tested periodically to ensure that all workers are trained and prepared for the very unlikely event of a TSF failure.</p> <p>Brazilian legislation requires Aurizona Gold Mine to complete TSF inspections twice per month by trained operators and geotechnical staff. On completion of these inspections, inspection data is sent to ANM, the National Mining Agency.</p>

