**NEWS RELEASE**

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

# Equinox Gold to Acquire the Mesquite Gold Mine in California for $158 Million
# Announces Concurrent $75 Million Equity Financing

***All amounts are in United States dollars unless otherwise indicated***

**September 19, 2018 – Vancouver, BC – Equinox Gold Corp.** (TSX-V: EQX, OTC: EQXFF) ("Equinox Gold" or "the Company") is pleased to announce it has entered into a definitive purchase agreement (the "Agreement") to acquire the Mesquite Gold Mine ("Mesquite") in California from New Gold Inc. (TSX: NGD, NYSE American: NGD) ("New Gold") for cash consideration of $158 million (the "Acquisition").

Equinox Gold will host a conference call and webcast at 9:00 am ET (6:00 am PT) on September 20, 2018 to discuss the Acquisition, as outlined at the end of this news release.

## Highlights of the Acquisition

- **Immediate gold production and cash flow:** The Acquisition immediately establishes Equinox Gold as a gold producer and accelerates growth. Mesquite is on track to achieve New Gold's production guidance of 140,000-150,000 ounces of gold in 2018 and has produced on average 135,000 ounces of gold annually over the previous ten years. This production will be bolstered by near-term production from the Company's 136,000 ounce per year construction-stage Aurizona gold mine in Brazil and its development-stage Castle Mountain gold mine in California.
- **Accretive transaction:** The Acquisition is accretive to Equinox Gold across all key metrics, including net asset value, cash flow, gold production, gold reserves, and gold resources.
- **Further asset diversification:** Adds a stable, producing asset in an established mining jurisdiction, diversifies future operating cash flow, and expands Equinox Gold's portfolio with a third cornerstone asset.
- **Increased gold reserves and resources:** Mesquite's gold deposit at December 31, 2017 was estimated at 1.13 million ounces of Proven & Probable Reserves and an additional 1.18 million ounces of Measured and Indicated Resources (exclusive of reserves), representing a 25% and 40% increase, respectively, to Equinox Gold's current reserve and resource base.
- **Operational synergies:** Mesquite is located 200 miles south of Castle Mountain, strengthening Equinox Gold's regional presence and providing opportunities for regulatory, social, permitting, operating and administrative synergies. Further, the development of Castle Mountain will benefit from Mesquite's highly qualified open-pit heap leach operations team with extensive experience operating in California.

"The Mesquite Gold Mine will bring immediate production and cash flow to Equinox Gold from a well-established operation in an attractive mining jurisdiction," said Christian Milau, CEO of Equinox Gold. "Mesquite is the perfect fit for our portfolio of gold assets at this stage of growth and advances our strategy of becoming a major gold producer over the next few years. In 2019, Equinox Gold will own and operate both the Mesquite and Aurizona gold mines and have substantial near-term growth from development of Castle Mountain. We thank our key shareholders and our lenders, Sprott and Scotiabank, for their support and for sharing our vision of building a company that is focused on creating and returning value to its stakeholders."

## The Mesquite Gold Mine

Mesquite is a producing, open-pit, run-of-mine ("ROM") heap leach gold mine located in Imperial County, California with a long history of successful operations. The mine has produced more than four million ounces of gold since it commenced operations in 1985 with average annual gold production of approximately 135,000 ounces over the last 10 years at average all-in-sustaining costs ("AISC") of approximately $870 per ounce, based on New Gold's public disclosure. Mining is performed using owner-operated conventional truck and shovel open-pit mining methods and ROM ore is hauled directly to the leach pad for processing. Mesquite mineral rights cover a total area of approximately 1,890 hectares. In the first half of 2018, Mesquite produced 64,900 ounces of gold at an AISC of $864 per ounce. New Gold has provided production guidance for 2018 of 140,000 to 150,000 ounces of gold at an AISC of $1,000-$1,045 per ounce.

## Mesquite Reserve and Resource Estimates

| | Tonnes (Kt) | Grade (g/t Au) | Contained Gold (Koz) |
|---|---:|---:|---:|
| Proven | 5,627 | 0.49 | 89 |
| Probable | 59,491 | 0.54 | 1,040 |
| **Total Proven & Probable** | **65,119** | **0.54** | **1,129** |
| Measured | 4,297 | 0.43 | 59 |
| Indicated | 75,859 | 0.46 | 1,122 |
| **Total Measured & Indicated** (exclusive) | **80,156** | **0.46** | **1,181** |
| Inferred | 8,871 | 0.38 | 107 |

*All technical information related to the Mesquite Gold Mine is based on the "Technical Report on the Mesquite Mine, Imperial County, California, U.S.A." prepared by Rosco Postle Associates Inc. for New Gold Inc. dated February 28, 2014, a copy of which is available under New Gold Inc.'s profile on SEDAR. To the best of the Company's knowledge, information and belief, there is no new material scientific or technical information that would make the disclosure of mineral reserves misleading.*

## Acquisition Summary

Under the terms of the Agreement, Equinox Gold will indirectly acquire all the outstanding shares of New Gold's subsidiary Western Mesquite Mines, Inc., which holds a 100% interest in Mesquite, for cash consideration to New Gold of $158 million.

Completion of the Acquisition is expected to occur during the fourth quarter of 2018 and is subject to customary closing conditions including closing of the financing detailed below and receipt of certain regulatory and other approvals. The Acquisition does not require shareholder approval. Under the terms of the Agreement, Equinox Gold will also assume bonding obligations with the applicable environmental regulatory authorities with respect to Mesquite's long-term reclamation obligations.

## Acquisition Financing

The Acquisition will be funded from a combination of debt and equity (collectively, the "Concurrent Financing") including:

- A fully underwritten brokered private placement and a fully subscribed non-brokered private placement for aggregate gross proceeds of $75 million;
- A $100 million acquisition credit facility from the Bank of Nova Scotia ("Scotiabank"); and
- A $20 million credit facility from Sprott Private Resource Lending (Collector), L.P. ("Sprott").

*Private Placements*

In connection with the Acquisition, Equinox Gold has entered into an agreement with a syndicate of underwriters led by Scotiabank and BMO Capital Markets (collectively, the "Underwriters"), for a brokered bought deal private placement of 34.2 million subscription receipts (the "Subscription Receipts") at a price of C$0.95 per Subscription Receipt for gross proceeds of $25 million (approximately C$32.5 million).

In addition, Equinox Gold intends to raise $50 million (approximately C$65.0 million) in a non-brokered private placement financing consisting of 68.4 million Subscription Receipts at a price of C$0.95 per Subscription Receipt. The non-brokered private placement is fully subscribed by Mr. Ross Beaty, the Company's Chairman and largest shareholder, certain existing shareholders and new institutional shareholders.

Aggregate gross proceeds of $75 million (approximately C$97.5 million) from the sale of 102.6 million Subscription Receipts will be deposited, held in escrow and released immediately prior to closing of the Acquisition upon the satisfaction of certain release conditions (the "Release Conditions").

Each Subscription Receipt will entitle the holder to receive one common share (a "Common Share") of Equinox Gold, without any further action on the part of the holder and without payment of additional consideration, upon the satisfaction of the Release Conditions. In the event that the Release Conditions are not satisfied on or January 31, 2019, the escrow agent shall return to the holders of the Subscription Receipts an amount equal to the aggregate purchase price paid for the Subscription Receipts held by each such holder and their pro-rata portion of interest on the escrowed funds, and the Subscription Receipts will be cancelled and have no further force or effect.

The Subscription Receipt offering is expected to close on or about October 11, 2018 and is subject to certain regulatory and stock exchange approvals, including approval of the TSX Venture Exchange ("TSX-V"). This release is not an offer of securities for sale in the United States. The Subscription Receipts may not be offered or sold in the United States absent an exemption from registration under the U.S. Securities Act of 1933.

*Credit Facilities*

Scotiabank has committed to provide Equinox Gold with a $100 million secured credit facility to be used for the Acquisition (the "Scotiabank Facility"). The Scotiabank Facility will have a four-year term, incur interest at an annual rate, for the first six months, of 3.75% plus US 3-month LIBOR, such rate to fluctuate thereafter based on a leverage ratio, and will be repaid in equal quarterly installments commencing six months after the closing date.

Sprott has committed to provide Equinox Gold with a $20 million secured credit facility to be used for the Acquisition and for general working capital purposes (the "Sprott Facility"). The Sprott Facility will have a 4.25-year term, incur interest at an annual rate of 6.50% plus the greater of US 3-month LIBOR or 1.50%, and will be repaid in quarterly installments commencing on December 31, 2020. In connection with the Sprott Facility, Equinox Gold will issue to Sprott 1.75 million common shares.

The Scotiabank Facility and Sprott Facility will be completed in connection with closing of the Acquisition. Closing of the Concurrent Financing is subject to customary conditions, including TSX-V approval. Proceeds from the Concurrent Financing will be used to complete the Acquisition, including payment of fees associated with the Acquisition and the Concurrent Financing, to partially fund bonding obligations with respect to Mesquite's long-term reclamation obligations, and for general corporate and working capital purposes.

## Advisors and Counsel

Scotiabank is acting as financial advisor and Blake, Cassels and Graydon LLP is acting as legal counsel for Equinox Gold.

## Qualified Person

David Laing, BSc, MIMMM, Equinox Gold's COO, is the Qualified Persons under National Instrument ("NI 43-101") for Equinox Gold and has reviewed, approved and verified the technical content of this news release.

## Conference Call and Webcast

Interested analysts and investors are invited to participate in a conference call and webcast on September 20, 2018 at 9:00 am ET (6:00 am PT) using the following dial-in numbers. The webcast will be archived and accessible on Equinox Gold's website.

Toll-free in U.S. and Canada: 1-800-319-4610
International callers: +1 604-638-5340
Conference ID: "Equinox Gold"
Webcast login: www.equinoxgold.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 reserve base and near-term and growing gold production from two past-producing mines. Construction is well advanced at the Company's Aurizona Gold Mine in Brazil with the target of pouring gold by year-end 2018, and the Company is advancing its Castle Mountain Gold Mine in California with the objective of commissioning Stage 1 operations by the end of 2019. 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

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as such term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### *Forward-looking Statements*

*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", "growth", "accretive", "advances", "becoming", "expected", "subject to", "intends", "thereafter", "commencing", and similar expressions are intended to identify forward-looking statements. Forward-looking statements contained in this press release include statements regarding the planned acquisition of Mesquite and the Concurrent Financing, anticipated production and cash flows from Mesquite, the accretive nature and synergies of the Acquisition, the planned restart of production at Aurizona, and the planned development and anticipated production at Castle Mountain. Although Equinox Gold believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements since Equinox Gold 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 Equinox Gold's periodic filings with Canadian securities regulators, and assumptions made with regard to the Company's ability to complete the Concurrent Financing and other necessary closing conditions related to the acquisition of Mesquite, the amount of capital raised in the Concurrent Financing and the use of such proceeds, the ability to operate Mesquite and achieve the anticipated production and cost metrics, and the Company's ability to achieve the anticipated synergies associated with the Mesquite acquisition; the Company's ability to complete construction at Aurizona and commence production, the timing to achieve production at Aurizona, and the Company's ability to achieve the results anticipated in the Aurizona feasibility study; and the Company's ability to develop and achieve production at Castle Mountain, timing of the anticipated restart of production, and the ability to achieve the results anticipated in the Castle Mountain prefeasibility study. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Equinox Gold does not undertake any obligations to publicly update or revise any of the included forward-looking statements, whether as a result of additional information, future events or otherwise, except as may be required by applicable securities laws.*

### *Estimates of Measured, Indicated and Inferred Mineral Resources*

*Information regarding reserve and resource estimates has been prepared in accordance with Canadian standards under applicable Canadian securities laws and may not be comparable to similar information for United States companies. The terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" used in this news release are Canadian mining terms as defined in accordance with NI 43-101 under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014. While the terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" are recognized and required by Canadian regulations, they are not defined terms under standards of the United States Securities and Exchange Commission. Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve calculation is made. As such, certain information contained in this news release concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the United States Securities and Exchange Commission. An "Inferred Mineral Resource" has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It cannot be assumed that all or any part of an "Inferred Mineral Resource" will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. Readers are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into Mineral Reserves. Readers are also cautioned not to assume that all or any part of an "Inferred Mineral Resource" exists or is economically or legally mineable. In addition, the definitions of "Proven Mineral Reserves" and "Probable Mineral Reserves" under CIM standards differ in certain respects from the standards of the United States Securities and Exchange Commission.*

### *All-in-Sustaining Costs*

*This press release refers to expected AISC per ounce and cash costs per ounce which are non-GAAP (generally accepted accounting principles) measures. These measurements have no standardized meaning under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other companies. These measurements are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Cash costs include mine site operating costs, but are exclusive of amortization, reclamation, capital and exploration costs and net of by-product sales and then divided by ounces sold to arrive at cash costs per ounce. AISC per ounce starts with total cash costs and adds net capital expenditures that are sustaining in nature, general and administrative costs, capitalized and expensed exploration that is sustaining in nature and environmental reclamation costs, all divided by ounces sold to arrive at AISC per ounce. Management believes these measures are commonly used in the gold mining industry and are useful for monitoring the performance of operations and the ability of mines to generate positive cashflow.*