

Water Management

Water is an important resource in mining. Two of the main uses are in processing to extract gold from ore and for dust suppression on haul and access roads. Water scarcity therefore represents a risk for our operations, and we strive to reduce our fresh water use and to reuse water where possible.

We also recognize that water is a critical resource for our local communities, for agriculture and for the flora and fauna surrounding our mines. To address our shared interests in water management, Equinox Gold works in collaboration with local stakeholders to address concerns and water-related challenges for both the Company and communities.

Water management is a focus for many aspects of our business, including production, regulatory compliance, geotechnical stability, tailings management and environmental stewardship. Many of our mines operate in arid and semi-arid regions, or in regions with a distinct wet and dry season. We store water to mitigate water scarcity during the dry season, and in the rainy season we have to manage excess water and storm events. Thus, water and effluent management are core components of our sustainability efforts and ESG strategy. Our Environment and Climate Change policy requires our site teams to understand and address water-related risks and impacts at the local and catchment levels.

Equinox Gold uses a water balance to understand the various inputs and outputs of water at each site. This requires an in-depth understanding of the hydrology, climate and hydrogeology of the site as well as the production needs of the mine.

We closely monitor compliance with our permitted water allocations, and work to ensure we are minimizing the use of water by recycling and reusing where possible. We constantly reuse water through our heap leach pads and reclaim water from our tailings storage facilities. We also work to protect water quality through effluent management. The majority of Equinox

Gold's sites are zero-effluent discharge sites, which means no water impacted by operations leaves the site and excess water is instead either stored for later use or evaporated. Where we are required to discharge water, we ensure water quality complies with permitted standards before discharge. We also use evaporators to reduce excessive water inventories in areas with a positive water balance.

Our sites carefully manage chemicals used in the mining and processing of ore. We monitor water quality in both surface and groundwater sources to detect if any mine-related contaminants have or may impact water bodies that are outside mining areas. Contaminants can move through the air in dust particles or become mobilized in water. To eliminate or mitigate the impact of operations on local water quality, we have procedures in place to reduce dust and ensure that any water-borne contaminants are either contained on site or treated to appropriate water quality standards before any effluent is discharged.

We are aware that climate change may impact both our mine water balance and our structures, such as water storage and tailings storage facilities. We are adapting to climate change by regularly updating our design parameters to account for increasingly intense rainfall events. We also design our drains and water structures with a significant amount of contingency for added assurance that our site structures can maintain integrity even through extreme weather events.

The International Cyanide Management Code (ICMC), of which Equinox Gold is a signatory, requires monitoring programs to detect cyanide in both surface and groundwater. During 2021, the Company certified two new mine sites in compliance with ICMC. Los Filos, Mesquite and Fazenda are now certified. RDM, Aurizona and Castle Mountain are expected to be certified by early 2023. Greenstone and Santa Luz are expected to be certified within three years of achieving commercial production, as required by the International Cyanide Management Institute.

2021 Performance

In 2021, across the Company we withdrew 5.6 million m³ of water from external sources (for operations and human consumption). Water efficiency rates across the Company ranged from 6.4 m³ per ounce of gold produced at Los Filos to 23.4 m³ per ounce of gold produced at Castle Mountain.

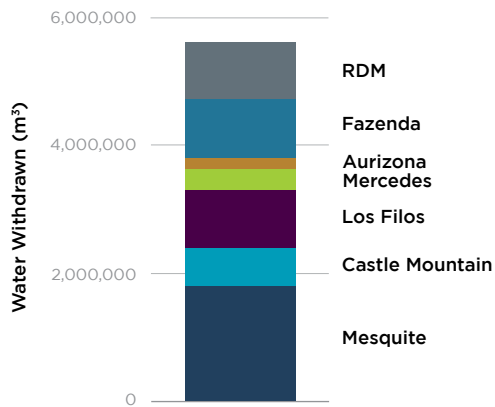
Water withdrawn by the sites varies depending on the type of process used to extract gold from the ore, the size of the mine, the climate and the geographic location. Mesquite is located in a semi-arid area with high evaporation and extremely low rainfall and the mine uses heap leach processing for gold extraction, which generally uses more water than a mine with a mill and leach circuit. Los Filos uses far less water than Mesquite, despite being a large heap leach mine, because the region has a distinct wet season that supplements water used for processing. This is the same case for Aurizona, where water that falls during the rainy season is stored and used during processing, decreasing reliance on external water sources.

What's Next

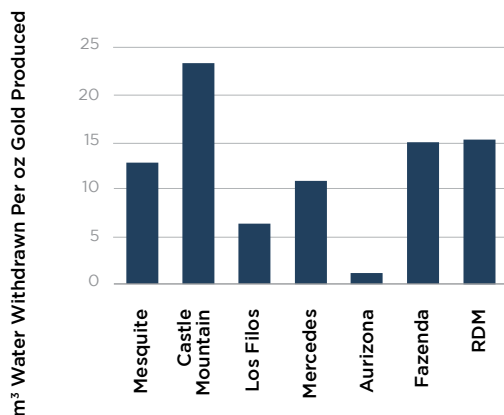
Going forward, we will increase the number of reporting indicators across the organization to include key performance indicators for water management, including water use intensity. We have established a 2022 target to achieve TSM Level A rating for at least 75% of the indicators of the Water Stewardship protocol across all operations. This will require sites to:

- Increase engagement with stakeholders about the site's commitments and management approach to water, and seek solutions to shared water challenges at the catchment level
- Enhance controls based on identified risks to surface water and groundwater
- Increase engagement with stakeholders in the watershed to better understand the local use of water resources
- Look for opportunities to participate in watershed governance groups

2021 Water Withdrawn by Site (m³)



2021 Water Withdrawn Intensity by Site* (m³ per oz gold produced)



* Water withdrawn from sites that were in production in 2021.

2021 Percentage of Fresh Water Withdrawn in Regions with High or Extremely High Baseline Water Stress

