

27th June 2022

COMPLETION OF EARLY WORKS PROGRAM, WITH ADDITIONAL CAPEX COMMITTED TOWARDS BFS IMPLEMENTATION

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns, Australia's only primary tungsten producer.

- **Company achieving major milestone with the successful completion of the Mt Carbine Early Works Program, construction and commissioning of associated equipment and infrastructure done.**
- **Upgraded Crushing & Wet Screening Circuit allowing for threefold throughput for preparation of material to the Tungsten Gravity Plant and XRT Sorters.**
- **Two TOMRA XRT Sorters now fully operational for increased production efficiencies and doubling of sorting throughput.**

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that it has completed the Early Works Program as defined end of 2021 (see ASX announcement ['Early Works Funding Secured For Mt Carbine Expansion, Well Ahead Of BFS Release'](#) dated 13 September 2021). All associated equipment and infrastructure have been constructed and successfully commissioned.

Major items of the Early Works Program that have been completed (as also set out in the Company's Bankable Feasibility Study ("BFS")) include:

- Phase 1 Crushing & Wet Screening Circuit installed including on-site fabrication of all conveyors for cost and time saving;
- Installation of a 2nd TOMRA XRT Sorter earlier than planned due to receipt and execution of the AMGC Grant (see ASX announcement ['Federal Government Co-Invests In High-Tech Ore-Sorting Process'](#) dated 25 January 2022);
- Installation of a new slurry pipeline from new wet screen to Gravity Plant, allowing for reduced hauling and machinery movements and therefore OPEX; and
- Upgrade of power supply line and new substation allowing 24/7 operation of all plant units.



Fig.1 – 2nd TOMRA XRT Sorter (both XRT Sorters can operate in parallel or individually, utilising same product and waste conveyors)



Fig.2 – Upgraded Crushing & Wet Screening Circuit

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented, "Upon ramp-up of the expanded crushing & wet screening circuit, the production outlook for the next phase, until open pit mining is commenced, will be significantly higher and forecast to be at a run rate of 1,000tpa of concentrate."

"The Early Works Program laid the basis for our scheduled 1Mtpa operation initially from the historic low-grade stockpile and later complemented with high-grade ore from the Andy White Pit."

"We are pleased to continue progressing several development aspects of the Mt Carbine Tungsten Project in parallel to continue building sustainable, accretive value for the Company."

In addition to the Early Works Program, the Company has started to commit further CAPEX and initiated next phase development in line with the BFS, such as:

- Installation of groundwater investigation bores required for informing groundwater studies prior to submission of Environmental Amendment to reopen the open pit (submission of Environmental Authority Amendment scheduled for August 2022);
- Office upgrade mainly through in house personnel, to allow for expanded operational team and third-party contractors;
- Purchase of dewatering circuit for Gravity Plant, to enhance water recovery and reduce OPEX – installation and commissioning within the next three months; and
- Purchase of tertiary crushing circuit for XRT Sorter Concentrate – was scheduled for BFS Phase 2, however, opportunity allowed for early execution; Installation and commissioning within the next two months.

[For Details Check Out: 'Investor Update' dated 09 May 2022 – follow this LINK](#)

Released on authority of the Board by:

Kevin MacNeill
Chief Executive Officer

Further Enquiries:

Peter Taylor
Investor Relations
0412 036 231
peter@nwrcommunications.com.au

About the Company

EQ Resources Limited is an ASX-listed company transforming its world-class tungsten assets at Mt Carbine in North Queensland; leveraging advanced technology, historical stockpiles and unexploited resource with the aim of being the pre-eminent tungsten producer in Australia. The Company also holds gold exploration licences in New South Wales. The Company aims to create shareholder value through the exploration and development of its current portfolio whilst continuing to evaluate corporate and exploration opportunities within the new economy and critical minerals sector.

Forward-looking Statements

This announcement may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Particular risks applicable to this announcement include risks associated with planned production, including the ability of the Company to achieve its targeted production outline due to regulatory, technical or economic factors. In addition, there are risks associated with estimates of resources, and there is no guarantee that a resource will have demonstrated economic viability as necessary to be classified as a reserve. There is no guarantee that additional exploration work will result in significant increases to resource estimates. Neither the Australian Securities Exchange nor its Regulation Services Provider (as that term is defined in policies of the Australian Securities Exchange) accepts responsibility for the adequacy or accuracy of this announcement.

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