

19 September 2023

XRT ORE SORTER TRIALS AT BARRUECOPARDO MINE HITTING TARGETS

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns, Australia's leading primary tungsten producer. It has also entered into a conditional agreement to acquire 100% of the Barruecopardo mine in Spain¹.

Highlights:

- XRT Ore Sorter commissioning at the Barruecopardo Mine yields 85% recovery and a 10-times upgrade.
- Technical teams of EQR will join the Saloro team late September and through October on further implementation of key recovery improvement programs.
- Foreign Direct Investment ("FDI") notification has been submitted to the Spanish FDI Authority in accordance with the Share Purchase Agreement ("SPA").

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that Saloro S.L.U., Spain's ("Saloro") flagship producing asset, the Barruecopardo mine, has yielded positive results based on early XRT Ore Sorter trials. The 8,957t trial reached a 10.2-times upgrade with a high recovery (85%). As the optimisation of the XRT Ore Sorter progresses, it is expected ore sorting will achieve a +90% recovery. The mine is currently producing between 140-160 tonnes per month of high-grade tungsten concentrates (+65% WO₃).

The geology of the mine is similar to that of EQR's Mt Carbine Tungsten Mine, with both deposits being high-grade sheeted vein systems. The coarse nature of the scheelite at Barruecopardo allows for ore sorting and commissioning commenced on the newly installed TOMRA XRT Ore Sorter during August 2023.

Once commissioning is complete, Saloro will look at purchasing additional XRT Ore Sorters and expand capacity to enable the bulk of the ore mined from the Barruecopardo open pit to be processed by ore sorting.



Fig.1 - Barruecopardo's TOMRA XRT Ore Sorter

¹ Refer to the Company's ASX announcement '[EQR Acquires Leading European Tungsten Producer, Saloro S.L.U., And Secures \\$25 Million Investment By Oaktree](#)' dated 10 August 2023.

This will have a positive impact on costs, as the processing plant will treat approximately 1/3 of the current ore tonnes, but at a much higher grade. Recoveries in the processing plant will also improve as head grade to the plant increases.

Given the large knowledge base from geological investigations at EQR's Mt Carbine operation, and 3 years of ore sorting, this information can be applied directly to the Barruecopardo ore body. A technical team has been established to ensure that this knowledge is transferred effectively between the operational teams.

EQ Resources CEO, Kevin MacNeill, commented: "EQR is pleased with the progress of commissioning and that results are similar to those achieved at Mt Carbine. The dynamics of the project will change dramatically with ore sorting installed in Spain and we have the knowledge and team to implement this. EQR will start getting more involved in the technical assistance during late September and through October, I look forward to being on site and delving into some of the key recovery improvement programs ongoing."



Fig.2 - Barruecopardo Site: Looking from North to South; in front the main processing plant with the crushing & screening circuits to the right

As announced on 10 August 2023, the Company entered into a SPA with Tungsten Mining JV S.L.U., Spain and Oaktree Capital Management L.P to acquire a 100% interest in Saloro S.L.U., Spain. The SPA remains subject to a number of conditions precedent, including Spanish foreign direct investment (FDI) approval and Australian FIRB approval.

The parties are currently working towards satisfaction of the various conditions precedent and, to that end, the Company advises that the FDI notification was submitted to the Spanish FDI authority (DGCII) on 4 September 2023.

EQR notes that until such time as all of the conditions precedent are satisfied and completion of the acquisition occurs, EQR is not the owner of the Barruecopardo mine, and whilst the Company expects that completion will occur, there is no guarantee that it will.

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 EQ Resources Ltd

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.

About Saloro S.L.U.

Saloro S.L.U. is a Spanish tungsten mining company, located in a known tungsten district in western Spain. The 100% owned Barruecopardo mine is in operation since 2019 and produces a high-grade tungsten (scheelite) concentrate. In cooperation with EQ Resources the company aims at further developing the reserves, extend the regional exploration, within the own tenement area and beyond. The ore-sorting and other technologies are expected to further increase the production output.

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.

Follow us:  