

**SALORO TO EXPAND XRT SORTING CAPACITY BY 50%
TO SUPPORT FURTHER PRODUCTION GROWTH**

EQ Resources Ltd is a global tungsten producer with mining activities in Australia and Spain.

Highlights:

- EQR's Saloro Operations continuously expanded tungsten concentrate production during 2024, with a recent quarter-on-quarter increase of 19% (Q4CY24 vs Q3CY24)
- To support further production growth, a 3rd XRT Ore Sorter has been ordered, and related infrastructure upgrades at the existing Ore Sorter Plant will be implemented during Q2CY25
- Saloro estimates that the installation of the 3rd XRT Ore Sorter and the upgrade to the existing Ore Sorter Plant will increase capacity by 50%
- Saloro is finalising detail engineering works for the integration of the new XRT Ore Sorter, which also comprises a dedicated feed station for the historic low-grade ore stockpile, as well as a wet screening station to enhance fines recovery and optimise overall sorting efficiency
- Expansion comes at a time of strong inquiries from Western customers anxious to obtain reliable tungsten supply, to mitigate risks resulting from the recently announced export control measures by China

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that its Saloro Operation in Spain has commenced a plant expansion project comprising the installation of a 3rd XRT Ore Sorter and related infrastructure. The investment comes on the back of strong production growth realised in the second half of 2024. The installation of the 3rd XRT Ore Sorter and the upgrade to the existing Ore Sorter Plant will increase capacity by 50%, and upfront wet screening of sorter feed material will further improve overall sorting efficiency.

EQR CEO, Kevin MacNeill, commented, "We are pleased to see how our team at Saloro have adapted and ramped up ore sorting technology in a very short period of time. Last year's production growth was significantly enhanced by the two TOMRA XRT Ore Sorters, which increase our ore head grade to the gravity plant, while resulting in a lower environmental footprint of the operation. As we have sufficient crushing capacity in the plant, a third sorter was the logical next step. We also benefit from a historic scalping stockpile which provides additional tungsten units at very low cost."

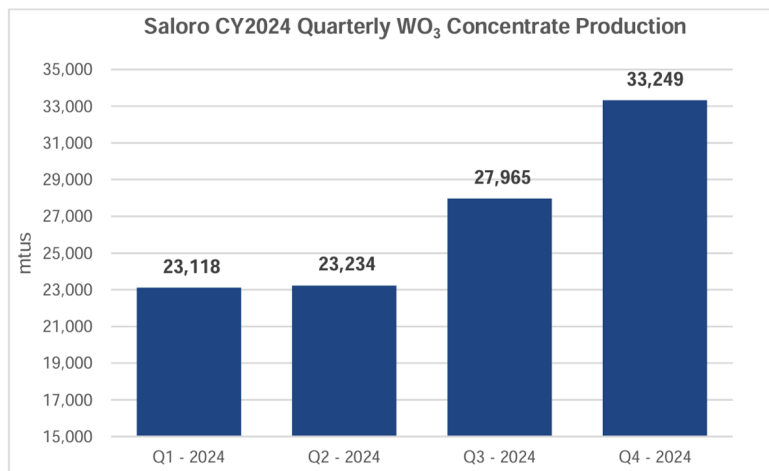


Fig.1 - Saloro Tungsten Concentrate Production in CY2024

“This is a big step up in our commitment to continuous improvement and plant optimization at Barruecopardo. It also comes at a time when we are seeing strong inquiries from Western customers anxious to obtain reliable tungsten supply, to mitigate risks resulting from the recently announced export control measures by China. Barruecopardo is the biggest tungsten producer in Europe. This investment in additional high-tech ore sorting capacity will make it even bigger”, Mr MacNeill adds.

The Ore Sorter Plant has seen an increase in production throughput in 2024, i.e. as feed size has been changed from 8/20mm to 8/40mm. The size change improved belt occupancy in the sorters, increased the amount of recoverable tungsten units sent to the Gravity Plant and reduced overall costs.

The existing Ore Sorter Plant currently processes a total of 100 tonnes per hour. The impact of the 3rd XRT Ore Sorter will see the throughput increasing further, with an expected increase in metal production as well. A further benefit of the additional unit will be that the crusher capacity will be relieved, allowing for an additional 20% planned increase in crushing throughput. This will contribute to OPEX optimization, while the planned modifications in the crushing circuit will directly enhance efficiency and further improve the already above-industry-standard availability of the system.

The benefits of the new wet screening station will be an enhancement of Ore Sorter efficiency by pre-washing and better feed classification. The screening operation redirects previously misclassified material to the Gravity Plant, avoiding material misplacement in the Ore Sorter and ensuring higher overall tungsten recoveries for the operations. The separate feed station will improve the overall availability of the upgraded Ore Sorter Plant, operating independently from the existing screening circuit and allowing the sorters to run standalone, providing greater flexibility to the operations.

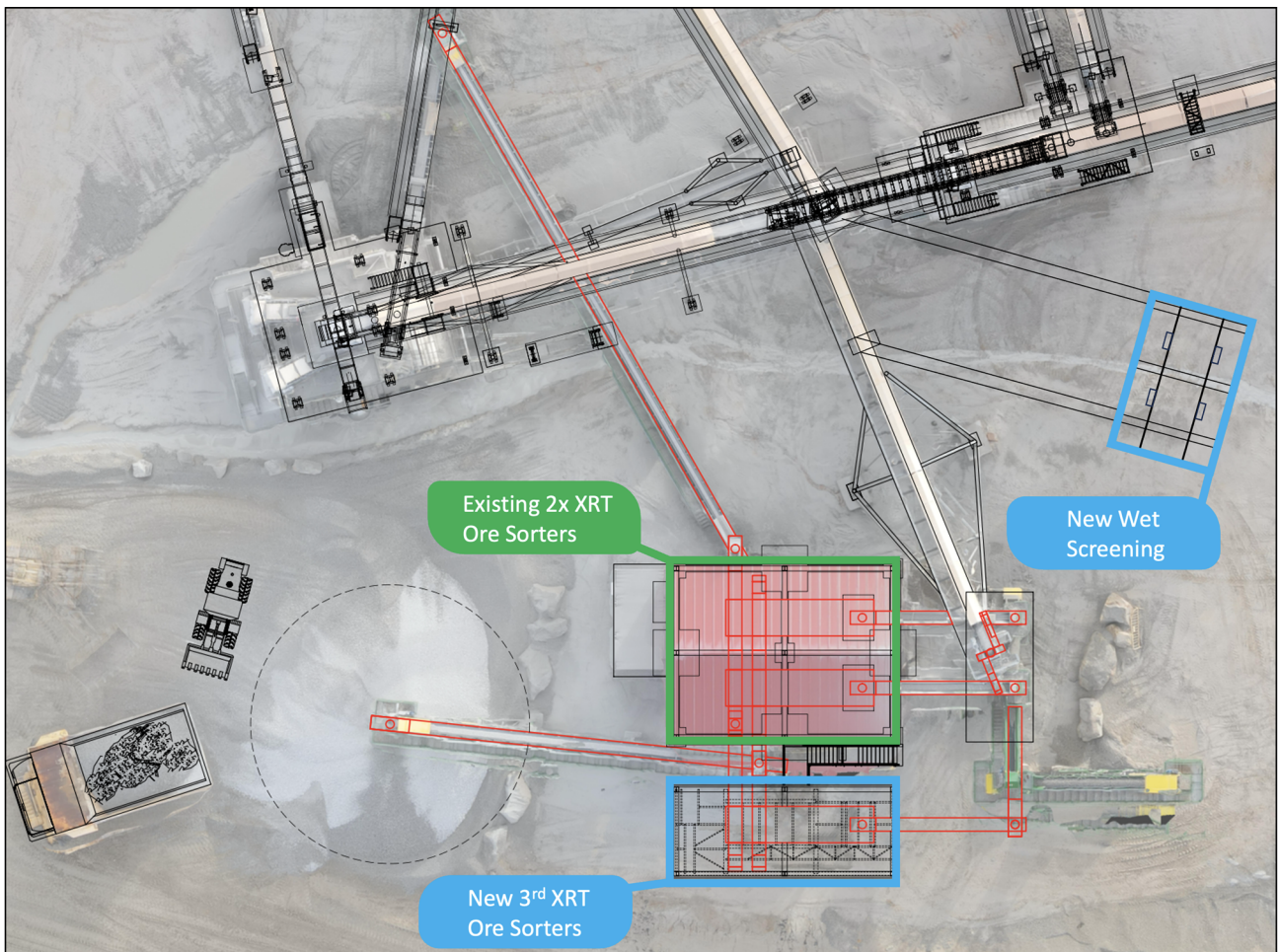


Fig.2 - Design sketch of 3rd XRT Ore Sorter and new wet screening station

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About the Company

EQ Resources Limited is a leading tungsten mining company dedicated to sustainable mining and processing practices. The Company is listed on the Australian Securities Exchange, with a focus on expanding its world-class tungsten assets at Mt Carbine in North Queensland (Australia) and at Barruecopardo in the Salamanca Province (Spain). The Company leverages advanced minerals processing technology and unexploited resources across multiple jurisdictions, with the aim of being a globally leading supplier of the critical mineral, tungsten. While the Company also holds gold exploration licences in New South Wales (Australia), it aims to create shareholder value through the exploration and development of its current project portfolio whilst continuing to evaluate corporate and exploration opportunities within the new economy and critical minerals sector globally.

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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