



Update Summary

Entity name

EQ RESOURCES LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

23/5/2024

Reason for update to a previous announcement

Correction and reallocation of securities proposed to be issued under LR 7.1 and 7.1A

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

EQ RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

115009106

1.3 ASX issuer code

EQR

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Correction and reallocation of securities proposed to be issued under LR 7.1 and 7.1A

1.4b Date of previous announcement to this update

21/5/2024

1.5 Date of this announcement

23/5/2024

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	26/6/2024	Estimated	No

Comments

Approximately 5,111,111 shares and 1,703,704 options to Directors, subject to shareholder approval on the terms of the Placement as announced on 21 May 2024.

In addition, approximately 39,304,733 Shares and 13,101,577 Options will be issued to Zhui Pei Yeo (or his nominee) as repayment of his director loan, subject to shareholder approval and on the same terms as the placement.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
Yes

Details of +securities proposed to be issued

ASX +security code and description

EQR : ORDINARY FULLY PAID

Number of +securities proposed to be issued

211,111,111

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.04500



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

Yes

ASX +security code

New class-code to be confirmed

+Security description

EQRAP: OPTION EXPIRING 29-MAY-2027 EX \$0.0675

+Security type

Options

Number of +securities proposed to be issued

70,370,370

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Participants will receive one (1) free attaching option for every three (3) shares subscribed for under the Placement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0675

Expiry date

29/5/2027



Details of the type of +security that will be issued if the option is exercised

EQR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

one (1) fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
Yes

Details of +securities proposed to be issued

ASX +security code and description

EQR : ORDINARY FULLY PAID

Number of +securities proposed to be issued

5,111,111

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.04500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)



Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
Yes

ASX +security code

New class-code to be confirmed

+Security description

EQRAQ (Directors): OPTION EXPIRING 29-MAY-2027 EX \$0.0675

+Security type

Options

Number of +securities proposed to be issued

1,703,704

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Participants will receive one (1) free attaching option for every three (3) shares subscribed for under the Placement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0675

Expiry date

29/5/2027

Details of the type of +security that will be issued if the option is exercised

EQR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

one (1) fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes



Details of +securities proposed to be issued

ASX +security code and description

EQR : ORDINARY FULLY PAID

Number of +securities proposed to be issued

39,304,733

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.04500

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued**ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)****Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?**

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

Yes

ASX +security code

New class-code to be confirmed

+Security description

EQRAR (Loan): OPTION EXPIRING 29-MAY-2027 EX \$0.0675

+Security type

Options

Number of +securities proposed to be issued

13,101,578

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**

No

**Please describe the consideration being provided for the +securities**

Participants will receive one (1) free attaching option for every three (3) shares subscribed for under the Placement

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0675

Expiry date

29/5/2027

Details of the type of +security that will be issued if the option is exercised

EQR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

one (1) fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

Yes

ASX +security code

New class-code to be confirmed

+Security description

EQRAS (Broker): OPTION EXPIRING 29-MAY-2027 EX \$0.0675

+Security type

Options

**Number of +securities proposed to be issued**

20,000,000

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**

No

Please describe the consideration being provided for the +securities

Pac Partners Securities Pty Ltd to act as Lead Manager and bookrunner who has provided their engagement letter with a management fee equal to 2%, and a selling fee equal to 4%, of the proceeds raised (excluding fees paid on contributions from Directors). An issue of up to 20m options is also proposed on the same terms as those issued under the Capital Raising.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0675	29/5/2027

Details of the type of +security that will be issued if the option is exercised

EQR : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

one (1) fully paid ordinary share

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Part 7C - Timetable

7C.1 Proposed +issue date

29/5/2024

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No



7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

70,370,370 EQRAP Options
20,000,000 EQRAS (Broker Options)
25,230,504 Fully Paid Ordinary Shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

185,880,607 Fully Paid Ordinary Shares

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

EQR has chosen to do a placement to avoid the cost and delay of a pro rata issue. An SPP was considered but was not practical as there was an attached option.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Pac Partners Securities Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Pac Partners Securities Pty Ltd to act as Lead Manager and bookrunner who has provided their engagement letter with a management fee equal to 2%, and a selling fee equal to 4%, of the proceeds raised (excluding fees paid on contributions from Directors). An issue of up to 20m options at 0.0675 expiring 29 May 2027 is also proposed on the same terms as those issued under the Capital Raising.

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Expansion of Mt Carbine to 2mtpa and working capital

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No



7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)