

2nd December 2022

EQR RECEIVES FIRST DRAWDOWN FROM \$6M FEDERAL GRANT

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

Highlights:

- The Federal Government's Critical Minerals Accelerator Initiative (CMAI) delivers on \$6 million grant with EQR receiving its first 30% drawdown.
- The CMAI co-investment will be utilised to drive Mt Carbine's Expansion Program progression through its timeline towards the re-opening of the Andrew White Open Pit in 2023.
- The grant recognises the strategic importance of EQR in building a resilient critical minerals industry in Australia, based on advanced processing technology and up-skilled labour.

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that it has received its first drawdown equating to 30% of the awarded \$6 million grant from the Federal Government's Critical Minerals Accelerator Initiative.

Under the leadership of Hon Minister Madeleine King, Minister for Resources and Northern Australia, the new Federal Government announced reconfirmation of the grant award to the Company as one of six companies to receive Australian government support for accelerated critical minerals sector expansion that will in turn drive regional economic growth, job creation and development across North Australia. (See Media Release of the Hon Minister Madeleine King, dated 16th September 2022: [Government Support for Critical Minerals](#)).

The CMAI co-investment will be utilised to implement the scope defined in the Company's Bankable Feasibility Study, for a large-scale, sustainable source of tungsten in which the operation utilises historic mine waste and high-grade resources as identified in the accessible and recently upgraded Andrew White Open Pit. (See ASX Announcement '[Material Increase In Mount Carbine Ore Reserve](#)' dated 16 September 2022).

Specifically, it will be used to fund plant and equipment, drilling and additional studies, as well as expand on innovative technologies to efficiently produce tungsten concentrate from relatively low-grade ore currently stockpiled above ground and from high-grade resources identified in the Andrew White Open Pit set to

recommence in 2023. With this expansion and commencement of open-cut mining activities, The Company will also become a significant employer within the local economy with employee numbers expected to exceed 100.

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented, "We are delighted to receive continued support from the Federal Government. Mt Carbine Tungsten Mine has been recognised as a strategically significant Australian producer of Tungsten with near-term ability to strongly contribute to the diversity of the global critical mineral supply chain."

"As Australia and the world look to transition to low-emission technologies, Tungsten is proving to be an exciting metal. It's proven uses in aerospace, defence, automotive, agritech, medical equipment and heavy industries are increasing in demand while new applications are being explored in these proven applications in addition to batteries and electric vehicles."

"We look forward to working with all parties as we continue to bring the historic Mt Carbine Tungsten Mine back into full production and thank the Federal Government's CMAI team for their ongoing support."

For previous related ASX announcements, See:

[Government Funding for Mt Carbine Critical Minerals Program](#) dated 28 April 2022

[Federal Government Funding for Mt Carbine Reconfirmed](#) dated 19 September 2022



Figure 1 and 2: Bags Ready to Ship - The recent CMAI Office site tour to Mt Carbine showcased the successful acceleration of the Mt Carbine Tungsten Project towards recommencement of open pit mining in 2023. On-going Tungsten production continues in our economically proven, technologically driven mining of the Low-Grade Stockpile.

Released on behalf of the Board by:
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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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