



Announcement Summary

Entity name

EQ RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

10/8/2023

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Options EX \$0.10	78,000,000
EQR	ORDINARY FULLY PAID	278,000,000

Proposed +issue date

27/11/2023

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

ABN

Registration Number

77115009106

1.3 ASX issuer code

EQR

1.4 The announcement is

New announcement

1.5 Date of this announcement

10/8/2023

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?
Other (please specify in comment section)	10/11/2023	<input checked="" type="checkbox"/> Estimated	No

Comments

Completion is conditional upon the satisfaction of certain conditions precedent, including the approval of foreign direct investment agencies in both Australia and Spain

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

278,000,000

Offer price details

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

 Yes**In what currency is the cash****What is the issue price per**



consideration being paid?

AUD - Australian Dollar

+security?

AUD 0.09000

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 are non CDIs)

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?

No

ASX +security code

New class-code to be confirmed

+Security description

Options EX \$0.10

+Security type

Options

Number of +securities proposed to be issued

78,000,000

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

Options being issued in conjunction with issue of 278,000,000 fully paid ordinary shares referred to elsewhere in this Appendix 3B (which are being issued in connection with the Saloro acquisition announced on the same date as this Appendix 3B), therefore there is no specific incremental consideration being provided for these securities.

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 0.1000

Expiry date

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

1 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.

The material terms of the options are set out in the separate ASX announcement titled EQR Acquires Leading European Tungsten producer, Saloro S.L.U., and secures \$25 million investment by Oaktree released to the market on the same date as this Appendix 3B.

Part 7C - Timetable

7C.1 Proposed +issue date

27/11/2023

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?

130,551,307 fully paid ordinary shares and 78,000,000 Options



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?

147,448,693 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

The Company is undertaking this share issue in accordance with the provisions of the Share Purchase Agreement (SPA) for the acquisition by the Company of tungsten producer Saloro S.L.U, as described in the Company's separate ASX announcement titled EQR Acquires Leading European Tungsten producer, Saloro S.L.U., and secures \$25 million investment by Oaktree released to the market on the same date as this Appendix 3B. The share issue is being made to the seller of Saloro S.L.U in accordance with the provisions of the SPA, at a ~ 30% premium to the Company's shares 15 Day VWAP. Accordingly, it was not practicable to undertake a pro rata issue or offer under a security purchase plan in relation to this transaction.

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

No

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?

Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

The Subscription Shares, Options and the shares to be issued upon the exercise of the Options (Option Shares) will be subject to voluntary escrow for a period of twelve (12) months from the Completion Date.

Part 7E - Fees and expenses

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

No

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

The securities are being issued as part of EQRs acquisition of leading European tungsten producer Saloro S.L.U. as announced to the market on 10.08.23.

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

The transaction remains subject to various closing conditions, incl. the approval of foreign direct investment agencies both in Australia and Spain.

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)