

18th May 2023

43% INCREASE IN MT CARBINE ORE RESERVES FROM WESTERN PIT EXTENSION

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns.

Highlights:

- Open cut Ore Reserves tonnage increases from 3.54mt to 5.93mt.
- 43% increase in contained WO₃ in open cut Ore Reserves to 1.66m mtu after the 64% increase in the Mt Carbine Indicated Resource as announced to the [ASX on 4 April](#).
- Additional Ore Reserves extend the open cut life-of-mine (excl. low-grade stockpile) to a total of 7 years, with the west and north remaining open for potential further extensions.
- Only 19% of the In-Situ Mt Carbine Mineral Resources are currently in open cut Ore Reserves with drilling to continue to bring Inferred to Indicated Resources for further expansion.

EQ Resources Limited ("EQR" or "the Company") is pleased to announce updated Ore Reserves for its Mt Carbine Tungsten Project (100% ownership) in Far North Queensland.

The Company's successful 2022 drilling campaigns and corresponding update of the Mt Carbine Mineral Resource Estimate formed the basis for the significant increase in the estimated open cut Ore Reserves tonnage and contained WO₃ metal. The low-grade stockpile ("LGS") has been partially depleted since the previous Ore Reserves update from September 2022.

The Ore Reserves are current as of 15 May 2023 and account for all mining activities undertaken to this date.

Table 1 - Mt Carbine Ore Reserves at 15 May 2023

| Reserve Category | ROM Tonnes (mt) | WO ₃ (%) | Contained WO ₃ (mtu) |
|-------------------------|-----------------|---------------------|---------------------------------|
| Open Cut - Proven | - | - | - |
| Open Cut - Probable | 5.93 | 0.28% | 1,660,400 |
| Open Cut – Total | 5.93 | 0.28% | 1,660,400 |
| LGS - Proven | - | - | - |
| LGS - Probable | 9.77 | 0.075% | 732,750 |
| LGS - Total | 9.77 | 0.075% | 732,750 |

A comparison to the previous Ore Reserves estimate (as of 01 September 2022) as follows:

- Open cut ROM tonnes increased from 3.54mt to 5.93mt,
- Open cut ROM WO₃ grade decreased from 0.33% to 0.28%,
- Open cut contained WO₃ increased from 1.161m mtu to 1.660m mtu (1 mtu = 10kg WO₃),
- LGS depleted by 0.23mt,
- Open cut life-of-mine increased from 4.5 to 7 years.

The increase in the open cut Ore Reserves is predominantly driven by the western extension of the open cut by 150m. No changes occurred in the centre area of the historical pit as outlined in the December 2022 BFS Update and as shown in cross section A'-A below.

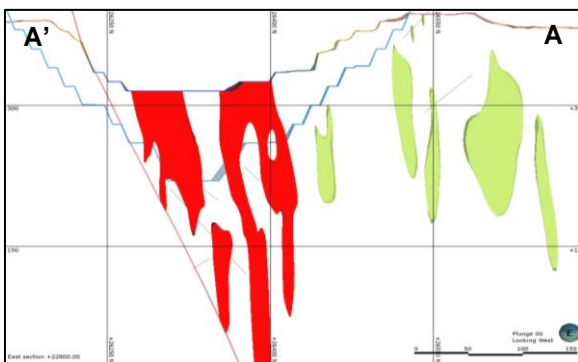


Figure 1 - Cross Section through current Resource Model (Indicated Resources are red, Inferred Resources are green)

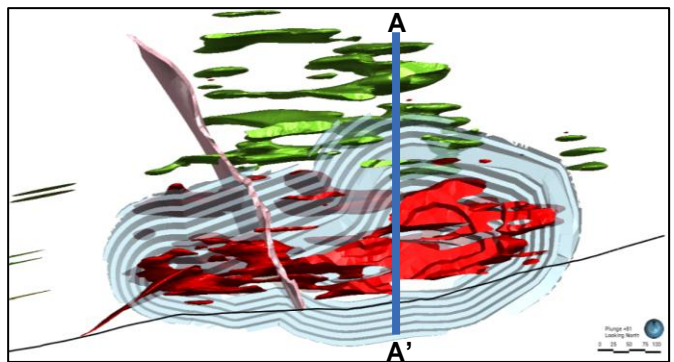


Figure 2 - Plan view showing Indicated Resources (in red) and Inferred Resources (in green)

With the increase in Ore Reserves, the ROM strip ratio within the open cut changed from 3.1:1 (waste t:ore t) to 3.9:1. The expanded Ore Reserves will be used to update the latest Bankable Feasibility Study ("BFS") which is due for completion shortly.

The Ore Reserves have been limited to a practical pit shell based on the current economic limits of the deposit. The updated mine plan considers the utilisation of larger mining equipment and a reduction in the amount of costly selective ore mining, which supports a further improvement of the project economics. An isometric view of the Ore Reserves pit shell is shown in Figure 3.

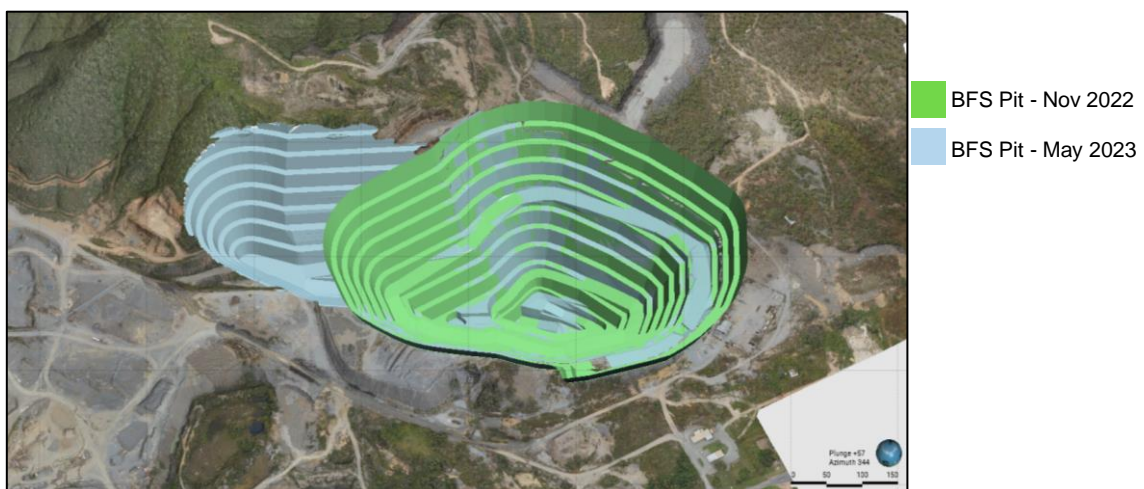


Figure 3 - Isometric View of Ore Reserves Pit Shell

Ramps were designed into the pit shell using suitable widths and grades to accommodate the planned open cut mining fleet. The open cut shell and the LGS were subdivided into detailed mining blocks which were then fully scheduled, including haulage modelling, for the planned life-of-mine. The results of the schedule were then assessed in a financial model to determine the overall economic viability of the project. Only Ore Reserves, including the LGS, were used to generate revenue, with all other materials classified as waste.

Concentrate Price Assumptions

Revenue assumptions are based on the forecast for ammonium paratungstate (APT) price starting at US\$340/mtu (metric tonne unit, 1mtu=10kg) in 2023 increasing to US\$376/mtu in 2029 with a AUD:USD exchange rate of 0.67 applied. The final realised price for each tonne of 50% WO₃ concentrate used in the financial model is AU\$17,761 in 2023 increasing to AU\$19,642 in 2029. This includes a 70% payable rate of the WO₃ in the APT.

For further detailed information, please refer to the Ore Reserve Report published on the EQ Resources Website: www.eqresources.com.au/site/invest-in-us/technical-reports

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 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.

Competent Person's Statements

This Ore Reserves Estimate for the Mt Carbine Project has been prepared by a team of consultants under the guidance of Mr Tony O'Connell. The Mt Carbine Project consists of (a) the Mt Carbine low-grade stockpile (LGS) and (b) the Mt Carbine open pit. The estimates of Open Cut Ore Reserves for the Mt Carbine Project as at 15th May 2023 presented in this report have been prepared in accordance with the requirements of the 2012 edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2012 JORC Code). Mr O'Connell is a qualified Mining Engineer, (BE (Mining), University of Queensland), has over 24 years of experience in the global mining industry and is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr O'Connell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Mr O'Connell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Neither Mr O'Connell or Optimal Mining Solutions Pty Ltd has any material interest or entitlement, direct or indirect, in the securities of EQ Resources Limited or any associated companies. Fees for the preparation of this report are on a time and materials basis only. Mr O'Connell consents to the release of the report, in the form and context in which it appears.

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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MATERIAL INFORMATION SUMMARY

The Material Information Summary is provided for the Mt Carbine Open Cut Ore Reserves pursuant to ASX Listing Rules 5.8 and 5.9 and the Assessment and Reporting Criteria in accordance with JORC Code 2012 requirements.

The Material Information Summary covers the open cut component of the Ore Reserves estimate only. The LGS has not been included in the Material Information Summary as this stockpile has only seen minor tonnes removed from the Ore Reserves estimate via depletion over the past 9 months. The Ore Reserve estimate for the open cut is shown in Table 2.

Table 2 – Mt Carbine Open Cut Ore Reserve Estimate at 1 September 2022

| Reserve Category | ROM Tonnes (mt) | WO3 % | Contained W03 (mtu) |
|-------------------------|-----------------|--------------|---------------------|
| Open Pit - Proved | - | - | - |
| Open Pit - Probable | 5.93 | 0.28% | 1,660,400 |
| Open Pit - Total | 5.93 | 0.28% | 1,660,400 |

Material Assumptions for Ore Reserves

The Ore Reserves are based on the geological model used as part of the Mineral Resources Statement compliant with the 2012 JORC Code prepared by Mr. Tony O'Connell, a full-time employee of Optimal Mining Solutions Pty Ltd. The Mineral Resources are split into two sections, one for the LGS and one for the open cut (In Situ), as summarised in Table 3 below.

Table 3 – Mt Carbine Resource Estimate at 15 May 2023

| Orebody | Resource Classification | Tonnes (Mt) | Grade (WO ₃ %) | WO ₃ (mtu) |
|---------------------|-------------------------|--------------|---------------------------|-----------------------|
| Low-Grade Stockpile | Indicated | 10.126 | 0.075 | 759,450 |
| In Situ | Indicated | 18.06 | 0.30 | 5,405,901 |
| | Inferred | 10.68 | 0.30 | 3,217,311 |
| | Total | 28.74 | 0.30 | 8,623,212 |
| All | Total | 38.87 | | 9,382,662 |

The current Ore Reserve estimate has converted approximately 33% of the in situ Indicated Resources (18.06mt) to Probable Reserves (5.93mt).

The Mt Carbine project is located on two leases: ML4867 and ML4919, which are surrounded by four exploration permits as shown in Figure 4.

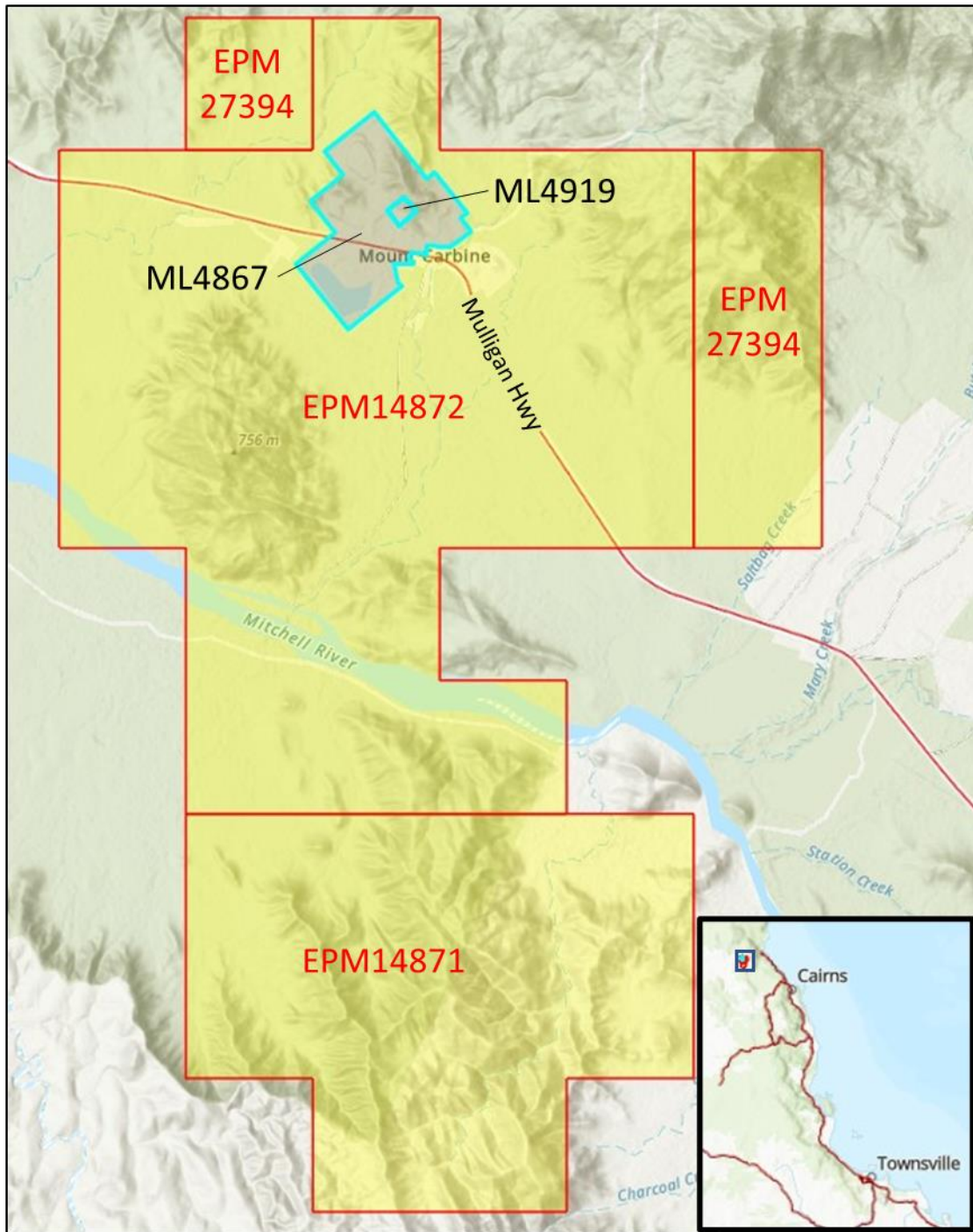


Figure 4 - Mt Carbine Tenements

Details of both mining leases are shown in Table 4.

Table 4 - Mt Carbine Leases

| Item | ML 4867 | ML 4919 |
|--------------------------|--------------------------------|--------------------------------|
| Permit type | Mining Lease | Mining Lease |
| Permit status | Granted | Granted |
| Lodge date | 23 December 1971 | 30 November 1972 |
| Approve date | 25 July 1974 | 22 August 1974 |
| Expiry date | 31 July 2041 | 31 August 2041 |
| Authorised holder name | MT. CARBINE QUARRIES PTY. LTD. | MT. CARBINE QUARRIES PTY. LTD. |
| Mineral | CU, FE, MO, SN, W, MT, Q, SI | CU, PB, SN, W, ZN |
| Permit sub-type | Mineral | Mineral |
| Native Title category | Granted before 1 January 1994 | Granted before 1 January 1994 |
| Area (ha) | 358.5 | 7.891 |
| Permit name | MT CARBINE NO 1 | NEW DCL |
| Permit number other | 4867 | 4919 |
| Permit type abbreviation | ML | ML |
| Previous permit number | ML2523MARE | ML2888MARE |
| Permit ID | 108011 | 108023 |
| Permit type | Mining Lease | Mining Lease |
| Permit status | Granted | Granted |

As Table 4 demonstrates, both mining leases have recently been approved for additional 19-year terms with their expiry dates extended to 2041.

A pit optimisation model was established in the Deswik mine planning software package. The package utilises pseudoflow algorithms to determine the economic pit limit based on several input parameters, including:

- Operational parameters such as loss, dilution, recovery,
- Processing parameters such as recovery, moisture adjustments, grade adjustments, etc.
- Geotechnical parameters to define the overall pit wall angles,
- Unit cost rates for all processes,
- Revenue assumptions.

A summary of the unit cost rates utilised in the pit optimisation model are shown in Table 5.

Table 5 - Unit Cost Rates for Pit Optimisation Model

| Cost Item | Units | Unit Cost |
|----------------------|--------------|-----------|
| Drill & Blast | \$/t | \$1.26 |
| Waste Mining | \$/t | \$3.27 |
| Ore Mining | \$/t | \$3.30 |
| Crushing\Screening | \$/feed t | \$2.00 |
| Ore Sorting | \$/feed t | \$1.49 |
| Gravity Plant | \$/feed t | \$12.45 |
| Rehabilitation | \$/total t | \$0.26 |
| Contractor Overheads | \$/total t | \$1.34 |
| State Royalty | % of revenue | 2.70% |

As mentioned previously, the final realised price for each tonne of 50% WO₃ concentrate applied in the pit optimisation model is AU\$17,761 in 2023 increasing to AU\$19,642 in 2029.

Current processing of the LGS has provided key data for the modifications, upgrades and optimisation of the processing infrastructure in preparation for the in-situ ore feed. Ore runs through three key processing stages:

- Crushing and Screening,
- X-ray Ore Sorting,
- Gravity Separation.

The processing flow chart for Mt Carbine ore is shown in Figure 5.

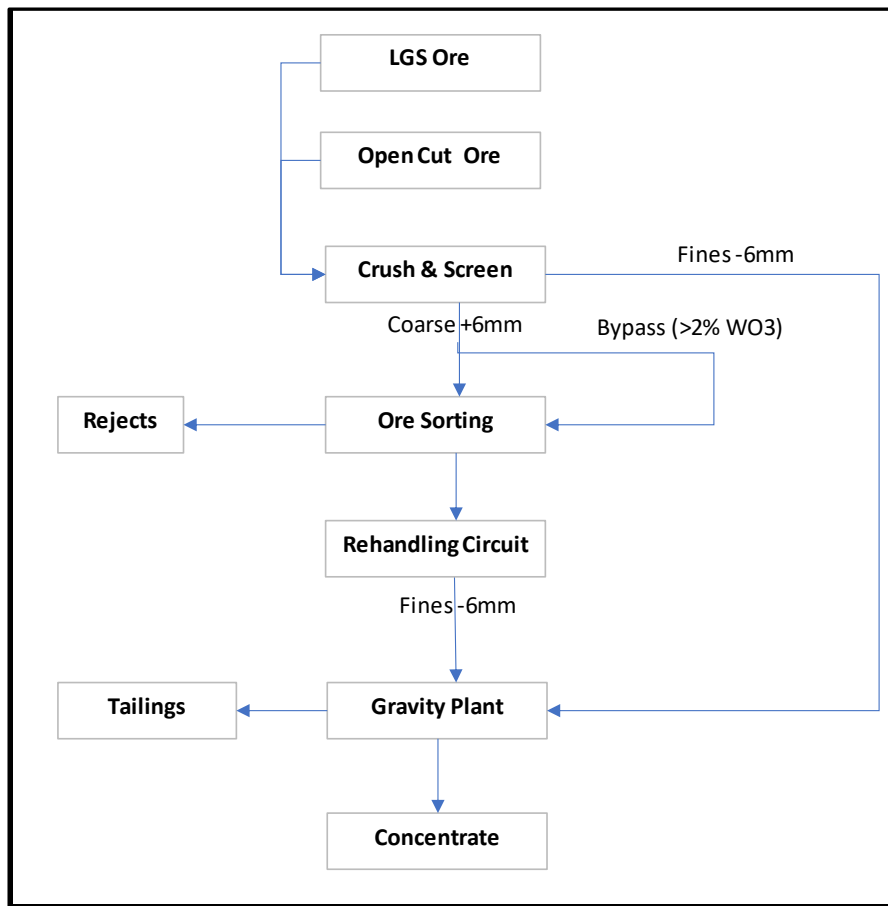


Figure 5 - Processing Flow Chart

The factors applied at the various stages of the overall concentrating process are shown in **Error! Reference source not found.** below.

Table 6 - Mt Carbine Processing Assumptions

| Factor | Value |
|--|-----------------------------|
| Crush & Screen Fines/Coarse Mass Split | 36%/64% |
| Crush & Screen Fines WO ₃ Upgrade | 150% |
| Ore Sorter Mass Recovery Equation | 45.45 * Feed Grade + 0.0455 |
| Ore Sorter Tungsten Recovery | 90% |
| Wet Plant Fines Tungsten Recovery | 79.3% |
| Wet Plant Coarse Tungsten Recovery | 90% |
| Wet Plant Total Tungsten Recovery | 82.7% |
| Total Tungsten Recovery | 80.3% |

The economic pit limit shells generated by the pit optimisation model were then converted into practical pit shells and stages as shown in Figure 6 and Figure 7. Each stage was designed to Bankable Feasibility Study (“BFS”) level of detail using the parameters shown in

Table 7 - Mt Carbine Pit Design Parameters

| Item | Units | Value |
|---------------------------|-------|-------|
| Final Wall Batter Angle | degs | 70 |
| Final Wall Bench Height | m | 20 |
| Final Wall Bench Width | m | 8 |
| Access Ramp Width | m | 20 |
| Access Ramp Maximum Grade | % | 10 |

Internal dig solids were created in Deswik and then imported into a BFS level of detail schedule in the Spry scheduling package. All LGS dig solids plus the out-of-pit dump solids were created and imported into the schedule. The Spry scheduling model including all dig scheduling, dumping and haulage modelling which provided accurate truck hours and numbers as the pit progressed.

Screen captures at the start and end of the Spry schedule are shown in Figure 6 and Table 7 respectively.

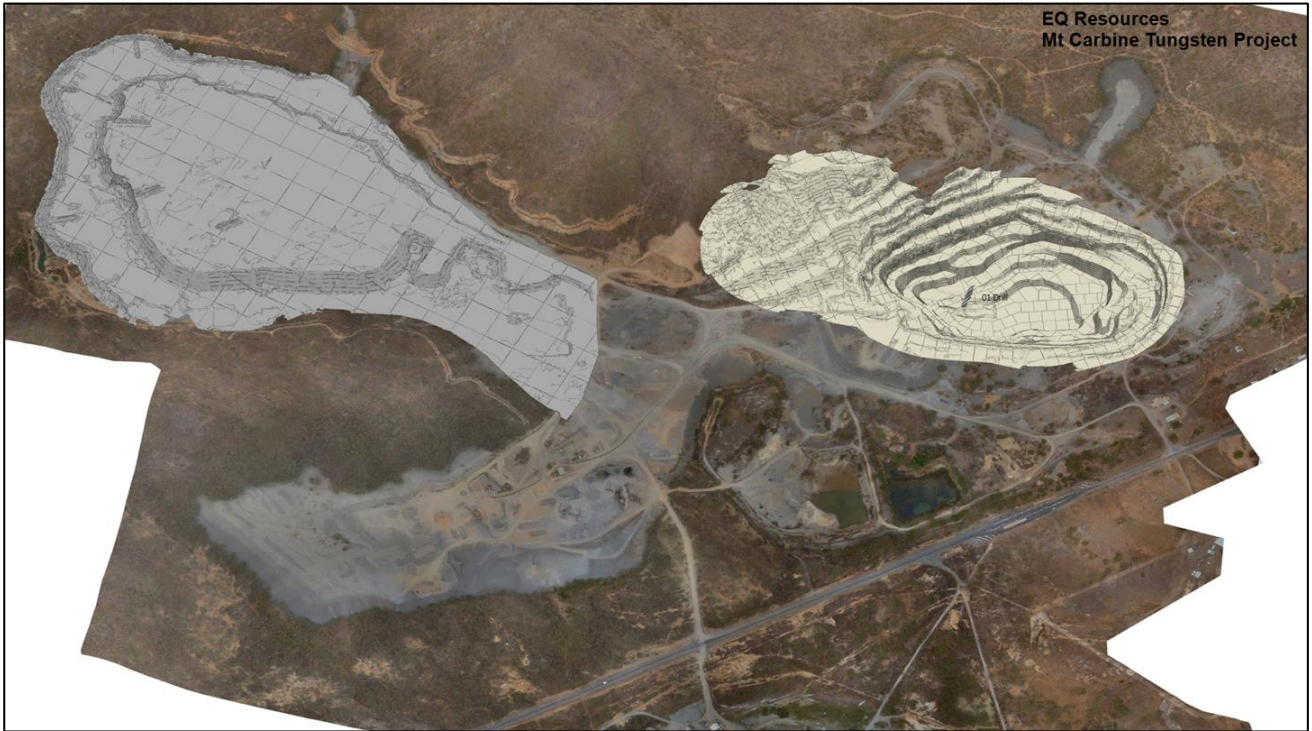


Figure 6 - Start of Schedule

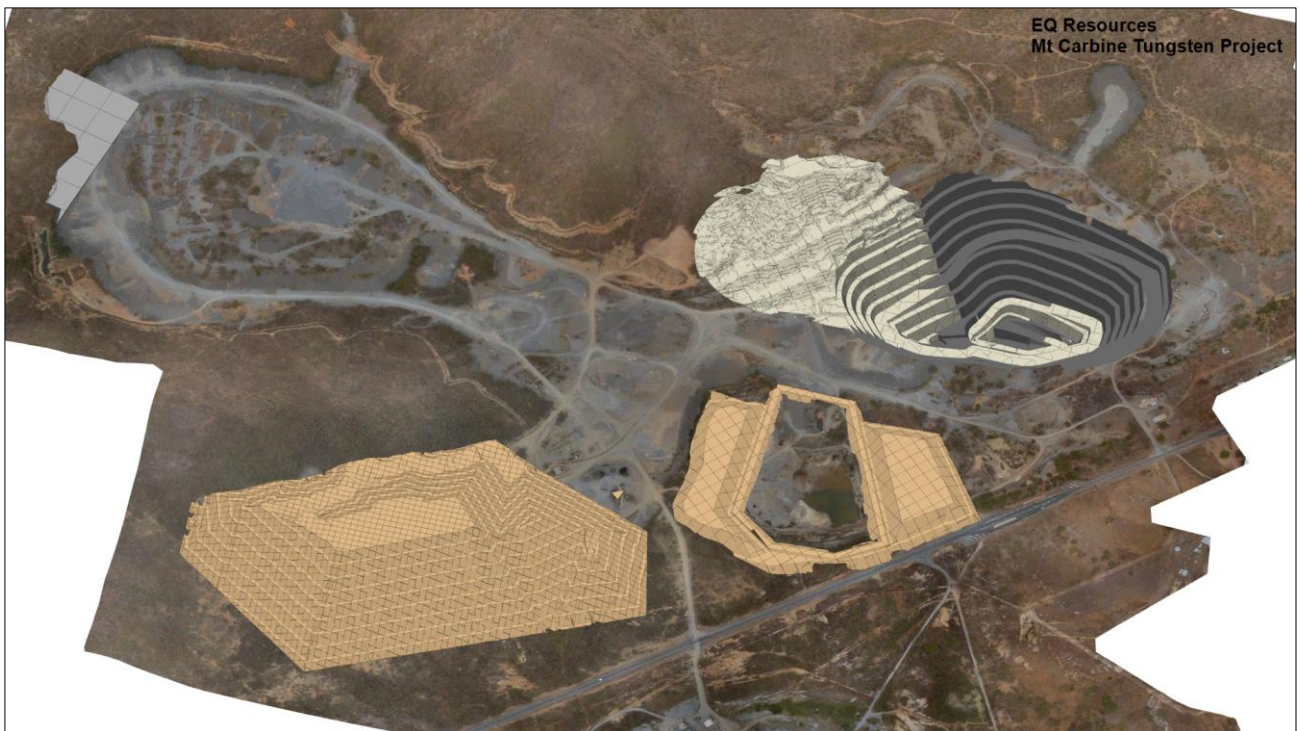


Figure 7 - End of Schedule

Cut Off Parameters

Ore Reserves for the Mt Carbine Open Cut are reported using a ROM cut-off grade of 0.08% WO₃. The cut-off was based on the lowest grade ore that still generated a positive cash flow from the Pit Optimisation calculations using a WO₃ ammonium paratungstate sales price of US\$340/mtu and BFS level cost inputs.

Mining Factors and Assumptions

Mt Carbine is a historical open cut mine that had ceased operations in the 1980's. EQ Resources has recently refurbished processing facilities and infrastructure with additional processing and infrastructure upgrades being accounted for in the Ore Reserves estimate and BFS.

A mining method assessment determined that medium sized excavators and accompanying trucks are the most optimal fleet for restarting the existing open cut.

Benches will be blasted in 10m heights and mined off in 3.5m flitches by a 190t class excavator loading 55t rigid rear dump trucks. Geotechnical reports and the existing open cut pit walls have guided the overall final pit wall design parameters for 20m high benches with a 70-degree batter and 8m wide catch benches. Haul ramps have been designed for the 55t trucks at a maximum gradient of 10% with dual lane ramps being 20m wide and single lane ramps 14m wide. All material mined is hauled out of the pit with ore trucked to the Run of Mine (ROM) stockpile or direct fed to the crusher and waste trucked to the out of pit dumps.

Due to the resource model including a lower grade halo around higher grade mineralised veins, a minimum width of 2m was applied to determine if ore blocks could be recovered. Any blocks that did not pass this assessment were converted to waste and regarded as losses. Any remaining ore blocks that were adjacent to a waste block had an edge loss and dilution width of 0.36m applied along the ore/waste boundary.

Infrastructure

As the site is an existing operation all major infrastructure is installed with only minor upgrades required which have been assessed at a PFS level of detail or better.

Costs

With respect to the processing of the ore, costs have been estimated based on a process contractors build up for capital whilst operating costs have been developed based on the current processing of the LGS in conjunction with the BFS upgrade information. A mining contractor tender process has provided the operating unit cost rates for the mining operations. A full financial model has been developed that estimates all costs from clearing through to mining and production of the final concentrate.

A Queensland State Government Royalty of 2.7% payable on the ex-mine value, less allowable deductions, of the WO₃ APT has been applied.

Financial Assessment

The financial model for the mining and processing schedule calculated the net present value ("NPV") of the operation using a discount rate of 8%. The revenue is based on the Ore Reserves only and no value has been applied to Inferred Mineral Resources nor quarry rock. The project generated a good net present value figure with all levels of the planned open cut economical to mine and process.

The competent person is satisfied that the proposed mining activities within the mine plan which underpins the Ore Reserves estimate are realistic and achievable. The competent person is also satisfied that the Ore Reserves estimate quantities are economical to mine and process, taking into account all foreseeable operating costs, capital costs, approvals, etc.

Resource Classification

Classification of the Mineral Resource estimate was interpreted on several criteria, including confidence in the geological interpretation, the integrity of the data, the spatial continuity of the mineralisation and the quality of the estimation. An assessment of the historical mining showed increased confidence in the surrounding areas of the open pit and confirmed by drilling results.

The classification reflected the author's confidence in the location, quantity, grade, geological characteristics, and continuity of the Mineral Resources. The data spacing and distribution are sufficient to establish geological and grade continuity appropriate for Mineral Resource estimation and classification and the results appropriately reflect the Competent Person's view of the deposit.

Based on the criteria outlined above, the 818,453 blocks that were interpolated in the Insitu Mt Carbine model, were classified as follows: 63% are classified as Indicated and 37% are Inferred Mineral Resources. The remaining blocks are flagged as Target (non-ore lithologies).

Reserves Classification

The classification of the Mt Carbine Open Cut Ore Reserves reflects the view of the Competent Person and is in accordance with the JORC Code 2012. Probable Ore Reserves have been derived from Indicated Resources only. No Proved Ore Reserves have been declared.

Audits and Reviews

This Ore Reserves estimate has been reviewed internally by Optimal Mining Solutions Pty Ltd with no errors identified.

Discussion of Relative Accuracy/Confidence

The accuracy of the estimates within this Ore Reserves are determined by the order of accuracy associated with the Mineral Resource model, metallurgical recovery data and long-term unit cost rates. It is the opinion of the Competent Person that the modifying factors and long-term cost assumptions are reasonable.

It is the opinion of the Competent Person that the Ore Reserves estimate is supported by appropriate design, scheduling and cost estimation to BFS level of accuracy and as such there is a reasonable expectation of achieving the reported Ore Reserves commensurate with the Probable classification.

APPENDIX A: SECTION 4 OF TABLE 1 OF THE JORC CODE (2012)

SECTION 4 ESTIMATION AND REPORTING OF ORE RESERVES

| Criteria | JORC Code explanation | Commentary |
|---|--|--|
| <i>Mineral Resource estimate for conversion to Ore Reserves</i> | <ul style="list-style-type: none"> <i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i> <i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i> | <ul style="list-style-type: none"> The Ore Reserves have been based on two separate block models, one for the low-grade stockpile and the other for the open pit operation. The geological model used to develop the final low-grade stockpile resource model was generated by Measured Group Pty Ltd in August 2021 and is titled 'Mt_Carbina_LGS_20210820.bmf'. The geological model used for the open pit operation was developed by EQR in April 2023. The Mineral Resources are inclusive of the Ore Reserves. |
| <i>Site visits</i> | <ul style="list-style-type: none"> <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i> | <ul style="list-style-type: none"> The competent persons visited site on 6th September 2022 and was provided access to all areas to see how the LGS stockpile reclaim works were progressing along with the processing infrastructure upgrades. |
| <i>Study status</i> | <ul style="list-style-type: none"> <i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i> <i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i> | <ul style="list-style-type: none"> Mining studies have been completed to a FS level of detail, with a detailed mine design cut into three phases and subdivided into 3.5m high benches. The designed pit solids were intersected with the latest geological model and then adjusted for loss and dilution. A bench-by-bench schedule was compiled with the in situ, ROM and product information for each dig solid analysed in a financial model. Upgrades to the processing equipment have been completed to a FS level of detail. Key performance parameters such as unit operating costs, metallurgical parameters, etc. have been based on historical performance at site where practical or contractor quotes. |

| Criteria | JORC Code explanation | Commentary |
|--------------------------------------|--|---|
| <i>Cut-off parameters</i> | <ul style="list-style-type: none"> <i>The basis of the cut-off grade(s) or quality parameters applied.</i> | <ul style="list-style-type: none"> A cut-off grade of 0.075% WO₃ has been applied for calculation of the Reserve within the low-grade stockpile. A cut-off grade of 0.05% WO₃ has been applied in the open pit geological model, however after loss and dilution calculations are completed, the final feed grade to the processing plant is as low as 0.08%. A cut-off grade analysis has indicated that these two parameters are conservative and generate sufficient cash flows. |
| <i>Mining factors or assumptions</i> | <ul style="list-style-type: none"> <i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i> <i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i> <i>The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre- production drilling.</i> <i>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</i> <i>The mining dilution factors used.</i> <i>The mining recovery factors used.</i> <i>Any minimum mining widths used.</i> <i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i> <i>The infrastructure requirements of the selected mining methods.</i> | <ul style="list-style-type: none"> Mining of the low-grade stockpile is currently being undertaken by a 50t excavator and fleet of 45t articulated dump trucks. Front end loaders with, ~6m³ buckets, will be used around the crushers, screens, ore sorters and for general clean up. Mining of the open cut operation will be completed in three phases. The open pit will be mined with 1 x 190t class excavator, with a 11m³ bucket and a fleet of 55t rigid rear dump trucks or 45t articulated trucks. A secondary 50t excavator, fitted with a ~3m³ bucket, will also be used where required. The fleet will move up to 4.5Mt of waste and ore annually. The open pit operations will be supported by ancillary equipment including a grader, water cart and dozers. A 3m³ bucket on the secondary excavator will allow the excavator to selectively mine the relatively thin orebodies and keep dilution quantities to a minimum. All waste and ore will be drilled and blasted at a powder factor of approximately 0.8 kg/bcm of material. Due to the vertical nature of the orebodies, grade control will be paramount. It is proposed to complete grade control via a combination of mapping, face sampling and grade control drilling, utilizing mostly angled holes. Open-pit ramps have been designed at 10% maximum gradient at a width of 20m. Geotechnical parameters for the majority of the open pit are |

| Criteria | JORC Code explanation | Commentary |
|--|---|--|
| | | <p>based on the existing pit's design which has performed well and remained relatively unchanged since mining stopped in the 1980s. The key geotechnical parameters for the open pit wall are:</p> <ul style="list-style-type: none"> ○ Batter height - 20m ○ Batter angle - 70 degrees ○ Berm width - 8m <ul style="list-style-type: none"> • Currently, the only known area of geotechnical risk exists on the southern wall near the south wall fault. A geotechnical analysis of this wall indicates that the current pit design will require rock bolting at close intervals to minimise the probability of this wall causing geotechnical disruptions. Capital and operating cost allowances have been made in the financial assessment to monitor and treat this wall as it is exposed in the final wall. The two upper benches in the south wall, which are located in weathered material, have been excavated at 50 degrees and 57 degrees as specified by the geotechnical assessment. |
| <p><i>Metallurgical factors or assumptions</i></p> | <ul style="list-style-type: none"> • <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i> • <i>Whether the metallurgical process is well-tested technology or novel in nature.</i> • <i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i> • <i>Any assumptions or allowances made for deleterious elements.</i> • <i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i> • <i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i> | <ul style="list-style-type: none"> • The low-grade stockpile at Mt Carbine is processed through a combination of crushers, screens, an ore sorter and wet plant circuits to generate a concentrate containing approximately 50% WO₃. <p>Existing Infrastructure</p> <ul style="list-style-type: none"> • The existing crushing and screening flowsheet consists of two stages crushing and dry screening circuits to produce two products: <ul style="list-style-type: none"> 1. -6mm wet plant feed 2. +6mm, -40mm ore sorter feed • Run of mine (ROM) ore (-700mm) is reclaimed from the low-grade waste stockpile and is delivered to the fixed jaw crusher. The jaw crusher has a closed side setting of -75mm. The jaw crusher discharge belt transfers primary crushed ore onto a 900mm wide screen feed conveyor. The screening plant consists of a mobile fitted with two decks to split the |

| Criteria | JORC Code explanation | Commentary |
|----------|-----------------------|---|
| | | <p>feed into two streams:</p> <ol style="list-style-type: none"> 1. Oversize (+40mm) to the cone crusher circuit 2. Undersize (-6mm) to the -6mm stockpile <ul style="list-style-type: none"> • The secondary cone crusher discharge is fed onto a belt conveyor and recirculates back to the sizing screen for separation into product sizes. • The existing ore sorter consists of a single hopper feed point, dry screen to dress ore before the ore sorter and a single ore sorter. The ore sorter circuit produces two products: <ol style="list-style-type: none"> 1. Rejects 2. +6mm, -40mm ore sorter oversize that is crushed by a cone crusher to -6mm for feed into the processing plant. • Ore is fed into the existing processing plant and onto a wet screen which separates the -6mm material and the +6mm material. The +6mm material is sent back to the ore sorter for processing. • The -6mm particles are pumped to a pulse jig where the high density, tungsten bearing particles are concentrated and pumped to a secondary wet screen with 0.8mm panels on the screen. The +0.8mm particles are fed to a rolls crusher and then pumped back to the front of the screen while the -0.8mm sized material is dewatered and sent to six shaking tables. • The shaking tables produce a rougher concentrate which is pumped to a final cleaner table. The tailings from the rougher tables are pumped back to the screen, to be jigged once more to minimise losses and increase recovery. The cleaner table produces a final concentrate which is bagged immediately. The tailings from the cleaner table are pumped back to the secondary screen, to undergo sizing and crushing once more to ensure minimal losses. • A significant amount of data is available on the metallurgical performance of the existing processing infrastructure. |

| Criteria | JORC Code explanation | Commentary |
|----------|-----------------------|---|
| | | <p>New Infrastructure</p> <ul style="list-style-type: none"> • The existing ore sorter will be upgraded to accommodate the proposed increase in annual ore tonnage. The treatment rate will be 80 tph to achieve an annualised throughput of 525,600 tonnes. • The upgraded ore sorter circuit flowsheet has been prepared by Mincore, a minerals processing and engineering consultancy. • Additional processing infrastructure, which will allow the site to mine up to 1mtpa of ore, has been designed and costed (both capital and operating) by Ausenco in 2021, a multinational engineering consultancy firm, to PFS-level of detail. • The proposed additional processing infrastructure will process ore at a rate of 60tph. • Historical performance data plus results of metallurgical test work completed by the Sustainable Minerals Institute in 2021 has been referenced when analysing the performance of the ore sorter. • Historical performance data plus results of laboratory metallurgical testing completed by Ausenco as part of the plant expansion project has been referenced when analysing the performance of the processing plant. • Current off-take agreements consider the following potential deleterious elements: <ul style="list-style-type: none"> ○ Sulphur ○ Tin ○ Molybdenum ○ Lead ○ Arsenic ○ Water • None of the above elements have been modelled in either the low-grade stockpile or open-pit geological models. However, forecast sale prices, which align with current off- |

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| | | <p>take agreements, apply a substantial penalty to the benchmark tungsten concentrate price reflecting the presence of deleterious elements which Mt Carbine concentrate may contain. Historically, Mt Carbine has relatively high levels of arsenic and the processing plant proposed by Ausenco contains an arsenic removal module which will be used when levels of this element become too high.</p> <p>Historically, Mt Carbine concentrate has been sold to customers in several locations including Europe, the United States, Vietnam, and China reflecting the acceptance of the product in the open market.</p> |
| <p><i>Environmental</i></p> | <ul style="list-style-type: none"> <i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i> | <ul style="list-style-type: none"> The site currently has all required environmental approvals to mine, crush and screen material from the pit. The mine and quarry activities occur on previously disturbed lands. The surrounding land use is rural-urban (Mount Carbine township), low-intensity cattle grazing, mining and exploration, and conservation (the Brooklyn Nature Refuge). The background land tenure (Lot 13 on SP254833) is Brooklyn Nature Refuge, which is held by the Australian Wildlife Conservancy as a rolling term lease – pastoral (Title Reference 17664140); a special condition of this lease is to allow quarry material to be removed. There are no wetlands of national or international significance mapped in the project site or the receiving environment. There are no High Ecological Value Waters (watercourses), High Ecological Value Waters (wetlands) or Wetlands of High Ecological Significance mapped in the project site or the receiving environment. Waste rock has historically shown minimal to no acid producing potential. Waste rock characterization has not been completed at Mt Carbine, therefore selective placement of this material has not been included as part of the |

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| Infrastructure | <ul style="list-style-type: none"> <i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i> | <p>scheduling and haulage modelling work.</p> <ul style="list-style-type: none"> Mt Carbine is an operational site and is supported by well-established infrastructure for the current mine and quarrying operations. Current facilities include offices, laboratory, ablutions as well as crushing, screening and processing facilities. Mt Carbine's current processing facilities can process ore at approximately 60tph, however this will be increased to accommodate the planned 1Mt of ore mined annually. Capital costs for the required crushing, screening and processing infrastructure have been estimated to a FS level of detail and included in the overall economic evaluation of the site. The competent persons are satisfied that enough detail has been included in the capital cost estimate for the new processing facilities. Access to site has already been established via the Mulligan Highway which runs through the operation. Power to the site is currently supplied via two supplies segregated by the Mulligan highway into east and west. The eastern side is supplied by a 315 kVA overhead transformer whilst the western side is supplied by a 1000 kVA pad mounted transformer. Power is distributed across the site by 22kV above-ground power lines. Raw water for processing and operational activities is currently sourced from the open-pit. An alternate raw water storage will be confirmed in upcoming studies. A capital allowance for the establishment of a new raw water storage facility has been applied in the financial model. Potable water is trucked to Mt Carbine and stored onsite in storage tanks for use at the site facilities. |
| Costs | <ul style="list-style-type: none"> <i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i> <i>The methodology used to estimate operating costs.</i> <i>Allowances made for the content of deleterious elements.</i> | <ul style="list-style-type: none"> Capital costs have been estimated at a FS level of detail for all required infrastructure for a 1mtpa ore operation. Capital costs allocations include: <ul style="list-style-type: none"> Crushing and screening upgrades, |

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| | <ul style="list-style-type: none"> • <i>The source of exchange rates used in the study.</i> • <i>Derivation of transportation charges.</i> • <i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i> • <i>The allowances made for royalties payable, both Government and private.</i> | <ul style="list-style-type: none"> ○ Processing facilities upgrades, ○ Raw water facility construction, ○ Contractor facilities, ○ Contractor mobilization and demobilization, ○ Future studies, ○ Ongoing exploration. • Operating costs have been estimated based on a contractor- based operation with 1 x 190t class excavator, 1 x 50t excavator, a fleet of 55t rigid dump trucks and supporting ancillary equipment. All waste will be drilled and blasted by a down-the-hole service drill and blast contractor. • Processing costs have been estimated based on current operational costs for existing equipment and processes, such as tailings disposal, plus PFS-level estimates for new processing infrastructure. • A state government royalty equal to 2.7% of generated revenue has been included in the cost structure. |
| Revenue factors | <ul style="list-style-type: none"> • <i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i> • <i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</i> | <ul style="list-style-type: none"> • The Reserves are based on a WO₃ APT price of US\$340 per mtu with a AUD:USD exchange rate of 0.67 applied. • Historical realized price adjustment factors were then applied as well as discounts for producing a concentrate with 50% WO₃. • Despite currently generating income from quarry material, no revenue has been generated from this procedure as part of the economic evaluation of the Reserves. |
| Market assessment | <ul style="list-style-type: none"> • <i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i> • <i>A customer and competitor analysis along with the identification of likely market windows for the product.</i> • <i>Price and volume forecasts and the basis for these forecasts.</i> • <i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i> | <ul style="list-style-type: none"> • Tungsten carbide, which has hardness close to diamond, is the most popular form of tungsten. It is denser than steel and titanium, twice as hard as any steel grade, and has extremely high wear resistance. The product is widely used in construction, mining, and metal working applications and is forecast to continue to perform strongly on the global market. • Mt Carbine currently produces concentrate which is sold to |

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| | | <p>multiple locations around the world.</p> <ul style="list-style-type: none"> In 2020, approximately 84,000 metric tonnes of tungsten was produced globally with 69,000 metric tonnes sourced from China. Mt Carbine is forecast to produce only 2-3 metric tonnes of tungsten annually which will not affect the global market. |
| <i>Economic</i> | <ul style="list-style-type: none"> <i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i> <i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i> | <ul style="list-style-type: none"> All costs and revenues which have been used in the financial model are in nominal terms with monthly cashflows calculated for the life of the operation being positive. As Mt Carbine is an operating mine/quarry with significant existing infrastructure, capital expenditure is minimal and therefore the project is not sensitive to NPV discount rate. The competent persons are confident that Mt Carbine will generate positive cash flows once the initial capital outlays are undertaken early in the schedule. The subsequent years generate enough free cash to adequately pay for the capital costs incurred in 2022/3. |
| <i>Social</i> | <ul style="list-style-type: none"> <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i> | <ul style="list-style-type: none"> The project has good community engagement and has been discussed verbally with the local stakeholders, particularly the Mt Carbine Caravan Park, which stands to be the most impacted, and the response has been positive. EQ Resources in accordance with its requirements pays Native Title Administration Fees to the Nguddaboolgan Native Title Aboriginal Corporation (NNTAC) and maintains regular dialogue and communication with any relevant information pertaining to its activities. The underlying pastoral leases on which Mt Carbine is located are held by Australian Wildlife Conservancy on a parcel of land known as Brooklyn Wildlife Sanctuary. A positive relationship exists between EQR and Australian Wildlife Conservancy. There are no anticipated issues with the landholder in relation to the project. The project does not involve any new significant infrastructure, and changes to the current mining methods |

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| | | or other activities that could otherwise have a negative impact on the local community and stakeholders. |
| Other | <ul style="list-style-type: none"> • <i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i> • <i>Any identified material naturally occurring risks.</i> • <i>The status of material legal agreements and marketing arrangements.</i> • <i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i> | <ul style="list-style-type: none"> • The operation is contained within two mining leases: ML4867 & ML4919. Both mining leases have recently been approved to extend their term for another 19 years, with expiry now out to 2041 for both tenements. • The land relevant to the project site is used for quarry operations and mining activities as per the respective licenses - EA EPPR00438313 for the quarry and EA EPML00956913 for the mine. • All environmental, surface access and operating licenses have been acquired to allow for between 100,000 and 1,000,000 tonnes to be mined, crushed and screened per annum. • Processing through the existing proposed plant is approved for over 100,000 tonnes per annum. |
| Classification | <ul style="list-style-type: none"> • <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i> • <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> • <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i> | <ul style="list-style-type: none"> • All Reserves have been classified as Probable as the Resources have been fully categorized as Indicated. There are no Measured Resources. |
| Audits or reviews | <ul style="list-style-type: none"> • <i>The results of any audits or reviews of Ore Reserve estimates.</i> | <ul style="list-style-type: none"> • The Reserve assumptions, calculations and financial modelling has been internally reviewed by a team of experts. • No external audits of the estimate have been completed. |
| Discussion of relative accuracy/ confidence | <ul style="list-style-type: none"> • <i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and</i> | <ul style="list-style-type: none"> • The estimate of the Reserves at Mt Carbine has been derived from local assumptions based on historical and current performance indices at the site. • The cost of operating the open pit has been calculated from contractor quoted rates at the site. |

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| | <p><i>confidence of the estimate.</i></p> <ul style="list-style-type: none"> <i>• The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> <i>• Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i> <i>• It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> | |