

15<sup>th</sup> March 2022

## DRILLING CONFIRMS MINERALISATION AT WESTERN PIT EXTENSION

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

Queensland Tungsten producer EQ Resources (“EQR” or “the Company”) is pleased to announce completion of the first phase of its 2022 drilling program commenced in late January, aimed at upgrading the open pit and underground resource at Mt Carbine from inferred to indicated resources.

This first phase drill program was initially designed for six holes around the Eastern, Western and Iron Duke Extensions as highlighted in ASX announcement ‘[Extension Drilling Commences](#)’ (January 17<sup>th</sup>, 2022).

The Company has accelerated the work and now completed a ten-hole program (totalling 2,122m) as it continues to add knowledge on the mineralisation that extends outside the planned open pit mining as reported in the [Bankable Feasibility Study](#) (December 2021).

Ten holes of orientated diamond core were drilled, with the principal target being the Western Extension to the Mt Carbine ore body. Only one hole (EQ017) was drilled to the East of the proposed pit and this was to verify the conceptual left lateral strike slip movement on the Iron Duke Fault. This hole confirmed movement with the ore zone shifting to the North West and has provided direction to the Iron Duke Drill Program planned for later this year.

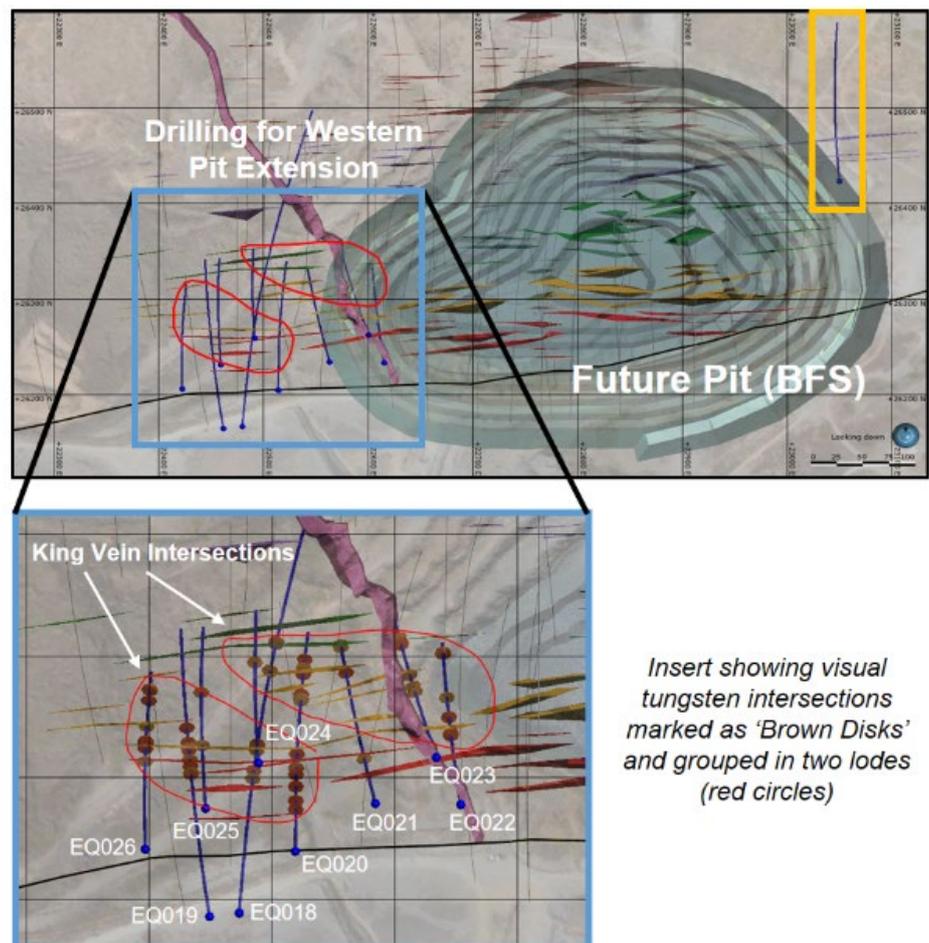


Fig.1 – Plan of Drilling at Western Pit Extension (blue box; 9 holes) and Eastern / Iron Duke Extension (yellow box; 1 hole)

EQR’s Chief Executive Officer, Mr Kevin MacNeill, commented, “We are pleased to have our strongest mineralisation in drill hole EQ026 which remains open and plunging to the West. Hole EQ017 was drilled off the pit to the Northeast to test the strike of Iron Duke to the East, it was cut off by a fault and more structural work is required before further drilling will be undertaken in that area.”

“Visual tungsten mineralisation was hit in all the Western holes principally as narrow 10-30cm King Veins but also various broader mineralised zones with larger than 2 meters of mineralisation being intersected in holes EQ018, EQ022 and EQ026. We look forward to the assays to complete our assessment.”

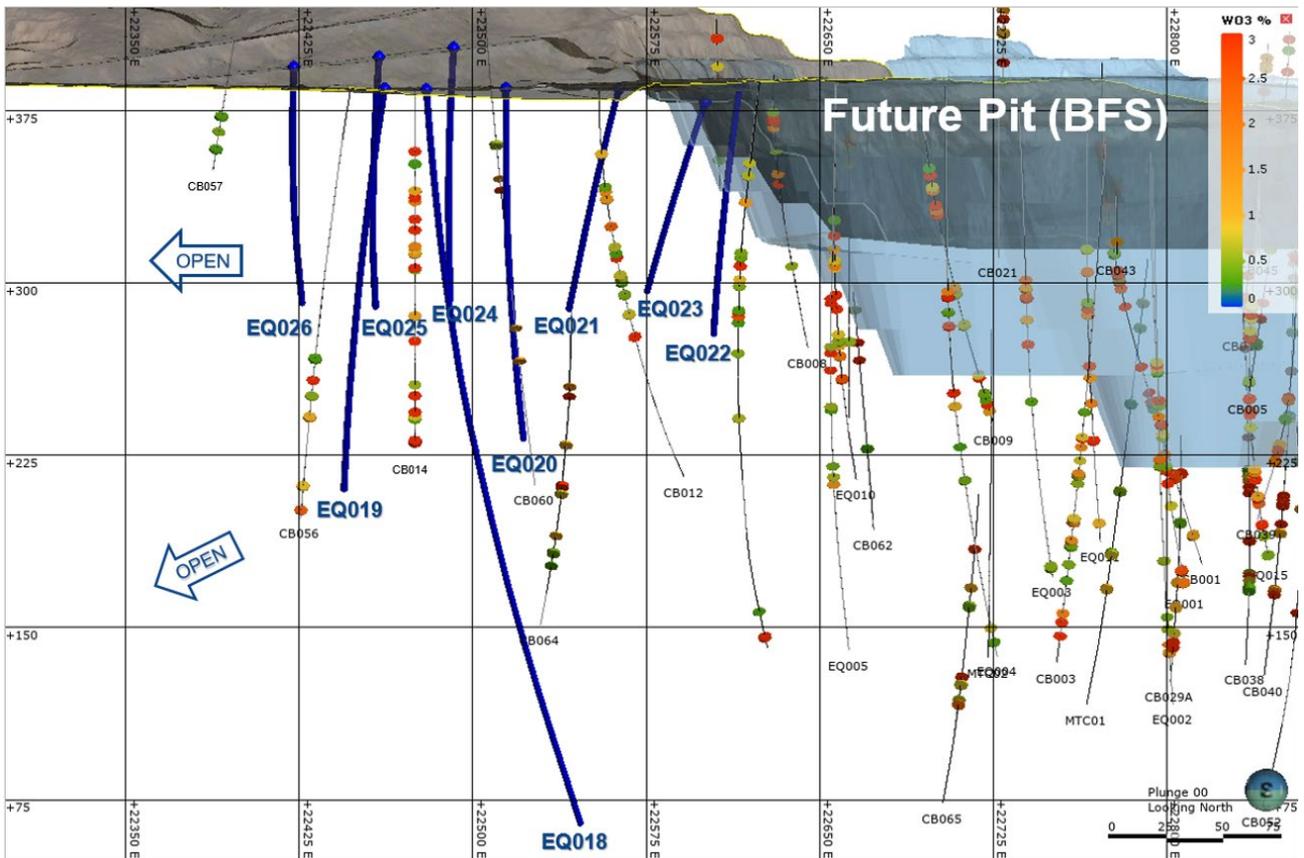


Fig.2 – Long section showing recent drill holes (EQ018 – EQ026) in proximity to historical drill holes (for information on historic drill data see ASX announcement [‘High-grade structural zones extend for 1.2km: Mt Carbine historical drilling reinterpretation’](#), dated October 16<sup>th</sup>, 2020)

Hole_ID	Easting	Northing	RL	Azi	Dip	EOH Depth
EQ017	300857	8172024	380	45.5	-62.1	345.4
EQ018	300297	8172302	384	55.0	-45.0	465.2
EQ019	300284	8172314	385	40.8	-44.5	249.3
EQ020	300348	8172299	385	52.0	-50.0	204.0
EQ021	300402	8172280	385	36.2	-44.6	140.4
EQ022	300435	8172239	385	41.6	-47.9	147.0
EQ023	300447	8172269	379	32.6	-44.8	120.0
EQ024	300376	8172351	403	48.0	-50.0	144.4
EQ025	300334	8172358	399	47.4	-45.1	156.0
EQ026	300291	8172371	394	48.6	-45.0	150.2
						2121.9

Table 1 – Drill Hole Data

Results of this drilling towards the Western Extension will improve knowledge of the resources in this area and whether it is better to target this mineralisation from an extension of the surface open cut or by underground mining. This Western area is proximal to where the historical 440-meter underground tunnel exists which makes this ore potential for an early underground start.



Fig.3 – Hole EQ026 (86.5-93.5m) in Western Pit Extension Zone; Visual high-grade mineralization; Ore zone remains open to the West

### Fluid Modelling

Going west of the pit this recent drilling showed coarse wolframite overprinting, an early chalcopyrite event that has not been observed to any extent in the Eastern parts of the deposit. Also, it was noted that very little retrograde scheelite mineralisation is seen overprinting the wolframite. Rather all the scheelite in this area is primary deposition intergrown with the wolframite. The evidence would suggest a western migration of the source fluids for the Mt Carbine deposition. There remains room for the targeted high-grade zones identified in the Western areas to continue in a SW plunge direction.



Fig.4 – Example of scheelite mineralization overprinting wolframite (on left); Intergrowth of wolframite and chalcopyrite in broad mineralized zone (EQ026, 93.2m; on right)

All drilling was done using orientation equipment and the cores are being logged under QA/QC control with assay results expected back by early next quarter.

**Released on authority of the Board by:**

**Kevin MacNeill**  
Chief Executive Officer

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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.

*Competent Person's Statements*

EQ Resources' exploration and resource work is being managed by Mr Tony Bainbridge, AusIMM. Mr Bainbridge is engaged as a contractor by the Company and is not "independent" within the meaning of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Bainbridge has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in JORC Code 2012.

The technical information contained in this announcement relating to the Company's drilling program are based on, and fairly represents, information compiled and/or assessed by Mr Bainbridge. Mr Bainbridge has verified and approved the data disclosed in this release, including the analytical and test data underlying the information. Mr Bainbridge has consented to the inclusion in this release of the matters based on his compiled information in the form and context in which it appears in this announcement.

*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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