



RESOURCES

*resourcing the new economy
for a better tomorrow*



EQ RESOURCES LIMITED

Investor Update / Webinar

09 May 2024

ASX : EQR



Disclaimer



Competent Person's Statement

- The information in this presentation partly relates to the outcomes of the Mt Carbine Bankable Feasibility Study Update (May 2023) and most recent drilling announcements, made available through the Company's website www.eqresources.com.au/.
- The Company confirms that it is not aware of any new information that materially affects the information included in the corresponding market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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- This document may contain forward-looking statements with respect to the financial condition, results of operations, and business strategy of the Company. These forward-looking statements are based on estimates, projections and assumptions made by the Company about circumstances and events that have not yet taken place. Although the Company believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company's control, and which may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results).
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- Forward-looking statements may be identified by words such as "aim", "anticipate", "assume", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "should", "will", or "would" or the negative of such terms or other similar expressions that are predictions of or otherwise indicate future events or trends. The forward-looking statements included in this document speak only as of the date of this document. The Company does not intend to update the forward-looking statements in this document in the future.

Talking Points



Corporate Update / QIC Funding



Mt Carbine Drilling / UG Development



Tungsten Market Dynamics



Take Aways

Corporate Update

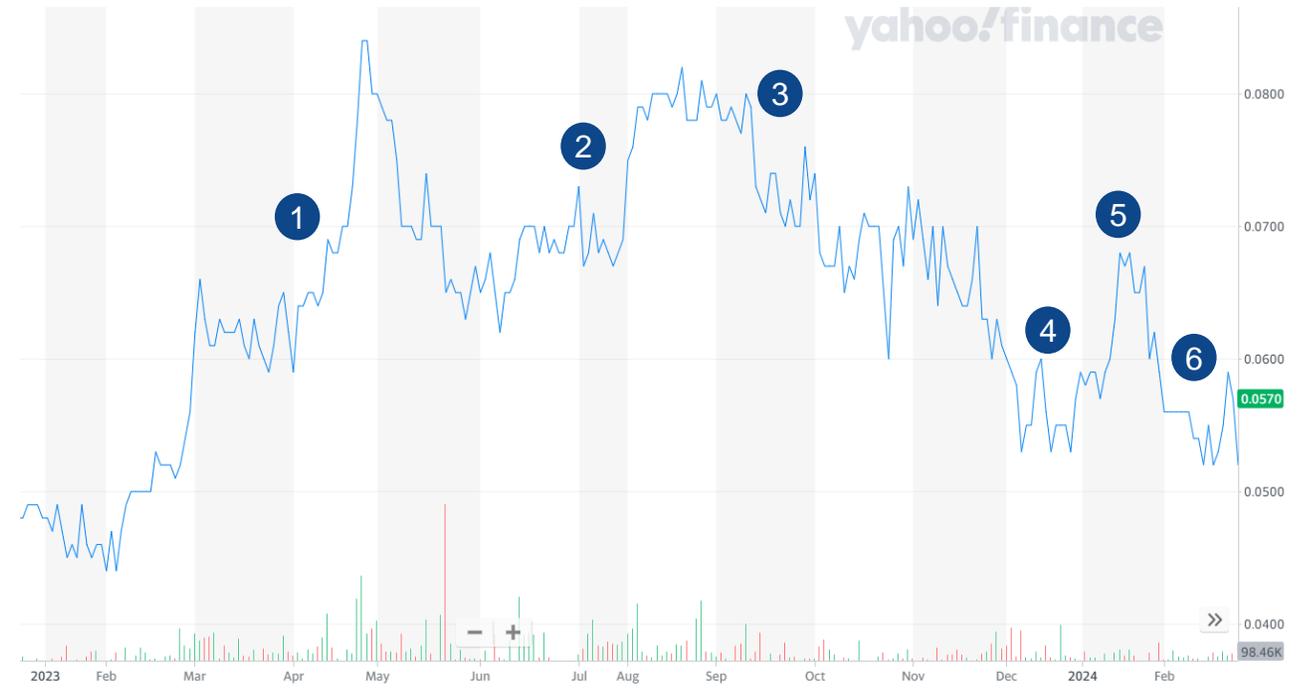


Key Statistics	
Share Price	A\$0.05 per share
Securities on Issue	Shares 1.85B / Options 155m
Market Capitalisation	A\$ 92.5 million
Top 20 Shareholders	>60% (9% Board/Management)



* Source: FastMarkets APT Price Rotterdam (US\$/mtu, mtu = 10kg WO₃)

2023 - To Date (Share Price Performance & Key Announcements)



- 1 64% increase of Mt Carbine Indicated Resources (In-Situ) – Announcements 04 April 2023 ([link](#))
- 2 EQR awarded Permit for historic Wolfram Camp Mine – Announcement 27 July 2023 ([link](#))
- 3 Tungsten Output at Mt Carbine Increases 181% Quarter-On-Quarter – Announcement 03 October 2023 ([link](#))
- 4 EQR completes Acquisition of Saloro SLU and \$25m Placement with Oaktree – Announcement 18 January 2024 ([link](#))
- 5 Saloro adds 69% of Measured and Indicated Resources to EQR's Inventory – Announcement 01 February 2024 ([link](#))
- 6 Saloro XRT Sorting Performance exceeds Expectations, adding 26% more Material to Gravity Plant – Announcement 15 February 2024 ([link](#))

Consistent Board & Leadership Team

Diverse and Experienced Board & Leadership Team



Kevin MacNeill - Chief Executive Officer

- Interim CEO & Senior Technical Advisor since May 2019, CEO since January 2020.
- 35+ years in mining project development globally.
- Expertise in mineral processing, specifically tungsten.
- Past President of Etruscan Diamonds, founded Specialized Metallurgical Projects.



Oliver Kleinhempel - Non-executive Chairman

- Non-executive Director since August 2019, Chair since April 2020.
- Experience in project development, finance, commodity trading.
- Previous roles at Outotec, Ferrostaal Group, CRONIMET.
- Executive Director at CRONIMET Group.



Stephen Weir- Non-executive Director

- Appointed in January 2024, representing Oaktree Capital Management.
- Experience in corporate advisory, project finance, construction management.
- Former CEO of Magnetite Mines Ltd, Member of the Australian Institute of Company Directors, GBA Capital Advisory Board.



Richard Morrow - Non-Executive Director

- Over 30 years as a sharebroker, interested in resources sector.
- Ex Chairman of Melbourne Mining Club.
- Investment roles at Lowell Resources Fund Management; Fellow of AusIMM.



Stephen Layton - Non-executive Director

- 35+ years in equity capital markets in the UK and Australia.
- Experience in ASX listings, corporate advisory.
- Directorships at Mithril Resources Limited



Zhui Pei Yeo - Non-executive Director

- Background in executive management, project planning, resource management.
- Works in system integration in telecoms in South-East Asia.
- Executive director at a steel-product manufacturer.



Tony Bainbridge - Chief Geologist

- Focus on Mt Carbine's 'King-Vein' style mineralisation.
- Experience in tungsten projects in South Korea and Africa.
- Director at Asia Interplay Mining Ltd & AMB Exploration Pty Ltd



Ian Kirkham – Senior Financial Adviser

- 25 years in the mining oil and gas sector
- Expertise in debt and equity financing, treasury services, corporate secretarial services
- Past CFO of Eastern Star Gas & Warrego Energy Ltd



QIC - \$20M Facility For Mt Carbine Expansion



Queensland Investment Corporation (QIC) provides a \$20million 3-year loan facility in two tranches from its Queensland Critical Minerals & Battery Technology Fund:

- Tranche A: \$12m will double processing capacity to 2mtpa and start underground drill testing
- Tranche B: \$8m to continue underground drill testing and start underground trial mining



Deputy Premier, Treasurer and Minister for Trade and Investment Cameron Dick commented:

“Our investment through the Queensland Critical Minerals and Battery Technology Fund provides a pathway for EQ Resources to extend the existing mine by further exploring tungsten resources accessible through underground mining. New plant equipment, drill testing and trial mining is forecast to increase capacity and extend the mine’s life by at least five years, ensuring global demand for tungsten continues to deliver local opportunities for Far North Queenslanders.”



**Queensland
Government**



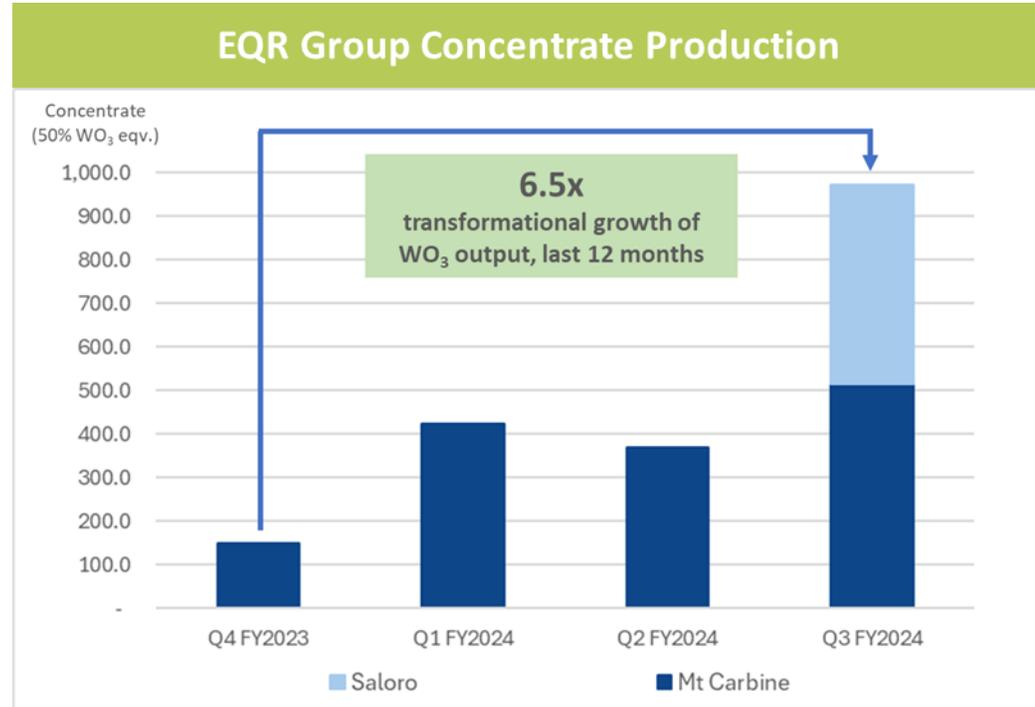
QIC’s State Chief Investment Officer Allison Hill commented:

“Securing additional tungsten mineralisation will strengthen Queensland’s position as a significant contributor to global critical minerals supply chains. There are relatively few mines globally in a position to fill anticipated supply-demand gaps for tungsten as existing outputs are challenged and demand for clean energy technologies grows.”



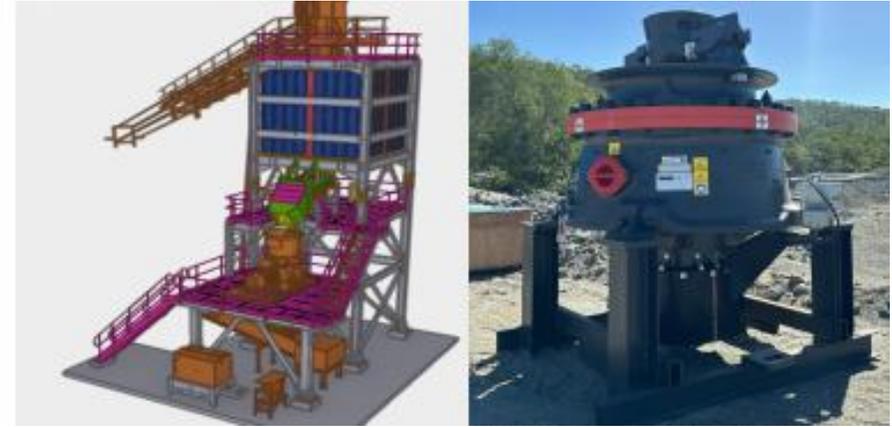
Doubling of Plant Throughput Capacity

From a current 1mtpa to 2mtpa - initially planned for end 2025, now accelerated through QIC funding

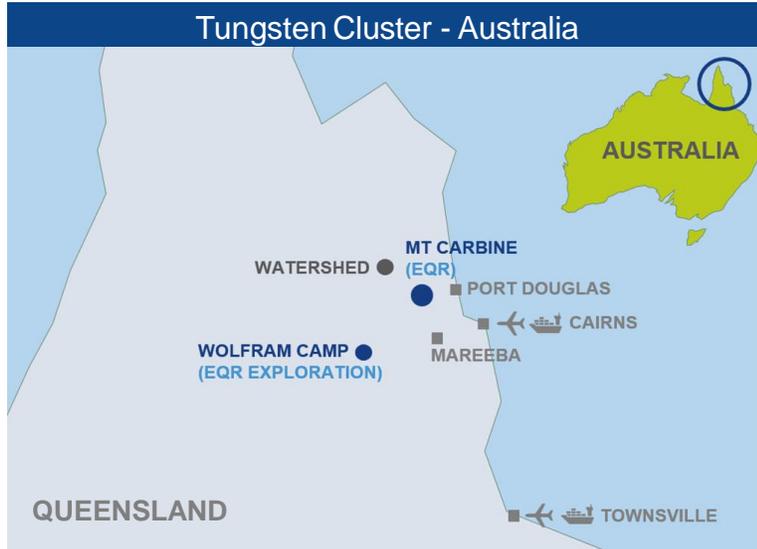


x2

As part of **EQR's transformation** to become the **largest independent tungsten raw material supplier** outside China, the company realizes a **6.5-fold increase** of concentrate output comparing Q4FY2023 and Q3FY2024 (through organic growth at Mt Carbine and by acquiring Saloro).



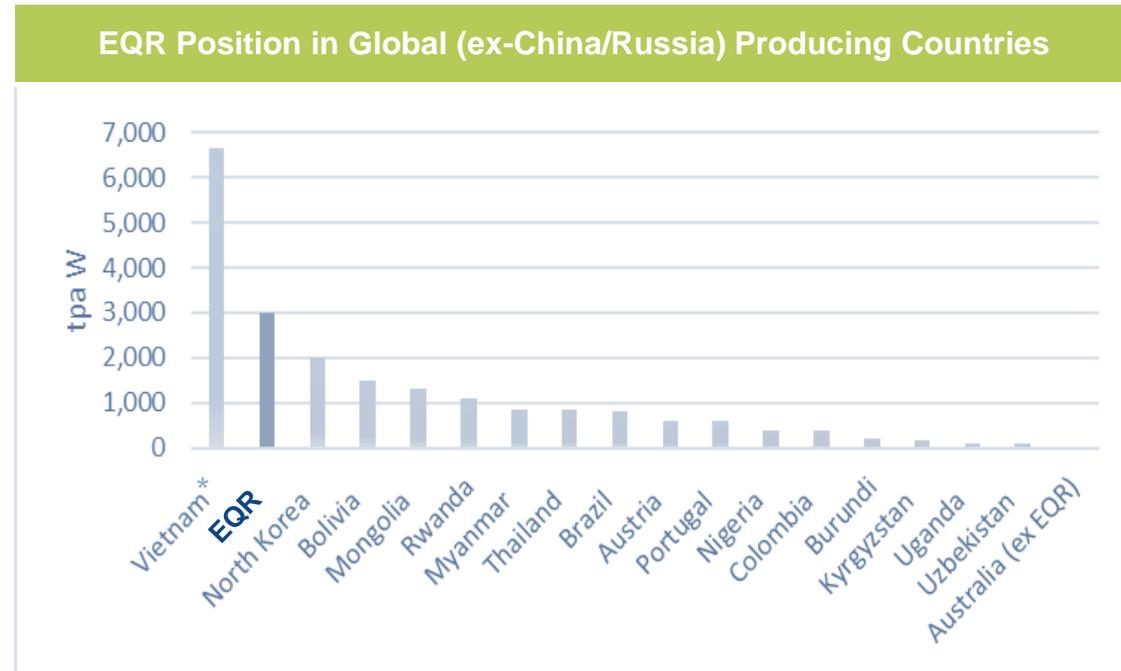
Vertical Integration Opportunities



EQR Awarded Permit for Historic Wolfram Camp Mine. 27 Jul 2023 ([link](#))



EQR’s positioning as a leading source of responsibly mined & non-conflict tungsten concentrate provides the company with significant leverage:



Potential Partnerships, Structures & Options being explored:

- Expand strategic partnerships, while M&A options being explored
- EQR-Masan* Memorandum Of Understanding signed in 2023: [Link](#)
- Toll treat EQR concentrate to APT - Global market has capacity to absorb & demand growth is forecasted
- Downstream players interested in securing guaranteed supply

Talking Points



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Mt Carbine Drilling / UG Development



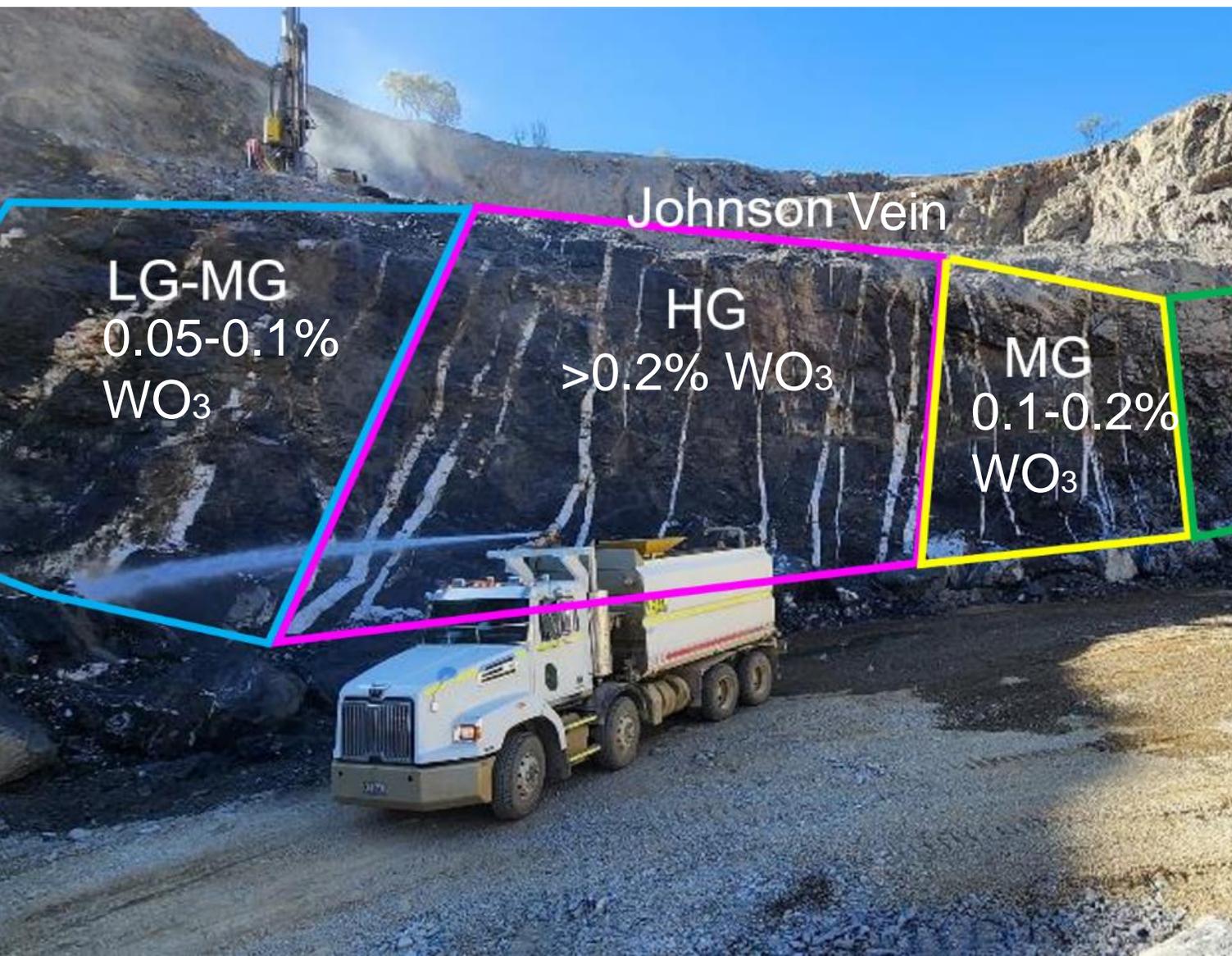
Tungsten Market Dynamics



Take Aways

Mt Carbine Veins on the Pit face and Ore Grade

Structure and Characteristics of the Andy White Open Pit



Geological Update - 'Phase 2 Pit' Drilling



Fig.1 - Drill areas in red: testing high-grade Iolanthe Zone and testing grade-vs-elevation model

Successful drilling completed in April'24, testing vein consistency, ore grade for Phase 2 Pit and "grade-vs-elevation" model.

Details see ASX announcement ([link](#)).

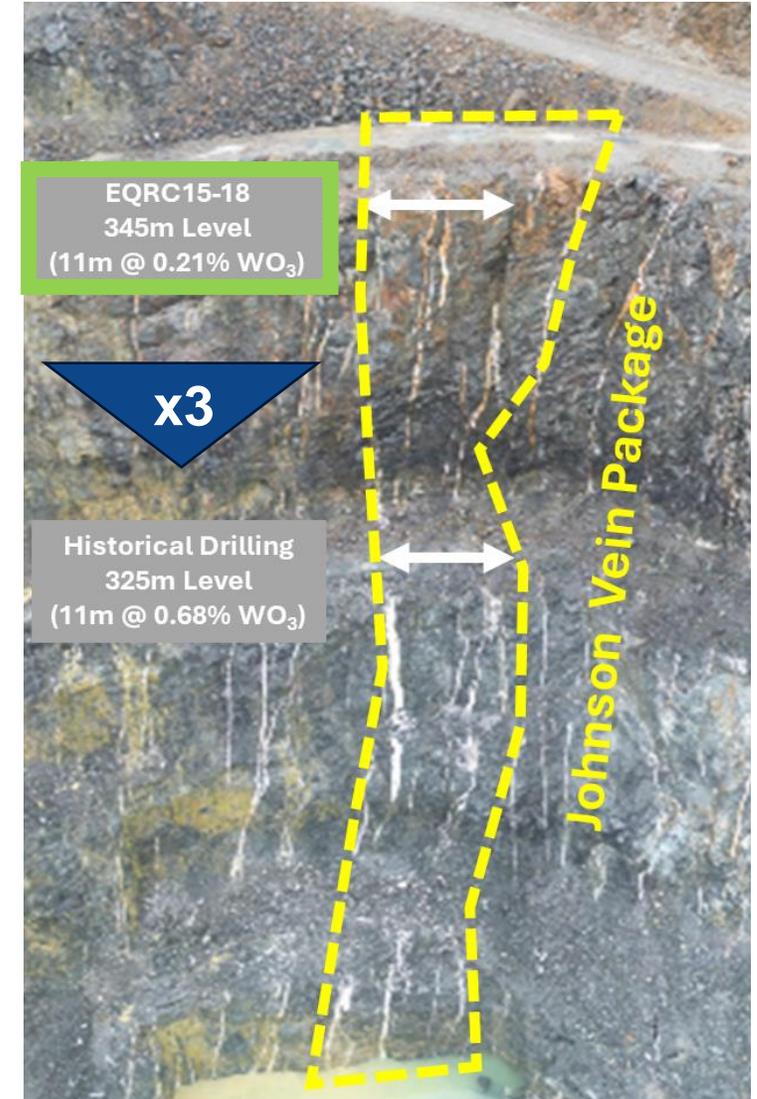
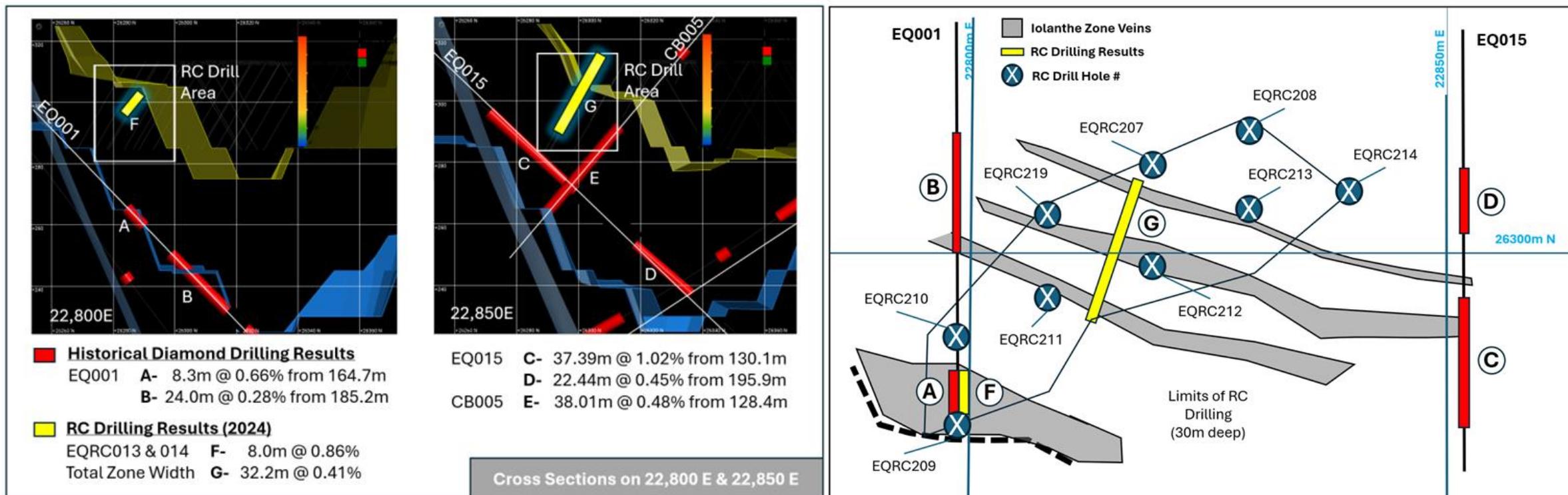


Fig.2 - EQRC15-18 (April'24) coming in at double grade vs model 12

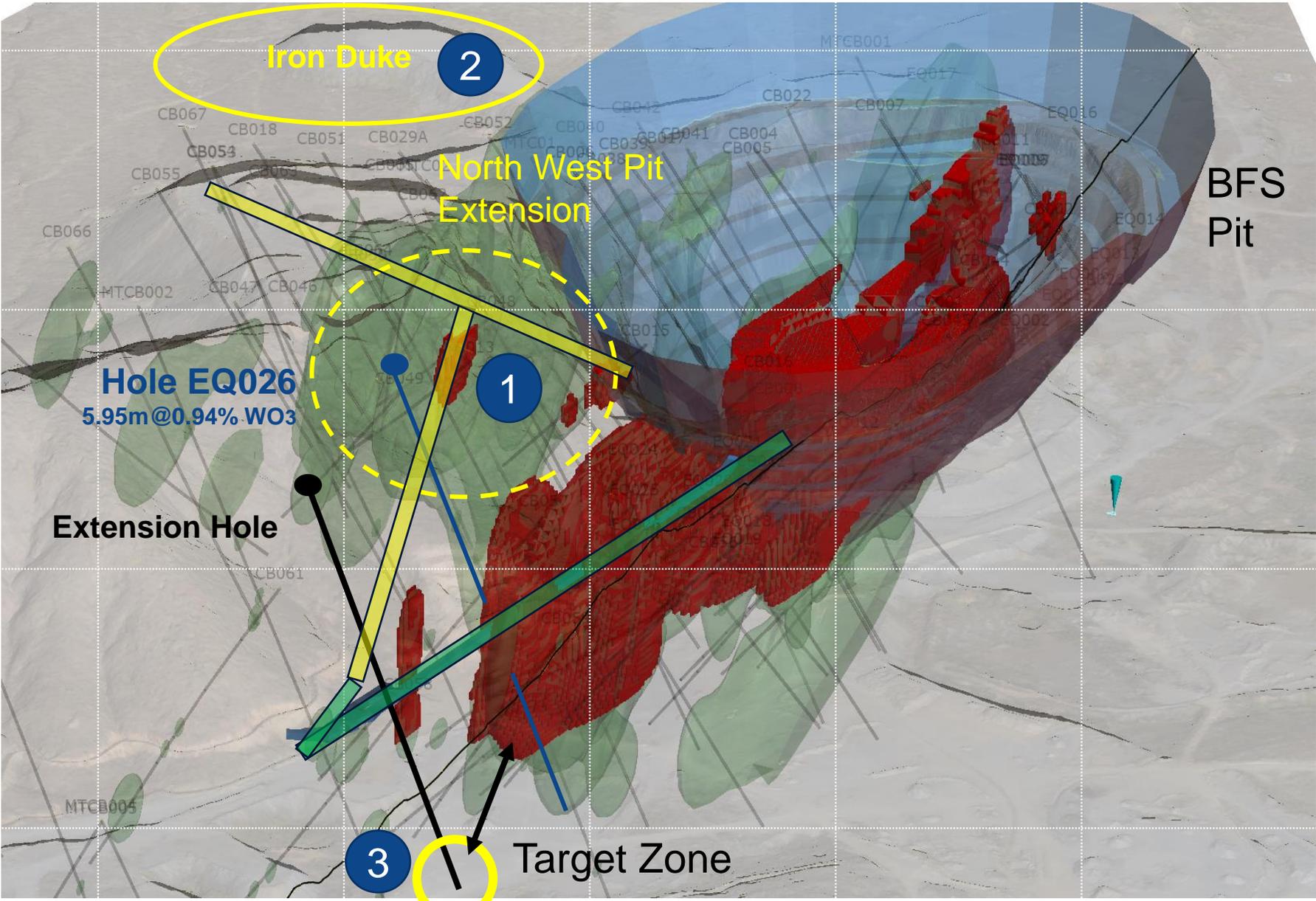
Geological Update - 'Phase 2 Pit' Drilling

Summary of Drilling Comparison (selected holes in Iolanthe Veins)



Infill RC Drilling at 10m spacing into the Iolanthe Vein System, confirming consistency of high-grade sections. Individual veins ranging with true widths of 0.3-2.5m were intersected at 0.5% to 3.66% WO_3 grades. Interpretation confirms veins are increasing in grade as Stage 2 Pit commences at the 325m level. Drilling into the Iolanthe Vein System, considered the strongest zone identified so far in the open pit, does not reflect the entire system but rather 1 of 4 major vein packages.

Mt Carbine - Exploration & Underground Potential



1 Resources Drilling
 • Target to bring in more resources from inferred to indicated

2 Exploration Drilling Iron Duke zone

3 Hole EQ026 depth extents

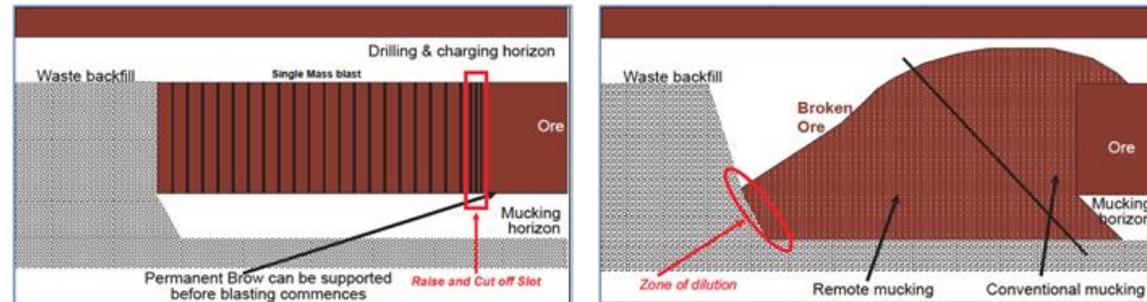
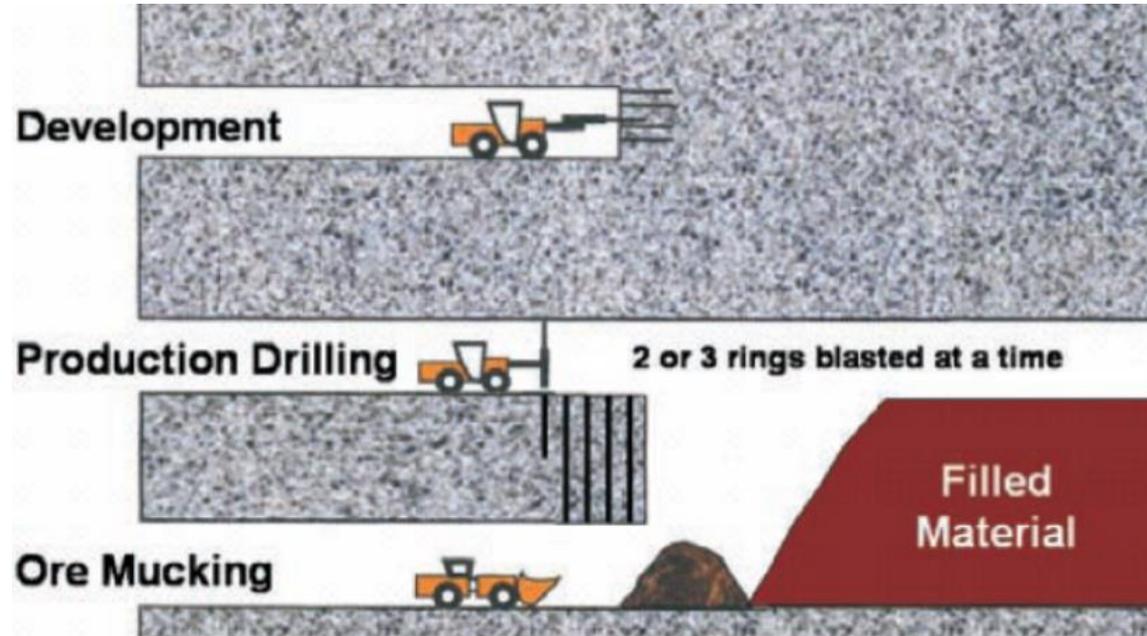
Resources: Indicated Resources

Resources: Inferred Resources

Existing decline

Planned development

Existing Decline and Underground Development



- AVOCA Mining method shown above
- Historical pictures from 1986 of the existing decline on the right



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Take Aways

Tungsten - A Critical Metal of Global Relevance

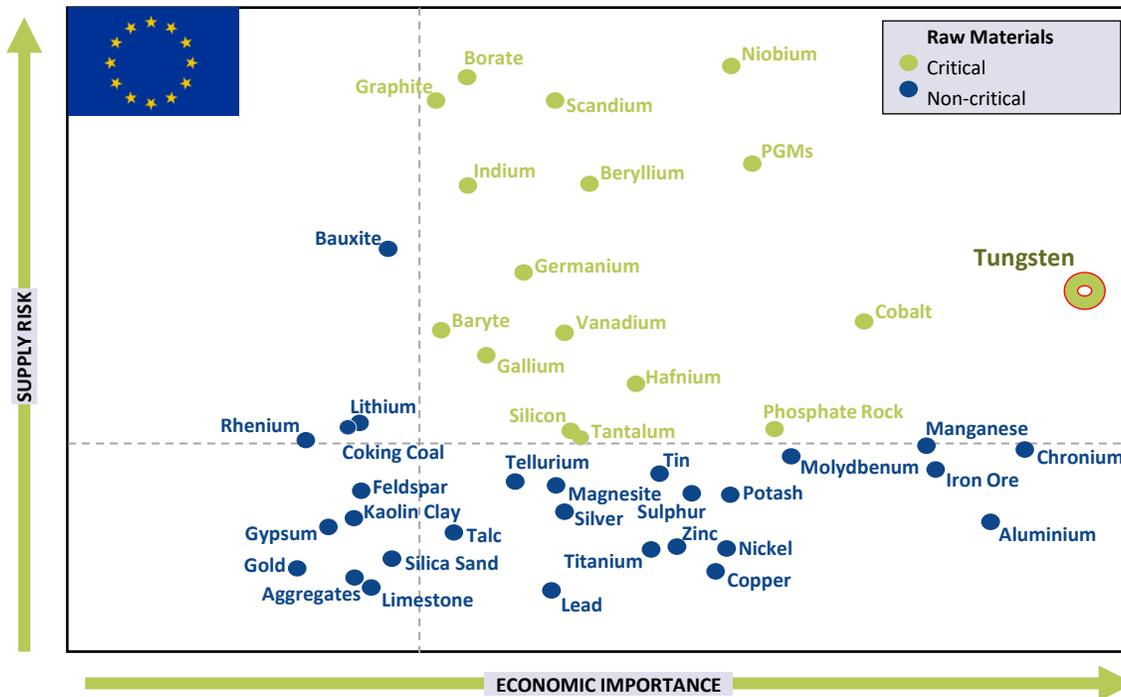
Unique Properties, Without Substitution in Many Applications

One of the Most Important Critical Materials according to European Commission

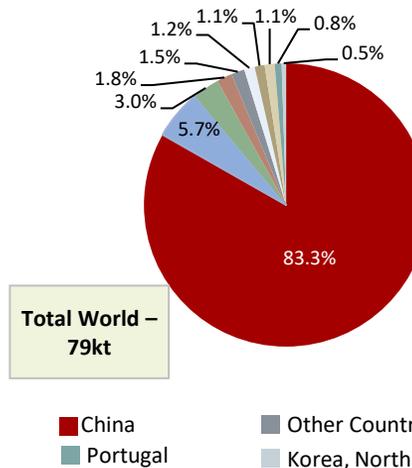
- Tungsten is declared by the European Commission to be a “critical raw material” as a result of high supply risk and highest economic importance
- On March 7, 2018, U.S. Congress passed the “National Strategic and Critical Minerals Production Act” (H.R. 520) defining and including tungsten as a “critical mineral”
- Western Governments world-wide are **becoming increasingly focused upon the importance of critical raw materials** (incl tungsten) supply
- Down-stream Tungsten end users are **becoming increasingly worried about lack of visibility** on future raw material supply

Tungsten Market dominated by non-OECD members

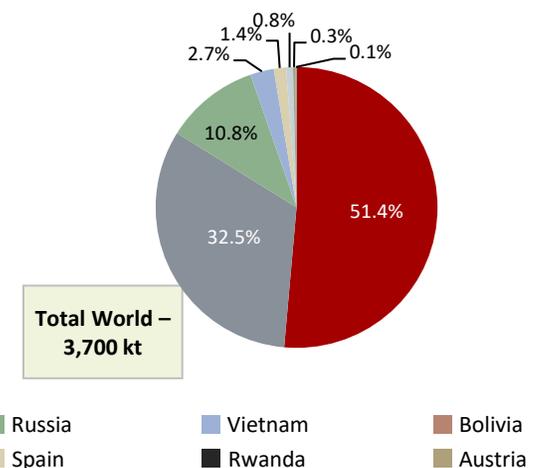
- China accounts for over 83% of world Tungsten primary (mining) production**
- Unique properties** make Tungsten an essential industrial metal
 - Highest melting point of all metals and highest tensile strength, high density, hardness close to diamond, thermally and chemically stable, excellent conductor, and environmentally benign
 - End-market application for light and heavy industrial, energy and military uses include in heavy metal alloys such as high-speed steel, from which cutting and pressing tools are manufactured
- Benchmark pricing continues upward trend** considering tungsten’s strategic relevance and precarious supply / demand situation



Primary Tungsten Production by Country



Tungsten Reserves by Country



Tungsten Uses & Market Outlook

Raising Supply Concerns with Defence, Micro Electronics and Green Energy driving Demand



Aviation



Aerospace



Automotive



Heavy Machinery



Heavy Industry



Tools & Construction



Medical



Military



EV Battery Development



Green Energy

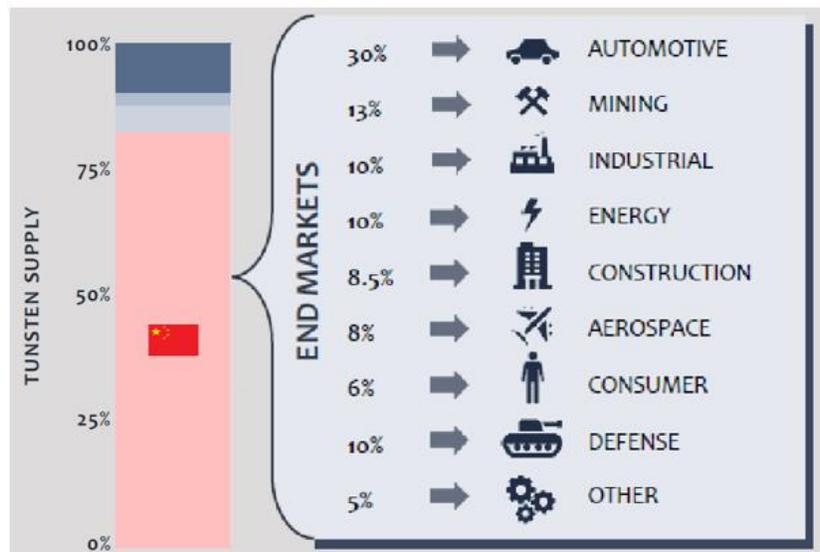


Science & Tech



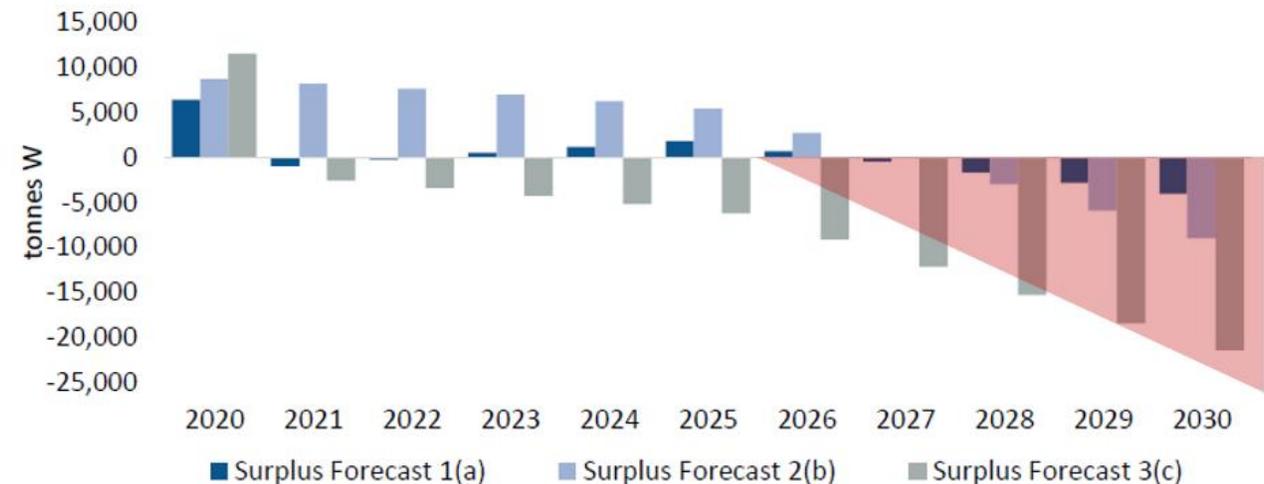
Micro Electronics

Supply / Demand



Source: ITIA Tungsten End Use Analysis (2021)

Forecast Scenarios



Source: (a) Argus Tungsten Analytics (2021), (b) Roskill Tungsten Outlook to 2030 (2021), (c) ITIA Tungsten End Use Analysis (2021)

“Purple tungsten oxide helps prolong lithium battery life.”

By Fastmarkets - Friday 20 October

“Reduced costs, increased efficiency key to wider use of tungsten filament.”

By Fastmarkets - Friday 20 October

“Tungsten demand to increase due to its key role in chip industry.”

By Fastmarkets - Tuesday 19 December

Tungsten Market Dynamics

EQR is unhedged, provides spot price exposure to a tight market



May 2024 - Highest price in 12 months with momentum

Tungsten APT 88.5% WO3 min cif Rotterdam and Baltimore duty-free, \$/mtu WO3

320.00 - 345.00 ▲ 8.00 (2.47%)



Tungsten APT 88.5% WO3 min, fob main ports China, \$/mtu WO3

325.00 - 345.00 ▲ 20.00 (6.35%)



Tungsten concentrate 65% WO3, in-whs China, yuan/tonne

144000.00 - 148000.00 ▲ 9750.00 (7.16%)



- On November 30, 2023, the Ministry of National Security of China defines tungsten a critical material, subsequently the **Government reduced the 2024 production quota** for the domestic tungsten sector
- New round of Environmental Inspections** across tungsten sector commencing (Fastmarkets, May 2024)
- US Defence Logistics Agency (DLA) stopped reporting Government Tungsten Stockpile in May 2023, leaving room for **speculation on whether the DLA becoming a buyer in 2024**

China Import	China Export	New Supply?	Comment
Concentrate 5,818t	FeW, Oxide, Carbide 10,253t	Project 1 (Aus)	1,500t WO ₃ , 2022, ramping up
<u>Top 4 (78%):</u> - North Korea - Russia - Myanmar - Central Africa	<u>Top 4 (>90%):</u> - EU - Japan - South Korea - US	Project 2 (Can)	5,500t WO ₃ , 2023, BFS/funding
		Project 3 (Kor)	3,500t WO ₃ , 2021, development
		Project 4 (Esp)	1,050t WO ₃ , 2024, cancelled
		Project 5 (UK)	3,500t WO ₃ , 2020, reset

Source: China Custom Data (2023)

Source: Company internal assessment

Talking Points



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Tungsten Market Dynamics



Take Aways

EQR Near Term Catalysts - Timeline



Mt Carbine Operations	
Increasing scalping in the LGSP, bringing LGSP forward	Q2 CY2024
Doubling Plant Capacity	Q4 CY2024
24,000 meters drilling, to bring Inferred to Indicated Resources, new Ore Reserves announcement	Q4 CY2024
BFS on the Underground Mining	Q4 CY2024
Reopening of the underground decline and trial mining	Q1 CY2025
Wolfram Camp / Bamford Hill exploration starts	Q3 CY2024
Saloro Operations	
Recovery improvement through newly installed XRT Sorter Plant and Gravity Plant debottlenecking	Q2 CY2024
Purchase of 3rd XRT Sorter	Q3 CY2024
Exploration along strike	Q3 CY2024
New Ore Reserves announcement	Q3 CY2024

What We Care About

Responsible and Sustainable Critical Mineral Production



Safety



Environment



Community



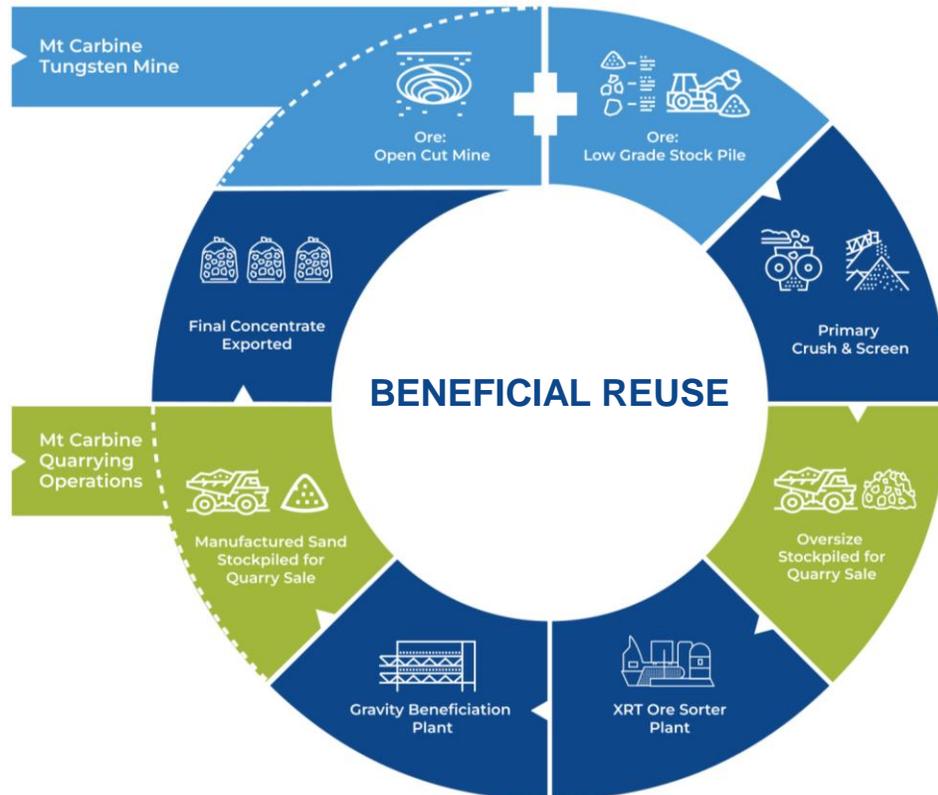
Collaborations



New Economy Minerals



Circular Economy



A Globally Significant Tungsten Raw Materials Supplier



Established Production

Australia's largest primary tungsten producer, consistently accelerating production. Recent acquisition of Saloro (Barruecopardo Mine) makes EQR the largest western supplier of tungsten raw materials



Secured Long-Term Offtake Partnership

Secured offtake via CRONIMET partnership at fair market value. Product from both EQR mines globally accepted, shipments to some of the largest Asian, US and European consumers.



De-Risked Operations

Both mines scaled up production over recent years: proven economics, fully permitted, infrastructure in place, low-cost expansion ongoing, Government supported.



Large Economic Resources

Both resources provide economic grades well above world average. Both mines with Life Of Mine >10 years. Ongoing drilling programs at clearly defined targets provide upside potential. Both mines are located in historic regional mining clusters.



Positive Market Conditions & Outlook

Increasing commodity price forecast combined with favourable supply-demand dynamics underpins EQR's strategic relevance in the critical minerals sector. Classified as critical mineral for its economies by US, UK, EU, Japan, South Korea & India.



Genuine ESG Performance & Commitment

EQR is committed to embedding resource efficiency to minimise environmental footprint and delivering positive societal impact while striving to lead by example. Recognised by industry and Government awards.



Beneficial Waste Re-Use & Renewables As Cost-Saving Measures

Beneficial re-use of waste product promotes Circular Economy commitment at Mt Carbine (similar investigations initiated for Saloro). Installation of solar PV renewable energy plant(s) to lower cost and reduce environmental footprint. Saloro's PV project is construction-ready.

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