

28th April 2022

FEDERAL GOVERNMENT FUNDING FOR MT CARBINE CRITICAL MINERALS PROGRAM

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

- **The Federal Government's Critical Minerals Accelerator Initiative (CMAI) supports EQR's expansion program at Mt Carbine with a \$6 million grant.**
- **The CMAI co-investment will be utilised to implement the scope defined in the Company's Bankable Feasibility Study, for a large-scale tungsten operation utilising historic mine waste and high-grade resources as identified in the accessible Andrew White Open Pit.**
- **The grant recognises the strategic importance of EQR in building a resilient critical minerals industry in Australia, based on advanced processing technology and skilled-up labour.**

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that it has been awarded a \$6 million grant from the Federal Government's Critical Minerals Accelerator Initiative. This funding will be utilised to accelerate the Mt Carbine Expansion Program which focuses on the transformation of historic mine waste into a sustainable source of tungsten along with the commencement of open-cut mining of the Andrew White Open Pit.

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 aboveground and from high-grade resources identified in the accessible Andrew White Open Pit.

Combined investment from EQR, Cronimet and CMAI, totalling approximately \$15 million, in line with the Company's Bankable Feasibility Study (see ASX announcement ['Mt Carbine BFS Delivers Low Capex, Strong Early Cash Flow Operation With Significant Development Potential'](#) dated 13 December 2021), while considering the Early Works Program as currently being completed (see ASX announcement ['Early Works Funding Secured for Mt Carbine Expansion, Well Ahead of BFS Release'](#) dated 13 September 2021).

The formal co-funding agreement will be finalised in the coming weeks.

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented, "We are delighted to receive this support from the Federal Government and believe it is a further endorsement of the Project's ability to become a strategically significant Australian producer of critical minerals within the near-term."

"The Project will also become a significant employer within the local economy with employee numbers expected to exceed 100 with the commencement of open-cut mining activities."

"We look forward to working with all parties as we continue to bring the historic Mt Carbine Tungsten Mine back into full production."

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.

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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