



RESOURCES

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15 March 2021

Company Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY, NSW, 2000

## EQR Raises A\$6.5M To Accelerate Mt Carbine Expansion and Underground Development

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

### Highlights:

- Firm commitments received for A\$6.5M (before cost) via a well-supported share placement at A\$0.032 (3.2 cents) per share
- The placement attracted significant domestic and international interest from institutional and sophisticated investors
- Proceeds from the placement will be used to fund the feasibility study around the Mt Carbine expansion program (i.e. stockpile utilization through expanded XRT operations) and additional drilling and trial mining to progress the underground development
- Subject to shareholder approval, the Directors collectively contribute A\$500,000 to the placement

EQ Resources Limited (**EQR** or the **Company**) is pleased to announce the Company has received \$6.5 million of firm commitments in a well-supported placement of new fully paid ordinary shares (**New Shares**) to institutional and sophisticated investors (**Placement**). Strong support was shown for the Placement from a broad range of high-quality institutional investors.

Issue price for the Placement of \$0.032 (3.2 cents) per share, being a 18% discount to the most recent closing price and a 16% discount to the 15-day VWAP.

The Placement was conducted by Morgans Corporate Limited ACN 010 539 607 (**Lead Manager**).

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### Details of Placement

Approximately 203.1 million fully paid ordinary shares will be issued under the Placement at an issue price of \$0.032 (3.2 cents) per share to raise gross proceeds of \$6.5 million before costs.

92,077,037 New Shares will be issued utilizing EQR's placement capacity under ASX Listing Rule 7.1 and 111,022,963 New Shares will be issued utilizing EQR's placement capacity under ASX Listing Rule 7.1A. The Placement Shares are expected to be issued on Friday, 19 March 2021.

As part of the Placement, the Directors have subscribed for 15,625,000 New Shares (equivalent to \$500,000) subject to shareholder approval.

### Use of Proceeds

Proceeds from the Placement will be used to fund the following:

- Mt Carbine Feasibility Study (approx. \$3.5m)
  - Two stage feasibility study (stockpile expansion and underground development)
  - Drilling (confirmatory, infill and exploration drilling) and underground trial mining
- Plant Upgrades and Opex optimization measures (approx. \$1.5m)
- Exploration Programs
  - Mt Carbine regional exploration of Iron Duke (extend on basis of previous drill holes) & Petersens Lode
  - Advancement of NSW Gold Properties

### Indicative Timetable

The settlement of the Placement is expected to take place on 18 March 2021 and allotment and normal trading of new shares on 19 March 2021.

Trading halt lifted and shares recommence trading on ASX	Monday, 15 March 2021
Settlement of the Placement	Thursday, 18 March 2021
Allotment and normal trading of New Shares under the Placement	Friday, 19 March 2021

The timetable is indicative only and remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules. The Company reserves the right to change the timetable at any time before New Shares are issued, subject to regulatory requirements.

The EGM is planned to take place in the second half of April 2021.

EQR CEO Kevin MacNeill commented, *"This capital raise is an important step forward for EQ Resources as the Company welcomes a number of high-quality institutional investors to the register. In addition, we're pleased to have a high-quality firm like Morgans participate from various offices from around Australia and look forward to working with them as EQR implements its growth strategy. The proceeds enable us to accelerate the feasibility study for our flagship project at Mt Carbine. Our proposed drilling program and underground trial mining approach aims to further de-risk our expansion strategy and thus shall be beneficial for our ongoing discussions around a competitive debt funding."*

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.

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