RESOURCES

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15 February 2024

SALORO's XRT SORTING PERFORMANCE EXCEEDS EXPECTATIONS, ADDING 26% MORE MATERIAL TO GRAVITY PLANT

EQ Resources Ltd is a global tungsten producer with mining activities in Australia and Spain.

Highlights:

- Saloro operation successfully commissioned second Tomra XRT Sorter, with consistent results exceeding expectations from initial trial runs performed with first sorter in Q3 CY2023*
- Previous process setup discarded ore with sizing >6mm post tertiary crushing, given the corresponding grade below 0.06% WO_3 was considered uneconomic for further processing
- XRT Sorting Plant is now treating 100% of this previously discarded stream, achieving a >25-times upgrade to produce a sorter concentrate with grades between 1.5-2% WO_3
- During ramp-up, the XRT Sorting Plant has consistently added 26% more material to the downstream Gravity Plant, resulting from an average 40 tonnes per day additional sorter concentrate (1.5-2% WO_3)
- In addition, a 343.000-ton stockpile of previously discarded >6mm ore is now available for reprocessing, with an estimated 19,894 MTU metal contained (equivalent to 306 tonnes of 65% WO_3 concentrate)**

* See ASX announcement 'XRT Ore Sorter Trials at Barruecopardo Mine Hitting Targets' dated 19 September 2023

** Calculated: 343.000t x 0.058% WO_3 (assayed grade of daily samples of material discarded to stockpile) / 100 (conversion from 'ton' to 'MTU'; MTU = 10kg WO_3); 19,894 MTU equals 198.94 tonnes WO_3, at a standard concentrate with 65% WO_3 this equates to 306 tonnes concentrate (198.94 t / 65% = 306 t)

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that its Saloro Operation in Spain successfully commissioned a second Tomra XRT Sorter, with consistent results exceeding expectations from initial trial runs performed with the first sorter in Q3 CY2023.

The XRT Sorting Plant has been added to Saloro's processing circuit in late 2023 only, benefiting from the experience the Company gained at its Mt Carbine Operation. The previous process setup at Saloro discarded any ore with sizing >6mm post tertiary crushing, given the corresponding grade below 0.06% WO_3 was considered uneconomic for further processing. During ramp-up, the XRT Sorting Plant achieved ore grade upgrades of >25-times, with a sorter feed grade of below 0.06% WO_3 processed into a sorter concentrate with a grade of 1.5-2% WO_3.

Fig.1 - XRT Sorting Plant fully commissioned; 2x Tomra XRT Sorters (COM Tertiary XRT 1200)

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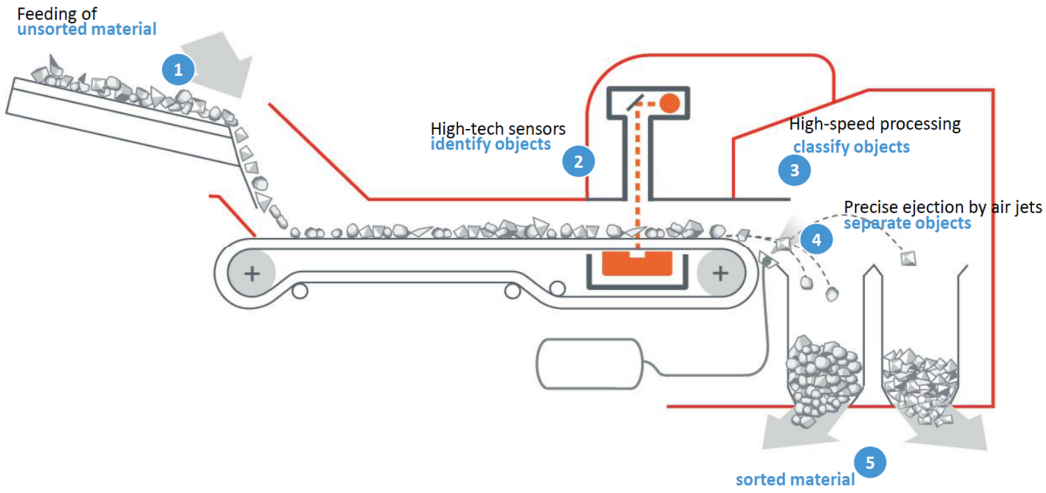

Fig.2 - Basic operations (step 1-5) of Tomra XRT Sorter (COM Tertiary XRT 1200)

Due to the excellent sorting performance, the XRT Sorting Plant is now treating 100% of the previously discarded stream and thus adding 26% more material to the downstream Gravity Plant. In addition, a 343,000-ton stockpile of previously discarded >6mm ore is now available for reprocessing, with an estimated 19,894 MTU metal contained (equates to 306 tonnes of 65% WO_3 concentrate - see calculation in 'Highlights Section').

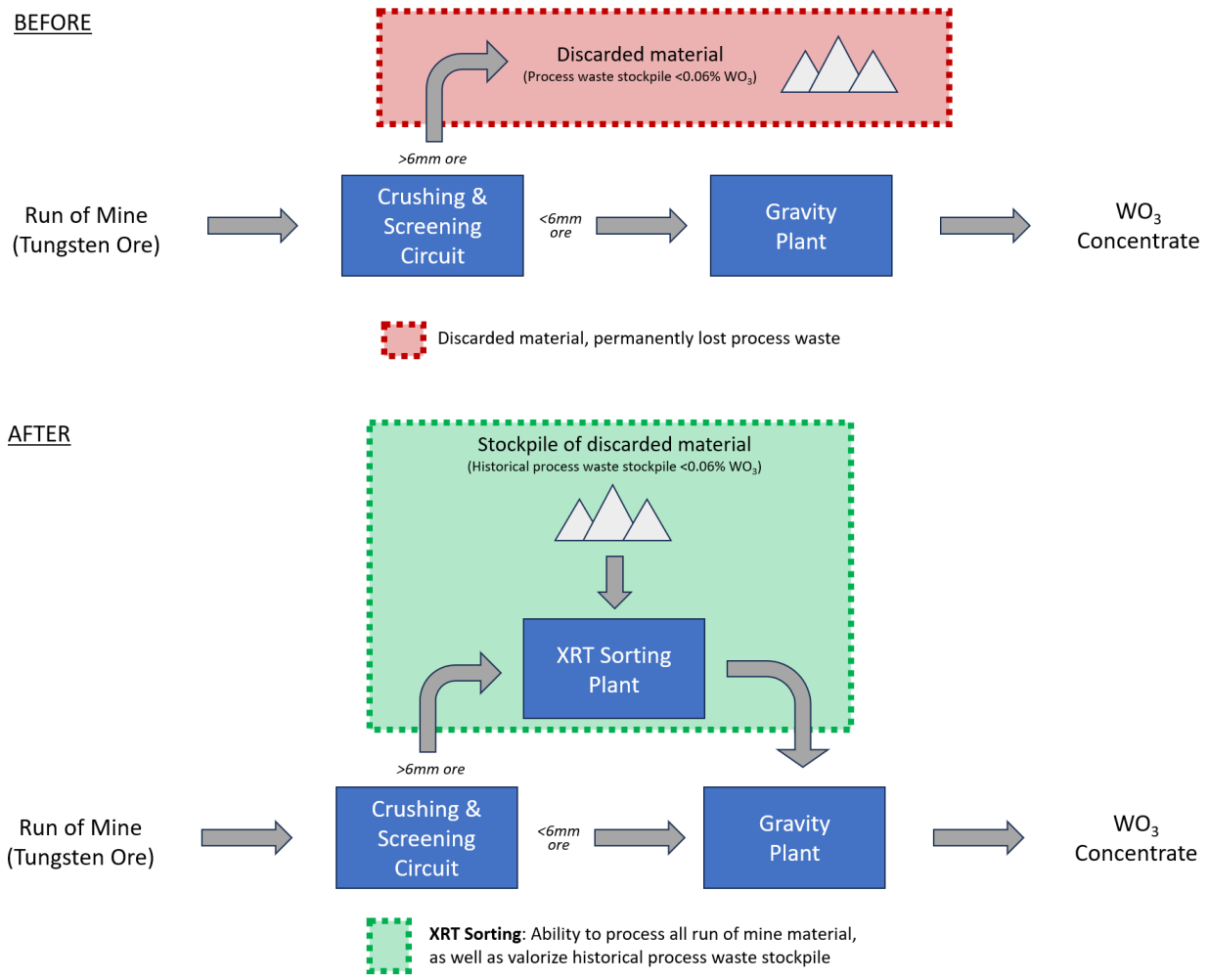

Fig.3 - Before (top illustration) and after (bottom illustration) comparison

The stockpile is included as part of the current Saloro JORC Resource (see ASX Announcement 'Saloro adds 69% of Measured and Indicated Resources to EQR's In-Situ Resource Inventory' dated 01 February 2024). It is a scalped subset taken out from this Resource. Using the XRT Sorters this low-grade split is now considered economic. Each day the split that had been discarded onto the stockpile is weighed and recorded to give a live tonnage inventory that is checked on a monthly basis by drone survey (further details see Appendix A).

	26-Jan	27-Jan	28-Jan	29-Jan	30-Jan	31-Jan	1-Feb	2-Feb	3-Feb	4-Feb
XRT Sorter Con. (t)	32	38	43	37	42	32	30	15	28	46
XRT Sorter Con. (%WO_3)	1.50%	1.77%	1.24%	1.81%	1.83%	2.26%	2.02%	2.51%	1.80%	1.80%
Additional MTU from XRT Sorting Plant (MTU = 10kg WO_3)	48	67.26	53.32	67.04	76.73	72.16	60.66	37.64	50.51	82.98

Fig.4 - Additional metal produced from XRT Sorting Plant during commissioning ramp-up

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented: "While we knew that the Barruecopardo deposit with its ore characteristics is amenable to ore sorting, we are extremely pleased with the recent ramp-up performance by our Spanish colleagues. A 25-times upgrade in ore grade is exceptional and clearly shows the potential that lays in the technology. We have committed resources from our Mt Carbine Operation by sending our sorter expert to Spain for the coming few weeks. We believe we can further increase the current throughput of 50 tons per hour by increasing the sizing of the feed material. Once optimized, we expect throughput to increase to 70 tons per hour, this would allow us to also valorise the stockpile that has been built over the past years, in addition to the ore coming from the Barruecopardo Open Pit."

Released on authority of the Board by:
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About the Company

EQ Resources Limited is a leading tungsten mining company dedicated to sustainable mining and processing practices. The Company is listed on the Australian Securities Exchange, with a focus on expanding its world-class tungsten assets at Mt Carbine in North Queensland (Australia) and at Barruecopardo in the Salamanca Province (Spain). The Company leverages advanced minerals processing technology and unexploited resources across multiple jurisdictions, with the aim of being a globally leading supplier of the critical mineral, tungsten. While the Company also holds gold exploration licences in New South Wales (Australia), it aims to create shareholder value through the exploration and development of its current project portfolio whilst continuing to evaluate corporate and exploration opportunities within the new economy and critical minerals sector globally.

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 mineralization 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 stockpile surveys and assays, as well as production grades, has been reviewed by Mr Bainbridge and fairly represents the information known. Mr Bainbridge has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information.

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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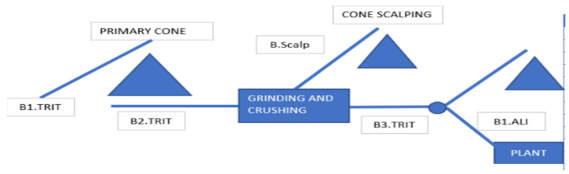
APPENDIX A - JORC CODE, 2012 EDITION In Situ Resource _ Table 1

Section 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Details
Sampling techniques	*Nature and quality of sampling (e.g.- cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g.- 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g.- submarine nodules) may warrant disclosure of detailed information.*	The stockpile material referred to in this announcement is part of the general feed from the pit which has undergone jaw crushing and 3 stage cone crushing to reduce the material to below 6mm which is the plant feed. After the crushing the material is screened and everything above 5mm is sent to the low grade stockpile referred to in this press release. This material is sampled daily and tonnage and grade are recorded on an inventory sheet for reference for the total stockpile. Given the nature of scheelite with the multistage crushing it is seen to be about 75-80% of the tungsten is ending up in the <6mm material. (Grade of the split stockpile is <0.06% WO3 and head feed to the plant is typically from 0.18-0.2% WO3.) This stockpile in its own right was considered too low in grade for direct feed to plant. Sampling involves an automatic sampler that cuts across the belt stream on a regular interval to provide a large bucket of sample over the shift (approx. 25-35kg per shift). This bucket is then crushed to less than 2mm prior to splitting in a riffle splitter to a 1kg load for pulverizing. The pulverizing circuit takes all the material down to below 200# (-74 Micron) before 5 grams is randomly selected to make a pressed powdered disc. The disc is then analysed using a Pananlytical XRF machine in a sequence of discs that contain 15% QAQC samples for verification. In pulverizing it has been determined the softness of the scheelite (Calcium Tungstate) shows rapid deterioration to be spread evenly throughout the sample. Regular split A & B samples are done to determine any variation due to splitting etc. The flowsheet and details are shown in these two schematic diagrams.  MUESTRA / RESULTADOS DE ANALISIS / PESO EN Kg / TURNOS % WO_3 / % As / % S / % P / % U / % Th 01-SCALPING 0.067 0.09 0.05 0.14 0.001 0.000 26.100 11/02/2024 Noche The scale installed on the conveyor belt that generates the scalping cone is referred to as B.SCALP. The value read on this scale during each 12-hour shift is recorded in the corresponding day and shift of the B.SCALP column. On this conveyor belt, there is an automatic sampler installed that collects a sample every 12 minutes. This sample, ranging from 25-35 kilograms per 12-hour shift, is taken to the laboratory for analysis. The laboratory results are shown into the SCALPING GRADE column. The procedure applied in the laboratory is attached to the email. On the other hand, one sample is sent every 2 months for analysis at an external laboratory as a control measure. The laboratory typically used is ALS.

Criteria	JORC Code Explanation	Details
		RELATED PROCEDURES • PR07.P01, SAMPLE RECEPTION • PR07.P01.I01, COLOR CODES • PR07.P02, GENERAL SAMPLE TREATMENT PROCEDURE • PR07.P04, SAMPLE DRYING • PR07.P05, SAMPLE CRUSHING • PR07.P06, SAMPLE QUARTERING • PR07.P07, SAMPLE PULVERIZATION **DEVELOPMENT** Receive each sample cube individually. Proceed to dry in the oven if the samples arrive moist. Crush each cube individually in the crusher, and quarter it in the rotary splitter, ob Combine the portions obtained and homogenize them in the manual splitter or ro on the total weight of the three fractions. Quarter the sample until obtaining: • Two samples of 600 g for analysis "A" and "B". • One reserve sample. Adjust the samples, if necessary, using the manual splitter. Pulverize the sample and bag it with its corresponding identification for subsequer Store the reserve samples until the approval of the results report. **Stockpile Control by Topography** Every week, if there are changes, or once a month if there are no changes, a drone all stockpiles to determine any variations they have undergone. The volume obtair density of 1.4T/m3 to obtain the tons of each scalping stockpile.
Drilling techniques	*Drill type (e.g.- core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g.- core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling was undertaken on the stockpile but rather it is a compilation of daily tonnes and grade determining a total tonnes and grade. The stockpile is also on a monthly basis flown with a GPS Drone to determine the size of the pile to correlate it with the weighed truck counts etc. The air survey has 10cm contour accuracy and is determined plus or minus 3% in tonnes.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	• Not applicable.
Sub-sampling techniques and	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	Daily bucket samples from an automatic splitter is used to determine the grade of the screened +6mm material that makes up the stockpile. A subset of the data collected from 2/1/24 to present is shown here with an average grade of 0.058% WO3

Criteria	JORC Code Explanation	Details
sample preparation	*For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	.

Date	Shift	B1.Trit	B2.Trit	B3.Trit	B.Scalp	Scalping grade
1/2/2024	Day	2,720	2,800 16	2,550	642	0.025
1/2/2024	Night	2,035	2,737 101	1,784	652	0.155
1/3/2024	Day	1,150	2,800 13	1,640	704	0.018
1/3/2024	Night	2,585	2,910 20	1,600	806	0.025
1/4/2024	Day	2,878	3,146 29	1,847	900	0.032
1/4/2024	Night	3,000	3,100 62	1,850	820	0.075
1/5/2024	Day	1,254	3,000 27	1,850	667	0.041
1/5/2024	Night	3,150	3,120 23	1,930	812	0.028
1/6/2024	Day	2,750	2,530 43	1,606	641	0.067
1/6/2024	Night	3,200	3,140 83	1,990	715	0.116
1/7/2024	Day	1,688	1,473 33	892	326	0.100
1/7/2024	Night	2,127	2,169 46	1,383	508	0.090
1/8/2024	Day	806	800 -	706	-	-
1/8/2024	Night	2,420	2,710 34	1,880	574	0.059
1/9/2024	Day	182	340 -	229	-	0.031
1/9/2024	Night	2,550	2,858 19	1,894	718	0.026
1/10/2024	Day	576	791 -	399	-	-
1/10/2024	Night	2,378	3,331 43	2,239	490	0.087
1/11/2024	Day	1,900	2,040 -	1,800	-	-
1/11/2024	Night	2,435	2,623 31	1,680	568	0.054
1/12/2024	Day	700	3,100 42	2,100	853	0.049
1/12/2024	Night	2,950	2,822 39	1,757	729	0.053
1/13/2024	Day	2,331	2,806 63	2,637	713	0.089
1/13/2024	Night	1,898	1,725 33	1,044	309	0.107
1/14/2024	Day	2,420	3,175 28	1,953	787	0.036
1/14/2024	Night	2,220	2,810 26	1,690	833	0.031
1/15/2024	Day	1,541	2,314 57	1,293	694	0.082
1/15/2024	Night	2,280	3,040 57	1,815	865	0.066
1/16/2024	Day	2,208	2,944 38	1,781	829	0.046
1/16/2024	Night	1,668	2,224 -	1,782	-	-
1/17/2024	Day	2,085	2,780 21	1,590	608	0.034
1/17/2024	Night	2,108	2,811 62	1,700	865	0.072
1/18/2024	Day	1,762	2,350 6	1,675	424	0.014
1/18/2024	Night	2,235	2,981 42	2,040	861	0.049
1/19/2024	Day	1,671	2,228 6	1,277	86	0.067
1/19/2024	Night	1,662	2,217 7	1,870	85	0.080
1/20/2024	Day	2,117	2,823 28	1,770	749	0.038
1/20/2024	Night	2,400	3,200 37	2,100	935	0.040

Criteria	JORC Code Explanation	Details
		1/21/2024 Day 2,422 3,230 72 2,120 978 0.074 1/21/2024 Night 2,385 3,180 54 2,000 921 0.059 1/22/2024 Day 1,430 2,200 117 1,650 559 0.210 1/22/2024 Night 2,184 3,360 27 2,300 947 0.028 1/23/2024 Day 1,058 1,628 12 1,045 535 0.022 1/23/2024 Night 1,950 3,000 18 1,851 958 0.019 1/24/2024 Day 521 802 - 443 332 - 1/24/2024 Night 1,859 2,860 14 1,820 836 0.017 1/25/2024 Day 1,755 2,700 28 1,830 559 0.050 1/25/2024 Night 1,684 2,590 56 1,671 806 0.070 1/26/2024 Day 1,268 1,950 11 1,320 231 0.048 1/26/2024 Night 1,885 2,900 31 1,870 631 0.049 1/27/2024 Day 1,926 2,963 12 1,948 620 0.019 1/27/2024 Night 1,853 2,850 24 1,947 608 0.039 1/28/2024 Day 1,807 2,780 6 1,840 565 0.011 1/28/2024 Night 1,720 2,646 21 1,857 556 0.038 1/29/2024 Day 1,807 2,576 24 1,655 649 0.037 1/29/2024 Night 1,720 3,024 39 1,968 804 0.049 1/30/2024 Day 1,807 2,065 36 1,415 495 0.072 1/30/2024 Night 2,172 3,340 11 2,310 856 0.013 1/31/2024 Day 1,733 2,782 134 1,798 803 0.167 1/31/2024 Night 2,270 3,260 268 2,200 895 0.299 2/1/2024 Day 1,133 1,273 15 750 384 0.039 2/1/2024 Night 2,305 3,490 42 2,200 1,026 0.041 2/2/2024 Day 785 447 6 295 140 0.040 2/2/2024 Night 1,610 3,060 24 1,910 871 0.028 2/3/2024 Day 1,800 3,000 16 2,020 822 0.020 2/3/2024 Night 2,310 2,755 21 1,835 782 0.027 2/4/2024 Day 1,575 3,025 19 1,970 795 0.024 2/4/2024 Night 2,440 2,850 95 1,955 736 0.129 2/5/2024 Day 1,030 2,740 41 1,850 700 0.058 2/5/2024 Night 1,843 3,091 101 1,485 820 0.123 2/6/2024 Day 105 323 4 190 83 0.054 2/6/2024 Night 1,791 2,900 59 1,982 725 0.081 2/7/2024 Day 1,600 2,400 22 1,530 607 0.036 2/7/2024 Night 1,400 2,830 71 1,773 835 0.085 2/8/2024 Day 1,746 3,300 78 2,280 850 0.092 2/8/2024 Night 1,670 2,720 17 1,800 723 0.023 2/9/2024 Day 1,100 2,050 9 2,020 520 0.018 2/9/2024 Night 1,400 2,320 23 1,430 610 0.038 2/10/2024 Day 1,825 3,140 53 2,093 835 0.063

Criteria	JORC Code Explanation	Details
		2/10/2024 Night 1,550 3,220 53 1,950 786 0.068 2/11/2024 Day 1,427 2,350 35 1,614 628 0.055 2/11/2024 Night 2,190 2,900 47 1,930 700 0.067 2/12/2024 Day - - - - - - 2/12/2024 Night - - - - - - Total 2,220,327 2,300,594 30,164 1,699,890 518,926 0.058
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g.- standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Tungsten best corresponds to X-ray Fluorescence assay techniques and the best of these techniques uses a fusion disk where a representative sample of the core is taken after fine grinding until a homogenous sample is obtained (<200 microns) and then melted in an arc furnace to produce a clear fused disc. This disk is then x rayed with the fluorescence recorded by way of spectral peaks. The machine needs to be calibrated to record quantitative results. The instrument is a Bruker multi-shot XRF machine with an X-ray scan of 1 minute applied to each disk to get the light and heavy elements. All checks are also assayed in each batch in their order with 10% check samples submitted alternatively being either a blank, a tungsten standard or a repeat sample with a known grade. Precision is 10ppm for this technique with our samples noted as being significant above 1000ppm. Only in one instance, the results do not match visual in sample no. 100216 and 100217, which are vein and host rock. By the weights of each of these samples, it was determined that the grade of 0.72% was in the vein, not the host rock ie samples at the lab have been switched.
Verification of sampling	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	• CP geologist Tony Bainbridge has been to site and checked the sample collection and assay methodology of the stockpile and can verify its existence and accuracy of the grade distribution. The sorters being installed have shown to be excellent at sorting this material due to the coarse nature of the scheelite in this 6-20mm material. • Files are kept in the databases at site and with the 15% check on sample protocol, XRF analysis using blanks, standards and repeats the assays are deemed to be accurate. No data transfer issues are seen as the results are automatically installed into the database.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	• Survey for the stockpile is completed using a GPS Drone system that meets the survey standards of <1% accuracy with the stockpile being flown on a monthly basis and cross checked against weights from the loading and trucking of this material to the stockpile. • AMG 2020 is the survey datum used at site with fixed station correlation that is fed live to the drone for accuracy increase.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	• Sampling per shift is considered over time to be an accurate representation of grade. On average 50-70 samples are taken each month with the automatic sampler being the most accurate way to get such sample. The sample size of 25-30kg sits well within the sample nomograph for the assaying procedure and crushing of this sample completely before any split is deemed to be accurate. A large subset is entirely pulverized, and this again gives good uniformity to the sample. Split A & B are typically within the acceptable protocol range for such material.
Orientation of data in relation	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• It is considered the sampling is unbiased and no selection is preferential over the collection. The sample is split out every 12 minutes per shift giving a reliable sample for that shift.

Criteria	JORC Code Explanation	Details
to geological structure	*If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	*The measures taken to ensure sample security.*	• All samples are clearly labelled with a unique number and bar coded thru the analytical procedure to reduce any human errors on recording. The samples are collected by two individuals as their task and security to the assay lab is monitored.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• An internal audit of techniques was completed to check for any sample bias or variances being introduced to the samples. No biases were encountered.