



RESOURCES

*resourcing the new economy
for a better tomorrow*



EQ RESOURCES LIMITED

Webinar – Mt Carbine BFS Update & Development Works

November 17th 2022

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 (November 2022), made available through the Company's website www.egresources.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.

General Disclaimer

- The material contained in this document is a presentation of general information about the Company's activities current as at the date of this presentation. It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.
- 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).
- The Company makes no representation or warranty as to the accuracy of any forward-looking statements in this document and undue reliance should not be placed upon such statements.
- 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.



Mt Carbine: Australia's Only Primary Tungsten Producer

Tungsten Concentrate from Mt Carbine Operations

Corporate Overview



Key Statistics

Share Price	\$0.045 per share
12-month range	\$0.04 - \$0.078 per share
Shares on Issue	1,453 million
Market Capitalisation	\$66.8 million
Top 20 Shareholders	61%

Board & Management

Non-Executive Chairman	Oliver Kleinhempel
Non-Executive Director	Stephen Layton
Non-Executive Director	Zhui Pei Yeo
Non-Executive Director	Richard Morrow
Chief Executive Officer	Kevin MacNeill
Chief Geologist	Anthony Bainbridge

Share Price Performance



- 1 Feasibility Study Resource Drilling results announced – Announcements: 06 July 2021 ([link](#)), 13 July 2021 ([link](#)), 05 August 2021 ([link](#))
- 2 Updated JORC Mineral Resource announced – Announcement: 23 September 2021 ([link](#))
- 3 Bankable Feasibility Study results announced – Announcement: 13 December 2021 ([link](#))
- 4 AMGC Grant for 2nd XRT Sorter announced – Announcement: 25 January 2022 ([link](#))
- 5 Underground Scoping Study results announced – Announcement: 12 April 2022 ([link](#))
- 6 Government \$6M Critical Minerals Grant announced – Announcement: 28 April 2022 ([link](#))
- 7 Early Work Program completion announced – Announcement: 27 June 2022 ([link](#))
- 8 Phase 1 2022 Drill Program and Updated JORC Mineral Resource announced – Announcements: 04 May 2022 ([link](#)), 20 May 2022 ([link](#)), 04 August 2022 ([link](#))
- 9 Bankable Feasibility Study Update results announced – Announcement: 09 November 2022 ([link](#))

Mt Carbine: A Globally Significant Business



Currently in Production

Australia's **only primary tungsten producer**, consistently **accelerating production**. Open pit production to commence by April Quarter 2023.



Secured Long-Term Offtake Partnership

Secured offtake via CRONIMET partnership for at least **25,000 tonnes concentrate at fair market value - worth \$400 million** at current pricing. Product globally accepted, shipments to some of the largest Asian, US and European consumers.



De-Risked

Proven production, Proven economics, Fully permitted, Infrastructure in place, Low-cost expansion ongoing, **Offtake contracts** in place, **Government supported**. **Fully funded** for Open pit production.



Economic Resource

Well **above world average grade**, Life Of Mine at 14yr +. Stage 2 BFS Open Cut only uses 18% of Mineral Resource. **Ongoing drilling** expected to **increase Life of Mine**, further **improve costs** and **increase production** rates.



Positive Market Conditions & Outlook

Increasing commodity price forecast combined with **favourable supply-demand dynamics** underpins Mt Carbine'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** through having the courage to do the right thing and be **accountable**.



Experienced Leadership & Upskilled Staff in Place

Major milestones achieved keeping the project **on track** and **credible**. Constant staff training ensures a **skilled** and **proficient workforce** with **high capability** that is **locally sourced** with **long-term commitment**.



Beneficial Re-Use for 2nd Revenue Stream

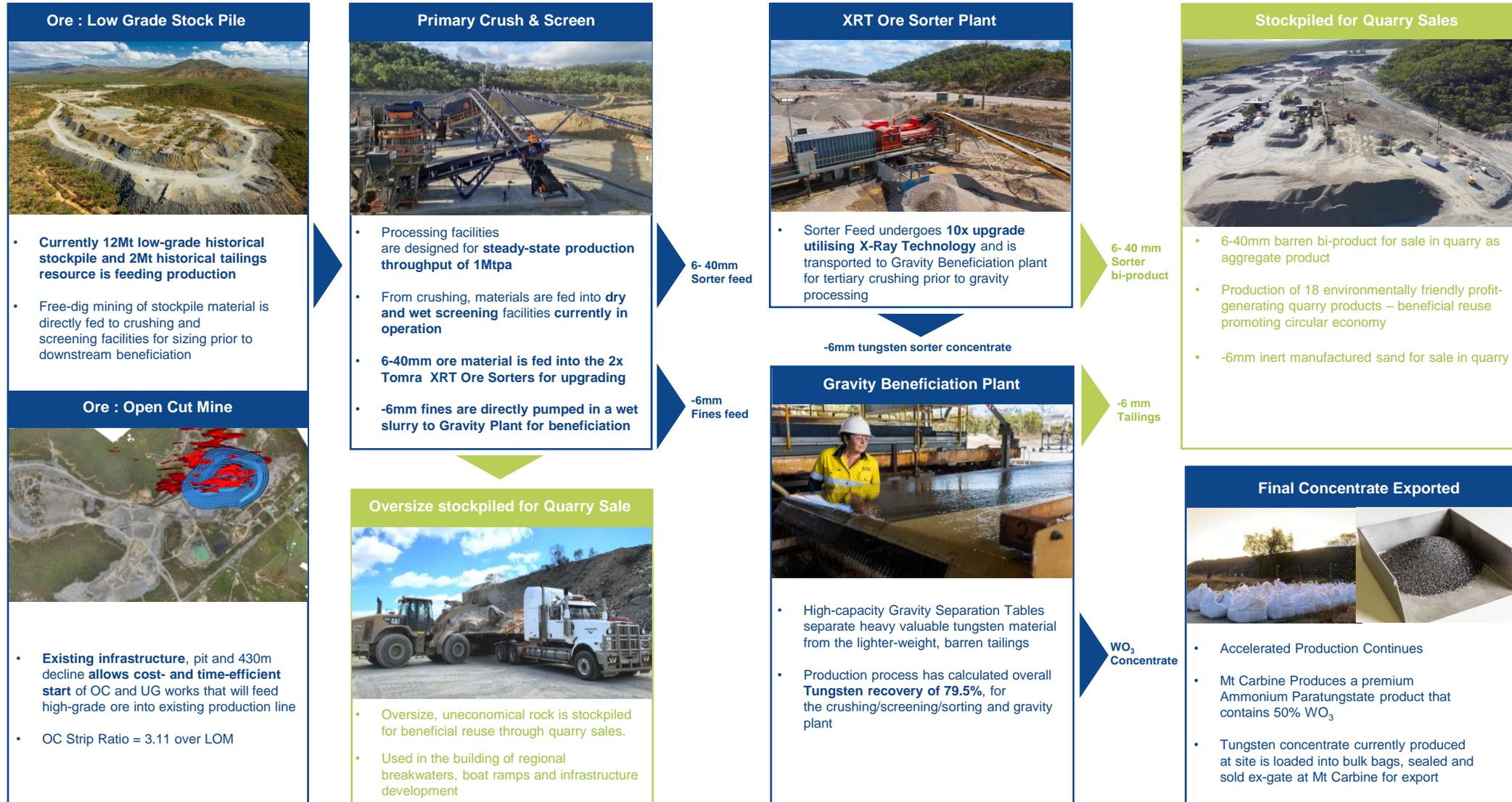
Beneficial Reuse of waste product promotes **Circular Economy commitment** in-line with QLD Government initiatives while generating \$4 million gross revenue in 2020/2021.



Mt Carbine Operations & BFS Update

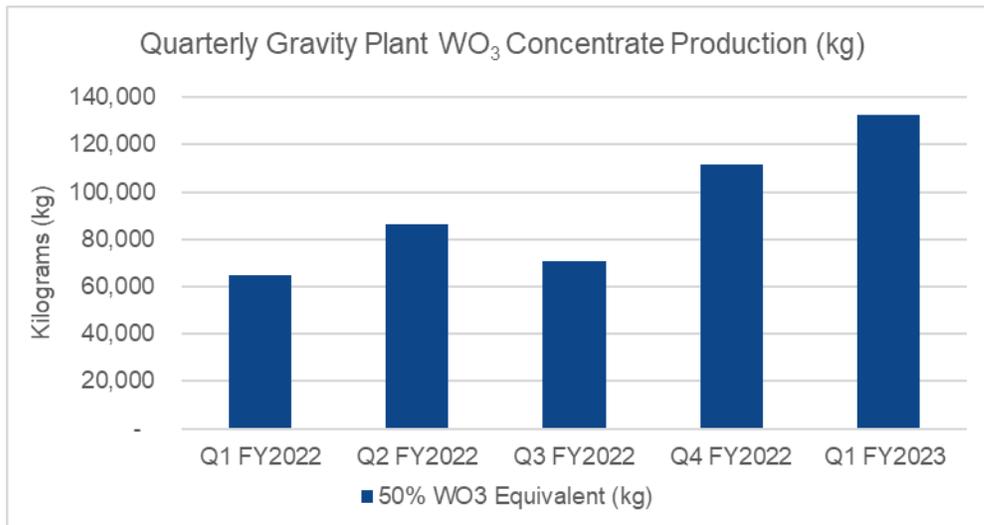
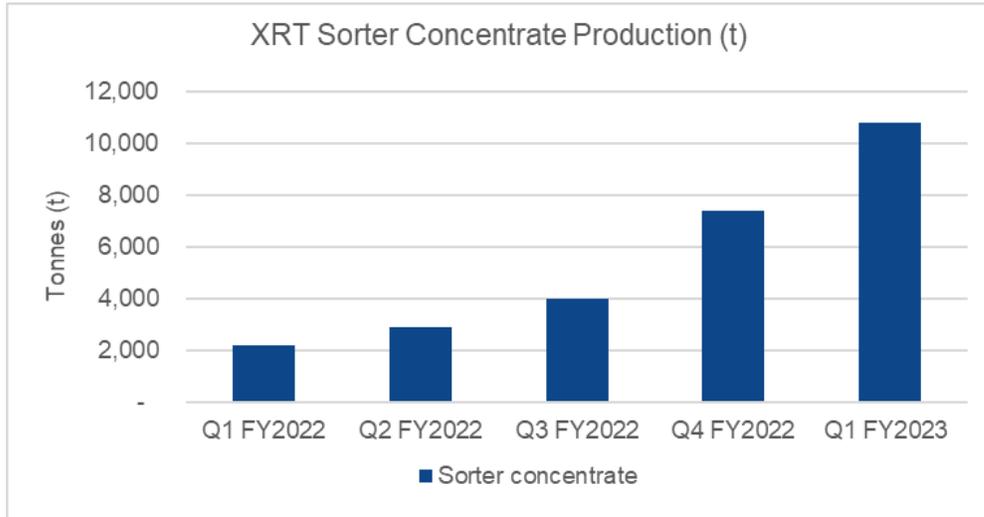
Mt Carbine Process Flowsheet

Technologically driven | Economically proven | Actively Producing | Consistently Selling | Environmentally Responsible

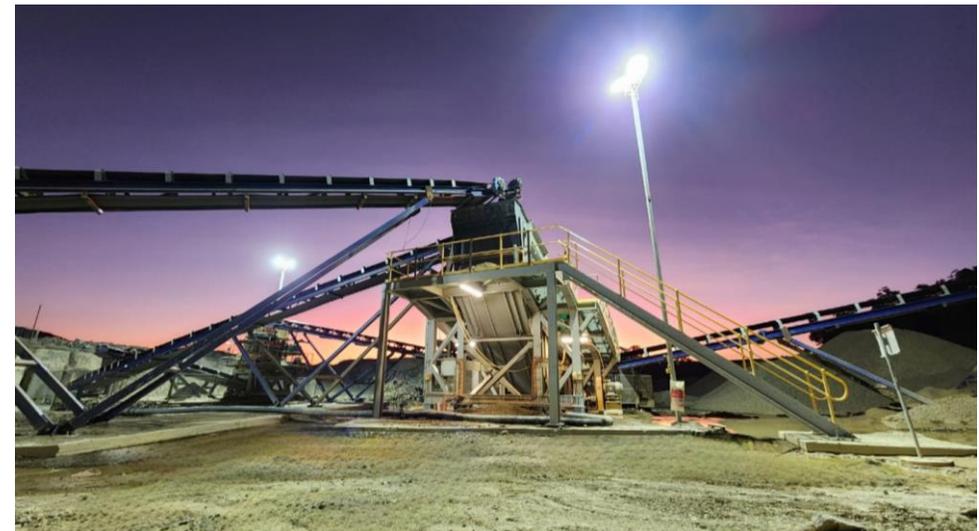


Technologically Driven, Economically Proven

Overcoming Western World difficulties using Sensor Based Sorting



- ✓ Quarter-on-quarter growth for all production areas (operating on a 24/7 basis)
- ✓ Early Works capital projects benefiting production outputs
- ✓ Phase 1 Crushing/Screening plant production outputs growing monthly
- ✓ Two TOMRA XRT Sorters fully operational driving concentrate output
- ✓ Gravity processing plant benefiting from higher quality material with BFS planned recoveries being achieved
- ✓ Skilled workforce in place, HSET Systems established and strong



Mt Carbine Ore Reserves - Increase by 29%



September, 2022	Orebody	Reserve Classification	Tonnes (Mt)	Grade (%WO ₃)	WO3 (Mtu)
	Low Grade Stockpile		LGS - Proved	-	-
		LGS - Probable	10	0.08%	
In- Situ		Open Pit - Proved	-	-	1,155,000
		Open Pit - Probable	3.50	0.33%	
All	TOTAL		13.50		1,905,000

December, 2021	Orebody	Reserve Classification	Tonnes (Mt)	Grade (%WO ₃)	WO3 (Mtu)
	Low Grade Stockpile		LGS - Proved	-	-
		LGS - Probable	10.13	0.075%	
In- Situ		Open Pit - Proved	-	-	898,380
		Open Pit - Probable	1.26	0.713%	
All	TOTAL		11.39		1,658,130

+29%

Key take-aways:

- Increase in Reserves by 256,000 Mtu in a smaller pit design as we bring in the 'halo' ore
- Pit designed so 95% of this increase comes into Year 1
- Strip Ratio drops from 11:1 to 3:1
- Reserves are anticipated to grow into Phase 3 Pit

For further details refer to ASX Announcement dated 16 September 2022: [Material Increase In Mount Carbine Ore Reserve](#)

Compelling Economics

Strong BFS Update enhanced by 29% Open Pit Reserve Upgrade



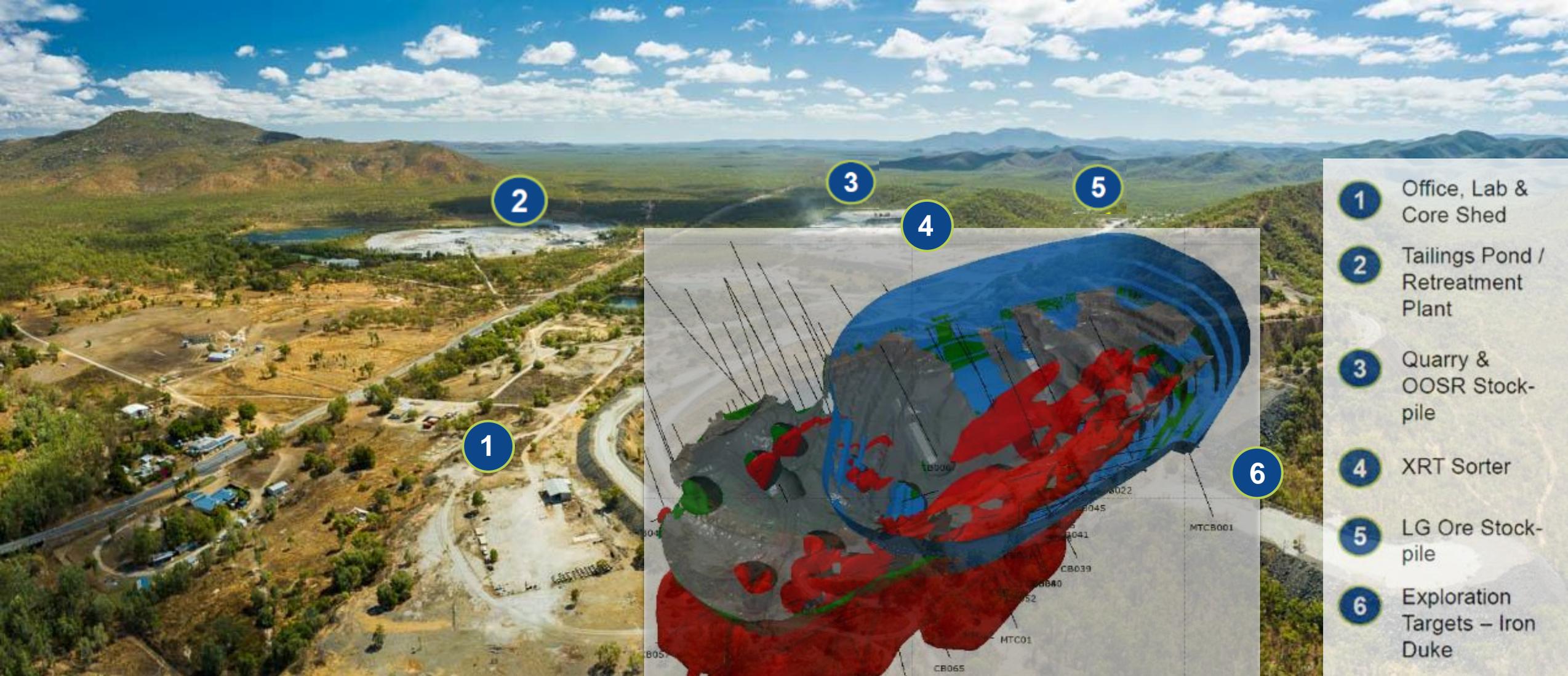
Comparison of Consolidated Project Economics

Parameter	Unit	Initial BFS (December 2021)	Updated BFS (November 2022)	
Capital Cost	A\$m	22.9	21.4	
Pre-tax NPV_{8, real}	A\$m	131	210*	
IRR _{Project}	%	154	397**	
Total Cash Cost (FCA)	US\$/mtu	113	118***	
NPV / Capex Ratio	x	5.7	9.8	
Payback Period	years	2.25	1.5	
Strip Ratio	(Waste:Ore)	11.1:1	3.1:1	
Concentrate Produced	(t / 50% WO ₃)	26,680	30,960	

* NPV shown as Project NPV; NPV attributable to EQR as 50% portion of Joint Venture Scope and 100% of additional ore recovered from Open Pit results to \$173 million

** Driven by the CMAI \$6 million grant, lowering baseline investment amount for the Company

*** AUD/USD average exchange rate of \$0.688 over the life of project was used for currency conversions



- 1 Office, Lab & Core Shed
- 2 Tailings Pond / Retreatment Plant
- 3 Quarry & OOSR Stockpile
- 4 XRT Sorter
- 5 LG Ore Stockpile
- 6 Exploration Targets – Iron Duke

Mt Carbine Expansion & Development Plan

100% owned by EQ Resources

Mt Carbine Phased Development Plan

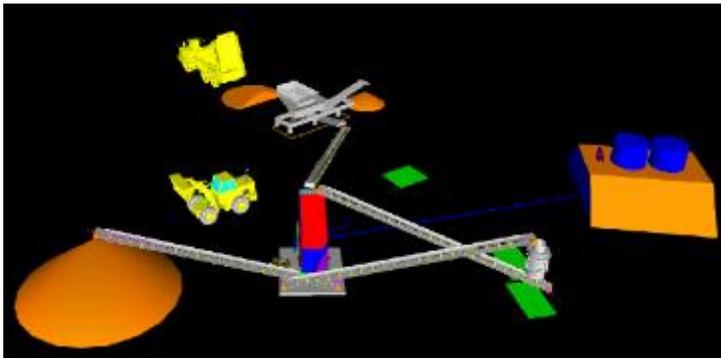
Includes integration of open pit and processing facility modernisation

BFS Scope

Stage 1

Focus: Minimal capital expenditure, incremental improvements to increase the mine's productivity and profitability focusing solely on the mining and processing of the Low-Grade Stockpile.

Stage 1 Crushing and Screening Circuit Design



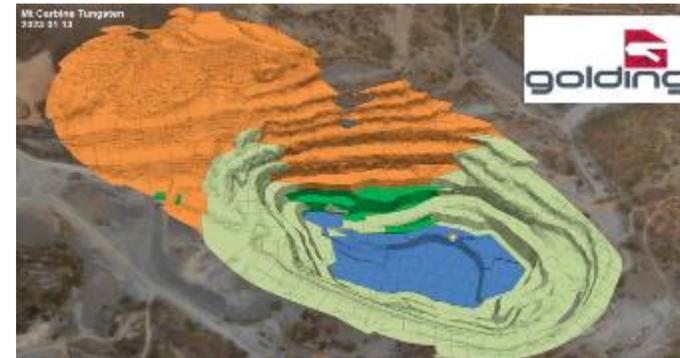
Stage 1 Crushing and Screening Circuit in production



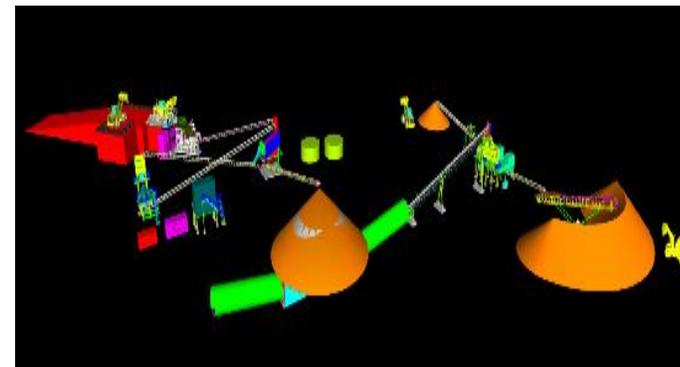
Stage 2

Focus: Commencement of open pit mining. Crushing and screening plant and processing plant will be upgraded to further reduce operating costs and improve the tungsten recovery from the open pit high grade ore.

Stage 2 Projected pit encompassing additional resource



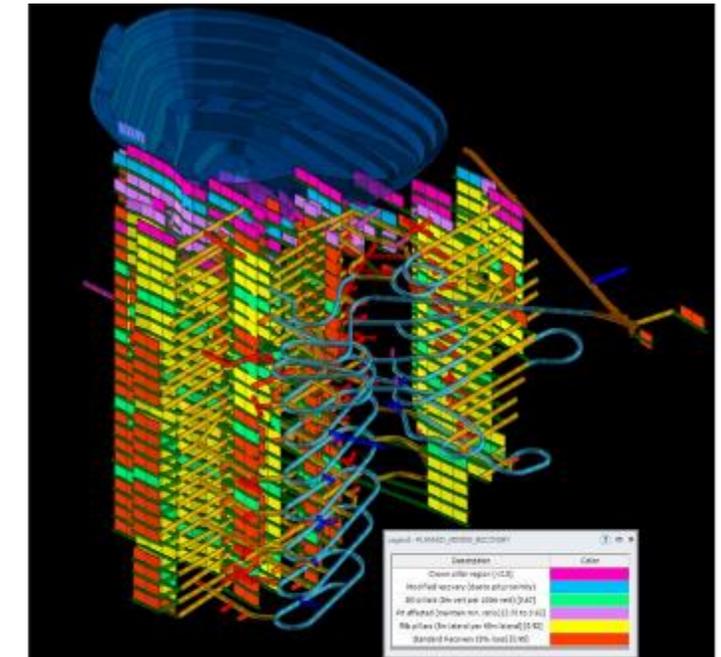
Stage 2 Crushing and Screening & Sorting Circuit Design



Stage 3

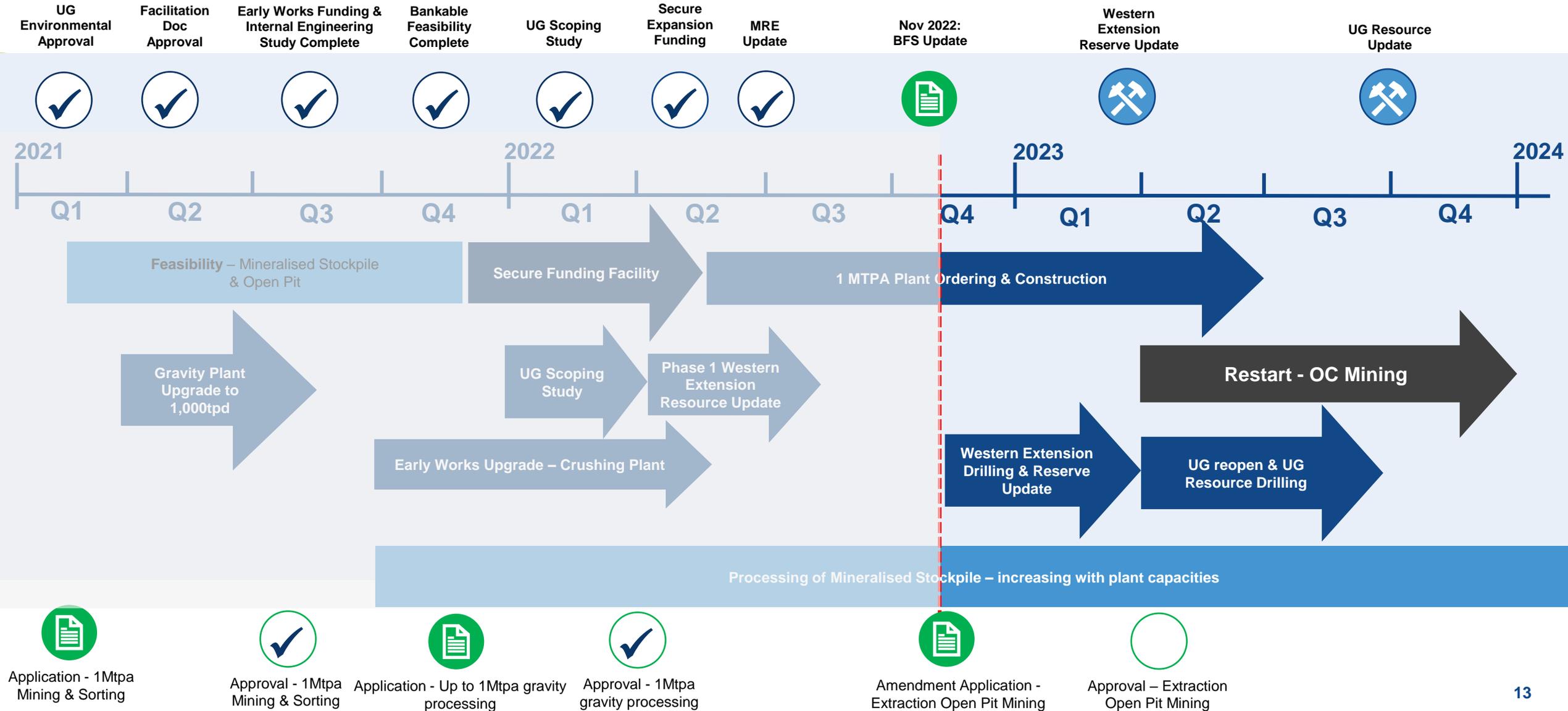
Focus: Underground Mining; >82% of current Mineral Resources are not in the Open Cut BFS but rather sit below the planned pit & in the Iron Duke Formation. A full scoping showed a long-life Underground Mine has potential and EQR should complete a PFS on this option.

Stage 3 Projected additional underground resource



Development Timeline

Phased approach for early cash flow, with continuous Resource development

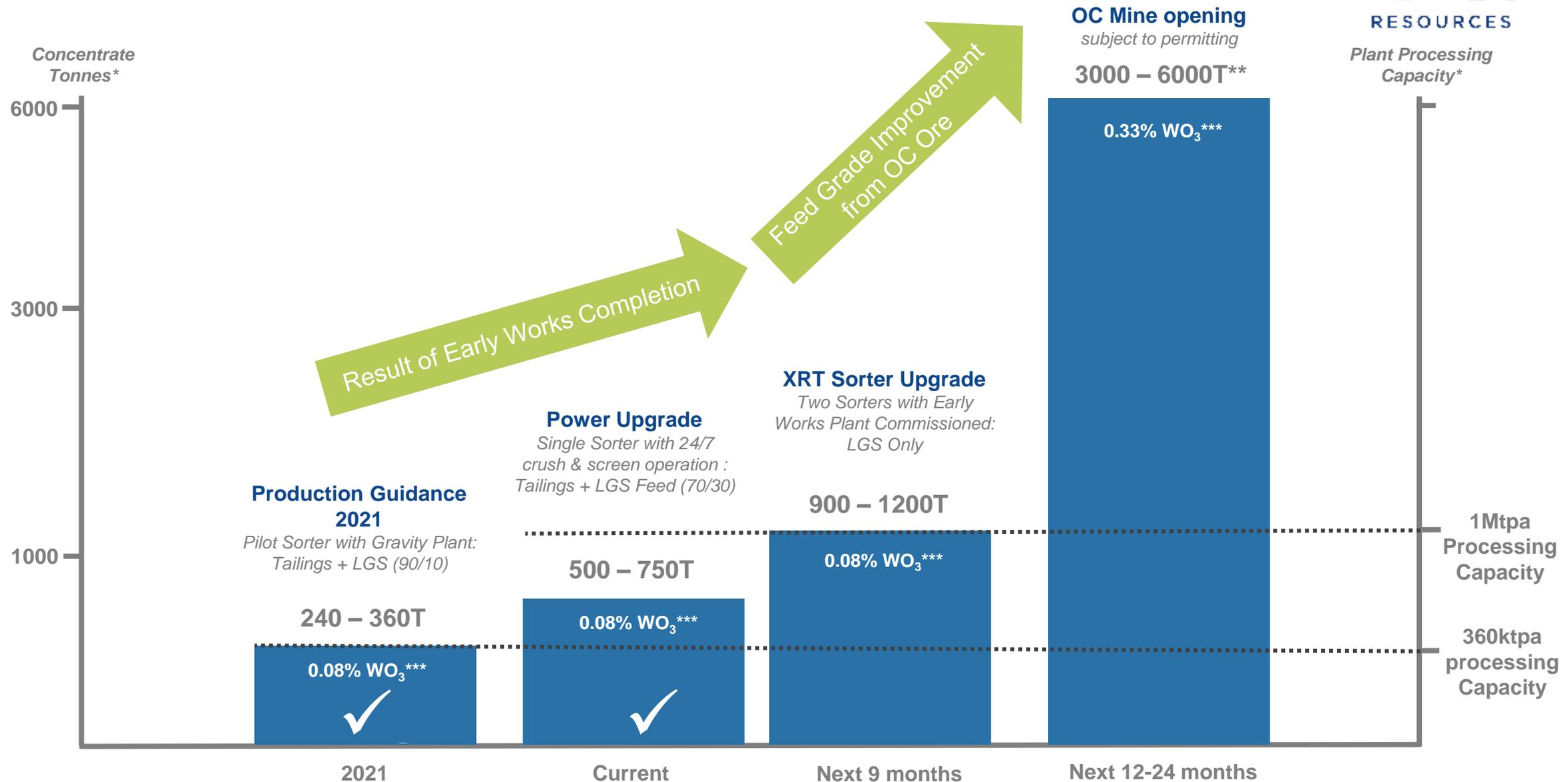


Mt Carbine Production Ramp-Up



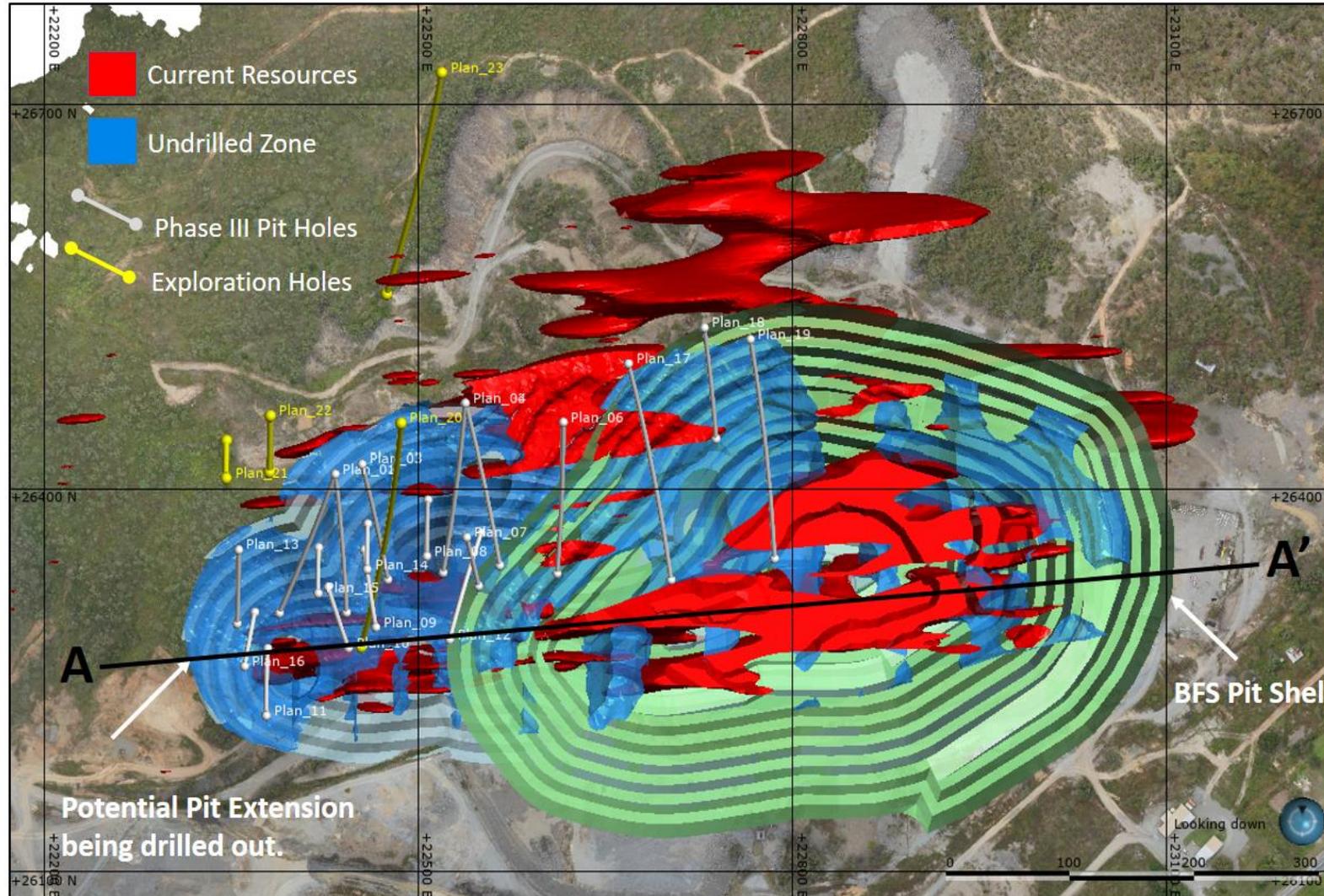
RESOURCES

Plant Processing Capacity*



*Basis 50% WO₃ concentrate // **Based on new pit design // ***Actual / estimated feed grade

Phase 2 2022 Drilling Program - Key Objectives

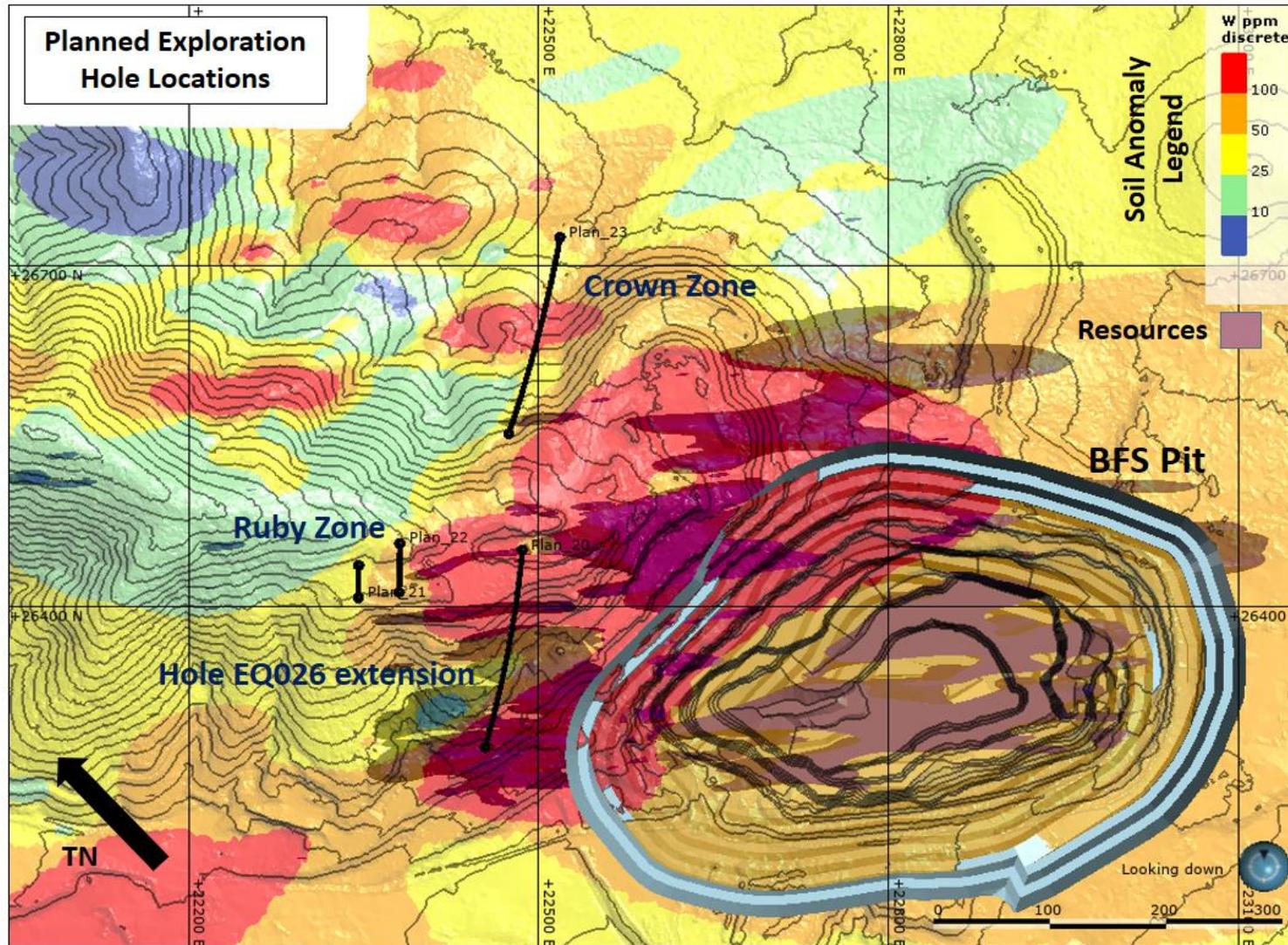


First

Resource Drilling - 19 holes

- Increase Indicated Resources in the western area
- Fills in the gaps in Dyke West Zone & Main BFS Pit
- Could add up to 4 years to open pit mine life

Phase 2 2022 Drilling Program - Key Objectives

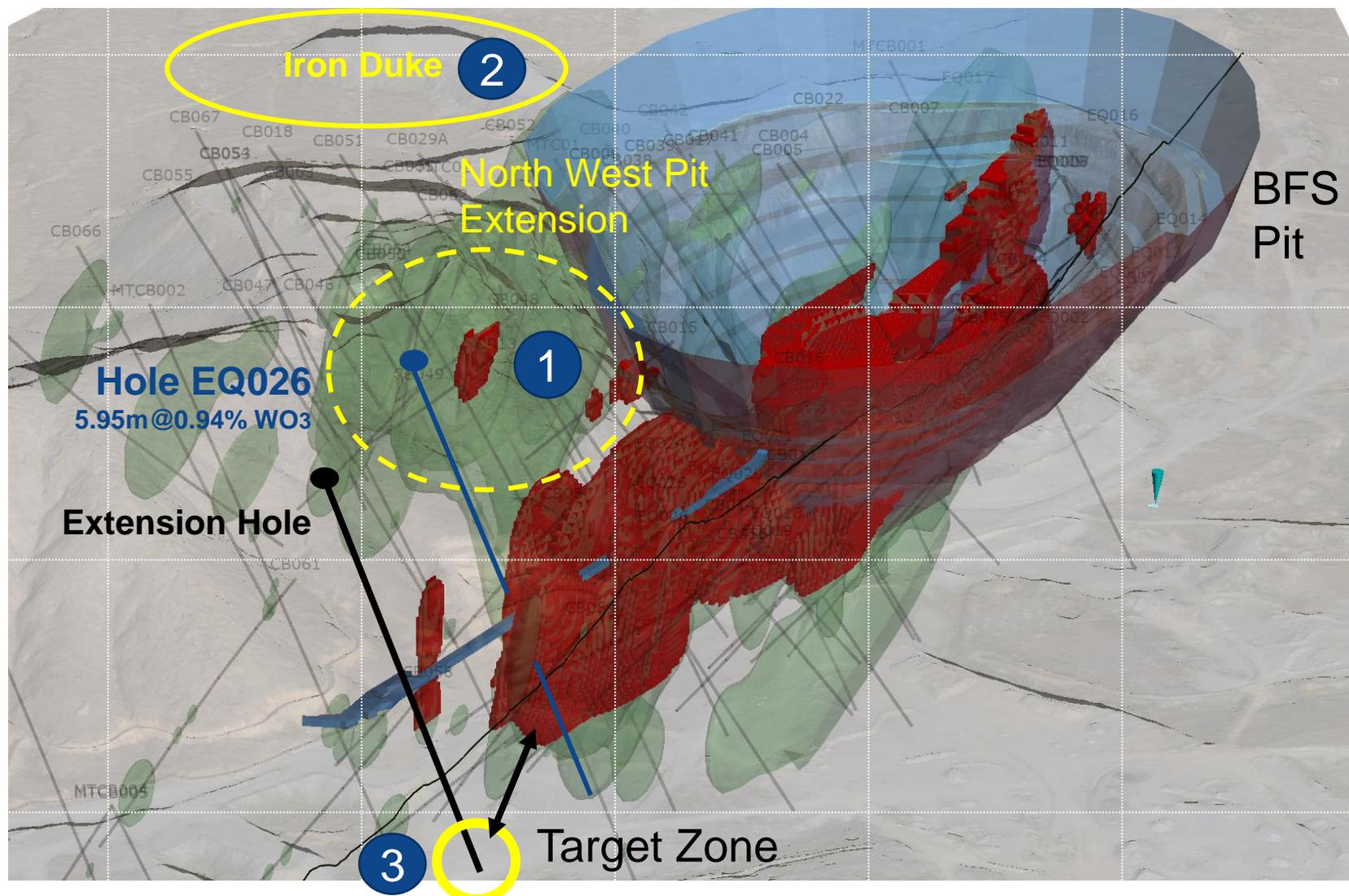


Second

Exploration Drilling - 4 holes

- Explore new high-grade vein discoveries; Located in soil sampling within the Iron Duke System (Ruby & Crown Veins)
- Explore around previous high-grade intersect in Hole EQ026 (5.95m@0.94%WO₃)

Exploration Drilling Overview



Summary

- 1 Resources
 - Target to bring in more Resources in western pit for further pit expansion
- 2 Exploration
 - Iron Duke zone
 - Hole EQ026 depth extents
- 3

Strategically Aligned With Key Stakeholders



Endorsement Through Funding & Grants

Strong support for critical minerals projects in Australia



Queensland METS Collaborative Projects Fund (METS Ignited) ASX Announcement 24 July 2020: [Government Support for Mt Carbine Mine Waste Transformation Initiative](#)
Advanced Manufacturing Growth Center (AMGC) ASX Announcement 25 January 2022: [Federal Government Co-Invests in High-Tech Ore Sorting](#)
Critical Minerals Accelerator Initiative (CMAI) ASX Announcement 19 September 2022: [Federal Government Funding for Mt Carbine Reconfirmed](#)

Mt Carbine Achievements



Site Contact:

Kevin MacNeill
Chief Executive Officer
T: +61 438 542 260
E: kmacneill@eqresources.com.au

Investor Relations:

Peter Taylor
NWR Communications
T: +61 412 036 231
E: peter@nwrcommunications.com.au

Registered Office:

Level 4, 100 Albert Road
South Melbourne, VIC 3205
Australia
E: info@eqresources.com.au

Mt Carbine Office:

6888 Mulligan Highway,
Mt Carbine Qld 4871
PO Box 1496, Mareeba Qld 4880
www.eqresources.com.au

Follow us on  

