

29 November 2023

EQR RECEIVES SPANISH FOREIGN INVESTMENT APPROVAL FOR LEADING TUNGSTEN MINE

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns, Australia's leading primary tungsten producer. It has entered into a conditional agreement to acquire 100% of the Barruecopardo Tungsten Mine in Spain¹.

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that it has reached an important milestone in the acquisition of Spanish tungsten mining company, Saloro S.L.U. ("Saloro"), owner of one of the most significant tungsten mines in Europe.

The Spanish Ministerial Council has given approval for EQR's 100%-owned subsidiary, European Tungsten Pty Ltd, to acquire Saloro, owner of the Barruecopardo tungsten mine, located in Castilla y León, Salamanca Province, in north-west Spain. This approval followed the positive clearance of the transaction by the Spanish antitrust agency.

The approvals are a major step forward in the joining of the two tungsten mines under the ownership of EQR and a condition precedent in the purchase of Saloro from leading global private equity manager, Oaktree Capital, as announced by the Company in August¹. Further conditions precedents are being worked through by EQR and Oaktree, to formally close the transaction within the coming days.

As part of the agreement with EQR, Oaktree will subscribe for 278 million new ordinary shares in the Company at an issue price of \$0.09 per share, amounting to an investment of \$25 million. As a result, Oaktree will become a substantial shareholder in EQR with a holding of 15.86% (calculated as of the day of SPA signing¹).

The approvals also come as Saloro and EQR's Mt Carbine management teams have been making technical advances through a working committee examining the optimisation of the processing plant at the Barruecopardo operation.

EQ Resources Chief Executive Officer, Mr Kevin MacNeill commented: "We are delighted with the progress of the working committee, especially in addressing optimisation of the Barruecopardo processing plant. It's early days, but we are pleased with improving metallurgical recoveries through the early process stages. With the second XRT sorter to be delivered mid of December to site, Barruecopardo shall see further upside in both feed grades to the process plant and overall tungsten recovery."

"The geology teams are also making good progress related to the update of the Barruecopardo resource and reserve statements, as we needed to align them with the latest JORC Code. Both teams, in Spain and Australia, have gained significant knowledge through years of exploration and drilling at both sites, but also from ongoing mine production. We want to ensure all those findings are reflected in the updates."

¹ Refer to the Company's ASX announcement '[EQR Acquires Leading European Tungsten Producer, Saloro S.L.U., And Secures \\$25 Million Investment By Oaktree](#)' dated 10 August 2023.

Released on authority of the Board by:

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About EQ Resources Ltd

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.

About Saloro S.L.U.

Saloro S.L.U. is a Spanish tungsten mining company, located in a known tungsten district in western Spain. Saloro's Barruecopardo mine is in operation since 2019 and produces a high-grade tungsten (scheelite) concentrate. In cooperation with EQ Resources the company aims at further developing the reserves, extend the regional exploration, within the own tenement area and beyond. The ore-sorting and other technologies are expected to further increase the production output.

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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