

DRILLING COMPLETED AT TELEPHONE LINE GOLD PROSPECT

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns, Australia’s leading primary tungsten producer. The Company also holds two gold exploration licenses in New South Wales.

EQ Resources Limited (“EQR” or “the Company”) is pleased to announce that a 511m percussion drill program was recently completed at the Telephone Line Prospect at Panama Hat (EL8024). The work program was conducted by Sozo Resources Pty Ltd (“Sozo”) and is in line with the Farm-In and Joint Venture Agreement entered into between the Company and Sozo in November 2021 (see ASX announcement ‘[EQR Farms-Out NSW Projects To Focus On Mt Carbine Tungsten Mine](#)’ dated 25 November 2021).

EL8024 Panama Hat is located approximately 25 kilometres southeast of Broken Hill and covers the historic Huonville Goldfield. The drill program consisted of 7x Reverse Circulation (“RC”) holes (TLRC001 - 007) for 458m targeting gold bearing structures in historic costeans and 7x Air Core (“AC”) holes (TLAC001 – 007) for 53m targeting a gold in soil anomaly positioned south of the main line of gold workings. The drill program was designed as a reconnaissance drill campaign with the main aim to determine if there is an oxide gold component positioned within the top 40m of basement. A total of 220 samples have been submitted to ALS Laboratory in Brisbane, QLD and results are expected in January, 2023.

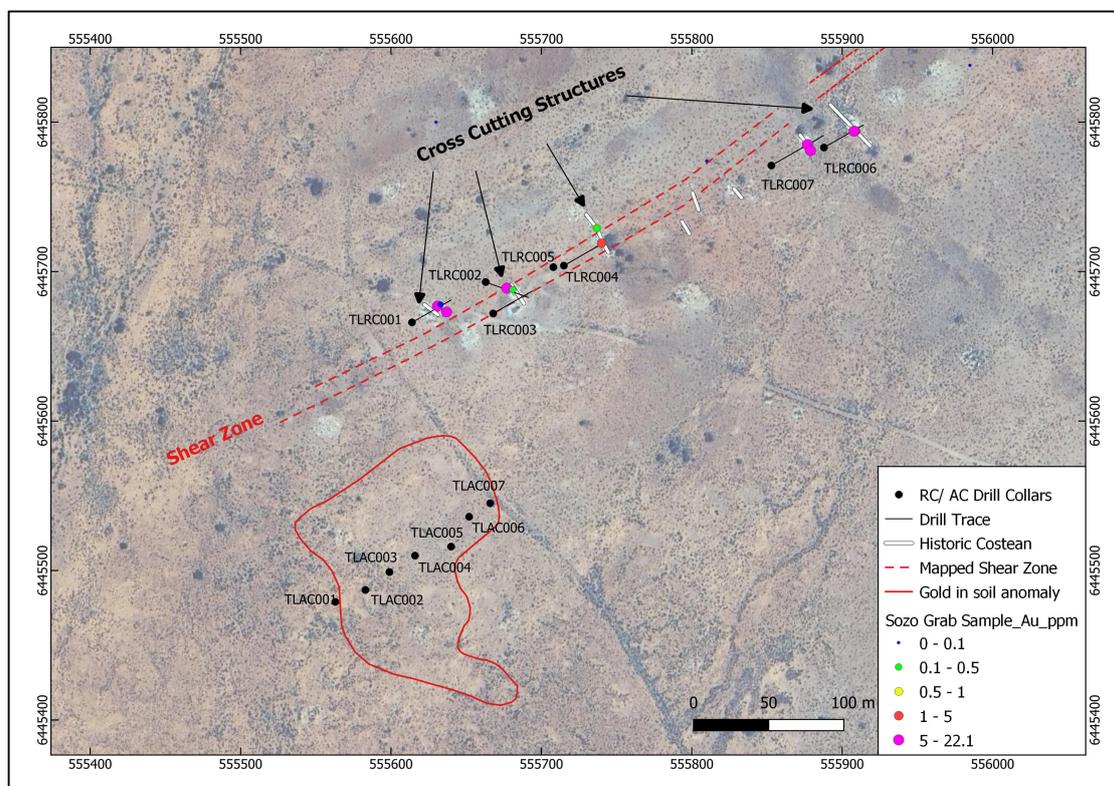


Fig.1 - Drilling completed at Panama Hat, Telephone Line Prospect

EL8024 Panama Hat License

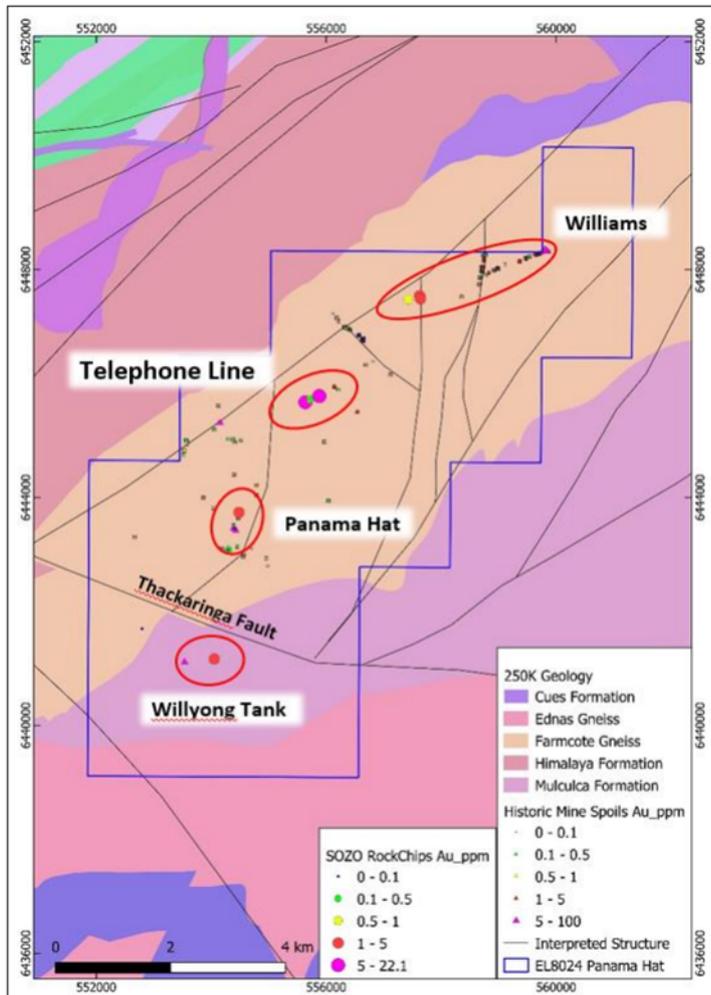


Fig.2 - Panama Hat historical workings and 250K geology. Rock chip samples from 2021-2022 reporting period also shown.

Multiple targets characterised by surface and shallow underground workings developed on high-grade gold-bearing sulphidic quartz veins that have not been systematically explored in the past, including drilling at depth beneath the workings.

The primary exploration target within EL8024 is an arcuate “line of lode” around 8km long in which quartz vein outcrops and old workings extend southwest to northeast across the tenement. The quartz blows were mined for gold starting in the depression years up till around 1950 with the Panama Hat mine the most successful of these mines.

Many of the workings have vein material around them that grade up to 35.1g/t Au and show consistency in vein direction and orientation.

Four priority gold targets have been identified: **Williams, Panama Hat, Willyong Tank and Telephone Line.**

At **Williams**, three shafts (>15 - 20 metres deep) have been sunk over 480 metres strike length onto a series of ENE-trending sulphidic quartz veins within a host rock sequence of amphibolite and schist. Sampling of mine spoils returned values up to 30g/t gold, 9.3g/t silver (Sample No.

CAP2815). Williams occurs within the northern portion of the tenement and appears to have had little or no follow-up.

At **Panama Hat**, multiple shafts, surface workings and costeans have been developed along a NNE-striking 900 metres long zone of sulphidic quartz veining. Significantly, the prospective zone marks the surface expression of a NNE-striking fault that has developed as a splay of the regional scale Thackaringa Fault Zone. Sampling of mine spoils returned values up to 34g/t gold (Sample No. CAP2742a) and rock chip sampling of outcropping vein material returned values up to 30.7g/t gold, 13.9 g/t silver (Sample No. 88154).

At **Willyong Tank**, a shaft (>25 metres deep) and numerous other shallow pits have been developed over an 800 metres long EW-trending zone of area of pyritic quartz vein material. Rock chip sampling by the Company in 2017 returned values up to 35.1 g/t gold (Sample No. AW PH10). There appears to be no previous drill testing of the target.

At **Telephone Line**, several shafts (>30 metres deep), pits and costeans have been developed along a NE-trending zone of sulphidic quartz veins. Rock chip sampling by the Company in 2017 returned values up to 29.2 g/t gold (Sample No. AW PH22). There appears to be no previous drill testing of the target.

EQ Resources Chief Executive Officer, Mr Kevin MacNeill, commented: “We are excited that Sozo is moving into the drilling phase at Panama Hat and look forward to results from this campaign. The Broken Hill district is an attractive region for investigation using modern exploration techniques and models not available to previous explorers.”

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.

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 and 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 mineralisation and type of deposit under consideration and 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 exploration results are based on, and fairly represents, information compiled under the supervision of Mr Tony Bainbridge by Mr Damien Mizow (Principal Geologist – Orbis Resources Pty Ltd, JV Partner). Mr Bainbridge has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying this information. The drill samples are being assayed by ALS Laboratory in Brisbane using relevant assay techniques approved by Mr Bainbridge. Mr Bainbridge has consented to the inclusion in this release of the matters based on his compiled information in the form and context in which it appears in this announcement.

The material in this press release is not related to the Mt Carbine Tungsten Deposit and has no effect on the last resource / reserves announced for the Mt Carbine Deposit in the September Quarterly Report, 2023 released on the 31st October, 2023.

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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