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3 June 2024

MT CARBINE INFILL DRILLING REVEALS ADDITIONAL HIGH-GRADE ORE IN STAGE II WASTE CUTBACK AREA

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

Highlights:

- The Iolanthe and Bluff Vein Systems have been the target of the main Stage II Pit mineralisation where the main orebody sits at 325m RL and below.
- Additional 16 RC drill holes completed at 10m spacing into the Iolanthe Vein System, defining mineralisation boundaries for Stage II Pit cutback process.
- Vein intersections with true widths of 0.3-2.5m and WO_3 grades ranging from 0.5% to 5.03%:
    - Significant results include 22m @ 0.39% WO_3 and 9m @ 0.84% WO_3 (243m RL and 253m RL respectively).
- Mineralisation discovered is higher up in previously undrilled areas, transforms what was considered waste into high-grade ore during Stage II Pit cutback from 368m RL to 325m RL.
- Findings enhance ore quality during cutback, with a focus on undrilled areas in coming months.

EQ Resources Limited ("EQR" or "the Company") is pleased to announce the results of a further 16 Reverse Circulation (RC) drill holes targeting previously undrilled upper benches of the Andy White Open Cut.

RC DRILL HOLE SUMMARY (SIGNFICANT RESULTS)					
Hole	Vein	From (m)	To (m)	Interval (m)	Grade (WO_3%)
EQRC220	Iolanthe	0	4	3	2.00
EQRC221	Iolanthe	21	22	1	1.01
EQRC223	Iolanthe	16	17	1	1.14
EQRC224	Iolanthe	14	15	1	0.72
EQRC225	Iolanthe	4	5	1	0.50
EQRC226	Iolanthe	4	7	3	0.69
EQRC227	Iolanthe	3	4	1	0.60
EQRC229	Iolanthe	4	5	1	0.53
EQRC230	Iolanthe	7	10	3	0.65
		12	13	1	0.78
EQRC232	Iolanthe	4	26	22	0.39
Including		7	8	1	1.02
		9	10	1	2.18
		14	15	1	1.37
		20	21	1	1.31
EQRC235	Iolanthe	9	10	1	0.93
		13	22	9	0.84
including		13	14	1	1.00
		14	15	1	5.03

Table 1 - Significant Zones of Mineralisation Highlighted in Blue (See Individual Hole Details in Appendix 1)

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In April, the Company announced the results of a first 9 RC holes revealing high-grade zones in Stage II Pit, making this infill drill program a great success so far (see ASX announcement 'Mt Carbine Infill Drilling Reveals High-Grade Zones in Stage 2 Pit' dated 30 April 2024).

EQR's Chief Geologist, Tony Bainbridge, commented: "Finding some high grade ore in the south east cutback will help during the Stage II strip as this area was previously undrilled and considered waste. We have a number of undrilled areas in the planned Stage II Pit and these will be our focus in the coming months as we begin the cutback. The close spaced RC drilling really gives us a good handle on understanding the vein zones."

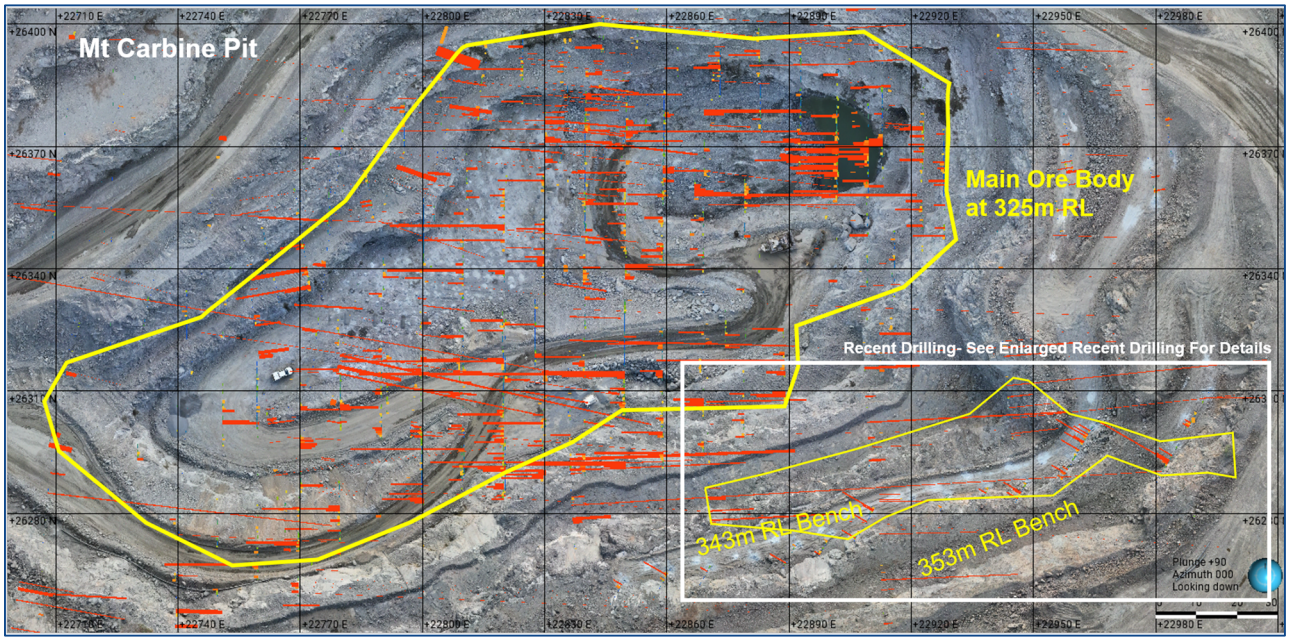

Figure 1 - Aerial View of the Mt Carbine Pit and Main Ore Body at 325m RL with Recent Drilling Shown on Upper Benches.

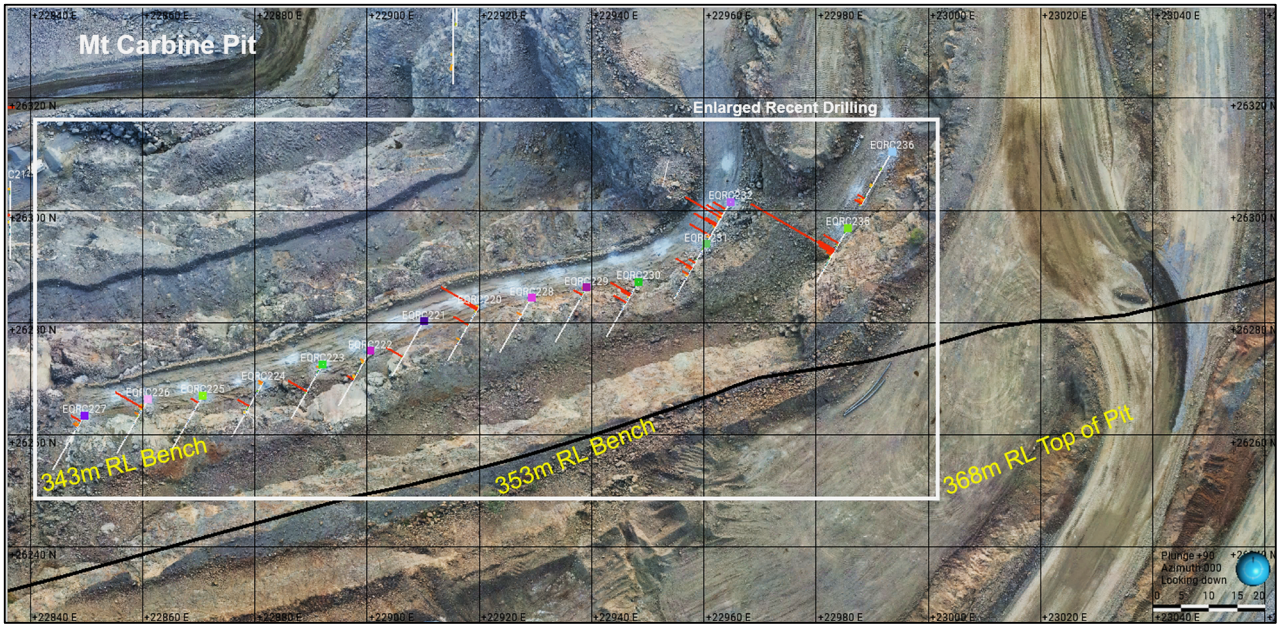

Figure 2 - Enlarged Recent Drilling. Recent Drill Locations Indicated As White Lines on the 343m RL & 353m RL Bench. Grade Intercepts Above 0.5% WO_3 Are Illustrated With Red Histograms.

The purpose of this drilling was to target the zone from the current pit floor at 325m Reduced Level (RL) up to the top of the pit at 368m RL in order to define the boundary of mineralisation as part of the Stage II Pit cutback.

Previously this was considered to be a planned 7 month strip back with 2.8Mt of waste stripping in our planned Stage II expansion (see Mt Carbine Expansion Project Bankable Feasibility Study 2023 Economic Update). By gaining entry to one of the upper benches previously inaccessible, we were able to drill limited holes at the 343m and 353m RL's revealing the suspected mineralisation higher up in the pit wall.

Although the main ore body is reached lower down at the 325m RL, it is pleasing to see that some of the stronger veins still carry grade higher up into the 343m RL and 353m RL levels. This is particularly the case for the main Iolanthe zone (a splay off of the Bluff vein system).

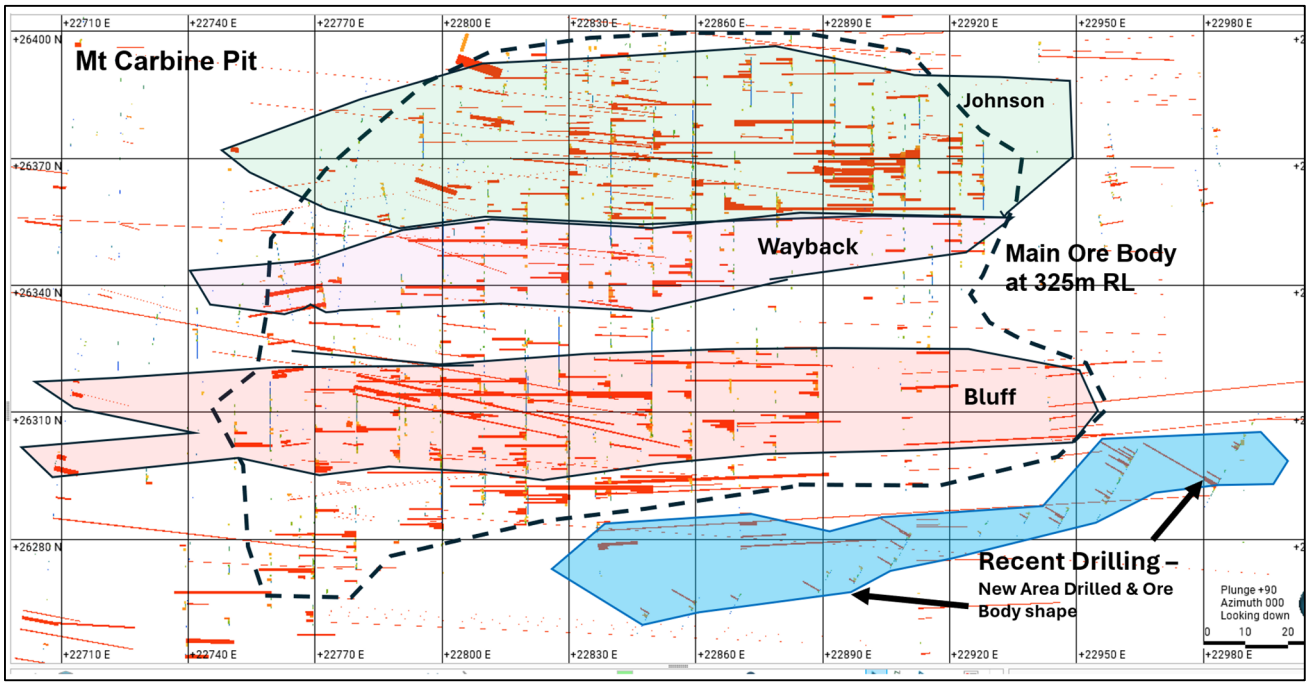

Figure 3 - Recent Drilling Shaded in Blue. Grade Intercepts Above 0.5% WO_3 Illustrated in Red Histograms.

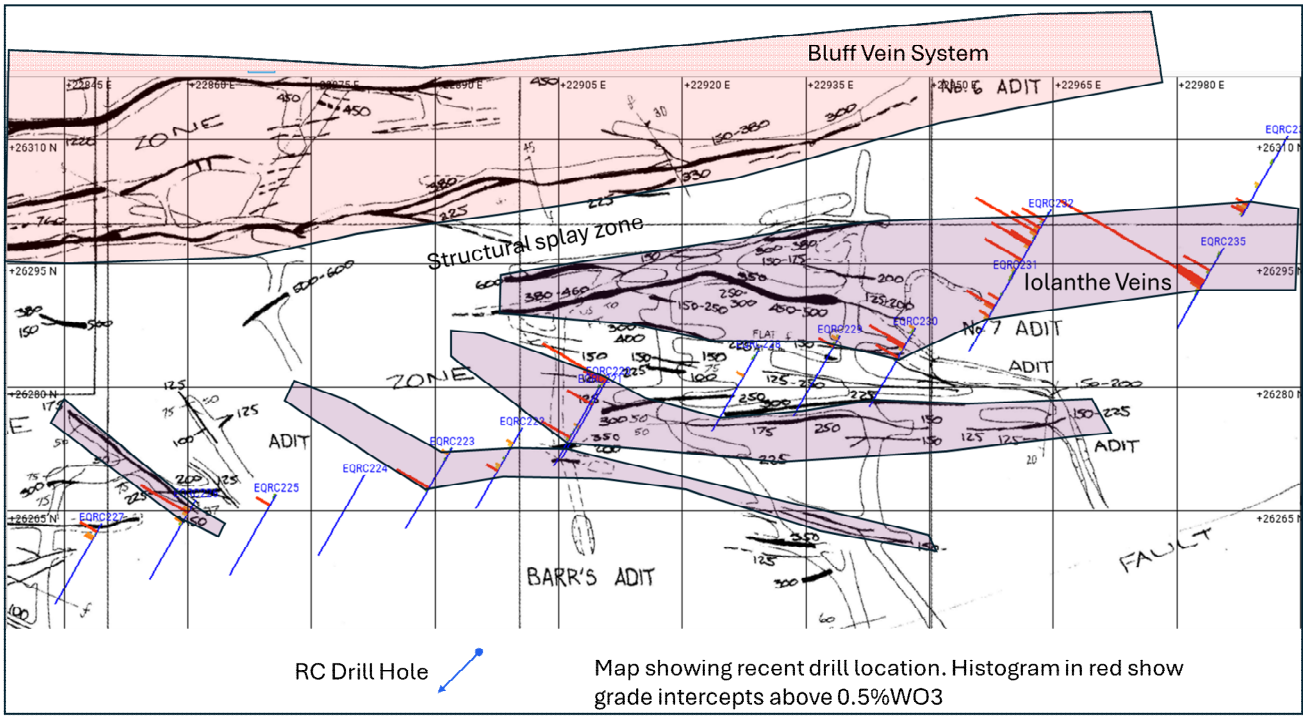

Figure 4 - Recent Drilling Indicated by Purple Lines. Grade Intercepts Above 0.5% WO_3 Illustrated in Red Histograms.

Figure 4 shows the mapping of the recent drill holes in purple. The results above 0.5% WO_3 are shown as histograms in red on the drill traces. The red shaded area is the main Bluff Vein System. Refer to Figure 3 to see corresponding red histograms of grades in the Bluff.

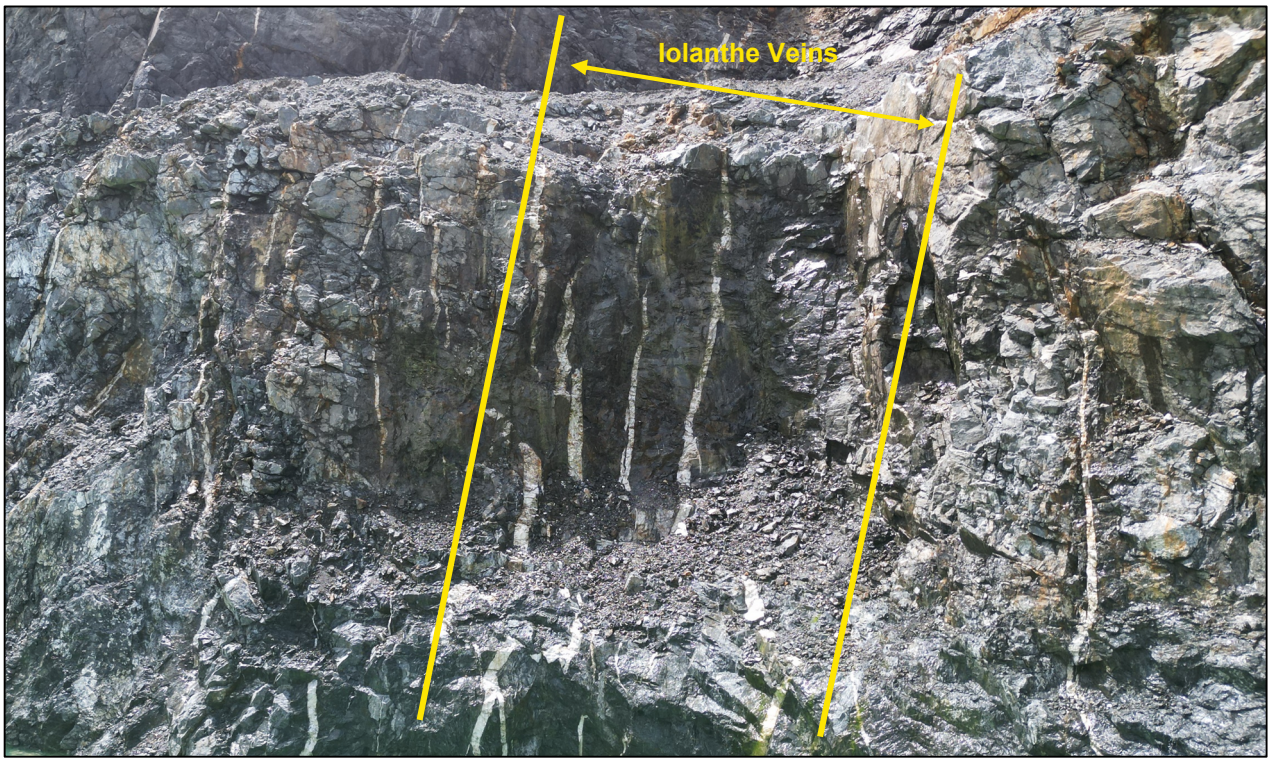

Figure 5 - High-Grade Iolanthe Vein Zone Visible on the Wall of the Pit Outlined In Yellow.

This drilling program is complementary to the 2024 Diamond Drilling Campaign announced earlier in the year, (see ASX announcement 'Major Drilling Campaign at Mt Carbine to Infill Underground Resources and Explore Extents of Known High-Grade Resources' dated 30 Januray 2024).

Released on authority of the Board by:

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Chief Executive Officer

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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 mineralisation 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 exploration results are based on, and fairly represents, information compiled by Mr. Bainbridge.

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 1 – Individual Assay Results

Mt Carbine - Significant Results											
Hole #	East	North	RI	EOH	Dip	Azm	From	To	WO_3 %	Interval	WO_3 %
EQRC220	22911	26281	336.55	33	-70	210	0	1	0.16		
							1	2	2.25		
							2	3	0.76		
							3	4	0.102	***4.00***	***0.82***
							11	12	0.893	1.00	0.88
							20	21	0.211	1.00	0.211
EQRC221	22910	26280	336.55	33	-70	210	21	22	1.017	***1.00***	***1.01***
EQRC222	22901	26275	336.38	33	-70	210	6	7	0.24		
							7	8	0.133	2.00	0.19
							15	16	0.179		
							16	17	0.121		
							17	18	0.397	3.00	0.32
EQRC223	22892	26273	336.12	33	-70	210	2	3	0.249	1.00	0.25
							16	17	1.148	***1.00***	***1.14***
EQRC224	22881	26269	335.85	33	-70	210	0	1	0.285		
							1	2	0.215	2.00	0.25
							14	15	0.721	***1.00***	***0.72***
							18	19	0.123	1.00	0.12
EQRC225	22871	26267	335.46	33	-70	210	4	5	0.496	***1.00***	***0.5***
EQRC226	22861	26266	335.27	33	-70	210	4	5	0.218		
							5	6	1.677		
							6	7	0.162	***3.00***	***0.69***
							9	10	0.281	1.00	0.28
EQRC227	22850	26263	335.54	33	-70	210	3	4	0.599	***1.00***	***0.60***
							5	6	0.244		
							6	7	0.284	2.00	0.26
EQRC228	22929	26284	338.01	33	-70	210	10	11	0.27	1.00	0.27
EQRC229	22939	26286	339.48	33	-70	210	0	1	0.102		
							1	2	0.225	2.00	0.16
							4	5	0.534	***1.00***	***0.53***
EQRC230	22948	26287	341.05	33	-70	210	0	1	0.206	1.00	0.21
							7	8	1.256		
							8	9	0.583		
							9	10	0.12	***3.00***	***0.65***
							12	13	0.782	***1.00***	***0.78***
EQRC231	22960	26294	342.89	33	-70	210	11	12	0.378	1.00	0.38
							14	15	0.998		
							15	16	0.324		
							18	19	0.362		
							19	20	0.14	8.00	0.29
EQRC232	22965	26302	343.66	33	-70	210	4	5	0.795		
							5	6	0.107		
							7	8	1.02		
							8	9	0.184		
							9	10	2.176		
							10	11	0.222		
							13	14	0.732		
							14	15	1.367		
							15	16	0.171		
							20	21	1.308		
							21	22	0.196		
							24	25	0.15		
							25	26	0.126	22.00	0.39
EQRC233	22980	26357	352.18	33	-70	350	5	6	0.198		
							6	7	0.716		
							7	8	0.157	3.00	0.36
EQRC234	22984	26368	353.8	33	-70	350	16	17	0.535	***1.00***	***0.54***
							20	21	0.181	1.00	0.18
							24	25	0.404		
							25	26	0.284	2.00	0.34
EQRC235	22986	26297	353.16	33	-70	210	9	10	0.933	***1.00***	***0.93***
							13	14	0.998		
							14	15	5.034		
							15	16	0.862		
							16	17	0.359		
							20	21	0.164		
							21	22	0.111	***9.00***	***0.84***
EQRC236	22994	26311	355.19	33	-70	210	28	29	0.434		
							29	30	0.184		
							30	31	0.313		
							31	32	0.443	4.00	0.34

- Note for grade control RC sampling the Company is using its own calibrated internal laboratory set up with a Thermo Scientific ARL Quant'X X-Ray Fluorescence Spectrometer that has been calibrated with official standards and has a 10% external QAQC program being applied to all assays. This machine however is not from a NATA accredited lab. See attached Table 1 from the JORC Code for full information on processing and QAQC details.
- Intervals in table represent downhole depth, not true thickness with no applied upper cut. The highlight (**bold**) intervals represent where King-Veins have intersected above 0,5% WO_3 grade. It should be noted drilling was completed at 70-degree dip and a high angle to the vein systems.

JORC Table 1 - Exploration Results

Section 1 - Sampling Techniques and Data

Criteria	Explanation	Commentary
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.*	Sampling was taken from a cyclone mounted on the side of the RC rig which provides a continuous split as the sample is taken. The sample locations were marked out using DGPS locator staff and sampling was taken as channel continuous sample of outcrop. The samples each represent 1m of drilling and generally weigh 5 kg of material that is P90 of -5mm. Between samples the hole is flushed with air between samples to avoid contamination between zones. A sieve is used to fill a sample tray with each trip tray box representing 1m. These chip trays are used to log the hole and are examined under blue light to see the presence of scheelite. The entire sample size is split down to 500gm charge which is then pulverized to 75 micron before 200gm is split into making up the representative sample.
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.).*	Reverse Circulation Drilling.
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.*	The samples were recorded on the maps and also on the digital survey instrument (Texas DGPS). There does not appear to be any link between sample recovery and grade.
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.*	Mapping occurred on floor bench outcrop and was mapped for alteration, geology, mineralisation and structure. The veins shown were measured for strike and continuity.

Criteria	Explanation	Commentary
Sub-sampling techniques and sample preparation	*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.* *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.*	The 5kg samples were crushed in Jaw initially and split at <5mm to get down to 1kg. Finer crushing then occurred until we could achieve a representative 500gm sample. This was pulverized in LM2 grinder and a subset of -200mesh powder of 200gm was split off. Approximately 10grams of this fine powder was then taken for assay internally using our own XRF analysis machine using full QAQC protocols.
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.*	The sample assay was taken with 10% of the samples in the batch were standards with known tungsten / Arsenic values. A further 10% blanks was inserted to ensure there was no carryover of sample nor any variance in the drift curve for the Thermofisher XRF machine.
Verification of sampling and assaying	*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*	Sampling was undertaken by Site Geological Team under the supervision of Tony Bainbridge chief geologists who has 42 years of experience in mining and exploration. The samples and methodology for these samples was also supervised by Tony Bainbridge as QP for the Mt Carbine Project. It can be verified the custody of the sample and that all QAQC was checked before these results have been reported here.
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.*	The samples collected are representative and our QAQC sampling in comparison to ALS laboratories in Brisbane Australia resides with 2% of their results during checks. A calibration curve is regularly checked for consistency in our XRF machine.
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.*	RC hole locations are shown in Figure 3 and detailed in Appendix 1. Spacing is considered sufficient to establish geological and grade continuity. No composites were used.

Criteria	Explanation	Commentary
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *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.*	All RC Holes are taken at a 65-70 degree dip with both dip and direction surveyed accurately. The veining in the pit is dominantly vertical and the high angle to the veins needs to be calculated in the estimations of zones.
Sample security	*The measures taken to ensure sample security.*	The sample is taken to the Company's internal laboratory on the same day as taken. The lab has a perimeter fence and secured during the night.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audit of the sampling has as yet been undertaken and it is planned to drill shallow percussion holes to validate this trench result.

Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The resource estimates reported herein are all within Mining Leases 4867 (358.5ha, expiry 31-07-2048) and 4919 (7.891ha, expiry 31-08-2049), held by Mt Carbine Quarries Pty Ltd. The Mining Leases lie within Brooklyn Grazing Homestead Perpetual Lease. Native Title has been extinguished in the Mining Leases by Deed of Grant.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	No previous examination of these results have been reported. Historical (1974-1987) mine records: A nearly complete record of mine production, including amounts of mined rock consigned to the LGS has been compiled using published and unpublished archives, including reporting for State Royalty returns.
Geology	*Deposit type, geological setting and style of mineralisation.*	<u>The Deposit</u> The Mt Carbine tungsten deposit is a sheeted quartz vein deposit. Many sub-parallel, sub-vertical quartz veins have been deposited in fractures developed in the host rocks metasediments in a zone that drilling and mapping of historical surface workings have shown to be approximately 300m wide and at least 1.4km long, trending at about 315 degrees. <u>Grade Variation</u> Sampling, drill core logging, geostatistical analysis of drill core assay data and mapping of the open pit have determined that all the material mined during the previous operation was mineralised to some

Criteria	Explanation	Commentary
		extent and that the mineralogy of the deposit was uniform. There is little doubt that the mineralogy of the stockpile material is identical to that mined and processed. The material in the stockpile comprises a single formation, the result of the alteration of Siluro-Devonian meta-sedimentary host rocks (Forsythe and Higgins, 1990). The amount of quartz veining varies within the mineralised zone and previous mining and exploration have been concentrated at the south-eastern end of the mineralised zone. It is well understood that there are high-grade zones within the mineralisation in this part of the deposit and that the higher-grade zones are surrounded by lower grade mineralisation. Interpretation of recent drilling suggests that the main high-grade zone may plunge to the north of the present open pit. The previous mine assumption that quartz vein abundance is directly correlated with grade is not supported by an independent review of quartz vein abundance and grade.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case*	See Appendix 1.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated*	The samples have been composited on a weighted average for the distance of each sample. No cut off grades were used.
Relationship between	*These relationships are particularly important in the reporting of Exploration Results.*	As the drilling is mainly at 65 degrees and the veins intersected are dominantly vertical it is necessary

Criteria	Explanation	Commentary
mineralisation widths and intercept length	*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	that the reader of such results understand they are not true widths reported but rather downhole intercepts which are taken into account in the modelling and resource reporting information provided.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Sample locations are shown in Figure 3.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The results of all the drilling at Mt Carbine had at one point or another been reported in the public forum and readers are asked to review these press releases for context. The immediately adjacent hole to this drilling is shown on the sections etc. All sample results collected have been reported including high and low intervals.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	N/A
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The company plans to continue to drill using an RC rig on a 10 x 10m pattern for grade control. All holes are at 65 degree dips.