

26th June 2023

FIRST BLAST AT MT CARBINE RESTARTS OPEN CUT PRODUCTION

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns.

EQ Resources Limited (“EQR” or “the Company”) is pleased to announce the first blast has occurred over the weekend in the Stage 1 of the expansion of the Andy White Open Cut. The blast was a 200-hole pattern for 42,000t, as a small blast for calibration of blasting parameters for the restart of the open pit mining operations at Mt Carbine (the “Project”). Following link to a video of the blast: [YouTube](#)

Orana Drill and Blast Pty Ltd (“Orana”) is the contractor engaged under Golding Contractors Pty Ltd (“Golding”) to manage and control all blasting at site. Last Wednesday two new Epiroc blast rigs were mobilized to site. These two rigs will focus on the blast hole drill out expected over the next 12-months and are planned to drill approximately 12,790 holes for 134,000m of blast hole drilling to load 1,010t of emulsion explosives.

Typically, a full blast will be a 325-hole and 2.5m x 2.5m pattern for approximately 60,000t per blast. Currently EQR has booked a regular weekly blast with Orica Ltd who will supply the explosives to site.

The Company intends to sample and assay the vertical drill and blast holes as well as the angled RC holes to provide as much information as possible to mark-up the ore zones accurately.

A grade control model has been commenced and to date is showing good correlation to the resource model, with expected ore grade being defined in the current zones drilled. This is a huge positive to see these extending upward to surface from the original diamond hole drill programs and continues to help better define our geological models.



Figure 1 - Orana Drilling Blast Holes

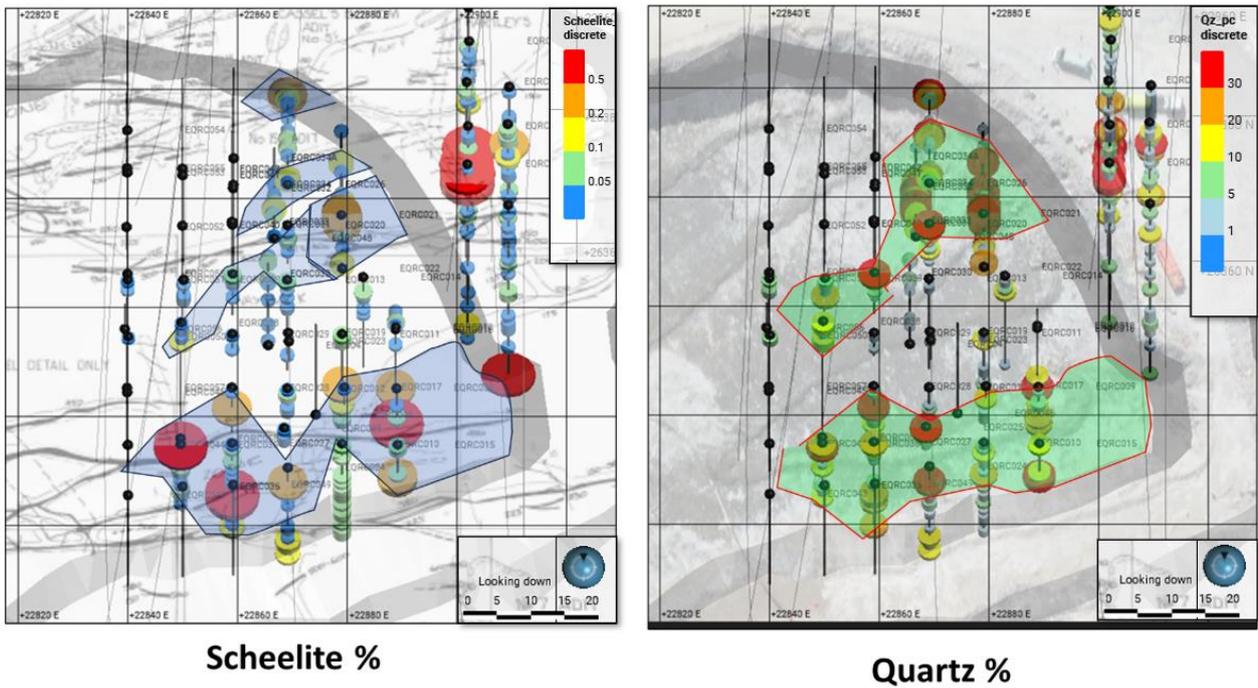


Figure 2 - Scheelite Ore (blue) overlaying Quartz Veins (green), highlighted blast zones of first two weeks



Figure 3 - Orana Drill and Blast Rigs

EQR CEO Kevin MacNeill commented: "It's exciting, after all this time, to start mining fresh ore at Mt Carbine. We are expecting a great result over the next 12-months and anticipate all our mining systems to complete ramp up by the end of Q3 to meet planned production targets. Over the coming financial year EQR is looking to drive good profits, validating shareholder investment over the past few years and grow the EQR business. The Company is working hard to become a major player in the tungsten market this year and demonstrate its positioning as a long term supplier of tungsten, supporting critical mineral supply chains for the Western world".

The Company's community awareness programs were stepped up in line with this new phase of our development and notices and engagements for the public were organised and received a good welcome by long term residents of Mt Carbine. The project has far reaching benefits with staff living in the region including Mareeba, Mt Molloy, Mt Carbine, Julatten, Port Douglas, Mossman and surrounds. EQR also uses several local contractors in the Company's drive to support local and regional Far North Queensland businesses.

The haulage of ore onto the Run of Mine ("ROM") pad will commence from early in the coming week using nine articulated dump trucks with initial loading being undertaken by 50t and 74t excavators (ore zone location dependent) with a larger Hitachi EX1900 excavator in transit for future works.

Over the next quarter, mining will ramp up to the long-term 80,000 tonnes per month of ore. Barren rock will be transported to engineered stockpiles for quarry material production.

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 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.

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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