

31<sup>th</sup> October 2022

## **EQR RAISES \$4.56 MILLION IN A WELL-SUPPORTED PLACEMENT**

EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns, Australia's only primary tungsten producer.

### **Highlights:**

- Firm commitments received for \$4.56 million (before cost) via a well-supported share placement at \$0.04 (4 cents) per share, with one (1) free attaching unlisted option for every four (4) new shares subscribed for and issued, exercisable at \$0.065 (6.5 cents)
- The placement attracted significant domestic and international interest from new and existing institutional and sophisticated investors, including two funds with integrated ESG investment policies\*
- Proceeds from the placement will be used to fund the ongoing Mt Carbine expansion program as per the Bankable Feasibility Study and additional drilling towards the open pit western extension
- Subject to shareholder approval, the Directors of the Company have committed to subscribe for \$200,000 in the placement

\*Defined by an active approach to integrate Environmental, Social & Governance (ESG) considerations into investment decision-making process

EQ Resources Limited ("EQR" or "the Company") is pleased to announce the Company has received \$4.56 million (before costs) of firm commitments in a well-supported placement of new fully paid ordinary shares ("New Shares") with one (1) free attaching unlisted option for every four (4) New Shares ("Option") subscribed for and issued ("Placement"). Strong support was shown for the Placement from a broad range of high-quality institutional and sophisticated investors, including two funds with integrated ESG policies.

Issue price for the Placement of \$0.04 (4 cents) per share, being a 18% discount to the most recent closing price and a 14% discount to the 15-day VWAP. Subject to shareholder approval, the Directors of the Company have committed to subscribe for \$200,000 in the Placement.

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented, "We are pleased having secured support from existing high-profile investors while at the same time seeing new investors joining the register. Our operations and corporate strategy has a strong ESG focus and we recognise this is attracting ESG focused funds in this placement and moving forward."

"The work to date related to the upcoming BFS update has highlighted significant upside potential in some areas, including the open pit western extension, which require additional work by the team. In addition to the recently announced royalty funding currently being finalised, this placement allows us to bridge our cash flow as the Government grant documentation requires a few more weeks until completion", Mr MacNeill said further.

## Details of Placement

The Placement will comprise two Tranches:

- Tranche 1 – 109,000,000 New Shares (raising \$4.36 million) and 27,250,000 free attaching unlisted options will be issued utilising EQR’s placement capacity under ASX Listing Rules 7.1 and 7.1A; and
- Tranche 2 – 5,000,000 New Shares (raising \$200,000) and 1,250,000 free attaching unlisted options will be issued subject to shareholder approval at the General Meeting proposed to be held on or around 25 January 2023. This tranche comprises all Directors (or their associated / related parties) Placement participation. The Tranche 2 Placement New Shares and free attaching unlisted options are expected to be issued following shareholder approval on or around 1 February 2023.

## Use of funds

Proceeds from the Placement will be used to fund the ongoing Mt Carbine expansion program as per the Bankable Feasibility Study, additional drilling towards the open pit west extension and exploration work related to the recently identified geophysical and soil anomalies north of the Andy White open pit. Proceeds are considered bridge funding for the delayed pay-out of the \$6 million CMAI Federal Government Grant (delayed by administrative measures due to change in Government).

## Indicative timetable

The indicative timetable for the Placement is as follows:

Summary of Key Dates	Date
Market announcement, Trading Halt lifted and trading to recommence	Monday, 31 October 2022
Settlement of the Tranche 1 Placement New Shares and free attaching options	Friday, 4 November 2022
Allotment of the Tranche 1 Placement New Shares and free attaching options	Monday, 7 November 2022
Expected Quotation of the Tranche 1 Placement Shares on the ASX	Tuesday, 8 November 2022
General Meeting	Wednesday, 25 January 2023
Settlement of Tranche 2 Placement New Shares and free attaching options	Tuesday, 31 January 2023
Allotment of the Tranche 2 Placement New Shares and free attaching options	Wednesday, 1 February 2023

*The Company reserves the right to vary these dates without notice.*

### Released on authority of the Board by:

**Kevin MacNeill**  
Chief Executive Officer

### Further Enquiries:

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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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