

31th March 2023

EQR RECEIVES SECOND TRANCHE OF REGAL ROYALTY PAYMENT

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

EQ Resources ("EQR" or "the Company") is pleased to announce that it has completed the second \$5 million drawdown from Regal Resources Royalties Fund under the terms of a \$10 million royalty-based funding package for the redevelopment of the historic Mt Carbine tungsten mine ("the Project"), 130km north of Cairns, in Queensland, Australia.

The drawdown comes as EQR progresses preparations for the resumption of mining from the historic Andy White open pit which will deliver primary ore feed to the existing processing plant. The engagement with mining contractor Goldings is progressing with development and safety teams starting to establish at site with open pit mining planned to resume beginning of June.

The Mt Carbine gravity plant has been upgrading and ramping up production over the past two years, expansion of certain sections has been required to handle the increased volumes of tungsten concentrate expected from the high-grade open pit ore. The gravity plant has operated at BFS specified recovery levels while processing historic tailings and the low-grade stockpile material over the past several months with the production team confident it will continue to achieve similar production performance with the open pit ore. The Phase 1 crushing plant will be used initially until the new Sandvik crushing plant is installed.

EQR's Chief Executive Officer, Mr Kevin MacNeill, commented: "Our production team is very excited at the prospect of treating primary tungsten ore from the Andy White pit through our revamped crushing, screening, sorting and gravity processing plants."

"The Company was delighted to be working with Regal Resources Royalty Fund to bring the Mt Carbine project from initial process piloting to today's ramp-up stage. Regal's funding comes alongside grant support from the Federal Government's Critical Minerals Accelerator Initiative and the remaining \$4.2 million still to be received under the grant program."

"Support from Regal and the Federal Government underpins the expansion of tungsten from Australia while building a robust mining business and supporting development in Far North Queensland", Mr MacNeill said.

While the excitement of the open pit is being felt by everyone at site, the Quarry business is starting to pick-up once again with the rainy season coming to an end and several road repairs required in the regional area. Various contracts have already been secured in recent weeks and the quarry team is able to use the inert and barren sorter waste as a primary component to produce road bases and aggregates required to satisfy these contracts. This is part of EQR's drive to satisfy infrastructure development through beneficial reuse of materials at Mt Carbine driving a circular economy.

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.

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.

Follow us:  