



resourcing the new economy for a better tomorrow

15 March 2024

SHAREHOLDER LETTER

EQ Resources Limited (“EQR” or “the Company”) today releases a shareholder letter being emailed and posted to EQ Resources Limited shareholders.

The shareholder letter is attached to this announcement.

This release has been approved by the Board of EQ Resources Limited.

Released on authority of the Board by:
Melanie Leydin
Company Secretary

Further Enquiries:
Peter Taylor
Investor Relations
0412 036 231
peter@nwrcommunications.com.au

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.

Follow us:  

REGISTERED OFFICE: Level 4, 100 Albert Road, South Melbourne, VIC 3205
PRINCIPAL PLACE OF BUSINESS: 6888 Mulligan Highway, Mt Carbine Qld 4871
POSTAL ADDRESS: PO Box 1496, Mareeba Qld 4880
ABN: 77 115 009 106 (ASX: EQR)
T: (07) 4094 3072 | F: (07) 4094 3036 | W: eqresources.com.au

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Letter to Shareholders from Chair of the Board

Dear Valued Shareholders and Supporters of EQ Resources,

On behalf of the board, I am writing to update you on EQR's progress in growing the company from a single asset company into an international and geographically diversified mining operator, being well-integrated in the global critical minerals space.

With our recent progress on strategy implementation, while facing a current weak market environment and given recent volatility in our share price which may cause concern, I would like to express my strong belief in the resilience and potential of our company.

To highlight some of the key developments that underscore our corporate strategy and the strength of our assets:

- In January, EQ Resources reached a significant milestone when we settled the acquisition of a rather special tungsten asset, by taking over Saloro S.L.U. in Spain.
- Both mining operations (in Australia and Spain) are in production and supply the leading consumers of tungsten concentrate around the world; The company now effectively being the largest independent tungsten concentrate producer outside China and an integral part of the globally relevant supply chain of the critical mineral tungsten.
- The board was very active in recent weeks, with Richard Morrow joining our CEO, Kevin MacNeill, in Spain in February, engaging with our new colleagues and key Governmental stakeholders; Newly appointed director, Stephen Weir, led a delegation to Vietnam, to visit Masan High-Tech Materials, a leading tungsten processor and 100% buyer of the Mt Carbine production; Lastly, Richard and I had the pleasure to attend bi-lateral discussions between the Australian and Vietnamese Governments in Canberra, with a one-on-one session the company had with Vietnam's Prime Minister Chinh.
- Mt Carbine Operations:
 - Mt Carbine continues to witness consistent ramp-up and operational improvement, resulting in stable production output.



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- Despite the setback caused by cyclone Jasper, resulting in a two-week production loss in December, we are pleased to report that by the end of February, we observed the first ore blast in the pit following an extended dewatering phase.
- Tungsten production in the March quarter has surpassed the levels achieved in our strongest quarter to date, which was the quarter ending September 2023.
- Saloro Operations:
 - In Spain, our company assumed control of the Barruecopardo mine and plant in January and swiftly initiated upgrades to the plant; We are delighted with the progress made in integrating Saloro into the EQR Group.
 - The installation of the second XRT Sorter at Saloro was implemented in record time and has consistently exceeded expectations, with a sorter concentrate reaching a grade between 1.5% to 2% WO₃ and with the additional sorter product adding 26% more material to the gravity plant.
 - An updated JORC Mineral Resource Estimate for the Barruecopardo mine (published early February) confirmed the addition of 69% (or 4.47 million metric ton units; one metric ton unit equals 10kg WO₃) of Measured and Indicated Resources to EQR's existing resource inventory, giving great confidence to the longevity of the operations.

In closing, I wish to express my gratitude to each and every shareholder and supporter who has placed their trust in EQ Resources. Your unwavering support fuels our determination to realize our collective vision for the company moving forward.

With best regards,

Oliver Kleinhempel

Chair & Non-executive Director