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19th July 2023

INFILL GRADE CONTROL DRILLING CONFIRMS INITIAL ORE RESERVE SECTION AT MT. CARBINE

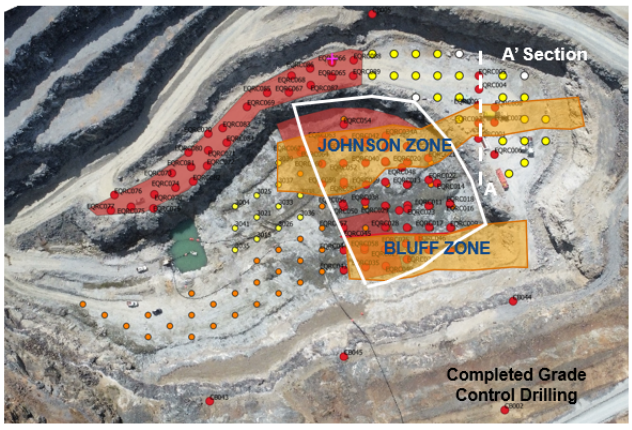
EQ Resources Limited is the 100% owner of the Mt Carbine Tungsten Mine near Cairns.

EQ Resources Limited ("EQR" or "the Company") is pleased to announce that it has completed 115 Grade Control drill holes from a total of 155 planned holes that will provide the basis of a detailed 'Dig Model' for the Ore Reserves over the next 12 months. The program provides an infill to the 30m spaced Ore Reserve drilling (see ASX announcement '43% Increase in Mt Carbine Ore Reserves from Western Pit Extension' dated 18th May 2023). This Grade Control drilling is expected to be completed by Mid-August and all assays available by end of August.

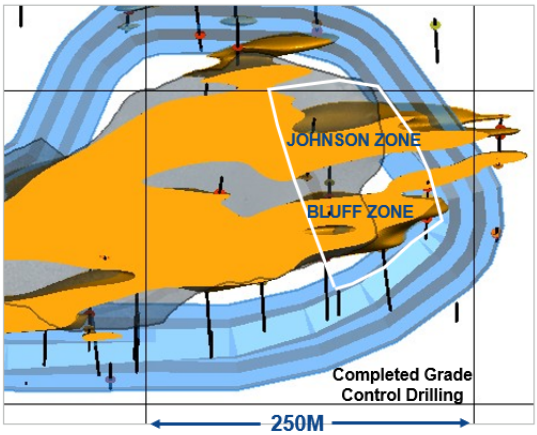
Assays* have been received for 16 of the 115 holes completed and are shown in Table 1. The first 5 RC holes formed a section through the Johnson Ore Zone and are considered for comparison against the Ore Reserve Model. The infill holes reflect close spaced detail of mineralisation and are compared against the Company's Ore Reserve Model in the diagrams below. The shape and grades reflect well, with the detailed Grade Control drilling showing a 0.65% WO_3 weighted average against a 0.48% WO_3 average in the Ore Reserve Model. It should be borne in mind this is a single section and is not a correlation of an entire 3D block model.

Mineralisation has also been visually intersected in two lodes (Bluff and Johnson) on the 315m RL Pit floor as shown in the Ore Reserve model as well.

Grade Control Drilling Program



Resource Model Comparison



Completed Grade Control Hole
Grade Control Drilling Shapes
A to A' Section

Refer to:
Mt Carbine Expansion Project Bankable Feasibility Study 2023 Economic Update

Figure 1 - Grade Control Drilling and Resource Model Comparison

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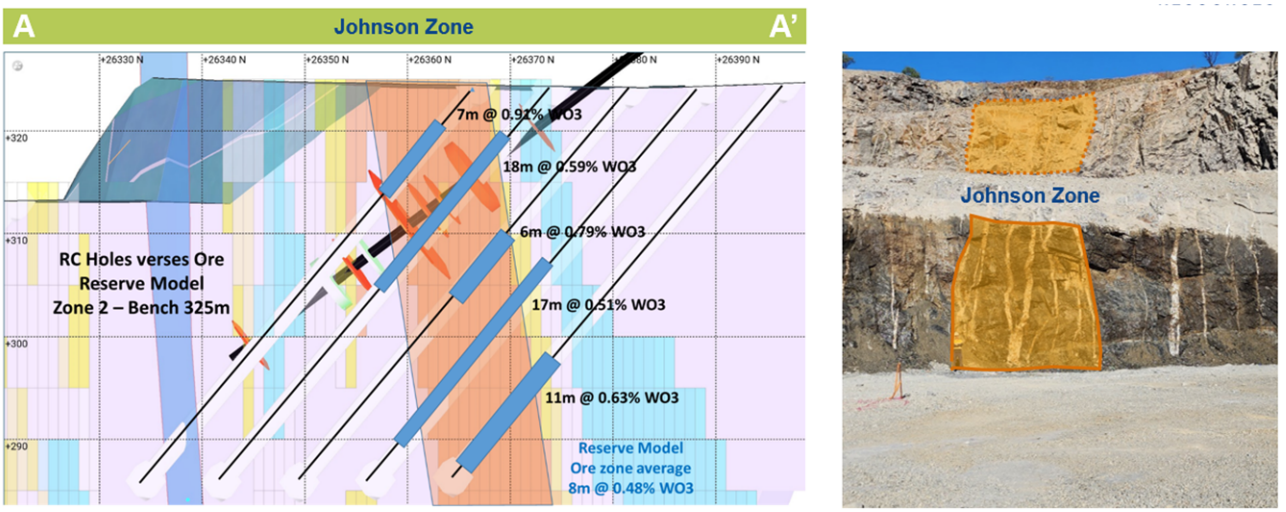

Figure 2 - Cross Section of the Johnson Zone

EQR CEO, Kevin MacNeill, commented: ‘‘I am pleased with the initial trial works for mining at Mt Carbine with three blasts on 25th June, 1st and 16th July completed and the early results from infill grade control drilling supporting our reserve model work. Material ore haulage during July is expected to be +40,000t of ore as we ramp up toward monthly plant production capacities over the coming months. As we ramp up ore deliveries, I look forward to showing our increase in tungsten production.”

Hole #	East	North	RI	EOH	Dip	Azm (TN)	From	To	Interval	WO_3 %
RC1	22903	26367	325	50.0	60	180	3	10	7	0.91%
RC2	22903	26377	325	50.0	60	180	7	25	18	0.59%
RC3	22903	26387	325	50.0	60	180	19	25	6	0.79%
RC4	22903	26397	325	50.0	60	180	24	41	17	0.51%
RC5	22903	26407	325	50.0	60	180	10	11	1	0.82%
RC5	22903	26360	325	50.0	60	180	25	26	1	1.14%
RC5	22903	26370	325	50.0	60	180	36	47	11	0.63%
RC6	22913	26360	325	50.0	60	180	9	10	1	1.14%
RC7	22913	26370	325	50.0	60	180	10	13	3	1.37%
RC8	22913	26380	325	50.0	60	180	15	24	9	0.97%
RC9	22900	26225	325	50.0	60	180	15	32	17	1.16%
RC10	22890	26315	325	50.0	60	180	11	13	2	0.49%
RC11	22890	26335	325	50.0	60	180	0	2	2	0.30%
RC12	22880	26335	325	50.0	60	180	2	4	2	0.78%
RC13	22885	26345	325	50.0	60	180	10	12	2	0.49%
RC14	22900	26345	325	50.0	60	180	No sign results			
RC15	22900	26315	325	50.0	60	180	0	2	2	0.70%
RC15	22900	26315	325	50.0	60	180	10	14	4	1.17%
RC16	22900	26335	325	50.0	60	180	21	23	2	1.06%

Table 1 - Grade Control Results from RC Drilling**

* 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 1 are downhole intervals on 60-degree holes. True widths are yet to be calculated but are approximately 50-60% of the downhole interval depending on vein dip at intersection.

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.

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. Mr. Bainbridge has verified and approved the data disclosed in this release, including the sampling, analytical and test data underlying the information. The Grade Control drilling samples are assayed internally using the Company's XRF machine which has gone thru a rigorous calibration against the ALS (Brisbane) XRF machine and has excellent ongoing QAQC data correlation. This internal lab is not NATA accredited. Mr. Bainbridge has consented to the inclusion in this release of the matters based on his compiled information in the form and context in which it appears in this release. This information is considered by the Competent Person to be important for shareholders to understand the results of this Grade Control drilling.

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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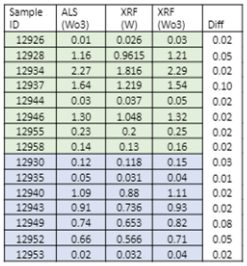
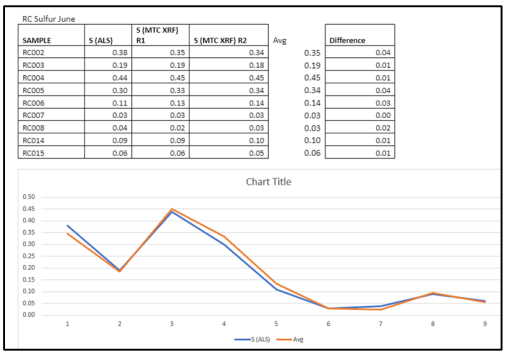
APPENDIX A: JORC Table 1 - Grade Control Drilling

Section 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

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.*	RC Drilling was taken at 1m intervals through the splitter cyclone on the rig. The 1m samples were recorded for depths, weight, sample number & hole number. The sample weighed approximately 4-4.5kg each represent 1m drilled and passed a P90 of 1mm. The samples were split thru a rotary splitter or riffle splitter (both were used) to reduce to 500gm sample charge with a series of A, B, C & D splits being taken. Each of these samples were pulverized in their entirety and returned to their sample bag. The pulverized sample passed a P90 of -75 microns and was considered homogeneous. Assay was completed by taking 5gm charge of the homogeneous sample and analysing on the Thermo Scientific ARL Quant'X X-Ray Fluorescence Spectrometer which had had a 200-sample calibration completed. The Internal XRF benchtop machine reported the results direct to the LIMS software system and was analysed for both Tungsten and Sulphur. Every 10th sample is sent to ALS for QAQC and results recorded to see accuracy. In addition, internally the lab is doing a blank and registered tungsten sample analysis in every 10-sample batch. This represents a 20% internal QAQC protocol and a 10% external protocol. This is deemed necessary to ensure that our XRF does not drift and reports accurately.
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.).*	The drilling for the first 8 holes was completed with a Reverse Circulation Drill rig using 115mm diameter drill bits with a 950 cfm compressor. For holes EQRC009 onwards the drilling was completed by an Epiroc D65 blast hole rig fitted with air blast technology and a sample cyclone splitter. Both rigs were deemed appropriate for this type of sample collection. Sufficient air was present to ensure all the chips were lifted and the consistent weight to the samples showed the chips were returning in an orderly fashion. No lag on veins was recorded which might have indicated contamination. The splitter on the Hanjin Rig was a cyclone with a ¼ cone spitter which was emptied direct to a calico sample bag.
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.*	Calculated weights for the diameter hole were at 4.2kg with average sample weights being 4.3kg which is considered to be within margin for this type of drilling. It was deemed a full recovery was achieved

Criteria	Explanation	Commentary
	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.	with no lag of sample at bottom or surging thru the system.
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.*	The chips were sieved and a chip tray of samples collected for each meter of RC drilling. The Chips were logged for geology and mineralisation with the UV used to identify the mineralisation in the hole. Assaying of the holes show that visible UV light logging was accurate within 20% of the predicated grade. The logging also indicated the presence of quartz and since no tungsten is occurring the country rocks outside the veins it was necessary to ensure all quartz zones were assayed.
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 representative of the 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 sample weighed approximately 4-4.5kg each represent 1m drilled and passed a P90 of 1mm. The samples were split thru a rotary splitter or riffle splitter (both were used) to reduce to 500gm sample charge with a series of A, B, C & D splits being taken. Each of these samples were pulverized in their entirety and returned to their sample bag. The pulverized sample passed a P90 of -75 microns and was considered homogeneous. Assay was completed by taking 5gm charge of the homogeneous sample and analysing on the Thermo Scientific ARL Quant'X X-Ray Fluorescence Spectrometer which had had a 200-sample calibration completed. The Internal XRF benchtop machine reported the results direct to the LIMS software system and was analysed for both Tungsten and Sulphur. Every 10th sample is sent to ALS for QAQC and results recorded to see accuracy. In addition, internally the lab is doing a blank and registered tungsten sample analysis in every 10-sample batch. This represents a 20% internal QAQC protocol and a 10% external protocol. This is deemed necessary to ensure that our XRF does not drift and reports accurately.
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 laboratory used for the assay of the RC Grade Control drill holes and Blast holes is an internal laboratory run by EQR company. It is not a Nata accredited laboratory but is managed and run as an independent arm of the company with all steps and measures being undertaken to provide a full QAQC framework for operation. The monitoring of the benchtop XRF machine is an ongoing basis and is being calibrated against both repeat results sent to ALS (BNE) as well as set tungsten standards that were purchased and fit for purpose. Blanks also ensure no carry over is occurring. The XRF Technique employed is the same XRF-B technique that has been used in the ALS lab for all the assaying at Mt Carbine. By using the same samples to calibrate this machine it is deemed by

Criteria	Explanation	Commentary
		the author to be representative of the definitive value for both Tungsten and Sulphur in the sample. Results of the calibration work with ALS ae shown here with this comparison continually occurring.  Example of tungsten QAQC result of the Internal EQR Laboratory against ALS (Bne) results for tungsten.  . Example of tungsten QAQC result of the Internal EQR Laboratory against ALS (Bne) results for Sulphur.
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*	See Above
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.*	All collars are clearly marked with a PVC collar with the hole number recorded and surveyed by DGPS to an accuracy of +/- 10mm.

Criteria	Explanation	Commentary
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.*	The RC holes are spaced at 10m intervals and are at a consistent 50-degree dip on level 325m RL and 60 degrees on the 315m RL. Sample compositing was used on the RC holes on a 5m basis for Sulphur analysis with the sulphur results being block model to determine any potential PAF indicator present (ie Sulphur above 0.3% S)
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.*	The 50 & 60-degree holes were planned to provide a continuous cross section of the system. The veins are vertical (+/- 3 degrees) and as such the drilling cuts across the mineralised veins.
Sample security	*The measures taken to ensure sample security.*	All samples were daily collected and sent to the companies new covered core shed / lab. The samples were stored with security to ensure no contamination etc of the sample.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	A continual program of QAQC is being undertaken with a 10% lab check of our assaying as well as 10% blank and 10% standard assay per batch of 10 samples. In all a 30% QAQC factor is being conducted on the assaying on site.

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 grade control results here reported herein are all within Mining Leases 4867 (358.5ha, expiry 31-07-22) 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.*	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. The company has completed 32 diamond holes in this same area of RC drilling and has established

Criteria	Explanation	Commentary
		Probably reserves here. This grade control drilling is defining the local detailed boundaries to these Reserves.
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 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*	The purpose of the grade control drilling is to establish further continuity between the 30 x 30m resource diamond drilling program conducted by EQR. It is important that this 10 x 10m pattern shows the reserve model is robust and boundaries are marked exactly for extraction. When data is sufficient a separate block model will be undertaken to then be representative to compare against the BFS Reserve Model.

Criteria	Explanation	Commentary
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 results shown in this report are the weighted composition of the mineralised zones. The location of each hole is shown on plan and section and has been checked for accuracy.
Relationship between mineralisation widths and intercept length	*These relationships are particularly important in the reporting of Exploration Results.* *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').*	The true width for any mineralisation is calculated based on the angle of drilling and the angle the vein dips at. Given most veins intersected are vertical +/= 3 degrees a calculation of true width can be made. Essentially true widths are 50-60% of the down hole widths.
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 1.
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.*	N/A
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*	Assays of all grade control drilling will be reported to give the shareholders a fair and balance understanding of the mine model verses the Reserve Model Prediction. Given the density of the drilling is 3 x, it is suggested by the Competent Person that the RC infill program will bring resources into the measured category and hence

Criteria	Explanation	Commentary
	information is not commercially sensitive.	provide further comfort that the mine grades predicted are present.