



RESOURCES

*resourcing the new economy
for a better tomorrow*



EQ RESOURCES LTD

AGM – Project Update

25 November 2021

Disclaimer



Competent Person's Statement

- The information in this presentation relating to the Mineral Resource summary is extracted from the Company's Annual Report 2021, made available through the Company's website www.eqresources.com.au/. The Company confirms that it is not aware of any new information that materially affects the information included in the corresponding market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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Corporate Overview

Mulligan Highway to Mt Carbine

Corporate Snapshot



Value Proposition

- Australia's only primary producer of tungsten
- High-grade resource (expandable)
- Multiple revenue streams
- Low-cost expansion
- Experienced Board & Leadership Team

Board & Leadership Team

Oliver Kleinhempel	German	Non-executive Chairman
Stephen Layton	Australian	Non-executive Director
Zhui Pei Yeo	Singaporean	Non-executive Director
Richard Morrow	Australian	Non-executive Director
Kevin MacNeill	Canadian	Chief Executive Officer
Tony Bainbridge	Australian	Chief Geologist

	22 November 2021
Share Price	A\$ 0.068
Issued Shares	1,344m
Market Capitalization	A\$ 93,24m
Shareholding: - Top 20 holders	57.88%



Board & Leadership Team

Diverse and Experienced Board & Leadership Team



Oliver Kleinhempel - Non-executive Chairman



- Appointed Non-executive Director 12 August 2019 and Chair on 24 April 2020
- Executive management experience in **project development, finance and commodity trading sectors**
- Corporate experience includes Outotec, Ferrostaal Group and CRONIMET
- Currently an executive director of CRONIMET Holding GmbH

Stephen Layton - Non-executive Director



- Appointed Non-executive Director 14 November 2017
- +35 years' experience in **equity capital markets in UK and Australia**
- Experience in both principal and director roles with a depth of knowledge in capital raisings, ASX listings and corporate advisory matters
- Currently non-executive director of Mithril Resources Limited, and previously a non-executive director on New Age Exploration Limited (both ASX listed)

Zhui Pei Yeo - Non-executive Director



- Appointed Non-executive Director 12 August 2019
- Has held executive, management and supervisory roles with a range of experience from **project planning to resource management**
- Has been working at a leading system integrator in the telecommunications industry in South-East Asia
- Currently an **executive director of a steel-product manufacturer**

Richard Morrow - Non-Executive Director



- Appointed as Non-Executive Director on 16 March 2021
- +30 years' experience as a sharebroker in Melbourne and in London, with a particular interest in the resources space. A long-serving Chairman of **Melbourne Mining Club**, Australia's foremost networking organisation for the Australian resources sector.
- Richard's investment experience includes a role as director of Lowell Resources Fund Management, manager of the ASX-listed Lowell Resources Fund. He is a Fellow of the AusIMM and an honorary member of the AusIMM Investment Advisory Committee.

Kevin MacNeill - Chief Executive Officer



- Appointed Interim-CEO & Senior Technical Advisor in May 2019 and permanent CEO in January 2020
- +33-year career dedicated to developing and leading mining projects globally
- Expertise in **project development, mineral processing, specialty processing applications & mining waste processing**
- Held Executive appointments as President of Etruscan Diamonds (part of TSX-listed Etruscan Resources) & founded Specialized Metallurgical Projects Pty Ltd
- Currently Non-Executive director of Zimbabwe Lithium, a company developing the Kamativi Lithium Tailings Project

Tony Bainbridge - Chief Geologist



- EQR's Chief Geologist, focusing on developing Mt Carbine's underground resource to define & extract 'King-Vein' style mineralisation
- Experience in tungsten projects in South Korea & Africa – including building, owning and managing a tungsten mining operation in South Korea
- Expertise include **tungsten, gold, resource definition, mine exploration, feasibility studies, mine development, mine production efficiencies, and day-to-day operations**
- Currently director of Asia Intercept Mining Ltd and AMB Exploration Pty Ltd

Highlights of Last 12-Months



- Drilling under the pit (defined a high-grade resource), setting the scene for Bankable Feasibility Study work
- Continuously enhanced HSE standard at site, implemented training programs
- Completed large quarry contract, promotion with overseas customers
- Completed grant funded METS Ignited XRT project in collaboration with valuable partners
- Upgraded and stabilized gravity plant production (improving recoveries and feed grade)
- Initiatives around energy efficiency and critical minerals traceability
- Coordinating with other Australian tungsten developers on suitable routes for down-streaming and value-adding (strong customer engagement)

Our Values & Culture



Act Safe. Feel Safe

Act safe at work. Care and respect each other.
Feel safe to be yourself.

Embrace Difference

Diversity of thinking, skills and background creates value and drives innovation.

Tread Lightly

Embed resource efficiency to minimise environmental footprint and deliver positive societal impact.

Dig Deep

Go one better. Strive to continuously learn and improve.
Challenge the status quo.

Buddy Up

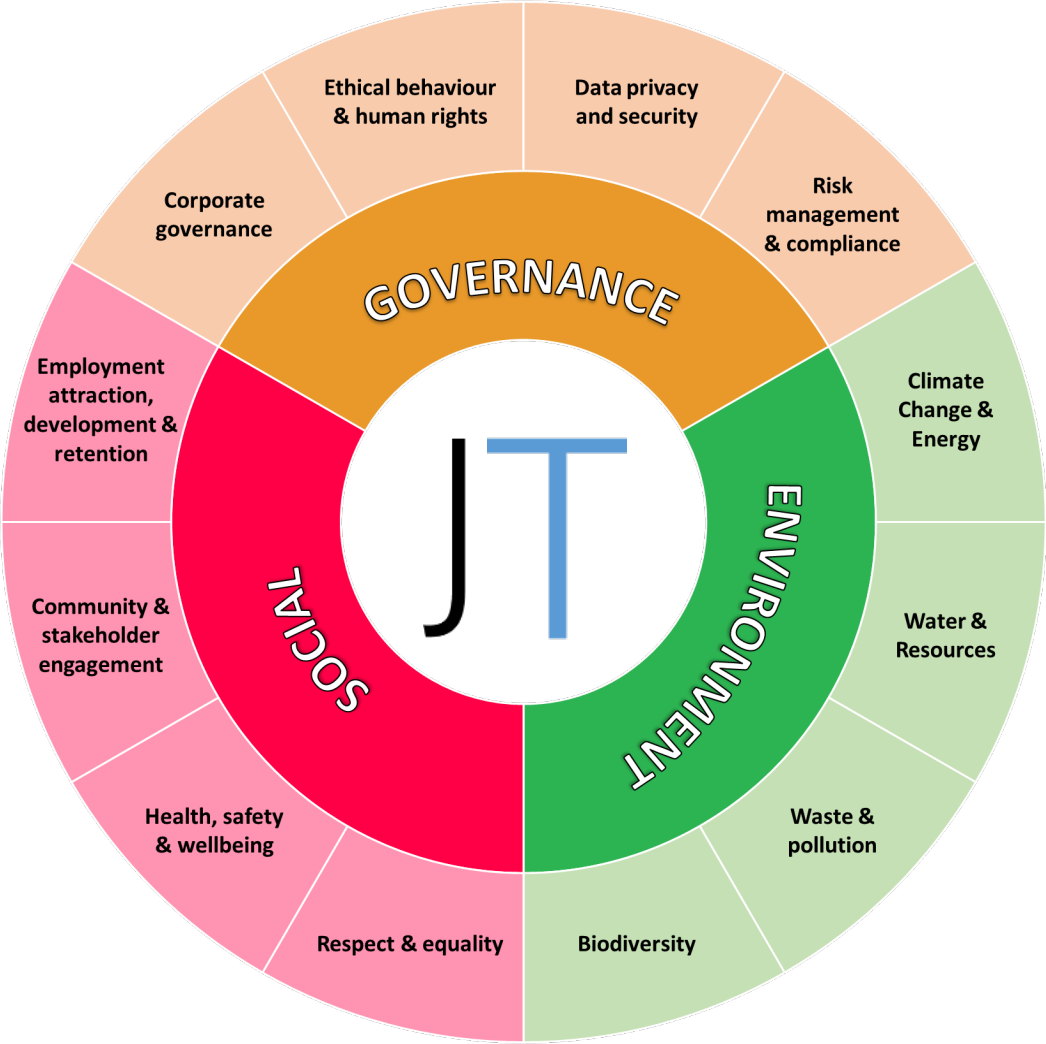
Collaboration is key to realising shared value.

Lead with Integrity

Have courage to do the right thing. Be accountable.



Corporate ESG Strategy Development



ESG Stakeholder Sentiments

EQR recently engaged JukesTodd on an ESG insights piece to better unpack our ESG position to assist in developing our ESG Strategy further.

Sentiments Survey:

A Stakeholder ESG Sentiment survey was disseminated to a range of stakeholders. The purpose of the survey was to gather information with regards to ESG themes they feel are of material importance to EQR. Questions were broken into 12 themes aligning to the 3 ESG pillars.

Stakeholder ESG Sentiments

ESG Organisational Performance

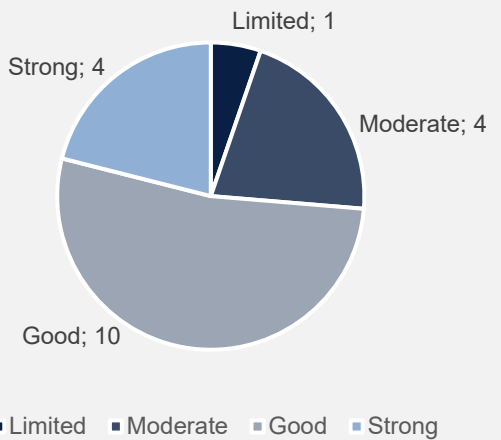
Stakeholders were asked to rate whether the organisation was perceived to be leading or lagging across each of the 12 ESG themes. They were asked to do this for current state, as well as for where they felt the Organisation should be positioned / aiming to be.

This information has been overlayed with the top 3 themes considered to be most material across the stakeholder groups.



Organisational Performance Scale

Lagging - Organisation is not investing in this category. Meets compliance obligation but nothing additional.
Leading - Substantial investment in this category. Significantly advanced compared to industry average



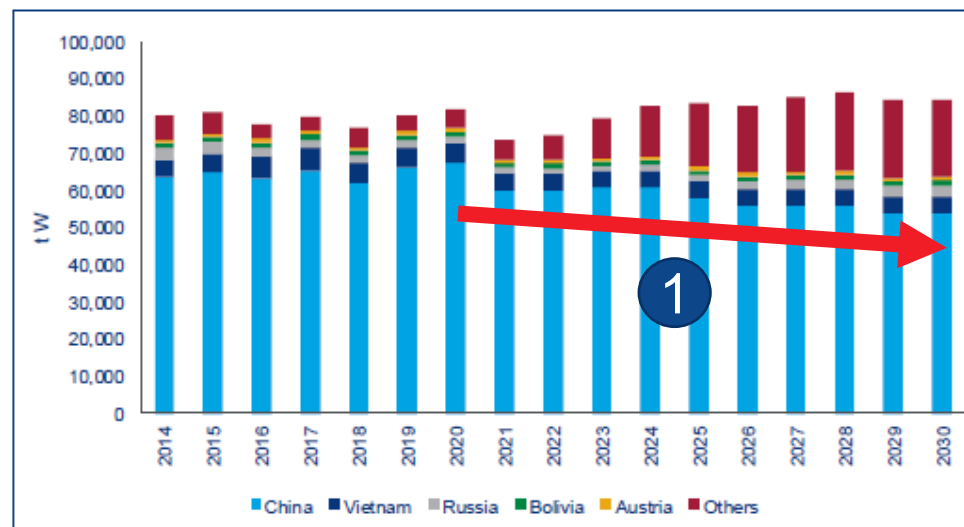
Respondent Understanding of ESG

When rating their own understanding of ESG, most stakeholders felt they had moderate to strong knowledge of what ESG is.



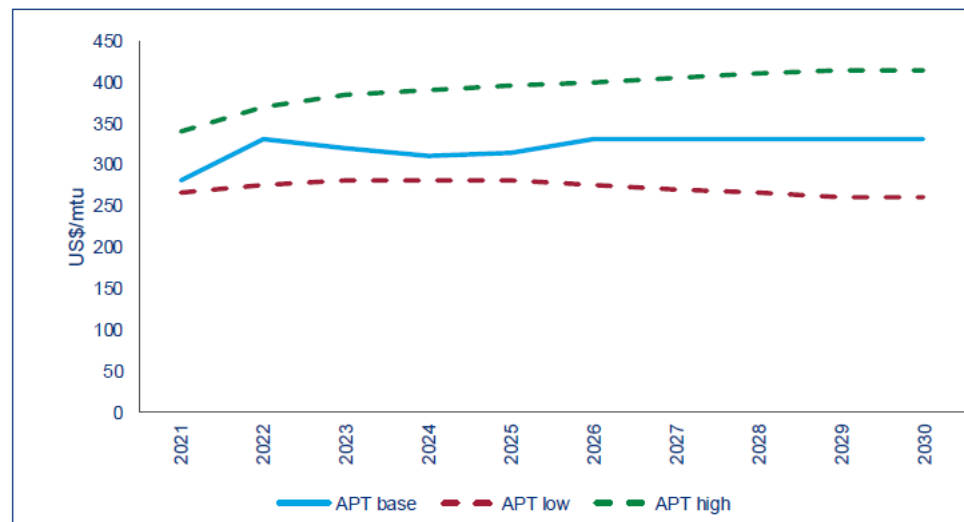
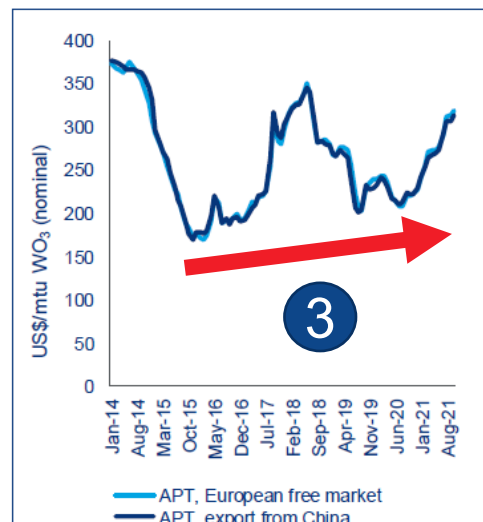
Tungsten Industry Fundamentals & Outlook

- Unique properties, difficult to substitute
- Steady demand growth of 1.5% CAGR projected (2021-2030)
- High supply concentration (5 mines account for 23% of global output)
- EQR investigating value-add product

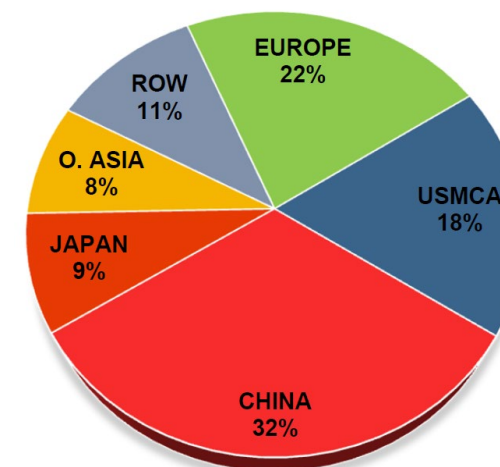


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- 1 China mine output declining
- 2 20kt W of new supply needed
- 3 Solid floor pricing



End Use by Region (2019)





Geology & Resource Development

Drill Core

Mt Carbine Mineral Resource Development

High-Grade / Well-Defined / More To Come



Completed

Mt Carbine Mineral Resources				
September 2021				
Resource	Classification	Tonnes (Mt)	Grade (% WO ₃)	WO ₃ (mtu)
Low Grade Stockpile Resources				
	Indicated	12.00	0.075	900,000
In-Situ Hard Rock Resources				
	Indicated	2.40	0.74	1,776,000
	Inferred	6.81	0.59	4,017,900
	Sub-total	9.21	0.63	5,793,900
	Total	21.21		6,693,900

1. Total estimates are rounded to reflect confidence and resource categorisation. 2. Classification of Mineral Resources incorporates the terms and definitions from the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012) published by the Joint Ore Reserve Committee (JORC). 3. No upper cut was applied to individual assays for this resource, a lower cut of 0.15% WO₃ was applied, which is the grade where the mineralization forms distinct veins. 4. Drilling used in this methodology was all diamond drilling with 1/8 core sent according to geological intervals to ALS for XRF15b analysis. 5. Resource estimated was completed using Kriging Methodology. 6. Indicated spacing is approximately 30 m x 30 m; Inferred is approximately 60 m x 60 m. 7. The deposit is a sheeted vein system with subparallel zones of quartz tungsten mineralization that extend for >1.2km in length and remain open. At depth, the South Wall Fault cuts the Iolanthe to Johnson veins but the Iron Duke zones remain open to depth.

Stage 1 – Define Resources for Open Cut Mine

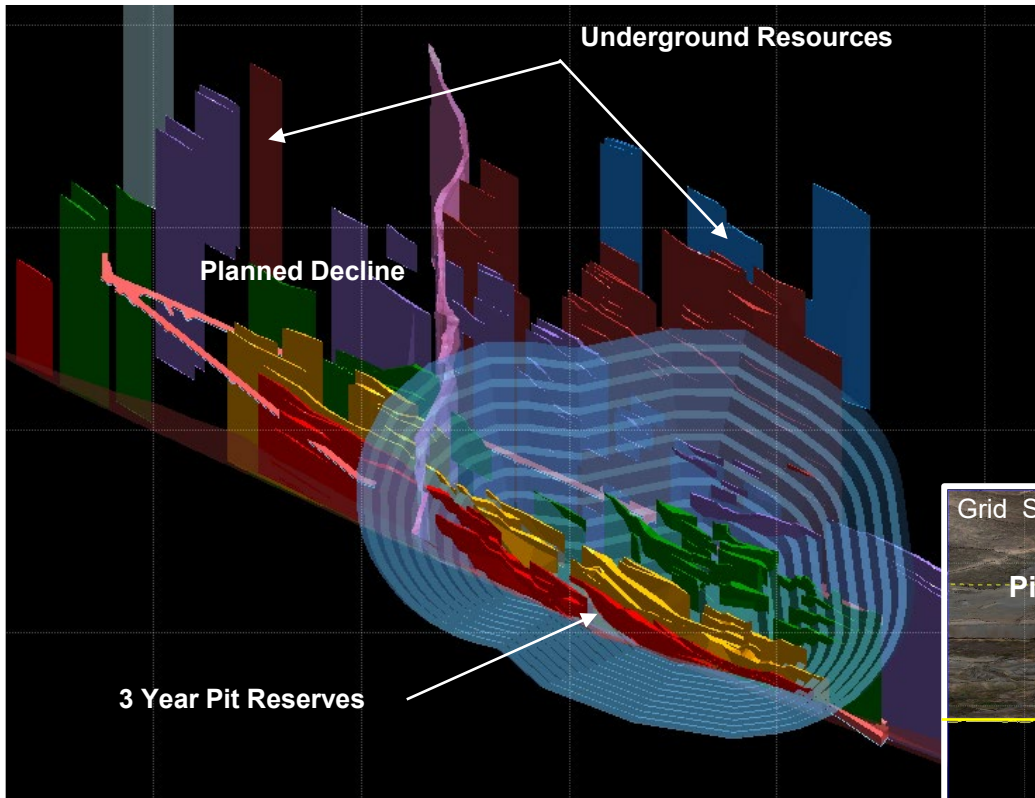
- Detailed Drilling allowed high grade zones to be linked, around the Andy White pit
- Independent Resource Statement released on 23 September 2021
- **First open pit design to include 14.4% of the known resources**

2022

Stage 2 – Drill & Expand

- Drill out further shallow open cut resources
- **Convert 6Mt@0.59%WO₃ Inferred to Indicated**; So far conversion has increased tonnes & grade
- **Drill Exploration Targets - Dazzler & Daisy**

Schematic of Planned Pit



Perspective View showing

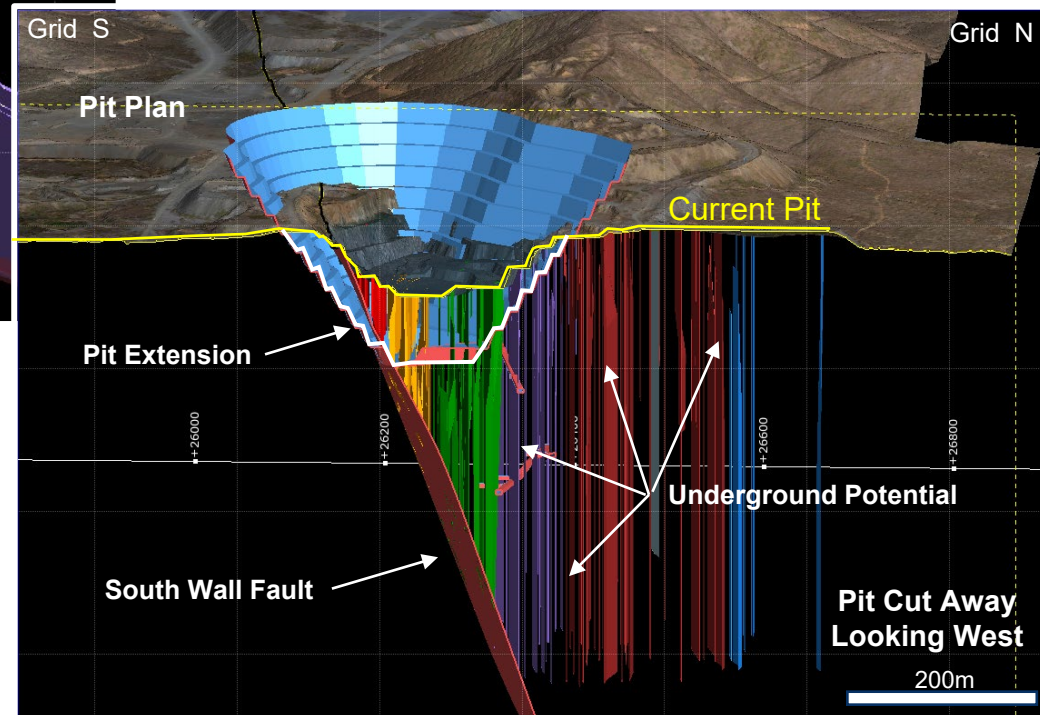
- Planned Open Cut Extension
- Color Coded Ore Zones in the pit
- Highlights additional resources outside planned pit, a lot of this ore will be accessed from existing decline

Stage 1 (under Bankable Feasibility Study)

- Preferred Pit - 15Mt Pit Extension contains 1.1Mt@0.83%WO₃
- 14.4% of known resources

Stage 2 (planned Scoping Study)

- Long Life Underground Mine
- 85.6% of known resources

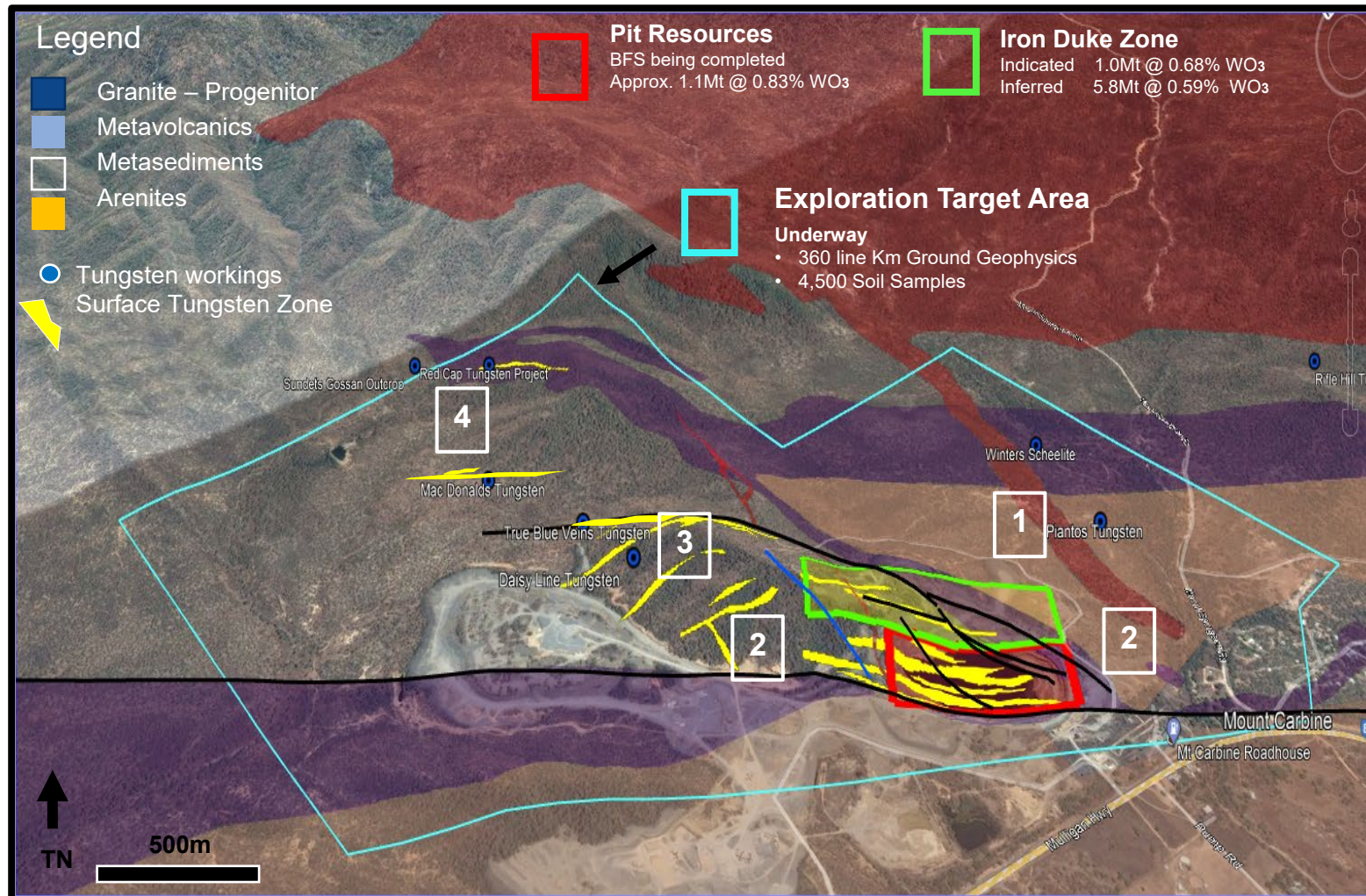


Cut-Away Section thru the Planned Pit shows

- Existing & new pit extension
- Bounding South Wall Fault
- Ore is open to the West & North and to Depth
- Pit extends on low side not touching the high wall

Brownfield Exploration

- 4 Key Areas to investigate within the Mining License
- Completing Detailed Geophysics (Blue Zone) & Soil Program

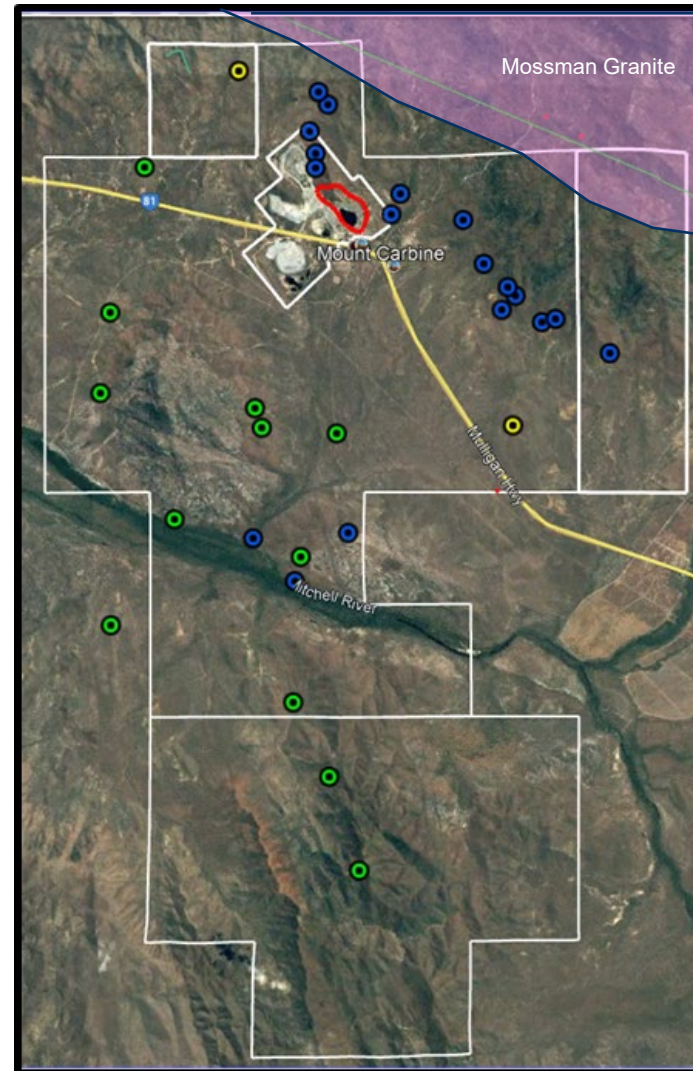
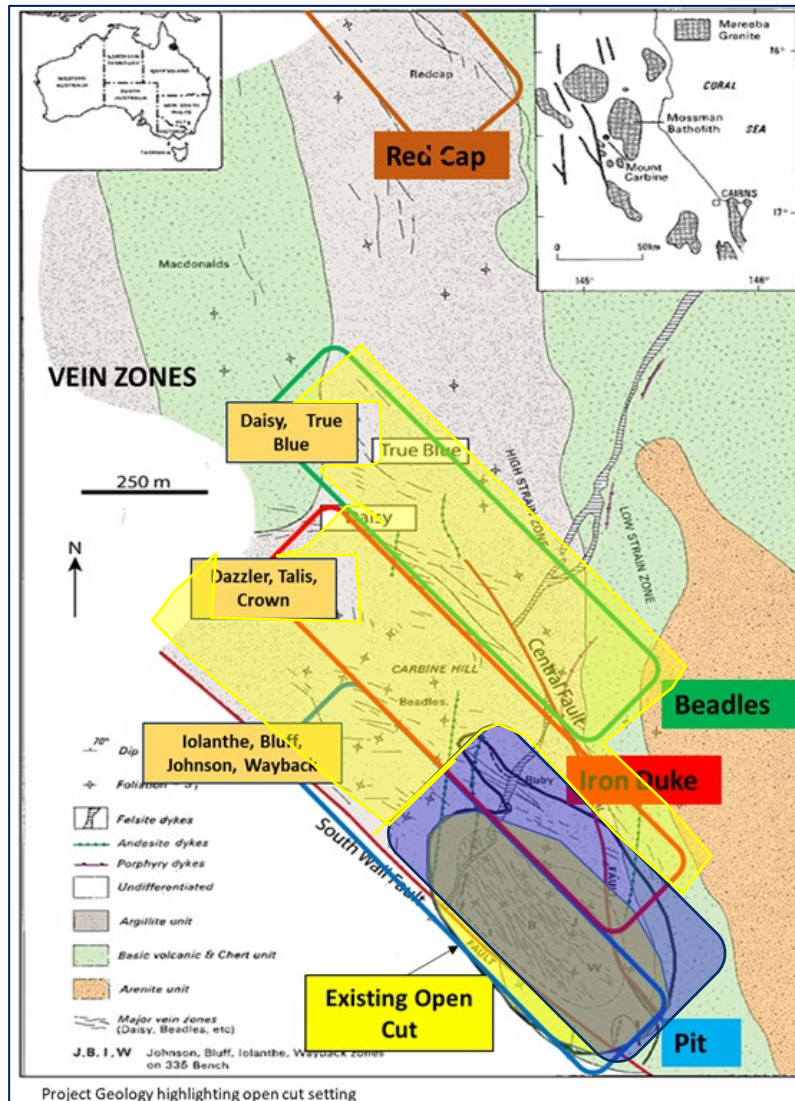


Development Targets

1. Iron Duke upgrade Inferred Resource of 5.81Mt@0.59%WO₃ to Indicated Resource.
2. Investigate Strike & Depth Extents: Veins extend for 1km westwards & depth remains open
3. Daisy & True Blue Zones – can trace back to Iron Duke
4. McDonalds & Red Cap – substantial workings with good tungsten

Greenfield Exploration

EQR has 115km² of very prospective ground containing 18 tungsten showings & 12 tin showings, including the historic Mt Holmes Tin Mine.



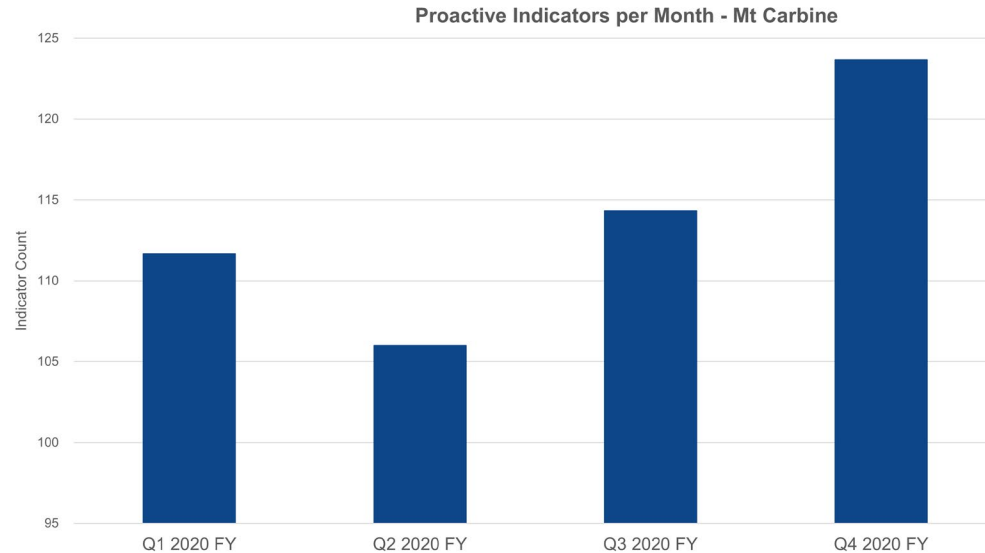
Current Work Programs

- Completed 360 line kilometers of close spaced ground magnetics
- 5,000 soil samples, assaying underway
- Collaborated with QLD Geological Survey to complete Core Alteration Scans (Hylogging) on the best 11 intersections of core
- Collaborated with QLD University to complete a micro-XRF alteration study to understand mineralization

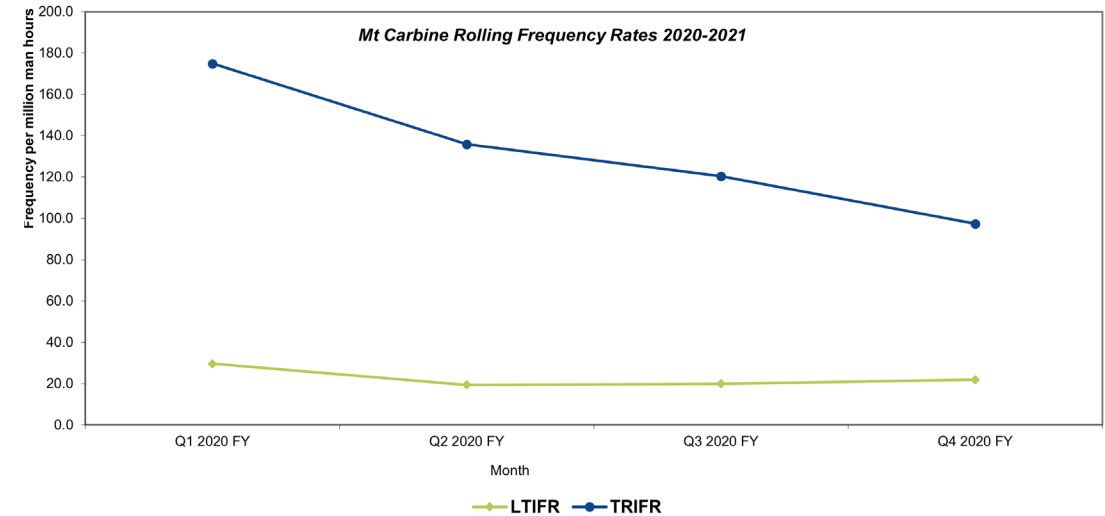
Operations & Expansion Program

Health & Safety Performance

Pro-active HSE culture through upskilling of employees



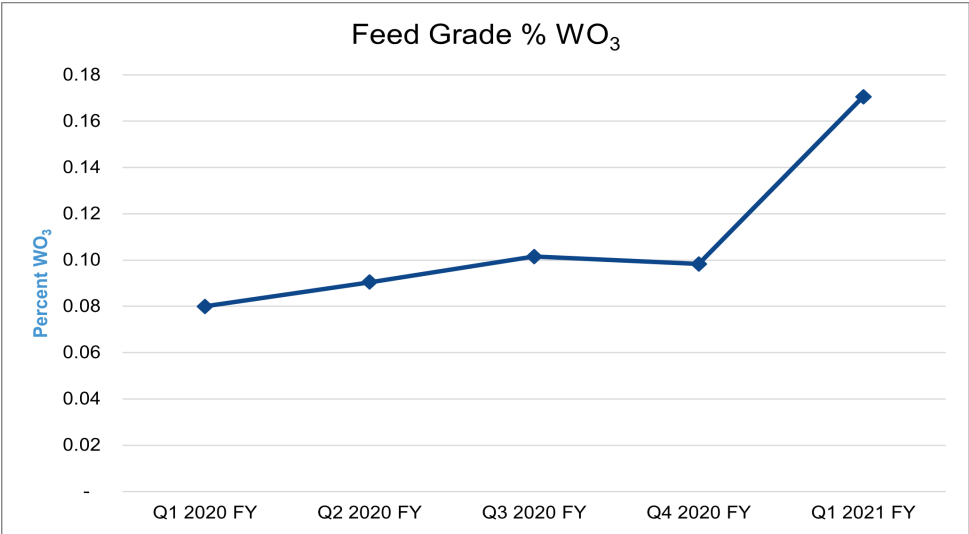
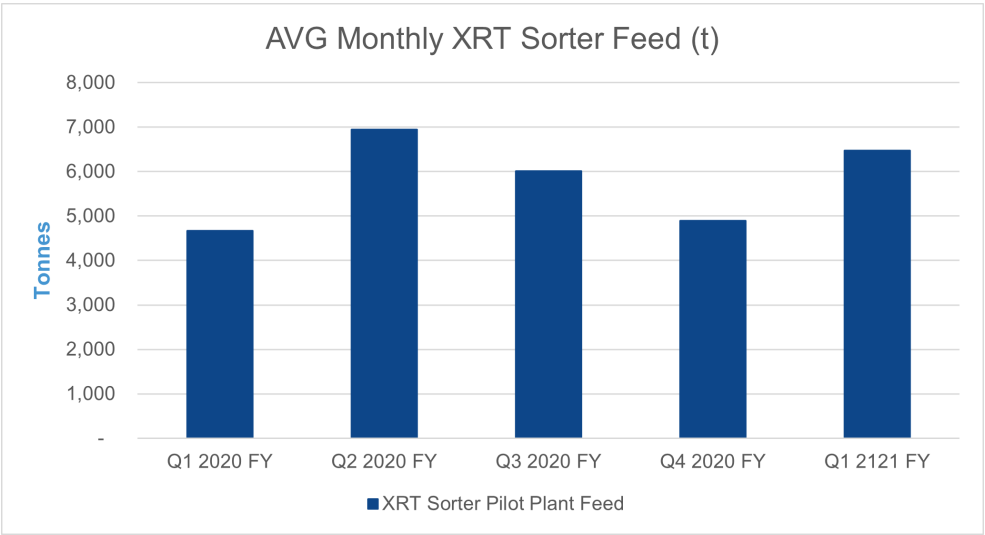
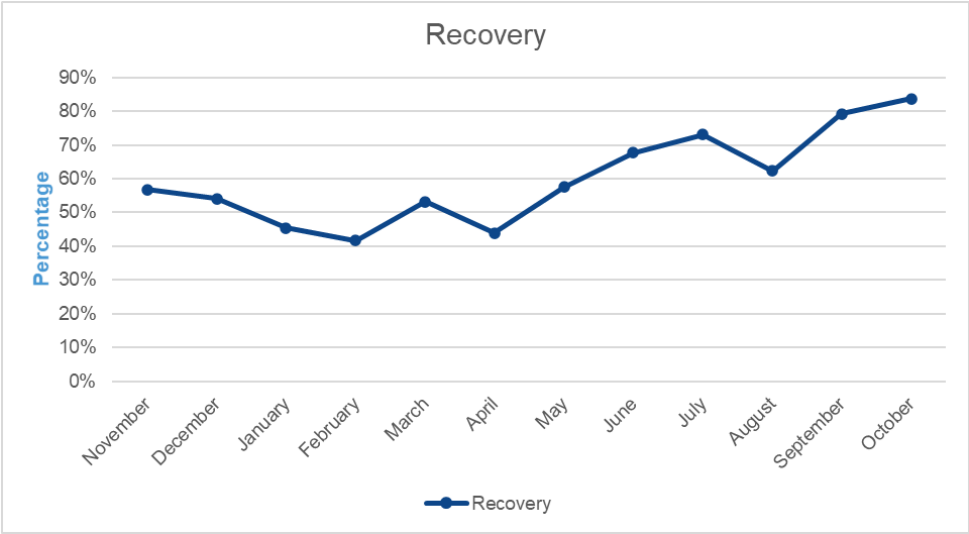
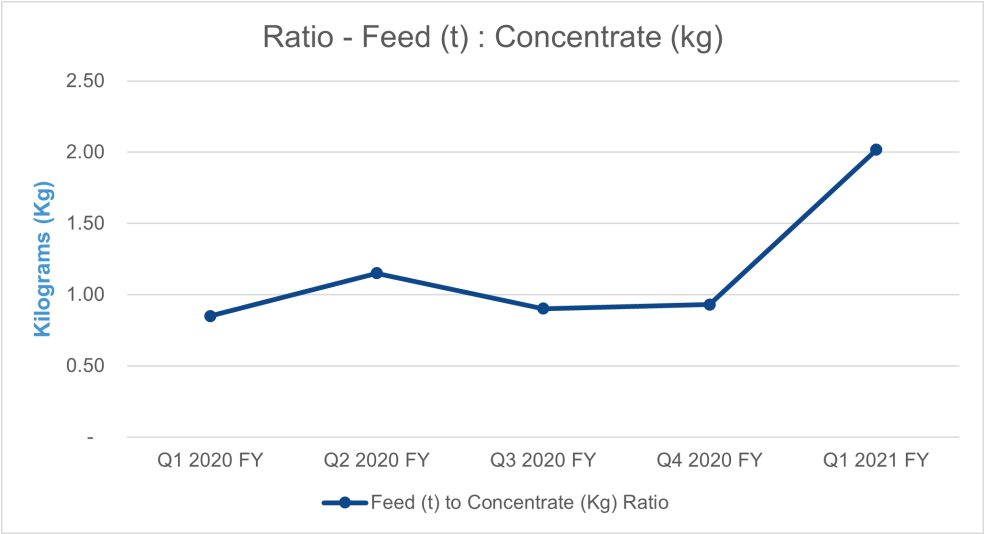
- Pro-active indicators of risk assessments, JSEAs, Take-5, safety permits, drug testing, safety meetings, inspections, pre-starts, etc has been steadily increasing
- Strong focus on training and upskilling of employees through on-site trainer and specific courses



- No new lost time injuries since Q4 2020 FY
- Actively working to promote a Think First, pro-active safety culture
- Conducted review of Safety Health Management System and have an action plan to continue positive improvement – will have a positive effect on overall lead indicators

Production – Performance, Improvements, Trends

Extensive test work resulted in improved recoveries, XRT sorter ramp up improved plant feed grade



Mt Carbine Quarry Update

Significant value-add in wider ESG context



Historic Stockpiles – new uses

- New markets
- Sales of Gravity Plant Rejects
- Concrete aggregates

Site Assessment

- Stockpiles low OPEX
- Equipment review
- Personnel requirement

Developing New Relationships

- Working as a wholesaler for regional suppliers - maximises margin on low-value products

Mt Carbine Quarry Development

Growth Planning

- Value-Add Product
- Leverage Government Infrastructure Plans
- Target off-shore contracts

Beneficial Reuse

- XRT and Gravity Plant Waste used as Quarry Materials
- 18 Quarry Products

Completed Large Scale Contracts

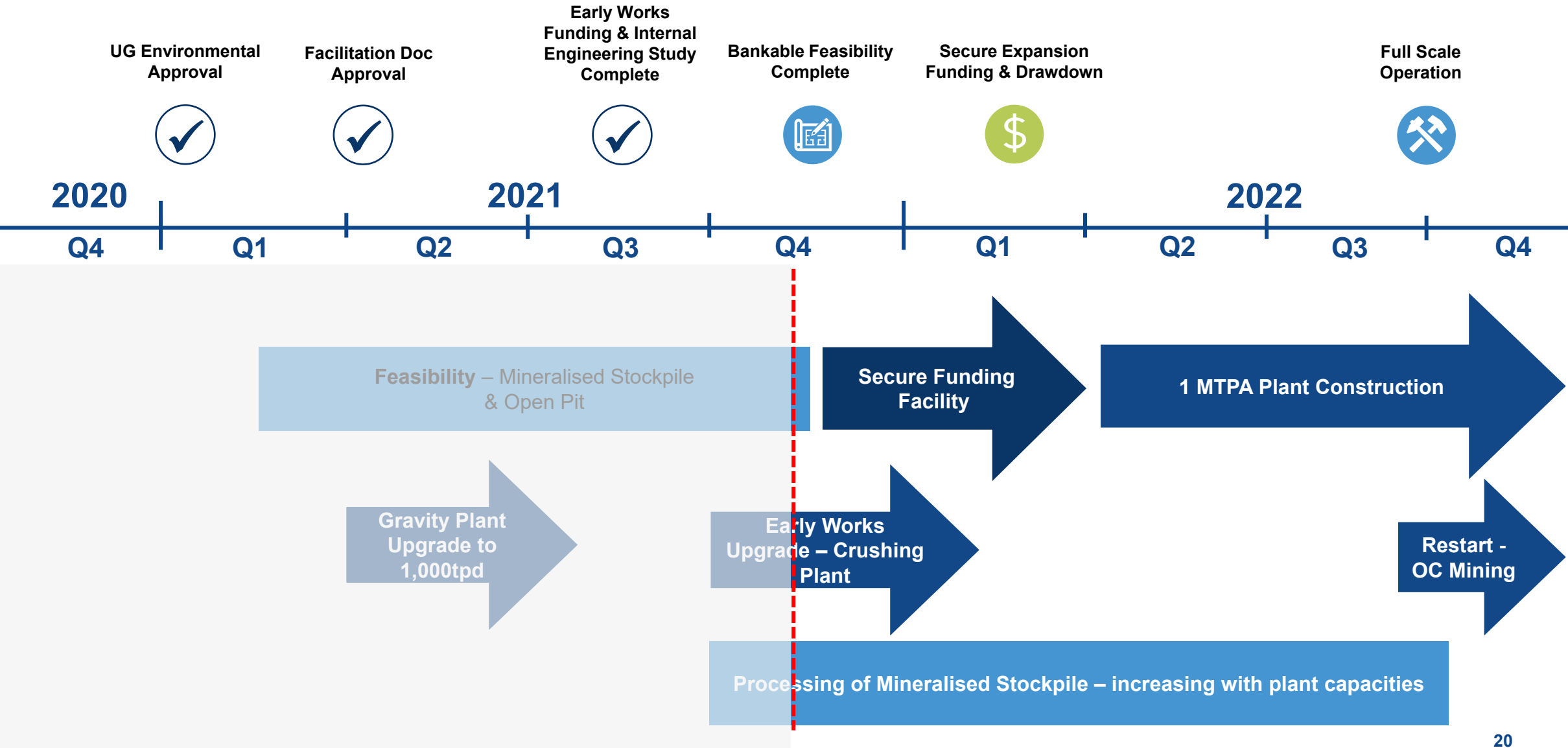
- Proves ability to deliver high quality products at large scale
- E.g. Road Development FNQ / Boat Ramp

Equipment Modernisation

- New Crushers & Modifications
- Electrical Upgrade
- New Earth Moving Fleet

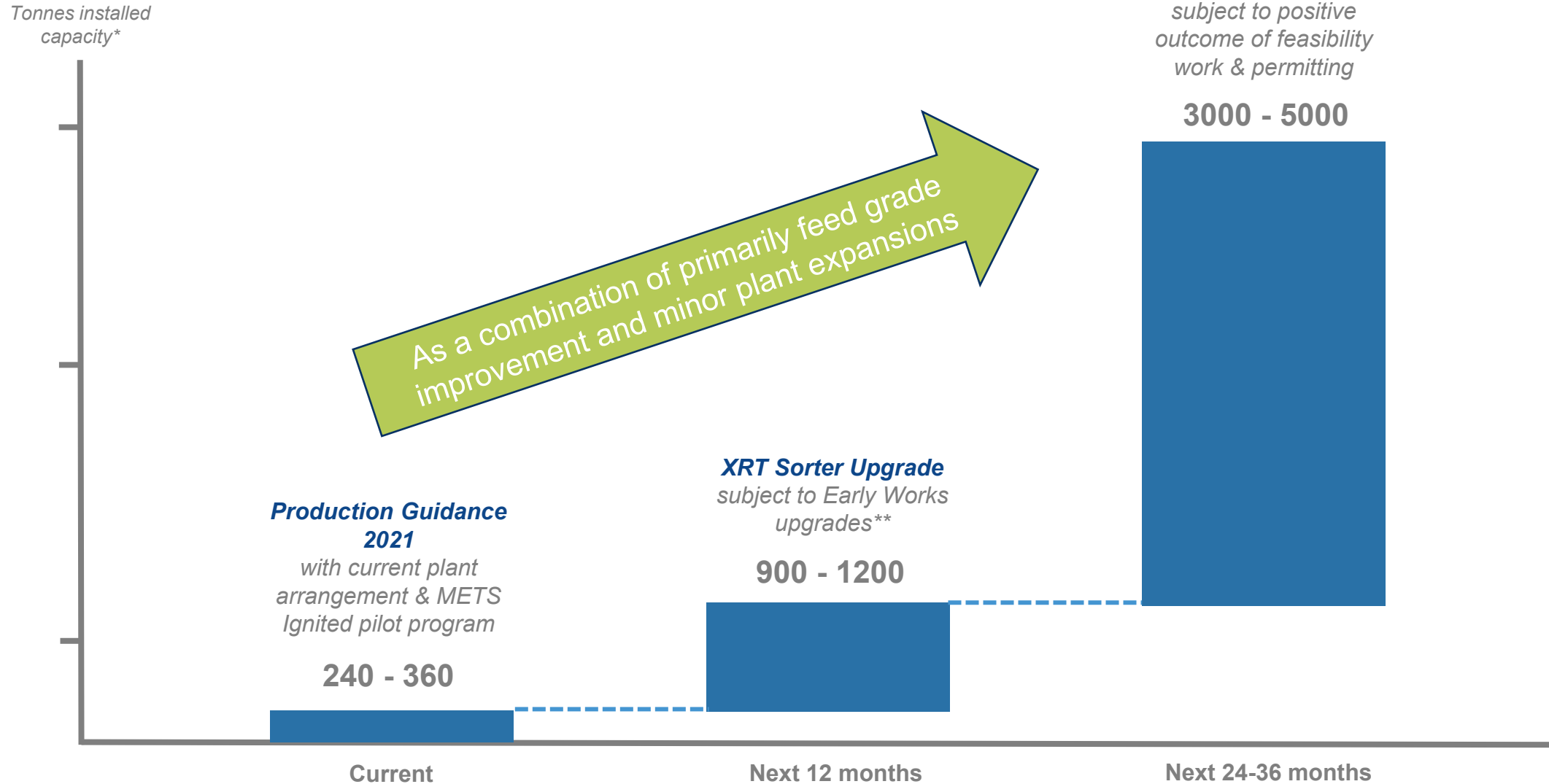
Development Timeline

Phased approach for early cash flow



Target Production Ramp-Up

BFS scope targets significant production uplift



*Basis 50% WO₃ concentrate

**The company is currently compiling independent feasibility reports for (1) the XRT sorter expansion (based on METS program results) and (2) an OC/UG mine development planning

'Early Works' Implementation

Currently On-Time and On-Budget



- Upgrade of power supply line and new substation
- Addition of 2nd Tomra XRT Sorter
- Wet screening circuit at primary crushing station
- Upgrade of conveying systems to cope with higher throughput

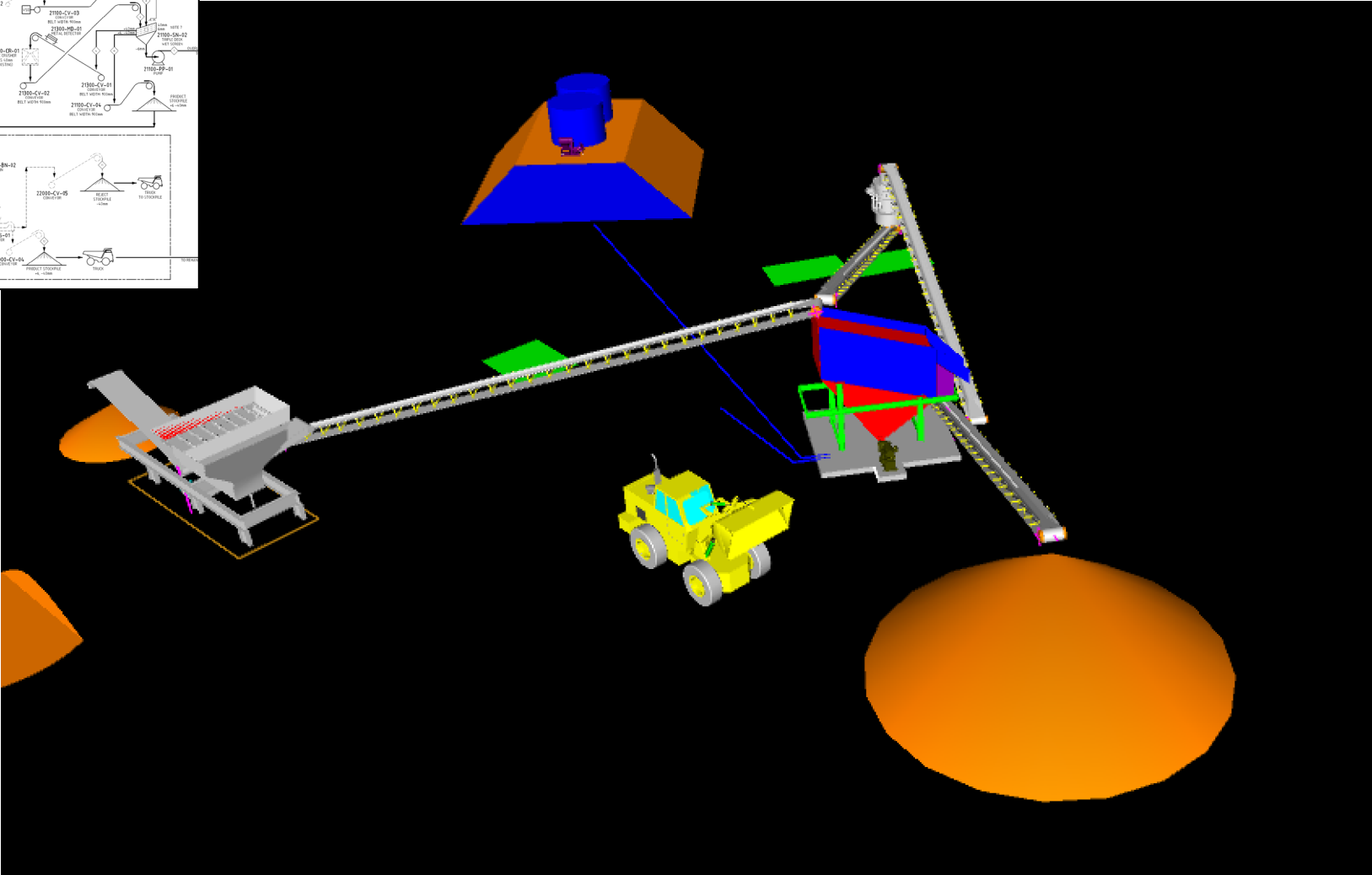
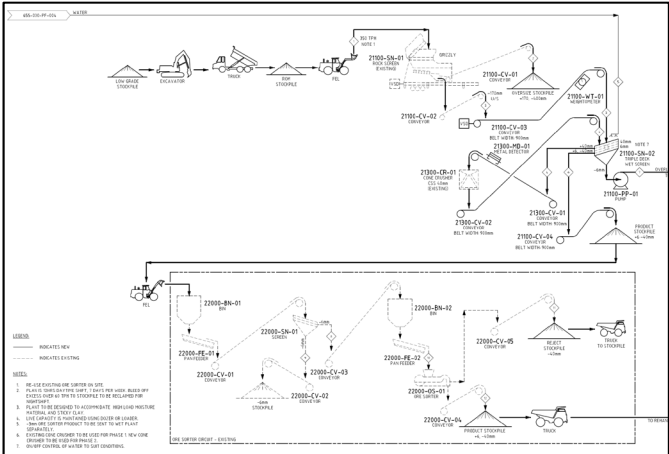


New power line



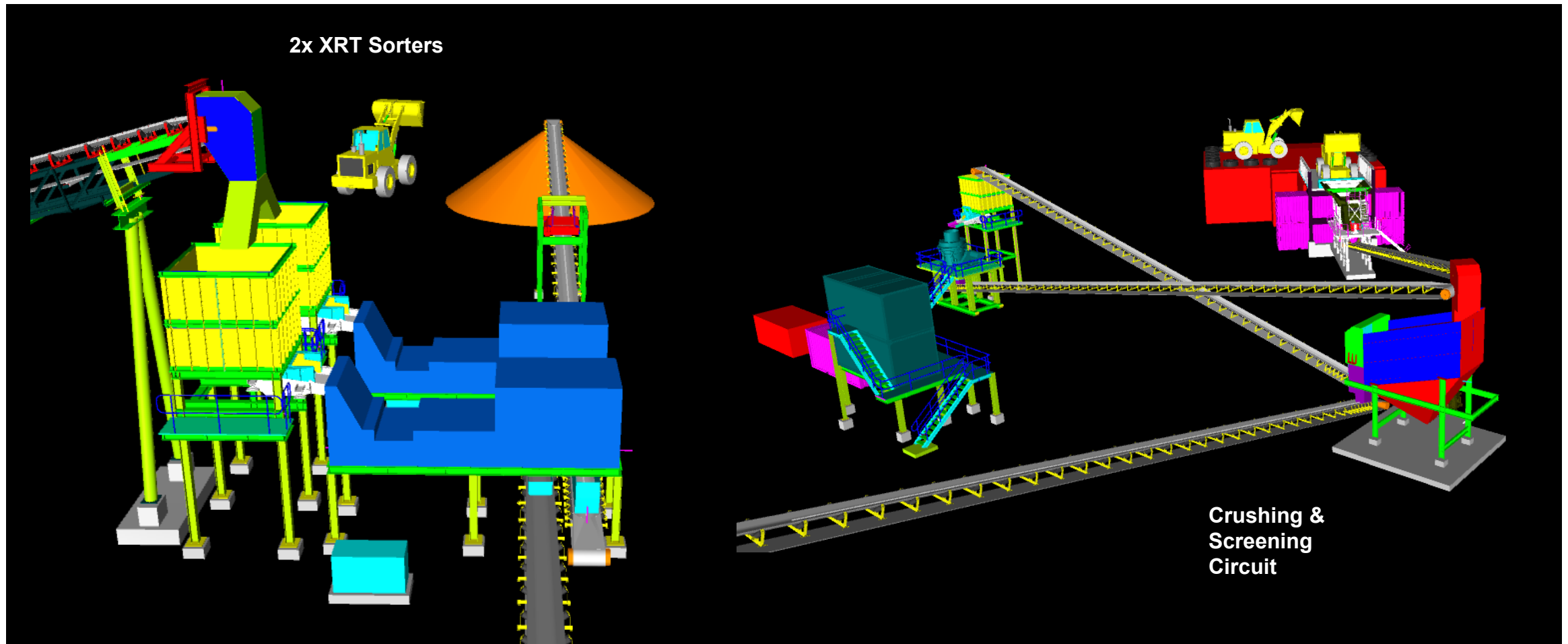
Sandvik wet screen

'Early Works' – Phase 1 Expansion



Phase 2 – Expanded Crushing & XRT Sorting Circuit

- In line with 1MTPA extraction permit
- Allowing for combined feed material from stockpile and open pit



Priorities of Coming 12-Months



- Phase 1 completed and increase production to 70 to 90tpm tungsten concentrate, becoming profitable
- Financial Close for Phase 2 Expansion (BFS scope)
- Drill Mt Carbine exploration targets and increase open pit optimization tonnage, drill inferred resource to indicated
- Further enhancing HSE standard at site, extending training program for employees
- Amendment to environmental licence to start mining open pit
- Further promote "green aggregate" products to reduce environmental footprint of regional construction sector



***EQ Resources aims for
a leadership role in the
sustainable development
of critical minerals projects.***

Mt Carbine Water Pond



THANK YOU

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