

14 February 2025

EQR PROVIDES UPDATE TO FERROTUNGSTEN PRODUCER ACQUISITION

EQ Resources Ltd is a global tungsten producer with mining activities in Australia and Spain.

EQ Resources Limited (“**EQR**” or “the Company”) provides an update to the status of the proposed acquisition of the Ferrotungsten producer, Tungsten Metals Group Limited (a public unlisted company) and its subsidiaries (together the ‘**TMG Group**’). EQR announced on 18 November 2024 that it had executed a binding Heads of Agreement (“**HoA**”) with TMG and Mr. George Chen (“**Chen**”) under which, subject to certain conditions, EQR agreed to acquire 100% of the shares in TMG, and separately Chen’s interest (being all shares) in Asia Tungsten Products Co Ltd (“**ATC**”) (“**Acquisition**”). Through the transaction EQR would acquire 100% ownership of the TMG Group.

The TMG Group currently owns and operates the largest ferrotungsten (FeW) plant outside of China. Due to its scale and favourable cost structure, the facility is regarded as one of the most competitive in the industry. The acquisition will allow for the diversification of product offerings for EQR and provide vertical integration of EQR’s upstream operations, aligning with EQR’s strategic plans to leverage its existing substantial resource base and production output.

Under the HoA, the parties agreed to an exclusivity period, ending 31 January 2025, for each party to complete due diligence and enter into definitive agreements documenting the terms of the Acquisition detailed in the HoA. Whilst the parties have undergone a detailed due diligence process, the definitive agreements are yet to be executed. Accordingly, the exclusivity period has expired, but discussions are continuing, EQR will keep shareholder investors updated on progress.

Released on authority of the Board by:

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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.

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