EQ Resources Limited
Quarterly Activities Report
Quarter ended 30th June 2025

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HIGHLIGHTS

SALORO OPERATIONS

- Spanish operations delivered another strong quarter with 28,203 mtu produced thanks to a steady processing performance.
- Construction works of third XRT ore sorter on schedule, with the installation of new plant upgrades, including Falcon concentrator and expanded gravity circuits, positioning the operation for further improved recovery and throughput in the coming quarters.

MT CARBINE OPERATIONS

- Mt Carbine achieved a modest increase in tungsten concentrate production to 6,983 mtu despite lower head grades from primarily low-grade stockpile feed, supported by stable plant performance and a strategic reset of pit design that will enable access to the high-grade Iolanthe orebody.

EQR EXPLORATION

- Wolfram Camp testing confirmed 86% tungsten recovery and a 16x grade upgrade using XRT sorting, advancing EQR's Regional Tungsten Hub Strategy and supporting future local growth opportunities.

FINANCIAL AND CORPORATE**

- Fastmarkets Ammonium Paratungstate ("APT") CIF Rotterdam/Baltimore mid-price of US$463 per mtu* on 30 June 2025, a +22% increase Quarter-On-Quarter (QoQ).
- EQR improved its financial position by raising A$20.6 million in equity, reducing debt by €5 million, securing extended credit guarantees for remaining debt facilities and receiving a Letter of Interest from the US EXIM bank for a potential 10-year US$34 million debt facility.
- Group cash receipts from customers were A$12.6 million (A$16.1 million revenue generated) in the quarter.

*Notes: * 1mtu (metric tonne unit) = 10kg WO_3, **All financial numbers are quoted in Australian dollars unless otherwise stated.*

EQR GROUP Q4 FY2025 - PRODUCTION SUMMARY

Operations		Mt Carbine		Saloro		EQR Group	
	Unit	***Q3 FY2025***	***Q4 FY2025***	***Q3 FY2025***	***Q4 FY2025***	***Q3 FY2025***	***Q4 FY2025***
Waste	*t*	519,816	342,403	1,585,941	836,066	2,105,757	1,178,469
Ore	*t*	182,449	73,056	342,877	241,381	525,326	314,437
Total Tonnes Mined	*t*	702,265	415,459	1,928,818	1,077,447	2,631,083	1,492,906
Strip Ratio	*W:O*	2.8 : 1	4.7 : 1	4.6 : 1	3.5 : 1	5.0 : 1	4.7 : 1
Closing Ore Stock	*t*	17,520	12,384	316,533	209,567	334,053	221,951
Gravity Plant Feed	*t*	51,935	54,573	222,444	229,415	274,379	283,988
Gravity Plant Grade	*%*	0.196%	0.168%	0.234%	0.214%	-	-
WO_3 Produced*	***mtu***	**6,717**	**6,983**	**29,605**	**28,203**	**36,322**	**35,187**

**Note: Metric Tonnes Unit, 1 mtu = 10kg 100% WO_3*

For the quarter ended 30 June 2025 ("Q4 FY2025"), the consolidated EQR Group produced 36,322 mtu of tungsten concentrate (Mt Carbine 6,983 mtu; Saloro 28,203 mtu), and mined a total of 1.5 million tonnes (Mt Carbine 0.4 million tonnes; Saloro 1.1 million tonnes).

The Saloro operations in Barruecopardo (Spain) delivered 28,203 mtu of tungsten concentrate for the quarter. This performance was supported by a 14% increase in Sorter Plant throughput to 135,209 tonnes, steady throughput and ongoing plant upgrades at the Gravity Plant including the installation of Falcon concentrators and expanded gravity tables to support ultrafine scheelite recovery. Mining advanced in Phase 5 (central and southern zones) and Phase 6 (northern extension), unlocking new ore zones and positioning the operation for improved flexibility and ore recovery heading into FY2026.

Mt Carbine (Queensland, Australia) produced 6,983 mtu of tungsten concentrate, a modest increase despite lower head grades from primarily low-grade stockpile feed, with continued strong plant recovery performance. Mining activities focused on a major pit redesign and South Wall Fault management, laying the groundwork for access to the high-grade Iolanthe orebody. Processing throughput remained stable at 54,573 tonnes through the Gravity Plant despite reduced mining volumes, supported by stockpiled ore and low-grade stockpile material.

EQR strengthened its financial position during the quarter, highlighted by the repayment of €5 million of debt at Saloro and the extension of €20 million in credit guarantees from Oaktree Capital Management. Equity funding of A$20.6 million was secured through the combination of an institutional placement and a complimentary Share Purchase Plan. Additionally, EQR received a Letter of Interest from the Export-Import Bank of the United States for a potential 10-year debt facility of up to US$34 million to advance the Mt Carbine Expansion Project, which is designed to double processing capacity, explore and design a long-term underground operation and therefore solidify EQR's role as a leading non-Chinese supplier of tungsten to global markets.

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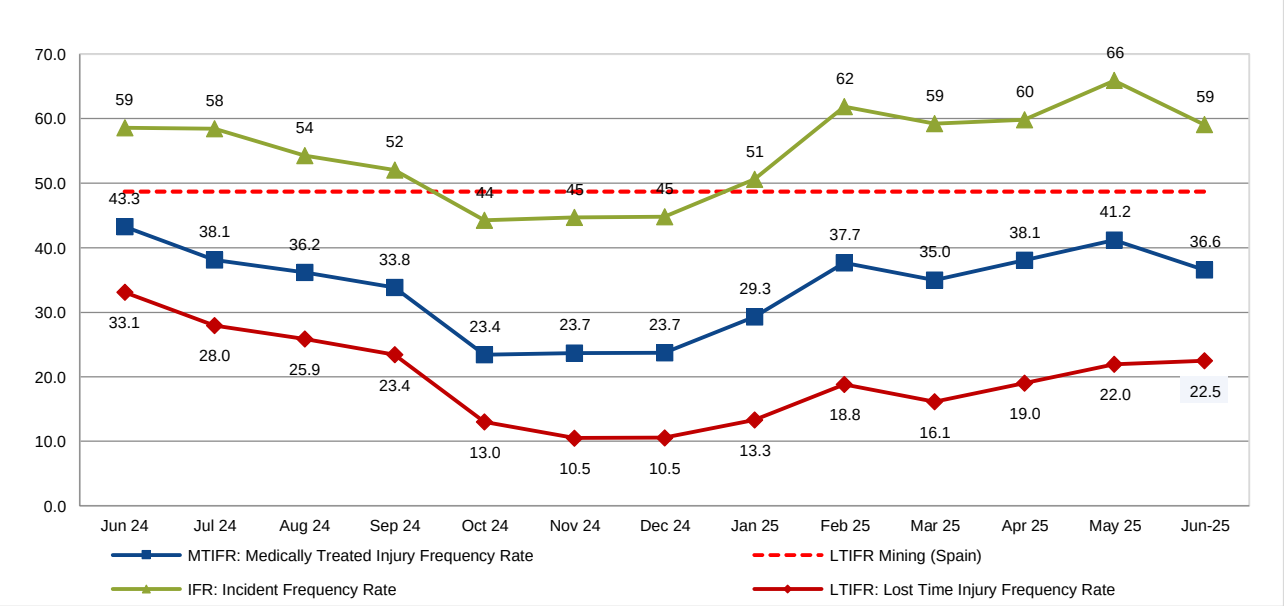
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HEALTH & SAFETY

Saloro Operations

Our operations in Spain continued to strengthen its safety culture in Q4 FY2025, with proactive engagement measures rising sharply, including a 44% increase in “Step Back Take 5” hazard assessments (from 1,730 in Q3 to 2,486 in Q4). While Lost Time Injuries rose to 23 (up from 18 in Q3), it is expected that the increased workforce participation in safety programs and hazard reporting will lead to an improved safety performance in the future.

Training efforts remained strong, with eight chemical product safety sessions and five initial inductions for new employees delivered during the quarter. Under the Company’s strict zero-tolerance policy, 4,552 alcohol tests were conducted (two non-negatives managed in accordance with policy), and 18 drug tests returned no non-negative results. These actions highlight our commitment to building a safer workplace through training, vigilance, and a proactive approach to risk reduction.



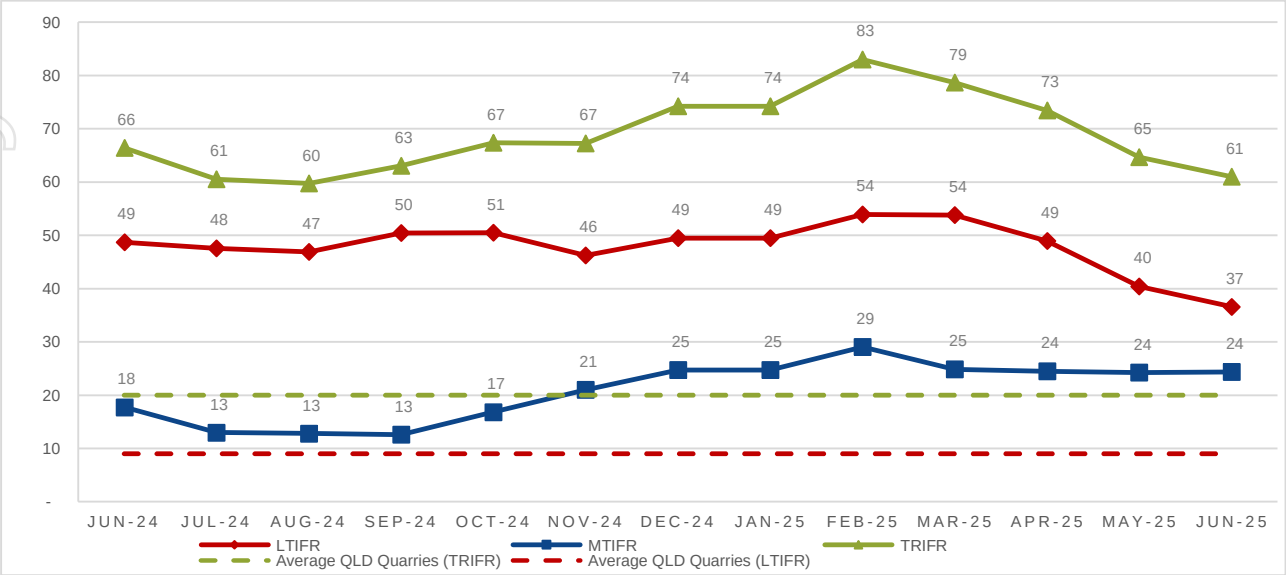
Picture above: 12-months Rolling Frequency Rate Graph for Saloro per million working hours.

Mt Carbine Operations

EQ Resources recorded a significant improvement in safety performance at Mt Carbine this quarter, with total recordable incidents decreasing from 9 in Q3 FY2025 to 6 in Q4 FY2025, representing a 80% quarter-on-quarter reduction. Alcohol and drug testing continued as part of our zero-tolerance policy, with over 5,045 breath analyses conducted. 4 non-negative results for alcohol were recorded and were managed according to Company policy. 27 drug screening tests were completed, with 0 non-negative results returned.

Proactive safety engagement continued in the quarter, with “Step Back Take 5” hazard assessments increasing by 43% quarter-on-quarter (from 4,102 in Q3 FY2025 to 5,858 in Q4 FY2025), reflecting an enhanced safety culture across site teams. Key training initiatives included site-wide Explosives Awareness Training and re-inductions for all personnel with over two years of service. Additionally, Safe Handling and Transport of Explosives training was rolled out across the workforce.

Several critical safety procedures and work instructions were reviewed and updated this quarter, covering areas such as incident notification and investigation, hazard and risk management, training systems, PPE compliance, hot works, gas detector usage, and emergency risk management. To reinforce safety communication, monthly toolbox meetings led by Foremen were introduced, each featuring a Safety Focus Point—May centred on “Guarding” and June on “Awareness of Surroundings.” These initiatives collectively reflect our ongoing commitment to improving site safety, systems compliance, and workforce awareness.



Picture above: 12-months Rolling Frequency Rate Graph for Mt Carbine per million working hours. LTIFR: Lost Time Injury Frequency Rate; MTIFR: Medical Treatment Injury Frequency Rate; TRIFR: Total Recordable Injury Frequency Rate.

SALORO OPERATIONS

Open Cut Mining



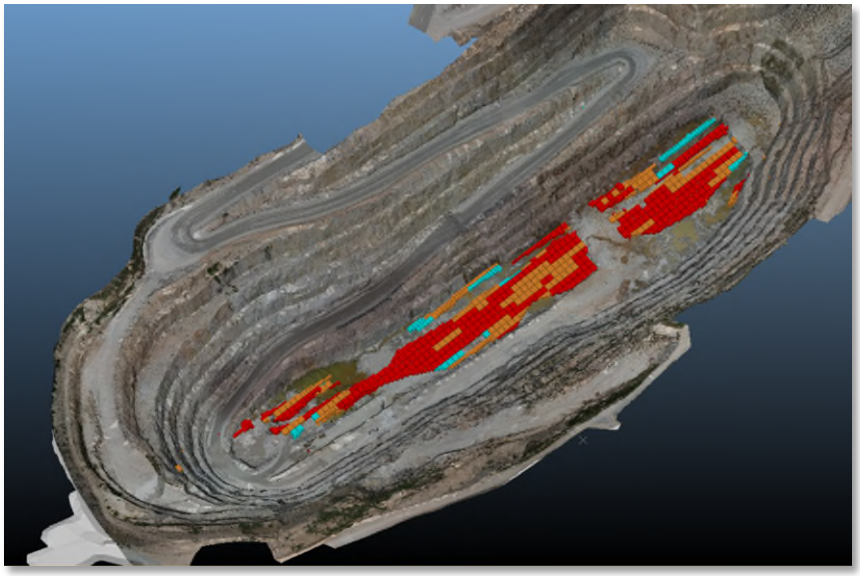
Picture above: The Barruecopardo Mine Open Pit (Spain) at the end of June 2025.

Phase 5 – Ore Production in Central and Southern Pit Areas

During Q4 FY2025, mining activities in Phase 5 were focused on the central and southern zones of the open pit, between elevations 575RL and 560RL. These areas delivered 241,381 tonnes of ore (342,877 tonnes in Q3 FY2025) at an average grade of 0.200% WO_3, in line with the mine plan. A total of 836,066 waste tonnes were extracted during the quarter.

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Picture above: Resource Block Model of the Ore production zone in the Southern Area of the Open Pit, main target of the Phase 5. Red is high grade, orange low grade and light blue very low grade.

Phase 6 – Development of Northern Pit Extension



Picture above: Northern area of Phase 6 at elevation 700RL, including the access ramp and 690RL bench, with ore stockpile and waste dump as of the end of June 2025.

Phase 6 development continued during the quarter, focusing on advancing bench construction in the northern section of the pit. Works progressed at elevation 700RL with the access ramp and reached the mineralised zone at 690RL for the first time. This milestone marks a key step in unlocking new ore zones in the northern pit, supporting future production flexibility. As of the end of June 2025, two mineralised blasts had been successfully prepared and are ready for haulage to the stockpile.

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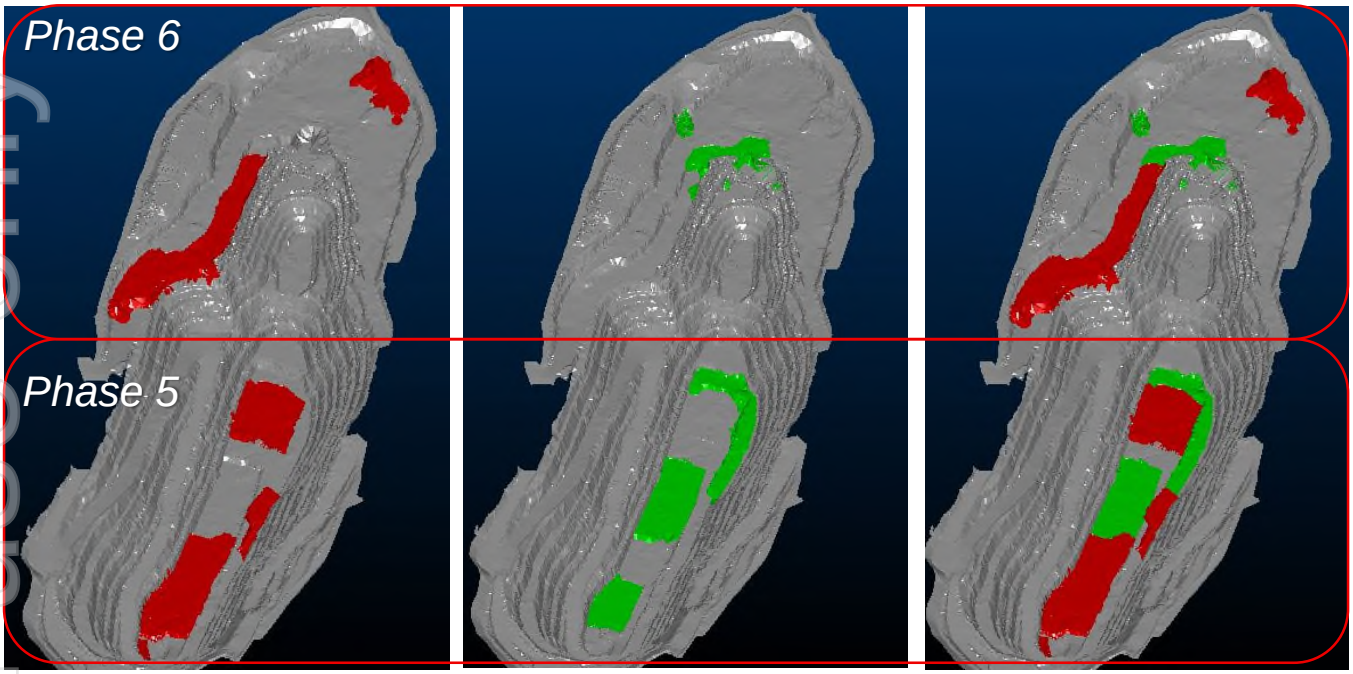


Figure above: The Southern Area main target in Phase 5; Northern Area main target in Phase 6 during Q4FY2025, red zone highlights mining activities conducted in the first half of the quarter, green in the second half of the quarter.



Picture above: The Northern Area of the Open Pit. Red rectangle shows two blasts containing Ore waiting to be hauled to the feed stockpile. June 2025.

Processing

Processing activities at the Barruecopardo Mine during Q4 FY2025 focused on both throughput optimisation and targeted circuit upgrades to improve scheelite recovery, particularly from ultrafine fractions. A total of 372,172 tonnes of ore was processed through the primary crusher (Q3 FY2025: 376,206 tonne), of which 135,209 tonnes (+14% increase from 116,907 tonnes in Q3 FY2025) were directed through the ore sorters, resulting in 24,964 tonnes of recovered material (+14% increase from 21,357 tonnes in Q3 FY2025).

Total mtu production for the quarter reached 28,203, comprised of 9,141 mtu in April, 10,005 mtu in May, and 9,057 mtu in June, representing a -5% decrease compared to the previous quarter, primarily due to a lower feed grade, as only stockpiled material from the ROM pad was processed throughout May and June.

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During the reporting period, the operations at Barruecopardo processed material from historic stockpiles as part of a strategy to reorganise the ROM Pad to increase capacity and optionality for future ore management.

A new geostock model was implemented, classifying stockpiles solely by WO_3 grade and eliminating impurity levels as control variables. This change, made possible by prior plant improvements and a simplified flowsheet, allows greater flexibility in blending and processing. By consuming and reclassifying these legacy stockpiles, the operational team is ensuring a more consistent plant feed while preparing for more efficient blending strategies going forward. Overall stockpile inventories declined from 822,000 tonnes at the end of Q3 to 720,000 tonnes in Q4 FY2025, leaving several months of feed available.





Picture above: The Falcon Concentrator before commissioning in the Processing Plant

Several operational measures were also implemented in the crushing area to stabilise throughput and improve material consistency. Coordination with the mining contractor led to increased stockpile levels at the primary crusher.

Plant upgrades progressed steadily, with the installation of Falcon concentrators targeting the recovery of ultrafine scheelite that had previously bypassed the conventional gravity circuit. Additionally, a new quadruple (4-deck) table was installed to expand treatment capacity for flotation products, enhancing recovery in the fines circuit. The spiral circuit was also modified to feed seven gravity tables, contributing to improved performance across the fines section. Expansion of the ore sorter section is underway, with full operational readiness expected in Q1 FY2026. This will allow an expanded capacity utilisation of the crushing and screening sections, resulting in higher-grade feed into the gravity plant and support further increases in overall recovery and plant efficiency.

The third XRT ore sorter arrived on-site on 30 July, with mechanical installation and electrical cabling scheduled through 8 August. Commissioning with TOMRA technicians is planned for 11 August, with full production expected by 15 August. In parallel, upgrades to the scalping system are underway, including a phased transition to a wet scalping screen and the future installation of an independent feeding hopper to further enhance throughput efficiency at the ore sorter plant.

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Pictured above left: the existing building containing the two ore sorters being extended to make room for the third ore sorter. Picture above right: the ore sorter distribution hopper installation progressing.

MT CARBINE OPERATIONS



Picture above: Mt Carbine Mine Open Pit (Australia) as of June 2025 with mining activities progressing in the Southeast and ongoing stripping on the South side.

Open Cut Mining



Picture above: Mining operations progressing in the Southern area of the pit

The quarter saw advancement of the open pit development aligned with the updated pit shell and revised mine design implemented under the leadership of the new mining team, led by David Laulau. This period marked a major reset in Mt Carbine's open pit strategy, with a strong focus on fast-tracking the extraction of the South Wall Fault area to unlock long-term access to the Iolanthe orebody. The updated mine plan realigns the pit shell and ramp design around the South Wall Fault, with mining efforts during the quarter focused on developing the new, geotechnically optimised layout.

Despite the positive momentum in planning and mine design, mining volumes were constrained and blasting schedule delayed. Total material movement for the quarter was 415,459 tonnes (Q3 FY2025: 702,265 tonnes), comprising 342,403 tonnes of waste and 73,056 tonnes of ore, representing a 41% decrease quarter-on-quarter.

Nonetheless, the mining team was able to make meaningful progress on free-dig material within the redesigned pit shell, supplemented by the extraction of blasted material from the limited blasts undertaken. Four blast patterns have been drilled in preparation for the next round of blasting along the South Wall Fault with an additional blast pattern drilled out in the northeast corner of the pit, setting the stage for the upcoming blast sequence.

On the 27th of June, the pit was closed to complete a full review and upgrade of Mt Carbine's blasting systems and documentation. The site finalised a revised Blast Management Plan, Broad Brush Risk Assessment (BBRA), and associated policies and procedures to support the transition to a downhole blasting contractor model. Under this structure, the site will assume responsibility for blast design and shot firing, with explosives delivered and loaded on the day by the contractor, significantly improving scheduling flexibility and reducing cost to the company. On the 22nd of July, the Mines Department signed off all of the updated documentation allowing Mt Carbine to proceed with appointing an explosives supplier to restart blasting activities under its own management.

The strip ratio increased to 4.7:1 (Q3 FY2025: 2.8:1), reflecting ongoing waste movement required to establish access to high-grade zones. Ore mined during the period consisted primarily of medium-grade material from the Johnson Vein and a small piece of the Iolanthe vein accessible in the eastern section of the pit. ROM ore stock at quarter-end stood at 12,384 tonnes (Q3 FY2025: 17,520 tonnes).

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Picture above: Stripping activities progressing in the South side of the open pit where the old processing plant use to once stand.

Processing

Processing activities remained steady throughout the quarter, with the site continuing to operate under constrained availability of fresh high-grade ore from the pit. Total material fed to the Gravity Plant was 54,573 tonnes (Q3 FY2025: 51,935 tonnes), maintaining throughput despite reduced mining volumes. The plant processed a blend of medium-grade ore from the Johnson Vein and stockpiled ore, alongside material reclaimed from the Low-Grade Stockpile (LGSP) to supplement daily feed.

Average head grade for the quarter was 0.168% WO_3 (Q3 FY2025: 0.196% WO_3), reflecting the transitional nature of the feedstock. Nonetheless, strong recovery performance from the gravity circuit, combined with operational discipline, enabled a modest increase in concentrate production to 6,983 mtu (Q3 FY2025: 6,717 mtu), despite the lower feed grade.

Plant availability remained stable, although several critical maintenance items continued to operate under deferred rebuild schedules.

Operational teams continued to demonstrate resilience, with minimal unplanned downtime and proactive adaptation to fluctuating feed conditions. Water availability stabilised during the quarter, following the late onset of the wet season and improved dam levels.

ROM feedstock and concentrate bag stock both remained tightly managed, with end-of-quarter concentrate shipments partially delayed due to logistics disruptions earlier in the period. These were largely resolved by quarter end.

The site remains well positioned to recover the higher grade ores once available, however, will continue processing LGSP along with any ore deliveries from the pit as and when available to maximise grade to the processing plant.

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Quarry operations

Mt Carbine Quarry continues to deepen its role as a key regional supplier across Far North Queensland. During the quarter, the team successfully completed the 17,000-tonne road base supply to Keltone Constructions at Hurricane Station, immediately transitioning into a new contract for the delivery of Armour Rock to support breakwater construction at Cairns' northern beaches.

Regular deliveries of 20mm concrete aggregate to BZ Contractors for the Daintree River project and bulk material to Mossman Quarry remained consistent throughout the period. Product also continued to be supplied to Brooklyn Station within the World Heritage-listed Brooklyn Wildlife Sanctuary, supporting road maintenance works under ecological preservation constraints.

General aggregate sales continued steadily across the quarter, supporting small to medium infrastructure and maintenance projects in the region. Plant optimisation works also contributed to improved operational efficiency, enabling more consistent output and faster fulfilment of large orders.



Mt Carbine Quarry Material used on the Cairns Northern Beaches

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FINANCIAL & CORPORATE

Financing Activities - Strengthening the Balance Sheet and Advancing Strategic Growth Projects

In the last quarter of FY2025, the Company focused on strengthening its Balance Sheet by raising A$20.6m in capital to support its debt restructuring requirements, working capital needs and to progress strategic capital works at both its Australian and Spanish operations.

The A$20.6m raised consisted of the following capital market activities:

- Placement of A$18.8 million completed in May 2025 (*ASX Announcement: EQR Announces Significant Equity Raise and Share Purchase Plan*)

Completion of a complimentary Share Purchase Plan ("SPP"), raising A$1.8 million in June 2025 (*ASX Announcement: EQR Announces Completion of Share Purchase Plan*)

During the quarter, the Company reduced its outstanding debt facilities held by Saloro S.L.U (EQR's 100% owned Spanish subsidiary and operator of the Barruecopardo mine) by €5 million representing 25% of total debt facilities outstanding (*ASX Announcement: Saloro Debt Repayment of EUR5M Completed*).

EQR's major Shareholder, Oaktree Capital Management, extended its credit guarantees for the remaining €15 million facility with Banco Santander and €5 million facility with Caxia Bank (*ASX Announcement: Saloro Credit Facilities in Process of Extension*). These guarantees, supporting all external debt facilities, remain in place until the end of 2025 providing EQR with a stable platform to continue it refinancing discussions.

EQR continues to pursue sustainable funding solutions for its strategic plan. In June 2025, EQR received a Letter of Interest from the Export – Import Bank of the United States ("US EXIM") to potentially fund EQR with a 10-year debt facility of up to US$ 34 million to progress the development of the Mt Carbine Operations (*ASX Announcement: US EXIM Issue Letter of Interest for Mt Carbine*). Available under the US Government's Supply Chain Resiliency Initiative, the funding would support the doubling of processing capacity and extending the current mine life at Mt Carbine Operations.

These milestones demonstrate EQR's focused approach to capital management, balance sheet optimisation, and project delivery, as the Company continues to scale its operations to meet growing global demand for responsibly sourced critical minerals.

Strengthening Leadership to Support EQR's Global Growth Strategy

EQ Resources Limited (ASX: EQR) continues to build a high-calibre leadership team to support its international growth ambitions with the appointments of Mr Andrew Goledzinowski AM as Senior Advisor for Government Relations and Mr Jonathan Kort as Chief Financial Officer.

Mr Goledzinowski, appointed effective 1 July 2025, brings over four decades of diplomatic experience, having served as Ambassador to Vietnam, High Commissioner to Malaysia, and Deputy Permanent Representative to the United Nations. In his advisory role, he will support EQR's engagement with government stakeholders across Australia, Europe, the United States, and Vietnam—leveraging his deep international networks and prior involvement in key EQR initiatives, including stakeholder engagement and due diligence for the TMG smelter.

Mr Kort commenced as CFO on 1 June 2025 and joins EQR's Global Leadership Team. With more than 20 years of experience in mining and infrastructure, including senior roles at PanAust, BHP, and Coronado Global Resources, he will lead the Company's financial, governance, and strategic planning functions. A Chartered Accountant with a Master's in Mineral Economics, Mr Kort brings a strong track record in financial leadership and operational execution to help drive EQR's next phase of development.

Tungsten Markets

Tungsten Market Dynamics Remain Favourable Amid Tightening Supply and Geopolitical Pressures

The global tungsten market continues to face tightening supply and rising strategic importance, creating favourable conditions for EQ Resources. Over 85% of the world's tungsten raw materials originate from China and other opaque jurisdictions, while Western demand — driven by the U.S., EU, Japan, and South Korea — accounts for over 50% of end-use consumption. Demand remains underpinned by critical sectors such as automotive, aerospace, defence, energy storage, and semiconductors, with no viable substitutes for tungsten in these applications.

Recent geopolitical developments have further tightened supply. In response to U.S. tariffs, China has introduced export controls on several tungsten products and reduced their domestic mining quotas by 6.5% for H1-2025 further signalling its preference to preserve domestic resources of critical minerals. Concurrently, Chinese imports of Western raw materials

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have doubled, reflecting a strategy to build critical stockpiles and potentially disrupt Western supply chains. These factors have already driven APT prices up from US$380/mtu at the end of Q3FY2025 to US$463/mtu at the end of Q4 FY2025 recording a substantial 22% increase Quarter-on-Quarter and a 37% increase Year-on-Year from beginning of July 2024 to end of June 2025 in U.S. dollar.

Tungsten shipments from both Mt Carbine and Barruecopardo are invoiced and settled in U.S. dollars, reflecting the global pricing convention for critical minerals. As EQR is unhedged against foreign exchange fluctuations, the Company benefited during the quarter from a favourable shift in the USD/AUD exchange rate. The slight appreciation of the U.S. dollar against the Australian dollar effectively increased the AUD-equivalent revenue received for each shipment, providing a positive uplift to cash flow and margin.

As EQR also remains unhedged with regards to the underlying tungsten price, the Company is well positioned to capture full value from further price increases, with its operations in Australia and Spain providing stable, transparent, and secure sources of supply to Western customers.

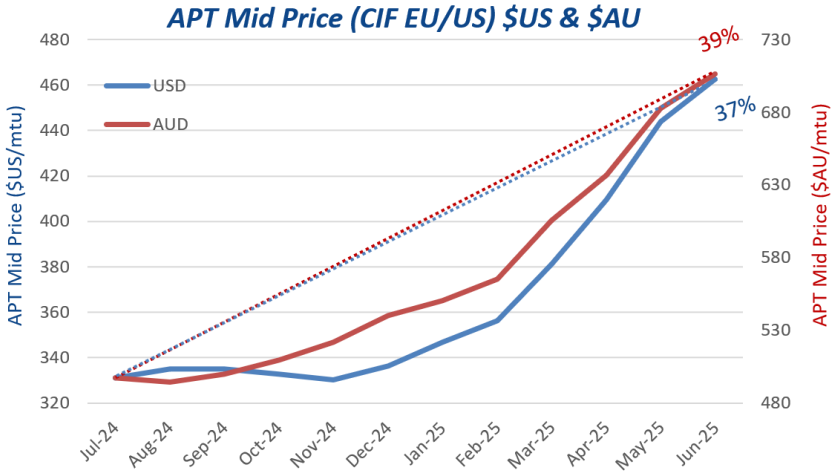


Figure above: 12 months history APT Mid Price. Source: Fastmarkets. Tungsten APT 88.5% WO_3 min cif Rotterdam and Baltimore duty-free, $/mtu WO_3

Quarterly Cashflow Report

Cash flows from operating activities

In Q4 FY2025, net cash used in operating activities amounted to A$11.55 million. The Company generated unaudited revenue of A$16.1 million with cash receipts totalling A$12.6 million. Saloro generated positive operating cashflows of A$0.095 million. Mt Carbine generated negative operating cashflows of A$11.64 million in the quarter due to lower concentrate output, and from changes to the mine plan that is currently focussing on waste stripping works to gain access to the high-grade Iolanthe ore body.

Cash flows from investing activities

In Q4 FY2025, net cash used in investing activities totalled A$2.19million. During the quarter, the Company invested a further A$2.1 million at Mt Carbine, using mine waste to raise the noise & visual bund at the site, which is a requirement under the Mt Carbine Mining Lease.

Cash flows from financing activities

In Q4 FY2025, net cash from financing activities totalled A$13.73 million. This primarily consisted of A$20.6 million (before fees) from the Equity Placement along with the extinguishment of a short-term loan of A$1.2 million via the issue of shares as part of the Equity Placement. Saloro also repaid A$8.74 (€5 million) debt facility held with Banco Santander S.A. in line with the debt security extension and roll-over of certain debt facilities.

Cash and financing facilities

As of 30 June 2025, the Company held cash of A$1.87 million, a decrease from A$1.92 million in cash held at 31 March 2025. Spanish loan facilities remained relatively static in Euros, with headroom of A$2.73 million at quarter end.

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Payments to related parties of the entity and their associates during the quarter were $194k compromising of Director fees as outlined in the Appendix 5B. All numbers included in the Quarterly Cash Flow Report are unaudited.

SUSTAINABILITY & SOCIAL PROGRAMS



Saloro CEO Leads Regional Mining Innovation Cluster

Álvaro Serrano, CEO of Saloro and President of the National Cluster for Sustainable Mining of the Iberian Peninsula (ISMC), led the Cluster's recent board meeting held in León, Spain. Over the past year, ISMC successfully executed 18 European-funded projects, securing more than €2.6 million in direct funding for its network of nearly 90 partner organisations—primarily small and medium-sized enterprises based in Castilla y León and Andalusia. In total, the Cluster has mobilised over €150 million across its initiatives. The assembly reviewed key achievements and set strategic priorities for 2025, reinforcing Saloro's leadership in fostering sustainable mining innovation across the region.

Mt Carbine Supports Cancer Council's Biggest Morning Tea

As part of its ESG and community engagement efforts, the Mt Carbine team participated in Australia's Biggest Morning Tea in support of the Cancer Council. This nationwide initiative encourages workplaces and communities to host morning tea events to raise vital funds for cancer research, prevention programs, and support services for those affected by cancer. The Cancer Council is one of Australia's leading non-profit organisations dedicated to reducing the impact of cancer through advocacy, education, and support. Mt Carbine's participation reflects EQ Resources' commitment to supporting meaningful causes within the community, contributing to the collective effort to improve health outcomes across the country.



For more information on the company's ESG commitments and ongoing initiatives, please visit EQR's LinkedIn, Saloro's LinkedIn and the Sustainability page on EQR's Website.

EXPLORATION ACTIVITIES / RESERVES AND RESOURCES

Wolfram Camp

Strong XRT Sorting Results Advance EQR's Regional Tungsten Hub Strategy

The Company has reported positive preliminary results from bulk sample testing at its Wolfram Camp Project in Far North Queensland, further advancing its regional tungsten hub strategy. The program, conducted in partnership with TOMRA Sorting Solutions and the University of Queensland's Sustainable Minerals Institute, was supported by a $250,000 grant under the Queensland METS Collaborative Projects Fund. Testing focused on two main sample areas: the Parrot ore stockpile and a composite of historical waste material. Results showed excellent performance of the XRT ore sorter, with 86% tungsten recovery achieved from just 5–10% of the original feed mass. This indicates strong de-bulking and pre-concentration potential. The Parrot sample achieved a 16x increase in grade, with minimal downstream processing volume. The waste stockpile composite, while showing lower recoveries, revealed a head grade of 0.10% WO_3 demonstrating that 75% of the tungsten is contained in the fines fraction. These preliminary results highlight the opportunity to extract value using simple gravity separation techniques.

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These results indicate the potential of technical viability of surface stockpile reprocessing at Wolfram Camp and highlights the potential to follow EQR's successful implementation of XRT sorting at Mt Carbine and Saloro, where the technology has significantly improved recovery rates and reduced operating costs. The Company is now progressing to the next phase of testing to assess in-situ sortability potential and integrate findings into its broader stockpile and production evaluation. EQR continues to evaluate options to leverage existing infrastructure and workforce to support a regional processing hub, providing new opportunities for local employment and sustainable resource development.

ASX Announcement 13th June 2025: EQR Progresses Regional Hub Strategy

Mineral Resource and Ore Reserves

There has been no material change to the Company's Mineral Resources and Ore Reserves since the last update provided. For more information refers to the announcements below:

- Mt Carbine Mine Mineral Resources Estimate and Ore Reserves as of June 2024; Wolfram Camp Mineral Resources Estimates as of 2015: 'EQR Annual Report 2024'
- Saloro / Barruecopardo Mine Ore Reserves as of October 2024: *ASX Announcement 29th October 2024: 'EQR Releases Barruecopardo Ore Reserves'; ASX Announcement 4th November 2024: 'Updated Announcement on Barruecopardo Ore Reserves'*

EQR Tenement Interests

There has been changes in the Tenements list held by the Company and its controlled entities. The current tenement interests are disclosed below in accordance with ASX Listing Rule 5.3.3.

Location	Holding Entity	Beneficial Interest	Interest Acquired or Disposed	Area	Expiry date
Queensland, Australia					
ML 4867	Mt Carbine Quarries Pty Ltd	100%	N/A	358.5 ha	31/07/2041
ML 4919	Mt Carbine Quarries Pty Ltd	100%	N/A	7.891 ha	31/08/2041
EPM 14871	EQ Resources Limited	100%	N/A	10 sub-blocks	12/12/2025
EPM 14872	EQ Resources Limited	100%	N/A	21 sub-blocks	11/12/2025
EPM 27394	EQ Resources Limited	100%	Disposed	4 sub-blocks	1/06/2025
EPM 28898	EQ Resources Limited	100%	17/06/2024	147 sub-blocks	17/06/2029
New South Wales, Australia					
EL 6648	EQ Resources Limited	100%	Disposed	4 Units	19/10/2026 1)
EL 8024	EQ Resources Limited	100%	Disposed	19 Units	29/11/2027 1)
ML = Mining Lease; **EPM** = Exploration Permit for Mineral (Qld); **EL** = Exploration License (NSW)					
1) Sozo Farm-in arrangement.					

Salamanca, Spain					
C.E. Barruecopardo, 6.432-10	Saloro, SLU	100%	18/01/2024	2,100 Ha	1/11/2041
P.I. Saldeana 1ª Fracción, 6.432-11	Saloro, SLU	100%	18/01/2024	29,300 Ha	13 Aug.*
P.I. Saldeana 2ª Fracción, 6.432-12	Saloro, SLU	100%	18/01/2024		13 Aug.*
P.I. Milano, 6.432-20	Saloro, SLU	100%	18/01/2024	29,000 Ha	13 Aug.*
P.I. Cortegana, 6.570	Saloro, SLU	100%	18/01/2024	16,700 Ha	14 Nov.*
P.I. Almonaster, 6.572	Saloro, SLU	100%	18/01/2024	4,300 Ha	14 Nov.*
P.I. Aracena, 6.649	Saloro, SLU	100%	18/01/2024	5,300 Ha	30 Oct.*
P.I. Brincones, 6.834	Saloro, SLU	100%	18/01/2024	6,100 Ha	7 May*

C.E. = Mining Lease; ***P.I.** = Exploration Permit which is renewed annually.

Note: EL 6648 & EL 8024: Sale agreed, and transfer lodged, pending registration. EPM 27394: Disposed.

Released on the authority of the Board by:

Oliver Kleinhempel
Executive Chairman

Further Enquiries:

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About EQ Resources Limited

EQ Resources Limited is a leading global 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. The Company 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.

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 in resource estimates. Neither the Australian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Australian Securities Exchange) accepts responsibility for the adequacy or accuracy of this announcement.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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Name of entity	
EQ RESOURCES LIMITED	
ABN	**Quarter ended ("current quarter")**
77 115 009 106	30 June 2025

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	12,603	70,308
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(15,308)	(54,791)
	(d) staff costs	(7,370)	(26,165)
	(e) administration and corporate costs	(1,032)	(4,978)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	27
1.5	Interest and other costs of finance paid	(824)	(3,040)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other		
	- Diesel Fuel Tax Credits	371	1,499
	- Grants	-	133
	- Traineeship Subsidies	13	71
	- Other	-	20
1.9	**Net cash from / (used in) operating activities**	**(11,546)**	**(16,916)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	(1,236)
	(b) tenements	-	(3)
	(c) property, plant and equipment	(87)	(2,002)
	(d) exploration & evaluation (if capitalised)	(9)	(278)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(e) investments	-	-
	(f) other non-current assets	(2,098)	(7,909)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	50
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(2,194)**	**(11,378)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	20,575	25,705
3.2	Proceeds from issue of convertible debt securities	-	3,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(642)	(1,232)
3.5	Proceeds from Borrowings	1,066	1,066
3.6	Repayment of borrowings	(8,817)	(9,426)
3.7	Transaction costs related to loans and borrowings	-	(155)
3.8	Dividends paid	-	-
3.9	Other		
	- Lease Repayments	(1,334)	(3,513)
	- Offtake Prepayments	2,879	11,310
3.10	**Net cash from / (used in) financing activities**	**13,727**	**26,755**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,919	3,517
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(11,546)	(16,916)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,194)	(11,378)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	13,727	26,755
4.5	Effect of movement in exchange rates on cash held	(32)	(104)
4.6	**Cash and cash equivalents at end of period**	**1,874**	**1,874**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,874	1,918
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Term Deposits	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,874**	**1,918**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	194
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments to Directors and Senior Executives for salaries (including superannuation), fees, consultancy and expense reimbursements.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
	- Banco Santander[1]	35,804	33,529
	- Caixabank[2]	8,951	8,495
7.2	Cronimet Offtake Advance Facility	13,143	13,143
7.3	Cronimet Working Capital Facility	2,121	2,121
7.4	Convertibles Notes	3,750	3,750
7.5	**Total financing facilities**	**63,769**	**61,038**

7.5	**Unused financing facilities available at quarter end**	2,731
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

7.6

7.1 Spanish Loan Facilities:

[1] Secured Loan Facilities at interest rates between 3.45% - 5.00% (Oaktree LC support until December 2025).

[2] Secured Loan Facility at an interest rate of 3.51% (Oaktree LC support until December2025).

7.2 Secured Loan no interest loan to be repaid from free cash flows, over life of mine.

7.3 Unsecured Loan at an interest rate of SOFR + 3.00% p.a.

7.4 (i) Unsecured 2-Year $750k Convertible Notes with a Coupon Rate of 9.00% p.a. payable in shares or cash at the election of the Note Holders.

(ii) Unsecured 1-Year $3 million Convertible Notes with a Coupon Rate of 9.00% p.a. payable in shares or cash at the election of the Note Holders.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(11,546)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(9)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(11,555)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,874
8.5	Unused finance facilities available at quarter end (item 7.5)	2,731
8.6	Total available funding (item 8.4 + item 8.5)	4,605
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.4

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

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8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

EQ Resources continues to pursue a variety of funding initiatives to support the ongoing requirements of the business (Please refer to 8.8.2 below for funding initiatives).

Several improvement initiatives at our Barracuepardo operations have been completed with a 3rd ore sorter expected to be installed in Q1 2026. These improvements have seen improved recoveries and we are expecting to see improved cash flows moving forward.

Mt Carbine continues to require additional capital to unlock the high grade deposit. Once secured, it is expected that Mt Carbine will generate positive cash flows from operating activities.

In addition, the tungsten price has increased substantially due to geopolitical and macroeconomic factors which will support future operating cashflows if maintained.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Yes, EQ Resources continues to progress funding options with existing Shareholders, potential investors and financiers to support the further development of its operations.

On 04 July 2025, the Company announced that it had successfully raised A$4m of new capital. The Company also secured A$1.4m in customer prepayments.

On 29 July 2025, the Company announced that its 100% owned entity, Saloro S.L.U, had executed a binding term sheet with funds managed by Oaktree Capital Management L.P ("Oaktree") for a US$7.5 million royalty-based funding package. Both EQ Resources and Oaktree are committed to finalising the agreement as soon as possible.

The Company continues to pursue medium term funding solutions to support the development of Mt Carbine. On 27 June 2025, the Company announced that it has received a Letter of Interest from the US Export-Import Bank ("US EXIM") for a 10-year debt facility of up to US$34m to progress the further development of Mt Carbine. The Company continues to progress their application.

Furthermore, additional options continue to be pursued by the Company to meet its funding needs as required.

In Q1 2026, the Company has successfully raised A$4m and have entered into a binding royalty term sheet for US$7.5m. Given the Company's ability to raise capital in the last 6 months of A$24.6m and feedback from potential investors/ financiers, it is reasonable for the Board to continue its current plan for securing any additional funding required.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The Company expects to continue its operations and to meet its business objectives. Based on responses to item 8.8.1 and 8.8.2, the Company is working diligently on its initiatives at each tungsten operation to deliver positive operating cashflows in future quarters.

Since 1 July 2025, the Company has raised A$4m, secured a customer prepayment of A$1.4m and has entered binding terms for a US$7.5m royalty at its Saloro S.L.U 100% owned subsidiary. Further initiatives are underway to support the funding of the business objectives.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2025

Authorised by: the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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