



RESOURCES

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MODERN SLAVERY STATEMENT

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1. ABOUT THIS STATEMENT

The Board of Directors (the “**Board**”) of EQ Resources Limited (the “**Company**”, “**EQ Resources**” “**we**”, “**our**”, and “**us**”) is responsible for addressing Modern Slavery risk across the Company and our controlled entities (the “**Group**”).

At EQ Resources, we are committed to conducting all aspects of our business in keeping with the highest ethical standards and expect all employees and other persons acting on our behalf as well as our suppliers and subcontractors to uphold this commitment.

To demonstrate our commitment to compliance with the Modern Slavery Act and creating transparency, we will be providing a Modern Slavery Statement on a voluntary basis and as part of best practice and aligning with our ESG (Environmental, Social and Governance) goals.

This Modern Slavery Statement (the “**Statement**”) has been prepared in respect of the financial year 1 July 2023 to 30 June 2024 (FY24), and in accordance with the Australian Modern Slavery Act 2018 (Cth) (the “**Act**”).

This Statement outlines the steps we have taken to identify, prevent, and address the risks of modern slavery within our organization and supply chains. We believe that a proactive approach is essential to fostering a fair and equitable working environment for all, and we are committed to continuous improvement in this vital area.

2. OPERATIONS, STRUCTURE AND SUPPLY CHAINS

The Company is an Australian company developing tungsten and quarries in Mt Carbine, Far North Queensland.

The Company has a flagship tungsten asset and quarry in Mt Carbine, Queensland as well as gold exploration licenses in New South Wales. The Company has recently acquired Saloro, a tungsten mine in the European Union (Spain).

Our major operations of the Company (including the Saloro Operation) include:

- a) Management and administration;
- b) Mineral exploration;
- c) Mine development;
- d) Mining; and
- e) Quarrying.

The Company’s supply chain includes the following categories:

- a) Equipment providers;
- b) Maintenance providers;
- c) IT services;
- d) Office / safety equipment suppliers;
- e) Freight and logistics;
- f) Contracted labour services;
- g) Consultants;
- h) Third-party service providers; and
- i) Utilities such as power, internet, phone, etc.

The nature of the above supply chains varies depending on the nature of the products or services provided. Some of the equipment providers are large, global suppliers. The Company also has local supply arrangements with small or medium businesses close to the Company's operations.

3. MODERN SLAVERY RISKS

The Company's corporate office is in Australia, with the mining site 'Saloro' operating in the European Union (Spain).

The Company could potentially be exposed to modern slavery risk as an employer. However, we consider the risk that our direct employee workforce could be subject to modern slavery to be negligible and low.

We have made this assessment on the basis that our direct employees are highly skilled, working within a mature regulatory environment.

Our direct employees are provided with contracts that comply with relevant employment legislation and are supported by established, embedded employment-related policies and processes with a particular focus on an individual's right to work in the relevant country in which they will be engaged.

The Company has identified the following risks of modern slavery in our supply chain as follows:

- a) **Labour Risks** – through the engagement of labour, such as temporary or contractor labour hire. The risk that these workers may be exposed to modern slavery through non-compliance of labour laws; and
- b) **Procurement Supply Chain Risks** – The engagement of local or international suppliers that may obtain products or services from sources where labour laws are not followed or forced labour is used.

EQ Resources acknowledges and recognises that modern slavery risks in our supply chain will extend beyond the suppliers with whom we directly contract. Our suppliers are expected to manage their business and supply chain in line with our **Supplier Code of Conduct** and in a manner that respects human rights as set out in the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.

4. ACTIONS UNDERTAKEN TO ASSESS AND ADDRESS RISKS

The Company is addressing the above risks with the following actions:

- a) Labour risks – ongoing engagement with labour-hire/contractor suppliers to ensure they also follow labour laws and have modern slavery practises in place. All employees are to be inducted and made aware of relevant employment policies (Code of Conduct, Whistleblower, Grievance etc).
- b) Procurement supply chain risks – ongoing supplier screening processes, including the introduction of a Supplier Code of Conduct which includes a section on Modern Slavery to ensure they are willing to align to EQ Resources' Supplier Code of Conduct.
- c) Modern slavery awareness training – staff will undergo training to assist in understanding what modern slavery is, and what to do if they suspect an instance of modern slavery in the Company's supply chain.
- d) The Company's recruitment, diversity, inclusion and remuneration policies support its efforts to combat modern slavery by ensuring its processes for employment are fair and equitable and in line with Australian labour laws.
- e) Grievance Mechanism - we offer accessible reporting mechanisms for anyone to raise concerns about modern slavery or other human rights abuses.
- c) Supplier Due Diligence – the Company conducts thorough due diligence across our major suppliers within our supply chain, including the suppliers engaged by Saloro. This includes implementing a

Supplier Code of Conduct and collaborating with local stakeholders to identify and mitigate modern slavery risks.

5. ASSESSMENT OF EFFECTIVENESS OF RISK MITIGATION AND REMEDIATION STRATEGIES

The Company regularly evaluates the effectiveness of our actions to address modern slavery risks through:

- a) Ongoing monitoring of supplier compliance with our Supplier Code of Conduct, specifically international suppliers. In these cases, the Company will focus on our key suppliers by requesting their compliance with the Company's Supplier Code of Conduct.
- b) Regular training and awareness sessions.
- c) Incident reporting.

To date, the Company has not had any known breaches of modern slavery, nor has any risks been flagged during our risk assessment and supplier screening process. Most of the Company's supply chain is based in Australia, and these suppliers must therefore adhere to Australia's labour laws.

6. FUTURE COMMITMENTS TO REDUCING MODERN SLAVERY RISKS

The Company commits to the following actions to further reduce the risk of Modern Slavery:

- a) Ongoing training and awareness;
- b) Strengthening due diligence processes;
- c) Regular review and risk assessment of its supply chain;
- d) Continuing supplier engagement to ensure suppliers are meeting the Company's Code of Conduct;
- e) Include provisions specific to anti-slavery wording in our contractual documentation with suppliers/ third parties.

7. CONSULTATION AND COLLABORATION

In preparing this Statement, EQ Resources has consulted with relevant stakeholders, to ensure a comprehensive understanding of modern slavery risks and best practices in addressing them.

8. APPROVAL

This Modern Slavery Act Statement was approved by the Board of Directors on 23 October 2024 and is signed on its behalf by the Chair of the Board.

This Statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth).



Oliver Klein Hempel
Chair of the Board

23 October 2024