QX Resources Limited

30 September 2021

QX to acquire highly prospective lithium project in Pilbara Region of WA

- **Binding option agreement executed to acquire a 100% interest in a highly prospective lithium project in the Pilbara region of Western Australia – one of the world's premium lithium provinces**
- **The Pilbara is home to numerous hard rock lithium projects, including Pilgangoora (309Mt @ 1.14% Li2O, Pilbara Minerals) and Wodgina (259Mt @ 1.17% Li, Mineral Resources/Albemarle)**
- **The project, Turner River, consists of Exploration Licence application ELA45/6042, covering 45 km^2, and is located ~17km south of the Wodgina mine and ~30km southwest from Pilgangoora**
- **In addition to lithium, Turner River is prospective for tin and tantalum and hosts historic alluvial tin workings on the Turner River**
- **QX has a 30-day option to undertake technical due-diligence; upon exercise, QX will issue the vendor (or its nominee) 12 million QX ordinary shares**
- **QX's technical team is readying for a field mapping and sampling program in coming weeks**

QX Resources Limited (**ASX: QXR**, '**QX Resources'** or '**the Company'**) is pleased to advise that it has entered into a binding option agreement (**Agreement**) with Redstone Metals Pty Ltd (**Redstone**) which gives the Company 30-days to undertake due diligence on the Turner River lithium project (ELA 45/6042) located in the Pilbara lithium province of Western Australia.

Comment

QX Chairman Maurice Feilich said: *"Turner River represents an excellent opportunity for QX to secure a highly prospective lithium asset right within Australia's premier address for such projects and nearby to two large, established lithium operations. It potentially gives us exposure to minerals that are instrumental to the growth and development of the EV and clean energy sectors and in a tier 1 mining jurisdiction of Western Australia. Equally appealing is the presence of tin and tantalum across the leases which gives QX exposure to another commodity where there has been considerable price appreciation. We are excited about the acquisition opportunity and are keen to get on the ground to assess the prospect fully and execute the option agreement thereafter.*

"QX is continuing to very cost effectively and strategically expand its portfolio of exploration and project development assets in Queensland in Western Australia. The majority of our expenditure is currently centred on the gold projects in Queensland and we are not distracted from our goal of defining a mineral resource estimate here first and foremost."

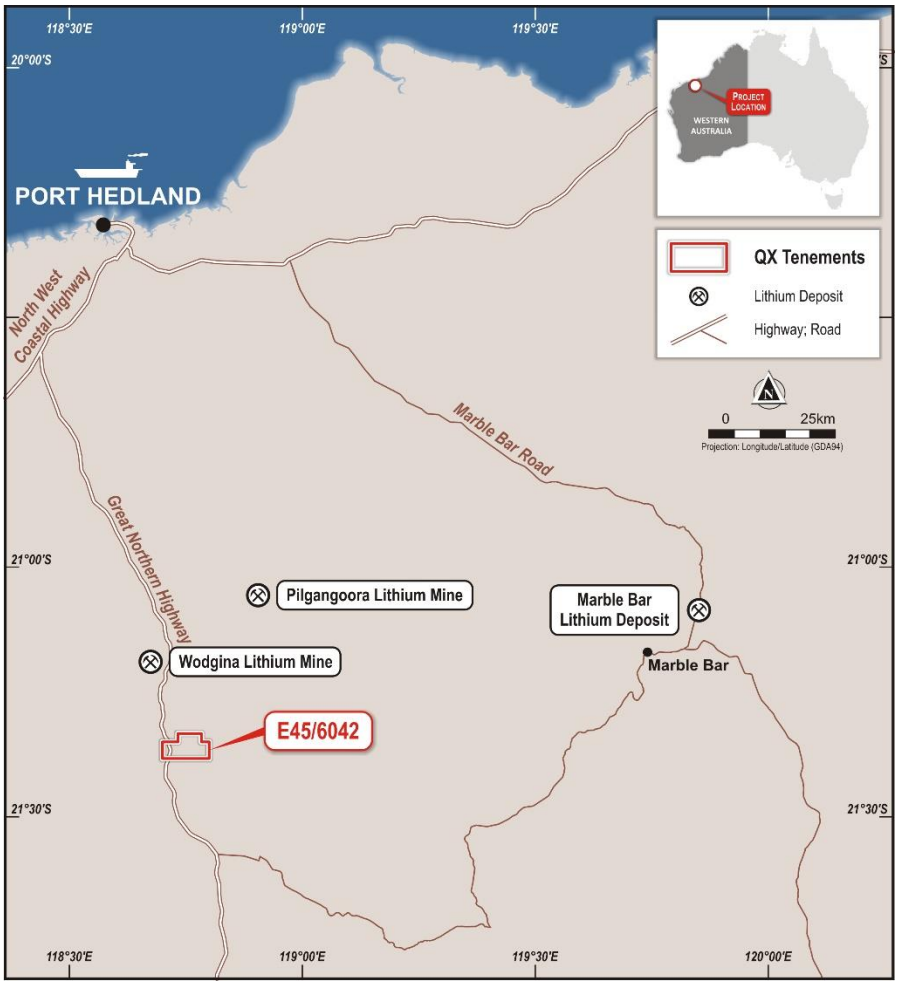

Figure 1. Tenement location and regional setting

Location and Access

The Turner River lithium projects is located ~120km south of Port Headland, with access provided along the Great Northern Highway. The tenement starts about 12km south of the access turn-off for the Wodgina mine site (**Figure 1**).

Tenement Id	Status	Area Blocks	Area Km^2
45/6042	In application	15	45

Table 1: Details of Tenement

Regional Geology

The Wodgina Greenstone Belt is dominated by mafic volcano-sediments with lesser, but still significant, quantities of epiclastic sediments, cherts and BIF's. Lithologies are predominantly metamorphosed to amphibolite facies, however there are remnants of unaltered basalts and sediments in the more central portions of the belt. The western portion of the Wodgina Greenstone Belt comprises mafic volcano-sediments that are highly strained and metamorphosed consistently to amphibolites. They have a well-developed metamorphic fabric with a consistent NNE trend and NW dip. The eastern portion of the belt comprises mafic volcano-sediments and sediments which have undergone varying amounts of strain and metamorphism.

Regionally, lithium bearing pegmatites are focussed near N-NW trending lineaments, faults or granitic dykes, with the regional N-NW foliation having a significant influence during emplacement (**Figure 2**).

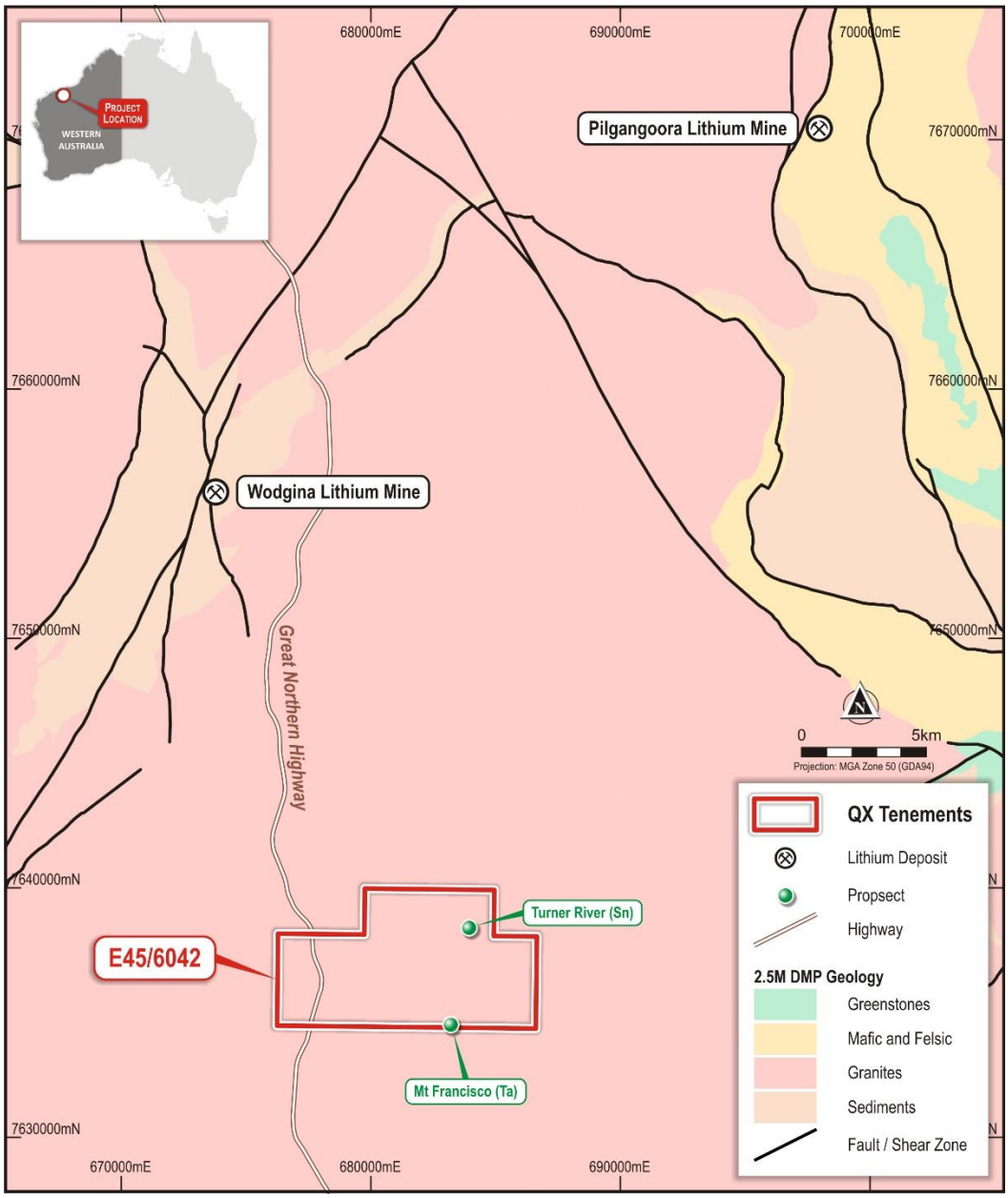

Figure 2. Turner River lithium project, regional geology

Exploration Potential

Previous exploration work at the Turner River lithium project has included geological mapping and geochemical sampling, however historical work has been limited and sporadic in nature. In the northeast of the tenement is the historic Turner River tin prospect; while in the south there is the Mt Francisco alum prospect (**Figure 2**).

Exploration Plans

During the option period, the Company intends to carry out further desktop review of all publicly available data for the Turner River project, ahead of a planned 3-day site visit by the Company's technical team. Field work will consist of geological mapping and the identification of potential prospective outcropping units.

Agreement Terms

QX Resources and Redstone have executed a binding option agreement, which upon payment of a $10,000 option fee (which has been paid), provides the Company with 30-days exclusivity to undertake due diligence on the Turner River lithium project.

In the event that QX Resources chooses to exercise the option over the project, it will issue to Redstone (or its nominee) with 12 million fully paid shares in the Company in consideration for 100% of the project. As the exploration licence is still in the application stage, the transfer of ownership is subject to granting and ministerial consent.

Authorised by the Board of QX Resources Limited.

Maurice Feilich, Executive Chairman: Ph: 0411 545 262

Ben Jarvis, Non-Executive Director: Ph: 0413 150 448

Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr. Roger Jackson, a Director and Shareholder of the Company, who is a 25+ year Fellow of the Australasian Institute of Mining and Metallurgy (MAusIMM) and a Member of Australian Institute of Company Directors. Mr. Jackson has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves". Mr. Jackson consents to the inclusion of the data contained in relevant resource reports used for this announcement as well as the matters, form and context in which the relevant data appears.

Forward Looking Statements and Important Notice

This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations and estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of QX Resources' control.

Actual results and developments will almost certainly differ materially from those expressed or implied. QX Resources has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this announcement. To the maximum extent permitted by applicable laws, QX Resources makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and without prejudice, to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

Appendix A: JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	• N/A. No sampling reported in the announcement.
Drilling techniques	• N/A. No previous drilling reported in the announcement.
Drill sample recovery	• N/A. No previous drilling reported in the announcement.
Logging	• N/A. No previous drilling reported in the announcement.
Sub-sampling techniques and sample preparation	• N/A. No sampling reported in the announcement.
Quality of assay data and laboratory tests	• N/A. No sampling reported in the announcement.
Verification of sampling and assaying	• N/A. No sampling reported in the announcement.
Location of data points	• N/A. No sampling reported in the announcement.
Data spacing and distribution	• N/A. No sampling reported in the announcement.
Orientation of data in relation to geological structure	• N/A. No sampling reported in the announcement.
Sample security	• N/A. No sampling reported in the announcement.
Audits or reviews	• N/A. No sampling reported in the announcement.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	• The tenement discussed in this report (ELA 45/6042) is held by Redstone Metals Pty Ltd.
Exploration done by other parties	• Limited exploration has been undertaken across the tenement areas by previous explorers.
Geology	• The style of mineralisation is unknown at this stage. • The Wodgina Greenstone Belt is dominated by mafic volcano-sediments with lesser, but still significant, quantities of epiclastic sediments, cherts and BIF's. Lithologies are predominantly metamorphosed to amphibolite facies, however there are remnants of unaltered basalts and sediments in the more central portions of the belt. • The tenement geology consists of the mafic sisters supersuite and a biotite monzogranite. The granite is dissected by N-NW trending faults and/or dolerite dykes.
Drill hole Information	• N/A. No drill hole information contained within the release
Data aggregation methods	• N/A. No drill hole information contained within the release
Relationship between mineralisation widths and intercept lengths	• N/A. No drill hole information contained within the release
Diagrams	• Refer body of the text

Criteria	Commentary
Balanced reporting	• Reporting of results in this report is considered balanced.
Other substantive exploration data	• Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.
Further work	• Follow up work programmes will be subject to interpretation of recent and historic results which is ongoing.