QX Resources Limited

15 December 2022

Drilling advances with extensions observed at new lithium project - Turner River, WA

- **RC drilling has advanced at QXR's Turner River hard rock lithium project with 6 holes completed of a planned 1500 metre maiden drill programme.**
- **Pegmatites and potential lithium rich micas have been intersected in drilling, based on visual observations.**
- **Encouraging indications of significant areas of pegmatites were observed in drill pads and drill chips, extending beyond the previously sampled area of high grade lithium rock chip results.**

QX Resources Limited (**ASX: QXR**, '**QXR' of the 'Company'**) has been advised of encouraging indications of significant areas of potential lithium bearing pegmatites observed in drill pads and drill chips at QXR's 100%-owned Turner River hard rock lithium project (Carbonate Hill prospect). These indications extend beyond the area with previously reported high grade rock chip samples of 1.6% Li_2O, 1.1% Li_2O and 4.9% Li_2O (refer QXR ASX announcements 8 Nov, 10 Nov, 12 Dec and 30 June 2022).

Six holes have been completed (564m) of a maiden 1,500 metre RC drilling programme over an area of 400m x 300m in four drill "fences" at the Turner River hard rock lithium project, located 15 km to south-east of Mineral Resources' Wodgina lithium mine located within the Pilbara lithium province of Western Australia (Figures 2,3).

Pegmatites and potential lithium rich micas have been intersected, based on visual observations, which has achieved the aim of the drill programme. Discussions are underway to extend the drill programme further.

Drilling is targeting the potential for either lithium mica and spodumene bearing pegmatites, or a new style of large tonnage hard rock lithium deposit hosted near the top of a large granite body rich in lithium micas. Results are anticipated in six weeks.

Managing Director Steve Promnitz said: *"Observing considerable lithium micas and pegmatites in drill pads and drill chips is an excellent sign as it indicates the potential for a much larger target than previously sampled at surface. QXR is pursuing a large tonnage lithium project and this is an excellent start."*

Figure 1: Potential lithium bearing mica (Lepidolite) in drill pads from the initial Turner River drilling area.*

Figure 2: Location map of QXR's Turner River project licences relative to large Pilbara lithium mines, and photo of weathered lepidolite in rock samples from the drilling area shown in Figure 1,3.

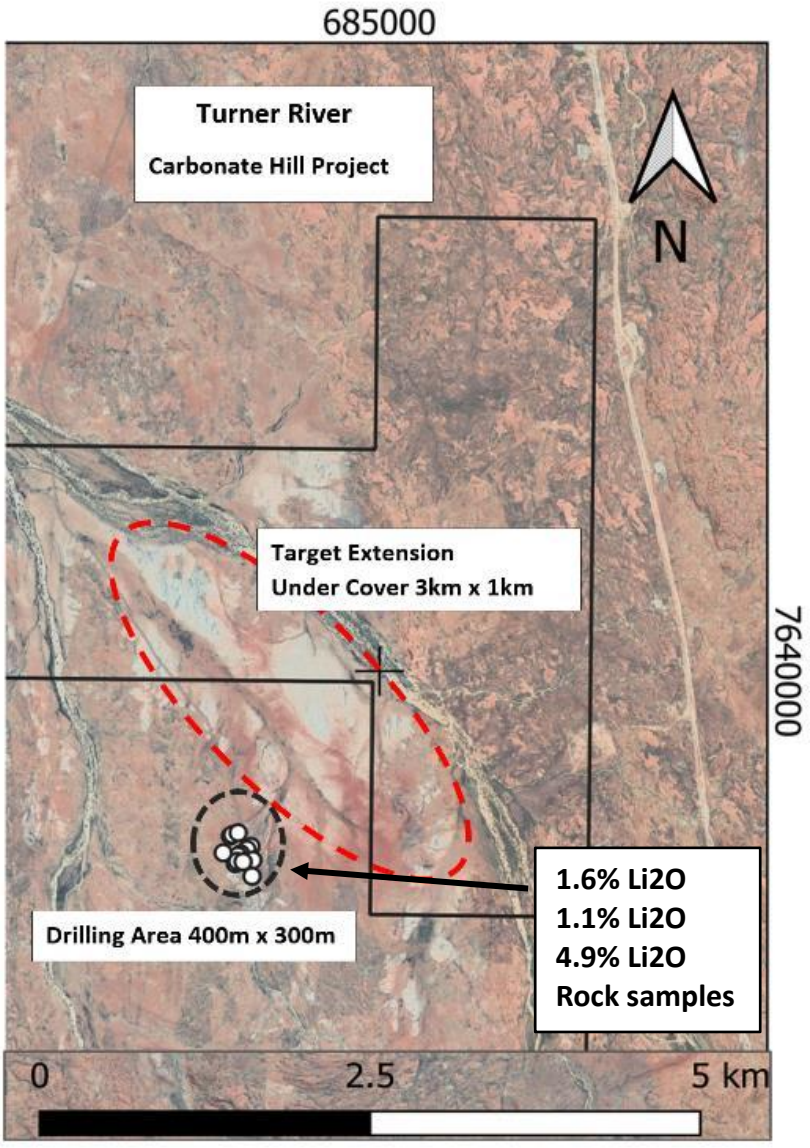

Figure 3: Carbonate Hill Prospect at QXR's Turner River project showing the RC drilling area (black circle), with high grade lithium results in rock chip samples, and interpreted target extension under cover (red oval).

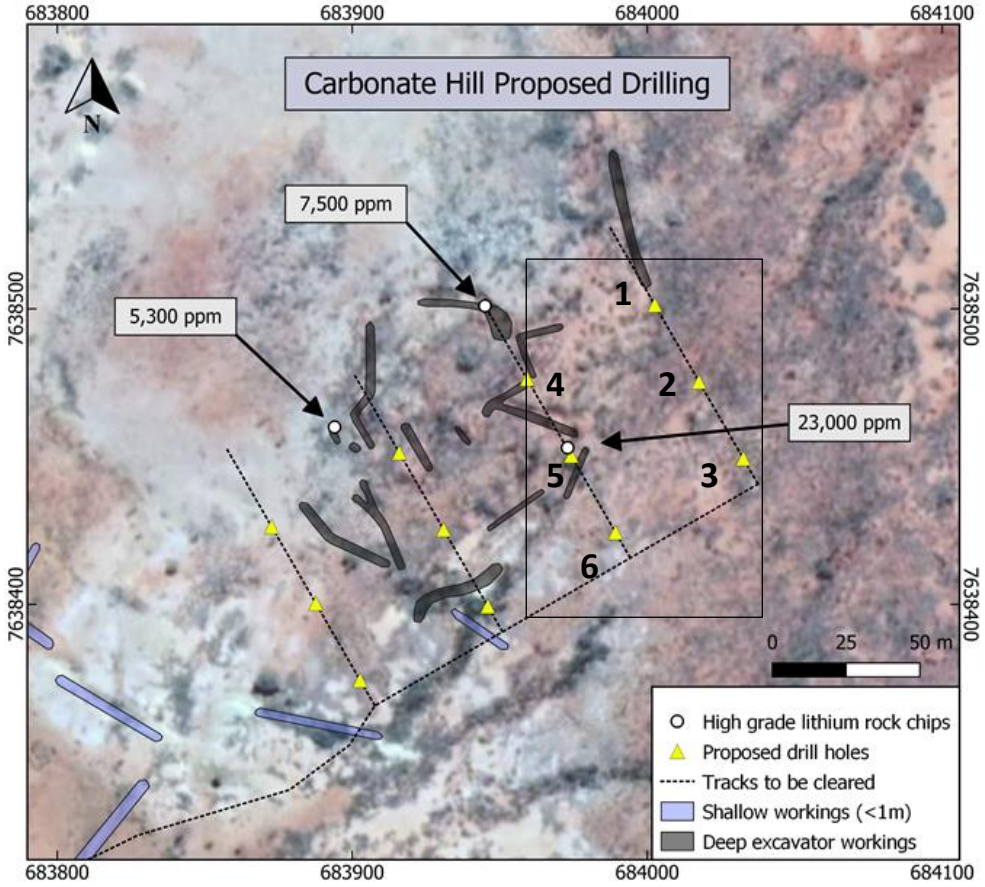

Figure 4: RC Drilling plan at Carbonate Hill Prospect, QXR's Turner River project.

Figure 5: RC drilling rig on first hole at QXR's Turner River lithium project - Carbonate Hill area.

Authorised by the Board of QX Resources Limited.

QX Resources Limited

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About QX Resources:

QX Resources (ASX:QXR) is focused on exploration and development of battery minerals, with hard rock lithium assets in a prime location of Western Australia (WA), and gold assets in Queensland. The aim is to connect end users (battery, cathode and car makers) with QXR, an experienced explorer/developer of battery minerals, with an expanding mineral exploration project portfolio and solid financial support.

Lithium portfolio: QXR's lithium strategy is centred around WA's prolific Pilbara province, where it has acquired a controlling interest in four projects through targeted M&A – all of which sit in strategic proximity to some of Australia's largest lithium deposits and mines. Across the Pilbara, QXR's regional lithium tenement package (both granted or under application) now spans more than 350 km^2.

Gold portfolio: QXR is also developing two Central Queensland gold projects – Lucky Break and Belyando – through an earn-in agreement with Zamia Resources Pty Ltd. Both gold projects are strategically located within the Drummond Basin, a region that has a >6.5moz gold endowment.

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), Fellow of the Australian Institute of Geoscientists 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.

*Cautionary Statement

The Company notes that the pegmatites identified by field observation comprised of varying relative abundancies of coarse grained (<4cm) minerals dominantly feldspar, quartz, and muscovite mica. At this stage it is too early for the Company to make a determinative view on the approximate percentages of these minerals. Investors should note that while pegmatites are a known host for accessory lithium bearing minerals such as spodumene, it is also known that this is not a universal association. In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of spodumene occurrence and abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the presence and grade of potential mineralisation. The Company will update the market when laboratory analytical results become available for these samples.

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	• Rock chip and grab samples were taken from outcrops and disturbed rock float (i.e. not in situ). The samples were taken to understand the mineralogy of the pegmatite dykes rather than to systematically sample each individual pegmatite dyke. • Samples were sent to Minanalytical Laboratory in Perth for geochemical analysis
Drilling techniques	• N/A As no drilling is being reported
Drill sample recovery	• N/A As no drilling is being reported
Logging	• N/A As no drilling is being reported
Sub-sampling techniques and sample preparation	• The samples were taken as rock pieces from outcrop
Quality of assay data and laboratory tests	• The sample undergo geochemical analysis for a selected suite of elements which is considered appropriate at the current stage of the exploration. The technique is used to provide an understanding of the potential prospectivity of the pegmatite dykes for lithium containing minerals such as spodumene and lepidolite. The technique is not being used to provide a quantitative analysis of the lithium content of the rock samples.
Verification of sampling and assaying	• Laboratory reports will be received in excel format and in locked pdf files. Results will be cross referenced with sample data and loaded into an electronic database. • There is no validation and cross checking of laboratory performance at this stage.
Location of data points	• Rock chip and grab sample locations were located using a handheld GPS with an expected accuracy of +/-3m for easting and northing. No elevation data was recorded. • The grid system used is GDA94, MGA zone 51.
Data spacing and distribution	• Rock chip and grab samples were taken opportunistically during field reconnaissance and are not regularly spaced. These were for geological information only and would not be used in any Mineral Resource estimation. Sample compositing was applied to the rock chip and grab samples.
Orientation of data in relation to geological structure	• N/A. As the samples are rock chip samples and do not reference to any orientation.
Sample security	• Rock chip and grab samples were delivered by QX to the Minanalytical laboratory in Perth. • Sample security was not considered a significant risk to the project. Only employees of QX were involved in the collection, short term storage (in a remote area), and delivery of samples.
Audits or reviews	• No Audits or reviews were taken

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 tenements discussed in this report are currently registered in the name of Redstone Metals Pty Ltd and Zircon International Pty Ltd. QX Resources has 100% beneficial ownership of the tenements.
Exploration done by other parties	• Limited exploration has been undertaken across the tenement areas by previous explorers.
Geology	• The target for the exploration program is lithium bearing pegmatite dykes • Hosted by granite. • The regional geological setting of the area is Archaean aged granite. • The pegmatite dykes are weathered and include the mineral species - feldspar, quartz and muscovite mice. The relative abundance of these minerals of these minerals is not quantifiable due to the weathered nature of the 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
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.