

27 June 2023

Lithium and Rare Earths Mineralisation Confirmed from RC Drilling at Turner River Project, WA

- Final assay results and analysis have been returned from the first phase drill program which confirms a lithium mineralisation halo at QXR's 84km² Turner River hard rock lithium project.
- The initial drilling program of 12 holes (1166m) was followed by a 10 hole (1130m) RC drilling program based on high surface lithium grades recovered from 5-15 kg sample blocks of lithium rich micas together with pegmatites at surface and in drillholes.
- Drill results confirm lithium mineralisation halo with elevated rare earth results. However, best drill hole results included 1m @ 0.38% Li₂O and 4m @ 1,693ppm TREO based on drilling to an average of 100 metres.
- Further exploration work is required to locate lithium grades in drillholes which mirror the surface rock chip results. Forward works programs include:
 - Undertaking airborne geophysics across several of the Company's WA lithium projects with Turner River the immediate priority.
 - More extensive trenching and sampling across other areas of interest at Turner River.
 - Secure access to other pegmatites outcropping at the nearby 35km² Split Rock leases.
 - Follow-up drilling in new areas and at extended depths around locations drilled to date.

QX Resources Limited (ASX: QXR, 'QXR' of the 'Company') has received final assay results from its RC drilling together with a detailed analysis, from the Company's 100%-owned Turner River hard rock lithium project, (E45/6065, E45/6042) located 15 km to south-east of Mineral Resources' Wodgina lithium mine, located within the Pilbara lithium province of Western Australia (Figures 1 & 2).

Drill results confirm a lithium mineralisation halo. However, the best lithium drill results were:

- 1m @ 0.38 % Li₂O (from 4m depth in hole 22QXRC007) within 3m @ 0.26% Li₂O; and
- 4m @ 1,693 ppm Total Rare Earth Oxide (TREO) (from 18m in hole 22QXRC007) including 1m @ 369ppm Nd203.

This was within an elevated zone of lithium results intersected from surface to 22m depth from lithium micas. The lithium mineralisation intersected was composed of a mix of spodumene and lepidolite (lithium mica).

Further exploration work is required to locate better lithium grades in the drilling which mirror the surface rock chip results. This is still a high priority location for the Company. Other companies have experienced similar issues with hard rock lithium projects in WA.

A planned exploration program which includes high resolution airborne geophysics with much more extensive trenching is now planned to define further drill targets, together with securing access to other pegmatites in outcrop at Turner River and in the nearby Split Rock leases. Sampling will be extended in the area as large high grade lithium micas outcrop near the drilling area.

QX Resources Managing Director, Steve Promnitz, said: “While these assays are not what we hoped for, the program was based on a relatively small area of interest and shallow drilling. We remain very confident in Turner River’s potential based on the results of the initial sampling and our plan is to now undertake more systematic and comprehensive exploration across the project, at greater depth and in new areas of interest. High surface lithium grades up to 4.9% Li₂O in large, 5-15 kg sample sized blocks of lithium rich micas must emanate from a major source nearby and our objective is to identify this source with more extensive drilling which will take place after pending airborne geophysics and trenching. At 84km², Turner River has lots of potential and is still vastly underexplored. Split Rock is also a focus for us and we are now planning access so we can kick off exploration here also. We are very committed to our WA lithium assets and expect a more active program and regular updates accordingly.”

In December 2022, QXR undertook a 12 hole (1166m) maiden RC drill program at Turner River. The maiden program produced 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% Li₂O, 1.1% Li₂O and 4.9% Li₂O (refer QXR ASX announcements 8 Nov, 10 Nov, 12 Dec and 30 June 2022).

Pegmatites and potential lithium rich micas were intersected in the maiden drilling, based on visual observations, which achieved the aim of the maiden drill program. Drilling targeted 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.

The initial drilling was immediately followed by a 10 hole (1130m) RC drilling program, before drill results were available, based on the geology intersected downhole.

The best sample results from the drilling were:

- **3m @ 0.26% Li₂O**, including **1m @ 0.38% Li₂O**, from 4m (22QXRC007); and
- **4m @ 1,693 ppm TREO** from 18m (22QXRC007)
 - including **1m @ 2,391.51 ppm TREO** and **1m @ 369ppm Nd203**
- **6m @ 1,497 ppm TREO** from 27m (23QXRC009)
- 0.122% Li₂O from 31 – 32 m depth in RC hole 23QXRC009
- 0.03% Li₂O from 61 - 62 m depth in drillhole 23QXRC003
- 0.046% Li₂O from 40 - 41 m depth in drillhole 23QXRC008
- 2,278 ppm TREO 31 – 32 m depth in RC hole 23QXRC009
- 1590 ppm TREO from 40 – 41 m depth in drillhole 23QXRC008
- 954 ppm TREO from 8 – 9 m depth in drillhole 23QXRC002

Total Rare Earth Oxide (TREO) values include: La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Y, Lu.



Figure 1: 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 2,3.

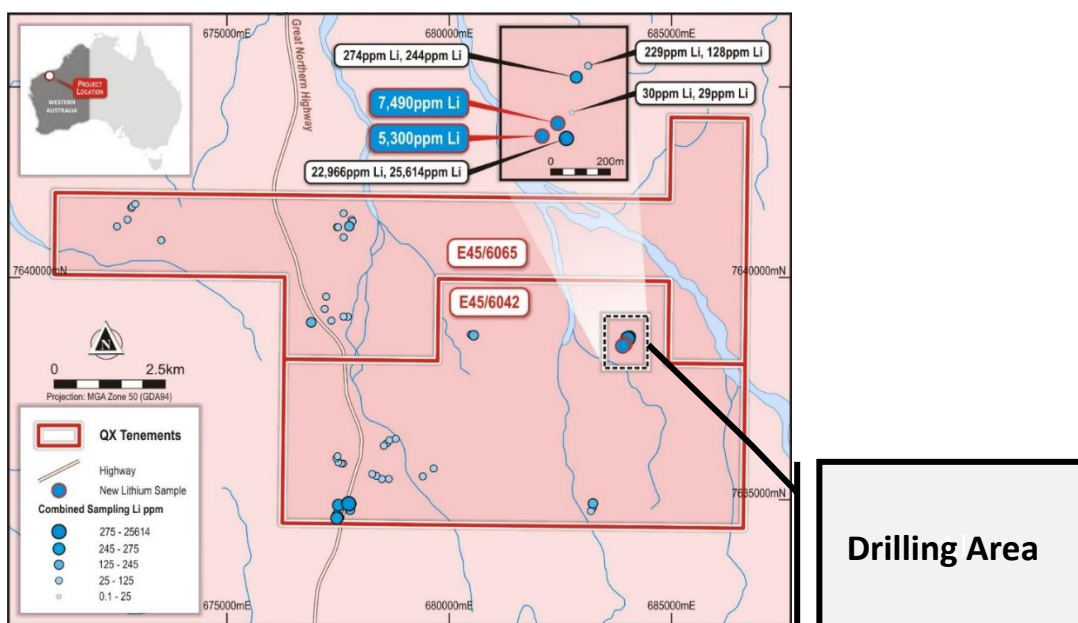


Figure 2: Location Map Turner River lithium project, with lithium results in rock chip

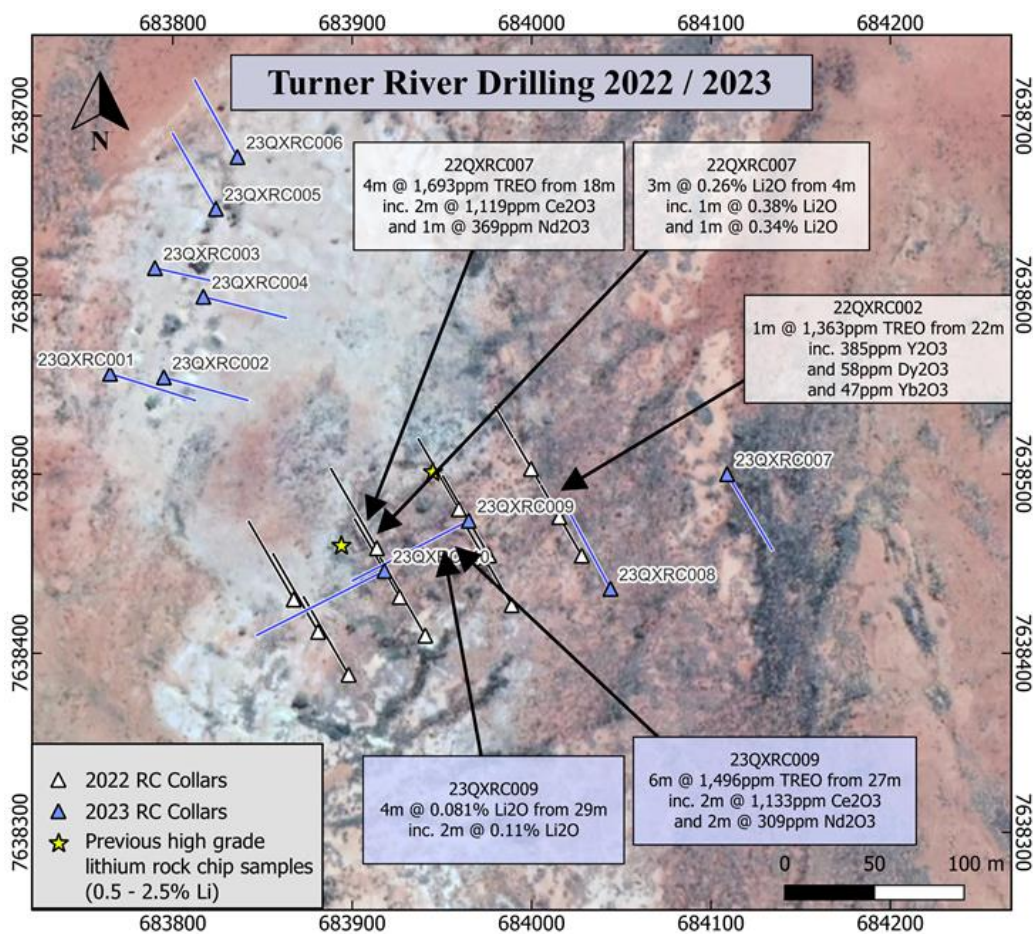


Figure 3: RC Drilling map 2022-2023 at QXR's Turner River project - Carbonate Hill Prospect.



Figure 4: Lepidolite (lithium mica) in rock chip; Drill rig - at Turner River

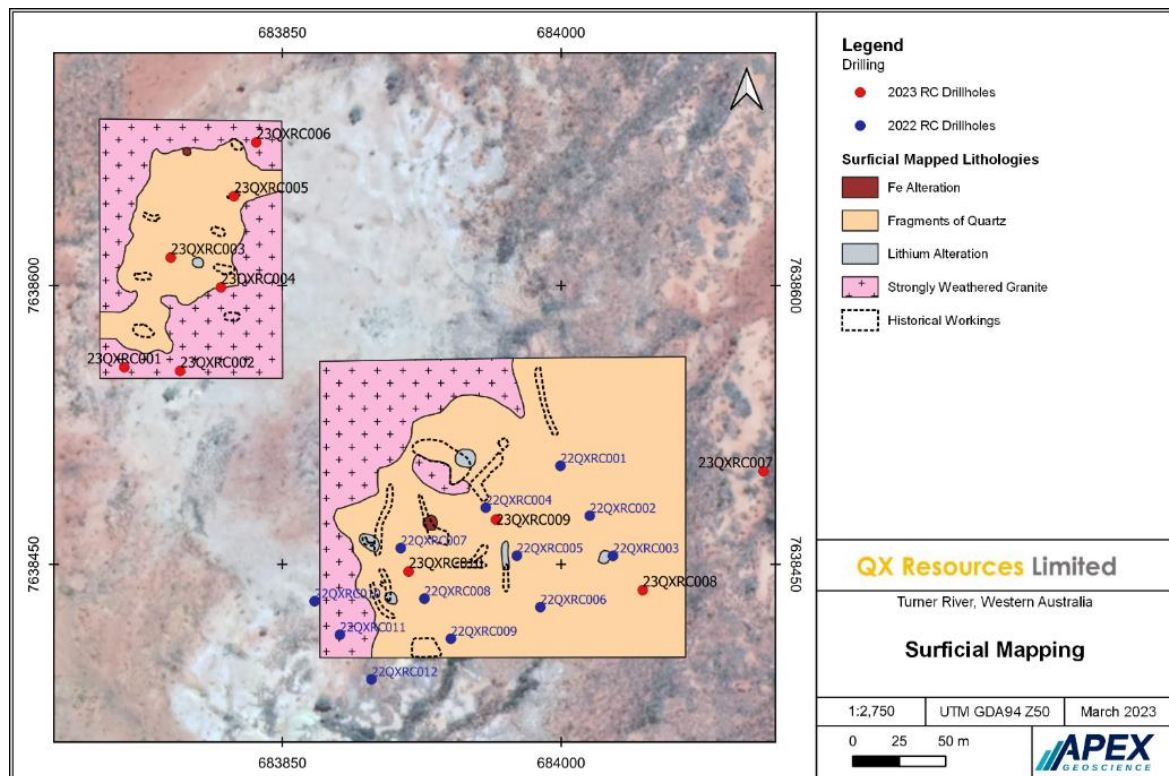


Figure 5: Geology map at QXR's Turner River project - Carbonate Hill Prospect.

Alternative drill result analysis

An alternative analysis of the results suggests a potential trend connecting the following drillhole assays and rock chips, (Figure 6) ordered from west to east:

- 1.141% Li₂O in Rock chip: 22QX5_172
- 0.376% Li₂O in RC hole 22QXRC007, from 4-5 metres
- 0.122% Li₂O in RC hole 23QXRC009, from 31-32 metres
- 0.070% Li₂O in RC hole 22QXRC005, from 29-30 metres
- 5.514% Li₂O in Rock chip TR010

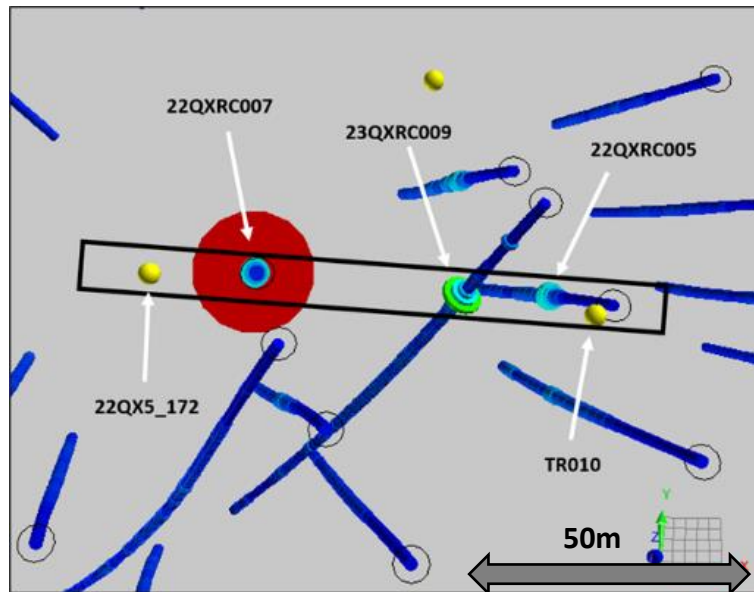


Figure 6: Alternative analysis of drill results and rock chip results at the Carbonate Hill Prospect.

Other Nearby Hardrock Lithium Projects - Yule River, Split Rock, Western Shaw Projects

All of the tenements applied for by QXR, Yule River (E45/6159), Split Rock (E46/1367), Western Shaw Projects (E45/6107, E45/4960) are fully granted in the highly-prospective Pilbara lithium region for an initial 5-year term.

The projects are an exploration stage package associated with Granitoid Complexes with interpreted pegmatite occurrences and some greenstone contact zones. At Yule River and Split Rock, it is interpreted that the granite within the tenements has been intruded by the Split Rock Supersuite with which the Wodgina, Pilgangoora and Global Lithium deposits are associated.

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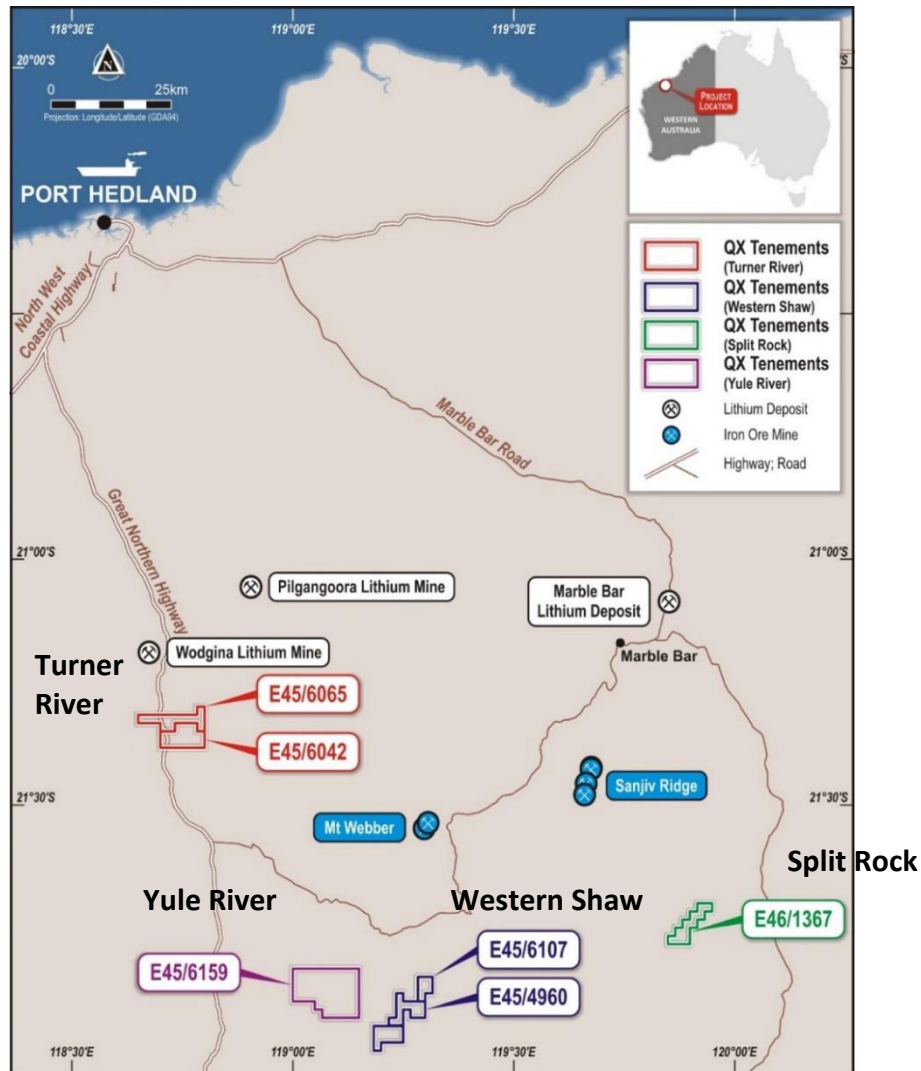


Figure 7: QXR Hard rock Lithium Projects – Pilbara region, Western Australia

Authorised by the Board of QX Resources Limited.

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QX Resources Limited

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 hard rock portfolio: QXR's lithium strategy is centred around WA's prolific Pilbara province, where it has four projects 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) spans more than 350 km².

Lithium brine: QXR is continuing due diligence under an exclusive Letter of Intent over a large recently consolidated lithium brine project in California, USA

Gold portfolio: QXR is also developing two Central Queensland gold projects 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.

Nickel sulphides: QXR has a significant investment in unlisted public Australian company Bayrock Resources Limited, which has a portfolio of highly prospective battery minerals assets in Sweden, primarily in nickel, cobalt and copper. QXR is assisting Bayrock with project development and financing initiatives

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.

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	<ul style="list-style-type: none"> Rock chip and grab samples taken from outcrops and float to understand the mineralogy of the pegmatites. Rock chip samples were sent to Minanalytical Laboratory in Perth for geochemical analysis Drill samples were taken from each 1m drilled and sampled at the drill rig using a rig mounted static cone splitter to collect 2 – 3kg sub samples. Drill samples were sent to ALS in Perth for geochemical analysis
Drilling techniques	<ul style="list-style-type: none"> RC drilling using a Topdrill Schramm T4
Drill sample recovery	<ul style="list-style-type: none"> Drill chip recovery was routinely recorded via estimation of the comparative percentage of the volume of the sample bag by the on site geologist. The sample recovery was deemed adequate for representative assays.
Logging	<ul style="list-style-type: none"> Drill chips were washed, sieved and logged by trained geologists on site. All holes have been geologically logged for lithology, mineralisation and weathering. A brief description of each drilling sample was recorded and a permanent record has been collected and stored in chip trays for reference.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Rockchip samples were taken as pieces from outcrop and float Drillchip samples were taken as mixed samples on a 1m bag basis with a sub sample from the RC drill rig of approximately 2-4kg taken from the sample splitter off the cyclone. Four standards, two duplicate samples and two blank samples were inserted within every 100 samples
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Both rockchip and drill samples undergo geochemical analysis for a selected suite of elements considered appropriate at early exploration stage. Techniques used are aimed to provide an understanding of the potential prospectivity of the pegmatite dykes for lithium containing minerals such as spodumene and lepidolite.
Verification of sampling and assaying	<ul style="list-style-type: none"> Laboratory reports received in excel format and in locked pdf files. Results were cross referenced with sample data and loaded into an electronic database. Significant intercepts are reviewed by 2 or more geologists. There is no validation and cross checking of laboratory performance at this stage.
Location of data points	<ul style="list-style-type: none"> Rock chip sample locations were located using a handheld GPS with an expected accuracy of +/-3m Drill hole collar locations were taken with a handheld GPS The grid system used is GDA94, MGA zone 51.
Data spacing and distribution	<ul style="list-style-type: none"> Rock chip samples were taken opportunistically during field reconnaissance for geological information only. Drill holes were spaced 20-30m apart on 100m spaced lines to ideally provide cross sections through the underlying geology Maiden first pass drilling is not designed for an MRE and is too coarse. The drill spacing is intended to identify lithium mineralisation, and will have reduced spacing in future programs. Sample compositing was applied to the rock chip samples.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drill holes angled at 60 degrees to ideally provide cross sections through the underlying geology, but the orientations of the pegmatites and lepidolite zones is uncertain at this stage The rock chip samples do not reference any orientation.
Sample security	<ul style="list-style-type: none"> All samples were placed in plastic or calico bags. Rock chip samples were delivered by QXR to the Minanalytical laboratory in Perth. Drill chip samples were stored in a secure site in Port Hedland and transported to the lab in Perth by a private contractor. Sample security was not considered a significant risk to the project.
Audits or reviews	<ul style="list-style-type: none"> No Audits or reviews were taken and not considered necessary at the current early exploration stage

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	<ul style="list-style-type: none"> The Turner River tenements (E45/6065, E45/6042) are currently registered in the name of Redstone Metals Pty Ltd and Zircon International Pty Ltd, and are being transferred to the name of QXR. QX Resources has 100% beneficial ownership of the tenements.
Exploration done by other parties	<ul style="list-style-type: none"> Limited exploration has been undertaken across the tenement areas by previous explorers.
Geology	<ul style="list-style-type: none"> The target for the exploration program is lithium mica and spodumene bearing pegmatite dykes hosted by granitoids, or a new style of large tonnage hard rock lithium deposit hosted near the top of a large granite body rich in lithium micas. 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 micas.

Drill hole Information	<ul style="list-style-type: none"> RC drill holes: 12 holes (1166m) initially, followed by 10 holes (1130m), of depths between 60-110m.
Data aggregation methods	<ul style="list-style-type: none"> No upper cut off has been applied to intersections or samples. Only relevant elements are reported here. However, the samples underwent multi element assay as industry standard.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Drill holes have been drilled at -60 degrees and perpendicular to the strike of the vertical pegmatites. Reported widths of mineralisation will be close to true widths.
Diagrams	<ul style="list-style-type: none"> Refer body of the text. Location maps and appropriate diagrams and tables are contained within the release with relevant exploration information contained.
Balanced reporting	<ul style="list-style-type: none"> Reporting of results in this report is considered balanced.
Other substantive exploration data	<ul style="list-style-type: none"> Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.
Further work	<ul style="list-style-type: none"> Planned follow up work programmes include high resolution airborne geophysics with further detailed trenching, aimed to locate further drill targets, together with securing access to other pegmatites in outcrop at Turner River and in the nearby leases. Sampling will be extended in the area as large high grade lithium micas crop out near the drilling area.

Appendix B: Drill hole Table

Table 1: Drillhole Collars (MGA94_Z50)

Hole_ID	GDA94 Easting	GDA94 Northing	RL	Max Depth	Azi	Dip
22QXRC001	683872	7638426	210	80	330	-60
22QXRC002	683887	7638400	210	100	330	-60
22QXRC003	683902	7638374	211	90	330	-60
22QXRC004	683915	7638451	213	90	330	-60
22QXRC005	683930	7638425	212	102	330	-60
22QXRC006	683945	7638399	212	102	330	-60
22QXRC007	683959	7638476	215	102	330	-60
22QXRC008	683974	7638450	213	100	330	-60
22QXRC009	683989	7638424	211	100	330	-60
22QXRC010	684002	7638501	211	100	330	-60
22QXRC011	684017	7638475	214	100	330	-60
22QXRC012	684032	7638449	213	100	330	-60
23QXRC001	683765	7638556	211	102	107	-61
23QXRC002	683795	7638554	212	100	105	-61
23QXRC003	683790	7638615	211	108	103	-61
23QXRC004	683817	7638599	211	100	104	-61
23QXRC005	683824	7638648	211	100	33	-61
23QXRC006	683836	7638677	210	100	331	-61
23QXRC007	684109	7638500	208	100	14	-61
23QXRC008	684044	7638436	210	108	332	-60
23QXRC009	683965	7638474	213	150	243	-61
23QXRC010	683959	7638476	215		243	-60

Table 2: Significant Drill Intersection Details including Assays

Hole ID	From (m)	To (m)	Int. Thick. (m)	Li ₂ O (%)	TREO (ppm)	Comments
23QXRC002	8	9	1		954	
23QXRC003	61	62	1	0.030		
22QXRC005	29	30	1	0.070		
22QXRC007	2	3	1	0.220		3m @ 0.26% Li₂O from 2m Incl 1m @ 0.38% Li₂O
	3	4	1	0.200		
	4	5	1	0.376		
	18	19	1		2,391	4m @ 1,693 ppm TREO from 18m, incl. 1m @ 2,391 ppm TREO
	19	20	1		876	
	20	21	1		1,982	
	21	22	1		1,52	
23QXRC008	39	40	1		974	
	40	41	1	0.046	1,590	
	41	42	1		977	
23QXRC009	27	28	1		1,396	6m @ 1,497 ppm TREO from 27m, incl. 1m @ 2,278 ppm TREO
	28	29	1		1,174	
	29	30	1		972	
	30	31	1		1,249	
	31	32	1	0.122	2,278	
	32	33	1		1,914	

Total Rare Earth Oxide (TREO) factor values including: La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Y, Lu.