

ASX:SQX

11 August 2023

IP GEOPHYSICS TO COMMENCE AT SCRUB PADDOCK AND OLLENBURGS

- **Scrub Paddock drill assay results independently analysed; findings suggest recent drilling was potentially peripheral to a Cu-Au porphyry system, with additional exploration including IP lines recommended**
- **Combined Scrub Paddock / Ollenburgs IP surveying, and Scrub Paddock soil sampling, expected to commence in September based on IP provider availability**

SQX Resources Limited (**SQX** or **Company**) is pleased to provide an update on planned activities at both its Scrub Paddock and Ollenburgs Prospects, located ~35km NE of Nanango, Queensland and ~135km NW of Brisbane, Queensland.

SQX Chief Executive Officer, Mr Mark Purcell, commented:

*“SQX engaged H&SC Consultants (**HS&C**) to undertake an independent review of Scrub Paddock drill assay results, in conjunction with other historical results, to better understand its prospectivity and to optimise future planned activities at the Scrub Paddock Prospect.*

*HS&C concluded that, among other findings, drilling may have been situated peripherally to a Cu-Au porphyry system, suggesting there is still potential to find an economic porphyry system at Scrub Paddock. Recommended next steps included infill induced polarisation (**IP**) geophysical studies, in conjunction with further analysis of lithogeochemical attributes and logged lithology.*

Having considered these findings and recommendations, SQX is planning a combined Scrub Paddock and Ollenburgs IP survey program to commence in September. Soil sampling is also planned to commence at Scrub Paddock in September. A maiden drill program at Ollenburgs is planned to commence in January and, if IP survey and soil sampling results justify, a follow-up drill program at Scrub Paddock is planned to commence immediately thereafter.”

Independent review of results – Scrub Paddock

HS&C was engaged to analyse Scrub Paddock drill assay results in conjunction with other historical results, with the aim of better understanding prospectivity, justifying continued exploration activities and recommending the optimal path forward at Scrub Paddock.

Conclusions included:

- Evidence of mineralisation and alteration patterns suggests recent drillholes may have been located peripherally to a porphyry Cu-Au system
- Drilling intersected low level, porphyry style, Cu-Au mineralisation
 - Multiple intrusions and potassic alteration support this observation
 - Lithogeochemical evidence suggests multiphase intrusions

- Drilling failed to adequately explain the IP geophysical anomaly, suggesting the need for infill IP survey lines
- Continued exploration was recommended, including infill IP survey lines and mineralogical studies to delineate alteration patterns, as well as additional modelling.

Planned activities – Scrub Paddock and Ollenburgs

SQX has planned the following, with timing subject to provider availability:

Scrub Paddock

- Commence IP survey in September 2023 to
 - Infill existing IP survey lines to better understand location of existing IP anomalies
 - Extend beyond existing IP survey lines to identify new anomalies to target for drilling
- Commence soil sampling in September 2023 to identify additional surface geochemical anomalies
- Update geological model to identify drill targets
- If warranted
 - Cultural heritage survey in November/December 2023, earthworks thereafter
 - Combined reverse circulation (**RC**) and diamond drill program to commence in January 2024, after Ollenburgs RC drill program completed

Ollenburgs

- Commence IP survey in September 2023
- Determine drill hole locations using historical surface geochemical results
- Cultural heritage survey in November/December 2023, earthworks thereafter
- RC drilling to commence in January 2024

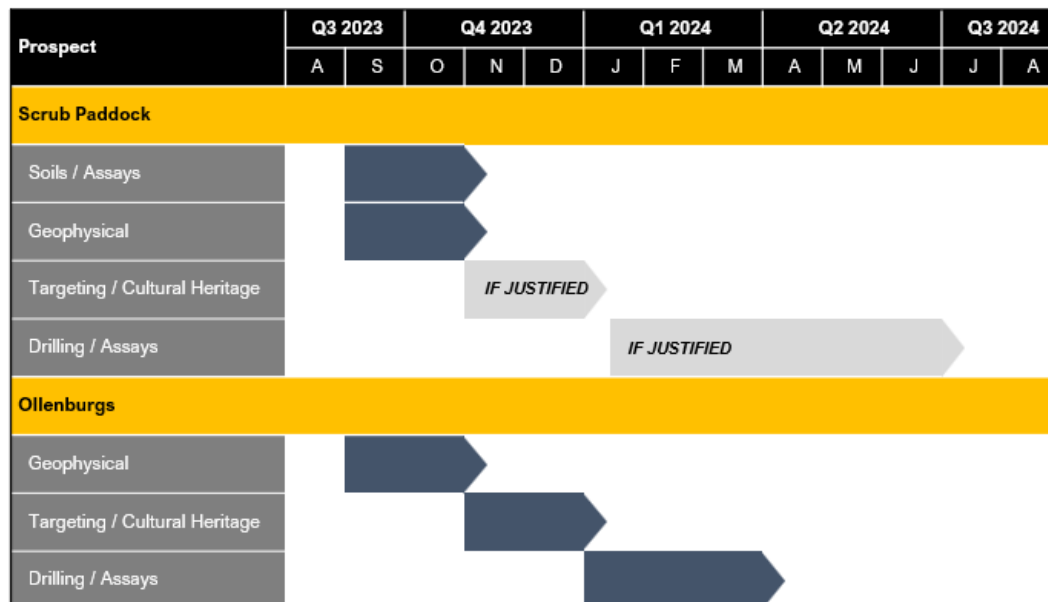


Figure 1: Indicative timeline for works at EPM27257

This announcement has been approved and authorised to be released to the ASX by the Board of Directors of SQX Resources Limited.

– ENDS –

For further information please contact:

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Additional information is available at sqxresources.com.

About SQX Resources Limited (SQX)

SQX is a modern mineral exploration company dedicated to delivering shareholder value by building a portfolio of exploration, development, and operating assets. Its current focus is on gold and copper mineralisation at the Ollenburgs and Scrub Paddock prospects, located on EPM 27257 in the underexplored Esk Basin in southeast Queensland near major regional infrastructure and population centres. Both prospects feature known mineralisation and historical mine workings.

Scrub Paddock

Identified as a potential gold-copper porphyry, the Scrub Paddock Prospect features more than 20 historical mine workings with surface mineralisation extending across a ~2km strike length. Soil sampling and drilling have already confirmed gold and copper mineralisation; the extent of this mineralisation, both along the strike of the surface anomaly and at depth, is unknown. The Company is aiming to define an economic mineral resource.

Ollenburgs

Ollenburgs hosts potential for a copper-gold porphyry system and features several copper/gold/silver mine workings, an anomaly visible on aeromagnetic mapping, a surface soil and rock-chip geochemical anomaly across ~300x50m and no historical drilling. The Company intends to expand on recently completed soil sampling by undertaking IP surveying and, if justified, follow up with the first-ever drill program at the prospect.

Previous Disclosure – 2012 JORC Code

The information in this release that relates to Exploration Results, Exploration Targets and Exploration Data for SQX's Projects was extracted from the following ASX Announcements:

- ASX Announcement titled "Prospectus" dated 16 February 2023
- ASX Announcement titled "Extended Scrub Paddock intercept of 553m @ 0.10g/t Au (SP002) in final assay results" dated 19 July 2023

A copy of such announcements is available to view on the SQX Resources Limited website www.sqxresources.com. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Ian Kelso, who is an experienced geologist and a Member of The Australasian Institute of Mining and Metallurgy. Mr Kelso is a Consulting Geologist for the Company and 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 JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves.' Mr Kelso consents to their inclusion in the report of the matters based on this information in the form and context in which it appears.
