QUANTUM RESOURCES LIMITED

(ASX: QUR)

ASX and Media Release

31 May 2017

Exploration Update – Results received from first two holes in Thompson Bros Lithium Project

Quantum Resources Limited (ASX: "QUR" or "the Company") is pleased to provide the following Exploration Update in relation to its Thompson Bros Lithium Project ("the Project") in Manitoba, Canada.

Highlights:

- **Hole TBL001 from 35.4 to 47 metres (11.6 metre interval) of 1.43% Li2O**
- **Hole TBL002 from 8.5 to 9.34 metres (0.84 metre interval) of 0.52% Li2O; and from 19 to 24.4 metres (5.43 metre interval) of 1.55% Li2O**
- **Early results support historical data very well**

The first six drill holes were completed at the Thompson Bros Lithium Project in Manitoba. Five of the holes encountered significant intervals of spodumene (lithium bearing mineral) mineralisation at downhole widths that are in line with or exceed those encountered from historical drill programmes.

***Hole One TBL17-001*: 35.4 – 47 m (11.6 metre interval returned an assay of 1.43% Li2O**

Near historic hole 102 (hole ended in pegmatite due to unstable conditions), which intersected further pegmatite from 52.4 to 59.4 metres (7.0m interval).

***Hole Two TBL17-002*: 8.5 – 9.34 m and 19 – 24.4 m (two intervals, 0.84m & 5.43m returned assay grades of 0.53% and 1.55% Li2O respectively.**

Near historic hole 111 which also encountered two intervals: 20.9 to 24.5 metres (3.6m interval) & 55.5 to 57.3 metres (1.8m interval)

Both holes show strong correlation with existing historic drill data and have returned high grade composited average results over relatively near surface intersections.

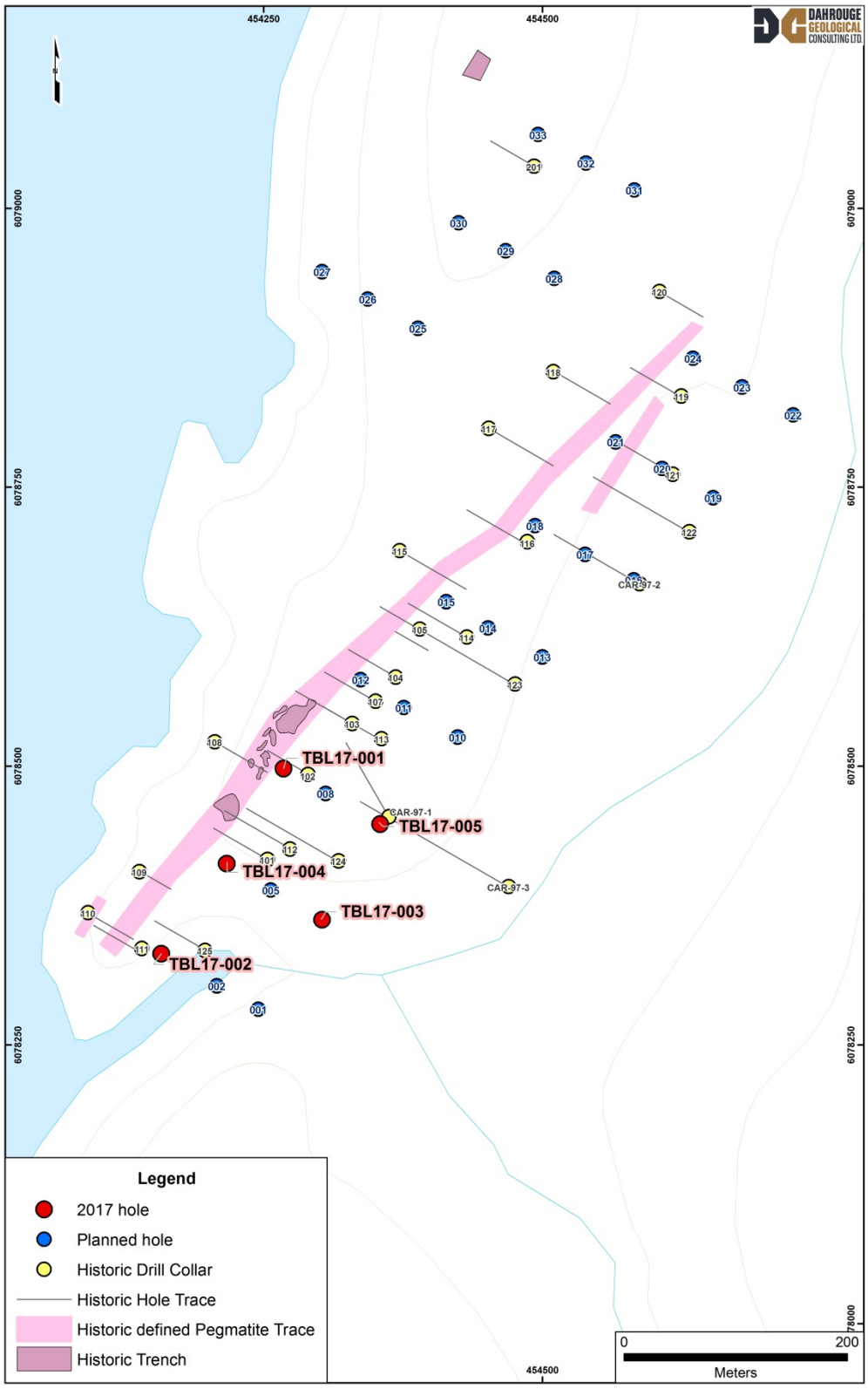

Fig 1: **Current Drill Programme with completed and scheduled holes at Thompson Bros**

					Analyte Symbol	Al	B	Ba	Be	Ca	Cs	Nb	Rb	Sb	Sn	Ta	Weight	Li	Li2O
					Unit Symbol	%	ppm	ppm	ppm	%	ppm	ppm	ppm	ppm	ppm	ppm	Kg	%	%
					Detection Limit	0.01	10	3	3	0.01	0.1	2.4	0.4	2	0.5	0.2		0.001	0.001
Sample Number	**From**	**To**	**length**	**Type**	**Lab Batch**														
TBL001-001	28.42	30	1.58	Core	A17-03362	6.94	1820	397	37	0.89	126	12.7	220	2	25.2	13.5	3.16		
TBL001-002	30	31.38	1.38	Core	A17-03362	6.71	2130	337	33	0.72	93.8	5.9	233	< 2	22.9	5.3	2.67		
TBL001-003	31.38	32.5	1.12	Core	A17-03362	8.27	60	79	7	0.54	9.5	6.6	173	< 2	15.1	2.5	2.7		
TBL001-005	32.5	33.5	1	Core	A17-03362	7.22	50	41	8	0.42	5.2	5.2	113	< 2	10.4	1	2.32		
TBL001-006	33.5	34.5	1	Core	A17-03362	8.18	50	35	9	0.55	7.1	3	105	< 2	9.7	1.4	2.44		
TBL001-007	34.5	35.38	0.88	Core	A17-03362	8.02	40	32	8	0.53	8.4	< 2.4	125	< 2	12	1.2	1.84		
TBL001-008	35.38	36.5	1.12	Core	A17-03362	8.89	40	23	29	0.29	7.9	< 2.4	157	< 2	11.5	0.9	2.15	0.8	**1.72%**
TBL001-009	36.5	37.5	1	Core	A17-03362	8.83	40	35	166	0.24	12	2.9	201	< 2	13.7	2.2	2.27	0.713	**1.54%**
TBL001-012	37.5	38.5	1	Core	A17-03362	8.87	40	13	115	0.19	8.6	5.8	137	< 2	17.1	1.1	2.45	0.806	**1.74%**
TBL001-013	38.5	39.5	1	Core	A17-03362	8.6	390	33	12	0.22	14.3	< 2.4	257	< 2	7.2	0.4	1.97	0.378	0.81%
TBL001-014	39.5	40.5	1	Core	A17-03362	9.43	40	22	18	0.16	9	< 2.4	193	< 2	12.2	0.9	2.23	0.95	**2.05%**
TBL001-015	40.5	41.5	1	Core	A17-03362	8.85	60	35	32	0.28	11.5	< 2.4	216	< 2	11.3	0.7	2.61	0.55	**1.18%**
TBL001-017	41.5	42.5	1	Core	A17-03362	8.46	50	49	6	0.29	7.4	< 2.4	177	< 2	9.4	0.5	2.17	0.492	**1.06%**
TBL001-018	42.5	43.5	1	Core	A17-03362	9.15	100	44	8	0.32	7.3	< 2.4	147	< 2	9.6	0.4	2.12	0.395	0.85%
TBL001-019	43.5	44.5	1	Core	A17-03362	8.34	40	11	4	0.11	5.2	< 2.4	100	< 2	10	0.3	1.68	0.914	**1.97%**
TBL001-020	44.5	45.5	1	Core	A17-03362	9.08	150	24	10	0.18	15.4	< 2.4	276	< 2	9.8	0.7	1.18	0.576	**1.24%**
TBL001-022	45	47	2	Core	A17-03362	8.99	150	38	18	0.26	12.1	2.8	229	< 2	9.9	0.9	2.53	0.53	**1.14%**
TBL001-023	47	47.24	0.24	Core	A17-03362	8.69	70	56	125	0.43	10.1	10.2	165	< 2	15.8	3.9	0.479		
TBL001-024	47.24	48.5	1.26	Core	A17-03362	6.28	120	362	< 3	2.04	9.1	< 2.4	34.8	< 2	4.5	< 0.2	2.47	0.086	0.19%
TBL001-025	48.5	49.5	1	Core	A17-03362	6.83	50	372	< 3	2.48	10.1	< 2.4	24.8	< 2	1.3	< 0.2	1.96		
TBL001-026	49.5	50.87	1.37	Core	A17-03362	7.58	50	400	< 3	3.32	17.5	< 2.4	44.9	< 2	1.1	< 0.2	2.93		
TBL001-027	50.87	51.65	0.78	Core	A17-03362	8.49	30	49	133	0.36	15.6	< 2.4	238	< 2	48.6	5.3	1.55		
TBL001-028	51.65	53	1.35	Core	A17-03362	7.15	250	415	5	2.2	31.5	< 2.4	86.3	< 2	7.6	0.6	2.82		
TBL002-001	7.62	8.5	0.88	CORE	A17-03366	8.73	30	177	7	0.4	10	< 2.4	219	< 2	8	1.1	1.58		
TBL002-002	8.5	9.34	0.84	CORE	A17-03366	8.39	50	151	9	0.29	13.9	< 2.4	215	< 2	37.3	2.3	1.7	0.242	0.52%
TBL002-003	9.34	10.67	1.33	CORE	A17-03366	7.46	50	692	12	1.53	57.6	4.7	116	< 2	8.5	5.5	2.65	0.069	0.15%
TBL002-004	10.67	12	1.33	CORE	A17-03366	7.71	30	908	< 3	1.91	25.2	< 2.4	51.2	< 2	1.6	0.3	3.02	0.07	0.15%
TBL002-005	12	13.52	1.52	CORE	A17-03366	6.78	80	672	6	1.55	51.3	7.7	57.9	< 2	4.8	0.2	2.3	0.0749	0.16%
TBL002-007	13.52	15	1.48	CORE	A17-03366	6.07	120	553	15	1.27	68.1	5.4	111	< 2	7.2	9.5	2.96	0.0847	0.18%
TBL002-008	15	16.52	1.52	CORE	A17-03366	6.03	180	495	< 3	2.29	85.5	< 2.4	84.7	< 2	4.6	< 0.2	3.08	0.0665	0.14%
TBL002-009	16.52	18.15	1.63	CORE	A17-03366	5.93	420	494	8	2.31	66.8	< 2.4	112	< 2	8.2	1.1	3.13	0.0709	0.15%
TBL002-010	18.15	19	0.85	CORE	A17-03366	8.65	60	105	219	0.32	32.7	7.5	393	< 2	18.2	15.4	1.58	0.153	0.33%
TBL002-011	19	20	1	CORE	A17-03366	8.39	30	23	106	0.23	17.1	2.4	332	< 2	14.2	4.3	1.91	0.559	**1.20%**
TBL002-012	20	21	1	CORE	A17-03366	8.97	30	29	8	0.24	7.2	< 2.4	149	< 2	5.7	0.5	2.03	0.608	**1.31%**
TBL002-015	21	22	1	CORE	A17-03366	9.11	50	25	8	0.29	7.5	< 2.4	132	< 2	7.3	0.4	1.45	0.661	**1.42%**
TBL002-017	22	23	1	CORE	A17-03366	9.19	50	36	6	0.25	5.7	4.5	125	< 2	10.2	0.7	1.88	0.958	**2.06%**
TBL002-018	23	24.43	1.43	CORE	A17-03366	9.28	40	19	24	0.24	5.5	2.9	98.9	< 2	9.2	1.2	1.16	0.785	**1.69%**
TBL002-020	24.43	25.8	1.37	CORE	A17-03366	5.8	160	320	32	1.77	63.7	4.2	164	< 2	7.9	5	3.01		
TBL002-021	25.8	27.5	1.7	CORE	A17-03366	7.11	140	770	< 3	1.35	15.7	4	69.1	112	1.5	0.3	3.29		
TBL002-022	27.5	28.95	1.45	CORE	A17-03366	6.11	70	624	< 3	1.62	6	2.5	46.2	8	0.8	< 0.2	2.76		

Table 1: **Assays received.**

The Company is eagerly awaiting the remainder of results from the lab as the potential of this exciting hard rock spodumene based lithium deposit unfolds.

Winter Thaw & Ongoing Work Programmes

The company will make a decision on when to continue the work programme once all assays from holes drilled to date have been returned. This will allow the best use of available funds for maximum return.

Newly appointed non-executive director and highly experienced geologist, Olaf Frederickson will be conducting a site visit in early June to assess the project and work with the existing contractors to establish the most clear and efficient way forward.

QUR Managing Director, Mr. Avi Kimelman said:

"The results from the first two drill holes have provided a strong reflection to the historic drill data, as they have either matched-up or exceeded the historic data which builds around the historical resource numbers. These holes have re-confirmed the presence of extensive zones of lithium bearing mineralisation at Thompson Bros and aim to develop a JORC Resource on the Project as we continue the work programme.

We look forward to the assessing and reporting the remaining results when they return from the lab in due course."

For and on behalf of the Board

Avi Kimelman
Director

About Quantum Resources Limited (ASX: "QUR" or the "Company"):

QUR own the rights to back in to earn up to 80% ownership interest of the Thompson Bros. Lithium Project from Ashburton Ventures Inc. by financing their commitments relating to their Option Agreement with Strider Resources Ltd.

The Thompson Bros. Lithium Project, located in Manitoba, Canada contains a historical **(NON-JORC COMPLIANT)** resource estimate of 4,305,000 tonnes of 1.3% Li2O, open at depth and along strike. These estimates are historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources and/or reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Olaf Frederickson. Mr Frederickson is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 (the "JORC Code").

Appendix 2: Thompson Bros. Property, Manitoba, Canada

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling technique	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used* • *Aspects of the determination of mineralisation that are material to the Public report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• **Samples will be collected from split NQ-sized drill core.**
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).*	• **The current drilling is standard NQ-sized core.**
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed* • *Measurements taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• **NQ-sized core recovery is very good.**

	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.* • *The total length and percentage of the relevant intersections logged*	• **All core will be Geologically logged in detail, with basic geotechnical logging.**
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• **Drill core will be cut in half, with half retained in the core box for record. The other half will be placed in individual bags and sent to an analytical lab to be crushed and pulverized.** • **Occasional QAQC samples will utilize quartered core as field duplicate samples.** • **Sample lengths will be approximately 1 metre.**
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• **All Samples were assayed with a sodium peroxide fusion followed by ICP/MS.** • **Samples were then followed up with a four acid digestion followed up with ICP-**OES for lithium specific results to allow for better precision on detection limits. • **Standards, blanks and duplicates will be inserted at a rate of 5%.**

	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes* • *Documentation of primary data, data entry procedures, data verification, data storage (physically and electronic) protocols.* • *Discuss any adjustment to assay data.*	• **External laboratory checks will be instrumented at a rate of 5%**
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• **Drill collar locations are initially placed using handheld GPS (Garman GPS 62 and 64 series, using both GPS and Glonass satellites) system with expected accuracy of +/- 5m horizontal.** • **The grid system for Thompson Bros. Project is UTM NAD83 Zone 14 U** • **Topographic control is based on the recorded GPS Elevation.** • **At the end of the project, the drill collars will be surveyed with a high-precision GPS.** • **The holes are surveyed with a Reflex EZ-TRAC downhole tool.**
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling is on-going.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• **Historic drilling was oriented to intersect the target pegmatite as closely to perpendicular as could be achieved.** • **The current drilling will also be perpendicular to the pegmatite.**

	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• **Samples are being collected and sealed in sample bags, combined into 5 gallon plastic pails by the field crew. They will be transported by the crew to a courier to send directly to the lab.**
Audits or reviews	• *The results of and audits or reviews of sampling techniques and data.*	• **No independent audits or reviews have been undertaken.**

Section2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenements and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interest, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• **The tenure is secure and in good standing at the time of writing. There are no known impediments to permitting, or licencing to explore or mine in the area.**
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	• **Historic exploration carried out by several parties on the Property has been summarized in and Independent Technical Report for Rodinia Minerals Inc. dated 2009-07-13.**
Geology	• *Deposit type, geological settings and style of mineralisation.*	• **Spodumene-bearing albite-quartz-muscovite pegmatites intruding greenschist facies metasediments.**
Drill hole information	• *A summary of all information material for the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *Easting and northing of the drill hole collar* o *Elevation or RL (Reduced level-elevation above sea level in metres)and the drill hole collar* o *Dip and azimuth of the hole* o *Down hole length and interception depth* o *Hole length*	• **Summary of drill information presented in Appendix 3.** • **Easting, northing and RL subject to update with the higher precision GPS survey.**

Criteria	JORC Code explanation	Commentary
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• **No composites were made.** • **Historic Lithium content expressed is as Li_2O Determined by multiplying Li content as weight percentage by 2.153.**
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')*	• **The mineralized pegmatite intersected by historic drilling trends at approximately 030˚ and dips steeply to the southeast.** • **Historic and current drilling reported apparent thicknesses of mineralization.**
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited too plan view of drill hole collar locations and appropriate sectional views.*	• **Appropriate plan maps of sample locations have been included in the body of the report.**
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• **Not applicable, will be done when analytical results are received.**

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or containing substances.*	
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.*	• **The drilling will continue as long as weather permits to follow-up historic work.** • **See figure in the text of report for map of historic drilling and trend.**

APPENDIX 3
Current Drilling

Drillhole	Easting	Northing	Dip	Azimuth	Depth (m)	Elevation (m)
TBL17-001	454267	6078491	-45	300	150.88	320
TBL17-002	454133	6078839	-45	300	151	269
TBL17-003	454306	6078374	-45	300	224.03	272
TBL17-004	454217	6078412	-45	300	105.77	270