

16 October 2020

ZAMIA RESOURCES TRANSACTION FINALISED

QX Resources Limited (ASX: QXR) (QX or the Company) is pleased to report that it has finalised the earn-in agreement with Zamia Resources Pty Ltd (**Zamia Resources**), a wholly-owned subsidiary of Zamia Metals Limited (**Zamia**) which owns four (4) exploration licenses (**Permits**) in the Central Queensland goldfields covering ~115km² and housing two open pit historical gold mines, the Belyando and Lucky Break Mines, as well as multiple unexplored targets.

Under more simplified terms, QX will assume 50% ownership of Zamia Resources through the issue of 40,000,000 ordinary shares subject to a 12-month voluntary escrow from the date of issue, expected to be early next week, and will move to 70% ownership by spending \$500,000 on the project within six months commencing 1 October 2020. First exploration activities kicked off last week so QX is already earning into this next 20%. The Company can then secure up to 90% of Zamia Resources by spending a further \$1m on exploration and project development works.

Termination of Kamola Lithium Project Joint Venture to earn up to 60%

On 5 April 2018, the Company announced that it had entered into an exclusive option with Crown Mining Sarl (“Crown”), whereby the Company had the ability to earn via farm-in, a 60% interest in Mining Permits PE 13081, PR 4076 & PR 4072 in the Democratic Republic of the Congo (DRC).

Further to previous updates where the Company was attempting to renegotiate the terms of the Joint Venture farm in due to logistical challenges posed by the COVID-19 Pandemic and the state of the DRC hard rock lithium market, QX Resources advises that it has notified Crown of its intention to terminate the agreement in accordance with its terms.

Comment

QX Executive Chairman Maurice Feilich said: *“We are pleased to have completed the transaction with Zamia. Our technical team is now actively driving the project’s re-development with soil and rock chip sampling expected to be completed next week. Results will be reported shortly thereafter and progress updates from site are so far encouraging.*

We look forward to providing more updates in the near term.”

This announcement was authorised for release by the Board of QX Resources Limited.

Further information:

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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.

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