QX Resources Limited

11 November 2021

BIG RED TRENCHING PROGRAM TO BE EXPANDED FOLLOWING RECENT DISCOVERY OF MULTIPLE HIGH GRADE GOLD INTERCEPTS

QX Resources Limited (**ASX: QXR**, '**QX Resources' 'QX'** or '**the Company'**) is pleased to announce that, following the announcement of 1 November 2021 where the Company reported that it had intersected high grade gold mineralisation from a recent 370-metre trenching program at the Big Red and Red Dog prospects (EPM17703), the Company has taken the decision to expand the trenching program prior to a follow-up drilling program in early 2022.

Another eight to nine trenches are planned, covering 400 + metres of potential additional strike, with the new trenches stepping out approximately 60 metres south and north of Big Red's known mineralisation, and another planned to the west of Red Dog to identify any parallel mineralisation ***(see Image 1 below showing previous trenches and those planned)***. As per the first phase of the program, the trenches will be 2 metres in depth and a 32t excavator has been contracted with works scheduled to commence on or around 24 November. The program may be extended once underway based on the findings of the geological team.

Big Red's mineralised strike is currently 230+ metres, with results from the first trenching program (announced 1 November 2021) referenced below:

Base of Trench (Hard rock)

- **Trench 1 - 9m @ 5.9 g/t Au plus 1m @ 8.2 g/t Au with the mineralised zone 35m wide**
- **Trench 2- 3m @ 2.2 g/t Au with a mineralised zone of 1 g/t Au over 13m**
- **Trench 3 - 3m @ 2.6 g/t Au with a mineralised zone of 1.5 g/t Au over 5.5m**
- **Trench 4 - 2m @ 23 g/t Au with a mineralised zone of 7.1 g/t Au over 6.8 m**
- **Interpreted strike length over Big Red is at least 230m so far**
- **The mineralisation is open along strike to the South West and to the North East**
- **The mineralisation is open at depth**
- **The mineralisation may also extend further across strike to the North West**

Sub Surface (loose pebbles - lag)

- **Trench 1 - 80m @1.23 g/t Au**
- **Trench 2 - 28m @ 1.76 g/t Au**
- **Trench 3 - 9m @ 3.06 g/t Au**
- **Trench 4 – 32m @ 1.70 g/t Au**

Comment

Non-Executive Director Roger Jackson commented: *"Based on the excellent assay results from the 53-metre phase 1 trenching program, we have taken the decision to significantly expand the program with phase 2 covering at least 400 metres of trenching. The up-scaled program reflects our confidence in the discovery and the fact that we believe more mineralisation is present. Once completed and after assays are received, we intend to undertake a more extensive reverse circulation drilling program across the prospect which we anticipate will commence early in the new year.*

"Other exploration work is planned in the interim; we have assays pending from the Lucky Break sampling program and further progress to be reported on the Anthony molybdenum project."

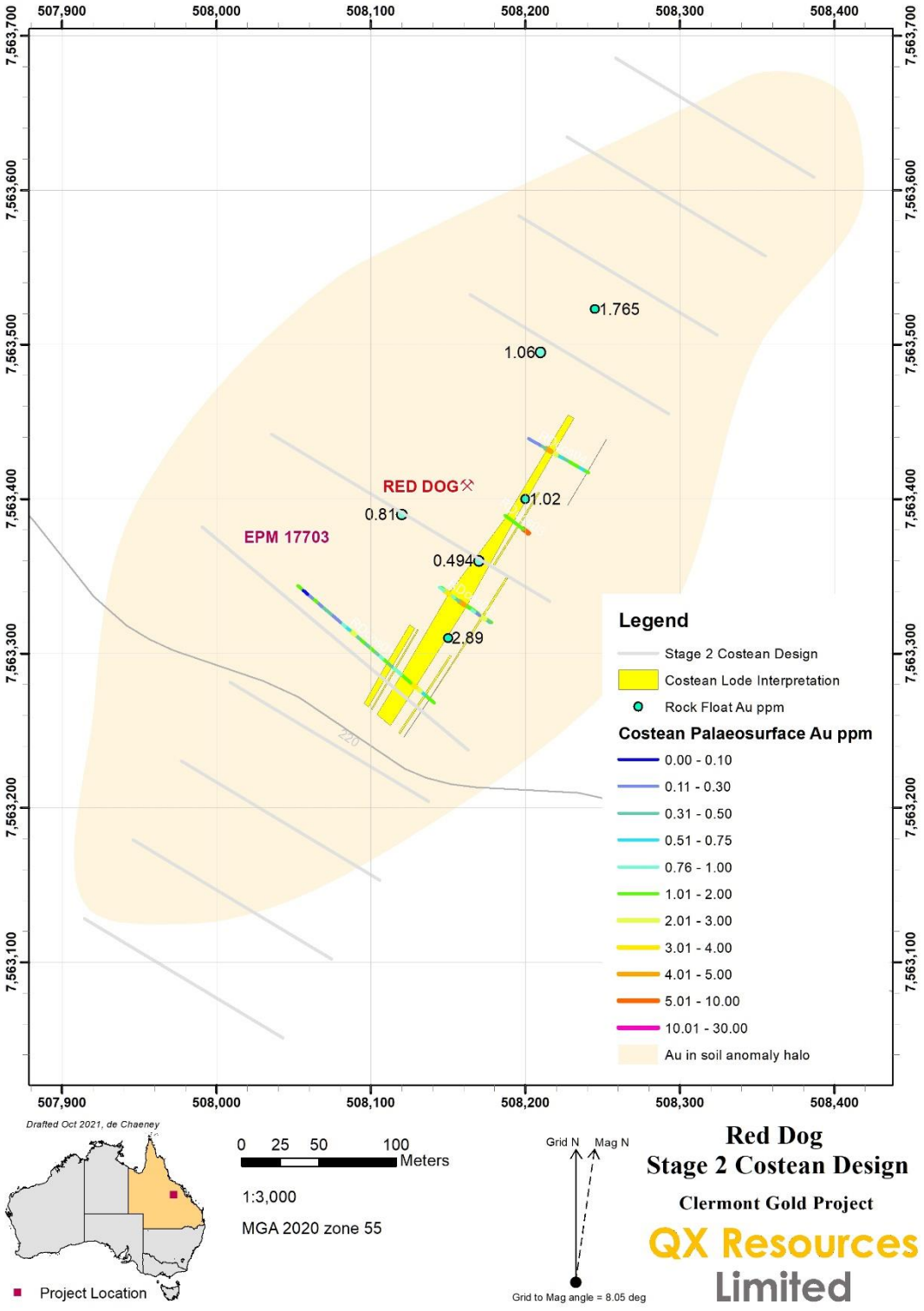

Figure 1. Location of new trenches in grey, phase 1 trenches in colour showing the high grade intersections

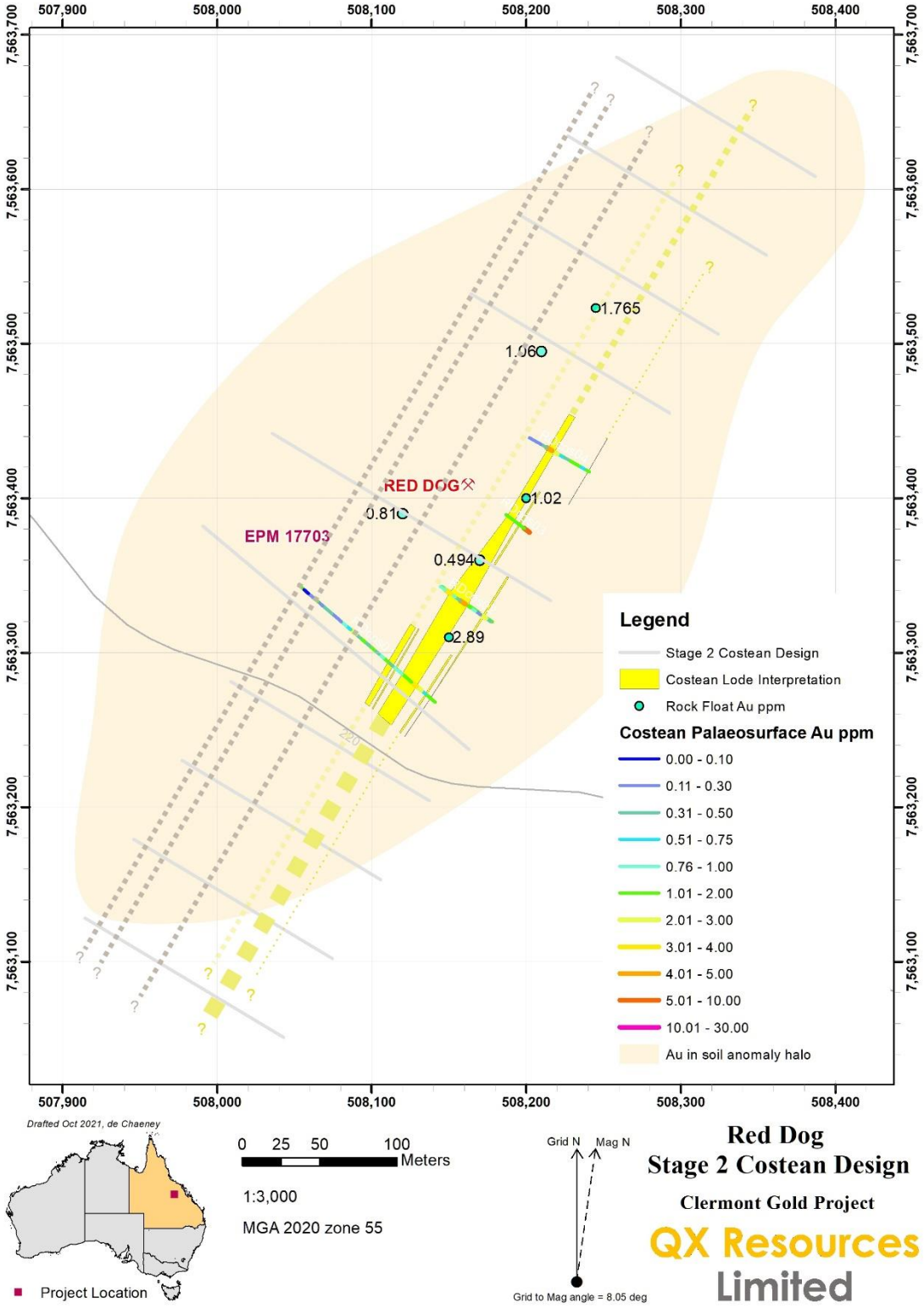

Figure 2. Interpreted location of the mineralisation. Targeting along strike to the south and the north. Further targeting the west of Red Dog

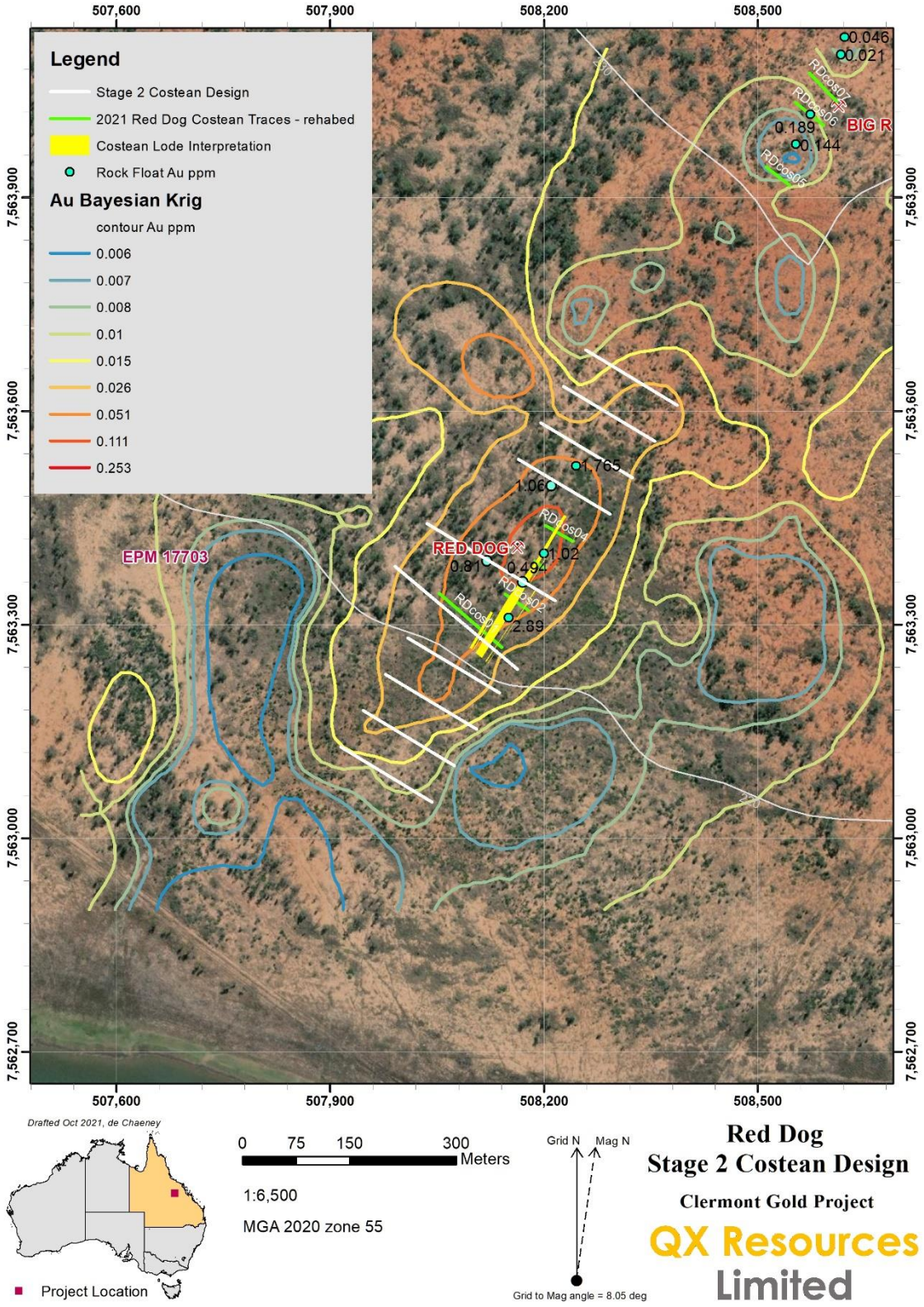

Figure 3. Gold soil anomaly at Big Red

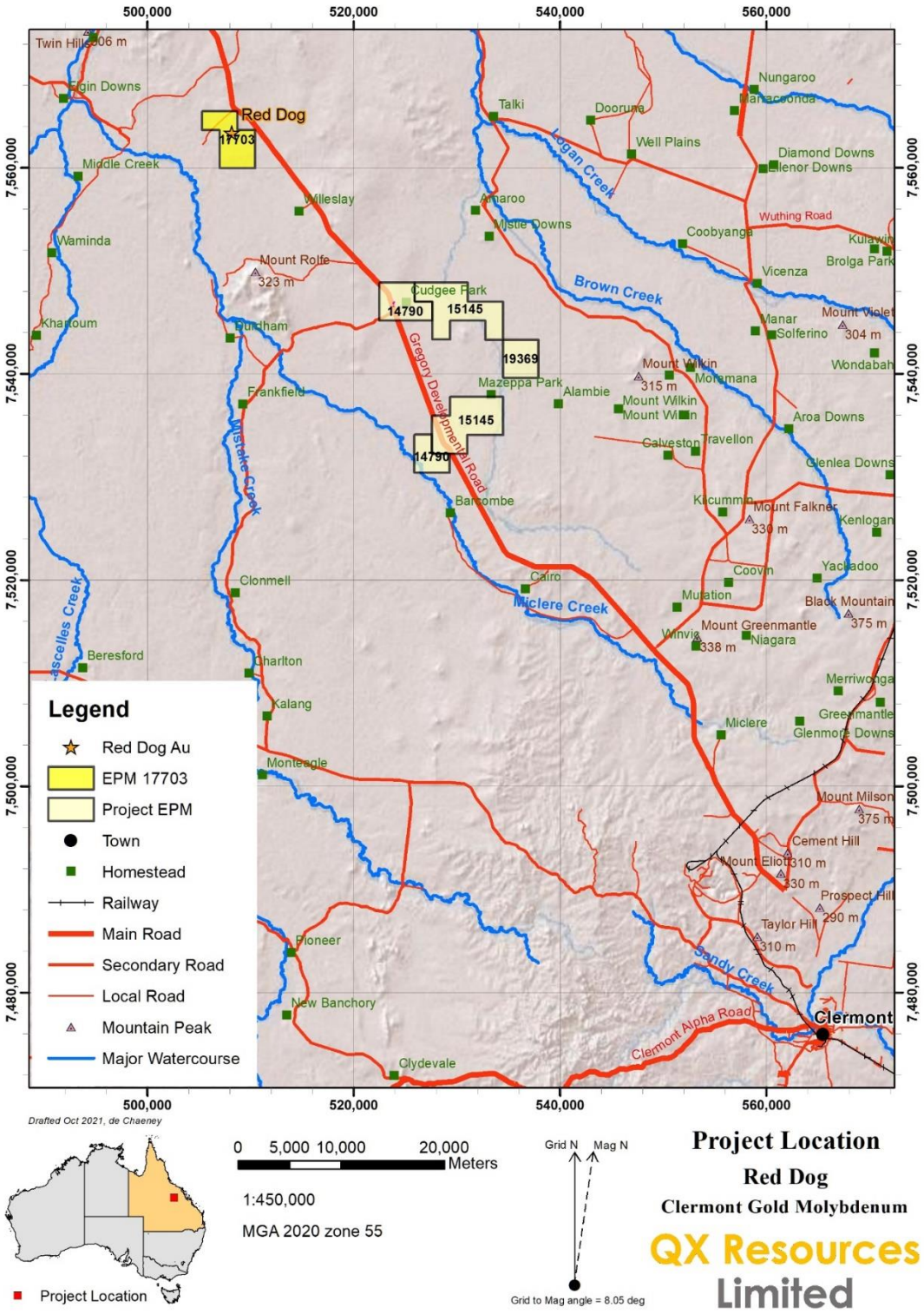

Figure 4. Location of Big Red

QX Resources Limited

Authorised by the Board of QX Resources Limited.

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Competent Persons Statement

The information in this report that relates to the Big Red and Red Dog project 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) 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.

QX Resources confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld 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 (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g 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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Results stated in this report are based on rock chip sampling in costeans. Costean was excavated to approximately 1.5m depth and rock chip samples taken on two horizons: • 1. Basal channel samples were dug by geo-pick from the bottom corner of the costean at depth approx. 1.5m, evenly across 1m intervals or to the visible lithology, whichever was smaller. Intervals where no visible lithology had been reached be excavation were sampled 1m each side of visible lithology, but otherwise left unsampled • 2. Upper channel samples were dug from the costean face on an obvious palaeosurface horizon comprising pebble lag and soil at approx. 0.5m depth, evenly across 4m intervals, for the length of the costean. • Sampling in both horizons aimed at 3kg mass, periodically checked with spring balance to gain representivity in the relatively coarse particle size samples. • Any potentially diluting material within an interval, e.g., soil within the pebble lag horizon, was included in the sample to ensure representivity. • Sample was reduced by jaw crush, pulverised and sub sampled to yield a 50g charge for fire assay by ALS Townsville methods PUL-23, SPL-21, Au-AA26.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• No drill results are included in this announcement, reference to drilling by BMA in 2004 is referencing Shepherd, M.A. (2004), *Annual report Willesby EPM 12012 [CR 38838]*. Sydney, NSQ: Twin Hills Operations Pty Ltd. which reports BMA drilling data obtained in 2004. This data was used in this report only to obtain approximate first pass orientations for sectional interpretation.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures 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.*	• No drill results are included in this announcement, reference to drilling by BMA in 2004 is referencing Shepherd, M.A. (2004), *Annual report Willesby EPM 12012 [CR 38838]*. Sydney, NSQ: Twin Hills Operations Pty Ltd. which reports BMA drilling data obtained in 2004. This data was used in this report only to obtain approximate first pass orientations for sectional interpretation.
Logging	• *Whether core and chip samples have*	• Qualitative geological logging was carried out on all sampled intervals couple with quantitative estimation of

	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.*	quartz and iron oxide percentages by qualified senior geologists experience in gold systems geology. • 55% or 200.7m out of 370.5m of costeaning were logged for the basal channel covering all sampled intervals. • 98% or 364m out of 370.5m of costeaning were logged for the upper palaeosurface lag channels.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, 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.*	• No subsampling was carried out, whole sample only was submitted to ALS. • All samples were dry. • Post collection sample preparation was by jaw crush followed by pulverisation by ALS techniques PUL-23, SPL-21, these techniques are accepted best practice for the type of sample. • Though the coarse particle size precluded valid field splitting for duplication, and parallel sampling is not equivalent to duplication for gold, duplicates were obtained by laboratory splitter of processed material by ALS and assayed at 1 in 20 and duplicate assay parity confirmed sample the size was appropriate for the particle size.
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assay was by 50g fire assay with AAS finish by ALS method Au-AA26. This is total assay technique and exceeds the current industry standard 30g fire assay. • No geophysical tools were applied. • QC procedures included duplicates post crushing at 1 in 20, certified standards at 1 in 18 in high, medium and low grade ranges, and blanks at 1 in 50. • QC assay returns show good sample repeatability with no significant bias in duplicates, good lab hygiene with all blanks reading below detection, and no analytical bias across all grade ranges within certified standard error in standards.
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 (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All intercepts have been verified by Company CP and independent consultant CP of Empirical Earth Sciences. • No twinning has yet been carried out and, due to the nature of costean samples, future twinning will be by interval only, and not by full length. • Assay return data has been adjusted by substituting half the detection limit for below detection intervals for statistical purposes, as a separate statistical data column for all assays. Original unadjusted data is retained. All electronically entered data was independently checked.

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 Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All costean collar point equivalent data was obtained by WAAS GPS with an accuracy of ±2m in x and 7, 20m in z • All GPS z measurements were calibrated and corrected to AusGeoid09 by GIS against SRTM and government contour data sets. This is less accurate than RTK but adequate for the current state of exploration, which is essentially two dimensional, and can be further accurized at a later time. • All data was collected in MGA94 zone 55 • All sample locations were taken at high accuracy with steel measuring tape referenced to the GPS collar point.
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 Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Along strike NE sample spacing is approx. 60m at the Red Dog prospect and 70m at the Big Red prospect. • Across strike sampling is effectively continuous for sampled intervals. • No estimation procedures have been applied at this stage of works, but spacing is adequate to imply mineralisation strike and afford drill targeting. • No post processing compositing has been applied, field samples of the palaeosurface lag were taken as 4m composite samples.
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.*	• Sample orientation is approximately perpendicular to geological structures and is unbiased within the current early stage exploration framework. • No sample bias is believed to have occurred as a result of orientation and though only along costean sample intervals are reported, it is likely that these are relatively close to true thicknesses given the 85 to 88° dip and perpendicular strike of structures as they are currently understood.
Sample security	• *The measures taken to ensure sample security.*	• Individual samples were collected in pre-numbered calico sample bags in field. Calico sample bags were then put into poly-weave sacks and wired closed at the transport depot by QX geologists. The poly-weave sacks are then driven to Townsville and received by ALS. • Samples were split into two shipment batches for transport risk mitigation
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Audit of historic BMA 2004 drill data, sample data reported in this costean programme was carried out by CP and Snr geologist of Empirical Earth Science. The result was that sample method, assay method, and post processing are good but accuracy is limited by the hand held GPS end point pickup of costeans.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement 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 interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the*	• The tenement in this report is EPM 17703 held by Zamia Resources Pty Ltd which is 70% owned by QX Resources Ltd • No known issues impeding on the security of the tenure of QX Resources ability to operate in the area exist.

Criteria	JORC Code explanation	Commentary
	time of reporting along with any known impediments to obtaining a licence to operate in the area.	
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• For EPM 17703 -The Apache epithermal Au was discovered by Battle Mountain Australia Inc in 1988 (Cosstick1990), Big Red epithermal Au was discovered by Twin Hills Operations Pty Ltd in 2004 (ELP 2008), the Pelican Creeka pathfinder only anomaly discovered by Normandy Exploration Limited in 1993 (Montes 1993) and localised further by ZRS in 2014 (Daven & Doman 2015), and the Kenai and Koda pathfinder only anomalies discoveredby ZRS in 2014 (Daven & Doman 2015).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• EPM 17703 lies at the margin of the Anakie Province of the Thompson Orogen unconformably overlain by flanking Drummond Basin sequences. The Proterozoic to Cambrian Anakie Metamorphics outcrop through tertiary to quaternary alluvial and colluvial cover in the northeast corner of the EPM. The underlying lithology is Silver Hills Volcanics on the southwestern third of the tenement and Devonian granitoids intruded into basal Drummond sediments or Anakie Metamorphics on the on the north eastern two thirds (Henderson & Blake 2013; Withnall et. al. 1995). • Style of mineralisation is not yet certain, but is most likely epithermal lode gold, though proximal thermal aureole gold cannot yet be rules out.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Mineralisation was determined at a boundary cut-off grade of 0.5 g/t Au with internal intercept cut-off grade of 0.3 g/t Au and allowing for up to one continuous metre of waste. • No high-grade top-cut has been applied at this pre-resource stage of data processing. • Significant intercepts are reported to a 0.3 g/t Au cut-off

Criteria	JORC Code explanation	Commentary
	• *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.*	grade with no more than 1m of included waste, based on down hole lengths. • No metal equivalent values are reported. • All reported grade averages are sample length weighted averages.
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 drill hole 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 (eg 'down hole length, true width not known').*	• At the current stage of exploration, true thicknesses are not known or measurable from the costean data and all lengths are down hole length equivalent. • Drilling in 2004 by BMA as reported in Shepherd, M.A. (2004), *Annual report Willesby EPM 12012 [CR 38838]*, indicate the dip is likely to be 85 to 89° NW. • Costean data at Big Red indicate strike is approx. 32° • From this, the horizontal costean samples are thought to closely approximate true thickness intervals, but this awaits confirmation by drilling. See release plan and section figures for geometric relationships.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	
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.*	• All cross-sections include all recovered assay, both low and high grade, for all costean channels on that section. •
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 contaminating substances.*	• All data material to this report that has been collected to date has been reported textually, graphically, or both. • Further substantive exploration data is expected to result from further exploration including RC drilling.