

17 December 2021

Extension of Option Agreement for Highly Prospective Western Shaw Lithium Project WA

QX Resources Limited (ASX: QXR, 'QX Resources' or 'the Company') is advises that it has extended the binding option agreement ("Agreement") with Redstone Metals Pty Ltd ("Redstone") for a further 30 days to acquire the highly prospective Western Shaw lithium project (E45/4960), which is also prospective for iron ore, gold and nickel mineralisation.

Due to some unforeseen logistical issues, QXR's was prevented from undertaking a site visit and sampling program as part of the its due diligence on the asset. This is now expected to take place in January. The Company is confident of the project's potential and has agreed to pay Redstone the \$50,000 option fee as per the agreement announced on 17 November 2021.

As reported, the 81km² project is located in the established Pilbara lithium province, Western Australia 220km south east of Port Hedland with access via the Great Northern Highway (**Figure 1**). The Agreement is further evidence of QXR aggressively building its portfolio of exploration tenements in the Pilbara region which are prospective for lithium and other minerals. Western Shaw is larger and more advanced than the recently announced Turner River prospects given it is already a granted exploration licence with historical exploration results. The main attraction of Western Shaw is a large area in the centre exhibiting all the right geological attributes to host lithium-caesium-tantalum ("LCT") pegmatites.

Western Shaw is also located in a proven iron ore province with significant historical exploration work undertaken. The Fortescue Metals and Roy Hill railway infrastructure is located less than 10km southwest of the project and BHP railway infrastructure is 25km southwest of the tenement. The project contains a ~11km strike of banded iron formation (see **Figure 2**).

Comment

QX Chairman Maurice Feilich said: *"Based on our initial technical review, we have every confidence in Western Shaw and its exploration potential in what is a premium global lithium and iron ore province. Whilst we have successfully completed legal due diligence, the planned site visit to complete technical due diligence has been slightly delayed, however, we expect that once completed in January, our enthusiasm for this project will only be reinforced. Also, we continue to advance our gold and molybdenum projects in Queensland and expect to update shareholders on further positive developments prior to Christmas."*

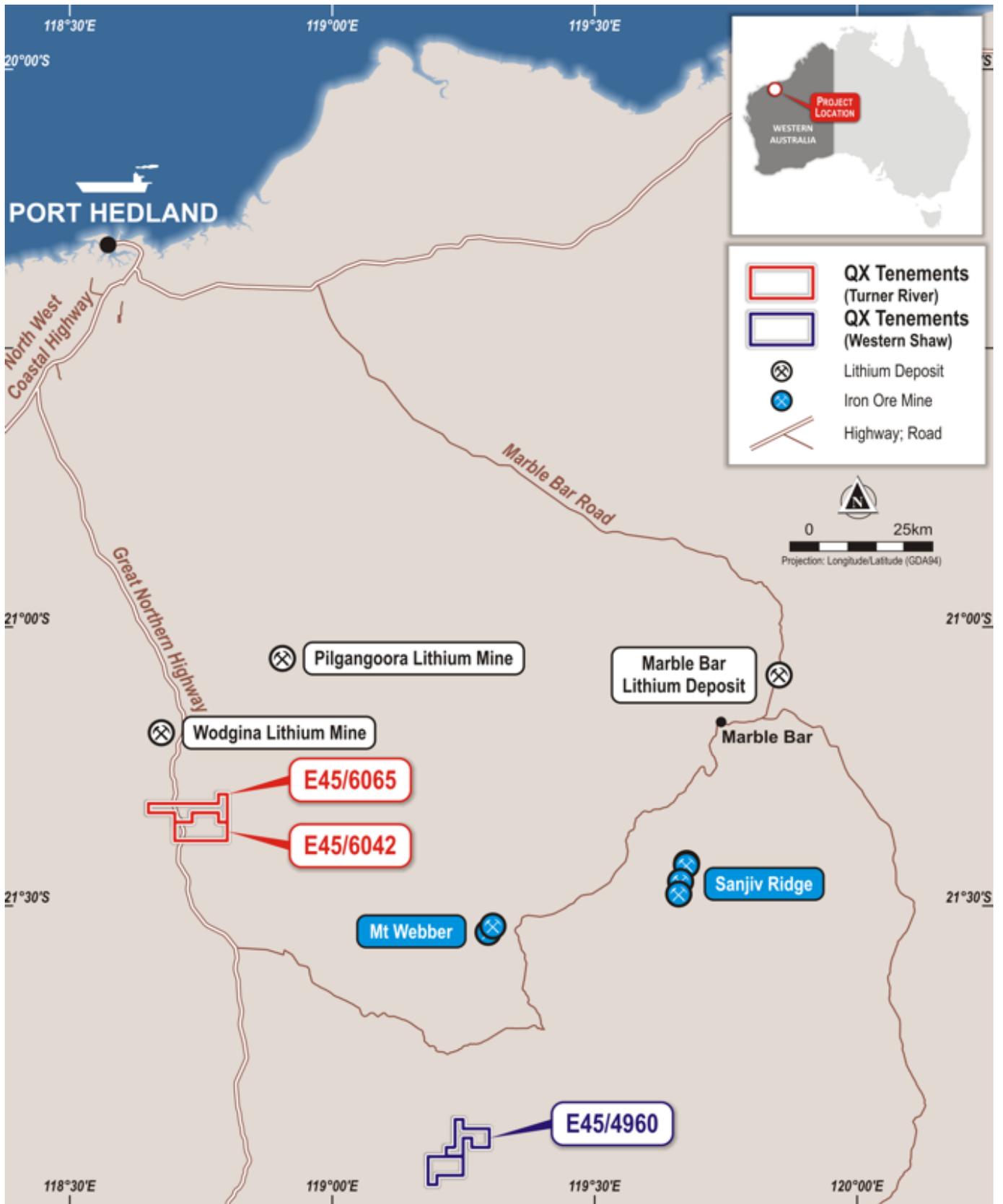


Figure 1: Western Shaw EL 45/4960 tenement location

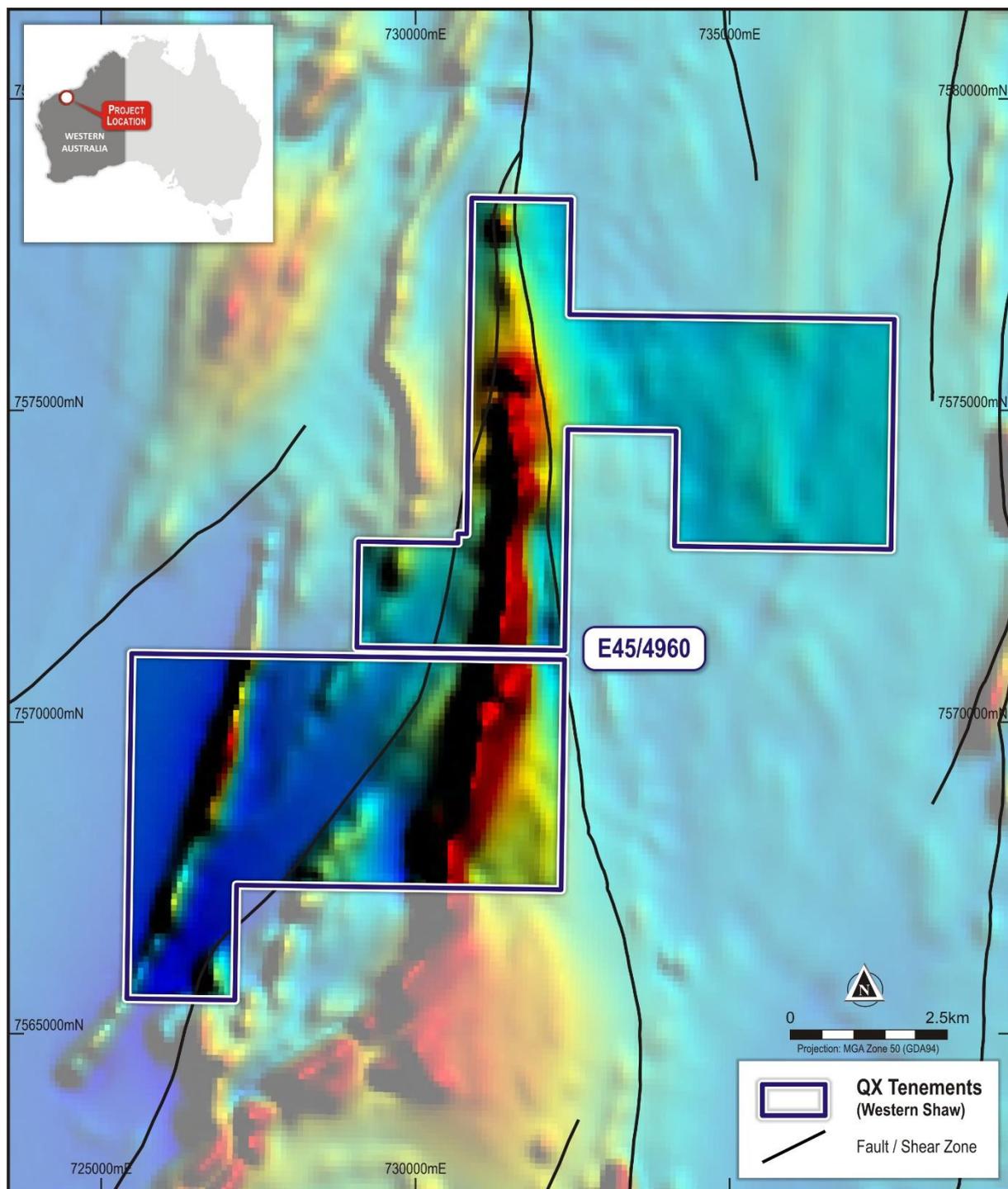


Figure 2: Western Shaw project regional magnetics, highlighting the N-S striking banded iron formation

Authorised by the Board of QX Resources Limited.

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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) 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.

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