

1 February 2022

Anomalous Lithium and Rare Earth Elements Recorded from Pegmatite Dyke at Turner River Lithium Project

- *This shallow dipping pegmatite dyke was one of four spatially associated pegmatite dykes that were sampled during the initial reconnaissance*
- *Lithium reports as eight times the background for lithium in the associated dykes*
- *Elevated readings of Rare Earth Elements of Cerium, Lanthanum and Barium recorded*
- *Result highlights the chemical variability of individual pegmatites and further underscores the potential of the area to host lithium bearing pegmatite dykes*
- *Follow-up field exploration planned for Q1 2022*

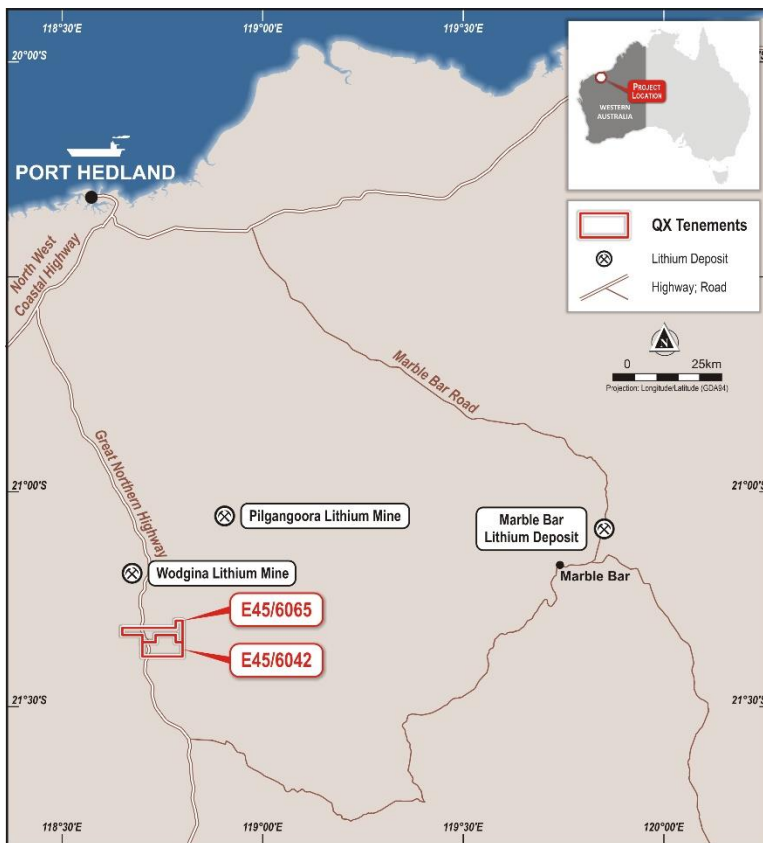


Figure 1: Tenement location and regional setting

Previous Site visit and initial sampling

During the initial reconnaissance site visit several parallel east dipping ($<20^{\circ}$) pegmatite dykes were observed within a 250m wide NE trending zone. The pegmatites are <1 m thick and comprised quartz, feldspar, and coarse-grained muscovite mica in varying relative abundances and could be traced intermittently over 500 metres. Several narrow cross-cutting pegmatites were also observed. Spatially associated with this zone are intermittent quartz reefs.

QX Resources Limited (ASX: QXR, 'QX Resources' or 'the Company') is pleased to report encouraging rock chip geochemical results amongst several samples taken during the initial reconnaissance field inspection on the Turner River lithium project (EL 45/6042 and EL 45/6065). This lithium focused project is in the Pilbara region of Western Australia ~120km south of Port Hedland and ~17km south of the significant lithium deposit at Wodgina (259.2Mt @ 1.17% Li) (*See figure 1 overleaf*). (Refer ASX Announcement 20 October 2021).

QX Resources recently exercised its option to acquire this project from Redstone Metals Pty Ltd ("Redstone") by the issue to Redstone (or its nominee) of 12 million fully paid shares in the Company. (Refer ASX release 22 October 2021).

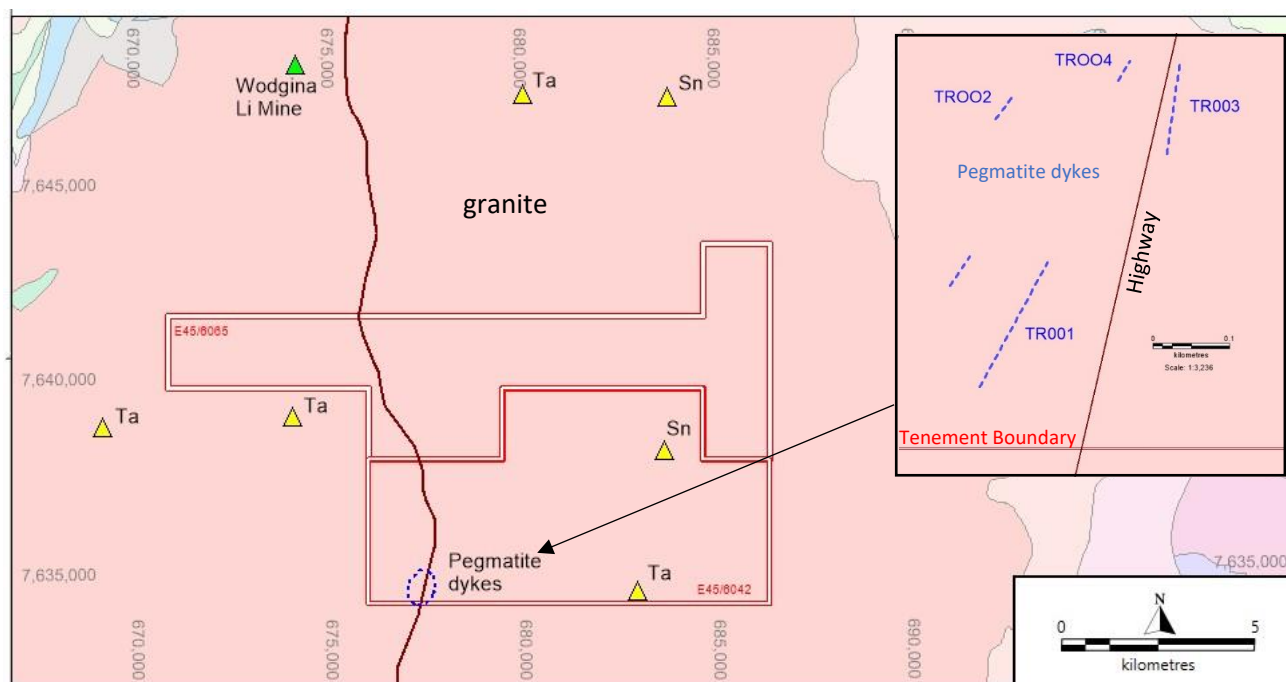


Figure 2: Location of Pegmatite Dykes at Turner River lithium project

Sample Results

Small samples (<1kg each) were collected from the weathered exposures at four pegmatite dykes. Minanalytical Laboratories in Perth undertook geochemical analysis of the samples for a suite of elements normally associated with pegmatite dykes. Significant element results are presented in the below table:

Table 1. Summary of Selected Results

Elements				Ba	Ce	La	Li	P	Sc	Sn
Unit Codes				ppm	ppm	ppm	ppm	ppm	ppm	ppm
LDETECTION				5	20	20	1	20	1	5
UDETECTION				1000	500	1000	1000	10000	10000	500
Sample Id	Easting	Northing	Zone/Datum							
TR001	677,510	7,634,620	50/GDA94	262	23	<20	45	74	2	11
TR002	677,500	7,634,903	50/GDA94	263	37	<20	154	76	9	45
TR003	677,730	7,634,940	50/GDA94	969	168	80	265	1564	11	13
TR004	677,650	7,634,950	50/GDA94	135	31	<20	15	252	1	<5

Interpretation of Results

Of particular significance is the elevated Li, Cerium (Ce) and Lanthanum (La) elements and the associated strong responses in Barium (Ba) and Phosphorus (P) which have reported to sample TR003. The background for Li, Ce, La and P based on the results for samples TR001, TR002 and TR004 is 71ppm, 30ppm, <20ppm and 134ppm respectively indicating that these elements in sample TR003 are significantly above background. The highly elevated occurrence of phosphorus in a pegmatite may infer the presence of phosphorus-based minerals particularly as both the Rare Earth elements (Ce and La) and Li can occur as phosphorus-based minerals.

Sample TR003 was taken from the most easterly of the pegmatite dykes that was identified and sampled and is evidence that this dyke is mineralogically different to the others that were sampled. However, as none of the dykes were exhaustively or systematically sampled the representativeness of the analyses remains speculative. Nevertheless, the Company is encouraged by this early promising result presented by sample TR003, especially

in light of the limited nature of the work that has been completed to date. QX believes that further detailed work is warranted to follow-up on this dyke system and to find others that are likely to be present.



Figure 3: Pegmatite Dyke at Sample Site TR003

Additional Analysis

In addition to the geochemical analyses, the four pegmatite samples were composited into a single sample and processed for heavy mineral recovery at DRS Laboratory in Perth and following mineralogical examination a number of grains have been sent for identification by microprobe analysis, which will be reported once received.

Comment

QX Chairman Maurice Feilich said: *“This is an exciting start to our exploration of E45/6042 with almost the entire tenement yet to be prospected. With historic tin and tantalite prospects already known on the tenement, we are confident that there are more pegmatites to be found, and with our recent sample result, the potential for lithium bearing pegmatites remains very positive. Based on these positive results, the Company will be moving forward to more comprehensively explore the remainder of the tenement including our new adjoining tenement E45/6065, with follow-up work programs planned throughout the March quarter.”*

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 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.

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	Commentary
Sampling techniques	<ul style="list-style-type: none"> Rock chip and grab samples were taken from outcrops and disturbed rock float (i.e. not in situ). The samples were taken to understand the mineralogy of the pegmatite dykes rather than to systematically sample each individual pegmatite dyke. Samples have been sent to Minanalytical Laboratories in Perth for geochemical analysis. Samples have been sent to DRS Laboratory in Perth and will be crushed to allow the recovery of heavy mineral species by heavy liquid. The heavy mineral concentrates will be visually examined to identify contained minerals.
Drilling techniques	<ul style="list-style-type: none"> N/A As no drilling is being reported
Drill sample recovery	<ul style="list-style-type: none"> N/A As no drilling is being reported
Logging	<ul style="list-style-type: none"> N/A As no drilling is being reported
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> The samples were taken as rock pieces from outcrop/float
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The sample analysis which comprises the recovery and identification of the heavy mineral suite contained in the samples is considered appropriate at the current stage of the exploration. The technique is used to provide an understanding of the potential prospectivity of the pegmatite dykes for lithium containing minerals such as spodumene lepidolite. The technique is not being used to provide a quantitative analysis of the lithium content of the rock samples. The rock geochemical analyses done by Minanalytical Laboratory Services used their MA400ES analytical technique following their SP300 sample preparation technique. A suite of 34 elements was reported. Standards and blanks were also reported.
Verification of sampling and assaying	<ul style="list-style-type: none"> Laboratory reports will be received in excel format and in locked pdf files. Results will be cross referenced with sample data and loaded into an electronic database. There is no validation and cross checking of laboratory performance at this stage.
Location of data points	<ul style="list-style-type: none"> Rock chip and grab sample locations were located using a handheld GPS with an expected accuracy of +/-3m for easting and northing. No elevation data was recorded. The grid system used is GDA94, MGA zone 50.
Data spacing and distribution	<ul style="list-style-type: none"> Rock chip and grab samples were taken opportunistically during field reconnaissance and are not regularly spaced. These were for geological information only and would not be used in any Mineral Resource estimation. Sample compositing was applied to the rock chip and grab samples.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> N/A. As the samples are rock chip samples and do not reference to any orientation.
Sample security	<ul style="list-style-type: none"> Rock chip and grab samples were delivered by QX to the DRS laboratory in Perth. Sample security was not considered a significant risk to the project. Only employees of QX were involved in the collection, short term storage (in a remote area), and delivery of samples.
Audits or reviews	<ul style="list-style-type: none"> No Audits or reviews were taken

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The tenement discussed in this report is held by Redstone Metals Pty Ltd. QX has an option to acquire a 100% of E45/6042 from Redstone.
Exploration done by other parties	<ul style="list-style-type: none"> Limited exploration has been undertaken across the tenement areas by previous explorers.

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Criteria	Commentary
Geology	<ul style="list-style-type: none">• The target for the exploration program is lithium bearing pegmatite dykes• Hosted by granite.• The regional geological setting of the area is Archaean aged granite.• The pegmatite dykes are weathered and include the mineral species - feldspar, quartz and muscovite mica. The relative abundance of these minerals of these minerals is not quantifiable due to the weathered nature of the dykes.
Drill hole Information	<ul style="list-style-type: none">• N/A. No drill hole information contained within the release
Data aggregation methods	<ul style="list-style-type: none">• N/A. No drill hole information contained within the release
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none">• N/A. No drill hole information contained within the release
Diagrams	<ul style="list-style-type: none">• Refer body of the text
Balanced reporting	<ul style="list-style-type: none">• Reporting of results in this report is considered balanced.
Other substantive exploration data	<ul style="list-style-type: none">• Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.
Further work	<ul style="list-style-type: none">• Follow up work programs will be subject to interpretation of recent and historic results which is ongoing.