

10 February 2022

QX Resources Expands its Pilbara Lithium Exploration Portfolio

- **QXR has acquired the highly prospective Split Rock lithium project (E46/1367) (35km²)**
 - The project is located along the SE margin of the Split-Rock Supersuite which is considered regionally prospective for lithium bearing pegmatites. The Split Rock lithium project is close to existing lithium projects including 'Ragged Range'
 - The Split Rock project adjoins Thor Mining Plc's (ASX: THR) Ragged Range project area which has reported pathfinder elements associated with lithium bearing pegmatites.
 - E46/1367 has a 10km strike length of the Mondana Monzogranite which is a continuation of the same batholith margin targeted by THR for lithium bearing pegmatites
 - E46/1367 is also prospective for base metals including copper, lead, zinc, silver and gold
- **QXR has also secured E45/6107 (15 km²) which is the Northern extension to the Western Shaw project acquired earlier in 2022 – Western Shaw tenement area now comprises a total area of 96km²**
- **The consideration for the acquisition of 100% of Split Rock and E45/6107 is \$30,000 cash and 10 million QXR Shares**
- **QXR's package of granted tenements and those under application now covers 215 km² in the Pilbara region**
- **The Company is currently planning for an initial reconnaissance mapping and soil/rock chip sampling program to be undertaken at Split Rock in early Q2, as well as a follow-up sampling program at Western Shaw.**

QX Resources Limited (ASX: QXR, 'QX Resources' or 'the Company') is pleased to advise that it has significantly expanded its exploration portfolio in the Pilbara lithium province of Western Australia. The two projects (E46/1367 and E45/6107) complement and strengthen the Company's existing portfolio of quality lithium-focused projects, adding a further 51km² of tenure.

Comment

QX Chairman Maurice Feilich said: *"The Acquisition of the highly prospective Split Rock project and the expansion of the Western Shaw project, both in one of the world's foremost lithium provinces, further consolidates QXR's position in the region. The projects are underexplored have tremendous exploration potential.*

"The Company's consultants are currently planning for an initial reconnaissance mapping and soil/rock chip sampling program to be undertaken at Split Rock, as well as a follow-up sampling program at Western Shaw.

"Project development initiatives are being undertaken concurrently with our gold and molybdenum projects in Queensland."

Split Rock E46/1367

The project covers an area of 35km² approximately 200km southeast of Port Hedland and 180km north of Newman. It is located along the southeast margin of the Split-Rock Supersuite, which is considered regionally prospective for lithium bearing pegmatites. Strategically located close to existing infrastructure, the project is only 60km from Nulagine with easy access via established road networks.

The Split Rock project is bordered to the south (*refer image 1*) by Thor Mining Plc's (ASX: THR) Ragged Range project, which is focussed on the Mondana Monzogranite which forms part of the Split-Rock Supersuite. On 27 January 2022 THR reported a number of targets prospective for lithium within their tenement area, having reported elevated levels of tin, beryllium and tantalum, which are pathfinder elements commonly found in association with lithium bearing pegmatites.

The Split Rock project has a 10km strike length of the Mondana Monzogranite which is a continuation of the same batholith margin targeted by THR for lithium bearing pegmatites. The exposure to the margins of the Split-Rock Supersuite enhances the potential prospectivity of the tenement to host significant lithium bearing pegmatites.

Of additional significance is the potential of Split Rock to also be prospective for base metals including copper, lead, zinc, silver and gold. The prospectivity is due to the numerous base metals prospects which occur along the northern and south margins of the tenement.

E45/6107 (16km²)

Exploration license application E45/6107 adjoins the Company's Western Shaw project (E45/4960) which was acquired early this year (*refer ASX announcement: 17 January 2022*). An aerial reconnaissance of E45/6107 confirmed the presence of pegmatitic type dykes and pegmatitic granite in the eastern portion of the tenement (*refer images 3 & 4*).

With the acquisition of E45/6107, the Western Shaw project now covers a total area of 96km². Geologically, Western Shaw is in a region dominated by 'nested' granite plutons, many of which are known to host lithium bearing pegmatite dykes and associated tin, tantalum and lithium mineralisation. The project also contains a further mix of geological terrain which includes porphyritic monzogranite, banded iron formations, nickel and gold.

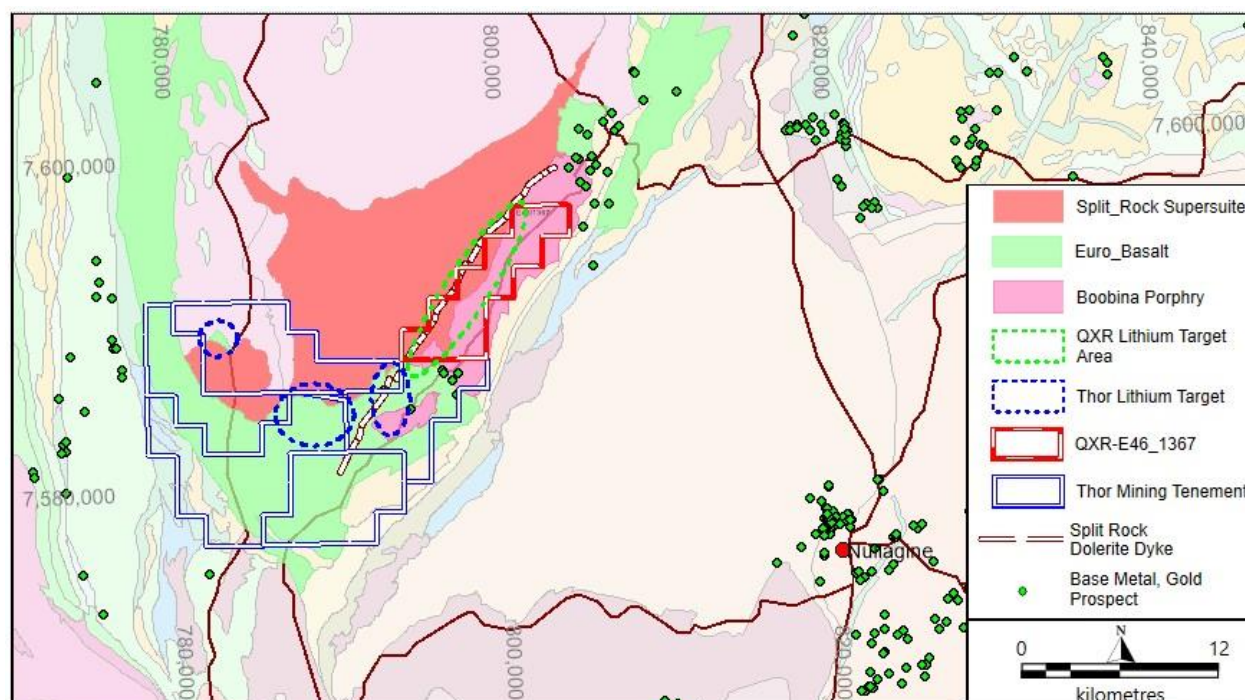


Image 1: E46/1367 tenement location and geology

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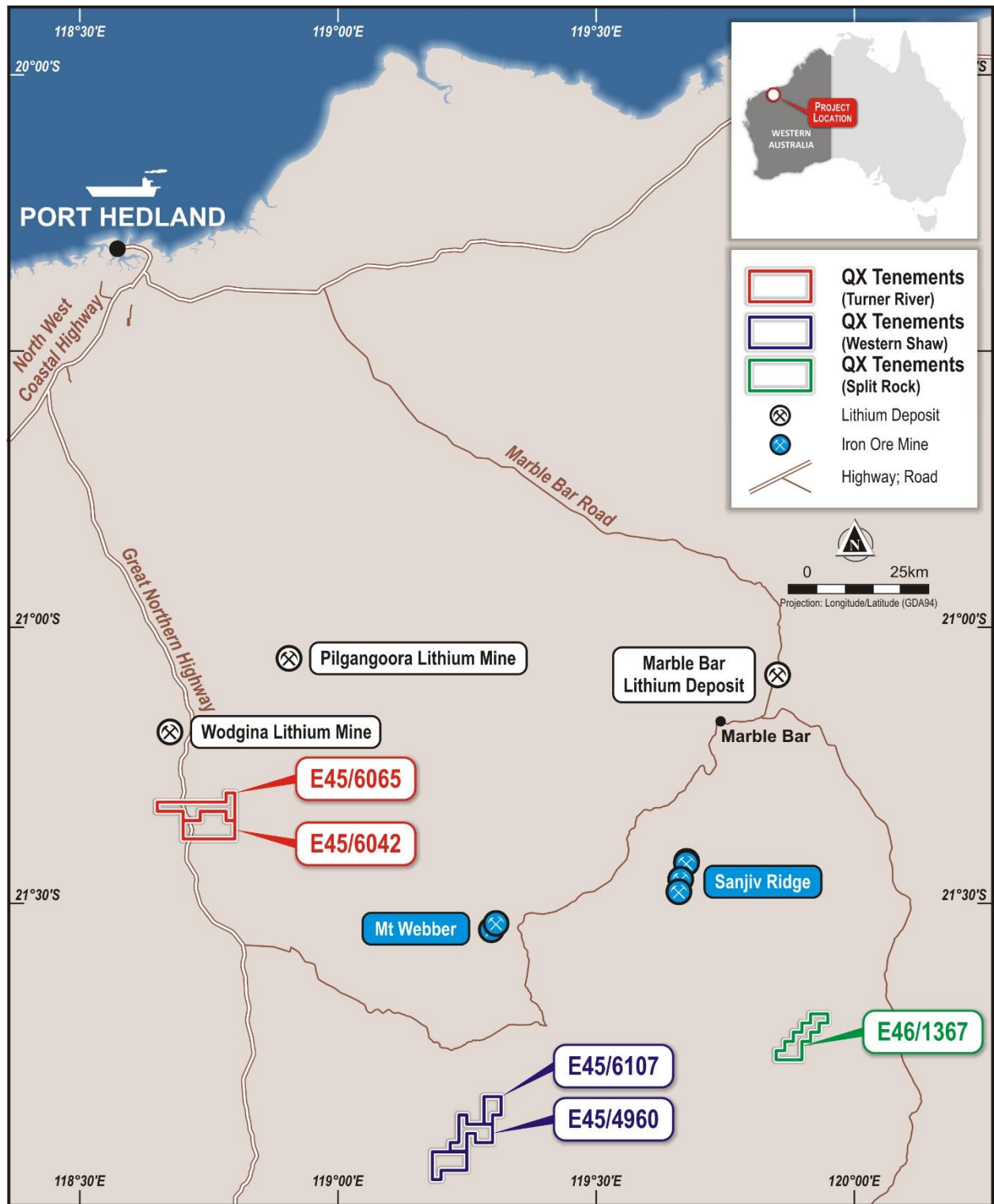


Image 2: QX Resources project locations

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Images 3 & 4: Western Shaw E45/6107 pegmatite type dyke (left) and pegmatitic monzogranite (right)

Acquisition Terms

1. Split Rock

QX Resources has entered into a sale and purchase agreement (“SPA”) with Zircon International Pty Ltd (“Zircon”) regarding the acquisition of 100% of the Split Rock lithium project. Consideration payable for the acquisition is \$30,000 cash (+GST) and the issue of 9,000,000 QXR shares to Zircon (or its nominee/s).

2. E45/6107

QX Resources has entered into a sale and purchase agreement (“SPA”) with Redstone Metals Pty Ltd (“Redstone”) regarding the acquisition of 100% of exploration licence application E45/6107. Consideration payable for the acquisition is the issue of 1,000,000 QXR shares to Redstone (or its nominee/s).

Both transactions are anticipated to complete by 18 February, 2022.

The SPAs contain representations and warranties which are customary for a transaction of this nature.

Authorised by the Board of QX Resources Limited.

Further information:

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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.

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Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.