

11 March 2022

Confirms Receipt of \$2.85m from Cornerstone Investor Suzhou TA&A and cleansing notice

QX Resources Limited (ASX: QXR, 'QX Resources' or 'the Company') is pleased to advise receipt of \$2.85m in funds from new cornerstone investor Suzhou TA&A Ultra Clean Technology Co., Ltd, ("Suzhou TA&A"). Further to the announcement dated 28 February 2022, QXR advises that on 10 March 2022 it issued 75,000,000 ordinary shares at a deemed issue price of \$0.038 per share to Suzhou TA&A (Placement). 69,386,232 of the Placement Shares were issued under the Company's ASX Listing Rule 7.1A capacity, with the balance of the Placement Shares being issued pursuant to ASX Listing Rule 7.1.

Pursuant to the provisions of ASX Listing Rule 3.10.5A in which the 69,386,232 ordinary shares were issued under ASX Listing Rule 7.1A ("7.1A Placement"), the Company states that:

- The 7.1A Placement represented ~9% of the expanded ordinary shares on issue of the Company, resulting in a dilution to the existing holders of ordinary shares by that amount;
- The Company considered the 7.1A Placement as the most efficient and expedient method to raising funds by the Company for its working capital purposes;
- The Placement was made to a strategic investor and no capital raising fee was paid; and
- The 7.1A Placement was not underwritten.

Confirmation under section 708(5)(e) of the Corporations Act (Act)

The Company hereby notifies ASX under section 708A(5)(e) of the Act in compliance with the requirements of section 708A(6) of the Act. The Company also advises that as at the date of this notice:

1. The Placement Shares were issued without disclosure to the investors under Part 6D.2 of the Act;
2. The Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
3. The Company has complied with section 674 of the Act; and
4. As at the date of this notice, there is no information:
 - a. That has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules;
 - b. That investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - i. The assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii. The rights and liabilities attaching to the shares.

Comment

Executive Chairman Maurice Feilich said: "We are pleased to confirm this placement and the receipt of funds. We will now aggressively advance exploration activities across our Pilbara lithium projects with a broad scope of works planned for CY2022. Having Suzhou TA&A as a cornerstone investor is a unique opportunity for an ASX-listed junior explorer and we are intent on capitalising on their support for all shareholders."

Accompanying this announcement is the Appendix 2A in respect of the issue.

QX Resources Limited

Authorised by the Board of QX Resources Limited.

Maurice Feilich, Executive Chairman: Ph: 0411 545 262