

25 September 2023

Bayrock Expands Vuostok Nickel Project Lease to ~130km² following Encouraging Nickel-Copper, Near-Surface Drill Results

- QXR's 39%-owned Bayrock has expanded the mineral lease area by ~33% at the Vuostok Nickel-Copper Project in northern Sweden with the addition of Nr 102 lease covering an additional 34 km² to expand the total lease area to ~130km².
- Bayrock recently released highly encouraging nickel-copper grades from near surface in eight diamond drill holes at Vuostok's Storbodsund Prospect including:
 - 6.9m @ 1.2% Ni, 2.2% Cu from 5 metres down hole¹
 - 6.2m @ 1.2% Ni, 2.2% Cu, 0.04% Co from 11m down hole including 2.4m @ 1.3% Ni, 5.32% Cu and 0.01% Co from 14.1m
- Historic boulder samples with encouraging Ni-Cu sulphide mineralisation are located in the new extended lease area.
- The Vuostok Nickel-Copper Project is located within 60km from Bayrock's high-grade Lainejaur Ni-Cu-Co Project, offering potential joint development opportunities as a "district play".
- QXR holds 39% of unlisted public Australian company Bayrock Resources Limited, which has a portfolio of highly prospective battery minerals assets in Sweden, primarily with nickel, copper and cobalt.

QX Resources Limited (ASX:QXR) is pleased to announce that Bayrock Resources Limited (**Bayrock**) has expanded the mineral lease area around its Vuostok Nickel-Copper Project in Northern Sweden (95km²), with the addition of Vuostok nr 102 (additional 34km²) taking the total lease area to over 130km² with the inclusion more highly prospective targets for critical minerals.

QXR Managing Director Steve Promnitz commented: "Significant nickel-copper assay results have been identified from boulders located within the new Vuostok lease and from drill results near surface at Vuostok and these results underpin Bayrock's decision to significantly expand the prospect. This is turning into a genuine potential district scale operation given the proximity of Bayrock's Lainejaur and Vuostok Projects in a mining friendly region of Sweden. Further updates are anticipated as Bayrock continues exploration across another highly prospective asset, the Notträsk Project, one of Bayrock's six 100% owned Ni-Cu projects."

VUOSTOK

Four boulders with Ni-Cu sulphide mineralisation were described within the new extended lease area by previous explorers (Figure 1). Historical sampling was undertaken by collectors in 2008 and 2009 as part of the Swedish Geological Survey's (SGU) annual mineral search competition and described as 'boulder samples containing chalcopyrite and pyrrhotite in coarse-grained gabbro and were validated onsite and assayed by the SGU. Given that the results were processed by the SGU, the results are considered reliable, although boulder samples may not be representative due to their transported nature.

Cautionary Statement: Given the nature of boulder sampling, it is likely that samples may not be representative, and are only indicative of anomalous elemental concentrations. The results were not reported in accordance with JORC 2012. The Competent Person has done sufficient work in order to be able to disclose the information under JORC 2012. Further exploration and analysis undertaken by the Company may reduce confidence in the results. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the information of the historical results however the company has not independently validated the historical results and therefore is not to be regarded as reporting, adopting or endorsing the results.

¹ Refer ASX Release "Nickel-Copper Intersected Near Surface in 8 Holes at Bayrock's Vuostok Project including 6.9m @ 1.2% Ni and 2.2% Cu" dated 20th September 2023.

Recently Bayrock released¹ highly encouraging widths of significant nickel-copper mineralisation from eight drillholes at the Storbodsund Prospect within the Vuostok Nickel-Copper Project. Significant diamond drill assay results included:

- VUO23011: **6.2m @ 1.2% Ni, 2.2% Cu, 0.04% Co** from 11m down hole
including 2.38m @ 1.3% Ni, 5.32% Cu and 0.01% Co from 14.15m
- VUO23013: **6.9m @ 1.2% Ni, 0.3% Cu, 0.05% Co** from 5.1m down hole

The Vuostok Project is located approximately 60km northwest of the Lainejaur Project (Figure 2). Mineralisation at Vuostok could be within potential trucking distance to the Lainejaur Project given the well-established all-weather road network and supporting infrastructure in the district. This would benefit any future stand-alone nickel-copper-cobalt operations or provide additional ore feed for a possible Lainejaur development. Trucking of ore material for processing is a regular feature of operations in this part of northern Sweden.

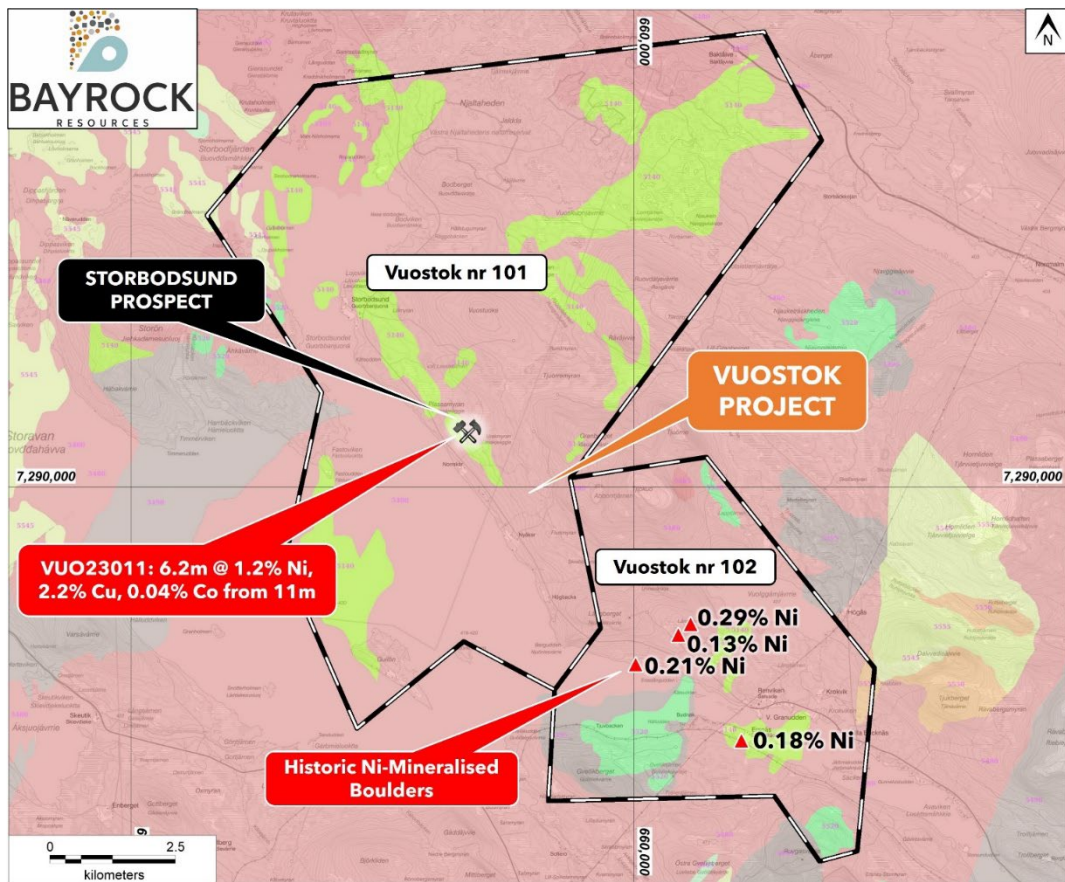


Figure 1: Bayrock's Vuostok Project showing the location of the Storbodsund Prospect, lease boundaries, recent drilling intercept, the enlarged lease area of Vuostok nr 102 and the location of historic Ni-mineralised boulder samples.

CORPORATE

QXR has assisted Bayrock with financing and development of its Projects, considered highly prospective for key battery metals of nickel, copper and cobalt (ASX announcement 30 Mar and 4 July 2023). Further information is available at: www.bayrockresources.com together with Bayrock's announcement which accompanies this ASX release.

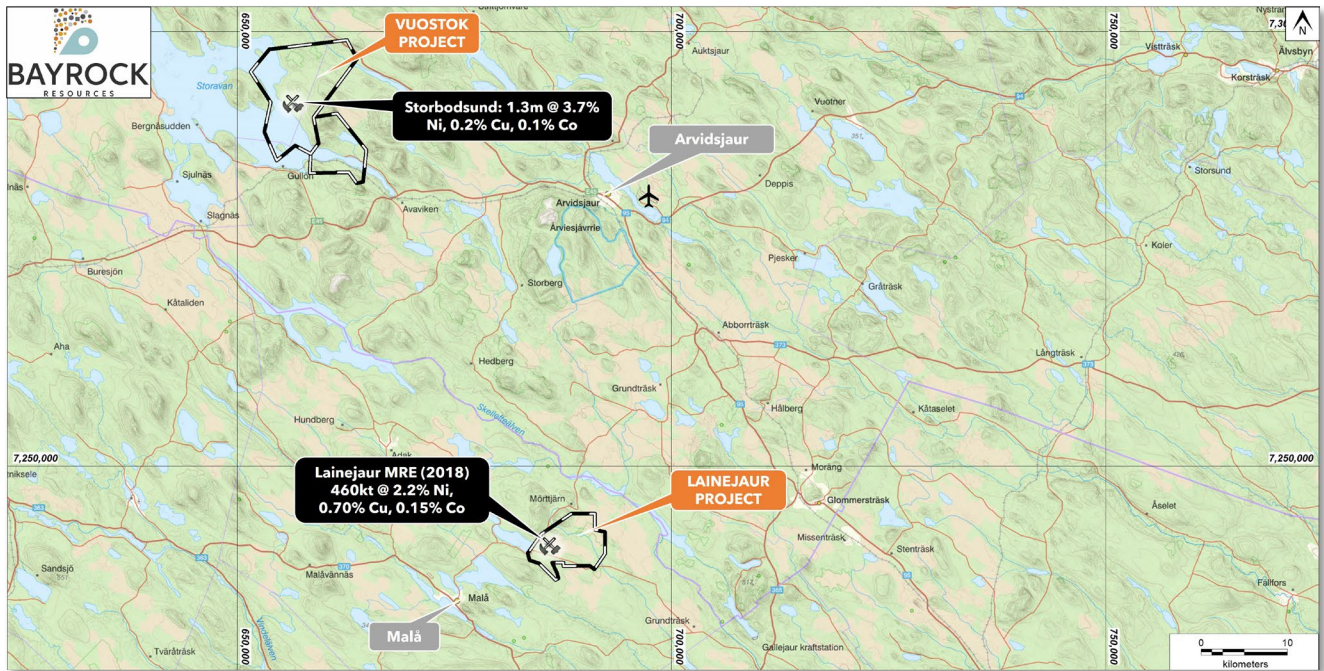


Figure 2: Lainejaur and Vuostok Project location map showing relative proximity of projects within 60km and connected by sealed roads capable of supporting trucking of ore material.

Authorised by the Board of QX Resources Limited.

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About QX Resources

QX Resources (ASX:QXR) is focused on exploration and development of battery minerals, with hard rock lithium assets in a prime location of Western Australia (WA), and gold assets in Queensland. The aim is to connect end users (battery, cathode and car makers) with QXR, an experienced explorer/developer of battery minerals, with an expanding mineral exploration project portfolio and solid financial support.

Lithium hard rock portfolio: QXR’s lithium strategy is centred around WA’s prolific Pilbara province, where it has four projects in strategic proximity to some of Australia’s largest lithium deposits and mines. Across the Pilbara, QXR’s regional lithium tenement package (both granted or under application) spans more than 350 km².

Lithium brine: QXR is continuing due diligence under an exclusive Letter of Intent over a large recently consolidated lithium brine project in California, USA

Gold portfolio: QXR is also developing two Central Queensland gold projects through an earn-in agreement with Zamia Resources Pty Ltd. Both gold projects are strategically located within the Drummond Basin, a region that has a >6.5moz gold endowment.

Nickel sulphides: QXR has a significant investment in unlisted public Australian company Bayrock Resources Limited, which has a portfolio of highly prospective battery minerals assets in Sweden, primarily in nickel, cobalt and copper. QXR is assisting Bayrock with project development and financing initiatives

Competent Persons statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Ian Pringle, a Director and Shareholder of Bayrock Resources Limited and a consultant to the Company, who is a 25+ year Member of the Australasian Institute of Mining and Metallurgy (MAusIMM), Member of the Australian Institute of Geoscientists and a Member of Australian Institute of Company Directors. Dr Pringle 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”. Dr Pringle 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.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results or Mineral Resources included in the ASX releases made by Berkut Minerals Limited on 26 July 2017 and 12 February 2018.

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.

Cautionary Statement:

With reference to the boulder samples from the SGU Mineral Search of 2008-2009, given the nature of boulder sampling, it is likely that samples may not be representative, and are only indicative of anomalous elemental concentrations. The results were not reported in accordance with JORC 2012. The Competent Person has done sufficient work in order to be able to disclose the information under JORC 2012. Further exploration and analysis undertaken by the Company may reduce confidence in the results. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the information of the historical results however the company has not independently validated the historical results and therefore is not to be regarded as reporting, adopting or endorsing the results.

Table 1. Historic boulder sample summary.

(The original results have been translated from SGU Swedish Geological Survey reports s0925 & s0837 “Norrlands Mineral Search 2008 & 2009”)

Sample ID	Northing (RT90)	Easting (RT90)	Ni (%)	Cu (%)	Co (ppm)
8331	7287713	1624214	0.29	0.44	254
8525	7287528	1623996	0.13	0.28	103
81791_1	7285385	1625197	0.18	0.1	148
90731	7286950	1623140	0.2	0.32	130

Links to the original results and source data:

<https://resource.squ.se/dokument/publikation/sgurapport/sgurapport200837rapport/s0837-rapport.pdf>

<https://resource.squ.se/dokument/publikation/sgurapport/sgurapport200925rapport/s0925-rapport.pdf>

Appendix 1 - JORC Code, 2012 Edition – Table 1

Section 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	<p>Historical exploration</p> <ul style="list-style-type: none"> • 1950's: Boliden - Geophysics, drilling and discovery of the Vuostok Storbodsund deposit • 2000's: IGO/Mawson: Till/soil sampling, boulder sampling, drill core sampling. • The IGO time-domain airborne electromagnetic survey was completed by SkyTEM using their two-coil X and Z) system. Magnetic data was collected simultaneously using a GEM Systems GSMP-32 magnetometer. • The IGO FLEM survey was completed by SMOY using a Geonics Protem 37D receiver and TEM 37 transmitter (2.5 Hz frequency) on a 25 m station spacing and 100 m line spacing. • The IGO DHEM survey was completed by SMOY using a Geonics BH43-3D probe with a Protem (TEM53) receiver and transmitter system. The transmitter frequency of 25 Hz was used mistakenly instead of 2.5 Hz. • 2008-2009: SGU Mineral Search – Boulder samples collected from area <p>Current Exploration – Bayrock Resources Limited</p> <ul style="list-style-type: none"> • Bayrock has completed geological review of selected past drillcore with XRF • Bayrock has completed 17 diamond drillholes for 508 metres to check prior drilling and generate material for metallurgical testwork. • Rockchip boulder sampling over lease area. • Samples were assayed using either ICP. • QAQC sampling protocols were carried out to the latest standard.
<i>Drilling techniques</i>	<p>Historical Drilling – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> • Drillholes of which 49 drillholes were drilled (~1500m) • Drilling diameters BQ (41mm). <p>Bayrock Drilling</p> <ul style="list-style-type: none"> • 17 Diamond hole (508 metres) <ul style="list-style-type: none"> ○ Drilling diameters: NQ ○ Drill rigs used: Atlas Copco DBC ESD-9 (track mounted)
<i>Drill sample recovery</i>	<p>Historical Drilling – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> • For the Boliden drilling, the section lengths and core recovery lengths are recorded in the drill logs. • As evidenced by the core photos, the drill recovery for the IGO/Mawson drilling was consistently very high with little to no core loss observed. There is similar evidence on the core blocks that drill run lengths and recovered lengths were recorded at core retrieval and checked and amended where necessary during the core orientation process. From the limited data available, there does not appear to be a sample bias. <p>Bayrock Drilling</p> <ul style="list-style-type: none"> • Measuring produced core's length vs drill run's length for diamond drilling • All measurements were done on site. High core recovery.
<i>Logging</i>	<p>Historical Exploration - Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> • For both the Boliden and IGO/Mawson drilling, the drillholes have been logged geologically in their entireties. • In the case of IGO/Mawson, both holes were also photographed.

Criteria	Commentary
	<p>The 11 boulder samples collected by IGO/Mawson were also geologically logged</p> <p>Bayrock Drilling</p> <ul style="list-style-type: none"> All holes were logged by qualified geologists in Malå. Quantitative (spreadsheet) logging has been completed Core photography has been completed.
<i>Sub-sampling techniques and sample preparation</i>	<p>Historical Exploration – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> For the Boliden diamond drilling there is insufficient information about the sampling techniques used and QAQC measures taken but it is most likely that half-core samples were taken by hand chisel which was standard industry practice at the time. For the IGO/Mawson drilling, half-core samples were sawn and sampled. According to Mawson press releases at the time, “duplicates, repeats, blanks and standards were inserted according to standard industry practice”. The sampling protocols, certainly that of IGO/Mawson, used were appropriate for the style of mineralisation. Given the nature of boulder sampling and non- nominal core sampling, it is likely that such samples may not be representative, and instead are only indicative of anomalous elemental concentrations. <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Core cut using a diamond core saw – both ¹/₂ or ¹/₄ core A QA/QC procedure of sample preparation implemented. The blanks and duplicates, and standard samples were inserted for QA/QC, approximately at 1 in 15 samples. <p>Bayrock Boulder sampling</p> <p>Rockchip samples were collected from boulders in both Vuostok lease areas.</p>
<i>Quality of assay data and laboratory tests</i>	<p>Historical Drilling – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> For the Boliden drilling, there is no information available describing the nature, quality and appropriateness of the assaying and laboratory procedures. For the IGO/Mawson drilling, Samples were prepared at ALS Chemex facility in Pitea, Sweden then sent to ALS Chemex in Vancouver for assaying using ME-MS61 (four-acid digest mass spec.-finish) assaying technique For the Mawson boulder sampling, the samples were submitted to ALS Chemex in Piteå for standard prep and ME-ICP61 (four-acid digest, ICP-finish) assaying technique. QAQC data is not visible in the available laboratory files for the IGO/Mawson drilling and boulder sampling. It is assumed that ALS Chemex carried out their routine QAQC practices, including duplicates, repeats, blanks, and standards. For the SGU Mineral Search, samples were prepared at SGU’s facility in Mala and processed at Laponia Laboratories AB in Lycksele <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Bayrock samples were submitted to MS Analytical with sample preparation undertaken at their facility in Storuman in Sweden. Pulp samples were then sent to the MS Analytical facility in Vancouver Canada. Samples to be digested using an industry standard mixed four acid digest with an ICP-MS finish.
<i>Verification of sampling and assaying</i>	<p>Historical Drilling– Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> Boliden drilling: no information available describing the verification of sampling and assaying nor possible adjustment of assay data. The geological logs were made initially by hand and then typed. IGO/Mawson drilling: no twin holes drilled. DHEM was completed to confirmed whether the drillholes intercepted the modelled conductors and to test for any off-hole conductors, one hole reportedly did not test the main modelled conductor.

Criteria	Commentary
	<ul style="list-style-type: none"> There are no other reports of verification of reported mineral intercepts. The drillholes appear to have been logged digitally and stored in digital database. <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Preliminary logging was done by site geologists in “hand” and later entered to Excel spreadsheets by geologists. All data were prepared in accordance with prepared procedure of Bayrock.
<i>Location of data points</i>	<p>Historical Drilling – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> For the Boliden drilling, there is no information available describing the method used for sighting the drillholes, although several of the historic collars have subsequently been located in the field by IGO/Mawson and surveyed with a handheld GPS. Boliden utilised a local grid system. The IGO/Mawson drillholes and boulder samples were sighted/located with a handheld GPS. IGO/Mawson utilised the Swedish RT90 grid system. There is no information related to topographic control For the SGU Mineral Search, boulder samples were relocated with a handheld GPS <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Coordinates for the drillholes were completed using a GPS and entered into an Excel spreadsheet.
<i>Data spacing and distribution</i>	<p>Historical Drilling – Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> For the Boliden drilling, there is no nominal drillhole spacing but the vast majority of their holes are clustered in one area where some holes appear to be drilled around 10 m x 10 m grids, 40 m x 40 m and others somewhat sporadically. Where drilled tightly, enough confidence was obtained to produce a geological section which showed good continuity of mineralisation. <p>For the IGO/Mawson drillholes, they were targeting geophysical conductors. The data spacing is suitable for early-stage exploration. There is no information related to sample compositing.</p> <p>Bayrock Drilling</p> <ul style="list-style-type: none"> 17 drillholes to date. Samples in mineralised zones are sampled to reflect geological contacts or sulphide zonation, so intervals are variable.
<i>Orientation of data in relation to geological structure</i>	<p>Historical Exploration - Boliden and IGO/Mawson</p> <ul style="list-style-type: none"> The Boliden drilling does not appear to have been orientated in such a way as to introduce a sampling bias and the drilling appears to have been drilled perpendicular to the strike of the mineralisation. The IGO/Mawson drilling was targeting specific geophysical conductor targets and comprised a single drillhole into each target, as such there is insufficient information available to determine if a sampling bias has been produced The IGO/Mawson boulder sampling was random. <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Drillholes were vertical (90 degrees) to intercept flat lying mineralisation close to right angles to the interpreted mineralisation.
<i>Sample security</i>	<p>Historical Exploration – Boliden and IGO/Mawson</p> <p>Details of measures taken for the chain of custody of samples is unknown for the previous explorers’ activities.</p> <p>Bayrock Drilling</p> <ul style="list-style-type: none"> Samples monitored and controlled from site to sample prep lab
<i>Audits or reviews</i>	<p>Historical Exploration</p> <p>No audits or reviews of sampling techniques and data have been undertaken.</p>

Criteria	Commentary
	<p>Bayrock Drilling</p> <ul style="list-style-type: none"> Not considered necessary at this stage

Section 2 - Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> The Vuostok property comprises a single granted exploration permit (Vuostok nr 101) covering 95km² and a new exploration permit under application (Vuostok nr 101) covering 34 km², located in the Arvidsjaur and Arjeplog municipalities of Norrbotten County, northern Sweden. The property is centred at 65.72° N, 18.42° E. Bayrock has acquired a 100% interest in the Vuostok, Notträsk, Skogsträsk, Fiskelträsk and Kukasjärvi (collectively known as the “Northern Nickel Line”) projects from Eurasian Minerals Sweden AB, a wholly owned subsidiary of EMX Royalty Corp. (TSX-V:EMX).
<i>Exploration done by other parties</i>	<p>Historical exploration</p> <ul style="list-style-type: none"> 1940-1942: Prospectors discover trail of nickel-copper mineralised boulders. 1943: Boliden - 13 DDH (9-90m deep), by Boliden, following up sulphide boulders in glacial till. Delineated a thin shallow flat-lying body of massive sulphide covering at least 800m². 1974-1975: Boliden - 2km² IP survey; 29 Diamond Drill holes (12-72m deep) in the general area. Shallow intersection of massive sulphides in drillhole 24. Five Diamond drillholes (maximum 352m) on other strong magnetic anomalies 6-8km NE of the massive sulphide occurrences, intersected wide thicknesses of barren gabbro (1.69m at 3.5% Ni from 33.5m). 2005: Mawson Resources Ltd - Storbodsund nr 1 pegged by Mawson in late 2005. Completed review of prospect then approached contacts in IGO who completed site visit and offered JV. Pegged additional ground (Storbodsund nr 2 and nr 3) 2006-2008: Independence Group NL (IGO) - SkyTEM airborne survey in August 2006, identified 16 EM features (some cultural). Ground EM by SMOY. Defined 5 anomalies, one of which was the drilled mineralisation. Proposed drill holes to test 4 of the 5 anomalies. IGO completed two shallow diamond drillholes in early 2008, intersecting narrow low to moderate grade nickel sulphide mineralisation in both (2m @ 1.8% Ni, 0.5% Cu from 76m depth) . SMOY undertook DHEM on the two drillholes. Interpretation of the data suggested that mineralisation mapped by the FLEM had been intersected. 2008-2009: SGU Mineral Search – Boulder sampling 2020: EMSAB - Field Observations, possibly re-logging of 1 drillhole.
<i>Geology</i>	<ul style="list-style-type: none"> The nickel-copper sulphide mineralisation, between 0.3 and 7.7 meters thick, is hosted at the base of a gabbroic intrusion at the contact with underlying granite. The area is covered by a thin veneer of glacial sediments (till). The Vuostok geology is dominated by alkali feldspar granite of the Arvidsjaur Suite, dated at around 1.88 Ga, intruded by irregular bodies of gabbroic to dioritic composition. Mineralisation includes massive sulphide and semi-massive clustered sulphide (pyrrhotite, pentlandite and chalcopyrite) near the basal portions of the intrusion.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> Current drilling included in Table 1 and 2.

Criteria	Commentary
	<ul style="list-style-type: none"> Suitable maps showing the mineralisation have been presented in this report.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> Although not reported by IGO/Mawson, it is assumed that the reported mineralised intercepts were length-weighted averages as per standard industry practice. Length weighted averaging is used for material intervals. Metal equivalents are not used.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> Based upon the current understanding of the mineralisation geometry, the drilling generally intersected the mineralisation at close to right angles to the mineralisation.
<i>Diagrams</i>	<ul style="list-style-type: none"> Appropriate Maps sections and figures are included in this report together with tabulations of meaningful intercepts.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Significant intercepts have been previously reported for the historical drill data. A tabulation of significant intercepts were included in previous ASX releases on 1 August 2023 and 20 September 2023.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Cautionary Statement: Given the nature of boulder sampling, it is likely that samples may not be representative, and are only indicative of anomalous elemental concentrations.
<i>Further work</i>	<ul style="list-style-type: none"> Bayrock is considering further geophysical exploration and diamond drilling within the mineralisation and to extend mineralisation to the north and conduct additional works as required.