

29 February 2024

Stardust Power Inc Signs Letter of Intent for Potential Lithium Brine Supply from Liberty Lithium Brine Project USA

- QXR has entered into a Letter of Intent with Stardust Power Inc., a development stage American manufacturer of battery-grade lithium products, to assess the lithium brines from QXR's large scale Liberty Lithium Brine Project located in the USA.
- The parties intend to evaluate options to potentially supply Stardust Power with lithium brine products on a non-exclusive basis for processing into battery-grade lithium materials for electric vehicles.
- QXR is awaiting results and interpretations in the coming weeks from two drillholes, located 4km apart, which intersected numerous brine bearing aquifers at the Liberty Lithium Brine Project.

QX Resources Limited (ASX: QXR, 'QXR') has entered into a Letter of Intent ("LOI") with Stardust Power Inc. ("Stardust Power"), a development stage American manufacturer of battery-grade lithium products, to negotiate a formal agreement to assess the lithium brines from QXR's large scale Liberty Lithium Brine Project located in California, USA ("Project"), dependent on results, and evaluate options to potentially supply Stardust Power with lithium brine products on a non-exclusive basis for processing into battery-grade lithium materials for electric vehicles*.

**Cautionary Statement: QXR is awaiting results from drilling that has intersected brines but does not imply that the brines are lithium bearing. Chemical analysis from an independent laboratory will determine lithium concentrations in a brine.*

Stardust Power is developing a strategically and centrally located lithium refinery in Muskogee, Oklahoma with plans for producing up to 50,000 metric tons per annum of battery-grade lithium and is securing sources of lithium brine feedstock to turn into battery grade lithium products ready for use across the lithium supply chain, with a focus on electric vehicles (EV). With over 25 battery giga-factories currently under development across the United States, there is an acute need for a national battery-grade lithium refinery to supply lithium to battery manufacturers. In November 2023, Stardust Power announced that it intends to go public on the NYSE through a merger with a publicly traded special purpose acquisition company in a deal valued at US\$490 million.

The LOI between Stardust Power and QXR outlines the intention to work together collaboratively in good faith to assess the potential of lithium brines from the Project, and evaluate options to determine if there is an economically feasible process to produce lithium products from the Project to potentially supply Stardust Power with a limited volume of lithium brine products.

QXR has the ability to earn a 75% interest of the 102km² Liberty Lithium Brine Project, located in SaltFire Flat, in California, USA (refer ASX announcement dated 5 October 2023). The Project is one of the largest single lithium brine projects in the USA (for scale, equivalent to 2x area of Sydney Harbour). The Project's geological setting mirrors Albemarle's nearby Silver Peak lithium brine producer in Clayton Valley USA¹ and major Argentina brine projects.

QXR is awaiting results and interpretations in the coming weeks from two drillholes, located 4km apart, which intersected numerous brine bearing aquifers (refer ASX announcement dated 8 February 2024).

QXR Managing Director, Stephen Promnitz, said: "QXR has been in discussions with Direct Lithium Extraction technology providers, lithium product processors and end users to advance the liberty Lithium Project dependant on results. Stardust is an emerging new processor of lithium for batteries and we are keen to advance discussions with them."

¹ https://www.pureenergyminerals.com/wp-content/uploads/2018/04/PureEnergy_ClaytonValleyPEA_Rev1_23March2018.pdf



Figure 1: The Liberty Lithium Brine Project



Figure 2: Location map of Liberty Lithium area (SaltFire Flat Project)

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), lithium brine project in the USA, copper/moly/gold assets in Queensland and a strategic investment in nickel sulphides in Sweden. 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 has entered an Option to Purchase Agreement to earn-in to 75% of the Liberty Lithium Brine Project, 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 39% shareholding 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 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), Fellow of the Australian Institute of Geoscientists 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.

The exploration results contained in this announcement were first reported by QXR on 17 May 2023 and 26 July 2023 and 13 Dec 2023 and 8 Feb 2024. QXR confirms that it is not aware of any new information or data that materially affects the exploration results previously announced.

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.

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