

9 October 2020

COMMENCEMENT OF QUEENSLAND EXPLORATION PROGRAM

- Detailed in fill soil sampling program of 300 plus samples has commenced over the Disney tenement (EPM 17703) and the Belyando tenement (EPMs 15145 and 17555,) along the trend of previous soil anomaly's
- Additional sampling of mineralized float/sub-crop areas identified from previous field work will also be sampled at Big Red along the trend of the Big Red anomaly
- Sampling program builds on previous soil sample grids and costeaning undertaken by Zamia and BMA
- An RC drilling program will follow the soil sampling program
- The projects have compelling geology and are vastly under-explored and under-developed¹ - the two mines historically produced ~93,000 oz Au (86,000 oz Au from Belyando and 7,000 oz Au from Lucky Break) from shallow open cut operations in late 1980's/early 1990's¹

QX Resources Limited (ASX: QXR, "QX" or "the Company") is pleased to announce that it has commenced detailed infill soil sampling over areas within the highly prospective exploration tenements of Disney and Belyando. The Company's technical team which has considerable exploration experience in Queensland's Drummond Basin, have been reviewing historical drill results and previous soil sampling reports to define a number of new highly prospective targets.

The soil sampling program is anticipated to take approximately a week to complete with final multi-element laboratory assay results available by late October. A reverse circulation (RC) drill program will be undertaken following interpretation of the soil samples with the results determining the final scope of the drill program.

The soil sampling program is being undertaken to confirm the previously defined gold (Au) and arsenic (As) anomalies at the Ibis prospect and the Au anomaly at Big Red to the SW of the previously drilled prospect and better define the extent of the anomalies (refer **Figures 1 & 2** below).

Sampling will mirror the previous methodology (-1mm B horizon) but on nominal 50m infill. The program will comprise approximately 300 samples with additional sampling of mineralized float / sub-crop areas identified.

The Big Red prospect (refer **Figure 1** yellow circle) was discovered by BMA Gold Ltd (BMA) during reconnaissance traversing. BMA are said to have identified a N-NE- trending zone of hydrothermal breccia/vein float and sub crop on a subdued rise of red brown granitic soils (refer **Figure 1** yellow line inferred trend). The quartz vein/breccia apparently exhibited multiple phases including open space, comb, cockade and crystalline textures hosted by a silicified hornblende granite.

BMA carried out some shallow costeaning of the vein system which returned anomalous values between 0.28g/t and 0.92g/t Au from quartz veins in a weakly mineralised 4m wide alteration zone with sporadic sub crops of quartz veins protruding through the soil for 200 metres along strike. Three RCP holes were drilled by BMA in 2005 (black triangles) at - 60° to 285° to test the zone to 120m vertical depth. All holes intersected a quartz-veined zone. Gold-anomalous intervals typically occurred within or adjacent to the main quartz vein zone within 5-15% by volume of crustiform-comb textured milky quartz +/- pyrite veinlets.

¹ Information contained in Zamia Gold Mines Limited prospectus dated 3 November 2006

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The quartz zones occur within silica-sericite altered granite with trace fluorite noted at the bottom of RCP hole WBRRC-001. Zamia's gold soil samples over the BMA Big Red prospect fall within the range of 10 to 19ppb. This soil expression correlates with stated anomalous gold in costean and drill holes (refer to *Zamia's announcement 31 July 2015* at www.zamia.com.au)

Non-Executive Director Roger Jackson said: "Our geological team has been assessing all historical data from Zamia and BMA in order to determine the best targets for follow-up drilling. We obviously have confidence in the mineralisation extending along strike and at depth from the two historical mines, Belyando and Lucky Break, however this exploration program is designed to uncover new mineralised zones across the broader project area.

"Within the broader 115km² tenement package the geology is indeed compelling and we have every confidence that new discoveries are highly probable. We look forward to getting on the ground and delivering first results very soon. Progressing with RC drilling very soon thereafter is a priority.

"QX's Board has been assessing other project opportunities and will provide another update to shareholders on these in coming weeks."

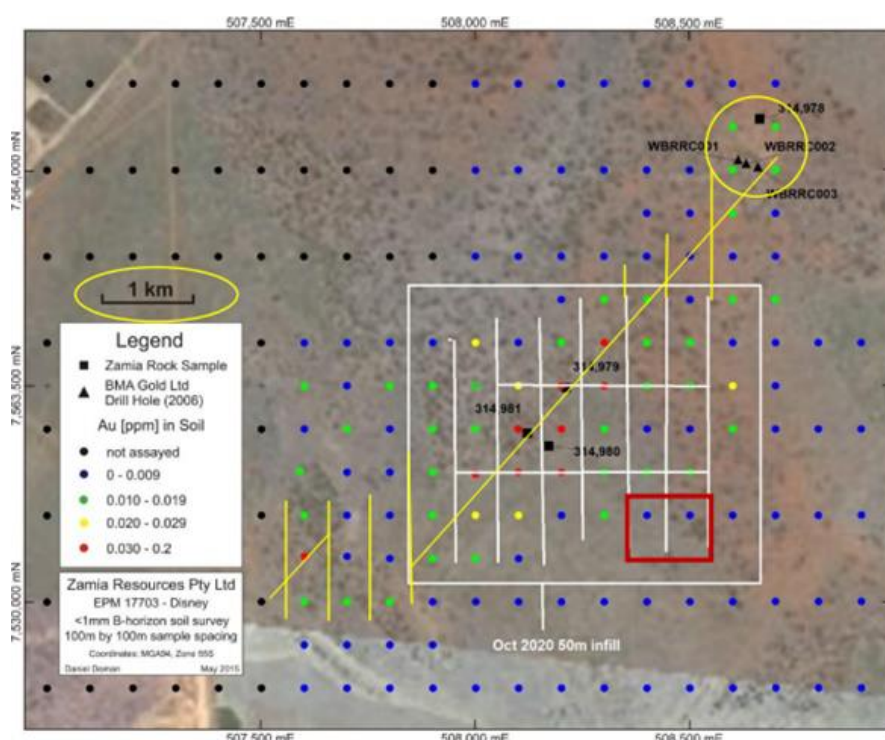


Figure 1: Classified gold assay results from Zamias 2015 infill soil sampling over the Big Red Gold Project. Yellow lines represent new lines of soil samples and the white lines infill samples

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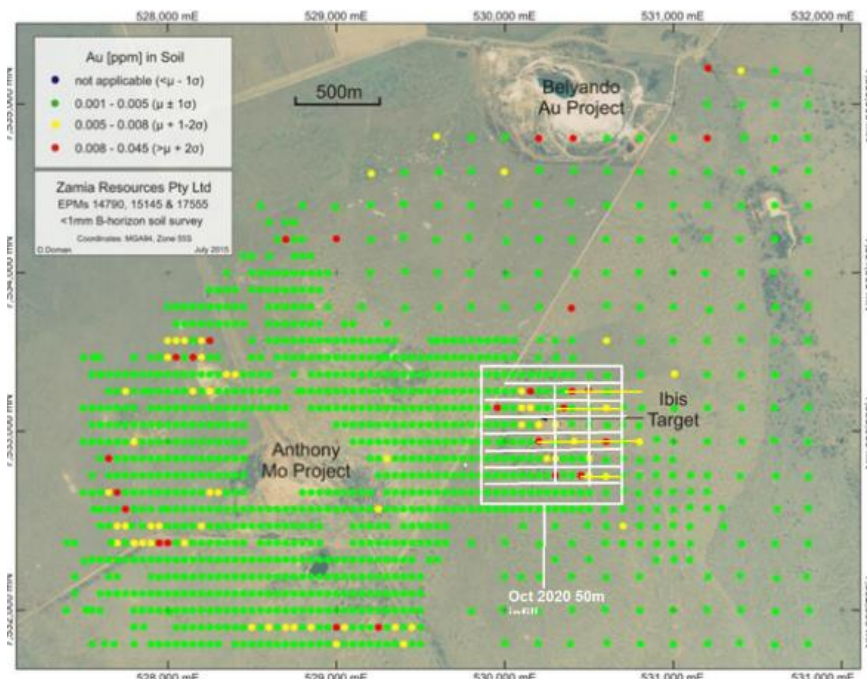


Figure 2: Classified gold assay results from Zamias 2015 infill soil sampling over Ibis Gold Project Yellow lines represent extensions to the existing soils grid and the white lines represent 50m infills

Competent Person's Statement

The information in this report that relates to the Big Red and Ibis project is based on information compiled by Mr. Roger Jackson, a Director and Shareholder of the Company, who is a 25+ year Member 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.

This announcement was authorised for release by the Board of QX Resources Limited.

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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.

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