

31 March 2022

Significantly Expands Pilbara Lithium Exploration Portfolio with Yule River Acquisition

- QXR has acquired the highly prospective Yule River lithium project (E45/6159) (140km²)
- Granites present at Yule River have been intruded by the Split Rock Supersuite with which the Wodgina, Pilgangoora and Global Lithium deposits are associated
- Consideration for the acquisition of 100% of Yule River is \$60,000 cash and 16 million QXR Shares
- QXR's package of granted tenements and those under application in the Pilbara region now covers 355km²
- Yule River to be incorporated into the initial reconnaissance mapping and soil/rock chip sampling program commencing next week, 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 further expanded its exploration portfolio in the Pilbara lithium province of Western Australia with the acquisition of the Yule River lithium project (E45/6159) which is ~5km from the Company's Western Shaw project to the east (see accompanying map below).

The Yule River project is an exploration stage package which lies wholly within the Yule Granitoid Complex. From initial due diligence, the Company understands the granite within the tenement has been intruded by the Split Rock Supersuite with which the Wodgina, Pilgangoora and Global Lithium deposits are associated. The recent significant discovery of lithium-bearing pegmatites at Spear Hill by Pirra Lithium associated with Split Rock Supersuite intrusives in the Shaw River batholith gives QX further confidence that Yule River may be highly prospective for lithium.

This project complements QXR's existing portfolio of lithium-focused projects in the Pilbara lithium region and takes the total area of granted tenements and applications to more than 355km².

Geologically, Yule River 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.

Comment

QX Chairman Maurice Feilich said: *"The highly prospective Yule River lithium project is a great fit for our portfolio, and adjoins the Western Shaw lithium project to the east. Like much of the Pilbara lithium province, the project area is considerably underexplored and presents as a fantastic target. The fact that the tenement has been intruded by the Split Rock Supersuite granites is highly encouraging.*

"With an extensive exploration portfolio now locked in the Pilbara region, we will now focus on deploying our funds to exploration activities with another field trip planned for next week where we will undertake rock chip and soil sampling and with these results defining our plans for a more aggressive and extensive exploration program."

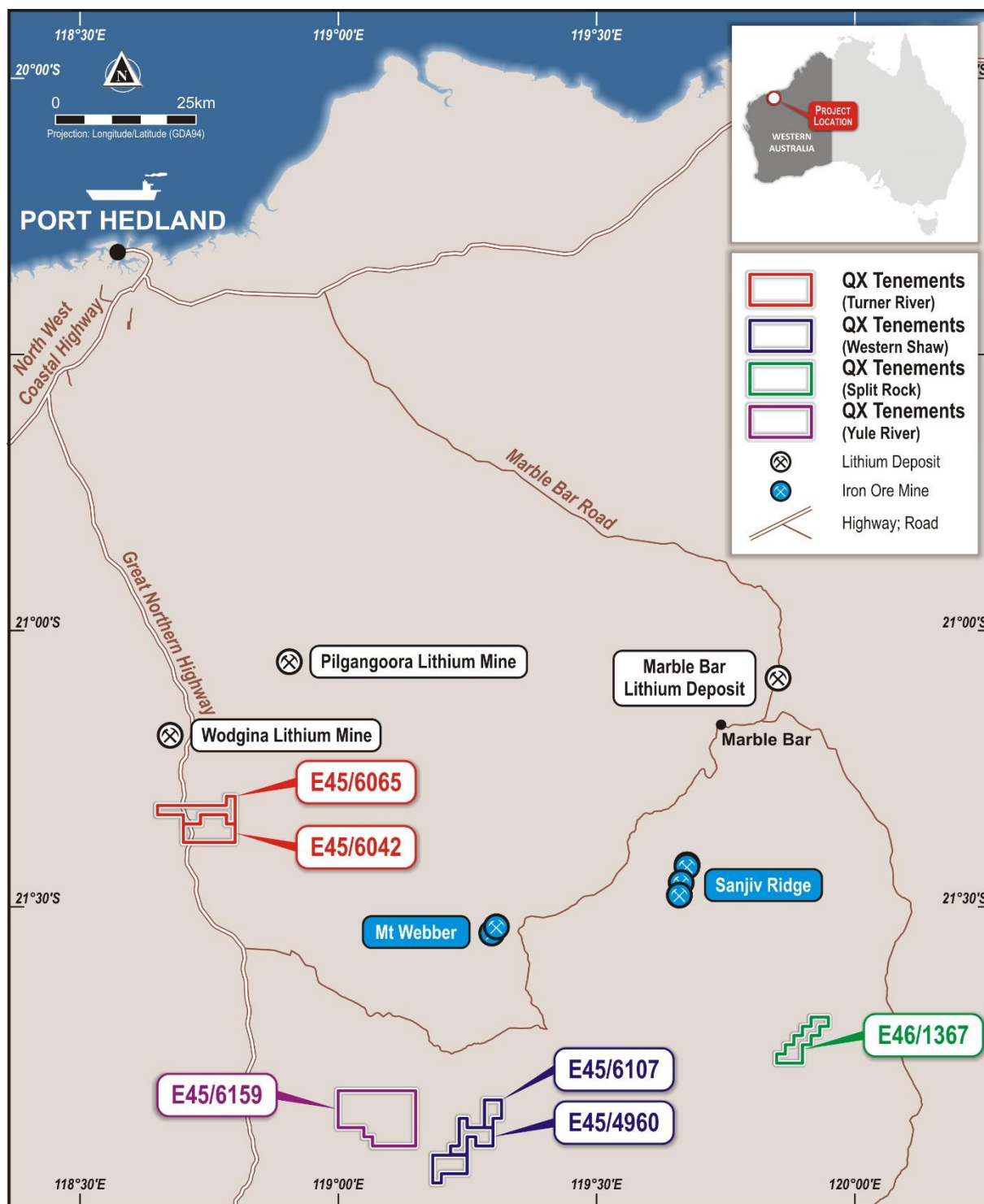


Image 1: QX Resources project locations

Acquisition Terms

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 E45/6159. Consideration payable for the acquisition is \$60,000 cash and the issue of 16,000,000 QXR shares to Redstone (or its nominee/s).

The transaction is anticipated to complete by 8 April, 2022.

QX Resources Limited

The SPA contains representations and warranties which are customary for a transaction of this nature.

Authorised by the Board of QX Resources Limited.

Further information:

Maurice Feilich, Executive Chairman: Ph: 0411 545 262

Ben Davies, Six Degrees Investor Relations: 0431 658 276 ben.davies@sdir.com.au

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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