QX Resources

QXR - The X Factor in Battery Minerals Supply

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QX RESOURCES LIMITED
AND CONTROLLED ENTITIES

ABN 55 147 106 974

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2024

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Corporate Information

This financial report includes the consolidated financial statements of QX Resources Limited and controlled entities ('Group'). The Group's functional presentation currency is AUD ($).

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Director's Report.

Directors
Mr Maurice Feilich – Executive Chairman
Mr Stephen Promnitz – Managing Director – resigned 30 September 2024
Mr Daniel Smith – Non-Executive Director
Mr Roger Jackson – Non-Executive Director

Company Secretary
Mr Daniel Smith

Registered Office
Level 8, 99 St Georges Terrace
Perth WA 6000

Principal Place of Business
Level 8, 99 St Georges Terrace
Perth WA 6000

Share Registry
Computershare Investor Services
Level 17, 221 St Georges Terrace
Perth WA 6000

Auditors
Moore Australia Audit (WA)
Level 15, 2 The Esplanade
Perth WA 6000

Stock Exchange
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000
ASX Code: QXR

Website
www.qxresources.com.au

Solicitors
Atkinson Corporate Lawyers
Level 8, 99 St Georges Terrace
Perth WA 6000

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Directors' Report

The directors present their report on the Group at the end of, or during, the half-year ended 31 December 2024.

Directors

The persons who were directors of the Group during the half-year and up to the date of this report are:

Mr Maurice Feilich (Executive Chairman)
Mr Stephen Promnitz (Managing Director) – resigned 30 September 2024
Mr Daniel Smith (Non-Executive Director)
Mr Roger Jackson (Non-Executive Director)

Results

The statement of profit or loss and other comprehensive income shows a net loss for the half-year ended 31 December 2024 of $452,970 (31 December 2023: $1,266,787).

Review of Operations for the Half-Year ended 31 December 2024

QX Resources is focused on exploration and development of battery minerals, with hard rock lithium assets in a prime location of Western Australia and gold-molybdenum 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.

Gold Projects – Queensland

QX Resources holds c.100,000 hectares of gold projects within the Drummond Basin of Central Queensland that has 8.5-million-ounce gold endowment and a long history of ongoing mining with potential for significant epithermal gold-silver deposits. The largest producer historically is the Pajingo mine (ex-Newmont) which has produced 3.4 Moz since 1986 and currently produces ~ 80,000oz/yr. QXR holds 85,800 Ha of exploration leases on a 100% basis and 11,500 Ha (70%QXR) in a JV with private company, Zamia Resources.

High Grade Gold in Trenches at Big Red Project

QXR plans a new trenching program at Big Red. Previous trenching at Big Red returned high grade gold results including 9m @ 5.9 g/t Au. Gold mineralisation remains open along strike, and will be targeted in the upcoming trenching program. Interpreted strike length over Big Red currently exceeds 450m with probable further concealed extensions beneath sandy loam surficial cover.

The trenching is an initial phase, prior to drilling, as part of a plan of reassessment around potentially reopening closed open pit gold mines and further drill targets with the aim of future gold production scenarios.

Gold trenching is planned to extend current high grade gold results in trenches at the Disney-Big Red Project *(ASX announcement 1 Nov 2021).* Two elongate gold anomalous zones were defined over 650m and may extend up to 1200m long. Best trench results from hard rock at the base of trenches at Big Red were:

- Trench 1 - 9m @ 5.9 g/t Au within a mineralised zone 35m wide. Large zone 80m @1.2 g/t Au
- Trench 2- 3m @ 2.2 g/t Au within a mineralised zone 13m wide. Large zone 28m @ 1.8 g/t Au
- Trench 4 - 2m @ 23 g/t Au with a mineralised zone 7m wide. Large zone 32m @ 1.7 g/t Au

These results produced a drill ready target, but that drill program was delayed twice due to weather and soft ground *(ASX announcement 13 July 2021, 31 April 2022).* Further trenching is planned to extend the current zone of

high-grade gold mineralisation prior to a drilling program over a number of shallow targets. The Company believes the potential of Big Red may be similar to nearby Twin Hills deposit with 1.0Moz (23.1Mt@1.5g/t Au) incl 49m @5.2g/tAu and Lone Sister 0.48Moz (12.5Mt@1.2g/t Au) incl. 28m @45.2g/t Au *(c.f. ASX:GBZ announcement 5 Dec 2022, 28 Apr 2023, 9 Jun 2023).* No ground exploration was undertaken at the projects during the reporting period.

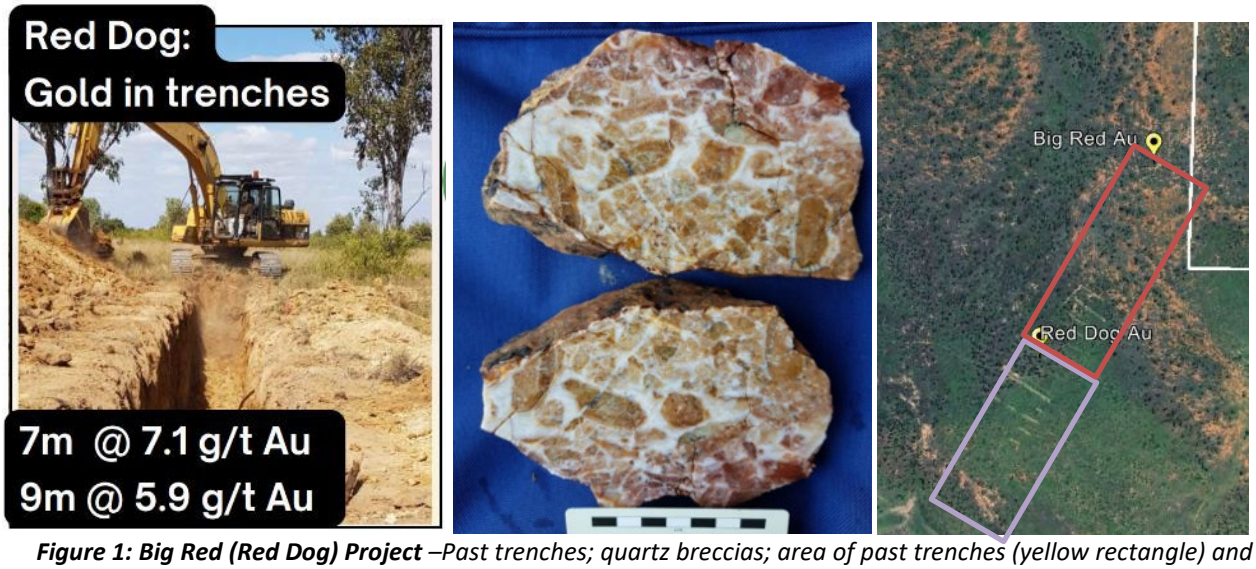

***Figure 1: Big Red (Red Dog) Project** –Past trenches; quartz breccias; area of past trenches (yellow rectangle) and planned extensions (orange rectangle)*

Copper-Gold-Molybdenum Projects – Queensland

Two exploration permits (EPM 27931 and EPM 27921), covering an area of 626km², are highly prospective for copper, gold, and molybdenum, and provide a significant extension to existing tenements. A large geophysical target in magnetics and IP (Creek deposit) appears promising to replicate previous success at the Anthony molybdenum deposit and potentially located copper-gold mineralisation. No on ground exploration was undertaken at the projects during the reporting period.

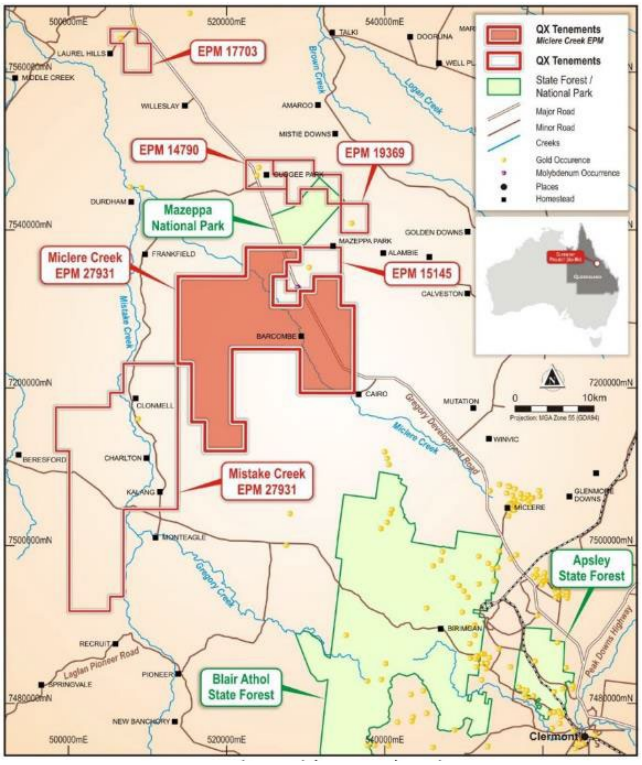

Figure 2: QXR's Queensland Gold and Gold-Copper-Moly Project Location Map

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Pilbara Iron Ore Project - Western Australia

Iron Ore samples have returned up to 58.5% Fe in rockchip samples over 4km of enriched iron ore over a Banded Iron Formation (BIF) at Western Shaw in the Pilbara (E45/6107, E45/4960). Following a comprehensive review of prior exploration, potential exists for enriched surface iron ore over BIF sequences (*ASX announcement 20 Feb 2024*). The project is located less than 15km from both the Hancock-Roy Hill rail line and the Fortescue (FMG) rail line with the district having been an exploration target for enriched iron ore as DSO (Direct Shipping Ore).

Previously, enriched surface iron ore over BIF sequences with chert horizons was sampled over 4.4km but extends over 8km within the Western Shaw leases. A new sampling program of 250m spaced rockchip traverses has been planned over the full 8km outcrops but was delayed due to appropriately skilled personnel availability. Previous work had been conducted by Atlas Iron over 15 years ago with rockchip results up to 62.3%Fe. No on ground exploration was undertaken at the projects during the quarter.

Pilbara Hard Rock Lithium Projects - Western Australia

QXR holds four 100% owned hard-rock lithium projects, covering 355km^2, strategically centred around Western Australia's prolific Pilbara province, hosting some of Australia's largest lithium deposits. QXR projects are Turner River (E45/6042 & E45/6065), Western Shaw (E45/4960 & E45/6107), Split Rock (E46/1367) and Yule River (E45/6159).

Rockchip sample results were returned with up to 3.8% LiO_2 and 1.3% Rb_2O at Turner River during the December quarter. These were taken from new areas of interest within Turner River. Detailed trenching and sampling are planned to target new areas and to better define mineralised extensions under shallow cover, together with an interpretation of recently flown detailed airborne. No on ground exploration was undertaken at the projects during the quarter.

Lithium Brine Projects, USA

During the September quarter, the Company announced that it had renegotiated the option agreement over the Liberty Lithium Brine Project in California, USA, to reduce option payments and also to include an option to acquire an interest in two additional prospective lithium brine projects in the USA.

QXR had previously entered into an option agreement with IG Lithium LLC (**IGL**) to acquire up to a 75% interest in IGL, the owner of the Liberty Lithium Brine Project, as announced 5 October 2023 (**Option Agreement**). The parties have negotiated a variation to the Option Agreement, whereby QXR now has an option to acquire a 25% interest in IGL on or before 30 June 2025 (**Variation Agreement**). The restructuring reduces QXR's cash option payments from US$1.7 million to US$500,000.

QXR has entered into a further option agreement with IGX Minerals LLC (**IGX**) (an unlisted Delaware company established in 2022, and a related company of IGL) granting QXR an option to acquire a 15% interest in IGX on or before 30 June 2025 for US$500,000 (**IGX Option**). IGX has identified and secured two (2) prospective lithium brine projects in Utah and Nevada, USA, covering 10,660 hectares (26,300 acres). IGX and IGL continue discussions with US based developers and producers of battery-grade lithium products to potentially supply future lithium brine feedstock.

IGL and IGX have an excellent local US exploration team and contractors to ensure advancement of the projects. Next steps include permitting for new drill sites at the Liberty Lithium Brine Project, targeting areas that are interpreted to be prospective to intersect deep lithium brines in the centre of the basin, further west of drilling previously undertaken by QXR (ASX announcement 19 June 2024). QXR is continuing its review of work conducted to date by IGX on their two projects, which indicate encouraging results in a favourable geological setting.

The Liberty Lithium Brine Project, located in SaltFire Flat, California, covers a large area of 102km^2 (25,300 acres), being one of the largest single lithium brine projects in the USA and one of the first identified near surface brine basins outside of the producing Clayton Valley in Nevada (**Figure 3**). Geophysical analysis shows a large basin over 1,000 metres deep. Drilling has shown numerous brine horizons. The Project's geological setting mirrors Albemarle's nearby producing Silver Peak lithium brine deposit in Clayton Valley USA [1].

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

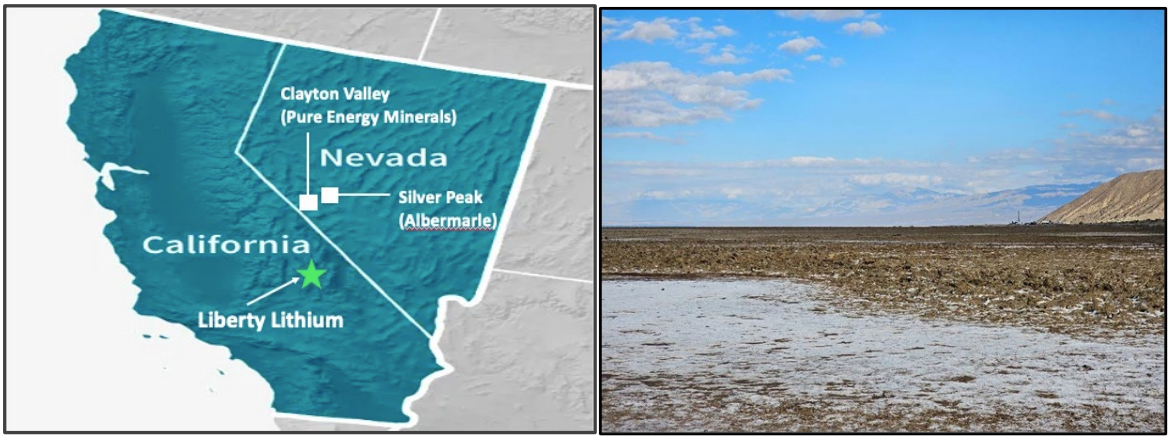

Figure 3: The Liberty Lithium Brine Project; The drill rig on the Drillhole#1 as seen from Drillhole#2

Bayrock Resources Limited Investment

On 16 March 2023, the Company announced that it had entered into a framework agreement with Bayrock Resources Limited (**Bayrock**) to assist Bayrock with financing and development of its Projects, being the Lainejaur and Northern Nickel Line projects in northern Sweden (ASX announcement 16 & 22 March 2023). QX Resources acted as underwriter to Bayrock's capital raising in 2023 and following the conversion of QXR-provided secured loans and fees, QXR now holds a significant ~39% of Bayrock's issued capital.

Corporate

Shareholder Meetings

The Company's Annual General Meeting (AGM) was held 21 November 2024. All resolutions were carried by way of a poll.

At the General Meeting held 20 December 2024 all resolutions were carried by way of a poll.

Placement

During the December quarter the Company announced that it had received firm commitments for a placement to raise $1 million (before costs), through the issue of 200 million shares at $0.005 each. The Placement included $150,000 participation by directors, which was approved by Shareholders at the AGM.

Director Resignation

On 30 September 2024, the Company advised of the resignation of Stephen Promnitz as a director of the Company.

Subsequent Events

No material events occurred subsequent to the end of the 31 December 2024 half year.

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Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

Maurice Feilich
Executive Chairman

Perth, Western Australia, 14 March 2025

Competent Person's Statement

The information in this report that relates to the Ibis project 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 (FAusIMM), Fellow of the Australian Institute of Geoscientists (FAIG), 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.

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MOORE

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF QX RESOURCES LIMITED

As auditor for the review of QX Resources Limited and its controlled entities for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements as set out in *the Corporations Act 2001* in relation to the review, and

b) no contraventions of any applicable code of professional conduct in relation to the review.

SL TAN
PARTNER

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 14th day of March 2025.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

	Note	Consolidated Half-Year 31 Dec 2024 $	Consolidated Half-Year 31 Dec 2023 $
Gain on disposal of listed investments		4,450	-
Fair value gain on investments		-	12,507
Other income		1,532	109,484
Expenses			
Share of losses of associates accounted for using the equity method	6	(44,980)	(7,982)
ASX and share registry fees		(64,587)	(63,338)
Company secretarial expenses		(18,000)	(18,000)
Consultants and travel		(32,078)	(4,772)
Employee and director benefits expense		(129,140)	(151,204)
Exploration costs written off		(61,764)	(230,281)
Finance costs		(3,053)	(2,347)
Impairment expense		-	-
Loss on disposal of listed investments		-	(1,295)
Other expenses		(103,576)	(235,433)
Share-based payments expense		-	(674,126)
Fair value loss on investments		(1,774)	-
Loss before income tax expense		**(452,970)**	**(1,266,787)**
Income tax expense		**-**	**-**
Loss after income tax for the half-year		**(452,970)**	**(1,266,787)**
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to operating result			
Foreign currency translation differences		-	-
Total comprehensive loss for the half-year		**(452,970)**	**(1,266,787)**
Basic and diluted loss per share (cents per share)		(0.04)	(0.13)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated Statement of Financial Position

As at 31 December 2024

	Note	Consolidated 31 December 2024 $	Consolidated 30 June 2024 $
ASSETS			
Current Assets			
Cash and cash equivalents		684,122	540,044
Trade and other receivables		40,704	10,132
Investments	7	89,314	115,507
Total Current Assets		**814,140**	**665,683**
Non-Current Assets			
Investments	7	3,784,615	3,501,414
Investments accounted for using the equity method	6	2,267,446	2,300,853
Total Non-Current Assets		**6,052,061**	**5,802,267**
TOTAL ASSETS		**6,866,201**	**6,467,950**
LIABILITIES			
Current Liabilities			
Trade and other payables		275,500	238,391
Total Current Liabilities		**275,500**	**238,391**
TOTAL LIABILITIES		**275,500**	**238,391**
NET ASSETS		**6,590,701**	**6,229,559**
EQUITY			
Issued capital	3	53,257,060	52,442,948
Reserves		796,176	885,659
Accumulated losses		(47,462,535)	(47,099,048)
TOTAL EQUITY		**6,590,701**	**6,229,559**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Issued capital	Accumulated losses	Share-based payments reserve	Total
	$	$	$	$
Balance at 1 July 2023	**49,033,422**	**(46,336,487)**	**1,219,575**	**3,916,510**
Loss for the half-year	-	(1,266,787)	-	(1,266,787)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	**-**	**(1,266,787)**	**-**	**(1,266,787)**
Transactions with owners in their capacity as owners:				
Issue of shares	3,628,346	-	10	3,628,356
Issue of share-based payments	-	-	674,126	674,126
Share issue costs	(200,788)	-	-	(200,788)
Total transactions with owners	3,427,558	-	674,136	4,101,694
Transfer of reserves to accumulated losses	-	292,542	(292,542)	-
Balance at 31 December 2023	**52,460,980**	**(47,310,732)**	**1,601,169**	**6,751,417**
Balance at 1 July 2024	**52,442,948**	**(47,099,048)**	**885,659**	**6,229,559**
Loss for the half-year	-	(452,970)	-	(452,970)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	**-**	**(452,970)**	**-**	**(452,970)**
Transactions with owners in their capacity as owners:				
Issue of shares	850,000	-	-	850,000
Issue of share-based payments	-	-	-	-
Share issue costs	(35,888)	-	-	(35,888)
Total transactions with owners	814,112	-	-	814,112
Transfer of reserves to accumulated losses	-	89,483	(89,483)	-
Balance at 31 December 2024	**53,257,060**	**(47,462,535)**	**796,176**	**6,590,701**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	Consolidated Half-Year 31 Dec 2024 $	Consolidated Half-Year 31 Dec 2023 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(191,100)	(549,671)
Interest received	1,532	1,484
Interest paid	(2,833)	(2,175)
Net cash used in operating activities	**(192,401)**	**(550,362)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(61,764)	(237,888)
Payments for investments	(439,202)	(2,162,550)
Payments for loans to other entities	(11,573)	(19,904)
Proceeds from sale of investments	84,902	-
Net cash used in investing activities	**(427,637)**	**(2,420,342)**
CASH FLOW FROM FINANCING ACTIVITIES		
Cash received from issue of shares and options	835,000	3,329,956
Share issue costs	(35,888)	(150,788)
Repayments of borrowing	(34,995)	(22,582)
Net cash provided by financing activities	**764,117**	**3,156,586**
Net increase in cash held	**144,078**	**185,882**
Cash and cash equivalents at the beginning of the half-year	540,044	1,824,637
Cash and cash equivalents at the end of the half-year	**684,122**	**2,010,519**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Financial Statements
For the half-year ended 31 December 2024

Note 1 – Summary of Significant Accounting Policies

Basis of Preparation
These general purpose interim financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These half-year financial statements do not include all notes of the type normally included within the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, and financing and investing activities of the Group as the full financial statements.

It is recommended that the half-year financial statements be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by the Group during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going Concern
The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Group recorded a loss of $452,970 for the half-year ended 31 December 2024 (31 December 2023: $1,266,787) and had a net cash outflow from operating and investing activities of $620,038 (31 December 2023: $2,970,704). The Group had cash and cash equivalents at 31 December 2024 of $684,122 (30 June 2024: $540,044) and has net assets of $6,590,701 (30 June 2024: $6,229,559).

The Group's cashflow forecast for the period 1 January 2025 to 31 March 2026 reflects that the Group will need to raise additional working capital during the year to enable the Group to continue to meet its current committed exploration and administration expenditure.

Notwithstanding the above matters, the Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following pertinent matters:

- The planned exploration expenditure is staged, and expenditure may or may not be spent depending on the result of the prior exploration stage;
- The Group has the option, if necessary, to defer certain expenditure and reduce costs in order to minimize its funding requirements; and

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Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Preparation (continued)

Going Concern (continued)

- The Directors are satisfied that they will be able to raise additional funds by either an equity raising and/or implementation of joint ventures agreements to fund ongoing exploration commitments and for working capital.

New and Revised Accounting Standards

In the half-year ended 31 December 2024, the Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the annual reporting period beginning on or after 1 July 2024. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2 – Segment Information

The Group identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources. The information presented in the financial report is the same information that is viewed by the Directors.

The Group is currently operating in one business segment being the mining sector and one geographic segment being Australia.

Note 3 – Issued Capital

	31 December 2024 $	30 June 2024 $
Issued capital		
Ordinary shares	**53,257,060**	52,442,948
	53,257,060	52,442,948

(a) Movements for the period:

Ordinary shares	**No. of Shares**	**$**
Opening balance as at 1 July 2024	1,110,077,854	52,442,948
Placement shares	170,000,000	850,000
Share issue costs	-	(35,888)
Closing balance as at 31 December 2023	1,280,077,854	53,257,060

Note 3 – Issued Capital (continued)

(b) Options outstanding over ordinary shared capital as at the reporting date were as follows:

	Expiry date	Exercise price ($)	Balance at start of the period	Number issued during the period	Number exercised during the period	Number expired during the period	Balance at end of the period
Unlisted option	29/12/2024	$0.035	10,000,000	-	-	10,000,000	-
Unlisted option	29/12/2025	$0.050	10,000,000	-	-	-	10,000,000
Unlisted option	28/12/2023	$0.035	50,000,000	-	-	-	50,000,000
Unlisted option	23/12/2027	$0.010	-	85,000,000[1]	-	-	85,000,000
			70,000,000	85,000,000	-	10,000,000	145,000,000

[1] As announced on 28 October 2024, the placement includes one free attaching option for every two shares subscribed exercisable at $0.01 each and expiring three years from date of issue.

Note 4 – Dividends

No dividends were declared or paid during the half-year ended 31 December 2024 (31 December 2023: Nil).

Note 5 – Related Party Transactions

(a) Transactions and balances with related parties

Below are transactions and balances with directors and director-related entities for the half year ended 31 December 2024:

Related Party	Type of Service	31 December 2024 $
Expenses		
Minerva Corporate Pty Ltd [1]	Company secretarial and accounting services	**45,000**
Total Expenses		**45,000**
Liabilities		
Minerva Corporate Pty Ltd [1]	Director fees and company secretary services included in trade payables	**21,000**
Filmrim Pty Ltd[2]	Director fees and consulting fees included in trade payables	**65,000**
Every Day Hire Pty Ltd [3]	Director fees included in accruals	**10,000**
Total Liabilities		**96,000**

[1] Daniel Smith is a Director and shareholder of Minerva Corporate Pty Ltd, a company which provides accounting, company secretary and non-executive director services to the Group.
[2] Maurice Feilich is a Director and shareholder of Filmrim Pty Ltd, a company which provides executive director services to the Group.
[3] Roger Jackson is a Director and shareholder of Every Day Hire Pty Ltd, a company which provides geological consulting and non-executive director services to the Group.

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Notes to the Financial Statements

For the half-year ended 31 December 2024

Note 6 – Interests in Associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

		Ownership Interest	
Name	**Principal Place of Business / Country of Incorporation**	**31 December 2024** %	**30 June 2024** %
Zamia Resources Pty Ltd	Australia	**70.00%**	70.00%
Bayrock Resources Ltd	Australia	**39.00%**	39.00%
Opening carrying amount – Zamia Resources Pty Ltd		**933,018**	919,291
Acquisition costs		**-**	-
Contributions to increase investment		**11,572**	25,938
Share of loss after income tax		**(7,390)**	(12,211)
Closing balance – Zamia Resources Pty Ltd		**937,200**	933,018
Opening carrying amount - Bayrock Resources Ltd		**1,367,835**	255,000
Contributions to increase investment		**-**	1,208,450
Share of loss after income tax		**(37,589)**	(95,615)
Closing balance – Bayrock Resources Ltd		**1,330,246**	1,367,835
		2,267,446	2,300,853

During the half-year ended 31 December 2024, the movement in the Interest in Associates relates to the share of loss during the period as well as contributions in the exploration and project development of Zamia Resources Pty Ltd and Bayrock Resources Ltd.

The ability of the Group to realise the carrying value of the investment in associates is dependent on each associate being able to successfully develop and commercially exploit their respective mining permits or alternatively, via the sale of the investments at or above their respective carrying values. The Group may be required to contribute additional funds to finance the current and future exploration and evaluation activities of the Associates.

There is no certainty at this stage the Associates' exploration and evaluation activities will lead to the eventual development and commercialisation of their respective tenement assets.

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Notes to the Financial Statements

For the half-year ended 31 December 2024

Note 7 – Investments

	31 December 2024	30 June 2024
Current		
Financial assets at fair value through profit or loss	**89,314**	115,507
Movement		
Balance at beginning of period	**115,507**	144,773
Additions	**56,033**	31,000
Disposals	**(84,902)**	(38,896)
Gain/(loss) on disposals	**4,450**	(9,852)
Revaluation increments/(decrements)	**(1,774)**	(11,518)
Balance at end of period	**89,314**	115,507

	31 December 2024	30 June 2024
Non-Current		
Investment – Next Battery Ltd	**755,951**	755,951
Less: Impairment of investment	**(755,951)**	(755,951)
Investment – Bayrock Resources Ltd	**255,000**	255,000
Less: Reclassification to Interest in Associates	**(255,000)**	(255,000)
Investment – US Liberty Brine	**75,529**	75,529
Add: Additional funds invested in US Liberty Brine	**3,709,086**	3,425,885
Balance at end of period	**3,784,615**	3,501,414

As announced on 5 October 2023, the Company entered into an option agreement whereby the Company can earn a 75% interest in the Liberty Brine project through a combination of option payments (totalling US$2 million) and work commitments (totalling US$1.2 million) (Option Agreement). The parties negotiated a variation to the Option Agreement, whereby QXR now has an option to acquire a 25% interest in IGL on or before 30 June 2025 (Variation Agreement). The restructuring reduces QXR's cash option payments from US$1.7 million to US$500,000. QXR has entered into a further option agreement with IGX Minerals LLC (IGX) (an unlisted Delaware company established in 2022, and a related company of IGL) granting QXR an option to acquire a 15% interest in IGX on or before 30 June 2025 for US$500,000 (IGX Option).As at 31 December 2024, the Company had incurred expenditure of approximately USD$2.20m and is yet to earn an equity interest in the Project.

Note 8 – Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date (30 June 2024).

Note 9 – Events Subsequent to Reporting Date

No material events occurred subsequent to the end of the 31 Dec 2024 half year.

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Directors' Declaration

The directors of the Group declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
   (a) Complying with the Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (b) Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year then ended.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Executive Chairman
Maurice Feilich

Perth, Western Australia, 14 March 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF QX RESOURCES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of QX Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year then ended, notes comprising a summary of material accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as of 31 December 2024 and of its performance for the half-year ended on that date; and

ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

In forming our conclusion on the half-year financial report, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial report concerning the Company's ability to continue as a going concern. The conditions explained in Note 1 to the financial report indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The Company's half-year financial report does not include any adjustments that would result if the Company were unable to continue as a going concern.

Material Uncertainty - Carrying Value of Interests in Associates

We draw attention to Note 6 to the half-year financial report which indicates that a material uncertainty exists in relation to the Company's ability to realise the carrying value of its interests in associates. Our opinion is not modified in respect of this matter.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity.* Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF QX RESOURCES LIMITED (CONTINUED)

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

i. giving a true and fair view of the Group's financial position as of 31 December 2024 and its performance for the half-year ended on that date; and

ii. complying with *Accounting Standard AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

SL TAN
PARTNER

MOORE AUSTRALIA

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 14th day of March 2025.

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