

ASX: SQX

27 June 2024

COMMENCEMENT OF SCRUB Paddock DESKTOP STUDY

- Commencement of desktop study to plan for high impact exploration of the 2 new areas for exploration targeting a copper/gold porphyry system identified by the recent soil sampling program.
- Preparation of drill report detailing high priority drill targets underway

SQX Resources Limited (**SQX** or **Company**) is pleased to announce the commencement of a desktop study of its Scrub Paddock Prospect (**Scrub Paddock**). Scrub Paddock is located 180km northwest of Brisbane, Queensland, and is situated with EPM 272573 (Figure 1).

Scrub Paddock Desktop Study

SQX has engaged a geological consultant to undertake a desktop study aimed at delineating high priority drill targets based on all available historical data and newly acquired data. The data derived from the successful Geochemical Program will be included in defining the high priority drill targets (refer ASX announcement – *Geochemical Program Identifies New Copper/Gold Targets* – released 5 April 2024).

All the data from the desktop study will form part of the drill report currently being prepared and will form the basis of future drill programs.

Further induced polarisation (**IP**) geophysics and soil geochemistry are being planned over the Scrub Paddock.

SQX Executive Chairman, Mr Patric Glovac, commented:

"The SQX desktop study is aimed to expand our understanding of the geology of Scrub Paddock, guided by insights from the recent geochemical program and previous surveys. Notably, previous drilling efforts yielded promising results, indicating significant gold mineralization potential.

"Results from the SQX soil sampling campaign revealed two promising areas rich in copper, arsenic, and trace gold, along with other key elements. These findings underscore the exciting prospects for further exploration and development in these regions, as depicted in accompanying figures.

"Through SQX's initiative, the Company has successfully honed in on two areas that are highly prospective for exploration. Area 1, near the Elgin Vale Diorite's western contact, holds particular promise for mineralization. Meanwhile, Area 2 presents additional opportunities aligned with existing mineralization trends.

"With the review and compilation of all available historical data and newly acquired data coupled with further surveys and refinement of exploration strategies, we're optimistic about unlocking the full potential of these promising sites."

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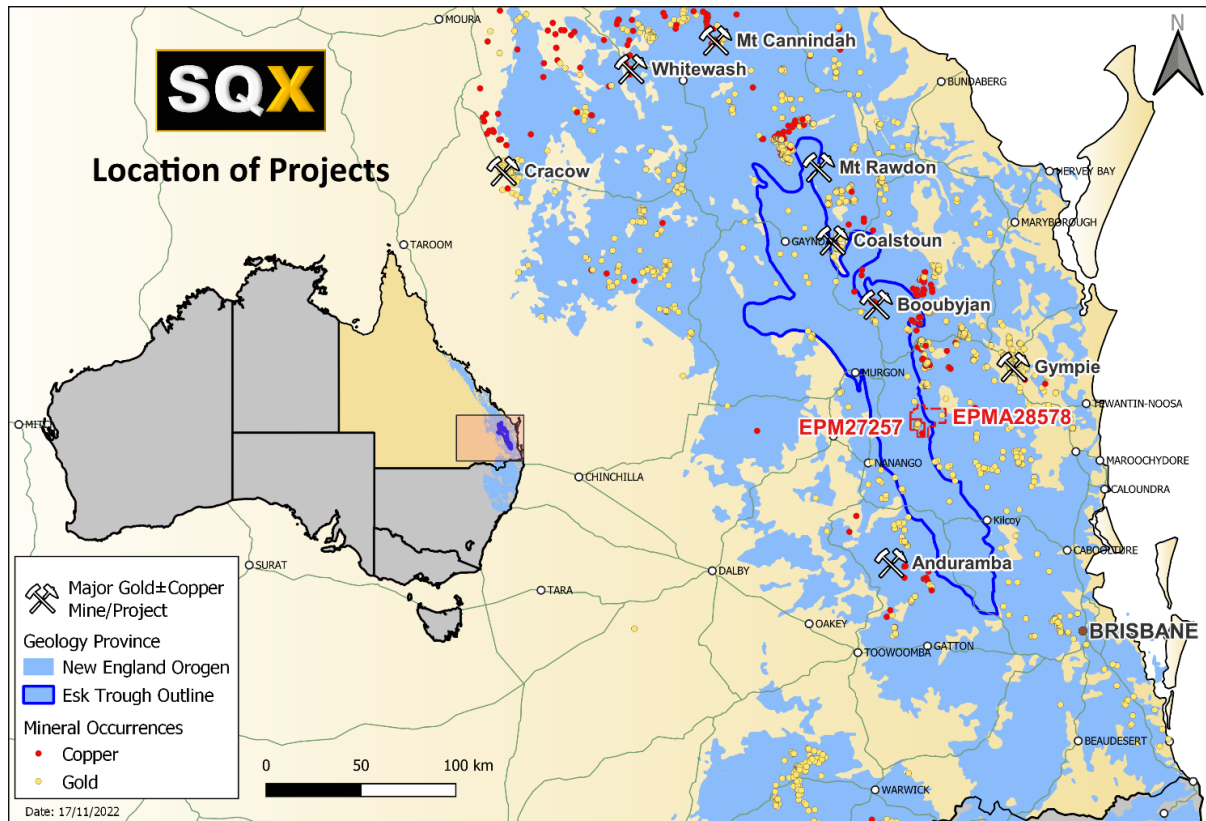


Figure 1 SQX's Location of Projects

Scrub Paddock Soil Sampling Program – Recent SQX Soil Sampling Results

The successfully completed soil sampling program identified two prospective areas (refer ASX announcement – *Geochemical Program Identifies New Copper/Gold Targets* – released 5 April 2024). The magnetic high on the western contact of the Elgin Vale Diorite (Area 1), and to the west of SQX borehole SP006 (Area 2). The sample assay results identified anomalous copper, arsenic, and detected trace levels of gold associated with the other elements (Figures 2 to 4).

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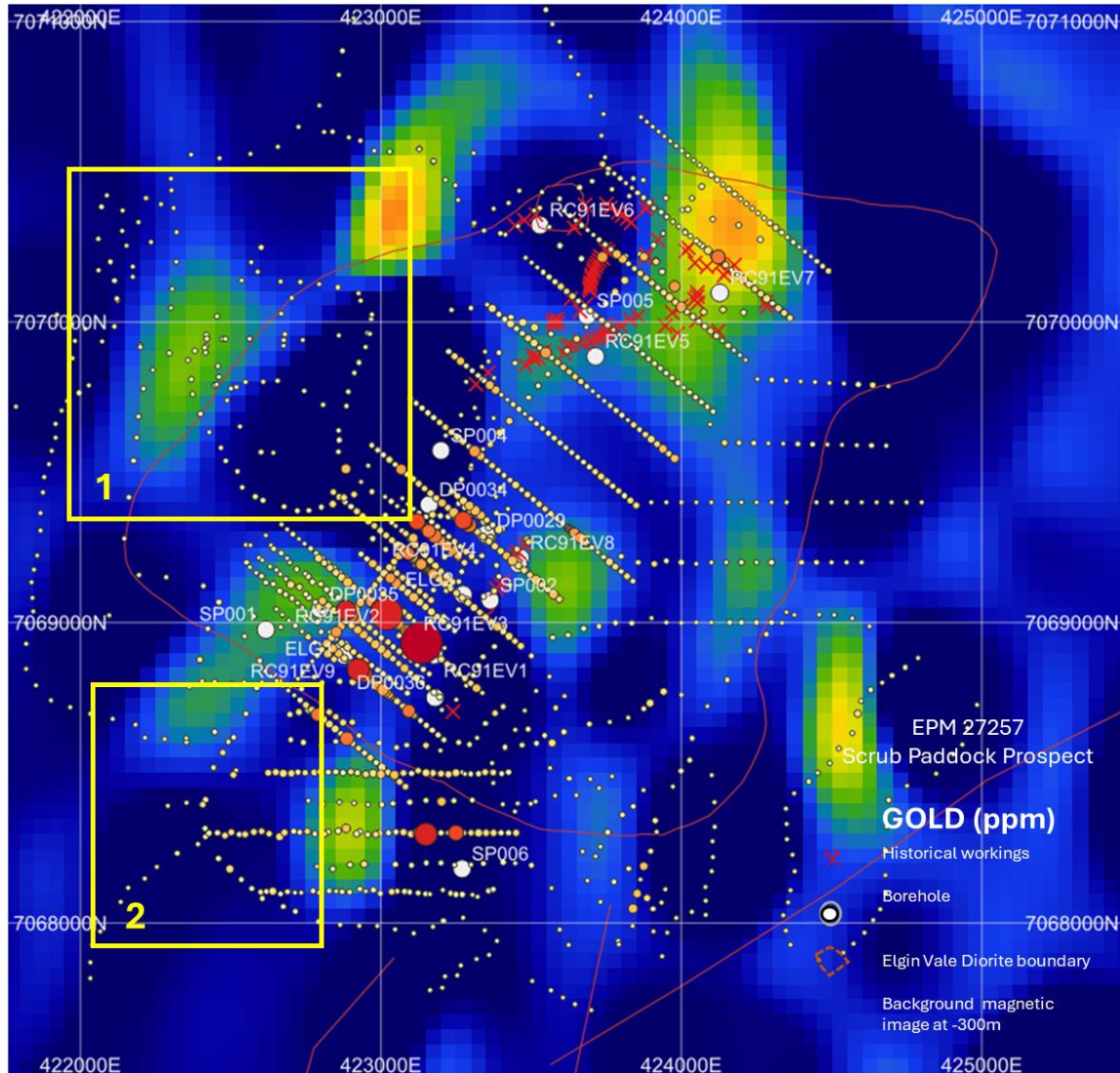


Figure 2 EPM27257 Scrub Paddock prospect with magnetic image with new target areas with gold (ppm) and historical soil samples, mapped boundary of the Elgin Vale Diorite, boreholes, and mineral occurrences.

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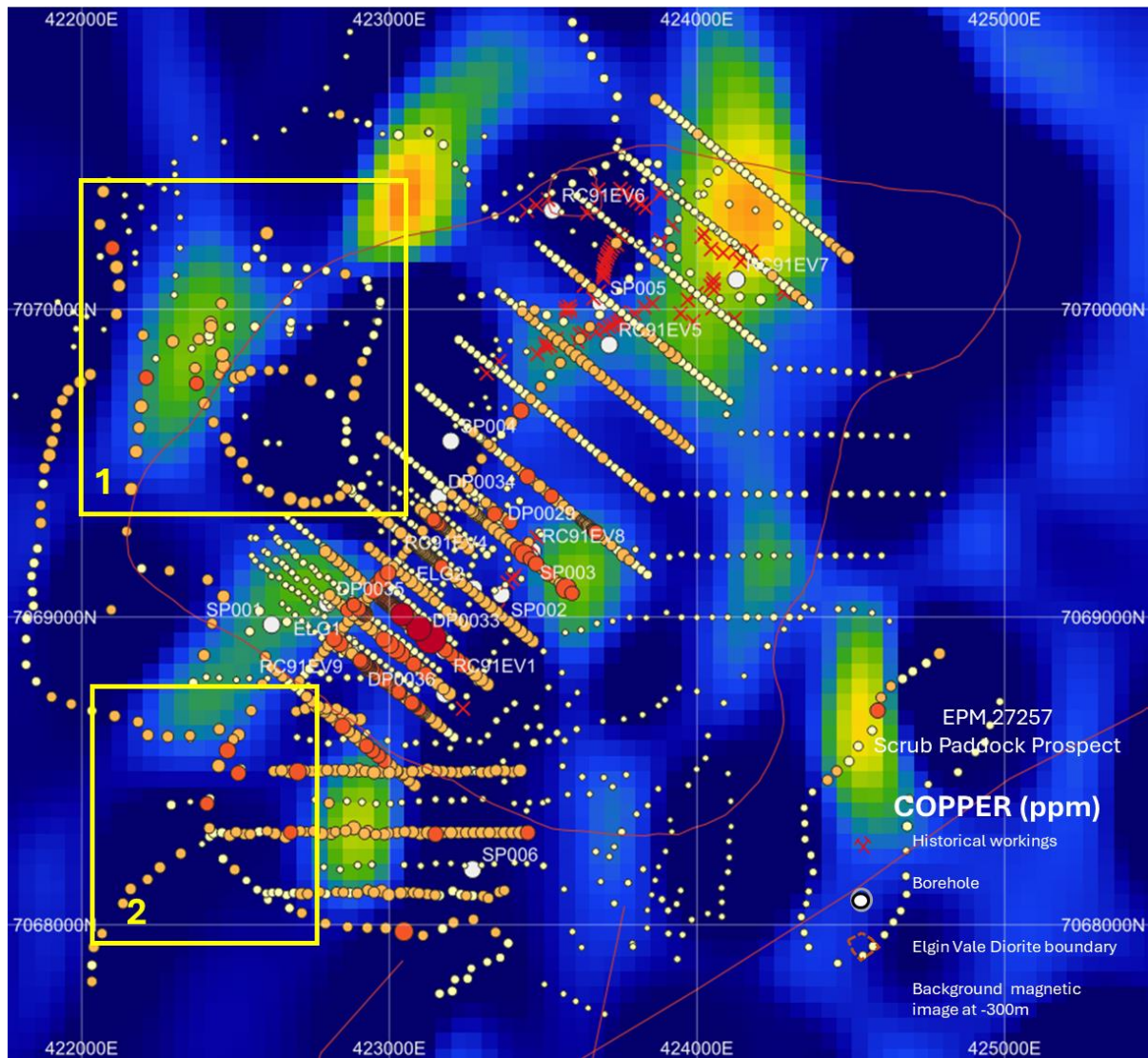


Figure 3 EPM27257 Scrub Paddock prospect with magnetic image with new target areas with copper (ppm) and historical soil samples, mapped boundary of the Elgin Vale Diorite, boreholes, and mineral occurrences.

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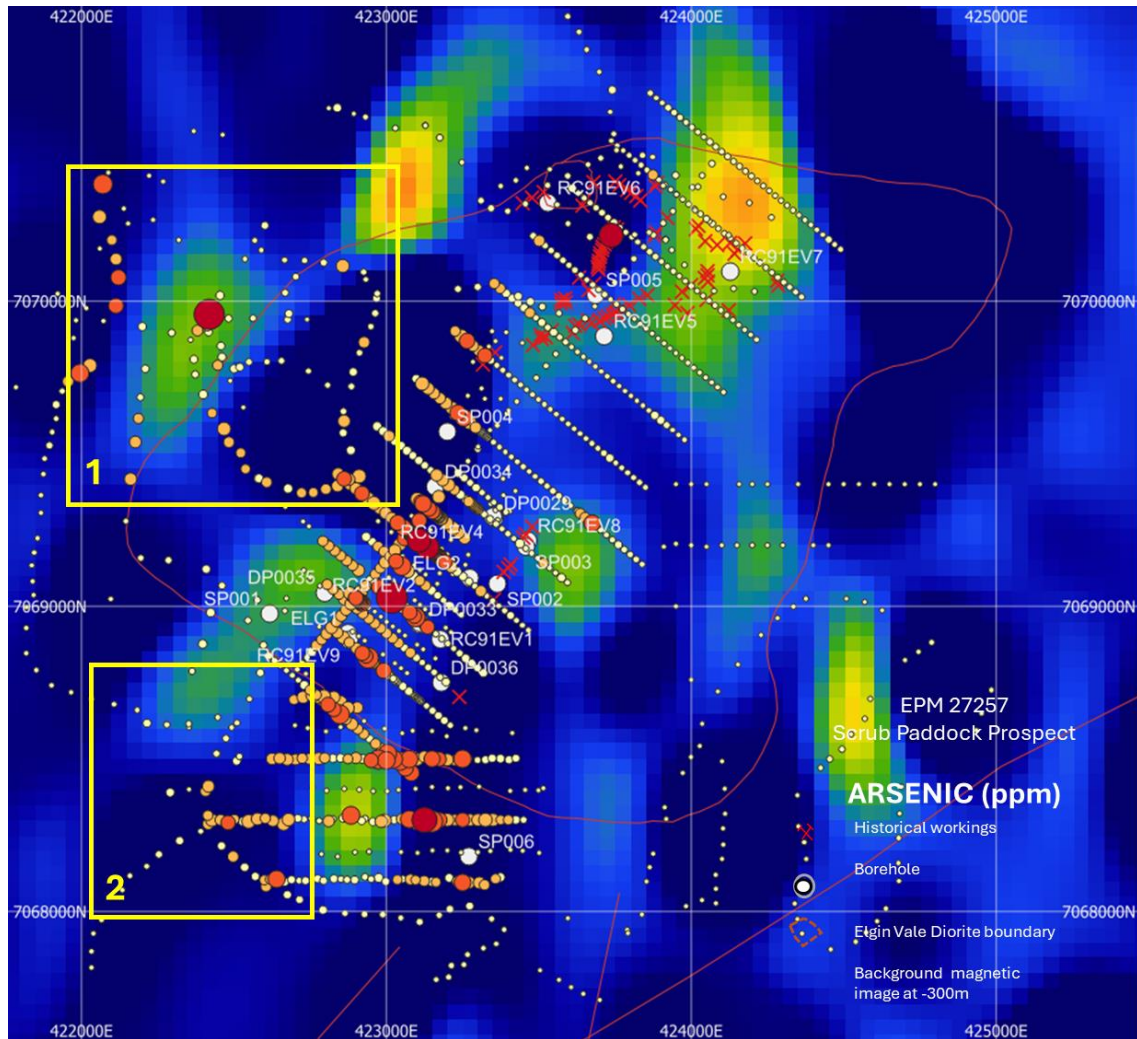


Figure 4 EPM27257 Scrub Paddock prospect with magnetic image with new target areas with arsenic (ppm) and historical soil samples, mapped boundary of the Elgin Vale Diorite, boreholes, and mineral occurrences.

Scrub Paddock Soil Sampling Program – Historical Results

The historical mining at Scrub Paddock prospect comprised alluvial workings at German Gully and around 20 other pits, trenches and shafts dug into the Elgin Vale Diorite focussed on three quartz reefs. Previous soil geochemistry over Scrub Paddock comprised work by CRA Exploration in the 1990's collected 663 soil samples and identified a broad copper, gold, arsenic anomaly west of the Black Watch workings. Later work by D'Aguilar Gold collected another 684 soil samples and confirmed the soil anomaly. In 2010 ActivEx collected another 194 soil samples across the prospect. (refer SQX Prospectus dated 30-Nov-2022, released to ASX on 16-Feb-2023).

The historical soil geochemistry (copper – gold – arsenic) identified the gold mineralisation interested in drilling within the Elgin Vale Diorite intrusion, and several other areas surrounding the intrusion mapped boundary.

This announcement has been approved and authorised to be released to the ASX by the Board of Directors of SQX Resources Limited.

– ENDS –

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Additional information is available at sqxresources.com.

About SQX Resources Limited (SQX)

SQX is a modern mineral exploration company dedicated to delivering shareholder value by building a portfolio of exploration, development, and operating assets. Its current focus is on gold and copper mineralisation at the Ollenburgs and Scrub Paddock prospects, located on EPM 27257 in the underexplored Esk Basin in southeast Queensland near major regional infrastructure and population centres. Both prospects feature known mineralisation and historical mine workings.

Scrub Paddock

Identified as a potential gold-copper porphyry, the Scrub Paddock Prospect features more than 20 mineral occurrences and historical mine workings with surface mineralisation extending across a ~2km strike length. Soil sampling and drilling have already confirmed gold and copper mineralisation; the extent of this mineralisation, both along the strike of the surface anomaly and at depth, is unknown. The Company is aiming to define an economic mineral resource.

Ollenburgs

Ollenburgs hosts potential for a copper-gold porphyry system and features several copper/gold/silver mine workings, an anomaly visible on aeromagnetic mapping, a surface soil and rock-chip geochemical anomaly across ~300x50m and no historical drilling. The Company intends to expand soil sampling, undertake IP surveying and, if justified, follow up with drilling.

Competent Person's Statement

The information in this announcement that relates to historical exploration results were reported by the Company in accordance with listing rule 5.7 on 5 April 2024 and in SQX's Prospectus dated 30 November 2022, released to ASX on 16 February 2023. The Company confirms it is not aware of any new information or data that materially affects the information included in the original announcements

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