



QGX LTD.

Press Release
TSX – QGX

QGX Receives Positive Social and Environmental Baseline Study for Coking-Steaming Coal Project at Baruun Naran, Mongolia.

February 26, 2007 (Waterdown, Ontario). QGX Ltd. (TSX: QGX) is pleased to announce that it has received the Social and Environmental Baseline Study (“the Study”) for its coking and steaming coal project at Baruun Naran in southern Mongolia. AATA International, Inc. (Fort Collins, Colorado), in association with Ecotrade (Ulaanbaatar, Mongolia), conducted the Study. A summary review of the project, based upon comprehensive social and environmental baseline studies, indicated that there were no physical, chemical, biological, or social characteristics that would present a fatal flaw to development. The Study also provided the baseline database for the subsequent Social and Environmental Impact Assessment (SEIA) that will be carried out later this year as a necessary prerequisite before any development occurs at Baruun Naran.

The Study, which commenced at the conclusion of the Mongolian winter, collated social and environmental data through to the end of 2006.

The Study addressed the following areas:

- Physical environment: surface- and ground-water hydrology, vegetation, fauna, soil survey, and climate (a class A meteorology station has been established at Baruun Naran to provide continuous recording of soil and air temperatures, relative humidity, solar radiation, wind speed and direction and precipitation)
- Chemical environment: soil chemistry and water quality
- Biological environment: flora and fauna
- Summary of the national, social, economic and political situation
- Housing, employment and public services

Paul Zweng, President/Chief Executive Officer of QGX Ltd., commented as follows:

“This social and environmental baseline study represents a significant milestone in the development of the Baruun Naran coal project. The Study represents a high-quality and comprehensive baseline conducted to international standards. We are now preparing the bid document for the Social and Environmental Impact Assessment (SEIA) with the view that the bids will go out in March and the SEIA will commence in the second quarter. The SEIA will be conducted to satisfy both Mongolian and international standards, in accordance with the latest

IFC Performance Standards and Equator Principles. These studies will allow the Baruun Naran coal project to move forward to the next phase of development.”

Qualified Person

Mr. John Thompson, VP Project Development of QGX Ltd. and a Qualified Person as defined by NI 43-101, has reviewed and approved the information contained in this release. Mr. John Aronson, President of AATA International, Inc. (Fort Collins, Colorado), has reviewed and approved the information contained in this release.

About QGX

QGX is a Canadian-based company that has been exploring for mineral deposits in Mongolia since 1994. QGX's two most advanced properties are the Baruun Naran and the Golden Hills projects. QGX announced on June 7th an independent NI 43-101 resource for metallurgical and thermal coal at Baruun Naran comprised of 47.5 Mt of measured, 60.0 Mt of indicated (107.5 Mt contained in measured and indicated) and an additional 48 Mt of inferred resources. QGX filed in October, 2005 an independent NI 43-101 report outlining a polymetallic resource at the Central Valley Zone of Golden Hills. Barrick Gold Corp. holds an approximate 9% equity interest in QGX as part of a strategic relationship between the two companies.

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For more information, please contact:

David Anderson, Executive Chairman
(905) 689-9442

or

Paul Zweng, President/CEO
(925) 855-0505

or visit our website at www.qxgold.com

Renmark Financial Communications Inc.

John Boidman, jboidman@renmarkfinancial.com

Neil Murray-Lyon, nmurraylyon@renmarkfinancial.com

Media: Eva Jura, ejura@renmarkfinancial.com

(514) 939-3989, Fax: (514) 939-3717, www.renmarkfinancial.com

This press release includes certain "forward-looking statements". All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization, results and future plans and objectives of the Company are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statement.