ASX ANNOUNCEMENT

October 5th, 2022

COPPER FOOTPRINT EXTENDED AT PARCOY PROJECT, PERU

- ***Recent drilling extends copper footprint the full ~5km length of the prospect***
- ***Alteration pattern points to a possible nearby porphyry copper system***
- ***Program funded under the Strategic Alliance Agreement with South32***

AusQuest Limited (ASX: AQD) is pleased to advise that assay results received from the recently completed program of reconnaissance Reverse Circulation (RC) drilling (10 holes for 3,387m) at the **Parcoy Copper Project** in Southern Peru have extended the zone of anomalous copper mineralisation over the entire ~5km strike length of the prospect.

The Parcoy Project is subject to the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32).

Anomalous copper values (>400ppm Cu) were intersected over relatively large thicknesses (from ~20m up to >100m) in eight of 10 holes, substantially increasing the size of the copper footprint. The drill-holes were located approximately 300m to 500m apart along three sections located at ~1km intervals across the volcanic sequence (Figure 1).

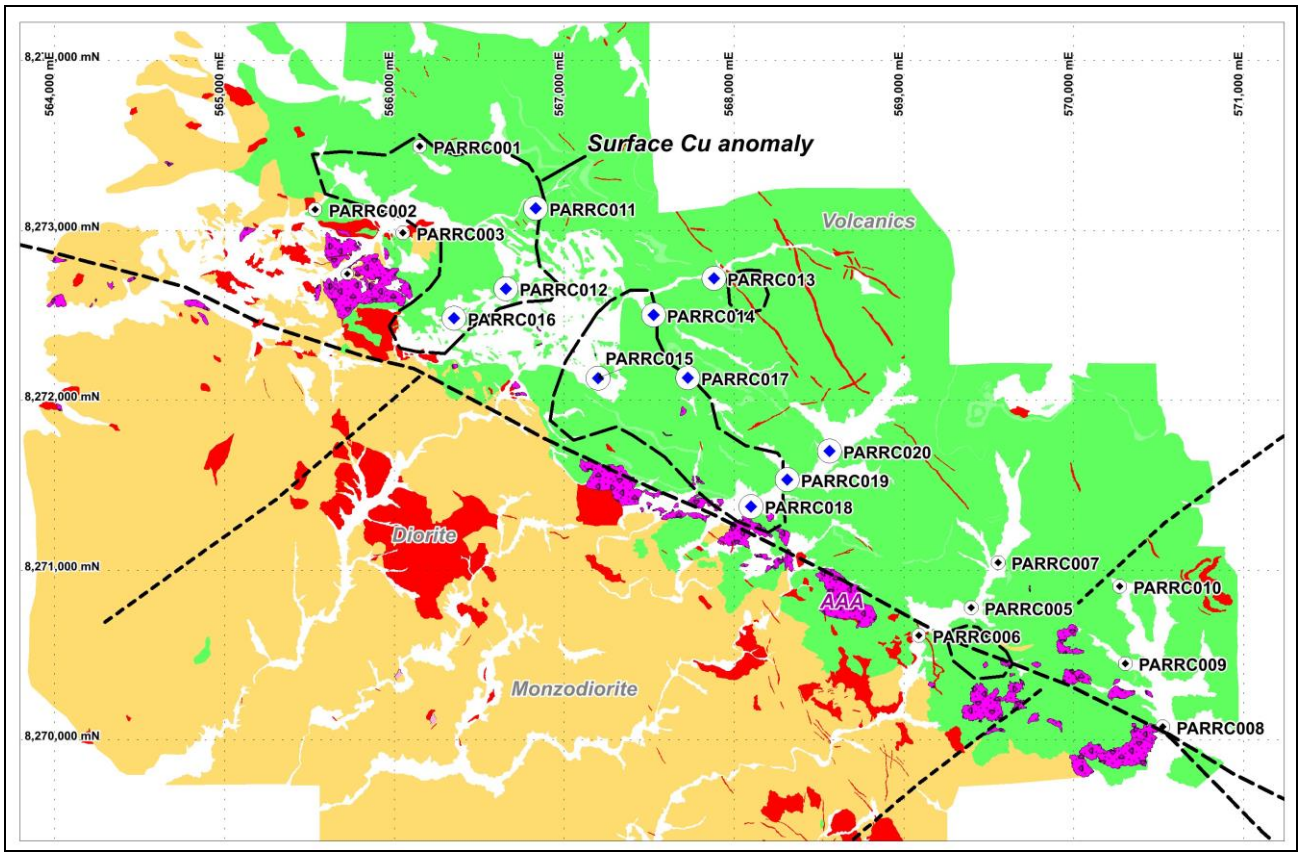

Figure 1: Parcoy Project Geology showing location of drill-holes and copper anomalies

Higher copper values (ranging from 1,000ppm Cu up to a maximum of 1.02% Cu) were recorded in most drill-holes but over relatively narrow thicknesses (<15m) that generally

averaged ~1,500 to 2,000ppm Cu. Correlation of the more highly anomalous copper intervals is not possible between holes or across sections.

Anomalous gold values (>50ppb Au) were relatively uncommon but did occur in several drill-holes with a best intersection of 12m @ 0.29g/t Au plus 1,500ppm Cu from 174m down-hole in PARRC016, suggesting that gold may be present in specific areas within the Parcoy prospect.

Drill-holes PARRC013 and PARRC020, located at the northern end of their respective drill sections, did not drill deep enough to intersect the potentially mineralised horizon(s).

Compilation of assay results with earlier drilling (as reported to the ASX in July 2021) has provided further insights into the possible controls on mineralisation at Parcoy. Alteration across all of the drilled sections is consistent with the alteration patterns found at the Company's Cerro de Fierro Project, where further drilling for porphyry-style copper mineralisation is about to take place (ASX release 20 September 2022).

Alteration patterns which provide evidence for large-scale fluid movement and the possibility of a nearby copper source, are consistently shallow-dipping and centred around a zone of advanced argillic alteration (AAA), with potassic (K) alteration above and sodic (Na) alteration below, suggesting that hot acidic solutions are responsible for the re-distribution of copper mineralisation in this region (Figure 2).

The AAA zone is characterised by strong depletion in the acid soluble elements (such as Mn, Na, Mg, Zn and Cu), and retention of the acid stable elements (such as Mo, Bi, and Te), which helps to define the fluid pathway(s) and possible vectors to mineralisation. Weak copper anomalism within the AAA zone is considered a good indicator of a potentially mineralised source (Figure 3).

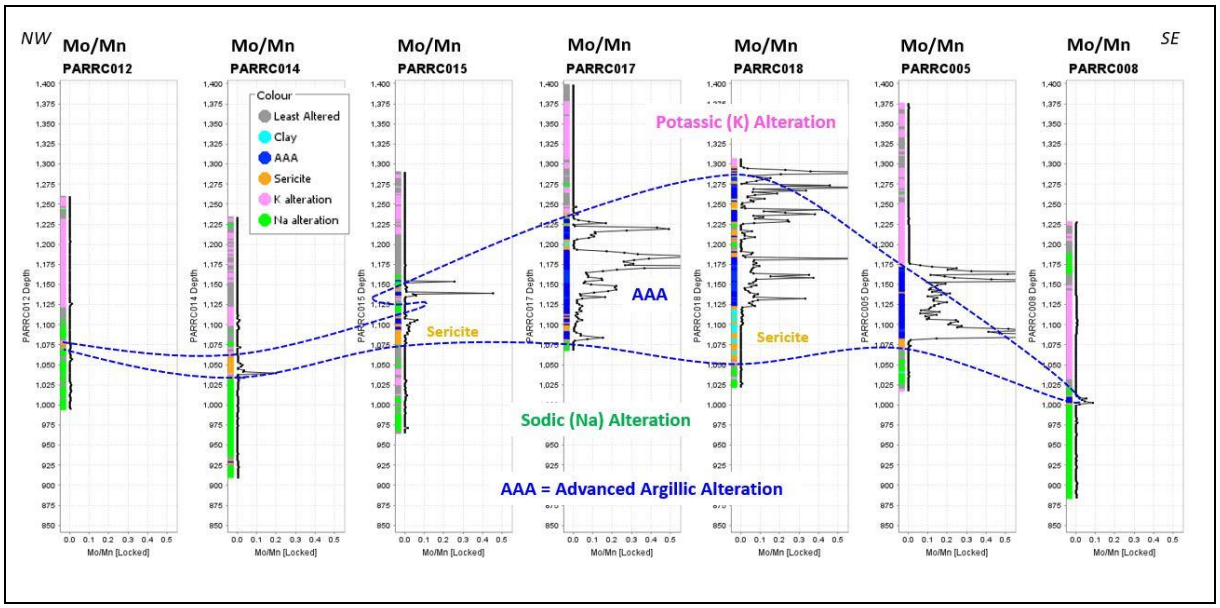

Figure 2: Schematic Long Section showing AAA zone defined by depletion in manganese (Mn) and relative enrichment in acid stable molybdenum (Mo) implying original fluids were likely metal enriched.

Construction of a schematic long section from drill-holes located along the full strike length of the prospect reveals that the thickest AAA zones occur in drill-holes PARRC 017 and PARRC 018, suggesting that a potential porphyry copper system may be proximal to these drill-holes.

It is also evident from Figure 3 that copper has been stripped from the central AAA zone and re-deposited in the surrounding rocks, resulting in the copper anomalies that have been identified at surface.

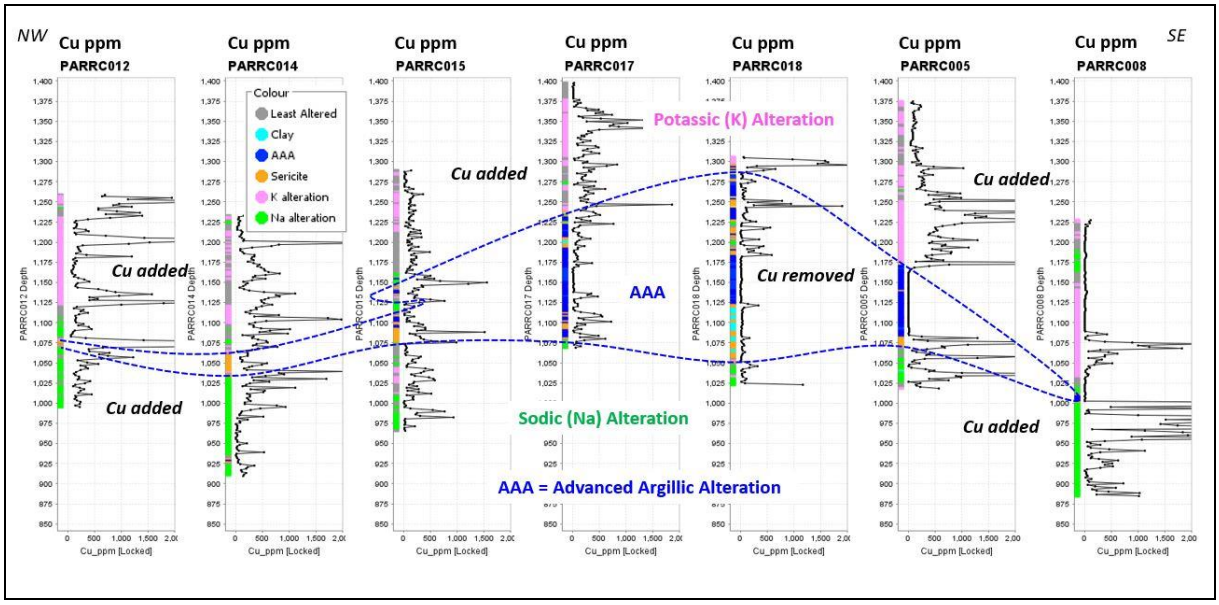

Figure 3: Schematic Long Section showing alteration and wide-spread Cu mineralisation deposited in the volcanics surrounding the AAA zone which has been depleted in Cu and other elements

While further exploration work at this prospect is the subject of ongoing discussions under the SAA, it is envisaged that future programs would focus on finding the source of the copper mineralisation identified at surface as well as possible higher copper grade sections within the surface copper anomalies.

The Parcoy Project is located near the southern end of a recognised Iron-Oxide Copper-Gold (IOCG) metallogenic belt in Southern Peru and is located ~100km south of the Mina Justa deposit (~475Mt @ 0.68% Cu), which is being developed by Marcobre SAC.

AusQuest's Managing Director, Graeme Drew, said results of the current drilling program had provided the Company with greater insights into the controls on copper mineralisation within the broader Parcoy – Cerro de Fierro District.

"We have secured a large land-holding in this area and each drilling program is adding to our knowledge base, which we believe will eventually help us make a new copper discovery in this region," he said.

"The Parcoy drilling program is part of a much larger program of up to 10,000m of RC drilling that will be completed in southern Peru over the coming months, with drilling of our Pirata Prospect due to commence very shortly.

"Any one of these targets has the potential to add significant value to the Company, should we be successful," he added.

Graeme Drew
Managing Director

COMPETENT PERSON'S STATEMENT

The details contained in this report that pertain to exploration results are based upon information compiled by Mr Graeme Drew, a full-time employee of AusQuest Limited. Mr Drew is a Fellow of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Drew consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

FORWARD LOOKING STATEMENT

This report contains forward looking statements concerning the projects owned by AusQuest Limited. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

JORC Code, 2012 Edition – Table 1 report, Reverse Circulation Drilling at Parcoy in Peru – September 2022

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples were collected using a tube sampler by spearing into each one metre sample bag and compositing samples on a two-metre basis. • Sample depths were determined by the length of the rod-string and confirmed by counting the number of samples and bags at the drill platform as per standard industry practice. • A ~5kg sample was collected for representivity.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC Drilling with a face sampling bit has been used with a hole diameter of approximately 132mm. • Down-hole surveys were undertaken using a Gyro3-193 with measurements every 10m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Experienced RC drillers and an appropriate rig were used to provide maximum sample recovery. • Minimal to no water was encountered in all drill holes. • The weight of every bulk 1 metre sample was recorded and checked for sample recovery estimates. Sample recovery was acceptable to industry standard. • The sample weight of every laboratory sample was also collected and weighed on site for future reference. • At this early stage of exploration, it is not known if there is a relationship between sample recovery and assay grade.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC sample chips were collected into chip trays and are stored for future reference. • RC samples were logged on site during the drilling by experienced geologists to identify key rock types and mineralization styles. • Selected RC meter samples were logged with a hand held XRF and portable XRD unit to confirm visual mineralization and help identify clay mineralization. • Sample logging was qualitative with visual estimates of mineralization made for later comparison with assay results. • All one metre drill samples were logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC samples were collected every 1 metre into large plastic bags and stored in rows per depth at the drill site. • Samples were collected using a 50mm tube sampler and composited on a two metre basis. • Certified coarse blanks and fine standards are inserted approximately every 35 samples and duplicates taken every 20 samples for quality control purposes. • The sample sizes are considered appropriate for the geological materials sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying of the drill samples is by standard industry practice. • The samples are sorted, dried, crushed then split to obtain a representative sub-sample which is then pulverized. • A portion of the pulverized sample is digested using a four acid digest (Hydrofluoric, Nitric, Hydrochloric and Perchloric) which approximates a total digest for most elements. Some refractory minerals are not completely dissolved. • Inductively Coupled Plasma Mass Spectroscopy (ICP-MS) was used to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti Tl, U, V, W, Y, Zn, Zr, • Au assays were provided by 30g fire assay with AA finish.

Criteria	JORC Code explanation	Commentary
		• Every 2 metre composite sample is submitted for Hyperspectral analysis using a TerraSpec instrument and uploaded into the aiSIRIS™ software for mineral identification and spectral output. • Assays are provided by ALS del Peru in Lima which is a certified laboratory for mineral analyses. Analytical data is transferred to the company via email. • Data from the laboratory's internal quality procedures (standards, repeats and blanks) are provided to check data quality. • The Company collects duplicate samples on an approximate 1: 20 basis, and inserts coarse blanks on a 1:30 basis and fine blanks on a 1:35 basis and fine standards are inserted on a 1:35 basis.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of intersections was undertaken. Drilling was wide spaced and reconnaissance in nature. • All primary sample data is recorded onto a printed sheet on site and uploaded to a site laptop, all geological data is recorded at the drill platform on a site laptop and downloaded daily and onto an external backup. • No adjustments have been made to the assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars including elevation are located by hand held GPS to an accuracy of approximately 5m. • Down hole surveys were carried out using a Gyro3-193 with measurements every 10m down hole. • All surface location data are in WGS 84 datum, UTM zone 18S.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC drill-holes were wide spaced between 300m and 1000m apart to define the controls and the scale (outer limits) of the mineralization. No systematic grid drilling of the target has been undertaken. • Samples were composited on a 2 metre basis.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and*	• Any bias due to the orientation of the drilling is unknown at this early stage of exploration.

Criteria	JORC Code explanation	Commentary
	reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by the operator of the Project. Procedures match with Industry best practice. • Samples are collected into securely tied bags and placed into cable-tied plastic bags for transport to the laboratory. Each sample batch has a sample submission sheet that lists the sample numbers and the work required to be done on each sample. • Samples were transported to the laboratory by company vehicle using trusted company personnel. • Sample pulps (after assay) are held by the laboratory and returned to the company after 90 days.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits of the sampling techniques or data have been carried out to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Parcoy project is located approximately 25 km north of the town of Chala in the south of Peru. • The Parcoy project comprises 10 mineral concessions. • The tenements are held by Questdor which is a 100% subsidiary of AusQuest Limited. • There are no major heritage issues to prevent access to the tenements during surface exploration activities. Permits to drill are required including environmental, water and land access involving community consultations. • The Parcoy project is subject to a Strategic Alliance Agreement with South32. • A renegotiable agreement contract (2yrs) has been signed with the local community to allow drilling to proceed.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No public reporting of exploration data is required in Peru. • Camino Resources have reported copper intersections from their Los Chapitos prospect which is located approximately 6km to the south east.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit styles being explored for are porphyry copper and gold and IOCG manto style deposits, which are large scale disseminated copper (and gold) deposits found within orogenic belts that surround the Pacific Rim. These deposits can be large in size requiring significant drilling to evaluate

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• All relevant drill hole data and information are provided below.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Assay intervals quoted for the RC drill-holes in this report are based on Cu anomalism (>400ppm Cu) and gold anomalism (>50ppb Au) only, with no economic intervals reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All intervals reported are down-hole lengths. True widths are unknown at this stage.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be*	• All drill holes are shown on appropriate plans and included in the ASX release.

Criteria	JORC Code explanation	Commentary
	limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• At this early stage of drilling, only significant assay results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The relationship between current drilling and previously reported exploration data is shown in the report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future work programs including drilling will be determined once the current results have been fully assessed.

Drill-hole Details

Hole ID	Projection	Zone	Easting	Northing	RL (m)	Azimuth	Inclination	Depth (m)
PARRC011	WGS84	18S	566832	8273129	1191	225	-65	372.00
PARRC012	WGS84	18S	566656	8272656	1274	225	-70	272.00
PARRC013	WGS84	18S	567881	8272717	1272	225	-60	300.00
PARRC014	WGS84	18S	567526	8272501	1234	225	-60	361.00
PARRC015	WGS84	18S	567199	8272130	1291	225	-60	372.00
PARRC016	WGS84	18S	566350	8272482	1178	225	-60	360.00
PARRC017	WGS84	18S	567727	8272131	1390	225	-60	366.00
PARRC018	WGS84	18S	568100	8271374	1310	225	-60	312.00
PARRC019	WGS84	18S	568314	8271532	1336	225	-60	372.00
PARRC020	WGS84	18S	568563	8271700	1364	45	-60	300.00