AUSQUEST LIMITED

ASX ANNOUNCEMENT

October 10, 2022

MAJOR DRILLING PROGRAM COMMENCES AT THE PIRATA COPPER PROJECT, PERU

- ***Twenty RC drill-holes (~6,700m) planned to test five porphyry copper targets***
- ***Program funded under the Strategic Alliance Agreement with South32***
- ***Final assay results expected in December/January***

Further to its announcement of 20 September, AusQuest Limited (ASX: AQD) advises that Reverse Circulation (RC) drilling (20 holes for a total of ~6,700m) has now commenced at its **Pirata Copper Project** in Southern Peru, under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32).

The program is expected to take 6-8 weeks to complete with analyses available 4-6 weeks after the completion of drilling.

The drill program is designed to test five porphyry copper and/or manto copper targets located south and east of the Cerro de Fierro Project, within a major east-west structural corridor located close to, and parallel with, the Coastal Batholith contact. This is considered to be a priority target zone within the Coastal Belt of Peru and Chile for major copper deposits.

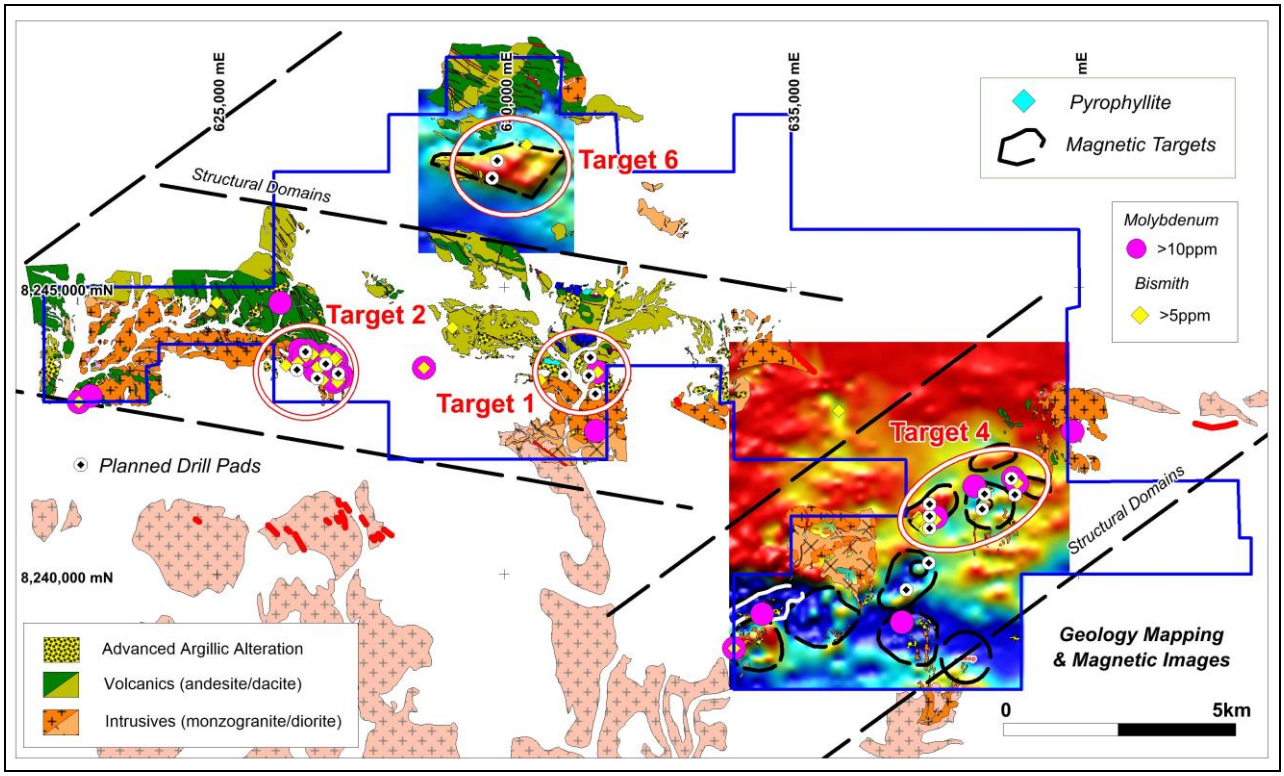

Figure 1: Pirata Project showing geology, geochemical anomalies and planned drill-hole locations.

The targets contain strong indications of advanced argillic alteration, as defined by anomalous pathfinder elements (Mo >10ppm, Bi >5ppm, Te >5ppm, W >10ppm) and high

temperature mineralogy (pyrophyllite), representing litho-cap environments that are generally found close to the centre of potential porphyry copper systems.

The presence of sporadic copper values of up to 0.8% Cu and distinct magnetic anomalies over several targets provide a high priority rating for the targets being drilled.

Pirata is located immediately east of the Company's Cerro de Fierro Project, where earlier drilling identified widespread copper mineralisation within volcanic host rocks – highlighting the potential for porphyry copper mineralisation to the south and east of the project, along east-west trending regional structures.

AusQuest's Managing Director, Graeme Drew, said the Company was pleased to have drilling operations finally underway at Pirata.

"We are excited about the potential for a large-scale discovery stemming from this program, given the widespread nature of copper we have found in this area and the strong indicators of porphyry mineralisation that are evident in our geochemical data," he said.

"We are looking forward to being able to report results from this program as they become available," 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.