AUSQUEST LIMITED

ABN 35 091 542 451

Quarterly Report – 31st March 2023

HIGHLIGHTS

Australia – Copper, Zinc, Nickel, Gold

- At the Balladonia Project in WA's Fraser Range region, a major diamond drilling program (13 holes for ~4,800m) commenced in late April under the Strategic Alliance Agreement (SAA) with South32 to test for Broken Hill Type (BHT) and/or Cannington-style lead-zinc-silver mineralisation.

- Eight priority gravity/magnetic targets will be tested by this program, including follow-up drilling at the Tea Tree prospect. Initial results are expected within ~8 weeks from commencement.

- At the Morrisey Project, the potential for further magnetite mineralisation was highlighted by gravity surveys over six targets, which produced distinct anomalies (1.5 to 3.0mgals) coincident with targeted magnetic responses. Modelling is in progress to prioritise drilling to be considered under the SAA in Q2 2023.

- Planning for the upcoming drill program at the Jubilee Lake Nickel-Copper-PGE Project (WA) continued with heritage clearances now planned for May due to availability of Traditional Owners. Drilling is planned to commence in Q3 2023 following completion of the Balladonia program.

Peru – Copper-Gold

- A new exposed porphyry copper prospect (Cangallo) was secured under title immediately to the west of the Cerro de Fierro – Pirata prospects, where buried porphyry copper systems have been inferred from drilling.

- Highly anomalous copper (up to 0.64% Cu), molybdenum (up to 42ppm Mo) and scattered gold values (up to 2.5g/t Au) were reported from initial sampling at Cangallo. Drill permitting is in progress.

- Rock-chip sampling over Target 7 at Pirata, which was recently secured under title, outlined strong copper anomalies (19 samples >0.5% Cu) over an area of ~2,000m x 800m, suggesting the potential for a shallow porphyry copper system.

Corporate

- The Company's Quarter-end cash position was ~$2.75 million.

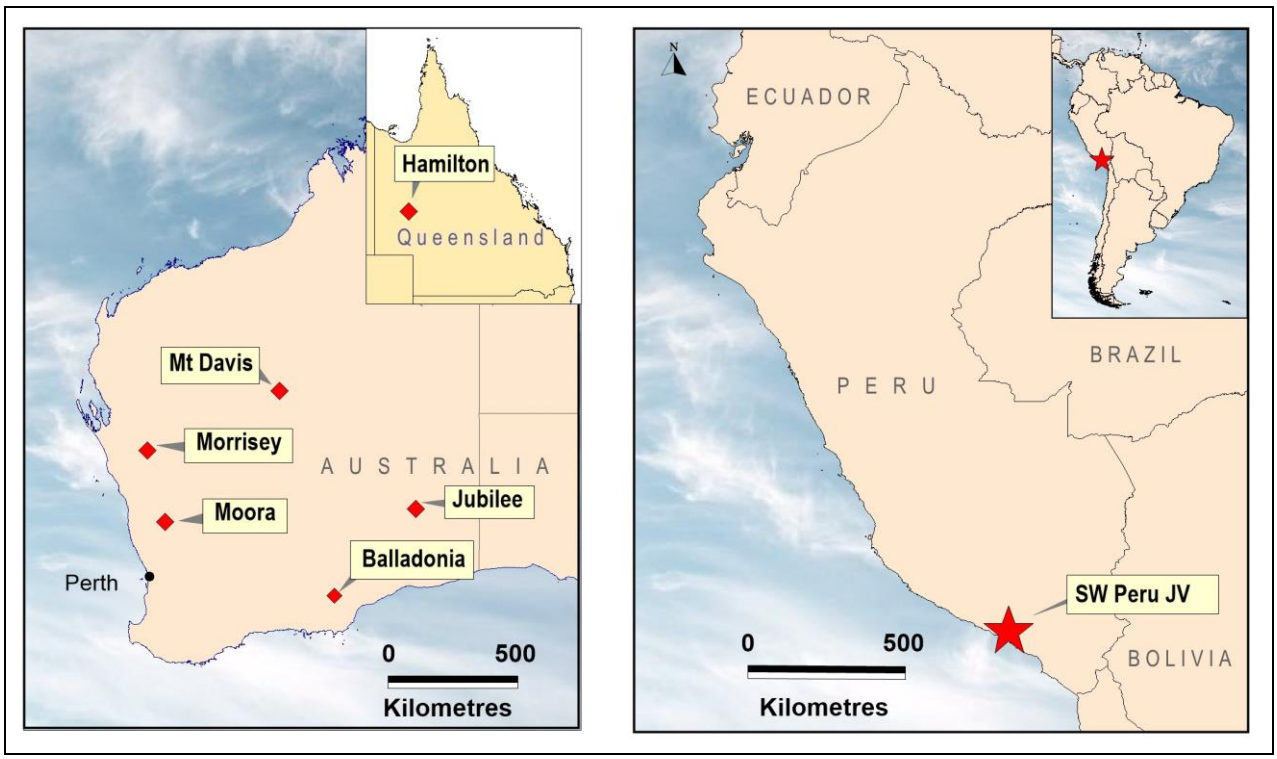

Figure 1: Project Locations – Australia and Peru.

OVERVIEW

During the March Quarter preparations were advanced for drilling of key projects in both Australia and Peru.

In **Australia**, preparations for the commencement of diamond drilling at the Balladonia Project were finalised, with drilling set to start in April. Access for drilling at Jubilee Lake was also advanced and a small reconnaissance RC drill program was completed at Moora. Geophysical surveys were undertaken at Morrisey to outline and prioritise targets for future drilling. All of these projects are under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32). The Hamilton Project was returned to 100% AusQuest ownership.

In **Peru,** results from initial RC drilling at the Pirata Copper Project were assessed, highlighting the potential for multiple buried porphyry centres. Rock sampling of recently acquired tenements in the general Cerro de Fierro region identified further copper targets of interest at Pirata and the newly discovered Cangallo prospect. The Parcoy Project was returned to 100% AusQuest ownership.

AUSTRALIA – GOLD and BASE METAL PROJECTS (Copper, Nickel, Zinc)

Balladonia Nickel-Copper Project ***(100% AQD, subject to SAA)***

The Balladonia Project is located ~50km south of the Nova–Bollinger nickel-copper deposit. It consists of seven Exploration Licences (five granted and two applications) covering an area of ~840km² and is located within a structurally complex region of the Fraser Range Terrane. It is centred above the southern margin of a deep regional gravity anomaly (~30 milligals), which is thought to reflect buried mafic/ultramafic rocks that may be similar to those related to the formation of the Nova deposit. Comparisons with the Eastern Succession in north-west Queensland (east of Mt Isa), where iron-oxide copper-gold (IOCG) and Broken Hill Type (BHT) deposits are known to occur, are becoming more apparent. Many of the tenements lie within the Dundas Reserve. Exploration work at Balladonia is funded under the SAA.

During the Quarter, preparations for the upcoming diamond drilling program commenced with access to seven drill sites prepared following clearances from Heritage and Flora/Fauna Surveys.

Access preparation for the remaining six drill sites awaits approval from Government (DMIRS and DBCA) of the revised Conservation Management Plan (CMP) for drilling within the Dundas Reserve. This approval is expected in April, after which a Proposal of Work (POW) can be submitted to DMIRS for approval.

The diamond drilling program (13 holes for ~4,800m) which commenced in late April (ASX release 26 April 2023) has been designed to test eight magnetic/gravity targets, including in-fill drilling at the Tea Tree prospect, in the search for Broken Hill Type (BHT) and/or Cannington-style mineralisation (*Figure 2*).

Initial drilling at Tea Tree (ASX release 30 June 2022) confirmed the presence of highly prospective stratigraphy (thin banded iron formations (BIFs) – garnetiferous quartzites), alteration (potassic, iron and manganese) and anomalous lead, zinc and cadmium values, similar to signatures associated with the base metal mineralisation found at Cannington and possibly Broken Hill.

Two of the gravity targets are associated with magnetic lows which are similar in nature to the responses over mafic/ultramafic intrusions which host the Ni-Cu PGE mineralisation at Nova-Bollinger, within the adjacent Fraser Range Belt. These targets are also included within the planned drill program.

AusQuest has awarded the drilling contract to Tulla Drilling, with the program expected to take 2-3 months to complete and initial assay results expected approximately eight weeks after drilling has commenced.

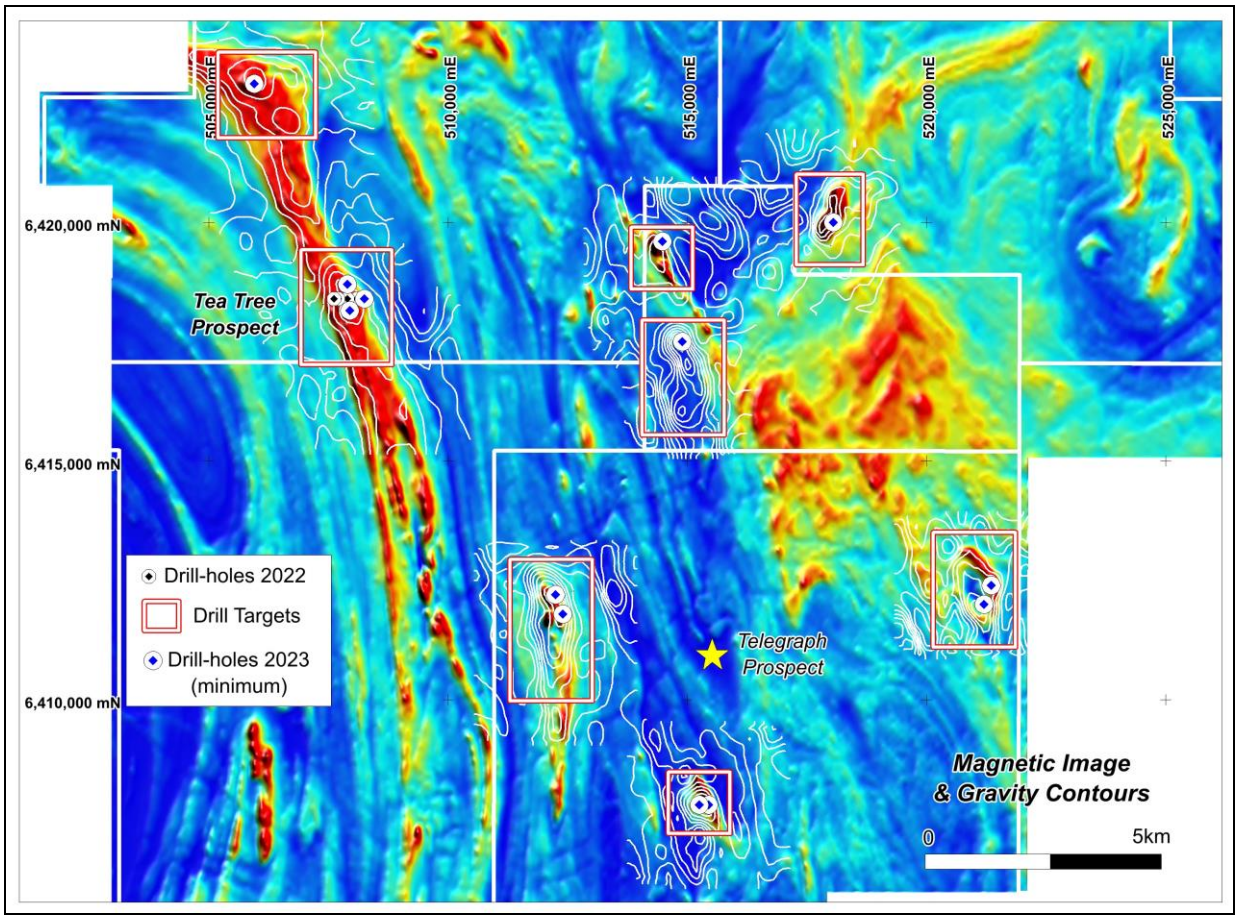

Figure 2: Detailed magnetic and gravity surveys showing location of drill-holes.

<u>Morrisey Nickel-Copper-PGE Project</u>
(100% AQD, subject to SAA)

The Morrisey Project is located ~500km north of Perth in Western Australia within the Narryer Terrane, which forms the north-western margin of the Yilgarn Craton. It consists of four granted Exploration Licences (ELs) and one EL application covering an

area of ~1,000km² parallel to the Yilgarn Craton boundary. The area became the focus of industry attention following the discovery by Chalice Mining of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the margin of the Western Yilgarn Craton. Exploration work at Morrisey is funded under the SAA.

During the Quarter, ground geophysical surveys were completed to identify and prioritise targets for future drilling following encouraging results from the Company's initial Reverse Circulation (RC) drilling program. This highlighted the potential for high-grade magnetite at the Waterfall and Sandfly prospects as well as possible nickel-copper and PGE mineralisation.

Detailed gravity surveys were completed over six magnetic targets considered to reflect concentrations of magnetite similar to the mineralisation drilled at the Waterfall and Sandfly prospects. At both sites the magnetite was upgradable (Davis Tube – magnetic separation) to a premium product (Fe >71%) using a relatively coarse grind size (ASX release 24 January 2023).

A total of 1768 stations on 200m x 100m grids were surveyed using a CG-5 Autograv Gravity Meter.

Specific gravity (SG) measurements on RC drill samples indicated that the magnetite horizons have high SG values (~3.4), suggesting that gravity surveys would help outline and prioritise targets – based on size and depth – ahead of future drilling.

Strong gravity responses (~1.5 to 3.0mgals) recorded over all the magnetic targets surveyed, suggest the possibility for multiple magnetite prospects within the Morrisey Project (*Figure 3*). Computer modelling of gravity and magnetic data is in progress to help plan further drill testing of magnetite prospects to be considered under the SAA in Q2 2023.

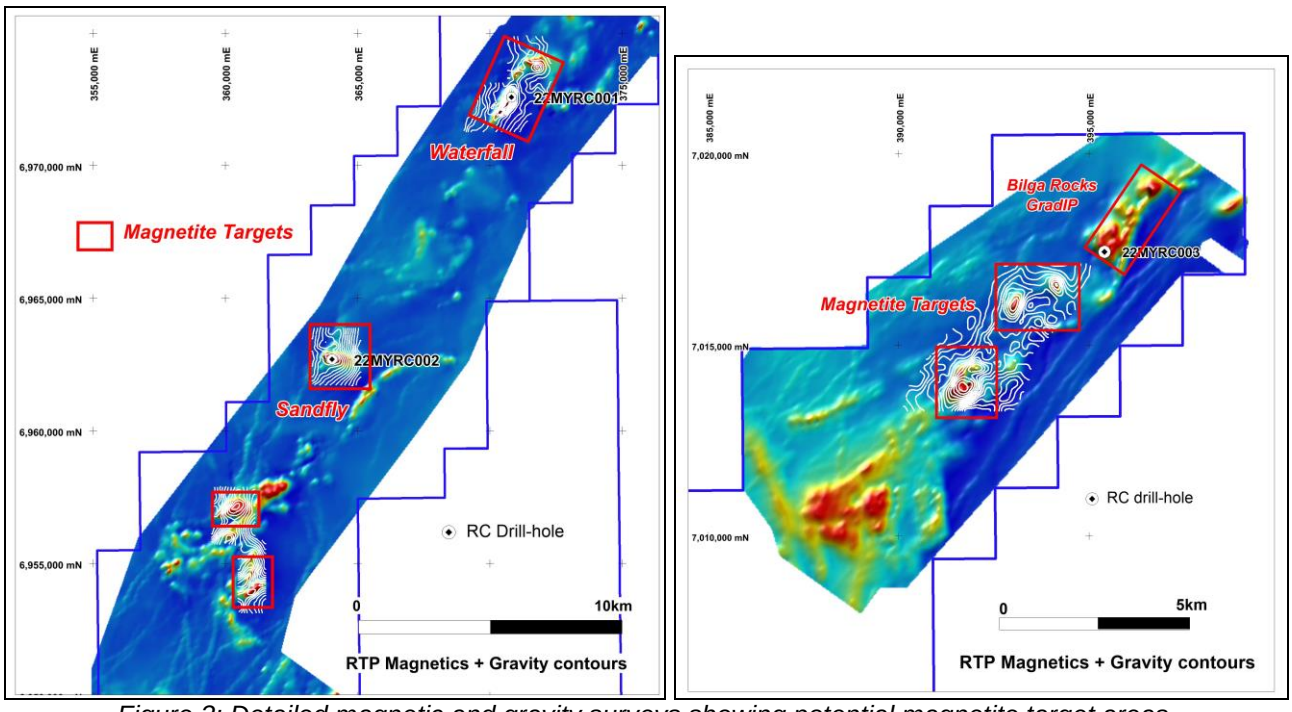

Figure 3: Detailed magnetic and gravity surveys showing potential magnetite target areas.

A gradient array induced polarisation (GradIP) survey was completed over the Bilga Rocks prospect to test for sulphide mineralisation associated with the mafic/ultramafic intrusions interpreted from aeromagnetic data. A total of 13km of GradIP was surveyed along lines 200m apart with stations every 50m by Vortex Geophysics.

Weak to moderate IP responses were recorded around the margins of the intrusions with a

preliminary interpretation suggesting the possibility of areas for future testing.

A regional soil sampling program was also commissioned during the Quarter to search for lithium-bearing pegmatites within a structural corridor transecting mafic gneiss terrane in the southern half of the project. The area was selected based on geological comparisons with known lithium deposits elsewhere in WA. A total of ~1,500 samples are being collected on a 800m x 100m grid. Results are expected in Q2 2023.

Jubilee Lake Nickel-Copper-PGE Project ***(100% AQD, subject to SAA)***

The Jubilee Lake Project is located ~500km east of Kalgoorlie in Western Australia, within the northern portion of the Eucla Basin. It consists of one granted Exploration Licence (EL) and five EL applications covering a total area of ~3,200km². The Project is situated within a large flood basalt terrane close to the south-eastern margin of the Yilgarn Craton and is centred over the Rodona Shear, which shows strong evidence as being the key feeder structure to the surrounding flood basalts. Mafic/ultramafic intrusions associated with feeder structures to flood basalt terranes are considered prime targets for Ni-Cu-PGE sulphide deposits, similar to those found at the giant Norilsk deposits in Russia, and more locally at Nebo-Babel (Oz Minerals) and possibly at Nova-Bollinger (IGO), both nearby deposits. Exploration work at Jubilee is funded under the SAA.

Native title clearances for the planned diamond drilling program were delayed due to the availability of Traditional Owners. The Heritage Survey is now planned to be undertaken in May 2023 so that preparations for the drilling program can be completed by mid-year, ahead of drilling planned for Q3 2023.

Two diamond drill-holes have been sited to test both a strong EM target occurring below the interpreted flood basalts and adjacent to the Rodona Shear Zone (a major deep-seated feeder structure), and an interpreted intrusive body located along the structure, to determine the potential for a Norilsk style nickel-copper-PGE deposit in this area.

Moora Nickel-Copper Project ***(100% AQD, subject to SAA)***

The Moora Project is located ~150km north of Perth, Western Australia, within the Jimperding Metamorphic Belt, which forms the south-western margin to the Yilgarn Craton. It consists of three Exploration Licences and covers an area of ~440km². The area became the focus of industry attention following the discovery by Chalice Mining of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the margin of the Western Yilgarn Craton. Exploration work at Moora is funded under the SAA.

During the Quarter, four wide-spaced RC drill-holes for a total of 786m were completed at the Latham prospect to test for fertile mafic-ultramafic host rocks associated with the magnetic/gravity responses identified as possible analogues to the Gonneville intrusion, which hosts the Ni-Cu-PGE mineralisation at Julimar (ASX - 24 April).

Drilling intersected a weakly fractionated mafic intrusive (mainly ferro-gabbro) thought to represent the upper part of a large fractionated intrusion. Layering within the intrusion appears to be relatively thick (>150 metres), at least in the upper parts of the intrusion, and have flat dips.

Moderately abundant magmatic magnetite was intersected in all four drill-holes (explaining the cause of the magnetic response) with only drill-hole 23LRC02 (the deepest hole at 222m) intersecting a more ultramafic rock type (contaminated pyroxenite), characterised by elevated chrome (to 570ppm Cr) and nickel (to 220ppm Ni) at the bottom of the hole (215m to 222m) before drilling had to be terminated.

Results from hole 23LRC02, coupled with interpretation of magnetic data, suggests that the lower portions of the intrusion, where Ni-Cu and PGEs are more likely to accumulate, are most likely to occur west and south of the current drill-hole locations (*Figure 4*).

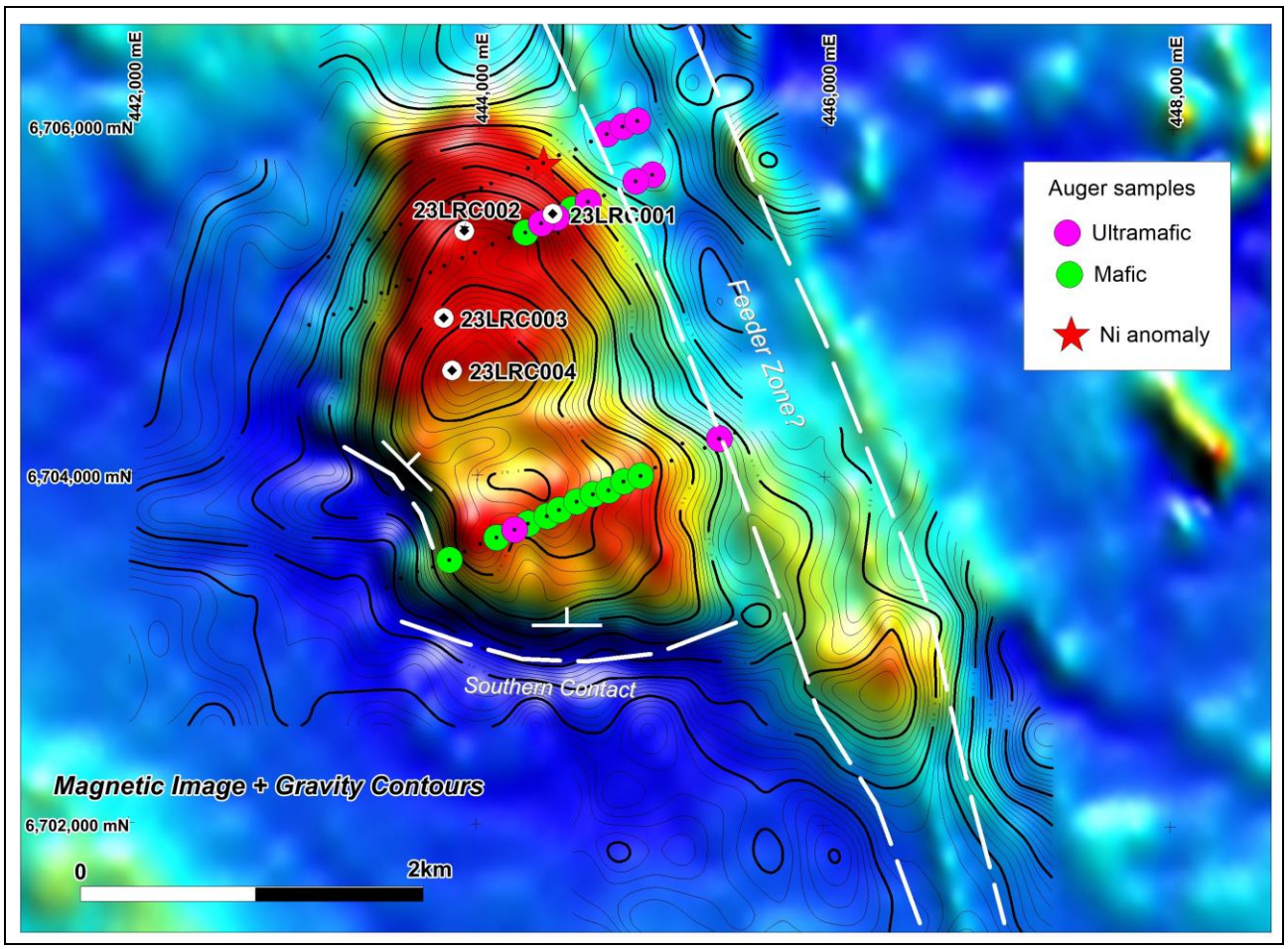

Figure 4: Latham Prospect detailed magnetic and gravity surveys showing location of drill-holes.

Modelling of the magnetic and gravity data has been initiated to determine the likely location of the basal section of the intrusion and possible feeder structures, which would be priority targets for Ni-Cu-PGE mineralisation.

The ferro-gabbro which was intersected in all drill-holes, contains elevated levels of rare earth elements including cerium (average 240ppm Ce), lanthanum (average 125ppm La), niobium (average 24ppm Nb) and Yttrium (average 54ppm Y), suggesting that crustal contamination has occurred – enhancing the possibility of sulphur saturation within the melt and the potential for Ni-Cu sulphides in trap-sites.

Further work on this prospect is being considered under the SAA.

<u>Hamilton Copper-Gold Project</u> (100% AQD)

The Hamilton Project is located in north-west Queensland, ~120km south of the world-class Cannington mine and ~70km south of the Osborne copper mine. It consists of two Exploration Licences covering an area of ~520km². Exploration is targeting iron oxide, copper, gold (IOCG) and Broken Hill Type (BHT) mineralisation beneath the extensive cover in the region. Limited historical drilling designed to test magnetic and gravity targets provided evidence for "near-miss" situations which are the focus of the Company's exploration programs.

Late in the Quarter, South32 advised AusQuest that they had decided to withdraw from this project, which now reverts 100% back to AusQuest.

The Company believes there are still targets at Hamilton that have not been explained by the drilling to date – in areas where geochemical data indicates potential for mineralisation – but possibly of smaller size than required for a development by South32.

The Company plans to seek other parties who may be interested in pursuing this opportunity, before deciding on further work programs for the project.

Mt Davis Lead-Zinc-Copper Project *(100% AQD)*

The Mt Davis Project is located ~180km NNE of Wiluna, Western Australia, along the northern margin of the Earaheedy Basin. It consists of two Exploration Licences and covers an area of ~750km². The project was acquired following the discovery of extensive zinc and copper mineralisation by Rumble Resources at its Chinook Prospect, located on the southern side of the Basin, where mineralisation is stratigraphically controlled and located below the Frere Iron Formation. The Mt Davis tenements are believed to contain similar stratigraphy but in an area of greater structural complexity which has been reported as an important factor in the localisation of higher-grades at Chinook.

During the Quarter, a shallow air-core drilling program was designed to test for base metal mineralisation located stratigraphically below the Frere Iron Formation in structurally complex settings that appear similar to the Pb-Zn-Cu mineralisation discovered by Rumble Resources at the Chinook prospect on the southern side of the Earaheedy Basin.

Heritage surveys need to be completed before drilling can commence, with drilling targeted for H2 2023.

New Opportunities (Australia)

A Heritage Agreement that covers the Coober Pedy Copper Project in South Australia has been finalised and a gravity survey proposed to identify iron-oxide copper-gold (IOCG) targets for drilling.

PERU COPPER-GOLD PROJECTS

AusQuest has assembled a strong portfolio of copper-gold prospects along the southern coastal belt of Peru in South America, with numerous targets identified for drilling as possible porphyry copper and/or replacement style (manto) IOCG targets with the size potential being of significance to AusQuest (Figure 5). Peru is one of the world's most prominent destinations for international copper exploration and is considered a prime location for world-class exploration opportunities.

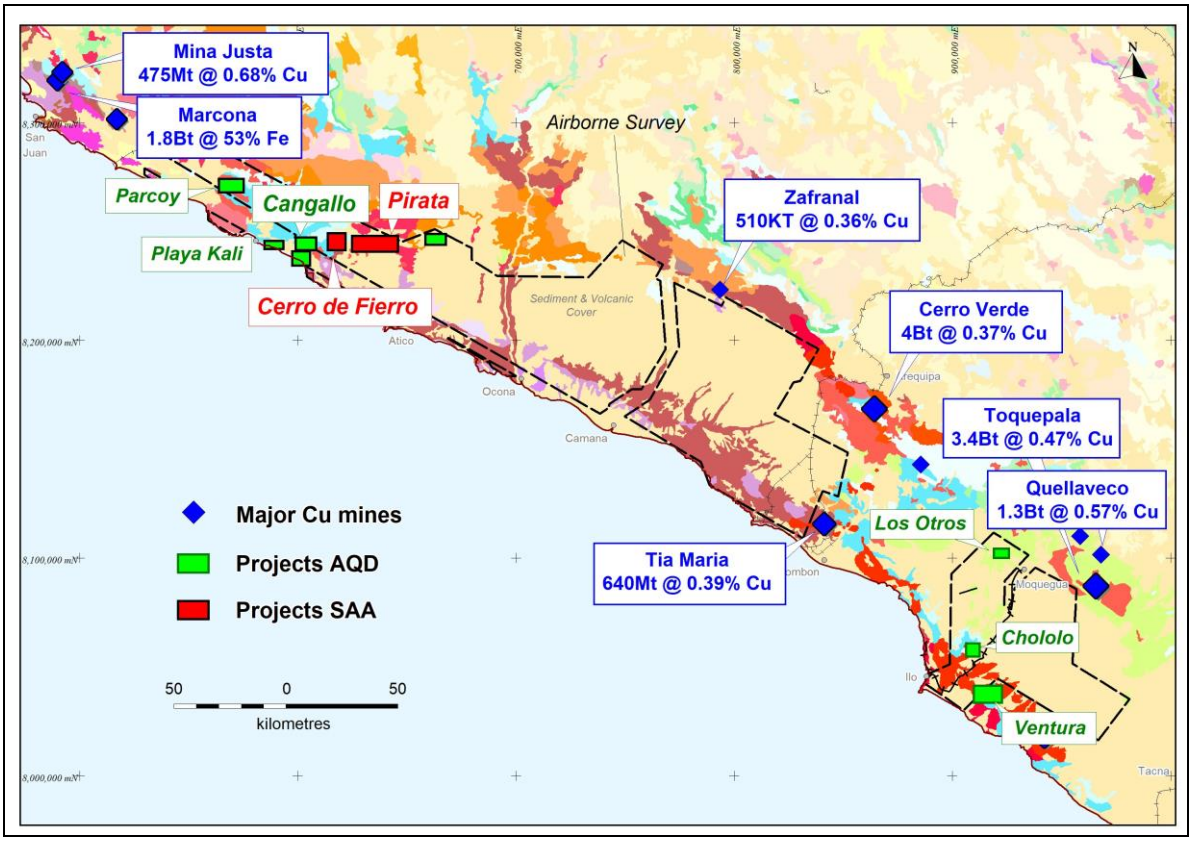

Figure 5: Project Locations – Southern Peru.

<u>Cerro de Fierro Copper</u> *(100% AQD – South32 earning to 70%)*

The Cerro de Fierro Project (CDF) is located at the southern end of a recognised IOCG metallogenic belt in southern Peru. It lies within ~150km of the Mina Justa deposit (~475Mt @ 0.68% Cu), which is being developed by the Marcobre Joint Venture. Surface indicators of porphyry copper mineralisation have been identified within the Pirata project area approximately 5km due east of CDF, associated with a major E-W structure that is considered to be a priority target zone within the coastal belt of southern Peru. CDF is subject to an agreement with South32, which can earn a 70% interest in the project by spending a total of US$4 million.

During the Quarter, in-fill rock-chip sampling was completed over a recently acquired tenement located in between Pirata Targets 1 and 4, where results from the earlier Reverse Circulation (RC) drilling program had indicated the presence of a nearby porphyry copper system(s) (see ASX release 26 January 2023).

A total of approximately 400 surface rock-chip samples have now been collected over Target 7 on a rough 100m x 100m grid, outlining a strong, coherent copper-molybdenum (Cu-Mo) anomaly covering an area of approximately 2000m x 800m.

Anomalous copper (19 samples >0.5% Cu including 12 >1.0% Cu) and molybdenum (14 samples >5ppm Mo up to 77ppm Mo) values are spatially associated with advanced argillic alteration (AAA) as defined by the presence of anomalous pathfinder elements and clay mineralogy (pyrophyllite), which supports the presence of nearby porphyry copper mineralisation (*Figure 6*).

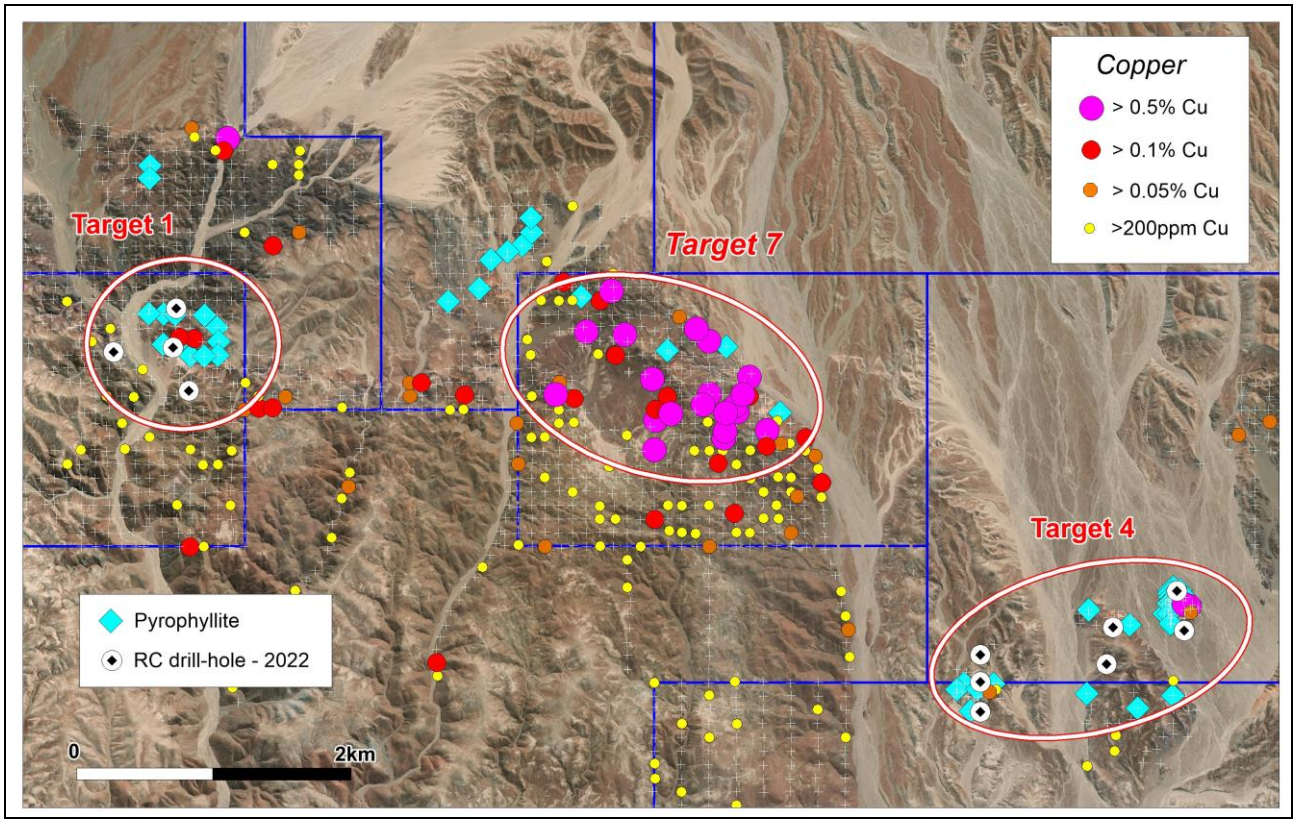

Figure 6: Pirata Prospect showing anomalous copper values & pyrophyllite at Target 7, 1 & 4.

Detailed geological mapping over Target 7 has been completed and is currently being compiled. The anomalous copper values generally occur within multi-veined andesitic volcanic rocks which represent the formations intruded by the porphyry system(s).

The Company is encouraged by these results as they reflect the strongest and most coherent copper anomalism so far outlined within the Pirata area, where initial drilling (at Targets 1, 2, and 4) had indicated the presence of

porphyry-style alteration. Future work (including drilling) at Target 7 is currently under consideration.

Cangallo Project Copper-Gold *(100% AQD)*

The Cangallo Project is located approximately 20km west of the Company's Cerro de Fierro Project in southern Peru, along the same E-W structures that appear to control the emplacement of potential porphyry copper systems in the area. The tenements, which cover an area of ~ 30km², are located at an elevation of 1,200 metres, ~10km from the coast, close to infrastructure. Geological mapping and rock-chip sampling has identified a partially exposed copper (+/- gold) porphyry system within a large-scale (5km x 2km) caldera-like structure containing extensive colluvial and younger sediment cover.

During the Quarter, geological mapping and rock-chip sampling of limited sub-crop was completed, confirming the presence of highly anomalous copper (up to 0.64% Cu), molybdenum (up to 42ppm Mo) and scattered gold values (up to 2.5g/t Au) within multiple-veined and altered (sericite) volcanics and porphyritic rocks, indicating the presence of a partially exposed porphyry system (see ASX release 30 March 2023).

A total of ~428 samples has been collected on a rough 200m x 100m grid over the main outcropping area, with in-fill sampling undertaken to 50m x 50m in selected locations.

Minor sub-crops within the covered areas to the south and west of the main outcrop were also sampled, extending the spread of anomalous copper and molybdenum values (plus other pathfinder elements) within the altered volcanics, highlighting the potential for multiple systems within the caldera-like structure (*Figure 7*).

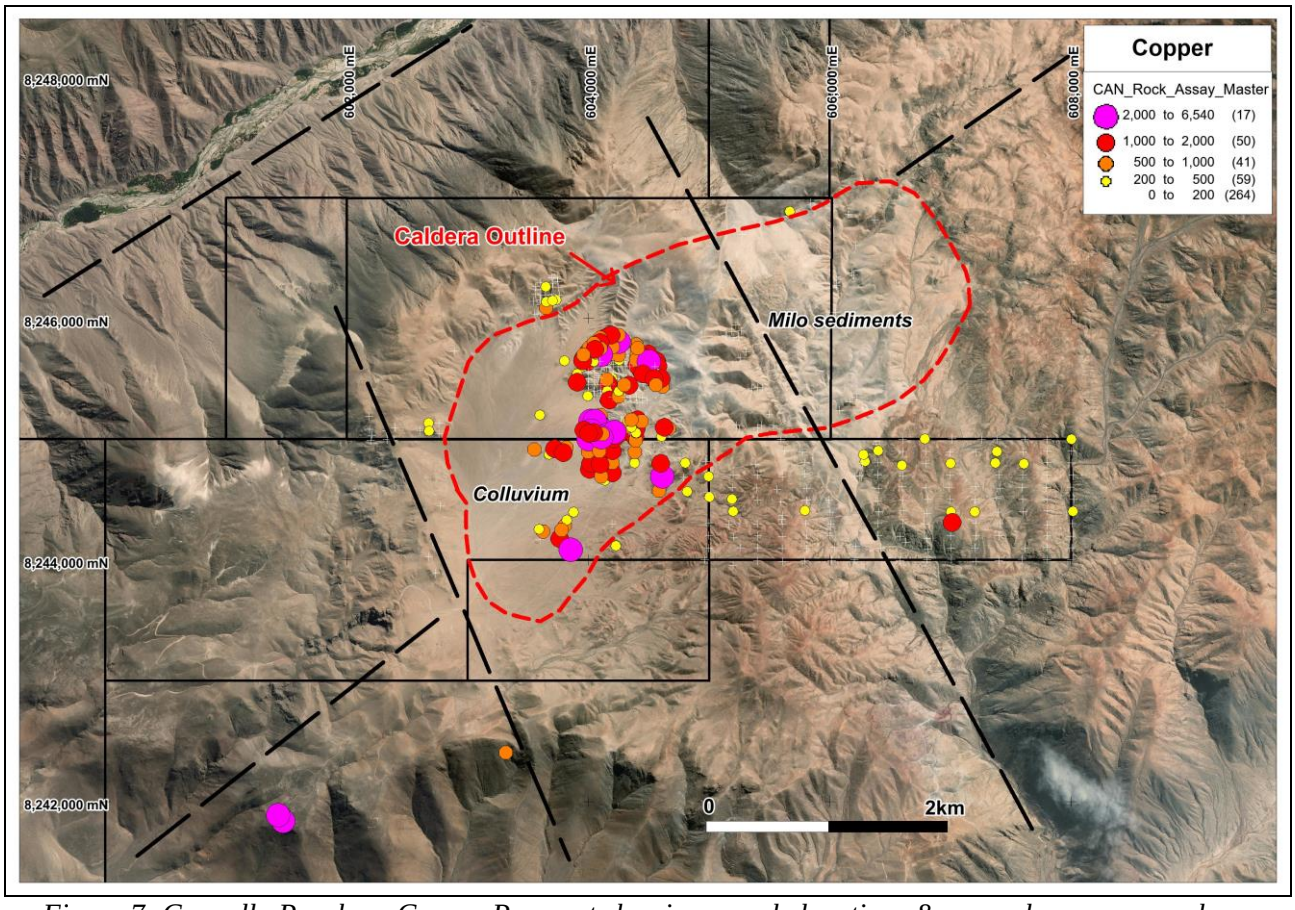

Figure 7: Cangallo Porphyry Copper Prospect showing sample locations & anomalous copper values.

A ground magnetic survey (~64km) has been completed over the northern part of the tenements on north-south lines approximately 200m apart to help understand the geology hidden by the extensive cover.

Preliminary interpretation suggests the presence of complex structures with numerous faults and several circular features implying multiple intrusive phases (*Figure 8*).

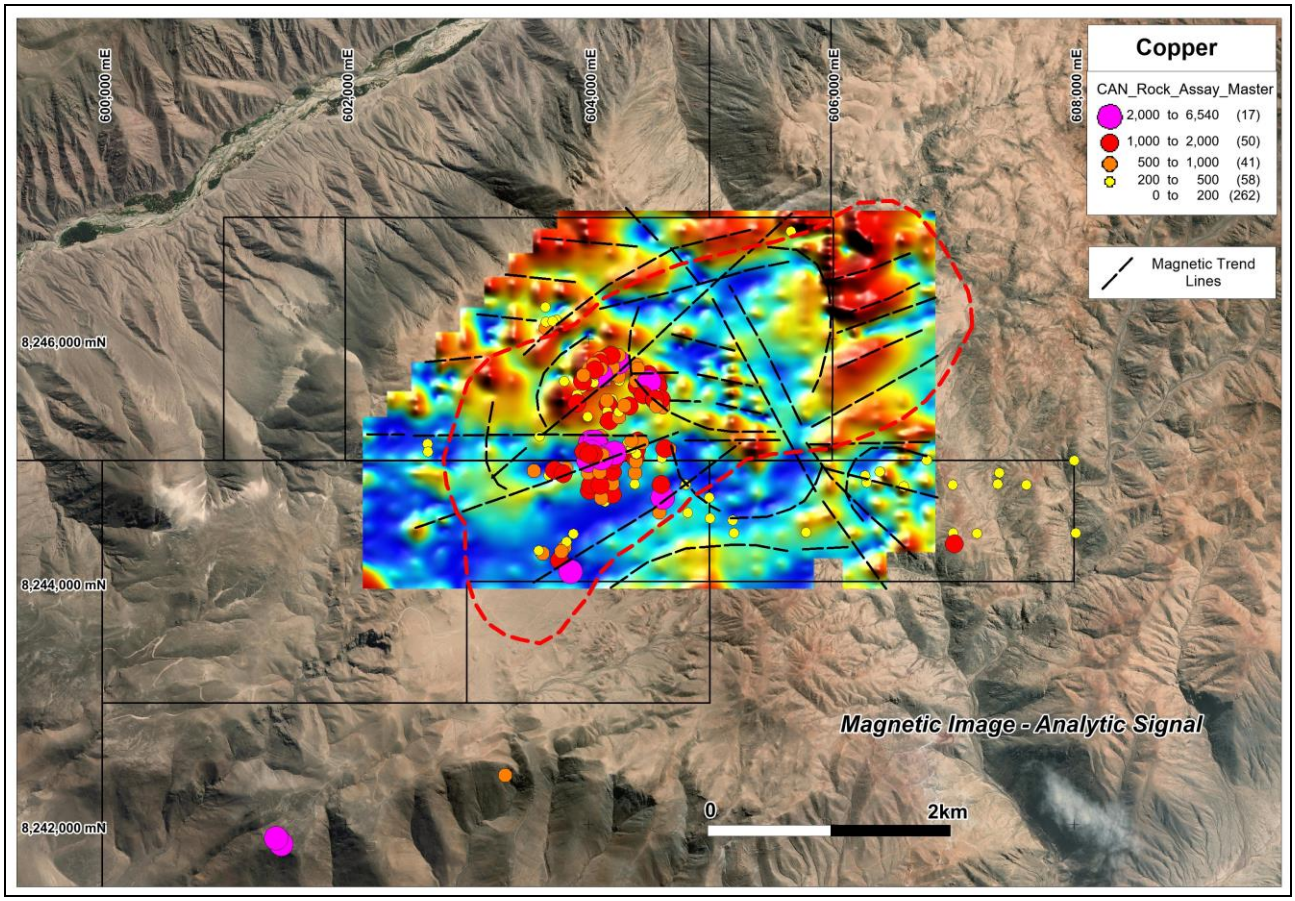

Figure 8: Cangallo Porphyry Copper Prospect showing ground magnetics & anomalous copper values.

A drilling program is being designed to test the high surface copper values and targets hidden by the cover. Drill permits are being sought to obtain the necessary clearances to enable drilling to commence later in the year if possible.

<u>Parcoy IOCG</u> ***(100% AQD)***

The Parcoy Project is located near the southern end of a recognised IOCG metallogenic belt in southern Peru. It lies within ~100km of the Mina Justa deposit (~475Mt @ 0.68% Cu), and ~50km north-west of the Company's Cerro de Fierro Project. Geological mapping and rock-chip sampling has identified significant concentrations of copper (+/- gold) at surface, reflecting potential manto-style mineralisation within the volcanic stratigraphy.

Late in the Quarter, South32 advised AusQuest that they had decided to withdraw from the Parcoy Project due to higher priorities elsewhere. The project now reverts 100% back to AusQuest.

The Company believes there are porphyry copper targets at Parcoy that were not tested by the initial wide-spaced drilling programs, which provided evidence of a porphyry system(s) proximal to at least three of the drill-holes, based on interpretation of the geochemical data (see ASX release 5 October 2022).

The Company plans to seek other parties who may be interested in pursuing this opportunity, before deciding on further work programs for the project.

Los Otros Porphyry Copper Project ***(100% AQD)***

The Los Otros Project is located close to the Palaeocene Porphyry Copper Belt of southern Peru, which is the major copper producing region in the country. It lies within 35km of the Cuajone mine (~1.6Bt @ 0.6% Cu), and 40km from the Quellaveco deposit (~1.3Bt @ 0.57% Cu) currently being developed by Anglo American.

No exploration work was completed at Los Otros during the Quarter. A review of data over this project is ongoing with further exploration still being considered.

New Opportunities (Peru)

Systematic rock-chip sampling at the **Ventura Project**, east of Ilo, is planned to upgrade a coherent copper-in-soil anomaly that appears to be associated with stock-work veined volcanics and intrusive rocks south of the Company's old Puite Prospect. This work will be undertaken when priorities allow.

CORPORATE

During the March Quarter, the Company invested $784,000 in exploration and had approximately $2.75 million in cash remaining at the end of March. Further funding from South32 to cover agreed work programs over Strategic Alliance Projects is expected in Q2 2023.

The Company's Cashflow Report (Appendix 5B) for the quarter ended 31 March 2023 is appended to this report. Payments to related parties as shown in Section 6 of this report include director salary and superannuation payments of $54,750, and payments of $12,000 for corporate consulting fees to a director.

The Company advises its appeal to the Administrative Judiciary against payments requested by the Ministry of Housing (SBN) for temporary access to State-Owned land for drilling purposes, is still with the Supreme Court of Peru for leave to appeal on the question of interpretation of the relevant law. The Company will continue to monitor the position and will keep shareholders advised of any significant developments.

KEY ACTIVITIES – JUNE 2023 QUARTER

- Balladonia (Cu-Au-Ni) – Complete diamond drilling (~4,800m) to test magnetic/gravity targets for BHT deposits and/or Ni-Cu.
- Morrisey (Ni-Cu-PGE; Mt) – Complete modelling of gravity data to assess magnetite potential – and plan future drilling.
- Jubilee Lake (Ni-Cu-PGE) – Complete heritage clearances and preparations for drilling of EM target early H2 2023.
- Moora (Ni-Cu-PGE) – Complete modelling magnetic/gravity data to outline key target areas for sampling.
- Mt Davis (Pb-Zn-Cu) – Obtain Native Title clearance for air-core drilling program.
- Peru (Cu-Mo-Au) – Continue drill permitting for the Cangallo Prospect to enable drilling to commence later in 2023.
- Peru (Cu-Mo-Au) – Complete mapping/sampling at Target 7 (Pirata) and design future exploration program – initiate drill permitting.

Authorised for release on behalf of the Company by:

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 AusQuest Infill Rock-Chip Sampling Cerro de Fierro (Pirata)

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.*	• Rock chip sampling comprises the collection of rocks, usually by hammering an outcrop, with samples being of variable size and quality. • Sample locations are recorded by hand-held GPS. • Samples were collected to provide a rough 100m x 100m grid sampling interval with location variations due to topography. • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre to provide a representative sample of the outcrop.
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).*	• Not applicable – surface sampling only
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.*	• Not applicable – surface sampling only
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,*	• Descriptions of the rocks were completed by a project geologist.

Criteria	JORC Code explanation	Commentary
	channel, etc) photography. • *The total length and percentage of the relevant intersections 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.*	• No sub-sampling of rock-chip samples was undertaken • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre to provide a representative sample of the outcrop. • The rough grid-based sampling program provided an unbiased sample for lithological and alteration geochemistry.
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.*	• Rock chip samples are crushed and pulverized to 85% minus 75 microns, then a representative sub-sample is collected for digestion using a 4 acid digest, followed by analysis by ICP-MS and/or AES to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, 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. • Gold is assayed by 30gm fire assay with AAS finish. • 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. • In laboratory QAQC data is reviewed for all assay jobs. Blanks and standards are included with all sample batches.
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.*	• Rock-chip sampling is compiled into Excel spreadsheets for merging with assay data when it becomes available. • Digital data is regularly backed-up on the company's servers.

Criteria	JORC Code explanation	Commentary
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.*	• Sample locations are recorded using GPS to within 5 metres accuracy. • The grid projection used is WGS84 Zone 18S • Topographic control is obtained from GPS readings or topographic maps and is considered adequate for current needs
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.*	• Rock chip samples were collected to provide a rough 100m x 100m grid. • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre.
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 reported if material.*	• The grid-based rock-chip sampling was oriented at an angle to both structure and stratigraphy.
Sample security	• *The measures taken to ensure sample security.*	• Samples are securely tied/sealed in the field, followed by packing into larger sealed plastic bags for transport to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out on the sampling 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 Cerro de Fierro (Pirata) project is located approximately 30 km east of the town of Chala in the south of Peru. • The Cerro de Fierro project comprises 15 granted mineral concessions and 1 mineral concession application. 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

Criteria	JORC Code explanation	Commentary
		activities. Permits to drill are required including environmental, water and land access involving community consultations. • The Cerro de Fierro project is subject to a Strategic Alliance Agreement with a subsidiary of South32.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No public reporting of exploration data is required in Peru.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cerro de Fierro project is targeting manto-style IOCG and Porphyry Copper deposits along the coastal belt of southern Peru. These are large scale disseminated copper (and gold) deposits found within orogenic belts that surround the Pacific Rim. The deposits can be areally large 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.*
		• Not applicable – surface sampling only

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.*	• Not applicable – surface sampling only.
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• Not applicable – surface sampling only

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	• *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').*	
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 limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Sample locations are included on the plan provided in ASX release.
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.*	• Assay ranges are shown on the plan provided in ASX release.
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 area was selected for sampling to cover a recently acquired tenement along EW structures that extended from the known mineralization at Cerro de Fierro. Grid based sampling was used to provide unbiased sampling for lithological and alteration mapping.
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.*	• Further work in this area will be dependent on a full assessment of the assay data and compilation with other data sets.

AusQuest Limited: Tenement Schedule as at 31 March 2023

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Australia				
E69/3246	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3558	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3671	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3825	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3932	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3859	WA, Jubilee Lake	100%	100%	AusQuest Ltd.
E69/4006	WA, Jubilee Lake	100%	100%	AusQuest Ltd.
E69/4007	WA, Jubilee Lake	100%	100%	AusQuest Ltd.
E69/4011	WA, Jubilee Lake	100%	100%	AusQuest Ltd.
E45/5447	WA, Gunanya	100%	100%	AusQuest Ltd.
E70/5383	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E09/2397	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E59/2525	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E59/2526	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E70/5388	WA, Moora	100%	100%	AusQuest Ltd.
E70/5389	WA, Moora	100%	100%	AusQuest Ltd.
E70/5401	WA, Moora	100%	100%	AusQuest Ltd.
E69/3896	WA, Mount Davis	100%	100%	AusQuest Ltd.
E69/3898	WA, Mount Davis	100%	100%	AusQuest Ltd.
EPM 26681	QLD, Hamilton	100%	100%	AusQuest Ltd.
EPM 26682	QLD, Hamilton	100%	100%	AusQuest Ltd.
EL 6798	SA, Coober Pedy	100%	100%	AusQuest Ltd.
Peru				
Cangallo 2	Arequipa	100%	100%	Questdor SAC
Cangallo 3	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro A	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro B	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro C	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro D	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro E	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro F	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro G	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro H	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro I	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro J	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro K	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro L	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro N	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro O	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro P	Arequipa	100%	100%	Questdor SAC
Chololo 1	Moquegua	100%	100%	Questdor SAC
Chololo 2	Moquegua	100%	100%	Questdor SAC
El Sello 01	Arequipa	100%	100%	Questdor SAC
El Sello 02	Arequipa	100%	100%	Questdor SAC
El Sello 04	Arequipa	100%	100%	Questdor SAC
El Toro 01	Arequipa	100%	100%	Questdor SAC
El Toro 02	Arequipa	100%	100%	Questdor SAC
El Toro 03	Arequipa	100%	100%	Questdor SAC

AusQuest Limited Tenement Schedule as at 31 March 2023- cont'd

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Peru Cont.				
Los Otros 07	Moquegua	100%	100%	Questdor SAC
Los Otros 08	Moquegua	100%	100%	Questdor SAC
Parcoy 01	Arequipa	100%	100%	Questdor SAC
Parcoy 02	Arequipa	100%	100%	Questdor SAC
Parcoy 03	Arequipa	100%	100%	Questdor SAC
Parcoy 04	Arequipa	100%	100%	Questdor SAC
Parcoy 05	Arequipa	100%	100%	Questdor SAC
Parcoy 06	Arequipa	100%	100%	Questdor SAC
Parcoy 07	Arequipa	100%	100%	Questdor SAC
Parcoy 08	Arequipa	100%	100%	Questdor SAC
Parcoy 09	Arequipa	100%	100%	Questdor SAC
Parcoy 10	Arequipa	100%	100%	Questdor SAC
Parcoy 12	Arequipa	100%	100%	Questdor SAC
Playa Kali 01	Arequipa	100%	100%	Questdor SAC
Playa Kali 04	Arequipa	100%	100%	Questdor SAC
Playa Kali 06	Arequipa	100%	100%	Questdor SAC
Playa Kali 07	Arequipa	100%	100%	Questdor SAC
Playa Kali 08	Arequipa	100%	100%	Questdor SAC
Playa Kali 09	Arequipa	100%	100%	Questdor SAC
Ventura 1	Moquegua	100%	100%	Questdor SAC
Ventura 2	Moquegua	100%	100%	Questdor SAC
Ventura 3	Moquegua/Tacna	100%	100%	Questdor SAC
Ventura 4	Moquegua/Tacna	100%	100%	Questdor SAC
Ventura 5	Moquegua	100%	100%	Questdor SAC
Ventura 7	Moquegua	100%	100%	Questdor SAC
Ventura 8	Moquegua	100%	100%	Questdor SAC

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
AUSQUEST LIMITED	
ABN	Quarter ended ("current quarter")
35 091 542 451	**31 March 2023**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	124	698
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(52)	(171)
	(e) administration and corporate costs	(127)	(531)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	10
1.5	Interest and other costs of finance paid	(1)	(5)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	27
1.8	Other (R&D Refund)	-	-
1.9	**Net cash from / (used in) operating activities**	**53**	**28**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(9)	(13)
	(d) exploration & evaluation	(784)	(5,856)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other:		
	- Funding received from South 32 under the Strategic Alliance Agreement	940	4,758
2.6	**Net cash from / (used in) investing activities**	**147**	**(1,111)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other		
	- Lease liability payments	(22)	(67)
3.10	**Net cash from / (used in) financing activities**	**(22)**	**(67)**

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,668	3,879
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(53)	28
4.3	Net cash from / (used in) investing activities (item 2.6 above)	147	(1,111)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(22)	(67)
4.5	Effect of movement in exchange rates on cash held	6	17
4.6	**Cash and cash equivalents at end of period**	**2,746**	**2,746**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,746	2,668
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,746**	**2,668**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	25
6.2	Aggregate amount of payments to related parties and their associates included in item 2	42

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(53)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(784)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(837)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,746
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,746
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.28

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.