AUSQUEST LIMITED

ABN 35 091 542 451

Quarterly Report – 30th September 2023

HIGHLIGHTS

Australia – Copper, Zinc, Nickel, Gold

- Drilling assays provide further evidence of the potential for district-scale mineralisation at the Balladonia Project, under the Strategic Alliance Agreement (SAA) with South32 Limited (South32).
- More extensive Broken Hill Type (BHT) host stratigraphy intersected at Balladonia than initially thought, expanding the scale of the discovery opportunity.
- Alteration associated with elevated zinc, lead, cadmium and tin points to base metal potential within the targeted stratigraphy at Balladonia.
- The potential for rare earth elements (REEs) and possible base metals associated with carbonatite intrusions at Balladonia continues to grow.

Peru – Copper-Gold

- Drill permits for an additional four sites at the Cerro de Fierro IOCG Prospect approved by the Government.
- Permits for drilling (17 sites) at the Cangallo Porphyry Copper Prospect approved by the Mines Department (MINEM) and now await final access approval.
- Copper mineralised dykes located at the Lantana prospect (formerly named Target 7 at Pirata) upgraded the potential for nearby porphyry copper mineralisation.

Corporate

- The Company's Quarter-end cash position was ~$1.7 million, with additional funds of $562,000 (including GST) received on the 5th October for work programs agreed at Balladonia and Jubilee Lake under the SAA.

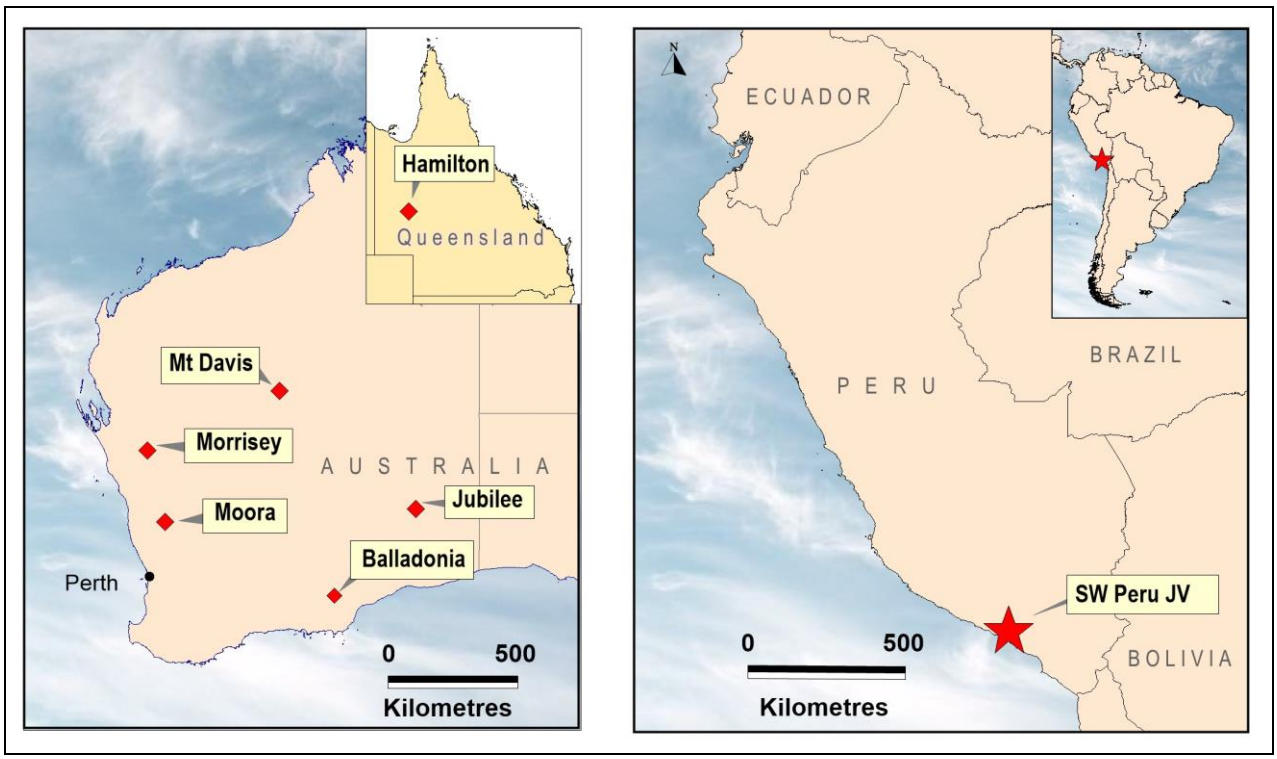

Figure 1: Project Locations – Australia and Peru.

OVERVIEW

During the September Quarter, exploration activity was focused on advancing the Company's projects to the next drilling stage in Western Australia and Peru.

In **Australia**, interpretation of drilling results from the reconnaissance diamond drilling program at Balladonia was undertaken and Heritage Clearance surveys were sought to enable drilling to commence at the Morrisey and Jubilee Projects. Surface sampling was undertaken at Moora and Morrisey to define new targets for drilling. All of these projects are under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32).

In **Peru,** permit applications for drilling at Cangallo and Cerro de Fierro were advanced with drilling at the Lantana Prospect currently in the planning stage. The Company commenced discussions with several major corporations who expressed interest in further evaluating one or more of the Company's advanced exploration projects. Discussions are continuing.

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 also evident. Many of the tenements lie within the Dundas Reserve. Exploration work at Balladonia is funded under the SAA.

During the Quarter, final assays from the reconnaissance diamond drilling program were received, indicating that prospective host rocks for Broken Hill Type (BHT) mineralisation are more extensive than first thought, highlighting a district-scale

opportunity for the discovery of base metals at Balladonia (ASX release 22 September 2023).

The reconnaissance drilling program (10 holes for a total of 3,677m) was designed to further test the Tea Tree prospect, as well as provide an initial test of six magnetic/gravity targets located across the area, so that exploration activities could be focused on the highest priority targets (*Figure 2*).

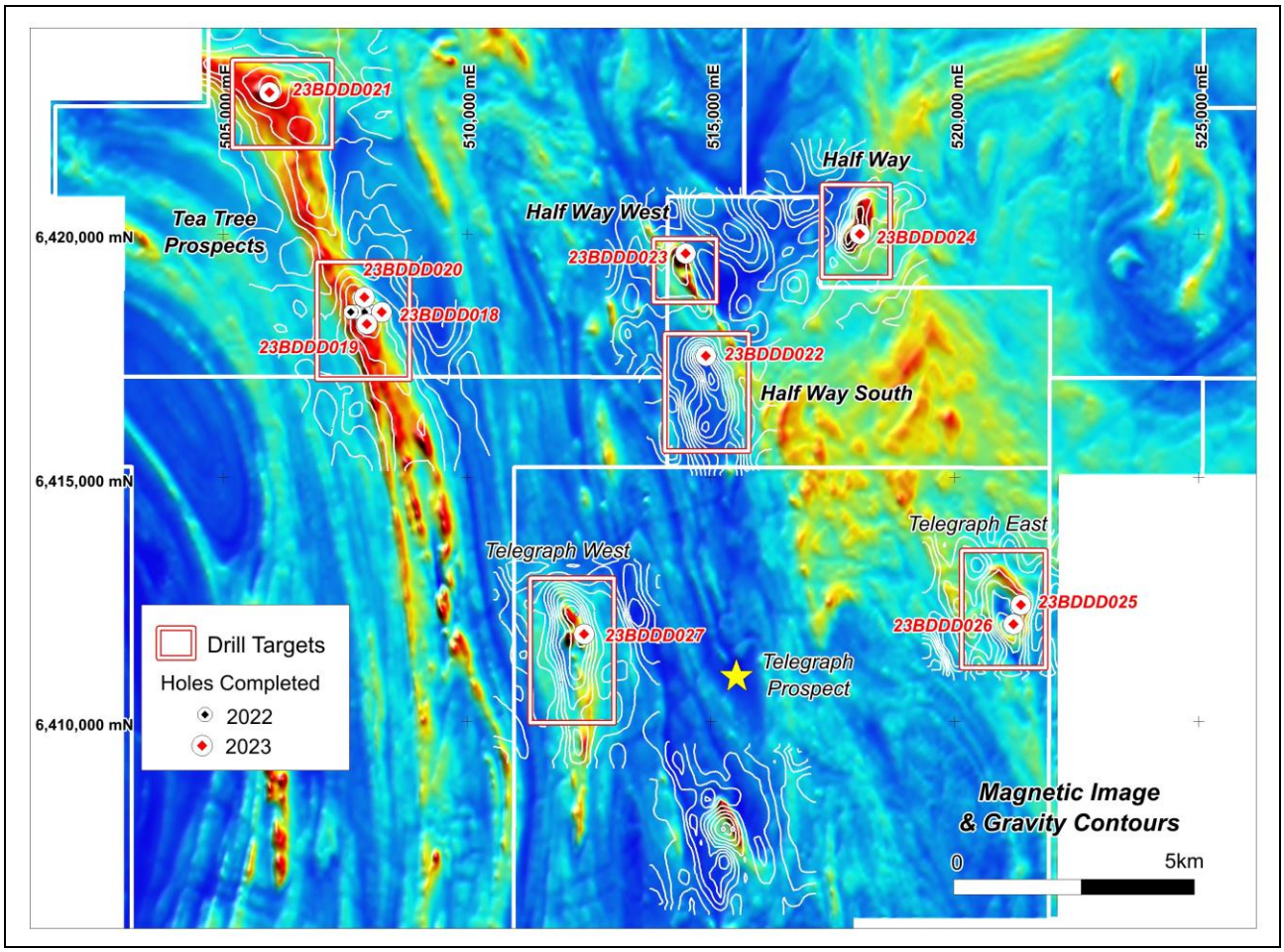

Figure 2: Balladonia Project showing prospect and drill-hole locations on magnetic data.

Geochemical data from in-fill drilling at Tea Tree outlined a potential 'lode horizon' defined by elevated values of lead (Pb), zinc (Zn), cadmium (Cd) and tin (Sn) within non to weakly magnetic mafic gneisses adjacent to the iron formations (IF – quartz-garnet-magnetite rocks). Anomalous phosphorous (P) with high iron (Fe) and/or manganese (Mn) values also help to define the prospective stratigraphic package.

Potassic (K) alteration within the host stratigraphy is associated with the anomalous lead values (>100ppm Pb) and is thought to be a key indicator of nearby base metal mineralisation. Strong K alteration within drill-hole 23BDDD019 suggests the potential for stronger mineralisation to the south and east of the recent drilling (*Figure 3*).

IFs within the host stratigraphy can be traced for tens of kilometres north and south of the Tea Tree prospect, as well as at other locations across the project area using detailed aeromagnetic data. Lower magnetic zones associated with the IFs are also considered potential targets for BHT mineralisation, based on the geochemical relationships highlighted by the Tea Tree drilling. Numerous target areas have now been outlined for further testing (*Figure 4*).

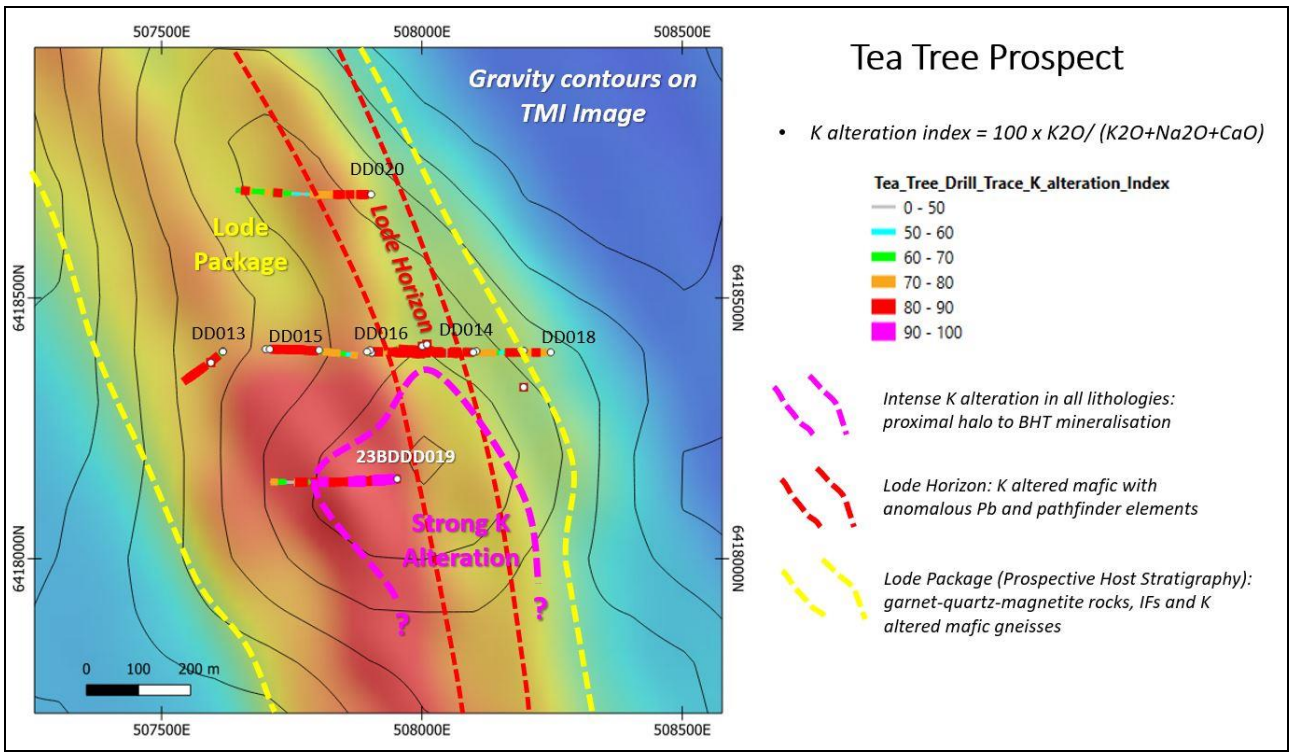

Figure 3: Tea Tree Prospect showing outline of prospective host rocks, lode horizon and potassic alteration as defined by the recent drill-hole geochemistry.

Figure 4: Balladonia Project showing BHT and carbonatite target areas interpreted from aeromagnetic data.

The drilling program also increased the potential for carbonatite-related mineralisation (base metals and/or rare earth elements – REEs) in the area. Results from the Halfway South, and possibly Telegraph East, prospects support earlier drill results (ASX release April 2020) which identified a carbonatite intrusion at the Telegraph Prospect, ~8km to the south.

Drill results include high levels of calcium (10% to 20% Ca) and magnesium (up to 6% Mg) within pyroxenitic host rocks and the presence of thin dykes (<2m) with elevated rare earth elements (up to 450ppm cerium (Ce) and 210ppm lanthanum (La)) and narrow zones (<5m) with anomalous base metals (up to 41gpt Ag, 1,060ppm Cu, 1,500ppm Pb, 1,450ppm Zn) at the Halfway South prospect (see ASX release September 2023).

A review of assay results from a nearby shallow drill-hole (23WB008) revealed anomalous REEs (Ce 1,746ppm, La 1,034ppm and Yttrium (Y) 118ppm) within saprolitic clays overlying bedrock. Re-assaying of 4 metre composites from 20 to 48m within WB008 confirmed the original REE assays as well as reporting elevated neodymium (up to 584ppm Nd), and praseodymium (up to 182ppm Pr) within the re-assayed section. Average values over the 28 metre section re-assayed include 501ppm Ce, 312ppm La, 85ppm Y, 198ppm Nd, and 58ppm Pr.

The Company is encouraged by the results at Balladonia, which continue to suggest a highly prospective region for the discovery of large-scale BHT base metal deposits and possibly rare earth element mineralisation. Further exploration is currently the subject of discussions with South32.

Morrisey Magnetite, Nickel-Copper-PGE Project ***(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) covering an area of ~1,000km² parallel to the Yilgarn Craton boundary. The area became the focus of industry attention following the discovery of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the Western Yilgarn Craton margin. Recent drilling by the Company also highlighted potential for magnetite mineralisation within the project. Exploration work at Morrisey is funded under the SAA.

During the Quarter, a drilling program comprising ~3,000m of Reverse Circulation (RC) drilling was planned in order to test the full extent of the magnetite occurrence(s) that were located by the earlier reconnaissance drilling.

The upcoming program will focus primarily on the Waterfall Prospect, where initial drilling (22MYRC001) intersected coarse grained magnetite over thicknesses in excess of 60 metres, that was able to be upgraded to a premium product (>70% Fe) containing very low impurities.

A total of 20 drill sites have been planned to provide systematic drill coverage across the Waterfall Prospect, with the main focus to the south-west of drill-hole MYRC001, where modelling of geophysical data indicates that magnetite is likely to occur at shallower depths and have greater thickness (*Figure 5*).

Heritage Clearance surveys are planned over each drill site with the number of holes to be drilled dependent on results as they come to hand. It is expected that at least eight drill-holes will be completed at the Waterfall prospect.

The planned drill program will also provide an initial test of other selected magnetic/gravity targets to help determine the potential for magnetite resources within the broader Morrisey Project area.

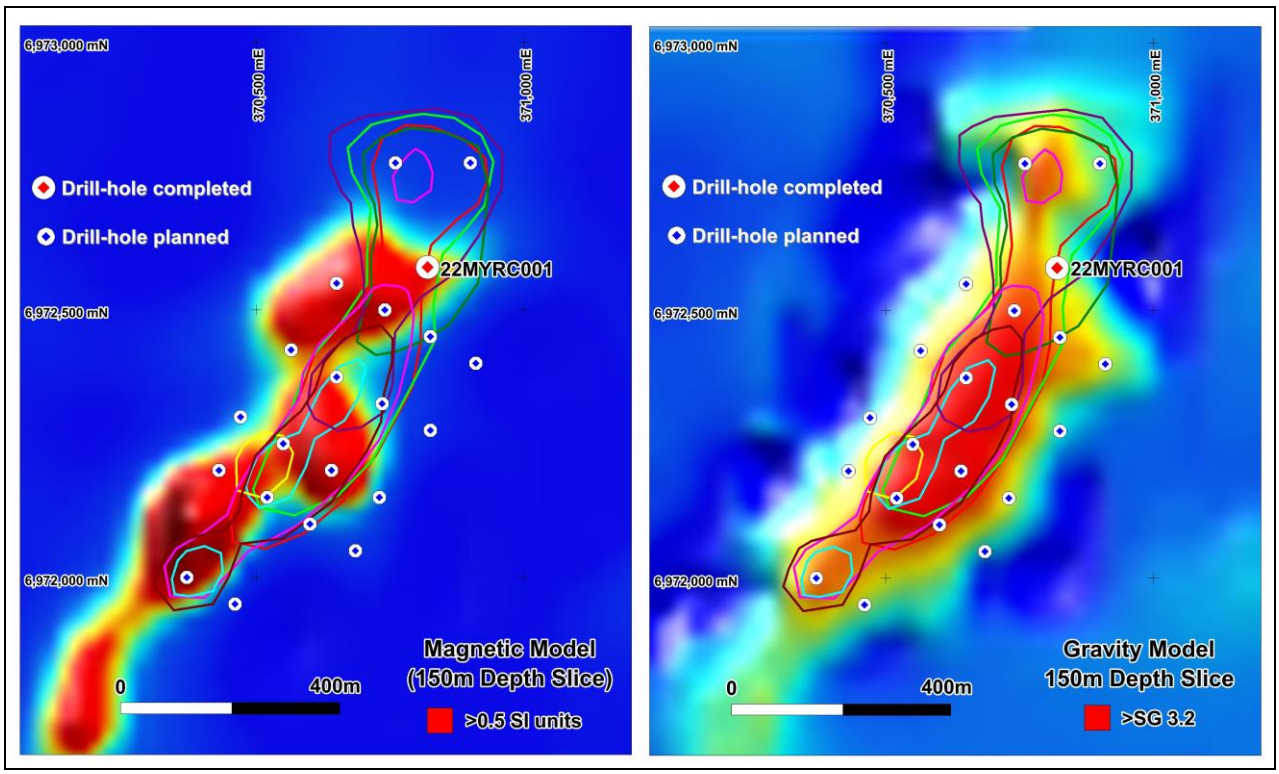

Figure 5: Shows the planned drill-holes with respect to both the magnetic and gravity models. The areas shown in red are both strongly magnetic (magnetic susceptibility >0.5 SI units) and have high density (average SGs >3.2), outlining the potential magnetite (Fe) target.

Heritage Clearance surveys are scheduled for early November 2023, clearing the way for drilling operations to commence once all necessary approvals are received – expected by early Q1 2024

In-fill soil sampling (~650 samples on a 200m x 50m grid) was initiated late in the Quarter to test four areas identified from the initial wide-spaced (800m x 100m) soil sampling program as having potential for lithium-bearing pegmatites (ASX - June Quarterly Report) (*Figure 6*).

Assays are expected within the next 4-6 weeks. No pegmatite outcrops were located during the in-fill sampling program.

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 three granted Exploration Licences covering a total area of ~1,800km². 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 a 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). Exploration work at Jubilee is funded under the SAA.

During the Quarter, it was decided to postpone the planned drilling program until further drill sites could be identified and heritage cleared. A number of alternative drill-sites have now been forwarded to the Traditional Owners for consideration.

The targets are located adjacent to the Rodona Shear and other sub-parallel structures which are thought to represent major deep-seated feeder structures responsible for the extensive outpouring of flood basalts in the area, highlighting similarities with the giant Norilsk nickel-copper-PGE deposits in Russia.

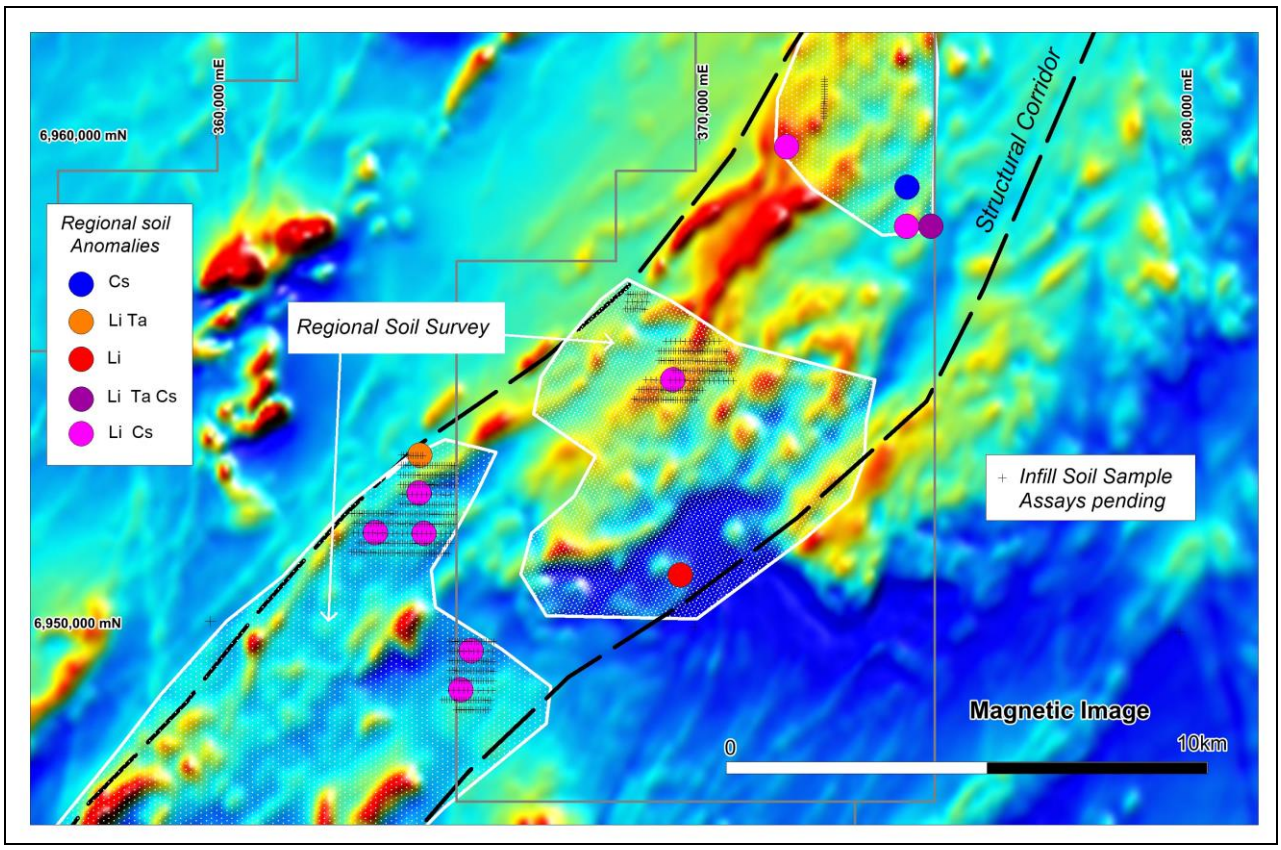

Figure 6: Morrisey – magnetic image showing regional soil anomalies and in-fill soil sample locations.

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 of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the Western Yilgarn Craton margin. Exploration work at Moora is funded under the SAA.

During the Quarter, soil sampling along the western and southern contact zones of the Latham Intrusion was undertaken. Soils were collected at 100 metre intervals along fence-lines and tracks to provide a more meaningful geochemical coverage across the contact zones previously identified as priority target areas for prospective host rocks for nickel (*Figure 7*). Assays from this program are pending.

The initial drilling program, which was designed to test for fertile mafic-ultramafic host rocks similar to those found at Julimar, was considered to be an ineffective test of the prospect, as the drill holes did not intersect the main cause of the magnetic/gravity anomalies being tested.

Hamilton Copper-Gold Project:

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.

A review of the Company's drilling database is ongoing, to identify possible near-miss opportunities that may be of interest to other parties.

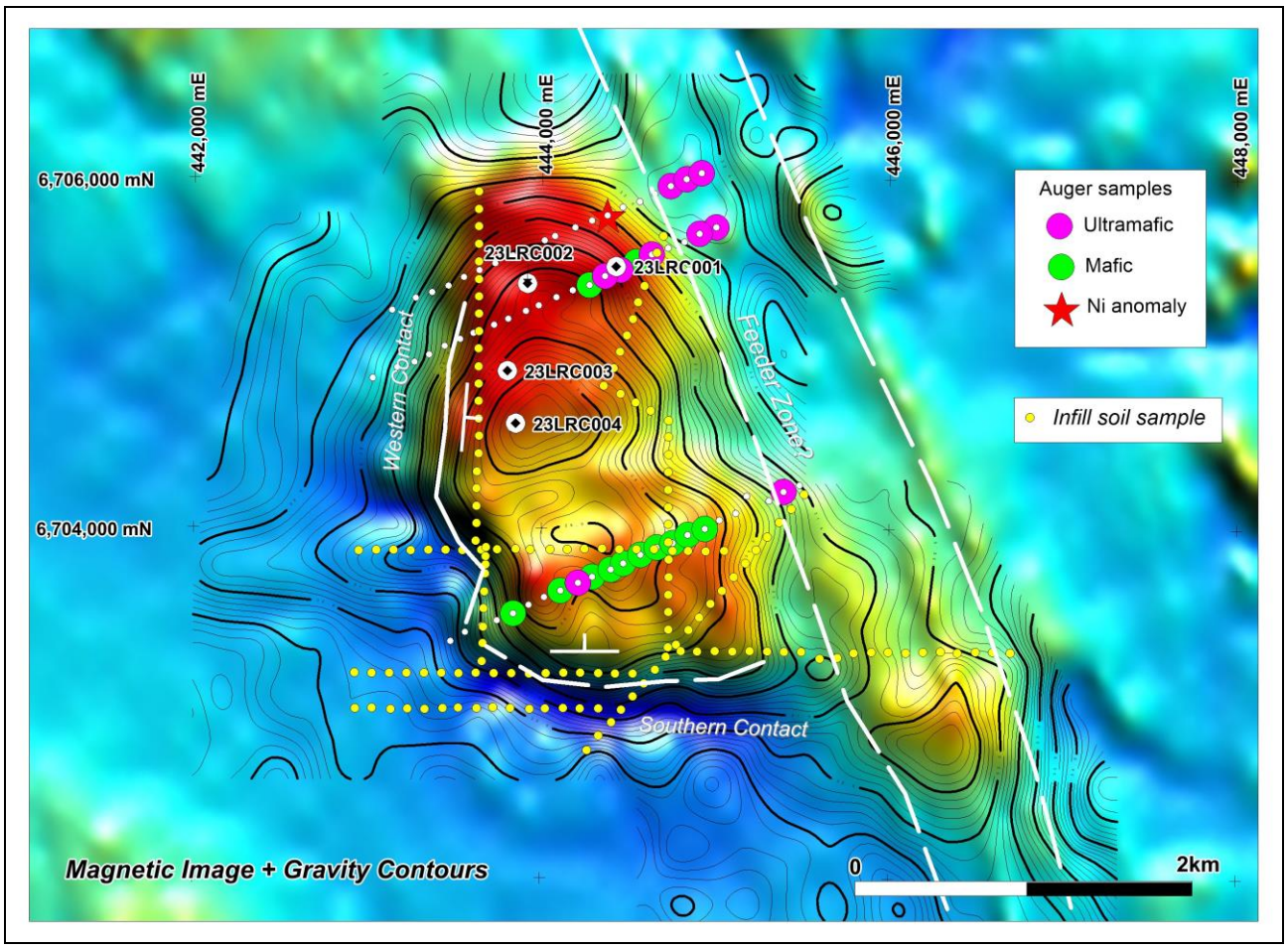

Figure 7: Latham Prospect: detailed magnetic and gravity images showing location of soil samples.

Mt Davis Lead-Zinc-Copper Project:

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.

No progress has been made on this project during the Quarter due to other higher priority activities. Heritage surveys need to be completed before a planned air-core drilling program can commence.

New Opportunities (Australia):

New opportunities within Australia continue to be assessed by the Company's consultants. Heritage Clearance for the proposed gravity survey over the Coober Pedy IOCG Project in South Australia is being initiated to enable the survey to commence in H1 2024.

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 8). Peru is one of the world's most prominent destinations for copper exploration and is considered a prime location for world-class exploration opportunities.

During the Quarter, the search for a new joint venture partner accelerated following the return of the Cerro de Fierro Project to AusQuest in July as reported in the June

Quarterly Report. Presentations have now been made to a number of major corporations which have expressed interest in further evaluation of one or more of the Company's projects in Peru. Confidentiality Agreements are being signed and site visits planned before the end of the year.

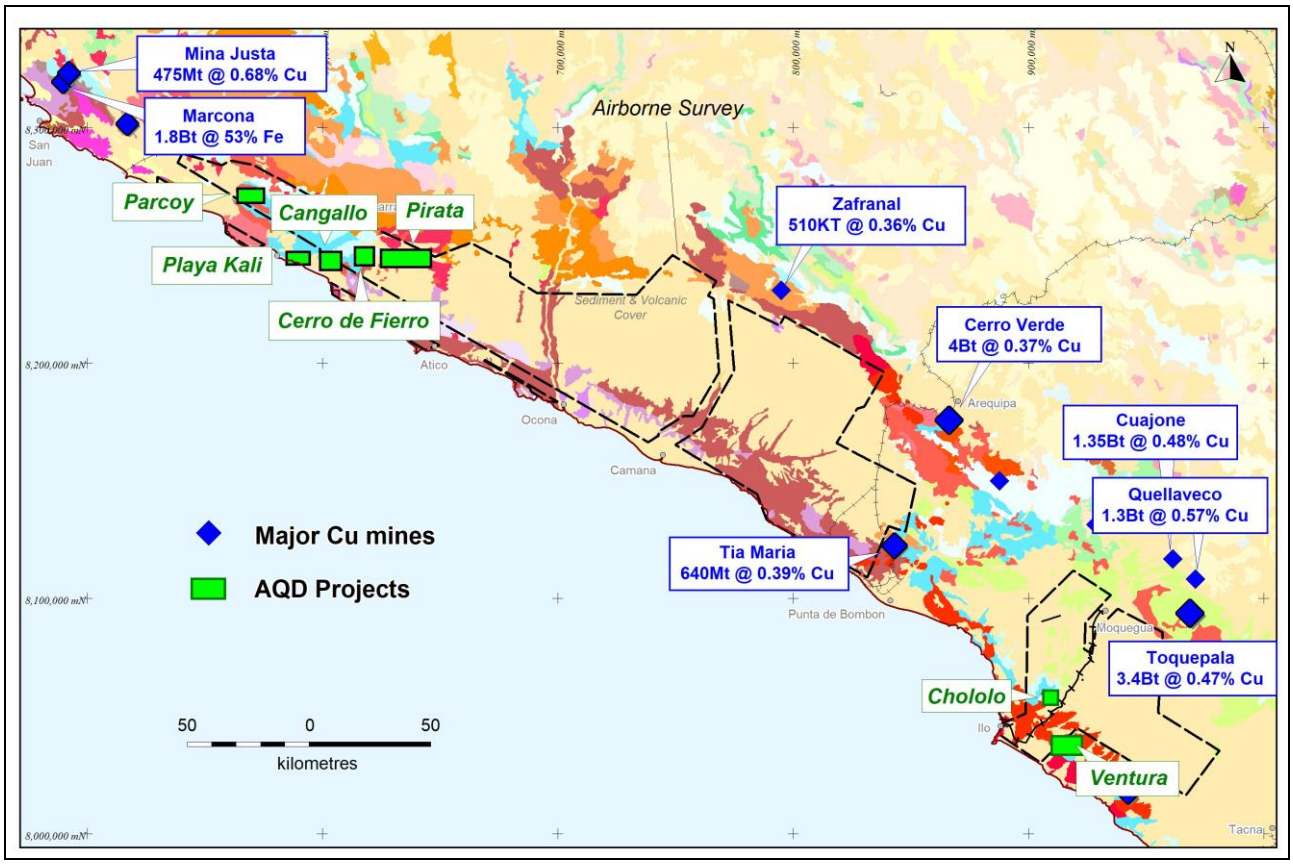

Figure 8: Project Locations – Southern Peru.

Cerro de Fierro Copper Project:

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.

Further mapping and sampling over the Lantana Prospect (formerly known as Target 7) identified mineralised dykes containing anomalous copper and pathfinder elements supporting the possibility of nearby porphyry copper mineralisation (Figure 9).

Petrographic analysis of thin sections prepared from these dykes has found evidence that they could represent fluid pathways for a nearby porphyry system – and have the potential to provide vectors to the porphyry source being targeted by the Company's exploration programs. A drilling program is currently being designed to test the Lantana prospect so that permitting for access and drill pad preparation can be initiated.

Previous drilling within the Cerro de Fierro Project focused on three areas (Targets 1, 2, and 4) close to Lantana, with strong lithocap development suggesting the presence of buried porphyry copper mineralisation. While significant porphyry mineralisation was not intersected by this program, the confirmed existence of lithocap mineralogy indicates that there are porphyry systems in the area which have not been intersected by drilling to date.

The Lantana prospect is considered a high priority drilling target with the potential to highlight the prospectivity of the Company's broader tenement package.

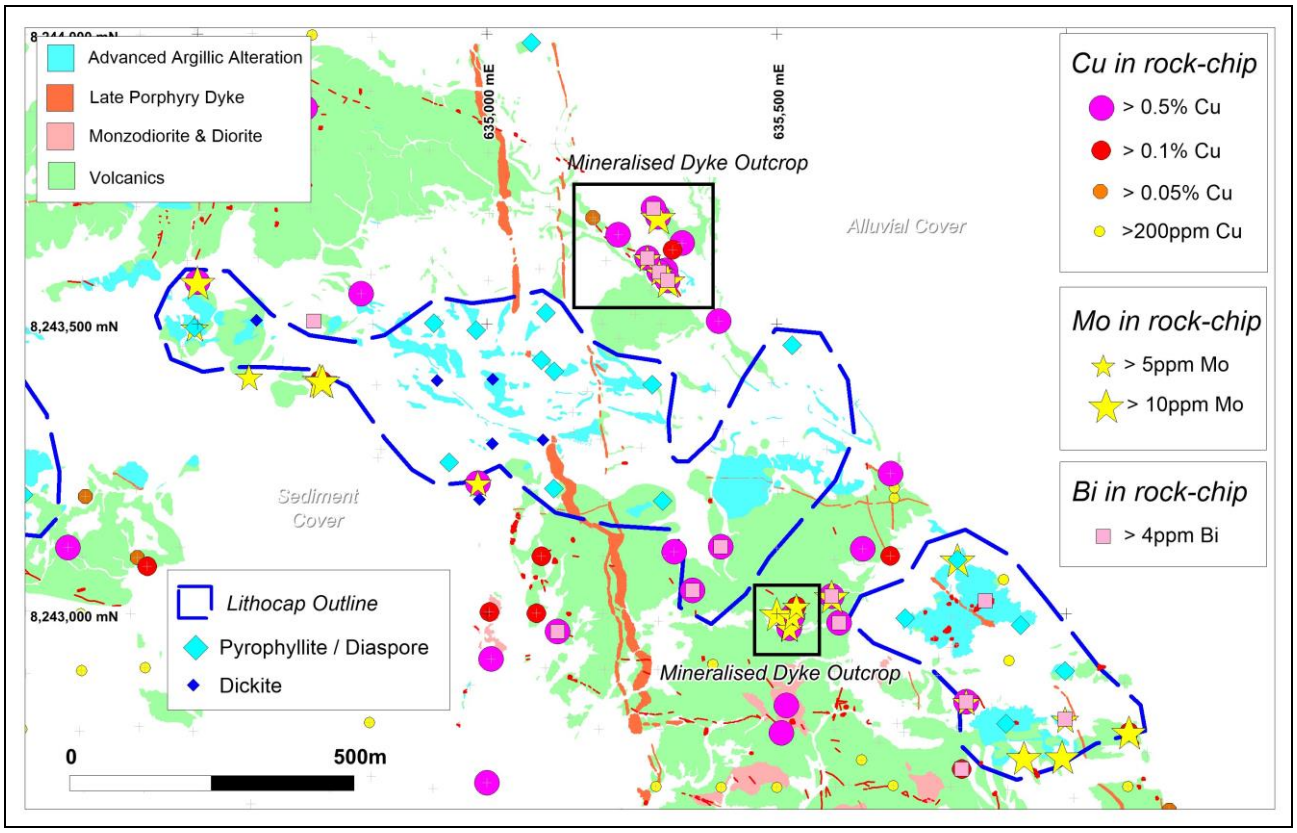

Figure 9: Lantana Prospect geology showing location of mineralised dykes and pathfinder geochemical anomalies marginal to the mapped lithocap.

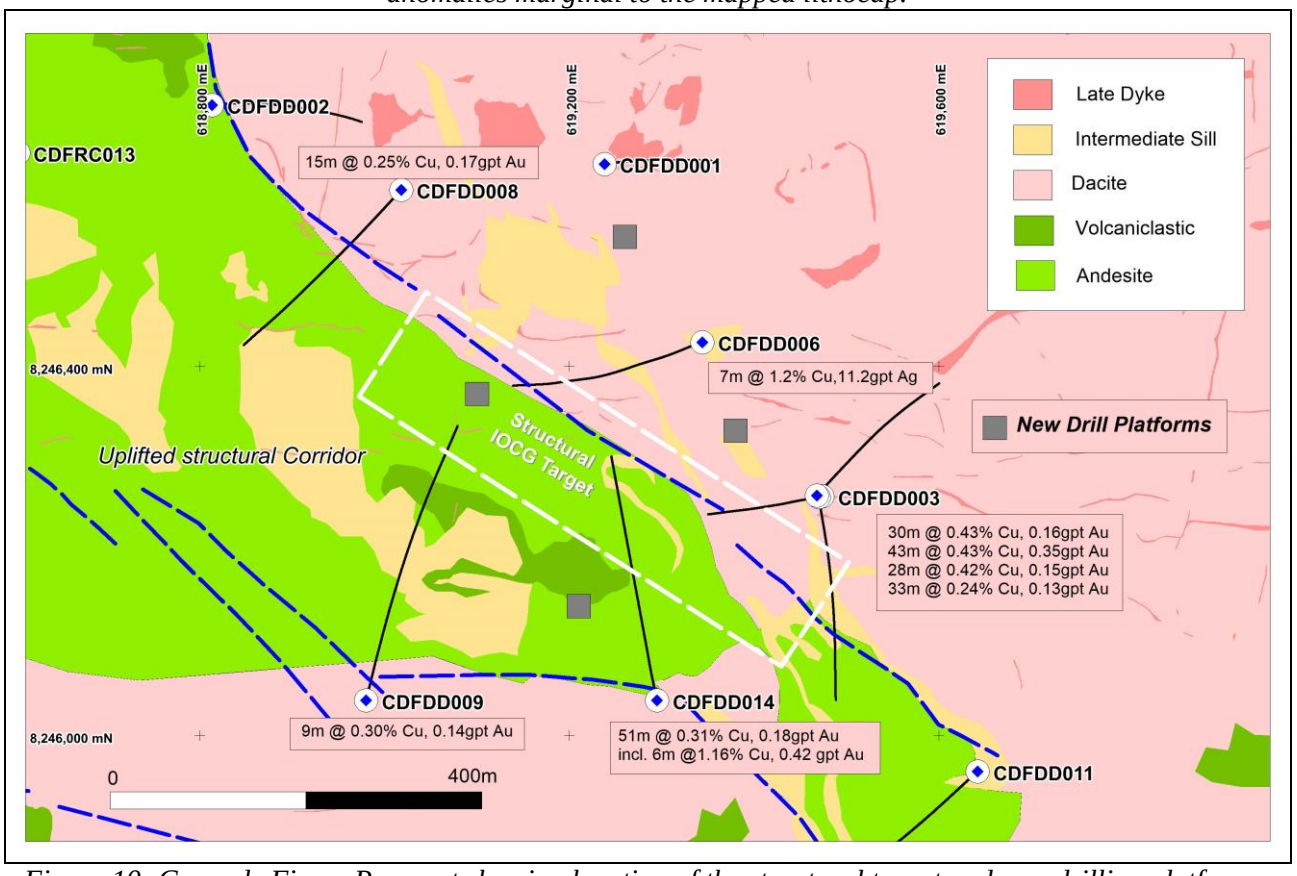

Figure 10: Cerro de Fierro Prospect showing location of the structural target and new drilling platforms. Drill results on the plan were previously reported to the ASX on 19 December 2018 and 5 March 2020.

A review of the Company's Iron-Oxide Copper-Gold (IOCG) drilling database that was undertaken last Quarter identified key 'areas of neglect' where drilling had not tested a structurally controlled target along strike from copper-gold mineralisation intersected in drill-hole CDFDD003.

A drilling program (four drill sites) to test this target has been designed and permits were approved by Government during the Quarter (*Figure 10*).

Cangallo Copper-Gold Project:

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 1,600 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, drill permitting was advanced with all planned drill sites approved by the Mines Department (MINEM). Only approval of surface rights to allow the preparation of access and drill pads is still pending. The approval from the SBN (Ministry for Housing) is expected by the end of the year at least for most drill sites.

Highly anomalous copper (up to 0.64% Cu), molybdenum (up to 42ppm Mo) and scattered gold values (up to 2.5g/t Au) within veined and altered (sericite) volcanics and porphyritic rocks that was reported earlier, is being targeted by the planned drill program (*Figure 11*).

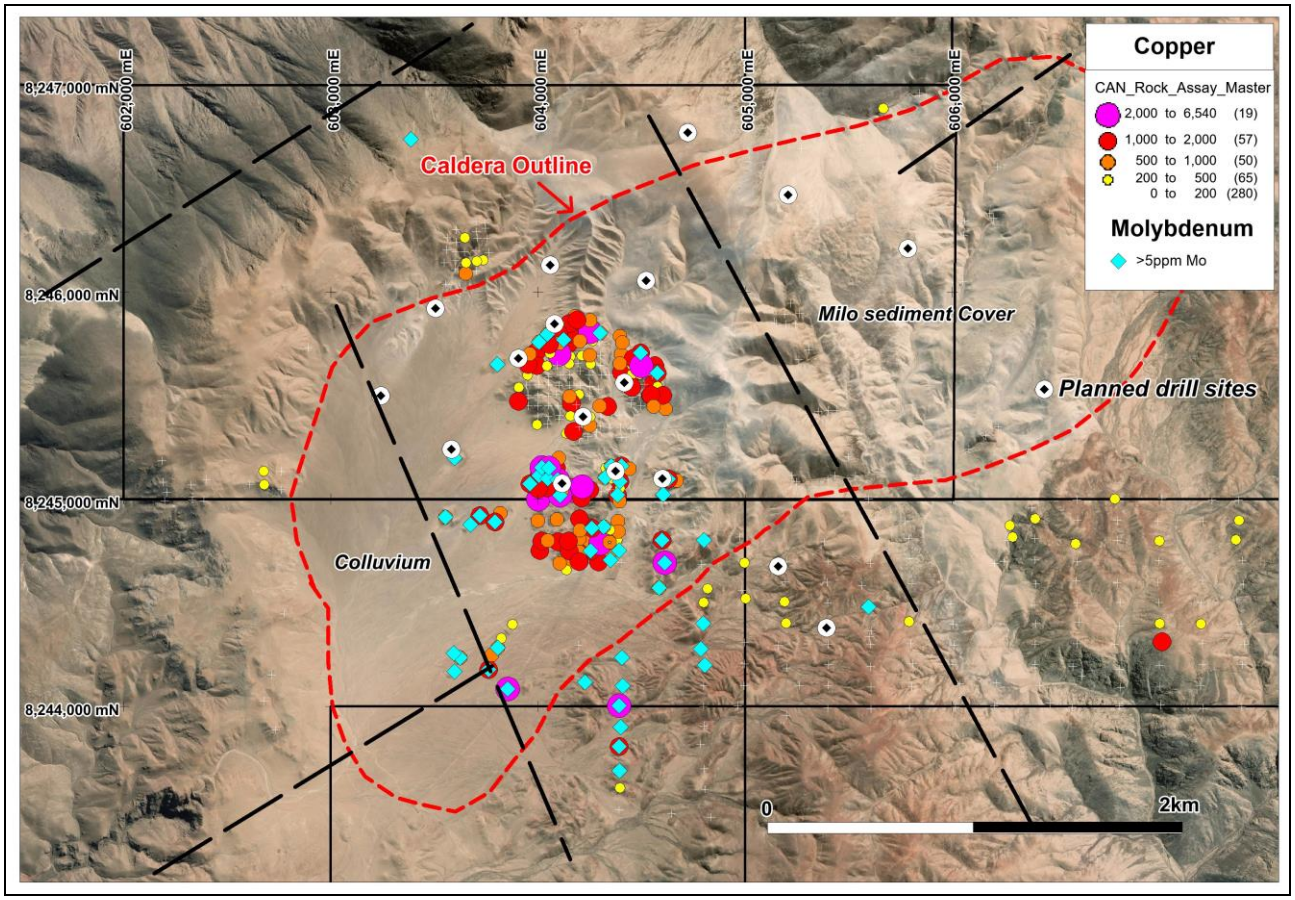

Figure 11: Cangallo Porphyry Prospect showing anomalous Cu and Mo values and planned drill sites.

Parcoy IOCG Project:

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.

A review of the Project's drilling results has been prepared and is being provided to parties who have expressed an interest in pursuing this opportunity.

The Company believes there are porphyry copper targets at Parcoy that were not tested by the initial wide-spaced drilling programs, which provided strong evidence of nearby porphyry system(s) based on interpretation of the geochemical data.

New Opportunities (Peru)

The search for new opportunities has been put on hold while the Company endeavours to find suitable partners for its current projects.

Systematic rock-chip sampling at the **Ventura Project**, located 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 port of Ilo.

This work will be undertaken when priorities allow.

CORPORATE

During the September Quarter, the Company invested $1,920,000 in exploration and had approximately $1.7 million in cash remaining at the end of September. Further funding from South32 to cover agreed work programs over Strategic Alliance Projects is expected in Q4 2023.

The Company's Cashflow Report (Appendix 5B) for the quarter ended 30 September 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 that 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 continues to monitor the position and will keep shareholders advised of any significant developments.

KEY ACTIVITIES – DECEMBER 2023 QUARTER

- Balladonia (Cu-Au-Ni) – Finalise and initiate future work programs under the SAA.
- Morrisey (Magnetite, Ni-Cu-PGE) – Complete Heritage Clearance for planned drilling and obtain all necessary Government approvals.
- Morrisey (Li) – Assess geochemical data over potential lithium targets and plan further work.
- Jubilee Lake (Ni-Cu-PGE) – Complete Heritage Agreements and obtain clearance for additional drill sites.
- Moora (Ni-Cu-PGE) – Assess soil geochemistry and plan drilling to test key target areas.
- Peru (Cu-Mo-Au) – Complete drill permitting at Cangallo and initiate drill permitting for the Lantana Prospect.
- Peru (Cu-Mo-Au) – Seek new joint venture partners to help fund ongoing exploration drilling of key prospects.

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 report, Re-Assay selected drill pulps from RC drill-hole at Balladonia Project October 2023

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.*	• Genalysis-Intertek were requested to re-assay four metre composite pulps from RC drill-hole 23WB008 for a full range of rare earth elements.
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).*	• The original samples were collected from RC drill-hole 23WB008. • RC Drilling with a face sampling bit was used with a hole diameter of approximately 132mm.
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 appropriate rig size were used to provide maximum sample recovery. • 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 logged by experienced geologists to identify key rock types and mineralization styles.
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.*	• Initial RC samples were collected every 1 metre and presented in rows corresponding to sample depth. • The reported RC samples were composited from dry one metre intervals using a scoop from each metre sample and then combined into 4 metre intervals. • 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.*	• Re-assaying was requested of sample pulps that had been prepared previously so no sample preparation was required for the re-assay. • A portion of the pulverized sample is digested using sodium peroxide fusion for complete digestion of refractory minerals that commonly host rare earth elements. • Inductively Coupled Plasma Mass Spectroscopy (ICP-MS) is used to analyse for Be, Ce, Dy, Er, Eu, Ga, Gd, Hf, Ho, La, Li, Lu, Nb, Nd, Pr, Sm, Sn, Ta, Tb, Th, Tm, U, W, Y, Yb and Zr (Intertek Genalysis code FP6/MS3). • No standards or duplicates were supplied, QA/QC was provided by laboratory processes. • Assays are provided by Intertek Genalysis of 311 Kenwick Road Maddington WA which is a certified laboratory for mineral analyses. • Analytical data is transferred to the company via email and by hard copy.
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*	• Current drilling is very early-stage testing across the project area to understand geology and implications for base metal and rare earth element potential. • Assays are as reported by the laboratory and stored in the

Criteria	JORC Code explanation	Commentary
	storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	company's database and have not been adjusted in any way. • Digital data is regularly backed-up on the company's servers.
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.*	• The drill hole collar was located by hand held GPS to an accuracy of approximately 5m. • All surface location data are in GDA 94 datum, zone 51S.
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.*	• Re-assaying was undertaken in one vertical RC drill-hole 23WB008 • Sample pulps were originally from four-metre composite samples.
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.*	• Any bias due to the orientation of the drilling is unknown at this early stage of exploration.
Sample security	• *The measures taken to ensure sample security.*	• Samples are collected into securely tied bags and placed into cable-tied polyweave 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. • Reputable freight companies are used to transport samples to the laboratory. • 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*	• The Balladonia Project is centered at 6411000N and 515500E (GDA94 Zone 51), approximately 135 km ESE of Norseman in Western Australia. • Tenement holdings include five granted Exploration

Criteria	JORC Code explanation	Commentary
	impediments to obtaining a licence to operate in the area	License's (E69/3246, 3825, 3671, 3558, 3932) and two Exploration License applications (E69/3559, and 3672). • The Balladonia Prospect is subject to a Strategic Alliance Agreement whereby South32 have the right to earn a 70% interest by spending US$4.5M. • Aboriginal heritage surveys and fauna – Flora surveys are routinely completed ahead of ground disturbing activities.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited surface exploration has been completed by other parties. AusQuest is the first exploration company to complete drilling programs within the tenements. • The tenements have been covered by regional government geophysical and geological surveys and partly by regional GSWA geochemical sampling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model for the Balladonia Project is based upon copper and nickel sulphides hosted in mafic rocks as is the case within the Fraser Range Belt, and base metal mineralisation in BHT and /or IOCG settings similar to the Eastern Succession in north-west Queensland and at Broken Hill in NSW..

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 are tabulated below and provided in the ASX release.

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*	• No weighting or averaging techniques were used.

Criteria	JORC Code explanation	Commentary
	stated.	
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').*	• Drilling was reconnaissance in nature. The relationship to any mineralization is not known 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 limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The drill hole is shown on appropriate plans and included in the 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.*	• Anomalous ranges of elements are quoted, drilling still at the reconnaissance stage.
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 this drill result 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.*	• Further exploration will depend on assessment of results.

RC drill-hole location details

Hole_No	Easting	Northing	RL	Datum	Zone	Azimuth	Inc	Depth (m)
23WB008	517152	6417857	263	GDA94	51	0	-90	48

AusQuest Limited: Tenement Schedule as at 30 September 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.
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
Cangallo 9	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 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 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
Cerro De Fierro Q	Arequipa	100%	100%	Questdor SAC
Chololo 1	Moquegua	100%	100%	Questdor SAC
Chololo 2	Moquegua	100%	100%	Questdor SAC
El Sello 04	Arequipa	100%	100%	Questdor SAC

AusQuest Limited Tenement Schedule as at 30 September 2023- cont'd

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Peru Cont.				
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
Playa Kali 01	Arequipa	100%	100%	Questdor SAC
Playa Kali 02	Arequipa	100%	100%	Questdor SAC
Playa Kali 03	Arequipa	100%	100%	Questdor SAC
Playa Kali 09	Arequipa	100%	100%	Questdor SAC
Ventura 1	Moquegua	100%	100%	Questdor SAC
Ventura 5	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	**30 September 2023**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(62)	(62)
	(e) administration and corporate costs	(313)	(313)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (R&D Refund)	-	-
1.9	**Net cash from / (used in) operating activities**	**(373)**	**(373)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4)	(4)
	(d) exploration & evaluation	(1,920)	(1,920)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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	260	260
2.6	**Net cash from / (used in) investing activities**	**(1,664)**	**(1,664)**

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	(23)	(23)
3.10	**Net cash from / (used in) financing activities**	**(23)**	**(23)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,733	3,733
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(373)	(373)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,664)	(1,664)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(23)	(23)
4.5	Effect of movement in exchange rates on cash held	25	25
4.6	**Cash and cash equivalents at end of period**	**1,698**	**1,698**

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	1,698	3,733
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)**	**1,698**	**3,733**

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	24
6.2	Aggregate amount of payments to related parties and their associates included in item 2	43

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)	(373)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,920)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,293)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,698
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,698
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.74

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?

Operating costs and overheads vary depending on the level of exploration work completed during each Quarter. During the Quarter the Company had drill programs underway resulting in a high expenditure for the Quarter. This level of spend is not anticipated in the near future. Net cash flows from operating activities are also influenced by the level of funding provided under the Company's Strategic Alliance Agreement (SAA) with South32 (S32). Post Quarter end funding of $562k (including GST) was received on the 5th October under the SAA with S32.

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?

The Company has not initiated any fundraising activities. However if need be, the Company is confident in securing additional working capital through new equity issue or loans should the need arise in the foreseeable future.

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?
The Company expects to be able to continue its exploration activities as they are largely funded by S32 under the SAA. For exploration activities that the Company chooses to undertake itself, the directors are aware that the Group has the option, if necessary, to defer expenditure or to relinquish certain projects or to reduce administration costs in order to minimise cash outflows. The directors are also confident that the Group will be successful in raising additional funds through the issue of new equity, should the need arise.	
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: 30 October 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.