

November 13th, 2023

AIRBORNE VTEM SURVEY TO COMMENCE TO TEST FOR BASE METAL SULPHIDES AT BALLADONIA, WA

AusQuest Limited (ASX: AQD) is pleased to advise that it is preparing to commence an extensive airborne VTEM survey to evaluate the numerous target areas identified as being prospective for Broken Hill Type (BHT) mineralisation at the Balladonia Project, located in the Fraser Range region of Western Australia. The Balladonia Project is subject to the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited.

The survey is scheduled to commence around the end of November and will take approximately one week to complete, depending on weather conditions. The final processed data is expected in early 2024.

Previous reconnaissance drilling (as reported on 22 September) has confirmed the presence of widespread prospective host rocks for BHT mineralisation while also supporting the possibility of carbonatite-related mineralisation (including base metals and/or rare earth elements) being present within the project area.

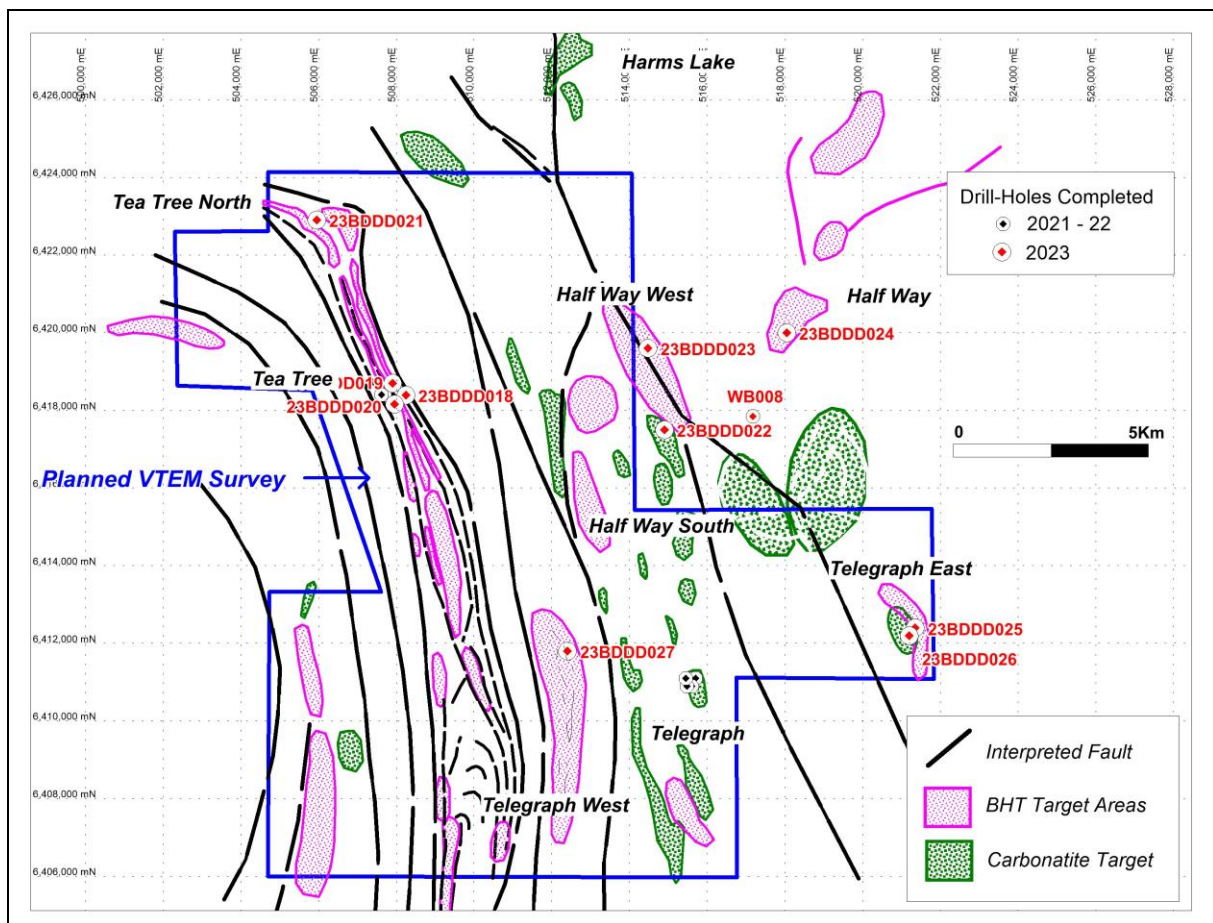


Figure 1: Balladonia Project showing planned VTEM Survey with respect to BHT and carbonatite target areas as interpreted from magnetic and drilling data.

Re-processing and interpretation of detailed aeromagnetic data indicates that the prospective host rocks extend for up to 15km south and 5km north of the Tea Tree prospect, as well as at several other locations within the project area (*Figure 1*).

Re-processed magnetics also highlighted a new target which is thought to reflect a potential buried carbonatite or possibly iron-oxide copper-gold mineralisation similar to that found in the Cloncurry Belt of NW Queensland. This strong magnetic target, which is several square kilometres in size, is located along an interpreted regional structure and occurs close to drill-holes containing carbonatite rock types (*Figure 2*).

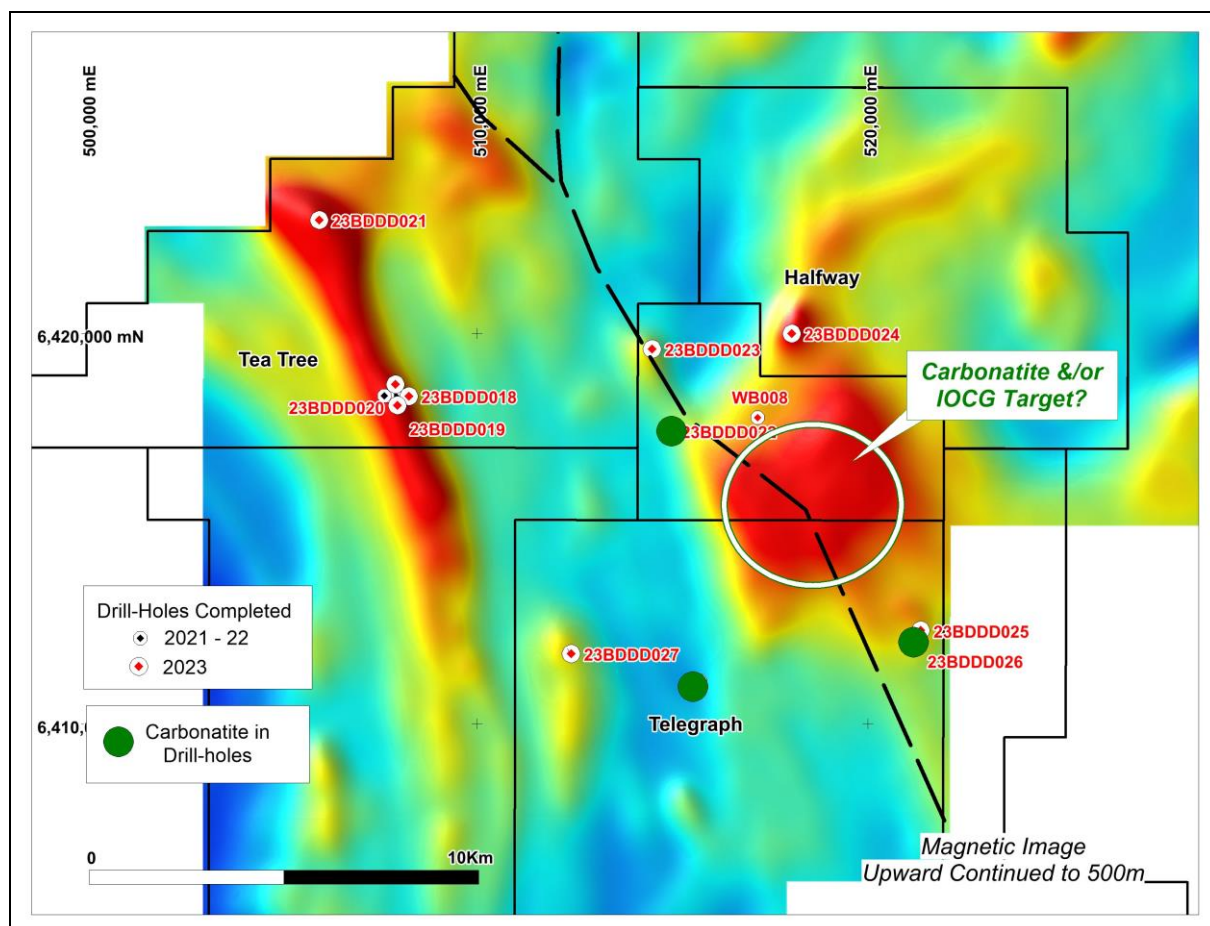


Figure 2: Balladonia Project showing potential carbonatite and/or IOCG target.

The VTEM survey (~1,080 kilometres), which will be flown along east-west flight lines spaced 200 metres apart, will test the large variety of targets that have been interpreted from exploration results received to date.

AusQuest’s Managing Director, Graeme Drew, said: *“This survey should go a long way towards improving our targeting within the highly prospective terrane at Balladonia, and help to prioritise targets for future drilling.*

“Geological comparisons that can be made with productive base metal regions in NW Queensland and Broken Hill continue to give us significant encouragement for a new base metal and possibly rare earth element discovery in this area.

“We are looking forward to commencing the VTEM survey and will keep shareholders advised of progress as results come to hand.”

A handwritten signature in black ink, appearing to read 'G Drew'.

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.