



Quarterly Report – 31st December 2023

HIGHLIGHTS

Corporate

- ❑ Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32) extended for a further two-year period to December 2025.
- ❑ SAA to remain focused on developing high-potential exploration opportunities in Australia targeting copper, zinc, nickel and now including lithium and rare earth elements.
- ❑ Quarter-end cash position of ~\$1.6 million, with additional funds for work programs under the SAA expected in Q1 2024.

Australia – Copper, Zinc, Nickel, Gold

- ❑ Multiple high-priority targets identified by helicopter-borne VTEM Survey (1,104km) completed at Balladonia under the SAA.
- ❑ Strong EM response typical of massive sulphides and/or graphite, plus the possibility of multiple carbonatite intrusions with potential for rare earth elements (REE), highlighted by VTEM survey. Further work being planned.
- ❑ Heritage clearance obtained for planned Reverse Circulation (RC) drilling at the Morrisey Project. Drilling under the SAA expected to commence in late Q1/early Q2 2024.
- ❑ Potential for prospective Ni-Cu-PGE host rocks interpreted by recent soil sampling and magnetic modelling results at the Moora Project. Further drilling being considered under the SAA.

Peru – Copper-Gold

- ❑ Final approvals for RC drilling at the Cangallo Porphyry Copper Prospect expected in Q1 2024. Both the Cangallo and Cerro de Fierro prospects should be ready for drilling in Q2 2024.
- ❑ Potential for large-scale porphyry copper mineralisation confirmed at Cangallo by rock chip sampling of widespread outcrops within the covered areas.
- ❑ A number of parties have expressed interest in the Company's copper projects. Discussions with potential joint venturers have been initiated.

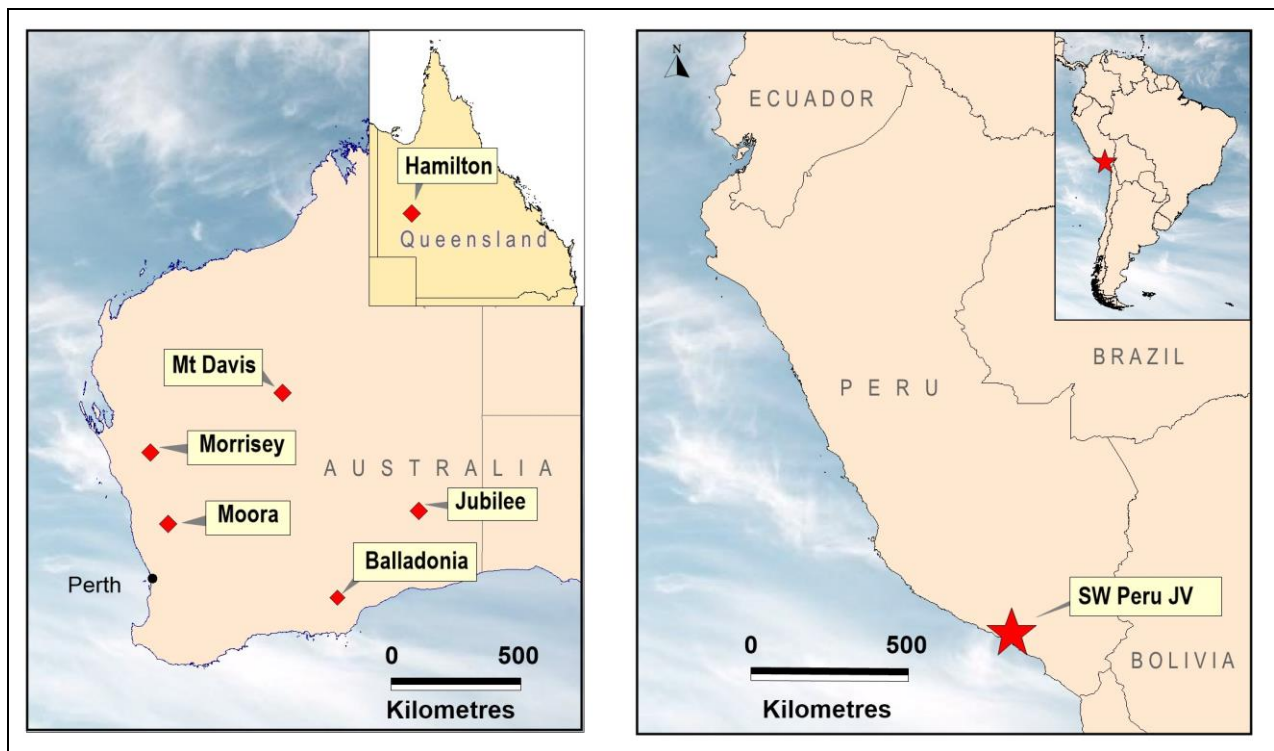


Figure 1: Project Locations – Australia and Peru.

OVERVIEW

During the December Quarter, the Company extended the Strategic Alliance with South32 for a further two years to focus on its Australian projects and commenced discussions with other third parties interested in further evaluating the Company's projects in Peru.

In **Australia**, an extensive helicopter VTEM survey was flown over the Balladonia Project to upgrade targeting for future drilling programs and improve the geological understanding of the area. Heritage clearance surveys were completed at the Morrisey Project to facilitate drilling in early 2024, and surface sampling and modelling was completed at Moora.

In **Peru**, work focused on obtaining permits for drilling at Cangallo, with approvals already received for further drilling at the Cerro de Fierro Prospect. Drill planning for the Lantana Prospect was advanced with applications being prepared for submission to Government. Discussions with several major corporations interested in evaluating one or more of the Company's copper projects were advanced.

AUSTRALIA – BASE METAL PROJECTS (Copper, Zinc, Nickel & REE)

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

Exploration at Balladonia has indicated the potential for multiple mineralisation styles with many potential targets identified. The Balladonia Project is located ~50km south of the Nova-Bollinger nickel-copper deposit. It consists of nine Exploration Licences (six granted and three applications) covering an area of ~840km² and is located within a structurally complex region of the Fraser Range Terrane. Exploration to date has highlighted the possibility for nickel and copper mineralisation similar to the Nova deposit being found in this area as well as iron-oxide copper-gold (IOCG) and Broken Hill Type (BHT) deposits similar to those found in the Eastern Succession (NW Queensland) and in NSW. More recently the potential for rare earth elements (REE) associated with carbonatite intrusions has been recognised. Many of the tenements lie within the Dundas Reserve. Exploration work at Balladonia is funded under the SAA.

During the Quarter, a helicopter-borne electromagnetic (EM) survey was successfully completed resulting in the

definition of a number of high-priority EM targets. The survey, which comprised a total of 1,104km, was flown along east-west flight lines spaced 200m apart using the helicopter-mounted VTEM Max system and a base frequency of 25Hz (ASX release – 11 January 2024).

Preliminary interpretation of the VTEM data was completed with several strong EM responses indicative of potential massive

sulphide mineralisation (anomalies A to E) being outlined.

These conductors are generally discrete in nature, extend over 2-5 flight lines (300m to 1,000m in length) and are clearly evident in the late-time EM channels as well as the ‘Time Constant’ image, which highlights stronger conductive responses often associated with sulphide mineralisation (Figure 2).

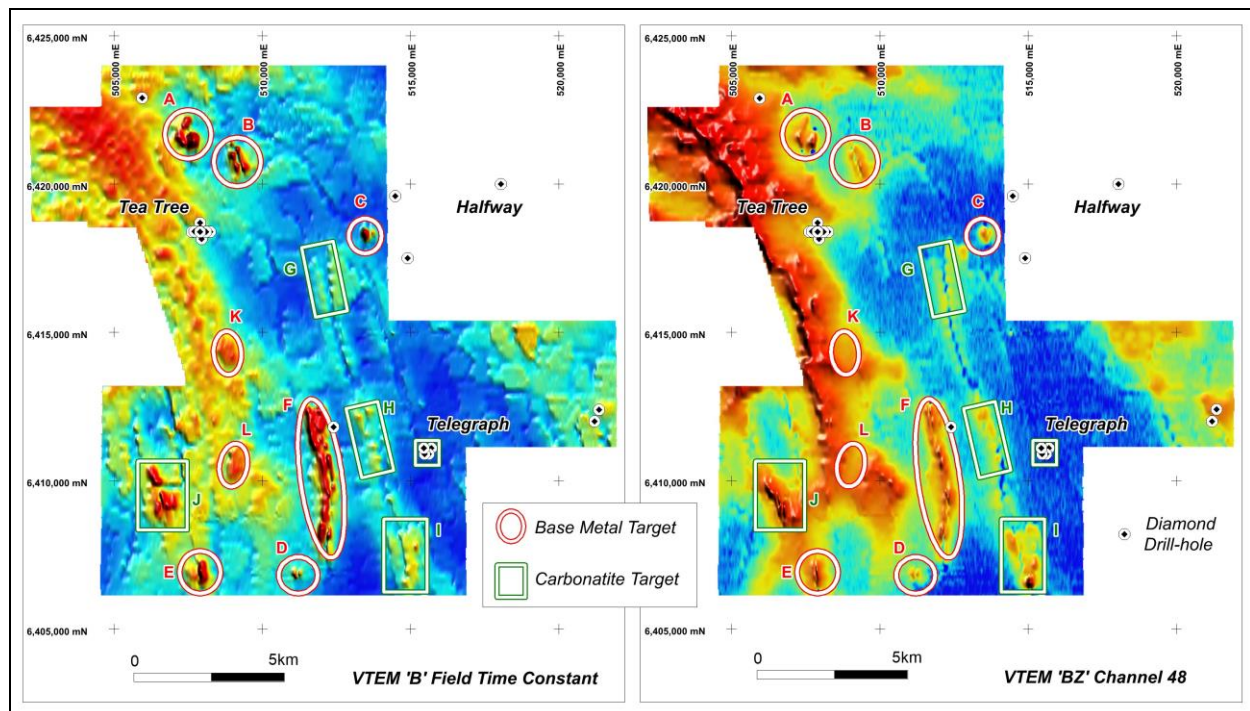


Figure 2: Balladonia Project: VTEM images of Channel 48 (Vertical B field component) and the B field Time Constant, showing outlines of the interpreted EM targets.

Large strike length anomalies (such as anomaly F) are generally considered to be indicative of graphitic source rocks, with conductivity variations along the length of the conductors reflecting either increased thickness of graphite and/or the addition of sulphides.

EM anomalies G to J, which reflect more moderate conductivities, coincide with distinct magnetic lows similar to the response over the Telegraph carbonatite drilled by the Company in 2020 (ASX Release – May 7th 2020), suggesting that carbonatite intrusions could be prevalent in the area (Figure 3). These EM anomalies occur along linear trends (>15km) and are thought to represent deeply weathered dyke-like intrusions associated with the NNW trending structures.

EM anomalies K and L, which occur along the Tea Tree trend, are thought to reflect localised areas of increased alteration within the prospective stratigraphic package and, as such, could define target areas for follow-up sampling. Reconnaissance drilling (as reported on 22nd September 2023) confirmed the presence of prospective host rocks for BHT mineralisation along the Tea Tree trend.

Results from the VTEM survey, coupled with detailed magnetic data and reconnaissance drilling results, suggest that the area is highly prospective for a range of base metals and REE's, with numerous target areas being outlined for testing.

Compilation and interpretation of available data has been initiated in order to prioritise

targets and prepare a comprehensive exploration program (including drilling) to more fully test the potential of the Project.

Further exploration is subject to ongoing discussions under the SAA.

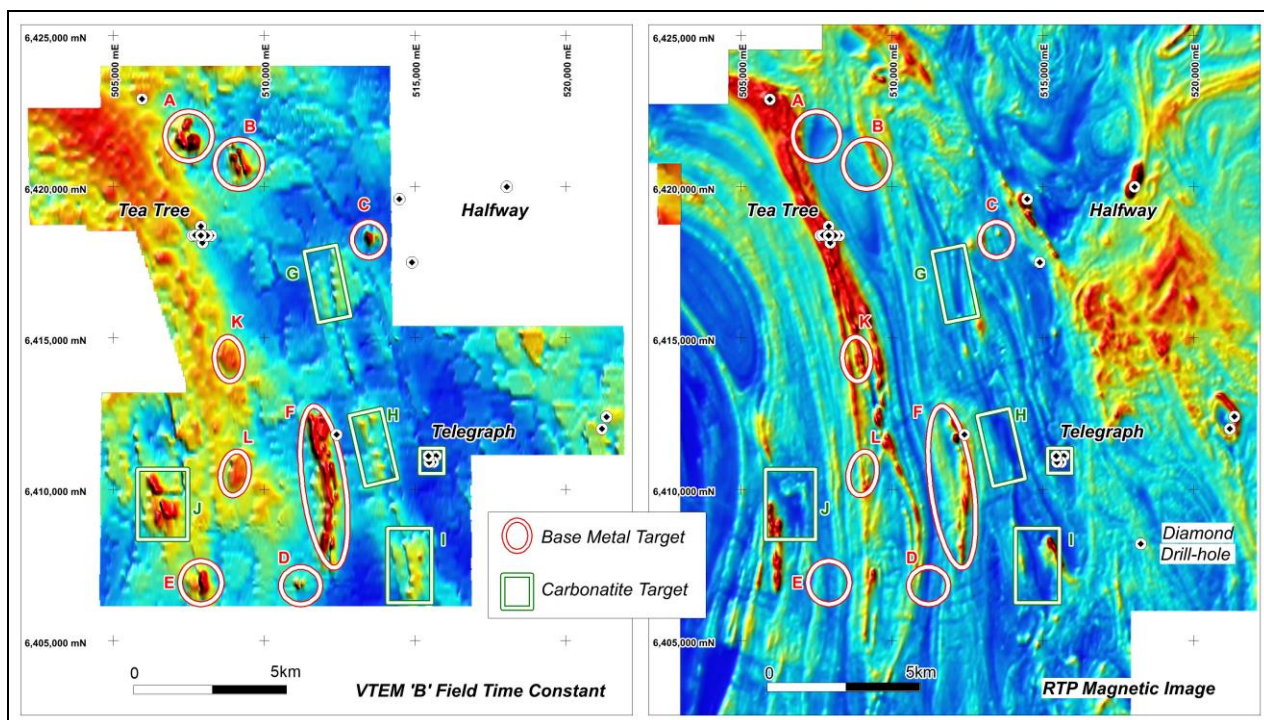


Figure 3: Balladonia Project: VTEM image of B field Time Constant and Reduced to Pole (RTP) magnetics showing outlines of the interpreted EM targets.

Morrisey Magnetite, Nickel-Copper-PGE Project (100% AQD, subject to SAA)

Reconnaissance drilling at Morrisey has intersected magnetite mineralisation with encouraging metallurgical properties. 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. Exploration work at Morrisey is funded under the SAA.

During the Quarter, heritage clearances were received over areas proposed for Reverse Circulation (RC) drilling (~3,000m) designed to determine the potential size and grade of magnetite mineralisation at the Waterfall Prospect as well as test several

magnetic/gravity targets identified at other locations within the Project area.

Government approval for the drilling program is expected early in Q1 2024 with drilling expected to commence in late March/early April subject to drill rig availability.

Initial drilling (22MYRC001) at the Waterfall Prospect intersected coarse grained magnetite over thicknesses of more than 60 metres, which was successfully upgraded to a premium product (>70% Fe) containing very low impurities (ASX Release 24 January 2023).

A total of 20 drill sites are planned to provide systematic drill coverage across the prospect, with the main focus to the south-west of drill-hole MYRC001, where magnetite is expected to occur at shallower depths and have greater thickness. A minimum of eight drill-holes will be completed with the location of further drilling dependent on results from the initial drill-holes (Figure 4).

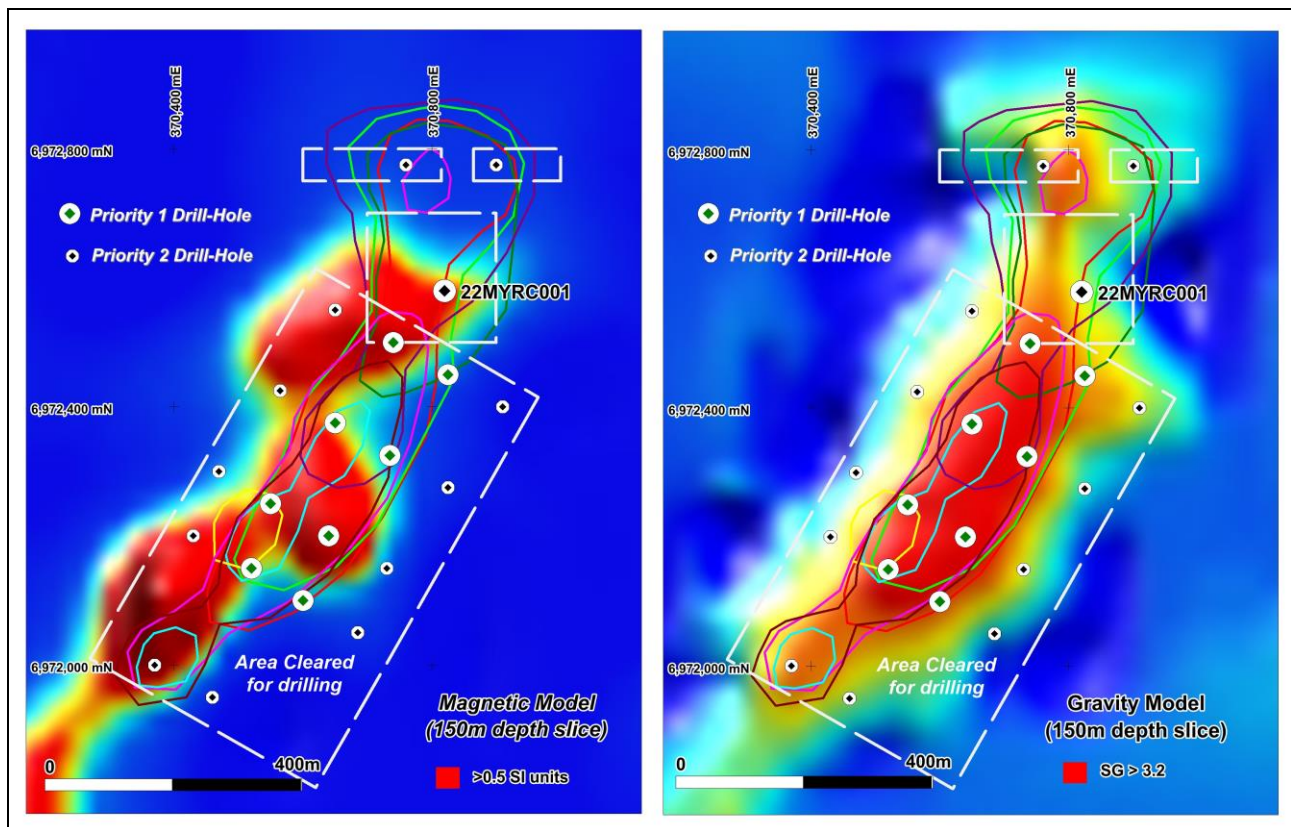


Figure 4: Shows the location of the initial 8 drill-holes with respect to both the magnetic and gravity models. The areas shown in red are both strongly magnetic (magnetic susceptibility >0.5 SI units) and have high density (average SGs >3.2), outlining the potential magnetite (Fe) target.

Follow-up soil sampling failed to confirm lithium target areas identified from initial wide-spaced sampling (ASX – June and September Quarterly Reports). No further work is planned.

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, discussions continued with Central Desert Native Title Services about heritage clearance surveys for a proposed drilling program to test the Company's concept of a new nickel-copper province at Jubilee. The Company is awaiting advice from the Traditional Owners.

The targets proposed for drilling 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.

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, priority target areas for ultramafic host rocks were identified around the eastern and north-western margins of the Latham Intrusion, using trace element

geochemistry (chrome to titanium and other trace element ratios) obtained from a soil sampling program (see ASX release 20 November 2023).

A total of 151 soil samples were collected at 100 metre intervals along fence-lines and tracks that criss-cross the intrusion to complement the initial auger sampling program completed in 2022. No anomalous nickel or copper values were reported.

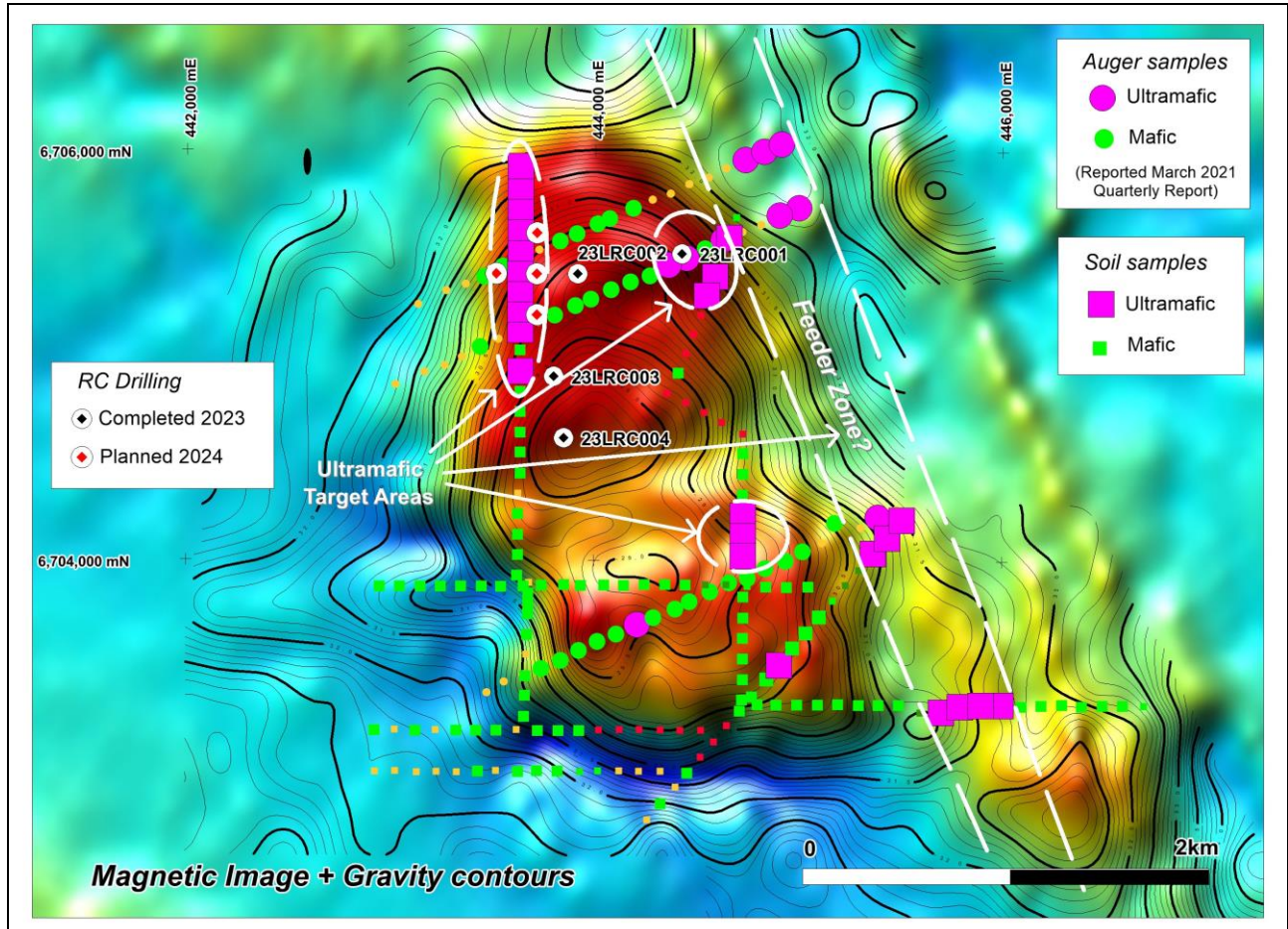


Figure 5: Shows ultramafic target areas and planned drill-hole locations relative to magnetics, gravity, and earlier drilling. Potential ultramafic rocks occur marginal to the strongest magnetics and along the intrusion's eastern contact where possible feeder dykes may occur.

A limited RC drilling program (2 holes/~500m) has been designed to test the area west of drill-hole 23LRC002 where strongly magnetic ultramafic rocks are interpreted to occur beneath the gabbro intersected by the initial drill program (ASX release 24 April 2023, and June 2023 Quarterly Report).

Fertile ultramafic host rocks within the Gonnevile Intrusion at the Julimar Prospect, north of Perth, are known to be strongly

magnetic, suggesting that similar magnetic rock types within the Latham intrusion should be high-priority targets for nickel-copper-PGE mineralisation.

Drilling is planned to commence following the completion of the Morrissey drill program, pending access.

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 continuing in order to identify possible “near-miss” opportunities that justify further testing and may be of interest to other parties. This review is expected to be completed in Q1 2024.

Mt Davis Lead-Zinc-Copper Project:

The Mt Davis Project is located ~180km NNE of Wiluna, Western Australia, along the northern margin of the Earraheedy 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.

Tenements have been rationalised to retain the priority base metal targets while at the same time reducing expenditure commitments. An airborne EM survey is being considered as an

effective way to test the area for high-grade mineralisation based on the concept that more intense structures at Mt Davis could be important in locating higher grade mineralisation within the lower Frere Formation that is interpreted to occur within the area.

New Opportunities (Australia):

New opportunities within Australia continue to be assessed by the Company’s consultants. Clearances for a proposed gravity survey over the Coober Pedy IOCG Project in South Australia are being sought 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 7). 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 new joint venture partners was advanced with several companies signing confidentiality agreements to gain access to the Company’s database and subsequently undertaking site visits to the Cerro de Fierro, Pirata, Cangallo, and Parcoy areas in order to complete an assessment of the prospects.

Expressions of interest are expected during Q1 2024.

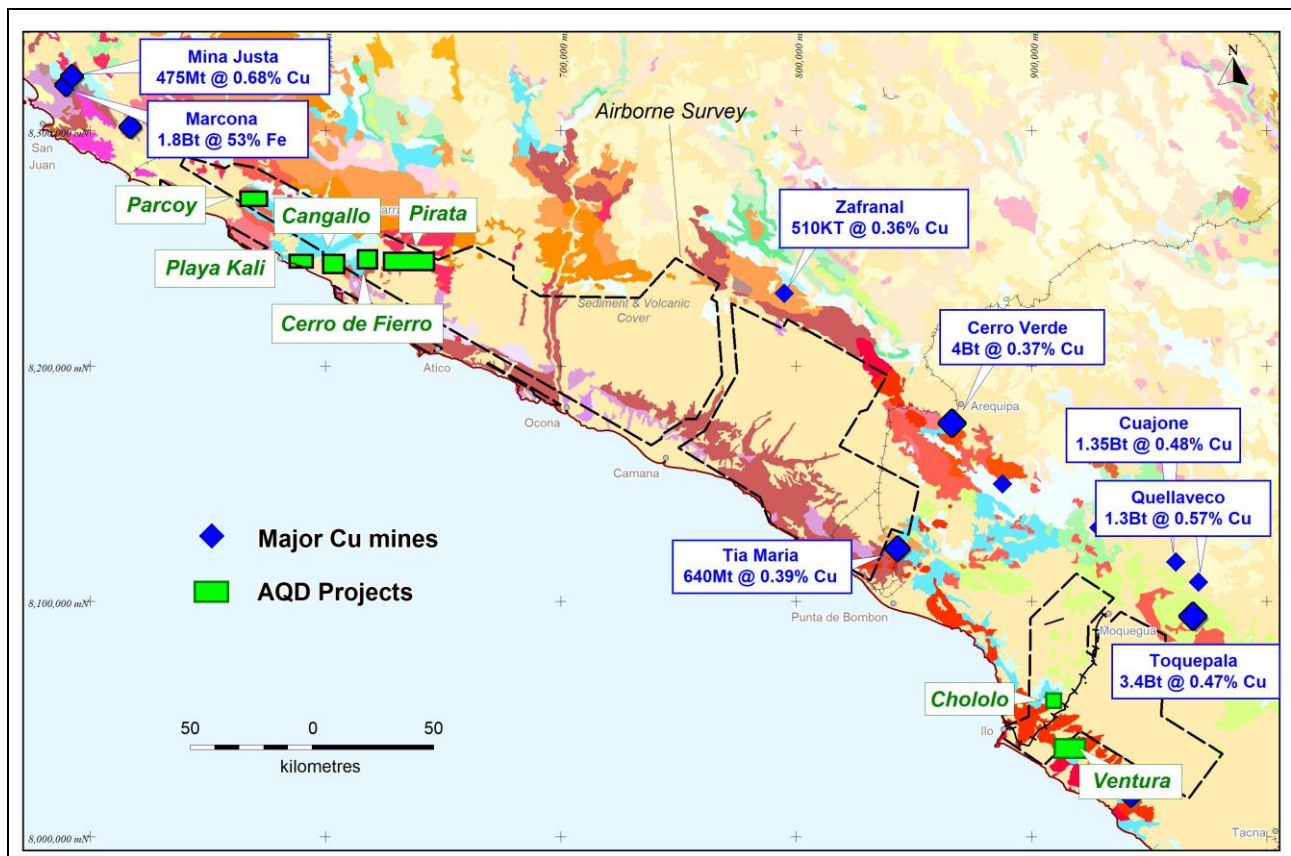


Figure 6: Project Locations – Southern Peru.

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.

During the Quarter, a drilling program to test the Lantana Porphyry Copper Prospect was designed so that permitting for access and drill pad preparation could be initiated. The permitting process is expected to take approximately six months to complete.

Exploration (including drilling) by the Company within the Cerro de Fierro Project area has defined a number of porphyry copper targets through recognition of preserved lithocaps and alteration, both at surface and in drill-holes, that is generally associated with

porphyry emplacement (ASX release 26 January 2023).

The Lantana prospect is considered a high-priority porphyry copper target due to the scale of the prospect (~2000m x 800m) and the widespread occurrence of highly anomalous copper values located marginal to outcropping lithocap – which suggests proximity to the core of a mineralised porphyry (Quarterly Reports March / June 2023).

Drill confirmation of porphyry copper mineralisation at the Lantana prospect would significantly upgrade the surrounding porphyry copper prospects and begin to highlight the full copper potential of the Pirata area.

As reported in the September 2023 Quarterly Report, drilling (4 holes) at the Cerro de Fierro Iron-Oxide Copper-Gold (IOCG) prospect has been approved by Government.

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, in-fill rock-chip sampling (50m x 50m) over the southern diorite porphyry and from limited small outcrops within the covered area consistently reported highly anomalous copper (ranging from 500ppm Cu up to 0.64% Cu) and molybdenum (ranging from 5ppm Mo up to 42ppm Mo) values, highlighting the potential for large-scale porphyry copper mineralisation (ASX release 9 November 2023) (Figure 7).

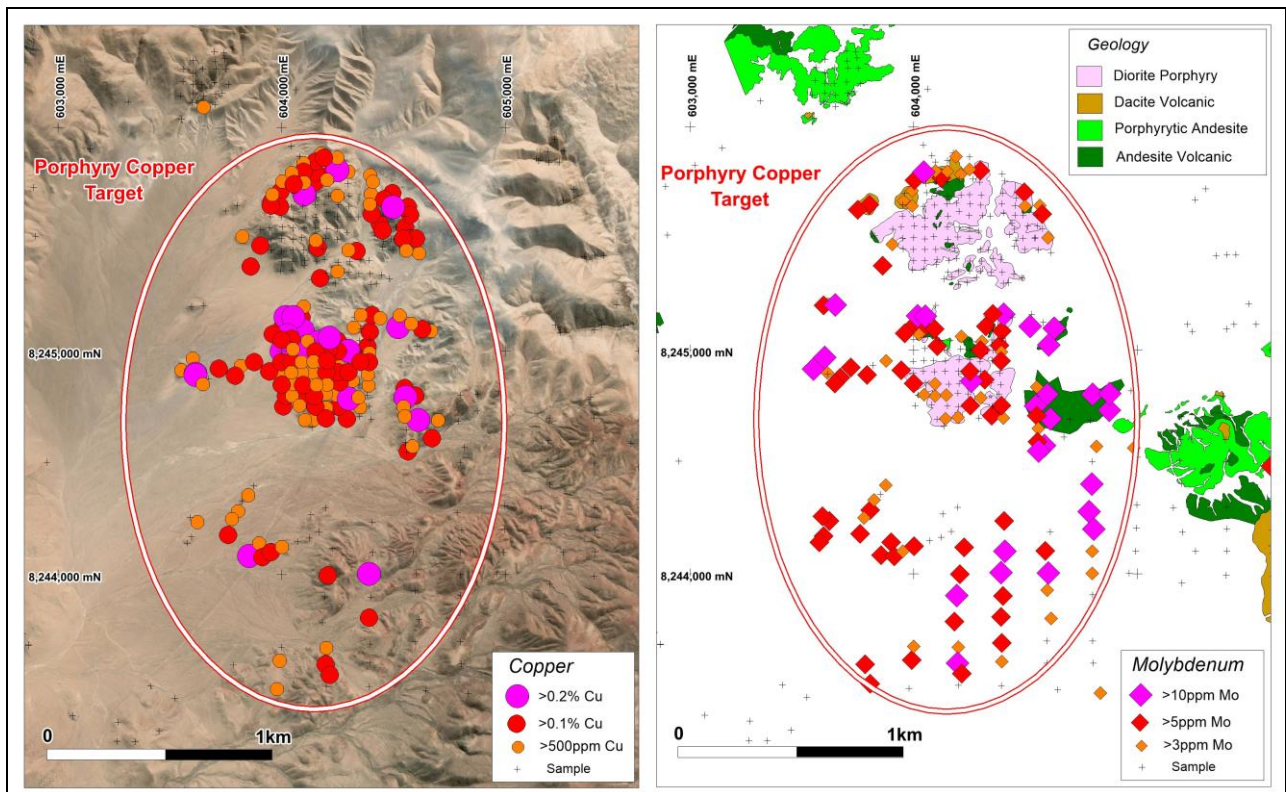


Figure 7: Cangallo Porphyry Copper Prospect showing anomalous copper and molybdenum values.

The anomalous copper and molybdenum values are generally associated with sericite and potassic alteration, both within volcanic and intrusive lithologies. The fact that nearly all of the small outcrops sampled within the covered area are anomalous in copper and/or molybdenum, suggests that porphyry copper mineralisation could be continuous beneath the extensive cover. A large target area of ~ 2.5km x 1.5km is inferred by the sampling.

Seventy percent of the proposed RC drill sites have so far been approved. Drill permitting is expected to be completed during Q1 2024. The possibility of extending and/or altering

the drill coverage will be considered in light of the more recent geochemical results.

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 provided to third parties who expressed interest in pursuing this opportunity. The Company believes there are copper targets at Parcoy that were not tested by the initial wide-spaced drilling programs.

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.

CORPORATE

The Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited (South32) was extended for a further two years (to December 2025) to keep developing high-potential exploration opportunities targeting copper, lead, zinc, nickel, lithium and rare earth elements (ASX release 15 November 2023).

Under the extended Agreement, Exploration Opportunities offered by AusQuest and accepted by South32 will continue to be advanced with exploration funding provided by South32. The two companies have developed a strong working relationship over the past seven years and plan to continue working together with a focus on developing opportunities within Australia.

During the December Quarter, the Company invested \$664,000 in exploration and had approximately \$1.6 million in cash remaining at the end of December. Further funding from South32 to cover agreed work programs over Strategic Alliance Projects is expected in Q1 2024.

The Company's Cashflow Report (Appendix 5B) for the Quarter ended 31 December 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 – MARCH 2024 QUARTER

- Balladonia (Cu-Au-Ni-REE) – Complete assessment of VTEM data, integrate with other datasets and finalise next work program under the SAA.
- Morrisey (Magnetite, Ni-Cu-PGE) – Prepare access for RC drilling program at Waterfall, finalise drilling contract and initiate drill operations.
- Jubilee Lake (Ni-Cu-PGE) – Continue heritage clearance process for additional drill sites.
- Moora (Ni-Cu-PGE) – Complete access preparation for planned RC drilling.
- Peru (Cu-Mo-Au) – Complete drill permitting at Cangallo and apply for drill permits at Lantana.
- Peru (Cu-Mo-Au) – Advance joint venture negotiations to fund 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.

AusQuest Limited: Tenement Schedule as at 31 December 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.
E69/3559	WA, Balladonia	Nil	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%	Nil	AusQuest Ltd.
E69/3896	WA, Mount Davis	100%	100%	AusQuest Ltd.
E69/3898	WA, Mount Davis	100%	Nil	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 1	Arequipa	Nil	100%	Questdor SAC
Cangallo 2	Arequipa	100%	100%	Questdor SAC
Cangallo 3	Arequipa	100%	100%	Questdor SAC
Cangallo 6	Arequipa	Nil	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 31 December 2023- cont'd

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
<i>Peru Cont.</i>				
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
Ventura 11	Moquegua	Nil	100%	Questdor SAC

Appendix 5B

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

Name of entity

AUSQUEST LIMITED

ABN

35 091 542 451

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	65	65
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(35)	(62)
(e) administration and corporate costs	(236)	(549)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	4
1.5 Interest and other costs of finance paid	(1)	(2)
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	(206)	(544)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(2)	(6)
(d) exploration & evaluation	(664)	(2,619)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	810	1,070
2.6	Net cash from / (used in) investing activities	144	(1,555)

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	(24)	(47)
3.10	Net cash from / (used in) financing activities	(24)	(47)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,698	3,733
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(206)	(544)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	144	(1,555)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(24)	(47)
4.5	Effect of movement in exchange rates on cash held	(48)	(23)
4.6	Cash and cash equivalents at end of period	1,564	1,564

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	1,564	1,698
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)	1,564	1,698

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	18
6.2	Aggregate amount of payments to related parties and their associates included in item 2	49

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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
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)	(206)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(664)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(870)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,564
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,564
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.80
<i>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.</i>	
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 exploration programs underway resulting in a high expenditure for the Quarter. This level of spend is not anticipated in the foreseeable 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). Funds for exploration in Q1 2024 are expected under the SAA with South32.	
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?	
At present, the Company has not initiated any fundraising activities. However 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 the Australian Projects are largely funded by South32 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 January 2024

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.