



## ALLIANCE WITH SOUTH32

~ US\$2.4M funding received to date

At least 6 Projects to be tested in 2017

Three Copper targets in Peru

Three Projects (Ni, Zn) in Australia

**\$7.5 MILLION MARKET CAPITALISATION**



## **Forward-Looking Statements**

This presentation 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. Data and amounts shown in this presentation relating to capital costs, operating costs and project timelines are internally generated best estimates only. All such information and data is currently under review as part of AusQuest Limited's ongoing development and feasibility studies. Accordingly, AusQuest Limited cannot guarantee the accuracy and/or completeness of the figures or data included in the presentation until the feasibility studies are completed.

## **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.

## **JORC – Exploration Targets**

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this presentation relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

## **Currency**

All dollar amounts shown in this presentation are in Australian dollars unless otherwise stated.

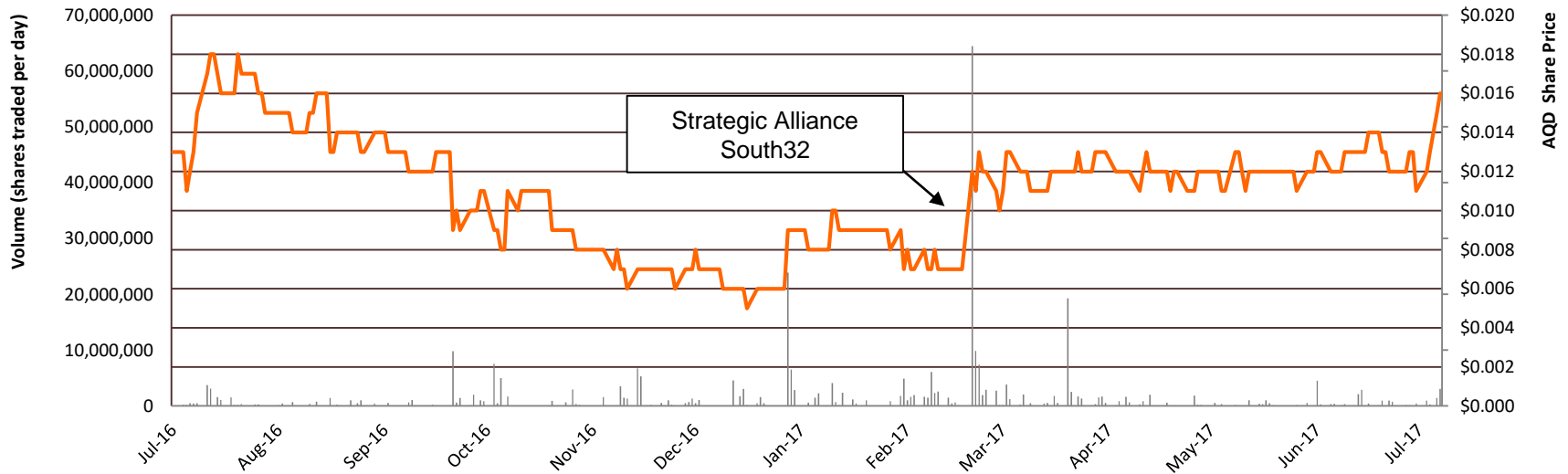
# CAPITAL STRUCTURE



AusQuest Limited	
ASX Code	AQD
Shares on Issue	500.8 million
Options on Issue	78.9 million
Market Cap. (at 1.5 cents)	~\$7.5 million
Cash (May 31st)	~\$2.2M
<b>Enterprise Value</b>	<b>\$5.3 million</b>

Significant Shareholder	
Chris Ellis (NED)	16.53%
Directors (Incl C.E.)	20.15%
Merrill Lynch (Aust) Nominees P/L	2.25%
<b>Top 20 (approx)</b>	<b>42.76%</b>

Directors	
Greg Hancock	Non Exec. Chairman
Graeme Drew	Managing Director
Chris Ellis	Non Exec. Director





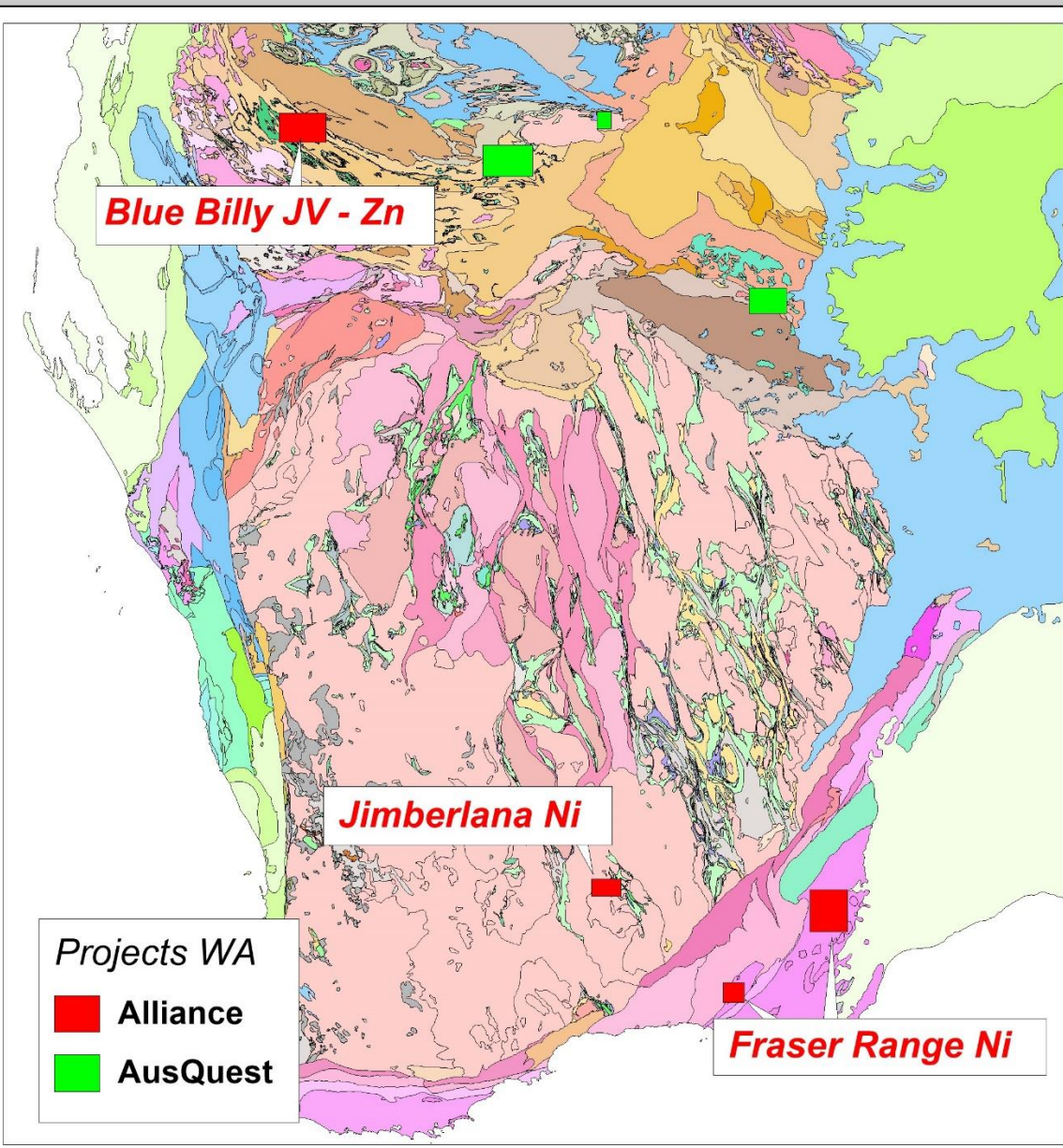
- Strong support for early stage exploration – all opportunities offered exclusively to South32
- HIGH REWARD DRILLING – ‘COMPANY MAKING’ TIER 1 TARGETS
- South32 provide funds (up to US\$0.5M) to advance selected prospects to drilling stage
- If drilling agreed - Joint Venture formed - US\$4.0M for 70% & PFS for 80% - for each JV
- Bonus payment structures finance ongoing project generation
- AusQuest to manage programs including initial JV drilling

# ALLIANCE - ASSET OVERVIEW



Projects	Location	Target Commodity	Current AQD %	STATUS	Activity
<b>Blue Billy JV</b>	Western Australia	Zinc	100%	South32 right to earn up to 80%	Drilling August
<b>Jimberlana (SA)</b>	Western Australia	Nickel	100%	South32 right to form JV	EM targeting in progress
<b>Balladonia (SA)</b>	Western Australia	Nickel	100%	South32 right to form JV	EM targeting in progress
<b>Chololo (SA)</b>	Peru	Copper	100%	South32 right to form JV	IP complete Drill Permitting 2017
<b>Cerro de Fierro (SA)</b>	Peru	Copper - Gold	100%	South32 right to form JV	IP in Progress
<b>Los Otros (SA)</b>	Peru	Copper	100%	South32 right to form JV	Mapping & sampling IP planned

# AUSTRALIAN PROJECTS – (SA & AQD)

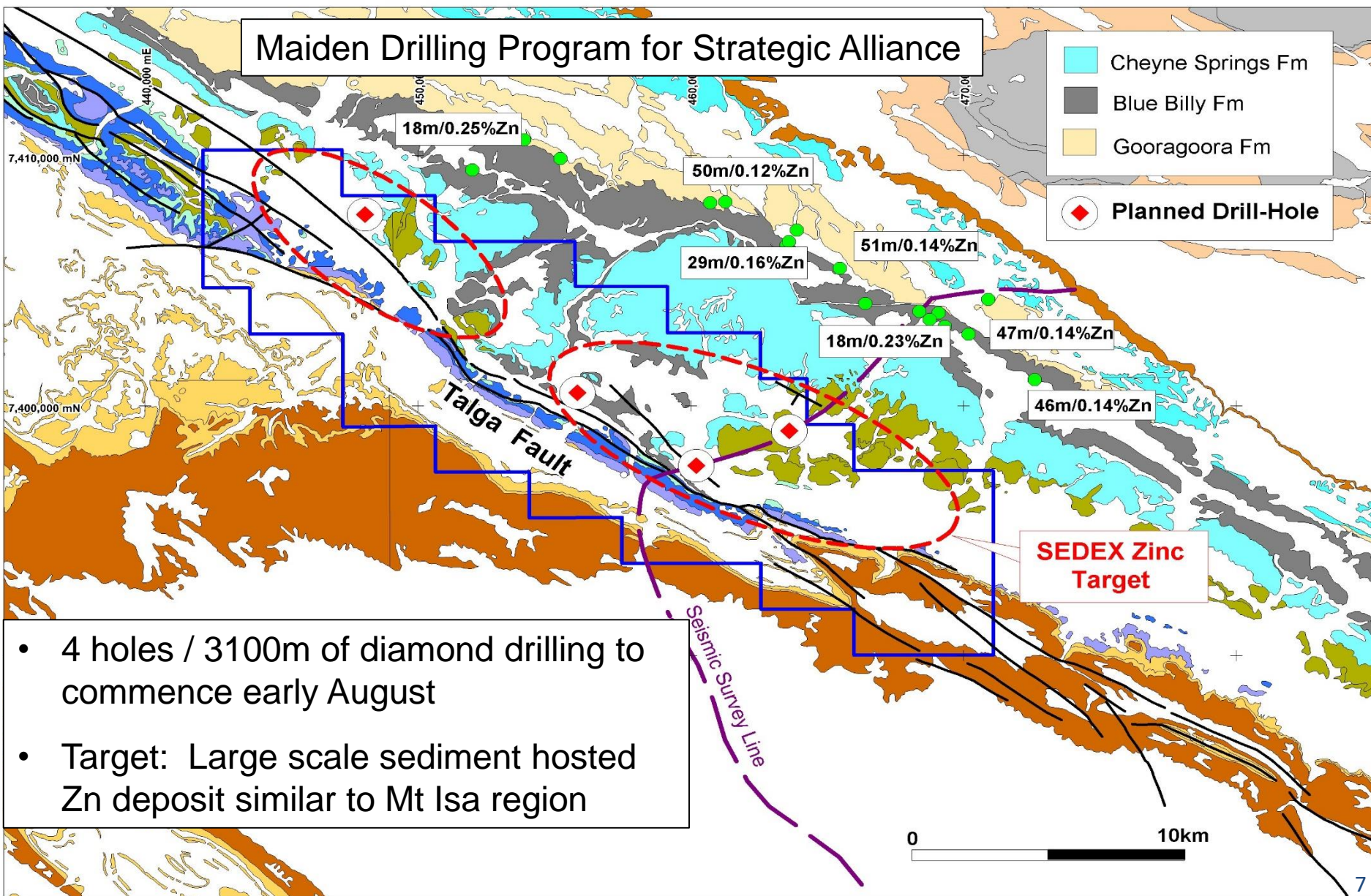


- Focus on **large scale** base metal projects (WA)
- High prospectivity for Ni-Cu at Fraser Range & Jimberlana
- HPEM in progress (under SA) to identify drill targets
- Large sedimentary Zn targets at Blue Billy
- Maiden drilling (under S32 JV) commences in Aug 2017
- AQD generative team identifies new opportunities
- Project generation expanded to all States

# BLUEBILLY JV (South32) - ZN TARGET

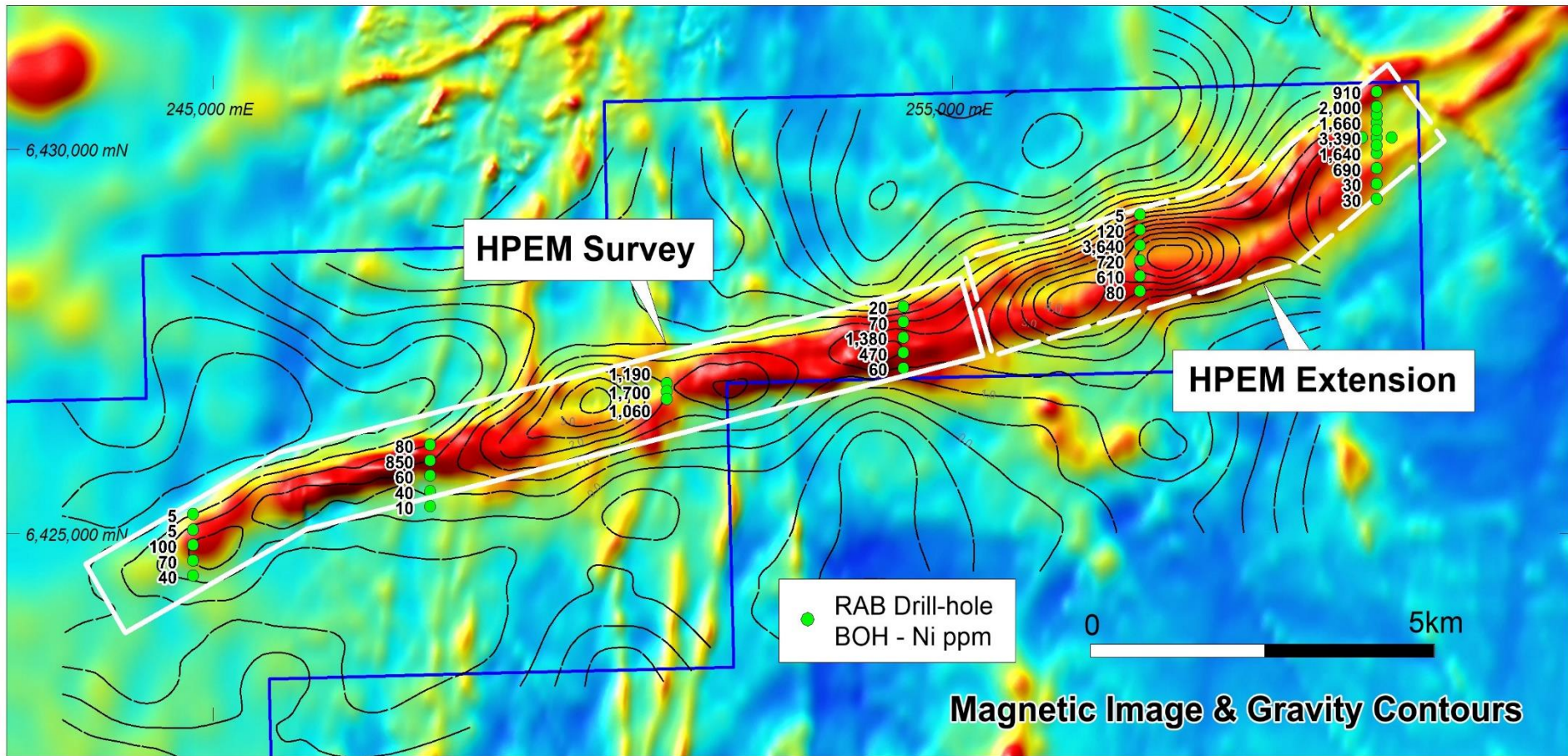


## Maiden Drilling Program for Strategic Alliance



- 4 holes / 3100m of diamond drilling to commence early August
- Target: Large scale sediment hosted Zn deposit similar to Mt Isa region

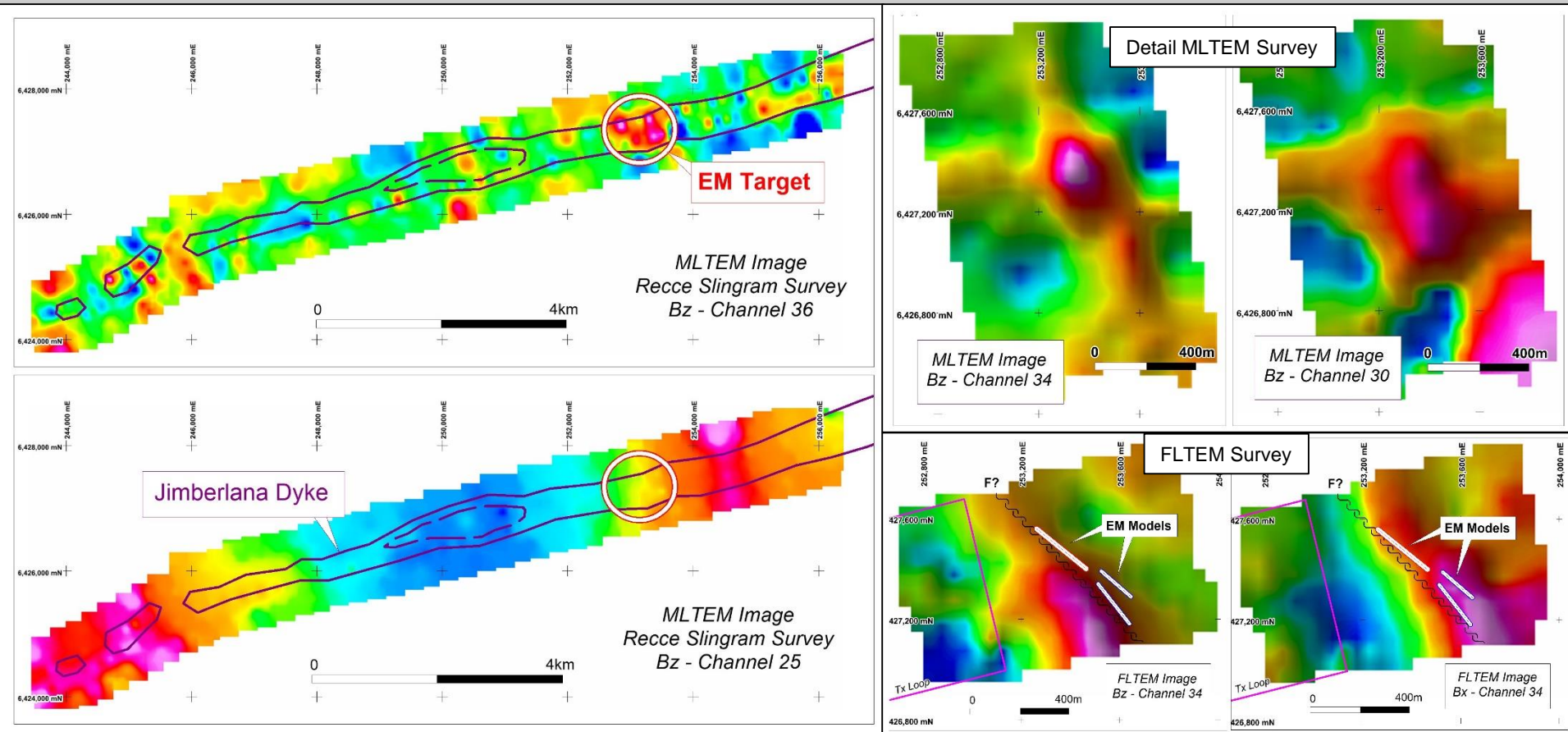




- Jimberlana Dyke - large (200km long) highly fertile (Ni) mafic intrusion
- Priority trap sites (Ni-Cu) cover westernmost 20km strike – dyke floor < 700m
- HPEM surveys extended following encouraging results from initial survey.

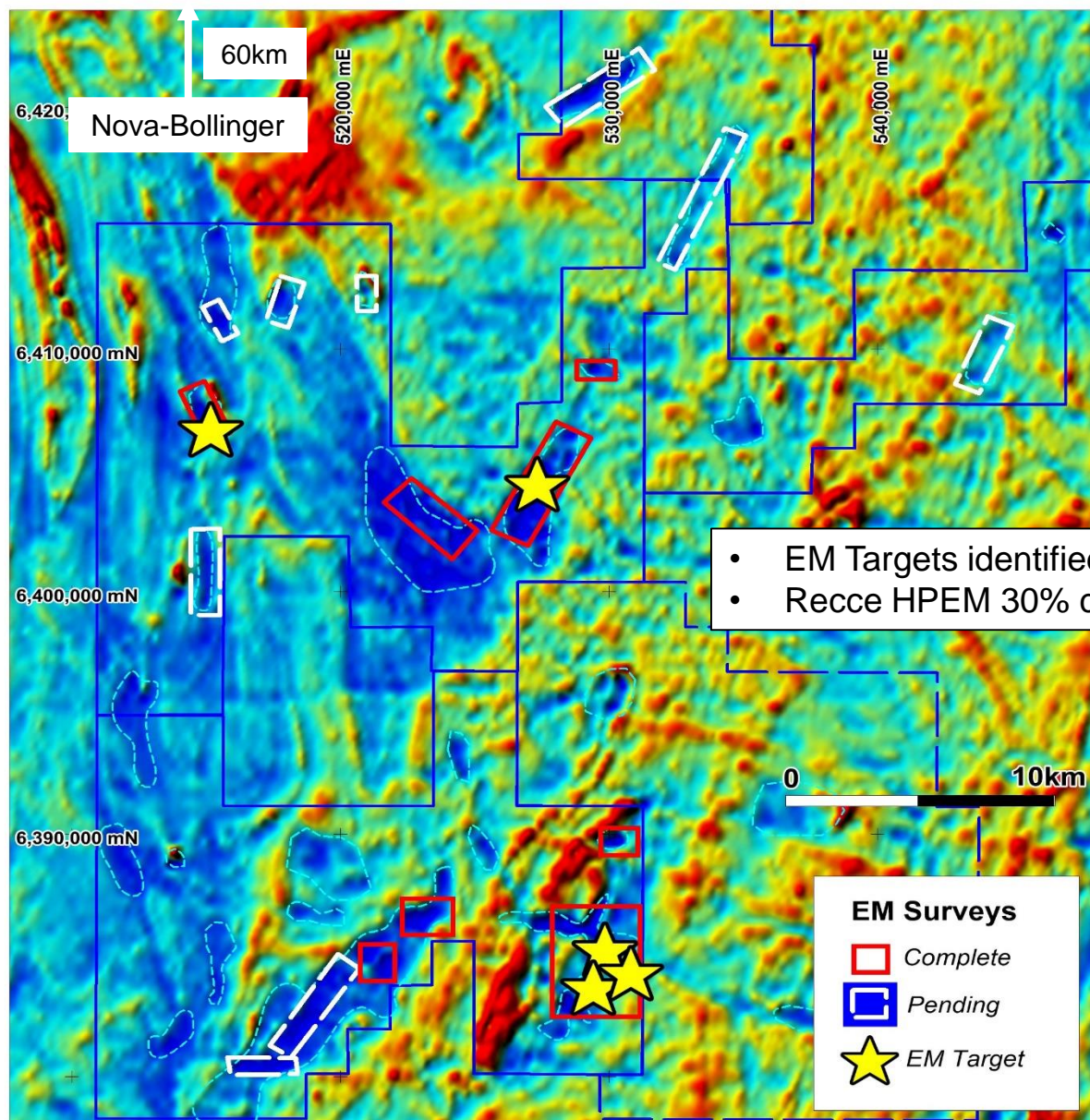


# JIMBERLANA – THE FIRST EM TARGET

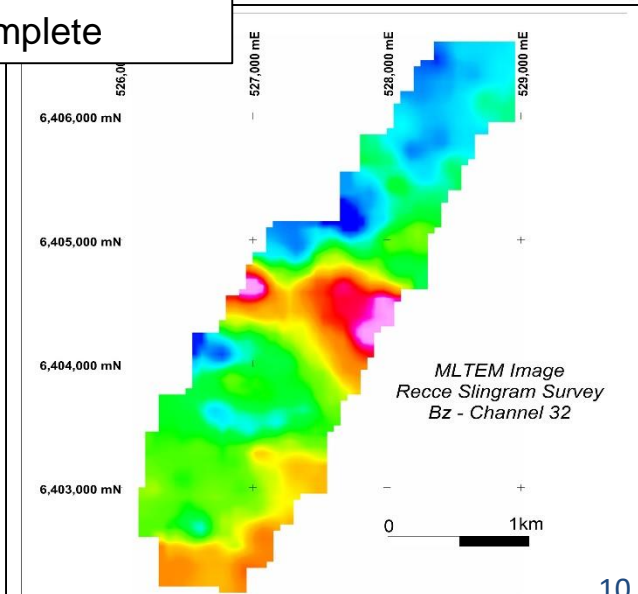
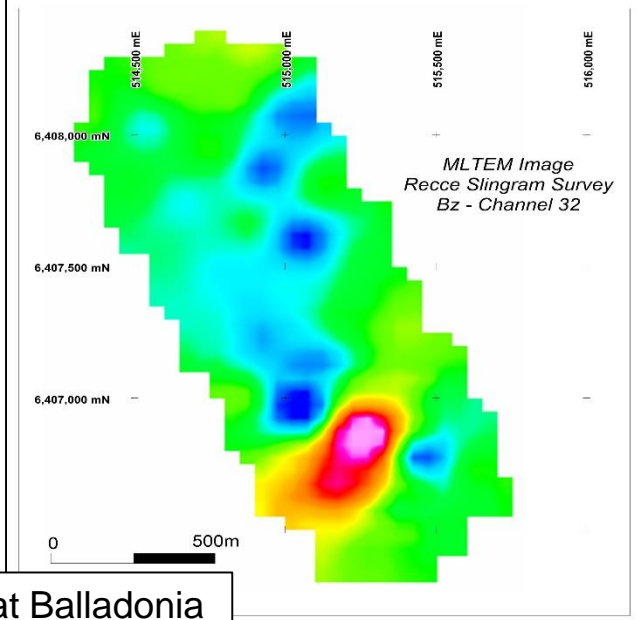


- Strike parallel MLEM (300m) identifies first potential drill target at Jimberlana
- Detailed infill surveys confirm high conductance (>3000 siemens) targets
- Expanded EM survey to assist planning for maiden drill program

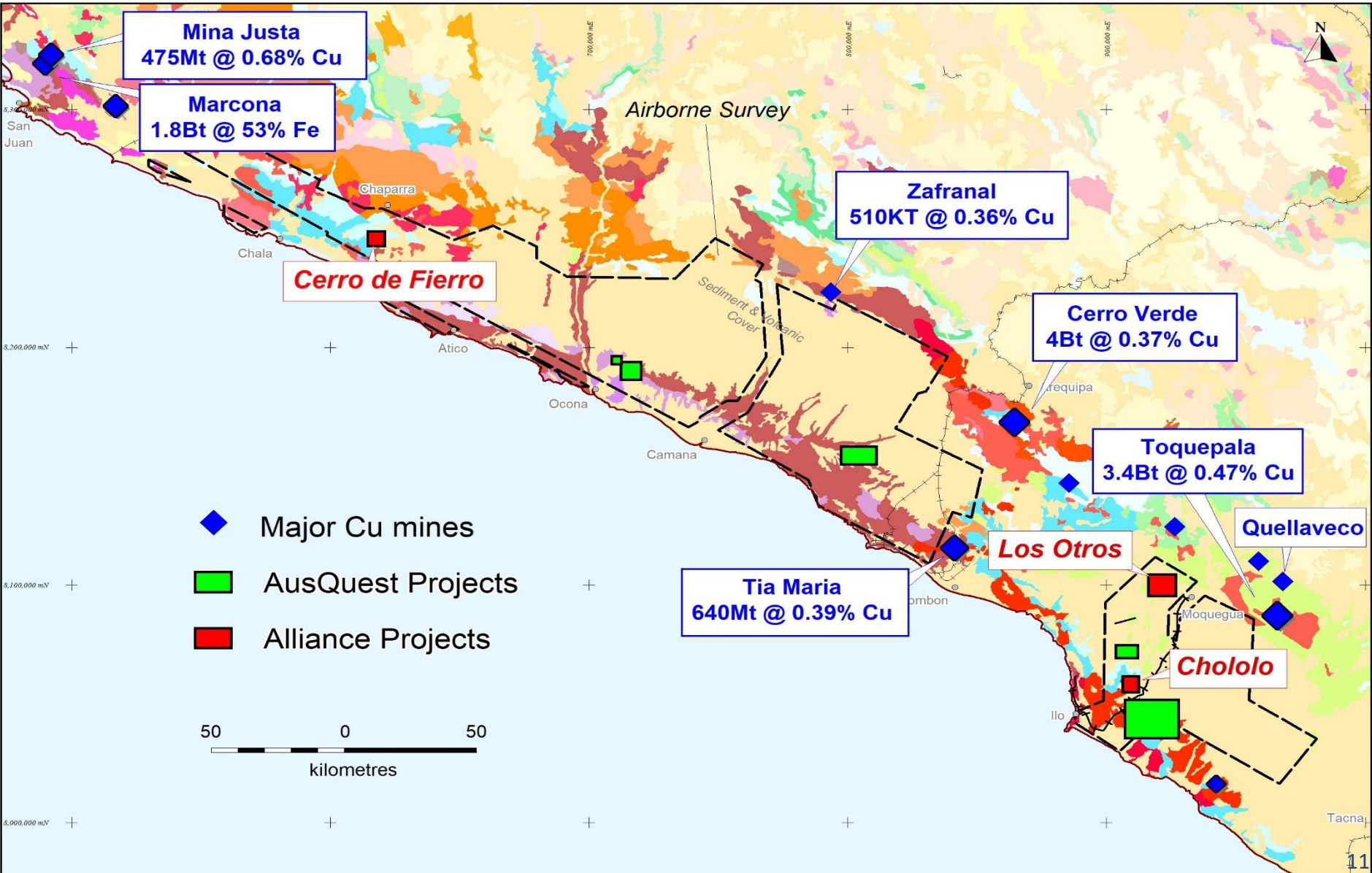
# FRASER RANGE (SA Projects) – NI-CU



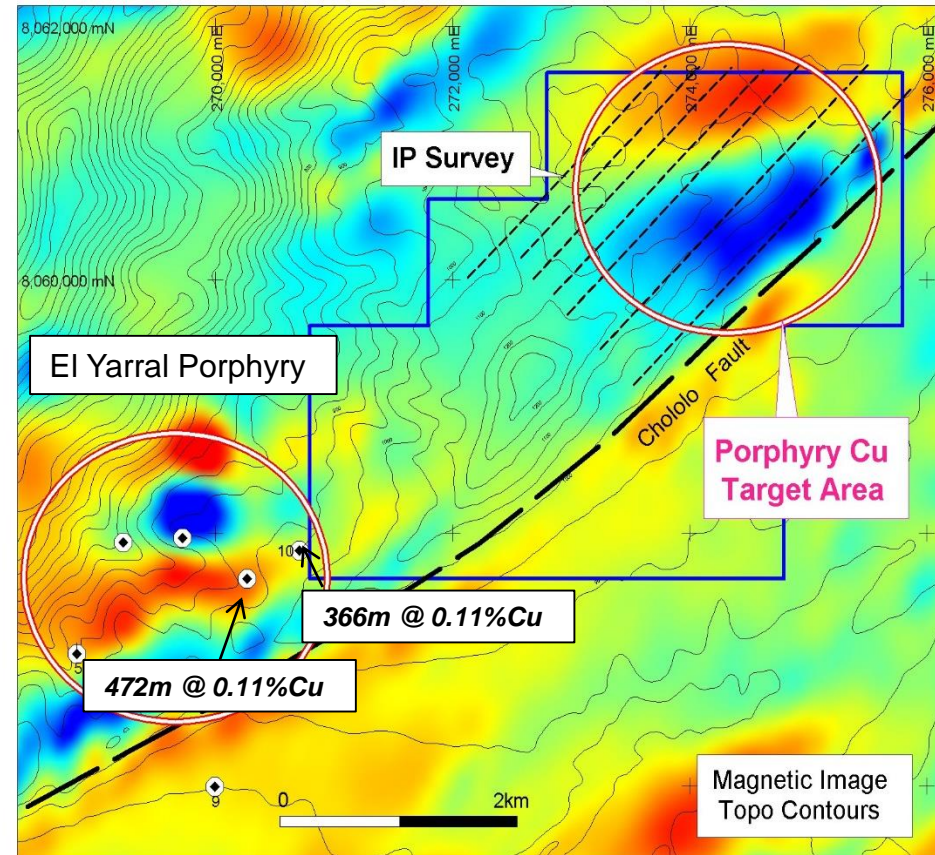
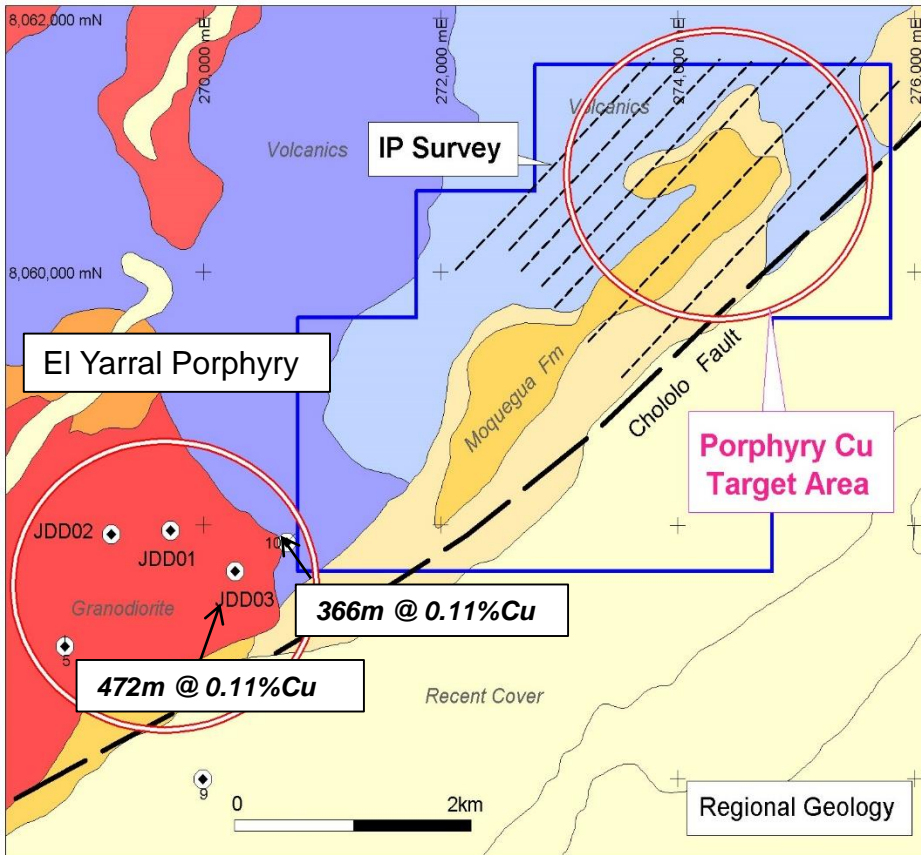
- EM Targets identified at Balladonia
- Recce HPEM 30% complete



# PERU PROJECTS - ELEPHANT COUNTRY

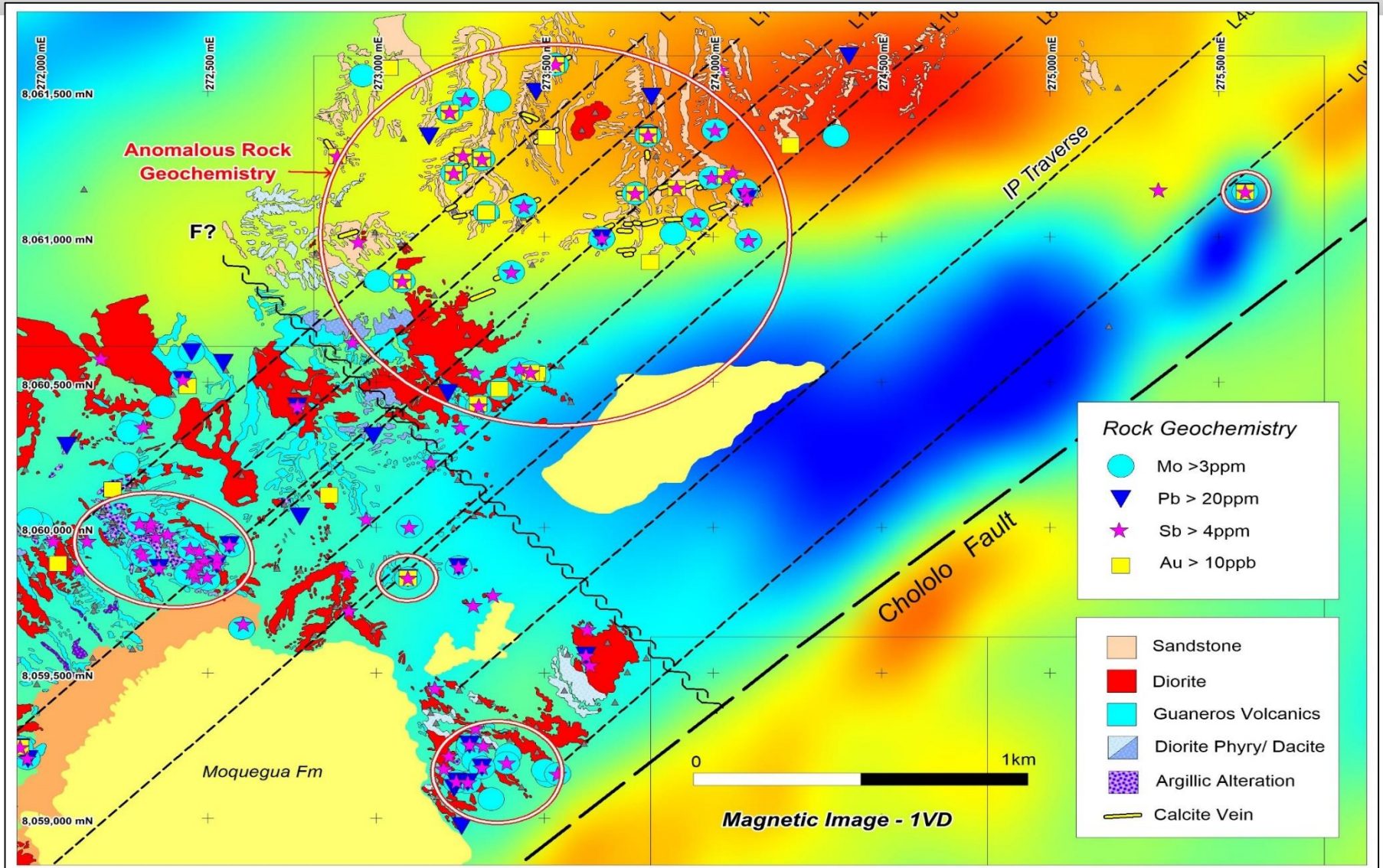


# CHOLOLO (SA Project) – Regional Setting



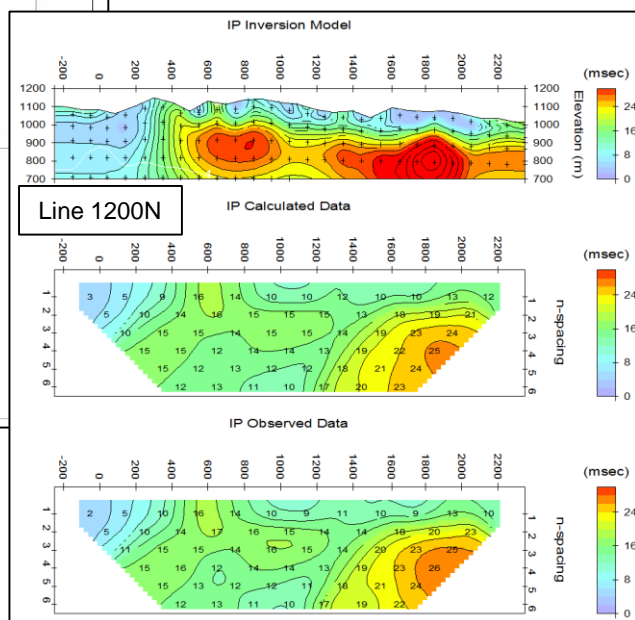
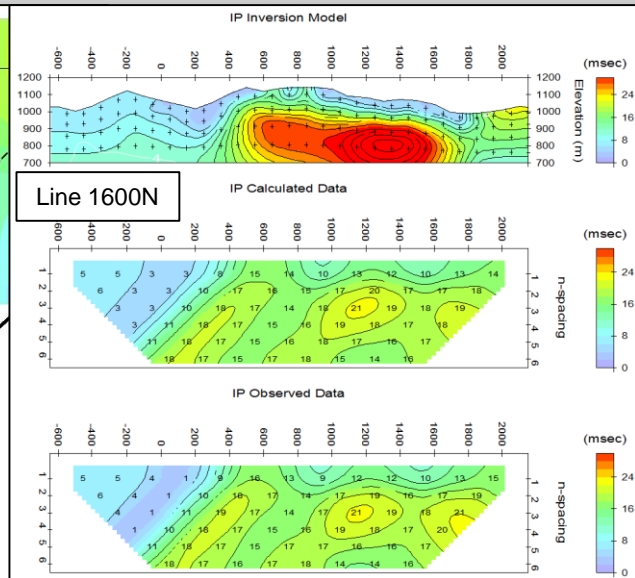
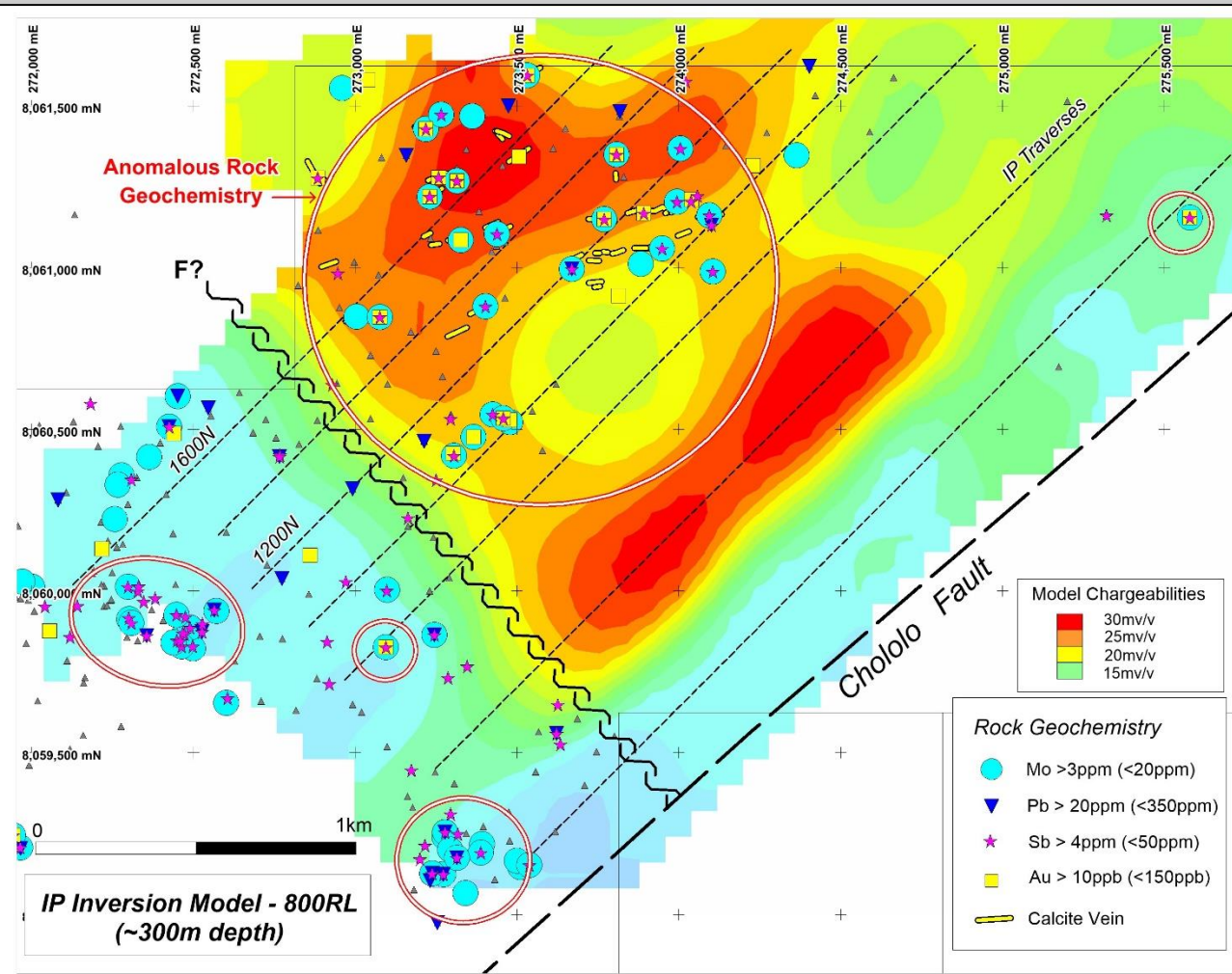
- Geology & magnetics highlight potential for Porphyry Cu north of El Yarral
- Chololo Fault provides structural control for porphyry emplacement?
- Funding provided by South32 to complete IP survey & define drill targets

# CHOLOLO GEOLOGY AND SAMPLING



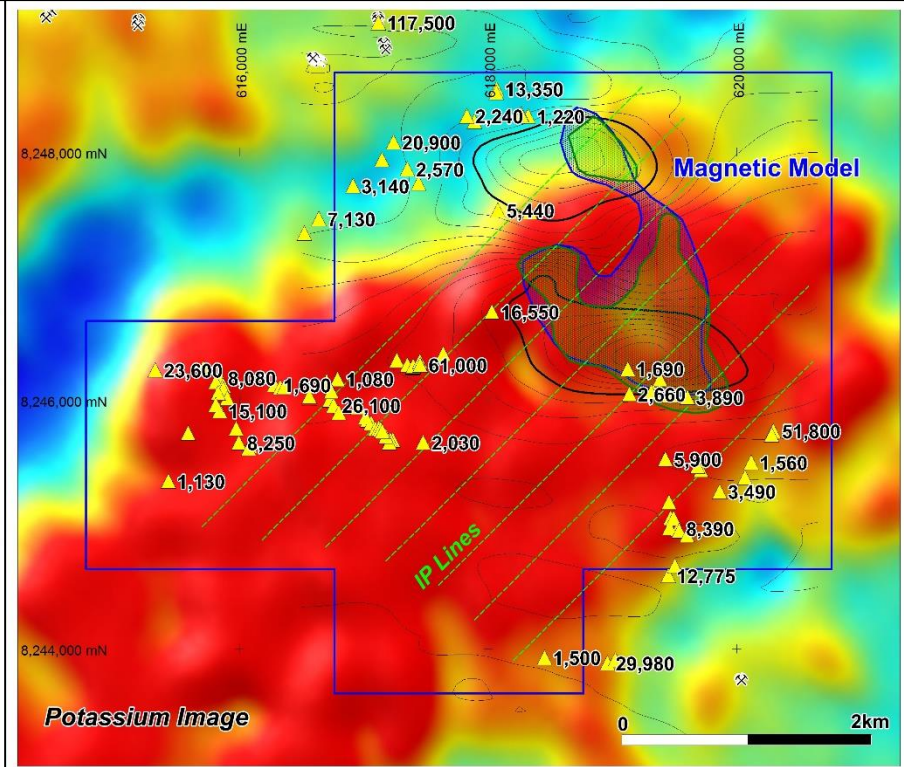
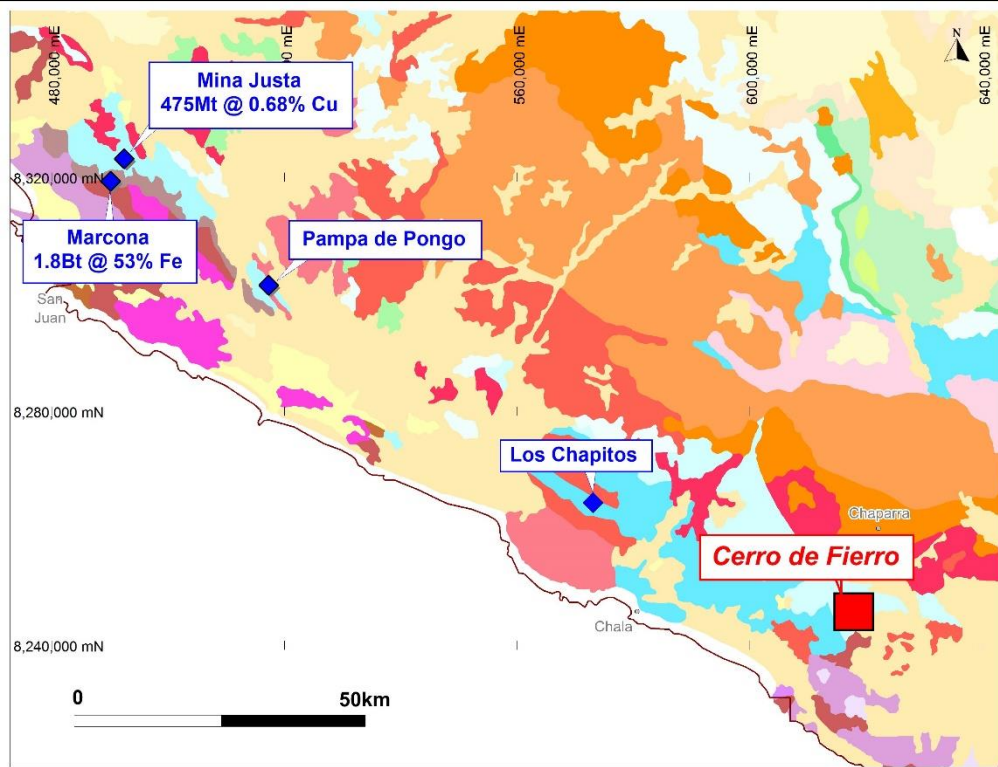
- Sampling at surface locates anomalous metals in veins (Ca) above target area

# CHOLOLO - NEW PORPHYRY CU DISCOVERY?



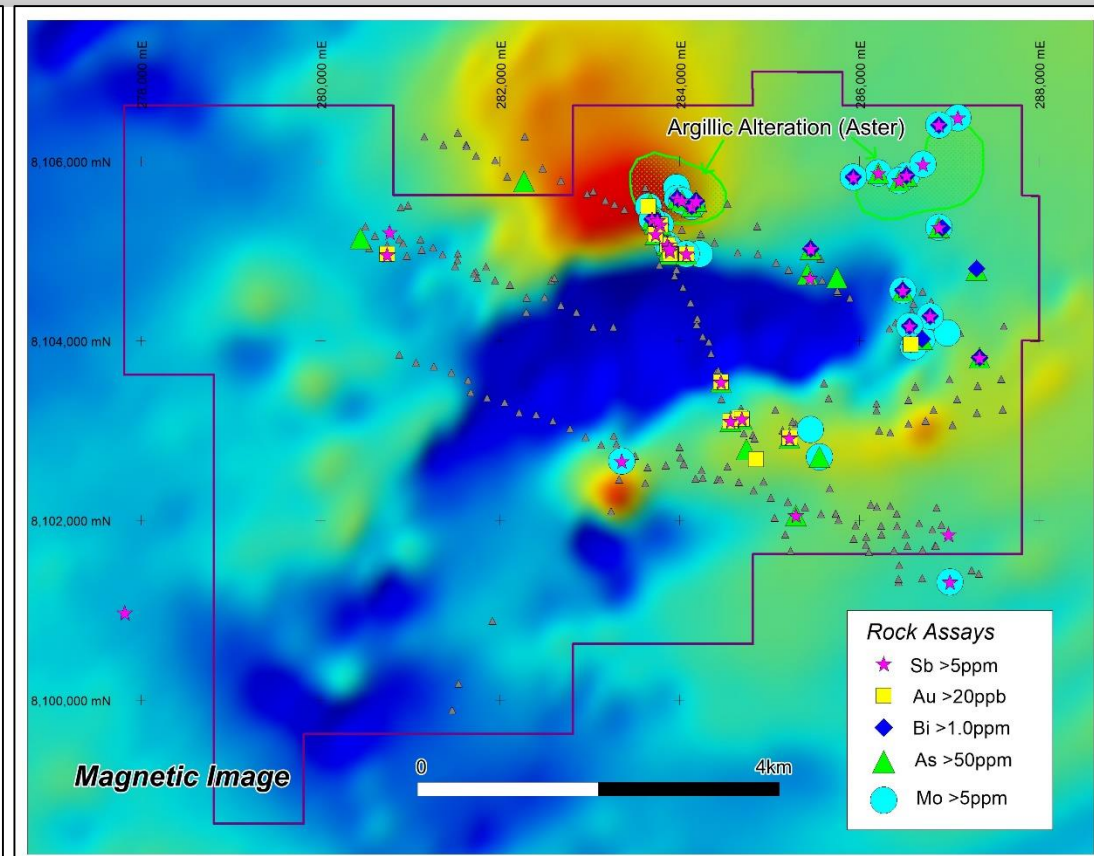
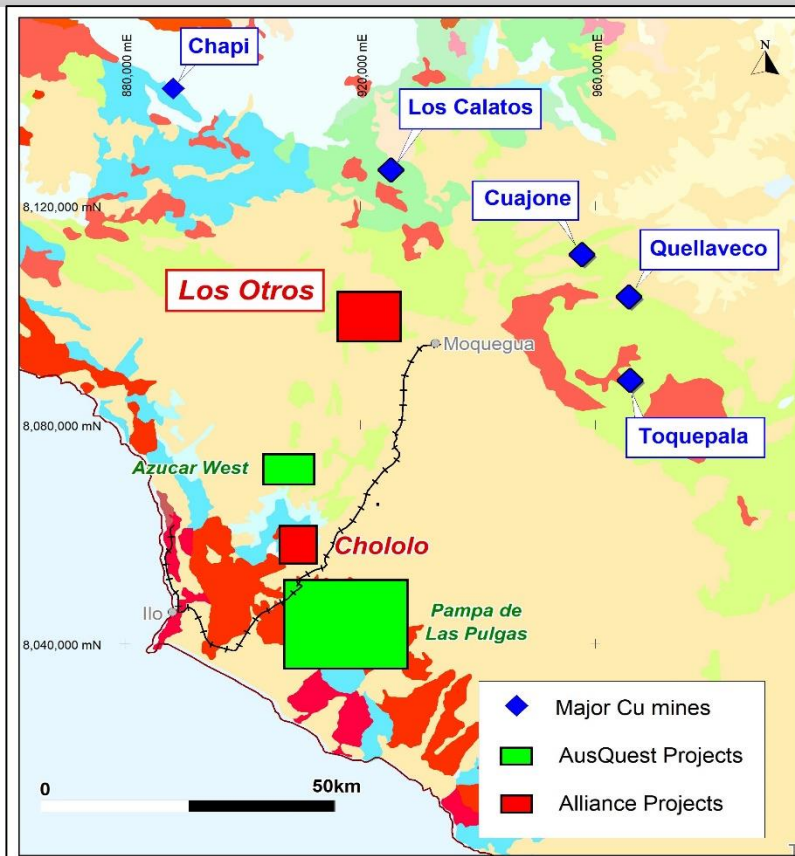
- Strong IP responses locate Priority Targets for Drilling
- **First target in Peru proposed for drilling under the SAA**

# CERRO DE FIERRO (SA Project) – IOCG?



- Close to Marcona (Fe), Mina Justa, Pampa de Pongo (Cu-Au) and Los Chapitos (recent report -106m @ 1.3%Cu)
- Magnetic target identified from Company's proprietary airborne data
- Extensive Cu oxides and regional scale potassic alteration confirmed by mapping & sampling – ***IP survey funded by South32 to define drill targets***

# LOS OTROS (SA PROJECT) - PORPHYRY CU?



- Close to major Porphyry Copper Deposits - Toquepala, Quellaveco, and Cuajone
- Magnetic targets identified from Company's proprietary airborne data
- Mapping & sampling locates anomalous geochemistry associated with argillic alteration marginal to inferred intrusion – **High priority target emerging**



# 12 MONTH PLAN - ALLIANCE PROJECTS

Projects	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
BlueBilly JV Zn - WA		JV Drilling ✓						JV Drilling ?				
Jimberlana (SAA) Ni - WA		EM ✓					Drilling ?					
Balladonia (SAA) Ni - WA		EM ✓						Drilling ?				
Chololo (SAA) Cu - Peru	IP ✓			Drill Permitting ✓							Drilling	
Cerro de Fierro (SAA) Cu-Au - Peru		IP ✓					Drill Permitting ?					
Los Otros (SAA) Cu - Peru	Map & sample ✓					IP ?				Drill Permitting ?		

( ? = proposed work program subject to results & discussions with South32 )



- Target: Tier 1 opportunities
- Australia & Peru – for now
- Core team in place – highly motivated

AIM: 3 projects p.a. accepted by South32  
for Bonus payment to AQD (US\$500K)  
South32 funds projects (>US\$250K each)

*Opportunity Pipeline for South32 & AusQuest*

# CONTACT



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