

July 11th, 2019
ASX Release

DRILLING COMMENCES AT THE TELEGRAPH PROSPECT AT BALLADONIA

AusQuest Limited (ASX: AQD) is pleased to advise that aircore drilling (40 holes/1600m) has commenced at the **Telegraph Prospect**, part of the Balladonia Project in the Fraser Range area of Western Australia. This project is subject to the Strategic Alliance Agreement (SAA) with South32.

This follow-up drill program is designed to outline the extent of base metal anomalism intersected by earlier drilling (reported to ASX in December 2018 Quarterly Report) which reported highly anomalous copper (300 to 5,500ppm Cu), silver (1 to 15gpt Ag), lead (100 to 1,800ppm Pb) and zinc (300 to 2,900ppm Zn) values within weathered bedrock over an interval of 28 metres before the drill-hole terminated in bedrock (*Figure 1*).

Drilling is expected to take one to two weeks to complete with assay results available approximately three to four weeks after drilling is completed.

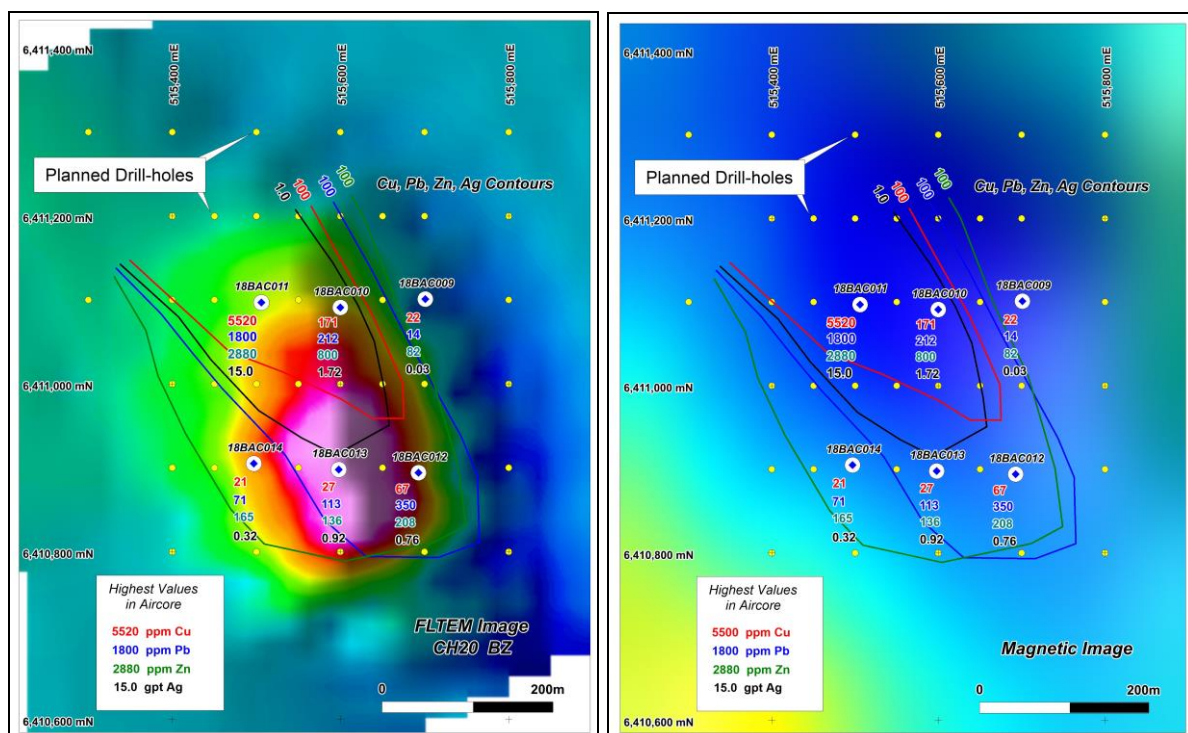


Figure 1: Telegraph Prospect showing air-core drilling results and proposed drilling

AusQuest Managing Director Graeme Drew said the Telegraph Prospect represented a compelling drill target.

“Based on the strength of the results returned from our previous round of drilling, we are looking forward to gaining a clearer picture of the size and scale of the anomalous zone at Telegraph.

“Positive results from this drilling could lead to deeper target drilling at the Telegraph Prospect later in the year.

“This marks the start of an active drilling period for AusQuest, with diamond drilling also scheduled to commence at our Hamilton IOCG prospect in north-west Queensland around the end of the month,” he continued.



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.