

April 30th, 2015
ASX Release

AUSQUEST RECEIVES INITIAL OPTION PAYMENT FOR LANA COPPER-GOLD PROJECT IN SOUTHERN PERU

First milestone for newly-established Peru copper-gold exploration joint ventures

AusQuest Limited (ASX: AQD) is pleased to advise that it has passed the first milestone under its recently concluded Peru copper-gold joint ventures after receiving an initial option payment of US\$70,000 from Southern Peru Copper Corporation Sucurs del Peru (“Southern”) following registration of the Lana Joint Venture Agreement on the public registry.

Under the Lana Joint Venture, Southern is required to complete 5,000m of RC and/or diamond drilling or expenditure of US\$1.0 million within 12 months from the Effective Date (April 9th 2015) with the election to complete a further 15,000m of drilling over a further 3-year period plus make option payments to AusQuest totalling US\$2.995 million over the same period, in order to earn a 70% interest in the project (*details of the agreement were released to the ASX on February 24th 2015*).

The Lana Joint Venture Project is located approximately 30km from the coastal town of Atico in southern Peru and covers a large (~20km²) discrete gravity anomaly (8 milligals), located close to the intersection of major structures interpreted from the Company’s proprietary aeromagnetic data.

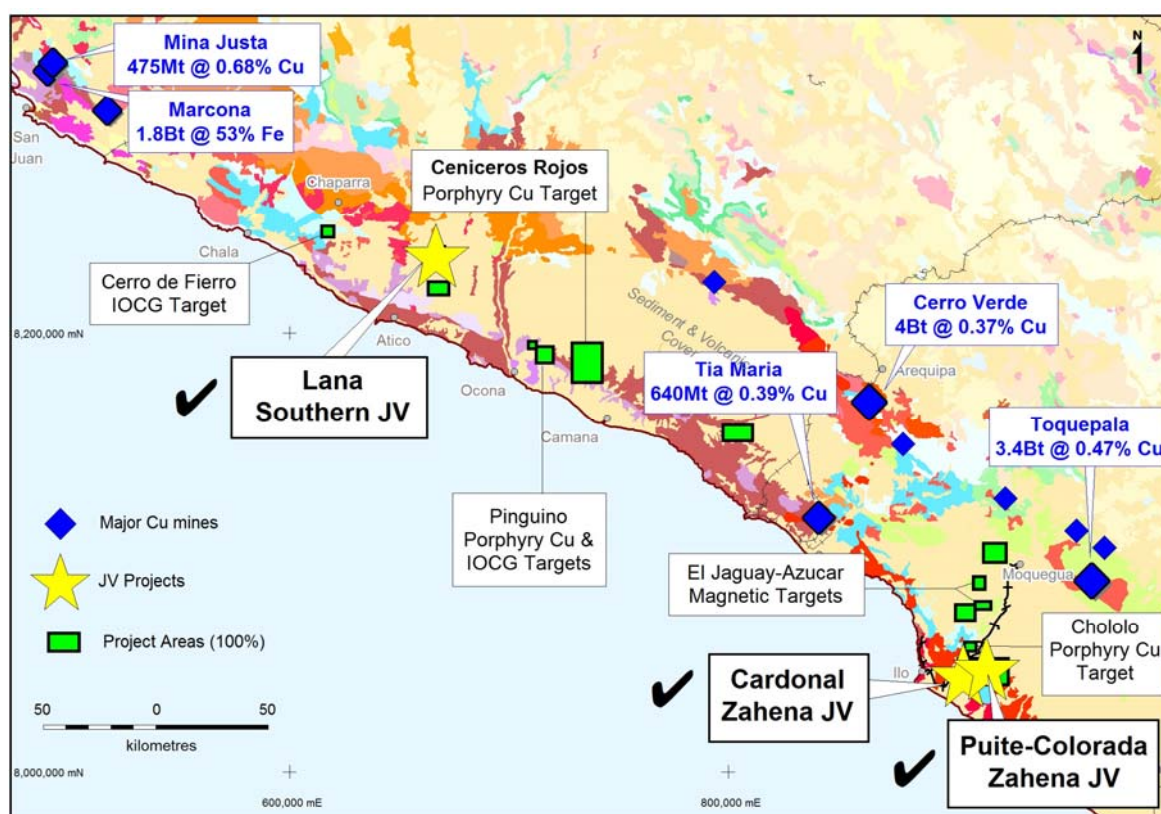


Figure 1: Peru Projects showing location of the Lana JV area

The gravity target is offset from a deep (~400m) magnetic response, and modelling of the gravity data suggests a large density contrast (>0.5g/cc) is required to explain the size of the anomaly, suggesting the potential for buried IOCG and/or porphyry copper-style mineralisation beneath the volcanic and sedimentary cover.

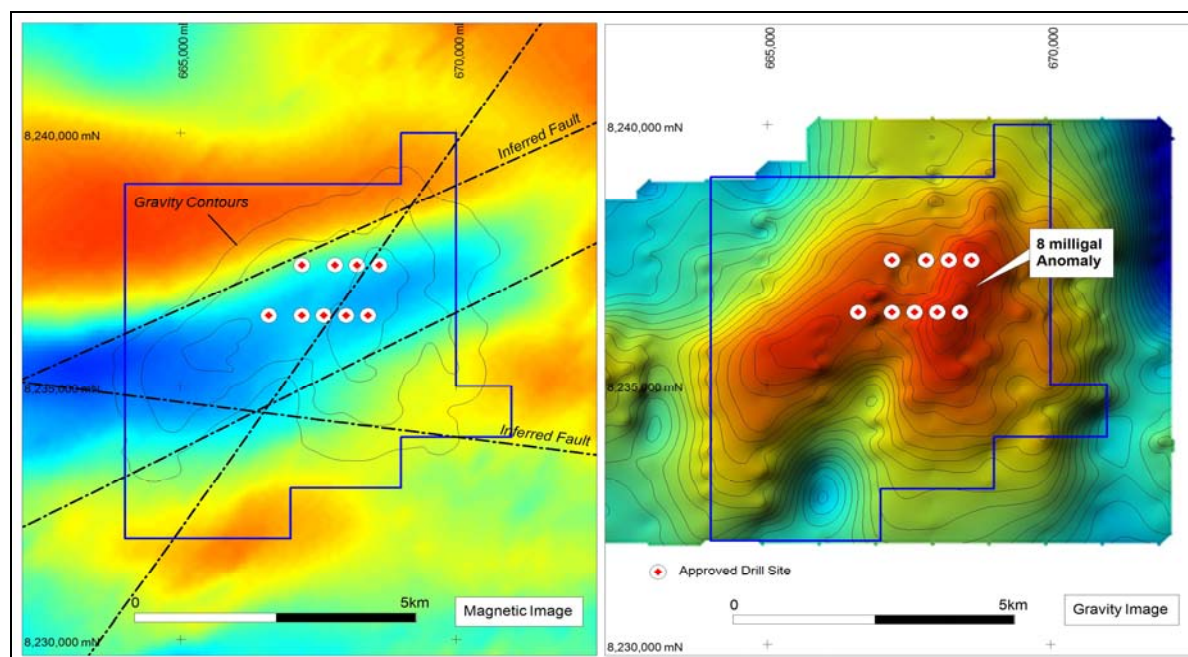


Figure 6: Lana Gravity target showing permitted drill-sites

The Company looks forward to the commencement of drilling operations within the Lana Project, which it believes is likely to occur around the middle of 2015.

The Lana joint venture is one of three joint ventures recently announced by the Company which will see four of its large-scale porphyry copper and/or IOCG targets in southern Peru drilled by major companies within the next 12-18 months.

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.