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AIRBORNE ELECTROMAGNETIC SURVEY AT PLUMRIDGE

- 1,400 line kilometre helicopter Versatile Time Domain Electromagnetic-max (VTEM-max) survey covering 390km^2 to commence in November 2012
- Targeting interpreted mafic rocks of the Fraser Range Metamorphics
- The primary focus is the known magnetic signatures and the interpreted mafic/ultramafic sequences of the eastern tenements to test for potential sulphide bodies
- Identified anomalies will be targeted via a subsequent drilling program

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AAQ Holdings Limited ("**AAQ**" or the "**Company**") is pleased to announce that Plumridge Gold Pty Ltd ("**Plumridge**") have appointed Geotech Airborne to undertake a VTEM-max survey over the Plumridge Project, located 90km south of the Tropicana Gold Project, within the Albany-Fraser Orogeny, Western Australia (see Figure 1).

As announced on 20 September 2012, the Company has entered into a Heads of Agreement with International Goldfields Limited (ASX: IGS) to, amongst other things, acquire 100% of Plumridge ("**Acquisition**") which is the owner of the Plumridge Project located along the Tropicana Gold Belt on the eastern margin of the Yilgarn Craton in Western Australia.

VTEM-max is a survey technique that uses a helicopter borne 35m loop to generate a powerful signal for exploring to depths of up to 300m (dependant on the host rocks). The technique is particularly well suited to exploring for conductive anomalies, such as generated by bodies of nickel and copper sulphide mineralisation.

A 1400 line km VTEM-max survey is to be flown on 300m line spacing over the Plumridge Project (Figure 2). Infill lines at closer spacing will be flown over any features of interest detected in the primary survey.

AAQ believe that undertaking a VTEM-max survey is the most appropriate and timely exploration technique for better understanding the nickel and copper prospectively at Plumridge. Alongside geochemical sampling, ground EM was pivotal in assisting Sirius Resources to design a successful drilling program at Nova.

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In addition to providing a better understanding of the nickel and copper prospectively at the Plumridge Project, the VTEM-max survey will assist in meeting the Plumridge Project expenditure requirements which fall due prior to completion of AAQ's acquisition of the Plumridge Project.

AAQ has agreed to fund the VTEM-max survey by way of a loan of up to $300,000 to Plumridge. The loan shall be repayable upon completion of the Acquisition, or in the event that the Acquisition does not complete upon a subsequent capital raising with respect to, or sale of, any of all of the tenements comprising the Plumridge Project

VTEM-max is widely considered one of the better airborne EM systems. The VTEM data will provide increased knowledge of geological structures assisting in the targeting of gold exploration, providing insights into the depth of cover and offers the potential to locate bodies of graphite within the metasedimentary sequences covered by the survey.

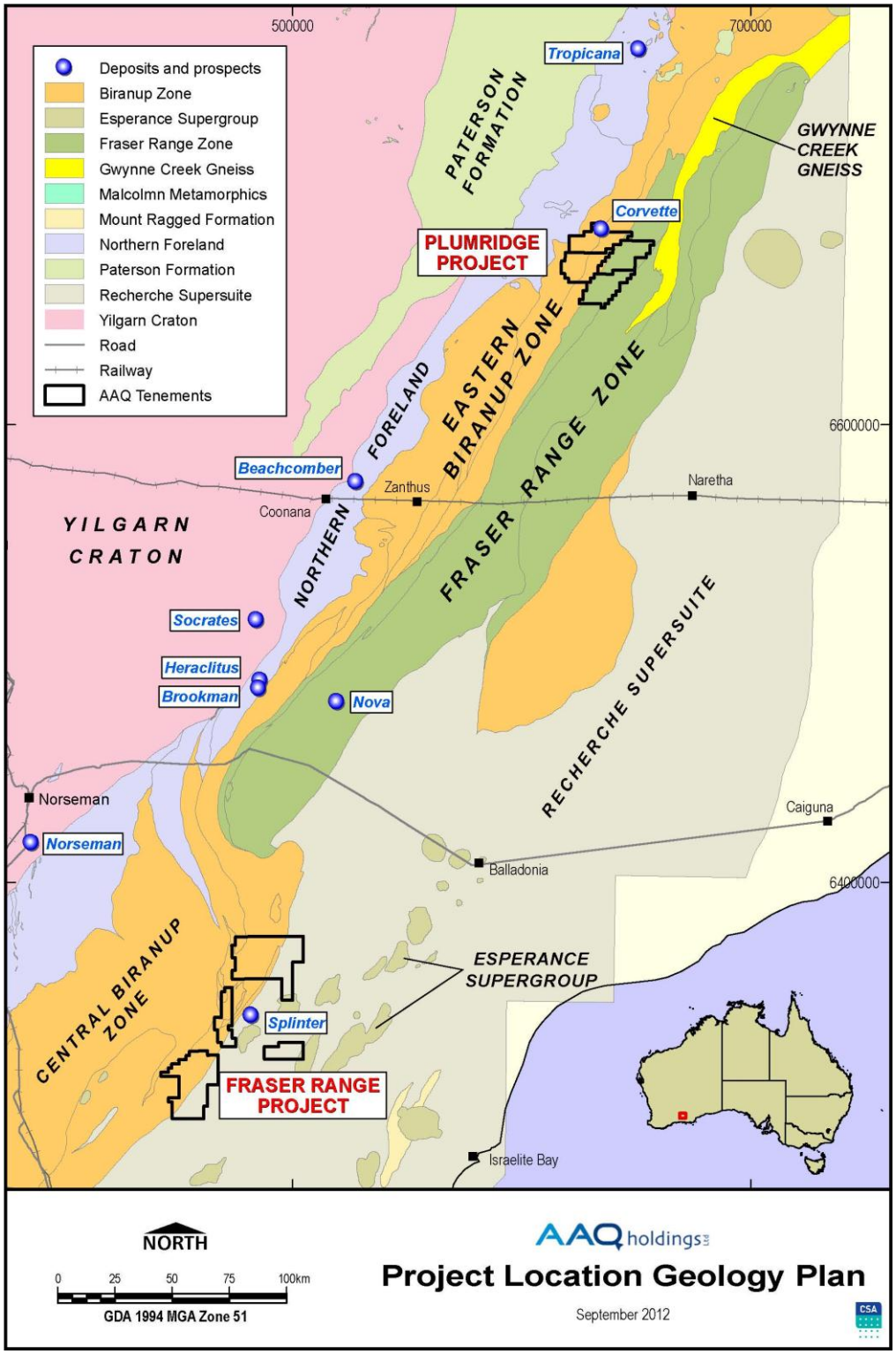

Figure 1: Project location and simplified regional geology

Commenting on the survey, Chairman Pat Burke stated "The Company has worked closely with Plumridge and its consultants to determine the optimal way forward at the Plumridge Project. Given the scarcity of outcrop, the depth of cover within the Plumridge area is sufficient to hamper effective geochemical sampling, so a VTEM survey was chosen as the most effective method to

advance the assessment of the Plumridge Project." "We know from geological mapping and historical drilling by Plumridge, that the western tenements at the Plumridge Project (E1117 & E1118) are underlain by granites and granulites whilst the eastern tenements (E1084 & E1475) are interpreted to be underlain by mafic and ultramafic rocks (Figure 2). These latter lithological sequences are similar to the host rocks for Sirius Resources' Ni-Co Nova prospect".

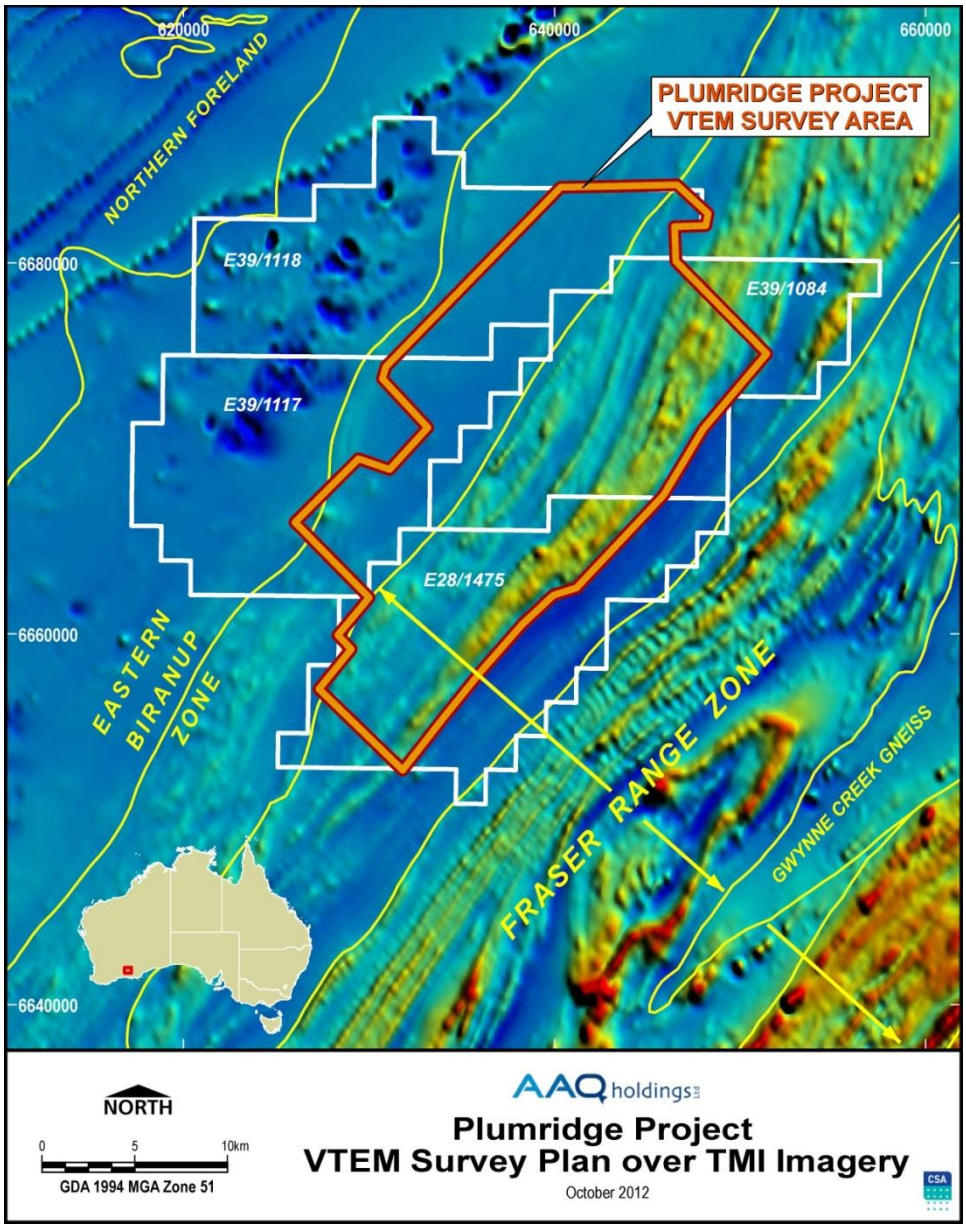

Figure 2: Proposed area of VTEM-max survey at Plumridge

Following the VTEM-max survey, and receipt of the final data, processing and interpretation of the VTEM data will be undertaken to highlight conductive features of interest. An integrated interpretation building on all available geological data, drilling results, gravity and magnetic data, together with the VTEM data will be used to define exploration targets. Depending on the size, interpreted depth and character of the anomalies identified, follow-up work, either ground EM to refine targets or direct drill testing will be undertaken.

The Company looks forward to updating shareholders on the survey progress.

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