

November 17, 2009
ASX Release



DRILLING UPDATE – WOLFE MANGANESE PROJECT

AusQuest Limited (ASX: AQD) advises that the initial drilling program at its 100%-owned **Wolfe Manganese Project**, which is located approximately 50km south-east of Halls Creek in the Kimberley Region of Western Australia, has been completed.

29 of the 38 holes drilled intersected iron bearing clays (+/- manganese) at the target contact position between the Eliot Range Dolomite (ERD) and the Mt Kinahan Sandstone (MKS).

The clays varied in thickness from 2 to 13 metres and visible manganese mineralisation was reported in six of the holes drilled. Initial results suggest anomalous manganese may concentrate around cross cutting structures. A shallow dip to the target contact was confirmed.

A Niton XRF Analyser was used to undertake on-site analysis of clay samples for the first seven holes drilled, before it had to be returned to Perth.

Manganese values based on Niton readings were found to range from 1.2% Mn to 7.9% Mn with iron values for the same intervals ranging from 6% Fe to 51% Fe. Samples from all drill holes have been sent to Perth for analysis.

A full assessment of the results and future directions for the Company's exploration program at the Wolfe Project will be made once all information and assay data are available and have been assessed.

The Board will continue to provide updates from the Wolfe Project as results become available.

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 2004 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.