November 25, 2019
ASX Release

DRILLING COMMENCES AT BALLADONIA IN THE FRASER RANGE REGION OF WA

AusQuest Limited (ASX: AQD) is pleased to advise that Reverse Circulation (RC) drilling has commenced at the **Telegraph Base Metal Prospect at Balladonia** in the Fraser Range area of Western Australia under the Company's Strategic Alliance Agreement (SAA) with South32.

The Reverse Circulation (RC) drilling program (six holes for ~1,600m) is expected to take approximately two weeks to complete, with assays expected to be available approximately three weeks after the completion of the drilling.

The RC drilling program will test beneath recent air-core drill-holes which intersected anomalous copper (300 to 5,500ppm Cu), silver (1 to 51gpt Ag), lead (150 to 1,800ppm Pb) and zinc (400 to 2,900ppm Zn) values within a deeply weathered (>99m) alteration profile, outlining a base metal target approximately 500m x 200m in size (*Figures 1 and 2*).

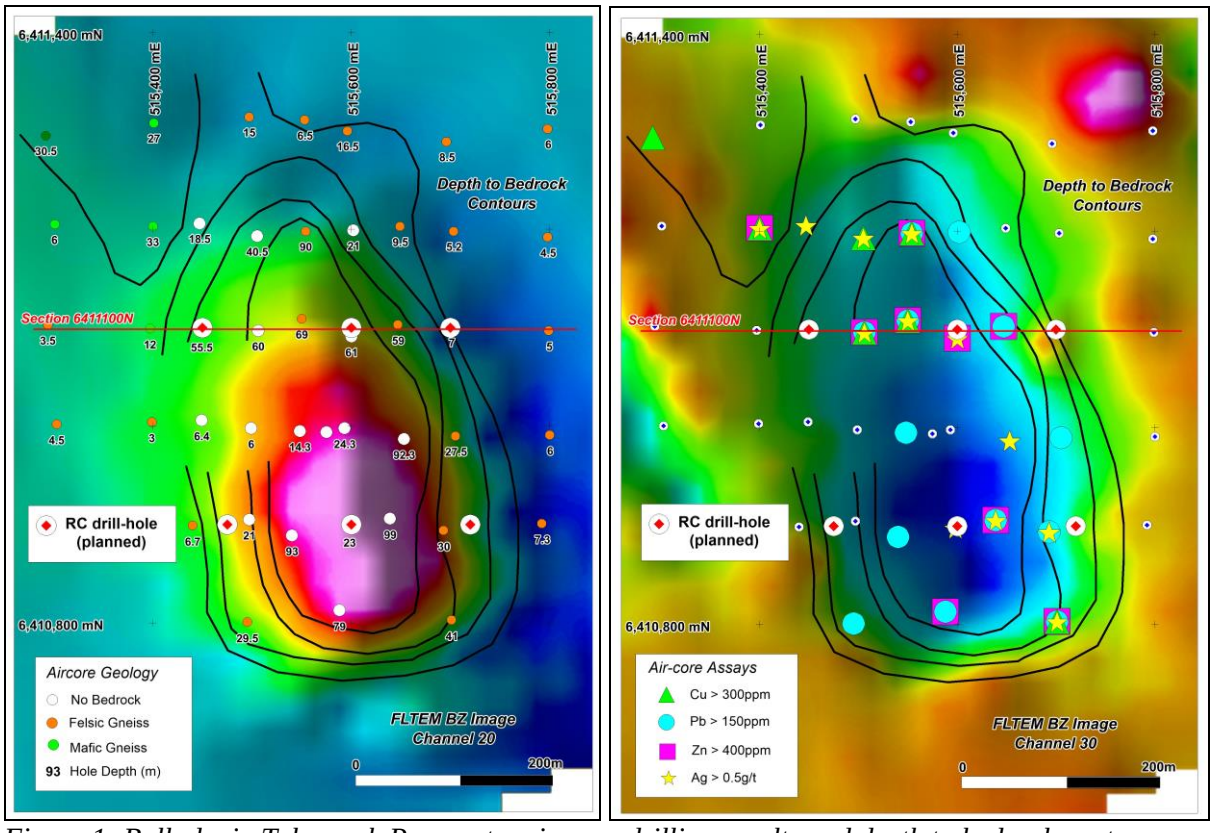

Figure 1: Balladonia Telegraph Prospect – air-core drilling results and depth to bedrock contours.

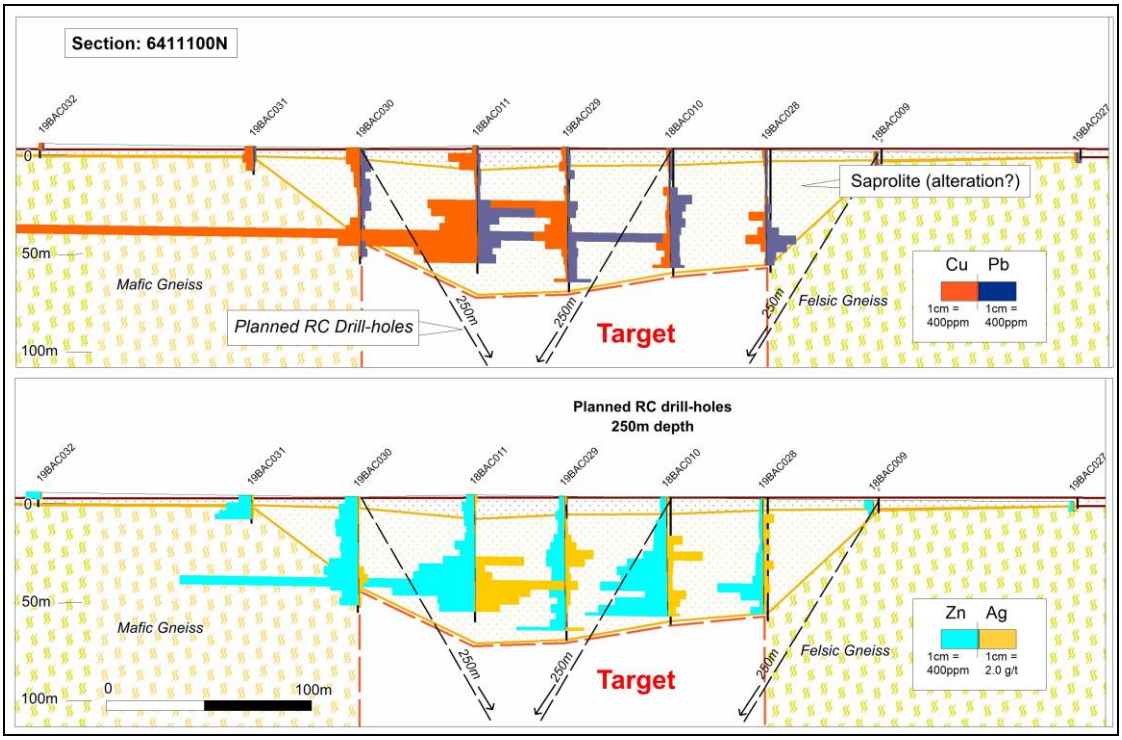

Figure 2: Telegraph Section 6411100N showing air-core results and planned RC drill-holes.

AusQuest's Managing Director, Graeme Drew, said the deeper RC drilling was designed to test beneath the highly anomalous results generated to date at the Telegraph prospect, and should provide a much clearer indication of the potential of the prospect and its regional implications.

"The project represents a potential company-maker for AusQuest, and we are excited about what the upcoming drilling programs could deliver," he said.

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.