February 15, 2021
ASX Release

AUSQUEST LIMITED
ABN 35 091 542 451

DRILLING COMMENCES AT LARGE-SCALE COPPER TARGET IN PERU

AusQuest Limited (ASX: AQD) is pleased to advise that drilling has commenced at the Cerro de Fierro Copper Project in southern Peru, under the Company's Strategic Alliance Agreement (SAA) with a wholly owned subsidiary of South32 Limited.

A total of **~4,000m of Reverse Circulation (RC) drilling** is planned to test beneath strong copper anomalism (>1.0% Cu) and associated iron (Fe) and potassic (K) alteration identified by rock-chip sampling to the south of the Company's previous drilling (see ASX announcement, 4 March 2020), which intersected widespread copper mineralisation beneath the overlying volcanic (dacite) cover.

Current interpretation by the Company's consultants suggests that the copper-bearing andesites that have been found at surface are the same as the mineralised andesites intersected at depth by earlier drilling. This suggests strong potential for the mineralisation to continue beneath the volcanic cover between the two areas.

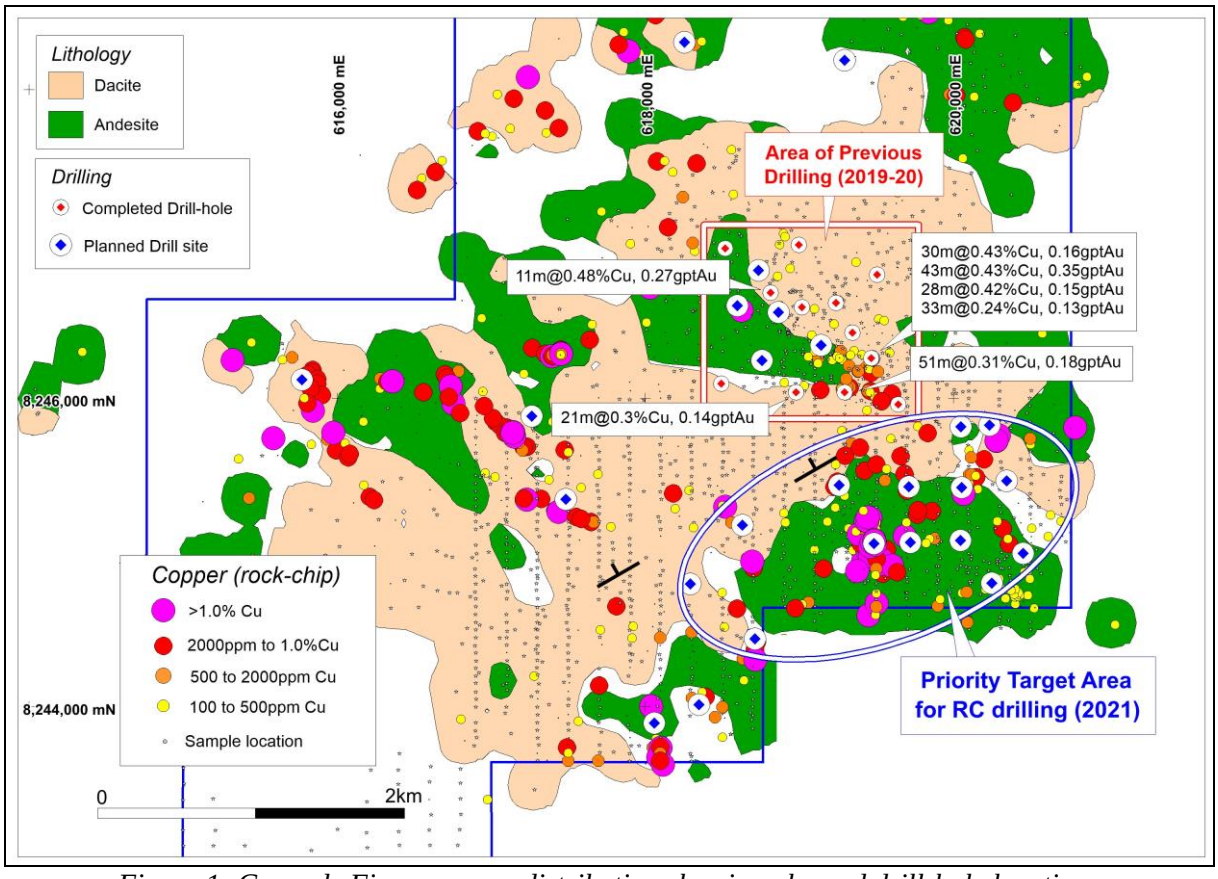


Figure 1: Cerro de Fierro copper distribution showing planned drill-hole locations

The drill-holes are variably spaced, ranging from ~200m and up to several kilometres apart in order to provide a first-pass assessment of the Project's potential to host shallow copper mineralisation. Planned hole depths vary from ~200m up to a maximum of 350m.

Drilling operations are expected to take up to approximately six weeks to complete, with final assay data expected within approximately four weeks of the completion of drilling.

AusQuest Managing Director Graeme Drew said the current program represented the third phase of drilling at Cerro de Fierro, building on the considerable success achieved in the initial programs.

"It's great to be drilling again in Peru, especially at a high-potential Project such as Cerro de Fierro, which has obvious company-making potential," he said.

"This phase of drilling is designed to confirm where the copper is closer to surface and hopefully of higher grade, and should provide us with a much better understanding of the Project's potential for open-cut resources,

"While COVID-19 is still an issue in Peru, we have developed approved protocols to minimise the risks at our operations," Mr Drew continued. "We continue to monitor advice from the Government and health authorities to ensure the health and well-being of our employees and contractors."



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.