April 28th, 2021
ASX Release

AUSQUEST LIMITED
ABN 35 091 542 451

MAIDEN DRILLING COMMENCES AT PARCOY COPPER PROJECT, PERU

Key Points:

- ***~3,000m/8-hole Reverse Circulation drilling program underway***
- ***Two new copper-gold target areas to be tested***
- ***Program funded under the Strategic Alliance***

AusQuest Limited (ASX: AQD) is pleased to advise that its maiden drilling program at the Parcoy Copper Project in southern Peru, which is being undertaken under the Company's Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited, has commenced.

A total of eight Reverse Circulation (RC) drill-holes for approximately 3,000m is planned to test two priority target areas that were identified by the Company's rock-chip and soil sampling programs completed during 2019 and 2020 (*Figure 1*).

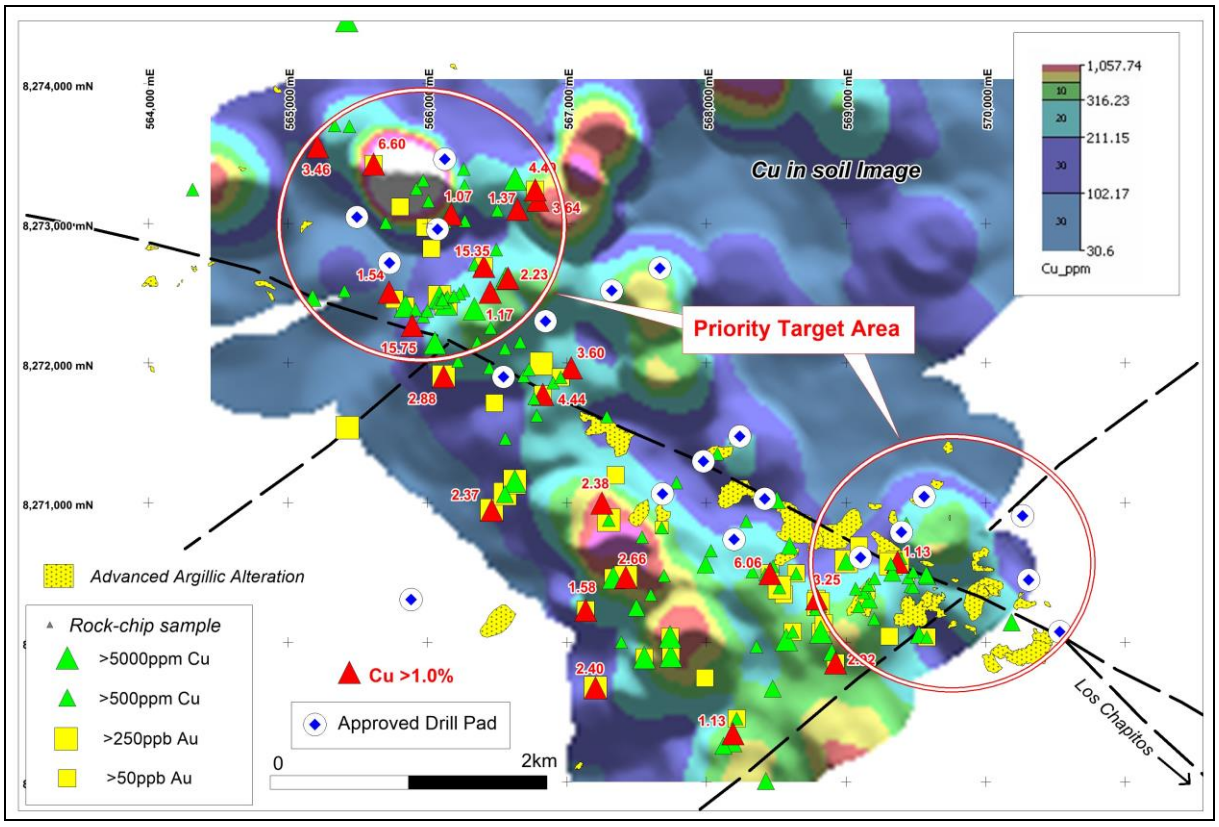

Figure 1: Parcoy copper distribution showing priority drill-hole locations

Copper (+/-gold) anomalies and associated indicator elements (Mo, Bi, Au, Te, Zn, Sb) within the andesitic volcanics have defined targets for the initial 'Proof-of-Concept' drilling, which is designed to determine the Project's potential for large-scale, structurally related replacement-style copper (+/-gold) mineralisation.

Drilling operations are expected to take approximately three to four weeks to complete with assays expected approximately 4 weeks after the completion of drilling.

The Parcoy Project is located approximately 50km north-west of the Company's Cerro de Fierro project and approximately 100km south-east of the Mina Justa Deposit (~475Mt @ 0.68% Cu), which is currently being developed by the Marcobre Joint Venture.

AusQuest Managing Director Graeme Drew said the current drilling program was designed to test a number of compelling targets at the Parcoy Project.

"These targets include some of the stronger copper responses that we have found so far in southern Peru," he said. "Their association with typical indicator elements and proximity to regional structures and prospective volcanic host rocks gives us cause for optimism.

"We are looking forward to seeing what this program can generate."



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.