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ASX Release

AUSQUEST LIMITED
ABN 35 091 542 451

DRILLING COMMENCES AT THE HAMILTON COPPER PROJECT, QUEENSLAND

- ***Four diamond drill-holes planned for ~2,000m***
- ***Targeting copper-gold mineralisation similar to Ernest Henry***
- ***Testing magnetic/gravity targets within a large alteration halo***

AusQuest Limited (ASX: AQD) is pleased to advise that drilling has commenced at the **Hamilton Copper Project** in north-west Queensland under the Company's Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32.

The overall program will comprise four diamond drill-holes for ~2,000m, with three holes (~1,500m) designed to test discrete magnetic/gravity targets that occur within the potassic alteration halo defined by earlier drilling, as reported to the ASX on 26th October 2020. The size of the alteration halo is similar to that reported at the Ernest Henry copper-gold deposit, located ~250km to the north.

The location of drill-sites was optimised by detailed modelling of recently acquired aeromagnetic data which has provided greater control on target geometries and depths. The holes are planned to be drilled to depths of ~500 metres (*Figure 1*).

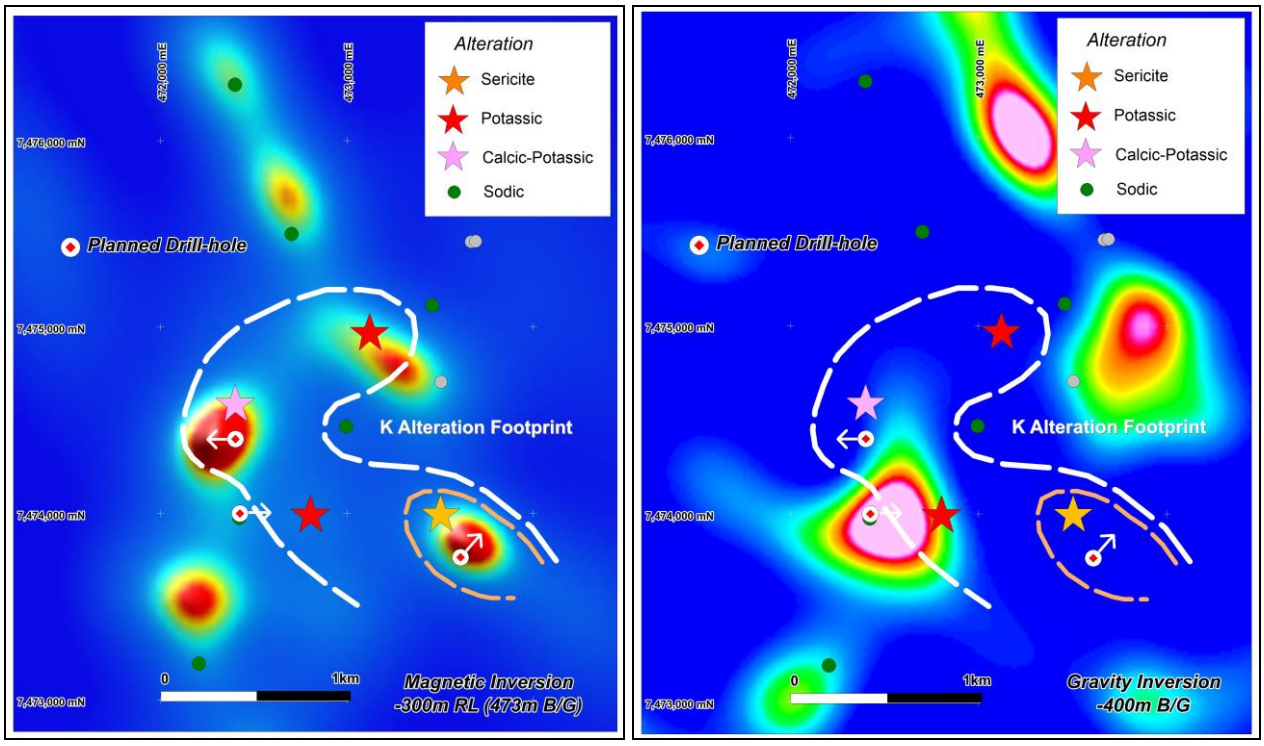


Figure 1: Hamilton Copper Prospect magnetic and gravity models showing proposed drill sites.

A fourth drill-hole (~400m) will provide an initial test of a new magnetic/gravity target located ~15km to the north of the main target area, within a similar interpreted tectono-

stratigraphic setting. The coincident magnetic/gravity response is thought to reflect another possible Ernest Henry-style target (*Figure 2*).

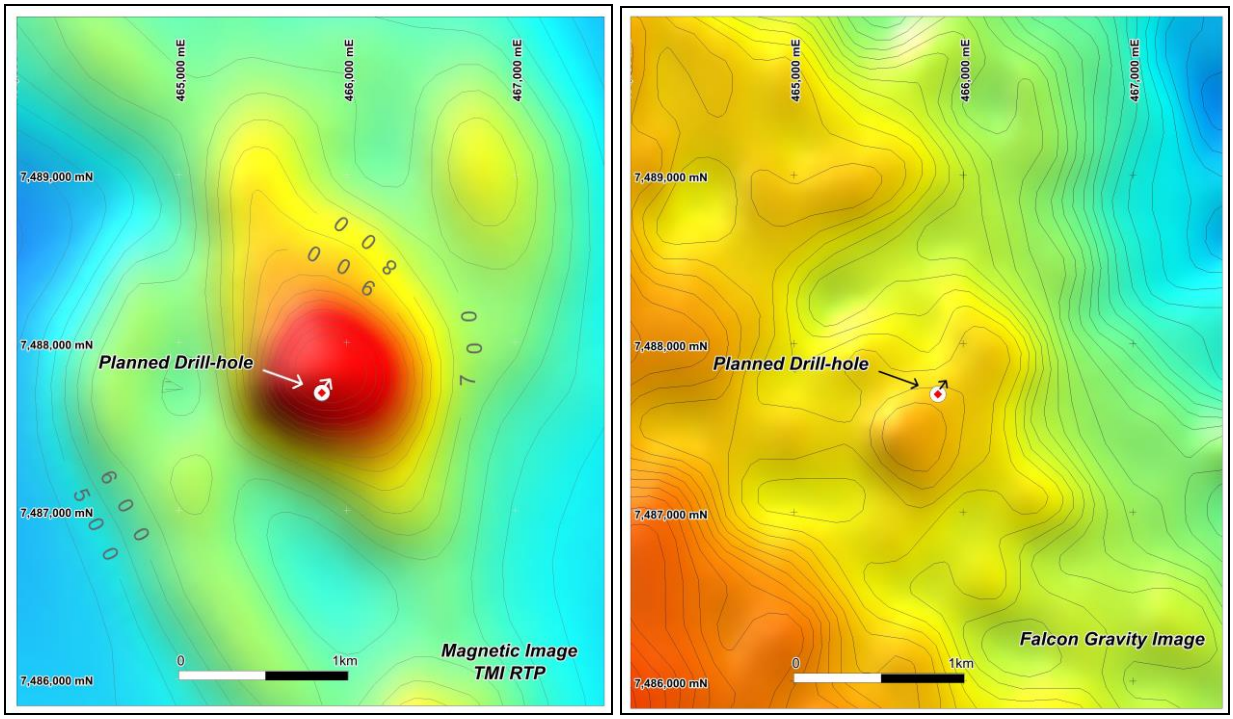


Figure 2: Hamilton North Prospect showing magnetic / gravity target and proposed drill site

Drilling is expected to take approximately 3-4 weeks to complete with assays available within four weeks of the completion of drilling.

The Hamilton Project is located in north-west Queensland, ~120km south of the world-class Cannington mine, which is owned and operated by South32. Exploration is targeting Iron-Oxide Copper-Gold (IOCG) mineralisation similar to that found at the Ernest Henry mine.

AusQuest's Managing Director, Graeme Drew, said the ~500m deep diamond holes at the Hamilton prospect should provide a comprehensive test of this priority exploration target, following the successful definition of a large alteration footprint in the area.

"The four holes are designed to test specific geophysical targets within the alteration footprint that was defined by our earlier wide-spaced drilling," he said. "We look forward to reporting on the results of this program, when they 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 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.