AUSQUEST LIMITED

ABN 35 091 542 451

Quarterly Report – 30th September 2021

HIGHLIGHTS

Australia – Copper, Zinc, Nickel, Gold

- Diamond drilling at the Hamilton Project in NW Queensland confirms the presence of mineralised banded iron formations (BIF) similar to those found at the nearby Osborne copper-gold mine.
- Priority drilling targets identified within the mineralised BIF stratigraphy following down-hole electromagnetic (DHEM) surveys and structural assessment of drill core.
- Further drilling planned at Hamilton in Q4 2021 under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited.
- EIS funding approved for drilling at the Balladonia Project (Fraser Range, WA) to test a potential Broken Hill Type (BHT) and/or iron-oxide copper-gold (IOCG) target defined by air-core drilling, magnetic and gravity surveys.
- Drilling under the SAA planned at Balladonia in early 2022.
- Ultramafic intrusive rocks confirmed in close proximity to electromagnetic (EM) targets at the Morrisey Nickel-Copper Project, within the Narryer Terrane of WA. Assay results pending from rock and soil sampling.

Peru – Copper-Gold

- Drilling approval received for the Los Otros Project to test large-scale porphyry copper targets located close to major copper producing mines in southern Peru. Drilling under the SAA is scheduled to commence in December.
- Numerous large-scale porphyry copper and/or manto copper targets outlined over a 20km strike length by in-fill sampling and ground magnetic surveys to the east of the Cerro de Fierro prospect. Drilling of priority targets planned for 2022 under the SAA.
- In-fill sampling commenced at the Parcoy Copper Project to prioritise targets and optimise drill sites ahead of further drilling in 2022 under the SAA.

Corporate

- The Company's Quarter-end cash position was ~$4.7 million.

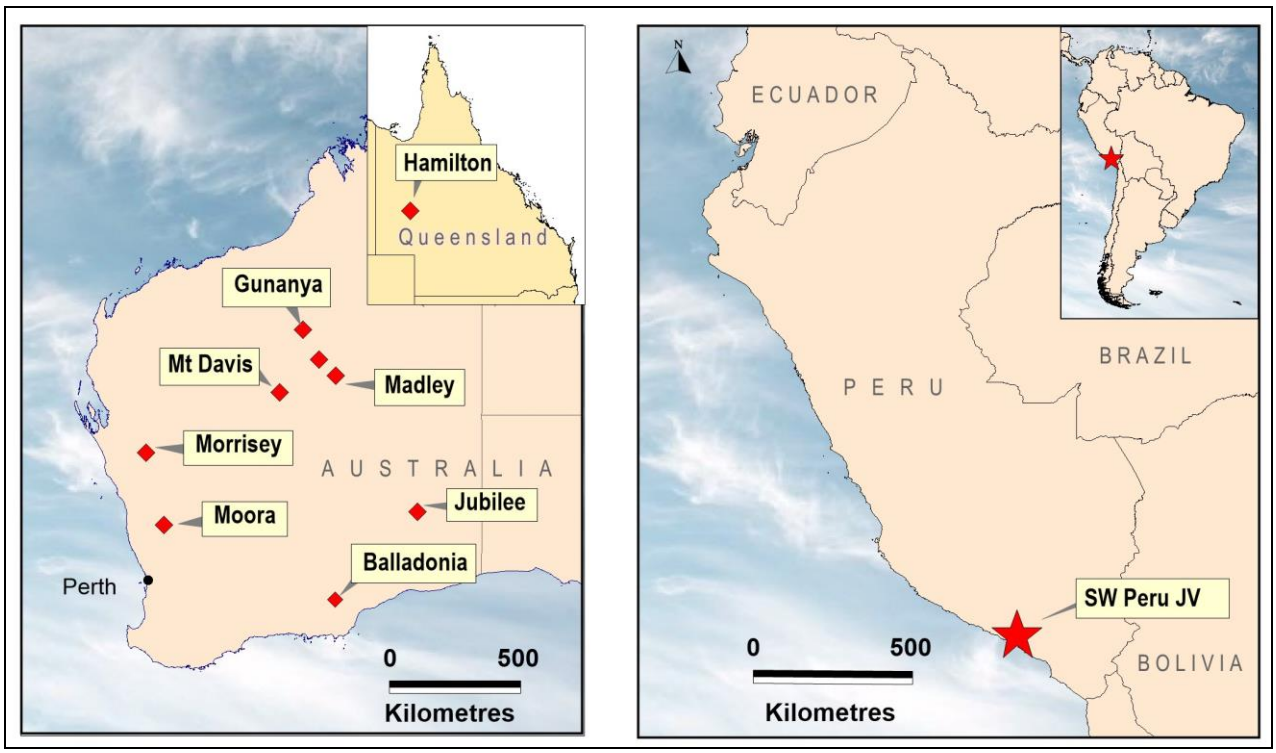

Figure 1: Project Locations – Australia and Peru

OVERVIEW

AusQuest continued to progress exploration activities across its extensive portfolio of high-quality exploration projects in Australia and Peru during the September Quarter (*Figure 1*).

In **Australia,** results from drilling at the Hamilton Copper Project in NW Queensland and the Balladonia Nickel-Copper Project in WA resulted in additional geophysical surveys being completed and drill targets being either extended or redefined. Reconnaissance mapping and sampling within the Morrisey Nickel-Copper Project (WA) was completed to advance targets towards the drilling stage.

In **Peru,** the focus turned to prioritising targets and optimising drill sites within the Company's Cerro de Fierro East (Pirata) tenements up to 20km east of the Cerro de Fierro prospect, where strong indications of multiple porphyry copper and/or IOCG (Manto) targets suggest the potential for district-scale mineralisation.

Permitting and planning for initial drill testing at the Los Otros Porphyry copper targets was also completed with drilling expected to start before the end of the year. Los Otros is located close to the Palaeocene Porphyry Copper Belt of southern Peru, which is the major copper producing region in the country.

AUSTRALIA – GOLD and BASE METAL PROJECTS (Copper, Nickel, Zinc)

<u>Hamilton Copper-Gold Project</u> (*100% AQD, subject to SAA*)

The Hamilton Project is located in north-west Queensland, ~120km south of the world-class Cannington mine and ~70km south of the Osborne copper mine. It consists of two Exploration Licences covering an area of ~520km². Exploration is targeting IOCG and BHT style mineralisation beneath the extensive cover in the region. Limited historical drilling designed to test magnetic and gravity targets provided evidence for "near-miss" situations which are the focus of the Company's exploration programs. Exploration work at Hamilton is being funded under the SAA.

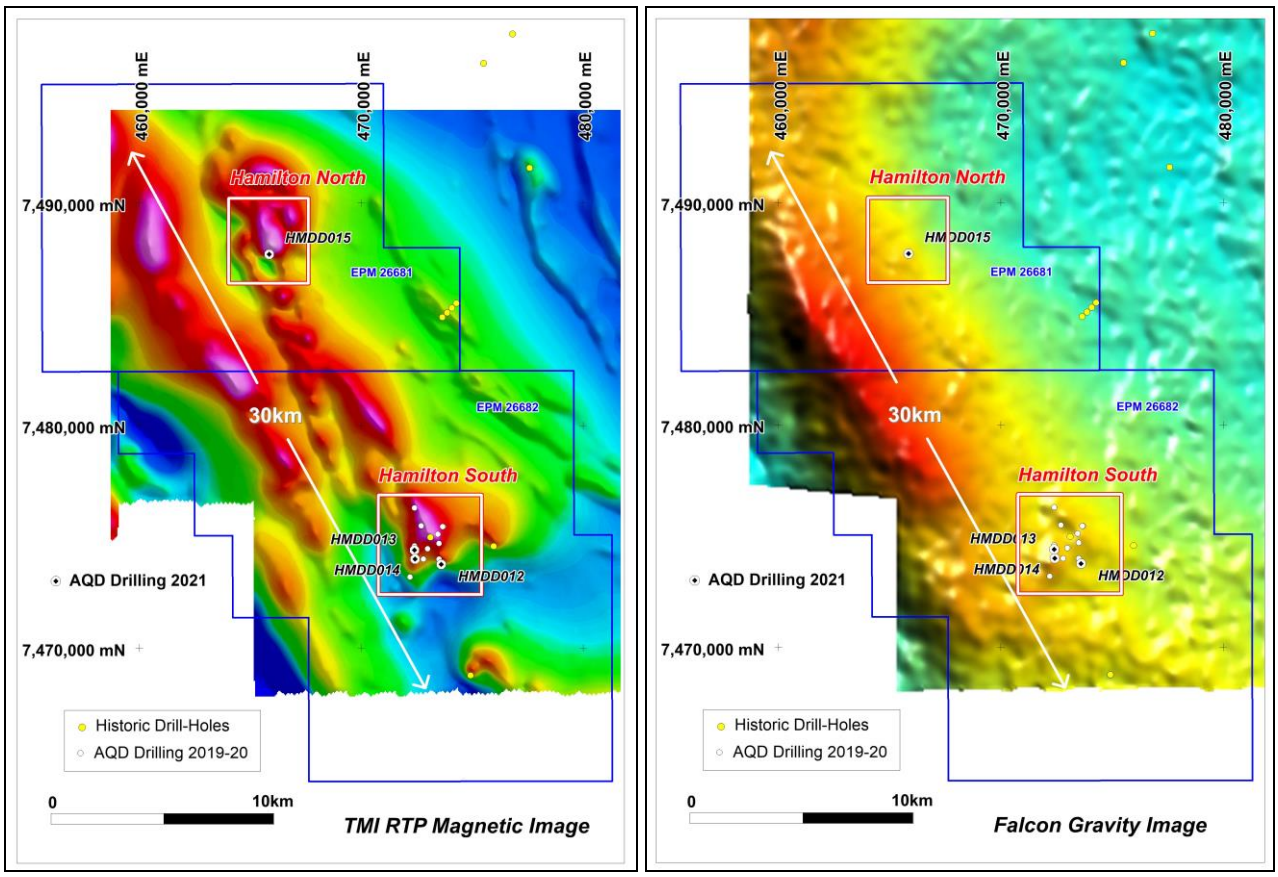

Figure 2: Hamilton Project – magnetic and gravity images showing the northern and southern prospects

During the Quarter, assay data from the recently completed diamond drilling program confirmed the presence of mineralised banded iron formations (BIF's) similar to those that host the Osborne copper-gold deposit (global resource ~36Mt @ 2% Cu, 1g/t Au), located approximately 70km to the north.

The mineralised BIF stratigraphy varies in thickness from ~22m at Hamilton South to ~60m (down-hole) at Hamilton North and is associated with highly altered sediments as evidenced by multiple anomalous pathfinder elements and significant carbonate alteration in both areas (*Figure 2*).

At Hamilton South, assays within the BIF (HMDD012) reported numerous highly anomalous pathfinder elements (copper, bismuth, molybdenum, selenium, tin, tungsten, uranium, tellurium, sulphur, lead plus elevated gold and light rare earth elements), highlighting the potential to discover further copper mineralisation nearby (see ASX release 12 August 2021).

At Hamilton North, drill-hole HMDD015, which was the first hole drilled into this magnetic/gravity target, intersected highly anomalous copper plus elevated gold, bismuth, selenium, sulphur and LREEs over a thick down-hole interval. Structural measurements on core suggest that the BIF is tightly folded around a NNW trending fold-axis, highlighting the possibility of a favourable structural trap-site (fold closure) nearby, where stronger copper mineralisation is more likely to be found.

DHEM surveys were subsequently completed within drill-holes HMDD015 (northern prospect) and holes HMDD012 and HMDD014 (southern prospect), using 500m x 500m transmitter loops and a DigiAtlantis three-component probe to identify possible 'near-miss' situations (see ASX release 4 October 2021).

A possible off-hole conductor of moderate strength (1,000 to 2,000 siemens), which is closely associated with the mineralised BIF sequence, was identified in drill-hole HMDD015 (*Figure 3*).

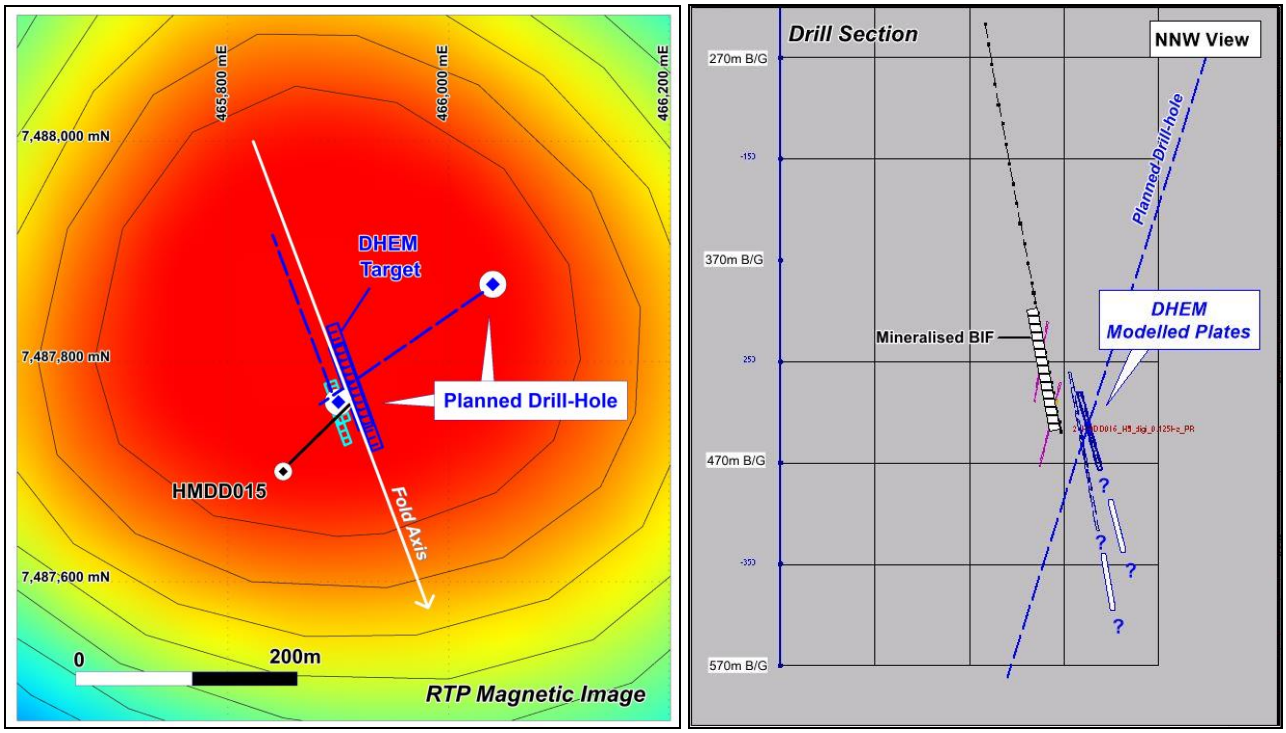

Figure 3: Hamilton North – modelled plates from DHEM survey HMDD015

Follow-up diamond drilling (two holes for ~1,100m) targeting the off-hole conductor and possible fold closures adjacent to hole HMDD015 is scheduled to commence in November (pending weather considerations) to test these targets. The drill program should take approximately two weeks to complete, with assay results expected 6-8 weeks after the completion of drilling.

Detailed gravity surveys are also planned over both the northern and southern prospects, to provide further insights into the distribution of the BIF sequences and ironstone accumulations before additional drilling in 2022 is considered under the SAA.

<u>Balladonia Nickel-Copper Project</u> ***(100% AQD, subject to SAA)***

The Balladonia Project is located ~50km south of the Nova–Bollinger nickel-copper deposit. It consists of seven Exploration Licences (four granted and three applications) covering an area of ~840km² and is located within a structurally complex region of the Fraser Range Terrane. It is centred above the southern margin of a deep regional gravity anomaly (~30 milligals), which is thought to reflect buried mafic/ultramafic rocks that may be similar to those related to the formation of the Nova deposit.

Comparisons with the Eastern Succession of north-west Queensland (east of Mt Isa), where IOCG and BHT deposits are known to occur, are also apparent. Many of the tenements lie within the Dundas Nature Reserve. Exploration work at Balladonia is being funded under the SAA.

During the Quarter, the Company submitted an application for funding assistance under the Western Australian Government's 'Exploration Incentive Scheme' (EIS) to drill test a wide zone (~600m) of possible mineralised BIF stratigraphy that had been identified by earlier air-core drilling across strong magnetic anomalies within the Tea Tree prospect (see ASX release 23 July 2021) (*Figure 4*).

Similar packages of rocks are known to occur within the Eastern Succession of north-west Queensland (Mt Isa Region), where a number of BHT and IOCG deposits have been discovered, suggesting the potential for similar style deposits within the Balladonia area.

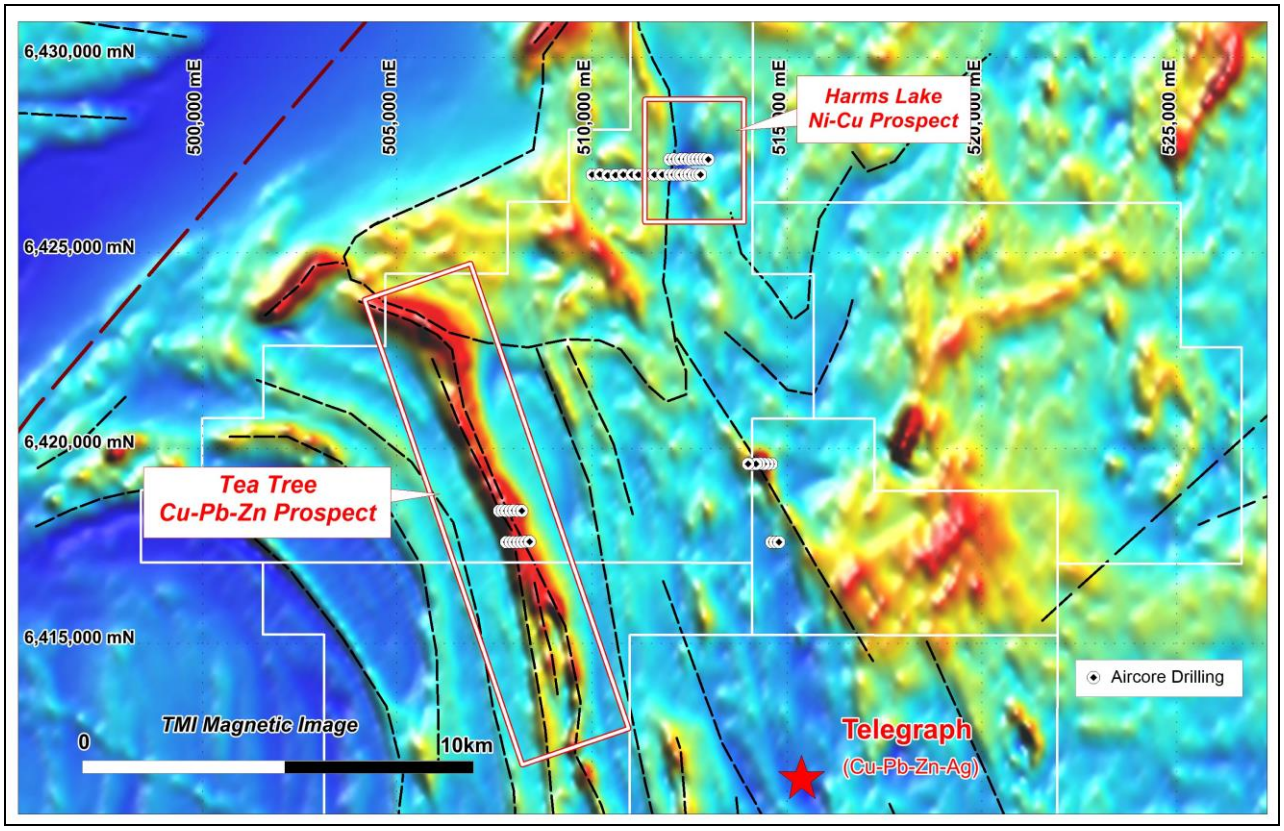

Figure 4: Balladonia Project – magnetic image showing location of prospects and air-core drill-holes

The Company was advised late in the quarter that its EIS application to cover half the estimated direct drilling costs ($120,000) had been successful. Diamond drilling (3 holes/~1,000m) across the BIF stratigraphy is now being planned to commence in early 2022, providing that access has been cleared and a suitable drill rig is available.

During the quarter a detailed gravity survey (400m x 100m) was completed over the Tea Tree prospect to help define areas of increased thickness and/or structural complexity where mineralisation is most likely to accumulate along the 10km strike of the BIF sequence.

Moderate to strong gravity anomalies (2-3 milligals) were outlined over the inferred BIF stratigraphy with the strongest gravity response located in the area of the magnetic target identified by earlier air-core drilling results as a high-priority target (*Figure 5*).

At the Harms Lake prospect, an electromagnetic survey (MLTEM) was designed to identify possible drill targets associated with the anomalous nickel and copper values located by the earlier air-core drilling program (see ASX release 23 July 2021).

This survey is expected to be completed within Q4 2021 and could provide additional targets for drilling early in 2022. Timing for this survey is dependent on geophysical crew availability.

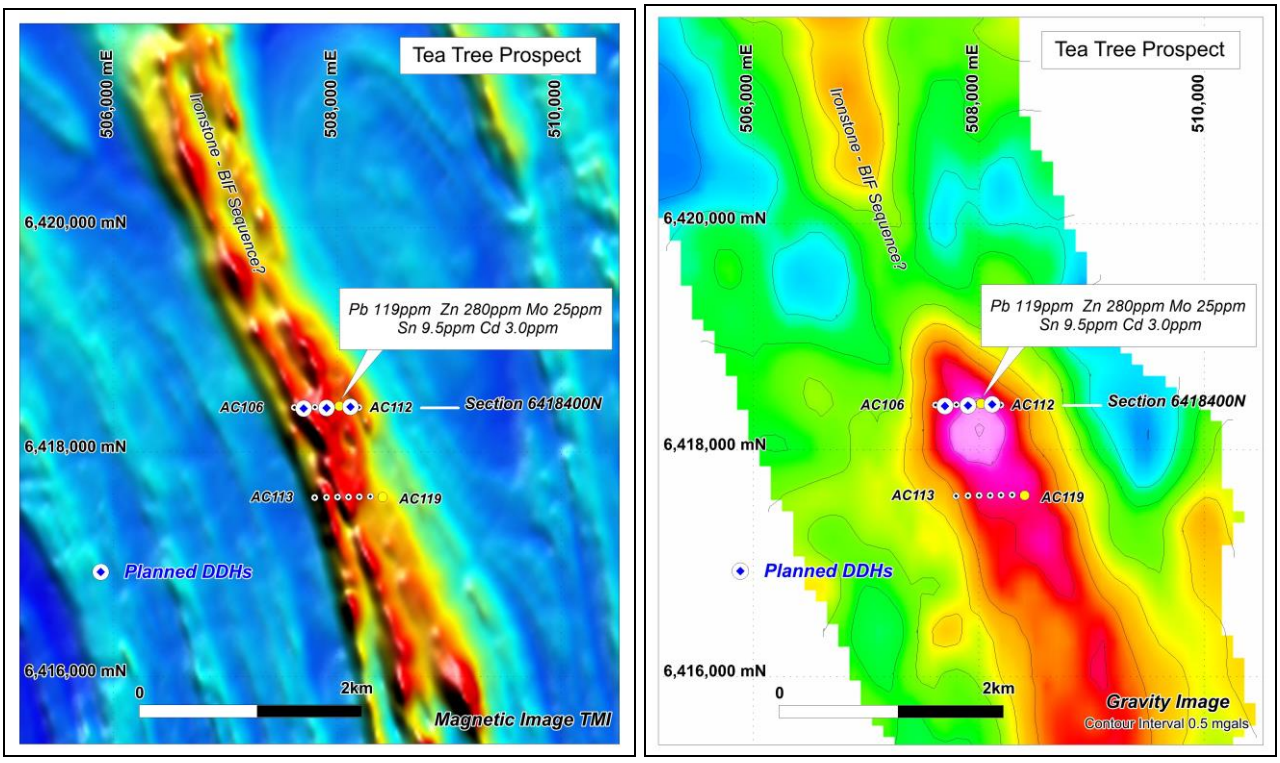

Figure 5: Tea Tree Prospect – magnetic and gravity images showing location of planned drill-holes

<u>Morrisey Nickel-Copper Project</u> ***(100% AQD, subject to SAA)***

The Morrisey Project is located ~500km north of Perth in Western Australia within the Narryer Terrane, which forms the north-western margin of the Yilgarn Craton. It consists of two granted Exploration Licences (ELs) and three EL applications covering an area of ~1,200km² parallel to the Yilgarn Craton boundary. The area recently became the focus of industry attention following the discovery by Chalice Mining of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the margin of the Western Yilgarn Craton.

During the quarter, a total of 698 soil samples were collected on 100m x 50m grids over three EM targets located by the Helicopter Electromagnetic (HEM) survey completed during the last Quarter (Figure6). A total of 46 rock samples were also collected. Assay results are awaited.

The three mid-to-late time EM responses are thought to reflect sulphide mineralisation as there are no obvious causes of conductive responses within the surveyed areas. Computer modelling of the HEM data implies shallow (10° to 40°) south-easterly dips for each target and low-to-moderate conductivities (<1,000 siemens). Target sizes are variable but generally in the 100m x 300m range.

Reconnaissance mapping identified mafic/ultramafic rocks (pyroxenites, gabbros and peridotites) associated with each of the HEM anomalies, upgrading them as potential Ni-Cu-PGE targets (*Figure 6*).

BIF outcrops located in the same general areas do not appear to be the cause of the EM anomalies or the sole cause of the magnetic responses that are being targeted.

Ground EM surveys to optimise drill sites will be considered once results from the soil and rock sampling programs are available and have been assessed.

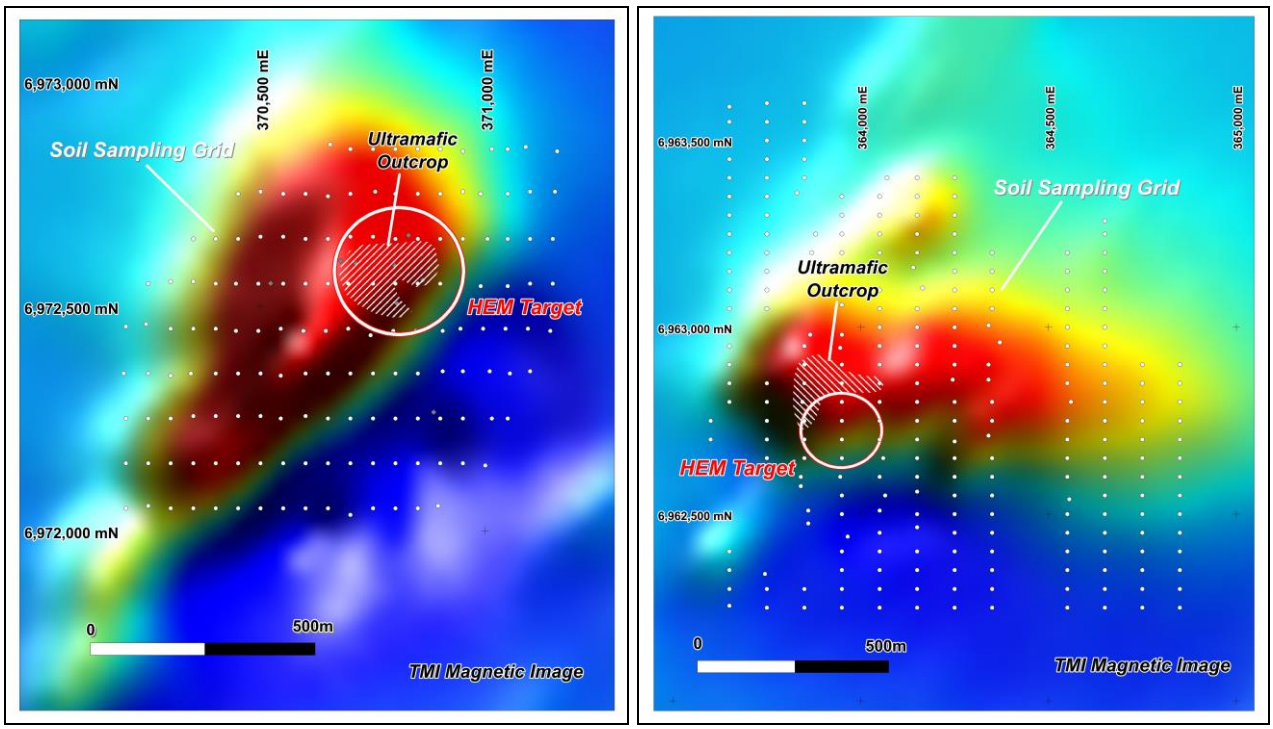

Figure 6: Morrisey Project showing HEM and magnetic targets plus soil sampling grids

<u>Paterson Gold-Copper Projects</u> (100% AQD)

The Paterson Gold-Copper Projects are located ~250km east of Newman within the Paterson Province of Western Australia. Exploration is targeting large-scale copper-gold mineralisation similar to the recent discoveries at Winu and Havieron. The Paterson Project consists of the Gunanya, Madley and Runton Projects which are targeting discrete magnetic targets proximal to regional fault systems in the southern half of the province, similar to those at Winu and Havieron.

During the Quarter, a moving loop electromagnetic survey (MLTEM) was planned over magnetic targets within the Gunanya Project that were not fully tested by earlier RC drilling (see December 2021 Quarterly Report) which failed to reach target depth.

This survey has been delayed due to the availability of geophysical crews and is now expected to be completed in Q4 2021 or early in 2022 pending weather considerations. All drill sites were rehabilitated.

The Company continues to rationalise tenements to retain the highest priority copper-gold targets considering access requirements to some of the more remote titles. The Runton tenements were surrendered during the Quarter.

<u>Moora Nickel-Copper Project</u> *(100% AQD)*

The Moora Project is located ~150km north of Perth, Western Australia, within the Jimperding Metamorphic Belt, which forms the south-western margin to the Yilgarn Craton. It consists of five Exploration Licences and covers an area of ~570km². The area recently became the focus of industry attention following the discovery by Chalice Mining of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the margin of the Western Yilgarn Craton.

HEM surveys over selected targets have been planned, with timing dependent on the availability of the contractor. It is expected that the surveys will be completed during Q4 2021 to allow follow-up work to commence early in 2022, ahead of cropping activities in the area.

During the Quarter, discussions continued with landowners to gain access to selected properties once the HEM surveys have been completed to enable field work to commence.

New Opportunities (Australia)

New opportunities continue to be assessed by the Company's consultants.

Heritage agreements over the Mt Davis and Jubilee Lake Projects have now been signed with these tenements expected to be granted before the end of the year. A reconnaissance visit to the Jubilee Lake area has been planned to determine conditions of access for ground geophysical surveys being designed to test targets defined by regional aeromagnetic and gravity data.

A new Exploration Licence application was submitted in South Australia to cover a potential IOCG target in the Coober Pedy region, following assessment of historic drilling data which suggested there was a 'near-miss' situation in a reconnaissance drill-hole. Follow-up work is subject to grant of title, which is not expected until 2022.

PERU COPPER-GOLD PROJECTS

AusQuest has assembled a strong portfolio of copper-gold prospects along the southern coastal belt of Peru in South America, with numerous targets identified for drilling as possible porphyry copper and/or replacement style (manto) IOCG targets with the size potential being of significance to AusQuest (Figure 7). Peru is one of the world's most prominent destinations for international copper exploration and is considered a prime location for world-class exploration opportunities.

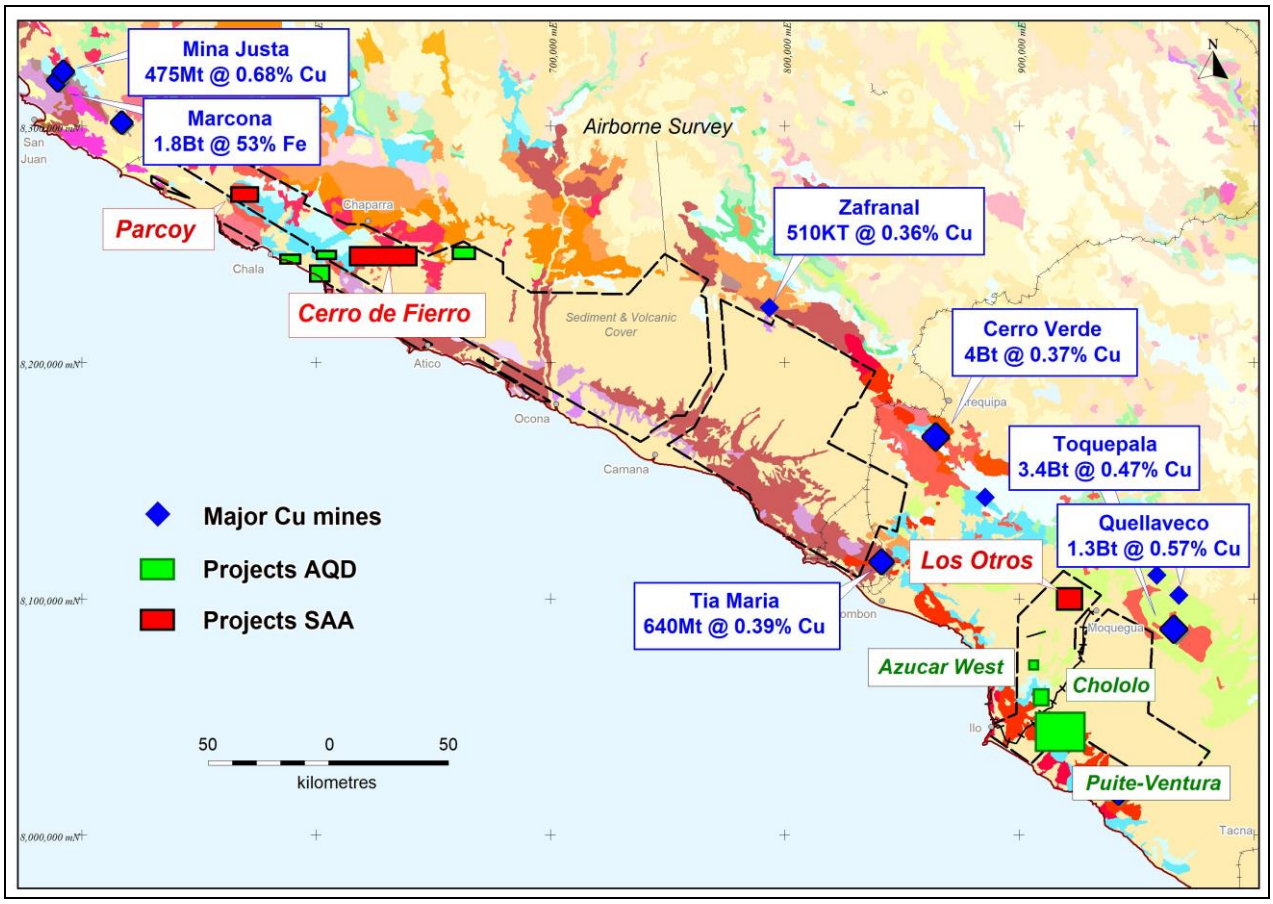

Figure 7: Project Locations – Southern Peru

Cerro de Fierro IOCG *(100% AQD – South32 earning to 70%)*

The Cerro de Fierro Project is located at the southern end of a recognised IOCG metallogenic belt in southern Peru. It lies within ~150km of the Mina Justa deposit (~475Mt @ 0.68% Cu), which is being developed by the Marcobre Joint Venture. It is subject to an agreement with South32, which can earn a 70% interest in the project by spending a total of US$4.0 million.

During the quarter, a program of detailed mapping and in-fill rock sampling (~610

samples collected on an ~100m x 100m grid basis) was completed over selected targets within tenements up to 20km east of the Cerro de Fierro Project to help prioritise targets and optimise drill sites for consideration under the SAA (*Figure 8*).

Ground magnetic surveys (~210km using 200m grid lines) were also completed over two target areas where extensive cover reduced the effectiveness of surface sampling to optimise drill sites.

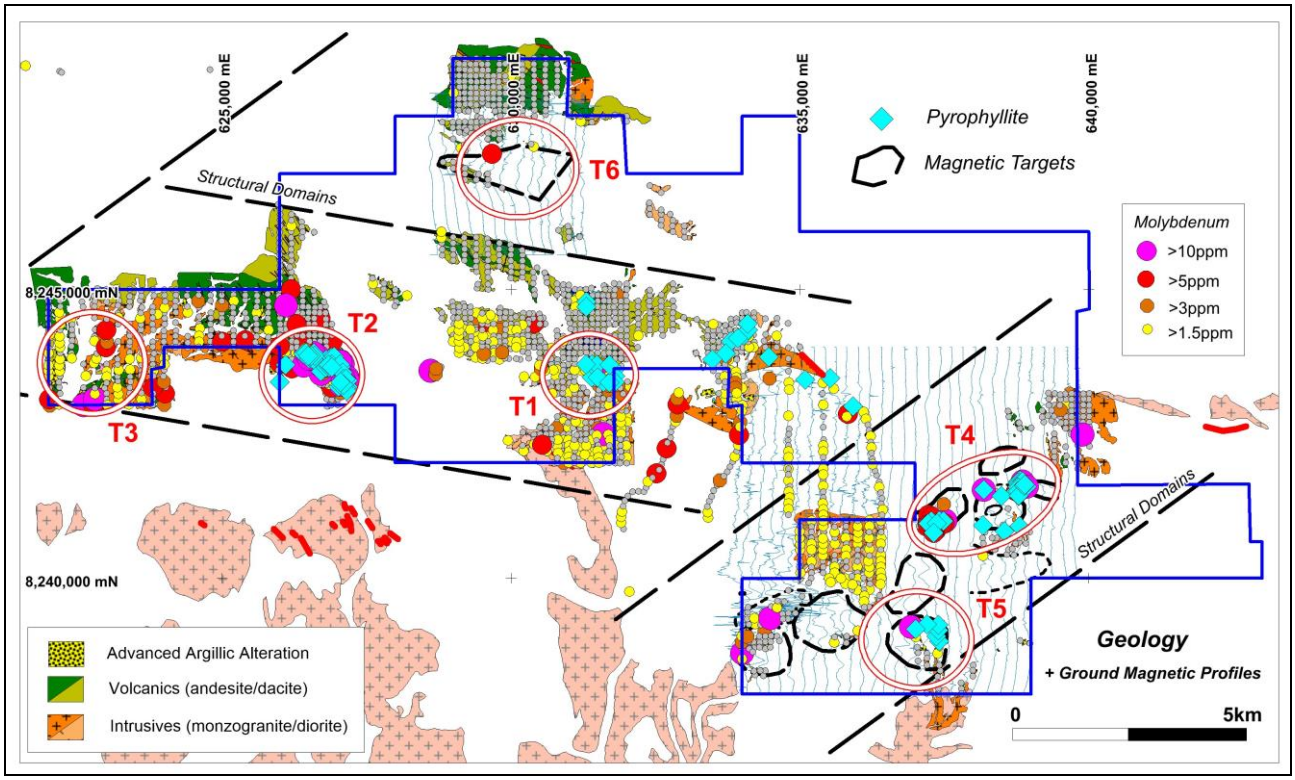

Figure 8: Cerro de Fierro East (Pirata) showing geochemical, mineralogy & magnetic porphyry targets

The newly named Pirata Prospect contains at least six possible porphyry copper and/or manto-style copper targets that occur within a major east-west structural corridor close to and parallel with the Coastal Batholith contact, which is considered to be a prospective target zone within the Coastal Belt of Peru and Chile.

Strong indications of advanced argillic alteration – representing a lithocap environment above potential porphyry copper mineralisation – is clearly evident in at least four areas. This is defined by the occurrence of anomalous pathfinder elements (Mo >10ppm, Bi >5ppm, Te >5ppm, W >10ppm) and high temperature mineralogy (pyrophyllite – based on Terraspec analysis), that are known to occur in close proximity to (possibly above) potential porphyry systems.

Copper values within each of these areas are relatively low, which is common for lithocap environments where copper is one of the first metals to be leached from the rocks by hot and acidic solutions associated with a porphyry intrusion. Occasional high copper values found within these zones (>500ppm Cu – and up to 0.8% Cu) suggest that the original host rock may have been enriched in copper.

Targets 1 and 2 occur in areas of reasonable outcrop and are defined by strong anomalism in pathfinder elements and/or pyrophyllite, suggesting that they are close to the hottest part of a potential porphyry system (where copper is most likely to occur), and represent priority drilling targets (*Figures 9 and 10*).

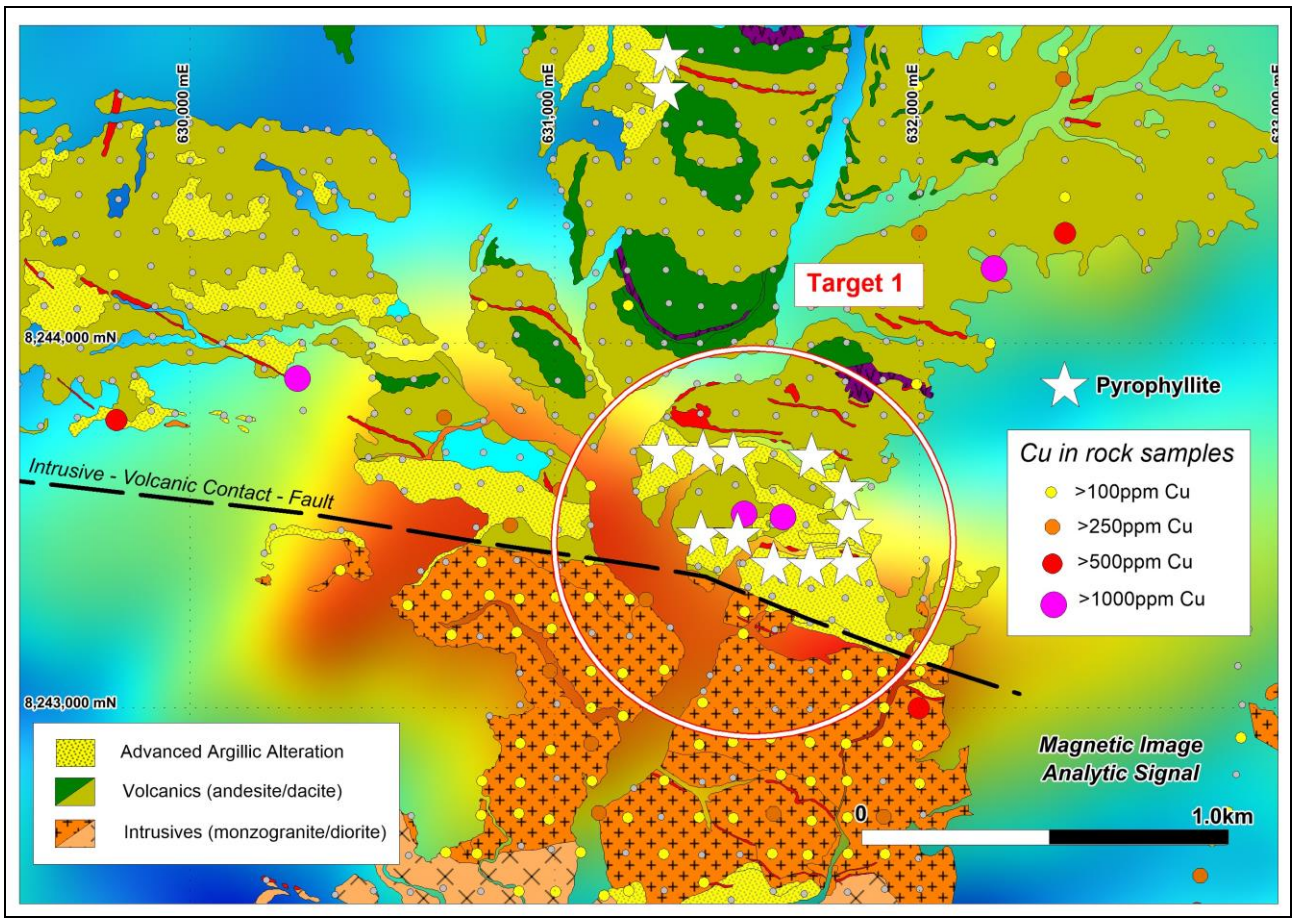

Figure 9: Pirata Target 1 – Geology and magnetics showing pyrophyllite occurrences & copper

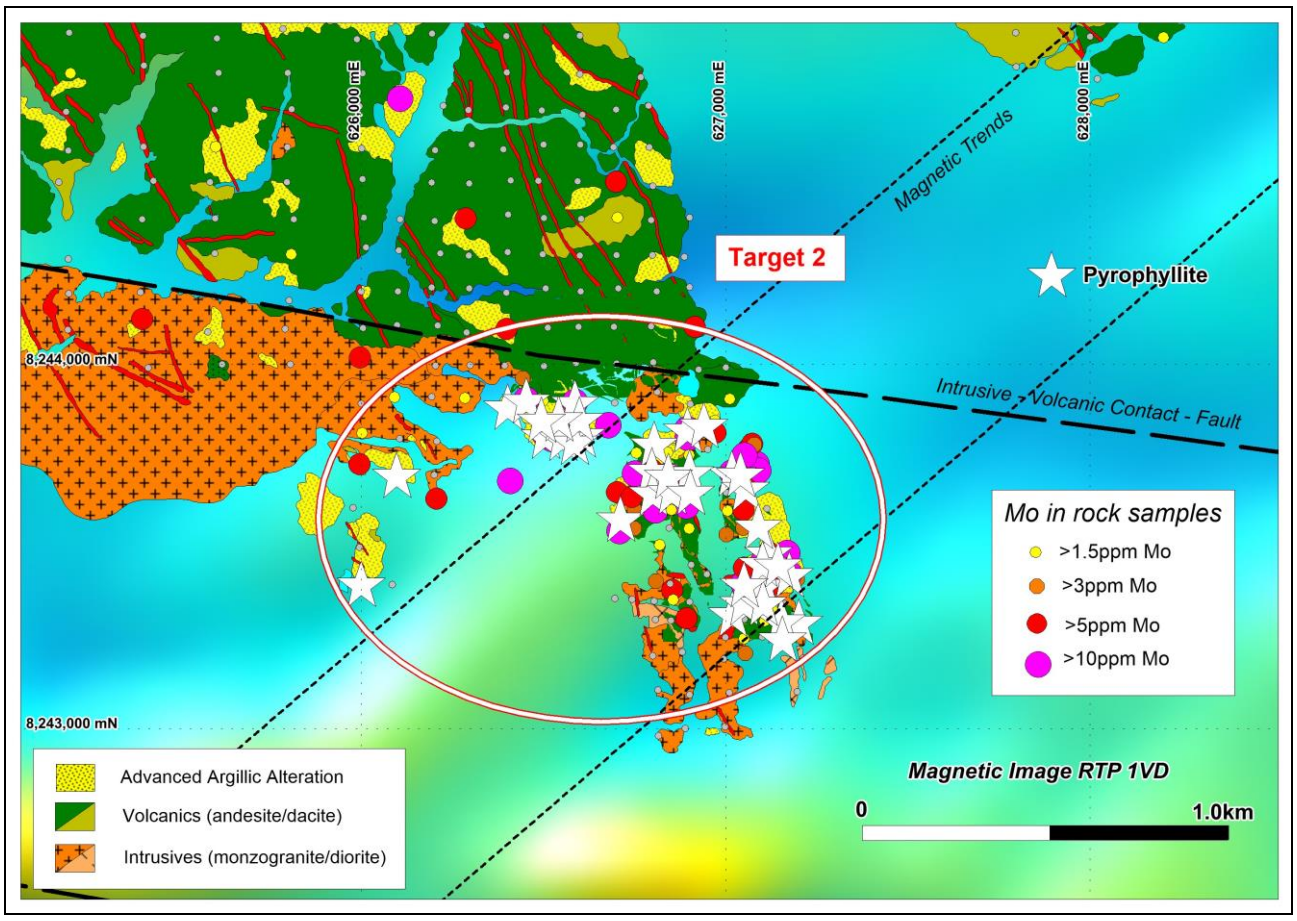

Figure 10: Pirata Target 2 – Geology and magnetics showing pyrophyllite occurrences & molybdenum

Sparse outcrops within target areas 4 to 6 resulted in ground magnetic surveys being completed to help outline targets for drilling. The strong correlation between ground magnetic responses and anomalous pathfinder elements (lithocap) and/or occurrences of pyrophyllite suggests that several potential porphyry targets occur within each area surveyed.

Magnetic data from target 4 suggest possible porphyry intrusions could extend over a strike length of several kilometres, effectively joining the scattered occurrences of pyrophyllite and pathfinder elements into a single porphyry complex (*Figure 11*).

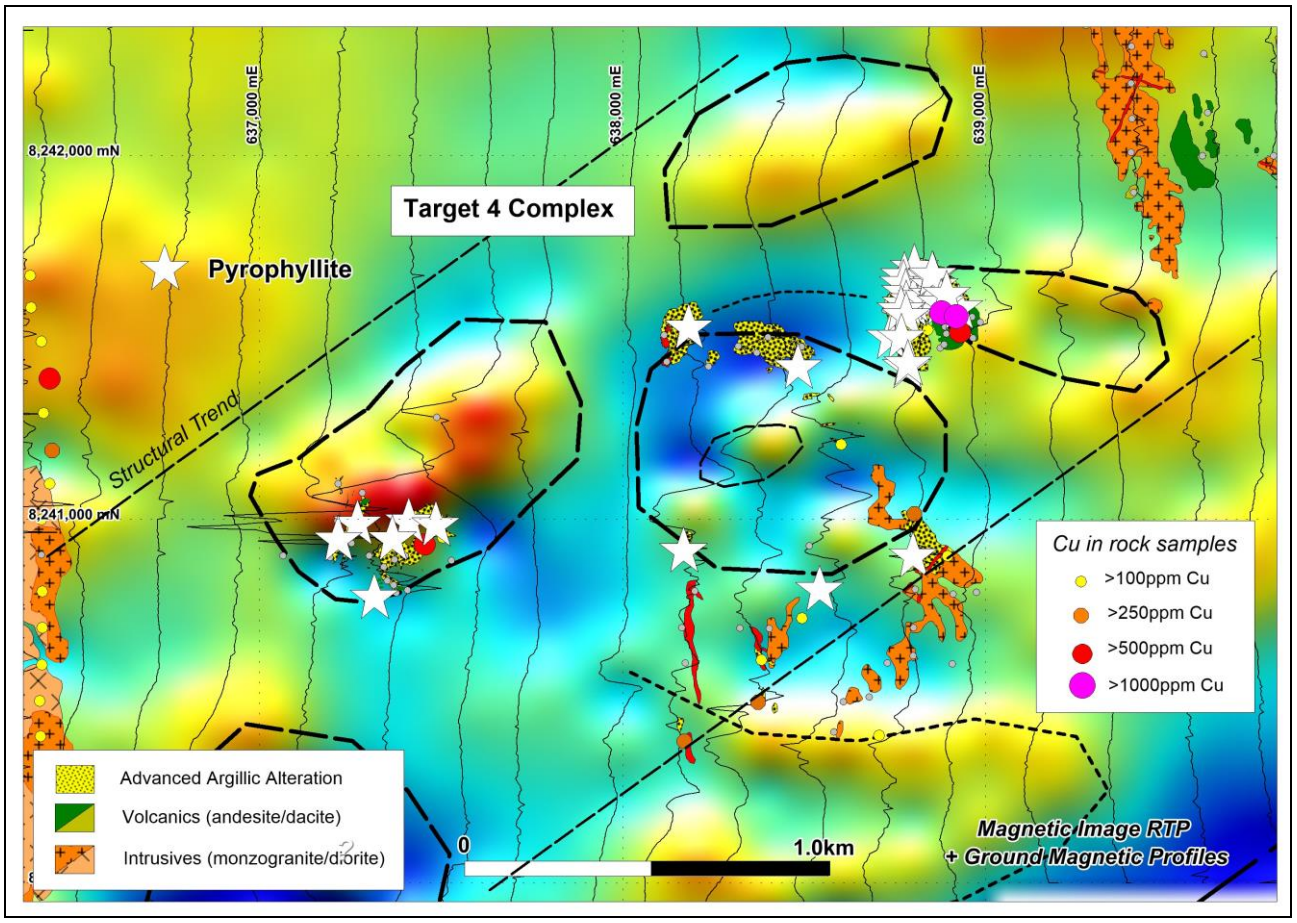

Figure 11: Pirata Target 4 – Geology and ground magnetics showing pyrophyllite occurrences and copper

Similarly at target 5, magnetic data suggest that the scattered pathfinder anomalies at surface may reflect much larger targets (such as porphyries beneath the cover. Further reconnaissance mapping and sampling is planned for this area to follow-up these magnetic results.

Results over target 6, located in the north of the prospect, outline a discrete magnetic anomaly within the overlying volcanic sequence which is considered to be a possible manto copper target similar to the one tested at the Cerro de Fierro prospect.

Modelling of the ground magnetic data has been initiated to provide size and depth estimates ahead of initial target drilling of selected targets to be considered under the SAA.

<u>Parcoy IOCG</u> *(100% AQD – South32 earning to 70%)*

The Parcoy Project is located near the southern end of a recognised IOCG metallogenic belt in southern Peru. It lies within ~100km of the Mina Justa deposit (~475Mt @ 0.68% Cu), and ~50km north-west of the Company's Cerro de Fierro Project. Geological mapping and rock-chip sampling has identified significant

concentrations of copper (+/- gold) at surface, reflecting potential manto-style mineralisation within the volcanic stratigraphy. The project is subject to an agreement with South32, which can earn a 70% interest in the project by spending a total of US$4.5 million.

During the Quarter, assessment of results continued following the successful completion of the 'Proof of Concept' drilling program which confirmed the presence of replacement (manto) style copper mineralisation within the volcanic sequence.

The initial drilling program tested the northern and southern limits of the prospect where access was easiest, leaving some 5km of prospective strike untested by drilling. Results from the drill program confirmed that copper mineralisation is strongly correlated with potassic alteration within the volcanics, and juxtaposes pathfinder elements such as Mo, W, and Bi that occur within the footwall to the mineralisation.

Surface sampling results within the central zone between the areas drilled, indicate that the pathfinder element relationships identified by the drilling program extend through the central zone. Numerous samples of volcanic rocks within this zone contain highly anomalous copper values (*Figure 12*).

A program of in-fill mapping and sampling within the central zone has commenced to prioritise targets and optimise drill sites. This work is expected to be completed before the end of the year, at which time further drilling will be considered under the SAA.

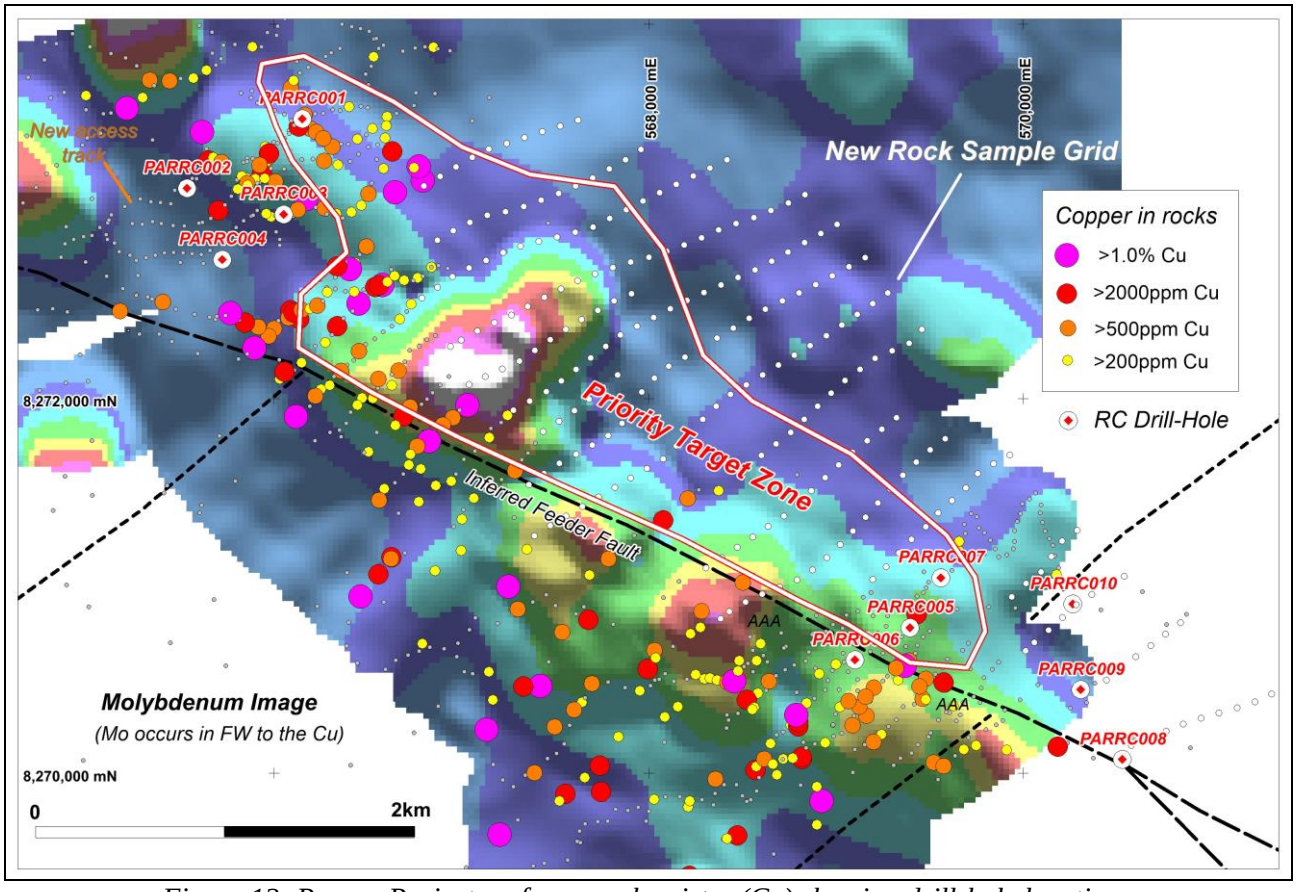

Figure 12: Parcoy Project surface geochemistry (Cu) showing drill-hole locations

<u>Los Otros Porphyry Copper Project</u> *(100% AQD, subject to SAA)*

The Los Otros project is located close to the Palaeocene Porphyry Copper Belt of southern Peru, which is the major copper producing region in the country. It lies within 35km of the Cuajone mine (~1.6Bt @ 0.6% Cu), and 40km from the Quellaveco deposit (~1.3Bt @ 0.57% Cu) currently being developed by Anglo American. Exploration work at Los Otros is being funded under the SAA.

During the quarter, the Company received permits to allow a Reverse Circulation (RC) drilling program of between 3-5 holes for ~1,000-1,500m to commence. The program has been designed to provide an initial test of large porphyry copper targets that are located close to some of the country's major copper producing mines (*Figure 13*).

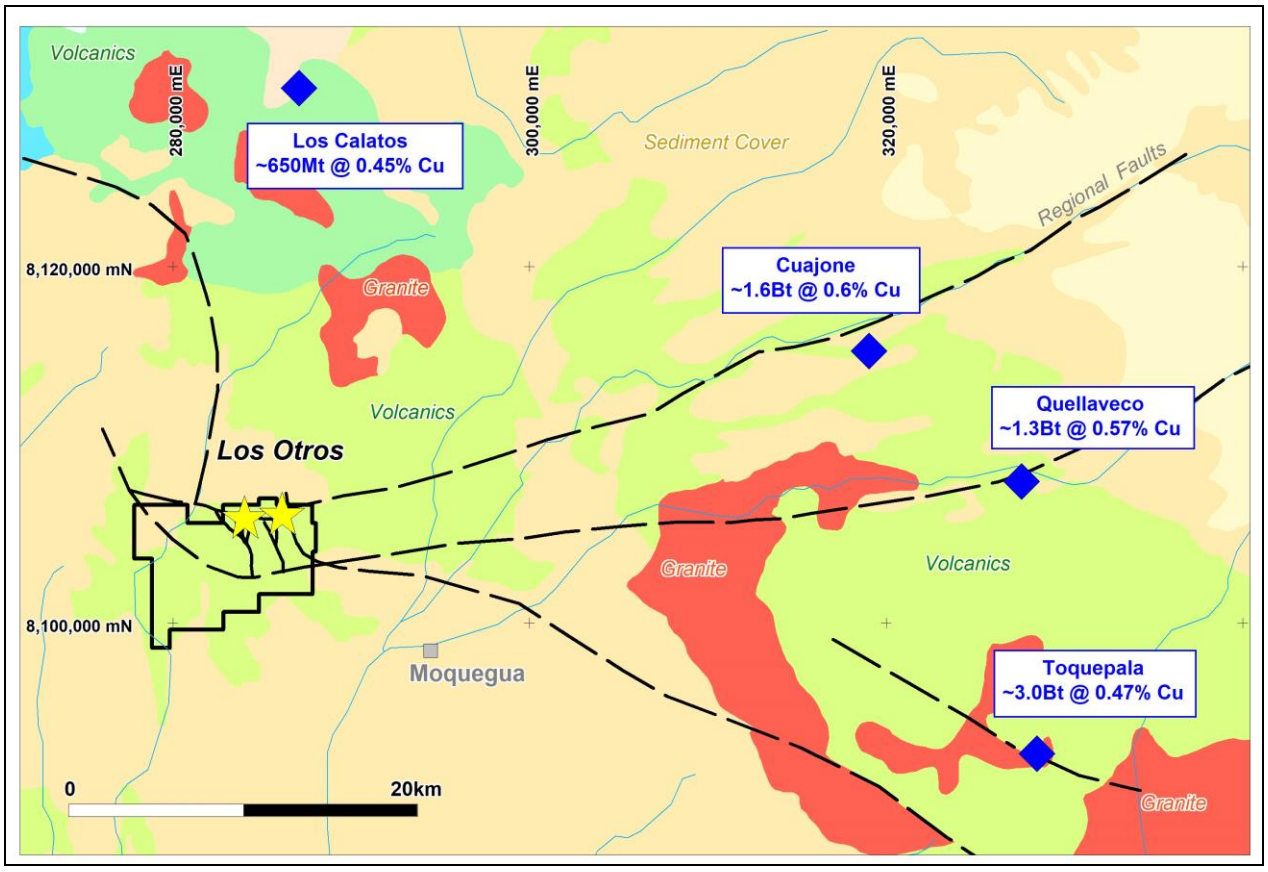

Figure 13: Location of the Los Otros Copper Project and known copper deposits in the region

The main porphyry copper target is associated with an area of advanced argillic alteration (~1km²) that has a Palaeocene age date, similar to the age dates reported for the giant porphyry copper deposits that occur nearby (Figure 13).

Historic geological mapping and sampling by the Company outlined large areas of advanced argillic alteration (possible lithocap) with numerous samples returning anomalous levels of Mo, Bi, As, Sb, Pb, Au, Ag and occasional Cu, suggesting excellent potential for buried porphyry copper mineralisation (see ASX release 25 October 2021) (*Figure 14*).

The alteration and anomalous geochemistry occur marginal to large magnetic bodies that are interpreted to be buried intrusions (possible porphyries) concealed by the overlying volcanic sequences. Major WNW and NNW structures are evident in the area with the WNW structures paralleling regional fault systems believed to be closely associated with the large porphyry copper deposits in the region.

A drill contract has been finalised with drilling operations expected to commence in December 2021.

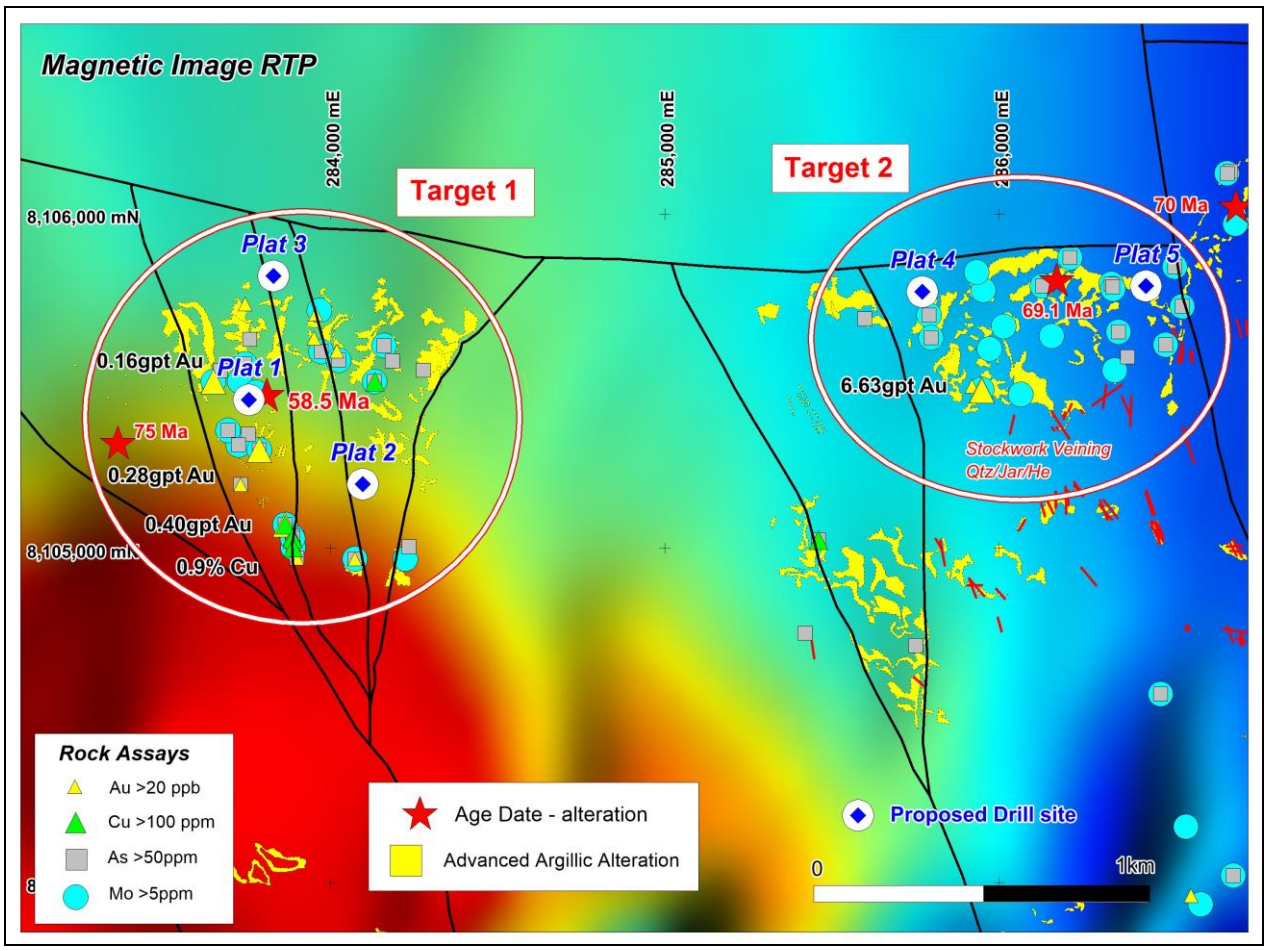

Figure 14: Los Otros Project showing location of planned drill-holes

New Opportunities (Peru)

Geological mapping and soil sampling has been completed within the Puite-Ventura area near the town of Ilo, where historical drilling by the Company suggests there could be potential for buried porphyry copper mineralisation.

Results from this program were recently received and are being assessed to enable a decision to be made on the future potential of this area.

CORPORATE

During the quarter, the Company invested $1.4 million in exploration and had approximately $4.7 million in cash remaining at the end of September. Further funding from South32 to cover agreed work programs (including drilling) over the Strategic Alliance Projects is expected in Q4 2021.

The Company's Cashflow Report (Appendix 5B) for the quarter ended 30 September 2021 is appended to this report. Payments to related parties as shown in Section 6 of this report include director salary and superannuation payments of $54,750, and payments of $12,000 for corporate consulting fees to a director.

The Company continues to monitor advice from the Government and health authorities with regard to restrictions imposed by COVID-19, in order to ensure the health and well-being of its employees and contractors.

During the Quarter the Company's subsidiary in Peru (Questdor SAC) filed a challenge to the Ministry of Housing (SBN) request for payment to access State-Owned land for drilling purposes, with respect to two of the Company's mineral concessions.

The Company believes the payments are not required and has decided to appeal the request before an Administrative Judiciary.

This process is not uncommon and could take several years to complete. The Company will keep shareholders advised regarding progress.

KEY ACTIVITIES – DECEMBER 2021 QUARTER

- Hamilton (Cu-Au) – Complete diamond drilling at Hamilton North (2 holes / ~100m).
- Balladonia (Cu-Au-Ni) – Complete EM survey over Harms Lake and secure clearances for drilling at the Tea Tree prospect.
- Moora (Ni-Cu) – Complete trial HEM survey over selected targets and continue access negotiations.
- Morrisey (Ni-Cu) – Assess sampling results over HEM targets, advance prospects to drill status.
- Peru (Cu-Au) – Complete mapping and sampling at the Parcoy Project to prioritise drill targets.
- Peru (Cu-Au) – Commence drill permitting at Cerro de Fierro East (Pirata) to test porphyry Cu targets.
- Peru (Cu-Au) – Commence RC drilling program at Los Otros.
- Peru (Cu-Au) – Assess sample results from the Puite-Ventura area and plan future programs.

Authorised for release on behalf of the Company by:



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.

AusQuest Limited: Tenement Schedule as at 30 September 2021

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Australia				
E69/3246	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3558	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3671	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3825	WA, Balladonia	100%	100%	AusQuest Ltd.
E45/5394	WA, Runton	100%	Nil	AusQuest Ltd
E45/5395	WA, Runton	100%	Nil	AusQuest Ltd
E69/3664	WA, Madley	100%	100%	AusQuest Ltd.
E69/3665	WA, Madley	100%	100%	AusQuest Ltd.
E69/3690	WA, Madley	100%	100%	AusQuest Ltd.
E45/5447	WA, Gunanya	100%	100%	AusQuest Ltd.
E70/5383	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E09/2397	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E59/2525	WA, Morrisey Well	Nil	100%	AusQuest Ltd.
E70/5388	WA, Moora	100%	100%	AusQuest Ltd.
E70/5389	WA, Moora	100%	100%	AusQuest Ltd.
E70/5401	WA, Moora	100%	100%	AusQuest Ltd.
E70/5402	WA, Moora	100%	100%	AusQuest Ltd.
E70/5418	WA, Moora	100%	100%	AusQuest Ltd.
EPM 26681	QLD, Hamilton	100%	100%	AusQuest Ltd.
EPM 26682	QLD, Hamilton	100%	100%	AusQuest Ltd.
Peru				
Azucar West E	Moquegua	100%	100%	Questdor SAC
Cangallo 2	Arequipa	100%	100%	Questdor SAC
Cangallo 3	Arequipa	Nil	100%	Questdor SAC
Cerro De Fierro A	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro B	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro C	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro D	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro E	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro F	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro G	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro H	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro I	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro J	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro K	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro L	Arequipa	Nil	100%	Questdor SAC
Cerro De Fierro N	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro O	Arequipa	100%	100%	Questdor SAC
Cerro De Fierro P	Arequipa	100%	100%	Questdor SAC
Chololo 1	Moquegua	100%	100%	Questdor SAC
Chololo 2	Moquegua	100%	100%	Questdor SAC
El Sello 01	Arequipa	Nil	100%	Questdor SAC
El Sello 02	Arequipa	Nil	100%	Questdor SAC
El Sello 04	Arequipa	Nil	100%	Questdor SAC
El Toro 02	Arequipa	Nil	100%	Questdor SAC
El Toro 03	Arequipa	Nil	100%	Questdor SAC
Los Otros 01	Moquegua	100%	100%	Questdor SAC
Los Otros 02	Moquegua	100%	100%	Questdor SAC
Los Otros 03	Moquegua	100%	100%	Questdor SAC
Los Otros 04	Moquegua	100%	100%	Questdor SAC
Los Otros 05	Moquegua	100%	100%	Questdor SAC
Los Otros 06	Moquegua	100%	100%	Questdor SAC
Los Otros 07	Moquegua	100%	100%	Questdor SAC
Los Otros 08	Moquegua	100%	100%	Questdor SAC

AusQuest Limited Tenement Schedule as at 30 September 2021 - cont'd

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Peru Cont.				
Pampa De Las Pulgas AF	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas J	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas K	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas O	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas P	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas X	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas Y	Moquegua	100%	100%	Questdor SAC
Pampa De Las Pulgas Z	Moquegua	100%	100%	Questdor SAC
Parcoy 01	Arequipa	100%	100%	Questdor SAC
Parcoy 02	Arequipa	100%	100%	Questdor SAC
Parcoy 03	Arequipa	100%	100%	Questdor SAC
Parcoy 04	Arequipa	100%	100%	Questdor SAC
Parcoy 05	Arequipa	100%	100%	Questdor SAC
Parcoy 06	Arequipa	100%	100%	Questdor SAC
Parcoy 07	Arequipa	100%	100%	Questdor SAC
Parcoy 08	Arequipa	100%	100%	Questdor SAC
Parcoy 09	Arequipa	100%	100%	Questdor SAC
Parcoy 10	Arequipa	100%	100%	Questdor SAC
Parcoy 12	Arequipa	100%	100%	Questdor SAC
Playa Kali 01	Arequipa	Nil	100%	Questdor SAC
Playa Kali 06	Arequipa	Nil	100%	Questdor SAC
Playa Kali 07	Arequipa	Nil	100%	Questdor SAC
Playa Kali 08	Arequipa	Nil	100%	Questdor SAC
Ventura 1	Moquegua	100%	100%	Questdor SAC
Ventura 2	Moquegua	100%	100%	Questdor SAC
Ventura 3	Moquegua/Tacna	100%	100%	Questdor SAC
Ventura 4	Moquegua/Tacna	100%	100%	Questdor SAC
Ventura 5	Moquegua	100%	100%	Questdor SAC

JORC Code, 2012 Edition – Table 1 Report Soil Sampling – Morrisey Nickel Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Grid based soil sampling was completed over three target areas identified by HEM Surveys. Samples were collected at 50m intervals along lines 100m apart. • Sample locations were recorded by hand-held GPS. • Soil sampling sites were logged by the sampler and recorded on a sampling spread sheet • Each soil sample was collected by digging a 10 to 20 cm deep hole and screening the material to pass a 400 microns (µm) sieve. • Approximately 200g of material was collected in a numbered kraft packet.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling undertaken
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No drilling undertaken
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• No drilling undertaken

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No sub-sampling was completed
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The samples were submitted to Intertek Genalysis Maddington, WA, for 48 element suite 4A/MS48 • Samples will be subjected to a multi-acid digest, including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids, in teflon tubes providing close to a total digest for most elements. • Samples are being analysed (48 elements) by Inductively Coupled Plasma Mass Spectrometry.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Field sample locations were compiled onto Excel spreadsheets for merging with assay data. • Digital data is regularly backed-up on the company's servers.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample locations are established with a handheld GPS to +/- 5m accuracy.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Samples were collected on 100m x 50m grids over three target areas.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible*	• Sample lines were oriented perpendicular to the

Criteria	JORC Code explanation	Commentary
geological structure	*structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	strike of the inferred stratigraphy.
Sample security	• *The measures taken to ensure sample security.*	• Samples were securely sealed in the field, followed by packing into larger sealed plastic bags or boxes for transport to the assay laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Assay results are awaited.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Morrisey Project is located approximately 150 km north-east of Geraldton in Western Australia. • Tenement holdings consist of three granted Exploration Licences E70/5383, E09/2397, and E59/2525 plus two applications. • Aboriginal heritage surveys are routinely completed ahead of ground disturbing activities.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration is very limited and was mainly focused on iron ore and gold targets together with some regional diamond exploration by Stockdale Prospecting and CRA Ltd. • Limited aircore drilling and surface lag sampling was reported by several companies that were targeting magnetic anomalies as possible iron ore or nickel prospects but no RC or diamond drilling has been reported. • Detailed aeromagnetic data was acquired over the northern half of EL 70/5383 and the southern part of EL 70/2397 as part of a search for iron ore. This data is being used by the current exploration in the area.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Morrisey Project is targeting nickel-copper mineralisation in mafic/ultramafic intrusions within the Narryer Terrane which forms the NW margin of the Yilgarn Craton.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• No drilling undertaken

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No drilling undertaken
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No drilling undertaken
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Soil sample locations are provided in the ASX release.

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Assay results are pending.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The area was selected for sampling based on geological and geophysical data interpretations by the company.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Proposals of further work will be done after a thorough analysis of the data is completed.

JORC Code, 2012 Edition – Table 1 AusQuest Rock-Chip Sampling Cerro de Fierro

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Rock chip sampling comprises the collection of rocks, usually by hammering an outcrop, with samples being of variable size and quality. • Sample locations are recorded by hand-held GPS. • Samples were collected on a rough 200m x 100m grid with location variations due to topography. • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre to provide a representative sample of the outcrop.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Not applicable – surface sampling only
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable – surface sampling only
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Descriptions of the rocks were completed by a project geologist.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No sub-sampling of rock-chip samples was undertaken • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre to provide a representative sample of the outcrop. • The grid based sampling program provided an unbiased sample for lithological and alteration geochemistry.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Rock chip samples are crushed and pulverized to 85% minus 75 microns, then a representative sub-sample is collected for digestion using a 4 acid digest, followed by analysis by ICP-MS and/or AES to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn, Sr, Ti V, W, Y, Zn, Zr. • Gold are assayed by 30gm fire assay with AAS finish. • Assays are provided by ALS del Peru in Lima which is a certified laboratory for mineral analyses. Analytical data is transferred to the company via email. • In laboratory QAQC data is reviewed for all assay jobs. Blanks and standards are included with all sample batches.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Rock-chip sampling is compiled into Excel spreadsheets for merging with assay data when it becomes available. • Digital data is regularly backed-up on the company's servers.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• Sample locations are recorded using GPS to within 5 metres accuracy. • The grid projection used is WGS84 Zone 18S

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Topographic control is obtained from GPS readings or topographic maps and is considered adequate for current needs
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Rock chip samples were collected on a rough 200m x 100m grid. • Approximately 2 kg of rock was collected from each sample site over a radius of ~1 metre.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The grid based rock-chip sampling was oriented at an angle to both structure and stratigraphy.
Sample security	• *The measures taken to ensure sample security.*	• Samples are securely tied/sealed in the field, followed by packing into larger sealed plastic bags for transport to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out on the sampling to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Cerro de Fierro project is located approximately 30 km east of the town of Chala in the south of Peru. • The Cerro de Fierro project comprises 3 granted mineral concessions and 12 mineral concession applications. The tenements are held by Questdor which is a 100% subsidiary of AusQuest Limited. • There are no major heritage issues to prevent access to the tenements during surface exploration activities. Permits to drill are required including environmental, water and land access involving community consultations. • The Cerro de Fierro project is subject to a Strategic

Criteria	JORC Code explanation	Commentary
		Alliance Agreement with South32.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No public reporting of exploration data is required in Peru.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cerro de Fierro project is targeting manto-style IOCG deposit along the coastal belt of southern Peru. These are large scale disseminated copper (and gold) deposits found within orogenic belts that surround the Pacific Rim. The deposits can be areally large requiring significant drilling to evaluate..

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Not applicable – surface sampling only

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable – surface sampling only.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable – surface sampling only

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Sample locations are included on the plan provided in ASX release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Assay ranges are shown on the plan provided in ASX release.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The area was selected for sampling to cover EW structures that extended from the known mineralization at Cerro de Fierro. Grid based sampling was used to provide unbiased sampling for lithological and alteration mapping.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work in this area will be dependent on a full assessment of the assay data and compilation with other data sets.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AUSQUEST LIMITED

ABN	Quarter ended ("current quarter")
35 091 542 451	**30 September 2021**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	107	107
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(51)	(51)
	(e) administration and corporate costs	(254)	(254)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (R&D Refund)	-	-
1.9	**Net cash from / (used in) operating activities**	**(198)**	**(198)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,404)	(1,404)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other:		
	- Funding received from South 32 under the Strategic Alliance Agreement	895	895
2.6	**Net cash from / (used in) investing activities**	**(509)**	**(509)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other		
	- Lease liability payments	(10)	(10)
3.10	**Net cash from / (used in) financing activities**	**(10)**	**(10)**

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,409	5,409
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(198)	(198)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(509)	(509)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(10)	(10)
4.5	Effect of movement in exchange rates on cash held	31	31
4.6	**Cash and cash equivalents at end of period**	**4,723**	**4,723**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	4,723	5,409
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,723**	**5,409**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	14
6.2	Aggregate amount of payments to related parties and their associates included in item 2	53

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(198)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,404)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,602)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,723
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,723
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.95

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
N/A	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2021

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.