ASX ANNOUNCEMENT

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November 12th, 2024

MULTIPLE PRIORITY DRILL TARGETS CONFIRMED BY GROUND EM AT BALLADONIA, WA

- ***Drill-ready targets confirmed by ground EM surveys over seven VTEM targets.***
- ***Drilling being planned for early 2025 once all required approvals are obtained.***
- ***Program funded under the Strategic Alliance Agreement.***

AusQuest Limited (ASX: AQD) is pleased to advise that ground follow-up of airborne VTEM anomalies identified as high-priority targets earlier this year (ASX release, 11 January 2024), has confirmed the presence of strong bedrock conductors at seven of the eight targets tested at the Balladonia Project in the Fraser Range region of WA.

Extensive Moving Loop Transient Electromagnetic (MLTEM) surveys (~41km) and one Fixed Loop Transient Electromagnetic (FLTEM) survey (~3km at Anomaly C) were completed over eight targets using a 200m x 200m transmitter loop and a three-component fluxgate receiver coil along lines 200m apart, with stations positioned at 100m intervals.

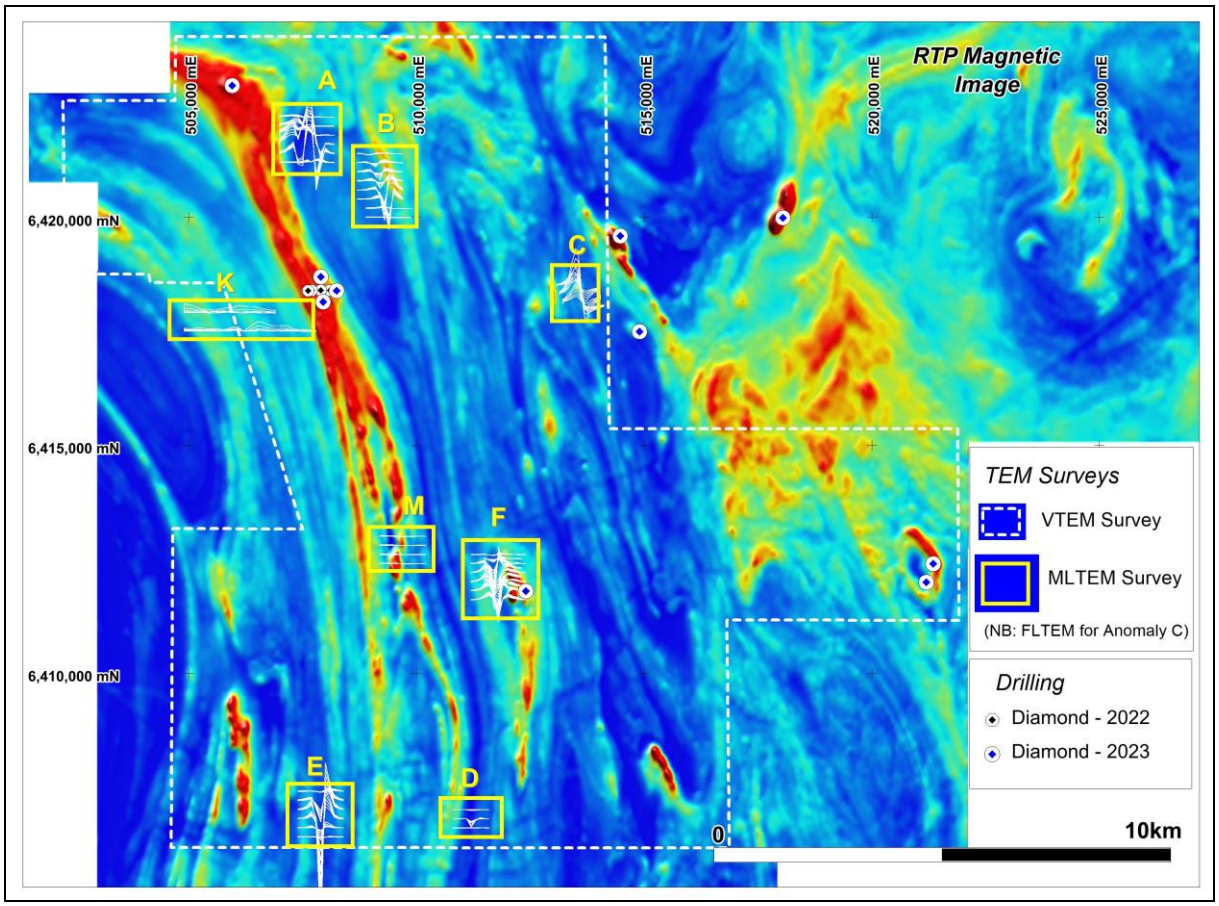

Figure 1: Balladonia Magnetic Image showing outline of the VTEM survey and stack profiles (late times) of ground MLTEM and FLTEM surveys

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Computer modelling of each target produced conductivities ranging from ~400 siemens/metre (s/m) up to ~6,000 s/m, which is indicative of possible massive sulphide mineralisation and/or strongly graphitic zones, with target depths ranging from ~40m up to 250m. Examples of MLTEM responses and modelling results are provided in Figures 2 to 5 attached to this release.

The conductors are relatively discrete, with strike lengths varying from as little as 250m to over 1,000m. Conductor dips are generally steep (70° to 80°), except for Anomaly A which occurs on the north-western margin of an interpreted domal structure and appears to dip shallowly to the west (see Table 1 for a summary of the modelling results).

The conductors generally strike parallel to the magnetic trends, suggesting that they reflect bedrock sources that occur within the stratigraphic sequence.

Anomaly	Conductor	Conductivity s/m	Depth (m)	Dip	Plunge	Size (L x W)
A	Plate 1	3,000	40	30° W		350m x 500m
	Plate 2	3,000	65	35° W		400m x 500m
	Plate 3	2,500	80	35° NW		1,400m x 400m
B	Plate 1	6,000	50	70° E		500m x 150m
C	Plate 1	2,000	100	70° W		400m x 250m
D	Plate1	4,000	30	80° W	45° N	250m x 70m
E	Plate 1	3,000	50	65° E		500m x 250m
F	Plate 1	3,000	50	70° W		>1,000m x 500m
	Plate 2	2,000	70	70° W		750m x 250m
	Plate 3	1,000	80	70° W		200m x 150m
K	Plate 1	3,000	250	70° E		750m x 750m
M	Plate 1	<100	50	70° E		1,000m x 500m

Table 1: Summary table showing computer model parameters for each conductor.

A drilling program to test the conductors for their base metal potential is currently being designed for consideration under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited.

AusQuest's Managing Director, Graeme Drew, said the MLTEM surveys had confirmed a series of compelling targets, further enhancing the prospectivity of the Balladonia Project.

"We have now completed the target definition phase of our exploration program and look forward to getting on with drill testing the promising targets we have successfully generated.

"Exploration at Balladonia continues to provide us with encouragement that a new base metal discovery could be made in this area. We are looking forward to continuing our efforts in this area and reporting results as and when they come to hand," 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.

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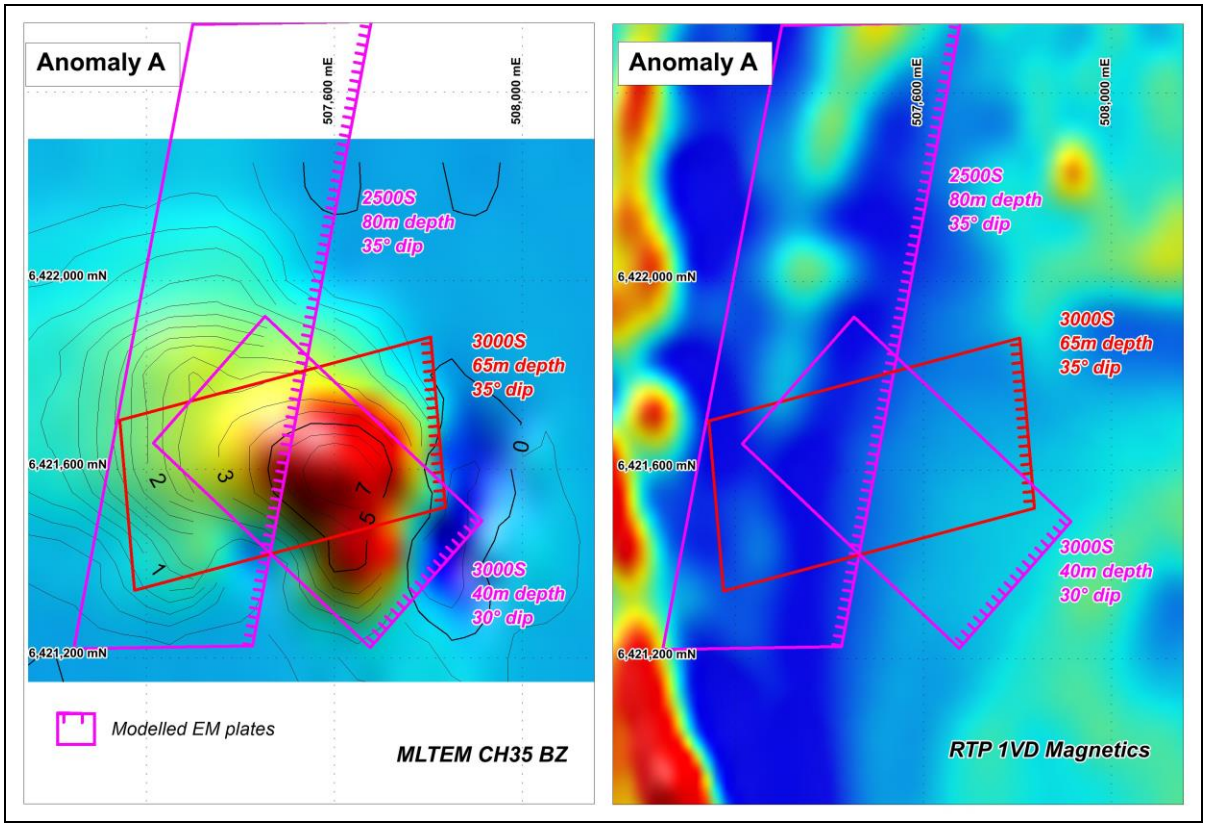

Figure 2: Anomaly A - late Channel (35) EM response showing modelled plates and magnetics

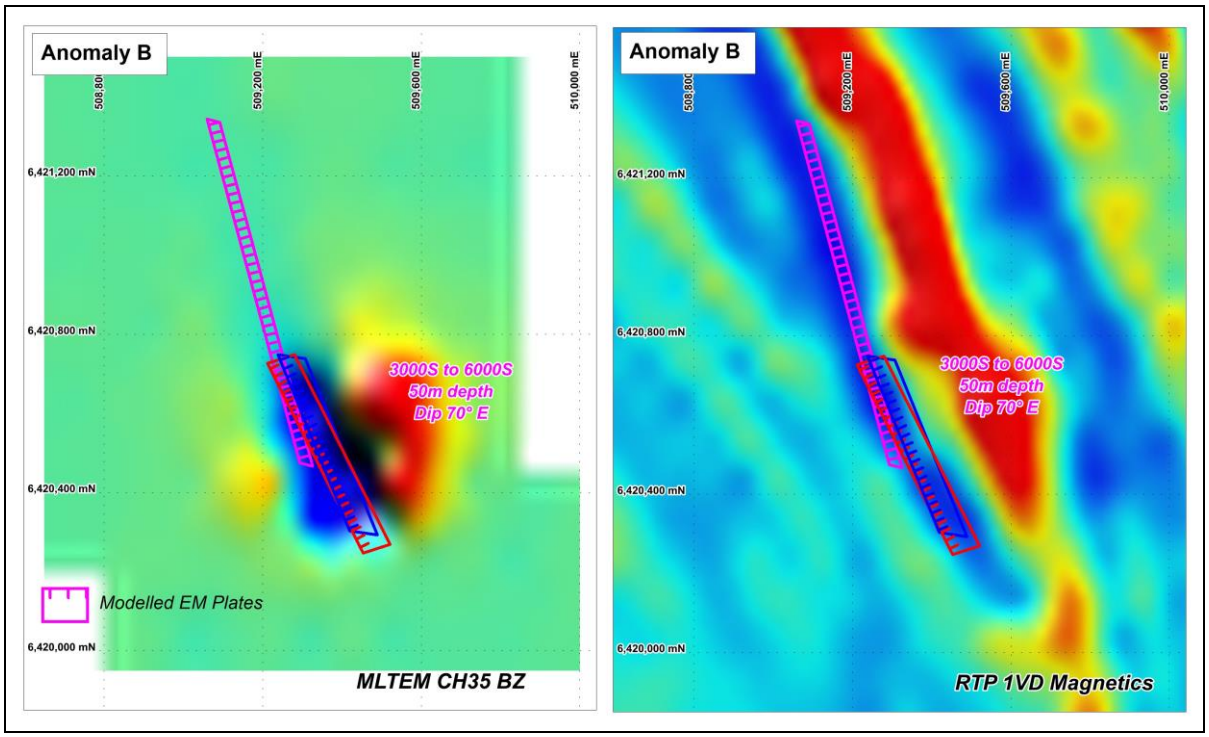

Figure 3: Anomaly B - late Channel (35) EM response showing modelled plates and magnetics

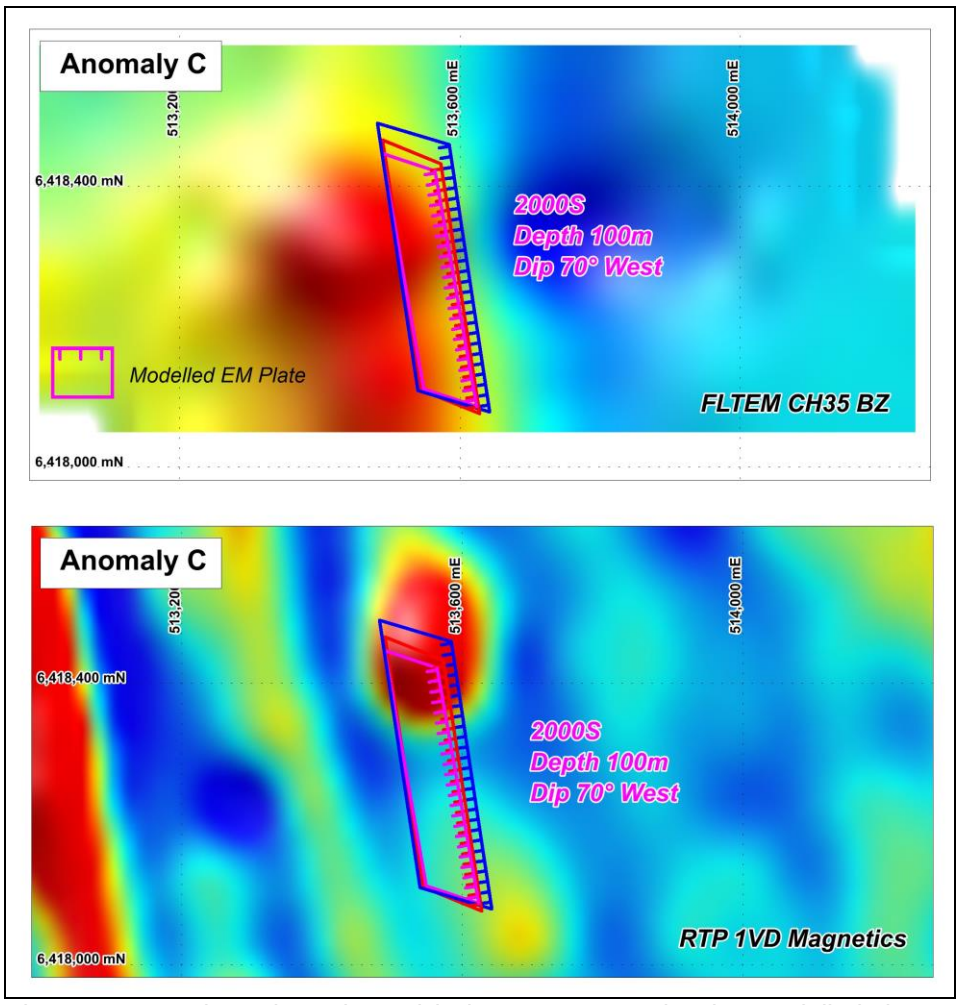

Figure 4: Anomaly C - late Channel (35) EM response showing modelled plates and magnetics

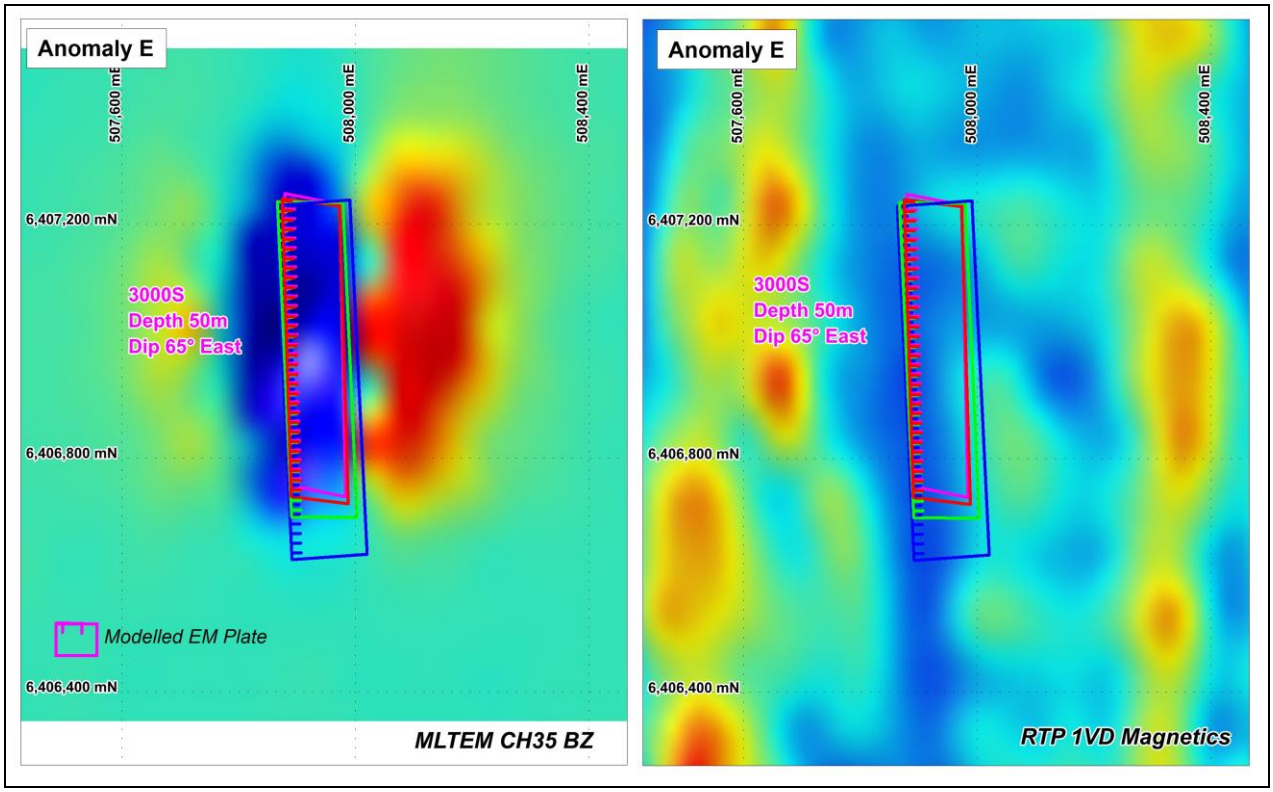

Figure 5: Anomaly E - late Channel (35) EM response showing modelled plates and magnetics

JORC Code, 2012 Edition – Table 1 report, Balladonia Electromagnetic Survey Results

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.*	• Moving Loop Transient electromagnetic surveys (MLTEM) were completed over seven VTEM anomalies and a Fixed Loop electromagnetic (FLTEM) survey was completed over one VTEM anomaly using a SMARTem 24 TEM receiver, a GeoResults DRTX high powered transmitter, and a three component SMART fluxgate magnetometer. • The surveys were completed along lines 200m apart using a TX loop 200m x 200m in size, and stations 100m apart. Readings were acquired using a slingram configuration with the sensor located 200m west of the TX loop centre. • The survey used a base frequency of 1Hz providing 36 time slices.
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
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
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.*	• Not applicable

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
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.*	• Not applicable
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.*	• A minimum of two readings were taken at each station using 128 stacks to improve signal to noise ratio and provide necessary quality control.
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.*	• Not applicable
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.*	• All stations and transmitter loop positions are located by hand held GPS to an accuracy of approximately 5m. • All location data are recorded in GDA94 datum, UTM zone 51.
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.*	• The surveys were completed along lines 200m apart using a TX loop 200m x 200m in size, and stations 100m apart. Readings were acquired using a slingram configuration with the sensor located

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	• *Whether sample compositing has been applied.*	200m west of the TX loop centre.
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 MLTEM survey lines were oriented approximately perpendicular to strike of the VTEM anomaly being surveyed.
Sample security	• *The measures taken to ensure sample security.*	• Results were transmitted electronically from the contractor to the Company's consultant.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data quality was reviewed on an ongoing basis by the Company's consultant.

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 Balladonia Project is centered at 6411000N and 515500E (GDA94 Zone 51), approximately 135 km ESE of Norseman in Western Australia. • Tenement holdings include six granted Exploration License's (E69/3246, 3825, 3671, 3558, 3932, 3559) and five Exploration License application (E69/3672, 4186, 4192, and E63/2462, 2486). • The Balladonia Prospect is subject to a Strategic Alliance Agreement whereby South32 have the right to earn a 70% interest by spending US$4.5M. • Aboriginal heritage surveys and fauna – Flora surveys are routinely completed ahead of ground disturbing activities. • E69/3246, 3825, and 3559 occur within the Dundas Nature Reserve which requires a management plan to be approved by DBCA.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited surface exploration has been completed by other parties. AusQuest is the first exploration company to complete drilling programs within the

Criteria	JORC Code explanation	Commentary
		tenements. • The tenements have been covered by regional government geophysical and geological surveys and partly by regional GSWA geochemical sampling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model for the Balladonia Project is based upon copper and nickel sulphides hosted in mafic rocks as is the case within the Fraser Range Belt, and base metal mineralisation in BHT and /or IOCG settings similar to the Eastern Succession in north-west Queensland and at Broken Hill in NSW. Potential for carbonatite related mineralization is also evident.

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

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
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*	• Not applicable

Criteria	JORC Code explanation	Commentary
	clear statement to this effect (eg 'down hole length, true width not known').	
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.*	• Relevant gravity data are shown on appropriate plans and included in the 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.*	• All significant results are reported.
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 relationship between the gravity results and previously reported exploration data is discussed in the report.
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 exploration programs will depend on the full assessment and compilation of the gravity with other results