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September 2024 Quarterly Activities Report

HIGHLIGHTS

Australia – Copper, Zinc, Nickel, Gold

- Premium iron product (>70% Fe) successfully produced following receipt of Davis Tube Recovery (DTR) results from the first three drill-holes at the Waterfall Prospect (Morrisey Project). Magnetite recoveries averaged 40% for coarse grind sizes (106um, 75um). DTR test results for the remaining 12 drill-holes are pending.

- Drilling of further magnetic/gravity targets within the Morrisey Project area currently being planned in consultation with a subsidiary of South32 Ltd (South32) under the Strategic Alliance Agreement (SAA). The next phase of drilling will be designed to determine the resource potential within the project area.

- At Balladonia, target areas for Broken Hill Type (BHT) mineralisation outlined based on results from gravity surveys completed during the Quarter. Ground electromagnetic (EM) surveys commenced to prioritise drilling targets associated with VTEM anomalies.

- Four large conductive targets defined from VTEM results over the Mt Davis Project. The targets are located below the Frere Iron Formation, highlighting the potential for SEDEX style base metal deposits.

- Prospective targets for iron-oxide copper-gold (IOCG) mineralisation identified within the Coober Pedy Project, located at northern end of the world-class Olympic Dam IOCG Province.

Peru – Copper-Gold

- Permits received to enable drilling to commence at the Cangallo Copper Project in southern Peru. Drilling is planned to commence in the December / January period.

- Drill permitting for the Lantana and Playa Kali copper prospects was advanced with field environmental studies completed. The permits should be completed in early 2025, allowing drilling to commence in H1 2025 subject to rig availability.

Corporate

- A non-renounceable rights offer to the Company's shareholders launched in October to raise up to ~A$2.6 million (before costs) to provide funds to undertake exploration drilling on the Company's 100%-owned copper projects in Peru and investigate new acquisition and/or exploration opportunities in Australia. The rights offer closes on 4th November.

- Quarter-end cash position of ~$0.9 million, with additional funds of $465,000 received in October for work programs at Balladonia and Morrisey under the SAA.

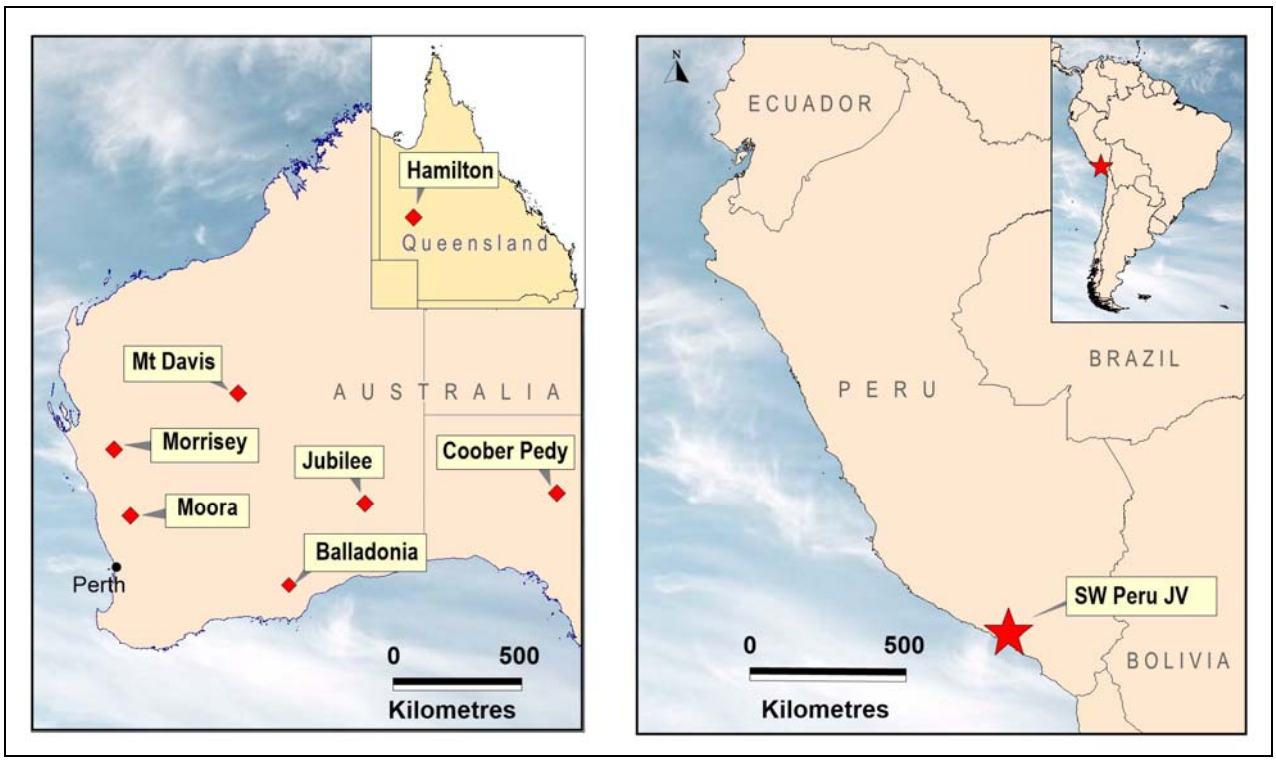

Figure 1: Project Locations – Australia and Peru.

OVERVIEW

During the September Quarter, geophysical surveys were initiated over the **Mt Davis, Balladonia** and **Coober Pedy** Projects to help identify targets for future drilling. Further exploration at the **Morrisey** Magnetite Project is currently in the planning stage following encouragement from further DTR results received during the Quarter.

In **Peru**, the focus remained on finalising drill permits for three of the Company's large-scale copper projects – Cangallo (completed), Lantana (in progress) and Playa Kali (in progress). Drilling of these greenfields porphyry copper and manto copper targets is considered a priority by the Company.

AUSTRALIA – BASE METAL PROJECTS (Copper, Zinc, Nickel & REE)

Balladonia Nickel-Copper and REE Project ***(100% AQD, subject to SAA)***

The Balladonia Project is located ~50km south of the Nova–Bollinger nickel-copper deposit. It consists of 10 Exploration Licences (six granted and four applications) covering an area of ~1,200km² and is located within a structurally complex region of the Fraser Range Terrane. Exploration at Balladonia has indicated the potential for multiple mineralisation styles with many potential targets identified. This includes the potential for nickel and copper mineralisation similar to the Nova deposit, as well as iron-oxide copper-gold (IOCG) and Broken Hill Type (BHT) deposits similar to those found in the Eastern Succession (NW Queensland) and in NSW. More recently, the potential for rare earth elements (REE) associated with carbonatite intrusions has also been recognised. Many of the tenements lie within the Dundas Reserve. Exploration work at Balladonia is funded under the SAA.

During the Quarter, detailed gravity coverage along the southern extension of the Tea Tree Trend and its surrounds was completed to outline potential target areas for future drilling. This area had been identified as being highly prospective for BHT deposits based on results from earlier drilling which intersected alteration and host rocks similar to those found in the Cloncurry belt in NW Queensland and at Broken Hill in NSW (ASX release 22 September 2023).

A total of ~1,680 gravity readings were acquired by Atlas Geophysics on a 400m x 100m grid, with in-fill lines completed at 200m intervals where they were required to

define anomalies located by the original survey spacing. A residual gravity image is shown in *Figure 2*.

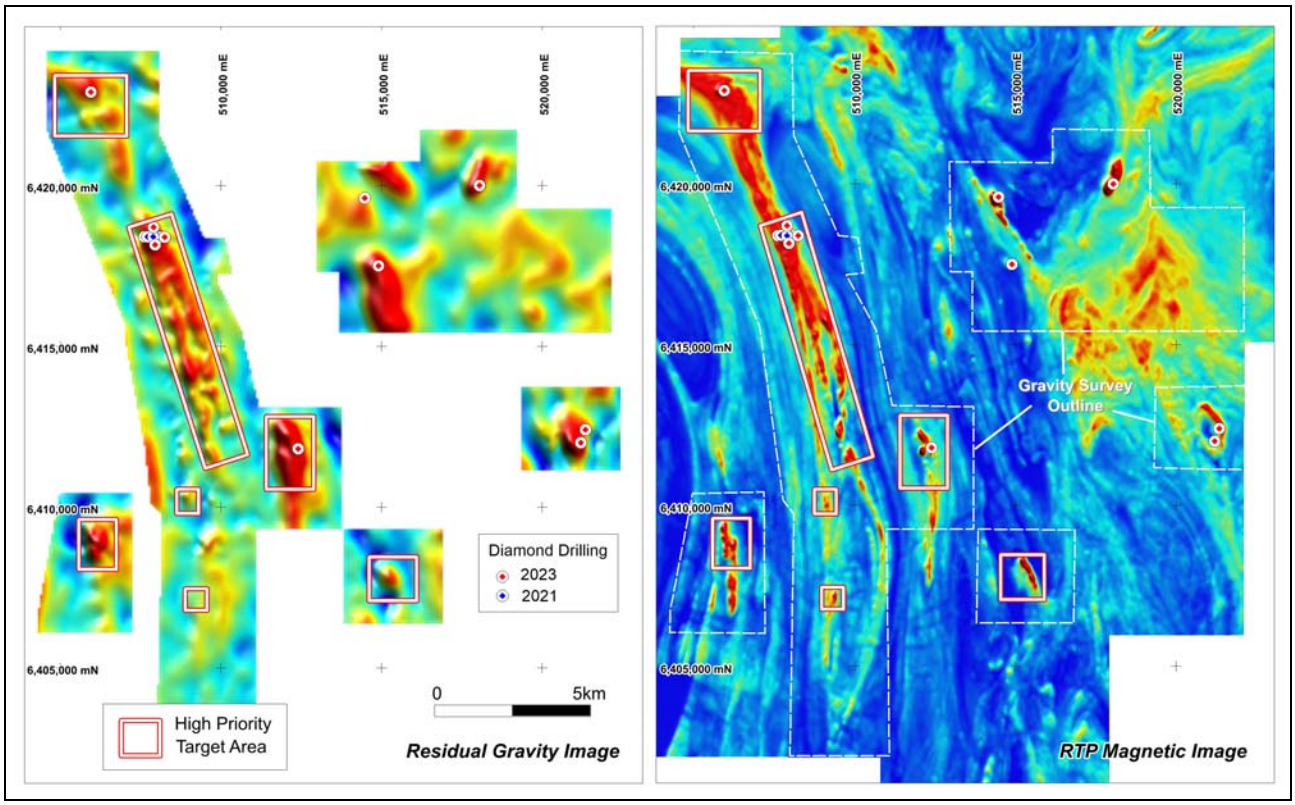

Figure 2: Balladonia Project residual gravity image and RTP magnetic image showing location of high-priority target areas for BHT base metal mineralisation.

Results from the gravity survey were compiled with the detailed aeromagnetic data, outlining a number of target areas that are currently being considered under the SAA for further drill testing. Coincident magnetic and gravity anomalies, as well as gravity responses coincident with the interpreted prospective host sequence (as defined by the presence of banded iron formations, or BIFs), are considered to be priority targets for BHT mineralisation.

Ground electromagnetic (EM) surveys also commenced during the Quarter to upgrade selected bedrock conductors that were located by the VTEM survey completed in Q4 2023 to drill status (ASX release 11 January 2024). A total of eight VTEM anomalies are being tested using a moving loop transient EM (MLTEM) system with 200m x 200m transmitter loops and an offset fluxgate receiver coil along survey lines spaced 200m apart.

It is expected that results from these MLTEM surveys will be available in the coming weeks, once all final data have been received and data processing completed. Initial results suggest that the VTEM targets reflect bedrock conductors, but computer modelling will be undertaken to more fully assess the results before further drill testing programs can be designed.

Further drilling within the Balladonia Project is expected to commence in H1 2025.

Morrisey Magnetite, Nickel-Copper-PGE Project ***(100% AQD, subject to SAA)***

The Morrisey Project is located ~500km north of Perth in Western Australia within Western Australia's Midwest mining district. The project occurs within the high grade metamorphic Narryer Terrane, which forms the north-western margin of the Yilgarn Craton. It consists of four granted Exploration Licences covering an area of ~1,000km² and is located ~120km north of the town of Mullewa, where there is rail access to

the Port of Geraldton, some 80km away. Reconnaissance drilling to test magnetic targets intersected coarse grained magnetite which could be upgraded via magnetic separation methods to a premium iron product (>70%Fe). Exploration work at Morrisey is funded under the SAA.

During the Quarter, Davis Tube Recovery (DTR) test work completed on samples collected from three drill-holes (MYRC01, 04, and 07) at the Waterfall Prospect – that were selected to optimise the sample preparation process – successfully produced a premium iron product grading >70% Fe, with excellent magnetite recoveries (40%) achieved from each grind size trialled (106um, 75um, and 38um), enhancing the future commercial potential of the project (ASX release, 8 September 2024).

A total of 16 composite samples were tested, with no discernible difference in product grades and magnetite recoveries between all three grind sizes, suggesting that a coarse grind would be adequate to separate magnetite from the other gangue material.

DTR results also showed that deleterious elements such as silica (SiO_2), alumina (Al_2O_3), sulphur (S) and phosphorous (P) were all very low in the processed product (see Table 1).

Table 1: Davis Tube Recovery Test results for ***75um*** grind size – drill holes MYRC01, 04, 07

					75um DTR CONCENTRATE GRADES					
Drill-Hole	From (m)	To (m)	Length (m)	**Fe %**	Recovery %	**Fe %**	SiO2 %	Al2O3 %	S %	P %
MYRC001	102	112	10	**33.39**	36.5	**70.65**	1.51	0.22	0.012	0.002
	112	122	10	**32.04**	40.48	**71.20**	1.74	0.05	0.003	0.002
	122	132	10	**31.51**	38.78	**71.09**	1.66	0.04	0.002	0.002
	132	144	12	**36.23**	47.57	**71.41**	0.95	0.05	0.006	0.002
MYRC004	64	74	10	**33.17**	36.74	**71.53**	1.05	0.2	0.014	0.002
	74	84	10	**32.76**	42.07	**71.12**	1.25	0.05	0.002	0.002
	84	94	10	**26.12**	32.4	**71.54**	0.85	0.1	0.008	0.001
	94	104	10	**30.19**	36.51	**70.34**	2.12	0.12	0.006	0.003
	104	108	4	**33.24**	41.29	**70.54**	2.00	0.09	0.004	0.002
	118	122	4	**22.54**	28.34	**70.71**	1.69	0.19	0.002	0.002
MYRC007	100	110	10	**33.18**	39.02	**71.08**	1.33	0.16	0.015	0.002
	110	120	10	**31.94**	39.74	**71.47**	1.19	0.12	0.002	0.002
	120	130	10	**32.15**	38.73	**70.51**	1.91	0.13	0.002	0.003
	130	140	10	**31.57**	41.31	**70.68**	1.80	0.06	0.002	0.003
	140	150	10	**35.37**	47.63	**70.69**	1.57	0.05	0.004	0.003
	150	156	6	**39.25**	52.47	**71.98**	0.5	0.06	0.004	0.002

DTR results for the remaining composite samples (~84) from the recent drilling program (*Figure 3*) are expected in November and will be used to determine variations in recovery, product grade and deleterious element content across the prospect, before next steps are decided under the SAA.

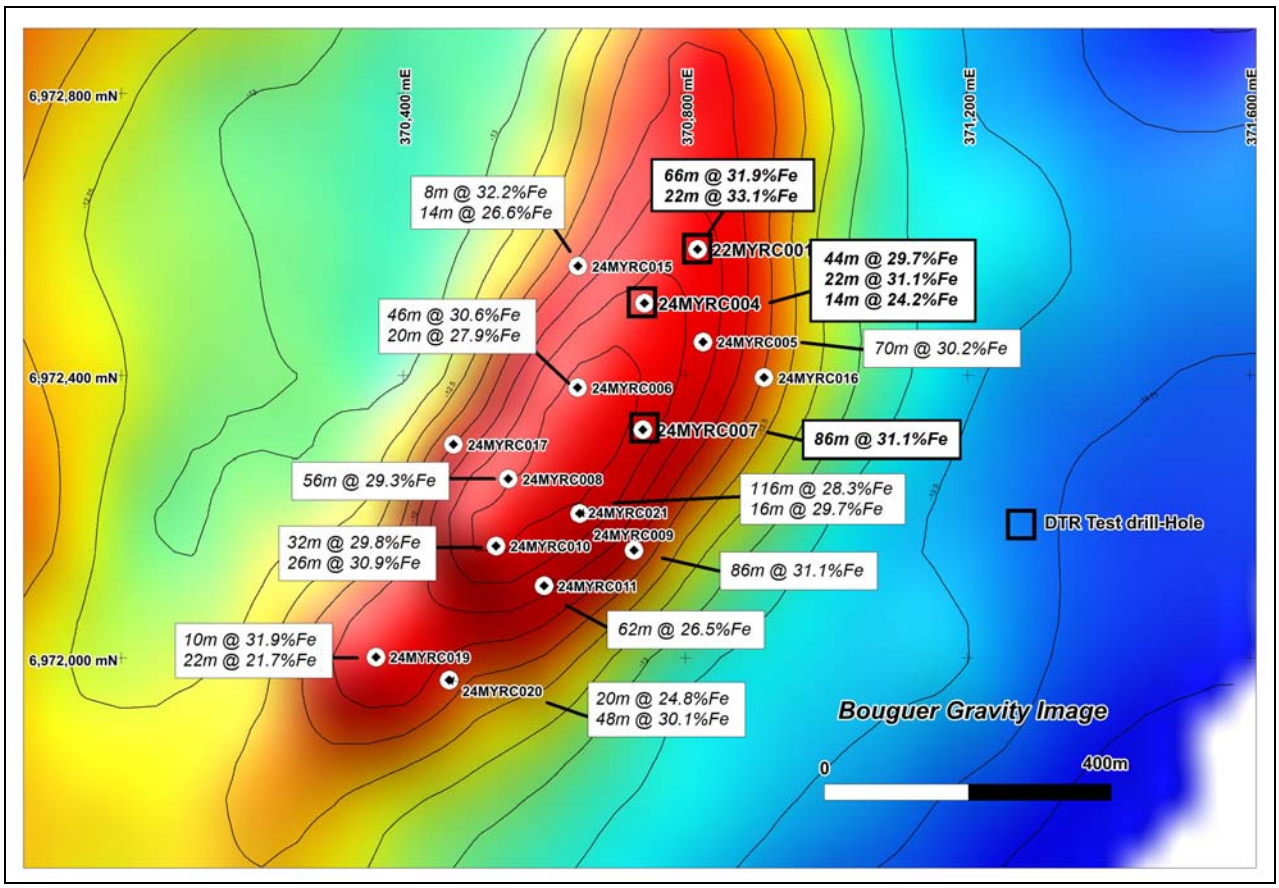

Figure 3. Waterfall Prospect: Gravity image showing the location of RC drill-holes and significant Fe assays as reported to ASX on June12 2024). Drill-holes used for trial DTR test work are highlighted.

Moora Nickel-Copper Project *(100% AQD, subject to SAA)*

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 two Exploration Licences and covers an area of ~370km². The area became the focus of industry attention following the discovery of the Julimar nickel-copper-PGE deposit north of Perth, which highlighted the untested nickel-copper-PGE potential of the Western Yilgarn Craton margin. Exploration work at Moora is funded under the SAA.

Reverse Circulation (RC) drilling (two holes/~500m) is planned to commence in December 2024 once the crops have been harvested. This drilling will test for the presence of magnetic ultramafic rocks beneath the gabbro that was intersected by the initial drill program.

Fertile ultramafic host rocks at the Julimar deposit, north of Perth, are known to be strongly magnetic, suggesting that similar magnetic ultramafic rocks within the Latham Intrusion would be priority targets for nickel-copper-PGE mineralisation.

Mt Davis Lead-Zinc-Copper Project *(100% AQD)*

The Mt Davis Project is located ~180km NNE of Wiluna, Western Australia, along the northern margin of the Earaheedy Basin. It consists of one Exploration Licence covering an area of ~380km². The project was acquired following the discovery of extensive zinc and copper mineralisation by Rumble Resources at its Chinook Prospect, located on the southern side of the Basin, where mineralisation is stratigraphically controlled and located below the Frere Iron Formation. The Mt Davis tenements are believed to contain similar stratigraphy but in an area of greater structural complexity which has been reported as an important factor in the localisation of higher grades at Chinook.

During the Quarter, a VTEM Max survey was completed to locate possible base metal

mineralisation within or below the Frere Iron Formation in a similar stratigraphic position to the lead-zinc-copper mineralisation discovered by Rumble Resources at the Chinook Prospect, on the southern side of the Basin.

A total of 1,060-line kilometres of VTEM were surveyed along north-south flight lines, at 200m line spacing. The survey was partly funded (50%) by the WA Government's "Co-Funded Geophysics Program" (ASX release, 17 September 2024).

Four large conductive targets were outlined by the survey (*Figure 4*). Computer modelling suggests that these targets are caused by large, shallow dipping (10° to 15°) bodies with low to moderate conductivities that reflect higher sulphide and/or carbonaceous content within stratigraphic conductors located within or below the Frere Iron Formation.

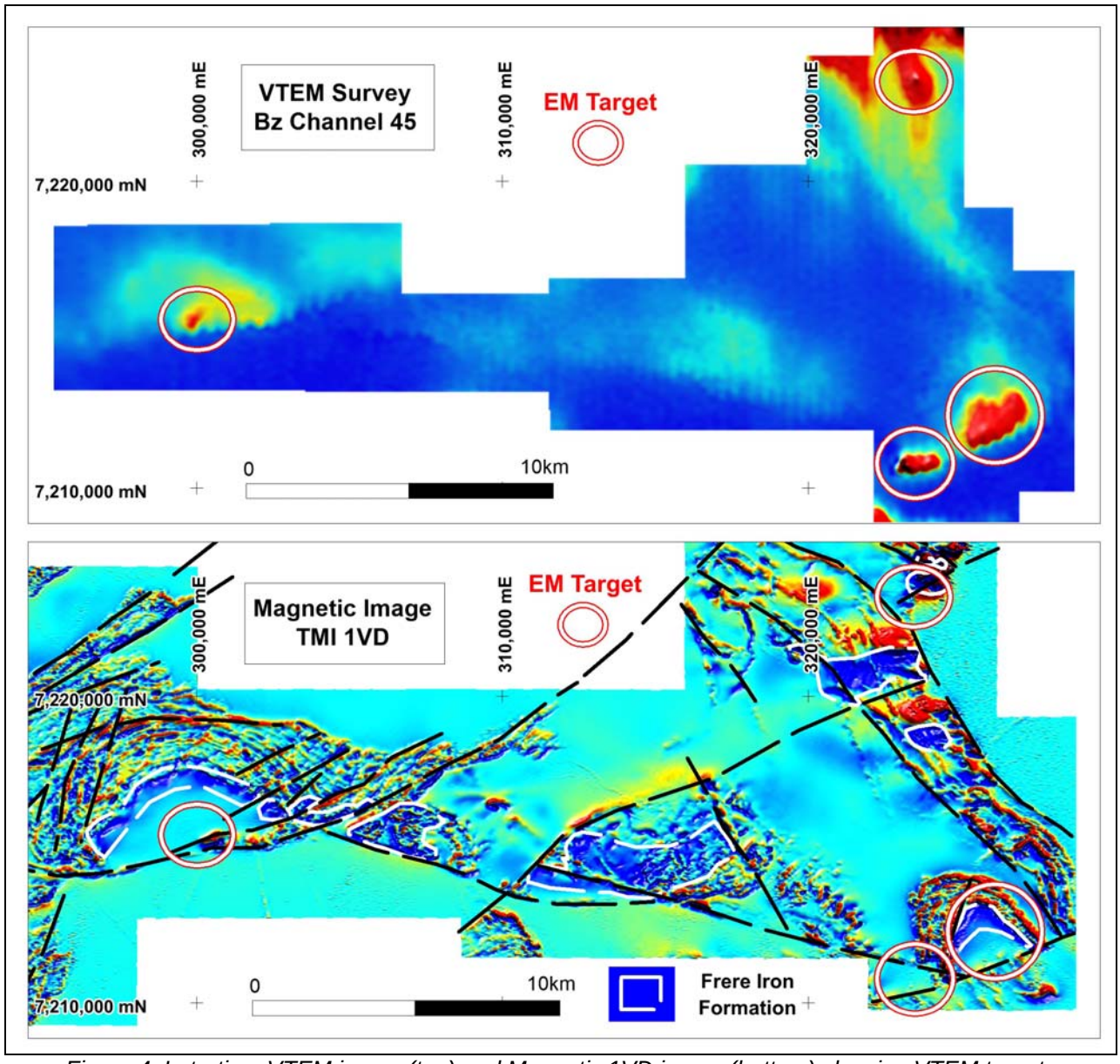

Figure 4: Late-time VTEM image (top) and Magnetic 1VD image (bottom) showing VTEM targets stratigraphically below the inferred Frere Iron Formation and structures

Detailed aeromagnetic data indicates that the area is structurally complex, with major cross-cutting faults and folding of the iron formation evident in the data.

The Mt Davis Project is thought to reflect a structural window (an upthrust block) into the deeper parts of the Earaheedy Basin, where the potential for SEDEX Cu-Pb-Zn deposits

associated with a basin-wide mineralising event is considered most likely to occur.

Ground follow-up including surface and rock-chip sampling over one of the key target areas was completed in October – with assays pending. The remaining targets are under extensive sand cover.

Coober Pedy Copper-Gold Project *(100% AQD)*

The Coober Pedy Project is located ~15km SW of the town of Coober Pedy, South Australia, on the north-eastern margin of the Gawler Craton, approximately 100km NW of the Prominent Hill Copper Gold deposit. The Project, which consists of one Exploration Licence covering an area of ~170km², was acquired to explore for iron-oxide copper-gold (IOCG) deposits. Regional magnetic and gravity data, plus analytical results from historic drilling (five holes) highlighted the prospectivity of the area.

During the Quarter, a detailed gravity survey (717 stations on a 400m x 100m grid with selected in-fill lines at 200m) was completed over a regional gravity anomaly that appeared to be related to two historic drill-holes that contain potassic alteration, suggesting proximity to IOCG-style mineralisation (ASX release, 21 October 2024).

Residual gravity data shows at least two areas within the broader gravity response (~5km x 2km), where higher gravity values (more dense rocks) are closely associated with the historic drill-holes (*Figure 5*).

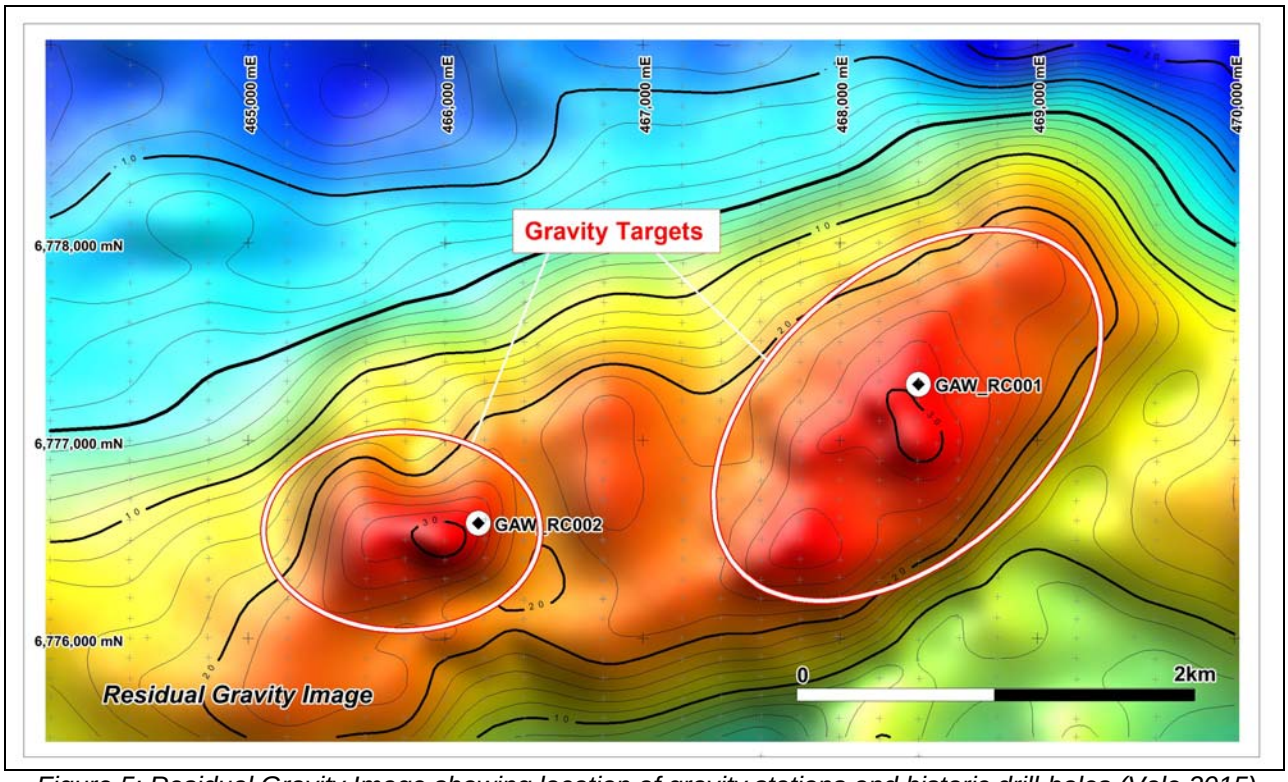

Figure 5: Residual Gravity Image showing location of gravity stations and historic drill-holes (Vale 2015) containing potassic alteration

Correlation with available aeromagnetic data indicates that the higher gravity responses are offset from the stronger magnetic anomalies, suggesting the possibility of hematite rather than magnetite as a possible cause for the higher gravity.

The close association of hematite and magnetite with IOCG mineralisation is well known in the IOCG Province of South Australia, which hosts the world-class deposits of Olympic Dam, Carrapateena and Prominent Hill, and is the main reason why magnetic and gravity surveys are commonly used to identify targets for drilling in these areas.

Further exploration programs are currently being designed and will be discussed with South32 under the SAA.

Hamilton Copper-Gold Project ***(100% AQD)***

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 ~260km². Exploration is targeting iron oxide, copper, gold (IOCG) and Broken Hill Type (BHT) mineralisation beneath the extensive cover in the region. Limited drilling completed to date to test magnetic and gravity targets, provides evidence for "near-miss" situations which are the focus of the Company's exploration.

During the Quarter, the Exploration Licences were successfully renewed for a further two-year period. Strong potassic, calcic and iron alteration intersected by several of the Company's earlier drill-holes is thought to reflect proximity to mineralisation beneath the Eromanga Basin sediments that has not been fully tested.

A proposal to further drill test magnetic and gravity targets identified at the Hamilton South prospect is now being considered.

Jubilee Lake Nickel-Copper-PGE Project ***(100% AQD, subject to SAA)***

The Jubilee Lake Project is located ~500km east of Kalgoorlie in Western Australia, within the northern portion of the Eucla Basin. It consists of three granted Exploration Licences covering a total area of ~1,800km². The Project is situated within a large flood basalt terrane close to the south-eastern margin of the Yilgarn Craton and is centred over the Rodona Shear, which shows strong evidence as being a key feeder structure to the surrounding flood basalts. Mafic/ultramafic intrusions associated with feeder structures to flood basalt terranes are considered prime targets for Ni-Cu-PGE sulphide deposits, similar to those found at the giant Norilsk deposits in Russia, and more locally at Nebo-Babel (Oz Minerals) and possibly at Nova-Bollinger (IGO). Exploration work at Jubilee is funded under the SAA.

Further field work at this project is pending advice from Central Desert Native Title Services and the Traditional Owners regarding proposed heritage clearance surveys for drilling designed to test the Company's concept of a new nickel-copper province.

New Opportunities (Australia):

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

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 6). Peru is one of the world's most prominent destinations for copper exploration and is considered a prime location for world-class exploration opportunities.

During the Quarter, the search for new joint venture partners for the Company's copper projects in southern Peru continued, with a number of companies still to decide on their level of interest.

The Company is now finalising drill permits over three of its prospects with a plan to drill test selected porphyry and manto copper targets as part of its ongoing exploration activities in Peru.

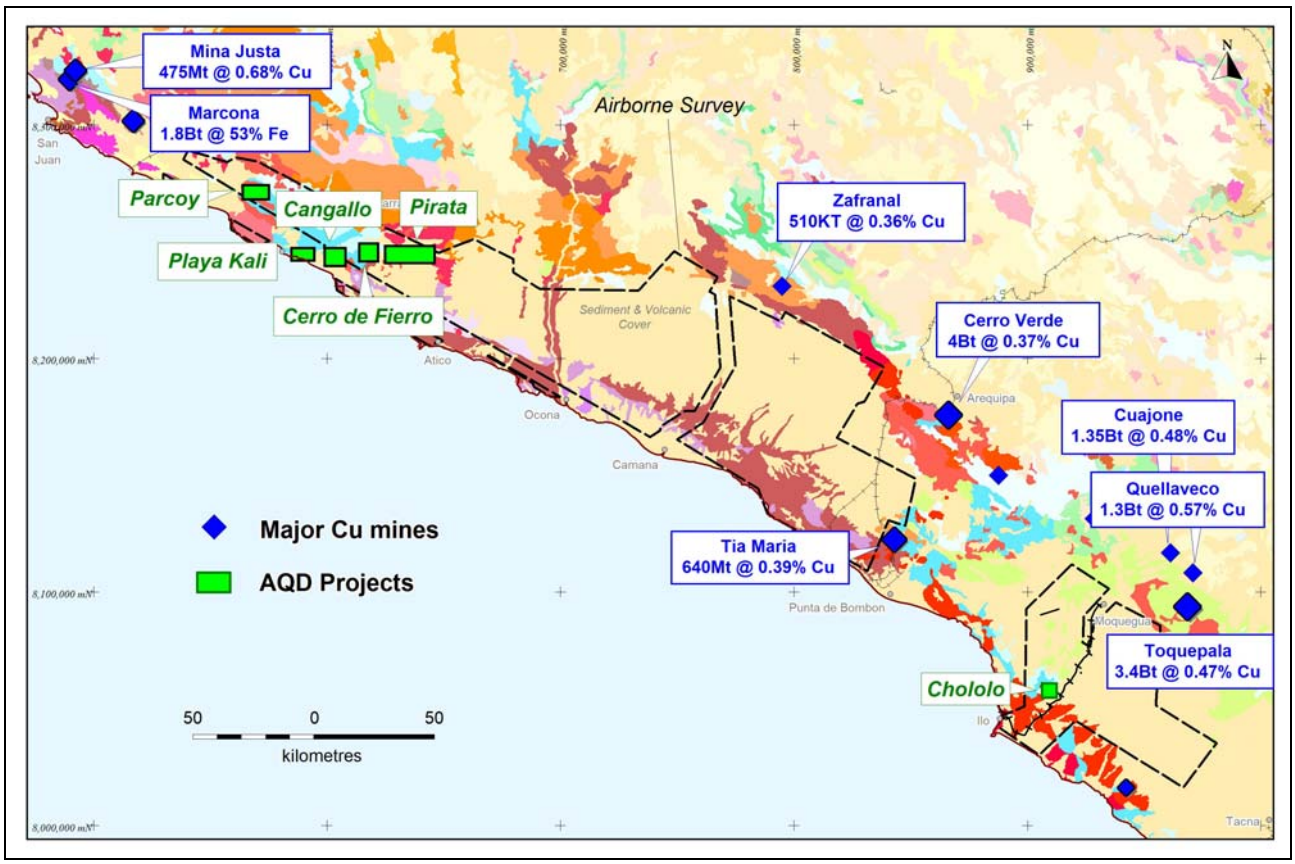

Figure 6: Project Locations – Southern Peru.

Cerro de Fierro Copper Project *(100% AQD)*

The Cerro de Fierro Project (CDF) 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. Surface indicators of porphyry copper mineralisation have been identified within the Pirata Project area approximately 5km due east of CDF, associated with a major E-W structure that is considered to be a priority target zone for porphyry copper deposits within the coastal belt of southern Peru.

During the Quarter, environmental studies over 20 drill pad sites and access preparations were completed at the Lantana prospect as part of the drill permitting process. Community consultations have been initiated and are expected to be concluded before the end of the year. Government approvals to allow drilling to commence are estimated to take a further 2-3 months, with drilling possible within H1 2025.

The Lantana prospect is considered to be a high-priority porphyry copper target due to its scale (~2,000m x 800m) and the widespread occurrence of highly anomalous copper, molybdenum and bismuth values obtained from systematic rock-chip sampling programs completed in 2023 (see Quarterly Report, March 2023).

Cangallo Copper-Gold Project *(100% AQD)*

The Cangallo Project is located approximately 20km west of the Company's Cerro de Fierro Project in southern Peru, along the same E-W structures that appear to control the emplacement of potential porphyry copper systems in the area. The tenements, which cover an area of ~ 30km², are located at an elevation of 1,600 metres, ~10km from the coast, close to infrastructure. Geological mapping and rock-chip sampling has identified a partially exposed copper (+/- gold) porphyry system within a large-scale (5km x 2km) caldera-like structure containing extensive colluvial and younger sediment cover.

During the Quarter, planning for access preparations was initiated with earth moving contractors visiting site to enable final estimates for access and drill pad preparation to be provided. Drilling contractors were also contacted to determine RC drill rig availability and costings.

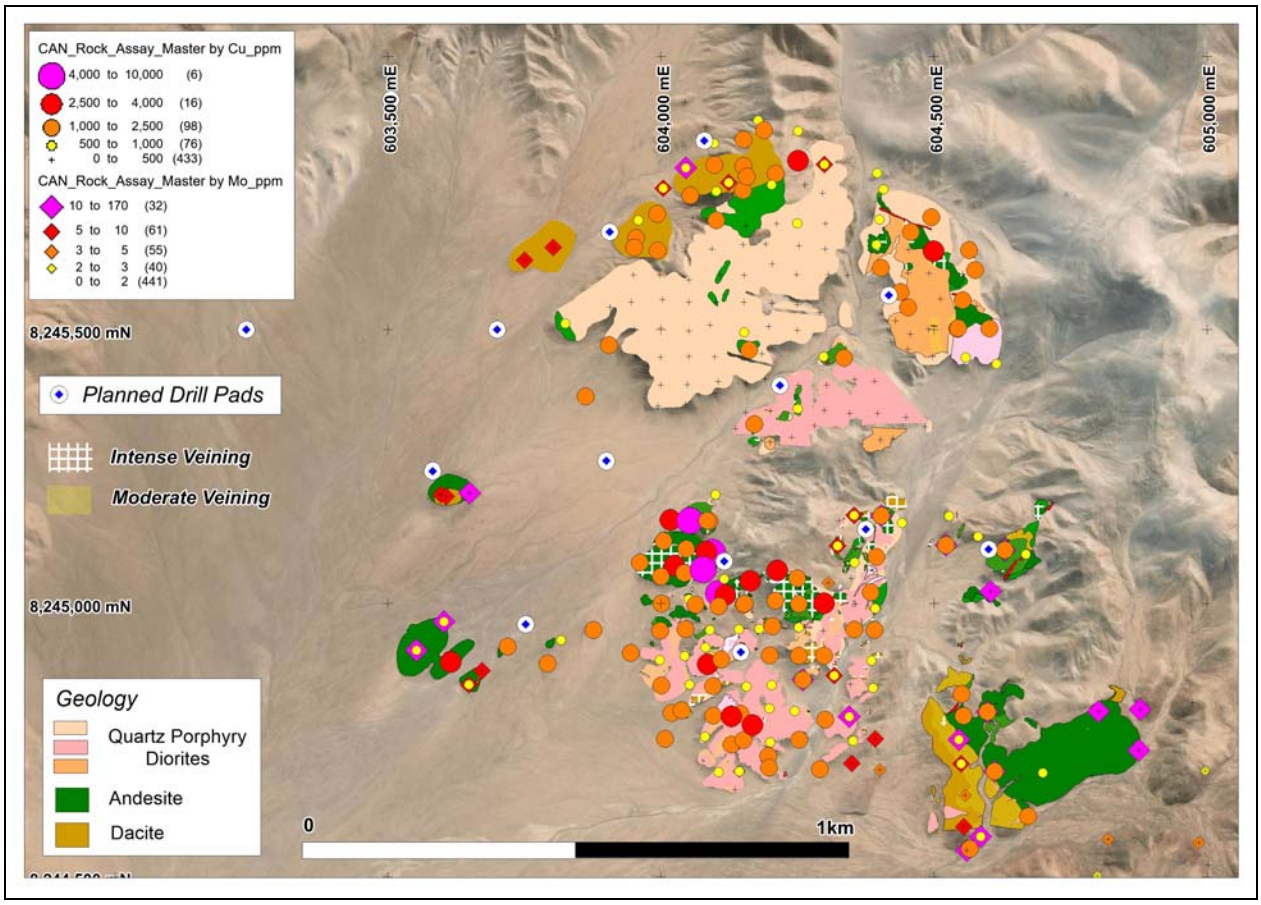

Figure 7: Cangallo Prospect showing geological mapping, surface copper values and drill pads.

The initial drilling program (minimum ~8 holes for ~2,500m) will test areas with relatively intense veining (quartz) and porphyritic dykes, where higher copper values (up to 0.65% Cu) have been found. The possibility of a buried porphyry copper system beneath the extensive cover within the interpreted caldera-like structure will also be tested (*Figure 7*).

Current plans are for drilling to commence in December 2024, subject to drill rig availability.

<u>Playa Kali IOCG Project</u> *(100% AQD)*

The Playa Kali Project is located ~30km east of the town of Chala and ~120km east of the Mina Justa copper deposit (~475Mt @ 0.68% Cu). It consists of four mineral claims covering an area of ~40km² and was acquired after manto-style mineralisation (including massive magnetite layers with patchy copper and gold values) was located within a sequence of sediments similar to those found in the vicinity of the Marcona and Mina Justa deposits to the north. Geological mapping, rock-chip sampling and ground magnetic surveys have been completed over the tenements, defining target areas for further exploration targeting manto-style copper-gold deposits.

During the Quarter, further mapping and sampling identified additional manto (Fe) outcrops within narrow valleys extending inland from the coast, where rocks underlying the cover sequence are exposed, providing further evidence for extensive manto development in the area.

Modelling of ground magnetic data outlined a number of targets beneath cover, that are considered priority targets for manto-style copper (and potentially gold) mineralisation.

A drilling program was designed to test a selection of these targets and the drill permitting process commenced to enable targets to be tested in the shortest possible time frame (*Figure 8*).

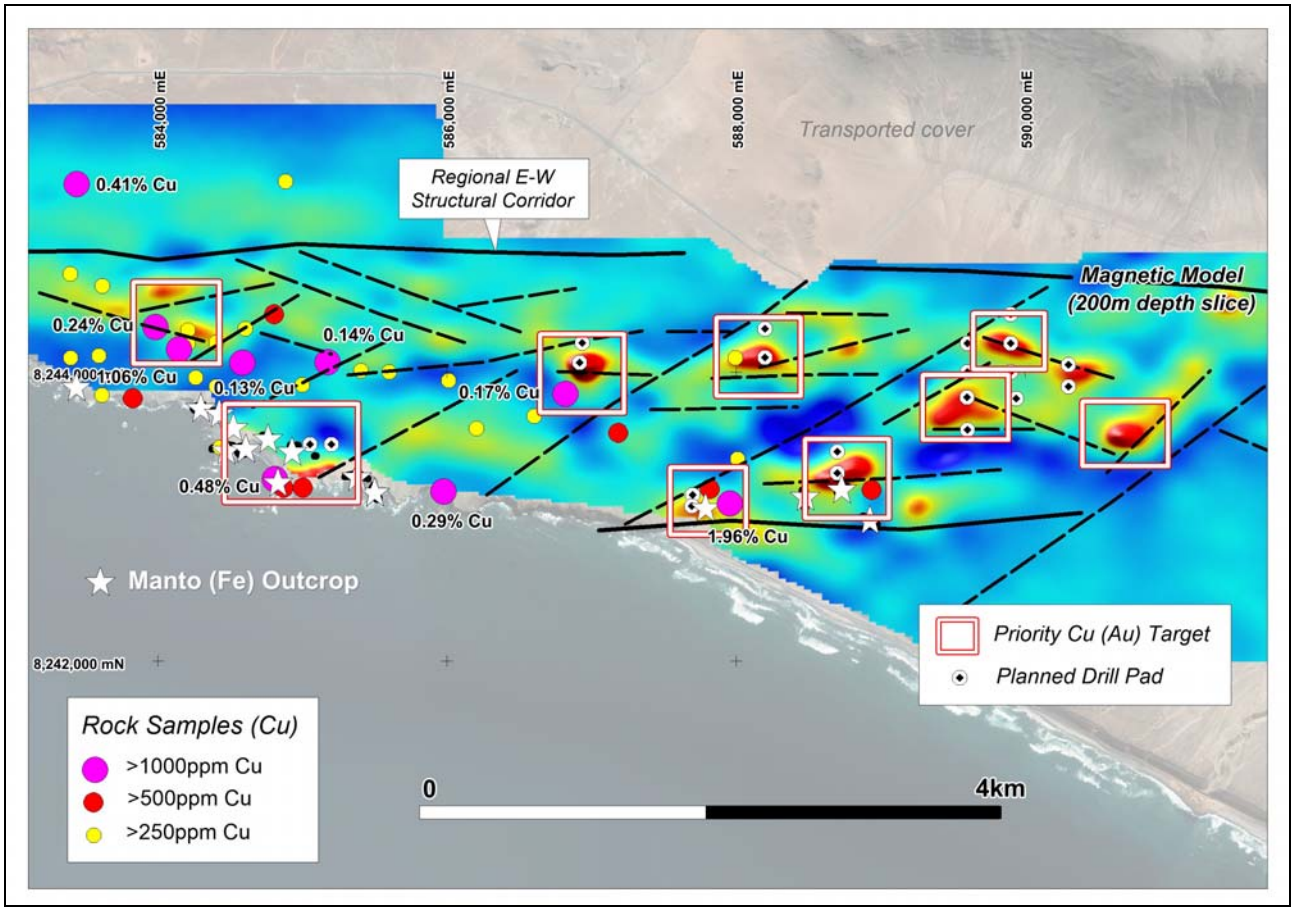

Figure 8: Playa Kali Prospect showing magnetic modelling, priority targets and planned drill pads

Environmental studies and community consultations were initiated and are expected to be completed before the end of the year. Final Government approvals for drilling should be available during Q1 2025, with drilling possible in H1 2025 subject to drill rig availability.

Parcoy IOCG Project *(100% AQD)*

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 Company believes that there are copper targets at Parcoy that were not tested by the initial wide-spaced drilling programs and is seeking a joint venture partner to progress this project.

New Opportunities (Peru)

The search for new copper opportunities has been put on hold while the Company seeks suitable partners for its current projects and progressing drill testing of the projects outlined above.

CORPORATE

At the end of the September Quarter, the Company had approximately $0.92 million in cash after investing $1.03 million in exploration. In early October, the Company received additional funds of $465,000

(excluding GST) from South32 to cover work programs agreed under the SAA.

The Company's Cashflow Report (Appendix 5B) for the Quarter ended 30 September 2024 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 advises that its appeal to the Administrative Judiciary against payments requested by the Ministry of Housing (SBN) for temporary access to State-Owned land for drilling purposes, is still with the Supreme Court of Peru for leave to appeal on the question of interpretation of the relevant law. The Company continues to monitor the position and will keep shareholders advised of any significant developments.

KEY ACTIVITIES – DECEMBER 2024 QUARTER

- Balladonia (Cu-Au-Ni-REE) – Complete Ground EM surveys and initiate access approvals for planned drilling under the SAA.
- Morrisey (Magnetite, Ni-Cu-PGE) – Complete assessment of the Waterfall DTR results and access approvals for further drilling under the SAA.
- Moora (Ni-Cu-PGE) – Complete RC drilling to test for Ni-Cu-PGE fertility at Latham.
- Jubilee Lake (Ni-Cu-PGE) – Determine possibility of heritage clearance for drilling.
- Mt Davis (Cu-Pb-Zn) – Assess EM and sampling results and present to South32 under SAA.
- Coober Pedy (Cu-Au) – Design drill program to test gravity/magnetic targets and present to South32 under the SAA.
- Peru (Cu-Mo-Au) – Continue discussions with potential joint venture parties over selected projects.
- Peru (Cu-Mo-Au) – Commence drilling at the Cangallo Porphyry Copper Prospect.
- Peru (Cu-Mo-Au) – Continue drill permitting for the Lantana and Playa Kali copper prospects

Authorised for release on behalf of the Company by:

Graeme Drew
Managing Director

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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.

JORC Code, 2012 Edition – Table 1 report, Balladonia Gravity 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.*	• A gravity survey using a Scintrex CG-5 and CG-6 Autograv gravity meters and Garmin autonomous GPS receivers for navigation and recording X, Y and Z coordinates at each station. Line spacings of either 200m or 400m were used with readings taken every 100m along the lines.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Not applicable
Sub-sampling techniques and	• *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*	• Not applicable

Criteria	JORC Code explanation	Commentary
sample preparation	*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.*	
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.*	• All data were tied into one base station located on the grid with repeat readings taken at regular intervals (2 per every closed loop) for additional 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 were located using Garmin autonomous GPS receivers and a Garmin base station. • 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.* • *Whether sample compositing has been applied.*	• Gravity readings were taken on a 400m x 100m grid with infill readings along 200m spaced lines where it was deemed to be necessary.
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 gravity traverses were oriented east-west approximately perpendicular to the trend of the regional aeromagnetic anomalies and structures.

Criteria	JORC Code explanation	Commentary
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.
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 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

Criteria	JORC Code explanation	Commentary
		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 clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable
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;*	• The relationship between the gravity results and previously reported exploration data is discussed in the

Criteria	JORC Code explanation	Commentary
	metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	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

AusQuest Limited: Tenement Schedule as at 30 September 2024

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.
E69/3559	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3671	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3825	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3932	WA, Balladonia	100%	100%	AusQuest Ltd.
E69/3859	WA, Jubilee Lake	100%	100%	AusQuest Ltd.
E69/4006	WA, Jubilee Lake	100%	Nil	AusQuest Ltd.
E69/4007	WA, Jubilee Lake	100%	Nil	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	100%	Nil	AusQuest Ltd.
E59/2526	WA, Morrisey Well	100%	100%	AusQuest Ltd.
E70/5388	WA, Moora	100%	100%	AusQuest Ltd.
E70/5389	WA, Moora	100%	100%	AusQuest Ltd.
E69/3896	WA, Mount Davis	100%	100%	AusQuest Ltd.
EPM 26681	QLD, Hamilton	100%	100%	AusQuest Ltd.
EPM 26682	QLD, Hamilton	100%	100%	AusQuest Ltd.
EL 6798	SA, Coober Pedy	100%	100%	AusQuest Ltd.
Peru				
Cangallo 1	Arequipa	100%	100%	Questdor SAC
Cangallo 2	Arequipa	100%	100%	Questdor SAC
Cangallo 3	Arequipa	100%	100%	Questdor SAC
Cangallo 4	Arequipa	100%	100%	Questdor SAC
Cangallo 5	Arequipa	100%	100%	Questdor SAC
Cangallo 6	Arequipa	100%	100%	Questdor SAC
Cangallo 9	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 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 L	Arequipa	100%	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
Cerro De Fierro Q	Arequipa	100%	100%	Questdor SAC
Chololo 1	Moquegua	100%	100%	Questdor SAC
Chololo 2	Moquegua	100%	100%	Questdor SAC
El Sello 04	Arequipa	100%	100%	Questdor SAC

AusQuest Limited Tenement Schedule as at 30 September 2024- cont'd

Tenement	Location	Interest Held: Start of Quarter	Interest Held: End of Quarter	Registered Holder
Peru Cont.				
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 13	Arequipa	Nil	100%	Questdor SAC
Playa Kali 01	Arequipa	100%	100%	Questdor SAC
Playa Kali 02	Arequipa	100%	100%	Questdor SAC
Playa Kali 03	Arequipa	100%	100%	Questdor SAC
Playa Kali 09	Arequipa	100%	100%	Questdor SAC

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 2024**

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	47	47
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(56)	(56)
	(e) administration and corporate costs	(125)	(125)
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	139	139
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**5**	**5**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(10)	(10)
	(d) exploration & evaluation	(1,031)	(1,031)
	(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	916	916
	- R&D Refund	-	-
2.6	**Net cash from / (used in) investing activities**	**(125)**	**(125)**

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	(23)	(23)
3.10	**Net cash from / (used in) financing activities**	**(23)**	**(23)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,070	1,070
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5	5
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(125)	(125)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(23)	(23)
4.5	Effect of movement in exchange rates on cash held	(6)	(6)
4.6	**Cash and cash equivalents at end of period**	**921**	**921**

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	921	1,070
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)**	**921**	**1,070**

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	13
6.2	Aggregate amount of payments to related parties and their associates included in item 2	55

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)	19
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,031)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,012)
8.4	Cash and cash equivalents at quarter end (item 4.6)	921
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	921
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.91

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?

Following quarter end the Company received $510,000 (including GST) of funding under the Company's Strategic Alliance Agreement (SAA) with a subsidiary of South32 Ltd (S32).

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?

On the 7th October 2024, the Company announced a Non-Renounceable Pro-Rata Rights Issue. The offer of 2 New Shares for every 5 Shares held by Eligible Shareholders at the Record Date, at an issue Price of $0.008 per New Share, together with 1 free attaching New Option for every 2 New Shares subscribed for and issued, to raise up to $2,643,678 before issue costs.

The directors are confident that the Company will be successful in raising additional funds through the issue of new equity.

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?
The Company expects to be able to continue its exploration activities with the Australian Projects largely funded under the SAA. For exploration activities that the Company chooses to undertake itself, the directors are aware that the Group has the option, if necessary, to defer expenditure or to relinquish or sell certain projects or to reduce administration costs in order to minimise cash outflows.	

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: 30 October 2024

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.