ASX ANNOUNCEMENT

Visit [Investor Hub]() for a video update

March 5th, 2025

AUSQUEST GEARS UP FOR NEW PHASE OF DRILLING TO EXTEND CANGALLO PORPHYRY COPPER-GOLD DISCOVERY

Highlights:

- ***Multi-element geochemistry from maiden drilling program provides strong vectors towards a potential large-scale porphyry copper-gold system under shallow cover.***
- ***Widespread copper veining and hydrothermal alteration intersected in Stage 1 drilling reflect the margins of a large nearby porphyry system***
- ***Higher copper grades (up to 1.1% Cu) within thin tonalite porphyry dykes indicate potential for increased copper grades at the centre of the porphyry system.***
- ***Strong evidence for supergene enrichment highlights the potential for high copper grades to be found beneath the shallow cover.***
- ***Stage 2 Reverse Circulation (RC) drilling (~5,000m) to extend the copper-gold mineralisation planned to start in April 2025, followed by deep diamond drilling.***

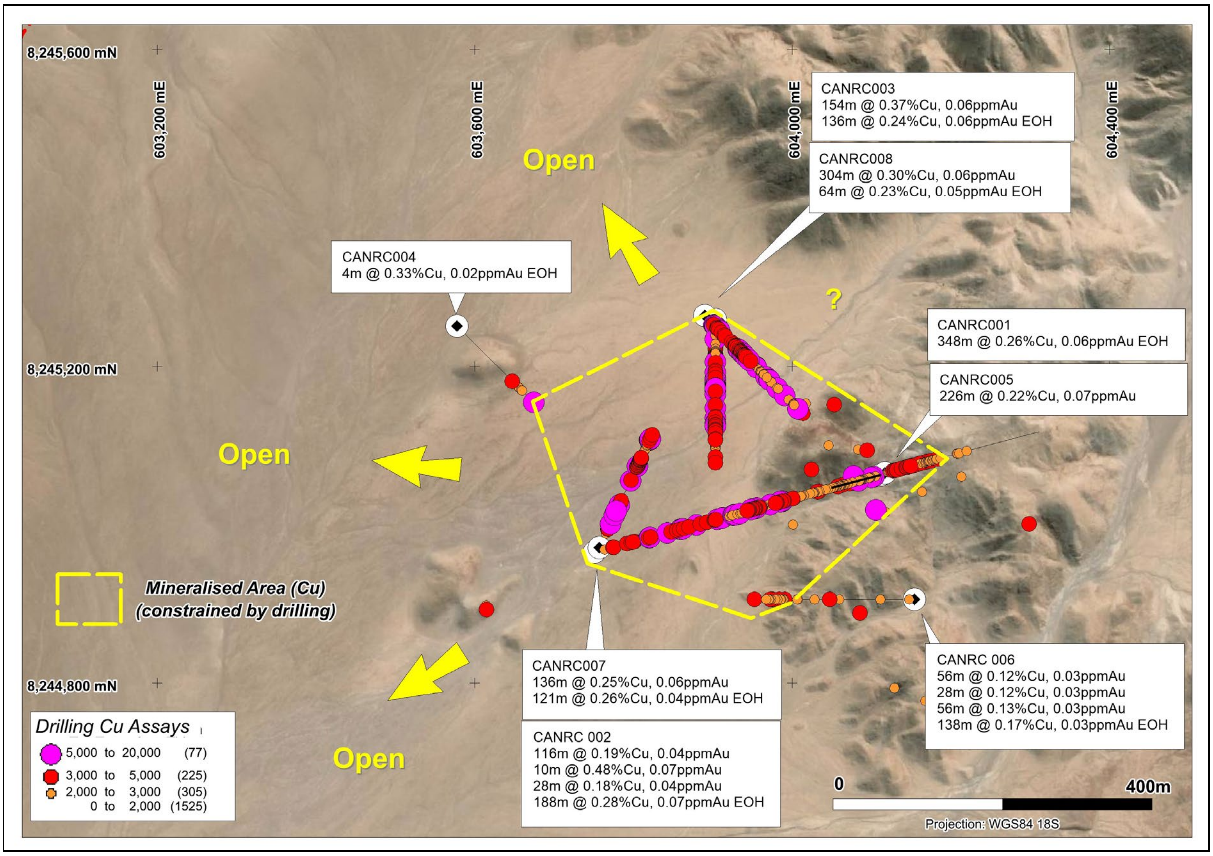

Figure 1: Cangallo Copper Prospect showing drill-hole locations and significant copper intersections.

Further to its ASX release of February 6th, AusQuest Limited ("AusQuest" or the "Company") (ASX: AQD) is pleased to advise that interpretation of geochemical data from the maiden RC drilling program at its 100%-owned Cangallo Project in Peru suggests that the main porphyry system(s) has not been intersected by the drilling to date, with the centre of the system likely to occur beneath the shallow cover within the caldera-like structure.

Stage 2 Reverse Circulation (RC) drilling has been designed to extend the original copper-gold intersections by re-directing drill holes from the original drill pads as well as stepping out to the west, south and north to help locate the centre of the porphyry system(s), which is considered to be the source of the widespread copper-gold mineralisation encountered to date (see Figure 2).

The main porphyry system is believed to have excellent potential to contain higher copper grades based on the grades (up to 1.1% Cu) intersected within the thin tonalite (porphyry) dykes that are thought to emanate from the buried porphyry system(s).

Supergene enrichment is also evident in several drill-holes, highlighting the possibility of an enriched supergene blanket, with high copper grades, occurring beneath the shallow cover.

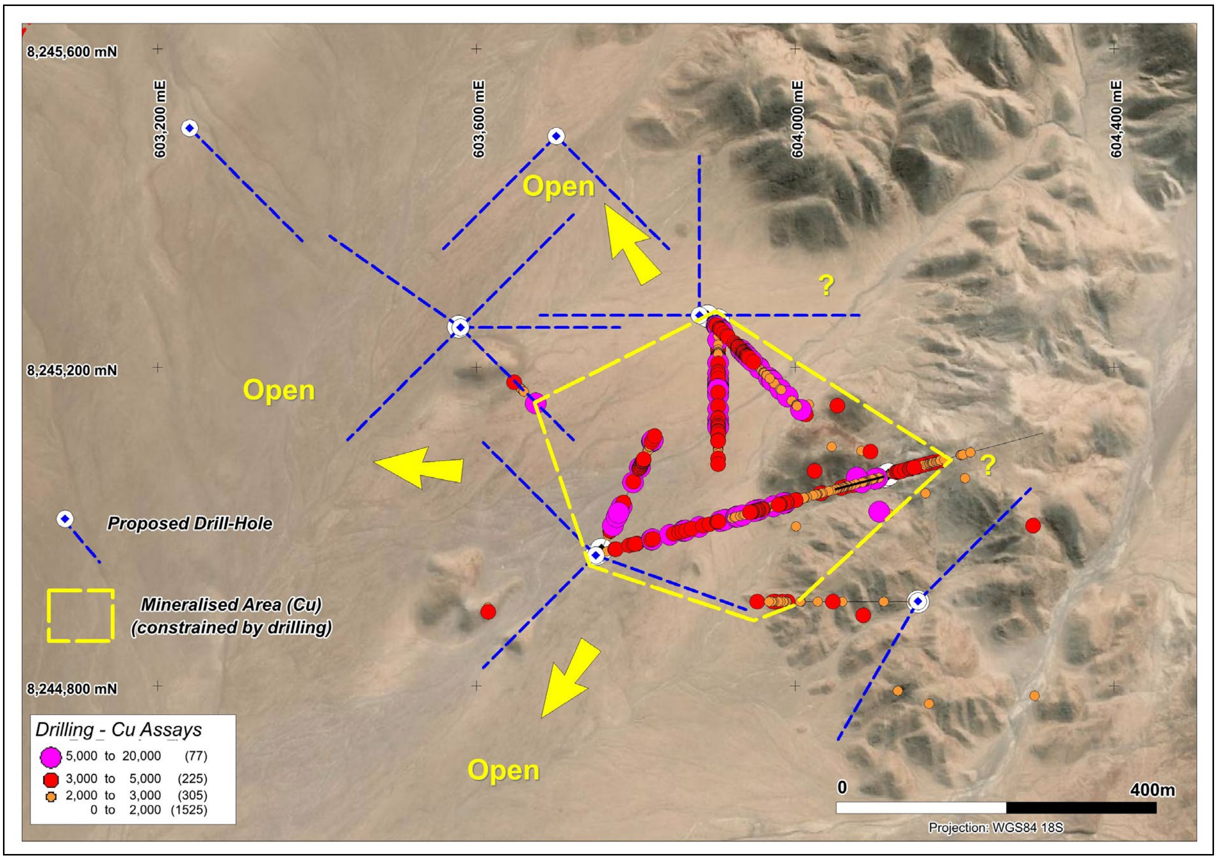

Figure 2: Cangallo Copper Prospect showing planned Stage 2 RC drill-hole locations.

Commenting on progress being made at Cangallo, AusQuest's Managing Director, Graeme Drew, said:

"*The Company is very excited about re-commencing drilling operations at Cangallo next month with geochemical analysis reinforcing Cangallo as a new large-scale porphyry copper-gold discovery.*

Stage 2 drilling has been designed to help locate the centre of the porphyry system and the possible presence of a supergene blanket, both of which hold excellent potential to contain high copper grades.

Success will create significant value for our shareholders and mark a transformative period for the Company. We look forward to keeping the market updated on the commencement of drilling."

Cangallo Exploration Results:

The vast majority of the copper and gold mineralisation intersected by the maiden RC drilling program occurs within the volcanic host rocks (andesites and dacites). Copper enrichment, veining and hydrothermal alteration (potassic and sericitic) are widespread, and thought to reflect the margins of a much larger porphyry system that is still to be defined.

Tonalite dykes that were recognised at surface and in the RC drill-holes are considered to reflect the source of the hydrothermal fluids and base metals, however the small number of dykes is not enough to explain the large amount of alteration and metal distribution that is evident in the drilling to date, highlighting excellent potential for a large-scale intrusive stock nearby.

The presence of higher copper grades often found within or proximal to these dykes suggests there is also excellent potential for the large-scale porphyry stock to be more strongly mineralised.

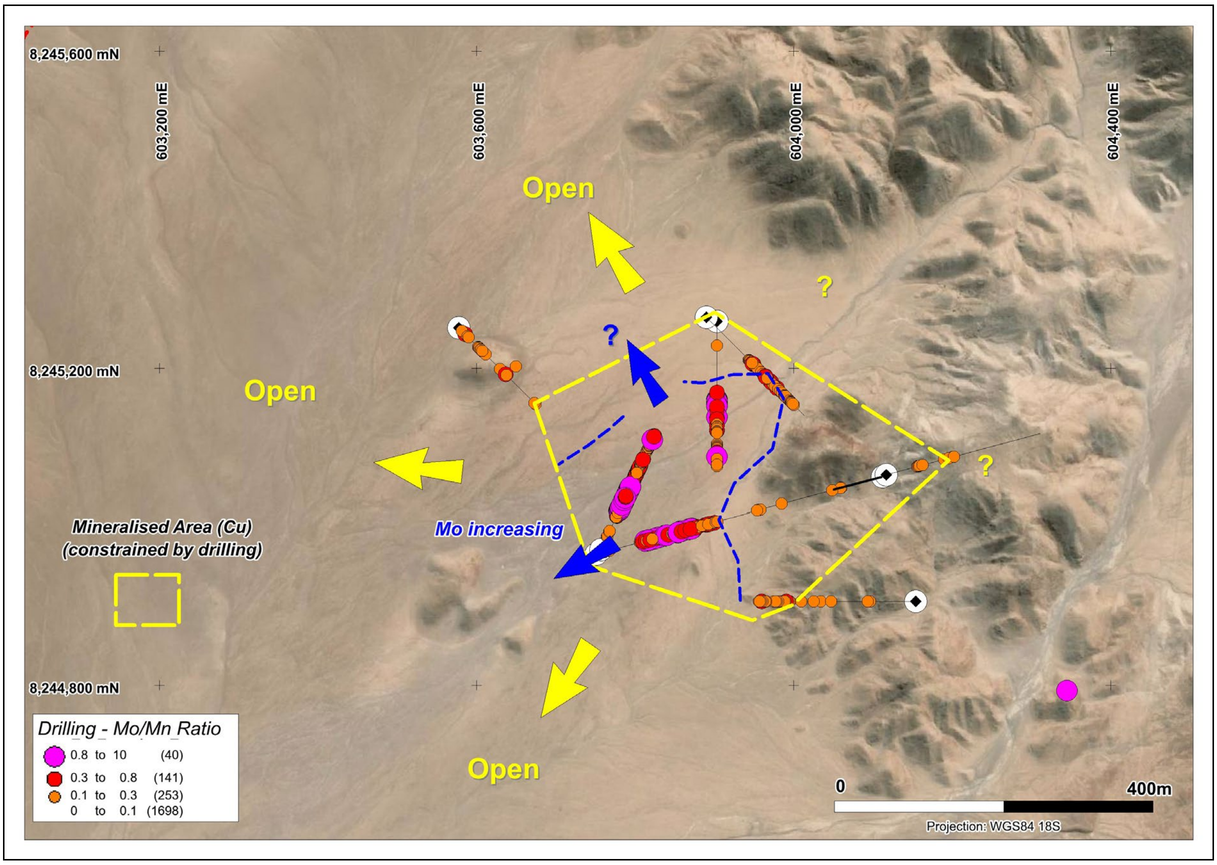

Figure 3: Cangallo Copper Prospect showing down-hole Mo/Mn ratios with vectors suggesting possible locations where the centre of porphyry system(s) is likely to occur.

A variety of independent geological and geochemical criteria including tonalite dyke abundance, alteration (potassic) chemistry, pathfinder ratios (Cu/Zn, Mo/Mn), spectral mineralogy (sericite) and white mica composition (high temperature clays) were used to establish vectors towards the potential centre of the buried porphyry system (Figure 3).

Broad zones of copper mineralisation (up to *304m @ 0.30% Cu and 0.06ppm Au*) – in the form of both oxides (malachite, chrysocolla and brochantite) and sulphides (mainly chalcopyrite) – were reported for seven of the eight holes drilled, with the mineralisation starting from near surface and continuing to the end-of-hole in at least six drill-holes.

The depth of oxidation is highly variable, extending to more than 200 metres in several drill-holes. Strong evidence for supergene processes being active in the area exists within drill-holes CANRC001, 003, and 008 – where copper is present as oxide minerals near surface, and high copper/low sulphur minerals (e.g., chalcocite) at depth.

The possibility of an enriched supergene blanket with high copper grades occurring beneath the extensive shallow cover should not be discounted.

Mineralogical studies have been initiated to characterise the variability in copper species with depth, in order to better understand the impact on copper and/or gold recoveries.

Earlier geological mapping and rock-chip sampling outlined a partially exposed copper (+/- gold) porphyry system, within a large-scale (3km x 2km) caldera-like structure containing extensive colluvial and younger sediment cover.

The maiden drilling program only tested a very small portion of the Cangallo prospect, highlighting the potential for a large-scale porphyry copper system to be defined at this prospect.

Next Steps:

- The Stage 2 drilling program is planned and expected to commence in April 2025.
- A total of ~5,000m of RC drilling will be completed to extend the known copper-gold intersections and help locate the centre of the main porphyry copper system(s).
- A water permit application has been submitted to enable deep diamond drilling (2 x ~800m deep holes) to commence once the results of Stage 2 RC drilling are known.

Context:

Peru is now the second largest copper producer in the world behind Chile, with around 2.8Mt of copper being mined and processed per annum. The bulk of this production comes from around 10 large copper projects, mainly porphyries, that are located along the Andean Belt that extends from Chile in the south to Ecuador in the north.

Porphyry deposits are typically large (often over 1 billion tonnes of ore), usually open-cuttable with low waste to ore ratios.

The shallower parts of these ore bodies are usually oxide ores that can be processed by heap leach methods, delivering lower development capital costs and use less process energy compared to traditional processing (flotation of sulphide ores). It also produces pure cathode copper metal as a final product on site instead of copper concentrates that require further shipping, smelting and refining.

Mining and processing costs benefit from the scale of these operations and there are a number of profitable large-scale operations (Cerro Verde, Cuajone, Toqueapla and the recently developed Quellaveco deposit, plus a new approved development at Zafranal) located within the Arequipa District where Cangallo is situated, using head grades between 0.20% and 0.40% Cu.

These mines have multi-decade mine-lives and are long-lived assets.

The economic viability of the Peruvian resources is often affected by a range of issues including location, altitude, proximity to infrastructure and, quite commonly, land usage conflicts with local communities.

The Cangallo Project is particularly well located with respect to the above, being close to significant infrastructure, 25km east of the town of Chala and within 10km of the coast. Community consultation has formed part of the Company's exploration process, with no critical issues identified to date.

Peru is a stable country and the government is supportive of new mine developments as they add significantly to the Peruvian economy and the communities where they are located.

Graeme Drew
Managing Director

Visit Investor Hub for further updates

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, Reverse Circulation Drilling at Cangallo in Peru

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.*	• Samples were collected using a tube sampler by spearing into each one metre sample bag and compositing samples on a two-metre basis. • Sample depths were determined by the length of the rod-string and confirmed by counting the number of samples and bags at the drill platform as per standard industry practice. • A ~4kg sample was collected for representivity.
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).*	• RC Drilling with a face sampling bit has been used with a hole diameter of approximately 132mm. • No down-hole surveys were 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.*	• Experienced RC drillers and an appropriate rig were used to provide maximum sample recovery. • Minimal to no water was encountered in all drill holes. • The weight of every bulk 1 metre sample was recorded and checked for sample recovery estimates. Sample recovery was acceptable to industry standard. • The sample weight of every laboratory sample was also collected and weighed on site for future reference. • At this early stage of exploration, it is not known if there is a relationship between sample recovery and assay grade. •

Criteria	JORC Code explanation	Commentary
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.*	• RC sample chips were collected into chip trays and are stored for future reference. • RC samples were logged on site during the drilling by experienced geologists to identify key rock types and mineralization styles. • Sample logging was qualitative with visual estimates of mineralization made for later comparison with assay results. • All one metre drill samples were 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.*	• RC samples were collected every 1 metre into large plastic bags and stored in rows per depth at the drill site. • Samples were collected using a 50mm tube sampler and composited on a two metre basis. • Certified coarse blanks and fine standards are inserted approximately every 35 samples and duplicates taken every 20 samples for quality control purposes. • The sample sizes are considered appropriate for the geological materials 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.*	• Assaying of the drill samples is by standard industry practice. • The samples are sorted, dried, crushed then split to obtain a representative sub-sample which is then pulverized. • A portion of the pulverized sample is digested using a four acid digest (Hydrofluoric, Nitric, Hydrochloric and Perchloric) which approximates a total digest for most elements. Some refractory minerals are not completely dissolved. • Inductively Coupled Plasma Mass Spectroscopy (ICP-MS) was used to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti Tl, U, V, W, Y, Zn, Zr, • Au assays were provided by 30g fire assay with AA finish. • Every 2 metre composite sample is also submitted for Hyperspectral analysis using a TerraSpec instrument and uploaded into the aiSIRIS™ software for mineral

Criteria	JORC Code explanation	Commentary
		identification and spectral output. • 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. • Data from the laboratory's internal quality procedures (standards, repeats and blanks) are provided to check data quality. • The Company collects duplicate samples on an approximate 1: 20 basis, and inserts coarse blanks on a 1:30 basis and fine blanks on a 1:35 basis and fine standards are inserted on a 1:35 basis.
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.*	• No verification of intersections was undertaken. Drilling was wide spaced and reconnaissance in nature. • All primary sample data is recorded onto a printed sheet on site and uploaded to a site laptop, all geological data is recorded at the drill platform on a site laptop and downloaded daily and onto an external backup. • No adjustments have been made to the assay data.
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.*	• Drill hole collars including elevation are located by hand held GPS to an accuracy of approximately 5m. • All surface location data are in WGS 84 datum, UTM zone 18S.
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.*	• RC drill-holes were sited to test for mineralization at shallow depths within a broader intrusive complex. Testing for broad zones of stockwork veining associated with a hydrothermal mineralised system • Samples were composited on a 2 metre basis.
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.*	• Any bias due to the orientation of the drilling is unknown at this early stage of exploration.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by the operator of the Project. Procedures match with Industry best practice. • Samples are collected into securely tied bags and placed

Criteria	JORC Code explanation	Commentary
		into cable-tied plastic bags for transport to the laboratory. Each sample batch has a sample submission sheet that lists the sample numbers and the work required to be done on each sample. • Samples were transported to the laboratory by company vehicle using trusted company personnel. • Sample pulps (after assay) are held by the laboratory and returned to the company after 90 days.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits of the sampling techniques or data have been carried out 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 Cangallo project is located approximately 20 km east of the town of Chala in the south of Peru. • The Cangallo project comprises 9 granted mineral concessions. 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. A drill permit (FTA) has been provided by INGEMMET for the drilling program following environmental, and community approvals.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historic exploration data is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cangallo project is targeting Porphyry deposits 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 really large requiring significant drilling to evaluate.

Criteria	JORC Code explanation	Commentary
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.*	• All relevant drill hole data and information are provided below.
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.*	• Aggregate assay intervals quoted for the RC drill-holes in this report are based on copper assays, using a cut-off value of ~0.1% Cu, and maximum internal waste of 4 metres. • For higher grade intervals a 0.2% Cu cut-off and a 4m internal waste limit were used.
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').*	• All intervals reported are down-hole lengths. True widths are unknown at this stage.
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.*	• All drill holes are shown on appropriate plans and included in the ASX release. • Drill-hole cross sections will be provided once all the remaining assays have been received
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.*	• At this early stage of drilling, only significant assay results have been 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 this first phase drilling and previous exploration data is shown in the report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth*	• Future drill hole locations will be determined once the

Criteria	JORC Code explanation	Commentary
	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.*	current results have been fully assessed.

Drill-Hole Details

Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
CANRC001	604112	8245063	1189	255	-60	354.00
CANRC002	603751	8244965	1175	75	-60	402.00
CANRC003	603903	8245259	1185	180	-60	366.00
CANRC004	603578	8245251	1176	135	-60	276.00
CANRC005	604117	8245065	1189	75	-60	402.00
CANRC006	604154	8244906	1186	270	-60	408.00
CANRC007	603757	8244971	1175	25	-65	377.00
CANRC008	603890	8245264	1185	135	-65	414.00

Projection: WGS84 Zone 18S