

July 16th, 2020
ASX Release

DRILLING OF PATERSON GOLD-COPPER PROJECT APPROVED UNDER STRATEGIC ALLIANCE

RC drilling planned as initial test of large-scale gold-copper opportunities

Further to its announcement of 30th June, AusQuest Limited (ASX: AQD) is pleased to advise that proposed drilling of potential gold-copper targets at the **Gunanya Project** in the Paterson region of Western Australia has been approved under its Strategic Alliance Agreement with South32.

A Reverse Circulation (RC) drilling program consisting of 6 to 9 drill-holes for a total of ~1,800m has been agreed in order to provide an initial test of three targets defined by magnetics, and determine their potential to host large-scale gold and copper mineralisation, similar to that found at Winu (by Rio Tinto) and Havieron (by Newcrest).

Modelling shows that the targets occur at shallow depths (50m to 100m) and are large in size, up to 1km wide and extending over strike lengths ranging from 1-5km. At least two RC drill-holes (200m apart) are planned over each of the three targets with the potential for further drilling to be undertaken subject to results. Drill-holes are planned to ~200m depth.

Heritage Clearance surveys for a total of 19 drill sites are scheduled for late August following an initial access site visit in July. Drilling is being planned for the September/October period, subject to receipt of all necessary clearances and the availability of drill rigs.

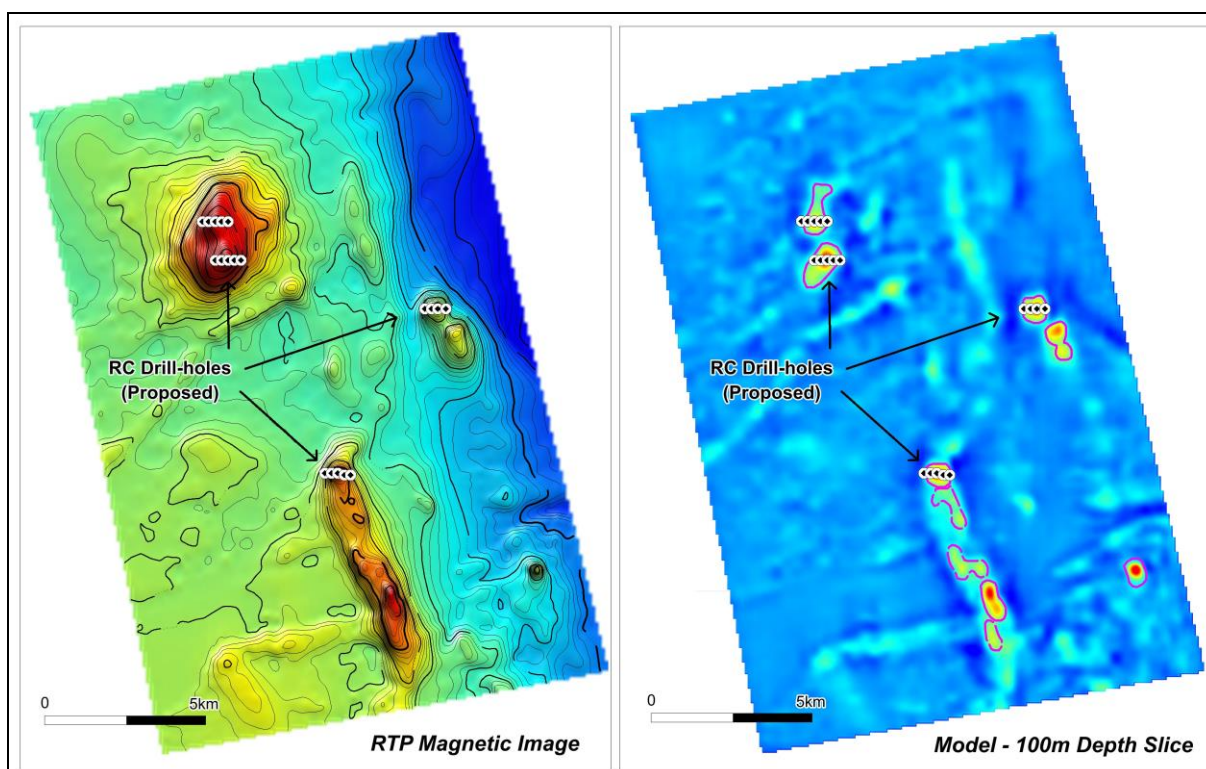


Figure 1: Gunanya Prospect showing proposed RC drill-sites relative to magnetic targets

AusQuest Managing Director Graeme Drew said the plan for early drilling of the Gunanya targets was a significant step forward in determining the potential of the project to host major gold and/or copper mineralisation similar to that found at other recent discoveries in the region.

“The Gunanya Project has several compelling targets based on analogies that we are able to draw with new discoveries in the Paterson Region from both a gold and a copper perspective,” he said. “Drilling is the ultimate test of any target, and we are excited to be able to drill early in the exploration process at Gunanya.

“The Company will keep shareholders informed as we move closer towards a confirmed start date for the drilling program.”



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.