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ASX ANNOUNCEMENT

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PHASE 4 DRILL PERMITS APPROVED TO EXPAND COPPER DRILLING AT CANGALLO, PERU

Highlights

- ***Twenty (20) additional drill pads approved at the Cangallo Copper Project.***
- ***Drill coverage to be extended 1km to the south of current copper intersections.***
- ***Potential to significantly expand the existing copper mineralisation footprint.***

Commenting on the receipt of the Stage 4 drilling permits, AusQuest's Managing Director, Graeme Drew, said:

"We are very pleased to have received drill permits that will allow us to significantly expand our drilling coverage to the south of the current area. There are strong indications from surface geochemistry and more recent geophysical surveys that the porphyry copper system we have been drilling to the north could extend into this southern area.

"If we are successful with Phase 4 drilling, this would have significant implications for the overall size and scale of the Cangallo porphyry system. Add to this the possibility of finding more gold in the south – given we are seeing more anomalous gold values at surface – and you have a very exciting time ahead for our shareholders.

"With more drilling results to come, we are looking forward to an exciting period ahead at Cangallo."

AusQuest Limited ("**AusQuest**" or the "**Company**") (ASX: AQD) is pleased to advise that permits for an additional 20 drill pads (Stage 4) at the Company's 100%-owned Cangallo Porphyry Copper-Gold Project (**Cangallo**) in Peru have now been received, allowing targeted southern extensions of the copper mineralisation to be tested by drilling (Figure 1).

Surface rock-chip sampling and more recent geophysical surveying (CSAMT) suggests that the copper mineralisation (+/-gold) could extend much further to the south, beyond the current drill coverage. If confirmed, this southern extension has the potential to significantly increase the large copper footprint already defined over a ~1.5km strike length by earlier Reverse Circulation (RC) and diamond drilling (see ASX releases 11/02/2026 and 04/03/2026).

Stage 4 Reverse Circulation (RC) drilling has been designed to test up to one kilometre south of the southern-most drill section, on sections 250m to 300m apart, with holes spaced at 250 to 300m intervals. This drilling has the potential to significantly expand the copper mineralisation footprint at Cangallo.

Earlier surface rock-chip sampling in this southern area (see ASX releases on 30 March and 09 November 2023) reported highly anomalous copper (up to 1.0% Cu) and molybdenum (up to 68 ppm Mo) values within the outcropping volcanics and narrow porphyritic dykes, plus numerous samples containing anomalous gold values, occasionally in excess of 1.0g/t Au.

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These results (Figure 2) suggest that the mineralised porphyry, or possibly a new porphyry centre, could occur beneath the altered volcanic outcrops or beneath the covered areas that will be targeted by the next phase of drilling.

Access preparations for the planned RC drilling program will commence as soon as possible to allow drilling to start later this year, subject to drill-rig and crew availability.

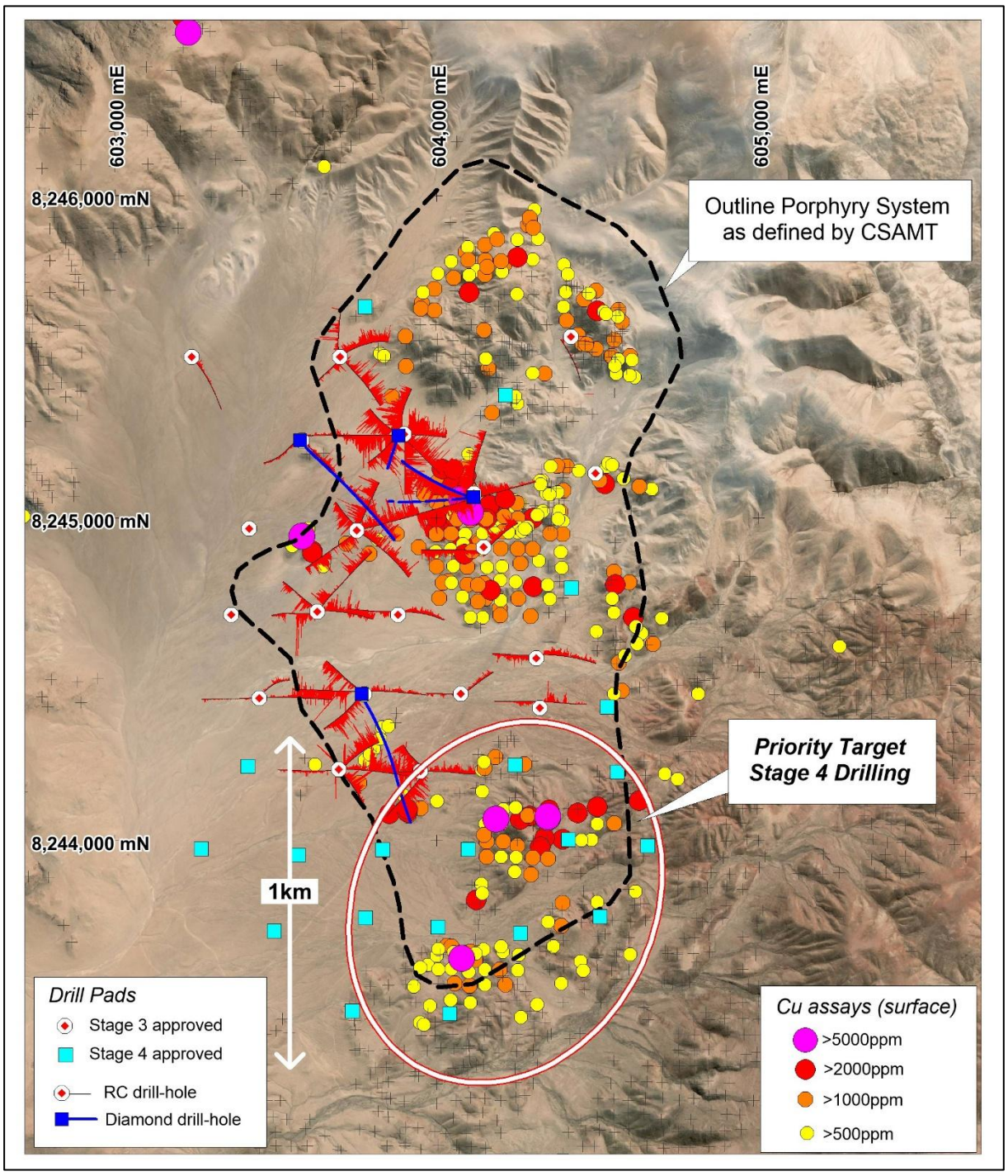


Figure 1: Cangallo Prospect showing the location of Stage 4 drill pads and the priority target area to be tested by drilling in relation to surface copper results and previous RC and diamond drilling. (surface rock-chip assays first reported in ASX releases – 30 March and 09 November 2023).

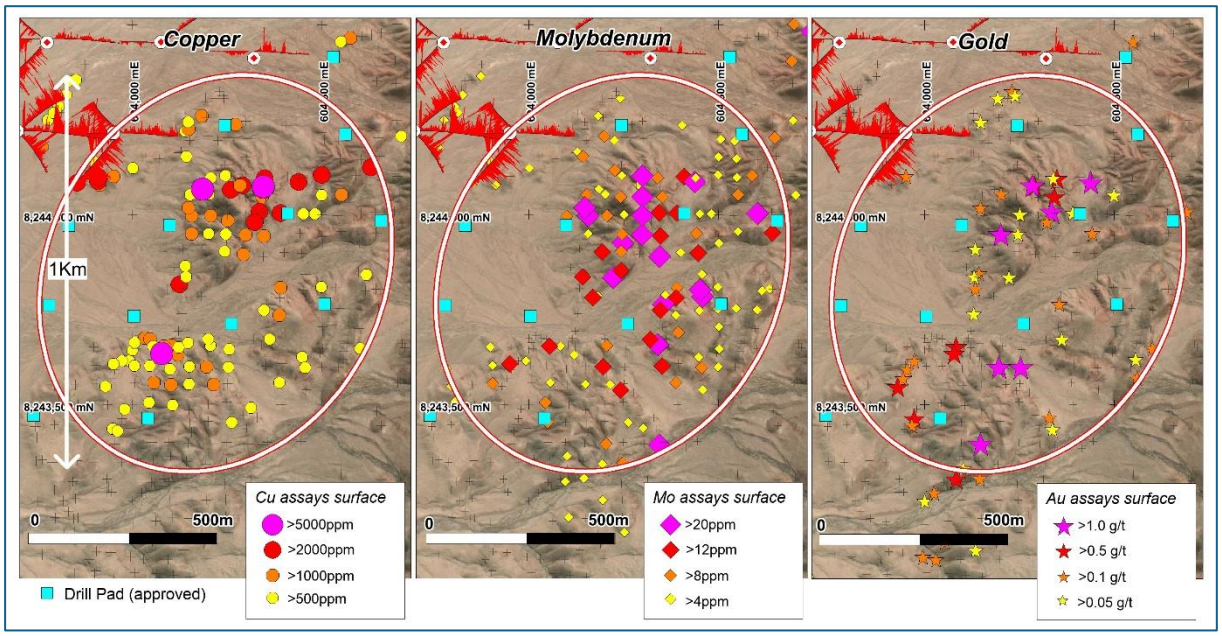


Figure 2: Cangallo: Priority target area for stage 4 drilling showing anomalous copper, molybdenum, and gold values from rock-chip sampling relative to the location of drill pads (surface rock-chip assays first reported in ASX releases – 30 March and 09 November 2023).

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.

NO NEW INFORMATION

To the extent that this announcement contains references to prior exploration results which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, the Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

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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*Announcements to ASX for the Cangallo Project

2023 – 2026 Quarterly Activities and cashflow Reports

06/10/2026	*Cangallo Geophysics defines large Porphyry footprint and significant new targets*
03/09/2026	*First 2 diamond drill holes extend Cangallo copper system +800m & confirm higher grade zones*
22/07/2026	*First Deep Diamond Drill-Hole confirms Depth Extensions at Cangallo*
29/05/2026	*Cangallo diamond drilling to commence*
05/05/2026	*Cangallo Porphyry Copper Continues Growing*
25/03/2026	*Major new drilling program commences at the Cangallo Copper-Gold Discovery, Peru*
04/03/2026	*Highly encouraging drill results continue to grow the Porphyry Cangallo Copper-Gold Project*
11/02/2026	*Cangallo delivers significant Cu extensions extending the porphyry discovery to over 1500m*
06/01/2026	*Diamond and RC drilling substantially expands scale of copper mineralization at Cangallo*
02/12/2025	*Stage 3 Drilling commences at the Cangallo Copper-Gold Discovery in Peru*
13/11/2025	*RC Drilling set to commence at Cangallo*
12/11/2025	*Diamond Drilling more than doubles depth extent of copper mineralisation at Cangallo*
30/09/2025	*Diamond Drilling Commences at Cangallo*
28/08/2025	*Cangallo Porphyry Copper Discovery continues to grow*
21/07/2025	*Cangallo Drilling Progress Report*
12/06/2025	*Drilling Commences at Cangallo*
24/04/2025	*Drilling set to commence at Cangallo*
05/03/2025	*Drilling to extend Cangallo Cu-Au discovery*
06/02/2025	*Cangallo Discovery Confirmed*
23/01/2025	*Significant Porphyry Copper Discovery at Cangallo*
17/12/2024	*Drilling commences at Cangallo in Peru*

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