

16 March 2005  
ASX Announcement

## AUSQUEST TO DRILL PILBARA IRON ORE

In early April, AusQuest Limited (ASX Code: AQD) will commence a 20 hole/1,000 metre exploration and resource identification RC drilling campaign at the Rocklea iron ore prospect, located 40 kilometres west of Tom Price in Western Australia's Pilbara region.

The drilling campaign will provide an initial indication of resource size and grade for the western half of the main Rocklea channel. Additional pisolitic iron prospects exist to the east and south where a further 5 kilometres of untested paleochannel have been identified from Landsat and field reconnaissance data. No historic drilling has been reported from these areas.

The main Rocklea channel is estimated to be 300 to 400 metres wide, approximately 40 metres deep and up to 3 kilometres long. Only the western third of the channel has been drilled.

Importantly, Rocklea pisolitic iron mineralisation is low in phosphorous with values ranging from 0.01 to 0.04%. Phosphorous is a known contaminant in the steel making process. Initial drilling will also test the continuity and consistency of iron grades and contaminant levels against historically reported data.

AusQuest has access to substantial iron ore expertise through its Board, in particular the Chairman's prior background as a Director of Hamersley Iron.

The company expects to be able to report the results of the drill campaign in early May and will advise the market when the drilling campaign has commenced.

The Rocklea iron ore prospect was originally discovered in 1978/79 as a result of scout drilling by Hamersley Exploration Pty Ltd. Hydrated pisolitic type mineralisation grading between 54% and 59% iron was intersected in several drill holes testing for a potential surface pisolite deposit straddling the Wittenoorn - Nanutarra Road.

At the time of making the discovery, Hamersley reported they had located a *'small but useful deposit of medium iron, low phosphorus ore which could make a suitable blending product with Brockman type haematite-goethite ores'* (refer Hamersley Annual Report TR 6517H 1978/1979; WAMEX Item 1752).



Graeme Drew  
**Managing Director**