AUSQUEST
LIMITED
ABN 35 091 542 451

6 Kearns Crescent, Ardross WA 6153
Telephone: 08 9364 3866
Facsimile: 08 9364 4892
Email: graeme@ausquest.com.au
Web: www.ausquest.com.au

28 November 2007

The Manager
Company Announcements Office
Australian Stock Exchange

By Electronic Lodgement

Dear Sir

MEDIA RELEASE

Please find attached a media release in relation to the Capital Raising which was announced to the market earlier today.

Yours faithfully

Graeme Drew
Managing Director

MEDIA RELEASE	28 NOVEMBER 2007

AUSQUEST ANNOUNCES CAPITAL RAISING TO UNDERPIN MANGANESE EXPLORATION PROGRAM

$2.02m PLACEMENT AND SHARE PURCHASE PLAN TO FUND 2008 DRILL PROGRAM AT TABLE HILL PROJECT

Diversified exploration company AusQuest Limited (ASX: **AQD**) is set to hit the ground running in its 2008 field season, today announcing plans to undertake a capital raising incorporating a $2.02m share placement and a Share Purchase Plan (SPP) to raise up to a further $2m.

The funds raised will be largely used to underpin an expanded exploration program at the Company's Table Hill prospect, located 200km southeast of Newman in WA's Pilbara region, where a recently-announced drill hole intersected high-grade manganese mineralization of **3.9m @ 47.5% Mn from 286.8m**.

AusQuest announced today (**Wednesday**) that it had reached an in-principle agreement with Hartleys Limited to raise $2.02 million through the issue of 7.2 million shares predominantly to institutional clients at an issue price of $0.28 per share, with one free attaching option (ASX:AQDOA) for every two new shares purchased.

In addition to the Placement, AusQuest also announced plans to undertake a Share Purchase Plan (SPP) to raise up to a further $2 million, providing existing shareholders with the opportunity to participate in the capital raising under the same terms as the Share Placement, up to a maximum value of $5,000 of shares, with one free attaching option (ASX:AQDOA) for every two new shares purchased. The record date for the SPP is 10 December 2007.

AusQuest's Managing Director, Mr Graeme Drew, said the funds will provide the Company with the opportunity to hit the ground running when it commences its next drill program in second quarter of 2008.

"The funds raised through this Placement and SPP will be mainly focused towards an aggressive drilling programme at our Table Hill project, targeting the further delineation of manganese mineralization around the initial drill intersection reported last week," Mr Drew said.

Assay results received from the first diamond drill hole (THDD01) at Table Hill announced on 20 November 2007, confirmed the presence of a 4 metre thick manganese-rich layer, with an overall intersection of 3.9m @ 47.5% Mn from 286.8m. The manganese mineralization was massive in nature with low levels of phosphorus and iron; poor core recoveries may have understated the reported grade.

Part of the funds raised will also be used to test additional manganese targets identified by the airborne EM survey, especially where manganese mineralisation is interpreted at shallower depths. Drilling is expected to commence early in the 2nd Quarter of 2008.

AusQuest has confirmed that several of the Company's directors and consultants intend to participate in the Placement for up to $750,000. A notice of meeting will be issued shortly to ratify the Share Placement and seek shareholder approval for director participation. The Company intends to complete the Placement and the SPP by 21 December 2007.

- ENDS -

Released by:
Nicholas Read
Read Corporate
Telephone: (+61-8) 9388 1474

On behalf of:
Mr Graeme Drew
Managing Director
AusQuest Limited
Telephone: (+61-8) 9364-3866

Background

AusQuest was founded five years ago by a team of experienced explorationists – including several ex-CRA/Rio Tinto executives – whose joint careers attest to a substantial breadth of technical and managerial expertise. The Company, which listed on the ASX in 2003, brings an innovative and scientifically rigorous approach to exploration targeting the discovery of major deposits and new mineral provinces.