AusQuest Limited
ABN 35 091 542 451

November 21, 2008
ASX Release

SHARE AND OPTION ISSUE TO CLIFFS COMPLETED

The Board of AusQuest Limited (ASX: AQD) is pleased to advise that the Share and Option issue to Cliffs Australia Holdings Pty Ltd (Cliffs), a wholly owned subsidiary of Cliffs Natural Resources, that was approved by the shareholders of AusQuest Limited at the company's Annual General Meeting held on the 18th November 2008, has been completed.

This has resulted in a cash injection of approximately A$26 million, net of costs, significantly enhancing AusQuest's cash position and enabling the Company to aggressively step up its exploration efforts in 2009 as well as actively target new opportunities.

The Strategic Alliance encompasses the back-up and support of a major international mining house, giving AusQuest a significant competitive advantage as a well-funded, technically capable junior resource company. Cliffs now hold a fully diluted 30% interest in AusQuest following completion of the placement.

The Board of AusQuest welcomes Cliffs as a significant shareholder in the Company and looks forward to the opportunities that this will provide the company in 2009 and into the future.

Graeme Drew
Managing Director