

October 20, 2009
ASX Release



DRILLING COMMENCES AT THE WOLFE MANGANESE PROJECT, KIMBERLEY REGION

RECONNAISSANCE DRILLING TO TEST 8km² AREA WHICH YIELDED SAMPLES UP TO 50% Mn

AusQuest Limited (ASX: AQD) is pleased to advise that it has commenced a program of exploratory drilling at its 100%-owned **Wolfe Manganese Project**, which is located approximately 50km south-east of Halls Creek in the Kimberley Region of Western Australia.

Approximately 50 Reverse Circulation (RC) drill-holes have been planned to test the manganese potential of the **Ruby Plains** prospect, with drilling expected to take three to four weeks to complete.

The initial drilling program is reconnaissance in nature with holes spaced between 200 metres and 1,000 metres apart, covering an area of approximately 8km².

Geological mapping and sampling completed earlier in the year located high-grade manganese at surface with numerous samples returning values in excess of 20% Mn (and up to maximum values of +50% Mn) from bedded outcrops near the base of the Eliot Range Dolomite.

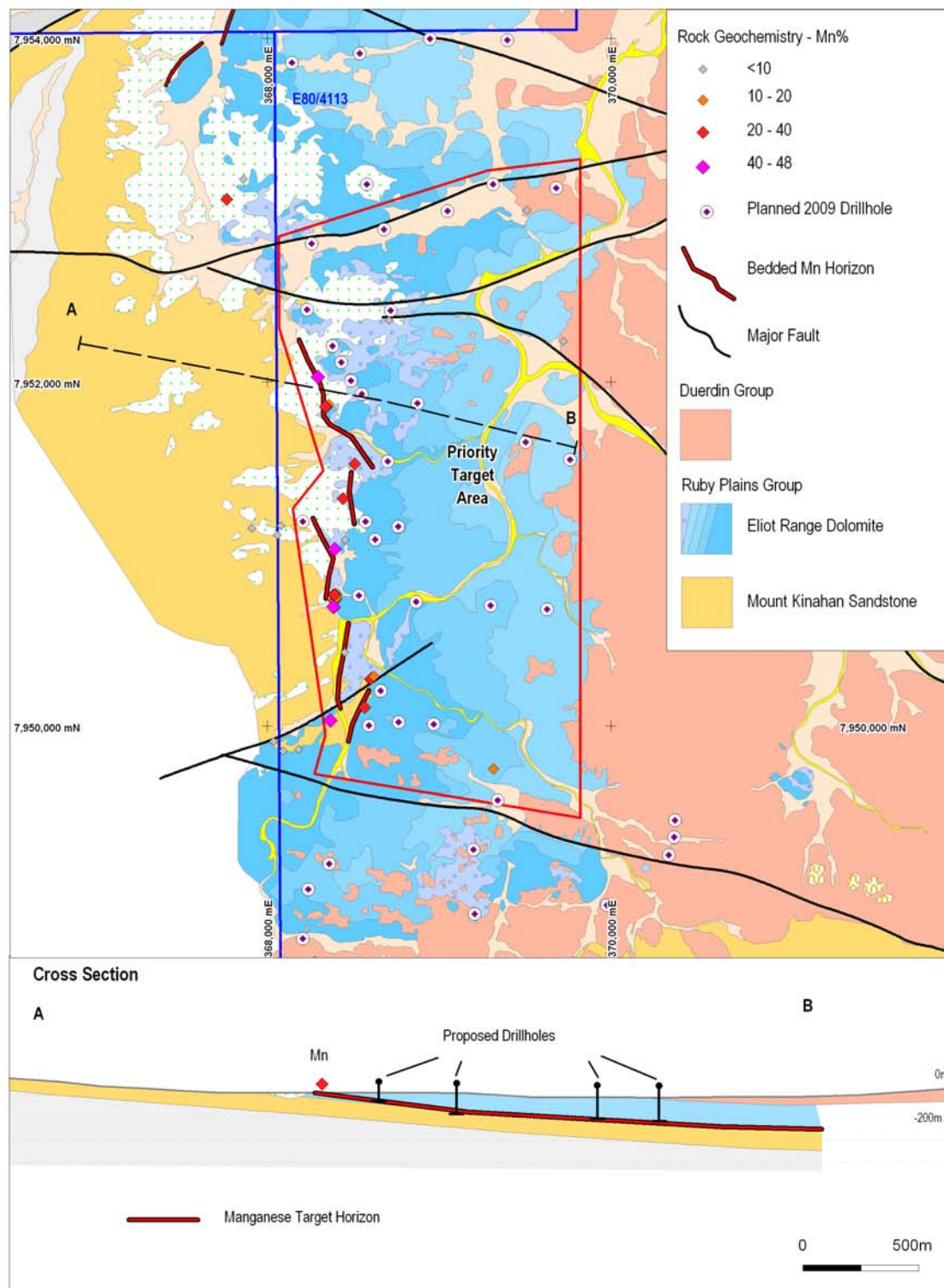
The shallow easterly dip of the sediments in the Ruby Plains area suggests that the manganese target horizon should occur at depths of <100 metres over much of the area being tested.

The Board of AusQuest looks forward to reporting the results from this drilling as they become available.

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 2004 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.



AQ_09309

Ruby Plains Manganese Prospect: Planned drill-hole locations