

September 23, 2011
ASX Release



AUSQUEST COMMENCES DRILLING AT PLENTY RIVER

AusQuest Limited (ASX: AQD) is pleased to advise that a program of diamond drilling has commenced at the Caroline prospect within its Plenty River Project in the Northern Territory.

The Plenty River Project is located approximately 250km east of Alice Springs and approximately 80km east of Mithril Resources' Basil Copper Project, which demonstrates the potential for new base metal discoveries in this unexplored region.

The Caroline prospect represents a discrete late time electromagnetic (EM) anomaly and associated gravity response, indicative of a relatively large conductive body (sulphide mineralisation) located at a depth of approximately 500 metres.

Initial drilling at Caroline in late 2009 intersected large thicknesses of sulphide-bearing sediments and occasional narrow sulphide-bearing veins (~10cm) containing anomalous metals (up to 2,968ppm lead, 1,883ppm copper, 1,208ppm zinc, 45ppb gold and 16g/t silver) above the target depth subsequently defined by ground EM surveys.

The drilling program will comprise at least two deep drill-holes with contingency for a third drill-hole pending results. The program is scheduled to take approximately four weeks to complete with assays expected four weeks after completion of drilling.

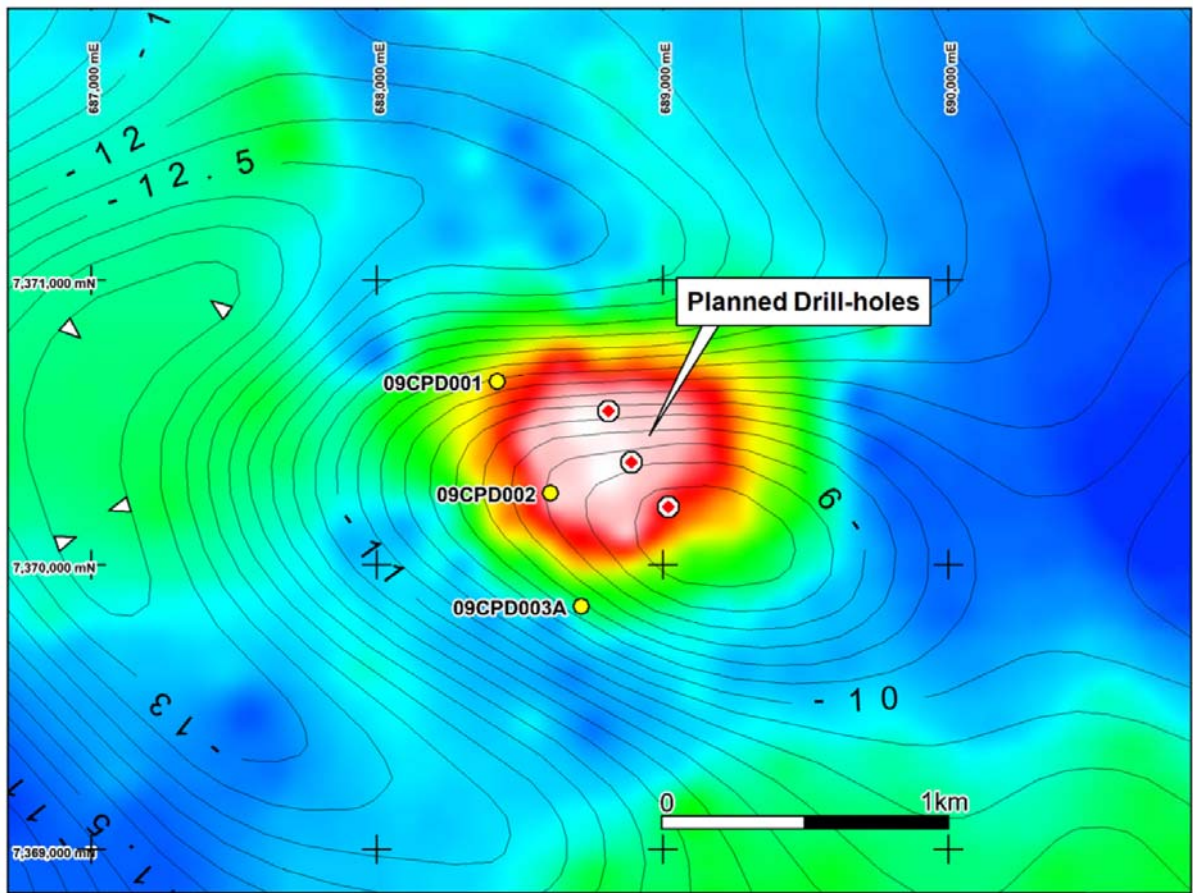
The Company's application for funding assistance under the NT Government's 'Geophysics and Drilling Collaborations Program' was successful and funding (up to \$100,000) will be available to cover 50 per cent of the direct drilling costs for this program.

The Company is pleased that drilling of the Caroline prospect has commenced and looks forward to reporting results from this program 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.



Caroline prospect – MLTEM Image (channel32) and gravity contours showing planned drill-holes.