9th September 2015
ASX Release

PERU COPPER-GOLD: MAIDEN DRILL PROGRAMS ON TRACK TO COMMENCE IN LATE OCTOBER

Final approval for Lana expected this month; expanded programs submitted for Puite-Colorada and Cardonal; maiden drilling to start late next month

AusQuest Limited (ASX: AQD) is pleased to provide an update on its newly established copper-gold exploration joint ventures in the south of Peru, where steady progress continues to be made towards the expected commencement of maiden drilling programs later next month.

Final Government approval for access and drilling at the **Lana prospect**, the first of several large porphyry copper-gold prospects to be tested, is now expected in the second half of September enabling diamond drilling of the large gravity target to commence in late October.

Amended drilling programs have also now been submitted to the appropriate authorities for the **Puite-Colorada** and **Cardonal** joint venture projects near Ilo and community consultations have been undertaken.

The amended drill programs increase the number of possible drill-holes at each site (from a total of 24 to 40), change the drilling method from Reverse Circulation (RC) to diamond, increase the hole depth (from 300m to ~500m), and increase the number of porphyry copper targets to be tested from two to four.

The program also includes drilling (up to 15 holes) at the recently identified **Ventana** prospect where strong indications of porphyry copper mineralisation are evident in road cuttings recently excavated on the property (*Figure 1*).

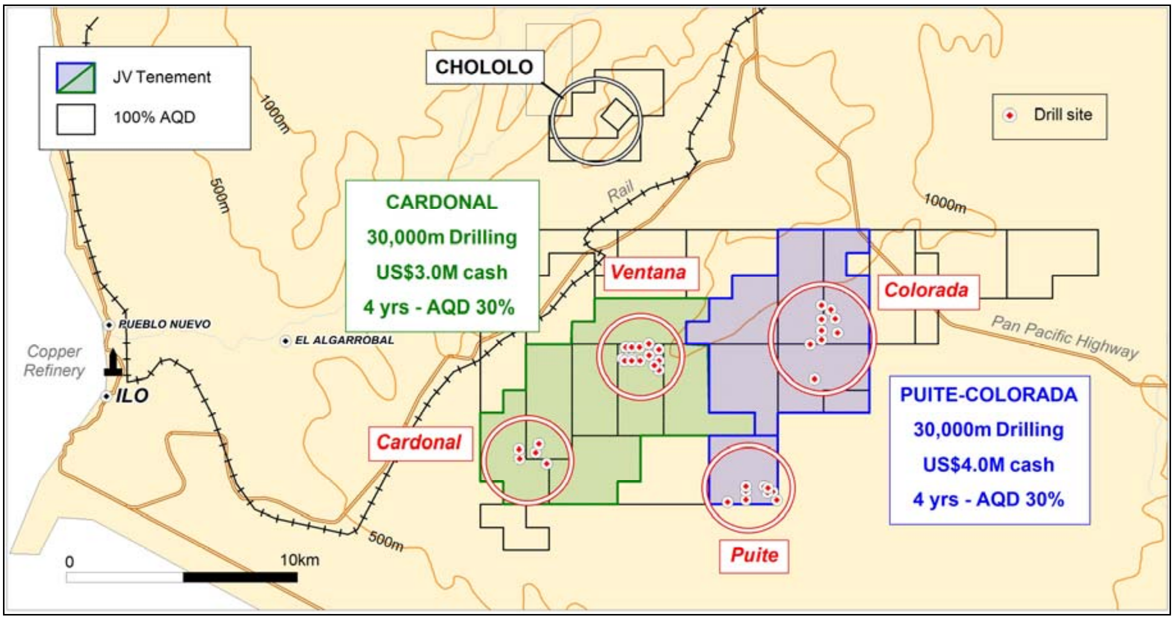

Figure 1: Location of Drilling Prospects near Ilo in the south of Peru.

The Company is excited about its prospects in Peru and is looking forward to the commencement of drilling operations by its joint venture partners in the near future.

AusQuest Projects (100%)

The Company continues to work towards advancing its 100%-owned prospects in Peru through to the drilling stage and potential joint venture negotiations (*Figure 2*).

The **Chololo** porphyry copper prospect, which is located ~30km from the port of Ilo, is the most advanced of the Company's prospects and is currently the subject of due diligence by several major companies who have expressed interest in the project. A data package has been prepared under confidentiality and site visits have been completed.

Geological mapping and sampling is planned over several additional prospects which the Company believes can be advanced to the drilling stage and potential joint venture negotiations over the next 12 months.

AusQuest continues to focus on developing as many quality exploration opportunities as possible, in order to add value to the Company.

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 2012 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.

FORWARD LOOKING STATEMENT

This report contains forward looking statements concerning the projects owned by AusQuest Limited. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

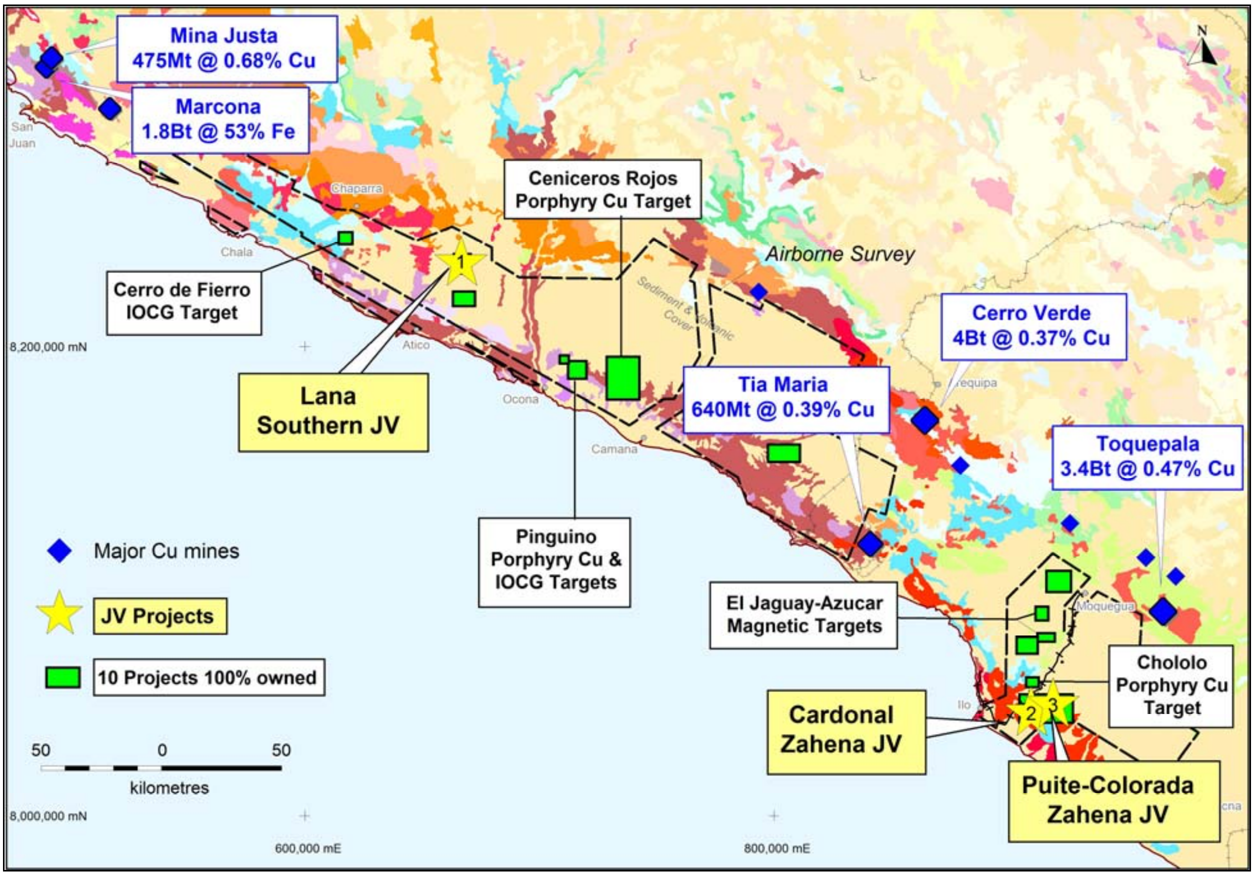

Figure 2: Peru Project and Joint Venture locations