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ASX Release

DRILLING COMMENCES AT THE NAMELESS IRON PROJECT

AusQuest Limited (ASX: AQD) is pleased to announce that drilling has commenced at its Nameless Iron Ore Project, located 5 kilometres north west of Tom Price in the Pilbara region of Western Australia. The Nameless Project is subject to an agreement with Rio Tinto which is funding the initial Reverse Circulation (RC) drilling programme.

The drilling programme is being managed by AusQuest and is expected to take several weeks to complete. A total of approximately 60 drill holes are planned on 14 sections 800 metres to 1200 metres apart in order to test the full strike extent (15 kilometres) of the interpreted channel iron mineralisation. Drill holes will be spaced at a minimum interval of 100 metres along each traverse.

Each drill hole will be sampled at two (2) metre intervals and the samples sent to Perth for analysis. AusQuest has been advised that assays will be available within four to six weeks of receipt of samples by the laboratory. Samples will be sent to Perth on a periodic basis and results reported to the ASX once assays have been received.

On completion of the programme, AusQuest must provide a report detailing the results of the drilling to Rio Tinto, which may exercise its right, within 60 days, to commence earning an interest in the Nameless Iron Project and the tenement by taking additional equity in AusQuest (at a premium to market) and funding further work in the area.

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



Graeme Drew
Managing Director