

November 28, 2007  
ASX Release



## **AUSQUEST RAISES CAPITAL TO FUND TABLE HILL PROGRAMME**

The Board of AusQuest Limited (“AusQuest” or “the Company”) is pleased to announce that it has reached in-principle agreement with Hartleys Limited to raise \$2.02 million through the issue of 7.2 million ordinary fully paid shares to international and domestic institutional clients of Hartleys at an issue price of \$0.28 per share, with one free attaching option (ASX:AQDOA) for every two new shares purchased (“Placement”).

In addition to the Placement, AusQuest is offering all shareholders the opportunity to participate in the capital raising on the same terms as the Placement through a share purchase plan (“SPP”). This will enable each shareholder to subscribe for up to \$5000 in fully paid ordinary shares at \$0.28 per share, together with one free attaching option (ASX:AQDOA) for every two new shares purchased.

The Company will raise a maximum of \$2 million under the SPP. In the event that the SPP is oversubscribed, shareholders will be scaled back on a pro rata basis. The record date for the SPP is 10<sup>th</sup> of December 2007, with documentation to be forwarded to all registered shareholders at that time.

Several of the Company’s directors and consultants intend to participate in the Placement, for up to \$750,000. A notice of meeting will be issued shortly to ratify the Placement and seek shareholder approval for director participation. An Appendix 3B will be issued following the allotment of shares and options pursuant to the Placement. The issue of shares and options under the SPP is not subject to shareholder approval. The Company intends to complete the Placement and the SPP by 24<sup>th</sup> December 2007.

### ***Exploration Programme***

Following the recent manganese discovery at the Company’s Table Hill Project in the East Pilbara region of WA, the funds raised from this Placement and SPP will be applied predominantly towards an aggressive drilling programme that will target further manganese intersections in the vicinity of the initial drill intersection (3.9m @ 47.5% Mn) reported to the ASX on 20<sup>th</sup> November 2007. This programme aims to confirm both grade and continuity of mineralisation within the extensive (18 km<sup>2</sup>) target area defined by the airborne EM survey.

Part of the funds will also be used to test additional manganese targets identified by the airborne EM survey especially where manganese mineralisation is interpreted at shallower depths. Drilling is expected to commence early in the 2<sup>nd</sup> Quarter of 2008.



Graeme Drew  
**Managing Director**