

January 4, 2008
ASX Release

Share Purchase Plan Over-subscribed

AusQuest Limited (ASX: AQD) is pleased to announce that the Company's Share Purchase Plan (SPP) received strong support from AusQuest shareholders, closing on 24 December 2007 over-subscribed.

To accommodate the strong shareholder demand, the Board of AusQuest has decided to increase the number of shares and options to be issued pursuant to the SPP from 7,142,857 shares and 3,571,428 options to approximately 10,700,00 shares and 5,350,000 options, to raise approximately \$3.0m, allowing each shareholder who subscribed to the offer, to receive their full subscription.

It is expected that shares and options under the SPP will be allotted on the 8th January and Holding Statements dispatched to participating shareholders on the 9th January.

Following completion of the SPP and the recent placement, AusQuest is sufficiently funded to expand the Table Hill exploration programme to aggressively explore in the vicinity of the initial high grade manganese drill intersection (3.9m @ 47.5% Mn from 286.8m) reported to the ASX on 20 November 2007.

The expanded programme aims to confirm both grade and continuity of mineralisation within the extensive (18km²) target area defined by the airborne EM survey and to test additional manganese targets identified by recent modelling of the EM data, especially where manganese mineralisation is interpreted at shallower depths.

The Board is delighted by the response to the SPP from the company's shareholders, and looks forward to reporting results from the planned drilling programme at Table Hill which is expected to commence in the 2nd Quarter of 2008.



Graeme Drew
Managing Director