



ABN 35 091 542 451
6 Kearns Crescent
Ardross WA 6153
Telephone: 08 9364 3866
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Email: graeme@ausquest.com.au
Web: www.ausquest.com.au

19 October 2009

The Manager
Company Announcement Office
Australian Securities Exchange

By Electronic Lodgement

Dear Sir

NOTICE OF ANNUAL GENERAL MEETING

Please find attached the Notice of Annual General Meeting which has been dispatched to shareholders today.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Darren Crawte', is written over a faint, light-colored rectangular stamp.

Darren Crawte
Company Secretary



19 October 2009

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Dear Shareholder,

Accompanying this brief letter is a Notice advising details with respect to AusQuest's forthcoming Annual General Meeting.

The 08/09 financial year proved to be a very significant one for your company. We will be taking the opportunity at the meeting to elaborate on what has been achieved on the exploration front as well as outlining plans for the future. If circumstances permit, I would encourage your attendance.

This will be my last communication with you as Chairman. It has been my privilege to serve AusQuest in this capacity over the past six years, since the time of initial public listing. I believe the company remains in a strong position to meet the objectives originally set for it. Not only are we currently well funded with an extensive suite of exploration targets and an experienced management team, but we now enjoy the support of a major strategic investor in Cliffs Natural Resources.

It had been my hope, whilst Chairman, that AusQuest would make a substantial commercial discovery; an important catalyst for all junior exploration companies. Whilst some of our prospects look to be very promising, more work is still required. Given the company's disciplined approach, I am confident success will eventually come.

The Board has agreed that Greg Hancock will succeed me as Chairman before the Annual General Meeting. Greg is very well known within the investment community and has the necessary corporate and other relevant experience to manage the company as it goes forward. His appointment has my full support and that of the other Board members.

I have enjoyed the association with AusQuest. Compared with previous management roles in the mining industry, chairing a small grassroots exploration company provided a different kind of experience and challenge. As a fellow shareholder in AusQuest, I look forward to following the company's progress and trust that its future will prove to be a prosperous one for us all.

Yours sincerely
AusQuest Limited

John A. Innes
Chairman



AUSQUEST LIMITED

ABN 35 091 542 451

NOTICE OF ANNUAL GENERAL MEETING EXPLANATORY STATEMENT AND PROXY FORM

TIME: 10.00 am (WST)

DATE: 18 November 2009

PLACE: Heritage Room,
South of Perth Yacht Club,
Applecross, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9321 3514.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on 18 November 2009 at:

Heritage Room,
South of Perth Yacht Club,
Applecross, Western Australia

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to AusQuest Limited, 6 Kearns Crescent, Ardross WA 6153; or
- (b) facsimile to the Company on facsimile number +61 8 9364 4892.

so that it is received not later than 10.00 am (WST) on 16 November 2009.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 10.00 am (WST) on 18 November 2009 at The Heritage Room, South of Perth Yacht Club, Applecross, Western Australia.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm (WST) on 16 November 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ANNUAL REPORT

To receive and consider the financial report of the Company together with the reports of the directors and the auditor for the financial year ended 30 June 2009.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the remuneration report for the financial year ended 30 June 2009 be adopted”.

The vote on this resolution is advisory only and does not bind the directors of the Company.

3. RESOLUTION 2 –ELECTION OF MR RICHARD MEHAN AS DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, Mr Richard Mehan, a director of the Company who retires in accordance with clause 3.3 of the Company’s constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company”.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Mehan (or his nominee) and any of his associates.

4. RESOLUTION 3 –ELECTION OF MR JOHN ASHLEY AS DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, Mr John Ashley, a director of the Company who retires in accordance with clause 3.6 of the Company’s constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company”.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Ashley (or his nominee) and any of his associates.

5. RESOLUTION 4 –ELECTION OF MR CHRISTOPHER ELLIS AS DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, Mr Christopher Ellis, a director of the Company who retires in accordance with clause 3.6 of the Company’s constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company”.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Ellis (or his nominee) and any of his associates.

DATED: 19 OCTOBER 2009

BY ORDER OF THE BOARD



DARREN CRAWTE
COMPANY SECRETARY

Voting Exclusion Note:

Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.00 am (WST) on 18 November 2009 at The Heritage Room, South of Perth Yacht Club, Applecross Western Australia.

The purpose of this Explanatory Statement is to provide information which the directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. ANNUAL REPORT

Section 317 of the Corporations Act requires the reports of the directors and of the auditors and the Annual Report, including the financial statements to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given the opportunity to raise questions on the reports and the statements at the Annual General Meeting.

The Company's 2009 Annual Report is available at www.ausquest.com.au. Those holders that elected to receive a printed copy of the Annual Report will have received a copy with this Notice of Annual General Meeting.

2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

Section 300A of the Corporations Act sets out the information that should be included in the Remuneration Report. Section 250R(2) of the Corporations Act requires that a resolution that the Remuneration Report be adopted and be put to a vote of Shareholders at the Company's Annual General Meeting. The vote on this resolution is only advisory to the Company and does not bind the Board.

The Remuneration Report is set out in and forms part of the Director's Report within the Annual Report. The Remuneration Report:

- explains the Board's policy for determining the nature and amount of remuneration of executive directors and senior executives of the Company;
- discusses the relationship between such policy and the Company's performance; and
- sets out remuneration details for each director.

Under section 250SA of the Corporations Act, Shareholders will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The directors consider that the remuneration policies adopted by the Company are appropriately structured to provide rewards that are commensurate with the performance of the Company and the individual. On that basis, the directors unanimously recommend that members vote in favour of this advisory resolution.

Whilst there is no legal requirement to abstain from voting, the Company expects directors and the senior executives whose remuneration details are disclosed in the report not to vote on this item.

3. RESOLUTION 2 – RE-ELECTION OF MR RICHARD MEHAN

Clause 3.3 of the Constitution provides that any director automatically appointed by the board must retire at the next annual general meeting. Mr Richard Mehan retires from office in accordance with this requirement and being eligible offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

Richard holds a Bachelor of Economics from Monash University and has been involved in the resources sector for 34 years predominately in the traded iron ore sector. After spending 16 years with Rio Tinto in a variety of commercial roles Richard joined Portman Ltd in 1998. During the period 1998 to 2007 he held a variety of senior roles including that of Managing Director and CEO from 2005 until 2008. In 2007 Richard took on the additional role of President and CEO of Cliffs Asia Pacific following Cliff's acquisition of Portman.

Richard's current role is Senior Vice President of Cliffs Natural Resources and President and CEO of the Asia Pacific division.

The Board unanimously recommends that shareholders vote in favour of the re-election of Mr Mehan as a director.

4. RESOLUTION 3 – RE-ELECTION OF MR JOHN ASHLEY

Clause 3.6 of the Constitution provides each director must retire from office at the third annual general meeting after the Director was last re-elected. Mr John Ashley retires from office in accordance with this requirement and being eligible offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

John is a former Director of Southern Geoscience Consultants (SGC), which he established in 1985, and is a former Director of Aerodata Holdings and Conquest Mines NL (unlisted). John has over 4 decades experience as a geophysicist in the exploration industry with government agencies, exploration companies, and consulting companies and has worked in many countries. He has had significant involvement in discoveries of El Sherana West (uranium), Prieska (copper/lead/zinc), Red October, Ulysses (gold). As a co-founder he now works solely for AusQuest Ltd.

The Board unanimously recommends that shareholders vote in favour of the re-election of Mr Ashley as a director.

5. RESOLUTION 4 – RE-ELECTION OF MR CHRISTOPHER ELLIS

Clause 3.6 of the Constitution provides each director must retire from office at the third annual general meeting after the Director was last re-elected. Mr Christopher Ellis retires from office in accordance with this requirement and being eligible offers himself for re-election by shareholders as a director of the Company, with effect from the end of the meeting.

Chris is an experienced mining executive with over 30 years experience in geology, exploration, mine planning and project development in Australia and overseas. He was a founding member and Executive Director of Excel Coal Limited which was the subject of a take-over bid by the US coal giant Peabody Energy Inc, and has held senior positions within Shell Coal's Exploration, BP Coal (London and USA), Agipcoal Australia and the Stratford Joint Venture.

The Board unanimously recommends that shareholders vote in favour of the re-election of Mr Ellis as a director.

6. ENQUIRIES

Shareholders are required to contact the Company Secretary on (+ 61 8) 9321 3514 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of Directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means AusQuest Limited (ABN 35 091 542 451).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current Directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the explanatory statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

AUSQUEST LIMITED
ABN 35 091 542 451
PROXY FORM

The Company Secretary
AusQuest Limited
6 Kearns Crescent
Ardross WA 6153

Ph (+61 8) 9364 3866
Fax (+61 8) 9364 4892

ANNUAL GENERAL MEETING

I/We

being a member(s) of AusQuest Limited and entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

Mark this box if you wish to appoint the Chair of the Annual General Meeting as your proxy

or failing the person/body corporate so named or, if no person/body corporate is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting of the Company to be held at 10.00 am (WST), on 18 November 2009 at The Heritage Room, South of Perth Yacht Club, Applecross, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the General Meeting

Resolution 1 – Adoption of the Remuneration Report
Resolution 2 – Re-election of Mr Richard Mehan
Resolution 3 – Re-election of Mr John Ashley
Resolution 4 – Re-election of Mr Christopher Ellis

FOR	AGAINST	ABSTAIN
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of Resolutions 1 to 4 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 4 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 to 4 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 to 4 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 4.

If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

Signed this _____ day of _____ 2009

_____ %

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Instructions for Completing Proxy Form

1. A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. Where a member's holding is in one name the holder must sign. Where the holding is in more than one name, all members should sign.
3. Where a Proxy Form of a corporate representative is lodged and is executed under a power of attorney, the power of attorney must be lodged in like manner as this Proxy Form.
4. Corporate members should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

5. Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
6. To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to AusQuest Limited, 6 Kearns Crescent, Ardross WA 6153; or
 - (b) facsimile to the Company on facsimile number +61 8 9364 4892

so that it is received not later than 10.00 am (WST) on 16 November 2009.

Proxy forms received later than this time will be invalid.