

August 31, 2020  
ASX Release

## REVERSE CIRCULATION DRILLING COMMENCES AT TANGADEE ZINC PROJECT, WA

AusQuest Limited (ASX: AQD) is pleased to advise that initial drill testing has commenced at its Tangadee Zinc Project, located ~150km south-west of Newman within the Edmund Basin in Western Australia, under its Strategic Alliance Agreement (SAA) with South32.

A minimum of four Reverse Circulation (RC) drill-holes will be completed for ~1,400m to test for sediment-hosted zinc mineralisation similar to that found in north-west Queensland (the Mt Isa Belt).

Soil sampling completed by the Company has outlined a large zinc (>1,000ppm Zn) / thallium (>5ppm Tl) anomaly within the core of a mapped synclinal structure adjacent to inferred regional scale faulting. Shallow sedimentary dips (10° to 20°) recorded in the area suggest that there is potential for shallow zinc mineralisation to occur over an area of several square kilometres within the core of the syncline.

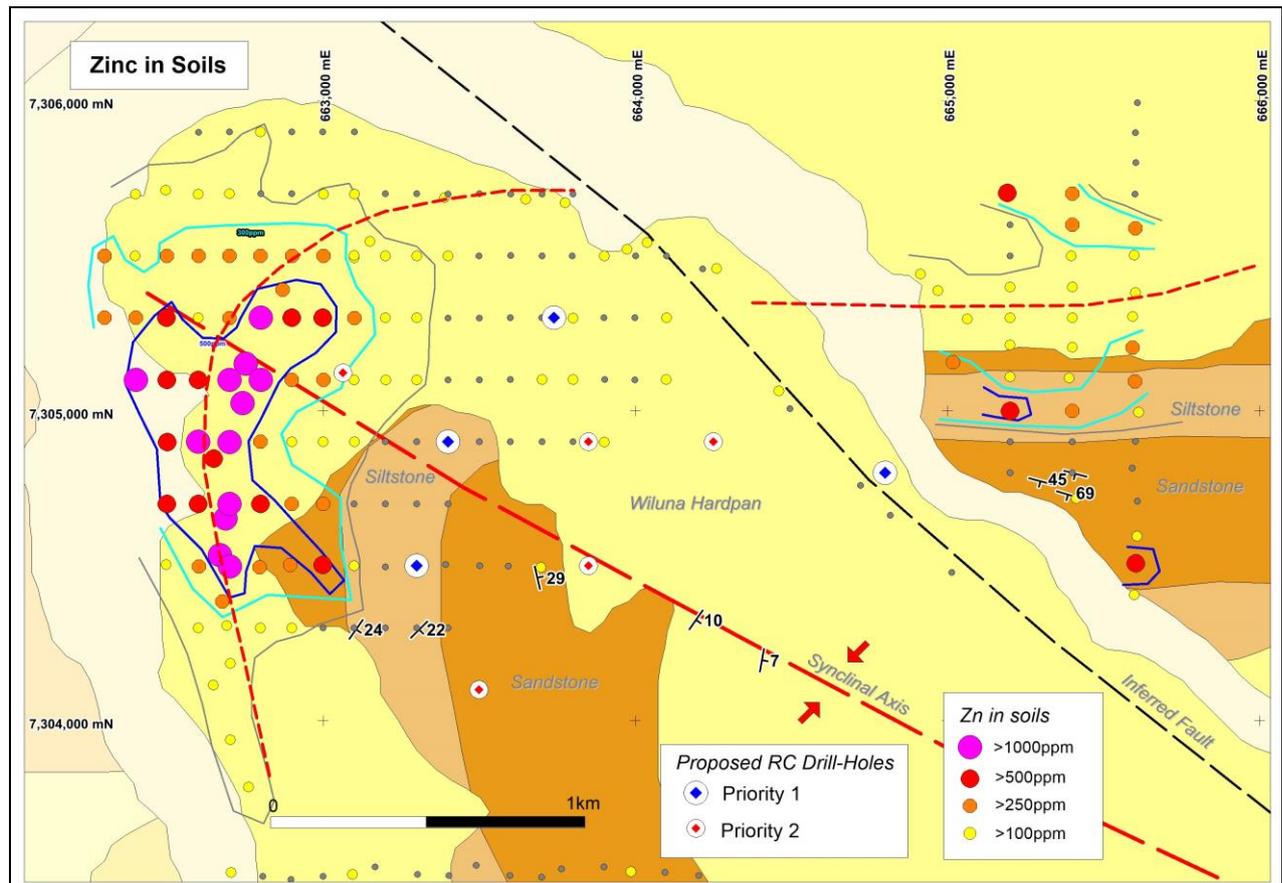


Figure 5: Tangadee Zinc Project soil geochemistry, showing planned drill sites.

The initial drill-holes are widely spaced (at least 400m apart) and are designed to test down-dip and/or down-plunge of the large zinc anomaly found at surface.

The drill program is expected to take approximately two weeks to complete, with assays available within four weeks of completing the program.

AusQuest's Managing Director, Graeme Drew, said the start of drilling at Tangadee followed the recent start of its first drilling programme at the Hamilton Copper Project in north-west Queensland.

"It's great to see drilling activity levels stepping up in Australia," he said. "The RC program at Tangadee will be the first of several programs we hope to complete in Western Australia during the second half of 2020 looking for base metals and gold."

"Heritage surveys to clear access for drilling at our Gunanya Gold-Copper Project in the Paterson Province of WA are currently being completed, and we hope to be able to commence drilling there within the next couple of months, subject to rig availability."

The Company continues to monitor advice from Government and health authorities with regard to restrictions imposed by COVID-19, but expects to be able to complete all its programs while also ensuring the health and well-being of its employees and contractors.



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.*