

January 11<sup>th</sup>, 2024

## MULTIPLE HIGH-PRIORITY TARGETS IDENTIFIED BY VTEM SURVEY AT BALLADONIA, WA

### *Extensive survey reveals both base metal and carbonatite targets*

Further to its ASX release of December 5<sup>th</sup>, AusQuest Limited (ASX: AQD) is pleased to advise that the airborne VTEM survey successfully completed last month over the Balladonia Project in the Fraser Range region of WA has identified a number of high-priority EM targets.

The survey, comprising a total of 1,104km, was flown along east-west flight lines spaced 200m apart using the helicopter-mounted VTEM Max system and a base frequency of 25Hz.

Images of the vertical component of the electromagnetic (B) field and calculated time constants (a measure of conductivity) are presented in Figure 1.

Preliminary interpretation of the VTEM data has highlighted several strong EM responses indicative of potential massive sulphide mineralisation (anomalies A to E).

These conductors are generally discrete in nature, extending over 2-5 flight lines (300m to 1,000m in length) and are clearly evident in the late-time channels of the survey data (channel 48) and the 'Time Constant' image, which highlights the stronger conductive responses often associated with sulphide mineralisation.

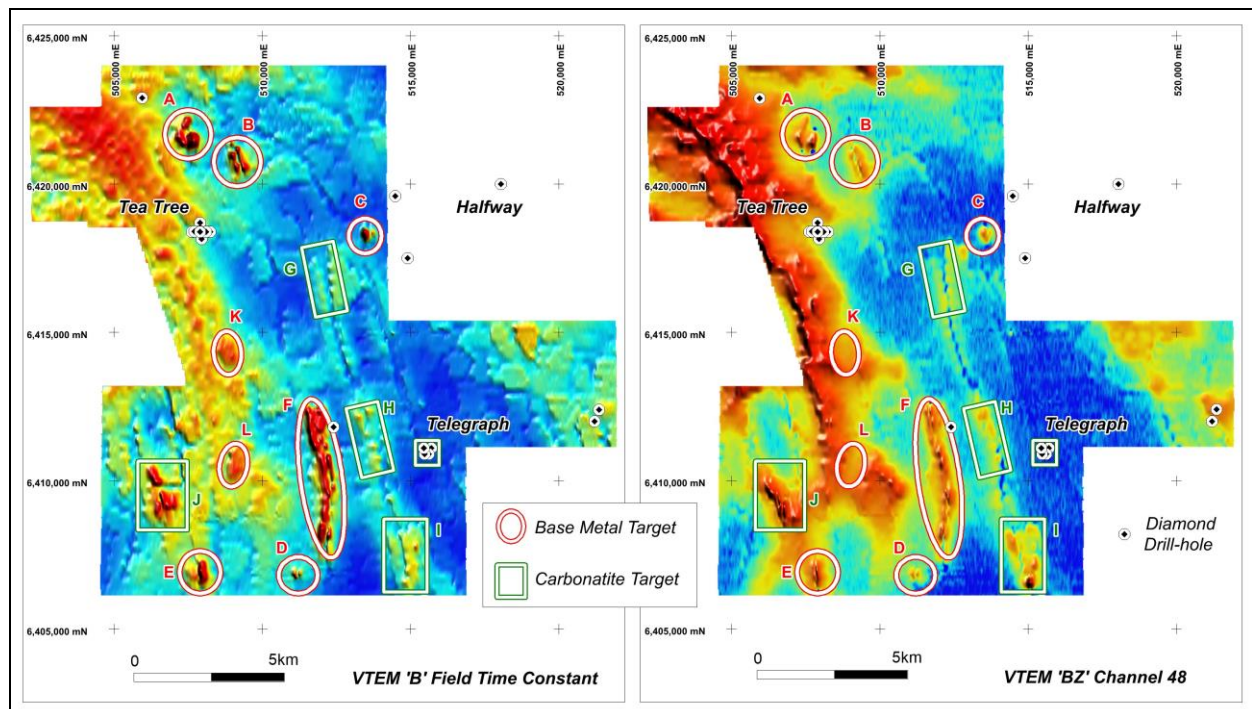


Figure 1: Balladonia Project: VTEM images of Channel 48 (Vertical B field component) and the B field Time Constant, showing outlines of the interpreted EM targets.

Large strike length anomalies such as anomaly F are considered more likely to reflect graphitic source rocks, with conductivity variations along the length of the conductors reflecting the possibility of increased thickness of graphite and/or the addition of sulphide mineralisation.

Moderate conductive responses (anomalies G to J) that coincide with distinct magnetic lows are considered potential carbonatite targets based on comparisons with geophysical responses over the Telegraph carbonatite that was drilled by the Company in 2020 (ASX Release – May 7<sup>th</sup> 2020).

These EM targets, which occur along a linear trend stretching over ~15km, are thought to represent a series of dyke-like intrusions associated with the NNW trending structures (Figure 2).

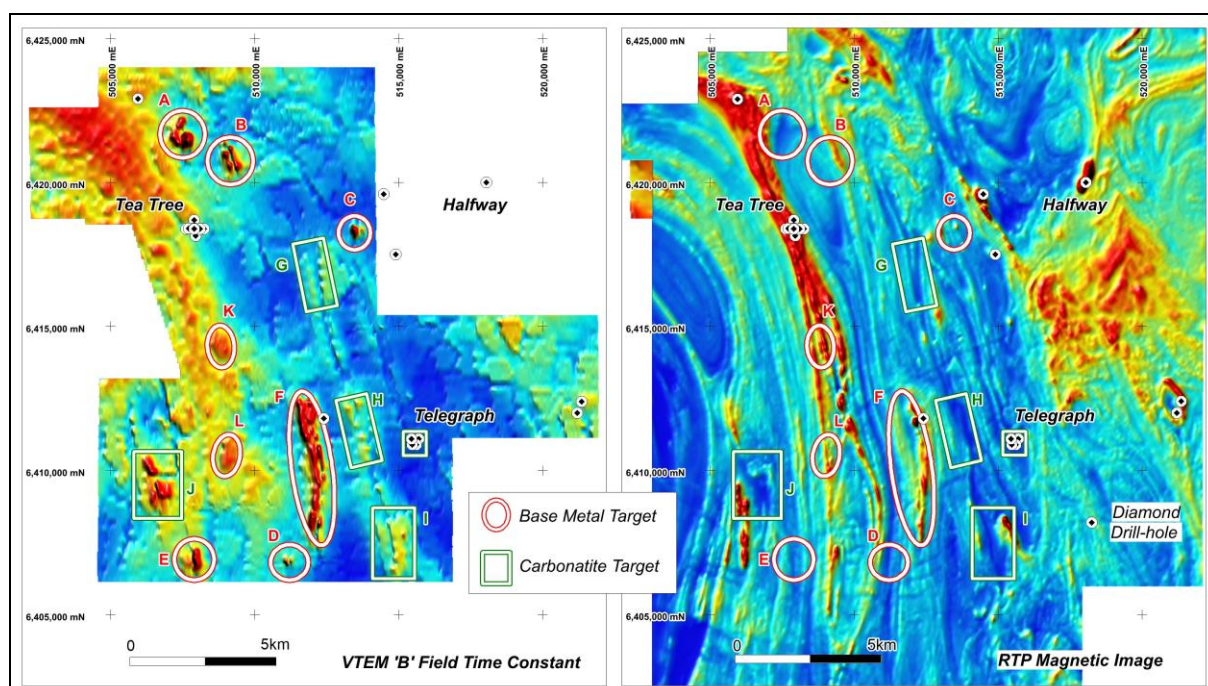


Figure 2: Balladonia Project: VTEM image of B field Time Constant and Reduced to Pole (RTP) magnetics showing outlines of the interpreted EM targets.

Targets K and L (Figure 2), which are localised areas of increased conductivity, are thought to reflect possible alteration associated with the Tea Tree stratigraphy – which is believed to contain prospective host rocks for Broken Hill Type (BHT) mineralisation.

Earlier reconnaissance drilling at Balladonia (as reported on 22<sup>nd</sup> September 2023) confirmed the presence of widespread prospective host rocks for BHT mineralisation, while also supporting the possibility of carbonatite-related mineralisation (including base metals and/or rare earth elements) within the project area.

Further exploration at Balladonia is currently the subject of discussions under the Strategic Alliance Agreement (SAA) with a wholly-owned subsidiary of South32 Limited.

AusQuest's Managing Director, Graeme Drew, said the VTEM survey had generated a series of compelling targets, further elevating the prospectivity of the Balladonia Project.

*“This is an exciting new development for Balladonia and we are looking forward to following the targets generated by this extensive VTEM survey,”* he said.

*“Exploration at Balladonia continues to provide us with encouragement that a new base metal and possibly rare earth element discovery could be made in this area. We are looking forward to continuing our efforts in this area and reporting results as and when they come to hand.”*

A handwritten signature in black ink, appearing to read 'G Drew'.

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.*