

ASX Release
December 16th, 2014



AUSQUEST RECEIVES ADDITIONAL FUNDING TO PROGRESS FRASER RANGE NICKEL, PERU COPPER

\$750,000 funding provided by major shareholder underpins ongoing exploration and project development activities well into 2015

AusQuest Limited (ASX: AQD) is pleased to advise that it has now received funds of \$750,000 from its major shareholder, Christopher Ellis, after executing the previously announced Loan and Convertible Note Agreement which was approved at the Company's Annual General Meeting on November 26th 2014.

The minimum conversion price for AusQuest shares under the Agreement is 2 cents and the Loan will be interest-free for a period of six months. Details of the terms and conditions of the loan were reported to the ASX on October 6th 2014.

The additional funds, together with existing cash reserves, will enable AusQuest to continue to advance its prospective WA nickel projects and Peru copper projects.

AusQuest's Managing Director, Mr Graeme Drew, said the funding arrangement represented a strong vote of confidence by the Company's major shareholder in the potential of its key projects, underpinning ongoing exploration efforts and avoiding the need to undertake a dilutive capital raising at a low point in the market.

"We are very pleased to have the support of our major shareholder in these challenging times, which will facilitate ongoing nickel exploration in the Fraser Range of WA – where we have recently acquired some exciting new prospects – as well as the continued development of our copper-gold portfolio in Peru," Mr Drew said.

"The funding provided will enable us to finalise potential farm-out agreements for our drill-ready copper and gold targets in southern Peru, allowing us to advance these high-quality opportunities to the next stage and realise value for our shareholders," he added.

Graeme Drew
Managing Director

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.

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