

February 17th, 2015
ASX Release

MT RIDLEY RESULTS UPGRADE NICKEL-COPPER POTENTIAL AT GIBSON SOAK

Recent drilling results confirm potential of AusQuest's Gibson Soak tenement.

AusQuest Limited (ASX: AQD) is pleased to advise that drill results reported to the ASX by Mount Ridley Mines Ltd (ASX: MRD) on the 16th February have significantly upgraded the potential of the Company's **Gibson Soak** tenement, which lies immediately south of the Mount Ridley title.

The Gibson Soak tenement, which is located ~30km north of the port of Esperance, was granted in September 2014 and was originally acquired to cover the southern extension of a regional gravity high with similarities to the Fraser Range Belt, some 180km to the north, which hosts the Nova-Bollinger nickel-copper discovery being developed by Sirius Resources (Figure 1).

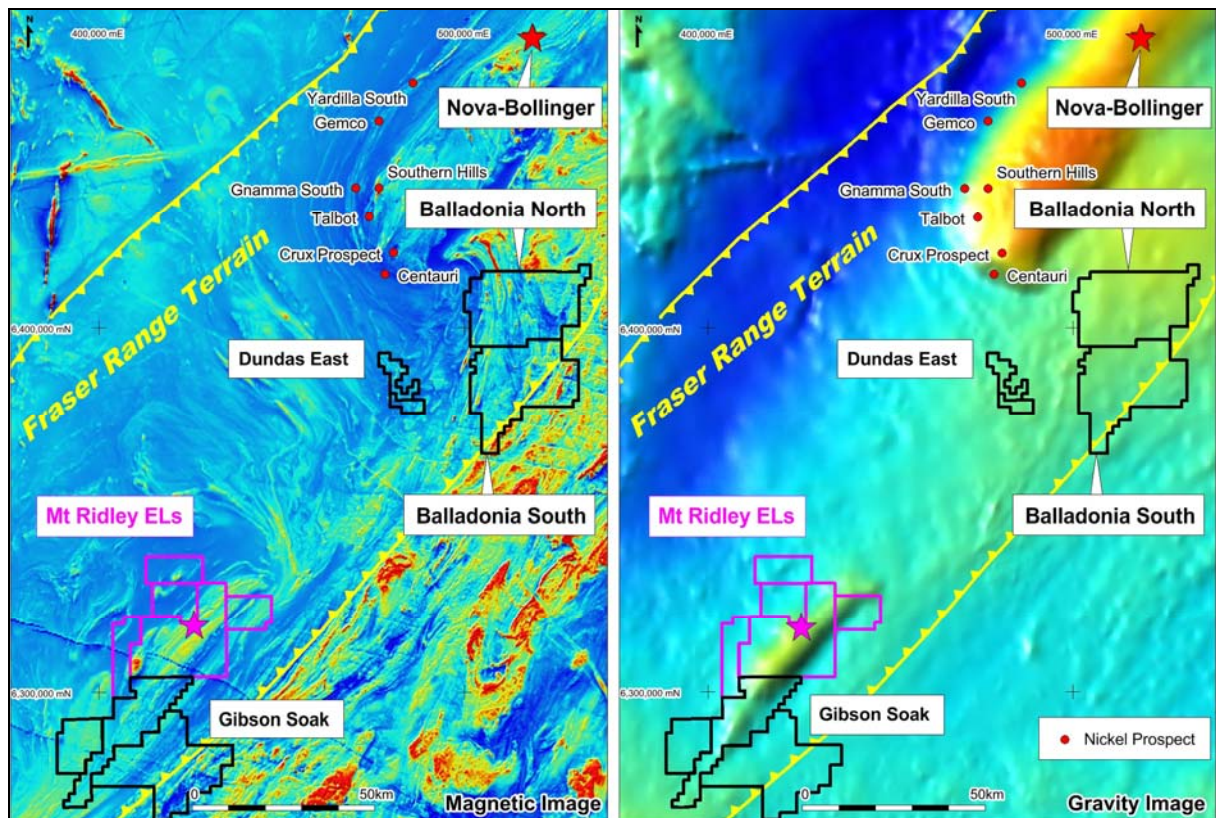


Figure 1: Fraser Range Tenement Locations

AusQuest has concentrated its Fraser Range exploration efforts south of the Nova-Bollinger discovery in a region where a number of exploration successes have been reported in recent months – first the Crux prospect where Sirius has reported that recent drilling has intersected “Nova-style host-rocks” with disseminated sulphide mineralisation (Sirius ASX Announcement 16/02/2015) and now the Mt Ridley prospect.

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Mt Ridley Mines yesterday reported olivine-bearing mafic-ultramafic intrusions with disseminated nickel and copper sulphides at this prospect.

AusQuest has a large land holding (~2300km²) south of Nova, recently increasing its footprint with the addition of two new Exploration Licence applications surrounding the Gibson Soak tenement.

A comparison of magnetic and gravity data over the Gibson Soak and Mt Ridley titles clearly shows the continuity of regional structures and broad-scale mafic lithologies that extend across the two companies' tenement boundary (Figure 2).

The aeromagnetic data show numerous possible mafic intrusions within the Gibson Soak tenement, similar to those being tested by Mt Ridley's drilling program immediately to the north. These intrusions, which are characterised by negative and/or low magnetic responses that appear to distort magnetic trends, are regarded by the Company's consultants as prime targets for nickel-copper exploration.

AusQuest intends to ramp-up the Company's exploration effort at Gibson Soak in light of the Mt Ridley results, with planning now underway for a phase of Aircore drilling and/or ground EM surveys.

Much of the Gibson Soak tenement is covered by farm land which requires access agreements to be negotiated before on-ground work can commence. Discussions are continuing.

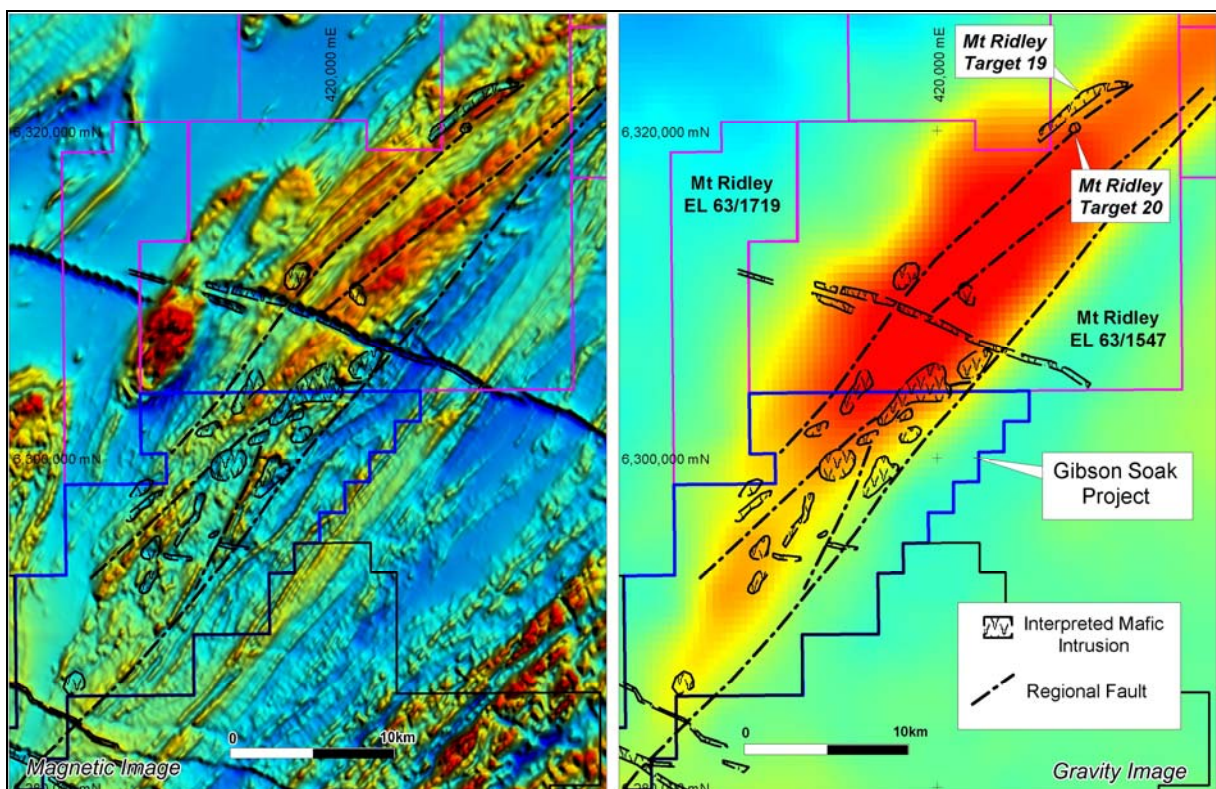


Figure 2: Gibson Soak Magnetic & Gravity Images showing location of MRD Targets 19 & 20

The Company is pleased that the potential of this southern area of the emerging Fraser Range province is finally being confirmed and plans to continue focusing its exploration efforts within this exciting emerging mineral province as well as on drill target definition within its copper-gold projects in southern Peru.



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.

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