

February 23rd, 2015
ASX Release



MAJOR DRILLING CAMPAIGN UNDERWAY AT AUSQUEST'S BANFORA GOLD JV PROJECT

Key Points:

- *AusQuest's Joint Venture Partner (SEMAFO subsidiary) plans to spend up to US\$5.6M on exploration in 2015 at the Banfora Gold JV Project.*
- *Major drilling campaign has commenced and budget includes up to 39,000m of RC drilling and 150,000m of auger drilling.*
- *Range of gold targets to be tested, giving AusQuest exposure to one of the more significant gold exploration programs being undertaken in Africa in 2015.*

AusQuest Limited (ASX: AQD) is pleased to advise that a major exploration program, including plans to drill up to **39,000m** of Reverse Circulation (RC) and **150,000m** of shallow auger drilling during 2015, has commenced at its **Banfora Gold Joint Venture Project** in Burkina Faso, West Africa.

AusQuest has been advised of the substantial exploration program by its joint venture partner, Ressources Burkinor, a wholly-owned subsidiary of TSX-listed SEMAFO Inc.

The program, which is now underway is managed by Burkinor and is planned to continue throughout the year with a break during the July–September period when the wet season may interrupt field operations.

The RC drilling programme will provide an initial test of a range of gold targets identified from the auger sampling program completed in 2014, and will cover targets located in five of the joint venture tenements (*Figure 1*).

The extensive auger sampling program (400m x 25m grid) will focus on the eastern margin of the Banfora Greenstone Belt and test the entire Mouro Shear trend containing the Mouro South gold workings, within the confines of the joint venture tenements (*Figure 1*).

The proposed budget for this work is estimated by Burkinor at ~US\$5.6 million which includes a provision of US\$1.6 million which is dependent on results.

AusQuest's Managing Director, Mr Graeme Drew, said the Company was very pleased to see such a significant expenditure commitment being made by Burkinor to the Banfora gold joint venture areas during 2015.

“This will give AusQuest exposure to a substantial West African gold exploration venture with the potential to deliver strong news flow and great discovery potential – building on the work that has been done in Burkina Faso over the past few years.

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“We look forward to reporting results from these programs over the coming months,” he added.

This level of total expenditure could result in Burkinor earning an 80% interest in the joint venture tenements by the end of 2015. Under the Farm-In and Joint Venture Agreement, Burkinor can earn up to an 80% interest in the Banfora tenements by spending a total of US\$7.5 million over a three-year period.



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.

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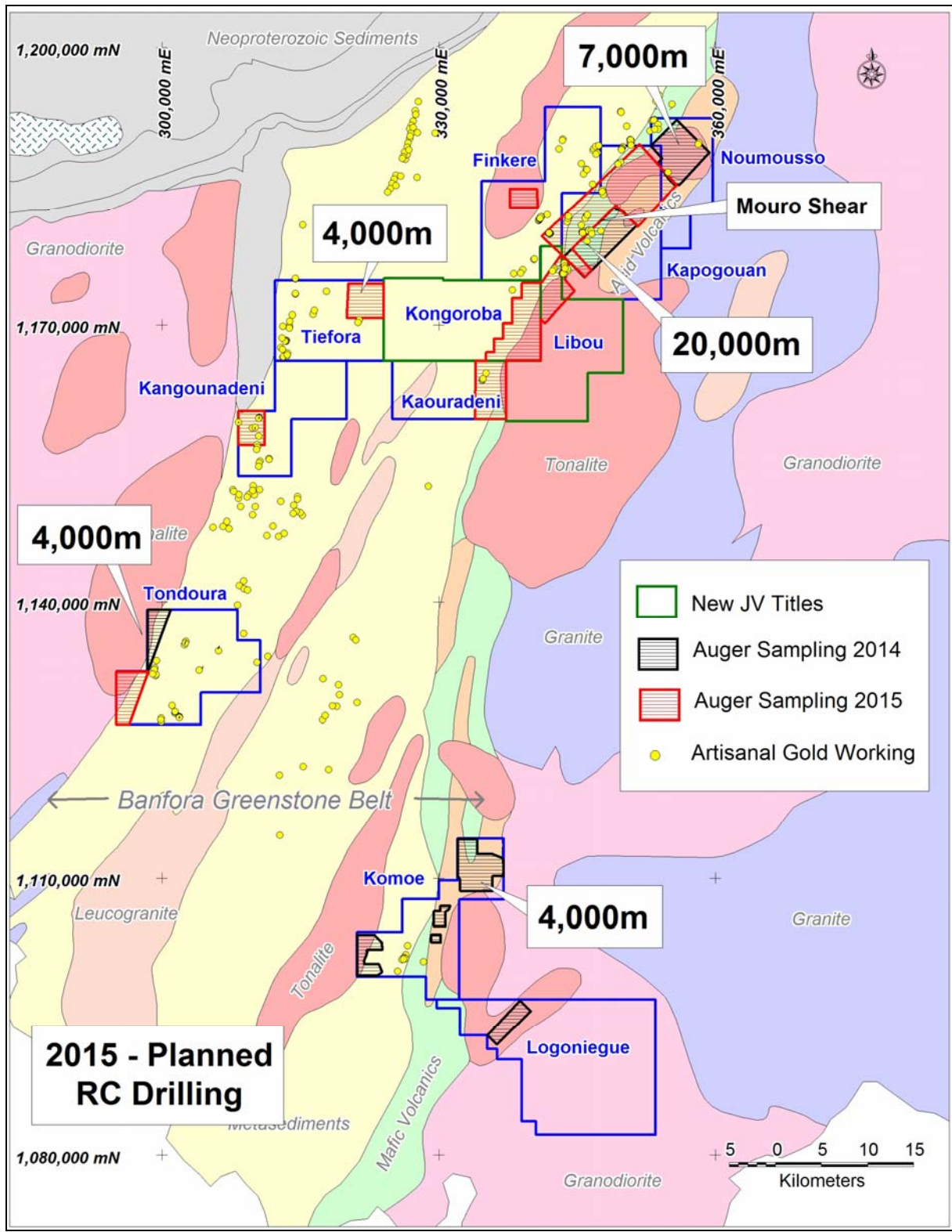


Figure 1: Banfora Joint Venture tenements showing RC and Auger drill programs - 2015