ASX ANNOUNCEMENT

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DIAMOND AND RC DRILLING SUBSTANTIALLY EXPANDS SCALE OF COPPER MINERALISATION AT CANGALLO

- ***Recent diamond and Reverse Circulation (RC) drilling has significantly increased the size of the porphyry copper-gold system(s) at Cangallo.***
- ***Diamond drilling (two holes for a total of 1,630m) has extended the mineralised vein system to a depth of over 800m in the area covered by Stage 1 and 2 drilling.***
- ***Stage 3 RC drilling (six holes completed to date) has intersected visual copper oxides and sulphide mineralisation (chalcopyrite) more than 500m south of the earlier drilling.***
- ***The potential of this exciting new copper discovery continues to grow – with the mineralised system(s) now extended by drilling for more than 1.0km from north to south with potential for further expansion as RC drilling progresses to the south.***
- ***Initial assay results from the RC drilling program are expected later this month.***
- ***Results from RC drilling will help guide the next diamond drilling program.***

AusQuest Limited ("AusQuest" or the "Company") (ASX: AQD) is pleased to advise that recently completed diamond drilling and the RC drilling program that is currently in progress have significantly expanded the scale of the porphyry copper-gold system at its 100%-owned Cangallo Porphyry Copper-Gold discovery in Peru.

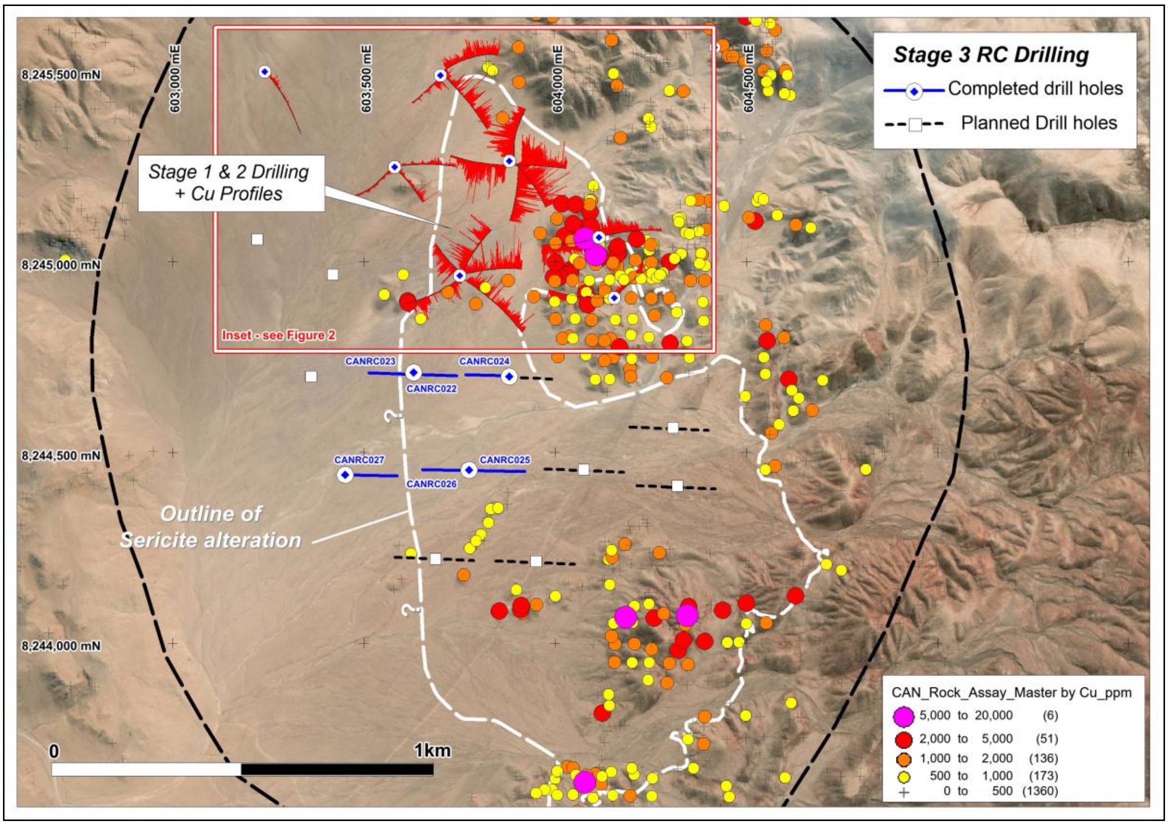

Figure 1: Cangallo Prospect showing location of completed and planned Stage 3 RC drill-holes.

Preliminary visual inspection of drill-chips from the first six RC drill-holes indicates that copper oxides and sulphides are present in all drill-holes to varying degrees, extending the strike length of the mineralisation at least 500 metres to the south of Stage 1 and 2 drilling – effectively increasing the size of the overall porphyry system to more than 1.0 kilometre from north to south (Figure 1).

Copper continues to occur in stockwork veins and veinlets within the host volcanics, but in some drill-holes there is evidence of porphyry dykes that appear to be mineralised. RC drill samples are being sent to the ALS laboratory in Lima for analysis. Initial assay results are expected to be available in January 2026.

(*Cautionary Statement: Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. A summary log of visual estimates of mineralisation for drill-holes CANRC022 and CANRC027 is provided in Table 2 below.)*

Diamond Drilling:

Initial diamond drilling (two holes for a total of 1,630m) has been completed to test the depth extent of the hypogene copper (sulphide mineralisation) below the current level of RC drilling, and provide insights into the geological relationships and controls on the mineralisation. Significant intersections from these drill-holes are shown in Figure 2 and provided in Table 1 below.

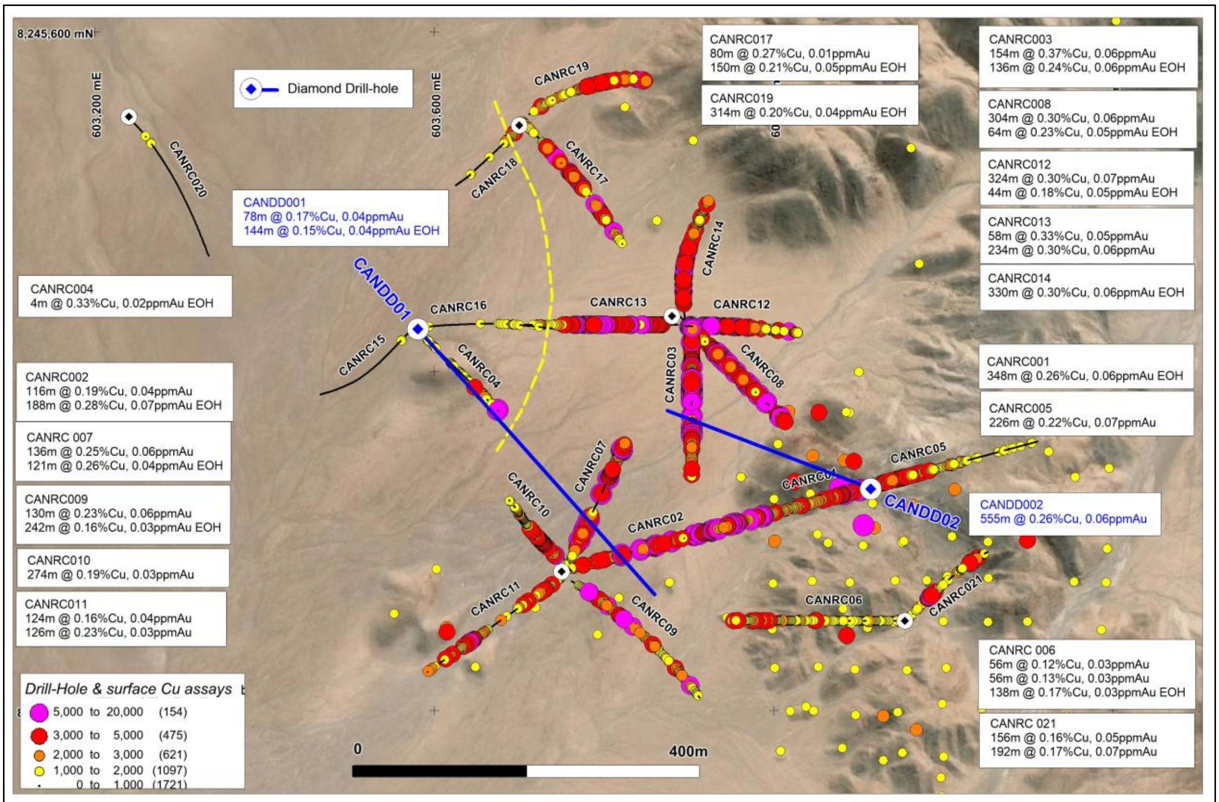

Figure 2: Cangallo Porphyry Copper Prospect showing RC and diamond drill-hole locations and significant intersections.

Core logging has confirmed that copper oxides occur to depths in excess of 300m and sulphide mineralisation to depths exceeding 800m. The main oxide minerals are malachite, chrysocolla and atacamite with sulphide mineralisation dominated by chalcopyrite, chalcocite and bornite with rare covellite. Supergene enrichment appears to have upgraded the copper mineralisation in parts of the system.

Table 1: Significant intersections from the diamond drilling program include:

Hole Number	From (m)	To (m)	Interval (m)	Cu %	Au ppm	Mo ppm	Ag ppm
CANDD001	212	220	8	0.11	0.02	53	0.08
	284	294	10	0.12	0.02	43	0.41
	430	442	12	0.12	0.03	55	0.20
	458	478	20	0.14	0.03	55	0.20
	546	624	78	0.17	0.04	27	0.33
	662	676	14	0.12	0.02	51	0.20
	686	**830 EOH**	**144**	**0.15**	**0.04**	**30**	**0.29**
CANDD002	**5**	**560**	**555**	**0.26**	**0.06**	**16**	**0.36**
including	*32*	*68*	*36*	*0.38*	*0.11*	*5*	*0.06*
	120	*130*	*10*	*0.5*	*0.08*	*22*	*0.40*
	350	*380*	*30*	*0.5*	*0.08*	*19*	*0.63*
	406	*426*	*20*	*0.42*	*0.08*	*16*	*0.57*
	456	*480*	*24*	*0.40*	*0.08*	*27*	*0.37*
	500	*522*	*22*	*0.41*	*0.11*	*26*	*0.82*
	542	*556*	*14*	*0.44*	*0.11*	*21*	*1.02*
	580	610	30	0.19	0.07	45	0.34
	622	664	42	0.17	0.04	16	0.30

Broad copper intervals determined using a 0.1% Cu cut-off and an internal waste of 6 metres.

Gold, molybdenum and silver values were averaged for same intervals as the copper intersections

Higher grade intervals (including) were determined using 0.3% Cu cut-off and 6 metre waste intervals and a minimum 10m interval

Mineralisation occurs dominantly in stockwork veins and veinlets within both the andesitic and dacitic volcanics. Hypogene copper (primary sulphides) is closely associated with chlorite and sericite/muscovite alteration within veins that can be up to 2cm thick (*Figures 3 and 4*). The amount of copper in the rock and hence grade, appears to be controlled by the density of mineralised veins within the host volcanics.

All drill-core has been orientated so that structural measurements on the various vein sets could be undertaken in order to provide vectors to the stronger parts of the mineralised system where veining is expected to be more intense.

Up to four different mineralised vein sets related to the porphyry system were identified and measurements taken (*Figure 4*). Structural interpretation of this data is in progress to determine potential vectors to the causative intrusions.

The presence of hypogene copper (sulphide mineralisation) within stockwork veins and fractures, accompanied by a variety of mineral assemblages associated with porphyry systems, provides evidence that a strongly mineralised porphyry stock could occur nearby.

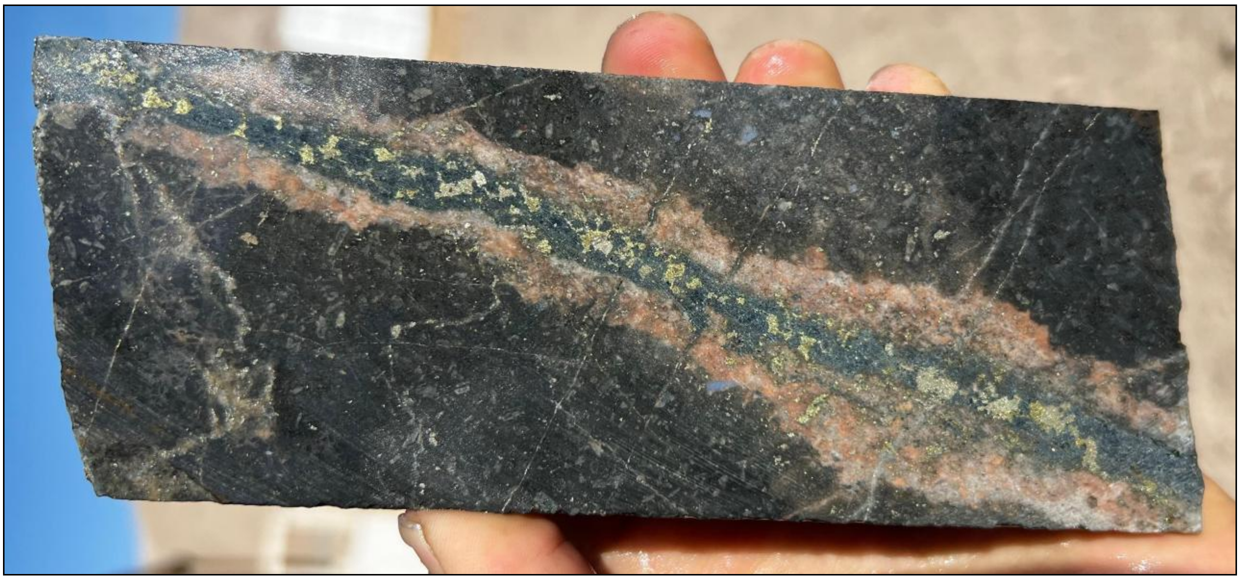

Figure 3: Core photo from CANDD002 at 581m, showing mineralised vein within the host volcanics – chalcopyrite (brassy yellow colour) and pyrite with chlorite and sericite within the central vein surrounded by a potassic alteration selvage (quartz and K feldspar).

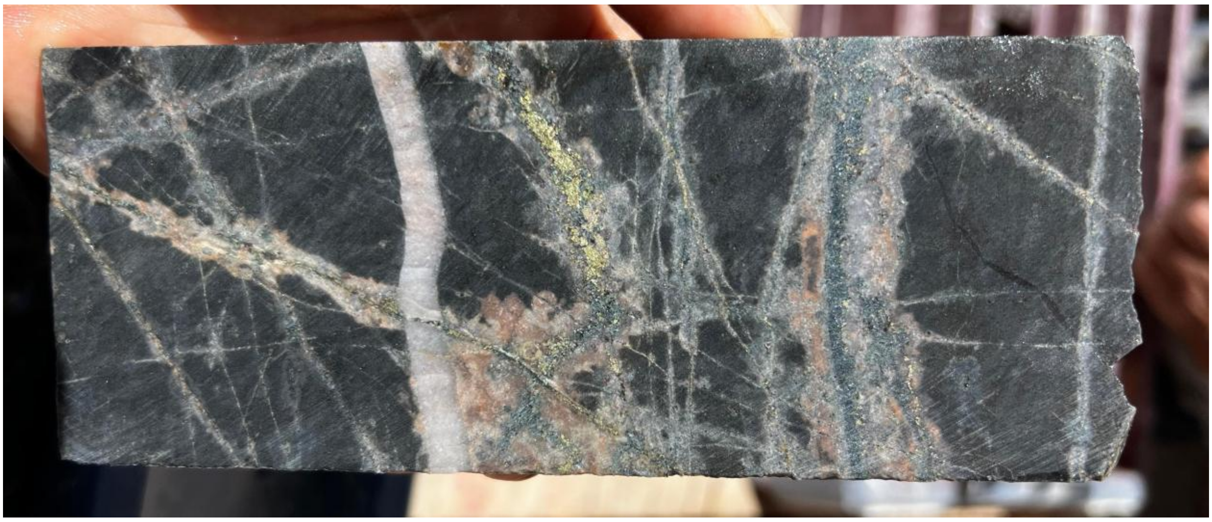

Figure 4: Core photo from CANDD002 at 379m, showing multiple vein sets within the host volcanics and quartz sericite veins containing chalcopyrite (brassy yellow colour).

Commenting on progress at Cangallo, AusQuest's Managing Director, Graeme Drew, said:

"We are very pleased with what we are seeing in the RC drilling, which is clearly extending the mineralisation a long way to the south, as we expected. It is still early days with this drilling program but initial indications are very encouraging.

"Assay results for the two deep diamond drill-holes are also encouraging but in different ways. Results from CANDD001 have confirmed that the porphyry system extends to depths greater than 800m, making it potentially a very large porphyry system, while CANDD002 has extended the higher grade copper intersections from the earlier RC programs to depths up to 660 metres.

"Thanks to the recently completed successful placement, we now have sufficient funds to significantly expand our drilling programs and determine the full potential of this exciting and potentially transformational new copper discovery.

"We look forward to keeping the market updated on the results from our drilling as they become available in the coming weeks."

Context:

Peru is the second largest copper producer in the world behind Chile, with around 2.8Mt of copper being mined and processed per annum. The bulk of this production comes from around 10 large copper projects, mainly porphyries, that are located along the Andean Belt that extends from Chile in the south to Ecuador in the north.

Porphyry deposits are typically large (often over 1 billion tonnes of ore) and usually open-cuttable with low waste to ore ratios. The shallower parts of these ore bodies are usually oxide ores that can be processed using heap leach methods, resulting in lower development and operational costs.

There are a number of profitable large-scale operations (Cerro Verde, Cuajone, Toquepala, Quellaveco and new approved developments at Zafranal) located within the Arequipa District where Cangallo is situated, using head grades between 0.20% and 0.40% Cu. These mines have multi-decade mine-lives and are long-lived assets.

The economic viability of the Peruvian resources is often affected by a range of issues including location, altitude, proximity to infrastructure and water, as well as land usage conflicts with local communities.

The Cangallo Project is particularly well located with respect to the above, being close to significant infrastructure, 25km east of the town of Chala and within 10km of the coast. Community consultation has formed part of the Company's exploration process, with no critical issues identified to date.

Peru is a stable country and the government is supportive of new mine developments as they add significantly to the Peruvian economy and the communities where they are located.

Graeme Drew
Managing Director

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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.

*Announcements to ASX for the Cangallo Project

2023 – 2025 Quarterly Activities and Cashflow Reports

02/12/2025 Stage 3 Drilling commences at the Cangallo Copper-Gold Discovery in Peru
12/11/2025 Diamond Drilling more than doubles depth extent of Copper mineralisation at Cangallo
30/09/2025 Diamond Drilling Commences at Cangallo
28/08/2025 Cangallo Porphyry Copper Discovery continues to grow
21/07/2025 Cangallo Drilling Progress Report
12/06/2025 Drilling Commences at Cangallo
24/04/2025 Drilling set to commence at Cangallo
05/03/2025 Drilling to extend Cangallo Cu-Au discovery
06/02/2025 Cangallo Discovery Confirmed
23/01/2025 Significant Porphyry Copper Discovery at Cangallo
17/12/2024 Drilling commences at Cangallo in Peru
09/11/2023 Cangallo Porphyry Copper Prospect Upgraded
13/11/2025 RC Drilling set to commence at Cangallo

Table 2: Summary drill log of visible mineralisation in RC drill-holes

Drill-hole	From (m)	To (m)	Interval (m)	Mineralisation Modes	Oxide Minerals	Oxide % (Visual estimate)	Sulphide Minerals	Sulphide % (Visual Estimate)
CANRC022	35	250	215	fractures, micro veinlets & veins	Mixture of chrysocolla, jarosite. neoticite	0.1% to 0.5%		
	250	415 EOH	165	fractures, microveinlets & veins			mixture of pyrite chalcopyrite, chalcocite	0.1% to 0.5%
CANRC023	10	130	120	veins, veinlets & fractures	jarosite, limonite neoticite	0.1% to 0.5%		
	250	320 EOH	70	veins, veinlets & fractures		0.1%	chalcopyrite, pyrite, chalcocite	pyrite 1% chalcopyrite 0.2%
CANRC024	40	80	40m	veins, veinlets & fractures	neotocite, jarosite, limonite	0.1%		
	200	420 EOH	220m	veins, veinlets & fractures			pyrite, chalcopyrite, chalcocite molybdenite	pyrite 1% chalcopyrite 0.5%
CANRC025	45	90	45m	veins, veinlets & fractures	Jarosite. neoticite	0.1%		

	190	220	30m	veins, veinlets & fractures	iron oxide jarosite	0.1%		
CANRC026	60	200	140m	veins, veinlets & fractures	Mixture of chrysocolla, atacamite, malachite	0.1% to 0.5%	mixture of pyrite chalcopyrite, chalcocite	
	150	350	200m	veins, veinlets & fractures			mixture of pyrite chalcopyrite, chalcocite trace bornite	pyrite 1% chalcopyrite 0.5% chaclocite 0.5%
CANRC027	180	435 EOH	255m	veins, veinlets & fractures			chalcopyrite, pyrite, chalcocite, trace bornite	pyrite 1% chalcopyrite 1% chalcocite 0.3%

JORC Code, 2012 Edition – Table 1 report, Reverse Circulation Drilling at Cangallo in Peru

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples are collected using a tube sampler by spearing into each one metre sample bag and compositing samples on a two-metre basis. • Sample depths are determined by the length of the rod-string and confirmed by counting the number of samples and bags at the drill platform as per standard industry practice. • A ~4kg sample is collected for representivity.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC Drilling with a face sampling bit has been used with a hole diameter of approximately 132mm. • Down-hole surveys are recorded at 10m intervals using a down-hole gyroscope probe.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Experienced RC drillers and an appropriate rig were used to provide maximum sample recovery. • Minimal to no water was encountered in all drill holes. • The weight of every bulk 1 metre sample was recorded and checked for sample recovery estimates. Sample recovery was acceptable to industry standard. • The sample weight of every laboratory sample was also collected and weighed on site for future reference. • At this early stage of exploration, it is not known if there is a relationship between sample recovery and assay grade.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC sample chips were collected into chip trays and are stored for future reference. • RC samples were logged on site during the drilling by experienced geologists to identify key rock types and mineralization styles. • Sample logging was qualitative with visual estimates of mineralization made for later comparison with assay results. • All one metre drill samples were logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC samples were collected every 1 metre into large plastic bags and stored in rows per depth at the drill site. • Samples were collected using a 50mm tube sampler and composited on a two metre basis. • Certified coarse blanks and fine standards are inserted approximately every 35 samples and duplicates taken every 20 samples for quality control purposes. • The sample sizes are considered appropriate for the geological materials sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying of the drill samples is by standard industry practice. • The samples are sorted, dried, crushed then split to obtain a representative sub-sample which is then pulverized. • A portion of the pulverized sample is digested using a four acid digest (Hydrofluoric, Nitric, Hydrochloric and Perchloric) which approximates a total digest for most elements. Some refractory minerals are not completely dissolved. • Inductively Coupled Plasma Mass Spectroscopy (ICP-MS) was used to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti Tl, U, V, W, Y, Zn, Zr, • Au assays were provided by 30g fire assay with AA finish. • Every 2 metre composite sample is also submitted for

Criteria	JORC Code explanation	Commentary
		Hyperspectral analysis using a TerraSpec instrument and uploaded into the aiSIRIS^{TM} software for mineral identification and spectral output. • Assays are provided by ALS del Peru in Lima which is a certified laboratory for mineral analyses. Analytical data is transferred to the company via email. • Data from the laboratory's internal quality procedures (standards, repeats and blanks) are provided to check data quality. • The Company collects duplicate samples on an approximate 1: 20 basis, and inserts coarse blanks on a 1:30 basis and fine blanks on a 1:35 basis and fine standards are inserted on a 1:35 basis.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of intersections was undertaken. Drilling is still wide spaced and semi-reconnaissance in nature. • All primary sample data is recorded onto a printed sheet on site and uploaded to a site laptop, all geological data is recorded at the drill platform on a site laptop and downloaded daily and onto an external backup. • No adjustments have been made to the assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars including elevation are located by hand held GPS to an accuracy of approximately 5m. • All surface location data are in WGS 84 datum, UTM zone 18S.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC drill-holes were sited to test for mineralization at shallow depths within a broader intrusive complex and testing for broad zones of stockwork veining associated with a hydrothermal mineralised system • Samples were composited on a 2 metre basis.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Any bias due to the orientation of the drilling is unknown at this early stage of exploration.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by the operator of the Project.

Criteria	JORC Code explanation	Commentary
		Procedures match with Industry best practice. • Samples are collected into securely tied bags and placed into cable-tied plastic bags for transport to the laboratory. Each sample batch has a sample submission sheet that lists the sample numbers and the work required to be done on each sample. • Samples were transported to the laboratory by company vehicle using trusted company personnel. • Sample pulps (after assay) are held by the laboratory and returned to the company after 90 days.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits of the sampling techniques or data have been carried out to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Cangallo project is located approximately 25 km east of the town of Chala in the south of Peru. • The Cangallo project comprises 14 granted mineral concessions. The tenements are held by Questdor which is a 100% subsidiary of AusQuest Limited. • There are no major heritage issues to prevent access to the tenements. A drill permit (FTA) has been provided by INGEMMET for the drilling program following environmental, and community approvals.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historic exploration data is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cangallo project is targeting Porphyry deposits along the coastal belt of southern Peru. These are large scale disseminated copper (and gold) deposits found within orogenic belts that surround the Pacific Rim. The deposits can be really large requiring significant drilling

Criteria	JORC Code explanation	Commentary
		to evaluate.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All relevant drill hole data and information are provided below.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• N/A for this report.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All intervals reported will be down-hole lengths. True widths will be unknown at this stage.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• All drill holes are shown on appropriate plans and included in the ASX release. • Drill-hole cross sections will be provided when sufficient drilling has been completed to make the cross sections meaningful.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• At this early stage of drilling, only significant assay results will be reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious*	• The relationship between this third phase of RC drilling and previous exploration data is shown in the report.

Criteria	JORC Code explanation	Commentary
	or contaminating substances.	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further RC drilling will be dependant on results of this program.

Drill-Hole Details

Hole_ID	East (m)	North (m)	RL (m)	Azimuth	Inclination	Planned Depth
CANRC022	603630	8244710	1161	90	-60	400
CANRC023	603630	8244710	1161	270	-60	400
CANRC024	603880	8244700	1166	270	-60	400
CANRC025	603775	8244454	1162	90	-60	400
CANRC026	603775	8244454	1162	270	-60	400
CANRC027	603450	8244442	1154	90	-60	400

Projection: WGS84 Zone 18S

JORC Code, 2012 Edition – Table 1 report, Diamond Drilling at Cangallo in Peru

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The entire cored hole is sampled (except for Quaternary cover sequence). Composite samples are being collected over 2 metre intervals • Core is cut in half with half sent for analysis and half retained for geological and quality control purposes • Sample intervals are measured by tape from depth intervals shown on core blocks labeled by the drillers, as per standard industry practice.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond Drilling to produce continuous core. • HQ3 and NQ3 drill rods used to produce 60.1mm and 45.3mm diameter core respectively. The hole starts with HQ core and changes to NQ at the appropriate depth depending on drilling conditions. • Down-hole surveys will be read at ~ 10m intervals using gyro downhole survey system.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recovery is determined by comparing core lengths measured against drilled intervals shown on core blocks and recorded on the logs. • Experienced diamond drillers are engaged to ensure maximum core recovery. • Sample recovery is expected to be high negating any sample bias due to recovery.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Drill core and sample chips are logged by experienced geologists to identify key rock types, alteration and mineralisation styles.

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Core logging is qualitative with visual estimates of mineralisation made for later comparison with assay results. • All core will be oriented using Core master system to enable structural measurements to be made on veins, fractures and dykes where appropriate. • All structural elements of the core are logged by a geotechnician and Alpha and Beta angles are recorded with a Kenometer. These are then entered into the structural data base • All core will be logged and photographed wet and dry.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples are collected by cutting the core in half along its length and sampling over 2 metre intervals. In sections where core cannot be cut, representative core chips are collected for assay. • Duplicate samples are collected from the core every 113th sample for quality control. The duplicated sample is from the same length and a quarter of the core is used as the original sample with 30% of the core used as the original and 30% used as the “duplicate”. 40% is retained in the core box. • The sample sizes are appropriate for the geological materials being sampled. • Specific Gravity readings are collected every10 metres and in changes of lithology. Readings are collected from a 10cm cut length of whole core that is measured in calibrated beaker for water displacement
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying of the drill samples is by standard industry practice. • The samples are sorted, dried, crushed then split to obtain a representative sub-sample which is then pulverized. • A portion of the pulverized sample is digested using a four acid digest (Hydrofluoric, Nitric, Hydrochloric and Perchloric) which approximates a total digest for most elements. Some refractory minerals are not completely dissolved.

Criteria	JORC Code explanation	Commentary
		• Inductively Coupled Plasma Mass Spectroscopy (ICP-MS) will be used to measure Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti Tl, U, V, W, Y, Zn, Zr, • Au assays will be provided by 30g fire assay with AA finish. • Every 2 metre composite sample is also submitted for Hyperspectral analysis using a TerraSpec instrument and uploaded into the aiSIRIS™ software for mineral identification and spectral output. • Assays are provided by ALS del Peru in Lima which is a certified laboratory for mineral analyses. Analytical data is transferred to the company via email. • Data from the laboratory's internal quality procedures (standards, repeats and blanks) are provided to check data quality. • The Company has a QA/QC system allocated randomly to a percentage of every 100 samples with the following ratios: duplicate samples 6% (~ every 15), coarse blanks 3% basis (~every 30), fine blanks 3%, and ore standards 3%.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• N/A for this report. • All primary sample data will be recorded onto a printed sheet on site and uploaded to a site laptop, all geological data is recorded at the logging area on a site laptop and downloaded daily onto an external backup.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars including elevation are located by hand held GPS to an accuracy of approximately 5m. • Collars are then located on completion of the program with centimetre scale precision using a differential GPS system calibrated to the on-site registered surveyed datum points • Down hole surveys on angled holes are carried out every 10m down hole, and at the end of the hole. • All surface location data are in WGS 84 datum, UTM

Criteria	JORC Code explanation	Commentary
		zone 18S. • Two registered surveyed datum points have been established at site and these points are registered in the Peruvian national grid system by a registered survey group GEOM
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Diamond drill-holes are positioned to test for hypogene mineralization beneath previous RC drill-holes. No systematic diamond drilling has been undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Any bias due to the orientation of the drilling is unknown at this early stage of exploration.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is managed by the operator of the Project. Procedures match with Industry best practice. • Samples are collected into securely tied bags and placed into cable-tied plastic bags for transport to the laboratory. Each sample batch has a sample submission sheet that lists the sample numbers and the work required to be done on each sample. • Samples will be transported to the laboratory by company vehicle using trusted company personnel. • Sample pulps (after assay) are held by the laboratory and returned to the company after 90 days.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits of the sampling techniques or data have been carried out to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Cangallo project is located approximately 25 km east of the town of Chala in the south of Peru. • The Cangallo project comprises 14 granted mineral concessions. The tenements are held by Questdor which is a 100% subsidiary of AusQuest Limited. • There are no major heritage issues to prevent access to the tenements. A drill permit (FTA) has been provided by INGEMMET for the drilling program following environmental, and community approvals.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historic exploration data is available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Cangallo project is targeting Porphyry deposits along the coastal belt of southern Peru. These are large scale disseminated copper (and gold) deposits found within orogenic belts that surround the Pacific Rim. The deposits can be really large requiring significant drilling to evaluate.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• All relevant drill hole data and information are provided below.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Aggregate assay intervals quoted for the diamond drill-holes in this report are based on copper assays, using a cut-off value of ~0.1% Cu, and maximum internal waste

Criteria	JORC Code explanation	Commentary
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	of 6 metres. • For higher grade intervals (*quoted as including*) a 0.3% Cu cut-off and a 6m internal waste limit were used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All intervals reported are down-hole lengths. True widths are unknown at this stage.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• All drill holes are shown on appropriate plans and included in the ASX release. • New drill-hole cross sections will be provided once sufficient drilling has been completed to provide proper context for the results.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• At this early stage of drilling, only significant assay results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The relationship between current drilling and previously reported exploration data is shown in the ASX release.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future diamond drilling will be dependent on results of RC drilling currently underway.

DRILL HOLE LOCATIONS

Planned Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth (m)
CANDD001	604116	8245077	1183	290	-65	830
CANDD002	603582	8245242	1164	140	-70	800

Projection: WGS84, Zone 18S