ASX ANNOUNCEMENT

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July 29th, 2025

SIGNIFICANT ADDITIONAL MAGNETITE INTERSECTED AT THE MORRISEY PROJECT, WA

- ***Coarse grained magnetite intersected in five of the six targets tested.***
- ***All magnetite samples have been sent for Davis Tube Recovery tests.***
- ***Program funded under the Strategic Alliance Agreement (SAA).***

AusQuest Limited ("AusQuest or the Company" – ASX: AQD) is pleased to advise that recent Reverse Circulation (RC) drilling at its Morrisey Magnetite Project, located in the Midwest mining district of Western Australia, has intersected additional significant zones of coarse-grained magnetite in at least five of the six prospects drilled, adding to the inventory of magnetite identified previously at the Waterfall Prospect.

At least four prospects have produced highly encouraging results, with significant intersections of high magnetic susceptibility (>200 x 10-3 SI Units) – which is considered to be an indicator of magnetite content – provided in the table below.

The RC drill-holes were reconnaissance in nature, with 3-5 holes drilled per prospect to identify the cause of the magnetic/gravity anomalies. Drill-hole locations are shown in Figures 1 to 3.

Table 1: Significant magnetite intersections from RC drilling at the Morrisey Project

Prospect	Drill-Hole	From (m)	To (m)	Interval (m)	Magsus SI x 10-3
Murchison South	MYRC022	118	129	11	399
Murchison South	MYRC022	157	185	28	427
Murchison South	MYRC024	86	99	13	335
Murchison	MYRC030	85	108	23	304
Murchison	MYRC031	118	179	61	510
Murchison	MYRC032	124	168	44	403
Sandfly	MYRC033	32	68	36	489
Sandfly	MYRC033	145	171	26	450
Sandfly	MYRC034	107	170	63	450
Sandfly	MYRC035	178	240	62	435
Waterfall	MYRC038	138	184	46	419
Waterfall	MYRC039	40	133	93	452
Waterfall	MYRC040	130	192	62	320
Waterfall	MYRC041	34	69	35	425
Waterfall	MYRC044	97	119	22	503

Broad magnetite intervals are based on length weighted average magnetic susceptibilities (magsus) > 200 x 10-3 SI Units and including a maximum internal waste of 6 metres.
In relation to the disclosure of visual mineralisation, the Company cautions that estimates of magnetite abundance from drill chip logging should not be considered a proxy for quantitative analysis of laboratory assay results which are required to determine the actual widths and grade of the visible mineralisation.

Magnetite is a magnetic iron (Fe) mineral that can be separated from its host rock and concentrated using magnetic separation techniques. DTR results for drill samples from the Waterfall Prospect (see ASX release 25 November 2024) confirmed that a premium iron product (>70% Fe) can be produced from magnetite occurrences in this area using coarse grind sizes (106µm and 75µm), highlighting the commercial potential of the Project.

All magnetite intervals from the drilling program have been sent to the Intertek Genalysis laboratory in Perth for Davis Tube Recovery (DTR) test work, to determine the potential to upgrade the material to a premium iron product.

The results of the DTR test work are expected to be available within 4-6 weeks. Drill cross-sections will be provided once all analytical data have been received and assessed.

Commenting on the Morrisey results, AusQuest's Managing Director Graeme Drew said:

"We have been pleasantly surprised by the extent and apparent continuity of the coarse magnetite BIF sequence at Morrisey and look forward to receiving results from the DTR test work that is currently in progress.

"Previous drilling at the Waterfall prospect showed that a high-grade iron product (>70% Fe) could be produced from coarse magnetite from this area and the current drilling suggests that this outcome could be repeated in a number of areas.

"We look forward to reporting further results to our shareholders over the coming weeks and months, as they become available," he said

Graeme Drew

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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.

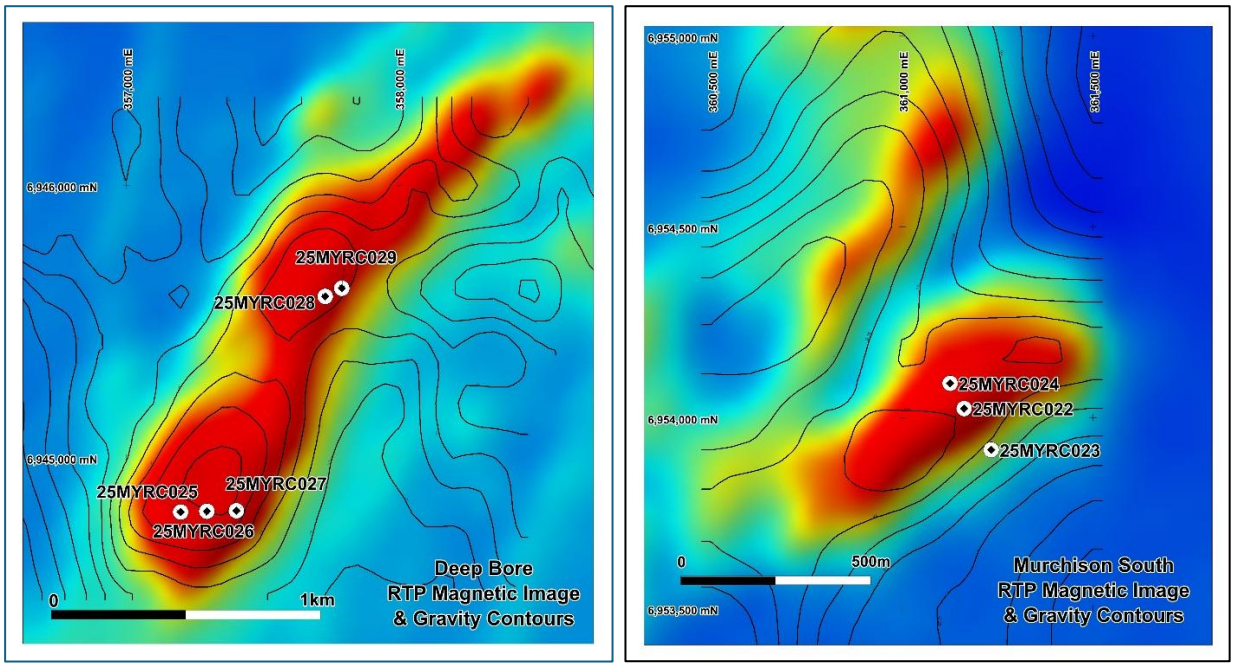

Figure 1: Deep Bore & Murchison South Prospects showing drill hole locations with respect to the magnetic and gravity anomalies being tested

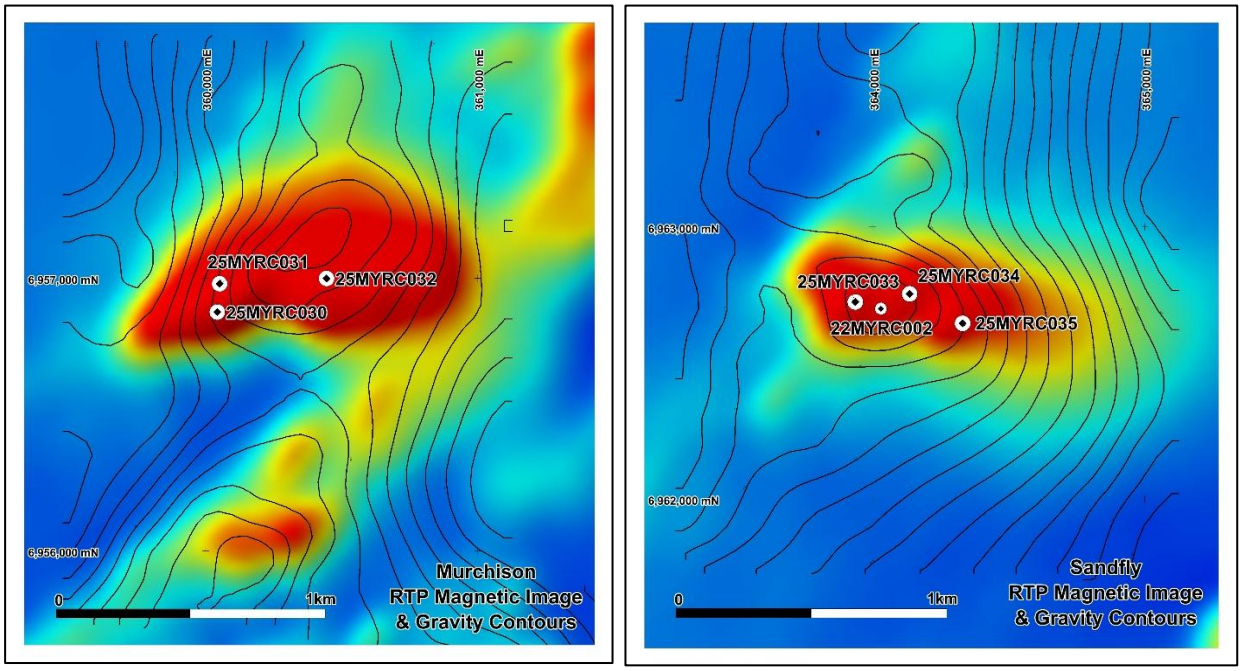

Figure 2: Murchison and Sandfly Prospects showing drill hole locations with respect to the magnetic and gravity anomalies being tested

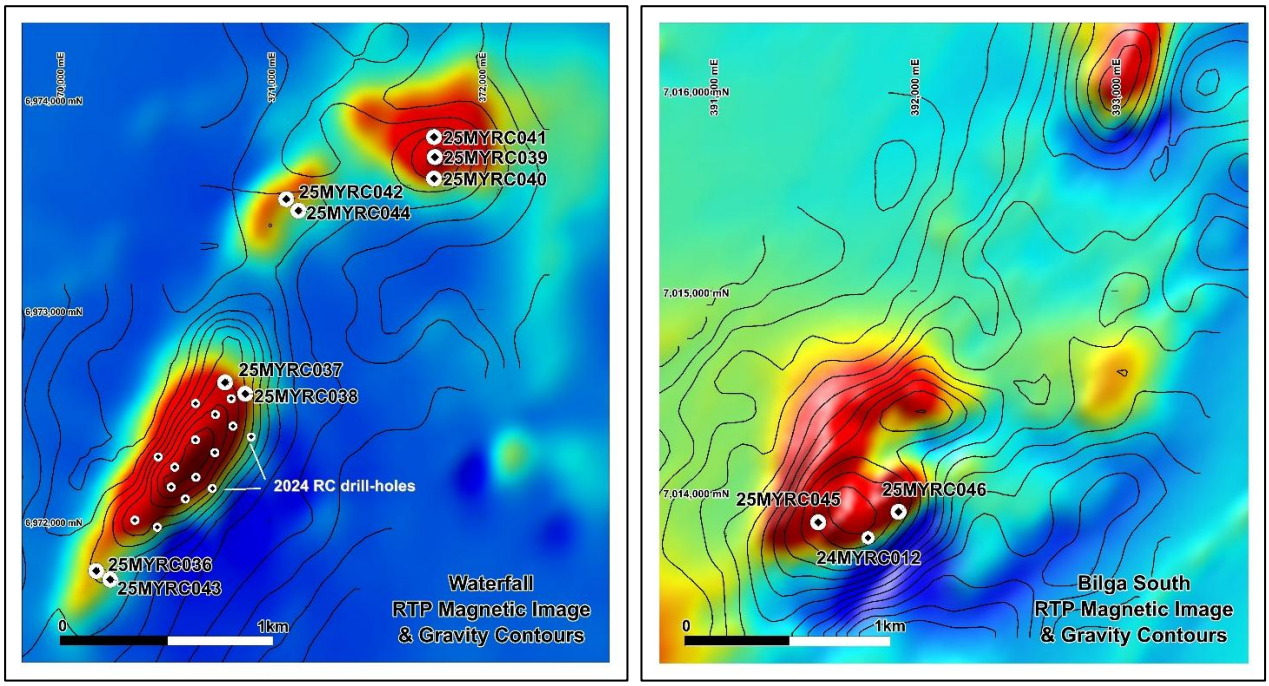

Figure 3: Waterfall and Bilga South Prospects showing drill hole locations with respect to the magnetic and gravity anomalies being tested

JORC Code, 2012 Edition – Table 1 Report Reverse Circulation Drilling at the Morrisey Project

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.*	• RC drilling was used to obtain 1m samples which were composited over 2m using an onboard cone splitter. • Sample depths were determined by the length of the rod string and confirmed by counting the number of samples and rows as per standard industry practice. • Sample weight of each 2m composite submitted for analysis was approximated 3kg. • Magnetic Susceptibility measurements were obtained using a handheld KT 10 magnetic susceptibility meter. • The sensor was pressed directly into each 1m sample pile and measurements taken and stored in the unit and downloaded. The unit was "zeroed" between each measurement and the face was cleaned between measurements. • Zones with low magnetic susceptibility were composited over 4m intervals using a scoop to collect equal amounts of material from each pile to approximately 3kg of sample.
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).*	• Reverse circulation (RC) drilling with a face sampling bit. • The RC rig was supplied by KTE drilling. A Schramm 450 onboard 1200/350 air compressor with 4.5" rods with an additional booster and auxiliary compressor truck.
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 size were used to ensure maximum sample recovery. • Visual estimates of sample quality, water saturation and recovery were noted for each metre. The vast majority of the samples were dry and sample recovery was good most of the time. • At this early stage of exploration, it is not possible to identify any 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 sieved, washed and logged by an experienced geologist to identify key rock types and mineralisation styles. Chip trays have been retained for 1m intervals for future reference. • Sample logging was qualitative with visual estimates of mineral composition made for later comparison with assay results. • Magnetic susceptibility was used to assist with the logging. • All 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.*	• Assay samples were collected every 2m utilising a static cone splitter on the rig's cyclone to produce a representative composite sample for assay. • 2m samples with a low magnetic susceptibility (<100 x 10-3 SI Units) were composited over 4m intervals and submitted for standard analysis. • 2m samples with high magnetic susceptibility (>100 x 10-3 SI Units) were composited to thicknesses ranging from 4m to 10m and sent directly for Davis Tube Recovery (DTR) Tests. • Certified standards, were inserted every 40th sample for initial 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.*	• No laboratory analysis results are reported in this announcement. Analytical methodology will be provided at the same time assay results are reported. • The sample sizes are considered appropriate for the geological materials sampled. • All samples deemed to contain magnetite (>100 x 10-3 SI Units) have been sent to Intertek Genalysis for Davis Tube Recovery Test work. • DTR methodology will be provided when DTR results are released • All samples with low magnetic susceptibility (<100 x 10-#SI Units unless they were classed as internal waste material) were composited to 4m samples and sent for standard multielement analysis using a 4 acid digest.

Criteria	JORC Code explanation	Commentary
tVerification 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. • Sample details were compiled into Excel spreadsheets for merging with assay data. • Digital data is regularly backed-up on the company's servers. • Chips trays with representative rock chips are stored for later review.
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 collar locations for easting and northing were established with a handheld GPS to +/- 5m accuracy. • RLs were determined from publicly available Shuttle Radar Topography Mission (SRTM) with absolute accuracy +/- 8m. • Down hole surveys were carried out below the collar and at the bottom of each hole using a multi-shot gyro system. • Grid system used is GDA94 Zone 50S.
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.*	• Drill holes were generally irregularly spaced at ~ 100m to 200m separations and drilled to depths of ~200m (see table below). • Data spacing is considered sufficient to provide an indication of geological and possibly grade continuity within the area drilled.
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 stage of exploration. • Drill-hole orientations were based on intersecting units as close to true width as possible using the available outcrop as a guide. Where possible drilling was at right angles to the strike of the iron formations.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected in securely tied bags and placed into cable-tied bulker bags for transport to the assay laboratory, accompanied by a sample submission sheet listing sample numbers and required sample preparation and assay procedures. • Reputable companies are used to transport samples to the laboratory.

Criteria	JORC Code explanation	Commentary
		• 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 audits or reviews have been carried out on the sampling.

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 Morrisey Project is located approximately 150 km north-east of Geraldton in Western Australia. • Tenement holdings consist of three granted Exploration Licences E70/5383, E09/2397, and E59/2526 and one application E70/6687 held 100% by AusQuest. • The Morrisey Project is subject to a Strategic Alliance Agreement whereby South32 have the right to earn a 70% interest by spending US$4.5M. • The tenements are located within (WCD2025/002) Wajarri Yamatji (Part F) Native Title Determination and within (WCD2017/007) Wajarri Yamatji Part A, Native Title Determination. • Aboriginal heritage surveys are routinely completed ahead of all ground disturbing activities.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration is limited and was mainly focused on iron ore and gold targets together with some regional diamond exploration by Stockdale Prospecting and CRA Ltd. • Limited aircore drilling and surface lag sampling was reported by several companies that were targeting magnetic anomalies as possible iron ore or nickel prospects but no RC or diamond drilling has been reported. • Detailed aeromagnetic data was acquired over the northern half of EL 70/5383 and the southern part of EL 70/2397 as part

Criteria	JORC Code explanation	Commentary
		of a search for iron ore. This data is being used by the current exploration in the area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Morrisey Project is targeting coarse-grained magnetite that can be beneficiated to produce a high grade product (>70% Fe). The Narryer terrane is a complex structural area containing high grade metamorphic rocks including banded iron formations which appear to be the protoliths to the mineralization being sought. • Nickel-copper-PGE mineralisation is also being targeted within mafic/ultramafic intrusions in the Narryer Terrane which forms the NW margin of the Yilgarn Craton.

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 are provided below (see table).

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.*	• Intersections quoted in the ASX release (Table 1) are based on average magnetic susceptibility readings >200 x 10-3 SI units, and a maximum internal waste of 6 metres. • No analytical results are available at this time.
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole*	• Down hole lengths are reported - the relationship between mineralization widths and intercept widths is not known at this stage.

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	*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').*	
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.*	• Drill hole locations are shown on appropriate plans and included in the ASX release. • Drill cross sections will be provided after analytical data has been received for all drill holes.
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.*	• Significant assay results are provided in Table 1 in the ASX release. The aggregation method is described above. Magnetic susceptibility readings were recorded using KT-10 susceptibility meter on every one-metre sample and averaged over two metre intervals to match the sample interval. Magnetic susceptibility readings provide a good indication of where magnetite occurs but not necessarily Fe grade or % magnetite.
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 area was selected for drilling based on modelled magnetic and gravity data in conjunction with geological and geochemical interpretations by the company.
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.*	• Proposals of further work will be made once analytical data have been received and a thorough analysis of the data completed.

Drilling Details:

Hole_No	Prospect	Easting	Northing	RL	Datum	Zone	Azimuth	Inc	Hole_Depth
25MYRC022	Murchison South	361175	6954010	266	GDA94	50	325	-60	246
25MYRC023	Murchison South	361233	6953916	264	GDA94	50	325	-60	218
25MYRC024	Murchison South	361125	6954090	266	GDA94	50	325	-60	180
25MYRC025	Deep Bore	357199	6944800	311	GDA94	50	270	-60	228
25MYRC026	Deep Bore	357295	6944803	311	GDA94	50	270	-60	228

25MYRC027	Deep Bore	357404	6944805	309	GDA94	50	270	-60	228
25MYRC028	Deep Bore	357701	6945598	302	GDA94	50	270	-60	222
25MYRC029	Deep Bore	357804	6945602	303	GDA94	50	270	-60	228
25MYRC030	Murchison	360044	6956876	246	GDA94	50	180	-60	179
25MYRC031	Murchison	360052	6956980	246	GDA94	50	180	-60	179
25MYRC032	Murchison	360445	6956999	246	GDA94	50	180	-60	168
25MYRC033	Sandfly	363936	6962724	266	GDA94	50	300	-60	192
25MYRC034	Sandfly	364135	6962754	269	GDA94	50	300	-60	207
25MYRC035	Sandfly	364330	6962646	267	GDA94	50	300	-60	240
25MYRC036	Waterfall	370176	6971761	293	GDA94	50	300	-60	180
25MYRC037	Waterfall	370788	6972655	298	GDA94	50	300	-60	234
25MYRC038	Waterfall	370883	6972601	297	GDA94	50	300	-60	222
25MYRC039	Waterfall	371782	6973724	305	GDA94	50	360	-60	150
25MYRC040	Waterfall	371778	6973622	305	GDA94	50	360	-60	192
25MYRC041	Waterfall	371779	6973819	306	GDA94	50	360	-60	144
25MYRC042	Waterfall	371078	6973525	300	GDA94	50	315	-60	144
25MYRC043	Waterfall	370243	6971721	294	GDA94	50	300	-60	216
25MYRC044	Waterfall	371135	6973470	300	GDA94	50	315	-60	192
25MYRC045	Bilga South	391526	7013849	290	GDA94	50	315	-60	204
25MYRC046	Bilga South	391925	7013901	290	GDA94	50	315	-60	168