ASX ANNOUNCEMENT

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FIRST DEEP DIAMOND DRILL-HOLE CONFIRMS DEPTH EXTENSIONS AT CANGALLO

Summary of visual observations: Assays pending

Highlights:

- *Diamond drill-hole CANDD003 successfully completed to a depth of ~880m, confirming substantial vertical extent of the mineralised porphyry system.*
- *Copper mineralisation logged from near surface (as copper oxides) to depths of ~550m, where it occurs as hypogene sulphides (predominantly chalcopyrite with some bornite) in stockwork veins.*
- *Diamond drill-rig moved to the northern area to test below higher-grade copper zones (supergene mineralisation) reported from the RC drilling program.*
- *Assay results expected in 4 to 6 weeks.*

AusQuest Limited ("**AusQuest**" or the "**Company**") (ASX: AQD) is pleased to advise that the first diamond drill-hole (CANDD003) in the current six-hole drilling program at the Company's 100%-owned Cangallo Porphyry Copper-Gold Project (**Cangallo**) in Peru has been completed confirming the vertical extent of the mineralised porphyry system to at least 800 metres.

The current diamond drilling program is designed to test for hypogene copper mineralisation below the current depth limit (~350 metres) of Reverse Circulation (RC) drilling, and importantly will also provide critical geological information that will help vector towards higher-grade copper mineralisation that is interpreted to extend to depth.

Commenting on the diamond drilling program at Cangallo, AusQuest's Managing Director, Graeme Drew, said:

"We are very pleased with the visual observations from diamond drilling completed so far and we look forward to receiving assays from this first drill-hole in the not-too-distant future.

"The first deep diamond hole in the south has confirmed that the system extends to depths in excess of 550 metres below surface, with highly encouraging visual indications from the core (see pages 2 to 4 of this announcement).

"Deep diamond drilling is expected to continue at Cangallo for the next few months and is expected to provide critical information for assessing the scale and depth potential of the Cangallo system, as well as its economic potential.

"We look forward to keeping shareholders updated on the results as they become available."

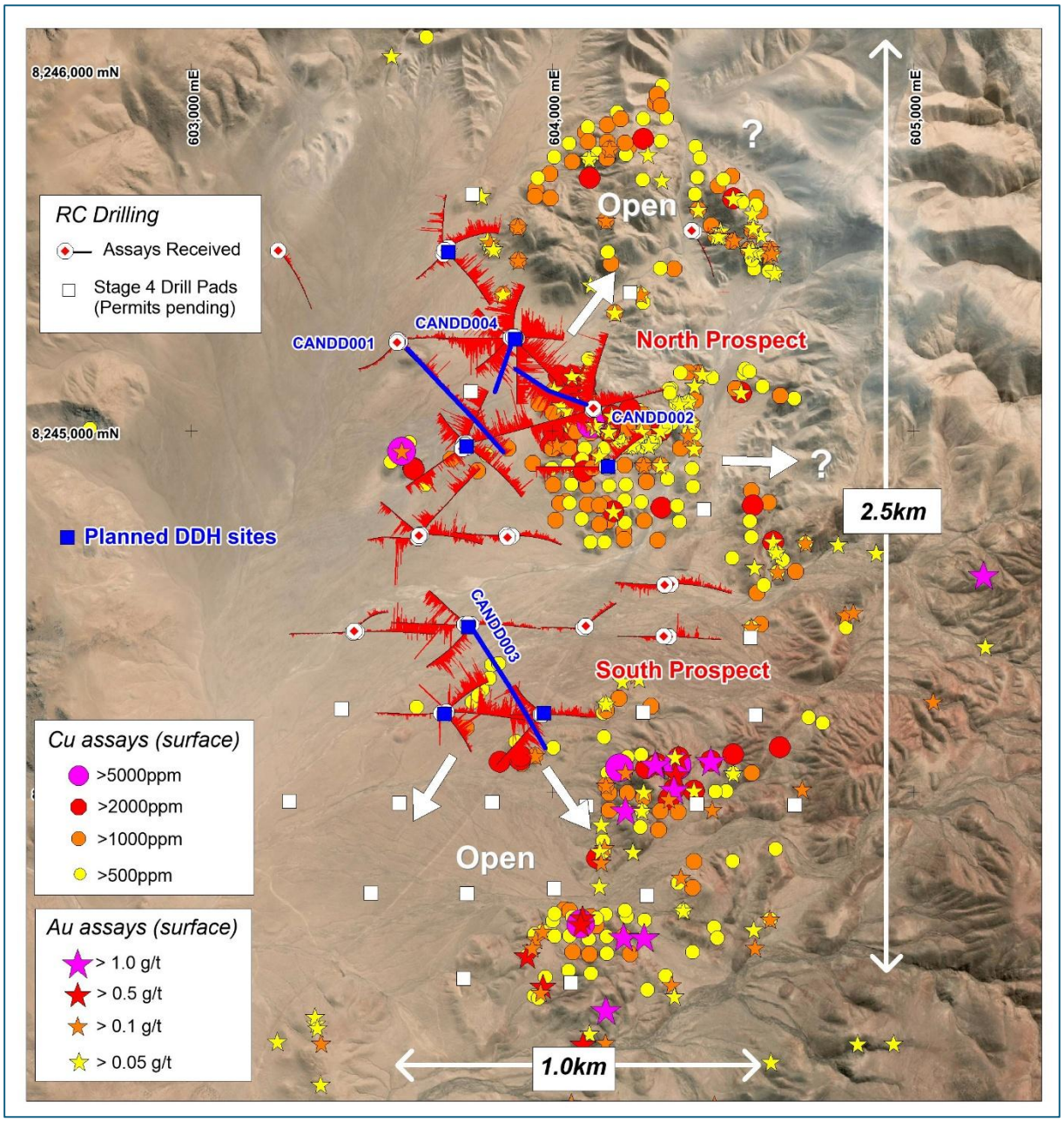

Figure 1: Cangallo Prospect showing the location of the Stage 3 RC drill-holes with copper profiles plus completed and planned diamond drill sites (surface rock-chip assays first reported in ASX releases – 30 March and 09 November 2023).

The first diamond drill-hole in the current program (CANDD003) is located within the southern mineralised corridor and is the first diamond drill-hole to be completed in this area (*Figure 1 and 2*). Assay results are expected in approximately 4-6 weeks.

Copper mineralisation occurs in stockwork veins from near surface to approximately 550m depth (Table 1), within a variable package of andesite and dacite volcanics intruded by quartz diorite and tonalite dykes. Below 550m depth, the mineralised vein density appears to decrease, but remains present at the end of hole, indicating a large vertically extensive stockwork vein complex, consistent with interpretation of the Stage 3 RC drill results.

Copper oxides have been logged to depths exceeding 250m with a zone of chalcocite observed from approximately 250m to 280m suggesting the presence of a supergene blanket that may be developed above a potential significant sulphide system.

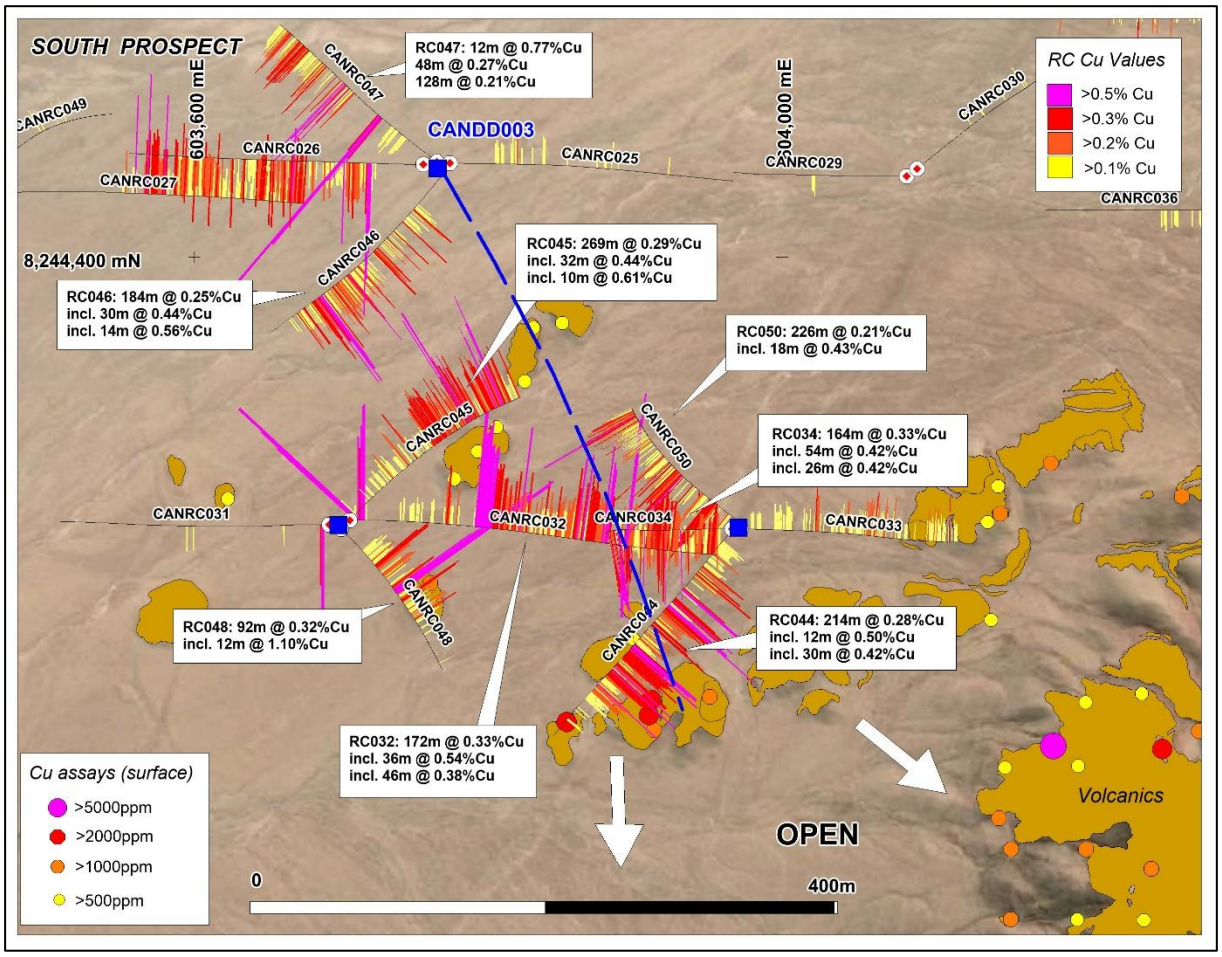

Figure 2: Cangallo South Prospect showing increased grade and thickness towards the south-east and the location of diamond drill-hole CANDD003 (assays first released 4th March and 29th May 2026).

Below ~280 metres, drilling intersected chalcopyrite ± pyrite plus rare bornite and molybdenite in stockwork veins and disseminations within the volcanic sequence, confirming the presence of hypogene mineralisation below these depths.

The primary copper mineralisation is associated with extensive quartz–sericite/muscovite–chlorite veining with several hydrothermal breccia zones also evident in the core, suggesting multiple intrusive and mineralising events which is typical of a large mineralised porphyry system (*Figures 3 and 4*).

The presence of chalcopyrite and bornite at depth indicates that the system remains open and could potentially strengthen below the current drill coverage. Further drilling will be undertaken in this area to understand the distribution and controls on copper mineralisation at these depths, once assay results have been received and assessed.

The diamond drilling program has now shifted to the northern area, where interpretation of results from RC and earlier diamond drilling (CANDD002) indicates the presence of hypogene copper mineralisation to depths of at least 600 metres (down-hole). Multiple drill-holes in the northern area finished in mineralisation, supporting the potential for additional hypogene mineralisation at depth in this area.

Drill-hole CANDD004 has been sited to test below high copper grades reported from the earlier RC drilling, and will help to determine the distribution and controls on hypogene mineralisation in the northern area. Drilling of CANDD004 should be completed within the next 2 to 3 weeks.

Figure 3: Core photos from CANDD003 showing chalcopyrite-filled veins at 308m (LHS) – disseminated chalcopyrite in porphyritic andesite host rock at 383m (centre); Muscovite-chlorite veins with K feldspar selvages and chalcopyrite either disseminated or forming centrelines in the veins at 504m (RHS).

Figure 4: Core photos from CANDD003 showing breccias within the oxide zone with disseminated chalcocite (black) at 134m (LHS) – Breccia within the sulphide zone showing potassic alteration, chlorite muscovite veins with disseminated chalcopyrite at 382m (RHS).

"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."

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.

NO NEW INFORMATION

To the extent that this announcement contains references to prior exploration results which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, the Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

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 – 2026 Quarterly Activities and cashflow Reports

29/05/2026	*Cangallo diamond drilling to commence*
05/05/2026	*Cangallo Porphyry Copper Continues Growing*
25/03/2026	*Major new drilling program commences at the Cangallo Copper-Gold Discovery, Peru*
04/03/2026	*Highly encouraging drill results continue to grow the Porphyry Cangallo Copper-Gold Project*
11/02/2026	*Cangallo delivers significant Cu extensions extending the porphyry discovery to over 1500m*
06/01/2026	*Diamond and RC drilling substantially expands scale of copper mineralization at Cangallo*
02/12/2025	*Stage 3 Drilling commences at the Cangallo Copper-Gold Discovery in Peru*
13/11/2025	*RC Drilling set to commence at Cangallo*
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*

Table 1: Summary drill log of visual mineralisation

Drill-hole	From (m)	To (m)	Interval (m)	Mineralisation Modes	Oxide Minerals	Oxide % (Visual estimate)	Sulphide Minerals	Sulphide % (Visual Estimate)
CANDD003	35	250	215	fractures, micro veinlets & veins, disseminated	Malachite, Atacamtie, Chrysocolla, Goethite, Haematite	0.1% to 0.5%		
Including	120	215	95	fractures, micro veinlets disseminated	Chalcocite	0.1% to 1%	pyrite	0.05% to 1%
CANDD003	250	300	40	fractures, micro veinlets disseminated	Chalcocite	0.1% to 0.2%		
CANDD003	300	360	60	fractures, micro veinlets & veins, disseminated			Chalcopyrite Bornite pyrite	0.1% to1% 0.1% 1% to 5%
Including	325	345	20	fractures, micro veinlets disseminated	Chalcocite	0.1%	pyrite	1% to 5%
CANDD003	360	400	40	fractures, micro veinlets & veins, disseminated			Chalcopyrite pyrite	0.1% to 1% 1% to 5%
CANDD003	440	520	80	micro veinlets & veins			Chalcopyrite Molybdenite Pyrite	0.1% to 1.5% 0.05% to 0.1% 1% to 5%
CANDD003	600	660	60	Veins & disseminated			Chalcopyrite Molybdenite Pyrite	0.2% to 1% 0.05% to 0.1% 0.5% to 2%
CANDD003	700	880	180	Veinlets & disseminated			Chalcopyrite Molybdenite pyrite	0.05% to 0.2% 0.05% to 0.1% 0.5% to 2%

NB: Mineralisation intervals are not 100% continuous and within some intervals there is internal dilution or breaks of 5-10m with minimal visual mineralisation.

"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."

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 will be 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 a 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 will be 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 will be positioned to test for hypogene mineralization beneath previous RC drill-holes. No systematic diamond drilling is being 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 for the first two diamond drill-holes are provided below.
		• Subsequent drill-hole details are unknown at this stage as they will be dependent on ongoing assessment of data, including results from the first diamond drill-hole, and will be included in future reporting.

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 for the diamond drill-holes will be based on copper assays, using a cut-off value of ~0.1% Cu, and maximum internal waste of 6 metres.

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.*	• For higher grade intervals (*quoted as including*) a 0.3% Cu cut-off and a 6m internal waste limit will be 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.
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 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.*	• The location of future diamond drill-holes will be dependent on results from the diamond drilling program as well as interpretation of the RC drill results. These will be provided in future reports.

DRILL HOLE LOCATIONS

Planned Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth (m)
CANDD003	603765	8244460	1158	150	-60	880
CANDD004	603880	8245260	1171	200	-80	800 planned

Projection: WGS84, Zone 18S