

AusQuest Limited

ACN 091542451
ABN 35091542451

AusQuest Limited
6 Kearns Crescent
Arross WA 6153
Phone (08) 93643866
Fax (08) 93644892

26 March 2004

Mr Donald Perry
Mining Registrar
Titles Division
PO Box 3000
Darwin NT 0801

TRIM Registered	
Date: 29/03/04	Time: 13:54 AM/PM
Trim File No: MT 2003/9099	
Trim Doc No: MT DOC 2004/0405	

Dear Mr Perry

CR2004-0294

Re : **EL23570, Plenty River**

Further to your letter dated 8 January 2004, please find attached our Expenditure Statement for EL 23570 together with the proposed expenditure for the 2004/05 year.

As you will note that our expenditure is short of the required \$60,000. Ausquest has not been able to negotiate an access agreement with the Central Land Council which would facilitate on ground work. In this respect please find attached our cheque for \$50 and with this payment we also make an application for a variation of expenditure covenant.

We also make application for an extension in which to lodge the annual report. Our geologist is currently in the field attending to a drilling programme and in this respect I would make an application for a 8 week extension in which to lodge the annual technical report. We anticipate in lodging the annual report before 5 June 2004. Please contact me or Mr Graeme Drew if there is a problem with this request.

If you require anything further, please do not hesitate to contact me directly.

Yours faithfully
AUSQUEST LIMITED



B.S. Kwicien
Tenement Agent

Encl.

**DEPT. BUSINESS, INDUSTRY
& RESOURCE DEVELOPMENT**

29 MARCH 2004

RECEIVED - CENTREPOINT
CORPORATE INFORMATION
MANAGEMENT

OK
Q

E23570 Expenditure Report to 06/03/2004

MINERAL EXPLORATION ACTIVITIES

Geological Activities	\$	7,869
Geochemical Activities	\$	57
Geophysical Activities	\$	2,758
Remote Sensing	\$	-
Surveying Activities	\$	-
Core Drilling	\$	-
Non Core Drilling	\$	-
Field Camp Activities	\$	-
Field Supplies	\$	157
Drafting Activities	\$	19
Travel and Accomodation	\$	1,382
Environment Rehabilitation	\$	-
TOTAL MINERAL EXP ACTIVITIES	\$	12,242
ABORIGINAL HERITAGE SURVEYS	\$	-
TENEMENT	\$	5,946
LAND ACCESS AND NATIVE TITLE	\$	-
TOTAL EXPENSES BEFORE ADMIN	\$	18,189
Administration	\$	2,728
TOTAL EXPENDITURE	\$	20,917

E23570

Planned Exploration Activity and Expenditure to 06/03/2005

Planned Exploration

Detailed magnetic and radiometric data collected by the NT Geological Survey will be merged with available data, reprocessed and interpreted to identify potential kimberlite targets for ground follow-up. The Access agreement with the Central Land Council needs to be finalised to allow on ground work to commence. A program of ground geophysics (magnetics and gravity) and loam sampling is planned to test targets defined above.

<u>E23570 Planned Expenditure to 06/03/2005</u>	
	\$
Geological Activities	4,000
Geochemical Activities	3000
Geophysical Activities	15,000
Drilling	
Environment Rehabilitation	
Site Clearance	8,000
Tenement	5,000
Total Planned Expenditure	<u>35,000</u>