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Limited**

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Capital Structure:

Ordinary Shares: 116,937,867
Unlisted Options: 32,500,000



ASX Code: **QNL**

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Victory Bore Project – Drilling Results

HIGHLIGHTS:

- RC drilling identifies new Vanadium – Titanium bearing lens based on significant mineralised intercepts
- New metallurgical processes to be investigated to establish if a second product stream for Titanium Oxide pigment can be developed in addition to single product Vanadium previously considered
- Historical gold anomalies not confirmed by drilling and will not be pursued

Quest Minerals Limited (QNL or Company) (ASX: QNL) announces that it has completed a program of 1,100 meters of RC drilling at the Victory Bore Project 40 km southwest of Sandstone. The drilling program had two objectives - to follow up on interesting historical gold intersections in RC drilling of the early 1990s, and secondly to test for previously undrilled magnetite lenses outside of the vanadium-titanium resource.

Drilling finished on 29 July with eleven angled RC holes each to 100 meters comprising infill and extensions around the previous gold hits. As reported in the QNL ASX release of 12 July 2017 these historical drill holes were drilled into a low-level saprolite gold anomaly identified by scout RAB drilling. Two historical RC holes on lines 200m apart reported interesting intersections in four-meter composites within a general low-level background. Such results warranted further follow-up drilling by Quest.

These new holes have been logged on one-meter intervals and four-meter composite samples have been analysed for Au, Ag, As, Cu, Fe, Ni, Co, Pt, Pd, S, Ti and V.

Analytical results have now been received by Quest. Whilst encountering low-level background gold anomalism, the analyses have failed to find further significant intersections of gold. These results indicate that any gold system here is localized and not continuous between the two historic lines. These results do not warrant further drill-testing of the gold anomaly.

All holes were drilled into the gabbro that hosts the previously announced Victory Bore vanadium-titanium resource.

Seven holes have intersected a previously undrilled magnetite lens that is inferred from aeromagnetic data (Figure 1). It is separate from the previously drilled lenses that constitute the Company's Mineral Resource (Table 1) (refer QNL ASX announcement of 29 June 2017). This new lens lies to the east of the known lenses. All seven holes encountered significant intersections of vanadium and titanium mineralization.

Table 1: Inferred Mineral Resource, Victory Bore, JORC 2012

Tonnes (Mt)	Fe (%)	V ₂ O ₅ (%)	TiO ₂ (%)	P (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	LOI (%)
151	25.0	0.44	6.73	0.013	28.6	14.8	0.56

Note: the Mineral Resource was estimated within constraining wireframe solids based on a nominal lower cut-off grade of 20% Fe.

The Resource is quoted from blocks above a specified Fe % cut-off grade of 20% Fe.

Results (from drilling at "Zone A" in Figure 1) demonstrate significant intercepts between 16 and 64 metres in down-hole length but of lower grade than the values in the present Vanadium-Titanium-Magnetite Resource (located in areas shaded black in Figure 1). The new mineralised zone falls within the range that may be amenable to the application of recently developed hydrometallurgical processes aimed at recovering titanium and vanadium as separate product streams and could have value in converting waste to ore in a mining scenario for the higher grade V-TiO₂-Fe lenses immediately adjacent along strike to the north-east. While the new mineralised lens requires further geological assessment, given the improved outlook for vanadium and titanium prices, the Company's present mineral Resource is of a sufficient tonnage and grade in its own right to warrant such investigation.

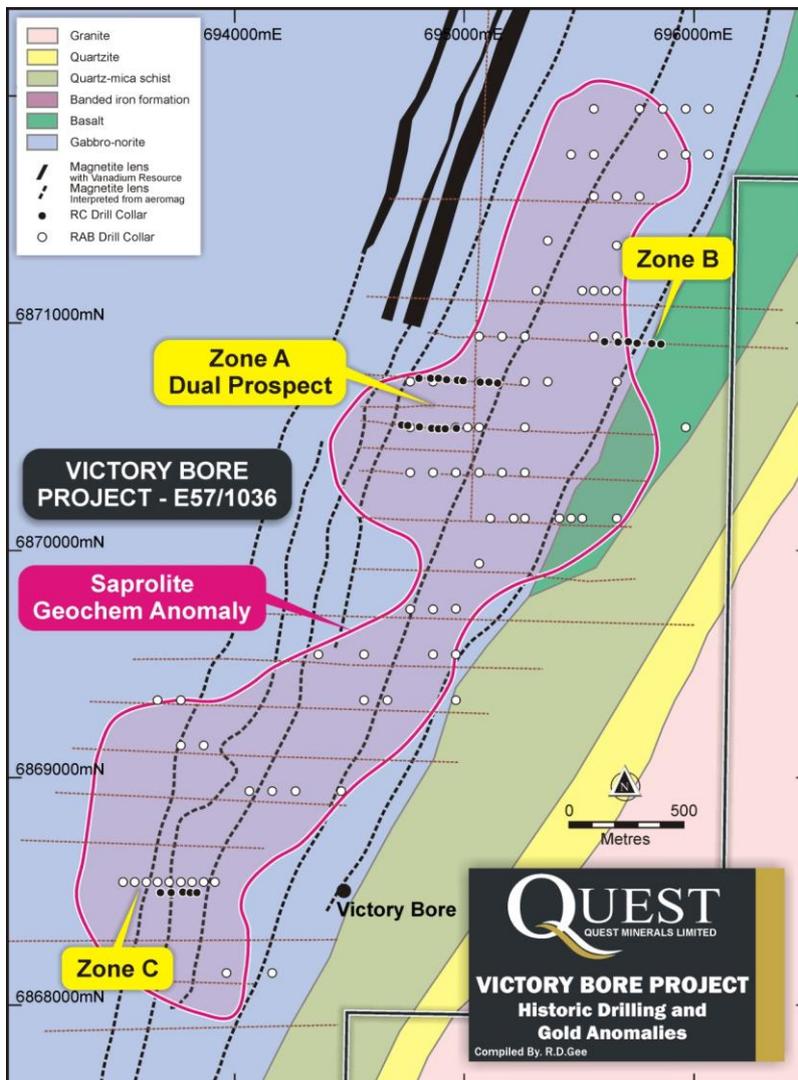


Figure 1: RAB drill lines defining 6km gold anomaly at Victory Bore.

Quest is examining opportunities in this respect, including the possibility to producing a partially beneficiated product for relatively low capital cost for sale to a third party for further processing.

Table 2: Significant Drill Intercepts, Victory Bore

Hole ID	Easting	Northing	From	To	Interval	Intercept
QRC104	694714	6870639	24	40	16	0.27% V2O5
			36	100	64	0.91% TiO2
QRC105	694751	6870643	16	32	16	0.18% V2O5
			48	80	32	0.94% TiO2
QRC107	694685	6870559	24	44	20	0.25% V2O5
			44	80	36	0.93% TiO2
QRC108	694613	6870463	84	100	16	0.22 V2O5
QRC109	694654	6870463	40	56	16	0.19% V2O5
			60	100	40	0.77% TiO2
QRC110	694693	6870459	4	20	16	0.16% V2O5
			20	60	40	1.10%TiO2
QRC111	694722	6870460	48	76	28	0.87% TiO2

Gino Vitale
Director

Competent Persons Statement

The information in this announcement that relates to the historical Exploration Results is based on and fairly represents information compiled by **Dr Dennis Gee**, who is a Member of the Australian Institute of Geoscientists (AIG) and a consultant to Quest Minerals Ltd. Dr Gee has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Gee consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

APPENDIX - JORC Code, 2012 Edition – Table 1 sections 1 and 2

Section 1: Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	<ul style="list-style-type: none"> • RC drilling carried out by Challenge Drilling for Quest Minerals Ltd in July 2017. • RC cuttings were passed through a rig-mounted cyclone, then cone splitter with in-line riffle splitter. • Cuttings were collected at one-meter intervals in bulk plastic bags along with 3kg samples from the splitter collected in calico bags. • From the one-meter calico bags a four-meter composite sample was collected into a separate calico bag using a simple scoop to produce a circa 3kg composite. • This composite sample was used for the initial screening analysis. • The bulk cutting bags and individual one-meter calico bags remain on site for further analysis when required.
Drilling techniques	<ul style="list-style-type: none"> • RC drilling was with a KWL 350 drill rig with face-sampling hammer, and onboard 1100cfm /350psi compressor, with and 1000/850 booster compressor on separate truck. • Drill rig is equipped with wire-line gyro down-hole orientation tool.
Drill sample recovery	<ul style="list-style-type: none"> • No weighing of bulk sample bags was undertaken. Visual inspection showed all bags to have equal volume, and in no instance was there any noticeable deficiency of sample. • The high booster capacity ensured a dry sample at all times, despite minor water zones. • It is not known if a relationship exists between sample recovery and grade.
Logging	<ul style="list-style-type: none"> • RC drill chips were wet sieved from each one-meter sample and geologically logged with hand lens and recorded manually on log sheets. • Manual logs have been transferred to Excel sheets. • Washed drill chips from each one-meter interval are stored in chip trays • Geological logging of one-meter intervals was done in sufficient detail to meet requirements of any future resource estimation.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • Approx 3kg dry composites from the riffle-split one-meter samples were labelled and sent to Intertek Analytical Laboratories at Maddington. • Composite samples were dried, crushed, homogenised and pulverised according to Intertek sample prep Code SP03, which involves drying and pulverisation to P80 75µm. • As these are screening analyses, no field blanks were used. • Sample sizes are considered appropriate for the grain size of the material being sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • RC samples were subject to aqua regia digest of a 10 gm aliquot and analysed by ICP-MS (Code AR10/OM) for Au, Ag, As, Cu, Pb, Zn, Ni, Co, Pt, Pd, Fe, S Ti and V. • This is a partial digestion procedure suitable for low-level analysis of composite samples of an exploration screening nature. • Any follow up of significant analyses of gold will employ fire assay technique on 50gm charge. • No field instruments were used screening analyses. • For these initial screening analyses reliance is placed on laboratory QA/QC procedures and no certified laboratory reference material were deemed necessary. • Laboratory analyses of these standards are given in the analytical reports.
Verification of sampling and assaying	<ul style="list-style-type: none"> • No independent verification of analyses are deemed necessary at this stage. • No twinned holes have been drilled to date. • Digital Data is entered into Excel sheets for incorporation into MapInfo Discover.

Location of data points	<ul style="list-style-type: none"> • Grid lines are resurrected imprecise historic cleared line of the 1990s on about 200m spacings. • Hand-held GPS with time-averaging function is used to locate current collar positions, and where possible historic drill collars. Accuracy is ± 1 meter. • Collar positions are specified with GDA94. Historic drill-hole collars with un-identifiable collars are located similarly, but to accuracy of ± 5m. • Drill holes are set up at -60° to grid east (083⁰T). • Downhole surveys were undertaken at 20m down-hole and 100m down-hole (EoH) using north-seeking downhole gyro survey tool operated by the drilling company. • GPS data is used for topographic control.
Data spacing and distribution	<ul style="list-style-type: none"> • Collar positions are planned to achieve a general 200 x 40m spacing incorporating old historic RC holes. • No grade continuity has been demonstrated with present drilling • 4-meter compositing is reported.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • There are no surface outcrops in the vicinity of Dual Prospect. • No geological structures can be inferred from either present or historical drilling. • Angled overlapping drill lines are oriented at a high angle (about 80°) to geological strike as determined by high-resolution aeromagnetic imagery.
Sample security	<ul style="list-style-type: none"> • 4m composite RC drill samples were secured in draw-string calico bags and knotted. • Individual calico bags were packed in lots of 12 per large tough plastic bag and sealed with cable ties. • All big bags (totalling 22 and weighing about 800kg)) were assembled onto a single pallet at the freight agency in Sandstone, wrapped with plastic foil, and freighted to analytical laboratory by McMahon Burnett freight. • Laboratory receipt reports indicate 274 samples out of 275 were received intact and in accordance with the sample submission sheet.
Audits or reviews	<ul style="list-style-type: none"> • No formal review or audit of processes or results is required.

Section 2: Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Exploration License 57/1036 known as Victory Bore, was granted 1 July 2016 in the name of Acacia Mining Pty Ltd which is a wholly owned subsidiary of Quest Minerals Ltd. E57/1036 is subject to an agreement with the Wutha people for heritage protection on exploration tenure, and Acacia Mining Pty Ltd has received written advice from Wutha that no further ethnographic heritage assessment or consultation are necessary for the tenement.
Exploration done by other parties	<ul style="list-style-type: none"> Battle Mountain Gold Company undertook a regional systematic RAB geochemical program over much of the area in the period 1991-1995, with limited follow-up of gold anomalies by RC drilling. The historical database is all analogue and not digital. Battle Mountain exploration procedures are considered to be of high quality.
Geology	<ul style="list-style-type: none"> Anomalous gold occurs in the saprolite zone of the weathering profile. Significant gold hits in historic RC holes occur in fresh gabbro near the top of the Atley Gabbro Intrusion. Geological control of gold mineralisation is unknown. Drilling had intersected two new magnetite lenses which are related to, but lie to the east of, magnetite lenses that host the Victory Bore vanadium resource reported in Quest ASX release of 12 July 2017.
Drill hole Information	<ul style="list-style-type: none"> Drill-hole data is included in accompanying table. Coordinates are given in UTM MGA94 Zone 50.
Data aggregation methods	<ul style="list-style-type: none"> Intercepts deemed significant are simple averages at a cut off of 0.83% TiO₂ and 0.17% V₂O₅.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Intercepts reported here are down-hole intercepts and not exactly true widths. On current information true widths are likely to be about 0.6 of the down-hole intercepts.
Diagrams	<ul style="list-style-type: none"> No meaningful geological or analytical cross sections can be drawn at this stage.
Balanced reporting	<ul style="list-style-type: none"> NA.
Other substantive exploration data	<ul style="list-style-type: none"> No other exploration data is relevant or material at this stage.
Further work	<ul style="list-style-type: none"> To be determined after company review.

Hole ID	Easting	Northing	RL	Dip	Az	Depth
TY876	694744	6870555	461	-60	90	100
YR875	694724	6870556	462	-60	90	100
YR867	694844	6870755	466	-60	90	100
QRC101	694866	6870868	467	-60	90	100
QRC102	694906	6870869	465	-60	90	100
QRC103	694945	6870865	465	-60	90	100
QRC104	694714	6870639	461	-60	90	100
QRC105	694751	6870643	463	-60	90	100
QRC106	694791	6870644	464	-60	90	100
QRC107	694685	6870559	464	-60	90	100
QRC108	694613	6870463	456	-60	90	100
QRC109	694654	6870463	456	-60	90	100
QRC110	694693	6870459	462	-60	90	100
QRC111	694722	6870460	463	-60	90	100