



## HORN ISLAND JV SOILS AND ROCK CHIP PROGRAM COMPLETED

Advanced gold explorer, Alice Queen Limited (ASX: AQX) (Alice Queen or the Company), is pleased to announce that it has completed a soil and rock chip geochemical sampling program across its Horn Island project under a recently formed Joint Venture (JV) with St Barbara Limited (ASX:SBM) (see AQX's ASX release on 05/06/2019).

### HIGHLIGHTS

- A total of 407 soil and 174 quartz vein rock chip samples were collected, with assay results expected within the next month.
- Rock chip sampling has revealed an extensive zone of quartz-sulphide and quartz only veins, with associated sericite-chlorite alteration, extending ~2.0km to the NW from the Horn Island gold resource (~0.5Moz Au inferred resource see AQX's ASX release "Horn Island Project Inferred Resource Upgrade" dated 2nd August 2018 [1]) and historic mining centre (Figure 1).
- Quartz veins correlate with a series of NW trending aeromagnetic low anomaly trends covering a total approximate area of 1.6km<sup>2</sup>. These anomalies are interpreted to represent structures acting as primary fluid pathways for potential gold mineralisation.
- Quartz vein rock chip composition and textural observations across the geochemical sampling area appear similar to surface vein features found in and around the Horn Island gold resource.

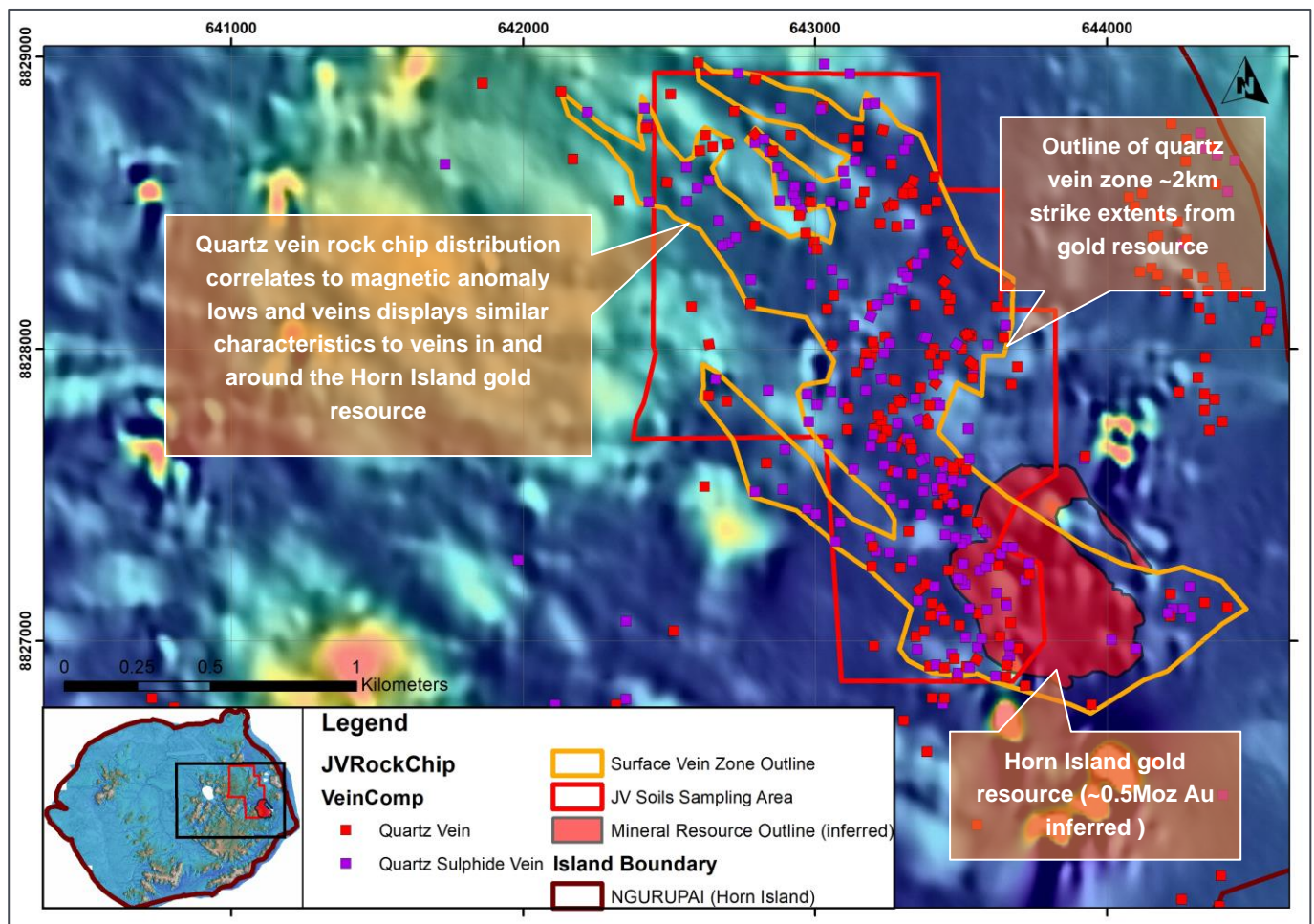


Figure 1. Quartz vein rock chip sample locations (purple squares are quartz-sulphide veins and red squares are quartz only veins) overlain on airborne magnetic image (TMIRTP over 1VD). Note that quartz vein rock chip sample occurrences correspond to a series of magnetic low anomaly trends, interpreted to indicate significant hydrothermal fluid pathway structures for potential gold mineralisation. The orange polygon denotes the overall distribution of observed quartz veins. Vein chip sample locations includes recently completed and AQX historic samples (refer to ASX releases 18th January 2017 titled "Horn Island Project Update", 21st August 2018 titled "Technical Presentation", page 11 of the Company's Annual Report lodged 28th September 2018", and page 9 of the Company's Annual Report lodged 30th September 2019 [2])



## **SOIL AND ROCK CHIP GEOCHEMICAL SAMPLING PROGRAM**

An infill soil and rock chip geochemical sampling program has recently been completed, extending existing coverage by 1.8km to the NW from the Horn Island gold resource (~0.5Moz Au inferred resource, based on 7.96M tonnes at an average grade of 1.9 g/t Au, using a 0.5 g/t Au cut-off grade [1]) and historic mining centre to the Naboo surface gold geochemical anomaly zone (Figure 2; also refer to AQX's ASX release on 20th August 2019 titled "Horn Island JV Work Commences"). In total, 407 soil and 174 quartz vein rock chip samples were collected, with gold and multielement results expected within the next month and hyperspectral results within the next 2 months.

Although assay results from this geochemical survey campaign are currently pending, a number of encouraging observations have been noted from rock chip sampling of outcropping quartz vein occurrences, supporting a number of fundamental features that potentially outline extension of the hydrothermal system from the currently defined Horn Island gold resource. In summary, these features include:

- Sulphide-quartz and quartz veins with associated sericite-chlorite alteration extending from the Horn Island gold resource across a NW strike of approximately 2.0km. The quartz veining can be partially masked by thin surficial cover. However, the spatial and structural patterns suggest reasonable confidence that these vein zones interconnect and persist for some distance;
- The distribution of quartz veins correlate with a series of NW trending magnetic low features covering an approximate total area of 1.6km<sup>2</sup>, and these features are interpreted as primary hydrothermal fluid pathway structures for potential gold mineralisation; and
- Quartz vein textures across the sampling area are typically stockwork, crustiform/comb, and occasionally chalcedonic. The veins can contain sulphide mineralisation including pyrite and lesser galena, chalcopyrite and arsenopyrite. These attributes are consistent with vein features found in and around the Horn Island gold resource.

The Company now awaits final assay results from the infill geochemical survey program, and will provide further technical updates in due course.



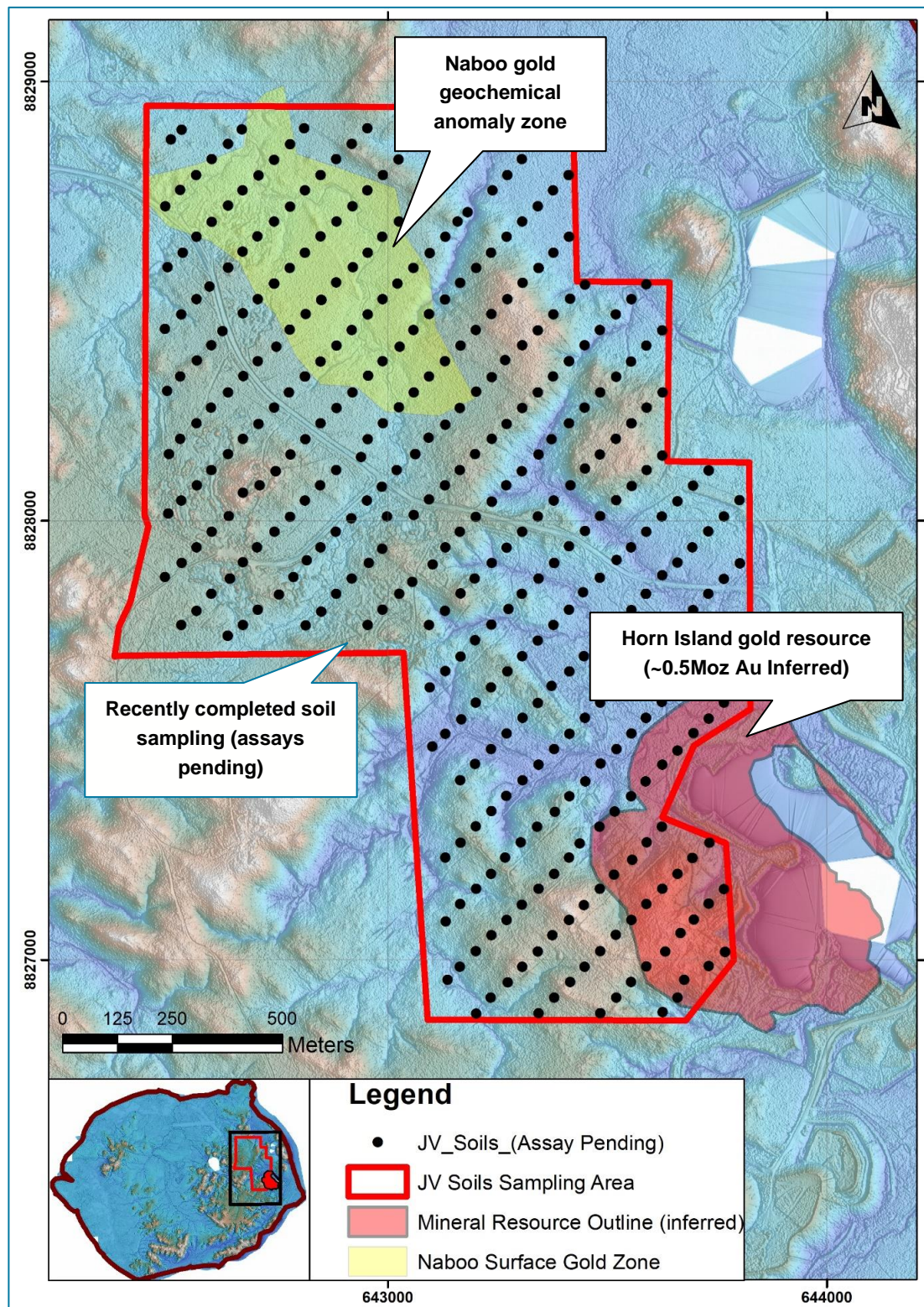


Figure 2. Recently completed soil geochemical sampling coverage extending to the NW from Horn Island gold resource to Naboo surface gold geochemical anomaly zone. Samples were collected at 50m intervals on NE-SW orientated grid lines spaced 100m apart



### **UPCOMING IP SURVEY PROGRAM**

The Company will shortly commence a ground dipole-dipole induced polarisation (DDIP) survey (Figure 3) over the zone of extensive quartz veining and recent geochemical surveying to potentially identify near surface to deeply occurring chargeability anomalies which may be caused by sulphide minerals associated with gold mineralisation (Figure 3). A reduced off set DDIP survey may also be completed in overlapping and immediately adjacent to the northwest of the Horn Island gold resource.

The DDIP survey program is expected to run for approximately 32 days. Fender Geophysics Pty Ltd has been awarded the survey contract and Resources Potentials Pty Ltd is acting as independent geophysical consultant.

Once completed, the SBM-AQX JV technical group will review the results from both the geochemical and geophysical surveys, interpret the new data in conjunction with existing exploration data acquired and compiled by AQX, and undertake a further target generation and ranking exercise.

### **ABOUT THE HORN ISLAND ST BARBARA JOINT VENTURE**

On 5 June 2019 the Company announced that it had entered into a joint venture (JV) with Australian listed mid-tier gold producer, St Barbara Limited (SBM)

An overview of certain key terms of the JV is set out below, further details are contained in the Company's ASX announcement dated 5 June 2019 titled "Alice Queen Executes Earn-In and Joint Venture Agreement with St Barbara":

- SBM to spend \$4.0m over three years to earn 70% of areas outside of the Excluded Zones.
- Excluded Zones are the existing Inferred Resource (approx. 0.5Moz Au [1]). The historic mine infrastructure which includes certain road areas and decant water dam, the historic waste dumps, low grade ore stockpiles, ROM pad and all alluvial gold across Horn Island to a depth of 6 metres below surface.
- SBM must spend \$500k in the first year of the JV.
- SBM has an option to purchase all or part of the Excluded Zones at "fair value" post it spending the \$4.0m and electing to move to 70%.
- AQX, via its subsidiary, Kauraru Gold Pty Ltd, has the right to continue with its 30% share of further expenditure to maintain its equity position through to production.



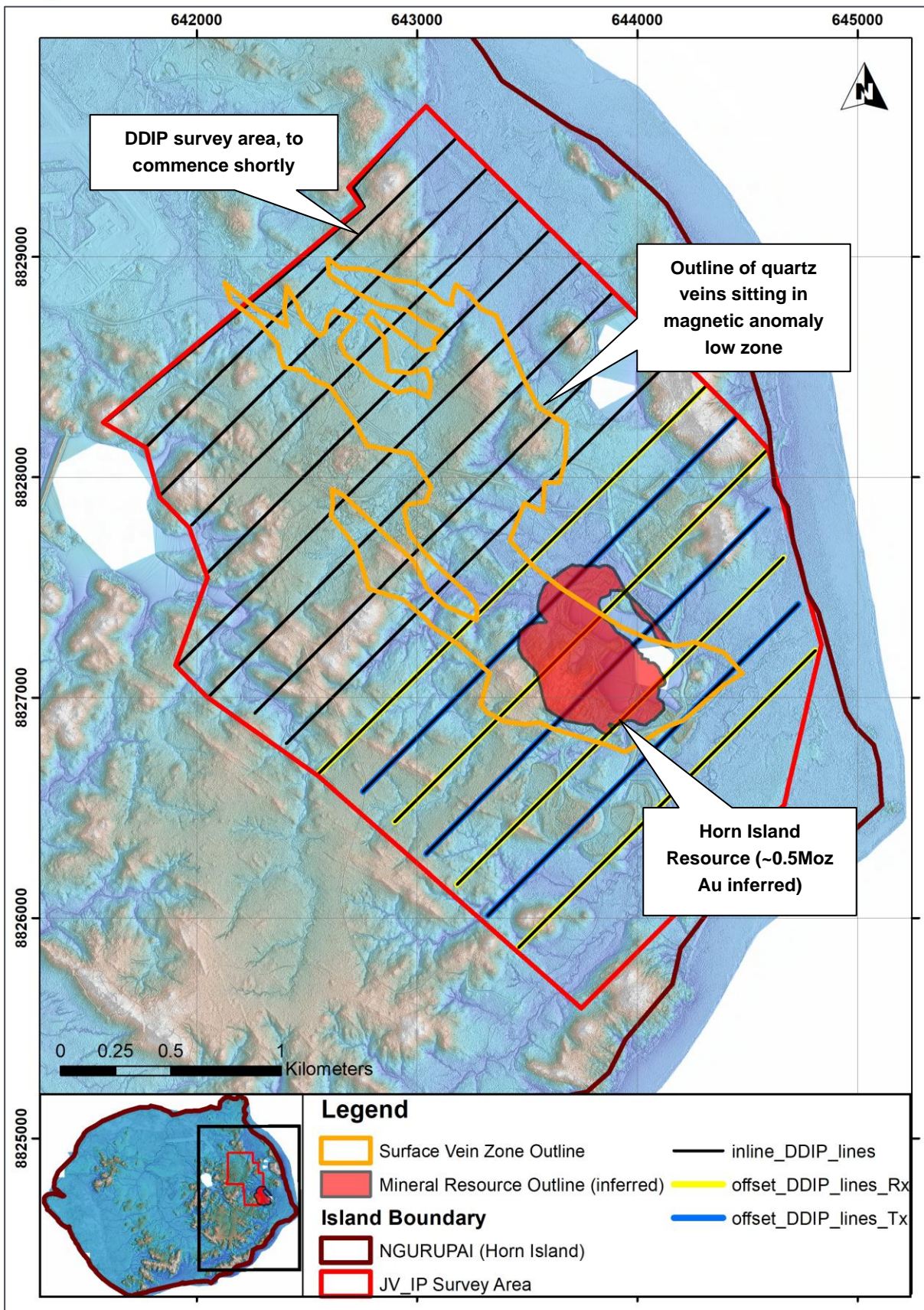


Figure 1. Planned ground DDIP survey to commence shortly and cover geochemical and airborne magnetic anomaly features extending to the NW from the Horn Island gold resource. A reduced offset DDIP survey may also be completed around the current Horn Island gold resource.



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## END NOTES

- 1 The information related to the Company's inferred mineral resource is extracted from the Company's ASX announcement titled "Horn Island Gold Project Inferred Resource Upgrade" dated 2 August 2018 and included a Competent Person's Statement from Mr Richard Buerger, BSc. The Company confirms that it is not aware of any new information or data which materially affects the information included in the original market announcement and all material assumptions and technical parameters underpinning the inferred resource estimate in the original market announcement continue to apply and have not materially changed. The form and context in which the competent person's findings are presented has not been materially modified from the original market announcement.
- 2 The information contained in this announcement related to the Company's past exploration results is extracted from the ASX announcements identified in this announcement which included Competent Person's Statements from either Mr Adrian Hell BSc (Hons) or Mr John Holliday. The Company confirms that it is not aware of any new information or data which materially affects the information included in the original market announcements. The form and context in which the competent person's findings are presented has not been materially modified from the original market announcement.

## COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results is based on information compiled by Mr Adrian Hell BSc (Hons) who is a full-time employee of Alice Queen Limited. Mr Hell is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Hell has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Hell consents to the inclusion of this information in the form and context in which it appears in this report.

### **For and on behalf of the board**

Andrew Buxton

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