



ALICE QUEEN
LIMITED

ASX Announcement
9 MARCH 2021

Scoping Study Commences At Horn Island

Advanced gold and copper explorer, Alice Queen Limited (ASX:AQX) (“Alice Queen” or the “Company”), is pleased to announce the commencement of a Scoping Study at its Horn Island Gold Project (the Project).

The target of the Scoping Study is to advance the Company’s understanding of the economics of a potential open pit mining operation at the historic Horn Island gold mine. The existing open pit Inferred Resource (JORC 2012) of 7.9 Mt @ 1/9 g.t Au for 492 koz (see ASX release 02/08/2018) will be updated as part of the process and this will form the basis of the Scoping Study. The existing Inferred Resource forms part of the “Excluded Zones” which remain separate from the Joint Venture with St Barbara.

The Scoping Study will combine results from the Phase One Infill drilling campaign, updated metallurgical test work results, the pilot scale ore sorting test work undertaken using TOMRA and an updated process plant flowsheet and design to provide an insight into the potential future economics of the Project.

Alice Queen’s Managing Director, Andrew Buxton said,

“ We are elated to be launching a scoping study to assess the potential of the Horn Island open pit resource, part of the Excluded Zones, outside of our St Barbara JV, to assess a potential future mining operation. It has taken a significant amount of time and effort to reach this stage and we hope it will validate the exploration work to date. Our recently announced interim RC Infill results give us confidence that this will be the case. It is also timely to remind our shareholders that we start this study with the backdrop of significant existing infrastructure at Horn Island. We believe that, having the study overseen by Peter Fairfield, with input from GR Engineering Services, TOMRA Ore Sorting and Dale Sims, we will deliver a comprehensive and high-quality report which will significantly advance the project. We also look forward to announcing to the market tomorrow our proposed acquisition, the subject of our recent request for trading halt.”

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ASX: AQX

Alice Queen has engaged Peter Fairfield, (Miner Insight Pty Ltd) as Study Manager, to co-ordinate the study team with the aim to release the study findings in Q3 2021. Peter is a Melbourne based mining engineer with 33 years' experience and has a strong technical and operational background. During his career Peter's roles included 16 years providing site-based technical and operational service, support and operations management and 17 years in consulting undertaking study management and preparing independent technical reports. Prior to establishing Miner Insight Pty Ltd in 2020, Peter spent 10 years with SRK Consulting as Principal Consultant and Practice Leader, 3 years as General Manager Technical Services with St Barbara and 4 years with AMC Consultants. He has a strong cross-discipline approach and has led numerous multi-disciplinary studies and reviews of Australian and international mining projects across the base and precious metals commodities. Peter is a Fellow of the AusIMM.

The results of the recently completed Phase One infill RC drilling program which comprised 35 holes for 7,072m, will be incorporated with existing data to seek to release a revised mineral resource estimate to be prepared by Dale Sims (Dale Sims Consulting). Dale is an independent consulting mining and resource geologist with 35 years of minerals industry experience in gold and base metals deposits. Prior to setting up Dale Sims Consulting in 2010, Dale spent 4 years with Newcrest Mining in various positions including Chief Geologist Mining and Development, and 4 years with Newmont Mining as an internal Consulting Geologist. Dale is a Chartered Professional Fellow of the AusIMM and a member of the AIG.

As part of the Scoping Study, it is intended that the updated mineral resource model will be used to create a pit optimisation and processing plant flowsheet design. Alice Queen intends to progress a Phase Two infill RC drilling program to seek to further improve the confidence in the mineral resource model. It is expected that the results from Phase Two infill RC drilling will be incorporated into the Scoping Study.

In February 2021, TOMRA completed a pilot study test work program to assess the amenability of the Project's mineralisation to ore sorting techniques. The pilot study focused on a 2,000 kg sample of fresh drill core and 5,000 kg sample of low-grade stockpile material. These samples are currently being assayed by ALS in Perth, with results expected to be available in April.

Alice Queen has engaged GR Engineering Services (GRES, ASX:GNG) to progress the metallurgical, processing and infrastructure components of the Scoping Study. GRES has previously completed a "Concept Study" for the Project in 2017.

The Scoping Study will also investigate improving the mined head grade through improved definition of the Mineral Resource and possible application of pre-concentration by Dense Media Separation (DMS) and Ore Sorting techniques.

The Horn Island Project is an extension of the open pits previously mined in 1989. The Project benefits from considerable existing infrastructure located on the island (see Figure 1) which is serviced by existing weekly sea shipping and air services with daily direct flights from Cairns. It is anticipated that the existing infrastructure will be factors considered in the Scoping Study.





Figure 1. Existing infrastructure on Horn Island

Approved by the Board of Alice Queen Limited.

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ASX Listing Rule 5.23 Statement

The information in this ASX Release that relates to the Company's Mineral Resource estimate is extracted from and was reported in the Company's ASX announcement titled "Horn Island Resource Upgrade" dated 2 August 2018, which is available at www.asx.com.au the competent person being Mr. Richard Buerger BSc. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed.

