ALICE QUEEN LIMITED

ASX Announcement
3 June 2021

Mendooran Drilling Extends Molong Volcanic Belt Target Area

Highlights

- New Mendooran drilling confirms prospective Macquarie Arc rocks 9kms further northwards along the projected Molong Volcanic Belt
- Positive lithogeochemistry and elevated background copper intersected
- Cover thickness of 346m is suitable for bulk underground mining
- Drilling proposed for target area on cross-arc structure similar to at Cadia and Kaiser-Boda

Advanced gold and copper explorer, Alice Queen Limited (**ASX:AQX**) ("**Alice Queen**" or the "**Company**"), is pleased to provide its shareholders and investors with the latest results from its exploratory drilling program at its Mendooran Project (Exploration Licences 8565, 8469 and 8563) along the projected northern extension of the Molong Volcanic Belt (MVB) of Macquarie Arc rocks in the Lachlan Fold Belt (**LFB**), NSW.

Alice Queen's Chief Technical Advisor, John Holliday said,

> "With over 40km extent of projected under cover Macquarie Arc rocks to explore and only five holes to date, the exploration of the Mendooran Project is at a very early stage. Given the frequency of extensive mineralisation (Cadia, Copper Hill, Kaiser-Boda) further south on the exposed part of the Molong Volcanic Belt, it is very likely there will be a similar occurrence in Mendooran. I look forward to further drilling, particularly in the cross-arc structure area."

The Macquarie Arc rocks of the LFB are Australia's porphyry copper-gold exploration hot-spot, as exemplified by Alkane Resources recent Kaiser-Boda discovery, which lies only 11km south of the Mendooran Project area along the MVB. Alice Queen's target concept is a large MVB-type porphyry copper-gold complex such as Cadia and Kaiser-Boda. In the Mendooran Project area, the MVB rocks are covered by younger basin sediments and have only been explored to date by five Alice Queen drill holes along a >40km extent (see Figure 1).

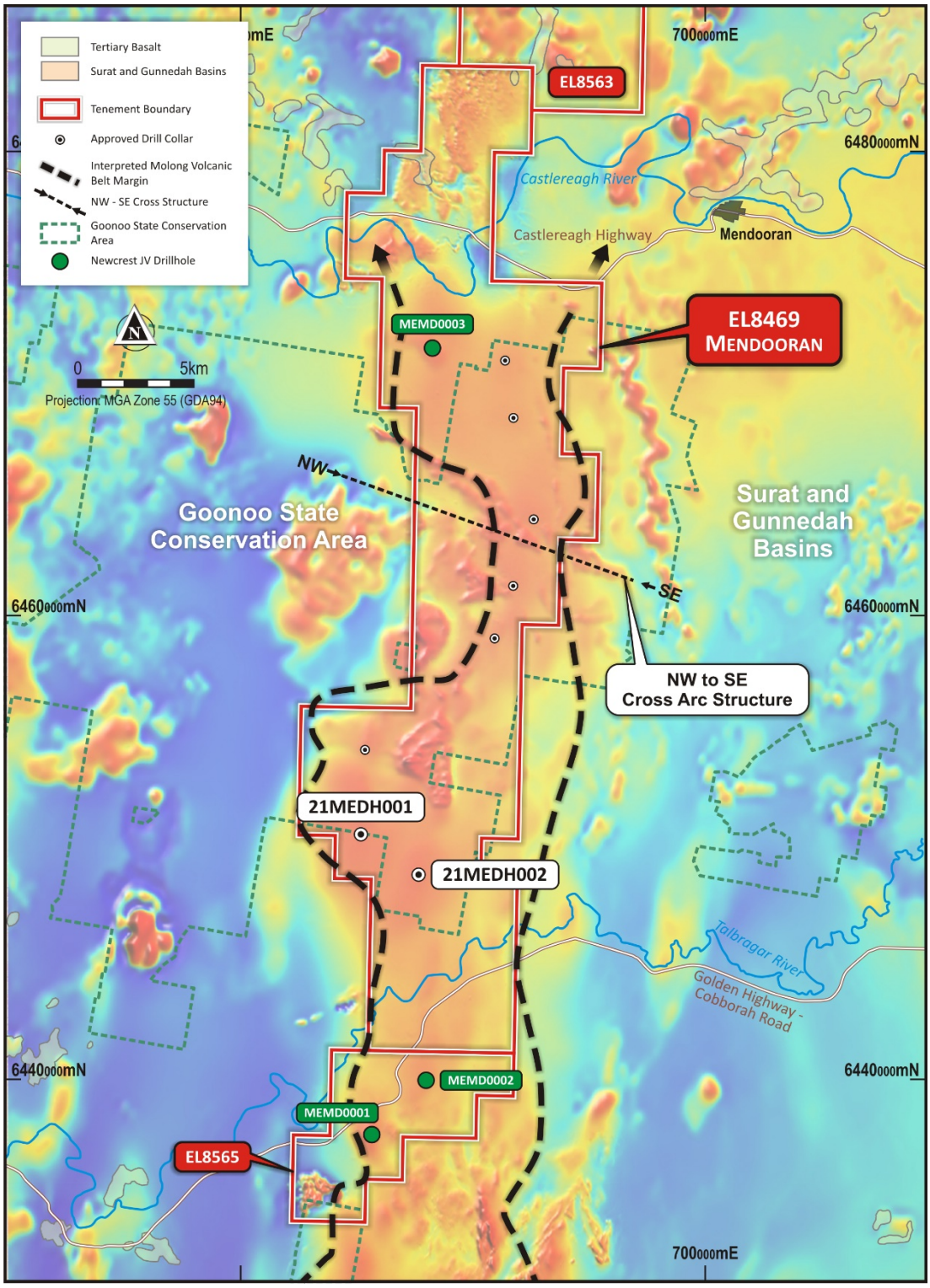

Figure 1 – Plan view of Mendooran drill hole and approved collar locations

The latest two drill holes (21MEDH001 and 21MEDH002) were drilled in EL8469, targeting magnetic features indicative of MVB rocks (see Figure 1). The drilling was co-funded by a NSW Government Co-Operative Drilling grant. Hole 21MEDH002 was successful in intersecting MVB andesitic rocks from 346m to end-of-hole at 763.4m (see Figure 2). Lithogeochemical analysis shows these rocks match with the MVB rocks in the Boda area and in other parts of the MVB further south. Slightly elevated copper levels

(to greater than 300ppm) were intersected over significant portions of these MVB rocks. Hole 21MEDH001 failed to reach MVB rocks by end-of-hole at 681m, indicating that the MVB has been down-faulted in this more westerly position.

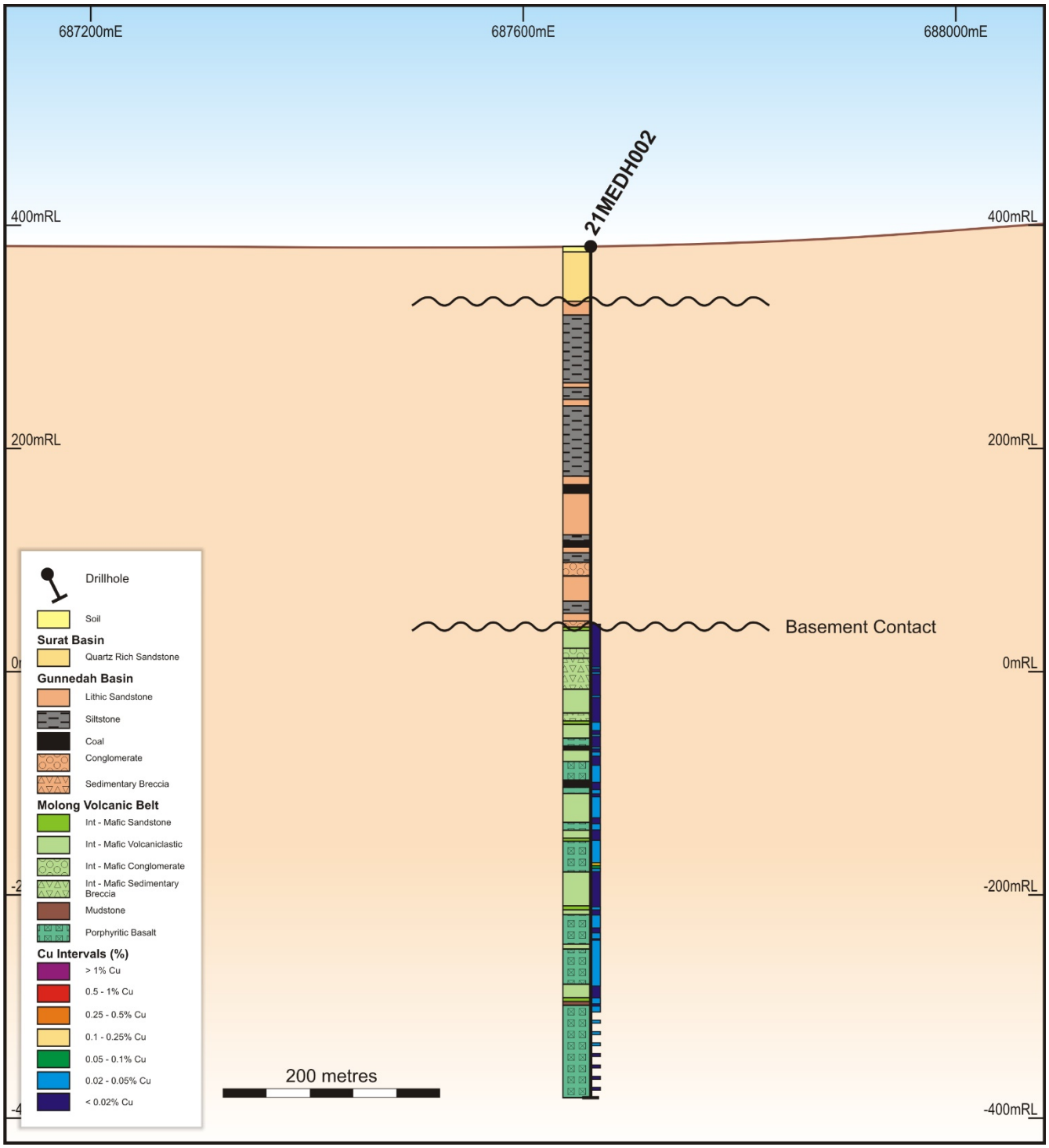

Figure 2 – Cross section of 21MEDH002

The previous three holes (MEMD0001-3) in the Mendooran Project were drilled by an Alice Queen - Newcrest Mining Joint Venture (see Figure 1) during 2017. All these holes intersected MVB andesitic

rocks at depths of 200m and 237m in EL8565 in the southern part of Project area, and 714m in EL8469 in the far northern part of the Project area. The latter hole was 22.5km north of 21MEDH002, a gap which is completely unexplored and indicated to have cover of a thickness that is in the 350-700m range and quite permissive for underground bulk mining as employed by Newcrest Mining at Cadia. Notably this undrilled gap is cut by a north-west to south-east cross-arc structure of the scale associated with Cadia and Kaiser-Boda (see Figure 1). Alice Queen proposes to continue exploration of the Project area by drilling in the vicinity of this cross-arc structure.

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results and target generation is based on information compiled by Mr John Holliday, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Holliday is a consultant to Alice Queen Limited. Mr Holliday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Holliday consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Table1: Mendooran Drill Holes

Mendooran Drill Holes						
Hole ID	**MGA E**	**MGA N**	**RL m**	**Azimuth (GN)**	**Dip**	**Hole Length m**
21MEDH001	685230	6450610	372	0	-90	681
21MEDH002	687659	6448777	393	0	-90	763.4

Approved by the Board of Alice Queen Limited.

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JORC Code, 2012 Edition – Table 1 Report Template EL8469 Mendooran Project, Holes 21MEDH001 & 21MEDH002.

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.*	• Mud-rotary drilling was used to drill through cover rocks to refusal. Diamond drilling was used to produce drill core (HQ3 or NQ2) of the remaining cover rocks and targeted volcanic rocks. • Relevant geological relationships from the holes are shown in maps and cross sections. • Sampling has been of HQ3 & NQ2 half core with sample lengths averaging 1.0 m across the tested interval. • No downhole surveys were taken due to vertical holes. • All AQX samples have been submitted to a contract laboratory for crushing and pulverising to produce a 30g charge for Fire Assay with AAS finish and a 0.25g sub-sample for lowest DL multi-element analysis via ICP-MS or ICP-AES. • Only intervals of interest from the drill core were sampled.
	• *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.*	

Criteria	JORC Code explanation	Commentary
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).*	• The drill holes have been completed to HQ3 and NQ2 sizes. • UDR 1200 truck mounted multi-purpose drill rig operated by Titeline Drilling Pty Ltd • The core was not orientated.
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 for the reported diamond drill core has been measured from drillers run blocks with 79% recovery for 21MEDH001 & 89% recovery for 21MEDH002. Localised reduced recoveries due to faults and a zone of palaeoweathering. • Diamond core has been reconstructed into continuous runs with depths checked against the depths given on the driller's core blocks. • As core recovery is high, there is no evidence of systematic sampling bias.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill core has been measured for recovery by drill run. • The drill holes were logged on a portable computer using an Access data management system with a specific set of logging codes to ensure consistency and data validation. • Logging has been qualitative in nature of both drill chips and core. • Magnetic Susceptibility was measured on core at an average of 3 readings for every 1m interval. • The core has been photographed wet and dry, in shade with a high resolution/megapixel camera. • The entire length of the holes have been logged, including chips and core.
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.*	• Sampling has been of HQ3 & NQ2 half core with good recoveries. These techniques provide confidence that sampling bias was minimal across the reported composite intervals. • All core processing, crushing and pulverizing was undertaken by ALS laboratories via methods CRU-21 and PUL-21 with quality control checks. • All samples were weighed and submitted sample sizes were proportionate to the volume of material recovered from the drilling.

Criteria	JORC Code explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
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.*	• Gold values were determined by Low Grade Fire Assay with Atomic Absorption finish, ALS method AU-AA21, Detection limits 0.002– 1ppm. • For multi-element analysis the ME-MS61L Super Trace method was selected, where a four-acid digest has been undertaken on a 0.25 g sample to quantitatively dissolve most geological materials, with analysis via ICP-MS + ICP-AES. • All finalised assay certificates were signed off by a qualified assayer. • ALS Global Ltd is an ISO certified organisation with industry leading quality protocols. • The analytical technique used for gold is considered a total assay technique. • Industry standard Certified Reference Materials (CRMs) including low-grade matrix matched porphyry gold grade standards and blank material have been submitted within the sample stream at a frequency of approximately 1 in 20. • Quality control data has been plotted on charts with control limits at +/-1σ, +/- 2σ and +/-3σ standard deviations to monitor for any contamination as well as for accuracy and precision. • All QAQC results have been reviewed by the AQX Competent Person who considers the results to be within acceptable limits. Therefore, the assay results presented are considered accurate and correct. • ALS internal CRMs and duplicates have also been reported prior to release of finalised certificates. • All logging and sampling was undertaken by or under the direction of a qualified geologist.
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.*	• No hole twinning has been undertaken • Drill hole logging was completed on field data entry spreadsheets then transferred to an Access based data management system by the Company's GIS database geologist for review. • All field data have been entered in the company's database using a specific set of logging codes to ensure consistency with verification protocols in place. • All sampling and analytical data has been stored in an in-house developed Access data management system. • All data has been maintained, validated, and managed by a Database Manager.

Criteria	JORC Code explanation	Commentary
		• Analytical results received from the lab have been loaded directly into the database with no manual transcription of these results undertaken. • Original lab certificates have been stored electronically. No adjustment to assay data has been undertaken.
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 collar positions have been determined using a handheld GPS meter (+/-3 m). • No downhole surveys were taken as they were vertical holes. • All locations recorded using GDA94/MGA UTM Zone 55. • Topographic control was determined using hydrographically corrected SRTM data.
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.*	• Drill holes were selectively sampled with intervals of interest at the geologist's discretion, via mineralisation, alteration or lithology. • The drill spacing is not deemed adequate for use in a Mineral Resource Estimate.
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.*	• The intersected geology of interest have been tested at ~80 degrees to degrees to the dip angle.
Sample security	• *The measures taken to ensure sample security.*	• All samples have been selected by a qualified and experienced geologist. • All samples have been packed in calico bags immediately after cutting. • All samples have been stored in a secure shed, prior to transporting. • Sample bags have been loaded and transported to ALS Facility, Orange then unloaded directly into Lab's receival area. Sample submission was documented via ALS tracking system with results reported via email.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Due to the limited duration of the program no external or third-party contractor has undertaken any audit or review of these procedures.

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 exploration activities across EL 8469 were undertaken by Monzonite Metals Pty Ltd, which is a subsidiary of Alice Queen Ltd and operates the company's tenement portfolio in NSW. • Monzonite Metals Pty Ltd is the 100% undivided and unencumbered owner of EL 8469 covering the Mendooran Project. EL 8469 was initially granted to Monzonite Metals Pty Ltd on 30 September 2016 and has been renewed to 30 September 2026. • Monzonite Metals Pty Ltd/AQX knows of no impediment to obtaining a licence to operate in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No other parties have completed any substantial work on EL8469.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project area is in the northern extension of the Molong Volcanic Belt (MVB), Macquarie Arc, New South Wales • The MVB represents one of four belts of the Ordovician to early Silurian Macquarie Arc, an intra-oceanic island arc developed along part of the boundary between the Australian and proto-Pacific plates. Its importance for mineral prospectivity is signified by the occurrence of the massive Cadia porphyry gold copper deposit within MVB rocks located 150km to the south. • Ordovician lithologies in the project area are ascribed to the Late Ordovician Oakdale Formation (1:100 000 / 1:250 000 map sheets) of the Cabonne Group (Morgan et al, 1999). The formation is characterised by co-magmatic intermediate to mafic (often shoshonitic) intrusive and extrusive volcanics, volcaniclastics and sedimentary successions.

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*
		• Drill hole collar attributes are summarised in Table 1 of this ASX release.
		• True widths of the intervals are estimated to be 80% of the reported widths depending on the individual dip of the envelope with respect to the drill direction.

Criteria	JORC Code explanation	Commentary
	○ *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.*	
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.* • *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.*	• No top cutting of assays has been applied. • No metal equivalents are being reported.
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').*	• True width geological envelopes are estimated as 80% of reported down hole intercepts due to the orientation of the structures with respect to the drill direction.
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.*	• Drill collar locations are presented in Figure 1 and Table 1.
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.*	• All relevant data is shown in Figure 2.
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.*	• Geological observations have been collated and represented in maps and cross sections.
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*	• Further exploratory mud rotary-diamond drilling is proposed for the tenement. Proposed locations are shown in Figure 1.

Criteria	JORC Code explanation	Commentary
	main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	