

Alice Queen to drill highest ranked targets at Mendooran

Highlights

- ◆ The Company will drill two, deep (circa 700m) diamond core holes into its highest-ranking Cu/Au porphyry targets at Mendooran
- ◆ Mendooran (EL8469) is situated on the Molong Volcanic Belt which hosts Newcrest's world class Cadia Cu-Au porphyry deposit as well as Alkane's recent Kaiser-Boda discovery
- ◆ These two drill holes are targeting near a NW-SE cross arc structure. Significantly, such structures are associated with the Cadia and Kaiser-Boda deposits
- ◆ Alice Queen's Mendooran exploration drill program has been developed by Chief Technical Advisor, John Holliday, who is the co-discoverer of Newcrest's Cadia deposit.
- ◆ The two targets are large scale, porphyry targets and are the company's highest ranked targets on the MVB
- ◆ The costs of the program are supported by a significant New Frontiers Cooperative Drilling grant provided by the NSW Department of Primary Industries
- ◆ Drilling is planned to commence as soon as site conditions permit

Alice Queen's Managing Director, Andrew Buxton said,

“ For four years we have been progressively moving towards this moment. The company has completed a substantial body of work from both an access and geological perspective that is compelling us to now drill these two targets at Mendooran. Our previous JV with Newcrest enabled us to find and rank the potential scale of the targets. Then conscientious work over several years resulted in us gaining access to this previously completely unexplored area of the MVB. Finally, and importantly, our recent exploration drilling in the area has given us the confidence to head further north to not only drill near the cross arc structure that exists at the target location, but to apply for an additional exploration license. This new application (ELA6298) flanks both our western and eastern boundaries. We couldn't be more excited to get the drill bit spinning and to finally see what's down there. ”

Advanced gold and copper explorer, Alice Queen Limited (ASX:AQX) (“Alice Queen” or the “Company”), is excited to provide its shareholders and investors with an update in relation to its exploratory drilling plan at its two highest ranking targets within its Mendooran Project (Exploration Licence 8469) along the northern extension of the Molong Volcanic Belt (MVB) of Macquarie Arc rocks in the Lachlan Fold Belt (LFB), NSW (figure 1).

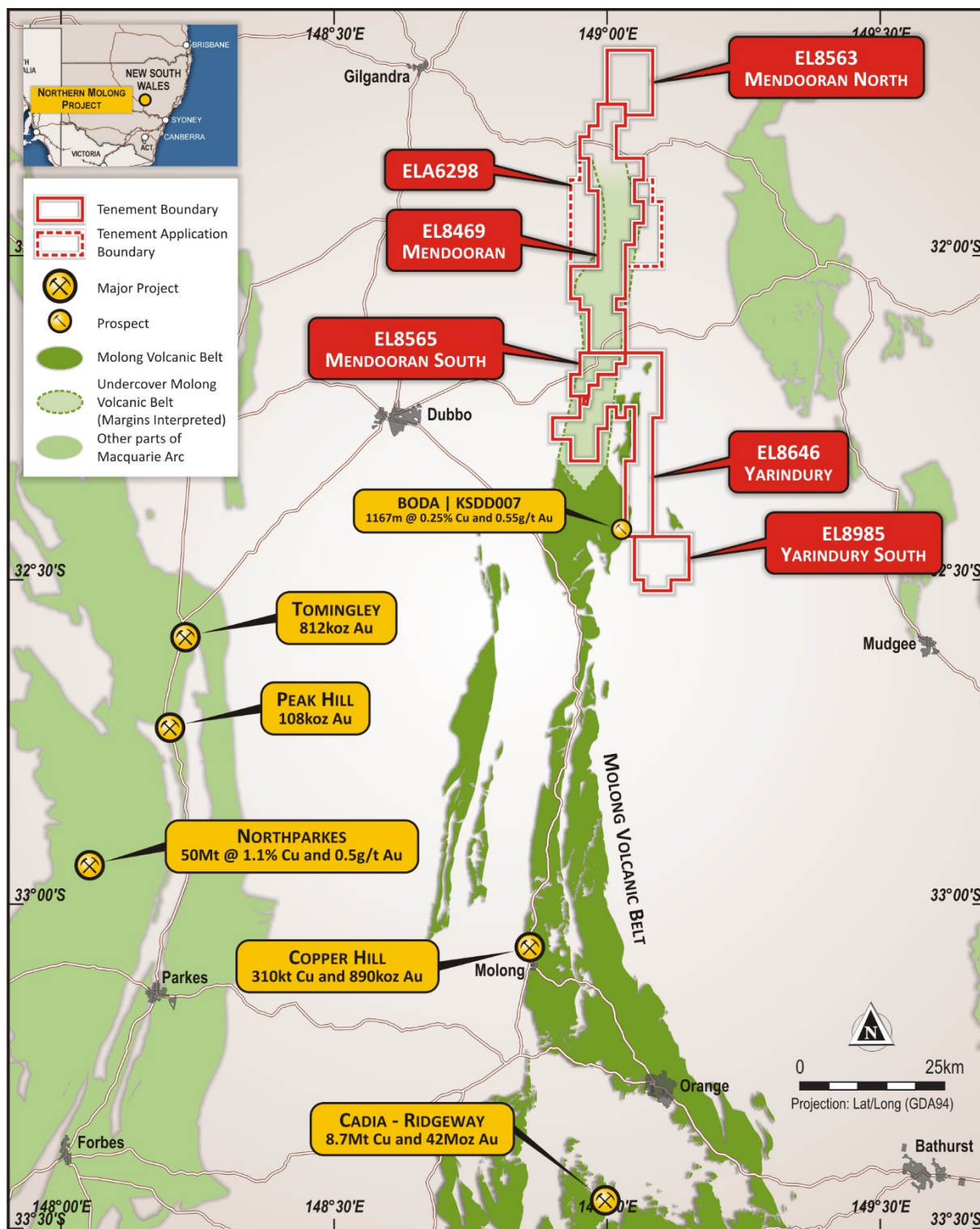


Figure 1. Northern Molong Projects on Molong Volcanic Belt



Background

The Macquarie Arc rocks of the LFB and specifically the MVB 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 at Newcrest's Cadia Valley, and Alkane's Kaiser-Boda. A notable prospective indicator for these deposits on the MVB, and, also elsewhere on the Macquarie Arc at Evolution's Cowal-Marsden, is that they all lie close to significant north-west to south-east cross-arc structural lineaments (figure 2).

The Company's exploration strategy in this project area is led by John Holliday. John is a former Chief Geoscientist at Newcrest and was a principal discoverer of its giant (circa 50m Oz Au and 9m tons Cu) Cadia Valley Cu/Au deposit situated near Orange in NSW.

Exploration Rationale

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 3). These holes have confirmed the northwards continuation of the MVB for this distance (ASX release 3 June 2021). Within the north-south coverage by these five holes there is a 22.5km undrilled gap indicated to have cover of a thickness that is in the 350-700m range (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 (see Figure 3) like those on which the major Macquarie Arc mines and prospects lie. This cross-structure area is clearly a prime target for porphyry copper-gold mineralisation and accordingly is the primary focus area of this drill program.

The Company is planning to test this high priority area by drilling in the vicinity of this cross-arc structure at two sites (figure 3) which are already permitted. This drilling will be co-funded by the NSW New Frontiers Co-Operative Drilling grant. Drilling will commence in Q3 2021 subject to sufficiently dry ground conditions.

Chronology

In 2017 Alice Queen entered into an Option and Earn in joint venture with Newcrest Operations Limited a subsidiary of Newcrest Limited (ASX:NCM). The Option component was triggered at the point at which a minimum of \$1m dollars was spent by NCM on exploration. This money was spent on an extensive ground gravity and airborne magnetic intensity geophysical survey with the aim of generating large scale, Newcrest style Cu/Au porphyry drill targets. A total of 8 targets, that met these specific criteria, were generated by this program.



In 2018, three preliminary diamond core holes were drilled by the JV (outside of the high priority area due to access limitations at the time) which established depth to basement parameters (see Figure 3 for hole locations).

The ability to drill the four highest ranking of the targets was subject to gaining access into the Goonoo Goonoo State Conservation Area. NCM determined that the requisite approvals to gain this access to this area were prohibitive.

After a considerable effort by Alice Queen in preparing the requisite Review of Environmental Factors (REF), access was granted by the NSW Government in late 2020 and exploration of the project area began in early 2021.

The maiden drill program of two holes into this previously inaccessible area in early 2021 (see ASX release 03/06/2021) importantly confirmed permissive depth to basement, established the extension of the MVB and reported elevated background copper levels.

These key indicators have provided the Company with a strong case to test these high-ranking targets, in the end the same holes that Newcrest identified as their highest-ranking targets all those years ago.

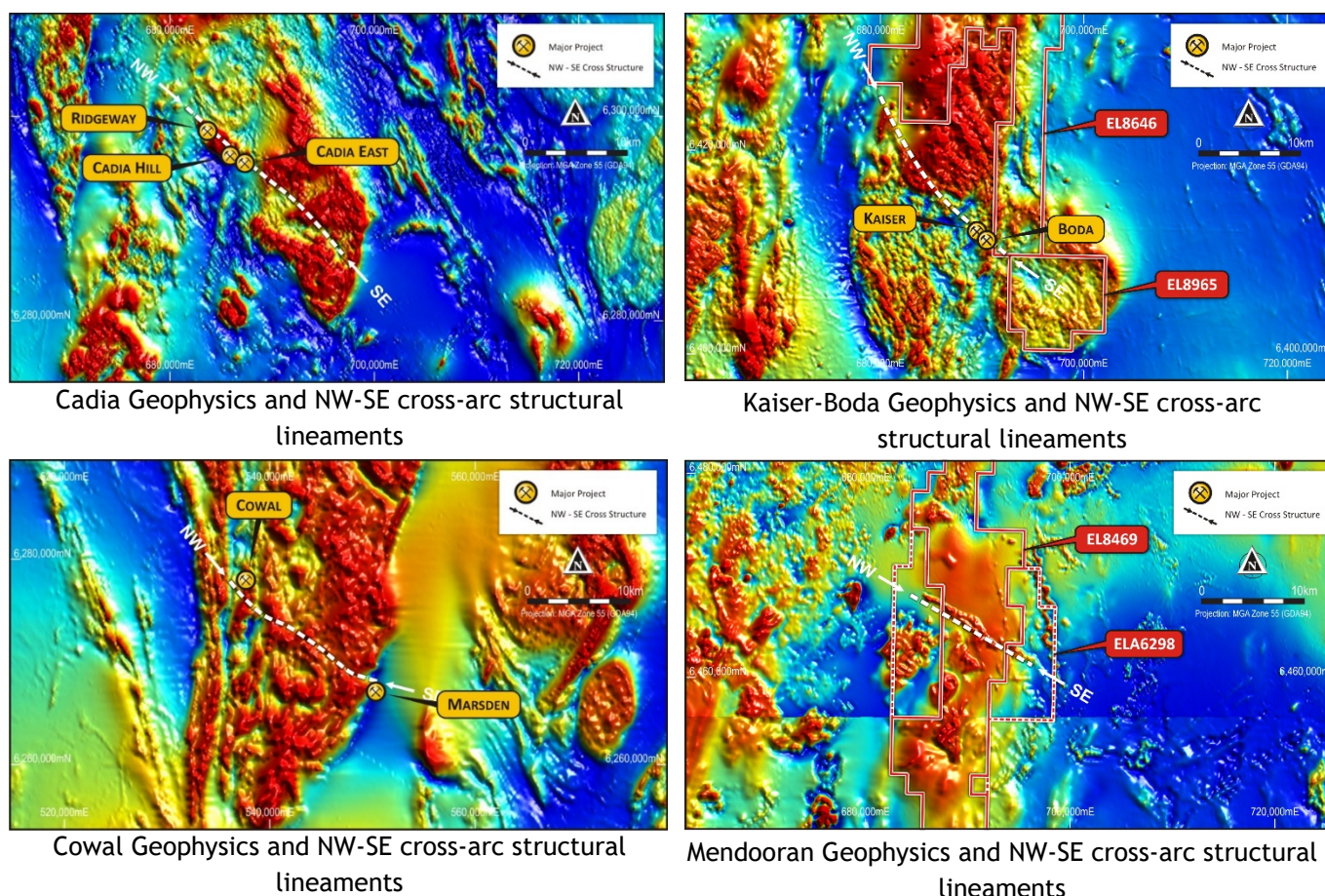


Figure 2. TMI Images of Cadia, Cowal, Kaiser Boda and Mendooran highlighting the NW-SE cross arc feature



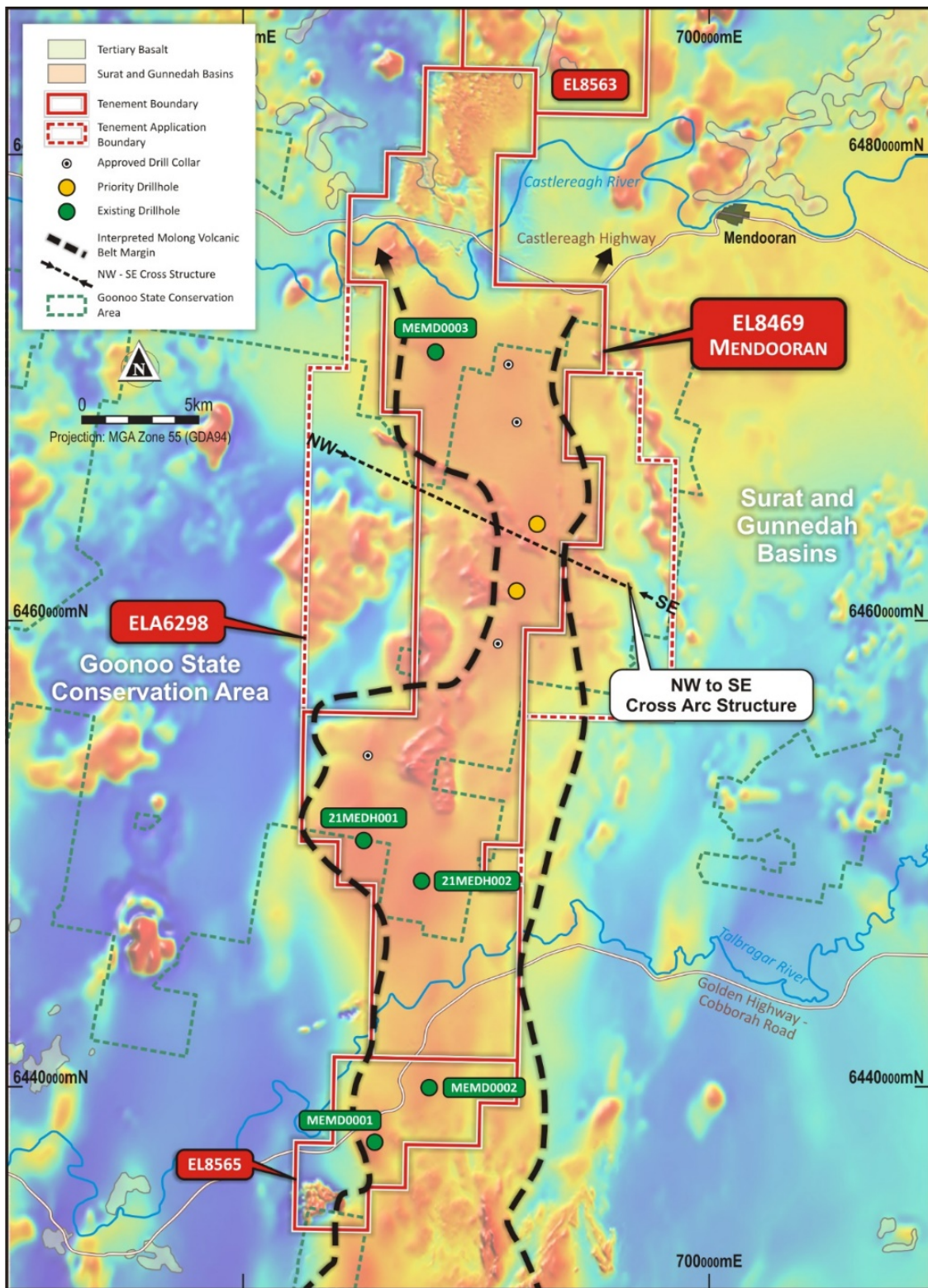


Figure 3. Planned drill holes on residual TMI magnetics with NW-SE Cross arc structure



Mendooran ASX Releases

3/06/2021	Mendooran Drilling Extends Molong Target Area
27/08/2020	<i>Access Agreement executed with NSW National Parks and Wildlife Service (Not an ASX Release)</i>
6/04/2020	Mendooran Ref Positively Determined
1/04/2020	Mendooran Awarded New Frontiers Grant
22/11/2019	NSW Porphyry Projects Update
9/11/2018	Significant Upside Potential At Mendooran
8/11/2018	Newcrest Withdraws From Mendooran Joint Venture
25/10/2017	Commencement Of Newcrest Drilling At Mendooran
5/05/2017	Alice Queen Farm-In With Newcrest Goes Unconditional
10/04/2017	Option And Farm-In Agreement Executed With Newcrest
8/03/2017	Heads Of Agreement With Newcrest

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.

Approved by the Board of Alice Queen Limited.

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