



ALICE QUEEN  
LIMITED

ASX Announcement  
16 MAY 2022

# HORN ISLAND DRILLING REVEALS SULPHIDES, MINERALISATION AND VISIBLE GOLD

Advanced gold and copper explorer, Alice Queen Limited (**ASX:AQX**) ("**Alice Queen**" or the "**Company**") is pleased to provide an update in relation to its ongoing exploration drilling campaign at the Southern Silicified Ridge (SSR) located on Horn Island in the Torres Strait, Queensland.

## Highlights

- ◆ Two diamond core drill holes for ~700m have been completed with a third diamond core hole of ~400m currently underway at the first target area, Jedha 1 (see Figure 1)
- ◆ Drilling has intercepted sulphide mineralisation within thin stringer stockwork veins, banded veining, and breccia fill structures to a depth of ~400m and remains open
- ◆ Whilst often not material, small specs of visible gold have been observed within some sulphide-quartz veining
- ◆ A ~1km NW striking structurally controlled mineralised stockwork and veining persistent at depth is emerging (see Figure 1)

## Alice Queen's Managing Director, Andrew Buxton said,



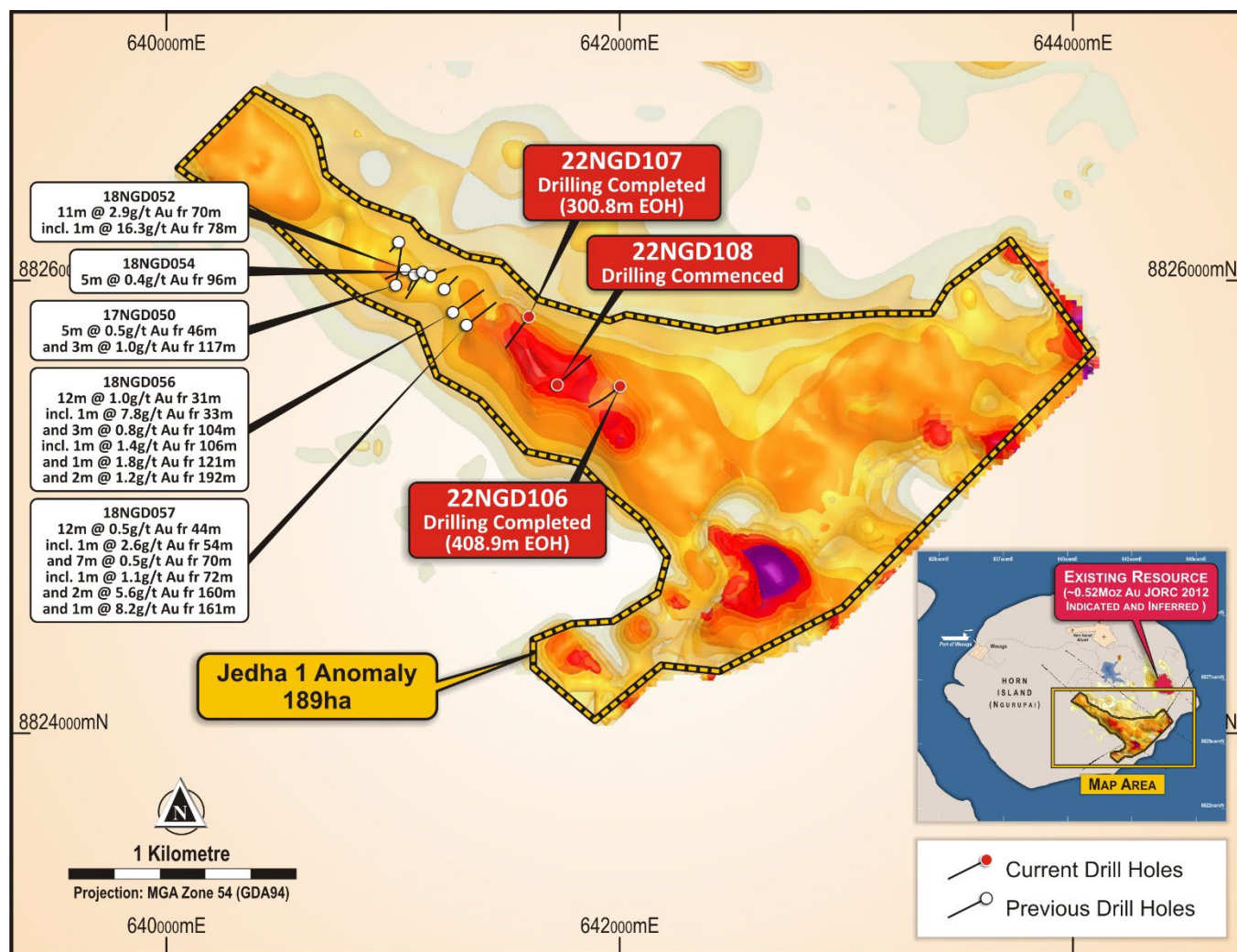
These visible observations from our exploration team, led by our Queensland Exploration Manager Adrian Hell, are highly encouraging. Whilst we know visible gold in the drill core may not always translate into high gold grades, we are very encouraged to be seeing it. The current holes described in this announcement are close enough to the previous drilling at the SSR, that have yielded some great intercepts, and far enough away from our existing 500koz au resource to make us believe that we have significant highly prospective strike extent still to test, and that our next hurdle of achieving one million ounces in resources is well within our reach.



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**ASX: AQX**



**Figure 1** Plan view of 3D chargeability gradient (6 to 15ms) outlining the Jedha 1 anomaly (189ha). Drilling currently testing the first target area of this anomaly. Proximity from the ~0.52Moz Au Horn Island resource highlighted in location map.

## Geological logging summary from Jedha 1 DDIP anomaly

A third hole is currently testing the first target area, Jedha 1. This is the first target area of a large and extensive series of discrete high chargeability IP anomalies (189ha) across the SSR prospect (see ASX release 24 February 2022, titled "Final IP Results Reveal Multiple Drill Ready Target Zones at Horn Island").

Based on visual observations of holes 22NGD106, 22NGD107, & 22NGD108, varying degrees of mineralisation have been intersected being either mineralised fine stockwork, breccia or banded and veining intervals, all within altered granite porphyry phases (see Figures 2, 3, 4 and 5) which is comparable to the Company's ~0.52Moz Au gold deposit (see Figure 1 inset).

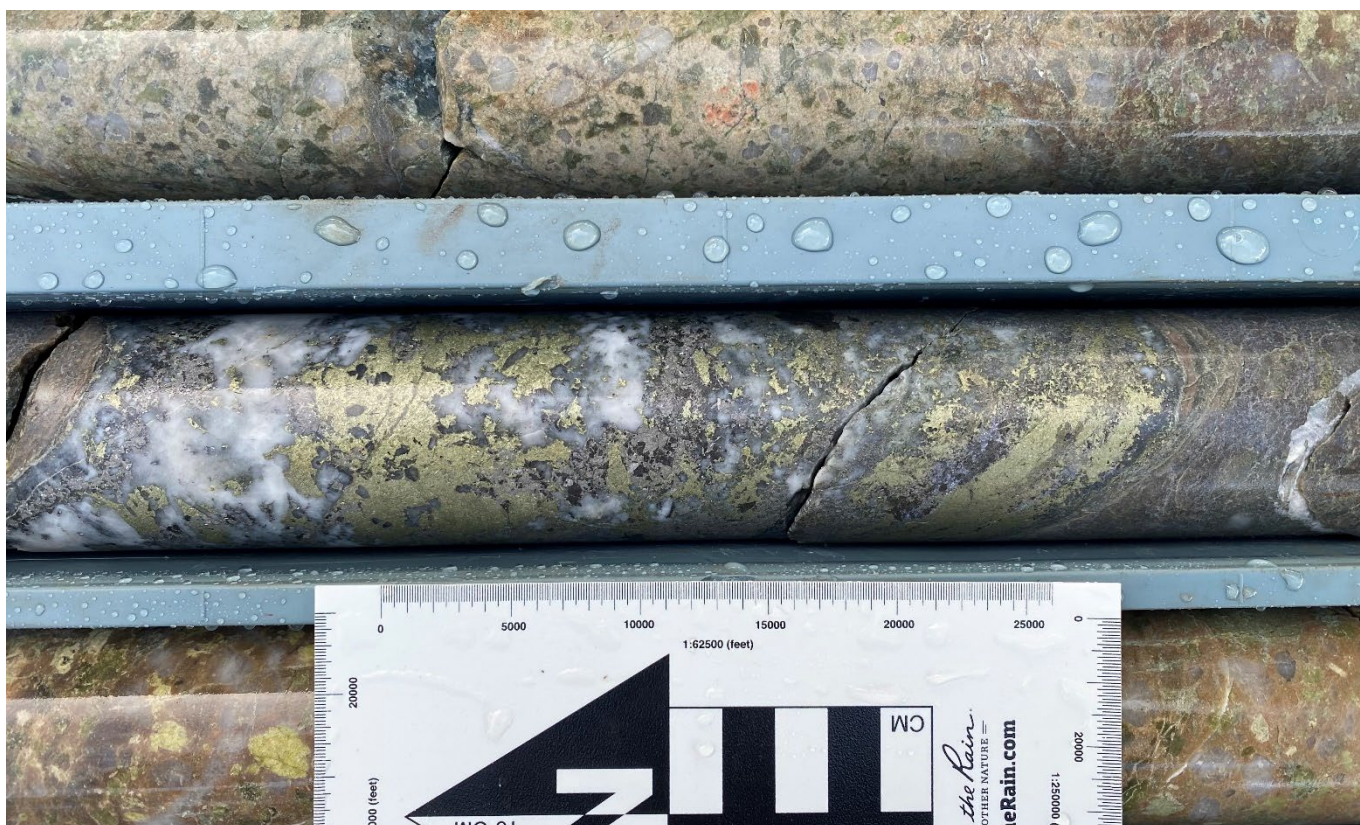
*The Mineral Resource Estimate (JORC 2012, Indicated and Inferred) is reported at a > 0.4g/t Au cut off for 16.7Mt at 0.98g/t Au for a total of 524,000 ounces Au (see ASX release 11 November 2021, HORN ISLAND SCOPING STUDY AND MRE).*







**Figure 2** 22NGD106 (depth: 69.1m): Highly mineralised steep dipping quartz vein with semi massive pyrite, galena, arsenopyrite, sphalerite and chalcopyrite (centre to right image) and with mineralised breccia fill comprising fine blackish sulphides and chlorite (left part of image); in altered quartz feldspar granite porphyry.



**Figure 3** 22NGD108 (depth 173.4m): Highly mineralised steep dipping quartz vein (250mm) with semi-massive chalcopyrite, arsenopyrite, sphalerite, galena & pyrite in sericite-silica altered quartz feldspar granite porphyry.

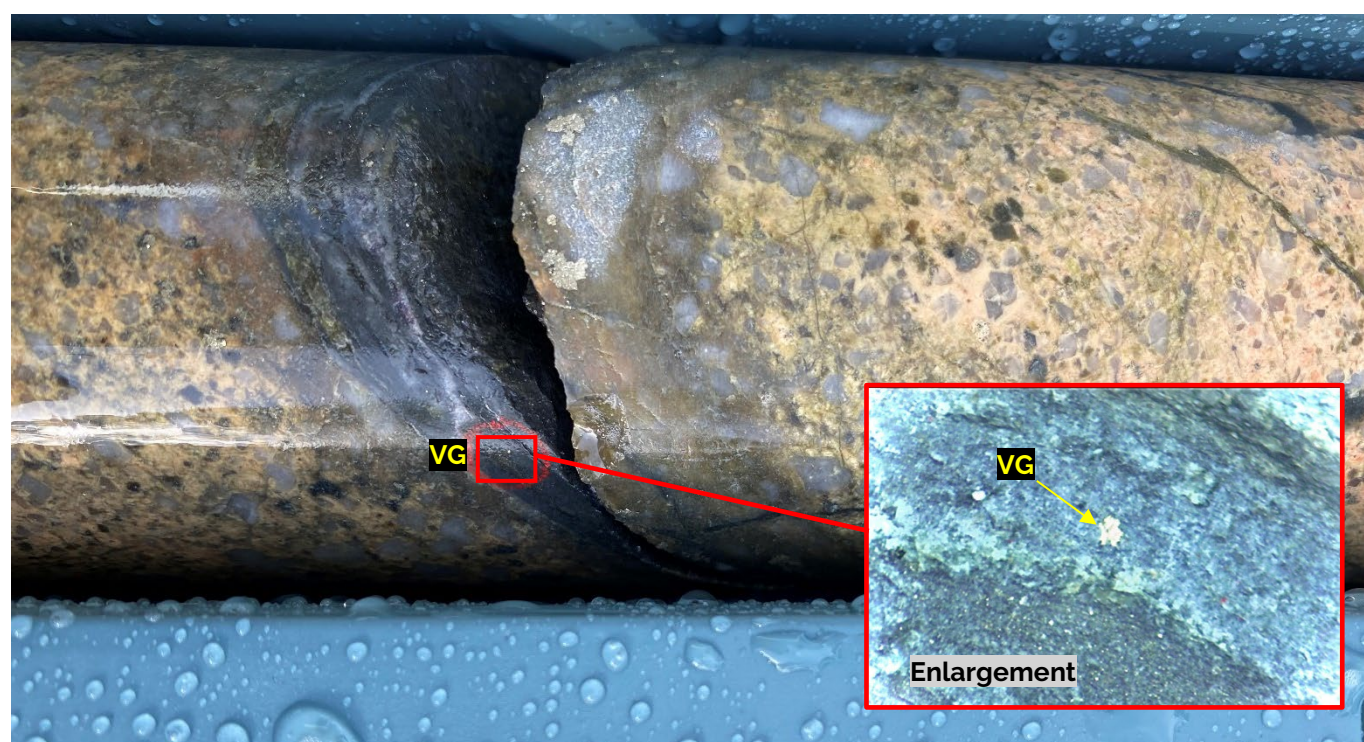




These vein structures appear to occur in broad cluster zones with individual veins ranging from a few millimetres up to 250mm in width. The occurrence of a 3m intense alteration & fault zone with semi massive fine sulphide vein & breccia fill has been intersected in hole 22NGD108 (see Figure 5). Preceding this are numerous thin mineralised stock work and banded semi massive sulphide veins. A number of very small, isolated specs of visible gold are also present, these have been observed within solitary banded mineralised veins with high percentages of fine sulphides & less pyrite (see Figure 4).

Mineralisation is observed as only being contained in veining, which varies from trace percentages to semi massive and massive textures. Often fine 1-5mm veins are highly mineralised and interestingly, several emerging wider mineralised vein intercepts (up to 250mm) have revealed a polymetallic composition with semi massive pyrite, sphalerite, arsenopyrite, chalcopyrite and galena (see Figure 3).

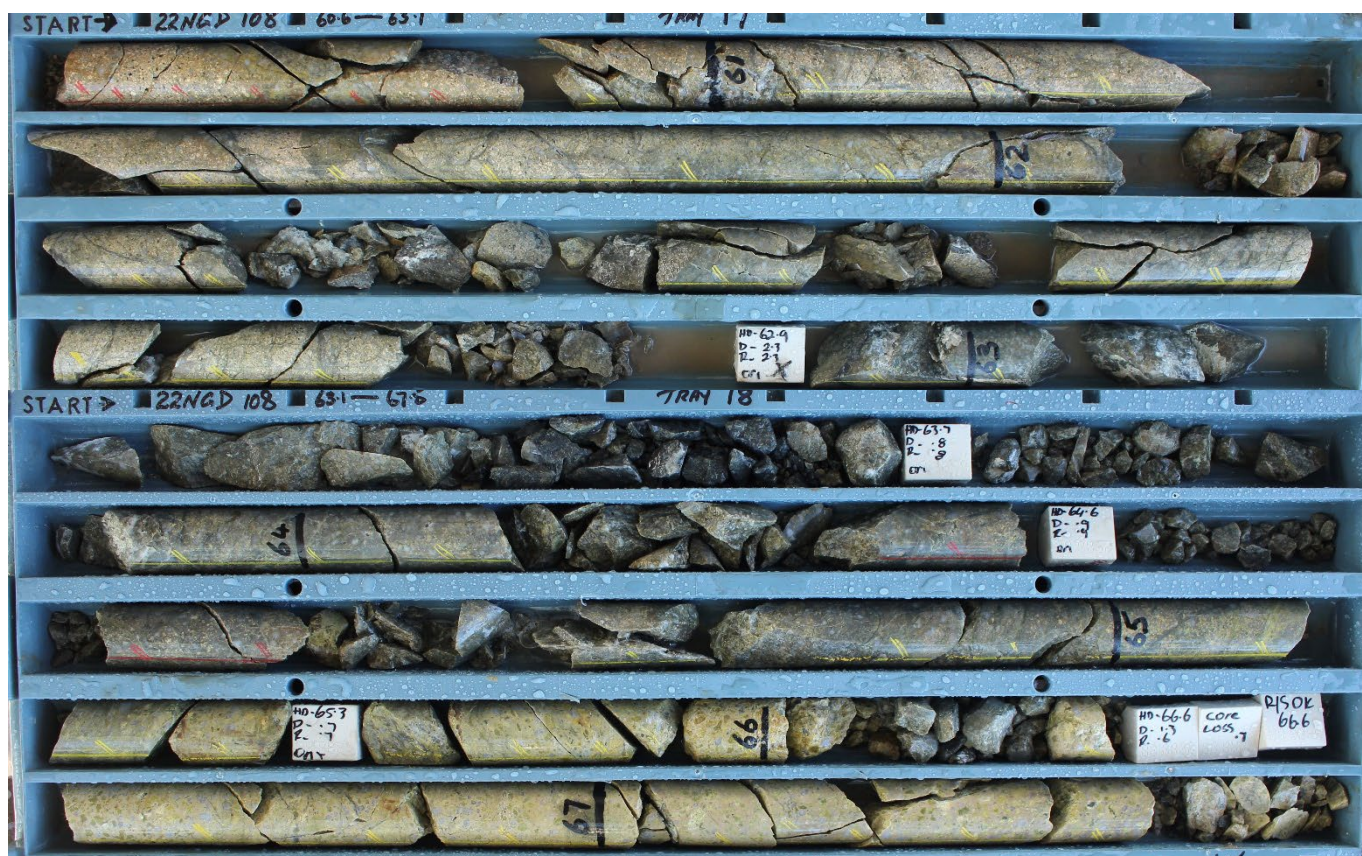
In hole 22NGD106 and 22NGD108 (drilling ongoing) some broad vein sulphide zoning patterns have been observed including near surface oxide and pyrite transitioning to either arsenopyrite or galena-sphalerite-chalcopyrite & then followed by pyrite dominated veins. The geometry of these zoning patterns will be further investigated once all gold and multievent analyses results are returned. Like many of the multimillion-ounce North Queensland intrusion gold deposits (i.e. Mt Leyshon, Ravenswood and Kidston) metals enrichment zoning patterns assist with vectoring towards higher gold occurrences. This approach will assist and inform ongoing drilling.



**Figure 4** 22NGD108: Visible gold (VG) observed in banded quartz and fine sulphide vein at 55.6m depth.







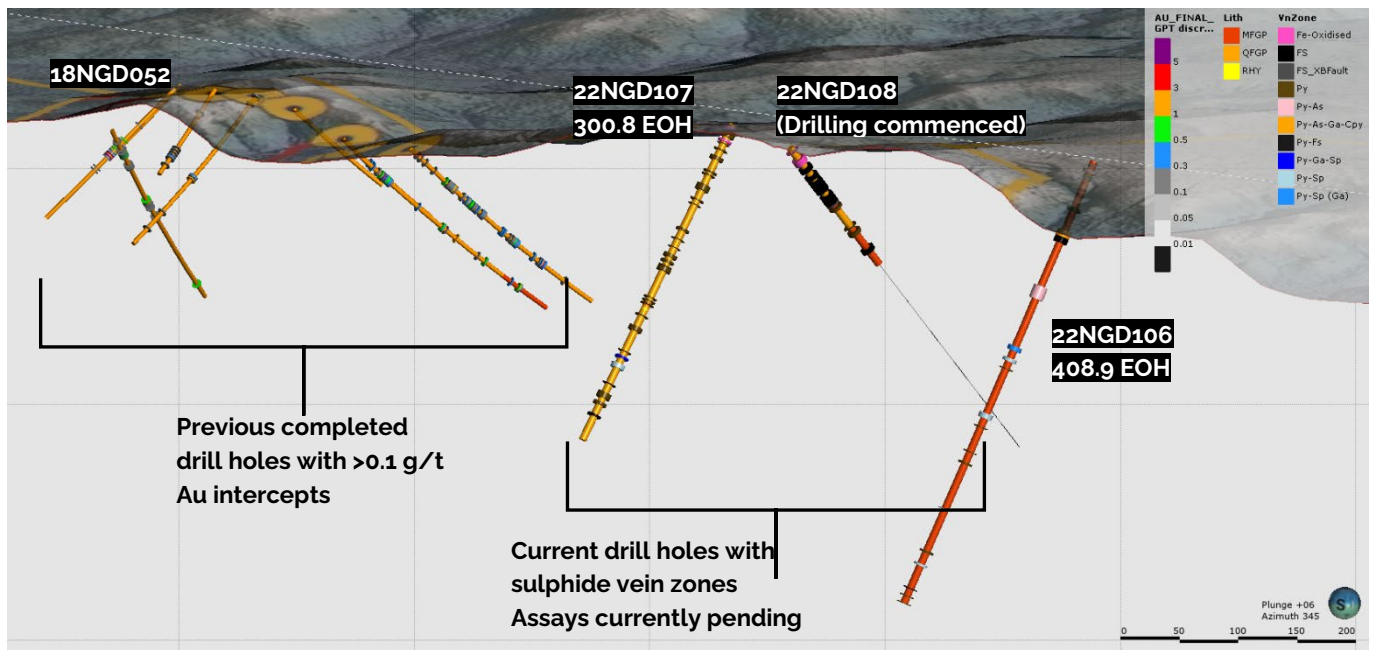
**Figure 5** 22NGD108: Fine stockwork veining zone transitioning into silicified mineralised vein breccia fault zone between 62.9 to 65.2m depth. Dominant mineralisation is pyrite with semi massive to massive fine sulphides.

A similar mineralised & silicified fault zone was intersected in a previous drill hole (18NGD052) completed during the Company's maiden drilling program at the SSR in 2018 (see ASX release 21 March 2018 titled, "High Grade Results Confirm New Gold System At SSR") This drill hole is located approximately 830m to the northwest of current drilling and subsequently reported the following significant gold assay intercepts.

- ◆ 11m @ 2.9 g/t Au from 70.0 m *including* 1m @ 16.3 g/t Au from 78.0m, & 1m @ 9.7g/t Au from 80.0m

The geological logging from the recent and previous drilling across the SSR prospect have established the presence of a multi-fluid phase mineralised stockwork, vein and vein breccia systems emerging across a greater than 1km NW strike and persisting to depth, and importantly these zones are coincidental with the >-3km NW trending surface gold zone which has previously been established from surface chip sampling (see ASX release 18 January 2017 titled "Horn Island Project Update).





**Figure 6** SSR prospect 3D drill sections viewing north - previous completed drilling (left of image) with gold assay intercepts  $>0.1\text{g/t Au}$  and recent drill holes 22NGD106 to 22NGD108 (right of image). Recent drill holes with lithology and observed veined sulphide mineralisation zones. Assay results currently pending for all recent holes and will be reported in due course.

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of sulphide material should never be considered representative or substitute for laboratory analysis.

Laboratory assay results are required to determine the grade and widths of the visible mineralisation reported in preliminary geological logging.

Due to current industry staff shortages, drilling operations have been restricted to a single day shift only. The third diamond core hole for ~400m is expected to be completed within approximately 14 days. All geological logging, sampling and dispatch for assay are up to date. Samples from the bottom of the third hole will be air freighted to the laboratory for assay to return all gold assay results from the first three holes (~1100m) within (approximately) four weeks. A fourth diamond hole for ~400m has also been planned and will be confirmed to commence on the receipt of all assay results.

Hole_ID	UTM_Northing	UTM_Easting	UTM_RL	TN Azimuth	Dip	Length
22NGD106	8825535	641998	80.9	225	-64	408.9
22NGD107	8825840	641599	68	220	-60	300.8
22NGD108	8825551	641727	82	45	-50	NC

**Table 1** Drill Collar locations for current SSR (Jedha 1) diamond drilling program (GDA94 Zone 54)





## For more information:

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## 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.

## 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 Scoping Study Outcomes and Mineral Resource Estimate" dated 11th November 2021, which is available at [www.asx.com.au](http://www.asx.com.au) the competent person being Mr. Dale Sims who is a chartered Professional Fellow of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientist. 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

All information mentioned in this report and relating to previous and current resource estimates, drilling results, induced polarisation surveys and surface sampling have been reported (with JORC tables 1 & 2) in the below ASX releases.

- ◆ ASX Announcement 24th February 2022 titled "Final IP Results Revel Multiple Drill Ready Target Zones at Horn Island"
- ◆ ASX Announcement 10 February 2022 titled "IP ANOMALY EXTENDS TO OVER 5KM AT HORN ISLAND"
- ◆ ASX Announcement 1 February 2022 titled "IP SURVEY COMPLETED AT HORN ISLAND"
- ◆ ASX Announcement 19 January 2022 titled "1.4KM IP ANOMALY EMERGING AT HORN ISLAND"
- ◆ ASX Announcement 30 November 2021 titled "IP SURVEY COMMENCED AT HORN ISLAND"
- ◆ ASX Announcement 11th November 2021 titled "Horn Island Scoping Study Outcomes and Mineral Resource Estimate"
- ◆ ASX Announcement 17th October 2018 titled "New Intrusion Related Gold (IRG) Target Zones Identified Across Horn Island"
- ◆ ASX Announcement 30th April 2018 titled "Further Significant Gold Intersected At SSR"
- ◆ ASX Announcement 21st March 2018 titled "High Grade Results Confirm New Gold System At SSR"
- ◆ ASX Announcement 24th January 2018 titled "Horn Island Drilling Update"
- ◆ ASX Announcement 14th December 2017 titled "Drilling Has Commenced at Southern Silicified Ridge (SSR) – Horn Island"
- ◆ ASX Announcement 18th January 2017 titled "Horn Island Project Update"



# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. 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.</i>	<ul style="list-style-type: none"> <li>• NQ (50.6mm) diameter diamond core drilling completed for exploration program. HQ3 (61.1mm) was used for drilling less consolidated and regolith profile usually less than 5-15m depth</li> <li>• Drill core has been cut consistently 10 mm to the right of the bottom of hole orientation line with the right-hand side of the core selected for sampling. The remaining other half core remains in the core tray for reference material.</li> <li>• All reference drill core is stored at the company core farm storage area on Horn Island.</li> </ul>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> <li>• Core sample intervals are selected by a geologist to honour lithology, alteration, and mineralisation boundaries.</li> <li>• Samples are predominantly selected at 1m intervals commencing from 0-1m depth, and so forth.</li> <li>• Entire length, to EOH, of drill core sampled.</li> </ul>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	<ul style="list-style-type: none"> <li>• All drill core samples have been submitted to a contract laboratory North Australian Laboratories (NT, Pine Creek, 0847) for crushing and pulverising to produce a 50g charge for Fire Assay Au analysis.</li> <li>• Split pulp samples will be sent from NAL to ALS (QLD, Townsville, 4810) for multielement analysis.</li> <li>• Samples have been collected at the geologist's discretion to represent a particular geological feature, outcrop, vein, or zone. Sampling should not be assumed to be representative of any area or volume.</li> </ul>
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).</i>	<ul style="list-style-type: none"> <li>• All AQX drill holes have been completed using diamond HQ3 collar (regolith profile) with NQ from near surface to end of hole (EOH) depths.</li> <li>• Drill core has been orientated using REFLEX RZ-GYRO instrument.</li> <li>• Atlas Copco CS14 track mounted drill rig operated by Eagle Drilling NQ Pty Ltd.</li> <li>• Core sizes includes: HQ3 - core diameter 61.1mm, hole diameter 95.6mm; NQ - core diameter 50.6mm, hole diameter 75.7mm.</li> <li>• Steel casing placed and left in all holes, usually between 3m to 15m depth.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<ul style="list-style-type: none"> <li>Core recovery for all holes has been measured from drillers run blocks with 96% of the sample intervals recovered &gt; 90%, discounting overburden.</li> <li>Poor recovery has only been noted in overburden (0-2m depth), strongly weathered &amp; oxidised zones, and a 1m silicified breccia fault zone in hole 22NGD108. Where some loss of core occurs represents a negligible section of the total drill hole material.</li> </ul>
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<ul style="list-style-type: none"> <li>Diamond core has been reconstructed into continuous runs for orientation marking with depths checked against the depths given on the driller's core blocks.</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>As core recovery is &gt;90% for the fresh mineralisation, there is no evidence a relationship exists between grade and sample recovery.</li> </ul>
<b>Logging</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>All AQX drill core has been measured for recovery and RQD by drill run, using the core10 method. Intervals of lost core assessed and assigned.</li> <li>Intervening metre marks have been labelled on the drill core.</li> <li>All diamond core has been logged to industry best standards for lithology, alteration, veining, mineralisation, and structure, using specific set of logging codes to ensure consistency in logging between geologists.</li> <li>Structural measurements of specific features i.e., vein orientations, fault, and foliation etc... have also been taken for the entire length of orientated drill core.</li> <li>All drill core logging is captured on the company's "in-house" Access based digital logging template with a number of validation requirements prior to final acceptance.</li> </ul>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i>	<ul style="list-style-type: none"> <li>Logging is quantitative in nature.</li> <li>100% of core has been photographed wet, in shade with high resolution/megapixel camera.</li> </ul>
	<i>The total length and percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none"> <li>All drill core has been logged with the information (lithology, structure, alteration, mineralisation and magnetic susceptibility) digitally captured using the company in house digital "Logger System" within an Access database program.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<ul style="list-style-type: none"> <li>All core samples sawn in half using a 'Bricky' core saw with samples selected approximately 10mm right of the orientation line. The core saw has a permanent fixed guide to ensure consistent even cutting between ½ sample and ½ reference sample. Sample and reference material are occasionally weighed to ensure consistent ½ core weights are maintained between sample and reference material.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b> <i>Continues...</i>	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	<ul style="list-style-type: none"> <li>No non-core sampling completed during drilling</li> </ul>
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<ul style="list-style-type: none"> <li>Drill core sample preparation has been undertaken at North Australian Laboratories, Pine Creek (NT).</li> <li>Sample preparation process includes coarse crushing, then crushing to 70% passing 2 mm sieve; crushed samples are then split to 1000g using a rotary splitter. 1000g splits are pulverised to 90% passing 100µm and pulverised splits are re-split to 50g aliquot for fusion and fire assay.</li> <li>Sample preparation at NAL for a ~3kg ½ core sample includes: <ul style="list-style-type: none"> <li>Weighing samples, drying at 120C for 4 hours, sample is then crushed to better than 70 % of the sample passing 6 mm, followed by roll crushing it to a nominal -2mm, 1kg sub-sample is split through a Jones Riffle for fine pulverising.</li> <li>Sample is pulverised to 100Uµm in a VSP [Keegormill], mill is cleaned with compressed air and then a 0.5 Kg barren flush is pulverised between every sample and then again cleaned with compressed air.</li> <li>1 in 20 samples is wet screened to check grinds.</li> <li>Every sample is thoroughly roll mixed on a rubber mat and 500 gram cut as the assay pulp (primary pulp subsample). The balance of the pulverised sample is discarded.</li> <li>200gm pulp split will be collected &amp; forwarded to ALS for multielement analysis</li> </ul> </li> </ul>
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<ul style="list-style-type: none"> <li>Quality control procedures for the AQX samples have included the selection of a consistent side of the core for sampling, sampling the entire length of each drill hole and the use of coarse Blanks (washed white quartz pebbles) and coarse crush duplicates to test for bias and contamination in the sample preparation process.</li> <li>No subsampling of drill core has been undertaken.</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>No field duplicates collected during drill core sampling.</li> <li>Lab coarse crush duplicates have been inserted at an approximate ratio of 1:20 samples. These samples will be completed by the Lab as per the company dispatch and processing requirements. Pre-made empty sample bags with sample ID will accompany the relevant primary samples.</li> </ul>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<ul style="list-style-type: none"> <li>Sample size is considered representative to the grain size of the material being sampled.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>  <b>Quality of assay data and laboratory tests</b> Continues...	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<ul style="list-style-type: none"> <li>• Drill core gold assay determined by 50g Fire Assay with Atomic Absorption finish (NAL method FA50, Detection limits 0.01 – 100ppm.</li> <li>• Multi-element analysis 48 elements ALS code ME-MS61. Multi element analysis determined by four-acid digest on a 0.25 g sub-sample to quantitatively dissolve most geological materials, with analysis via ICP-MS/OES</li> <li>• North Australian Laboratories Pty Ltd is a family-owned Mineral Assay Laboratory that has been operating in Pine Creek for the past 36 years. The laboratory is not NATA certified however the company has undertaken due diligence prior to contracting the lab and is deemed to be well equipped and sophisticated mineral assay laboratory which meets industry standards</li> <li>• ALS Global Ltd is the company's approved assayer who is an ISO certified organisation with industry leading quality protocols</li> <li>• All sample assaying is documented with a finalised assay certificate signed off by qualified assayer.</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>• No other tools are used for analysis during drilling and surface sampling.</li> </ul>
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<ul style="list-style-type: none"> <li>• Industry Certified Low Au Grade Reference Materials (CRMs) have been submitted within the sample stream at a frequency of approximately 1 in 25. Quality control data has been plotted on charts with control limits at <math>\pm 1\sigma</math>, <math>\pm 2\sigma</math> and <math>\pm 3\sigma</math> standard deviations to monitor the level of contamination, accuracy, and precision.</li> <li>• 500g blanks are added every 1:50 samples comprising washed white quartz pebbles</li> <li>• All QAQC results will be reviewed by the AQX Competent Person who will determine if results to be within acceptable limits and therefore considered valid for reporting and estimation purposes.</li> <li>• NAL &amp; ALS internal CRMs and lab duplicates have also reported prior to release of finalised certificates.</li> <li>• All logging and sampling undertaken under the supervision of a qualified geologist.</li> </ul>
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	<ul style="list-style-type: none"> <li>• Significant intersections from drilling will be reviewed by AQX and contract geologists.</li> </ul>
	<i>The use of twinned holes.</i>	<ul style="list-style-type: none"> <li>• No hole twinning has been undertaken.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<ul style="list-style-type: none"> <li>All drill core sampling and analytical data has been stored directly into an in-house developed Access data management system.</li> <li>All data has been maintained, validated, and managed by company contracted administrative geologist.</li> <li>Analytical results received from the lab have been loaded directly into the database with no manual transcription of these results undertaken.</li> <li>Original lab certificates have been stored electronically.</li> </ul>
	<i>Discuss any adjustment to assay data.</i>	<ul style="list-style-type: none"> <li>No adjustment to geochemical data has been undertaken. Below detection limit data presented as 1/10<sup>th</sup> of the lower detection limit of the method and over the detection limit results presented as the upper detection limit of the method.</li> </ul>
<b>Location of data points</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Sample locations X Y coordinates have been determined using a handheld GPS (+/-5 m).</li> <li>Elevation corrected using digital elevation model derived from LIDAR data.</li> <li>During drilling, down hole surveys at 30m intervals have been completed using a reflex single shot digital magnetic camera.</li> </ul>
	<i>Specification of the grid system used.</i>	<ul style="list-style-type: none"> <li>All locations recorded using map datum GDA94/MGA UTM Zone 54.</li> </ul>
	<i>Quality and adequacy of topographic control.</i>	<ul style="list-style-type: none"> <li>The topographic control is taken from Digital Elevation Model derived from LIDAR data, Queensland State Government 2011 acquisition (+/-1m)</li> </ul>
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	<ul style="list-style-type: none"> <li>Drill holes are continuously sampled from top of hole to end of hole.</li> <li>Diamond drilling direction were orientated at approximately 45°, 220°, &amp; 225° azimuth.</li> <li>Drill hole is inclined -65°, -60° and -50° dip from the horizontal.</li> <li>Drill hole spacing is sufficient to report preliminary exploration results, plan for further drilling and be used as a guide to rank prospectivity of the target area in question</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>Drill core spacing and sample results is not adequate for reporting a mineral resource</li> </ul>
	<i>Whether sample compositing has been applied.</i>	<ul style="list-style-type: none"> <li>No sample compositing has been applied</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	<ul style="list-style-type: none"> <li>• Drill azimuth is 225° is orthogonal or close to orthogonal to the interpreted vein zones trends of the known mineralisation.</li> <li>• Drilling is considered to achieve an unbiased sampling of structures</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>• It's not considered to be the case and therefore not reported.</li> </ul>
<b>Sample security</b>  <b>Sample security</b> <i>Continues..</i>	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> <li>• All sampling has been selected and supervised by a qualified and experienced geologist</li> <li>• All drill core samples have been sealed in heavy duty plastic green mining bags with cable ties immediately after cutting. All drill core samples have been stored in a secure, permanently staffed facility prior to shipping.</li> <li>• Drill core sample bags loaded into polyweave sacks, with each sack affixed a numbered tamper-proof security ID tag which has been cross checked upon receipt at destination. Polyweave sacks have been loaded into bulker bags for transport.</li> <li>• Drill core sample dispatch travels by ship from Ngurupai (Horn Island) to Cairns, then on shipped to North Australian Laboratories, Pine Creek (NT) by registered road freight. Shipping has been undertaken by reputable transport logistics specialists (Sea Swift Pty Ltd) with freight security protocols.</li> <li>• All drill core samples which are deemed to contain organic material (surface material only, i.e. 0-2m depth) are cleared and monitored during freight by Department of Agriculture (Permit to move Soils approved) and signoff by AQIS. Samples which do not contain organic material are checked and approved by AQIS prior to dispatch.</li> <li>• NAL (Pine Creek, NT) and ALS laboratories provide a sample receipt upon delivery of all samples.</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> <li>• The Competent person from AQX has been closely involved in recent drilling and all surface sampling programs and as such has visited the site on numerous occasions.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Kauraru Gold Ltd is the 100% undivided and unencumbered owner of EPM25520 covering the Nguruapi Project.</li> <li>Kauraru Gold Ltd is a joint venture company between Alice Queen Ltd and the Kaurareg Aboriginal Land Trust. Cadastral title for portions of the historic Horn Island Mine site is held by the Torres Shire Council</li> <li>Other land areas above EPM25520 are held by the Kaurareg Aboriginal Land Trust</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>The tenure is in good standing and operations are compliant.</li> <li>AQX/Kauraru Gold Ltd knows of no impediment to obtaining a licence to operate in the area.</li> </ul>
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> <li>Previous explorers include Seltrust Mining Corporation Pty Ltd, BP Minerals, Torres Strait Gold Pty Ltd, Augold NL, Carpentaria Exploration Company Pty Ltd. A modern operation was established by Augold Pty Ltd in 1987 and operated until 1989.</li> <li>Some shallow historic drilling by previous company's has been completed across the SSR prospect however drill data cannot be fully validated and therefore remains questionable. Majority of the assay data from historic drilling is missing. No historic data has been used in this report and is not considered material for the purposes of this report.</li> </ul>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> <li>Geology of the Horn Island Gold Project comprises late-stage post mineralised felsic and mafic dykes and I-type intrusive granitic porphyry rocks (comprising a number of visual phases with corresponding lithochemistry of Late Carboniferous to Early Permian age.</li> <li>Kauraru Gold is targeting Intrusive Related Gold System (IRGS) type deposits.</li> <li>The Horn Island gold mineralisation is hosted in a series of clustered quartz-sulphide (dominantly pyrite, galena, and sphalerite) vein arrays, breccia and stockwork zones, this associated with the Intrusion Related Gold Systems (IRGS) similar to other Australian Nth Qld deposits including Ravenswood, Mt Wright, Kidston or Mt Leyshon.</li> <li>The vein zones at the deposit scale are defined using a recent structural model (refer to ASX release 2<sup>nd</sup> August 2018) and forming from localised brittle shear rotational movement.</li> <li>Geochemical and petrographic studies indicate gold is associated with base metal sulphides and appears as free gold contained only within the veining. Evidence to date indicates gold does not extend into zones of alteration or within the host rock.</li> </ul>



Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Alteration minerals associated with gold mineralisation mostly comprises sericite, chlorite to silica and indicating Phyllic style alteration. An intense zone of alteration appears central to the resource area associated with the contacts between granite porphyry (QFGP, MFGP) and equigranular granite (EQG) phases. Importantly this alteration zone is considered associated with the main fluid feeder zone for mineralisation. Steeping away from the main alteration zone is very localised alteration associated with veins.</li> <li>A thin rhyolite dyke occurs across the Horn Island resource area which has little mineralisation associated with it.</li> <li>A late stage and series of post mineralised very thin andesite dykes occur across resource area which crosscut mineralisation. No economic Au-intercepts has been observed within these dykes.</li> <li>Alice Queen Limited has reported an updated mineral resource estimate (ASX release 11th November 2021) (indicated and inferred) for the Horn Island gold deposit at 16.7Mt at 0.98g/t gold for 524,000 ounces of gold using a 0.4g/t gold cutoff grade.</li> </ul>
<b>Drill hole Information</b>	<p><i>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:</i></p> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul>	<ul style="list-style-type: none"> <li>All drill collar location summary data for completed holes - 22NGD106, 22NGD107 and 22NGD108 are reported and shown in figures and tables in this release.</li> </ul>
	<p><i>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.</i></p>	<ul style="list-style-type: none"> <li>No information or data relating to the drill holes completed has been excluded from this report.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	<ul style="list-style-type: none"> <li>Not applicable, No assay results are available and no results have been reported in this release.</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>Not applicable, No assay results are available and no results have been reported in this release.</li> </ul>
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	<ul style="list-style-type: none"> <li>Not applicable, No assay results are available and no results have been reported in this release.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	<ul style="list-style-type: none"> <li>Detailed vein and structural logging, complete with alpha and beta angles or dip and dip direction (field samples) have been used to find common vein cluster orientations.</li> </ul>
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	<ul style="list-style-type: none"> <li>Interpretation on the geometry of mineralisation is very preliminary. The broad gold zone trend (&gt;0.1 g/t Au) and associated metal enrichment enrichment patterns are yet to be established.</li> <li>The boundaries of the mineralisation in the exploration diamond drilling program, in particular the lateral extents, has not been established by drilling to date. The mineralisation currently remains open in most directions.</li> </ul>
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	<ul style="list-style-type: none"> <li>Down hole lengths only reported for drill data.</li> <li>Intersections represent down hole apparent widths.</li> <li>True widths are not known at this stage</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Diagrams</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Refer to report for all relevant maps, diagrams and tables</li> </ul>
<b>Balanced reporting</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>All comprehensive assay results have previously been reported to the ASX</li> </ul>
<b>Other substantive exploration data</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Previous drill hole gold assay data is reported: <ul style="list-style-type: none"> <li>ASX Announcement 17th October 2018 titled “New Intrusion Related Gold (IRG) Target Zones Identified Across Horn Island”</li> <li>ASX Announcement 30th April 2018 titled “Further Significant Gold Intersected At SSR”</li> <li>ASX Announcement 21st March 2018 titled “High Grade Results Confirm New Gold System At SSR”</li> <li>ASX Announcement 24th January 2018 titled “Horn Island Drilling Update”</li> <li>ASX Announcement 14th December 2017 titled “Drilling Has Commenced at Southern Silicified Ridge (SSR) – Horn Island”</li> <li>ASX Announcement 11th November 2021 titled “Horn Island Scoping Study Outcomes and Mineral Resource Estimate” (indicated and inferred) reported a revised resource estimate at 16.7Mt at 0.98g/t gold for 524,000 ounces of gold using a 0.4g/t gold cut-off grade.</li> </ul> </li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Further work</b>	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<ul style="list-style-type: none"> <li>• Gold assay intercept modelling to be completed when all assays are returned</li> <li>• Litho-geochemical, IRG pathfinder multielement analysis and 3D modelling using Leapfrog Workflow will assist with further targeting and follow up work programs</li> <li>• Review of geophysical targets with geochemical and geological results to optimise further drilling</li> <li>• Additional follow up drilling programs to be undertaken</li> </ul>