



CAPITAL STRUCTURE

AQX [Ordinary Shares on issue]	222M
AQXO [Options]	124M [3c Exp. 30 Sep 2017]

PROJECTS

Queensland

EPM 25520	Ngurupai (Horn Island)
EPM 25418	Kaiwalagal

New South Wales

EL 8225	Looking Glass
EL 8469	Mendooran

BOARD & MANAGEMENT

Phillip Harman

Non-Executive Chairman

Andrew Buxton

Managing Director

Mark Kerr

Non-Executive Director

Anne Adaley

Company Secretary & CFO

SUBSTANTIAL SHAREHOLDERS

Andrew Buxton	18.40%
Mark Kerr	9.15%
Monzonite Inv.	8.43%
Maplefern	7.83%
Finico ATF Morris Family	5.20%

ALICE QUEEN LIMITED

ABN 71 099 247 408

Suite 2, Ground Floor
21-25 Macquarie Street
Prahran VIC 3181

T +61 3 8669 1408

E info@alicequeen.com.au

W www.alicequeen.com.au

METALLURGICAL TEST WORK AT HORN ISLAND DELIVERS 91.2% GRAVITY ONLY GOLD RECOVERY

Alice Queen Limited ["Alice Queen" or "the Company"] is pleased to announce that its recent metallurgical test work, undertaken by Gekko Systems Pty Ltd (Gekko), has delivered a very strong 91.2% gravity only gold recovery. In addition the recent Gekko work has also confirmed that with the addition of flotation treatment the gold recovery improves to 95.1% and further, with leaching, the full potential gold recovered is 98.8%.

HIGHLIGHTS:

- * Gravity only gold recovery of 91.2% in to 4.9% of the mass at a concentrate grade of 44.3 g/t Au
- * Gravity plus flotation gold recovery of 95.1% in to 5.1% of the mass at a concentrate grade of 44.6 g/t Au
- * Gravity, flotation plus leaching gold recovery of 98.8%
- * The sample was found to be amenable to the Gekko Python process system – an "off the shelf" proven technology
- * Preliminary process flowsheet being prepared on the economics of combined gravity and flotation and gravity only processes

Alice Queen's Managing Director, Andrew Buxton, said "The 91.2% gravity only gold recovery result has taken us by surprise. Such a strong gravity only result allows the Company to consider implementing a much lower cost processing plant for Horn Island and makes the path to production far simpler. The metallurgical results overall give us further encouragement to proceed with our plan to deliver a maiden JORC 2012 resource at Horn Island as soon as possible, and to get in to production there, as fast as we can."

The purpose of the testing program was to test the amenability of material from the Pioneer Lodes at Horn Island to modern gravity recovery processes at a nominal grind specification in particular determining the maximum amount of gold that could be recovered from gravity concentration only.



The test work included Cyclic VSI, Two Stage Continuous Gravity Recovery (CGR), grinding of the final CGR tail to P80 106 μ m and Single and Double Pass Knelson Concentrator tests at P80 106 μ m. A Single Pass Knelson test was also carried out on the final Two Stage CGR tail at P100 600 μ m. Subsequent to the initial study, additional Stage 2 test work was carried out whereby BMWi testing was completed on a sub-sample of the feed and the Two Stage CGR final tailing was ground to P80 212 μ m and subjected to Kinetic Flotation testing as a comparison to the Single and Double Pass Knelson tests.

While it must be noted that bench scale Knelson test results are not always directly applicable in a production setting, the results must be considered encouraging. Further testing would seek to establish grinding parameters, energy input requirements, grinding optimisation; and the feasibility of complimentary processing methods such as flotation or leaching.

The metallurgical composite was sourced from drill holes intercepting the Pioneer lodes as follows:

Hole #	From (m)	To (m)
16NGD004	61	86
and	118.9	127
16NGD007	81.5	121

(Please see Appendix A for further details)

Core from these intervals was quartered, weighed and packed by original sample number in individual bags for shipping to Gekko.

The above intervals were chosen to represent the broad outlines of the Pioneer structures at Horn Island including internal waste and barren shoulders. The composite contained several quartz pyrite sphalerite galena vein zones of widths varying from 2cm to over 1m. These vein zones crosscut barren and mildly sericite altered granite.

The final composite had a weighted - average 1.80 g/t Au from the geological database, which contains a mixture of standard fire assays and screen fire assays. Some variance on this average grade is expected due to the demonstrated presence of a coarse gold population. The final calculated head grade from the metallurgical testing of 2.4 g/t is well within the range of this expected variance.

As resource definition proceeds, further batch composites will be submitted for similar tests and the results aggregated.



**ALICE QUEEN
LIMITED**

COMPETENT PERSONS STATEMENT

The information appended to this announcement that relates to exploration results is based on information compiled by Mr Brian Kay, a Competent Person who is a member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr Kay has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Kay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

For and on behalf of the board

Andrew T Buxton

Managing Director

Alice Queen Limited

Telephone: +61 3 8669 1408

Mobile: +61 [0]403 461 247

Email: andrew.buxton@alicequeen.com.au



APPENDIX A – HORN ISLAND PROJECT, ¼ CORE SAMPLES FOR METALLURGICAL TESTING

Drill Hole_ID	From (m)	To (m)	Int (m)	Sample_No	Au_ppm	Sample weight (kg)
16NGD004	61	62	1	319609	0.16	1.6
16NGD004	62	63	1	319610	1.1	1.63
16NGD004	63	63.2	0.2	319611	21.2	0.4
16NGD004	63.2	64.1	0.9	319613	1.24	1.55
16NGD004	64.1	65.1	1	319614	0.01	1.46
16NGD004	65.1	66	0.9	319615	0.41	1.26
16NGD004	66	66.9	0.9	319616	0.88	1.44
16NGD004	66.9	67.8	0.9	319617	0.04	1.46
16NGD004	67.8	68	0.2	319618	8.79	0.26
16NGD004	68	69	1	319620	0.41	1.51
16NGD004	69	70	1	319621	0.01	1.5
16NGD004	70	70.9	0.9	319622	0.11	1.72
16NGD004	70.9	71.7	0.8	319623	1.92	1.29
16NGD004	71.7	72.2	0.5	319624	12.7	0.54
16NGD004	72.2	73.1	0.9	319625	1.2	1.24
16NGD004	73.1	74	0.9	319626	3.57	1.47
16NGD004	74	75	1	319627	1.7	1.74
16NGD004	75	75.8	0.8	319628	0.44	1.41
16NGD004	75.8	76.2	0.4	319629	5.52	0
16NGD004	76.2	77.2	1	319631	0.13	1.44
16NGD004	77.2	78.3	1.1	319632	1.72	2.05
16NGD004	78.3	79.5	1.2	319633	0.2	1.5
16NGD004	79.5	79.8	0.3	319634	9.7	0.5
16NGD004	79.8	81	1.2	319635	0.03	2.05
16NGD004	81	82	1	319636	0.01	1.63
16NGD004	82	82.8	0.8	319637	0.02	1.23
16NGD004	82.8	83.5	0.7	319638	0.05	1.18
16NGD004	83.5	84	0.5	319639	4.87	0.8
16NGD004	84	85	1	319640	0.31	1.82
16NGD004	85	86	1	319641	0.14	1.44
16NGD004	118.9	119.6	0.7	319672	0.24	1.18
16NGD004	119.6	121.4	1.8	319673	0.24	1.32
16NGD004	121.4	121.5	0.1	319674	2.79	1.8



Drill Hole_ID	From (m)	To (m)	Int (m)	Sample_No	Au_ppm	Sample weight (kg)
16NGD004	121.5	122.8	1.3	319676	0.23	2
16NGD004	122.8	123.4	0.6	319677	26.1	0.56
16NGD004	123.4	124.1	0.7	319679	7.47	1.63
16NGD004	124.1	124.9	0.8	319680	3.22	1.07
16NGD004	124.9	125.3	0.4	319681	21.9	0.76
16NGD004	125.3	126	0.7	319683	0.04	1.24
16NGD004	126	127	1	319685	0.07	1.19
16NGD007	81.5	82.3	0.8	320576	0.35	1.31
16NGD007	82.3	83	0.7	320577	0.77	1.4
16NGD007	83	84	1	320578	9.72	1.72
16NGD007	84	85	1	320580	0.22	1.59
16NGD007	85	86.3	1.3	320581	0.001	2.06
16NGD007	86.3	87.6	1.3	320582	0.01	2.25
16NGD007	87.6	89	1.4	320583	0.02	2.34
16NGD007	89	90	1	320584	0.1	1.83
16NGD007	90	92	2	320585	0.04	3.23
16NGD007	92	94	2	320586	1.28	3.48
16NGD007	94	96	2	320587	0.24	3.3
16NGD007	96	97	1	320588	0.02	1.83
16NGD007	97	98	1	320589	4.87	1.8
16NGD007	98	99	1	320590	1.4	1.7
16NGD007	99	100	1	320592	0.25	1.86
16NGD007	100	101	1	320593	0.001	1.6
16NGD007	101	102	1	320594	0.22	1.57
16NGD007	102	103	1	320595	0.19	1.47
16NGD007	103	104	1	320596	0.39	1.88
16NGD007	104	105	1	320597	7.63	1.66
16NGD007	105	106	1	320598	5.75	1.57
16NGD007	106	107	1	320599	19.2	1.17
16NGD007	107	108	1	320600	4.57	2.05
16NGD007	108	109	1	320604	0.79	1.74
16NGD007	109	110	1	320605	0.18	1.58
16NGD007	110	111	1	320606	0.08	1.53



Drill Hole_ID	From (m)	To (m)	Int (m)	Sample_No	Au_ppm	Sample weight (kg)
16NGD007	111	112	1	320607	1.9	1.33
16NGD007	112	113	1	320608	3.51	1.54
16NGD007	113	114	1	320610	0.63	1.6
16NGD007	114	115	1	320611	0.22	1.71
16NGD007	115	116	1	320612	0.15	1.59
16NGD007	116	117	1	320613	0.88	2.18
16NGD007	117	118	1	320614	0.59	1.47
16NGD007	118	119.2	1.2	320615	0.09	2.3
16NGD007	119.2	120	0.8	320616	0.31	1.7
16NGD007	120	121	1	320617	2.21	2.02
Total						118.83

PLEASE SEE ASX ANNOUNCEMENTS FOR FURTHER INFORMATION IN RELATION TO THE ABOVE TABLE;

- * Horn Island delivers further gold intercepts, 26 February 2016
- * Gold mineralisation confirmed at depth & along strike, 7 April 2016