



CAPITAL STRUCTURE

AQX [Ordinary Shares on issue]	281M
AQXO [Options]	119M [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	14.48%
Finico ATF Morris Family	7.88%
Mark Kerr	7.51%
Monzonite Inv.	6.65%
Maplefern	6.17%

ALICE QUEEN LIMITED

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QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2017

Alice Queen Limited ["Alice Queen" or "the Company"] is pleased to provide its Quarterly Activities Report for the period ended 31 March 2017.

HIGHLIGHTS FOR THE QUARTER

- On 18 January 2017, the Company announced the results from its comprehensive field mapping and sampling programs undertaken during calendar 2016.
- On 8 March 2017, the Company announced that it had entered in to a conditional Heads of Agreement for a proposed farm in to its NSW projects by Newcrest Operations Limited, a subsidiary of Newcrest Mining Limited [ASX:NCM]
- On 14 March 2017, Alice Queen announced an Exploration Target upgrade of its flagship Horn Island gold project to 8.5M -10.0M tonnes at a grade range of 2.7 – 3.0 g/t gold which represents an Exploration Target of 800,000 to 880,000 Oz of gold. *Disclaimer: An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.*
- On the back of the Exploration Target upgrade, on 22 March 2017, the Company launched a capital raise (Placement) to fund and advance the Horn Island project via an infill drill program, which seeks to achieve a maiden Inferred Resource there. The Placement was for the issue of up to 55 million new shares to Sophisticated Investors to raise up to \$1.925 million. The Placement was subsequently closed, fully subscribed on 13 April 2017.
- On 10 April 2017, the Company announced that it had signed the formal Option and Farm-In Agreement with Newcrest, whereby Newcrest has the right to spend \$10 million in up to 9 years to earn an 80% interest in the Company's NSW projects.



HORN ISLAND PROJECT UPDATE

During calendar 2016 Alice Queen Limited conducted an extensive field sampling and mapping program covering the major prospect areas on the eastern part of Horn Island. Extensive veining was identified across 5 prospects, including surrounding the historic Horn Island Gold Mine Pit (with numerous gold targets), Southern Silicified Ridge, Cable Bay, Horn Hill and Endor;

Importantly, a significant amount of field work was also completed in respect to improving the veracity of the historic drill data that the Company inherited from the previous 1980's mine operator. This work resulted in the inclusion of the historic 1980's drill hole data set in the updated Horn Island Exploration Target model.

Highlights from the 2016 Field Mapping and sampling program are as follows:

- 3km strike length of gold bearing veins covering an area of approximately 1km² identified at Southern Silicified Ridge;
- 500m strike length of gold bearing veins covering an area of 0.4km² identified at Cable Bay;
- >700m strike length of high grade gold bearing veins identified adjacent to the historic Horn Island Gold Mine open cut pit;
- 2.0km of linear Light Image Detection and Ranging (LIDAR) features identified across the Endor Prospect, some of these now confirmed associated with gold bearing veins;
- Numerous high grade gold (>10g/t Au) surface rock chip assays returned including 250, 117, 107, 51.5, 50.5, 25.1, 19.55, 18.2, 17.45, 15.7, 15.4, 11.45, & 10.4 g/t Au; and,
- Best surface channel gold results include:
 - 4m @ 4.20g/t Au [incl. 1.0m @ 11.90g/t][16CH012_003];
 - 4m @ 1.89g/t Au [incl. 1.0m @ 4.08g/t][16CH014_001];
 - 3m @ 1.54g/t Au [16CH003_001];
 - 1.5m @ 6.18g/t Au [incl. 0.5m @ 15.35g/t][16CH036_001]; &
 - 1m @ 8.79g/t Au [16CH047_001].

OPTION AND FARM IN AGREEMENT WITH NEWCREST

On 8 March 2017, Alice Queen entered into a Conditional Heads of Agreement with Newcrest for a proposed farm in to its NSW projects. Just over a month later, having satisfied the Conditions Precedent within the Heads of Agreement, on 10 April 2017, the Company entered into a formal Option and Farm in Agreement with Newcrest Operations Limited, a subsidiary of Newcrest Mining Limited [ASX:NCM].

The key commercial terms of the Option and Farm-In Agreement are as follows:

- Newcrest has an option to obtain the right to earn an interest in the Tenements by incurring \$2,000,000 of exploration expenditure within 24 months of the execution of formal agreements (Option Expenditure), with an obligation to incur at least \$1,000,000 of exploration expenditure prior to withdrawal.
- Subject to completing the Option Expenditure, Newcrest will have the right to earn a 51% interest in the Tenements by incurring not less than \$3,000,000 of exploration expenditure during the 24-months following completion of the Option Expenditure (Stage 1).



- Subject to completing Stage 1, Newcrest will have the right to earn a further 29% interest (giving it an aggregate 80% interest) in the Tenements by incurring not less than \$5,000,000 of exploration expenditure during the 60 months following completion of Stage 1.

Under the terms of the Farm-In the Company will also agree to grant rights of exclusivity to Newcrest over the Looking Glass Project during the term of the Farm-In Agreement.

HORN ISLAND EXPLORATION TARGET UPGRADE

On 14 March 2017, Alice Queen announced an upgrade to its Exploration Target for the Horn Island Pit prospect area.

The Exploration Target for the Horn Island Pit prospect area has been updated following on from a successful exploration program in 2015 and 2016 and a review of the historic drilling data. Planning has been completed for a drilling program to commence in Q2 2017; which will start with a Phase One, 11 hole program to develop the Pioneer Lode Target to Inferred Resource status.

Alice Queen engaged Mining Plus to undertake gold mineralisation modelling on targets within and in proximity to the historic Horn Island Pit prospect area (refer to below figure).

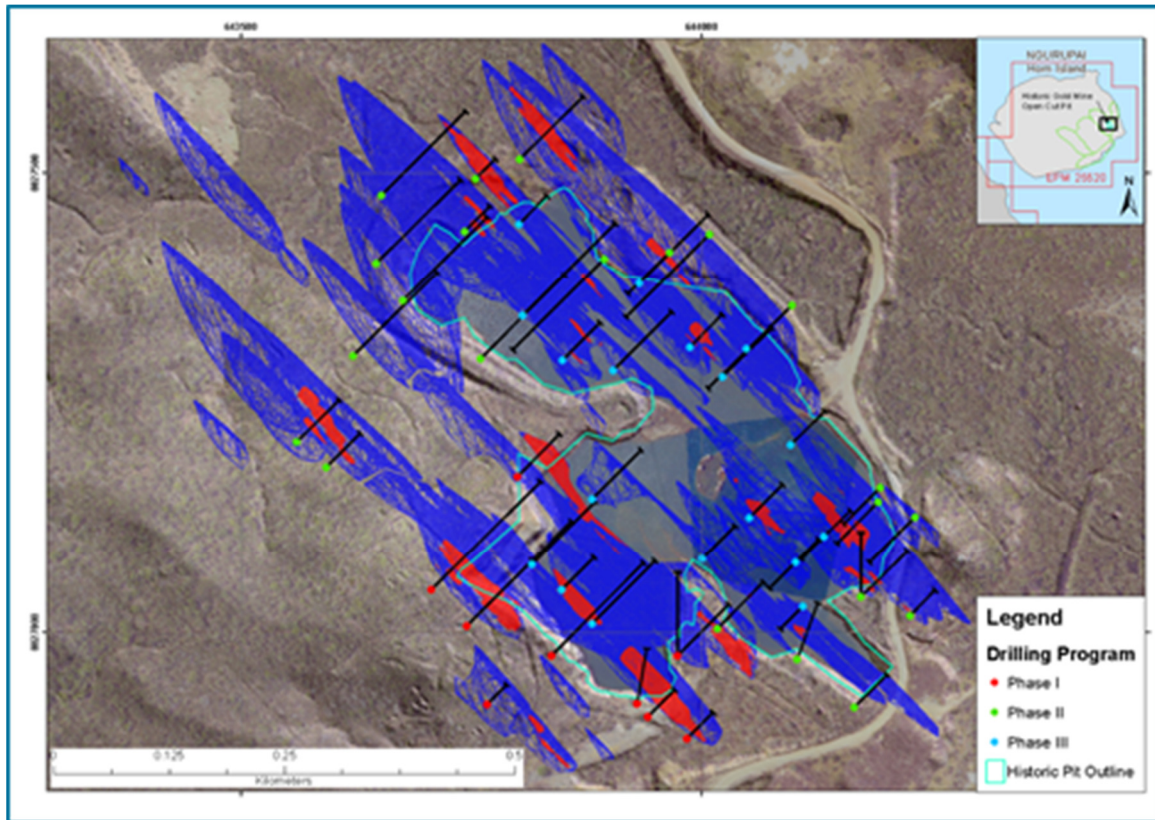
The modelling was completed using Leapfrog wireframes and Vulcan block modelling running a preliminary block model which has now upgraded the Company's previously reported Exploration Target (refer to ASX release dated 19th August 2016).

The Company's upgraded Exploration Target is now a tonnage range of 8.50 to 10.0 Mt at a grade range of 2.7 to 3.0 g/t gold, which represents an exploration potential of 800,000 to 880,000 Oz gold.

Disclaimer: An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

The Exploration Target estimation is summarised in the table below and detailed in the Mining Plus report.

Cut Off Grade	Horn Island Pit				
	Area	Name	Tonnes (Mt)	Grade	Metal
0.75	All Horn Island Pit		10.0	2.7	880
1.00			9.5	2.8	870
1.25			9.1	2.9	850
1.50			8.5	3.0	800



* Disclaimer: An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

KAIWALAGAL EPM 25418

No exploration activity was undertaken on EPM 25418 during the reporting period.

CORPORATE ACTIVITIES

COMPLETION OF PLACEMENT TO ADVANCE THE HORN ISLAND GOLD PROJECT

On 13 April 2017, Alice Queen announced that it had closed its recent Placement fully subscribed and issued 55,000,000 ordinary shares at an issue price of \$0.035 raising \$1,925,000 (Placement).

The Placement attracted strong support from a number of parties including a number of existing Top 20 shareholders and has allowed Alice Queen to introduce a number of new strategic investors to the Company.

The Placement comprised 55,000,000 fully paid ordinary shares at an issue price of \$0.035 per share. 33,000,000 ordinary shares were issued within the Company's 15% capacity and 22,000,000 ordinary shares were issued in



accordance with the Company's placement capacity under ASX Listing Rule 7.1A. Refer to ASX Announcement released 13 April 2017.

Funds raised through the issue [\$1,925,000] will, after costs, be applied to working capital and ongoing exploration programs at the Company's flagship Horn Island gold project in the Torres Strait.

TENEMENT SUMMARY

Tenement	Location	Current Holder⁽ⁱ⁾	Interest	Area (Blocks)	Grant Date	Expiry Date
EPM 25520	Queensland	Kauraru Gold Pty Ltd	100%	24	08 Oct 2014	07 Oct 2019
EPM 25418	Queensland	Kauraru Gold Pty Ltd	100%	83	25 Jan 2016	24 Jan 2021
EPM 18699	Queensland	Alice Queen Limited	100%	42	18 Dec 2013	17 Dec 2018
EL 8225	New South Wales	Monzonite Metals Pty Ltd	100%	74	06 Jan 2014	06 Jan 2018
EL 8469	New South Wales	Monzonite Metals Pty Ltd	100%	100	30 Sep 2016	30 Sep 2018

- (i) Alice Queen Limited holds a majority interest in Kauraru Gold Pty Ltd [84.5% equity interest] and Monzonite Metals Pty Ltd [90% equity interest]



**ALICE QUEEN
LIMITED**

COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results is based on information compiled by Mr Adrian Hell BSc (Hons) who is an 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.

The information in this release that relates to the Exploration Target has been compiled by Mr Richard Buerger (BSc.). Mr Buerger is a full-time employee of Mining Plus Pty Ltd and has acted as independent consultant on the Exploration Target estimation. Mr Buerger is a Member of the Australian Institute of Geologists and has sufficient experience with the style of mineralisation, and deposit type under consideration and to the activities undertaken to qualify as Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves [The JORC Code]. Mr Buerger consents to the inclusion in this report of the contained technical information relating the Exploration Target estimation in the form and context in which it appears.

For and on behalf of the board

Andrew T. Buxton

Managing Director

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Alice Queen Limited

ABN

71 099 247 408

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(90)	(657)
(b) development	-	-
(c) production	-	-
(d) staff costs	(72)	(376)
(e) administration and corporate costs	(54)	(404)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(216)	(1,437)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(1)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1)	(1)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	372
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	49	136
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(25)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	49	483

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	204	992
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(216)	(1,437)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	49	483
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	37	37

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	37	204
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	37*	204

* Since the end of the reporting period the Company completed a share placement fully subscribed and issued 55,000,000 ordinary shares at an issue price of \$0.035 raising \$1,925,000. Refer to ASX announcement released on 13 April 2017.

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	44
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Fees to executive and non-executive directors of the Alice Queen Group.

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	500
9.2 Development	-
9.3 Production	-
9.4 Staff costs	100
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	800

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 28 April 2017
Company secretary

Print name: Anne Adaley

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.