



CAPITAL STRUCTURE

AQX [Ordinary Shares on issue]	407M
Market Capitalisation [at \$ 0.048]	\$ 19.53M

PROJECTS

Queensland

EPM 25520	Ngurupai [Horn Island]
EPM 25418	Kaiwalagal

New South Wales

EL8225	Looking Glass
EL8469	Mendooran
EL8563	Mendooran North
EL8565	Mendooran South
EL8646	Yarindury

BOARD & MANAGEMENT

Phillip Harman	Non-Executive Chairman
Andrew T Buxton	Managing Director
Mark Kerr	Non-Executive Director
Anne Adaley	Company Secretary & CFO

SUBSTANTIAL SHAREHOLDERS

Andrew T Buxton	14.28%
Finico ATF Morris Family	9.73%
Mark Kerr	7.48%

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NEWCREST COMMENCES JV DRILLING AT MENDOORAN

Alice Queen Limited ["Alice Queen" or "the Company"] is pleased to announce the recent commencement of drilling by Newcrest Operations Limited, a subsidiary of Newcrest Mining Limited [ASX:NCM] ["Newcrest"] at its Mendooran project in central New South Wales. The Mendooran project is the subject of an Option and Farm-In Agreement where Newcrest has the right to earn up to 80% of the project tenements by incurring expenditure not less than \$10 million. For further details on the commercial terms of the Option and Farm-In Agreement please see the Company's ASX Announcement dated 5 May 2017. The commencement of drilling by Newcrest at Mendooran is a significant step forward in the company's strategy of exploration for commercial scale copper-gold porphyry deposits along the highly prospective Molong Volcanic Belt of New South Wales.

HIGHLIGHTS

- An extensive geophysical program, testing both magnetic intensity and gravity, has recently been completed by Newcrest over the project area.
- 15 drill targets that fit the porphyry Cu-Au model have been identified [See Figure 1].
- The targets have been prioritised in to two groups with 8 of those targets having been given a Priority 1 status for the focus of initial drilling.
- As part of the initial Option Period, Newcrest has commenced drilling of a planned initial 6 hole, 3,600 metre mud rotary / diamond core drilling program at Mendooran.
- The Mendooran tenements were selected by the Company's Chief Technical Advisor, John Holliday, who is a principal discoverer of the giant Cadia Valley deposits.

Alice Queen's Chief Technical Advisor, John Holliday, said "It is very exciting that our JV partner, Newcrest, has now commenced drilling at Mendooran. The Mendooran project covers a large section of the northern and covered part of the Molong Volcanic Arc. To the south, this Arc hosts the world class Cadia porphyry gold-copper deposits as well as other significant porphyry copper-gold deposits at Copper Hill and Kaiser. The Molong Arc rocks in the Mendooran project area have never previously been drilled and thus we believe that we have outstanding, untested potential here for the discovery of a new large porphyry deposit."

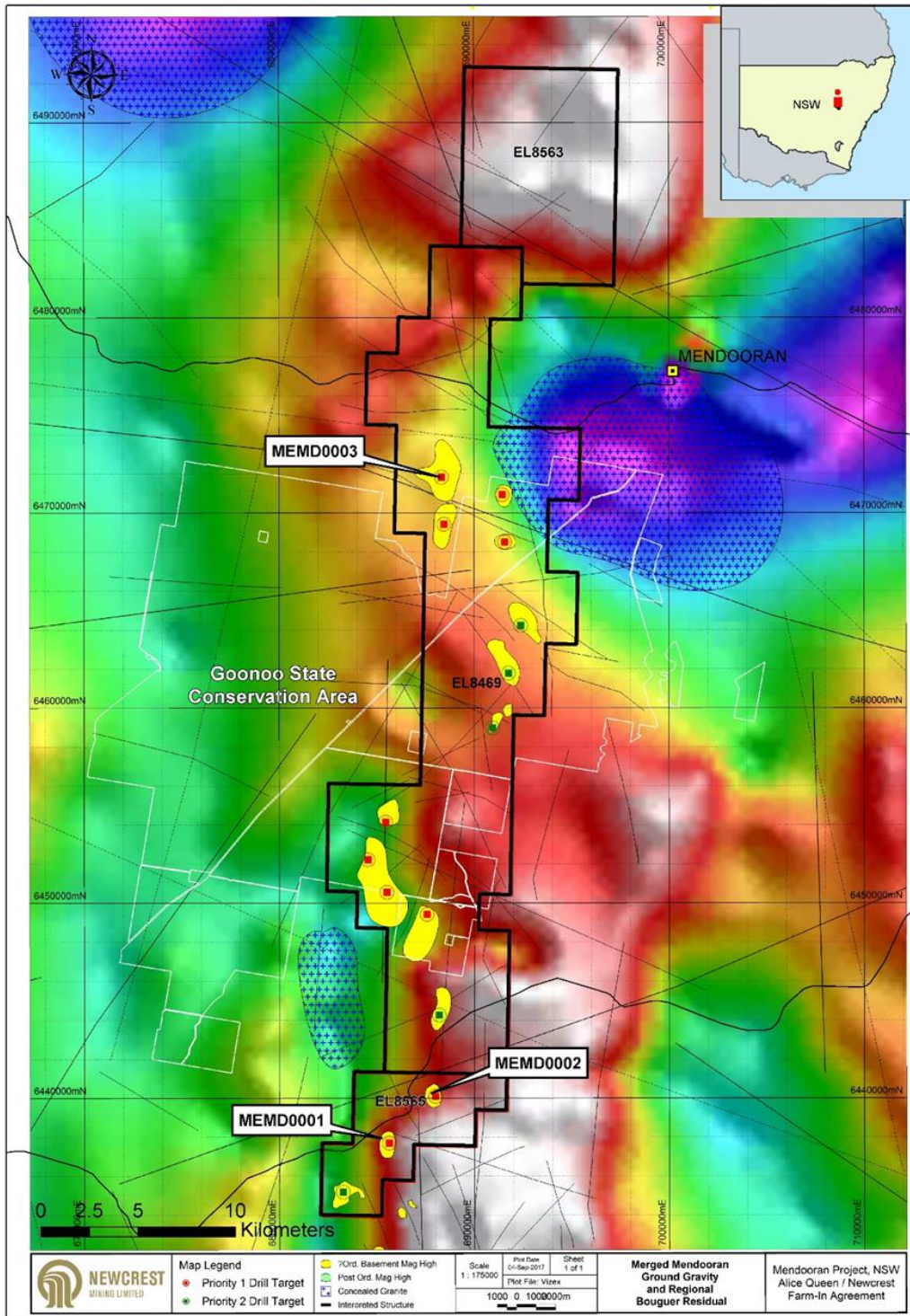


Figure 1. Mendooran JV tenements over gravity with interpreted basement mag highs in yellow polygons and drill targets in red and green. Call outs illustrate each of the first three planned holes with drilling at MEMD0001 currently underway.



GEOLOGY AND REGIONAL CONTEXT

The Mendooran tenements lie within the geological and tectonic terrain known as the Lachlan Orogen (formerly Lachlan Fold Belt). Lithologically, the Lachlan Orogen is comprised of deformed sedimentary rocks, and mafic volcanics that accumulated along the eastern edge of Gondwanaland during the early Palaeozoic. The Mendooran Project occurs in what has been interpreted to be a similar geological and structural environment to world class copper-gold and gold deposits in the Lachlan Orogen. These include:

- Major porphyry Cu-Au deposits such as Cadia-Ridgeway, Northparkes and Copper Hill
- Epithermal Au deposits such as Cowal, Peak Hill and Gidginbung / Temora
- Skarn deposits such as Junction Reefs and Big Cadia

These Lachlan Orogen Cu-Au and Au deposits are hosted in Ordovician volcanoclastics and sediments that have been faulted then intruded by complex differentiated Ordovician to Early Silurian intrusive bodies. Interpretation of the magnetic and gravity data recently collected by Newcrest indicates the Molong Arc continues northwards under younger sediments. The covered Molong Belt continuation has never been explored northwards beyond the Wellington area, the limit of outcropping or thinly covered exposure. The Mendooran project is interpreted to occur within the undercover, northern extension of the Molong Volcanic Belt, where no previous drilling to basement has occurred, thus providing an exciting exploration opportunity for the discovery of significant scale porphyry Cu-Au deposits.

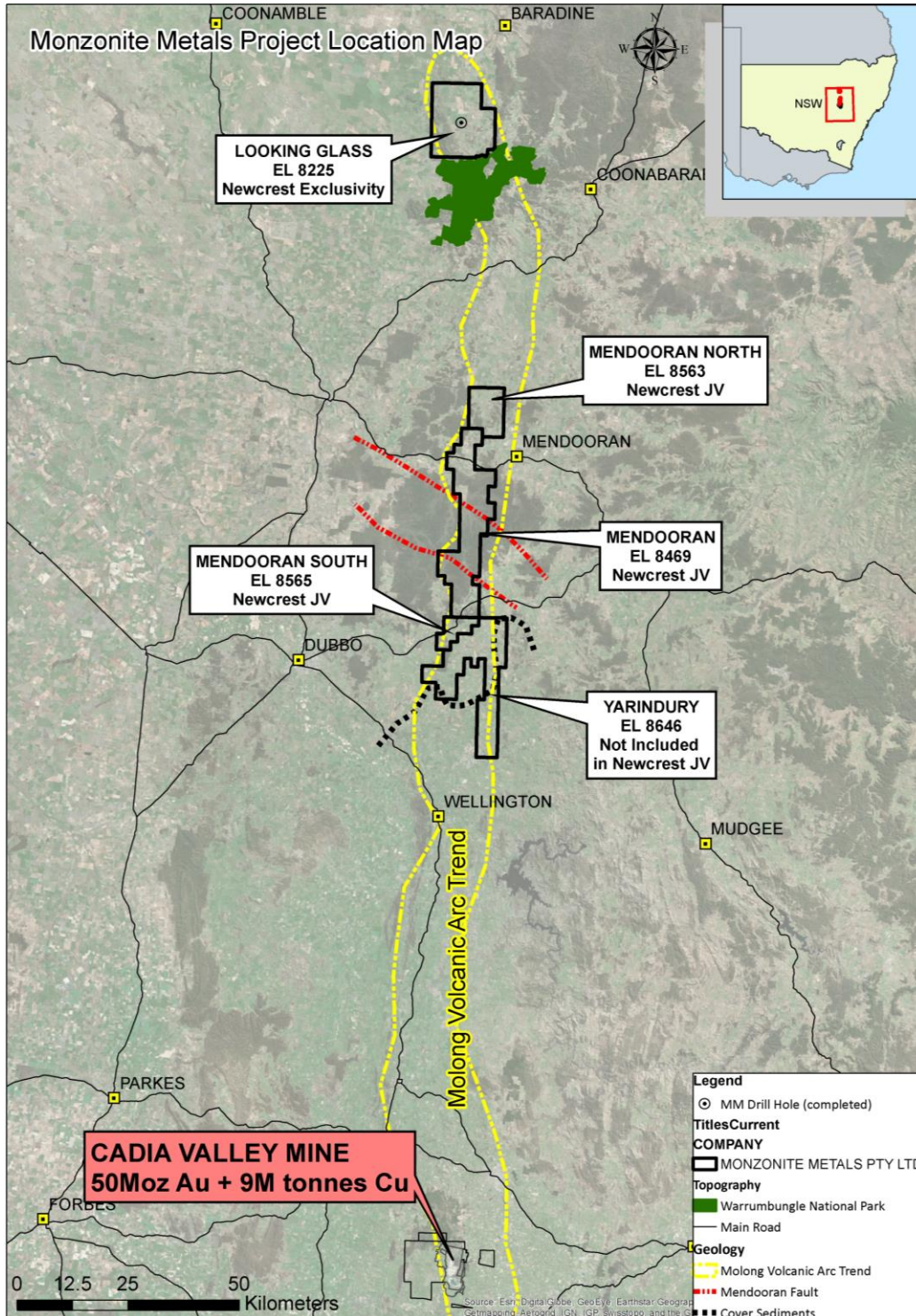


Figure 2. NSW tenement map showing regional scale of Molong Volcanic Belt with Cadia Valley to the south.



EXPLORATION PLAN

The initial focus of the program is to drill 6 holes into the most readily accessible Priority 1 targets, based on the recently completed geophysics. These 6 holes have also been selected on the basis that they should also provide broad regional information over the project area in terms of depth to basement. Given the anticipated sedimentary cover sequence in the project area of around 300 metres, RC or mud rotary will be used to pre collar the holes then diamond core drilling will be implemented once basement has been intercepted. Should the desired alteration and/or mineralisation be intersected then the hole will be continued until such alteration terminates. If no significant alteration is encountered, each hole will be terminated at approximately 600 metres depth. At this stage all 6 holes are planned to be vertical holes.



Figure 3. Current Newcrest drilling at MEMD0001 on EL8565 Mendooran South.



ALICE QUEEN LIMITED

TIME LINE

Drilling of the first three holes is planned to be completed by Christmas. During early 2018 assays from these holes will be collated and down hole data and core analysed with a view to confirming or amending the location of the following three holes early in the New Year. Holes 4 through 6 are planned to be drilled in the first quarter of 2018 and it is anticipated that results from all 6 holes will be available for release to the market around Easter 2018.

COMPETENT PERSON STATEMENT

The information appended to this announcement that relates to the Exploration Target is based on information compiled by Mr John Holliday, a Competent Person who is a member of the Australian Institute of Geoscientists. 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.

For and on behalf of the board

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