



**ALICE QUEEN
LIMITED**

ASX RELEASE DATE | 6 DECEMBER 2017

CAPITAL STRUCTURE

AQX [Ordinary Shares on issue] 407M
Market Capitalisation [at \$ 0.066] \$ 26.86M

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 14.95%
Finico ATF Morris Family 9.71%
Mark Kerr 7.47%

DRILLING OF SECOND HOLE AT LOOKING GLASS COMMENCED

Alice Queen Limited [Alice Queen] or [the Company] is excited to advise that it has commenced drilling a second NSW Government co-funded "New Frontiers" hole [17LG002] at its Looking Glass Project [EL8225] on the postulated northern Molong volcanic arc north-west of Coonabarabran, NSW.

HIGHLIGHTS:

- Drilling of second hole at Looking Glass has commenced
- Targeting the discovery of a new Cadia style porphyry Cu/Au complex
- Drilling costs co-funded by NSW Government "New Frontiers" grant money
- Planned 700m vertical hole to test eastern magnetic anomaly and basement rocks
- Initial mud rotary drilling to switch to diamond core at approximately 400 MBS

Alice Queen's Chief Technical Advisor, John Holliday said "It's very exciting to see a resources junior like Alice Queen, in conjunction with the NSW Government, leading the way with uncover exploration in Australia. The northern Molong area has never been explored before and the arc rocks, indicated by magnetic data, are highly prospective for copper-gold. This is the type of exploration that is needed to make new tier one ore body discoveries in Australia".

The Looking Glass project covers a large composite magnetic feature postulated to be the far northern, covered extension of the same Molong volcanic arc rocks that host the giant Cadia Valley porphyry deposits and other significant porphyry occurrences to the south, including Kaiser and Copper Hill [See Figure 1].

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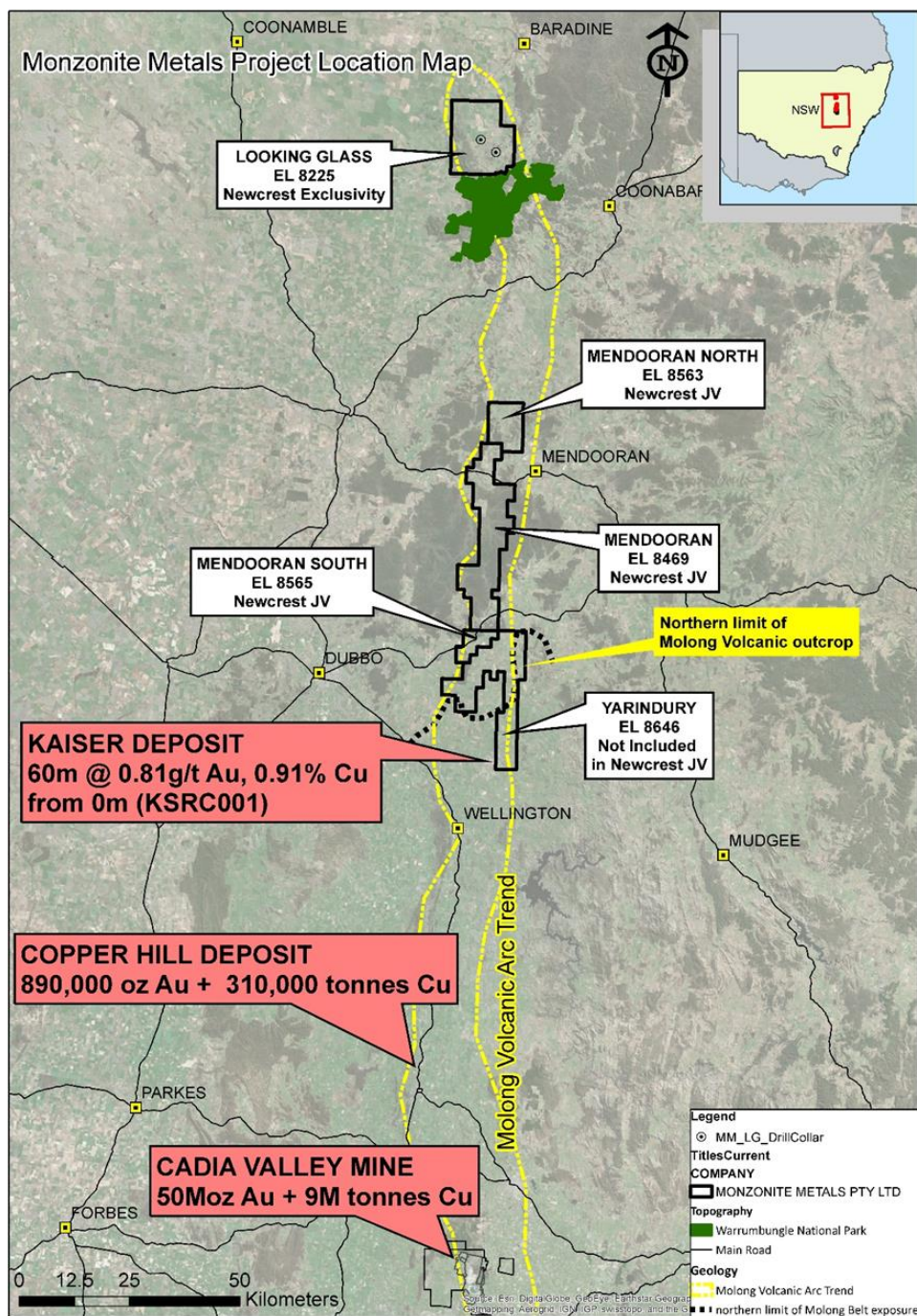


Figure 1. Molong Volcanic Arc with significant porphyry Cu-Au deposits



The Looking Glass composite magnetic feature has two main high anomalies [See Figure 2]. The first hole drilled at Looking Glass [16LG001], was co-funded by the NSW Government's "New Frontiers" grant program, drilled in late 2016 on the north-western magnetic high. This hole intersected volcanic arc rocks with trace chalcopyrite mineralisation between 522 and 702m [EOH]. These rocks were initially considered to be Molong Arc rocks [see AQX release of 9 November 2016], but subsequent age dating and whole rock geochemical studies have confirmed the rocks to be from a previously unknown Carboniferous volcanic centre.

The current hole, 17LG002, will test the south-eastern magnetic high [See Figure 2], with the possibilities that it will intersect either the Molong volcanic arc rocks or the new, recently discovered Carboniferous arc rocks, either of which might host significant porphyry-style mineralisation at bulk underground mineable depths.

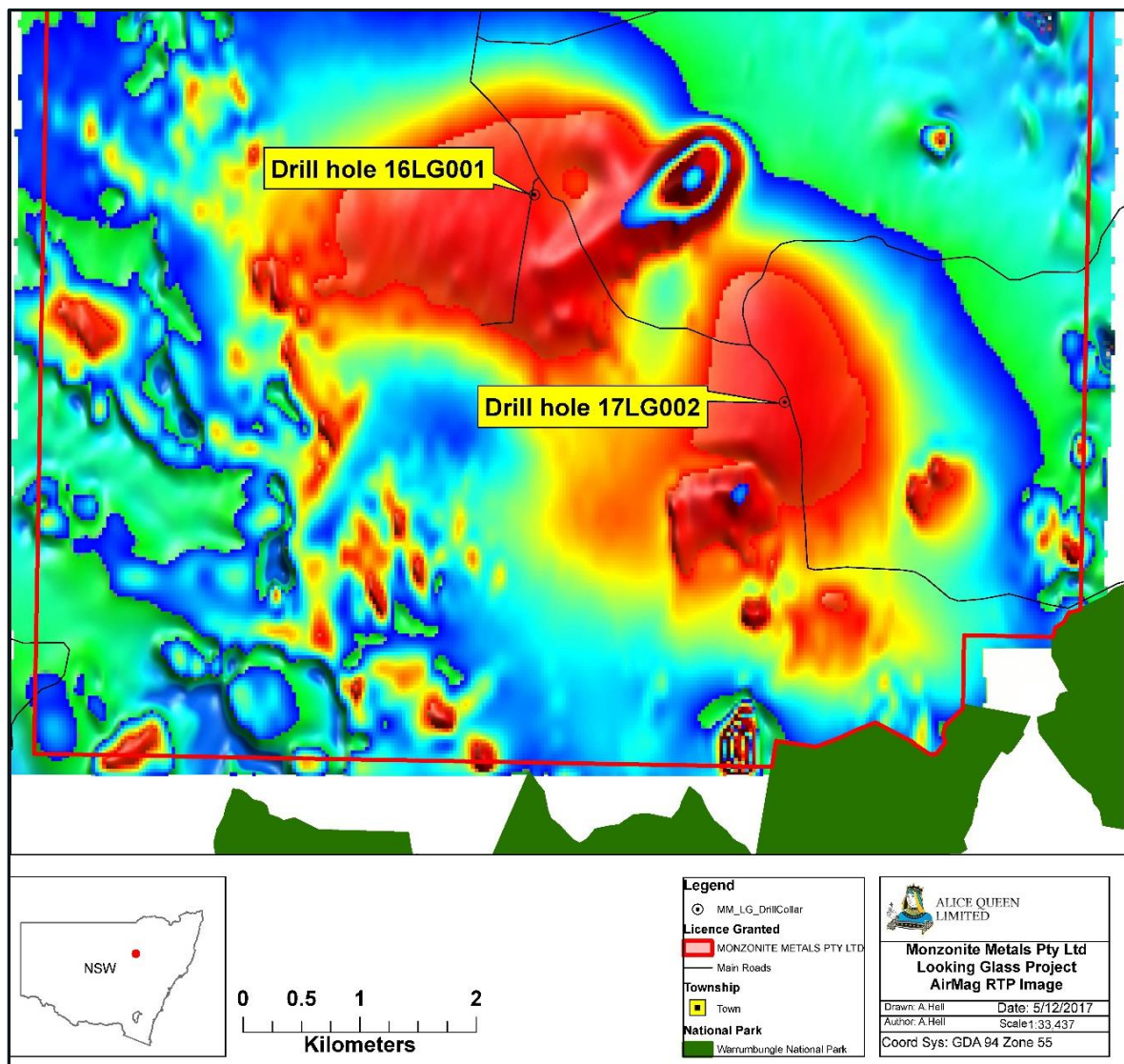


Figure 2. Looking Glass magnetic features showing collar locations for holes 1 and 2.



This second hole will initially utilise mud rotary to penetrate the sedimentary cover sequence to a maximum depth of 400 MBS. It is anticipated that a switch will then be made to diamond core for the remaining drilling to a maximum target depth of 700 MBS or deeper if the target alteration and/or mineralisation is being visually observed in the drill core. The hole will be drilled vertically to achieve the maximum depth at the minimum cost.

As announced on 10 April 2017, under the terms of the Option and Farm-In Agreement (**Farm-In Agreement**) with Newcrest Operations Limited [a subsidiary of Newcrest Mining Limited] Newcrest has been granted exclusivity over the Looking Glass tenement during the period ending on the earlier of termination of the Farm-in Agreement or upon Newcrest obtaining its 80% interest in the tenements the subject of the Farm-In Agreement. During the exclusivity period, the Company has agreed that it will not engage in, or induce or encourage, discussions relating to the direct or indirect disposal of any interest in the Looking Glass tenement.



Figure 3. Current drilling of hole number 2 at Looking Glass

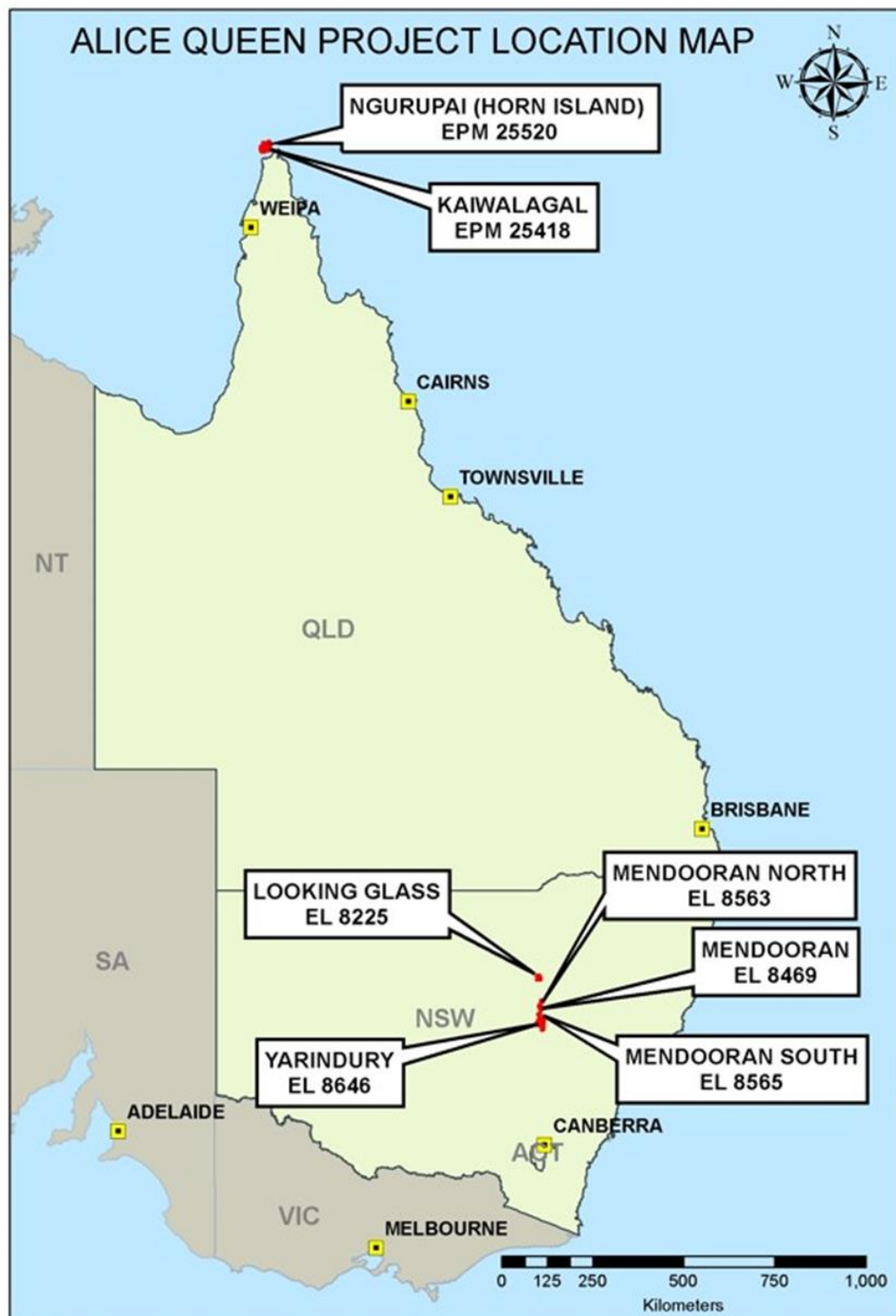


Figure 4. Alice Queen Limited project location map



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COMPETENT PERSON STATEMENT

The information in this announcement 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

Andrew T. Buxton

Managing Director

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