



INFILL DRILLING AT HORN ISLAND COMMENCES

HIGHLIGHTS

- Diamond Drilling at the Horn Island Pit Inferred Resource has commenced
- Phase One RC Infill program is expected to commence late September/early October
- Advancement of the Horn Island Pit Project is fully funded following recent successful \$7m capital raising
- Horn Island Pit Inferred Resource (**JORC 2012**) **7.9Mt @ 1.9g/t Au for 492,000oz** (see ASX release 02/08/2018) forms part of “excluded areas” from the Joint Venture agreement with St Barbara Limited (see ASX release 05/06/2019)
- Sampling of core from a previous PQ drill program (see ASX release 23/01/2020) has been completed and is now being dispatched to Tomra for ore sorting bulk testwork

Advanced gold and copper explorer, Alice Queen Limited (ASX:AQX) (**Alice Queen** or the **Company**), is pleased to provide an update to its shareholders and investors in relation to its Horn Island Gold Project, located in the Torres Strait Queensland.

Alice Queen’s Managing Director, Andrew Buxton said, *“With circa \$9.5 million in the bank, Alice Queen is very keen to ramp-up exploration activities with a view to increasing value to share holders. The pit resource at Horn Island offers a unique opportunity to potentially create additional value through infill RC drilling to progress from an Inferred to an Indicated status.”*

FINANCES

The Company currently has circa \$9.5 million in cash and is fully funded to advance the Horn Island Pit Project. The Alice Queen Board believes that a genuine opportunity exists at the Horn Island Pit Project to progress the value of the asset by way of further infill drilling.

HORN ISLAND [QUEENSLAND]

The Horn Island Pit Inferred Resource (JORC 2012) 7.9Mt @ 1.9g/t Au for 492,000oz (see ASX release 02/08/2018) is located adjacent to the abandoned Horn Island Pit, a previously operating gold mine which ceased operation in 1989. The Horn Island Resource forms part of the excluded areas from the Joint Venture Agreement with St Barbara Limited (ASX: SBM)(**St Barbara**).

A limited diamond core drill program of 5 holes for 1200m has now commenced to test possible extensions to the existing Inferred Resource.

Further to this, an additional rig capable of reverse circulation (**RC**) drilling is being mobilised and is expected to arrive at Horn Island in late September. The Phase One RC Infill program consists of up to 33 holes for 4100m and is expected to commence late September/early October and be completed in November 2020 with results due by December 2020.



TOMRA ORE SORTING, BULK TESTWORK

The gold at Horn Island manifests itself within the quartz-sulphide veins contained within the host rock, as such technologies such as ore separation and sorting may offer significant uplift at the front end of a potential future processing circuit.

Tomra is a world leader in sensor based separation and sorting technology, effectively separating ore from unwanted material, therefore delivering reduced dilution, lower strip ratios and transport costs, removed contaminants and optimised process flows.

Alice Queen anticipates receiving results from this bulk test work program prior to the end of September 2020.

ABOUT THE HORN ISLAND ST BARBARA JOINT VENTURE

On 5 June 2019 the Company announced that it had entered into a joint venture (**JV**) with Australian listed mid-tier gold producer, St Barbara.

An overview of certain key terms of the JV is set out below, further details are contained in the Company's ASX announcement dated 5 June 2019 titled "*Alice Queen Executes Earn-In and Joint Venture Agreement with St Barbara*".

- SBM to spend \$4.0m over three years to earn 70% of areas outside of the Excluded Zones.
- Excluded Zones are the existing Inferred Resource (approx. 0.5Moz Au). The historic mine infrastructure which includes certain road areas and decant water dam, the historic waste dumps, low grade ore stockpiles, ROM pad and all alluvial gold across Horn Island to a depth of 5 metres below surface (Figure 1).
- SBM has an option to purchase all or part of the Excluded Zones at "fair value" post it spending the \$4.0m and electing to move to 70%.
- AQX, via its subsidiary, Kauraru Gold Pty Ltd, has the right to continue with its 30% share of further expenditure to maintain its equity position through to production.
- SBM achieved the Year 1 minimum expenditure requirement of \$500,000 in February 2020.



Figure 1. Horn Island St Barbara Joint Venture and Excluded Areas illustration.

Approved by the Board of Alice Queen Limited

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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 Resource Upgrade" dated 2 August 2018, which is available at www.asx.com.au the competent person being Mr. Richard Buerger BSc. 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.