



ALICE QUEEN LIMITED AND ITS CONTROLLED ENTITIES

A.B.N. 71 099 247 408

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**



ALICE QUEEN
LIMITED

CORPORATE DIRECTORY

Directors

Patrick Gowans
Non-Executive Chairman

Andrew Buxton
Managing Director

Dale McCabe
Executive Director

Anthony McIntosh
Non-Executive Director

Company Secretary

Anne Adaley

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Securities Exchange Listing

Australian Securities Exchange
ASX Code: AQX



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CORPORATE PROFILE

Alice Queen Limited (“Alice Queen or the “Company”) is an Australian advanced exploration company with a portfolio of projects in NSW and Queensland which includes two of the most exciting exploration projects in Australia: Horn Island which hosts an Inferred Resource (JORC 2012) 7.9Mt @ 1.9g/t Au for 492,000oz and Boda East, located ~700m east of Alkane Resources’ (ASX: ALK) Boda porphyry gold-copper discovery and contains 13km of north-south trend.

The Company’s NSW assets are located along the northern section of the highly prospective Molong Volcanic Belt, home to the Newcrest Cadia mine complex and Alice Queen is exploring multiple large-scale porphyry copper-gold targets at its Mendooran, Yarindury and Boda East projects. A recent increase in activity and investment within this area is proving the Northern Molong Volcanic Belt to be a fertile and target-rich district.

Since 2015, Alice Queen has selected multiple project areas and been actively generating targets and pursuing access across its four wholly owned tenements representing approximately 700km² of highly prospective Northern Molong ground. These Projects historically lack exploration due to the presence of sedimentary cover, which masks the underlying geology and as such, Alice Queen has carried out an extensive geophysical program and interpretation.

The Boda East Project, which is located within the Company’s wider Yarindury Project, lies adjacent (~700m) from the recent Boda discovery by ASX-listed Alkane. Alice Queen commenced its maiden drilling program at Boda East in July 2020.

At Mendooran, the Company has identified eight high-priority, large-scale copper-gold porphyry targets within the Goonoo Goonoo State Conservation Area. Alice Queen has carried out a two-year process to generate targets and obtain access to this unexplored region, with the targets having never been drill tested. The project is now drill ready.

In Queensland, the Horn Island Gold Project in the state’s far north is advancing under a joint venture agreement (JV) with established ASX-listed gold miner St Barbara (ASX Code: SBM). Following a successful year 1 of the JV, St Barbara has indicated an intention to spend up to \$2m to FY2020 drilling. The JV drilling is expected to commence in October 2020 and will focus on testing the significant scale chargeability anomalies generated by the JV Induced Polarisation (IP) survey which was completed at Horn Island late in 2019.

Excluded from the JV, Alice Queen Limited continues to progress the Inferred Resource (JORC 2012) of 7.9Mt @ 1.9g/t Au for 492,000oz located adjacent to the Horn Island pit. The Company commenced diamond drilling in August this year to test the potential extensions contained within the existing Resource footprint. A phased 4,000m infill RC drilling program designed to progress the Resource towards Indicated status is due to commence shortly.

Alice Queen is fully funded to fast track exploration programs across its entire portfolio of projects in FY2020.

CHAIRMAN'S LETTER

Dear Shareholder,

It is with great pleasure that I write to you in my first year as your Chairman and it is a privilege to update you on what has been another successful and prosperous year for Alice Queen Limited.

Throughout the year, Alice Queen raised approximately \$6.3 million (before costs) in new equity, which included a \$1.5 million placement to Datt Capital. Proceeds from these raisings have been directed towards ongoing exploration efforts at the Company's flagship Horn Island Gold Project in far-north Queensland, as well as at the Mendooran and Yarindury Copper-Gold Porphyry Projects in the northern Molong Belt of New South Wales. The Company completed this financial year with a strong cash position with approximately \$3m in the bank which puts us in good stead to progress our exciting programs across our portfolio moving into the next financial year.

A great accomplishment of Alice Queen has been the signing of the multi-stage joint venture agreement (JV) with established gold miner St Barbara Limited for the Horn Island Gold Project (June 2019). In this last year, the Company has continued to build on this relationship, firming up the potential of Horn Island through geochemical and geophysical programs completed as part of the JV, with St Barbara reaching its Year 1 expenditure minimum of \$500,000 in February.

In June we were thrilled to announce the continuation of this JV, with St Barbara confirming its intention to proceed with expenditure of up to \$2m in Year 2 of the JV, which will focus on drill testing the two high priority targets (Tatooine and Naboo) located near the existing ~0.5 Moz Au JORC inferred gold resource. This program is intended to consist of up to 14 holes for 4,500m, which will add to the 18,000m previously drilled by Alice Queen in recent years.

This is a very exciting time for the Horn Island Project, and we look forward to what the year ahead holds for our flagship asset and the contented development of our relationship with St Barbara.

On the other side of our portfolio in the Lachlan Fold Belt in New South Wales, our northern Molong Belt neighbour Alkane Resources (ASX: ALK) made a hugely significant discovery at their Boda prospect, with the identification of significant porphyry-style gold-copper mineralisation. What is of interest to Alice Queen, is the location of the diamond drill hole that hit over hundreds of metres of mineralisation for Alkane is only ~700m from our Yarindury tenement border.

As a result of this, one of our priorities in NSW became that section of the Yarindury tenement, the Boda East. At the time of writing drilling at Boda East Prospect is ongoing.

Following Alkane's success, the northern Molong Belt is rapidly emerging as one of Australia's exploration hotspots and most prospective underexplored porphyry copper-gold grounds. We believe our portfolio in this region holds significant potential.

At a board level, we bid farewell to my predecessor, Mr Phillip Harman as Chairman early in 2020, having served as a Director of Alice Queen since 2009. The Board thanks Phillip for his extensive tenure with the Company and we all wish him the very best in his future endeavours.

We also were sad to see Andrew Muir step down from the Board due to his pre-existing commitments, but we were very pleased to have quickly filled that void with former Echo Resources board member Anthony McIntosh, who has been a welcomed addition to the Company.

Lastly, we appointed Dale McCabe to the Board as an Executive Director. Dale was instrumental in supporting the foundation of Alice Queen back in 2012, including with the provision of operational support and assisting with the raising of seed capital for the Company and it is fantastic he has joined the team at an Executive level as we continue to drive our exciting Australian assets forwards.

Alice Queen continues to make steady progress on its portfolio of projects and is well positioned to achieve more exciting things in the year ahead.

That is notwithstanding the raft of global uncertainties we currently face, not the least of which being the Covid-19 pandemic. We are happy to report that our operations have to date, remained largely unaffected by the pandemic; however, we continue to operate with care and caution and the well-being of our staff, contractors and the communities we work in remain a priority.



Gold continues to prove itself as the safe commodity hitting over \$2,000 per/oz in recent times and we look forward to capitalising on this strong sector now and in the years to come.

I wish to thank our Managing Director Andrew Buxton and his team for their dedication in continuing to advance Alice Queen and its projects towards discovery. We firmly believe that the Company has two of the most exciting projects currently in Australia in Horn Island and Boda East (Yarindury) and we look forward to sharing our potential successes with you all, our loyal shareholders, moving forward.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Patrick Gowans".

Patrick Gowans

Chairman

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

The Directors of Alice Queen Limited ("Alice Queen" and/or "the Company") present their Report together with the financial report of the consolidated entity (referred to hereafter as the "Group") consisting of Alice Queen Limited (the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2020, unless otherwise stated.

Directors

The following persons held office as Directors of Alice Queen Limited during or since the end of the reporting period and up to the date of this report:

Patrick Gowans

Non-Executive Chairman

Date of Appointment: 3 February 2020

Expertise and Experience

Patrick Gowans is a Partner of Quinert Rodda & Associates, a Melbourne law firm which act as legal advisors to the Company. Patrick has over 10 years' experience in corporate and commercial law with a focus on equity capital markets, ASX compliance and corporate governance which includes advising a number of ASX-listed mining exploration entities.

Other current public company directorships

Nil

Former public company directorships in the last 3 years

Nil

Interest in shares and options

- 5,066,210 unlisted options held directly in the Company; and
- 1,484,955 fully paid ordinary shares held indirectly in the Company.

Andrew Buxton

Managing Director

Date of appointment: 13 November 2015

Expertise and Experience

Andrew has 25 years of experience across a broad range of industries including media, gaming, property and resources. He has specific experience in the area of corporate finance, capital raisings and generation of resources exploration projects. Andrew was the founder of Alice Queen in 2012. Prior to this he was the founding Managing Director of Kidman Resources Limited (ASX: KDR).

Other current public company directorships

Nil

Former public company directorships in the last 3 years

Nil

Interest in shares and options

- 57,324,489 fully paid ordinary shares and 25,541,835 unlisted options over ordinary shares held directly in the Company; and
- 180,000 fully paid ordinary shares held indirectly in the Company.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Directors (continued)

Dale McCabe

Executive Director

Date of Appointment: 3 February 2020

Expertise and Experience

Dale McCabe was instrumental in supporting the foundation of Alice Queen in 2012 with both operational support and seed capital raising efforts. He joined the company formally in 2015 establishing the operational aspects of the exploration projects and continuing to support capital raising. Prior to his tenure at Alice Queen, Dale spent more than 20 years in the IT industry across various industry sectors.

Other current public company directorships

Nil

Former public company directorships in the last 3 years

Nil

Interest in shares and options

- 20,521,188 unlisted options held directly in the Company.

Anthony McIntosh

Non-Executive Director

Date of Appointment: 3 February 2020

Expertise and Experience

Anthony McIntosh is a graduate of The Australian Institute of Company Directors (GAICD) and has a Bachelor of Commerce Degree from Bond University (BCom). Anthony holds board positions with listed and unlisted companies and brings to Alice Queen marketing, investor relations and strategic planning skills as well as a strong network of stockbroker, capital markets and fund manager supporters. Anthony was a board member of Echo Resources Limited for 7 years which was recently acquired by Norther Star Limited for \$235m.

Other current public company directorships

- K-TIG Limited
- Symbol Mining Limited

Former public company directorships in the last 3 years

Echo Resources Limited

Interest in shares and options

- 4,687,520 fully paid ordinary shares held indirectly in the Company.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Directors (continued)

Former Directors

Phillip Harman

Non-Executive Chairman

Date of Appointment: Director since 9 February 2009. Chairman until 24 September 2009. Re-elected Chairman 16 March 2012 until 13 November 2015. Re-elected Chairman 10 August 2016.

Date of Resignation: 3 February 2020

Expertise and Experience

Mr Harman is a professional geophysicist who spent more than 30 years working for BHP Billiton in minerals exploration in a broad number of roles including Chief Geophysicist, Manager Discovery of Technology, and Exploration Manager in Western Australia and in South America and

His experience in BHP spanned both technical and managerial roles here in Australia and overseas. He is broadly networked throughout the international mining business development and exploration community, has experience in creating and managing junior exploration companies and understands capital markets, having raised risk capital for exploration through the ASX and on AIM in London.

Other current public company directorships

Stellar Resources Limited

Former public company directorships in the last 3 years

Laguna Gold Limited (unlisted)

Interest in shares and options held at the date of resignation

- 1,545,456 fully paid ordinary shares held directly in the Company; and
- 1,617,572 fully paid ordinary shares and 4,458,397 unlisted options over ordinary shares held indirectly in the Company.

Andrew Muir

Non-Executive Director

Date of appointment: 12 June 2019

Date of Resignation: 3 February 2020

Expertise and Experience

Andrew Muir has more than 25 years' experience in mining and finance, having originally qualified as a geologist from UWA in 1993. As a geologist, Mr Muir spent 12 years working in many remote parts of Western Australia in a variety of roles in both exploration and mining. His exploration roles included: the early stage drill-out of the Jundee gold deposit; grassroots exploration around Southern Cross and Bullfinch; and a number of years at the Granny Smith operation where he was the Lake Cary project geologist. Whilst at Granny Smith, Mr Muir was instrumental in the discovery of the multi-million ounce Wallaby deposit. His mining experience includes both open pit and underground roles at a number of sites including Agnew, Paddington and Kundana. In 2005 Mr Muir transitioned into the financial markets, working as a Resources Equity Analyst for firms such as JP Morgan, Hartleys and PCF Securities, and in the Corporate Finance team at Argonaut. In 2009 he won the Starline and Australian Financial Review Stock Picker of the Year for Mining and Metals. Mr Muir holds a Bachelor of Science degree with Honours, majoring in geology, from the University of Western Australia, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (now FINSIA) and is a Fellow of Finsia. B. Sc (Hons), GDipAppFinInv, FFin.



DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Directors (continued)

Other current public company directorships

NTM Gold Limited

Former public company directorships in the last 3 years

Nil

Interest in shares and options held at the date of resignation

- 2,708,397 unlisted options held directly in the Company.

Company Secretary

Anne Adaley

Date of Appointment: 25 November 2015.

Anne has more than 25 years' experience in the resources sector, including senior management roles with a number of listed public Australian exploration and mining companies.

Anne is principal of Australian Mining Corporate and Administrative Services Pty Ltd (AMCAS) which provides a full range of consulting services and business support to management including accounting, financial services and company secretarial.

Anne has also spent more than a decade as Company Secretary for several ASX listed public companies. Anne has served as Chief Financial Officer and Company Secretary to Mobecom Limited, Global Fortune Investment Limited, Tellus Resources Ltd and Monaro Mining NL, Company Secretary to Gulf Industrials Limited, Chief Financial Officer to Tectonic Gold Plc and Estrella Resources Ltd, Finance and Administration Manager to Climax Mining Limited and Company Secretary and Group Financial Controller to Gympie Gold Limited.

Principal Activity

The principal activity of the Company during the reporting period was mineral exploration and the development of its projects at Horn Island, Queensland and in New South Wales.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results

Company Overview

Alice Queen Limited (ASX: AQX) is a mineral exploration company focused on the development of its projects at Horn Island, Queensland and in the Macquarie Arc in New South Wales.

Mineral Resources

The Horn Island Project hosts Mineral Resources reported in accordance with the JORC Code (2012) of 7.96Mt @ 1.9 g/t gold for 492,000 ounces contained gold (refer to Table 1 and Figure 2). There has been no change in the Mineral Resources for the 2020 Financial year since the Company's 2 August 2018 ASX Announcement titled "Horn Island Gold Project Inferred Resource Upgrade".

MINERAL RESOURCE ESTIMATE FOR THE HORN ISLAND DEPOSIT- JUNE 2018					
DEPOSIT	CLASSIFICATION	CUT-OFF)	TONNES	GRADE	METAL
Horn Island	Inferred	0.5	7,960,000	1.9	492,000

Table 1. Inferred Mineral Resource estimate for the Horn Island Gold Deposit

The Company has, and intends to continue to, utilise various third-party consultants and advisors in connection with its estimates of mineral resources, to seek to ensure that there is appropriate level of independent input and due governance applied in respect of resource estimates. Estimations are typically subject to peer review and a process of review by the Company's employee exploration geologists. The Company periodically reviews its resource estimate at appropriate times in the course of planned exploration activities, including as required above in respect of the annual report.

Competent Person Statement - Resource Estimation

The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Mr. Richard Buerger BSc. Mr. Buerger is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Mineral Resource Estimates for the Pioneer Lode Deposit. Mr. Buerger is a Member of the Australian Institute of Geologists and has sufficient experience with the style of mineralisation, deposit type under consideration and to the activities 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" (The JORC Code). Mr. Buerger consents to the inclusion in this report of the contained technical information relating the Mineral Resource Estimations in the form and context in which it appears.

Exploration activities

Queensland

Horn Island (Ngurupai) EPM 25520 (100% owned)

i) Horn Island St Barbara JV (SBM earning up to 70% in defined areas)

Horn Island is located in the Torres Strait, North Queensland.



DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

Queensland

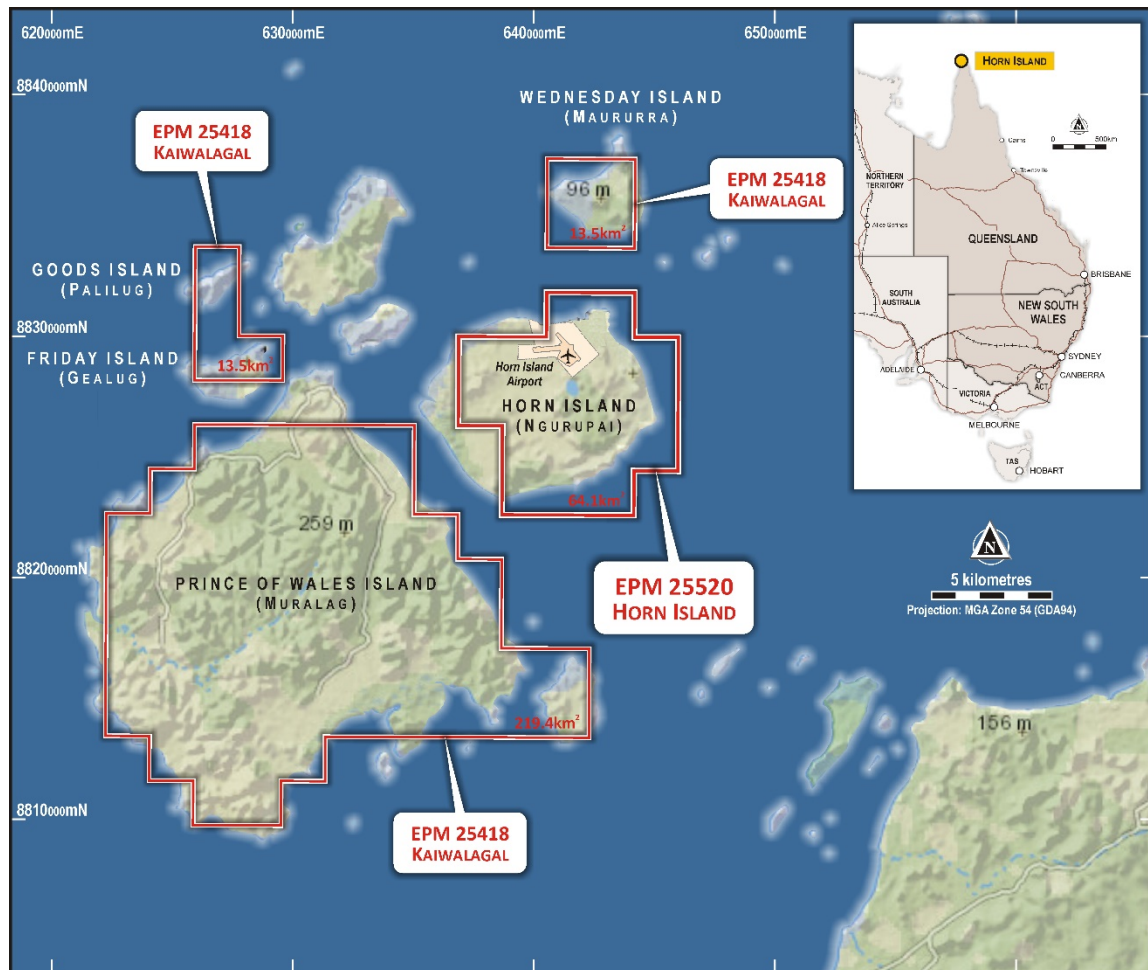


Figure 1: Horn Island (EPM25520) and Kaiwalgal (EPM25418) Projects, Torres Strait, Nth Queensland.

In June 2019, the Company announced that it had entered a joint venture (JV) with Australian listed mid-tier gold producer, St Barbara Limited (SBM).

Key terms include:

- 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 Au1) and 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 5m below surface.

1 The information related to the Company's inferred mineral resource is extracted from the Company's ASX announcement titled "Horn Island Gold Project Inferred Resource Upgrade" dated 2 August 2018 and included a Competent Person's Statement from Mr Richard Buerger, BSc. The Company confirms that it is not aware of any new information or data which materially affects the information included in the original market announcement and all material assumptions and technical parameters underpinning the inferred resource estimate in the original market announcement continue to apply and have not materially changed.



DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

- SBM must spend \$500k in the first year of the JV.
- SBM has an option to purchase all or part of the Excluded Zones at "fair value" once it has spent the \$4.0m and elected 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.



Figure 2: The Horn Island Gold Project with SBM excluded zones outlined.

A maiden works program commenced at Alice Queen's Horn Island Project in the first half of the year under its joint venture (JV) with SBM.

The JV prioritised work programs that would support drill target generation to seek to identify a large-scale Intrusion Related Gold Systems (IRGS). The soils infill program was undertaken to provide additional data for further metal zonation studies, and results showed consistency with a complex structural framework similar to the Horn Island pit deposit observed in the Company's airborne geophysical program completed in October 2018.

This survey targeted the ~2km NW surface strike extension from the current Horn Island gold Mineral Resource (~0.5Moz JORC inferred) to the Naboo prospect. The soils survey grid includes 100m spaced NE orientated lines with sample intervals at 50m.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

Previous field mapping and surface chip sampling identified several high-grade gold veins, with some occurring in clusters within the soil sampling zone.

The first two work programs were successfully completed, with soil and rock chip sampling programs completed in October 2019 and the subsequent ground Dipole Dipole Induced Polarisation (DDIP) Survey completed by late December.

Anomalous gold results from the surface program were returned and the DDIP survey was undertaken over a similar area. The DDIP results, in combination with soil (407) and rock-chip (176) geochemical survey results highlighted several coincident geophysical/geochemical targets with an intrusive related gold (IRG) and pathfinder (Cu-Pb-Zn-Ag-As-Sb) signature. The two main targets (Tatooine and Naboo) are near the Horn Island Gold Resource.

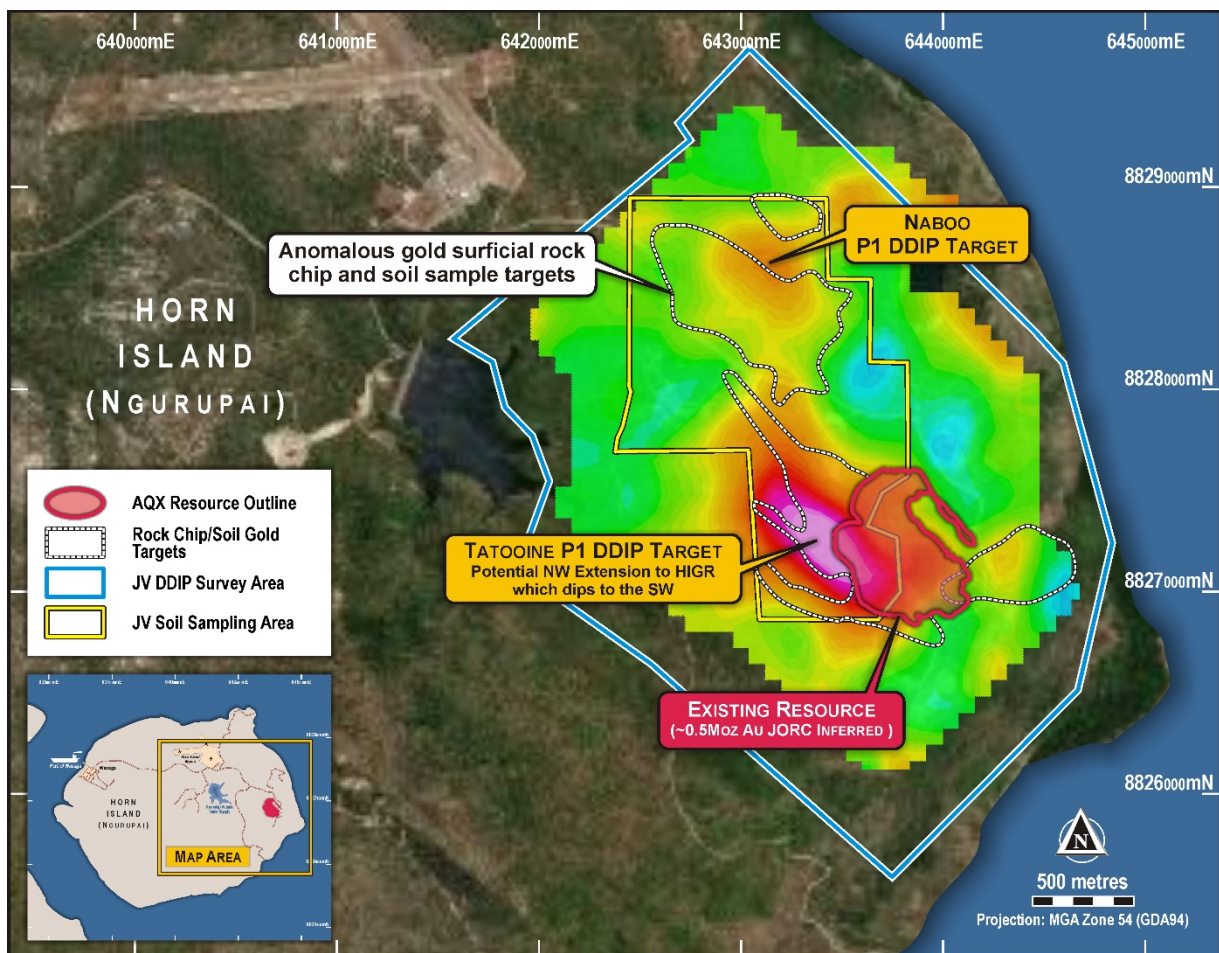


Figure 3: Priority 1 DDIP Chargeability anomalies at 180mbs generated from 3D inversion modelling with outlines of combined surface soil and rock chip gold target areas (black/white outlines) and Horn island Gold Resource (~0.5Moz Au JORC 2012 inferred) (red outline). Naboo and Tatooine targets will be the focus of evaluation for the scheduled JV diamond drilling program.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

Several lower ranked chargeability anomalies were also identified across the survey area, and are typically defined by narrower or shallow DDIP chargeability anomaly trends. These anomalies often display a significant strike extent and correlate with surface vein structural trends, or aeromagnetic demagnetised structural zones, which are interpreted to represent structures that acted as primary fluid zones for potential gold mineralisation. Although these DDIP targets appear narrow, shallow or display limited strike extent, they may be of importance.

SBM achieved the Year 1 minimum expenditure requirement of \$500,000 in February 2020.

At the end of the June 2020 quarter, SBM confirmed plans to complete a FY21 work program on the JV to follow up on the success in the first year. A staged FY21 work program with expenditure of up to \$2 million will focus on drill testing two high priority targets near the existing Horn Island gold Resource (~0.5Moz Au JORC inferred).

The results from the FY20 JV exploration program which included a soil (407) and rock chip (176) sampling program followed by a ground dipole-dipole induced polarization (DDIP) survey, highlighted several coincident geophysical/geochemical targets with an Intrusion Related Gold System (IRGS) and pathfinder (Cu-Pb-Zn-Ag-As-Sb) signature..

The two main targets, Tatooine and Naboo (Figure 3), are located near the Horn Island gold Resource (~0.5Moz gold JORC inferred) and will be the primary focus of a staged diamond drill program of up to 14 holes up to 4,500m.

Regional exploration will include an airborne geophysical survey, satellite hyperspectral analysis and subject to access, field mapping and surface sampling.

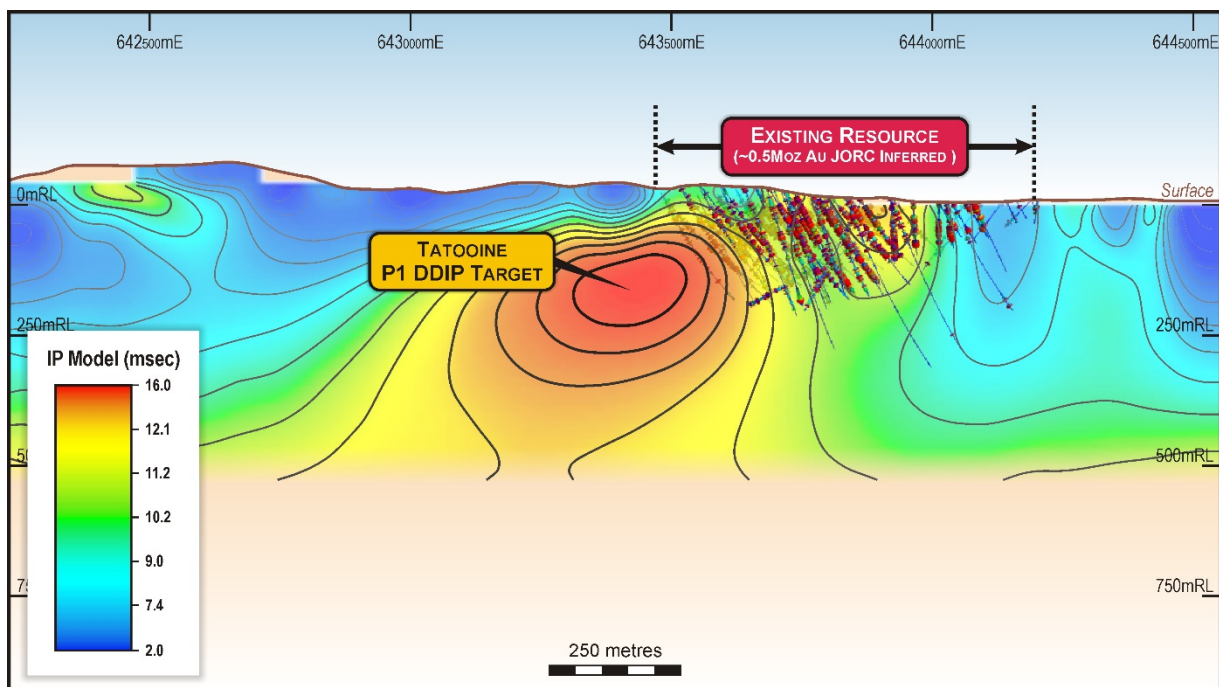


Figure 4: Schematic E-W cross section of depth modelled P1 DDIP chargeability target (Tatooine), which plunges towards the SW immediately west of the Horn Island Gold Resource].

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

ii) Horn Island Pit (excluded from SBM JV)

Alice Queen planned a limited PQ diamond core drill program, consisting of three holes for 540m to provide a larger sample size from within the existing Inferred Mineral Resource to further advance planning for future drilling, as well as providing sufficient material for bulk ore sorting testwork with Tomra.

Given that the gold within the Horn Island Inferred Mineral Resource is predominantly associated with quartz veins and not contained within the host rock, Tomra ore sorting technologies offer the potential to significantly reduce the mass of material prior to milling by separating the veins from the host rock.

iii) EPM 25418

The Company is pleased to announce the commencement of initial exploration programs across the Kaiwalagal project area, namely Prince of Wales Island (Muralag) located approximately 2.2km SW from Horn Island (Ngurupai). The initial work will include an island scale closely spaced (50m) fixed wing airborne magnetics and radiometric survey in conjunction with an independent preliminary satellite hyperspectral analysis. A field mapping and surface sampling program will follow soon after, the scale and nature of this program largely determined by results from the preceding programs.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

New South Wales

Yarindury EL 8646 and EL 8985, and Mendooran EL 8469, EL 8563 and EL 8565 Tenements (100% owned)

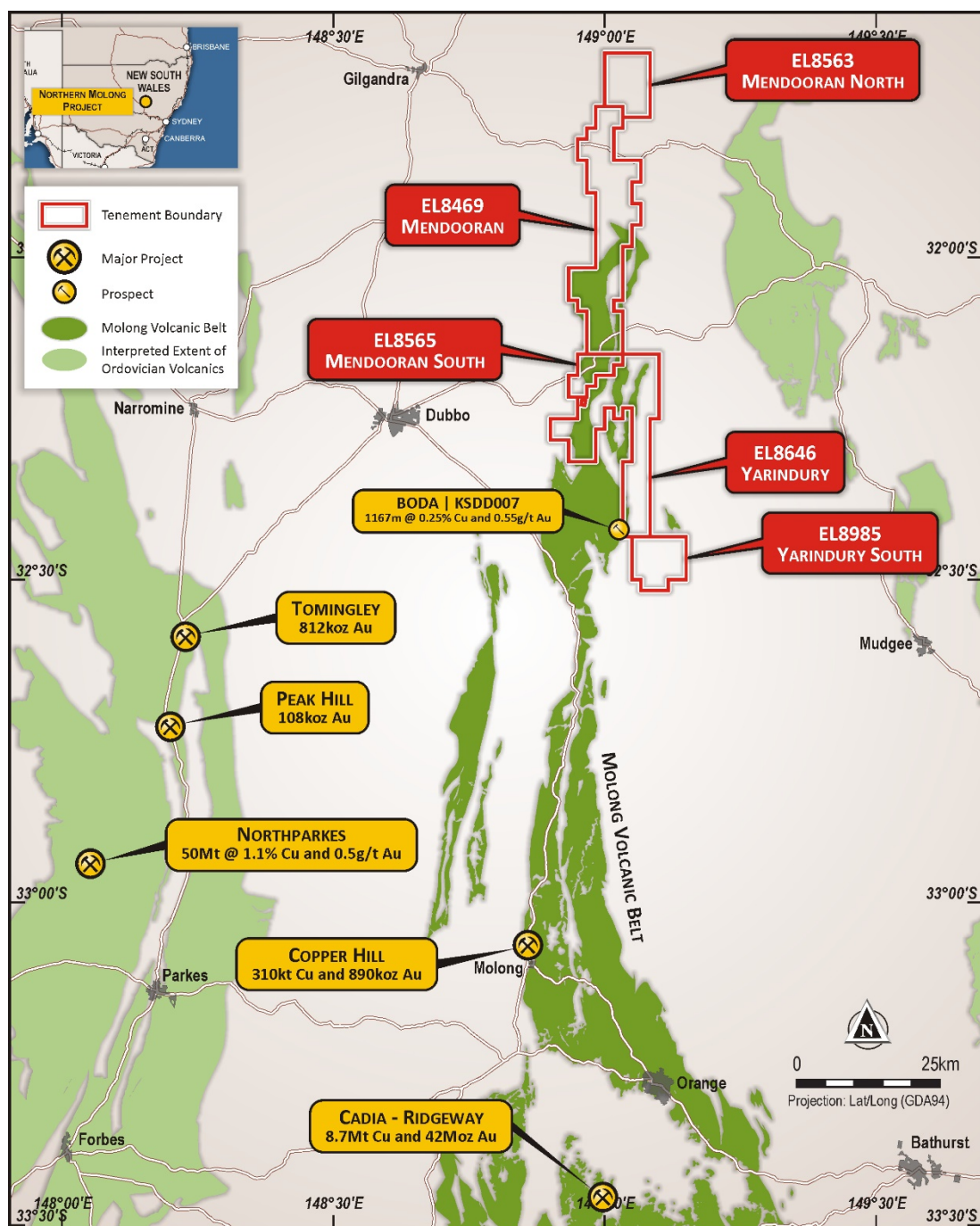


Figure 5: Granted tenements in NSW.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

Alice Queen has been active in the Northern Molong Belt in New South Wales since 2016, with an exploration strategy based on seeking to identify targets for the discovery of porphyry copper-gold deposits.

The Boda discovery of 502m at 0.48g/t Au and 0.20% Cu by Alkane Resources Limited [ASX:ALK] in September 2019 highlighted the potential of the region to host significant mineralisation.

Alice Queen has a large portfolio of tenements in the North Molong, including the Boda East prospect, located only 700m east of the Boda discovery in Yarindury EL 8646.

Following Alkane's discovery, the Company received significant interest from investors, shareholders and other parties with regards to the prospectivity of its Northern Molong projects.

i) Yarindury EL 8646

In August 2019, Alice Queen announced that preparations were underway for a drilling program at its Yarindury gold-copper project, focusing on high-quality porphyry Au-Cu targets. Yarindury is along trend from Newcrest's Cadia Valley gold mine (50m oz Au) on the Molong segment of the Macquarie Arc, which is the host geology for Australia's major porphyry deposits.

The targets were generated by Alice Queen's Technical Advisor (Porphyry) John Holliday (co-discoverer of Newcrest's Cadia Valley). The Au-Cu porphyry targets are defined by a series of magnetic and gravity features with similarities to the magnetic and gravity signatures at the Cadia and North Parkes porphyry deposits.

The first phase of target generation resulted in 11 target areas that were previously not drilled in an area of Yarindury with relatively shallow cover, probably less than 200m thick. Deposits at Cadia and North Parkes are being very profitably mined using bulk underground mining methods.

As the Company continued preparations for a drilling campaign at Yarindury, Alkane Resources announced to the market the discovery of significant porphyry Au-Cu mineralisation at its Boda project, being 502m at 0.48g/t Au and 0.20% Cu from 211m.

The discovery hole, KSDD003, lies within approximately 700m of the boundary of Alice Queen's Yarindury Project. Further east, the prospective rocks dip eastwards under an easterly dipping regional thrust fault for an unknown distance. If Alkane's Kaiser-Boda proves to be a Cadia-scale (7km by 2km) porphyry field, then it is possible that significant mineralisation will extend eastwards into EL8646 Yarindury.

Alice Queen commenced a nine-hole drilling program at Yarindury, focusing on high-quality porphyry Au-Cu targets. In December 2019, the Company reported that the first three holes had been completed, with cover thickness of ~60m, significantly less than the predicted 200m. The shallow nature of the cover will improve the economic potential of the project if mineralisation is intersected.

In April 2020, the Company reported results from the program. The Woodlands anomaly returned:

- Chalcopyrite-prehnite-epidote patches at 311.5m and a complex garnet-bearing vein at 312.55m, interpreted as distal skarnoid at the bottom of 20YDDH008
- Chalcopyrite-bornite-epidote spotting in a basaltic dyke: 217-220m in 20YDDH009
- A Late Ordovician shoshonitic biotite-hornblende bearing monzonite in 20YDDH007

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

The Woodlands anomaly is a northwest trending magnetic high crosscut by a northeast striking fault. The target area was tested by three holes 20YDDH007-9 all of which intersected basement between 148-191m deep. The holes returned intermediate volcanoclastic rocks crosscut by mafic to intermediate intrusions. Indicators of porphyry Cu-Au potential were identified, such as:

- Disseminated chalcopyrite-prehnite-epidote patches (1m @ 0.23% Cu from 311m in 20YDDH008) with an adjacent garnet-bearing complex vein at 312.55m at bottom of hole hosted by hornblende gabbro. These features are interpreted as being distal skarnoid related.
- A porphyritic basalt dyke returned 3m @ 0.16% Cu from 217m in 20YDDH009. The copper is contained in chalcopyrite-bornite patches with epidote selvages.
- ~50m thick (true width) intersection of shoshonitic biotite-hornblende bearing monzonite in 20YDDH007. A Late Ordovician age (447.9 ± 5.98 Ma) was determined for the monzonite by U-Pb laser ablation analyses of zircon grains from a single half core sample located 288.7m down hole. Late Ordovician shoshonitic intrusions are key targets in the Macquarie Arc .
- For further information on the above please see ASX release 27 April 2020.

The results from Woodlands were encouraging in that the first drill program for the Company has returned mineralisation and mineralogical indicators of Cu-Au porphyry potential. Porphyry Cu-Au mineralisation hosted by monzonite occurs 5km south of the tenement in the Comobella intrusive complex at Glen Hollow. Regional magnetic imagery suggests that Woodlands is a covered and largely unexplored extension of the host rocks that are exposed in that southern region.

The Forest View anomaly is a single 800 m x 400 m prominent magnetic high which is interpreted to reside on 5km long north-northwest striking structure. A single vertical hole 19YDDH006 was drilled to 414.6m to test the basement anomaly. The hole was stopped prior to reaching basement however Alice Queen intends to extend this hole in further drilling programs.

The Muronbung Park anomaly lies in the north western portion of EL8646 and contains a series of rhomboidal magnetic anomalies which are offset by northeast and northwest striking faults. Five holes were drilled (19YDDH001-5) with holes 1-3 reported. Two further holes were then drilled (19YDDH004-5). 19YDDH004 reached basement at 74m and returned intermediate intrusions and volcanoclastic rocks. No significant results were returned. YDDH005 was terminated at 120.3m in porphyritic andesite.

Following the results from the Woodlands Prospect, Alice Queen resumed drilling at Yarindury Project on the following areas:

- Bullaburra
- Woodlands (extend 20YDDH008)
- Forest View (extend 19YDDH006)

At Woodlands, Hole 20YDDH008 was drilled to 312.6m with encouraging alteration and mineralisation at the very bottom of the hole, and Alice Queen planned to extend it. An angled, south west directed hole, located 140m to the south southeast of 20YDDH008 was also planned to test across the magnetic strike of the anomaly.

At the Forest View anomaly, the recently completed drill hole 19YDDH006 was drilled to 414.6m to test the basement anomaly, however it did not reach the target anomaly.

After testing the Bullaburra, Woodlands and Forest View anomalies, the drill rig was mobilised to Boda East.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

ii) Mendooran

Alice Queen made progress in relation to land access within the Goonoo Goonoo State Conservation Area of the Mendooran tenement (EL8469). A Review of Environmental Factors (REF) was completed for the Mendooran project and submitted to the New South Wales, National Parks and Wildlife Service (NPWS) for determination. In late 2019, the NPWS determined the REF positively with the Company receiving written confirmation post quarter end.

The Company commenced work on the REF in 2017, completing and submitting to the NPWS in late 2019. In the June quarter, ministerial consent for access to the Goonoo Goonoo State Conservation Area was also received, thus paving the way for exploration drilling in that area for the first time.

The Company received a grant under the NSW New Frontiers Drilling Program. The \$200,000 grant will provide funding for the Company's drill program at Mendooran. Eight large-scale copper-gold targets remain untested in the Goonoo Goonoo State Conservation Area within the Mendooran tenement and this grant will allow the Company to accelerate plans to test these targets, with a drilling program to launch subject to final access arrangements.

iii) Mendooran South

On the back of geochemical results from two previously drilled holes at Mendooran South and exploration drilling in bordering northern Yarindury area, Alice Queen completed further target generation work, resulting in three further largescale copper gold porphyry target areas being identified for future exploration.

The Company intends to progress these target areas during 2020.

iv) Boda East

Alice Queen finalised several land access agreements within its Yarindury license area known as Boda East in the March quarter. Boda East is adjacent to the Alkane discovery hole at Boda with the tenement boundary being only ~700 metres away.

Magnetic surveys and geological mapping show that the Boda host rocks (Kaiser/Comobella Volcanics and associated monzonitic intrusive rocks) (see Alkane ASX release 19 May 2020) extend into EL8646 Yarindury along a 13km north-south trend. If Alkane's Boda discovery has the scale of mineralisation strongly indicated by the results to date, there is a possibility that the mineralised zone will extend into AQX's Boda East prospect area.

This possibility is further enhanced by the presence of a major NW-SE structural trend extending from the Boda-Kaiser mineralised area into the Boda East prospect area. A NW-SE structural trend is also dominant at the two most significant other porphyry gold-copper deposits on the Molong Volcanic Belt - Cadia and Copper Hill.

Alice Queen's 13km Boda East trend has been divided into four target areas, which have been prioritised for drilling based on prospectivity and community consultation criteria (see Figure 6). These criteria include:

- Proximity along structural trend from Alkane's Boda Discovery
- Indications from magnetic data and mapping for the presence of monzonitic intrusive rocks
- Timing to minimise impact on local farming activities.



DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

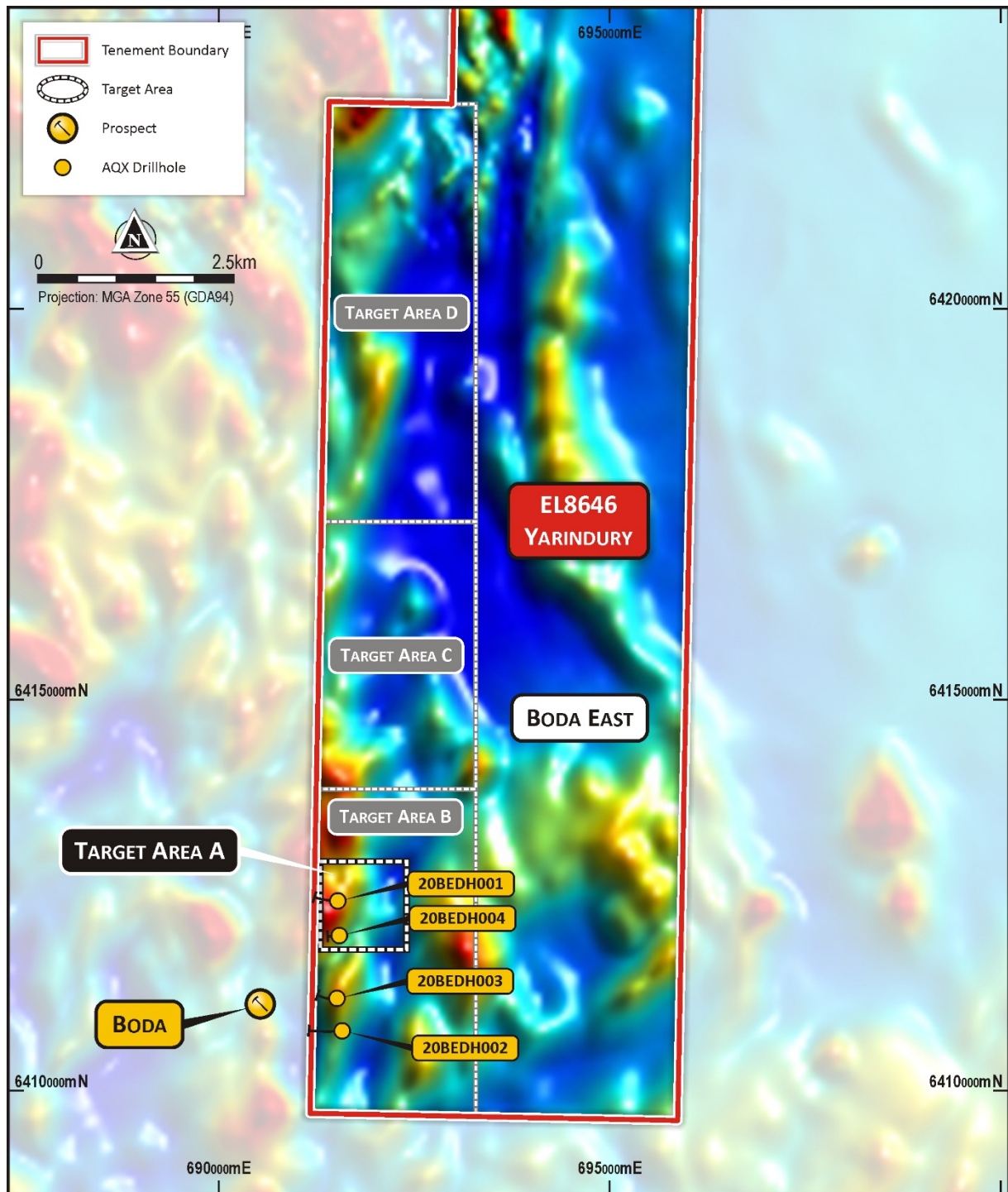


Figure 6: Target areas A-D at Boda East

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Exploration activities (continued)

Alice Queen planned two 600m long west dipping diamond holes to test Ordovician basement for Cu-Au mineralisation. These holes are the start of campaign work in the area for the Company and will inform a future more comprehensive work program in the Boda East target area.

Post year-end, on 28 July 2020, Alice Queen announced it had broken ground at Boda East, commencing a first phase three holes for 2100m deep diamond drill program.

On 10 August 2020, the Company reported the first hole had been completed with a visual mineralised zone intersected, confirming that the Molong host rocks extend into the Company's tenement. Alice Queen received approval to increase its current program by up to 14 holes across this exciting 13km north-south trend, and prepared for further drilling (see ASX release 10 August 2020).

Tenement Summary

TENEMENT	LOCATION	CURRENT HOLDER(I)	INTEREST	AREA (BLOCKS)	GRANT DATE	EXPIRY DATE	MINIMUM EXPENDITURE (CURRENT YEAR) (II)
EPM 25520	Queensland	Kauraru Gold Pty Ltd	100%	19	08 Oct 2014	07 Oct 2024	\$900,000
EPM 25418	Queensland	Kauraru Gold Pty Ltd	100%	73	25 Jan 2016	24 Jan 2021	\$140,000
EL 8469	NSW	Monzonite Metals Pty Ltd	100%	100	30 Sep 2016	30 Sep 2020	\$200,000
EL 8563	NSW	Monzonite Metals Pty Ltd	100%	28	12 May 2017	12 May 2021	\$100,000
EL 8565	NSW	Monzonite Metals Pty Ltd	100%	14	17 May 2017	17 May 2021	\$25,000
EL8646	NSW	Monzonite Metals Pty Ltd	100%	86	12 Sep 2017	12 Sep 2025	\$50,000
EL8985	NSW	Monzodiorite Pty Ltd	100%	27	28 May 2020	28 May 2026	\$50,000

- (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).
- (ii) Minimum expenditure current year totals \$1,465,000 (for further information refer to note 18 of the financial statements).

Competent Person Statements

The information in this report that relates to exploration results in respect of the Company's tenements in Queensland is based on information compiled by Mr Adrian Hell BSc (Hons) who is a full-time employee of Alice Queen Limited. Mr Hell is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and 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 announcement that relates to exploration results and target generation is based on information compiled by Dr Jeff Vassallo, a Competent Person who is a member of the Australian Institute of Geoscientists. Dr Vassallo is a consultant to Alice Queen Limited. Dr Vassallo 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". Dr Vassallo consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Financial Results

The Group incurred a loss after tax for the reporting period of \$1,575,315 (2019: \$1,620,052 loss).

Corporate activities

Board Changes

Alice Queen announced a series of changes to its Board in February. Patrick Gowans was appointed Non-Executive Chairman following the resignation of Phillip Harman from the role after more than 10 years with the Company.

Mr Gowans is a Partner of Quinert Rodda & Associates, a Melbourne-based law firm which act as legal advisors to Alice Queen. He has more than 10 years' experience in corporate and commercial law with a focus on equity capital markets, ASX compliance and corporate governance, which includes advising a number of ASX-listed mining exploration entities.

Quinert Rodda & Associates acted for Alice Queen in its acquisition and ASX listing in 2015 and has continued to advise the Company in respect of corporate and compliance matters.

Dale McCabe was appointed to the Board as an Executive Director. Mr McCabe was instrumental in supporting the foundation of Alice Queen in 2012, including with the provision of operational support and assisting with the raising of seed capital for the Company.

Following its establishment, Mr McCabe continued to support the operations of Alice Queen and future capital raisings before officially joining the Company in 2015, at which point he oversaw the establishment of exploration projects and operational aspects of Alice Queen while continuing to support fundraising efforts.

Former Echo Resources board member Anthony McIntosh also joined the Company's Board as a Non-Executive Director. Mr McIntosh holds a Bachelor of Commerce Degree from Bond University and is a graduate from the Australian Institute of Company Directors. He manages a portfolio of investments, including both listed and unlisted companies, as well as rural, residential and commercial properties.

Mr McIntosh served as a board member of Echo Resources for seven years until it was acquired by Northern Star Resources for \$235 million in 2019. He replaced Andrew Muir, who resigned due to other work commitments, including his role as Managing Director of ASX-listed NTM Gold.

Placements

On 4 July 2019, the Company announced the closing of a private share placement (July Placement) to sophisticated investors to raise \$400,000 (before costs) at an issue price of \$0.012 per share. Investors in the July Placement were entitled issued with one (1) free-attaching option for every two (2) shares subscribed. The free-attaching options are unlisted, have an exercise price of \$0.02 and expire on 5 January 2021. On 5 July 2019, a total of 29,166,667 ordinary shares and 14,583,334 unlisted options were issued under Listing Rule 7.1. The Company received a binding commitment from an investor to subscribe for 4,166,667 July Placement shares (representing subscription of \$50,000) provided by an associate of Mark Kerr (who resigned as a Director of the Company on 30 June 2019 and therefore remained a related party for the purposes of the Corporations Act and the ASX Listing Rules). The issue of July Placement shares and July Placement options to Mr Kerr's associate was approved by shareholders at the Annual General Meeting of the Company held on 29 November 2019 and subsequently issued on 20 December 2019. The proceeds from the July Placement were used to fund the working capital requirements of the Company.

In August 2019, the Company announced the closing of a private share placement (August Placement) to sophisticated investors to raise \$516,000 (before costs) at an issue price of \$0.012 per share. Investors in the August Placement were entitled to one (1) free-attaching option for every two (2) shares subscribed. The free-attaching options are unlisted, have an exercise price of \$0.02 (2 cents) and expire on 20 February 2021. A total of 43,000,000 shares and 21,500,000 million free-

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Review of Operations and Financial Results (Continued)

Corporate activities (continued)

attaching options were issued. The August Placement shares were issued under the Company's 10% placement capacity under ASX Listing Rule 7.1A, whereas the free-attaching August Placement options were issued under the Company's 15% capacity under ASX Listing Rule 7.1. Funds raised from the August Placement were applied to the initial drilling program at Yarindury and working capital.

In September 2019, the Company announced it had entered into a binding agreement to raise \$1,500,000 through the issue of 50 million ordinary shares at 3 cents per share (September Placement). The September Placement was undertaken at a 10% premium to the last trading price and a 45% premium to the 20-day VWAP. These shares were issued on 26 September 2019 of which 28,016,000 shares were issued under Listing Rule 7.1 and 29,984,000 shares were issued under Listing Rule 7.1A. Proceeds from the September Placement funded exploration activities in New South Wales and provided working capital.

In February 2020, Alice Queen received binding commitments for a \$3.88 million capital raising via the Placement of approximately 121,000,000 shares at a price of \$0.032 per share to a range of institutional and sophisticated investors.

Proceeds of the September Placement were allocated for the undertaking of further drilling activities across Alice Queen's NSW tenements, which include its Boda East project area, which lies just 700 metres away from Alkane Resources' recent major Boda discovery, and its nearby Mendooran and Yarindury prospects within the northern Molong Belt, and as working capital.

The Placement was led by Evolution Capital Advisors and BW Equities, which acted as joint lead managers.

Exercise of Options

During the reporting period, 32,166,664 options were exercised at \$0.02 each raising \$643,333.

COVID-19

Alice Queen has always operated using various established cloud and remote based platforms; and as such, our small team continues to be fully utilized working remotely completing the requisite target generation, access, mandatory reporting and planning for all of our field-based work programs for FY2021 (July 2020 – June 2021) across all of our projects.

COVID-19 has created unprecedented uncertainty in the economic environment that we operate within. Actual economic events and conditions in future may be materially different from those realised in the 2020 financial year and projected for the 2021 financial year. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may effect the financial position of the Group and field operations if access is restricted or made subject to increased regulation. As at the date of the Financial Statements, an estimate of the future effects of the COVID-19 pandemic on the Groups financial performance and/or financial position cannot be made, as the impact will depend on the magnitude and duration of the economic downturn with the full range of monetary impacts unknown.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group during the reporting period ended 30 June 2019 other than as referred to in this report and the Financial Statements or notes thereto.

Dividends

The Directors recommend that no dividend be paid for the reporting period ended 30 June 2020 (2019: Nil) nor have any amounts been paid or declared by way of dividend during the reporting period.

Directors' meetings

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

DIRECTOR	BOARD MEETINGS	
	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
P Gowans ⁽ⁱ⁾	6	6
A Buxton	9	9
D McCabe ⁽ⁱ⁾	6	6
A McIntosh ⁽ⁱ⁾	6	6
FORMER DIRECTORS		
P Harman ⁽ⁱⁱ⁾	3	1
A Muir ⁽ⁱⁱ⁾	3	3

(i) P Gowans, D McCabe and A McIntosh were appointed as Directors on 3 February 2020.

(ii) P Harman and A Muir resigned on 3 February 2020.

The Board does not have separately established committees dealing with audit, nomination, remuneration and risk management. The full Board carried out this role in accordance with the principles as set out in the Company's Corporate Governance Plan.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Share options

Details of unissued shares or interests of Alice Queen under option at the date of this report are:

NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTION	EXPIRY DATE OF OPTIONS
20,000,000	Ordinary	\$0.056	14 December 2020
24,937,502	Ordinary	\$0.04	18 December 2021
3,916,667	Ordinary	\$0.02	05 January 2021
4	Ordinary	\$0.02	20 February 2021
16,830,754	Ordinary	\$0.045	20 December 2020
21,860,636	Ordinary	\$0.045	20 December 2022
5,000,000	Ordinary	\$0.05	30 June 2022
5,000,000	Ordinary	\$0.06	30 June 2022
5,000,000	Ordinary	\$0.07	27 August 2022
5,000,000	Ordinary	\$0.08	27 August 2022

Details of options issued by the Company are set out in the capital and reserves note to the financial report. The names of persons who currently hold options are entered in the register of options kept by the Company pursuant to the *Corporations Act* 2001. This register may be inspected free of charge. The persons entitled to exercise the options do not have, by virtue of the options, the right to participate in a share issue of any other body corporate.

Shares issued on exercise of options

During or since the end of the financial year, the Company issued 32,166,664 fully paid ordinary shares (2019: Nil) as a result of the exercise of listed options.

Environmental Regulations

The Group is subject to environmental regulations under the laws of the Commonwealth and State. The Board of Directors monitors compliance with environmental regulations and as at the date of this report the Directors are not aware of any breach of such regulations during the reporting period.

Indemnities given and insurance premiums paid to auditors and officers

During the reporting period, the Company paid an insurance premium to insure the Directors and Officers of the Group. The Officers of the Company covered by the insurance policy include all Directors and the Company Secretary. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company. Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Company has entered into an agreement with the Directors and Officers to indemnify them against any claim and related expenses, which arise as a result of work completed in their respective capabilities.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Company against a liability incurred as such by an officer or auditor.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Likely Future Developments

The Directors intend that the Group will continue exploration activities at its Horn Island Projects in Queensland and in New South Wales, as well as continually seeking further opportunities.

Remuneration Report (Audited)

This report details the nature and amount of each element of the emoluments of the key management personnel of the Group.

Alice Queen received 97,222,307 or 97.37% votes in favor, 795,526 or 0.80% against and 1,829,750 votes abstained out of 99,847,583 total votes received. The Company did not receive any specific feedback at the Annual General Meeting held on 28 November 2019.

The policy of remuneration of Directors and other key management personnel is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. There was no remuneration consultant used during the reporting period.

Names and positions held by Key Management Personnel in office at any time during the reporting period are:

Director

P Gowans	Non-Executive Chairman (appointed 3 February 2020)
A Buxton	Managing Director (appointed 13 November 2015)
D McCabe	Non-Executive Director (appointed 3 February 2020)

Former Directors

P Harman	Non-Executive Chairman (re-elected 10 August 2016, resigned 3 February 2020)
A Muir	Non-Executive Director (appointed 12 June 2019, resigned 3 February 2020)

KEY MANAGEMENT PERSONNEL	POSITION	DATE APPOINTED	DATE RESIGNED	CONTRACT DETAILS (DURATION & TERMINATION NOTICE PERIOD)	PROPORTION OF ELEMENTS OF REMUNERATION RELATED TO PERFORMANCE			PROPORTION OF ELEMENTS OF REMUNERATION NOT RELATED TO PERFORMANCE		
					Non- Salary cash- based incentives %	Shares /Units %	Options /Rights %	Shares /Units %	Fixed salary /Fees %	Total %
DIRECTORS										
P Gowans	Non- Executive Chairman	3 Feb 2020		No fixed term	-	-	-	-	100	100
A Buxton	Managing Director	13 Nov 2015		No fixed term. 6 months' notice for termination	9	-	-	-	91	100
D McCabe	Executive Director	3 Feb 2020		No fixed term	-	-	-	-	100	100
A McIntosh	Non- Executive Director	3 Feb 2020		No fixed term	-	-	-	-	100	100
FORMER DIRECTORS										
P Harman	Non- Executive Chairman	13 Nov 2015	3 Feb 2020	No fixed term	-	-	-	-	100	100
A Muir	Non- Executive Director	12 Jun 2019	3 Feb 2020	No fixed term	-	-	-	-	100	100

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Remuneration Report (Audited) (continued)

(a) Key Management Personnel Remuneration

Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Group for the reporting period ended 30 June 2020 are set out in the following table:

NAME	SHORT-TERM BENEFITS		POST- EMPLOYMENT BENEFITS	TOTAL
	SALARY & FEES \$	EQUITY \$	SUPER- ANNUATION \$	
DIRECTORS				
P Gowans ⁽ⁱ⁾	29,581	21,759	2,804	54,144
A Buxton ⁽ⁱⁱ⁾	386,640	91,292	-	477,932
D McCabe ⁽ⁱⁱⁱ⁾	212,310	72,153	-	284,463
A McIntosh ^(iv)	15,000	-	1,425	16,425
FORMER DIRECTORS				
P Harman ^(v)	24,333	19,424	2,312	46,069
A Muir ^(vi)	24,750	19,424	2,351	46,525
Total	692,614	224,052	8,892	925,558

- (i) P Gowans: Total remuneration of \$54,144 includes director's fees totaling \$29,581 plus superannuation totaling \$2,804 paid or payable during the period 3 February 2020 to 30 June 2020.
- (ii) A Buxton: Total remuneration of \$477,932 includes consulting fees totaling \$341,640 (exclusive of GST) and a bonus totaling \$45,000 (exclusive of GST) paid to Claremont Equities Pty Ltd during the reporting period, a company in which Mr. Buxton has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.
- (iii) D McCabe: Total remuneration of \$284,463 includes consulting fees totaling \$212,310 (exclusive of GST) paid to PHX Holdings Pty Ltd during the reporting period, a company in which Mr. McCabe has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.
- (iv) A McIntosh: Total remuneration of \$54,144 includes director's fees totaling \$29,581 plus superannuation totaling \$2,804 paid or payable during the period 3 February 2020 to 30 June 2020.
- (v) P Harman: Total remuneration of \$46,069 includes director's fees totaling \$24,333 plus superannuation totaling \$2,312 paid or payable during the period 1 July 2020 to 3 February 2020.
- (vi) A Muir: Total remuneration of \$46,525 includes director's fees totaling \$24,750 plus superannuation totaling \$2,351 paid or payable during the period 1 July 2020 to 3 February 2020.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Remuneration Report (Audited) (continued)

(b) Key Management Personnel Remuneration (continued)

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Group for the 2019 comparative period are set out in the following table:

NAME	SHORT-TERM BENEFITS		POST-EMPLOYMENT BENEFITS	TOTAL
	SALARY & FEES	EQUITY	SUPER-ANNUATION	
	\$	\$	\$	
DIRECTORS				
P Harman	38,417	31,467	3,650	73,534
A Buxton ⁽ⁱ⁾	335,800	145,563	-	481,363
A Muir ⁽ⁱⁱⁱ⁾	1,042	-	100	1,142
Former Director				
M Kerr ⁽ⁱⁱ⁾	38,417	18,784	3,650	60,851
Total	413,676	195,814	7,400	616,890

(i) A Buxton: Total remuneration of \$481,363 includes consulting fees totaling \$335,800 (exclusive of GST) paid to Claremont Equities Pty Ltd during the reporting period, a company in which Mr. Buxton has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.

(ii) M Kerr: Total remuneration of \$60,851 includes director's fees totaling \$38,417 plus superannuation totaling \$3,650 paid and/or accrued during the reporting period. Director's fees of \$38,417 were paid to Berkeley Consultants Pty Ltd, a company in which Mr. Kerr has an interest.

(iii) A Muir: Total remuneration of \$1,142 includes director's fees totaling \$1,042 plus superannuation totaling \$100 accrued during the period 12 June 2019 to 30 June 2019.

Performance income as a proportion of total income

During the reporting period, there was a bonus of \$45,000 (ex-GST) paid to Andrew Buxton. There were no bonuses paid to Key Management Personnel during the 2019 comparative period.

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Remuneration Report (Audited) (continued)

(c) Options issued as part of remuneration

Options granted as compensation to Key Management Personnel during the reporting period and during the comparative period are set out below.

(d) Shares Issued on Exercise of Compensation Options

There were no options exercised during the reporting period or the comparative period that were granted as compensation in prior periods.

(e) Other Information

The number of securities in the Company held by each of the Key Management Personnel, including their related parties, during the 2020 reporting period and the 2019 comparative period, is set out below:

Shares held by Key Management Personnel

2020	BALANCE 01 July 2019	BALANCE ON DATE APPOINTED	PURCHASED/ (SOLD)	BALANCE ON RESIGNATION	BALANCE 30 JUNE 2020
DIRECTORS					
P Gowans	-	1,484,955	-	-	1,484,955
A Buxton	62,192,009	-	(4,687,520)	-	57,504,489
D McCabe	-	-	-	-	-
A McIntosh	-	-	4,687,520	-	4,687,520
FORMER DIRECTORS					
P Harman(i)	3,163,028	-	-	(3,163,028)	-
A Muir(i)	-	-	-	-	-
Total	65,355,037	1,484,955	-	(3,163,028)	63,676,964

(i) P Harman and A Muir resigned on 3 February 2020.

2019	BALANCE 01 July 2018	PURCHASED	BALANCE ON RESIGNATION	BALANCE 30 JUNE 2019
DIRECTORS				
P Harman	2,163,028	1,000,000	-	3,163,028
A Buxton	60,902,009	1,290,000	-	62,192,009
A Muir	-	-	-	-
FORMER DIRECTOR				
M Kerr(ii)	30,445,922	3,400,000	(33,845,922)	-
Total	93,510,959	5,690,000	(33,845,922)	65,355,037

(ii) M Kerr resigned on 30 June 2019.

No shares were granted as compensation to key management personnel during the 2020 reporting period nor during the 2019 comparative period.



DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Remuneration Report (Audited) (continued)

Options and right holdings held by Key Management Personnel

2020	BALANCE 01 JULY 2019	BALANCE ON DATE APPOINTED	RECEIVED AS REMUNERATION	OPTIONS EXPIRED	BALANCE ON RESIGNATION	BALANCE 30 JUNE 2020
DIRECTORS						
P Gowans	-	5,066,210	-	-	-	5,066,210
A Buxton	14,612,925	-	11,413,960	(616,050)	-	25,410,835
D McCabe	-	20,521,188	-	-	-	20,521,188
A McIntosh	-	-	-	-	-	-
FORMER DIRECTORS						
P Harman ⁽ⁱ⁾	2,366,050	-	2,708,397	(616,050)	(4,458,397)	-
A Muir ⁽ⁱ⁾	-	-	2,708,397	-	(2,708,397)	-
Total	16,978,975	25,587,398	16,830,754	(1,232,100)	(7,166,794)	50,998,233

(i) P Harman and A Muir resigned on 3 February 2020.

2019	BALANCE 01 JULY 2018	RECEIVED AS REMUNERATION	LISTED OPTIONS EXERCISED	BALANCE ON RESIGNATION	BALANCE 30 JUNE 2019
DIRECTORS					
P Harman	2,366,050	-	-	-	2,366,050
A Buxton	8,116,050	6,496,875	-	-	14,612,925
A Muir	-	-	-	-	-
FORMER DIRECTOR					
M Kerr ⁽ⁱ⁾	1,366,050	3,215,625	-	(4,581,675)	-
Total	11,848,150	9,712,500	-	(4,581,675)	16,978,975

(i) M Kerr resigned on 30 June 2019.

END OF AUDITED REMUNERATION REPORT

DIRECTORS' REPORT

FOR YEAR ENDED 30 JUNE 2020

Events Subsequent to Reporting Date

On 24 August 2020, the Company announced the closing of a private share placement (August Placement) to institutional and sophisticated investors to raise \$7 million (before costs) at an issue price of \$0.044 per share. On 27 August 2020, 159,090,909 ordinary shares were issued of which 69,090,909 were issued under Listing Rule 7.1 and 90,000,000 were issued under Listing Rule 7.1A. The Placement was led by Evolution Capital Advisors Pty Ltd and BW Equities Pty Ltd, acting as joint lead managers. In connection with their role in the August Placement, in addition to standard capital raising fees, the Company agreed to issue the joint lead managers an aggregate of 5,000,000 options having a strike price of 7 cents and 5,000,000 having a strike price of 8 cents, all with an expiry date of 27 August 2022. These options were issued on 27 August 2020. Funds raised from the August Placement are intended to be used to:

- Expand upon the Company's current drilling at Boda East;
- Complete phase one of RC infill drilling at the Horn Island pit with the aim of lifting the existing Inferred Resource into the Indicated category and commencement of feasibility studies in to open pit production scenarios; and
- Commence drilling at Mendooran, where the Company can capitalise on its recent \$200,000 government cooperative drilling grant.

The COVID-19 pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated by the group at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may effect the financial position of the Group and field operations if access is restricted or made subject to increased regulation. At the date of the annual report an estimate of the future effects of the COVID-19 pandemic on the group cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

Other than as stated elsewhere in this report, Directors are not aware of any other matters or circumstances at the date of this report that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Group in subsequent financial years.

Non-Audit Services

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Board to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Group, Moore Stephens, and its related practices for audit and non-audit services provided during the year are set out in Note 27 to the Financial Statements.

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is included on page 30 of this financial report and forms part of this Directors' report.

Signed in accordance with a resolution of the Directors.



Patrick Gowans

Chairman

30 September 2020

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ALICE QUEEN LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

**MOORE AUSTRALIA AUDIT (VIC)**
ABN 16 847 721 257**ANDREW JOHNSON**
Partner
Audit and Assurance

Melbourne, Victoria

30 September 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 \$	2019 \$
Revenue from continuing operations		88,422	1,249
Expenses from continuing operations:			
Other operating expenses	5	(351,082)	(327,524)
Compliance costs		(170,405)	(129,327)
Consultancy expenses		(182,037)	(224,169)
Depreciation & amortisation		(67,510)	(11,427)
Employee benefits, management fees and on costs		(880,036)	(926,121)
Other costs		(12,667)	(2,733)
Loss before income tax		(1,575,315)	(1,620,052)
Income tax expense relating to the ordinary activities	6	-	-
Net loss for the year		(1,575,315)	(1,620,052)
Loss of non-controlling interest		3,649	23,212
Loss attributable to parent entity shareholders		(1,571,666)	(1,596,840)
Other comprehensive income, net of tax		(9,600)	(2,400)
Total comprehensive loss		(1,581,266)	(1,599,240)
Earnings/Loss per Share:			
Basic loss per share (cents per share)	18	(0.19)	(0.28)
Diluted loss per share (cents per share)	18	(0.19)	(0.28)

The accompanying notes form part these financial statements.



ALICE QUEEN LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	21	2,945,367	64,619
Trade and other receivables	7	95,339	62,238
Prepayments	8	48,851	18,632
Total Current Assets		3,089,557	145,489
Non-Current Assets			
Property, plant & equipment	9	32,819	31,106
Investments	10	7,200	16,800
Exploration and evaluation expenditure	11	11,833,705	9,468,539
Security deposits	12	124,896	66,228
Right-of use-assets	15	47,608	-
Total Non-Current Assets		12,046,228	9,582,673
Total Assets		15,135,785	9,728,162
LIABILITIES			
Current Liabilities			
Trade and other payables	13	341,957	350,251
Provision for annual leave	14	46,678	24,608
Lease Liability	15	48,791	-
Total Current Liabilities		437,426	374,859
Total Liabilities		437,426	374,859
Net Assets		14,698,359	9,353,303
EQUITY			
Share capital	16	22,321,887	16,124,161
Reserves	17	1,824,574	1,101,929
Minority interest		(140,216)	(136,567)
Accumulated losses		(9,307,886)	(7,736,220)
Total Equity		14,698,359	9,353,303

The accompanying notes form part these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

2020

	ISSUED CAPITAL	OPTION RESERVE	ASSET REVELAUATION RESERVE	ACCUMULATED LOSSES	NON- CONTROLLING INTEREST	TOTAL
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2019	16,124,161	1,101,129	800	(7,736,220)	(136,567)	9,353,303
Total loss for the period	-	-	-	(1,571,666)	(3,649)	(1,575,315)
Transactions with owners, recorded directly in equity						
Issue of share capital	6,946,933	-	-	-	-	6,946,933
Fair value of options issued	-	723,445	-	-	-	723,445
Investments	-	-	(800)	-	-	(800)
Share issue costs	(749,207)	-	-	-	-	(749,207)
Balance as at 30 June 2020	22,321,887	1,824,574	-	(9,307,886)	(140,216)	14,698,359

2019

	ISSUED CAPITAL	OPTION RESERVE	ASSET REVELAUATION RESERVE	ACCUMULATED LOSSES	NON- CONTROLLING INTEREST	TOTAL
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2018	13,319,811	739,898	3,200	(6,139,380)	(113,355)	7,810,174
Total loss for the period	-	-	-	(1,596,840)	(23,212)	(1,620,052)
Transactions with owners, recorded directly in equity						
Issue of share capital	2,912,708	-	-	-	-	2,912,708
Fair value of options issued	-	361,231	-	-	-	361,231
Investments	-	-	(2,400)	-	-	(2,400)
Share issue costs	(108,358)	-	-	-	-	(108,358)
Balance as at 30 June 2019	16,124,161	1,101,129	800	(7,736,220)	(136,567)	9,353,303

The accompanying notes form part these financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 \$	2019 \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		36,209	-
Cash payments in the course of operations		(1,323,378)	(1,012,932)
Interest received		1,401	1,249
Interest paid		(1,085)	-
Net cash used in operating activities	22	(1,286,853)	(1,011,683)
Cash Flows from Investing Activities			
Payments for exploration and evaluation expenditure		(2,701,037)	(2,225,134)
Payments for property, plant and equipment		(12,094)	-
Proceeds/(payments) for security deposits		(32,928)	10,000
Proceeds from joint venture partner		364,913	-
Net cash from investing activities		(2,381,146)	(2,215,134)
Cash Flows from Financing Activities			
Proceeds from issue of shares		6,303,600	2,885,435
Proceeds from exercise of options		643,333	-
Principal lease repayments		(58,729)	-
Payments for share issue costs		(339,457)	(108,358)
Net cash used in financing activities		6,548,747	2,777,077
Net (decrease)/increase in cash held and cash equivalents		2,880,748	(449,740)
Cash and cash equivalents at the beginning of the period		64,619	514,359
Cash and cash equivalents at the end of the period	22	2,945,367	64,619

The accompanying notes form part these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1. Nature of operations

Alice Queen Limited is a public company, limited by shares, domiciled and incorporated in Australia and listed on the Australian Securities Exchange. The consolidated entity (the "Group") consists of Alice Queen Limited (the "Company") and the entities it controlled at the end of, or during, the year ended 30 June 2020. The principal activity of the Group during the reporting period was mineral exploration in Queensland and New South Wales.

2. Basis of preparation

Statement of Compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Australian Accounting Standards incorporate International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board. Compliance with Australian Accounting Standards ensure that the financial statements and notes also comply with IFRS. The consolidated financial statements for the year ended 30 June 2020 (including comparatives) were approved and authorised for issue by the board of Directors on 30 September 2020.

Historical Cost Convention

The financial report has been prepared on an accrual basis and is based on the historical costs modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Functional and presentation currency

Both the functional and presentation currency of the Group is in Australian dollars.

Critical accounting estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are described in the following notes:

- Note 3: Going concern;
- Note 6: Income tax expense;
- Note 10: Impairment of available for sale assets; and
- Note 11: Impairment of exploration and evaluation expenditure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies

Basis of consolidation

All intra-group balances, transactions, income and expenses and profit and losses between entities in the consolidated group have been eliminated in full on consolidation.

The non-controlling interest in the results and equity of subsidiaries is shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity respectively.

Non-controlling interests, presented as part of equity, represent the portion of the subsidiary companies profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interest based on their respective ownerships.

New accounting standards and interpretations

New and revised AASB's affecting amounts reported and/or disclosures in the financial statements

The Group has adopted AASB 16 Leases and AASB Interpretation 23 Uncertainty over Income Tax Treatment which became effective for financial reporting periods commencing on or after 1 July 2019.

AASB 16 Leases (AASB 16)

Nature of the effect of adoption of AASB 16

The Group applied the modified retrospective transition method to adopt AASB 16 and thus prior comparatives were not restated. Under this method, the cumulative effect of initially applying the standard is recognised directly as an adjustment to equity at the date of initial application, 1 July 2019. The Group opted to use the recognition exemptions for lease contracts that have a lease term of 12 months or less and do not contain a purchase option ('short-term lease'), and lease contracts for which the underlying asset is of low value ('low-value assets') (ie. below US\$5,000).

The Group has lease contracts for its office premises. Before the adoption of AASB 16 the Group's classified each of its leases (as lessee) at the inception date as either finance lease or operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. Prior to the date of initial application of AASB 16, the Group did not have any finance leases recognised. The leases for the office premises was classified as operating leases. Operating leases were not capitalised, and the lease payments were recognised as rent expense in the profit or loss on a straight- line basis over the lease term. The current term of the office lease is for a period of 3 years with an option to extend a further 3 years.

Upon adoption of AASB16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group presents right-of-use assets and lease liabilities separately in the statement of financial position. Right-of-use assets have been recognised based on an amount equal to the lease liabilities. Lease liabilities have been recognised based on present value of the remaining lease payments, discounted using the incremental borrowing rate at 3.5%.

The impact on operating cash flows is the removal of the payments for operating lease costs incurred (previously under AASB 117 Leases), which were expensed through operating costs, except for cash flows relating to variable, short-term and low-value payments. The principal component of lease payments is now recognised as a financing activity in the statement of cashflow (previously presented as an operating activity).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

New accounting standards and interpretations (continued)

The Group also applied the available practical expedients wherein it:

- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with a lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

	RIGHT-OF- USE ASSET	LEASE LIABILITY
Balance at 1 July 2019	104,737	104,737
Additions	-	-
Depreciation expense	(57,129)	-
Interest expense	-	2,783
Payments	-	(58,729)
Balance at 30 June 2020	47,608	48,791

The effect of the adoption of AASB 16 as at 1 July 2019 was an increase in Right-of-use lease assets and Lease liabilities of \$104,737.

New Accounting Standards and Interpretations not yet mandatory or early adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

AASB 17 Insurance Contracts

In May 2017, the IASB issued AASB 17 Insurance Contracts (AASB 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, AASB 17 will replace AASB 4 Insurance Contracts (AASB 4) that was issued in 2005. AASB 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of AASB 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in AASB 4, which are largely based on grandfathering previous local accounting policies, AASB 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of AASB 17 is the general model, supplemented by:

A specific adaptation for contracts with direct participation features (the variable fee approach)

A simplified approach (the premium allocation approach) mainly for short-duration contracts

AASB 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies AASB 9 and AASB 15 on or before the date it first applies AASB 17. This standard is not expected to have a material impact on the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

New accounting standards and interpretations (continued)

Amendments to AASB 3: Definition of a Business

In October 2018, the IASB issued amendments to the definition of a business in AASB 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to AASB 101 and AASB 108: Definition of Material

In October 2018, the IASB issued amendments to AASB 101 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

The amendments to the definition of material is not expected to have a significant impact on the Group's consolidated financial statements. The adoption of these new and amended standards and interpretations did not result in any significant changes to the Group's accounting policies.

The Group has not elected to early adopt any other new or amended standards or interpretations that are issued but not yet effective.

Going concern basis

During the year ended 30 June 2020 the Group recorded a loss of \$1,596,840 (2019: \$1,596,840) after tax and minority interests and had net cash outflows from operating activities of \$1,345,582 (2019: \$1,011,683).

The recoverability of the Group's exploration assets is dependent upon the continued exploration of each area of interest. The Directors have determined that future capital raisings will be required beyond the current year in order to develop the Group's mineral tenements to achieve a position where the Group can be cash flow positive, the outcome of which is uncertain.

The financial report has been prepared on a going concern basis as the Group has significant cash levels to meet its operating and investing activities for at least 12 months from the signing of the financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Contingent liabilities

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs

Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees, are expensed as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated and consolidation

Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

Where a controlled entity issues shares to non-controlling interests which does not result in loss of control by the Company, any gain or loss arising on the Company's interest in the controlled entity is recognised directly in equity.

Property, plant and equipment

Owned assets

Items of property, plant and equipment are stated at cost less accumulated depreciation (see below) and impairment losses (see Impairment accounting policy below).

Depreciation

Depreciation is charged to the profit or loss using the straight-line method from the date of acquisition. Computer and Office equipment are depreciated at rates between 25% and 33%.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits.

Share capital

Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Dividends

There have been no dividends paid or declared in the period or in the previous reporting period.

Share based payment transactions

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Leases - Estimating the incremental borrowing rate

When the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Leases (continued)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

Finance income and finance expense

Finance income and finance expense comprises interest payable on borrowings calculated using the effective interest method, interest earned, dividend income, unwind of discount on provisions and the net change in the fair value of derivative financial instruments recognised in profit or loss.

Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest method. Dividend income is recognised in the statement of comprehensive income on the date the entity's right to receive payments is established.

Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Impairment (continued)

Exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- the term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Calculation of recoverable amount

The recoverable amount of assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licenses, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Segment reporting

The Group determines and presents operating segments based on the information that internally is provided to the Managing Director, who is the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's primary format for segment reporting is on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Income tax

Income tax expense for the year comprises current and deferred tax. Income tax is recognised in the profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

Alice Queen Ltd and its wholly owned Australian resident entities have formed a tax-consolidated Group with Alice Queen Holding Pty Ltd joining the existing tax consolidated group with effect from 13 November 2015, and are therefore taxed as a single entity from that date. The Head entity within the tax-consolidated group is Alice Queen Ltd.

Kauraru Gold Pty Ltd and Monzonite Metals Pty Ltd are not part of the Alice Queen Ltd tax consolidated group as these companies are not wholly owned by Alice Queen Holdings Pty Ltd.

Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Employee benefits

Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers' compensation insurance and payroll tax.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Site restoration

Mine rehabilitation costs will be incurred by the Group should the projects at the occupied mining sites be abandoned. The Group assesses its mine rehabilitation provision at each reporting date. The ultimate rehabilitation costs are uncertain and cost estimates can vary in response to many factors. These uncertainties may result in future actual expenditure differing from the amount provided. Due to the early stages of the drilling and overall project life, no provision has been recorded at the balance date but a contingent liability disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

3. Significant accounting policies (continued)

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Share based payment transactions

The fair value of the options granted is measured using a Black-Scholes formula taking into account the terms and conditions upon which the options were granted. Measurement inputs include share price at grant date, exercise price of the instrument, expected volatility (based on historic share performance), risk-free interest rate (based on government bonds), and dividend yield.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group's non-derivative financial liabilities are loans and borrowing and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

4. Segment reporting

During the reporting period, the Company operated predominantly in one operating segment, being mineral exploration.

The results and financial position of the Company are prepared for the Managing Director on a basis consistent with Australian Accounting Standard AASB 8 operating segments, and therefore no additional disclosure in relation to the revenues, profit or loss, assets and liabilities have been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

5. Loss before income tax

	2020 \$	2019 \$
The result for the year includes the following specific items:		
Other operating expenses:		
- Insurance	59,061	48,233
- Marketing and conference costs	60,407	36,666
- Rent	12,417	56,760
- Share registry fees	63,430	61,433
- Travel, Meals & Accommodation	75,711	62,759
- IT consumables, software and services	32,667	25,537
- Other costs	47,389	36,136
	351,082	327,524

6. Income tax expense

Numerical reconciliation of income tax expense to prima facie tax payable

	2020 \$	2019 \$
Loss before tax – continuing operations	(1,575,315)	(1,620,052)
Prima facie income tax expense at the Australian tax rate of 27.5% (2019 – 30%)	(433,212)	(486,015)
Increase/(decrease) in income tax expense due to:		
- Non-deductible expenses	86,994	118,158
- Non-assessable income	(13,750)	-
- Capital raising costs	(93,351)	(32,507)
- Available to sell assets	(220)	(720)
- Effect of deferred tax assets for tax losses not brought to account	1,079,312	752,663
- Effect of net deferred tax assets not brought to account	(625,773)	(351,579)
Income tax expense – current and deferred	-	-

The Company and its 100% owned controlled entity have formed a tax consolidated group. The head entity of the tax consolidated group is Alice Queen Limited. The tax consolidated group has potential revenue tax losses of \$25,652,327 (2019: \$21,727,558) and capital loss of \$12,200,397. The non-wholly owned subsidiaries have separate income tax reporting obligations to the Company and its tax consolidated group.

Alice Queen Ltd is considered a base rate entity for income tax purposes and is therefore subject to income tax at a rate of 27.5% (2019: 30%).

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise benefits.

The utilisation of tax losses is dependent on the Group satisfying the continuity of ownership test or the same business test at the time the tax losses are applied against taxable income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

7. Trade and other receivables

	2020 \$	2019 \$
Current		
GST receivable	50,667	61,488
Other receivables	44,672	750
	95,339	62,238

8. Prepayments

	2020 \$	2019 \$
Insurance	19,651	18,632
Other prepayments	29,200	-
	48,851	18,632

9. Property, plant and equipment

	FIELD EQUIPMENT	OFFICE FURNITURE	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	MOTOR VEHICLE	TOTAL
GROSS CARRYING AMOUNT						
Balance at 1 July 2018	2,475	13,852	2,455	17,279	18,989	55,050
Additions	-	-	-	-	-	-
Balance at 30 June 2019	2,475	13,852	2,455	17,279	18,989	55,050
Additions	5,541	-	-	2,053	4,500	12,094
Balance at 30 June 2020	8,016	13,852	2,455	19,332	23,489	67,144
ACCUMULATED DEPRECIATION						
Balance at 1 July 2018	671	924	286	6,838	3,798	12,517
Additions	619	2,771	491	3,747	3,799	11,427
Balance at 30 June 2019	1,290	3,695	777	10,585	7,597	23,944
Additions	863	2,771	491	1,895	4,361	10,381
Balance at 30 June 2020	2,153	6,466	1,268	12,480	11,958	34,325
NET BOOK VALUE						
30 June 2019	1,185	10,157	1,678	6,694	11,392	31,106
30 June 2020	5,863	7,386	1,187	6,852	11,531	32,819

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

10. Investments

	2020 \$	2019 \$
Investments	7,200	16,800

The Company has 800,000 shares in Renascor Resources Ltd (formerly Renaissance Uranium Limited). At 30 June 2020, the Directors compared the carrying value of the investment to market value being \$7,200 (2019: \$16,800). This was based on a closing price of \$0.009 at 30 June 2019 (2019: 0.021 cents).

11. Exploration and evaluation expenditure

	2020 \$	2019 \$
Opening balance	9,468,539	8,354,403
Additions	2,735,343	1,114,136
Exploration and evaluation expenditure recovered from Joint Venture	(370,177)	-
Closing balance	11,833,705	9,468,539

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas. The Group shall conduct impairment testing where indicators of impairment are present at the reporting date.

12. Security deposits

	2020 \$	2019 \$
NON-CURRENT		
Security Deposit	124,896	66,228
	124,896	66,228

13. Trade and other payables

	2020 \$	2019 \$
CURRENT		
Trade payables	277,740	285,193
Accruals	45,935	37,905
Payroll liabilities	18,282	27,153
	341,957	350,251



ALICE QUEEN LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

14. Provisions

	2020 \$	2019 \$
Annual leave	46,678	24,608

15. Leases

Set out below are the carrying amounts of right-to-use assets recognised and the movements during the reporting period.

	RIGHT-OF- USE ASSET \$	LEASE LIABILITY \$
Balance at 1 July 2019	104,737	104,737
Additions	-	-
Depreciation expense	(57,129)	-
Interest expense	-	2,783
Payments	-	(58,729)
Balance at 30 June 2020	47,608	48,791

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

16. Issued capital

	2020	2019
	\$	\$
931,647,660 (2019: 651,660,162) fully paid ordinary shares	23,786,514	16,839,581
Shares Issue costs	(1,464,627)	(715,420)
	22,321,887	16,124,161

i) Reconciliation of share issued during the reporting period is set out below:

	2020 NUMBER	ISSUE PRICE \$	2020 \$	2019 NUMBER	ISSUE PRICE \$	2019 \$
Balance at the beginning of the period	651,660,162		16,124,161	457,479,601		13,319,810
Shares issued during the period and fully paid						
01 Oct 2018: Placement				39,692,734	\$0.015	595,391
03 Oct 2018: Rights Issue				19,340,599	\$0.015	290,109
31 Oct 2018: Rights Issue				15,008,706	\$0.015	225,131
18 Dec 2018: Share based payment				1,818,182	\$0.015	27,272
28 Dec 2018: Directors Placement				4,400,000	\$0.015	66,000
23 Jan 2019: Placement – Rights Issue Shortfall				113,920,334	\$0.015	1,708,805
05 Jul 2019: Placement	29,166,667	\$0.012	350,000			
20 Aug 2019: Placement	43,000,000	\$0.012	516,000			
26 Sep 2019: Placement	50,000,000	\$0.030	1,500,000			
03 Oct 2019: Shares issued on exercise of listed options	13,083,331	\$0.020	261,667			
21 Oct 2019: Shares issued on exercise of listed options	11,124,998	\$0.020	222,500			
20 Dec 2019: Shares issued on exercise of listed options	7,958,335	\$0.020	159,167			
20 Dec 2019: Placement	4,166,667	\$0.012	50,000			
24 Feb 2020: Placement	121,487,500	\$0.032	3,887,600			
Capital raising costs			(749,208)			(108,357)
Balance at the end of the period	931,647,660		22,321,887	651,660,162		16,124,161

Each ordinary share carries the right to one vote at shareholders' meetings and is entitled to participate in any dividends or other distributions of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

16. Issued capital (continued)

ii) Options

At reporting date, the Group had the following options on issue:

- 20,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.056 each, exercisable on or before 14 June 2020.
- 24,937,502 unlisted listed options over ordinary shares with an exercise price of \$0.04 each, exercisable on or before 18 December 2021.
- 3,916,667 unlisted listed options over ordinary shares with an exercise price of \$0.02 each, exercisable on or before 5 January 2021.
- 4 unlisted options over ordinary shares with an exercise price of \$0.02 each, exercisable on or before 20 February 2021.
- 38,691,390 unlisted listed options over ordinary shares with an exercise price of \$0.045 each, exercisable on or before 20 December 2020.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.05 each, exercisable on or before 30 June 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.06 each, exercisable on or before 30 June 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.07 each, exercisable on or before 27 August 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.08 each, exercisable on or before 27 August 2022.

17. Reserves

	2020 \$	2019 \$
Option reserve		
Opening balance	1,101,129	739,898
Additions	723,445	361,231
Closing balance	1,824,574	1,101,129
Asset revaluation reserve		
Opening balance	800	3,200
Movement during the reporting period	(800)	(2,400)
Closing balance	-	800
Total reserves	1,824,574	1,101,929

The option reserve represents the fair value of options granted to employees and suppliers for services provided to the Group. The fair value is determined in accordance with Note 26 and is expensed when in the period in which the services are received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

18. Earnings per share

	2020 \$	2019 \$
Loss after income tax from continuing operations (basic and diluted)	(1,571,666)	(1,596,840)
Weighted average number of ordinary shares used in calculating basic earnings per share	821,341,615	563,814,490
Weighted average number of ordinary shares used in calculating diluted earnings per share	821,341,615	563,814,490
Basic earnings per shares (cents per share)	(0.19)	(0.28)
Diluted earnings per shares (cents per share)	(0.19)	(0.28)

19. Commitments for expenditure

The Company has minimum expenditure commitments to meet the conditions under which the properties are granted. These minimum expenditure commitments total \$1,465,000 and are comprised of \$1,040,000 in total over the term of the Exploration Licences held in Queensland and \$425,000 in total for the term of the agreed work plan for the Exploration Licences held in New South Wales. The aggregation of expenditure commitments over the full length of the terms of the licences is permitted in both Queensland and New South Wales (for further information refer to the Tenement Summary included in the Directors' Report). These minimum commitments may vary from time to time, subject to approval by the grantor of titles or by variation of contractual agreements. The expenditure represents potential expenditure which may be reduced by entering into sale, joint venture or relinquishment of the interests and may vary depending upon the results of exploration. Should expenditure not reach the required level in respect of each area of interest, the Company's interest could be either reduced or forfeited. On 5 June 2019, the Company entered into a Joint Venture Agreement with St Barbara Limited (SBM) in which SBM has the right but not the obligation to spend \$4 million to earn 70% of the Horn Island project outside of the Excluded Zones. Any expenditure undertaken by SBM pursuant to the Joint Venture would naturally be included in the minimum expenditure as required.

20. Contingent liabilities and contingent assets

With reference to Note 3: Site restoration, mine rehabilitation costs would be incurred by the Group at the Horn Island site upon a decision to abandon the project. In this event, management's best estimate of the present value of the future rehabilitation costs that would be required is \$150,000 (2019: \$150,000).

No other contingent assets or liabilities are noted by the Group at 30 June 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

21. Statements of cash flows

Reconciliation of cash and cash equivalents

Cash and cash equivalents at the end of the year as shown in the Consolidated Statements of Cash Flows is reconciled to the related items in the Consolidated Statement of Financial Position as follows:

	2020 \$	2019 \$
Cash at bank and on hand	2,945,367	64,619

Reconciliation of net loss from ordinary activities after tax to net cash used in operating activities

Loss from ordinary activities after tax	(1,571,666)	(1,596,840)
Depreciation costs	10,381	11,427
Impairment expense	8,800	-
Minority interest	(3,649)	(23,212)
Share based payment	313,696	388,503
Changes in assets and liabilities:		
Trade and other receivables	(24,993)	103,294
Prepayments	(30,219)	(18,632)
Trade and other payables	(70,002)	123,957
Provisions	22,070	(180)
Net cash used in operating activities	(1,345,582)	(1,011,683)

22. Financial Instruments

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. These policies are informally reviewed from time to time to reflect changes in market conditions and the Group's activities.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk, interest rate risk and market risk. The summaries below present information about the Group's exposure to each of these risks, their objectives, policies and processes for measuring and managing risk, the management of capital and financial instruments.

Credit risk

Credit risk arises mainly from the risk of counterparties defaulting on the terms of their agreements. The carrying amounts of the following assets represent the Group's maximum exposure to credit risk in relation to financial assets:

	2020 \$	2019 \$
Cash and cash equivalents	2,945,367	64,619
Trade and other receivables	95,339	62,238
	3,040,706	126,857

The Group's maximum exposure to credit risk at the reporting date by geographic region was:

Australia	3,040,706	126,857
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

22. Financial Instruments (continued)

The Group mitigates credit risk on cash and cash equivalents and security deposits held in Australia by dealing with regulated banks in Australia.

Expected Credit losses

None of the Group's trade and other receivables any expected credit losses (2019: Nil).

Currency risk

The Group has no exposure to currency risk arising from financial instruments.

Market risk

Market risk is the risk that changes in market prices will affect the Group's income or the value of its holdings of financial instruments. Equity price risk arises from available-for-sale equity securities held by the Group.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	CARRYING AMOUNT \$	CONTRACTUAL CASH FLOWS \$	LESS THAN ONE YEAR \$	BETWEEN ONE AND FIVE YEARS \$	MORE THAN FIVE YEARS \$
30 June 2020					
Trade and other payables	341,957	(341,957)	(341,957)	-	-
30 June 2019					
Trade and other payables	350,251	(350,251)	(350,251)	-	-

Ultimate responsibility for liquidity management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate funding and monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of expected settlement of financial assets and liabilities.

Interest rate risk

The Group's statement of profit or loss and other comprehensive income is affected by changes in interest rates due to the impact of such changes on interest income from cash and cash equivalents. At balance date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk that are not designated as cash flow hedges:

	2020 \$	2019 \$
Cash and cash equivalents	2,945,367	64,619
Security deposits	124,896	66,228
	3,070,263	130,847

Sensitivity analysis

A change of 100 basis points in interest rates at reporting date would have increased/(decreased) equity and loss for the period by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for the comparative period.

Impact on loss for the period	30,703	1,308
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

22. Financial Instruments (continued)

Capital management

i) Capital Management

Management controls the capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, working capital requirements, distributions to shareholders and share issues.

Net fair values of financial assets and liabilities

The carrying amounts of financial assets and liabilities of the Company and the Group, for the year ended 30 June 2020 and 30 June 2019, approximate their net fair values, given the short time frames to maturity and or variable interest rates.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quotes prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	LEVEL 1 \$	LEVEL 2 \$	LEVEL 3 \$	TOTAL \$
30 June 2020				
Investments	7,200	-	-	7,200
30 June 2019				
Investments	16,800	-	-	16,800

23. Key Management Personnel disclosures

The key management personnel compensation comprised:

	2020 \$	2019 \$
Short-term employee benefits	692,614	413,676
Post-employment benefits	8,892	7,400
Share based payments	224,052	195,814
	925,558	616,890

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

24. Share based payments

(a) Employee share option plan

All options granted to employees under the Company's Shares Option Plan will convert to fully paid ordinary shares in Alice Queen Limited when exercised and payment of the exercise price, which confer a right of one ordinary share for every option held.

A reconciliation of share-based payment arrangements that existed during the reporting period and at the end of the comparative 2019 reporting period are set out below:

OPTIONS	2020 NUMBER	WEIGHTED AVERAGE EXERCISE PRICE	2019 NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Issued to employees				
Balance at the beginning of the period	56,037,502	-	31,100,000	-
Granted	38,691,390	\$0.04	24,937,502	\$0.04
Expired (Series i)	(11,100,000)	-	-	-
Outstanding at the end of the period	83,628,892		56,037,502	
Exercisable at year end	44,937,202		31,100,000	

The following share-based payment arrangements were in existence during the reporting period:

OPTIONS SERIES	NUMBER GRANTED	NUMBER VESTED	GRANT DATE	EXPIRY DATE	VESTING DATE	EXERCISE PRICE	FAIR VALUE AT GRANT DATE
Series (i)*	1,848,150	1,848,150	14 Dec 2016	14 Dec 2019	14 Dec 2017	\$0.038	\$0.0164
Series (ii)*	9,251,850	9,251,850	14 Dec 2016	14 Dec 2019	14 Dec 2017	\$0.038	\$0.0164
Series (iii)	10,000,000	10,000,000	14 Dec 2017	14 Dec 2020	14 Dec 2018	\$0.056	\$0.0393
Series (iv)	10,000,000	10,000,000	27 Mar 2018	14 Dec 2020	14 Dec 2018	\$0.056	\$0.0221
Series (v)	24,937,502	24,937,202	18 Dec 2018	18 Dec 2021	18 Dec 2019	\$0.04	\$0.0031
Series (vi)	38,691,390	Nil	20 Dec 2019	20 Dec 2022	20 Dec 2021	\$0.045	\$0.0136

INPUTS INTO THE MODEL	SERIES (i)* & (ii)*	SERIES (iii)	SERIES (iv)	SERIES (v)	SERIES (vi)
Grant date share price	\$0.027	\$0.064	\$0.042	\$0.013	\$0.013
Exercise price	\$0.038	\$0.056	\$0.056	\$0.04	\$0.045
Expected volatility	105%	92%	95.97%	94.34%	105.76%
Option life	3 years	3 years	3 years	3 years	3 years
Risk-free interest rate	1.88%	2.06%	2.11%	1.93%	0.85%

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

*Series (i) and (ii) expired on 14 December 2019.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

24. Share based payments (continued)

(b) Other

The following share-based payment arrangements were in existence during the reporting period and the 2019 comparative period.

OPTIONS SERIES	NUMBER GRANTED	NUMBER VESTED	GRANT DATE	EXPIRY DATE	VESTING DATE	EXERCISE PRICE	FAIR VALUE AT GRANT DATE
Series (vii)	10,000,000	10,000,000	3 Nov 2017	1 Jun 2019	3 Nov 2017	\$0.06	\$0.0264
Series (viii)	14,583,334	14,583,334	5 Jul 2019	5 Jan 2021	5 Jul 2019	\$0.012	\$0.0043
Series (ix)	21,500,000	21,500,000	19 Aug 2019	19 Feb 2021	19 Aug 2019	\$0.02	\$0.0065
Series (x)	5,000,000	5,000,000	30 Jun 2020	30 Jun 2022	30 Jun 2020	\$0.05	\$0.0198
Series (xi)	5,000,000	5,000,000	30 Jun 2020	30 Jun 2022	30 Jun 2020	\$0.06	\$0.0157

INPUTS INTO THE MODEL	SERIES (vii)	SERIES (viii)	SERIES (ix)	SERIES (x)	SERIES (xi)
Grant date share price	\$0.06	\$0.011	\$0.014	\$0.034	\$0.034
Exercise price	\$0.06	\$0.012	\$0.02	\$0.05	\$0.06
Expected volatility	93%	117%	72%	131%	131%
Option life	1.5 years	1.5 years	1.5 years	2 years	2 years
Risk-free interest rate	1.90%	0.925%	0.72%	0.25%	0.25%

The life of the options is based on the historical exercise patterns, which may not eventuate in the future

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

25. Related parties

Related party transactions during the reporting period and comparative reporting period are as follows:

2020

- i) As reported in the Remuneration Report: -
 - Consulting fees totaling \$341,640 (2019: \$335,800) exclusive of GST and a bonus totaling \$45,000 (exclusive of GST) were paid to Claremont Equities Pty Ltd a company in which Mr. Andrew Buxton has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions; and
 - Consulting fees totaling \$212,310 exclusive of GST were paid to PHX Holdings Pty Ltd during the reporting period, a company in which Mr. McCabe has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.
- ii) During the reporting period, consulting fees totaling \$79,396 (inclusive of GST) were paid to QR Lawyers, a company in which Mr Patrick Gowans has an interest. Mr Gowans is a non-controlling director and shareholder of QR Lawyers who provide legal services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.
- iii) Key management personnel equity holdings are disclosed in the Remuneration Report in the Directors' Report.
- iv) No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Group at the end of the reported period.
- v) Interests in controlled entities are disclosed in Note 29.

2019

- i) As reported in the Remuneration Report: -
 - Director's fees totaling \$38,417 (2018: \$42,250) exclusive of GST were paid to Berkeley Consultants Pty Ltd, a company in which Mr. Mark Kerr has an interest; and
 - Consulting fees totaling \$335,800 (2018: \$325,300) exclusive of GST were paid to Claremont Equities Pty Ltd a company in which Mr. Andrew Buxton has an interest, for providing management services to the Alice Queen Group. This arrangement is based on normal commercial terms and conditions.
- ii) Key management personnel equity holdings are disclosed in the Remuneration Report in the Directors' Report.
- iii) No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Group at the end of the reported period.
- iv) Interests in controlled entities are disclosed in Note 29.
- v) No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Group at the end of the reported period.
- vi) Interests in controlled entities are disclosed in Note 31.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

26. Parent entity disclosures

	COMPANY	
	2020	2019
	\$	\$
Result of the parent entity		
Net loss	(1,528,131)	(1,466,197)
Other comprehensive income	-	-
Total comprehensive loss	(1,528,131)	(1,466,197)
Financial position of the parent entity at year end		
Current assets	2,998,553	126,715
Non-current assets	12,874,335	10,426,912
Total assets	15,872,888	10,553,627
Current liabilities	230,681	215,517
Non-current liabilities	-	-
Total liabilities	230,681	215,517
Net assets	15,642,207	10,338,110
Equity		
Share capital	22,321,887	16,124,161
Reserves	1,824,574	1,101,929
Accumulated losses	(8,504,254)	(6,887,980)
Total equity	15,642,207	10,338,110

As at the financial year ended 30 June 2019, the parent entity of the Group was Alice Queen Limited.

Guarantees entered in to by parent entity

The parent entity has not entered into any guarantees on behalf of the subsidiaries in the year to 30 June 2020.

Contingent liabilities and Capital commitments

The parent entity has no capital commitments other than those disclosed in Note 20 for the Group as at 30 June 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

27. Auditor's remuneration

	2020 \$	2019 \$
Audit and review of financial statements		
Moore Stephens	46,500	46,500
Total fees for audit and review of financial statements	46,500	46,500

28. Dividends

The Board of directors has recommended that no dividend be paid (2019: Nil).

29. Controlled entities

Particulars in relation to controlled entities held during the reporting period.

	COMPANY INTEREST IN ORDINARY SHARES	
	2020 %	2019 %
PARENT ENTITY		
Alice Queen Limited		
Controlled entities		
Alice Queen Holding Pty Ltd	100	100
Kauraru Gold Pty Ltd	84.5	84.5
Monzonite Metals Pty Ltd	90	90
Monzodiorite Pty Ltd	100	-
Curnamona Uranium Pty Ltd	100	100
Arunta Uranium Pty Ltd	100	100
Beetaloo Uranium Pty Ltd	100	100
Callabonna Energy Pty Ltd	100	100
Frome Uranium Pty Ltd	100	100
West Cape Resources Pty Ltd	100	100
Queensland Uranium Pty Ltd	100	100
Consolidated Exploration NQ Pty Ltd	100	100

All entities are incorporated in Australia.

- i) Alice Queen Holding Pty Ltd holds a majority interest in Kauraru Gold Pty Ltd (84.5% equity interest) and Monzonite Metals Pty Ltd (90% equity interest).
- ii) Monzodiorite Pty Ltd was incorporated on 18 June 2020 is a wholly owned controlled entity of Alice Queen Holding Pty Ltd.
- iii) Curnamona Uranium Pty Ltd, West Cape Resources Pty Ltd and Queensland Uranium Pty Ltd are wholly owned controlled entities.
- iv) Arunta Uranium Pty Ltd, Beetaloo Uranium Pty Ltd, Callabonna Energy Pty Ltd and Frome Uranium Pty Ltd are wholly owned controlled entities of Curnamona Uranium Pty Ltd.
- v) Consolidated Exploration NQ Pty Ltd is the wholly owned controlled entity of Queensland Uranium Pty Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

30. Events subsequent to reporting date

On 24 August 2020, the Company announced the closing of a private share placement (August Placement) to institutional and sophisticated investors to raise \$7 million (before costs) at an issue price of \$0.044 per share. On 27 August 2020, 159,090,909 ordinary shares were issued of which 69,090,909 were issued under Listing Rule 7.1 and 90,000,000 were issued under Listing Rule 7.1A. The Placement was led by Evolution Capital Advisors Pty Ltd and BW Equities Pty Ltd, acting as joint lead managers. In connection with their role in the August Placement, in addition to standard capital raising fees, the Company agreed to issue the joint lead managers an aggregate of 5,000,000 options having a strike price of 7 cents and 5,000,000 having a strike price of 8 cents, all with an expiry date of 27 August 2022. These options were issued on 27 August 2020. Funds raised from the August Placement are intended to be used to:

- Expand upon the Company's current drilling at Boda East;
- Complete phase one of RC infill drilling at the Horn Island pit with the aim of lifting the existing Inferred Resource in to the Indicated category and commencement of feasibility studies in to open pit production scenarios; and
- Commence drilling at Mendooran, where the Company can capitalise on its recent \$200,000 government cooperative drilling grant.

The COVID-19 pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated by the group at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may effect the financial position of the Group and field operations if access is restricted or made subject to increased regulation. At the date of the annual report an estimate of the future effects of the COVID-19 pandemic on the group cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

Other than as stated elsewhere in this report, Directors are not aware of any other matters or circumstances at the date of this report that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Group in subsequent financial years.



ALICE QUEEN
LIMITED

DIRECTORS' DECLARATION

1. In the opinion of the directors of Alice Queen Limited:
 - a. the consolidated financial statements and notes of Alice Queen Limited are in accordance with the *Corporations Act 2001*, including:
 - i. Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for financial year ended on that date; and
 - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
 - b. There are reasonable grounds to believe that Alice Queen Limited will be able to pay its debts as and when they become payable.
2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2020.
3. Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Patrick Gowans
Chairman
30 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALICE QUEEN LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Alice Queen Limited (the Group), which comprises the (consolidated) statement of financial position as at 30 June 2020, the (consolidated) statement of profit or loss and other comprehensive income, the (consolidated) statement of changes in equity and the (consolidated) statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a) the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Uncertainty Related to Going Concern

We draw attention to Note 3 *Going Concern Basis* in the financial statements, which identifies that the ability of the Group to continue as a going concern is dependent upon the Group raising additional capital sufficient to meet the Group's exploration commitments. The Directors' reasoning for preparing the financial report on a going concern basis is included within the note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER 1 – CARRYING VALUE OF CAPITALISED EXPLORATION AND EVALUATION ASSETS

Refer to Note 11 “Exploration and evaluation expenditure”

As at 30 June 2020, the carrying amount of the exploration and evaluation (E&E) assets is \$11,833,705 (2019: \$9,468,539), as disclosed in Note 11.

The carrying value of the E&E assets was a key audit matter due to the size of the balance as at 30 June 2020 and the subjectivity involved in determining its carrying value.

Our procedures included, amongst others:

- Obtaining a management prepared schedule of capitalised E&E expenditure and agreeing to the general ledger;
- Tested a sample of current year expenditure to source documents;
- Undertook a detailed review of management’s assessment of impairment, including;
 - Ensuring rights to tenure were current;
 - Enquired of management about their intentions for each tenement, including reviewing forecast expenditure; and
 - Reviewing any other transactions that support the carrying value of the capitalised E&E expenditure.
- Reviewed ASX announcements and minutes of Directors’ meetings to ensure that the Group had not decided to discontinue activities in any of its area of interest;
- Reviewed the Joint Venture agreement with St Barbara Limited and assessed the impact on the carrying value of E&E assets; and
- Considered the adequacy of the disclosures included within Note 11 of the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 30 June 2020, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 27 of the directors' report for the year ended 30 June 2020.

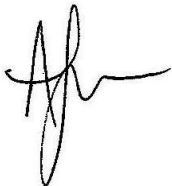
In our opinion, the Remuneration Report of Alice Queen Limited, for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257



ANDREW JOHNSON
Partner
Audit and Assurance

Melbourne, Victoria

30 September 2020



ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Additional information as at 9 September 2020 required by the Australian Securities Exchange and not disclosed elsewhere in this report.

Home Exchange

The Company is listed on the Australian Securities Exchange. The Home Exchange is Perth.

Audit Committee and Remuneration Committee

As at the date of the Directors' Report, the Company does not have an Audit Committee or a Remuneration Committee.

Ordinary shares

As at 9 September 2020, the issued capital comprised of 1,090,738,569 fully paid ordinary shares (ASX code: AQX) held by 2,301 holders. There were 1,383,237 shares held in unmarketable parcels of \$500 or less, by 260 individual shareholders.

Options

As at 9 September 2020, the Company had the following options available to be exercised:

- 20,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.056 each, exercisable on or before 14 June 2020.
- 24,937,502 unlisted listed options over ordinary shares with an exercise price of \$0.04 each, exercisable on or before 18 December 2021.
- 3,916,667 unlisted listed options over ordinary shares with an exercise price of \$0.02 each, exercisable on or before 5 January 2021.
- 4 unlisted options over ordinary shares with an exercise price of \$0.02 each, exercisable on or before 20 February 2021.
- 38,691,390 unlisted listed options over ordinary shares with an exercise price of \$0.045 each, exercisable on or before 20 December 2020.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.05 each, exercisable on or before 30 June 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.06 each, exercisable on or before 30 June 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.07 each, exercisable on or before 27 August 2022.
- 5,000,000 unlisted listed options over ordinary shares with an exercise price of \$0.08 each, exercisable on or before 27 August 2022.

NUMBER OF HOLDERS	NUMBER OF UNLISTED OPTIONS	EXERCISE PRICE	EXPIRY DATE
11	20,000,000	\$0.056	14 December 2020
12	24,937,502	\$0.040	18 December 2021
10	3,916,667	\$0.02	05 January 2021
3	4	\$0.02	20 February 2021
9	38,691,390	\$0.045	20 December 2020
5	5,000,000	\$0.05	30 June 2022
5	5,000,000	\$0.06	30 June 2022
5	5,000,000	\$0.07	27 August 2022
5	5,000,000	\$0.08	27 August 2022

Class of Shares and Voting Rights

The voting rights attached to ordinary shares, as set out in the Company's Constitution, are that every member in person or by proxy, attorney or representative, shall have one vote on a show of hands and one vote for each share held on a poll. A member holding partly paid shares is entitled to a fraction of a vote equivalent to the proportion which the amount paid up bears to the issue price for the share.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

On Market Buy Back

There is no on market buy-back.

Distribution of Shareholders

The distribution of each class of equity was as follows:

Fully Paid Ordinary Shares

RANGE	NUMBER OF HOLDERS	NUMBER OF SHARES	PERCENTAGE
1 - 1,000	114	39,038	0.00
1,001 - 5,000	27	66,450	0.01
5,001 - 10,000	43	394,974	0.04
10,001 - 100,000	1,071	49,847,082	4.57
100,001 and over	1,046	1,040,391,025	95.38
Total	2,301	1,090,738,569	100.00

Substantial Shareholdings

At 9 September 2020, the Register of Substantial Shareholders showed the following:

RANK	NAME	NUMBER OF ORDINARY SHARES	PERCENTAGE
1	INVIA CUSTODIAN PTY LIMITED <THE MORRIS FAMILY A/C>	86,403,019	7.92%
2	ABADI INVESTMENTS PTY LTD <VK & ML DATT SUPER A/C>	84,289,773	7.73%
3	ANDREW THOMAS BUXTON	57,504,489	5.27%

Twenty Largest Shareholders

At 9 September 2020, the twenty largest shareholders held 38.60% of the fully paid ordinary shares as follows:

RANK	NAME	NUMBER OF ORDINARY SHARES	PERCENTAGE
1	INVIA CUSTODIAN PTY LIMITED <THE MORRIS FAMILY A/C>	86,403,019	7.92%
2	ABADI INVESTMENTS PTY LTD <VK & ML DATT SUPER A/C>	84,289,773	7.73%
3	ANDREW THOMAS BUXTON	57,504,489	5.27%
4	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	37,402,937	3.43%
5	ELEVENTH KLINGON PTY LTD <LESTER FAMILY SUPER FUND A/C>	18,378,909	1.68%
6	MS OLIVIA LEILA WARDLAW <D WARDLAW FAMILY A/C>	16,850,674	1.54%
7	MR KIM KHE TRAM	15,833,333	1.45%
8	THE ONE PETITENGET PTY LTD <ANDREW BLAAK SUPERFUND A/C>	10,833,333	0.99%
9	MR MARK KERR	9,724,169	0.89%
10	MR PETER PIOTR MACKOW	9,129,188	0.84%
11	HPK INVESTMENTS PTY LTD	9,000,000	0.83%
12	HOMEWOOD INVESTMENTS LTD	8,927,000	0.82%
13	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	7,880,478	0.72%
14	CITICORP NOMINEES PTY LIMITED	7,437,420	0.68%
15	MRS MARISA MACKOW	7,210,000	0.66%
16	MR VICENCO ALAC	7,000,000	0.64%
17	MR JAMES HENDERSON ALLEN	7,000,000	0.64%
18	RR & JR WESCOMBE PTY LTD <RR&JR WESCOMBE FAM S/F A/C>	7,000,000	0.64%
19	JOBE SUPER PTY LTD <JOBE SUPER FUND A/C>	6,750,000	0.62%
20	NATIONAL NOMINEES LIMITED	6,666,667	0.61%
Total		421,221,389	38.60%