



29 April 2016

ASX Code: AQX

Projects

QLD:

Ngurupai (Horn Island) - EPM 25520

Kaiwalagal – EPM 25418

NSW:

Looking Glass – EL 8225

Mendooran – ELA 5207

Capital Structure:

Ordinary Shares on issue 193m

Substantial Shareholders:

Andrew Buxton	13.3%
Mark Kerr	10.5%
Monzonite Investments	9.7%
Maplefern Pty Ltd	9.0%
Finico Pty Ltd	5.2%
Top 20	64.87%

Board & Management:

Bruce Fulton

Non-Executive Chairman

Andrew Buxton

Managing Director

John Holliday

Non-Executive Director

Mark Kerr

Non-Executive Director

Jeff Williams

Non-Executive Director

Phillip Harman

Non-Executive Director

Anne Adaley

Company Secretary & CFO

Alice Queen Limited

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QUARTERLY REPORT FOR PERIOD ENDED 31 MARCH 2016

Alice Queen Limited (AQX:ASX) (“**Alice Queen**” or “**the Company**”), is pleased to provide its quarterly activities report for the period ended 31 March 2016.

Highlights

- First assays received in relation to the Company’s maiden drilling program at Horn Island for holes 1 – 7, which have demonstrated the presence of high grade gold at shallow depths in the immediate area around and beneath the historic open pit. **See table of significant intercepts in Figure 2. on page 4.**
- In the quarter ended 31 March 2016, the Company completed 10 diamond core holes for approximately 2,500 metres and has, subsequent to the end of the quarter, now completed its maiden drilling program (13 diamond core holes for 3,647 metres). Assay results for holes 8 – 13 are still pending and expect to be announced in the coming weeks.
- Alice Queen’s technical team has determined that a basal fault exists underneath the mineralisation identified by the historic 1980’s drilling. The mineralisation appears not to continue beneath the basal fault, however, the fault deepens to the west. Accordingly, the above- fault wedge, that hosts the gold mineralisation is thickening substantially to the west and is open in that direction.
- On 3 March 2016 the Company announced the grant of EPM25418 KAIWALAGAL, which significantly expands Alice Queen’s Torres Strait ground holding. The new license adds 249 square km’s of exploration ground, and 6 more islands, to the Company’s existing Torres Strait ground holding. **See figure 4. on Page 6.**



First Assays received for Horn Island drilling

With assay results now to hand for holes 1 – 7, Alice Queen's maiden drilling program is revealing very significant new information on a large gold mineralised area.

The gold mineralisation is clearly associated with zones of quartz-sulphide (galena, sphalerite, arsenopyrite) veining, mostly in granite. Holes 15NGD001 to 16NGD006 tested under the eastern part of the historic pit and to the south of the pit.

These first 6 holes revealed that the mineralised zones are cut off by a basal fault zone identified by the drilling. In the most easterly hole (15NGD002) this fault was intersected at 80m depth down hole, however 280m to the west in 16NGD007 the probable same fault was intersected at 266m depth down hole.

The wedge above the fault that hosts gold mineralised veining appears is interpreted to be thickening substantially to the west and remains open. This also implies that the gold mineralisation extends to at least 200-300m depth below the depth of mineralisation identified by the historic drilling, and is increasing to the west in an area that remains untested.

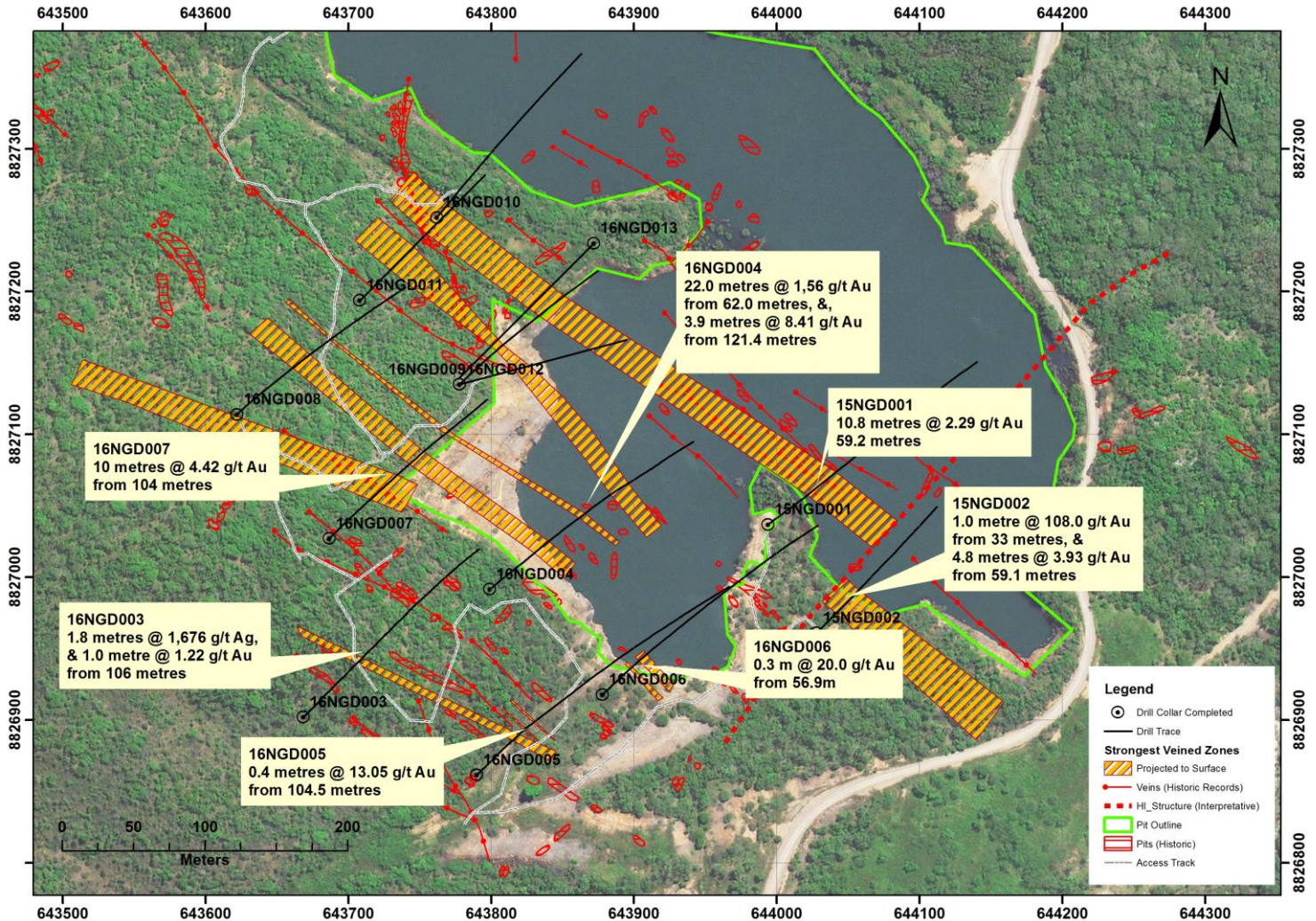


Figure 1. Aerial view of vein zones and significant assay results from holes 1- 7 at Horn Island.

Assay results for holes 8 - 13 are pending and expect to be received by the Company in the coming weeks. This completes the Company's maiden drilling program at Horn Island (13 diamond core holes for 3,647 metres)

Additional Work

In addition to drilling, the Company has been undertaking petrological testing with a view to establishing an age date model for the rocks at Horn Island. It has also been examining the structural geology in an endeavour to provide a more predictive model of vein extent and orientation to further improve the effectiveness of the next round of drilling.



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Once Alice Queen's technical team has reviewed all the data collected by this program, a second round of drilling is planned. This may include infill drilling to determine a JORC resource in the existing drilled area under and around the former open cut mine, or, further exploration drilling along strike of the existing mineralised area, or a combination of both. The Company will announce future plans to ASX as soon as they are confirmed.

Significant intervals from Holes 1 – 7 include:

Hole 1:	10.8 metres @ 2.29 g/t Au from 59.2 metres.
Hole 2:	1.0 metre @ 108.0 g/t Au from 33 metres (Follow up screen fire assay returned 30.7 g/t Au)
	AND 4.8 metres @ 3.93 g/t from 59.1 metres.
Hole 3:	1.8 metre @ 1,676 g/t Ag and 1.0 metre @ 1.22 g/t Au from 106 metres.
Hole 4:	22 metres @ 1.56 g/t Au from 62 metres.
	AND 3.9 metres @ 8.41 g/t Au from 121.4 metres.
Hole 5:	0.4 metres @ 13.05 g/t Au from 104.5 metres.
Hole 6:	0.3 metres @ 20.0 g/t Au from 56.9 metres.
Hole 7:	10 metres @ 4.42 g/t Au from 104 metres

Figure 2. Summary of significant assay results from holes 1 – 7 at Horn Island (Note these results were previously released pursuant to JORC 2012 guidelines. See AQX ASX announcements made respectively on 22 January 2016, 26 February 2016 and 07 April 2016).

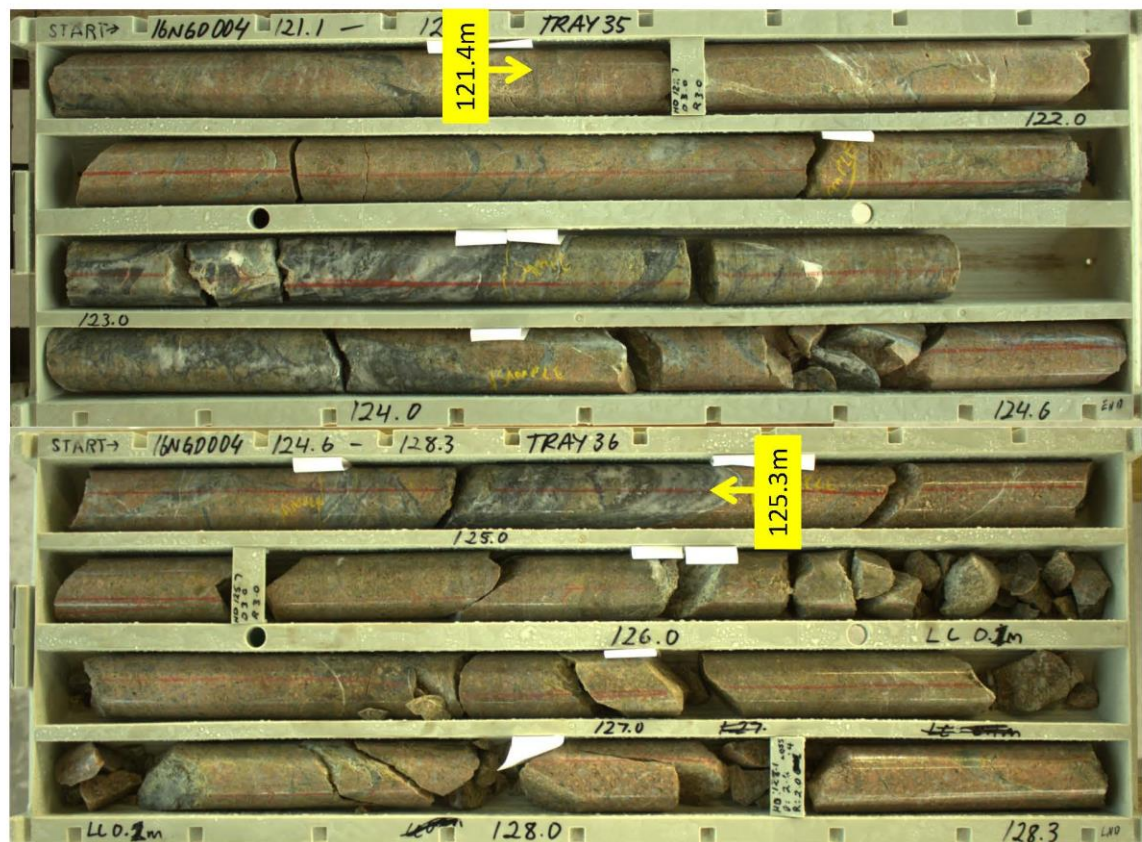


Figure 3. Drill core from Hole 4 showing 3.9m @ 8.41 g/t Au from 121.4m down hole

Grant of EPM 25418 KAIWALAGAL

On 3 March 2016, Alice Queen announced that EPM 25418 KAIWALAGAL had been granted to its subsidiary company, Kauraru Gold Pty Ltd (84.5% Alice Queen). Kauraru Gold Pty Ltd is also the holder of EPM 25520 HORN ISLAND. The license covers 249 square kilometres and comprises a further six islands including the largest island in the Torres Strait, Muralug (also known as Prince of Wales Island). This significantly expands the Company's ground holding in the Torres Strait and provides it with a significant number of new prospects outside of, but proximal to, the Horn Island mineral field.

Most of these islands have a long history of small scale gold mining dating back to the late 1800's so the Company is optimistic that they will host mineralisation similar to that which occurs on Horn Island.



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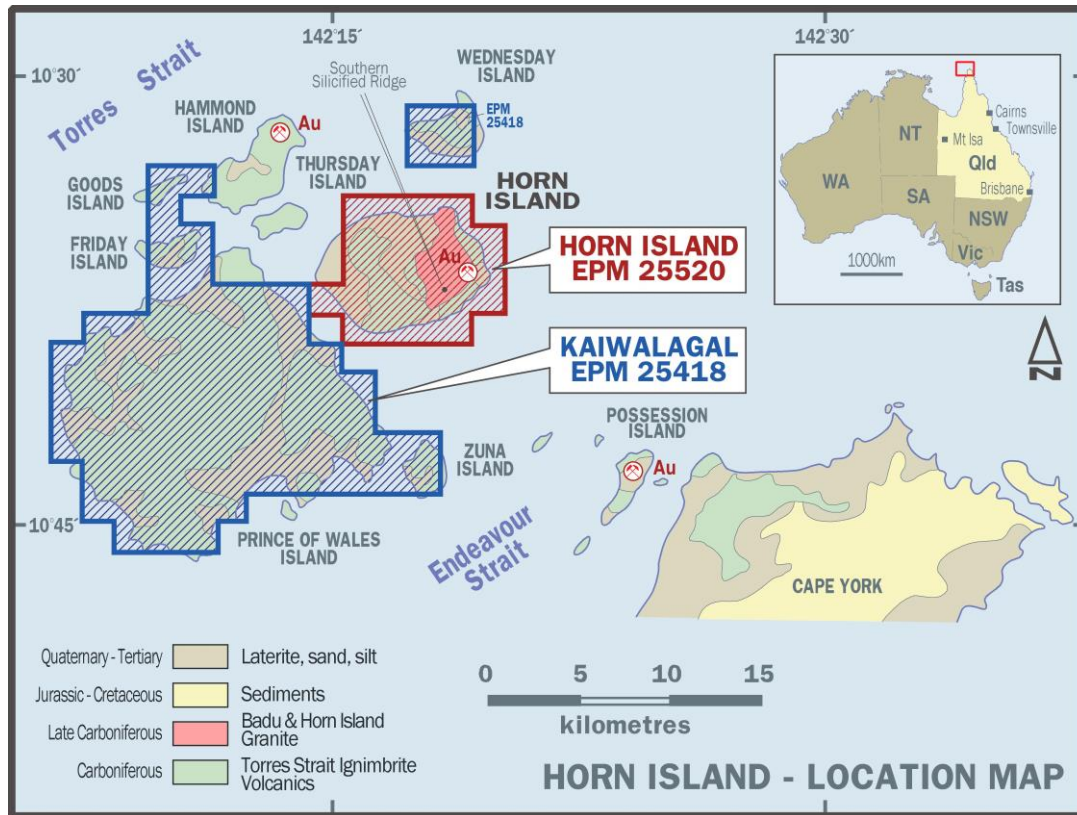


Figure 4. Location of Alice Queen's tenements in the Torres Strait

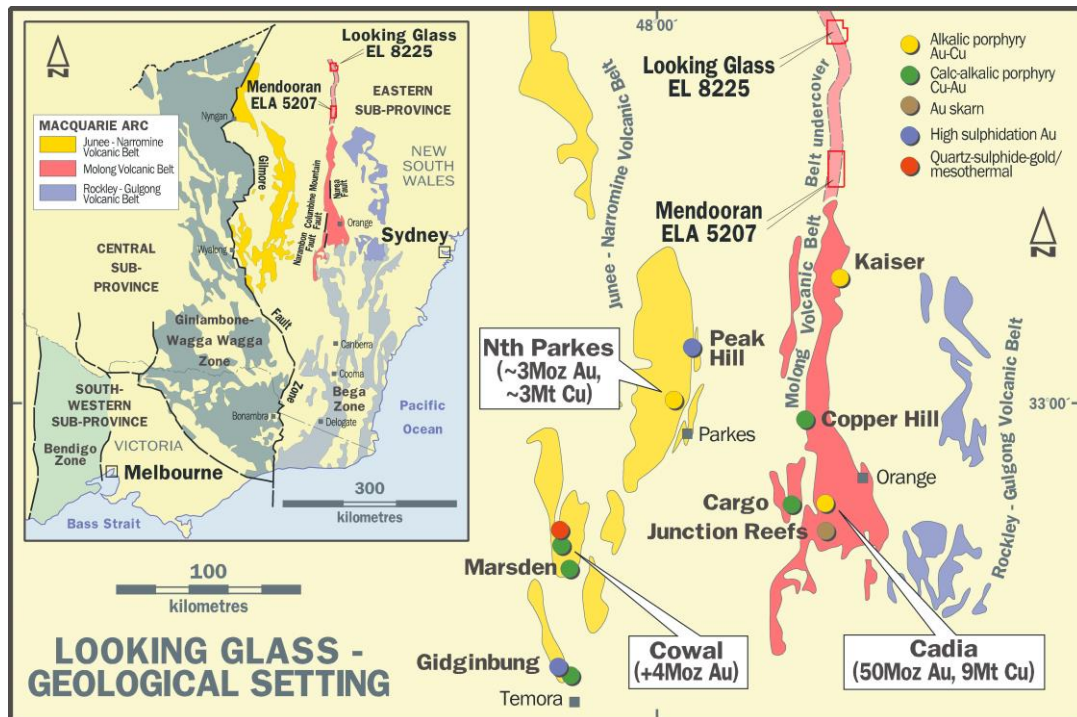


Figure 5. Location of Alice Queen's tenements in the Molong Volcanic belt of NSW



About Alice Queen Limited (AQX)

The Company has four projects. Two of these projects are in the Torres Strait region of North Queensland being the Horn Island Gold Project (EPM 25520) and the Kaiwalagal Project (EPM 25418). Kaiwalagal has recently been granted and covers the other major islands within the Kaurareg Archipelago (also known as the Prince of Wales group of islands). There are historic shafts and pits from previous small scale gold mining on most of these islands.

In NSW, the Company has two projects situated on the Molong Volcanic Arc, being Looking Glass (EL 8225) and Mendooran (ELA 5207), which is awaiting imminent grant. Together these projects have been chosen for their prospectivity for significant scale porphyry Cu/Au deposits. These projects were selected by AQX's Technical Director, John Holliday, and are situated north of the giant Cadia-Ridgeway mine (50m oz Au + 9m tonnes Cu) operated by Newcrest Mining Limited. John was a principal discoverer of Cadia-Ridgeway and was formerly the Chief Geoscientist at Newcrest. **See Figure 6. on Page 8.**

For and on behalf of the Board

Andrew Buxton

Managing Director

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Competent Person Statement

The information appended to this announcement that relates to exploration results is based on information compiled by Mr Brian Kay, a Competent Person who is a member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr Kay has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kay consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



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Figure 6. Alice Queen project locations