



## HORN ISLAND

# MAJOR EXPANSION OF EXPLORATION UPSIDE

Alice Queen Limited (Alice Queen) or (the Company) is pleased to announce that recent work by leading industry consultants, together with the body of work the company has compiled since listing in 2015, has revealed a profound change in the geological understanding and exploration potential at Horn Island. This extends the exploration potential well beyond the current Inferred Resource area.

Almost 15,000 drill core samples and 1700 surface rock chips samples have been (re)assayed using a 4 acid digest, ICP-MS/AES analytical method.

### HIGHLIGHTS

- The current Horn Island gold deposit is part of an extensive alteration system that has all the characteristics of an Intrusion-related Gold System (IRGS). This puts Horn Island in the same mineral system category as the major past and present, multi-million ounce gold producers of north-east Queensland – such as Kidston, Mt Leyshon, Ravenswood and Mt Wright.
- Age dating has confirmed that Horn Island is of the same broad age as these deposits.
- The alteration system at Horn Island covers an area of roughly 20 square kilometres of which the drilled part is only 0.35 square kilometres (figure 2).
- The granite hosting the mineralisation can be subdivided by detailed litho-geochemistry into 10 fractionation phases (figure 3), and significantly the cupola (most fractionated) phase of the system, which can be expected to host the strongest gold mineralisation, has not yet been located. Discovering this gold-mineralised cupola phase will be a key focus for exploration going forward.
- Litho-geochemistry studies of the relatively limited geochemical data, across the alteration system to date, show zonation patterns that show several target areas for the gold-mineralised cupola phase based on an IRGS geochemical zonation model developed from studies of other IRGS deposits around the globe. A major expansion of geochemical surveying across the alteration system is therefore planned to better define target areas.
- Geophysical data from the 1980s, recently found in contractor warehouses, once digitised, has revealed that magnetic, radiometric and induced polarisation (IP) data can play a key role also in locating the gold-mineralised cupola phase. The old IP data shows that the Horn Island mineralisation has a strong IP response (figures 5 & 6).
- Structural studies of the Horn Island pit Mineral Resource area have shown that the gold is contained in a large tension vein array setting with significant probable extensions away from the resource area which have had only very limited drill testing (figure 4).

Over the next 2-3 months Alice Queen is planning to move forward with an exploration program comprising:

- Extension of soil and rock chip geochemistry for complete coverage of the alteration system.
- Flying of a close-spaced airborne magnetics and radiometric survey.
- IP surveys to focus drilling in target areas defined by the geochemistry and airborne survey.
- Drilling of gold-mineralised cupola phase targets.
- Extension drilling to add to the Mineral Resource at the historic pit resource area.

The leading industry experts involved were Scott Halley of Mineral Mapping Pty Ltd, Ben McCormack of Model Earth, and Nigel Cantwell & Jayson Meyers of Resource Potentials Pty Ltd.



The Company also expects to provide a resource update to the market in the coming weeks.

Alice Queen's Managing Director, Andrew Buxton, commented "This is a very significant outcome for the Company. The new studies reveal that the Horn Island gold mineralisation is in the deposit category of the well-known multi-million ounce North Queensland deposits such as Kidston, Mungana, Mt Leyshon and Mt Wright. The most exciting part is that the Horn Island historic pit area, the subject of the Company's existing Mineral Resource, is likely a secondary satellite expression within the much larger, under-explored Horn Island alteration system. The real prize at Horn Island is still to come".

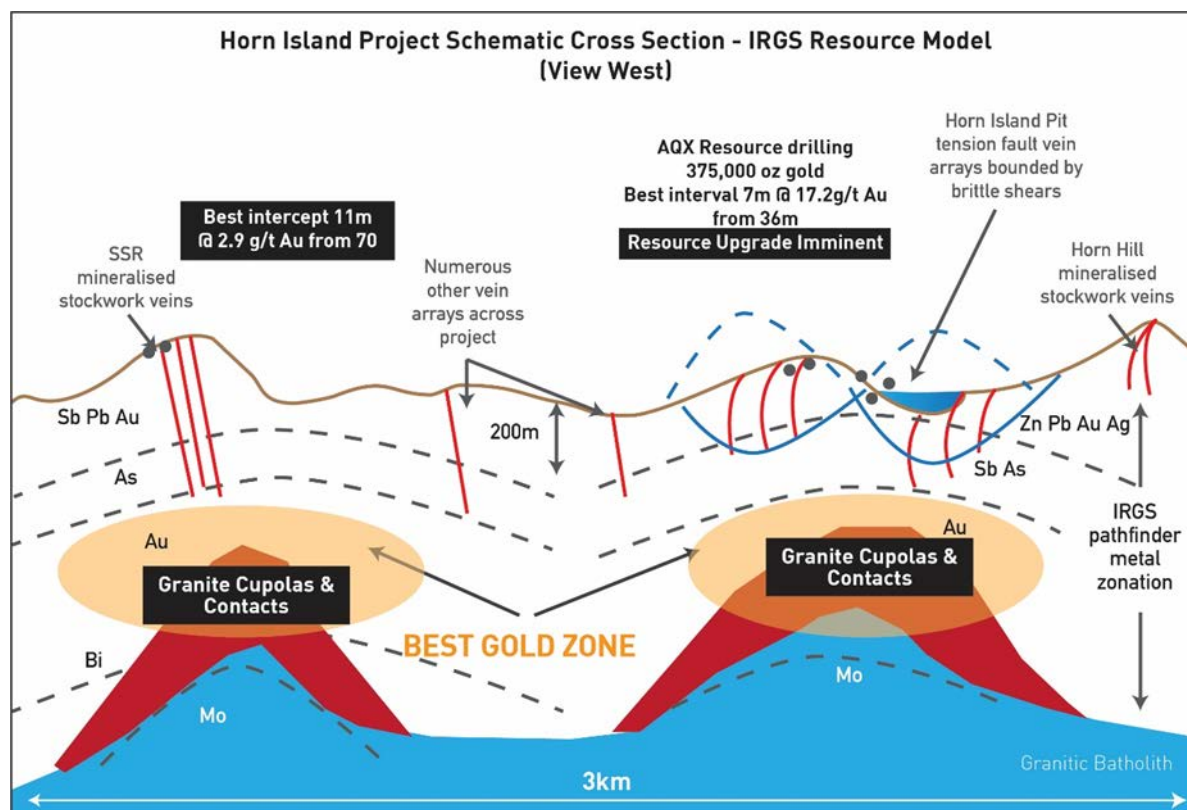


Figure 1 Horn Island Project schematic cross section - Exploration & IRGS metal zonation model highlighting drilling of near surface vein systems and targeting for best gold zone at the granite cupolas interface.

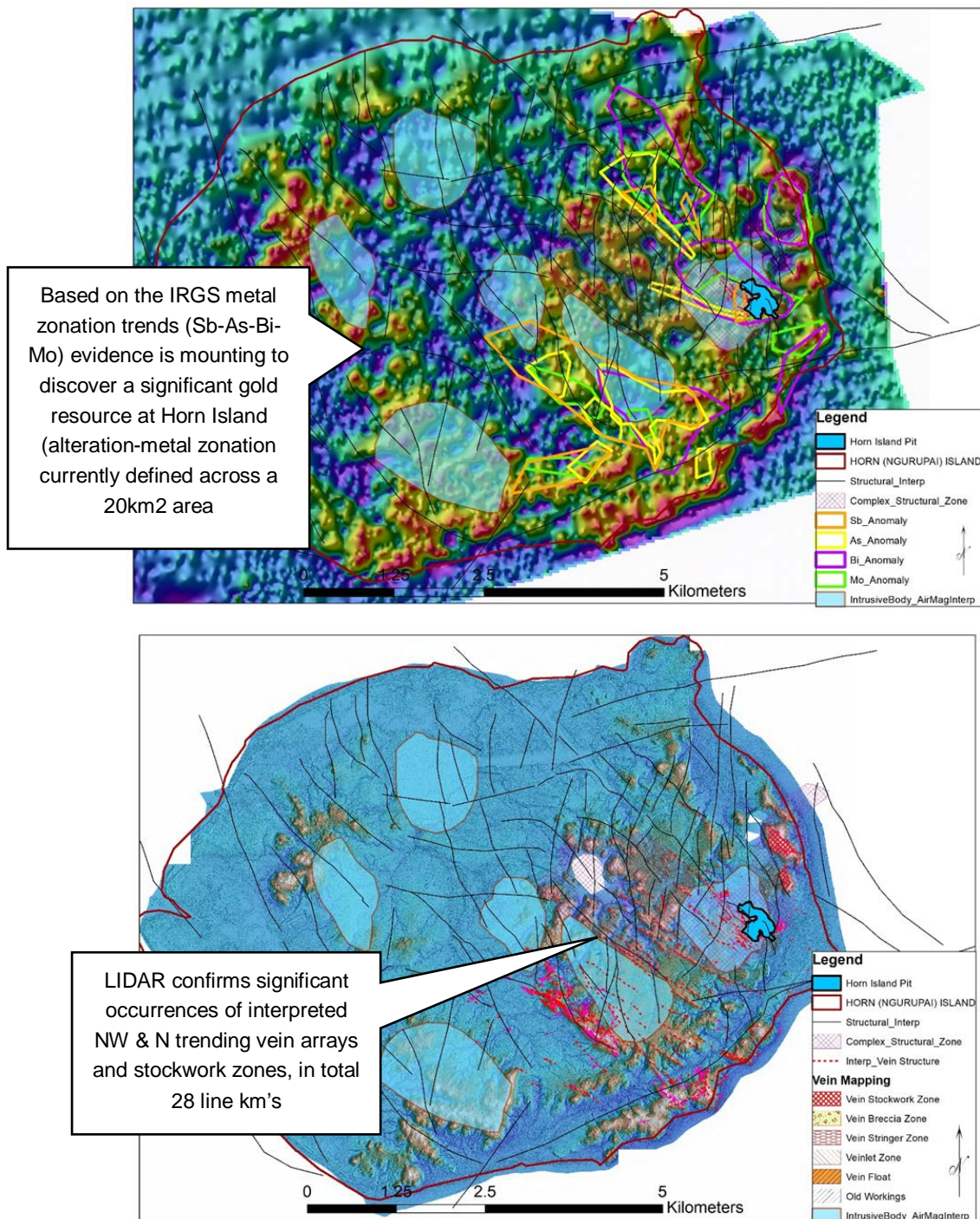


Figure 2 Top - Airborne radiometrics (K) (reprocessed historic data) across Horn Island project area (red colouration indicating intensifying hydrothermal altered zones). Sb-As-Bi & Mo surface metal anomalous zone highlighted (polygon based on data >75% percentile range), diagram also displays airborne magnetic interpretation for the structural framework and potential near surface intrusive bodies. The radiometric data may be less effective across areas with thin surficial cover occurs. Bottom – LIDAR image with NW & N trending vein cluster arrays and stockwork zones (veining interpretations highlighted by red dashed poly lines).



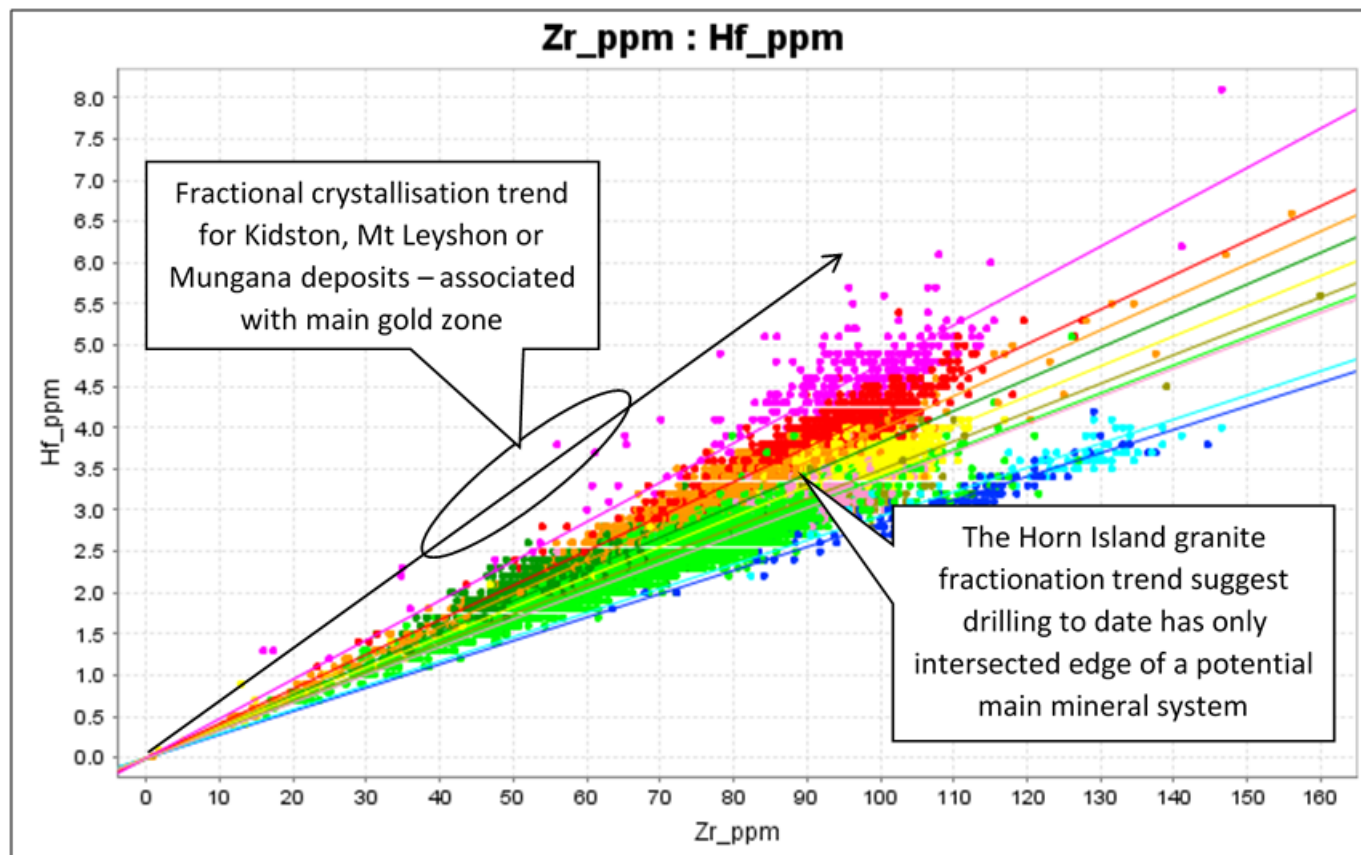


Figure 3 Indicator of fractional crystallization of zircons from the Horn Island gold deposit. Various colours represent different fraction of the granites with most fractionated population represented by magenta and least fractionated represented by blue values. The black ellipse shows points to plot in a strongly fractionated system like Kidston, Mt Leyshon or Mungana. The drilling to date at Horn island has not intersected the most fractionated granite.

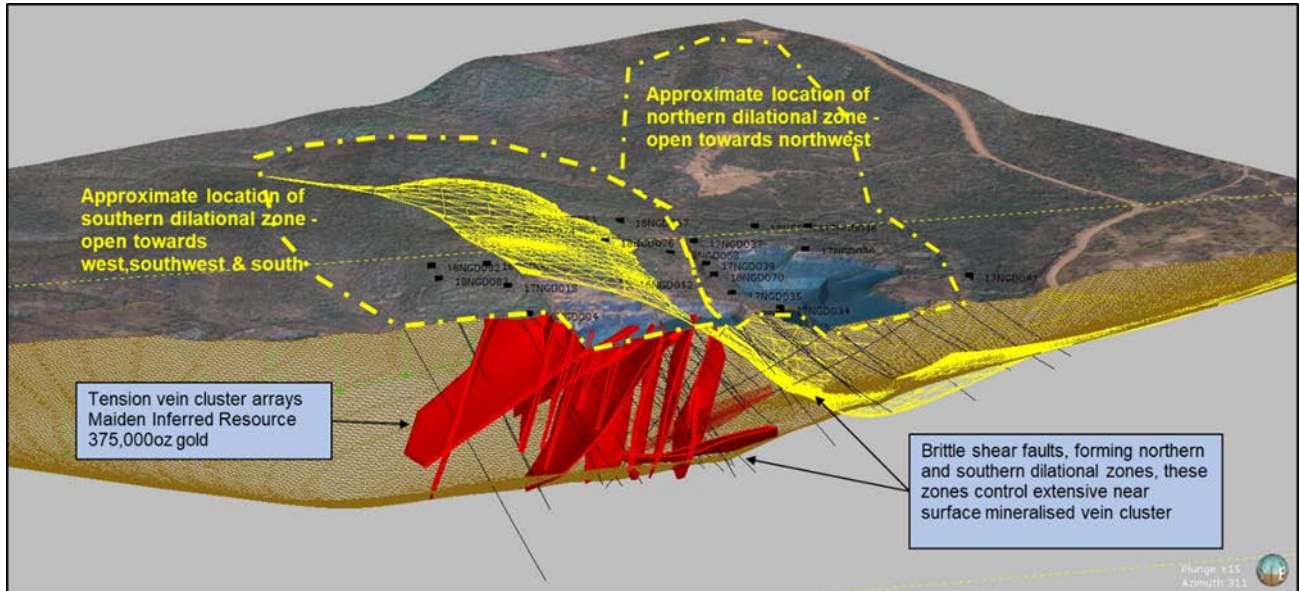


Figure 4 Cross section (view northwest) of Horn Island gold deposit with components of the structural frame work – the gold mineralisation forms within tension vein cluster arrays (within southern and northern dilation zones), mineralisation is bounded by brittle shears.

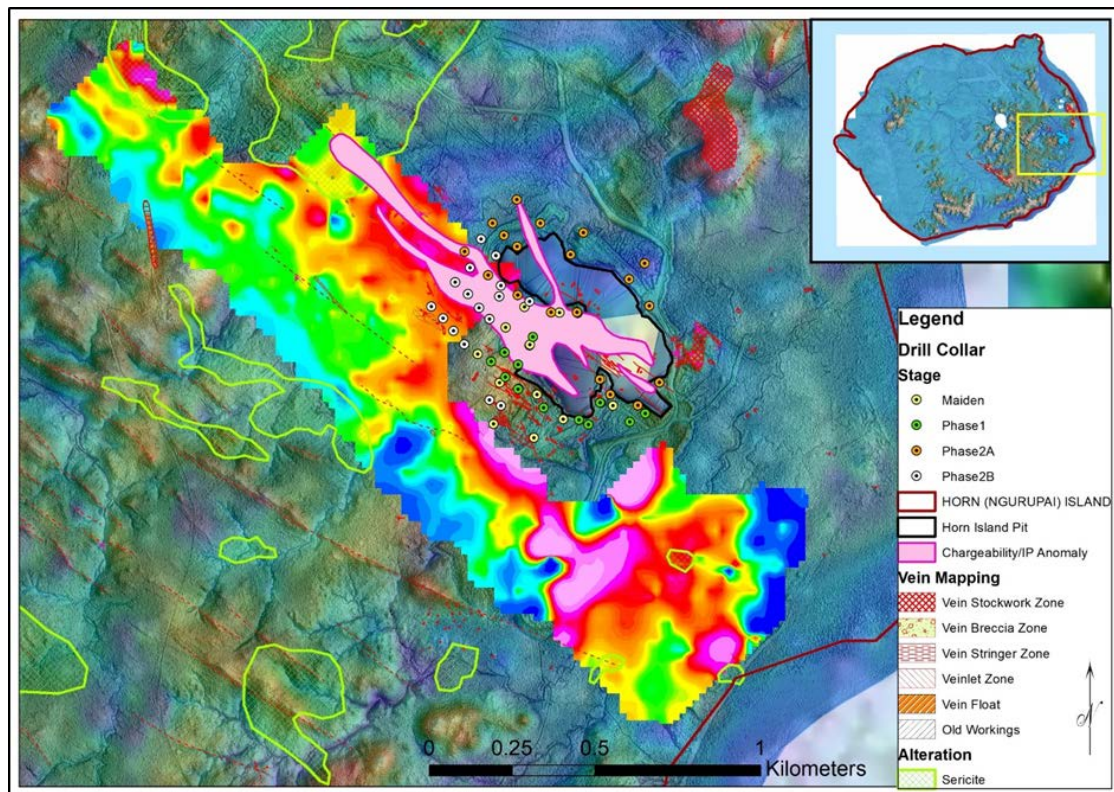


Figure 5 Historic ground IP survey across Horn Island Pit area highlighting numerous chargeability highs (defined by red-magenta colours), majority of these targets remain untested.



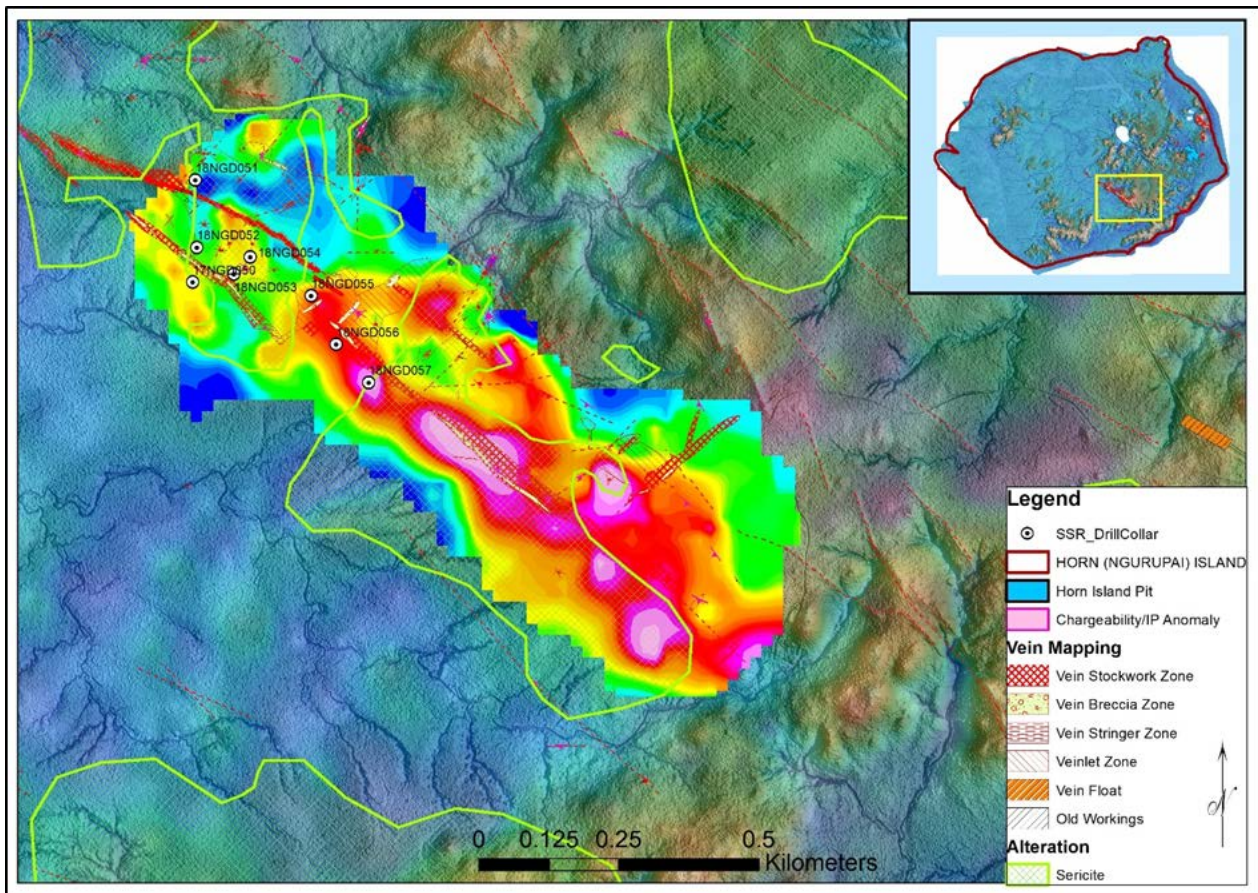


Figure 6 Historic ground IP survey across SSR highlighting numerous chargeability highs (defined by red-magenta colours) in associated with high grade gold bearing vein stockwork & intense zones of sericite alteration.

#### COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results 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). Mr Hell 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.

For and on behalf of the board

Andrew T Buxton

Managing Director

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