



**ALICE QUEEN  
LIMITED**

**ALICE QUEEN LIMITED  
AND ITS CONTROLLED ENTITIES**

**A.B.N. 71 099 247 408**

**INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

For personal use only



## CONTENTS

CORPORATE DIRECTORY .....	3
DIRECTORS' REPORT .....	4
AUDITOR'S INDEPENDENCE DECLARATION .....	23
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME .....	24
CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	25
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....	26
CONSOLIDATED STATEMENT OF CASH FLOWS.....	27
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS .....	28
DIRECTORS' DECLARATION.....	34
INDEPENDENT AUDITOR'S REVIEW REPORT .....	35

For personal use only



ALICE QUEEN  
LIMITED

## CORPORATE DIRECTORY

### Directors

Andrew Buxton  
Managing Director  
Dale McCabe  
Executive Director  
Anthony McIntosh  
Non-Executive Director

### Company Secretary

Anne Adaley

### Registered Office and Principal Place of Business

Level 2, 568 Chapel Street  
(Entrance Oxford Street)  
South Yarra Victoria 3141  
T: +61 3 8669 1408  
W: [www.alicequeen.com.au](http://www.alicequeen.com.au)

### Auditor

Moore Australia  
Level 44, 600 Bourke Street  
Melbourne VIC 3000  
T: +61 3 9608 0100  
F: +61 3 9608 0192

### Share Register

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA, Australia 6000  
T: 1300 850 505

### Securities Exchange Listing

Australian Securities Exchange  
ASX Code: AQX



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

The Directors of Alice Queen Limited present their Report together with the financial report of the consolidated entity (referred to hereafter as the "Group") consisting of Alice Queen Limited (Alice Queen and/or the "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

### 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:

Andrew Buxton	Managing Director
Dale McCabe	Executive Director
Anthony McIntosh	Non-Executive Director

### Principal Activities

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

### Review of Operations and Financial Results

#### Financial Results

The Group incurred a loss after tax for the reporting period of \$7,226,997 (2020: \$930,370 loss) which includes an impairment expense of exploration and evaluation assets of \$6,318,404.

#### Corporate activities

- On 3 September 2021, 133,636,365 ordinary shares were issued of which 24,076,844 were issued under Listing Rule 7.1 and 109,559,521 were issued under Listing Rule 7.1A raising \$1,470,000 before costs.

Funds raised from the Placement have been applied to:

- Complete the Horn Island Scoping Study;
  - Accelerate further exploration at Horn Island via an IP Survey; and
  - Provide working capital.
- On 1 December 2021, Alice Queen announced the appointment of Mr. Nicholas Mather to the role of Strategic Advisor to the Board of Alice Queen. Mr. Mather graduated in 1979 from the University of Queensland with a B.Sc. (Hons, Geology). He is an accomplished industry professional with a track record of success in turning small companies in to big ones. Mr. Mather has laid the foundation for some AUD\$5.7 billion in returns to the shareholders of those companies. His depth of experience in contributing to the long-term growth of resources companies, from the ground up, over the past 35 years, will be invaluable to the Group and the Board looks forward to working more closely with Mr Mather.





## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Exploration activities

#### Queensland

#### Horn Island (Ngurupai) EPM 25520

On 16 August 2021, Alice Queen announced the commencement of a 49-hole close-spaced RC drilling program within the area that was the focus of the Scoping Study and also informed this study. The 1960m of angled RC drilling was on a nominal 5m x 5m grid pattern, to a depth of 40m, designed to test the ability to define gold distribution from grade control spaced data.

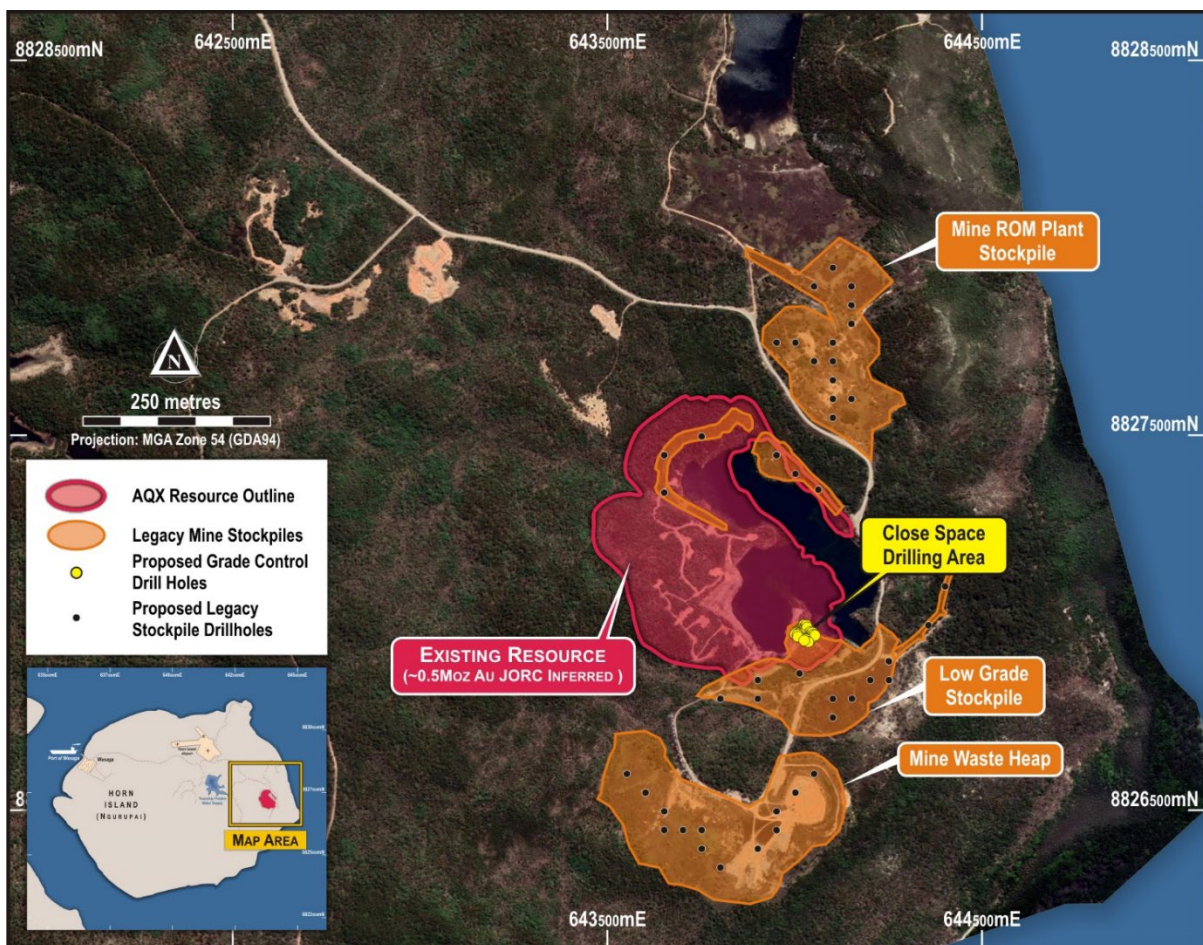


Figure 1. Planned Close Space Drilling and Legacy Stockpile drilling areas



ALICE QUEEN  
LIMITED

## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Review of Operations and Financial Results (continued)

Horn Island (Ngurupai) EPM 25520 (continued)



Horn Island, Close Spaced Drilling Program.

For personal use only



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Horn Island (Ngurupai) EPM 25520 (continued)

On 11 November 2021, Alice Queen announced its Scoping Study and MRE. The outcomes from the Horn Island Scoping Study, focusing on the immediate area of the historical open pit, present a strong economic case for ongoing studies to support the recommencing of mining. All the Mineral Resources included in this study are within the granted tenement EPM25520, which covers the entire Horn Island 35sqkm mineral filed.

A number of independent parties were engaged by The Company to complete test work, studies and reports that inform this Scoping Study. The Company engaged Peter Fairfield of Miner Insight Pty Ltd as our Study Manager, in addition we engaged Dale Sims of Sims Consulting Pty Ltd (Mineral Resource Estimate), John Wyche of AMDAD (Mine planning), Scantech and OrePortal (Bulk Ore Sorting), Tomra (Particle Ore Sorting), GR Engineering (GRES – Process and Metallurgy) and Mincore (alternate Capital Expenditure).

#### Highlights from the Scoping Study

- Life of Mine (LOM) 8.5 years
- Average production rate of 37koz Au per annum
- Mill feed to Waste Ratio 2.5:1
- Initial Capital Cost A\$75M
- Capital payback period of 27 months (2.25 years)
- Net Cashflow (EBITDA) of ~A\$200M
- Net Present Value (NPV) @ 5% discount of ~\$140M
- Internal Rate of Return (IRR) of 44.3%
- All-in Sustaining Costs (AISC) of A\$1,388/oz

Due to the nature of the deposit, the study found that there is opportunity to remove large amounts of waste rock through pre-concentration. This reduces the scale of the mill that is required which enhances the overall economics of the project. The study found that pre-concentration by Bulk Ore Sorting (BOS) and/or Particle Ore Sorting (POS) worked well and thus the preconcentrating features are central to the scoping study results.

The Mineral Resource Estimate was completed by Dale Sims of Sims Consulting Pty Ltd. The deposit consists of thin stockwork veins, gold is associated with sulphide veins with no gold occurring in the alteration zone or host rock. The nature of the deposit is such that a lower cut-off grade can be mined, whilst this results in an overall lower grade being reported, more tonnes and more ounces can be achieved economically. By mining at a lower cut-off grade of 0.4g/t Au cut off (as opposed to 0.6g/t Au) the reported Mineral Resource is 16.7Mt @ 0.98g/t Au containing 524k ounces of gold.

For more detailed information please refer to ASX release, 11 November 2021, "*Horn Island Scoping Study and MRE*".



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Horn Island (Ngurupai) EPM 25520 (continued)

On 11 November 2021 the Company commenced a ground dipole-dipole induced polarisation survey (DDIP) totaling 55-line kms and covering an extensive 11km<sup>2</sup> prospective area from south of the Horn Island historic pit area to the Southern Silicified Ridge (SSR) (see Figure 2).

The survey was designed to identify near surface to deeply occurring chargeability anomalies which may be caused by sulphide minerals that are often associated with gold mineralisation at Horn Island.

The DDIP survey was based on the success of previously completed historic ground array induced polarisation (GAIP) surveys and the recently completed DDIP survey, which recognised a new gold zone across the Tatoonie target area and may possibly represent extensions to the known resource area (see ASX release 30 June 2021, "Drilling Confirms New Broad Gold Zone at Horn Island").

Importantly, the survey will cover areas of interpretive structurally complex zones and mapped surface veining. These zones also display coincidental gold and pathfinder surface geochemistry anomalism, which collectively forms an extensive prospective hydrothermal IRG footprint (see Figure 3). This footprint is similar in scale to the Ravenwood 7M oz Au deposit (see ASX release 29 May 2019, "Dr Morrison Horn Island Metal Zonation").

Furthermore, a limited and shallow 9-hole diamond drill program previously completed by Alice Queen at the SSR prospect revealed vertical & strike extensive veined mineralisation. The best intercepts returned were 11m @ 2.9g/t Au from 70m (18NGD052) and 2m @ 5.6g/t Au from 160m incl. 1m @ 8.2g/t Au (see ASX release 21 March 2018, "SSR Results Confirm New Gold System" and 30 April 2018, Further Significant Gold Intersected at SSR).

Surface gold indicates a 3km strike which is coincident with historic GAIP chargeability anomalies located SE and outside of the Company's previously completed drilling. This adds further encouragement of a potentially large scale Intrusive Related Gold System (IRGS) that may host multiple gold deposits across Horn Island.

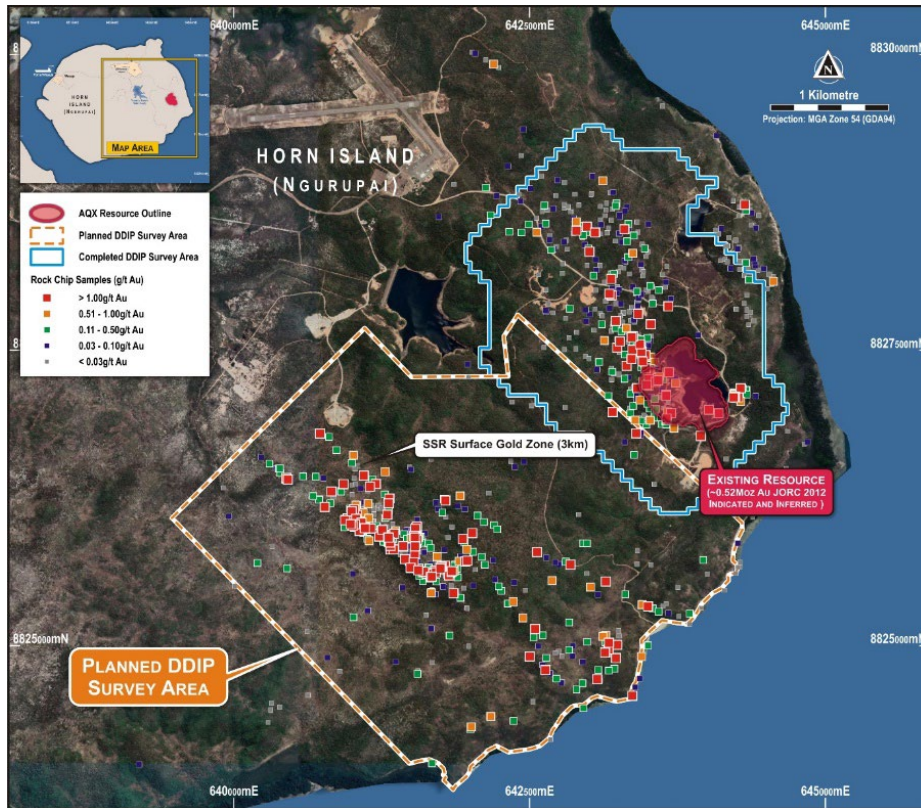




## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)



**Figure 2.** Planned DDIP survey area (11km<sup>2</sup>) totaling 55-line kilometres and located SW of the Horn Island Resource including the 3km SSR surface gold zone. The Horn Island Resource is 16.7Mt at 0.98g/t Au for 524k oz Au (JORC 2012, 53% Indicated and 47% Inferred, see ASX release 11 November 2021, "Horn Island Scoping Study and MRE").

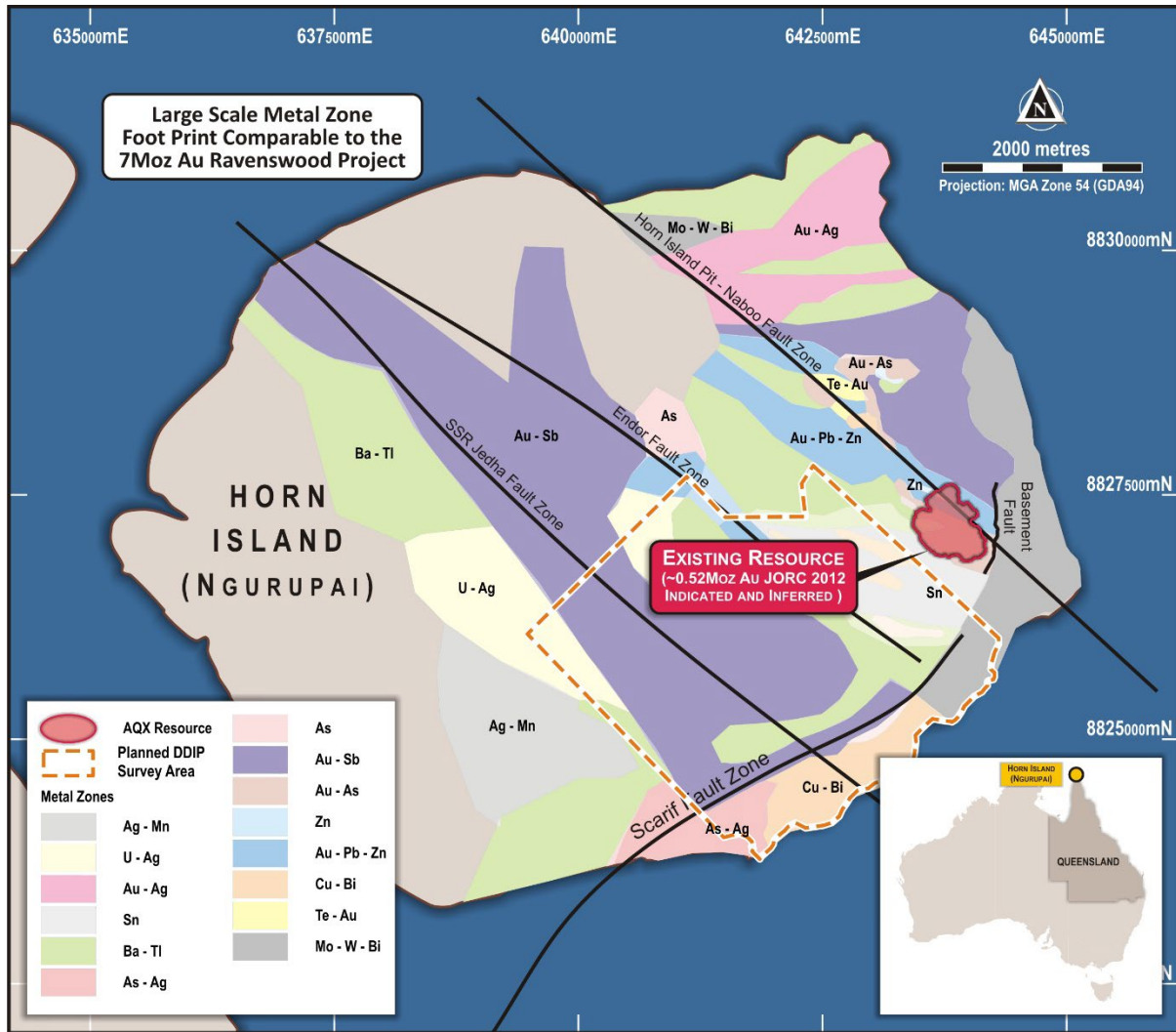


## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Horn Island (Ngurupai) EPM 25520 (continued)



**Figure 3.** DDIP survey area overlaid on IRGS metal enrichment pathfinder zones, associated with major NW and NE fault structures which may act as primary fluid source zones of gold deposits.



ALICE QUEEN  
LIMITED

## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

Review of Operations and Financial Results (continued)

Horn Island (Ngurupai) EPM 25520 (continued)



Image 1. DDIP technician accompanied by Kaurareg Native Title Aboriginal Corporation (KNTAC) representatives. Photo taken recently at Horn Island.



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Kaiwalagal (EPM 25418) (100% owned)

On 27 July 2021, the Company announced, "Multiple Gold Targets Identified a Kaiwalagal" from its completed airborne fixed wing geophysical (magnetic and radiometric) and satellite hyperspectral surveys across the Kaiwalagal project area in the Torres Strait islands. These exploration results represent a significant opportunity for the Company beyond its adjacent flagship Horn Island project.

The aim of the Kaiwalagal exploration surveys was to recognise the occurrence of regional hydrothermal systems across the project area and their potential for hosting large scale gold mineralisation. Based on the initial positive results, Alice Queen has elevated the prospectively ranking for the Kaiwalagal project.

The Company engaged Thomson Aviation to complete a fixed wing airborne magnetic and radiometric survey using similar instrumentation and flight parameters to the previous survey completed across Horn Island (see ASX release 17 October 2018). To facilitate data levelling and merging with the existing Horn Island survey, approximately 1km of overlapping data with the recent Kaiwalagal survey was collected (see Figure 4).

The survey comprised low altitude (35m) closely spaced (50m) survey lines bearing NW-SE for a total of 6,829 survey line kilometers, which covered Muralug, Zuna and Gialug Islands. Survey specifications are presented in Table 1.

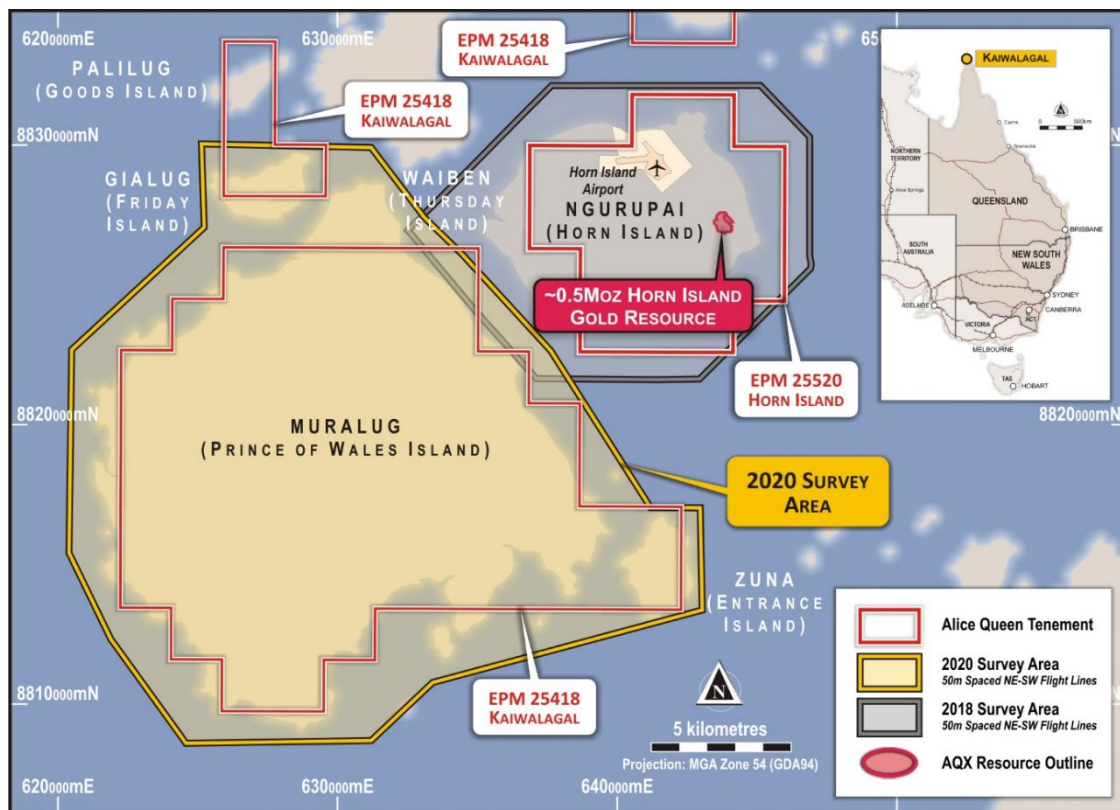


Figure 4. Extent of the Kaiwalagal aeromagnetic survey covering 3 islands to the SW of Horn Island.

Table1. Aeromagnetic survey specifications for historic Horn Island and recently completed Kaiwalagal surveys

Survey	Date Flown	Total (km)	Spacing (m)	AZI (°N)	MTC (m)
Horn Island	Aug. 2018	2,269	50	45	35
Muralug	Oct. 2020	6,829	50	45	35

For personal use only



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

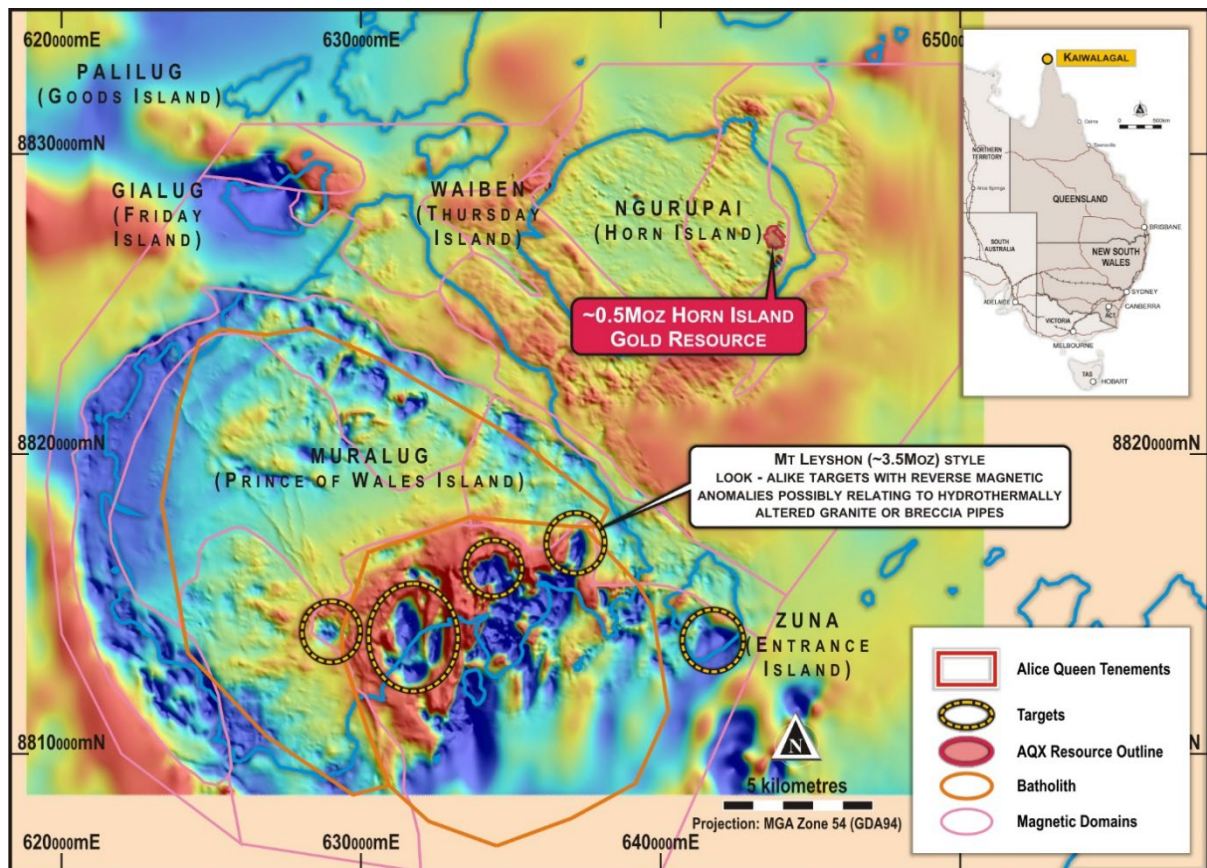
#### Kaiwalagal (EPM 25418) (continued)

#### Magnetic and Radiometric Survey Results and Preliminary Interpretation

The Thompson survey produced exceptional quality high resolution magnetic and radiometric data, which was reprocessed and interpreted by independent geophysical consultants Resource Potentials.

Two broad granitic batholiths have been identified extending from Horn Island across Muralug. These oval-shaped batholith complexes have multiphase intrusive centres that have either positive or negative magnetisation, and likely formed the deep magma chambers below a caldera system in the Carboniferous to Permian periods in geological time. The caldera system has since been eroded to expose granite bodies surrounding by volcanic ignimbrite deposits on the sides (see Figure 5).

The SE side of Muralug and the south side of Zuna Island are intruded by a younger intrusive phase, with distinctive reverse magnetisation. Several discrete and circular reverse magnetic anomalies have been identified and are interpreted to represent



younger porphyry plugs or potential breccia pipes. The remanent magnetisation may be associated with hydrothermal alteration halos, similar to the biotite-magnetite alteration and related magnetic anomaly low surrounding the ~3.5Moz Au Mt Leyshon gold breccia pipe (for example see Figure 6). The circular magnetic lows in the SE part of the project area are considered areas of immediate interest for field checking.

**Figure 5.** Magnetic anomaly image generated from merged detailed and regional airborne survey data sets, highlighting granitic intrusion centres with positive and reversed magnetic anomaly expressions. The reversely magnetised anomalies are interpreted as late-stage porphyry plugs or breccia pipes, which may have similarities to the 3.5Moz Au Mt Leyshon breccia pipe gold deposit in Nth QLD to the south.

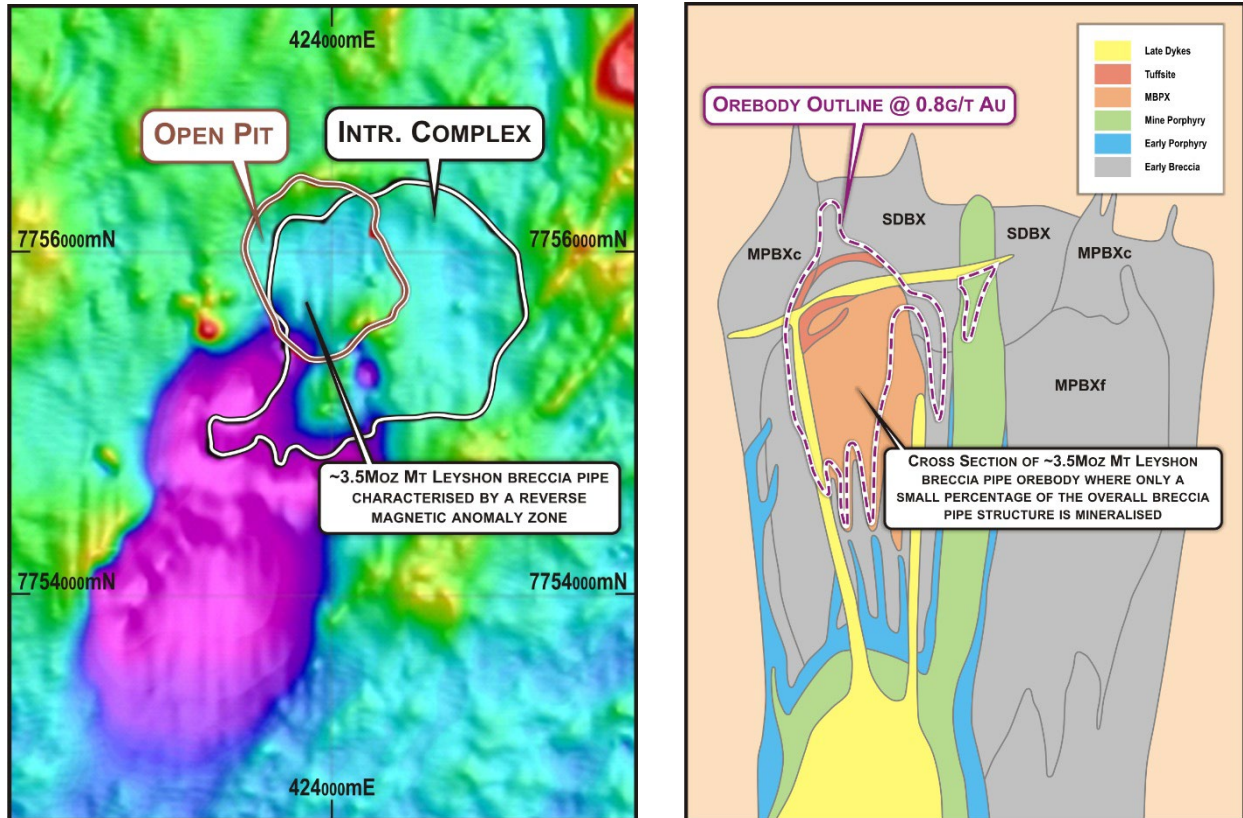


## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Kaiwalagal (EPM 25418) (continued)



**Figure 6.** Reverse magnetic anomaly pattern from hydrothermal magnetite in the contact aureole of the intrusion defining the ~3.5Moz Mt Leyshon breccia pipe gold deposit (both diagrams reproduced from Morrison, G. 2017. Ore Controls in the Mt Leyshon Breccia Pipe. Presentation at Intrusion-Related Gold Systems in north Queensland GSQ project meeting December 2017).

Furthermore, the magnetic anomaly pattern across Muralug outlines a number of discrete domains within the larger oval shaped batholith complex, and these domains likely represent different fractionated zones of granitic stocks from an evolving parental magma. Recognising this characteristic early in the exploration history is very positive, as these magmatic zoning conditions are important for the formation of gold prospects, such as the ~0.5Moz gold deposit at Horn Island.

#### WorldView-3 Satellite Hyperspectral Survey Results and Interpretation

Acquisition of WorldView-3 imagery (WV3) covering Visible Near Infrared (VNIR) and Shortwave Infrared (SWIR) wavelength bands (8 in both VNIR and SWIR) was commissioned from Geoimage. The mineral maps were further processed by independent expert Dr Mike Hussey to produce threshold mineral probability maps covering both the Muralug and Zuna Islands.

These mineral maps reveal the mineral associations typically indicative of hydrothermal alteration associated with ore deposits.



## DIRECTORS' REPORT

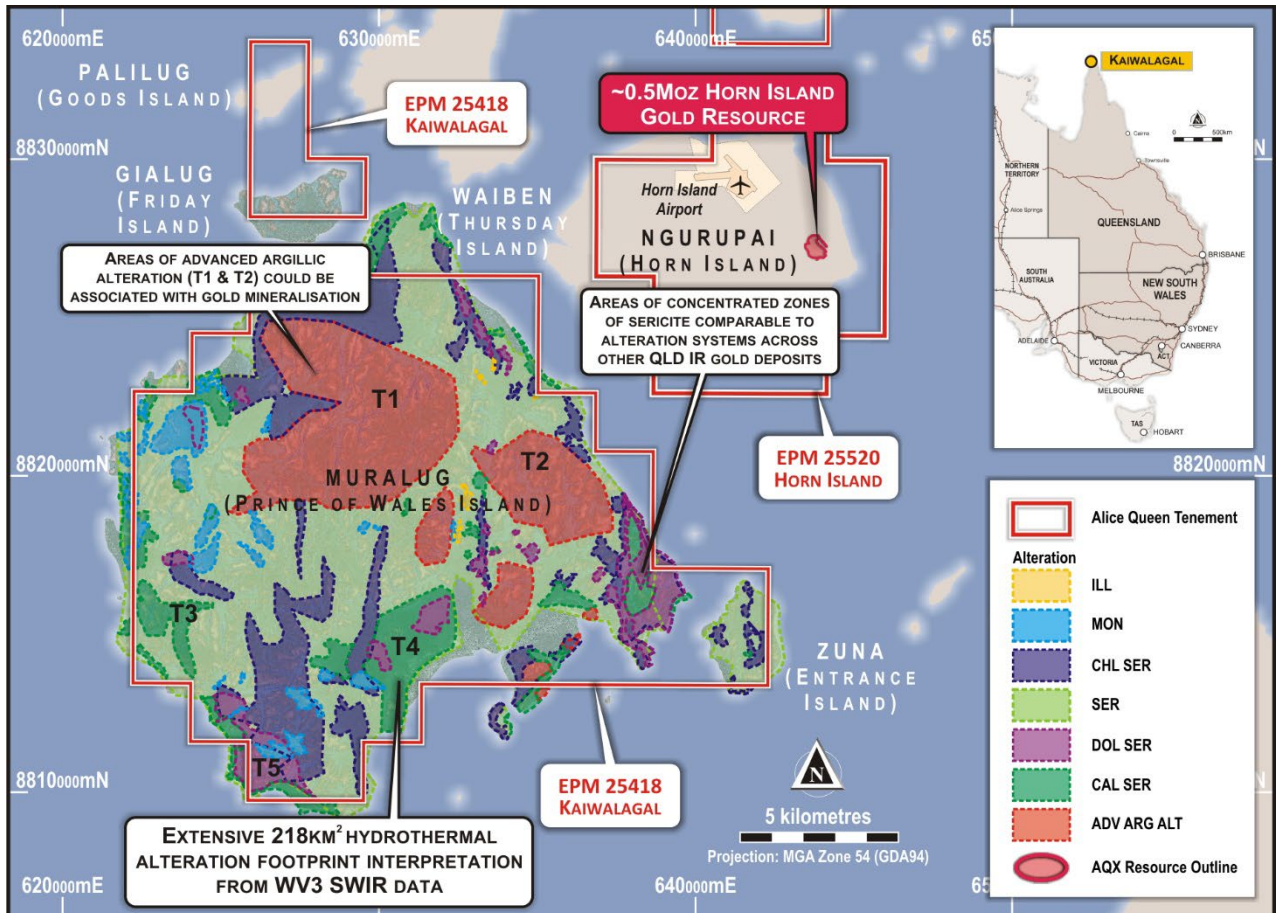
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Kaiwalagal (EPM 25418) (continued)

Encouraging results are observed from the WV3 multiminerals map outlining a very extensive, hydrothermal footprint of approximately 218km<sup>2</sup> with clear patterns in the distribution of alteration minerals across Muralug and Zuna Islands (Figure 7). This includes a core area of advanced argillic alteration which is surrounded by sericite which then grades into calc-sericites (calcitic and dolomitic). There is also a N-S zone of chlorite crossing the western third of the island.

In other regions of North Queensland, these alteration assemblages are often associated with multi-million ounce economic mineralisation.



**Figure 7.** Multiminerals map interpretation highlights clear pattern of a large-scale hydrothermal alteration footprint across Muralug and Zuna Islands. Areas of argillic alteration likely represent the core of a zoning pattern grading out to sericite alteration.



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### New South Wales

#### Mendooran Tenements EL 8646, EL 8469, EL 8563 and EL 8565

On 18 August 2021, Alice Queen announced that it was preparing to drill the highest-ranking targets at Mendooran after previous drilling confirmed the extension of the Molong Volcanic Belt undercover (see ASX release 3 June 2021, "Mendooran Drilling Extends Molong Target Area").

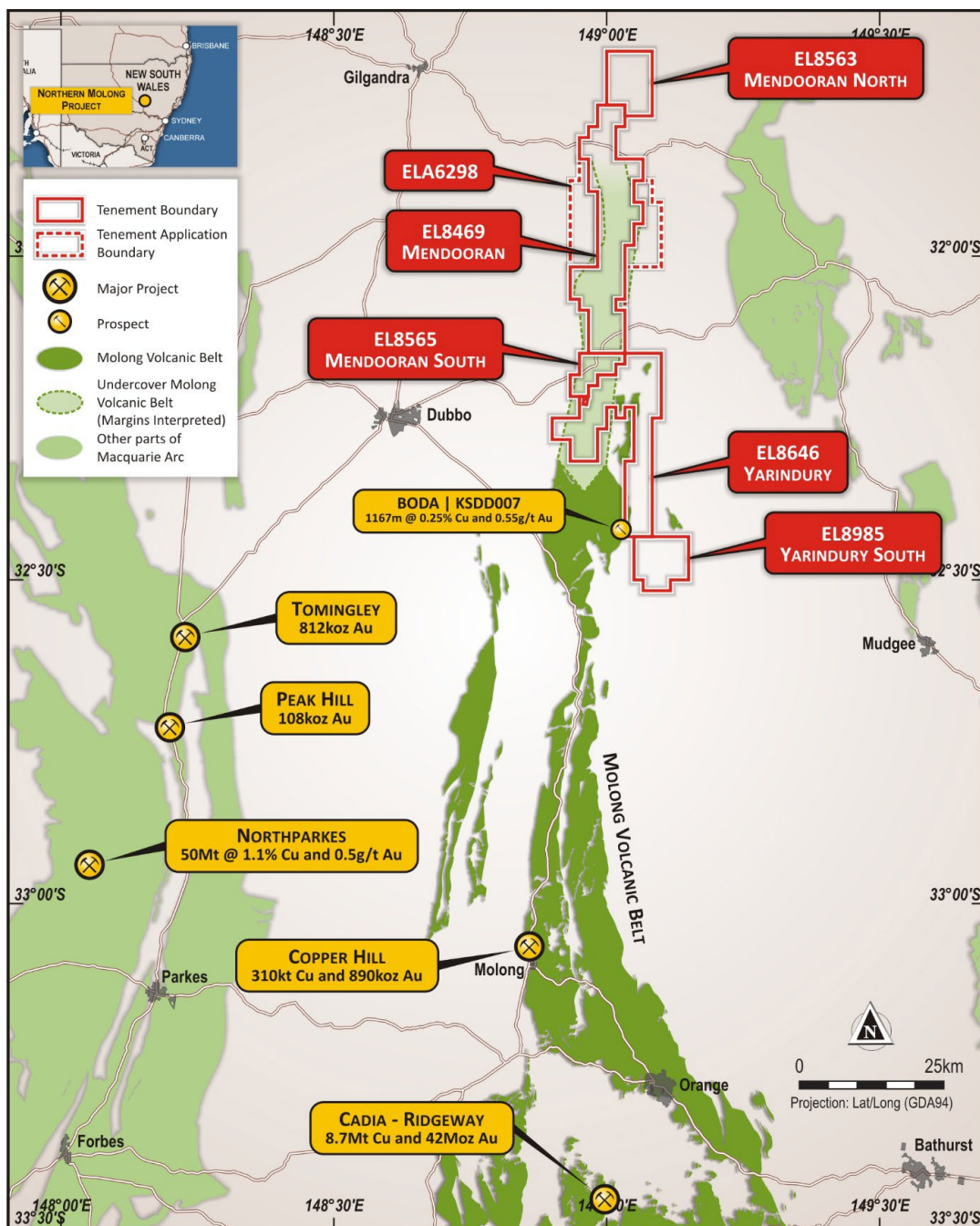


Figure 8. Northern Molong Projects on Molong Volcanic Belt





## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### New South Wales

#### Mendooran Tenements EL 8646, EL 8469, EL 8563, EL8985 and EL 8565 (continued)

##### Background

The Macquarie Arc rocks of the LFB and specifically the MVB are Australia's porphyry copper-gold exploration hot-spot, as exemplified by Alkane Resources recent Kaiser-Boda discovery, which lies only 11km south of the Mendooran Project area along the MVB. Alice Queen's target concept is a large MVB-type porphyry copper-gold complex, such as at Newcrest's Cadia Valley, and Alkane's Kaiser-Boda. A notable prospective indicator for these deposits on the MVB, and, also elsewhere on the Macquarie Arc at Evolution's Cowal-Marsden, is that they all lie close to significant north-west to south-east cross-arc structural lineaments (Figure 9).

The Company's exploration strategy in this project area is led by John Holliday. John is a former Chief Geoscientist at Newcrest and was a principal discoverer of its giant (circa 50m Oz Au and 9m tons Cu) Cadia Valley Cu/Au deposit situated near Orange in NSW.

##### Exploration Rationale

In the Mendooran Project area, the MVB rocks are covered by younger basin sediments and have only been explored to date by five Alice Queen drill holes along a >40km extent (see Figure 10). These holes have confirmed the northwards continuation of the MVB for this distance (ASX release 3 June 2021). Within the north-south coverage by these five holes there is a 22.5km undrilled gap indicated to have cover of a thickness that is in the 350-700m range (quite permissive for underground bulk mining as employed by Newcrest Mining at Cadia).

Notably this undrilled gap is cut by a north-west to south-east cross-arc structure (see Figure 10) like those on which the major Macquarie Arc mines and prospects lie. This cross-structure area is clearly a prime target for porphyry copper-gold mineralisation and accordingly is the primary focus area of this drill program.

The Company has plans to test this high priority area by drilling in the vicinity of this cross-arc structure at two sites (Figure 10) which are already permitted. This drilling will be co-funded by the NSW New Frontiers Co-Operative Drilling grant.

##### Chronology

In 2017, Alice Queen entered into an Option and Earn in joint venture with Newcrest Operations Limited a subsidiary of Newcrest Limited (ASX:NCM). The Option component was triggered at the point at which a minimum of \$1m dollars was spent by NCM on exploration. This money was spent on an extensive ground gravity and airborne magnetic intensity geophysical survey with the aim of generating large scale, Newcrest style Cu/Au porphyry drill targets. A total of 8 targets, that met these specific criteria, were generated by this program.

In 2018, three preliminary diamond core holes were drilled by the JV (outside of the high priority area due to access limitations at the time) which established depth to basement parameters (see Figure 10 for hole locations).

The ability to drill the four highest ranking of the targets was subject to gaining access into the Goonoo Goonoo State Conservation Area. NCM determined that the requisite approvals to gain this access to this area were prohibitive.

After a considerable effort by Alice Queen in preparing the requisite Review of Environmental Factors (REF), access was granted by the NSW Government in late 2020 and exploration of the project area began in early 2021.

The maiden drill program of two holes into this previously inaccessible area in early 2021 (see ASX release 03/06/2021) importantly confirmed permissive depth to basement, established the extension of the MVB and reported elevated background copper levels.

These key indicators have provided the Company with a strong case to test these high-ranking targets, in the end the same holes that Newcrest identified as their highest-ranking targets all those years ago.



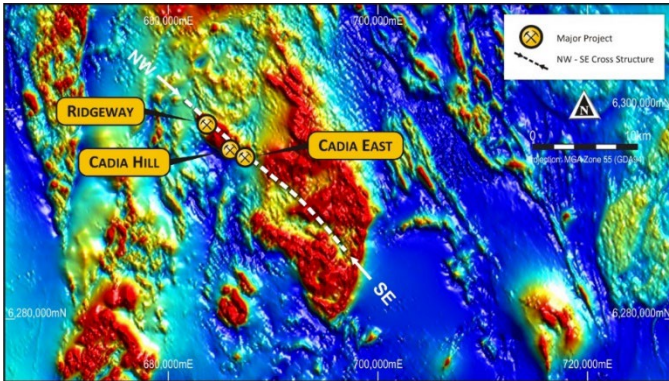
## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

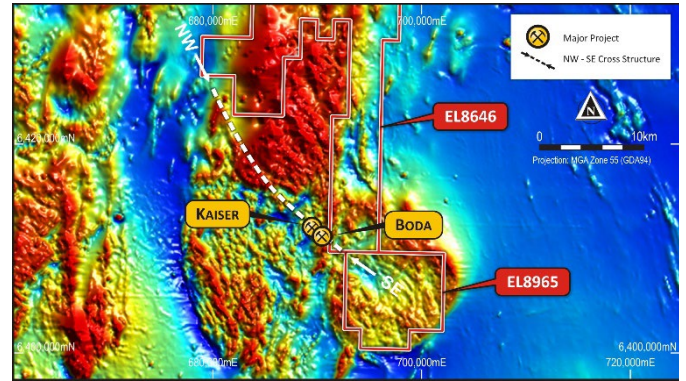
### Review of Operations and Financial Results (continued)

#### New South Wales

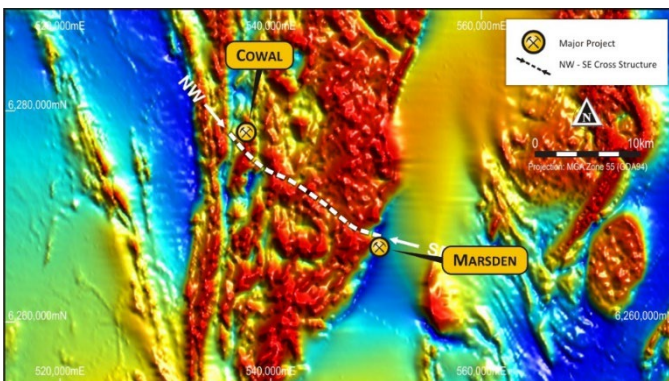
#### Mendooran Tenements EL 8646, EL 8469, EL 8563, EL8985 and EL 8565 (continued)



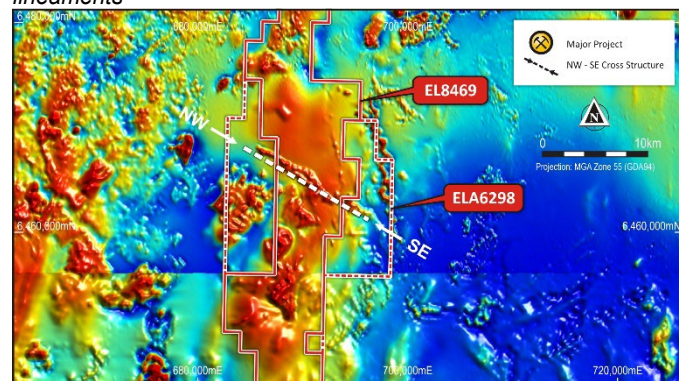
*Cadia Geophysics and NW-SE cross-arc structural lineaments*



*Kaiser-Boda Geophysics and NW-SE cross-arc structural lineaments*



*Cowal Geophysics and NW-SE cross-arc structural lineaments*



*Mendooran Geophysics and NW-SE cross-arc structural lineaments*

**Figure 9.** TMI Images of Cadia, Cowal, Kaiser Boda and Mendooran highlighting the NW-SE cross arc feature.



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

New South Wales

Mendooran Tenements EL 8646, EL 8469, EL 8563, EL8985 and EL 8565 (continued)

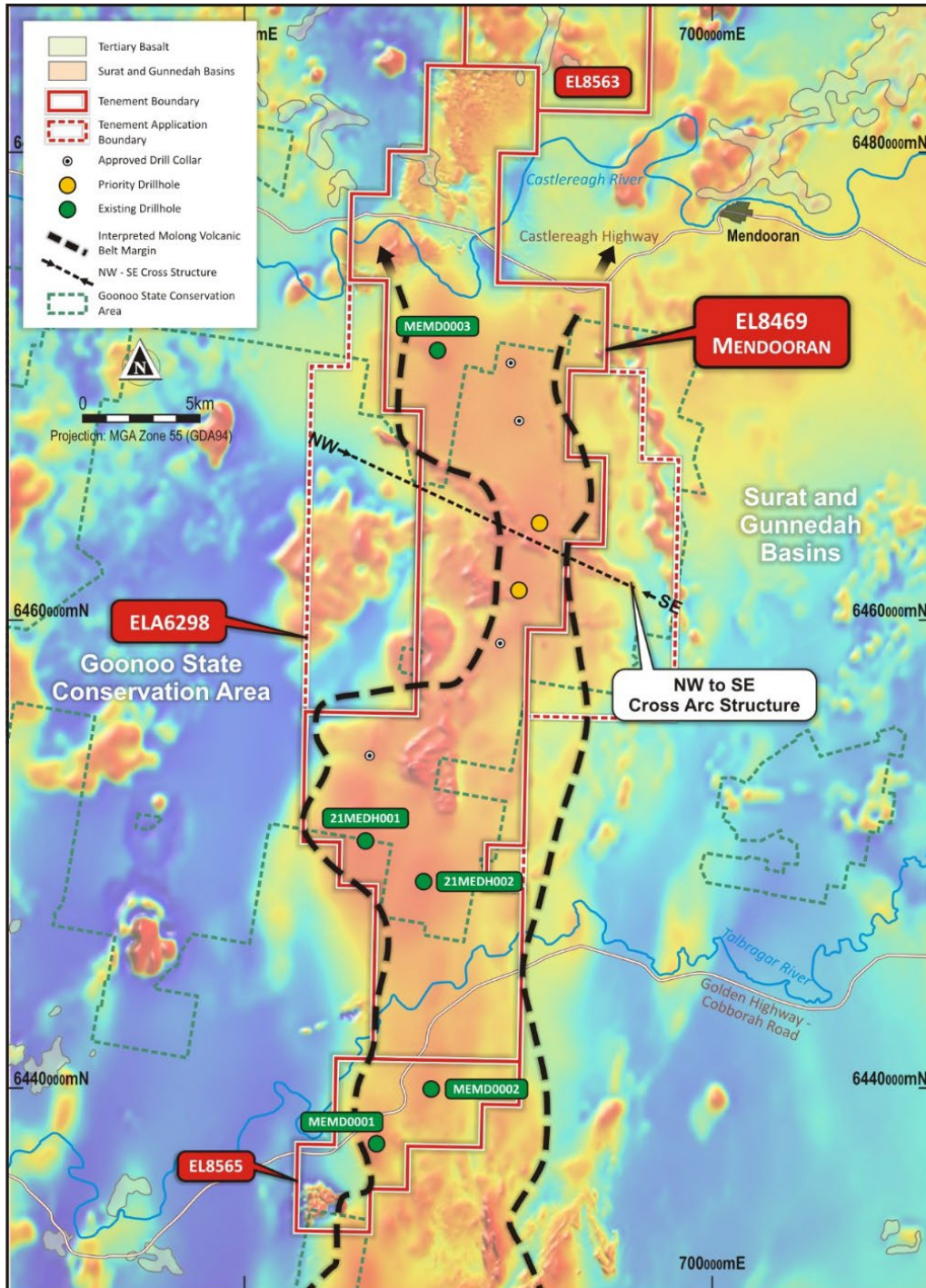


Figure 10. Planned drill holes on residual TMI magnetics with NW-SE Cross arc structure

Unfortunately, due to persistent rain events access for heavy vehicles at the site is not currently possible. Alice Queen is continuing to monitor and check the site and plans to drill these targets when conditions allow.

For personal use only



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### Other Activities

In relation to the Horn Island gold project, the Company has also had a number of discussions with;

- The office of the Queensland Coordinator-General in relation to "Prescribed Project" status
- The Major Projects Facilitation Agency (MPFA) within the Federal Government in relation to "Major Project" status
- The Northern Australia Infrastructure Facility (NAIF) in relation to project development funding

The Company believes that, given its significance as Australia's northern most outpost and its ability to transform local employment and economic development activity in the Torres Strait, the Horn Island gold project is seen as something that government agencies, both state and federal are likely to support.

#### Tenement Summary

TENEMENT	LOCATION	CURRENT HOLDER <sup>(i)</sup>	INTEREST	AREA (BLOCKS)	GRANT DATE	EXPIRY DATE	MINIMUM EXPENDITURE (CURRENT YEAR) <sup>(ii)</sup>
EPM 25520	Queensland	Kauraru Gold Pty Ltd	100%	19	08 Oct 2014	07 Oct 2024	\$1,312,500
EPM 25418	Queensland	Kauraru Gold Pty Ltd	100%	73	25 Jan 2016	24 Jan 2026	-
EL 8469	NSW	Monzonite Metals Pty Ltd	100%	100	30 Sep 2016	30 Sep 2026	\$400,000
EL 8563	NSW	Monzonite Metals Pty Ltd	100%	28	12 May 2017	12 May 2027	\$33,333
EL 8565	NSW	Monzonite Metals Pty Ltd	100%	14	17 May 2017	17 May 2027	\$83,333
EL 9303	NSW	Monzonite Metals Pty Ltd	100%	48	14 Oct 2021	14 Oct 2027	\$66,667
EL 8646	NSW	Monzonite Metals Pty Ltd	100%	86	12 Sep 2017	12 Sep 2025	\$100,000
EL 8985	NSW	Monzodiorite Pty Ltd	100%	27	28 May 2020	28 May 2026	\$50,000
EL 9126	NSW	Monzodiorite Pty Ltd	100%	45	6 Apr 2021	6 Apr 2024	\$400,000
EL 9185	NSW	Monzodiorite Pty Ltd	100%	14	7 June 2021	7 Jun 2027	\$200,000

(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) and holds 100% equity interest in Monzodiorite Pty Ltd

(ii) Minimum expenditure current year totals \$2,645,833 (for further information refer to note 13 of the financial statements).



## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Review of Operations and Financial Results (continued)

#### ASX Listing Rule 5.23 Statement

The information in this Interim Financial Report that relates to the Company's Mineral Resource estimate is extracted from and was reported in the Company's ASX announcement titled "Horn Island Scoping Study Outcomes and Mineral Resource Estimate" dated 11th November 2021, which is available at [www.asx.com.au](http://www.asx.com.au) the competent person being Mr. Dale Sims who is a chartered Professional Fellow of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientist. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed.

All information mentioned in this report and relating to previous resource estimates, drilling results, surface sampling, metal zonation studies, geological mapping, airborne geophysical surveys and completed induced polarisation survey have been reported (with JORC tables 1 & 2) in the below ASX releases.

- ASX Announcement 30 November 2021 titled "IP SURVEY COMMENCED AT HORN ISLAND"
- ASX Announcement 11th November 2021 titled "Horn Island Scoping Study Outcomes and Mineral Resource Estimate"
- ASX Announcement 30th June 2021 titled "Drilling Confirms New Broad Gold Zone at Horn Island"
- ASX Announcement 28th April 2021 titled "Further Results from Horn Island RC Infill Drilling"
- ASX Announcement 13th November 2020 titled "Multiple Gold Intercepts Returned from Horn Island Gold Resource Extension Drilling"
- ASX Announcement 6th October 2020 titled "Horn Island St Barbara JV Drilling Commences Ahead of Schedule"
- ASX Announcement 30th June 2020 titled "St Barbara Limited Confirms Fy21 Horn Island Work Program"
- ASX Announcement 20th February titled "Investor Presentation 2020"
- ASX Announcement 23rd January 2020 titled "Exploration Update Horn Island and Northern Molong Projects"
- ASX Announcement 28th November 2019 titled "Horn Island JV Surface Sampling Results"
- ASX Announcement 7th October 2019 titled "Horn Island JV Soils and Rock Chip Program Completed"
- ASX Announcement 20th August 2019 titled "Maiden JV Works Program Started at Horn Island"
- AusIMM, FNQ branch Mining Roundup Conference, Cairns, May 2019 Presented by Dr. Gregg Morrison and Adrian Hell titled: Exploration Potential of the Horn Island Gold Project North Queensland
- ASX Announcement 29th May 2019 titled "Metal Zonation Mapping Further Strengthens Horn Island as A Large-Scale Gold Project"
- ASX Announcement 17th October 2018 titled "New Intrusion Related Gold (IRG) Target Zones Identified Across Horn Island"
- ASX Announcement 27th July 2018 titled "Updated Horn Island Major Expansion of Exploration Upside"
- ASX Announcement 7th May 2018 titled "Updated Resource Drilling Bonanza Interval 7m @ 22g/T Au From 30m"
- ASX Announcement 30th April 2018 titled "Further Significant Gold Intersected At SSR"
- ASX Announcement 21st March 2018 titled "High Grade Results Confirm New Gold System At SSR"
- ASX Announcement 24th January 2018 titled "Horn Island Drilling Update"
- ASX Announcement 14th December 2017 titled "Drilling Has Commenced at Southern Silicified Ridge (SSR) – Horn Island"
- ASX Announcement 20th October 2017 titled "Horn Island Phase 2 Resource Drilling Underway"
- ASX Announcement 5th September 2017 titled "Horn Island Maiden Mineral Resource"
- ASX Announcement 22nd August 2017 titled "Horn Island Phase 1 Resource Definition Drilling Assay Results"
- ASX Announcement 20th July 2017 titled "Drilling of The Phase One, Resource Definition Program at Horn Island Is Completed"
- ASX Announcement 14th March 2017 titled "Horn Island Exploration Target Upgrade"
- ASX Announcement 18th January 2017 titled "Horn Island Project Update"
- ASX Announcement 17th November 2016 titled "Metallurgical Test Work at Horn Island Delivers 91.2% Gravity Only Gold Recovery"
- ASX Announcement 6th September 2016 titled "Expanding Gold Footprint and New Target Areas Identified at Horn Island"
- ASX Announcement 19th August 2016 titled "Horn Island Open Pit Mining Potential Gains Traction with Pioneer Lode"
- ASX Announcement 10th June 2016 titled "Results and Exploration Update on Horn Island"
- ASX Announcement 7th April 2016 titled "Gold Mineralisation Confirmed at Depth & Along Strike"
- ASX Announcement 3rd March 2016 titled "Alice Queen Expands Its Torres Strait Footprint"
- ASX Announcement 26th February 2016 titled "Horn Island Drilling Delivers Further Gold Intercepts"
- ASX Announcement 22nd January 2016 titled "Drilling Intercepts 1 Metre At 108g/T Au at Ngurupai (Horn Island) Project"

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context of the respective competent persons' findings in relation to that report have not been materially modified from the original market announcement.



ALICE QUEEN  
LIMITED

## DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### Events Subsequent to Reporting Date

On 28 January 2022, 162,625,000 ordinary shares were issued under Listing Rule 7.1 raising \$1,301,000 before costs.

Funds raised from the Placement are intended to be applied to:

- Exploration Drilling at Horn Island; and
- Provide general working capital

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 this 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, the 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.

### Auditor's Declaration

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* is included on page 23 of this financial report and forms part of this Directors' report.

Signed in accordance with a resolution of the Directors.

Andrew Buxton  
Managing Director  
16 March 2022



**Moore Australia Audit (VIC)**

Level 44, 600 Bourke Street  
Melbourne Victoria 3000

T +61 3 9608 0100

Level 1, 219 Ryrie Street  
Geelong Victoria 3220

T +61 5215 6800

victoria@moore-australia.com.au

www.moore-australia.com.au

**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 half-year ended 31 December 2021, there have been:

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

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)  
ABN 16 847 721 257**

A handwritten signature in black ink, appearing to read 'Ryan Leemon', written over a light blue horizontal line.

**RYAN LEEMON  
Partner  
Audit and Assurance**

Melbourne, Victoria

16 March 2022

For personal use only



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	NOTE	31 DEC 2021 \$	31 DEC 2020 \$
Revenue from continuing operations		55,708	207,792
Expenses from continuing operations:			
Administration costs		(164,894)	(259,144)
Compliance costs		(107,042)	(82,414)
Consultancy expenses		(45,653)	(132,251)
Depreciation and amortisation		(15,100)	(54,951)
Employee benefits, management fees and on costs		(488,685)	(592,006)
Impairment expense		(6,318,404)	-
Lease costs		(63,401)	-
Other costs		(79,526)	(17,396)
Loss before income tax		(7,226,997)	(930,370)
Income tax expense relating to the ordinary activities		-	-
Net loss for the year		(7,226,997)	(930,370)
Loss/(Profit) of non-controlling interest		636,863	(2,840)
Loss attributable to parent entity shareholders		(6,590,134)	(933,210)
Other comprehensive income, net of tax		-	2,400
<b>Total comprehensive loss</b>		<b>(6,590,134)</b>	<b>(930,810)</b>
<b>EARNINGS/LOSS PER SHARE:</b>			
Basic loss per share (cents per share)	11	(0.50)	(0.09)
Diluted loss per share (cents per share)	11	(0.50)	(0.09)

The accompanying notes form part of these financial statements.





## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	NOTE	31 DEC 2021 \$	30 JUNE 2021 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		564,085	1,161,376
Trade and other receivables		184,679	281,223
Prepayments		81,758	37,501
<b>Total Current Assets</b>		<b>830,522</b>	<b>1,480,100</b>
<b>Non-Current Assets</b>			
Property, plant & equipment		78,423	93,523
Investments		-	54,400
Exploration and evaluation expenditure	9	15,779,929	20,121,698
Security deposits		126,114	354,114
Right-of use-assets		146,622	202,316
<b>Total Non-Current Assets</b>		<b>16,131,088</b>	<b>20,826,051</b>
<b>Total Assets</b>		<b>16,961,610</b>	<b>22,306,151</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		923,801	471,458
Provision for annual leave		94,259	75,969
Lease Liability		90,890	120,213
<b>Total Current Liabilities</b>		<b>1,108,950</b>	<b>667,640</b>
<b>Non-Current Liabilities</b>			
Lease Liability		55,732	82,103
Provision for long service leave		16,374	13,532
<b>Total Non-Current Liabilities</b>		<b>72,106</b>	<b>95,635</b>
<b>Total Liabilities</b>		<b>1,181,056</b>	<b>763,275</b>
<b>Net Assets</b>		<b>15,780,554</b>	<b>21,542,876</b>
<b>EQUITY</b>			
Share capital	10	31,714,603	30,997,137
Reserves		1,745,853	1,075,950
Minority interest		(791,518)	(154,655)
Accumulated losses		(16,888,384)	(10,375,556)
<b>Total Equity</b>		<b>15,780,554</b>	<b>21,542,876</b>

The accompanying notes form part these financial statements.



# ALICE QUEEN LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	ISSUED CAPITAL \$	OPTION RESERVE \$	ASSET REVALUATION RESERVE	ACCUMULATED LOSSES \$	NON - CONTROLLING INTEREST \$	TOTAL \$
Balance as at 1 July 2021	30,997,137	1,028,750	47,200	(10,375,556)	(154,655)	21,542,876
Total loss and comprehensive income for the period	-	-	-	(6,590,134)	-	(6,590,134)
Transactions with owners, recorded directly in equity:						
Investment sold	-	-	(14,400)	-	-	(14,400)
Fair value of options issued	-	761,609	-	-	-	761,609
Re-classification of options expired that were issued to staff & management	-	(77,306)	-	77,306	-	-
Issue of share capital	1,470,000	-	-	-	-	1,470,000
Transaction with non-controlling interests	-	-	-	-	(636,863)	(636,863)
Share issue costs	(752,534)	-	-	-	-	(752,534)
<b>Balance as at 31 December 2021</b>	<b>31,714,603</b>	<b>1,713,053</b>	<b>32,800</b>	<b>(16,888,384)</b>	<b>(791,518)</b>	<b>15,780,554</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

	ISSUED CAPITAL \$	OPTION RESERVE \$	ASSET REVALUATION RESERVE	ACCUMULATED LOSSES \$	NON - CONTROLLING INTEREST \$	TOTAL \$
Balance as at 1 July 2020	22,321,887	1,824,574	-	(9,307,886)	(140,216)	14,698,359
Total loss and comprehensive income for the period	-	-	-	(933,210)	-	(933,210)
Transactions with owners, recorded directly in equity:						
Revaluation of investment	-	-	2,400	-	-	2,400
Fair value of options issued	-	493,724	-	-	-	493,724
Issue of share capital	7,012,500	-	-	-	-	7,012,500
Transaction with non-controlling interests	-	-	-	-	2,840	2,840
Share issue costs	(720,750)	-	-	-	-	(720,750)
<b>Balance as at 31 December 2020</b>	<b>28,613,637</b>	<b>2,318,298</b>	<b>2,400</b>	<b>(10,241,096)</b>	<b>(137,376)</b>	<b>20,555,863</b>

The accompanying notes form part of these financial statements.



## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	31 DEC 2021 \$	31 DEC 2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts in the course of operations	-	77,805
Cash payments in the course of operations	(631,169)	(1,210,941)
Proceeds from government grants	96,401	-
Interest received	56	1,345
Interest paid	-	(511)
Net cash used in operating activities	(534,712)	(1,132,302)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration and evaluation expenditure	(1,701,030)	(4,504,297)
Payments for plant and equipment	-	(87,889)
Security deposits refunded	238,000	-
Payment for tenement security deposit	(10,000)	(92,078)
Proceeds from sale of investments	95,652	-
Proceeds from joint venture partner	-	768,054
Net cash from investing activities	(1,377,378)	(3,828,610)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares and exercise of options	1,470,000	7,000,000
Proceeds from the exercise of options	-	16,500
Lease payments	(63,401)	(51,846)
Payments for share issue costs	(91,800)	(475,750)
Net cash used in financing activities	1,314,799	6,488,904
Net (decrease)/increase in cash held and cash equivalents	(597,291)	1,527,992
Cash and cash equivalents at the beginning of the period	1,161,376	2,945,367
Cash and cash equivalents at the end of the period	564,085	4,473,359

The accompanying notes form part of these financial statements.



## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### 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 half-year ended 31 December 2021. The principal activity of the Group during the financial period was mineral exploration in Queensland and New South Wales.

### 2. General information and basis of preparation

#### Statement of Compliance

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the six (6) months ended 31 December 2021 and are presented in Australian Dollars which is the functional currency of the Company. These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2021 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 16 March 2022.

### 3. Significant accounting policies

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2021, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. Several other amendments and interpretation apply for the first time in 2022, but do not have an impact in the interim financial statements of the Group.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

#### 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.

STANDARD /INTERPRETATION	EFFECTIVE
AASB 2020-3 <i>Amendments to AASs -Annual Improvements 2018-2020 and Other Amendments</i>	1 January 2022
- <i>Amendment to AAS BI, subsidiary as a First-Time Adopter</i>	
- <i>Amendments to AASB3, Reference to the Conceptual Framework</i>	
- <i>Amendments to AASB9, Fees in the '10 per cent' Test for Derecognition of Financial Liabilities</i>	
- <i>Amendments to AASB116, Property, Plant and Equipment: Proceeds before Intended Use</i>	
- <i>Amendments to AASB137, Onerous Contracts - Cost of Fulfilling a Contract</i>	
- <i>Amendments to AASB141, Taxation in Fair Value Measurements</i>	
AASB 2014-10 <i>Amendments to AASs - Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	1 January 2022
AASB 2020-1 <i>Amendments to AASs - Classification of Liabilities as Current or Non-current</i>	1 January 2023



# ALICE QUEEN LIMITED

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### 4. Basis of consolidation

The consolidated financial statements incorporate all of the assets and liabilities of the parent (Alice Queen Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. All controlled entities have a 30 June financial year-end.

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.

### 5. Going concern basis

The Group recorded a loss of \$6,590,134 for the half year ended 31 December 2021 (31 December 2020: \$933,210 loss) after an impairment charge of exploration and evaluation assets of \$6,318,404. The Group had net operating cash outflows of \$534,712 (2020: \$1,132,302) for the reporting period. The Group had \$564,085 available cash at the end of the reporting period and current liabilities of \$1,108,950 on 31 December 2021.

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 directors believe the Group has cash levels to meet its operating and investing activities for at least 12 months from the signing of the financial report and/or the ability to secure additional funding through future capital raisings.

However, should directors not have sufficient exiting funding or achieve their plan, there is significant uncertainty whether the Company would continue as a going concern and realise its assets in the normal course of business and at amounts stated in the financial report.

### 6. 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.

### 7. Dividends

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



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

8. Segment reporting

During the reporting period, the Company operated predominantly in one operating segment, being mineral exploration. The revenues and profit generated by each of the Group's operating segments and segment assets are summarised as follows:

31 DECEMBER 2021	MINERAL EXPLORATION \$	UNALLOCATED \$	TOTAL \$
<b>REVENUE</b>			
Profit on sale of investment	-	55,652	55,652
Interest revenue	-	56	56
	-	55,708	55,708
<b>RESULTS</b>			
Operating loss before tax	(6,383,773)	(843,224)	(7,226,997)
Loss of non-controlling interest	636,863	-	636,863
Net loss	(5,746,910)	(843,224)	(6,590,134)
Included within segment results:			
Impairment expense	(6,318,404)	-	(6,318,404)
Share based payments	-	(100,875)	(100,875)
Segment assets	16,340,030	621,580	16,961,610
Segment liabilities	687,184	493,872	1,181,056
31 DECEMBER 2020	MINERAL EXPLORATION \$	UNALLOCATED \$	TOTAL \$
<b>REVENUE</b>			
Management Fees (Joint Venture)	156,447	-	156,447
ATO Cash Booster	-	50,000	50,000
Interest revenue	-	1,345	1,345
	156,447	51,345	207,792
<b>RESULTS</b>			
Operating profit/(loss) before tax	4,243	(934,613)	(930,370)
Profit of non-controlling interest	2,840	-	2,840
Net loss	1,403	(934,613)	(933,210)
Included within segment results:			
Share based payments	-	(248,724)	(248,724)
Segment assets	18,642,570	4,263,980	22,906,550
Segment liabilities	2,080,733	269,954	2,350,687



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

9. Exploration and evaluation expenditure

	31 DEC 2021 \$	30 JUNE 2021 \$
<b>Non-producing properties</b>		
Balance at the beginning of the reporting period	20,121,698	11,833,705
Additions	1,976,635	10,278,537
Impairment of exploration and evaluation assets*	(6,318,404)	-
Less: costs reimbursed by joint venture partner	-	(1,990,543)
Balance at the end of the reporting period	15,779,929	20,121,698

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 conducts impairment testing on an annual basis unless indicators of impairment are present at the reporting date.

\*In accordance with the Company's accounting policy and after careful consideration by the Company's Board of Directors, a decision was made to impair all non-core exploration and evaluation assets held by the Group in New South Wales as there is no substantive expenditure on further exploration planned on these tenements and not enough data to indicate that the costs will be recovered via development or sale. Accordingly, as at 31 December 2021, the Group assessed the carrying value of its tenements in New South Wales to be \$Nil, resulting in an impairment charge of \$6,318,404.



# ALICE QUEEN LIMITED

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### 10. Issued capital

	31 DEC 2021 \$	30 JUNE 2021 \$
1,370,223,010 (30 June 2021: 1,236,586,645) fully paid ordinary shares	34,258,314	32,788,314
Shares Issue costs	(2,543,711)	(1,791,177)
	<b>31,714,603</b>	<b>30,997,137</b>

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

	31 DEC 2021 NUMBER	ISSUE PRICE \$	31 DEC 2021 \$	30 JUNE 2021 NUMBER	ISSUE PRICE \$	30 JUNE 2021 \$
<b>Balance at the beginning of the period</b>	<b>1,236,586,645</b>		<b>30,997,137</b>	<b>931,647,660</b>		<b>22,321,887</b>
Shares issued during the period and fully paid						
27 Aug 2020: Placement				159,090,909	\$0.044	7,000,000
23 Oct 2020: Shares issued on exercise of listed options				625,000	\$0.02	12,500
13 Jan 2021: Exercise of options				200,000	0.02	4,000
10 Feb 2021: Share based payment				5,000,000	0.033	165,000
21 May 2021: Placement				140,023,076	0.013	1,820,300
03 Sep 2021: Placement	133,636,365	0.011	1,470,000			
Capital raising costs			(752,534)			(326,550)
<b>Balance at the end of the period</b>	<b>1,370,223,010</b>		<b>31,714,603</b>	<b>1,236,586,645</b>		<b>30,997,137</b>

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.

For personal use only





# ALICE QUEEN LIMITED

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

### 11. Earnings per share

	31 DEC 2021 \$	31 DEC 2020 \$
Earnings from continuing operations (basic and diluted)	(6,590,134)	(933,210)
Weighted average number of ordinary shares used in calculating basic earnings per share	1,323,014,511	1,040,825,723
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,323,014,511	1,040,825,723
Basic earnings per shares (cents per share)	(0.50)	(0.09)
Diluted earnings per shares (cents per share)	(0.50)	(0.09)

### 12. Contingent assets and liabilities

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 \$114,000 (2020: \$150,000).

No other contingent assets or liabilities are noted by the Group as at 31 December 2021.

### 13. Commitments for expenditure

The Company has minimum expenditure commitments to meet the conditions under which the properties are granted. These minimum expenditure commitments total \$2,645,833 and are comprised of \$1,312,500 in total over the term of the Exploration Licences held in Queensland and \$1,333,333 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.

### 14. Events subsequent to reporting date

On 28 January 2022, 162,625,000 ordinary shares were issued under Listing Rule 7.1 raising \$1,301,000 before costs.

Funds raised from the Placement are intended to be applied to:

- Exploration Drilling at Horn Island; and
- Provide general working capital

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 this 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, the 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

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 31 December 2021 and of its performance for the half year ended on that date; and
  - ii. Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting; and
- b There are reasonable grounds to believe that Alice Queen Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Andrew Buxton  
Managing Director

16 March 2022

For personal use only

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

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Alice Queen Limited and controlled entities (**the Group**), which comprises the condensed statement of financial position as at 31 December 2021, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 5 in the financial statements, which identifies that during the period ended 31 December 2021, the Group incurred a net loss of \$6,590,134 and that the Group had net operating cash outflows of \$534,712 for the reporting period. As stated in Note 5, 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.

#### Basis of Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group 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 (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

For personal use only

### Responsibility of the Directors for the Financial Report

The Directors of the Group are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)**  
**ABN 16 847 721 257**



**RYAN LEEMON**  
**Partner**  
**Audit and Assurance**

Melbourne, Victoria

16 March 2022

For personal use only