



STEP OUT DRILLING INTERSECTS GOLD IN EVERY DRILL HOLE AT VANGUARD SANDSTONE GOLD PROJECT

12M @ 3.0G/T GOLD FROM 132M

GOLD INTERCEPTS RETURNED FROM EVERY DRILLHOLE CONFIRMS THE CONTINUITY OF MINERALISATION AND GROWTH POTENTIAL AT VANGUARD

FIRST RC RIG ARRIVES AT SITE TO COMMENCE DRILLING AT THE LORDS CORRIDOR

Vanguard Camp

- Assays from all four step-out RC holes drilled at the Vanguard Camp to test continuity of mineralisation along strike and down plunge have been received.
- Solid results returned with **gold mineralisation in every hole**, including:
 - 12m @ 3.0g/t gold** from 132m (SRC220) - Vanguard
 - 12m @ 1.4g/t gold** from 132m (SRC223) - Vanguard
 - 8m @ 1.6g/t gold** from 120m (SRC222) - Vanguard
- Vanguard Camp is located in a 1,200m long x 600m wide NW trending gold corridor with **mineralisation open along strike and down dip**.
- These latest results continue to **highlight the continuity of shallow mineralisation** and growth potential with **several intersections outside the current resource** for Vanguard Camp (856kt @ 1.8g/t gold for 50,000oz).
- Assays remain pending** for 21 holes for 3,297m from drilling south of the Orion Lode within the Lords Corridor.

Drilling update – First RC rig has arrived at the Lords Corridor

- **The first rig has now arrived on site.** Second rig is expected to arrive mid-February to accelerate drilling at the Lords Corridor.

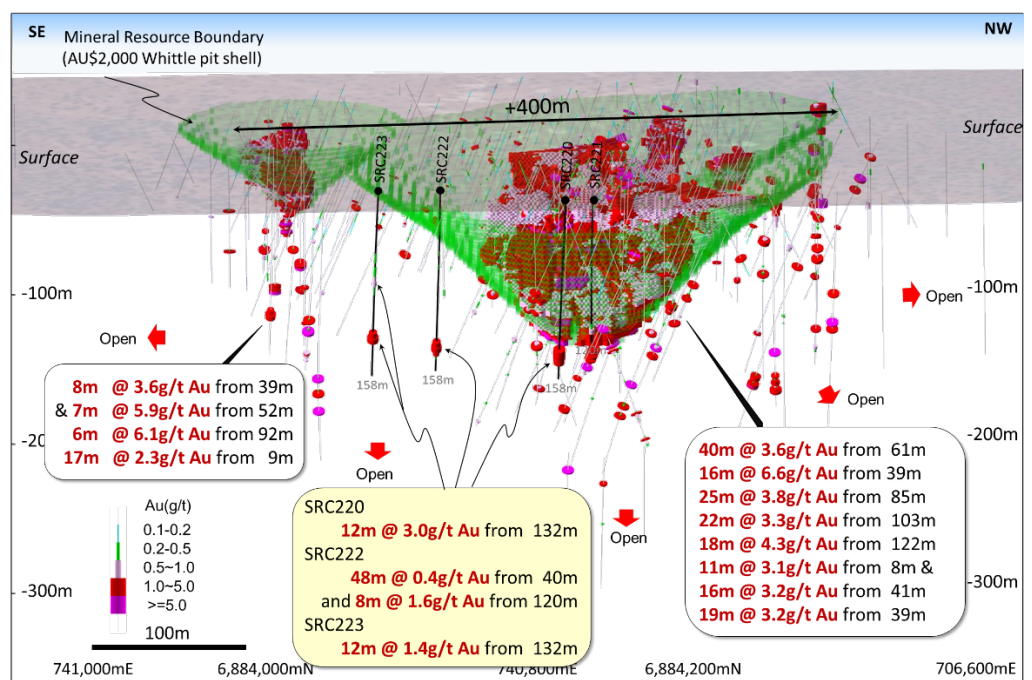


Figure 1. Vanguard 3D schematic highlighting current resource constrained to an A\$2,000 pit shell and multiple +5g/t gold drill intercepts outside the current mineral resource estimate.

Sandstone Gold Project

Located in a world class gold province in WA

Current resource is 6.2Mt @ 1.7g/t gold for 331,000oz

Multiple targets

Multi million oz potential

Significant landholding of over 800km² within a major gold district

Capital Structure

Issued Shares: 420m

Share Price: \$0.08

Market Cap: \$34m

Directors

Non- Executive Chairman
Richard Monti

Managing Director
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Non-Executive Director
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#altometals

Vanguard drilling continues to highlight the continuity of gold mineralisation

Alto Metals Limited (ASX: AME) (Alto or Company) is pleased to announce assay excellent results from drilling at the Vanguard Camp, located ~8km north-west of the Lords Corridor, with the Company's 100% owned Sandstone Gold Project which covers +800km² of the Sandstone Greenstone Belt in Western Australia.

Four RC holes for a total of 602m were drilled at Vanguard on a wide-spaced 80m by 80m grid to an average of 158m depth targeting extensions of known shallow gold mineralisation. Four-metre composite sample assays received for the four initial holes have confirmed **gold was intersected in every hole**. Assay results are shown in Figures 1-3 and Table 2, and include:

- **12m @ 3.0g/t gold** from 132m (SRC220)
- **12m @ 1.4g/t gold** from 132m (SRC223)
- **48m @ 0.4g/t gold** from 40m and **8m @ 1.6g/t gold from 120m** (SRC222)
- **8m @ 0.7g/t gold** from 112m (SRC221)

Vanguards' current inferred resource of 856kt @ 1.8g/t gold for 50,000oz is located in a 1,200m long x 600m wide NW trending gold corridor with mineralisation open along strike and down dip.

These latest results highlight the continuity of shallow mineralisation at Vanguard and significant likelihood for further resource growth with several high-grade intersections outside the current resource (Refer to Figure 1).

Key points related to the latest drill results from Vanguard

- **Drilling to continues to demonstrate the consistent nature of the mineralisation at Vanguard**
- **The current shallow resource at Vanguard is open along strike and down plunge and has strong potential to grow from further drilling, with several results outside the current resource**
- **Vanguard is one of a number advanced regional targets with Alto's +800km² Sandstone Gold Project**
- **Further drilling at Vanguard will commence once the Lords Corridor priority targets have been drilled.**

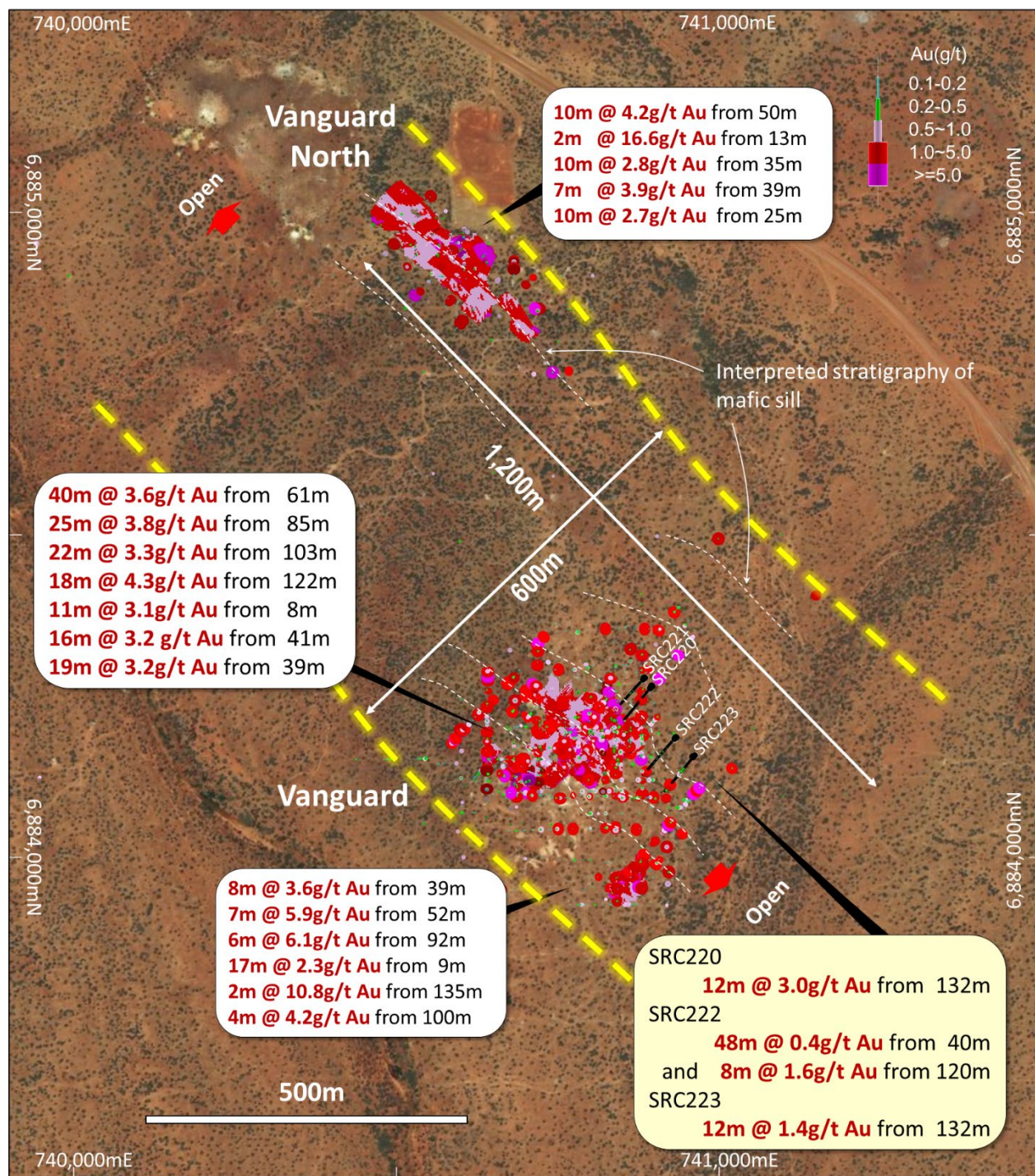


Figure 2. Plan view of the Vanguard Camp

SRC220 returned **12m @ 3.0 g/t** gold from 132m, providing a substantial infill to the current mineralised area. Drilling 80m southeast of the main Vanguard deposit, targeted a step opportunity to test for mineralisation between the two mineralised shoots, with SRC222 intercepting **48m @ 0.4g/t** gold from 40m and **8m @ 1.6g/t gold** from 132m. SRC223, drilled a further 50m to the south east, returned **12m @ 1.4g/t gold** from 132m, highlighting the continuity of mineralisation and potential for further growth. See Figure 2 for further details.

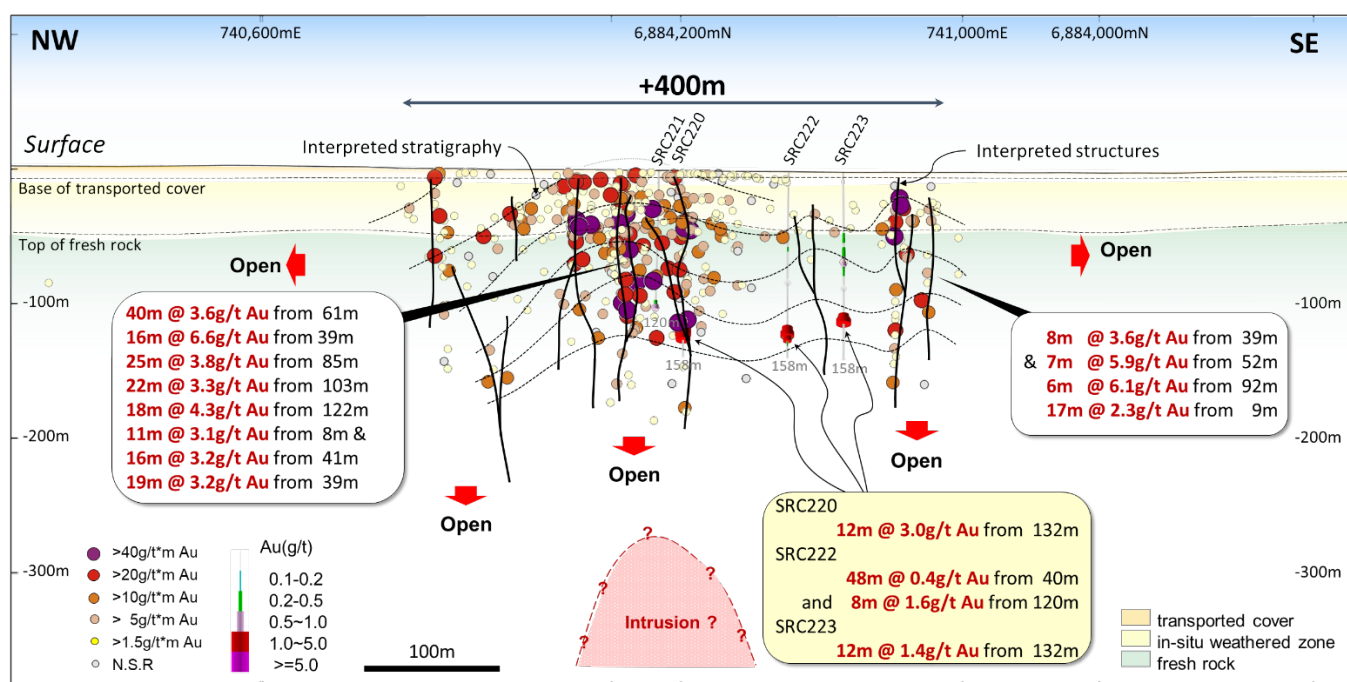


Figure 3. Vanguard prospect long section.

Previously released drill results from Vanguard and Vanguard North include:

SRC141	2m @ 9.9g/t gold from 178m (ASX 12/09/19) - Vanguard
SRC143	1m @ 18.2g/t gold from 104m and 1m @ 10.7g/t gold from 202m (ASX 12/09/19) - Vanguard
SRC114	40m @ 3.6g/t gold from 61m (ASX 05/12/2018) - Vanguard
TAR122	16m @ 6.6g/t gold from 39m (ASX 20/07/2017) - Vanguard
SRC075	25m @ 3.8g/t gold from 85m (ASX 20/03/2018) - Vanguard
SRC032	22m @ 3.3g/t gold from 103m (ASX 09/11/2017) - Vanguard
SRC016	18m @ 4.3g/t gold from 122m (ASX 23/08/2017) - Vanguard
SRC064	11m @ 3.1g/t gold from 8m and 16m @ 3.2 g/t gold from 41m (ASX AME 15/12/2017) - Vanguard
SRC067	19m @ 3.2g/t gold from 39m (ASX 15/12/2017) - Vanguard
SRC019	8m @ 3.6g/t gold from 39m and 7m @ 5.9g/t gold from 52m (ASX AME 07/08/2017) - Vanguard
SRC098	6m @ 6.1g/t gold from 92m (ASX 31/05/2018) - Vanguard
SRC091	17m @ 2.3g/t gold from 9m (ASX 31/05/2018) – Vanguard
TAR150	10m @ 4.2g/t gold from 50m (ASX 20/07/2017) – Vanguard North
LWR067	2m @ 16.6g/t gold from 13m (ASX 20/07/2017) – Vanguard North
TAR251	10m @ 2.7g/t gold from 25m (ASX 20/07/2017) – Vanguard North

Upcoming drilling and exploration

The first RC rig has arrived on site to complete the balance of the currently planned 30,000m. This rig will commence drilling at Lord Henry and Lord Nelson targeting the IP anomalies recently announced which appear to be extensions to known high-grade mineralisation, as a priority.

A second RC rig is expected to arrive in mid February 2021 to accelerate completion of the planned drilling at Lord Henry, Lord Nelson and Orion, before being moved to test regional targets, including Vanguard and Chance. The first RC rig will remain on the Lord Corrdior to test the new 32m thick zone of mineralisation identified from step-out drilling, over 800m south of the Orion Lode and other priority targets.

Follow up drilling at Vanguard Camp is planned to test both strike and plunge extensions of the shallow, south west dipping mineralisation at the Vanguard North deposit and the shallow, north east mineralisation at the Vanguard deposit.

A summary of planned activities is outlined below:

Summary of Planned activities	February	March	April	May →
Current 30,000m RC Drilling – Sandstone Gold Project				
Depth extensions at Lord Henry and Lord Nelson pits (IP Targets)				
Infill and step-out extensions of Orion Lode (IP Target)				
New IP Target 800m south of Orion and other Lords targets				
Vanguard Camp – Infill & Step Out				
Chance – Maiden drill program				
Arrival of second RC rig				
Commence next RC program – follow up drilling at the Lords.				

For further information regarding Alto and its Sandstone Gold Project please visit the ASX platform (ASX: AME) or the Company's website at www.altometals.com.au.

This announcement has been authorised by the Board of Alto Metals Limited.

Mr Matthew Bowles

Managing Director

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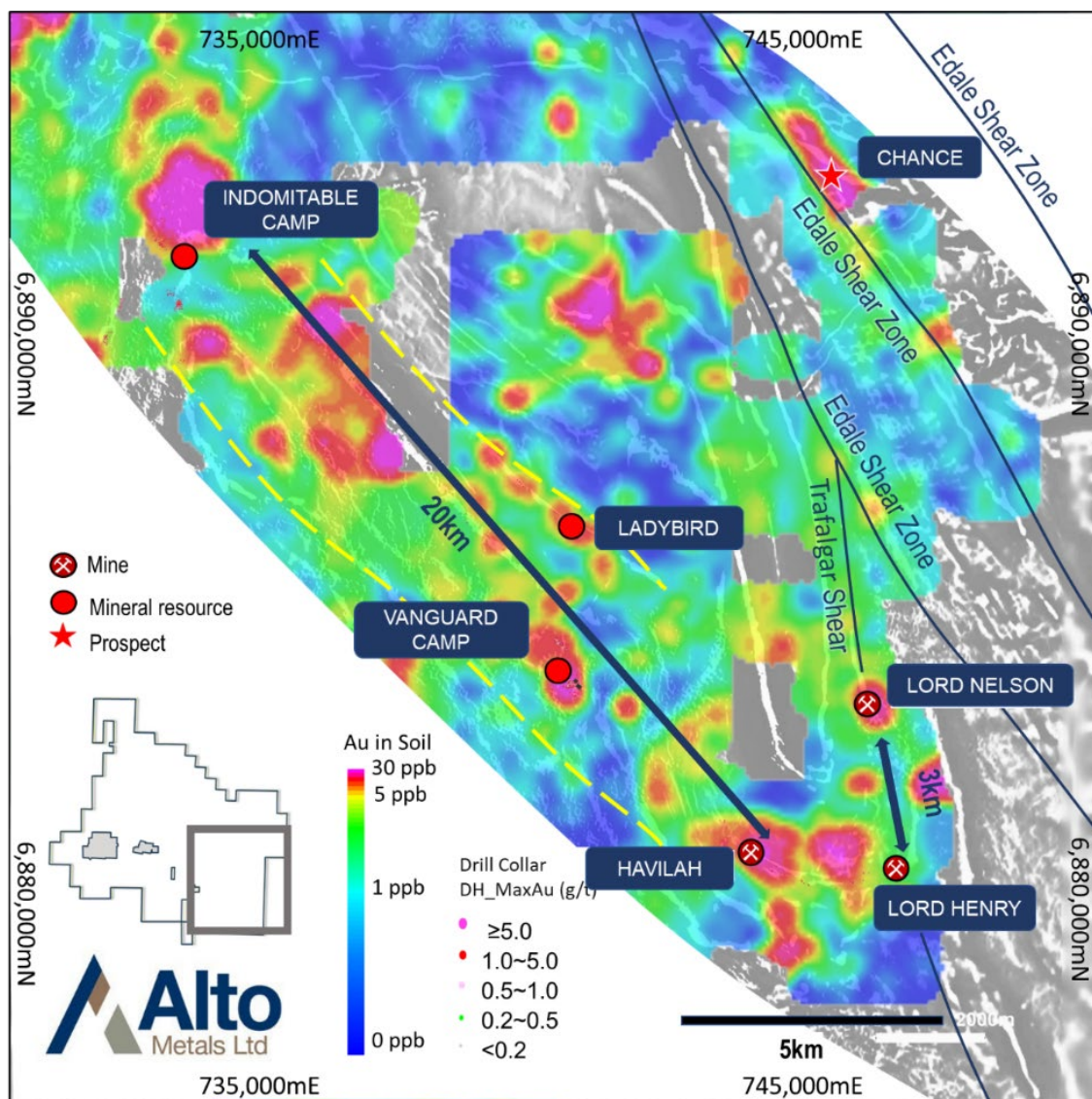


Figure 4. Regional prospect map (Alpha Domain) showing gold-in-soil anomalies over VD1 magnetics.

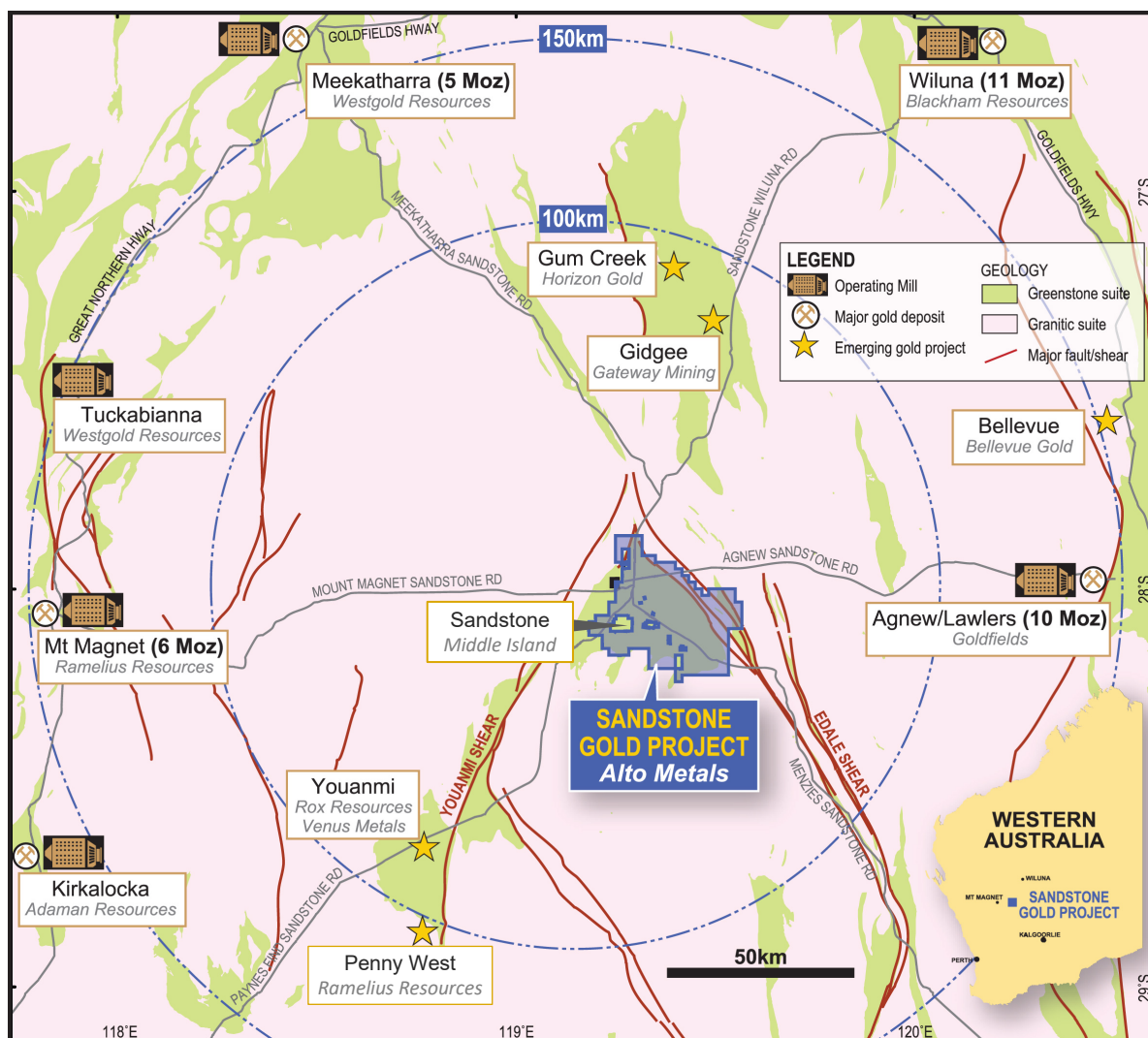


Figure 5. Location of Sandstone Gold Project within the East Murchison Gold Field, WA

Competent Persons Statement

The information in this Report that relates to current and historical Exploration Results is based on information compiled by Dr Changshun Jia, who is an employee and shareholder of Alto Metals Ltd. Dr Jia is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Jia consents to the inclusion in the report of the matters based on the information in the context in which it appears.

Forward-Looking Statements

This release may include forward-looking statements. Forward-looking statements may generally be identified by the use of forward-looking verbs such as expects, anticipates, believes, plans, projects, intends, estimates, envisages, potential, possible, strategy, goals, objectives, or variations thereof or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved, or the negative of any of these terms and similar expressions. which are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Alto Metals Limited. Actual values, results or events may be materially different to those expressed or implied in this release. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this release speak only at the date of issue. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Alto Metals Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this release or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

Exploration Results

The references in this announcement to Exploration Results for the Sandstone Gold Project were reported in accordance with Listing Rule 5.7 in the announcements titled:

Significant Gold Targets Defined at Depth as the Lords Corridor Continues to Grow, 2 February 2021

Orion Gold Lode Continues High-Grade Gold Drilling Results, 29 September 2020

Further shallow results from New Orion Gold Lode and Exploration Update, 31 August 2020

Outstanding results from gold lode south of Lord Nelson pit, 18 August 2020

Alto hits more high grade gold at Lord Nelson, 29 July 2020

Thick zone of shallow gold mineralisation at Lord Nelson, 27 July 2020

High grade results continue from drilling at Lord Nelson open pit, 22 April 2020

Further high grade gold results from Lord Nelson and exploration update, 2 April 2020

Wide zone of high grade, primary gold mineralisation confirmed beneath Lord Nelson pit, 16 March 2020

High grade gold intersected at Sandstone Gold Project, 12 September 2019

High grade gold assays in Vanguard RC hole, 05 December 2018

RC assay results - Vanguard Southeast, Sandstone Project WA, 31 May 2018

High grade gold assays at Vanguard Prospect, 20 March 2018

Significant Shallow Oxide Gold at Sandstone Gold Project, 15 December 2017

Excellent high grade gold intersections at Vanguard, 09 November 2017

More high grade gold intercepts at Vanguard Sandstone WA, 23 Aug 2017

Additional high-grade RC intercepts from Vanguard North, 07 Aug 2017

Further high grade gold intercepts at Vanguard North, 20 July 2017

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above.

Table 1: Mineral Resource Estimate for Sandstone Gold Project

Deposit	Category	Cut-off (g/t Au)	Tonnage (kt)	Grade (g/t Au)	Contained gold (oz)
Lord Henry ^(b)	Indicated	0.8	1,200	1.6	65,000
TOTAL INDICATED			1,200	1.6	65,000
Lord Henry ^(b)	Inferred	0.8	110	1.3	4,000
Lord Nelson ^(a)	Inferred	0.8	1,820	1.9	109,000
Indomitable & Vanguard Camp ^(c)	Inferred	0.3-0.5	2,580	1.5	124,000
Havilah & Ladybird ^(d)	Inferred	0.5	510	1.8	29,000
TOTAL INFERRED			5,020	1.7	266,000
TOTAL INDICATED AND INFERRED			6,220	1.7	331,000

Small discrepancies may occur due to rounding

The references in this announcement to Mineral Resource estimates for the Sandstone Gold Project were reported in accordance with Listing Rule 5.8 in the following announcements:

(a): Lord Nelson: announcement titled "Alto increases Lord Nelson Resource by 60% to 109,000 ounces at 1.9g/t Gold" dated 27 May 2020,

(b): Lord Henry: announcement titled: "Maiden Lord Henry JORC 2012 Mineral Resource of 69,000oz." dated 16 May 2017,

(c): Indomitable & Vanguard Camp: announcement titled: "Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA" dated 25 September 2018; and

(d): Havilah & Ladybird: announcement titled: "Alto increases Total Mineral Resource Estimate to 290,000oz, Sandstone Gold Project" dated 11 June 2019.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcement noted above and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the previous market announcement continue to apply and have not materially changed.

Table 2: Significant assay results and drill collar information (MGA 94 zone 50).

Hole_ID	m_East	m_North	m_RL	Dip	Azimuth	m_MaxDepth	Prospect	From(m)	To(m)	Interval(m)	Au(g/t)	Comments
SRC220	740893	6884262	489	-60	220	158	Vanguard	132	144	12	2.96	
SRC221	740882	6884276	489	-60	220	128	Vanguard	112	120	8	0.70	
SRC222	740962	6884158	488	-60	220	158	Vanguard	40	88	48	0.38	
and								120	128	8	1.63	
SRC223	740931	6884184	488	-60	220	158	Vanguard	132	144	12	1.39	

Appendix 1: JORC TABLE

JORC Code, 2012 Edition Table 1 – Section 1 Sampling Techniques and Data

Item	Comments
Sampling techniques	<ul style="list-style-type: none"> Samples were collected by RC drilling. RC samples were passed directly from the in-line cyclone through a rig mounted cone splitter. Samples were collected in 1 m intervals into bulk plastic bags and 1 m calico splits (which were retained for later use). From the bulk 1 m sample (Green bags), a 4 m composite sample was collected using a split PVC scoop and then submitted to MinAnalytical Laboratory Services Pty Ltd (“MinAnalytical”) for analysis. RC 1 m splits were submitted to MinAnalytical if the composite sample assay values are equal to or greater than 0.1 g/t Au.
Drilling techniques	<ul style="list-style-type: none"> The RC drilling program used a KWL 350 drill rig with an onboard 1100cfm/350psi compressor and a truck mounted 1000cfm auxiliary and 1000psi booster. The sampling hammer had a nominal 140 mm hole.
Drill sample recovery	<ul style="list-style-type: none"> Recovery was estimated as a percentage and recorded on field sheets prior to entry into the database. RC samples generally had good recovery and there were no reported issues. There does not appear to be a relationship with sample recovery and grade and there is no indication of sample bias.
Logging	<ul style="list-style-type: none"> Alto’s RC drill chips were sieved from each 1 m bulk sample and geologically logged. Washed drill chips from each 1 m sample were stored in chip trays and photographed. Geological logging of drillhole intervals was carried out with sufficient detail to meet the requirements of resource estimation.
Subsampling techniques and sample preparation	<ul style="list-style-type: none"> Alto’s 4m and 1m RC samples were transported to MinAnalytical Laboratory Services Australia Pty Ltd located in Canning Vale, Western Australia, who were responsible for sample preparation and assaying for all RC drill hole samples and associated check assays. MinAnalytical is certified to NATA in accordance with ISO 17025:2005 ISO requirements for all related inspection, verification, testing and certification activities. 3kg 4m composite RC samples were dried and then ground in an LM5 ring mill for 85% passing 75 microns. Alto’s 4m RC samples were submitted for analysis via Photon assay technique were dried, crushed to nominal 85% passing 2mm, linear split and a nominal 500g sub sample taken (method code PAP3012R) <ul style="list-style-type: none"> The 500g sample is assayed for gold by Photon Assay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates. About the MinAnalytical Photon Assay Analysis Technique: <ul style="list-style-type: none"> Developed by CSIRO and the Chrysores Corporation, the Photon Assay technique is a fast and chemical free alternative to the traditional fire assay or Aqua Regia process and utilizes high energy x-rays. The process is non-destructive and utilises a significantly larger sample than the conventional 50 g fire assay (FA50AAS) or 10 g Aqua Regia (AR10MS). MinAnalytical has thoroughly tested and validated the Photon Assay process with results benchmarked against conventional fire assay. The National Association of Testing Authorities (NATA), Australia’s national accreditation body for laboratories, has issued MinAnalytical with accreditation for the technique in compliance with ISO/IEC 17025:2018-Testing. Subsequently, intervals of 4 m composite samples reporting greater than 0.1 g/t Au were selected for re-assay, and 1 m re-split samples were submitted for 50 g fire assay. Sample sizes are considered to be appropriate.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Alto’s 4m RC composite samples were submitted to the laboratory with field duplicates and field blank samples inserted at a ratio of 1:20. For 1m re-split samples, purchased standards and in-house field blanks were inserted at a ratio of 1:20. Laboratory Certified Reference Materials and/or in-house controls, blanks, splits and replicates are analysed with each batch of samples by the laboratory. These quality control results are reported along with the sample values in the final report. Selected samples are also re-analysed to confirm anomalous results. Laboratory and field QA/QC results were reviewed by Alto Metals Ltd (AME) personnel.

Item	Comments
Verification of sampling and assaying	<ul style="list-style-type: none"> All significant intersections are reviewed by alternative company personnel. No twinned holes were drilled. Field data is recorded on logging sheets and entered into excel prior to uploading to and verification in Datashed and Micromine. Laboratory data is received electronically and uploaded to and verified in Datashed and Micromine. Values below the analytical detection limit were replaced with half the detection limit value.
Location of data points	<ul style="list-style-type: none"> All data has been reported based on GDA 94 zone 50. Alto used handheld Garmin GPS to locate and record drill collar positions, accurate to +/-5 metres (northing and easting), which is sufficient for exploration drilling. The RL was determined using the SRTM data. All Alto drill collars are ultimately surveyed by RM Surveys (licensed surveyor) with RTK GPS with accuracy of +/- 0.05m to accurately record the easting, northing and RL.
Data spacing and distribution	<ul style="list-style-type: none"> RC drill holes were designed to test the geological and mineralisation models. Drill collar spacing at Vanguard was 40m x 40m which is sufficient to establish the degree of geological and grade continuity appropriate for inferred mineral resource estimation. The drilling was composited downhole for estimation using a 1 m interval.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drill orientation at Vanguard is typically -60° to 220° which is designed to intersect mineralisation perpendicular to the interpreted mineralised zones. Geological and mineralised structures have been interpreted at Vanguard from drilling.
Sample security	<ul style="list-style-type: none"> For Alto, RC 4m composite and 1m original RC drill samples comprised approximately 3 kg of material within a labelled and tied calico bag. Individual sample bags were placed in a larger plastic poly-weave bag then into a bulka bag that was tied and dispatched to the laboratory via freight contractors or company personnel. Sampling data was recorded on field sheets and entered into a database then sent to the head office. Laboratory submission sheets are also completed and sent to the laboratory prior to sample receipt
Audits and reviews	<ul style="list-style-type: none"> Alto's Exploration Manager attended the 2020 Vanguard RC drilling program and ensured that sampling and logging practices adhered to Alto's prescribed standards. Alto's Chief Geologist has reviewed the laboratory assay results against field logging sheets and drill chip trays and confirmed the reported assays occur with logged mineralised intervals and checked that assays of standards and blanks inserted by the Company were appropriately reported.

JORC (2012) Table 1 – Section 2 Reporting of Exploration Results

Item	Comments
Mineral tenement and land tenure	<ul style="list-style-type: none"> Alto's Sandstone Project is located in the East Murchison region of Western Australia and covers approximately 800 km² with multiple prospecting, exploration and mining licences all 100% owned by Sandstone Exploration Pty Ltd, which is a 100% subsidiary of Alto Metals. All tenements are currently in good standing with the Department of Mines, Industry Regulation and Safety and to date there has been no issues obtaining approvals to carry out exploration. Royalties include a 2% of the Gross Revenue payable to a third party, and a 2.5% royalty payable to the State Government.
Exploration done by other parties	<ul style="list-style-type: none"> Historically gold was first discovered in the Sandstone area in the 1890's. In 1912 a total of 64 tons of ore was mined from Vanguard for 71.11 ounces of gold at a grade of 34g/t gold. Between the 1980s and 2010, Western Mining Corporation, Herald Resources and Troy Resources carried out surface geochemistry, geological mapping, drilling and mineral resource estimation.
Geology	<ul style="list-style-type: none"> The historical workings at Vanguard are located in a sequence of northwest trending mafic and ultramafic rocks with minor intercalated BIF units. Drilling indicates the Vanguard mineralisation is hosted predominantly within mafic lithologies (dolerite). The average depth of weathering varies from 30 - 70m. Petrographic work by AME has confirmed that differentiated dolerites and granophyres have been intersected in AME drill holes that host the gold mineralisation. Gold mineralisation is mainly associated with sulphidic quartz veins which occur in multiple orientations and as plunging shoots. The structures which host the mineralisation are interpreted from drilling to strike and have a shallow plunge to the NE.
Drill hole information	<ul style="list-style-type: none"> Drill hole collars and relevant information is included in a table in the main report.
Data aggregation methods	<ul style="list-style-type: none"> Reported mineralised intervals +0.5g/t Au may contain up to 2-4 metres of internal waste (or less than 0.5g/t Au low grade mineralisation interval). No metal equivalent values have been reported. The reported grades are uncut.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> RC drill holes were angled at -60° and were designed to intersect perpendicular to the mineralisation. Downhole intercepts are not reported as true widths however are considered to be close to true widths based on the drill orientation and current understanding of the mineralisation.
Diagrams	<ul style="list-style-type: none"> Refer to plans and figures in this Report. All RC holes illustrated in Sections and plan.
Balanced reporting	<ul style="list-style-type: none"> All drill holes have been reported as per the table in the main report.
Other substantive exploration data	<ul style="list-style-type: none"> All material information has been included in the report.
Further work	<ul style="list-style-type: none"> Alto is planning to undertake further drilling including RC drilling at Vanguard to expand the existing mineralization and potentially update the mineral resource, and to identify new mineralization.