

7 November 2016

Ms Anjuli Sinniah
Adviser, Listings Compliance (Perth)
Level 40 Central Park
152-158 St Georges Terrace
Perth WA 6000

Dear Anjuli

Alto Metals Limited Late lodgment of Appendix 3Y's for Dermot Ryan and Bill Robertson - Change of Director's Interest Notice

We refer to your letter of 7 November 2016 in relation to the late lodgment of Director's Interest Notices. We respond to your questions as follows:

1. The reason the Appendix 3Y's were lodged late was due to an administrative oversight when the shares from the Share Purchase Plan were issued. We were in the process of changing over Company Secretary, and when I was appointed I was actually overseas on leave at the time. The lodgments were made as soon as the administrative error was uncovered;
2. The Company has in place the necessary procedures and checks to ensure that such director disclosures to the ASX, including Appendix 3Y's, are completed and lodged within the time period allowed by listing rule 3.19A; and
3. The Company's Managing Director and Company Secretary have reviewed the procedures in place to ensure that changes in director's interests are reported to the market in a timely manner and have further reminded all directors of their obligations to comply with those procedures to ensure compliance with listing rule 3.19B.

Alto Metals Limited takes its continuous disclosure obligations seriously and is continually reviewing its administrative systems to ensure it meets those obligations.

Yours sincerely



RS Middlemas
Company Secretary



7 November 2016

Mr Robert Samuel Middlemas
Suite 2, 91 Hay Street
SUBIACO WA 6008

By email: smiddlemas@westnet.com.au

Dear Mr Middlemas

Alto Metals Limited (the "Company")

We refer to the following:

The Company's announcement lodged with ASX Ltd ("ASX") on 21 September 2016 regarding a change of director's interest notice for Dermot Ryan ("Appendix 3Y").

Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z



within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in Dermot Ryan's notifiable interests occurred on 25 July 2016 the Appendix 3Y should have been lodged with the ASX by 1 August 2016. As the Appendix 3Y was lodged on 21 September 2016 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to anjuli.sinniah@asx.com.au. It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Wednesday 9 November 2016**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

[sent electronically without signature]

Anjuli Sinniah
Adviser, Listings Compliance (Perth)