



MAJOR DRILLING PROGRAM WELL UNDERWAY AT THE LORDS SANDSTONE GOLD PROJECT

SECOND RC RIG HAS ARRIVED AT SITE AND COMMENCED DRILLING AT LORD NELSON TO ACCELERATE THE CURRENT 30,000M EXPLORATION PROGRAM

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 900km² within a major gold district

Proforma Capital Structure

Issued Shares: 420m

Share Price: \$0.077

Market Cap: \$32m

Directors

Non- Executive Chairman

Richard Monti

Managing Director

Matthew Bowles

Non-Executive Director

Terry Wheeler

Non-Executive Director

Dr Jingbin Wang

Company Secretary & CFO

Graeme Smith

Contact details

Suite 9, 12-14 Thelma St

West Perth WA 6005

T: 61 8 9381 2808

E: admin@altometals.com.au

www.altometals.com.au

ASX: AME



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Highlights

- Exploration program for 2021 well underway with the arrival of a second RC drill rig to accelerate completion of the 30,000m program at Sandstone Gold Project.
- Drilling is initially focused on the Lords Corridor to test extensions of known high-grade mineralisation, with the first RC rig currently drilling at Lord Henry and the second rig drilling at the Orion Lode.
- Initial results from the recent drilling highlighted a major new target 800m south of the Orion Lode have returned a 32 metre thick zone of gold mineralisation at 220m down hole depth.
- Assays remain pending for 21 holes for 3,297m from drilling south of the Orion Lode within the Lords Corridor, completed in December 2020.

Alto Metals Limited (ASX: AME) (**Alto or Company**) is pleased to advise that its 2021 exploration program at its Sandstone Gold Project is now well underway, with the arrival of a second reverse circulation (RC) rig to accelerate drilling priority targets at the Lords Corridor.



Figure 1. RC drilling underway at Lord Nelson

Alto's Managing Director, Matthew Bowles said:

We are excited to have a second rig on site to accelerate the aggressive 30,000m RC drilling campaign that is currently underway along the +3 kilometre Lords Corridor.

With recent results from a major step-out hole highlighting another new mineralised zone along the Lords Corridor, we are really excited about the potential that is starting to emerge at our Sandstone Gold Project.

With two rigs now drilling at Lord Henry, Lord Nelson and a number of other priority targets, we are really looking forward to seeing the drilling demonstrate the significant potential that we continue to see at the Sandstone Gold Project.

Drilling well underway at Sandstone Gold Project with two RC rigs on site

Following the announcement on 5 February of the arrival of the first RC rig at site to complete the remaining ~24,000m the planned 30,000m program, a second RC rig has now arrived on site to accelerate drilling at the Lords Corridor and completion of the campaign.

Drilling is continuing at the Lord Henry open pit with the first RC rig targeting depth extensions of known mineralisation, highlighted by the recent IP survey, before moving on to test strike and depth extensions at Lord Nelson.

The second RC rig has initially been mobilised to the Orion Lode, to test strike and depth extensions to known mineralisation, before being moved to test regional targets, including a planned 8,000m at Vanguard and an initial 2,000m at Chance, with up to \$150,000 co-funded through the WA State Government Exploration Incentive Scheme (EIS).

The first RC rig will remain drilling at the Lords Corridor, including to test the new 32m thick zone of mineralisation identified from step-out drilling, over 800m south of the Orion Lode. Initial planning is underway as it is likely that the current program will be significantly expanded, subject to initial results.



Figure 2. RC drilling underway at Lord Henry

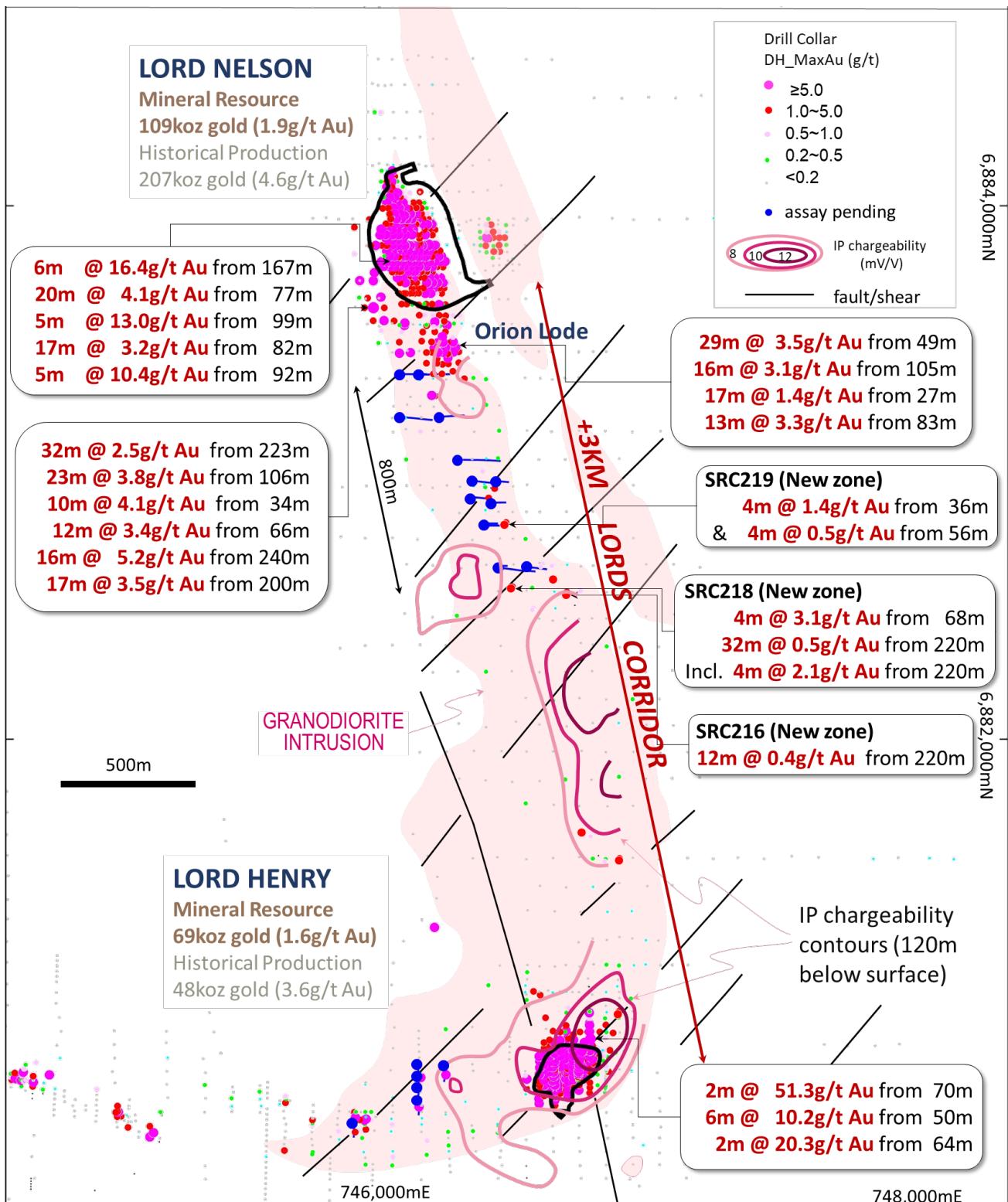


Figure 3. Lords deposits and +3km Lords Corridor – Simplified geological interpretation overlaid with IP anomalies (from 120m below surface).

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 Q1 Lords drilling.				

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
 T: +61 8 9381 2808
 E: admin@altometals.com.au

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 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 the Lords Corridor, 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

Down plunge extensions confirmed at Lord Nelson, 22 July 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 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.

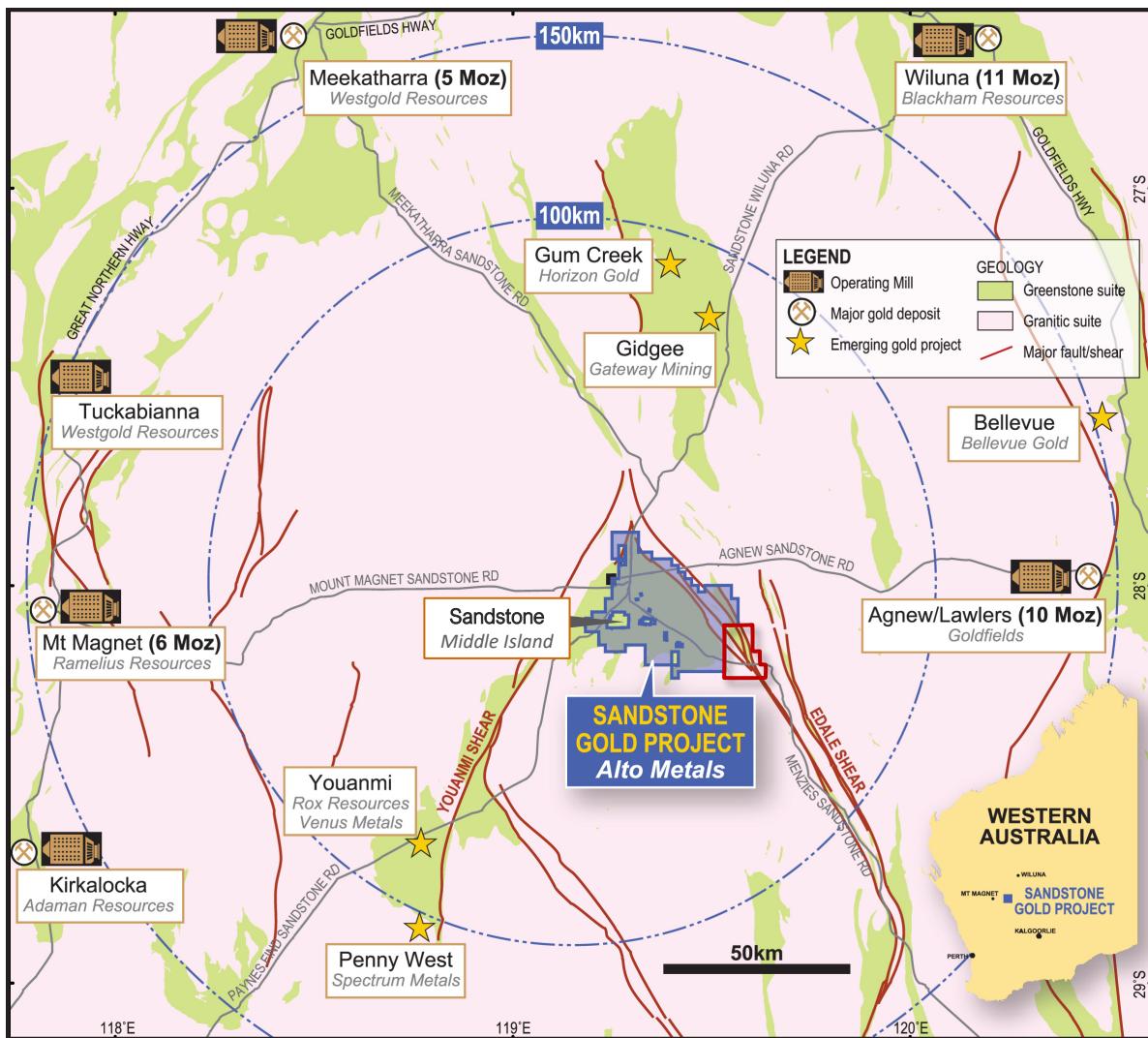


Figure 4. Location of Sandstone Gold Project within the East Murchison Gold Field, WA