

30 April 2018

CORPORATE

ASX Code: AME

ACN 159 819 173

Board of Directors

Terry Streeter
Non-Executive Chairman

Dermot Ryan
Managing Director

Dr Jingbin Wang
Stephen Stone
Terry Wheeler
Non-Executive Directors

**Company Secretary &
Chief Financial Officer**
Patrick Holywell

**Capital Structure
at 31 March 2018**

Issued Shares: 185.5M
Issued Options: Nil
Performance Shares: 25M
Performance Rights: 10.75M

Website:
www.altometals.com.au

**For further information,
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Managing Director

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Highlights - Sandstone Project

- Nickel-copper-cobalt sulphides added to the current gold commodity focus based on Western Areas NL (ASX: WSA) 2010 discovery at Sandstone of disseminated and semi-massive nickel sulphides (26.2m at 0.4% Ni from 60m depth in hole WAD002) including a 20cm interval of semi-massive sulphide which assayed 4.1% Ni from 86.3m depth.
- Assays from February's drilling at Vanguard include: SRC075: 25m @ 3.8g/t Au from 85m, including 9m @ 6.4g/t from 89m and 6m @ 7.0g/t from 104m, SRC060: 10m @ 3.7g/t from 81m, SRC071: 7m @ 3.2g/t Au from 0m
- 14 follow-up RC holes completed (March-April) at Vanguard SE & NE, and 7 follow-up RC holes completed at Maninga Marley, and initial test of Maninga South IP target completed with one 348m deep RC hole. Assay results for these holes are awaited
- Soil program commenced over 17 identified gold targets, with 1,160 soil samples collected to date of 3,000 planned
- 20,000m aircore (AC) drilling program planned to cover various advanced gold targets. Stage 1 (5,000m AC) planned for greater Vanguard area to determine size of the Vanguard gold system
- Program of Work approved by Mines Dept for exploration and drilling at historic Hacks and Oroya mine sites. Assessment of historic drilling and underground workings in progress to produce opportunities for further drill targeting
- Surveying and auger sampling to commence early May of extensive historic (1897-1914) mill sand (tailings) deposits at Hacks, Oroya, Havilah and Maninga Marley, to determine volume and remnant gold grade, and provide samples for leach testing
- Leach testing will provide data for a study to determine if low cost heap leaching is a viable option for generating early cashflow to help fund future exploration
- Preliminary resource estimation (JORC 2012) in progress for Vanguard, results expected to be available next Quarter

Corporate

- Mr Terry Streeter appointed to the Board as Non-executive Chairman
- Mr Patrick Holywell appointed to CFO and Company Secretary
- \$1.77 million cash @ 31 March 2018.

SUMMARY OF ACTIVITIES

Alto Metals Limited (ASX: AME) ("Alto", "the Company") is pleased to provide a summary of activities for the March Quarter 2018 at its 100% owned 800km² Sandstone Gold Project, 150km east of Mount Magnet in Western Australia. Exploration activities included:

- RC drilling for gold at Vanguard, Maninga Marley and Indomitable,
- RC drill testing an Induced Polarization (IP) anomaly south of Maninga Marley,
- Commencement of a 3,000 sample soil sampling program,
- Planning of a 20,000m aircore drilling program over 17 target areas,
- Commencement of desktop studies regarding the potential volume and gold content of the extensive historic tailings on the Company's landholdings, and
- Review of potential nickel-copper-cobalt sulphide targets based on review of Western Areas NL extensive Sandstone IP data, the presence of komatiites and the presence of disseminated and semi-massive nickel sulphides in WSA drill holes

DRILLING ACTIVITIES

Alto's drilling activities over the March Quarter (and to 8 April 2018) comprised two reverse circulation (RC) drilling campaigns. The first campaign tested high grade mineralized structures at Vanguard (15 new holes for 1,912m, and one re-entry for an extra 40m) and Indomitable (3 holes for 468m) between 29 January and 9 February. Final assays from this campaign were received and reported by the Company on 20 March 2018.

The second campaign from 31 March to 9 April focused on RC drilling on the southeast and northeast extremities of Vanguard, to test newly interpreted mineralized gold structures, and RC drill holes to test existing gold structures Maninga Marley. One deep RC hole was completed as an initial test of the Maninga South IP anomaly. The Company is awaiting all 4m composite assays from this second drilling campaign, which are expected in 1st week of May. Refer Table 1 below for a summary of prospects tested.

Table 1. Reverse Circulation Drill Holes and Prospects Drilled 9 February to 8 April 2018

Prospect	Hole ID's	No. Holes	Metres	Assays
Vanguard	SRC071 to SRC085 & SRC060	16	1,952	1m sample results received
Indomitable	SRC086 to SRC088	3	468	4m comp results received
Vanguard	SRC090 to SRC104	15	1,160	Awaiting all results
Manninga Marley + IP anomaly	SRC089, SRC105 to SRC113	10	964	Awaiting all results
	Total	44 holes	4,544m	

RC DRILLING AT VANGUARD

The Vanguard Prospect occurs within the 20km long Alpha Mafic Volcanic Domain which consists of a sequence of differentiated dolerite, basalt and ultramafic units. The gold mineralization appears to be localized around a series of regional late stage NE-SW trending brittle faults which are apparent in detailed magnetic imagery, and which disrupt and displace the regional stratigraphy.

Figure 1 overleaf is a plan view showing the location of the Vanguard grid, Alto's RC drill hole collars, and a general outline of the gold mineralized structures defined to date. Note hole **SRC019 (8m @ 3.6g/t Au from 39m & 7m @ 5.9g/t Au from 52m)**, which is 200m to the southeast of the main zone, was followed up with 10 RC holes in the latest drilling campaign. Hole **SRC046 (8m @ 7.6g/t Au from 34m)** some 100m to the northeast of the main zone was followed up with 4 RC holes. 4m composite samples have been delivered to the laboratory and results are awaited.

Vanguard drill hole collar information is located in Appendices 3 and 4 at the rear of this report. Note the 750m gap between Vanguard and Vanguard North, which is planned for aircore drill testing to commence in May 2018.

Figure 1. Vanguard Prospect, Plan of 2017 RC Drill Hole locations and Mineralized Structures

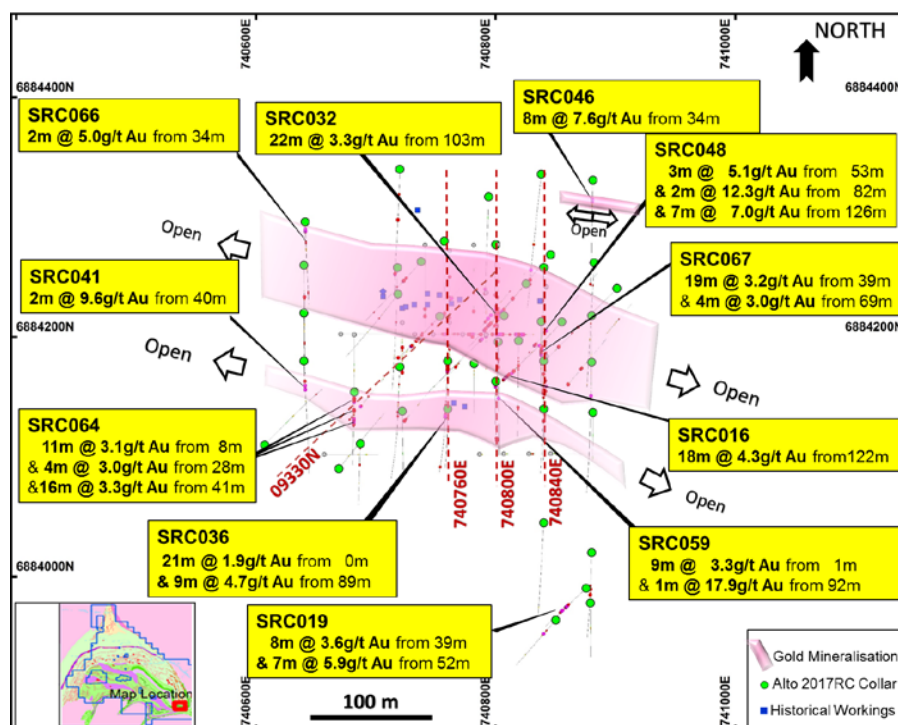
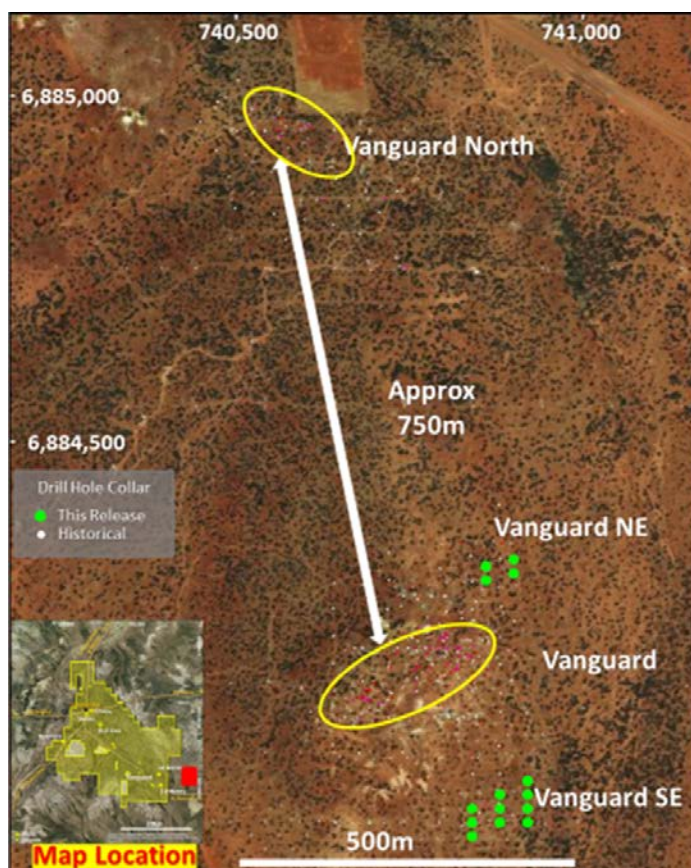


Figure 2. Location of latest RC Drill Holes at Vanguard

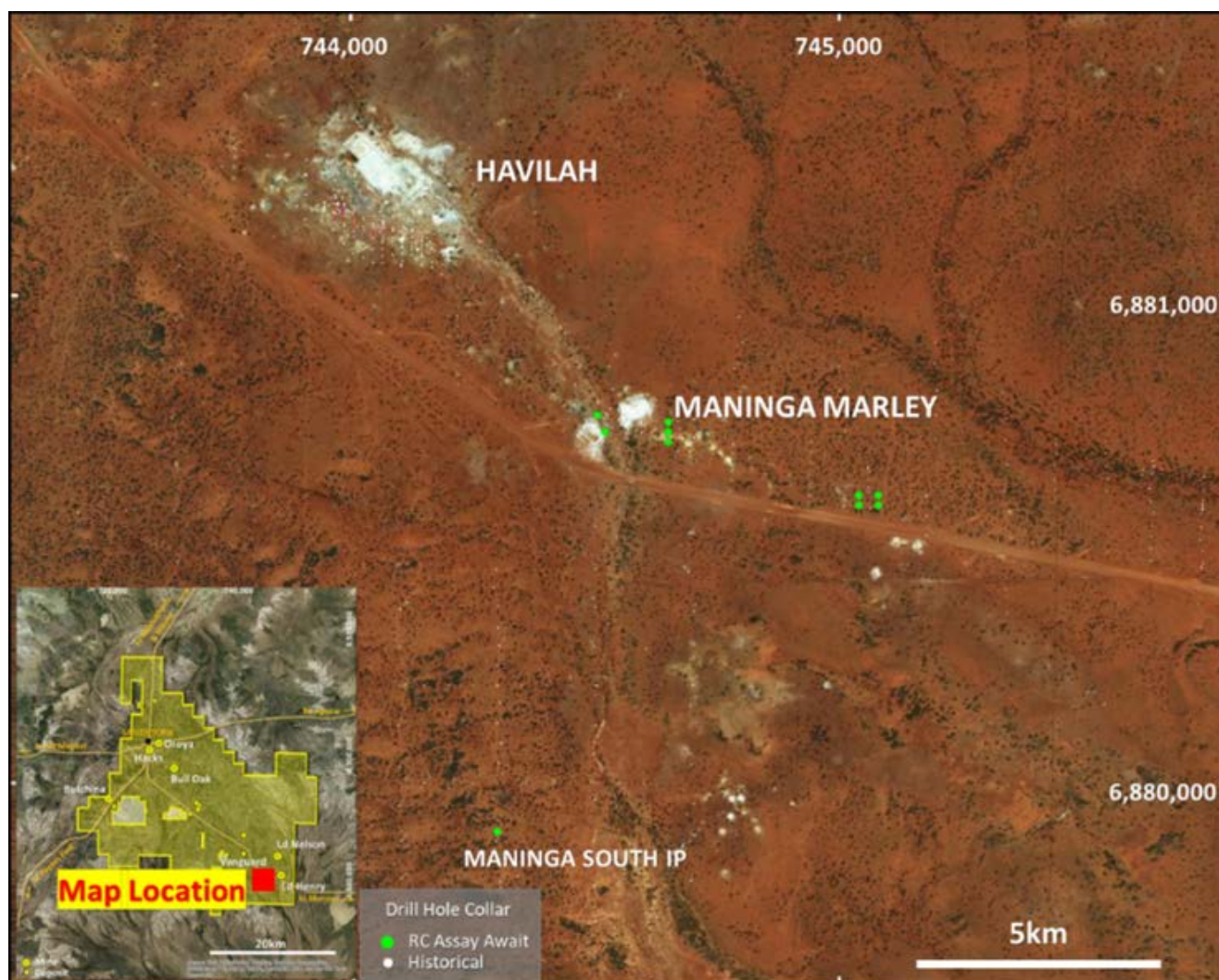


RC DRILLING AT MANINGA MARLEY

Up to 9th April, 7 RC holes were drilled at Maninga Marley to test interpreted down plunge positions of known gold mineralization.

The locations of the latest Maninga Marley RC holes and the Maninga South IP hole (SRC089) are shown in Figure 3 below, with drill hole collar information located in Appendix 6 of this report.

Figure 3. Location of latest RC Drill Holes at Maninga Marley and Maninga south IP



The first deep RC drill hole to test an extensive Induced Polarization (IP) chargeability anomaly south of the Maninga Marley was completed at 348m downhole on line 744,300E. The collar location and details are shown in Appendix 6.

The 1,200m x 300m IP anomaly was located in 2011 by Western Areas NL, and is centred over magnetic units interpreted to be komatiites, south and southwest of Maninga Marley.

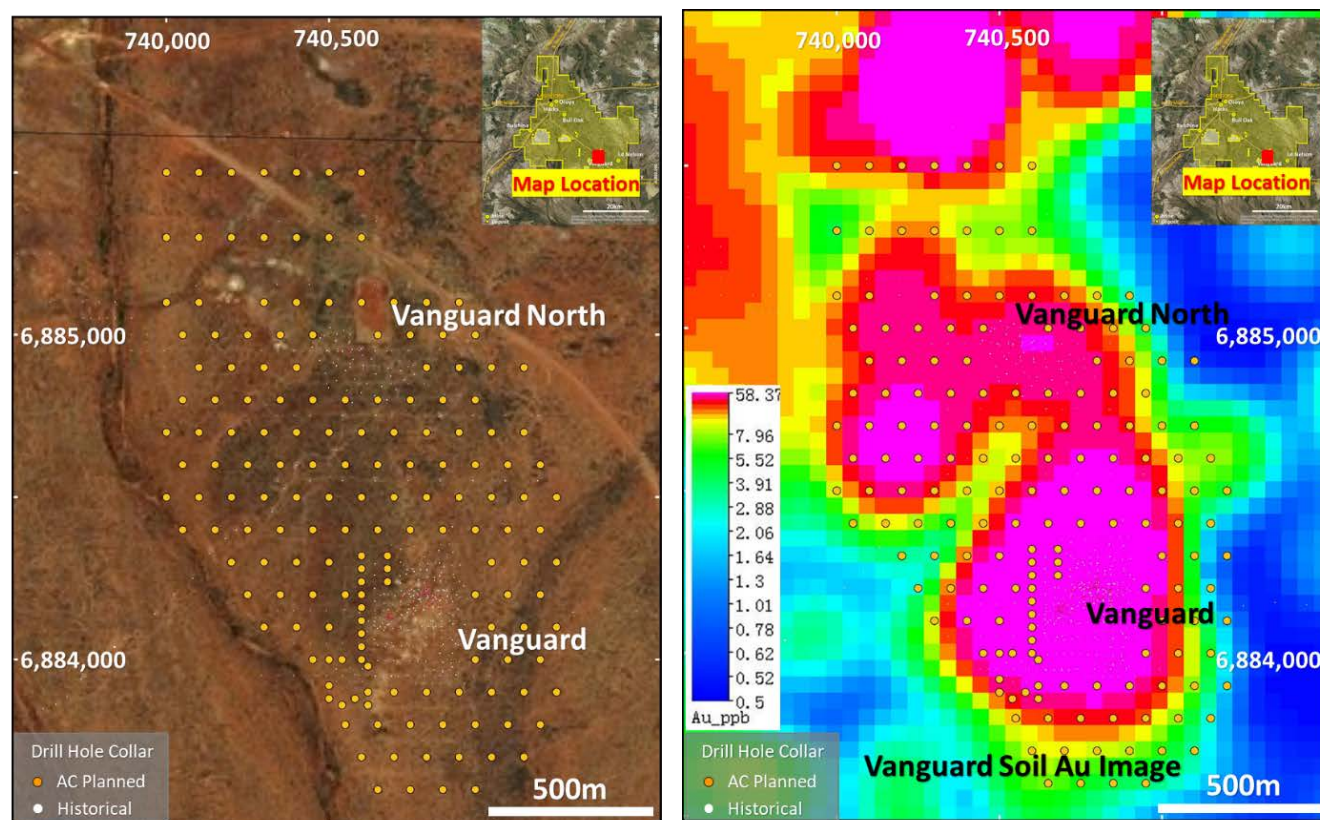
Western Areas completed 59 air-core holes with an average depth of 39m. Several deeper holes reached 107m depth and nickel values (average 1,500-2,000 ppm) correlated well with the logged ultramafic lithologies. No deep RC or diamond core drilling was conducted by Western Areas.

Details of this previous work are reported in Alto's 22nd March 2018 ASX release with a JORC Table 1.

PLANNED AIRCORE DRILLING

Stage 1 of Alto's 2018 20,000m AC drilling program will consist of 5,000m of AC to define the extent of the Vanguard-Vanguard North gold system, which may extend over 1,200m of strike, and is open to the NW and SE. Proposed AC holes at Vanguard are shown in Figure 4 below, over Google image and Alto's greater Vanguard gold soil anomaly, reported to the ASX on 19th February 2018.

Figure 4. Images showing location of planned AC Drill Holes at Vanguard-Vanguard North



EXTENSIVE SOIL SAMPLING PROGRAM COMMENCED

The results of Alto's two previous soil sampling programs, located over Vanguard and Maninga Marley indicated that gold in (residual) soils was more widespread than previously thought, and that further soil sampling at Sandstone could assist in the identification and ranking of gold targets for drill testing. Refer Alto's ASX release dated 19th February 2018 for details of these soil sampling programs.

Following compilation by Alto of a patchwork of soil sampling programs from various previous explorers, Alto has commissioned a modern soil sampling program (3,000 samples) over 17 target areas to "fill in the gaps".

This program commenced on 5th April 2018, and to date, 1,337 samples have been collected and submitted for low level gold (ppb) analysis. Results from the first batch of samples are expected in early May.

HISTORIC HACKS MINES AND MILL SANDS

The Hacks gold mines (also known as the Black Range Gold Mines) are located ~500m south of the town of Sandstone, along the Menzies Road. They were discovered in 1897 and yielded very high grades in the vicinity of 45 - 60 g/t Au.

The majority of historical production (1895-1919) at Sandstone has come from the Black Range and Oroya mines. The Black Range mine produced 206,000 oz from 260,000 t of ore with an average grade of 24 g/t Au from the Hacks Reef, and the Oroya mine produced 220,000 oz from 420,000 t at 16.5 g/t Au from the Sandstone reef.

Alto is currently assessing the historic underground workings and previous drilling information for Hacks and Oroya mines, in order to assist in further RC drill targeting. A Program of Work has been approved by Mines Dept for exploration and drilling at the Hacks and Oroya mine sites.

In addition, a substantial deposits of historic battery sands lie at Hacks and Oroya, with black plastic providing evidence that the sands were leached in the late 1980's. A 20m x 20m auger sampling program has been planned to determine the remnant gold grade of these tailings.

Other similar sand deposits exist at Havilah and Maninga Marley, and these are also planned for auger sampling, assaying and metallurgical testwork.

Figure 5. Image of Hacks Mill Sands (Tailings) Deposit



TENEMENTS

In 2017 applications for Mining Leases 51/643 and 51/644 (286Ha & 185Ha respectively) were pegged over the Lord Nelson and Lord Henry deposits, while assessing the potential for a third party toll treatment agreement or a “50:50” profit share mining agreement.

Following a review of the economics of trucking ore from Lord Nelson and Lord Henry deposits to third party facilities, and the resultant “high-grading” that would take place to cover the trucking costs, the Alto board determined that exploration for new shallow high-grade gold deposits should be a priority. Subject to the eventual discovery of a major resource(s), the Lord Nelson and Lord Henry deposits would be additional mill feed to a locally based and 100% owned Alto mill.

The MLA’s were therefore withdrawn post the end of the Quarter. Alto’s granted E57/1031 still covers the deposits, and will allow Alto to continue to explore the ground around and under the existing pits.

CORPORATE

On 13 March 2018, the Company announced the appointment Mr Terry Streeter as a Non-executive Chairman of Alto Metals Limited, with Alto’s founding Chairman Dr Jingbin Wang moving to a Non-executive Director role.

Mr Streeter is well known as the founding shareholder and former Non-executive Director and Chairman of Western Areas NL (ASX: WSA) which raised \$5 million at IPO in 2000 and went on to discover and develop two high-grade nickel sulphide mines, at Flying Fox and Spotted Quoll in the Forrestania region of Western Australia, which produce annually between 22,000 - 25,000t of nickel.

On 28 February 2018, Mr Patrick Holywell was appointed Chief Financial Officer and Company Secretary following the resignation of Mr Sam Middlemas.

Mr Holywell is a Chartered Accountant with fifteen years experience in corporate governance, finance and accounting including employment with Deloitte Touche Tohmatsu Ltd and Patersons Securities Ltd. Mr Holywell has been employed by and acted as company secretary, CFO and/or director of a number of companies in the resources sector.

CAPITAL STRUCTURE**@ 31 March 2018**

Total Fully Paid Ordinary Shares on issue:	185,459,462
Unlisted Performance Shares on Issue: (vendors)	25,000,000
Unlisted Performance Rights on Issue: (management)	10,750,000

CASH POSITION

The Company’s cash position at 31 March was \$1.77 million.

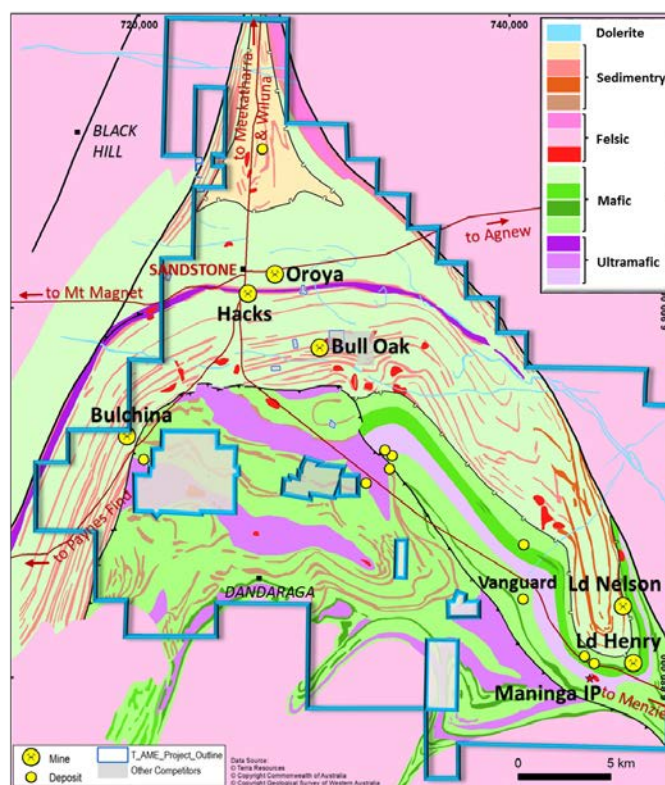
INVESTMENTS IN ASX LISTED COMPANIES

Alto holds 2,500,000 shares in ASX-listed Enterprise Metals, currently worth approximately \$37,500. This investment is reviewed on a regular basis.

STRATEGY & 2018 ACTION PLAN

Alto’s goal is to find 1 to 5 million ounces of gold at Sandstone and re-establish mining operations with its own dedicated mill. Towards this goal, the Company has planned a succession of systematic and focused soil sampling, aircore and RC drilling campaigns, to discover large deposits of oxide and primary gold mineralization at Vanguard and other prospects in 2018. Refer Figure 6 overleaf showing Alto’s landholdings, interpreted geology, and major prospects.

Figure 6. Interpreted Geology of Sandstone Greenstone Belt with Major Alto Targets

**Further information:**

Dermot Ryan

Managing Director

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admin@altometals.com.auwww.altometals.com.au**Competent Person Statement**

The information in this Report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Dermot Ryan, who is an employee of XServ Pty Ltd and a Director and security holder of the Company. Mr Ryan is a Fellow of the Australasian Institute of Mining and Metallurgy 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.

The information in this report that relates to assay results from Alto's 2017 and 2018 drilling programs at Sandstone has previously been reported to the ASX, pursuant to JORC 2012. Alto Metals Limited believes the information has not materially changed since it was last reported. Mr Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Historic exploration results and mineral resources referred to in this Report were previously reported by Troy Resources NL pursuant to JORC Code 2004, or alternatively Herald Resources Ltd. Alto Metals Limited understands that this information has not been updated since to comply with the JORC Code 2012, but believes the information has not materially changed since it was last reported.

Tenement Information as Required by Listing Rule 5.3.3

Appendix 1. Sandstone Tenement Schedule at 31 March 2018

Tenement	Project	Interest Held	Holder	Lease Status
E57/1029	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
E57/1030	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
E57/1031	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
E57/1033	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
E57/1044	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
E57/1070	Sandstone	100%	Sandstone Exploration Pty Ltd	Application
E57/1072	Sandstone	100%	Sandstone Exploration Pty Ltd	Application
P57/1377	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
P57/1378	Sandstone	100%	Sandstone Exploration Pty Ltd	Granted
P57/1415	Sandstone	100%	Sandstone Exploration Pty Ltd	Application
P57/1417	Sandstone	100%	Sandstone Exploration Pty Ltd	Application
M57/643*	Sandstone	100%	Sandstone Exploration Pty Ltd	Application
M57/644*	Sandstone	100%	Sandstone Exploration Pty Ltd	Application

Note: Sandstone Exploration Pty Ltd is a wholly owned subsidiary of Alto Metals Limited

Appendix 2. Other Tenement Schedule at 31 March 2018

Tenement	Project	Interest Held	Holder	Lease Status
E09/2204*	Gascoyne	100%	Alto Metals Limited	Granted

***Note:** Applications for M57/643 and M57/644 were Withdrawn post the end of the March Quarter, and granted E09/2204 was Surrendered post the end of the March Quarter

Appendix 3. Vanguard Prospect – RC Holes Completed February 2018

Hole ID	East MGA94	North MGA94	Dip Degrees	Azimuth Degrees	Depth (m)
SRC060	740782	6884178	-60	180	120
SRC071	740760	6884159	-60	180	100
SRC072	740760	6884198	-60	180	132
SRC073	740840	6884298	-60	180	198
SRC074	740799	6884212	-60	180	126
SRC075	740803	6884255	-60	180	180
SRC076	740720	6884101	-60	0	100
SRC077	740639	6884062	-60	0	100
SRC078	740677	6884050	-60	0	108
SRC079	740720	6884300	-60	180	100
SRC080	740841	6884020	-60	180	126
SRC081	740879	6884409	-60	180	144
SRC082	740879	6884061	-60	180	132
SRC083	740881	6884110	-60	180	150
SRC084	740918	6884108	-60	180	108
SRC085	740724	6884137	-60	0	108
SRC086	733270	6892294	-60	60	102
SRC087	733209	6892233	-60	60	216
SRC088	733270	6892122	-60	60	150

Hole Co-ordinates: GDA94, Zone MGA 94_50. Vanguard is in Exploration Licence 57/1033

Appendix 4. Vanguard Prospect - RC Holes Completed 31 March - 8 April 2018

Hole ID	East MGA94	North MGA94	Dip Degrees	Azimuth Degrees	Depth (m)
SRC090	740842	6883932	-90	360	60
SRC091	740843	6883951	-90	360	60
SRC092	740841	6883968	-90	360	60
SRC093	740880	6883952	-90	360	80
SRC094*	740880	6883972	-90	360	33*
SRC095	740921	6883959	-90	360	100
SRC096	740922	6883977	-90	360	100
SRC097	740921	6883991	-90	360	100
SRC098	740919	6884016	-90	360	100
SRC099	740883	6883989	-90	360	80
SRC100	740877	6883976	-90	360	80
SRC101	740899	6884312	-90	360	80
SRC102	740902	6884330	-90	360	80
SRC103	740863	6884304	-90	360	80
SRC104	740862	6884322	-90	360	80

Hole Co-ordinates: GDA94, Zone MGA 94_50. Vanguard is in Exploration Licence 57/1033

*Note: *Hole SRC094 was abandoned at 33m prior to reaching target depth.*

Hole SRC100 replaced hole SRC094.

Appendix 5. Indomitable Prospect – RC Holes Completed February 2018

Hole ID	East MGA94	North MGA94	Dip Degrees	Azimuth Degrees	Depth (m)
SRC086	733270	6892294	-60	60	102
SRC087	733209	6892233	-60	60	216
SRC088	733270	6892122	-60	60	150

Hole Co-ordinates: GDA94, Zone MGA 94_50. Indomitable is in Exploration licence 57/1031

**Appendix 6. Maninga Marley & Maning South Prospect
RC Holes Completed to 8th April 2018**

Hole ID	East MDA_94	North MDA_94	Dip (Deg)	Azimuth (Deg)	Depth (m)
SRC089	744303	6879895	-60	360	348
SRC105	745039	6880569	-90	360	80
SRC106	745039	6880591	-90	360	80
SRC107	745081	6880568	-90	360	60
SRC108	745079	6880591	-90	360	60
SRC109	744521	6880722	-90	360	60
SRC110*	744507	6880749	-90	360	38*
SRC111	744653	6880698	-90	360	60
SRC112	744652	6880720	-90	360	80
SRC113	744654	6880738	-90	360	98

Hole Co-ordinates: GDA94, Zone MGA 94_50. Maninga Marley is in Exploration Licence 57/1033

*Note: *Hole SRC110 was abandoned at 38m prior to reaching target depth due to difficult ground conditions.*