

ALTO TO RAISE \$2.6 MILLION TO FAST TRACK DRILLING AT SANDSTONE GOLD PROJECT

Alto Metals Ltd (“**Alto**” or “the **Company**”) (ASX: **AME**) is pleased to announce that it has secured firm commitments to raise a total of A\$2,047,502 (before costs) by way of a placement of 56,875,060 Shares at 3.6 cents per share, together with 1 free attaching unquoted option, exercisable at 7 cents for every 2 Shares subscribed for (**Shortfall Placement**).

The Shortfall Placement was oversubscribed receiving strong demand from several boutique funds and sophisticated investors in Australia and includes an equity funded drilling contract up to \$350,000.

The Shortfall Placement price of 3.6 cents represents a significant premium of 44% to the implied offer price of 2.5 cents¹, under the Middle Island Resources Limited’s (**MDI**) unsolicited takeover offer, being 5 MDI shares for every 1 Alto share. This also represents a 10% discount to the closing Alto share price of 4 cents prior to announcing this capital raising.

The Company also intends to raise a further \$600,000 through a placement to Alto’s Chairman and major shareholder, Mr Terry Wheeler (**Placement**) to maintain his interest in the Company. This Placement is to be made on the same terms as the Shortfall Placement and is subject to shareholder approval.

The total commitments secured from both the Shortfall Placement and Placement of \$2,647,502 will enable Alto to advance drilling at its flagship Sandstone Gold Project, progress further exploration, resource study work and cover general working capital.

Alto’s Chairman, Terry Wheeler commented

“Alto is extremely pleased with the interest and support from investors which represents a strong endorsement of Alto’s Sandstone Gold Project, technical capabilities and ongoing strategy to generate and drill test a pipeline of highly prospective exploration targets.”

“With this funding secured, we can commence the aggressive drilling campaign, of approximately 10,000 metres, targeting high grade gold at several known prospects at Havilah, Vanguard and Lord Nelson, in addition to exploration at a number of new targets we have identified”

The Shortfall Placement was completed in relation to the shortfall of the Company’s non-renounceable entitlement offer detailed in the Company’s Prospectus dated 24 January 2019 and the Company’s Supplementary Prospectus dated 5 May 2019.

Settlement of the Shortfall Placement is expected to occur on Friday 10 May 2019 with shares to be allotted and commence trading on the ASX on or around Monday 13 May 2019. The new shares shall rank equally with the Company’s existing fully paid shares.

Empire Capital Partners and Bluebird Capital acted as joint lead managers to the Shortfall Placement.

For more information about Alto and its Projects, please visit the ASX platform or the Company’s website, www.altometals.com.au.

Please direct enquiries or requests for further information to:

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¹ Based on MDI’s closing share price of \$0.005 on 3 May 2019.