

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Alto Metals Limited

ABN

62 159 819 173

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Mths) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(291)	(602)
(b) development	-	-
(c) production	-	-
(d) administration	(173)	(553)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other:	-	-
Net Operating Cash Flows	(461)	(1,137)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(256)	(256)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	425
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(256)	169
1.13 Total operating and investing cash flows (carried forward)	(717)	(968)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(717)	(968)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares/options	1,141	1,141
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Share issue costs	(17)	(17)
	Net financing cash flows	1,124	1,124
	Net increase (decrease) in cash held	407	156
1.20	Cash at beginning of quarter/year to date	714	965
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,121	1,121

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	69
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$69k paid to Directors for Director and Consulting Fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

On 23 June 2016, 19,000,000 shares and 25,000,000 performance shares were issued to the vendors of Sandstone Exploration (SSE) Pty Ltd for the acquisition of all the issued capital in SSE.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	57
4.2	Development	-
4.3	Production	-
4.4	Administration	117
Total		174

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,121	714
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,121	714
Shares held in Enterprise Metals Limited and Antipa Minerals Limited, fair value at 30 June 2016	1,416	277
Total: cash, security deposits and other liquid assets held at cost at end of quarter	2,537	991

Changes in interests in mining tenements

6.1	Interests in mining tenements relinquished, reduced or lapsed	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	Surrendered	E09/2077	Alto Metals Limited	100%	0%
6.2	Interests in mining tenements acquired or increased	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
	Application acquired	E57/1029	Sandstone Exploration Pty Ltd	100%	100%
	Application acquired	E57/1030	Sandstone Exploration Pty Ltd	100%	100%
	Application acquired	E57/1031	Sandstone Exploration Pty Ltd	100%	100%
	Application acquired	E57/1033	Sandstone Exploration Pty Ltd	100%	100%
	Application acquired	E57/1044	Sandstone Exploration Pty Ltd	100%	100%
	Application granted	P57/1377	Sandstone Exploration Pty Ltd	100%	100%
	Application granted	P57/1378	Sandstone Exploration Pty Ltd	100%	100%
	Application granted	E59/2060	Alto Metals Limited	100%	100%
	Application lodged	E59/2180	Alto Metals Limited	0%	100%
	Application lodged	E29/980	Alto Metals Limited	0%	100%

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference⁺securities <i>(description)</i>	-	-		
7.2 Changes during quarter	-	-		
7.3 +Ordinary securities	115,695,812	115,695,812		
7.4 Changes during quarter				
(a) Increases through issues <i>1 June 2016 – private placement</i>	19,339,160	19,339,160	5.9 cents	5.9 cents
<i>23 June 2016 – Sandstone acquisition</i>	19,000,000	19,000,000	6.35 cents	6.35 cents
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter				
7.7 Options <i>(description and conversion factor)</i>				
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired/Lapsed during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				
* Performance shares <i>23 June 2016 – Sandstone acquisition</i>	25,000,000	25,000,000	6.35 cents	6.35 cents

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Dermot Ryan
CEO Executive Director

Date: 29 July 2016

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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