

# ***SANDSTONE GOLD PROJECT***



**Gateway to Gold**

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## Forward Looking Statements

Statements contained in this material, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Alto Metals, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

## Competent Persons’ Statement

Information in this report relating to exploration results and mineral resources is based on information compiled in the 2011 Troy Resources Limited Annual Report (TRY:ASX release 21 October 2011) and the Snowden Mining Industry Consultants, June 2007, National Instrument 43-101 Technical Report-Sandstone (TRY: ASX release 10 December 2007) which also details drilling and sampling methods, quality control and analytical methods. The Company is not aware of any new information or data that materially affects the information provided in the 2011 Troy Resources Annual Report and the Snowden Mining Industry Consultants 2007 Report, and considers that all of the previous assumptions and technical parameters underpinning the estimates and drill results in the previous announcements have not materially changed.

The reported resource estimates are consistent with the 2004 JORC Code guidelines and are not reported in accordance with the JORC 2012 Code and a Competent Person has not completed sufficient work to accurately classify the 2004 estimates as Mineral Resources under the JORC 2012 Code. Indeed it is uncertain if, following further exploration, the 2004 estimates will be able to be reported as Mineral Resources in accordance with the JORC 2012 Code. The Company intends to upgrade the historical published Mineral Resources to JORC 2012 as a matter of priority. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources.

<http://www.asx.com.au/asxpdf/20071210/pdf/316d8jf2r66kr9.pdf>

<http://www.asx.com.au/asxpdf/20111021/pdf/421xl4g58bjbwj.pdf>

# Corporate Structure



Share Price (29 July 2016)	A\$	0.090
Shares on Issue	#	144,475,415
Market Capitalisation (29 July 2016)	A\$	\$13.0m
<b>TOTAL CASH + LIQUIDS*</b>	A\$	~\$4.0M

**\*Liquid Assets @ 29 July 2016**

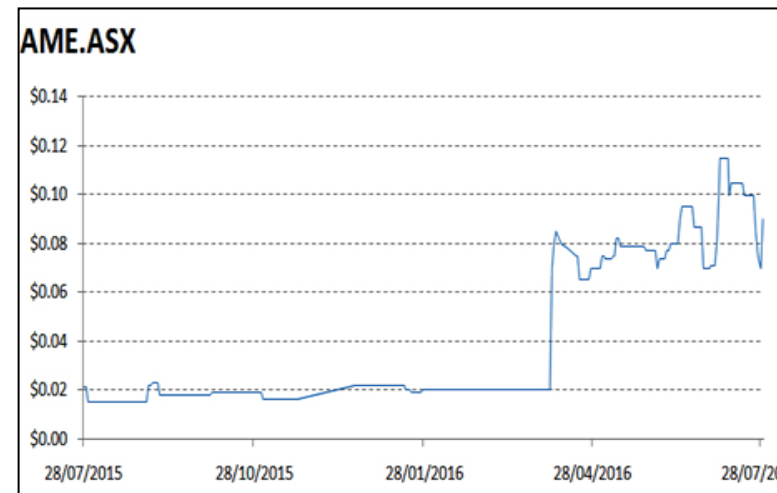
25.57m Antipa Minerals Ltd Shares (ASX:AZY) Current value: ~\$1,070,000

2.5m Enterprise Metals Ltd Shares (ASX:ENT) Current value: ~\$50,000

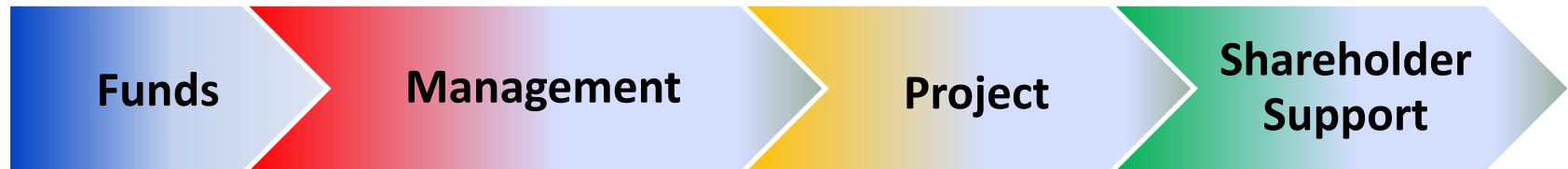
Top 6 Holders Snapshot - Ungrouped		
RANK	NAME	%
1.	WINDSONG VALLEY PTY LTD <WHEELER FAMILY A/C>	12.8
2.	SINOTECH (HONG KONG) CORPORATION LIMITED	10.0
3.	ENTERPRISE METALS LTD	9.3
4.	MR STEPHEN STONE <THE PEARLSTONE A/C>	6.6
5.	CROWNLUXE INVESTMENT LTD	5.2
6.	MR BRUCE ROBERT LEGENDRE	4.8

## DIRECTORS & SENIOR MANAGEMENT

- Anna Mao - Non-executive Chairperson
- Dermot Ryan - Executive Director
- Bill Robertson - Non-executive Director
- Stephen Stone - Non-executive Director
- Sam Middlemas - CFO & Company Secretary
- Changshun Jia - Chief Geologist



# Company Overview



- Well funded for immediate exploration programme (Cash and liquid assets of ~\$4 million)
- Experienced Board and management team, with track record of exploration success in +1Moz gold systems
- Dominant land holding over well endowed goldfield (+1.3Moz mined to date) with considerable exploration upside
- Strong support from Shareholders



## VISION

Discovery of sufficient gold resources to support a highly profitable mining operation of at least 100,000 ounces per annum over > 7 years

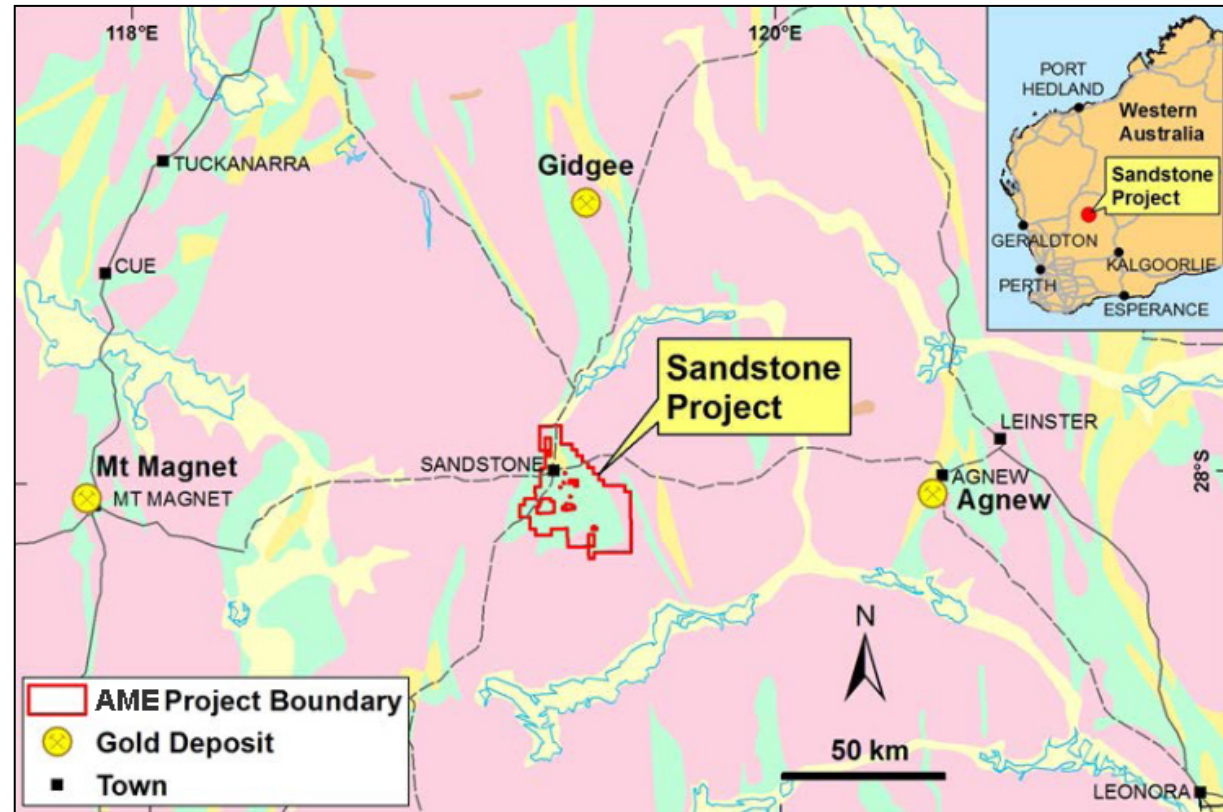
## FULLY FUNDED ACTION PLAN 2016/17

- Upgrade historic 2007 & 2011 Indicated & Inferred Mineral Resources to JORC 2012 status
- Drilling to commence October 2016 following grant of tenements
- Infill drilling of oxide mineralisation around existing open pits to establish new resources
- Drill testing for extensions to high-grade primary ore systems
- Drill testing other high-grade primary mineralised vein systems throughout tenure

# Sandstone - Built on Gold

## Location

- 600km northeast of Perth centred on the town of Sandstone
- Established agricultural and gold mining area
- Gold mining commenced during the 1890s
- Township of Sandstone established as a mining centre in 1907



# Mineral Resources (JORC 2004 Compliant only)



**TOTAL: 3.91Mt at 1.9g/t Au for 237,700 oz**

Prospect	Category	Kt	Grade	KOz
Lord Nelson	Indicated	392	3.0	37.7
	Inferred	84	1.8	4.9
Lord Henry	Measured	334	0.9	9.5
	Indicated	987	1.9	58.7
	Inferred	39	1.7	2.1
Havilah	Indicated	285	1.7	15.5
	Inferred	41	2.1	2.8
Bull Oak Reefs	Inferred	390	1.5	18.8
Vanguard	Inferred	330	1.6	16.7
Ladybird	Indicated	118	2.5	9.6
	Inferred	40	2.1	2.7
Maninga Marley	Inferred	80	3.1	8.0
Sandstone North	Inferred	77	2.0	4.9
Oroya Underground	Inferred	63	5.3	10.7
Tigermoth	Inferred	561	1.7	31.2
Piper	Indicated	91	1.4	4.0
<b>TOTAL</b>		<b>3,912</b>	<b>1.9</b>	<b>237.8</b>
<b>Total Measured</b>		<b>334</b>	<b>0.9</b>	<b>9.5</b>
<b>Total Indicated</b>		<b>1,873</b>	<b>2.1</b>	<b>125.5</b>
<b>Total Inferred</b>		<b>1,705</b>	<b>1.9</b>	<b>102.9</b>
<b>TOTAL</b>		<b>3,912</b>	<b>1.9</b>	<b>237.7</b>

Lord Nelson and Lord Henry Mineral Resources reported in Troy Resources NL, 2011 Annual Report, TRY:ASX release 21 October 2011. Page 22.

<http://www.asx.com.au/asxpdf/20111021/pdf/421xl4g58bjbwj.pdf>

Other Mineral Resources reported in Snowden Mining Industry Consultants, June 2007, National Instrument 43-101 Technical Report-Sandstone, for Troy Resources NL. TRY: ASX release 10 December 2007, Page 139.

<http://www.asx.com.au/asxpdf/20071210/pdf/316d8jf2r66kr9.pdf>

**Note:-** There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised.

The Company is not aware of any new information or data that materially affects the information provided in Snowdens' 2007 NI43-101 Report or the Troy Resources 2011 Annual Report, and considers that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

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## Previous production in excess of 1.3Moz.

- Large under-explored Archean greenstone belt
- Project area: ~ 723km<sup>2</sup> with tenements in application
- Multiple targets identified from historical mining and AC, RAB, RC drilling
- Brownfields exploration, targeting quartz+carbonate+pyrite “reefs”
- Magnetic & IP data to produce “blind” litho-structural targets for drill testing
- Focus on existing high grade Au drill results for potential depth extensions



## Gold Mining History

### 1894 to 1945

- Hacks Reef Black Range mine  
260kt @ 24g/t Au for 206,000oz
- Sandstone/Oroya Black Range mine  
420kt @ 16.5g/t Au for 223,000oz
- Hancock's mine  
43kt @ 28.9g/t Au for 40,000oz



## Gold Mining History

### Modern Production from 1993

- Elmina NL: 1993-1994 Bull Oak laterites, 10,000oz Au
- Herald Resources: 1994-1999 1.9Mt @2.0g/t Au for 125,000oz  
(@ 94% recovery)
- Troy Resources: 1999-2010
  - Bulchina 1.98Mt @ 3.62g/t Au for 230,000oz
  - Lord Nelson 1.14Mt @ 4.90g/t Au for 180,000oz
  - 0.31Mt @ 2.72g/t Au for 27,440oz
  - Lord Henry 0.41Mt @ 3.61g/t Au for 48,000oz  
(@ 94% recovery & 45% higher grade)

# Sandstone - Historic Town

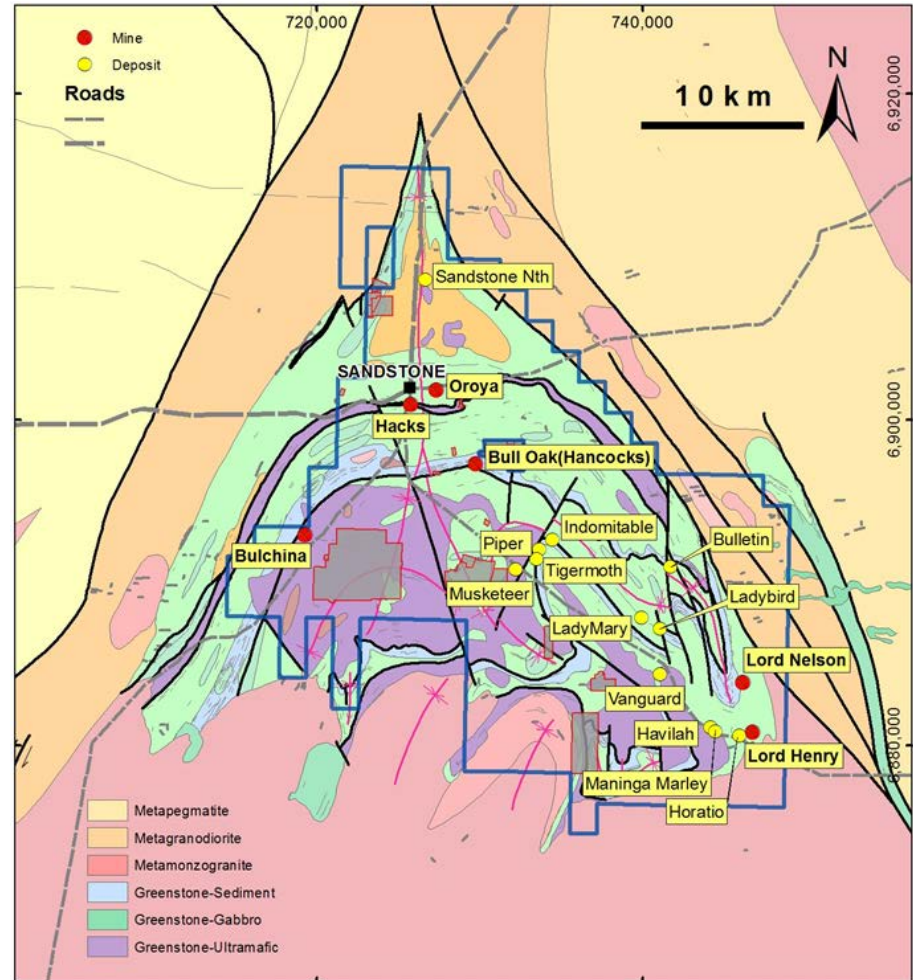
## Communication & Infrastructure

- Shire population ~200
- 600kms north of Perth
- Pastoral region, sheep, cattle
- Gravel daytime airstrip
- Mobile phone coverage
- Grid power, potable water



## Geology & Mineralisation

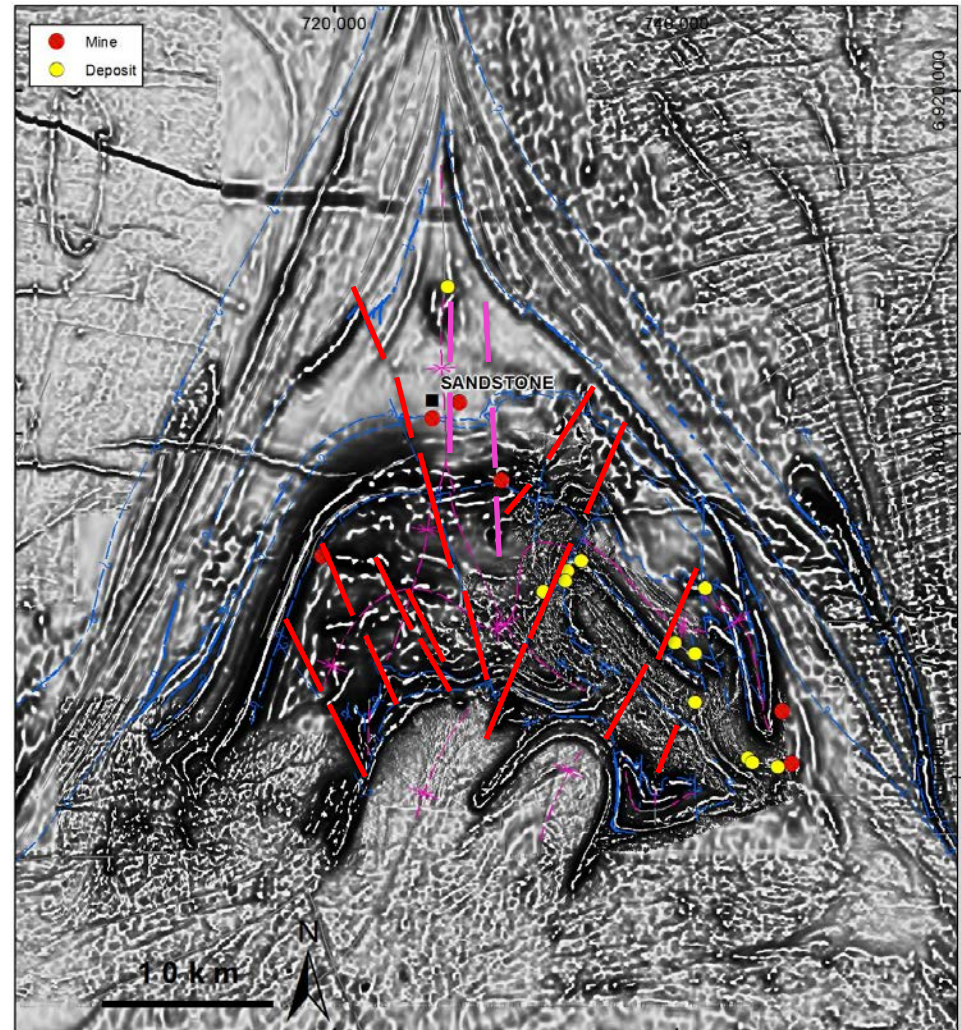
- Archean Greenstone Belt
- Bounded by major trans-cratonic Edale & Youanmi Faults
- Northern end of Diemals Dome & within Central spine of Yilgarn Block
- Multiple gold deposits
- Shallow and steeply dipping high grade reefs
- Stacked or sheeted stockwork veins





## Magnetics & Mineralisation

- Magnetics see through the cover and define structures
- Mineralisation associated with late stage NW and NE brittle structures and demagnetised magnetic units
- Bounded by major trans-cratonic faults
- Northern end of Diemals Dome & within Central spine of Yilgarn Block





# Lord Nelson and Lord Henry

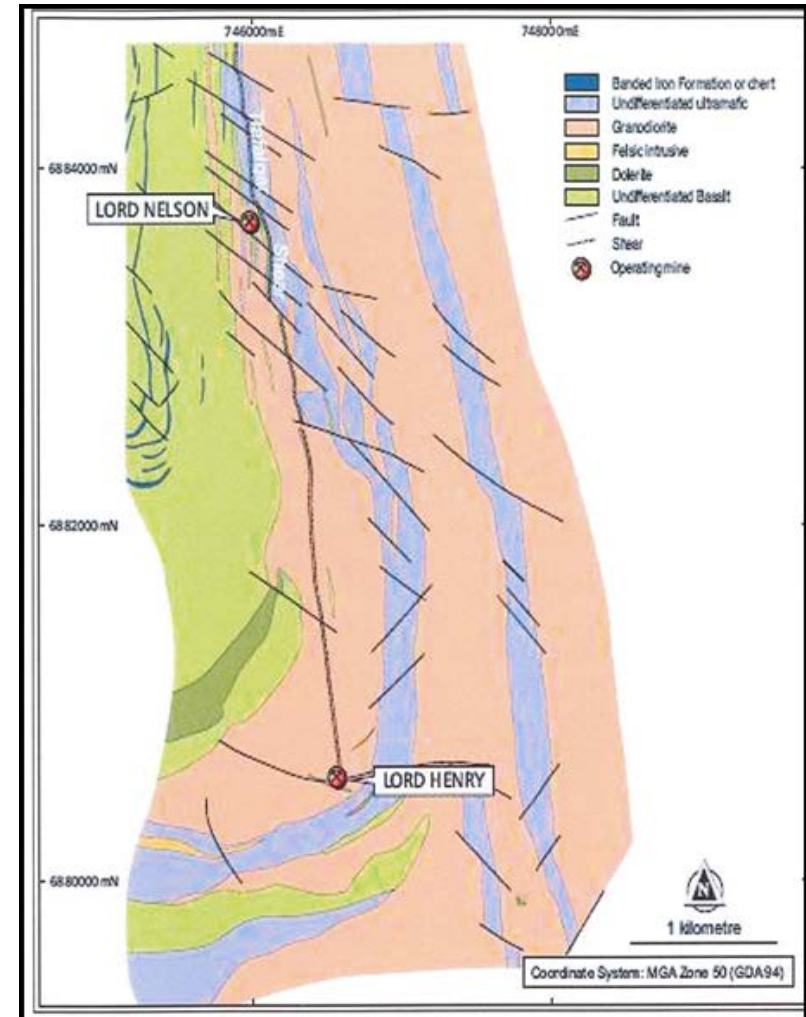
➤ Gold mineralised veining similar in both deposits

➤ **Lord Nelson**

Lode-style brittle-ductile faults with biotite alteration (upper greenschist facies)

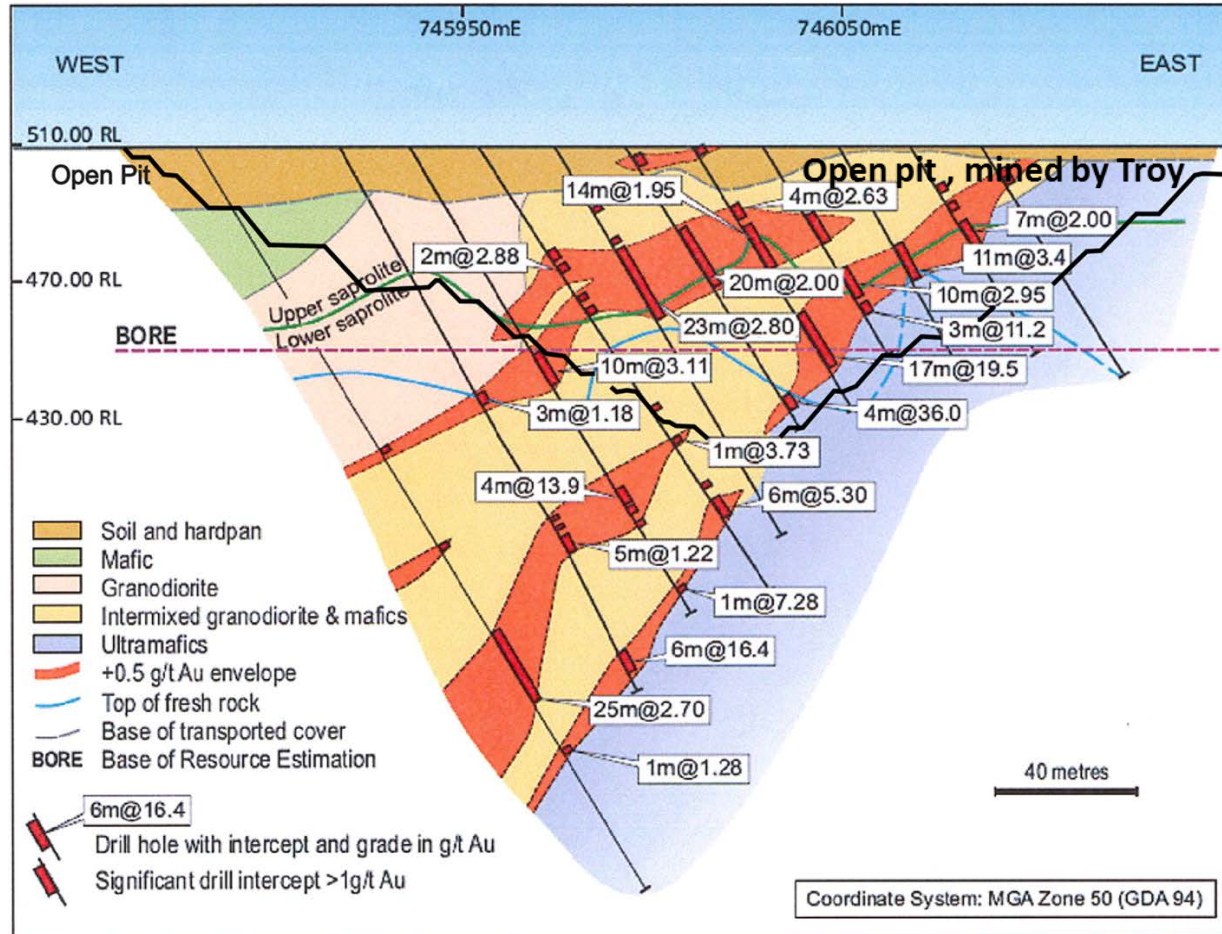
➤ **Lord Henry**

Lode-style vein dominated brittle faults with sericite and chlorite alteration (lower greenschist)



- Hosted within zone of intermixed high Mg basalt and granodiorite intrusive rocks above a footwall ultramafic unit
- Au mineralisation occurs as quartz+carbonate+**pyrite** veins hosted in strongly quartz+biotite+**pyrite** altered brittle-ductile shear zones
- Positive Reconciliation: +45% grade, +20% oz
- Mineralisation open at depth below pit and along strike





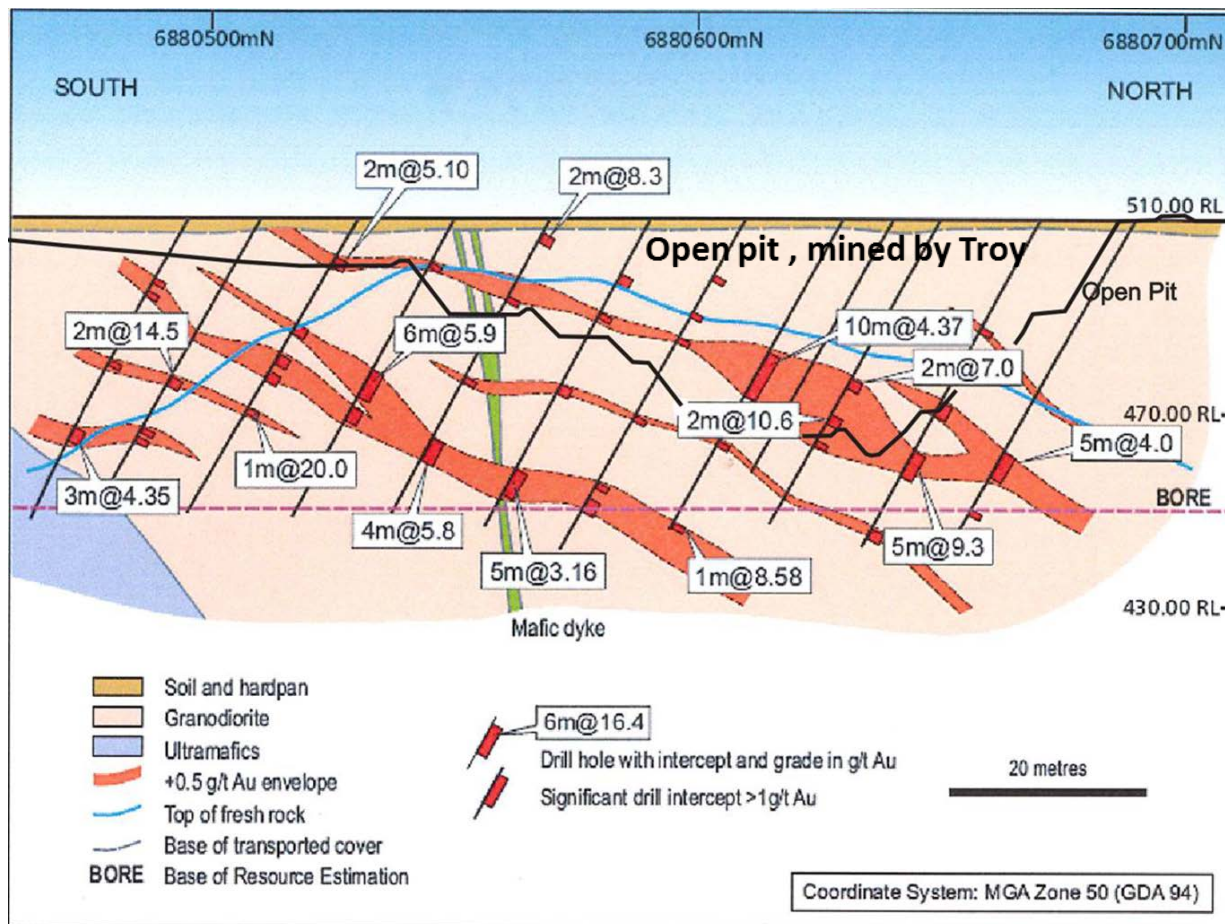
## Lord Nelson Cross Section 6883 770mE



# Lord Henry

- Hosted within a granodiorite body bounded to the south and west by a sheared ultramafic contact
- Au mineralisation occurs as series of stacked north dipping lodes characterised by quartz-sericite-chlorite-pyrite alteration
- Positive Reconciliation: +45% grade, +20% oz
- Mineralisation open at depth





## Lord Henry Cross Section 746 650mE

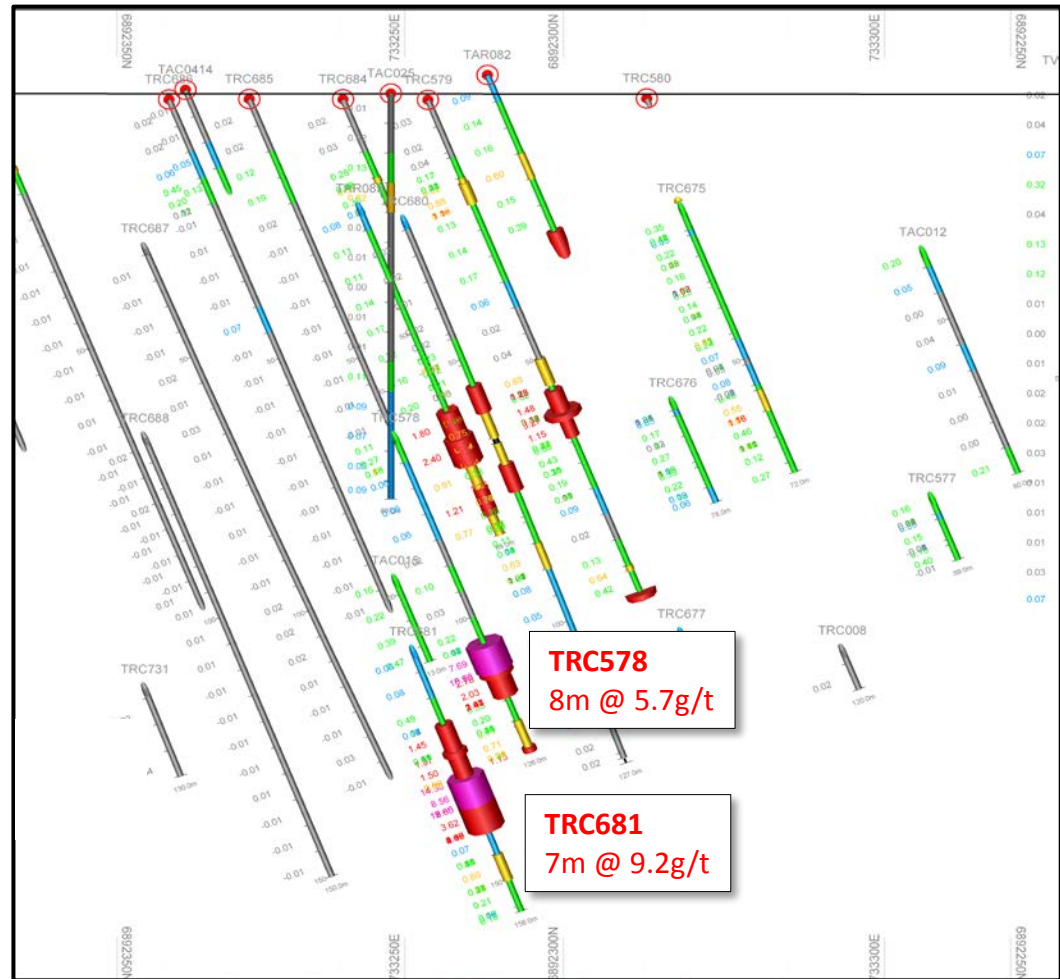


- Hosted in mixed granodiorite/quartz porphyry, with ultramafic footwall
- Au mineralisation occurs in thin quartz +carbonate+ pyrite veins
- Strong supergene enrichment in oxide zone
- Positive Reconciliation: +70% tonnes, +60% grade
- Mineralisation open at depth



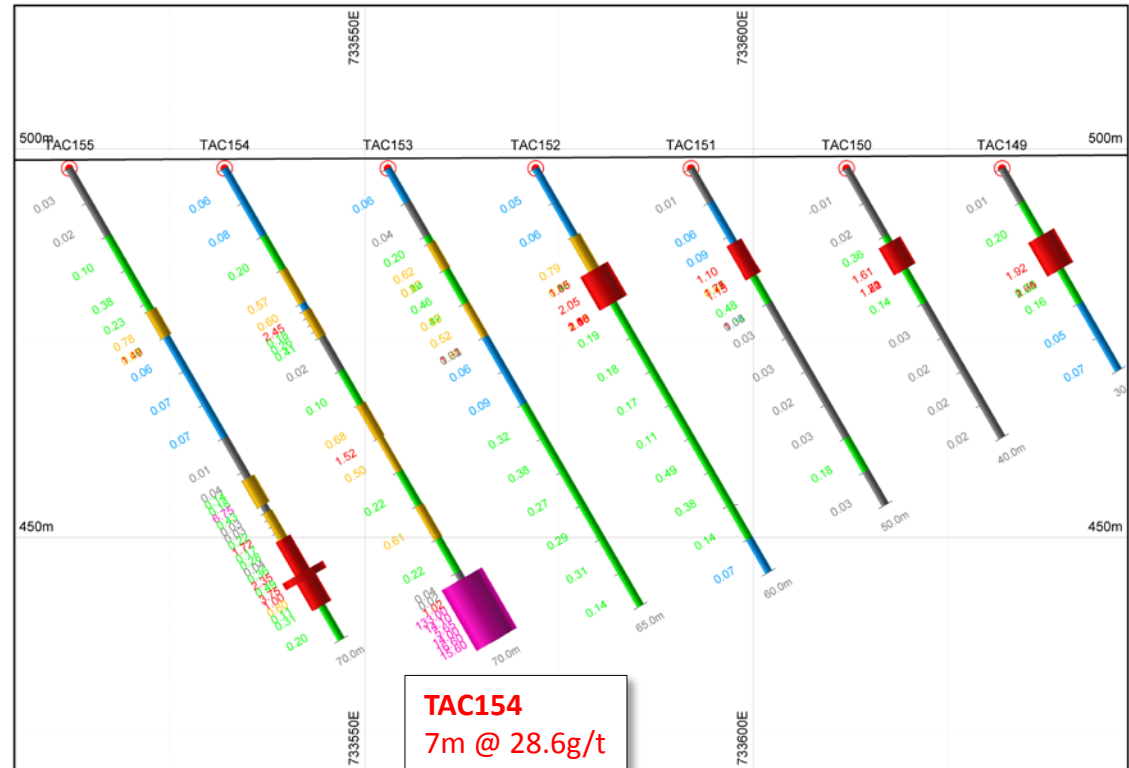


- **Indomitable South:** High grade zone occurs in strongly iron altered gossanous zones
- **Indomitable North:** Gold mineralisation occurs within strong silica, fuchsite and sericite altered ultramafic rock, with pyrite
- **Deep oxide opportunity** (potentially 100m - 150m)



Indomitable South Section

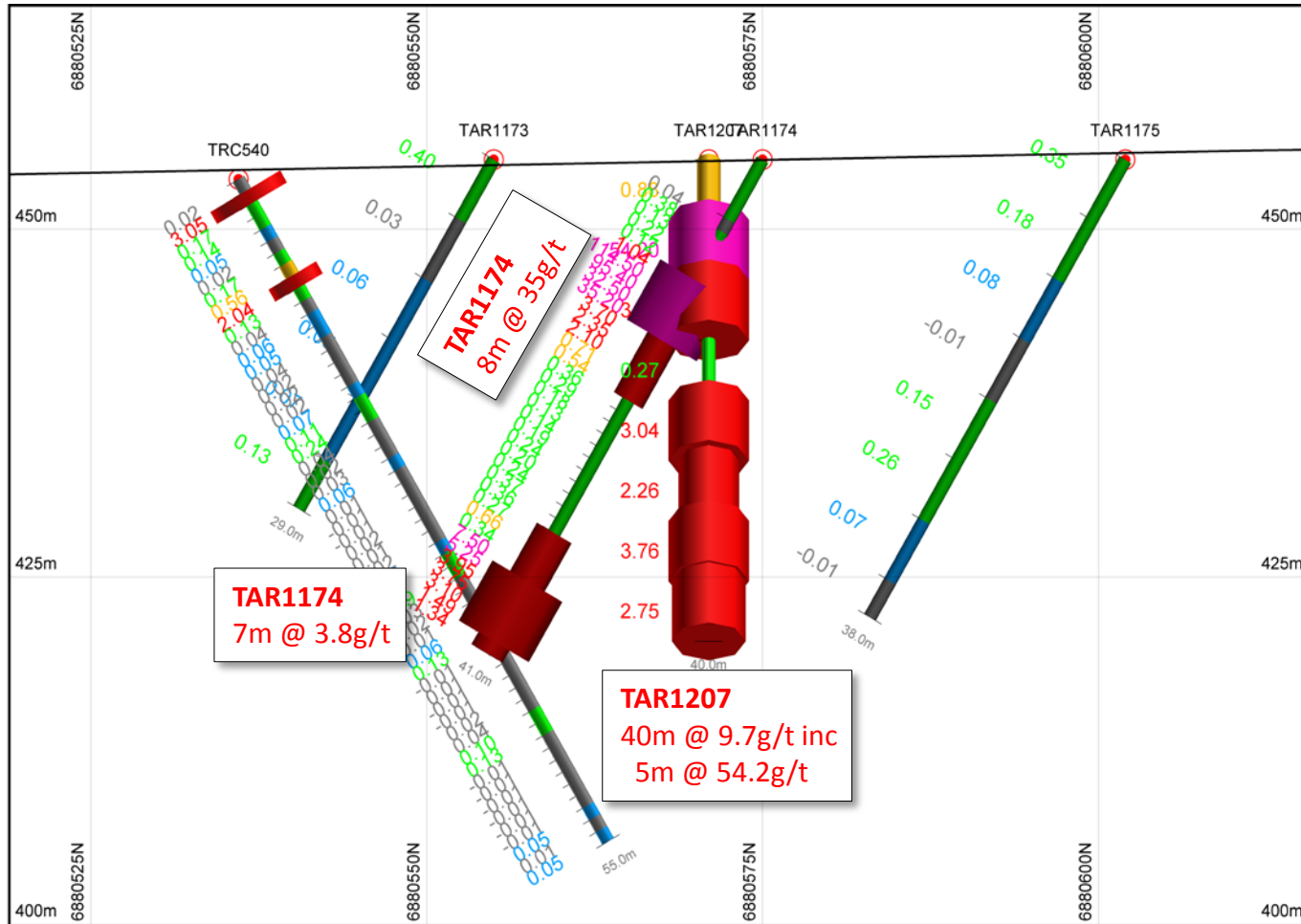
- Hosted in highly oxidised, high Mg basalts, differentiated basalt units
- Au mineralisation occurs in stockwork quartz veining within saprolite
- The geology and controls on mineralisation are not well understood
- **Oxide opportunity**



**Cross-Section 6 891 110mN**



# Horatio - another Oxide Opportunity



Cross-section 745945mE



## PLANNED NEWSFLOW 2016

### ➤ **Sept Qtr 2016:**

- Grant of tenements
- Lord Nelson - Resource Estimate – JORC 2012
- Preliminary block models : Lord Henry & Bulchina
- Reconnaissance IP Surveys: Lord Henry North & Indomitable
- Commencement of RC drilling

### ➤ **Dec Qtr 2016:**

- Preliminary RC drilling results at:
- Lord Nelson & Lord Henry extensions
- Indomitable, Tigermoth, Horatio
- Lord Henry & Bulchina Resource Estimates– JORC 2012

# ALTO SET TO SOAR .....



- Well funded for immediate exploration programme (Cash and liquid assets of ~\$4 million)
- Experienced Board and management team, with track record of exploration success in +1Moz gold systems
- Dominant land holding over well endowed goldfield (+1.3Moz mined to date) with considerable exploration upside
- Strong support from Shareholders

***“Alto’s acquisition of Sandstone exploration tenements resembles Avoca’s acquisition of Higginsville.....”*** Keith Goode July 2016

# Appendix - Board of Directors



## **Ms Anna Mao – Non-Executive Chairperson**

Ms Mao is General Manager and director of Beijing Huaqing S&T Assets Management Group, and was previously deputy General Manager of Sinotech Minerals Exploration and General Manager of Beijing Donia Resources. Before joining Sinotech Minerals, Ms Mao was CEO and Director of Worldtex Capital Resources Ltd. She graduated from Beijing Institute of Technology University in 1991 and obtained her MBA from Richard Ivey Business School of Western Ontario University in 2001, and her EMBA from PCB School of Finance, Tsinghua University in 2015. Ms Mao has 24 years' experience in finance and operations. She co-founded and developed several successful businesses both in China and Canada.

## **Mr Dermot Ryan – Executive Director & Acting CEO**

Mr Ryan is a Fellow of the Australasian Institute of Mining and Metallurgy, a Fellow of the Australian Institute of Geoscientists, has Chartered Professional (CP) accreditation in the discipline of Geology and is a graduate from Curtin University in Western Australia. He has over 39 years experience in the discovery and successful development of gold, base metals, iron ore, diamond and uranium deposits. He spent 20 years with the CRA (Rio Tinto) group of companies, including ten years as Chief Geologist for CRA Exploration in various parts of Australia and was then GM Exploration for Great Central Mines/Normandy Yandal Operations in the 5 year period to 2001. Over the past 15 years he has acted as a mineral exploration consultant to private and public exploration companies. Mr Ryan is currently Managing Director of ASX listed Enterprise Metals Limited.

## **Mr William (“Bill”) Robertson – Non-Executive Director**

Mr Robertson has a B.Ap.Sc (Geophysics), a Diploma in Applied Physics (Mining and Hydrology) and over 25 years' experience as a professional geoscientist. For the past 17 years, Mr Robertson has been the Director and Principal Consultant of Value Adding Resources, providing services to the mineral exploration industry. He is a Member of the Australian Society of Exploration Geophysicists and Australian Institute of Geoscientists. His experience includes 11 years multi-commodity exploration experience with CRA Exploration Pty Ltd and North Limited, and 17 years as an independent geophysical consultant in support to exploration programs in Australia, Africa, Asia, South America and Europe. He played a major role in generating Alto's uranium projects and has extensive experience in exploration for gold, base metals, copper-gold, nickel, diamonds, iron, graphite and rare earths.

## **Mr Stephen Stone – Non-Executive Director**

Mr Stone has a BSc (Hons) Mining Geology, is a Member of the Australasian Institute of Mining and Metallurgy, and a Fellow of the Australian Institute of Company Directors. He has more than 30 years' operating, project evaluation, executive management and corporate experience in the international mining and exploration industry. Mr Stone worked for several years at open pit and underground copper mines of the Zambian Copperbelt, and since 1986 has been involved in the formation and management of several junior ASX listed exploration companies. He joined the board of gold explorer Azumah Resources Ltd as Chairman in 2006 and assumed the role of Managing Director in 2009. During that time, Azumah discovered the Wa Gold deposit, containing over 2M ounces of gold. In January 2016, he joined the board of ASX listed and fellow Ghana gold explorer Castle Minerals Ltd.