ASX Release 19 October 2017

RC Drilling Program Commenced at Sandstone Gold Project, WA

- **Vanguard and Maninga Marley prospects being tested with 4,500m of reverse circulation drilling**
- **Mineralised structures being tested for grade, strike & depth continuity**

Alto Metals Limited (ASX: AME) ("Alto" or "the Company") is pleased to announce the commencement of a 25 hole (4,500 metre) reverse circulation (RC) drilling program at its 100% owned 800km^2 Sandstone Gold Project, 150km east of Mount Magnet in Western Australia.

Following encouraging gold results from a maiden 12 hole RC drilling program completed in July 2017 at the Vanguard prospect, Alto has now commenced a 17 hole (3,450m) follow up RC drilling program at Vanguard, and an 8 hole (1,050m) maiden RC drilling program at nearby Maninga Marley. Both prospects occur within Alto's **"Alpha Mafic Volcanic Domain"** which consists of 20 strike km of mafic volcanics, including differentiated dolerite, basalt and ultramafic units. Refer Figure 1 below for geological interpretation and prospect locations.

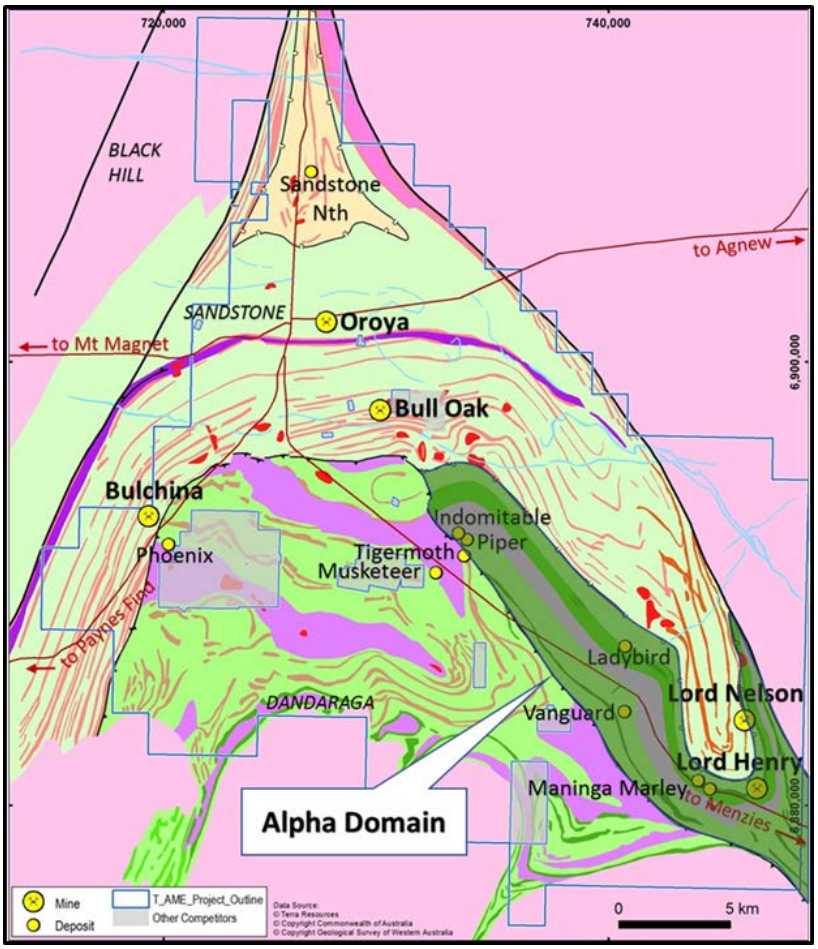

Figure 1. Alto's Landholdings and Prospects over Interpreted Geology

Suite 2, 91 Hay Street, Subiaco, WA 6008
PO Box 8216, Subiaco East, WA 6008
www.altometals.com.au
Tel: (+61 8) 9381 2808
Fax: (+61 8) 9381 5545
Email: admin@altometals.com.au

VANGUARD PROSPECT

Alto reported on 7th and 23rd August 2017 that its aircore (AC) and RC drilling had identified an array of high-grade gold mineralised structures over an area of 300m x 300m within a dolerite unit at Vanguard, approximately 30km south east of Sandstone. Dolerite is considered to be a favourable host for large gold deposits in Western Australia, with examples being the Barton Dolerite at Northern Star Resources Ltd's Jundee deposit and Gold Fields Ltd's Argo-Junction deposits at St Ives.

Vanguard also lies on a major NE-SW striking late stage brittle structure, which coincides with a broad fold axis. Alto's RC drill results for Vanguard were reported on 7th and 23rd August 2017 and are shown below in Table 1.

Table 1. Alto Vanguard RC Holes, 50gm Fire Assay Results,

Hole	From (m)	To (m)	Interval (m)	Grade (g/t Au)
SRC013	52	58	6	5.3
incl.	52	54	2	9.2
SRC014	87	99	12	3
and	103	108	5	4.8
SRC016	64	66	2	5.5
and	122	140	18	4.3
incl.	126	138	12	5.6
SRC017	69	80	11	2.2
SRC019	39	47	8	3.6
incl.	44	46	2	7.2
and	52	59	7	5.9
Incl.	53	56	3	11.6

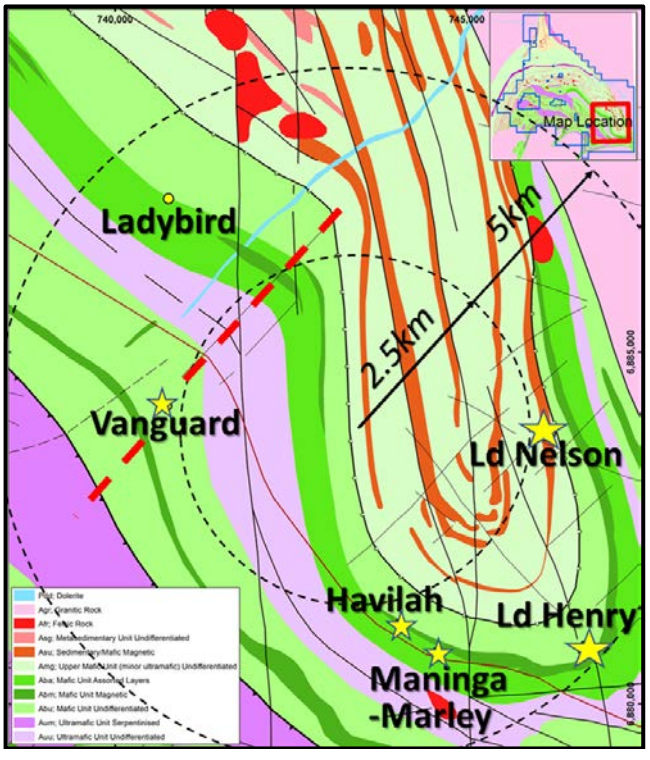

Figure 2. Geological Interpretation of the Vanguard-Maninga Marley area

MANINGA MARLEY PROSPECT

On 29th August 2017, Alto announced that its ongoing compilation of previous explorers' data had identified the Maninga Marley-Havilah Prospect area as having high-grade gold drill intercepts over a strike of 1,500m, within mafic volcanic host rocks similar to Alto's Vanguard Prospect.

A total of 47,106oz were produced from the Havilah and Maninga Marley mines up until 1929. The bulk of the production was during the period 1907 - 1911. Production figures are tabulated below.

Table 2. Havilah and Maninga Marley Historical Production

Mine	Tonnes	Grade	Ounces
Havilah	48,497	37.9g/t	33,871
Maninga Marley	10,889	21.8g/t	13,235

In 1997, Herald Resources Ltd drilled 35 shallow RC holes (total 2,347m, av. depth 67m) at Maninga Marley, in search of oxide gold ore to feed its CIP/CIL plant. Although numerous high-grade gold intersections were made, there was only a thin veneer of soft oxide material and Herald did no further work.

Troy Resources NL undertook several RC drilling campaigns in the same area (2002-2003 & 2009) and planned a small open pit at Havilah based on a reported (JORC 2004) Inferred Mineral Resource of 80,000t at 3.1g/t Au for 8,000oz. ***Cautionary Note***: A Competent Person has not completed sufficient work to accurately classify the Troy (JORC 2004) estimate as a Mineral Resource under the JORC 2012 Code.

The locations of Herald Resources and Troy Resources RC collars and significant intersections are shown in Figure 3 below. Alto has planned an initial 8 RC holes for a total of 1,050m (av. depth 150m) as a preliminary test of Maninga Marley.

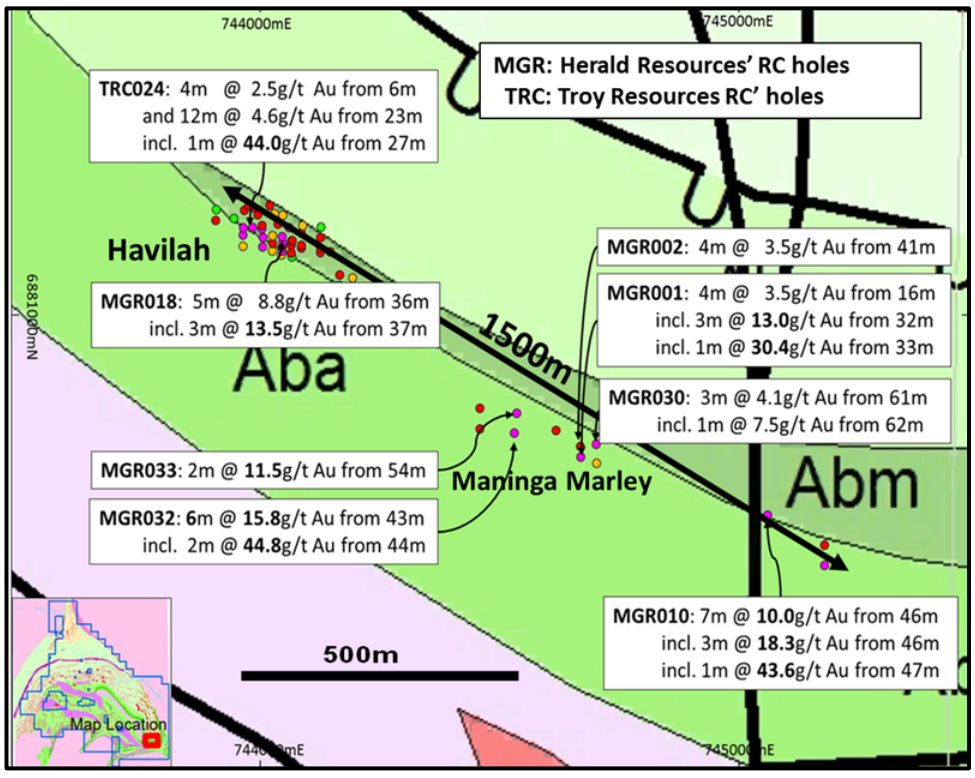

Figure 3. Maninga Marley Geology, Herald and Troy RC Drill Hole Locations and Significant Assays

ALTO'S OBJECTIVES AT SANDSTONE

Alto has two main objectives at its 100% owned 800km^2 Sandstone Gold Project in Western Australia:

- In the short term, to delineate 1 million ounces of gold in shallow deposits (Eg. Vanguard, Indomitable, Havilah, Maninga Marley, Lord Nelson, Lord Henry, etc) that can be economically mined, leading to sustainable exploration-driven growth.

- In the medium to longer term, to discover 5 million ounces within high-grade gold deposits, which will serve as the foundation for major stand-alone mining operations.

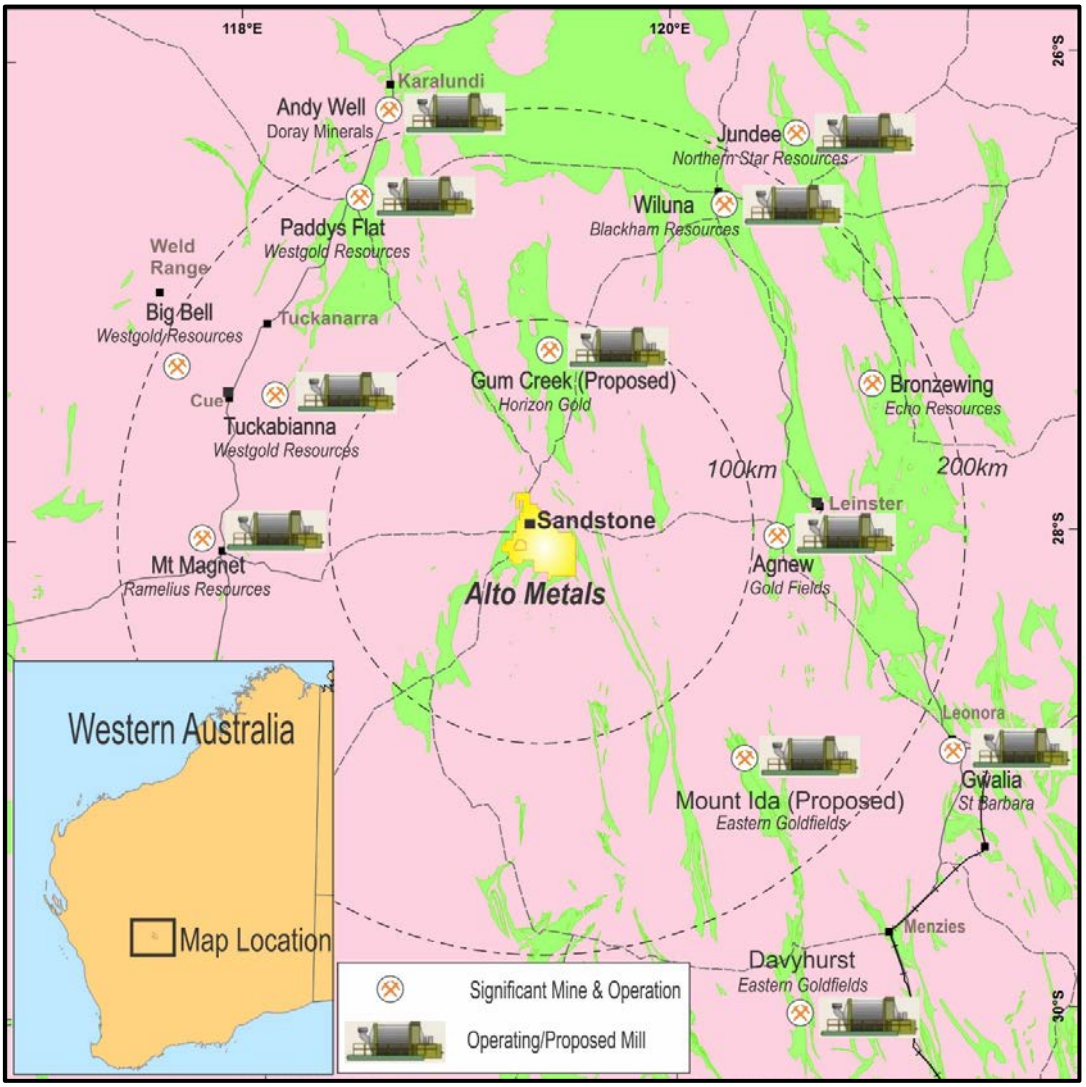

Figure 5. Location of Alto's Sandstone Gold Project, with Operating or Proposed Gold Plants

Further information:

Dermot Ryan
Managing Director
+61 8 9381 2808

Alto ASX References

29 Aug 2017 High Grade Gold Identified at Maninga Marley Prospect

http://www.asx.com.au/asxpdf/20170829/pdf/43ltvp3lrm74b5.pdf

23 Aug 2017 More High-Grade Gold Intercepts at Vanguard Sandstone WA

http://www.asx.com.au/asxpdf/20170823/pdf/43lmh0xbmq60hm.pdf

07 Aug 2017 Additional high-grade RC intercepts from Vanguard h

http://www.asx.com.au/asxpdf/20170807/pdf/43l6cvrpw751wm.pdf

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 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. Mr Ryan consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

**All historic Troy Resources NL (Troy) exploration results and mineral resources referred to in this Report were previously reported by Troy Resources NL pursuant to JORC Code 2004, and are 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 is in the process of upgrading 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.