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Mr Patrick Holywell

ASX RELEASE

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**ALTO TO PURCHASE SURFACE PROSPECTING
RIGHTS AT SANDSTONE GOLD PROJECT**

Alto has entered into an agreement to purchase the surface Prospecting and Fossicking Rights at Sandstone, which are currently held by the vendors of Sandstone Exploration Pty Ltd.

The key terms of the agreement are:

- **Alto will purchase the “2 metre Prospecting and Fossicking Rights” for a consideration of 3 million ordinary fully paid shares in Alto Metals Ltd.**
- **The 3 million new shares will be voluntarily escrowed for a period of 6 months from date of issue.**
- **Completion is expected to take place shortly.**

Alto Metals Limited (ASX: AME) (“Alto”, “the Company”) is pleased to advise that the vendors of Sandstone Exploration Pty Ltd have agreed to sell the rights that they retained to prospect and fossick for gold down to 2 metres depth from surface at Sandstone for 3 million ordinary fully paid shares (“Consideration Shares”) in the Company. Refer to the ASX announcement on 23 March 2016 for further details of the original transaction that took place.

Commenting on this agreement, Director Dermot Ryan said:

“The Sandstone area is well known for its significant deposits of alluvial and specimen gold, and the purchase of the 2m Prospecting and Fossicking Rights will give Alto control over and the right to extract any shallow gold deposits discovered on its tenements”.

The Vendors have agreed that the Consideration Shares will be subject to a voluntary escrow period of 6 months from date of issue. Completion of the transaction is conditional on the issue of shares which will take place shortly. The Consideration Shares will be issued under the Company’s Listing Rule 7.1 capacity and the Company will apply to the ASX for official quotation.

The Vendors and Alto have each provided representations and warranties that are considered standard for agreements of this nature.

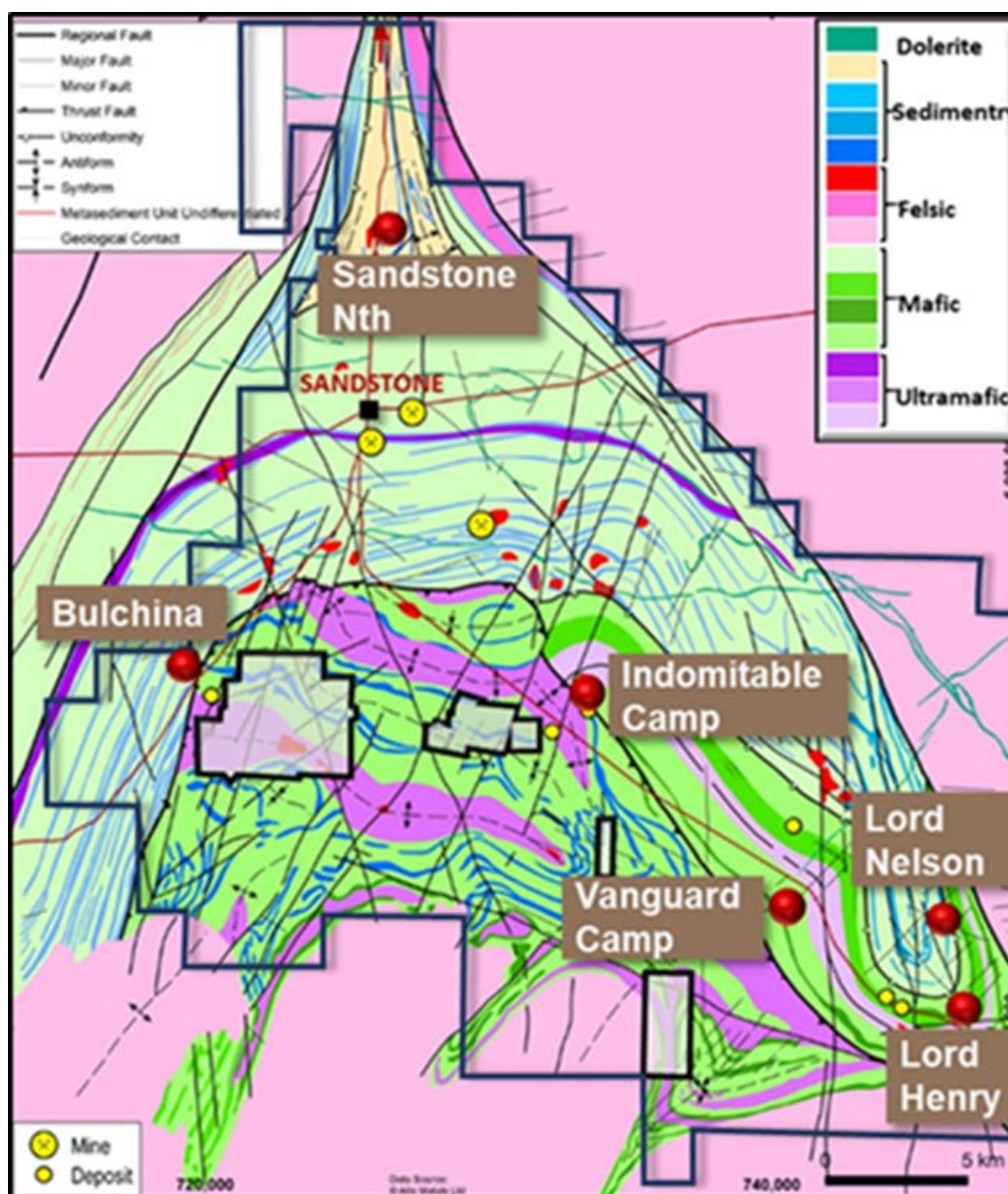
ABOUT ALTO AND THE SANDSTONE GOLD PROJECT

Alto holds ~800km² of the prospective Archaean Sandstone Goldfield, 600km north of Perth in the East Murchison Mineral Field of Western Australia.

Since acquiring the Project in June 2016, Alto has compiled and reviewed a large legacy database ahead of a series of focused exploration and drilling campaigns which commenced in late-2016.

Alto's goal is the delineation of a +1 million ounce JORC 2012 Mineral Resource that could become the basis for a re-establishment of standalone oxide and primary gold mining and milling operations at the Project.

Sandstone Geology Plan showing Alto Deposits & Landholdings



Further information:

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