



ALTO APPOINTS NEW INDEPENDENT NON-EXECUTIVE CHAIRMAN AND ENTERS LOAN AGREEMENT WITH LARGEST SHAREHOLDER

Sandstone Gold Project

Located in a world class gold province in WA

Current resource is 5.4Mt @ 1.7 g/t gold for 290,000oz

Multiple targets

Multi million oz potential

Significant landholding of over 800km² within a major gold district

Capital Structure

Issued Shares: 294m

Share Price: \$0.055

Market Cap: \$16m

Directors

Non- Executive Chairman

Richard Monti

Non-Executive Director

Matthew Bowles

Non-Executive Director

Terry Wheeler

Non-Executive Director

Dr Jingbin Wang

Company Secretary & CFO

Graeme Smith

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Alto Metals Ltd (“Alto” or “the Company”) (ASX: AME) is pleased to announce that Mr Richard Monti has been appointed as the new Independent Non-Executive Chairman, following Mr Terry Wheeler's decision to step down from the role of Chairman and assume a role as non-executive director.

Mr Monti is a geologist with a successful career of over 30 years in the international mineral resource industry, resulting in broad industry knowledge and strong strategic planning capabilities. He has first-hand working knowledge of all aspects of the industry. He has 48 years of experience as a Director on 13 ASX and TSX listed companies, covering exploration and mining activities. Directorships include four as Chairman and sitting on numerous sub-committees.

Richard has held roles at several international and Australian companies including Anaconda Nickel, Azimuth Resources Limited, The North Group and The Normandy Group. He was a founding Director of Azimuth Resources and the architect of the Company's eventual take over for A\$190m in 2013.

Richard was Principal of Ventnor Capital from 2005 to 2010, a corporate advisory business supplying advice across the commercial and corporate spectrum to junior- and mid-size companies.

Mr Monti said, *“I am delighted to join the Board of Alto to help guide the Company through this exciting time of exploration and corporate activity. I am very familiar with Archaean orogenic gold having worked throughout the Yilgarn as an exploration geologist and consider that significant exploration potential at the Sandstone Gold Project is yet to be realised.”*

The Board would also like to acknowledge the additional duties which Mr Matthew Bowles has assumed over the past few months in his capacity as a Non-Executive Director. The Board intends to transition Mr Bowles into an executive director shortly, with his terms of appointment to be agreed and announced in due course.

Major Shareholder, Mr Terry Wheeler, who remains on the Board as a Non-Executive Director, commented

“Richard has a significant depth of experience in the resources sector, not only as a successful exploration geologist, but as a highly regarded corporate executive. I am pleased he has agreed to join our board to help deliver the full potential of Sandstone Gold Project.”

I am also pleased that Matthew intends to transition to an Executive role with the Company. He has made a significant contribution to the Company since joining the Board, under difficult circumstances, and works closely with our management team to drive the recent exploration strategy.

I see these appointments as key at this critical time in Alto's evolution as we begin to unlock the full potential of the Sandstone Gold Project.”

See attached Appendix 3X for the Initial Directors' Interest Notice.

ASX: AME



#altometals

Loan Agreement to fund ongoing exploration

Alto is pleased to advise that it has entered into a Loan Facility Agreement (“Loan Agreement” or “Facility”) for up to A\$1m with its largest shareholder, Windsong Valley Pty Ltd (**Windsong**), an entity associated with Non-Executive Director, Terry Wheeler.

The Facility provides Alto with the flexibility to draw down for working capital as required to ensure the continuation of planned exploration at Lord Nelson. The provision of this Facility **demonstrates the continued support from our largest shareholder and their commitment to seeing the unrealised value of Sandstone unlocked through ongoing exploration.**

The key terms of the Facility are set out below:

- There is no minimum drawdown amount and Alto may drawdown up to \$500,000 during the period 11 March 2020 to 10 March 2021 (**Availability Period**) by issuing Drawdown Notices to Mr Wheeler;
- Subject to the Company receiving the approval of Alto Shareholders pursuant to ASX Listing Rule 10.1 for the granting of a security interest in all of the Company's present and after acquired property for all monies outstanding under the Facility (including interest) (**Shareholder Approval**) by 8 May 2020, Alto may drawdown up to an additional \$500,000 during the Availability Period (for a maximum drawdown of \$1 million under the Facility);
- In the event that Shareholder Approval is not obtained, the maximum drawdown under the Facility will reduce to \$500,000 and no security will be granted.
- The interest rate applicable on outstanding monies is 8% per annum, accrued monthly and calculate monthly;
- All outstanding monies and interest under the Facility are payable on 11 March 2021 (**Maturity Date**);
- Alto may elect to repay any amount of outstanding monies and interest at any time prior to the Maturity Date, without penalty; and
- The Facility is repayable immediately in the event that Alto is subject to a change of control.

The Company will decide in due course whether it elects to call a general meeting in relation to Shareholder Approval in order to access the additional loan amount (if required) under the Facility and grant the security.

Goldsea Group – Intention to make unsolicited takeover offer

Alto notes the announcement on Friday 21 February 2020 by Goldsea Australia Mining Pty Ltd (**Goldsea**), an Australian wholly-owned subsidiary of Shandong Goldsea Group Co. Ltd (**Goldsea Group**), regarding Goldsea's intention to make an off-market takeover to acquire all of the Company's shares (**Offer**) for \$0.065 cash per share (**Offer Price**).

The Board remains significantly encouraged by the continued interest in the Company and the Sandstone Gold Project having spent a significant portion of 2019 responding to the unsolicited takeover offer from Middle Island Resources Ltd.

The Company's Board is considering its response to Goldsea and reiterates that shareholders should continue to **TAKE NO ACTION**, and await the Board's formal recommendation in the Target's Statement.

This announcement has been authorised by the Board of Alto Metals Limited.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Alto Metals Limited
ABN	62 159 819 173

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Richard Monti
Date of appointment	13 March 2020

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

+ See chapter 19 for defined terms.

Appendix 3X Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
Note: Provide details of the circumstances giving rise to the relevant interest.	
Nil	

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Nil
Nature of interest	
Name of registered holder (if issued securities)	
No. and class of securities to which interest relates	

+ See chapter 19 for defined terms.