

Alto successful in EIS co-funding grant to test depth extensions within the Lords Corridor

EIS program to follow Alto's maiden Diamond Drilling program planned for the Sandstone Gold Project

Highlights

- Alto awarded up to \$150,000 co-funded drilling grant by WA Government targeting depth extensions of known mineralisation within the Lords Corridor of the Sandstone Gold Project
- Up to four deep diamond holes designed to test the down-plunge extensions of known primary gold mineralisation in the central part of the Lords Corridor.
- The EIS program may be undertaken following the completion of an initial ~3,000m Diamond Drilling program planned to commence in June, designed to test down plunge extension of primary mineralisation down plunge at Lord Nelson and the Orion Lode, where recent results included:
 - **16m @ 5.2 g/t gold** from 240m, incl. **3m @ 13.5 g/t gold** from 240m (SRC176) – Lord Nelson
 - **134m @ 1.9 g/t gold** from 24m, incl. **20m @ 5.9 g/t gold** from 80m (SRC257) – Orion Lode
 - **60m @ 1.9 g/t gold** from 44m, incl. **12m @ 6.3 g/t gold** from 92m (SRC254) – Orion Lode
- The diamond drilling program will also provide further insight into the stratigraphy and structural controls of high-grade gold mineralisation along the Lords Corridor and also at Vanguard and Indomitable.
- **Assays still remain pending for more than 70 holes from over 12,000m of drilling**, targeting extensions of known mineralisation at Lord Nelson, Orion Lode and Vanguard.
- **RC Drilling is ongoing**, focused on completing the remaining ~10,000m of the current program, which is anticipated to be increased based on results to date.

Alto Metals Limited (ASX: AME) (Alto or the Company) is pleased to advise that it has been successful in its application to secure a grant under the Western Australian Government Exploration Incentive Scheme (EIS), co-funding exploration diamond drilling at the Lords Corridor, with the Company's 100% owned, ~900km² Sandstone Gold Project, which covers the majority of the Sandstone Greenstone Belt, in Western Australia.

The EIS grant of up to \$150,000 is the maximum amount applied for by Alto and contributes towards 50% of direct drilling costs, which must be incurred within the 12 months from 1 June 2021. The co-funded diamond drilling program comprises up to four deep diamond holes (to a maximum depth of approx. 600m), designed to test the triple point contact within the granodiorite intrusion, interpreted as the structural control of high-grade mineralisation, within the Lords Corridor.

Alto intends to commence a ~3,000m Diamond Drill program in June to test **the down-plunge extensions of known primary mineralisation below the Lord Nelson open pit and the new Orion Lode discovery**. Diamond holes are also planned for Vanguard and Indomitable to provide valuable information regarding stratigraphy and structural controls of the high-grade mineralisation at these deposits. The EIS program will either be incorporated into this program or a later program, subject to results. These programs form part of Alto's near-term exploration strategy to materially increase the current mineral resource at the Sandstone Gold Project.

Alto Metals Limited

Suite 9, 12-14 Thelma Street
West Perth, Western Australia 6005
T: +61 8 9 381 2808

admin@altometals.com.au
www.altometals.com.au

Issued Shares: 450m
Share Price: \$0.098
Market Capitalisation: \$44m



@altometalsltd
Altometalsltd

ASX: AME

This grant is on top of the \$150,000 EIS grant awarded in November 2020 for the Company's Edale Shear prospect year, taking the total amount of funding received to \$300,000. The Company wishes to acknowledge the Western Australian government and the Department of Mines, Industry Regulation and Safety for their continued investment in exploration.

Alto's Managing Director, Matthew Bowles said

"This is a great outcome for Alto and gives recognition of the excellent exploration and targeting work of our technical team. We wish to again thank Western Australian Government and the Department of Mines, Industry Regulation and Safety for their continued support of the exploration industry and in our Sandstone Gold Project in particular.

We look forward to commencing our maiden diamond drilling program to follow up on some of our recent outstanding results and test the depth extension of the Lords Corridor.

With an aggressive drilling program ongoing and a significant number of assays still pending we are focused on revealing to shareholders the significant potential we see at Sandstone."

EIS Diamond Drilling Program

The Lord Nelson and Lord Henry gold deposits are hosted within a granodiorite intrusion close to the contact between mafic and ultramafic units, of the Lords Corridor. The Lord Nelson deposit is located at the northern end of the intrusion and the Lord Henry deposit is located at the southern end of the intrusion. Mineralisation at both deposits appears to continue at depth beyond the current limits of drilling and gold mineralisation has also been intersected in shallow drill holes between the two deposits. This supports the possibility that the granodiorite intrusion potentially contains significantly more gold than has been currently quantified.

During 2020, Alto utilised geological drill logs and a 3D magnetic model to compile a 1:5,000 bedrock geological interpretation of the Lords area. Drill logging showed good correlation with the magnetics and the granodiorite was mapped as an elongate, non-magnetic intrusive unit between magnetic mafic and ultramafic rocks.

Results of a recently completed 3D Induced Polarisation (3D-IP) survey (Refer to ASX release 2 February 2021) have defined a moderate chargeability anomaly within the central part of the intrusion.

Alto's RC drilling down-plunge from Lord Nelson provides evidence that the triple point contact between the three lithologies may be the most prospective part of the intrusion for high-grade gold mineralisation (See Figure 1). Alto's geological model suggests this triple point contact extends >3km in length, deepens significantly in the central part of the intrusion and becomes shallower to the north and south.

Alto's intention for the co-funded program is for **deep diamond drilling targeting the triple point contact and the IP anomaly within the intrusion, possibly where cross-cutting structures are interpreted**, to investigate the potential of the granodiorite to host a significant economic gold deposit.

Current activities

The 2021 drilling program at the Sandstone Gold Project is progressing well with a total of ~15,000m completed this year and a further ~10,000m of the current 30,000m program remaining to be drilled. The program is focused on testing extensions of known mineralisation below the Lord Nelson and Lord Henry open-pits, extensions of the new Orion Lode discovery located 200m south of Lord Nelson and testing for further 'Lord Nelson style' repeat lodes along the three kilometre Lords Corridor.

Based on assay results received to date, it is likely that the current Reverse Circulation (RC) drilling program will be significantly expanded, with planning already underway. Further information will be released on the updated program as appropriate.

For further information regarding Alto and its Sandstone Gold Project please visit the ASX platform (ASX: AME) or the Company's website at www.altometals.com.au.

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

Matthew Bowles

Managing Director & CEO

Alto Metals Limited

+61 8 9381 2808

Competent Persons Statement

The information in this Report that relates to current and historical Exploration Results is based on information compiled by Dr Changshun Jia, who is an employee and shareholder of Alto Metals Ltd, and he is also entitled to participate in Alto's Employee Incentive Scheme. Dr Jia is 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. Dr Jia consents to the inclusion in the report of the matters based on the information in the context in which it appears.

Forward-Looking Statements

This release may include forward-looking statements. Forward-looking statements may generally be identified by the use of forward-looking verbs such as expects, anticipates, believes, plans, projects, intends, estimates, envisages, potential, possible, strategy, goals, objectives, or variations thereof or stating that certain actions, events or results may, could, would, might or will be taken, occur or be achieved, or the negative of any of these terms and similar expressions. which are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Alto Metals Limited. Actual values, results or events may be materially different to those expressed or implied in this release. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this release speak only at the date of issue. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Alto Metals Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this release or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

Exploration Results

The references in this announcement to Exploration Results for the Sandstone Gold Project were reported in accordance with Listing Rule 5.7 in the announcements titled:

Excellent high-grade results from the Lords, 13 April 2021

New Zone of gold mineralisation discovered at the Lords, 8 March 2021

Drilling highlights continuity of mineralisation at Vanguard, 5 February 2021

Significant gold targets defined at the Lords Corridor, 2 February 2021

Orion Gold Lode Continues High-Grade Gold Drilling Results, 29 September 2020

Further shallow results from New Orion Gold Lode and Exploration Update, 31 August 2020

Outstanding results from gold lode south of Lord Nelson pit, 18 August 2020

Alto hits more high-grade gold at Lord Nelson, 29 July 2020

Thick zone of shallow gold mineralisation at Lord Nelson, 27 July 2020

High grade results continue from drilling at Lord Nelson open pit, 22 April 2020

Further high grade gold results from Lord Nelson and exploration update, 2 April 2020

Wide zone of high grade, primary gold mineralisation confirmed beneath Lord Nelson pit, 16 March 2020

Down plunge extensions confirmed at Lord Nelson, 22 July 2019

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above.

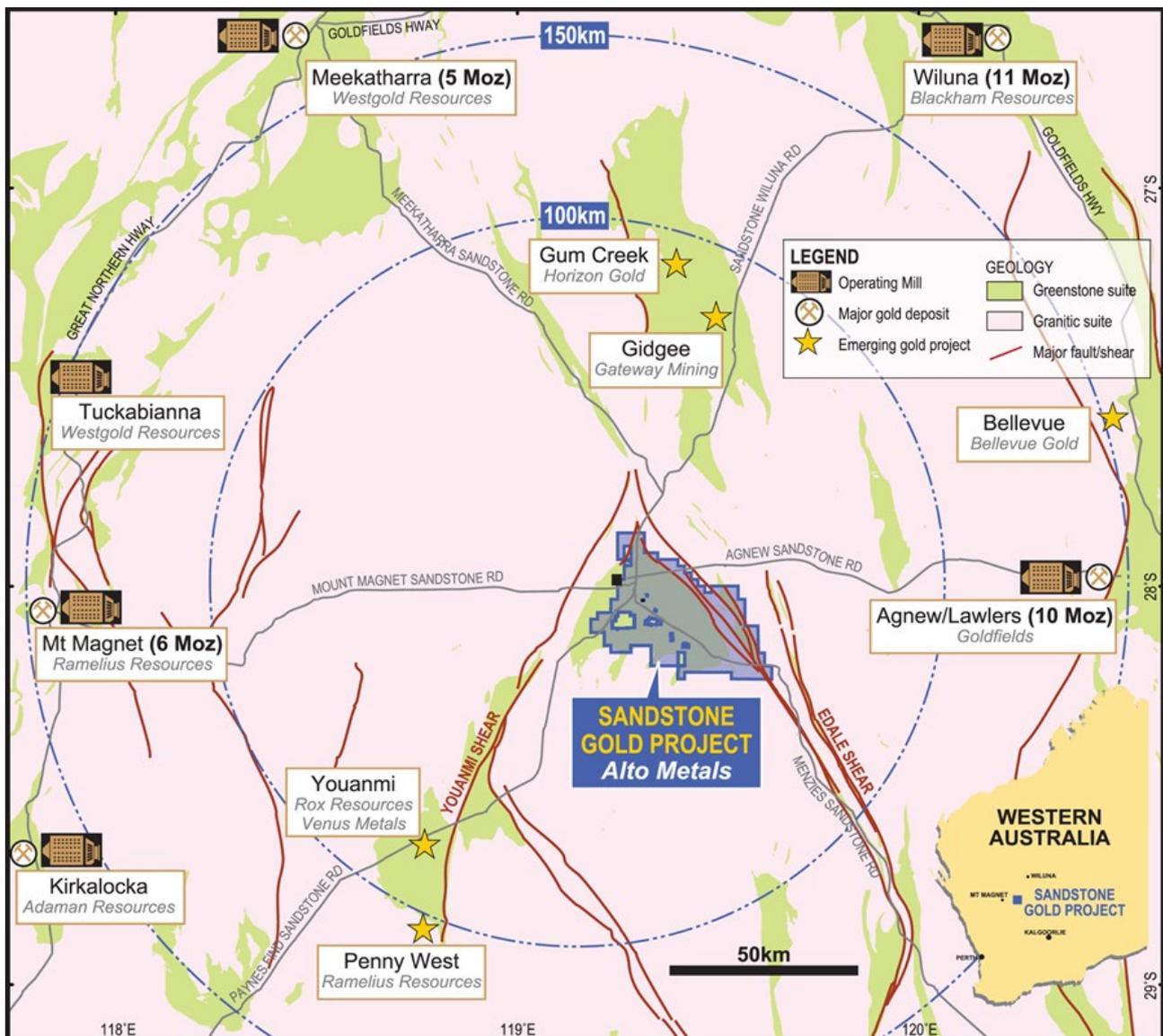


Figure 1. Location of Sandstone Gold Project within the East Murchison Gold Field, WA.