ASX Announcement

22 April 2024

Sandstone Gold Project, Western Australia

Alto Secures Option Over Lightning Mining Lease

Highly prospective gold prospect located on granted Mining Lease, with extensive alluvial gold workings, shallow high-grade historic drill results of up to 147 g/t gold and in close proximity to the 150koz @ 2.0 g/t Vanguard Camp

Highlights

- Option agreement to acquire granted mining lease M57/659 "*Lightning*" gold prospect, located only 3km west of the 2.3Mt @ 2.0 g/t Au for 150,000oz Vanguard Camp
- The mining lease has had no RC drilling and **remains untested at depth**, however shallow high-grade gold mineralisation has been intercepted in limited historical RAB drilling including:
  - **12m @ 13.5 g/t gold** from 25m incl. **1m @ 147 g/t gold** from 25m and **1m @ 7.9 g/t gold** from 36m (LR002)
  - **1m @ 4.5 g/t gold** from 26m (LR033)
  - **1m @ 3.5 g/t gold** from 46m (LWR129)
- Extensive shallow alluvial gold workings have been undertaken over the Lightning area, however the **primary source of mineralisation has not yet been identified**.
- A one kilometre long gold-in-soil anomaly (peak 242ppb), **situated within a favourable structural setting**, extends into Alto's exploration licence (E57/1033), where it **remains open and untested by drilling**.

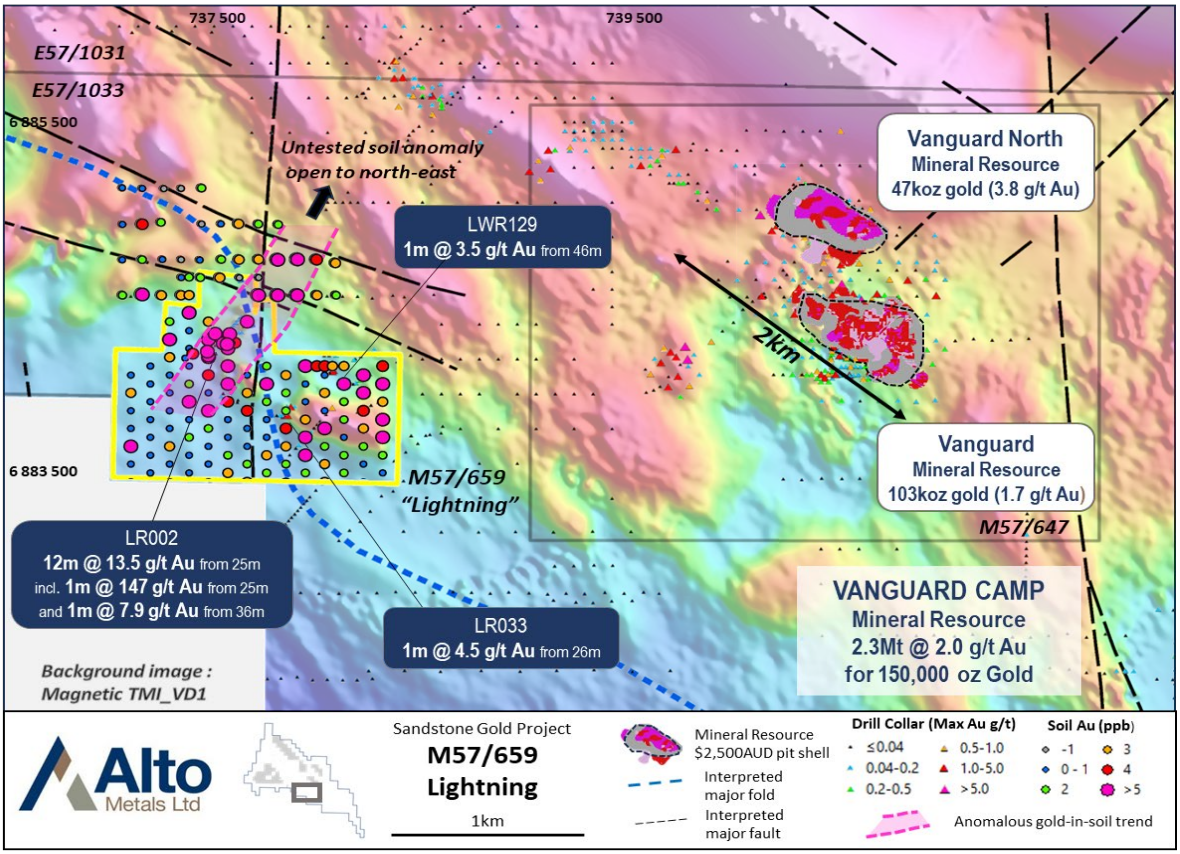

Figure 1. Location of M57/659 "*Lightning*", Sandstone Gold Project.

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

@altometalsltd
Altometalsltd

ASX: AME

Highlights (Continued)

- The option complements Alto's growth strategy of focusing on near-term growth opportunities within the Alpha Domain, in parallel with testing priority high-grade regional gold targets.
- First pass air-core drilling at the Sandstone North gold target has been completed, with a total of 94 holes and 3,223 metres drilled. The first batch of samples have already been prepared and sent to the laboratory for assay.
- Alto's Sandstone Gold Project covers > 740km^2 of the Sandstone Greenstone Belt in Western Australia and currently has an **open pit gold resource** of **17.6Mt @ 1.5 g/t gold for 832,000 oz**, constrained within A$2,500/oz pit-shells. The optimised and pit-constrained MRE captures over 80% of the total unconstrained MRE of 23.5Mt at 1.4 g/t gold for 1.05Moz.

Alto's Managing Director & CEO, Matthew Bowles said:

"*We are pleased to have secured an option to acquire the Lightning prospect, situated within a granted mining lease and immediately west of our Vanguard deposit.*

Limited shallow RAB drilling in the area has returned some significant gold intercepts of up to 147 g/t gold, yet the area has not been tested with deeper RC drilling. There are extensive shallow alluvial gold workings throughout the Lightning area, however the primary source of mineralisation has not yet been identified.

With a growing, open-pit gold resource of 832,000oz gold @ 1.5g/t, constrained within A$2,500/oz pit shells, at our Sandstone Gold Project, we consider Lightening to be a great addition to our asset base and has the potential to deliver further resource growth in the Vanguard/Lightning area.

Alto Secures Option Over Lightning Gold Prospect

Alto Metals Limited (ASX: AME) (Alto or the Company) is pleased to announce that it has entered into a binding option agreement to acquire granted mining lease M57/659 within its 100% owned Sandstone Gold Project in Western Australia.

The granted mining lease M57/659 known as "*Lightning*" sits within Alto's exploration licence E57/1033 and is located 3 kilometres west of the Company's granted mining lease M57/647, which hosts the Vanguard gold deposit (150,000oz at 2.0 g/t gold).

The Lightning area is structurally complex with folded banded iron formation which are often well exposed. These interflow sediments may represent the mafic/ultramafic contact zone.

Extensive shallow alluvial gold workings have been undertaken historically by various parties over the Lightning area, however the **primary source of mineralisation has not been identified**.

Limited historical RAB drilling at Lightning prospect, has intersected shallow gold mineralisation, including:

- **12m @ 13.5 g/t gold** from 25m, incl**. 1m @ 147.0 g/t gold** from 25m and **1m @ 7.9 g/t gold** from 36m (LR002)
- **6m @ 1.2 g/t gold** from 26m, incl. **1m @ 4.5 g/t gold** from 26m (LR033)
- **5m @ 1.2 g/t gold** from 42m, incl. **1m @ 3.5 g/t gold** from 46m (LWR129)

Mineralisation intersected in drilling at Lightning appears to be associated with quartz veining within banded iron formation. Refer to Table 4 for further information on significant historical drill results.

To the north of the mining lease a one kilometre long gold-in-soil anomaly (peak 242ppb) situated on a favourable structural setting, has been defined which extends into (E57/1033). This gold anomaly **remains open and untested by drilling**.

The Company is continuing to compile and validate the historical data over the ML and surrounding Lightning area. This work will support targeting work, in preparation for further exploration activities, including additional geochemical sampling and follow up drilling.

Summary of the key terms of the option and tenement sale agreement

Alto has signed a binding option and tenement sale agreement with a private vendor, who is an unrelated party, to acquire a 100% interest in granted mining lease M57/659 on the following key commercial terms:

- A cash payment of $20,000 as an option fee to the vendor;
- Alto has the right to exercise the option to acquire M57/659 at any time within two (2) years from signing of the option agreement, by giving notice to the vendor and paying $100,000;
- During the option period, Alto will meet the minimum expenditure commitment and keep the licences in good standing; and
- There are no royalty's payable to the Vendor.

The agreement is subject to a certain number of suspensive conditions required to be satisfied by the parties, including transfer of the Tenement.

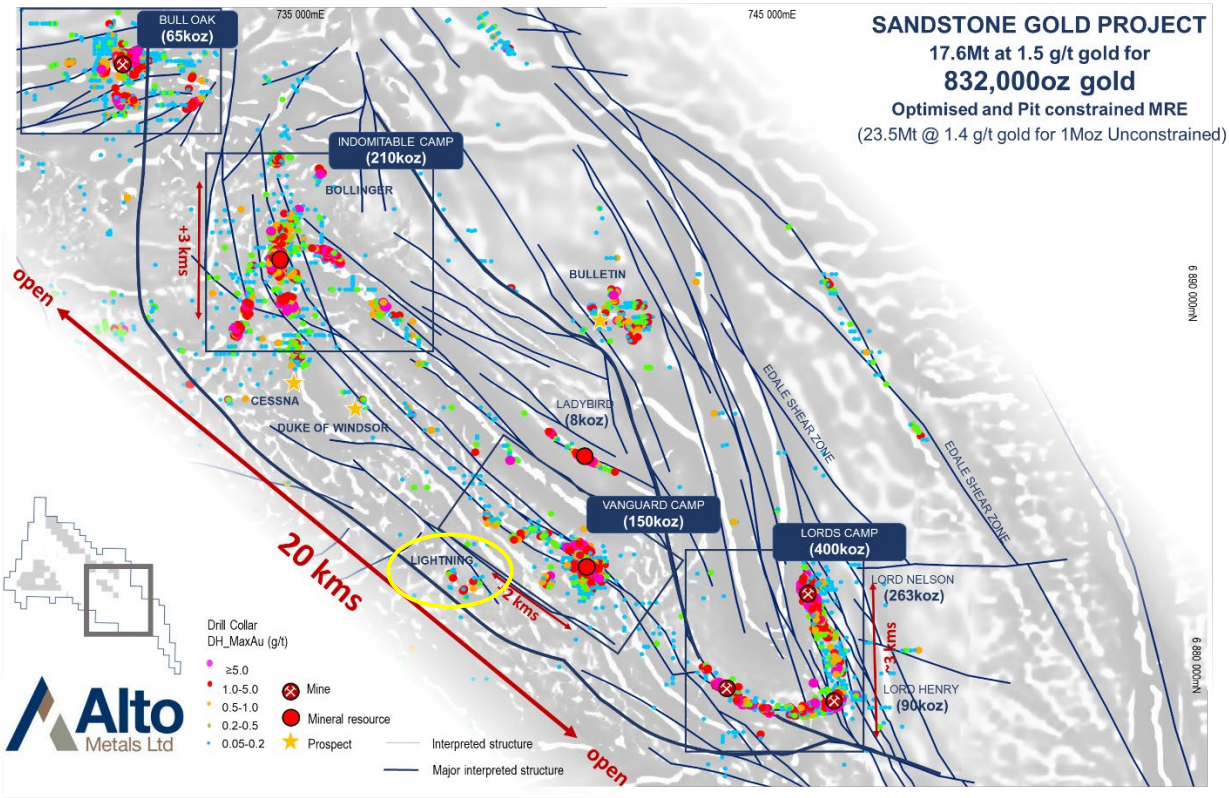

Figure 2: Location of total current mineral resources for Sandstone Gold Project within the Company's priority Alpha domain target area.

Drilling and ongoing exploration at Sandstone North

First pass air-core drilling at the Sandstone North gold target has been completed, with a total of 94 holes and 3,223 metres drilled. The first batch of samples have already been prepared and sent to the laboratory for assay. Further information on the ongoing exploration at Sandstone North, including pending assay results will be release when available. Refer to ASX Announcements released on 8 April 2024 and 25 March 2024 for further information.

For further information regarding Alto and its 100% owned 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 Managing Director of Alto Metals Limited on behalf of the Board.

Matthew Bowles
Managing Director & CEO
+61 8 9381 2808

About Alto Metals

Alto Metals Ltd (ASX: AME) is an advanced gold explorer that owns the Sandstone Gold Project (100%) located in the East Murchison of Western Australia.

The Sandstone Gold Project covers ~740km² of the Sandstone Greenstone Belt and currently has an optimised, open-pit constrained mineral resource estimate of 832,000oz gold at 1.5g/t, capturing over 80% of the unconstrained total MRE of 1.05Moz. Importantly the mineral resources are shallow with over 90% within 150m from surface Alto is currently focused on growing these resources through continued exploration success and new discoveries.

Figure 3. Location of Sandstone Gold Project within the East Murchison Gold Field, WA

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:

Infill Soils Define Gold Targets at Sandstone North, 25 March 2024

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

References

WAMEX a50673. Wirraminna JV Project, Western Australia. Combined Annual Mineral Exploration report for the Period 1 January 1996 to 31 December 1996. Battle Mountain (Australia) Inc. Report No. 1997/02.

WAMEX a54231. Wirraminna JV Project, Western Australia. Combined Annual Mineral Exploration report for the Period 1 January 1997 to 31 December 1997. Battle Mountain (Australia) Inc. Report No. C179/1996.

WAMEX a73473. Sandstone Project, Sandstone, Western Australia. Surrender Report for the Period 23 August 1994 to 6 October 2005. Tenements P57/806 & P57/834. Troy Resources NL. September 2006.

WAMEX a73496. Sandstone Project, Sandstone, Western Australia. Surrender Report for the Period 14 May 1984 to 8 June 2006. Tenements E57/267, 427, 428; M57/2, 23, 111, 134, 179, 192, 201, 224, 234, 246, 247, 249, 263, 264. Troy Resources NL. September 2006.

Tables 1 & 2: Optimised and Pit Constrained Mineral Resource Estimate for Sandstone Gold Project

Table 1: Total Mineral Resource Estimate for Sandstone Gold Project

Mineral Resource Estimate for the Sandstone Gold Project as at March 2023				
Classification	**Cut-off grade (g/t gold)**	**Tonnes (Mt)**	**Grade (g/t gold)**	**Contained gold (koz)**
Total Indicated	0.5	4.3	1.6	226
Total Inferred	0.5	13.3	1.4	606
TOTAL	**0.5**	**17.6**	**1.5**	**832**

Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Mineral Resources for Indomitable are reported at a cut-off grade of 0.3 g/t gold. Minor discrepancies may occur due to rounding of appropriate significant figures.

Table 2: Total Mineral Resource Estimate for Sandstone Gold Project (by deposit)

Mineral Resource Estimate for the Sandstone Project - March 2023										
		Indicated			**Inferred**			**TOTAL**		
Prospect	**Cut-Off**	**Tonnes (Mt)**	**Grade (g/t)**	**Gold Ounces (koz)**	**Tonnes (Mt)**	**Grade (g/t)**	**Gold Ounces (koz)**	**Tonnes (Mt)**	**Grade (g/t)**	**Gold Ounces (koz)**
Lord Nelson	**0.5**	**1.5**	**2.1**	**100**	**3.5**	**1.4**	**163**	**5.0**	**1.6**	**263**
Lord Henry	**0.5**	**1.6**	**1.5**	**77**	**0.3**	**1.2**	**13**	**1.9**	**1.4**	**90**
Havilah	0.5				0.9	1.4	38	0.9	1.4	38
Maninga Marley	0.5				0.1	2.6	8	0.1	2.6	8
Havilah Camp	**0.5**				**1**	**1.5**	**46**	**1.0**	**1.5**	**46**
Vanguard	0.5	0.4	2	26	1.5	1.6	77	1.9	1.7	103
Vanguard North	0.5				0.4	3.8	47	0.4	3.8	47
Vanguard Camp	**0.5**	**0.4**	**2**	**26**	**1.9**	**1.6**	**124**	**2.3**	**2.0**	**150**
Musketeer	0.5				0.8	1.5	40	0.8	1.5	40
Indomitable	0.5	0.8	0.9	23	2.2	1.2	81	3.0	1.1	104
Indomitable East	0.5				1	1.1	34	1.0	1.1	34
Tiger Moth	0.5				0.5	1.7	28	0.5	1.7	28
Piper	0.5				0.1	1	4	0.1	1.0	4
Indomitable Camp	**0.5**	**0.8**	**0.9**	**23**	**4.6**	**1.1**	**187**	**5.4**	**1.2**	**210**
Bull Oak	**0.5**				**1.9**	**1.1**	**65**	**1.9**	**1.1**	**65**
Ladybird	**0.5**				**0.1**	**1.9**	**8**	**0.1**	**1.9**	**8**
Total	**0.5**	**4.3**	**1.6**	**226**	**13.3**	**1.4**	**606**	**17.6**	**1.5**	**832**

Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold and are constrained within a A$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction deposits of a similar scale and geology. Mineral Resources for Lord Henry, Vanguard Camp, Havilah Camp, Piper, Tiger Moth and Ladybird deposits have not been updated. Minor discrepancies may occur due to rounding of appropriate significant figures.

Table 3: Unconstrained Mineral Resources for Sandstone Gold Project, March 2023

Unconstrained Mineral Resources for the Sandstone Gold Project as at March 2023				
Classification	**Cut-off grade (g/t gold)**	**Tonnes (Mt)**	**Grade (g/t gold)**	**Contained gold (koz)**
Total Indicated	0.5	4.3	1.6	227
Total Inferred	0.5	19.2	1.4	819
TOTAL	**0.5**	**23.5**	**1.4**	**1,046**

Unconstrained Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Minor discrepancies may occur due to rounding of significant figures.

The references in this announcement to Mineral Resource estimates for the Sandstone Gold Project were reported in accordance with Listing Rule 5.8 in the following announcements:

(a): Lord Nelson, Indomitable, Bull Oak release: "Significant increase in shallow gold resources at Sandstone Gold Project" 3 April 2023;

(b) Vanguard Camp, Havilah Camp, Lord Henry: release titled: *"Sandstone Mineral Resource increases to 635,000oz gold"* 23 March 2022;

(c): Indomitable Camp (Piper & Tiger Moth deposits): release "*Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA*" 25 Sep 2018; and

(d): Ladybird: release "*Alto increases Total Mineral Resource Estimate to 290,000oz, Sandstone Gold Project*" 11 June 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 announcement noted above and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the previous market announcement continue to apply and have not materially changed.

Table 4: Drill collar information for significant assay results (MGA 94 zone 50) – Lightning.

Hole_ID	Hole_Type	m_East	m_North	m_RL	Dip	Azumith	m_MaxDepth	Prospect	From(m)	To(m)	Interval(m)	Au_g/t	g/t*m_Au
LR002	RAB	737,438	6,884,166	489	-60	300	47	Lightning	25	37	12	13.5	162.0
								incl.	25	26	1	147.0	147.0
								and	36	37	1	7.9	7.9
LR018	RAB	737,716	6,883,718	481	-60	270	30	Lightning	24	28	4	0.7	2.8
								incl.	26	27	1	1.3	1.3
LR033	RAB	737,729	6,883,718	481	-60	270	41	Lightning	26	32	6	1.2	7.2
								incl.	26	27	1	4.5	4.5
LR035	RAB	737,746	6,883,766	481	-60	270	40	Lightning	31	32	1	1.8	1.8
LWR129	RAB	737,972	6,883,976	481	-60	90	47	Lightning	35	47	12	0.7	8.2
								incl.	42	47	5	1.2	6.0
								and incl.	46	47	1	3.5	3.5
LWR274	RAB	737,965	6,883,970	481	-60	30	56	Lightning	45	56	11	0.7	7.4
								incl.	46	47	1	1.2	1.2

JORC 2012 TABLE 1 REPORT SANDSTONE PROJECT – Lightning

SECTION 1 - Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Sampling techniques	**Drilling carried out by Troy Resources NL (1998-2000)** • Rotary Air Blast (RAB) samples were collected in 1m intervals and laid on the ground. • From the bulk samples a 5m composite sample was collected using a split PVC scoop and then submitted to the laboratory for analysis. • Where anomalous gold zones were detected, 1m re-split samples were collected at a later date and submitted to the laboratory. **Soil Sampling** • Soil sampling immediately north of M57/659 was carried out by Alto Metals personnel on E57/1033. • Soil samples were collected at 100m spacing along east-west lines 200m apart. • Individual samples were collected using a pick and shovel from between 0.2m to 0.5m depth. • The samples were screened in field to recover approximately 1 kilogram each of the -0.9mm to 1.6mm fraction. • Soil samples were also collected within M57/659 by Battle Mountain (Australia) (BMA) Inc and reported by Troy. • BMA samples comprised -2mm mesh soil samples taken every 50m along lines 100m apart.
Drilling techniques	• Drilling techniques for results being reported included RAB drilling.
Drill sample recovery	• Alto has no quantitative information on Troy RAB sample recovery. There were no reported sample recovery issues.
Logging	• Troy used detailed geological logging codes and logged all drill holes however no detailed information is available on the logging methods used.
Subsampling techniques and sample preparation	**Drilling carried out by Troy (1998-2000)** • Troy RAB samples were assayed at Ultratrace, Genalysis and Analabs Perth by 50g aqua regia digest followed by DIBK extraction Flame Atomic Absorption Spectrometry **Soil Sampling** • The Alto samples were submitted to MinAnalytical Laboratory for gold assay. • The samples were pulverised and assayed using 10 gram aqua regia with ICP-MS finish to a detection level of 1ppb gold. • The BMA soil samples were submitted to ALS Laboratory as 2 x 50m (100m) composite samples. • Sample assay method was BLEG PM216.
Quality of assay data and laboratory tests	**Drill Assaying and Laboratory Procedures** • The Aqua Regia technique is considered to be a partial extraction technique where gold encapsulated in refractory sulphides or some silicate minerals may not be fully dissolved, resulting in partial reporting of gold content. • There is no information available to Alto to indicate that the gold at the Lightning area is refractory gold.

	• For Troy RAB drilling, an average of 1 field duplicate and 1 standard was submitted for every 50 samples. Blank samples were not routinely submitted. **Soil Sample Assay** • Alto field duplicates were collected at a rate of 1:50. • Laboratory Certified Reference Materials and/or in-house controls, blanks, splits and replicates were used by MinAnalytical. These quality control results are reported along with the sample values in the final report. Selected samples are also re-analysed to confirm anomalous results. • Laboratory and field QA/QC results were reviewed by Alto personnel. • There is no further information on the BMA soil sampling.
Verification of sampling and assaying	**Drilling** • Drilling carried out by Troy was compiled by Alto from WA Dept Mines Open File records (WAMEX). • Data was transferred from WAMEX digital files to Alto's database. The original WAMEX files were generally in excel or text format and were readily imported into Alto's database. • Adjustment to assay data has been made where values below the analytical detection limit have been replaced with half the lower detection limit value. **Soil Sampling** • No correction factors or adjustments were made to the data.
Location of data points	• The grid used for the project area is GDA94, Map Grid of Australia 94, Zone 50. • The collar locations for all Troy Resources RC drill hole collars were reported as being determined by DGPS. • Alto used handheld Garmin GPS to locate and record soil sample locations, accurate to +/- 5 metres. • A compass and clinometer was used to set up the dip and azimuth of the drill mast for Troy RAB drill holes.
Data spacing and distribution	• The drill hole orientation is typically vertical or -60 degrees dip to the NW or SE. • RAB drill hole spacing is variable depending on the location and target being drilled. • Alto soil samples were collected at 100m sample spacing on east-west lines 200m apart. • BMA soil samples were taken every 50m along lines 100m apart and submitted as 2 x 50m (100m) composite samples.
Orientation of data in relation to geological structure	• Geological structures have been interpreted from airborne geophysical data. • Mineralisation intersected in drilling at Lightning appears to be associated with quartz veining within banded iron formation. • Previous shallow RAB drilling was carried out at various orientations and there remains insufficient data to determine the orientation of mineralisation. • Alto soil sample lines were oriented east-west and BMA soil samples were collected on north-south lines.
Sample security	• Troy reported that their drill samples were collected in a labelled and tied calico bag. Up to six calico bags are then placed in a larger polyweave bag that is labelled with the laboratory address and sender details and tied with wire. The polyweave bags were picked up by a courier firm who counted the number of polyweave bags before taking them to the Mt Magnet depot. The samples were picked up by the courier's road train and transported to Perth. Upon receipt of the samples the laboratory checked the sample IDs and total number of samples and notified Troy of any differences from the sample submission form. • Alto soil samples comprised approximately 1kg and were collected and stored in

	a calico bag. • Individual sample bags were placed in a larger plastic poly-weave bag then into a bulka bag that was tied and dispatched to MinAnalytical Laboratory. • Drilling and soil sampling data was recorded on field sheets and entered into a database then sent to the head office. • Laboratory submission sheets are also completed and sent to the laboratory prior to sample receival.
Audits and reviews	• Troy engaged Maxwell to undertake periodic independent audit of Troy's exploration QAQC data. • There are no other known audits or reviews.

SECTION 2 - Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
Mineral tenement and land tenure	• Mining lease M57/659 "Lightning" is held by James Allison. • E57/1033 is held by Sandstone Exploration Pty Ltd, a 100% subsidiary of Alto Metals Limited. • Sandstone Exploration Pty Ltd, a wholly owned subsidiary of ASX listed Alto Metals Limited (AME), has entered into an Option Agreement with James Allison to acquire M57/659. • M57/659 and E57/1033 are currently in good standing with the Department of Energy, Mines, Industry Regulation and Safety. • There are no registered, lodged or known heritage sites within the tenements. • There are no current known impediments to obtaining a licence to operate in the area.
Exploration done by other parties	• Historically gold was first discovered in the Sandstone area in the 1890's. • It is understood that the tenement has been subject to significant activity in the past including metal detecting, scrape and detect, and dry blowing to recover alluvial gold. The quantity of gold recovered is unknown. • Troy completed soil and rock chip sampling and RAB drilling between 1997 and 2000.
Geology	• The Sandstone Project covers much of the Sandstone Greenstone Belt, a triangular belt interpreted to be a north-plunging antiform situated at the northern end of the Southern Cross Domain. The belt primarily comprises mafic volcanic and intrusive units, with subordinate ultramafic, BIF and siliciclastic sediments. • Much of the residual greenstone belt regolith is overlain by depositional material including colluvium, sheet wash alluvium and aeolian deposits. The alluvium thins in the northern and eastern parts of the project area where underlying meta-sediments and granitoids are exposed at the surface. A lateritic horizon is observed across much of the belt. • The Lightning area is structurally complex with folded banded iron formation which are often well exposed. These interflow sediments may represent the mafic/ultramafic contact zone. • Mineralisation intersected in drilling at Lightning appears to be associated with quartz veining within banded iron formation.
Drill hole information	• A summary of all significant intercepts is included in a table accompanying this JORC Table.

Criteria	Commentary
Data aggregation methods	• A summary of significant results is included in a table. • No metal equivalents have been used or reported. • The reported drill assay grades are uncut.
Relationship between mineralisation widths and intercept lengths	• There is insufficient information to determine whether there are any relationships between mineralisation widths and intercept lengths.
Diagrams	• Diagrams including drill hole location plan are shown in the main report.
Balanced reporting	• All known drill holes are shown on plan view with the maximum value of gold intersected shown at the collar. • Drill hole details for drill holes with significant assays are included in a table within the main report.
Other substantive exploration data	• There is no other material information at this stage.
Further work	• Further detailed review of historical exploration will be undertaken including field reconnaissance, additional soil sampling where appropriate, prior to carrying out exploration drilling.