

Sandstone Gold Project

Alto successfully raises \$7m to drive aggressive exploration and resource growth at the Sandstone Gold Project

Well funded to continue a major drilling program, to follow up on the excellent drilling results announced to date, while continuing to advance the resource upgrade

Highlights

- Firm commitments received for a total of \$7 million capital raising.
- Strongly supported by existing major shareholders and a number of new, resource focused, institutional investors.
- Alto is now fully funded for the next planned phase of exploration and drilling at the Sandstone Gold Project, which includes:
 - RC drilling along the contact of the Lords granodiorite to test for repeat lodes along strike and at depth
 - Step-out drilling along both the Vanguard and Indomitable trends
- The strengthened balance sheet also allows for first pass drilling at numerous advanced regional targets, outside of the Alpha domain.
- Assays are still pending for over 80 RC holes, mainly from Lord Henry, Vanguard and Indomitable.
- Work is continuing on updating the current 331,000oz Mineral Resource (May 2020), which is anticipated to be completed by early in the March 2022 quarter.

Alto's Managing Director, Matthew Bowles said:

We are extremely pleased with the overwhelming interest in the Placement from existing and new investors, including a number of resource focused institutional investors, which is a strong endorsement of the quality of our Sandstone Gold Project.

The proceeds from this raising puts Alto in a strong position as we head into 2022. We are well funded and can now focus on commencing our next major drilling and exploration program, following up on the exceptional results we have announced this year, while at the same time continuing to advance our mineral resource update.

I would like to thank everyone who participated in the placement for their support, and welcome our new shareholders to the register as we look forward to our next exciting phase of growth.

Alto Metals Limited

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Issued Shares: 450m
Share Price: \$0.10
Market Capitalisation: \$45m



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ASX: AME

Alto Metals Limited (ASX: AME) (Alto or Company) is pleased to advise that it has secured firm commitments to raise a total of \$7 million (before costs) through the issue of 77.8m shares (New Shares) at an issue price of \$0.09 per share (Placement). The Placement, to drive the next phase of aggressive exploration and resource growth at the Company's 100% owned, Sandstone Gold Project, in Western Australia, was well supported by both existing and new investors.

The Placement, comprises the issue of 60,683,526 shares at an issue price of \$0.09 per share, raising \$5,461,518 and the balance of a 17,094,250 Placement shares raising \$1,538,482, to be issued on the same terms to Directors, subject to shareholder approval.

The New Shares issued under the Placement to institutional, professional and sophisticated investors (who are not directors or related parties of the Company) will be issued within Alto's existing placement capacity under Listing Rule 7.1. The issue of these New Shares is expected to occur on or around 19 November 2021.

The New Shares to be issued under the Placement to Directors of Alto (or their respective nominees) will be subject to shareholder approval. The Company is preparing the relevant notice of meeting documentation and is undertaking all the necessary steps to convene the shareholder meeting as soon as possible.

New Shares to be issued under the Placement are fully-paid ordinary shares and will rank equally with existing shares on issue.

Morgans Corporate Limited and Taylor Collison Limited acted as Joint Lead Managers to the Placement.

Use of funds | Systematic approach to exploration

Alto's immediate exploration strategy remains focused on further discoveries and resource growth within the Alpha Domain which hosts the +3km Lords granodiorite, Vanguard, Indomitable and Havilah prospects.

Based on the success of the systematic approach to exploration at the Alpha Domain to date, Alto has commenced a review of the multiple other early greenfield and advanced brownfield targets within the +900km² Sandstone Gold Project, as part of the Company's longer term strategy to continue to advance the overall project pipeline.

The proceeds of this Placement are planned to primarily be used to drive the next major phase of aggressive exploration, drilling and resource growth. Based on the successful exploration results received to date, future exploration activities shall focus on:

Lords Granodiorite and the Alpha Domain

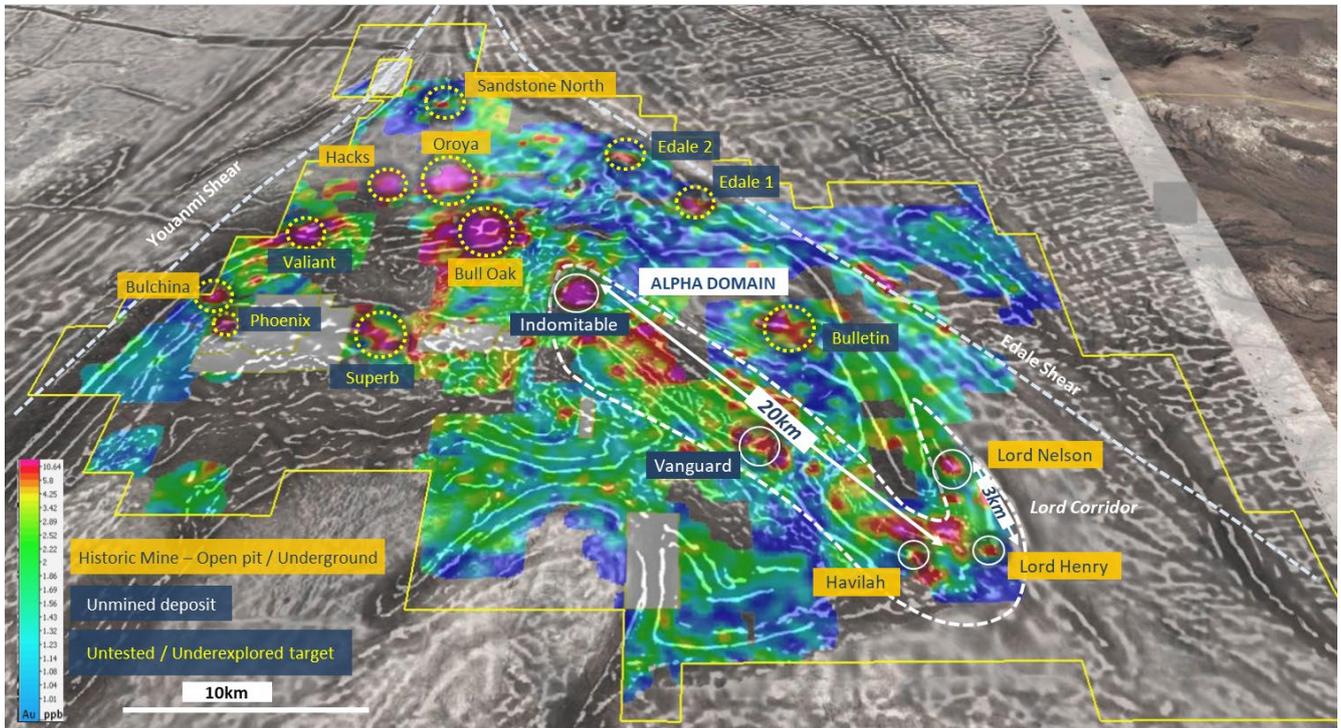
- Extensional RC drilling to test further mineralisation below the Lord Nelson pit, where recent results include 45m @ 3.2 g/t gold from 161m (SRC432) and 48m @ 3.4 g/t gold from 214m (SRC423)
- RC drilling to test dip and plunge extensions of the new Juno discovery 13m @ 5.1 g/t gold from 162m (SRC433)
- RC drilling along the ultramafic contact of the Lords granodiorite, to test for repeat lodes south of the Lord Nelson;
- Deeper RC drilling/Diamond drilling (including EIS funding) to test the ultramafic contact of the Lords granodiorite at depth
- Step-out exploration drilling to focus on testing the strike of the Vanguard and Indomitable trends, to grow the mineralised footprint.

Sandstone regional exploration

- Ongoing review and ranking of the multiple regional advanced targets, including Bulchina pit, Sandstone North, Hacks, Oroya and Edale prospects.
- First pass RC drilling at priority regional targets.

Technical study work is continuing for an update to the current 331,000oz mineral resource estimate for the Sandstone Gold Project, based on the additional drilling completed at Lord Nelson, Lord Henry and Vanguard.

The proceeds will also be used for corporate and working capital purposes.



Assays remain pending for 89 RC holes. Upcoming results expected to be received over the coming weeks include:

- RC results from Lord Henry – infill and extensional;
- RC results from Vanguard and Indomitable – extensional; and
- RC results from other regional Alpha Domain prospects (incl. Havilah, Maninga Marley, Bull Oak, Tiger Moth).

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.

Matthew Bowles
 Managing Director & CEO
 Alto Metals Limited
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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:

High-grade drill results continue from the Lords Corridor, 28 October 2021

Lords scale continues to grow with new Juno discovery, 5 October 2021

Alto intercepts 19m @ 6.0 g/t gold at Lord Nelson, 9 September 2021

Table 1: Mineral Resource Estimate for Sandstone Gold Project

Deposit	Last update	Category	Cut-off (g/t Au)	Tonnage (kt)	Grade (g/t Au)	Contained gold (oz)
Lord Henry ^(b)	May 2017	Indicated	0.8	1,200	1.6	65,000
TOTAL INDICATED				1,200	1.6	65,000
Lord Henry ^(b)	May 2017	Inferred	0.8	110	1.3	4,000
Lord Nelson ^(a)	May 2020	Inferred	0.8	1,820	1.9	109,000
Indomitable & Vanguard Camp ^(c)	Sep 2018	Inferred	0.3-0.5	2,580	1.5	124,000
Havilah & Ladybird ^(d)	June 2019	Inferred	0.5	510	1.8	29,000
TOTAL INFERRED				5,020	1.7	266,000
TOTAL INDICATED AND INFERRED				6,220	1.7	331,000

Small discrepancies may occur due to rounding

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: announcement titled "Alto increases Lord Nelson Resource by 60% to 109,000 ounces at 1.9g/t Gold" dated 27 May 2020,
- (b): Lord Henry: announcement titled: "Maiden Lord Henry JORC 2012 Mineral Resource of 69,000oz." dated 16 May 2017,
- (c): Indomitable & Vanguard Camp: announcement titled: "Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA" 25 Sep 2018; and
- (d): Havilah & Ladybird: announcement titled: "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.

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 900km² of the Sandstone Greenstone Belt and currently has a mineral resource estimate of 331,000oz gold at 1.7g/t. Alto is currently focused on growing these resources through continued exploration success and new discoveries.

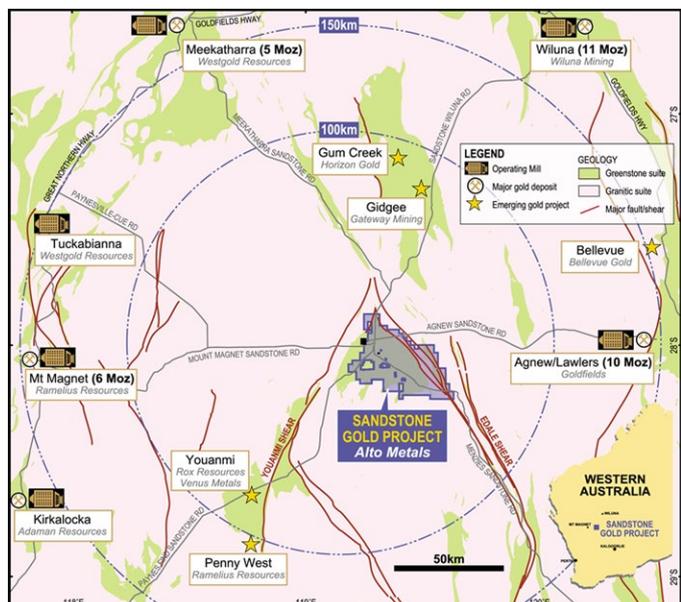


Figure 2. Location of Sandstone Gold Project within the East Murchison Gold Field, WA.