

31 March 2023 Quarterly Report

## Significant increase to the shallow gold resource at Sandstone Gold Project highlights further growth potential

Optimised and pit constrained resource increased to 832,000oz @ 1.5 g/t gold, capturing 80% of the total unconstrained MRE. Resources are shallow with 90% within 150m from surface and remain open in all directions.

Assays pending from first phase of 2023 RC drilling.

### Highlights of the quarter

#### Updated Mineral Resource

- Updated Independent Mineral Resource Estimate outlines an optimised and pit-constrained 17.6 Mt @ 1.5 g/t gold for 832,000 oz within A\$2,500/oz optimised pit-shells reported at 0.5 g/t gold cut-off (consistent with the March 2022 update).
  - Pit-optimisations demonstrate the robust nature of the resource, capturing approximately 80% of the total unconstrained MRE of 23.5 Mt @ 1.5 g/t gold for 1.05 Moz.
  - Mineral Resources are shallow with 90% of pit-constrained ounces within 150m from surface.
  - Mineralisation remains open along strike and at depth highlighting the strong potential to continue growing the resource inventory with further drilling.
  - Shallow resource growth at Indomitable Camp almost tripling in size to 5.4 Mt @ 1.2 g/t gold for 210,000oz with mineralisation currently defined along a +3km long NW/SE trending gold corridor.
  - Majority of resources are located on granted mining licences and supported by excellent infrastructure.

#### Regional Exploration - Oroya

- Maiden RC drilling program at the historic Oroya Mine, intersected high-grade gold mineralisation along strike and down dip of historical workings, including 3m @ 13.8 g/t gold from 65m (incl. 1m @ 37.1 g/t gold from 66m)

#### 2023 Drilling & Exploration

- 2023 drilling program to focus on continued resource growth and depth targets within the Alpha Domain and priority regional targets.
- Assays pending from first phase of 5,000m RC drilling completed at Indomitable.
- Cash position of \$2.0 million at the end of the quarter and no debt.

Alto's Managing Director, Matthew Bowles said:

*The key achievement for the quarter was the substantial increase to the open-pit gold resource estimate at our Sandstone Gold Project. This latest resource update highlights the shallow nature of mineralisation and has delivered a robust, optimised and pit-constrained resource of 832,000oz gold at 1.5 g/t, representing 80% of the total MRE, and remains open in all directions.*

*Our major drilling program for 2023 is underway, with the first 5,000m of RC drilling completed and those samples are already with the laboratory for assaying. Our systematic approach to exploration is delivering and we are confident further drilling will continue to grow the resource and unlock the value of this entire gold field.*

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Issued Shares: 613m  
Share Price: \$0.064  
Market Capitalisation: \$39m



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ASX: AME

## March quarter 2023 activities

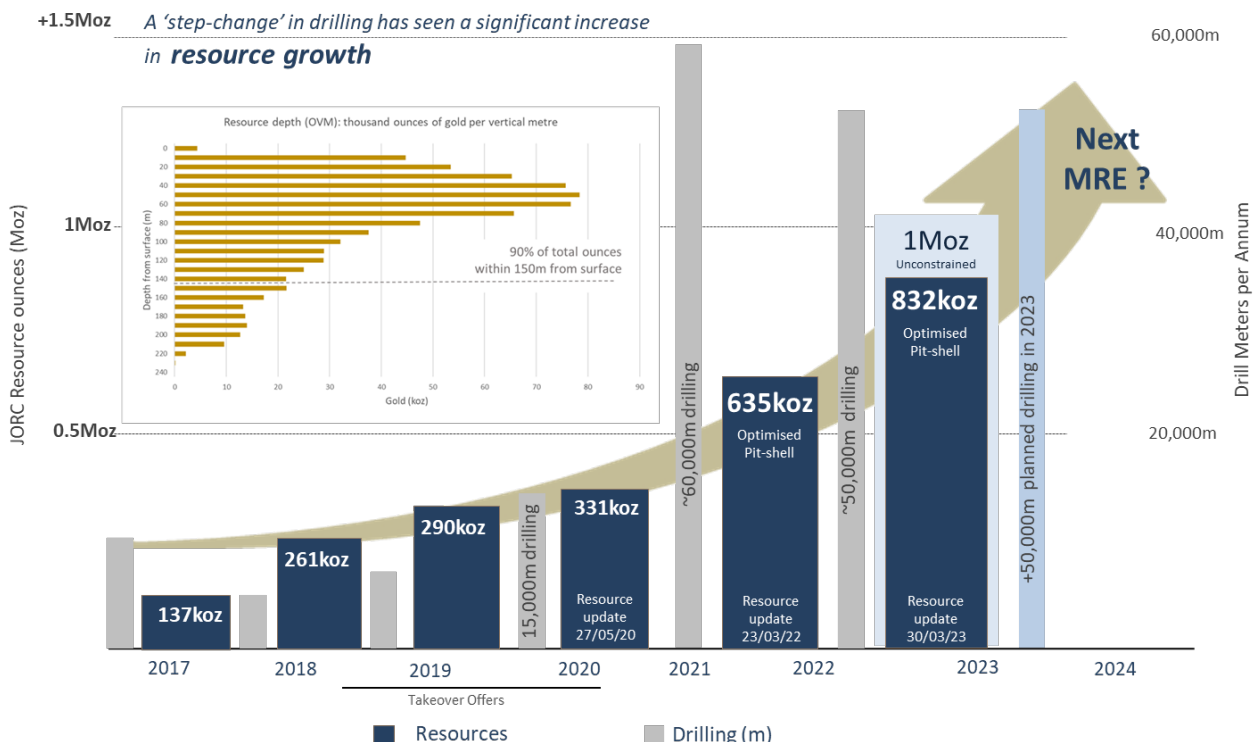
Alto Metals Limited ("Alto" or "the Company") (ASX: AME) is pleased to report on an outstanding quarter, during which the Company completed work on a substantial increase to the gold resource at the Company's 100% owned Sandstone Gold Project that covers +740km<sup>2</sup> of the Sandstone Greenstone Belt in the East Murchison of Western Australia.

## Updated Mineral Resource – Significant increase in shallow gold resource

- **Updated Independent Mineral Resource Estimate outlines an optimised and pit-constrained 17.6Mt @ 1.5 g/t gold for 832,000 oz** within A\$2,500/oz optimised pit-shells<sup>1</sup> reported at 0.5 g/t gold cut-off (consistent with the March 2022 update<sup>2</sup>) (Refer to Table 1).
- **Pit-optimisations demonstrate the robust nature of the resource**, capturing approximately 80% of the total unconstrained MRE of 23.5Mt @ 1.4 g/t gold for 1.05Moz (Refer to Table 2).
- **Mineral Resources are shallow** with over 70% of pit-constrained ounces<sup>3</sup> within 100m from surface and 90% within 150m.
- **Mineralisation remains open along strike and at depth** highlighting the strong potential to continue growing the resource inventory with further drilling.
- **Rapid shallow resource growth at Indomitable Camp** almost tripling in size to 5.4Mt @ 1.2 g/t gold for 210,000oz with mineralisation currently defined along a +3km long NW/SE trending gold corridor.
- **Majority of resources are located on granted mining licences<sup>4</sup>**, supported by excellent surrounding infrastructure and are in close proximity to each other, forming part of one mining field.
- **Alto intends to continue focusing on adding quality shallow gold ounces** by targeting 'step-out' mineralisation as well as priority targets at depth, to establish a multi-million ounce stand-alone operation at Sandstone.

## A Growing Shallow Gold Resource

Drilling focused on adding quality shallow ounces – depth potential yet to be tested...



1 Updated Mineral Resources in this release includes Inferred and Indicated Resources and are optimised and constrained using A\$2,500/oz pit shells. Mineral resources for Ladybird, Piper and Tiger Moth are based on A\$2,000/oz pit shells and have not been updated.  
2 Refer to ASX announced dated 23 March 2022 "Sandstone Mineral Resource increases to 635,000oz gold"  
3 Refers to the optimised and constrained Resources reported 3 April 2023.  
4 All mineral resources are located within granted mining licences, with the exception of Indomitable East, Musketeer, Ladybird and Bull Oak.

## Exploration Activities

### *Exploration - Additional near surface gold targets within the Alpha Domain*

- In line with Alto's focused exploration approach, the Company has continued ongoing geological review and field work over the 20km long NW/SE trending gold corridor within the Alpha Domain. This work has highlighted a number of advanced near-surface targets

### *Regional Exploration - Historic Oroya & Hacks mines*

- Maiden RC drilling program at the historic high-grade Oroya Mine, intersected high-grade gold mineralisation along strike and down dip of historical workings. This initial wide-spaced step out drilling has successfully confirmed the geological model, targeting extensions of the Sandstone Main reef and unmined mineralisation to the north-west beyond the north end of the pit, along with extensions down dip to the west.
- RC holes were drilled at the main Sandstone Reef and the unmined Juno Reef, targeting both remnant mineralisation and extensions of the main reef, with significant results including:
  - **8m @ 1.3 g/t gold** from 43m, including **2m @ 2.7 g/t gold** from 43m; and  
**3m @ 13.8 g/t gold** from 65m, including **1m @ 37.1 g/t gold** from 66m (SRC894) – Juno / Main Reef
  - **6m @ 1.3 g/t gold** from 41m, including **1m @ 5.5 g/t gold** from 41m (SRC895) –Juno
- SRC894 intersected the main high-grade reef at the predicted interval, above the historical workings, returning **3m @ 13.8 g/t gold** incl. **1m @ 37.1 g/t gold** and SRC892 and SRC893 both intersected mineralisation extending strike by 160m.
- The Company considers there is significant potential for the Sandstone reef to extend north-west beyond the north end of the pit **which has not been adequately tested**, along with extensions to the west.
- The target area hosts numerous old workings and historic shafts, which predominantly are north-south striking **and the Company considers the area prospective for additional 'repeat' high-grade gold reefs**, which may link to the regional Youanmi shear corridor.

### *Pending assays*

- Assay results pending from the first phase of 5,000m of RC drilling at Indomitabile. The drill program is planned to include testing potential interpreted high-grade mineralised structures highlighted from the recent results announced at the end of last year, including **25m @ 7.5 g/t gold** from 41m (ASX 24 Nov 2022)

### *Corporate*

- The Company presented at the RIU Explorers Conference in Fremantle in February, the Singapore Mining Club 'Gold Rush' in April and will be presenting at the RIU Sydney Resources Round-up in May 2023.
- Cash at the end of the December quarter totalled \$2.0 million and no debt.

### *Planned exploration activities for 2023*

- Alto's successful drilling program for CY2022 focused on both resource growth and testing priority regional targets, and has culminated in another significant increase in the shallow gold resource at Sandstone
- The first phase of 5,000m, of Alto's planned 50,000m RC drilling program for 2023, commenced during the quarter. The next phase of follow up drilling at Indomitabile is planned to include extensional drilling along with deeper RC drilling, in preparation for follow up diamond drilling.
- The next phase of follow up RC drilling is expected to commence shortly, following receipt of pending assays from the first phase of drilling.

## Updated Mineral Resource Estimate - Shallow gold resource continues to grow

### Optimised and pit constrained resource increased to 832,000oz @ 1.5 g/t gold, capturing 80% of the total unconstrained MRE.

Subsequent to the quarter, the Company announced a significant Mineral Resource update at the Company's 100% owned Sandstone Gold Project in Western Australia, (Sandstone Gold Project). The updated Mineral Resource incorporates updates for the Indomitable Camp (

a maiden resource for Indomitable East and Musketeer), an update to Lord Nelson and a maiden Mineral Resource estimate for Bull Oak. The updated Mineral Resource Estimates (MRE) were prepared by independent mining industry consultants, Snowden Optiro and reported in accordance with the JORC Code (2012 Edition).

The updated MRE includes all drilling completed up to the end of November 2022. Resource estimates for Lord Henry, Vanguard, Vanguard North, Havilah Camp, Tiger Moth, Piper and Ladybird deposits are unchanged from the Mineral Resources reported on 23 March 2022, 11 June 2019 and 25 September 2018 respectively.

### Optimised pit-shell constrained MRE – 832,000oz @ 1.5 g/t gold

Open-pit optimisations have been performed by Snowden Optiro on the updated Mineral Resource using a \$2,500/oz gold price and reported at a 0.5 g/t gold cut-off, **resulting in an optimised pit-shell constrained Total Inferred and Indicated Mineral Resource Estimate totalling 17.6Mt at 1.5 g/t gold for 832,000oz of contained gold** (refer to Tables 1 and 3).

The optimised pit shells are based on mining parameters and operating costs typical for Australian open pit extraction deposits of similar scale and geology.

**Table 1:** Mineral Resource Estimate for Sandstone Gold Project, March 2023

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
<b>TOTAL</b>	<b>0.5</b>	<b>17.6</b>	<b>1.5</b>	<b>832</b>

Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold within the optimised pit-shell. Minor discrepancies may occur due to rounding of significant figures.

Only Indicated and Inferred categories of mineralisation that fall within the optimised pit shells are reported in the optimised Mineral Resources. *Mineralisation outside of the optimised pit shells (based on the current optimisation parameters) has been excluded from the optimised Mineral Resource statement until such time as further drilling and / or a refinement of optimisation parameters and gold price can be undertaken, to potentially convert additional in-pit resources.*

**Over 27% of the Total MRE within the optimised pit-shells is in the Indicated category.**

**All resources contained in the Inferred category are due to the drill spacing at Indomitable, Vanguard, Havilah and Ladybird and the historical nature of drilling at Lord Nelson, Lord Henry and Bull Oak. It is reasonably expected that infill drilling and additional confirmatory drilling of the historical areas should allow an upgrade of the Inferred Resources to a higher category.**

Alto considers the total mineral resources (Table 1) for the Sandstone Gold Project have a reasonable prospect of eventually being mined, taking into account the shallow nature of the deposits, the thickness and gold grades of the deposits, which are located on granted mining or exploration leases, and proximity to existing infrastructure.

The updated 2023 MRE was optimised and pit-constrained using the same gold price and optimisation parameters to provide continuity to the 2022 MRE.

### Unconstrained MRE – 1Moz @ 1.4 g/t gold

The unconstrained Mineral Resource Estimate for the Sandstone Gold Project is, **23.5Mt at 1.4 g/t gold for 1,046,000oz of contained gold**, using a 0.5 g/t gold cut-off (refer to Tables 2 and 5). **The 214,000oz outside the optimised pit-shell constrained MRE highlights the potential for additional in-pit resource growth through refinement of optimisation parameters, an improving gold price and further drilling.**

**Table 2:** 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
<b>TOTAL</b>	<b>0.5</b>	<b>23.5</b>	<b>1.4</b>	<b>1,046</b>

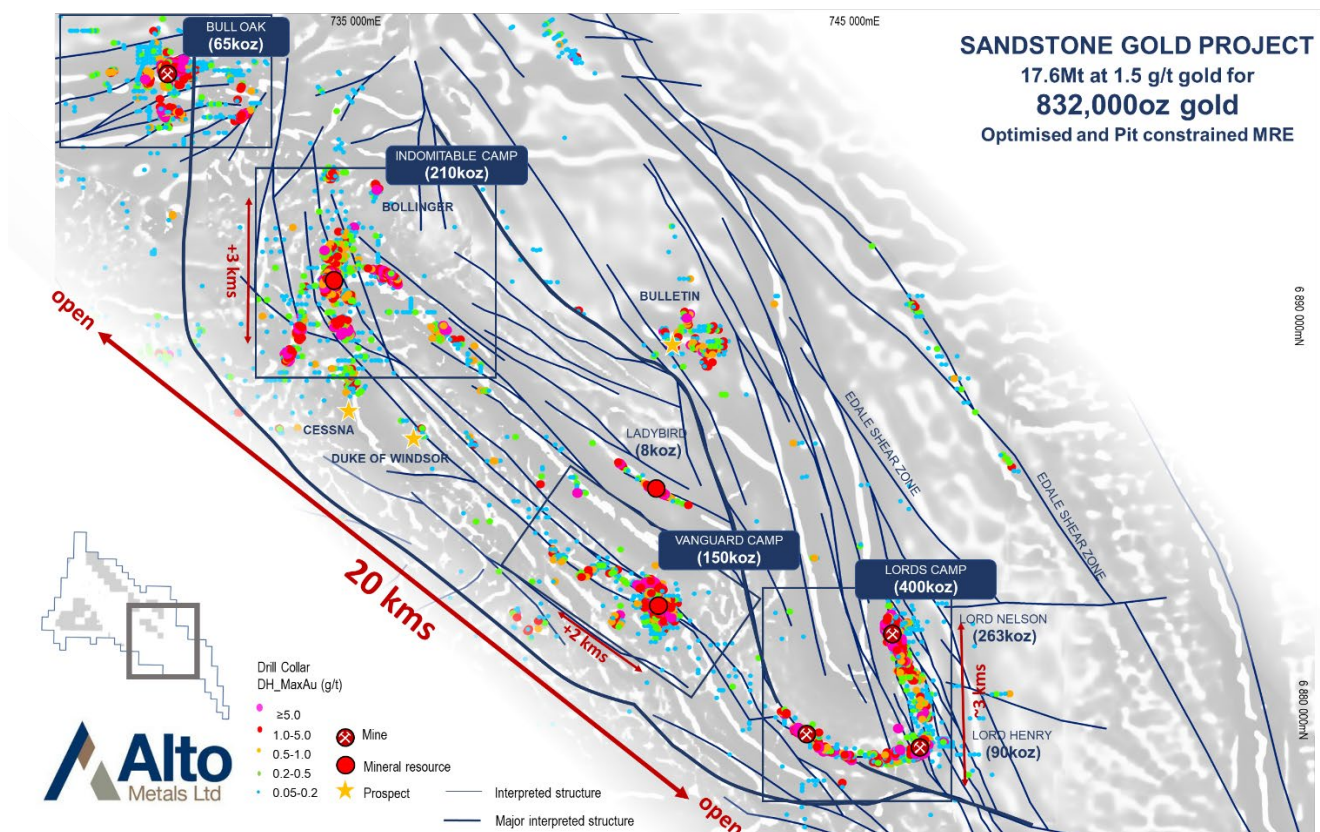
Unconstrained Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Minor discrepancies may occur due to rounding of significant figures.

### Next Steps – Future Resource Growth Potential

This Mineral Resource update is a significant increase in the total Mineral Resources at the Sandstone Gold Project and provides strong encouragement that the Company can continue to grow its Resource Inventory and progress its strategy to develop a stand-alone gold operation.

Significant potential for both shallow and deeper high-grade resource expansion remains, with the Company’s exploration strategy continuing to focus on the Alpha Domain as a priority.

Importantly, when considering the exploration potential of the Sandstone Gold Project, **over 70% of the current Mineral Resources are less than 100m from surface and 90% are defined within the top 150m from surface** (see Figure 1). The vast majority of the +740km<sup>2</sup> project area is virtually untested below 100m.



**Figure 1: Sandstone Gold Project –Mineral Resources hosted within the +20km gold corridor of the Alpha Domain**

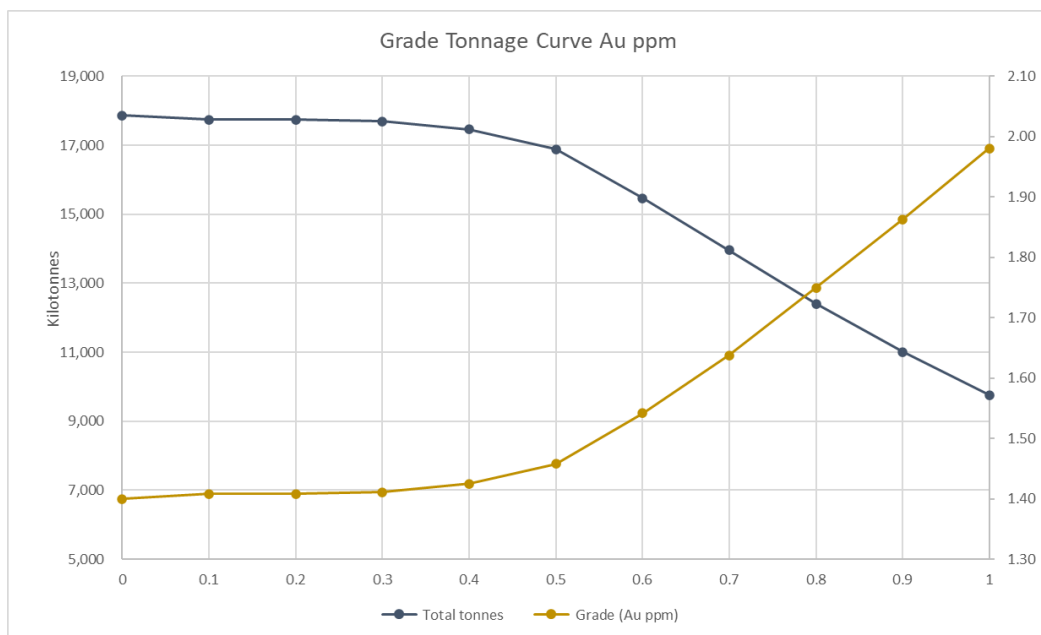


**Table 3:** Optimised MRE March 2023 Grade and Tonnage by cut-off grade within the optimised pit (excl. Piper, Tiger Moth & Ladybird)<sup>1</sup>

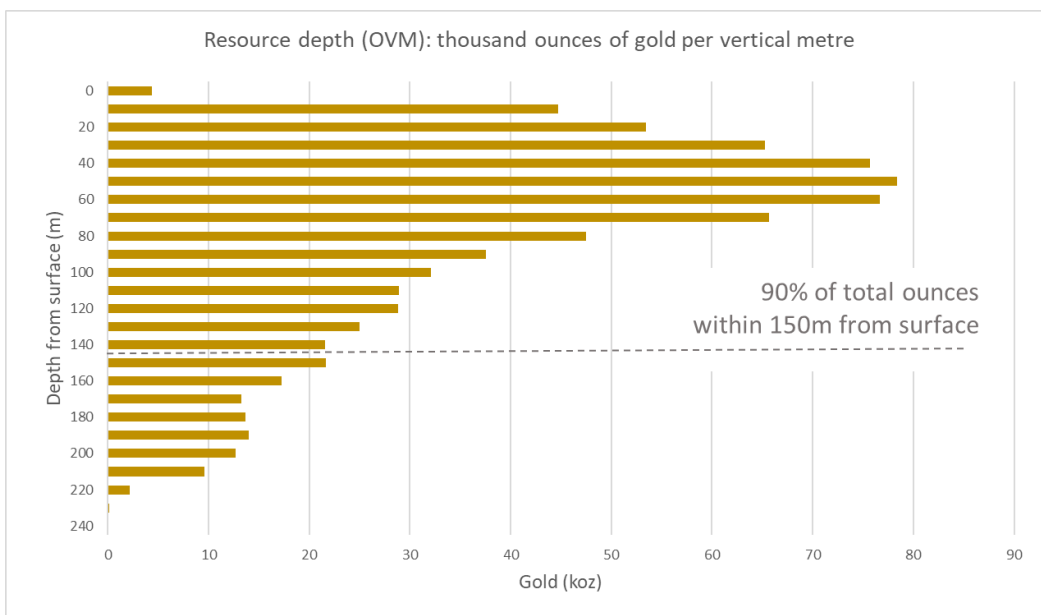
Cut-off grade (g/t gold)	Tonnage (Mt)	Grade (g/t gold)	Contained gold (koz)
0.3	17.7	1.4	803
0.5	16.9	1.5	792
0.8	12.4	1.8	697
1.0	9.8	2.0	621

All tonnages are reported in dry metric tonnes. Minor discrepancies may occur due to rounding of appropriate significant figures.

1 Table 3 shows the total grade and tonnage by cut-off grade for all optimised mineral resources, including the updated deposits, based on a 0.5 g/t gold cut-off. The estimates for Piper, Tiger Moth and Ladybird are excluded from this table as grade tonnage cut-off grades were not included in the release for these mineral resource estimates



**Figure 2:** Sandstone Gold Project – grade tonnage curve (excl. Piper, Tiger Moth & Ladybird) and using a 0.5 g/t gold cut off



**Figure 3:** Sandstone Gold Project – Total ounces per vertical metre (excl. Piper, Tiger Moth & Ladybird).

## Optimised pit-shell constrained MRE

**Table 4:** Mineral Resource Estimate for Sandstone Gold Project, March 2023 (by deposit)

Mineral Resource Estimate for the Sandstone Project - March 2023										
Prospect	Cut-Off	Indicated			Inferred			TOTAL		
		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
<b>Total</b>	<b>0.5</b>	<b>4.3</b>	<b>1.6</b>	<b>226</b>	<b>13.3</b>	<b>1.4</b>	<b>606</b>	<b>17.6</b>	<b>1.5</b>	<b>832</b>

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.

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): Vanguard Camp, Havilah Camp, Lord Henry: release titled: "Sandstone Mineral Resource increases to 635,000oz gold" 23 March 2022;
- (b): Indomitable Camp (Piper & Tiger Moth deposits): release "Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA" 25 Sep 2018;
- (c): Ladybird: release "Alto increases Total Mineral Resource Estimate to 290,000oz, Sandstone Gold Project" 11 June 2019; and

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.

## Unconstrained MRE

**Table 5:** Unconstrained total classified resources for Sandstone Gold Project, March 2023 (by deposit)

Prospect	Cut-Off	Indicated			Inferred			TOTAL		
		Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (kt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (kt)	Grade (g/t)	Gold Ounces (koz)
Lord Nelson	0.5	1.5	2.1	100	4.1	1.4	191	5.6	1.6	291
Lord Henry	0.5	1.6	1.5	78	0.6	1.1	20	2.2	1.4	98
Havilah	0.5				1.0	1.3	42	1.0	1.3	42
Maninga Marley	0.5				0.2	2.1	12	0.2	2.1	12
Havilah Camp	0.5				1.2	1.3	54	1.2	1.3	54
Vanguard	0.5	0.4	2.0	26	2.7	1.4	119	3.1	1.5	145
Vanguard North	0.5				0.7	3.3	72	0.7	3.3	72
Vanguard Camp	0.5	0.4	2.0	26	3.4	1.4	191	3.8	1.5	217
Musketeer	0.5				1.4	1.3	59	1.4	1.3	59
Indomitable	0.5	0.8	0.9	23	3.2	1.1	110	4.0	1.0	133
Indomitable East	0.5				2.1	0.9	64	2.1	0.9	64
Tiger Moth	0.5				0.5	1.7	28	0.5	1.7	28
Piper	0.5				0.1	1.0	4	0.1	1.0	4
Indomitable Camp	0.5	0.8	0.9	23	7.3	0.9	265	8.1	0.9	288
Bull Oak	0.5				2.5	1.1	90	2.5	1.1	90
Ladybird	0.5				0.1	1.9	8	0.1	1.9	8
<b>Total</b>		<b>4.3</b>	<b>1.6</b>	<b>227</b>	<b>19.2</b>	<b>1.3</b>	<b>819</b>	<b>23.5</b>	<b>1.4</b>	<b>1,046</b>

Reported at a cut-off grade of 0.5 g/t gold. 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.

## Mineral Resource Update – Indomitable Camp

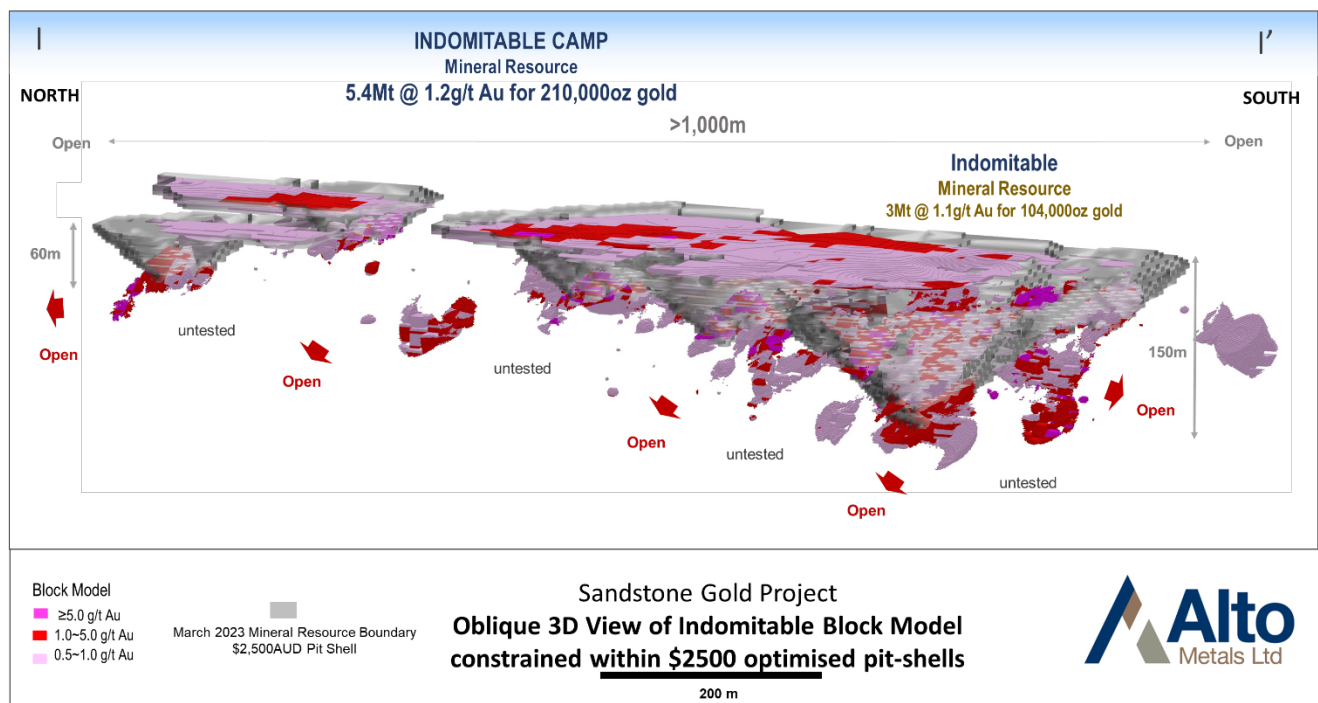
The optimised and pit-constrained Inferred Mineral Resource Estimate for Indomitable Camp has almost tripled in size to **5.4Mt at 1.2 g/t gold for 210,000oz**, reported at a 0.5 g/t gold cut-off, constrained within an A\$2,500 pit shell.

Approximately 37,000m of RC drilling was completed at Indomitable Camp during 2022 and the successful extensional drilling has significantly contributed to the growth in the Mineral Resources.

The updated Mineral Resource for Indomitable Camp comprises Indomitable and maiden Inferred Mineral Resource estimates for the Musketeer and Indomitable East deposits, all of which remain open down dip and along strike. Piper and Tiger Moth were not updated as part of the 2023 MRE update but are included in the Indomitable Camp.

Indomitable Camp is currently defined over 3km strike length and is hosted within the +20km NW/SE Indomitable/Vanguard/Havilah gold corridor that forms part of the priority 'Alpha Domain' target area.

**The Company considers the rapid rate of growth demonstrates the potential to continue increasing both the grade and scale of the Mineral Resources with further drilling.**



**Figure 2: Oblique 3D view of Indomitable resource block models (0.5 g/t cut-off) constrained within a A\$2,500/oz optimised pit shell.**

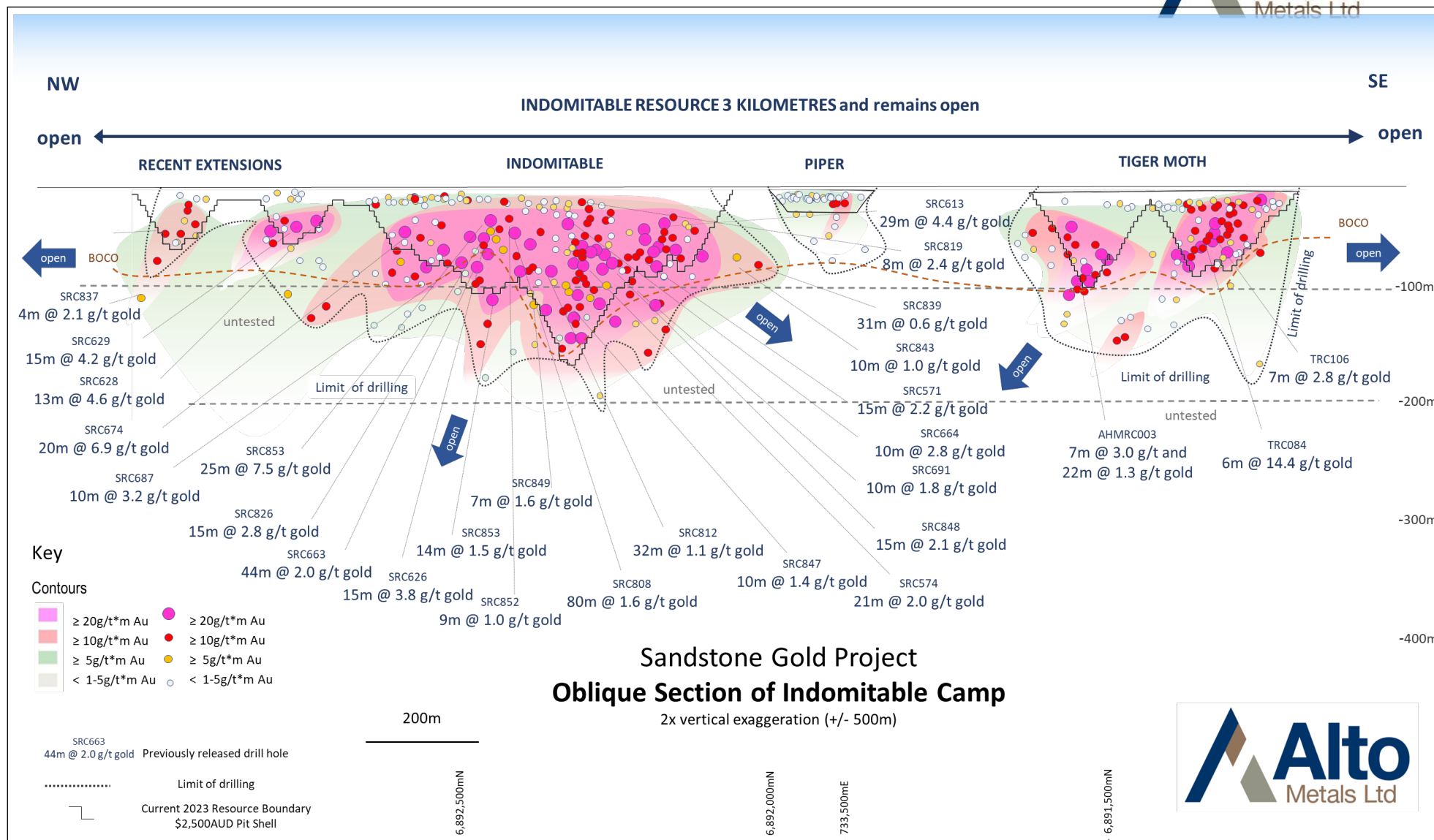
Figure 2 shows the Mineral Resources at Indomitable, constrained within the optimised pit shells and the additional mineralisation, outside the current pit shells, which remain open along strike and untested at depth.

The first phase of drilling for 2023 at Indomitable has recently been completed following up on results announced late last year which included:

- **25m @ 7.5 g/t gold** from 41m, incl. **6m @ 22.3 g/t gold** from 56m
- **80m @ 1.6 g/t gold** from 21m, incl. **10m @ 5.2 g/t gold** from 43m
- **13m @ 4.6 g/t gold** from 24m, incl. **1m @ 31.8 g/t gold** from 27m (SRC628)
- **15m @ 4.2 g/t gold** from 30m incl. **1m @ 38.0 g/t gold** from 35m (SRC629)

The drilling is targeting the interpreted high-grade structures, where the Company considers there is excellent opportunity to identify further mineralisation along strike and at depth. Assays are currently pending.





**Figure 3: Oblique section of Indomitable Camp showing g/t\*m drill results**

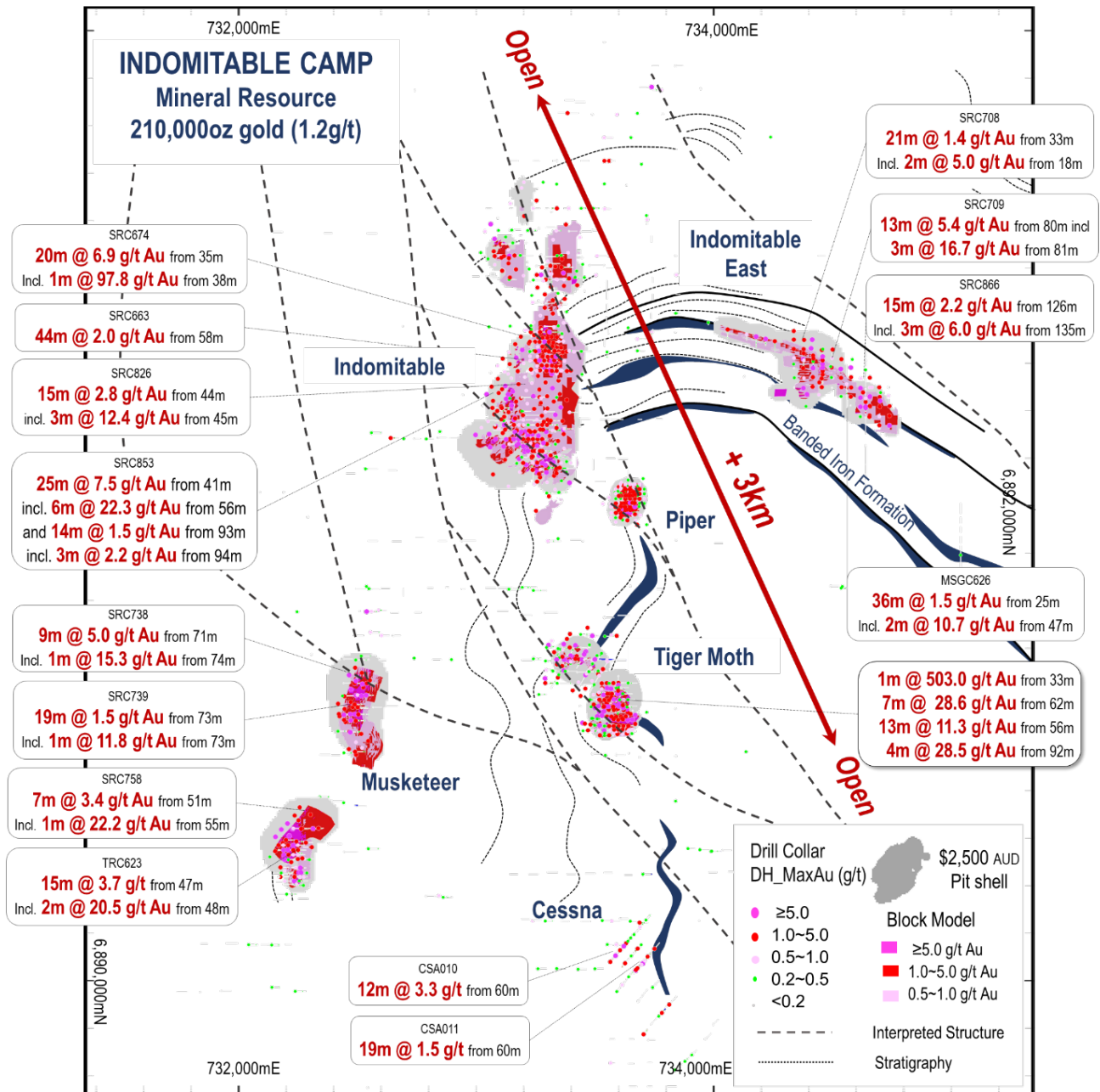


Figure 4: Indomitable Camp plan view block model of Resources (0.5 g/t cut-off) constrained within a A\$2,500/oz optimised

## ***Exploration activities during the quarter***

### **Additional advanced near-surface, gold targets, within the Alpha Domain**

In line with Alto's focused exploration approach, the Company has continued ongoing geological review and field work over the 20km long NW/SE trending gold corridor within the Alpha Domain. This work has highlighted a number of advanced near-surface targets, including between Vanguard and Indomitable Camps.

- **Cessna:** is located approximately 1 kilometre south of Tiger Moth and appears to be a southern extension of the Indomitable Camp. within the Alpha Domain. Historical RAB and AC drilling reported significant gold mineralisation which remains open and has not been followed up. Historical air-core (AC) results from Cessna include:
  - **12m @ 3.3 g/t gold** from 60m, ending in mineralisation (CSA0010)
  - **19m @ 1.5 g/t gold** from 40m (CSA0011)
  - **15m @ 1.3 g/t gold** from 5m (CSA0012)

Mineralisation at Cessna is defined over 140m of strike and remains open.
- **New Prospect** (between Tiger Moth and Cessna): prospecting activity approximately 500m to the north of Cessna identified rock chips with visible gold. The rock chips comprise regolith material likely to be related to banded iron formation, which is associated with mineralisation at Musketeer and Indomitable East. These samples have not been assayed and laboratory assay results are required to determine size and grade of any visible mineralisation reported.
- **Eclipse & Duke of Windsor:** are located approximately 2 kilometres SE of Cessna and situated along the same NW/SE orientation which hosts Vanguard and Indomitable. Eclipse and Duke of Windsor were mined underground in the early 1900s, with a total of ~860 ounces recovered at an average grade of ~17 g/t gold. The gold mineralisation is hosted within quartz reefs, described as being "sugary in texture, and strongly lineated exhibiting thin black laminae parallel to the vein walls. The prospects have not been adequately tested by drilling. Western Mining Corporation completed a small RC drill program however did not hold the tenement and were unable to drill in the most prospective locations. Troy Resources completed a small RAB program, however it appears that the drilling did not successfully target the quartz reefs.
- **Bollinger:** is located approximately 2 kilometres north of Indomitable and appears to be an extension of the Indomitable Camp. Historical drilling intersected potentially significant gold mineralisation which has not been adequately followed up. In 2020 Alto completed 3 RC drill holes which included a previously announced shallow result of **28m @ 2.1 g/t gold** from 4m (ASX 18/08/20).
- **Indomitable East Extensions:** located approximately 1.5 kilometres southeast of the Indomitable East prospect, within the same NW/SE structural trend, a number of historical drill holes intersected gold mineralisation, with results from two RAB holes including **11m @ 3.3 g/t gold** from 24m (HKP327) and **19m @ 0.9 g/t gold** from 36m (HKP415). The mineralisation appears to be associated with banded iron formation in a similar geological setting to Indomitable East.
- **Bulletin:** is located on the eastern limb of the Sandstone Greenstone Belt, approximately 5km north of Vanguard, within an area of folded and sheared metabasalt, metadolerite, chert and banded iron formation. Mineralisation is defined over an area of approximately 1.5km x 1.5km and appears to be associated with quartz reefs, goethite altered quartz stringers within a porphyry intrusive and to the south is associated with banded iron formation. Historical drill results include **12m @ 2.2 g/t gold** from 46m (TAR2117) and **7m @ 3.1 g/t gold** from 18m (TAR1599).
- **Bull Oak:** is located towards the centre of the Sandstone Greenstone Belt, approximately 10km NW of Indomitable. The Bull Oak granite is a porphyritic intrusion with a strike length of approximately 500m and a width of up to 150m. The intrusion has relatively steep dipping boundaries and has not been defined at depth. Underground mining was carried out at Bull Oak from 1904 to 1943, targeting the higher grade reefs. Historical production from the reefs are 10,617oz at a grade of 27g/t Au.

The style of mineralisation at Bull Oak appears to be similar to that observed at Lord Henry, with multiple stock lodes within a granodiorite. Previously announced results from Bull Oak include 260m @ 0.4 g/t from 36m drilled by Alto (ASX 8/12/2021).



## Regional Targeting - Oroya

As part of the Company's ongoing regional evaluation of the multiple advanced prospects within the Company's 100% owned Sandstone Gold Project, a targeting review of both the historic high-grade Hacks and Oroya gold mines and near mine area **identified a number of priority targets** during the previous quarter.

During the March quarter, the Company announced that its maiden RC drilling program at the historic high-grade Oroya Mine, had intersected high-grade gold mineralisation along strike and down dip of historical workings. This initial wide-spaced step out drilling has successfully confirmed the geological model, targeting extensions of the Sandstone Main reef and unmined mineralisation to the north-west beyond the north end of the pit, along with extensions down dip to the west. The drilling has also provided greater geological understanding of the reefs for future drill targeting.

### *Main Sandstone Reef & Juno Reef*

Eight RC holes were drilled at the main Sandstone Reef and the unmined Juno Reef, targeting both remnant mineralisation and extensions of the main reef, with significant results including:

- **8m @ 1.3 g/t gold** from 43m, including **2m @ 2.7 g/t gold** from 43m; and  
**3m @ 13.8 g/t gold** from 65m, including **1m @ 37.1 g/t gold** from 66m (SRC894) – Juno / Main Reef
- **6m @ 1.3 g/t gold** from 41m, including **1m @ 5.5 g/t gold** from 41m (SRC895) –Juno
- **5m @ 1.1 g/t gold** from 126m, including **1m @ 3.4 g/t gold** from 128m (SRC892) – Main Reef Extension

SRC894 intersected the main high-grade reef at the predicted interval, above the historical workings, returning **3m @ 13.8 g/t gold** incl. **1m @ 37.1 g/t gold** and SRC892 and SRC893 both intersected mineralisation extending strike by 160m.

Previous unmined results from both the main Sandstone Reef, above and below historical workings, and the unmined Juno reef, directly below the open pit include:

- **9m @ 14.6 g/t gold** from 42m, incl. **1m @ 120.0 g/t gold** from 42m (MSGC1312) – Juno
- **6m @ 8.3 g/t gold** from 49m, incl. **2m @ 23.2 g/t gold** from 51m (MSGC0886) - Main Reef
- **13m @ 3.1 g/t gold** from 22m, incl. **2m @ 11.9 g/t gold** from 28m (MSGC0933) - Juno

Planned follow up exploration activities includes further step out and down dip drilling to test extension of existing



**Figure 5: RC drilling underway at the historic high-grade Oroya mine, Sandstone Gold Project, WA.**



### *Oroya NW Extension*

Four RC holes were drilled north-west of the historical open pit, which has had limited drilling to date, targeting interpreted extensions of the Sandstone Main Reef.

Previous unmined results immediately north-west of the Oroya open-pit include:

- **23m @ 6.2 g/t gold** from 87m, incl. **2m @ 55.9 g/t gold** from 89m (NT5020R) - NW Extension
- **6m @ 3.5 g/t gold** from 53m incl. **1m @ 17.1 g/t gold** from 53m (MSGC0954)
- **16m @ 1.4 g/t gold** from 83m incl. **1m @ 6.6 g/t gold** from 87m (NT5022R)

Drilling into the relatively untested NW extension, step-out holes SRC899 and SRC900 collared 60m south and 120m west from historical hole NT5022R, respectively, both successfully intersected mineralisation extending the strike by 140m from the edge of the pit. Results

- **3m @ 2.8 g/t gold** from 104m, including **1m @ 7.6 g/t gold** from 104m (SRC899) – NW Extension
- **1m @ 5.4 g/t gold** from 113m (SRC900) – NW Extension

Notably, the mineralisation intersected in SRC900 is within a 13m zone of alteration, quartz and mineralisation.

The mineralisation intersected in SRC899 and SRC900 is interpreted as a potential flat lying high-grade splay off the main reef. The second mineralised zone at 216m is interpreted as the continuation of the Main Reef and while the gold tenor is low (2 g/t gold) it indicates the reef remains mineralised.

Planned follow up exploration activities includes further step out drilling to the north-west and closer spaced drilling to test strike and continuity of mineralisation of both the potential splay and main reef.

### *Oroya South*

A total of two RC holes were completed at Oroya South targeting the interpreted southerly extension of the reef. Step-out hole SRC892, drilled ~200m west from the southern end of the pit, successfully intersected gold mineralisation confirming the interpreted continuation of the reef with a result of **5m @ 1.1 g/t gold** from 126m incl. **1m @ 3.4 g/t gold** from 128m.

Further targeting is planned south of the Oroya pit given the unmined, high-grade historical results and numerous old workings and shafts in the area (see Figures 6 and 7 below).



**Figures 6 and 7: Historic shafts Oroya South.**



### ***Pending assays and planned exploration activities for 2023***

A first phase of 5,000m of RC drilling commenced drilling at Indomitabile during the quarter. The drill program is focused on:

- Indomitabile – testing interpreted high-grade mineralised structures at Indomitabile, highlighted from the recent results including **25m @ 7.5 g/t gold** from 41m announced at the end of last year (refer to ASX 24 November 2022), along with additional step-out extensional drilling;
- Musketeer - strike extensions over 250m to the north, which are almost entirely untested at Musketeer; and
- Cessna and Duke of Windsor– priority targets located within the NW/SE trending gold corridor between Vanguard and Indomitabile (refer to ASX Ann 13 March 2023).

**The Company anticipates providing an update on drill results in the coming weeks.**

Planning the next phase of exploration at Indomitabile is well advanced with follow up extensional and deeper drilling be finalised once assays from the phase one of this year's drilling are received.



**Figure 8: RC drilling at Indomitabile**

## Corporate

### Cash position

Alto's closing cash position is \$2.0 million at the end of the quarter and no debt.

The expenditure incurred on exploration activities during the quarter as summarised in this report is approximately \$2.1 million. No expenditure was incurred on mining production or development activities during the quarter.

Payments totalling approximately \$118,000 were made to related parties of the Company, as shown in the attached Appendix 5B. These payments related to current fees paid to directors.

### Ongoing investor and marketing activities

The Company presented at the RIU Explorers Conference in Fremantle in February, the Singapore Mining Club 'Gold Rush' in April and will be presenting at the RIU Sydney Resources Round-up in May 2023. Alto is continuing to hold investor presentations as part of its ongoing investor marketing activities to increase the Company's profile.

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](http://www.altometals.com.au).

This announcement has been authorised by the Managing Director on behalf of the Board of Alto Metals Limited.

### Matthew Bowles

Managing Director & CEO

Alto Metals Limited

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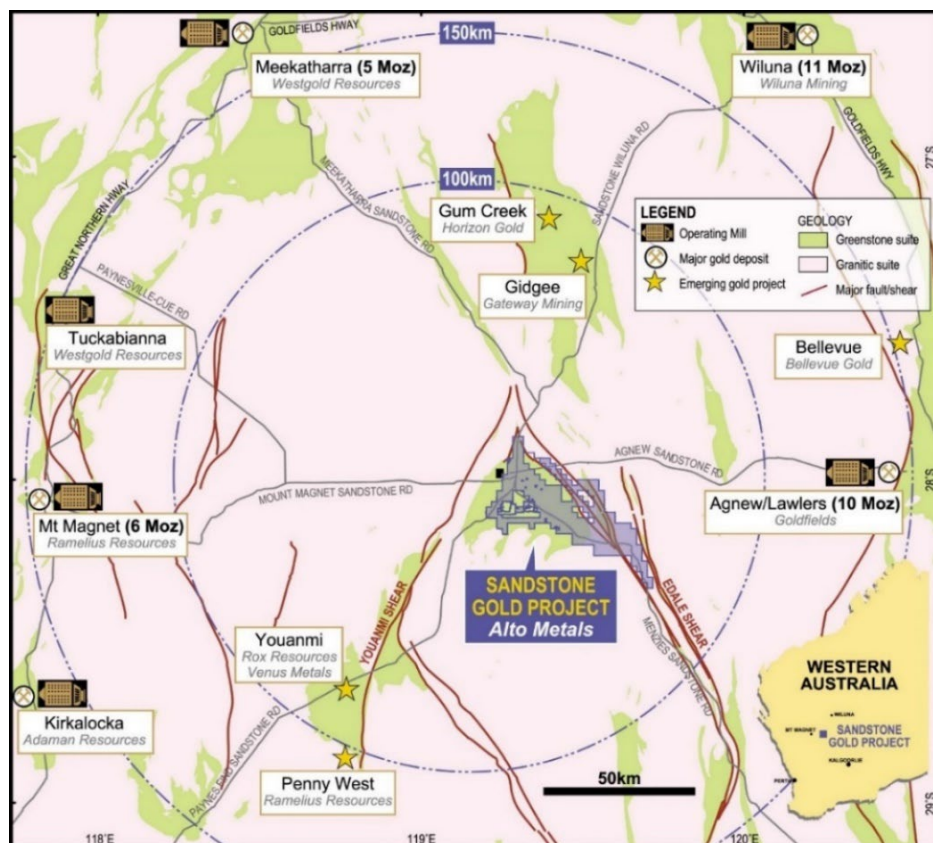


Figure 9. Location of Sandstone Gold Project within the East Murchison Gold Field, WA.

### 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.

### Previously Reported Results

There is information in this report relating to Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the relevant market announcement continue to apply and have not materially changed. With regards to Exploration Results, please refer to ASX announcement for full details on these exploration results. Alto Metals Ltd is not aware of any new information or data that materially effects the information in the said announcements.

## APPENDIX - 1: Tenement Information as Required by Listing Rule 5.3.3

Alto Metals Ltd and its 100% owned subsidiary, on a consolidated basis at 31 March 2023

Tenement	Location	Interest	Registered Holder	Lease Status
E57/1029	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1030	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1031	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1033	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1044	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1072	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1101	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1108	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1153	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1228	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1232	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1233	Sandstone, WA	-	Sandstone Exploration Pty Ltd	Application
M57/646	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/647	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/650	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/651	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/652	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/658	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Application
M57/663	Sandstone, WA	-	Sandstone Exploration Pty Ltd	Application
P57/1377	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
P57/1378	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted

Mining & Exploration Licences acquired during the period: E57/1232

Mining & Exploration Licences disposed during the period: P57/1367

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

**ALTO METALS LIMITED**

ABN

**62 159 819 173**

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(125)	(394)
	(e) administration and corporate costs	(192)	(357)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	15
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(316)</b>	<b>(736)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(2,059)	(5,432)
	(e) investments		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
(f) other non-current assets			
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,059)</b>	<b>(5,432)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		5,088
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (capital raising costs)	(27)	(153)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(27)</b>	<b>4,935</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,425	3,256
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(316)	(736)



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,059)	(5,432)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(27)	4,935
4.5	Effect of movement in exchange rates on cash held	-	
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,023</b>	<b>2,023</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	23	223
5.2	Call deposits	2,000	4,202
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,023</b>	<b>4,425</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(316)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,059)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,375)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,023
8.5	Unused finance facilities available at quarter end (item 7.5)	
8.6	Total available funding (item 8.4 + item 8.5)	2,023
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.85
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No, Exploration payments during the quarter included exploration activities relating to the prior period and also included work in relation to the Mineral Resource Upgrade.		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not at this point in time		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes, based on lower exploration expenditure in forthcoming quarter		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2023

Authorised by: The Board of Alto Metals Limited

(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.