

28 June 2023

Mr A Forster
Adviser, Listings Compliance (Perth)
ASX Limited

Ref: 75830

ListingsCompliancePerth@asx.com.au

Dear Alex,

GENERAL - AWARE QUERY

We refer to your letter of 27 June 2023 and note the following responses.

1. Does AME consider the Assay Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

No, AME does not consider the Assay Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities.

In reference to (E) in your letter - Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, we note the following .

AME, as noted in our response to the original Price & Volume Query, believes the change in the price of AME's securities from a closing price of \$0.052 on Wednesday, 21 June 2023 to an intraday high of \$0.072 on Thursday, 22 June 2023 (A) and the significant increase in the volume of AME's securities traded on Thursday, 22 June 2023 (B) was not the result of undisclosed assay information having lost confidentiality, but instead the direct result of a positive research report, commissioned by the Company, issued by East Coast Research on 22 June 2023. ASX Rules do not allow the announcing or lodgement of the research report however East Coast Research have a significant distribution network.

2. If the answer to question 1 is "no", please advise the basis for that view.

The assay information was from 4 holes of an ongoing 25 hole drilling program. AME considers that a reasonable person would not expect these incomplete results to be released as the difficulty with reporting incomplete and sporadic drilling results is that they may be taken out of context.

AME does not consider the results reported, on their own, to be material or to have a material impact on the share price.

We note our recent drilling results from Indomitable (16m @ 7.2 g/t gold on 18 May 2023 and 16m @ 13.1 g/t gold from 19m on 2 May 2023) did not have a material effect on the volume or share price following their release.

3. When did AME first become aware of the Assay Information? As part of your answer, please confirm the time and date assay results were received for drill holes SRC939, SRC940, SRC941 and SRC942.

The first assay results were received on Friday 9th June at 8:20am. A second batch was received on Monday 12th June at 10:52am.

Samples delivered to the assay lab on Monday the 19th June have not had results returned to the Company yet.

4. If the answer to question 1 is “yes” and AME first became aware of the Assay Information, or any part thereof, before the relevant date, did AME make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe AME was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AME took to ensure that the information was released promptly and without delay.

N/A

5. Please confirm that AME is complying with the Listing Rules and, in particular, Listing Rule 3.1.

AME confirms it always complies with the Listing Rules and, in particular, Listing Rule 3.1.

6. Please confirm that AME's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AME with delegated authority from the board to respond to ASX on disclosure matters.

AME confirms that its responses to the questions above have been authorised by the Managing Director in accordance with its published continuous disclosure policy.

Matthew Bowles

Managing Director & CEO

Alto Metals Limited

+61 8 9381 2808



27 June 2023

Reference: 75830

Mr Graeme Smith
Company Secretary
Alto Metals Limited
Suite 9, 12-14 Thelma Street
West Perth WA 6005

By email: gsmith@wembleyco.com.au

Dear Mr Smith

Alto Metals Limited ('AME'): General – Aware Query

ASX refers to the following:

- A. The change in the price of AME's securities from a closing price of \$0.052 on Wednesday, 21 June 2023 to an intraday high of \$0.072 on Thursday, 22 June 2023.
- B. The significant increase in the volume of AME's securities traded on Thursday, 22 June 2023.
- C. ASX's price query letter ('Price Query') and AME's response to the Price Query released together before the open of trading on the Market Announcements Platform ('MAP') on Friday, 23 June 2023.
- D. AME's announcement entitled "Indomitable returns 16m @ 3.0g/t gold from 160m" lodged on the MAP before the open of trading on Friday, 23 June 2023 (the 'Announcement'), disclosing exploration results from four drill holes of an ongoing drilling program at its Sandstone Gold Project ('Assay Information'). The Announcement identified the four drill holes SRC939, SRC940, SRC941 and SRC942.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*

-
- *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*
- H. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:
- “Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”*

Request for information

Having regard to the above, ASX asks AME to respond separately to each of the following questions and requests for information:

1. Does AME consider the Assay Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did AME first become aware of the Assay Information? As part of your answer, please confirm the time and date assay results were received for drill holes SRC939, SRC940, SRC941 and SRC942.
4. If the answer to question 1 is “yes” and AME first became aware of the Assay Information, or any part thereof, before the relevant date, did AME make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe AME was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AME took to ensure that the information was released promptly and without delay.
5. Please confirm that AME is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that AME’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AME with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3.00 PM AWST Friday, 30 June 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AME’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require AME to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in AME's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AME's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to AME's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that AME's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Alex Forster
Adviser, Listings Compliance