

QUARTERLY REPORT

Review of Activities, Period ending 31 December 2018

OVERVIEW

Alt Resources Limited ("Alt" or "the Company") is pleased to provide shareholders its Activity Report for the Quarter ending 31 December 2018.

During this period, the Company has continued to focus on the establishment of a central gold mining hub at the Bottle Creek Mine Site in Western Australia. During the quarter the Company renegotiated the settlement terms for the acquisition of the Bottle Creek project with the Vendor on favourable commercial terms.

The Company completed Phase 3 drilling at Bottle Creek with results from the Southwark, South Emu, VB and Boags deposits being delivered to market continuing the trend of high-grade gold results as previously reported from the various deposits at Bottle Creek. The Company delivered a second resource upgrade on the Emu and Southwark deposits in line with expectations.

Alt was a successful applicant under the Western Australian Governments Exploration Incentive Scheme (EIS) co-funded drilling program being granted funding for diamond drill holes at the Bottle Creek Gold Project¹.

The Mt Ida Gold Project is rapidly evolving into a promising gold hub, with multiple exploration and mining targets throughout the vicinity.

KEY POINTS:

Bottle Creek, WA

Acquisition

- All conditions satisfied to complete and exercise the Option to Purchase Agreement for the Bottle Creek Gold Project
- Payment for the Bottle Creek Gold Project is now to be made in 4 tranches over 2 year period

Resource Upgrades

- **Bottle Creek JORC Resource estimate** stands at **2.6Mt @ 1.9 g/t Au for 160,000 oz Au**
- **Greater Mt Ida Project** combined resource inventory now stands at **3.9Mt @ 2.07 g/t Au for 257,000 oz Au and 900,000 oz Ag**
- **Measured + Indicated Resource** for the global **Mt Ida Project is 132,000 oz Au**
- Alt's average discovery cost over the Bottle Creek project is now \$7.80 per ounce
- Third stage RC drilling completed at VB and Boags, testing mineralisation potential immediately along strike of the historical pits
- Mine planning, pit optimisation and metallurgical study currently underway ahead of Pre-Feasibility Study ("PFS")
- Pit optimisation plans to be delivered in the first quarter 2019

¹ https://www.altresources.com.au/wp-content/uploads/2018/12/Drill_Funding_Grant-6Dec18.pdf

PROJECTS

The Company continues to hold the Paupong and Myalla exploration projects in New South Wales, along with the Bottle Creek, Mt Ida, and Mt Roberts Cottee projects in Western Australia. During the report period the Bottle Creek and Mt Ida Projects were the focus of activities.

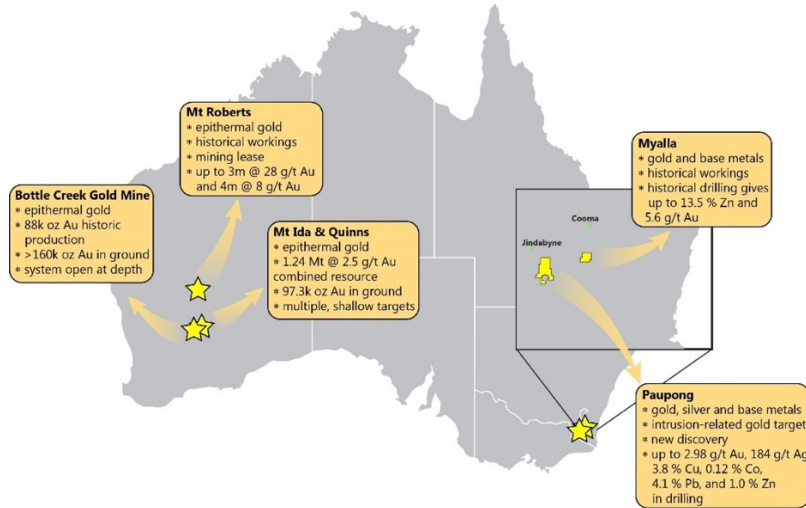


Figure 1. Location of Alt Resources' projects. See Appendix 1 for full tenement holding.

WESTERN AUSTRALIA

Bottle Creek Project - Acquisition

The Company entered into a binding Option to Purchase Agreement to acquire the Bottle Creek Gold Mine located 80 kilometres north west of Menzies in the Mt Ida gold belt WA in November 2017. During the quarter the Company renegotiated the settlement terms with the Vendor pursuant to the Option to Purchase Agreement extending the settlement over a two year period².

Under the amended settlement terms negotiated the Company will pay the Vendor;

- \$500,000 initial instalment on 29 November 2018 (Paid)
- \$500,000 second instalment on 1 July 2019
- \$500,000 third instalment on 1 July 2020
- \$4.5M final instalment 29 November 2020
- \$25,000 rehabilitation bond.

Alt now will focus on moving Bottle Creek toward a feasibility study and mine production planning with the objective to becoming the next junior gold producer.

Bottle Creek Resource Upgrades

Alt published its Maiden JORC Resource estimate for the Emu and Southwark Deposits at Bottle Creek on the 16th August 2018. The Maiden Resource stood at **1.65Mt @ 2.1 g/t Au, for 109,500 oz gold, including 1.55Mt @ 13.0 g/t Ag for 0.65 Moz silver**. This was followed by the release of an update to the Bottle Creek Mineral Resource estimate for the Emu and Southwark deposits, post period on 18th October.

² <https://www.altresources.com.au/wp-content/uploads/2018/12/Announcement-Corp-Update-Bottle-Creek-Project-Terms-28Nov18.pdf>

A second round of RC drilling testing extensions to the north and south of the Emu deposit, as well as laterite-hosted mineralisation at Southwark provided an additional 50,000 oz Au and 246,000 oz Ag, bringing the total for Alt's Bottle Creek Gold Project to **2.6Mt @ 1.9 g/t Au, for 160,000 oz Au** (Table 1), including **2.5Mt @ 10.7 g/t Ag for 900,000 oz Ag**.

Table 1. Summary of updated global Mineral Resource Estimate for the Bottle Creek Project, incorporating the new estimate for the north and south Emu extensions and laterite cap at Southwark, using 0.5 g/t cut-off for gold. Tonnes, grade and ounces have been rounded to the nearest 1,000*.

Deposit	Category	Tonnes Au	Grade (g/t Au)	Oz (Au)	Tonnes Ag	Grade (g/t Ag)	Oz (Ag)
EMU	Indicated	991,000	2.23	71,000			
	Inferred	93,000	1.60	5,000	1,031,000	13.29	441,000
	Total	1,084,000	2.18	76,000	1,031,000	13.29	441,000
EMU EXTENSIONS							
	Inferred	972,000	1.59	50,000	972,000	7.99	250,000
SOUTHWARK	Inferred	562,000	1.86	34,000	520,000	12.52	209,000
TOTAL		2,618,000	1.89	160,000	2,523,000	10.68	900,000

*Rounding may result in apparent summation differences between tonnes, grade and contained metal content

The current upgrade constitutes an expansion of Alt's initial Bottle Creek Resource and thereby also expands Alt's overall inventory for the larger Mt Ida Gold Project. The Mt Ida Gold Project is rapidly evolving into a promising gold hub, with multiple exploration and mining targets throughout the Company's landholding. In combination with existing mineral resources within the Mt Ida Gold Project, at the Quinns and Mt Ida South projects, Alt's combined mineral resource Inventory now stands at 3.9 Mt @ 2.07 g/t Au, for 257,000oz Au. See Table 2 for a summary of the existing Mt Ida Project resources. The upgraded resource estimate includes 1,772 m new RC drilling immediately to the south and north of the Emu deposit (Figure3). The north Emu extension fills in the gap between Emu and Southwark and proves continuity between the two deposits.

Table 2. Mineral Resource inventory for the Mt Ida Project at Au > 1 g/t. Tonnes and grade have been rounded. Data from Latitude Consolidated Ltd (LCD) Announcement, 14th September, 2016. Published by Alt Resources on the 16th January, 2018.

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Oz (Au)	Tonnes	Grade (Au g/t)	Oz (Au)	Tonnes	Grade (Au g/t)	Oz (Au)	Tonnes	Grade (Au g/t)	Oz (Au)
QUINNS PROJECT												
Boudie Rat				130,000	3.0	12,200				130,000	3.0	12,200
Forrest Belle	130,000	2.5	10,300				30,000	3.6	3,500	160,000	2.7	13,600
Boudie West							100,000	2.1	6,700	100,000	2.1	6,500
Belvidere				30,000	3.8	3,300				30,000	3.8	3,300
Boudie Beach				10,000	2.5	600				10,000	2.5	600
Quinn Hills				20,000	5.7	3,900				20,000	5.7	3,900
Matisse East							40,000	1.8	2,100	40,000	1.8	2,100
Matisse West							70,000	1.5	3,200	70,000	1.5	3,200
MOUNT IDA SOUTH PROJECT												
Tim's Find				360,000	2.6	30,900				360,000	2.6	30,900
Spotted Dog North							250,000	1.9	15,200	250,000	1.9	15,200
Spotted Dog South							70,000	2.2	5,100	70,000	2.2	5,100
Total	130,000	2.5	10,300	550,000	2.9	50,900	560,000	2.0	36,100	1,240,000	2.5	97,300

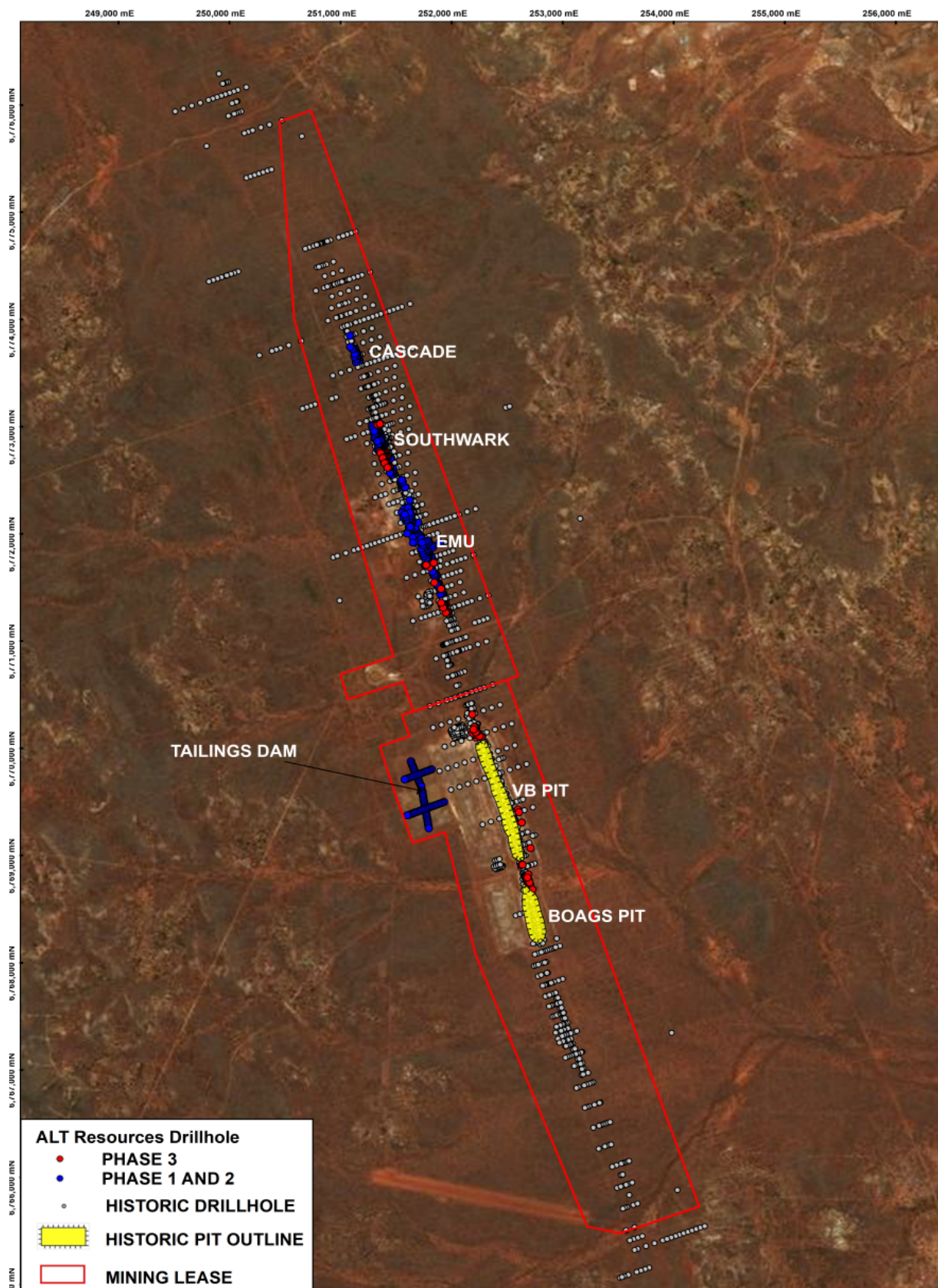


Figure 2. Location of modelled deposits at Bottle Creek, including Emu, Southwark, Cascade, as well as Boags and VB (previously mined pits, not included in Bottle Creek JORC Resource). Red dots represent historical drilling, whilst green dots represent Alt's drilling.

This is a significant advance in development of the Bottle Creek Project and will impact the scope of ongoing pit optimisation and mine planning studies.

In addition, Alt has ongoing drilling programs planned with POW's approved for the Cascade deposit, northward extensions of the Southwark deposit and defining a zone of surficial laterite-hosted gold mineralisation. Assay results from this additional drilling will be incorporated into a further resource upgrade once the programs are complete. Drilling is scheduled to commence end April 2019

Drilling and Assay Summary

Alt commenced RC drilling at Bottle Creek in March 2018, completing a first phase program of 11,692 m (140 drillholes) in May 2018. The second phase of drilling was completed in July 2018, incorporating 1,772 m for 29 drillholes.

The second phase of drilling formed the basis of the updated component of the new JORC Mineral Resource for Bottle Creek. Full details of this drilling, including comprehensive reporting of assay results and intersections for all Alt drillholes used in the Resource have been previously reported. Alt's drilling at Bottle Creek extends for approximately 1.4 km north-north-west/south-south-east. The main mineralised zones at Southwark and Emu were historically drilled on 25 m spaced sections, with Alt's new drilling infilling the historical drill fence spacing to between 10 and 25 m.

Within the Emu Extensions, historical drill fence spacing was 50 to 100 m. Similar to elsewhere, Alt's new drilling has infilled these areas to between 10 and 25 m drill fence spacing. Drillholes on the sections are 1 to 20 m apart. This density of drilling provides an excellent opportunity for constraint on geological and mineralisation interpretations.

Resources Estimation Upgrade Information

Alt Resources employed the services of Jorvik Resources to undertake both the Maiden Resource Estimate and the upgrade to the JORC Mineral Resource Estimate for the Bottle Creek Gold Project. The full details of methods and assumptions used in the Estimates are available in Alt's ASX Announcements^{3,4}.

The updated Mineral Resource incorporates all second phase drilling data undertaken by Alt Resources up to the 30th July, 2018, as well as historical drilling conducted by Electrolytic Zinc Company and Norgold Ltd between 1985 and 1989. The combined drillhole dataset includes 62,397 metres of drilling. Table 1 provides the summary Mineral Resource Estimate for Bottle Creek, including both first and second phase drilling. Table 3 provides a summary of the recently upgraded portion of the Mineral Resource. This Mineral Resource Estimate is in addition to the Maiden Resource for Alt Resources, published in August 2018.

Figure 3 shows the full mineralisation model (below) for the Bottle Creek project, as modelled by Alt thus far. Also shown is the recently updated portion (Emu North and Emu South). Drilling continues, and a second upgrade to the JORC Resource will be carried out in early 2019 to incorporate mineralisation along strike to the north and south of the existing resource.

³ For Maiden Resource Estimate, see ARS ASX Announcement, 16th August, 2018: <https://www.altresources.com.au/wp-content/uploads/2018/08/Maiden-Gold-Resource-for-Emu-and-Southwark-increases-Bottle-Creek-Gold-Project-to-206800oz.pdf>

⁴ For Resource Estimate Upgrade, see ARS ASX Announcement, 18th October, 2018: https://www.altresources.com.au/wp-content/uploads/2018/10/ASX_AR5-Resource-Upgrade-at-Bottle-Creek-18Oct18.pdf

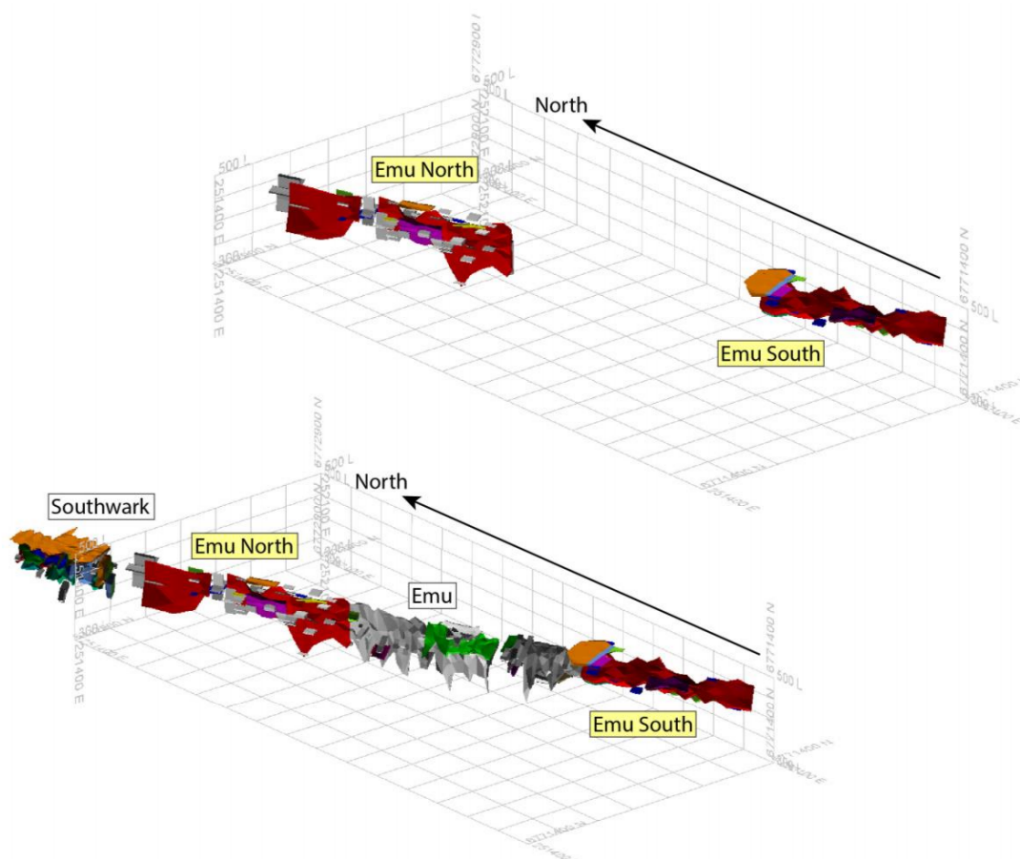


Figure 3. Mineralisation model for Emu Extensions (top) looking north east, with the complete mineralisation model (as wireframes) for the Bottle Creek Resource below.

Table 3. Upgrade to Bottle Creek Gold (Au) Mineral Resource at 0.5 g/t Au cut-off grade, including Emu North and South Extensions. Tonnes, grade and ounces have been rounded to the nearest 1,000*.

Deposit	Classification	Material	Tonnes	Grade g/t Au	Oz Au	Grade g/t Ag	Oz Ag
Emu North	Inferred	Oxide	260,000	1.67	14,000	3.73	31,000
		Transition	285,000	1.51	14,000	10.37	95,000
		Fresh	23,000	1.23	1,000	34.50	25,000
	Inferred Total	568,000	1.57	29,000	8.29	152,000	
Emu South	Inferred	Laterite	80,000	0.94	2,000	1.15	3,000
		Oxide	54,000	1.53	3,000	4.59	8,000
		Transition	264,000	1.84	16,000	10.06	85,000
		Fresh	5,000	1.10	160	11.24	2,000
Inferred Total			403,000	1.61	21,000	7.56	98,000
GRAND TOTAL			972,000	1.59	50,000	7.99	250,000

*Rounding may result in apparent summation differences between tonnes, grade and contained metal content.

Phase 3 RC Drilling Results

Results from the 3rd phase of RC resource drilling of Emu and Southwark deposits confirm the high-grade gold continuity along strike of known mineralisation. Results up to **31.9 g/t Au** and **926g/t Ag** were received between Emu and Southwark deposits⁵. The location of phase 3 drilling is shown in Figure 4 with representative cross-sections from the Phase 3 drilling at North VB, Boags and South Emu mineralised zones shown in Figures 5 through 8.

Significant intercepts include:

Significant intercepts from North VB mineralised zones include:

- 4m @ 8.95 g/t Au and 16.2 g/t Ag from 38m, including 2m @ 16.4 g/t Au
- 6m @ 5.78 g/t Au and 19.5 g/t Ag from 36m, including 2m @ 12.95 g/t Au
- 8m @ 4.53 g/t Au and 23.7 g/t Ag from 25m
- 14m @ 3.87 g/t Au and 14 g/t Ag from 3m, including 2m @ 19.35 g/t Au
- 16m @ 3.55 g/t Au and 20 g/t Ag from 36m
- 7m @ 2.57 g/t Au and 42.3 g/t Ag from 29m
- 15m @ 2.35 g/t Au and 18.2 g/t Ag from 43m
- 8m @ 2.29 g/t Au and 45.3 g/t Ag from 42m

Significant intercepts from the Boags mineralized zone include:

- 8m @ 3.93 g/t Au from 32m, including 2m @ 10.48 g/t Au
- 5m @ 3.82 g/t Au from 36m, including 1m @ 12.15 g/t Au
- 18m @ 1.99 g/t Au and 20 g/t Ag from 61m including 1m @ 10.35 g/t Au
- 14m @ 1.46 g/t Au and 32 g/t Ag from 59m
- 23m @ 1.26 g/t Au and 13.1 g/t Ag from 47m
- 11m @ 1.09 g/t Au and 43.3 g/t Ag from 64m
- 20m @ 0.99 g/t Au and 25.9 g/t Ag from 65m
- 12m @ 0.87 g/t Au and 192.2 g/t Ag from 76m
- 14m @ 0.86 g/t Au and 188.6 g/t Ag from 80m

Significant intercepts from the South Emu extension mineralized zone include:

- 8m @ 4.53 g/t Au and 17.4 g/t Ag from 69m
- 4m @ 3.32 g/t Au and 14.9 g/t Ag from 71m
- 5m @ 2.79 g/t Au and 9.1 g/t Ag from 49m
- 5m @ 2.58 g/t Au and 5.2 g/t Ag from 35m
- 9m @ 2.33 g/t Au and 6.1 g/t Ag from 27m
- 8m @ 1.93 g/t Au from 1m
- 10m @ 1.81 g/t Au and 16.1 g/t Ag from 75m

⁵ <https://www.altresources.com.au/wp-content/uploads/2019/01/Alt-ASX-Final-BC-Phase-3-14Dec18.pdf>

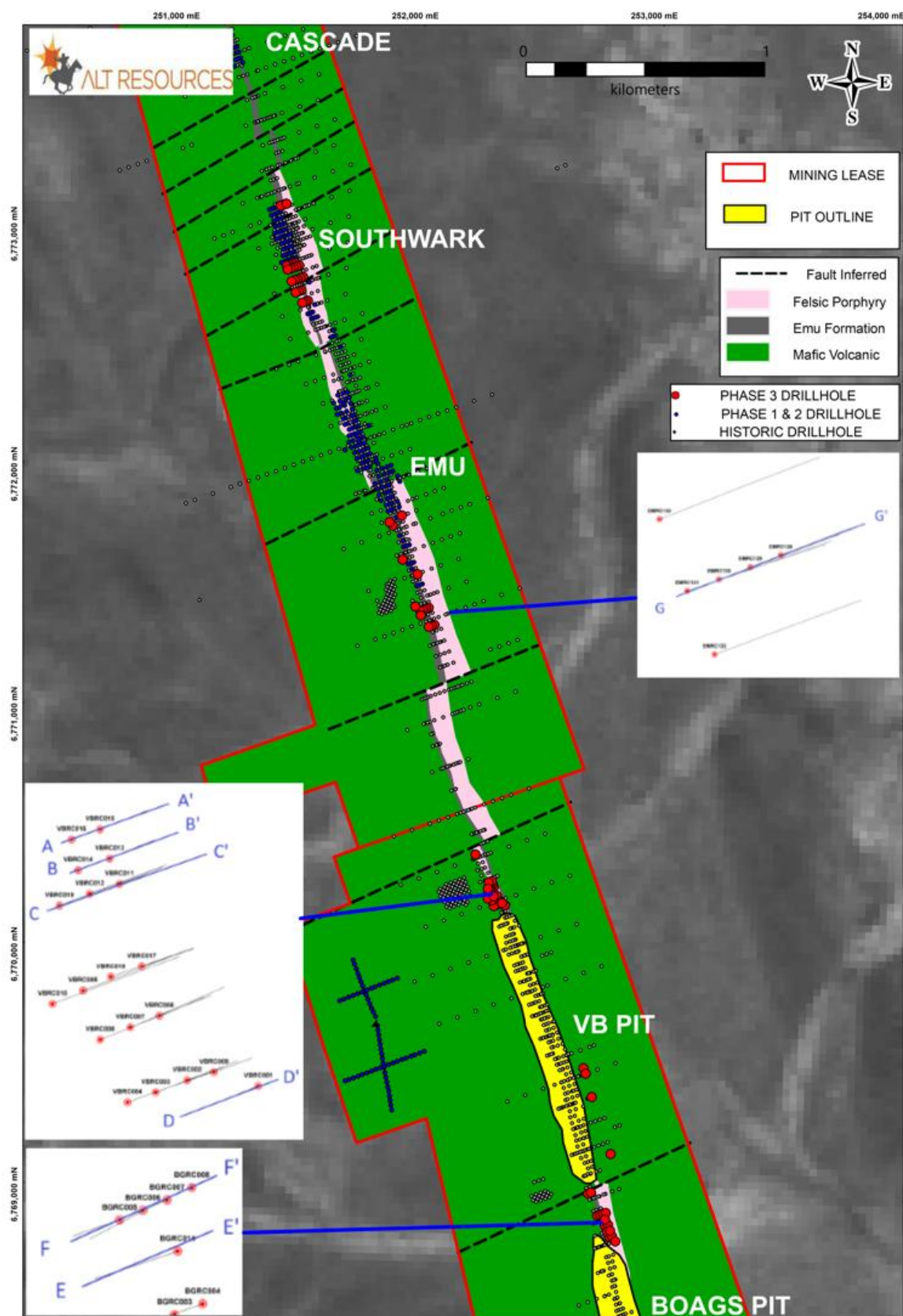


Figure 4. Overall plan view showing all three areas of phase 3 drilling in red relative to existing deposits south of Emu and Southwark and, between VB and Boags and north of the VB pit.

Alt's drilling now covers a strike length of 2.6 km. The results from the Emu Extensions have been incorporated in the update to the Bottle Creek Mineral Resource. Results from the Phase 3 drilling will be included in the Resource inventory following wireframe and resource modelling to be completed in the first quarter of 2019.

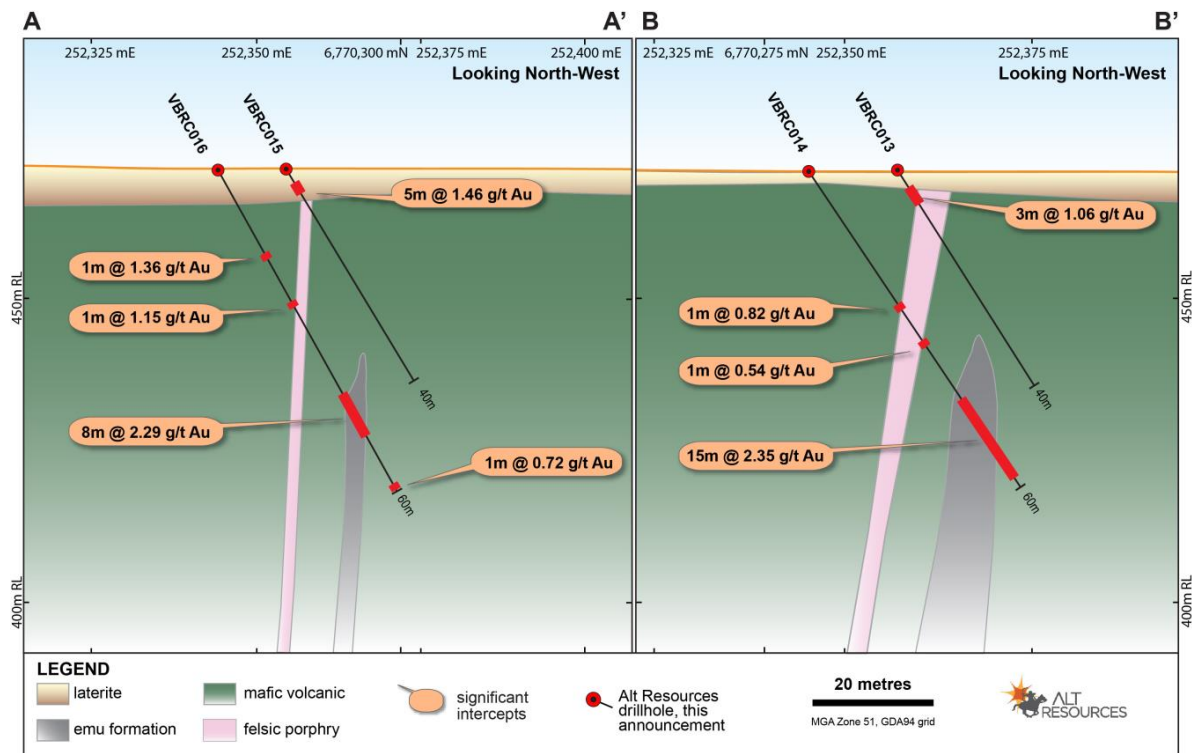


Figure 5. Cross-section A-A' and B-B' phase 3 RC drilling north of VB pit, Bottle Creek Gold Project

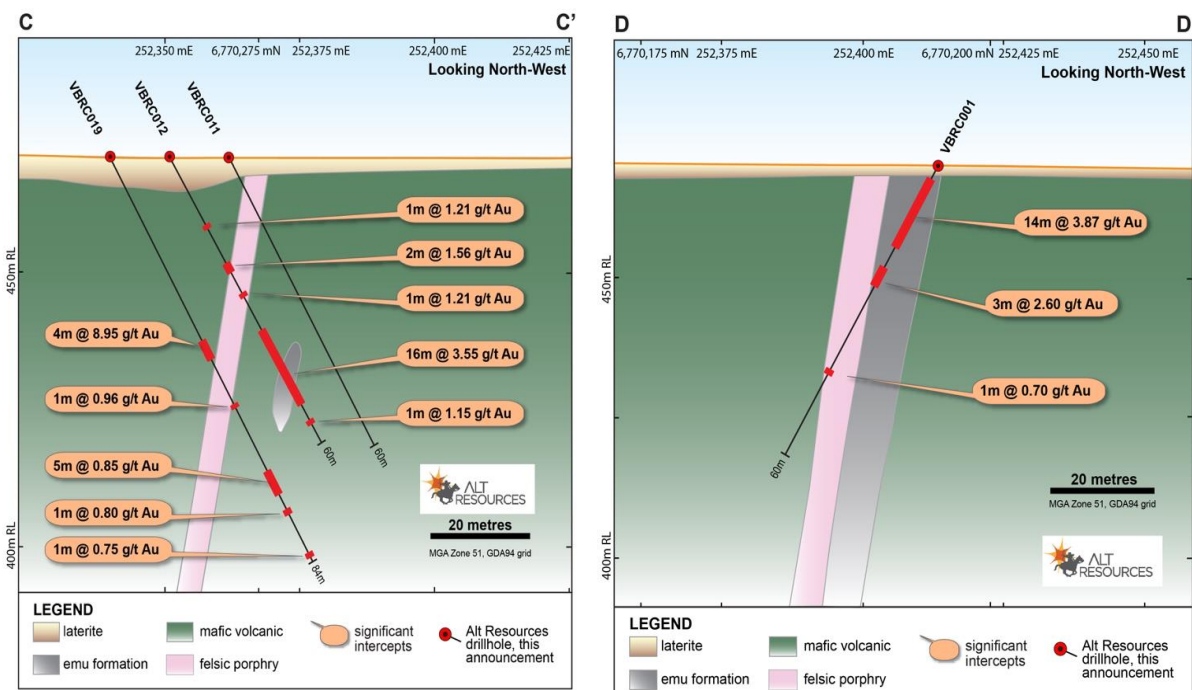


Figure 6. Cross-section C-C' and D-D' phase 3 RC drilling north of VB pit, Bottle Creek Gold Project

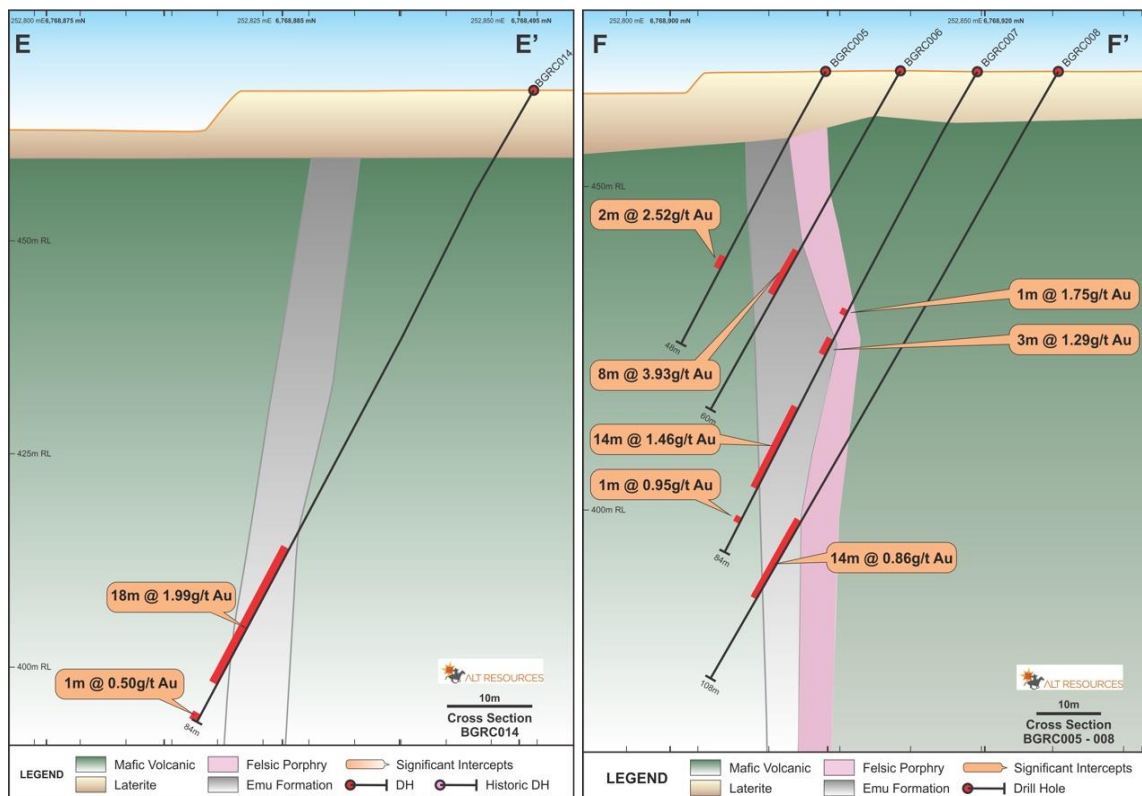


Figure 7. Cross-section E-E' and F-F' phase 3 RC drilling between VB and Boags Pits, Bottle Creek Gold Project

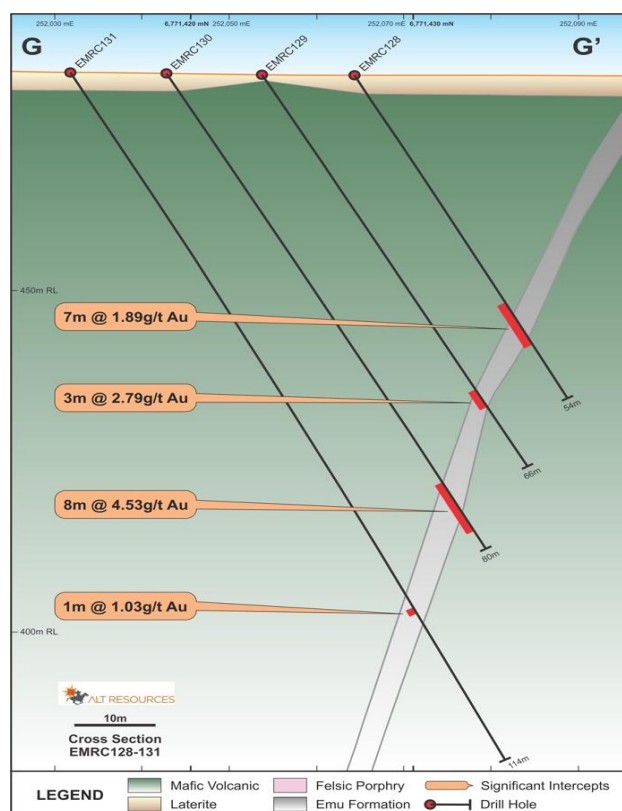


Figure 8. Cross-section G-G' phase 3 RC drilling Emu South, Bottle Creek Gold Project

Figures 5 -8. Location of the cross-sections AA' through GG' are shown in Figure 4 overall plan view of the Bottle Creek Gold Project

Towards Pre-Feasibility

Alt Resources is committed to advancing the Bottle Creek Gold Project towards development. A number of technical studies are currently underway to facilitate this goal, including mine planning and pit optimisation, as well as metallurgy.

Consistent with the Corporate Strategy to develop the Bottle Creek Project, Alt has commenced Metallurgical and Flowsheet Development to establish the viability of different processing options for a future operation. The Company has engaged METS Engineering to review all historical documentation from the Bottle Creek gold plant and cost the Metallurgical Testwork and Flowsheet development.

Alt has also engaged MineComp Kalgoorlie to commence the Mine Plan and Pit Optimisations for the pre-stripped Emu deposit and the Southwark deposit. On completion, the Mine Plan will be submitted to the Department to commence the approval process.

Alt has focused on realising the Company's vision of expanding existing Mt Ida JORC Resources and making new discoveries in the Mt Ida Gold Belt. We are moving towards our goal of establishing a central gold production hub at the Bottle Creek mine site.

Corporate

During the quarter the Company undertook a capital raising via a share placement in two tranches using existing capacity under ASX Listing Rules 7.1A and 7.1. The placement raised \$1.784M at an issue price of \$0.03 cents per share. Participants in the placement are to receive an additional option being 1 Option for every 3 Shares subscribed. The Options will be listed depending on regulatory requirements and approval by existing shareholders.

Pursuant to the Option to Purchase Agreement for the Bottle Creek Gold Project the Company paid the 1st tranche instalment payment to the Vendor being \$500,000 AUD plus GST.

Appendix 4. Alt Resources tenements

Project	Tenement Number	Tenement Area (km ²)	Title Holder	% Ownership
Paupong - NSW				
	EL7825	87.77	Alt Resources & GFM Exploration	Alt holds 70%
	EL8645	52.35	Alt Resources & GFM Exploration	Alt holds 70%
Myalla - NSW				
	EL8416	57.99	Alt Resources & GFM Exploration	Alt holds 70%
Mount Roberts - WA				
	M36/279	1.21	Alt Resources & Mount Roberts Mining	Alt holds 51%
	M36/341	1.21	Alt Resources & Mount Roberts Mining	Alt holds 51%
	E36/888**	42.00	Alt Resources	Alt will hold 100%
Bottle Creek - WA				
	M29/150	5.71	R.S Lehmann	Alt acquiring 100%
	M29/151	4.57	R.S Lehmann	Alt acquiring 100%
Mount Ida - WA				
	E29/1007	8.40	MGK Resources [†]	MGK holds 100%
	E29/1008	2.80	MGK Resources	MGK holds 100%
	E29/1014	5.60	MGK Resources & Maincoast	MGK holds 80%
	E29/1016	78.40	MGK Resources	MGK holds 100%
	E29/790	11.20	MGK Resources	MGK holds 100%
	E29/901	11.20	MGK Resources & Maincoast	MGK holds 80%
	E29/921	78.40	MGK Resources & Maincoast	MGK holds 80%
	E29/969	30.80	Gazard Investments	MGK acquiring 80%
	E29/970	5.60	MGK Resources & Gazard Investments	MGK holds 80%
	E29/971	2.80	MGK Resources & Gazard Investments	MGK holds 80%
	E29/973	8.40	MGK Resources & Gazard Investments	MGK holds 80%
	E29/993	2.80	MGK Resources & Maincoast	MGK holds 80%
	M29/421	4.39	MGK Resources	MGK holds 100%
	E29/649	16.80	MGK Resources	MGK holds 100%
	E29/748	2.80	MGK Resources	MGK holds 100%
	E29/930	8.40	MGK Resources	MGK holds 100%
	E29/943	14.00	MGK Resources	MGK holds 100%
	E29/997	16.80	MGK Resources	MGK holds 100%
	E29/998	5.60	MGK Resources	MGK holds 100%
	M29/36	1.21	MGK Resources	MGK holds 100%
	M29/37	2.42	MGK Resources	MGK holds 100%
	M29/65	8.04	MGK Resources	MGK holds 100%

** tenement pending

[†] MGK Resources is a wholly owned subsidiary of Alt Resources