



ALT RESOURCES

EXPLORING FOR BASE AND PRECIOUS METALS IN NSW

ALT Resources Ltd
ACN 168 928 416

4 Gippsland St Jindabyne NSW 2627 Australia | PO Box 787 Jindabyne NSW 2627 Australia
t 1300 660 001 m 0406 069243 f 02 6451 4611 e info@altresources.com.au
www.altresources.com.au

ASX Announcement
ASX: ARS

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Alt awarded \$200,000 grant to drill Windy Hill gold prospect at Paupong Project in NSW

Diamond drilling to commence in November 2016 targeting potential large-scale gold system

Highlights:

- Alt's exploration program at the Paupong Gold Project receives continued support from NSW Government
- The maximum grant of \$200,000 has been awarded to the Company for drilling at Windy Hill
- The grant will cover 75% of per metre drilling costs
- The 2,500m diamond drill program will commence in November
- Paupong is the only project to receive the maximum amount of funding in both rounds of the NSW Cooperative Drilling program

Alt Resources Ltd (ASX: ARS; "Alt or the Company") is pleased to announce that it has been awarded the maximum drill funding of \$200,000 for Round 2 of the NSW Government's New Frontiers Co-operative Drilling Program. The grant has been awarded for upcoming drilling at the Windy Hill Intrusion Related Gold (IRG) Prospect at the Company's flagship 70%-owned Paupong gold and base metals Project in southern NSW.

Alt will apply the funds to a 2,500m diamond drilling program at Windy Hill, where the Company has previously identified multiple Intrusion-Related Gold targets from an airborne magnetic survey, extensive soil sampling and Induced Polarisation chargeability data (see Alt Resources announcement: "**Major New Intrusion-Related Gold Targets Identified at Paupong Project, NSW**", May 2016 via the link; <http://www.altresources.com.au/wp-content/uploads/2014/06/Major-New-Gold-Targets-24-May16.pdf>). Drilling will commence in November 2016.

Alt CEO James Anderson said: "This grant will help Alt unlock the potential of the Paupong Project for a significant new gold discovery. This project epitomises the spirit of the NSW Government's New Frontiers program. It is highly prospective for a major intrusion-related gold system but has received little or no exploration attention. The Company would like to thank the NSW Government for continuing to support the New Frontiers Co-operative Drill Funding program and selecting the Paupong Project as a beneficiary."



The Paupong Project was also a recipient of the full A\$200,000 funding amount in Round 1 of the New Frontiers program and is the only project to secure the maximum funding amount on two occasions. The grant was awarded to Alt's Joint Venture partner, GFM Exploration, in 2014. This funding assisted in the discovery of vein-hosted Au-Cu-Ag mineralisation over a 1.5 km strike length at the Kidman Prospect, 3.5 km south west of Windy Hill. Since the success of initial drilling at Kidman, the Company has undertaken extensive regional exploration and believes that IRGS targets at Windy Hill represent the source of mineralising fluids throughout the Paupong Valley.

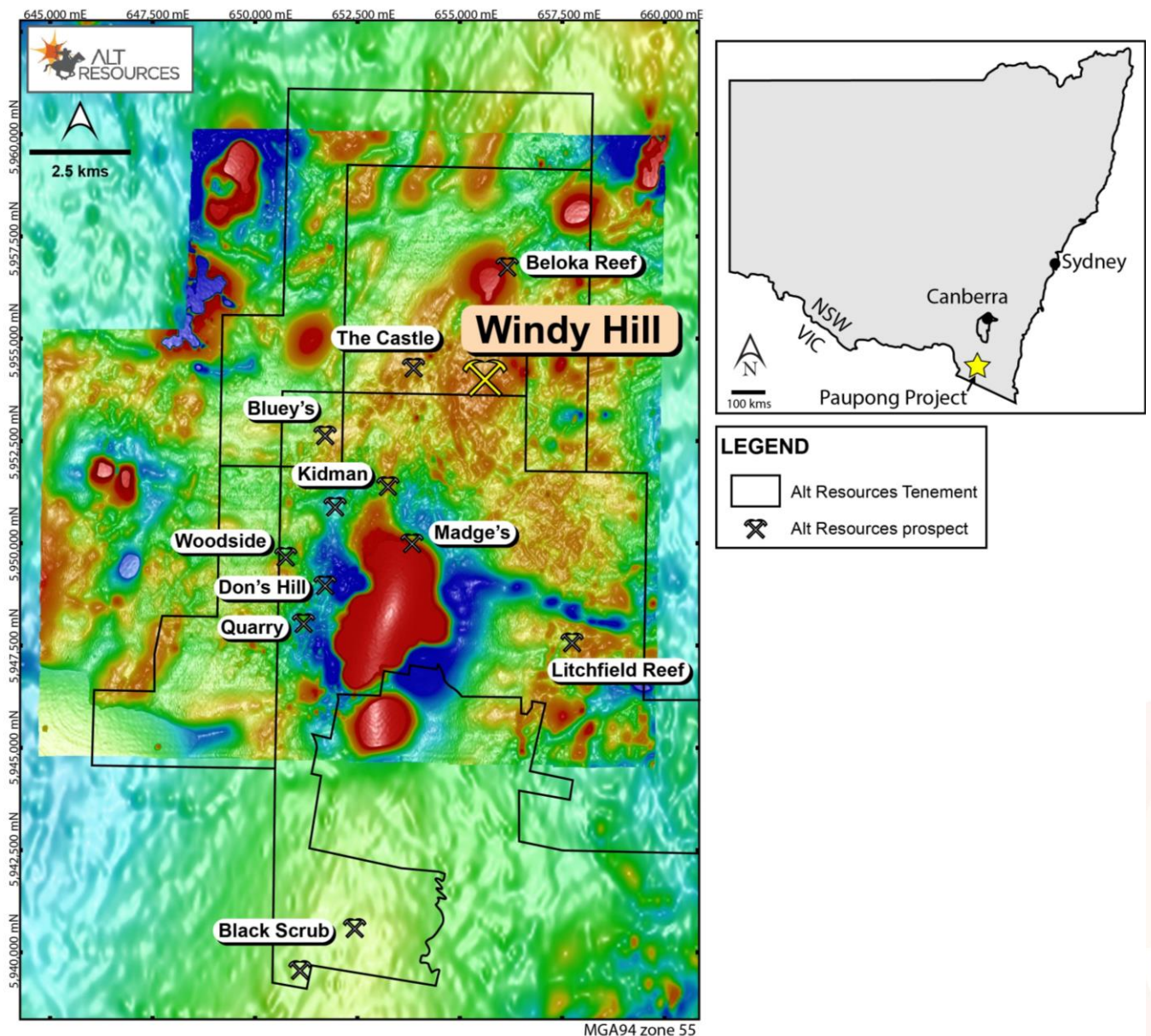


Figure 1. Location of the Paupong Project, showing Windy Hill and the distribution of other prospects within the licence area. The background image is an airborne magnetic Reduced to Pole (RTP) image from the Company's airborne survey data, overlying Government-supplied RTP data.



Windy Hill Project

Windy Hill lies within Alt Resources' Paupong Project in the southern Lachlan Fold Belt, NSW. Prior to GFM Exploration's initial activities in the area from 2012, little or no mineral exploration had occurred beyond first pass stream sediment sampling in the 1970s. This historical sampling did not include gold analyses. Alt flew a 5,000line km aerial magnetic survey over the Paupong Project in January 2016, identifying possible buried intrusions, particularly beneath Windy Hill. These modelled intrusions have coincident soil geochemical anomalies (arsenic, lead and copper; pathfinder elements for IRG systems) and IP anomalies (see Alt Resources announcement: ***"Major New Intrusion-Related Gold Targets Identified at Paupong Project, NSW"***, May 2016 via the link; <http://www.altresources.com.au/wp-content/uploads/2014/06/Major-New-Gold-Targets-24-May16.pdf>).

These targets have not been drilled. As part of the New Frontiers funding application, Alt has planned 8 diamond drill holes for approximately 2,500m, to test the geochemical, IP and deeper magnetic targets at Windy Hill. Drilling approvals are already in place, with work scheduled to commence in November 2016.

Competent Persons Statement

The information in this report that relates to mineral exploration and exploration potential is based on work compiled under the supervision of Dr Helen Degeling, a Competent Person and member of the AusIMM. Dr Degeling is an employee of Alt Resources and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Degeling consents to the inclusion in this report of the information in the form and context in which it appears.

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