

ARS – ASX ANNOUNCEMENT

23 October 2019

TIM'S FIND GOLD PROJECT - TOLL TREATMENT MINING SERVICE AGREEMENT

Alt Resources Ltd (**Alt** or **Company**)(**ASX:ARS**) is pleased to advise that it has executed a non-binding Term Sheet with Blue Cap Mining Pty Ltd for the development of mining operations at the Tim's Find Gold Project contained within the Company's Mount Ida and Bottle Creek Gold Project's located 90 kilometres northwest of Menzies, Western Australia.

MINING SERVICE AGREEMENT (MSA) BLUE CAP MINING PTY LTD

Alt Resources has executed a non-binding term sheet with Blue Cap Mining Pty Ltd (**Blue Cap**) for the provision of Mining Services Agreement (**MSA**) at the Tim's Find project. Under the provisions contained in the MSA term sheet, Blue Cap will provide mining, transport, processing, drill and blast and associated mining services to the Company. The proposed MSA is to be on an open book basis with Blue Cap providing a \$3.0 million Working Capital Facility (**WCF**) to facilitate initial mining operations and will continue until ore sales allow full payment of all invoices. The WCF is to be fully repaid within 6 months from first drawdown, subject to a force majeure clause.

The MSA with Blue Cap is subject to a number of conditions precedent including:

- Completion of due diligence to the satisfaction of Blue Cap;
- Execution of formal documentation including a Security Deed and mortgage over M29/421 (Tim's Find Mining Lease); and
- Blue Cap and Alt Resources agreeing a final mine design and operating cost budget for the project.

In consideration for the provision of the WCF and overall performance of the contract, Blue Cap is to receive a facility fee comprising the following:

- Establishment fee \$10,000 upon document execution: and
- Issue of 50 million ordinary shares on signing of the formal documentation which are to be issued in exchange for a credit of \$1,600,000 against the value of the total contracted works.
- The ordinary shares will have an issue price of \$0.032 cents utilising the Company's placement capacity under ASX Listing Rule 7.1 and will have a voluntary restriction period of 12 months from the date of issue.

The formal documentation is currently being prepared for execution by the Companies which is anticipated to occur in the near future.

TIMS FIND RECENT INFILL AND EXTENSION DRILLING

In September 2019, the Company completed an additional ~2,500 metre RC drill program at Tim's Find, comprising infill and extension drilling to the north and south of the Tim's Find resource envelope. The final sample batches for the recently completed RC drill program have been delivered to ALS laboratory in Kalgoorlie with assay results to be delivered in the coming weeks. In July 2019, Alt announced to the



market results of an additional ~3,000 metres of RC drilling undertaken at Tim's Find¹². Importantly both the RC drilling programs completed in July and September include holes drilled outside the current resource envelope. Significant intercepts from the July drilling programs previously announced included:

- TFRC001: 10m @ 6.32 g/t Au from 14m, including 2m @ 21.53 g/t from 20m
- TFRC005: 5m @ 12.61 g/t Au from 26m, including 2m @ 28.53 g/t from 28m
- TFRC007: 7m @ 5.90 g/t Au from 11m, including 1m @ 23.60 g/t from 15m
- TFRC009: 7m @ 10.50 g/t Au from 5m, including 2m @ 34.15 g/t from 6m
- TFRC019: 5m @ 5.56 g/t Au from 44m, including 2m @ 11.43 g/t from 45m
- TFRC028: 9m @ 5.73 g/t Au from 4m, including 3m @ 12.42 g/t from 6m
- TFRC033: 17m @ 3.63 g/t Au from 8m, including 6m @ 9.15 g/t from 18m
- TFRC055: 4m @ 9.66 g/t Au from 17m
- TFRC063: 11m @ 4.86 g/t Au from 22m, including 2m @ 24.68 g/t from 28m
- TFRC066: 14m @ 4.34 g/t Au from 8m, including 1m @ 30.40 g/t from 19m

An additional 2,500 metres of RC is planned to commence in November prior to the end of the year break, priority locations for this drilling are being assessed, and dependent on the results from the September program further extensional drilling at Tim's Find may be undertaken.

MANAGEMENT COMMENT

James Anderson, Alt's CEO, comments: *"We are very pleased to have an agreement with Blue Cap, they are a private and well respected, mobile mining service group who will assist us in developing the Tim's Find project into production. In the current high gold price environment, developing Tim's Find into small-scale mining operation with the potential to generate free cash is a logical step for Alt and in line with the corporate strategy to become a gold producer and provide non-dilutive working capital for the Company".*

"The planned mining operation is reasonably uncomplicated with Tim's Find being located on a granted mining lease, the ore is oxide and at surface in a planned shallow open pit environment with a reasonable grade".

TIMS FIND MINING TARGET FOR TOLL TREATMENT

In July 2019 the Company released the Mt Ida Scoping Study, which assessed the Bottle Creek Gold Project's Emu, Southwark, Boags and VB resources, Quinn's Mining Project's Boudie Rat and Forrest Belle resources and the Tim's Find Prospect resources. The study resulted in various resources forming the basis of a potential robust low cost open pit mining project, as released to the market in July 2019 Scoping Study.³ Subsequent work, and engagement with Blue Cap, has led to the recognition that Tim's Find provides the company with an opportunity for early cash flow without the initial capital requirement associated with the processing plant outlined in the Scoping Study.

Tim's Find has a current JORC 2012 Indicated Resource of 360,000t @ 2.6g/t Au for 30,096oz Au and is held on the granted mining lease M29/421, which is owned 100% by MGK Resources Pty Ltd, a wholly owned subsidiary of the Company. The Tim's Find Digital Terrain Model, pit shell design and site plan can be seen in Figures 1 and 2 below.

¹ <https://www.altresources.com.au/wp-content/uploads/2019/07/Tim%E2%80%99s-Find-Intercepts-further-High-Grade-Gold-at-Mt-Ida-Gold-Project-1948022.pdf>

² <https://www.altresources.com.au/wp-content/uploads/2019/07/ALT Resources Tims Find Announcement 3Jul19.pdf>

³ <https://www.altresources.com.au/wp-content/uploads/2019/09/Mt-Ida-Scoping-Study-2.pdf>



REREPORTED MINERAL RESOURCES AND MINING TARGETS

The information in this report related to Mineral Resources is extracted from the report entitled “BOTTLE CREEK RESOURCE UPGRADE BRINGS TOTAL MT IDA RESOURCE TO 406,000 OUNCES GOLD AND 3.8M OUNCES SILVER” dated 13 March 2019 and is available for view on the Company’s website (www.altresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

The information in this report related to Mining Targets is extracted from the report entitled “MT IDA SCOPING STUDY CONFIRMS POTENTIAL FOR ROBUST LOW COST OPEN PIT GOLD PROJECT WITH MULTI YEAR MINE LIFE” dated 29 July 2019 and is available for view on the Company’s website (www.altresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

The estimated Mineral Resources underpinning the Mining Target has been prepared by Competent Persons in accordance with the requirements in Appendix 5A (JORC Code). Table 2 below summarises the respective Mineral Resources that give rise to the potential Mt Ida Gold Project Mining Target.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of inferred to Indicated Mineral Resources or that the Mining Target itself will be realised. The Tim’s Find Mining Target is comprised of 100% Indicated Mineral Resource and was estimated with Whittle software, using metal prices of A\$1,800 and A\$20/oz for gold and silver respectively, to be:

Table 1 – Mt Ida Gold Project– Mining Target

PROSPECT	MINING TARGET				
	TONNAGE	Au GRADE	Ag GRADE	Au OUNCES	Ag OUNCES
	(t)	(g/t)	(g/t)	(oz)	(oz)
EMU and SOUTHWARK	1,705,000	2.0	9.8	110,433	537,485
BOAGS and VB	992,000	2.0	28.4	63,610	905,411
TIM'S FIND	178,000	2.6	-	14,718	-
BOUDIE RAT	36,500	2.8	-	3,224	-
FORREST BELLE	66,800	1.9	-	4,081	-
TOTAL	2,978,300	2.0	15.1	196,000	1,443,000

Note: - Rounding errors may occur



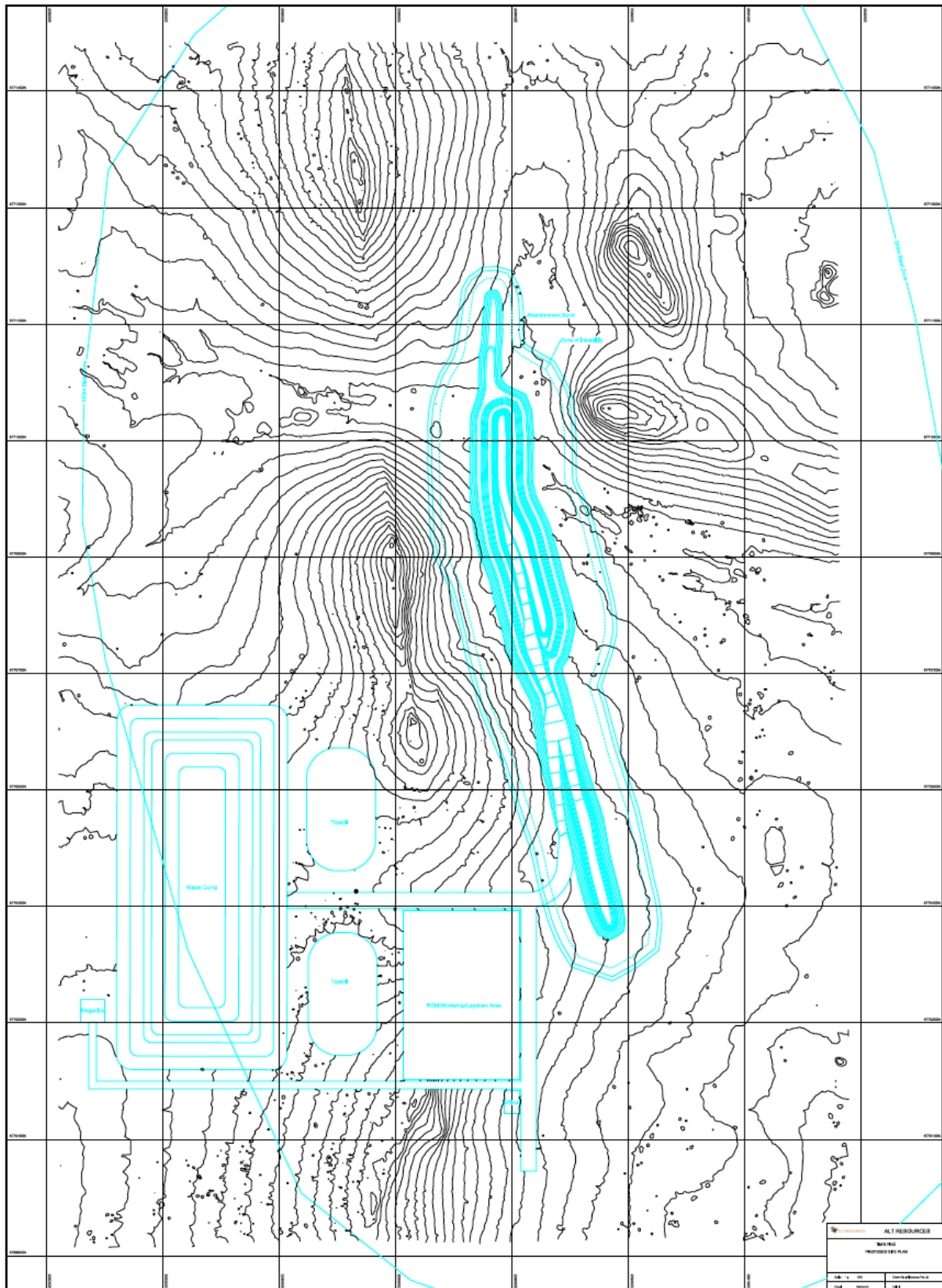
Table 2 – Mt Ida Gold Project – Mineral Resources

DEPOSIT	CATEGORY	TONNES	Au Grade	Au Ounces	TONNES	Ag Grade	Ag Ounces
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Emu and Southwark	Measured	602,000	2.3	44,260	602,000	9.5	187,000
	Indicated	1,939,000	1.8	112,920	1,939,000	13.1	815,000
	Inferred	516,000	1.3	21,650	516,000	15.2	252,000
VB and Boags	Indicated	1,827,000	1.7	98,290	1,827,000	28.9	1,697,000
	Inferred	692,000	1.4	31,550	692,000	37.3	829,000
Boudie Rat and Forrest Belle	Measured	130,000	2.5	10,450			
	Indicated	130,000	3.0	12,540			
	Inferred	30,000	3.6	3,470			
Tim's Find	Indicated	360,000	2.6	30,100			
Total Resources Scoped		6,226,000	1.8	365,230	5,576,000	21.1	3,780,000
Boudie West and Belvidere	Indicated	30,000	3.8	3,670			
	Inferred	100,000	3.6	6,750			
Quinn's Hills	Indicated	20,000	5.7	3,670			
Matisse	Inferred	110,000	1.7	6,010			
Spotted Dog North and South	Inferred	320,000	2.0	20,580			
Total Resources Not Scoped		580,000	2.4	452,020			
Total Resources		6,800,000	1.9	406,000	5,570,000	21.1	3,780,000

Note: - Rounding errors may occur

The Company is progressing operations onsite undertaking survey work and studies relating to mine permitting, including but not limited to flora and fauna, hydrology, geo-tech, waste rock characterisation, metallurgy, mine closure and various other permitting aspects required for final approval by the DMIRS to undertake mining operations. The proposed mine plan submissions are scheduled for lodgment with the DMIRS by end of November 2019.

The Company intends to permit and mine the entire Tim's Find pit shell during planned mining operations in 2020, stockpiling lower grade ore for later processing and toll treating approximately 120,000 tonne of the higher grade core of the Tim's Find ore body. The Tim's Find mining target remains unchanged from the July Scoping Study and is seen in table 1.



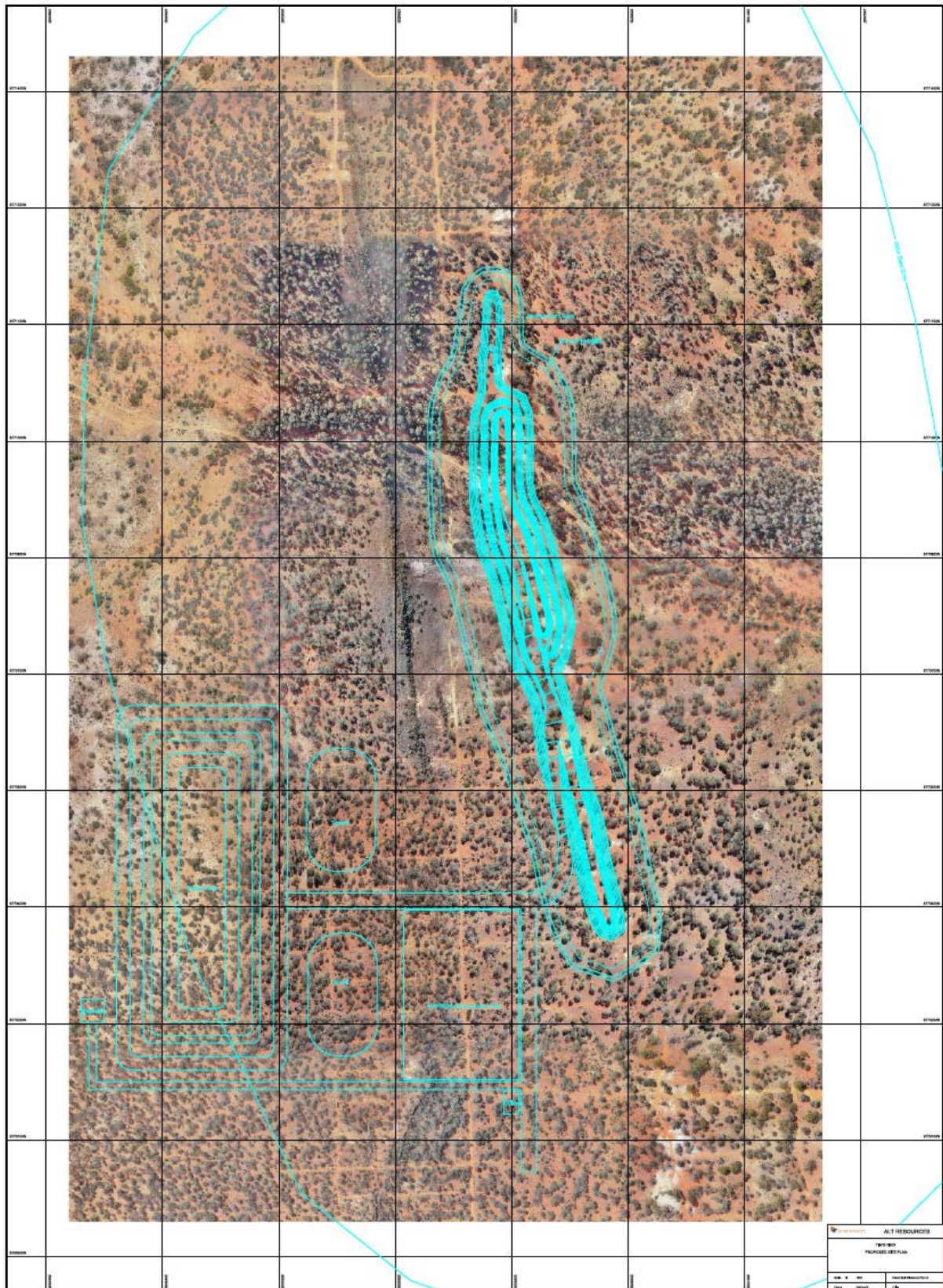


Figure 2: Tim's Find aerial Digital Terrain Model, pit shell and site plan



MT IDA PLANNED OPERATIONS

The Company has completed both RC and diamond drilling operations at the Mt Ida and Bottle Creek project during the quarter and anticipate strong news flow as these assay results come to hand and are released to market over the coming weeks. Additionally Alt has been systematically progressing all significant studies and survey work relative to both the Tim's Find and Bottle Creek mine permitting.

The studies and survey work at completion form significant components of the maiden ore reserve statement and feasibility study, which is currently underway for the Mt Ida and Bottle Creek gold project and is scheduled for release Q1 2020.

In summary during the period August through October the Company has completed;

- Airborne Heli Time Domain Electromagnetic and Magnetic survey across the Bottle Creek and Shepherds Bush project areas.
- Completed ~1,000 metres of diamond core drilling including geotechnical holes for the Tim's Find open pit.
- Completed ~3,500 metres of RC infill and extensional drilling at the VB, Tim's Find and Boags South areas.
- Implemented flora and fauna survey, hydrology survey and the digital terrain modelling covering the project area and waste rock characterization testing.
- Completed Bottle Creek camp expansion

Challenge Drilling are scheduled to commence an additional 2,500 metres of RC drilling mid November 2019, drilling additional infill resource drilling. The Company expects to deliver a resource upgrade in Q1 2020.



NRG Helicopter - Time domain EM survey data capture Bottle Creek 2019

**Contact:**

Andrew Sparke
Executive Director
Email: andrew.sparke@altresources.com.au

Peter Nesveda
Investor Relations & Corporate Affairs
Mob: +61 (0) 412 357375
Email: peter@intuitiveaustralia.com.au

About Alt Resources

Alt Resources is an Australian based mineral exploration Company that aims to become a gold producer by exploiting historical and new gold prospects across quality assets and to build value for shareholders. The Company's portfolio of assets includes the greater Mt Ida and Bottle Creek Gold Projects located in the Mt Ida gold belt of Western Australia and the Paupong IRG Au-Cu-Ag mineral system in the Lachlan Orogen NSW.

Alt Resources, having acquired the Mt Ida and Bottle Creek Gold Projects with historical and under-explored tenements in the Mt Ida Gold Belt, aims to consolidate the historical resources, mines and new gold targets identified within the region. Potential at Mt Ida exists for a centralised production facility to service multiple mines and to grow the Mt Ida Gold Belt project to be a sustainable and profitable mining operation.

Competent Persons Statement

The information in this report that relates to mineral exploration results and exploration potential is based on work compiled under the supervision of Mr Todd Axford, a Competent Person and member of the AusIMM. Mr Axford is the Principal Geologist for GEKO-Co Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he 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'. Mr Axford consents to the inclusion in this report of the information in the form and context in which it appears.

The Mt Ida Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by or under the supervision of Mr Michael Edwards, a Competent Person who is a member of the Australian Institute of Geoscientists (AIG). Mr Edwards has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 editions of the Australian Code for Reporting Mineral Resources and Ore Reserves.

The Bottle Creek Mineral Resource was compiled by Mr Stephen Hyland, a Competent Person and Fellow of the AusIMM is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Hyland consents to the inclusion in this report of the information in the form and context in which it appears and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI 43-10.



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