

27 September 2016

ASX Media Release

SANDSTONE TENEMENTS GRANTED AND FIELD WORK COMMENCED

- All five Sandstone exploration licences now granted
- Several compelling targets to be tested by geophysics and drilling
- IP geophysical survey commencing at multi-target Lady Hamilton area this week
- 10,000 line kilometre high-resolution airborne magnetic survey planned to complement existing coverage

Alto Metals Limited ("Alto" or "the Company") (ASX: AME) is pleased to announce that following the grant of the five exploration licences at its recently acquired Sandstone Gold Project in Western Australia, fieldwork has commenced and preparation for a 5,000m reverse circulation (RC) drilling campaign is underway. Subject to Programs of Work (PoW's) being approved by the WA Department of Mines and Petroleum (DMP), Alto's maiden drilling program will commence in mid to late October to initially test a number of high-priority shallow oxide targets and deeper primary gold targets.

"After several months of compilation and planning, the grant of Alto's 720km² of tenure, which encompasses the majority of the historical and highly prospective Sandstone Goldfield, allows us to get on the ground and commence exploration. We have identified several immediate targets from our review of historical data, and we see a tremendous opportunity in the Lady Hamilton area to delineate new shallow oxide and primary gold resources " said Alto Managing Director, Dermot Ryan.

"In addition, our maiden drilling program commencing in October will also target primary gold mineralisation beneath the shallow oxide open pits at Lord Nelson and Lord Henry".

Grant of Exploration Licences

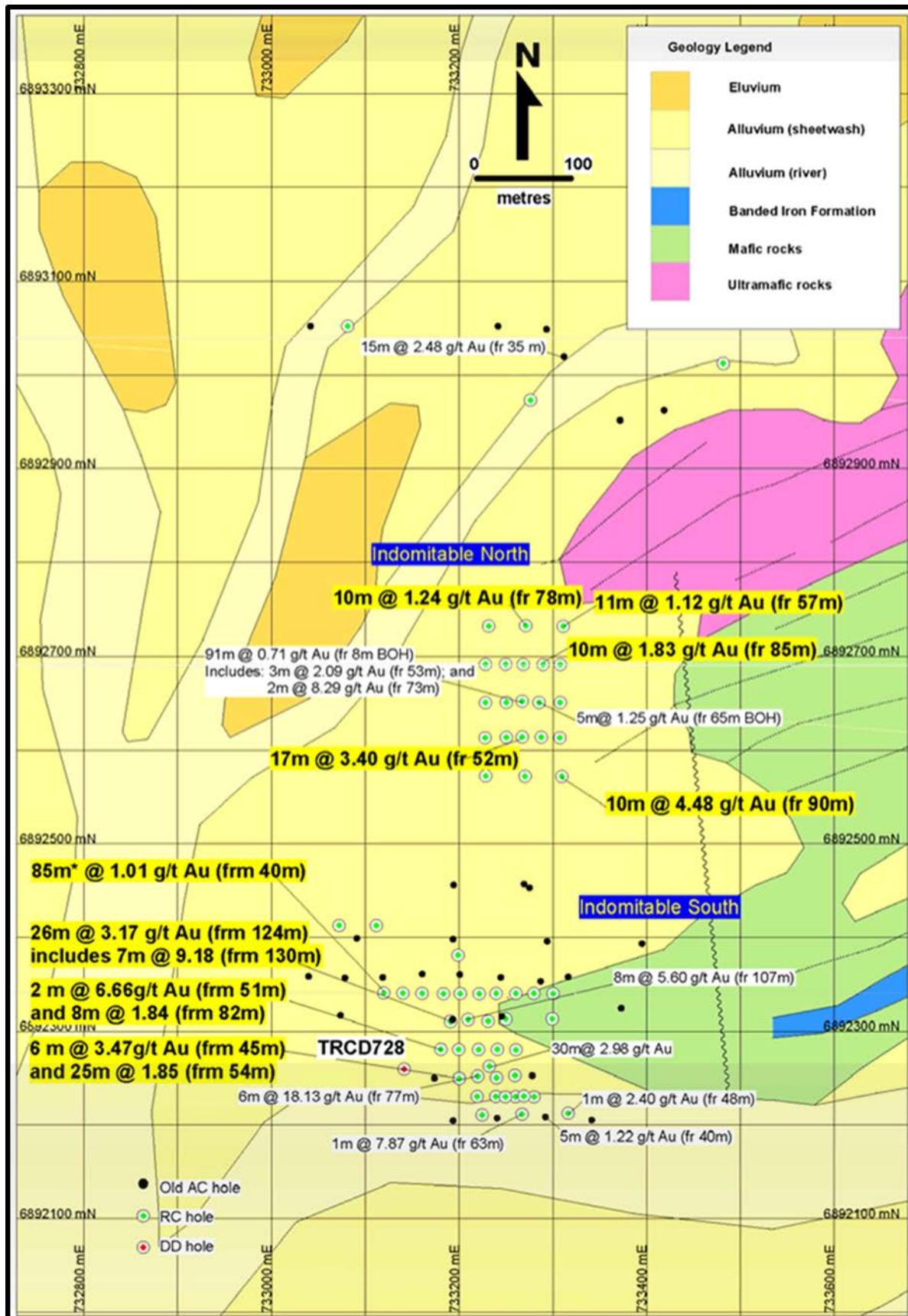
Alto has been formally advised by the DMP that the five main exploration licences covering 720km² and the majority of the Sandstone Goldfield are now granted. Two small prospecting licences were previously granted on 11 July 2016 (Appendix A).

Exploration Commences at Lady Hamilton Prospect

The Lady Hamilton prospect covers an area of 6km x 6km and encompasses the former Troy Resources' Indomitable, Tigermoth, Piper and Musketeer prospects, where shallow Troy RC drill holes intersected oxide gold mineralisation. Troy's RC drilling was of insufficient depth to identify primary mineralisation (i.e. in fresh rock) and the litho-structural controls on gold mineralisation.

These prospects occur within a zone of complex magnetic activity, and are covered by alluvium (i.e. lack of outcrop) which to date has hindered interpretation (Refer Figure 1 overleaf).

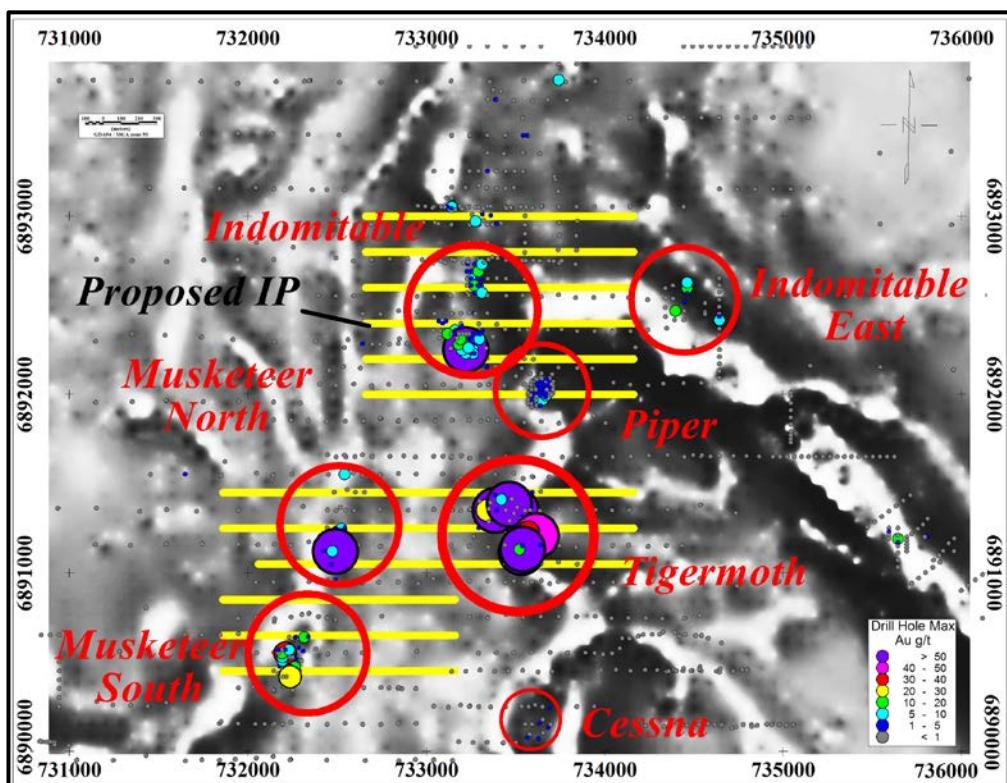
Figure 1. Troy Resources Plan of Indomitable Prospect, RC Holes & Results



Alto's decision to conduct IP surveying at Lady Hamilton prior to drilling is based on a review of historical Troy Resources NL data over the Lord Nelson and Lord Henry gold deposits. The Troy drilling and IP data demonstrates that the primary gold mineralisation is associated with zones of vein style and disseminated pyrite mineralisation which are "chargeable" using IP geophysical techniques.

The results of the Lady Hamilton IP survey will be used to define drill targets in the primary zone (fresh rock) and, by association, the overlying oxide zones.

Figure 2. Lady Hamilton Area Showing Prospects and Proposed Alto IP Lines



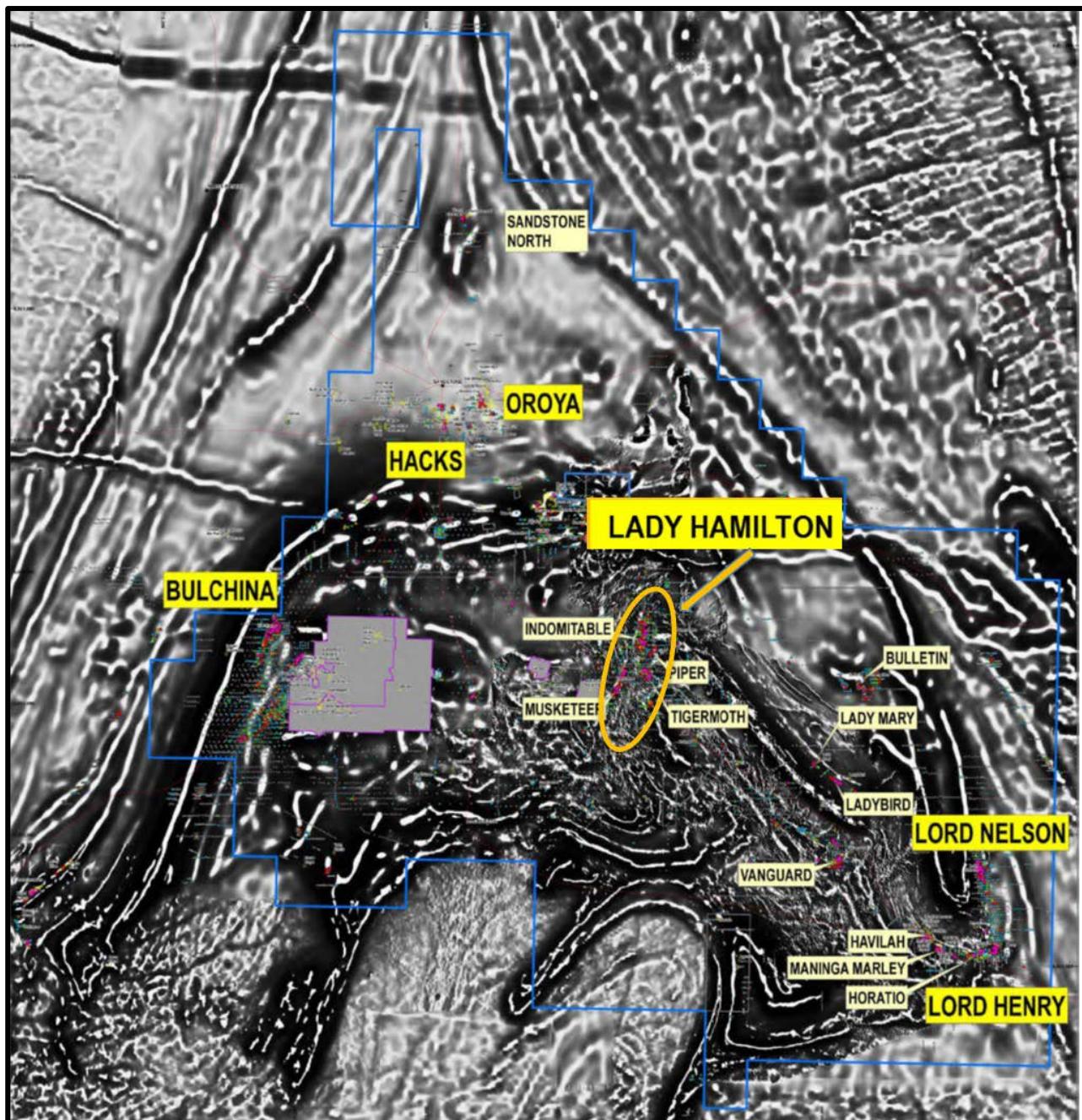
Proposed Detailed Airborne Magnetic Survey at Sandstone

The Company has purchased and processed existing Sandstone detailed airborne magnetic and radiometric data from a multi-client provider, but the coverage is incomplete.

Alto is now pleased to announce that it has commissioned a detailed airborne magnetic and radiometric survey that will complement the existing coverage, and provide complete coverage of the Company's Sandstone Project area. Good quality detailed airborne magnetic data is considered to be a critical tool in identifying favourable structures for the deposition of gold mineralisation, especially in areas of deep weathering and minimal outcrop.

The survey will comprise 10,683 line km with a line spacing of 50 metres and a sensor height of 30 metres, and is planned to commence in mid-October. Figure 3 overleaf shows the extent of Alto's granted exploration tenure over a 1st vertical derivative (1st VD) magnetic image, and the location of Indomitable, Tigermoth, Piper and Musketeer.

Figure 3. 1st VD Magnetic Image of Sandstone showing Alto Tenement Boundary and Prospects



DR Ryan

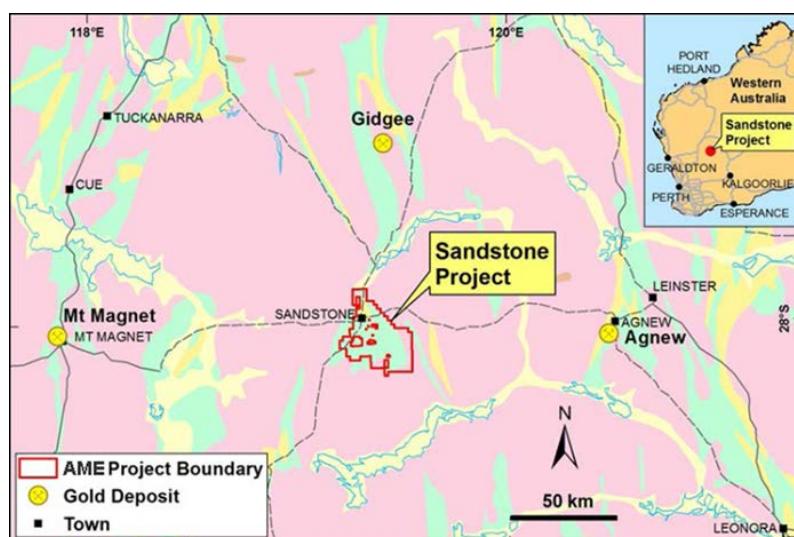
Dermot Ryan
Executive Director

About Alto Metals and the Sandstone Gold Project

Alto Metals Limited (ASX: AME, Alto) is an Australian public company which listed on the Australian Securities Exchange on the 20 December 2012 as Enterprise Uranium Limited (ASX: ENU). Between 2013 and 2014, uranium was the primary exploration target and a portfolio of tenements prospective for sand hosted uranium deposits was assembled and explored.

During 2015, the Company commenced an active search for an advanced gold and/or base metals project. On 23 March 2016, an agreement was signed to purchase Sandstone Exploration Pty Ltd, the owner of the Sandstone Gold Project, located 600km northeast of Perth in Western Australia. Shareholders subsequently approved a company name change from Enterprise Uranium Limited to Alto Metals Limited, and in June 2016 Alto completed the purchase of Sandstone Exploration Pty Ltd.

Alto presently has 145,475,415 shares on issue, 100% ownership of the Sandstone Gold Project and a small portfolio of uranium projects. The Company's immediate objective at Sandstone is to discover mineral resources containing at least one million ounces of gold, and to establish a profitable mining operation.



Since the discovery of gold at the end of the 19th Century, the Sandstone Greenstone Belt has produced approximately 1.3 million ounces of gold from numerous underground and open pit mining operations. Of this, some 612,000 ounces was produced between 1994 and 2010 from the open-pit mining of shallow oxide ore by ASX listed companies Herald Resources Ltd and Troy Resources Ltd.

The numerous former open pits, prospects and gold occurrences acquired by Alto include Lord Nelson, Lord Henry, Havilah, Bull Oaks Reef, Vanguard, Ladybird, Maninga Marley, Sandstone North, Oroya, Tiger Moth, Musketeer, Piper and Bulchina.

Between 1994 and 2010, the focus was largely on exploring for and mining shallow oxide ore to feed the Herald/Troy Nungarra Mill, at a time when the Australian dollar gold price was substantially lower than it is today. Alto considers that the robust Australian gold price and competitive cost environment will enable it to consider, following further exploration, several areas for early recommencement of mining.

Competent Person statement

All exploration data referred to in this Report were previously reported by Troy Resources NL pursuant to JORC 2004. Alto Metals Limited understands that this information has not been updated since to comply with the JORC Code 2012, but believes the information has not materially changed since it was last reported.

The information in this report that relates to interpretation of Geophysical Exploration Results is based on information compiled by Mr William Robertson, who is an employee of Value Adding Resources Pty Ltd and a Director and security holder of the Company. Mr Robertson is a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and 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. Mr Robertson consents to the inclusion in the report of matters based on information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Alto Metals Ltd's planned exploration program. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Alto Metals Ltd believes that its expectations expressed in forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix A

Sandstone Project – Granted tenements

Tenement	Grant Date	Granted To	Area (km ²)	Annual Expenditure Commitment
E 57/1029	20-Sep-16	19-Sep-21	209	\$70,000
E 57/1030	20-Sep-16	19-Sep-21	161	\$60,000
E 57/1031	20-Sep-16	19-Sep-21	206	\$68,000
E 57/1033	20-Sep-16	19-Sep-21	100	\$34,000
E 57/1044	20-Sep-16	19-Sep-21	45	\$20,000
P 57/1378	11-Jul-16	10-Jul-20	169.5 HA	\$6,800
P 57/1377	11-Jul-16	10-Jul-20	138 HA	\$5,520
			~724km ²	\$271,320