

ARS – ASX ANNOUNCEMENT

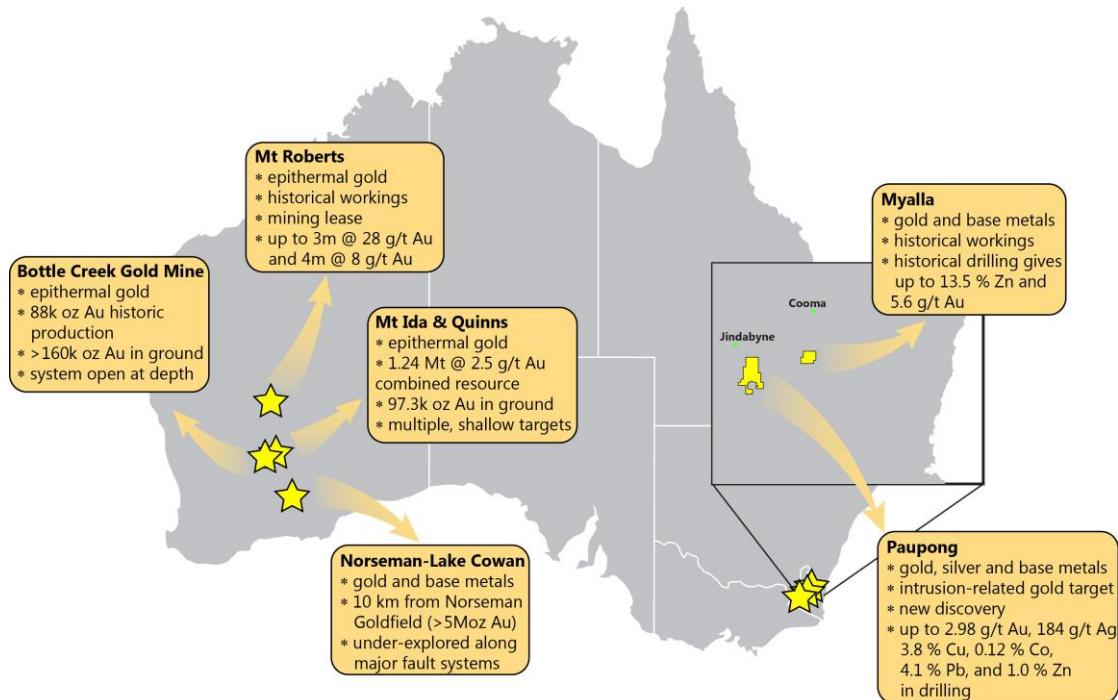
8th February 2018

Shareholder Update – Exploration Activity

The Board of Alt Resources (Alt) is pleased to provide shareholders with a summary of exploration activity being undertaken at key projects within the Company's portfolio. In the last 6 months, Alt has aggressively sought acquisition of key new gold projects in the Mt Ida region of Western Australia (Bottle Creek, Mt Ida and Quinn's)^{1,2}. These more advanced assets are an excellent complement to the existing greenfields projects held by Alt in WA and NSW.

Highlights

- **RC drilling commenced today at the Myalla Project, NSW**
- **Drilling approval granted by WA Government for first round of resource drilling at Bottle Creek Project, WA**
- **Resource definition drilling to commence at Bottle Creek in March, 2018**
- **Upgrade to existing gold resource estimates underway at Mt Ida and Quinn's Projects (WA)**
- **Geophysical review and target generation underway at Paupong IRG Project (NSW)**



¹ See ARS Announcement, 8th November, 2017: <https://www.altresources.com.au/wp-content/uploads/2017/11/ARS-ASX-Announcement-Bottle-Creek-acquisition-8Nov17.pdf>

² See ARS Announcement, 16th January, 2017: https://www.altresources.com.au/wp-content/uploads/2018/01/ARS_ASX_Mt-Ida-Acquisition-16Jan18-Final.pdf



Drilling Commenced at Myalla Project

First pass Reverse Circulation (RC) drilling has commenced at the Myalla project located in southern NSW. The program comprises approximately 1,000 metres across 8 RC holes. These holes will test historical intercepts of massive sulphides with recorded grades up to **4.28 g/t Au, 35 g/t Ag, 0.79 % Cu and 13.5 % Zinc³**. The Company expects the drilling program to be completed around mid-February 2018, with assay results expected by mid-March 2018.



Figure 1. Gossanous outcrop near historical workings at the Rock Lodge prospect, Myalla.

Bottle Creek Project

Alt has lodged two Plan of Works (PoW) applications with the WA Department of Mines Industry Regulation and Safety (DMIRS) for the first 10,000 metres of RC drilling at the Bottle Creek Project, including approximately 130 holes. The first PoW for activity at the Emu deposit has now been approved by the DMIRS. The second PoW for drilling at the Southwark deposit is pending.

Based on approval of the first PoW, Alt has accelerated the start date of the resource drilling program, which will now commence at the un-mined Emu deposit on the 10th March 2018. The program is expected to run for a period of 12 weeks. Alt expects first assays from Bottle Creek at the end of March.

The Bottle Creek Project is located approximately 85 kilometres northwest of Menzies in the Mt Ida Gold Belt. Ahead of the extensive drilling programs planned at the Bottle Creek and surrounding Mt Ida Projects (see below), the Company is establishing an exploration camp at the Bottle Creek Gold Mine. The camp is inclusive of power generation, diesel storage, camp kitchen and mess facilities, accommodation, refrigeration and a complete works depot to run drilling operations and staff amenities.

³ Sourced from NSW Geological Survey Open File Report GS1984_166.



Establishing the Bottle Creek camp has been a large logistical exercise and capital expense for Alt Resources, however it will provide an excellent base of operations for exploration activity over the next 12 months. The camp has significant cost benefits for the Company, reducing operational overheads and facilitating project management.

Mt Ida and Quinns Project

Alt recently acquired the Mt Ida South, Quinns and Mt Ida JV Projects, immediately adjacent and surrounding the Bottle Creek Project in the Mt Ida region of WA². The existing JORC resource estimate across these projects stands at **1.23 Mt @ 2.46 g/t Au, for 97,037 oz Au⁴**, and was completed in 2013 by Wild Acre Metals. Subsequent drilling by Latitude Consolidated Ltd in 2016 and 2017 has not been incorporated in the estimate, therefore Alt is currently undertaking a resource upgrade for the Mt Ida and Quinns Projects through BM Geological Services. Alt expects the resource model and upgrade to be completed towards the end of February 2018.

Alt is conducting a thorough review and target generation/prioritisation exercise for the Mt Ida and Quinns Projects. Initial priority exploration target areas include the Shepherds Bush prospect located in the Mt Ida South area and the Matisse prospect located north of the Quinns Mining Centre (Figure 2). Alt will submit drilling applications to the DMIRS for the Mt Ida and Quinns Projects as soon as the data review and target generation is completed.

⁴ See WAC announcement, 25th February, 2013: <https://www.asx.com.au/asxpdf/20130225/pdf/42d7thzksf448m.pdf>

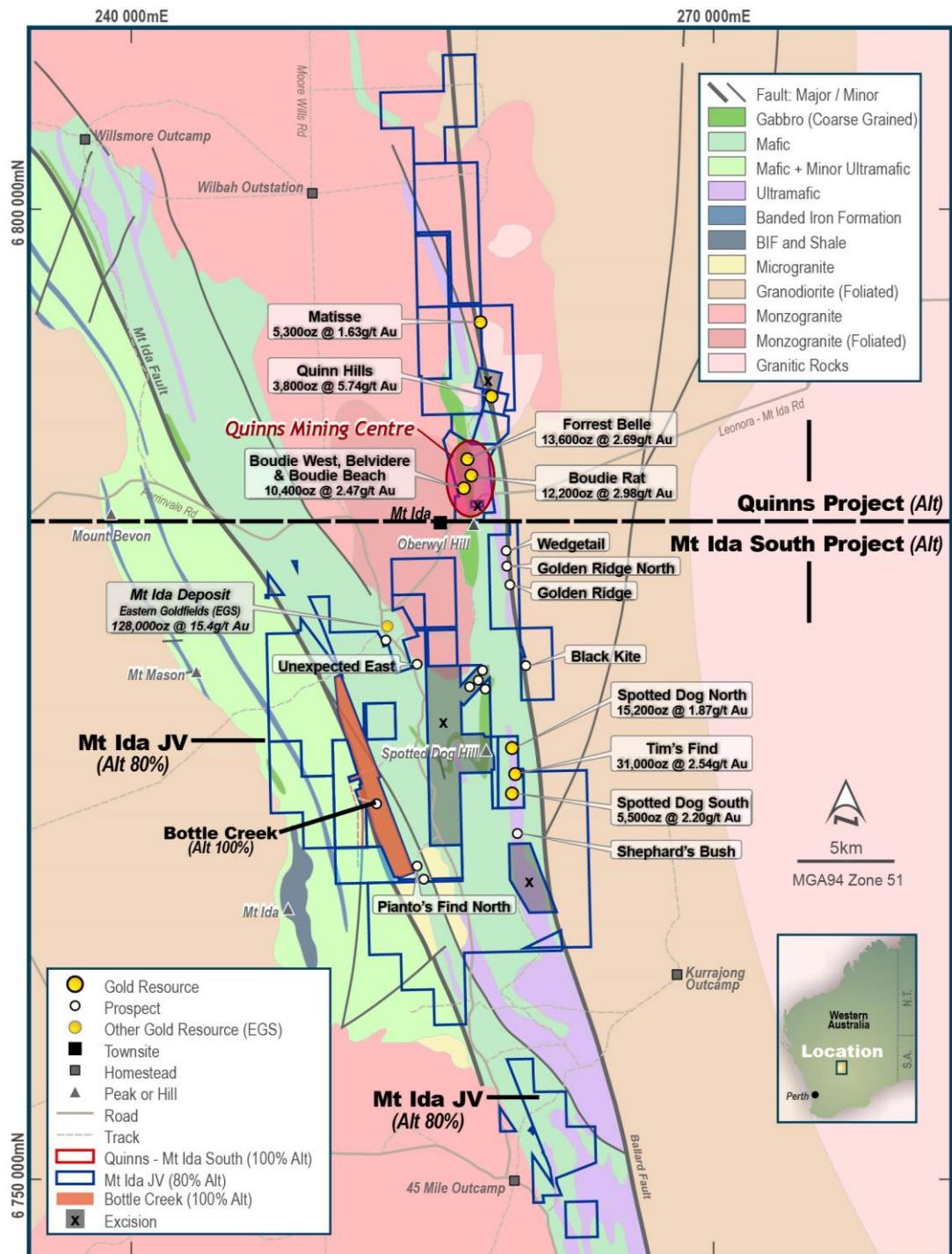


Figure 2. Location of the Quinns, Mt Ida South and Mt Ida JV Projects, in the Mt Ida Greenstone Belt, WA. Individual prospects are shown, including estimated resources, reported by Wild Acre Metals⁴ and Latitude Consolidated Ltd⁵

⁴ See LCD Announcement, 14th September 2016: <http://www.asx.com.au/asxpdf/20160914/pdf/43b5hknb4d4gtg.pdf>



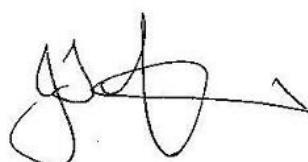
Paupong IRG Project

As part of ongoing exploration at the Paupong Intrusion-Related Gold (IRG) Project, Alt is currently undertaking a review of all existing geophysical survey data. This includes detailed aeromagnetics, gradient and dipole-dipole Induced Polarisation surveys conducted by Alt and JV partner GFM Exploration between 2012 and 2016. The reviewed and re-processed data will be used for additional target generation based on the expanded knowledge and understanding of the Paupong IRG system, developed by Alt over the last few years.

In conjunction with the geophysical review, Alt has commissioned a detailed structural geology investigation. Both the detailed geophysical and structural assessments will be completed by the end of February, providing new drill targeting for the next stage of diamond drilling. Drilling and exploration activity at Paupong is scheduled for the second half of 2018.



Figure 3. RC drilling at the Kidman Prospect, Paupong, during the 2016 campaign.



James Anderson – CEO
Alt Resources Limited



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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