

Introduction

[Alto Metals Ltd.](#) (ASX:AME) is an Australian public company which listed on the Australian Securities Exchange on the 20 December 2012 as Enterprise [Uranium Ltd.](#) (ASX:ENU). Between 2013 and 2014, uranium was the primary exploration target and a portfolio of projects 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 Ltd.](#) to [Alto Metals Ltd.](#), and in June 2016 Alto completed the purchase of Sandstone Exploration Pty Ltd.

Alto presently has 144,475,415 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.

Alto has an experienced Board of Directors with extensive skills in exploration, mining, accounting, corporate governance and provision of corporate advice. The Company currently has 724 km² under granted title at Sandstone for gold, and a further 945km² under title for uranium at four prospects.

Corporate Objective & Strategy

The Company's primary objective is the "discovery and/or acquisition of projects with potential for plus million ounce gold deposits that can form the basis of a highly profitable mining company providing superior returns to Shareholders."

The key elements of the Company's strategy to achieve this objective are:

- the generation and/or identification of a number of highly prospective projects and prospects with potential for plus million ounce gold resources, and
- the application of best practice mineral exploration technology (with strong drilling and geophysics components) and the support of an experienced team of people with strong technical, management and leadership skills and a proven track record of discovery.

The Company's Sandstone Gold is located within the Archaean Yilgarn Craton, where infrastructure is reasonably good relative to other more remote parts of Australia.

Alto believes there is still potential to find major new plus million ounce gold deposits in areas of shallow cover in Western Australia. The Company makes extensive use of airborne geophysics to "see through" shallow cover and identify conceptual geological targets.

Directors' Review of Operations

During 2015, the Company commenced an active search for an advanced gold and/or base metals project in Australia. Following numerous project reviews and due diligence, an agreement was signed on 23 March 2016 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 Ltd.](#) to [Alto Metals Ltd.](#), and in June 2016 Alto completed the purchase of Sandstone Exploration Pty Ltd. 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 over 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 Nunngarra 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.

Alto plans to mount a substantial exploration program at Sandstone, following the grant of the tenements in late September 2016. The immediate program will include Induced Polarisation (IP) surveys to detect sulphide mineralisation at depth (likely to be associated with gold mineralisation), detailed airborne magnetic surveys to map lithology, structure and alteration zones, and reverse circulation (RC) drilling. More extensive geophysical and drilling programs will be implemented in 2017, following the completion of the compilation and review of Alto's Sandstone database.

REVIEW OF OPERATIONS

At the start of the year, the Company held granted tenements and tenement applications over six project areas prospective for

sand hosted "in situ recovery" style (ISR) and calcrete hosted uranium deposits in Western Australia. With the continuing low uranium price, the Company commenced the search for an advanced gold project in Western Australia, and reviewed a number of opportunities.

In late 2015, the Sandstone Gold Project was identified as an excellent exploration opportunity for the Company, and following a period of due diligence, a purchase agreement was signed with the vendors on 23 March 2016. The Group's corporate objective for this acquisition is the discovery of a mineral resource of at least one million ounces of gold, which would lead to the development of a mining operation.

The future of the Group's uranium landholdings is currently under review in light of the acquisition of the Sandstone Gold Project. The Company's core uranium projects have been retained under title pending the outcome of this review.

To view the annual report, please visit:
<http://abnnewswire.net/lnk/DLOGUHZ7>

About Alto Metals Ltd:

[Alto Metals Ltd.](#) (ASX:AME) is a Western Australian based company and is focused on gold and uranium exploration in Australia.

The Company's primary objective is to create shareholder wealth through discovery and development of a plus 1 million ounce gold deposit and ISR style uranium deposits.

Source:

[Alto Metals Ltd.](#)

Contact:

Dermot Ryan Executive Director Tel: +61-8-9381-2808 Email: admin@altometals.com.au www.altometals.com.au