ALT RESOURCES
EXPLORING FOR BASE AND PRECIOUS METALS IN NSW

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Quarterly Activity Report June 2016

Highlights:

- **Diamond drilling completed at Kidman and Windy Hill Prospects**
- **Major new buried intrusion-related gold targets identified at Windy Hill**
- **High grade copper-silver-gold intercepted during first pass drilling at Windy Hill Prospect in hole PDD008**
- **Diamond drilling at Kidman continues to support strike and depth extent of vein system**
- **Polymetallic results support the Company's Intrusion-Related Gold model**
- **Regional reconnaissance work identifies a new high grade silver-gold-bismuth Prospect at Paupong, named Lone Ranger**
- **Rock chip sampling defines parallel zone of massive sulphide mineralisation on surface at Myalla Project.**
- **Application lodged for second round of drill funding under the NSW Government New Frontiers Cooperative Drilling Program**

OVERVIEW

NSW-focused base and precious metals explorer Alt Resources Ltd (ASX: ARS; "Alt or the Company") has completed the current round of diamond drilling at its flagship Paupong Project in southern NSW. During the quarter the Company successfully identified and defined a number of significant new intrusion-related gold targets beneath the Windy Hill Prospect. These targets have been identified through a combination of aerial magnetic and ground-based Induced Polarisation (IP) 3D modelling, as well as geological mapping and soil geochemistry.

3D modelling of the geophysical data supports the Company's interpretation of near-surface intrusions coupled with surrounding zones of quartz vein-hosted mineralisation, while soil geochemistry reveals strong zonation for Cu-Pb-Zn-As across these targets. The Company recently amended drilling approval applications to include the newly discovered Windy Hill targets, which now form the basis of the 2016-17 drilling program scheduled to commence in November 2016.

First pass drilling at the Windy Hill prospect in the current quarter (to the west of the new modelled intrusion target) has intercepted narrow, high grade Cu-Ag-Au mineralisation in massive sulphide and quartz veining, with anomalous bismuth and lead in hole PDD008. This mineralisation has been extended to over 250 metres in strike with positive gold-silver returns in hole PDD013.

A second round of drilling of the Kidman Prospect has confirmed the continuity of the mineralised quartz-sulphide vein system to depths of at least 200m. Sulphide mineralisation consistently comprises pyrite - arsenopyrite ± chalcopyrite ± galena ± sphalerite and is interpreted to represent distal type veining related to a buried gold bearing intrusion (IRGS). Mineralisation is variable, however the system remains open at depth and along strike, with numerous higher grade zones being intercepted.

Trace element analysis has been undertaken on significant drill intercepts from the 2015 drill program. Tellurium (Te) can be used as a strong indicator element of magmatically sourced fluids, and as a vectoring tool towards an intrusive source. Te and other pathfinder element analyses suggest that the western extent of the Tom's Vein is relatively close to a magmatic mineralising source with very high Te returns up to 23.2 ppm, 6.22 ppm and 6.09 ppm.

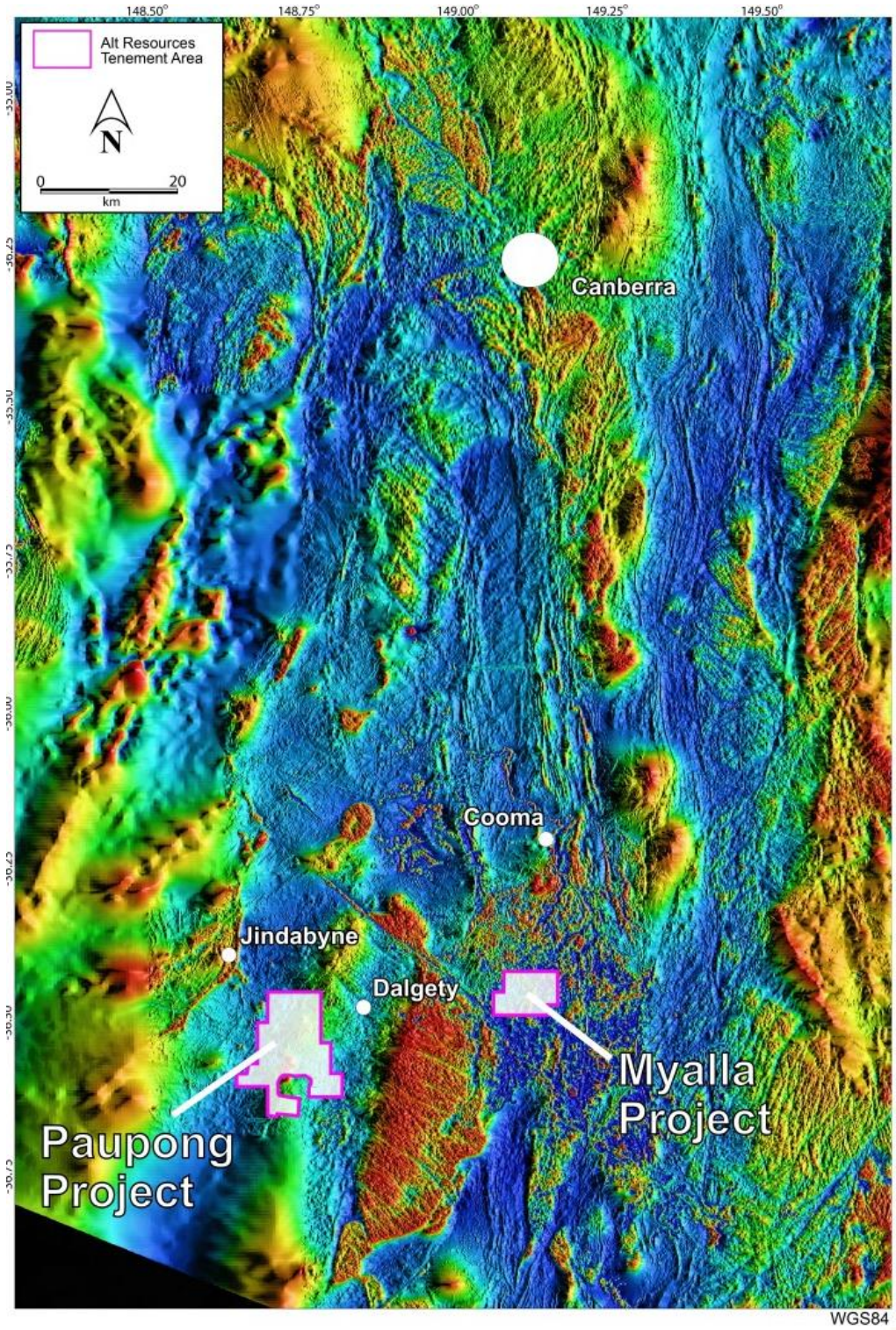

Figure 1. Location of Alt Resources projects at Paupong and Myalla, in southern NSW. Base image is the regional NSW total magnetic intensity dataset, reduced to pole.

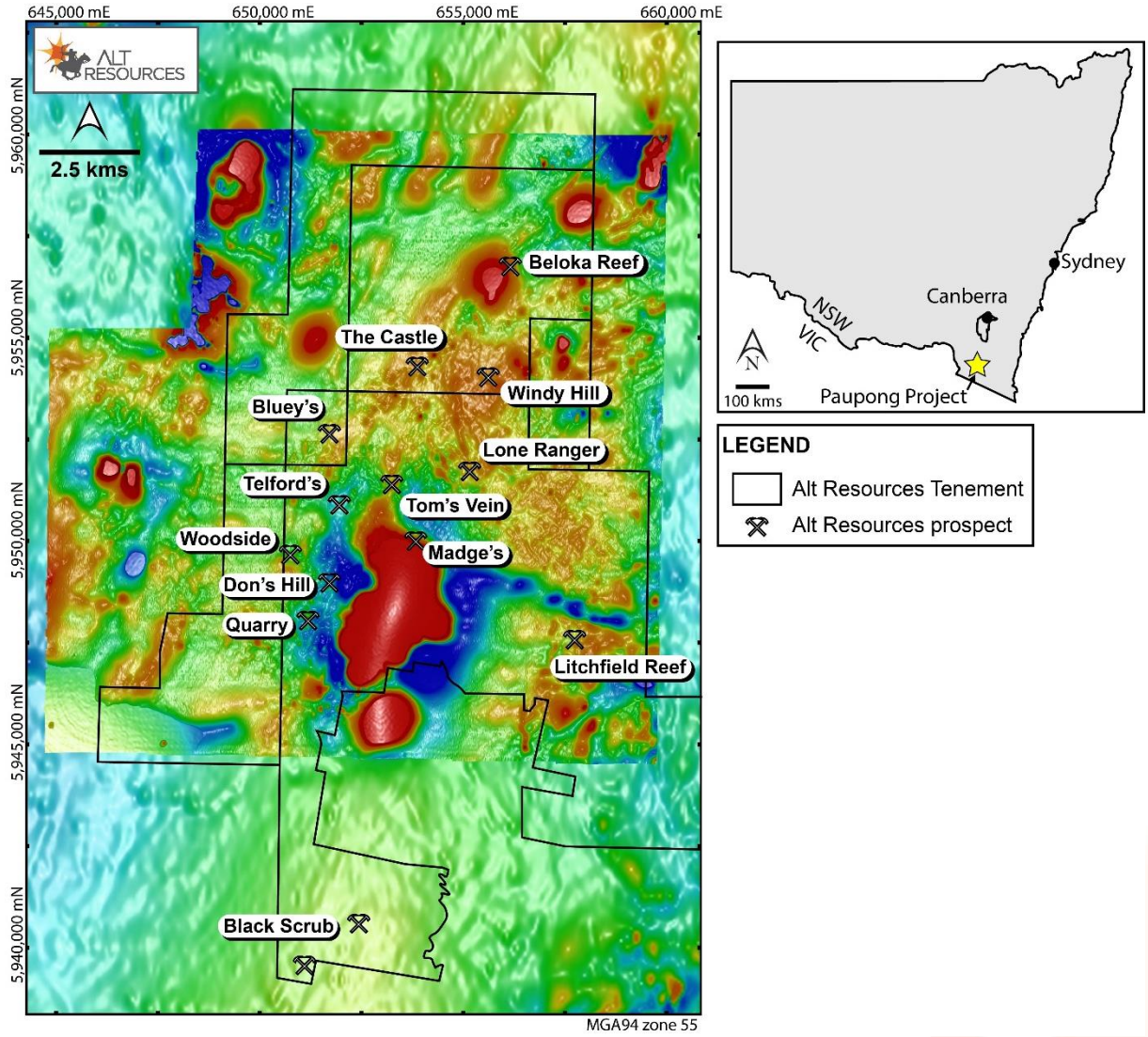

Figure 2. Location map of the Paupong Project, showing the location of key prospects. Background image is RTP magnetic intensity.

Table 1. Alt Resources JV tenements

Tenement Number	Tenement Area (km^2)	Location
EL7825	87.77	Paupong
EL8266	52.35	Paupong
EL8382	33.12	Paupong
EL8416	57.99	Myalla

PAUPONG PROJECT

Windy Hill Model

3D modelling of the Company's aerial magnetic and dipole dipole IP surveys showed exceptional correlation with surface geological mapping and zoned soil anomalism. These data reveal a cluster of interpreted late stage, shallow buried intrusions (stocks) beneath the Windy Hill prospect. The interpreted stocks appear to postdate and penetrate a larger intrusive body located at a depth of about 400m below surface. The anomalies have been labelled M1 to M5 for ease of identification. The surface expression of the magnetic and IP targets is mapped as zones of quartz-sulphide veining, quartz stockwork and sheeted quartz veins, with significant areas of quartz or rock-flour supported brecciation (Figure 3).

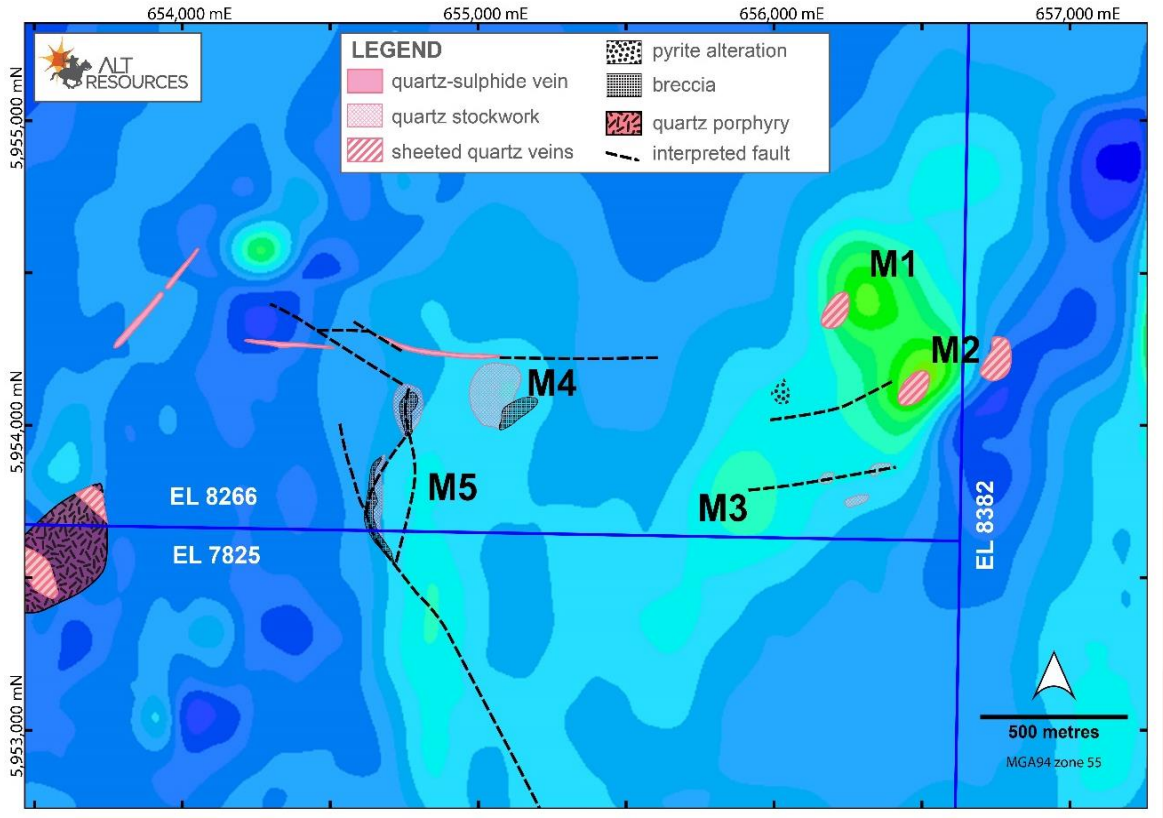

Figure 3. Horizontal slice through the magnetic model at Windy Hill, at 600m RL (between 200-300m below surface), overlain by mapped geology. The key magnetic anomalies are labelled M1-M5. The relationship between magnetic anomalism and known mineralisation features at surface is evident.

Portable XRF analysis of soil samples reveals strongly zoned anomalies of copper, lead, zinc and arsenic associated with the combined geological and geophysical targets. The relationship between geochemistry and geophysics is especially profound for magnetic anomalies M1 and M2.

In this area, surface geochemical anomalism has a diameter of ~850m, and displays a distinct pattern of zonation. An As-rich core is present, with a Pb-rich western margin, and Cu + Zn-rich eastern margin (Figure 4).

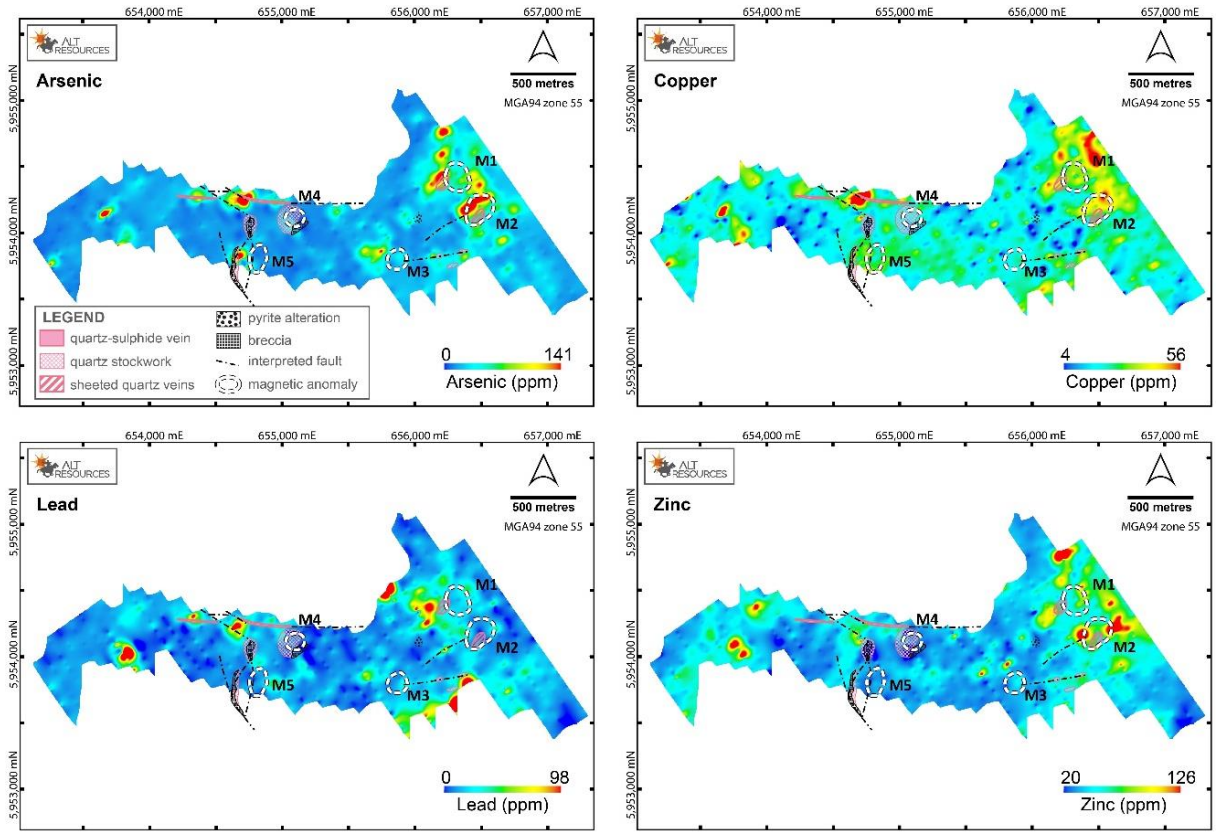

Figure 4. Gridded soil geochemistry at Windy Hill, showing the relationship between element distribution and mapped geology, as well as the location of the numbered magnetic anomalies (M1-M5)

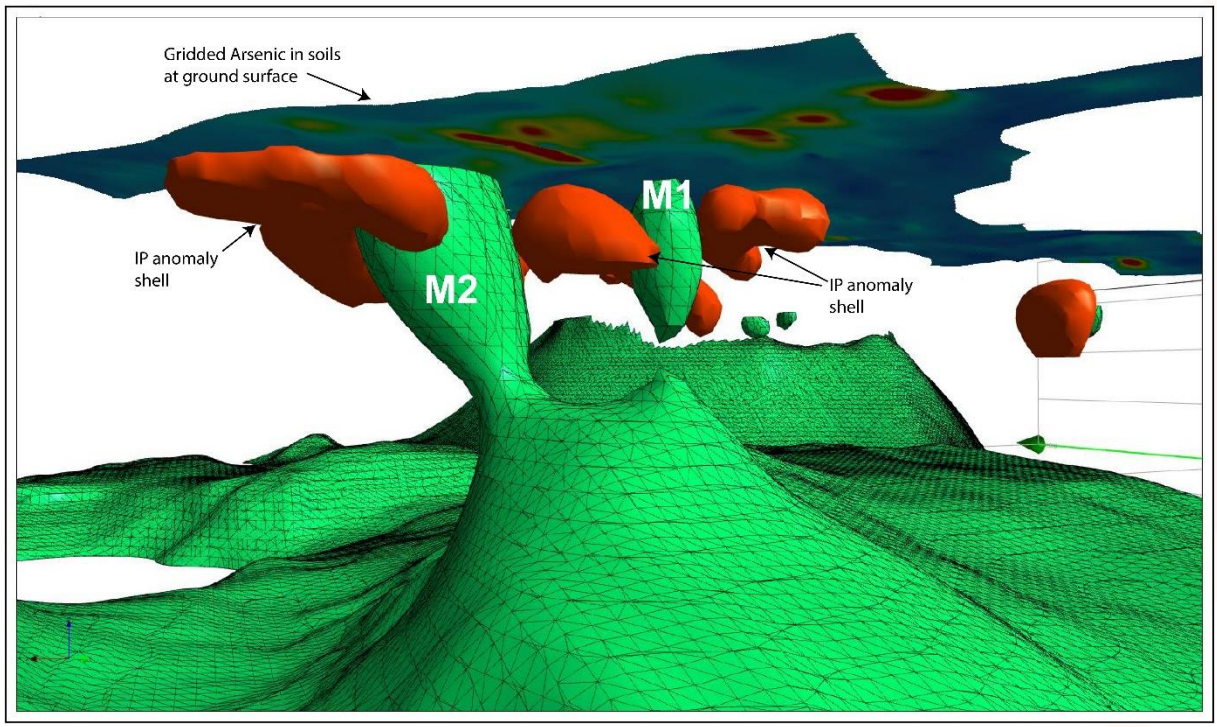

Figure 5. 3D image of the magnetic model (green shell at 143 Si units), IP model (red shell at 37 mv/V) and gridded arsenic anomalism in soils at surface. The view is to the south-west, looking obliquely upwards towards the ground surface. This image clearly demonstrates the close relationship between the M1 and M2 magnetic anomalies, and IP anomalism, as well as anomalous arsenic in soils at surface.

Figure 5 (above) shows the complete dataset (geophysical and geochemical) in 3D, focusing on the M1 and M2 anomalies. The relationship between geophysical features, both magnetic and IP, and surface geochemistry is clearly illustrated. In this case, the gridded arsenic surface is shown.

These lines of evidence lead the Company to believe that the combined geophysical, geological and geochemical anomalies represent a series of new Intrusion-Related Gold targets at Windy Hill.

Windy Hill Drilling

First pass drilling at the western edge of the Windy Hill Prospect intercepted narrow, high grade polymetallic mineralisation within a 300m long vein + sulphide structure. Best results were from PDD008 which included **0.3m @ 3.8% Cu, 83.6 g/t Ag, 0.4 g/t Au, 0.17% Pb and 0.3% Bi** from 89.7m downhole (Figure 6 and Table 2).

Mineralisation is associated with semi-massive pyrite + chalcopyrite + galena in quartz, hosted in sandstone. A strong **sericite and clay** alteration halo is present. This result represents a four-fold enrichment in copper relative to the surface geochemistry from rock chip assays.

Table 2. Windy Hill significant drilling results.

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Bi (ppm)	Co (ppm)
PDD008	89.7	90	0.3	0.38	83.6	3.77	0.17	3140	317
PDD013	112	113.2	1.2	0.54	5.3			89	80

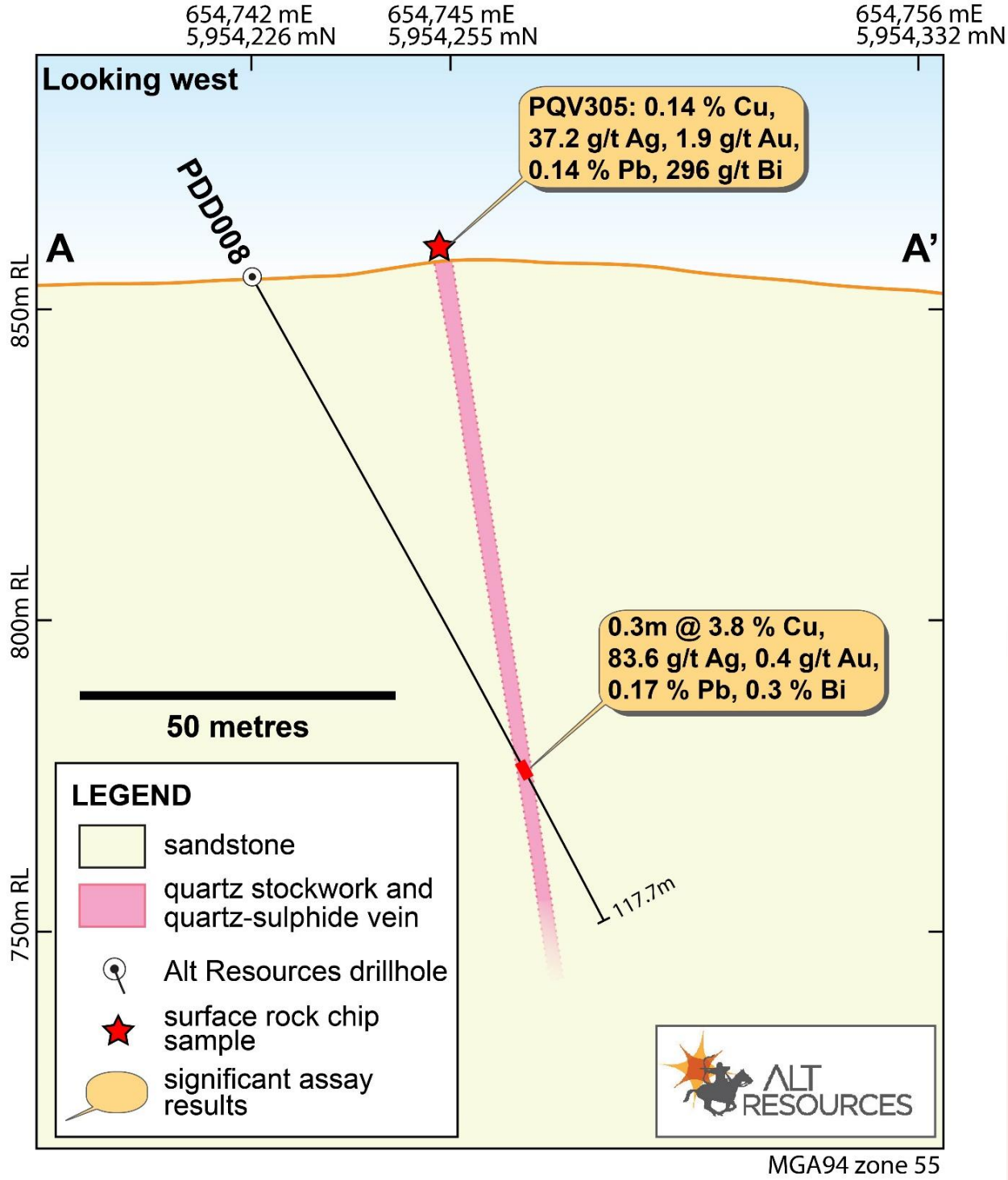

Figure 6. Cross-section of PDD008, showing the relationship between mineralisation at surface and that intersected downhole. PQV305 is the closest rock chip sample to the drillhole.

PDD007 targeted an IP anomaly which seemed to be associated with nearby quartz-vein supported breccia zones and mapped faults. The drill hole intersected 10m of diatreme breccia containing minor disseminated chalcopyrite and pyrite throughout (Figure 7). No significant assays were returned. Breccia clasts are dominantly sandstone and shale country rocks, with minor sericite-altered igneous clasts as well. The presence of altered igneous clasts within a diatreme breccia further supports the Company's IRGS model for Windy Hill.

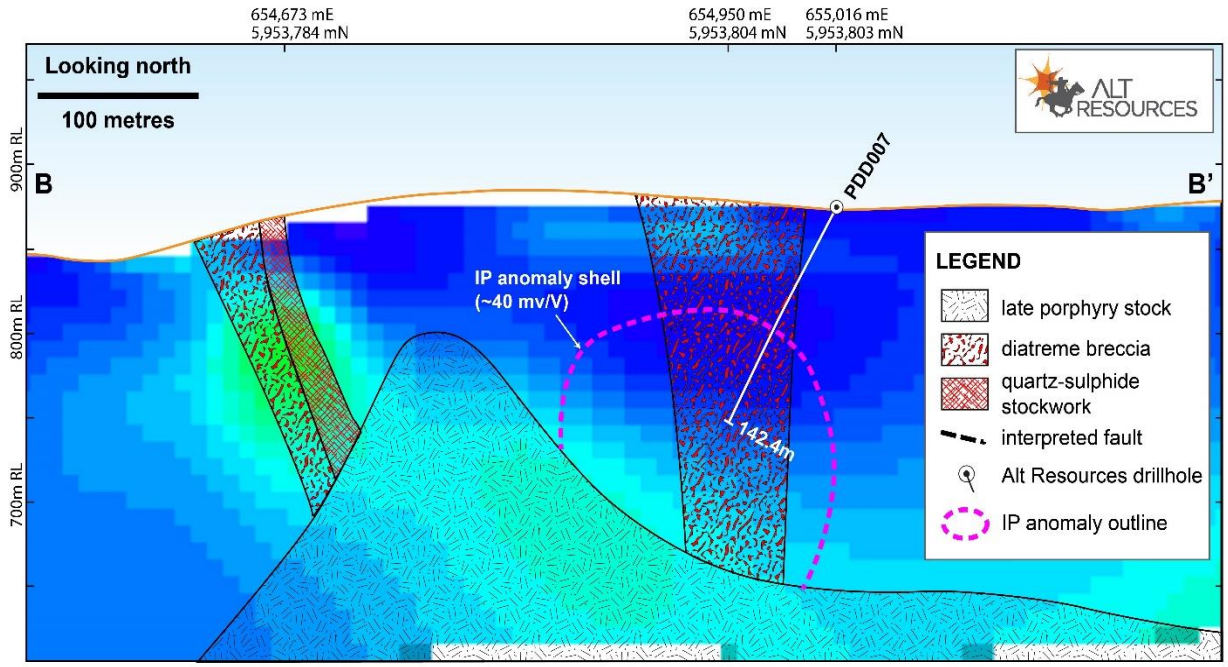

Figure 7. Cross-section of PDD007 showing the magnetic model, IP anomaly shell, and mapped geology at surface and downhole. The background image is the resistivity model from the dipole dipole IP survey described in Alt Resources announcement 24th May, 2016.

Kidman Prospect

The Company has completed diamond drilling at the Kidman Prospect with 6 diamond holes comprising 1200m of drilling. Significant results include

- **PDD006: 0.8m @ 1.43 g/t Au, 1.5 g/t Ag, 0.12 % Cu from 180.4m**
- **PDD009: 0.2m @ 1.72 g/t Au, 3.3 g/t Ag, from 66.2m**
- **PDD012: 0.3m @ 2.98 g/t Au, 10 g/t Ag, 0.73 % Cu from 112.4m**

The new diamond drilling at Kidman has confirmed the continuity of the mineralised quartz-sulphide vein system to around 200m below surface, along the 1.5km strike length (Figure 8 below). Sulphide mineralisation consistently comprises pyrite - arsenopyrite ± chalcopyrite ± galena ± sphalerite and is interpreted to represent distal veining related to a buried gold-bearing intrusion (IRGS). Mineralisation is variable, however the vein system remains open at depth and along strike with numerous higher grade zones being intercepted.

Trace element analysis has been undertaken on significant drill intercepts from the 2015 drill program with tellurium (Te) being a strong indicator element of magmatically sourced fluids, and as a pathfinder element towards an intrusive source. Our results suggest that the western extent of the Tom's Vein is relatively close to a magmatic mineralising source with very high Te in selected drill core samples; up to **23.2 ppm, 6.22 ppm** and **6.09 ppm** (Table 4).

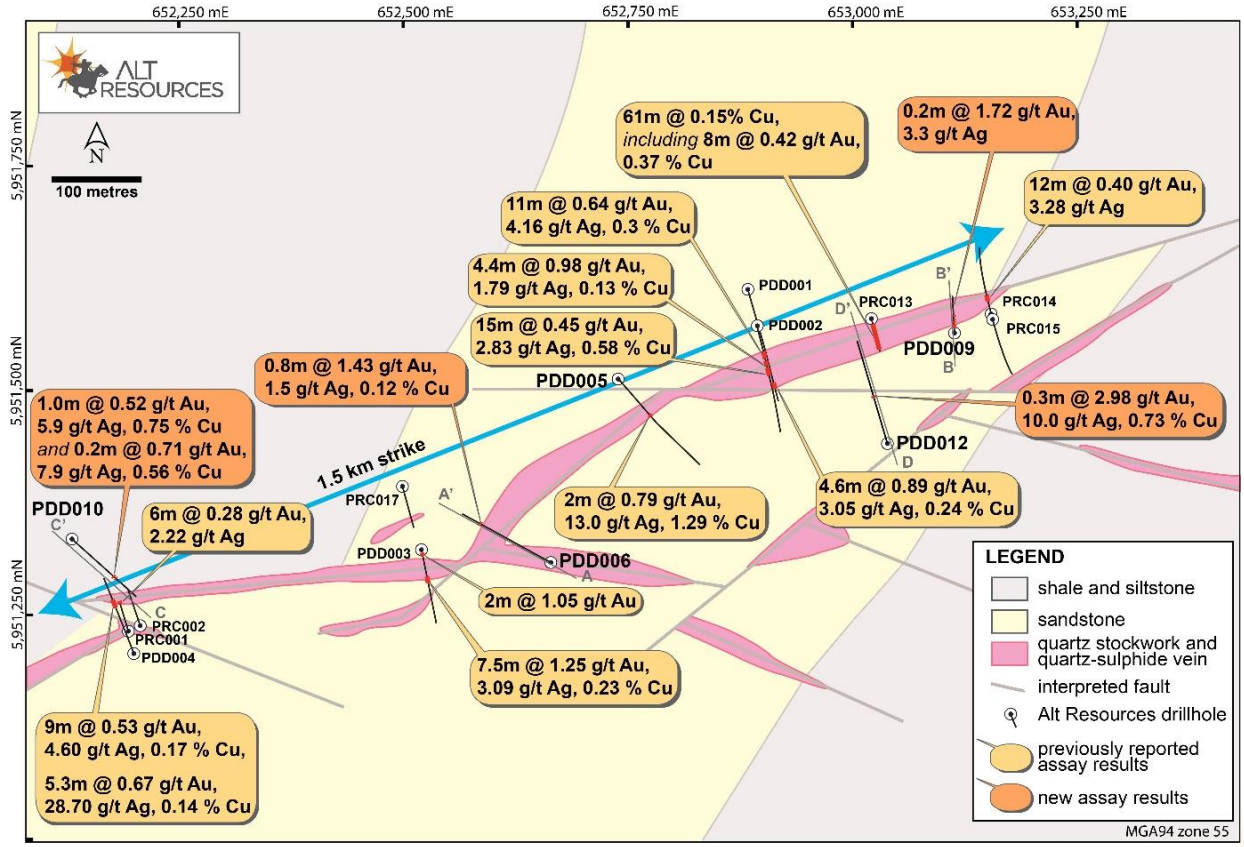

Figure 8. Map of previous and new drilling at the Tom's Vein area of Kidman. New intercepts (from 2016) are shown in orange.

Table 3. Kidman Drilling significant results 2016 drilling program

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Bi (ppm)
PDD006	180.4	181.2	0.8	**1.43**	1.5	0.12			91
PDD009	20.6	21.7	1.1		2.34		0.48		
	25.8	28.1	2.3					0.17	
	28.1	29	0.9			0.29			
	29.4	31.3	1.9	0.38	1.72				
	38.9	43	4.1*	0.23	2.25				
	66.2	66.4	0.2	**1.72**	3.3				105
PDD010	136.7	137.7	1.0	0.52	5.9	0.75			77
	138.7	138.9	0.2	0.71	7.9	0.56			52
PDD012	112.4	112.7	0.3	**2.98**	10.0	0.73			239

Table 4. Tellurium analyses for selected drill core samples from the 2015 drilling program

Hole ID	From (m)	To (m)	Interval (m)	Te (ppm)
PDD003	60	67.5	7.5	2.89
PDD004*	119.6	120.80	1.2	2.47
	122.6	126.1	3.5	6.22
	126.1	140.1	14	3.33
	154.7	155	0.3	23.2
	155.4	155.6	0.2	4.14
	160.5	161.9	1.4	6.09
	178.4	185.9	7.5	2.34
	176.8	178	1.2	4.39
PRC013	42	47	5	2.63

*includes significant core loss

Table 5 below gives a summary of significant results from the 2015 drilling program, which defined the Tom's Vein system at Kidman. These results are included in order to demonstrate the high Bi and other polymetallic results associated with gold-silver-copper mineralisation.

Table 5. Summary of significant drilling results from 2015 drilling program

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Bi (ppm)
PDD001	211	214.9	3.9	0.98	3.26	0.27			119.05
PDD002	57	61	4	**1.52**	8.18	0.57	0.16		281.75
including	57	59	2	**2.36**	11.75	0.81	0.17		397
	94	96	2	**1.92**	2.65	0.15			
	100	101.1	1.1	0.64	3.5	0.16		1.09	80
	103	106	3	0.93	7.2	**1.55**			159.33
	107	108.9	1.9	0.42	3.41	0.90			74.32
PDD003	60	67.5	7.5	**1.26**	3.01	0.22			146.93
including	61	64	3	**1.99**	4.60	0.33			243.33
PDD004**	119.6	120.80	1.2	**1.4**	3.4	0.42			
	125.1	140.1	15	0.33	10.47	0.08			127.7
including	127.6	129	1.4	**1.71**	4.4	0.14			115.57
PDD005*	96	98	2	0.79	13.0	**1.29**			336.5
PRC013	46	47	1	0.21	10.8	0.55	0.12		148
	53	61	8	0.42	3.56	0.37			112.25
PRC014	32	34	2	**1.22**	3.95				

*PDD005 includes an RC collar to 115m and was originally drilled as PRC019

**includes significant core loss (see JORC Table 1)

REGIONAL PROSPECTIVITY

Lone Ranger Prospect

During the quarter the Company discovered a new mineralised zone called "Lone Ranger". The new zone lies 2 km east of the Kidman Prospect and 2.5 km south of the Windy Hill Prospect. Lone Ranger was discovered through reconnaissance rock chip sampling and regional soil sampling. The zone is characterised by quartz-sulphide veins outcropping at surface, hosted in Adaminaby Group sandstone.

Detailed geological mapping (Figure 9) shows the mineralised zone is hosted within a dilational jog along an east-west striking shear zone. Mineralisation is characterised by quartz-sulphide veins, quartz stockwork, and pyrite + sericite alteration. Rock chips returned results up to **451 g/t silver and 1.36 % bismuth, with up to 1.8 g/t Au and 0.78 % Pb**.

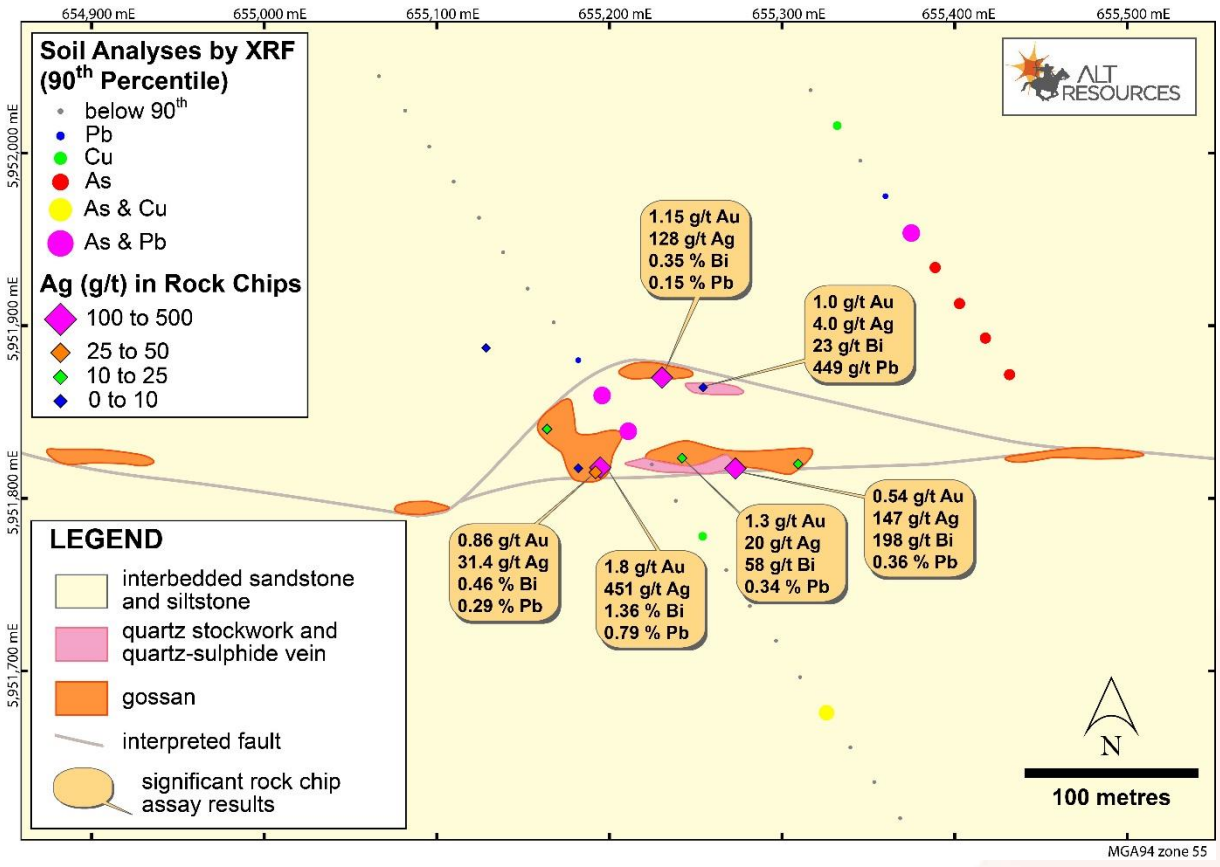

Figure 9. Mapped geology at Lone Ranger, with significant rock chip assays, and 90th percentile soil results from portable XRF analysis.

Magnetic anomalies are evident surrounding Lone Ranger (Figure 10). The anomalies are modelled to a high level (up to 900m RL, which is less than 50m from surface), though the 700m RL model slice is shown in Figure 10. At Windy Hill, 2.5 km north of Lone Ranger, similar anomalies are interpreted as igneous stocks. At Lone Ranger, the magnetic anomalies cluster around the mineralised zone and could also represent igneous stocks. **Outcropping quartz porphyritic, pyrite-bearing granite has been identified nearby**.

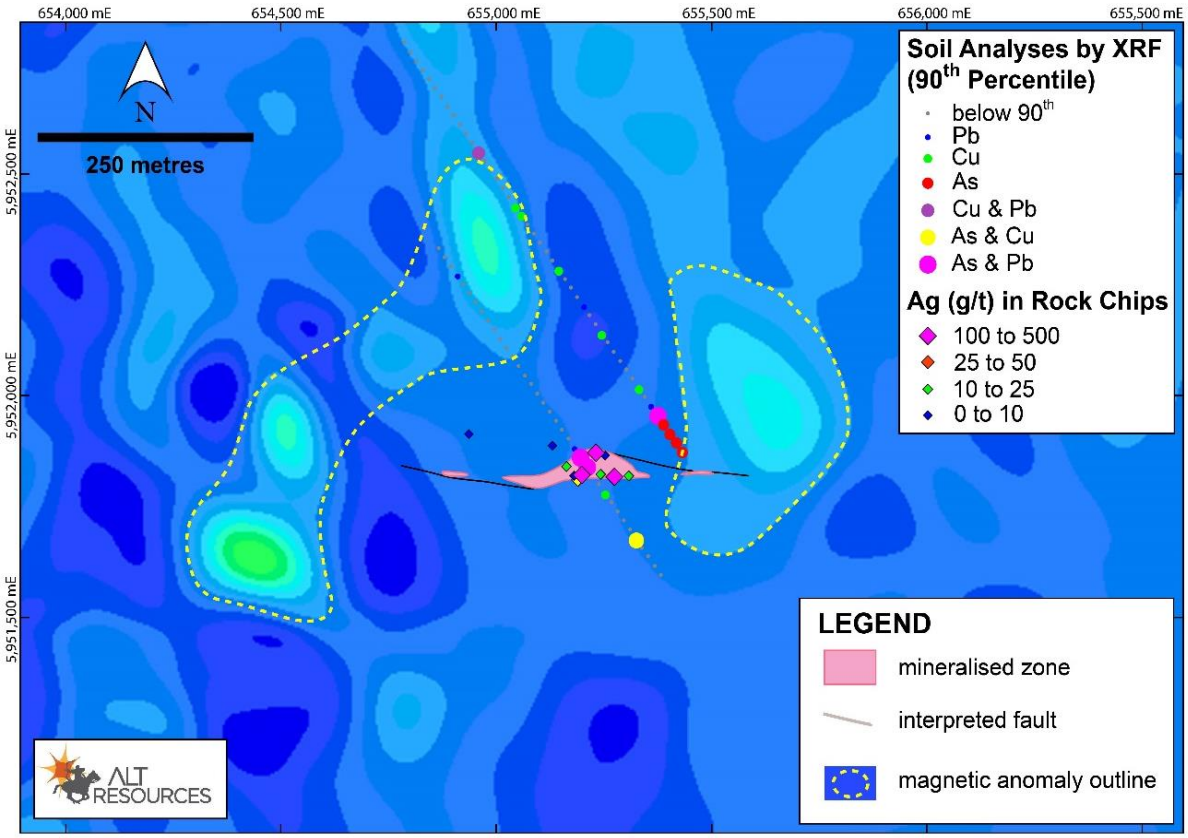

Figure 10. Lone Ranger prospect over modelled magnetic intensity. The image represents a slice through the Company's regional 3D magnetic model, at 700m RL (~200m below surface). The magnetic anomalies are outlined, and are thought to represent porphyritic stocks intruding into the host sediments.

This zone represents a significant new addition to the suite of Intrusion-Related targets at Paupong. Further soil sampling and a dipole-dipole IP survey are planned at Lone Ranger to further define the extent and character of this new discovery, and bring this prospect to drill-readiness.

The new combined exploration results at Paupong clearly demonstrate that gold and associated mineralisation form part of an Intrusion-Related Gold System (IRGS). Based on current information, the locus of this system appears to be the magnetic anomalies present beneath Windy Hill. Drilling of quartz-sulphide veins has shown a very strong association between gold and arsenic, copper, bismuth, tellurium and lead.

The project area contains at least 15 different outcropping intrusive bodies, identified by geological mapping and petrology. Review of the new aeromagnetic data also revealed significant additional intrusions present at shallow depths, but not outcropping. The relationship between these intrusive complexes is poorly understood.

The Company intends to vigorously pursue the new targets at Windy Hill. Amended drilling permissions have been approved by the NSW Government to allow drilling to be undertaken. Furthermore, Alt have submitted an application for the second generation of exploration funding under the NSW Government New Frontiers Cooperative Drilling Program and is awaiting the results.

MYALLA PROJECT

EL8416

The Myalla project is located to the north east of Dalgety, approximately 45km east of Jindabyne and 35 km south of Cooma (Figure 1 and Figure 11). EL8164 was relinquished in 2015 and EL8416 was granted 9/12/2015, extending the Myalla exploration area from the previous tenement. The new tenement was granted for a period of 2 years.

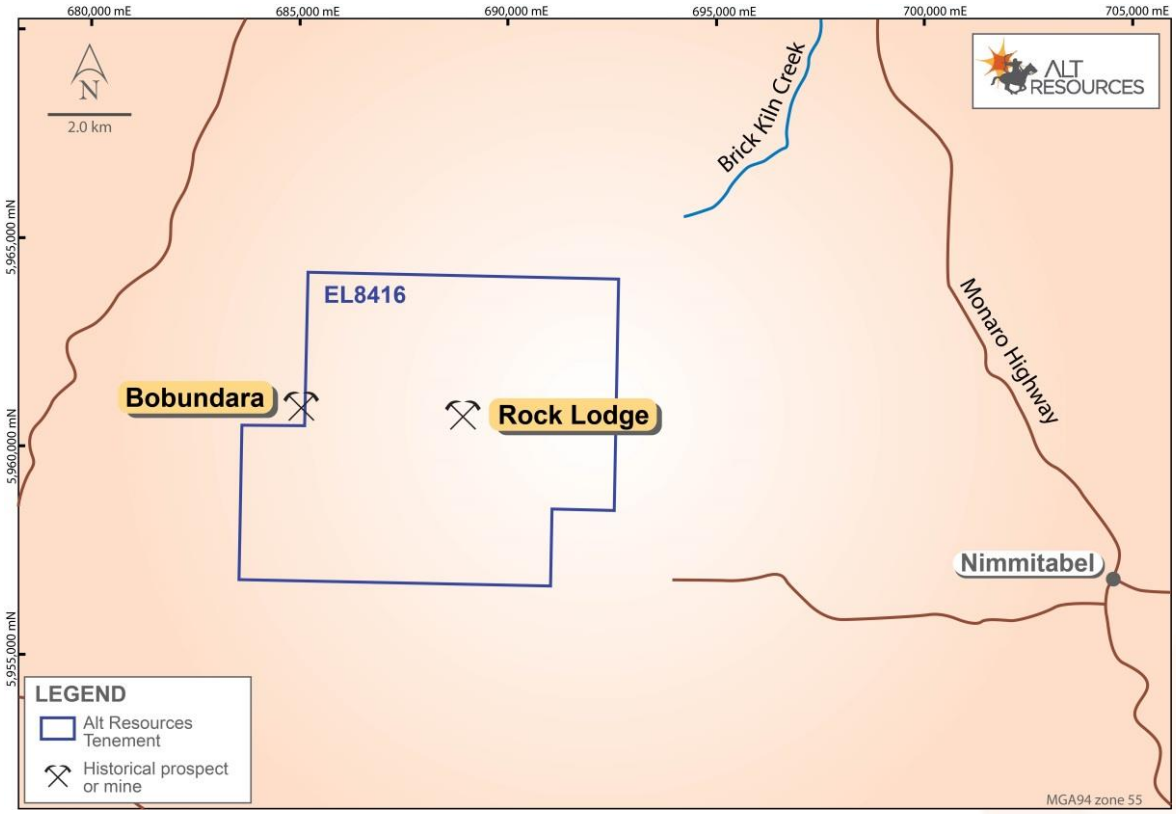

Figure 11. Location of the Myalla Project and EL8415, showing the Rock Lodge and Bobundara gold-copper-base metal historical workings.

Myalla is a known deposit of Cu-Au-Ag-Zn massive sulphide within deformed Ordovician sediments. Historical drilling of the deposit below old gold workings during the 1980's, has returned intercepts of:

- **Hole 8: 12m @ 1.2 g/t Au, 9.8 g/t Ag and 0.2% Cu** from 39m,
    - *including* **2.7m @ 4.3 g/t Au, 35 g/t Ag and 0.73% Cu** from 42.3m**,**
- **Hole 2: 1.07m @ 13.5% Zn, 0.17 g/t Au and 6.6 g/t Ag** from 75m,
- **Hole 3: 7.4m @ 1.1 g/t Au** from 9m, and
- **Hole 4: 0.3m @ 5.6 g/t Au and 10.4 g/t Ag** from 10.3m.

This mineralisation is associated with massive and disseminated sulphides within host phyllites, and is exposed on the surface as a distinct gossan.

Recent rock chip sampling to the west of the known sulphide body successfully identified a parallel lode of gossan mineralisation associated with a strong dipole dipole IP response. Results up to **1.5 g/t Au, 3.2 g/t Ag and 0.1% Pb** were returned (sample ALT0519) (Figure 12).

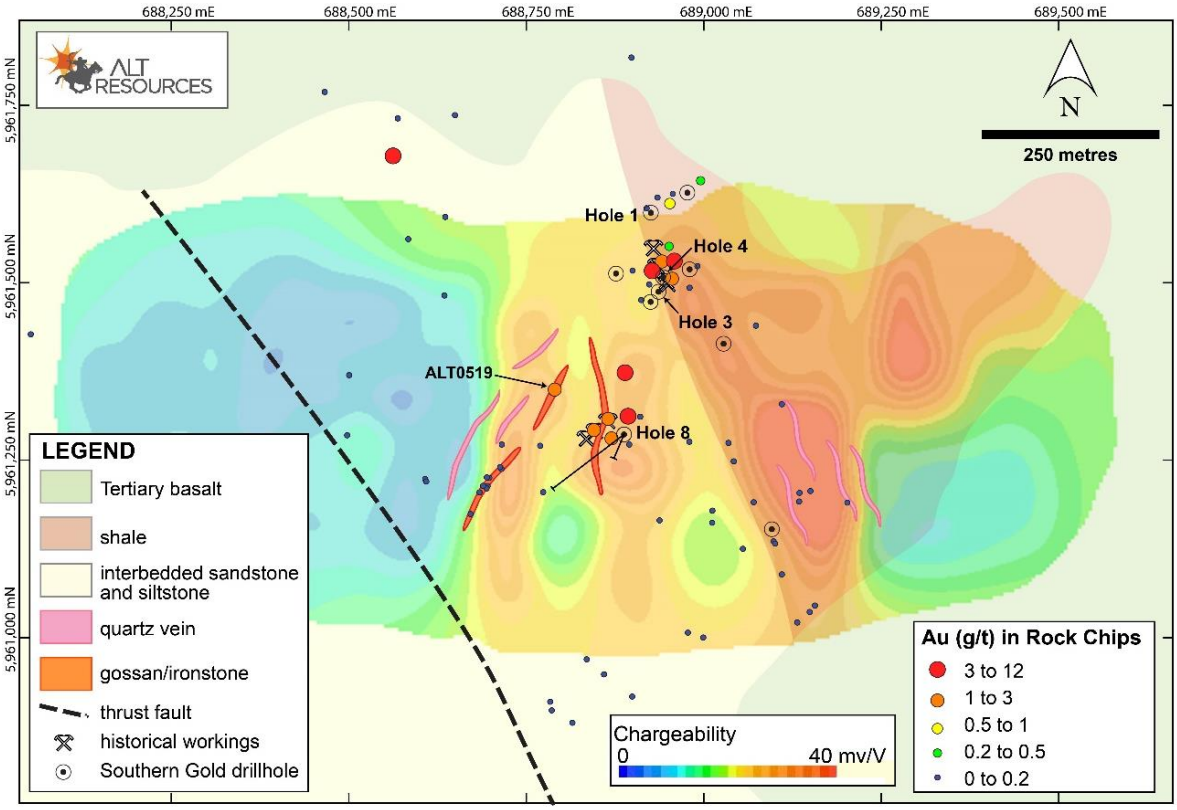

Figure 12. Myalla, Rock Lodge project showing surface extent of new gossan/ironstone mineralisation adjacent to the previously drilled massive sulphide intercepted in Hole 8. Numerous old gold workings exist in the oxide zone.

Planned Exploration

Planned activities include:

- Commence drilling at Windy Hill IRGS targets pending results from the second round of funding by the NSW Government
- Conduct ground reconnaissance and sampling over targets identified from regional magnetic survey
- Complete regional BLEG sampling
- Continue soil sampling over outcrop-poor areas in the Kidman Prospect area and other areas of interest in the Paupong area
- Continue mapping and reconnaissance rock chip sampling in new areas of interest
- Submit REF study at the Myalla Project to obtain drilling permits over existing defined drill targets.

COMPETENT PERSON'S STATEMENT

Information in this report that relates to Exploration Activities is based on information compiled by Dr H. Degeling, a Competent Person and a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Dr Degeling is employed by the Company as Exploration Manager and holds securities in the Company. Dr Degeling has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 (JORC Code, 2012). Dr Degeling consents to inclusion of the information in this document in the form and context in which it appears.

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Appendix 1. Completed Drillhole Collar Table

Hole ID	Hole Type	Easting	Northing	RL (m)	Dip	Azimuth (GDA)	Total Depth (m)	Comment
PDD005	RC/DD	652739	5951512	891	-60	135.5	224.2	RC collar originally drilled as PRC019 in 2015
PDD006	DD	652667	5951306	879	-60	299.0	229.8	
PDD007	DD	655016	5953803	873	-60	270.0	142.4	No significant results
PDD008	DD	654742	5954226	855	-60	009.00	117.7	
PDD009	DD	653118	5951564	893	-60	356.5	81.3	
PDD010	DD	652130	5951333	882	-60	132.5	201.3	
PDD011	RC/DD	651767	5950659	896	-60	329.5	209.7	No significant results. RC collar originally drilled as PRC008 in 2015
PDD012	DD	653040	5951439	886	-60	344.5	252.9	
PDD013	DD	654973	5954261	856	-60	145.0	126.9	
PDD014	DD	654756	5954332	852	-65	190.0	155.8	No significant results

Coordinates and azimuth in MGA zone 55 (GDA 94)

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• This announcement covers an update to the program of greenfields exploration carried out by Alt Resources Ltd on its Paupong and Myalla Projects Joint Venture in Southern NSW. • Detail of drilling, drillcore sampling, rock chip and soil sampling procedures are outlined in the appropriate sections below. • Soil sampling was undertaken with a hand auger, with samples collected from the B soil horizon. Sampling is on a 100m line spacing and 25m sample spacing, with infill lines at 50m spacing. Soil samples were sieved to #80 mesh and stored in paper sample envelopes. Samples were analysed at the Alt Resources office using a Thermo Scientific NITON XRF analyser. Analyses were performed in "Soil" mode for a duration of 90 seconds. • Additional results reported in this report are from Aerial Magnetic and radiometric geophysical surveys conducted over the Paupong Project in NSW and a ground Dipole Dipole IP survey conducted at the Windy Hill Prospect. • The Aerial Magnetic survey was conducted by Thomson Aviation for Alt Resources Pty Ltd. The oversight of the survey and auditing of data was performed by Thomson Aviation.

Criteria	JORC Code explanation	Commentary
		• The aerial magnetic and radiometric survey was flown with a 50m line spacing on East-West lines with 500m spaced North-South tie lines, at a nominal flying height of 60m. Around 30% of this survey was flown outside of the nominal flying height due to terrain deviations. This did not preclude reasonable modelling to be undertaken over the Windy Hill and Kidman Prospects. • The total line kilometres flown were 4,703km. • Aerial Magnetic survey specifications: **Aircraft type:** Fixed-wing single engine Fletcher FU24 with fixed stinger attachment **Airborne Magnetic Sensor:** Cesium vapour magnetometer Sampling rate: 20 Hz (0.05 sec) Resolution: 0.001 nT Vectors: XYZ Components **Gamma Ray Spectrometer:** RSI model RS-500 spectrometer Packs: 2 x 16.8 litre detector packs (33.6 litres total volume) Sampling rate: 2 Hz (0.5 sec) in 256 channels

Criteria	JORC Code explanation	Commentary
		Altimeters: KRA405B radar altimeter Resolution: 0.3m resolution Range: 0-760m Sampling rate: 20 Hz (0.05 sec) **Data Acquisition System:** GeOZ-DAS Digital Data Acquisition System • The survey was flown from 8th January 2016 to the 2nd February 2016. • The magnetic survey equipment was fully calibrated and daily tests were carried out to ensure data quality. • The Induced Polarisation (IP) survey was conducted using a Dipole-Dipole array with a 50m receiver dipole size and 50m transmitter dipole size. The transmitter dipole was moved at 50m intervals, achieving a 50m station spacing. • Lines were oriented on an angle of 100 degrees (from grid north) for the Windy Hill survey. The lines were spaced 100m

Criteria	JORC Code explanation	Commentary
		apart. • The transmitter used is a GDD TxII 5000W 2 second time-based transmitter. The receiver used is a GDD Rx8-32 IP receiver. The survey was collected with a frequency of 0.125Hz.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling was conducted at the Windy Hill and Kidman prospects using PQ size triple tube collars, with HQ size triple tube tails. • Core is oriented where possible, however heavily fractured core has precluded core orientation in some sections. • All DD holes were surveyed with a single shot Ranger Camera at approximately 30 m down hole intervals.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• DD core recoveries were measured in the barrel, and re-checked during logging. • To maximize sample recovery, HQ triple tube was employed during drilling. Recovery has been moderate. For the reported intervals in Tables 2 and 3, only PDD009 experienced core loss of 7% for the interval 38.9-43m. • Estimated recoveries for DD in hole PDD004 in Table 5 (drilled in 2015 program, and reported in the Alt Resources Prospectus) were poor (68-82%), especially through the mineralised zone where the core was extremely sheared,

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		altered, and commonly unconsolidated, even in fresh rock. Core recoveries for PDD004 have been estimated using measurements by DDH1 Drilling during drilling operations, and marked on core blocks. This calculation was achieved via measurement of drill rod penetration during drilling versus measurement of recovered sample in the tube.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All DD core has been geologically logged in detail to correspond with each sampled interval.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for*	• Diamond drill samples were quarter sampled, using a diamond saw where possible, or chisel and trowel where excessively fractured.

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	field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Diamond core samples and Rock chip samples were sent to ALS Laboratories in Brisbane for sample preparation and assay • Samples were pulverized then assayed for Au by fire assay using ALS code Au-AA25, 30gm charge, and other elements by ICP, ALS code MEICP61. Cu, Au, Ag, Pb and Zn values >10,000 ppm were re-assayed using ALS code OG-62. Te is analysed via ALS code ME-ICP62. • XRF analyses of soil samples were performed using a portable Thermo Scientific NITON XRF analyser at the Alt Resources office in Jindabyne. • Analyses were performed in “Soil” mode for a duration of 90 seconds • QC procedures for drilling samples include the use of Certified Reference Materials (CRM’s), blanks and duplicate samples. A CRM standard was inserted every 20 samples, a blank sample inserted every 33 samples and duplicate samples were taken (for RC sampling only) every 50 samples. Acceptable levels of accuracy and

Criteria	JORC Code explanation	Commentary
		precision have been established based on these QC measures. • The Induced Polarisation (IP) survey method is commonly used to determine the location of disseminated sulphides. An external current is applied and charge separation can occur on sulphide grain boundaries. When the transmitter is turned off the charges decay away. The degree to which this current forms and the nature of its decay once the primary current is switched off, can be measured. Rock masses containing disseminated sulphide minerals, including pyrite, chalcopyrite, arsenopyrite and galena, become more readily charged than barren ground. The geophysical method used by Alt Resources is entirely appropriate to the style of mineralisation being sought. • Aerial Magnetic survey specifications are as follows: **Aircraft type:** Fixed-wing single engine Fletcher FU24 with fixed stinger attachment **Airborne Magnetic Sensor:** Cesium vapour magnetometer Sampling rate: 20 Hz (0.05 sec)

Criteria	JORC Code explanation	Commentary
		Resolution: 0.001 nT Vectors: XYZ Components **Gamma Ray Spectrometer:** RSI model RS-500 spectrometer Packs: 2 x 16.8 litre detector packs (33.6 litres total volume) Sampling rate: 2 Hz (0.5 sec) in 256 channels **Altimeters:** KRA405B radar altimeter Resolution: 0.3m resolution Range: 0-760m Sampling rate: 20 Hz (0.05 sec) **Data Acquisition System:** GeOZ-DAS Digital Data Acquisition System
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No third party assay checks have been undertaken (or are appropriate) at this stage of the exploration program. • No twinned holes have been undertaken. • Baseline geochemical surveys were carried out over known vein mineralisation at both the Kidman paddock and Windy Hill vein systems. Test locations were sampled ~ 30cm and 1m depth by auger, dried and sieved to -80# and analysed for gold,

Criteria	JORC Code explanation	Commentary

base metals and trace elements by ALS Laboratories. Results from 1m depth produced anomalies between 1 and 2.5 times greater than those taken at 30cm depth.

- The test surveys were successful in locating all known mineralisation through As, Pb and Cu assays at the 90th percentile level of anomalism and with varying responses for Au, Bi, Te and Zn.
- As, Cu, Pb and Zn levels in soil are all within the valid working range for hand held XRF analyses; see table below. The Company's portable XRF has been calibrated against returned pulps from the orientation survey, and produced and produced high quality results for these elements.

Field	Min	Max	Mean	Median	Range	Percentile 90	Percentile 95	Percentile 98
Au_ppm	0.0005	0.0510	0.0031	0.0010	0.0505	0.0050	0.0110	0.0308
Ag_ppm	0.05	0.20	0.06	0.05	0.15	0.10	0.10	0.10
As_ppm	1	591	40	14	590	79	136	388
Bi_ppm	0.1	37.6	1.0	0.3	37.5	1.1	2.4	7.9
Cu_ppm	5	85	18	13	81	33	49	74
Pb_ppm	3	797	23	13	794	32	46	73
Te_ppm	0.01	0.48	0.03	0.02	0.48	0.04	0.05	0.10
Zn_ppm	9	125	25	23	116	37	49	70

- No twinned holes have been undertaken
- All geophysical data was reviewed by Steve Collins at ArcTan Services following survey completion and initial data QC by

Criteria	JORC Code explanation	Commentary
		Thomson Aviation (for magnetic and radiometric data), and following survey completion and initial data QC by the Alt Resources geophysicist for the IP data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill collars were surveyed by hand held GPS to an accuracy of around 3m. • Similarly, rock chip sample locations are surveyed by hand held GPS to an accuracy of around 3m. • For the IP survey, transmitter and receiver electrode positions are located by hand held GPS to an accuracy of around 3m. • Elevation for transmitter and receiver electrode positions for the IP surveys are sourced from a digital terrain map (DTM) has been derived from the high resolution aeromagnetic and radiometric survey flown over the Paupong Project by Alt Resources in January 2016. The DTM is accurate to 5% or 1.5m, whichever is greater. • Coordinates are MGA Zone 55 (GDA94) • Spatial information recorded during the aerial magnetic survey was collected using a Novatel OEMV-1 VBS GPS receiver on board the aircraft. Coordinates are in MGA Zone 55 (GDA94).
Data spacing and	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to*	• Reported drill results represent early stage drilling at the Kidman and Windy Hill prospects and as such are designed to

Criteria	JORC Code explanation	Commentary
distribution	*establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	determine the nature of the mineralisation. • Data is not adequate to establish Mineral Resources or Reserves. • Soil sampling is performed on 100m line spacing, with 25m sample spacing along the lines. • Line spacing for the aeromagnetic survey was 50m and readings were collected every 0.05 seconds for magnetics, every 0.5 seconds for radiometrics and every 0.05 seconds for elevation. Tie lines were spaced 500m. • The IP survey is configured with a 50m receiver dipole size and 50m transmitter dipole size. The transmitter dipole was moved at 50m intervals, achieving a 50m station spacing. The survey lines for the Kidman survey are oriented north-south. The survey lines for the Windy Hill survey are oriented at 100° (from grid north). The survey lines in both cases are spaced 100m apart.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drillcore samples were collected by consistently taking the right hand side of the core as it passes through the rock saw, to ensure unbiased sampling. • The Tellurium samples reported were composited from previously analysed diamond core and RC samples. Composites were derived from sample pulps stored at ALS Minerals and prepared by laboratory staff.

Criteria	JORC Code explanation	Commentary
		• The primary line direction for the aerial magnetic survey is east-west. This was designed to be perpendicular to the regional north-south geological trend. • The primary line direction for the IP survey is oriented perpendicular to the key geological, structural and interpreted mineralisation trends in the area. • No bias is believed to be introduced by this sampling method. • Surface sampling of rock outcrops is biased towards harder, topographically prominent rock types, such as quartz veins and sandstone.
Sample security	• *The measures taken to ensure sample security.*	• After collection drilling, rock chip and soil samples are stored in calico and paper sample bags, and stored in the company's locked premises in Jindabyne, prior to shipping by commercial courier to ALS Brisbane laboratory in sealed cartons for sample preparation • All aerial geophysical data was reviewed and stored by Thomson Aviation. Data was reviewed daily for quality and accuracy. • All data was reviewed and stored by the Alt Resources geophysicist in the Company's secure Jindabyne office. Data was reviewed daily for quality and accuracy. • Geophysical data was provided to Alt Resources and Arctan Services via a secure server portal and hard copies were provided to Alt Resources on CD which are stored in the

Criteria	JORC Code explanation	Commentary
		registered office in Jindabyne.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external reviews of the drilling, rock chip or soil sampling techniques and geochemical data have been undertaken • Aerial Magnetic and Radiometric data was quality assured by Thomson Aviation and then reviewed by Steve Collins of ArcTan Services. • A deviation from the nominal flying height covering roughly 30% of the total survey area was identified by Steve Collins. • The IP data was quality assured by the Alt Resources geophysicist and then reviewed by Steve Collins of ArcTan Services. • No major issues with data quality have arisen during the program.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The information in this release relates to EL7825, EL8266, EL8382 and EL8416, which are 30% held by GFM Exploration Pty Ltd and 70% by Alt Resources Ltd. • Entry agreements are in place with all landowners covering land subject to exploration described in this report. • There are no existing impediments to EL7825, EL8266, EL8382 or EL8416.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• ***The gold mineralised quartz vein system covered in this release is effectively a new discovery with no previous detailed exploration***. The area was previously covered by reconnaissance stream geochemical surveys by Epoch Minerals (1972) and BHP minerals (1973-4) • The BHP survey specifically targeted porphyry copper deposits. Neither company assayed the drainage samples for gold, but both company surveys recorded base metal anomalies draining the current prospect area. The anomalies reported by both Companies were not followed up by either however workers from Epoch Minerals recommended follow up work to be undertaken in the Beloka creek area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The current exploration target at Paupong comprises a newly discovered set of large multiphase gold-bearing quartz-sulphide

Criteria	JORC Code explanation	Commentary
		quartz veins and vein breccias occurring within a north trending sequence of low grade metamorphosed shale, siltstone and sandstone sediments of Ordovician age. Petrographic study indicates the veins are of relatively low temperature epithermal vein character, and they clearly post-date the main structural deformations within the host sediments. • Numerous gold bearing veins have so far been sampled over an area of more than 8km north-south by 4 km east-west. • Gold grades are accompanied by high levels of Arsenic and also by strongly anomalous Te, Bi, Mo, and locally Pb, Zn and Cu. These mineral assemblages are compatible (but not diagnostically) with a magmatic source for the mineralisation, and these zones appear to be spatially associated with intrusive rocks inferred to underlie the area from magnetic surveys.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	• See Appendix 1 above

Criteria	JORC Code explanation	Commentary
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Reported drill intercepts are length weighted and represent the geochemistry of coherent geological or assay entities with varied cut-off grades. • No cutting of high grade values has been undertaken • Intercepts with extremely poor core recovery (less than 10%) have not been included in data aggregation.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Insufficient work has been done to determine the true dip of the Tom's Vein or Windy Hill vein structures. Limited data from available sections suggest that true vein thickness represents about 40% of downhole thickness
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a*	• The location of the Paupong and Myalla projects is shown in plan view in Figures 1, 2 and 11.

Criteria	JORC Code explanation	Commentary
	plan view of drill hole collar locations and appropriate sectional views.	• Additional plan maps showing prospect geology, geophysics, geochemistry and drilling are shown in Figures 3, 4, 8, 9, 10, 12 • A 3D subsurface view of the combined magnetic and IP modeling at Windy Hill is shown in Figure 5 • Cross-sections of drilling with significant intercepts for PDD008 and PDD007 are shown in Figures 6 and 7. • Cross-sections for other significant intercepts both at Kidman and Windy Hill have been reported previously in the Alt Resources Announcement on the 29th July, 2016. • Significant drilling intercepts are tabulated in Tables 2, 3, 4 • Table 5 gives significant intercepts from the 2015 drilling program, which have been announced previously
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All significant drilling results are reported • The processed magnetic data is represented in this release as a horizontal plan (Figure 2) • The horizontal plan illustrates the processed Reduced to Pole (RTP) aerial data (high resolution) overlain on the regional RTP government supplied data (low resolution). This data displays the magnetic susceptibility of the ground where anomalies are located over their source material (RTP).
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;*	• No significant exploration data have been omitted. • Insufficient work has been done to determine the true dip of

Criteria	JORC Code explanation	Commentary
exploration data	*geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	the Tom's Vein or Windy Hill vein structures. Limited data from available sections suggest that true vein thickness represents about 40% of downhole thickness.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As outlined in this report, the results presented here will be used as a drill targeting tool for future drilling programs. • Additional soil sampling is planned to extend the current sampling grid across the Paupong area. • Additional geological mapping is also planned to the south of Windy Hill. • Diamond drilling targeting the modelled magnetic anomalies thought to represent buried intrusive bodies is planned dependent on availability of funds.