ALT RESOURCES LIMITED

ARS – ASX ANNOUNCEMENT

ASX: ARS
26th June 2017

New drilling confirms Intrusion-Related System at Windy Hill

Key Points:

- **Profound mineralogical and geochemical alteration halo recognised in new drilling at Windy Hill**
- **Outer polymetallic zone of Zn+Ag+Cu±Pb, transitioning to Au+Cu+Ag±Zn±Pb, with internal core copper-bearing core; confirmed in soil sampling and drilling results**
- **Large, sulphide-rich intrusion-related breccia pipe identified;**
    - **PDD018 intersected a 235m width of ≥ 10% pyrite-mineralised breccia and diorite interpreted as late pyrite-rich hydrothermal venting of major intrusion-related system**

Continuing research and exploration activities by Alt Resources Ltd (ASX:ARS; "Alt" or "the Company") at the Paupong Project near Jindabyne in southern NSW, support the existence of a cluster of intrusion-related mineralisation systems across a large, 4+ km area within the Company's tenure. Furthermore, ongoing research has enabled a whole system view to be developed for the entire Paupong Project for the first time. As a result, exploration vectoring and targeting can be further refined, with a new generation of targets to be tested.

New diamond drilling at Windy Hill has revealed a profound mineralogical and geochemical alteration halo associated with magnetic and IP targets[1]. These zones are interpreted as halos above a cluster of buried intrusions and represent the influx of substantial sulphide-bearing, albeit low-gold fluids into the country rock. A pyrite-mineralised diatreme breccia, interpreted as a venting structure associated with cooling and de-gassing of the intrusion, was intersected in recent drilling. This hole (PDD018) revealed a 235m downhole width of pyrite-rich breccia with pyrite-rich diorite matrix. This signifies that the overall system is sulphur-rich, and therefore has high potential to contain concentrations of precious metals such as gold, silver, copper, lead and zinc.

In order to understand the new data and drilling results, the Company has undertaken a whole-system, multi-disciplinary analysis, incorporating geophysics, geochemistry, geology, petrology as well as spectral and isotopic analysis. This research is ongoing and will be described in detail on completion. Testing of the intrusion-related exploration targets at Paupong has been supported by two rounds of the NSW Government New Frontiers Cooperative Drilling Funding Program. Drilling at Windy Hill, co-funded by the second round of the grant program (up to 75% of direct drilling costs) was completed in March 2017.

In further support of the innovative exploration approach taken by the Company at the Paupong Project, Alt received approval from AusIndustry for a Research and Development Tax Rebate of AUD$512,400.

[1] See ARS Announcement, 24th May 2016: http://www.altresources.com.au/wp-content/uploads/2016/11/Major-New-Gold-Targets-24-May16.pdf

In comment, Alt CEO James Anderson said, "*The exploration team at Paupong is undertaking a research-based project on a newly identified mineral field in NSW. We have completed the current phase of diamond drilling with results confirming the existence of an IRG system. We have been systematically testing the theoretical targets generated last year. Whilst this round of drilling hasn't given us economic gold results the high-grade polymetalic mineralisation returned from the drilling is continuing evidence of this IRG. The data is invaluable in vectoring the next phase of drilling. We are looking for the core of this large mineral system. Our aim, using multi-disciplinary analysis is to locate the source of mineralisation and define large new mineral resources in an area that has had very little exploration work. I think the significance of this discovery at Paupong is largely ignored by the investment market which is interesting when you consider how few new mineral systems are discovered globally each year.*"

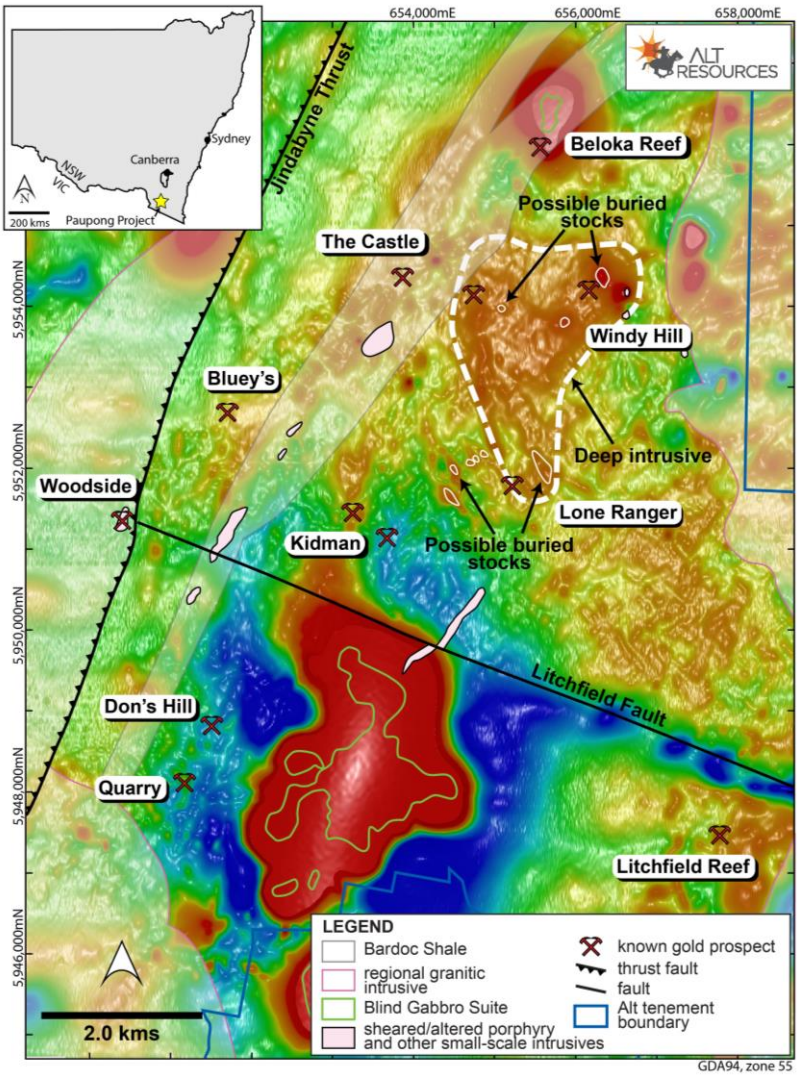

Figure 1. Distribution of mapped granitic bodies at the Paupong Project relative to known gold mineralisation, large-scale structures and regional RTP magnetic response. The background image is Alt Resources' aeromagnetic data flown in January 2016, whilst the broad-scale geology outlines are from the Bega-Mallacoota 1:250,000 Sheet. Local-scale sheared/altered porphyry intrusions and other small-scale intrusions have been mapped by Alt Resources. The location of buried (non-outcropping) intrusions and stocks are shown in the Windy Hill and Lone Ranger areas, based on magnetic modelling.

Drilling Update at Windy Hill

4 new diamond holes have been completed at Windy Hill (Figure 2). The first three holes of the program tested combined magnetic, IP and soil geochemical targets interpreted to be associated with buried granitic stocks. The fourth drillhole, PDD018, targeted a gossanous diatreme breccia with associated quartz stockwork. This is a feature that is commonly associated with Intrusion-Related Gold Systems, and as such was an important target for the Company.

Careful logging and sampling of PDD015 and PDD016 revealed a profound pattern of mineralogical and geochemical zonation in both holes, providing strong evidence in support of a buried intrusion-related gold system (Figure 3 and Figure 4). This zonation included strong sulphide mineralisation and a downhole evolution from pyrite to pyrrhotite, suggesting increasing temperature with proximity to an intrusive source. Polymetallic anomalism was detected in assay, with anomalous Au, Ag, Bi, Cu and Zn (Figure 2, Table 1). Anomalous silver (Ag) is present throughout most of drillhole PDD016.

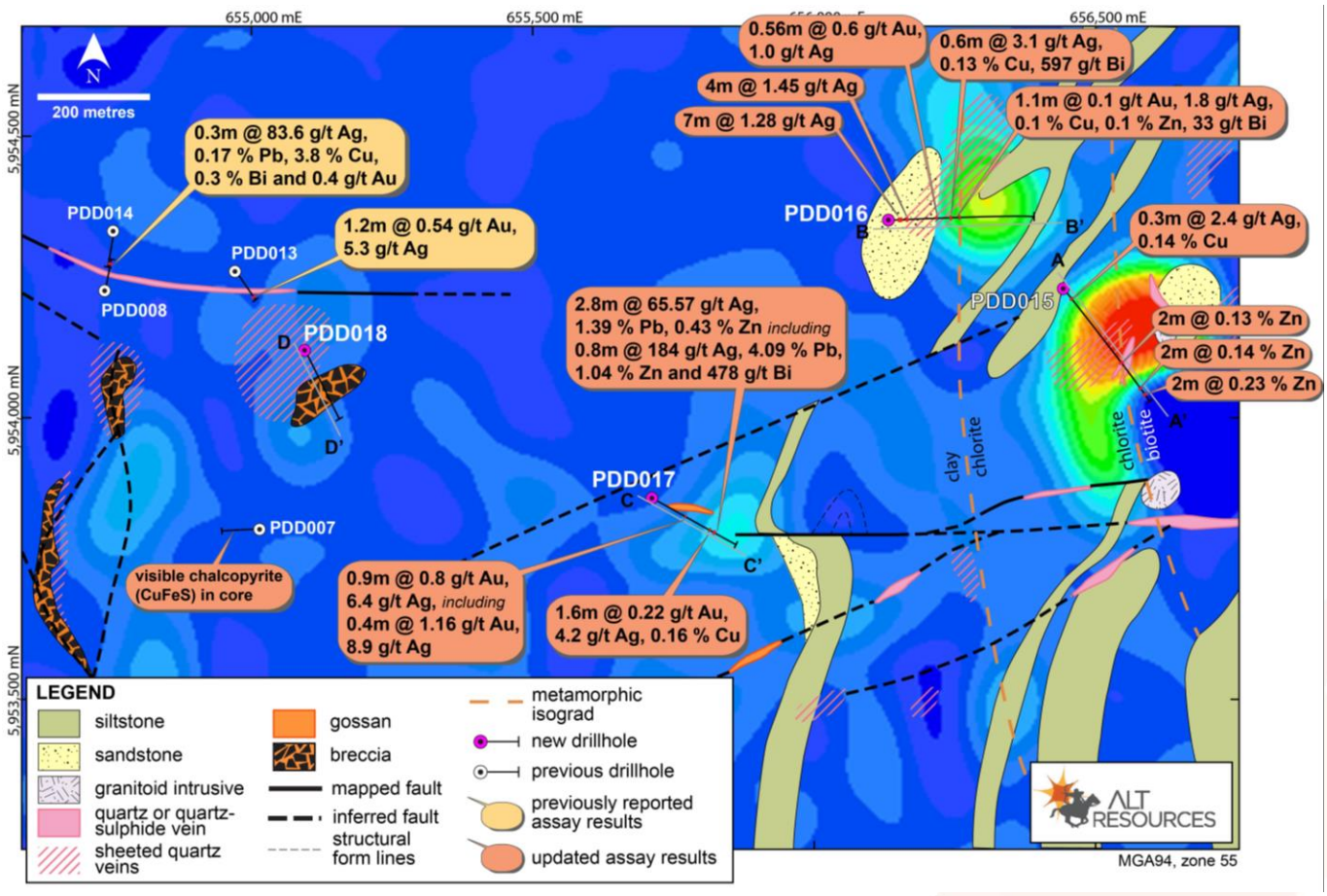

Figure 2. Location of completed drillholes at Windy Hill, showing magnetic intensity model at 800m RL with mapped geology overlain. Significant and anomalous intercepts are shown for new drilling (PDD015-PDD018) as well as previous drilling of the peripheral veins (PDD008, PDD013, PDD014).

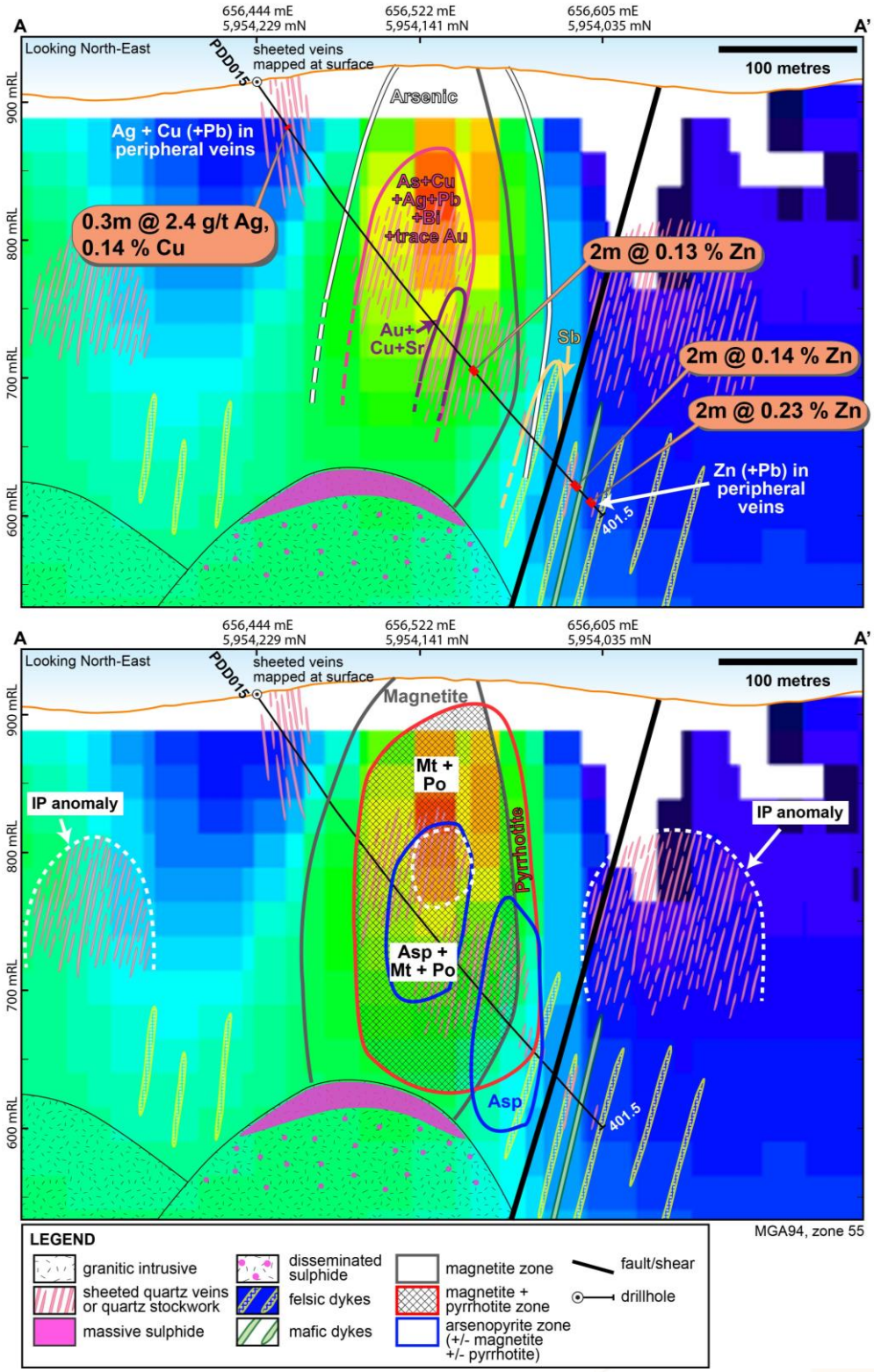

Figure 3. PDD015 in cross-section, looking North-East. Section line is shown in Figure 2 (A-A'). The top image shows the metal zonation based on results downhole, with a simplified geological interpretation based on logging and surface mapping. The bottom image shows the zonation in mineralisation phases downhole. The background image in both cases is modelled magnetic intensity, with IP anomalies shown in the bottom image outlined in a white dashed line. The presence of a buried intrusive below is interpretive, based on magnetic modelling, geochemistry and interpretation of logged geology.

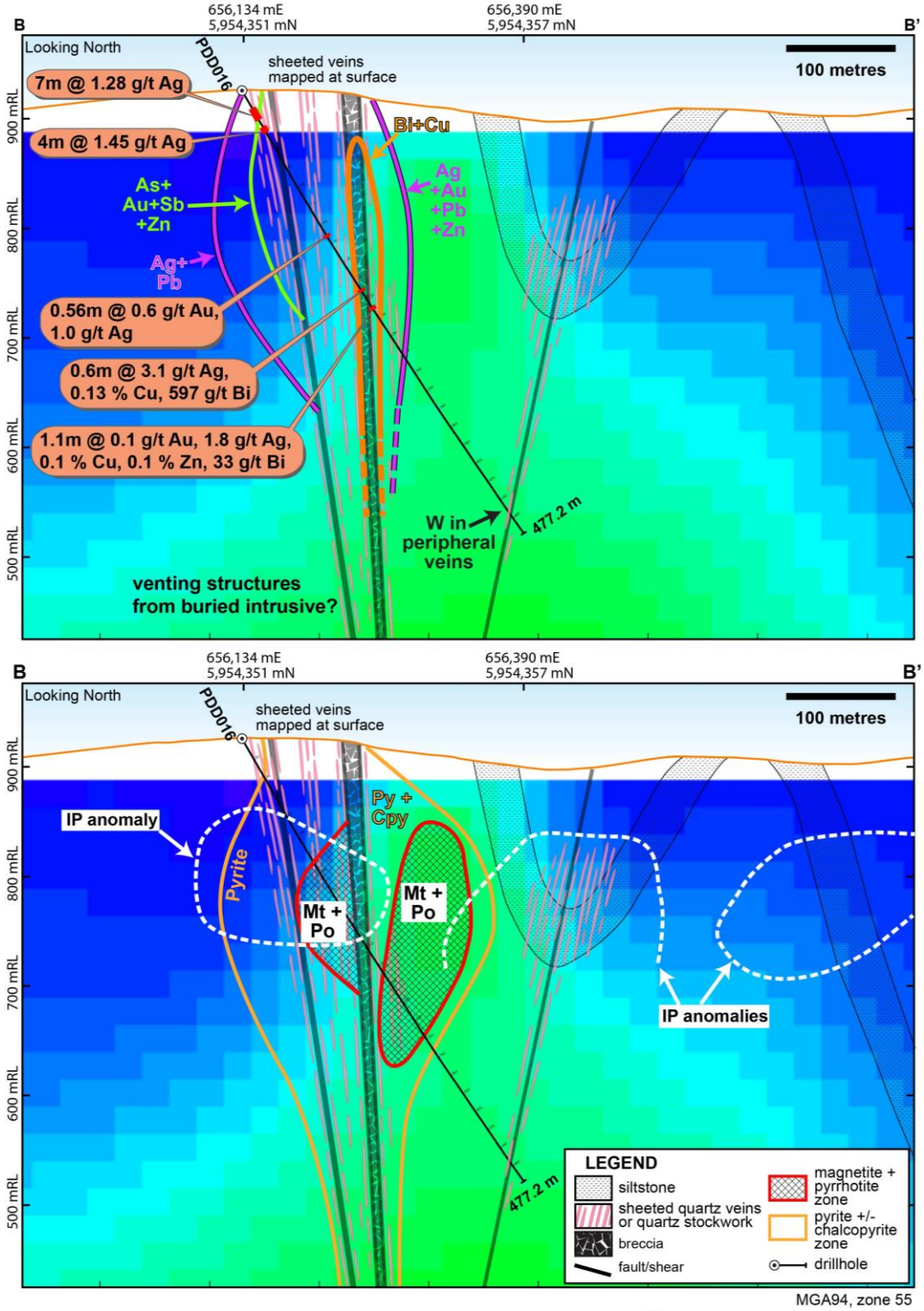

Figure 4. PDD016 in cross-section, looking North. The section line is shown in Figure 2 (B-B'). The top image shows the metal zonation based on results downhole, with a simplified geological interpretation based on logging and surface mapping. The bottom image shows the zonation in mineralisation phases downhole. The background image in both cases is modelled magnetic intensity, with IP anomalies shown in the bottom image outlined in a white dashed line. PDD016 showed significantly more structural disturbance than the rocks in PDD015, which may result from explosive or at least brittle venting from an intrusive body at depth. Mineralisation in PDD016 is concentrated in these structural zones.

Table 1. Significant and anomalous intercepts from new diamond drilling at Windy Hill

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Bi (g/t)	Cu (%)	Pb (%)	Zn (%)
PDD015	40.2	40.5	0.3	0.03	2.4	92	0.14		
	258	260	2						0.13
	370	372	2						0.14
	384	386	2						0.23
PDD016	7	8	1		1.6				
	10	11	1		2.1				
	13	14	1		1.5				
	18	25	7		1.28				
	37	41	4		1.45				
	52	54	2		1.05				
	55.8	58	2.2		2.03				
includes	55.8	57	1.2		2.3	69	2.57% As		
	58	59	1	0.1					
	152.4	152.96	0.56	0.6	1.0				
	209.3	209.9	0.6		3.1	**597**	0.13		
	226.9	228.0	1.1	0.1	1.8	33	0.10		0.10
	264.9	265.65	0.75	0.36					
PDD017*	124.9	125.8	0.9	0.8	6.4				
includes	125.4	125.8	0.4	**1.16**	8.9				
	140	145.2	5.2		4.25	**125**			
	146.8	147.7	0.9		2.79				
	225.5	227.1	1.6	0.22	4.2		**0.16**		
	242	244.8	2.8		**65.57**			**1.39**	**0.43**
includes	244	244.8	0.8		**184**	**478**		**4.09**	**1.04**

*previously announced; see ARS announcement, 9th May 2017: http://www.altresources.com.au/wp-content/uploads/2017/05/Exploration-Update-Paupong-IRG-Project.pdf

Figure 5 shows the Company's interpretation of the system in the eastern part of Windy Hill, based on new data from PDD015 and PDD016. This model also incorporates an evolving understanding of the area, including the mineralogical factors responsible for the observed magnetic and IP responses (strong magnetite and pyrrhotite alteration zones). Whilst grades were generally low for gold, silver and copper, anomalous zones for all of these metals were present and were strongly zoned. This zonation is a classic feature of IRG systems world-wide, and affords the Company an enhanced set of tools for vectoring towards the core of the mineralised system.

The 3D model for PDD015 and PDD016 in Figure 5 shows the paired magnetic (green) and IP (brown) anomalies first described by the Company in May 2016[2]. Sheeted quartz-sulphide veins are interpreted to have produced the IP chargeability response, whilst the strong presence of magnetite + pyrrhotite is responsible for the observed magnetic response. Fluids responsible for producing these discrete, spherical anomalies are interpreted to be sourced from buried intrusive stocks. The whole system has been overprinted by contact metamorphism from the nearby younger Berridale Batholith.

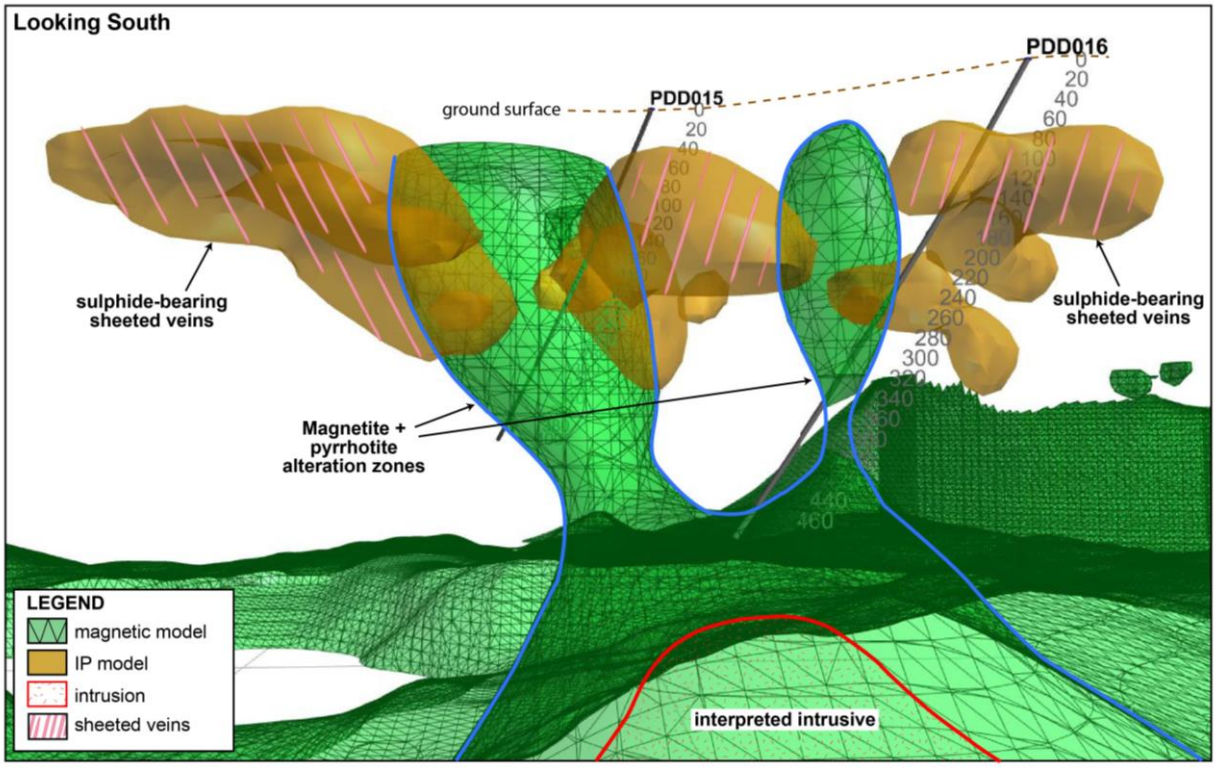

Figure 5. 3D image of PDD015 and PDD016 showing the path of the drillholes through IP (brown) and magnetic (green) anomaly shells. The interpreted geological features that produced these geophysical responses is shown as sulphide-bearing quartz veins for the IP anomaly, and magnetite + pyrrhotite alteration zones for the magnetic anomaly. The source intrusive for these paired circular anomalies is shown at the bottom of the image in an estimated position based on magnetic response at depth. The cutoff for the green magnetic model shell is 143 Si units, whilst the cutoff for the brown IP model shell is 37 mv/V.

Drillhole PDD015, with strong evidence of intrusion-related alteration and hornfels textures (heat-induced metamorphism) has been donated to the NSW Geological Survey core library at Londonderry. The Geological Survey has undertaken HyLogger (mineral spectral) analysis of the core. The resulting HyLogger scan is shown in Figure 6. Magnetite zonation detected in visual logging of the core was confirmed by the HyLogger scan. Unfortunately pyrrhotite is not able to be detected using spectral analysis. Therefore mapping of the observed

[2] See ARS announcement, 24th May 2016: http://www.altresources.com.au/wp-content/uploads/2016/11/Major-New-Gold-Targets-24-May16.pdf

pyrrhotite zoning was not possible. Carbonate minerals such as calcite and siderite (blues and greens on the spectrum) are shown on the scan to be associated with areas of quartz veining, signifying mineralising brine fluids of mixed composition, with some component of CO_2.

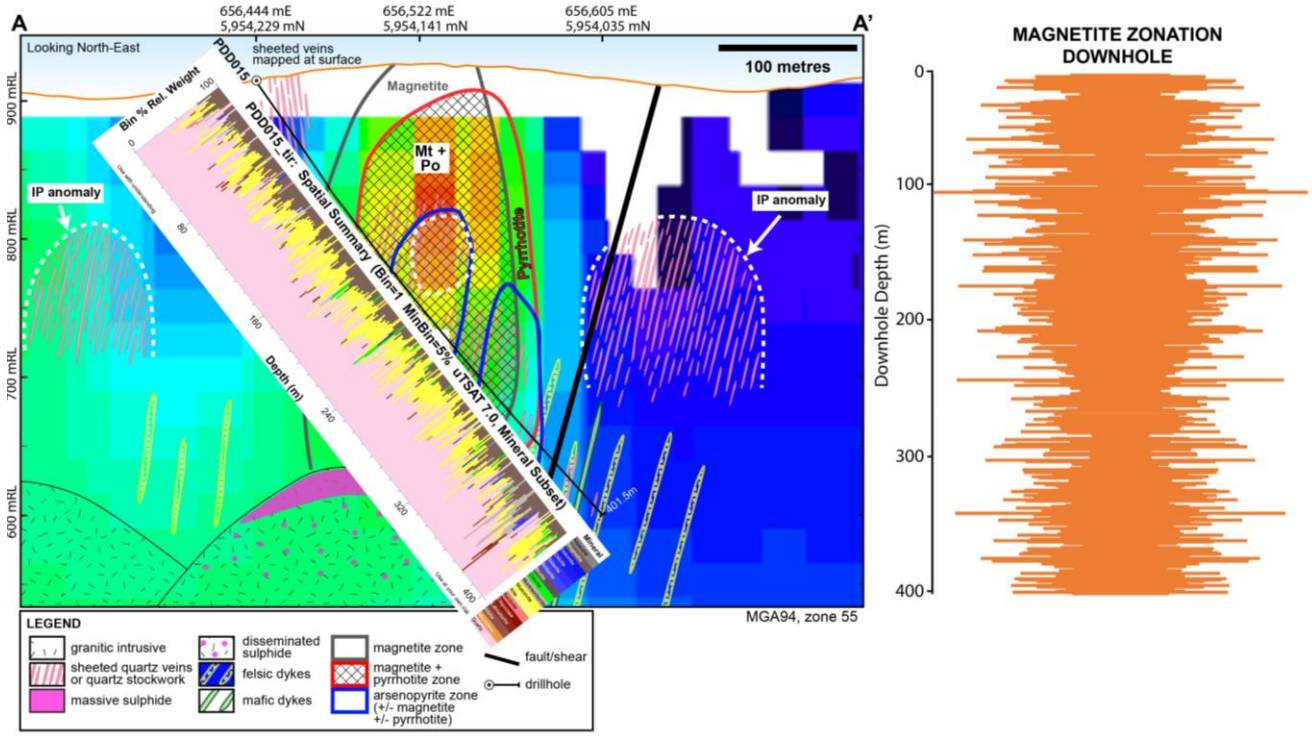

Figure 6. Results of HyLogger scan, showing Thermal Infra-red (TIR) spectral summary against the drillhole trace for PDD015 on the left, and a funnel plot of magnetite abundance downhole on the right. Magnetite is shown to have a 'bottleneck' profile down the hole, with maximum abundance in association with the magnetite zone defined during visual logging of the core, and minimum abundance in the hanging wall of the fault shown in cross-section. Carbonate minerals (such as calcite and siderite, indicated by blues and greens on the spectrum) are shown to occur in association with areas of quartz veining and fault activation.

Drillhole PDD017 intersected shear zone hosted and structurally-controlled silver and base-metal mineralisation[3]. These later structural elements have been effective in concentrating fluids and facilitating metal deposition peripheral to the main intrusive system. This hole also revealed significant shear-hosted Pb and Zn (**2.8m @ 1.4 % Pb and 0.4 % Zn**), which appears to be de-coupled from Au anomalism, but coincides with strong Ag and Bi concentrations; up to **184 g/t Ag and 478 g/t Bi**. Some Au was also intercepted, with up to **1.16 g/t Au**. Significant intercepts were announced on the 9th May 2017[3], and are given in Table 1.

Diatreme breccia in PDD018

Drillhole PDD018 tested a prominent gossanous breccia mapped in the western part of the Windy Hill prospect. The breccia was intersected from 114m and occurred over a downhole width of 235m (Figure 8). At surface, the breccia has a gossanous or quartz-dominated matrix. However from 110m vertical depth, the breccia in drill core was revealed to have a pyrite-rich diorite matrix. The diorite melt is homogeneously and pervasively speckled with round pyrite clots (Figure 7). The sulphide-bearing diorite is currently undergoing thin section analysis. Hand sample inspection suggests that the sulphides were part of the crystallising melt, which strongly supports the Company's IRGS model.

[3] See ARS announcement, 9th May 2017: http://www.altresources.com.au/wp-content/uploads/2017/05/Exploration-Update-Paupong-IRG-Project.pdf

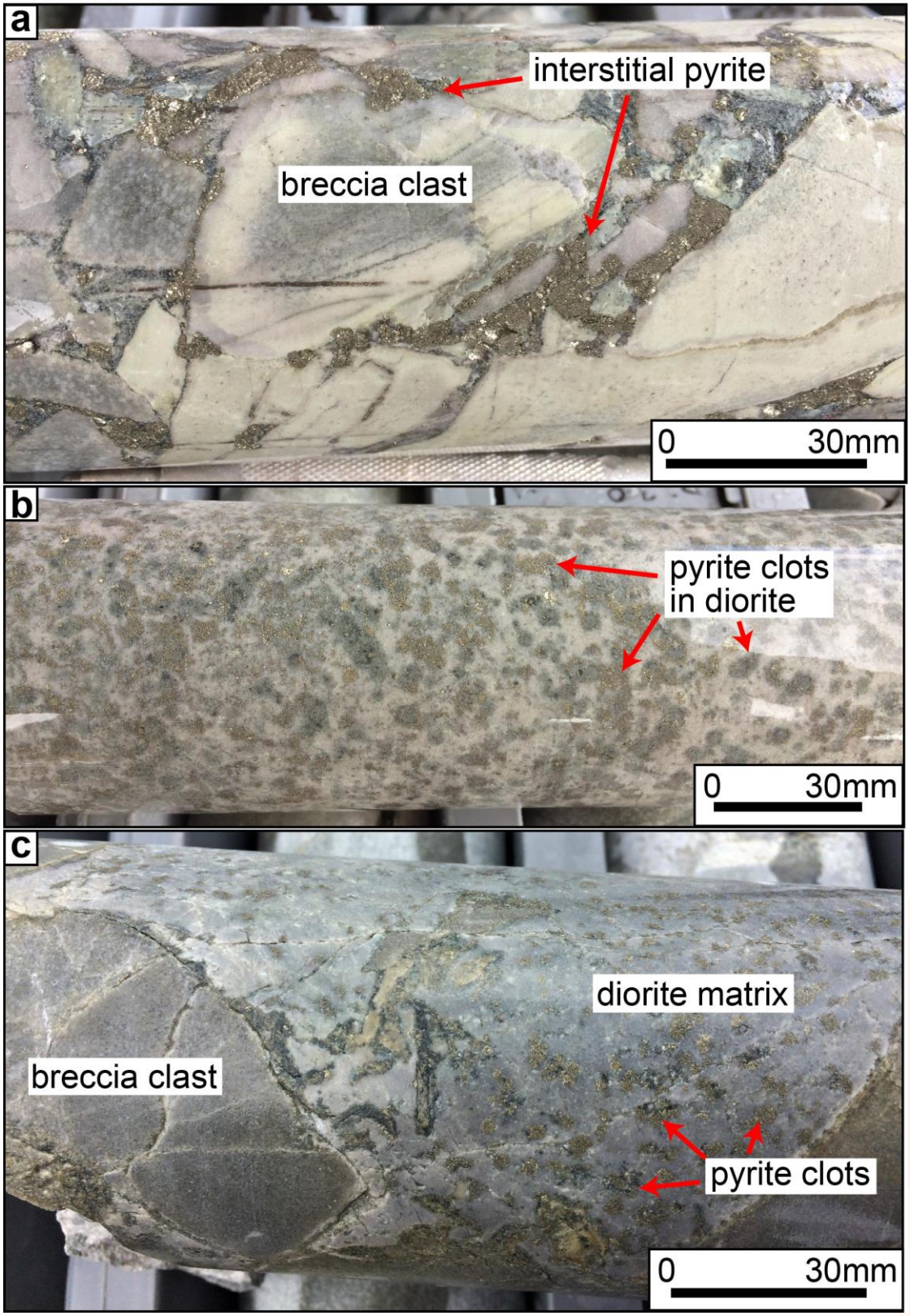

Figure 7. Photos of drillcore from PDD018; a) pyrite-bearing diatreme breccia at approximately 120m downhole. The coarse pyrite forms part of the matrix between breccia clasts; b) Pyrite-rich diorite intrusive associated with breccia in (a), also at approximately 120m downhole. Pyrite aggregates up to 1cm wide are visible as abundant, homogeneously distributed bronze-coloured patches within the white/grey matrix; c) breccia with pyrite-rich diorite matrix at approximately 198m downhole, demonstrating the intimate relationship between the two rock types, and the abundance of pyrite throughout.

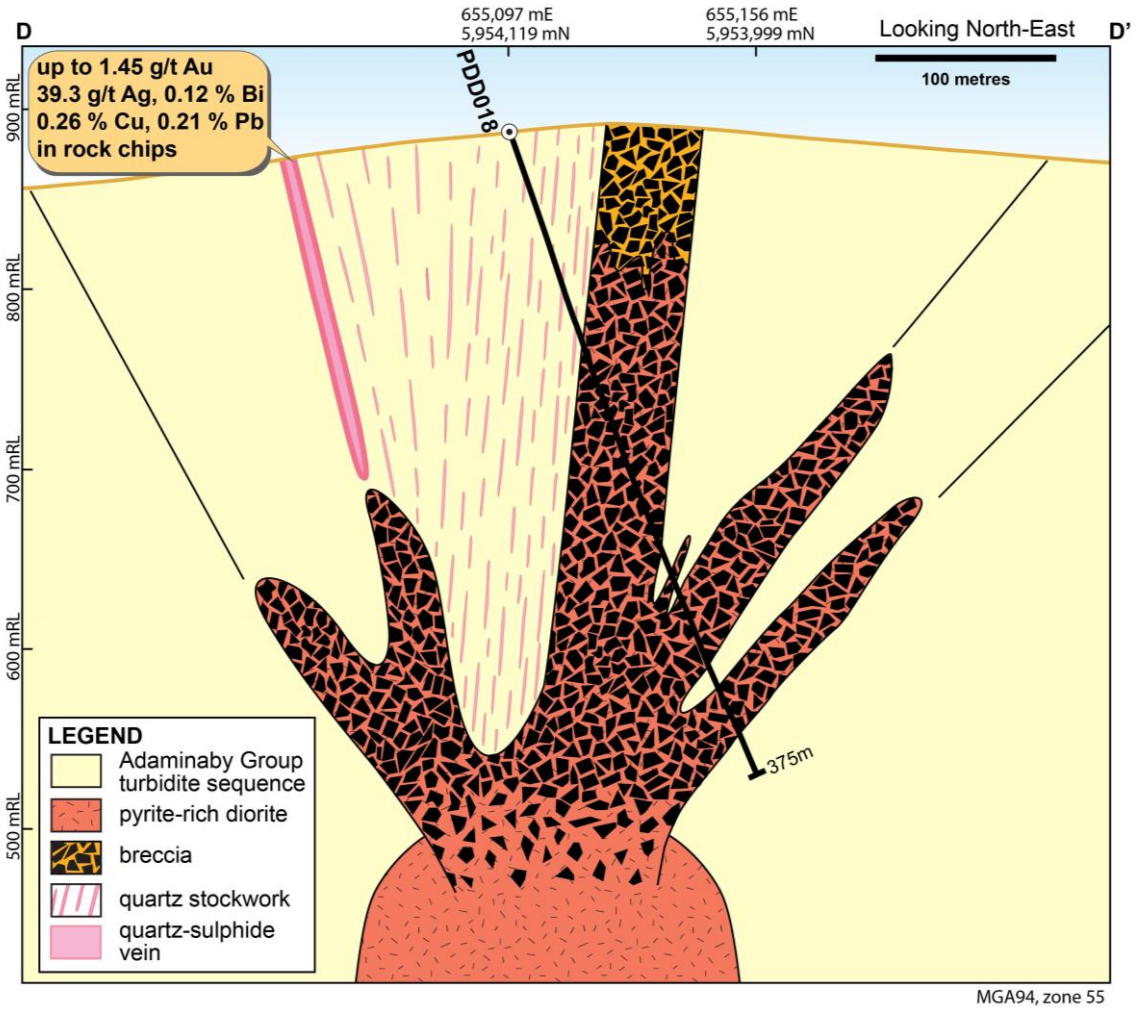

Figure 8. Cross-section of PDD018 showing interpreted diatreme breccia with associated stockwork zone and peripheral quartz-sulphide veins (pink), with source intrusive interpreted at depth. The pyrite-rich diorite forms the matrix of the breccia downhole in PDD018, but is not evident in the matrix of the breccia in surface outcrop. The location of the section (D-D') is shown in Figure 2. Assays for rock chip samples indicated in this figure are given in

Table 2.

Table 2. Assay results for rock chips from the quartz-sulphide peripheral vein shown in Figure 8 and Figure 9. The samples were collected near the collar of PDD013.

Sample ID	Easting*	Northing	Au (g/t)	Ag (g/t)	Bi (%)	Cu (%)	Pb (%)
PQV303	654961	5954226	0.97	29.5	0.12	0.05	0.21
PSW182	654960	5954229	1.45	15.6	0.03	0.26	0.13
PQV298	654990	5954237	0.84	39.3	0.11	0.05	0.06

*Coordinates in GDA94, zone 55

The breccia in PDD018 is interpreted as a late stage hydrothermal structure associated with cooling and de-gassing of the buried diorite intrusion shown in Figure 8. A semi-circular ring of outcropping breccia has been mapped at surface (Figure 9), associated with a subtle magnetic anomaly which appears to form a donut shape. The breccias are situated over the outer ring of the donut, with an interior magnetic low and a second subtle magnetic high at the core.

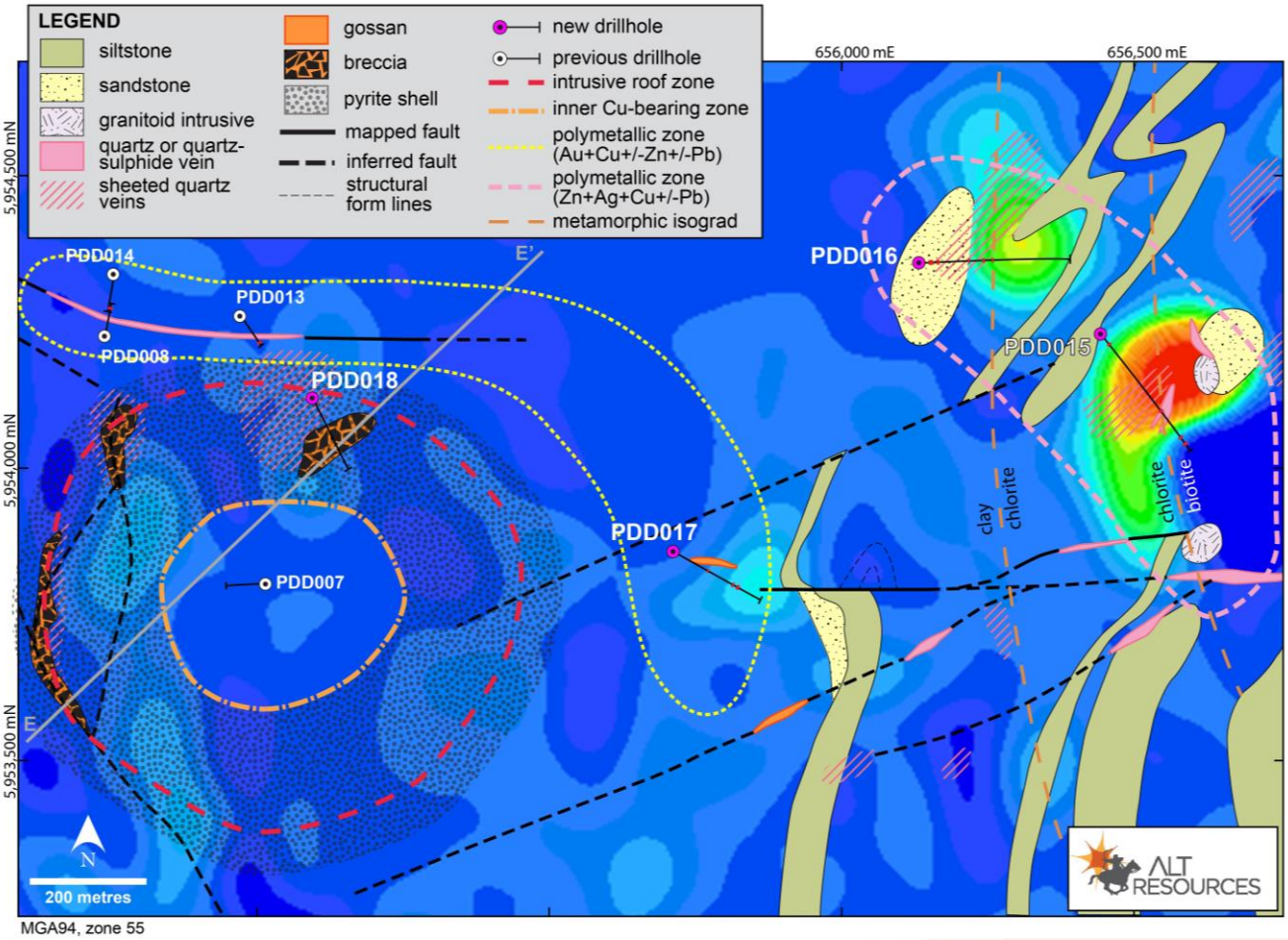

Figure 9. Interpreted features and broad geochemical zoning patterns observed at Windy Hill.

Figure 9 demonstrates the simplified geochemical zoning patterns at Windy Hill, with a barren pyrite-rich ring associated with the brecciated zone. This is interpreted to represent the roof zone of the buried intrusion. A previous hole, PDD007 (drilled by Alt Resources in 2016) revealed a zone of intensely crushed, sheared, chlorite altered and brecciated rock, with visible chalcopyrite. No significant intercepts were returned, and the hole ended at 142m due to difficult drilling conditions. As such, PDD007 was not able to reach a meaningful depth within the system. The roof zone would therefore seem to have an outer rim of pyrite-only mineralisation, with a deformed and altered Cu-bearing core. This inner zone has been revealed as a significant target and will be revisited by the Company in future exploration planning.

By the interpreted model, the buried intrusive should be below PDD007. The apparent fractionation of metal species has lead to the surface expression of a barren pyrite outer rim, with all other metals having been stripped. The Company's main aim is now to understand in which part of the system these stripped metals

(including Au, Ag, Cu, Pb, Zn and Bi) have been concentrated. The recently completed drilling program has been extremely useful in helping to vector in towards this potential metal-rich zone.

The zoned system is supported by an observed pattern of Cu, Ag, Pb and Zn in both soil sampling[4] and new drilling (Figure 2 and Figure 9). The 4 new drillholes have all revealed key components of this variable system. The outer zone appears to be Zn (± Pb)-rich with increasing modalities of Au, Cu and Ag with proximity to the breccia system, until the barren pyrite zone is reached (Figure 9). Figure 10 shows the interpreted broader Windy Hill system, with the central intrusion, ring of pyrite-rich breccia and crushed roof zone, and peripheral polymetallic quartz veins. In this model, the metals are sourced and fractionated from the buried intrusion, making this a highly prospective target for future exploration.

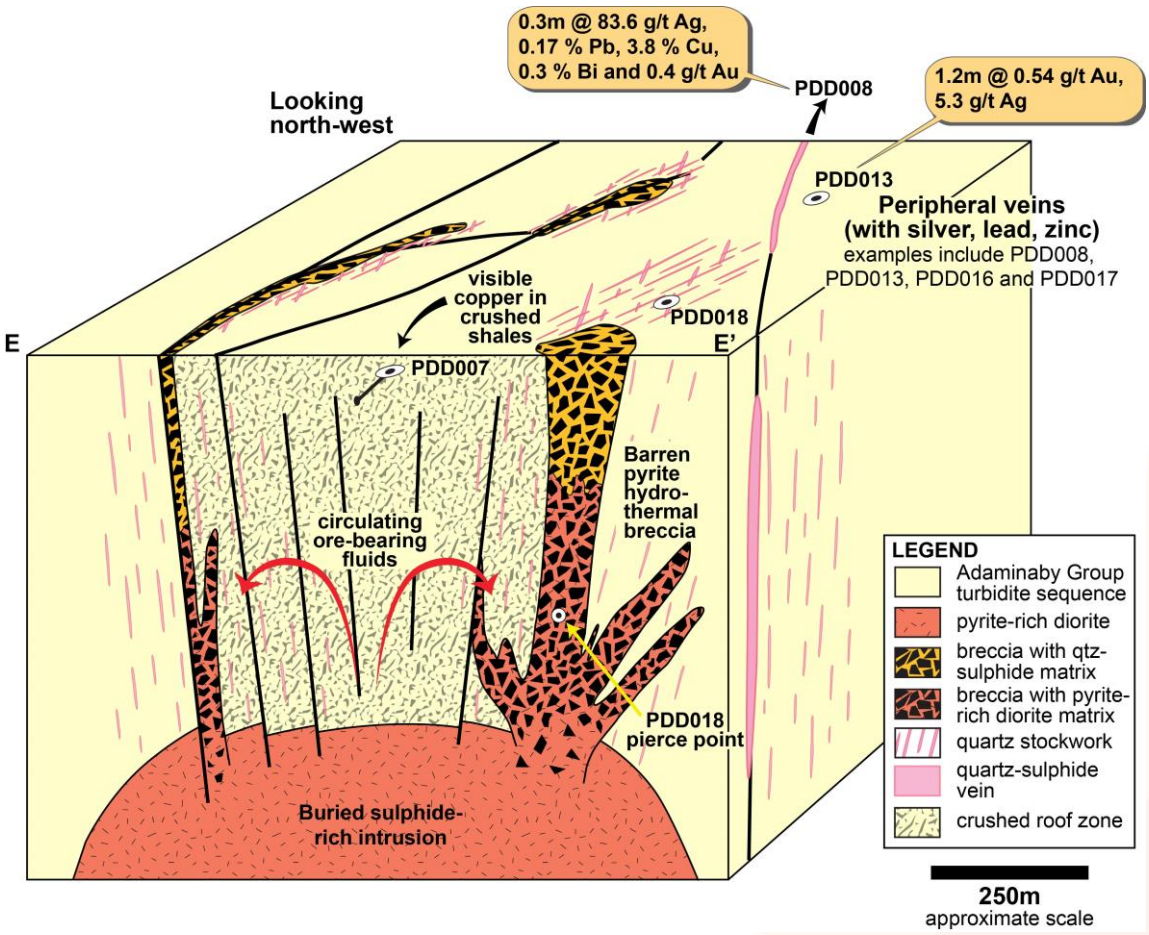

Figure 10. Schematic model showing the interpreted intrusive and hydrothermal system to account for the geological and geochemical features observed at surface and in drilling in the Windy Hill area. The location of the block model slice is shown in Figure 9 by the line E-E'.

[4] See ARS Announcement, 24th May, 2016; http://www.altresources.com.au/wp-content/uploads/2016/11/Major-New-Gold-Targets-24-May16.pdf

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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Appendix 1. Drillhole Collars for new holes drilled at Windy Hill in 2016-2017

Hole ID	Hole Type	Easting†	Northing†	GDA Zone	RL (m)	Dip	Azimuth (GDA)	Total Depth (m)
PDD015	DD	656,444	5,954,229	55	914	-55	143	401.5
PDD016	DD	656,134	5,954,351	55	927	-60	88	477.2
PDD017	DD	655,713	5,953,857	55	888	-60	119	329.3
PDD018	DD	655,097	5,954,119	55	880	-70	158	375.0

JORC Code, 2012 Edition – Table 1 report

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 exploration carried out by Alt Resources Ltd on its Paupong Project in southern NSW. • Diamond drilling was carried out at the Windy Hill prospect, Paupong Project, completed on the 28th March 2017. A total of 1,583m was completed, for 4 drillholes. • Detail of drilling and sampling procedures employed for drilling at the Paupong Project is outlined in the appropriate sections below.
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 Windy Hill, using PQ size triple tube collars, with HQ size triple tube tails. • Core is oriented where possible, however core orientation is precluded in heavily fractured 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*	• DD core recoveries were measured in the barrel, and re-checked during logging • To maximise sample recovery, HQ triple tube was employed during drilling. Recovery for all drillholes in this program is considered excellent.

	loss/gain of fine/coarse material.	
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. Logging is qualitative, and all core has been photographed.
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 field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Diamond drill samples were quarter sampled, using a diamond saw where possible, or chisel and trowel where excessively fractured. • Samples were collected at a variety of intervals depending on the degree of variability in the mineralised lithologies. The minimum sample interval is 30cm. The standard sample interval is 1m. In zones of extensive and visually homogeneous mineralisation, samples were collected over 2m intervals and re-sampled to 1m or smaller intervals if anomalous assays were received. • Sample intervals were also assigned so as not to cross lithological boundaries as logged by the geologist on site.
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.Ba, Mo* • *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.*	• Drill core 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, Zn and Pb values >10,000 ppm were re-assayed using ALS code OG-62. • QC procedures include the use of Certified Reference Materials (CRMs), blanks and duplicate samples. A CRM standard was inserted every 20 samples and a blank sample inserted every 33 samples. Acceptable levels of accuracy and precision have been established based on these QC measures for previous drillholes at Paupong.

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
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. • Coordinates are MGA Zone 55 (GDA94)
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to 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.*	• Reported drilling represents early stage testing of the Windy Hill prospect and as such is designed to determine the nature of the mineralisation • Data is not adequate to establish a mineral resource or reserve, however may be used in the future for a resource or reserve estimate. • No sample compositing has been applied.
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 orientation of structures associated with the Windy Hill targets are varied, however the main geophysical targets are rounded bodies at depth below the surface, rather than planar features, therefore the influence of bias introduced by drillhole orientation and sampling is considered to be significantly reduced.
Sample security	• *The measures taken to ensure sample security.*	• After collection, drill core samples are contained in 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.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external reviews of sampling techniques and geochemical data have been undertaken for Alt Resources' drilling programs Paupong.

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 EL8266, which was 30% held by GFM Exploration Pty Ltd and 70% by Alt Resources Ltd. EL8266 expired on the 28th April, and the same ground area was re-applied for by GFM Exploration (in Joint Venture with Alt Resources) as ELA 5492. • Entry agreements are in place with all landowners covering land subject to exploration described in this report. • ELA5492 is currently under application, and further exploration in the Windy Hill area will be dependent on the granting of this ELA.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The mineralised 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 targets at Windy Hill comprise a newly discovered cluster of buried magnetic anomalies within a package of Ordovician sediments. The sediments form a north trending sequence of low grade metamorphosed shale, siltstone, sandstone and turbiditic units. • The magnetic targets at Windy Hill are associated with IP chargeability anomalies, which form doughnut-shaped haloes around the central magnetic anomaly core. • At surface, these dual geophysical anomalies (magnetic intensity and IP) are associated with zoned geochemical anomalies based on

		extensive soil sampling. Geochemical anomalies in soil reveal elevated As and Cu in close proximity with the magnetic anomalism, with distal Zn and Pb anomalies. • These features are considered by Alt Resources to support an Intrusion-Related Gold System model, with a cluster of intrusive bodies beneath the Windy Hill area. • This model is further supported by the occurrence of large multiphase gold-bearing quartz-sulphide quartz veins and vein breccias occurring broadly across the area, some at a distance of several kilometres from the buried magnetic targets. • Petrographic study indicates the distal quartz 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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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.*	• See Appendix 1 above for drillhole information pertaining to the new drillhole described in the body of this report. • Significant intercepts are reported in Table 1 of this release. • No significant information has been excluded.

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 with varied cut-off grades. • No cutting of high grade values has been undertaken.
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 information is available at this stage to ascertain with confidence the true dip of structures reported here. Therefore the true width of the intercepts cannot be known. • PDD018 was drilled at a steep angle (70°) and the breccia intersected in this hole is interpreted as a relatively vertical structure, therefore the true width of the breccia is likely to be in the range of 20 – 60% of the downhole width, as shown in Figure 8.
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 plan view of drill hole collar locations and appropriate sectional views.*	• The location of all drillholes discussed in this release at the Windy Hill prospect are shown in **Error! Reference source not found.** • Cross-sections for are given for PDD015 (Figure 3), PDD016 (Figure 4) and PDD018 (Figure 8). The cross-section for PDD017 was published in a previous release, on the 9th May, 2017 (http://www.altresources.com.au/wp-content/uploads/2017/05/Exploration-Update-Paupong-IRG-Project.pdf). The cross-sections included here depict a simplified lithological and mineralisation interpretation based on logging and assays. • A block diagram for the system, focussing on the breccia drilled in PDD018, is given in Figure 10, showing a 3D representation of the relationship between plan view and cross-section through the breccia and associated peripheral veins.
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

Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; 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.*	• No significant exploration data have been omitted.
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.*	• Re-sampling of 2016 drillhole PDD007 is planned, with sections of visible chalcopyrite having been logged, but no significant assays returned. • Additional work is underway to understand the Paupong IRG system as a whole, including re-processing geophysics (magnetic and IP), soil sampling at outlying targets (Lone Ranger and Woodside), trace element analysis of selected quartz veins and intrusive rocks to determine unique character, isotopic and trace element analysis of quartz veins and sulphides, fluid inclusion analysis in quartz from mineralised veins and petrographic analysis of breccia and diorite samples from PDD018. • Reconnaissance work throughout the area will continue with further targeting to be undertaken based on a better understanding of the Windy Hill system.