ALT RESOURCES LIMITED

ARS – ASX ANNOUNCEMENT

ASX Announcement
ASX: ARS

1st December, 2017

COBALT MINERALISATION IDENTIFIED AT PAUPONG PROJECT, SOUTHERN NSW

HIGHLIGHTS

- **Cobalt mineralisation identified as part of the Paupong intrusion-related gold system**
- **Results from previous drilling at Kidman include:**
  - **2m @ 0.12 % Co**, 1.56 % Cu, 1.06 g/t Au, 7.8 g/t Ag
  - **2m @ 0.11 % Co**, 1.29 % Cu, 0.79 g/t Au, 13 g/t Ag
  - **1m @ 0.12 % Co**, 2.8 g/t Ag,
  - **1m @ 0.10 % Co**, 0.42 % Cu, 0.21 g/t Au, 15 g/t Ag

Alt Resources (Alt, or 'the Company') is pleased to announce the results of a thorough review of the geochemistry of the Paupong Project. Cobalt has been identified as a key component of the Paupong mineralised system; grades up to 0.12% Co have been detected.

The Paupong Project is located in the south-eastern Lachlan Orogen, in far southern New South Wales (Figure 1). It is a polymetallic intrusion-related gold system, covering an area of 8 x 4 km, with up to 14 g/t Au and 451 g/t Ag in rock chips. Base metal and bismuth mineralisation is also locally developed, with Cu up to 3.8 %, Pb up to 4.1 %, Zn up to 1 % and Bi up to 1.4 % in surface and drillhole sampling.

CEO James Anderson commented "*The cobalt mineralisation we've identified adds another dimension to the Paupong IRG system; one that we had not considered until the geochemical review was completed. Cobalt will continue to be in demand over time. with the EV market still expanding. We know Paupong represents a very large-scale system with plenty of opportunity for further discovery. We are also close to finishing a review of the detailed geophysical surveys we have for the area, and will advise the market about this in the coming weeks. With our strong scientific approach, our aim is to generate new targets for diamond drilling in 2018. We also plan to begin the process of finding a larger JV partner to come into this project as it does represent a terrific opportunity for a larger player looking for a big system*".

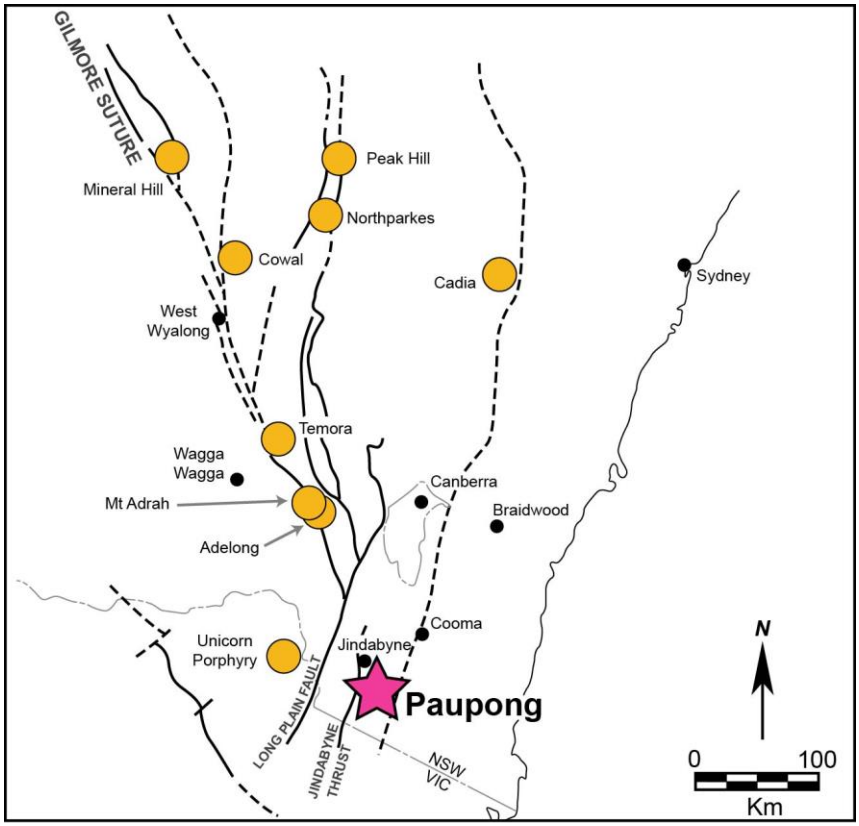

Figure 1. Location of the Paupong Project in southern NSW, relative to other significant precious and base metal deposits.

Alt Resources recently conducted an extensive review of the Paupong system. The result of this review is the identification of elevated to moderate grade cobalt (up to 0.12% Co) in drillcore associated with polymetallic Au-Ag-Cu sulphide mineralisation (Figure 2). Cobalt appears to be particularly elevated in the Kidman area which was drilled in 2015-2016. This region is in close proximity to a number of intrusives, including the Middle Creek granodiorite, and the younger Blind Gabbro Suite (Figure 3). The Middle Creek granodiorite is considered by Alt technical staff to be one of a suite of potential source intrusions for precious and base metal mineralisation in the area (Degeling et al., 2017).

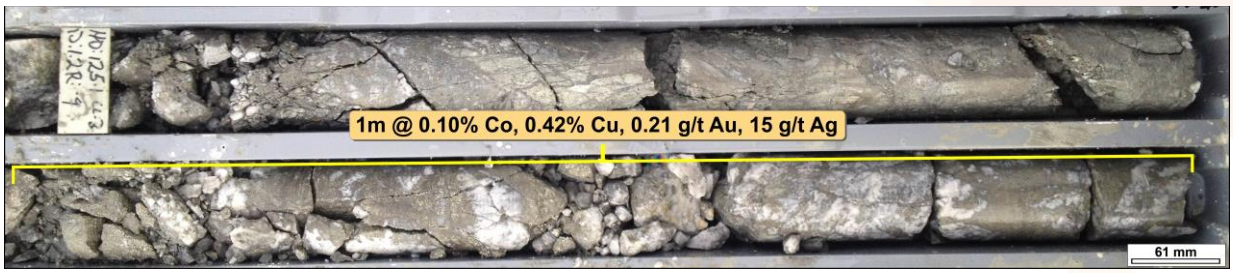

Figure 2. Cobalt-mineralised interval 125.1-126.1m in PDD004 from the Kidman prospect. Sulphide mineralogy is dominated by pyrite.

Co is likely hosted in pyrite (cobaltian pyrite), and as such is elevated in zones of concentrated sulphide mineralisation, along with Au, Ag and Cu.

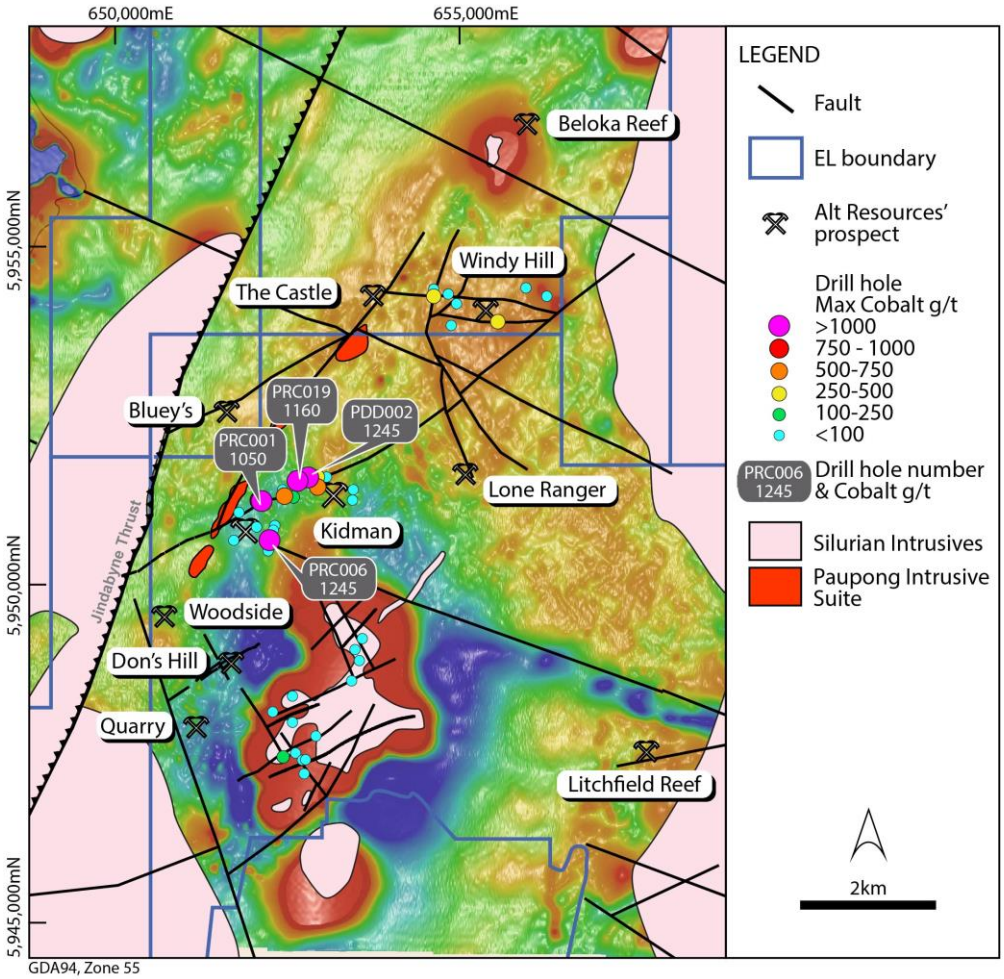

Figure 3. Maximum Cobalt in drillholes at the Paupong Project. The highest Co values are from the Kidman area, as shown. The grey text boxes give Co (g/t) values. Note that 1000 g/t Co = 0.1 % Co. This image also shows the distribution of intrusive rocks and interpreted structures, overlain on an RTP magnetic image.

Table 1 shows the significant Co intercepts from the 2015-2016 RC and DD drilling programs at the Kidman prospect. Mineralisation with elevated cobalt occurs in localised occurrences of massive sulphide (pyrite-dominated, plus chalcopyrite) associated with quartz veins (Figure 2 and Figure 4).

Table 1. Significant Co results from 2015-2016 drilling campaign at Kidman. Sections are shown in Figure 4.

Hole ID	Prospect	m from	m to	Interval (m)	Co (%)	Cu (%)	Au (g/t)	Ag (g/t)
PDD002	Kidman	103	105	2	**0.12**	1.56	1.06	7.80
PDD004	Kidman	125.1	126.1	1	**0.10**	0.42	0.21	15
PRC001	Kidman	71	72	1	**0.10**	0.01	0.24	1.8
PRC006	Kidman	67	68	1	**0.12**	0.0004	BD*	2.8
PDD005	Kidman	96	98	2	**0.11**	1.29	0.79	13

*BD = below detection

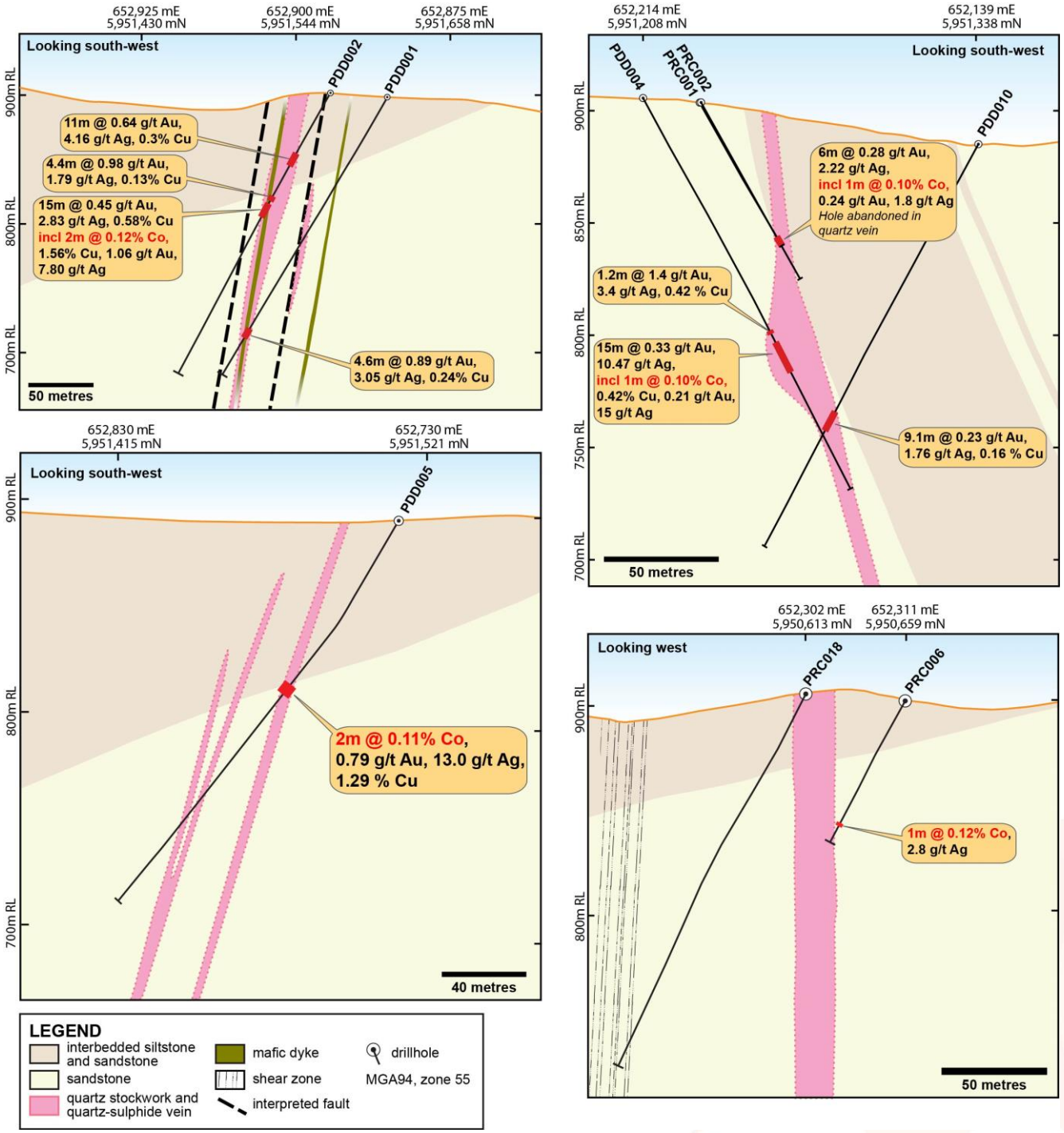

Figure 4. Cross-sections of drillholes with significant Co mineralisation at the Kidman Prospect.

References

Degeling HS, Klein T & Fountain RJ (2017). Polymetallic gold, silver and base metal mineralisation at Paupong, NSW: a new intrusion-related system. Mines and Wines Conference Abstract, 2017.

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 collar table for historical holes drilled in 2015 by Alt Resources at the Kidman Prospect, described in this release.

Hole ID	Hole Type	Prospect	Easting*	Northing	RL†	Azi Grid	Dip	Total Depth	Year Drilled
PDD001	DD	Kidman	652884	5951612	898	164.5	-60˚	250.9	2015
PDD002	DD	Kidman	652894	5951570	903	164.5	-60˚	250	2015
PDD005	DD	Kidman	652739	5951512	891	135.5	-60°	224.2	2015/2016
PDD010	DD	Kidman	652130	5951333	882	132.5	-60°	201.3	
PDD004	DD	Kidman	652200	5951202	917	342.5	-60°	199	2015
PRC001	RC	Kidman	652195	5951230	917	342.5	-60°	74	2015
PRC002	RC	Kidman	652206	5951236	916	342.5	-60°	91	2015
PRC006	RC	Kidman	652311	5950659	902	194.5	-60°	77	2015
PRC018	RC	Kidman	652302	5950613	906	194.5	-60°	199	2015

*All coordinates GDA94, zone 55.

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 inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• This announcement covers a review of previous RC and DD drilling data from the Paupong Project, on EL7825, EL8645 and EL8382, in southern NSW. The original results were published in Alt Resources' Company Prospectus in 2015. A review was conducted, as described, to ascertain the significance of additional cobalt metallogeny at Paupong, which had not been previously announced. • No new drilling or sampling is described in this announcement. • The details of drilling and sampling procedures employed 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).*	• Drilling includes both Reverse Circulation (RC) and diamond drill (DD) tails on selected holes. • RC drilling was with a 5 ½ inch face sampling bit • DD tails were drilled with HQ size triple tube • Heavily fractured core precluded core orientation. All DD holes were surveyed with a single shot Ranger Camera at approximately 30 m down hole intervals. RC holes were surveyed at bottom of hole.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure*	• RC residue samples were weighed on a 1m basis to assess core recovery, and recorded as wet or dry samples. • DD cores recoveries were measured in the barrel, and re-checked during

	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.*	logging. • To date, estimated recoveries for RC has been excellent with no evidence to suggest preferential losses or bias. • Estimated recoveries for DD in hole PDD004 were poor, especially through the mineralised zone where the core was extremely sheared, 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. • To maximise sample recovery, HQ triple tube was employed during drilling. However with such poor recovery, the representative nature of the samples cannot be guaranteed. • A relationship appears to exist between sample recovery and grade, such that the highest grade intervals in PDD004, between 128.6m and 140.6m, show the poorest recovery. As such, it is possible that sample bias may have occurred due to preferential loss of fine material. The overall grade is likely to be under-estimated based on recovered core.
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 RC chips and DD core were 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 field*	• RC samples were rotary split on 1m intervals, producing ~ 2kg assay samples. Full residues were collected and stored in a core farm for 12 months, prior to disposal. • Where no obvious mineralisation was observed, RC chips were composited into 5 m intervals by spear sampling of the rotary split samples. • Diamond drill samples were quarter sampled, using a diamond saw where possible, or chisel and trowel where excessively fractured.

	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.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.*	• RC and diamond drill samples were shipped to ALS Brisbane for sample preparation and assay • Samples were pulverized then assayed for Au by fire assay using ALS code AA25, 30gm charge, and other elements by ICP, ALS code ICP61. Cu and Au values >10,000 ppm were re-assayed using ALS code OG-62 • QC procedures included the use of Certified Reference Materials (CRMs), 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 precision were established based on these QC measures.
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) • Topography from government mapping supplemented by GDA hand held GPS is considered adequate for this phase of exploration
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 drill results represent the first drilling on this project and as such are designed to determine the nature of the mineralisation • Data is not adequate to establish Mineral Resources or Reserves • Reported assays have been composited over appropriate geological intervals and reported as weighted averages for that whole interval.
Orientation of data in relation	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• From the limited drilling data performed across the Kidman mineralised zone, the true vein thickness represents about 40% of downhole thickness

to geological structure	• *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.*	
Sample security	• *The measures taken to ensure sample security.*	• After collection, samples were stored in calico 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 the sampling techniques and data have been undertaken.

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 Kidman prospect area lies within EL 7825. The remainder of the Paupong Project lies on EL8645 and EL8382. EL7825 was granted for 3 years on 31st August 2013 and renewed for 6 years on the 31st August 2016. The licenses are held by GFM Exploration. Alt Resources holds 70% of the Paupong Project through a Joint Venture agreement with GFM Exploration • Entry agreements are in place with all landowners covering land subject to exploration described in this report. • There are no existing impediments to EL7825, EL8645 or EL8382.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The mineralised quartz vein system covered in this report 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 Paupong Project represents a newly discovered IRG mineral field in the southern Lachlan Orocline. • Gold and silver anomalism at Paupong has been identified over an area of 8 x 4 km, with up to 14 g/t Au and 451 g/t Ag in rock chips. Bismuth and base metal anomalism is also locally developed, with Cu up to 3.8 %, Pb up to 4.1 %, Zn up to 1 % and Bi up to 1.4 % in surface and drillhole sampling. Gold and other metals are hosted in quartz vein systems with associated complexly zoned Au-Bi-Cu-Ag-As-Pb-Zn-Te anomalous geochemistry. This geochemistry, together with proximity to, and association with local mineralised intrusives supports an intrusion-related model for the system.

		• Within the project area at least 14 separate small intrusive bodies have been mapped, ranging in surface area from a few hundred square metres to around 1 square km. These have been tenuously classified into two main groupings; the Paupong Intrusive Suite and the Blind Gabbro Suite. The Paupong Intrusive Suite transects the project area, forming a north-east/south-west linear trend of weakly deformed and anomalously Au-Ag-Cu mineralised, I-type granitoids. These rocks are older than the Blind Gabbro Suite, and may be comparable in age to, or slightly younger than, the neighbouring Kosciuszko and Berridale Batholiths.

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 significant intercepts presented here. Drillhole information for holes not described in this release are not included as they are not Material to the content of this announcement.

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
Relationship between mineralisation	• *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.*	• From the limited drilling data performed across the Kidman mineralised zone, the true vein thickness represents about 40% of downhole thickness

widths and intercept lengths	• *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').*	
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 Alt's drillholes at the Paupong Project are shown in Figure 3. The location of drillholes with with significant Co intercepts described in the text are also shown in Figure 3. • Significant intercepts are detailed in Table 1 • Cross-sections showing the significant intercepts described in Table 1 are shown in Figure 4.
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 results for the discussion of Cobalt mineralisation at Paupong are reported here.
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.*	• The reader is referred to Alt Resources Ltd Prospectus, dated 24/12/14, and Supplementary Prospecti dated 21/1/15, 3/2/15, 25/3/15, 14/5/15 and 31/7/2015 for additional information pertaining to the 2015 drilling program.
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.*	• Regional prospectivity analysis is ongoing at Paupong to understand the broader IRG system and fully explore the potential of the Company's tenements.