



Target's Statement

prepared by

Alt Resources Limited

(ACN 168 928 416)

This Target's Statement has been issued in response to the off-market takeover bid made by Aurenne Ularring Pty Ltd (ACN 640 687 618) (a wholly owned subsidiary of Aurenne Group Holdings Pty Ltd (ACN 627 857 176)), for all the ordinary shares in Alt Resources Limited, which Aurenne does not already control.

The directors of Alt Resources Limited unanimously recommend that you ACCEPT Aurenne's Offer (in the absence of a superior proposal)



Financial Adviser



Legal Adviser

THE INDEPENDENT EXPERT HAS CONCLUDED THAT, IN THE ABSENCE OF AN ALTERNATIVE OFFER, AURENNE'S OFFER IS FAIR AND REASONABLE TO SHAREHOLDERS

This is an important document and requires your immediate attention. If you do not understand it or are in doubt as to how to act, you should consult your legal, financial or other professional adviser immediately. If you have recently sold all your Alt Resources Shares, please disregard this document.

Alt Resources Shareholders who require assistance may call the Company Secretary on +61 411 764 556 at any time between 8:30am and 5pm (AEST), Monday to Friday.

IMPORTANT NOTICES

Nature of this document

This Target's Statement is dated 17 July 2020 and is issued by Alt Resources Limited (ACN 168 928 416) (**Alt Resources**) under Part 6.5 Division 3 of the Corporations Act in response to the Bidder's Statement by Aurenne Ularring Pty Ltd (ACN 640 687 618) (**Aurenne**) dated 15 June 2020.

The Alt Resources Directors recommend that you read this Target's Statement in full and seek independent advice if you have any queries in respect of the Offer.

ASIC disclaimer

A copy of this Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers, take any responsibility for the contents of this Target's Statement.

No account of personal circumstances

This Target's Statement (including the Independent Expert's Report) should not be taken as personal financial, investment or tax advice as each Shareholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

Your Alt Resources Directors encourage you to read this Target's Statement in its entirety (including the Independent Expert's Report) and obtain independent advice from your investment, financial, tax or other professional adviser before making a decision whether or not to accept the Offer.

Defined terms

A number of defined terms are used in this Target's Statement. These terms are explained in section 11 of this Target's Statement.

Independent Expert's Report

The Independent Expert's Report dated 16 July 2020, set out in Annexure B of this Target's Statement has been prepared by the Independent Expert for the purposes of this Target's Statement and the Independent Expert takes full responsibility for that report. Alt Resources does not accept or assume any responsibility for the accuracy or completeness of the Independent Expert's Report, other than factual information provided by Alt Resources to the Independent Expert for the purposes of the Independent Expert's Report.

Forward looking statements

This Target's Statement (including the Independent Expert's Report) contains various forward-looking statements. Statements other than statements of historical fact may be forward looking statements. Alt Resources believes that it has reasonable grounds for making all statements relating to future matters attributed to it in this Target's Statement. Alt Resources Shareholders should note that such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Alt Resources.

Shareholders should note that any reference to past performance is not intended to be, nor should it be relied upon as, a guide to any future performance. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward-looking statement.

None of Alt Resources, its officers nor any person named in this Target's Statement (including the Independent Expert's Report) with their consent or any person involved in the preparation of this Target's Statement (including the Independent Expert's Report) makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any results, values, performance or achievements expressed or implied in any forward looking statement, except to the extent required by law. Shareholders should not place undue reliance on any such statement. The forward-looking statements in this Target's Statement only reflect views held as at the date of this Target's Statement. Any forward-looking statement in this Target's Statement is qualified by this cautionary statement.

Information on Aurene

The information on Aurene and the Aurene Group contained in this Target's Statement has been prepared by Alt Resources using publicly available information, including the Bidder's Statement.

The information in this Target's Statement concerning Aurene and the Aurene Group has not been independently verified by Alt Resources or its Directors for the purposes of this Target's Statement. Accordingly, to the extent permitted by law, Alt Resources makes no representation or warranty (express or implied) as to the accuracy or completeness of such information. The information on Aurene in this Target's Statement should not be considered comprehensive.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside of Australia.

Charts and diagrams

Any diagrams, charts, graphs, maps and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs, maps and tables is based on information available at the date of this Target's Statement.

Privacy

Alt Resources has collected your information from the register of Alt Resources Shareholders and Alt Resources Optionholders for the purpose of providing you with this Target's Statement. The type of information Alt Resources has collected about you includes your name, contact details and information on your shareholding or option holding (as applicable) in Alt Resources. Without this information, Alt Resources would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Alt Resources Shareholders and Alt Resources Optionholders to be held in a public register. Your information may be disclosed on a confidential basis to Alt Resources' related bodies corporate and external service providers (such as the share registry of Alt Resources and print and mail service providers) and may be required to be disclosed to regulators such as ASIC and the ASX. If you would like details of information about you held by Alt Resources, please contact the Alt Resources' Share Registry at the address in this Target's Statement.

Risk Factors

Shareholders should note that there are a number of risks associated with the Offer and with remaining an Alt Resources Shareholder if they reject the Offer.

Please refer to section 4.14 of this Target's Statement for further information on those risks.

Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

For personal use only

KEY DATES

Announcement of Offer	7 May 2020
Bidder's Statement lodged with ASIC, ASX and served on Alt Resources	15 June 2020
Offer opens (date of Offer)	3 July 2020
Date of this Target's Statement	17 July 2020
Offer closes (unless extended or withdrawn)*	7:00pm (AEST) on 7 August 2020

* This date is indicative only and may be changed as permitted by the Corporations Act

WHY YOU SHOULD ACCEPT THE OFFER

In summary, the key reasons why the Alt Resources Directors have recommended that Alt Resources Shareholders accept the Offer, in the absence of a superior proposal, are:

1. The Offer price of \$0.0505 cash for every Alt Resources Share represents a significant premium to trading prices of Alt Resources Shares prior to the announcement of the Offer.
2. The all-cash Offer provides Alt Resources Shareholders full, certain value for your Alt Resources Shares (subject to the Offer becoming unconditional).
3. The Independent Expert has concluded that, in the absence of an alternative offer, the Offer is **FAIR AND REASONABLE** to Alt Resources Shareholders.
4. There are risks in not accepting the Offer.

5. No superior proposal for Alt Resources has emerged.

6. The Alt Resources Directors intend to accept the Offer for their Alt Resources Shares, in the absence of a superior proposal.

WHAT YOU SHOULD DO

WHAT YOU SHOULD DO

- Your Directors unanimously recommend, in the absence of a superior proposal, that you **ACCEPT** the Offer for all the Alt Resources Shares you hold by following the instructions outlined in the Bidder's Statement.
- Your Directors intend to **ACCEPT** the Offer for Alt Resources Shares that they own or control, in the absence of a superior proposal.

WHAT YOU NEED TO DO

- You should read the Bidder's Statement in its entirety.
- You should read this Target's Statement, which contains an Independent Expert's Report and your Directors' unanimous recommendation to **ACCEPT** the Offer and the reasons for this recommendation.
- If you do not understand the Bidder's Statement or this Target's Statement or are in doubt as to how to act, you should consult your legal, financial or other professional adviser immediately.
- If you have any questions regarding the Offer or this Target's Statement, please contact the Company Secretary, Elissa Hansen, on 0411 764 556.

YOU CAN ACCEPT THE OFFER BY FOLLOWING THE INSTRUCTIONS IN THE BIDDER'S STATEMENT AND COMPLETING THE ACCEPTANCE FORM ENCLOSED WITH THE BIDDER'S STATEMENT PRIOR TO THE CLOSE OF THE OFFER.

INDEPENDENT EXPERT'S RECOMMENDATION

The Independent Expert has concluded that, in the absence of an alternate offer, the Offer is fair and reasonable to Shareholders.

The key advantages and disadvantages in relation to the Offer identified by the Independent Expert are as follows:

Advantages:

- the Offer provides Alt Resources Shareholders with certainty of value.
- the Offer is at a premium to recent trading prices of Alt Resources Shares.
- the Offer will enable Alt Resources Shareholders to realise the value of their investment without having to risk further capital.

Disadvantages:

- By accepting the Offer, Alt Resources Shareholders forego the opportunity to participate in any potential future upside of Alt Resources' projects.
- By accepting the Offer, Alt Resources Shareholders could crystallise a capital gain and result in an increase in taxable income for the financial year.
- The 90% minimum acceptance condition results in a reduction in the level of certainty in accepting the Offer.

A copy of the Independent Expert's Report is set out in Annexure B of this Target's Statement. Shareholders are encouraged to read the Independent Expert's Report in full.

CONTENTS

1.	FREQUENTLY ASKED QUESTIONS	12
2.	WHY YOU SHOULD ACCEPT THE OFFER	19
3.	DIRECTORS' RECOMMENDATION	24
4.	IMPORTANT MATTERS FOR ALT RESOURCES SHAREHOLDERS TO CONSIDER	26
5.	KEY FEATURES OF AURENNE'S OFFER	35
6.	INFORMATION REGARDING ALT RESOURCES.....	40
7.	INFORMATION RELATING TO THE ALT RESOURCES DIRECTORS.....	47
8.	AUSTRALIAN TAXATION CONSEQUENCES	49
9.	ADDITIONAL INFORMATION	50
10.	AUTHORISATION.....	56
11.	GLOSSARY AND INTERPRETATION.....	57
	ANNEXURE A – OFFER CONDITIONS	60
	ANNEXURE B – INDEPENDENT EXPERT'S REPORT	68

OFFER INFORMATION LINE

If you have any questions in relation to this document, the Bidder's Statement, the Offer or how to accept the Offer, please contact the Aurene Offer Information Line between 8.30am and 5.00pm (Sydney time) Monday to Friday on:

For Australian callers: 1300 737 760

For international callers: +61 2 9290 9600

Email: corporateactions@boardroomlimited.com.au

(use subject line ref: Alt Offer)

Further information relating to Alt Resources can be found at website at <http://www.altresources.com.au>.

CHAIRMAN'S LETTER TO SHAREHOLDERS



Dear Shareholders and Optionholders

Takeover bid by Aurenne Ularring Pty Ltd

On 7 May 2020, Aurenne Group Holdings Limited, a private company incorporated in Australia, announced an intention to make a conditional off-market takeover offer through its wholly owned subsidiary Aurenne Ularring Pty Ltd, to acquire 100% of the shares in Alt Resources. The Offer is subject to a number of conditions, which are detailed in full in Annexure A of this Target's Statement, and are summarised in Section 5.2 of this Target's Statement.

You should have received the Bidder's Statement from Aurenne containing its offer to acquire all of your fully paid ordinary shares in Alt Resources for \$0.0505 cash per Share. The Offer of \$0.0505 per Alt Resources Share represents:

- a 74% premium to the closing price of \$0.029 for Alt Resources Shares on 28 April 2020, being the last day of trading before Alt Resources went into trading halt;
- a 139% premium to the price of \$0.0211 being the volume weighted average price of Alt Resources Shares over the 6 months up to and including 28 April 2020; and
- a 153% premium to the last price of \$0.02 per Alt Resources Share, at which Alt Resources placed Alt Resources Shares in the market to raise capital in April 2020.

Alt Resources Directors recommend you accept the Offer, in the absence of a superior proposal

The Alt Resources Directors have spent a significant amount of time giving consideration to the Offer, including an assessment of the potential future risks and rewards for Alt Resources Shareholders and Optionholders of staying independent and progressing the company's gold projects. Whilst your Directors continue to believe in the exploration and development potential of the Mt Ida and Bottle Creek gold projects, they consider the Offer provides Alt Resources Shareholders with an attractive opportunity to realise value for their investment in cash, particularly in light of the uncertainty seen in the current global equity markets and the requirement that Alt Resources would need to raise capital in the near term to fund exploration, project development and working capital.

Your Directors intend to **ACCEPT** the Offer for all the Alt Resources Shares they hold or otherwise control, in the absence of a superior proposal. The Offer is subject to a number of conditions, which are detailed in full in Annexure A of this Target's Statement.

Your Alt Resources Directors unanimously recommend that you accept the Offer, in the absence of a superior proposal. The principal reasons for your Alt Resources Directors' recommendation are:

1. the Offer Price represents a significant premium to trading prices of Alt Resources Shares prior to the announcement of the Offer;
2. the Offer provides Alt Resources Shareholders with certainty of cash;

- For personal use only
3. the Independent Expert has concluded that the Offer is fair and reasonable;
 4. there are risks in not accepting the Offer;
 5. no superior proposal for Alt Resources has emerged; and
 6. Alt Resources Directors intend to accept the Offer in the absence of a superior proposal.

The detailed reasons for this recommendation are set out in section 2 of this Target's Statement.

As at the date immediately before the date of this Target's Statement, Aurene has a voting power of approximately 26.15% of Alt Resources' issued share capital.

Independent Expert conclusion

The Independent Expert, BDO Corporate Finance (WA) Pty Ltd (**BDO**), has concluded that the Offer is fair and reasonable to Alt Resources Shareholders. The Independent Expert has assessed the value of Alt Resources Shares prior to the Offer to be in the range of \$0.029 to \$0.053 per Alt Resources Share (on a controlling basis).

A copy of the Independent Expert's Report is set out in Annexure B of this Target's Statement. Alt Resources Shareholders are encouraged to read the Independent Expert's Report in full.

Accepting the Offer and next steps

The Bidder's Statement, which you should have received, outlines the details of the Offer and contains a personalised Acceptance Form, with instructions on how to accept the Offer.

The Offer Period is scheduled to close at 7:00 pm (AEST) on 7 August 2020 (unless extended).

To accept the Offer, simply follow the instructions outlined in the Bidder's Statement and printed on the Acceptance Form. To be valid, your acceptance must be received before the close of the Offer Period.

In considering whether to accept the Offer, the Alt Resources Directors encourage you to:

- read the whole of this Target's Statement and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- consider the choices available to you as outlined in section 4.11 of this Target's Statement;
- carefully consider section 4.14 of this Target's Statement;
- carefully consider section 2.5 of this Target's Statement, including the risks of becoming a minority Alt Resources Shareholder; and
- obtain personal advice from your broker, financial adviser, accountant, lawyer or other professional adviser on the effect of accepting the Offer.

Further information

Alt Resources will keep Alt Resources Shareholders informed of any material developments in relation to the Offer through releases to the ASX (which will also be published on Alt Resources' website).

I encourage you to read this document carefully. If you need any more information, I recommend that you seek professional advice and/or call the Offer Information Line between 8.30am and 5.00pm (AEST) Monday to Friday.

Yours sincerely

A handwritten signature in black ink, appearing to be 'W. Ellis', written in a cursive style.

**William Ellis
Chairman
For and on behalf of
Alt Resources Limited**

For personal use only

1. FREQUENTLY ASKED QUESTIONS

In this Section answers are provided to some commonly asked questions about the Offer. This Section should be read together with the rest of this Target's Statement. This Section is not intended to comprehensively answer all questions that may arise in relation to the Offer nor address all issues that are relevant to Alt Resources Shareholders.

The Offer		
Question	Answer	Further Information
What is the Bidder's Statement?	The Bidder's Statement is the document setting out the terms of the Offer. Aurene lodged the Bidder's Statement with ASIC on 15 June 2020.	
What is the Target's Statement?	This Target's Statement has been prepared by Alt Resources and provides Alt Resources' response to the Offer, including the recommendation of your Alt Resources Directors.	
Who is offering to purchase my Alt Resources Shares?	<p>Aurene Ularring Pty Ltd (ACN 640 687 618) is a private company incorporated in Australia, and is a wholly owned subsidiary of Aurene Group Holdings Pty Ltd (ACN 627 857 176) (AGH).</p> <p>AGH is a privately held and fully funded company located in Australia. AGH owns interests in a number of projects throughout the Goldfields Region.</p>	<p>Section 4.2</p> <p>Bidder's Statement – Section 3</p>
What is being offered to me?	<p>Aurene is offering \$0.0505 (5.05 cents) cash for each Alt Resources Share held by you.</p> <p>You may only accept the Offer in respect of all of the Alt Resources Shares held by you.</p> <p>Subject to ASIC granting any necessary relief from the Corporations Act, the Offer further extends to up to 30,558,333 Alt Resources Shares issued before the end of the Offer Period, subject to the Alt Resources Shareholders having approved their issue.</p> <p>The Offer extends to Alt Resources Shares that come into existence because you exercise your Alt Resources Options during the Offer Period. You can accept the Offer in respect of the Alt Resources Shares you are issued on exercise of the Alt Resources Options.</p>	<p>Sections 2, 5 and 9.4</p> <p>Bidder's Statement – Sections 1 and 2</p>

<p>What are the Alt Resources Directors recommending?</p>	<p>Alt Resources Directors recommend that you accept the Offer, in the absence of a superior proposal.</p> <p>The reasons why the Directors are recommending that you accept the Offer are set out in section 3 of this Target's Statement.</p> <p>You are encouraged to read the Bidder's Statement and this Target's Statement (including the Independent Expert's Report) in full and to consider the Offer having regard to your personal circumstances.</p> <p>The Alt Resources Directors encourage you to seek your own independent financial and taxation advice prior to deciding whether to accept the Offer.</p>	<p>Section 3</p>
<p>What do the Directors intend to do with their Alt Resources Shares?</p>	<p>Each Alt Resources Director who holds or controls Shares intends to accept or procure the acceptance of the Offer in respect of the Shares they own or control, in the absence of a superior proposal.</p>	<p>Section 3.3</p>
<p>What is the opinion of the Independent Expert?</p>	<p>The terms and condition of the Offer have been reviewed by the Independent Expert, BDO.</p> <p>The Independent Expert has concluded that the Offer is FAIR AND REASONABLE to Alt Resources Shareholders.</p> <p>A copy of the Independent Expert's Report is set out in Annexure B of this Target's Statement. Alt Resources Shareholders are encouraged to read the Independent Expert's Report in full.</p>	<p>Annexure B</p>
<p>How many Alt Resources Shares does Aurene already own?</p>	<p>As at the date immediately before the date of this Target's Statement (being 16 July 2020), Aurene and its Associates had a relevant interest in 159,011,307 Alt Resources Shares and had no relevant interest in Alt Resources Options. Aurene's voting power is 26.15% as at the date of this Target's Statement.</p>	<p>Section 9.5</p> <p>Bidder's Statement – Section 4.6</p>
<p>What will be the role of Alt Resources Directors in Alt Resources going forward?</p>	<p>At the conclusion of a compulsory acquisition process, Aurene will request that Alt Resources be removed from the official list of the ASX. It is intended that the board of directors of Alt Resources will be replaced in its entirety. Aurene will appoint its nominees to the Alt Resources Board.</p>	<p>Bidder's Statement – Section 5</p>

	No determination has yet been made by Aurene at this time regarding the identity of new directors, or the number of directors on the Alt Resources Board. A final decision will be made in light of the circumstances at the time.	
When will I receive payment if I accept the Offer?	<p>Provided you have validly accepted the Offer, and subject to the Conditions being fulfilled or waived by Aurene, you will receive the consideration to which you are entitled on acceptance of the Offer on the earlier of:</p> <ul style="list-style-type: none"> • one month after the Offer is accepted by you, or if the Offer is subject to the Conditions at the time the Offer has been validly accepted by you, one month after the Offer becomes Unconditional; and • 21 days after the end of the Offer Period. 	Section 5.9
What happens if Aurene increases the Offer?	If Aurene improves the Offer Price during the Offer Period, any Shareholder who had previously accepted the Offer will be entitled to receive the improved Offer price.	
What are the conditions to the Offer?	<p>The Offer is subject to the following conditions:</p> <ul style="list-style-type: none"> • a 90% minimum acceptance condition; • all regulatory approvals required by law or by a regulatory authority are obtained and remain in effect; • no material adverse event occurring up to the end of the Offer Period; • no material acquisitions, disposals or commitments and maintenance of the status quo during the bid period; • no Prescribed Occurrence occurs; • no material changes to the conduct of Alt Resources' business; • no untrue statements; • no regulatory action; • non-existence or exercise of certain rights; • Alt Resources Performance Shares and Alt Resources Options are exercised, converted, cancelled or transferred to Aurene or agreement reached to do so; • equal access to information; • no break fees; 	<p>Annexure A</p> <p>Bidder's Statement – Appendix 2</p>

	<ul style="list-style-type: none"> • Alt Resources has validly exercised its option under the Option Agreement, which remains valid; • no direct or indirect disposal of, or encumbrance over, Mining Interests; • Alt Resources' new mining rights and Mining Interest renewals have been disclosed and are kept in good standing during the bid period; • no material fall in S&P/ASX All Ordinaries Gold Index; • no material fall in the gold price; and • other standard conditions for a transaction of this type; <p>This is a summary only.</p> <p>Subject to the above, Aurene will declare the Offer unconditional immediately after it has received acceptances to satisfy the minimum acceptance condition of 90%.</p>	
When does the Offer close?	The Offer is presently scheduled to close at 7:00pm (AEST) on 7 August 2020 (unless extended).	
What happens if the conditions are not satisfied or waived?	The Conditions are conditions subsequent. The non-fulfilment of a condition subsequent does not, until the end of the Offer Period, prevent a contract to sell your Alt Resources Shares from arising, but it does entitle Aurene by written notice to you to rescind the contract resulting from your acceptance of the Offer. If a Condition is not satisfied, it may be waived by Aurene subject to the terms of the Bidder's Statement.	Bidder's Statement – Section 2
What happens if I accept the Offer now?	If you accept the Offer now, while it is conditional, you will give up your rights to sell your Alt Resources Shares or otherwise deal with them (for example, by accepting a superior proposal if one was to emerge) unless the limited withdrawal rights apply at the applicable time and you validly withdraw your acceptance.	Section 4
When will Aurene advise as to the status of the conditions?	Paragraph 8 of the Terms of the Offer in Appendix 1 of the Bidder's Statement indicates that the Bidder will give a Notice of Status of Conditions in accordance with section 630(1) of the Corporations Act.	Section 5.3
Can Aurene extend the Offer?	Aurene may extend the Offer at any time but only if within the period of 1 month after the date of the Offer, Aurene has received acceptances giving Aurene a Relevant Interest in at least 90% of all of the Alt Resources Shares and the Offer has	Section 5

	<p>been declared unconditional, other than with the prior written approval of Alt Resources.</p> <p>In addition, there will be an automatic extension of the Offer Period, if within the last 7 days of the Offer Period:</p> <ul style="list-style-type: none"> • Aurene improves the consideration offered under the Offer; or • Aurene's voting power in Alt Resources increases to more than 50%. <p>If either of these two events occurs, the Offer Period will be automatically extended so that it ends 14 days after the relevant event occurs.</p>	
Does Alt Resources expect a competing offer?	<p>It is not the Alt Resources Board's role to speculate on the likelihood of a competing offer.</p> <p>If a competing offer emerges, the Alt Resources Board will deal with it at the time and update shareholders accordingly.</p>	Section 2

Options for Alt Resources Shareholders		
What choices do I have as a Shareholder?	<p>As a Shareholder, you have the following choices in respect of your Shares:</p> <ul style="list-style-type: none"> • accept the Offer in respect of all of your Alt Resources Shares; • sell your Alt Resources Shares to a Third Party; or • do nothing in relation to the Offer. <p>If you have already sold all your Alt Resources Shares, no action is required.</p>	Section 4.11
When do I have to decide?	<p>If you wish to accept the Offer you need to do so before its scheduled closing date. Aurene has stated that its Offer is scheduled to close at 7:00pm (AEST) on 7 August 2020, unless it is extended.</p> <p>If you wish to reject the Offer, you do not need to do anything.</p>	

How to respond to the Offer		
How do I accept the Offer?	<p>To accept the Offer, you should follow the instructions set out on the Acceptance Form that accompanies the Bidder's Statement.</p>	Bidder's Statement – Acceptance and Transfer Form

	You may only accept the Offer in respect of all of the Alt Resources Shares held by you.	
What should I do if I did not receive or have misplaced my Acceptance Form?	If you have not received or misplaced your Acceptance Form please contact the Alt Resources' Company Secretary at the following email address: elissa.hansen@cosecservices.com.au	
How do I reject the Offer?	To reject the Offer, you should do nothing. If you decide to do nothing, you should be aware of the rights of Aurene to compulsorily acquire your Shares in certain circumstances.	
Can I accept the Offer for part of my shareholding?	No. You cannot accept the Offer for part of your shareholding. You may only accept the Offer made to you for all of the Alt Resources Shares held by you.	
What are the consequences of accepting the Offer?	<p>If you accept the Offer you will receive \$0.0505 (5.05 cents) cash for each Alt Resources Share you hold.</p> <p>If you accept the Offer, unless withdrawal rights are available, you will give up your right to sell your Alt Resources Shares on the ASX or otherwise deal with your Alt Resources Shares while the Offer remains open.</p> <p>The effect of acceptance is set out in Appendix 1 of the Bidder's Statement. Alt Resources Shareholders should read that Appendix in full to understand the effect that acceptance will have on their ability to exercise rights attaching to their Alt Resources Shares and the representations and warranties they give by accepting the Offer.</p>	Section 5 Bidder's Statement – Appendix 1
If I accept the Offer now, can I withdraw my acceptance?	<p>You may withdraw your acceptance only if the Offer terminates in accordance with Appendix 1 of the Bidder's Statement or if Aurene varies the Offer in a way that postpones the time when Aurene is required to satisfy its obligations by more than 1 month.</p> <p>Further details on your ability to withdraw your acceptance are set out in this Target's Statement.</p>	Section 5
What happens if I do nothing?	You will remain an Alt Resources Shareholder. However, Aurene has stated that if it becomes entitled to compulsorily acquire Alt Resources Shares, it intends to do so.	Section 4.11

	<p>If you do not accept the Offer and Aurene acquires a relevant interest in at least 90% of Alt Resources Shares and the Offer Conditions are satisfied or waived, Aurene intends to proceed to compulsorily acquire your Alt Resources Shares.</p> <p>If you do not accept the Offer and Aurene does not acquire a relevant interest in at least 90% but above 50% of Alt Resources Shares and the Offer becomes unconditional, you will remain an Alt Resources Shareholder. You may be left holding Alt Resources Shares with limited liquidity and with Aurene as the controlling shareholder of Alt Resources.</p>	
<p>Can I be forced to sell my shares?</p>	<p>You cannot be forced to sell your Alt Resources Shares unless Aurene acquires a Relevant Interest in at least 90% of all Alt Resources Shares.</p> <p>Aurene's intentions with respect to compulsory acquisition are set out in the Bidder's Statement in that the Offer is for 100% of Alt Resources. If Aurene becomes entitled to do so under the Corporations Act, it may give notices to compulsorily acquire any outstanding Alt Resources Shares in accordance with section 661B of the Corporations Act.</p>	

General Matters		
<p>What are the tax implications of accepting the Offer?</p>	<p>A general outline of the Australian tax implications of accepting the Offer is set out in the Bidder's Statement.</p> <p>As the outline is general in nature, you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the offer.</p>	<p>Section 8</p> <p>Bidder's Statement – Section 7</p>
<p>Do I pay brokerage if I accept?</p>	<p>No brokerage or stamp duty will be payable as a result of your acceptance of the Offer.</p>	<p>Section 3.4</p>
<p>If I have further questions in relation to the Offer, what can I do?</p>	<p>You can:</p> <ul style="list-style-type: none"> • call the Company Secretary on 0411 764 556 at any time between 8:30am and 5:00pm (AEST) on Monday to Friday. • call the Offer Information Line. • contact your financial or other professional adviser. 	

2. WHY YOU SHOULD ACCEPT THE OFFER

2.1 Introduction

The consideration being offered by Aurene under the Offer is \$0.0505 (5.05 cents) cash for each Alt Resources Share. The Offer is subject to a number of conditions. The Offer Conditions are summarised in Section 5.2 of this Target's Statement.

The Alt Resources Board has carefully considered the Offer and unanimously recommends that Alt Resources Shareholders accept the Offer promptly to ensure their acceptance is received before 7:00 pm (AEST) on 7 August 2020. All Alt Resources Directors intend to accept the Offers in respect of the Alt Resources Shares that they own or control, in the absence of a superior proposal. The Alt Resources Directors' reasons for their recommendation are set out below.

2.2 The Offer Price of \$0.0505 cash for every Alt Resources Share represents a significant premium to trading prices of Alt Resources Shares prior to the announcement of the Offer

The cash consideration to be received by Alt Resources Shareholders who accept the Offer represents a significant premium to the levels that Alt Resources Shares traded prior to the announcement of the Offer.

Alt Resources' Share Price Chart, Source: IRESS (2 Jan 2019 to 28 April 2020)

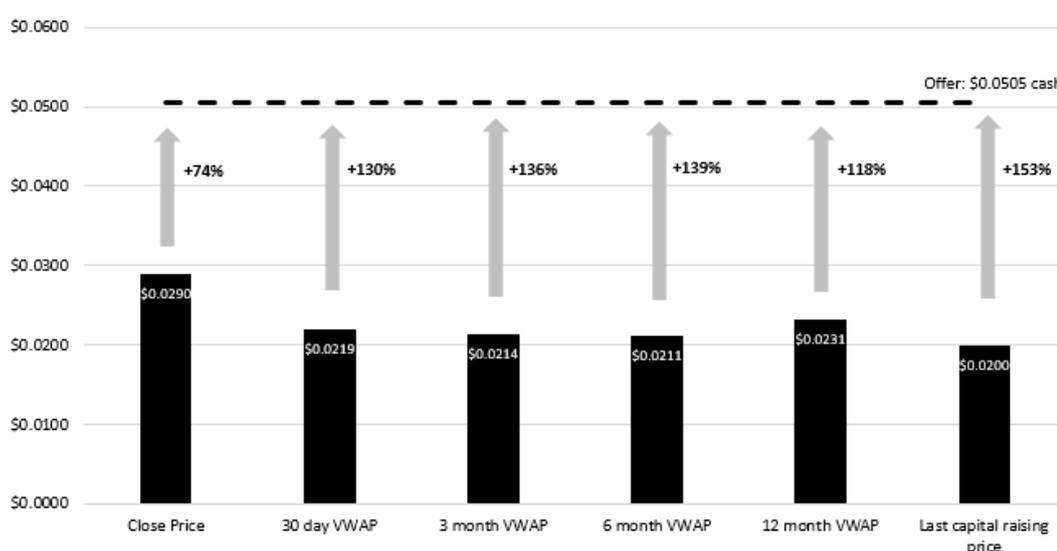


The Offer of \$0.0505 per Alt Resources Share represents:

- a 74% premium to the closing price of \$0.029 for Alt Resources Shares on 28 April 2020, being the last day of trading before Alt Resources went into a trading halt prior to announcement of the Offer;
- a 130% premium to the price of \$0.0219 being the volume weighted average price of Alt Resources Shares over the 30 days up to and including 28 April 2020;

- a 136% premium to the price of \$0.0214 being the volume weighted average price of Alt Resources Shares over the 3 months up to and including 28 April 2020;
- a 139% premium to the price of \$0.0211 being the volume weighted average price of Alt Resources Shares over the 6 months up to and including 28 April 2020;
- a 118% premium to the price of \$0.0231 being the volume weighted average price of Alt Resources Shares over the 12 months days up to and including 28 April 2020; and
- a 153% premium to the last price of \$0.02 per Alt Resources Share at which Alt Resources placed Alt Resources Shares in the market to raise capital in April 2020.

Implied Premiums, Source: IRESS (2 Jan 2019 to 28 April 2020)



2.3 The all-cash Offer provides Alt Resources Shareholders full, certain value for your Alt Resources Shares (subject to the Offer becoming unconditional or the Conditions being satisfied)

The Offer is to acquire all of your Alt Resources Shares for cash.

By accepting the Offer:

- you will receive \$0.0505 cash for each Alt Resources Share in respect of which you accept the Offer (subject to the Offer becoming, or being declared, wholly unconditional); and
- in the usual case, you will be paid within one month after the later of the date of receipt of your acceptance and the date on which the Offer becomes, or is declared, wholly unconditional, and, in any event, within 21 days after the end of the Offer Period (subject to the Offer becoming, or being declared, wholly unconditional).

If your Alt Resources Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Aurene, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Alt Resources Shares are registered in a CHES Holding, or if you are a beneficial owner whose Alt Resources Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your stockbroker) or the relevant nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

The Offer provides you with the opportunity to receive a certain cash return relative to retaining your Alt Resources Shares. If you retain your Alt Resources Shares, you will continue to be exposed to risks associated with, amongst other things:

- (a) Alt Resources Share price volatility;
- (b) commodity price risk and in particular the gold price;
- (c) funding risk;
- (d) exploration, development and operational risks; and
- (e) risks surrounding the development and/or access to infrastructure.

These (and other) risk factors are discussed in section 4.14 of this Target's Statement.

If the Offers are unsuccessful, the further exploration and development of the Bottle Creek and Mt Ida gold projects will require additional capital, and there are no guarantees that such capital could be secured on terms that would not result in the significant dilution of existing Shareholders, or at all.

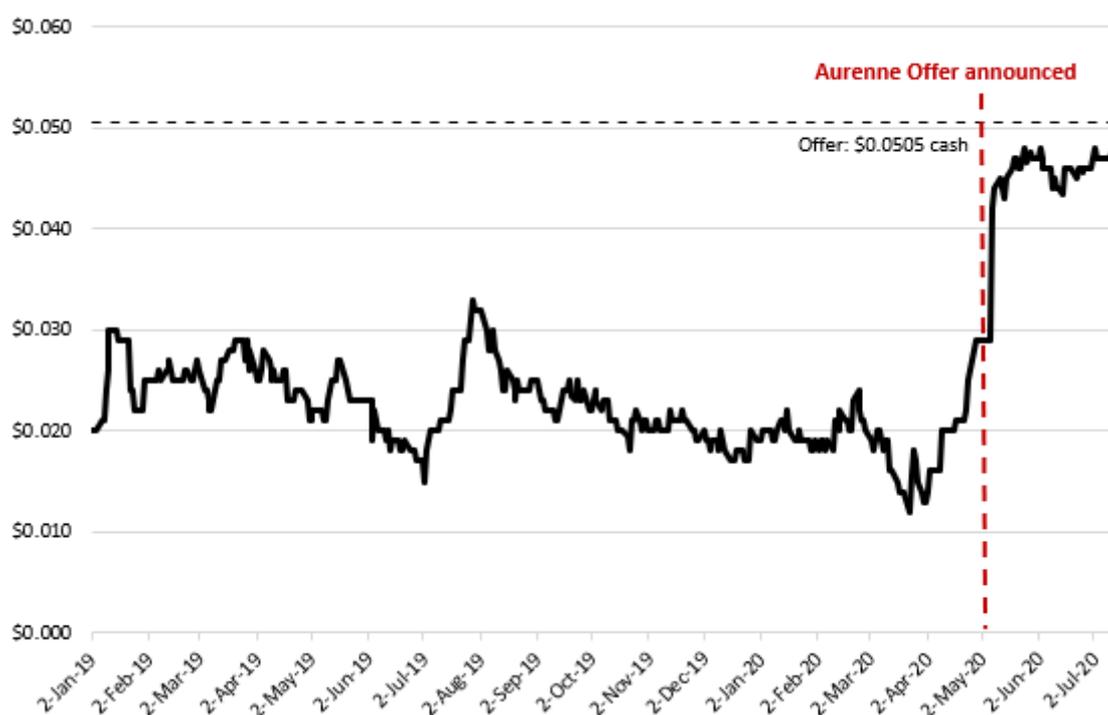
2.4 The Independent Expert has concluded that in the absence of an alternate offer, the Offer is fair and reasonable

BDO, the Independent Expert appointed by Alt Resources, has concluded that, in the absence of an alternate offer, the Offer is **fair and reasonable**. A copy of the Independent Expert's Report is set out in Annexure B of this Target's Statement. Shareholders are encouraged to read the Independent Expert's Report in full.

2.5 There are risks in not accepting the Offer

If Aurene does not acquire all of the Alt Resources Shares, and no superior proposal is received by Alt Resources, your Alt Resources Directors believe that Alt Resources' share price may fall to levels below the Offer Price.

Alt Resources' Share Price Chart, Source: IRESS (2 Jan 2019 to 2 July 2020)



The Offer is subject to the Offer Conditions, including the Minimum Acceptance Condition, and Aurenne has indicated that if it acquires a Relevant Interest in at least 90% of the Aurenne Shares by the end of the Offer Period, it intends to:

- (a) proceed with compulsory acquisition of the outstanding Alt Resources Shares in accordance with section 661B of the Corporations Act; and
- (b) arrange for Alt Resources be removed from the official list of ASX. Under the ASX Listing Rules, a listed company must maintain a spread of share holdings which, in ASX's opinion, is sufficient to ensure there is an orderly and liquid market in securities. ASX may suspend and de-list a company that does not meet its spread requirements. It is possible that, whether or not Aurenne intends for Alt Resources to be de-listed, ASX may de-list Alt Resources if Aurenne acquires 90% or more of the Alt Resources Shares.

Aurenne has indicated that it does not currently intend to waive the Minimum Acceptance Condition (but reserves the right to do so). This means that if the Minimum Acceptance Condition is waived, there is a risk that, if you do not accept the Offer by the end of the Offer Period (and the other Offer Conditions are satisfied or waived), you may end up being a minority Alt Resources Shareholder. This will have a number of possible implications, including:

- (a) Aurenne may be in a position to cast the majority of votes at a general meeting of Alt Resources. This would enable it to control the composition of the Alt Resources Board and senior management, determine Alt Resources' dividend policy and control the strategic direction of the business;
- (b) the liquidity of Alt Resources Shares may be lower than at present;

- For personal use only
- (c) if the number of Alt Resources Shareholders is less than that required by the Listing Rules to maintain an ASX listing, then the ASX may suspend and/or de-list Alt Resources. If this occurs, any remaining Alt Resources Shareholders will not be able to sell their Alt Resources Shares on market;
 - (d) if Aurenne acquires 75% or more of the Alt Resources Shares, Aurenne will be able to pass a special resolution of Alt Resources. This will enable Aurenne to, among other things, change Alt Resources' constitution; and
 - (e) if Aurenne acquires a majority of the Alt Resources Shares, your Alt Resources Directors believe that it is unlikely that a subsequent takeover bid for Alt Resources will emerge at a later date from a Third Party.

Alt Resources Shareholders should take these possible implications into account in considering whether to accept the Offer.

The Alt Resources Directors recommend that Alt Resources Shareholders should accept the Offer promptly to ensure their acceptance is received before 7:00 pm (AEST) on 7 August 2020, in the absence of a superior proposal.

2.6 No superior proposal for Alt Resources has emerged

Your Alt Resources Directors consider the Offer to be the best proposal available to Alt Resources Shareholders and unanimously recommend that Alt Resources Shareholders accept the Offer, in the absence of a superior proposal.

As at the last Business Day prior to the date of this Target's Statement, no competing proposal or superior proposal had been received by the Alt Resources Board.

2.7 Alt Resources Directors intend to accept the Offer in the absence of a superior proposal

The Alt Resources Directors unanimously recommend that you accept the Offer, in the absence of a superior proposal.

Each of the Alt Resources Directors who holds a Relevant Interest in Alt Resources Shares has indicated their intention to accept, or procure the acceptance of, the Offers in respect of the Alt Resources Shares that they, or their Associates, own or control or otherwise have a Relevant Interest in, subject to their being no superior proposal. Such acceptance will occur no later than five Business Days before the end of the Offer Period in the absence of a superior proposal.

The Alt Resources Shares which are held by your Directors and their Associates represents approximately 3.38%, in aggregate, of the total Alt Resources Shares on issue at the time of the Target's Statement.

The Alt Resources Options which are held by your Directors and their Associates, with various expiry dates and exercise prices, represents approximately 9.95%, in aggregate, of the total Alt Resources Options on issue at the time of this Target's Statement.

Each of the Alt Resources Directors have consented to the disclosure of their intention. The commitment by the Directors supports the view of the Directors as to the merits of the Offers.

3. DIRECTORS' RECOMMENDATION

3.1 Summary of the Offer

The consideration being offered by Aurenne under the Offer is \$0.0505 cash for each Alt Resources Share. The Offer is subject to a number of Offer Conditions. Those Offer Conditions are summarised in section 5.2 of this Target's Statement.

You should have received the Bidder's Statement from Aurenne, containing the full terms and conditions of the Offer, together with other information material to your decision whether or not to accept the Offer.

3.2 Directors' recommendations

After taking into account each of the matters in this Target's Statement (including the Independent Expert's Report) and in the Bidder's Statement, each of the Alt Resources Directors recommends that you accept the Offer (in the absence of a superior proposal).

The Alt Resources Directors' reasons for their above recommendation are set out in section 2 of this Target's statement.

In considering whether to accept the Offer, the Alt Resources Directors encourage you to:

- (a) read the whole of this Target's Statement (including the Independent Expert's Report) and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) consider the choices available to you as outlined in section 4.11 of this Target's Statement;
- (d) carefully consider the risk factors in section 4.14 of this Target's Statement;
- (e) carefully consider section 2.5 of this Target's Statement, including the risks of becoming a minority Alt Resources Shareholder; and
- (f) obtain financial advice from your broker or financial adviser upon the Offer and obtain taxation advice on the effect of accepting the Offer.

3.3 Intentions of the Alt Resources Directors in relation to the Offer

Each Alt Resources Director has advised that they intend to accept the Offer in respect of any Alt Resources Shares that they own or control, in the absence of a superior proposal.

Details of the previously announced direct and indirect holdings of each Alt Resources Director in Alt Resources Shares are set out in section 7.1 of this Target's Statement.

3.4 No brokerage payable

If your Alt Resources Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Aurenne, you will not incur any brokerage in connection with your acceptance of the Offer.

If your Alt Resources Shares are registered in a CHES Holding, or if you are a beneficial owner whose Alt Resources Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your stockbroker) or the relevant nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

4. IMPORTANT MATTERS FOR ALT RESOURCES SHAREHOLDERS TO CONSIDER

4.1 Aurene's Offer

Aurene announced its intention to make the takeover bid for Alt Resources on 7 May 2020. A summary of the Offer is contained in section 5 of this Target's Statement.

Aurene's Offer is open for acceptance until 7:00 pm (AEST) on 7 August 2020, unless it is extended or withdrawn (sections 5.5 and 5.6 of this Target's Statement describe the circumstances in which Aurene can extend or withdraw its Offer).

4.2 Information about Aurene and the Aurene Group

Aurene Ularring Pty Ltd (ACN 640 687 618) is an Australian proprietary company registered in New South Wales. Aurene is a wholly owned subsidiary of Aurene Group Holdings Pty Ltd ACN 627 857 176.

AGH is an Australian proprietary company registered in New South Wales.

AGH is a privately held and fully funded gold mining company located in Australia. AGH owns interests in a number of projects throughout the Goldfields region in Western Australia. The principal activities of the Aurene Group are exploration and mining specialising in gold projects based throughout the Goldfields region in Western Australia.

AGH owns the following interests:

- Aurene Kalpini Pty Limited (wholly owned subsidiary) – Tenement package in East Kalgoorlie
- Aurene Cannons Pty Limited (wholly owned subsidiary) - Tenement package in East Kalgoorlie
- Aurene Parker Range Pty Limited (wholly owned subsidiary) - Tenement package in Southern Cross
- Aurene NIC Pty Limited (wholly owned subsidiary) - Tenement package in Southern Cross

AGH is able to attract funding for its investments from private, as well as institutional investors and family offices from its global network of relationships.

AGH is the sole shareholder of Aurene. As at the date of this Target's Statement, the major shareholders of AGH are:

Name	Shareholding
Margaret Colleen Hoddinott Brice	10,500 ordinary shares representing 70%
Carl Alec Rose (Jacqual Pty Ltd)	1,875 ordinary shares representing 12.5%
Ravindran George Underwood (a proportion of which is held by Merebel Pty Ltd)	1,875 ordinary shares representing 12.5%
Larmenius Holdings Pty Ltd	750 ordinary shares representing 5%

Section 3 of the Bidder's Statement contains further information regarding Aurenne.

4.3 Value of Aurenne's Offer

At a value of \$0.0505 per Alt Resources Share, the Offer represents:

- a 74% premium to the closing price of \$0.029 for Alt Resources Shares on 28 April 2020, being the last day of trading before Alt Resources went into trading halt prior to announcement of the Offer;
- a 130% premium to the price of \$0.0219 being the volume weighted average price of Alt Resources Shares over the 30 days up to and including 28 April 2020;
- a 136% premium to the price of \$0.0214 being the volume weighted average price of Alt Resources Shares over the 3 months up to and including 28 April 2020;
- a 139% premium to the price of \$0.0211 being the volume weighted average price of Alt Resources Shares over the 6 months up to and including 28 April 2020;
- a 118% premium to the price of \$0.0231 being the volume weighted average price of Alt Resources Shares over the 12 months days up to and including 28 April 2020; and
- a 153% premium to the last price of \$0.02 per Alt Resources Share at which Alt Resources placed Alt Resources Shares in the market to raise capital in April 2020.

For further information on the value of the Offer, refer to section 2 of this Target's Statement and the Independent Expert's Report set out in Annexure B of this Target's Statement.

4.4 Sources of consideration

Information relating to the sources of consideration for the Offer are set out in section 6 of the Bidder's Statement.

4.5 Independent Expert's Report

This Target's Statement includes, at Annexure B, a copy of a report by BDO (an independent expert not associated with either Alt Resources or Aurenne) stating whether, in its opinion, the Offer is fair and reasonable and giving reasons for forming that opinion.

Alt Resources Directors recommend that you read the Independent Expert's Report in full.

By way of summary, the Independent Expert has concluded that, in the absence of an alternate offer, the Offer is fair and reasonable to Alt Resources Shareholders.

4.6 Minority ownership consequences

Aurenne's Offer is presently subject to a Minimum Acceptance Condition. Aurenne has the right to free its Offer from the Minimum Acceptance Condition.

If Aurene waives the Minimum Acceptance Condition and acquires more than 50% but less than 90% of the Alt Resources Shares then, assuming all other Offer Conditions are fulfilled or freed, Aurene will acquire a majority shareholding in Alt Resources.

Accordingly, Alt Resources Shareholders who do not accept the Offer may become minority shareholders in Alt Resources. This has a number of possible implications, including:

- (a) Aurene will be in a position to cast the majority of votes at a general meeting of Alt Resources. This will enable it to control the composition of Alt Resources Board and senior management, determine Alt Resources' dividend policy and control the strategic direction of the businesses of Alt Resources and its subsidiaries;
- (b) the liquidity of Alt Resources Shares may be lower than at present;
- (c) there may be limited institutional support for Alt Resources Shares;
- (d) if the number of Alt Resources Shareholders is less than that required by the Listing Rules to maintain an ASX listing then the ASX may suspend and/or de-list Alt Resources. If this occurs, any remaining Alt Resources Shareholders will not be able to sell their Alt Resources Shares on market;
- (e) if the number of Alt Resources Shareholders is less than that required by the ASX Listing Rules to maintain an ASX listing then Aurene may seek to have Alt Resources removed from the official list of the ASX. If this occurs, Alt Resources Shares will not be able to be bought or sold on the ASX;
- (f) if Aurene acquires 75% or more of the Alt Resources Shares, Aurene will be able to pass a special resolution of Alt Resources. This will enable Aurene to, among other things, change Alt Resources' constitution; and
- (g) if Aurene acquires a majority of the Alt Resources Shares on issue, your Alt Resources Directors believe that it is unlikely that a subsequent takeover bid for Alt Resources will emerge at a later date from a Third Party.

Aurene does not currently intend to waive the Minimum Acceptance Condition, but reserves the right to do so. Refer to section 5 of the Bidder's Statement for further details of Aurene's intentions if it acquires more than 50% but less than 90% of the Alt Resources Shares under the Offer.

4.7 Dividend issues for Alt Resources Shareholders

Alt Resources has never paid a dividend and the Board does not expect this to change in the short to medium term.

4.8 Other alternatives to the Offer

The Board is not aware of any alternatives to the Offer in order to maximise value for Alt Resources Shareholders.

At this stage, the Board is not in a position to provide Alt Resources Shareholders with information in relation to the probability of an alternative transaction arising but will keep Alt Resources Shareholders informed of any material developments.

4.9 Alt Resources' share price absent the Offer

While there are many factors that influence the market price of Alt Resources Shares, your Alt Resources Directors anticipate that the market price of Alt Resources Shares may fall if Aurenne's Offer fails or if the takeover is otherwise unsuccessful.

4.10 Taxation consequences of a change in control in Alt Resources

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Offer are set out in section 7 of the Bidder's Statement as supplemented by section 8 of this Target's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

4.11 Your choices as an Alt Resources Shareholder

Your Alt Resources Directors unanimously recommend that you accept the Offer (in the absence of a superior proposal).

However, as an Alt Resources Shareholder you have the following choices currently available to you:

(a) **Accept the Offer**

Alt Resources Shareholders may elect to accept the Offer. Details of the consideration that will be received by Alt Resources Shareholders who accept the Offer are set out in section 5.1 of this Target's Statement and in the Bidder's Statement.

Alt Resources Shareholders should be aware that if they accept the Offer, they may be liable for CGT on the disposal of their Alt Resources Shares. However, they will not incur a brokerage charge (see Appendix 1) of the Bidder's Statement).

The Bidder's Statement contains details of how to accept the Offer in section 2 of the Bidder's Statement.

(b) **Do not accept the Offer**

Alt Resources Shareholders who do not wish to accept the Offer should do nothing.

Alt Resources Shareholders should note that if Aurenne and its Associates have a Relevant Interest in at least 90% of the Alt Resources Shares during or at the end of the Offer Period, Aurenne will be entitled to compulsorily acquire the Alt Resources Shares that it does not already own (see section 5.12 of this Target's Statement for further details).

If Aurenne acquires more than 50% but less than 90% of the Alt Resources Shares then, assuming all other Offer Conditions are fulfilled or freed, Aurenne will acquire a majority shareholding in Alt Resources. In these circumstances, shareholders who do not accept the Offer will

become minority shareholders in Alt Resources. The potential implications of becoming a minority shareholder in Alt Resources are discussed in section 4.5 of this Target's Statement.

However, Aurene has made no decision to waive the Minimum Acceptance Condition (but reserves the right to do so). Refer to section 5.3 of the Bidder's Statement for further details of Aurene's intentions if it acquires more than 50% but less than 90% of the Alt Resources Shares under the Share Offer.

(c) **Sell your Alt Resources Shares on market**

During a takeover, shareholders of a target company who have not already accepted the bidder's offer may still sell these shares on market for cash.

On 16 July 2020, the day prior to the date on which this Target's Statement was lodged with ASIC, Alt Resources' share price was \$0.047, being a discount to the Offer Price. The latest price for Alt Resources Shares may be obtained from the ASX website <http://www.asx.com.au/>.

Alt Resources Shareholders who sell their Alt Resources Shares on market may be liable for CGT on the sale (see section 7.2 of the Bidder's Statement) and may incur a brokerage charge.

Alt Resources Shareholders who wish to sell their Alt Resources Shares on market should contact their broker for further information on how to effect that sale.

4.12 **Alt Resources Optionholders**

As at the date of this Target's Statement, there are 75,921,585 Alt Resources Options (unlisted) on issue.

Subject to the terms of the Alt Resources Employee Incentive Plan or other applicable terms, each Alt Resources Option confers on its holder the right to subscribe for and be issued one Share, on payment of the specified exercise price.

Of the Alt Resources Options:

- (a) 66,462,685 Alt Resources Options have an exercise price below the Offer Price; and
- (b) 9,458,900 Alt Resources Options have an exercise price above the Offer Price and are unlikely to be exercised.

Details of these options are set out in Appendix 4 of the Bidder's Statement.

Aurene has proposed to the holders of the Alt Resources Options to enter into private cancellation deeds (**Cancellation Deeds**) to effect the cancellation of the Alt Resources Options for the payment of a cancellation fee equal to the 'in-the-money value', being the difference between the Offer Price and the exercise price of the Alt Resources Options.

Completion under the Cancellation Deeds is conditional on:

- (a) the Offer becoming or being declared unconditional; and

- (b) obtaining all ASX approvals, confirmations or waivers necessary to undertake and effect the transactions under the Cancellation Deeds without first obtaining shareholder approval, including a waiver of any requirement under ASX Listing Rule 6.23 to obtain the approval of Alt Resources Shareholders to the cancellation of such Alt Resources Options.

For the avoidance of doubt, to the extent that Cancellation Deeds are not entered into with any holders of Alt Resources Options, such holders will be entitled to accept the Offer for any Alt Resources Shares issued before the end of the Offer Period as a result of the exercise of their Alt Resources Options.

If you are an Alt Resources Optionholder, please refer to section 4.5 of the Bidder's Statement and section 9.6 of this Target's Statement for information regarding the effect of the Offer on your holding of Alt Resources Options.

4.13 Alt Resources Performance Shares

There are no Alt Resources Performance Shares currently on issue.

Alt Resources issued Alt Resources Performance Shares on 19 December 2017, convertible into fully paid ordinary shares subject to the achievement of certain performance targets.

On 22 May 2020, Alt Resources announced the cancellation of the outstanding 12,000,000 Alt Resources Performance Shares, unvested in accordance with their terms and conditions.

4.14 Risk factors

(a) Introduction

In considering this Target's Statement, Alt Resources Shareholders should be aware that there are a number of risks, general and specific, which may affect the future operating and financial performance of Alt Resources and the value of Alt Resources Shares.

Many of these risks are outside the control of Alt Resources and the Alt Resources Board. There can be no certainty that Alt Resources will achieve its stated objectives or that any forward-looking statements will eventuate.

Additional risks and uncertainties not currently known to Alt Resources may have a material adverse effect on Alt Resources' business and the information set out below does not purport to be, nor should it be construed as representing, an exhaustive list of the risks that may affect Alt Resources.

The following is not intended to be an exhaustive list of the risk factors to which Alt Resources is exposed. Alt Resources Shareholders should read this Target's Statement in its entirety and carefully consider the following risk factors in deciding whether to accept the Offer.

(b) Share price

There is a risk that the Alt Resources Share price may fall if the Offer is unsuccessful.

(c) **Market Conditions**

Share market conditions may affect the value of Alt Resources' quoted securities regardless of Alt Resources' operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither Alt Resources nor the Alt Resources Directors warrant the future performance of Alt Resources or any return on an investment in Alt Resources.

(d) **Funding risks and additional requirements for capital**

Alt Resources' capital requirements depend on numerous factors. Alt Resources will require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If Alt Resources is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and operations and scale back its exploration programmes as the case may be. There is however no guarantee that Alt Resources will be able to secure any additional funding or be able to secure funding on terms favourable to Alt Resources.

(e) **Mining and exploration risks**

Mineral exploration, mining and development are speculative and high risk undertakings and there can be no assurances that the tenements currently held by Alt Resources will result in the delivery of an economic ore deposit or that such mineralisation will be commercially viable.

The success of Alt Resources' business depends on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining may be adversely impacted by force majeure circumstances, land claims and unforeseen mining problems. There is no assurance that Alt Resources' attempts to develop and exploit its exploration projects will be successful.

The economic realisation of successful discoveries also involves obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and the exercise of discretion by such authorities.

(f) **Ore reserve and mineral resource estimates**

Ore reserve and mineral resource estimates are expressions of judgement based on drilling results, knowledge, past experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and, thus, estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always certainly differ from the assumptions used to develop reserves. Further, ore reserves are valued based on future costs and future prices and, consequently, the actual ore reserves and mineral resources may differ from those estimated, which may result in either a positive or negative effect.

Inferred mineral resources that are not ore reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to measured or indicated resources or proven or probable ore reserves as a result of continued exploration.

(g) **Geological and geotechnical**

There is a risk that unforeseen geological and geotechnical difficulties may be encountered when exploring, developing and mining ore reserves. In this event, a loss of revenue may be caused due to the lower than expected production and/or higher than anticipated operation and maintenance costs and/or on-going unplanned capital expenditure in order to meet production targets.

(h) **Environmental risks**

Mining and exploration involves a risk of environmental damage. Alt Resources may be required to comply with certain environmental management issues from time to time. The potential for liability is an ever-present risk. Alt Resources intends to ensure that it conducts its operations to comply with all relevant applicable environmental legislation. Despite this endeavour, certain environmental risks are inherent in Alt Resources' operations.

(i) **General legal and taxation matters**

Future earnings, asset values and the relative attractiveness of Alt Resources Shares may be affected by changes in law and government policy. In addition, accepting the Offer may involve tax considerations that may differ for each Alt Resources Shareholder. Each Alt Resources Shareholder is encouraged to seek professional tax advice in connection with accepting the Offer (see also Section 8 of this Target's Statement in respect of Australian tax considerations).

(j) **Government policy**

Industry profitability can be affected by changes in government, which are not within the control of Alt Resources. Alt Resources' activities are subject to extensive legislation, regulation and various approvals controlling the exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of Alt Resources' operations.

There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed.

The introduction of new regulations, or alteration of current legislation and regulations could cause additional expense, restrictions and delays in the exploration and development of Alt Resources' tenements, the extent of which cannot be predicted.

(k) **Weather and climatic conditions**

The current and future operations of Alt Resources may be affected by limitations on activities due to seasonal weather patterns and heavy rain.

4.15 Other factors to consider - why you might not wish to accept the Offer

The Alt Resources Directors consider that Alt Resources Shareholders should also be aware of the following factors in making their decision in relation to the Offer:

- (a) you may disagree with the Alt Resources Directors, and believe that the Offer is not in the best interests of Alt Resources Shareholders;
- (b) except under limited circumstances, if you accept the Offer, you will not be able to accept an alternative offer, should one emerge;
- (c) by accepting the Offer for all of your Alt Resources Shares, you will no longer have any economic exposure to Alt Resources' future operations, results and performance;
- (d) there is a possibility that international economic conditions may have a positive impact on the demand for and price for gold; and
- (e) you may consider that you will have the opportunity to dispose of your Alt Resources Shares at a price in excess of \$0.0505 per Alt Resources Share in the future.

Despite these factors, the Alt Resources Directors unanimously recommend that you accept the Offer, and each Alt Resources Director intends to accept, the Offer in respect of any Alt Resources Shares that they own or control, in the absence of a superior proposal.

The Alt Resources Directors encourage Alt Resources Shareholders to carefully read the risk factors in section 4.14 of this Target's Statement associated with retaining an investment in Alt Resources.

5. KEY FEATURES OF AURENNE'S OFFER

5.1 Consideration payable to Alt Resources Shareholders who accept the Offer

The consideration being offered by Aureenne is \$0.0505 cash for each Alt Resources Share that Aureenne does not already own.

5.2 Offer Conditions

Aureenne's Offer is subject to a number of Offer Conditions. The Offer Conditions are set out in full in Appendix 2 of the Bidder's Statement and Annexure A of this Target's Statement.

In summary, the outstanding Offer Conditions to the Offer, as at the date of this Target's Statement, are:

- (a) a 90% minimum acceptance condition;
- (b) all regulatory approvals required by law or by a regulatory authority are obtained and remain in effect;
- (c) no material adverse event occurring up to the end of the Offer Period;
- (d) no material acquisitions, disposals or commitments and maintenance of the status quo during the bid period;
- (e) no Prescribed Occurrence occurs;
- (f) no material changes to the conduct of Alt Resources' business;
- (g) no untrue statements;
- (h) no regulatory action;
- (i) non-existence or exercise of certain rights;
- (j) Alt Resources Performance Shares and Alt Resources Options are exercised, converted, cancelled or transferred to Aureenne or agreement reached to do so;
- (k) equal access to information;
- (l) no break fees;
- (m) Alt Resources has validly exercised its option under the Option Agreement, which remains valid;
- (n) no direct or indirect disposal of, or encumbrance over, Mining Interests;
- (o) new mining rights and Mining Interest renewals have been disclosed and are kept in good standing during the bid period;
- (p) no material fall in S&P/ASX All Ordinaries Gold Index; and
- (q) no material fall in the gold price.

As at the date of this Target's Statement, Alt Resources is not aware of any act, omission, event or fact that would result in the failure of any of the Offer Conditions.

Subject to the Corporations Act, Aurene may declare the Offer to be free from any Offer Condition or to extend the Offer at any time.

5.3 Notice of Status of Conditions

Paragraph 8 of the Terms of the Offer contained in Appendix 1 of Bidder's Statement provides that Aurene will give a Notice of Status of Conditions to the ASX and Alt Resources on 30 July 2020 (subject to variation in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

Aurene is required to set out in its Notice of Status of Conditions:

- (a) whether the Offer is free of any or all of the conditions;
- (b) whether, so far as Aurene knows, any of the Offer Conditions have been fulfilled; and
- (c) Aurene's voting power in Alt Resources.

If the Offer Period is extended by a period before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Aurene is required, as soon as practicable after the extension, to give a notice to the ASX and Alt Resources that states the new date for the giving of the Notice of Status of Conditions.

If a condition is fulfilled (so that the Offer becomes free of that condition) during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Aurene must, as soon as practicable, give the ASX and Alt Resources a notice that states that the particular condition has been fulfilled.

5.4 Offer Period

Unless Aurene's Offer is extended or withdrawn, it is open for acceptance from 3 July 2020 until 7:00 pm (AEST) on 7 August 2020.

The circumstances in which Aurene may extend or withdraw its Offer are set out in section 5.5 and section 5.6 respectively of this Target's Statement.

5.5 Extension of the Offer Period

Aurene may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in section 5.3 of this Target's Statement) while the Offer is subject to conditions. However, if the Offer is unconditional (that is, all the Offer Conditions are fulfilled or freed), Aurene may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- (a) Aurene improves the consideration offered under the Offer; or
- (b) Aurene's voting power in Alt Resources increases to more than 50%.

If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

5.6 Withdrawal of Offer

Aurenne may not withdraw the Offer if you have already accepted it. Before you accept the Offer, Aurenne may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

5.7 Effect of acceptance

The effect of acceptance of the Offer is set out in paragraph 11 of Terms of the Offer set out in Appendix 1 of the Bidder's Statement. Alt Resources Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Alt Resources Shares and the representations and warranties which they give by accepting of the Offer.

5.8 Your ability to withdraw your acceptance

You only have limited rights to withdraw your acceptance of the Offer.

You may only withdraw your acceptance of the Offer:

- (a) in the limited circumstances as described in paragraph 14 of Appendix 1 of the Bidder's Statement; or
- (b) if Aurenne varies the Offer in a way that postpones, for more than one month, the time when Aurenne needs to meet its obligations under the Offer. This will occur if Aurenne extends the Offer Period by more than one month and the Offer is still subject to conditions.

5.9 When you will receive your consideration if you accept the Offer

In the usual case, you will be issued your consideration on or before the later of:

- (a) one month after the date the Offer becomes, or is declared, unconditional; and
- (b) one month after the date you accept the Offer if the Offer is, at the time of acceptance, unconditional,

but, in any event (assuming the Offer becomes, or is declared, unconditional), no later than 21 days after the end of the Offer Period.

However, there are certain exceptions to the above timetable for the issuing of consideration. Full details of when you will be issued your consideration are set out in Appendix 1 of the Bidder's Statement.

5.10 Effect of an improvement in consideration on Alt Resources Shareholders who have already accepted the Offer

If Aurenne improves the consideration offered under the Offer, all Alt Resources Shareholders, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration.

5.11 Lapse of Offer

The Offer will lapse if the Offer Conditions are not freed or fulfilled by the end of the Offer Period (or in the case of the conditions in paragraph (f) of Appendix 2 (prescribed occurrences) of the Bidder's Statement, within 3 Business Days after the end of the Offer Period), in which case, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In that situation, you will be free to deal with your Alt Resources Shares as you see fit.

5.12 Compulsory acquisition

(a) Introduction

Aurenne has indicated in section 5.2 of its Bidder's Statement that, if it satisfies the required thresholds, it intends to compulsorily acquire any outstanding Alt Resources Shares in accordance with the Corporations Act. Accordingly, Alt Resources Shareholders should assume that, if Aurenne becomes entitled to exercise its right to compulsorily acquire any outstanding Alt Resources Shares, Aurenne will exercise that right.

(b) Compulsory acquisition

Aurenne will be entitled to compulsorily acquire any Alt Resources Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the Offer Period:

- (i) Aurenne and its Related Bodies Corporate acquire Relevant Interests in at least 90% (by number) of the Alt Resources Shares; and
- (ii) Aurenne and its Related Bodies Corporate have acquired at least 75% (by number) of the Alt Resources Shares that Aurenne offered to acquire (excluding Alt Resources Shares in which Aurenne or its Related Bodies Corporate had a Relevant Interest at the date of the Offer and also excluding Alt Resources Shares issued to an Associate of Aurenne during the Offer Period).

If these thresholds are met and Aurenne wishes to exercise its right to compulsorily acquire any outstanding Alt Resources Shares, Aurenne will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Alt Resources Shareholders who have not accepted the Offer. Alt Resources Shareholders have certain rights under the Corporations Act to challenge a compulsory acquisition pursuant to the procedure outlined in the Corporations Act, but a successful challenge will require the relevant Alt Resources Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their Alt Resources Shares. If compulsory acquisition occurs, Alt Resources Shareholders who have their Alt Resources Shares compulsorily acquired are likely to be sent their consideration approximately five to six weeks after the compulsory acquisition notices are dispatched to them.

(c) **Alternative compulsory acquisition regime**

It is also possible that Aurene will, at some time during or after the end of the Offer Period, either alone or with a Related Body Corporate, hold full beneficial interests in at least 90% (by number) of all the Alt Resources Shares. Aurene would then have rights to compulsorily acquire all of the Alt Resources Shares that it does not own within six months of becoming the holder of 90% (by number) of all the Alt Resources Shares. The price which Aurene would have to pay to compulsorily acquire all of the remaining Alt Resources Shares under this alternative compulsory acquisition regime would have to be considered in a report of an independent expert.

Alt Resources Shareholders would have certain rights under the Corporations Act to challenge a compulsory acquisition pursuant to the procedures outlined in the Corporations Act, but a challenge would require people who hold at least 10% of the Alt Resources Shares that are proposed to be the subject of the compulsory acquisition to object to the compulsory acquisition. If people holding such number of Alt Resources Shares object to the compulsory acquisition, and Aurene still wishes to proceed with the compulsory acquisition, Aurene would be required to establish to the satisfaction of a court that the terms of the compulsory acquisition represent 'fair value' for the Alt Resources Shares. In the absence of a challenge by people holding the requisite number of Alt Resources Shares, Alt Resources Shareholders who have their Alt Resources Shares compulsorily acquired under this procedure are likely to be sent their consideration approximately five to six weeks after the compulsory acquisition notices are dispatched to them.

For personal use only

6. INFORMATION REGARDING ALT RESOURCES

6.1 Background information on Alt Resources

Alt Resources' objectives are the acquisition, exploration, development and in time operation of gold projects.

Alt Resources' portfolio of assets includes the flagship Mt Ida Gold Project including the Bottle Creek gold mine located at Mt Ida in the northern goldfields of Western Australia.

In addition, Alt Resources holds interests in the Paupong Project located in the Lachlan Orogen NSW and the Myalla polymetallic Au-Cu-Zn project east of Dalgety in NSW.

6.2 Directors of Alt Resources

As at the date of this Target's Statement, the directors of Alt Resources are:

Name	Position
William "Bill" Ellis	Chairman
Andrew Sparke	Executive Director
Neva Collings	Non-Executive Director
Grant Harding	Non-Executive Director

6.3 Publicly available information about Alt Resources

Alt Resources is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Alt Resources is subject to the ASX Listing Rules which require continuous disclosure of any information Alt Resources has that a reasonable person would expect to have a material effect on the price or value of its securities.

Copies of ASX announcements made by Alt Resources are available on ASX's website.

6.4 Principal activities of Alt Resources

Alt Resources' principal gold projects are located in the northern Goldfields region of Western Australia.

The Mt Ida Gold Project encompasses the Mt Ida South and the Quinn's Mining Centre projects. These projects lie on the Ballard Fault which is host to a near-continuous mineralised sequence, including the known deposits at the Matisse and Quinn Hills deposits in the north, and the Mount Ida South Project including the Spotted Dog, Tim's Find and Shepherds Bush deposits in the south.

The Bottle Creek gold mine lies ~100 km north west of Menzies in the northern goldfields of Western Australia. The gold mine is located on the northern extremity of the Mt Ida Shear and the confluence of the Zuleika Shear, the Mt Ida Shear extends from south of Davyhurst to Mt Alexander.

For personal use only



Set out below is a summary of the tenements in which Alt Resources (and its 100% owned subsidiary MGK Resources Pty Ltd) holds an interest:

TENEMENT	AREA (km ²)	HOLDERS	ALT RESOURCES INTEREST
EL8645	52.35	Alt Resources & GFM Exploration Pty Ltd	Alt Resources holds 70%
Myalla Project- NSW			
EL8416	57.99	Alt Resources & GFM Exploration Pty Ltd	Alt Resources holds 70%
Bottle Creek Project- WA			
M29/150	5.71	R.S Lehmann	Alt acquiring 100%
M29/151	4.57	R.S Lehmann	Alt acquiring 100%
L29/137 (pending)	100ha	MGK Resources Pty Ltd Pty Ltd	MGK Resources Pty Ltd holds 100%
L29/139	88.22ha	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
Mt Ida Project - WA			
E29/1007	8.4	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/1008	2.8	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%

E29/1014	5.6	MGK Resources Pty Ltd & Maincoast Pty Ltd	MGK Resources Pty Ltd holds 80%
E29/1016	78.4	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/790	11.2	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/901	11.2	MGK Resources Pty Ltd & Maincoast Pty Ltd	MGK Resources Pty Ltd holds 80%
E29/921	78.4	MGK Resources Pty Ltd & Maincoast Pty Ltd	MGK Resources Pty Ltd holds 80%
E29/969	30.8	MGK Resources Pty Ltd & Gazard Investments	MGK Resources Pty Ltd holds 80%
E29/970	5.6	MGK Resources Pty Ltd & Gazard Investments	MGK Resources Pty Ltd holds 80%
E29/971	2.8	MGK Resources Pty Ltd & Gazard Investments	MGK Resources Pty Ltd holds 80%
E29/973	8.4	MGK Resources Pty Ltd & Gazard Investments	MGK Resources Pty Ltd holds 80%
E29/993	2.8	MGK Resources Pty Ltd & Maincoast Pty Ltd	MGK Resources Pty Ltd holds 80%
M29/421	4.39	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/649	16.8	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/748	2.8	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/991	25.2	Alt Resources	Alt Resources holds 100%
E29/997	16.8	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/998	5.6	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
E29/1073	14	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
M29/36	1.21	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
M29/37	2.42	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
M29/65	8.07	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
L29/140 (pending)	23	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
P29/2173 (pending)	120	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
P29/2468	185	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
P29/2521	164	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
P29/2522	177.21	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%
P29/2534	121.45	MGK Resources Pty Ltd	MGK Resources Pty Ltd holds 100%

Alt Resources has recently been advancing its key projects through resource and reserve delineation and advancing economic studies. Alt Resources has published JORC 2012 Resource and Reserve Estimates for its gold projects as outlined below.

JORC 2012 Mineral Resource Estimate (using a 0.5g/t Au cut-off for gold)

DEPOSIT	CATEGORY	TONNES	Au Grade	Au Ounces	TONNES	Ag Grade	Ag Ounces
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Emu and Southwark	Measured	804,000	2.28	58,936	804,000	9.69	250,479
	Indicated	2,440,000	1.81	141,991	2,440,000	12.25	960,988
	Inferred	583,500	1.31	24,576	583,500	14.65	274,834
VB and Boags	Indicated	2,004,000	1.53	98,578	2,004,000	29.47	1,898,760
	Inferred	829,000	1.42	37,847	829,000	37.3	994,158
VB North	Indicated	118,000	1.52	5,750			
	Inferred	90,000	0.9	2,600			
Boudie Rat and Forrest Belle	Measured	130,000	2.5	10,450			
	Indicated	130,000	3	12,550			
	Inferred	30,000	3.6	3,450			
Boudie West and Belvidere	Indicated	30,000	3.8	3,650			
	Inferred	100,000	3.5	11,250			
Quinn's Hills	Indicated	20,000	5.7	3,650			
Matisse	Inferred	110,000	1.7	6,000			
Tim's Find	Measured	118,000	2.97	11,268			
	Indicated	417,600	1.87	25,107			
	Inferred	235,000	1.54	11,635			

For personal use only

DEPOSIT	CATEGORY	TONNES	Au Grade	Au Ounces	TONNES	Ag Grade	Ag Ounces
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Spotted Dog North and South	Inferred	320,000	2.02	20,782			
Shepherds Bush	Inferred	3,045,000	0.83	81,256			
Total		11,554,100	1.54	571,327	6,660,500	20.5	4,379,300

JORC 2012 Ore Reserve Estimate

PROSPECT	PROVEN					PROBABLE					TOTAL				
	TONNES	Au	Ag	Au	Ag	TONNES	Au	Ag	Au	Ag	TONNES	Au	Ag	Au	Ag
	(t)	(g/t)	(g/t)	(oz)	(oz)	(t)	(g/t)	(g/t)	(oz)	(oz)	(t)	(g/t)	(g/t)	(oz)	(oz)
EMU	806,000	2.1	9.0	54,700	234,000	976,000	1.9	8.9	58,700	279,000	1,782,000	2.0	8.9	113,400	513,000
SOUTHWARK	-	-	-	-	-	805,000	1.7	12.5	45,100	324,000	805,000	1.7	12.5	45,100	324,000
CASCADE	-	-	-	-	-	108,000	1.2	1.2	4,200	4,000	108,000	1.2	1.2	4,200	4,000
VB	-	-	-	-	-	910,000	1.8	27.9	52,300	817,000	910,000	1.8	27.9	52,300	817,000
VB LIGHT	-	-	-	-	-	112,000	1.5	16.6	53,400	59,700	112,000	1.5	16.6	5,400	60,000
BOAGS	-	-	-	-	-	378,000	1.2	29.6	14,000	359,000	378,000	1.2	29.6	14,100	359,000
VB NORTH	-	-	-	-	-	73,000	1.7	-	3,900	-	73,000	1.7	-	3,900	-
TIM'S FIND	119,000	2.7	-	10,400	-	181,000	2.4	-	13,700	-	299,000	2.5	-	24,100	-
BOUDIE RAT	-	-	-	-	-	53,800	2.4	-	4,100	-	54,000	2.4	-	4,100	-
FORREST BELLE	91,000	1.9	-	5,600	-	-	-	-	-	-	91,000	1.9	-	5,600	-
TOTAL	1,015,000	2.2	9.0	70,700	234,000	3,600,000	1.7	17.4	201,000	1,843,000	4,612,000	1.8	15.8	272,100	2,077,000

Other key attributes from the resource estimate include:

- High confidence: ~64% of Mineral Resources at an Indicated status (Indicated resources total 368,000 oz Au at a grade of 1.84g/t Au);
- Resource is shallow, delineated from 0m to 80m (below surface);
- Any future mining of the Mineral Resource is likely to be via open pit mining and therefore the resource has been modelled with a 0.5 g/t Au cut-off; and
- Mineralisation is open at depth and along strike and has very strong extension potential.

For further information regarding the Mineral Resource and Reserve Estimates and details of the Competent Person's consent, material assumptions and technical parameters underpinning the Resource and Reserve estimates, please refer to Section 9.8 of this Target's Statement and Alt Resources' ASX announcements made on 3 April 2020 and 10 July 2020.

6.5 Financial information and related matters

Alt Resources' last published audited financial statements are for the financial year ended 30 June 2019 and were lodged with ASX on 27 September 2019.

Further details of Alt Resources' operational, financial and exploration activities for the intervening periods are provided in Alt Resources' quarterly and half year reports lodged with the ASX on:

- (a) 31 October 2019 (for the quarter ending 30 September 2019);
- (b) 31 January 2020 (for the quarter ending 31 December 2019);
- (c) 10 March 2020 (for the half year ended 31 December 2019); and
- (d) 30 April 2020 (for the quarter ending 31 March 2020).

Copies of these reports may be obtained from Alt Resources' website at <http://www.altresources.com.au> and ASX's website at www.asx.com.au (ASX:ARS).

So far as the Alt Resources Directors are aware that:

- (a) the financial position of Alt Resources has not materially changed since the date of the half year report dated 10 March 2020 for the half year ending 31 December 2020 other than a reduced cash position in the normal course of operating its business; and
- (b) there has not been any matter or circumstances, other than those referred to in the half year report dated 10 March 2020 and this Target's Statement that has significantly affected, or may significantly affect the operations or the financial position of Alt Resources, the results of operations of Alt Resources, or the state of affairs of Alt Resources in future financial years.

Alt Resources Shareholders should consider section 9.2 of this Target's Statement in connection with the potential effect of the Offer on Alt Resources' financing arrangements and material contracts.

6.6 Forecast financial information for the Alt Resources Group

Alt Resources has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information. The Alt Resources Directors have concluded that, as at the date of this Target's Statement, it would be misleading to provide forecast financial information for the Alt Resources Group, as a reasonable basis does not exist for providing forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice.

The financial performance of the Alt Resources Group in any period will be influenced by various factors that are outside the control of the Alt Resources Directors and that cannot, at this time, be predicted with a high level of confidence. In particular, the financial performance of the Alt Resources Group will be materially affected by:

- (a) costs related to exploration, development and operating activities;
- (b) ability to secure financing for Alt Resources' activities;
- (c) general economic conditions;
- (d) changes in laws, regulations or government policies or the interpretation of those laws, and the impact on Alt Resources; and
- (e) prevailing exchange rates, especially between the A\$/ United States dollar exchange rate, which are subject to material change from time to time.

For personal use only

7. INFORMATION RELATING TO THE ALT RESOURCES DIRECTORS

7.1 Interests and dealings in Alt Resources' securities

(a) Interests in Alt Resources' securities

As at the date of this Target's Statement, the Alt Resources Directors had the following Relevant Interests in Alt Resources Shares and Alt Resources Options:

Director	Alt Resources Shares (as at date of Target's Statement)	Alt Resources Shares (to be issued subject to shareholder approval) ¹	Alt Resources Options ²
William "Bill" Ellis	890,500	2,500,000	444,400
Andrew Sparke	12,499,725	2,500,000	5,596,391
Neva Collings	7,149,017	2,167,667	1,444,400
Grant Harding	Nil	691,667	Nil

Notes

1. Shares to be issued subject to shareholder approval at a general meeting to be held on 31 July 2020.
2. Each Alt Resources Option is unquoted. Refer to Appendix 4 of the Bidder's Statement for full details of the Alt Resources Options on issue.

(b) Dealings in Alt Resources Shares and Alt Resources Options

No Alt Resources Director has acquired or disposed of a Relevant Interest in any Alt Resources Shares or Alt Resources Options in the 4 month period ending on the date immediately before the date of this Target's Statement.

(c) Interests in Aurenne Group securities

As at the date immediately before the date of this Target's Statement, no Alt Resources Director had a Relevant Interest in any Aurenne Group securities.

(d) Dealings in Aurenne securities

No Alt Resources Director has acquired or disposed of a Relevant Interest in any Aurenne Group securities in the 4-month period ending on the date immediately before the date of this Target's Statement.

7.2 Benefits and agreements

(a) Benefits in connection with retirement from office

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that

person, or someone else, from a board or managerial office of Alt Resources or related body corporate of Alt Resources.

(b) **Agreements connected with or conditional on the Offer**

There are no agreements made between any Alt Resources Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Alt Resources Shares or Alt Resources Options.

(c) **Benefits from Aurene Group**

None of the Alt Resources Directors have agreed to receive, or are entitled to receive, any benefit from any member of the Aurene Group which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Alt Resources Shares or Alt Resources Options.

(d) **Interests of directors in contracts with Aurene**

None of the Alt Resources Directors have any interest in any contract entered into by any member of the Aurene Group.

For personal use only

8. AUSTRALIAN TAXATION CONSEQUENCES

The Bidder's Statement at section 7 contains an overview and discussion of the Australian tax and stamp duty implications for Alt Resources Shareholders who dispose of their Alt Resources Shares through acceptance of the Offer.

The Australian tax implications outlined in section 7 are only relevant for Australian resident and foreign resident Alt Resources Shareholders who hold their Alt Resources Shares on capital account.

Section 7 of the Bidder's Statement does not consider the Australian tax consequences for Alt Resources Shareholders:

- (a) who hold their Alt Resources Shares as trading stock or as revenue assets;
- (b) who hold their Alt Resources Shares as assets used in carrying on a business or as part of a profit making undertaking or scheme;
- (c) who acquired their Alt Resources Shares through an employee share scheme;
- (d) who are Australian tax residents but who hold their Alt Resources Shares as part of an enterprise carried on, at or through a permanent establishment in a foreign country;
- (e) who are foreign tax residents who hold their Alt Resources Shares as part of an enterprise carried on, at or through a permanent establishment in Australia;
- (f) who are exempt from Australian income tax;
- (g) who are under a legal disability;
- (h) who are taken for capital gains tax purposes to have acquired their Alt Resources Shares before 20 September 1985;
- (i) that are financial institutions, insurance companies, partnerships, tax exempt organisations, trusts (except where expressly stated), superannuation funds (except where expressly stated) or temporary residents; or
- (j) who are subject to the taxation of financial arrangements rules under Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to gains and losses on their Alt Resources Shares.

The information in section 7 of the Bidder's Statement is based on the Australian taxation law and practice in effect as at the date of the Bidder's Statement and is not intended to be an authoritative or complete statement or analysis of the taxation laws of Australia applicable to the particular circumstances of every Alt Resources Shareholder. In particular, section 7 of the Bidder's Statement does not address the tax considerations applicable to persons who hold Alt Resources Options or persons who may be issued with New Alt Resources Shares.

Alt Resources Shareholders should seek independent professional advice regarding the taxation consequences of accepting the Offer and disposing of their Alt Resources Shares having regard to their own specific circumstances.

9. ADDITIONAL INFORMATION

9.1 Convertible Note financing

On 7 May 2020, Alt Resources and Aurene entered into a Convertible Note Deed (**Convertible Note**) pursuant to which Aurene subscribed for an unlisted convertible note with a face value of \$3,679,296. Aurene is entitled to convert the Convertible Note into 122,643,220 Alt Resources Shares at any time during the conversion period, subject to Aurene complying with section 606 of the Corporations Act.

The key terms of the Convertible Note are summarised as follows:

- Parties: Aurene as Noteholder and Alt Resources;
- Face Value: A\$3,679,296;
- Conversion price: \$0.03 (3 cents);
- Term: 12 months;
- Convertible into Alt Resources Shares at any time during the term;
- Interest rate: 5% per annum, accruing daily and calculated monthly;
- Accrued Interest to be paid at the same time as repayment or conversion of Convertible Note. If Alt Resources cannot issue Shares in satisfaction of accrued interest, interest is to be paid in cash;
- Conversion is at the sole election of Aurene;
- Conversion must be in accordance with the Corporations Act and ASX Listing Rules;
- Alt Resources to ensure all Shares issued on conversion are freely tradeable as soon as possible following issue;
- Convertible Note is both unsecured and unlisted and does not provide any voting rights to Aurene;
- Convertible Note is transferable, subject to the Alt Resources' written consent;
- Early Repayment: possible on 30 days written notice to Aurene;
- Adjustments: in the event of a reconstruction, a bonus issue or an entitlement issue, a proportionate adjustment must be made to the issue price or number of shares to be issued to Aurene such that the value of the Convertible Note is unaffected and Aurene will retain the same rights under the Convertible Note as if the reconstruction, bonus issue or entitlement issue had not occurred; and
- Key Events of Default: non-payment or misrepresentation in connection with the Convertible Note or transaction documents, the winding up or insolvency of At Resources, or it receives a statutory demand or a receiver or manager is appointed to the assets of Alt Resources; and a change in control of Alt Resources.

9.2 Effect of the takeover on Alt Resources' financing and material agreements

To the best of each Alt Resources Director's knowledge, none of the material contracts or financing arrangements to which Alt Resources is a party contains change of control provisions which may be triggered as a result of, or as a result of acceptances of, the Offer.

9.3 Material litigation

As far as the Alt Resources Directors are aware, Alt Resources is not involved in any ongoing litigation which is material in the context of Alt Resources and its Related Bodies Corporate taken as a whole.

9.4 Alt Resources' issued securities

As at the date of this Target's Statement, Alt Resources' issued equity securities consisted of:

- (a) 608,100,947 Alt Resources Shares on issue;
- (b) 75,239,767 Alt Resources Options (unlisted) on issue being:

Details	Number
\$0.0585 Options Expiry 15.09.2020	3,110,900
\$0.10 Options Expiry 30.12.2020	1,500,000
\$0.10 Options Expiry 09.06.2021	1,723,000
\$0.08 Options Expiry 11.05.2021	3,125,000
\$0.0260 Options Expiry 11.12.2021	1,000,000
\$0.045 Options Expiry 04.04.2022	26,516,294
\$0.02 Options Expiry 01.08.2022	11,350,000
\$0.03 Options Expiry 01.08.2022	2,000,000
\$0.035 Options Expiry 01.08.2022	1,000,000
\$0.045 Options Expiry 01.08.2022	1,500,000
\$0.035 Options Expiry 30.09.2022	14,318,182
\$0.0275 Options Expiry 06.12.2022	1,446,042
\$0.0342 Options Expiry 06.12.2022	2,500,000
\$0.0430 Options Expiry 06.12.2022	1,047,492
\$0.0455 Options Expiry 06.12.2022	1,624,286
\$0.0445 Options Expiry 10.12.2022	1,478,571

Alt Resources proposes to issue 30,558,333 new Alt Resources Shares to Alt Resources' directors, key executives and services providers, subject to having obtained the approval of Alt Resources Shareholders.

Alt Resources has convened a general meeting of Alt Resources Shareholders to seek approval for the issue of the new Alt Resources Shares, and if shareholder approval is obtained, issue the new Alt Resources Shares prior to the end of the Offer Period.

Subject to ASIC granting any necessary relief from the Corporations Act, the Offer further extends to up to 30,558,333 Alt Resources Shares issued before the end of the Offer Period, subject to the Alt Resources Shareholders having approved their issue.

There are no other shares or other securities (including equity securities, debt securities or convertible securities) or options or performance rights or other instruments which are convertible into securities in Alt Resources nor has it offered or agreed to issue any such shares, securities, options or performance rights or other instruments to any Third Party.

9.5 Substantial holders

As at the date of this Target's Statement, Alt Resources is aware from notices filed with the ASX that the following persons have substantial holdings in Alt Resources:

	Name of substantial holder	Number of Alt Resources Shares held	% of total Alt Resources Shares
1.	Aurenne Ularring Pty Ltd	159,011,307	26.15%
2.	Harvest Lane Asset Management Pty Limited	32,816,228	5.40%

Note: Based on 608,100,947 Alt Resources Shares on issue.

9.6 Effect of Offer on Alt Resources Options

The Offer extends to any new Alt Resources Shares that are issued during the Offer Period as a result of the exercise of Alt Resources Options. Accordingly, Alt Resources Optionholders may elect to exercise their Alt Resources Options before the expiry date of their Alt Resources Options, pay the relevant exercise price to Alt Resources and accept the Offer in respect of the Alt Resources Shares issued following the exercise of their Alt Resources Options.

Aurenne has proposed to the holders of the Alt Resources Options to enter into Cancellation Deeds to effect the cancellation of the Alt Resources Options for the payment of a cancellation fee equal to the 'in-the-money value', being the difference between the Offer Price and the exercise price of the Alt Resources Options. Please refer to section 4.12 for further details.

9.7 Effect of Offer on Alt Resources' employee incentive plan

On 29 November 2019, Alt Resources adopted the Alt Resources Incentive Performance Rights and Options Plan. As at the date of this Target's Statement, no securities have been issued pursuant to that plan.

Alt Resources proposes to adopt an employee incentive plan (**2020 Incentive Plan**) at the general meeting to be held on 31 July 2020. Of the 30,558,333 new Alt Resources Shares referred to in section 9.4 above, 3,000,000 Shares are proposed to be issued pursuant to the 2020 Incentive Plan subject to Alt Resources Shareholder approval. These Alt Resources Shares proposed to be issued would not be subject to any transfer restrictions.

Assuming that Alt Resources Shareholder approval is received for the 2020 Incentive Plan and the issue of 3,000,000 Shares proposed to be issued pursuant to that plan, there will be no transfer restrictions imposed by the Company such that the Offer may be accepted in respect of the Alt Resources Shares proposed to be issued.

9.8 JORC Code reporting of Alt Resources' exploration results and ore reserves and mineral resources

The information in this Target's Statement that relates to Exploration Results, is based on information compiled under the supervision of Ms Kim Boundy, a Competent Person and RPGO of the AIG. Ms Boundy is the Principal Geologist for No Bounds Mineral Exploration Consultants 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'. Ms Boundy consents to the inclusion in this Target's Statement of the matters based on her information in the form and context in which it appears.

The information in this Target's Statement that relates to mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the Canadian Reporting Instrument NI 43-101. Mr Hyland consents to the inclusion in this Target's Statement of the information in the form and context in which it appears.

9.9 Consents

BDO Corporate Finance (WA) Pty Ltd has given, and has not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as Independent Expert and to the inclusion in this Target's Statement of its Independent Expert's Report and statements said to be based on its Independent Expert's Report in the form and context in which they are included. BDO Corporate Finance (WA) Pty Ltd has not caused or authorised the issue of this Target's Statement and takes no responsibility for any part of this Target's Statement other than any reference to its name and the statements included in this Target's Statement with its consent (as set out above).

Steinepreis Paganin has given, and has not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as Australian legal advisers to the Target in the form and context in which it is named. Steinepreis Paganin has not advised on the laws of any foreign jurisdiction, and has provided no tax advice in relation to any jurisdiction.

Steinepreis Paganin has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Hartleys Limited has given, and has not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as corporate advisers to the Target in the form and context in which it is named. Hartleys Limited has not caused or authorised the issue of this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

As permitted by ASIC Class Order 13/521 this Target's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX. Pursuant to the Class Order, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Target's Statement. If you would like to receive a copy of any of these documents, or the relevant parts of the documents containing the statements (free of charge), during the Offer Period, please contact the Offer Information Line. Calls to the Offer Information Line may be recorded.

As permitted by ASIC Corporations (Consent to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement also contains trading data obtained from IRESS without their consent.

9.10 Regulatory and other approval, consent or waiver requirements

(a) Modification of Corporations Act

On 15 July 2020, Alt Resources obtained relief from ASIC to modify section 633(1) item 12 of the Corporations Act such that the required timeframe for Alt Resources to send a copy of this Target's Statement to holders of Alt Resources Shares and Alt Resources Options was extended to 24 July 2020.

ASIC has made a declaration pursuant to section 655A(1) of the Corporations Act to permit Alt Resources to send a copy of this Target's Statement no later than 21 days after 3 July 2020, being the date Alt Resources received notice that Aurene had sent its Bidder's Statement (incorporating an offer document) in relation to the Offer.

(b) ASX Listing Rule waivers and consents

Alt Resources has obtained from ASX a waiver from the requirement under ASX Listing Rule 6.23 to obtain the approval of Alt Resources Shareholders to the cancellation of such Alt Resources Options under the Cancellation Deeds as detailed in section 4.12.

9.11 No other material information

This Target's Statement is required to include all the information that Alt Resources Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any director of Alt Resources.

The Alt Resources Directors are of the opinion that the information that Alt Resources Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- (b) the information contained in Alt Resources' releases to the ASX, and in the documents lodged by Alt Resources with ASIC before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

The Alt Resources Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Alt Resources Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Alt Resources Directors have had regard to:

- (a) the nature of the Alt Resources Shares;
- (b) the matters that shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to shareholders' professional advisers; and
- (d) the time available to Alt Resources to prepare this Target's Statement.

10. AUTHORISATION

The copy of this Target's Statement that is to be lodged with ASIC has been approved by a resolution passed by the Directors.

This Target's Statement is dated 17 July 2020, which is the date on which it was lodged with ASIC.

Signed for and on behalf of Alt Resources.

A handwritten signature in black ink, appearing to be 'W. Ellis', written in a cursive style.

**William Ellis
Chairman
For and on behalf of
Alt Resources Limited**

For personal use only

11. GLOSSARY AND INTERPRETATION

11.1 Glossary

Where the following terms are used in this Target's Statement they have the following meanings:

A\$ or \$ means an Australian dollar.

Acceptance Form means the acceptance and transfer form for the Offer accompanying the Bidder's Statement or, as the context requires, any replacement or substitute acceptance form provided by or on behalf of Aurene, which forms part of the Bidder's Statement.

AEST means Australian Eastern Standard Time, observed in Australia.

Announcement Date means the date of announcement of the Offer, being 7 May 2020.

Alt Resources means Alt Resources Limited (ACN 168 928 416).

Alt Resources Board or **Board** means the board of directors of Alt Resources.

Alt Resources Director or **Directors** means each or all current directors of Alt Resources.

Alt Resources Group means Alt Resources and its Related Bodies Corporate.

Alt Resources Option means an option to acquire an Alt Resources Share.

Alt Resources Optionholder means a person who is recorded in the register of holders of Alt Resources Options.

Alt Resources Performance Shares means performance shares in Alt Resources convertible to Shares if certain performance criteria are met.

Alt Resources Share or **Share** means an ordinary share in the capital of Alt Resources.

Alt Resources Shareholder means a person who is recorded in Alt Resources register of members as the holder of one or more Alt Resources Shares.

ASIC means Australian Securities & Investments Commission.

Associate has the meaning given to that term in sections 10 to 17 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX.

Aurene means Aurene Ularring Pty Ltd (ACN 640 687 618) a wholly owned subsidiary of Aurene Group Holdings Limited (ACN 627 857 176), a private company incorporated in Australia.

Aurene Group means Aurene and its Related Bodies Corporate.

Aurene Shares means fully paid ordinary share in the issued capital of Aurene.

Bidder's Statement means the bidder's statement prepared by Aurene under Part 6.5 of Division 2 of the Corporations Act issued in relation to the Offer.

Business Day means a day on which banks are open for business in Perth, Australia, excluding a Saturday, Sunday or public holiday.

CGT means capital gains tax.

CHES Holding means a number of shares which are registered on Alt Resources' share register being a register administered by ASX Settlement Pty Limited and which records uncertificated holdings of shares.

Control has the meaning given in section 50AA of the Corporations Act.

Controlling Participant in relation to your Alt Resources Shares has the same meaning as in the operating rules of the settlement facility provided by ASX.

Corporations Act means the *Corporations Act 2001* (Cth).

GST means Australian goods and services tax.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Independent Expert means BDO Corporate Finance (WA) Pty Ltd (ACN 124 031 045).

Independent Expert's Report means the independent expert's report prepared by the Independent Expert which is contained in Annexure B to this Target's Statement.

Issuer Sponsored Holding means a holding of Alt Resources Shares on Alt Resources' issuer sponsored subregister.

JORC Code means 2012 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

Minimum Acceptance Condition means at or before the end of the Offer Period, Aurene has a relevant interest in such number of Alt Resources Shares which represents 90%.

Mining Interests mining or exploration agreement, tenement, permit, license, lease, concession, grant, permission, authorisation, renewal or right of any kind held by any member of the Alt Resources Group at the Announcement Date.

Notice of Status of Conditions means Aurene's notice disclosing the status of the conditions to the Offer which is required to be given by section 630(3) of the Corporations Act.

Offer or **Aurene's Offer** means the offer to acquire Alt Resources Shares made by Aurene under the terms and conditions of the Bidder's Statement.

Offer Conditions means the conditions to the Offers set out in Annexure A to this Target's Statement.

Offer Price means \$0.0505 for each Alt Resources Share.

Offer Period means the period with respect to the Offer during which the Offer is open for acceptance in accordance with the Bidder's Statement.

Option Agreement means the Option Agreement dated 3 November 2017 between Alt Resources and Rodney Lehmann, as amended by Deed of Variation dated 28 November 2018.

Prescribed Occurrence has the meaning given to that term in the Bidder's Statement.

Related Bodies Corporate has the meaning given in the Corporations Act.

Relevant Interest has the meaning given in section 608 and section 609 of the Corporations Act.

Target's Statement means this document (including the attachments and annexures), being the statement prepared by Alt Resources under Part 6.5 Division 3 of the Corporations Act issued in relation to the Offer.

Third Party means a party other than Alt Resources and any subsidiary of Alt Resources, and Aurenne and any subsidiary of Aurenne.

11.2 Interpretation

In this Target's Statement:

- (a) other words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words of any gender include all genders;
- (c) words indicating the singular include the plural and vice versa.
- (d) an expression indicating a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a section, clause, attachment and schedule is a reference to a section of, clause of and an attachment and schedule to this Target's Statement as relevant;
- (f) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement;
- (h) a reference to time is a reference to time as observed in Perth, Western Australia, Australia; and
- (i) a reference to dollars, \$, A\$, AUD, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia unless otherwise stated.

ANNEXURE A – OFFER CONDITIONS

Defined terms in this Annexure A have the meanings ascribed to them in the Bidder's Statement.

The intended off-market cash offer (**Offer**) for all the ordinary shares in ALT Resources Limited (**ALT**), and any contract resulting from the acceptance of the Offer, are subject to the following conditions:

(a) **Minimum acceptance condition**

Before the end of the Offer Period, AUPL and its associates have relevant interests in excess of 90% of Alt Resources Shares then on issue.

(b) **Regulatory approvals**

During the Offer Period, all Regulatory Approvals which are required by law or by a Regulatory Authority in order to permit the Offer to be made to and accepted by Alt Resources Shareholders and the lawful completion of the Offer if it is accepted and becomes unconditional are granted, given, made or obtained in each case on an unconditional basis and remain in full force and effect in all respects and do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

(c) **No material adverse event**

Except as publicly announced to ASX prior to the Announcement Date, none of the following has happened or happens, is announced, disclosed or otherwise becomes known to AUPL (whether it becomes public or not) during the period from and including the Announcement Date to the end of the Offer Period:

- (i) any event, action, proceeding, circumstance or change in circumstance that (individually or with others) has or is reasonably likely to have a material adverse effect on the assets, liabilities, financial condition or prospects of Alt Resources, including but not limited to any one or more of the following effects:
 - (A) when considered together with any related events, occurrences or matters, but disregarding the effects of any unrelated events, occurrences or matters, a diminution in the value of the net assets of Alt Resources by an amount equal to 20% or more by reference to the value of the net assets of Alt Resources as at 31 December 2019 as shown in Alt Resources' Report for the half year ended 31 December 2019; or
 - (B) the incurring of any obligations, liabilities, costs or expenses (contingent or otherwise), other than capital expenditure previously disclosed publicly or to the AUPL in writing, where the quantum (whether individually or when aggregated with all such other events) exceeds \$100,000;
- (ii) any event or circumstance which constitutes or gives rise to, or may (upon the passage of time, the fulfilment of any condition, or the giving of notice or taking of any other action by a Regulatory Authority or any other person) give rise to, the suspension, revocation, disclaimer, invalidity, unenforceability, variation, lapse or termination of all or any

material rights under any Mining Interest, or any material contract to which Alt Resources or any subsidiary of Alt Resources is a party;

- (iii) the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a Mining Interest to any person other than the holder(s) of that Mining Interest (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by a Mining Interest.

(d) **No material acquisitions, disposals, commitments, etc**

Between the Announcement Date and the end of the Offer Period, neither Alt Resources nor any of its subsidiaries:

- (i) enters into or announces an intention or proposal to enter into or offers to enter into;
- (ii) discloses the existence of; or
- (iii) incurs, becomes subject to, or brings forward the time for performance of (or is reasonably likely to incur, become subject to or bring forward the time for performance of),

an obligation or arrangement (other than pursuant to and in the proper discharge of a legally binding obligation entered into and fully disclosed to the ASX prior to the Announcement Date) or a decision by it, whether conditional or otherwise:

- (iv) to acquire an interest in property or other assets for an amount or having a market value in aggregate greater than \$100,000;
- (v) to dispose of an interest in any property or other asset for an amount, or in respect of which the book value (as recorded in Alt Resources' balance sheet as at 31 December 2019) is, in aggregate, greater than \$100,000;
- (vi) to perform or acquire the benefit of any services or supplies of goods or services in relation to any asset, business or interest where the aggregate financial liability of Alt Resources or any subsidiary of Alt Resources in respect of those services exceeds or may exceed \$100,000 or the term of the arrangement exceeds and cannot be terminated within 12 months;
- (vii) to enter into or terminate, or, in any material respect, amend or waive, any of the terms applicable to, or rights (including any rights of pre-emption or first or last refusal) under, a shareholders agreement, joint-venture, asset or profit sharing agreement, royalty agreement, partnership or joint-selling agreement or sale or purchase agreement or merger of business or of corporate entities; or
- (viii) to make or incur capital expenditure of more than \$100,000 (whether for an individual item or on an aggregated basis),

unless approved in writing by AUPL.

(e) **No Prescribed Occurrences between Announcement Date and service of Bidder's Statement**

Between the period beginning on the Announcement Date up to the date AUPL gives its Bidder's Statement to Alt Resources, no Prescribed Occurrence occurs in relation to Alt Resources or any of its subsidiaries.

(f) **No Prescribed Occurrences**

Between the period beginning on the date AUPL gives its Bidder's Statement to Alt Resources and ending three Business Days after the end of the Offer Period, no Prescribed Occurrence occurs in relation to Alt Resources or any of its subsidiaries.

(g) **Conduct of Alt Resources' business**

Between the Announcement Date and the end of the Offer Period, none of the following events occurs:

- (i) except as required by law, Alt Resources or a subsidiary of Alt Resources:
 - (A) increases the remuneration of or pays any bonus or issues any securities or options to, or otherwise varies the employment agreements with, any of its directors or employees except:
 - (I) as expressly required under the terms of any employment agreement existing as at the Announcement Date; or
 - (II) that the remuneration of employees (not including directors) may be increased provided that:
 - (aa) the remuneration of any one employee is not increased by more than 10% of the remuneration payable to that employee as at the Announcement Date; and
 - (ab) the aggregate of all the increases in remuneration do not exceed 10% of the total remuneration payable by Alt Resources to all its employees (including the employees of Alt Resources' Related Entities) as at the Announcement Date; or
 - (B) accelerates the rights of any of its directors or employees to benefits of any kind; or
 - (C) pays a director, executive or employee a termination payment, other than as provided for in an existing employment contract and approved by shareholders for the purposes of the Corporations Act or ASX Listing Rules (as appropriate) before the Announcement Date;
- (ii) Alt Resources or a subsidiary of Alt Resources gives or agrees to give a financial benefit to a related party of Alt Resources within the meaning of Chapter 2E of the Corporations Act;

- For personal use only
- (iii) Alt Resources or a subsidiary of Alt Resources enters into any arrangement for the borrowing of an amount in excess of \$100,000 except as a consequence of the renegotiation of its loan facilities that exist as at the Announcement Date, but without increasing the amount available under those facilities;
 - (iv) Alt Resources or a subsidiary of Alt Resources enters into any arrangement under which Alt Resources or a subsidiary of Alt Resources may be required to advance or provide financial accommodation to another party, other than in the ordinary course of business;
 - (v) Alt Resources or any of its subsidiaries exercises or waives any preemptive rights or rights of first or last refusal in respect of any shares, assets or property held by another person prior to the final date on which those rights may be exercised;
 - (vi) Alt Resources declaring, paying or distributing any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise; or
 - (vii) Alt Resources or a subsidiary of Alt Resources amends its constitution, or amends the terms of issue of any shares, options, performance rights or other convertible securities,

in each case (where relevant) except for:

- (viii) an issue of Alt Resources Shares as a result of the exercise of any Alt Resources Options in accordance with their terms (as disclosed to the ASX prior to the Announcement Date); or
- (ix) the issue of 30,558,333 Alt Resources Shares before the end of the Offer Period, subject to the Alt Resources shareholders having approved their issue.

(h) **No untrue statements**

Between the Announcement Date and the end of the Offer Period, AUPL does not become aware of:

- (i) any statement that is untrue or misleading in any material respect; or
- (ii) any fact that is required to be stated to make a statement not misleading in any material respect,

in any document filed by or on behalf of Alt Resources with ASX, other than changes, events or conditions fully and publicly announced or fully and publicly disclosed by Alt Resources prior to the Announcement Date.

(i) **No regulatory action**

Between the Announcement Date and the end of the Offer Period:

- (i) there is not in effect any preliminary or final decision, order or decree issued by a Regulatory Authority;
- (ii) no action or investigation is announced, commenced or threatened by any Regulatory Authority with respect to Alt Resources or a subsidiary of Alt Resources;

- (iii) no application is made to any Regulatory Authority (other than by AUPL or any associate of AUPL),

in consequence of or otherwise relating to the Offer (other than an application or determination by ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act or if the regulatory action results from action or inaction of AUPL or its associates) which is reasonably likely to or purports or threatens to:

- (iv) restrain, prohibit or impede, or otherwise materially adversely impact on, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement (including the acquisition of Alt Resources Shares) or the continued ownership and operation of the business of Alt Resources or a subsidiary of Alt Resources; or
- (v) require the variation of the terms of the Offer; or
- (vi) require or approve the divestiture of any Alt Resources Shares or the divestiture of any assets of Alt Resources or a subsidiary of Alt Resources or the AUPL or a subsidiary of the AUPL.

(j) **Non-existence or exercise of certain rights**

Between the Announcement Date and the end of the Offer Period, there is no person (other than the AUPL or any of its subsidiaries) having any rights, being entitled to or exercising any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) and in all cases whether subject to conditions or not, as a result of any change of control event in respect of Alt Resources (including AUPL acquiring shares in Alt Resources) or any of its subsidiaries or assets, to:

- (i) terminate or alter any Mining Interest or any material contract to which Alt Resources or any of its subsidiaries is a party;
- (ii) require the termination, modification or disposal or offer to dispose of any material interest or asset, corporate body, other entity, partnership or joint venture (incorporated or unincorporated); or
- (iii) accelerate or adversely modify the nature or performance of any material obligations of Alt Resources or any of its subsidiaries under any Mining Interest or material contract.

(k) **Alt Resources Options**

Prior to the earlier of the date on which AUPL declares the Offer free from all conditions or the end of the Offer Period, all Alt Resources Options have been exercised (and Alt Resources Shares issued on exercise entered in the register of members of Alt Resources), cancelled or transferred to AUPL or agreement has been reached between Alt Resources, AUPL and the holders of the Alt Resources Options to do so, and any necessary waiver of ASX Listing Rule 6.23 has been obtained.

(l) **Equal access to information**

At all times between the Announcement Date and the end of the Offer Period, Alt Resources promptly (and in any event within two Business Days) provides to AUPL a copy of all material information concerning Alt Resources' or any

subsidiary of Alt Resources' business and operations and that has not already been provided to AUPL relating to Alt Resources or any subsidiary of Alt Resources or any of their respective businesses or operations that is provided by Alt Resources or any of its related parties (within the meaning of section 228 of the Corporations Act) to any person (other than AUPL) for the purpose of soliciting, encouraging or facilitating a proposal or offer by that person, or by any other person, in relation to a Competing Proposal.

(m) **No break fees**

- (i) Subject to paragraph (m)(ii) below, between the Announcement Date and the end of the Offer Period, neither Alt Resources or body corporate which is or becomes a subsidiary of Alt Resources, agrees (whether conditionally or contingently) to pay or provide any benefit to any person, or to forego or otherwise reduce any payment or benefit to which it would otherwise be entitled, in connection with any person other than AUPL making or agreeing to participate in, or enter into negotiations concerning a Competing Proposal.
- (ii) Paragraph (m)(i) above does not apply to a payment:
 - (A) for providing professional advisory services to Alt Resources;
 - (B) which is approved in writing by AUPL;
 - (C) lawfully made to any Alt Resources directors, officers or employees (subject to paragraph (g)(i)(A)); or
- (iii) which is approved by a resolution passed at a general meeting of Alt Resources.

(n) **Option Agreement**

In relation to the Option Agreement:

- (i) Alt Resources has validly exercised its option under the Option Agreement and not ceased to be entitled (subject to payment of the outstanding consideration under the Option Agreement) to be transferred clear title to the assets the subject of the Option Agreement; and
- (ii) neither Alt Resources, nor the vendor under the Option Agreement (**Vendor**), has failed to comply with any of their respective obligations under the Option Agreement (including any warranties given under the Option Agreement, assuming those warranties were given on each day) or otherwise become entitled (whether immediately or with the effluxion of time) to terminate the Option Agreement.

(o) **No direct or indirect Disposal of or encumbrance over Mining Interests**

Between the Announcement Date and the end of the Offer Period, neither Alt Resources nor any of its subsidiaries:

- (i) enters into or announces an intention or proposal to enter into or offers to enter into; or
- (ii) discloses the existence of; or

(iii) becomes subject to,

an obligation or arrangement, whether conditional or otherwise and irrespective of the consideration or value:

(iv) to Dispose of all or any of, or any interest in, a Mining Interest; or

(v) to Dispose or issue, or grant an option or other rights over or in respect of, all or any of the shares or other voting or economic interests in Alt Resources or any subsidiary of Alt Resources; or

(vi) to grant, permit, suffer to subsist or enter into any encumbrance or other security interest over all or any of, or any interest in, a Mining Interest.

(p) **New Mining Contract and Mining Interest Renewals**

(i) If before the end of the Offer Period:

(A) a mining contract has been entered into with a Regulatory Authority; or

(B) any Mining Interest in relation to which a renewal application:

(I) has been made before and is outstanding on the Announcement Date; or

(II) is made on or after the Announcement Date,

is renewed, that mining contract is entered into or (as the case may be) that renewal is granted in favour of, and solely for the benefit of, a wholly owned subsidiary of Alt Resources and on terms and conditions that are substantially the same as the final draft of that mining contract or (as applicable) the terms and conditions of renewal set out in the renewal application forms disclosed by Alt Resources to ASX or to AUPL before the Announcement Date.

(ii) If before the end of the Offer Period, such a mining contract has not been entered into or such a renewal has not been granted:

(A) the applicable Regulatory Authority has not before the end of Offer Period notified or otherwise made known an intention to refuse to enter into the mining contract or grant the renewal; and

(B) neither the applicable Regulatory Authority nor any member of the Alt Resources Group has before the end of Offer Period notified or otherwise proposed or made known an intention to seek a material change to the terms and conditions of that mining contract or renewal relative to the final draft of that mining contract or (as applicable) the terms and conditions of renewal set out in the renewal application forms disclosed by Alt Resources to ASX or AUPL before the Announcement Date.

(q) **Material fall in S&P/ASX All Ordinaries Gold index**

The S&P/ASX All Ordinaries Gold (Sub-Industry) index (ASX:XGD) does not fall by 20% from its level immediately before the Announcement Date and remain at or

below that level (as at the close of trade) for at least five consecutive Business Days before the end of the Offer Period.

(r) **Material fall in the gold price**

The spot price of gold in \$A as specified on the Australian Gold and Silver Exchange website (XAU (GOLD)) does not fall to a level that is below A\$2,000 per ounce and remain at or below that level for at least five consecutive Business Days before the end of the Offer Period.

For personal use only

For personal use only

For personal use only

ALT RESOURCES LIMITED Independent Expert's Report

16 July 2020



Financial Services Guide

16 July 2020

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Alt Resources Limited ('Alt') to provide an independent expert's report on the off-market takeover offer from Aurene Group Holdings Pty Ltd ('Aurene') via its subsidiary Aurene Ularring Pty Ltd ('AUPL') to acquire all of the fully paid ordinary shares on issue in Alt by way of a \$0.0505 per share cash bid ('the Offer'). You are being provided with a copy of our report because you are a shareholder of Alt and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

Our report and this FSG accompanies the document to be issued by Alt to shareholders outlining the Offer and providing Alt's formal response to it ('Target's Statement'). The Target's Statement is required to be provided to you by Alt to assist you in deciding on whether or not to accept the Offer.

Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- ◆ Who we are and how we can be contacted;
- ◆ The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- ◆ Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- ◆ Any relevant associations or relationships we have; and
- ◆ Our internal and external complaints handling procedures and how you may access them.

Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don't fully understand our report you should seek professional financial advice.

For personal use only

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately \$46,000 (excluding GST).

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in Alt.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Alt for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 West Perth WA 6872.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA').

AFCA is an external dispute resolution scheme that deals with complaints from consumers in the financial system. It is a not-for-profit company limited by guarantee and authorised by the responsible federal minister. AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service ('FOS') schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
AFCA Free call: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

You may contact us using the details set out on page 1 of the accompanying report.

For personal use only

TABLE OF CONTENTS

1.	Introduction	1
2.	Summary and Opinion	2
3.	Scope of the Report	5
4.	Outline of the Offer	6
5.	Profile of Alt	7
6.	Profile of Aurene	18
7.	Economic analysis	19
8.	Industry analysis	20
9.	Valuation approach adopted	24
10.	Valuation of Alt prior to the Offer	26
11.	Is the Offer fair?	40
12.	Is the Offer reasonable?	40
13.	Conclusion	43
14.	Sources of information	43
15.	Independence	44
16.	Qualifications	44
17.	Disclaimers and consents	45

Appendix 1 - Glossary and copyright notice

Appendix 2 - Valuation Methodologies

Appendix 3 - Independent Technical Assessment and Valuation Report prepared by Value and Resource Management Pty Ltd



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

16 July 2020

The Directors
Alt Resources Limited
11/13 Baggs Street
Jindabyne NSW 2627

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 7 May 2020, Alt Resources Limited ('Alt' or 'the Company') announced it had received a proposal from Aurene Group Holdings Pty Limited ('Aurene') of its intention to make a conditional off-market takeover offer ('the Offer'), through a wholly owned subsidiary, Aurene Ularring Pty Ltd ('AUPL' or 'the Bidder'), to acquire 100% of the fully paid ordinary shares on issue in Alt, for cash consideration of \$0.0505 for every one Alt share held ('the Consideration'). The Offer will include any shares issued upon the exercise of existing unlisted options, and will also include 30,558,333 Alt shares to be issued pending shareholder or board approval (as required) as part of agreed performance incentives for directors, key executives and staff.

The directors of Alt have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether or not the Offer is fair and reasonable to the shareholders of Alt ('Shareholders').

In addition, in the same announcement dated 7 May 2020, Alt announced it had received commitments that AUPL will provide \$3.68 million in financing via the issue of unlisted, unsecured convertible notes ('Aurene Notes') with a conversion price of \$0.03 per share (the 'Conversion Price'), an interest rate of 5.0% and a maturity 12 months from issue. The Aurene Notes were subsequently issued and the issue of the notes in themselves is not subject to shareholder approval.

A draft version of this report was provided to Alt on 22 June 2020. Subsequent to this, on 10 July 2020, Alt released a maiden ore Reserve and a Pre-Feasibility Study ('PFS'). In accordance with Regulatory Guide 111 we have updated our report for this change in circumstances, this resulted in changes to that draft report in the following sections:

Section 9 - Valuation approach - consideration of the discounted cash flow approach; and

Section 12 - Reasonableness - removal of references to a future release of the PFS.

2. Summary and Opinion

2.1 Requirement for the report

There is no statutory requirement for the directors of Alt to commission an Independent Expert's Report ('IER') in relation to the Offer. However the directors of Alt have requested that BDO prepare an IER stating whether, in BDO's opinion, the Offer is fair and reasonable, and the reasons for that opinion.

Our Report is prepared as if it had been prepared pursuant to section 640 of the Corporations Act 2001 ('Corporations Act' or 'the Act') and is to be included in the Target's Statement for Alt in order to assist the Shareholders and Option Holders in their decision whether to accept the Offer.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guide 74 'Acquisitions Approved by Members' ('RG 74'), Regulatory Guide 111 'Content of Expert's Reports' ('RG 111') and Regulatory Guide 112 'Independence of Experts' ('RG 112').

In arriving at our opinion, we have assessed the terms of the Offer as outlined in the body of this report. We have considered:

- How the value of an Alt share prior to the Offer (on a control basis) compares to the value of the Consideration;
- The likelihood of an alternative offer being made to Alt;
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Offer; and
- The position of Shareholders should the Offer not be successful.

2.3 Opinion

We have considered the terms of the Offer as outlined in the body of this report and have concluded that, in the absence of an alternate offer, the Offer is fair and reasonable to Shareholders.

2.4 Fairness

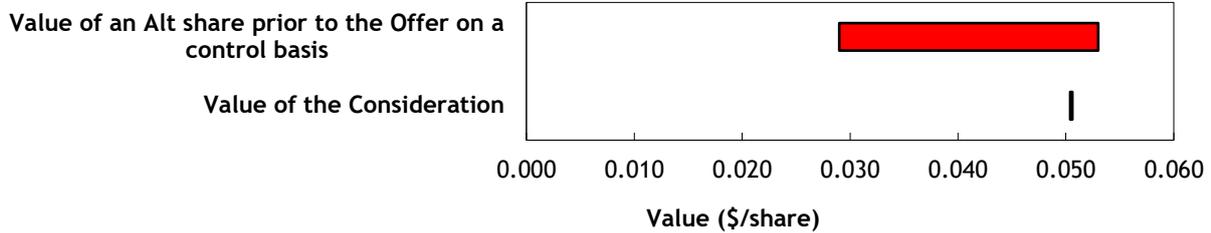
In section 11 we determined that the Consideration compares to the value of an Alt share prior to the Offer, as detailed below.

	Ref	Low \$	High \$
Value of an Alt share prior to the Offer (controlling basis)	10.3	0.029	0.053
Value of the Consideration	9.2	0.0505	0.0505

Source: BDO analysis

The above valuation ranges are graphically presented below:

Valuation Summary



The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Offer is fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in Section 12 of this report, in terms of both

- advantages and disadvantages of the Offer; and
- other considerations, including the position of Shareholders if the Offer does not proceed and the consequences of not accepting the Offer.

In our opinion, the position of Shareholders if the Offer is accepted is more advantageous than the position if the Offer is not accepted.

Accordingly, in the absence of any other relevant information and/or an alternate proposal we believe that the Offer is reasonable to Shareholders.

The respective advantages and disadvantages of the Offer considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
12.3	The Offer is fair	12.4	By accepting the Offer, Shareholders forego the opportunity to participate in any upside of Alt's projects
12.3	The Offer provides Shareholders with certainty of value	12.4	Could crystallise a capital gain for Shareholders and result in an increase in taxable income for the financial year
12.3	The Offer is at a premium to Alt's share price as at the latest practicable date	12.4	The minimum acceptance condition results in a reduction in the level of certainty of accepting the Offer
12.3	The Offer allows Shareholders to realise the value of their investment without having to risk further capital		

For personal use only

Other key matters we have considered include:

Section	Description
12.1	Alternative proposals
12.2	Consequences of not accepting the Offer

For personal use only

3. Scope of the Report

3.1 Purpose of the Report

AUPL has prepared a Bidder's Statement in accordance with Section 636 of the Corporations Act. Under section 633, Item 10 of the Act, Alt is required to prepare a Target's Statement in response to the Bidder's Statement.

Section 640 of the Act requires the Target's Statement to include an expert's report to shareholders if:

- The bidder's voting power in the target is 30% or more; or
- The bidder and the target have a common director or directors.

Further, the Corporations Act requires the expert to be someone other than an associate of the Bidder or Target.

There are no common directors of Alt, Aurenne or AUPL, and AUPL does not have a voting power in Alt of 30% or more. Accordingly, there is no requirement for this Report pursuant to section 640 of the Act. Notwithstanding the above, the directors of Alt have requested that BDO prepare this report as if it were an independent experts report pursuant to section 640. This report is to be included in the Target's Statement for Alt, to assist Shareholders in deciding whether to accept or reject the Offer.

3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the Offer is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

This regulatory guide suggests that where the transaction is a control transaction, the expert should focus on the substance of the control transaction rather than the legal mechanism used to effect it. RG 111 suggests that where a transaction is a control transaction, it should be analysed on a basis consistent with a takeover bid.

In our opinion, the Offer is a control transaction as defined by RG 111 and we have therefore assessed the Offer as a control transaction to consider whether, in our opinion, it is fair and reasonable to Shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject of the offer in a control transaction it is inappropriate for the expert to apply a discount on the basis that the shares being acquired represent a minority or portfolio interest as such the expert should consider this value inclusive of a control premium.

Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between the value of an Alt share (including a premium for control) and the value of the Consideration on offer (fairness - see Section 11 'Is the Offer Fair?'); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to accepting the Offer, after reference to the value derived above (reasonableness - see Section 12 'Is the Offer reasonable?').

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('APES 225').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Offer

AUPL's Bidder's Statement was announced on the ASX on 15 June 2020 and provided details of the Offer. In it, AUPL offered to acquire all ordinary shares in Alt prior to the end of the offer period being 7 August 2020. The Offer Consideration is \$0.0505 cash for every Alt share, a 74% premium to the closing price of \$0.029 for Alt shares on 28 April 2020 prior to the Company entering into a trading halt, and includes:

- Alt shares issued upon the exercise of existing unlisted options;
- 30,558,333 Alt shares to be issued upon receipt of shareholder or board approval (as required and subject to ASIC granting the necessary relief) as part of agreed performance incentives for directors, key executives and staff.

The Offer is subject to conditions including:

- A 90% minimum acceptance condition;
- No prescribed occurrence occurs;
- No termination or other adverse rights arise from a "change in control" of Alt occurring;
- No material acquisitions, disposals or commitments and maintenance of the status quo during the bid period;
- Mining rights and renewals and all tenements are kept in good standing during the bid period;
- Other customary conditions associated with proposals of this nature, including no material adverse changes occurring to Alt and no adverse action by applicable regulatory authorities (excluding the Takeovers Panel or ASIC in relation to the bid).

Alt has also received \$3.68 million from AUPL via the Aurenne Notes to fund the third tranche vendor payment for its Bottle Creek Gold Project, delivery of its Mt Ida and Bottle Creek Maiden Ore Reserve Statement and PFS, continued metallurgical testwork and working capital purposes. The Aurenne Notes are unsecured and have a conversion price of \$0.03 per share, an interest rate of 5.0% and a maturity date

12 months from the date of issue. The Aurenne Notes are convertible at any time into 122,643,220 ordinary Alt shares and are transferable, subject to Alt's written consent.

Following on-market purchases of ordinary shares in Alt pursuant to the Offer, Aurenne, via conversion of the Aurenne Notes, would have a voting power in excess of 20%. In the event that the minimum acceptance under the bid is not met, Aurenne would not be able to convert to a position greater than 20% without shareholder approval. Shareholder approval is not required for the issue of the Aurenne Notes.

Further information on the Offer and on the Aurenne Notes is available in the Bidder's Statement.

5. Profile of Alt

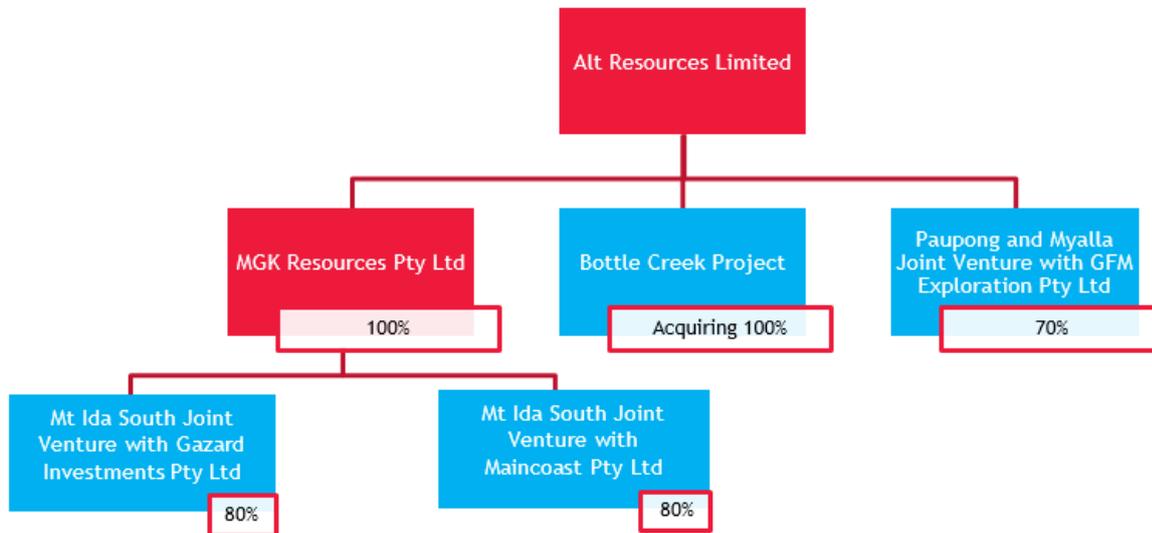
5.1 History

Alt is an ASX-listed gold and base metal exploration and development company registered in Australia. The Company's flagship project is the Mt Ida Gold Project, which includes the Bottle Creek Project, located in the Mt Ida gold belt of Western Australia ('WA'). Alt was incorporated in 2013, and the Company's head office is located in Jindabyne, New South Wales ('NSW').

The current board of directors and senior management of Alt are:

- William H Ellis, Non-Executive Director and Chairman;
- Andrew Sparke, Executive Director;
- Neva Collings, Non-Executive Director;
- Grant Harding, Non-Executive Director;
- James Anderson, Chief Executive Officer;
- Tim Symons, Chief Financial Officer; and
- Elissa Hansen, Company Secretary.

Outlined below is the corporate structure of Alt, showing the Company's sole wholly owned subsidiary, MGK Resources Pty Ltd ('MGK Resources') and Alt's project interests.



Source: Alt's audited financial statements for the year ended 30 June 2019 and Company announcements.

Alt has an interest in projects located in WA and NSW, the latter of which is held through a 70% joint venture ('JV') holding with GFM Exploration Pty Ltd ('GFM Exploration'). Alt's primary project is the Mt Ida Gold Project ('Mt Ida Project') located in WA, which comprises the Bottle Creek Project, the Mt Ida South Project and the Quinns Project. Alt is in the process of acquiring 100% of the Bottle Creek Project, while for tenements located at the Mt Ida South Project and Quinns Project, Alt either has an 80% interest through JVs or a 100% interest held directly. Below is a summary of the various projects and their associated licences which Alt has an interest in.

Project and associated licenses	Tenement Area	Title Holder	% Ownership
Paupong Project- NSW			
EL7825	87.77 km ²	Alt Resources & GFM Exploration	Alt Resources holds 70%
EL8645	52.35 km ²	Alt Resources & GFM Exploration	Alt Resources holds 70%
Myalla Project- NSW			
EL8416	57.99 km ²	Alt Resources & GFM Exploration	Alt Resources holds 70%
Bottle Creek Project- WA			
M29/150	5.71 km ²	R.S Lehmann	Alt acquiring 100%
M29/151	4.57 km ²	R.S Lehmann	Alt acquiring 100%
L29/137 (pending)	100.00 ha	MGK Resources	MGK Resources holds 100%
L29/139	88.22 ha	MGK Resources	MGK Resources holds 100%
Mt Ida Project - WA			
E29/1007	8.40 km ²	MGK Resources	MGK Resources holds 100%
E29/1008	2.80 km ²	MGK Resources	MGK Resources holds 100%
E29/1014	5.60 km ²	MGK Resources & Maincoast	MGK Resources holds 80%
E29/1016	78.40 km ²	MGK Resources	MGK Resources holds 100%
E29/790	11.20 km ²	MGK Resources	MGK Resources holds 100%
E29/901	11.20 km ²	MGK Resources & Maincoast	MGK Resources holds 80%
E29/921	78.40 km ²	MGK Resources & Maincoast	MGK Resources holds 80%
E29/969	30.80 km ²	MGK Resources & Gazard Investments	MGK Resources holds 80%

Project and associated licenses	Tenement Area	Title Holder	% Ownership
E29/970	5.60 km ²	MGK Resources & Gazard Investments	MGK Resources holds 80%
E29/971	2.80 km ²	MGK Resources & Gazard Investments	MGK Resources holds 80%
E29/973	8.40 km ²	MGK Resources & Gazard Investments	MGK Resources holds 80%
E29/993	2.80 km ²	MGK Resources & Maincoast	MGK Resources holds 80%
M29/421	4.39 km ²	MGK Resources	MGK Resources holds 100%
E29/649	16.80 km ²	MGK Resources	MGK Resources holds 100%
E29/748	2.80 km ²	MGK Resources	MGK Resources holds 100%
E29/991	25.20 km ²	Alt Resources	Alt Resources holds 100%
E29/997	16.80 km ²	MGK Resources	MGK Resources holds 100%
E29/998	5.60 km ²	MGK Resources	MGK Resources holds 100%
E29/1073	14.00 km ²	MGK Resources	MGK Resources holds 100%
M29/36	1.21 km ²	MGK Resources	MGK Resources holds 100%
M29/37	2.42 km ²	MGK Resources	MGK Resources holds 100%
M29/65	8.07 km ²	MGK Resources	MGK Resources holds 100%
L29/140 (pending)	23.00 ha	MGK Resources	MGK Resources holds 100%
P29/2173 (pending)	120.00 ha	MGK Resources	MGK Resources holds 100%
P29/2486	185.00 ha	MGK Resources	MGK Resources holds 100%
P29/2521	164.00 ha	MGK Resources	MGK Resources holds 100%
P29/2522	177.21 ha	MGK Resources	MGK Resources holds 100%
P29/2534	121.45 ha	MGK Resources	MGK Resources holds 100%

Source: Alt's audited financial statements for the year ended 30 June 2019, 31 January 2020 ASX announcement and Alt management.

5.2 The Mt Ida Project

The Mt Ida Project is located 85 kilometres ('kms') northwest of Menzies in the northern goldfields of WA, and was acquired by Alt in 2018. The Mt Ida Project spans across an area of approximately 300 square kilometres ('km²') with the main areas of interest being the Bottle Creek Project, the Mt Ida South Project, and the Quinns Project. The latter two projects were acquired in a cash and scrip transaction from ASX-listed Latitude Consolidated Limited in 2018, and are held by Alt's wholly-owned subsidiary, MGK Resources. The expansion of Alt's portfolio through the acquisition was part of the Company's near-term strategy to become a gold producer.

On 3 April 2020, Alt announced that following a resource upgrade at the Mt Ida South Project, the Quinns Project and the Bottle Creek Project, the Company's JORC 2012 measured, indicated and inferred global resource estimates increased to 571,000oz gold at 1.54 grams per tonne ('g/t'), and 4.38 million oz silver at 20.1 g/t.

On 10 July 2020, Alt announced the results of its PFS and maiden Ore Reserves at the Mt Ida and Bottle Creek Project. The PFS was based on a seven year life of mine with annual gold production averaging 35,000 oz per year and a development capital cost estimate of \$73.4 million. A maiden Ore Reserve of 272,100 oz gold at 1.8g/t (70,700 oz proved and 201,000 oz probable) and 2.1Moz silver at 15.8g/t (234,000 oz proved, 1,843,000 oz probable) based on a A\$2,200/oz gold price and a \$22/oz silver price was also declared.

The Bottle Creek Project

Alt is currently in the process of acquiring 100% of the Bottle Creek Project. The Company entered into an option to purchase agreement in November 2017, which included the exclusive rights to purchase the two mining leases that comprise the project for a period of up to 12 months. The Bottle Creek Project had been dormant since 1989, when previous operator Norgold Pty Ltd, a subsidiary of ASX-listed Rio Tinto Limited, ceased production after producing 90,000 ounces ('oz') of gold from two small open pits. Alt considers the Bottle Creek Project to be the ideal location to establish a gold processing plant to process ore from the Bottle Creek Project and the surrounding Mt Ida satellite ore bodies.

The Bottle Creek Project comprises the Cascade, Southwark, Emu, Single Fin, VB Pit, and Boags Pit deposits. As part of the option to purchase agreement, Alt was required to complete at least 8kms of reverse circulation ('RC') drilling. The Company announced it would focus on the un-mined Emu, Southwark and Cascade deposits in the first drilling program, which commenced in March 2018. Reviews of historical data of the gold mine were completed prior to the drilling program, which revealed the presence of high grade ore shoots at the un-mined Southwark deposit.

The first phase of the drilling program returned multiple high-grade gold intercepts. The Company announced that the results provided confidence in the historical data of the mine site, and confirmed the presence of high grade gold.

In September 2018, Alt announced that all of the conditions of the option to purchase the Bottle Creek Project had been satisfied, with the remaining terms of settlement as at September 2018 being a four-tranche payment of \$6.00 million, payable through November 2020. Alt must also pay the vendor a 2.5% royalty from all future gold production from the Bottle Creek Project, and a \$25,000 rehabilitation bond. Alt remained committed to advancing the Bottle Creek Project to a pre-feasibility stage, and was undergoing a number of technical studies in order to achieve this goal.

The Company has now spent over \$6.00 million on exploration and resource drilling since the execution of the Bottle Creek Project option in 2018. Alt has completed multiple RC drilling programs at the Bottle Creek Project, with the Single Fin, Emu, and Southwark deposits revealing shallow intercepts of high-grade gold. The Company is looking to continue exploration at the Bottle Creek Project in order to eventually progress to a resource development phase.

The Mt Ida South and Quinns Projects

The Mt Ida Project also comprises the area surrounding the Bottle Creek Project. This area is divided into the Mt Ida South and Quinns project areas, which have 28 tenements (including 2 pending) across 17 deposits. The Quinns Project comprises eight deposits: Boudie Rat, Forrest Belle, Boudie West, Belvidere, Boudie Beach, Quinns Hills, Matisse East and Matisse West.

The Mt Ida South Project comprises the remaining nine deposits, known as the Wedgetail, Golden Ridge North, Golden Ridge, Black Kite, Spotted Dog North, Tim's Find, Spotted Dog South, Shepherd's Bush, and Pianto's Find deposits. Of the 28 tenements comprising the Mt Ida South and Quinns projects, 19 are 100% held by MGK Resources. Five tenements are joint ventures with Maincoast Pty Ltd, where MGK Resources holds 80% ownership. The remaining four tenements are joint ventures with Gazard Investments Pty Ltd, where MGK Resources holds 80% ownership.

The Company announced the commencement of drilling at the Mt Ida South and Quinns projects in May 2019, following an extended period focussed on the review of historical databases. Drilling was undertaken concurrently at the Tim's Find, Shepherd's Bush, Spotted Dog and Forrest Belle deposits, with

a total of approximately 5.5kms drilled from May to July 2019. The initial drilling program confirmed the presence of gold mineralisation within the project area, with further drilling to be undertaken in other project areas. Alt released a scoping study in August 2019, relating to the potential future gold operation incorporating open pit mining operations, and a gold treatment plant to be located within the Mt Ida South and Quinns projects. The study anticipated a positive cash flow operation, generating EBITDA of \$54.4 million in the first three years, with \$102.2 million anticipated over the six year life-of-mine.

On 18 December 2019, Alt expanded its interest in the Mt Ida South Project by acquiring 100% of a tenement at the southern end of the project, known as the White Eagle Project. Alt acquired the White Eagle Project from Mr. Bruce Legendre for a consideration of 1,000,000 Alt shares at a deemed price of \$0.02, 1,000,000 Alt options with an exercise price of \$0.026 per option, and 1% gross royalty on any mineral production from the tenement.

On 11 March 2020, the Company announced it had executed a binding term sheet for a Mining Services Agreement ('MSA') with Blue Cap Mining Pty Ltd ('Blue Cap Mining'), for the commencement of mining operations at the Tim's Find gold deposit. Under the provisions of the agreement, Blue Cap Mining would provide mining, transport, processing, drill and blast and associated mining services to the Company, in exchange for 34% share of the net profit generated at Tim's Find, and the right to subscribe for 20,000,000 fully paid ordinary Alt shares at a deemed issue price of \$0.025, in lieu of cash payment against the MSA cost (at the election of Blue Cap Mining). Blue Cap Mining has the right to exercise this until 180 days from commencement of the MSA operations. In addition, Blue Cap Mining also provided a \$1.5 million working capital facility payable within 4 months of drawdown, which is expected to occur only when mining at Tim's Find commences. As such, the facility has not yet been drawn down by Alt.

The Company has lodged a mine plan for the Tim's Find deposit for approval by the Department of Mines Industry Regulation and Safety ('DMIRS') in preparation for future planned mining activity. Mining operations were scheduled to commence in July 2020, however to-date, Alt has been unable to confirm contracted milling capacity to process the Tim's Find ore and therefore will not commence mining until that issue is resolved.

5.3 Other Projects

The Paupong Gold Project ('Paupong Project') is located approximately 15kms south west of Dalgety, NSW. The Paupong Project covers an area in excess of 60km² and comprises two leases across 13 deposits, including the Windy Hill and Kidman deposits. The Paupong Project is a joint venture with GFM Exploration where Alt holds a 70% interest in the project. Alt announced the commencement of a 20 week drilling program at its then flagship project in February 2016, which revealed the presence of copper, silver and gold mineralisation within the project area.

The Myalla Project is also a joint venture with GFM Exploration, comprising one lease. Alt holds a 70% interest in the project which is located 30kms from the Paupong Project in NSW, and covers an area of approximately 58km². The Company completed a small RC drilling program in early 2018 to test historical intercepts, with results revealing the presence of gold, silver, copper and zinc within the project area. Following the drilling program, Alt planned further drilling programs to test for anomalies that were found in the surface in 2017.

Exploration of the Paupong and Myalla projects in FY19 had been limited to data review and modelling. No on-ground exploration was undertaken as the Company remained primarily focussed on its resources at the

Mt Ida and Bottle Creek projects in WA. Alt remains open to the potential divestment of the Paupong Project, while the Myalla Project is currently in the process of being relinquished.

5.4 Recent Corporate Events

On 10 July 2020, Alt announced the results of its PFS and maiden ore reserves at the Mt Ida and Bottle Creek Project. The PFS was based on a seven year life of mine with annual gold production averaging 35,000 oz per year and a development capital cost estimate of \$73.4 million. A maiden ore reserve of 272,100 oz gold at 1.8g/t (70,700 oz proved and 201,000 oz probable) and 2.1Moz silver at 15.8g/t (234,000 oz proved and 1,843,000 oz probable) based on a A\$2,200/oz gold price and a \$22/oz silver price was also declared.

On 3 July 2020. AUPL announced that it had completed the sending of the Bidder's Statement pursuant to the Offer.

On 24 June 2020, Alt announced the conversion of 681,818 unquoted options with an exercise price of \$0.035 each and expiry of 30 September 2022 which resulted in an increase in the number of fully paid ordinary shares in Alt to 608,100,947.

On 15 June 2020, AUPL's Bidder's Statement pursuant to the Offer was announced.

On 9 June 2020, Alt announced that it wished to retract certain comments made in an interview with Mr James Anderson, the CEO of Alt, published on Youtube on 23 April 2020 titled "Alt Resources (ASX:ARS) - Pull to the scene, but my roof gone". In that interview, Mr Anderson provided guidance around a potential in-ground valuation for the Company's Mt Ida & Bottle Creek projects. Alt also retracted guidance provided on the potential ore reserve statement. In the same announcement, Alt mentioned it expected to release its maiden ore reserve statement imminently and that any guidance provided prior to that, together with any reference to an in ground value was retracted.

On 1 April 2020, the Company issued 19,934,250 fully paid ordinary shares at \$0.02 per share to Olgen Pty Ltd. The shares were issued as consideration for drilling services on the Mt Ida Project.

During the quarter ended 30 September 2019, the Company completed a two-tranche placement of 160,000,000 shares to raise \$4.0 million for the ongoing development of the Mt Ida Project. Alt completed tranche one of the placement on 9 August 2019, via the issue of 85,000,000 shares at \$0.025 per share. On 23 September 2019, the Company completed tranche two of the placement, issuing 75,000,000 shares at \$0.025 per share, together with 15,000,000 unlisted options exercisable at \$0.035.

During the quarter ended 30 June 2019, the Company undertook a two-tranche placement to raise \$1.35 million at \$0.02 per share in order to fast track exploration at Mt Ida. The Company also undertook a Share Purchase Plan ('SPP') allowing shareholders to purchase up to \$15,000 worth of shares at a discount to the market price. The SPP raised \$0.20 million via the issue of 10,350,000 fully paid ordinary shares at \$0.02 per share. During that quarter, the Company also entered into a convertible note deed with Patina Resources Pty Ltd ('Patina') to raise up to \$0.50 million ('Patina Notes'). The funding was to be used for additional working capital and exploration at the Mt Ida and Bottle Creek projects. As at 30 April 2020, only \$0.10 million of the available \$0.50 million had been drawn but since then the Patina Notes have been fully repaid in cash.

On 7 February 2019, the Company completed a placement of 6,700,000 fully paid ordinary shares at \$0.03 per share to raise \$0.20 million to progress drilling development at the Mt Ida and Bottle Creek projects.

The company also secured a Revolving Line of Credit ('RLOC') from Turkey Investments Pty Ltd at an interest rate of 1% per month which was subsequently repaid.

5.5 Historical Balance Sheet

Statement of Financial Position	Reviewed as at 31-Dec-19 \$	Audited as at 30-Jun-19* \$	Audited as at 30-Jun-18 \$
CURRENT ASSETS			
Cash and cash equivalents	1,598,536	1,372,496	708,966
Trade and other receivables	123,044	78,966	198,584
Prepayments	39,832	14,206	33,329
TOTAL CURRENT ASSETS	1,761,412	1,465,668	940,879
NON-CURRENT ASSETS			
Investment in joint ventures and capitalised tenement costs	18,147,019	16,696,488	4,845,017
Financial assets	91,000	91,000	66,000
Intangible assets	1,551,850	1,551,850	1,551,850
Capital works in progress	347,518	247,981	-
Property, plant and equipment	373,893	189,914	506,915
TOTAL NON-CURRENT ASSETS	20,511,280	18,777,233	6,969,782
TOTAL ASSETS	22,272,692	20,242,901	7,910,661
CURRENT LIABILITIES			
Trade and other payables	571,950	1,348,894	1,734,757
Employee benefits	77,809	97,538	84,740
Financial liabilities	128,966	611,760	197,799
TOTAL CURRENT LIABILITIES	778,725	2,058,192	2,017,296
NON-CURRENT LIABILITIES			
Trade and other payables	5,000,000	5,500,000	-
Employee benefits	51,745	50,471	43,102
Financial liabilities	1,180	1,180	5,086
TOTAL NON-CURRENT LIABILITIES	5,052,925	5,551,651	48,188
TOTAL LIABILITIES	5,831,650	7,609,843	2,065,484
NET ASSETS	16,441,042	12,633,058	5,845,177
EQUITY			
Issued capital	23,025,595	17,728,798	12,901,678
Accumulated losses	(6,621,963)	(5,106,004)	(7,056,501)
Share based payments reserve	37,410	10,264	-
TOTAL EQUITY	16,441,042	12,633,058	5,845,177

*Alt's financial statements for the year ended 30 June 2019 were restated due to a change in its accounting policy at 31 December 2019

Source: Alt's audited financial statements for the years ended 30 June 2018 and 2019, and reviewed financial statements for the half year ended 31 December 2019

We note that in its report for the 30 June 2019 audited financial statements, the Company's auditor highlighted that the ability of Alt to continue as a going concern was a key audit matter. The matter was raised due to the existence of a material uncertainty relating to the Company's ability to extinguish its liabilities in the normal course of business at the amounts stated in the financial statements. The ability for the Company to continue to operate as a going concern is dependent on the completion of the capital raising program, the ability to meet projected revenue levels, and the retention of overheads at budgeted levels. We note that the going concern matter was not highlighted by the auditors in the 31 December 2019 reviewed financial statements.

Commentary on Historical Statement of Financial Position

- Cash and cash equivalents increased to \$1.60 million at 31 December 2019 from \$1.37 million at 30 June 2019, with the increase primarily due to proceeds from the issue of shares of \$5.79 million. This was partially offset by net operating cash outflows of \$2.31 million primarily as payments to suppliers and employees, net investing cash outflows of \$2.28 million, repayment of borrowings of \$0.48 million and transaction costs on share issue of \$0.49 million.
- As at 31 December 2019, capitalised tenement cost primarily relate to Alt's Bottle Creek Project (\$9.43 million) and its interest in tenements at Mt Ida South and Quinn Hills (\$2.51 million). Alt's JVs are accounted for using the equity method, the bulk of which relates to its JV with GFM Exploration (\$4.19 million). It is through this JV that Alt has a 70% interest in the Paupong and Myalla Projects.
- The balance of investments in joint venture and capitalised tenement costs at 30 June 2019 was restated in the reviewed financial statements for the half year ended 31 December 2019. The restatement was due to a change in accounting policy in relation to the carrying amount of exploration and evaluation expenditure in the statement of financial position. Prior to the restatement, this balance was lower at \$10.93 million as the exploration and evaluation expenditure was expensed, as opposed to capitalised on the balance sheet.
- Intangible assets comprise entirely goodwill on consolidation. Goodwill on consolidation is calculated as the acquisition cost of MGK Resources of \$1.75 million, less the issued capital of MGK Resources of approximately \$0.20 million.
- Financial assets comprise bonds with the Department of Resources and Energy held for rehabilitation purposes.
- The balance of property, plant and equipment at 31 December 2019 predominantly relates to Alt's exploration assets (\$0.36 million), with the rest relating to its corporate assets such as motor vehicles and leasehold improvements (\$0.01 million).
- Current trade and other payables primarily comprises trade payables and provisions for government duties. The reduction in this line item from 30 June 2019 to 31 December 2019 is due to a reduction in trade and sundry creditors. Non-current trade and other payables increased from \$nil at 30 June 2018 to \$5.50 million at 30 June 2019 as a result of the provision for the acquisition of the Bottle Creek Project.
- The capital works in progress balance of approximately \$0.35 million as at 31 December 2019 relates primarily to development of the gold processing plant at the Mt Ida Project (\$0.27 million), with the remainder relating to the upgrade of the Bottle Creek camp (\$0.08 million).

- The reduction in current financial liabilities from \$0.61 million at 30 June 2019 to \$0.13 million at 31 December 2019, reflects the repayment of the RLOC from Turkey Investments Pty Ltd. The balance comprises \$100,000 in Patina Notes (which were fully repaid in cash subsequent to the balance date) and other commercial loans. Non-current financial liabilities comprise other commercial loans.

5.6 Historical Statement of Comprehensive Income

Statement of Comprehensive Income	Reviewed for the half year ended 31-Dec-19 \$	Audited for the year ended 30-Jun-19* \$	Audited for the year ended 30-Jun-18 \$
Revenue	15,707	79,517	8,990
Depreciation and amortisation expense	(2,525)	(14,725)	(22,874)
Employee benefits expense	(650,780)	(743,653)	(741,421)
Exploration expenditure	(198,325)	(348,055)	(2,059,262)
Finance costs	(32,307)	(30,256)	(3,538)
Other expenses	(647,729)	(868,264)	(556,975)
Profit / (Loss) before income tax	(1,515,959)	(1,925,436)	(3,375,080)
Tax expense	-	-	-
Profit / (Loss) for the year	(1,515,959)	(1,925,436)	(3,375,080)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	(1,515,959)	(1,925,436)	(3,375,080)

*Alt's financial statements for the year ended 30 June 2019 were restated due to a change in its accounting policy at 31 December 2019

Source: Source: Alt's audited financial statements for the years ended 30 June 2018 and 2019, and reviewed financial statements for the half year ended 31 December 2019

Commentary on Historical Statement of Comprehensive Income

- Revenue for the half year ended 31 December 2019 primarily comprised fuel tax credits received. Revenue for the year ended 30 June 2019 was boosted by the profit on the sale of assets of \$0.05 million. Alt also recorded \$0.02 million of fuel tax credits received during that year. There were no reported profits from the sale of assets for the year ended 30 June 2018.
- Employee benefits expenses are higher for the half year ended 31 December 2019 on an annualised basis compared to the same expense for the full year to 30 June 2019. This is driven by an increase in shares granted to key management personnel in the form of share based payments.
- Exploration expenditure for the year ended 30 June 2019 was restated from \$2.24 million to \$0.35 million following the aforementioned change in accounting policy adopted. This change resulted in the bulk of exploration and evaluation expenditure for that year being capitalised rather than expensed.

- Other expenses largely relate to administrative expenses such as listing fees and other corporate costs.

5.7 Capital Structure

The share structure of Alt as at 14 July 2020 is outlined below:

	Number
Total ordinary shares on issue	608,100,947
Top 20 shareholders	312,773,456
Top 20 shareholders - % of shares on issue	51.43%

Source: Alt's management

The range of shares held in Alt as at 14 July 2020 is as follows:

Range of Shares Held	Number of Ordinary Shareholders	Number of Ordinary Shares	Percentage of Issued Shares (%)
1 - 1,000	28	2,549	0.00%
1,001 - 5,000	10	29,741	0.00%
5,001 - 10,000	140	1,369,368	0.23%
10,001 - 100,000	588	26,281,910	4.32%
100,001 - and over	469	580,417,379	95.45%
TOTAL	1,235	608,100,947	100.00%

Source: Alt's management

The ordinary shares held by the most significant shareholders as at 14 July 2020 are detailed below:

Name	Number of Ordinary Shares Held	Percentage of Issued Shares (%)
Aurenne-related entities (including AUPL)*	151,689,441	24.94%
Harvest Lane Asset Management*	46,209,865	7.60%
Subtotal	157,443,908	25.89%
Others	450,657,039	74.11%
Total ordinary shares on Issue	608,100,947	100.00%

Source: Alt's management, *ASX Notice of Change in Substantial Holding announced 15 July and 11 June 2020

The following options are on issue as at 14 July 2020:

Current Options on Issue	
Unlisted options exercisable at \$0.0585 each on or before 15 September 2020	3,110,900
Mandate options exercisable at \$0.1000 each on or before 30 December 2020	1,500,000
Incentive options exercisable at \$0.1000 each on or before 09 June 2021	1,723,000
Unquoted options exercisable at \$0.0800 each on or before 11 May 2021	3,125,000
Unlisted options exercisable at \$0.0260 each on or before 11 December 2021	1,000,000
Unlisted options exercisable at \$0.0450 each on or before 04 April 2022	26,516,294
Unlisted options exercisable at \$0.0200 each on or before 01 August 2022	11,350,000
Unlisted options exercisable at \$0.0300 each on or before 01 August 2022	2,000,000
Unlisted options exercisable at \$0.0350 each on or before 01 August 2022	1,000,000
Unlisted options exercisable at \$0.0450 each on or before 01 August 2022	1,500,000
Unlisted options exercisable at \$0.0350 each on or before 30 September 2022	14,318,182
Unlisted options exercisable at \$0.0275 each on or before 06 December 2022	1,446,042
Unlisted options exercisable at \$0.0342 each on or before 06 December 2022	2,500,000
Unlisted options exercisable at \$0.0430 each on or before 06 December 2022	1,047,492
Unlisted options exercisable at \$0.0455 each on or before 06 December 2022	1,624,286
Unlisted options exercisable at \$0.0455 each on or before 10 December 2022	1,478,571
Total number of options on issue	75,239,767

Source: Alt's management

For personal use only

6. Profile of Aureenne

6.1 History

Aureenne is a privately held and fully funded capital investment firm, specialising in gold mining projects located in Australia. Aureenne currently owns interests in a number of projects throughout the goldfields of Western Australia through its wholly owned subsidiaries. These interests include tenement packages throughout the East Kalgoorlie and Southern Cross regions. Aureenne was founded in 2018 and is based in Sydney, NSW.

As at the date of the Bidder's Statement, the directors of Aureenne are:

- Carl Alec Rose;
- Ravindran George Underwood; and
- Margaret Colleen Hoddinott Brice.

Aureenne's wholly owned subsidiaries include Aureenne Ularring Pty Ltd, Aureenne Kalpini Pty Ltd, Aureenne Cannon Pty Ltd, Aureenne Parker Range Pty Ltd, Aureenne NIC Pty Ltd and Aureenne Haze Pty Ltd. The Offer is being made through Aureenne Ularring Pty Ltd, whose principal activities are the exploration and mining, specialising in gold projects throughout the Goldfields region of Western Australia.

As at the date of the Bidder's Statement, the directors of AUPL, the entity under which Aureenne is conducting the Offer, are:

- Ravindran George Underwood; and
- Carl Alec Rose.

As at the date of the Bidder's Statement, the shareholders of Aureenne holding more than 10% each of the issued share capital of Aureenne are:

- Carl Alec Rose (Jacqual Pty Ltd);
- Ravindran George Underwood (a proportion of which is held by Merebel Pty Ltd); and
- Margaret Colleen Hoddinott Brice.

6.2 Recent transactions

Aureenne acquired a package of Australian assets from Southern Gold in August 2019 through its wholly owned subsidiary Aureenne Cannon Pty Ltd, for a consideration of \$2.5 million cash. The asset package included the Bulong South, Glandore and Cowarna Gold projects. It was in the strategic interest of Southern Gold to divest its Australian assets, as it prioritises its South Korean operations.

In September 2018, Aureenne acquired tenements in the Parker Range Gold Project from Godwana Resources Ltd through its wholly owned subsidiary Aureenne Parker Range Pty Ltd, for a consideration of \$5.0 million. The Parker Range Gold Project is located in the Yilgarn region of Western Australia, an area with existing infrastructure and a history of open pit gold mining.

Aureenne acquired a 50% stake in the Kalpini Gold Project, owned by Kalgoorlie based exploration and development company, KalNorth Gold Mines Limited. The project is located approximately 75kms north-

east of Kalgoorlie, and comprises the Gambia and Atlas deposits. The transaction was completed for a consideration of \$3.2 million in 2017.

7. Economic analysis

Overview

The Australian economy grew at 2% over 2019. The Reserve Bank of Australia ('RBA') had been predicting growth of approximately 2.75% for 2020, however as a result of the COVID-19 outbreak and the Australian bushfires, this momentum has been significantly disrupted.

COVID-19 has had a significant impact on the Australian economy and financial system, along with creating considerable volatility in financial markets. Equity prices experienced sharp declines and the yield on government bonds reached historic lows in March 2020. Measures taken by the Australian government and the RBA have improved stability in equity and bond markets over recent weeks.

The Government has introduced stimulus measures totalling \$320 billion, the first of which was announced on 12 March 2020, when the federal government introduced a \$17.6 billion stimulus package to provide short-term support to the economy. Further stimulus measures, including the \$130 billion Jobkeeper Payment Scheme, were announced on 30 March 2020.

Economic Indicators

At its May 2020 board meeting, the RBA considered a range of scenarios due to the current economic uncertainty. In its baseline scenario it forecast that output would fall by 10% in the first half of 2020 and by 6% over the year as a whole.

The unemployment rate increased to 5.3% in January 2020 after remaining stable around 5.25% since April 2019. The outbreak of COVID-19 is expected to delay the progress in Australia reaching its full employment target, with the RBA's baseline scenario predicting unemployment of approximately 10% in the coming months, before falling to around 7% by year end. In April 2020, more than 600,000 people lost their jobs, with total hours worked declining by 9%. There are signs to suggest that hours worked stabilized in early May, following this large decline.

Consumer Price Index ('CPI') inflation was 1.8% over 2019 and underlying inflation slightly lower. This is below the RBA's mid-term target of 2% to 3%. Domestic inflationary pressures will depend on the long-term impacts of COVID-19, how fast the economy recovers from weaknesses over the past year and how business and household expectations of inflation change. The RBA's baseline scenario predicts inflation to fall to between 1% and 1.5% in 2021, before gradually increasing thereafter.

Capital Markets and ASX Listed Companies

Australian financial markets have experienced significant disruptions due to COVID-19. The ASX in particular experienced its largest weekly decline since the Global Financial Crisis ('GFC') during the last week of February 2020, wiping approximately \$210 billion in value from the market. A lowered share price environment significantly impacted the number of transactions taking place, with many companies revising or postponing equity issues to avoid dilution of their shareholder base. Gold producers and explorers were some of the lesser effected companies, with the gold price remaining elevated throughout the pandemic. Whilst gold price volatility occurred during the period, merger and acquisition activity between ASX listed gold production and exploration companies has continued.

Australian companies with overseas operations have also faced disruptions due to travel restrictions and government mandates. From 29 March 2020, Australians returning from overseas were required to serve a government mandated two week isolation period. In addition to domestic restrictions, some foreign governments have placed restrictions on international projects, which has impacted ASX listed explorers and miners who operate overseas assets.

Economic Outlook

There is considerable uncertainty for the near term outlook of the Australian economy with outcomes depending on the success of efforts to contain the virus as well as the time frame for social distancing measures currently in place. A large economic contraction is expected for the June quarter and the unemployment rate is expected to increase to its highest level in years, with the current economic conditions suggesting that Australia is experiencing its largest economic contraction since the 1930s.

Whilst uncertainty exists, the RBA is predicting that the downturn will be less than earlier predicted, with the rate of infections declining significantly, and some restrictions being eased earlier than previously suggested.

Source: www.rba.gov.au Statement by Glenn Stevens, Governor: Monetary Policy Decision 2 June 2020, 5 May 2020, 7 April 2020 and 19 March 2020, www.abs.gov.au Consumer Price Index March 2020.

8. Industry analysis

Alt operates primarily in the gold industry through its flagship Mt Ida Project, which includes the Bottle Creek Project. As such, we have presented an industry analysis on the gold and gold ore mining industry.

8.1 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years, however in more recent history there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below:

Gold supply (tonnes)	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q1'20
Mine production	2,857	2,929	3,110	3,206	3,313	3,427	3,457	3,529	3,480	796
Net producer hedging	23	(45)	(28)	105	13	38	(26)	(12)	21	(10)
Recycled gold	1,651	1,671	1,248	1,188	1,121	1,282	1,156	1,178	1,312	280
Total supply	4,531	4,555	4,330	4,499	4,448	4,747	4,587	4,694	4,812	1,066

Source: World Gold Council Quarter 1 2020 Statistics, 30 April 2020

Historically, the price of gold is negatively correlated to the prices of other asset classes during times of uncertainty and financial crises. Due to the recent coronavirus outbreak sparking uncertainty, the price of

gold has rallied as investors demand the high liquidity that gold provides. This increase in the price of gold will positively impact Alt if this uncertainty prevails.

The World Gold Council expects that the interplay between financial uncertainty, lower interest rates, weakening in global economic growth and gold price volatility will continue to drive gold demand in 2020.

The gold ore mining industry has performed steadily in recent years, with growth driven by price increases and slow economic growth. However, gold mine production was 1.3% lower than in 2018, the first annual decline in production since 2008. This decline can be mainly attributed to China's fall in mine output by 6% due to strict environmental restrictions that have come into force in recent years.

Key external drivers

Global gold prices have a significant impact on the revenue generated by industry operators. When gold prices are low, gold miners are less likely to commit to projects with lower gold grades and higher production costs. Ultimately, a decline in gold prices reduces the viability of new and existing projects, which hinders industry growth.

The global gold price is denominated in US dollars and therefore, the exchange rate directly affects the returns received by local industry operators. A weaker Australian Dollar benefits the domestic industry by reducing prices in export markets and pushing up domestic prices, likely resulting in higher volumes.

Global demand for gold is also inversely related to global economic performance. As gold is regarded as a store of value and is particularly sought after during periods of economic uncertainty, demand follows a counter cyclical pattern. Strong global GDP growth can therefore have a negative impact on gold demand and the industry. The recent rally in gold prices, which saw it reach a six-year high in US dollar terms during September 2019, is partly a reflection of ongoing easing of global monetary policies but also of continued geopolitical uncertainty, particularly around the US-China trade negotiations and more recently the outbreak of COVID-19.

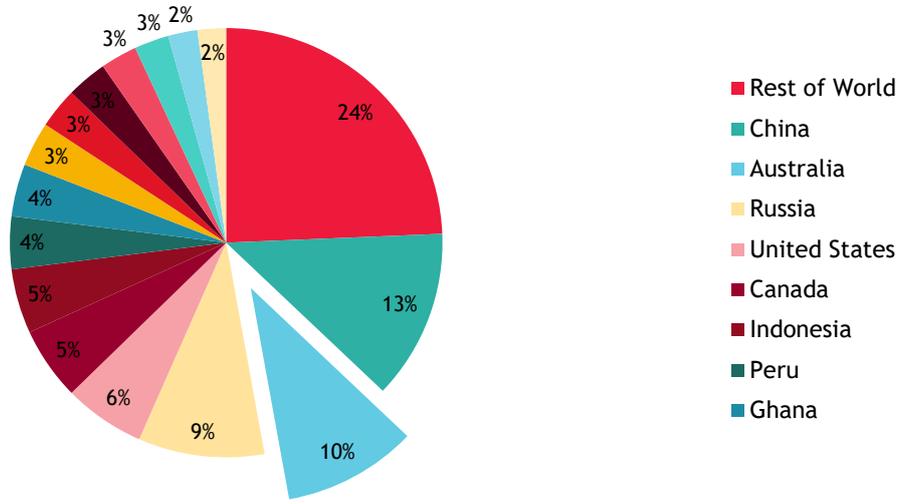
Gold ore mining trends

Gold ore mining is a capital intensive and high cost process, which is becoming increasingly difficult and more expensive as the quality of ore reserves diminishes. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

Until the late 1980s, South Africa produced approximately half of the total gold ore mined globally. More recently however, the industry has diversified geographically and China and Australia now dominate global gold production. According to the United States Geological Survey, total estimated global gold ore mined for 2019 was approximately 3,287 metric tonnes. The chart below illustrates the estimated global gold production by country for 2019.

For personal use only

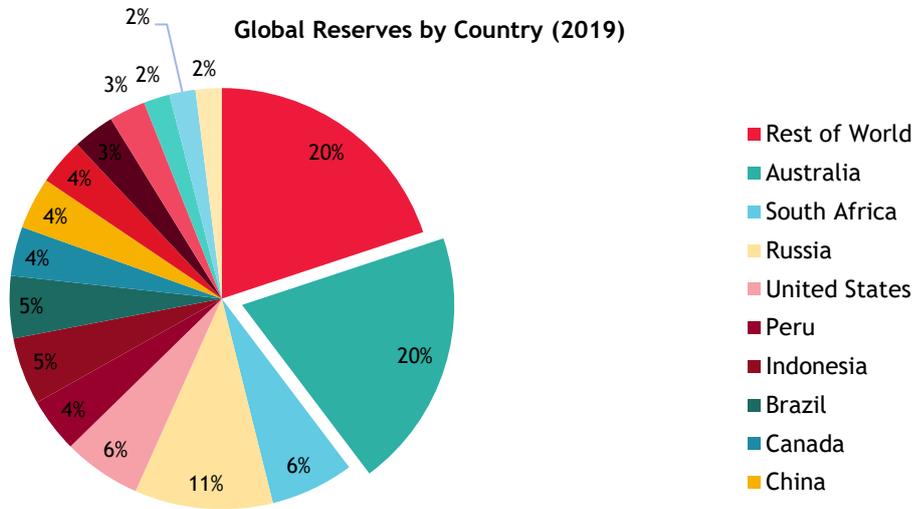
Global Production by Country (2019)



Source: U.S. Geological Survey

Despite China leading global gold production in 2019, Australia, South Africa and Russia hold the largest known gold reserves globally. As depicted below, the United States Geological Survey estimates that collectively these three countries account for approximately 37% of global gold reserves.

Global Reserves by Country (2019)



Source: U.S. Geological Survey

According to the 2020 United States Geological Survey, Australia’s gold reserves amount to 10,000 tonnes, representing 20% of global reserves and the largest percentage held by any one country. IBIS World estimates domestic industry revenue to grow by an annualised 0.8% over the five year period through to 2022-23, reaching approximately \$18.8 billion. However, rising production costs due to lower ore quality and higher transportation costs are anticipated to reduce industry profitability over the period.

Gold prices

The price of gold peaked at US\$1,900 on 5 September 2011, due largely to the debt market crisis in Europe and the Standard and Poor's downgrade of the US credit rating. Global stock markets subsequently went into turmoil, which saw investors opt for the stability offered by gold.

The price of gold fluctuated around US\$1,700 during 2012 before entering a steep decline in 2013. The downturn represented the beginning of a correction in the price of gold, which had almost tripled in the two-year period prior to the European crisis in 2011. Improved market sentiment and increased risk appetite from investors saw gold prices continue to decline throughout 2014 and 2015 to US\$1,051 in December 2015.

During 2016, gold prices strengthened, likely as a result of heightened uncertainty surrounding the US Presidential election and the United Kingdom's exit from the European Union. The price of gold reached US\$1,363 in late 2016 before stabilising around US\$1,200 to US\$1,300 throughout 2017.

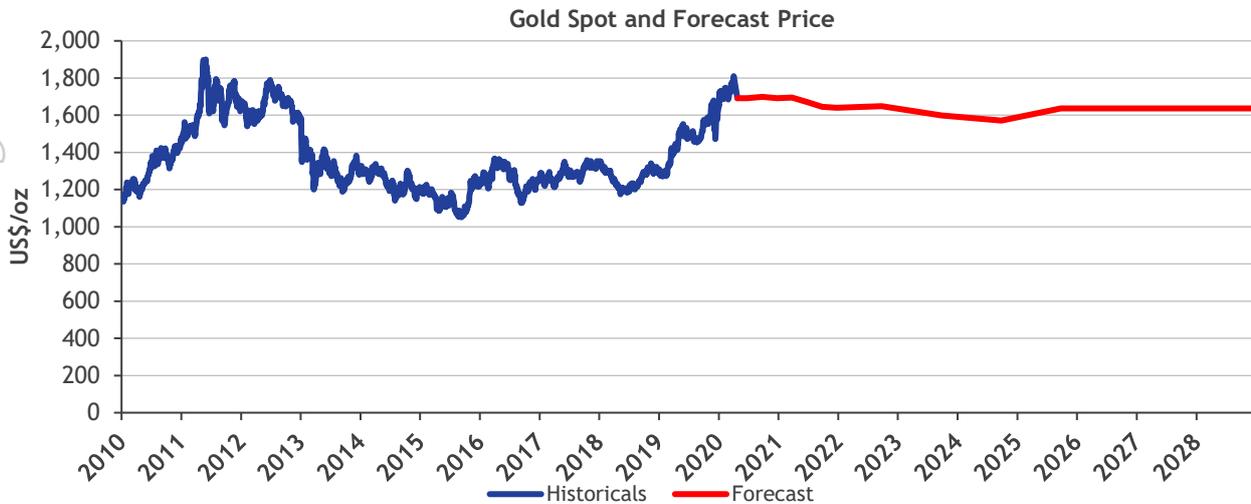
The gold price fluctuated throughout 2018. In January 2018, the gold price strengthened, rising to approximately US\$1,360, spurred on by a weak US dollar. From April 2018 through to August 2018, the price of gold trended downwards. Prices remained flat through August and September of 2018, before increasing in October and November of 2018.

The price of gold declined to US\$1,270 in May 2019, before rallying past US\$1,500 to reach a six year high. Demand for gold was primarily driven by investors looking to avoid US-China trade war uncertainties, while civil unrest in Hong Kong further spurred investors to abandon riskier asset classes for safe haven assets. The gold price continued to remain around US\$1,500 throughout October 2019, although it dipped slightly to US\$1,465 in mid-November 2019.

Gold prices have fluctuated significantly throughout 2020 to date. Demand for gold increased in response to the uncertainty created by the global spread of COVID-19, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst the growing uncertainty caused by the crisis. Gold spot prices fell to a yearly low of US\$1,471, before rallying. Throughout May and June 2020, prices have remained elevated around US\$1,700, and as at early July 2020, have continued to increase to above the US\$1,800 level.

According to Consensus Economics forecasts, the price of gold will continue to remain at its current high levels with the uncertainty created by the spread of COVID-19 sustaining the demand for gold. Future price movements are expected to depend on the duration and severity of the crisis, and its impact on government policies globally.

The gold spot price since 2010 and forecast prices through to 2029 are depicted in the graph below.



Source: Bloomberg and Consensus Economics

9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Market based assessment

A summary of each of these methodologies is outlined in Appendix 2.

We have assessed the value of an Alt share prior to the Offer using the above methodologies and compared it to the value of the Consideration.

9.1 Valuation approach for the value of an Alt share prior to the Offer

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information. In our assessment of the value of an Alt share prior to the Offer, we have chosen to employ the following methodologies:

- QMP as this represents the value that a Shareholder can receive for a share if sold on the market; and
- NAV on a going concern basis

We have chosen these methodologies for the following reasons:

- The QMP basis is a relevant methodology to consider because Alt's shares are listed on the ASX. This means there is a regulated and observable market where Alt's shares can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid and the market should be fully informed of the Company's activities;
- Alt's mineral assets do not currently generate any income nor are there any historical profits that could be used to represent future earnings. Therefore the FME approach is not appropriate;

- Consequently, we have considered the NAV approach as a valuation method. Alt's mineral assets are currently not producing and do not generate revenues or cash flows in their current state. Therefore, we consider the NAV approach is best suited for the valuation;
- The core value of Alt lies in its mineral assets. We have commissioned Value and Resource Management Pty Ltd ('VRM') to provide an independent market valuation of Alt's mineral assets which we have incorporated into our NAV approach;
- On 10 July 2020 Alt released a PFS which included a forecast cash flow for the project. BDO has considered this cash flow model as a cross check of our valuation approach and made adjustments to the modifying factors as we consider appropriate.

9.2 Valuation approach for the Consideration

The Consideration of \$0.0505 per Alt share is being paid in cash. Therefore the value of the Consideration is \$0.0505 per Alt share.

10. Valuation of Alt prior to the Offer

10.1 Net Asset Valuation of Alt

The value of Alt's assets on a going concern basis is reflected in our valuation below:

Net Asset Valuation	Note	Reviewed as at 31-Dec-19 \$	Low value \$	Preferred value \$	High value \$
CURRENT ASSETS					
Cash and cash equivalents	a	1,598,536	4,637,811	5,359,214	6,806,169
Trade and other receivables	b	123,044	44,907	44,907	44,907
Prepayments		39,832	39,832	39,832	39,832
TOTAL CURRENT ASSETS		1,761,412	4,722,550	5,443,952	6,890,908
NON-CURRENT ASSETS					
Investment in joint ventures and capitalised tenement costs	c	18,147,019	15,600,000	24,000,000	32,400,000
Financial assets		91,000	91,000	91,000	91,000
Intangible assets	c	1,551,850	-	-	-
Capital works in progress	d	347,518	347,518	347,518	347,518
Property, plant and equipment	d	373,893	373,893	373,893	373,893
TOTAL NON-CURRENT ASSETS		20,511,280	16,412,411	24,812,411	33,212,411
TOTAL ASSETS		22,272,692	21,134,961	30,256,363	40,103,319
CURRENT LIABILITIES					
Trade and other payables	e	571,950	779,039	779,039	779,039
Employee benefits		77,809	77,809	77,809	77,809
Financial liabilities	f	128,966	3,689,088	3,689,088	3,689,088
TOTAL CURRENT LIABILITIES		778,725	4,545,936	4,545,936	4,545,936
NON-CURRENT LIABILITIES					
Trade and other payables	g	5,000,000	-	-	-
Employee benefits		51,745	51,745	51,745	51,745
Financial liabilities		1,180	1,180	1,180	1,180
TOTAL NON-CURRENT LIABILITIES		5,052,925	52,925	52,925	52,925
TOTAL LIABILITIES		5,831,650	4,598,861	4,598,861	4,598,861
NET ASSETS (diluted)		16,441,042	16,536,099	25,657,502	35,504,457
Number of shares on issue (diluted)	h		620,450,947	641,715,171	673,881,814
Value per share (diluted)			\$ 0.027	\$ 0.040	\$ 0.053
NET ASSETS (undiluted)			16,283,099	24,683,099	33,083,099
Number of shares on issue (undiluted)	h		608,100,947	608,100,947	608,100,947
Value per share (undiluted)			\$ 0.027	\$ 0.041	\$ 0.054

Source: BDO analysis

We have been advised that other than as set out below there has not been a significant change in the net assets of Alt since 31 December 2019. The table above indicates the net asset value of an Alt share is between \$0.027 and \$0.053 on a diluted basis and between \$0.027 and \$0.054 on an undiluted basis. Note

that because the NAV method provides a value on a control basis, no further control premium adjustment is necessary

The following adjustments were made to the net assets of Alt as at 31 December 2019 in arriving at our valuation.

Note a) Cash and cash equivalents

Management have provided us with the unaudited management accounts of Alt for the period ended 30 April 2020. We have adjusted the reviewed cash and cash equivalents balance at 31 December 2019 to the balance at 30 April 2020, which we have verified by obtaining bank statements to support this balance. On 24 June 2020, 681,818 options with an exercise price of \$0.035 each were exercised. We have included the cash raised from the exercise of these options in our adjustments.

In addition, we have increased the cash balance by the notional exercise of options that are in-the-money when compared to the value per share per Alt share under the low, preferred and high valuations (based on the NAV calculations above). The following table sets out the number of options on issue that are in-the-money relative to the low, preferred and high NAV values, as well as the cash that would be raised from their notional exercise.

In-the-money options	Low valuation	Preferred Valuation	High Valuation
Options exercisable at \$0.0585 each on or before 15 September 2020	-	-	-
Options exercisable at \$0.1000 each on or before 30 December 2020	-	-	-
Options exercisable at \$0.1000 each on or before 09 June 2021	-	-	-
Options exercisable at \$0.0800 each on or before 11 May 2021	-	-	-
Options exercisable at \$0.0260 each on or before 11 December 2021	1,000,000	1,000,000	1,000,000
Options exercisable at \$0.0450 each on or before 04 April 2022	-	-	26,516,294
Options exercisable at \$0.0200 each on or before 01 August 2022	11,350,000	11,350,000	11,350,000
Options exercisable at \$0.0300 each on or before 01 August 2022	-	2,000,000	2,000,000
Options exercisable at \$0.0350 each on or before 01 August 2022	-	1,000,000	1,000,000
Options exercisable at \$0.0450 each on or before 01 August 2022	-	-	1,500,000
Options exercisable at \$0.0350 each on or before 30 September 2022	-	14,318,182	14,318,182
Options exercisable at \$0.0275 each on or before 06 December 2022	-	1,446,042	1,446,042
Options exercisable at \$0.0342 each on or before 06 December 2022	-	2,500,000	2,500,000
Options exercisable at \$0.0430 each on or before 06 December 2022	-	-	1,047,492
Options exercisable at \$0.0455 each on or before 06 December 2022	-	-	1,624,286
Options exercisable at \$0.0455 each on or before 10 December 2022	-	-	1,478,571
Total number of in-the-money options	12,350,000	33,614,224	65,780,867
Total cash raised from exercise of options (\$)	253,000	974,403	2,421,358

Source: Alt management, BDO analysis

We note that in the Bidder's Statement, AUPL has proposed to enter into private arrangements with holders of certain Alt options to effect the cancellation of their options for the payment of a cancellation fee equal to the in-the-money value relative to the \$0.0505 per share cash Consideration. Further details

of this proposed arrangement is set out in the Bidder's Statement. Our analysis has indicated that this arrangement, should it proceed, would not be material to our opinion.

Subsequent to 30 April 2020, the Aurenne Notes were also issued providing Alt with \$3,679,296 in funding. We have adjusted the cash balance to include this.

Finally we have also accounted for the full \$100,000 cash repayment of the Patina Notes subsequent to 30 April 2020.

The result of the above adjustments are summarised in the following table.

Adjusted cash and cash equivalents	Low value \$	Preferred value \$	High value \$
Closing balance as at 30 April 2020	781,651	781,651	781,651
Add: Cash from exercise of options subsequent to 30 April 2020	23,864	23,864	23,864
Add: Notional exercise of in-the-money options	253,000	974,403	2,421,358
Add: Funds received from Aurenne Notes	3,679,296	3,679,296	3,679,296
Less: Full settlement of Patina Notes in cash	(100,000)	(100,000)	(100,000)
Adjusted cash and cash equivalents	4,637,811	5,359,214	6,806,169

Note b) Trade and other receivables

We have adjusted the trade and other receivables balance to reflect the latest management accounts as at 30 April 2020.

Note c) Valuation of Alt's mineral assets

On Alt's statement of financial position, the value of Alt's mineral assets are reflected in the values of its investment in joint ventures and capitalised tenement costs and intangible assets.

We instructed VRM to provide an independent market valuation of the exploration assets held by Alt. VRM considered a number of different valuation methods when valuing the exploration assets of Alt. VRM valued the Mineral Resources of the Mt Ida and Bottle Creek Projects using a comparable transaction method and a yardstick approach as a cross-check. The comparable transaction method involves calculating a value per common attribute in a comparable transaction and applying that value to the subject asset. A common attribute could be the amount of resource or the size of a tenement.

For Alt's other exploration projects, VRM has valued these using the geoscientific or Kilburn method and a multiple based on the exploration expenditure on these projects. The final \$5 million vendor payment required to secure Bottle Creek has been accounted for in VRM's valuation. Further details of VRM's valuation assumptions and methodologies are set out in its report attached as Appendix 3.

The range of values for each of Alt's mineral assets as calculated by VRM is set out below:

Mineral Asset	Low Value \$	Preferred Value \$	High Value \$
Total assessed valuation	15,600,000	24,000,000	32,400,000

Source: Independent Technical Assessment and Valuation Report prepared by VRM

The table above indicates a range of values between \$15.60 million and \$32.40 million, with a preferred value of \$24.00 million.

Note d) Capital works in progress and property, plant and equipment

These items are not included in the valuation of Alt's mineral assets by VRM, hence we have left them unadjusted from their reviewed balances as at 31 December 2019. We note that the movement in these balances to the latest 30 April 2020 management accounts is immaterial and as such, we have not made any further adjustments.

Note e) Current trade and other payables

We have adjusted the current trade and other payables balance to reflect the latest management accounts as at 30 April 2020.

Note f) Financial liabilities

Current financial liabilities at 31 December 2019 included \$100,000 in Patina Notes which were subsequently fully repaid in cash in May 2020 (reflected in note a above).

The liability component of the Aurene Notes is also reflected here following their issue subsequent to the 30 April 2020 balance date. As the conversion is fixed we have considered the notes to be a financial liability which is equivalent to the cash received of \$3,679,296.

We adjust the current financial liabilities balance to reflect these below.

Adjusted current financial liabilities	\$
Closing balance as at 30 April 2020	109,792
Less: Full settlement of Patina Notes in cash	(100,000)
Add: Aurene Notes	3,679,296
Adjusted non-current financial liabilities	3,689,088

Note g) Non-current trade and other payables

The \$5 million balance of non-current trade and other payables relates to the outstanding payments on the Bottle Creek Project acquisition. This has been taken into account by VRM in its valuation of Alt's mineral assets (see note c above).

Note h) Undiluted and diluted number of shares

In our calculation of the number of shares on issue on a diluted basis, we have adjusted this number for the notional exercise of the in-the-money options into ordinary shares (see note a above).

The result of the above adjustments are shown below.

	Low No.	Preferred No.	High No.
Number of shares on issue (diluted)			
Total ordinary shares on issue	608,100,947	608,100,947	608,100,947
Add: Notional conversion of in-the-money options into ordinary shares	12,350,000	33,614,224	65,780,867
Number of shares on issue (diluted basis)	620,450,947	641,715,171	673,881,814

In our calculation of shares on issue on an undiluted basis, we do not account for the notional conversion of in-the-money options into ordinary shares. Therefore the number of shares on issue on an undiluted basis is 608,100,947.

10.2 Quoted Market Prices for Alt Securities

To provide a comparison to the valuation of Alt in Section 10.1, we have also assessed the quoted market price for an Alt share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.11 suggests that when considering the value of a company's shares for the purposes of a control transaction, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

Under the Offer, AUPL will be obtaining 100% of Alt and if the Offer is accepted, AUPL will gain control of the Company.

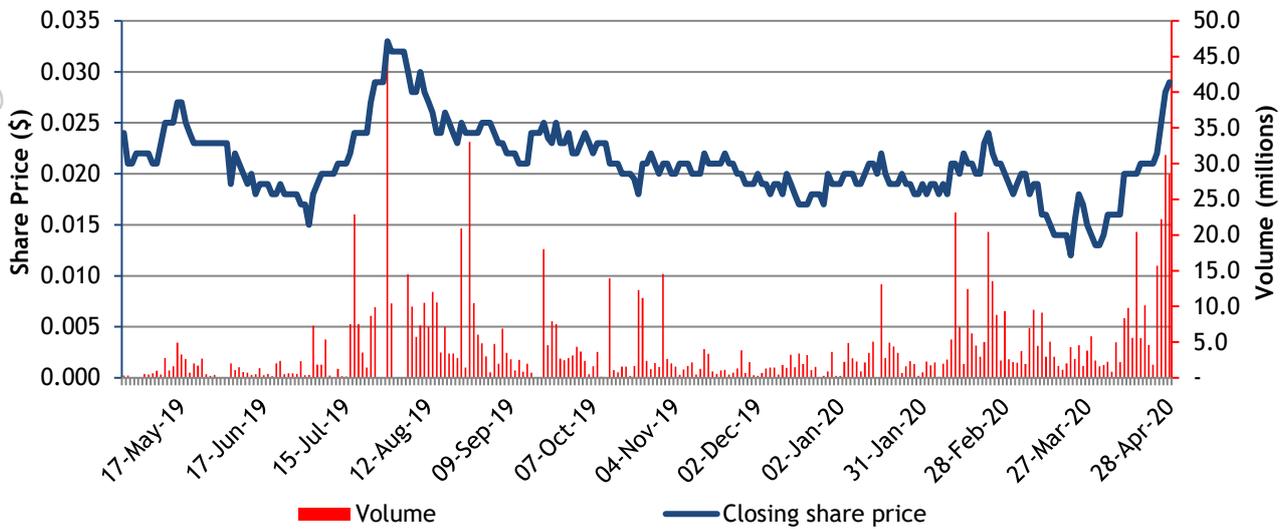
Therefore, our calculation of the quoted market price of an Alt share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of an Alt share is based on the pricing prior to the announcement of the Offer. This is because the value of an Alt share after the announcement may include the effects of any change in value as a result of the Offer. However, we have considered the value of an Alt share following the announcement when we have considered reasonableness in Section 13.

Information on the Offer was announced to the market on 7 May 2020. However, Alt's shares entered a trading halt on 28 April 2020 and were subsequently suspended from quotation before that announcement was made. Therefore, the following chart provides a summary of the share price movement over the 12 months to 28 April 2020, which was the last trading day prior to the announcement.

Alt share price and trading volume history



Source: Bloomberg

The daily price of Alt shares from 29 April 2019 to 28 April 2020 has ranged from a low of \$0.012 on 23 March 2020 to a high of \$0.033 on 29 July 2019.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement		Closing Share Price Three Days After Announcement	
		\$ (movement)	%	\$ (movement)	%
30/04/2019	Share Purchase Plan	0.021	▼ 13%	0.022	▲ 5%
30/04/2019	Quarterly Cashflow Report	0.021	▼ 13%	0.022	▲ 5%
30/04/2019	Quarterly Activities Report	0.021	▼ 13%	0.022	▲ 5%
07/05/2019	High-Grade Gold Intercepts at Boags South	0.022	► 0%	0.023	▲ 5%
30/05/2019	Trading Halt	0.023	► 0%	0.019	▼ 17%
03/06/2019	Voluntary Suspension	0.023	► 0%	0.021	▼ 9%
04/06/2019	Placement to Fast Track Mt Ida Exploration	0.019	▼ 17%	0.020	▲ 5%
04/06/2019	Reinstatement to Official Quotation	0.019	▼ 17%	0.020	▲ 5%
06/06/2019	Modification of Share Purchase Plan	0.021	▼ 5%	0.020	▼ 5%
03/07/2019	Gold Intercepts at Tim's Find Mt Ida Gold Project	0.018	▲ 20%	0.020	▲ 11%
16/07/2019	More High Grade Gold Intercepts at Tim's Find Mt Ida	0.022	▲ 5%	0.024	▲ 9%
25/07/2019	Trading Halt	0.029	► 0%	0.032	▲ 10%
29/07/2019	Mt Ida Scoping Study	0.033	▲ 14%	0.032	▼ 3%
31/07/2019	Quarterly Cashflow Report	0.032	► 0%	0.030	▼ 6%

Date	Announcement	Closing Share Price Following Announcement		Closing Share Price Three Days After Announcement	
		\$ (movement)		\$ (movement)	
31/07/2019	Quarterly Activities Report	0.032	▶ 0%	0.030	▼ 6%
31/07/2019	Trading Halt	0.032	▶ 0%	0.030	▼ 6%
02/08/2019	Suspension from Official Quotation	0.032	▶ 0%	0.028	▼ 13%
05/08/2019	Oversubscribed Placement with Strong Support	0.030	▼ 6%	0.030	▶ 0%
05/08/2019	Reinstatement to Official Quotation	0.030	▼ 6%	0.030	▶ 0%
05/08/2019	Mt Ida Gold Project - Exploration Update	0.030	▼ 6%	0.030	▶ 0%
06/08/2019	Shepherds Bush Intercepts Broad Gold Zones	0.028	▼ 7%	0.028	▶ 0%
19/08/2019	Massive Sulphides at Shepherds Bush and Bottle Creek	0.025	▼ 4%	0.025	▶ 0%
26/08/2019	Broad Intercepts Including High Grade Gold Mineralisation	0.024	▶ 0%	0.025	▲ 4%
09/09/2019	Mt Ida and Bottle Creek Gold Projects Exploration Update	0.022	▶ 0%	0.021	▼ 5%
17/09/2019	Trading Halt	0.024	▶ 0%	0.024	▼ 2%
19/09/2019	Acquisition of the Bottle Creek Gold Project and Funding	0.025	▲ 4%	0.025	▶ 0%
09/10/2019	Pause in Trading	0.023	▶ 0%	0.021	▼ 9%
09/10/2019	Trading Halt	0.023	▶ 0%	0.021	▼ 9%
11/10/2019	Bottle Creek Funding Proposal	0.021	▼ 9%	0.020	▼ 5%
22/10/2019	Extension Drilling Delivers Additional High Grade Gold	0.018	▼ 8%	0.022	▲ 22%
23/10/2019	Tim's Find Gold Project - Toll Treatment Mining Agreement	0.021	▲ 17%	0.021	▶ 0%
30/10/2019	Broad Intercepts Including High Grade Gold Mineralisation	0.021	▲ 5%	0.020	▼ 5%
31/10/2019	Quarterly Cashflow Report	0.021	▶ 0%	0.021	▶ 0%
31/10/2019	Quarterly Activities Report	0.021	▶ 0%	0.021	▶ 0%
16/01/2020	Shepherds Bush Intercepts Multiple Broad Gold Zones	0.022	▲ 10%	0.019	▼ 14%
31/01/2020	Quarterly Cashflow Report	0.019	▲ 6%	0.019	▶ 0%
31/01/2020	Quarterly Activities Report	0.019	▲ 6%	0.019	▶ 0%
10/02/2020	Mt Ida and Bottle Creek Resource Upgrade Adds 113,000oz Au	0.018	▼ 5%	0.020	▲ 11%
25/02/2020	Mt Ida and Bottle Creek Exploration Update	0.022	▼ 8%	0.020	▼ 9%
26/02/2020	Amended Mt Ida and Bottle Creek Exploration Update	0.021	▼ 5%	0.019	▼ 10%
11/03/2020	Tim's Find Gold Project Mining Services Binding Terms Sheet	0.019	▶ 0%	0.015	▼ 21%
11/03/2020	Correction Tim's Find MSA Announcement	0.019	▶ 0%	0.015	▼ 21%
24/03/2020	Mt Ida - Quinns Mining Area Returns Shallow High-Grade Gold	0.016	▲ 29%	0.015	▼ 3%
30/03/2020	Letter from the CEO - COVID-19 Corporate Update	0.014	▼ 7%	0.014	▶ 0%
03/04/2020	Mt Ida and Bottle Creek Resource Upgrade	0.016	▲ 14%	0.016	▶ 0%
14/04/2020	Lodgement of Mine Plan for Tims Find Gold Deposit	0.020	▶ 0%	0.021	▲ 5%
16/04/2020	Exploration Continues to Deliver Shallow High-Grade Gold	0.020	▶ 0%	0.021	▲ 5%

On 30 April 2019, Alt released the following announcements:

- Its March 2019 Quarterly Activities Report and Cashflow Report, in which the Company highlighted activities undertaken during the quarter including a third resource upgrade at the Bottle Creek Project and Mt Ida Project; and
- An offer to eligible shareholders to participate in the Company's SPP, to purchase up to \$15,000 worth of shares at \$0.024 per share. This SPP was subsequently revised to \$0.020 per share in June 2019.

On the date of the above announcements, the share price decreased 13% to close at \$0.021, before increasing by 5% over the subsequent three-day trading period to close at \$0.022.

On 7 May 2019, the Company announced high-grade gold intercepts results from its review of historical drilling data at the Bottle Creek Project. On the date of the announcement, the share price remained unchanged to close at \$0.022 before increasing by 5% over the subsequent three-day trading period to close at \$0.023.

On 4 June 2019, the Company announced a share placement to raise \$1,351,400 through the issue of 67,570,000 fully paid ordinary shares at \$0.020 per share. The share placement was to provide funding for planned exploration of the Mt Ida Project and working capital. On the date of the announcement, the share price decreased by 17% to close at \$0.019, before increasing by 5% over the subsequent three-day trading period to close at \$0.020.

On 6 June 2019, Alt announced it had modified its SPP first announced on 30 April 2019, reducing the price from \$0.024 to \$0.020 per share, and extending the closing date. On the date of the announcement, the share price decreased 5% to close at \$0.021 before decreasing by a further 5% to close at \$0.020 over the subsequent three-day trading period.

On 3 July 2019, the Company announced assay results indicated high-grade gold intercepts, confirming mineralisation at Tim's Find at the Mt Ida Project. On the date of the announcement, the share price increased 20% to close at \$0.018, before increasing a further 11% to close at \$0.020 over the subsequent three-day trading period.

On 16 July 2019, Alt announced further high-grade gold intercepts at Tim's Find at the Mt Ida Project. On the date of the announcement, the share price increased by 5% to close at \$0.022, before increasing a further 9% over the subsequent three-day trading period to close at \$0.024.

On 29 July 2019, the Company announced results from its Mt Ida Project scoping study which, among other things, contemplates a standalone gold operation incorporating the Bottle Creek, Quinn's and Mt Ida South project areas targeting production of 181,200oz of gold and 937,800oz of silver over six years with positive cash flow throughout the first year of production. Capital costs of \$30 million (inclusive of working capital) were estimated and an all-in sustaining cost (over the life of mine) in the range of \$1,100/oz to \$1,200/oz were forecast. On the date of the announcement the share price increased by 14% to close at \$0.033, prior to decreasing by 3% to close at \$0.032 over the subsequent three-day trading period.

On 31 July 2019, Alt released its June 2019 Quarterly Activities Report and Cashflow Report, in which the Company highlighted activities undertaken during the quarter including RC drilling programs undertaken at the Tim's Find, Shepherds Bush, Spotted Dog and the Forrest Belle pit at the Mt Ida Project. On the date of the announcement Alt also entered into a trading halt pending the release of an announcement in relation to a capital raise. The share price closed at \$0.032 on the day, before declining by 6% to close at \$0.030 over the subsequent three-day trading period.

On 5 August 2019, the Company announced an exploration update for the Mt Ida Project which included Alt's plans to re-commence both diamond and RC drilling in September 2019. On the same day, it also announced a share placement consisting of the issue of 160,000,000 fully paid ordinary shares at \$0.025 per share to raise \$4,000,000. The placement was to be completed under two tranches with the second subject to shareholder approval. On the date of these announcements the share price decreased by 6% to close at \$0.030, and remained unchanged to close at \$0.030 over the subsequent three-day trading period.

On 6 August 2019, Alt released an exploration update at the Mt Ida Project, indicating broad zones of gold mineralisation intercepted at Shepherds Bush and Spotted Dog. On the date of the announcement, the share price decreased by 7% to close at \$0.028, and remained unchanged to close at \$0.028 over the subsequent three-day trading period.

On 19 August 2019, the Company announced it had arranged for a Helicopter Time Domain Electromagnetic Survey to be performed over Shepherds Bush and Bottle Creek, following earlier drill results. On the date of the announcement, the share price declined by 4% to close at \$0.025, and remained unchanged to close at \$0.025 over the subsequent three-day trading period.

On 26 August 2019, Alt announced intercepts including high-grade gold mineralisation at Pianto's Find and Forrest Belle at the Mt Ida Project. On the date of the announcement, the share price closed unchanged at \$0.024, before increasing by 4% to close at \$0.025 over the subsequent three-day trading period.

On 9 September 2019, Alt announced the re-commencement of RC drilling at the Mt Ida Project and Bottle Creek Project. On the date of the announcement, the share price remained unchanged to close at \$0.022, before declining by 5% over the subsequent three-day trading period to close at \$0.021.

On 19 September 2019, the Company announced it had executed a non-binding term sheet with Collins Street Value Fund for a \$4,500,000 funding package via a partially redeemable convertible note deed, to complete payment of the Bottle Creek Project. The convertible note had interest payable of 10% per annum over the term of 24 months and a conversion price of \$0.032 per share. On the date of the announcement, the share price increased by 4% to close at \$0.025, and remained unchanged to close at \$0.025 over the subsequent three-day trading period.

On 11 October 2019, the Company announced it did not proceed with the aforementioned convertible note deed funding package. On the date of the announcement, the share price decreased by 9% to close at \$0.021, before declining by a further 5% to close at \$0.020 over the subsequent three-day trading period.

On 22 October 2019, Alt announced drill results from extension drilling at VB North at the Bottle Creek Project. On the date of the announcement, the share price declined by 8% to close at \$0.018, before increasing by 22% over the subsequent three-day trading period to close at \$0.022.

On 23 October 2019, the Company announced it had executed a non-binding term sheet with Blue Cap Mining for the provision of a MSA at Tim's Find within the Mount Ida Project and Bottle Creek Project. Under the MSA, Blue Cap Mining was to provide mining, transport, processing, drill and blast associated mining services to Alt. In addition, it was proposed Blue Cap Mining was to provide a \$3.00 million working capital facility to assist with initial mining operations that was to be repaid within 6 months from first drawdown. On the date of the announcement, the share price increased by 17% to close at \$0.021, and remained unchanged to close at \$0.021 over the subsequent three-day trading period.

On 30 October 2019, Alt announced drilling at Tim's Find intercepted high grade gold mineralisation. On the date of the announcement, the share price increased by 5% to close at \$0.021, before decreasing by 5% to close at \$0.020 over the subsequent three-day trading period.

On 31 October 2019, the Company released its September 2019 Quarterly Activities Report and Cashflow Report that highlighted drilling undertaken and geophysical surveys conducted at the Mt Ida Project over the quarter. On the date of the announcements, the share price closed unchanged at \$0.021, and remained unchanged over the subsequent three-day trading period to close at \$0.021.

On 16 January 2020, the Company announced intercepts across multiple broad gold mineralisation zones at the Shepherds Bush prospect, at its Mt Ida Project. On the date of the announcement, the share price increased by 10% to close at \$0.022, before declining by 14% to close at \$0.019 over the subsequent three-day trading period.

On 31 January 2020, Alt released its December 2019 Quarterly Activities Report and Cashflow Report, in which the Company highlighted activities undertaken during the quarter, including resource and exploration drilling at the Bottle Creek Project and Mt Ida Project. On the date of the announcements, the share price increased by 6% to close at \$0.019, and remained unchanged to close at \$0.019 over the subsequent three-day trading period.

On 10 February 2020, the Company announced an 113,000oz gold resource upgrade at the Mt Ida and Bottle Creek Projects, resulting in a 22% increase in its global resource to 519,000oz gold and 3.80 million oz silver. On the date of the announcement, the share price decreased by 5% to close at \$0.018, before increasing by 11% to close at \$0.020 over the subsequent three-day trading period.

On 26 February 2020, the Company released an amended exploration update from its announcement on 25 February 2020, detailing RC drilling had commenced at the Mt Ida Project and Bottle Creek Project. On the date of the announcement, the share price decreased by 5% to close at \$0.021, before declining a further 10% to close at \$0.019 over the subsequent three-day trading period.

On 11 March 2020, the Company announced it had executed a binding term sheet with Blue Cap Mining for the provision of MSA to commence mining operations at Tim's Find. Under the MSA, Blue Cap Mining is to fund the mining operation through a \$1.5 million working capital facility to be fully repaid within four months from first drawdown. Blue Cap Mining would also have the right to subscribe to 20 million shares in Alt at a deemed price of \$0.025 each, which are to be escrowed for 12 months from their issue. On the date of the announcement, the share price closed unchanged at \$0.019, before declining by 21% to close at \$0.015 over the subsequent three-day trading period.

On 24 March 2020, Alt announced the RC drilling program completed at the Mt Ida Project and Bottle Creek Project and returned shallow high-grade gold results. On the date of the announcement, the share price increased by 29% to close at \$0.016, before decreasing by 3% to close at \$0.015 over the subsequent three-day trading period.

On 30 March 2020, the Company released a letter from its Chief Executive Officer in response to COVID-19, outlining it would be implementing measures to maintain employees and preserve its cash balance in order to weather COVID-19. On the date of the announcement, the share price decreased by 7% to close at \$0.014, and remained unchanged to close at \$0.014 over the subsequent three-day trading period.

On 3 April 2020, the Company announced its fifth resource upgrade for the Mt Ida Project and Bottle Creek Project, adding a further 52,300oz gold and 600,000oz silver. The upgrade resulted in an increase to Alt's global resource estimates to 571,000 oz gold at 1.54 g/t and 4.38 million oz silver at 20.5 g/t. On the date of the announcement, the share price increased by 14% to close at \$0.016, and remained unchanged over the subsequent three-day trading period to close at \$0.016.

On 14 April 2020, Alt announced it had lodged the Stage 1 Mine Plan with the DMIRS for Tim's Find. On the date of the announcement, the share price remained unchanged to close at \$0.020, before increasing by 5% to close at \$0.021 over the subsequent three-day trading period.

On 16 April 2020, the Company announced RC exploration drilling at Bottle Creek was completed on 15 March 2020, and delivered shallow high-grade gold results. On the date of the announcement, the share price remained unchanged to close at \$0.020, before increasing by 5% to close at \$0.021 over the subsequent three-day trading period.

To provide further analysis of the market prices for an Alt share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 28 April 2020.

Share Price per unit	28-Apr-20	10 Days	30 Days	60 Days	90 Days
Closing price	\$0.029				
Volume weighted average price (VWAP)	\$0.030	\$0.025	\$0.022	\$0.021	\$0.021

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to the date of the announcement of the Offer, to avoid the influence of any increase in price of Alt shares that has occurred since the Offer was announced.

An analysis of the volume of trading in Alt shares for the twelve months to 28 April 2020 is set out below (the share price lows and highs account for intraday trades):

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	\$0.029	\$0.033	28,541,983	4.70%
10 Days	\$0.019	\$0.033	145,870,176	24.01%
30 Days	\$0.011	\$0.033	215,608,871	35.50%
60 Days	\$0.011	\$0.033	395,458,415	65.10%
90 Days	\$0.011	\$0.033	468,587,562	77.14%
180 Days	\$0.011	\$0.033	800,974,551	131.87%
1 Year	\$0.011	\$0.038	1,040,110,472	171.23%

Source: Bloomberg, BDO analysis

This table indicates that Alt's shares display a high level of liquidity, with 171.23% of the Company's current issued capital being traded in a twelve month period. RG 111.69 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Alt, we consider the shares to display a high level of liquidity, on the basis that more than 1% of Alt's issued capital has been traded per week, with 131.87% of the Company's issued capital prior to the announcement of the Offer, being traded in the 180 trading days prior to the voluntary suspension.

Our assessment is that a range of values for Alt shares based on market pricing, after disregarding post announcement pricing, is between \$0.022 and \$0.030.

Control Premium

The quoted market price per share reflects the value to minority interest shareholders. In order to value an Alt share on a control basis, we have added a control premium that is based on our analysis set out below.

We have reviewed control premiums on completed transactions, paid by acquirers of both gold companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium). We have summarised our findings below. Note that as at 4 June 2020, to-date there have been no completed acquisitions of ASX-listed gold companies that meet our criteria:

Gold Companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2019	1	219.99	56.41
2018	3	29.41	52.18
2017	2	13.74	41.04
2016	5	19.15	51.38
2015	4	56.22	53.80
2014	8	123.49	48.94
2013	5	194.82	46.52
2012	6	137.84	57.98
2011	5	1032.94	41.35
2010	9	1124.19	52.53

Source: Bloomberg, BDO analysis

All ASX Companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2020	6	618.94	42.69
2019	44	3,095.32	38.79
2018	44	1,126.69	41.66
2017	29	973.72	43.33
2016	42	718.51	49.58
2015	34	828.14	34.10

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2014	46	507.34	39.97
2013	41	128.21	50.99
2012	51	481.33	52.19
2011	68	891.85	44.43
2010	54	567.72	43.63

Source: Bloomberg, BDO analysis

The mean and median of the entire data sets comprising control transactions since 2010 for gold companies and all ASX listed companies, respectively, are set out below.

Entire Data Set Metrics	Gold Companies		All ASX listed companies	
	Average Deal Value (AU\$m)	Average Control Premium (%)	Average Deal Value (AU\$m)	Average Control Premium (%)
Mean	398.17	50.39	913.95	44.14
Median	35.58	44.72	120.19	34.66

Source: Bloomberg, BDO analysis

In arriving at an appropriate control premium to apply we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer's business;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre transaction or proceeded to hold a controlling interest post transaction in the target company.

The table above indicates that the long-term average control premium paid by acquirers of gold companies and all ASX listed companies is approximately 50.39% and 44.14% respectively. However, in assessing the transactions included in the table, we noted transactions that appear to be extreme outliers. These outliers included 4 gold company transactions and 32 ASX listed company transactions, for which the announced premium was in excess of 100%. We consider these transactions as outliers, as it is likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas, the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

In a population where there are extreme outliers, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 44.72% for gold companies and 34.66% for all ASX listed companies.

We consider an appropriate control premium to be on the lower end of historical averages, given the uncertainty around the ability to continue as a going concern as noted by the Company's auditor in the most recent audit report, as well as the small size of the Company.

Based on the above analysis, we consider an appropriate premium for control to be between 30% and 40%, with a midpoint of 35%.

Quoted market price including control premium

Applying a control premium to Alt's quoted market share price results in the following quoted market price value including a premium for control:

	Low	Midpoint	High
	\$	\$	\$
Quoted market price value	0.022	0.026	0.030
Control premium	30%	35%	40%
Quoted market price valuation including a premium for control	0.029	0.035	0.042

Source: BDO analysis

Therefore, our valuation of an Alt share based on the quoted market price method and including a premium for control is between \$0.029 and \$0.042, with a midpoint value of \$0.035.

10.3 Assessment of Alt's Value prior to the Offer

The results of the valuations performed are summarised in the table below:

	Low	High
	\$	\$
Net assets value - undiluted (Section 10.1)	0.027	0.054
Net assets value - diluted (Section 10.1)	0.027	0.053
QMP including a premium for control (Section 10.2)	0.029	0.042
Assessed value of an Alt share prior to the Offer (controlling basis)	0.029	0.053

Source: BDO analysis

As the table above indicates, the NAV price significantly overlaps with the QMP valuation (including a premium for control). The NAV price incorporates VRM's valuation of Alt's mineral assets which has been performed having regard to the VALMIN Code. We have adopted NAV as our primary valuation methodology but adopted the QMP value in forming our view of the low end of the range.

Based on the results above we consider the value of an Alt share prior to the Offer to be between \$0.029 and \$0.053.

Subsequent to the release of our draft report Alt released a PFS which included forecast cash flows for the project. Accordingly we have then considered the discounted cash flow value of the project as an alternative valuation method. The model underlying the PFS was reviewed by BDO to consider the mathematical accuracy and logic to ensure it could be relied upon. We also considered the basis of the inputs to the model as they related to modifying factors and updated these as appropriate.

As a result of our analysis we determined that it was appropriate to make adjustments for the following material items together with other immaterial changes

- Adjusting the discount rate from 5% to reflect a market risk rate;
- Adopted consensus forecasts for gold pricing;
- Inclusion of corporate costs; and
- Determining the debt to equity funding and the value implications of the capital expenditure required by the project.

As a result of this analysis we concluded that there was no material change to our previous valuation opinion or conclusion.

11. Is the Offer fair?

The value of an Alt share prior to the Offer and on a control basis is compared to the value of the Consideration below:

	Ref	Low \$	High \$
Value of an Alt share prior to the Offer (controlling basis)	10.3	0.029	0.053
Value of the Consideration	9.2	0.0505	0.0505

We note from the table above that the value of the Consideration is within the assessed range for the value of an Alt share prior to the Offer (on a controlling basis). Therefore, we consider that the Offer is fair.

We also note that our assessment of the value of an Alt share prior to the Offer does not account for the issue of 30,558,333 shares to directors, key management personnel and staff, which is pending shareholder approval. If these shares are issued, the value of an Alt share prior to the Offer does not sufficiently change such that it would impact our opinion.

12. Is the Offer reasonable?

12.1 Alternative Proposals

We are unaware of any alternative proposal that might offer the Shareholders of Alt a premium over the value resulting from the Offer.

12.2 Consequences of not accepting the Offer

Consequences

If the Offer is not accepted, Alt will continue to seek to develop its mineral assets. This may require further fundraising activity which will require further capital from shareholders or they will have their ownership in Alt diluted.

Shareholders who reject the Offer could become minority Shareholders in a company in which AUPL would have a controlling interest

AUPL reserves the right to declare the Offer free from the 90% minimum acceptance condition. Consequently, Shareholders who reject the Offer may potentially be left holding a minority interest shareholding in a company in which AUPL has a controlling interest.

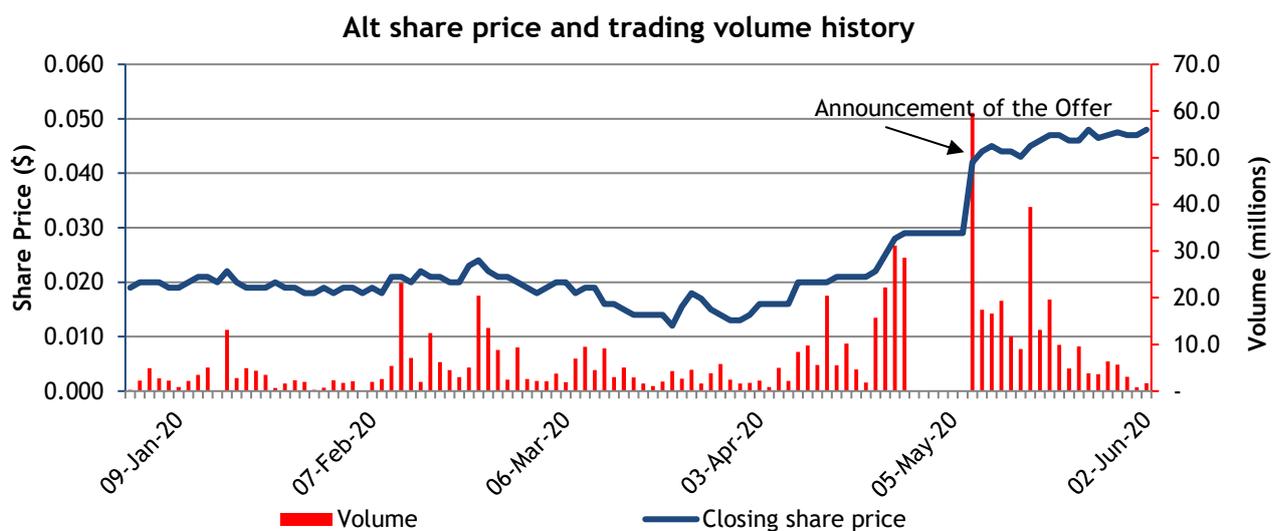
The implications of the various levels of control that AUPL may obtain as a result of the Offer is outlined below:

Controlling Interest	Company Influence
>5%	Ability to requisition a general meeting of the Company
>10%	Ability to prevent a compulsory acquisition
>25%	Ability to block special resolutions
>50%	Ability to block and pass general resolutions
>75%	Ability to pass special resolutions
>90%	Ability to initiate a compulsory takeover

AUPL has indicated that if it acquires 50.1% or more, but less than 90% of the shares, then it proposes to review the number and composition of the board of Alt. Furthermore, depending on the final level of ownership, it may seek to procure the removal of ASX quotation of Alt shares from the official list of the ASX. Therefore, if AUPL gains control, those Shareholders who did not accept the Offer face the risk of holding shares in an unlisted company which is controlled by AUPL.

Potential decline in share price

We have analysed movements in Alt's share price since the Offer was announced. A graph of Alt's share price since the announcement is set out below.



Source: Bloomberg

The closing price of an Alt share from 2 January 2020 to 2 June 2020 has ranged from a low of \$0.012 on 23 March 2020, to a high of \$0.048 reached on 2 June, 28 May and 25 May 2020. On 7 May 2020, being the date the Offer was announced, 59,630,456 shares were traded, representing approximately 9.82% of the Company's current issued share capital.

Following the announcement of the Offer, Alt's share price increased from a VWAP of \$0.028 over the 30 days prior to the announcement of the Offer, to close at \$0.042 on 7 May 2020. We note that following the announcement of the Offer, the share price has steadily increased to a point where it is approaching to the value of the Consideration. This suggests that the market is pricing in the likelihood that the Offer will proceed.

Based on the above analysis, if the Offer is not successful, it is likely that the share price of Alt will decline back to its pre-announcement levels.

12.3 Advantages of accepting the Offer

We have considered the following advantages when assessing whether the Offer is reasonable.

Advantage	Description
The Offer is fair	As set out in Section 11 the Offer is fair. RG 111 states that an offer is reasonable if it is fair.
The Offer provides Shareholders with certainty of value	Given that the Consideration is in the form of cash, it provides Shareholders with the certainty of realising the value in their investment.
The Offer is at a premium to Alt's share price as at the latest practicable date	The Consideration for each Alt share represents a 7.4% premium to the last closing price of an Alt share as at the latest practicable date for our Report, being 15 July 2020. Shareholders who accept the Offer will be able to maximise the return on their investment compared to selling on market. Furthermore, Shareholders who sell on market would also incur trading costs whereas accepting the Offer incurs no brokerage fees.
The Offer allows Shareholders to realise the value of their investment without having to risk further capital	Alt has been dependent on shareholders to raise capital required for developing its mineral assets. This is demonstrated by the placements conducted over the past year leading to an expansion in the number of shares outstanding. Shareholders who accept the Offer will avoid participating in any future capital raising which could potentially dilute their interest further.

12.4 Disadvantages of accepting the Offer

If the Offer is accepted, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

Disadvantage	Description
By accepting the Offer, Shareholders forego the opportunity to participate in any upside of Alt's projects	The gold price is experiencing strong support given the current economic uncertainty following the impact of COVID-19. Successful development of Alt's projects could deliver greater value in the long term compared to the Consideration. However, there is no certainty Alt would be able to develop its assets without further dilution of Shareholders' interests, and there would be risks associated with developing its projects into production.
Could crystallise a capital gain for Shareholders and result in an increase in taxable income for the financial year	Shareholders who have unrealised capital gains for their investment in Alt will be forced to crystallise that gain should the Offer succeed. This may not be favourable to them or fit their individual strategy from a tax perspective, particularly if the gain does not qualify as a discounted capital gain. Individual Shareholders should consult their tax advisers in relation to their personal gain.
The minimum acceptance condition results in a reduction in the level of certainty of accepting the Offer	Given that there is a minimum acceptance condition of 90%, there is a risk that if Shareholders accept the Offer, it may not be effectuated for some time. This introduces an element of uncertainty for Shareholders in relation to when they receive their funds.

13. Conclusion

We have considered the terms of the Offer as outlined in the body of this report and have concluded that the Offer is fair and reasonable to Shareholders.

14. Sources of information

This report has been based on the following information:

- Draft Target Statement on or about the date of this report;
- Audited financial statements of Alt for the years ended 30 June 2019 and 30 June 2018, and reviewed financial statements for the half-year ended 31 December 2019;
- Unaudited management accounts of Alt for the period ended 30 April 2020;
- Independent Technical Assessment and Valuation Report of Alt's mineral assets dated 16 July 2020; performed by Value and Resource Management Pty Ltd;
- Draft Bidder's Statement on or about the date of this report;
- Share registry information;
- Information in the public domain; and
- Discussions with Directors and Management of Alt.

15. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of \$46,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Alt in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Company, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Alt and Aurenne and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of Alt and Aurenne and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance (WA) Pty Ltd, have had within the past two years any professional relationship with Alt, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Alt and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

16. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 30 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 350 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance

Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of the Australian Institute of Chartered Accountants. Adam's career spans over 20 years in the Audit and Assurance and Corporate Finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

17. Disclaimers and consents

This report has been prepared at the request of Alt for inclusion in the Target's Statement which will be sent to all Alt Shareholders. Alt engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the fairness and reasonableness of AUPL's off-market takeover offer by way of a cash bid.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Target's Statement. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Target's Statement other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to the Offer. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Offer, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Alt, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Alt.

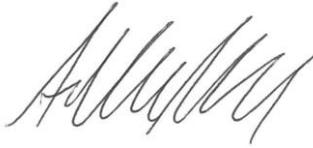
The valuer engaged for the mineral asset valuation, VRM, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD



Adam Myers
Director



Sherif Andrawes
Director

For personal use only

Appendix 1 - Glossary of Terms

Reference	Definition
The Act	The Corporations Act 2001 Cth
AFCA	Australian Financial Complaints Authority
Alt	Alt Resources Limited
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Aurenne	Aurenne Group Holdings Pty Ltd
Aurenne Notes	Unlisted, unsecured convertible notes offered to be issued to Alt as part of the transaction at a conversion price of \$0.03 per share, an interest rate of 5.0%, and a maturity date of 12 months from the date of issue
AUPL	Aurenne Ularring Pty Ltd
BDO	BDO Corporate Finance (WA) Pty Ltd
The Bidder	Aurenne Ularring Pty Ltd
Blue Cap Mining	Blue Cap Mining Pty Ltd
The Company	Alt Resources Limited
The Consideration	The amount received as consideration for the sale of Alt's shares to AUPL, which is for a cash consideration of \$0.0505 for every 1 Alt share held
Conversion Price	\$0.03 per share being the price at which the Aurenne Notes will convert into ordinary shares in Alt
Corporations Act	The Corporations Act 2001 Cth
CPI	Consumer Price Index
DCF	Discounted Future Cash Flows
DMIRS	Department of Mines Industry Regulation and Safety

Reference	Definition
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FME	Future Maintainable Earnings
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
g/t	Grams per tonne
GFM Exploration	GFM Exploration Pty Ltd
IER	Independent Expert's Report
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)
JV	Joint Venture
kms	Kilometres
km ²	Square kilometres
MGK Resources	MGK Resources Pty Ltd
MSA	Mining Services Agreement
Mt Ida Project	Mt Ida Gold Project
NAV	Net Asset Value
NSW	New South Wales
Our Report	This Independent Expert's Report prepared by BDO
oz	Ounces
Patina	Patina Resources Pty Ltd
Patina Notes	Convertible note deed with Patina to raise up to \$0.50 million
Paupong Project	Paupong Gold Project
PFS	Pre-Feasibility Study

Reference	Definition
QMP	Quoted market price
RBA	Reserve Bank of Australia
RC	Reverse Circulation
Regulations	Corporations Act Regulations 2001 (Cth)
RG 74	Acquisitions approved by Members (December 2011)
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)
RLOC	Revolving Line of Credit
Section 606	Section 606 of the Corporations Act
Shareholders	Shareholders of Alt not associated with AUPL
SPP	Share Purchase Plan
Target	Alt Resources Limited
Target's Statement	Statement issued by Alt Resources to the Shareholders outlining the Offer and providing Alt's formal response to it
Valmin Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)
Valuation Engagement	An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.
VRM	Value and Resource Management Pty Ltd
VWAP	Volume Weighted Average Price
WA	Western Australia
WACC	Weighted Average Cost of Capital

For personal use only



Copyright © 2020 BDO Corporate Finance (WA) Pty Ltd

All rights reserved. No part of this publication may be reproduced, published, distributed, displayed, copied or stored for public or private use in any information retrieval system, or transmitted in any form by any mechanical, photographic or electronic process, including electronically or digitally on the Internet or World Wide Web, or over any network, or local area network, without written permission of the author. No part of this publication may be modified, changed or exploited in any way used for derivative work or offered for sale without the express written permission of the author.

For permission requests, write to BDO Corporate Finance (WA) Pty Ltd, at the address below:

The Directors

BDO Corporate Finance (WA) Pty Ltd

38 Station Street

SUBIACO, WA 6008

Australia

For personal use only

Appendix 2 - Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 Discounted future cash flows ('DCF')

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

5 Market Based Assessment

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

Appendix 3 - Independent Technical Assessment and Valuation Report by VRM

For personal use only



Valuation & Resource Management

INDEPENDENT TECHNICAL ASSESSMENT & VALUATION REPORT

Presented To:
Alt Resources Limited



Date Issued:
16 July 2020

For personal use only

For personal use only

Document Reference	Alt Resources BDO Valuation Report Final	
Distribution	BDO Corporate Finance (WA) Pty Ltd Alt Resources Ltd Valuation and Resource Management Pty Ltd	
Principal Author	Deborah Lord BSc Hons (Geology) F AusIMM M AIG G AICD	<i>Deborah Lord</i> Date: 16 July 2020
Contributors	Paul Dunbar M AusIMM, M AIG	
Valuation Date	7 May 2020	

Contents

Executive Summary.....	i
Mt Ida and Bottle Creek, Paupong and Myalla Tenements	ii
Conclusions.....	ii
1. Introduction	1
1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides	1
1.2. Scope of Work.....	1
1.3. Statement of Independence.....	2
1.4. Competent Persons Declaration and Qualifications.....	3
1.5. Reliance on Experts.....	3
1.6. Sources of Information.....	4
1.7. Site Visits.....	4
2. Mineral Assets	5
2.1. Tenure.....	5
2.2. Accessibility.....	8
3. Mt Ida and Bottle Creek Projects	9
3.1. Geological Setting	9
3.2. Previous Exploration and Mining.....	11
4. Mineral Resource Estimates.....	13
4.1. High Level Review - Overview	13
4.2. Emu & Southwark, VB & Boags Mineral Resources	15
4.3. Tim's Find Mineral Resources.....	22
4.4. Boudie Rat and Forrest Belle Mineral Resources	27
4.5. Shepherd's Bush Mineral Resources.....	33
4.6. Status of Technical Studies	37
5. Myalla and Paupong Projects	39
6. Valuation Methodology.....	41
6.1. Previous Valuations.....	41
6.2. Valuation Subject to Change	41
6.3. General assumptions.....	42
6.4. Market Based Valuations	42
6.5. Valuation of Advanced Properties	43
6.5.1. Comparable Market Based Transactions – Resource Based.....	43
6.5.2. Yardstick Valuation.....	44
6.6. Exploration Asset Valuation.....	45
6.6.1. Geoscientific (Kilburn) Valuation.....	45
6.6.2. Prospectivity Enhancement Multiplier (PEM) Valuation	47
7. Alt Resources Projects Valuation	49
7.1. Mt Ida and Bottle Creek Project Valuation.....	49

7.1.1 Comparable Transactions – Gold Resource Multiples.....	49
7.1.2 Yardstick Method.....	51
7.1.3 Geoscientific Valuation.....	52
7.1.4 PEM Valuation.....	55
8 Risks and Opportunities.....	57
9 Preferred Valuations.....	58
10 References.....	60
11 Glossary.....	61
Appendix A - Comparable Gold transactions.....	66
Appendix B - Geoscientific Valuation.....	68

List of Figures

Figure 1 – Location of the Alt Resources projects (Source Alt Resources, Investor Presentation May 2019)....	5
Figure 2 – Location of the Mt Ida and Bottle Creek tenements	7
Figure 3 – Location of the Mt Ida and Bottle Creek projects over major greenstone belts in green, with Alt Resource tenements in red (Source Alt Resources, 2019).....	9
Figure 4 – Regional geology of the Mt Ida and Bottle Creek projects with Alt Resource mining leases (red), exploration licences (blue) and prospecting licences (aqua) (Source Alt Resources, 2020).....	10
Figure 5 – Location of the gold resources and historic occurrences in the Mt Ida and Bottle Creek areas (Source Alt Resources ASX release dated 3 April 2020).....	13
Figure 6 – Emu & Southwark oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources).....	18
Figure 7 – VB & Boags oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources).....	19
Figure 8 – Drilling and gold wireframes for VB & Boags, Emu & Southwark deposits (PayneGeo image using data supplied by Alt Resources).....	19
Figure 9 – Resource classification for Emu & Southwark deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources).....	20
Figure 10 – Resource classification for VB & Boags deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources).....	21
Figure 11 – Drilling and gold wireframes for Tim’s Find with planned pit designs (PayneGeo image using data supplied by Alt Resources).....	25
Figure 12 – Drilling and resource classification for Tim’s Find deposit (Measured – red, Indicated – blue, Inferred – green) (PayneGeo image using data supplied by Alt Resources).....	26
Figure 13 – Location plan and existing pit surveys for Boudie Rat and Forrest Belle deposits (PayneGeo image using data supplied by Alt Resources).....	28
Figure 14 – Cross section through north end of Boudie Rat deposit (PayneGeo image using data supplied by Alt Resources).....	29
Figure 15 – Oblique view through Boudie Rat deposit (block model colours unknown) (PayneGeo image using data supplied by Alt Resources).....	31

Figure 16 – Boudie Rat (left) and Forrest Belle (right) deposits (block model colours unknown) (from CoxRocks, 2013)	32
Figure 17 – Shepherd’s Bush Resource wireframes and drilling (PayneGeo image using data supplied by Alt Resources)	34
Figure 18 – Shepherd’s Bush oblique view showing additional resource potential (looking NE) (PayneGeo image using data supplied by Alt Resources).....	35
Figure 19 – Shepherd’s Bush oblique view showing weathering types (looking NE) (PayneGeo image using data supplied by Alt Resources).....	36
Figure 20 – Location of the polymetallic prospects and historical occurrences in the Paupong and Myalla areas (Source Alt Resources ASX release dated 23 March 2018)	39
Figure 21 - Five year gold price graph (January 2015 to May 2020). Australian Dollars.....	43

List of Tables

Table 1 Tenement schedule as at 21 March 2020.....	6
Table 2 Mt Ida and Bottle Creek Projects JORC 2012 Mineral Resource Estimates as at 3 April 2020 using a 0.5g/t Au cut-off for gold (Source: Alt Resources 2020a)	14
Table 3 Bulk Density Values Applied to Emu & Southwark Mineral Resource Estimates	18
Table 4 Bulk Density Values Applied to Tim’s Find Mineral Resource Estimate.....	24
Table 5 Bulk Density Values Applied to Boudie Rat & Forrest Belle Mineral Resource Estimate	30
Table 6 Bulk Density Values Applied to Shepherd’s Bush Mineral Resource Estimate.....	36
Table 7 VALMIN Code 2015 valuation approaches suitable for mineral Properties	41
Table 8 Ranking criteria are used to determine the geoscientific technical valuation.....	47
Table 9 Prospectivity Enhancement Multiplier (PEM) ranking criteria	48
Table 10 Comparable transaction valuation of the Mt Ida and Bottle Creek Mineral Resources estimates ...	50
Table 11 Yardstick valuation of the Mt Ida and Bottle Creek gold Mineral Resource estimates	52
Table 12 Technical Valuation for the Alt Resources exploration tenements.....	53
Table 13 Market Valuation for the Alt Resources exploration tenements	54
Table 14 PEM Valuation for the Alt Resources exploration tenements.....	56
Table 15 Alt Resources Mineral Assets Valuation Summary by method.....	58
Table 16 Alt Resources Mineral Assets Valuation as at 7 May 2020.....	59

Executive Summary

BDO Corporate Finance (WA) Pty Ltd (BDO) engaged Valuation and Resource Management Pty Ltd (VRM) to prepare an Independent Technical Assessment and Valuation report (ITAR or the Report) on the proposed off-market takeover bid for Alt Resources Ltd (ASX: ARS) (Alt Resources or the Company) by Aurenne Group Holdings Pty Ltd (AGH), a privately held company located in Australia. BDO was commissioned by Alt Resources to prepare an Independent Expert's Report (IER) for inclusion in a Target's Statement to assist the shareholders of Alt Resources in relation to the proposed transaction.

This Report is a public document, in the format of an ITAR and is prepared in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – The VALMIN Code (2015 edition) (VALMIN). VRM understands that BDO will include the Report within its IER relating to the proposed transaction.

This Report is a technical review and valuation opinion of the mineral assets of Alt Resources, being the Mt Ida and Bottle Creek gold projects in the Eastern Goldfields of Western Australia (WA) and the Paupong and Myalla gold-copper-silver projects in the Lachlan Orogen of New South Wales (NSW). Applying the principles of the VALMIN Code VRM has used several valuation methods to determine the value for the gold mineral assets. The assets of AGH have not been valued as part of this Report. Importantly, as neither the principal author nor VRM hold an Australian Financial Securities Licence, this valuation is not a valuation of Alt Resources but rather an asset valuation of the Mt Ida and Bottle Creek, Paupong and Myalla projects.

This valuation is current as of 7 May 2020, being the date that Alt Resources and AGH announced the proposed transaction. VRM provided a draft report to Alt Resources via BDO on 18 June 2020. Subsequently Alt Resources released a maiden Ore Reserve and Preliminary Feasibility Study (PFS) on 10 July 2020. VRM has considered this announcement and is of the opinion that no change is required to the valuation as we had considered the imminent announcement of Ore Reserves in our previous draft.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by VRM is based on information provided by Alt Resources along with publicly available data including ASX releases and published technical information. VRM has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of this Report. The opinions and statements in this Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in this Report is the likely value of the mineral projects and not an absolute value. A range of likely values for the various mineral assets is provided with that range indicating the accuracy of the valuation.

Mt Ida and Bottle Creek, Paupong and Myalla Tenements

The WA tenements are variably held by Alt Resources and consist of the Mt Ida gold project and adjacent Bottle Creek gold project both located in the Eastern Goldfields 85km to the NW of Menzies. Mt Ida and Bottle Creek host several deposits with updated Mineral Resources declared in April (Alt Resources, 2020a) and maiden Ore Reserves in July 2020 (Alt Resources, 2020b). Most of the deposit areas are 100% owned with surrounding tenements being held in Joint Venture (JV). Alt Resources is currently acquiring the Bottle Creek deposits, with substantive final vendor payments required to secure Bottle Creek due in July and November 2020.

The NSW projects are early stage exploration properties, held 70% by Alt Resources and located to the east and southeast of Jindabyne. The Company is targeting conceptual intrusion-related gold and employing geophysical techniques to define targets for ongoing exploration. Several prospect areas have been defined based on conceptual models and initial drill testing has been conducted at some of these.

VRM has estimated the value of the tenements on an equity ownership basis considering the technical information supporting their gold prospectivity. The Bottle Creek project has been valued considering the required final vendor payments and assuming these will be made to achieve 100% ownership. As at the report date there are declared Mineral Resource and Ore Reserve estimates prepared applying the guidelines of the Australasian Code for Reporting of Exploration Targets, Mineral Resources and Ore Reserves - The JORC Code 2012 Edition (JORC) at Mt Ida and Bottle Creek. These were valued using a comparable transaction method as the primary valuation technique. Secondary valuations have been determined based on the yardstick approach. For the surrounding tenement areas as well as the early stage exploration projects in NSW a geoscientific / Kilburn method and prospectivity enhancement multiplier approach have been used.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

Conclusions

The Mt Ida and Bottle Creek Gold Project has reported Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz contained gold (Alt Resources, 2020a) and Ore Reserves of 4.61Mt @ 1.8g/t Au for 272,100oz contained gold (Alt Resources, 2020b). Of the ten individual deposits for which Mineral Resources and Ore Reserves have been reported, five of the deposits are considered material to the project valuation. The Mineral Resource estimates for these five deposits – Emu & Southwark, VB & Boags (Bottle Creek), Boudie Rat & Forrest Belle, Tim's Find and Shepherds Bush (Mt Ida) were reviewed by Payne Geological Services Pty Ltd (PayneGeo) as an associate to VRM.

The review found that while the gold deposits were generally characterised by well-defined zones of consistent mineralisation in some deposits there is poor definition of the weathering types and additional work is required to support the assigned bulk density distribution throughout the deposits. This is discussed in further detail in the body of the report and, where material, has been noted in the valuation.

As at the valuation date, VRM understands that the Bottle Creek Mining Leases require a final vendor payments of \$5 million during 2020 (Alt Resources, 2020c). Outside the deposit areas, Alt Resources has JVs across semi-contiguous exploration licences in WA surrounding the resources as well as three JV tenements with conceptual gold targets in NSW, although these areas are at a much earlier stage of exploration and therefore have higher associated discovery risk.

Considering both the mineralisation currently defined and the exploration potential in VRM's opinion, the mineral assets of Alt Resources have a market value of between \$15.6 million and \$32.4 million with a preferred value of \$24.0 million on an attributable ownership basis. The \$5 million final vendor payments required to secure Bottle Creek have been removed from the project value.

For personal use only

1. Introduction

Valuation and Resource Management Pty Ltd (VRM), was engaged by BDO Corporate Finance (WA) Pty Ltd (BDO) to undertake an Independent Technical Assessment and Valuation Report (Report or ITAR) on the Mt Ida, Bottle Creek, Paupong and Wyalla Tenements for Alt Resources Ltd (ASX: ARS) (Alt Resources or the Company). This is in relation to the proposed off-market takeover bid for Alt Resources by the privately held company Aurenne Group Holdings Pty Ltd (AGH). BDO was engaged by Alt Resources to prepare an Independent Expert's Report (IER) for inclusion in a Target's Statement to assist the shareholders of Alt Resources in relation to the proposed transaction.

VRM understands that this ITAR will be included in the Independent Experts Report (IER) being prepared by BDO. BDO will refer to, and rely on, the VRM report and mineral asset valuation which will be attached to its IER to inform the Alt Resources shareholders as to the fairness and reasonableness of the proposed transaction.

Paul Dunbar and Deborah Lord of VRM were contacted to undertake a valuation of the mineral assets of Alt Resources located in Western Australia (WA) and New South Wales (NSW). Adam Myers of BDO engaged VRM for the purposes of the ITAR and all correspondence was directed through BDO.

VRM has estimated the value of the Mt Ida and Bottle Creek projects considering the declared Mineral Resource and Ore Reserve estimates while the NSW tenements were valued based on their exploration potential as no Mineral Resources have been estimated. The technical information supporting the prospectivity of the licences and the valuation of the tenements is on a 100% interest basis to determine a market value for the licences as at 7 May 2020 and considering information up to 14 July 2020.

1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

The ITAR is prepared applying the guidelines and principles of the 2015 VALMIN Code and the 2012 JORC Code. Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). These codes are also requirements under Australian Securities and Investments Commission (ASIC) rules and guidelines and the listing rules of the Australian Securities Exchange (ASX).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Alt Resources and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2. Scope of Work

VRM's primary obligation in preparing mineral asset reports is to independently describe mineral projects applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the

relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the project.

VRM has compiled the valuation based upon the principle of reviewing and interrogating both the documentation of Alt Resources and previous exploration within the areas. This Report is a summary of the work conducted, completed and reported by the various explorers to 7 May 2020 based on information supplied to VRM by Alt Resources and other information sourced from the public domain, to the extent required by the VALMIN and JORC Codes.

VRM provided a draft report on 18 June 2020. Subsequently Alt Resources released a maiden Ore Reserve and Pre-Feasibility Study on 10 July 2020. VRM has considered this announcement and is of the opinion that no change is required to the valuation as we had considered the imminent announcement of Ore Reserves in our previous draft.

VRM understands that the objective of this study is to provide:

- Summaries of the regional and local geology, the security of the tenure, a summary of the recent and previous exploration,
- Review of the mineral assets to determine the most appropriate valuation techniques for the assets based on the development stages of the projects and amount of available information.
- Provide an independent valuation on the mineral assets of Alt Resources as at 7 May 2020.

VRM understands that its reviews and valuations will be relied upon and appended to an IER prepared by BDO for inclusion in a Target's Statement, to assist Alt Resources shareholders in their decision regarding the proposed transaction. As such, it is understood that VRM's review and valuation will be a public document.

1.3. Statement of Independence

VRM was engaged to undertake an ITAR. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory guide 111 Content of expert reports (RG111) and ASIC Regulatory guide 112 Independence of experts (RG112).

Ms Deborah Lord and Mr Paul Dunbar of VRM have not had any association with Alt Resources or AGH, their individual employees, or any interest in the securities of Alt Resources or AGH which could be regarded as affecting their ability to give an independent, objective and unbiased opinion. Neither VRM, Ms Lord nor Mr Dunbar hold an Australian Financial Services Licence (AFSL) and the valuation contained within this Report is limited to a valuation of the mineral assets being reviewed. VRM will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is \$35,000 (excluding GST).

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Ms Deborah Lord as the primary author and peer reviewed by Mr Paul Dunbar.

The Report and information that relates to geology, exploration and the mineral asset valuation is based on information compiled by Ms Deborah Lord, BSc (Hons), a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and Member of the Australian Institute of Geoscientists (AIG). Ms Lord is a Director of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the 2012 JORC Code) and a specialist under the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the 2015 VALMIN Code). She is an Executive Member of the VALMIN Committee and a the AusIMM Professional Conduct Committee. Ms Lord consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

The Report and information that relates to tenements and peer review of the mineral asset valuation was provided by Mr Paul Dunbar, BSc (Hons), MSc (Minex), a Competent Person who is a Member of the AusIMM and the AIG. Mr Dunbar is a Director of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a competent person under the 2012 JORC Code and a specialist under the 2015 VALMIN Code.

Between 7 May 2020 and the date of this Report, nothing has come to the attention of VRM unless otherwise noted in the Report that would cause any material change to the conclusions.

1.5. Reliance on Experts

The Mt Ida and Bottle Creek Mineral Resource estimates were updated in early 2020 and maiden Ore Reserve estimates recently announced, each in accordance with the guidelines of the JORC Code 2012 and completed by consultants independent of Alt Resources. VRM has therefore placed reliance on the Competent Persons sign off for the JORC 2012 these estimates as reported by Alt Resources (2020a, 2020b).

Paul Payne of Payne Geological Services Pty Ltd (PayneGeo) was commissioned by VRM to complete an assessment on the reasonableness of the Mineral Resource estimates. Mr Payne is an independent technical consultant, a Fellow of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. He has been employed as a Specialist to review the reasonableness of the associated Mineral Resource estimates. Mr Payne has not verified the underlying geological datasets, nor has he completed a full review or re-reported the Mineral Resources for the Project as at the date of this Report.

Mr Dunbar and Ms Lord, the authors of this report are not qualified to provide extensive commentary on the legal aspects of the mineral properties or the compliance with the legislative environment and permitting in WA and NSW. In relation to the tenement standing, VRM has relied on the documentation of the Competent Person for Mineral Resources and associated JORC Table 1 documentation. In addition to relying on the Competent Person and JORC Table 1 associated with the resources reported on 3 April 2020 VRM undertook an independent review of the Department of Mines, Industry Regulation and Safety (DMIRS) online tenement database, Mineral Titles online. As required by the VALMIN Code the status of the tenements is detailed within this Report.

1.6. Sources of Information

All information and conclusions within this report are based on information made available to VRM to assist with this report by Alt Resources and other relevant publicly available data to 14 July 2020. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and Joint Venturers to the areas, where it has been considered necessary. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has relied on the information contained within the reports, articles and databases provided by Alt Resources as detailed in the reference list. A draft of this Report was provided to Alt Resources, via BDO to identify and address any factual errors or omissions prior to finalisation of the Report. The valuation sections of the Report were not provided to the companies until the technical aspects were validated and the Report was declared final.

1.7. Site Visits

No specific site visits have occurred as a part of this Report or valuation. At the valuation date both intrastate and interstate travel restrictions are in place in WA to limit the spread of COVID-19.

VRM understands that while the Competent Person for the Mineral Resource estimate has not carried out a site visit, the Competent Persons for the drilling and sampling information and Ore Reserves have conducted a site visit to the project areas. VRM has relied on the site visits of the latter Competent Persons. In addition, Deborah Lord has previously visited the Mt Ida project (Boudie Rat, Forrest Belle, Quinns and Matisse) as part of the listing of previous owners Wild Acre Metals Ltd (Wild Acre) in 2010.

For the NSW Projects limited recent exploration has been conducted on the tenement area and VRM is satisfied that a site visit would not provide any additional material information that would modify the opinion or valuation of the assets.

2. Mineral Assets

The mineral assets included in this valuation include the Mt Ida (Quinns) (80-100% owned), Bottle Creek (option to buy 100%), Paupong (70% owned) and Myalla Projects. The projects include 27 tenements in total and the general location of the properties is summarised below in Figure 1.



Figure 1 – Location of the Alt Resources projects (Source Alt Resources, Investor Presentation May 2019)

Note: Myalla is located within the Paupong area

2.1. Tenure

The tenement portfolio making up the Mineral Assets of Alt Resources consists of 27 tenements, including six Mining Leases, two Prospecting Licences and 19 Exploration Licences. Alt Resources is acquiring 100% of the Bottle Creek tenements, while several Mt Ida tenements with ownership including Maincoast and Gazard Investments are 80% attributable to Alt Resources as footnoted below. The ownership of the Paupong and Myalla projects is 70%.

Tenement information is summarised below Table 1.

Table 1 Tenement schedule as at 21 March 2020

Tenement Schedule for Alt Resources as at 7 May 2020						
Project	Licence Holder	Licence No.	Area (BL/Ha)	Equity	Grant Date	Expiry Date
Paupong	Alt Resources & GFM Exploration	EL7825	35	70%	31/08/2011	31/08/2022
Paupong	Alt Resources & GFM Exploration	EL8645	19	70%	12/09/2017	12/09/2023
Myalla	Alt Resources & GFM Exploration	EL8416	21	70%	9/12/2015	9/12/2023
Bottle Creek	R.S Lehmann	M29/150	571.30	Acquiring 100%	24/06/1991	23/06/2033
Bottle Creek	R.S Lehmann	M29/151	456.65	Acquiring 100%	24/06/1991	23/06/2033
Mt Ida	MGK Resources	E29/1007	3	100%	2/07/2019	1/07/2024
Mt Ida	MGK Resources	E29/1008	1	100%	6/07/2017	5/07/2022
Mt Ida	MGK Resources & Maincoast	E29/1014	2	80%	2/07/2019	1/07/2024
Mt Ida	MGK Resources	E29/1016	28	100%	8/11/2017	7/11/2022
Mt Ida	MGK Resources	E29/790	4	100%	18/08/2011	17/08/2021
Mt Ida	MGK Resources & Maincoast	E29/921	28	80%	17/11/2014	16/11/2024
Mt Ida	Gazard Investments	E29/969	11	80%	10/08/2017	9/08/2022
Mt Ida	MGK Resources & Gazard Investments	E29/970	2	80%	17/11/2016	16/11/2021
Mt Ida	MGK Resources & Gazard Investments	E29/971	1	80%	17/11/2016	16/11/2021
Mt Ida	MGK Resources & Gazard Investments	E29/973	3	80%	28/12/2016	27/12/2021
Mt Ida	MGK Resources & Maincoast	E29/993	1	80%	14/02/2017	13/02/2022
Mt Ida	MGK Resources	M29/421	4.39	100%	21/10/2013	20/10/2034
Mt Ida	MGK Resources	E29/649	6	100%	7/10/2008	6/10/2020
Mt Ida	MGK Resources	E29/748	1	100%	22/06/2010	21/06/2020
Mt Ida	MGK Resources	E29/997	6	100%	16/03/2017	15/03/2022
Mt Ida	MGK Resources	E29/998	2	100%	20/04/2017	19/04/2022
Mt Ida	MGK Resources	M29/36	121.40	100%	14/10/1987	13/10/2029
Mt Ida	MGK Resources	M29/37	242.45	100%	14/10/1987	13/10/2029
Mt Ida	MGK Resources	M29/65	803.95	100%	30/05/1988	29/05/2030
Mt Ida	Alt Resources	E29/991	9	100%	5/07/2017	4/07/2022
Mt Ida	MGK Resources	P29/2486	185.00	100%	17/07/2019	16/07/2023
Mt Ida	MGK Resources	P29/2521	164.00	100%	27/08/2019	26/08/2023

Note: MGK Resources is a 100% owned subsidiary of Alt Resources Ltd

VRM independently confirmed the status of the Western Australian tenements on the Department of Mines, Industry Regulation and Safety (DMIRS) online tenement database, Mineral Titles Online accessed on 12 May 2020. The Mt Ida and Bottle Creek tenement locations are shown in Figure 2.

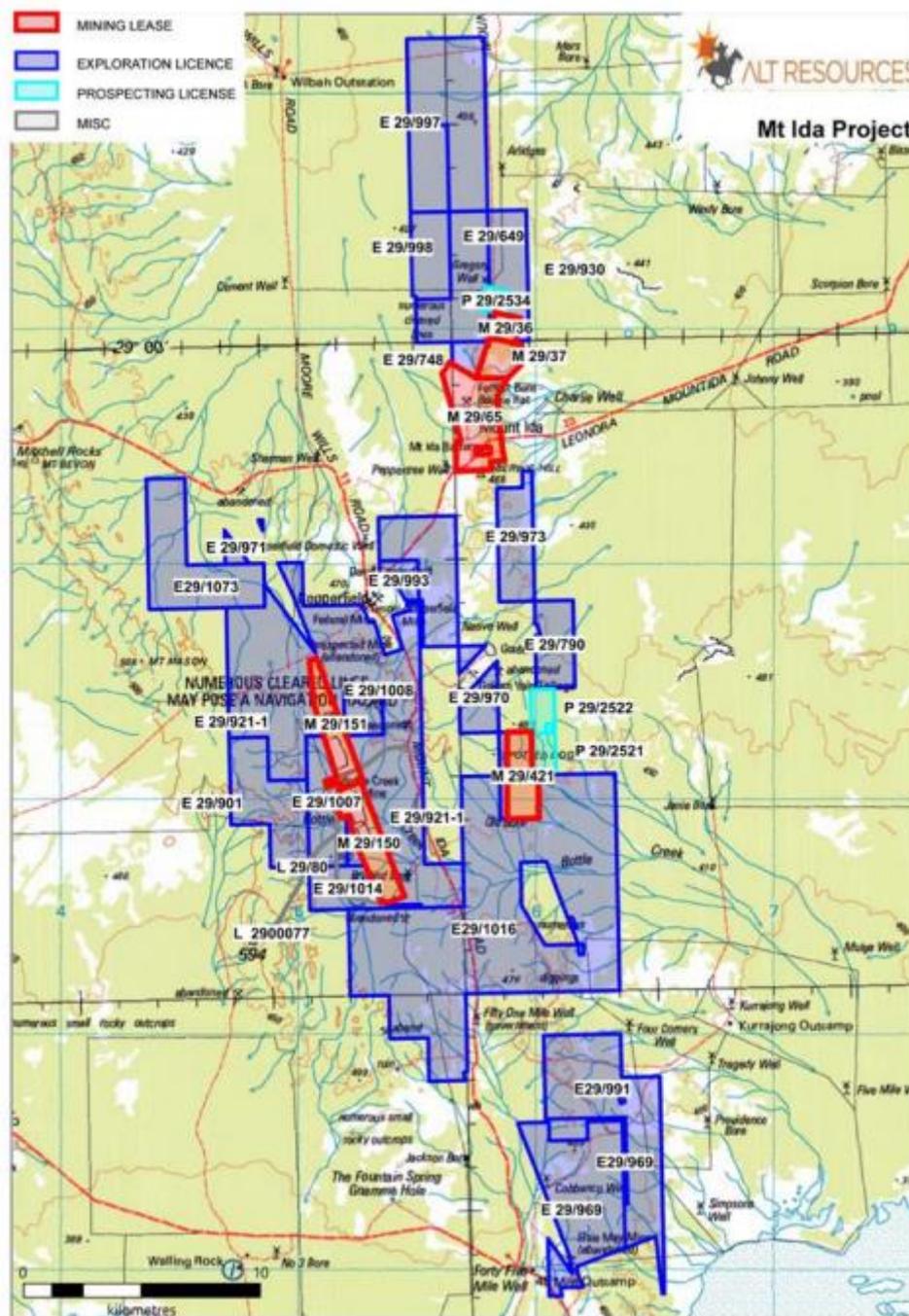


Figure 2 – Location of the Mt Ida and Bottle Creek tenements
(Source Alt Resources Quarterly Report March 2020)

Note: P29/2522 and P29/2534 are no longer held.

In November 2017, Alt Resources entered a binding option to acquire the Bottle Creek Mining Leases. In August 2018 Alt Resources delivered the maiden Mineral Resource estimate, being the final condition precedent to satisfy all the terms in the option agreement, and amended settlement terms were agreed (Alt Resources, 2018). As at the valuation date, VRM understands that the Bottle Creek Mining Leases require a final vendor payment of \$5 million with a partial payments of \$500,000 due 1 July 2020 and a final installment of \$4.5 million due on 30 November 2020 (Alt Resources, 2020c).

In January 2018, Alt Resources announced the acquisition of the Mt Ida South and Quinns mining centre tenements from Latitude Consolidated Ltd (Latitude). At the time the tenement package comprised 300 square kilometres surrounding Bottle Creek and consisted of 100% owned tenements at Mt Ida South and Quinns, as well as Latitude's 80% interest in the Mt Ida JV. In May 2018, Alt Resources satisfied all the terms of the heads of agreement made with Latitude.

2.2. Accessibility

The WA licences are located approximately 230 kilometres north northeast of Kalgoorlie. Access to the area is via the sealed Kalgoorlie – Leonora Highway to Menzies, and then along the well-maintained, unsealed Menzies – Sandstone road to 45 Mile Outcamp and finally the Mt Ida Road just north of the Copperfield Mining centre. Numerous tracks provide access within the tenements to the main prospect areas.

The Mt Ida project has had several areas of previous mining and Bottle Creek has an unsealed airstrip. Current infrastructure at site is minimal and would need to be developed for any future mining operations. Alt Resources plans to preferentially use previously disturbed areas for establishing any required infrastructure as part of any future development. Topography in the area is generally flat lying other than localised hills and outcrops.

The Paupong and Myalla projects are located on the edge of the Snowy Mountains in NSW on the Monaro Plains. The nearby town of Dalgety is a small service centre and is situated 760 metres above sea level. Surrounding areas are characterised by granite outcrops supporting sheep and cattle farming.

3. Mt Ida and Bottle Creek Projects

3.1. Geological Setting

The Mt Ida and Bottle Creek tenements are located along the Mt Ida and Ballard / Zuleika shear zones in the Eastern Goldfields region of Western Australia (Figure 3).

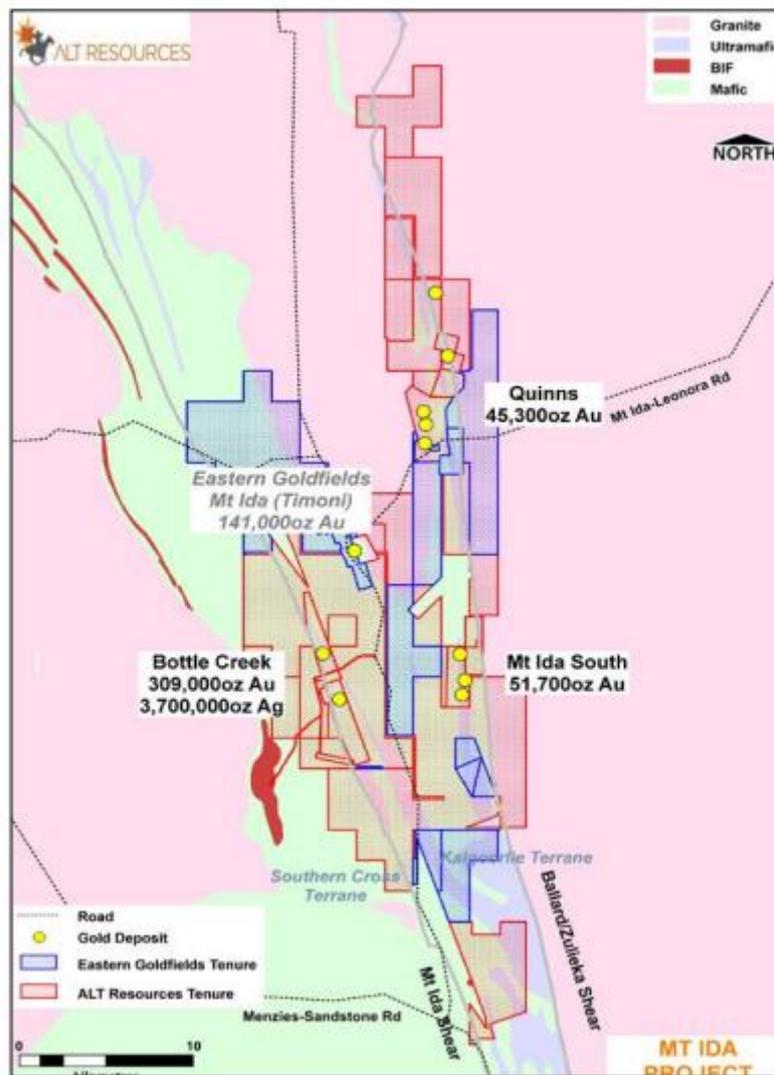


Figure 3 – Location of the Mt Ida and Bottle Creek projects over major greenstone belts in green, with Alt Resource tenements in red (Source Alt Resources, 2019)

Note: Numbers beneath key prospect areas are now updated, refer to Mineral Resource estimates section below

The Projects are situated in the northern extent of the Coolgardie Domain of the Kalgoorlie Terrane (Cassidy et al, 2006; Painter et al, 2003) within the Eastern Goldfields Superterrane. The western tenements areas extend into the Southern Cross Domain of the Younami Terrane with the Ida Fault defining this terrane boundary. Geology of the Project area is underlain by the Mt Ida greenstone belt which comprises an eastern and western segment, cored by the Kurralong Anticline. The Quinns – Mt Ida South deposits occur on the eastern segment and the Bottle Creek deposits on the western segment of the anticline (Figure 4).

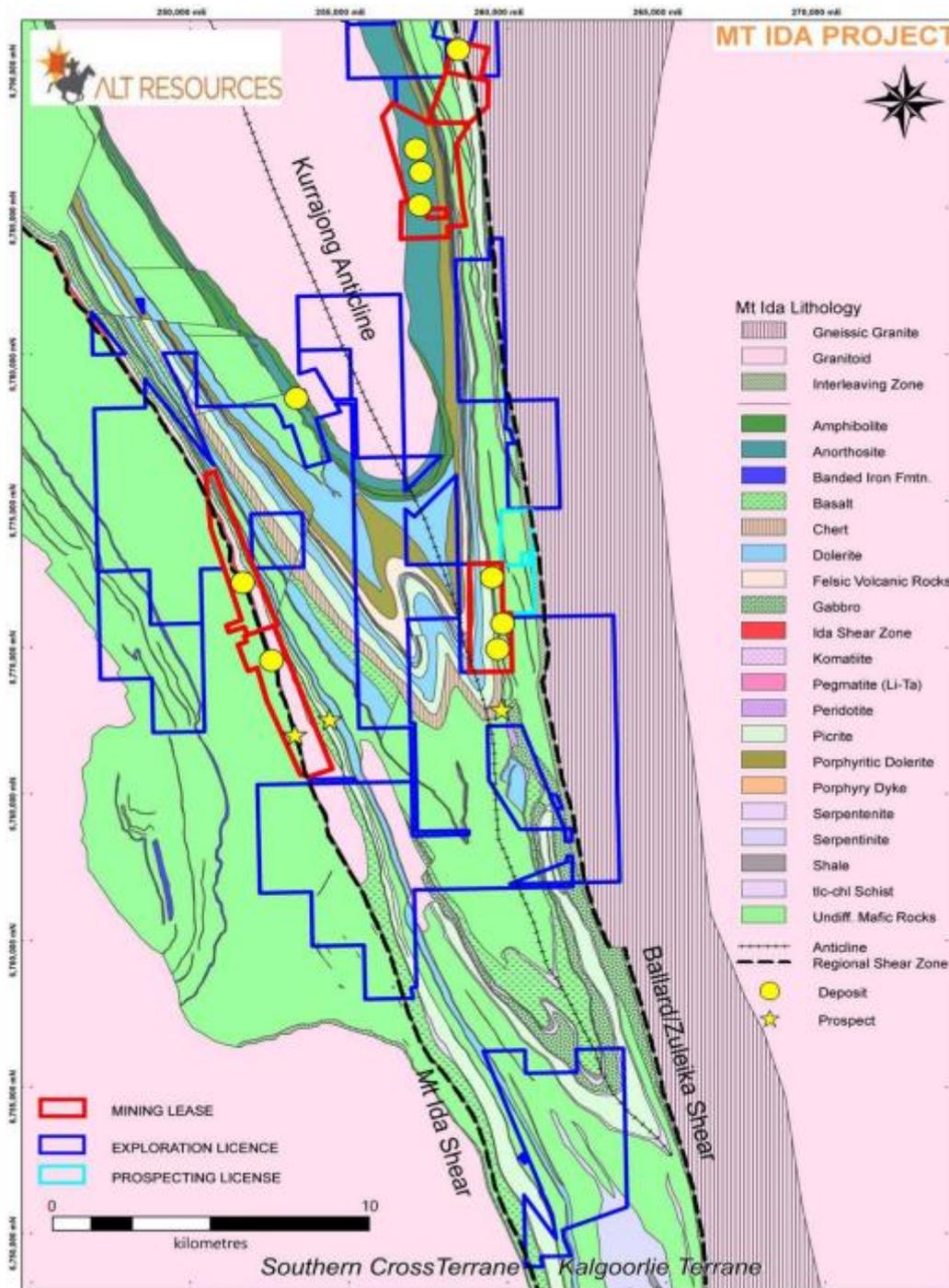


Figure 4 – Regional geology of the Mt Ida and Bottle Creek projects with Alt Resource mining leases (red), exploration licences (blue) and prospecting licences (aqua) (Source Alt Resources, 2020)

The eastern Mt Ida greenstone belt is made up of mafic to ultramafic volcanic and intrusive rocks and hosts the Quinns – Mt Ida South deposits comprise Boudie Rat, Forrest Belle, Boudie West, Belvidere, Quinns Hill in the north and Spotted Dog, Tim’s Find and Shepherd’s Bush in the south. The western Mt Ida greenstone belt is dominated by tholeiitic basalts with chert and banded iron formations hosting the Bottle Creek deposits of Cascade, Southwark, Emu, VB and Boags. The greenstone belt is metamorphosed to lower amphibolite facies.

The Ballard Shear is a ferruginous and siliceous mylonitic shear that is well-defined in aeromagnetic data and is interpreted to be the extension of the Zuleika Shear (Painter et al, 2003) which extends from near Coolgardie in the south to the Lawlers-Agnew area, about 80 kilometres north of the projects.

Gold mineralisation in the Quinns – Boudie Rat area is hosted by quartz sulphide veined sericite-biotite schists, and quartz-sulphide lenses within gabbros. Gold and silver mineralisation at Bottle Creek is associated with the 'Emu formation' a sheared carbonaceous black shale, graphitic chert and interflow sedimentary unit.

3.2. Previous Exploration and Mining

Throughout the region there are numerous areas of historical prospecting and small-scale mining activity. The major source of historical gold production was from the Bottle Creek gold deposit in the Copperfield mining centre (Painter et al 2003), and the Forrest Hill and Boudie Rat deposits were also mined intermittently from 1898 to 1941 predominantly as underground operations. Other sources of both historical and more recent production include from the Quinn Hills and Timoni deposits.

Modern exploration commenced in the 1970's but became more active during the 1980s and 1990s with the main prospect areas being explored by a number of companies in separately held small land packages. Previous gold exploration has been undertaken by numerous companies, including Spargos Exploration NL, Austmax Resources, Australian Consolidated Minerals, Australian Gold Mines, Barra Resources, Sipa Resources, Wildacre Metals at Mt Ida and Norgold Ltd, Electrolytic Zinc Company of Australia (EZ) at Bottle Creek. Further details of these exploration programs are detailed in the associated JORC Table 1 reports on the reported resources (Alt Resources, 2020a).

Modern open pit mining operations commenced at VB and Boags deposits in 1988-89 where Alt Resources report that Norgold Ltd produced some 90,000 ounces of gold from the two open pits (Alt Resources, ASX release dated 22 November 2017) and at the Boudie Rat and Forrest Belle open pits in 1996-97. Mining at Bottle Creek targeted oxide material down to the 47.5m bench (Alt Resources) continued for an 18-month period and historical resources were defined to the north and south. A post mining assessment report on the VB, Boags and Emu Pits (Shaw, 1989) included reference to specific gravity (SG) values of 2.0t/BCM for material per pit removed and 2.25t/BCM for ore mined. Legge, et al (1990) describe the exploration history and deposit understanding at that time.

Alt Resources acquired the Mt Ida Project in 2017 and commenced exploration in March 2018 drilling in excess of 40,000 metres of reverse circulation (RC) drilling and 2100 metres of diamond drilling across several deposits contained in the Bottle Creek mining leases adding to the historical drill hole data base from EZ and Norgold Ltd. More recent exploration has focussed on the near-resource areas and several prospect areas with limited previous exploration such as at Southwark, Pianto's Find and Single Fin prospects. At Pianto's Find historical drilling was on a broad grid spacing (400m x 50m) to an average depth of 49m. Alt

Resources has undertaken limited follow up drilling on closer drill spacing and notes a similar magnetic response to that seen at Bottle Creek. Further work is planned for this area.

In February 2020, Alt Resources provided an exploration update for the Mt Ida and Bottle Creek Projects including drilling on multiple deposits as well as regional exploration targets. Geological interpretation of the Mt Ida 'Timoni trend' (TMT) was undertaken to better understand mineralisation controls around this historical underground gold mine. Timoni is currently owned by another company, but Alt Resources has the leases to the south east and has identified a number of priority drilling targets along the interpreted TMT based on aeromagnetic, structural, geological and geochemical data (Alt Resources, ASX release dated 26 February, 2020). Drilling was also undertaken at Single Fin, in the Quinns area with anomalous results returned and was planned for the recently acquired White Eagle prospect area.

For personal use only

4. Mineral Resource Estimates

4.1. High Level Review - Overview

The Project Tenements host two distinct mineralised zones, one being at Mt Ida and the second at Bottle Creek. Each area has several previous Mineral Resource estimates reported with the most recent fifth resource update being reported by Alt Resources on 3 April 2020 (Figure 5).

As required by the VALMIN Code, Clause 4.1, VRM has undertaken a high - level review of the Mineral Resource estimation reports and technical data to provide an assessment of the reasonableness of the Mineral Resource estimates for the Mt Ida and Bottle Creek gold projects as key inputs into the valuation.

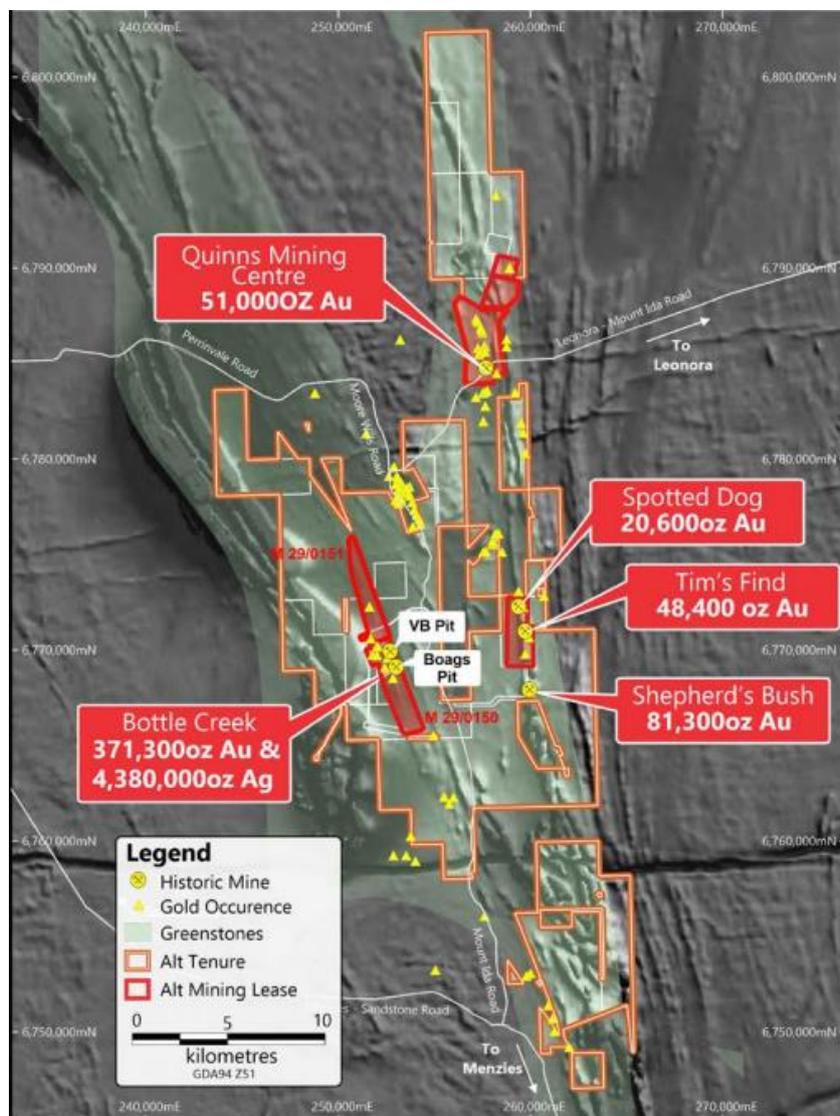


Figure 5 – Location of the gold resources and historic occurrences in the Mt Ida and Bottle Creek areas (Source Alt Resources ASX release dated 3 April 2020)

The underlying geological or geochemical datasets have not been validated, nor has there been a complete audit or reassessment of the resource. The Mineral Resources for the Project have not been re reported or

re estimated as a part of this report. The technical data was reviewed at a high level, however full due diligence was not undertaken.

The Mt Ida and Bottle Creek gold and silver Mineral Resources estimates have been reported in compliance with the JORC Code (2012) reporting standard and are summarised in Table 2. The Mineral Resource estimate is the fifth resource upgrade announced by Alt Resources and was completed by independent consultants and announced on 3 April 2020. The Mt Ida and Bottle Creek Gold Project Mineral Resource estimates are inclusive of the Ore Reserve (Alt Resources, 2020b).

Table 2 Mt Ida and Bottle Creek Projects JORC 2012 Mineral Resource Estimates as at 3 April 2020 using a 0.5g/t Au cut-off for gold (Source: Alt Resources 2020a)

DEPOSIT	CATEGORY	TONNES	Au Grade	Au Ounces	TONNES	Ag Grade	Ag Ounces
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Emu and Southwark	Measured	804,000	2.28	58,936	804,000	9.69	250,479
	Indicated	2,440,000	1.81	141,991	2,440,000	12.25	960,988
	Inferred	583,500	1.31	24,576	583,500	14.65	274,834
VB and Boags	Indicated	2,004,000	1.53	98,578	2,004,000	29.47	1,898,760
	Inferred	829,000	1.42	37,847	829,000	37.3	994,158
VB North	Indicated	118,000	1.52	5,750			
	Inferred	90,000	0.9	2,600			
Boudie Rat and Forrest Belle	Measured	130,000	2.5	10,450			
	Indicated	130,000	3	12,550			
	Inferred	30,000	3.6	3,450			
Boudie West and Belvidere	Indicated	30,000	3.8	3,650			
	Inferred	100,000	3.5	11,250			
Quinn's Hills	Indicated	20,000	5.7	3,650			
Matisse	Inferred	110,000	1.7	6,000			
Tim's Find	Measured	118,000	2.97	11,268			
	Indicated	417,600	1.87	25,107			
	Inferred	235,000	1.54	11,635			
Spotted Dog North and South	Inferred	320,000	2.02	20,782			
Shepherds Bush	Inferred	3,045,000	0.83	81,256			
Total		11,554,100	1.54	571,327	6,660,500	20.5	4,379,300

Note: Total tonnes and ounces have been rounded to the nearest 100. Rounding up may result in apparent summation differences between tonnes, grade and contained metal content

The above information is extracted from the announcement entitled 'Mt Ida and Bottle Creek resource upgrade brings total resource to 571,300 ounces gold and 4.38M ounces silver' created on 3 April 2020 and is available to view at www.altresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Mt Ida and Bottle Creek Gold Project comprises reported Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz (Alt Resources, 2020a). Of the ten individual deposits for which Mineral Resources have been reported, five of the deposits are considered material to the project valuation. These five deposits – Emu & Southwark, VB & Boags (Bottle Creek), Boudie Rat & Forrest Belle, Tim’s Find and Shepherds Bush (Mt Ida) were reviewed by PayneGeo for VRM.

This section of the report is based on an assessment of the Mineral Resource Estimates released by Alt Resources on 3 April 2020.

Information Sources

The contents of this Review have been created using the Mineral Resource estimation data and reports provided by Alt Resources in May 2020. Estimates for the Emu & Southwark, VB & Boags, Tim’s Find and Shepherds Bush deposits were completed by Hyland Geological and Mining Consultants (HGMC) for the for the all deposits reviewed. The majority of the relevant data files for these estimates were provided to VRM. The estimates for the Boudie Rat & Forrest Belle deposits were prepared in 2013 by CoxRocks Pty Ltd (CoxRocks) for a previous project owner. The original Mineral Resource report was provided along with a block model centroid export and survey files of existing pits.

In addition, Alt Resources ASX announcements dated 13 March 2019, 29 July 2019, 10 February 2020 and 3 April 2020 detailing the results of Mineral Resource updates were utilised. In VRM’s opinion, the information provided was of reasonable quality and satisfactorily addressed the VALMIN Code requirements for an assessment of the reasonableness of the approach to the Mineral Resource estimates for the five deposits reviewed.

4.2. Emu & Southwark, VB & Boags Mineral Resources

No open pit mining has been carried out at the Emu & Southwark deposit however there has been historic open pit mining of the VB & Boags deposit.

Mineral Resources have been previously estimated for the deposit. The results of the March 2019 estimate were provided in HGMC, 2019a. The 2019 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off. Open pit mining was carried out at the VB & Boags deposit in the 1980’s. A 1.2km long pit occurs in the VB portion of the deposit and a smaller 500m long pit was developed on the Boags portion of the deposit. Remnant Mineral Resources have been previously estimated for the deposit. The results of the March 2019 estimate were provided in HGMC, 2019a. The 2019 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off.

The current estimate for the deposits was completed by HGMC for Alt Resources in April 2020. The estimate was reported at a 0.5g/t Au cut-off grade and completed using Ordinary Kriging. The 0.5g/t Au cut-off reflects the potential of the deposit for open pit mining and on-site processing and is typical in the industry

for this style of project. The principle change from the 2019 estimate was an increase in the applied bulk density for each of the deposits.

Geology and Mineralisation (Sourced from HGMC, 2019a)

The Bottle Creek gold mine is located on the northern extremity of the Mt Ida-Ularring greenstone belt which extends from Davyhurst to Mt Alexander and forms the western part of the Norseman-Wiluna Province of the Yilgarn Craton. Locally, gold and silver mineralisation is hosted in carbonaceous, sulphidic shales, within a larger package of interbedded basaltic volcanics, sediments and ultramafic rocks. A massive pyrite and pyrrhotite zone is noted by Legge et al (1990) to be about six metres wide within the Emu formation. The area is tightly folded and metamorphosed, with intrusion of younger dolerite dykes. Mineralisation at Bottle Creek occurs over a strike length of 11km, running north-west to south-east and is interpreted to be sub vertical, to steeply west-dipping.

The Bottle Creek trend mineralisation (including the Emu & Southwark and the VB & Boags deposits) is contained within strongly weathered material between a mafic unit to the east and a felsic quartz porphyry to the west. The oxidized material forms a deep regolith profile to a depth of ~80-90m. Gold mineralisation has been enriched through supergene processes within the oxidised zone and into the transition zone below the base of complete oxidation. The Bottle Creek mineralised trend extends for approximately 10km along strike and contains numerous anomalous gold rich deposits including the VB and Emu area deposits.

Informing Data and Quality Assurance Quality Control (QAQC) (Sourced from HGMC, 2019)

Drilling and Sampling

The majority of the drill hole data used in the estimate is a historical, with a significant number of holes now completed by Alt Resources. Historical drilling was carried out by Norgold Limited and Electrolytic Zinc Company of Australia Limited (EZ) between 1983 and 1989. Alt Resources drilling has been conducted since 2018. The historic drilling at the Bottle Creek project consists of 1,988 holes for 89,789m of which 78 holes are diamond drill holes (DD) and 850 holes are reverse circulation (RC). Alt Resources has drilled 170 RC holes and 14 DD holes. It is not clear which holes were used in the Mineral Resource estimate, but it appears that RAB and air core drilling was excluded.

Drilling through the main deposit areas at Emu & Southwark was completed at 12.5m hole spacings on 25m spaced cross sections. Large parts of the deposits were infill drilled to 12.5m by 12.5m spacings. The deposit has been comprehensively drilled to approximately 120m vertical depth. At VB & Boags, the drilling is on a uniform spacing of 10m by 25m with comprehensive drilling to 70m vertical depth. Very few holes have tested the mineralisation below that depth.

Details of drilling procedures used in historic RC drilling were not documented. RC holes were sampled initially using spear samples from composites, then anomalous intervals were sampled using a riffle splitter.

Historic DD holes were predominantly NQ diameter with several PQ diameter holes drilled for geotechnical analysis.

For Alt Resources RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts. For Alt Resources drilling, holes were surveyed by licenced contract surveyors. Historic holes were surveyed using electronic distance measurement. The topographic surface was based on detailed surveys of mine pits and dumps as well as drill hole collar positions. The majority of historic hole were down hole surveyed using a single shot Eastman camera. For Alt Resources drilling, down hole surveys for each RC and DD drill hole were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Diamond core was crushed to <10mm then a 3.5kg sample selected and pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

Samples from historic EZ drilling were analysed at Genalysis Laboratories using a multi acid digest and AAS analysis for Au and Ag. Norgold drilling was analysed at Comlabs using a 50g fire assay and AAS analysis.

QAQC

For historical drilling, no information on QAQC was available. For Alt Resources drilling, a QAQC program was utilised including field duplicates, certified reference material (CRM) and blanks. The results of the field duplicates, standards and blanks were reviewed by HGMC. HGMC concluded that the results showed an acceptable level of precision and accuracy.

To check the quality of the historic drilling, Alt Resources conducted a 15 hole program of selected twinning of historic holes using RC drilling. HGMC concluded that the twin holes confirmed the extent and tenor of the mineralisation defined in the historic holes.

Bulk Density Measurements

A data set of density determinations was prepared by Alt Resources using core samples from the Alt Resources drilling. A total of 439 determinations were conducted. An extensive database of density values from historic drilling was available but not used due to a lack of documentation of procedures. In 2019 and 2020, four DD holes were drilled at the Emu area to provide updated information and knowledge regarding bulk density..

Between the 2019 and 2020 Mineral Resource estimates, the applied bulk densities varied considerably, with respective values are shown in Table 3. Mineralogy, logging and core photography were utilised by HGMC

to support the application of a higher bulk density, noting that the fragmented nature of the core made the measurement of in-situ bulk density difficult. The main significant bulk density change was applied to the coded mineralised zones only.

VRM notes that the density values for the respective oxidation types vary significantly between the two deposits even though the geology of the deposits is likely to be very similar (for example Figure 6, Figure 7). The density value of 2.2t/m³ applied to the oxide domain for VB & Boags is supported to some extent by a Norgold report "Bottle Creek Gold Mine Post Mining Assessment" (Shaw, 1989). The report refers to an average bulk density of 2.25t/m³ applied to reported production at the deposits. The Emu & Southwark deposits were largely unmined so did not form part of the reported production.

Table 3 Bulk Density Values Applied to Emu & Southwark Mineral Resource Estimates

Bulk Density Values (t/m ³) for mineralised zones in previous and current Mineral Resources						
Deposit	Emu & Southwark			VB & Boags		
Material	2020 Estimate	2019 Estimate	Change %	2020 Estimate	2019 Estimate	Change %
Laterite	2	NA	NA			
Oxide	2.6	1.9	37%	2.2	1.9	5%
Transitional	2.7	2.3	17%	2.91	2.3	27%
Fresh	2.9	2.9	-	3.1	2.9	7%

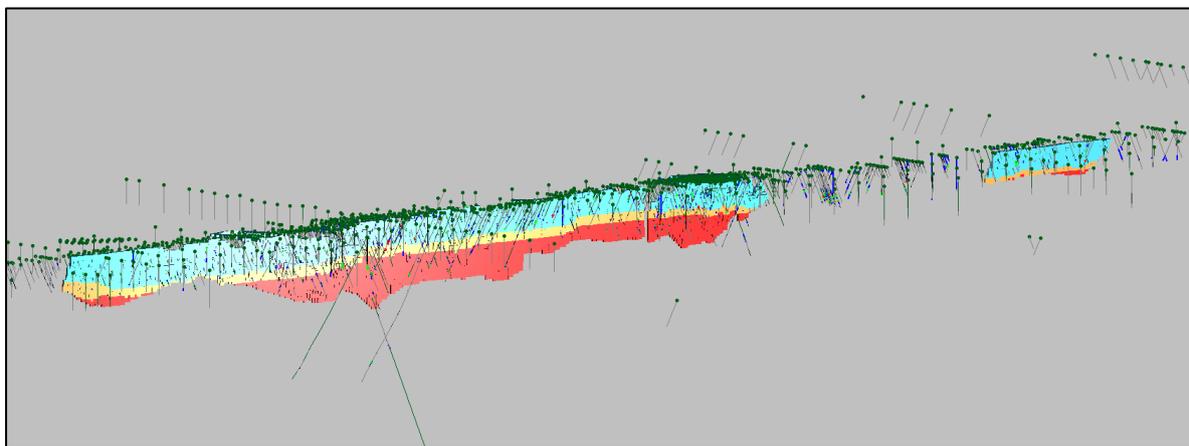


Figure 6 – Emu & Southwark oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources)

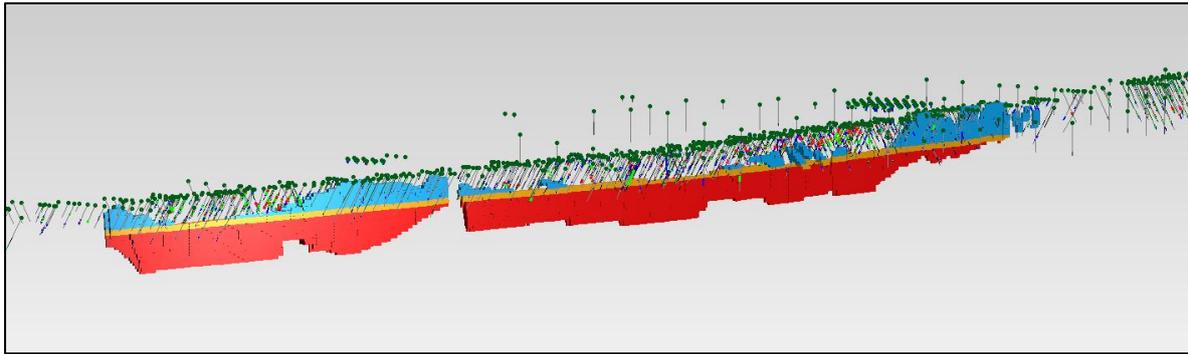


Figure 7 – VB & Boags oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources)

Data Verification

Routine verification of drilling data by Alt Resources is carried out by staff geologists. Drilling data is captured electronically to minimise data transfer errors. Partial verification of historic data was carried out by drilling 15 twin holes which confirmed the previous intersections. HGMC considers the data management processes in place to be adequate and to industry standard.

Mineral Resource Estimate

HGMC prepared wireframes of the mineralised zones based on sectional interpretations of gold using a gold grade threshold of 0.3g/t Au. The mineralisation formed several highly continuous zones over a strike length of 2.8km (Figure 8).

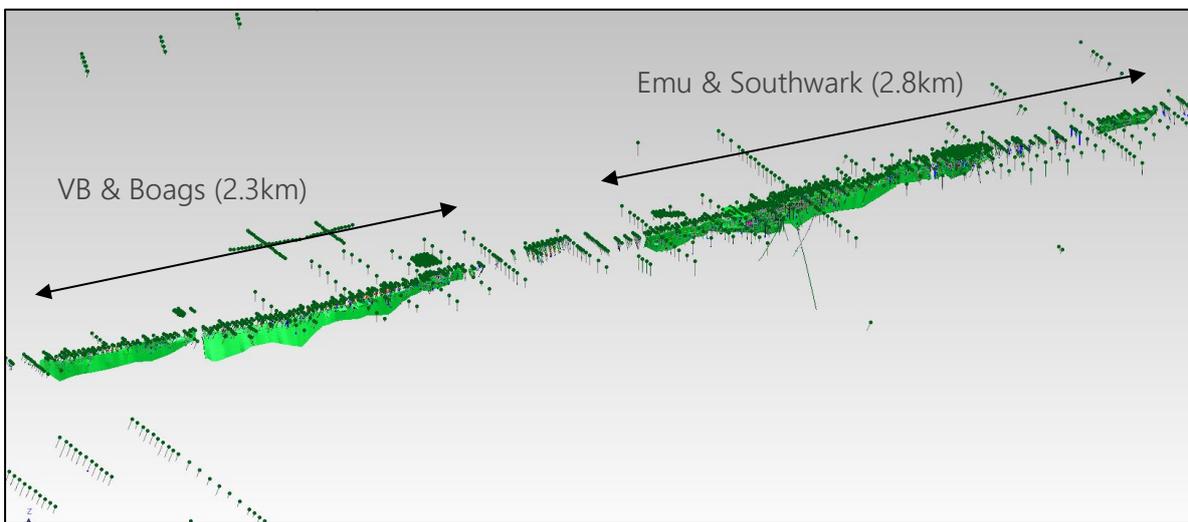


Figure 8 – Drilling and gold wireframes for VB & Boags, Emu & Southwark deposits (PayneGeo image using data supplied by Alt Resources)

Assay data within the wireframes was separately composited into 1m intervals. Statistical analysis carried out by HGMC determined that high grade cuts were not required, and limiting the extent of the high grades to 10m in the interpolation was used instead. Variography was attempted but reasonable variograms were not

obtained. As a result, assumed kriging parameters were applied to the estimate. These showed high nugget variance (32%-75%) with an assumed maximum range of 50m (strike, 40m (dip) and 20m (across strike).

A selective mining unit (SMU) block size of 2.5mE by 5mN by 5mRL was chosen for the block model. Separate block models were created for each of the two deposit areas. Grade estimation was carried out using Ordinary Kriging. Assumed search neighbourhood parameters were used in the OK estimation. HGMC conducted model validation using statistical comparison, swath plots and visual validation against sample data.

Mineral Resource Classification and Reporting

The Emu and Southwark Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource based on a complex combination of estimation parameters. The Measured Mineral Resource is limited to a portion of the Emu & Southwark deposit tested by 12.5m by 12.5m drilling. Most of the deposit is defined as Indicated Mineral Resource and Inferred classification has been assigned to extrapolations at the upper and lower vertical limits of the model. Overall the classification is reasonable and is shown in Figure 9.

At the VB & Boags deposit, no Measured resource has been defined. The majority of the drilled area is classified as Indicated. This includes extrapolation at depth of 20m-40m over the full strike extent of the deposit. Overall the classification is reasonable and is shown in Figure 10.

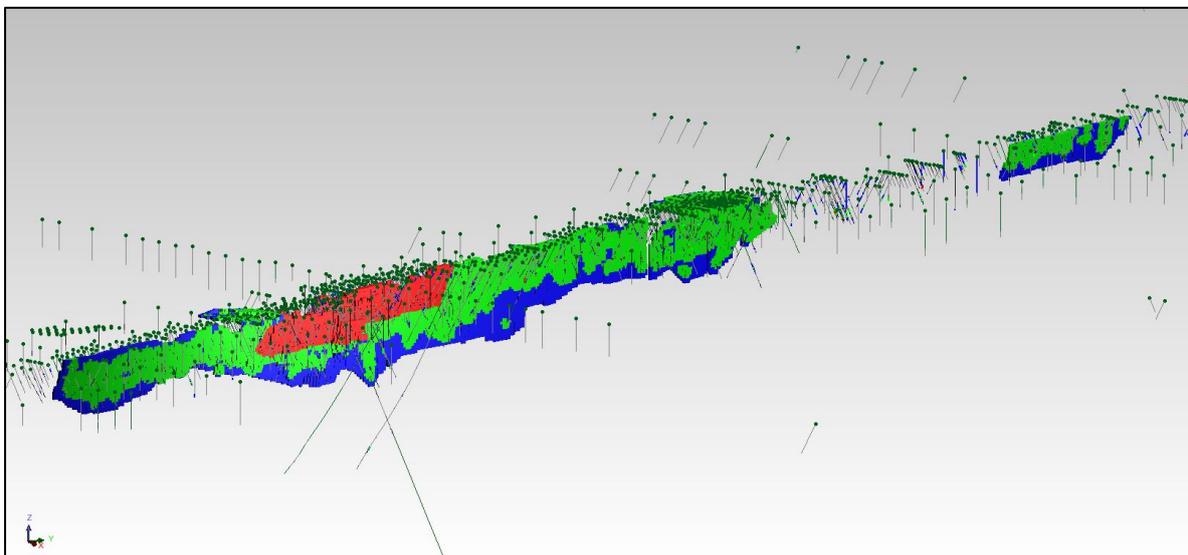


Figure 9 – Resource classification for Emu & Southwark deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources)

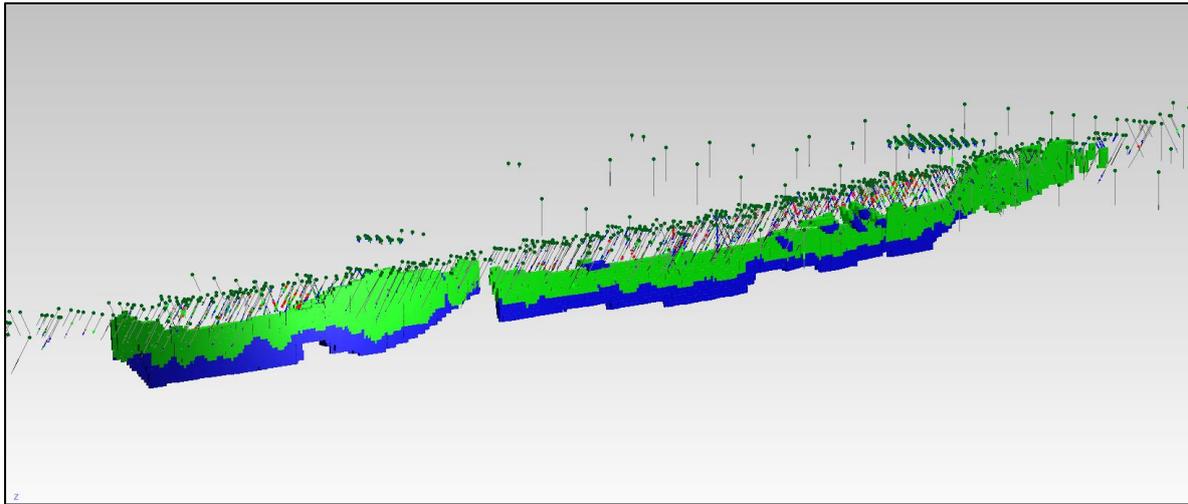


Figure 10 – Resource classification for VB & Boags deposits (Measured – red, Indicated – green, Inferred – blue)
(PayneGeo image using data supplied by Alt Resources)

Review Comments

Approximately 50% of the informing data for the Mineral Resource estimate was from historic drilling, with the recent Alt Resources drilling providing infill and confirmation holes to support the Mineral Resource estimate. Review of the drilling data by VRM shows that mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling.

QAQC protocols were not documented for historic drilling however the Alt Resources drilling had comprehensive QAQC programs in place which appear to have confirmed the precision and accuracy of the Alt Resources data which in turn was reported to confirm the tenor of the historic assay results.

Bulk density measurements were based on a reasonable number of determinations. However the values applied to the 2020 Mineral Resource were significantly higher than in 2019. In VRM's opinion these are higher than expected values for the weathering types and lithologies present. They are also higher than the substantial data set of density determinations available for the project. Without the support of additional data, there is a material risk that applied block model densities are inaccurate. As the majority of the Emu & Southwark Mineral Resource comprises oxide or transitional mineralisation, these changes in density resulted in a material increase in the reported tonnage and contained ounces. At the VB & Boags deposit, the tonnage increased materially and the contained ounces slightly. VRM was advised that more investigation work is underway by Alt Resources and will be incorporated into the next Mineral Resource update.

The weathering profile at Bottle Creek has a major impact on the distribution of gold grades in the deposits. It has resulted in a zone of depletion in the shallow oxide portion, and clear supergene enrichment towards the base of the weathered zone. Further work is required to prepare detailed interpretations of the weathering in the Emu & Southwark deposit or of gold grade domains representing the depletion or enriched zones, which will also be included within the next Mineral Resource update.

The weathering domains applied to the Emu & Southwark model were simplistic interpretations extrapolated for >2km between the north and south extremities of the deposit and has resulted in modelled weathering being substantially higher than the logged weathering. The impact would be overestimation of tonnage and ounces due to the higher density of the transitional and fresh mineralisation, compounding any issues with the determination of bulk density. It will likely distort any economic evaluation of the deposit due to different mining and processing costs and different metallurgical response of the different weathering types. VRM understands that this is being addressed by Alt Resources and a new model being developed.

The impact of the weathering profile is reduced in the VB & Boags deposit due to a substantial portion of the oxide mineralisation having already been mined. However the weathering types in the model were assigned by elevation. Interpreted weathering profiles provided were significantly deeper than those coded into the model. If the provided weathering interpretations are correct, the current Mineral Resource could be materially overestimated due to incorrect density assignment where fresh mineralisation will be re-coded to oxide. These aspects should be reviewed and included in work to update the Mineral Resource estimates.

The version of the Emu & Southwark block model supplied to PayneGeo does not extend up to the topography in the northern portion of the deposit. The 5m Z direction of the block size is too coarse to correctly model the laterite mineralisation.

The classification criteria used by HGMC is considered complex and resulted in some irregularities in the assigned classification. Overall however, the classification is reasonable. In determining the appropriate reporting cut-off grades, no support on how the cut-off grades were estimated was presented. The reporting cut-off of 0.5g/t Au likely reflects an economic cut-off grade applicable to open pit mining and onsite processing which is appropriate to the deposit and this would be a typical cut-off grade for a low cost open pit gold mining operation envisaged for the Project. Overall the data presented in the JORC Table 1 is adequate.

4.3. Tim's Find Mineral Resources

No open pit mining has been carried out at the Tim's Find deposit. Alt Resources had plans to carry out open pit mining of the deposit but as at the date of this report, no mining had commenced. Mineral Resources had been previously estimated for the deposit. The 2018 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off. No documentation of the previous estimate was provided but the Mineral Resource was tabulated in numerous Alt Resources ASX releases including Alt Resources, 2019a.

The current estimate for the deposits was first reported in February 2020. The estimate was reported at a 0.5g/t Au cut-off grade, and was completed using Ordinary Kriging. The 0.5g/t Au cut-off reflects the potential of the deposit for open pit mining and on-site processing.

Geology and Mineralisation (Sourced from Alt Resources, February 2020)

Tim's Find gold mineralisation is hosted by an ultramafic talc chlorite schist and the adjacent mafic schist within the north to north west striking Ballard Shear zone. Mineralisation at Tim's Find extends over 1.5km of strike length and remains open to the north and south of the current extent of drilling.

Informing Data and QAQC (Sourced from HGMC, 2019b)

Drilling and Sampling

Drill hole data used in the estimated is a combination of historical and Alt Resources drilling. Historical drilling was carried out by North Limited, La Mancha Resources Limited and Latitude Consolidated. Alt Resources drilling has been conducted since 2018.

The historic drilling at the Tim's Find deposit consists of 187 holes for 9,121m of which 4 holes are DD, 125 holes are RC and 58 are rotary air blast (RAB). At June 2019, Alt Resources had drilled 115 RC holes and 4 DD holes.

No reports have been provided to determine how many additional holes were drilled between June 2019 and the date of the reported Mineral Resource update in February 2020. Review of the database provided suggests only two additional holes were completed.

Drilling through most of the deposit was completed at 10m hole spacings on 20m spaced cross sections. The deposit has been comprehensively drilled to approximately 40m vertical depth in the southern and northern portions and to approximately 70m depth in the central portion. Details of drilling procedures used in historic RC drilling were not documented.

For Alt Resources RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts.

For Alt Resources drilling, holes were surveyed by licenced contract surveyors. The topographic surface was based on a detailed aerial survey.

Most historic holes were not down hole surveyed other than a number of Latitude holes which were surveyed using gyro equipment. For Alt Resources drilling, down hole surveys for all RC and DD drill holes were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Diamond core was crushed to <10mm then a 3.5kg sample selected and pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

No details were provided of assay procedures used in historic drilling.

QAQC

For historical drilling, no information on QAQC was available.

For Alt Resources drilling, a QAQC program was utilised including field duplicates, CRM and blanks. No analysis was provided however Alt Resources reported that the results confirmed an acceptable level of accuracy and precision in the assay data.

Bulk Density Measurements

A data set of density determinations was obtained by Alt Resources using down wireline gamma logging of eight drill holes. Data was separated in oxidation zones by HGMC and average density values determined for each of oxide, transition and fresh weathering domains. Respective values are shown in Table 4.

Table 4 Bulk Density Values Applied to Tim’s Find Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Tim’s Find
Material	Assigned Density (t/m ³)
Oxide	2.22
Transitional	2.72
Fresh	2.94

Data Verification

Routine verification of drilling data by Alt Resources is carried out by staff geologists. Drilling data is captured electronically to minimise data transfer errors. Recent Alt Resources drilling results were broadly similar to adjacent historic drilling which provides a degree of verification of historic data.

Mineral Resource Estimate

Note – no detailed report was provided for the February 2020 Tim’s Find Mineral Resource estimate. A report was provided for an estimate completed in June 2019. Details of the current estimate were either defined in the JORC Table 1 accompanying the ASX release on 3 February 2020, or based on observations by PayneGeo during review and analysis of the provided data files relating to the estimate.

HGMC prepared wireframes of the mineralised zone based on sectional interpretations of gold using a gold grade threshold of 0.3g/t Au. The mineralisation formed several highly continuous zones over a combined strike length of 1.4km (Figure 11).

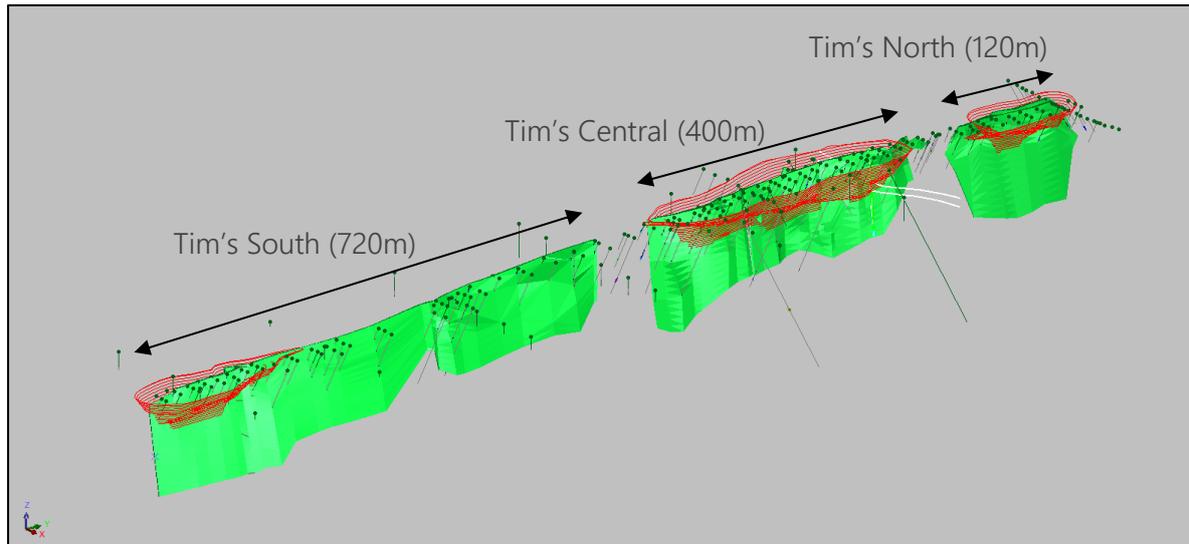


Figure 11 – Drilling and gold wireframes for Tim's Find with planned pit designs (PayneGeo image using data supplied by Alt Resources)

Assay data within the wireframes was separately composited into 2m intervals. Statistical analysis carried out by HGMC determined that high grade cuts were not required, but limiting the extent of the high grades in the interpolation was used instead. The distance limits and grade thresholds were not defined. A selective mining unit block size of 2.5mE by 5mN by 2.5mRL was chosen for the block model (Note – inconsistent description of block size was included in the JORC Table 1 for Tim's Find).

Grade estimation was carried out using Ordinary Kriging. No details of parameters were provided for the current estimate. The previous estimate used kriging parameters based on very high nugget (86% for North and Central, 53% for South). Search radii of 50m by 40m by 20m were used and aligned to the strike of each mineralised zone. No information on model validation was provided.

Mineral Resource Classification and Reporting

The Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource based on a complex combination of estimation parameters. The Measured Mineral Resource is limited to a portion of the Central Zone tested by 25m by 10m drilling which shows good continuity of high grade mineralisation. Much of the deposit is defined as Indicated Mineral Resource with a mathematical limit based on distance to samples. The Inferred classification has been assigned to depth extrapolations at lower vertical limits of the model as well as areas where the distance to samples exceeds 25m. The distribution of the classification is shown in Figure 12.

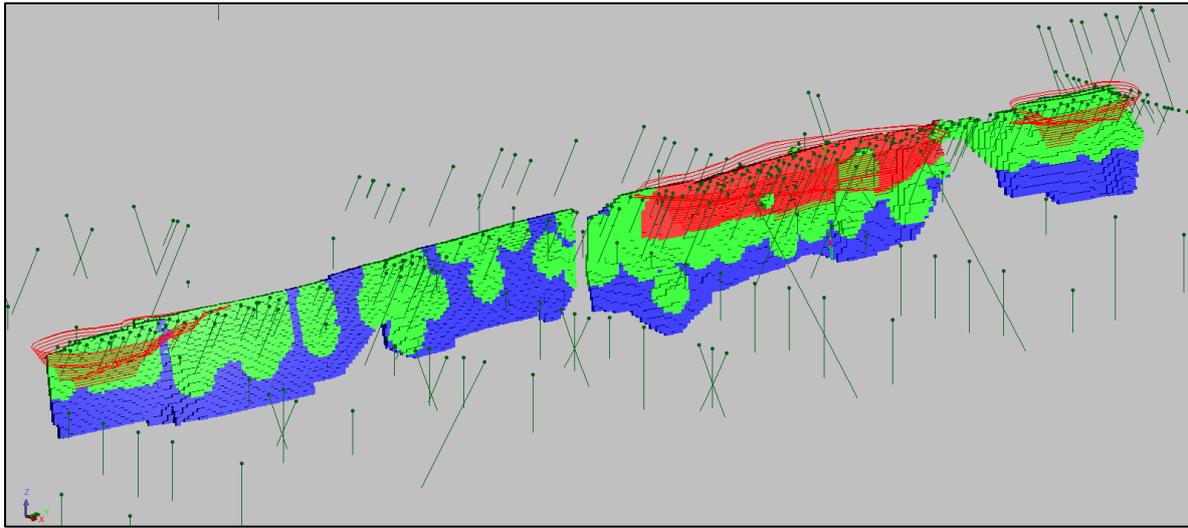


Figure 12 – Drilling and resource classification for Tim’s Find deposit (Measured – red, Indicated – blue, Inferred – green) (PayneGeo image using data supplied by Alt Resources)

The selected reporting cut-off grade of 0.5g/t Au was not explained. However, this would be a typical cut-off grade for a low cost open pit gold mining operation envisaged for the Project.

Review Comments

The majority of informing data for the Mineral Resource estimate was from historic drilling, with the recent Alt Resources drilling providing infill and confirmation holes to support the Mineral Resource estimate. Review of the drilling data and resource model shows that mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling.

Review of the database shows that much of Alt Resources drilling comprises infill sections within the extent of the historic drilling. Results appear to be consistent between the various programs giving confidence to the location, thickness and tenor of the historic intersections.

QAQC protocols were not documented for historic drilling however the Alt Resources drilling had comprehensive QAQC programs in place which appear to have confirmed the precision and accuracy of the Alt Resources data which in turn was reported to confirm the tenor of the historic assay results.

Bulk density measurements were based on a small number of holes and determined by gamma logging. This is considered an unreliable method in oxidised lithologies where moisture content and groundwater can materially impact the measurements. The values applied to the Mineral Resource are higher than expected values for the weathering types and present a risk that applied block model densities are too high.

The mineralisation wireframes form highly continuous zones with generally consistent thickness and geometry. The typical horizontal thickness of the mineralisation is typically 2m-4m.

Distinct zones of higher and lower gold grades are defined in the drill hole assays and reflected in the modelled grades. While no details of estimation parameters were provided, the estimate appears to be robust at the deposit scale. Local block grades may be poorly estimated if sound estimation parameters were not used.

The weathering interpretations match reasonably well with logged weathering codes. The bulk density assigned to the oxidised zones is based on an unreliable method and there is a material risk that they are too high in oxide material.

The estimation block size of 2.5m by 5m by 2.5m is too small for the drill hole spacing at the deposit and may lead to conditional bias in the model. The consequence of this could be an overestimation of tonnage and gold at elevated cut-off grades (such as required for small scale, long haul toll treatment mining operations). The impact would be compounded if poor search neighbourhood parameters are used however this is unknown due to the lack of a detailed report on procedures.

In our view, the classification criteria used by HGMC is complex and the mathematical approach to classifying Indicated and Inferred Mineral resource has resulted in a complicated distribution of classification. Overall however, the tonnage and grade of each classification is reasonable but should be reviewed before the next Mineral Resource estimate is completed and incorporated into the reported Ore Reserves for the project.

In determining the appropriate reporting cut-off grades, no support on how the cut-off grades were estimated was presented. The reporting cut-off of 0.5g/t Au likely reflects an economic cut-off grade applicable to open pit mining and onsite processing which is appropriate to the deposit at the current stage of development. Overall the data presented in the JORC Table 1 is adequate.

4.4. Boudie Rat and Forrest Belle Mineral Resources

Open pit mining has been carried out at each of the Boudie Rat and Forrest Belle deposits. The pits were mined in 1997 to a depth of approximately 25m (Figure 13). Historic underground workings were also present at each deposit.

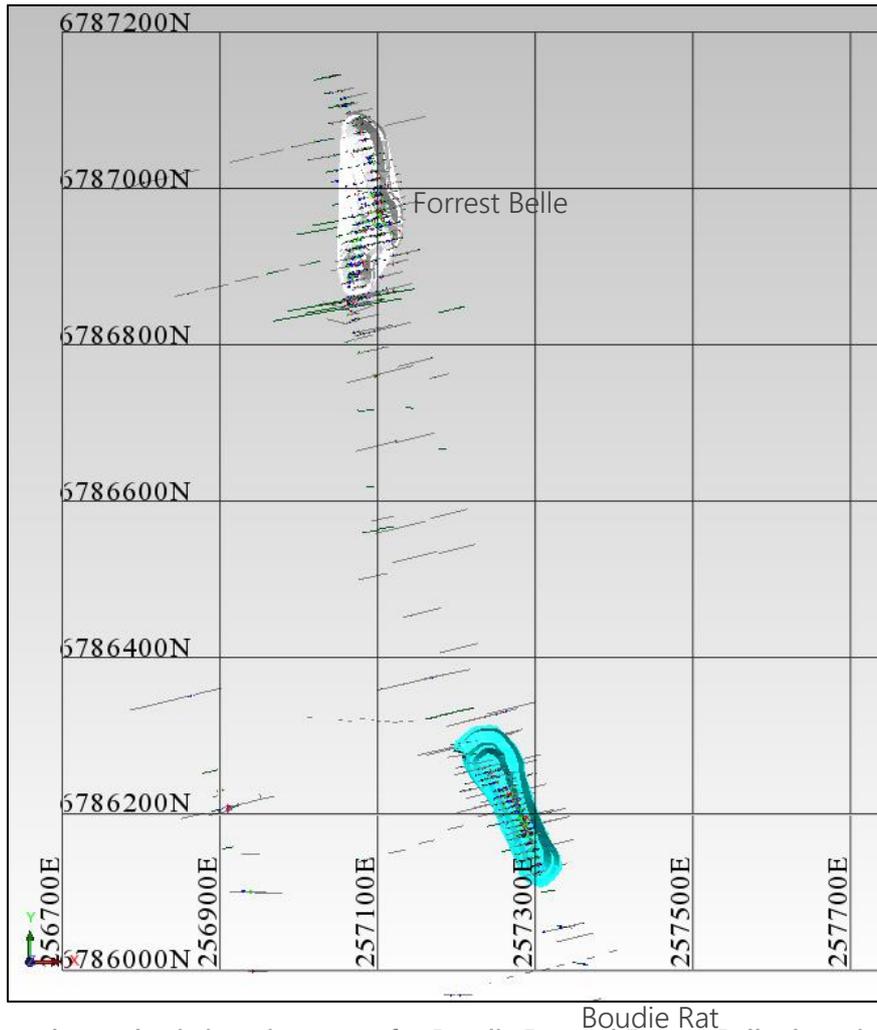


Figure 13 – Location plan and existing pit surveys for Boudie Rat and Forrest Belle deposits (PayneGeo image using data supplied by Alt Resources)

The current estimates for the deposits were first reported in February 2013. They were completed by CoxRocks for Wild Acre, a previous owner of the project. The estimate was reported at a 1.0g/t Au cut-off grade, and completed using inverse distance to power 3 (ID3) grade interpolation.

Geology and Mineralisation (Sourced from CoxRocks, 2013)

The geology of the Quinns area (including the Boudie Rat and Forrest Belle deposits) comprises Archean mafic to ultramafic lithologies bounded by granitic intrusions, and the region has been metamorphosed to lower amphibolite facies. A major shear zone, interpreted to be the Zuleika Shear, intersects the eastern part of the project area.

Much of the project area is covered by colluvial and alluvial deposits, with thickness ranging from <1m to tens of metres. Gold mineralisation in the area is associated with quartz veining +/- sulphides within sheared ultramafic and mafic units; along the Zuleika Shear gold is often found in quartz/pyrite lodes which are typically enveloped by tremolite schist, within intensely sheared amphibolites.

Informing Data and QAQC (Sourced from CoxRocks, 2013)

Drilling and Sampling

Drill hole data used in the estimated was all completed by previous operators. The majority of drilling was completed by previous operators prior to development of the open pits at the deposits. Mining was carried out by Arrow Resource Management in 1997. No information was provided on drilling prior to 2011. Between 2011 and 2013, Wild Acre completed 30 RC holes at Boudie Rat and 15 RC holes at Forrest Belle.

Based on a data review by PayneGeo it was evident that within the mined portions of each deposit, grade control drilling had been carried out providing close spaced drilling at 7.5m by 5m spacings. For the portions beneath the pits, holes were drilled to the east at 10m by 10m or 10m by 5m spacings. The deposits have been comprehensively drilled to approximately 50m vertical depth (or 25m below the pit base). Sparse drilling exists below that depth. At Boudie Rat, the drilling is focused on the well mineralised north end of the deposit. The strongest mineralisation at Boudie Rat is shown in Figure 14.

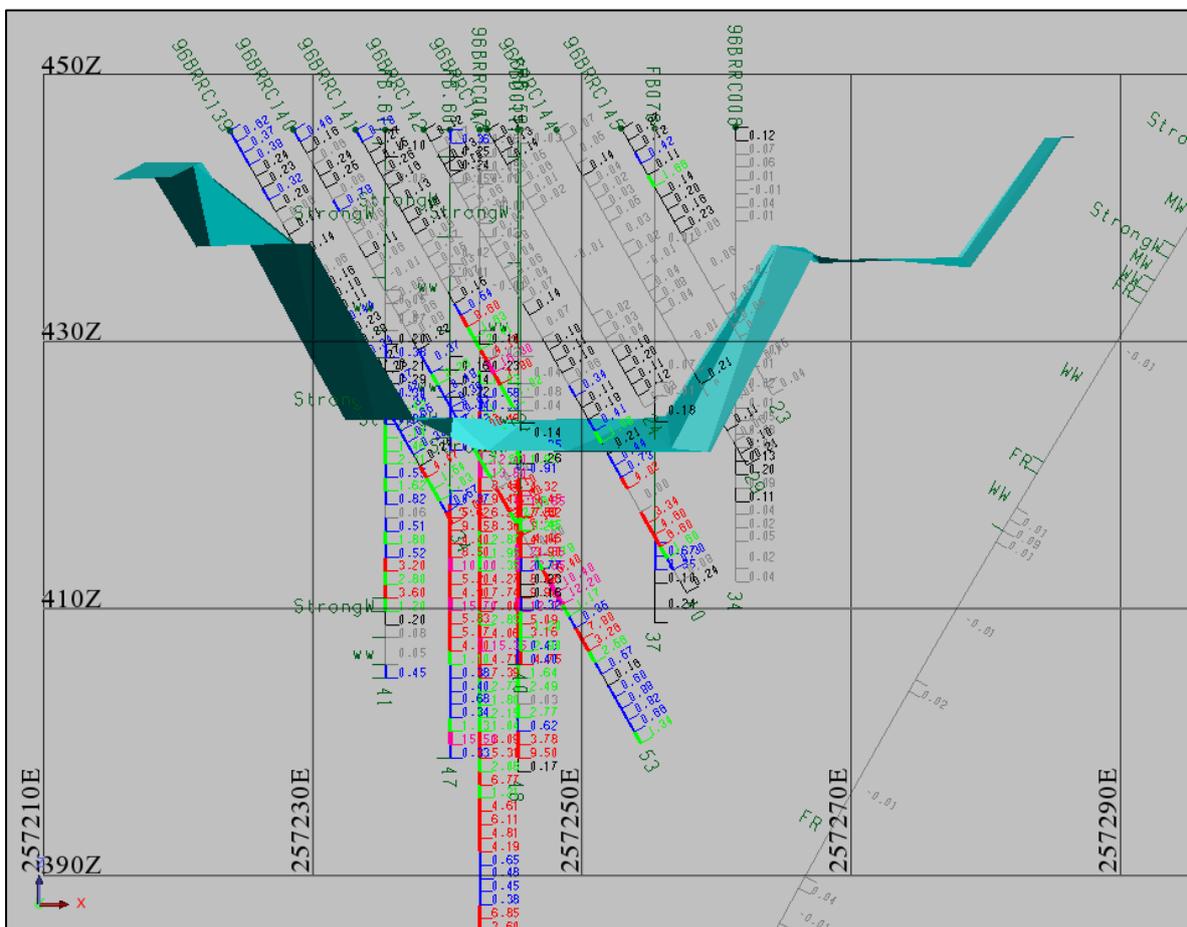


Figure 14 – Cross section through north end of Boudie Rat deposit (PayneGeo image using data supplied by Alt Resources)

For Wild Acre RC drilling, no details on hole size etc was documented. Holes were sampled at 1m intervals using a riffle splitter. For Wild Acre drilling, holes were surveyed by the company using differential GPS

(DGPS). The topographic surface was based on a detailed mine survey. The majority of historic hole were not down hole surveyed. For those that were, the method was not documented.

Analysis

For Wild Acre drilling, assaying for gold was conducted at the KalAssay facility in Kalgoorlie using a 40g fire assay with AAS analysis. No details were provided of assay procedures used in historic drilling.

QAQC

For historical drilling, no information on QAQC was available.

For Wild Acre drilling, a QAQC program was utilised including field duplicates, CRM and blanks. No analysis or comment on results was provided.

Bulk Density Measurements

CoxRocks stated that a review of bulk density determinations and local knowledge of the area were used to derive bulk density values applied to the model. No other details were provided. All mineralisation was coded as Fresh with density as shown in Table 5.

Table 5 Bulk Density Values Applied to Boudie Rat & Forrest Belle Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Boudie Rat & Forrest Belle
Material	Assigned Density (t/m ³)
Fresh	2.6

Data Verification

No information was provided.

Mineral Resource Estimate

CoxRocks prepared wireframes of the mineralised zone based on sectional interpretations of gold using a gold grade threshold of 0.5g/t Au with up to 4m internal dilution. At Forrest Belle, CoxRocks noted that five separate wireframes were modelled. Assay data within the wireframes was selected and statistical analysis carried out by CoxRocks determined that a high grade cut of 20g/t was applicable. It was not stated whether raw samples or composited data was analysed or used for estimation.

A block size of 2.0mE by 5mN by 2.5mRL was chosen for the block model. This is reasonable for the portions of the deposit with close spaced drilling. Grade estimation was carried out using ID3 interpolation with the wireframes used as hard boundaries. No details of estimation parameters were provided. Model validation was carried out by CoxRocks by visually comparing block grades to drill hole assay grades.

Mineral Resource Classification and Reporting

The Boudie Rat Mineral Resource was classified as Indicated. The Forrest Belle estimate was classified as either Measured and Inferred Mineral Resource. No information on classification was provided in CoxRocks,

2013. No diagrams or tables were provided to show the boundaries of the Measured and Inferred classification at Forrest Belle or of the reporting limits.

Based on the sparse drilling below 50m depth, a classification of Indicated does not seem reasonable. However the small tonnage reported for Boudie Rat suggests that the reported Mineral Resource did not extend to the full depth of the deposit (Figure 15).

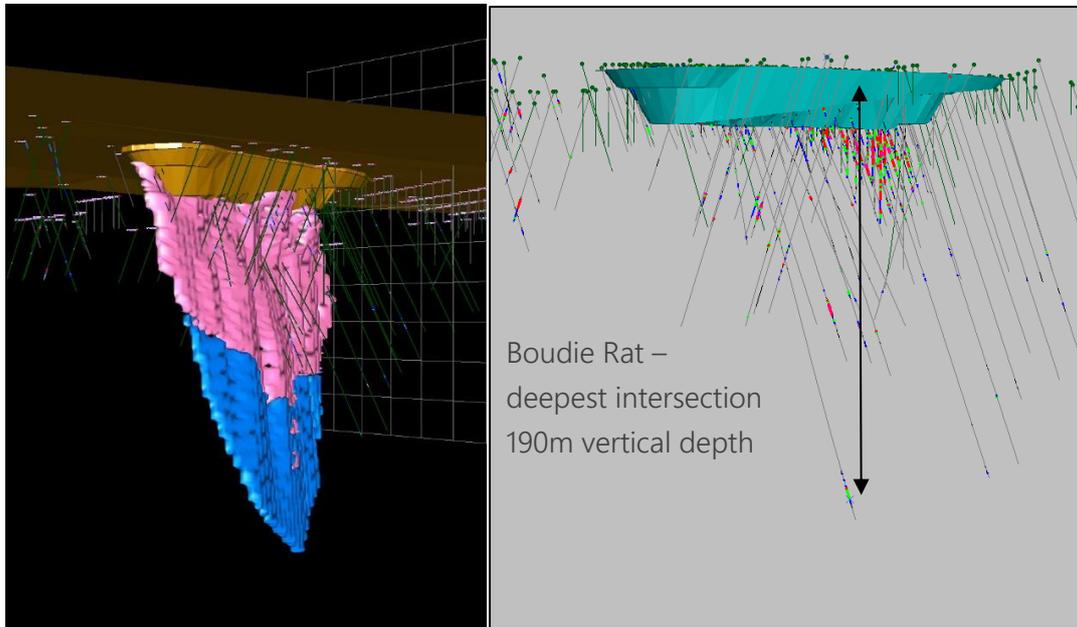


Figure 15 – Oblique view through Boudie Rat deposit (block model colours unknown) (PayneGeo image using data supplied by Alt Resources)

At Forrest Belle, the model has been estimated over a strike length of 500m (Figure 16). Based on the small tonnage reported, it is likely that a depth limit was applied to the model. The separation of Measured and Inferred is not shown in any documents. It is not logical for a model to be classified as only Measured Mineral Resource and Inferred Mineral Resource.

For personal use only

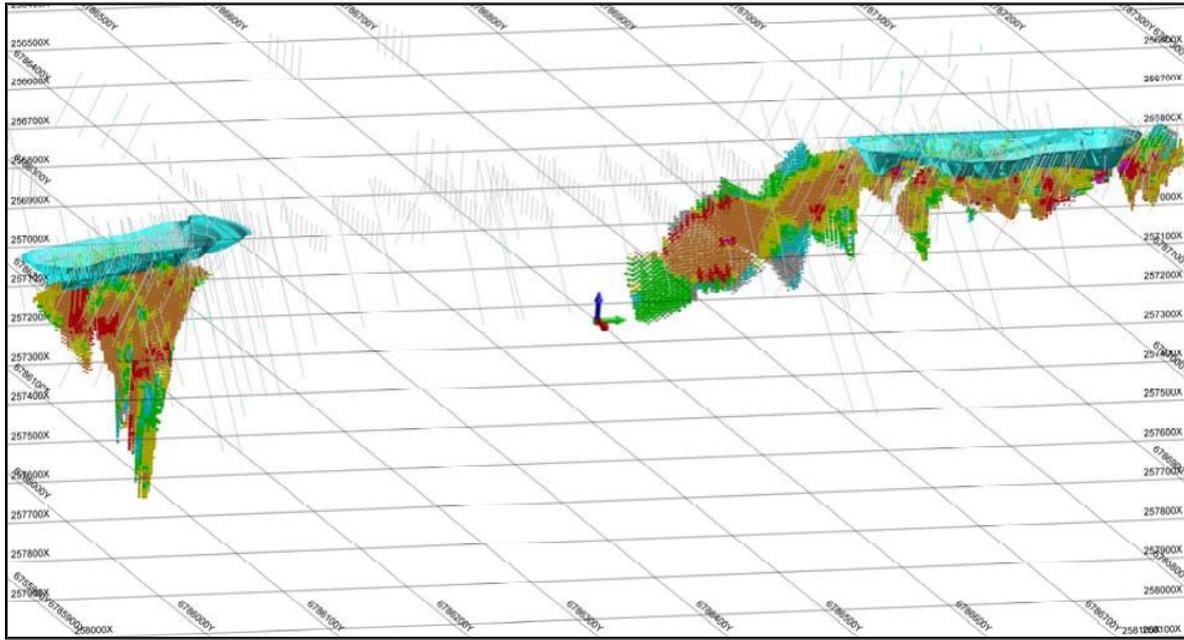


Figure 16 – Boudie Rat (left) and Forrest Belle (right) deposits (block model colours unknown) (from CoxRocks, 2013)

Review Comments

The Boudie Rat and Forrest Belle Mineral Resources were reported in 2013 at a 1.0g/t Au cut-off. This has not changed in recent reporting and although the cut-off grade is different to the main deposits at Bottle Creek, it is not unreasonable.

The reported Mineral Resource in the Alt Resources ASX releases differs from that reported in the original Mineral Resource report. Alt Resources has reported the uncut gold grades for the deposits. This appears to be an error by Alt Resources as the relevant JORC tables refer to a 20g/t high grade cut. It has resulted in additional reporting of contained gold by approximately 3,000oz, the majority of which is in the Measured category.

All of the informing data for the Mineral Resource estimate was from historic drilling. Review of the drilling data and resource model by PayneGeo shows that in the north end of the Boudie Rat deposit, mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling. At the Forrest Belle deposit, mineralisation occurs largely as steep east dipping zones with highly variable and often high grade gold mineralisation.

All mineralisation was coded as "Fresh" with a density of 2.6t/m³. Weathering profiles were not provided to support this. Few of the drill holes had weathering codes in the database but those that did showed a shallow to moderate weathering profile. Photographs of the pit and historic workings also showed zones of strong weathering in the pit walls so it is likely that a portion of each deposit is at least partially oxidised. If that is the case, the tonnage and contained ounces in the reported Mineral Resources will be overstated. As noted above additional work to better understand the bulk density across the deposits is required and Alt Resources intends to incorporate this in the next Mineral Resource update.

The Boudie Rat and Forrest Belle deposits have been drilled with a substantial number of close spaced RC drill holes. Although little information was available on the drilling, sampling and assaying procedures, it is clear that significant zones of gold mineralisation remain beneath the existing open pits.

Block model centroid files provided to PayneGeo were incomplete (only gold grade and density values included). So no assessment of estimation quality could be made.

Input data such as wireframes, weathering surfaces, bulk density determinations, estimation parameters were not provided so no comment can be made on the reliability of the estimate. However it is clear that significant zones of resource grade mineralisation remain at each of the deposits.

PayneGeo considers that the lack of detail on either of the Mineral Resource estimates prevents a meaningful assessment of the models being made. However there does appear to be substantial mineralisation beneath each of the pits so it is reasonable to expect robust Mineral Resources to be estimated.

The reported Mineral Resource estimates could well be reliable estimates of the remaining gold mineralisation and data spacing and grade continuity is sufficient to support classifications of Measured, Indicated and Inferred Mineral Resource.

The reporting of uncut grades in the estimates have resulted in likely over-reporting of contained gold by approximately 3,000oz, the majority of which is in the Measured category. Like the Mineral Resource report, the information presented in the JORC Table 1 is inadequate for allowing an understanding of data quality, procedures and results of the Mineral resource estimates.

4.5. Shepherd's Bush Mineral Resources

The Shepherds Bush deposit lies approximately 8km ESE of the main Bottle Creek deposits. It is unmined but mineralisation extends to surface over a strike length of approximately 500m (Figure 17). The current estimate for the deposit was reported in February 2020. It was completed by HGMC for Alt Resources and incorporated results from recent RC drilling carried out at the project. The estimate was reported at a 0.5g/t Au cut-off grade and was completed using OK grade interpolation.

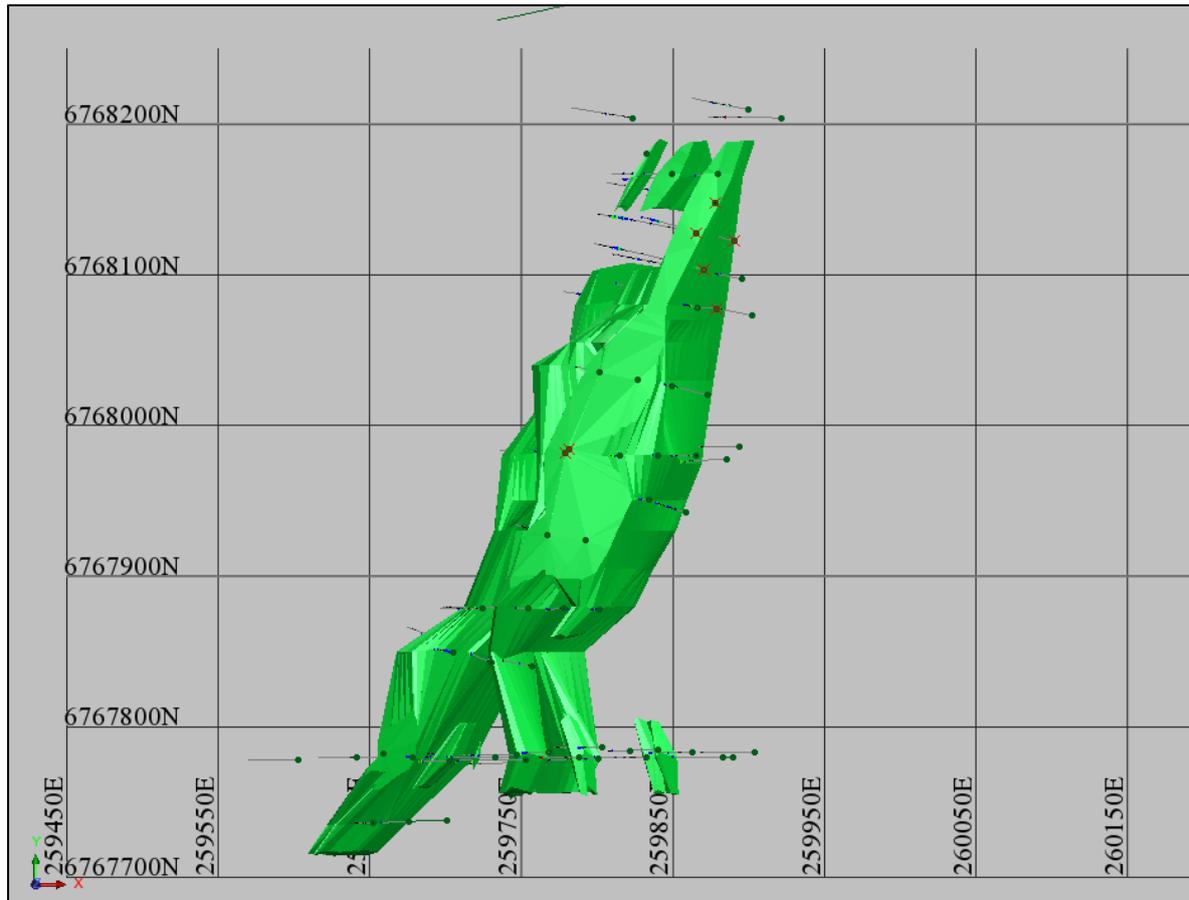


Figure 17 – Shepherd's Bush Resource wireframes and drilling (PayneGeo image using data supplied by Alt Resources)

Geology and Mineralisation (Sourced from Alt Resources, 2020D)

Gold mineralisation at Shepherds Bush appears structurally controlled striking north-east with a moderate dip to the south-east. Recent drilling has confirmed the majority of gold mineralisation at Shepherds Bush is associated with banded shale and chert beds with minor BIF. The shale and chert units in the oxide display multiphase veining and brecciation and variable amounts of carbonate and chlorite alteration with little sulphides contained in these units.

Bands of massive to semi massive sulphides have been intersected further downhole. Surface outcrop appears as an iron rich gossan and together with the chert forms the dominant topographic feature in the area. The zones of massive to semi massive sulphide mineralisation are dominantly pyrite, pyrrhotite with minor chalcopyrite and sphalerite and is hosted below at least two shale/chert horizons.

Informing Data and QAQC (Sourced from Alt Resources, 2020C; Alt Resources 2020D)

Drilling and Sampling

Recent drilling by Alt Resources was carried out as infill within broadly spaced historic holes, with the Alt Resources drilling representing the majority all resource drilling. Hole spacings are approximately 25m on

For personal use only

50m spaced cross sections. Although some of the infill sections have not tested the full extent of mineralisation. The deposit has been comprehensively drilled to approximately 100m vertical depth with little drilling below that depth.

A number of recent holes appear to postdate the Mineral Resource and consequently were not included in the estimate. They display strong mineralisation and should allow multiple zones in the deposit to be extended to the north (Figure 18).

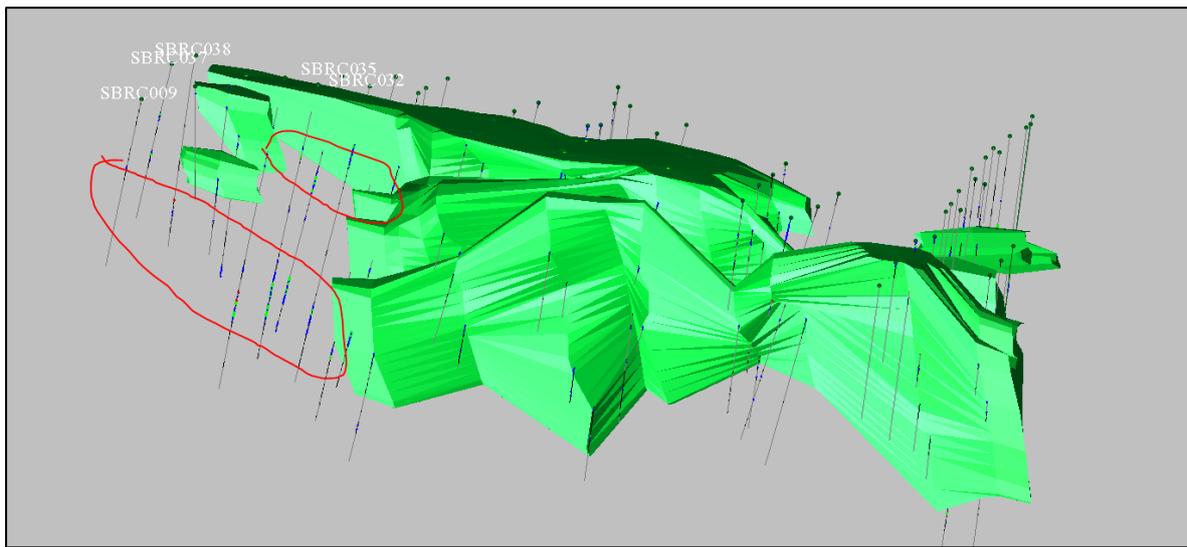


Figure 18 – Shepherd's Bush oblique view showing additional resource potential (looking NE) (PayneGeo image using data supplied by Alt Resources)

For RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts.

For Alt Resources drilling, holes were surveyed by licenced contract surveyors. The topographic surface was based on a drill hole collars. Down hole surveys for each RC and DD drill hole were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

QAQC

For Alt Resources drilling, a QAQC program was utilised including field duplicates, CRM and blanks. The results of the field duplicates, standards and blanks were reviewed by HGMC. HGMC concluded that the results showed an acceptable level of precision and accuracy.

Bulk Density Measurements

Density was reported to have been based on density measurements in the database, however no details were provided. Values were assigned on the basis of weathering type in Table 6. The distribution of the assigned weathering types is shown in Figure 19.

Table 6 Bulk Density Values Applied to Shepherd’s Bush Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Shepherd’s Bush
Material	Assigned Density (t/m ³)
Oxide	2.1
Transitional	2.4
Fresh	2.6

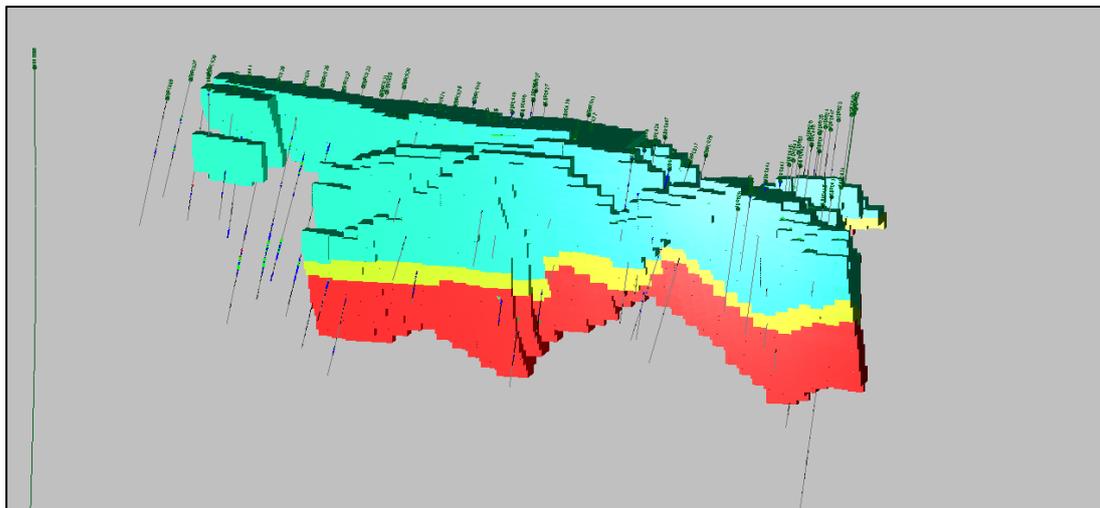


Figure 19 – Shepherd’s Bush oblique view showing weathering types (looking NE) (PayneGeo image using data supplied by Alt Resources)

Data Verification

No information was provided.

Mineral Resource Estimate

Details of the estimate were limited to information in the JORC Table 1 accompanying the ASX release of the Mineral Resource upgrade. Wireframes prepared from sectional interpretations of a 0.5g/t mineralisation boundary were used to select 2m composite data for estimation. No high grade cut was applied to the estimate although a high grade distance limit was used in the interpolation.

A block size of 5mE by 10mN by 5mRL was chosen for the block model. This is considered too small for the 25m by 50m drilling at the deposit and may lead to excessive conditional bias within the model with a

For personal use only

corresponding overestimation of the tonnage in the deposit above elevated cut-off grades. However the global estimate at a 0.5g/t Au cut-off should be reasonable.

Grade estimation was carried out using OK interpolation with the wireframes used as hard boundaries. No details of estimation parameters were provided. Model validation was carried out by HGMC by visually comparing block grades to drill hole assay grades and using swath plots to statistically compare model grades to composite grades.

Mineral Resource Classification and Reporting

The Shepherds Bush Mineral Resource was classified entirely as Inferred which appears appropriate for the wide spaced drilling of the generally consistent zones of mineralisation.

Review Comment

Prior to 2020, the Shepherds Bush Mineral Resource had not previously been reported by Alt Resources. The estimate incorporated results from recent drilling by Alt Resources. The 0.5g/t Au reporting cut-off is reasonable although potential for development appears very low due to the low grade of the deposit.

The majority of the informing data for the Mineral Resource estimate was from recent Alt Resources drilling. Review of the drilling data and resource model shows that the broad zones of low to moderate grade mineralisation is reasonably consistent through the deposit with multiple zones intersected in many of the holes.

A number of recent holes were not included in the estimate and should allow the Mineral Resource to be expanded.

Weathering codes in the model match reasonably with the logged geology and assigned density values appear reasonable.

Although estimation parameters were not provided, the estimate for the Shepherds Bush deposit appears reasonable. Block grades and defined weathering correspond well with drill hole assays and logging.

The reported Mineral Resource is a reasonable estimate of the gold mineralisation at the Shepherds Bush deposit based on current drilling density and noting the potential for expansion. The information presented in the JORC Table 1 is adequate for allowing an understanding of data quality, procedures and results of the Mineral resource estimates.

4.6. Status of Technical Studies

Alt Resources conducted an initial Scoping Study in early 2019 with the results reported to market on 29 July 2019. The Scoping Study was a preliminary technical and economic study conducted to examine the potential for future development of the Mt Ida and Bottle Creek Projects. The study was based on lower level technical and economic estimates than those required to support the estimation of Ore Reserves.

While the Scoping Study reported positive economic outcomes sufficient to encourage the Company to continue resource definition and development drilling, the study was based on Mineral Resource estimates

as 8 May 2019 and produced a high-level mining and processing schedule for a stand-alone operation. Alt Resources has subsequently released five mineral resource updates and therefore VRM is of the view that the results of the Scoping Study are now outdated.

The Company has more recently explored accessing third party facilities for processing. On 14 April 2020 Alt Resources announced the lodgement of the Tim's Find Mine Plan application to the DMIRS earlier that month. Under the proposed mining plan operations were scheduled to commence in July 2020 pending plan approval, availability of a mining fleet and access to a third-party processing plant. After the valuation date, on 15 May 2020, it was announced that milling capacity to process the Tim's Find ore could not be secured to allow the proposed July commencement. Mills in Kalgoorlie and Paddington were also noted to be in high demand through 2020 with increased costs for toll treatment.

Alt Resources subsequently announced the outcomes of updated technical and financial studies to consider a stand alone treatment plant option. The Preliminary Feasibility Study (PFS) and maiden Ore Reserves were announced on 10 July 2020 (Alt Resources, 2020b).

5. Myalla and Paupong Projects

The Myalla and Paupong tenements are located near Jindabyne in southern New South Wales (Figure 20). Alt Resources has 70% ownership of these projects.

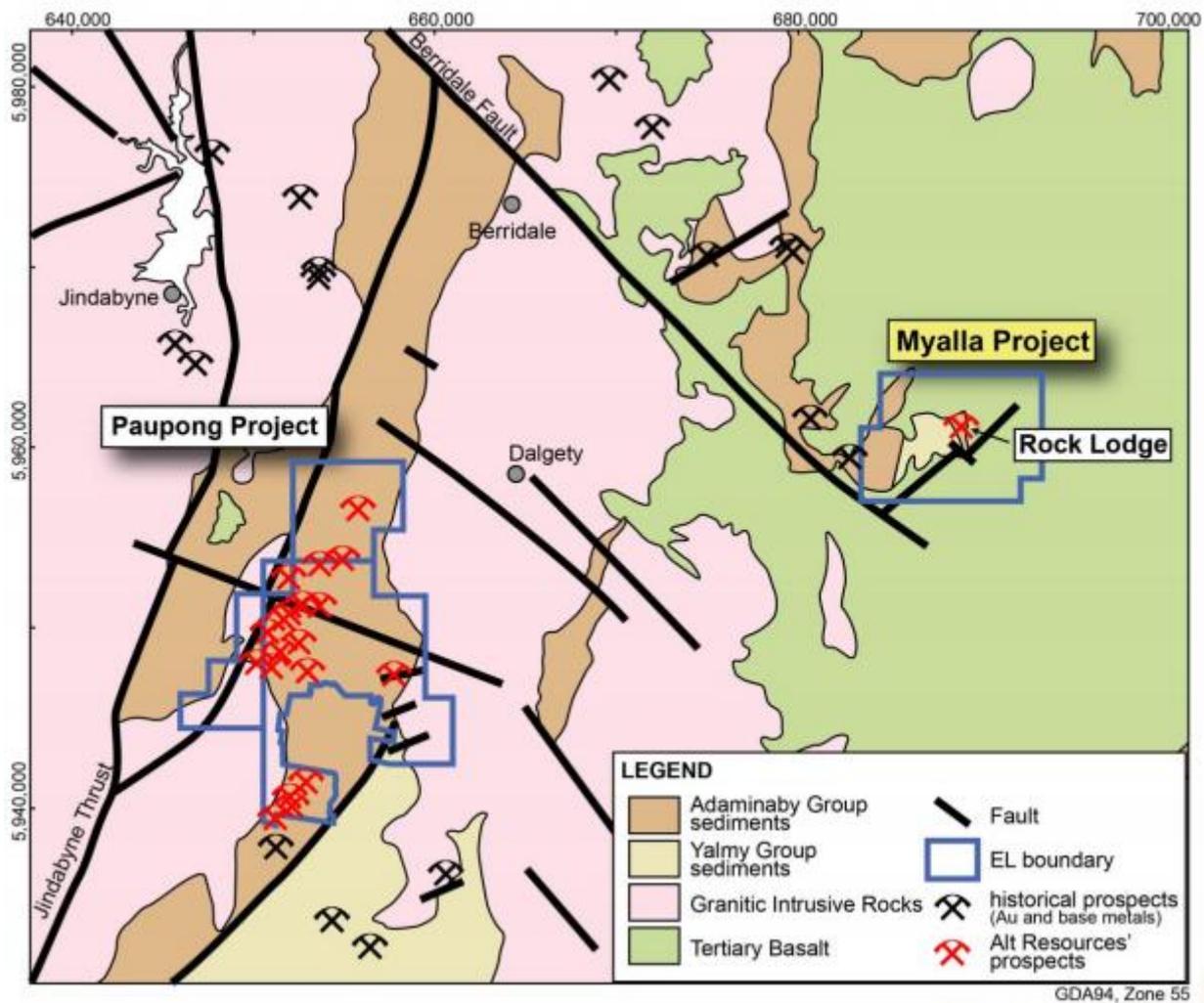


Figure 20 – Location of the polymetallic prospects and historical occurrences in the Paupong and Myalla areas (Source Alt Resources ASX release dated 23 March 2018)

The Projects are situated in the Lachlan Orogen of southern NSW, within the Siluro-Devonian Granite regional metallogenic province. Locally the geology comprises Adaminaby Group sediments including turbidites and reducing black shales of the Bendoc Group. Alt Resources is targeting a conceptual intrusion-related gold system model with parallels drawn to mesozonal porphyry systems such as those in Queensland.

At Paupong, Alt Resources defined several intrusion-related gold targets based on interpretation of airborne and ground geophysical surveys during 2016. The Company conducted induced polarisation (IP) and soils sampling surveys to define anomalous areas for further investigation at Windy Hill. A quartz breccia and quartz vein stockwork system previously identified at Telegraph Hill was reinterpreted to define an alteration

system that was subsequently drill tested. Government funded drilling grants were obtained and diamond drilling was carried out in 2017, outlining mineralogical and geochemical alteration zones associated with magnetic and IP targets.

In early 2018 the Company announced several significant drilling intercepts from RC drilling at the nearby Myalla Project. Targeting a similar conceptual model in a window of Adaminaby Group sediments within Tertiary basalts, initial drill results reported polymetallic gold, silver, copper, lead and zinc results confirming extensions of surface results beneath historical workings. Six holes were drilled and further deeper drilling was planned to follow up at the Rock Lodge prospect.

Since 2018, Alt Resources has focussed their attention on the Mt Ida and Bottle Creek Projects so that limited work has recently been undertaken in NSW. No Mineral Resources have been estimated at either project area.

6. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 7 and provides a guide as to the most applicable valuation techniques for different assets.

Table 7 VALMIN Code 2015 valuation approaches suitable for mineral Properties

Valuation Approaches suitable for mineral properties				
Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

The Mt Ida and Bottle Creek gold projects are best described as advanced exploration to pre-development stage while the Paupong and Myalla projects are at an earlier exploration stage. There are Mineral Resource estimates within both the Mt Ida and Bottle Creek projects which are reported under the JORC Code (2012), and recently Ore Reserve estimates were also reported. Development Projects are defined in VALMIN as tenure holdings for which a decision has been made to proceed with construction or production or both, but VRM understands this decision has not yet been made.

As there are some risks noted regarding the Mineral Resources which flow through to the declared Ore Reserves VRM is of the view that a market-based approach is more suitable than an income-based method. On that basis the valuation of the tenements that host Mineral Resources is based on a comparable transaction (market-based approach) with supporting valuation methods used including a yardstick approach (market-based approach). A geoscientific (Kilburn) approach and a prospectivity enhancement multiplier (PEM) were also applied to surrounding exploration tenements and the exploration projects located in NSW, these valuation methods being cost-based.

6.1. Previous Valuations

VRM is not aware of any relevant valuation reports on either the Mt Ida or Bottle Creek tenements.

6.2. Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time and this valuation is using information available as of 7 May 2020 being the valuation date of this Report and considering information up to 14 July 2020. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible

development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

6.3. General assumptions

The Mineral Assets of Alt Resources are valued using appropriate methodologies as described Table 7 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon,
- The valuations only relate to the Alt Resources Mineral Assets located within tenements controlled by the Company and not the Company itself nor its shares or market value,
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licences will remain active,
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe,
- That the owners of the mineral assets can obtain the required funding to continue exploration activities,
- The gold and silver prices assumed (where it is used / considered in the valuation) is as at 7 May 2020, being US\$1,704.05/oz and US\$14.98/oz respectively (www.kitco.com London PM Fix Price),
- The US\$ - AUS\$ exchange rate of 0.6498 (www.xe.com) resulting in an Australian dollar price of AUS\$2,622.50/oz and AUS\$23.05/oz respectively for gold and silver.
- All currency in this report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US\$.

6.4. Market Based Valuations

As the projects being valued in this Report are dominantly prospective for gold it is important to note the current market conditions and supply and demand fundamentals of the precious metal markets.

The gold price is fundamentally different to many of the other commodities as the gold price is frequently seen as a pseudo currency and is considered by many as a safe-haven investment option, especially in the current monetary policies of many of the major countries reserve banks. Global uncertainty in regard to the outbreak of COVID-19 and the resulting impact to the world economy has driven an increase in the gold price during early 2020. Figure 21 shows the gold price over the last five years.



Figure 21 - Five year gold price graph (January 2015 to May 2020). Australian Dollars
(Source: www.infomine.com)

6.5. Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (DCF) valuations (generally limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

As at the Valuation Date there were no current Ore Reserves estimated for the Mt Ida and Bottle Creek projects, although studies were underway to support the declaration. On 10 July 2020 Alt Resources released maiden Ore Reserve estimates (Alt Resources, 2020b) but VRM does not consider an income - based valuation approach is preferred as a primary valuation method at this time.

6.5.1. Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained

metal for projects with Mineral Resource or Ore Reserves estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is typically the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would generally be valued using an income approach due to the modifying factors for a mining operation being better defined. In the case of the Bottle Creek and Mt Ida Projects Alt Resources has recently undertaken studies to advance the projects and maiden Ore Reserves were announced along with the supporting PFS on 10 July 2020.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to three years in either the same geopolitical region or same geological terrain. The comparable transactions have been compiled where Mineral Resources and in some cases Ore Reserves have been estimated. Appendix A details the Resource Multiples for a series of transactions that are considered at least broadly comparable with the Mt Ida and Bottle Creek Projects.

6.5.2. Yardstick Valuation

A yardstick valuation was undertaken as a check of the comparable transactions. This yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot price. The yardstick valuation factors used in this report are in line with other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports such as Naidoo et.al. (2016). The US\$-AUS\$

exchange rate and gold price as of 7 May 2020 and documented above have been used to determine the yardstick valuation.

6.6 Exploration Asset Valuation

To generate a value of an early stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation
- Comparable transactions (purchase) based on the Properties' area
- Joint Venture terms based on the Properties' area
- A prospectivity enhancement multiplier (PEM)

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The comparable transaction multiples can also be useful but are strongly related to the projects tenement area so can be conservative for small areas and overstate large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

6.6.1 Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off

Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 8 documents the ranking criteria while the inputs and assumptions that were used to derive the base acquisition cost (BAC) for each tenement are detailed in the valuation section below.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Paupong and Myalla tenements the BAC has been determined assuming the same current tenement holding costs as would apply in WA. The BAC is derived from the Western Australian DMIRS.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 8 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

Table 8 Ranking criteria are used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria					
Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor	
0.1				Generally unfavourable geological setting	
0.5				Extensive previous exploration with poor results	Poor geological setting
0.9				Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting	
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	Favourable geological setting	
2.0	Resource targets identified	Exploration targets identified			
2.5	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production	Significant intersections – not correlated on section	Mineralised zones exposed in prospective host rocks	
3.0			Several significant ore grade intersections that can be correlated		
3.5					
4.0	Along strike from a major mine(s)	Major mine with significant historical production			
5.0	Along strike from world class mine				

The technical valuation was discounted / escalated to derive a market valuation. A market factor was derived to account for the status of the gold market which is currently elevated as shown in Figure 21. On that basis, the technical valuations are inflated by 10% for the status of the gold market conditions and there has been no discount applied for the locational risks associated with the projects.

For early stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used. Where Mineral Resources or Ore Reserves are present VRM considers that these are the primary value driver and the surrounding exploration ground is usually less material.

6.6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 7 above and in the VALMIN Code a cost - based or appraised value method is an appropriate valuation technique for early stage exploration Properties. Under this method, the previous

exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 9 below. VRM considers the PEM valuation method as a secondary valuation method and no higher PEM ranges are used once a JORC 2012 resource has been estimated. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated.

Table 9 Prospectivity Enhancement Multiplier (PEM) ranking criteria

PEM Ranking Criteria	
Range	Criteria
0.2 – 0.5	Exploration downgrade the potential
0.5 – 1	Exploration has maintained the potential
1.0 – 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

7 Alt Resources Projects Valuation

7.1 Mt Ida and Bottle Creek Project Valuation

The principal mineral assets valued as a part of this ITAR are the Mt Ida and Bottle Creek Projects. There are recently reported maiden Ore Reserve and updated Mineral Resource estimates for these Projects, as well as a package of surrounding tenements that are variably prospective and have had differing levels of previous exploration.

In VRM's opinion an income valuation approach is not considered an optimal valuation method for the Mt Ida and Bottle Creek Projects given the concerns noted above in relation to the Mineral Resource estimates. Therefore, VRM has undertaken a valuation based on several techniques, these being a comparable transaction (resource multiplier) and Yardstick method as a cross check for the reported Mineral Resource estimates. The surrounding exploration tenure in WA, as well as the earlier stage Exploration Properties in NSW have been valued considering a Kilburn or Geoscientific valuation method and a Prospectivity Enhancement Multiplier (PEM) method as described further below.

7.1.1 Comparable Transactions – Gold Resource Multiples

VRM reviewed a series of gold resource transactions in Western Australia over the past five years. Thirty-eight transactions were identified relating to Western Australian gold mineral assets that occurred in the past five years. A resource multiple was calculated for each transaction to determine the gold price paid per ounce contained gold (AUS\$/oz) and a resource multiple was also calculated as a value normalised to the transaction date considering the relative gold prices to account for market fluctuations. One transaction was anomalously high compared to the majority and this was removed from the analysis. A number of other transactions were also not considered comparable due to the assets being related to operating mines, the deals including a mill, or the transaction being terminated prior to completion. The final set of data used to derive the valuation included 28 transactions as detailed in Appendix A.

From the analysis of completed transactions, VRM determined average, median, and various percentiles of the data at the transaction date as well as normalised to the valuation date (refer Appendix A). For a recent JORC (2012) resource, the 25th, median and 75th percentile values would generally be applied to estimate a valuation range using this method. However, in analysing the 2018 and 2019 transactions the average of the comparable transactions is 30% higher than the entire dataset of comparable transactions. Based on this observation and the recently reported technical and economic studies that have been undertaken VRM elected to use higher multiples of the subset of comparable transactions with the low being the average and the upper being the 75th percentile of the transactions. The preferred valuation is the mid point of the average and the 75th percentile. These correspond to a lower multiple of \$32.02/oz, a preferred multiple of \$45.59/oz and an upper multiple of \$59.15/oz.

In VRM's opinion these multiples can be applied the Alt Resources Mt Ida and Bottle Creek Mineral Resource estimates (inclusive of Ore Reserves) as reported in Table 2, with any appropriate discounting to account for identified risks relating to the Mineral Resource estimates.

The resource review described above noted a number of risks to the Mineral Resource estimates. At Bottle Creek VRM considers that the weathering zones have been poorly defined in some areas and, in our view, the bulk density values applied to the 2020 estimate require additional supporting data for oxide and transitional mineralisation to mitigate the potential for material of overestimation of tonnage and contained gold ounces in some deposits. At Mt Ida the original Mineral Resource estimate for Boudie Rat and Forrest Belle was reported using a high grade cut of 20g/t Au, while more recent announcements have reported the uncut gold grades. These concerns result in the potential risk of overstatement of the Mineral Resource estimates which have been factored into our valuation as discussed further below.

The resource multiples detailed above and supported by the information in Appendix A have been used along with the gold Mineral Resources in Table 2 to derive the value of the gold mineralisation in the Mt Ida and Bottle Creek gold deposits (Table 10). To reflect the resource risk VRM has consider a material (10%) reduction to the Emu and Southwark resources within our comparable transaction valuation.

Table 10 Comparable transaction valuation of the Mt Ida and Bottle Creek Mineral Resources estimates

Comparable transaction valuation summary			
	Lower (Average)	Upper (75 th Percentile)	Preferred (Mid Point)
Mt Ida stated Resource (contained Au)	0.20Moz	0.20Moz	0.20Moz
Resource Multiple (\$/oz contained Au)	\$32.02	\$59.15	\$45.59
Total Mt Ida Valuation (AUS\$)	\$6.43M	\$11.88M	\$9.15M
Bottle Creek stated Resource (contained Au) ¹	0.37Moz	0.37Moz	0.37Moz
Resource Multiple (\$/oz contained Au)	\$32.02	\$59.15	\$45.59
<i>Bottle Creek Valuation (AUS\$)</i>	<i>\$11.13M</i>	<i>\$20.57M</i>	<i>\$15.85M</i>
<i>Bottle Creek Final Vendor Payment²</i>	<i>\$5M</i>	<i>\$5M</i>	<i>\$5M</i>
Total Bottle Creek Valuation (AUS\$)	\$6.13M	\$15.57M	\$10.85M
Total Resource Valuation (AUS\$)	\$12.6M	\$27.4M	\$20.0M

Notes 1 At Bottle Creek stated Resources have been reduced by 10% for Emu and Southwark to account for resource risk. 2 Bottle Creek Project – Final Vendor payments of \$5M required in 2020. Rounding has been applied to the Resource estimate and valuation.

The stated silver resources have not been separately valued as most of the comparable gold transactions in VRM's opinion would account for some silver credits as this is a common metal association and generally not material to the value. Furthermore, recently released metallurgical leach testwork (Alt Resources ASX release dated 5 May 2020), indicates that silver recovery is much lower than for gold.

VRM considers the Mineral Resource estimates, inclusive of Ore Reserves, within the Mt Ida and Bottle Creek projects to be valued, based on comparable transactions, at between \$12.6 million and \$27.4 million with a preferred valuation of \$20.0 million. This has been adjusted to account for Bottle Creek final vendor payments of \$5 million due in July and November 2020.

7.1.2 Yardstick Method

As detailed above the yardstick method can also be considered as a valuation approach, particularly as a cross check or secondary valuation technique to support the valuation generated by a comparable transaction method. This method is typically used as a secondary approach for valuation of Mineral Resources and is based on a percentage of the current metal price.

For Mineral Resources, a typical yardstick value would be between 0.5% and 5% of the current gold price, dependent on the classification as at the valuation date. For lower classification levels such as Inferred Mineral Resources this percentage is lower reflecting the higher uncertainty compared to Indicated or Measured categories. The risks relating to the resources described above have been incorporated into the Yardstick approach as footnoted below. In particular, VRM notes that the potential material overstatement of contained metal at Emu and Southwark, less at VB and Boags and 3,000oz at Boudie Rat and Forrest Belle have been applied in determining the yardstick valuation. In this approach the valuation method does not draw a comparison with any other stated resources, instead it only considers the declared resources at the current metal price.

The stated silver resources have not been separately valued as, in VRM's opinion these will not be material to the value.

VRM has applied a range of percentage values, corresponding to the classification of the Mt Ida and Bottle Creek Mineral Resources estimates, of the gold price at the valuation date in order to value the gold resources within these Projects. This valuation is summarised in Table 11. The recently announced Ore Reserve estimates have not been valued using this method as VRM has identified the above risks relating to Mineral Resources which underpin the Ore Reserves estimate.

Table 11 Yardstick valuation of the Mt Ida and Bottle Creek gold Mineral Resource estimates

Yardstick Valuation Summary of Mt Ida and Bottle Creek Gold (Au) Resources				
Classification	Yardstick Factors	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Mt Ida Measured Au Resources ¹	2.0 – 5.0%	1.0	2.5	1.7
Mt Ida Indicated Au Resources	1.0 – 2.0%	1.2	2.4	1.8
Mt Ida Inferred Au Resources	0.5 – 1.0%	1.8	3.5	2.6
Total Valuation Mt Ida Au Resources (AUS\$M)		3.9	8.3	6.1
Bottle Creek Measured Au Resources ²	2.0 – 5.0%	2.8	7.0	4.9
Bottle Creek Indicated Au Resources ²	1.0 – 2.0%	6.0	11.9	8.9
Bottle Creek Inferred Au Resources ²	0.5 – 1.0%	0.8	1.6	1.2
<i>Valuation Bottle Creek Au Resources</i>		9.5	20.5	15.0
<i>Final Vendor Payment³</i>		5.0	5.0	5.0
Final Valuation Bottle Creek Au (AUS\$M)		4.5	15.5	10.0
Total Au Valuation (AUS\$M)		8.4	23.8	16.1

Notes 1 Boudie Rat and Forrest Belle adjusted down by 3,000oz contained Au. 2 Bottle Creek contained gold reduced by 10% for Emu and Southwark and by 5% for VB and Boags. 3 Bottle Creek Project – Final Vendor payments of \$5M required in 2020. Yardstick factor based on gold price of AUS\$2622.50/oz, rounding has been applied to the Resource estimate and valuation.

Therefore, VRM considers the Mineral Resource estimates for gold within the Mt Ida and Bottle Creek Projects to be valued, based on a yardstick approach, at between \$8.4 million and \$23.8 million with a preferred valuation of \$16.1 million, which includes the adjustment of Bottle Creek for final vendor payments of \$5 million.

7.1.3 Geoscientific Valuation

There are several specific inputs that are critical in determining a valid Geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region, the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the projects. In addition to ensuring the rankings are correct deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case the BAC is derived by the exploration commitment to maintain the tenement in good standing while the costs of the tenement applications, annual tenement rents and targeting have not been included.

The Geoscientific rankings were derived for each of the Kilburn ranking criteria with the off property criteria, on property criteria, the anomaly factor and geology criteria estimated for each tenement following the ratings listed in Table 8. When these ranking criteria are combined with the base acquisition cost both of which are detailed in Appendix B this has determined the technical value as shown in Table 12. Note that tenements hosting Mineral Resource and Ore Reserve estimates being M29/150, 151 (Bottle Creek), M29/36,

421 (Mt Ida) and E29/1016 (Shepherd's Bush) are not valued using this method as Mineral Resources and Ore Reserves are more appropriately valued by other methods above.

Table 12 Technical Valuation for the Alt Resources exploration tenements

Technical Valuation Summary by Tenement				
Project	Tenement	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Paupong	EL7825	0.33	0.53	0.43
Paupong	EL8645	0.09	0.15	0.12
Myalla	EL8416	0.14	0.23	0.18
Mt Ida	E29/1007	0.01	0.02	0.02
Mt Ida	E29/1008	0.01	0.02	0.01
Mt Ida	E29/1014	0.01	0.02	0.01
Mt Ida	E29/790	0.17	0.31	0.24
Mt Ida	E29/921	0.73	1.07	0.90
Mt Ida	E29/969	0.02	0.03	0.02
Mt Ida	E29/970	0.02	0.10	0.08
Mt Ida	E29/971	0.01	0.01	0.01
Mt Ida	E29/973	0.05	0.10	0.08
Mt Ida	E29/993	0.01	0.02	0.01
Mt Ida	E29/649	0.91	1.54	1.22
Mt Ida	E29/748	0.02	0.04	0.03
Mt Ida	E29/997	0.03	0.06	0.05
Mt Ida	E29/998	0.02	0.04	0.03
Mt Ida	M29/37	0.09	0.15	0.12
Mt Ida	E29/991	0.02	0.04	0.03
Mt Ida	P29/2486	0.01	0.01	0.01
Mt Ida	P29/2521	0.02	0.04	0.03
Total Value (AUS\$M)		\$2.74	\$4.53	\$3.64

Note Appropriate rounding has been undertaken

Table 12 details the technical value of the exploration potential of the tenement while the Market Value of the project is based on a location and market discount or premium. The current gold market is considered

to represent a premium and therefore a factor of 10% was applied to the technical value to account for this. The location of the licences is considered favourable and therefore no adjustment was applied. Overall, the market valuation is detailed in Table 13.

Table 13 Market Valuation for the Alt Resources exploration tenements

Market Valuation Summary by Tenement					
Project	Tenement	Lower (\$M)	Upper (\$M)	Preferred (\$M)	
Paupong	EL7825	0.36	0.58	0.47	
Paupong	EL8645	0.10	0.17	0.14	
Myalla	EL8416	0.16	0.25	0.20	
Mt Ida	E29/1007	0.01	0.03	0.02	
Mt Ida	E29/1008	0.01	0.02	0.01	
Mt Ida	E29/1014	0.01	0.02	0.01	
Mt Ida	E29/790	0.19	0.34	0.26	
Mt Ida	E29/921	0.80	1.18	0.99	
Mt Ida	E29/969	0.02	0.04	0.03	
Mt Ida	E29/970	0.06	0.11	0.08	
Mt Ida	E29/971	0.01	0.01	0.01	
Mt Ida	E29/973	0.06	0.11	0.08	
Mt Ida	E29/993	0.01	0.02	0.01	
Mt Ida	E29/649	1.00	1.69	1.35	
Mt Ida	E29/748	0.02	0.05	0.03	
Mt Ida	E29/997	0.03	0.07	0.05	
Mt Ida	E29/998	0.02	0.05	0.03	
Mt Ida	M29/37	0.10	0.17	0.13	
Mt Ida	E29/991	0.02	0.05	0.03	
Mt Ida	P29/2486	0.01	0.01	0.01	
Mt Ida	P29/2521	0.02	0.04	0.03	
Final Value (AUS\$ million)		\$3.01	\$4.99	\$4.00	

Note Appropriate rounding has been undertaken

For the Alt Resources exploration properties including the Mt Ida regional leases, the Paupong and the Myalla Projects the fair market valuation as determined by the Geoscientific or Kilburn valuation method has resulted in a value between \$3.0 million and \$5.0 million with a preferred valuation of \$4.0 million.

7.1.4 PEM Valuation

VRM has undertaken a PEM valuation of the tenements based on the exploration expenditure provided by Alt Resources to 31 March 2020. The expenditures were provided on a tenement basis with rents and rates factored into the amounts. Project acquisitions costs were supplied but were not included in the analysis as these are considered sunk costs and not contributing to geological / prospectivity knowledge. These expenditures are summarised below.

This expenditure has been multiplied by and Prospectivity Enhancement Multiplier as detailed in Table 9 above. To generate a range in in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range in likely values of the project. The preferred valuation is the average of the upper and lower PEM valuation. Table 14 below details the expenditure, the PEM multiples and the valuations for the project.

Table 14 PEM Valuation for the Alt Resources exploration tenements

PEM Valuation by Tenement							
Project	Tenement	Expenditure (\$)	PEM Low	PEM High	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Paupong	EL7825	209,852	1.0	1.3	0.21	0.27	0.24
Paupong	EL8645	697,696	1.0	1.3	0.70	0.91	0.80
Myalla	EL8416	177,076	1.3	1.5	0.23	0.27	0.25
Mt Ida	E29/1007	18,105	1.0	1.3	0.02	0.02	0.02
Mt Ida	E29/1008	38,447	1.0	1.3	0.04	0.05	0.04
Mt Ida	E29/1014	13,418	1.0	1.3	0.01	0.02	0.02
Mt Ida	E29/790	99,178	1.0	1.3	0.10	0.13	0.11
Mt Ida	E29/921	233,840	1.5	2	0.35	0.47	0.41
Mt Ida	E29/969	55,560	1.0	1.3	0.06	0.07	0.06
Mt Ida	E29/970	42,168	1.0	1.3	0.04	0.05	0.05
Mt Ida	E29/971	18,135	1.0	1.3	0.02	0.02	0.02
Mt Ida	E29/973	27,206	1.0	1.3	0.03	0.04	0.03
Mt Ida	E29/993	19,468	1.0	1.3	0.02	0.03	0.02
Mt Ida	E29/649	109,640	2.5	3	0.27	0.33	0.30
Mt Ida	E29/748	35,251	1.0	1.3	0.04	0.05	0.04
Mt Ida	E29/997	39,448	1.0	1.3	0.04	0.05	0.05
Mt Ida	E29/998	37,275	1.0	1.3	0.04	0.05	0.04
Mt Ida	M29/37	61,191	1.0	1.3	0.06	0.08	0.07
Mt Ida	E29/991	11,317	1.0	1.3	0.01	0.01	0.01
Mt Ida	P29/2486	584	1.0	1.3	0.00	0.00	0.00
Mt Ida	P29/2521	8,328	1.0	1.3	0.01	0.01	0.01
Final Value (AUS\$ million)					\$2.29	\$2.92	\$2.61

Note Appropriate rounding has been undertaken

For the Alt Resources exploration properties including the Mt Ida regional leases, the Paupong and the Myalla Projects the fair market valuation as determined by the Geoscientific or Kilburn valuation method has resulted in a value between \$2.3 million and \$2.9 million with a preferred valuation of \$2.6 million.

8 Risks and Opportunities

As with all mineral assets there are several associated risks and opportunities and therefore also with the valuation of those assets. Some non-geological or mining related technical risks and opportunities that are common to most projects include the risks associated with security of tenure, native title claims, environmental approvals, social, geopolitical and regulatory approval risks. For Bottle Creek there is a risk that Alt Resources will not meet the required vendor payments to secure ownership of these key leases.

The Bottle Creek Mineral Resource and Ore Reserve estimates require additional data to support the applied density values, particularly for any oxidised portions of the deposits. While close spaced drilling at Emu and Southwark deposits demonstrates continuity in volume and grade of the deposits, the weathering zones require better definition and the bulk densities applied to Mineral Resource estimates should be supported by additional data. In VRM's opinion, based on the work of PayneGeo resource specialist, there is a material risk of overestimation of oxidised material tonnage and contained ounces for these deposits and a similar risk albeit of lesser impact to the contained ounces at VB and Boags. These factors could also impact on the evaluation of the deposit due to the different physical and metallurgical characteristics in weathered material resulting in possible differing mining and processing costs and gold recoveries. Alt Resources is completing additional work to mitigate these risks and VRM understands these will be incorporated into the next Mineral Resource and Ore Reserve updates.

In VRM's opinion, higher than expected bulk densities have also been applied at Tim's Find for weathered ultramafic lithologies while grade estimation, like for other deposits appears to be reasonable. For Boudie Rat and Forrest Belle Mineral Resource estimates, the risk of applying uncut gold grades should be assessed as original estimates considered a value of 20g/t Au to be appropriate. The majority of this material relates to resources that are classified as Measured. The reported Mineral Resource for Shepherds Bush appears to be reasonable and the estimate does not include some recently completed drill holes.

The Mt Ida and Bottle Creek Gold Project has declared Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz contained gold (Alt Resources, 2020a) inclusive of recently reported Ore Reserves of 4.61Mt at 1.8g/t Au for 272,000oz contained gold (Alt Resources, 2020b). Opportunities to extend the current resource inventory are present in a number of areas, and continued exploration and drilling in prospect areas has a high probability of defining additional Mineral Resources, in particular at Shepherd's Bush and other areas such as Single Fin and Pianto's Find. Earlier stage targets such as at the TMT area south of Timoni and structural targets along from known deposits should also continue to be progressed.

As with all exploration projects, a key technical risk is that further exploration will not result in identifying a body of mineralisation sufficiently large to be considered an economic resource. While the Mt Ida and Bottle Creek areas as the region is fairly mature in terms of exploration, the past disjointed ownership means it may not have been as systematically explored as other parts of the goldfields. The exploration risk is somewhat higher for the NSW projects as the targets there are largely conceptual.

9 Preferred Valuations

Based on the valuation techniques detailed above, Table 15 provides a summary of the valuations derived by the various techniques with the preferred valuation range documented in Table 16.

The preferred valuation that VRM has determined is based on the comparable transaction approach recognising that most of the value in the lease package is attributed to the Mt Ida and Bottle Creek Mineral Resources and Ore Reserve estimates. This valuation is supported by the yardstick approach which did not separately value the Ore Reserves and took into account the classification of the Mineral Resources discounted for assessed resource risk.

The geoscientific / Kilburn method is considered to appropriately value the Mt Ida exploration licences in WA and the Paupong and Myalla Projects in NSW. A PEM valuation was also conducted on these tenements and whilst transparent, is considered by VRM a less robust valuation technique.

Table 15 Alt Resources Mineral Assets Valuation Summary by method

Valuation summary by various methods			
Valuation Technique	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Comparable Transactions (Mineral Resources inclusive of Ore Reserves)	\$12.6M	\$27.4M	\$20.0M
Yardstick (Mineral Resources)	\$8.4M	\$23.8M	\$16.1M
Kilburn / Geoscientific (Exploration properties)	\$3.0M	\$5.0M	\$4.0M
PEM (Exploration properties)	\$2.3M	\$2.9M	\$2.6M

Based on the rationale outlined in the body of this Report, VRM is of the view that the Mt Ida and Bottle Creek Mineral Resources inclusive of Ore Reserves estimates are best valued considering a comparable transaction approach, while the Exploration Projects (Mt Ida licences that do not host resources, the Paupong and Myalla tenements) are most appropriately valued applying the Geoscientific / Kilburn method. On this basis, in VRM's opinion the Mineral Asset valuation for the Alt Resources Mt Ida and Bottle Creek, Paupong and Myalla Projects portfolio is outlined in Table 16, ranges from a low valuation of \$15.6M to a high valuation of \$32.4M with a preferred valuation of \$24.0M. The \$5 million final vendor payments required to secure Bottle Creek have been removed from the project value.

Table 16 Alt Resources Mineral Assets Valuation as at 7 May 2020

Valuation summary by various methods			
Alt Resources Project Names	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Mt Ida and Bottle Creek Mineral Resources inclusive of Ore Reserves	\$12.6M	\$27.4M	\$20.0M
Mt Ida regional tenements	\$2.4M	\$4.0M	\$3.2M
Paupong and Myalla tenements	\$0.6M	\$1.0M	\$0.8M
Total (AUD\$ million)	\$15.6M	\$32.4M	\$24.0M

For personal use only

10 References

The references below document the main documents referred to in this report however the various ASX releases for the various companies including Alt Resources have not been included in the reference list

- Alt Resources, 2020a. Mt Ida and Bottle Creek Resource Upgrade Brings Total Resource To 571,300oz Au and 4.38Moz Ag. Alt Resources Limited ASX Release dated 3 April 2020.
- Alt Resources, 2020b. Pre-Feasibility Study and Maiden Ore Reserves Mt Ida and Bottle Creek Gold Project. Alt Resources Limited ASX Release dated 10 July 2020.
- Alt Resources, 2020c. Mt Ida and Bottle Creek Resource Upgrade Adds 113,000oz Au Brings Total Resource To 519,000oz Au and 3.8Moz Ag. Alt Resources Limited ASX Release dated 10 February 2020.
- Alt Resources, 2020d. Shepherds Bush Intercepts Multiple Broad Zones Including 104 metres at 1.0g/t. Alt Resources Limited ASX Release dated 16 January 2020.
- Alt Resources, 2019a. Bottle Creek Resource Upgrade Brings Total Mt Ida Resource to 406,000 ounces gold and 3.8M ounces Silver. Alt Resources Limited ASX Release dated 13 March 2019.
- Alt Resources, 2019b. Mt Ida Scoping Study Confirms Potential for Robust Low Cost Open Pit Gold Project with Multi Year Mine Life. Alt Resources Limited ASX Release dated 29 July 2019.
- Cassidy KF, Champion DC, Krapez B., Barley ME, Brown SJA, Blewett RS, Groenewald PB and Tyler IM, 2006. A revised geological framework for the Yilgarn Craton, Western Australia. Western Australia Geological Survey Record 2006/8, 8 pages.
- CoxRocks, 2013. Resource Estimation Report Quinn/Mt Ida Gold Projects. CoxRocks Pty Ltd Technical Report to Wild Acre Metals Limited Dated February 2013. (note – this report was an Appendix included in Minecomp, 2019)
- HGMC, 2019a. Bottle Creek – Emu Deposit Mineral Resource Estimate. HGMC Technical Report to Alt Resources Limited Dated 20 April 2019.
- HGMC, 2019b. Data and Mineral Resource Modelling and Estimation for Tim’s Find Gold Deposit. HGMC Technical Report to Alt Resources Limited Dated 6 June 2019.
- HGMC, 2019c. Deposits WA Memorandum to Alt Resources Limited Dated 6 June 2019.
- JORC, 2012. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Available from: <http://www.jorc.org>
- Minecomp, 2019. Forrest Belle Scoping Level Optimisation Analysis. Technical Report by Minecomp Pty Ltd to Alt Resources Limited Dated 10 July 2019.
- Painter MGM, Groenewald PB and McCabe M, 2003. East Yilgarn Geoscience Database, 1:100 000 geology of the Leonora-Laverton region, Eastern Goldfields Granite-Greenstone Terrane – an explanatory note. Western Australia Geological Survey Report 84, 45 pages.
- Shaw, J, 1989. Norgold Bottle Creek Gold Mine Post Mining Assessment, Volume 3 of 6. Review of Mining.
- VALMIN, 2015. Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code). Available from <http://valmin.org/>

11 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral www.webmineral.com, Wikipedia www.wikipedia.org,

The following terms are taken from the 2015 VALMIN Code

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their off-shore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the Australian Corporations Act 2001 (Cth).

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

Independent Expert Report means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing

buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as either:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified;

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category;

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken;

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study;

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resources is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging etc).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Ore Reserves is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resource and **Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to <http://www.spe.org> for further information.

Practitioner is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

- (a) admits members primarily on the basis of their academic qualifications and professional experience;
- (b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and
- (c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build good will.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or Royalty Interest means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the Corporations Act.

Securities Expert are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialist are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report **must** not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

For personal use only

Appendix A - Comparable Gold transactions

Comparative Gold Transactions - Resource Multiples

Project	Transaction date	Gold price at transaction date (USD)	Exchange rate	Gold price at transaction date (AUS\$)	Vendor	Purchaser	Consideration (100% basis AUS\$ M)	Equity acquired	Resource (MT)	Grade (g/t Au)	Total contained metal (Oz Au)	Resource Multiple at transaction date (AUS\$/oz)	Resource Multiple normalised to valuation date (AUS\$/oz)
Great Western	3/04/2020	1613.10	1.666	2687	Terrain Minerals Ltd	Red 5 Ltd	2.5	100%	0.7	2.7	0.062	40.32	40.68
Cables and Mission	2/12/2019	1461.15	1.466	2142	Leopard Resources NL	Red 5 Ltd	2.0	100%			0.185	10.81	13.68
Mayday North	9/09/2019	1509.20	1.455	2195	Strategic Projects Mining Ltd	Bardoc Gold Ltd	1.38	100%	2.13	1.64	0.11	12.32	15.21
Menzies, Goongarrie	9/07/2019	1391.55	1.444	2009	Horizon Minerals Ltd	Kingwest Resources Ltd	8.00	100%	2.42	2.20	0.17	46.75	63.09
Deep South, Yundamindera	18/04/2019	1275.70	1.399	1785	Hawthorn Resources Ltd	Saracen Minerals Ltd	13.50	100%	4.06	1.58	0.21	67.46	102.48
Penny's Find	4/03/2019	1285.40	1.412	1815	Empire Resources Ltd	Orminex Ltd	0.60	100%	0.25	7.05	0.06	10.68	15.95
Zelica	14/11/2018	1203.25	1.386	1667	Anova Metals Ltd	Matsa Resources Ltd	0.15	100%	0.57	1.62	0.03	5.00	8.13
Polar Bear	1/02/2018	1341.35	1.246	1671	S2 Resources Ltd	Westgold Resources Ltd	9.10	100%	4.22	2.00	0.26	34.09	55.31
Eureka	4/12/2017	1273.45	1.316	1676	Central Iron Ore Ltd	Tyranna Resources Ltd	3.05	100%	0.45	4.40	0.06	47.88	77.44
Western Tanami	3/10/2017	1271.25	1.278	1624	Tanami Gold NL	Northern Star Ltd	4.00	100%	1.71	5.09	0.28	14.32	23.90
Red October	26/09/2017	1300.05	1.269	1650	Saracen Mineral Holdings Ltd	Matsa Resources Ltd	2.00	100%	0.45	6.9	0.10	20.20	33.19
King of the Hills	3/08/2017	1268.10	1.259	1596	Saracen Minerals Ltd	Red 5 Ltd	16.00	100%	2.71	4.63	0.40	39.68	67.39
Moyagee	31/07/2017	1267.55	1.252	1587	Silver Lake Resources	Musgrave Minerals Ltd	7.50	20%	3.55	3.09	0.35	21.29	36.36

Comparative Gold Transactions - Resource Multiples

Cue (Stage 2)	18/07/2017	1240.75	1.262	1566	Silver Lake Resources	Musgrave Minerals Ltd	7.50	20%	3.55	3.09	0.35	21.27	36.82
Cue (Stage 1)	08/02/2017	1242.10	1.308	1637	Silver Lake Resources	Musgrave Minerals Ltd	9.0	20%			0.21	42.06	67.90
K2 Mine	17/01/2017	1216.05	1.326	1613	Vango Mining Ltd	Dampier Gold Ltd	6.00	50%	4.63	2.98	0.44	13.50	22.69
Dalgaranga	22/12/2016	1131.35	1.386	1568	Private Investor	Gascoyne Resources Ltd	45.0	20%	25.50	1.36	1.12	40.18	67.19
Trojan	6/12/2016	1172.50	1.341	1573	Westgold Resources Ltd	Overland Resources Ltd	0.95	100%	2.79	1.61	0.14	6.57	11.32
Klondyke	12/09/2016	1324.60	1.329	1760	Arcadia Minerals Ltd	Keras Resources Plc	2.52	100%	5.60	2.08	0.37	6.73	10.37
Lake Carey	27/07/2016	1329.00	1.340	1781	Fortitude Gold	Matsa Resources Ltd	1.75	100%	6.29	1.90	0.38	4.56	6.94
Murrin Murrin	14/07/2016	1323.60	1.310	1734	Zeta Resources Ltd	GME Resources Ltd	3.00	50%	0.55	3.12	0.05	54.67	85.47
Quinns and Mt Ida	6/07/2016	1366.25	1.332	1820	MGK Resources Ltd	Latitude Consolidated Ltd	0.64	100%	1.23	2.46	0.10	6.60	9.83
Plutonic	13/05/2016	1265.90	1.375	1740	Dampier Gold Ltd	Vango Mining Ltd	5.50	40%	8.28	3.20	0.85	6.47	10.08
Gnaweeda	11/04/2016	1254.75	1.317	1652	Chalice Gold Mines Ltd	Doray Minerals Ltd	2.99	12%	4.60	1.80	0.27	11.24	18.45
Mt Holland	4/03/2016	1277.50	1.347	1720	Convergent Minerals Ltd	Kidman Resources Ltd	3.50	100%	15.33	1.65	0.81	4.30	6.78
Quinns and Mt Ida	2/03/2016	1239.20	1.376	1705	Wild Acre Metals Ltd	MGK Resources Ltd	0.15	100%	1.23	2.46	0.10	1.55	2.46
Millrose	1/02/2016	1126.50	1.412	1591	Riedel Resources Ltd	Bowlane Nominees Ltd	0.95	100%	4.00	2.40	0.31	3.08	5.25
Twin Hills	26/12/2015	1070.10	1.378	1475	Golden Deeps Ltd	Melrose Resources Ltd	0.05	100%	0.02	20.86	0.01	4.25	7.81

The resource multiples have been normalised to the Gold Price price of A\$2622.50 per ounce as at the valuation date based on the exchange rate of 0.6498 and the Gold Ore price of US\$1,704.05 per ounce (Source kitco.com). The historical London fix price was used for transaction normalisation. Transactions analysis resulted in the following statistics: Average \$32.02, Median \$19.90, 25th Percentile \$9.57 and 75th Percentile \$59.15.

Appendix B - Geoscientific Valuation

Project	Tenement	Commitment	%*	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation			Market Valuation		
				Low	High	Low	High	Low	High	Low	High	Lower	Upper	Preferred	Lower	Upper	Preferred
Paupong	EL7825	70,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.33	0.53	0.43	0.36	0.58	0.47
Paupong	EL8645	20,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.09	0.15	0.12	0.10	0.17	0.14
Myalla	EL8416	30,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.14	0.23	0.18	0.16	0.25	0.20
Mt Ida	E29/1007	15,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.02	0.01	0.03	0.02
Mt Ida	E29/1008	10,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/1014	15,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/790	50,000	100%	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.17	0.31	0.24	0.19	0.34	0.26
Mt Ida	E29/921	56,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.73	1.07	0.90	0.80	1.18	0.99
Mt Ida	E29/969	20,000	80%	3.0	3.2	1.8	2.0	1.5	1.7	2.0	2.2	0.02	0.03	0.02	0.02	0.04	0.03
Mt Ida	E29/970	20,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.10	0.08	0.06	0.11	0.08
Mt Ida	E29/971	10,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.01	0.01	0.01	0.01	0.01	0.01
Mt Ida	E29/973	20,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.05	0.10	0.08	0.06	0.11	0.08
Mt Ida	E29/993	10,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/649	70,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.91	1.54	1.22	1.00	1.69	1.35
Mt Ida	E29/748	20,000	100%	1.8	2.0	2.0	2.5	1.8	2.0	2.0	2.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	E29/997	30,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.03	0.06	0.05	0.03	0.07	0.05
Mt Ida	E29/998	20,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	M29/37	24,300	100%	1.8	2.0	2.0	2.2	1.0	1.2	1.0	1.2	0.09	0.15	0.12	0.10	0.17	0.13
Mt Ida	E29/991	20,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	P29/2486	7,400	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.01	0.01	0.01	0.01	0.01
Mt Ida	P29/2521	6,560	100%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.02	0.04	0.03	0.02	0.04	0.03
TOTAL												\$2.74	\$4.53	\$3.64	\$3.01	\$4.99	\$4.00

Tenements hosting Mineral Resource estimates being M29/150, 151 (Bottle Creek), M29/36, 421 (Mt Ida) and E29/1016 (Shepherd's Bush) are not valued using this method. For the Paupong and Myalla tenements the Base Acquisition Cost has been determined assuming the same current tenement holding costs / commitment as would apply in WA derived from the DMIRS. The current gold market is considered to represent a premium and therefore a factor of 10% was applied to the technical value to estimate the market value.



Valuation & Resource Management

INDEPENDENT TECHNICAL ASSESSMENT & VALUATION REPORT

Presented To:
Alt Resources Limited



Date Issued:
16 July 2020

For personal use only

For personal use only

Document Reference	Alt Resources BDO Valuation Report Final	
Distribution	BDO Corporate Finance (WA) Pty Ltd Alt Resources Ltd Valuation and Resource Management Pty Ltd	
Principal Author	Deborah Lord BSc Hons (Geology) F AusIMM M AIG G AICD	<i>Deborah Lord</i> Date: 16 July 2020
Contributors	Paul Dunbar M AusIMM, M AIG	
Valuation Date	7 May 2020	

Contents

Executive Summary.....	i
Mt Ida and Bottle Creek, Paupong and Myalla Tenements	ii
Conclusions.....	ii
1. Introduction	1
1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides	1
1.2. Scope of Work.....	1
1.3. Statement of Independence.....	2
1.4. Competent Persons Declaration and Qualifications.....	3
1.5. Reliance on Experts.....	3
1.6. Sources of Information.....	4
1.7. Site Visits.....	4
2. Mineral Assets	5
2.1. Tenure.....	5
2.2. Accessibility.....	8
3. Mt Ida and Bottle Creek Projects	9
3.1. Geological Setting	9
3.2. Previous Exploration and Mining.....	11
4. Mineral Resource Estimates.....	13
4.1. High Level Review - Overview	13
4.2. Emu & Southwark, VB & Boags Mineral Resources	15
4.3. Tim's Find Mineral Resources.....	22
4.4. Boudie Rat and Forrest Belle Mineral Resources	27
4.5. Shepherd's Bush Mineral Resources.....	33
4.6. Status of Technical Studies	37
5. Myalla and Paupong Projects	39
6. Valuation Methodology.....	41
6.1. Previous Valuations.....	41
6.2. Valuation Subject to Change	41
6.3. General assumptions.....	42
6.4. Market Based Valuations	42
6.5. Valuation of Advanced Properties	43
6.5.1. Comparable Market Based Transactions – Resource Based.....	43
6.5.2. Yardstick Valuation.....	44
6.6. Exploration Asset Valuation.....	45
6.6.1. Geoscientific (Kilburn) Valuation.....	45
6.6.2. Prospectivity Enhancement Multiplier (PEM) Valuation	47
7. Alt Resources Projects Valuation	49
7.1. Mt Ida and Bottle Creek Project Valuation.....	49

7.1.1 Comparable Transactions – Gold Resource Multiples	49
7.1.2 Yardstick Method.....	51
7.1.3 Geoscientific Valuation	52
7.1.4 PEM Valuation	55
8 Risks and Opportunities.....	57
9 Preferred Valuations.....	58
10 References.....	60
11 Glossary.....	61
Appendix A - Comparable Gold transactions.....	66
Appendix B - Geoscientific Valuation.....	68

List of Figures

Figure 1 – Location of the Alt Resources projects (Source Alt Resources, Investor Presentation May 2019)....	5
Figure 2 – Location of the Mt Ida and Bottle Creek tenements	7
Figure 3 – Location of the Mt Ida and Bottle Creek projects over major greenstone belts in green, with Alt Resource tenements in red (Source Alt Resources, 2019).....	9
Figure 4 – Regional geology of the Mt Ida and Bottle Creek projects with Alt Resource mining leases (red), exploration licences (blue) and prospecting licences (aqua) (Source Alt Resources, 2020).....	10
Figure 5 – Location of the gold resources and historic occurrences in the Mt Ida and Bottle Creek areas (Source Alt Resources ASX release dated 3 April 2020).....	13
Figure 6 – Emu & Southwark oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources).....	18
Figure 7 – VB & Boags oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources).....	19
Figure 8 – Drilling and gold wireframes for VB & Boags, Emu & Southwark deposits (PayneGeo image using data supplied by Alt Resources).....	19
Figure 9 – Resource classification for Emu & Southwark deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources).....	20
Figure 10 – Resource classification for VB & Boags deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources).....	21
Figure 11 – Drilling and gold wireframes for Tim’s Find with planned pit designs (PayneGeo image using data supplied by Alt Resources).....	25
Figure 12 – Drilling and resource classification for Tim’s Find deposit (Measured – red, Indicated – blue, Inferred – green) (PayneGeo image using data supplied by Alt Resources).....	26
Figure 13 – Location plan and existing pit surveys for Boudie Rat and Forrest Belle deposits (PayneGeo image using data supplied by Alt Resources).....	28
Figure 14 – Cross section through north end of Boudie Rat deposit (PayneGeo image using data supplied by Alt Resources).....	29
Figure 15 – Oblique view through Boudie Rat deposit (block model colours unknown) (PayneGeo image using data supplied by Alt Resources).....	31

Figure 16 – Boudie Rat (left) and Forrest Belle (right) deposits (block model colours unknown) (from CoxRocks, 2013)	32
Figure 17 – Shepherd’s Bush Resource wireframes and drilling (PayneGeo image using data supplied by Alt Resources)	34
Figure 18 – Shepherd’s Bush oblique view showing additional resource potential (looking NE) (PayneGeo image using data supplied by Alt Resources).....	35
Figure 19 – Shepherd’s Bush oblique view showing weathering types (looking NE) (PayneGeo image using data supplied by Alt Resources).....	36
Figure 20 – Location of the polymetallic prospects and historical occurrences in the Paupong and Myalla areas (Source Alt Resources ASX release dated 23 March 2018)	39
Figure 21 - Five year gold price graph (January 2015 to May 2020). Australian Dollars.....	43

List of Tables

Table 1 Tenement schedule as at 21 March 2020.....	6
Table 2 Mt Ida and Bottle Creek Projects JORC 2012 Mineral Resource Estimates as at 3 April 2020 using a 0.5g/t Au cut-off for gold (Source: Alt Resources 2020a)	14
Table 3 Bulk Density Values Applied to Emu & Southwark Mineral Resource Estimates	18
Table 4 Bulk Density Values Applied to Tim’s Find Mineral Resource Estimate.....	24
Table 5 Bulk Density Values Applied to Boudie Rat & Forrest Belle Mineral Resource Estimate	30
Table 6 Bulk Density Values Applied to Shepherd’s Bush Mineral Resource Estimate.....	36
Table 7 VALMIN Code 2015 valuation approaches suitable for mineral Properties	41
Table 8 Ranking criteria are used to determine the geoscientific technical valuation.....	47
Table 9 Prospectivity Enhancement Multiplier (PEM) ranking criteria	48
Table 10 Comparable transaction valuation of the Mt Ida and Bottle Creek Mineral Resources estimates ...	50
Table 11 Yardstick valuation of the Mt Ida and Bottle Creek gold Mineral Resource estimates	52
Table 12 Technical Valuation for the Alt Resources exploration tenements.....	53
Table 13 Market Valuation for the Alt Resources exploration tenements	54
Table 14 PEM Valuation for the Alt Resources exploration tenements.....	56
Table 15 Alt Resources Mineral Assets Valuation Summary by method.....	58
Table 16 Alt Resources Mineral Assets Valuation as at 7 May 2020.....	59

Executive Summary

BDO Corporate Finance (WA) Pty Ltd (BDO) engaged Valuation and Resource Management Pty Ltd (VRM) to prepare an Independent Technical Assessment and Valuation report (ITAR or the Report) on the proposed off-market takeover bid for Alt Resources Ltd (ASX: ARS) (Alt Resources or the Company) by Aurenne Group Holdings Pty Ltd (AGH), a privately held company located in Australia. BDO was commissioned by Alt Resources to prepare an Independent Expert's Report (IER) for inclusion in a Target's Statement to assist the shareholders of Alt Resources in relation to the proposed transaction.

This Report is a public document, in the format of an ITAR and is prepared in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – The VALMIN Code (2015 edition) (VALMIN). VRM understands that BDO will include the Report within its IER relating to the proposed transaction.

This Report is a technical review and valuation opinion of the mineral assets of Alt Resources, being the Mt Ida and Bottle Creek gold projects in the Eastern Goldfields of Western Australia (WA) and the Paupong and Myalla gold-copper-silver projects in the Lachlan Orogen of New South Wales (NSW). Applying the principles of the VALMIN Code VRM has used several valuation methods to determine the value for the gold mineral assets. The assets of AGH have not been valued as part of this Report. Importantly, as neither the principal author nor VRM hold an Australian Financial Securities Licence, this valuation is not a valuation of Alt Resources but rather an asset valuation of the Mt Ida and Bottle Creek, Paupong and Myalla projects.

This valuation is current as of 7 May 2020, being the date that Alt Resources and AGH announced the proposed transaction. VRM provided a draft report to Alt Resources via BDO on 18 June 2020. Subsequently Alt Resources released a maiden Ore Reserve and Preliminary Feasibility Study (PFS) on 10 July 2020. VRM has considered this announcement and is of the opinion that no change is required to the valuation as we had considered the imminent announcement of Ore Reserves in our previous draft.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by VRM is based on information provided by Alt Resources along with publicly available data including ASX releases and published technical information. VRM has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of this Report. The opinions and statements in this Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in this Report is the likely value of the mineral projects and not an absolute value. A range of likely values for the various mineral assets is provided with that range indicating the accuracy of the valuation.

Mt Ida and Bottle Creek, Paupong and Myalla Tenements

The WA tenements are variably held by Alt Resources and consist of the Mt Ida gold project and adjacent Bottle Creek gold project both located in the Eastern Goldfields 85km to the NW of Menzies. Mt Ida and Bottle Creek host several deposits with updated Mineral Resources declared in April (Alt Resources, 2020a) and maiden Ore Reserves in July 2020 (Alt Resources, 2020b). Most of the deposit areas are 100% owned with surrounding tenements being held in Joint Venture (JV). Alt Resources is currently acquiring the Bottle Creek deposits, with substantive final vendor payments required to secure Bottle Creek due in July and November 2020.

The NSW projects are early stage exploration properties, held 70% by Alt Resources and located to the east and southeast of Jindabyne. The Company is targeting conceptual intrusion-related gold and employing geophysical techniques to define targets for ongoing exploration. Several prospect areas have been defined based on conceptual models and initial drill testing has been conducted at some of these.

VRM has estimated the value of the tenements on an equity ownership basis considering the technical information supporting their gold prospectivity. The Bottle Creek project has been valued considering the required final vendor payments and assuming these will be made to achieve 100% ownership. As at the report date there are declared Mineral Resource and Ore Reserve estimates prepared applying the guidelines of the Australasian Code for Reporting of Exploration Targets, Mineral Resources and Ore Reserves - The JORC Code 2012 Edition (JORC) at Mt Ida and Bottle Creek. These were valued using a comparable transaction method as the primary valuation technique. Secondary valuations have been determined based on the yardstick approach. For the surrounding tenement areas as well as the early stage exploration projects in NSW a geoscientific / Kilburn method and prospectivity enhancement multiplier approach have been used.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

Conclusions

The Mt Ida and Bottle Creek Gold Project has reported Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz contained gold (Alt Resources, 2020a) and Ore Reserves of 4.61Mt @ 1.8g/t Au for 272,100oz contained gold (Alt Resources, 2020b). Of the ten individual deposits for which Mineral Resources and Ore Reserves have been reported, five of the deposits are considered material to the project valuation. The Mineral Resource estimates for these five deposits – Emu & Southwark, VB & Boags (Bottle Creek), Boudie Rat & Forrest Belle, Tim's Find and Shepherds Bush (Mt Ida) were reviewed by Payne Geological Services Pty Ltd (PayneGeo) as an associate to VRM.

The review found that while the gold deposits were generally characterised by well-defined zones of consistent mineralisation in some deposits there is poor definition of the weathering types and additional work is required to support the assigned bulk density distribution throughout the deposits. This is discussed in further detail in the body of the report and, where material, has been noted in the valuation.

As at the valuation date, VRM understands that the Bottle Creek Mining Leases require a final vendor payments of \$5 million during 2020 (Alt Resources, 2020c). Outside the deposit areas, Alt Resources has JVs across semi-contiguous exploration licences in WA surrounding the resources as well as three JV tenements with conceptual gold targets in NSW, although these areas are at a much earlier stage of exploration and therefore have higher associated discovery risk.

Considering both the mineralisation currently defined and the exploration potential in VRM's opinion, the mineral assets of Alt Resources have a market value of between \$15.6 million and \$32.4 million with a preferred value of \$24.0 million on an attributable ownership basis. The \$5 million final vendor payments required to secure Bottle Creek have been removed from the project value.

For personal use only

1. Introduction

Valuation and Resource Management Pty Ltd (VRM), was engaged by BDO Corporate Finance (WA) Pty Ltd (BDO) to undertake an Independent Technical Assessment and Valuation Report (Report or ITAR) on the Mt Ida, Bottle Creek, Paupong and Wyalla Tenements for Alt Resources Ltd (ASX: ARS) (Alt Resources or the Company). This is in relation to the proposed off-market takeover bid for Alt Resources by the privately held company Aurenne Group Holdings Pty Ltd (AGH). BDO was engaged by Alt Resources to prepare an Independent Expert's Report (IER) for inclusion in a Target's Statement to assist the shareholders of Alt Resources in relation to the proposed transaction.

VRM understands that this ITAR will be included in the Independent Experts Report (IER) being prepared by BDO. BDO will refer to, and rely on, the VRM report and mineral asset valuation which will be attached to its IER to inform the Alt Resources shareholders as to the fairness and reasonableness of the proposed transaction.

Paul Dunbar and Deborah Lord of VRM were contacted to undertake a valuation of the mineral assets of Alt Resources located in Western Australia (WA) and New South Wales (NSW). Adam Myers of BDO engaged VRM for the purposes of the ITAR and all correspondence was directed through BDO.

VRM has estimated the value of the Mt Ida and Bottle Creek projects considering the declared Mineral Resource and Ore Reserve estimates while the NSW tenements were valued based on their exploration potential as no Mineral Resources have been estimated. The technical information supporting the prospectivity of the licences and the valuation of the tenements is on a 100% interest basis to determine a market value for the licences as at 7 May 2020 and considering information up to 14 July 2020.

1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

The ITAR is prepared applying the guidelines and principles of the 2015 VALMIN Code and the 2012 JORC Code. Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). These codes are also requirements under Australian Securities and Investments Commission (ASIC) rules and guidelines and the listing rules of the Australian Securities Exchange (ASX).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Alt Resources and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2. Scope of Work

VRM's primary obligation in preparing mineral asset reports is to independently describe mineral projects applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the

relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the project.

VRM has compiled the valuation based upon the principle of reviewing and interrogating both the documentation of Alt Resources and previous exploration within the areas. This Report is a summary of the work conducted, completed and reported by the various explorers to 7 May 2020 based on information supplied to VRM by Alt Resources and other information sourced from the public domain, to the extent required by the VALMIN and JORC Codes.

VRM provided a draft report on 18 June 2020. Subsequently Alt Resources released a maiden Ore Reserve and Pre-Feasibility Study on 10 July 2020. VRM has considered this announcement and is of the opinion that no change is required to the valuation as we had considered the imminent announcement of Ore Reserves in our previous draft.

VRM understands that the objective of this study is to provide:

- Summaries of the regional and local geology, the security of the tenure, a summary of the recent and previous exploration,
- Review of the mineral assets to determine the most appropriate valuation techniques for the assets based on the development stages of the projects and amount of available information.
- Provide an independent valuation on the mineral assets of Alt Resources as at 7 May 2020.

VRM understands that its reviews and valuations will be relied upon and appended to an IER prepared by BDO for inclusion in a Target's Statement, to assist Alt Resources shareholders in their decision regarding the proposed transaction. As such, it is understood that VRM's review and valuation will be a public document.

1.3. Statement of Independence

VRM was engaged to undertake an ITAR. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory guide 111 Content of expert reports (RG111) and ASIC Regulatory guide 112 Independence of experts (RG112).

Ms Deborah Lord and Mr Paul Dunbar of VRM have not had any association with Alt Resources or AGH, their individual employees, or any interest in the securities of Alt Resources or AGH which could be regarded as affecting their ability to give an independent, objective and unbiased opinion. Neither VRM, Ms Lord nor Mr Dunbar hold an Australian Financial Services Licence (AFSL) and the valuation contained within this Report is limited to a valuation of the mineral assets being reviewed. VRM will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is \$35,000 (excluding GST).

1.4. Competent Persons Declaration and Qualifications

This Report was prepared by Ms Deborah Lord as the primary author and peer reviewed by Mr Paul Dunbar.

The Report and information that relates to geology, exploration and the mineral asset valuation is based on information compiled by Ms Deborah Lord, BSc (Hons), a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and Member of the Australian Institute of Geoscientists (AIG). Ms Lord is a Director of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the 2012 JORC Code) and a specialist under the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the 2015 VALMIN Code). She is an Executive Member of the VALMIN Committee and a the AusIMM Professional Conduct Committee. Ms Lord consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

The Report and information that relates to tenements and peer review of the mineral asset valuation was provided by Mr Paul Dunbar, BSc (Hons), MSc (Minex), a Competent Person who is a Member of the AusIMM and the AIG. Mr Dunbar is a Director of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a competent person under the 2012 JORC Code and a specialist under the 2015 VALMIN Code.

Between 7 May 2020 and the date of this Report, nothing has come to the attention of VRM unless otherwise noted in the Report that would cause any material change to the conclusions.

1.5. Reliance on Experts

The Mt Ida and Bottle Creek Mineral Resource estimates were updated in early 2020 and maiden Ore Reserve estimates recently announced, each in accordance with the guidelines of the JORC Code 2012 and completed by consultants independent of Alt Resources. VRM has therefore placed reliance on the Competent Persons sign off for the JORC 2012 these estimates as reported by Alt Resources (2020a, 2020b).

Paul Payne of Payne Geological Services Pty Ltd (PayneGeo) was commissioned by VRM to complete an assessment on the reasonableness of the Mineral Resource estimates. Mr Payne is an independent technical consultant, a Fellow of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation, geology and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. He has been employed as a Specialist to review the reasonableness of the associated Mineral Resource estimates. Mr Payne has not verified the underlying geological datasets, nor has he completed a full review or re-reported the Mineral Resources for the Project as at the date of this Report.

Mr Dunbar and Ms Lord, the authors of this report are not qualified to provide extensive commentary on the legal aspects of the mineral properties or the compliance with the legislative environment and permitting in WA and NSW. In relation to the tenement standing, VRM has relied on the documentation of the Competent Person for Mineral Resources and associated JORC Table 1 documentation. In addition to relying on the Competent Person and JORC Table 1 associated with the resources reported on 3 April 2020 VRM undertook an independent review of the Department of Mines, Industry Regulation and Safety (DMIRS) online tenement database, Mineral Titles online. As required by the VALMIN Code the status of the tenements is detailed within this Report.

1.6. Sources of Information

All information and conclusions within this report are based on information made available to VRM to assist with this report by Alt Resources and other relevant publicly available data to 14 July 2020. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and Joint Venturers to the areas, where it has been considered necessary. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has relied on the information contained within the reports, articles and databases provided by Alt Resources as detailed in the reference list. A draft of this Report was provided to Alt Resources, via BDO to identify and address any factual errors or omissions prior to finalisation of the Report. The valuation sections of the Report were not provided to the companies until the technical aspects were validated and the Report was declared final.

1.7. Site Visits

No specific site visits have occurred as a part of this Report or valuation. At the valuation date both intrastate and interstate travel restrictions are in place in WA to limit the spread of COVID-19.

VRM understands that while the Competent Person for the Mineral Resource estimate has not carried out a site visit, the Competent Persons for the drilling and sampling information and Ore Reserves have conducted a site visit to the project areas. VRM has relied on the site visits of the latter Competent Persons. In addition, Deborah Lord has previously visited the Mt Ida project (Boudie Rat, Forrest Belle, Quinns and Matisse) as part of the listing of previous owners Wild Acre Metals Ltd (Wild Acre) in 2010.

For the NSW Projects limited recent exploration has been conducted on the tenement area and VRM is satisfied that a site visit would not provide any additional material information that would modify the opinion or valuation of the assets.

2. Mineral Assets

The mineral assets included in this valuation include the Mt Ida (Quinns) (80-100% owned), Bottle Creek (option to buy 100%), Paupong (70% owned) and Myalla Projects. The projects include 27 tenements in total and the general location of the properties is summarised below in Figure 1.



Figure 1 – Location of the Alt Resources projects (Source Alt Resources, Investor Presentation May 2019)

Note: Myalla is located within the Paupong area

2.1. Tenure

The tenement portfolio making up the Mineral Assets of Alt Resources consists of 27 tenements, including six Mining Leases, two Prospecting Licences and 19 Exploration Licences. Alt Resources is acquiring 100% of the Bottle Creek tenements, while several Mt Ida tenements with ownership including Maincoast and Gazard Investments are 80% attributable to Alt Resources as footnoted below. The ownership of the Paupong and Myalla projects is 70%.

Tenement information is summarised below Table 1.

Table 1 Tenement schedule as at 21 March 2020

Tenement Schedule for Alt Resources as at 7 May 2020						
Project	Licence Holder	Licence No.	Area (BL/Ha)	Equity	Grant Date	Expiry Date
Paupong	Alt Resources & GFM Exploration	EL7825	35	70%	31/08/2011	31/08/2022
Paupong	Alt Resources & GFM Exploration	EL8645	19	70%	12/09/2017	12/09/2023
Myalla	Alt Resources & GFM Exploration	EL8416	21	70%	9/12/2015	9/12/2023
Bottle Creek	R.S Lehmann	M29/150	571.30	Acquiring 100%	24/06/1991	23/06/2033
Bottle Creek	R.S Lehmann	M29/151	456.65	Acquiring 100%	24/06/1991	23/06/2033
Mt Ida	MGK Resources	E29/1007	3	100%	2/07/2019	1/07/2024
Mt Ida	MGK Resources	E29/1008	1	100%	6/07/2017	5/07/2022
Mt Ida	MGK Resources & Maincoast	E29/1014	2	80%	2/07/2019	1/07/2024
Mt Ida	MGK Resources	E29/1016	28	100%	8/11/2017	7/11/2022
Mt Ida	MGK Resources	E29/790	4	100%	18/08/2011	17/08/2021
Mt Ida	MGK Resources & Maincoast	E29/921	28	80%	17/11/2014	16/11/2024
Mt Ida	Gazard Investments	E29/969	11	80%	10/08/2017	9/08/2022
Mt Ida	MGK Resources & Gazard Investments	E29/970	2	80%	17/11/2016	16/11/2021
Mt Ida	MGK Resources & Gazard Investments	E29/971	1	80%	17/11/2016	16/11/2021
Mt Ida	MGK Resources & Gazard Investments	E29/973	3	80%	28/12/2016	27/12/2021
Mt Ida	MGK Resources & Maincoast	E29/993	1	80%	14/02/2017	13/02/2022
Mt Ida	MGK Resources	M29/421	4.39	100%	21/10/2013	20/10/2034
Mt Ida	MGK Resources	E29/649	6	100%	7/10/2008	6/10/2020
Mt Ida	MGK Resources	E29/748	1	100%	22/06/2010	21/06/2020
Mt Ida	MGK Resources	E29/997	6	100%	16/03/2017	15/03/2022
Mt Ida	MGK Resources	E29/998	2	100%	20/04/2017	19/04/2022
Mt Ida	MGK Resources	M29/36	121.40	100%	14/10/1987	13/10/2029
Mt Ida	MGK Resources	M29/37	242.45	100%	14/10/1987	13/10/2029
Mt Ida	MGK Resources	M29/65	803.95	100%	30/05/1988	29/05/2030
Mt Ida	Alt Resources	E29/991	9	100%	5/07/2017	4/07/2022
Mt Ida	MGK Resources	P29/2486	185.00	100%	17/07/2019	16/07/2023
Mt Ida	MGK Resources	P29/2521	164.00	100%	27/08/2019	26/08/2023

Note: MGK Resources is a 100% owned subsidiary of Alt Resources Ltd

VRM independently confirmed the status of the Western Australian tenements on the Department of Mines, Industry Regulation and Safety (DMIRS) online tenement database, Mineral Titles Online accessed on 12 May 2020. The Mt Ida and Bottle Creek tenement locations are shown in Figure 2.

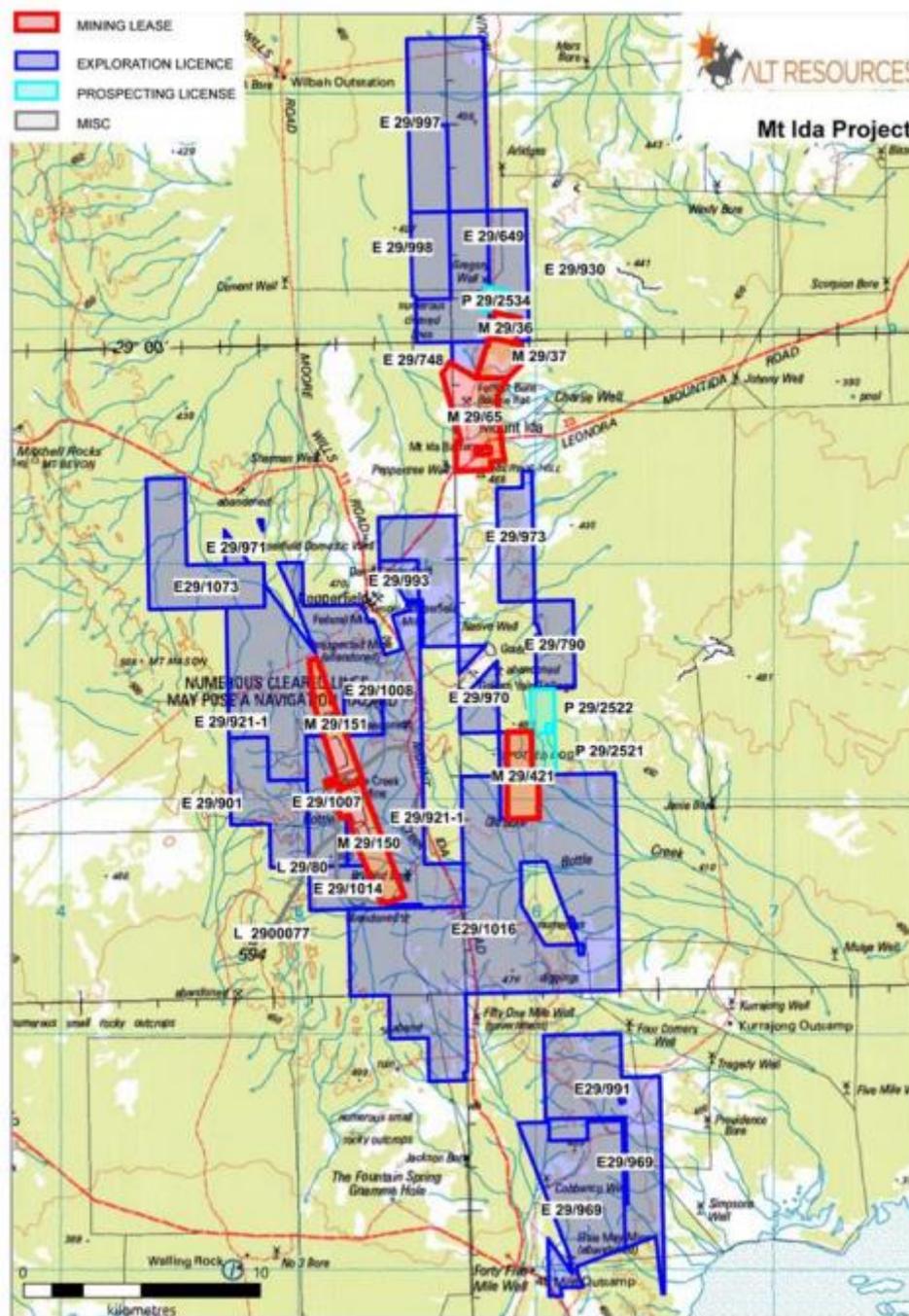


Figure 2 – Location of the Mt Ida and Bottle Creek tenements
(Source Alt Resources Quarterly Report March 2020)

Note: P29/2522 and P29/2534 are no longer held.

In November 2017, Alt Resources entered a binding option to acquire the Bottle Creek Mining Leases. In August 2018 Alt Resources delivered the maiden Mineral Resource estimate, being the final condition precedent to satisfy all the terms in the option agreement, and amended settlement terms were agreed (Alt Resources, 2018). As at the valuation date, VRM understands that the Bottle Creek Mining Leases require a final vendor payment of \$5 million with a partial payments of \$500,000 due 1 July 2020 and a final installment of \$4.5 million due on 30 November 2020 (Alt Resources, 2020c).

In January 2018, Alt Resources announced the acquisition of the Mt Ida South and Quinns mining centre tenements from Latitude Consolidated Ltd (Latitude). At the time the tenement package comprised 300 square kilometres surrounding Bottle Creek and consisted of 100% owned tenements at Mt Ida South and Quinns, as well as Latitude's 80% interest in the Mt Ida JV. In May 2018, Alt Resources satisfied all the terms of the heads of agreement made with Latitude.

2.2. Accessibility

The WA licences are located approximately 230 kilometres north northeast of Kalgoorlie. Access to the area is via the sealed Kalgoorlie – Leonora Highway to Menzies, and then along the well-maintained, unsealed Menzies – Sandstone road to 45 Mile Outcamp and finally the Mt Ida Road just north of the Copperfield Mining centre. Numerous tracks provide access within the tenements to the main prospect areas.

The Mt Ida project has had several areas of previous mining and Bottle Creek has an unsealed airstrip. Current infrastructure at site is minimal and would need to be developed for any future mining operations. Alt Resources plans to preferentially use previously disturbed areas for establishing any required infrastructure as part of any future development. Topography in the area is generally flat lying other than localised hills and outcrops.

The Paupong and Myalla projects are located on the edge of the Snowy Mountains in NSW on the Monaro Plains. The nearby town of Dalgety is a small service centre and is situated 760 metres above sea level. Surrounding areas are characterised by granite outcrops supporting sheep and cattle farming.

3. Mt Ida and Bottle Creek Projects

3.1. Geological Setting

The Mt Ida and Bottle Creek tenements are located along the Mt Ida and Ballard / Zuleika shear zones in the Eastern Goldfields region of Western Australia (Figure 3).

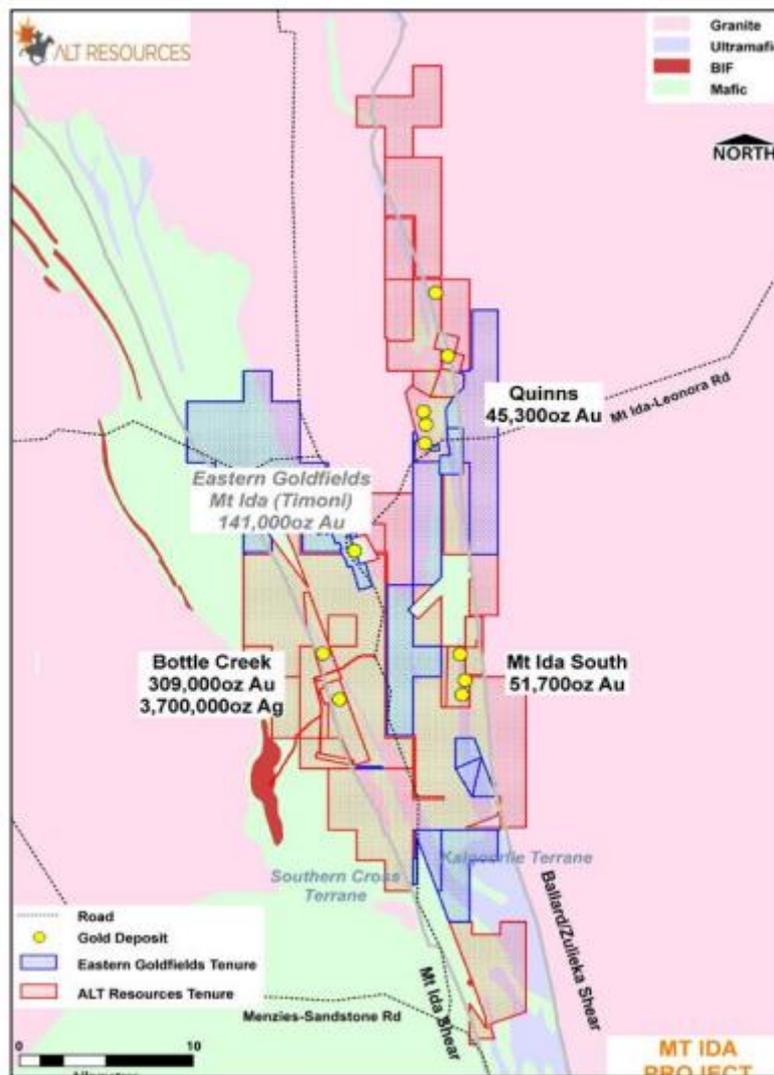


Figure 3 – Location of the Mt Ida and Bottle Creek projects over major greenstone belts in green, with Alt Resource tenements in red (Source Alt Resources, 2019)

Note: Numbers beneath key prospect areas are now updated, refer to Mineral Resource estimates section below

The Projects are situated in the northern extent of the Coolgardie Domain of the Kalgoorlie Terrane (Cassidy et al, 2006; Painter et al, 2003) within the Eastern Goldfields Superterrane. The western tenements areas extend into the Southern Cross Domain of the Younami Terrane with the Ida Fault defining this terrane boundary. Geology of the Project area is underlain by the Mt Ida greenstone belt which comprises an eastern and western segment, cored by the Kurralong Anticline. The Quinns – Mt Ida South deposits occur on the eastern segment and the Bottle Creek deposits on the western segment of the anticline (Figure 4).

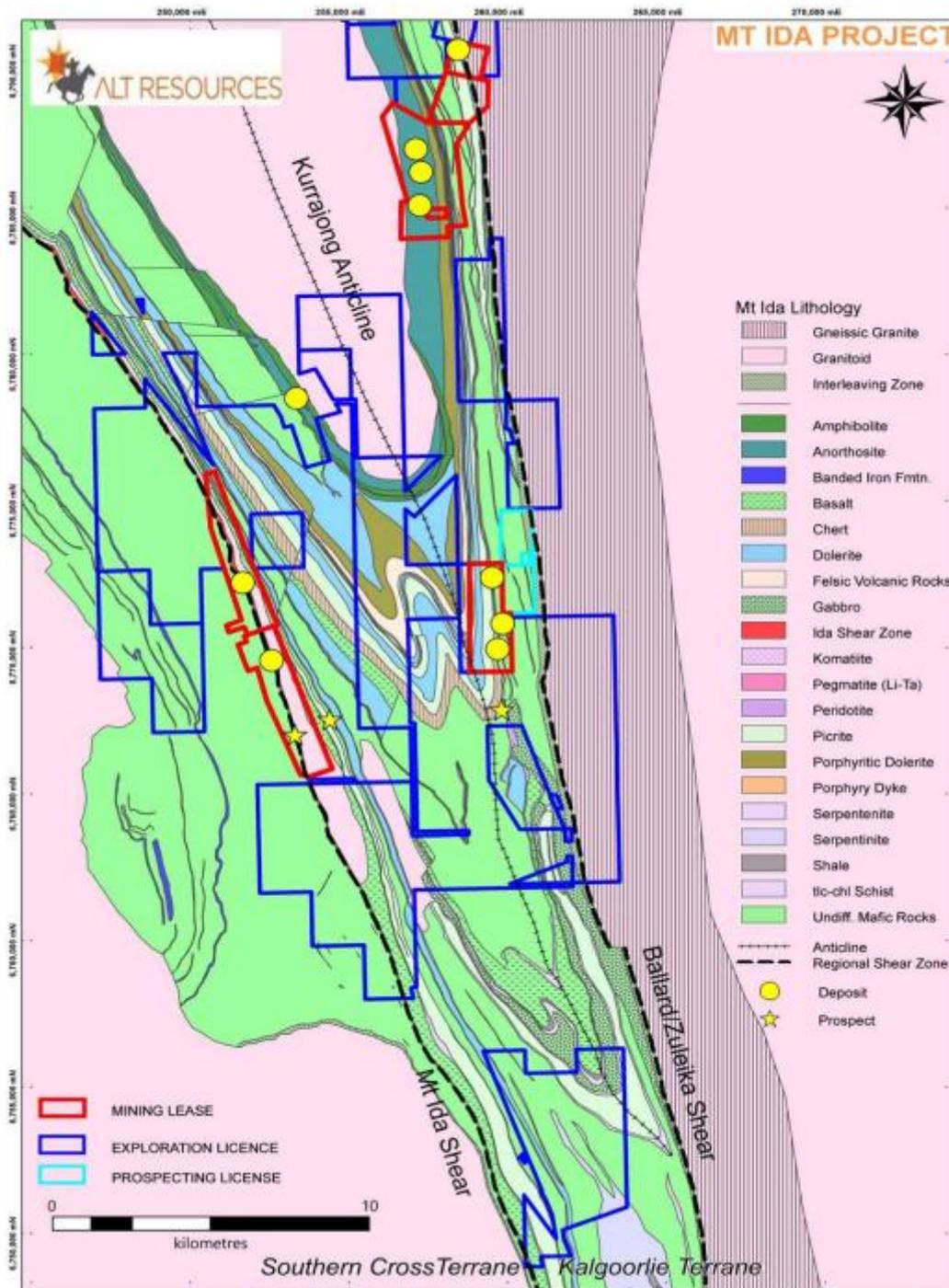


Figure 4 – Regional geology of the Mt Ida and Bottle Creek projects with Alt Resource mining leases (red), exploration licences (blue) and prospecting licences (aqua) (Source Alt Resources, 2020)

The eastern Mt Ida greenstone belt is made up of mafic to ultramafic volcanic and intrusive rocks and hosts the Quinns – Mt Ida South deposits comprise Boudie Rat, Forrest Belle, Boudie West, Belvidere, Quinns Hill in the north and Spotted Dog, Tim’s Find and Shepherd’s Bush in the south. The western Mt Ida greenstone belt is dominated by tholeiitic basalts with chert and banded iron formations hosting the Bottle Creek deposits of Cascade, Southwark, Emu, VB and Boags. The greenstone belt is metamorphosed to lower amphibolite facies.

For personal use only

The Ballard Shear is a ferruginous and siliceous mylonitic shear that is well-defined in aeromagnetic data and is interpreted to be the extension of the Zuleika Shear (Painter et al, 2003) which extends from near Coolgardie in the south to the Lawlers-Agnew area, about 80 kilometres north of the projects.

Gold mineralisation in the Quinns – Boudie Rat area is hosted by quartz sulphide veined sericite-biotite schists, and quartz-sulphide lenses within gabbros. Gold and silver mineralisation at Bottle Creek is associated with the 'Emu formation' a sheared carbonaceous black shale, graphitic chert and interflow sedimentary unit.

3.2. Previous Exploration and Mining

Throughout the region there are numerous areas of historical prospecting and small-scale mining activity. The major source of historical gold production was from the Bottle Creek gold deposit in the Copperfield mining centre (Painter et al 2003), and the Forrest Hill and Boudie Rat deposits were also mined intermittently from 1898 to 1941 predominantly as underground operations. Other sources of both historical and more recent production include from the Quinn Hills and Timoni deposits.

Modern exploration commenced in the 1970's but became more active during the 1980s and 1990s with the main prospect areas being explored by a number of companies in separately held small land packages. Previous gold exploration has been undertaken by numerous companies, including Spargos Exploration NL, Austmax Resources, Australian Consolidated Minerals, Australian Gold Mines, Barra Resources, Sipa Resources, Wildacre Metals at Mt Ida and Norgold Ltd, Electrolytic Zinc Company of Australia (EZ) at Bottle Creek. Further details of these exploration programs are detailed in the associated JORC Table 1 reports on the reported resources (Alt Resources, 2020a).

Modern open pit mining operations commenced at VB and Boags deposits in 1988-89 where Alt Resources report that Norgold Ltd produced some 90,000 ounces of gold from the two open pits (Alt Resources, ASX release dated 22 November 2017) and at the Boudie Rat and Forrest Belle open pits in 1996-97. Mining at Bottle Creek targeted oxide material down to the 47.5m bench (Alt Resources) continued for an 18-month period and historical resources were defined to the north and south. A post mining assessment report on the VB, Boags and Emu Pits (Shaw, 1989) included reference to specific gravity (SG) values of 2.0t/BCM for material per pit removed and 2.25t/BCM for ore mined. Legge, et al (1990) describe the exploration history and deposit understanding at that time.

Alt Resources acquired the Mt Ida Project in 2017 and commenced exploration in March 2018 drilling in excess of 40,000 metres of reverse circulation (RC) drilling and 2100 metres of diamond drilling across several deposits contained in the Bottle Creek mining leases adding to the historical drill hole data base from EZ and Norgold Ltd. More recent exploration has focussed on the near-resource areas and several prospect areas with limited previous exploration such as at Southwark, Pianto's Find and Single Fin prospects. At Pianto's Find historical drilling was on a broad grid spacing (400m x 50m) to an average depth of 49m. Alt

Resources has undertaken limited follow up drilling on closer drill spacing and notes a similar magnetic response to that seen at Bottle Creek. Further work is planned for this area.

In February 2020, Alt Resources provided an exploration update for the Mt Ida and Bottle Creek Projects including drilling on multiple deposits as well as regional exploration targets. Geological interpretation of the Mt Ida 'Timoni trend' (TMT) was undertaken to better understand mineralisation controls around this historical underground gold mine. Timoni is currently owned by another company, but Alt Resources has the leases to the south east and has identified a number of priority drilling targets along the interpreted TMT based on aeromagnetic, structural, geological and geochemical data (Alt Resources, ASX release dated 26 February, 2020). Drilling was also undertaken at Single Fin, in the Quinns area with anomalous results returned and was planned for the recently acquired White Eagle prospect area.

For personal use only

4. Mineral Resource Estimates

4.1. High Level Review - Overview

The Project Tenements host two distinct mineralised zones, one being at Mt Ida and the second at Bottle Creek. Each area has several previous Mineral Resource estimates reported with the most recent fifth resource update being reported by Alt Resources on 3 April 2020 (Figure 5).

As required by the VALMIN Code, Clause 4.1, VRM has undertaken a high - level review of the Mineral Resource estimation reports and technical data to provide an assessment of the reasonableness of the Mineral Resource estimates for the Mt Ida and Bottle Creek gold projects as key inputs into the valuation.

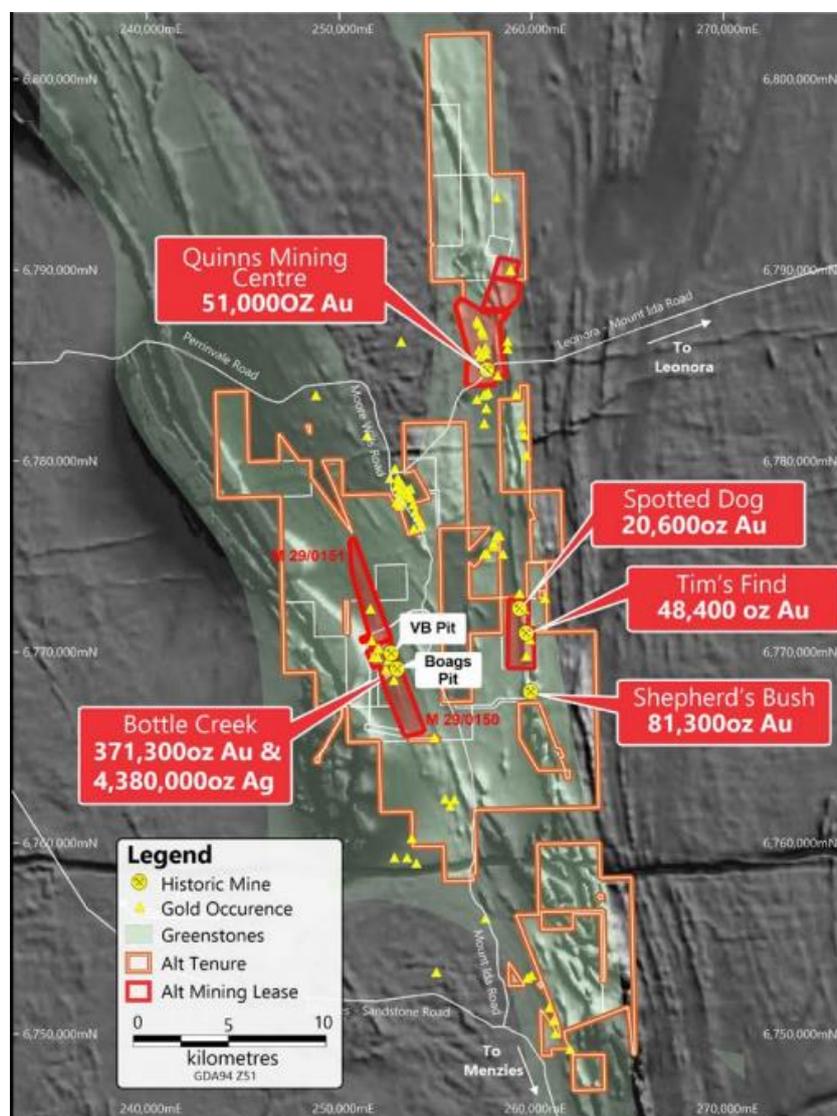


Figure 5 – Location of the gold resources and historic occurrences in the Mt Ida and Bottle Creek areas (Source Alt Resources ASX release dated 3 April 2020)

The underlying geological or geochemical datasets have not been validated, nor has there been a complete audit or reassessment of the resource. The Mineral Resources for the Project have not been re reported or

re estimated as a part of this report. The technical data was reviewed at a high level, however full due diligence was not undertaken.

The Mt Ida and Bottle Creek gold and silver Mineral Resources estimates have been reported in compliance with the JORC Code (2012) reporting standard and are summarised in Table 2. The Mineral Resource estimate is the fifth resource upgrade announced by Alt Resources and was completed by independent consultants and announced on 3 April 2020. The Mt Ida and Bottle Creek Gold Project Mineral Resource estimates are inclusive of the Ore Reserve (Alt Resources, 2020b).

Table 2 Mt Ida and Bottle Creek Projects JORC 2012 Mineral Resource Estimates as at 3 April 2020 using a 0.5g/t Au cut-off for gold (Source: Alt Resources 2020a)

DEPOSIT	CATEGORY	TONNES	Au Grade	Au Ounces	TONNES	Ag Grade	Ag Ounces
		(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Emu and Southwark	Measured	804,000	2.28	58,936	804,000	9.69	250,479
	Indicated	2,440,000	1.81	141,991	2,440,000	12.25	960,988
	Inferred	583,500	1.31	24,576	583,500	14.65	274,834
VB and Boags	Indicated	2,004,000	1.53	98,578	2,004,000	29.47	1,898,760
	Inferred	829,000	1.42	37,847	829,000	37.3	994,158
VB North	Indicated	118,000	1.52	5,750			
	Inferred	90,000	0.9	2,600			
Boudie Rat and Forrest Belle	Measured	130,000	2.5	10,450			
	Indicated	130,000	3	12,550			
	Inferred	30,000	3.6	3,450			
Boudie West and Belvidere	Indicated	30,000	3.8	3,650			
	Inferred	100,000	3.5	11,250			
Quinn's Hills	Indicated	20,000	5.7	3,650			
Matisse	Inferred	110,000	1.7	6,000			
Tim's Find	Measured	118,000	2.97	11,268			
	Indicated	417,600	1.87	25,107			
	Inferred	235,000	1.54	11,635			
Spotted Dog North and South	Inferred	320,000	2.02	20,782			
Shepherds Bush	Inferred	3,045,000	0.83	81,256			
Total		11,554,100	1.54	571,327	6,660,500	20.5	4,379,300

Note: Total tonnes and ounces have been rounded to the nearest 100. Rounding up may result in apparent summation differences between tonnes, grade and contained metal content

The above information is extracted from the announcement entitled 'Mt Ida and Bottle Creek resource upgrade brings total resource to 571,300 ounces gold and 4.38M ounces silver' created on 3 April 2020 and is available to view at www.altresources.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Mt Ida and Bottle Creek Gold Project comprises reported Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz (Alt Resources, 2020a). Of the ten individual deposits for which Mineral Resources have been reported, five of the deposits are considered material to the project valuation. These five deposits – Emu & Southwark, VB & Boags (Bottle Creek), Boudie Rat & Forrest Belle, Tim’s Find and Shepherds Bush (Mt Ida) were reviewed by PayneGeo for VRM.

This section of the report is based on an assessment of the Mineral Resource Estimates released by Alt Resources on 3 April 2020.

Information Sources

The contents of this Review have been created using the Mineral Resource estimation data and reports provided by Alt Resources in May 2020. Estimates for the Emu & Southwark, VB & Boags, Tim’s Find and Shepherds Bush deposits were completed by Hyland Geological and Mining Consultants (HGMC) for the for the all deposits reviewed. The majority of the relevant data files for these estimates were provided to VRM. The estimates for the Boudie Rat & Forrest Belle deposits were prepared in 2013 by CoxRocks Pty Ltd (CoxRocks) for a previous project owner. The original Mineral Resource report was provided along with a block model centroid export and survey files of existing pits.

In addition, Alt Resources ASX announcements dated 13 March 2019, 29 July 2019, 10 February 2020 and 3 April 2020 detailing the results of Mineral Resource updates were utilised. In VRM’s opinion, the information provided was of reasonable quality and satisfactorily addressed the VALMIN Code requirements for an assessment of the reasonableness of the approach to the Mineral Resource estimates for the five deposits reviewed.

4.2. Emu & Southwark, VB & Boags Mineral Resources

No open pit mining has been carried out at the Emu & Southwark deposit however there has been historic open pit mining of the VB & Boags deposit.

Mineral Resources have been previously estimated for the deposit. The results of the March 2019 estimate were provided in HGMC, 2019a. The 2019 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off. Open pit mining was carried out at the VB & Boags deposit in the 1980’s. A 1.2km long pit occurs in the VB portion of the deposit and a smaller 500m long pit was developed on the Boags portion of the deposit. Remnant Mineral Resources have been previously estimated for the deposit. The results of the March 2019 estimate were provided in HGMC, 2019a. The 2019 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off.

The current estimate for the deposits was completed by HGMC for Alt Resources in April 2020. The estimate was reported at a 0.5g/t Au cut-off grade and completed using Ordinary Kriging. The 0.5g/t Au cut-off reflects the potential of the deposit for open pit mining and on-site processing and is typical in the industry

for this style of project. The principle change from the 2019 estimate was an increase in the applied bulk density for each of the deposits.

Geology and Mineralisation (Sourced from HGMC, 2019a)

The Bottle Creek gold mine is located on the northern extremity of the Mt Ida-Ularring greenstone belt which extends from Davyhurst to Mt Alexander and forms the western part of the Norseman-Wiluna Province of the Yilgarn Craton. Locally, gold and silver mineralisation is hosted in carbonaceous, sulphidic shales, within a larger package of interbedded basaltic volcanics, sediments and ultramafic rocks. A massive pyrite and pyrrhotite zone is noted by Legge et al (1990) to be about six metres wide within the Emu formation. The area is tightly folded and metamorphosed, with intrusion of younger dolerite dykes. Mineralisation at Bottle Creek occurs over a strike length of 11km, running north-west to south-east and is interpreted to be sub vertical, to steeply west-dipping.

The Bottle Creek trend mineralisation (including the Emu & Southwark and the VB & Boags deposits) is contained within strongly weathered material between a mafic unit to the east and a felsic quartz porphyry to the west. The oxidized material forms a deep regolith profile to a depth of ~80-90m. Gold mineralisation has been enriched through supergene processes within the oxidised zone and into the transition zone below the base of complete oxidation. The Bottle Creek mineralised trend extends for approximately 10km along strike and contains numerous anomalous gold rich deposits including the VB and Emu area deposits.

Informing Data and Quality Assurance Quality Control (QAQC) (Sourced from HGMC, 2019)

Drilling and Sampling

The majority of the drill hole data used in the estimate is a historical, with a significant number of holes now completed by Alt Resources. Historical drilling was carried out by Norgold Limited and Electrolytic Zinc Company of Australia Limited (EZ) between 1983 and 1989. Alt Resources drilling has been conducted since 2018. The historic drilling at the Bottle Creek project consists of 1,988 holes for 89,789m of which 78 holes are diamond drill holes (DD) and 850 holes are reverse circulation (RC). Alt Resources has drilled 170 RC holes and 14 DD holes. It is not clear which holes were used in the Mineral Resource estimate, but it appears that RAB and air core drilling was excluded.

Drilling through the main deposit areas at Emu & Southwark was completed at 12.5m hole spacings on 25m spaced cross sections. Large parts of the deposits were infill drilled to 12.5m by 12.5m spacings. The deposit has been comprehensively drilled to approximately 120m vertical depth. At VB & Boags, the drilling is on a uniform spacing of 10m by 25m with comprehensive drilling to 70m vertical depth. Very few holes have tested the mineralisation below that depth.

Details of drilling procedures used in historic RC drilling were not documented. RC holes were sampled initially using spear samples from composites, then anomalous intervals were sampled using a riffle splitter.

Historic DD holes were predominantly NQ diameter with several PQ diameter holes drilled for geotechnical analysis.

For Alt Resources RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts. For Alt Resources drilling, holes were surveyed by licenced contract surveyors. Historic holes were surveyed using electronic distance measurement. The topographic surface was based on detailed surveys of mine pits and dumps as well as drill hole collar positions. The majority of historic hole were down hole surveyed using a single shot Eastman camera. For Alt Resources drilling, down hole surveys for each RC and DD drill hole were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Diamond core was crushed to <10mm then a 3.5kg sample selected and pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

Samples from historic EZ drilling were analysed at Genalysis Laboratories using a multi acid digest and AAS analysis for Au and Ag. Norgold drilling was analysed at Comlabs using a 50g fire assay and AAS analysis.

QAQC

For historical drilling, no information on QAQC was available. For Alt Resources drilling, a QAQC program was utilised including field duplicates, certified reference material (CRM) and blanks. The results of the field duplicates, standards and blanks were reviewed by HGMC. HGMC concluded that the results showed an acceptable level of precision and accuracy.

To check the quality of the historic drilling, Alt Resources conducted a 15 hole program of selected twinning of historic holes using RC drilling. HGMC concluded that the twin holes confirmed the extent and tenor of the mineralisation defined in the historic holes.

Bulk Density Measurements

A data set of density determinations was prepared by Alt Resources using core samples from the Alt Resources drilling. A total of 439 determinations were conducted. An extensive database of density values from historic drilling was available but not used due to a lack of documentation of procedures. In 2019 and 2020, four DD holes were drilled at the Emu area to provide updated information and knowledge regarding bulk density..

Between the 2019 and 2020 Mineral Resource estimates, the applied bulk densities varied considerably, with respective values are shown in Table 3. Mineralogy, logging and core photography were utilised by HGMC

to support the application of a higher bulk density, noting that the fragmented nature of the core made the measurement of in-situ bulk density difficult. The main significant bulk density change was applied to the coded mineralised zones only.

VRM notes that the density values for the respective oxidation types vary significantly between the two deposits even though the geology of the deposits is likely to be very similar (for example Figure 6, Figure 7). The density value of 2.2t/m³ applied to the oxide domain for VB & Boags is supported to some extent by a Norgold report "Bottle Creek Gold Mine Post Mining Assessment" (Shaw, 1989). The report refers to an average bulk density of 2.25t/m³ applied to reported production at the deposits. The Emu & Southwark deposits were largely unmined so did not form part of the reported production.

Table 3 Bulk Density Values Applied to Emu & Southwark Mineral Resource Estimates

Bulk Density Values (t/m ³) for mineralised zones in previous and current Mineral Resources						
Deposit	Emu & Southwark			VB & Boags		
Material	2020 Estimate	2019 Estimate	Change %	2020 Estimate	2019 Estimate	Change %
Laterite	2	NA	NA			
Oxide	2.6	1.9	37%	2.2	1.9	5%
Transitional	2.7	2.3	17%	2.91	2.3	27%
Fresh	2.9	2.9	-	3.1	2.9	7%

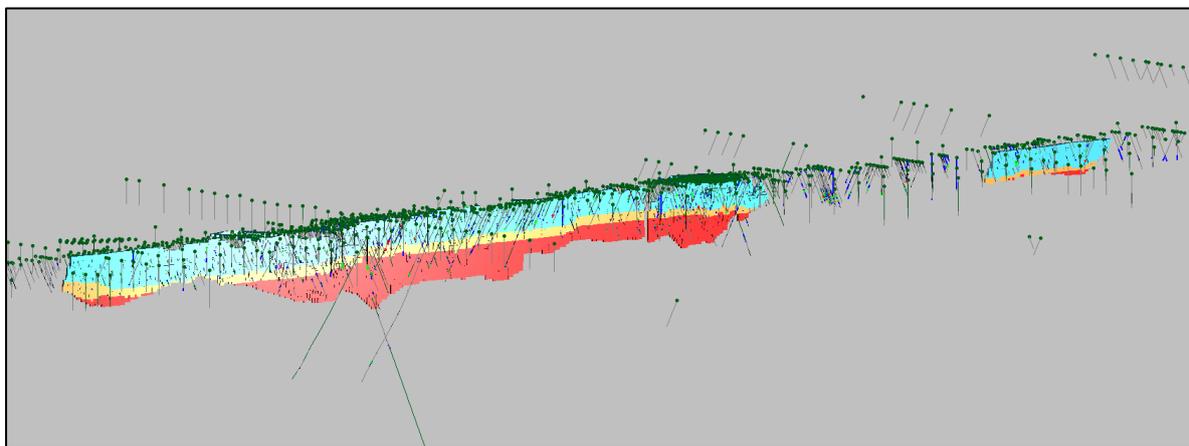


Figure 6 – Emu & Southwark oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources)

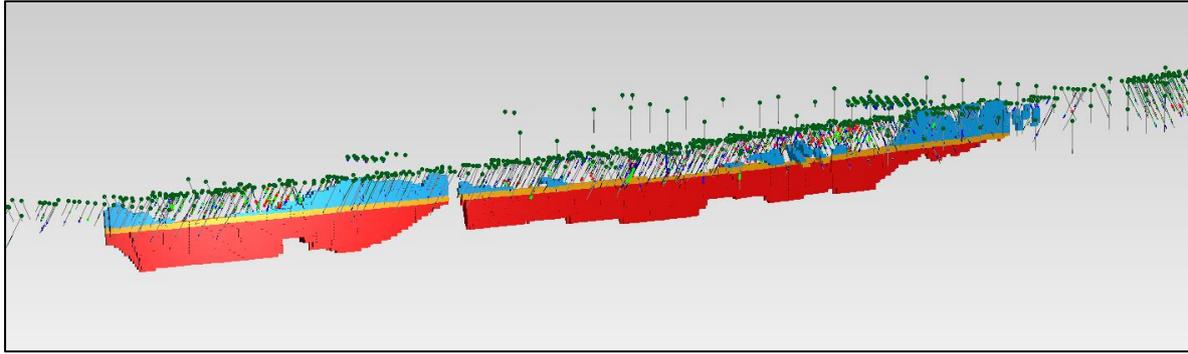


Figure 7 – VB & Boags oxidation type (blue – oxide, orange – transitional, red – fresh) (PayneGeo image using data supplied by Alt Resources)

Data Verification

Routine verification of drilling data by Alt Resources is carried out by staff geologists. Drilling data is captured electronically to minimise data transfer errors. Partial verification of historic data was carried out by drilling 15 twin holes which confirmed the previous intersections. HGMC considers the data management processes in place to be adequate and to industry standard.

Mineral Resource Estimate

HGMC prepared wireframes of the mineralised zones based on sectional interpretations of gold using a gold grade threshold of 0.3g/t Au. The mineralisation formed several highly continuous zones over a strike length of 2.8km (Figure 8).

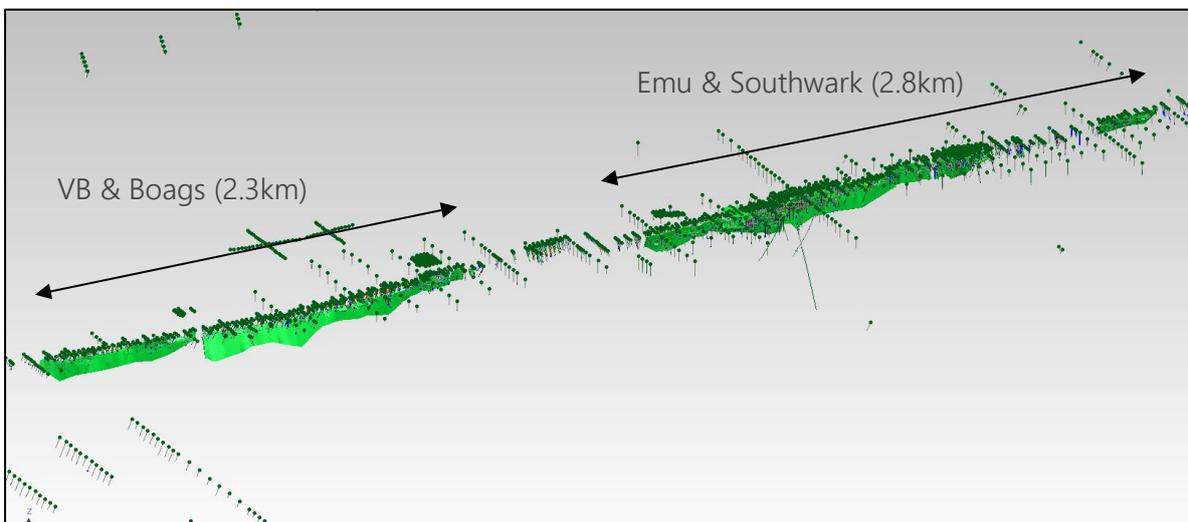


Figure 8 – Drilling and gold wireframes for VB & Boags, Emu & Southwark deposits (PayneGeo image using data supplied by Alt Resources)

Assay data within the wireframes was separately composited into 1m intervals. Statistical analysis carried out by HGMC determined that high grade cuts were not required, and limiting the extent of the high grades to 10m in the interpolation was used instead. Variography was attempted but reasonable variograms were not

obtained. As a result, assumed kriging parameters were applied to the estimate. These showed high nugget variance (32%-75%) with an assumed maximum range of 50m (strike, 40m (dip) and 20m (across strike).

A selective mining unit (SMU) block size of 2.5mE by 5mN by 5mRL was chosen for the block model. Separate block models were created for each of the two deposit areas. Grade estimation was carried out using Ordinary Kriging. Assumed search neighbourhood parameters were used in the OK estimation. HGMC conducted model validation using statistical comparison, swath plots and visual validation against sample data.

Mineral Resource Classification and Reporting

The Emu and Southwark Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource based on a complex combination of estimation parameters. The Measured Mineral Resource is limited to a portion of the Emu & Southwark deposit tested by 12.5m by 12.5m drilling. Most of the deposit is defined as Indicated Mineral Resource and Inferred classification has been assigned to extrapolations at the upper and lower vertical limits of the model. Overall the classification is reasonable and is shown in Figure 9.

At the VB & Boags deposit, no Measured resource has been defined. The majority of the drilled area is classified as Indicated. This includes extrapolation at depth of 20m-40m over the full strike extent of the deposit. Overall the classification is reasonable and is shown in Figure 10.

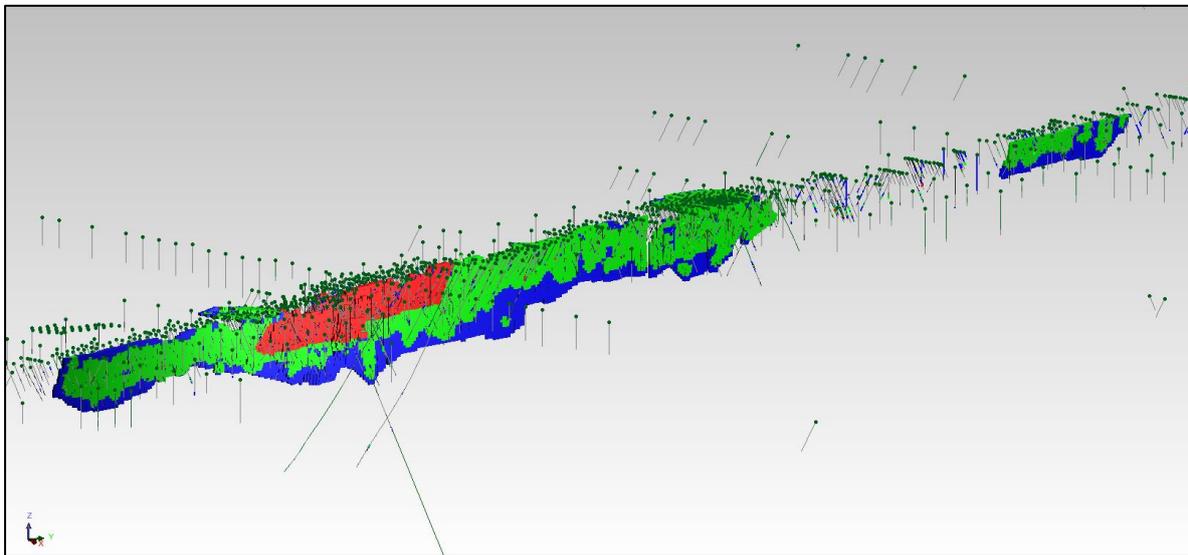


Figure 9 – Resource classification for Emu & Southwark deposits (Measured – red, Indicated – green, Inferred – blue) (PayneGeo image using data supplied by Alt Resources)

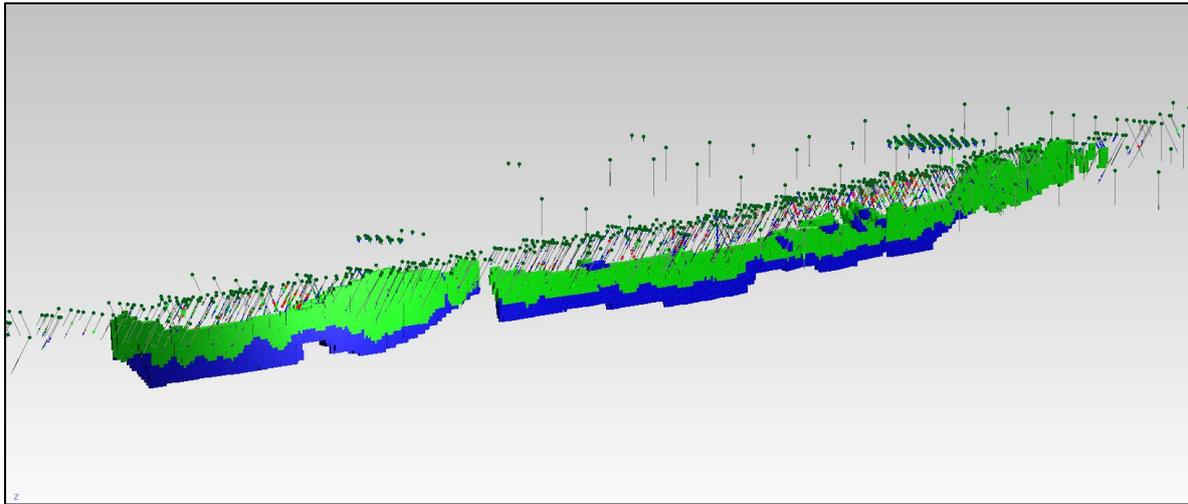


Figure 10 – Resource classification for VB & Boags deposits (Measured – red, Indicated – green, Inferred – blue)
(PayneGeo image using data supplied by Alt Resources)

Review Comments

Approximately 50% of the informing data for the Mineral Resource estimate was from historic drilling, with the recent Alt Resources drilling providing infill and confirmation holes to support the Mineral Resource estimate. Review of the drilling data by VRM shows that mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling.

QAQC protocols were not documented for historic drilling however the Alt Resources drilling had comprehensive QAQC programs in place which appear to have confirmed the precision and accuracy of the Alt Resources data which in turn was reported to confirm the tenor of the historic assay results.

Bulk density measurements were based on a reasonable number of determinations. However the values applied to the 2020 Mineral Resource were significantly higher than in 2019. In VRM's opinion these are higher than expected values for the weathering types and lithologies present. They are also higher than the substantial data set of density determinations available for the project. Without the support of additional data, there is a material risk that applied block model densities are inaccurate. As the majority of the Emu & Southwark Mineral Resource comprises oxide or transitional mineralisation, these changes in density resulted in a material increase in the reported tonnage and contained ounces. At the VB & Boags deposit, the tonnage increased materially and the contained ounces slightly. VRM was advised that more investigation work is underway by Alt Resources and will be incorporated into the next Mineral Resource update.

The weathering profile at Bottle Creek has a major impact on the distribution of gold grades in the deposits. It has resulted in a zone of depletion in the shallow oxide portion, and clear supergene enrichment towards the base of the weathered zone. Further work is required to prepare detailed interpretations of the weathering in the Emu & Southwark deposit or of gold grade domains representing the depletion or enriched zones, which will also be included within the next Mineral Resource update.

The weathering domains applied to the Emu & Southwark model were simplistic interpretations extrapolated for >2km between the north and south extremities of the deposit and has resulted in modelled weathering being substantially higher than the logged weathering. The impact would be overestimation of tonnage and ounces due to the higher density of the transitional and fresh mineralisation, compounding any issues with the determination of bulk density. It will likely distort any economic evaluation of the deposit due to different mining and processing costs and different metallurgical response of the different weathering types. VRM understands that this is being addressed by Alt Resources and a new model being developed.

The impact of the weathering profile is reduced in the VB & Boags deposit due to a substantial portion of the oxide mineralisation having already been mined. However the weathering types in the model were assigned by elevation. Interpreted weathering profiles provided were significantly deeper than those coded into the model. If the provided weathering interpretations are correct, the current Mineral Resource could be materially overestimated due to incorrect density assignment where fresh mineralisation will be re-coded to oxide. These aspects should be reviewed and included in work to update the Mineral Resource estimates.

The version of the Emu & Southwark block model supplied to PayneGeo does not extend up to the topography in the northern portion of the deposit. The 5m Z direction of the block size is too coarse to correctly model the laterite mineralisation.

The classification criteria used by HGMC is considered complex and resulted in some irregularities in the assigned classification. Overall however, the classification is reasonable. In determining the appropriate reporting cut-off grades, no support on how the cut-off grades were estimated was presented. The reporting cut-off of 0.5g/t Au likely reflects an economic cut-off grade applicable to open pit mining and onsite processing which is appropriate to the deposit and this would be a typical cut-off grade for a low cost open pit gold mining operation envisaged for the Project. Overall the data presented in the JORC Table 1 is adequate.

4.3. Tim's Find Mineral Resources

No open pit mining has been carried out at the Tim's Find deposit. Alt Resources had plans to carry out open pit mining of the deposit but as at the date of this report, no mining had commenced. Mineral Resources had been previously estimated for the deposit. The 2018 estimate was completed for Alt Resources and reported at a 0.5g/t Au cut-off. No documentation of the previous estimate was provided but the Mineral Resource was tabulated in numerous Alt Resources ASX releases including Alt Resources, 2019a.

The current estimate for the deposits was first reported in February 2020. The estimate was reported at a 0.5g/t Au cut-off grade, and was completed using Ordinary Kriging. The 0.5g/t Au cut-off reflects the potential of the deposit for open pit mining and on-site processing.

Geology and Mineralisation (Sourced from Alt Resources, February 2020)

Tim's Find gold mineralisation is hosted by an ultramafic talc chlorite schist and the adjacent mafic schist within the north to north west striking Ballard Shear zone. Mineralisation at Tim's Find extends over 1.5km of strike length and remains open to the north and south of the current extent of drilling.

Informing Data and QAQC (Sourced from HGMC, 2019b)

Drilling and Sampling

Drill hole data used in the estimated is a combination of historical and Alt Resources drilling. Historical drilling was carried out by North Limited, La Mancha Resources Limited and Latitude Consolidated. Alt Resources drilling has been conducted since 2018.

The historic drilling at the Tim's Find deposit consists of 187 holes for 9,121m of which 4 holes are DD, 125 holes are RC and 58 are rotary air blast (RAB). At June 2019, Alt Resources had drilled 115 RC holes and 4 DD holes.

No reports have been provided to determine how many additional holes were drilled between June 2019 and the date of the reported Mineral Resource update in February 2020. Review of the database provided suggests only two additional holes were completed.

Drilling through most of the deposit was completed at 10m hole spacings on 20m spaced cross sections. The deposit has been comprehensively drilled to approximately 40m vertical depth in the southern and northern portions and to approximately 70m depth in the central portion. Details of drilling procedures used in historic RC drilling were not documented.

For Alt Resources RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts.

For Alt Resources drilling, holes were surveyed by licenced contract surveyors. The topographic surface was based on a detailed aerial survey.

Most historic holes were not down hole surveyed other than a number of Latitude holes which were surveyed using gyro equipment. For Alt Resources drilling, down hole surveys for all RC and DD drill holes were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Diamond core was crushed to <10mm then a 3.5kg sample selected and pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

No details were provided of assay procedures used in historic drilling.

QAQC

For historical drilling, no information on QAQC was available.

For Alt Resources drilling, a QAQC program was utilised including field duplicates, CRM and blanks. No analysis was provided however Alt Resources reported that the results confirmed an acceptable level of accuracy and precision in the assay data.

Bulk Density Measurements

A data set of density determinations was obtained by Alt Resources using down wireline gamma logging of eight drill holes. Data was separated in oxidation zones by HGMC and average density values determined for each of oxide, transition and fresh weathering domains. Respective values are shown in Table 4.

Table 4 Bulk Density Values Applied to Tim’s Find Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Tim’s Find
Material	Assigned Density (t/m ³)
Oxide	2.22
Transitional	2.72
Fresh	2.94

Data Verification

Routine verification of drilling data by Alt Resources is carried out by staff geologists. Drilling data is captured electronically to minimise data transfer errors. Recent Alt Resources drilling results were broadly similar to adjacent historic drilling which provides a degree of verification of historic data.

Mineral Resource Estimate

Note – no detailed report was provided for the February 2020 Tim’s Find Mineral Resource estimate. A report was provided for an estimate completed in June 2019. Details of the current estimate were either defined in the JORC Table 1 accompanying the ASX release on 3 February 2020, or based on observations by PayneGeo during review and analysis of the provided data files relating to the estimate.

HGMC prepared wireframes of the mineralised zone based on sectional interpretations of gold using a gold grade threshold of 0.3g/t Au. The mineralisation formed several highly continuous zones over a combined strike length of 1.4km (Figure 11).

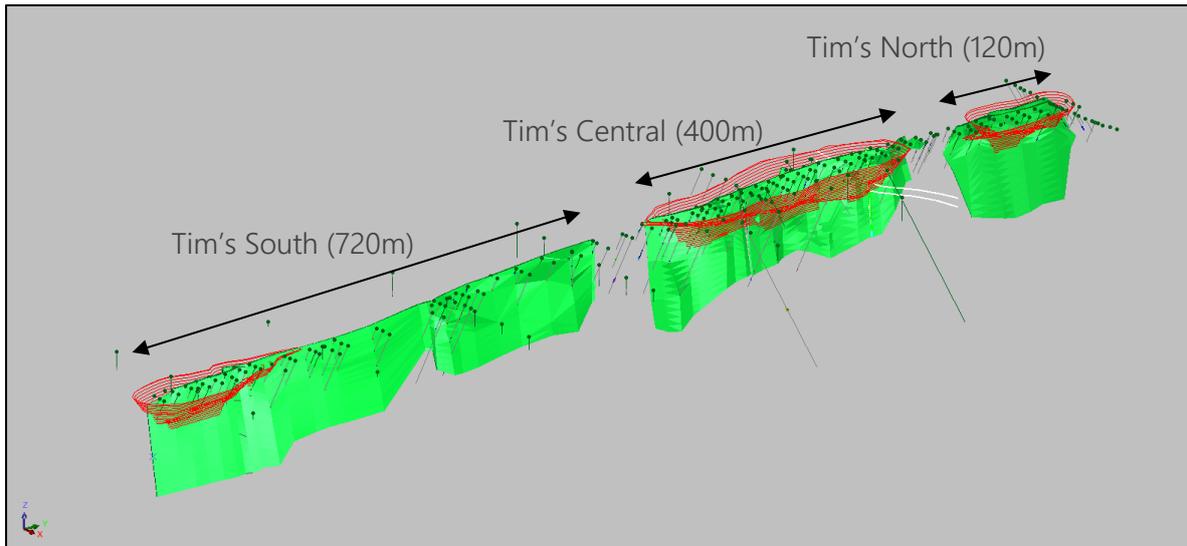


Figure 11 – Drilling and gold wireframes for Tim’s Find with planned pit designs (PayneGeo image using data supplied by Alt Resources)

Assay data within the wireframes was separately composited into 2m intervals. Statistical analysis carried out by HGMC determined that high grade cuts were not required, but limiting the extent of the high grades in the interpolation was used instead. The distance limits and grade thresholds were not defined. A selective mining unit block size of 2.5mE by 5mN by 2.5mRL was chosen for the block model (Note – inconsistent description of block size was included in the JORC Table 1 for Tim’s Find).

Grade estimation was carried out using Ordinary Kriging. No details of parameters were provided for the current estimate. The previous estimate used kriging parameters based on very high nugget (86% for North and Central, 53% for South). Search radii of 50m by 40m by 20m were used and aligned to the strike of each mineralised zone. No information on model validation was provided.

Mineral Resource Classification and Reporting

The Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource based on a complex combination of estimation parameters. The Measured Mineral Resource is limited to a portion of the Central Zone tested by 25m by 10m drilling which shows good continuity of high grade mineralisation. Much of the deposit is defined as Indicated Mineral Resource with a mathematical limit based on distance to samples. The Inferred classification has been assigned to depth extrapolations at lower vertical limits of the model as well as areas where the distance to samples exceeds 25m. The distribution of the classification is shown in Figure 12.

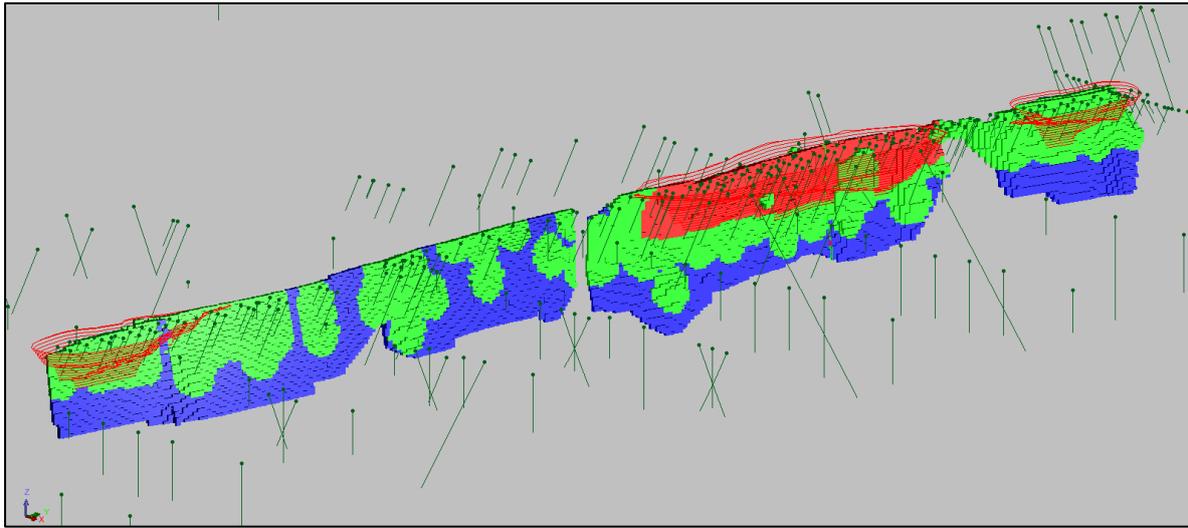


Figure 12 – Drilling and resource classification for Tim’s Find deposit (Measured – red, Indicated – blue, Inferred – green) (PayneGeo image using data supplied by Alt Resources)

The selected reporting cut-off grade of 0.5g/t Au was not explained. However, this would be a typical cut-off grade for a low cost open pit gold mining operation envisaged for the Project.

Review Comments

The majority of informing data for the Mineral Resource estimate was from historic drilling, with the recent Alt Resources drilling providing infill and confirmation holes to support the Mineral Resource estimate. Review of the drilling data and resource model shows that mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling.

Review of the database shows that much of Alt Resources drilling comprises infill sections within the extent of the historic drilling. Results appear to be consistent between the various programs giving confidence to the location, thickness and tenor of the historic intersections.

QAQC protocols were not documented for historic drilling however the Alt Resources drilling had comprehensive QAQC programs in place which appear to have confirmed the precision and accuracy of the Alt Resources data which in turn was reported to confirm the tenor of the historic assay results.

Bulk density measurements were based on a small number of holes and determined by gamma logging. This is considered an unreliable method in oxidised lithologies where moisture content and groundwater can materially impact the measurements. The values applied to the Mineral Resource are higher than expected values for the weathering types and present a risk that applied block model densities are too high.

The mineralisation wireframes form highly continuous zones with generally consistent thickness and geometry. The typical horizontal thickness of the mineralisation is typically 2m-4m.

Distinct zones of higher and lower gold grades are defined in the drill hole assays and reflected in the modelled grades. While no details of estimation parameters were provided, the estimate appears to be robust at the deposit scale. Local block grades may be poorly estimated if sound estimation parameters were not used.

The weathering interpretations match reasonably well with logged weathering codes. The bulk density assigned to the oxidised zones is based on an unreliable method and there is a material risk that they are too high in oxide material.

The estimation block size of 2.5m by 5m by 2.5m is too small for the drill hole spacing at the deposit and may lead to conditional bias in the model. The consequence of this could be an overestimation of tonnage and gold at elevated cut-off grades (such as required for small scale, long haul toll treatment mining operations). The impact would be compounded if poor search neighbourhood parameters are used however this is unknown due to the lack of a detailed report on procedures.

In our view, the classification criteria used by HGMC is complex and the mathematical approach to classifying Indicated and Inferred Mineral resource has resulted in a complicated distribution of classification. Overall however, the tonnage and grade of each classification is reasonable but should be reviewed before the next Mineral Resource estimate is completed and incorporated into the reported Ore Reserves for the project.

In determining the appropriate reporting cut-off grades, no support on how the cut-off grades were estimated was presented. The reporting cut-off of 0.5g/t Au likely reflects an economic cut-off grade applicable to open pit mining and onsite processing which is appropriate to the deposit at the current stage of development. Overall the data presented in the JORC Table 1 is adequate.

4.4. Boudie Rat and Forrest Belle Mineral Resources

Open pit mining has been carried out at each of the Boudie Rat and Forrest Belle deposits. The pits were mined in 1997 to a depth of approximately 25m (Figure 13). Historic underground workings were also present at each deposit.

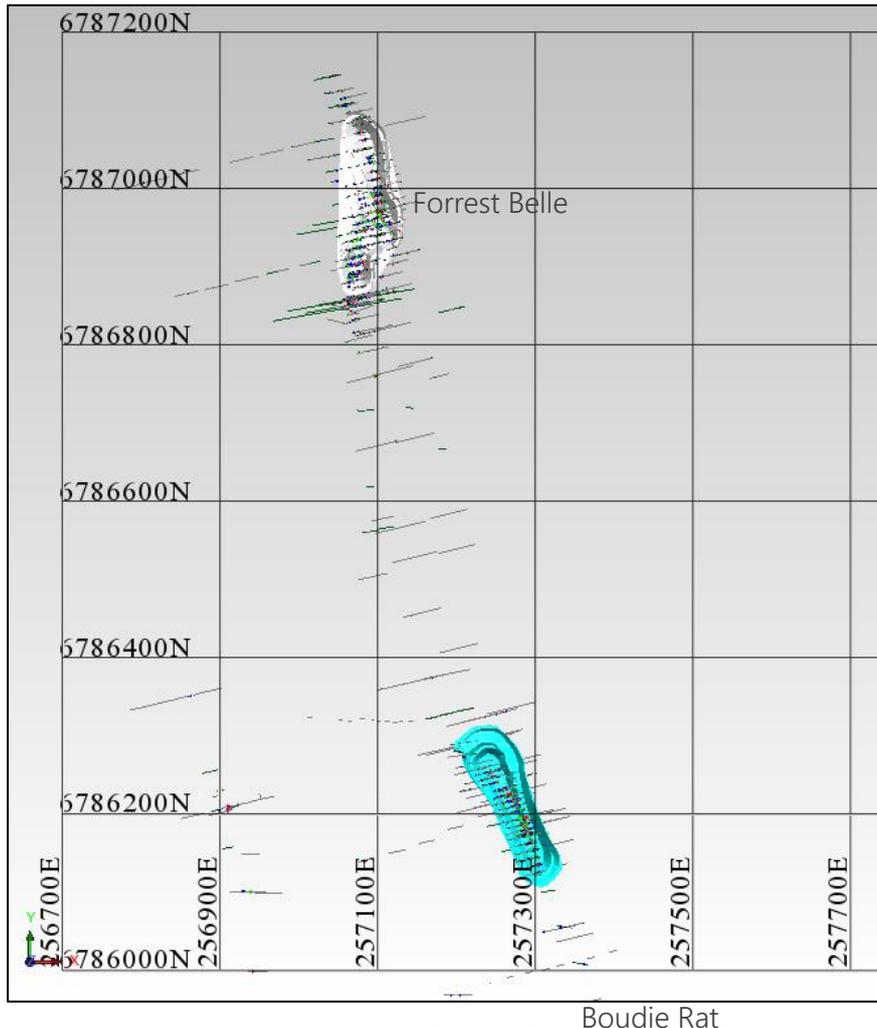


Figure 13 – Location plan and existing pit surveys for Boudie Rat and Forrest Belle deposits (PayneGeo image using data supplied by Alt Resources)

The current estimates for the deposits were first reported in February 2013. They were completed by CoxRocks for Wild Acre, a previous owner of the project. The estimate was reported at a 1.0g/t Au cut-off grade, and completed using inverse distance to power 3 (ID3) grade interpolation.

Geology and Mineralisation (Sourced from CoxRocks, 2013)

The geology of the Quinns area (including the Boudie Rat and Forrest Belle deposits) comprises Archean mafic to ultramafic lithologies bounded by granitic intrusions, and the region has been metamorphosed to lower amphibolite facies. A major shear zone, interpreted to be the Zuleika Shear, intersects the eastern part of the project area.

Much of the project area is covered by colluvial and alluvial deposits, with thickness ranging from <1m to tens of metres. Gold mineralisation in the area is associated with quartz veining +/- sulphides within sheared ultramafic and mafic units; along the Zuleika Shear gold is often found in quartz/pyrite lodes which are typically enveloped by tremolite schist, within intensely sheared amphibolites.

Informing Data and QAQC (Sourced from CoxRocks, 2013)

Drilling and Sampling

Drill hole data used in the estimated was all completed by previous operators. The majority of drilling was completed by previous operators prior to development of the open pits at the deposits. Mining was carried out by Arrow Resource Management in 1997. No information was provided on drilling prior to 2011. Between 2011 and 2013, Wild Acre completed 30 RC holes at Boudie Rat and 15 RC holes at Forrest Belle.

Based on a data review by PayneGeo it was evident that within the mined portions of each deposit, grade control drilling had been carried out providing close spaced drilling at 7.5m by 5m spacings. For the portions beneath the pits, holes were drilled to the east at 10m by 10m or 10m by 5m spacings. The deposits have been comprehensively drilled to approximately 50m vertical depth (or 25m below the pit base). Sparse drilling exists below that depth. At Boudie Rat, the drilling is focused on the well mineralised north end of the deposit. The strongest mineralisation at Boudie Rat is shown in Figure 14.

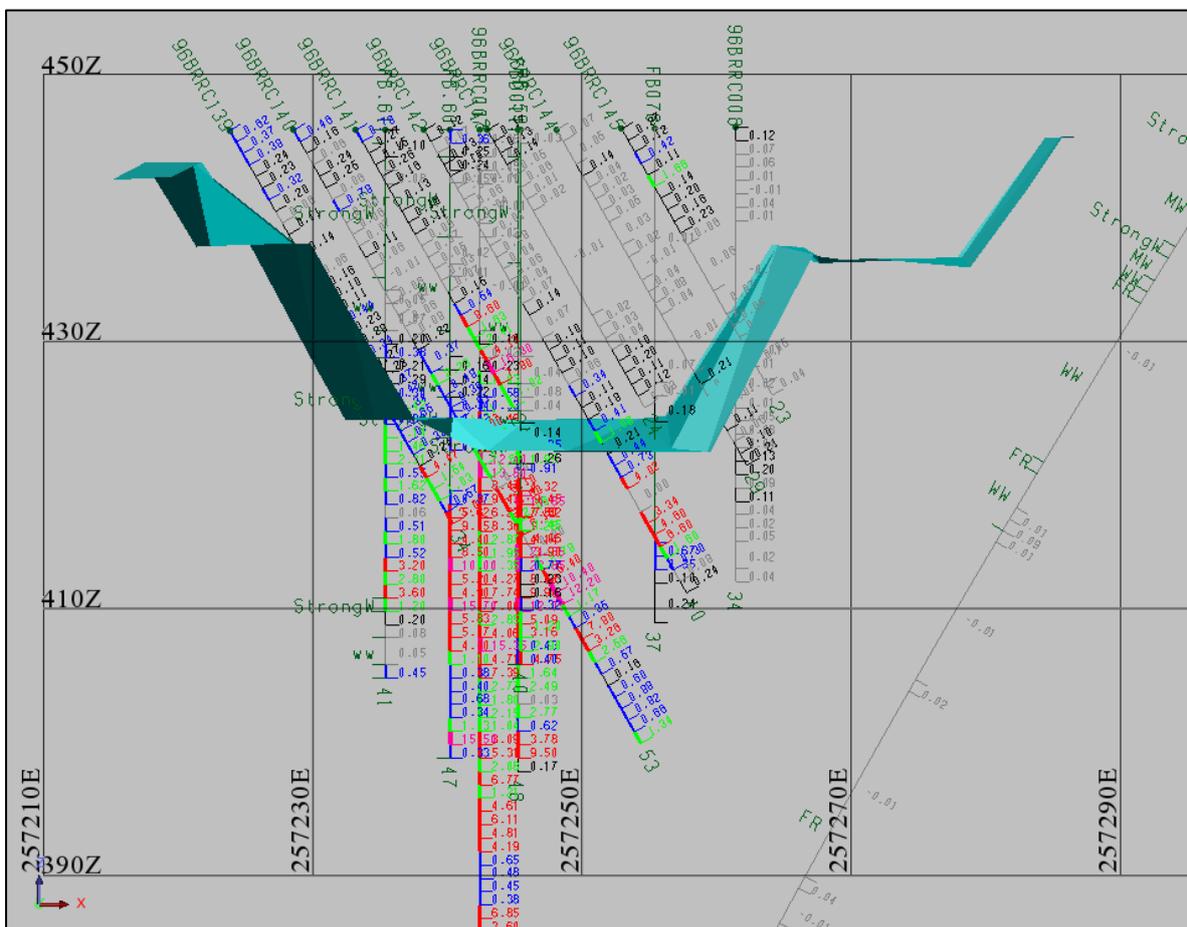


Figure 14 – Cross section through north end of Boudie Rat deposit (PayneGeo image using data supplied by Alt Resources)

For Wild Acre RC drilling, no details on hole size etc was documented. Holes were sampled at 1m intervals using a riffle splitter. For Wild Acre drilling, holes were surveyed by the company using differential GPS

(DGPS). The topographic surface was based on a detailed mine survey. The majority of historic hole were not down hole surveyed. For those that were, the method was not documented.

Analysis

For Wild Acre drilling, assaying for gold was conducted at the KalAssay facility in Kalgoorlie using a 40g fire assay with AAS analysis. No details were provided of assay procedures used in historic drilling.

QAQC

For historical drilling, no information on QAQC was available.

For Wild Acre drilling, a QAQC program was utilised including field duplicates, CRM and blanks. No analysis or comment on results was provided.

Bulk Density Measurements

CoxRocks stated that a review of bulk density determinations and local knowledge of the area were used to derive bulk density values applied to the model. No other details were provided. All mineralisation was coded as Fresh with density as shown in Table 5.

Table 5 Bulk Density Values Applied to Boudie Rat & Forrest Belle Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Boudie Rat & Forrest Belle
Material	Assigned Density (t/m ³)
Fresh	2.6

Data Verification

No information was provided.

Mineral Resource Estimate

CoxRocks prepared wireframes of the mineralised zone based on sectional interpretations of gold using a gold grade threshold of 0.5g/t Au with up to 4m internal dilution. At Forrest Belle, CoxRocks noted that five separate wireframes were modelled. Assay data within the wireframes was selected and statistical analysis carried out by CoxRocks determined that a high grade cut of 20g/t was applicable. It was not stated whether raw samples or composited data was analysed or used for estimation.

A block size of 2.0mE by 5mN by 2.5mRL was chosen for the block model. This is reasonable for the portions of the deposit with close spaced drilling. Grade estimation was carried out using ID3 interpolation with the wireframes used as hard boundaries. No details of estimation parameters were provided. Model validation was carried out by CoxRocks by visually comparing block grades to drill hole assay grades.

Mineral Resource Classification and Reporting

The Boudie Rat Mineral Resource was classified as Indicated. The Forrest Belle estimate was classified as either Measured and Inferred Mineral Resource. No information on classification was provided in CoxRocks,

2013. No diagrams or tables were provided to show the boundaries of the Measured and Inferred classification at Forrest Belle or of the reporting limits.

Based on the sparse drilling below 50m depth, a classification of Indicated does not seem reasonable. However the small tonnage reported for Boudie Rat suggests that the reported Mineral Resource did not extend to the full depth of the deposit (Figure 15).

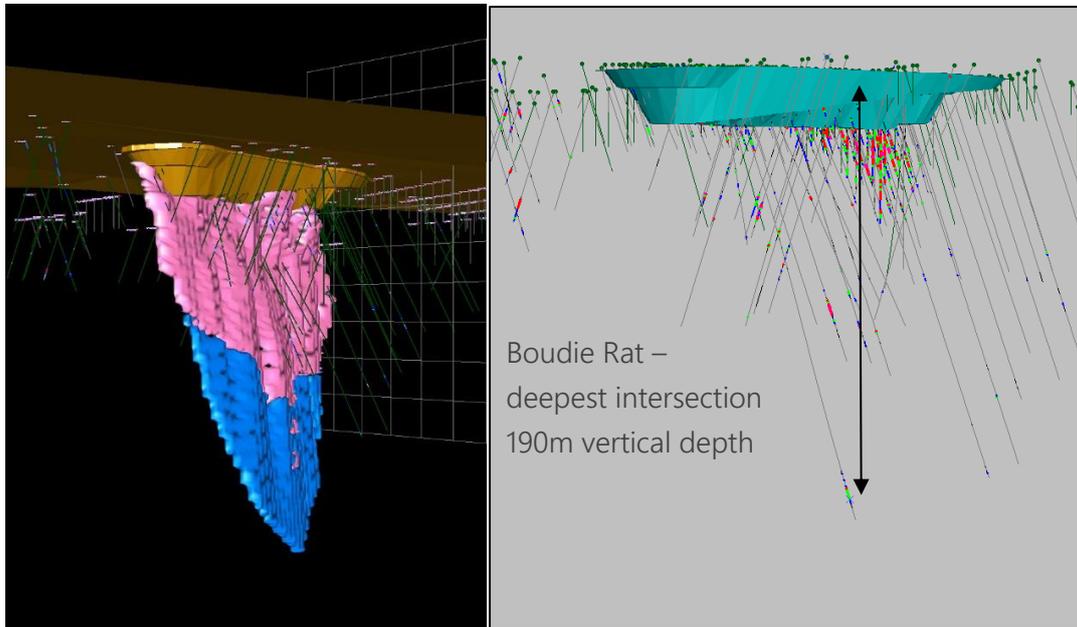


Figure 15 – Oblique view through Boudie Rat deposit (block model colours unknown) (PayneGeo image using data supplied by Alt Resources)

At Forrest Belle, the model has been estimated over a strike length of 500m (Figure 16). Based on the small tonnage reported, it is likely that a depth limit was applied to the model. The separation of Measured and Inferred is not shown in any documents. It is not logical for a model to be classified as only Measured Mineral Resource and Inferred Mineral Resource.

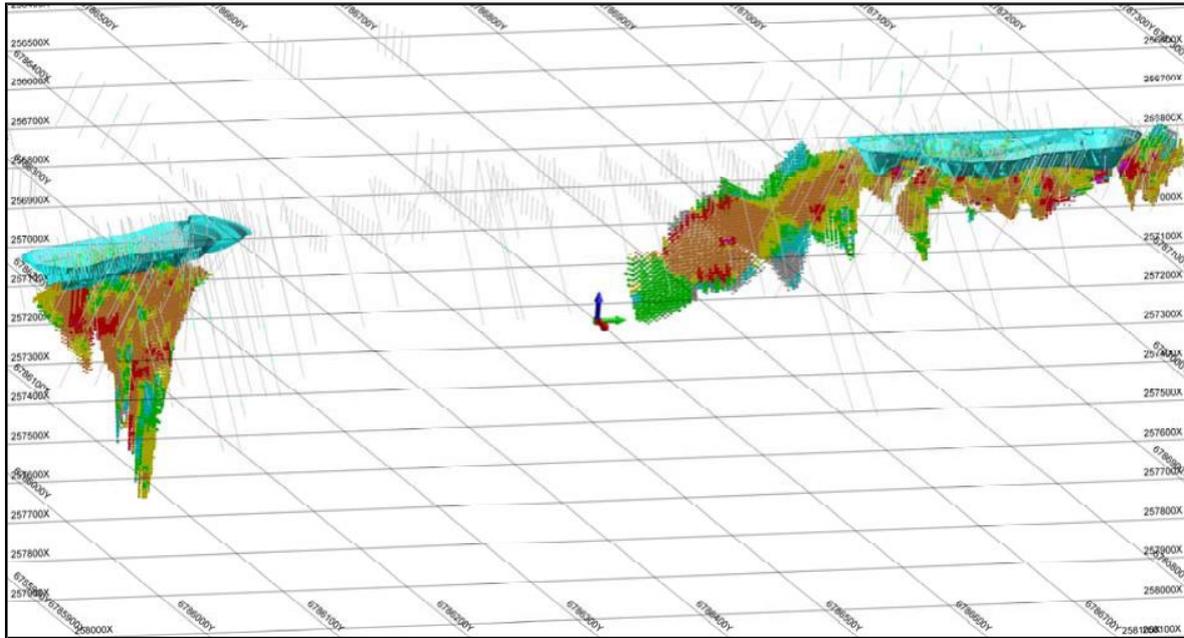


Figure 16 – Boudie Rat (left) and Forrest Belle (right) deposits (block model colours unknown) (from CoxRocks, 2013)

Review Comments

The Boudie Rat and Forrest Belle Mineral Resources were reported in 2013 at a 1.0g/t Au cut-off. This has not changed in recent reporting and although the cut-off grade is different to the main deposits at Bottle Creek, it is not unreasonable.

The reported Mineral Resource in the Alt Resources ASX releases differs from that reported in the original Mineral Resource report. Alt Resources has reported the uncut gold grades for the deposits. This appears to be an error by Alt Resources as the relevant JORC tables refer to a 20g/t high grade cut. It has resulted in additional reporting of contained gold by approximately 3,000oz, the majority of which is in the Measured category.

All of the informing data for the Mineral Resource estimate was from historic drilling. Review of the drilling data and resource model by PayneGeo shows that in the north end of the Boudie Rat deposit, mineralisation is quite consistent in geometry and tenor and is well defined by the close spaced drilling. At the Forrest Belle deposit, mineralisation occurs largely as steep east dipping zones with highly variable and often high grade gold mineralisation.

All mineralisation was coded as "Fresh" with a density of 2.6t/m³. Weathering profiles were not provided to support this. Few of the drill holes had weathering codes in the database but those that did showed a shallow to moderate weathering profile. Photographs of the pit and historic workings also showed zones of strong weathering in the pit walls so it is likely that a portion of each deposit is at least partially oxidised. If that is the case, the tonnage and contained ounces in the reported Mineral Resources will be overstated. As noted above additional work to better understand the bulk density across the deposits is required and Alt Resources intends to incorporate this in the next Mineral Resource update.

The Boudie Rat and Forrest Belle deposits have been drilled with a substantial number of close spaced RC drill holes. Although little information was available on the drilling, sampling and assaying procedures, it is clear that significant zones of gold mineralisation remain beneath the existing open pits.

Block model centroid files provided to PayneGeo were incomplete (only gold grade and density values included). So no assessment of estimation quality could be made.

Input data such as wireframes, weathering surfaces, bulk density determinations, estimation parameters were not provided so no comment can be made on the reliability of the estimate. However it is clear that significant zones of resource grade mineralisation remain at each of the deposits.

PayneGeo considers that the lack of detail on either of the Mineral Resource estimates prevents a meaningful assessment of the models being made. However there does appear to be substantial mineralisation beneath each of the pits so it is reasonable to expect robust Mineral Resources to be estimated.

The reported Mineral Resource estimates could well be reliable estimates of the remaining gold mineralisation and data spacing and grade continuity is sufficient to support classifications of Measured, Indicated and Inferred Mineral Resource.

The reporting of uncut grades in the estimates have resulted in likely over-reporting of contained gold by approximately 3,000oz, the majority of which is in the Measured category. Like the Mineral Resource report, the information presented in the JORC Table 1 is inadequate for allowing an understanding of data quality, procedures and results of the Mineral resource estimates.

4.5. Shepherd's Bush Mineral Resources

The Shepherds Bush deposit lies approximately 8km ESE of the main Bottle Creek deposits. It is unmined but mineralisation extends to surface over a strike length of approximately 500m (Figure 17). The current estimate for the deposit was reported in February 2020. It was completed by HGMC for Alt Resources and incorporated results from recent RC drilling carried out at the project. The estimate was reported at a 0.5g/t Au cut-off grade and was completed using OK grade interpolation.

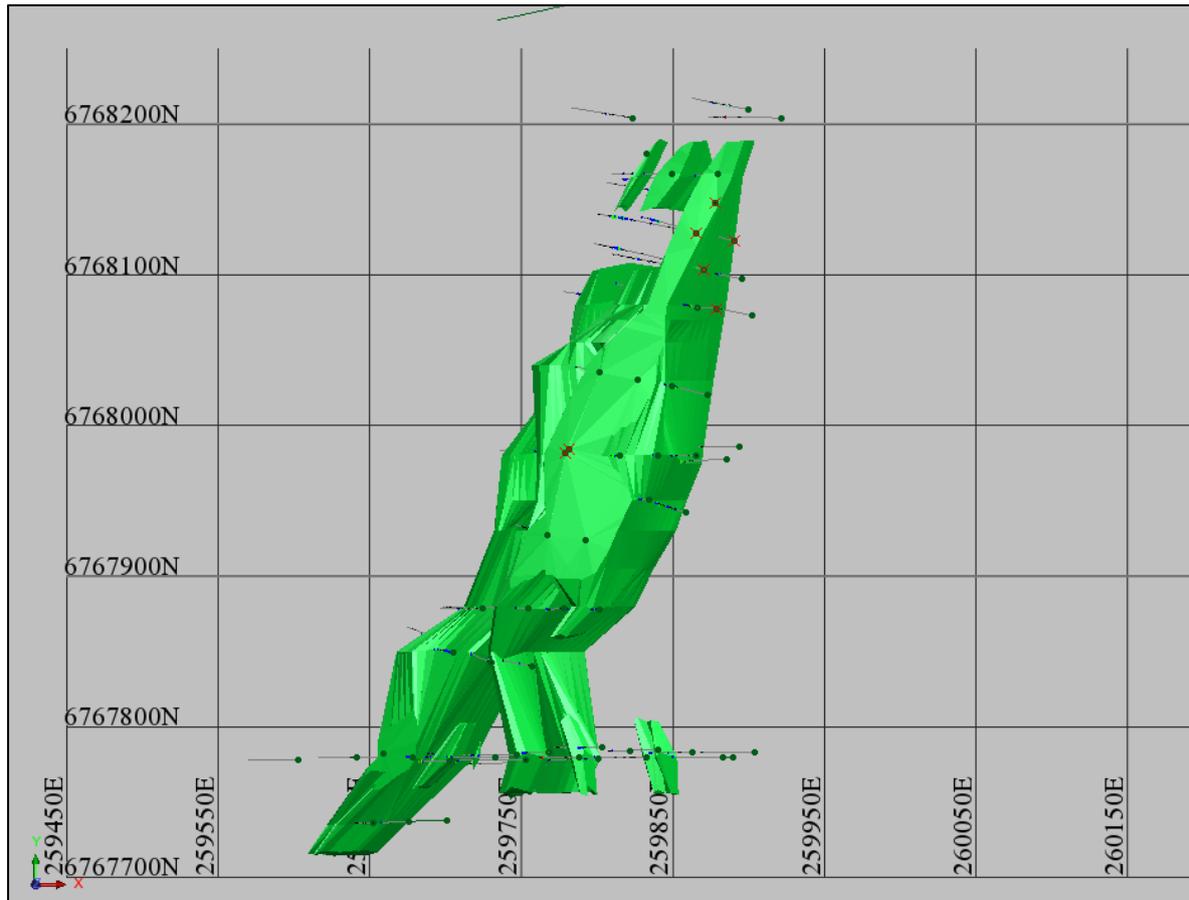


Figure 17 – Shepherd's Bush Resource wireframes and drilling (PayneGeo image using data supplied by Alt Resources)

Geology and Mineralisation (Sourced from Alt Resources, 2020D)

Gold mineralisation at Shepherds Bush appears structurally controlled striking north-east with a moderate dip to the south-east. Recent drilling has confirmed the majority of gold mineralisation at Shepherds Bush is associated with banded shale and chert beds with minor BIF. The shale and chert units in the oxide display multiphase veining and brecciation and variable amounts of carbonate and chlorite alteration with little sulphides contained in these units.

Bands of massive to semi massive sulphides have been intersected further downhole. Surface outcrop appears as an iron rich gossan and together with the chert forms the dominant topographic feature in the area. The zones of massive to semi massive sulphide mineralisation are dominantly pyrite, pyrrhotite with minor chalcopyrite and sphalerite and is hosted below at least two shale/chert horizons.

Informing Data and QAQC (Sourced from Alt Resources, 2020C; Alt Resources 2020D)

Drilling and Sampling

Recent drilling by Alt Resources was carried out as infill within broadly spaced historic holes, with the Alt Resources drilling representing the majority all resource drilling. Hole spacings are approximately 25m on

50m spaced cross sections. Although some of the infill sections have not tested the full extent of mineralisation. The deposit has been comprehensively drilled to approximately 100m vertical depth with little drilling below that depth.

A number of recent holes appear to postdate the Mineral Resource and consequently were not included in the estimate. They display strong mineralisation and should allow multiple zones in the deposit to be extended to the north (Figure 18).

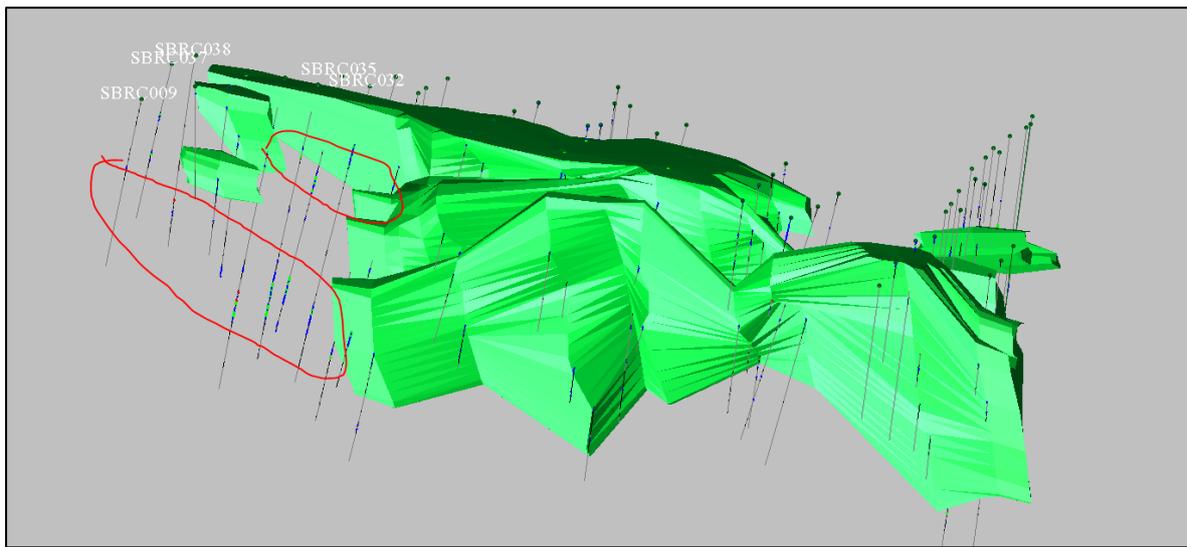


Figure 18 – Shepherd's Bush oblique view showing additional resource potential (looking NE) (PayneGeo image using data supplied by Alt Resources)

For RC drilling, holes were completed using a face sampling hammer and either a 121mm or 140mm bit size. Holes were sampled at 1m intervals from a rig mounted cone splitter. Alt Resources DD holes were NQ or HQ in diameter, sampled by cutting half core at either 1m intervals or to geological contacts.

For Alt Resources drilling, holes were surveyed by licenced contract surveyors. The topographic surface was based on a drill hole collars. Down hole surveys for each RC and DD drill hole were completed using a north seeking gyro tool.

Analysis

For Alt Resources drilling, the entire RC samples were pulverised. Assaying for gold was conducted using a 30g fire assay with AAS analysis. Silver was analysed using a four acid digest and ICP analysis. The ALS Laboratories facility in Kalgoorlie was used for all Alt Resources assaying.

QAQC

For Alt Resources drilling, a QAQC program was utilised including field duplicates, CRM and blanks. The results of the field duplicates, standards and blanks were reviewed by HGMC. HGMC concluded that the results showed an acceptable level of precision and accuracy.

Bulk Density Measurements

Density was reported to have been based on density measurements in the database, however no details were provided. Values were assigned on the basis of weathering type in Table 6. The distribution of the assigned weathering types is shown in Figure 19.

Table 6 Bulk Density Values Applied to Shepherd’s Bush Mineral Resource Estimate

Bulk Density Values for Mineral Resource estimate	
Deposit	Shepherd’s Bush
Material	Assigned Density (t/m ³)
Oxide	2.1
Transitional	2.4
Fresh	2.6

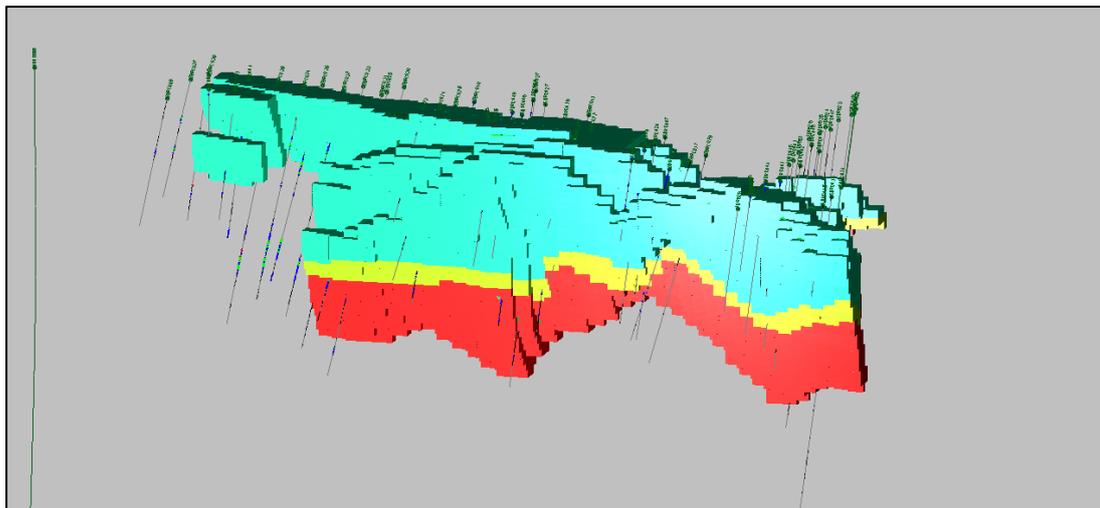


Figure 19 – Shepherd’s Bush oblique view showing weathering types (looking NE) (PayneGeo image using data supplied by Alt Resources)

Data Verification

No information was provided.

Mineral Resource Estimate

Details of the estimate were limited to information in the JORC Table 1 accompanying the ASX release of the Mineral Resource upgrade. Wireframes prepared from sectional interpretations of a 0.5g/t mineralisation boundary were used to select 2m composite data for estimation. No high grade cut was applied to the estimate although a high grade distance limit was used in the interpolation.

A block size of 5mE by 10mN by 5mRL was chosen for the block model. This is considered too small for the 25m by 50m drilling at the deposit and may lead to excessive conditional bias within the model with a

For personal use only

corresponding overestimation of the tonnage in the deposit above elevated cut-off grades. However the global estimate at a 0.5g/t Au cut-off should be reasonable.

Grade estimation was carried out using OK interpolation with the wireframes used as hard boundaries. No details of estimation parameters were provided. Model validation was carried out by HGMC by visually comparing block grades to drill hole assay grades and using swath plots to statistically compare model grades to composite grades.

Mineral Resource Classification and Reporting

The Shepherds Bush Mineral Resource was classified entirely as Inferred which appears appropriate for the wide spaced drilling of the generally consistent zones of mineralisation.

Review Comment

Prior to 2020, the Shepherds Bush Mineral Resource had not previously been reported by Alt Resources. The estimate incorporated results from recent drilling by Alt Resources. The 0.5g/t Au reporting cut-off is reasonable although potential for development appears very low due to the low grade of the deposit.

The majority of the informing data for the Mineral Resource estimate was from recent Alt Resources drilling. Review of the drilling data and resource model shows that the broad zones of low to moderate grade mineralisation is reasonably consistent through the deposit with multiple zones intersected in many of the holes.

A number of recent holes were not included in the estimate and should allow the Mineral Resource to be expanded.

Weathering codes in the model match reasonably with the logged geology and assigned density values appear reasonable.

Although estimation parameters were not provided, the estimate for the Shepherds Bush deposit appears reasonable. Block grades and defined weathering correspond well with drill hole assays and logging.

The reported Mineral Resource is a reasonable estimate of the gold mineralisation at the Shepherds Bush deposit based on current drilling density and noting the potential for expansion. The information presented in the JORC Table 1 is adequate for allowing an understanding of data quality, procedures and results of the Mineral resource estimates.

4.6. Status of Technical Studies

Alt Resources conducted an initial Scoping Study in early 2019 with the results reported to market on 29 July 2019. The Scoping Study was a preliminary technical and economic study conducted to examine the potential for future development of the Mt Ida and Bottle Creek Projects. The study was based on lower level technical and economic estimates than those required to support the estimation of Ore Reserves.

While the Scoping Study reported positive economic outcomes sufficient to encourage the Company to continue resource definition and development drilling, the study was based on Mineral Resource estimates

as 8 May 2019 and produced a high-level mining and processing schedule for a stand-alone operation. Alt Resources has subsequently released five mineral resource updates and therefore VRM is of the view that the results of the Scoping Study are now outdated.

The Company has more recently explored accessing third party facilities for processing. On 14 April 2020 Alt Resources announced the lodgement of the Tim's Find Mine Plan application to the DMIRS earlier that month. Under the proposed mining plan operations were scheduled to commence in July 2020 pending plan approval, availability of a mining fleet and access to a third-party processing plant. After the valuation date, on 15 May 2020, it was announced that milling capacity to process the Tim's Find ore could not be secured to allow the proposed July commencement. Mills in Kalgoorlie and Paddington were also noted to be in high demand through 2020 with increased costs for toll treatment.

Alt Resources subsequently announced the outcomes of updated technical and financial studies to consider a stand alone treatment plant option. The Preliminary Feasibility Study (PFS) and maiden Ore Reserves were announced on 10 July 2020 (Alt Resources, 2020b).

5. Myalla and Paupong Projects

The Myalla and Paupong tenements are located near Jindabyne in southern New South Wales (Figure 20). Alt Resources has 70% ownership of these projects.

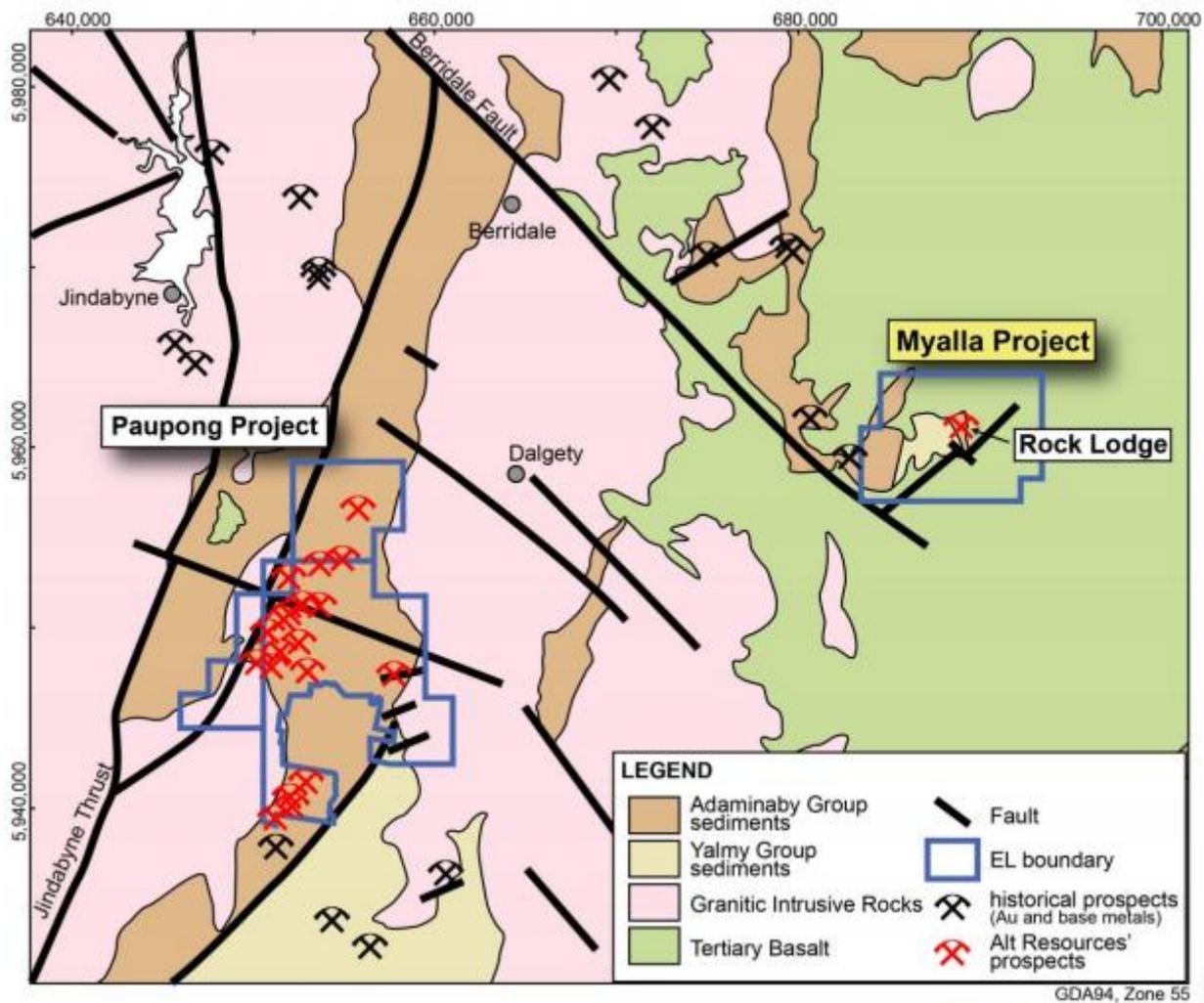


Figure 20 – Location of the polymetallic prospects and historical occurrences in the Paupong and Myalla areas (Source Alt Resources ASX release dated 23 March 2018)

The Projects are situated in the Lachlan Orogen of southern NSW, within the Siluro-Devonian Granite regional metallogenic province. Locally the geology comprises Adaminaby Group sediments including turbidites and reducing black shales of the Bendoc Group. Alt Resources is targeting a conceptual intrusion-related gold system model with parallels drawn to mesozonal porphyry systems such as those in Queensland.

At Paupong, Alt Resources defined several intrusion-related gold targets based on interpretation of airborne and ground geophysical surveys during 2016. The Company conducted induced polarisation (IP) and soils sampling surveys to define anomalous areas for further investigation at Windy Hill. A quartz breccia and quartz vein stockwork system previously identified at Telegraph Hill was reinterpreted to define an alteration

system that was subsequently drill tested. Government funded drilling grants were obtained and diamond drilling was carried out in 2017, outlining mineralogical and geochemical alteration zones associated with magnetic and IP targets.

In early 2018 the Company announced several significant drilling intercepts from RC drilling at the nearby Myalla Project. Targeting a similar conceptual model in a window of Adaminaby Group sediments within Tertiary basalts, initial drill results reported polymetallic gold, silver, copper, lead and zinc results confirming extensions of surface results beneath historical workings. Six holes were drilled and further deeper drilling was planned to follow up at the Rock Lodge prospect.

Since 2018, Alt Resources has focussed their attention on the Mt Ida and Bottle Creek Projects so that limited work has recently been undertaken in NSW. No Mineral Resources have been estimated at either project area.

6. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 7 and provides a guide as to the most applicable valuation techniques for different assets.

Table 7 VALMIN Code 2015 valuation approaches suitable for mineral Properties

Valuation Approaches suitable for mineral properties				
Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

The Mt Ida and Bottle Creek gold projects are best described as advanced exploration to pre-development stage while the Paupong and Myalla projects are at an earlier exploration stage. There are Mineral Resource estimates within both the Mt Ida and Bottle Creek projects which are reported under the JORC Code (2012), and recently Ore Reserve estimates were also reported. Development Projects are defined in VALMIN as tenure holdings for which a decision has been made to proceed with construction or production or both, but VRM understands this decision has not yet been made.

As there are some risks noted regarding the Mineral Resources which flow through to the declared Ore Reserves VRM is of the view that a market-based approach is more suitable than an income-based method. On that basis the valuation of the tenements that host Mineral Resources is based on a comparable transaction (market-based approach) with supporting valuation methods used including a yardstick approach (market-based approach). A geoscientific (Kilburn) approach and a prospectivity enhancement multiplier (PEM) were also applied to surrounding exploration tenements and the exploration projects located in NSW, these valuation methods being cost-based.

6.1. Previous Valuations

VRM is not aware of any relevant valuation reports on either the Mt Ida or Bottle Creek tenements.

6.2. Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time and this valuation is using information available as of 7 May 2020 being the valuation date of this Report and considering information up to 14 July 2020. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible

development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

6.3. General assumptions

The Mineral Assets of Alt Resources are valued using appropriate methodologies as described Table 7 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon,
- The valuations only relate to the Alt Resources Mineral Assets located within tenements controlled by the Company and not the Company itself nor its shares or market value,
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licences will remain active,
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe,
- That the owners of the mineral assets can obtain the required funding to continue exploration activities,
- The gold and silver prices assumed (where it is used / considered in the valuation) is as at 7 May 2020, being US\$1,704.05/oz and US\$14.98/oz respectively (www.kitco.com London PM Fix Price),
- The US\$ - AUS\$ exchange rate of 0.6498 (www.xe.com) resulting in an Australian dollar price of AUS\$2,622.50/oz and AUS\$23.05/oz respectively for gold and silver.
- All currency in this report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US\$.

6.4. Market Based Valuations

As the projects being valued in this Report are dominantly prospective for gold it is important to note the current market conditions and supply and demand fundamentals of the precious metal markets.

The gold price is fundamentally different to many of the other commodities as the gold price is frequently seen as a pseudo currency and is considered by many as a safe-haven investment option, especially in the current monetary policies of many of the major countries reserve banks. Global uncertainty in regard to the outbreak of COVID-19 and the resulting impact to the world economy has driven an increase in the gold price during early 2020. Figure 21 shows the gold price over the last five years.



Figure 21 - Five year gold price graph (January 2015 to May 2020). Australian Dollars
(Source: www.infomine.com)

6.5. Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (DCF) valuations (generally limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

As at the Valuation Date there were no current Ore Reserves estimated for the Mt Ida and Bottle Creek projects, although studies were underway to support the declaration. On 10 July 2020 Alt Resources released maiden Ore Reserve estimates (Alt Resources, 2020b) but VRM does not consider an income - based valuation approach is preferred as a primary valuation method at this time.

6.5.1. Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained

metal for projects with Mineral Resource or Ore Reserves estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is typically the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would generally be valued using an income approach due to the modifying factors for a mining operation being better defined. In the case of the Bottle Creek and Mt Ida Projects Alt Resources has recently undertaken studies to advance the projects and maiden Ore Reserves were announced along with the supporting PFS on 10 July 2020.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to three years in either the same geopolitical region or same geological terrain. The comparable transactions have been compiled where Mineral Resources and in some cases Ore Reserves have been estimated. Appendix A details the Resource Multiples for a series of transactions that are considered at least broadly comparable with the Mt Ida and Bottle Creek Projects.

6.5.2. Yardstick Valuation

A yardstick valuation was undertaken as a check of the comparable transactions. This yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot price. The yardstick valuation factors used in this report are in line with other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports such as Naidoo et.al. (2016). The US\$-AUS\$

exchange rate and gold price as of 7 May 2020 and documented above have been used to determine the yardstick valuation.

6.6 Exploration Asset Valuation

To generate a value of an early stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation
- Comparable transactions (purchase) based on the Properties' area
- Joint Venture terms based on the Properties' area
- A prospectivity enhancement multiplier (PEM)

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The comparable transaction multiples can also be useful but are strongly related to the projects tenement area so can be conservative for small areas and overstate large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

6.6.1 Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off

Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 8 documents the ranking criteria while the inputs and assumptions that were used to derive the base acquisition cost (BAC) for each tenement are detailed in the valuation section below.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Paupong and Myalla tenements the BAC has been determined assuming the same current tenement holding costs as would apply in WA. The BAC is derived from the Western Australian DMIRS.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 8 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

Table 8 Ranking criteria are used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria					
Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor	
0.1				Generally unfavourable geological setting	
0.5				Extensive previous exploration with poor results	Poor geological setting
0.9				Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting	
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	Favourable geological setting	
2.0	Resource targets identified	Exploration targets identified			
2.5	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production	Significant intersections – not correlated on section	Mineralised zones exposed in prospective host rocks	
3.0			Several significant ore grade intersections that can be correlated		
3.5					
4.0	Along strike from a major mine(s)	Major mine with significant historical production			
5.0	Along strike from world class mine				

The technical valuation was discounted / escalated to derive a market valuation. A market factor was derived to account for the status of the gold market which is currently elevated as shown in Figure 21. On that basis, the technical valuations are inflated by 10% for the status of the gold market conditions and there has been no discount applied for the locational risks associated with the projects.

For early stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used. Where Mineral Resources or Ore Reserves are present VRM considers that these are the primary value driver and the surrounding exploration ground is usually less material.

6.6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 7 above and in the VALMIN Code a cost - based or appraised value method is an appropriate valuation technique for early stage exploration Properties. Under this method, the previous

exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 9 below. VRM considers the PEM valuation method as a secondary valuation method and no higher PEM ranges are used once a JORC 2012 resource has been estimated. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated.

Table 9 Prospectivity Enhancement Multiplier (PEM) ranking criteria

PEM Ranking Criteria	
Range	Criteria
0.2 – 0.5	Exploration downgrade the potential
0.5 – 1	Exploration has maintained the potential
1.0 - 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

7 Alt Resources Projects Valuation

7.1 Mt Ida and Bottle Creek Project Valuation

The principal mineral assets valued as a part of this ITAR are the Mt Ida and Bottle Creek Projects. There are recently reported maiden Ore Reserve and updated Mineral Resource estimates for these Projects, as well as a package of surrounding tenements that are variably prospective and have had differing levels of previous exploration.

In VRM's opinion an income valuation approach is not considered an optimal valuation method for the Mt Ida and Bottle Creek Projects given the concerns noted above in relation to the Mineral Resource estimates. Therefore, VRM has undertaken a valuation based on several techniques, these being a comparable transaction (resource multiplier) and Yardstick method as a cross check for the reported Mineral Resource estimates. The surrounding exploration tenure in WA, as well as the earlier stage Exploration Properties in NSW have been valued considering a Kilburn or Geoscientific valuation method and a Prospectivity Enhancement Multiplier (PEM) method as described further below.

7.1.1 Comparable Transactions – Gold Resource Multiples

VRM reviewed a series of gold resource transactions in Western Australia over the past five years. Thirty-eight transactions were identified relating to Western Australian gold mineral assets that occurred in the past five years. A resource multiple was calculated for each transaction to determine the gold price paid per ounce contained gold (AUS\$/oz) and a resource multiple was also calculated as a value normalised to the transaction date considering the relative gold prices to account for market fluctuations. One transaction was anomalously high compared to the majority and this was removed from the analysis. A number of other transactions were also not considered comparable due to the assets being related to operating mines, the deals including a mill, or the transaction being terminated prior to completion. The final set of data used to derive the valuation included 28 transactions as detailed in Appendix A.

From the analysis of completed transactions, VRM determined average, median, and various percentiles of the data at the transaction date as well as normalised to the valuation date (refer Appendix A). For a recent JORC (2012) resource, the 25th, median and 75th percentile values would generally be applied to estimate a valuation range using this method. However, in analysing the 2018 and 2019 transactions the average of the comparable transactions is 30% higher than the entire dataset of comparable transactions. Based on this observation and the recently reported technical and economic studies that have been undertaken VRM elected to use higher multiples of the subset of comparable transactions with the low being the average and the upper being the 75th percentile of the transactions. The preferred valuation is the mid point of the average and the 75th percentile. These correspond to a lower multiple of \$32.02/oz, a preferred multiple of \$45.59/oz and an upper multiple of \$59.15/oz.

In VRM's opinion these multiples can be applied the Alt Resources Mt Ida and Bottle Creek Mineral Resource estimates (inclusive of Ore Reserves) as reported in Table 2, with any appropriate discounting to account for identified risks relating to the Mineral Resource estimates.

The resource review described above noted a number of risks to the Mineral Resource estimates. At Bottle Creek VRM considers that the weathering zones have been poorly defined in some areas and, in our view, the bulk density values applied to the 2020 estimate require additional supporting data for oxide and transitional mineralisation to mitigate the potential for material of overestimation of tonnage and contained gold ounces in some deposits. At Mt Ida the original Mineral Resource estimate for Boudie Rat and Forrest Belle was reported using a high grade cut of 20g/t Au, while more recent announcements have reported the uncut gold grades. These concerns result in the potential risk of overstatement of the Mineral Resource estimates which have been factored into our valuation as discussed further below.

The resource multiples detailed above and supported by the information in Appendix A have been used along with the gold Mineral Resources in Table 2 to derive the value of the gold mineralisation in the Mt Ida and Bottle Creek gold deposits (Table 10). To reflect the resource risk VRM has consider a material (10%) reduction to the Emu and Southwark resources within our comparable transaction valuation.

Table 10 Comparable transaction valuation of the Mt Ida and Bottle Creek Mineral Resources estimates

Comparable transaction valuation summary			
	Lower (Average)	Upper (75 th Percentile)	Preferred (Mid Point)
Mt Ida stated Resource (contained Au)	0.20Moz	0.20Moz	0.20Moz
Resource Multiple (\$/oz contained Au)	\$32.02	\$59.15	\$45.59
Total Mt Ida Valuation (AUS\$)	\$6.43M	\$11.88M	\$9.15M
Bottle Creek stated Resource (contained Au) ¹	0.37Moz	0.37Moz	0.37Moz
Resource Multiple (\$/oz contained Au)	\$32.02	\$59.15	\$45.59
<i>Bottle Creek Valuation (AUS\$)</i>	<i>\$11.13M</i>	<i>\$20.57M</i>	<i>\$15.85M</i>
<i>Bottle Creek Final Vendor Payment²</i>	<i>\$5M</i>	<i>\$5M</i>	<i>\$5M</i>
Total Bottle Creek Valuation (AUS\$)	\$6.13M	\$15.57M	\$10.85M
Total Resource Valuation (AUS\$)	\$12.6M	\$27.4M	\$20.0M

Notes 1 At Bottle Creek stated Resources have been reduced by 10% for Emu and Southwark to account for resource risk. 2 Bottle Creek Project – Final Vendor payments of \$5M required in 2020. Rounding has been applied to the Resource estimate and valuation.

The stated silver resources have not been separately valued as most of the comparable gold transactions in VRM's opinion would account for some silver credits as this is a common metal association and generally not material to the value. Furthermore, recently released metallurgical leach testwork (Alt Resources ASX release dated 5 May 2020), indicates that silver recovery is much lower than for gold.

VRM considers the Mineral Resource estimates, inclusive of Ore Reserves, within the Mt Ida and Bottle Creek projects to be valued, based on comparable transactions, at between \$12.6 million and \$27.4 million with a preferred valuation of \$20.0 million. This has been adjusted to account for Bottle Creek final vendor payments of \$5 million due in July and November 2020.

7.1.2 Yardstick Method

As detailed above the yardstick method can also be considered as a valuation approach, particularly as a cross check or secondary valuation technique to support the valuation generated by a comparable transaction method. This method is typically used as a secondary approach for valuation of Mineral Resources and is based on a percentage of the current metal price.

For Mineral Resources, a typical yardstick value would be between 0.5% and 5% of the current gold price, dependent on the classification as at the valuation date. For lower classification levels such as Inferred Mineral Resources this percentage is lower reflecting the higher uncertainty compared to Indicated or Measured categories. The risks relating to the resources described above have been incorporated into the Yardstick approach as footnoted below. In particular, VRM notes that the potential material overstatement of contained metal at Emu and Southwark, less at VB and Boags and 3,000oz at Boudie Rat and Forrest Belle have been applied in determining the yardstick valuation. In this approach the valuation method does not draw a comparison with any other stated resources, instead it only considers the declared resources at the current metal price.

The stated silver resources have not been separately valued as, in VRM's opinion these will not be material to the value.

VRM has applied a range of percentage values, corresponding to the classification of the Mt Ida and Bottle Creek Mineral Resources estimates, of the gold price at the valuation date in order to value the gold resources within these Projects. This valuation is summarised in Table 11. The recently announced Ore Reserve estimates have not been valued using this method as VRM has identified the above risks relating to Mineral Resources which underpin the Ore Reserves estimate.

Table 11 Yardstick valuation of the Mt Ida and Bottle Creek gold Mineral Resource estimates

Yardstick Valuation Summary of Mt Ida and Bottle Creek Gold (Au) Resources				
Classification	Yardstick Factors	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Mt Ida Measured Au Resources ¹	2.0 – 5.0%	1.0	2.5	1.7
Mt Ida Indicated Au Resources	1.0 – 2.0%	1.2	2.4	1.8
Mt Ida Inferred Au Resources	0.5 – 1.0%	1.8	3.5	2.6
Total Valuation Mt Ida Au Resources (AUS\$M)		3.9	8.3	6.1
Bottle Creek Measured Au Resources ²	2.0 – 5.0%	2.8	7.0	4.9
Bottle Creek Indicated Au Resources ²	1.0 – 2.0%	6.0	11.9	8.9
Bottle Creek Inferred Au Resources ²	0.5 – 1.0%	0.8	1.6	1.2
<i>Valuation Bottle Creek Au Resources</i>		9.5	20.5	15.0
<i>Final Vendor Payment³</i>		5.0	5.0	5.0
Final Valuation Bottle Creek Au (AUS\$M)		4.5	15.5	10.0
Total Au Valuation (AUS\$M)		8.4	23.8	16.1

Notes 1 Boudie Rat and Forrest Belle adjusted down by 3,000oz contained Au. 2 Bottle Creek contained gold reduced by 10% for Emu and Southwark and by 5% for VB and Boags. 3 Bottle Creek Project – Final Vendor payments of \$5M required in 2020. Yardstick factor based on gold price of AUS\$2622.50/oz, rounding has been applied to the Resource estimate and valuation.

Therefore, VRM considers the Mineral Resource estimates for gold within the Mt Ida and Bottle Creek Projects to be valued, based on a yardstick approach, at between \$8.4 million and \$23.8 million with a preferred valuation of \$16.1 million, which includes the adjustment of Bottle Creek for final vendor payments of \$5 million.

7.1.3 Geoscientific Valuation

There are several specific inputs that are critical in determining a valid Geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region, the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the projects. In addition to ensuring the rankings are correct deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case the BAC is derived by the exploration commitment to maintain the tenement in good standing while the costs of the tenement applications, annual tenement rents and targeting have not been included.

The Geoscientific rankings were derived for each of the Kilburn ranking criteria with the off property criteria, on property criteria, the anomaly factor and geology criteria estimated for each tenement following the ratings listed in Table 8. When these ranking criteria are combined with the base acquisition cost both of which are detailed in Appendix B this has determined the technical value as shown in Table 12. Note that tenements hosting Mineral Resource and Ore Reserve estimates being M29/150, 151 (Bottle Creek), M29/36,

421 (Mt Ida) and E29/1016 (Shepherd's Bush) are not valued using this method as Mineral Resources and Ore Reserves are more appropriately valued by other methods above.

Table 12 Technical Valuation for the Alt Resources exploration tenements

Technical Valuation Summary by Tenement				
Project	Tenement	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Paupong	EL7825	0.33	0.53	0.43
Paupong	EL8645	0.09	0.15	0.12
Myalla	EL8416	0.14	0.23	0.18
Mt Ida	E29/1007	0.01	0.02	0.02
Mt Ida	E29/1008	0.01	0.02	0.01
Mt Ida	E29/1014	0.01	0.02	0.01
Mt Ida	E29/790	0.17	0.31	0.24
Mt Ida	E29/921	0.73	1.07	0.90
Mt Ida	E29/969	0.02	0.03	0.02
Mt Ida	E29/970	0.02	0.10	0.08
Mt Ida	E29/971	0.01	0.01	0.01
Mt Ida	E29/973	0.05	0.10	0.08
Mt Ida	E29/993	0.01	0.02	0.01
Mt Ida	E29/649	0.91	1.54	1.22
Mt Ida	E29/748	0.02	0.04	0.03
Mt Ida	E29/997	0.03	0.06	0.05
Mt Ida	E29/998	0.02	0.04	0.03
Mt Ida	M29/37	0.09	0.15	0.12
Mt Ida	E29/991	0.02	0.04	0.03
Mt Ida	P29/2486	0.01	0.01	0.01
Mt Ida	P29/2521	0.02	0.04	0.03
Total Value (AUS\$M)		\$2.74	\$4.53	\$3.64

Note Appropriate rounding has been undertaken

Table 12 details the technical value of the exploration potential of the tenement while the Market Value of the project is based on a location and market discount or premium. The current gold market is considered

to represent a premium and therefore a factor of 10% was applied to the technical value to account for this. The location of the licences is considered favourable and therefore no adjustment was applied. Overall, the market valuation is detailed in Table 13.

Table 13 Market Valuation for the Alt Resources exploration tenements

Market Valuation Summary by Tenement					
Project	Tenement	Lower (\$M)	Upper (\$M)	Preferred (\$M)	
Paupong	EL7825	0.36	0.58	0.47	
Paupong	EL8645	0.10	0.17	0.14	
Myalla	EL8416	0.16	0.25	0.20	
Mt Ida	E29/1007	0.01	0.03	0.02	
Mt Ida	E29/1008	0.01	0.02	0.01	
Mt Ida	E29/1014	0.01	0.02	0.01	
Mt Ida	E29/790	0.19	0.34	0.26	
Mt Ida	E29/921	0.80	1.18	0.99	
Mt Ida	E29/969	0.02	0.04	0.03	
Mt Ida	E29/970	0.06	0.11	0.08	
Mt Ida	E29/971	0.01	0.01	0.01	
Mt Ida	E29/973	0.06	0.11	0.08	
Mt Ida	E29/993	0.01	0.02	0.01	
Mt Ida	E29/649	1.00	1.69	1.35	
Mt Ida	E29/748	0.02	0.05	0.03	
Mt Ida	E29/997	0.03	0.07	0.05	
Mt Ida	E29/998	0.02	0.05	0.03	
Mt Ida	M29/37	0.10	0.17	0.13	
Mt Ida	E29/991	0.02	0.05	0.03	
Mt Ida	P29/2486	0.01	0.01	0.01	
Mt Ida	P29/2521	0.02	0.04	0.03	
Final Value (AUS\$ million)		\$3.01	\$4.99	\$4.00	

Note Appropriate rounding has been undertaken

For the Alt Resources exploration properties including the Mt Ida regional leases, the Paupong and the Myalla Projects the fair market valuation as determined by the Geoscientific or Kilburn valuation method has resulted in a value between \$3.0 million and \$5.0 million with a preferred valuation of \$4.0 million.

7.1.4 PEM Valuation

VRM has undertaken a PEM valuation of the tenements based on the exploration expenditure provided by Alt Resources to 31 March 2020. The expenditures were provided on a tenement basis with rents and rates factored into the amounts. Project acquisitions costs were supplied but were not included in the analysis as these are considered sunk costs and not contributing to geological / prospectivity knowledge. These expenditures are summarised below.

This expenditure has been multiplied by and Prospectivity Enhancement Multiplier as detailed in Table 9 above. To generate a range in in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range in likely values of the project. The preferred valuation is the average of the upper and lower PEM valuation. Table 14 below details the expenditure, the PEM multiples and the valuations for the project.

Table 14 PEM Valuation for the Alt Resources exploration tenements

PEM Valuation by Tenement							
Project	Tenement	Expenditure (\$)	PEM Low	PEM High	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Paupong	EL7825	209,852	1.0	1.3	0.21	0.27	0.24
Paupong	EL8645	697,696	1.0	1.3	0.70	0.91	0.80
Myalla	EL8416	177,076	1.3	1.5	0.23	0.27	0.25
Mt Ida	E29/1007	18,105	1.0	1.3	0.02	0.02	0.02
Mt Ida	E29/1008	38,447	1.0	1.3	0.04	0.05	0.04
Mt Ida	E29/1014	13,418	1.0	1.3	0.01	0.02	0.02
Mt Ida	E29/790	99,178	1.0	1.3	0.10	0.13	0.11
Mt Ida	E29/921	233,840	1.5	2	0.35	0.47	0.41
Mt Ida	E29/969	55,560	1.0	1.3	0.06	0.07	0.06
Mt Ida	E29/970	42,168	1.0	1.3	0.04	0.05	0.05
Mt Ida	E29/971	18,135	1.0	1.3	0.02	0.02	0.02
Mt Ida	E29/973	27,206	1.0	1.3	0.03	0.04	0.03
Mt Ida	E29/993	19,468	1.0	1.3	0.02	0.03	0.02
Mt Ida	E29/649	109,640	2.5	3	0.27	0.33	0.30
Mt Ida	E29/748	35,251	1.0	1.3	0.04	0.05	0.04
Mt Ida	E29/997	39,448	1.0	1.3	0.04	0.05	0.05
Mt Ida	E29/998	37,275	1.0	1.3	0.04	0.05	0.04
Mt Ida	M29/37	61,191	1.0	1.3	0.06	0.08	0.07
Mt Ida	E29/991	11,317	1.0	1.3	0.01	0.01	0.01
Mt Ida	P29/2486	584	1.0	1.3	0.00	0.00	0.00
Mt Ida	P29/2521	8,328	1.0	1.3	0.01	0.01	0.01
Final Value (AUS\$ million)					\$2.29	\$2.92	\$2.61

Note Appropriate rounding has been undertaken

For the Alt Resources exploration properties including the Mt Ida regional leases, the Paupong and the Myalla Projects the fair market valuation as determined by the Geoscientific or Kilburn valuation method has resulted in a value between \$2.3 million and \$2.9 million with a preferred valuation of \$2.6 million.

8 Risks and Opportunities

As with all mineral assets there are several associated risks and opportunities and therefore also with the valuation of those assets. Some non-geological or mining related technical risks and opportunities that are common to most projects include the risks associated with security of tenure, native title claims, environmental approvals, social, geopolitical and regulatory approval risks. For Bottle Creek there is a risk that Alt Resources will not meet the required vendor payments to secure ownership of these key leases.

The Bottle Creek Mineral Resource and Ore Reserve estimates require additional data to support the applied density values, particularly for any oxidised portions of the deposits. While close spaced drilling at Emu and Southwark deposits demonstrates continuity in volume and grade of the deposits, the weathering zones require better definition and the bulk densities applied to Mineral Resource estimates should be supported by additional data. In VRM's opinion, based on the work of PayneGeo resource specialist, there is a material risk of overestimation of oxidised material tonnage and contained ounces for these deposits and a similar risk albeit of lesser impact to the contained ounces at VB and Boags. These factors could also impact on the evaluation of the deposit due to the different physical and metallurgical characteristics in weathered material resulting in possible differing mining and processing costs and gold recoveries. Alt Resources is completing additional work to mitigate these risks and VRM understands these will be incorporated into the next Mineral Resource and Ore Reserve updates.

In VRM's opinion, higher than expected bulk densities have also been applied at Tim's Find for weathered ultramafic lithologies while grade estimation, like for other deposits appears to be reasonable. For Boudie Rat and Forrest Belle Mineral Resource estimates, the risk of applying uncut gold grades should be assessed as original estimates considered a value of 20g/t Au to be appropriate. The majority of this material relates to resources that are classified as Measured. The reported Mineral Resource for Shepherds Bush appears to be reasonable and the estimate does not include some recently completed drill holes.

The Mt Ida and Bottle Creek Gold Project has declared Mineral Resources of 11.55Mt at 1.54g/t Au for 571,300oz contained gold (Alt Resources, 2020a) inclusive of recently reported Ore Reserves of 4.61Mt at 1.8g/t Au for 272,000oz contained gold (Alt Resources, 2020b). Opportunities to extend the current resource inventory are present in a number of areas, and continued exploration and drilling in prospect areas has a high probability of defining additional Mineral Resources, in particular at Shepherd's Bush and other areas such as Single Fin and Pianto's Find. Earlier stage targets such as at the TMT area south of Timoni and structural targets along from known deposits should also continue to be progressed.

As with all exploration projects, a key technical risk is that further exploration will not result in identifying a body of mineralisation sufficiently large to be considered an economic resource. While the Mt Ida and Bottle Creek areas as the region is fairly mature in terms of exploration, the past disjointed ownership means it may not have been as systematically explored as other parts of the goldfields. The exploration risk is somewhat higher for the NSW projects as the targets there are largely conceptual.

9 Preferred Valuations

Based on the valuation techniques detailed above, Table 15 provides a summary of the valuations derived by the various techniques with the preferred valuation range documented in Table 16.

The preferred valuation that VRM has determined is based on the comparable transaction approach recognising that most of the value in the lease package is attributed to the Mt Ida and Bottle Creek Mineral Resources and Ore Reserve estimates. This valuation is supported by the yardstick approach which did not separately value the Ore Reserves and took into account the classification of the Mineral Resources discounted for assessed resource risk.

The geoscientific / Kilburn method is considered to appropriately value the Mt Ida exploration licences in WA and the Paupong and Myalla Projects in NSW. A PEM valuation was also conducted on these tenements and whilst transparent, is considered by VRM a less robust valuation technique.

Table 15 Alt Resources Mineral Assets Valuation Summary by method

Valuation summary by various methods			
Valuation Technique	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Comparable Transactions (Mineral Resources inclusive of Ore Reserves)	\$12.6M	\$27.4M	\$20.0M
Yardstick (Mineral Resources)	\$8.4M	\$23.8M	\$16.1M
Kilburn / Geoscientific (Exploration properties)	\$3.0M	\$5.0M	\$4.0M
PEM (Exploration properties)	\$2.3M	\$2.9M	\$2.6M

Based on the rationale outlined in the body of this Report, VRM is of the view that the Mt Ida and Bottle Creek Mineral Resources inclusive of Ore Reserves estimates are best valued considering a comparable transaction approach, while the Exploration Projects (Mt Ida licences that do not host resources, the Paupong and Myalla tenements) are most appropriately valued applying the Geoscientific / Kilburn method. On this basis, in VRM's opinion the Mineral Asset valuation for the Alt Resources Mt Ida and Bottle Creek, Paupong and Myalla Projects portfolio is outlined in Table 16, ranges from a low valuation of \$15.6M to a high valuation of \$32.4M with a preferred valuation of \$24.0M. The \$5 million final vendor payments required to secure Bottle Creek have been removed from the project value.

Table 16 Alt Resources Mineral Assets Valuation as at 7 May 2020

Valuation summary by various methods			
Alt Resources Project Names	Lower (\$M)	Upper (\$M)	Preferred (\$M)
Mt Ida and Bottle Creek Mineral Resources inclusive of Ore Reserves	\$12.6M	\$27.4M	\$20.0M
Mt Ida regional tenements	\$2.4M	\$4.0M	\$3.2M
Paupong and Myalla tenements	\$0.6M	\$1.0M	\$0.8M
Total (AUD\$ million)	\$15.6M	\$32.4M	\$24.0M

For personal use only

10 References

The references below document the main documents referred to in this report however the various ASX releases for the various companies including Alt Resources have not been included in the reference list

- Alt Resources, 2020a. Mt Ida and Bottle Creek Resource Upgrade Brings Total Resource To 571,300oz Au and 4.38Moz Ag. Alt Resources Limited ASX Release dated 3 April 2020.
- Alt Resources, 2020b. Pre-Feasibility Study and Maiden Ore Reserves Mt Ida and Bottle Creek Gold Project. Alt Resources Limited ASX Release dated 10 July 2020.
- Alt Resources, 2020c. Mt Ida and Bottle Creek Resource Upgrade Adds 113,000oz Au Brings Total Resource To 519,000oz Au and 3.8Moz Ag. Alt Resources Limited ASX Release dated 10 February 2020.
- Alt Resources, 2020d. Shepherds Bush Intercepts Multiple Broad Zones Including 104 metres at 1.0g/t. Alt Resources Limited ASX Release dated 16 January 2020.
- Alt Resources, 2019a. Bottle Creek Resource Upgrade Brings Total Mt Ida Resource to 406,000 ounces gold and 3.8M ounces Silver. Alt Resources Limited ASX Release dated 13 March 2019.
- Alt Resources, 2019b. Mt Ida Scoping Study Confirms Potential for Robust Low Cost Open Pit Gold Project with Multi Year Mine Life. Alt Resources Limited ASX Release dated 29 July 2019.
- Cassidy KF, Champion DC, Krapez B., Barley ME, Brown SJA, Blewett RS, Groenewald PB and Tyler IM, 2006. A revised geological framework for the Yilgarn Craton, Western Australia. Western Australia Geological Survey Record 2006/8, 8 pages.
- CoxRocks, 2013. Resource Estimation Report Quinn/Mt Ida Gold Projects. CoxRocks Pty Ltd Technical Report to Wild Acre Metals Limited Dated February 2013. (note – this report was an Appendix included in Minecomp, 2019)
- HGMC, 2019a. Bottle Creek – Emu Deposit Mineral Resource Estimate. HGMC Technical Report to Alt Resources Limited Dated 20 April 2019.
- HGMC, 2019b. Data and Mineral Resource Modelling and Estimation for Tim’s Find Gold Deposit. HGMC Technical Report to Alt Resources Limited Dated 6 June 2019.
- HGMC, 2019c. Deposits WA Memorandum to Alt Resources Limited Dated 6 June 2019.
- JORC, 2012. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Available from: <http://www.jorc.org>
- Minecomp, 2019. Forrest Belle Scoping Level Optimisation Analysis. Technical Report by Minecomp Pty Ltd to Alt Resources Limited Dated 10 July 2019.
- Painter MGM, Groenewald PB and McCabe M, 2003. East Yilgarn Geoscience Database, 1:100 000 geology of the Leonora-Laverton region, Eastern Goldfields Granite-Greenstone Terrane – an explanatory note. Western Australia Geological Survey Report 84, 45 pages.
- Shaw, J, 1989. Norgold Bottle Creek Gold Mine Post Mining Assessment, Volume 3 of 6. Review of Mining.
- VALMIN, 2015. Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code). Available from <http://valmin.org/>

11 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral www.webmineral.com, Wikipedia www.wikipedia.org,

The following terms are taken from the 2015 VALMIN Code

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their off-shore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the Australian Corporations Act 2001 (Cth).

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the Corporations Act.

Independent Expert Report means a Public Report as may be required by the Corporations Act, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing

buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as either:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified;

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category;

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken;

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study;

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resources is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging etc).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Ore Reserves is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resource and **Petroleum Reserve** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to <http://www.spe.org> for further information.

Practitioner is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

- (a) admits members primarily on the basis of their academic qualifications and professional experience;
- (b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and
- (c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build good will.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or Royalty Interest means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the Corporations Act.

Securities Expert are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the Corporations Act, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialist are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report **must** not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

For personal use only

Appendix A - Comparable Gold transactions

Comparative Gold Transactions - Resource Multiples

Project	Transaction date	Gold price at transaction date (USD)	Exchange rate	Gold price at transaction date (AUS\$)	Vendor	Purchaser	Consideration (100% basis AUS\$ M)	Equity acquired	Resource (MT)	Grade (g/t Au)	Total contained metal (Oz Au)	Resource Multiple at transaction date (AUS\$/oz)	Resource Multiple normalised to valuation date (AUS\$/oz)
Great Western	3/04/2020	1613.10	1.666	2687	Terrain Minerals Ltd	Red 5 Ltd	2.5	100%	0.7	2.7	0.062	40.32	40.68
Cables and Mission	2/12/2019	1461.15	1.466	2142	Leopard Resources NL	Red 5 Ltd	2.0	100%			0.185	10.81	13.68
Mayday North	9/09/2019	1509.20	1.455	2195	Strategic Projects Mining Ltd	Bardoc Gold Ltd	1.38	100%	2.13	1.64	0.11	12.32	15.21
Menzies, Goongarrie	9/07/2019	1391.55	1.444	2009	Horizon Minerals Ltd	Kingwest Resources Ltd	8.00	100%	2.42	2.20	0.17	46.75	63.09
Deep South, Yundamindera	18/04/2019	1275.70	1.399	1785	Hawthorn Resources Ltd	Saracen Minerals Ltd	13.50	100%	4.06	1.58	0.21	67.46	102.48
Penny's Find	4/03/2019	1285.40	1.412	1815	Empire Resources Ltd	Orminex Ltd	0.60	100%	0.25	7.05	0.06	10.68	15.95
Zelica	14/11/2018	1203.25	1.386	1667	Anova Metals Ltd	Matsa Resources Ltd	0.15	100%	0.57	1.62	0.03	5.00	8.13
Polar Bear	1/02/2018	1341.35	1.246	1671	S2 Resources Ltd	Westgold Resources Ltd	9.10	100%	4.22	2.00	0.26	34.09	55.31
Eureka	4/12/2017	1273.45	1.316	1676	Central Iron Ore Ltd	Tyranna Resources Ltd	3.05	100%	0.45	4.40	0.06	47.88	77.44
Western Tanami	3/10/2017	1271.25	1.278	1624	Tanami Gold NL	Northern Star Ltd	4.00	100%	1.71	5.09	0.28	14.32	23.90
Red October	26/09/2017	1300.05	1.269	1650	Saracen Mineral Holdings Ltd	Matsa Resources Ltd	2.00	100%	0.45	6.9	0.10	20.20	33.19
King of the Hills	3/08/2017	1268.10	1.259	1596	Saracen Minerals Ltd	Red 5 Ltd	16.00	100%	2.71	4.63	0.40	39.68	67.39
Moyagee	31/07/2017	1267.55	1.252	1587	Silver Lake Resources	Musgrave Minerals Ltd	7.50	20%	3.55	3.09	0.35	21.29	36.36

Comparative Gold Transactions - Resource Multiples

Cue (Stage 2)	18/07/2017	1240.75	1.262	1566	Silver Lake Resources	Musgrave Minerals Ltd	7.50	20%	3.55	3.09	0.35	21.27	36.82
Cue (Stage 1)	08/02/2017	1242.10	1.308	1637	Silver Lake Resources	Musgrave Minerals Ltd	9.0	20%			0.21	42.06	67.90
K2 Mine	17/01/2017	1216.05	1.326	1613	Vango Mining Ltd	Dampier Gold Ltd	6.00	50%	4.63	2.98	0.44	13.50	22.69
Dalgaranga	22/12/2016	1131.35	1.386	1568	Private Investor	Gascoyne Resources Ltd	45.0	20%	25.50	1.36	1.12	40.18	67.19
Trojan	6/12/2016	1172.50	1.341	1573	Westgold Resources Ltd	Overland Resources Ltd	0.95	100%	2.79	1.61	0.14	6.57	11.32
Klondyke	12/09/2016	1324.60	1.329	1760	Arcadia Minerals Ltd	Keras Resources Plc	2.52	100%	5.60	2.08	0.37	6.73	10.37
Lake Carey	27/07/2016	1329.00	1.340	1781	Fortitude Gold	Matsa Resources Ltd	1.75	100%	6.29	1.90	0.38	4.56	6.94
Murrin Murrin	14/07/2016	1323.60	1.310	1734	Zeta Resources Ltd	GME Resources Ltd	3.00	50%	0.55	3.12	0.05	54.67	85.47
Quinns and Mt Ida	6/07/2016	1366.25	1.332	1820	MGK Resources Ltd	Latitude Consolidated Ltd	0.64	100%	1.23	2.46	0.10	6.60	9.83
Plutonic	13/05/2016	1265.90	1.375	1740	Dampier Gold Ltd	Vango Mining Ltd	5.50	40%	8.28	3.20	0.85	6.47	10.08
Gnaweeda	11/04/2016	1254.75	1.317	1652	Chalice Gold Mines Ltd	Doray Minerals Ltd	2.99	12%	4.60	1.80	0.27	11.24	18.45
Mt Holland	4/03/2016	1277.50	1.347	1720	Convergent Minerals Ltd	Kidman Resources Ltd	3.50	100%	15.33	1.65	0.81	4.30	6.78
Quinns and Mt Ida	2/03/2016	1239.20	1.376	1705	Wild Acre Metals Ltd	MGK Resources Ltd	0.15	100%	1.23	2.46	0.10	1.55	2.46
Millrose	1/02/2016	1126.50	1.412	1591	Riedel Resources Ltd	Bowlane Nominees Ltd	0.95	100%	4.00	2.40	0.31	3.08	5.25
Twin Hills	26/12/2015	1070.10	1.378	1475	Golden Deeps Ltd	Melrose Resources Ltd	0.05	100%	0.02	20.86	0.01	4.25	7.81

The resource multiples have been normalised to the Gold Price price of A\$2622.50 per ounce as at the valuation date based on the exchange rate of 0.6498 and the Gold Ore price of US\$1,704.05 per ounce (Source kitco.com). The historical London fix price was used for transaction normalisation. Transactions analysis resulted in the following statistics: Average \$32.02, Median \$19.90, 25th Percentile \$9.57 and 75th Percentile \$59.15.

Appendix B - Geoscientific Valuation

Project	Tenement	Comittment	%*	Off Property		On Property		Anomaly Factor		Geology Factor		Technical Valuation			Market Valuation		
				Low	High	Low	High	Low	High	Low	High	Lower	Upper	Preferred	Lower	Upper	Preferred
Paupong	EL7825	70,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.33	0.53	0.43	0.36	0.58	0.47
Paupong	EL8645	20,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.09	0.15	0.12	0.10	0.17	0.14
Myalla	EL8416	30,000	70%	1.5	1.7	1.5	1.7	1.5	1.7	2.0	2.2	0.14	0.23	0.18	0.16	0.25	0.20
Mt Ida	E29/1007	15,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.02	0.01	0.03	0.02
Mt Ida	E29/1008	10,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/1014	15,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/790	50,000	100%	1.0	1.5	1.0	1.5	1.0	1.5	0.5	0.9	0.17	0.31	0.24	0.19	0.34	0.26
Mt Ida	E29/921	56,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.73	1.07	0.90	0.80	1.18	0.99
Mt Ida	E29/969	20,000	80%	3.0	3.2	1.8	2.0	1.5	1.7	2.0	2.2	0.02	0.03	0.02	0.02	0.04	0.03
Mt Ida	E29/970	20,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.10	0.08	0.06	0.11	0.08
Mt Ida	E29/971	10,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.01	0.01	0.01	0.01	0.01	0.01
Mt Ida	E29/973	20,000	80%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.05	0.10	0.08	0.06	0.11	0.08
Mt Ida	E29/993	10,000	80%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.01	0.02	0.01	0.01	0.02	0.01
Mt Ida	E29/649	70,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.91	1.54	1.22	1.00	1.69	1.35
Mt Ida	E29/748	20,000	100%	1.8	2.0	2.0	2.5	1.8	2.0	2.0	2.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	E29/997	30,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.03	0.06	0.05	0.03	0.07	0.05
Mt Ida	E29/998	20,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	M29/37	24,300	100%	1.8	2.0	2.0	2.2	1.0	1.2	1.0	1.2	0.09	0.15	0.12	0.10	0.17	0.13
Mt Ida	E29/991	20,000	100%	1.0	1.2	1.0	1.2	1.0	1.2	1.0	1.2	0.02	0.04	0.03	0.02	0.05	0.03
Mt Ida	P29/2486	7,400	100%	1.0	1.2	1.0	1.2	1.0	1.2	0.7	0.9	0.01	0.01	0.01	0.01	0.01	0.01
Mt Ida	P29/2521	6,560	100%	1.8	2.0	1.8	2.0	1.5	1.7	0.7	0.9	0.02	0.04	0.03	0.02	0.04	0.03
TOTAL												\$2.74	\$4.53	\$3.64	\$3.01	\$4.99	\$4.00

Tenements hosting Mineral Resource estimates being M29/150, 151 (Bottle Creek), M29/36, 421 (Mt Ida) and E29/1016 (Shepherd's Bush) are not valued using this method. For the Paupong and Myalla tenements the Base Acquisition Cost has been determined assuming the same current tenement holding costs / commitment as would apply in WA derived from the DMIRS. The current gold market is considered to represent a premium and therefore a factor of 10% was applied to the technical value to estimate the market value.