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Condensed Consolidated Interim Financial Report

For the Half-Year Ended
31 December 2022



ACN 159 819 173

This condensed interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2022 and any public announcements made by Alto Metals Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

ALTO METALS LIMITED

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CORPORATE DIRECTORY

Directors

Mark Connelly	Independent Non-Executive Chairman
Matthew Bowles	Managing Director & CEO
Richard Monti	Non-Executive Director

Company Secretary

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Australian Securities Exchange

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Your Directors present their report together with the condensed consolidated interim financial report of Alto Metals Limited (“Alto” or the “Company”) and the entities it controlled (together “the Group”) for the half-year ended 31 December 2022 and the auditor’s review report thereon.

Directors

The names of the Directors who held office during or since the end of the half-year are:

Mark Connelly (appointed 17 October 2022)
Richard Monti
Matthew Bowles
Dr Jingbin Wang (retired 30 November 2022)
Terry Wheeler (retired 30 November 2022)

Directors were in office for this entire half-year unless otherwise stated.

Review of Results

A summary of consolidated revenues and results for the half-year is set out below:

	2022		2021	
	Other Income \$	Loss for the half-year \$	Other Income \$	Loss for the half-year \$
Group other income and loss	13,760	(1,011,866)	126,600	(1,158,942)

The Group recorded a total operating loss after income tax for the half-year ended 31 December 2022 of \$1,011,866 (31 December 2021 operating loss of \$1,158,942).

The Group’s cash position at the end of the half-year was \$4,425,492 (30 June 2022: \$3,256,340).

Review of Operations

About Alto Metals and the Sandstone Gold Project

Alto Metals Limited is a Western Australian based company focused on the exploration and development of its 100% owned Sandstone Gold Project, located in the East Murchison Mineral Field of Western Australia. The Sandstone Gold Project comprises over 740km² of granted tenure and covers the vast majority of the Archaean Sandstone Greenstone Belt (Figure 1).

Since acquiring the Project, Alto has compiled and reviewed a large legacy database ahead of a series of focused exploration drilling campaigns which have defined a JORC (2012) Mineral Resources of 635,000 ounces gold and numerous drill ready targets using a systematic approach.

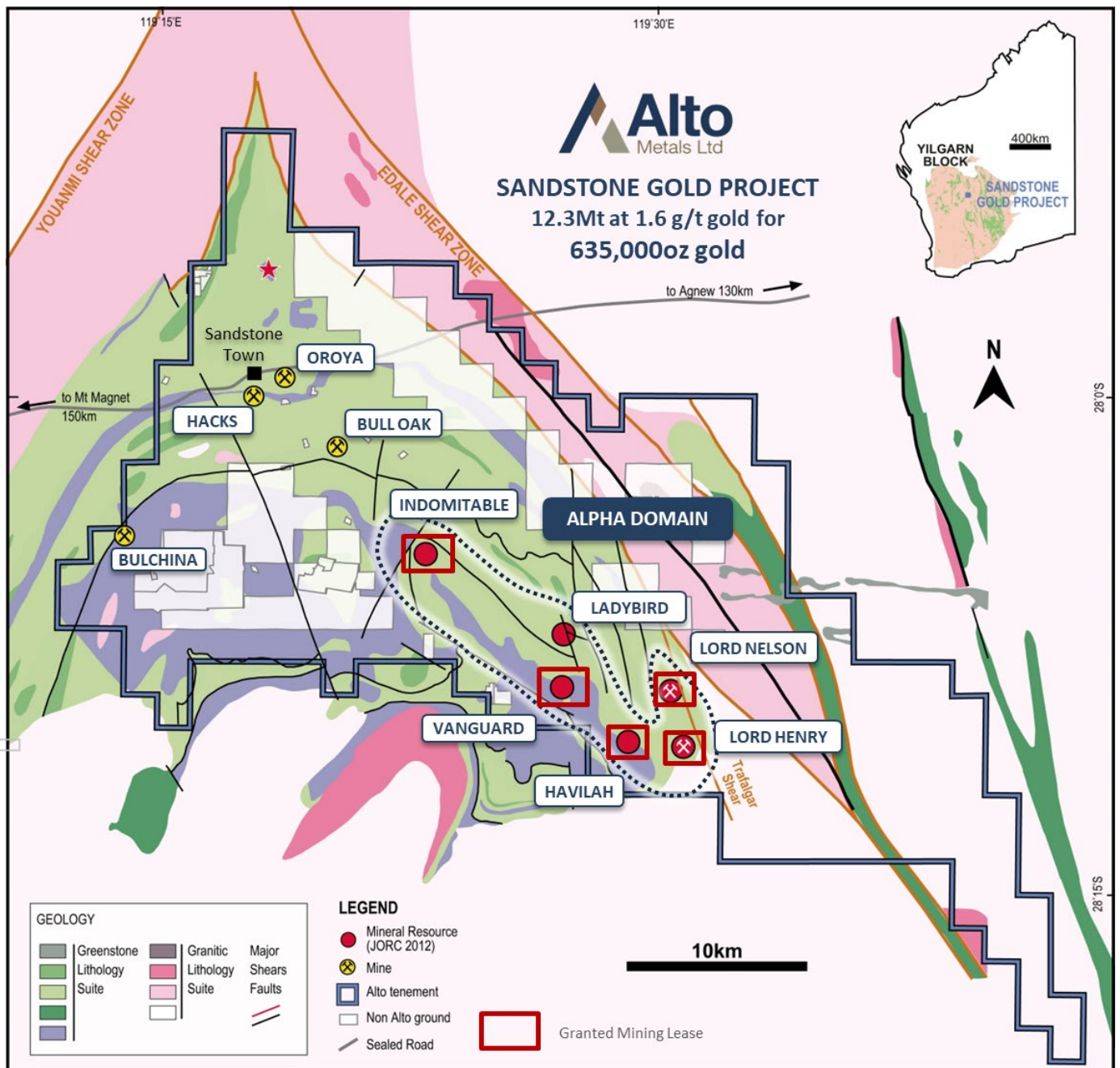


Figure 1. Location of Sandstone Gold Project within the East Murchison Gold Field, WA

Exploration Strategy

Multiple regional targets across the entire Sandstone Gold Project| A systematic approach

Alto's immediate exploration strategy remains focused on discoveries and resource growth within the Alpha Domain which hosts the Lords Camp, Vanguard Camp and Indomitable Camp. Based on the success of the systematic approach to exploration to date, Alto has commenced a review of the multiple other early greenfield and advanced brownfield targets within the +740km² Sandstone Gold Project, as part of the Company's longer term strategy to continue to advance the overall project pipeline to support a stand-alone operation.

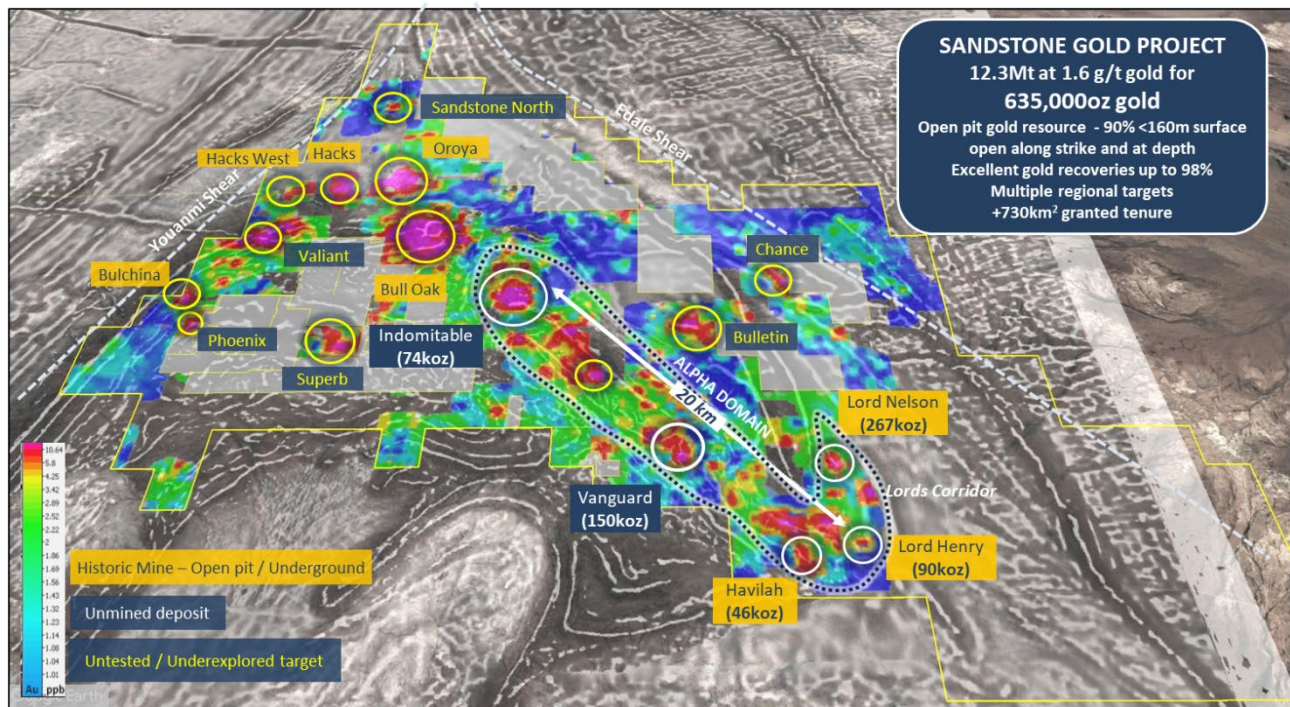


Figure 2: Regional prospect map showing gold-in-soils over 1VD Magnetics highlighting the +20km long gold corridor within the Alpha Domain and multiple brown and greenfield regional prospects within the Sandstone Gold Project..

Summary of Exploration Activity

During the half-year, the Company completed ~24,000 metres of drilling at the Indomitable Camp and other regional prospects. and continued to receive a significant number of assays from infill, extensional and step-out drilling from the Indomitable Camp.

As part of the Company's ongoing regional evaluation of the multiple advanced prospects within the Company's 100% owned Sandstone Gold Project, a targeting review of both the historic high-grade Hacks and Oroya gold mines and near mine area was undertaken **which identified a number of priority targets.**

Following the review, the Company completed a first pass ~2,000m RC drilling program at the Oroya Mine to test potential high-grade extensions of the Sandstone Reef, below the shallow-mined Oroya open pit and along strike and down dip of the underground workings of the main reef. Assay results were received and reported in February 2023.

Exploration Results - Indomitable

The Indomitable Camp, which is currently defined over a 2km strike length and is hosted within the +20km NW/SE Indomitable/Vanguard/Havilah Trend that forms part of the priority 'Alpha Domain' target area, a +20km long gold corridor (see Figure 1). Mineralisation is hosted within a package of mafic-ultramafic rocks, cross cut by interpreted major structures.

Resource and extensional drilling at Indomitable Camp continued to deliver **near-surface high-grade gold** mineralisation beyond the current resource during the period, including a stand-out **25m @ 7.5 g/t gold** from 41m, incl. **6m @ 22.3 g/t gold** from 56m (SRC853).

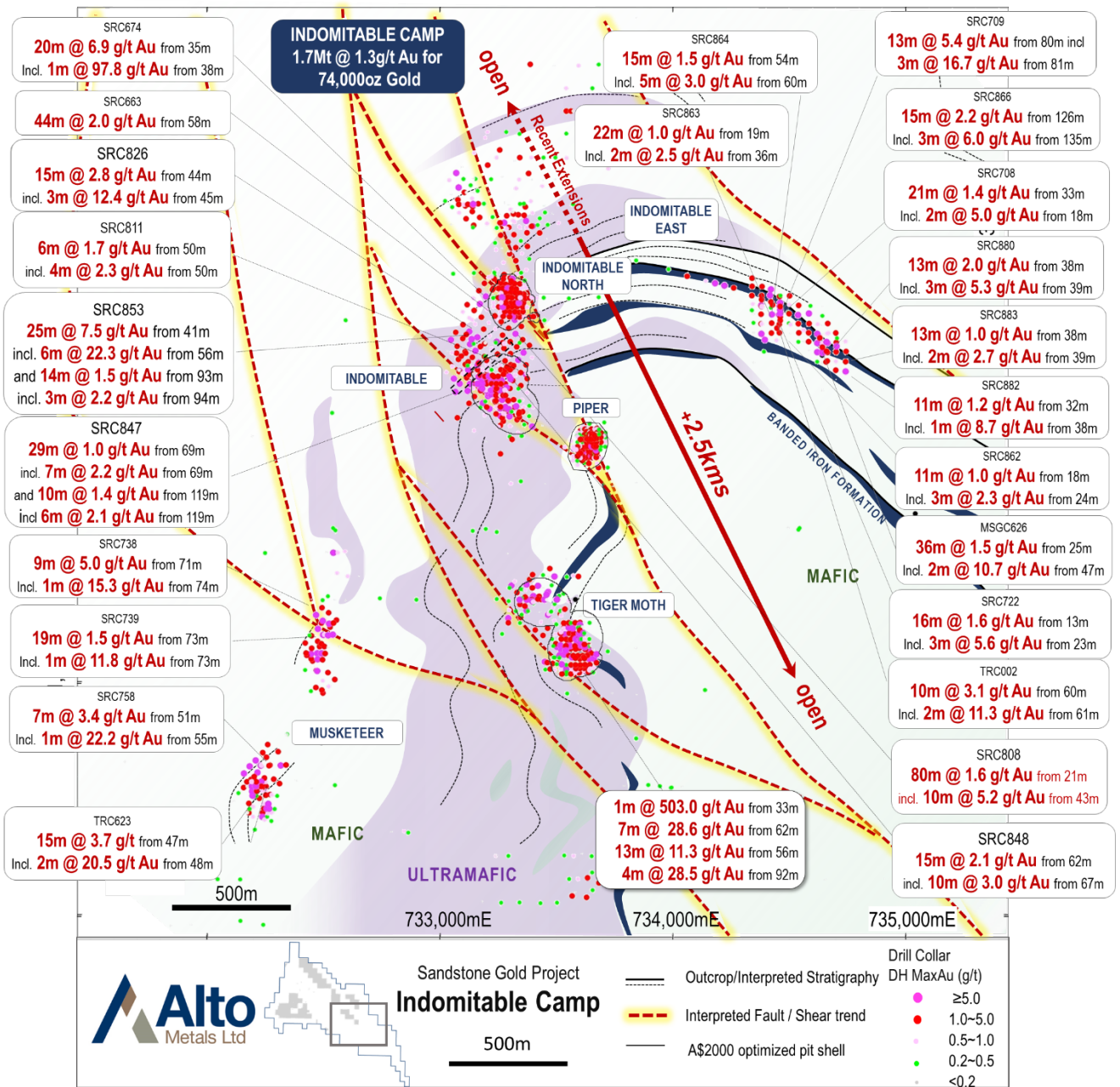


Figure 3: Plan view of Indomitable Camp showing recent RC drill results– Simplified geological interpretation.

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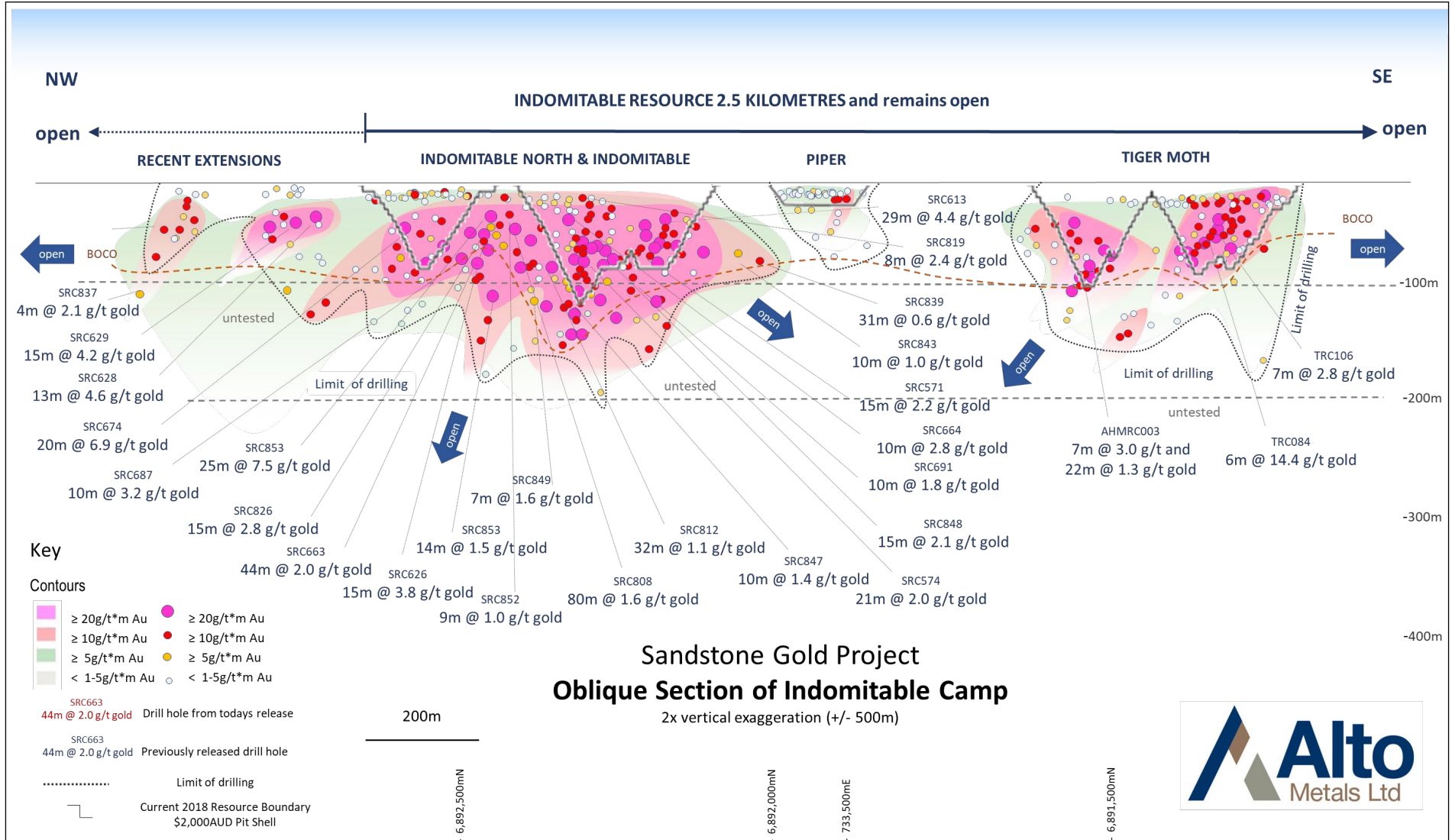


Figure 4: Oblique section of Indomitable Camp showing g/t*m drill results

Additional significant gold results outside the resource at Indomitable and Indomitable North included:

- **80m @ 1.6 g/t gold** from 21m, incl. **10m @ 5.2 g/t gold** from 43m (SRC808)
- **18m @ 0.7 g/t gold** from 8m; and
- **32m @ 1.1 g/t gold** from 79m, incl. **6m @ 2.1 g/t gold** from 87m (SRC812)
- **18m @ 1.1 g/t gold** from 47m, incl. **3m @ 2.3 g/t gold** from 51m, and
- **5m @ 3.0 g/t gold** from 129m, incl. **1m @ 9.7 g/t gold** from 129m (SRC803)
- **12m @ 1.0 g/t gold** from 128m, incl. **2m @ 2.0 g/t gold** from 138m (SRC786)
- **15m @ 2.8 g/t gold** from 44m, incl. **3m @ 12.4 g/t gold** from 45m (SRC826)
- **15m @ 2.1 g/t gold** from 62m, incl. **10m @ 3.0 g/t gold** from 67m (SRC848)
- **8m @ 2.4 g/t gold** from 10m (SRC819)
- **9m @ 1.3 g/t gold** from 54m, incl. **5m @ 2.1 g/t gold** from 54m and
- **7m @ 1.6 g/t gold** from 120m incl. **1m @ 5.9 g/t gold** from 122m (SRC849)

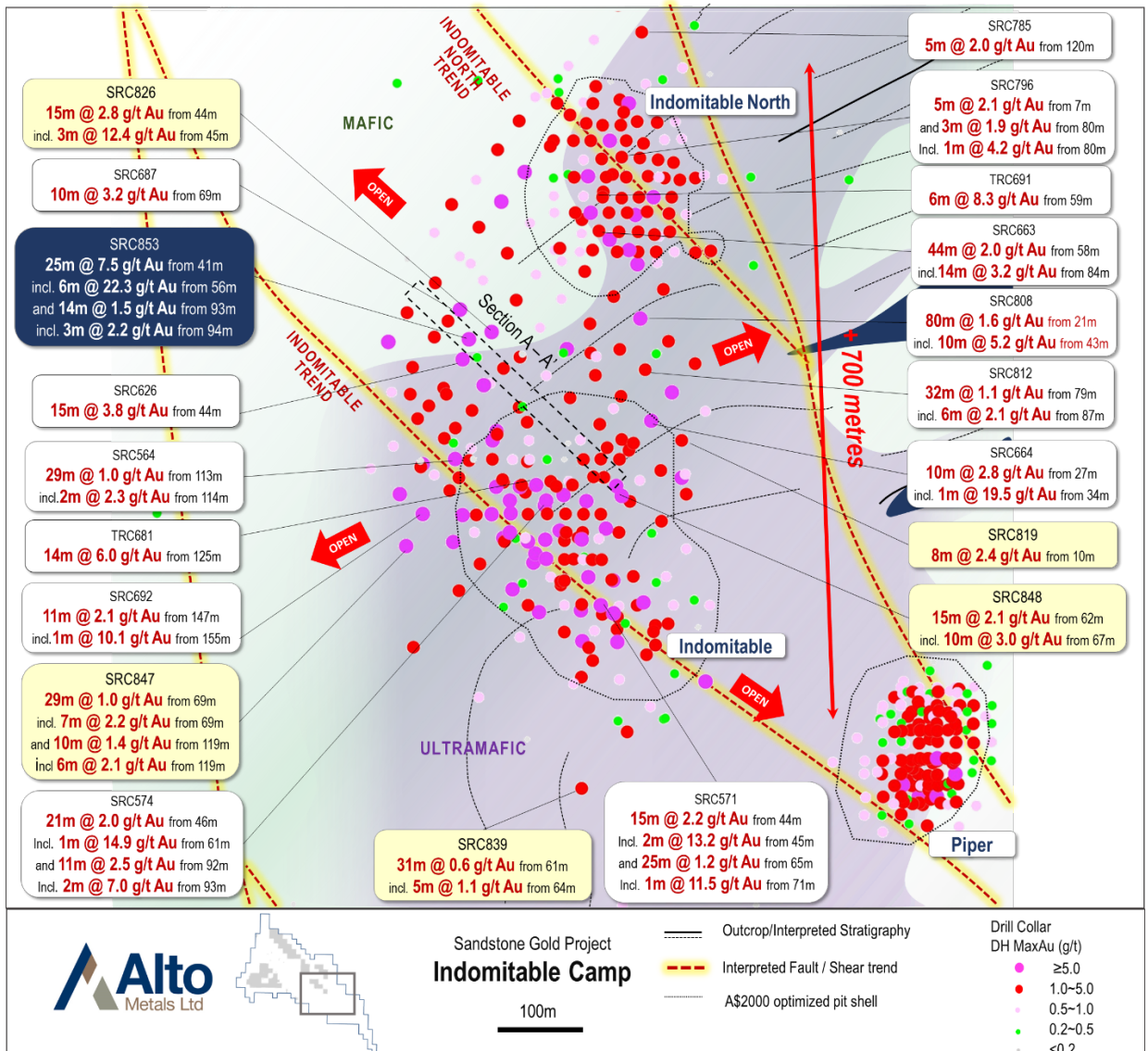


Figure 5: Plan view of Indomitable Camp showing recent RC drill results– Simplified geological interpretation.

Significant RC results from resource and extensional drilling at the Indomitable East prospect include (see Figure 6):

- 15m @ 2.2 g/t gold from 126m, including 3m @ 6.0 g/t gold from 135m (SRC866)
- 13m @ 2.0 g/t gold from 38m, including 3m @ 5.3 g/t gold from 39m (SRC880)
- 15m @ 1.5 g/t gold from 54m, including 5m @ 3.0 g/t gold from 60m (SRC864)
- 22m @ 1.0 g/t gold from 19m, including 2m @ 2.5 g/t gold from 36m (SRC863)
- 8m @ 2.0 g/t gold from 162m, including 1m @ 7.7g/t gold from 166m (SRC867)
- 13m @ 1.0 g/t gold from 38m, including 2m @ 2.7 g/t gold from 39m (SRC883)
- 11m @ 1.2 g/t gold from 32m, including 1m @ 8.7 g/t gold from 38m (SRC882)
- 11m @ 1.0 g/t gold from 18m, including 3m @ 2.3 g/t gold from 24m (SRC862)
- 1m @ 17.3 g/t gold from 116m (SRC888)

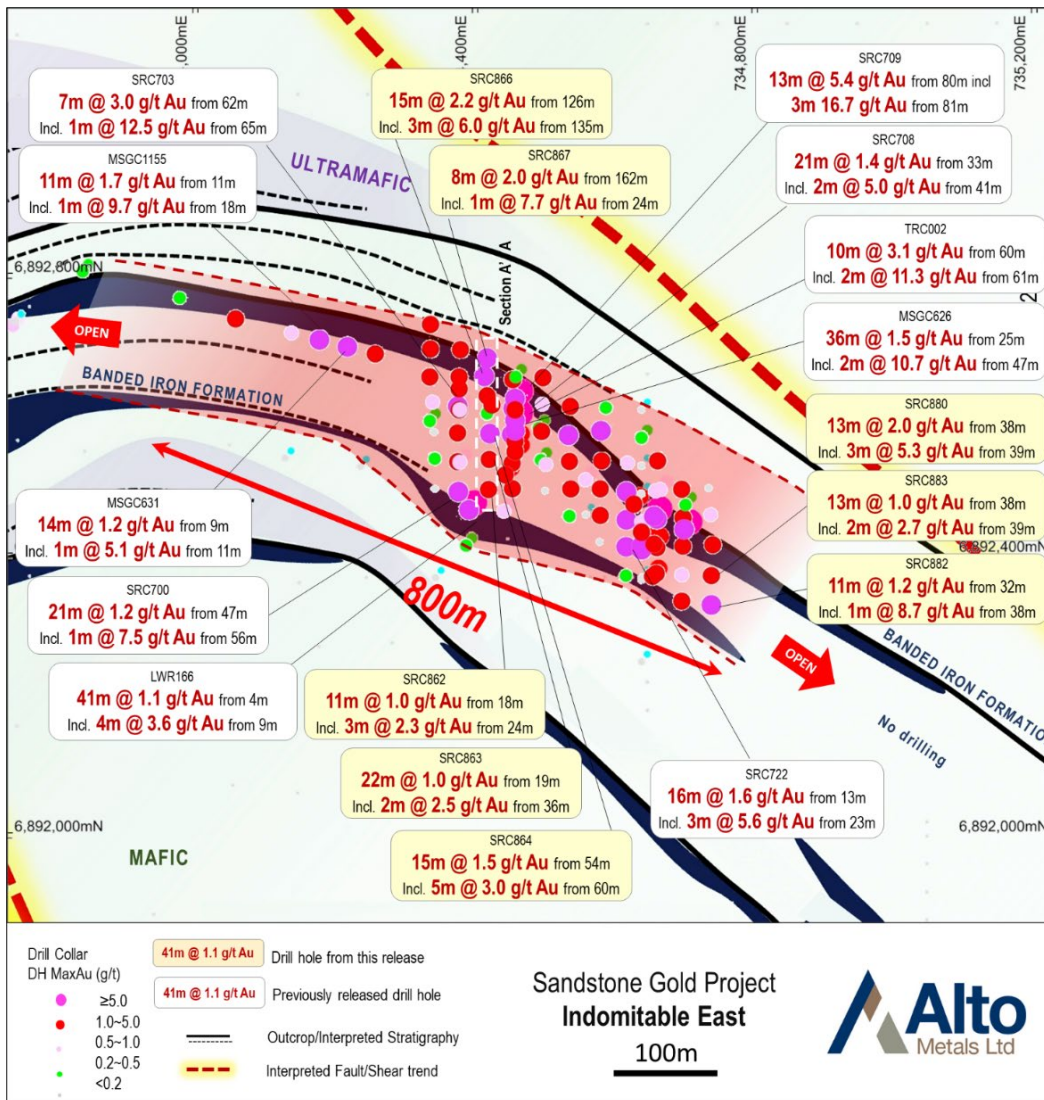


Figure 6: Plan view of Indomitable East showing recent RC drill results (shown in yellow)-Simplified geological interpretation

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Significant RC results from resource and extensional drilling at the Musketeer Prospect include (see Figure 7):

- **9m @ 5.0 g/t gold** from 71m, incl. **1m @ 15.3 g/t gold** from 74m (SRC738)
- **19m @ 1.5 g/t gold** from 73m, incl. **1m @ 11.8 g/t gold** from 73m (SRC739)
- **7m @ 3.4 g/t gold** from 51m, incl. **1m @ 22.2 g/t gold** from 55m (SRC758)
- **5m @ 5.1 g/t gold** from 80m, incl. **2m @ 10.8 g/t gold** from 80m (SRC736)
- **6m @ 2.9 g/t gold** from 86m, incl. **1m @ 9.8 g/t gold** from 87m (SRC748)
- **3m @ 3.3 g/t gold** from 60m, incl. **1m @ 9.4 g/t gold** from 61m (SRC747)
- **7m @ 1.5 g/t gold** from 84m, incl. **1m @ 5.2 g/t gold** from 89m (SRC751)
- **9m @ 1.2 g/t gold** from 159m, incl. **4m @ 2.3 g/t gold** from 161m (SRC742)
- **11m @ 1.0 g/t gold** from 38m, incl. **3m @ 2.0 g/t gold** from 38m (SRC737)
- **18m @ 1.0 g/t gold** from 50m, incl. **4m @ 2.2 g/t gold** from 50m (SRC728)

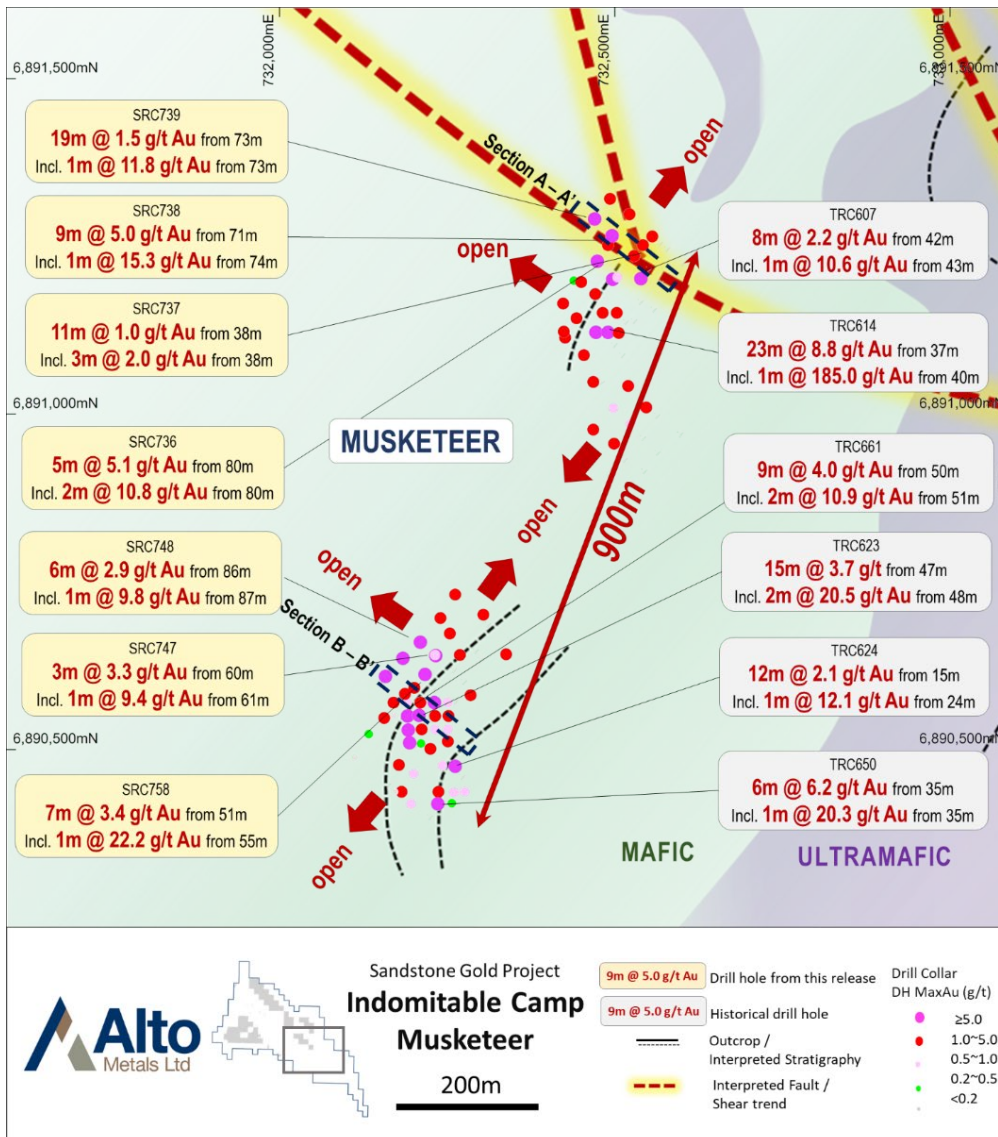


Figure 7: Plan view of Musketeer showing recent RC drill results (shown in yellow) and historical RC drill results (shown in grey) over a simplified geological interpretation

Mineralisation at Indomitable Camp is shallow, currently defined over a strike of over +2.5km, remains open and is hosted within a +20km long gold corridor.

Review of historic Oroya & Hacks mines

The Oroya and Hacks mines were major gold producers, together accounting for almost 40% of the total gold production from the Sandstone Greenstone Belt. Despite the historical production and numerous old workings over the areas, there has been limited modern exploration undertaken over these prospects. The lack of recent exploration and numerous historic high-grade drill results provides an exciting opportunity for Alto to re-explore these 'long forgotten mines' and fits with the Company's strategy of continuing to focus on growing its existing resource base within the Alpha Domain, while progressing regional prospects.

A review of the historic Oroya and Hacks mines **identified multiple near-mine high-grade gold targets including (see Figure 8);**

- Potential extension of the Oroya Sandstone reef along NW strike, beyond the north end of the pit, which has not been adequately tested, along with the down-dip extensions of the shallow west dipping Main reef.
- Testing the high-grade tenor of remnant mineralisation at Oroya and the unmined Juno Reef which have the potential to add additional shallow resources in the near term.
- Historical results north of Hacks may represent the offset to the main Hacks high-grade reef on the north-western side of the cross-course.
- Hacks West, a +16km² target area is considered highly prospective for additional 'repeat' high-grade gold reefs, which may link to the regional Youanmi shear corridor.

Oroya Black Range Mine

The Oroya Mine produced **220,000oz at 16.5g/t gold** from underground mining between 1904-1920 and a further **~25,000oz at 2.3g/t gold** from open pit mining from 1994-1995.

Key points related to the outcome of the Oroya initial review:

- It is the Company's view that there is significant potential to extend the known mineralisation along strike further to the North and North-West
- The Oroya open pit was last mined by Herald from 1994-1995, when the gold price was ~US\$384/oz, significant mineralisation remains both immediately below the shallow open pit (mined to 60m depth) and west of the pit and the unmined Juno Lode.
- The Company considers it likely that there is considerable potential to define additional shallow resources at Oroya based on the remnant high-grade mineralisation, which remains open, and based on the current gold price.

Historical results highlight **significant mineralisation remains** below the shallow-mined Oroya pit (60m depth) and along strike and down dip of the main reef, including (**+40 g/t*m**):

- **23m @ 6.2 g/t gold** from 87m, incl. **2m @ 55.9 g/t gold** from 89m (NT5020R) - NW Extension
- **8m @ 17.9 g/t gold** from 69m, incl. **1m @ 137.0 g/t gold** from 73m (NT5026R) - Main Reef
- **9m @ 14.6 g/t gold** from 42m, incl. **1m @ 120.0 g/t gold** from 42m and **8m @ 2.6 g/t gold** from 68m (MSGC1312) - Juno/Main Reef
- **6m @ 8.3 g/t gold** from 49m, incl. **2m @ 23.2 g/t gold** from 51m (MSGC0886) - Main Reef
- **9m @ 1.5 g/t gold** from 46m, incl. **3m @ 3.9 g/t gold** from 52m, and **3m @ 9.4 g/t gold** from 62m, incl. **2m @ 12.8 g/t gold** from 63m (TRC043) - Juno/Main Reef
- **13m @ 3.1 g/t gold** from 22m, incl. **2m @ 11.9 g/t gold** from 28m (MSGC0933) – Juno
- **8m @ 6.0 g/t gold** from 70m, incl. **1m @ 34.2 g/t gold** from 70m (TRC048) - Main Reef
- **8m @ 10.1 g/t gold** from 44m, incl. **1m @ 50 g/t gold** from 47m (MSGC1136) - Oroya West

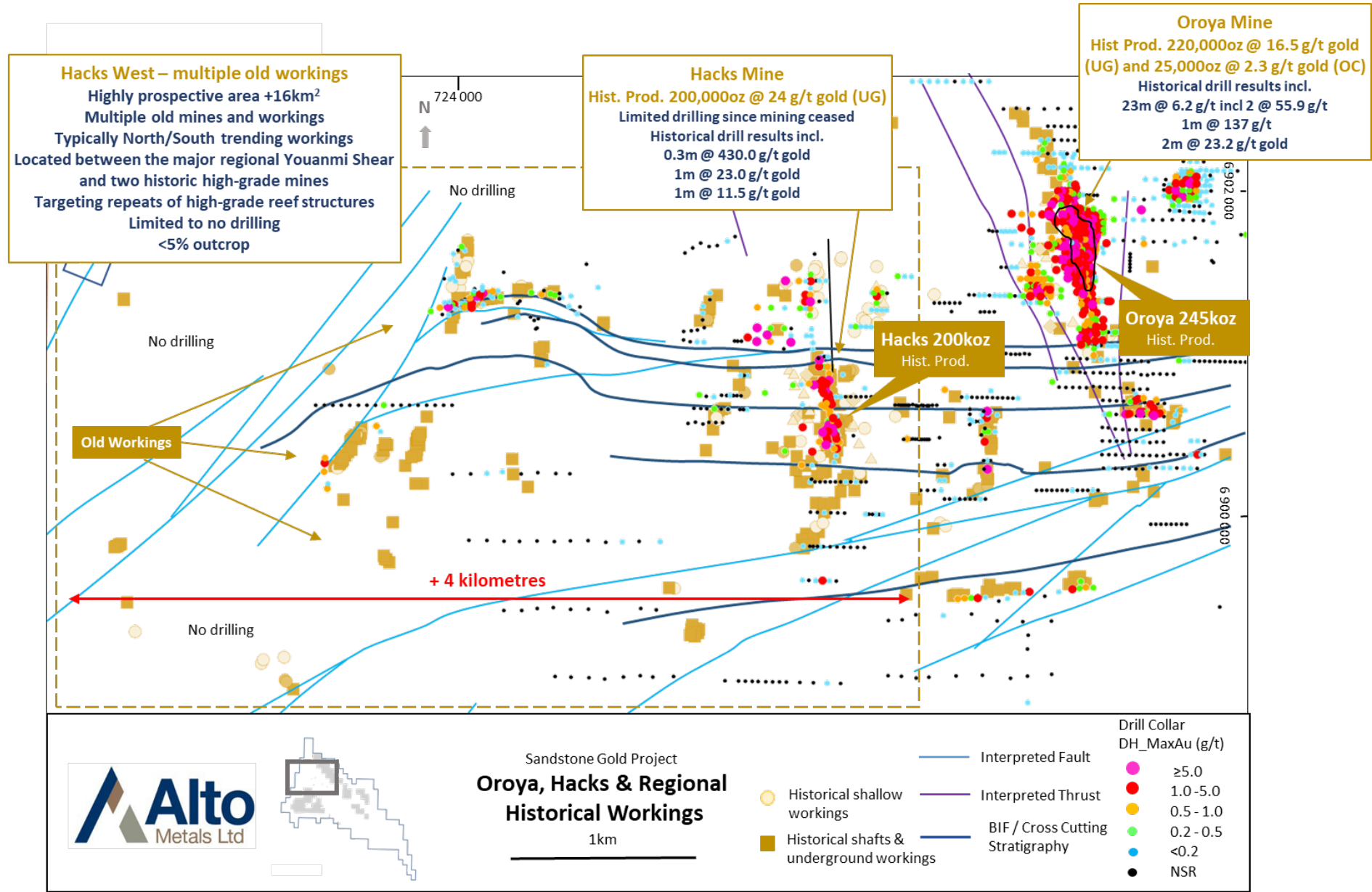


Figure 8: Location of the Oroya, Hacks and Hacks West prospects within the Sandstone Gold Project, Western Australia.

Exploration results - First-pass RC drilling program at the historic high-grade Oroya Mine

The Company completed a first pass ~2,000m RC drilling program at the Oroya Mine to test potential high-grade extensions of the Sandstone Reef, below the shallow-mined Oroya open pit and along strike and down dip of the underground workings of the main reef.

Assay results were received and reported post half year and this initial wide-spaced step out drilling successfully confirmed the geological model, targeting extensions of the Sandstone Main reef and unmined mineralisation to the north-west beyond the north end of the pit, along with extensions down dip to the west. The drilling has also provided greater geological understanding of the reefs for future drill targeting.

A total of 13 Reverse Circulation (RC) holes for approximately 2,000m were completed in this first phase of drilling. Drilling was completed at three initial target areas based on preliminary geological interpretation and structural review.

This is the first time Oroya has had any drilling in over 15 years and the Company considers this first pass program has successfully demonstrated:

- Mineralisation remains open for over 200m along strike to the North-West, beyond the end of the pit;
- High-grade mineralisation remains at the main Sandstone and Juno reefs; and
- Potential to extend the strike extension of Oroya South mineralisation.

Main Sandstone Reef & Juno Reef

Eight RC holes were drilled at the main Sandstone Reef and the unmined Juno Reef, targeting both remnant mineralisation and extensions of the main reef, with significant results including:

- **8m @ 1.3 g/t gold** from 43m, including **2m @ 2.7 g/t gold** from 43m; and
- **3m @ 13.8 g/t gold** from 65m, including **1m @ 37.1 g/t gold** from 66m (SRC894) – Juno / Main Reef
- **6m @ 1.3 g/t gold** from 41m, including **1m @ 5.5 g/t gold** from 41m (SRC895) –Juno
- **5m @ 1.1 g/t gold** from 126m, including **1m @ 3.4 g/t gold** from 128m (SRC892) – Main Reef Extension

Refer to Figures 9 to 12 further results.

SRC894 intersected the main high-grade reef at the predicted interval, above the historical workings, returning 3m@ 13.8 g/t gold incl. 1m @ 37.1 g/t gold and SRC892 and SRC893 both intersected mineralisation extending strike by 160m.

Previous unmined results from both the main Sandstone Reef, above and below historical workings, and the unmined Juno reef, directly below the open pit include:

- **9m @ 14.6 g/t gold** from 42m, incl. **1m @ 120.0 g/t gold** from 42m (MSGC1312) – Juno
- **6m @ 8.3 g/t gold** from 49m, incl. **2m @ 23.2 g/t gold** from 51m (MSGC0886) - Main Reef
- **13m @ 3.1 g/t gold** from 22m, incl. **2m @ 11.9 g/t gold** from 28m (MSGC0933) – Juno

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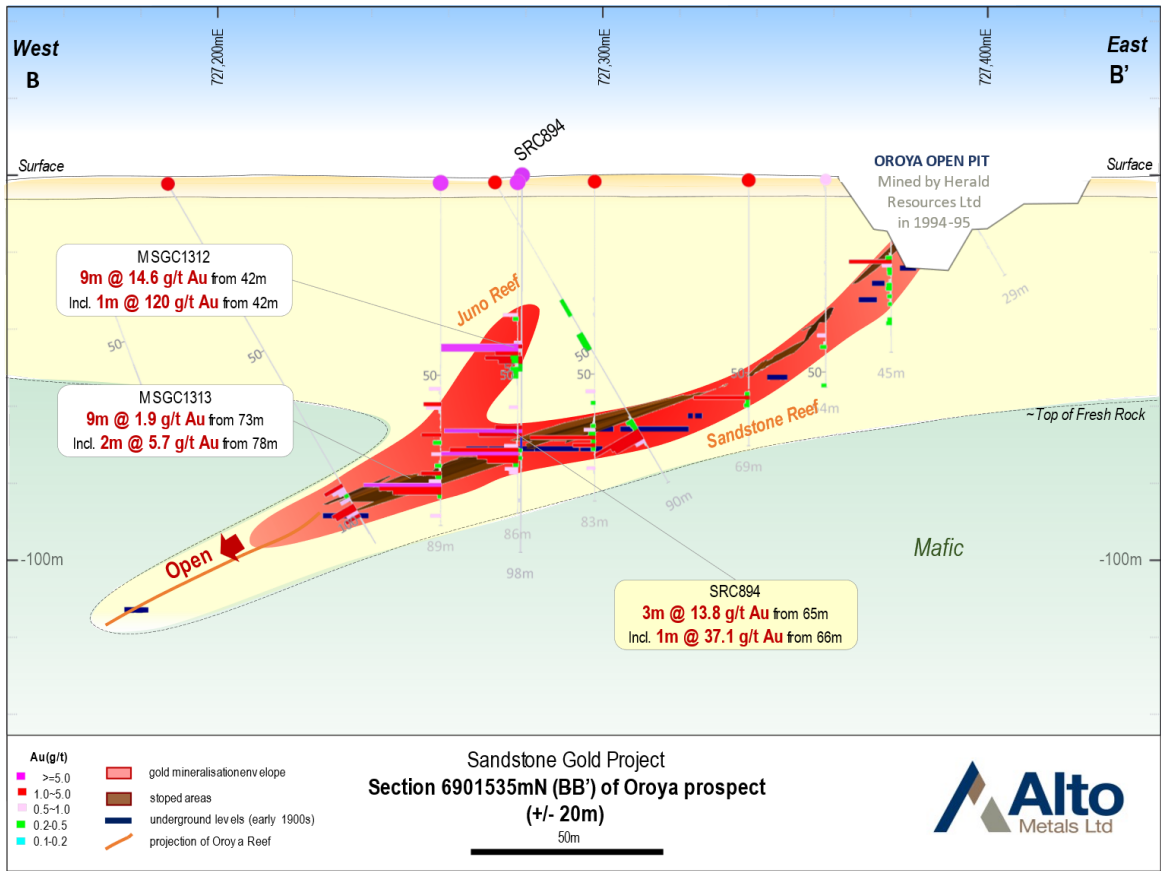


Figure 9: Section B – B' showing Main Sandstone Reef and Juno Reef (SRC894).

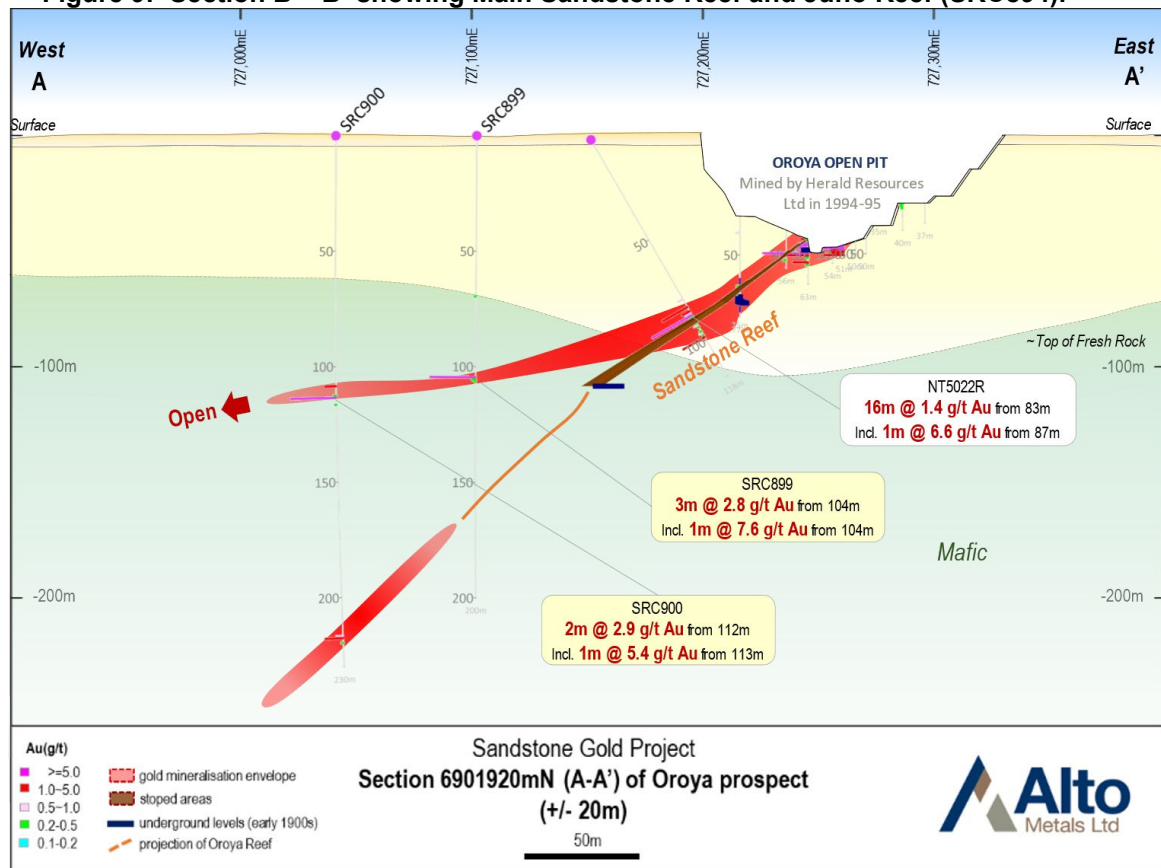


Figure 10: Section A – A' showing NW extension of Main Sandstone Reef (SRC899 & SRC900).

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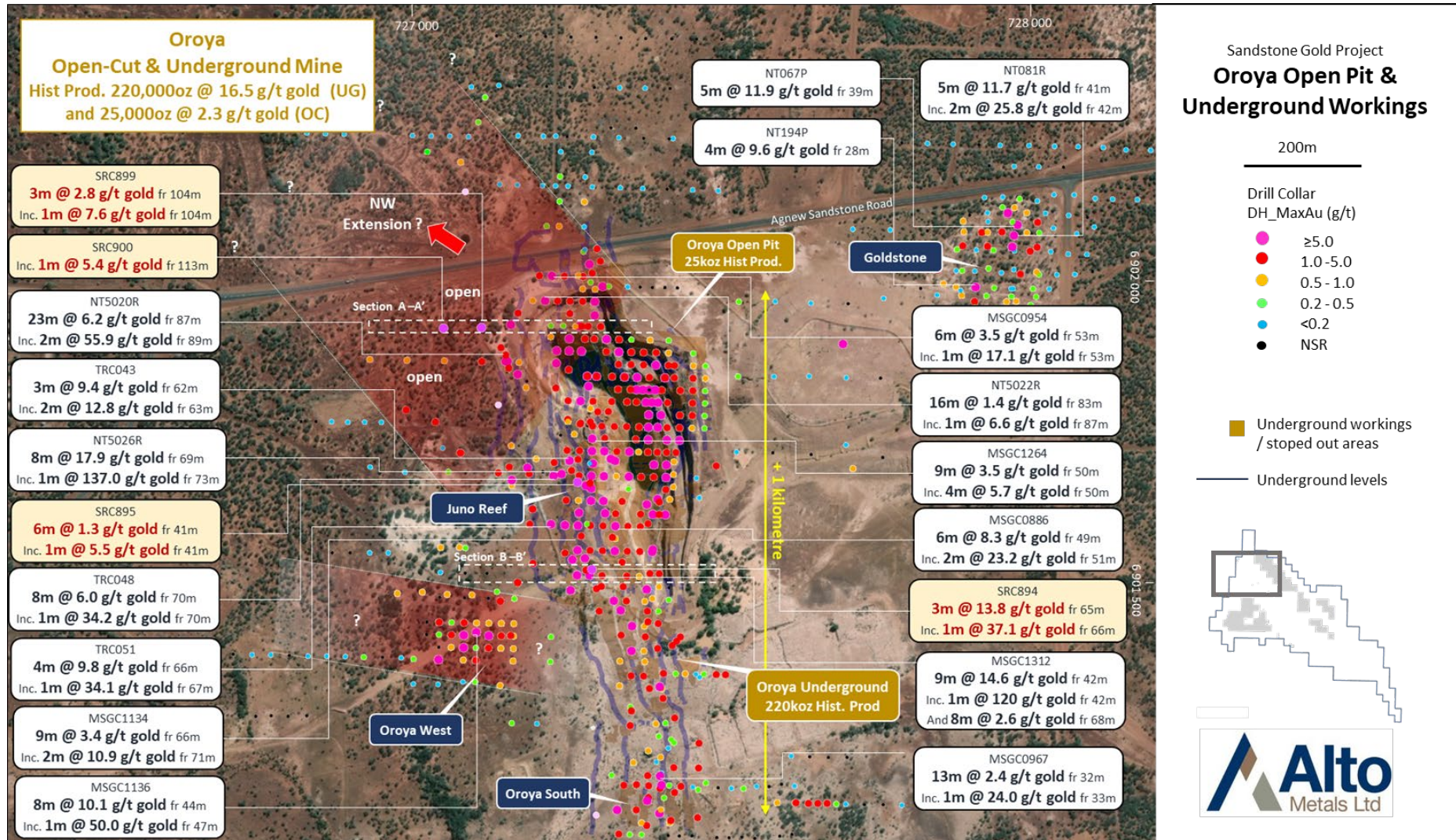


Figure 11. Plan view of Oroya open pit and underground workings, showing stoped and unmined areas and significant historical and recent results.

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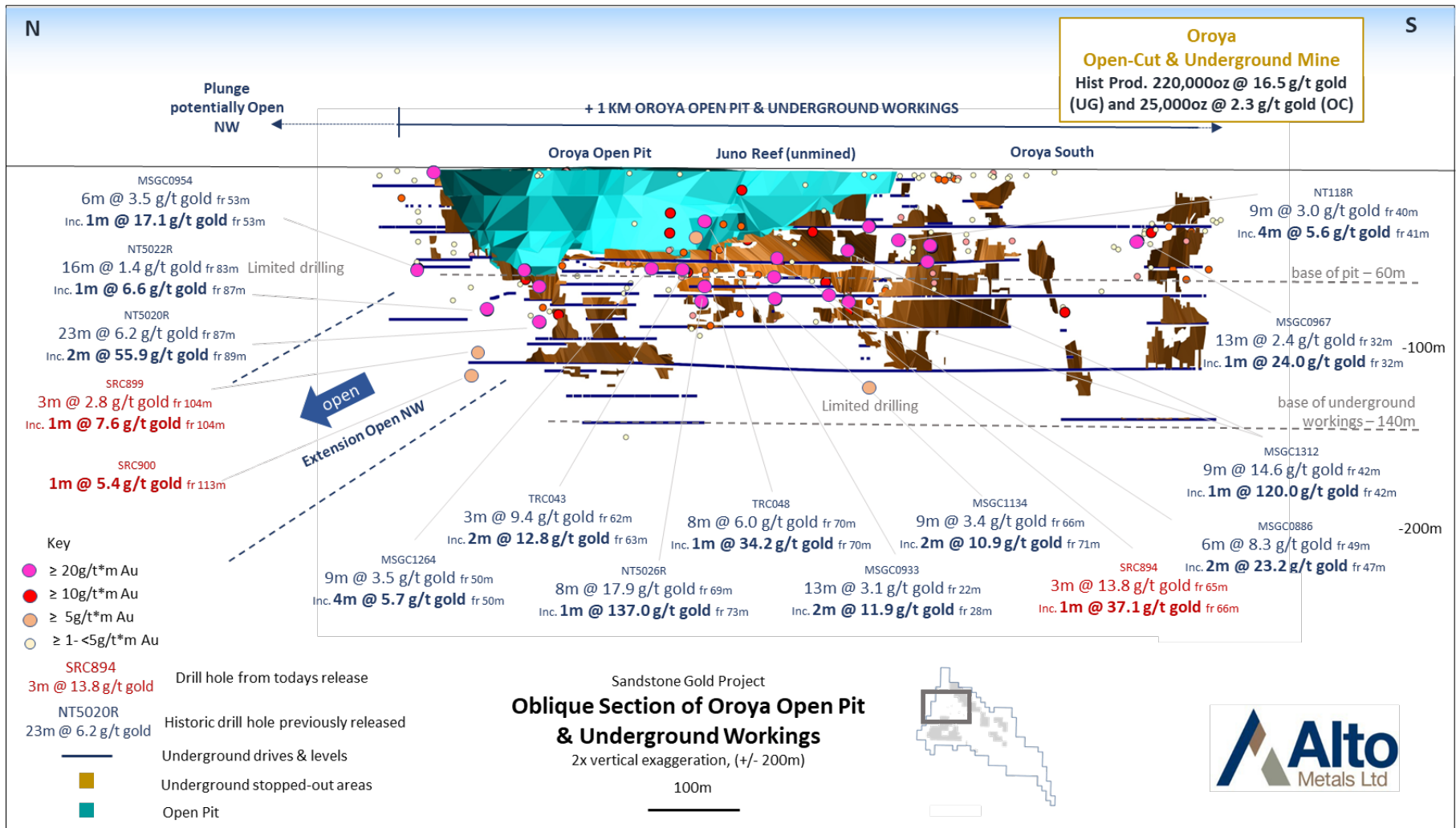


Figure 12. Long section Oroya open pit and underground workings, showing stoped and unmined areas and significant historical and recent results.

Hacks Reef and Hacks North target area

The historic Hacks Reef Black Range Mine produced 260,000t at 24 g/t gold for ~200,000oz gold from underground mining, between 1907-1916.

Hacks is considered to be a single north-south striking quartz-carbonate reef, typically between 1m to 1.5m thick, which dips moderately (34°-45°) to the west and is hosted by metabasalt, with a carbonate-rich alteration halo of up to 15m in width. The reef is offset (faulted) by an east-west cross-course which dips (85°) to the south. The reef has been mined over a strike length of approximately 500m with the vast majority of mining carried out on a 250m long section of the reef, between two E-W striking BIF units, to a maximum vertical depth of 210m.

Since underground mining ceased at the Black Range mine there has been limited modern exploration.

WMC conducted drilling at Hacks between 1981 and 1991, primarily focused near and down-dip of the old workings and limited deeper RC and Diamond drilling to the north of Hacks. The extent of exploration at the time was constrained by lease boundary. Deeper drilling targeting the down-dip extensions at the southern end of Hacks had limited success.

During 1999 to 2010, Troy Resources NL undertook some limited exploration within the historic mined area, including some deeper RC drilling down-dip to the west and north-west of the fault to test the Hacks Reef at depth, but returned low or unmineralised intersections.

While there has been limited drilling in the vicinity of the old mine and surrounding area, a cluster of significant high-grade gold intersections were drilled by WMC to the north-west of the mine, in the same geological unit that hosts the Sandstone reef, including:

- **0.3m @ 430 g/t gold** from 186.6m (MSGD0022)
- **1m @ 23 g/t gold** from 175m (MSGD0011)
- **1m @ 11.5 g/t gold** from 225.8m (MSGD0024)

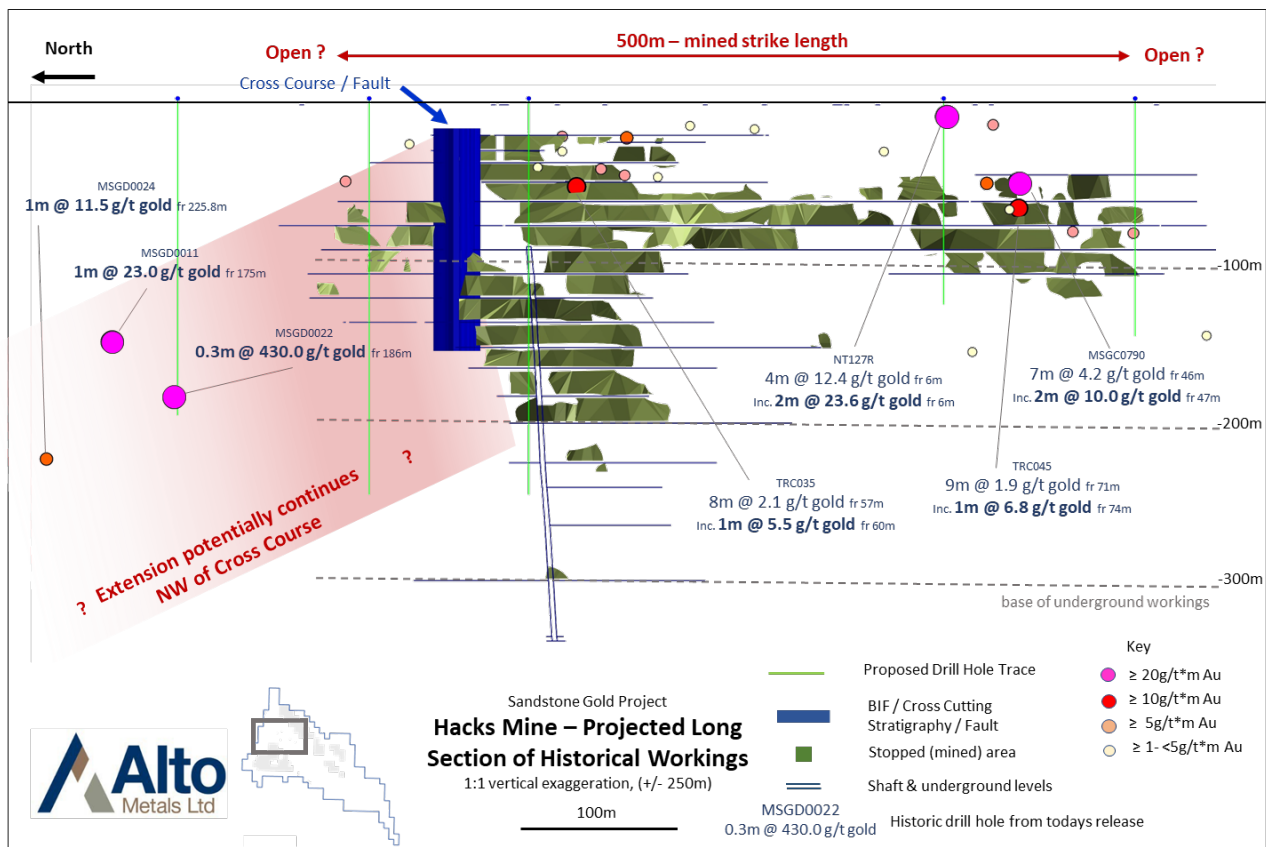


Figure 13. Projected long section of Hacks showing underground workings, stoped and unmined areas and significant historical results.

Hacks West – Targeting potential Oroya & Hacks style repeats

Hacks West is a +16km² target area immediately west of the Hacks reef. The target area hosts numerous old workings and historic shafts, which predominantly are north-south striking, yet surprisingly has had limited modern exploration in terms of surface geochemistry and drilling.

Given the limited outcrop in the area Alto has recently completed first pass surface geochemistry program, on 40 x 400m centres, to define targets for follow up infill soil sampling and RC drilling.

Neither the north-south striking Oroya or Hacks Reefs have an observable signature in the magnetic data in terms of offset of magnetic sediment/BIF horizons. However, the western half of the target area has more obvious stratigraphic disruption in terms of demagnetisation and offsets. There is also potential for important E-W to ENE-striking structures to host gold mineralization.

The **Hacks West target area is considered prospective for additional 'repeat' high-grade gold reefs**, which may link to the regional Youanmi shear corridor.

Key points related to the outcome of the Hacks West initial review:

- the target area is considered prospective for additional 'repeat' high-grade gold reefs,
- the +16km² target area has had limited modern exploration
- target area hosts numerous old workings and historic shafts, which predominantly are north-south striking
- first pass surface geochemistry program recently completed, on 40 x 400m centres, to define targets for follow up infill soil sampling and RC drilling.

Table 1 & 2: Mineral Resource Estimate for Sandstone Gold Project

Table 1: Total Mineral Resource Estimate for Sandstone Gold Project

JORC 2012 Mineral Resource Estimate for the Sandstone Gold Project			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Total Indicated	3.0	1.7	159
Total Inferred	9.4	1.6	476
TOTAL	12.4	1.6	635

Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Mineral Resources for Indomitable are reported at a cut-off grade of 0.3 g/t gold. Minor discrepancies may occur due to rounding of appropriate significant figures.

Table 2: Total Mineral Resource Estimate for Sandstone Gold Project (by deposit)

Deposit	Indicated			Inferred			Total		
	Tonnage (Mt)	Grade g/t	Gold (koz)	Tonnage (Mt)	Grade g/t	Gold (koz)	Tonnage (Mt)	Grade g/t	Gold (koz)
Lord Nelson	1.0	1.8	56	4.3	1.5	211	5.3	1.6	267
Lord Henry	1.6	1.5	77	0.3	1.2	13	1.9	1.4	90
Vanguard Camp	0.4	2.0	26	1.9	2.0	124	2.3	2.0	150
Havilah Camp				1.0	1.5	46	1.0	1.5	46
Indomitable Camp ^a				1.7	1.3	74	1.7	1.3	74
Ladybird ^b				0.1	1.9	8	0.1	1.9	8
TOTAL	3.0	1.7	159	9.4	1.6	476	12.4	1.6	635

Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold and are constrained within a A\$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction deposits of a similar scale and geology. Mineral Resources for Indomitable (reported at a cut-off grade of 0.3 g/t gold) and Ladybird deposits have not been updated. Minor discrepancies may occur due to rounding of appropriate significant figures.

The references in this announcement to Mineral Resource estimates for the Sandstone Gold Project were reported in accordance with Listing Rule 5.8 in the following announcements:

(a): Indomitable Camp: announcement titled: "*Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA*" 25 Sep 2018; and

(b): Ladybird: announcement titled: "*Alto increases Total Mineral Resource Estimate to 290,000oz, Sandstone Gold Project*" 11 June 2019.

(c): Lord Henry, Lord Nelson, Vanguard Camp & Havilah Camp: announcement titled: "*Sandstone Mineral Resource increases to 635,000oz of gold*" 23 March 2022

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcement noted above and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the previous market announcement continue to apply and have not materially changed.

Table 3 – Tenement Information

Alto Metals Ltd and Its 100% Owned Subsidiaries, on a Consolidated Basis at 31 December 2022

Tenement	Location	Interest	Registered Holder	Lease Status
E57/1029	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1030	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1031	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1033	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1044	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1072	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1101	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1108	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1153	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1228	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
E57/1232	Sandstone, WA	-	Sandstone Exploration Pty Ltd	Application
E57/1233	Sandstone, WA	-	Sandstone Exploration Pty Ltd	Application
M57/646	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/647	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/650	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/651	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/652	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
M57/658	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Application
P57/1377	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
P57/1367	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted
P57/1378	Sandstone, WA	100%	Sandstone Exploration Pty Ltd	Granted

Competent Persons Statement

The information in this Report that relates to current and historical Exploration Results is based on information compiled by Mr Michael Kammermann, who is an employee and security holder of Alto Metals Limited. Mr Kammermann is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Kammermann consents to the inclusion in the report of the matters based on the information in the context in which it appears.

Previously Reported Results

There is information in this report relating to Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the relevant market announcement continue to apply and have not materially changed. With regards to Exploration Results, please refer to ASX announcement for full details on these exploration results. Alto Metals Ltd is not aware of any new information or data that materially affects the information in the said announcements.

Directors' Report

Corporate

Appointment of Mark Connelly to the Board as Non-Executive Chairman

During the half-year, the Company was pleased to announce the appointment of experienced and highly regarded mining executive Mark Connelly to the Board as independent, Non-Executive Chairman. Mr Connelly has extensive board and industry experience, including overseeing a number of companies transition from advanced explorer to developer and through to producer.

Share Placement

During the half-year, Alto undertook the following capital raises:

- Two share placements totalling 46.9 million shares raising \$3.1 million;
- A Share Purchase Plan of 21.4 million shares raising \$1.4 million; and
- Director Placement of 10 million shares raising \$650,000.

Refer to Note 7 for further details

Subsequent Events

No matters or circumstances have arisen since the end of the half-year, that have significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Rounding of Amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report and in the condensed interim financial report have been rounded to the nearest dollar.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group other than as referred to elsewhere in this condensed interim financial report and in the financial statements and notes attached thereto.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is presented in accordance with a resolution of the Board of Directors made pursuant to s.306 (3) of the *Corporations Act 2001* and is signed for and on behalf of the Directors by:



Matthew Bowles

Managing Director & CEO
Perth, 16 March 2023

AUDITOR'S INDEPENDENCE DECLARATION**TO THE DIRECTORS OF ALTO METALS LIMITED
AND ITS CONTROLLED ENTITIES**

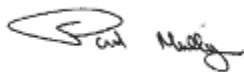
In relation to the independent auditor's review for the half-year ended 31 December 2022, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Alto Metals Limited and the entities it controlled during the period.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN
Executive Director
Perth, 16 March 2023

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ALTO METALS LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Note	31 December 2022 \$	31 December 2021 \$
Other income		13,760	65,665
Government grants		-	60,935
Accounting and audit fees		(35,025)	(14,332)
Computers and software		-	(22,783)
Consulting expense		(61,176)	(62,087)
Depreciation		(33,518)	(12,899)
Employee benefits expense		(314,672)	(484,794)
Exploration & Evaluation expenses		(10,266)	-
Insurance		(22,829)	(13,920)
Investor relations		(77,104)	(105,022)
Legal fees		(36,363)	(18,510)
Office rental and office expenses		(100,189)	(65,262)
Share based payments	5	(208,166)	(303,107)
Share registry and listing fees		(94,919)	(80,078)
Travel and accommodation		(14,444)	1,719
Other expenses		(19,455)	(104,467)
Loss before income tax		(1,014,366)	(1,158,942)
Income tax (expense) / benefit		-	-
Loss for the half-year		(1,014,366)	(1,158,942)
Other comprehensive income, net of tax			
Items not to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of financial assets carried at fair value through other comprehensive income		2,500	-
Other comprehensive income for the half-year		2,500	-
Total comprehensive loss attributable to members of the parent entity		(1,011,866)	(1,158,942)
Basic loss per share (cents per share)		(0.19)	(0.25)

The accompanying notes form part of these financial statements.

ALTO METALS LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	31 December 2022	30 June 2022
		\$	\$
Current Assets			
Cash and cash equivalents		4,425,492	3,256,340
Trade and other receivables		263,357	267,105
Prepayments		36,308	19,502
Total Current Assets		4,725,157	3,542,947
Non-Current Assets			
Financial assets at fair value	10	22,500	20,000
Property, plant and equipment		201,832	213,817
Right of use assets	4	111,765	131,370
Exploration and evaluation	6	27,280,130	23,481,586
Total Non-Current Assets		27,616,227	23,846,773
TOTAL ASSETS		32,341,384	27,389,720
Current Liabilities			
Trade and other payables		2,543,578	1,710,479
Lease liability	4	37,317	35,910
Provisions		154,662	150,565
Total Current Liabilities		2,735,557	1,896,954
Non-Current Liabilities			
Lease liability	4	79,457	98,237
Total Non- Current Liabilities		79,457	98,237
TOTAL LIABILITIES		2,815,014	1,995,191
NET ASSETS		29,526,370	25,394,529
Equity			
Issued capital	7	47,499,200	42,563,659
Reserves	8	1,367,189	1,156,523
Accumulated losses		(19,340,019)	(18,325,653)
TOTAL EQUITY		29,526,370	25,394,529

The accompanying notes form part of these financial statements.

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ALTO METALS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Issued Capital	Share Based Payments Reserve	Equity Instruments at FVOCI Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2021	35,645,566	785,803	(12,500)	(16,029,557)	20,389,312
Loss attributable to members of the entity for the half year					
Loss for the half year	-	-	-	(1,158,942)	(1,158,942)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,158,942)	(1,158,942)
Transaction with owners, directly in equity					
Shares issued during the half-year, net of issue costs	6,690,127	-	-	-	6,690,127
Performance Rights expense during the half-year	-	303,107	-	-	303,107
Transfer from Share Based Payments Reserve to Issued Capital for options exercised	227,966	(227,966)	-	-	-
Balance at 31 December 2021	42,563,659	860,944	(12,500)	(17,188,499)	26,223,604
Balance at 1 July 2022	42,563,659	1,189,023	(32,500)	(18,325,653)	25,394,529
Loss attributable to members of the entity for the half year					
Loss for the half year	-	-	-	(1,014,366)	(1,014,366)
Other comprehensive income for the half year, net of tax	-	-	2,500	-	2,500
Total comprehensive loss for the period	-	-	2,500	(1,014,366)	(1,011,866)
Transaction with owners, directly in equity					
Shares issued during the half-year, net of issue costs	4,935,541	-	-	-	4,935,541
Performance Rights expense during the half-year	-	208,166	-	-	208,166
Balance at 31 December 2022	47,499,200	1,397,189	(30,000)	(19,340,019)	29,526,370

The accompanying notes form part of these financial statements.

ALTO METALS LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

	Note	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		13,760	981
Payments to suppliers and employees		(714,507)	(805,722)
Other receipts		-	125,619
Net cash (used) in operating activities		(700,747)	(679,122)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,928)	(53,356)
Payments for exploration and evaluation expenditure		(3,043,561)	(5,013,307)
Net cash (used in) investing activities		(3,045,489)	(5,066,663)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares during the period		5,088,070	7,000,000
Costs associated with shares issued during the period		(152,529)	(279,103)
Payment of lease liabilities		(20,153)	-
Net cash provided by financing activities		4,915,388	6,720,897
Net increase in cash and cash equivalents held		1,169,152	975,112
Cash and cash equivalents at beginning of the period		3,256,340	5,108,054
Cash and cash equivalents at the end of the half-year		4,425,492	6,083,166

The accompanying notes form part of these financial statements.

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NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

Reporting entity

Alto Metals Limited (“Alto” or the “Company”) is a company limited by shares, incorporated and domiciled in Australia. The condensed interim financial report as at and for the half-year ended 31 December 2022 covers the consolidated group of Alto Metals Limited and the entities it controlled (together “the Group”). The Group is a for-profit entity.

Basis of preparation

This condensed consolidated interim financial report is a consolidated general-purpose financial report which has been prepared in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* (“AASB 134”) and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Standards IAS 34: *Interim Financial Reporting*. The condensed interim financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial statements. Accordingly, this condensed consolidated interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The same accounting policies and methods of computation have generally been applied in these half-year financial statements as compared with the most recent annual financial statements, except for the adoption of new standards and interpretations effective as of 1 July 2022.

Going Concern

The Group incurred a net loss of \$1,014,366 for the half-year ended 31 December 2022 (31 December 2021: \$1,158,942) and generated an operating cash outflow of \$700,747 (31 December 2021: \$679,122), and as at that date, had net current assets of \$1,989,600 (30 June 2022: net current assets of \$1,645,993) and net assets of \$29,526,370 (30 June 2022: \$25,394,529). Cash on hand at 31 December 2022 was \$4,425,492 (30 June 2022: \$3,256,340).

The condensed interim financial report has been prepared on a going concern basis. The Directors believe the Company, will have access to, sufficient cash to fund administrative and other committed expenditure requirements and, as at the date of this report, the Directors believe they can meet all liabilities as and when they fall due for a period of at least 12 months from the date of signing of the condensed consolidated interim financial report.

Rounding amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191, the amounts in the Directors’ report and in the condensed interim financial report have been rounded to the nearest dollar.

NOTE 2: CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

Impact of New and Amended Accounting Standards and Interpretations

The Group has adopted all of the new and amended Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the Group and effective for the current reporting period. The Group has considered the implications of new and amended Accounting Standards and has determined that their application to the financial statements is either not relevant or not material.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. New and amended standards and interpretations that may be relevant to the Group but applicable in future reporting periods are set out below:

ALTO METALS LIMITED

NOTE 2: CHANGES IN SIGNIFICANT ACCOUNTING POLICIES (cont'd)

<i>AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	<i>Effective for annual reporting periods beginning on or after 1 January 2024</i>
<i>AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	<i>Effective for annual reporting periods beginning on or after 1 January 2023</i>
<i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i>	<i>Effective for annual reporting periods beginning on or after 1 January 2023</i>
<i>AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards</i>	<i>Effective for annual reporting periods beginning on or after 1 January 2023</i>

NOTE 3: SEGMENT INFORMATION

The Directors have considered the requirements of AASB 8: *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separately identifiable segments.

The Group remains focused on mineral exploration over areas of interest solely in Australia.

NOTE 4: LEASES

Right-to-use assets recognised and movements during the year

Opening net carrying amount
Additions
Depreciation expense
Net carrying amount

31-Dec 2022 \$	30-Jun 2022 \$
131,370	-
-	155,555
(19,605)	(24,185)
111,765	131,370

Lease liabilities and movements during the year

Opening net carrying amount
Additions
Interest expense
Payments
Closing net carrying amount

\$	\$
134,147	-
-	155,555
2,780	3,703
(20,513)	(25,111)
116,774	134,147
37,317	35,910
79,457	98,237
116,774	134,147

Current
Non-current

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred. The expense relating to payments not included in the measurement of the lease liability is as follows:

Short term leases

31-Dec 2022 \$	31 Dec 2021 \$
31,069	29,150
31,069	29,150

ALTO METALS LIMITED

NOTE 5: SHARE-BASED PAYMENTS

	Half-year to 31 December 2022	Half-year to 31 December 2021
Performance Rights expensed ⁽ⁱ⁾	\$ 208,166	\$ 303,107
Balance at reporting date	208,166	303,107

On 17 October 2022 the Company issued 500,000, Performance Rights to incoming director Mr Mark Connelly.

On 30 November 2022, Shareholders approved the issue of 12,000,000 Performance Rights to Messrs Connelly, Bowles and Monti, directors of the Company. These were issued on 12 December 2022 along with an additional 6,650,000 Performance Rights under the Company's Employee Share Plan.

The fair value of these Performance Rights granted was estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the Performance Rights were granted and factors such as the share price at grant date, volatility of the share price and risk free rate.

The Performance Rights issued in the half year to December 2022 are subject to the following vesting conditions:

Issue of 900,000 Performance Rights

The Performance Rights will vest subject to the satisfaction of the following performance milestones by 30 November 2023 (**Milestone**) and the relevant Related Party remaining an employee, office-bearer or consultant of the Company when the Milestone has been met (**Retention Condition**).

Milestone	% of Class Performance Rights Eligible for Vesting
JORC 2012 compliant Mineral Resource of 1 million ounces of gold located within the Sandstone Gold Project	100%

Valuation of Share Based Payments

A summary of the key assumptions used in applying the Black Scholes model to the share based payments recognised is as follows:

	Performance Rights issued	Performance Rights issued
Number of instruments	400,000	500,000
Date of grant	12 Dec 2022	17 Oct 2022
Share price at grant date	\$0.07	\$0.07
Volatility factor	100%	100%
Risk free rate	3.07%	3.35%
Expected life of instrument (years)	1 year	1 year
Valuation per instrument	\$0.07	\$0.07
Exercise price per instrument	-	-
Vesting conditions	As above	As above
Number of instruments exercisable as at 31 December 2022	Nil	Nil

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ALTO METALS LIMITED

NOTE 5: SHARE-BASED PAYMENTS (cont'd)

Issue of 18,250,000 Performance Rights

The Performance Rights will vest subject to the satisfaction of the following performance milestones by 12 December 2026 (**Milestone**) and the relevant Related Party remaining an employee, office-bearer or consultant of the Company when the Milestone has been met (**Retention Condition**).

Milestone	% of Class Performance Rights Eligible for Vesting
JORC 2012 compliant Mineral Resource of 1.5 million ounces, located within the Sandstone Gold Project	50%
Completion of a Feasibility Study	50%

Valuation of Share Based Payments

A summary of the key assumptions used in applying the Black Scholes model to the share based payments recognised is as follows:

	Performance Rights issued	Performance Rights issued
Number of instruments	12,000,000	6,250,000
Date of grant	30 Nov 2022	12 Dec 2022
Share price at grant date	\$0.07	\$0.07
Volatility factor	100%	100%
Risk free rate	3.51%	3.07%
Expected life of instrument (years)	4 years	4 years
Valuation per instrument	\$0.07	\$0.07
Exercise price per instrument	-	-
Vesting conditions	As above	As above
Number of instruments exercisable as at 31 December 2022	Nil	Nil

NOTE 6: EXPLORATION AND EVALUATION

	31-Dec 2022 \$	30-Jun 2022 \$
Exploration and evaluation phases – at cost	27,280,130	23,481,586
Exploration and evaluation - movement		
Opening balance	23,481,586	16,561,596
Exploration expenditure	3,798,544	6,919,990
Closing balance	27,280,130	23,481,586

The Directors' assessment of whether any triggers of impairment for the Group's exploration and evaluation assets existed as at 31 December 2022 was after consideration of factors such as prevailing market conditions, previous expenditure for exploration work carried out on the tenements, maintaining rights to tenure and the potential for mineralisation based on the Group's and independent geological reports.

Furthermore, the ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole or part of the Group's interests in these exploration properties for an amount at least equal to the carrying value.

ALTO METALS LIMITED

NOTE 6: EXPLORATION AND EVALUATION (cont'd)

As at 31 December 2022, the Directors have concluded that there remains an expectation that the carrying amount of the Group's exploration and evaluation assets will be recovered in full on the basis of the above factors, and hence no impairment triggers exist. Consequently, no detailed impairment assessment has been performed as at 31 December 2022.

During the half-year ended 31 December 2022, no impairment was taken to account (31 December 2021: Nil).

NOTE 7: EQUITY

(a) Issued capital

	31-Dec 2022 Number	31-Dec 2022 \$	30-Jun 2022 Number	30-Jun 2022 \$
Ordinary Shares	612,815,479	47,499,200	528,037,512	42,563,659

(b) Ordinary shares

The following movements in ordinary share capital occurred during the reporting period:

	31-Dec 2022 Number	31-Dec 2022 \$	30-Jun 2022 Number	30-Jun 2022 \$
Balance at beginning of the period	528,037,512	42,563,659	450,259,736	35,645,566
<u>Shares issued during the period</u>				
19 Nov 2021			60,683,526	5,461,517
17 Dec 2021			17,094,250	1,538,483
Transfer from Share Based Payments Reserve to Issued Capital for options exercised			-	227,966
Conversion of 6.5M Performance Shares	6,500,000	-		
Placement 10/11/22 @ \$0.065	36,153,848	2,350,000		
SPP 19/12/22 @ \$0.065	21,354,887	1,388,068		
Director Placement 22/12/22 @ \$0.065	10,000,000	650,000		
Placement 22/12/22 @ \$0.065	10,769,232	700,000		
Less costs associated with equity raisings	-	(152,527)		(309,873)
Balance at end of the period	612,815,479	47,499,200	528,037,512	42,563,659

NOTE 8: RESERVES

	31 December 2022 \$
Equity instruments at FVOCI reserve	(30,000)
Share-based payments reserve	
<i>Performance Rights</i>	1,158,284
<i>Unlisted Options</i>	120,901
<i>LTI Rights</i>	118,004
Balance at end of the period	1,367,189

NOTE 8: RESERVES (cont'd)

(a) Movement in Reserves

Equity instruments at FVOCI reserve

Balance at beginning of the period	(32,500)
Add revaluation increments, net of tax, during the period	2,500
Balance at end of the period	(30,000)

31 December
2022

\$

(b) Performance rights

	30 June 2022	
	Number	\$
Balance at beginning of the period	12,000,000	318,932
Performance rights issued during the period ⁽ⁱ⁾	1,000,000	64,409
Performance rights expensed during the period	-	566,777
Balance at end of the period	13,000,000	950,118

Balance at beginning of the period	13,000,000	950,118
Performance rights issued during the period ⁽ⁱ⁾	19,150,000	122,026
Performance rights expensed during the period	-	86,140
Performance rights converted during the period	(6,500,000)	-
Performance rights lapsed during the period	(1,000,000)	-
Balance at end of the period	24,650,000	1,158,284

31 December 2022

Number

\$

(i) Refer Note 5 for details

(c) Unlisted options

The following movements in Unlisted options on issue occurred during the period:

	30 June 2022	
	Number	\$
Balance at beginning of the period	7,500,000	348,867
Tfr to Issued Capital for Options exercised	-	(227,966)
Options lapsed during the period	-	-
Balance at end of the period	7,500,000	120,901

The following movements in Unlisted options on issue occurred during the period:

	31 December 2022	
	Number	\$
Balance at beginning of the period	7,500,000	120,901
Balance at end of the period	7,500,000	120,901

NOTE 8: RESERVES (cont'd)**(d) LTI rights**

The following movements in LTI Rights on issue occurred during the period:

	30 June 2022	
	Number	\$
Balance at beginning of the period	6,250,000	118,004
LTI rights issued during the period	-	-
Balance at end of the period	6,250,000	118,004

The following movements in LTI Rights on issue occurred during the period:

	31 December 2022	
	Number	\$
Balance at beginning of the period	6,250,000	118,004
LTI rights issued during the period	-	-
Balance at end of the period	6,250,000	118,004

This reserve is used to record the value of equity benefits provided to Directors, employees and third parties of the Group in accordance with its accounting policy. Refer to Note 5 for details of share-based payments made during the half-year.

NOTE 9: COMMITMENTS AND CONTINGENCIES

There are no material changes to the commitment and contingencies disclosed in the most recent annual financial report.

NOTE 10: FAIR VALUE OF ASSETS AND LIABILITIES**Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires disclosure of fair value measurements by level of the fair value hierarchy, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that is not based on observable market data (unobservable inputs)

The Group's equity instruments at fair value through other comprehensive income of \$22,500 (30 June 2022: \$20,000) are measured using Level 1 inputs and are recognised at fair value based on listed market prices as at the reporting date. There has been no change to this methodology from 30 June 2022.

NOTE 11: SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than noted elsewhere in this report, no significant related party transactions have arisen during and since the end of the half-year.

NOTE 12: SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the half-year, that have significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 13: DIVIDENDS

No dividends were paid or declared during the half-year and no recommendation for payment of dividends has been made.

DIRECTORS' DECLARATION

- 1) In the opinion of the Directors of Alto Metals Limited:
- (a) the financial statements and notes of Alto Metals Limited are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
 - (b) there are reasonable grounds to believe that Alto Metals Limited will be able to pay its debts as and when they become due and payable.
- 2) This declaration is made in accordance with a resolution of the Directors.



Matthew Bowles
Managing Director & CEO
Perth, 16 March 2023

ALTO METALS LIMITED
ABN 62 159 819 173

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ALTO METALS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Alto Metals Limited, (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ("ASRE 2410"). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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ALTO METALS LIMITED
ABN 62 159 819 173

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
ALTO METALS LIMITED**

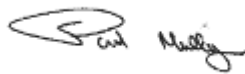
Auditor's Responsibility for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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PAUL MULLIGAN
Executive Director
Perth, 16 March 2023

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