

19 November 2021



DECEMBER 2021 GENERAL MEETING

Dear Shareholder

Notice is hereby given that a General Meeting (**Meeting**) of **Alto Metals Ltd** (ASX:AME) will be held as a physical meeting at:

**The Board Room,
Alto Metals Limited,
Suite 9, 12 – 14 Thelma St, West Perth, WA 6005
on Tuesday 21 December 2021 at 9:30am (AWST)**

Amendments were made to the Corporations Act 2001 by Parliament in *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*. These amendments came into effect on 14 August 2021 and allow meetings to be convened electronically and held using virtual meeting technology, and for notices of meeting to be sent to recipients by means of an electronic communication or access the document electronically.

As a result, Alto Metals is not sending hard copies of the general meeting materials to shareholders. Instead, a copy of the notice of meeting is available on the Company's website at www.altometals.com.au.

If you have elected to receive notices by email, you will be notified by email. If you have not elected to receive notices by email, a copy of your proxy form will be posted to you, together with this letter.

Alto Metals will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions on physical gatherings. However, in order to minimise the risk to shareholders and to Alto Metals and its ongoing operations, we strongly encourage Shareholders to vote by proxy instead of attending the meeting.

The situation regarding COVID-19 is evolving rapidly and Alto Metals is following the guidance of the Australian Government. Shareholders are encouraged to monitor Alto Metals' ASX announcements for any further updates in relation to the Meeting.

The notice of meeting and other documents are important and should be read in their entirety. If you do not understand them, you should consult your professional advisers without delay.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'MB' or similar initials, written in a cursive style.

**Matthew Bowles
Managing Director**

ALTO METALS LIMITED

ACN 159 819 173

NOTICE OF GENERAL MEETING

TIME: 9:30am (WST)

DATE: Tuesday 21 December 2021

PLACE: The Board Room, Alto Metals Limited,
Suite 9, 12 – 14 Thelma Street, West Perth, WA 6005

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Company Secretary on +61 8 9381 2808.

ALTO METALS LIMITED
ACN 159 819 173
NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of the Shareholders of Alto Metals Limited ("Alto Metals" or "the Company") will be held as follows:

TIME:	9:30am (WST)
DATE:	21 December 2021
LOCATION:	The Board Room, Alto Metals Limited, Suite 9, 12 – 14 Thelma Street, West Perth, WA 6005

Words and phrases used in the Resolutions are defined in the section headed 'Definitions' of the accompanying Explanatory Memorandum and these words and phrases have the same meaning in this Notice of General Meeting as defined in the Explanatory Memorandum.

AGENDA

ORDINARY BUSINESS

Resolution 1 – Ratification of Issue of Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 60,683,526 Shares on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of the Shares or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 2 - Participation of Director in Placement - Mr Richard Monti

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 2,222,222 Shares to Mr Richard Monti (or his nominee) at an issue price of \$0.09 per Share and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of this resolution by or on behalf of:

- Richard Monti; or
- An associate of Richard Monti; and
- any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 3 – Participation of Director in Placement – Dr Jingbin Wang

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 444,444 Shares to Dr Jingbin Wang (or his nominee) at an issue price of \$0.09 per Share and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of this resolution by or on behalf of:

- Dr Jingbin Wang; or
- An associate of Dr Jingbin Wang; and
- any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4 – Participation of Director in Placement - Mr Terry Wheeler

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 14,427,584 Shares to Mr Terry Wheeler (or his nominee) at an issue price of \$0.09 per Share and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of this resolution by or on behalf of:

- Terry Wheeler; or
- An associate of Terry Wheeler; and
- any other person who will obtain a material benefit as a result of the issue of securities (except a benefit solely by reason of being a holder or ordinary securities in the Company) or an associate of that person or those persons

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

EXPLANATORY MEMORANDUM

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of General Meeting for further explanation of the Resolutions.

PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- Mail to: Automic C/- GPO Box 5193, Sydney NSW 2001
- By hand to: Automic C/- Level 5, 126 Phillip Street, Sydney NSW 2000

To be effective, a Proxy Form and, if the Proxy Form is signed by the Shareholder's attorney, the authority under which the appointment is signed (or a certified copy of that authority) must be received by the Company not later than 48 hours before the time specified for the commencement of the General Meeting.

CORPORATE REPRESENTATIVES

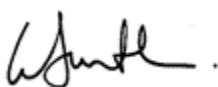
A body corporate that is a Shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

DATE FOR DETERMINING HOLDERS OF SHARES

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the General Meeting. For the purposes of determining voting entitlements at the General Meeting, Shares will be taken to be held by the persons who are registered as holding at 9:30am (WST) on 19 December 2021. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

Dated 19 November 2021

By order of the Board



Graeme Smith
Company Secretary

ALTO METALS LIMITED
ACN 159 819 173

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

1. ACTION TO BE TAKEN BY SHAREHOLDERS

This Explanatory Memorandum sets out information about the Resolutions to be considered by the Shareholders at the General Meeting. Defined terms used in this Explanatory Memorandum are set out in the section headed 'Definitions' in the Explanatory Memorandum. Accompanying this Explanatory Memorandum is the Notice of General Meeting convening the General Meeting and a Proxy Form.

Shareholders are encouraged to attend and vote on the Resolutions to be put to the General Meeting. If a Shareholder is not able to attend and vote at the General Meeting, the Shareholder may complete the Proxy Form and return it no later than 48 hours before the time specified for the commencement of the General Meeting.

2. RESOLUTION 1 – RATIFICATION OF ISSUE OF SHARES

2.1 General

On 11 November 2021 the Company announced it had secured commitments for a placement to raise approximately \$7 million (before costs) through the issue of 77.8 million shares in the Company at an issue price of \$0.09 per Share (**Placement Shares**).

The majority of funds raised from the Placement will be used to advance exploration, resource growth and planned drilling at the Company's 100%-owned, flagship Sandstone Gold Project, located in the east Murchison district of Western Australia, as well as general working capital purposes.

The shares were issued utilising the Company's existing placement capacities under Listing Rules 7.1:

- 60,683,526 Placement Shares were issued, on 19 November 2021 at \$0.09 per Share under ASX Listing Rule 7.1; and
- 17,094,250 Placement Shares will, subject to the approval of Resolutions 2 - 4, be issued on approximately 21 December 2021 at \$0.09 per Share.

The Company issued the 60,683,526 Shares the subject of the Placement without prior Shareholder approval pursuant to its 15% placement capacity under ASX Listing Rule 7.1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 60,683,526 Placement Shares issued on 19 November 2021 at an issue price of \$0.09 per Share under ASX Listing Rule 7.1.

2.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue the subject of Resolution 1, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. The Company confirms that the issue and allotment of the Placement Shares, the subject of Resolution 1 did not breach ASX Listing Rule 7.1.

If Resolution 1 is not passed the issue of the Placement Shares is still valid however it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1 for 12 months following the issue.

2.3 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) A total of 60,683,526 Placement Shares were allotted and issued by the Company pursuant to ASX Listing Rule 7.1 on 19 November 2021;
- (b) the issue price was \$0.09 per Placement Share;
- (c) the Placement Shares allotted were fully paid ordinary shares which rank equally with all other fully paid ordinary Shares on issue;
- (d) the Placement Shares were issued to sophisticated and professional investors who are existing shareholders and entities associated with the Company, as well as clients of the Joint Lead Managers Taylor Collison Limited and Morgans Corporate Limited none of which are related parties of the Company;
- (e) \$5,461,518 (before costs) was raised from the issue of the Placement Shares. The funds raised will be used to advance exploration, resource growth and planned drilling at the Company's 100%-owned, flagship Sandstone Gold Project, located in the east Murchison district of Western Australia, as well as general working capital purposes; and
- (f) a voting exclusion statement is included in the Notice.

Directors' Recommendation

The Directors of the Company believe that Resolution 1 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of Resolution 1.

3. RESOLUTION 2 - 4 – ISSUE OF SHARES TO MR RICHARD MONTI, DR JINGBIN WANG & MR TERRY WHEELER

3.1 Background

As detailed in the Explanatory Statement for Resolution 1, at section 2.1 above, the Company undertook the Placement for the purposes of raising funds for planned exploration and drilling at a number of regional targets at the Sandstone Gold Project and general working capital.

Resolutions 2 to 4 seek approval to issue Shares under the Placement to three Directors of the Company, Mr Richard Monti, Dr Jingbin Wang and Mr Terry Wheeler (or their respective nominees), should they elect to subscribe for Shares under the Placement pursuant to Listing Rule 10.11 in the following proportions:

- (a) up to 2,222,222 Shares to Mr Richard Monti, Director ;
- (b) up to 444,444 Shares to Dr Jingbin Wang, Director ;
- (c) up to 14,427,584 Shares to Mr Terry Wheeler, Director ;

Resolutions 2 - 4 are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 2 - 4.

3.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Board considers that Shareholder approval under section 208 of the Corporations Act is not required as the exception in section 210 of the Corporations Act applies. The Shares will be issued to Messrs Monti, Wang and Wheeler on the same terms as non-related party participants in the Placement (described in Section 2) and as such the giving of the financial benefit to them will be on arm's length terms.

3.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an associate of a person referred to in Section 3.3(a) to 3.3(c); or

- (e) a person whose relationship with the company or a person referred to in Sections 2.3(a) to Section 2.3(d) is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders, unless it obtains shareholder approval.

The issue of the Shares to Messrs Monti, Wang and Wheeler (or their nominees) falls within Listing Rule 10.11.1, as they are all a related party to the Company, and do not fall within any of the exceptions in Listing Rule 10.12. The Company therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

Resolution 2 seeks the requisite Shareholder approval to issue Shares to Mr Richard Monti (or his nominee) under and for the purposes of Listing Rule 10.11.

Resolution 3 seeks the requisite Shareholder approval to issue Shares to Dr Jingbin Wang (or his nominee) under and for the purposes of Listing Rule 10.11.

Resolution 4 seeks the requisite Shareholder approval to issue Shares to Mr Terry Wheeler (or his nominee) under and for the purposes of Listing Rule 10.11.

If Resolutions 2 – 4 are passed, the Company will be able to proceed with the issue of Shares to Messrs Monti, Wang and Wheeler (or their nominees) and pursuant to Listing Rule 7.2, exception 14, the Company may issue the Shares without using up the Company's 15% placement capacity under Listing Rule 7.1.

If Resolutions 2 - 4 are not passed, the Company will not be able to proceed with the issue of Shares to Messrs Monti, Wang and Wheeler (or their nominee).

3.4 Specific information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of Shares to Messrs Monti, Wang and Wheeler is provided as follows:

- (a) the Shares will be issued to Messrs Monti, Wang and Wheeler (or their respective nominees);
- (b) Messrs Monti, Wang and Wheeler are all directors and therefore a related party of the Company under Listing Rule 10.11.1;
- (c) 2,222,222 Shares will be issued to Richard Monti (or his nominee);
- (d) 444,444 Shares will be issued to Jingbin Wang (or his nominee);
- (e) 14,427,584 Shares will be issued to Terry Wheeler (or his nominee);
- (f) the Shares to be issued to Messrs Monti, Wang and Wheeler (or their respective nominees) are fully paid ordinary shares and rank equally in all respects with the Company's existing fully paid ordinary shares on issue;
- (g) the Company will issue the Shares to Messrs Monti, Wang and Wheeler (or their respective nominees) no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow);
- (h) the Shares will be issued to Messrs Monti, Wang and Wheeler (or their respective nominees) at an issue price of \$0.09 per Share;
- (i) the funds raised from the issue of the Shares to Messrs Monti, Wang and Wheeler (or their respective nominees) will be used for the purposes detailed in Section 2.1; and
- (j) a voting exclusion statement is included in the Notice.

3.5 Directors recommendation

The Director (other than Messrs Monti, Wang and Wheeler) recommend that Shareholders vote in favour of Resolutions 2 - 4.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by 9.30am (WST) on Sunday, 19 December 2021, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.



