

Alto Group Holdings Inc.
Form 10-K/A
February 22, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A-2

ý ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE YEAR ENDED: **NOVEMBER 30, 2010**

o TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 000-53592

ALTO GROUP HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Nevada	27-0686507
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

11650 South State Street

Suite 240, Draper, UT	84020
(Address of principal executive offices)	(Zip Code)

(801) 816-2533

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(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

None	N/A
Title of each class	Name of each exchange on which registered

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act:

The registrant has previously filed a registration statement on Form 8-A relating to the registration of its common stock, par value \$0.00001 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
 Yes No

Based on the closing price of our common stock as listed on the Electronic Bulletin Board, the aggregate market value of the common stock of Alto Group Holdings, Inc. held by non-affiliates as of February 15, 2011 was \$3,533,600.

As of March 15, 2011 there were 274,013,332 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: None.

EXPLANATORY NOTE

This Form 10-K/A-2 amends the Registrant's Annual Report on Form 10-K/A for the year ended November 30, 2010, filed with Securities and Exchange Commission on April 7, 2011. The purpose of this Amendment No. 2 is principally to amend the following items:

1. Item 1 - "Business" is amended to include information concerning the Registrant's mining concessions and interests in compliance with Industry Guide 7 published by the SEC.

Except for updated information as it relates to these mining concessions and interests (as well as the business office and mailing address of the Registrant), this Amendment No. 2 has no effect on the Registrant's financial statements and does not reflect events that occurred subsequent to the filing of the Original Report, as well as the first amendment to the Original Report.

PART I

ITEM 1. BUSINESS.

Organization

Company Information. Alto Group Holdings, Inc. (sometimes referred to herein as "Alto," the "Company," "we," "us," or "our") was incorporated in the State of Nevada on September 21, 2007. We are an exploration stage corporation. An exploration stage corporation is one engaged in the search of mineral deposits or reserves which are not in either the development or production stage. We maintain our statutory registered agent's office at National Registered Agents, Inc. of NV, 1000 East William Street, Suite 204, Carson City, Nevada 89701 and our business office and mailing address is 11650 South State Street, Suite 240, Draper, Utah 84020. Our telephone number is (801) 816-2533.

Vision, Mission, and Goals. We believe that the price of precious metals, ores and other commodities will continue to move higher over the long term, commensurate with increases in aggregate world demand and a sustained decline in the U.S. dollar resulting from looming inflation and unsustainable government debt levels. We expect these trends will drive investors to include more traditional "safe haven" investments in their portfolios, consisting of gold, precious metals and natural resource commodities. We seek to explore, develop and produce mineral resources in favorable jurisdictions where exploration and exploitation is promoted by governments in mining "friendly" territories. In the short-term, we intend to identify, explore and develop concessions such that a resource calculation can be made under compliant engineering standards. Our near term goals include obtaining a series of studies from third-party engineers to "prove up" deposits in which we have an interest as financially viable, mineable ventures. Our mid-term goals include moving the Company into a production phase through organic growth, by acquisition, or in partnership with existing producers and ultimately creating an inviting target for merger or acquisition by one of the world's top majors.

Mining Concessions and Interests

As of the end of the fiscal year ended November 30, 2010 we held rights to certain mineral interests in Mexico and Africa, and sought to acquire additional interests in mineral

holdings in these regions as well as in South America. If we are able to successfully develop any of the interests we acquire, we may engage in (or contract with third parties for the) extraction and production of the minerals involved, may sell these interests, or pursue a combination of the foregoing. The following is a summary of these various interests:

Los Tres Machos. On March 12, 2010, we acquired “Los Tres Machos” (the three mules) a gold and silver mining concession located in Jalisco in the state of Guadalajara, Mexico. The Los Tres Machos concession covers 1,000 hectares of staked and sampled mineral lands owned by the Republic of Mexico. This concession also allows for open pit excavation. The property is easily accessible by all weather-surfaced roads from Huejuquilla. Electrical power is available from the national grid situated close at hand. Water is abundant in nearby streams and rivers, which is an important factor for future production infrastructure needed on commercial scale. A skilled labor pool is also available in the area walking distance from the mine site and there are approximately 50 mining companies currently in the surrounding region.

Substantial mining activities dating back hundreds of years have taken place in the region and within the area represented by the Los Tres Machos concession. Within the concession, there are 15 shafts of varying depths showing high-grade ore. During the period of Spanish conquest, these shafts were dug by hand using steel and the old methods of utilizing heat and cold water to fracture the rock.

Between December 2005 and May 2006, Mexican Hunter Exploration S.A. de C.V. (“MHE”), carried out field and geological work and commissioned extensive assay testing utilizing both Mexican and Canadian assay labs to re-confirm accrete results. In March 2010, MHE sold its rights to the Los Tres Machos concession to the Company as described further in this Annual Report. In 2011, we did not renew the licenses and permits associated with Los Tres Machos and, consequently, no longer hold an interest in this concession.

Zuna. Contemporaneous with our acquisition of the Los Tres Machos mining concession, we also acquired the “Zuna” gold and silver concession, which is also located in Jalisco, Guadalajara, Mexico, covering 750 hectares of staked and sampled mineral lands. With respect to Los Tres Machos and Zuna, a geological summary was prepared in 2007 describing their respective characteristics, physiography, and initial sampling results from each site. As of November 30, 2010 we intended to conduct exploration activities with the objective of obtaining separate NI 43101 or equivalent valuation reports estimating the value of gold and silver deposits held therein. In 2011, we did not renew the licenses and permits associated with Zuna and, consequently, no longer hold an interest in this concession.

La Cienega. In 2011, the Company had an agreement, now terminated, to operate and develop the La Cienega mining concession, in Northern Sonora, Mexico. Although gold has been mined this area for centuries and most of the work been by hand, labor intensive methods .

Bogue River. In December 2010, the Company entered into a joint venture in respect of the Bogue River Dredge Concession in Mali, West Africa. The Bogue River Concession comprises a 10 kilometer long permit with 500 meter wide easement on both sides on the Bogue River in the Bougouni Region of Mali. The joint venture was terminated in July 2011.

Berila. In December 2010, we entered into a joint venture with St. Watson Mining company Mali SARL in respect of certain exploration and development rights related to the

Berila gold mining concession, which is also located in Mali. The Berila concession hosts a major potential load gold deposit referred to as the Kola primary zone. This joint venture was terminated in July 2011.

We have not generated any revenues since the inception of the Company and we have been issued a “going concern” opinion from our auditors. We have no plans to change our business activities from the exploration and development of mining interests with the objective of including extraction and production operations as a core component of the business of the Company.

Property Interests and Mining Claims in General

Mining claims are subject to the same risk of defective title that is common to all real property interests. Additionally, mining claims are self-initiated and self-maintained and therefore, possess some unique vulnerabilities not associated with other types of property interests. It is impossible to ascertain the validity of unpatented mining claims solely from an examination of public real estate records and, therefore, it can be difficult or impossible to confirm that all of the requisite steps have been followed for location and maintenance of a claim. Furthermore, as these interests are derived from mining claims in foreign jurisdictions, the risk of a defective claim or other problems with ownership and development of the claim (including but not limited to the right of eminent domain) is compounded further. If the validity of a patented mining claim or mineral interest is challenged by an applicable governmental body on the grounds that mineralization has not been demonstrated, the claimant has the burden of proving the present economic feasibility of mining minerals located thereon. Such a challenge might be raised at any stage of development or at the commencement of production, or simply when the government seeks to include the land in an area to be dedicated to another use.

Reclamation

In most jurisdictions where we have or are seeking to develop mineral interests, we generally are required to mitigate long-term environmental impacts by stabilizing, contouring, resloping and revegetating various portions of a site after mining and mineral processing operations are completed. These reclamation efforts will be conducted in accordance with detailed plans, which must be reviewed and approved by the appropriate regulatory agencies.

Government Regulation

Mining operations and exploration activities are subject to various national, state/provincial, and local laws and regulations, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. We will endeavor to obtain the licenses, permits or other authorizations currently required to conduct our exploration program.

We believe that we are in compliance in all material respects with applicable mining, health, safety and environmental statutes and the regulations applicable to the mineral interests we now hold.

Environmental Regulations

Our activities are subject to various national and local laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. We intend to conduct business in a way that safeguards public health and the

environment. We will conduct our operational compliance with applicable laws and regulations.

Changes to current state or federal laws and regulations where we hold mineral interests could, in the future, require additional capital expenditures and increased operating and/or reclamation costs. Although we are unable to predict what additional legislation, if any, might be proposed or enacted, additional regulatory requirements could impact the economics of our projects.

During 2010, we had no material environmental incidents or non-compliance with any applicable environmental regulations.

Industry and Competition

The Gold Market

Gold has increased in value from \$400 per Troy ounce in early 2005 to over \$1,400 by the end of 2010. The price of gold has been on a relatively steady increase in the past five years, with some disruption in this trend during 2008. Deleveraging in 2008, which caused many financial institutions to sell hard assets, drove the price decline from a high of approximately \$1,000 in late 2007 to a low of approximately \$700 in mid 2008. In 2010, gold outperformed most other asset classes, with the spot price appreciating more than 31% during the year. Since one of the most widespread uses of gold is as a store of value, interest in owning the metal has increased significantly since the lows of 2008. The large fiscal stimulus of the US, Europe and China has heightened the concern for future inflation, driving additional interest in owning gold. Gold is a currency without a country, and as such is preferred when confidence falls in any one of the major currencies, or when international tensions build.

Physical demand for gold has outpaced the discovery of new deposits and the introduction of new supply from developing deposits in the past decade. The supply and production shortfall has been partly offset by central banks selling and the recycling of scrap gold. In the wake of the financial crisis of 2008, central banks have reversed course, holding and purchasing gold. China and India have both reported increases in their gold reserves.

We believe that concerns over future US inflation may be valid, regardless of the actual magnitude of inflation in the future. The balance sheet of the U.S. Federal Reserve grew from zero in 1913 to approximately \$500 billion in 1997, over an 84 year time period. A second \$500 billion was added to the Fed's balance sheet from 1997 through September 2008. An additional \$1,000 billion was added in September and October of 2008 in an attempt to stave off a further deterioration in the U.S. economy and provide additional liquidity necessary for a sustainable economic recovery. Although such actions may have been necessary from a macroeconomic perspective, we believe this has contributed to appreciable demand for gold by investors as a hedge against inflation of the U.S. Dollar. We further believe that,

rather than a temporary aberration which often occurs in commodity pricing, U.S. monetary policy has contributed to systemic long-term upward pressure in the price of gold.

The Mining Industry

The mining industry is highly fragmented, as there are many gold and silver prospectors and producers, both small and large, in every market and region throughout the world. As these metals are well established commodities with well established markets, a production-stage mine

will undoubtedly have a ready market for extracted minerals. Nevertheless, the global economic downturn has weakened the mining sector, which is expected to witness greater consolidation and reliance on non-traditional sources of financing to develop mining properties. In addition, we expect that the industry will also likely see a greater degree of vertical integration of mineral extraction and distribution firms.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALTO GROUP HOLDINGS, INC.

/s/ Chene Gardner

Dated:

February 22, 2012 By: Chene Gardner, Chief Financial Officer

(Principal Accounting and Financial Officer)