

22. Oktober 2013

ÜBER ALTONA

Altona Mining Limited (ASX: AOH) ist ein internationaler Basismetallproduzent und konzentriert sich auf Kupfer.

Zwei Hauptvorkommen:

Das Outokumpu Projekt liegt im südosten Finnlands und umfasst einen Untertagemine und eine Verarbeitungsanlage. Die Produktion startete in 2012 und liegt durchschnittlich bei 8.000 t p.a. Kupfer, 8.400 Unzen Gold p.a. im 1.600 t p.a. Zink.

Das Roseby Kupfer Projekt nahe Mt. Isa in Queensland enthält eine Ressource von 1,52 Mio. t Kupfer und 0,38 Mio. Unzen Gold. Eine Definitive Machbarkeitsstudie liegt für eine Kupfer-Gold-Mine mit 7 Mio. t p.a. Jahreskapazität im Tagebau und einen Konzantrator auf Little Eva vor.

Ausg. Aktien: 532.184.704
Ausg. Optionen: 1.000.000
Ausg. Aktienrechte: 14.015.749
Barmittelbestand: 25,7 Mio. AUD

Marktkapitalisierung bei
15 Cents/Aktie 80 Mio. AUD

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Rekordproduktion auf Outokumpu, Vorhersagen angehoben, Reserven gestiegen

SEPTEMBER QUARTALSPRODUKTION

Kupfer im Konzentrat	2.677 Tonnen
Gold im Konzentrat	2.934 Unzen
Kupfer äquivalent	3.381 Tonnen
C1 Betriebskosten	1,37 USD/Pfund abbaufähigem Kupfer

- **Produktion** – Die Kupferproduktion im Septemberquartal auf dem Outokumpu Projekt war ein Rekord und das Ergebnis waren hervorragende C1 Betriebskosten von nur noch 1,37 USD/Pfund abbaufähigem Kupfer.
 - **Reserven gesteigert** – Der Abbau konnte ersetzt werden und die Reserven stehen nun bei über 7 Jahren. Teil dieses guten Ergebnis sind die exzellenten Bohrergebnisse im Lückengebiet mit z.B. 29 m @ 4,7% Kupfer.
 - **Vorhersagen angehoben** – Die Vorhersagen der jährlichen Produktion für das FY2014 wurden auf 8.000-8.800 t Kupfer und 8.400-9.200 Unzen Gold angehoben. Die C1 Betriebskosten wurden auf 1,60-1,75 USD/Pfund gesenkt.
 - **Cashflow aus Betrieb** – Der operative Mittelzufluss aus dem Betrieb lag bei 2,9 Mio. AUD nach Aufwendungen.
 - **Barmittel** - 25,7 Mio. AUD plus Forderungen von 9,6 Mio. AUD ergeben insgesamt 35,3 Mio. AUD.
 - **Outokumpu Bohrungen** – Etliche Bohrabschnitte ergaben sichtbare sulfidische Erzgrade, die aus den Ausdehnungsbohrungen auf der Kylylahti Mine stammen. Probenergebnisse werden in Kürze erwartet.
 - **Roseby Partnerschaftssuche** – Es konnte ein Explorations-Joint Venture mit Chinalco Yunnan Copper Resources Ltd. abgeschlossen werden. Das JV behandelt die südlichen Grundstücke auf Roseby, was Altona nun genug Raum lässt, sich auf Little Eva und die umgebenden Altlagerexplorationsgebiete zu konzentrieren.
- Gespräche mit diversen Parteien gehen weiter, um Little Eva zu verkaufen, zu finanzieren oder in eine Partnerschaft einzubringen.
- **Voller Jahresgewinn** – Bekanntgabe des ersten vollen Jahresgewinnes von 12,6 Mio. AUD nach Steuern.

Weiter geht's mit dem Englischen Original.

Outokumpu Operations

	Production Statistics	Metric	This Quarter	Last Quarter
The first quarter of FY2014 exceeded expectations and gave a strong start to the year	Ore mined	Tonnes	167,997	129,740
		Copper (%)	1.83	1.38
		Gold (g/t)	0.75	0.54
		Zinc (%)	0.80	0.58
	Ore milled	Tonnes	162,816	135,000
		Copper (%)	1.77	1.46
		Gold (g/t)	0.72	0.57
		Zinc (%)	0.79	0.59
	Recovery	Copper (%)	92.6	91.5
		Gold (%)	77.6	73.3
		Zinc (%)	53.6	48.4
	Contained metal in concentrates	Copper (tonnes)	2,677	1,809
		Gold (ounces)	2,934	1,821
		Zinc (tonnes)	688	382
		Silver ounces	21,392	13,743
	Copper equivalent	Tonnes	3,381	2,262
Sales				
Copper concentrate delivered	Tonnes	11,996	8,428	
Contained metal	Copper (tonnes)	2,676	1,813	
	Gold (ounces)	2,938	1,822	
	Silver (ounces)	21,157	14,236	
Zinc concentrate delivered	Tonnes	1,278	829	
Contained metal	Zinc (tonnes)	609	410	
Realised price*				
Copper	USD/lb	3.27	3.22	
Gold	USD/oz	1,466	1,445	
Silver	USD/oz	22.17	21.68	
Zinc	USD/lb	0.80	0.79	
Revenues (excluding TC/RC)				
Copper	USD millions	18.45	12.28	
Gold	USD millions	3.74	2.28	
Zinc	USD millions	0.89	0.58	
Silver	USD millions	0.21	0.13	
Total	USD millions	23.29	15.27	

* Realised price includes all realised and unrealised short and long-term hedge gains and losses, but excluding treatment and refining charges. Amounts may be subject to provisional pricing adjustments which are mitigated by quotational period hedging.

Safety, Environment and People

Safety performance still unsatisfactory

Safety performance at Outokumpu in the September quarter was disappointing. There were three Lost Time Incidents all of which happened at the Kylyahti mine; one employee strained his ankle when exiting the basket of a charging vehicle, a contract miner was hit on the foot by a falling rock whilst scaling the decline and lastly a miner received minor temporary facial injuries when he was exposed to chemicals. The incidents resulted in workers taking sick leave of between five and seven days.

A geotechnical review is being undertaken because the frequency of rockfall related incidents has increased as mine development has progressed below 500 metres from the surface. Operating procedures have been changed such that as far as is practicable, all scaling is done via mechanical devices and no work whatsoever is carried out in unsupported areas.

The rolling 12 months Lost Time injury frequency rate and Medically Treated injury frequency rate per one million man hours at 14 and 17 respectively are disappointingly higher than peer industry performance.

Altona continues to be unsatisfied with the number of incidents which leaves us short of our aim to be equal to, or better than, the best of our Finnish peers in safety performance. Our focus on our safety culture, practice and procedures has been intensified.

The Company now has 110 employees and 105 contractors in Finland and 12 employees in Australia.

There were no reportable environmental incidents during the quarter.

Cost Performance

Cash costs down reflecting higher volumes and good grades

It was an excellent quarter for Outokumpu with production volumes and grades up strongly from the previous quarter giving record sales volumes and making a positive impact on C1 cash costs.

Cost Performance	This Quarter (US\$M)	This Quarter (US\$/lb)	Year to Date (US\$/lb)
Mining costs	5.68	1.02	1.02
Ore trucking costs	1.09	0.19	0.19
Site processing costs	2.72	0.48	0.48
TC/RC and transport	2.11	0.37	0.37
Other cash costs	0.62	0.11	0.11
Net gold, silver and zinc credits *	(4.48)	(0.80)	(0.80)
C1 Cash cost per pound payable copper		1.37	1.37
Capital expenditure	4.42	0.78	0.78
Financing costs	0.43	0.08	0.08
Total Expenditure (capital and operating)	12.59	2.23	2.23

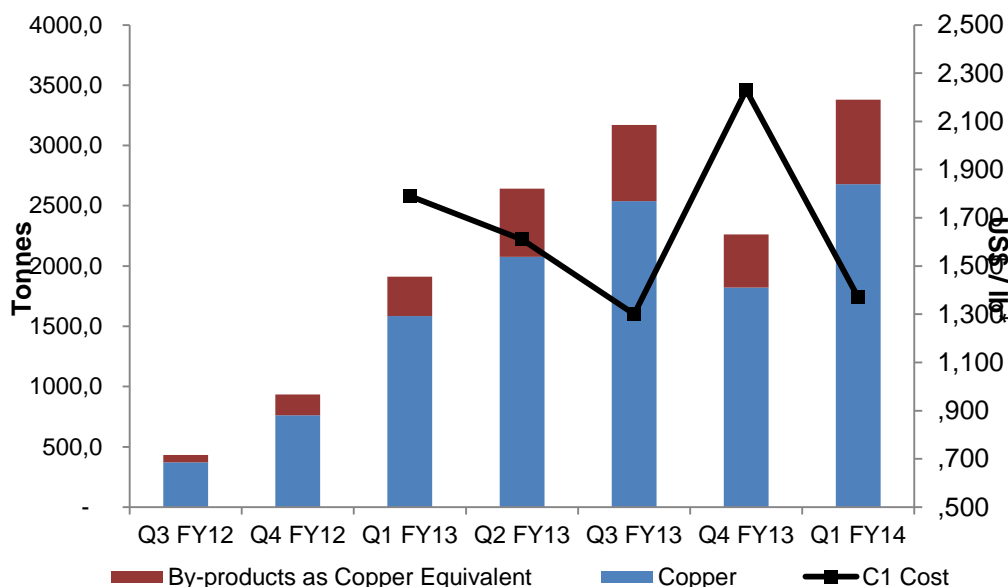
Note: No royalties are payable in Finland.

* Based on invoiced prices, and excluding hedge settlements (subject to finalisation of provisional pricing).

Cost performance was well below the guidance range of US\$1.70-1.85 per pound due to a combination of good production volumes and above average head grades.

Altona makes daily deliveries of copper-gold concentrate to New Boliden’s copper smelter at Harjavalta on the south-west coast of Finland and delivers zinc concentrate to New Boliden at Kokkola as production allows. Copper concentrates were delivered to our customer in Finland, New Boliden without incident or penalty. Zinc concentrates incur modest penalties for iron and cobalt.

Quarterly Production of Metal in Concentrate and Cash Cost by Quarter



**C1 cash cost calculated per Brook Hunt methodology. Cost data during commissioning period not meaningful.*

Capital expenditure at the mine for the quarter consisted of approximately US\$1.6 million of decline and level development, US\$0.7 million of ventilation, water management and electrification plus US\$0.5 million of discretionary items related to deep resource extension drilling, underground rescue facilities and light vehicles.

Capital expenditure at the mill for the quarter consisted of approximately US\$1.25 million towards the completion of the cobalt-nickel concentrate storage dam to its final height and land purchase for the new storage dam. There was also an additional US\$0.75 million spent on power line relocation, rod mill maintenance and road repair work.

Production Guidance

Excellent first quarter production has prompted uplift in guidance

Production guidance for FY2014 has been raised from that provided last quarter given the outperformance in the September quarter. Cash costs are also expected to be lower at US\$1.60-1.75 per pound. The new guidance is tabulated below.

Updated Production Guidance for 2013/2014

Ore tonnes	570,000-625,000 tonnes
Copper grade	1.50-1.65%
Gold grade	0.60-0.70g/t
Copper metal in concentrate	8,000-8,800 tonnes
Gold in concentrate	8,400-9,200 ounces
Zinc metal in concentrate	1,600-1,800 tonnes
C1 cash costs per pound payable copper (after credits)	US\$1.60-1.75/lb copper

Capital expenditure for FY2014 has been reviewed and is expected to be at the top of the guidance previously offered for sustaining and other capital expenditure of €14-16 million. Capital costs will fall significantly in FY2015 once the new tails storage dam is completed.

Kylylahti Mine

Mining

Ore production volumes were excellent

Ore production was above expectation and the copper grade of 1.83% was above the 1.79% that was planned.

Some seven stopes were completed and filled during the quarter and one new stope was open at the end of the period. Reconciliation of mine production to reserve models and of mine to mill at 97.5% is good.

Some 842 metres of ventilation, decline and level development was completed in the quarter and mine development is now down to 540 metres below surface.

Targeting mine developed to 650 metres deep by end of FY2014

During FY2014, it is anticipated that the mine will develop from its current depth of 540 metres below surface to 650 metres below surface with the commencement of mining in the upper Wombat zone. The first stope at upper Wombat zone is expected to commence in late Q3 FY2014. According to the updated mine plan, the decline is expected to reach its final depth of 800 metres in 2016. It is expected that mining will persist to greater depths. The programme of drilling to test for extensions to the mine was commenced in September.

A new life of mine plan has been completed and it includes a change in mining method within the deeper Wombat zone from longitudinal longhole open stoping to transverse open stoping. This allows for better management of any risk from regional stress fields deeper in the mine and permits a higher conversion of resource to reserve. The new Reserve estimate was published in late August.

Resource Development and Exploration

Spectacular high grade zone within the Wombat zone

An update from underground drilling in the Wallaby-Wombat gap area was provided last quarter. This quarter the focus of drilling was on the definition of the upper Wombat zone. The Wombat zone has been found to be thicker and to contain a significantly higher grade zone than was anticipated in the resource model (generally 5-20 metres at 1.6-2.5% copper). Better intercepts include:

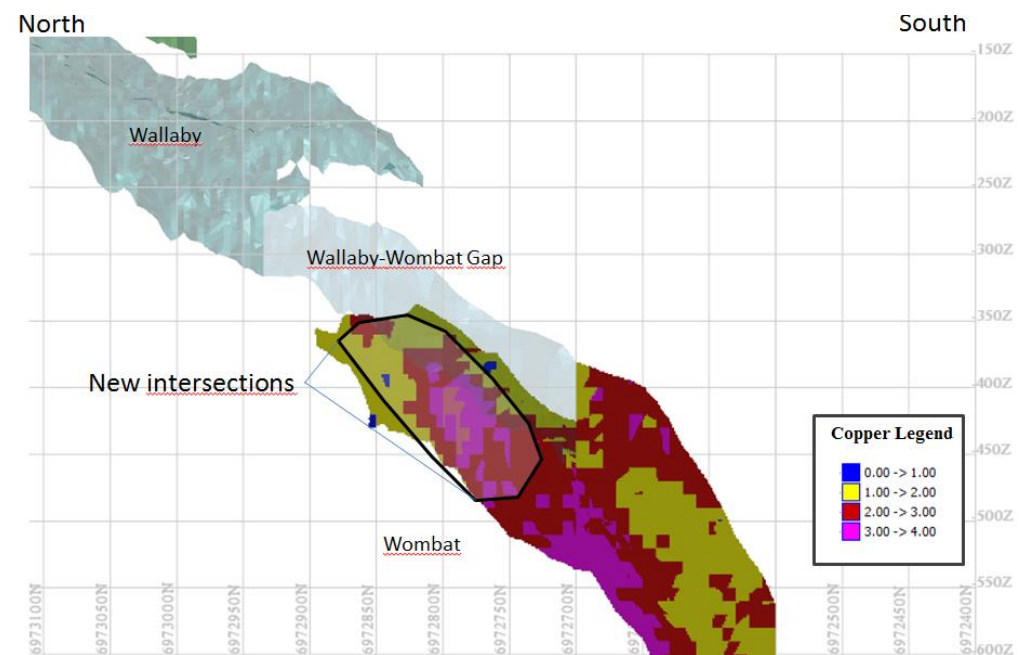
Hole	From (m)	Width (m)	Copper (%)
KU-348	22.0	16.4	3.3
KU-356	57.0	16.3	3.8
KU-357	49.0	29.0	4.7
KU-358	46.0	36.0	3.3
KU-359	34.7	20.4	4.1
KU-359	65.9	26.7	3.4
KU-360	63.0	36.8	1.7
KU-370	68.3	10.7	2.5
KU-371	67.0	37.6	3.2
KU-374	65.4	27.8	2.0

Drillhole intersections are reported using 0.4% copper cut-off and 2 metres minimum width.

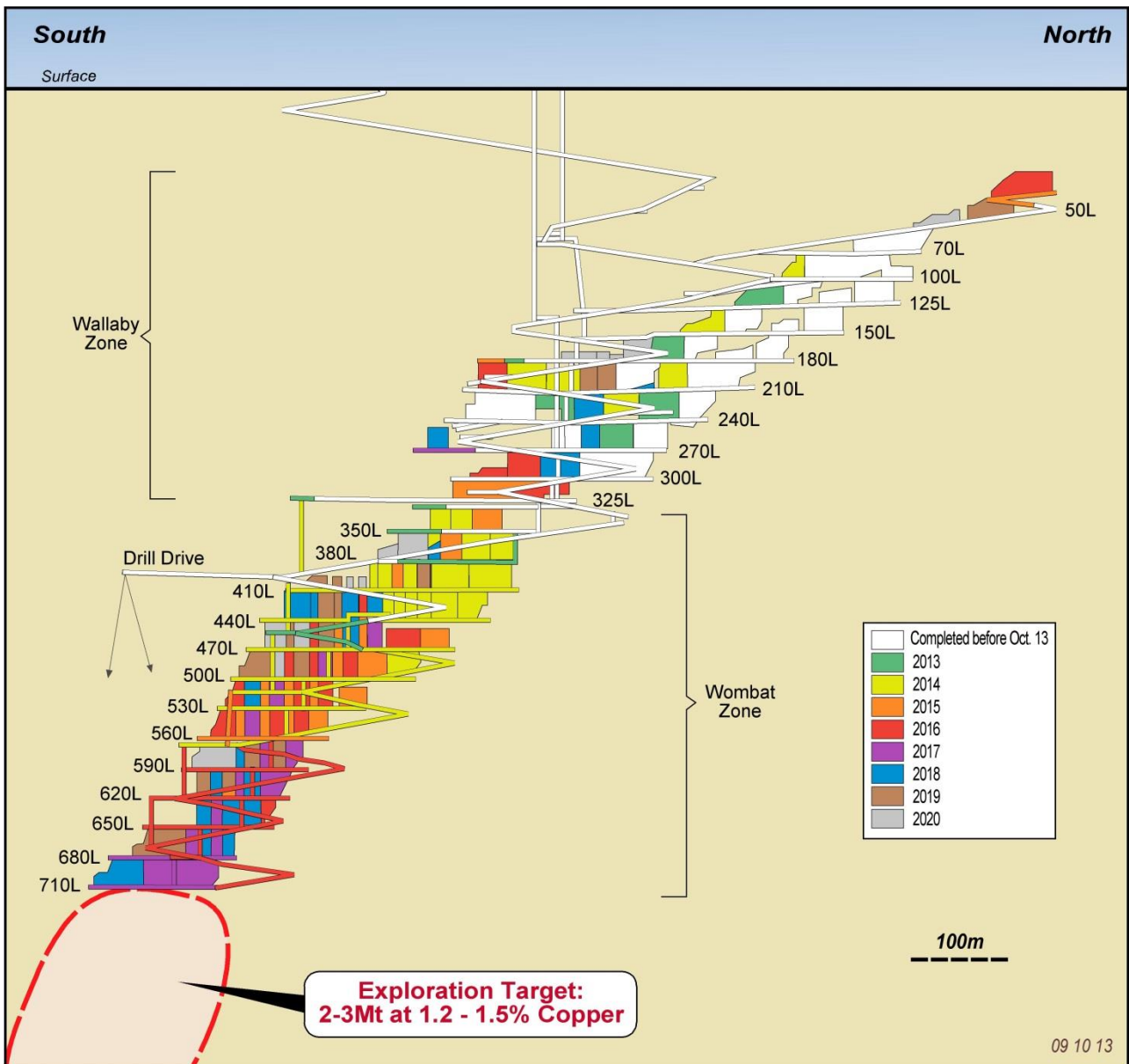
The upper Wombat zone hosts a thick high-grade zone which plunges steeply to the south. This highgrade trend is illustrated below. This zone is poorly defined below the limit of underground drilling.

Close spaced definition drilling generally upgrades resources

In general when deposit definition drilling is undertaken from underground, pre-mining resource estimates are found to be conservative. Definition drilling usually results in increased grade and tonnes of high-grade massive sulphides at the expense of low-grade disseminated ore.



Screen snapshot of the Kylylahti resource model. North-South longitudinal projection (looking east) showing grade distribution in the Wombat zone and the location of the high grade zone at the upper part of the Wombat zone.



Longitudinal section of the Kylylahti mine showing the mine plan, drill drive and zone targeted for additional resources.

Drilling depth extensions underway

The lower Wombat Zone is open at depth with the deepest drillhole (OKU-927J) intersecting 72 metres at 1.8% copper of typical Outokumpu style of mineralisation. Altona has commenced drill testing for possible extensions of the Kylylahti mine at depth.

The first drillhole of the resource extension campaign was drilled to intersect the lower limit of the Wombat zone and was completed during the quarter. It gave visual indications of ore grades and better widths than the current resource model. Three additional drillholes are planned and will be completed during the December quarter.

New nickel zone discovered

Recent stope definition drilling has also revealed a nickel rich zone. Drill intercepts include:

Hole	From (m)	Width (m)	Copper (%)	Nickel (%)
KU-267	44.7	15.6	0.2	0.7
KU-353	81.7	11.0	1.1	0.9
KU-352	89.0	11.0	0.5	0.8
KU-260	46.0	5.3	0.3	1.0
KU-266	25.0	7.7	0.6	0.6
KU-354	77.0	8.6	0.8	0.6
KU-405	87.0	15.0	0.2	0.8
KU-406	84.4	12.6	0.5	1.7

Drillhole intersections are reported using 0.4% nickel cut-off and 2 metres minimum width.

Ore Reserves

Reserve estimates increased and all mining depletion since mining commenced has been replaced

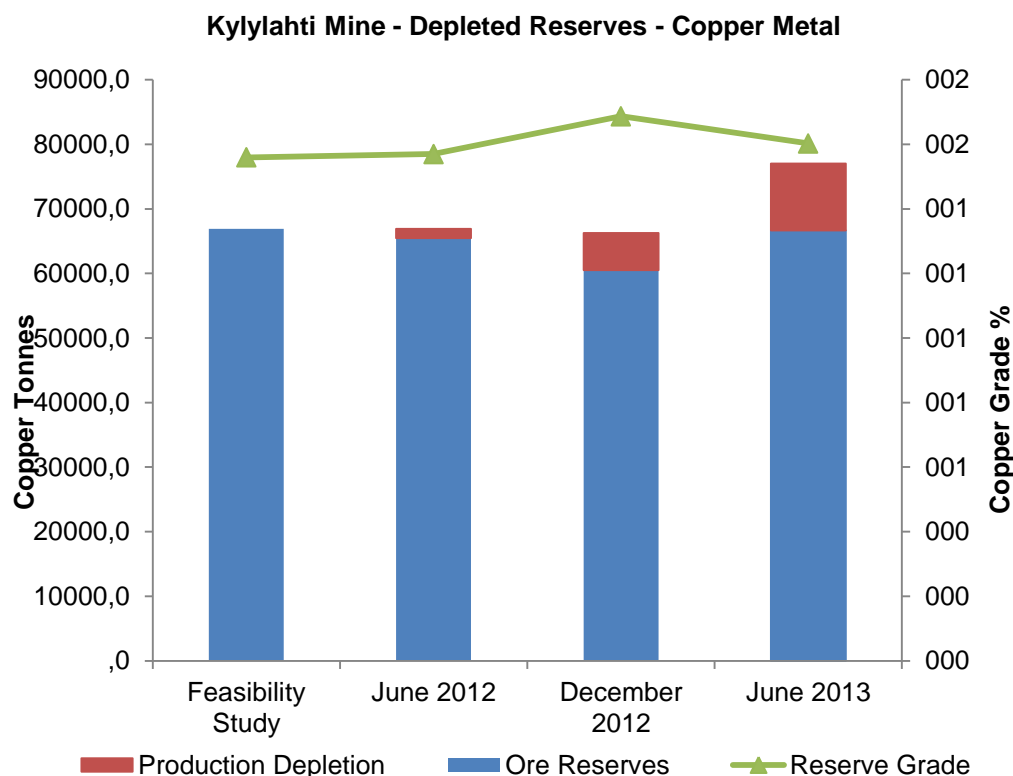
Ore Reserves have been updated and the 30 June 2013 Ore Reserve estimate for the Kylylahti mine is given in the table below.

Kylylahti Ore Reserves, July 2013

	Tonnes (m)	Copper (%)	Gold (g/t)	Zinc (%)	Cobalt (%)	Nickel (%)
Proven Ore Reserves	0.6	1.51	0.75	0.66	0.25	0.15
Probable Ore Reserves	3.5	1.62	0.73	0.62	0.27	0.17
TOTAL	4.2	1.60	0.73	0.63	0.27	0.16
Metal Tonnes		66,700	97,700oz	26,100	11,100	6,900

Note: Totals may not match sub-totals due to rounding.

After mining depletion, this reserve estimate is higher than the 31 December 2012 estimate of 3.6 million tonnes at 1.69% copper, 0.66g/t gold and 0.67% zinc (see ASX announcement on 2 April 2013). Contained copper has increased by 10%. The contained metal in the new reserve is essentially identical to the estimate disclosed on the 2 August 2010 prior to commencing mining.



Mining is now scheduled for completion in late 2020. Success in the extension drilling combined with the reserve upgrade could underpin a higher production rate or a longer mine life.

Mineral Resources

Mineral Resources have been updated and the 30 June 2013 Resource estimate for the Kylylahti mine is detailed in the table below:

Table 2: Kylylahti Resource Estimate - July 2013

	Tonnes (m)	Copper (%)	Gold (g/t)	Zinc (%)	Cobalt (%)	Nickel (%)
Measured	1.4	1.22	0.56	0.55	0.23	0.20
Indicated	5.4	1.44	0.72	0.54	0.25	0.20
Inferred	0.9	0.64	0.59	0.36	0.17	0.25
TOTAL	7.7	1.31	0.68	0.52	0.23	0.21
Metal Tonnes		100,670	167,850oz	40,360	18,000	15,900

Resources are reported above a 0.4% copper lower cut-off grade.

This compares to 7.9 million tonnes at 1.25% copper, 0.69 g/t gold and 0.56% zinc for 99,050 tonnes of copper, 175,750 ounces of gold and 44,250 tonnes of zinc for the previous estimate reported on 9 April 2013. During the period 1 January 2013 to 30 June 2013, mining depleted the resource by 0.27 million tonnes at a grade of 1.66% copper.

The Resource estimate reported is inclusive of the Ore Reserves reported above. The wider Resource estimate for the Outokumpu area is 17.0 million tonnes at 0.93% copper (see appendix).

Luikonlahti Mill

Processing

Plant out performs design throughput

The Luikonlahti processing plant operated at a rate controlled by ore availability and delivered a high level of recovery this quarter.

The Luikonlahti mill regularly operated at an annualised rate of 650,000 tonnes in August and September when ore was available. Design throughput is 550,000 tonnes per annum.

An engineering study had previously been completed to determine costs and equipment required for a plant upgrade to 800,000 tonnes per annum. It was intended to complete a detailed study on this plant upgrade in 2013. The approximate capital cost was estimated at \$7 million and the expansion was tentatively planned for mid-2014 upon completion of deep drilling to identify additional ore reserves.

De-bottlenecking preferred to plant expansion

Given the excellent performance in August, only minimal capital expenditure may be required to deliver a sustainable throughput of approximately 700,000 tonnes per annum. Major capital expenditure associated with a plant expansion will not be pursued, rather continuous improvement de-bottlenecking and studies to ensure a sustainable throughput of 700,000 tonnes per annum will be completed.

Recoveries meeting or exceeding expectations

Copper recovery of 92.6% for the quarter and copper-gold concentrate grades were in line with design. Zinc concentrate grade of 48.5% is slightly below design of 50% but zinc recovery of 53.6% has improved from the previous quarter and is now above design of 50% recovery.

The mill was shutdown for 5 days at the end of the quarter for major maintenance and to replace the rod mill shell and heads. The original shell had minor cracks and will be repaired and held as a spare. The shutdown had minimal impact on production targets. The mill was re-started after 5 days shut down without incident.

Cobalt-nickel concentrate dam construction commenced

Construction of a new cobalt-nickel concentrate storage dam has commenced with clearing of the site. The dam is required to ensure capacity is available in early 2015 when the current dam will likely be filled. It should be noted that there is considerable value in the cobalt and nickel metal stored in these dams, metal which remains available for potential exploitation at a later date. Annual concentrate production contains cobalt, nickel and copper with an in situ value of US\$50 million each year based on current metal prices.

A permit to allow processing up to 1 million tonnes per annum of a variety of ore sources and to operate the new concentrate dam is in the regulatory approval process. Public comment has been received and discussions held with relevant authorities. The permit is expected to be available in early 2014.

Little Eva Project

Little Eva has permits in place and a completed DFS

A Definitive Feasibility Study (“DFS”) on the 100% owned Little Eva Copper-Gold Project, 90 kilometres north-east of Mt Isa in Queensland, Australia was completed in May 2012. The Project is 11 kilometres north of MMG’s \$1.2 billion Dugald River zinc mine. The project sits within granted mining licences and native title agreements and environmental authority are in place.

**Definitive
Feasibility
Study update
commences**

There have been a number of developments since the completion of the DFS. The most significant being the reduction in mining contract rates, engineering costs and construction costs.

GR Engineering Services have commenced a review of costings for the study and these should be available later this calendar year.

**Partnering
process
continues**

The process to sell, partner or finance the Little Eva project attracted considerable initial interest. However, interest reduced as market sentiment has been poor in recent months. Despite this, in recent weeks there has been considerable interest in the asset from various parties. Discussions continue.

**Resource
review
underway**

The Little Eva deposit was discovered in the 1970s and has had drilling undertaken by a number of organisations using a variety of data capture and recording systems. The resource estimate undertaken as part of the DFS highlighted conflicts in the data.

Altona has commenced a programme to re-log and re-classify all prior drilling in a unified geological model. This exercise will permit better geological control of resource estimation domains and an updated resource estimate. Results will be available late this calendar year.

Following the establishment of an exploration joint venture with Chinalco Yunnan, Altona has separated its interests into the Roseby South Joint Venture and the Little Eva Project.

Roseby South Joint Venture

Altona entered into a binding term sheet for an exploration joint venture with Chinalco Yunnan Copper Resources Ltd ("CYU") (ASX:CYU) where CYU may earn up to a 70% interest in the southern tenements at Altona's Roseby Project in Queensland, Australia (see attached map).

CYU is 43% owned by Yunnan Copper Industry (Group) Co Ltd, a subsidiary of Aluminium Corporation of China ("Chinalco"). The principal terms of the agreement are:

- CYU must spend a minimum of \$1 million on exploration activities in the next 2 years.
- CYU can earn a 30% interest by spending \$2 million (inclusive of the \$1 million above).
- CYU can earn a 60% interest by spending \$4 million within 5 years.
- CYU can earn a 70% interest by funding and completing a Definitive Feasibility Study along with a decision to mine on a substantive mining project.

The joint venture with CYU allows Altona to focus on our extensive northern leases at Roseby (800km²) whilst retaining what is essentially a 30% free-carried interest to a decision to mine in the southern tenements, should CYU complete the joint venture earn-in.

Kuhmo Nickel Project

A number of exploration tenements at Kuhmo have been relinquished. The Company has retained core tenements around the previously defined resources and will focus on permitting these potentially mineable deposits. The value of the project was written down to nil in the FY2013 accounts due to the low nickel price.

Corporate

Year End Result

First Profit as a miner reported

The company reported its first full year profit as a miner with profit after tax of A\$12.6 million for FY2013. This compares to a loss of A\$25.0 million for FY2012, a turnaround of A\$37.6 million. This reflects the Company's transformation from building and commissioning the Outokumpu operations to entering into successful commercial production. The FY2013 results were founded on a strong set of underlying earnings at the Outokumpu operations (EBIT) of A\$18.3 million.

As part of the FY2013 profit result, Altona accounted for a A\$5.5 million write down in the book value of the nickel resources at the Kuhmo Nickel Project reflecting a low nickel price environment and the likelihood that the development or sale of these assets is low. The other major one-off item relates to the recognition of A\$13.6 million of tax losses incurred in bringing Outokumpu into production.

Cash

Strong cash balance with A\$36.3 million in cash, receivables and stocks

The Company has A\$25.73 million in cash, receivables from concentrate sales of A\$9.59 million and inventories of A\$0.93 million. A\$2.12 million is also held in cash as security for environmental performance. The cash balance remains in line with the prior quarter. Cash movements for the quarter are tabulated below.

Quarterly Cashflow (June quarter)	A\$ (millions)
Opening cash	26.09
Proceeds from concentrate sales	19.76
Outokumpu operating costs	(10.90)
Sustaining capital expenditure *	(6.15)
Other capital expenditure	(0.34)
Debt service	(0.89)
Roseby activities	(0.89)
Overheads/Corporate	(1.53)
Interest received and other **	0.58
Closing cash position	25.73

* Sustaining capital includes mine decline development and tailings dam costs etc.

** Other includes exchange rate adjustments.

Please note an Appendix 5B disclosure as required by ASX for exploration entities is enclosed. The forecast cash expenditure for the next quarter is required to be presented in a form that excludes all revenues and does not reflect actual predicted cashflows.

Debt

The Company has debt of US\$20.4 million with Credit Suisse. Principal repayments commence in March 2014. The loan will be fully paid by 30 June 2016. The Company also has €2.3 million of finance leases for mining equipment.

Hedging

The Company has copper, gold and zinc hedging denominated in Euros. Deliveries into the hedge book this quarter were 540 tonnes of copper at €5,575 per tonne, 1,248 ounces of gold at €1,192 per ounce and 198 tonnes of zinc at €1,462 per tonne. The schedule of outstanding metal deliveries is given below. Hedge prices have been converted to US\$ using the closing rate the end of September.

Year ended 30 June	Copper (t)	Copper (US\$/t)	Gold (oz)	Gold (US\$/oz)	Zinc (t)	Zinc (US\$/t)
2014	2,449	7,613	3,744	1,608	597	1,973
2015	2,946	7,632	5,004	1,608	804	1,973
2016	3,264	7,632	5,003	1,608	809	1,973
Total	8,659		13,751		2,210	

Hedge book has positive value of €5 million

At the time of writing, the copper price was US\$7,153 per tonne and the gold price US\$1,255 per ounce.

The mark to market value of the hedge book at 30 September 2013 is US\$6.7 million.

The Company also undertakes short-dated (3 months) hedging to secure revenue for the period (Quotational Period) between the receipt of the provisional invoice for concentrate sales and the final pricing. Realised and unrealised gains and losses on Quotational Period hedging have been included in the realised prices per commodity shown in page 2. Altona has recorded a loss of US\$0.64 million on these hedges for the quarter.

Share Price Activity on ASX

Quarter open	0.12¢
High	0.185¢
Low	0.12¢
Quarter close	0.15¢
Average daily volume	584,935

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Alistair Cowden BSc (Hons), PhD, MAusIMM, MAIG, Mr Jarmo Vesanto MSc, MAusIMM, Mr Jani Impola, MSc, MAusIMM and Mr Jari Juurela MSc, MAusIMM. Dr Cowden, Mr Vesanto, Mr Impola and Mr Juurela are full time employees of the Company and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Cowden, Mr Vesanto, Mr Impola and Mr Juurela consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

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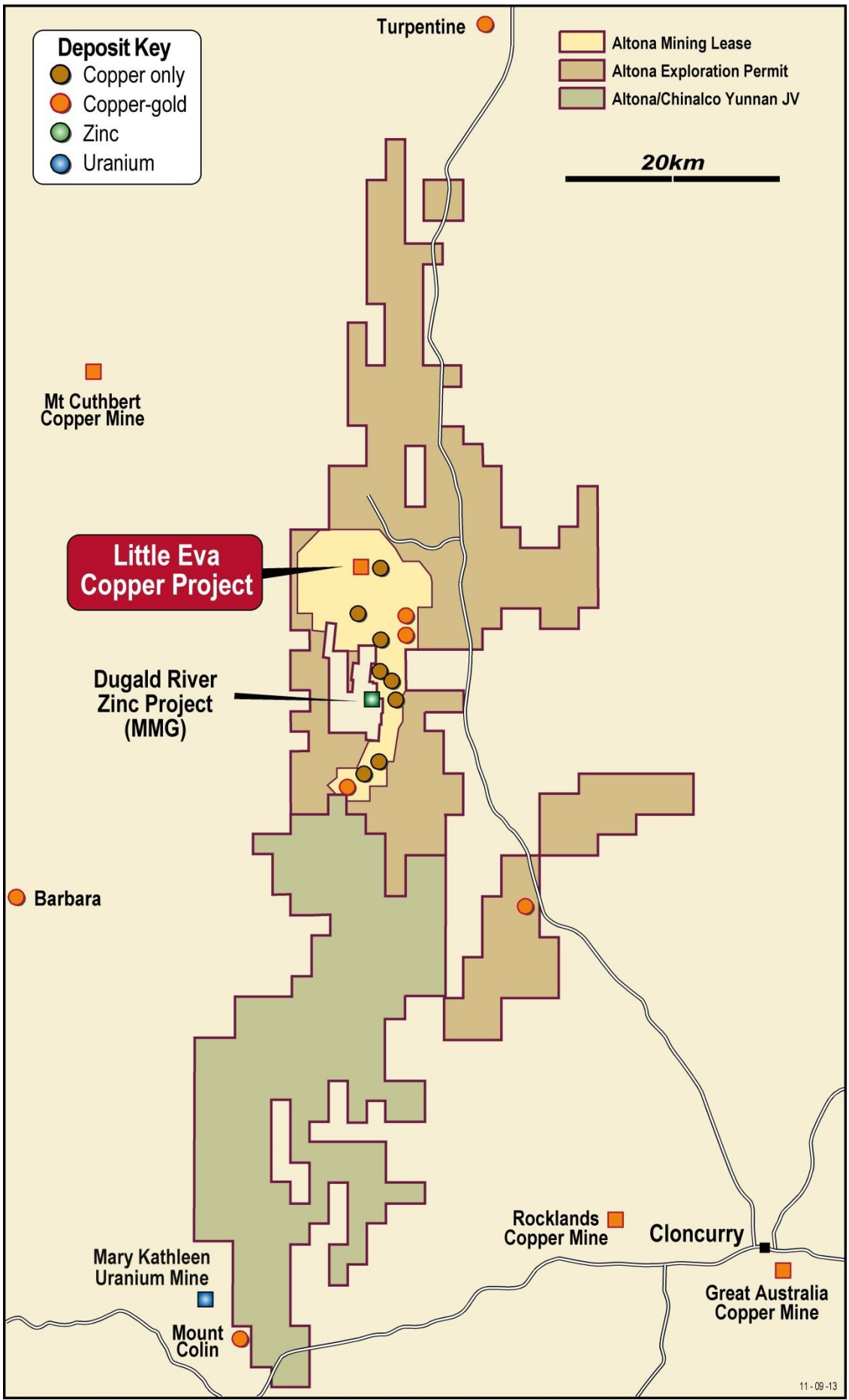


Table 1: Resource Estimates for the Roseby Project

DEPOSIT	TOTAL			CONTAINED METAL		MEASURED			INDICATED			INFERRED		
	Tonnes	Grade		Copper	Gold	Tonnes	Grade		Tonne	Grade		Tonnes	Grade	
	million	Cu %	Au g/t	tonnes	ounces	million	Cu %	Au g/t	million	Cu %	Au g/t	million	Cu %	Au g/t
Copper-Gold Deposits														
Little Eva	100.3	0.54	0.09	538,000	271,000	36.3	0.63	0.08	41.4	0.48	0.08	22.6	0.49	0.11
Ivy Ann	7.5	0.57	0.07	43,000	17,000				5.4	0.60	0.08	2.1	0.49	0.06
Lady Clayre	14.0	0.56	0.20	78,000	85,000				3.6	0.60	0.24	10.4	0.54	0.18
Bedford	1.7	0.99	0.20	17,000	11,000				1.3	1.04	0.21	0.4	0.83	0.16
Sub-total	123.4	0.55	0.10	675,000	384,000	36.3	0.63	0.08	51.7	0.52	0.09	35.5	0.51	0.13
Copper Only Deposits														
Blackard	76.4	0.62		475,000		27.0	0.68		6.6	0.60		42.7	0.59	
Scanlan	22.2	0.65		143,000					18.4	0.65		3.8	0.60	
Longamundi	10.4	0.66		69,000								10.4	0.66	
Legend	17.4	0.54		94,000								17.4	0.54	
Great Southern	6.0	0.61		37,000								6.0	0.61	
Caroline	3.6	0.53		19,000								3.6	0.53	
Charlie Brown	0.7	0.40		3,000								0.7	0.40	
Sub-total	136.7	0.61		840,000		27.0	0.68		25.0	0.64		84.7	0.59	
TOTAL	260.1	0.58	0.05	1,515,000	384,000	63.2	0.65	0.05	76.7	0.55	0.06	120.1	0.56	0.04

See ASX release of 26 July 2011, 19 December 2011, 23 April 2012, 3 July 2012 and 22 August 2012 for full details of resource estimation methodology and attributions.

Note: All figures may not sum exactly due to rounding.

Little Eva is reported above a 0.2% copper lower cut-off grade, all other deposits are above 0.3% copper lower cut-off grade.

Table 2: Kylylahti Resource Estimate - July 2013

	Tonnes (m)	Cu (%)	Au (g/t)	Zn (%)	Co (%)	Ni (%)
Measured	1.4	1.22	0.56	0.55	0.23	0.20
Indicated	5.4	1.44	0.72	0.54	0.25	0.20
Inferred	0.9	0.64	0.59	0.36	0.17	0.25
TOTAL	7.7	1.31	0.68	0.52	0.23	0.21
Metal Tonnes		100,670	167,850oz	40,360	18,000	15,900

See ASX release dated 9 April 2013 for JORC 2012 Compliance.

Table 3: Kylylahti Ore Reserves, July 2013

	Tonnes (m)	Cu (%)	Au (g/t)	Zn (%)	Co (%)	Ni (%)
Proven Ore Reserves	0.6	1.51	0.75	0.66	0.25	0.15
Probable Ore Reserves	3.5	1.62	0.73	0.62	0.27	0.17
TOTAL	4.2	1.60	0.73	0.63	0.27	0.16
Metal Tonnes		66,700	97,700oz	26,100	11,100	6,900

See ASX release dated 29 August 2013 for JORC 2012 Compliance.

Resources are inclusive of ore reserves.

Table 4: Outokumpu Resources, July 2013

Deposit	Classification	Tonnes (m)	Cu (%)	Au g/t	Zn (%)	Co (%)	Ni (%)
Kylylahti	Measured	1.40	1.22	0.56	0.55	0.23	0.20
	Indicated	5.40	1.44	0.72	0.54	0.25	0.20
	Inferred	0.90	0.64	0.59	0.36	0.17	0.25
	Total	7.70	1.31	0.68	0.52	0.23	0.21
Saramäki	Inferred	3.40	0.71	-	0.63	0.09	0.05
Vuonos	Inferred	0.76	1.76	-	1.33	0.14	-
Hautalampi	Measured	1.03	0.47	-	0.06	0.13	0.47
	Indicated	1.23	0.30	-	0.07	0.11	0.42
	Inferred	0.90	0.30	-	0.10	0.10	0.40
	Total	3.16	0.36	-	0.07	0.11	0.43
Riihilahti	Indicated	0.14	1.69	-	-	0.04	0.16
Valkeisenranta	Indicated	1.54	0.29	-	-	0.03	0.71
Särkiniemi	Indicated	0.10	0.35	-	-	0.05	0.70
Sarkalahti	Inferred	0.19	0.33	-	-	-	1.02
TOTAL		16.98	0.93	0.31	0.44	0.15	0.26

See Vulcan ASX Release of 16 November 2009 for JORC 2004 compliance for deposits other than Kylylahti. This release can be found on the Finland Resource and Reserve Estimates page of Altona's website.

APPENDIX 5B

Mining Exploration entity quarterly report

Name of entity

ALTONA MINING LIMITED

ABN

35 090 468 018

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current Quarter (3 months) A\$'000	Year to Date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	19,762	19,762
1.2 Payments for (a) exploration and evaluation	(997)	(997)
(b) development	(2,922)	(2,922)
(c) production	(10,199)	(10,199)
(d) administration (includes prod admin)	(2,242)	(2,242)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	18	18
1.5 Interest and other costs of finance paid	(889)	(889)
1.6 Income taxes rebate	-	-
1.7 Other**	380	380
Net Operating Cash Flows	2,911	2,911
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3,563)	(3,563)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(3,563)	(3,563)
1.13 Total operating and investing cash flows (carried forward)	(652)	(652)

** Proceeds from sale of assets and VAT/GST received.

Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	(652)	(652)
1.20 Cash at beginning of quarter/year	26,093	26,093
1.21 Exchange rate adjustments to 1.20	292	292
1.22 Cash at end of quarter	25,733	25,733

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	455
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of executive and non-executive directors' fees, salaries and superannuation during the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities(*)	-	21,535
3.2 Credit standby arrangements	-	-

(*) The Credit Suisse debt facility of US\$20 million has been fully drawn down and comprises principal of US\$20 million and capitalised interest of US\$0.46 million.

Estimated cash outflows for next quarter (excluding any proceeds from concentrate sales and other income)

	\$A'000
4.1 Evaluation/Exploration	(1,351)
4.2 Development	(7,038)
4.3 Production	(11,308)
4.4 Administration (Australia and Finland)	(1,998)
Total	(21,695)

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	21,250	18,534
5.2 Deposits at call	4,483	7,559
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	25,733	26,093

Changes in interests in mining tenements

6.0 See attached Schedule A.

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security	Amount paid up per security
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter	-	-	-	-
7.3 Ordinary securities	532,184,704	532,184,704	-	-
7.4 Changes during quarter - Issued	3,192,000	3,192,000	-	-
7.5 Converting debt Securities <i>(description and conversion factor)</i>	-	-	-	-
7.6 Changes during quarter	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	1,000,000 options 14,015,749 [^]	- -	Exercise Price \$0.44 -	Expires 18 November 2013 (various)
7.8 Issued during quarter	7,872,000 [^]	-	Nil	-
7.9 Exercised during quarter	3,192,000 [^]	-	-	-
7.10 Expired during quarter	342,000 [^] 365,000 options	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

[^] Share rights issued pursuant to approved Employee Share Scheme. These Share Rights form part of the Long Term Incentive Scheme in compliance with Altona's Remuneration Policy. The Share Rights have various expiry dates and performance hurdles.

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.

Sign here: 

Date: 21 October 2013

Company Secretary

Print Name: Eric Hughes

SCHEDULE A

FINNISH MINING TENEMENTS

Interests in mining tenements relinquished, reduced or lapsed during the quarter

Six five-year Kylylahti Copper Oy claims with mining register numbers 8393/1-3, 8394/1 and 8525/1-2 will expire in November 2013 and February 2014. Four three-year extension applications, Polvikoski (including 8393/1-2), Kylylahti 6 (8393/3), Saramäki 2 (8394/1) and Sukkula (including 8525/1-2) were submitted. All the claim areas were reduced to meet Mining Act requirements.

Ala-Penikka reservation lapsed during the quarter. Reservation area included large nature protection (Natura) area that strongly hinders any exploration. Claim application was not submitted.

Majority of Kuhmo Metals claims will expiry in November 2013. As the tenements have been explored and no untested targets remain, it was decided that only tenements covering the known resources and important areas adjacent to resources will be held and the rest of tenements will be relinquished by the end of 2013. As part of tenement package restructuring a total of seven claim extension applications (No: 8242/1-6 and 8233/2) submitted in June 2012 were cancelled.

Interests in mining tenements acquired or increased during the quarter

None.

Interests in mining tenements at end of the quarter

OUTOKUMPU AREA

Mining Licenses

Number	Name	Holder
3593/1a	Kylylahti	Kylylahti Copper Oy
3593/1b	Kylylahti	Kylylahti Copper Oy
3593/1c	Kylylahti ML extension	Kylylahti Copper Oy
3593/2a	Kylylahti 2	Kylylahti Copper Oy
348/1a, 563/1a, 98/13b, 257/1a	Hautalampi	Vulcan Hautalampi Oy
7975	Riihilahti	Kylylahti Copper Oy
553/1a,2a,4a,6a-11a	Luikonlahti1-2,4,6-11	Kylylahti Copper Oy
1281/1a-2a	Petkel I+ II	Kylylahti Copper Oy
2061/1a	Petkellahti	Kylylahti Copper Oy
553/1a,2a,4a,6a-11a	Luikonlahti auxiliary areas	Kylylahti Copper Oy
553/1a,2a,4a,6a-11a	Luikonlahti auxiliary areas Expansion	Kylylahti Copper Oy

Claims

Number	Name	Holder
ML2012:0154	Kylylahti 2-4	Kylylahti Copper Oy
ML2012:0224	Saramäki 1	Kylylahti Copper Oy
ML2012:0222	Perttilahti 1-2	Kylylahti Copper Oy
ML2012:0223	Vuonos 1-3	Kylylahti Copper Oy
8393/1	Polvikoski 1	Kylylahti Copper Oy
8393/2	Polvikoski 2	Kylylahti Copper Oy
8393/3	Kylylahti 6	Kylylahti Copper Oy
8394/1	Saramäki 2	Kylylahti Copper Oy

8525/1	Sukkula 1	Kylylahti Copper Oy
8525/2	Sukkula 2	Kylylahti Copper Oy
ML2013:0034	Kokonvaara	Kylylahti Copper Oy
8623/1	Sivakkavaara 2a	Kylylahti Copper Oy
8623/2	Sivakkavaara 2b	Kylylahti Copper Oy
8623/3	Sivakkavaara 3	Kylylahti Copper Oy
8974/1	Kokka 2	Kylylahti Copper Oy
8974/2	Kokka 3	Kylylahti Copper Oy
8974/3	Kokka 4	Kylylahti Copper Oy
8974/4	Kokka 5	Kylylahti Copper Oy
9106/1	Kokka 6	Kylylahti Copper Oy
ML2013:0036	Perttilahti South	Kylylahti Copper Oy

Reservations

Number	Name	Holder
VA2012:0188	Miihkali	Kylylahti Copper Oy
VA2012:0189	Saramäki-South	Kylylahti Copper Oy

KUHMO JOINT VENTURE

Mining Licenses

Number	Name	Holder
7014	Hietaharju	Kuhmo Metals Oy
7922	Peura-aho	Kuhmo Metals Oy

Claims

Number	Name	Holder
	Saarikylä belt	
ML2012:0047	Vaara	Kuhmo Metals Oy
8049/1	Kotisuo	Kuhmo Metals Oy
ML2013:0048	Kauniinlampi	Kuhmo Metals Oy
8049/3	Hoikkalampi	Kuhmo Metals Oy
8049/4	Rytys	Kuhmo Metals Oy
8049/5	Vaara North	Kuhmo Metals Oy
8396/1	Hoikka	Kuhmo Metals Oy
8618/1	Hakovaara	Kuhmo Metals Oy
8602/1	Vaara West	Kuhmo Metals Oy
	Kiannanniemi	
7922/1	Peura-aho	Kuhmo Metals Oy
8033/3	Peura-aho North	Kuhmo Metals Oy
8033/1	Peura-aho East	Kuhmo Metals Oy
8033/2	Peura-aho NE	Kuhmo Metals Oy
8033/5	Peura-aho SW	Kuhmo Metals Oy
8033/4	Peura-aho South	Kuhmo Metals Oy
8618/3	Myllyaho 1	Kuhmo Metals Oy
8618/4	Myllyaho 2	Kuhmo Metals Oy
8745/1	Hietaharju North	Kuhmo Metals Oy
	Huutoniemi	
8476/1	Huutoniemi 1	Kuhmo Metals Oy
8476/2	Huutoniemi 2	Kuhmo Metals Oy
8476/3	Huutoniemi 3	Kuhmo Metals Oy
8476/4	Huutoniemi 4	Kuhmo Metals Oy

	Moisiovaara	
8047/4	Luokkivaara	Kuhmo Metals Oy
8055/1	Luokkipuro	Kuhmo Metals Oy
8055/2	Hyyrylainen	Kuhmo Metals Oy
ML2013:0047	Sika-aho	Kuhmo Metals Oy
8049/8	Paatola	Kuhmo Metals Oy
8049/9	Likosuo	Kuhmo Metals Oy
8049/10	Karsikkosuo	Kuhmo Metals Oy
8049/11	Lehdonmaa	Kuhmo Metals Oy
8049/12	Harju	Kuhmo Metals Oy
8049/13	Yhteisenaho	Kuhmo Metals Oy
8049/14	Selkajarvi	Kuhmo Metals Oy
8049/15	Kaartilanvaara	Kuhmo Metals Oy
8049/16	Kaivolampi	Kuhmo Metals Oy
8049/17	Paatolaislampi	Kuhmo Metals Oy
8956/2	Lehdonmaa South	Kuhmo Metals Oy
	Arola - Harma North	
ML2013:0003	Arola	Kuhmo Metals Oy
8047/1	Arola South	Kuhmo Metals Oy
8047/2	Palovaara South	Kuhmo Metals Oy
8047/3	Tiikkaja-aho	Kuhmo Metals Oy
8043/1	Kelosuo South	Kuhmo Metals Oy
8049/18	Karhujarvi	Kuhmo Metals Oy
8049/19	Palovaara	Kuhmo Metals Oy
8049/20	Putkisuo	Kuhmo Metals Oy
8049/21	Kelosuo	Kuhmo Metals Oy
8049/22	Pitkaaho	Kuhmo Metals Oy
8500/1	Korkea-aho 2	Kuhmo Metals Oy
8500/2	Korkea-aho 3	Kuhmo Metals Oy
8762/1	Naurissuo	Kuhmo Metals Oy
9412/1	Tiikkaja-aho 2	Kuhmo Metals Oy
8955/1	Kelosuo East	Kuhmo Metals Oy
8955/2	Kirnulampi	Kuhmo Metals Oy
	Kuhmo Area	
8055/3	Siivikkovaara	Kuhmo Metals Oy
8055/4	Niemenkyla	Kuhmo Metals Oy
8049/24	Riihilampi	Kuhmo Metals Oy

KOTALAHTI AREA NICKEL

Mining Licenses

Number	Name	Holder
6977/1a	Särkiniemi	Vulcan Kotalahti Oy
7739	Valkeisenranta	Vulcan Kotalahti Oy

Claims

Number	Name	Holder
8483/1	Kotalahti 1	Vulcan Kotalahti Oy
8483/2	Kotalahti 2	Vulcan Kotalahti Oy
8413/4	Valkeisenvuori	Vulcan Kotalahti Oy
8413/6	Pölkkysoo	Vulcan Kotalahti Oy
8413/9	Pölkkysoonkangas	Vulcan Kotalahti Oy

8413/10	Rytkynlampi	Vulcan Kotalahti Oy
8413/11	Ollinsalmi 2	Vulcan Kotalahti Oy
8413/12	Valkeisenhiekkä	Vulcan Kotalahti Oy

Reservations

Number	Name	Holder
VA2011:0073	Sarkalahti	Vulcan Kotalahti Oy
VA2012:0145	Mäntymäki	Vulcan Kotalahti Oy
VA2012:0146	Hyvelä	Vulcan Kotalahti Oy
VA2012:0147	Sahakoski	Vulcan Kotalahti Oy

AUSTRALIAN MINING TENEMENTS

Interests in mining tenements relinquished, reduced or lapsed during the quarter

Two letters of partial relinquishments were sent during the quarter for two EPMs as per required in tenement conditions. 10 sub blocks out of 19 were nominated to be relinquished of EPM14556 and five sub blocks out of EPM8059.

Interests in mining tenements acquired or increased during the quarter

One new EPM application was lodged during the quarter. Renewal applications for nine (6) greater Roseby Project EPMs and one (1) Queensland Regional Project EPMs are currently being processed by the Queensland DNRM. Correspondence was received from the Queensland DNRM during the September Quarter approving the renewal application for EPM14556, 14822, 11611 and 10833.

The area under granted EPMs within Queensland presently totals 1,477.9km².

Interests in mining tenements at end of the quarter

QUEENSLAND – ROSEBY PROJECT

Mining Leases (ML)

Number	Name	Holder
90162	Scanlan	Altona Mining Ltd / Roseby Copper Pty Ltd
90163	Longamundi	Altona Mining Ltd / Roseby Copper Pty Ltd
90164	Blackard	Altona Mining Ltd / Roseby Copper Pty Ltd
90165	Little Eva	Altona Mining Ltd / Roseby Copper Pty Ltd
90166	Village	Altona Mining Ltd / Roseby Copper Pty Ltd

Exploration Permit for Minerals (EPM)

Number	Name	Holder
8059	Cameron River	Altona Mining Ltd
8506	Mt Roseby	Altona Mining Ltd / Roseby Copper Pty Ltd
9056	Pinnacle	Roseby Copper (South) Pty Ltd
10266	Highway	Altona Mining Ltd / Roseby Copper Pty Ltd
10833	Cameron	Altona Mining Ltd / Roseby Copper Pty Ltd
11004	Ogorilla	Altona Mining Ltd / Roseby Copper Pty Ltd
11611	Gulliver	Altona Mining Ltd / Roseby Copper Pty Ltd
12121	Gulliver East	Altona Mining Ltd / Roseby Copper Pty Ltd
12492	Queen Sally	Altona Mining Ltd / Roseby Copper Pty Ltd

12493	Quamby	Roseby Copper Pty Ltd
12529	Cabbage Tree	Roseby Copper Pty Ltd
13249	Lilliput	Altona Mining Ltd / Roseby Copper Pty Ltd
14363	Bannockburn	Roseby Copper Pty Ltd
14365	Corella	Roseby Copper (South) Pty Ltd
14535	Roseby Infill	Roseby Copper (South) Pty Ltd
14556	Coolullah	Altona Mining Ltd
14822	River Gum	Altona Mining Ltd
18784	Roseby East	Roseby Copper Pty Ltd
18983	Coolullah North	Roseby Copper Pty Ltd

QUEENSLAND – REGIONAL PROJECTS

Exploration Permit for Minerals (EPM)

Number	Name	Holder
9611	Happy Valley	Altona Mining Ltd
14370	Malakoff	Roseby Copper (South) Pty Ltd
14371	Mt. Angelay	Roseby Copper (South) Pty Ltd