

Site Preparation Commences in Finland

17 September 2010

Emerging copper producer, **Altona Mining Ltd** ("Altona") (ASX: AOH) is pleased to report that site preparation has commenced at its Outokumpu Copper Project (Project) in eastern Finland, approximately 400km northeast of the capital Helsinki.

Ground clearing at the Kylylahti mine site is the first step in a program of work that will last through to January 2011 resulting in the provision of basic infrastructure at the mine site.

The Project received board approval in early August 2010 following the completion of a definitive feasibility study for the refurbishment of the Luikonlahti mill and the development of the 550ktpa Kylylahti mine.

Altona Managing Director, Dr Alistair Cowden, said this was an important milestone that will allow the underground decline to commence on schedule.

While the Company negotiates financing arrangements with banks and potential off-take partners, the Board approved an initial expenditure of A\$2.8M (€1.8M) to maintain development activities and momentum.

The work comprises provision of power, water, roads and offices and the box-cut for the decline portal. To date, detail design has been completed on first-stage earth works and provision of 20Kv power to the site, and this work is in the process of being let. Tendering and selection of the contractor to undertake the decline development will be completed in time for an early 2011 start.

Altona intends to have project financing in place by the end of the year to coincide with the start of decline development.

"We have approached a number of prospective financiers and have met with a positive response," said Dr Cowden. "At this point in time we are examining the detail of a number of very interesting offers before proceeding with a short-list of potential finance partners."

In full production, the Kylylahti mine will produce 550,000 tonnes per annum of copper-gold ore for treatment at the Company's Luikonlahti concentrator, 43km away. The concentrator will be refurbished during 2011 to provide an initial production capacity of 8,000 tonnes of copper metal, 8,400 ounces of gold and 1,600 tonnes of zinc in concentrates per annum.

First production is scheduled for early 2012.

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For further information, please contact:

Alistair Cowden
Managing Director
Altona Mining Limited
Tel: +61 8 9485 2929
Email: altona@altonamining.com

Ann M Nahajski
Joint Company Secretary/
Investor Relations
Altona Mining Limited
Mob: +61 (0)400 205 433
Email: ann@altonamining.com

Wolfgang Seybold
Axino Investor & Media Relations
Germany
Mob: +49 171 207 0817
Email: wolfgang.seybold@axino.de

ABOUT ALTONA

Altona Mining Ltd (ASX:AOH) has two major copper assets and a clear strategy to build a profitable copper business producing from multiple mines in historic major copper mining camps. The immediate priority is to take the Outokumpu project in Finland into production through developing the Kylylahti mine and refurbishing the Luikonlahti processing hub. Growth will be delivered by developing other resources in the area.

The Roseby copper project near Mt Isa in Queensland is one of Australia's largest undeveloped copper projects. The Company's aim is to increase resources beyond 1Mt of contained copper and to upgrade the DFS to a production target of 40,000tpa copper. Altona will finalise permitting of Roseby in parallel with developing the Outokumpu copper project.



Figure 1: Commencement of site clearing at the Kylylahti mine site. Mine Manager Seppo Tuovinen on the left

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and reviewed by Dr Alistair Cowden BSc (Hons), PhD, MAusIMM, MAIG who is 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 which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Alistair Cowden consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.