

Ref: AOH0092EH/md

31 January 2011

Company Announcements Office  
Australian Securities Exchange  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

**By e-Lodgement**

**ENTITLEMENT OFFER - NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001 AS MODIFIED BY ASIC CLASS ORDER 08/35**

Altona Mining Limited (ASX:AOH) ("**Company**") today announced an accelerated non-renounceable pro-rata entitlement offer to eligible retail and institutional shareholders ("**Entitlement Offer**"). The record date for participating in the Entitlement Offer is 5.00 pm (Perth time), 3 February 2011 ("**Record Date**").

Eligible shareholders will be invited to subscribe for 2 new shares (the "**Shares**") for every 5 existing ordinary shares held at the Record Date, at an issue price of \$0.31 per share.

Contemporaneously with the Entitlement Offer, the Company announced an institutional placement of up to approximately 51,508,258 fully paid ordinary shares in the Company ("**Placement**") and an additional institutional placement of 76,187,227 fully paid ordinary shares in the Company conditional on shareholder approval ("**Conditional Placement**").

An Appendix 3B and proposed timetable in relation to the Entitlement Offer follows this notice.

**NOTICE UNDER SECTION 708AA OF THE ACT**

The Company hereby notifies ASX under paragraph 708AA(2)(f) of the Corporations Act 2001 (Cth) (as modified by ASIC Class Order 08/35) ("**Act**") that:

1. the Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Act;
2. the Company is providing this notice under paragraph (2)(f) of section 708AA of the Act;
3. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
4. as at the date of this notice, the Company has complied with section 674 of the Act;
5. as at the date of this notice, there is no information:

For personal use only

- For personal use only
- a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - b. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - ii. the rights and liabilities attaching to the Shares; and
6. the potential effect that the Entitlement Offer will have on control of the Company and the consequences of that effect will depend upon a number of factors, including investor demand.

Otherwise based on the fact that the Entitlement Offer is pro rata and fully underwritten and that no shareholder of the Company has voting power exceeding 20% of the Company's issued shares (based on substantial holding notices that have been lodged prior to the date of this notice), the Company does not expect the Entitlement Offer to give rise to any material effect or consequence on the control of the Company other than as set out above.

Yours sincerely  
**ALTONA MINING LIMITED**



Eric Hughes  
Company Secretary