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ALTONA WELCOMES MMG'S ENDORSEMENT OF DUGALD RIVER PROJECT

- **MMG's Board endorses Dugald River zinc-lead-silver project, which lies in close proximity to Altona's Roseby Copper Project.**
 - **Project will result in considerable infrastructure being developed in the region which has the potential to significantly benefit the Roseby Copper Project.**
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Altona Mining Limited ("Altona") (ASX:AOH) welcomes reports that, subject to final financing arrangements, the Board of MMG Limited ("MMG") have approved the development and construction of the Dugald River zinc, lead and silver mine in northwest Queensland.

The Dugald River mine, which is located only 9 kilometres from the proposed Little Eva mine at Altona's Roseby Copper Project, is expected to have a total capital cost of around A\$1.48 billion of which \$293 million has so far been spent on the project.

The MMG Board approved interim funding to carry the project through to early 2013 at which point full project financing arrangements are expected to be settled.

The project is regarded as one of the world's largest and highest grade undeveloped zinc-lead-silver deposits with a resource of 53 million tonnes grading at 12.5% zinc, 1.9% lead and 36 grams per tonne silver.

Dugald River will be commissioned in 2015 with the first concentrate shipment expected in the fourth quarter of 2015. The project has a mine life of more than 20 years with initial annual production of 200,000 – 220,000 tonnes of zinc in concentrate, 27,000 – 30,000 tonnes of lead in concentrate and 0.9 million ounces of silver in concentrate per year.

Dugald River will also see considerable infrastructure being developed in the region with a new power line to the Dugald River site and a rail load-out facility to be constructed in Cloncurry where concentrate will be transported by rail to Townsville where it will be shipped to or sold to local smelters.

Altona's Managing Director, Dr Alistair Cowden, welcomed MMG's endorsement of the development and construction of the Dugald River project.

"The Dugald River project will provide a real value uplift for Altona and demonstrates the strategic value of the Roseby Copper Project," he said.

"The development of major infrastructure in the region is expected to be of considerable benefit to the Roseby Copper Project going forward."

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About Altona

Altona Mining Limited owns 100% of the Roseby Copper Project near Mt Isa in Queensland and is one of Australia's largest undeveloped copper resources. In May 2012, a Definitive Feasibility Study ("DFS") was completed which envisaged the production of 39,000 tonnes per annum of copper, and 17,000 ounces per annum of gold for 10 years from a large scale open pit-mining operation. Environmental and regulatory approvals are well advanced.

Altona also has a copper-gold-zinc underground mine and processing plant at Outokumpu in Finland. The project reached its design production rate of 550,000 tonnes per annum in September 2012. The project produces both copper-gold concentrate and zinc concentrate for sale.

Altona is listed on the Australian Stock Exchange (AOH) and the Frankfurt Stock Exchange (A2O).