

22 January 2013

ASX: AOH, FSE: A2O

OUTOKUMPU PROJECT ACCELERATES

- **Record production for December 2012 quarter**
- **Mill performance achieving above design throughput**
- **Copper grades continue to outperform**
- **Production guidance increased for 2012/2013**

Altona Mining Limited ("Altona") (ASX: AOH) is pleased to provide an operations update on the Outokumpu Project in South East Finland. The Project comprises the new Kylylahti underground mine and the refurbished Luikonlahti processing plant. Ore is trucked 42 kilometres from the mine to the mill.

Altona's Managing Director, Dr Alistair Cowden, said "I am delighted to report that recent performance at the Outokumpu Project is ahead of market guidance in terms of production, design throughput and copper grades. As a result, we are raising our production guidance for the 2012/2013 year which ultimately reflects upon the quality of our team we have in place in Finland."

Production Performance

Ore production commenced in January 2012 from ore in development drives. Stopping commenced in late May and during the December 2012 quarter, mine production reached 140,000 tonnes with average grades for copper at 1.62% and gold at 0.68g/t.

Production volumes are currently exceeding design rates of 550,000 tonnes per annum (46,000 tonnes per month) while copper grades are surpassing 2012/2013 forecasts (1.33% copper) and life of mine average (1.57% copper).

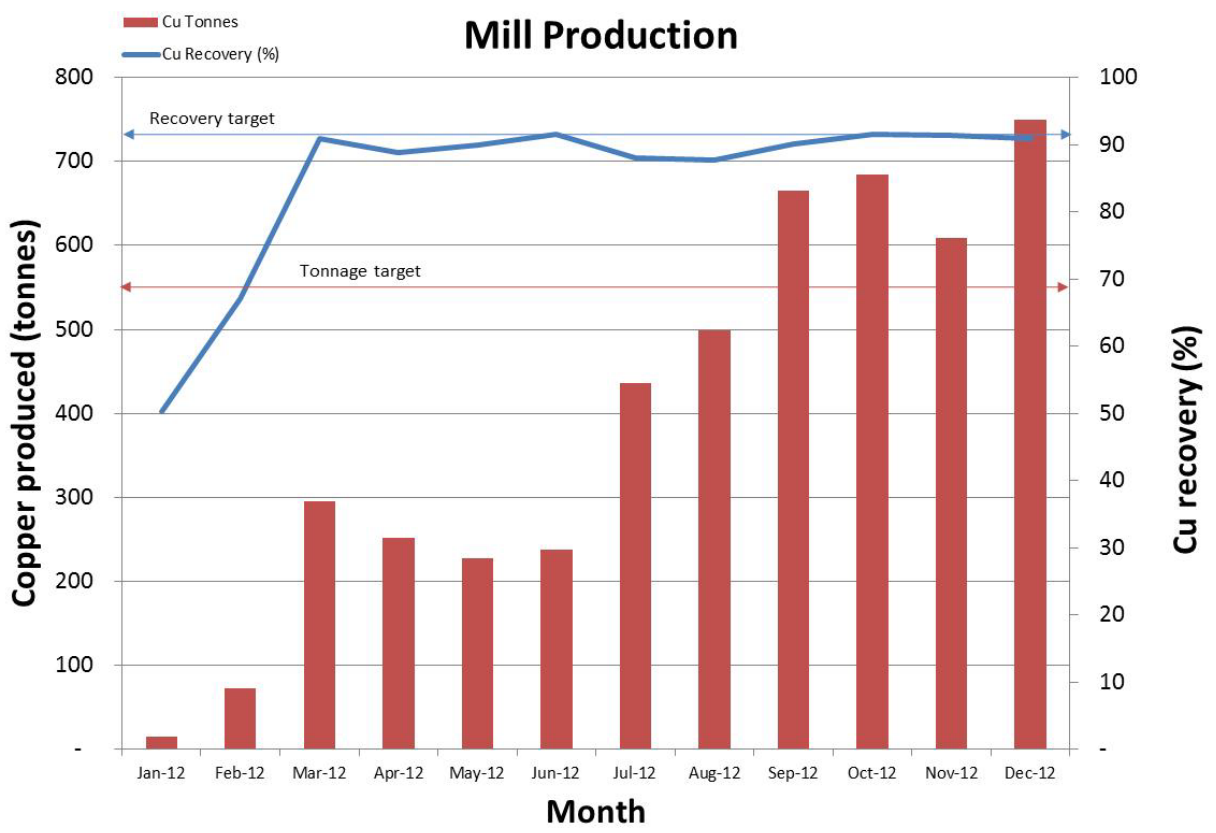
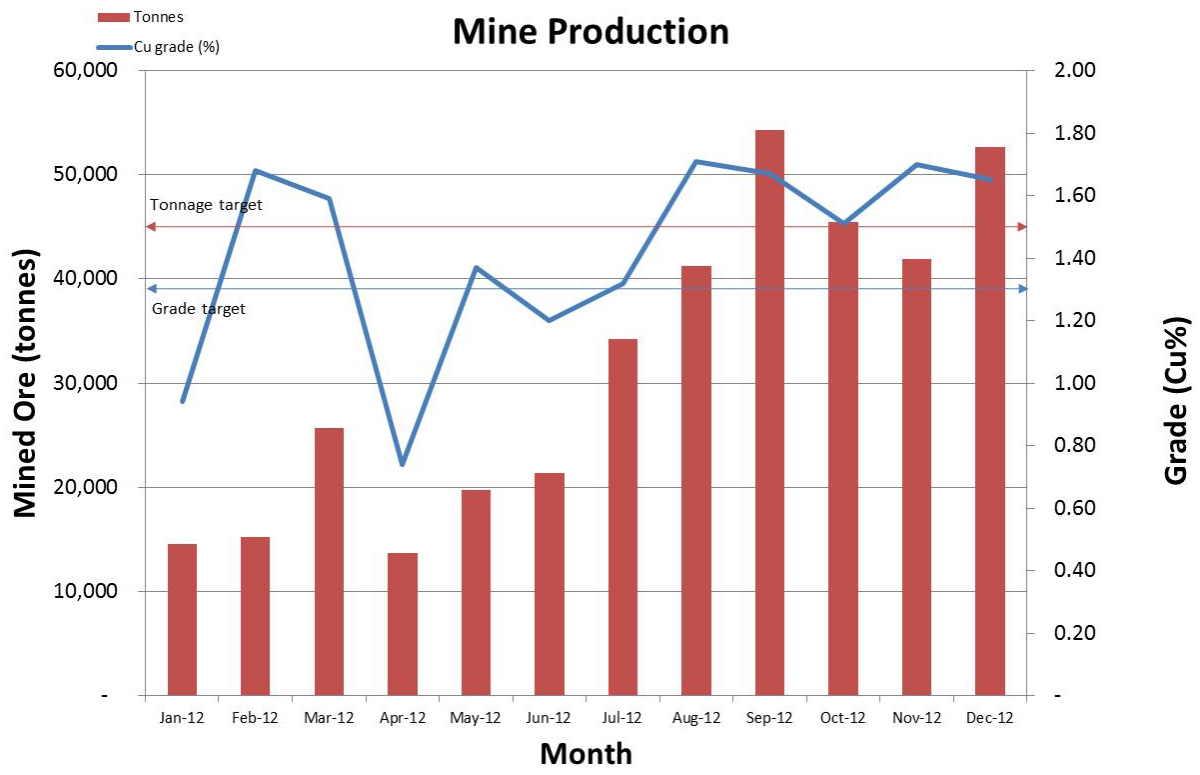
Mill performance continues to be excellent with metal recoveries, utilisation rates and throughput achieving or exceeding design. Copper metal production for the quarter was better than forecast and when annualised, reached the design rate of 8,000 tonnes per annum.

Production Guidance

Production guidance for the 2012/2013 financial year was originally forecast in July 2012 to be between 5,000 and 6,000 tonnes of copper and 5,000 to 6,000 ounces of gold in concentrate.

Altona confirms that it is on track to exceed the upper level of the guidance highlighted in July 2012, which has now been increased to between 6,500 and 7,000 tonnes of copper metal and 6,500 to 7,000 ounces of gold in concentrate.

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Shipments

Copper-gold concentrate shipments commenced in February 2012 and are transported 400 kilometres by road to New Boliden's smelter at Harjavalta in western Finland. Concentrate sales continue to increase with approximately 9,800 tonnes of copper-gold concentrate delivered in the December 2012 quarter.

Full details on cost performance will be disclosed in the December 2012 quarterly report.

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About Altona

Altona is an international base metals producer with a focus on copper and two main assets:

The Outokumpu Project is located in south-east Finland comprising an underground decline mine and processing plant. Production commenced in 2012 and is ramping up to design of 8,000 tonnes per annum copper, 8,400 ounces of gold and 1,600 tonnes of zinc.

The Roseby Copper Project is a large copper development project located near Mt Isa in north west Queensland. Global resources are 216 million tonnes at 0.6% copper, 0.05 grams per tonne gold for 1.52 million tonnes of contained copper and 384,000 ounces of contained gold. Following the completion of a DFS on the Little Eva deposit at Roseby in May 2012, Altona is focussed on the development of a project with a potential production profile of 39,000 tonnes per annum of copper and 17,000 ounces per annum of gold.

Competent Persons 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 a full time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Cowden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.