

2 October 2014

ASX: AOH, FSE: A2O

ALTONA COMPLETES SALE OF FINNISH ASSETS

Altona Mining Limited ("Altona" or the "Company") is pleased to announce the completion of the sale of its Finnish assets to Boliden AB and the receipt of US\$89.2 million in cash being the first tranche of the payment for the assets.

The full consideration for the sale is US\$95 million plus adjustments to reflect movements in working capital, net debt and net capital expenditure for the period between the execution of the agreement on 7 July 2014 and closing on 1 October 2014.

Altona estimates the adjustments will be in the range of an additional US\$3 to 4 million to provide a total cash payment to Altona of US\$98 to 99 million. The balance of the funds will be paid after the final adjustments are agreed which is expected to occur before the end of October.

At an exchange rate of AUD:USD of 0.875, Altona estimates that its cash balance in early November will be in the range of A\$130-132 million equating to 24 cents per share cash backing. This estimate assumes that all payments and costs associated with the transaction are finalised. This is higher than the A\$120-125 million estimated when the transaction was announced on 8 July 2014 due to an excellent performance from the Finnish operations and the depreciation of the Australian dollar.

It is anticipated that the Company will have sufficient tax losses to cover any tax liability arising from the transaction.

Return to Shareholders

Altona intends to make a cash payment of 15 cents per share to shareholders for a total cash outflow of approximately A\$80 million. The Company expects to receive a public ruling from the Australian Taxation Office in October 2014 which will allow Altona to determine the composition of the cash payment. At the Annual General Meeting scheduled to be held on 26 November 2014, a resolution to authorise the capital management initiatives will be put to shareholders, if required.

It is expected that the cash payment to shareholders would be made shortly after the Annual General Meeting, if the capital management initiatives are approved.

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About Altona

Altona Mining Limited is an ASX listed company which recently sold its successful Outokumpu mine in Finland and is now focussed on a major copper development project in Australia.

The Cloncurry Copper Project near Mt Isa in Queensland is one of Australia's largest undeveloped copper projects. The first development envisaged is the 7 million tonnes per annum Little Eva open pit copper-gold mine and concentrator. Little Eva is fully permitted with proposed annual production¹ of 38,800 tonnes of copper and 17,200 ounces of gold for a minimum of 11 years. A Definitive Feasibility Study was completed in May 2012, and a review of costs was published in March 2014. Total resources contain some 1.5 million tonnes of copper and 0.41 million ounces of gold. Altona is engaged in discussions with potential partners to enable the funding of this major development.

Altona Mining is listed on the Australian Securities Exchange and the Frankfurt Stock Exchange.

¹Refer to the ASX release 'Cost Review Delivers Major Upgrade to Little Eva' dated 13 March 2014 which outlines information in relation to this production target and forecast financial information derived from this production target. The release is available to be viewed at www.altonamining.com or www.asx.com.au. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target referred to in the above-mentioned release continue to apply and have not materially changed.