Quarterly Report December 2015

29 January 2016

ABOUT ALTONA

Altona Mining Limited (ASX: AOH) is a cashed up ASX listed company with a record of shareholder returns. It is focussed on the Cloncurry Project in Queensland, Australia.

The Cloncurry Copper Project has resources containing some 1.65Mt of copper and 0.41Moz of gold. The first development envisaged is the 7Mtpa Little Eva open pit copper-gold mine and concentrator.

Major permits are in place with proposed annual production of 38,800t of copper and 17,200oz of gold for a minimum of 11 years. A Definitive Feasibility Study was published in March 2014.

Altona has completed a Framework Agreement with Sichuan Railway Investment Group to fully fund and develop Little Eva.

Key metrics as at 31/12/2015:

Shares on issue:	534,800,592
Share rights on issue:	4,105,000
Cash:	A$43.6M
Share price:	11 cents
Market capitalisation:	A$59M

Altona Mining Limited
ACN: 090 468 018
Ground Floor, 1 Altona Street
West Perth Western Australia 6005

T: +61 8 9485 2929
E: altona@altonamining.com
W: www.altonamining.com

ASX:	AOH
Frankfurt:	A20

Advancing the SRIG Transaction

- **SRIG Transaction:** Altona and Sichuan Railway Investment Group ("SRIG") have agreed, subject to conditions, to form a joint venture such that SRIG will contribute US$214 million (A$301 million*) cash to the Cloncurry Project.

- **SRIG due diligence well advanced:** SRIG have completed a further site visit, meetings with government and due diligence consultants in Brisbane and confirmatory drilling at Little Eva. The drilling confirmed the geological model where the two holes were drilled. Confirmatory metallurgy is underway. SRIG is targeting completion of its due diligence by the end of February 2016.

- **Documentation in progress:** The parties have advanced negotiations on the Subscription, Shareholder and Management Agreements and are targeting execution in March 2016. Regulatory approvals will follow.

- **Agreed work programme in progress:** The parties agreed a work programme whilst due diligence and regulatory approvals are completed. Diamond drilling has been completed at Turkey Creek, Little Eva and Bedford to obtain metallurgical sample.

- **Mine life expansion:** Approximately two years of additional mine life can be delivered from an optimised pit at Turkey Creek. Mine and infrastructure design and planning has been undertaken to integrate Turkey Creek into the project and support an amendment to the Environmental Authority for the project.

- **Roseby South Project:** The 475km^2 100% owned Roseby South Project immediately adjoins the Cloncurry Project. Field reconnaissance of new targets was completed in preparation for exploration in 2016.

- **Tenement Consolidation:** 18 mature Exploration Permits (EPMs) at the Cloncurry and Roseby South Project were replaced with 4 new permits this quarter.

- **Cash Balance:** At 31 December 2015 Altona's cash balance was A$43.6 million.

** Assumes AUD:USD of 0.71.*

ASX Releases

Altona lodged 14 ASX releases relating to its activities since the last Quarterly Report. These announcements provide a more detailed description of activities than this report.

21-12-2015	Employee Award Plan Prospectus
16-12-2015	Update on SRIG - Altona Transaction
27-11-2015	Resignation of Peter Ingram
26-11-2015	Results of 2015 Annual General Meeting
24-11-2015	Investor Presentation
20-11-2015	Ceasing to be a substantial holder
18-11-2015	Appendix 3Y
18-11-2015	Amendment to Terms of AGM Resolution 2
04-11-2015	Becoming a substantial holder
03-11-2015	Becoming a substantial holder from MS
28-10-2015	Becoming a substantial holder
23-10-2015	2015 Annual General Meeting
12-10-2015	Appendix 3B

SRIG Joint Venture

Major joint venture announced

Altona concluded a binding Framework Agreement with SRIG on 26 June 2015. The agreement is subject to certain conditions.

The parties have agreed to establish an incorporated joint venture holding Altona's Cloncurry Project located in north-west Queensland, with SRIG to contribute cash of US$214.46 million and to have a 60% interest in the joint venture. Altona will retain a 40% interest in the joint venture and is to contribute the Cloncurry Project and cash of US$38 million.

Project will be fully funded

The cash to be contributed by the joint venture partners of US$252.46 million equates to A$3355.6 million at an exchange rate of AUD:USD 0.71 and will exceed the estimated capital cost (A$294 million) for the Little Eva mine and provide a substantial allowance for working capital and overruns.

The transaction values the Cloncurry Project on a pre-cash contribution basis at US$105 million.

US$2 million deposit paid

Altona received a Performance Guarantee from the Bank of China that affirms the US$2 million deposit required under the Framework Agreement with SRIG has been deposited and is reserved for payment to Altona in the event of default by SRIG.

Due diligence underway

As per the Framework Agreement, SRIG is now undertaking the formal due diligence required by Chinese authorities. This included the drilling of two diamond drillholes at Little Eva to confirm the resource estimate and permit confirmatory metallurgical testwork. The drilling was completed in November 2015 and metallurgical testwork is underway.

SRIG executives also completed further site visits and meetings in Brisbane with technical, commercial and legal due diligence consultants. SRIG also met with the Queensland State Government.

In parallel with the due diligence the parties are finalising formal documentation comprising Subscription, Shareholder and Management Agreements. The key points of these documents have been agreed and are contained within the Framework Agreement. The parties are targeting the execution of the formal agreements in March 2016.

On completion of the due diligence and execution of the formal agreements, SRIG will proceed to seek approvals from the Chinese (SASAC of the Sichuan Province) and Australian (FIRB) regulatory authorities. This process may take up to three months to complete.

About SRIG

SRIG is a financially robust partner

SRIG was established in 2009, is based in Chengdu in south-western China and is 100% owned by the Sichuan provincial government. The group's principal businesses are in the road, bridge and rail construction and management sectors. SRIG had total assets of US$26.8 billion in 2014 and revenues over US$6 billion. It has more than 20,000 employees. SRIG has signalled its intention to diversify into other industries both within China and internationally.

CCXI, a Moody's company, rated SRIG as AA+ with a stable outlook for a 2014 bond issue of approximately US$320 million. CCXI noted SRIG's expertise, highlighting that SRIG was the first Chinese enterprise to secure an overseas bridge construction contract (Norway).

Corporate

Altona maintains a strong cash balance

Altona had A$43.6 million of funds on deposit at 31 December 2015. This provides Altona with a strong cash position to underpin the SRIG transaction.

Cash movements for the quarter are tabulated below:

	A$ (millions)
Opening cash (1 October 2015)	45.0
Exploration and evaluation	(0.7)
Corporate including SRIG transaction costs	(0.9)
Interest received and other	0.2
Closing cash (30 December 2015)	**43.6**

The principal assets of the Company are mining licences and tenements located in the Cloncurry area of Queensland. Contained within these interests is the Cloncurry Project.

Company focus on delivering the Cloncurry Project

Altona has reduced its Board to three Non-Executive Directors and the Managing Director effective from the Annual General Meeting held on 26 November 2015. Altona is utilising part-time contractors to assist with managing the agreed SRIG work programme and assisting with SRIG's due diligence. Altona strives to retain the expertise to conclude the SRIG transaction, manage the Cloncurry asset and maintain the public company at minimum cost.

During the quarter, the process of winding up Altona's wholly owned Finnish subsidiary, Vulcan Kotalahti Oy, neared completion. Boliden retains an option over the assets held by the other Finnish subsidiary company still held by Altona.

Share Price Activity on ASX

Quarter open	8.5¢
High	12.0¢
Low	8.0¢
Quarter close	11.0¢
Average daily volume	287,456

Cloncurry Copper Project

The Cloncurry Project offers a large resource of 287 million tonnes at 0.6% copper, 0.04g/t gold for 1.65 million tonnes contained copper and 0.4 million ounces gold and is close to infrastructure. It is located 90 kilometres north-east of Mt Isa and 11 kilometres north of MMG's $1.2 billion Dugald River zinc mine.

The Little Eva Copper-Gold Project is planned to be the first development at the Cloncurry Copper Project. A Definitive Feasibility Study ("DFS") announced by Altona on 13 March 2014 for Little Eva anticipates the construction of a 7 million tonne per annum open-pit mine and flotation plant capable of producing 39,000 tonnes per annum copper and 17,000 ounces gold over an initial mine life of 11 years.

The project sits within granted mining licences and native title agreements and the Environmental Authority ("EA") are in place.

SRIG Due Diligence Drilling

SRIG twin drilling confirms resource and geological models

SRIG completed 480 metres of diamond drilling to twin existing drillholes. One drillhole was 250 metres deep and twinned both a diamond drillhole and an adjacent RC drillhole located in the central thick zone of the deposit. The second drillhole was 230 metres deep and was located on the lower grade margins of the deposit.

The results were:

	From (metres)	To (metres)	Intercept (metres)	Copper (%)	Gold (g/t)
Original diamond drillhole LED535	0	156.7	156.7	0.57	0.07
Original RC drillhole LER521	0	157.0	157.0	0.45	0.06
SRIG twin hole LED1006	0	157.0	157.0	0.53	0.11
Original drillhole LER261	0	228.0	228.0	0.20	0.06
SRIG twin hole LED1007	0	228.0	228.0	0.18	0.03

Please see Appendix 1 for full details of the drilling.

The twin drillhole LED1006 falls within the range described by the adjacent diamond and RC drillholes reflecting the 'natural' variance within the deposits. The twin holes confirmed the geological and resource models.

Agreed Work Programme

Altona and SRIG agreed a programme of work of up to US$2 million to advance and maintain the Cloncurry Project whilst SRIG complete formal due diligence and obtain various regulatory approvals. Any costs incurred by Altona from this programme would be credited as a cash contribution towards Altona's obligations under the Framework Agreement.

Altona estimates expenditure to date on these activities to be A$1.3 million.

Assessing the impact of Turkey Creek

Work is being conducted to incorporate the recent Turkey Creek discovery into the mine plan with the layout of pits, waste dumps and the Tailings Storage Facility ("TSF") completed. This is being used to develop a Revision Application to the existing EA to be lodged with the authorities.

Mining Studies

Mining studies indicate opportunity for increased value

The deposits that will provide feed to the Little Eva mill are Little Eva, Turkey Creek, Bedford, Lady Clayre and Ivy Ann. These deposits were optimised and pits designed in 2012 (other than the recent Turkey Creek discovery). New resource models and the 2014 DFS mining costs used were implemented in a new optimisation completed during the quarter. The 2014 costs were significantly below those used in the prior optimisation. Initial results of new optimisations indicate the potential for a material increase in reserves at the Cloncurry Project.

Studies are now focussed on converting the Turkey Creek Mineral Resource to an Ore Reserve and collecting supplemental environmental survey data from the newly determined optimised layout for waste dumps and mining related infrastructure. The new data and mine layout is required to update the EA.

Drilling Programme

Metallurgical drilling underway

Altona completed an eight hole, 489 metre diamond drilling programme at Turkey Creek, Little Eva and Bedford to collect core samples for metallurgical testwork and waste rock characteristics. Sampling of the core is underway.

In addition to collecting sulphide material from Turkey Creek for definition metallurgical testwork, oxide samples were collected from several deposits for testwork as an opportunity exists for a significant improvement in the value of the Cloncurry Project if oxide mineralisation can be included in the mine plan. This material is not in the DFS mine plan and is planned to be stockpiled when mined as part of the pre-strip to access sulphide ore.

Tenement Consolidation

Exploration tenure refreshed

Four new 'consolidated' Exploration Permits for Minerals (EPM's 25757, 25759, 25760 and 25761) were granted in November 2015. This consolidation of 18 pre-existing mature EPM's with four fresh tenements simplifies and reduces the management cost of Altona's Cloncurry and Roseby South Projects and increases the life of the exploration package.

The pre-existing overlaying EPM's subject to surrender conditional on grant of the new EPMs, were relinquished.

The grant of these tenements was facilitated by the finalisation of a new Ancillary Agreement pertaining to the EPMs with the Kalkadoon Native Tile Aboriginal Corporation RNTBC in October 2015.

Roseby South Project

Roseby South is a strategic 100% owned asset

The Roseby South Project ("Roseby South") is 100% owned by Altona, and operated by Altona.

Roseby South abuts Altona's 100% owned Cloncurry Copper Project but is not included in the SRIG Framework Agreement.

Roseby South covers an area of 475km^2 and covers the extension of the prospective stratigraphy which hosts both Altona's Cloncurry Copper Project and MMG Limited's Dugald River Zinc mine immediately to the north.

A large mineralised system identified at Companion within Roseby South offers a near-term prospect for resource definition. Highlights from previous drilling include the following:

- 26 metres at 0.68% copper, 0.25g/t gold from 63 metres; including 15 metres at 1.15% copper and 0.41g/t gold.
- 34 metres at 0.75% copper, 0.21g/t gold from 54 metres; including 4 metres at 1.86% copper and 0.21g/t gold.

Competent Persons Statement and ASX Compliance

Competent Persons Statement: The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Alistair Cowden, BSc (Hons), PhD, MAusIMM, MAIG. Dr Cowden 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 being undertaking to qualify as a Competent Person as defined in the 2012 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 their information in the form and context in which it appears.

Little Eva Project production target and forecast financial information: Information in this release refers to a production target and the forecast financial information derived from a production target as per the ASX release "Cost Review Delivers Major Upgrade to Little Eva" dated 13 March 2014, which 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.

Copper equivalence: When used, copper equivalent refers to copper in concentrate produced, or planned to be produced. It does not refer to metal contained within insitu resources, reserves or drill results. The copper equivalent grade is calculated by factoring the copper grade by revenues estimated from all metals (NSR) being copper, zinc, gold and silver.

Please direct enquiries to:

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

James Harris
Professional Public Relations
Tel: +61 8 9388 0944
james.harris@ppr.com.au

Jochen Staiger
Swiss Resource Capital AG - Germany
Tel: +41 71 354 8501
js@resource-capital.ch

Appendix 1: SRIG Confirmatory Drilling

Part of the formal due diligence being undertaken by SRIG included the drilling of two diamond drillholes at Little Eva and metallurgical testwork to validate the resource model and prior metallurgical recovery estimate. Metallurgical testwork is currently underway and drilling and assaying is complete.

The two holes drilled by SRIG were twins of two pre-existing Altona drillholes (one Diamond and one RC). The holes tested mineralisation in the core of the deposit and the lower grade margin of the deposit. Results from the new holes compare well with prior holes given the variation within the deposit (Table 1) and provide further confidence in and confirmation of prior drilling.

The distances between the SRIG holes and the twinned Altona holes varies from approximately 2 metres at the collar to 20 metres down hole.

Table 1: Comparison of Significant Intersections (at 0.3% copper cut-off grade)

SRIG Twin Hole	Original Altona Hole
LED1006 From 0 metres: 157 metres at 0.53% copper, 0.11g/t gold	**LED535** From 0 metres: 156.7 metres at 0.57% copper, 0.07g/t gold **LER521** From 0 metres: 157 metres at 0.45% copper, 0.06g/t gold
LED1007 From 0 metres: 228 metres at 0.18% copper, 0.03g/t gold	**LER261** From 0 metres: 228 metres at 0.20% copper, 0.06g/t gold

SRIG hole LED1006 extended past the end of the twinned hole LED535 and intersected other modelled mineralised zones.

The results include the following highlights within broader mineralised zones:

LED1006:	**From 79 metres**	**6 metres at 0.99% copper, 0.13 g/t gold**
	From 118 metres	**21 metres at 1.85% copper, 0.60g/t gold**
	From 222 metres	**8 metres at 1.66% copper, 0.28g/t gold**
LED1007:	**From 43 metres**	**5 metres at 2.38% copper, 0.28g/t gold**

A full table of results and Altona's standard sampling and assaying methodology are attached as Tables 2 to 4.

Table 2: Significant Diamond Drill Core Intersections (at 0.3% copper cut-off grade)

Hole ID	Depth		Drill Intercept >0.3% Copper		
	From (metres)	To (metres)	Width (metres)	Copper (%)	Gold (g/t)
LED1006	3	12	9	0.48	0.03
	41	90	49	0.48	0.06
	95	105	10	0.62	0.05
	118	139	21	1.85	0.6
	145	186	41	0.41	0.07
	192	201	9	0.53	0.15
	207	230	23	0.76	0.16
	238	244	6	1.09	0.33
LED1007	31	48	17	1.05	0.22
	96	104	8	0.29	0.06
	177	182	5	0.29	0.08

Table 3: Drillhole Summary Table

Hole ID	Hole Type	Location (MGA54)		Orientation			End of Hole
		Easting (metres)	Northing (metres)	RL (metres)	Azimuth (°)	Dip (°)	Depth (metres)
SRIG Confirmatory Twin Holes - New							
LED1006	Diamond	410569.2	7772193.0	162.2	81	-59.2	250.0
LED1007	Diamond	410751.9	7771867.8	168.5	80	-60.0	230.0
Twinned Altona Resource Hole - Previous							
LED535	Diamond	410568.4	7772195.6	162.1	81	-60.0	156.7
LER521	RC	410565.7	7772191.8	161.8	81	-60.0	217.0
LER261	RC	410751.9	7771869.3	168.1	81	-60.0	229.0

Table 4: Table 1 of the JORC Code

Criteria	Commentary
Section 1: Sampling Techniques and Data	
Sampling techniques	• Sampling was via diamond (DD) drill core. SRIG confirmation drilling core size was HQ. Core was measured and annotated for sampling by geologists contracted by SRIG (Mining One Pty Ltd) and independently validated by Altona staff on site. Core was cut and analysed at ALS laboratories in Townsville. Half core was submitted for analysis; assay coarse reject and quarter core was sent for metallurgical testwork and remaining core retained and will be returned to Altona's storage for reference.
Drilling techniques	• Diamond drilling; all holes HQ core. SRIG confirmation drilling was triple tubed. • Holes twinned were diamond and RC; results reported previously.
Drill sample recovery	• Recovery was visually estimated and recorded. Core recoveries are considered to be excellent averaging well over 90%, generally 100%. Occasionally lower recoveries were recorded within the upper weathered zones. • No significant changes in core recovery through the mineralised zones was recorded hence no subsequent bias to the grade.

Criteria	Commentary
Logging	• Logging of the SRIG holes was completed by independent contractor geologists for SRIG (and subsequently validated by Altona staff) using industry standard logging procedures consistent Altona standard procedures. • Logging is qualitative and quantitative including, colour, lithology, mineralisation, alteration, sulphide and oxide mineralogy, sulphide and oxide amount, texture, grain size and structure. • All holes were logged in full.
Sub-sampling techniques and sample preparation	• All samples were sent to ALS Laboratories in Townsville for cutting sample preparation and analysis. ALS is an independent commercial certified laboratory that uses industry standard sample preparation including drying, crushing and pulverisation. • Half core was cut and submitted for analysis. • Sample size is considered representative for typical copper mineralisation at Roseby area.
Quality of assay data and laboratory tests	• All samples were analysed at ALS laboratories in Townsville. • Samples were analysed using an Aqua Regia digest (method code: GEO-AR01) followed by ICPAES and ICP-MS analysis for 41 elements (method code: ME-MS41). This included copper, with a detection limit of 0.2 ppm. Data reported from Aqua Regia digestion should be considered as representing only the leachable portion of a particular analyte. • On return of copper values >1% a second series of analyses were undertaken. This involved an ore grade Aqua Regia digestion (method code: ASY-AR01) followed by ICPAES analysis, optimised for accuracy and precision at high concentrations (method code: ME-OG46). • Gold was analysed via a fire assay (30g) with an AAS finish, with a lower detection limit of 0.01 ppm and upper detection limit of 100 ppm. • Quality Control by SRIG included: standards (certified reference materials, according to Altona's normal procedures, inserted into the sampling sequence at 1:20 ratio and included representative material for copper, gold and blanks; and field duplicates taken using a for every 20th sample. Laboratory checks were also carried out on sample pulps. The standards were inserted into each sample batch to test the accuracy of the laboratory analysis. • As yet Altona has not received the data for independent review. • No samples were analysed by an umpire laboratory. • No geophysical tools were used to determine the results reported here.
Verification of sampling and assaying	• Results were checked by several Altona personnel. • The SRIG's holes were twins of Altona resource definition holes. • All field logging data was done on hardcopy with database entry by the SRIG contract geologist. The SRIG hole data was provide by SRIG to Altona for uploaded into the company Datashed database and validated by company database personnel. • Drillhole assays were received in digital format from SRIG. Data was uploaded into the Altona Datashed database company database personnel. No manual data inserts took place. • No adjustments have been applied to the results.
Location of data points	• Collar locations have been surveyed using the companies own DGPS with approximately 0.1 metre accuracy. • Down hole surveys were completed at the end of each hole within drill rods by Altona personnel using non-magnetic Gyro tool for azimuth and dip. • The Grid is GDA94 MGA Zone 54.

Criteria	Commentary
	• Elevation accuracy of DGPS survey is considered to be less than 0.5m and has been verified against detailed ground survey previously completed in the area.
Data spacing and distribution	• Holes were largely drilled for confirmation/ due diligence purposes; one hole was drilled in the higher tenor Central Zone and one hole was drilled on the lower tenor margin of the Southern Zone. • Drillholes being reported are from deposits with published resource estimate. Drill results are consistent with the existing drilling and resource estimate models.
Orientation of data in relation to geological structure	• The strike of mineralisation is either approximately NW-SE to N-S with predominantly westerly dips, with the exception of Northern Domain at Little Eva which dips to the NE. • No bias is considered to result from drilling direction. • The holes at Little Eva were drilled on the same grid orientation as the deposit resource definition drillholes and were designed to intersect the mineralised zones at an optimal angle.
Sample security	• Core samples were collected and stored in core trays in Altona facilities in Cloncury prior to the transport to Townsville. Packing and sampling was coordinated and supervised by SIG's contractors. • Following cutting by ALS, samples for analysis were collected into pre-numbered calico bags. Unique sample numbers were retained during the whole process.
Audits or reviews	• No external audits or review have been undertaken.
Section 2: Reporting of Exploration Results	
Mineral tenement and land tenure status	• The Little Eva deposit is within Altona Mining's 100% owned Cloncurry Project Mining Leases 90162, 90163, 90164, 90165, and 90166. • Altona announced in 2015 a Framework Agreement with Sichuan Railway Investment Group (SRIG) which, if completed, will lead to the forming of a 60:40 SRIG/Altona JV within the Cloncurry Project. • There are agreements in place with the native title holders, the Kalkadoon people and with landholders. • No significant historic sites or national parks are located within the reported exploration sites. • The Mining Leases were granted in late 2012 and are in good standing.
Exploration done by other parties	• Extensive exploration programs and resource definition drilling has been carried out on the deposit by various companies commencing in the 1960's; the majority of the work on the deposits was carried out by CRA Exploration, Pasminco, Universal Resources/Altona Mining and Xstrata.
Geology	• The Little Eva deposit - breccia, disseminated and shear hosted copper-gold mineralisation styles typical of the IOCG deposits in the region e.g. Ernest Henry. The deposits are considered to be hydrothermal and structurally controlled, with the different styles reflecting host rocks (competency, chemistry and permeability). • At Little Eva the majority of the mineralisation is sulphide (chalcopyrite) with a shallow (10-25m thick) weathered/oxidised cap.
Drillhole Information	• Collar locations, elevations, azimuth, dip and lengths are presented in Table 3 of this release. • Down hole widths of the mineralisation are presented in Table 2 of this release.
Data aggregation methods	• Standard intercepts were calculated using a 0.3% copper cut-off typical to the Roseby area mineralisation. A minimum of 4m intercepts are reported here and a maximum of consecutive 4m of below 0.3% samples were allowed within each intercepts. • No equivalent calculations have been applied or used.

Criteria	Commentary
Relationship between mineralisation widths and intercept lengths	• At Little Eva drilling orientation is considered to be at a high angle or approximately perpendicular to the main orientation of the mineralisation resulting in unbiased widths.
Diagrams	• Tables 1 and 3.
Balanced reporting	• Best results for each hole have been reported in Table 1 including all significant results using the criteria described above.
Other substantive exploration data	• Not applicable.
Further work	• Additional work in the future will consist of infill drilling for resource definition and mining grade control purposes.

Table 1: Resource Estimates for the Cloncurry Project

DEPOSIT	TOTAL			CONTAINED METAL		MEASURED			INDICATED			INFERRED		
	Tonnes	Grade		Copper	Gold	Tonnes	Grade		Tonne	Grade		Tonnes	Grade	
	million	Cu %	Au g/t	tonnes	ounces	million	Cu %	Au g/t	million	Cu %	Au g/t	million	Cu %	Au g/t
COPPER GOLD DEPOSITS														
Little Eva	105.9	0.52	0.09	546,000	295,000	37.1	0.60	0.09	45.0	0.46	0.08	23.9	0.50	0.10
Ivy Ann[A]	7.5	0.57	0.07	43,000	17,000	-	-	-	5.4	0.60	0.08	2.1	0.49	0.06
Lady Clayre[A]	14.0	0.56	0.20	78,000	85,000	-	-	-	3.6	0.60	0.24	10.4	0.54	0.18
Bedford[A]	1.7	0.99	0.20	17,000	11,000	-	-	-	1.3	1.04	0.21	0.4	0.83	0.16
Sub-total	129.1	0.53	0.10	684,000	409,000	37.1	0.60	0.09	55.3	0.49	0.09	36.7	0.51	0.12
COPPER ONLY DEPOSITS														
Blackard[A]	76.4	0.62		475,000	-	27.0	0.68	-	6.6	0.60	-	42.7	0.59	-
Scanlan[A]	22.2	0.65		143,000	-	-	-	-	18.4	0.65	-	3.8	0.60	-
Turkey Creek	21.0	0.59		123,000	-	-	-	-	17.7	0.59	-	3.4	0.58	-
Longamundi[A]	10.4	0.66		69,000	-	-	-	-	-	-	-	10.4	0.66	-
Legend[A]	17.4	0.54		94,000	-	-	-	-	-	-	-	17.4	0.54	-
Great Southern[A]	6.0	0.61		37,000	-	-	-	-	-	-	-	6.0	0.61	-
Caroline[A]	3.6	0.53		19,000	-	-	-	-	-	-	-	3.6	0.53	-
Charlie Brown[A]	0.7	0.40		3,000	-	-	-	-	-	-	-	0.7	0.40	-
Sub-total	157.7	0.61		963,000	-	27.0	0.68	-	42.7	0.62	-	88.1	0.59	-
TOTAL	286.8	0.57	0.04	1,647,000	409,000	64.1	0.63	0.05	98.0	0.55	0.05	124.8	0.57	0.04

[A] This information was prepared and first disclosed under the JORC Code 2004 Edition. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. All other resources classified and reported in accordance with JORC Code 2012 edition.

Note: Tonnages are dry metric tonnes and have been rounded, hence small differences may be present in the totals.

See ASX release of 23 October 2007 and 26 July 2011 (Longamundi, Great Southern, Caroline and Charlie Brown), 23 April 2012 (Bedford, Ivy Ann and Lady Clayre), 03 July 2012 (Blackard and Scanlan), 22 August 2012 (Legend), 27 May 2014 (Little Eva) and 18 March 2015 (Turkey Creek) for full details of resource estimation. Little Eva is reported above a 0.2% copper lower cut-off grade, all other deposits are above 0.3% lower copper cut-off grade.

The ASX releases referenced in Table 1 are available on the Altona website at www.altonamining.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement for each deposit and, in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

APPENDIX 5B

Mining Exploration entity quarterly report

Name of entity

ALTONA MINING LIMITED

ABN	Quarter ended ("current quarter")
35 090 468 018	**31 December 2015**

Consolidated statement of cash flows

	Cash flows related to operating activities	**Current Quarter (3 months) A$'000**	**Year to Date (6 months) $A'000**
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(676)	(2,034)
	(b) development	-	-
	(c) production	-	-
	(d) administration and corporate activities	(945)	(1,752)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	224	547
1.5	Interest and other costs of finance paid	(2)	(3)
1.6	Income taxes rebate	-	-
1.7	Other*	(10)	(8)
	Net Operating Cash Flows	(1,409)	(3,250)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(1,409)	(3,250)

* Includes VAT/GST.

	Cash flows related to financing activities		
1.14	Proceeds from issues of shares (net of costs)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,409)	(3,250)
1.20	Cash at beginning of quarter/year	45,017	46,838
1.21	Exchange rate adjustments to 1.20	(13)	7
1.22	**Cash at end of quarter**	43,595	43,595

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	185
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of executive and non-executive directors' fees, salaries and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter (excluding any proceeds from concentrate sales and other income)

		$A'000
4.1	Evaluation/Exploration	1,061
4.2	Development	-
4.3	Production	-
4.4	Administration and corporate activities	849
	Total	1,910

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	300	342
5.2	Deposits at call	43,295	44,675
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	43,595	45,017

Changes in interests in mining tenements

6.0 See attached Schedule A.

Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security	Amount paid up per security
7.1	**Preference securities** *(description)*	-	-	-	-
7.2	Changes during quarter	-	-	-	-
7.3	**Ordinary securities**	534,800,592	534,800,592	-	-
7.4	Changes during quarter - Issued	-	-	-	-
7.5	**Converting debt Securities** *(description and conversion factor)*	-	-	-	-
7.6	Changes during quarter	-	-	-	-
7.7	**Options** *(description and conversion factor)*	4,105,000^	-	-	-
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	750,000^	-	-	-
7.11	**Debentures** *(totals only)*	-	-	-	-
7.12	**Unsecured notes** *(totals only)*	-	-	-	-

^ Share rights issued pursuant to approved Employee Share Scheme. These Share Rights form part of the Long Term Incentive Scheme in compliance with Altona's Remuneration Policy. The Share Rights have various expiry dates and performance hurdles.

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.

2. This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 January 2016

Company Secretary

Print Name: Eric Hughes

SCHEDULE A

AUSTRALIAN MINING TENEMENTS

Interests in mining tenements relinquished, reduced or lapsed during the quarter

Conditionally surrendered in favour of new tenements: EPMs 8506, 10266, 12529, 14822, 8059, 12121, 12492, 12493, 13249, 14556, 18784, 18983, 9056, 14365, 14535, 10833, 11004 and 11611.

Interests in mining tenements acquired or increased during the quarter

New tenements replacing conditionally surrendered EPM's: EPMs 25757, 25760, 25759, 25761.

Interests in mining tenements at end of the quarter

The area under granted EPMs within Queensland presently totals 1252.3 km².

Cloncurry Project: Mining Leases (ML)

Number	Name	Holder	Beneficial Interest Held
90162	Scanlan	Altona Mining Ltd / Roseby Copper Pty Ltd	100%
90163	Longamundi	Altona Mining Ltd / Roseby Copper Pty Ltd	100%
90164	Blackard	Altona Mining Ltd / Roseby Copper Pty Ltd	100%
90165	Little Eva	Altona Mining Ltd / Roseby Copper Pty Ltd	100%
90166	Village	Altona Mining Ltd / Roseby Copper Pty Ltd	100%

Exploration Permit for Minerals (EPM) Cloncurry Project

Number	Name	Holder	Beneficial Interest Held
9611	Happy Valley	Roseby Copper (South) Pty Ltd	100%
14363	Bannockburn	Roseby Copper Pty Ltd	100%
14370	Malakoff	Roseby Copper (South) Pty Ltd	100%
14371	Mt. Angelay	Roseby Copper (South) Pty Ltd	100%
25757	Burke	Roseby Copper Pty Ltd	100%
25760	King	Roseby Copper Pty Ltd	100%

Exploration Permit for Minerals (EPM) Roseby South Project

Number	Name	Holder	Beneficial Interest Held
25761	Wills	Roseby Copper (South) Pty Ltd	100%
25759	Gray	Roseby Copper (South) Pty Ltd	100%

Finnish Projects
Mining Licences/Mining Permits

Number	Name	Holder	Beneficial Interest Held
K7802	Hautalampi	Vulcan Hautalampi Oy	100%
KL2015:0004	Särkiniemi	Vulcan Kotalahti Oy	100%