

ALTONA

MINING LIMITED

February 2016 Investor Presentation

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www.altonamining.com

ACN 090 468 018

ASX: AOH
FSE: A20s

We are a Copper Company

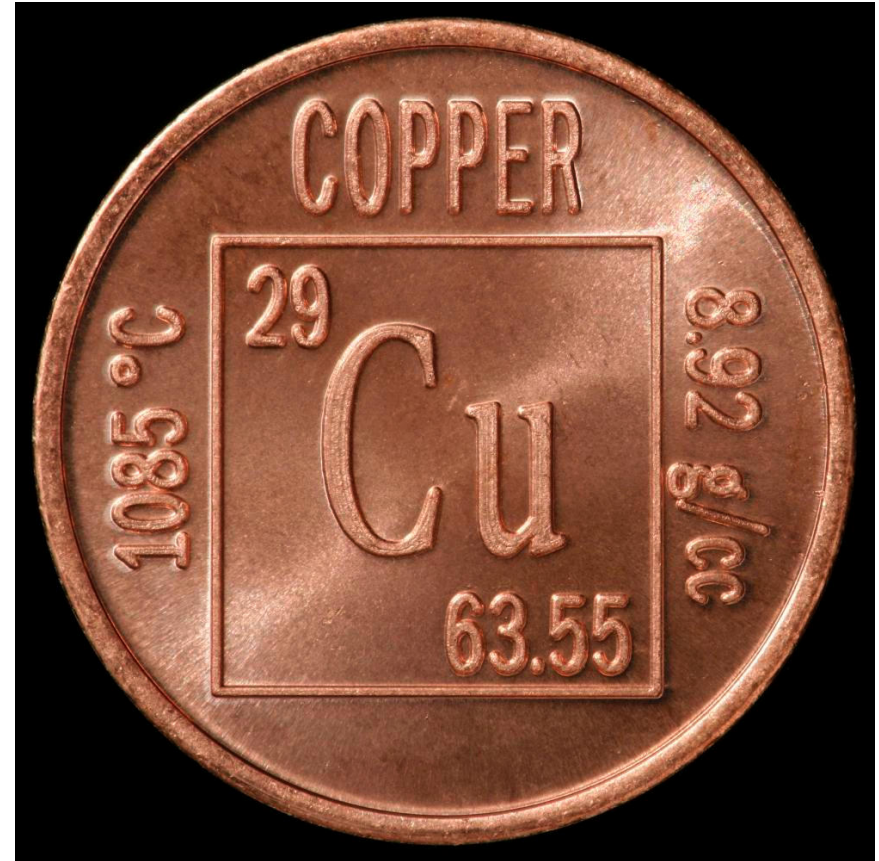


Despite the recent retreat in prices, market fundamentals for copper remain strong

■ **BHPB, November 2014:** “As copper porphyries mature, a significant deficit is expected to emerge beyond 2018 - grade decline, higher strip ratios and longer cycle times underpin an attractive industry structure”

■ **Rio Tinto, April 2015:** “I see a substantial supply gap opening up by the end of this decade - one that will require another 4 to 5Mt of new annual mine capacity”

■ **Glencore, May 2015:** “ Consensus surplus elusive so far, increasing downside risk to supply in 2015/2016. Mined copper head grades at twice the reserve grade are not sustainable”



Altona is the Credit Suisse #2 stock for total return 2016!

(Australian Financial Review 28 January 2016)

Why?

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Why choose Altona?



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- Track record in copper
 - We deliver returns and deals
- Simple project
 - Standard mining and processing
 - 40ktpa copper, 13 year minimum life
- Project upside
 - 1.6Mt copper resource plus exploration
- Great partner
 - SRIG are large and financially robust
- Low financial risk
 - \$43.5M cash
- Re-rating on deal completion



Massive sulphides at Altona's former Kylylahti copper-gold mine

Corporate Snapshot

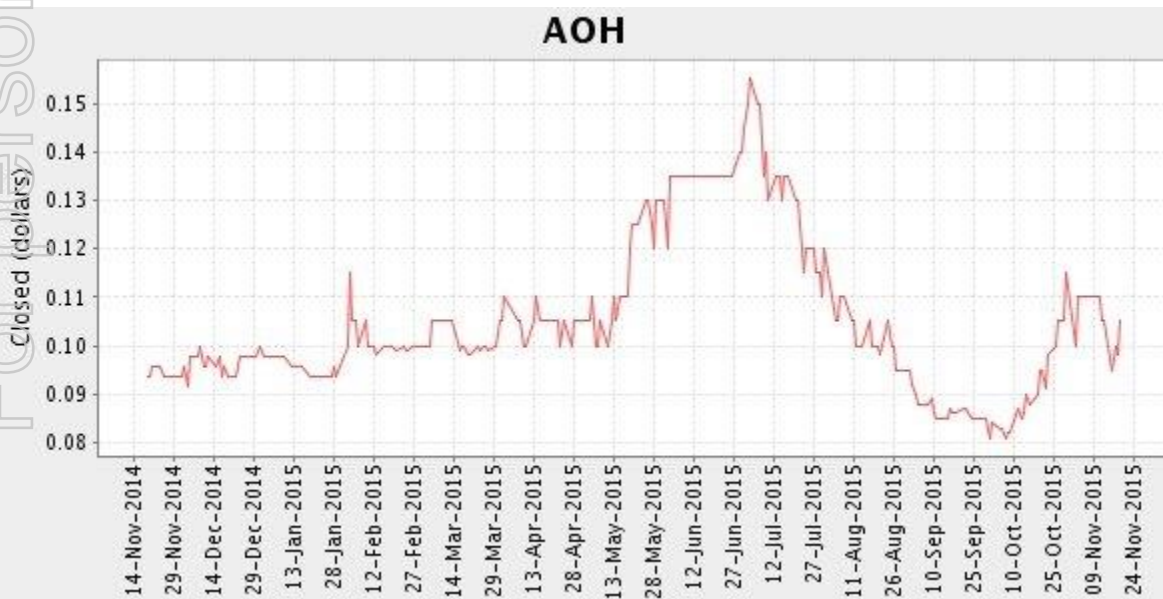


Major Shareholders

Perpetual:	14.6%
Board / management:	10.0%
Matchpoint / Shah:	8.1%
German retail:	8.3%
Morgan Stanley:	5.0%
L1 Capital	5.0%
Top 20:	66.4%

Market Status

ASX (Australia) code:	AOH
FSE (Frankfurt) code:	A2O
Share price:	A\$0.09
Shares on issue:	534M
Market capitalisation:	A\$48M
Cash (December 2015):	A\$43.5M
Enterprise value:	A\$4.5M



Altona share price steady after adjusting for 15 cent return in February 2015

**S&P ASX 300 (XMM)
Metals and Mining - 34%**

Deal with Sichuan Railway Investment Group (SRIG)

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SRIG built Xihoumen Bridge, 2nd biggest span in world of 1,650 metres

SRIG 60% - Altona 40% Joint Venture



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- SRIG to contribute US\$214M cash
- Altona contributes US\$38M cash plus project
- Total of US\$252M contributed by both parties
- US\$2M deposit
- Confirmatory formal due diligence nearing completion
- Deal conclusion imminent
- Chinese and Australian regulatory approvals in mid 2016



President Xi Jinping and SRIG Chairman Sun Yun

What will the deal bring to Altona?



- 40% shareholding of JV company with:
 - ➔ Ready to build 39ktpa copper project
 - ➔ A\$350M cash and no debt
 - ➔ Resources of 1.6Mt copper, 0.4Moz gold
 - ➔ EBITDA of ~ A\$80 -100M per annum
 - ➔ 50% of annual surplus cash to be distributed to parties

BUT... Little value attributed to this opportunity



Who are SRIG?



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- Sichuan Railway Investment Group (SRIG) based in Chengdu, Sichuan Province, SW China
- State Owned Enterprise (SOE) (Sichuan Province)
- Engineering and construction business with 2014 revenue of US\$6 billion
- Moodys rated SRIG as AA+ stable for January 2016 bond issue
- Building a mining business: Purchased 60% of Eritrean copper project for US\$78.3M



Yibin-Luzhou Highway built by SRIG

SRIG Deal Status



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- Legal, commercial and technical due diligence complete
- Diamond drilling and metallurgical testwork completed
- Drilling at Little Eva returned up to:
 - 157m* at 0.53% copper, 0.11g/t gold including
 - 21m at 1.85% copper, 0.60g/t gold
- Final negotiations and execution - March / April
- Receipt of regulatory approvals - August / September

(* LED 1006 see ASX 29-01-2016)



SRIG hole LED1006
1m at 11% copper, 1.9g/t gold
from 127m

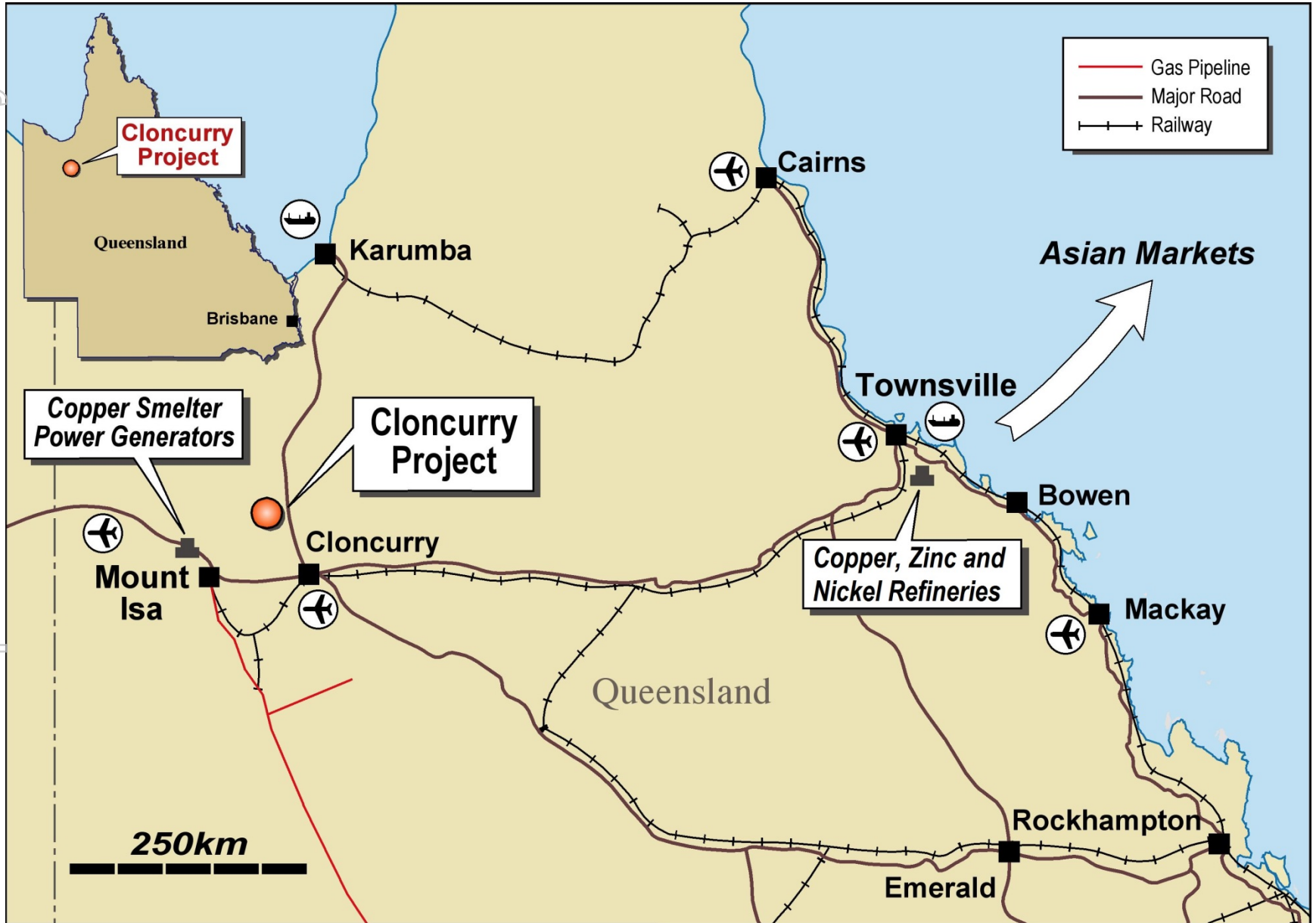
What attracts SRIG to the Cloncurry Project

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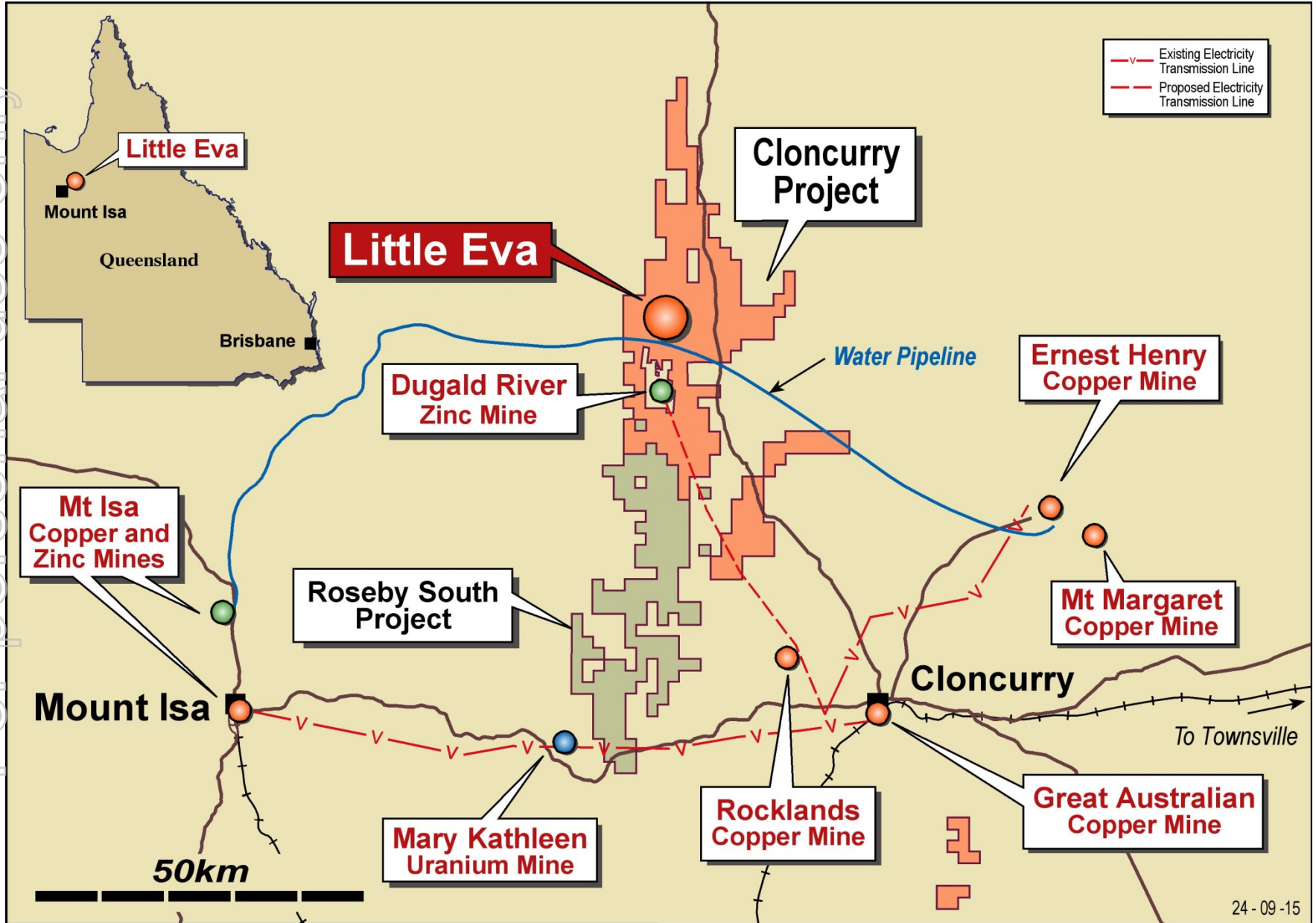


RC drilling at the Lady Clayre deposit

Great Location and Regional Infrastructure



A World Class Mineral Field



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Large Mine Development Ready To Go



Near term
production
at Little Eva

- Feasibility complete, major permits in place
- 20 months to build
- 39ktpa copper and 17kozpa gold, 13 year life

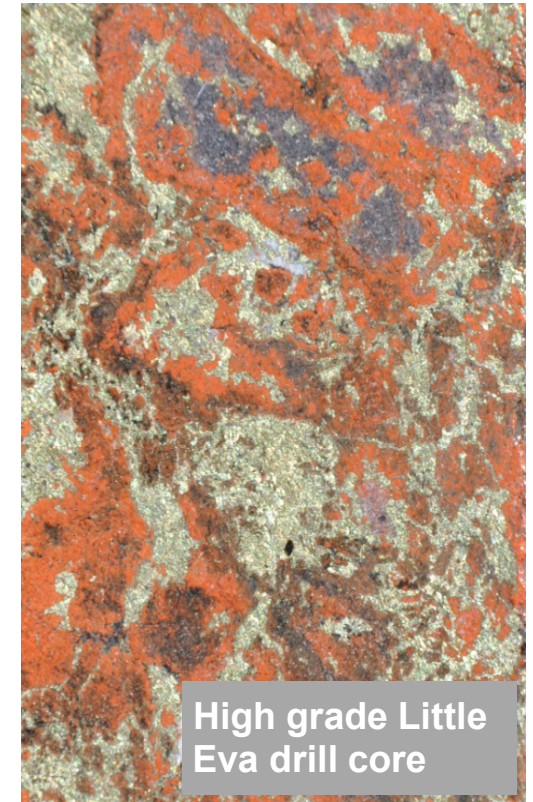
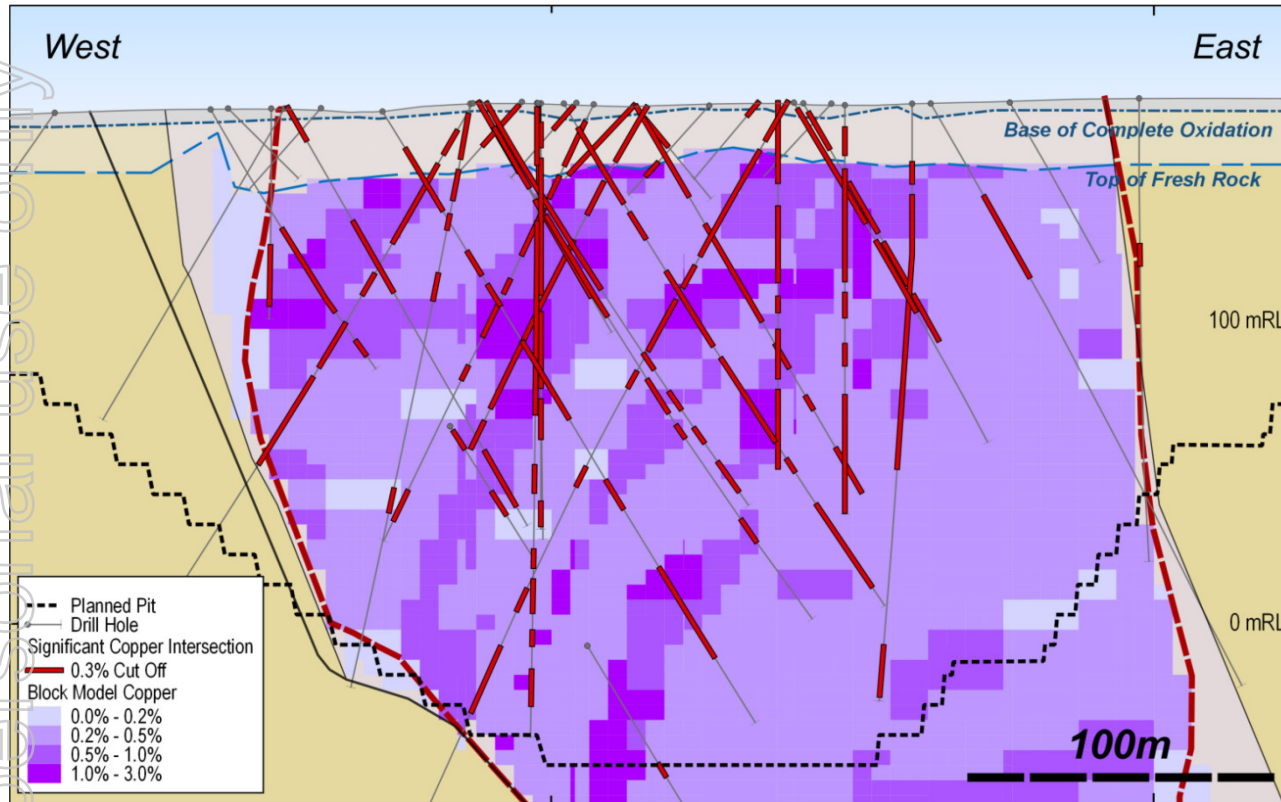
Robust
financials

- NPV A\$346M
- All-in cash cost US\$1.96/lb
- Capital cost A\$294M
- DFS assumed AUD:USD of 0.80
- Turkey Creek discovery not in DFS



Ernest Henry Mill

Simple Geology

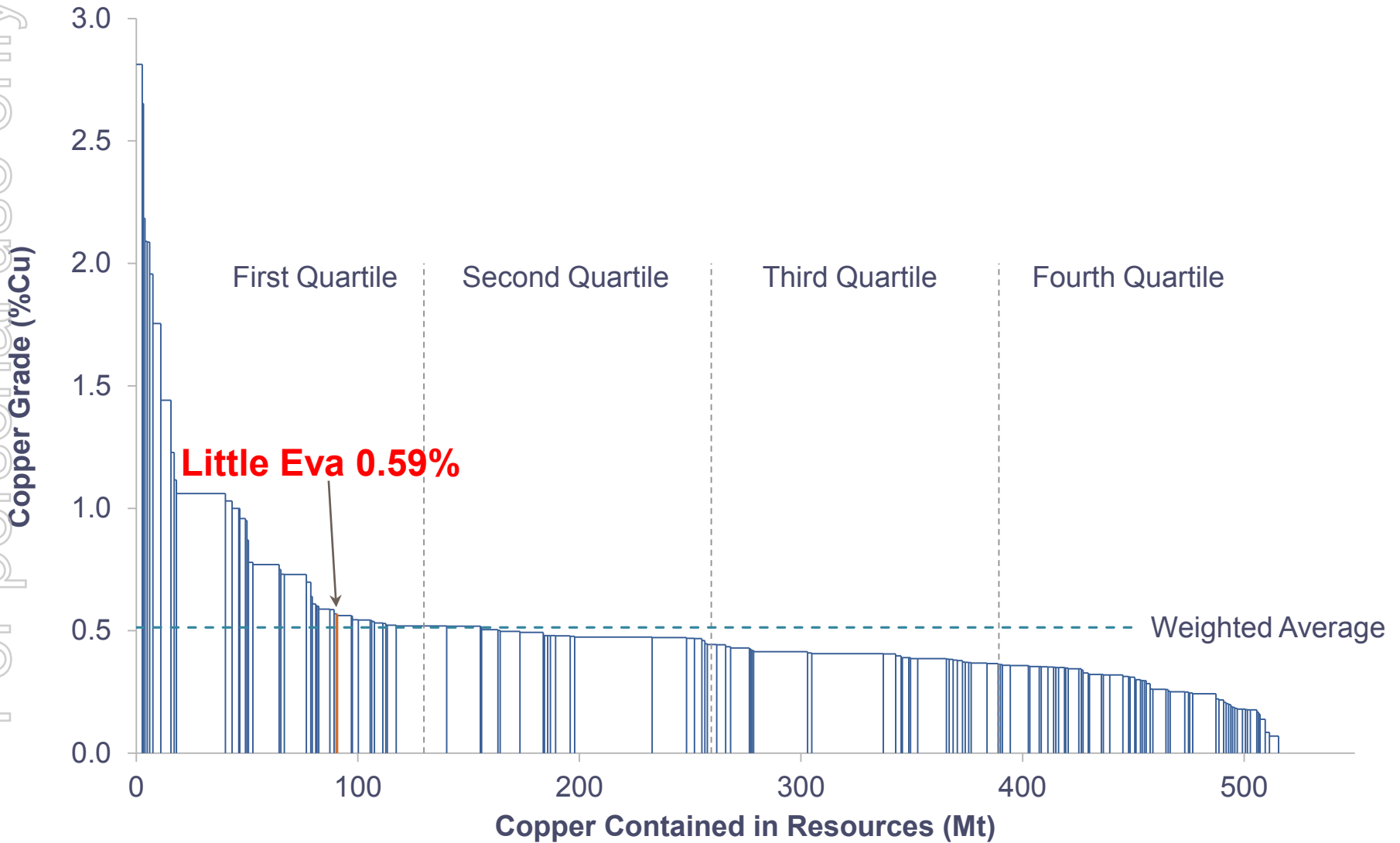


- Large bulk IOCG style deposit similar to Ernest Henry
- Reserves of 75Mt at 0.5% copper, 0.1g/t gold
- Turkey Creek will add 10Mt (2 years)

Competitive Copper Grade (First Quartile)



Size and grade of undeveloped open pit copper projects



Source: Terra Studio

Straightforward Bulk Mining

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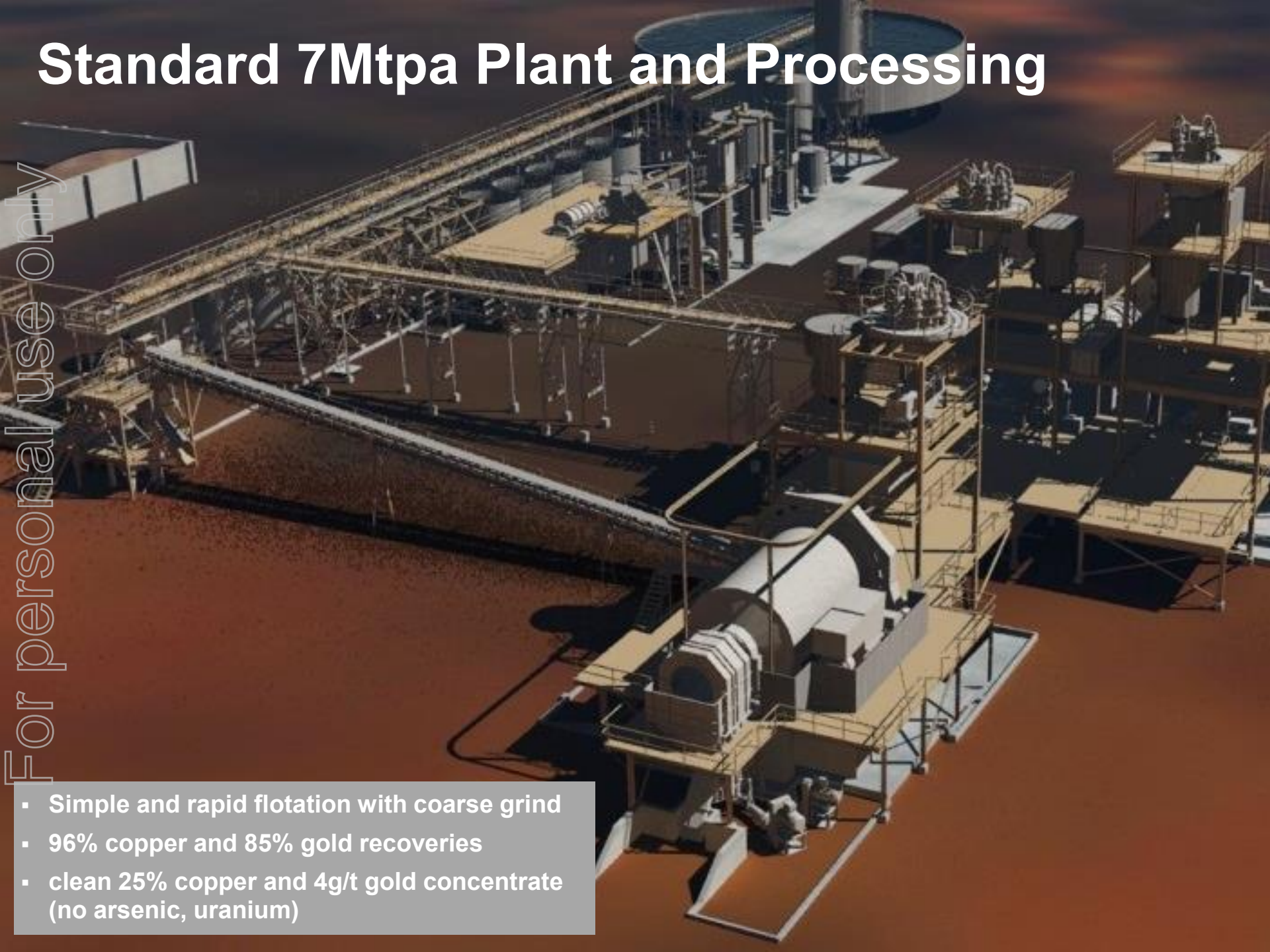


- Contract mining
- Pit is 1.3km long, up to 370m wide, 240m deep
- Low strip ratio of 1.8:1 after pre-strip
- 90% of ore from Little Eva pit

Standard 7Mtpa Plant and Processing

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- Simple and rapid flotation with coarse grind
- 96% copper and 85% gold recoveries
- clean 25% copper and 4g/t gold concentrate (no arsenic, uranium)



Exploration underpins growth options

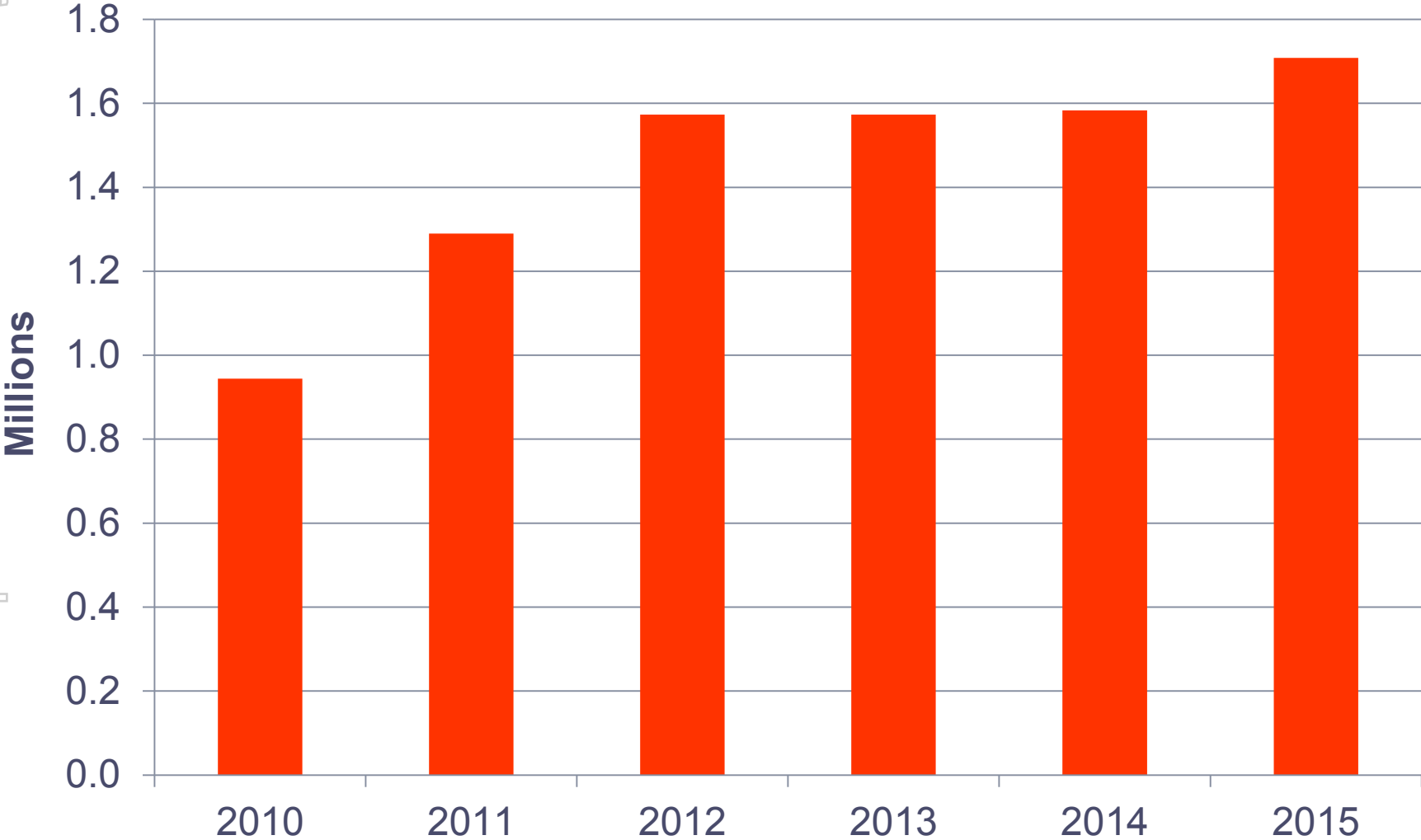
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Altona's Record of Discovery at Cloncurry



Copper Equivalent Metal in Resources (tonnes)



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Resources and Exploration



Outstanding Resource inventory

- 287Mt at 0.6% copper, 0.04g/t gold for 1.65Mt copper and 0.4Moz gold

Upside in Resources outside DFS

- Almost 1Mt of copper in 8 deposits not in DFS
- Prior DFS studies on these deposits
- Oxide ore not considered

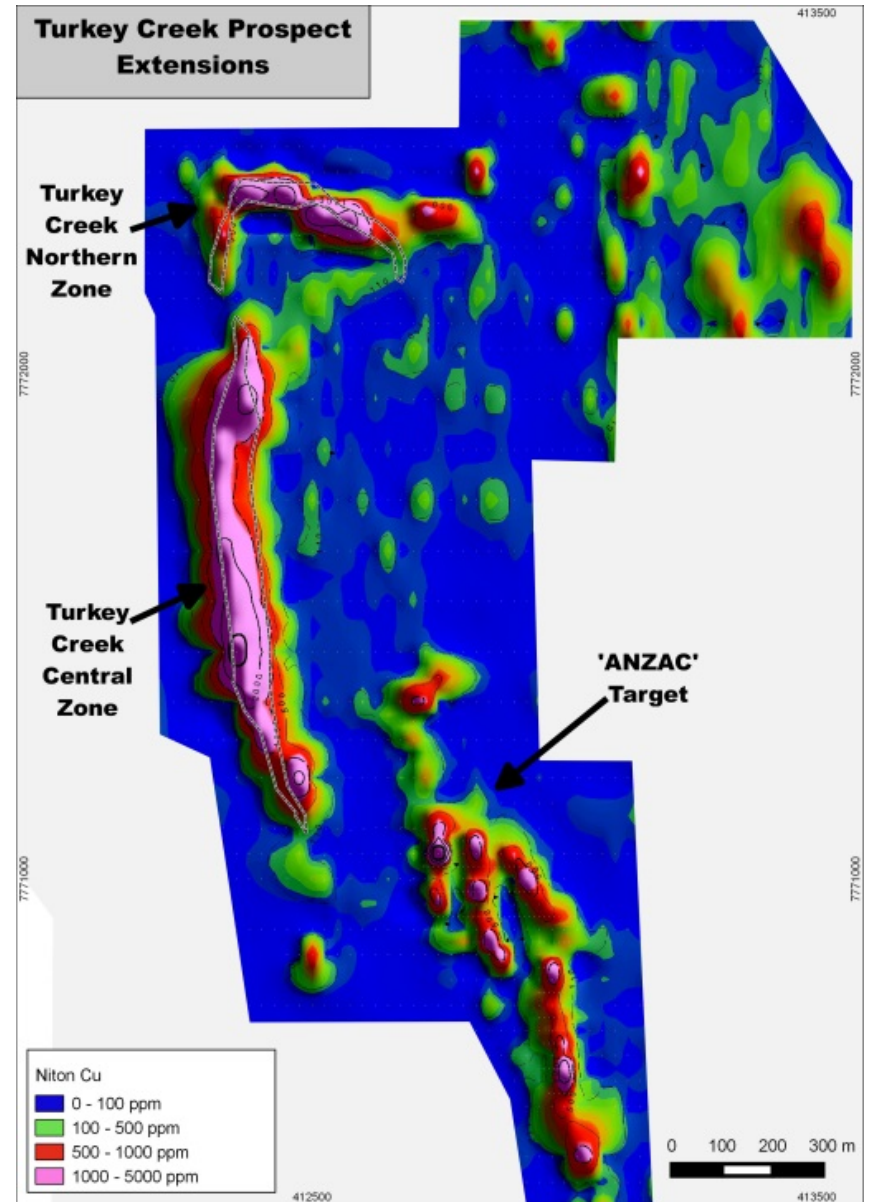
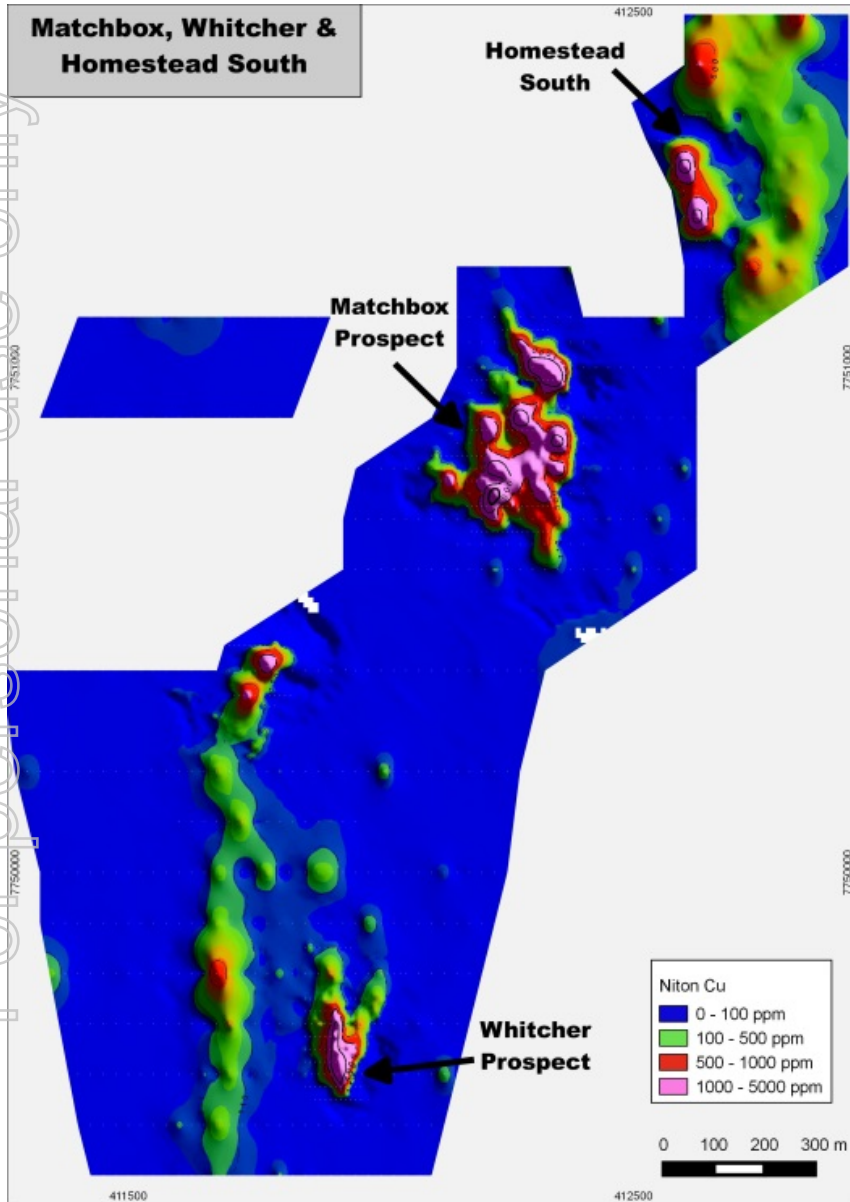
Exploration Upside

- Turkey Creek discovery first in area for decades
- Multiple targets in 400km² tenure
- A\$80M past expenditure, great database



Copper flower and outcropping copper ore at Turkey Creek

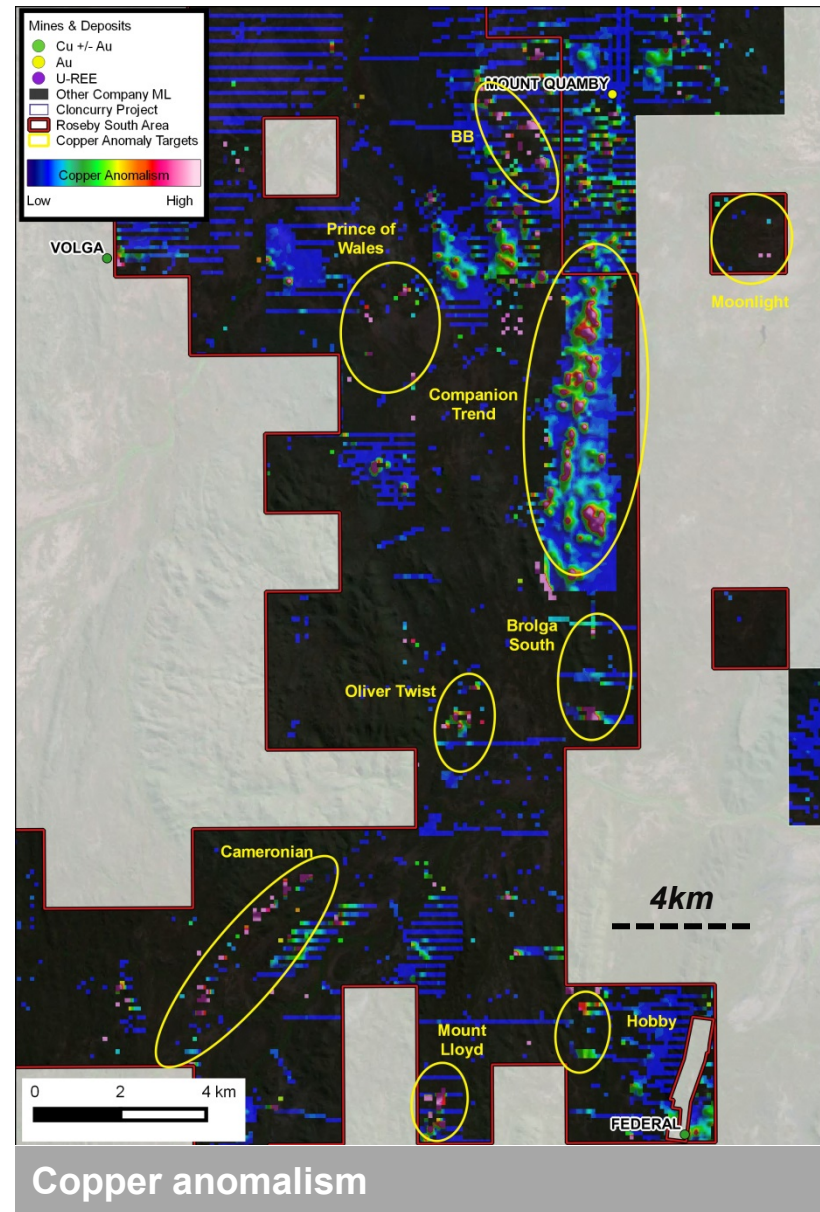
Examples of Exploration Targets



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Roseby South Project

- 400km² adjoining Cloncurry Project
- 100% owned
- Targets include Companion with drill intercepts of:
 - 34m at 0.75% copper, 0.21g/t gold
 - 26m at 0.68% copper, 0.25g/t gold
- 10km of Zn-Pb-Ag anomalism along strike from the Dugald River mine
- Exploration in 2016



Value is compelling!



On deal completion:

- 40% of A\$80-100M EBITDA
- Project fully funded with A\$350M cash

Exquisite timing:

- Build at bottom of market
- Production into recovering market

Altona is a free option:

- Cash backed
- Enterprise value of just \$4.5M



Altona team
at Cloncurry

Thank you

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Sichuan Province is the home of the giant panda

Little Eva DFS 2014: Key metrics



		Units
Project Life	11	Years
Throughput	7,000,000	Tonnes per annum
Average Strip Ratio	1:8:1	
Copper Grade	0.6	%
Gold Grade	0.1	g/t
Copper Production	38,800	Tonnes per annum
Gold Production	17,200	Ounces per annum
Capital Expenditure	294	A\$ millions
Life of Mine Revenue (NSR)	2,931	A\$ millions
NPV (7.5% pre-tax real)	346	A\$ millions
Internal Rate of Return	29	%
C1 Cash Cost	1.65	US\$ per pound copper
All-in Cash Cost	1.96	US\$ per pound copper
Operating Cost	21.58	A\$ per tonne milled

See ASX release dated 13 March 2014 for DFS details, slides 23, 24, 25 and 26.

Little Eva Project - Resources and Reserves



	Tonnes (m)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Sulphide Resources					
Measured	37.1	0.60	0.09	222,000	112,000
Indicated	55.3	0.49	0.09	273,000	158,000
Inferred	35.5	0.51	0.12	189,000	138,000
Total	129.1	0.53	0.10	684,000	409,000
Reserves					
Proven	31.2	0.64	0.08	198,000	85,000
Probable	28.1	0.53	0.10	149,000	90,000
Sub Total	59.3	0.59	0.09	347,000	174,000
Probable (stockpile)	15.3	0.18	0.06	28,000	31,000
Total	74.7	0.50	0.08	375,000	204,000
Mining Inventory	1.9	0.51	0.23	10,000	14,000

Little Eva Project comprises Little Eva, Bedford, Lady Clayre and Ivy Ann.

Cloncurry Project Resource Estimates



DEPOSIT	TOTAL			CONTAINED METAL		MEASURED			INDICATED			INFERRED		
	Tonnes	Grade		Copper	Gold	Tonnes	Grade		Tonnes	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
LITTLE EVA PROJECT - 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*	7.5	0.57	0.07	43,000	17,000	-	-	-	5.4	0.60	0.08	2.1	0.49	0.06
Lady Clayre*	14.0	0.56	0.20	78,000	85,000	-	-	-	3.6	0.60	0.24	10.4	0.54	0.18
Bedford*	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*	76.4	0.62	-	475,000	-	27.0	0.68	-	6.6	0.60	-	42.7	0.59	-
Scanlan*	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*	10.4	0.66	-	69,000	-	-	-	-	-	-	-	10.4	0.66	-
Legend*	17.4	0.54	-	94,000	-	-	-	-	-	-	-	17.4	0.54	-
Great Southern*	6.0	0.61	-	37,000	-	-	-	-	-	-	-	6.0	0.61	-
Caroline*	3.6	0.53	-	19,000	-	-	-	-	-	-	-	3.6	0.53	-
Charlie Brown*	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

* 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 are classified and reported in accordance with the JORC Code 2012 edition. 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 methodology and attributions. 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 Note: All figures may not sum exactly due to rounding.



What You Should Know

- **Find out more** - This presentation is being used as a presenter's aid with summarised information. See Altona's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au or www.altonamining.com, for more information.
- **Third party information** - Altona does not make any representations as to the accuracy or otherwise of third party information, including where projections are given.
- **Forward-looking statements** - Within this presentation there may be certain forward-looking statements, opinions and estimates. These are based on assumptions and contingencies which are subject to change without notice and are not guarantees of future performance. Altona assumes no obligation to update such information.
- **Taking action** - Please undertake your own evaluation of the information in this presentation and contact your professional advisers if you wish to buy or sell Altona shares.

JORC Compliance: Resources and Reserves



Resource and Reserve estimates: The information in this presentation relating to estimates of Mineral Resources and Ore Reserves have been extracted from the following reports:

ASX Release Date	Title of ASX Release	Outline of Relevance
Resource Estimates		
26 July 2011	Roseby Resource passes one million tonnes of contained copper	Initial resource estimate for Little Eva deposit with 2004 JORC Table 1.
23 April 2012*	Further resource upgrades at Roseby Project	Resource estimates for Bedford, Ivy Ann and Lady Clayre deposits with relevant 2004 JORC Table 1.
14 May 2012*	Little Eva: A new large scale copper development	Little Eva Definitive Feasibility Study. Included an updated resource estimate for Little Eva due to the removal of surface oxide mineralisation from the resource estimate reported on 19 December 2011.
3 July 2012*	15% Resource Upgrade at Roseby Project	Resource estimates for the Blackard and Scanlan deposits with relevant 2004 JORC Table 1.
22 August 2012*	Further Resource Upgrade at Roseby Project	Resource estimate for the Legend deposit with 2004 JORC Table 1.
27 May 2014	JORC 2012 Resource estimate for the Little Eva deposit	Resource estimate for the little Eva deposit with 2012 JORC Table 1.
18 March 2015	Resource Estimate for the Turkey Creek deposit	Resource Estimate for the Turkey Creek deposit with 2012 JORC Table 1.
Reserve Estimates		
13 March 2014*	Cost review delivers major upgrade to Little Eva	Reserve estimates unchanged since ASX release of 14 May 2012 <i>“Little Eva: A new large scale copper development.”</i>

* This information was prepared and first disclosed under the JORC Code 2004. 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.

JORC Compliance (continued)



The ASX releases referenced in the previous slide are 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.

Copper equivalence: When used, copper equivalence refers to copper in concentrate, not resources or reserves, or drill results. Revenues from gold is simply equated to copper revenue.

Production target and forecast financial information: Information in this presentation refers to a production target and the forecast financial information derived from a production target as disclosed to the market in 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.

Competent Person Statement and JORC Compliance

Responsibility for entire release: Information in this presentation 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 who is a full time employee of the Company and who 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 Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Dr Alistair Cowden consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.



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