

Copper Mountain to acquire Altona Mining

Altona European roadshow, January 2018

Copper Mountain Mine



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Merger Rationale

Creating a new copper play of scale



Why merge?

- **Cloncurry is a financing challenge:** Any debt and equity financing would be dilutive and bring restrictive hedging.
- **Alternatives to developing on our own:** Seek a partner or corporate transaction, to do nothing would see cash waste away and the opportunity of a rising copper market pass by.
- **Process to seek solution undertaken:** Offers for sale, Joint Venture and corporate transactions received with varying degrees of conditionality.
- **Copper Mountain the preferred party.**



Brings together two large open pit copper assets

	Copper Mountain Mine	Cloncurry Copper Project
Ownership	75%	100%
Location	British Columbia, Canada	Queensland, Australia
Commodity	Cu, Au, Ag	Cu, Au
M&I Resources	350Mt at 0.26% Cu, 0.09g/t Au	163Mt at 0.58% Cu, 0.05g/t Au
Inferred Resources	426Mt at 0.21% Cu, 0.11g/t Au	127Mt at 0.57% Cu, 0.04g/t Au
Reserves	184Mt at 0.27% Cu, 0.09g/t Au	86Mt at 0.50% Cu, 0.07g/t Au
Mine Life (years)	16 years	14 years
Annual Production	75-85Mlbs (34-38.5kt) Cu, 23.6koz Au	86Mlbs (39kt) Cu, 17.2koz Au
Cash Costs	US\$1.62/lb Cu	US\$1.65/lb Cu
Capex	Nil	A\$288M

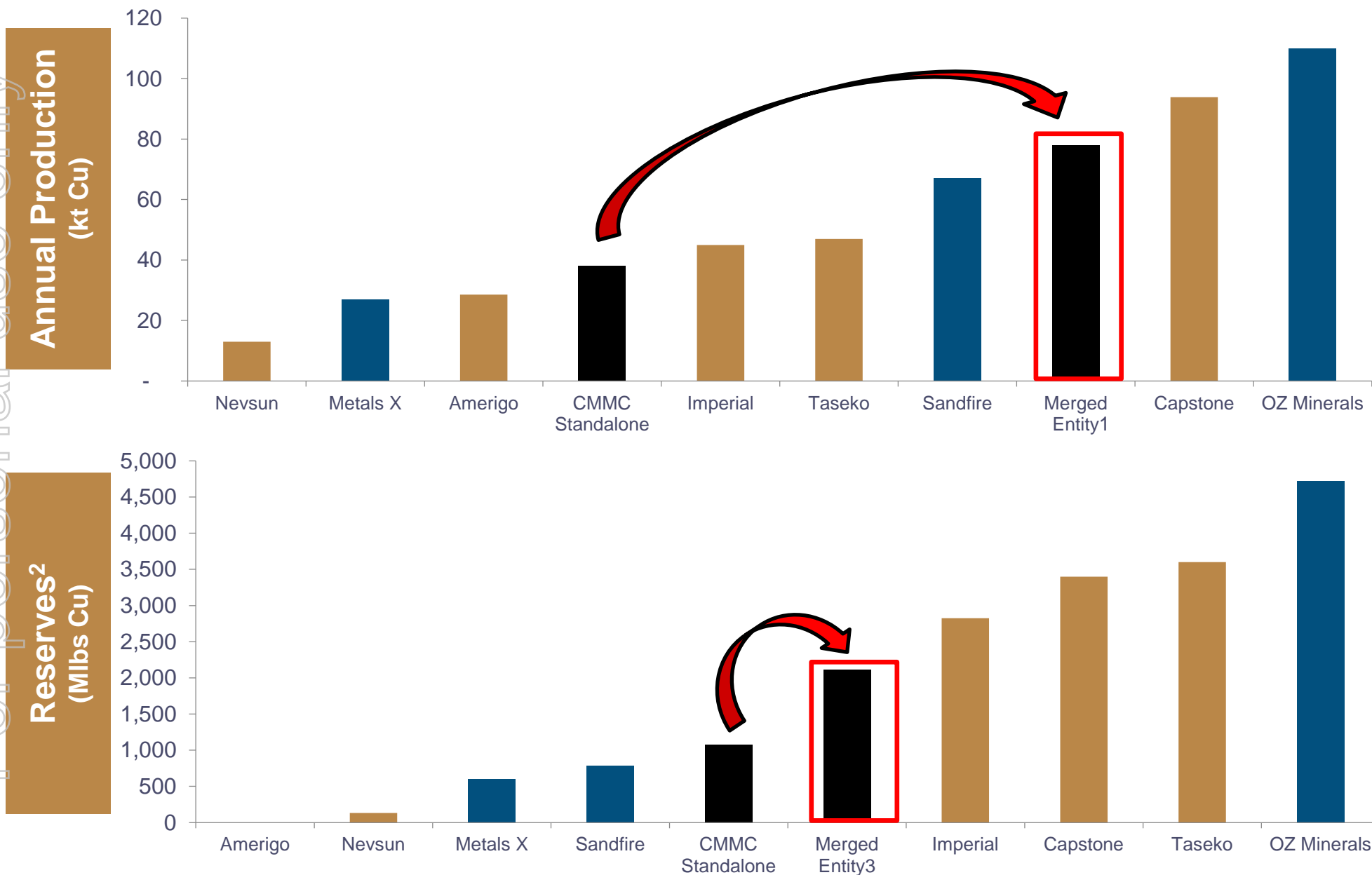
Compelling combination

- **Growth:** Positions Merged Entity with significant growth profile among peer copper producers.
- **Value:** Significant revaluation opportunity combining immediate cash flow with a bright future.
- **Scale:** A doubling of copper resources and reserves and potential for the same on production.
- **Mine Life:** Two long life assets with significant exploration upside in tier one mining jurisdictions.
- **Timing:** Excellent leverage into rising copper market through a combination of low-cost debt, healthy cash flow and projected growth.
- **Complementary Skills:** CMMC's development and production experience and Altona's exploration skills will maximise Cloncurry.
- **Profile:** Increased liquidity and capital markets profile with the creation of a significant dual-listed mining company.

Market relevance

TSX Peers

ASX Peers



1. CMMC CY2017 Guidance (100% basis) plus Altona potential production (see Altona ASX 27 September 2017 and 2 August 2017).
2. Operating and development ready Reserves² only (copper only).
3. Values shown on a 100% basis.

Benefits to Altona shareholders

- Significant premium (40% on announcement).
- Meaningful ownership in a stronger combined entity.
- Gain CMMC development and operating experience to help unlock the value of Cloncurry.
- Exposure to immediate cash flows from the Copper Mountain mine.
- Increased leverage to ongoing increases in the copper price.
- Retain ongoing exposure to Cloncurry.
- Exposure to continued exploration successes at the Copper Mountain mine.
- Exposure to TSX; increased market profile, trading liquidity, enhanced analyst and institutional investor following.

Copper:

Fundamental to industrial activity

Benefits from electrification of power and transport

A rational, large and liquid commodity market



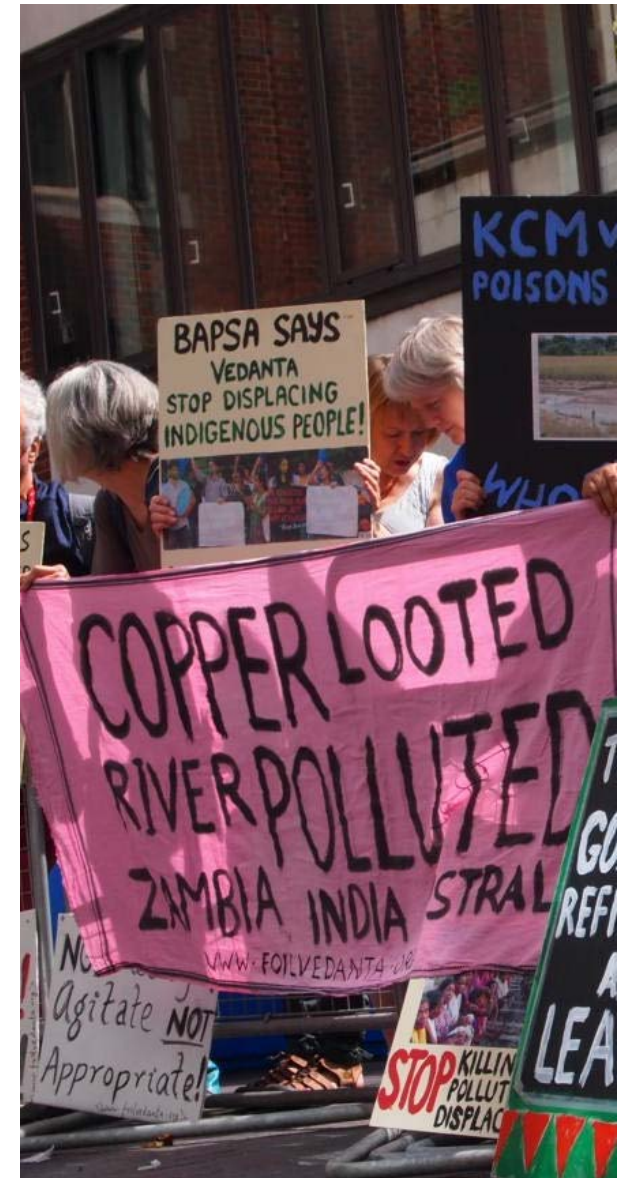
The impact of technology on copper demand

- **Renewables are copper intense** Solar requires about 5kg of copper per kW - more than double other forms of generation.
- **Growth in renewables** Wind and solar power generation have increased nearly 50-fold since 2000. Solar's share of global power generation has more than doubled in 3 years.
- **Electric cars are copper intense** A pure battery-powered car uses 4 times more (80kg) copper than a petrol car.
- **Growth in electric fleet** The global fleet to increase from 1M vehicles to 140M by 2035 requiring 12Mtpa copper, more than half the current market.
- **Copper Market growing strongly** Copper market could increase by over 50% by 2035. A large liquid market, not a minor metal.



The case for copper, supply is constrained

- **Grades declining, resources depleting** Grades to decline by 17% over the next decade. Ageing mines require more cost to deliver the same production.
- **Lack of exploration success** Few tier 1 discoveries, easy deposits gone, deeper deposits in mature areas are difficult to find, harder ore.
- **Discoveries will be in challenging jurisdictions** Less mature, more prospective regions are such because of risk.
- **Government and community expectations** higher expectations from host governments and communities.
- **Water politics** Groundwater is a major issue, e.g. Chile. Growing need for desalinated water to process the higher volumes of lower-grade ore.



Transaction brings very large copper exposure

Measured, Indicated and Inferred Resources

Mineralisation:	1,066Mt at 0.32% Cu, 0.09g/t Au
Contained copper:	3.89Mt
Contained gold:	3.1Moz

Proven and Probable Reserves

Ore:	270Mt at 0.34% Cu, 0.08g/t Au
Contained copper:	0.93Mt
Contained gold:	0.73Moz

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The Copper Mountain Mine

A stable and efficient long life producer



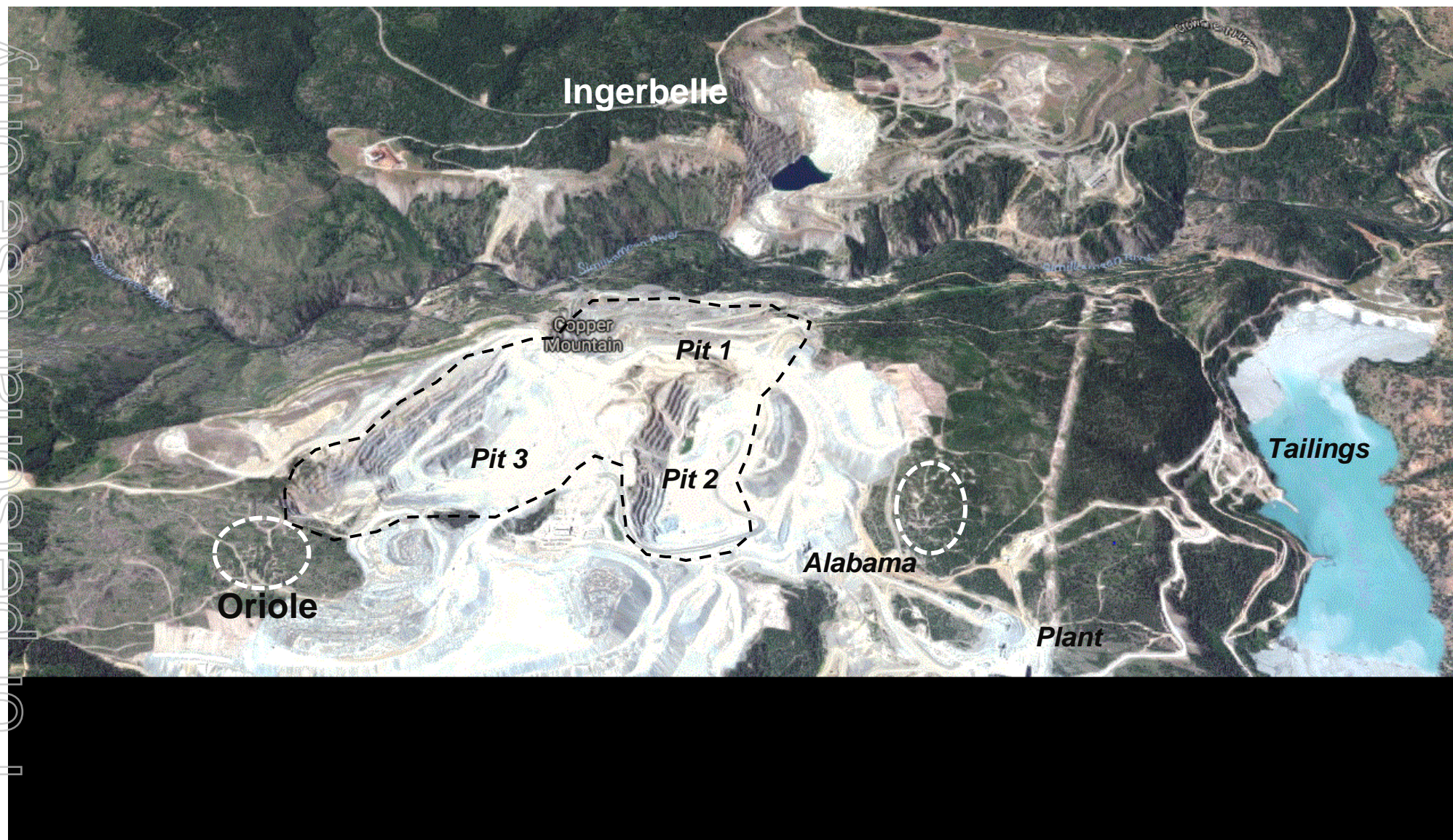
Copper Mountain mine

- Located 300km east from Port of Vancouver
- 75% owned by TSX listed CMMC, Mitsubishi 25%
- 90 years of production history in area
- Commenced production in 2011
- Stable and efficient production with expert systems in mill and mine
- Numerous safety awards
- Continuous improvement projects targeting further cost efficiency
- 16 year mine life
- Low cost debt in operating company

1. Values shown on a 100% basis.



Copper Mountain mine



Bulk open pit mine



Owner operated mine. Equipment to move more than 30Mt of ore and waste each year includes 5 hydraulic shovels, 25 haul trucks and 4 electric drill rigs.

Large scale processing plant

- 14Mtpa plant
- Primary and secondary crushers
- SAG mill and 2 ball mills
- Flotation
- 80% copper, 70% gold recovery
- Clean 27% copper-gold-silver concentrate
- Life of mine tailings facility
- BC Hydro power grid



Production statistics for Copper Mountain mine¹

- All concentrate (Cu/Ag/Au) sold to Mitsubishi, offtake agreement based on LME pricing and industry benchmarks
- On track for CY2017 guidance

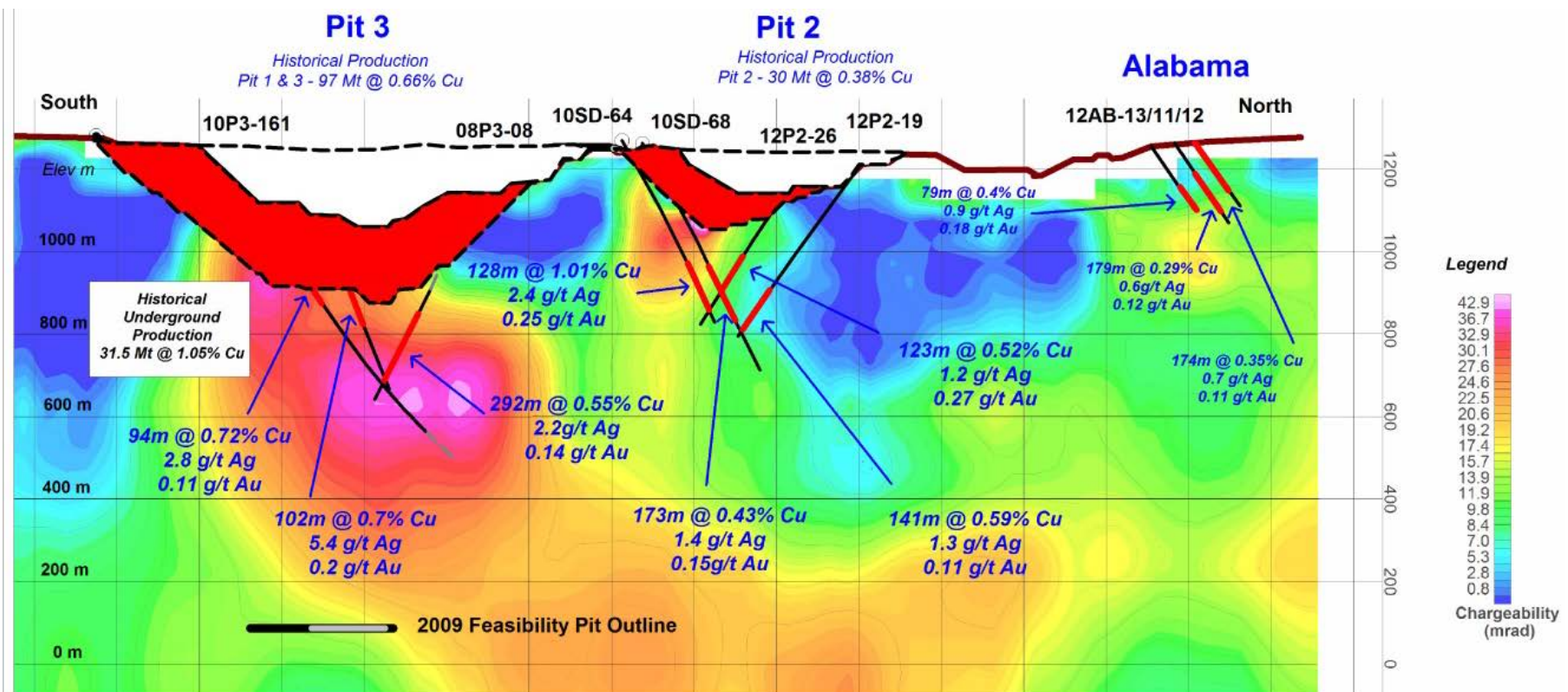
	CY 2015	CY 2016	YTD 2017 ²	CY 2017 Guidance
Copper (Mlbs)	77.6	82.9	56.2	75.0 - 85.0
Copper (tonnes)	35,208	37,613	25.5	34,000 - 38,500
Gold (oz)	29,200	30,800	18,500	-
Silver (oz)	276,300	291,900	206,800	-
Revenues (CAD\$ Ms)	242	278	218	-
Total cash cost (US\$/lb Cu)	1.74	1.54	1.74	-

1. Values shown on a 100% basis.

2. Includes Q1 shutdown for SAG gear change.

Resource growing at Copper Mountain mine

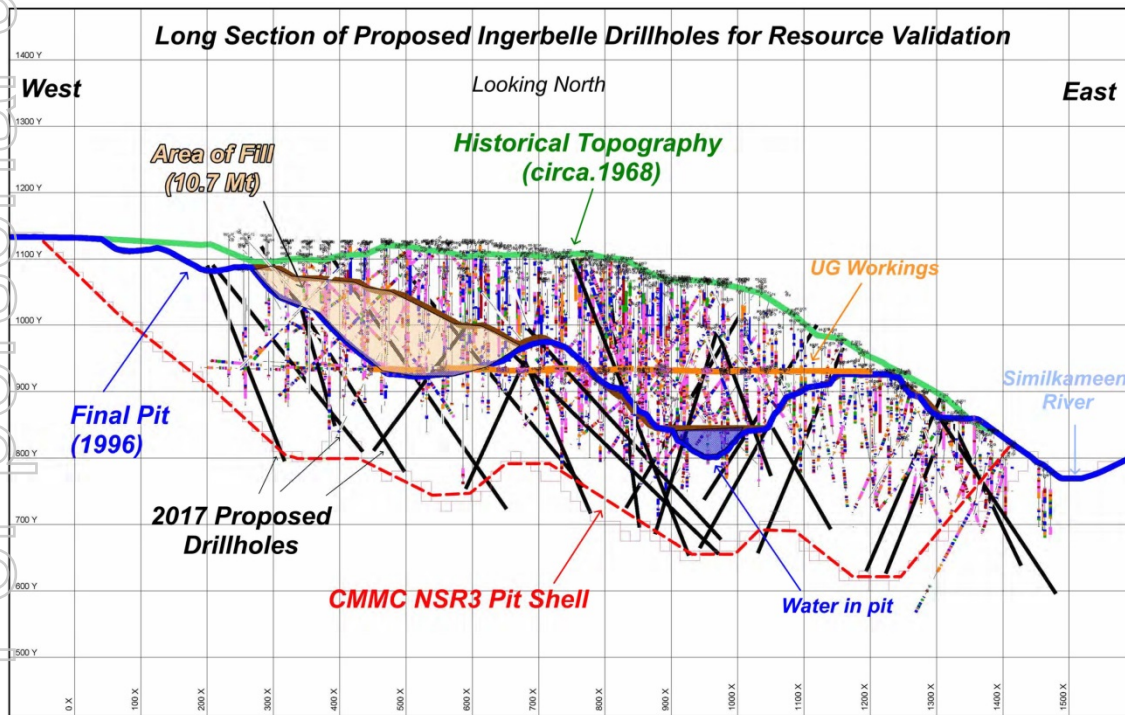
- Mine Life to 2032 based on current mine plan
- Potential for longer mine life as inferred resources are upgraded to reserves - a superpit?
- Recent drilling below pit of 82m at 0.55% copper. 0.09g/t gold



*Note: Section is south-north looking west. Selected hole traces are within 100m of the section, and traces are dashed where holes outside of the section corridor. Red bars represent zones of mineralization from only selected holes (not all holes) within the view corridor. Brown topography is at July 1st 2013.

Ingerbelle - A second big pit?

- 1979 Newmont pre-mining pre-production reserves of 67Mt at 0.55% copper, 0.25g/t gold
- Recent drilling below pit of 158 metres at 0.41% copper equivalent and 137 metres at 0.49% copper equivalent



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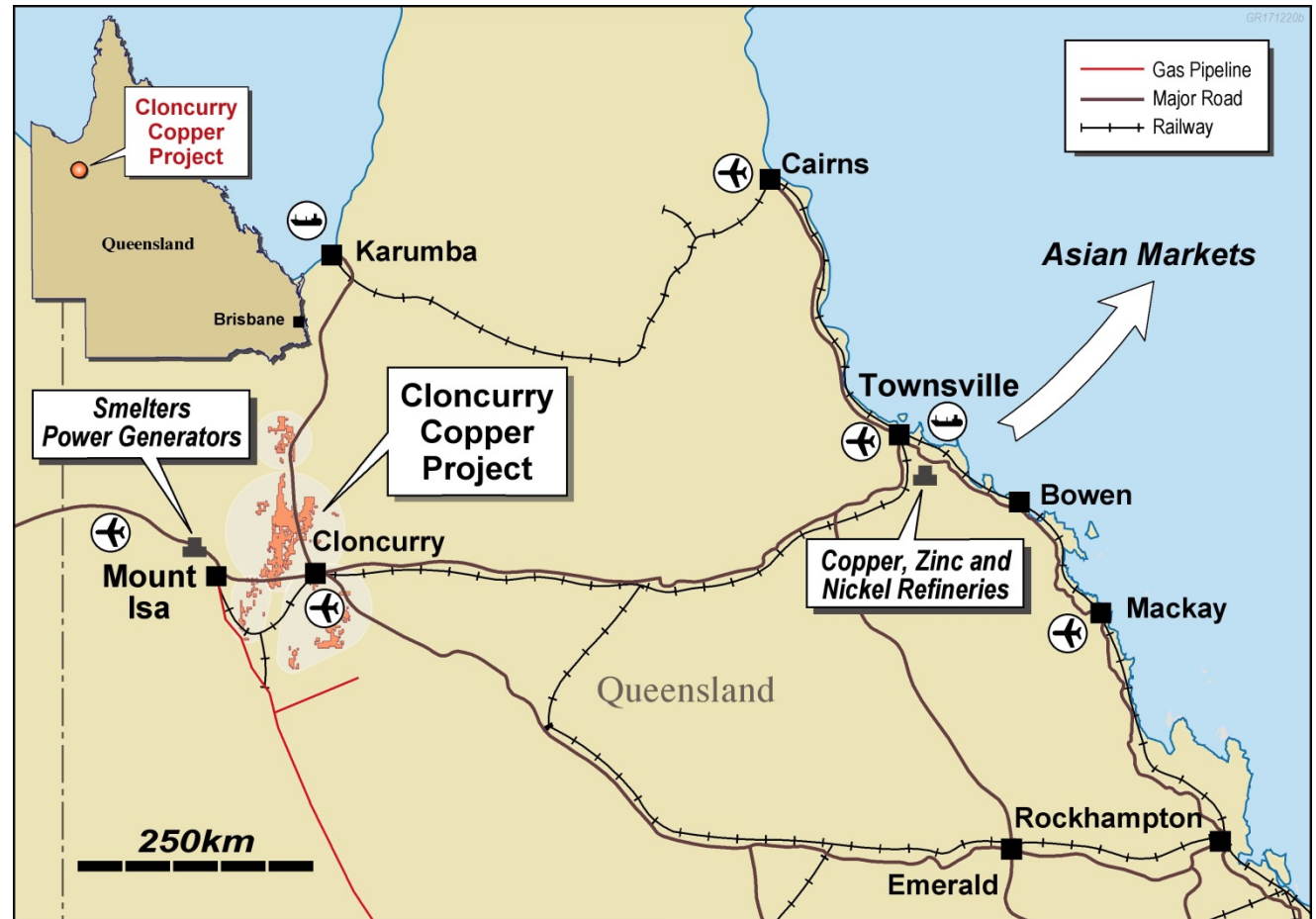
Cloncurry Copper Project

Aiming for construction in 2018



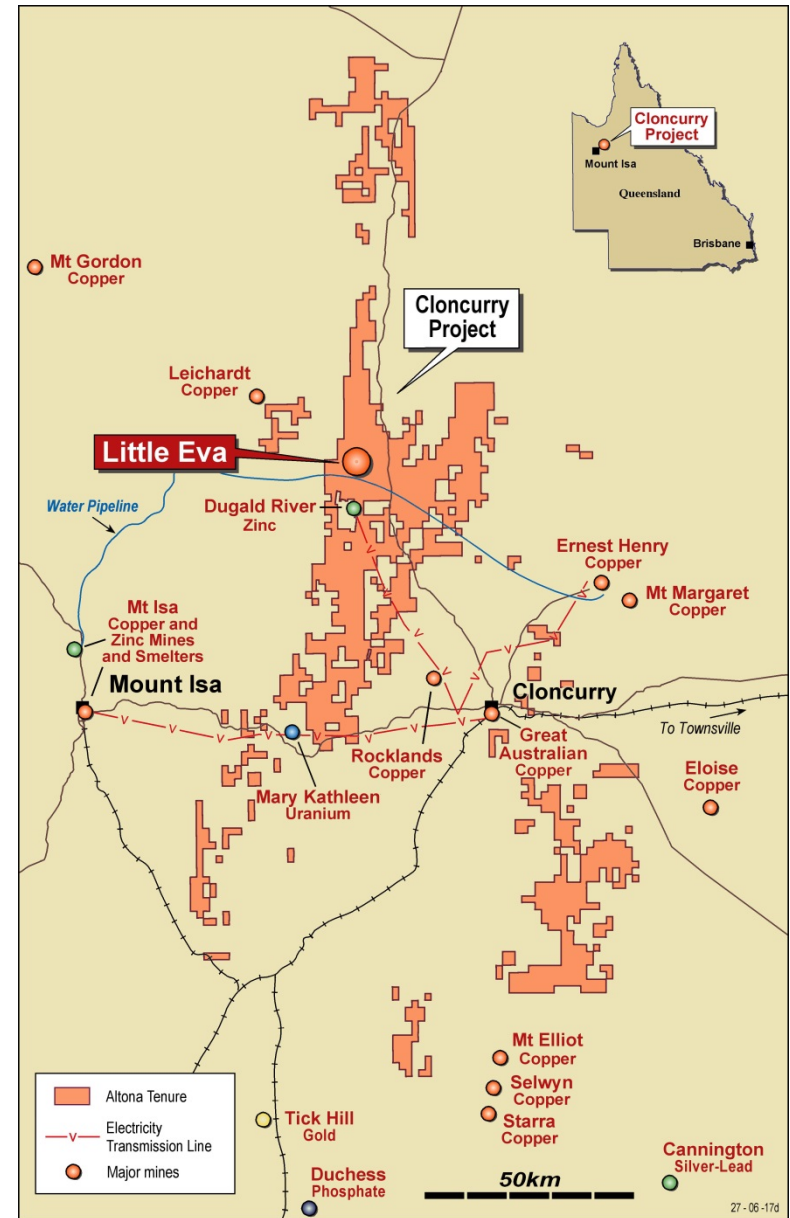
Excellent infrastructure, world-class province

- World-class mines including Mount Isa, Ernest Henry, Dugald River
- World scale copper, zinc, lead, silver and phosphate production
- Smelters, refineries and ports
- Rail, gas, sealed highway, airports, power, and skilled workforce



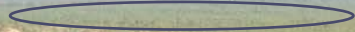
Cloncurry Copper Project

- 100% owned by Altona
- Advanced copper project:
 - Fully permitted
 - DFS complete
- Next steps: Project optimisation and implementation
- Meaningful production:
 - 39,000tpa copper (86Mlbs)
 - 17,200ozpa gold
- 14 year mine life minimum at 7Mtpa
- Dominant 3,970km² land position in world class mineral field



Site of Little Eva plant and mine

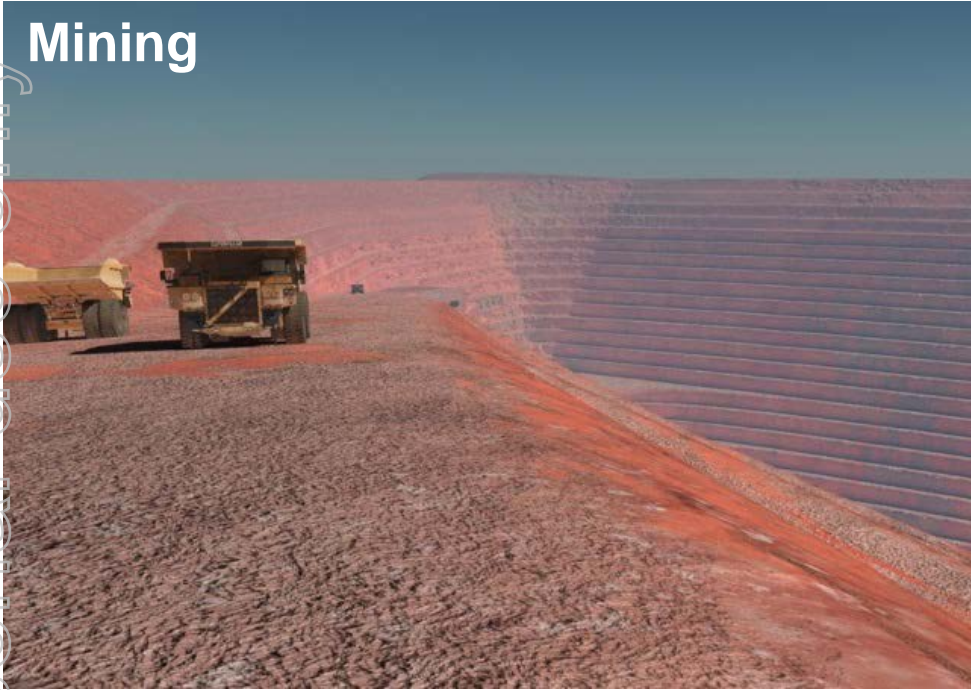
Little Eva



**Looking north-west
from Green Hill**

Cloncurry: Straightforward Mining and Processing

Mining



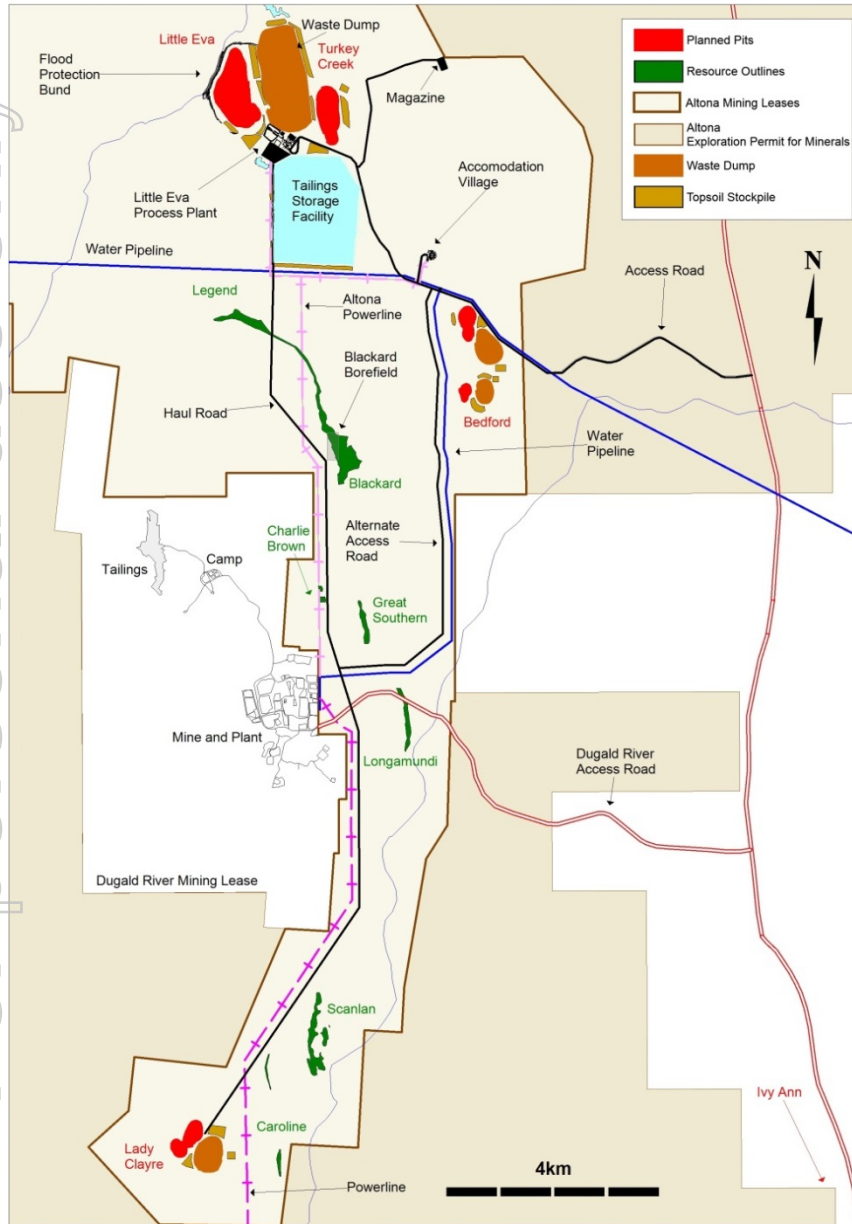
- Large scale Little Eva open pit mine, low 1.8:1 strip ratio (after pre-strip)
- Five satellite pits
- Pits optimised with 2011 costs: significant upside

Processing



- Simple plant: SAG mill → ball mill → flotation
- High recoveries 95% copper, 85% gold
- Clean marketable concentrate: 25% copper, 4g/t gold

Logistics and permits



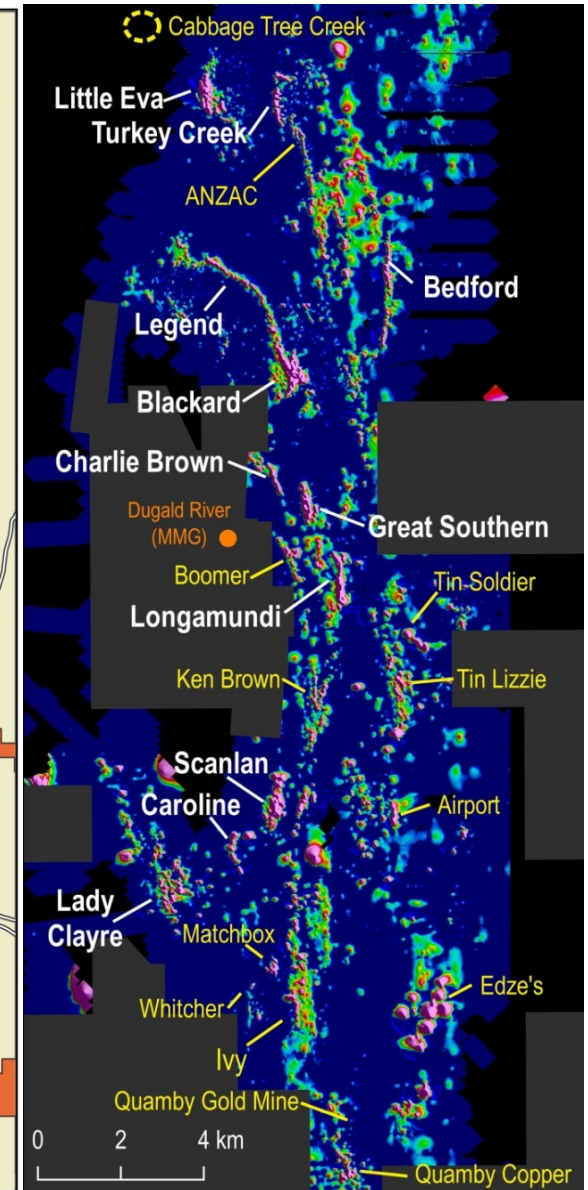
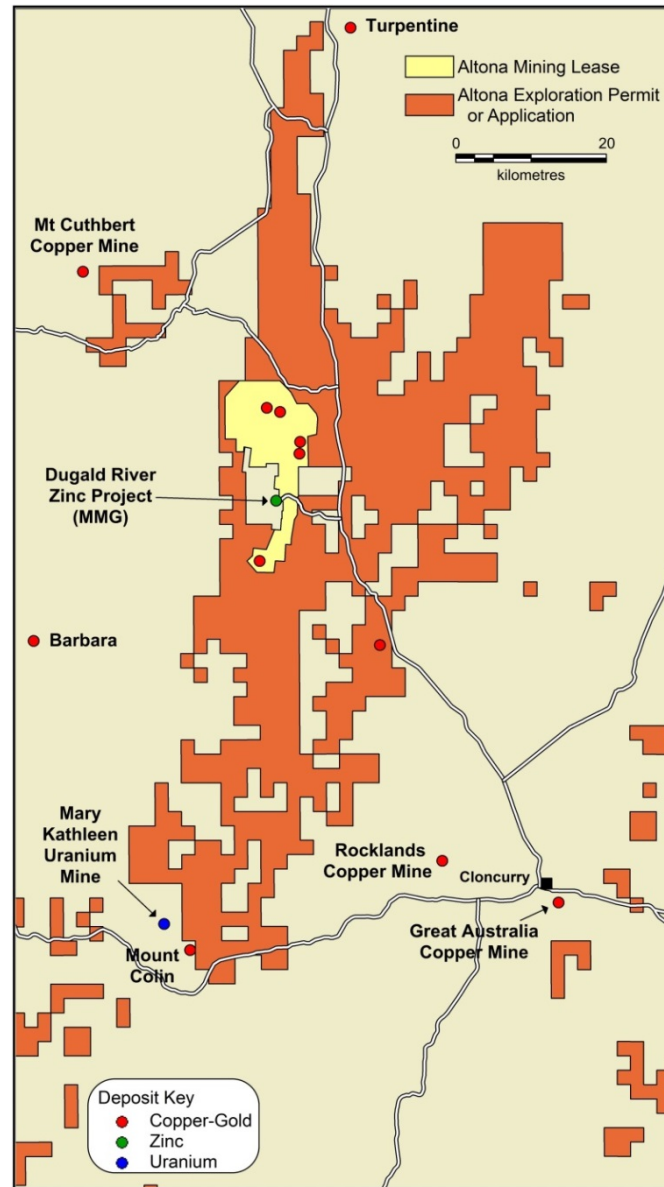
- 8km from MMG's A\$600M Dugald River zinc mine now in production
- 220 man camp, 7km from sealed highway and 60km from Cloncurry airport
- Concentrate to be sold at mine gate to Glencore who operate Mt Isa smelter
- Power via proposed 9km spur line from Dugald River mine 220KV line
- Environmental permitting complete and mining licences granted
- Native Title Agreement completed

2017 Definitive Feasibility Study outcomes

Capital cost	Total (including \$18M contingency)	A\$288M
Operating cost	Total (excluding royalties)	A\$23.1/t
Life of mine production	Copper	432,513t
	Gold	184,184oz
	Life of mine revenue	A\$3,600M
Financial metrics	NPV (post-tax 7.5%)	A\$293M
	IRR	28%
	Operating surplus (years 1-5)	A\$141M
	Cash cost per pound copper after gold credits	US\$1.65/lb
	All-in-costs per pound copper after gold credits	US\$1.92/lb
Assumptions	AUD:USD	0.75
	Copper (US\$/lb)	2.95
	Gold (US\$/oz)	1,250

Large Landholding with Drill results pending

- Results of 2017 drilling pending
- Turkey Creek discovery first in area for decades
- 50km copper anomalism (green to pink far right)
- Multiple discoveries (white at far right)
- Multiple targets identified (yellow at far right)
- Only a small number of targets have been tested
- Extensive database to help target future discovery potential



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Summary



Creation of Leading Copper Production Company

Safe Growth	Significant Scale	Well Supported	Strong Value	Next Steps
Makes strategic sense on multiple levels <ul style="list-style-type: none"> Tier 1 jurisdiction assets, low-risk Fundamentals for copper and gold price remain strong Cloncurry cashflow complements CMMC cashflow Transforms CMMC's profile into a long-term growth and yield investment 	Creates a large copper company with growth <ul style="list-style-type: none"> May move into a higher index with increased investor interest Leading global copper producer Substantially increases reserve life, compares well to peers Facilitates a doubling of production 	Strong support across stakeholders <ul style="list-style-type: none"> Transaction has support of Altona major shareholders Recommended by both boards Share common vision for combined business and strategic rationale Altona Managing Director to join CMMC board 	Delivers value to both shareholders <ul style="list-style-type: none"> Altona shareholders receive premium in ASX CMMC's finance capabilities to help develop Cloncurry CMMC cash generation continues Increases leverage to the copper price 	Positioning for Immediate Development <ul style="list-style-type: none"> Cloncurry feasibility refinement Project financing discussions are underway New Copper Mountain resource estimate in 2018 Cloncurry exploration results pending

What next in 2018?

- Drilling results from Cloncurry
- CMMC production results, guidance and 2017 financials
- Drilling results from Ingerbelle
- Scheme meetings and scheme effective
- CMMC's revised study of Cloncurry Project
- New life of mine plan for Copper Mountain operations
- Financing plan for Cloncurry
- Go ahead for construction of Cloncurry
- 2018 exploration at Cloncurry

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Appendices



Transaction summary

Transaction	<ul style="list-style-type: none">▪ Scheme of arrangement under which CMMC will acquire 100% of Altona▪ Pro-forma ownership of 71.5% CMMC / 28.5% Altona▪ CMMC to undertake an ASX listing in parallel with the scheme (ASX CHESS CDIs)
Offer Value	<ul style="list-style-type: none">▪ Each Altona shareholder to receive 0.0974 CMMC shares for each Altona share▪ Implied offer value of A\$0.17 per Altona security, a total equity value of A\$93M¹▪ 41.7% premium to the closing price of Altona shares as of 17 November 2017
Exclusivity and Shareholder Support	<ul style="list-style-type: none">▪ Customary non-solicitation, termination fees, and right to match provisions▪ Supported by the Board and Management of Altona and major shareholder Matchpoint▪ Supported by the Board and Management of CMMC
Conditions	<ul style="list-style-type: none">▪ Approval by Altona and CMMC shareholders▪ TSX approval to issue CMMC consideration shares (or CDIs)▪ Approval of the Australian Foreign Investment Review Board (FIRB)▪ No material adverse change and other standard conditions
Board of Directors	<ul style="list-style-type: none">▪ Jim O'Rourke to continue as CEO of CMMC▪ Dr Alistair Cowden, current MD of Altona, to join CMMC board upon completion
Indicative Timetable	<ul style="list-style-type: none">▪ Mailing of meeting materials including the Scheme book in February 2018▪ Shareholder meetings to be held mid March 2018

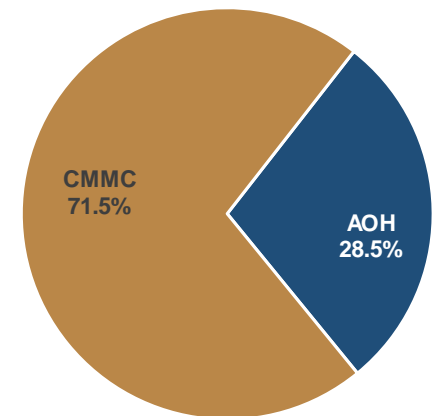
1. Based on CMMC 5 day volume weighted average price (VWAP5).

Transaction metrics

- Offer ratio of 0.0974 implies a value of A\$0.17 per Altona security, paid in CMMC shares (or CDIs)
- Implies a value of A\$93 M for Altona, or an Enterprise Value of A\$60 M
- CMMC has access to very favourable debt facilities via its relationship with Mitsubishi, principally being:
 - US\$105m senior facility at LIBOR plus 2.0% (consortium of Japanese banks)
 - US\$125m non-recourse facility at LIBOR plus 0.551% (Japan Bank for International Cooperation, a Japanese Export Credit Agency)

	CMMC	Altona	Pro-Forma
Shares on issue	134,042,692	549,682,392	187,581,757
Market cap.	C\$216M	A\$93M	C\$309M
Cash on hand	C\$44M	A\$34M	C\$78M
Long term debt	C\$288M	Nil	C\$288M
Enterprise value	C\$460M	A\$60M	C\$519M

Pro-Forma Ownership



Indicative Scheme Timetable

Milestone

Indicative Date

1st Australian Court hearing to approve Scheme Booklet

6 February 2018

Scheme Booklet sent to Altona shareholders

8 February 2018

Altona Scheme meeting

15 March 2018

2nd Australian Court hearing to approve Scheme

22 March 2018

Scheme becomes effective

23 March 2018

(Timetable subject to change).

Resources & Reserves ¹

Copper Mountain Mine Resource (100%)²

	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
Measured	119	0.30	0.09	1.24
Indicated	231	0.24	0.08	0.90
Total M&I	350	0.26	0.09	1.01
Inferred	426	0.21	0.11	0.63

Copper Mountain Mine Reserves (100%)²

	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
Proved	74	0.30	0.09	1.18
Probable	110	0.24	0.09	0.92
Total	184	0.27	0.09	1.02
Stockpiles	34	0.16		

Cloncurry Copper Project Resource (100%)³

	Tonnes (Mt)	Cu (%)	Au (g/t)
Measured	64	0.63	0.05
Indicated	99	0.55	0.05
Total M&I	163	0.58	0.05
Inferred	127	0.57	0.04

Cloncurry Copper Project Reserves (100%)³

	Tonnes (Mt)	Cu (%)	Au (g/t)
Proved	31.0	0.64	0.08
Probable	54.6	0.42	0.07
Total	85.6	0.50	0.07

1. Reserves are a subset of Resources.

2. Source: CMMC Annual Information Form for the year ended December 31, 2016 at a 0.12% copper cut-off. Reported in accordance with NI 43-101.

3. Source: Altona ASX release of 2 August 2017, "The Cloncurry Copper Project: JORC 2012 Disclosure". Reported in accordance with JORC Code 2012.

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- Any references to Mineral Resource and Ore Reserve estimates for CMMC should be read in conjunction with CMMC Annual Information Form (AIF) for the year ended December 31, 2016 (dated as of March 30, 2017).
- Any references to Mineral Resource and Ore Reserve estimates for AOH should be read in conjunction with Altona ASX release dated 2 August 2017 The Cloncurry Copper Project JORC 2102 Disclosure and accompanying release revised on 27 September 2017 ASX Release - Updated DFS Delivers Bigger and Better Cloncurry Project dated 27 September 2017.
- All currency amounts in Australian Dollars (AUD) unless otherwise noted.
- The ASX releases referenced in the presentation are on the Altona website at www.altonamining.com. Altona confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement The Cloncurry Copper Project JORC 2012 Disclosure dated 2 August 2017 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. Altona 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 - Updated DFS Delivers Bigger and Better Cloncurry Project dated 27 September 2017, which is available to be viewed at www.altonamining.com or www.asx.com.au. Altona 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's Statement: Cloncurry Project

- The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves for the Cloncurry Project is based on information compiled by Dr Alistair Cowden, BSc (Hons), PhD, MAusIMM, MAIG and Mr Roland Bartsch, BSc (Hons), MSc, MAusIMM. Dr Cowden and Mr Bartsch are full time employees of Altona and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 and Mr Bartsch consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.
- Please note that full JORC 2012 disclosure of Resources and Reserves is provided in the ASX release of 2 August 2017 entitled "The Cloncurry Project: JORC 2012 Disclosure" and accompanying release revised on 27 September 2017 ASX Release - Updated DFS Delivers Bigger and Better Cloncurry Project dated 27 September 2017.

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- Please note that Canadian Mineral Resource and Reserve estimates as adopted by listed entities in Canadian Securities Exchanges are classified according to the CIM Definition Standards in the manner of the JORC Code and NI 43-101 disclosure corresponds to that required by the JORC Code. Disclosure by CMMC in the most recent NI 43-101 report complies with the CIM Guidelines, which are closely related to the JORC Code in their key definitions. The CMMC resources and reserves can therefore be quoted as 'qualifying foreign estimates' according to ASX Listing rules. The most recent disclosure of resources and reserves can be found on SEDAR at www.sedar.com. The most recent disclosure by CMMC is in the CMMC Annual Information Form dated 30 March 2017.

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The risks and uncertainties that may affect forward-looking statements include, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities, the actual results of reclamation activities; integration results of the CMMC and Altona management and operating teams, conclusions of economic evaluations; fluctuations in the value of the Canadian dollar relative to the United States dollar and the Australian dollar and vice versa; changes in project parameters as plans continue to be refined; changes in labour costs other costs of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, detrimental events that interfere with transportation of concentrate or the smelters ability to accept concentrate, including declaration of Force Majeure events, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, and the factors discussed in the section entitled "Risk Factors" in the CMMC Annual Information Form dated March 30, 2017, and in other filings of CMMC with securities and regulatory authorities which are available at www.sedar.com. CMMC does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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