



# Investor Update May 2011

*Creating a new  
mid-tier copper miner*

[www.altonamining.com](http://www.altonamining.com)

ACN 090 468 018

ASX: AOH

FSE: A20



# Fully funded and underway

*Kylylahti Decline*



# Copper is the metal of choice



*Copper Roof in Helsinki Church*

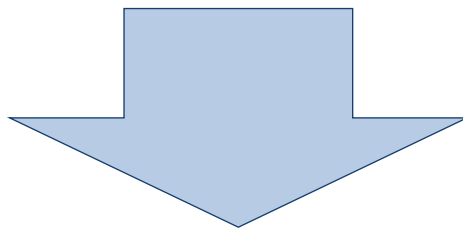
Why is M&A activity in the copper sector accelerating?

- Few new big mines in development, head grades falling, costs increasing
- Acquisition is the quick route to copper exposure (Equinox, Exco)
- Market deficit in the medium term
- Structural shortfall in Chinese domestic copper supply and will be a net long term importer of the metal
- Substantial Chinese demand growth remains likely as urbanisation continues

Altona has over 1Mtpa copper in its Resource inventory

# Three steps to building value

1. Production in late 2011 in Finland
2. Construction decision in mid 2012 at Roseby
3. Increase the Roseby Resource to 200Mt+



**Targeting a combined production profile of up to 50,000tpa copper**

# Achievements in past 12 months

- Completed a DFS and detailed engineering at Outokumpu
- Kylylahti mine decline underway
- Refurbishment of Luikonlahti mill underway
- Fully funded through a A\$70M capital raising fully underwritten by Credit Suisse
- Major drilling programme at Roseby demonstrates potential for a material increase in Resources
- New Roseby DFS underway

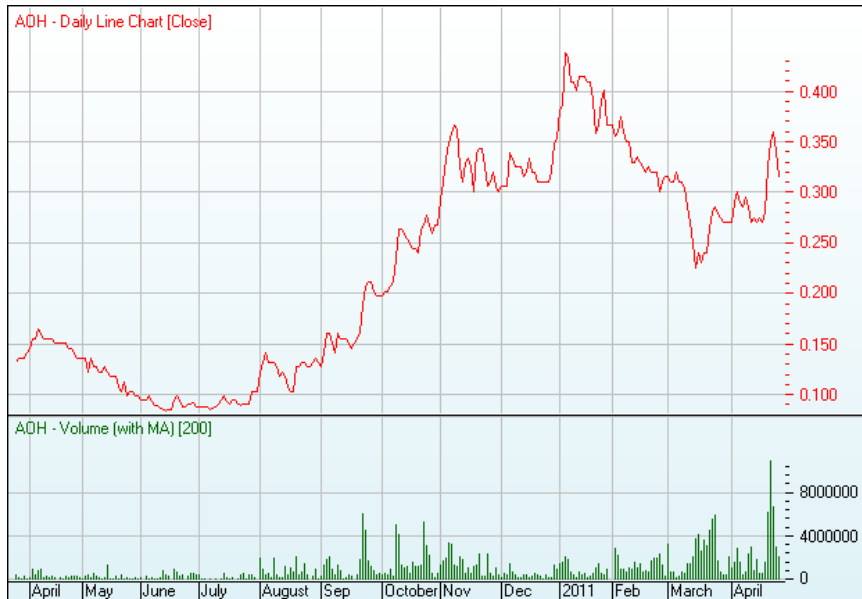
*Drilling at Little Eva*



# Corporate snapshot

## Major Shareholders

<b>Australian Institutions:</b>	<b>26.4%</b>
<b>Foreign Institutions:</b>	<b>12.8%</b>
<b>Board</b>	<b>9.3%</b>
<b>Germany/Switzerland</b>	<b>7.0%</b>
<b>Top 20:</b>	<b>62.1%</b>



Source: ASX

## Market Status

<b>ASX (Australia) code:</b>	<b>AOH</b>
<b>FSE (Frankfurt) code:</b>	<b>A20</b>
<b>Share price:</b>	<b>A\$0.33</b>
<b>Shares on issue:</b>	<b>472.1M</b>
<b>Market capitalisation:</b>	<b>A\$151M</b>
<b>June 2011 Converting note :</b>	<b>A\$13M</b>
<b>Liquidity ASX</b>	<b>2M/day</b>
<b>Liquidity FSE</b>	<b>2.8M/month</b>

## Funding

<b>Cash:</b>	<b>A\$68M</b>
<b>Listed shares</b>	<b>A\$4.0M</b>
<b>Credit Suisse facility (undrawn)</b>	<b>US\$20M</b>

# Outokumpu Project, Finland

*Drilling at the Kylylahti Mine*



# Outokumpu Project outline

*Luikonlahti  
Mill Interior*



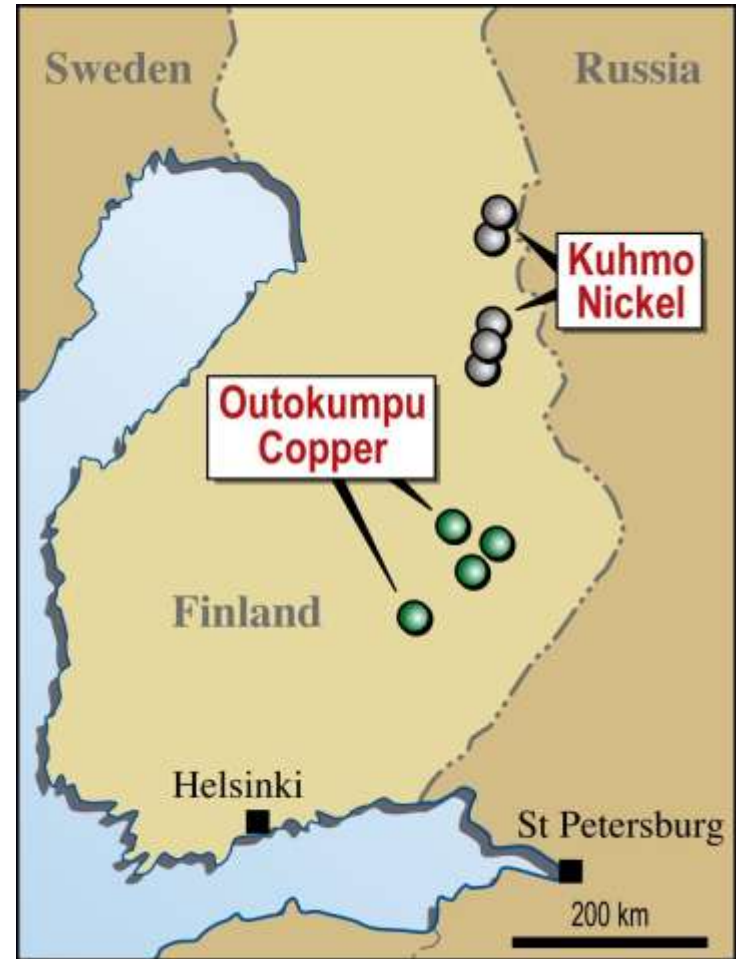
<b>Status</b>	Production starts January 2012 on completion of plant refurbishment, mine development in progress
<b>Planned production</b>	550,000tpa ore 8,000tpa copper 8,400ozpa gold 1,600tpa zinc
<b>Mine life</b>	8 – 9 years
<b>Cash costs</b>	US\$1.33/lb (DFS estimate)
<b>Reserves</b>	4.3Mt @ 1.6% Cu, 0.7g/t Au, 0.5% Zn
<b>Resources</b>	8.4Mt @ 1.3% Cu, 0.7g/t Au, 0.6% Zn

# Finland: A leading mining destination



Euro zone country with a history of mining and mining equipment manufacturing, a stable tax regime (26%) and no royalties

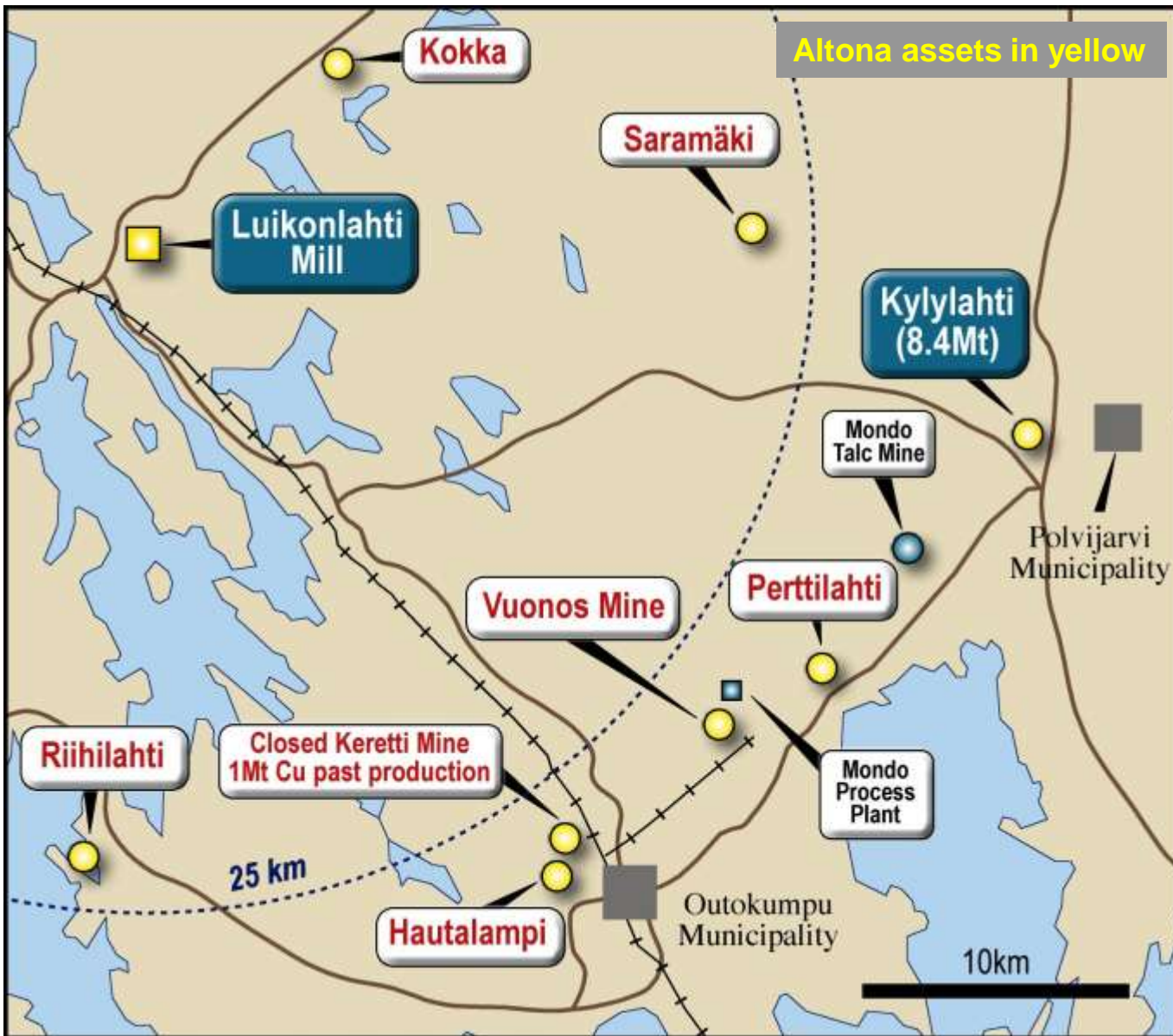
Miners include Agnico Eagle, Anglo American, Inmet, First Quantum and Talvivaara



Altona's projects are in eastern Finland

Geology is similar to other Archaean and Proterozoic terrains in Australia and Canada

# We control the historic Outokumpu field

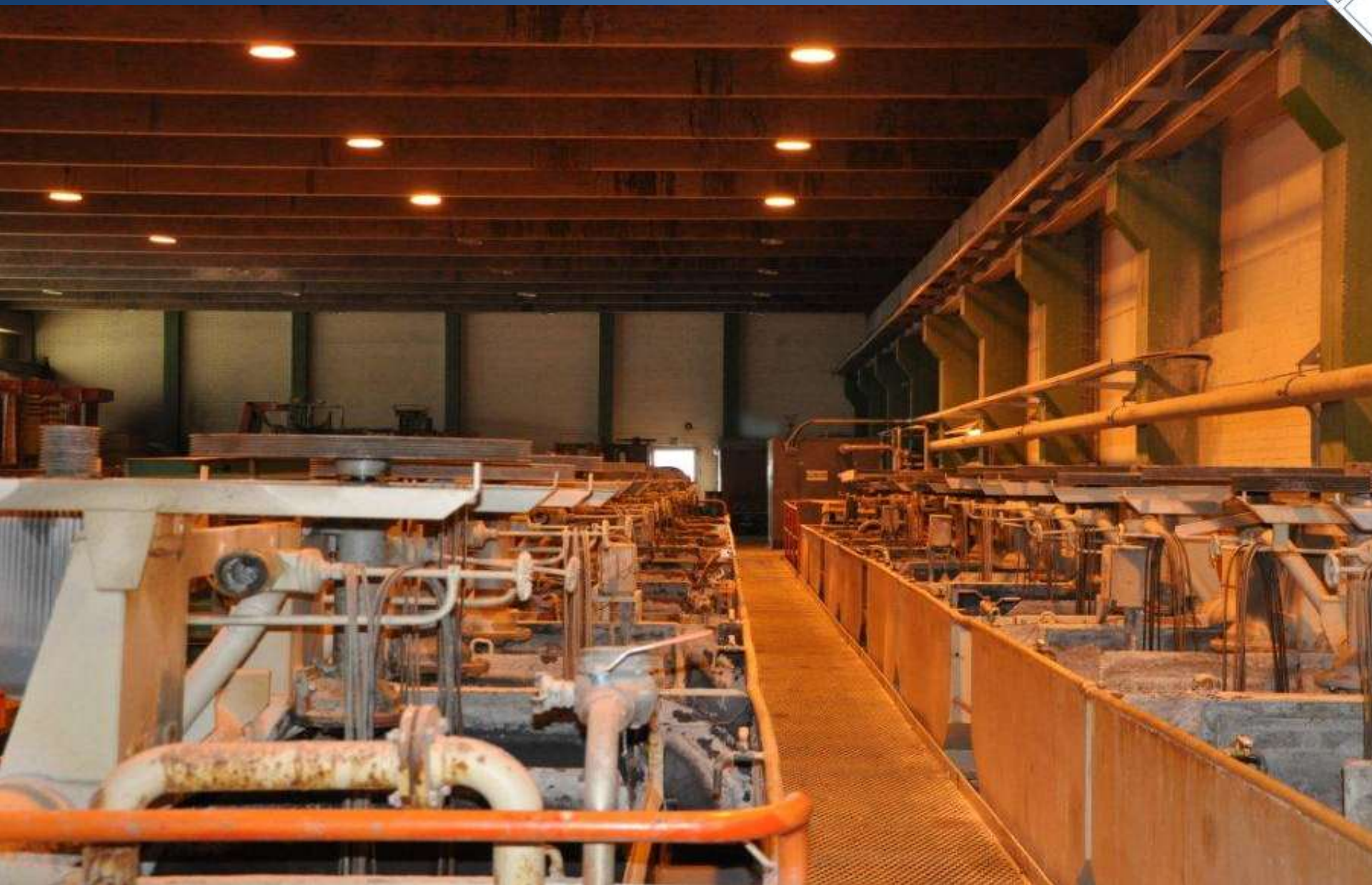


Keretti mine produced 1Mt Cu and 1 Moz gold, founded Outokumpu Oy (Europe's largest stainless steel maker) and Outotec (world leader in Mineral Processing equipment)

# Luikonlahti Mill – A regional processing hub



# Luikonlahti Mill: Refurbishment underway



# Kylylahti underground mine

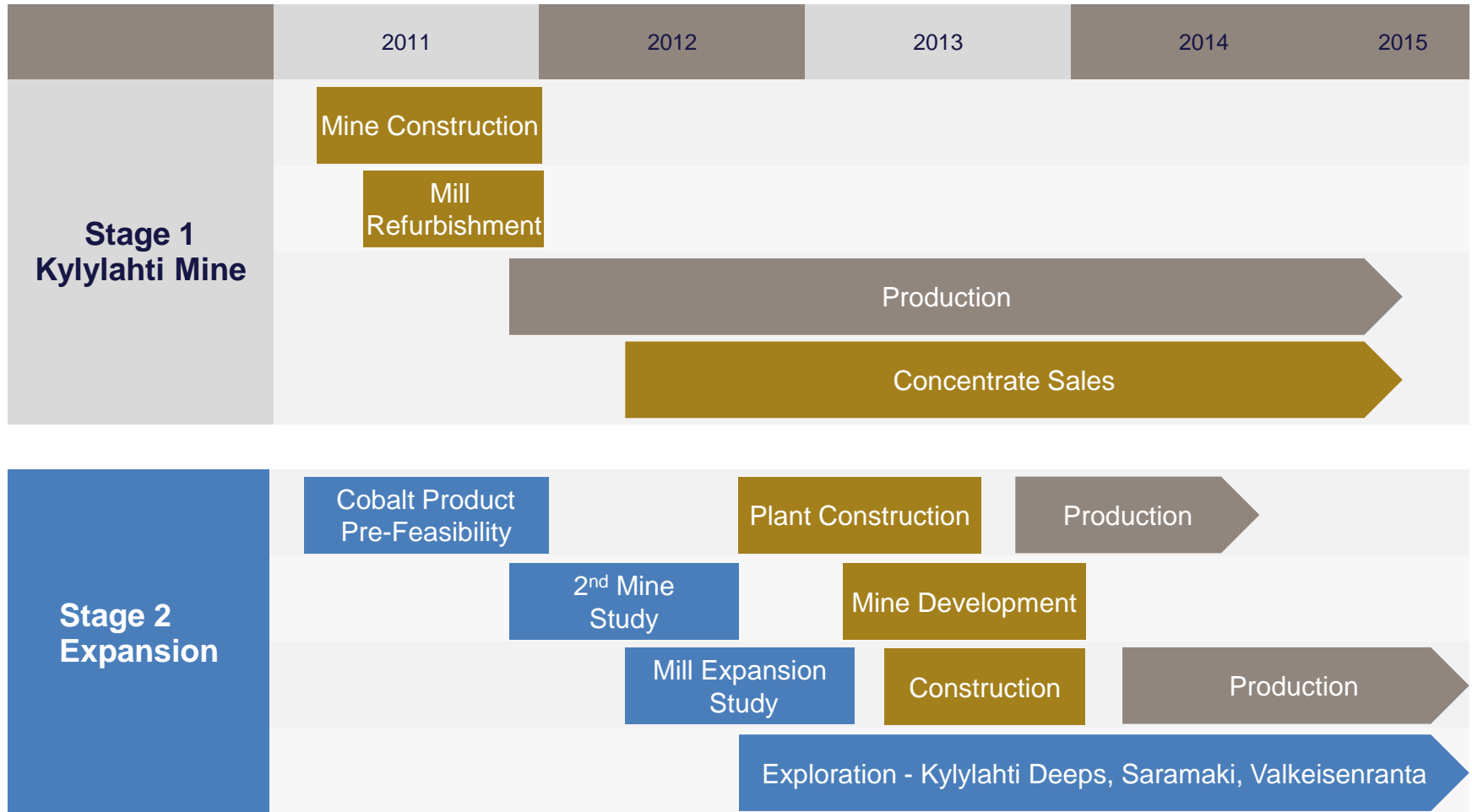
## *Mine Surface Facilities*



# Outokumpu fly through and mine video

**Click on the link below to view movies  
[www.altonamining.com](http://www.altonamining.com)**

# Outokumpu Project growth plan



# Roseby Copper Project



# Roseby is a strategic asset

## *Xstrata's Mt Isa Copper-Lead-Zinc Complex*

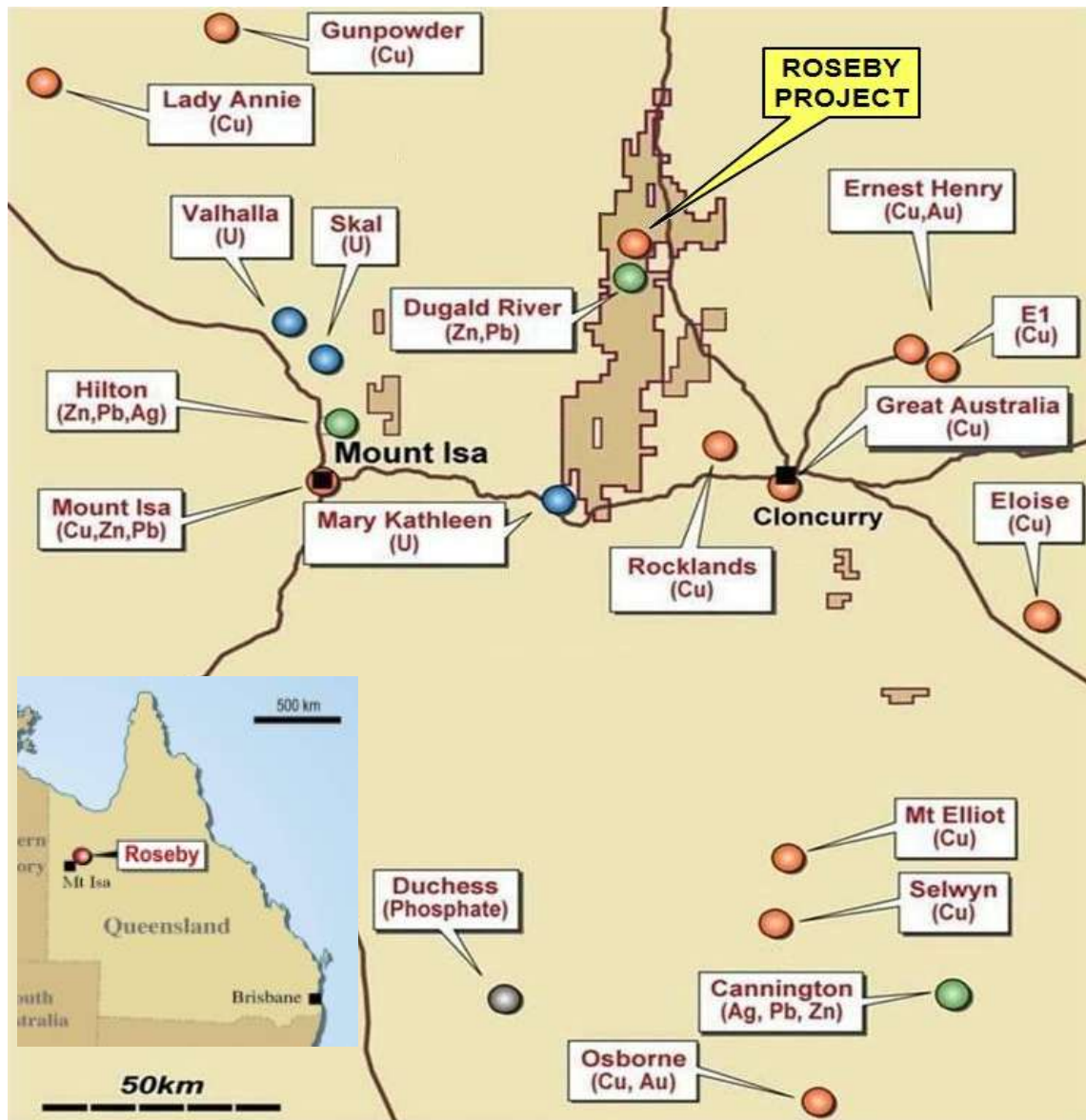


**At 902,000t contained copper, Roseby is one of the largest copper inventories in Australia not in the hands of a major**

**Xstrata dominates the region and is exploring at depth for major deposits at Roseby**

**Xstrata has an option to acquire 51% of Roseby at independent market valuation by June 2012**

# Roseby Project, Queensland, Australia



A major regional presence with 2,000km<sup>2</sup> in the Mt Isa area which hosts world class Cu, Zn & Ag mines

Roseby deposits first discovered by CRA in 80's, some A\$100M spent to date on drilling and engineering

Tenements cover a 50km long copper mineralised trend

# Results of 2009 DFS



*Ernest Henry Mine*

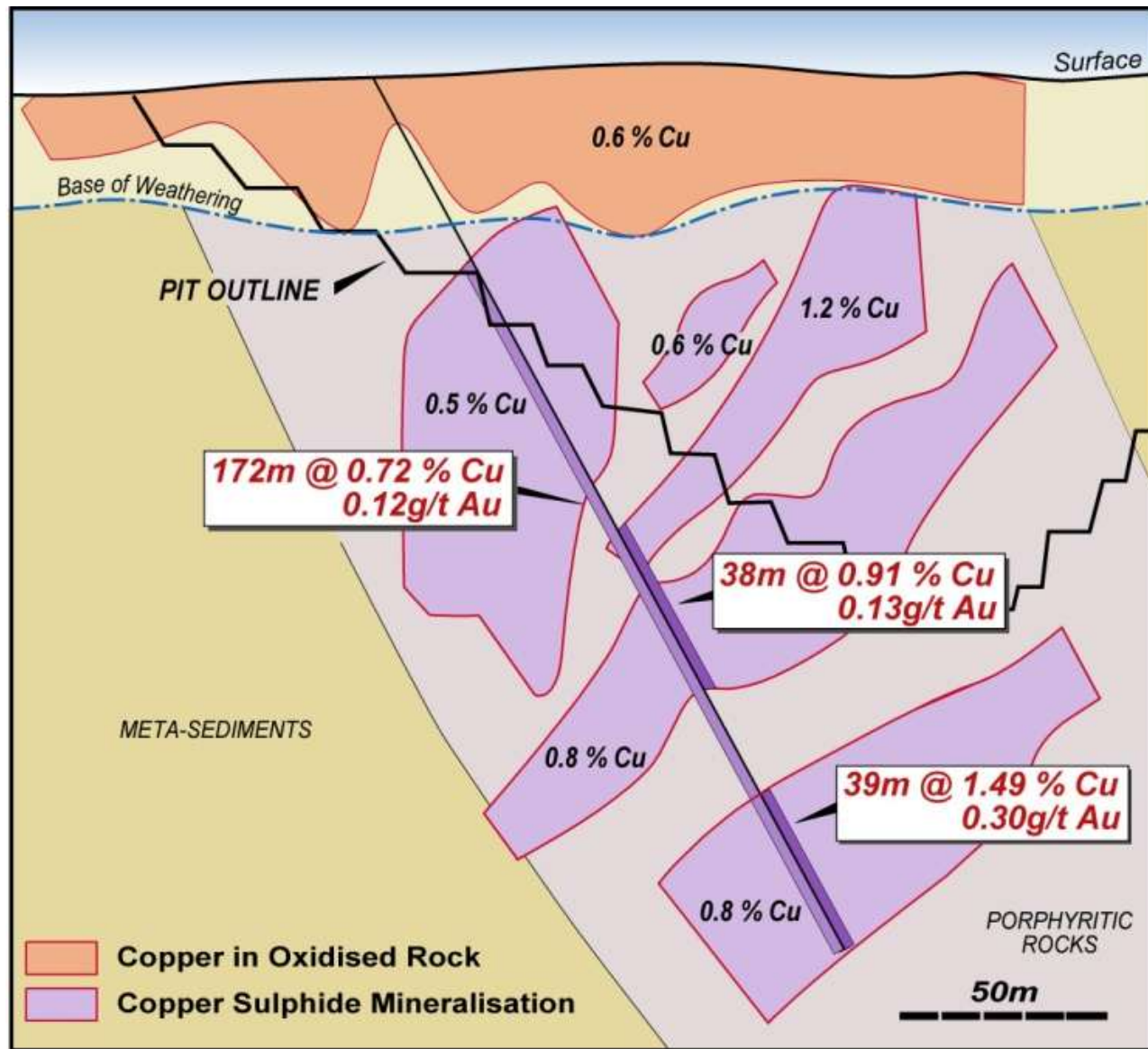
<b>Status</b>	Feasibility complete, permitting and new DFS underway
<b>Planned production</b>	5 Mt pa ore 26,000 t pa copper 7,000 oz pa gold
<b>Production target</b>	40,000tpa copper
<b>Mine life</b>	10 years
<b>Cash costs</b>	US\$1.42/lb (2009 DFS)
<b>First production</b>	2014
<b>Reserves</b>	48Mt @ 0.7% Cu, 0.04g/t Au
<b>Resources</b>	133Mt @ 0.7% Cu, 0.06g/t Au

# Little Eva illustrates approach in new DFS

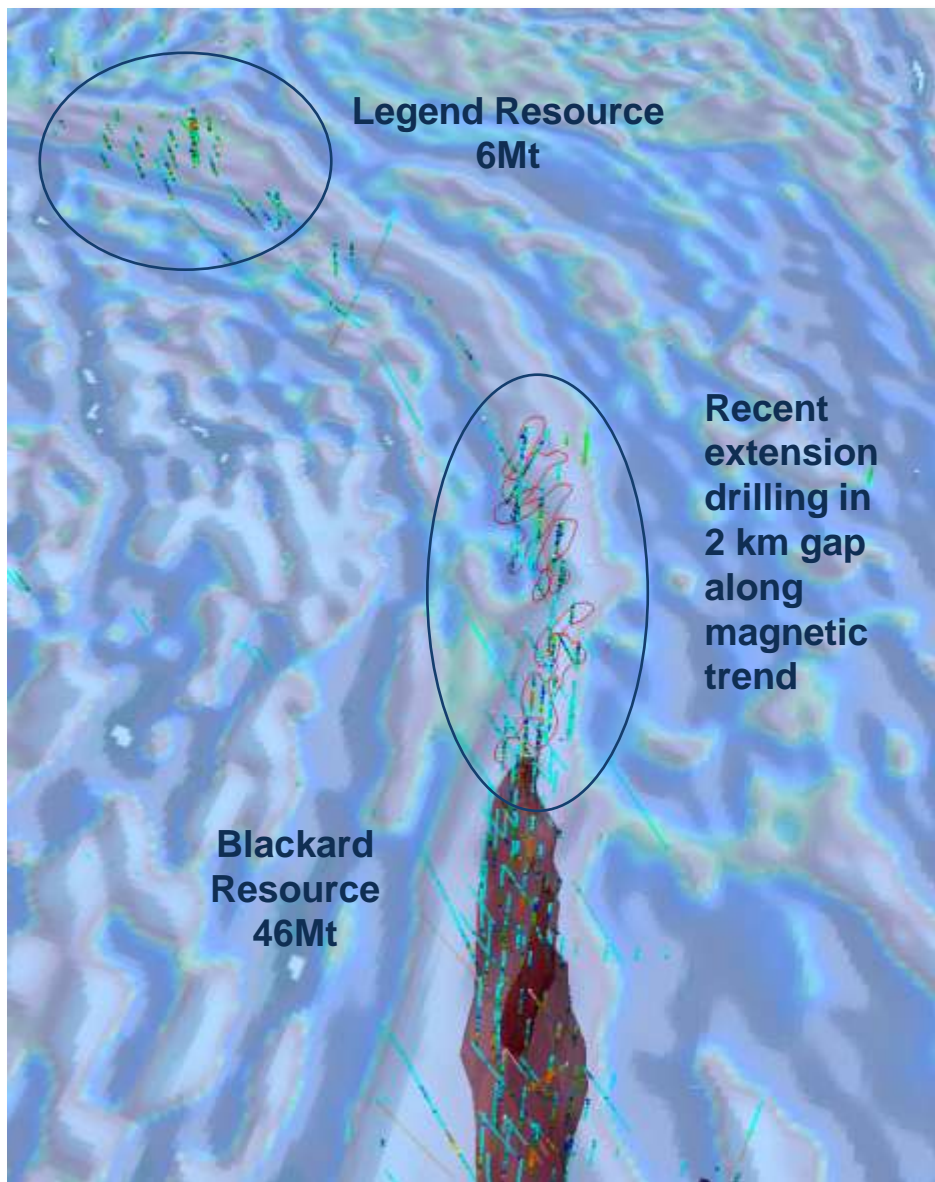
Pits in prior studies designed using US\$2/lb copper prices

0.3% copper cut-off grade results in multiple complex shapes

A bulk mining approach simplifies shapes, lowers strip ratios and captures holes such as 172m @ 0.72% copper outside old pit design



# Drilling indicates at least 50% resource upside



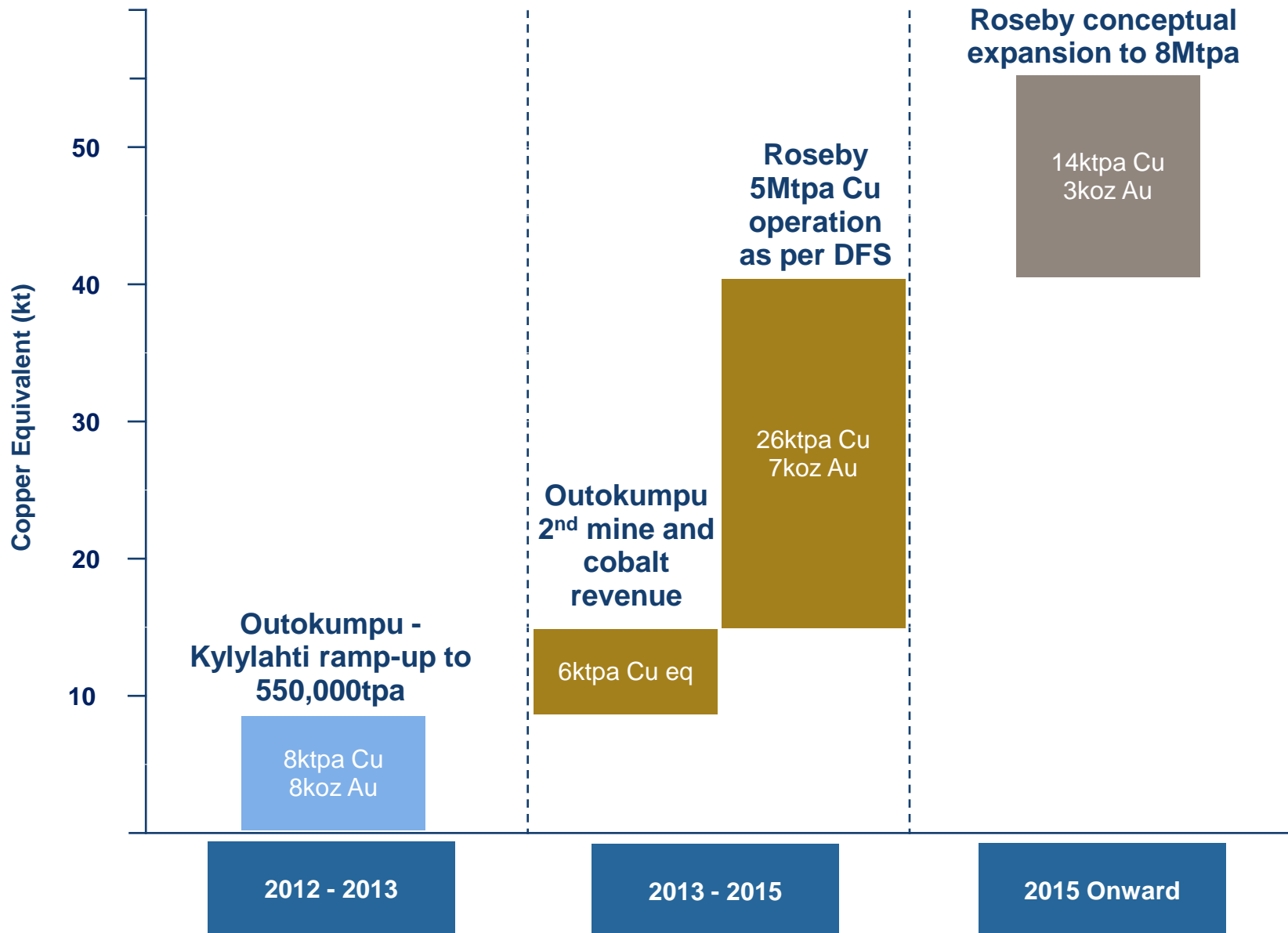
**Blackard:** 219m @ 0.6% Cu from 2m

**Legend:** 21m @ 1.1% Cu from 88m

**Scanlan:** 139m @ 0.6% Cu from surface



# Conceptual production growth





***Altona*** MINING LIMITED

*The Best Positioned Copper Play*

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*Keretti Mine, 1940's*

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The key information on detailed Resource and Reserve statements and feasibility results can be found in Vulcan Resources Limited ASX releases dated 16 November 2009 and Altona Mining Limited ASX releases dated 21 October 2009, 11 January 2010, 23 July 2010 and 2 August 2010. These and other ASX releases can be found at [altonamining.com](http://altonamining.com). Resource and Reserve statements are appended to comply with ASX guidelines but investors are urged to read supporting information in full on the website.

This Presentation contains certain "forward-looking statements". Forward looking words such as, "expect", "should", "could", "may", "plan", "will", "forecast", "estimate", "target" and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

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# JORC Compliance

## Competent Person 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, Mr Jarmo Vesanto, MSc, MAusIMM, Mr Seppo Tuovinen MSc, MAusIMM, Mr Maurice Hoyle BSc, MAusIMM and Mr Jani Impola, MSc, MAusIMM, who are full time employees of the Company and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Messers Cowden, Vesanto, Tuovinen, Hoyle and Impola consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

**Metal equivalence** is provided to assist investors in assessing the value of polymetallic Resources.

The calculation of metal equivalence requires 3 inputs:

- metal prices assumed
- recoveries to concentrates
- a factor to reflect the potential commercial return from payable metals recovered to various concentrates

Metal prices assumed are copper; US\$ 6,612/t, cobalt; US\$ 37,468/t, nickel; US\$ 17,081/t, zinc; US\$ 1,653/t and gold; US\$ 1,000/oz

Average life of mine recoveries to concentrate at Outokumpu (Kylylahti, Saramaki and Vuonos deposits) are copper 91.5%, gold 72%, zinc 50%, cobalt 48% and nickel 59%. Nickel and cobalt recoveries for the other Outokumpu area resources are 85%, copper recovery is 91.5%. No gold or zinc is recovered from these deposits.

Average life of mine recoveries for Roseby are copper 75% and gold 95%. Details were disclosed to ASX on 23 July 2010 in the Outokumpu Definitive Feasibility Study and on 11 January 2010 in the Roseby Definitive Feasibility Study.

Factors applied to reflect concentrate sales terms are copper 90%, gold 90%, zinc 60%, cobalt 60% and nickel 70%.

The calculation formula for metal equivalence is the sum of the product of the three inputs for each metal divided by the product of the reference metal price, recovery and the 'payability' factor.

It is the opinion of the Company that the metal recoveries disclosed in the published feasibility studies for both projects are reasonable and that there is a reasonable potential that revenue will be achieved from recoverable metals.

# Outokumpu Resource Estimates

Deposit	Classification	Tonnes Million	Cu eq %	Cu %	Co %	Ni %	Zn %	Au g/t
Kylahti	Measured	0.62		1.35	0.27	0.17	0.47	0.60
	Indicated	7.47		1.25	0.24	0.20	0.54	0.70
	Inferred	0.31		0.97	0.24	0.18	0.70	0.57
	Total	8.40	2.3	1.25	0.24	0.20	0.54	0.68
Saramäki	Inferred	3.40	1.1	0.71	0.09	0.05	0.63	-
Vuonos	Inferred	0.76	2.3	1.76	0.14	-	1.33	-
	Measured	1.03	-	0.47	0.13	0.47	0.06	-
Hautalampi	Indicated	1.23	-	0.30	0.11	0.42	0.07	-
	Inferred	0.90	-	0.30	0.10	0.40	0.10	-
	Total	3.16	1.8	0.36	0.11	0.43	0.07	-
Riihilahti	Indicated	0.14	2.2	1.69	0.04	0.16	-	-
Valkeisenranta	Indicated	1.54	1.8	0.29	0.03	0.71	-	-
Särkiniemi	Indicated	0.10	1.9	0.35	0.05	0.70	-	-
Sarkalahti	Inferred	0.19	2.2	0.33	-	1.02	-	-
	Indicated	0.08	-	0.33	0.04	1.13	-	-
Niinimäki	Inferred	0.02	-	0.30	0.03	0.89	-	-
	Total	0.08	2.5	0.32	0.04	1.07	-	-
<b>Total</b>		<b>17.77</b>	<b>2.0</b>	<b>0.87</b>	<b>0.16</b>	<b>0.27</b>	<b>0.41</b>	<b>-</b>

Copper equivalent calculation detailed on slide 54 See Vulcan ASX release of 16 November 2009 for more details and Altona ASX release 2 August 2010.

# Roseby 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
<b>NATIVE COPPER DOMINANT DEPOSITS</b>														
Blackard	46.25	0.63	0.01	293,000	16,190	26.29	0.64	0.01	17.87	0.63	0.01	2.09	0.58	0.01
Legend	6.13	0.60	0.01	36,597	1,942							6.13	0.6	0.01
Longamundi	10.40	0.66	0.01	69,037	3,632							10.40	0.66	0.01
Great Southern	6.00	0.61	0.01	36,330	2,000							6.00	0.61	0.01
Scanlan	19.62	0.68	0.01	134,160	7,370				15.37	0.65	0.01	4.24	0.8	0.01
Charlie Brown	0.70	0.40	0.01	2,820	230							0.70	0.40	0.01
Caroline	3.60	0.53	0.02	18,820	2,390							3.60	0.53	0.02
<b>Sub-total</b>	<b>92.70</b>	<b>0.64</b>	<b>0.01</b>	<b>590,764</b>	<b>33,754</b>	<b>26.29</b>	<b>0.64</b>	<b>0.01</b>	<b>33.24</b>	<b>0.63</b>	<b>0.01</b>	<b>33.16</b>	<b>0.63</b>	<b>0.01</b>
<b>SULPHIDE DOMINANT DEPOSITS</b>														
Little Eva	30.37	0.78	0.14	237,690	132,230	3.84	1.04	0.13	22.81	0.75	0.13	3.72	0.73	0.15
Ivy Ann	4.00	0.72	0.12	28,800	15,432							4.00	0.72	0.12
Lady Clayre	3.70	0.88	0.51	32,747	59,309							3.70	0.88	0.51
Bedford	1.77	0.93	0.24	16,503	13,793							1.77	0.93	0.24
<b>Sub-total</b>	<b>39.84</b>	<b>0.79</b>	<b>0.17</b>	<b>315,740</b>	<b>220,764</b>	<b>3.84</b>	<b>1.04</b>	<b>0.13</b>	<b>22.81</b>	<b>0.75</b>	<b>0.13</b>	<b>13.19</b>	<b>0.80</b>	<b>0.26</b>
<b>Total</b>	<b>132.54</b>	<b>0.68</b>	<b>0.06</b>	<b>906,504</b>	<b>254,518</b>	<b>30.13</b>	<b>0.69</b>	<b>0.03</b>	<b>56.05</b>	<b>0.68</b>	<b>0.06</b>	<b>46.35</b>	<b>0.68</b>	<b>0.08</b>

Refer to ASX release 11 January 2010

# Kuhmo Mineral Resources

Location	Classification	Tonnes Million	Ni %	Cu %	Co %	Pt g/t	Pd g/t
Vaara	Indicated	2.62	0.49	0.04	0.01	0.11	0.28
	Inferred	0.14	0.45	0.04	0.01	0.10	0.24
	Total	2.76	0.49	0.04	0.01	0.11	0.27
Peura-aho	Indicated	0.40	0.63	0.29	0.04	0.28	0.62
	Inferred	0.09	0.48	0.23	0.03	0.21	0.42
	Total	0.49	0.60	0.27	0.04	0.27	0.58
Hietaharju	Indicated	0.85	0.85	0.44	0.06	0.53	1.25
	Inferred	0.24	0.59	0.27	0.04	0.34	0.89
	Total	1.09	0.80	0.40	0.05	0.49	1.17
Sika-aho	Inferred	0.17	0.66	0.01	n/a	n/a	n/a
Arola	Inferred	1.50	0.46	n/a	n/a	n/a	n/a
<b>Total</b>		<b>6.01</b>	<b>0.55</b>	<b>Contained nickel 33,200 tonnes</b>			

*Note: For more details see Resource estimate from Vulcan Resources Limited released to the ASX on 23 October 2009.*