

18 December 2014

ASX: AOH, FSE: A2O

GENERAL MEETING RETURN OF CAPITAL

General Meeting

Further to the announcement of 8 July 2014, Altona Mining Limited (“Altona” or the “Company”) is pleased to announce a General Meeting will be held on Wednesday, 28 January 2015 to seek shareholder approval for a return of capital to shareholders. A Notice of General Meeting and Explanatory Memorandum is appended with full details of the meeting’s business.

Should shareholders approve the 12 cents per share return of capital, the Board intends to determine and announce that an additional 3 cents per share will be returned to shareholders as an unfranked special dividend.

Key Dates

Subject to shareholders approval, the following timeline sets out the key dates to enable the return of capital to take effect.

Event	Date
Final date for proxies for the General Meeting to be submitted to Computershare	10.30am, 26 January 2015
General Meeting	10.30am, 28 January 2015
Approval of Capital Return	28 January 2015
Announcement of Special Dividend*	28 January 2015
Trading in Shares on an ‘ex Capital Return basis’ and ‘ex Special Dividend basis’**	2 February 2015
Record Date for Capital Return and Special Dividend**	4 February 2015
Payment Date of Capital Return and Special Dividend to Shareholders**	12 February 2015

* *Subject to approval of Capital Return by Shareholders.*

** *The dates with respect to the Special Dividend are subject to announcement of the Special Dividend.*

Note: This timetable is indicative only and subject to change.

Please direct enquiries to:

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

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

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



About Altona

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

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

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

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



NOTICE OF GENERAL MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

Details of time and location of the General Meeting:

Date: Wednesday, 28 January 2015
Time: 10:30am (AWST)
Venue: Level 2
1 Altona Street
West Perth, Western Australia

A proxy form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

Altona Mining Limited ABN 35 090 468 018
Ground Floor, 1 Altona Street, West Perth WA 6005
Telephone: +61 8 9485 2929 Facsimile: +61 8 9486 8700
Email: altona@altonamining.com
www.altonamining.com

LETTER FROM THE CHAIRMAN

Dear Fellow Shareholder

On 8 July 2014 Altona announced the proposed sale of the majority of our Finnish assets, subject to Shareholder approval and satisfaction of a number of contractual conditions.

At the same time we also announced the intention to return 15 cents per Share to Shareholders (subject to completion of the transaction and any Shareholder approvals required), further details of which were to be determined by the Directors after receipt of a ruling from the Australian Taxation Office.

I am delighted to advise that the sale of the Finnish assets was completed on 2 October 2014 and final payment of the total consideration of US\$98.3 million was received on 28 November 2014. Further, the Australian Taxation Office has published a Class Ruling with a determination that 12 cents per Share to be returned to Shareholders is to be considered a return of capital for income tax purposes. A return of capital in the hands of Australian Shareholders is not considered income, rather it reduces the purchase cost of your Altona Shares. For most Shareholders no income tax will be payable on the capital return.

In addition, should the Capital Return of 12 cents per Share the subject of Resolution 1 be approved by Shareholders, the Altona Board currently intends to subsequently determine and announce that an unfranked special dividend of 3 cents per Share will be payable, to provide a total return of 15 cents per Share to Shareholders.

The Capital Return, and proposed unfranked special dividend, will be paid on or about 12 February 2015, in accordance with the indicative timetable set out in the Explanatory Memorandum.

Your Board unanimously recommends Shareholders vote in favour of the Capital Return.

Thank you for your continued support.

Yours sincerely

A handwritten signature in black ink, appearing to read "Kevin Maloney", with a long, sweeping underline.

Kevin Maloney
Board Chairman

Dated: 18 December 2014

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of Shareholders of Altona Mining Limited ACN 090 468 018 (**Altona** or **Company**) will be held at 10:30am (AWST) on Wednesday, 28 January 2015 at Level 2, 1 Altona Street, West Perth, Western Australia.

An Explanatory Memorandum accompanies and forms part of this Notice of General Meeting. The Explanatory Memorandum describes the various matters to be considered in relation to the business to be conducted at the General Meeting. This Notice of General Meeting should be read in conjunction with the Explanatory Memorandum.

AGENDA

Resolution 1 **Approval of Capital Reduction**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Shareholders approve, for the purposes of Section 256B and 256C of the Corporations Act and for all other purposes, the issued share capital of the Company be reduced by \$64.16 million by returning to Shareholders on a pro-rata basis \$0.12 for each Share held on the Record Date, as more fully described in the Explanatory Memorandum.”

Other Business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice of General Meeting are set out in the glossary to the Explanatory Memorandum.

By order of the Board



Eric Hughes
Company Secretary

Dated: 18 December 2014

VOTING INSTRUCTIONS

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of General Meeting and by submitting their proxy appointment and voting instructions by post or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. Attorneys should bring with them an original or certified copy of the Power of Attorney under which they have been authorised to attend and vote at the Meeting.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of Section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.

The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).

A proxy need not be a Shareholder.

The proxy can be either an individual or a body corporate.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support the Resolution proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to the proposed Resolution. These rules are explained in this Notice.

To be effective, proxies must be lodged by 10:30am (AWST) on Monday, 26 January 2015. Proxies lodged after this time will be invalid.

Proxies may be lodged using any of the following methods:

- by returning a completed Proxy Form by post using the pre-addressed envelope provided with this Notice to: Computershare, GPO Box 242, Melbourne Victoria 3001; or
- by faxing a completed Proxy Form to: (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10:30am (AWST) on Monday, 26 January 2015. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 10:30am (AWST) on Monday, 26 January 2015.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolution contained in the accompanying Notice of General Meeting of Altona Mining Limited (**Altona** or **Company**).

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum. Reference to dollars herein are Australian Dollars.

You should read this Explanatory Memorandum in full before making any decision in relation to the Resolution to be considered at the General Meeting.

Resolution 1 Approval of Capital Reduction

1. Background

On 2 October 2014, the Company completed the sale of the majority of its assets in Finland through the sale by Vulcan (a wholly owned subsidiary of the Company) of all of its shares in Kuhmo and transfer of the Group Debt to Boliden. The consideration received was US\$98.3 million, with final payment being received on 28 November 2014. Following the Sale, Altona has ceased to be involved in the Outokumpu Project and most of its other Finnish operations and exploration projects. Altona holds cash of approximately A\$129 million, the majority of which it considers are surplus to its requirements to maintain its remaining Australian operations. The Company considers that a return of some of this capital to Shareholders is justified in these circumstances, in the form of an equal capital reduction and Special Dividend.

The Company intends to distribute \$0.12 per Share (approximately A\$64.2 million in aggregate) in cash to Shareholders by way of an equal capital reduction (**Capital Return**). In addition to the Capital Return, the Company also proposes to determine and announce an unfranked special dividend of \$0.03 per Share (approximately \$16 million in aggregate) if the Capital Return the subject of Resolution 1 is approved by Shareholders (**Special Dividend**). Payment of the Special Dividend does not require Shareholder approval. The record date for determining entitlements to receive the Capital Return is 4 February 2015 (**Record Date**). It is also proposed that the record date for the Special Dividend be 4 February 2015.

As announced to ASX on 18 December 2014, the Company has received a Class Ruling from the Australian Taxation Office confirming the tax treatment for Australian resident shareholders of the Capital Return.

2. Important dates

Event	Date
Final date for proxies for the General Meeting to be submitted to Computershare	10.30am, 26 January 2015
General Meeting	10.30am, 28 January 2015
Approval of Capital Return	28 January 2015
Announcement of Special Dividend*	28 January 2015
Trading in Shares on an 'ex Capital Return basis' and 'ex Special Dividend basis'***	2 February 2015
Record Date for Capital Return and Special Dividend**	4 February 2015
Payment Date of Capital Return and Special Dividend to Shareholders**	12 February 2015

* *Subject to approval of Capital Return by Shareholders.*

** *The dates with respect to the Special Dividend are subject to announcement of the Special Dividend.*

Note: This timetable is indicative only and subject to change.

3. Reasons for the Capital Return

The purpose of the Capital Return is to return to Shareholders as much of the proceeds as possible from the sale of its Finnish operations in October 2014, leaving sufficient cash in Altona to pursue Little Eva and other opportunities.

4. Calculation of the amount of the Capital Return

The Capital Return will be \$0.12 per Share which equates to \$64.16 million in aggregate (assuming 534,678,592 Shares are on issue on the Record Date).

5. Requirements for the Capital Return

For the purposes of section 256B (2) of the Corporations Act, the Capital Return the subject of this Resolution is an "equal capital reduction" because:

- a) it relates only to ordinary shares in the Company;
- b) applies to each holder of ordinary shares in the Company in proportion to the number of ordinary shares they hold in the Company; and
- c) its terms are the same for each holder of ordinary shares in the Company.

Under Section 256B(1) of the Corporations Act, a company may reduce its capital provided three requirements described below are satisfied:

- a) the capital reduction must be fair and reasonable to the company's shareholders as a whole;
- b) the capital reduction must not materially prejudice the company's ability to pay its creditors; and
- c) the capital reduction must be approved by ordinary resolution of shareholders under Section 256C of the Corporations Act.

6. Directors' opinion

Resolution 1 seeks Shareholder approval of the Capital Return, for the purposes of Section 256C of the Corporations Act.

The Directors are of the opinion that the Capital Return is fair and reasonable to all Shareholders as it will apply to all Shareholders on the Record Date equally, in proportion to the number of shares which they hold at the Record Date.

The Directors are also of the opinion that the Capital Return will not materially prejudice the Company's ability to pay its creditors after having reviewed and considered the financial position of the Company following the completion of the Sale, including the Company's assets, liabilities, cashflow and capital requirements. In particular, the Company will have sufficient cash resources to pay its creditors after the Capital Return and payment of the Special Dividend.

Advantages

The primary advantage in approving the Capital Return is that it will enable the Company to repatriate capital to its Shareholders, which is in excess of its current requirements.

Disadvantages

A disadvantage of the proposed Capital Return is that following its implementation the Company will have a reduced capital base from which to operate. However, the Directors are of the opinion that the current capital base is in excess of the Company's current requirements. Also, the post Capital Return net cash reserves of approximately \$49 million will be sufficient to pursue acquisition opportunities in the resource sector. Further funds of course can be raised by Share issues and placements and, depending upon any project acquired, debt financing or quasi debt financing are further options.

7. Effect of the Capital Return

7.1 Effect on financial position

The Capital Return and Special Dividend (if paid) will be paid entirely from the Company's existing cash reserves. As indicated above, this has been facilitated by the Sale. The effect of the Capital Return is that the Company's cash reserves will be reduced by the amount of capital (cash) returned (paid) to Shareholders (approximately \$80.2 million, when combined with the Special Dividend), while at the same time the paid up capital will decrease by the corresponding amount. The Company will have sufficient cash reserves to pay its creditors after the Capital Return and Special Dividend.

To illustrate the effect of the Capital Return and Special Dividend on the Company's financial position, the unaudited pro-forma Statement of Financial Position at 30 November 2014 of the Company (on a post-Capital Return basis) is set out in Appendix 1.

7.2 Effect on capital structure

For the purposes of ASX Listing Rule 7.20, the Company provides the following information to Shareholders regarding the effect of the Capital Return on its securities.

The Company has 534,678,592 Shares and 7,854,667 Performance Share Rights on issue as at the date of this Notice.

The Company's Share capital will be reduced by \$0.12 per Share which at the date of this Notice amounts to \$158.2 million to approximately \$94.1 million.

No Shares will be cancelled and the number of Shares held by Shareholders will not change as a result of the Capital Return. No fractional entitlements will arise from the Capital Return. All Shares issued by the Company are fully paid.

Holders of Performance Share Rights are not entitled to participate in the Capital Return. There will be no change to the number of Shares issued upon vesting of issued Performance Share Rights as a result of the Capital Return.

7.3 Effect on Share price

The Company's Shares are expected to trade at a lower price after the Capital Return is made than their trading price immediately prior to the "ex" date for the Capital Return.

8. Indicative income tax consequences for Shareholders

8.1 Introduction

The Australian Taxation Office has issued a class ruling to Altona which provides that the Capital Return is a return of capital for income tax purposes. The class ruling has been published by the ATO and notice has been included in the Government Gazette. Altona will provide a link to the class ruling on its website as soon as it becomes available.

8.2 Taxation of Australian resident shareholders

This section comments on the Australian income and capital gains tax implications of the proposed Capital Return and Special Dividend for Australian resident Shareholders who hold their Shares on capital account (i.e., as an investment).

The comments in this section do not consider the income tax implications of the Capital Return for:

- a) Shareholders who are not Australian tax residents; or
- b) Shareholders who are Australian tax residents that hold their shares in the Company on revenue account.

This summary is not intended to be comprehensive and is based upon the Company's understanding of the Australian income tax legislation in force at the date of the Notice. The taxation laws are complex and Shareholders need to obtain professional advice in relation to how the tax laws apply to the proposed Capital Return and Special Dividend in their individual circumstances. Neither Altona nor any of its officers, employees or advisers assumes any liability or responsibility for advising Shareholders about the tax consequences for them from the proposed Capital Return and Special Dividend.

Capital Return

Receipt of the Capital Return will give rise to a capital gains tax (CGT) event for Shareholders. The income tax consequences arising on receipt of the Capital Return will depend on the Shareholder's cost base of their Shares. A Shareholder's cost base will generally be the cost of acquisition of the Shares, plus any cost incurred incidental to acquiring the Shares (such as brokerage fees and stamp duty).

A Shareholder will make a capital gain to the extent that the Capital Return exceeds the cost base of their Shares. Shareholders may be eligible for a CGT discount (of 50% for individuals and trusts and 33% for superannuation funds) in respect of any capital gain made provided the Shares were acquired at least 12 months before receipt of the capital return. Companies are not eligible for a CGT discount.

Where the Capital Return does not exceed the cost base of their Shares, a Shareholder's cost base and reduced cost base of their Shares should be reduced by the amount of the Capital Return. Shareholders will not make a capital gain in this case.

Special Dividend

Altona currently intends that an unfranked special dividend of \$0.03 per Share (approximately \$16 million in aggregate) be determined as payable in addition to the Capital Reduction, if the Capital Return the subject of Resolution 1 is approved by Shareholders. The proposed Special Dividend will be included in the assessable income of Shareholders, and will not affect the CGT cost base of their Shares.

Broadly, if a Shareholder has provided the Company's share registry, Computershare Investor Services Pty Limited (**Computershare**) with their tax file number (or ABN in the case of an Australian business), no amount of the Special Dividend payable will be withheld. If a Shareholder has not provided Computershare with their tax file number details, then 49% of the Special Dividend payable is required to be remitted to the Australian Taxation Office by Computershare on behalf of the Company. Any amounts withheld by Computershare will be refundable tax offsets for a Shareholder.

8.3 Taxation of Non-Australian resident shareholders

This summary is not intended to be comprehensive and is based upon the Company's understanding of Australian income tax legislation currently in force at the date of the Notice. The taxation laws are complex and Shareholders need to obtain professional advice in relation to how the tax laws apply to the proposed Return of Capital and Special Dividend in their individual circumstances and jurisdictions. Neither Altona nor any of its officers, employees or advisers assumes any liability or responsibility for advising Shareholders about the tax consequences for them from the proposed Capital Return or Special Dividend.

Capital Return

The Capital Return will not be subject to withholding tax.

Receipt of the Capital Return will give rise to a capital gains tax (CGT) event for non-resident Shareholders. The income tax consequences arising on receipt of the Capital Return will depend on the Shareholder's cost base of their Shares. A Shareholder's cost base will generally be the cost of acquisition of the Shares, plus any cost incurred incidental to acquiring the Shares (such as brokerage fees and stamp duty).

Whilst a non-resident Shareholder will make a capital gain to the extent that the Capital Return exceeds the cost base of their Shares, any such capital gain will be disregarded on the basis that no non-resident Shareholder, either alone or with associates, owns 10% or more of the shares in Altona.

Where the Capital Return does not exceed the cost base of their Shares, a Shareholder's cost base and reduced cost base of their Shares should be reduced by the amount of the Capital Return. Shareholders will not make a capital gain or capital loss in this case.

The tax treatment arising for Shareholders in their country of residence will depend on the particular taxation laws in those countries. The indicative tax treatment for German and Swiss resident individual investors has been set out below. These comments are illustrative only.

All Shareholders should confirm the tax implications arising on receipt of the Capital Return in their country of residence.

Swiss individual tax aspects

The following comments are based on the assumption that Altona's shares are held as private assets and the Swiss individuals are subject to ordinary taxation (no lump sum taxation).

The Capital Return received by Shareholders is not expected to be subject to income tax on the basis that it is sourced from Altona's share capital account.

German individual tax aspects

The following comments are based on the assumption that Altona's shares are held as private assets.

The Capital Return should be tax-neutral as long as the amount of the Capital Return does not exceed the acquisition costs of the shares in Altona.

The amount of the Capital Return will reduce the acquisition costs of Altona shares. This might be relevant in case the shares will be disposed of afterwards.

Special Dividend

Prima facie, non-resident Shareholders will be subject to Australian dividend withholding tax at a rate of 30% in respect of the proposed Special Dividend. This rate may be reduced pursuant to the application of the relevant Double Tax Agreement ("DTA") where the Shareholder is a resident of a country which has a DTA with Australia.

Withholding tax will be deducted at a rate of 30% unless you are a resident of a country with which Australia has entered into a double taxation agreement that varies the amount of withholding tax that can be levied on dividends.

The rate of withholding tax on dividends may be reduced to 15% in most of these agreements (including the German and Swiss DTAs). Details of the rates that apply to residents of specific countries can be obtained from the following web address:

<http://treasury.gov.au/Policy-Topics/Taxation/Tax-Treaties/HTML/Income-Tax-Treaties>

In taxation jurisdictions outside of Australia such as Germany and Switzerland, Special Dividends of the kind proposed by Altona are generally considered to be taxable income in those jurisdictions.

Swiss individual tax aspects

The following comments are based on the assumption that Altona's shares are held as private assets and the Swiss individuals are subject to ordinary taxation (no lump sum taxation).

The proposed Special Dividend will be fully subject to Swiss income taxes for Shareholders. Due to the fact that no Swiss resident individual owns more than a 5% interest in Altona's shares a reduced income taxation does not apply.

The residual non-refundable Australian withholding tax can generally be reflected via a lump sum tax credit procedure to reduce Swiss income taxes accordingly.

In addition to income tax, the repayment of share capital as well as the Special Dividend payment will be reflected for Swiss annual wealth tax.

German individual tax aspects

The following comments are based on the assumption that Altona's shares are held as private assets.

The proposed Special Dividend will be subject to German flat rate tax for Shareholders that hold their Altona shares as part of private property.

Generally, the custodian bank in Germany will withhold the flat tax at a rate of approx. 26.4% (incl. solidarity surcharge; plus church tax (8% to 9% of the flat tax)) from the amount to be credited to the shareholder's bank account. However, the capital gains tax rate should be reduced by creditable and actually paid foreign withholding taxes (i.e., 15% Australian withholding tax according to the DTA) resulting in an actual German capital gains tax rate of approx. 11.4% (prior to church tax). Note that the creditable foreign withholding tax (if the initial withholding tax due to Australian law is higher than 15%) is limited to 15% in case the shareholder can claim a relief in Australia.

If the capital gains tax was withheld properly by a German bank, the dividend payment does not need to be declared in the shareholder's income tax return. Should the custodian bank fail to withhold the capital gains tax or in case a foreign (non-German) bank is involved, the shareholder has to declare the dividend income in its income tax return.

No expenses are allowed to be deducted from the income in case the shares are held as part of private property.

Note that the shareholder may choose to be treated as though the Shares were held as part of business assets in certain cases even though the shares are held as part of private assets.

9. Directors' recommendation

9.1 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

9.2 Directors' interests

No Director will receive a payment or benefit of any kind as a result of the Capital Return, other than as Shareholders of the Company.

The interests of each Director and / or their associate(s) in Shares as at the date of this Notice is:

Director	Shares Held Directly	Shares Held Indirectly	Total
Kevin Maloney		35,348,000	35,348,000
Alistair Cowden ¹	3,273,809	7,903,817	11,177,626
Peter Ingram		1,219,662	1,219,662
Steve Scudamore		200,000	200,000
Paul Hallam		100,000	100,000

1. Dr Cowden also holds 3,500,001 Performance Share Rights granted pursuant to the Altona Mining Limited Awards Plan 2010, which are subject to certain vesting criteria.

9.3 Voting of proxies

The Chair of the meeting and each Director intends to vote undirected proxies in favour of Resolution 1.

9.4 No other material information

Other than as set out in this Notice of General Meeting and information previously disclosed to Shareholders, there is no information known to Directors which might reasonably be expected to be material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 1.

10. Payment details

Computershare will deposit the proceeds from the Capital Return and the Special Dividend into Shareholders' nominated bank accounts by direct credit.

Shareholders can notify Computershare of their bank account details through Computershare's website at: www-au.computershare.com/investor

Australian bank account holders can also complete the Direct Credit Form and Tax File Number Form enclosed with this Notice and send it to Computershare by:

- Post to: Computershare, GPO Box 242, Melbourne Victoria 3001; or
- Fax to Computershare on: (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555

Non-Australian bank account holders must complete their details through Computershare's website.

Where bank account details are not provided by a Shareholder, a cheque in Australian Dollars will be issued to them. Overseas Shareholders can nominate their preferred cheque currency on the Computershare website. This nomination will cost shareholders \$9.75 per payment, deducted by Computershare at the time of the transfer.

Bank account details must be received by Computershare in advance of the Record Date.

Computershare is able to answer any questions in relation to the payment process on 1300 850 505 (enquiries within Australia) or +61 3 9415 4000 (enquiries outside Australia).

GLOSSARY

In this Explanatory Memorandum and Notice of General Meeting, the following terms have the following meaning unless the context otherwise requires:

Accounting Standards: Has the meaning given to that term in the Corporations Act.

ASX: ASX Limited (ABN 98 008 624 691) or as the context requires, the financial market known as the Australian Securities Exchange operated by it.

Altona or Company: Altona Mining Limited (ABN 35 090 468 018) and its wholly owned subsidiaries.

AWST: Australian Western Standard Time.

Awards Plan: Altona Mining Limited Awards Plan 2010.

Board: Altona Board of Directors.

Boliden: Boliden Mineral AB (publ).

Capital Return: The equal capital reduction proposed to be undertaken by the Company the subject of Resolution 1.

Computershare: Computershare Investor Services Pty Limited is Altona's share registry service provider.

Constitution: Constitution of the Company.

Corporations Act: *Corporations Act 2001* (Cth).

Directors: Directors of the Company.

Explanatory Memorandum: Information attached to the Notice of General Meeting, which provides information to Shareholders about the Resolution contained in the Notice of General Meeting.

Group Debt: The intercompany loans owed to Vulcan by the Transferring Subsidiaries at completion of the Sale.

Kuhmo: Kuhmo Nickel Limited, a company duly incorporated and validly existing under the laws of England and Wales.

Meeting: The General Meeting the subject of the Notice.

Notice or Notice of General Meeting: The Notice of General Meeting which accompanies this Explanatory Memorandum.

Outokumpu Project: The Outokumpu Copper Project located in Finland and comprising the Kylylahti mine and Luikonlahti concentrator.

Performance Share Right: Right to receive a Share for nil consideration in accordance with the terms of the Awards Plan.

Record Date: 4 February 2015 (or such other date as advised by the Company).

Resolution: A resolution contained in the Notice.

Sale: The sale of all of the issued shares in Kuhmo and the transfer of the Group Debt to Boliden.

Share Purchase Agreement: The share purchase agreement dated 7 July 2014 between Altona, Vulcan and Boliden.

Share: Fully paid ordinary share in the capital of the Company.

Shareholder: A holder of a Share.

Special Dividend: An unfranked special dividend of \$0.03 per Share which the Board currently intends to determine as payable if the Capital Return is approved by Shareholders.

Transferring Subsidiaries: The following subsidiaries of Kuhmo:

- a) Kylylahti Copper Oy, a company duly incorporated and validly existing under the laws of Finland
 - b) Vulcan Exploration BV, a company duly incorporated and validly existing under the laws of the Netherlands
 - c) Kuhmo Metals Oy, a company duly incorporated and validly existing under the laws of Finland
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Vulcan: Vulcan Resources Pty Ltd ACN 100 072 624.

**APPENDIX 1 - UNAUDITED HISTORICAL AND PRO-FORMA STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2014**

		Unaudited 30 November 2014	Pro-forma 30 November 2014 after Capital Return	Pro-forma 30 November 2014 after Capital Return and Special Dividend
	Notes	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	1	129,358	65,197	49,157
Trade and other receivables		220	220	220
Available-for-sale financial assets		78	78	78
Other assets		789	789	789
Total current assets		130,445	66,284	50,244
Non-current assets				
Property, plant and equipment		284	284	284
Exploration and evaluation assets		15,194	15,194	15,194
Other assets		470	470	470
Total non-current assets		15,948	15,948	15,948
Total assets		146,393	82,232	66,192
Current liabilities				
Trade and other payables		603	603	603
Provisions		272	272	272
Total current liabilities		875	875	875
Non-current liabilities				
Provisions		465	465	465
Total non-current liabilities		465	465	465
Total liabilities		1,340	1,340	1,340
Net assets		145,053	80,892	64,852
Equity				
Contributed equity	2	158,284	94,123	94,123
Reserves		5,978	5,978	5,978
Accumulated losses		(19,209)	(19,209)	(35,249)
Total equity		145,053	80,892	64,852

Notes

1. Reflects the impact of disbursement of \$64.16 million by way of capital return and also distribution of \$80.2 million by way of Capital Return and Special Dividend on cash and cash equivalents.
2. A Capital Return of \$64.16 million will reduce contributed equity from 158.3 million to \$94.1 million.