

30 April 2014

ABOUT ALTONA

Altona Mining Limited (ASX: AOH) is a copper producer in Finland and has a major copper development project in Queensland, Australia.

The Outokumpu Project in south-east Finland comprises an underground decline mine and processing plant. Production commenced in 2012 and averages 9,000tpa of copper, 9,000ozpa of gold and 1,600tpa of zinc.

The Little Eva Project near Mt Isa in Queensland has a resource containing 1.52Mt of copper and 0.38Moz of gold. A Definitive Feasibility Study has been completed for a 7Mtpa open pit copper-gold mine and concentrator at Little Eva.

Shares on issue: 532,234,704
Share rights on issue: 13,803,729
Cash on hand: A\$15.8M

Market capitalisation
at 16 cents per share A\$81M

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Altona is debt free two years early and had another strong quarter of copper production

MARCH QUARTER

Copper in concentrates	2,401 tonnes
Gold in concentrates	2,391 ounces
Copper equivalent	2,838 tonnes
C1 cash cost	US\$2.37/lb

YEAR-TO-DATE

Copper in concentrates (YTD)	7,223 tonnes
C1 cash cost	US\$1.94/lb

- **Debt repaid** - Debt repaid two years ahead of schedule. This was funded from cash reserves and by US\$8.3 million realised from closing out copper and zinc hedging.
- **Little Eva Feasibility improved** - A cost review of the May 2012 Definitive Feasibility Study was completed by GR Engineering Services delivering improved outcomes with an all-in cash cost of US\$1.96/lb and a low capital intensity of US\$6,700 per annual copper tonne at USD:AUD 0.89.
- **Resource upgrade at Kylälahti** - Resources increased after mine depletion to 161,000 tonnes of contained copper equivalent from a Resource of 8.8 million tonnes at 1.33% copper, 0.78g/t gold and 0.54% zinc.
- **Production** - The December quarter copper production for the Outokumpu Project was strong. Year to date copper metal production of 7,223 tonnes remains on track to meet upgraded guidance of 9,000-10,000 tonnes.
- **Costs** - March quarter C1 cash cost of US\$2.37 per pound of payable copper was high as forecast due to above average mine development. The June quarter is expected to see an improvement in grade and cash cost performance.
- **Cash** - Cash balance remains healthy at A\$15.8 million after the early repayment of debt.
- **Half-year result** - A profit after tax of A\$4.3 million was reported for the December 2013 half-year. This is the third consecutive half-year that Altona has recorded a profit.

Outokumpu Operations

	Production Statistics	Metric	This Quarter	Last Quarter	Year to Date
High volumes of production maintained. Copper grades up this quarter, year to date copper grade in line with reserve average	Ore mined	Tonnes	159,393	166,901	494,291
		Copper (%)	1.62	1.48	1.65
		Gold (g/t)	0.61	0.65	0.67
		Zinc (%)	0.63	0.66	0.70
	Ore milled	Tonnes	166,313	166,110	495,239
		Copper (%)	1.56	1.41	1.58
		Gold (g/t)	0.58	0.62	0.64
		Zinc (%)	0.67	0.69	0.72
	Recovery	Copper (%)	92.5	91.6	92.3
		Gold (%)	76.8	72.0	75.5
		Zinc (%)	45.6	48.2	49.5
	Contained metal in concentrates	Copper (t)	2,401	2,145	7,223
		Gold (oz)	2,391	2,363	7,688
		Zinc (t)	508	561	1,757
		Silver (oz)	17,379	16,257	55,027
	Copper equivalent	Tonnes	2,838	2,698	8,917
Sales					
Copper concentrate delivered	Tonnes	11,438	10,814	34,247	
Contained metal	Copper (t)	2,359	2,184	7,226	
	Gold (oz)	2,197	2,427	7,517	
	Silver (oz)	15,689	15,937	54,814	
Zinc concentrate delivered	Tonnes	1,134	1,182	3,640	
Contained metal	Zinc (t)	534	584	1,718	
Realised price*					
Copper	USD/lb	3.36	3.33	3.25	
Gold	USD/oz	1,265	1,361	1,377	
Silver	USD/oz	19.94	19.89	21.11	
Zinc	USD/lb	0.86	0.84	0.83	
Revenues**					
Copper	USD millions	15.63	15.16	48.36	
Gold	USD millions	2.31	2.81	8.29	
Zinc	USD millions	0.84	0.90	2.58	
Silver	USD millions	0.09	0.11	0.46	
Total	USD millions	18.87	18.98	59.69	

* Realised price includes all realised and unrealised short and long-term hedge gains and losses (except gain from close-out of gold hedge). Amounts may be subject to provisional pricing adjustments which are mitigated by quotational period hedging.

** Revenues are before treatment and refining charges.

Safety, Environment and People

Safety performance improving

There were no Lost Time Incidents in the quarter but one Medically Treated Injury occurred when an ore truck driver strained his knee at the Luikonlahti mill. The mill has achieved 281 and the mine 128 days without a Lost Time Incident.

The rolling 12 months Lost Time Injury Frequency Rate remains high at 12 but is reducing.

Routine monitoring in the decline encountered traces of asbestiform fibre at the work face. Underground works were temporarily halted to undertake a safety review to ensure the necessary procedures were being adhered to by all workers. An analysis is being undertaken to determine if it may be possible to amend the decline plan to avoid potentially asbestiform bearing rocks.

There was a minor water leakage at the Kylylahti mine in February. A written notice to the local monitoring authority was issued. There were no harmful consequences to the environment, nor penalties payable.

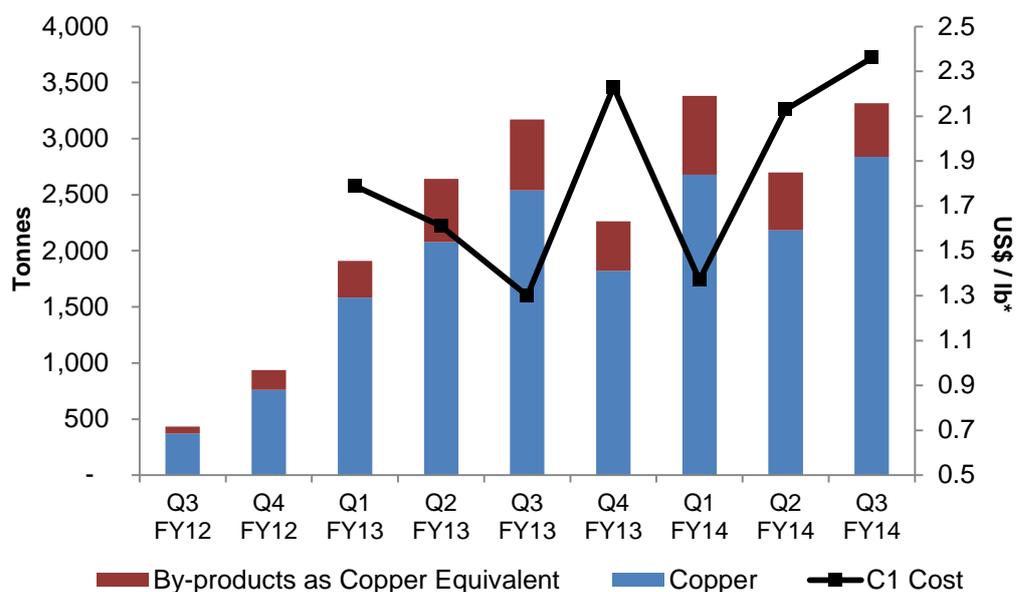
Water recycling at the Luikonlahti mill is now routinely achieving 50% of total consumption thereby reducing the need to discharge waters to the receiving environment.

Altona has 225 employees and contractors in Finland and 13 employees in Australia.

Production and Cost Performance

Altona makes daily deliveries of copper-gold concentrate to New Boliden's copper smelter at Harjavalta on the south-west coast of Finland and delivers zinc concentrate to New Boliden at Kokkola as production allows. Copper concentrates were delivered without incident or penalty. Zinc concentrates incur modest penalties for low grades and iron and cobalt content. Copper and gold production levels were in line with revised guidance. Excellent volumes were achieved at both mine and mill.

Quarterly Production of Metal in Concentrate and Cash Cost by Quarter



*C1 cash cost calculated per Brook Hunt methodology. Cost data during commissioning period not meaningful.

March Q cash costs impacted by higher development costs due to transition to transverse stoping method

C1 cash costs were higher in the March quarter due to a combination of high development costs and use of more contract mining services at the Kylylahti mine. The first transverse stopes are being developed driving much of the higher development costs. Transverse stoping brings better resource recovery and more flexibility in mine planning but requires more development. A total of 731 metres of operating development occurred during the quarter, almost twice that of preceding quarters, however development is expected to reduce significantly next quarter and mine operating costs will fall accordingly. Grades for the June quarter are expected to be above average and cost performance will benefit.

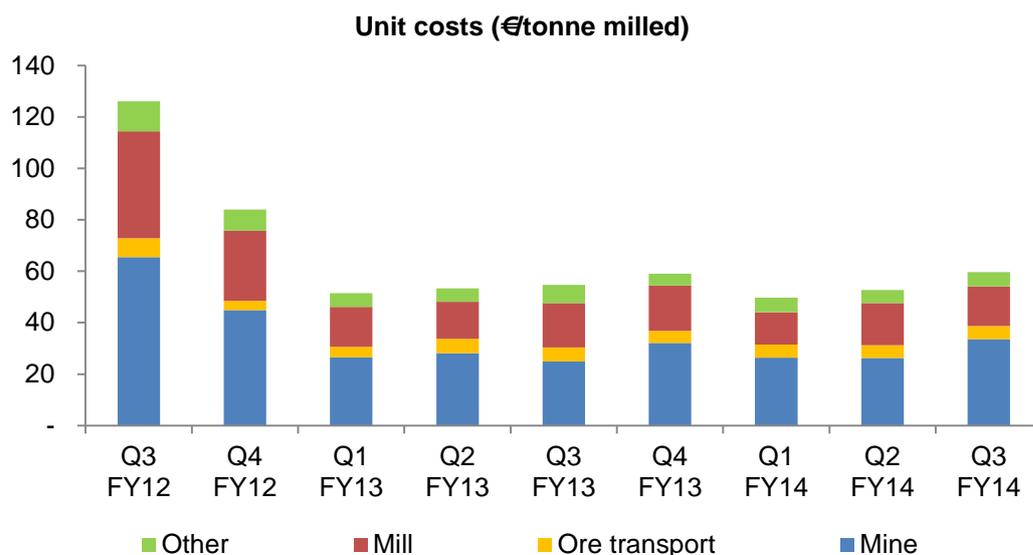
Cost Performance	This Quarter (US\$M)	This Quarter (US\$/lb)	Year to Date (US\$/lb)
Mining costs	7.49	1.52	1.26
Ore trucking costs	1.14	0.23	0.22
Site processing costs	3.44	0.69	0.65
TC/RC and transport	2.30	0.46	0.42
Other cash costs	0.67	0.13	0.12
Net gold, silver and zinc credits	(3.28)	(0.66)	(0.73)
C1 Cash cost per pound payable copper*		2.37	1.94
Capital expenditure	4.62	0.93	0.84
Financing costs	0.19	0.04	0.05
Total Expenditure (capital and operating)	16.57	3.34	2.83

Note: No royalties are payable in Finland.

* Based on invoiced prices, and excluding hedge settlements (subject to finalisation of provisional pricing).

Unit cost up due to mine operating development. Costs to return to more normal levels in June quarter

Unit cost performance in the local currency (Euros) is elevated this quarter reflecting higher mine development costs with the average for the quarter being €59 per tonne of ore milled.



There remain opportunities to improve costs and mining and processing productivity and recovery and these are being addressed in a programme of continuous improvement.

Capital expenditure at the mine for the quarter consisted of approximately US\$2.3 million of decline and level development which was 28% more than in the previous quarter due to larger amount of contractor made development work. Expenditure on ventilation, water management and electrification totalled US\$0.7 million. Discretionary spending totalled US\$0.3 million, mainly related to moving the administration office to the mine site.

Capital expenditure at the mill for the quarter consisted of approximately US\$1.1 million reflecting the accelerated construction of the new cobalt-nickel concentrate storage dam. The forecast total cost for Stage 1 is currently estimated to be US\$5.4 million (€4M) of which approximately US\$1.8 million remains to be spent this financial year. US\$0.2 million was spent on miscellaneous discretionary items.

Production Guidance

Production guidance on track, costs likely to be slightly above guidance

Production for the full year is expected to meet the guidance range of 9,000-10,000 tonnes of copper and 9,000-10,000 ounces of gold. The C1 cash cost for the twelve months to 30 June 2014 is likely to be above the guidance range of US\$1.60-US\$1.75 per pound. Year to date C1 cost of US\$1.94 per pound of copper but anticipated higher grades and lower development in the June quarter should reduce this.

The nameplate capacity of the Luikonlahti mill is 550,000 tonnes per annum and it has frequently achieved an annualised production rate of 600,000-650,000 tonnes per annum. Altona has determined that it will sustain higher production levels of 650,000 tonnes per annum from financial year 2014/2015 onwards. This throughput was chosen to maximise mine life and avoid any step change in equipment and staffing at the mine or in capital expenditure requirements at the mill.

Now that the mine has reached steady state production a number of cost improvement initiatives are underway. In the mine the main focus will be on improving the efficiency and utilisation of Altona's people and equipment to minimise reliance on contractors in order to meet production targets. At the mill, debottlenecking activities have improved mill production capacity such that 650,000 tonnes per annum can now be consistently achieved. Going forward, processing efficiency, particularly with respect to copper and gold recovery will be the main focus.

A new reserve estimate will be released during the June quarter.

Capital expenditure at the Outokumpu operations will continue to be incurred whilst the mine is developed to its ultimate depth, which is expected to be reached at the end of calendar year 2016. Significant expenditure is occurring in the construction of the Life of Mine storage dam for cobalt-nickel concentrates. The initial construction phase will be completed in late 2014.

Capital expenditure upon complimentary infrastructure such as ventilation, water management, electrification and the lifting of concentrate storage and tailing facility walls will continue beyond this date, and be incurred as required to ensure the operation continues to produce at the planned rate. It is anticipated that €4.5 million (US\$6.1M) of capital costs will be incurred in the quarter to 30 June 2014. This level of capital expenditure will fall in future years.

Production Guidance for 2013/2014

Ore tonnes	600,000-650,000 tonnes
Copper grade	1.50-1.65%
Gold grade	0.60-0.70g/t
Copper metal in concentrate	9,000-10,000 tonnes
Gold in concentrate	9,000-10,000 ounces
Zinc metal in concentrate	1,600-1,800 tonnes
C1 cash costs per pound payable copper (after credits)	US\$1.60-1.75/lb copper

Production Comments

Mine production volumes were excellent

Ore production was higher than planned for the quarter. The copper grade of 1.62% was slightly below expectations due to the sequence in which stopes were to be extracted.

Six stopes were completed and filled during the quarter and one new stope was at opening stage at the end of the period. On average one to two stopes were open at any point in time.

Mine is 591 metres deep

Some 1,072 metres of decline and level development and 33 metres of ventilation raises were completed in the quarter and mine development is now down to 591 metres below surface. The decline is planned to reach its final depth of 800 metres in 2016. However, given the results of deeper drilling, it is expected that mining will continue to greater depths.

Entering the lower Wombat orebody and transverse mining started

The production in the first transverse stope on the Wombat 440RL has commenced. This new mining method brings increased flexibility and certainty to stoping activities. Preparations for transverse stoping require more level development compared to longhole stoping which was used for the narrower Wallaby zone.

Rock conditions in the deeper parts of the mine are good but local weaker zones have resulted in additional ground support works being required which decreases development advance rates. Accordingly, additional utilisation was made of the decline contractor's jumbo to meet the demand and additional rockbolting equipment was also contracted. Development unit costs will therefore be elevated in the next few quarters.

Mill performance

The Luikonlahti processing plant operated at a rate controlled by ore availability and throughput matched the mine's output for the quarter.

Feed rate averaged 81tph for the quarter relative to the 69tph design. Utilisation averaged 96%. The mill operated at an annualised rate of 660,000 tonnes for the quarter relative to 550,000 tonnes per annum design. This represents a 20% outperformance

Copper recovery was in line with forecasts of 92.5% but gold recovery of 76.8% exceeded the planned 72% recovery. Concentrate grade was 21% copper.

Copper circuit optimisation

The mill flow sheet was changed in March by closing the copper circuit. This means that a tailings stream which previously resulted in the loss of copper and zinc was instead recycled to the head of the circuit. The preliminary indications are that this will result in improved metal recoveries but further work may be required to achieve

optimum results. In particular, the residence time in copper flotation will be reviewed now that mill treatment rates are to be stabilised at 650,000t tonnes per annum and it may be that a flotation capacity upgrade can be justified by improved metal recoveries.

Zinc recovery and concentrate grade of 45.6% and 47.0% zinc, respectively, were slightly below design of 50%. Relocation of the final zinc cleaner to a location more easily monitored and the recent addition of on-stream analysis to the zinc circuit will assist in its operation. However, the copper circuit will need to be optimised first because it is upstream of the zinc circuit and, more importantly, generates the bulk of the revenue.

Mineralogical studies have commenced to better understand gold losses in the circuit, particularly in light of the requirement to process higher grade “gold-only” lenses of ore in the future.

**Co-Ni
concentrate
storage dam on
schedule**

Construction of a new cobalt-nickel concentrate storage dam continued in the quarter. The dam is required to ensure capacity is available in early 2015 when the current dam will likely be filled.

A permit to allow processing of up to 1 million tonnes per annum of a variety of ore sources and to operate the new concentrate dam is nearing the end of the regulatory approval process. Public comment has been received and discussions held with relevant authorities. The permit is expected to be available in May 2014.

**Cobalt-nickel
treatment pre-
feasibility
study
underway**

Processing cobalt-nickel concentrate to produce a commercial product has previously been examined at a pre-feasibility level utilising Xstrata Technology’s Albion Process. A mixed cobalt-nickel-copper hydroxide was produced which is readily saleable to refineries.

In December 2013, Outotec was awarded a contract to complete a similar pre-feasibility study based on their atmospheric chloride leach technology. The study will comprise bench scale test work, process engineering, and estimates of both operation and capital costs at +/-35% accuracy. Samples for testwork have been sent to Outotec’s Pori Research Centre, and the study is scheduled to be completed in the June quarter.

On completion of the study, Altona will select its preferred process route and determine if a full feasibility is warranted.

Resource and Reserves

Reserves now exceed pre-mining estimates

An increased Mineral Resource was released for Kylylahti during the quarter. This is the regular update of Mineral Resources that Altona undertakes in conjunction with annual and half year reporting.

The Resource estimate for the Kylylahti mine is:

- 8.8 million tonnes at 1.33% copper, 0.78 g/t gold and 0.54% zinc.
- Contained metal in this resource is 117,480 tonnes of copper, 222,595 ounces of gold and 47,401 tonnes of zinc.
- This equates to 161,000 tonnes of copper equivalent metal determined by using actual Net Smelter Return to estimate revenues from concentrate sales*.
- Contained copper up 17% from June 2013 after mine depletion.
- Copper equivalent metal up 20% from June 2013 after mine depletion.
- Grades increasing at depth.

The previous estimate was reported on 29 August 2013 and is 7.7 million tonnes at 1.31% copper, 0.68g/t gold and 0.52% zinc for 100,670 tonnes of copper, 167,850 ounces of gold and 40,360 tonnes of zinc being 134,000 tonnes copper equivalent.

The Kylylahti mine has 5% more resource tonnes, 12% more copper metal with 6% higher copper grade, compared to estimates before mining started despite the production of 18,000 tonnes of copper since production commenced in February 2012.

Resources are reported above a 0.4% copper lower cut-off grade and include mine depletion to 31 December 2013 (see Table 2).

Reserve estimates based on this resource are in progress.

During the period 1 July 2013 to 31 December 2013, mining depleted the resource by 0.33 million tonnes at a grade of 1.66% copper.

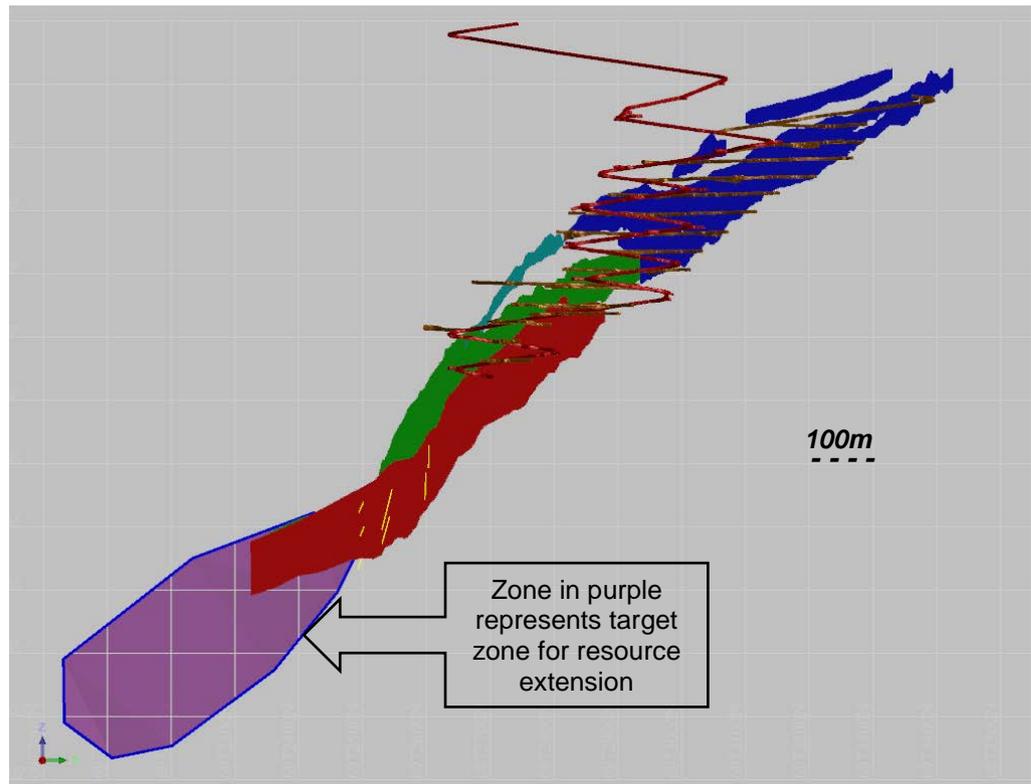
Additions to the resource have come from:

- Drilling at the lower limit of the deposit intersected mineralisation below previous drilling. The highlight of the campaign was an intercept of 108 metres at 2.4% copper including 58 metres at 4.2% copper reported on 26 November 2013.
- Delineation of hanging-wall gold-copper-nickel ore shoots.
- Delineation of the new nickel zone reported in the September 2013 Quarterly report.
- High grade underground definition drilling in the top most part of the Wombat zone.
- Improved geological understanding of deposit geometry, structure and continuity of high-grade zones.

The following longitudinal section highlights the potential for further depth extensions to the Kylylahti deposit.

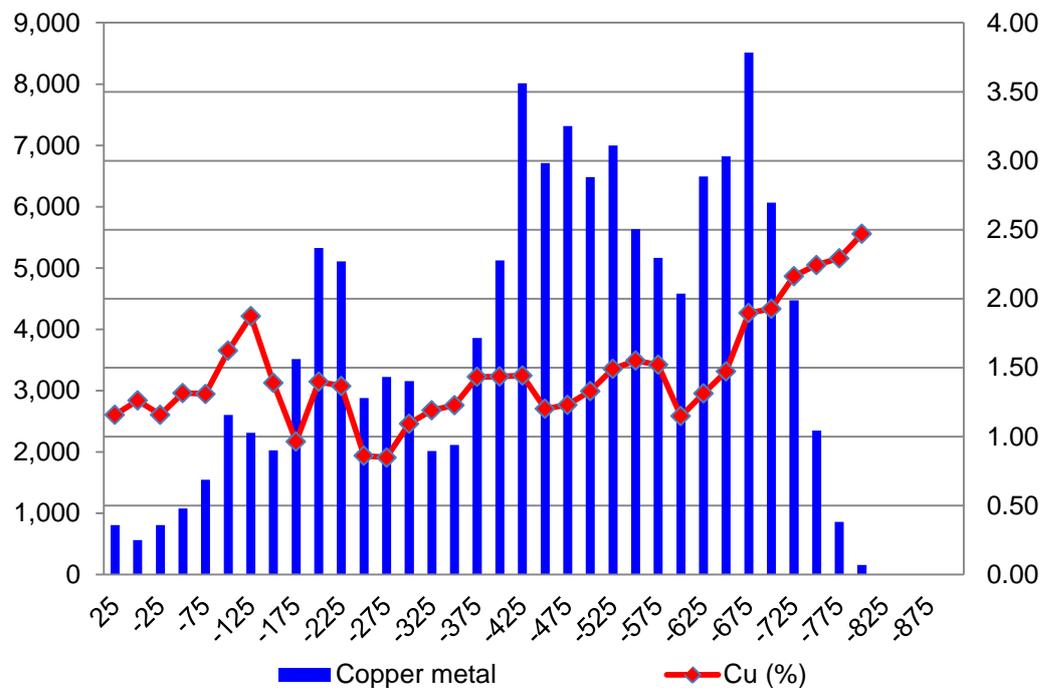
Note the increase in copper grade from -600 metres RL. The decline in contained copper metal from -750 RL is a function of drilling density.

Longitudinal Section of the Kylylahti Mine Looking West



Decline in brown, drill intercepts (yellow).
 Blue is the upper Wallaby zone which is largely mined out.
 Red is the Wombat zone.
 Green is a newly defined zone (Gap zone) in the hanging wall of Wombat zone.

Copper Metal with Depth



Copper metal (left hand scale) and grade (% on right hand scale) in the Kylylahti mine mineral resource inventory in 25 metre vertical levels (RL). Copper metal in the resources is depleted by production to 31 December 2013.

Kylylahti Resource Development and Exploration

Infill drilling continues to confirm Resource models

Definition drilling of the upper part of Wombat reported similar thick high grade intersections as reported in the previous quarters (18.8 metres at 3.9% copper and 21.9 metres at 3.5% copper in KU-429 and KU-431 respectively).

Definition drilling of the gap zone on levels 410-470 showed increased structural complexity in the southern part of the Gap with ore thinning out with weaker mineralisation terminated by a structure with a 10 metre offset. A new high grade zone has been intersected south of the structure with best intersections being 15 metres at 4.6% copper (KU-392) and 16.7 metres at 1.7% copper (KU-398).

Definition drilling of the hangingwall gold shoots reported several high grade intersections including 14 metres at 2.7g/t gold, 0.28% copper and 10 metres at 5.2g/t gold and 0.35% copper.

Little Eva Project

The 100% owned Little Eva Copper-Gold Project is 90 kilometres north-east of Mt Isa and 11 kilometres north of MMG's \$1.2 billion Dugald River zinc mine. The project sits within granted mining licences and native title agreements and environmental authority are in place.

A Definitive Feasibility Study ("DFS") on the Little Eva Project was released in May 2012 and was subject to a cost review by GR Engineering Services Limited ("GRES") which was published in March 2014.

Definitive Feasibility Study and update delivers improved financials

There have been a number of significant developments that impact on costs and revenues since the completion of the DFS in May 2012. They include:

- A marked reduction in contract mining costs
- A reduction in engineering and construction costs
- Changes to the macro-economic environment with consensus indicating a lower Australian dollar, lower near-term copper prices, lower gold prices and higher long term copper prices

The GRES review was based on market enquiry and the resulting financial outcomes for the Project improved significantly. Key facts, assumptions and outcomes of the study are detailed on the next page, please refer to ASX release dated 13 March 2014 for further details.

Partnering process continues

The process to sell, partner or finance the Little Eva Project continues. A number of parties are active in the data room and dialogue with these parties continues. The improved financial metrics will benefit the process of finding a partnering and financing solution for the asset.

Resource review nearing completion

The Little Eva deposit was discovered in the 1970's and has had drilling undertaken by a number of organisations using a variety of data capture and recording systems.

An updated resource estimate with a better geological model and which meets JORC 2012 report standard is nearing completion.

LITTLE EVA PROJECT: KEY FACTS

Mineral Resources and Ore Reserves*	Tonnes (million)	Copper (%)	Gold (g/t)
Measured, Indicated and Inferred Resources	123	0.55	0.10
Proven and Probable Reserves (ROM)	59	0.59	0.09
Proven and Probable Reserves (low-grade stockpile)	15	0.18	0.06
Contained metal in Reserves		375,000(t)	205,000(oz)

Production Summary (years 1-5)**

Project life (excluding potential mining inventory)	11 years
Little Eva strip ratio (after pre-strip)	1.8:1
Little Eva strip ratio including pre-strip	2.0:1
Annual processing rate (tonnes per annum)	7,000,000
Copper recovery	96%
Gold recovery	85%
Copper in copper concentrate (tonnes per annum)	38,800
Gold in copper concentrate (ounces per annum)	17,200

Capital Costs

A\$ (million)

Mining mobilisation and pre-strip	52
Processing plant and infrastructure	168
Tailings storage facility	18
Accommodation village	18
First fill, spares etc	12
Owners costs	8
Contingency	18
Total	294

Operating Costs

A\$ (per tonne milled)

Mining	9.33
Processing	7.39
General and administration	2.13
Concentrate transport and sales	2.73
Total costs per tonne	21.58
C1 cash cost per pound copper after credits	US\$1.65/lb
Life of mine sustaining capital	US\$0.12/lb
Royalties	US\$0.19/lb
Total costs	US\$1.96/lb

Project Economics

A\$ (million)

Life of mine Revenues after smelter charges	2,931
Pre-tax cashflow (after construction capital)	969
Average EBITDA (year 1-5)	117
Pre-tax NPV (unleveraged at 7.5% real discount rate)	346
Pre-tax IRR	29%

* Resources are inclusive of Reserves.

** Production summary (target) is based entirely on ore reserves.

See ASX release date the 13 March 2014 for further details.

Key Assumptions	2015 to 2017	2018 +
AUD:USD	0.85	0.80
Copper (US\$/lb)	3.20	3.00
Gold (US\$/ounce)	1,250	1,300
TC/RC (US\$/tonne/US\$lb)	75 / 0.075	75 / 0.075

A discount rate of 7.5% was chosen to reflect that used in the 2012 study. This rate was originally chosen to match that used by peers for similar low risk projects in Australia.

Metal prices and exchange rates used in this study are benchmarked against broker consensus forecasts and various individual research house estimates.

Sensitivities of NPV to major variables are shown below.

Project Sensitivities (NPV A\$ million)	Increase	Decrease
Copper price +/- 10%	+169	-170
Foreign exchange +/- 10%	-149	+181
Capital costs +/- 10%	-29	+29
Operating costs +/- 10%	-79	+79
Addition of 1 year mine life (e.g. Turkey Creek)	+50	N/A
Real discount rate +/- 2% (5.5-9.5%)	-58	+68

Roseby South Joint Venture

Chinalco Yunnan Copper Resources Ltd ("CYU") has commenced exploration activities to earn an interest in respect of the southern tenements at Roseby Project (see attached map).

Kuhmo Nickel Project

The Company has retained core tenements around defined resources at Kuhmo and is focused on permitting these potentially mineable deposits.

Corporate

Debt repaid in full

Altona has repaid the balance of its debt facility in full effective 31 March 2014.

The debt repayment was made by the payment of US\$10 million cash funded by US\$8.3 million released from the closure of the majority of the Company's copper and zinc hedge book. The Company retains some 828 tonnes of copper hedged at approximately US\$3.40/lb to July 2014 providing cover for the current period of volatility in copper markets.

Altona previously reduced the balance of its debt facility from US\$20.45 million to US\$10 million following the repayment of US\$10.4 million partly released from the closure of the Company's gold hedge book (Refer to ASX announcement dated 6 January 2014).

Statutory Reporting

The highlights of the half year results are:

Strong half year result

- Sales of A\$42.6 million (up 40% on H1 FY2013)
- Profit before tax of A\$12.4 million
- Debt reduced to US\$10 million, gearing down from 22% to 12%
- Copper production 4,822 tonnes (up 32% on H1 FY2013)
- Gold production 5,297 ounces (up 40% on H1 FY2013)
- Production guidance increased to 9,000 - 10,000 tonnes of copper

Altona reported a solid profit for the six months to 31 December 2013 reflecting a period of continued production and profit growth at its Finnish operations alongside a strengthening balance sheet.

Cash

Strong cash balance of A\$15.8 million

The Company has A\$15.8 million in cash after making an early debt repayment of US\$10.0 million at the end of the quarter. Receivables from concentrate sales stand at A\$7.9 million and ROM and concentrate inventories stand at A\$0.7 million at the end of the quarter. The cash balance is down from A\$20.2 million on the prior quarter reflecting the early repayment of debt.

Cash movements for the quarter are tabulated below:

	A\$ (millions)
Opening cash (1 st January)	20.2
Proceeds from concentrate sales	20.4
Proceeds from close out of copper and zinc hedge	9.2
Outokumpu operating costs	(13.8)
Sustaining capital expenditure *	(4.8)
Other capital expenditure	(0.5)
Finance costs and debt repayment	(11.8)
Roseby activities	(0.5)
Overheads/Corporate	(1.9)
Interest received and other **	(0.7)
Closing cash position (31st March)	15.8

* Sustaining capital includes mine decline development and tailings dam costs, etc.

** Other includes exchange rate adjustments.

Please note an Appendix 5B disclosure as required by ASX for exploration entities is enclosed. The forecast cash expenditure for the next quarter is required to be presented in a form that excludes all revenues and does not reflect actual predicted cashflows.

Hedging

Hedge book closed-out in March to repay debt

The Company closed out 6,074 tonnes of copper and 1,878 tonnes of zinc during the quarter realising US\$8.3 million. This was applied to the reduction of debt. The Company retained some near-term copper hedges to protect against a weaker copper price.

The schedule of outstanding metal hedging is given below. Hedge prices have been converted to US\$ using the closing rate at the end of March 2014.

Year ended 30 June	Copper (tonnes)	Copper (US\$/t)	Gold (ounces)	Gold (US\$/oz)
2014	625	7,241	795	1,298
2015	136	7,858	320	1,319
Total	761		1,115	

At the time of writing, the copper price was US\$6,650 per tonne.

The Company also undertakes short-dated (3 months) hedging to secure revenue for the period (Quotational Period) between the receipt of the provisional invoice for concentrate sales and the final pricing. Realised and unrealised gains and losses on Quotational Period hedging have been included in the realised prices per commodity shown in page 2. Altona has realised a gain of US\$0.3 million on these hedges for the quarter.

Share Price Activity on ASX

Quarter open	0.12¢
High	0.185¢
Low	0.12¢
Quarter close	0.15¢
Average daily volume	584,935

Competent Persons Statement and JORC Compliance

Competent Persons Statement: The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Alistair Cowden, BSc (Hons), PhD, MAusIMM, MAIG and Dr Iain Scott PhD Min. Processing, BSc Met. (Hons). Dr Cowden and Dr Scott 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 being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Cowden and Dr Scott consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Little Eva Project production target and forecast financial information: Information in this release refers to a production target and the forecast financial information derived from a production target as 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.

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

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Table 1: Resource Estimates for the Roseby Project

DEPOSIT	TOTAL			CONTAINED METAL		MEASURED			INDICATED			INFERRED		
	Tonnes	Grade		Copper	Gold	Tonnes	Grade		Tonne	Grade		Tonnes	Grade	
	million	Cu %	Au g/t	tonnes	ounces	million	Cu %	Au g/t	million	Cu %	Au g/t	million	Cu %	Au g/t
Copper-Gold Deposits														
Little Eva	100.3	0.54	0.09	538,000	271,000	36.3	0.63	0.08	41.4	0.48	0.08	22.6	0.49	0.11
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	123.4	0.55	0.10	675,000	384,000	36.3	0.63	0.08	51.7	0.52	0.09	35.5	0.51	0.13
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	
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	136.7	0.61		840,000		27.0	0.68		25.0	0.64		84.7	0.59	
TOTAL	260.1	0.58	0.05	1,515,000	384,000	63.2	0.65	0.05	76.7	0.55	0.06	120.1	0.56	0.04

See ASX release of 26 July 2011, 19 December 2011, 23 April 2012, 3 July 2012 and 22 August 2012 for full details of resource estimation methodology and attributions.

Note: All figures may not sum exactly due to rounding.

Little Eva is reported above a 0.2% copper lower cut-off grade, all other deposits are above 0.3% copper lower cut-off grade.

Table 2: Kylylahti Resource Estimate, December 2013

	Tonnes (m)	Cu (%)	Au (g/t)	Zn (%)	Co (%)	Ni (%)
Measured	1.2	1.19	0.48	0.56	0.22	0.19
Indicated	7.2	1.35	0.77	0.53	0.24	0.23
Inferred	0.5	1.38	1.71	0.54	0.27	0.24
TOTAL	8.8	1.33	0.78	0.54	0.24	0.22
Metal Tonnes		117,480	222,600oz	47,400	21,350	19,680

See ASX release dated 26 March 2014 for JORC 2012 Compliance.

Table 3: Kylylahti Ore Reserves, July 2013

	Tonnes (m)	Cu (%)	Au (g/t)	Zn (%)	Co (%)	Ni (%)
Proven Ore Reserves	0.6	1.51	0.75	0.66	0.25	0.15
Probable Ore Reserves	3.5	1.62	0.73	0.62	0.27	0.17
TOTAL	4.2	1.60	0.73	0.63	0.27	0.16
Metal Tonnes		66,700	97,700oz	26,100	11,100	6,900

See ASX release dated 29 August 2013 for JORC 2012 Compliance.

Resources are inclusive of ore reserves.

Table 4: Outokumpu Resources, December 2013

Deposit	Classification	Tonnes (m)	Cu (%)	Au (g/t)	Zn (%)	Co (%)	Ni (%)
Kylylahti	Measured	1.2	1.19	0.48	0.56	0.22	0.19
	Indicated	7.2	1.35	0.77	0.53	0.24	0.23
	Inferred	0.5	1.38	1.71	0.54	0.27	0.24
	TOTAL	8.8	1.33	0.78	0.54	0.24	0.22
Saramäki	Inferred	3.40	0.71	-	0.63	0.09	0.05
Vuonos	Inferred	0.76	1.76	-	1.33	0.14	-
	Measured	1.03	0.47	-	0.06	0.13	0.47
Hautalampi	Indicated	1.23	0.30	-	0.07	0.11	0.42
	Inferred	0.90	0.30	-	0.10	0.10	0.40
	Total	3.16	0.36	-	0.07	0.11	0.43
Riihilahti	Indicated	0.14	1.69	-	-	0.04	0.16
Valkeisenranta	Indicated	1.54	0.29	-	-	0.03	0.71
Särkiniemi	Indicated	0.10	0.35	-	-	0.05	0.70
TOTAL		17.94	0.97	0.39	0.45	0.16	0.26

See Vulcan ASX Release of 16 November 2009 for JORC 2004 compliance for deposits other than Kylylahti. This release can be found on the Finland Resource and Reserve estimates page of Altona's website: www.altonamining.com. There has been no annual review of the Outokumpu area resources other than Kylylahti. Estimation for all of these deposits under the 2012 version of the JORC code is underway.

APPENDIX 5B

Mining Exploration entity quarterly report

Name of entity

ALTONA MINING LIMITED

ABN

35 090 468 018

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current Quarter (3 months) A\$'000	Year to Date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	20,420	59,111
1.2 Payments for (a) exploration and evaluation	(523)	(2,922)
(b) development	(3,965)	(10,136)
(c) production	(13,875)	(35,717)
(d) administration (Finland & Australia)	(1,905)	(5,866)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	21	131
1.5 Interest and other costs of finance paid	(580)	(1,965)
1.6 Income taxes rebate	-	37
1.7 Other*	9,486	14,997
Net Operating Cash Flows	9,079	17,670
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1,376)	(6,452)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	(1,376)	(6,452)
1.13 Total operating and investing cash flows (carried forward)	7,703	11,218

- Predominantly includes gain from close out of copper, gold and zinc hedge (December 2013 and March 2014) and VAT/GST received.

Cash flows related to financing activities		
1.14 Proceeds from issues of shares (net of costs)	-	-
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	(11,270)	(22,321)
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	(11,270)	(22,321)
Net increase (decrease) in cash held	(3,567)	(11,103)
1.20 Cash at beginning of quarter/year	20,199	26,093
1.21 Exchange rate adjustments to 1.20	(798)	844
1.22 Cash at end of quarter	15,834	15,834

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

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	241
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	

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

Non-cash financing and investing activities

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

N/A

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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities(*)	-	-
3.2 Credit standby arrangements	-	-

(*) The Credit Suisse senior debt facility was fully drawn down in March 2012 as a component of the funding package to construct the Outokumpu Copper Project. Full repayment of the facility was achieved on 31 March 2014, some two years ahead of scheduled repayment terms.

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

	\$A'000
4.1 Evaluation/Exploration	(541)
4.2 Development	(6,630)
4.3 Production	(12,694)
4.4 Administration (Australia and Finland)	(1,597)
Total	(21,462)

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	14,234	17,234
5.2 Deposits at call	1,600	2,965
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	15,834	20,199

Changes in interests in mining tenements

6.0 See attached Schedule A.

Issued and quoted securities at end of current quarter

	Total number	Number quoted	Issue price per security	Amount paid up per security
7.1 Preference securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter	-	-	-	-
7.3 Ordinary securities	532,234,704	532,234,704	-	-
7.4 Changes during quarter - Issued	-	-	-	-
7.5 Converting debt Securities <i>(description and conversion factor)</i>	-	-	-	-
7.6 Changes during quarter	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	13,803,729 [^]	-	-	-
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

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

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.

Sign here: 

Date: 30 April 2014

Company Secretary

Print Name: Eric Hughes

SCHEDULE A

FINNISH MINING TENEMENTS

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

Vulcan Kotalahti's Hyvelä, Mäntymäki and Sahakoski reservation applications were cancelled due to three year quarantine period set for the area after relinquishment of Hyvelä, Mäntymäki and Sahakoski mining licenses. Sarkalahti reservation was lapsed during the period, and no claim application was submitted due to sensitive location in the lake area and small size of the resource.

As part of Kuhmo Metals' tenement package restructuring a total of 40 claims were lapsed or relinquished. The total area of tenement package is now 930 ha.

Interests in mining tenements acquired or increased during the quarter

None.

Interests in mining tenements at end of the quarter

OUTOKUMPU AREA

Mining Licenses

Number	Name	Holder	Beneficial Interest Held
3593/1a	Kylylahti	Kylylahti Copper Oy	100%
3593/1b	Kylylahti	Kylylahti Copper Oy	100%
3593/1c	Kylylahti ML extension	Kylylahti Copper Oy	100%
3593/2a	Kylylahti 2	Kylylahti Copper Oy	100%
K7802	Hautalampi	Vulcan Hautalampi Oy	100%
7975	Riihilahti	Kylylahti Copper Oy	100%
553/1a,2a,4a,6a-11a	Luikonlahti1-2,4,6-11	Kylylahti Copper Oy	100%
1281/1a-2a	Petkel I+ II	Kylylahti Copper Oy	100%
2061/1a	Petkellahti	Kylylahti Copper Oy	100%
553/1a,2a,4a,6a-11a	Luikonlahti auxiliary areas	Kylylahti Copper Oy	100%
KL2013:0003	Luikonlahti auxiliary areas expansion	Kylylahti Copper Oy	100%

Claims

Number	Name	Holder	Beneficial Interest Held
ML2012:0154	Kylylahti 2-4	Kylylahti Copper Oy	100%
ML2012:0224	Saramäki 1	Kylylahti Copper Oy	100%
ML2012:0222	Perttilahti 1-2	Kylylahti Copper Oy	100%
ML2012:0223	Vuonos 1-3	Kylylahti Copper Oy	100%
ML2013:0059	Polvikoski	Kylylahti Copper Oy	100%
ML2013:0058	Kylylahti 6	Kylylahti Copper Oy	100%
ML2013:0056	Saramäki 2	Kylylahti Copper Oy	100%
8525/1	Sukkula 1	Kylylahti Copper Oy	100%
8525/2	Sukkula 2	Kylylahti Copper Oy	100%

ML2013:0034	Kokonvaara	Kylylahti Copper Oy	100%
8623/1	Sivakkavaara 2a	Kylylahti Copper Oy	100%
8623/2	Sivakkavaara 2b	Kylylahti Copper Oy	100%
8623/3	Sivakkavaara 3	Kylylahti Copper Oy	100%
8974/1	Kokka 2	Kylylahti Copper Oy	100%
8974/2	Kokka 3	Kylylahti Copper Oy	100%
8974/3	Kokka 4	Kylylahti Copper Oy	100%
8974/4	Kokka 5	Kylylahti Copper Oy	100%
9106/1	Kokka 6	Kylylahti Copper Oy	100%
ML2013:0036	Perttilahti South	Kylylahti Copper Oy	100%

Reservations

Number	Name	Holder	Beneficial Interest Held
VA2012:0188	Miihkali	Kylylahti Copper Oy	100%
VA2012:0189	Saramäki-South	Kylylahti Copper Oy	100%

KUHMO JOINT VENTURE

Mining Licenses

Number	Name	Holder	Beneficial Interest Held
7014	Hietaharju	Kuhmo Metals Oy	95%
7922	Peura-aho	Kuhmo Metals Oy	95%

Claims

Number	Name	Holder	Beneficial Interest Held
ML2012:0047	Saarikylä belt Vaara	Kuhmo Metals Oy	95%
ML2013:0048	Kauniinlampi	Kuhmo Metals Oy	95%
8618/1	Hakovaara	Kuhmo Metals Oy	95%
8602/1	Vaara West	Kuhmo Metals Oy	95%
	Kiannanniemi		
7922/1	Peura-aho	Kuhmo Metals Oy	95%
8618/3	Myllyaho 1	Kuhmo Metals Oy	95%
8618/4	Myllyaho 2	Kuhmo Metals Oy	95%
8745/1	Hietaharju North	Kuhmo Metals Oy	95%
	Huutoniemi		
8476/1	Huutoniemi 1	Kuhmo Metals Oy	95%
8476/2	Huutoniemi 2	Kuhmo Metals Oy	95%
8476/3	Huutoniemi 3	Kuhmo Metals Oy	95%
8476/4	Huutoniemi 4	Kuhmo Metals Oy	95%
	Moisiovaara		
ML2013:0047	Sika-aho	Kuhmo Metals Oy	95%
	Arola - Harma North		
ML2013:0003	Arola	Kuhmo Metals Oy	95%
8500/1	Korkea-aho 2	Kuhmo Metals Oy	95%
8500/2	Korkea-aho 3	Kuhmo Metals Oy	95%

KOTALAHTI AREA NICKEL

Mining Licenses

Number	Name	Holder	Beneficial Interest Held
6977/1a	Särkiniemi	Vulcan Kotalahti Oy	100%
7739	Valkeisenranta	Vulcan Kotalahti Oy	100%

Claims

Number	Name	Holder	Beneficial Interest Held
8483/1	Kotalahti 1	Vulcan Kotalahti Oy	100%
8483/2	Kotalahti 2	Vulcan Kotalahti Oy	100%
8413/4	Valkeisenvuori	Vulcan Kotalahti Oy	100%
8413/6	Pölkkysoo	Vulcan Kotalahti Oy	100%
8413/9	Pölkkysoonkangas	Vulcan Kotalahti Oy	100%
8413/10	Rytkynlampi	Vulcan Kotalahti Oy	100%
8413/11	Ollinsalmi 2	Vulcan Kotalahti Oy	100%
8413/12	Valkeisenhiekkä	Vulcan Kotalahti Oy	100%

AUSTRALIAN MINING TENEMENTS

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

No changes during the quarter.

Interests in mining tenements acquired or increased during the quarter

Correspondence was received from the Queensland DNRM during the December Quarter approving the renewal applications for EPM8059, EPM9611, EPM10266 and EPM14535. Renewal applications one Roseby Project EPM is currently being processed by the Queensland DNRM.

The area under granted EPMs within Queensland presently totals 1,477.9km².

Interests in mining tenements at end of the quarter

QUEENSLAND – ROSEBY PROJECT

Mining Leases (ML)

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

Exploration Permit for Minerals (EPM)

Number	Name	Holder	Beneficial Interest Held
8059	Cameron River	Roseby Copper Pty Ltd	100%
8506	Mt Roseby	Roseby Copper Pty Ltd	100%
9056*	Pinnacle	Roseby Copper (South) Pty Ltd	100%
10266	Highway	Roseby Copper Pty Ltd	100%
10833*	Cameron	Roseby Copper (South) Pty Ltd	100%
11004*	Ogorilla	Roseby Copper (South) Pty Ltd	100%
11611*	Gulliver	Roseby Copper (South) Pty Ltd	100%
12121	Gulliver East	Roseby Copper Pty Ltd	100%
12492	Queen Sally	Roseby Copper Pty Ltd	100%
12493	Quamby	Roseby Copper Pty Ltd	100%
12529	Cabbage Tree	Roseby Copper Pty Ltd	100%
13249	Lilliput	Roseby Copper Pty Ltd	100%
14363	Bannockburn	Roseby Copper Pty Ltd	100%
14365*	Corella	Roseby Copper (South) Pty Ltd	100%
14535*	Roseby Infill	Roseby Copper (South) Pty Ltd	100%
14556	Coolullah	Roseby Copper Pty Ltd	100%
14822	River Gum	Roseby Copper Pty Ltd	100%
18784	Roseby East	Roseby Copper Pty Ltd	100%
18983	Coolullah North	Roseby Copper Pty Ltd	100%

* These tenements are subject to a Farm-in agreement with Chinalco Yunnan Copper Resources Ltd. Details of the Farm-in terms are set out in ASX announcement of 17 September 2013. At 31 December 2013, Chinalco Yunnan Copper Resources Ltd has not expended sufficient funds to earn a beneficial interest in these tenements.

QUEENSLAND – REGIONAL PROJECTS

Exploration Permit for Minerals (EPM)

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