Bericht über das Halbjahr mit Ende 31. Dezember 2015

Unternehmensverzeichnis

Direktoren:
Herr Kevin Maloney
Non-Executive Chairman

Dr Alistair Cowden
Managing Director

Herr Paul Hallam
Non-Executive Director

Herr Steve Scudamore
Non-Executive Director

Company Secretary:
Mr Eric Hughes

Hauptsitz des Unternehmens:
Level 1, 1 Altona Street
West Perth 6005 Western Australia
Tel.: +61 8 9485 2929
Email: altona@altonamining.com

Wirtschaftsprüfer:
Deloitte Touche Tohmatsu
Level 14, Woodside Plaza
240 St Georges Terrace
Perth 6000 Western Australia
Tel.: +61 8 9365 7000

Banken:
Westpac Banking Corporation
Level 6, 109 St Georges Terrace
Perth 6000 Western Australia

Aktienregister:
Computershare Registry Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth 6000 Western Australia
Tel.: +61 8 9323 2000

Börsen:
Australia Securities Exchange
Börse Frankfurt

Handelssymbole:
ASX: AOH
FSE: A20

Ausgegebenes Kapital, Stand 26. Februar 2016:

534.800.592	Voll eingezahlte Stammaktien
9.776.800	Belegschaftsaktienrechte

www.altonamining.com

Directors' Report

Altona rückt der Realisierung des Projektwertes von Cloncurry näher

- **Sichuan Railway Investment Group („SRIG") hat vorbehaltlich einer Reihe von Konditionen der Gründung eines Joint Venture zur Entwicklung des Projekts Cloncurry zugestimmt. SRIG wird 214 Mio. USD für eine 60prozentige Beteiligung beitragen.**

- **Durch Berücksichtigung der Entdeckung Turkey Creek wird die Minenlebensdauer des Projekts Cloncurry voraussichtlich um ungefähr zwei Jahre auf 13 Jahre verlängert.**

- **Altona erlangte wieder die Kontrolle über das Projekt Roseby South im Süden des Projekts Cloncurry, das einem Earn-in-Abkommen mit einer dritten Partei unterlag.**

- **Altona führte eine Liegenschaftskonsolidierung durch, wodurch in Queensland 18 Explorationsliegenschaften zu 4 größeren Liegenschaften zusammengefasst wurden.**

Übersicht und Betriebsergebnisse

Kupferprojekt Cloncurry

Altona und SRIG haben am 26. Juni 2015 eine verbindliche Rahmenvereinbarung geschlossen. Die Vereinbarung unterliegt bestimmten Konditionen.

Die Parteien haben der Gründung eines amtlich eingetragenen Joint Ventures zugestimmt, welches Altonas Projekt Cloncurry im Nordwesten des australischen Bundesstaates Queensland umfassen wird. SRIG wird 214,46 Mio. USD investieren und eine 60-%-Beteiligung am Joint Venture haben. Altona wird zu 40 % an dem Joint Venture beteiligt sein und das Project Cloncurry, sowie 38 Mio. USD in bar in das Joint Venture einbringen.

Der Barbetrag in Höhe von 252,46 Mio. USD, der von den Joint-Venture-Partnern eingebracht wird, entspricht 355 Mio. AUD bei einem Wechselkurs von AUD:USD 0,71 und wird die geschätzten Investitionskosten (294 Mio. AUD) für die Mine Little Eva übersteigen und eine beachtliche Rückstellung für Arbeitskapital und Kostenüberschreitungen bieten.

Altona wird weiterhin sparsam mit ihrem Barguthaben umgehen, während das Unternehmen sich bemüht, die zur Formalisierung der Transaktion mit SRIG notwendigen Konditionen endgültig festzulegen. Laut Erwartungen werden die formellen Abkommen im März 2016 unterzeichnet und die Transaktion im August 2016 abgeschlossen.

Im November 2015 wurden vier neue konsolidierte Explorationsgenehmigungen für Minerale (EPMs 5757, 25759, 25760 und 25761) vergeben. Diese Konsolidierung der 8 bestehenden abgelaufenen EPMs auf vier neue Liegenschaften vereinfacht und reduziert die Verwaltungskosten von Altonas Projekten Cloncurry und Roseby South und verlängert die Lebensdauer des Besitztitels.

Die zuvor bestehenden EPMs wurden bei Vergabe der neuen EPMs abgetreten. Die Vergabe dieser Liegenschaften wurde durch den Abschluss eines neuen Zusatzabkommens die EPMs betreffend mit der Kalkadoon Native Tile Aboriginal Corporation RNTBC im Oktober 2015 erleichtert.

Projekt Roseby South

Das Projekt Roseby South („Roseby South") ist zu 100 % in Besitz von Altona und Altona ist der Betreiber des Projekts.

Roseby South grenzt an Altonas Kupferprojekt Cloncurry (100 % Altona). Roseby South ist nicht Teil der Rahmenvereinbarung mit SRIG.

Roseby South hat eine Grundfläche von 475 km^2 und deckt den Ausläufer der aussichtsreichen Stratigrafie ab, die sowohl Altonas Kupferprojekt Cloncurry und MMG Limiteds Mine Dugald River beherbergt, die unmittelbar nördlich davon liegen.

Directors' Report

Ein großes Vererzungssystem, das bei Companion auf dem Gelände des Projekts Roseby South identifiziert wurde, bietet eine kurzfristige Aussicht auf eine Ressourcendefinition. Die wichtigsten Ergebnisse der früheren Bohrungen schließen Folgendes ein:

- 26 m mit 0,68 % Kupfer, 0,25 g/t Gold aus 63 m Tiefe; einschließlich 15 m mit 1,15 % Kupfer und 0,41 g/t Gold.
- 34 m mit 0,75 % Kupfer, 0,21 g/t Gold aus 54 m Tiefe; einschließlich 4 m mit 1,86 % Kupfer und 0,21 g/t Gold.

Betriebsergebnisse

Die Ergebnisse des aktuellen Zeitraums reflektieren Altonas Geschäftslage nach Verkauf ihrer Bergbaubetriebe in Finnland. Folglich besitzt das Unternehmen keine laufenden Geschäftsbetriebe. Die finnischen Betriebe spiegeln sich jedoch in den Ergebnissen des Vergleichszeitraums wider.

Während des aktuellen Zeitraums wendete Altona Geldmittel auf, um sowohl die SRIG-Transaktion voranzubringen als auch das Projekt Cloncurry weiterzuentwickeln. Laut Abkommen mit SRIG werden die Geldmittel (1,3 Mio. AUD für Exploration und Bewertung), die zur Weiterentwicklung des Projekts Cloncurry aufgewendet wurden, als ein Teil von Altonas Finanzierungsverpflichtungen hinsichtlich der Entwicklung des Projekts Cloncurry betrachtet. Da jedoch die SRIG-Transaktion zu diesem Zeitpunkt noch nicht abgeschlossen ist, werden diese Aktivitäten als Explorations- und Bewertungsaufwendungen in der Gewinn-und-Verlust-Rechnung verbucht und tragen zu Altonas Verlust von 2,7 Mio. AUD in diesem Zeitraum bei.

Obwohl die Verwaltungsausgaben in diesem Zeitraum beachtlich reduziert wurden, schließen sie die Kosten in Verbindung mit dem Fortschreiten der SRIG-Transaktion (z. B. Rechts- und Reisekosten) ein.

Altona besitzt weiterhin eine solide Bilanz. Das Unternehmen ist schuldenfrei und 43,6 Mio. AUD an Bareinlagen versetzen es in eine starke Finanzlage.

Direktoren

Die Namen der während der Finanzberichtsperiode und zum Zeitpunkt dieses Berichts amtierenden Direktoren des Unternehmens lauten:

Herr Kevin Maloney	Chairman
Dr Alistair Cowden	Managing Director
Herr Peter Ingram	Non-Executive Director (Rücktritt am 26. November 2015)
Herr Paul Hallam	Non-Executive Director
Herr Steve Scudamore	Non-Executive Director

Haupttätigkeit

Die Haupttätigkeiten des Unternehmens und seiner Tochtergesellschaften während des Halbjahres waren die Exploration und die Bewertung von Mineralressourcen.

Ausgezahlte oder vorgeschlagene Dividenden

Im Halbjahr wurden keine Dividenden gezahlt oder angekündigt.

Personal

Seit dem Verkauf seiner finnischen Betriebe an Boliden im Oktober 2014 hat das Unternehmen versucht, die Konzernverwaltungskosten wenn möglich zu reduzieren. Dies führte dazu, dass zum Zeitpunkt des Berichts 8 Angestellte im Unternehmen verbleiben.

Wesentliche Veränderungen der Sachlage

Nach Meinung der Direktoren gibt es keine wesentliche Veränderung der Sachlage des Unternehmens, die während des Halbjahres mit Ende 31. Dezember 2015 auftrat, und nicht an anderer Stelle in diesem Bericht, der Bilanz oder dem beigefügten Anhang erwähnt wurde.

Directors' Report

Signifikante Ereignisse nach Bilanzabschlussdatum

Es gab keine signifikanten Ereignisse zwischen dem 31. Dezember 2015 und dem Datum dieses Berichts.

Rundung

Gemäß der dem Unternehmen laut ASIC CO 98/0100 zur Verfügung stehenden Option wurden die Beträge in diesem Bericht und im Finanzbericht auf die nächsten 1.000 Dollar gerundet.

Unabhängigkeitserklärung des Wirtschaftsprüfers

Sektion 307 des Corporations Act 201 verlangt vom Wirtschaftsprüfer des Unternehmens, Deloitte Touche Tohmatsu, den Direktoren der Altona Mining Limited eine Unabhängigkeitserklärung hinsichtlich der Prüfung dieses Halbjahresberichts zu geben. Die Unabhängigkeitserklärung des Wirtschaftsprüfers auf Seite 15 ist Teil des Berichts der Direktoren über den Zeitraum mit Ende 31. Dezember 2015.

Direktorenresolution

Unterzeichnet gemäß einer Resolution der Direktoren laut Sektion 306(3) des Corporations Act 2001.

Im Namen des Direktoriums

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KEVIN MALONEY
Chairman

Perth, Western Australia
Datiert, den 24. February 2016.

Financial Statements

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2015

	Note	31 December 2015 $'000	31 December 2014 $'000
Continuing operations			
Other income		-	5
Interest income		638	966
Foreign exchange gain/(loss)		93	(23)
Exploration and evaluation expense		(1,710)	(2,563)
Administration expense		(1,699)	(3,074)
Finance expense		(3)	(591)
Loss before income tax from continuing operations		(2,681)	(5,280)
Income tax expense		-	-
Loss after income tax from continuing operations		(2,681)	(5,280)
Profit from discontinued operations, after income tax		-	39,137
Profit after income tax for the period attributable to owners of the Group		**(2,681)**	**33,857**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net fair value loss on available-for-sale-financial assets, net of tax		-	572
Foreign currency translation		(89)	(9,081)
Total other comprehensive income for the period, net of tax		(89)	(8,509)
Total comprehensive income for the period attributable to owners of the Group		**(2,770)**	**25,348**
Earnings per share – continuing operations only			
Basic (loss)/earnings per share (in cents)		(0.50)	(0.99)
Diluted (loss)/earnings per share (in cents)		(0.50)	(0.99)
Earnings per share			
Basic earnings per share (in cents)		(0.50)	6.35
Diluted earnings per share (in cents)		(0.50)	6.20

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Financial Statements

Condensed Consolidated Statement of Financial Position

As at 31 December 2015

	Note	31 December 2015 $'000	30 June 2015 $'000
Current assets			
Cash and cash equivalents		43,595	46,838
Trade and other receivables		263	159
Other assets		776	300
Total current assets		44,634	47,297
Non-current assets			
Property, plant and equipment		111	163
Exploration and evaluation assets		14,685	14,854
Other assets		486	469
Total non-current assets		15,282	15,486
Total assets		**59,916**	**62,783**
Current liabilities			
Trade and other payables		199	386
Provisions		170	163
Total current liabilities		369	549
Non-current liabilities			
Provisions		475	455
Total non-current liabilities		475	455
Total liabilities		844	1,004
Net assets		**59,072**	**61,779**
Equity			
Contributed equity	5	94,122	94,123
Reserves		(10,445)	(9,999)
Accumulated losses		(24,605)	(22,345)
Total equity		**59,072**	**61,779**

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Financial Statements

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2015

	31 December 2015 $'000	31 December 2014 $'000
Cash flows from operating activities		
Receipts from customers	-	24,997
Payments to suppliers and employees	(3,786)	(21,754)
Interest and finance costs	(3)	(619)
Net GST / VAT cashflows	2	1,657
Other	-	187
Net cash from operating activities	(3,787)	4,468
Cash flows from investing activities		
Interest received	547	520
Payments for security deposits	(10)	(291)
Payments for property, plant and equipment and mine development	-	(5,009)
Proceeds from sale of discontinued operation, net of transaction costs	-	111,118
Net cash from investing activities	537	106,338
Cash flows from financing activities		
Payments for finance leases	-	(128)
Net cash from financing activities	-	(128)
Net (decrease)/increase in cash and cash equivalents	(3,250)	110,678
Cash and cash equivalents at the beginning of period	46,838	18,076
Effects of exchange rate changes on cash and cash equivalents	7	(86)
Cash and cash equivalents at end of the period	43,595	**128,668**

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Financial Statements

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2015

	Contributed equity $'000	Share based payments reserve $'000	Converting notes reserve $'000	Foreign currency translation reserve $'000	Revaluation reserve $'000	Profits reserve $'000	Accum. losses $'000	Total equity $'000
At 1 July 2015	**94,124**	**5,578**	**581**	**(118)**	**-**	**(16,040)**	**(22,346)**	**61,779**
Profit for the period	-	-	-	-	-	-	(2,681)	(2,681)
Foreign currency translation	-	-	-	(89)	-	-	-	(89)
Total comprehensive income	**-**	**-**	**-**	**(89)**	**-**	**-**	**(2,681)**	**(2,770)**
Share issue costs	(2)	-	-	-	-	-	-	(2)
Share based payments	-	65	-	-	-	-	-	65
Expired share rights		(422)					422	-
At 31 December 2015	**94,122**	**5,221**	**581**	**(207)**	**-**	**(16,040)**	**(24,605)**	**59,072**
At 1 July 2014	**158,290**	**5,317**	**581**	**8,939**	**(630)**	**-**	**(53,767)**	**118,730**
Profit for the period	-	-	-	-	-	-	33,857	33,857
Foreign currency translation	-	-	-	(114)	-	-	-	(114)
Transfer to profit and loss on disposal of subsidiaries	-	-	-	(8,967)	858	-	-	(8,109)
Change in value of available-for-sale investments	-	-	-	-	(286)	-	-	(286)
Total comprehensive income	**-**	**-**	**-**	**(9,081)**	**572**	**-**	**33,857**	**25,348**
Share issue costs	(5)	-	-	-	-	-	-	(5)
Share based payments	-	270	-	-	-	-	-	270
At 31 December 2014	**158,285**	**5,587**	**581**	**(142)**	**(58)**	**-**	**(19,910)**	**144,344**

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

NOTE 1: BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

Altona Mining Limited (the "Company") is domiciled in Australia. These general purpose consolidated financial statements for the half-year ended 31 December 2015 have been prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting' and comprise the Company and its subsidiaries ("the Group"). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These Financial Statements do not include all notes of the type normally included within the annual financial report, and as such it is recommended that the Financial Statements be read in conjunction with the annual financial report for the year ended 30 June 2015 and considered together with any public announcements made by Altona Mining Limited during the half-year ended 31 December 2015.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Certain comparative figures have been adjusted to conform to changes in presentation for the current period.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing this consolidated half-year financial report, significant judgements made by management in applying accounting policies and the key estimates used were consistent with those applied at 30 June 2015.

NOTE 3: CHANGES IN ACCOUNTING POLICIES – NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Except as described below, the accounting policies applied by the Group in these Financial Statements are consistent with those applied by the Group in its annual financial report for the year ended 30 June 2015. The following changes to accounting standards were required to be adopted by the Group during the current period:

- AASB 2015-3 Withdrawal of AASB 1031 Materiality;
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to AASB 136);
- Defined Benefit Plans: Employee contributions (Amendments to AASB 119); and
- Annual Improvements to AASBs 2010-2012 and 2011-2013 Cycles.

NOTE 4: SEGMENT INFORMATION

Operating segments have been identified as mineral projects in Australia ("Australian projects"), the Outokumpu Copper operations ("Outokumpu project") and mineral exploration areas in Finland ("Finnish projects"). Unallocated amounts consist mainly of corporate revenues and expenses, and those assets that cannot be allocated to the reportable segments.

Discrete financial information about each of these operating segments, operating performance and assets are reported to the Board and Key Management Personnel on a monthly basis. Inter-segment revenues are not material and have not been reported below.

Notes to the Financial Statements

4. (a) Performance of Operating Segments:

	Note	Australian projects $'000	Outokumpu project[1] $'000	Finnish projects $'000	Unallocated $'000	Total $'000
31 December 2015						
Revenue						
Other income		-	-	-	638	638
Total revenue		**-**	**-**	**-**	**638**	**638**
Segment result before tax	4. (b)	(1,536)	-	(91)	(1,054)	(2,681)
Total assets	4. (c)	14,980	-	264	44,672	59,916
Capital expenditure		-	-	-	-	-
31 December 2014						
Revenue						
Concentrate sales		-	25,327	-	-	25,327
Gain on disposal		-	31,476	-	-	31,476
Other income		-	182	-	983	1,165
Total revenue		**-**	**56,985**	**-**	**983**	**57,968**
Segment result before tax	4. (b)	(2,207)	40,738	(454)	(2,641)	35,436
Total assets	4. (c)	15,092	-	425	130,028	145,545
Capital expenditure		-	5,233	-	-	5,233

(1) Discontinued operation, results are to 30 September 2014

Notes to the Financial Statements

4. (b) A reconciliation from segment result to earnings before interest and tax ('EBIT') is provided below:

	Australian projects $'000	Outokumpu project(1) $'000	Finnish projects $'000	Unallocated $'000	Total $'000
31 December 2015					
Segment result before tax	(1,536)	-	(91)	(1,054)	(2,681)
Interest income	-	-	-	(638)	(638)
Finance expense	-	-	-	3	3
Foreign exchange (gain)/loss	-	-	(86)	(6)	(92)
Segment EBIT	**(1,536)**	**-**	**(177)**	**(1,695)**	**(3,408)**
31 December 2014					
Segment result before tax	(2,207)	40,738	(454)	(2,641)	35,436
Interest income	-	-	-	(981)	(981)
Other income	-	-	-	(2)	(2)
Finance expense	-	72	-	591	663
Foreign exchange (gain)/loss	-	(404)	-	23	(381)
Segment EBIT	**(2,207)**	**40,406**	**(454)**	**(3,010)**	**34,735**

(1) Discontinued operation, results are to 30 September 2014

4. (c) Unallocated assets consist of the following:

	31 December 2015 $'000	30 June 2015 $'000
Cash	43,595	46,838
Available-for-sale financial assets	-	-
Property, plant and equipment	64	59
Other receivables	237	159
Other assets	775	301
	44,671	**47,357**

NOTE 5: CONTRIBUTED EQUITY

	Number of shares	Date	Total $'000
Contributed equity			
Movements in fully paid ordinary shares on issue:			
Balance at 1 July 2015	532,678,592		94,123
Shares issued on vesting of share rights	122,000	1 July 2015	-
Share issue costs	-	-	(1)
Balance at 31 December 2015	**534,800,592**		**94,122**
Balance at 1 July 2014	532,234,704		158,290
Shares issued on vesting of share rights	345,000	2 July 2014	-
Shares issued on vesting of share rights	2,098,888	2 October 2014	-
Share issue costs	-	-	(5)
Balance at 31 December 2014	**534,678,592**		**158,285**

Notes to the Financial Statements

NOTE 6: FINANCIAL INSTRUMENTS

6. (a) Fair value hierarchy

There are various methods available in estimating the fair value of a financial instrument. These methods include:

Level 1	The fair value is calculated using quoted market prices.
Level 2	The fair value is estimated using inputs other than quoted prices (level 1), that are observable for the asset or liability, either directly (as prices), or indirectly (derived from prices).
Level 3	The fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The Group does not have any financial instruments classified as level 2 or 3.

There were no transfers between levels during the period

NOTE 7: CONTINGENT LIABILITIES

As part of the sale of the Finnish Assets to Boliden on 1 October 2014, Vulcan Resources Pty Ltd, a wholly-owned subsidiary of Altona Mining Limited, has indemnified Boliden for any breach of the Agreement, including a breach of the warranties contained in the Agreement, environmental liabilities and for any taxes that should have been paid before closing. Altona guarantees the performance of Vulcan's obligations under the Agreement, including its payment and indemnity obligations. All performance guarantees and warranties will expire on 1 October 2019.

NOTE 8: COMMITMENTS

Following the disposal of the Finnish assets on 1 October 2014, the Group no longer has any material commitments for capital or operating expenditure, other than for expenditure on Australian mineral tenements.

NOTE 9: KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report. In addition, shareholders at the Annual General Meeting of 26 November 2015 approved the issue of 3,856,800 Share Rights to the Managing Director. These Share Rights were issued in January 2016. A further 1,815,000 Share Rights were issued to the Chief Financial Officer in January 2016 on the same terms and conditions as those approved by shareholders for issue to the Managing Director.

NOTE 10: EVENTS SUBSEQUENT TO BALANCE DATE

There are no material subsequent events that have occurred since 31 December 2015 to the date of this report.

Notes to the Financial Statements

NOTE 11: INVESTMENTS IN CONTROLLED ENTITIES

Name of entity	Incorporated	Equity holding 2015 (%)	Equity holding 2014 (%)
Vulcan Resources Pty Ltd[(1)]	Australia	100%	100%
Roseby Copper Pty Ltd[(1)]	Australia	100%	100%
Roseby Copper (South) Pty Ltd[(1)]	Australia	100%	100%
Kuhmo Nickel Limited[(3)]	United Kingdom	-	100%
Vulcan Finland (BVI) Ltd[(2)]	British Virgin Islands	100%	100%
Kylylahti Copper Oy[(3)]	Finland	-	100%
Vulcan Hautalampi Oy[(2)]	Finland	100%	100%
Vulcan Kotalahti Oy[(2)]	Finland	100%	100%
Kuhmo Metals Oy[(3)]	Finland	-	100%
Vulcan Exploration BV[(3)]	Netherlands	-	100%

(1) Vulcan Resources Pty Ltd, Roseby Copper Pty Ltd and Roseby Copper (South) Pty Ltd are wholly owned subsidiaries of Altona Mining Limited and the investment is held by Altona Mining Limited.

(2) Vulcan Finland (BVI) Limited, Vulcan Hautalampi Oy and Vulcan Kotalahti Oy are wholly owned subsidiaries of Vulcan Resources Pty Ltd and the investment is held by Vulcan Resources Pty Ltd. In September 2015, the Finnish courts were petitioned by Altona to wind up Vulcan Kotalahti Oy. On 21 September 2015 Attorney Leif Hainen of Peltonen LMR Attorneys Ltd was appointed administrator to wind up Vulcan Kotalahti Oy. This process will result in a simplified corporate structure.

(3) The Boliden transaction for the purchase of the majority of Altona's Finland assets were effected by the sale of Kuhmo Nickel Limited. As a consequence, at 31 December 2015, Altona no longer has an interest in Kuhmo Nickel Limited, Kylylahti Copper Oy, Kuhmo Metals Oy or Vulcan Exploration BV.

The Group has no significant restrictions on its ability to access or use the assets and settle the liabilities of the group.

Declaration of Auditors Independence

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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The Board of Directors
Altona Mining Limited
Ground Floor
1 Altona Street
West Perth WA 6005

24 February 2016

Dear Board Members

Altona Mining Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Altona Mining Limited.

As lead audit partner for the review of the financial statements of Altona Mining Limited for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

John Sibenaler
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

Deloitte.

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Independent Auditor's Review Report to the members of Altona Mining Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Altona Mining Limited, which comprises the condensed statement of financial position as at 31 December 2015, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 18.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Altona Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Altona Mining Limited would be in the same terms if given to the directors as at the time of this auditor's review report.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

Independent Auditors' Report

Deloitte.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Altona Mining Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

John Sibenaler
Partner
Chartered Accountants
Perth, 24 February 2016

Directors' Declaration

In accordance with a resolution of the directors of Altona Mining Limited made pursuant to Section 303(5) of the Corporations Act 2001, I state that:

In the opinion of directors:

(a) The financial statements and notes of the Group:

(i) give a true and fair view of the financial position as at 31 December 2015 and the performance for the half-year ended on that date of the Group; and

(ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Act 2001; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

KEVIN MALONEY
Chairman

Perth, Western Australia
Dated this 24th day of February 2016