

8 February 2018

ASX: AOH, FSE: A2O

EMERGING NEW CLUSTER OF COPPER-GOLD DISCOVERIES AT CLONCURRY

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- **Excellent drill results from three targets 25-30 kilometres south of Little Eva**
 - **Companion: 32 metres at 1.48% copper, 0.98g/t gold from surface**
 - **Veiled: 74 metres at 0.53% copper, 0.23g/t gold from surface**
 - **Quamby: 13 metres at 0.61% copper, 4.6g/t gold from 29 metres including 2 metres at 23.6g/t gold from 30 metres**
 - **Highest values include 8.6% copper, 27.1g/t gold, 85g/t silver and 0.2% cobalt**
 - **Many more targets remain poorly tested or untested**
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Altona Mining Limited ("Altona" or "the Company") today announced the results of a 30 hole RC drilling programme undertaken at the Cloncurry Copper Project ("Cloncurry") in late 2017. The programme was designed to test new copper-gold in soil anomalies at the Companion, Veiled and Quamby prospects. Drill highlights include:

Companion	32 metres at 1.48% copper, 0.98g/t gold 15 metres at 1.44% copper, 0.84g/t gold 35 metres at 1.33% copper, 0.23g/t gold
Veiled	74 metres at 0.53% copper, 0.23g/t gold 24 metres at 0.84% copper, 0.22g/t gold 25 metres at 0.68% copper, 0.10g/t gold
Quamby	13 metres at 0.61% copper, 4.23g/t gold including 2 metres at 23.55g/t gold 60 metres at 0.44% copper, 0.05g/t gold 25 metres at 0.52% copper, 0.07g/t gold

The prospects add to an emerging cluster of copper-gold discoveries south of the proposed Little Eva mine development at Cloncurry. The cluster also includes the Hobby and Reaper prospects (see ASX release dated 29 November 2016).

The drilling is shallow and reconnaissance in nature and intersected both oxide and sulphide mineralisation. Of note were the higher gold grades compared to the deposits included in the mine plan for the Little Eva development. High silver values at Quamby and high cobalt values at Veiled were also recorded. The rocks intersected (Figures 1 to 3) and element association are typical of IOCG (Iron Oxide Copper Gold) deposits.

The tenor of mineralisation is excellent with the highest individual assays at Companion of 11.2%, 9.3% and 8.7% copper equivalent; at Veiled 3.0%, 2.4% and 2.3% copper equivalent; and at Quamby 27.1g/t and 20g/t gold.

At Companion the mineralised system has potential to be large with soil anomalism defined over an area of 0.6 by 3 kilometres, drilling is widely spaced over only 1.2 kilometres of strike.





Figure 1: Copper oxide mineralisation (malachite) from drill hole CPR628 at Companion. From left to right; 5-6 metres 2.83% copper, 1.73g/t gold; 6-7 metres 2.96% copper, 0.65g/t gold; 7-8 metres 2.28% copper, 1.81g/t gold.



Figure 2: Red rock alteration and chalcopyrite mineralisation typical of IOCG deposits from 51-55 metres in CPR633 from Companion. Copper grades range up to 0.78% with gold up to 0.44g/t.

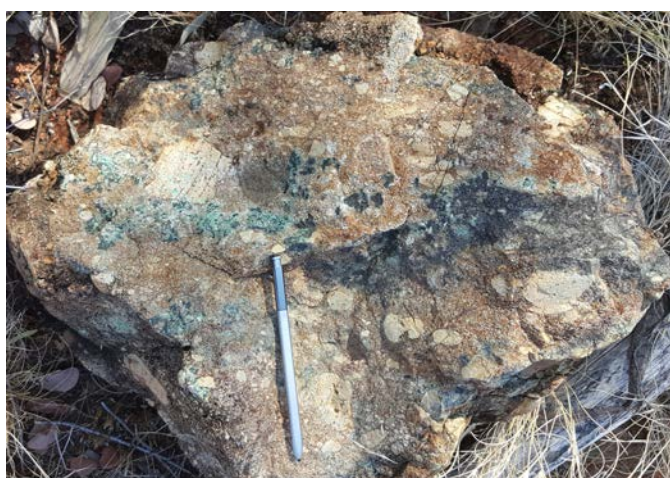


Figure 3: Copper mineralisation (malachite and chalcocite) within outcropping breccias typical of IOCG deposits from historic workings at the Veiled prospect.

Companion Prospect

At the Companion prospect (Figures 4 to 9), the new drill results and drill results from previous operators combine with geology and soil geochemistry to confirm the discovery of a large, structurally controlled copper-gold system.

This drilling programme comprised 9 holes of 48 to 96 metres depth spaced at approximate 300 metre intervals along the northernmost 1.2 kilometres of a larger 3 kilometre long copper-in-soil anomaly. The southern portion of the anomaly is essentially undrilled other than by shallow reconnaissance 'geochemical' holes. Soil anomalism occurs in three subparallel zones and mineralisation has been intersected in all three. High tenor copper-gold mineralisation was encountered within broader lower tenor mineralisation. Results were notable for their elevated gold grades and that many intercepts were at very shallow depths.

Better drill intercepts at a 0.3% copper equivalent cut-off grade, include:

32 metres at 1.48% copper, 0.98g/t gold from surface (CPR628)
15 metres at 1.44% copper, 0.84g/t gold from 25 metres (CP629)
35 metres at 1.33% copper, 0.23g/t gold from 4 metres (CPR634)

Mineralisation is developed within subparallel steeply dipping zones. Mineralisation is chalcopyrite and pyrite hosted in strongly silicified quartzite in fresh rock. Mineralisation occurs as malachite and goethite in the weathered zone, commonly to 30 metres depth.

It is likely that high grade mineralisation is developed along the mineralised zones as discrete lodes and shoots. The mineralisation is open along strike and at depth. Figures 8 and 9 provide cross sections at Companion illustrating steeply dipping high grade lodes.

Prior reconnaissance drilling by previous operators at Companion returned:

34 metres at 0.75%, 0.21g/t gold
12 metres at 0.73%, 0.32g/t gold
19 metres at 0.87%, 0.32g/t gold

The location of drill holes is provided in Figures 6 and 7, full results are given in Table 1, drill collar details in Table 2 and JORC Table 1 is provided as Appendix 1.

Veiled Prospect

At the Veiled prospect (Figures 4, 5 and 10), drill results and soil geochemistry suggest the discovery of a significant copper-gold system. There was no prior drilling at Veiled. The prospect is a 130 x 260 metre discrete 'bullseye' high tenor copper-in-soil anomaly identified in sampling programs undertaken over the last two years. There are small early 1900's shallow copper oxide workings within the anomaly located on north striking structures with mineralised brecciated metasedimentary rock and gossan both in outcrop and float.

At the prospect, shallow reconnaissance RC drilling comprised 4 holes of 54 to 90 metres depth on two cross-sections 100 metres apart that targeted the centre and northern extent of the anomaly.

Copper-gold mineralisation was encountered within broader lower tenor mineralisation in three holes. Better drill intercepts at a 0.3% copper equivalent cut-off grade, include:

74 metres at 0.53% copper, 0.23g/t gold from surface (VLR001)

24 metres at 0.84% copper, 0.22g/t gold from surface (VLR002)

25 metres at 0.68% copper, 0.10g/t gold from 10 metres (VLR003)

One hole (VLR002) terminated in mineralisation. The mineralised zone is open at depth, while the limits to the copper-in-soil anomaly remain untested.

Mineralisation is associated with chalcopyrite and pyrite in altered metasediments in fresh rock. There are locally elevated cobalt values (up to 0.2%) with the best intersection being 6 metres at 0.12% cobalt in VLR001 from 10 metres. The mineralisation is also notable for elevated gold grades.

The base of weathering is approximately at 30 metres depth and mineralisation occurs as malachite associated with goethite-hematite rich zones. Higher grade zones within the oxide zone may reflect primary mineralisation or supergene enriched zones and further drilling is required.

Figure 11 provides a cross section at Veiled illustrating the apparent steep dipping high grade zones. The location of drill holes is in Figure 10, full results are given in Table 1, drill collar details in Table 2 and JORC Table 1 is provided in Appendix 1.

Quamby Prospect

At the Quamby prospect (Figure 4, 5 and 12) the drilling tested poorly understood gold-only and adjacent copper-gold soil anomalism.

The target comprises elevated gold in soils around the historic Quamby gold mine which is reported to have recovered 75,600 ounces of gold from leaching operations in the 1980's and 1990's. The mine has been drill tested but few of the results have been found. Those available include 16 holes (see September 2017 Quarterly Report) that are coincident with the soil anomalies located south of existing workings. To the west of the mine and partly co-incident with Quamby gold anomalism is a large copper and gold-in-soil anomaly.

Shallow reconnaissance RC drilling comprised 17 holes of 60 to 174 metres depth on cross-sections at 80 to 200 metre intervals was targeted to test the copper-gold in soil anomaly. A single hole was drilled beneath the Quamby mine.

All drill holes targeting the copper-in-soil anomaly encountered mineralisation. The drilling indicates broad zones up to 75 metre wide of low grade copper mineralisation with higher grade zones within.

Mineralisation occurs as disseminated chalcopyrite and pyrite hosted in strongly altered metasediments in fresh rock. In the weathered zone to approximately 25 metres depth, mineralisation occurs as malachite, native copper and chalcocite. Gold values up to 27.1g/t were intersected.

Better drill intercepts, at a 0.3% copper equivalent cut-off grade, include:

13 metres at 0.61% copper, 4.23g/t gold from 29 metres (QMR001)
including **2 metres at 23.6g/t gold and 54g/t silver** from 30 metres
60 metres at 0.44% copper, 0.05g/t gold from 10 metres (QMR012)
31 metres at 0.46% copper, 0.01g/t gold from 24 metres (QMR013)
25 metres at 0.52 % copper, 0.07g/t gold from 17 metres (QMR016)

One hole (QMR001) intersected high grade gold and silver over 2 metres (23.55g/t gold and 54g/t silver) within a broader copper-gold mineralised zone and confirms similar drill results obtained by previous operators (Figure 13). The mineralisation has a unique silver rich signature and is poorly understood.

Figure 12 provides a plan of drilling in relation to soil anomalism and illustrates the wide zone of multiple intercepts encountered and relationship to the much larger copper-in-soils anomaly. The location of drill holes is given in Figure 12, full results are given in Table 1, drill collar details in Table 2 and JORC Table 1 is provided in Appendix 1.

Please direct enquiries to:

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

David Ikin
Professional Public Relations
Perth
Tel: +61 8 9388 0944
David.Ikin@ppr.com.au

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

About Altona and the Cloncurry Copper Project

Altona Mining Limited ("Altona") is an ASX listed company focussed on the Cloncurry Copper Project ("Project") in Queensland, Australia. The Project has Mineral Resources containing some 1.67 million tonnes of copper and 0.43 million ounces of gold. It is envisaged that a 7 million tonnes per annum open pit copper-gold mine and concentrator will be developed at the Project. The development is permitted with proposed annual production⁽¹⁾ of 39,000 tonnes of copper and 17,200 ounces of gold for a minimum of 14 years. The Definitive Feasibility Study was refreshed in July 2017. In November 2017 Altona announced the intention to merge with TSX listed Copper Mountain Mining Corporation, a large Canadian Copper Producer. A shareholder vote on the Scheme of Arrangement is expected in late March 2018.

¹Refer to the ASX release 'Updated DFS Delivers Bigger and Better Cloncurry Copper Gold Project' dated 2 August 2017 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.



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, Mr Roland Bartsch, BSc(Hons), MSc, MAusIMM and Mr George Ross, MSc, MAIG. Dr Cowden, Mr Bartsch and Mr Ross 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, Mr Bartsch and Mr Ross consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Copper Equivalence

Copper-equivalent ("CuEq") values are calculated using copper price US\$2.95/lb and gold price of US\$1,250/ounce and grade by the equation: $\text{CuEq.} = \text{copper \%} + (\text{gold g/t} \times 0.62)$.

Copper-Equivalent values do not specifically take into account the recoverability of copper or gold, however, for standard copper gold concentrates such as those at Little Eva, the differences in payability and recovery are small whereas the metal prices chosen have a large impact on the copper equivalent values.

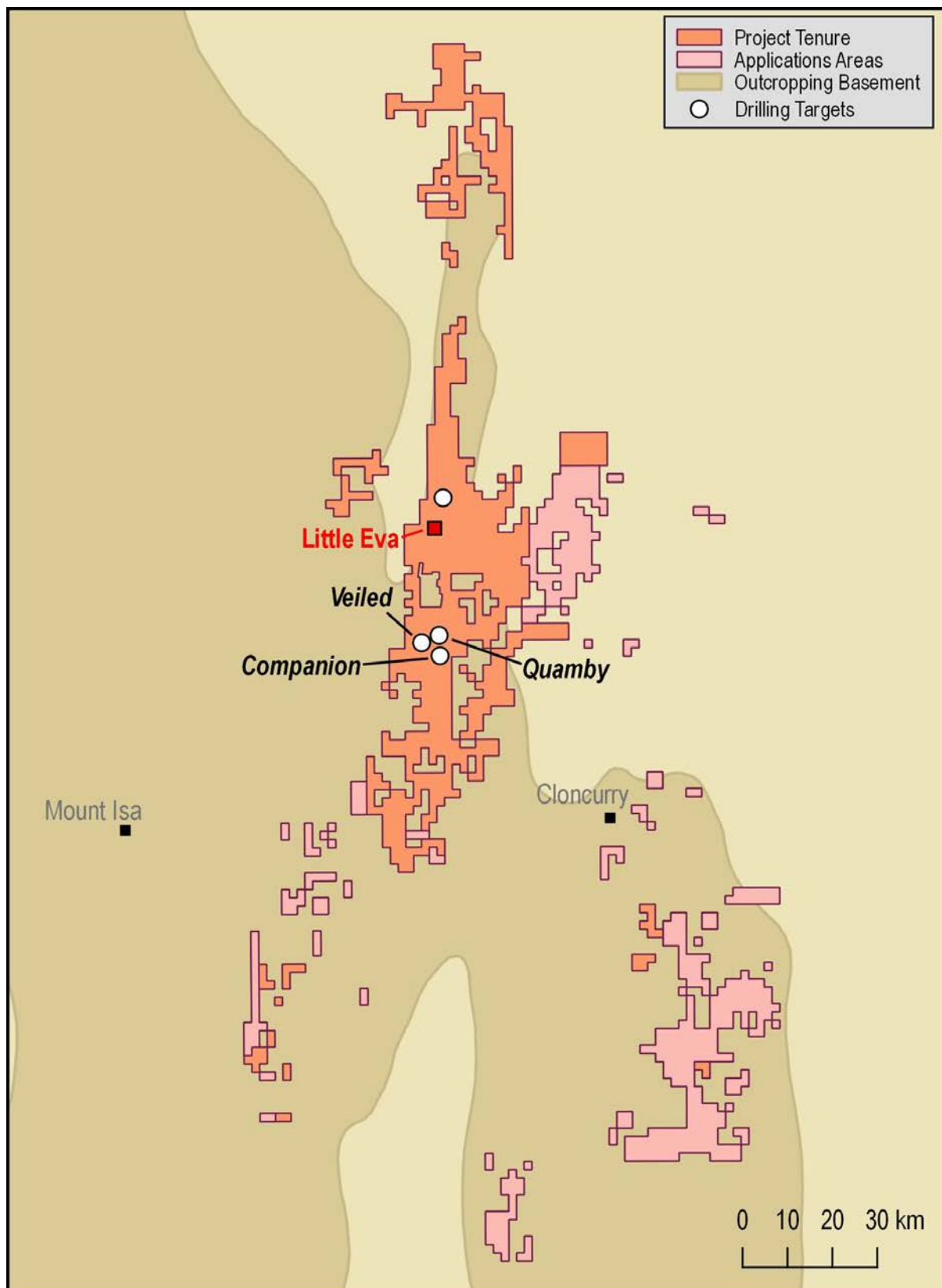


Figure 4: Location of the Companion, Veiled and Quamby prospects within Altona tenure. The location of the proposed Little Eva processing plant is also highlighted (see ASX release dated 2 August 2017)

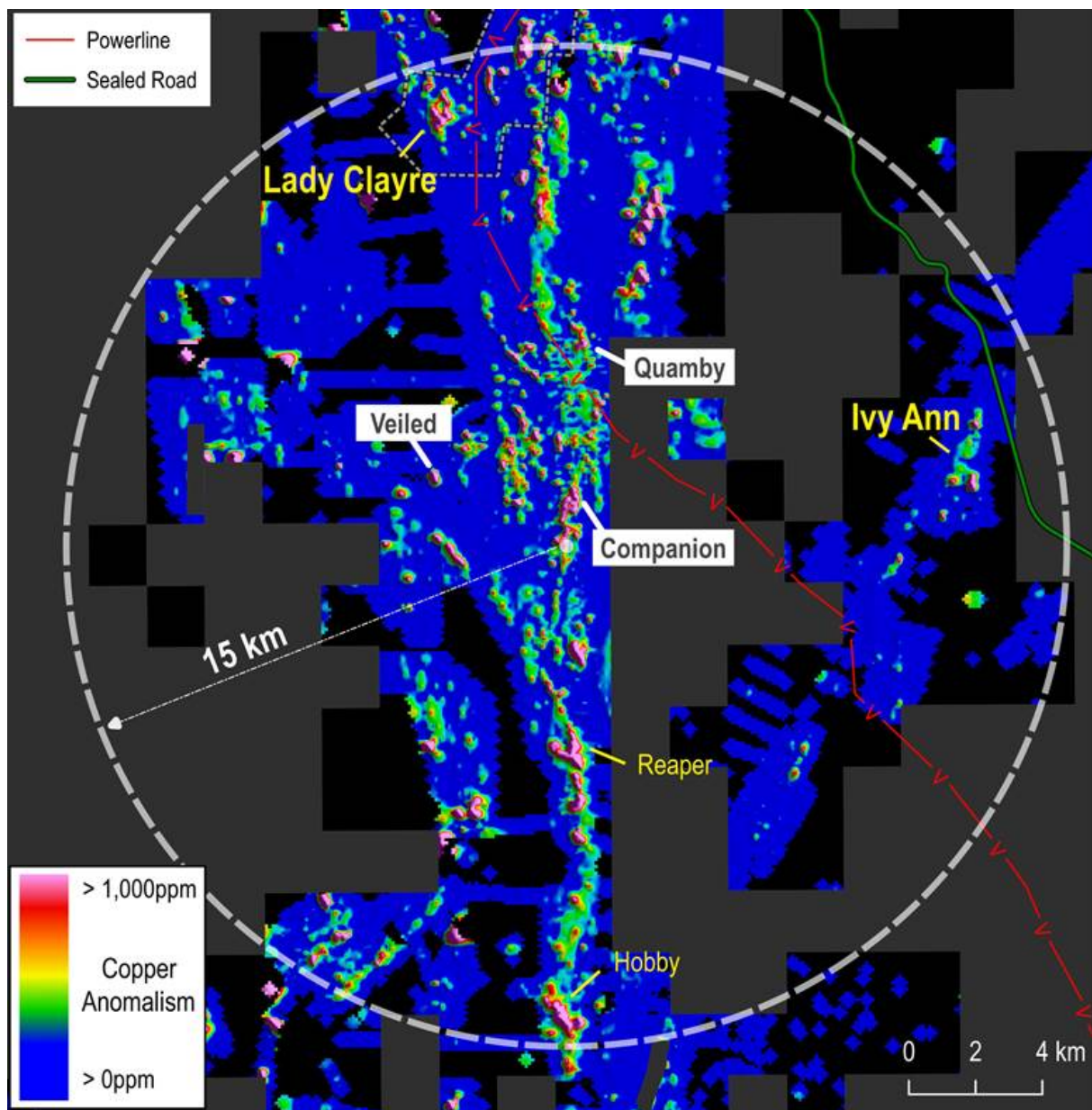


Figure 5: The Companion cluster. Location of the Companion, Veiled and Quamby prospects in relation to the identified resources at Lady Clayre and Ivy Ann and the 2016 discoveries at Reaper and Hobby. The background is levelled copper anomalism from soil sampling from various operators. The outline of Altona's tenure is in black. Altona's Mining Licences are highlighted in the dashed line at top.

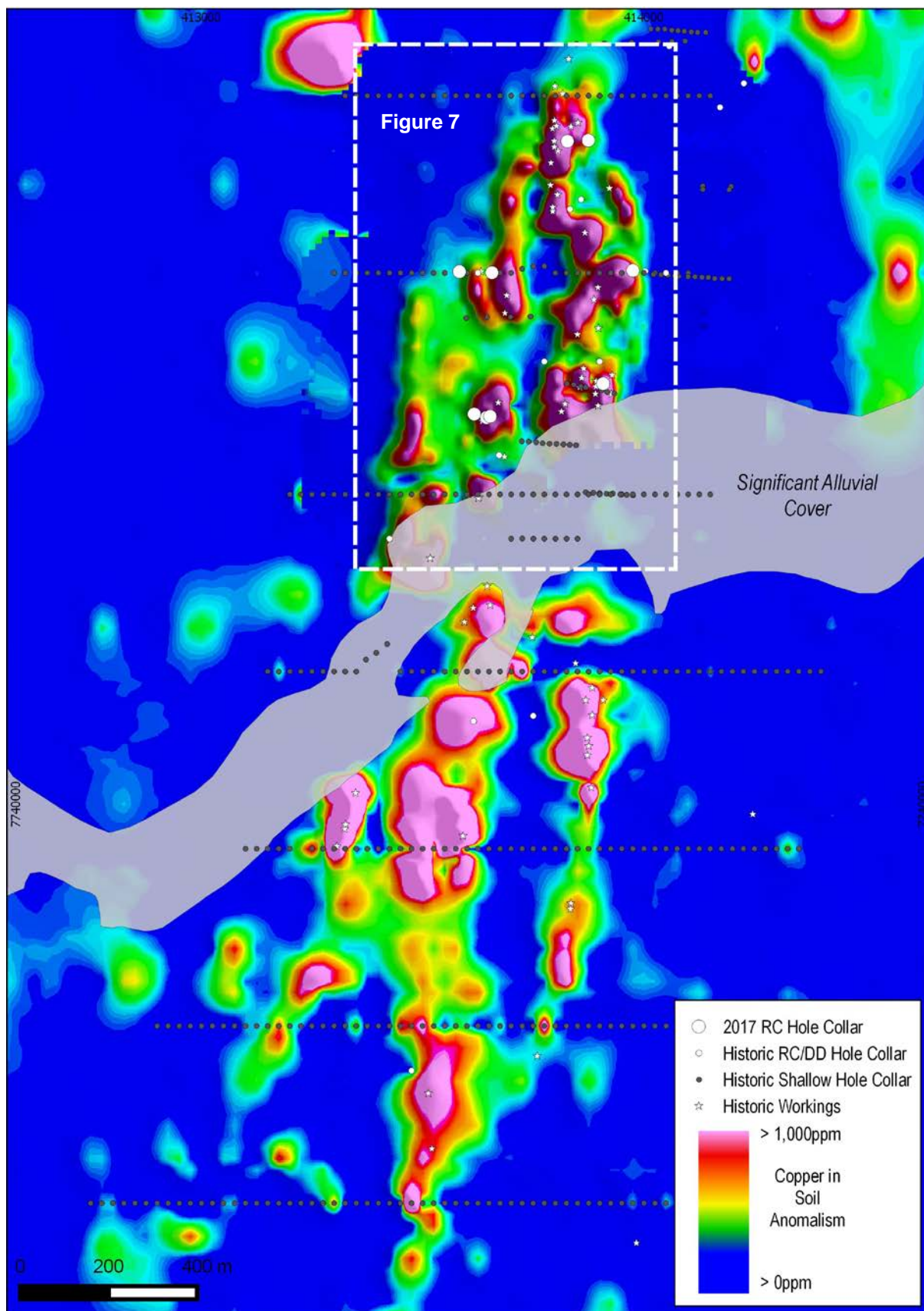


Figure 6: Multiple zones of copper in soil anomalism over 3 kilometres long at Companion showing the location of 2017 drilling and drilling by prior operators.

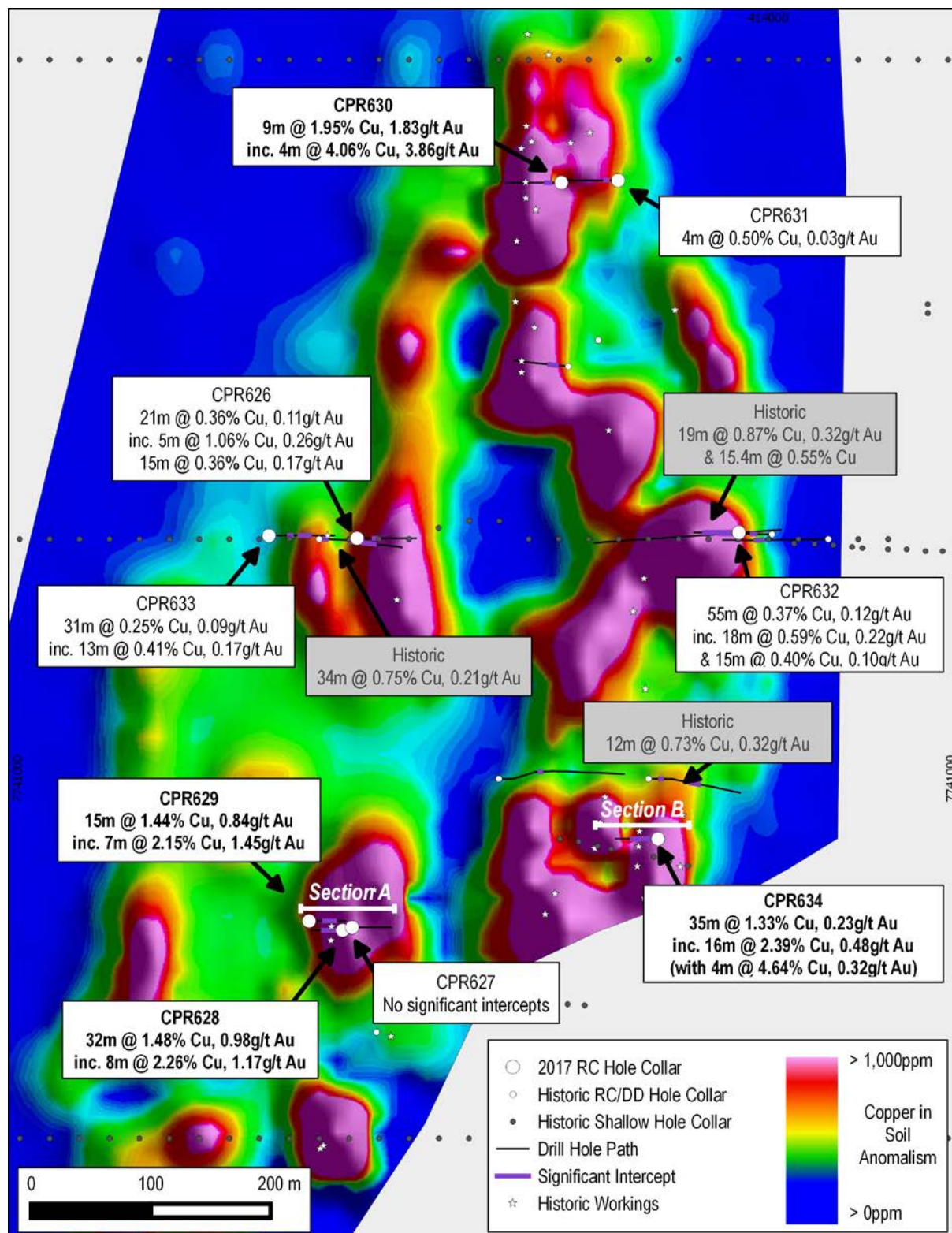


Figure 7: Drill hole location and results from 2017 drill programme at the Companion prospect. Drilling shown in relation to copper in soil anomalism and prior drilling by previous operations.

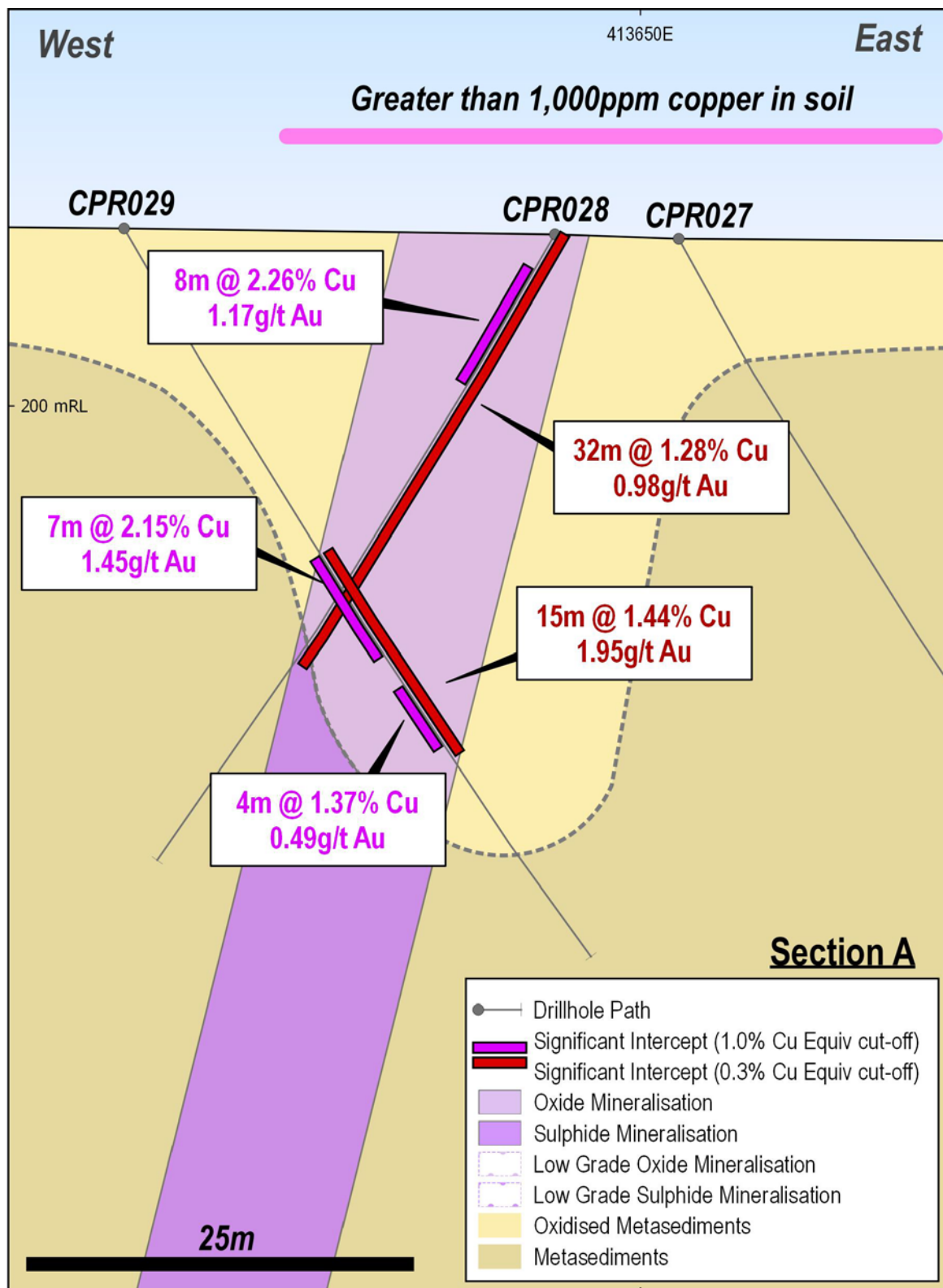


Figure 8: Cross section A from the Companion prospect. Refer to Figure 7 for location.

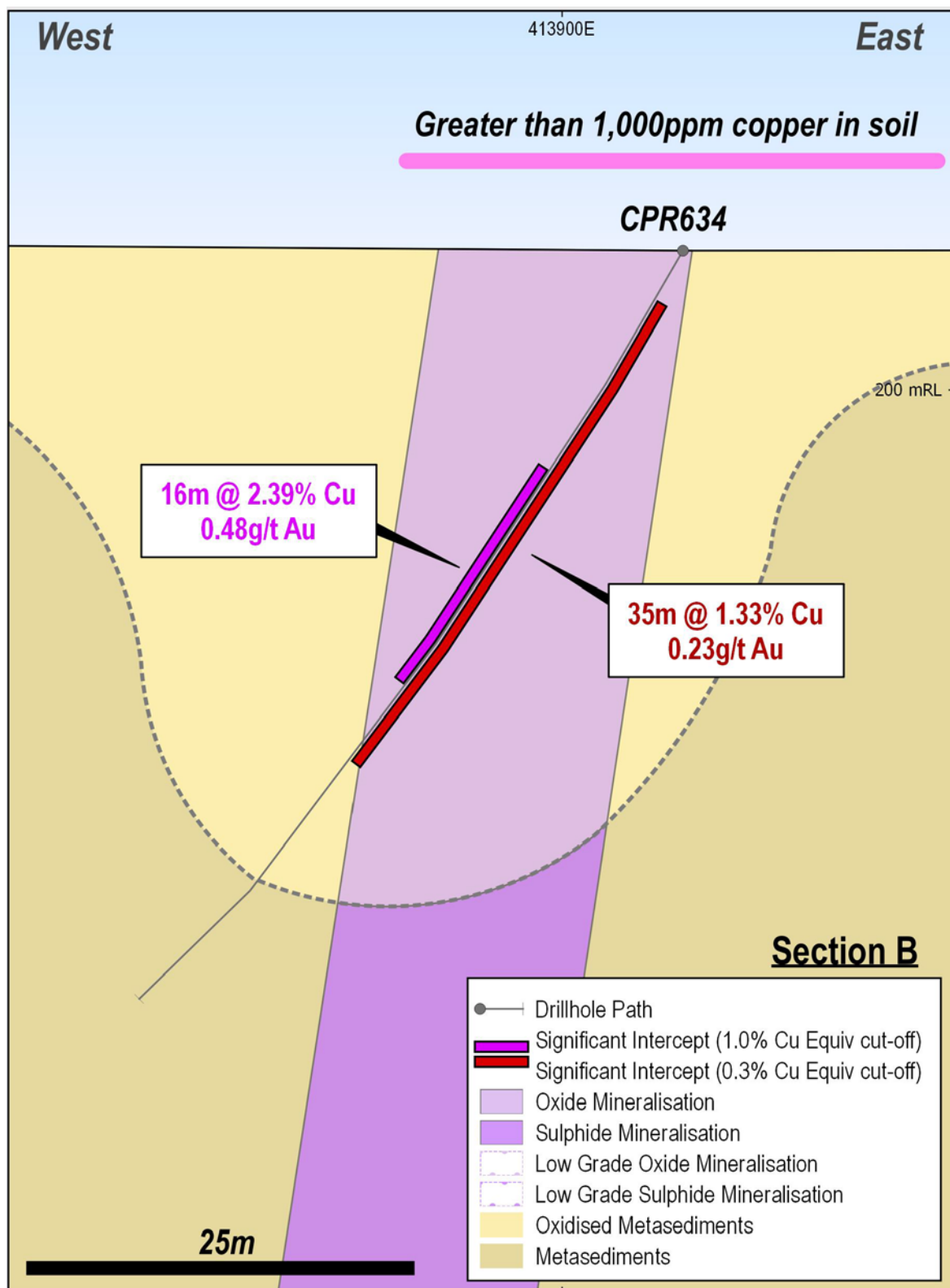


Figure 9: Cross section B from the Companion prospect. Refer to Figure 7 for location.

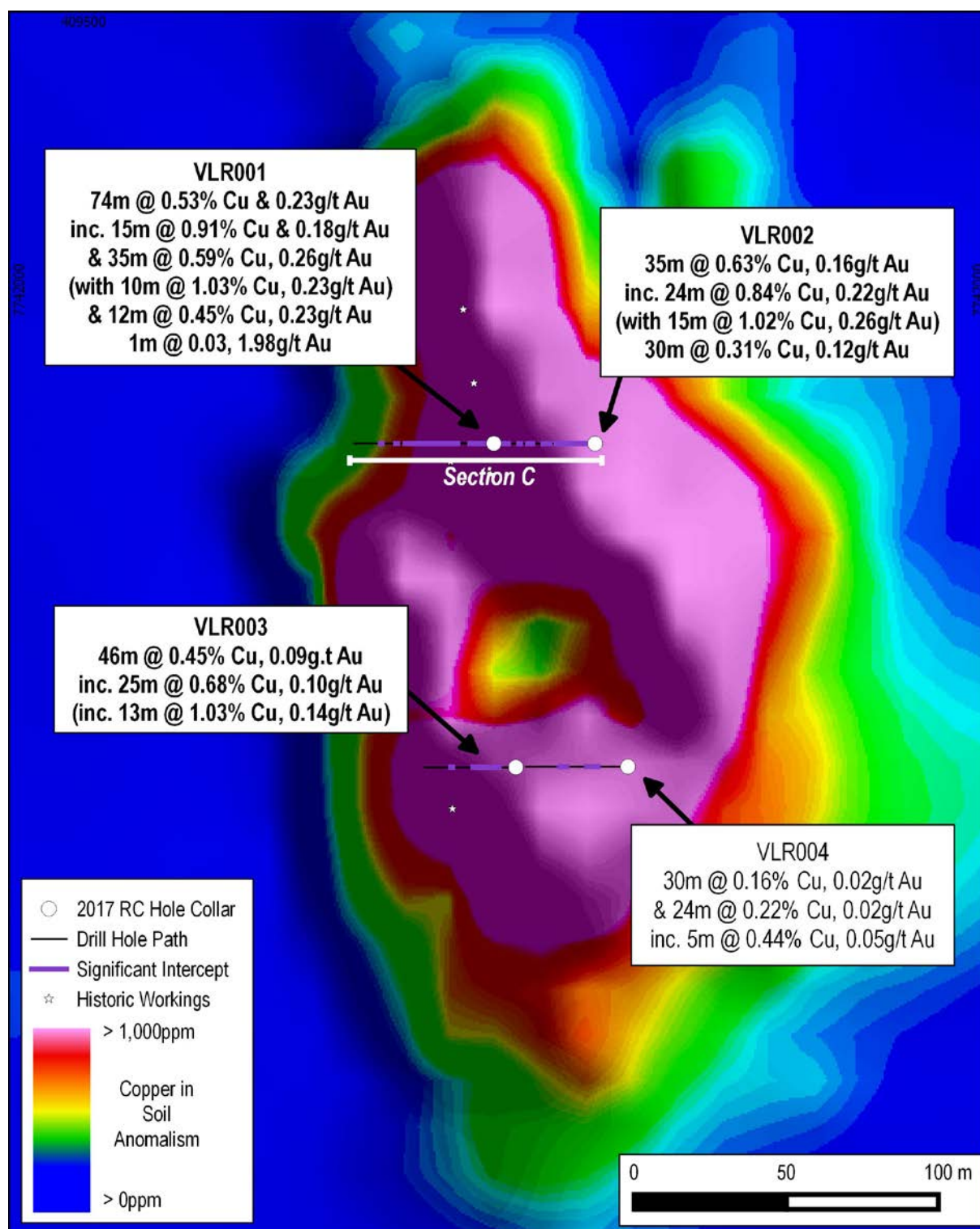


Figure 10: Copper in soil anomalism at the Veiled prospect showing the location of 2017 drilling.

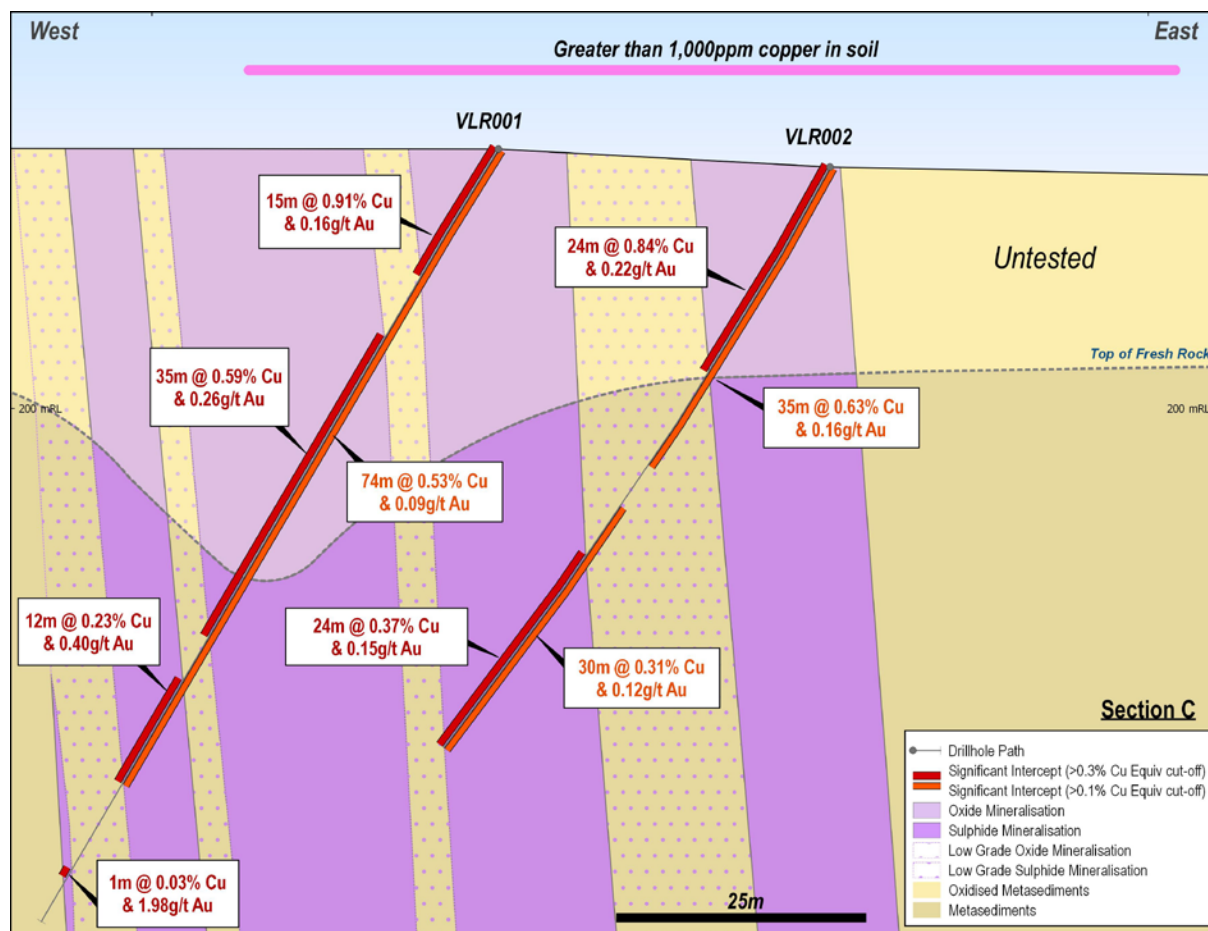


Figure 11: Cross section C at the Veiled Prospect. Refer to Figure 10 for location.

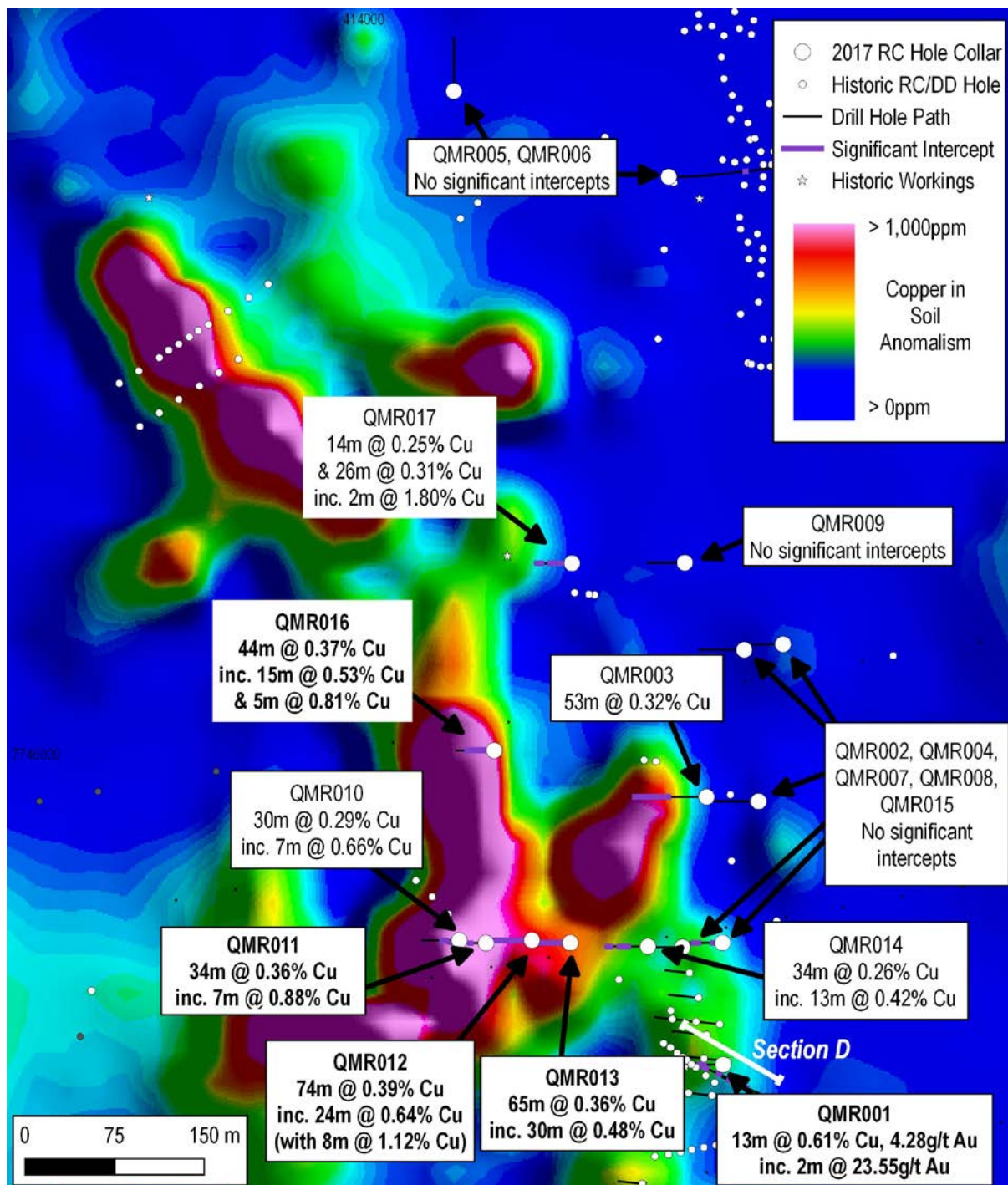


Figure 12: Copper in soil anomalism at the Quamby prospect in relation to 2017 drilling and prior drilling by previous operators.

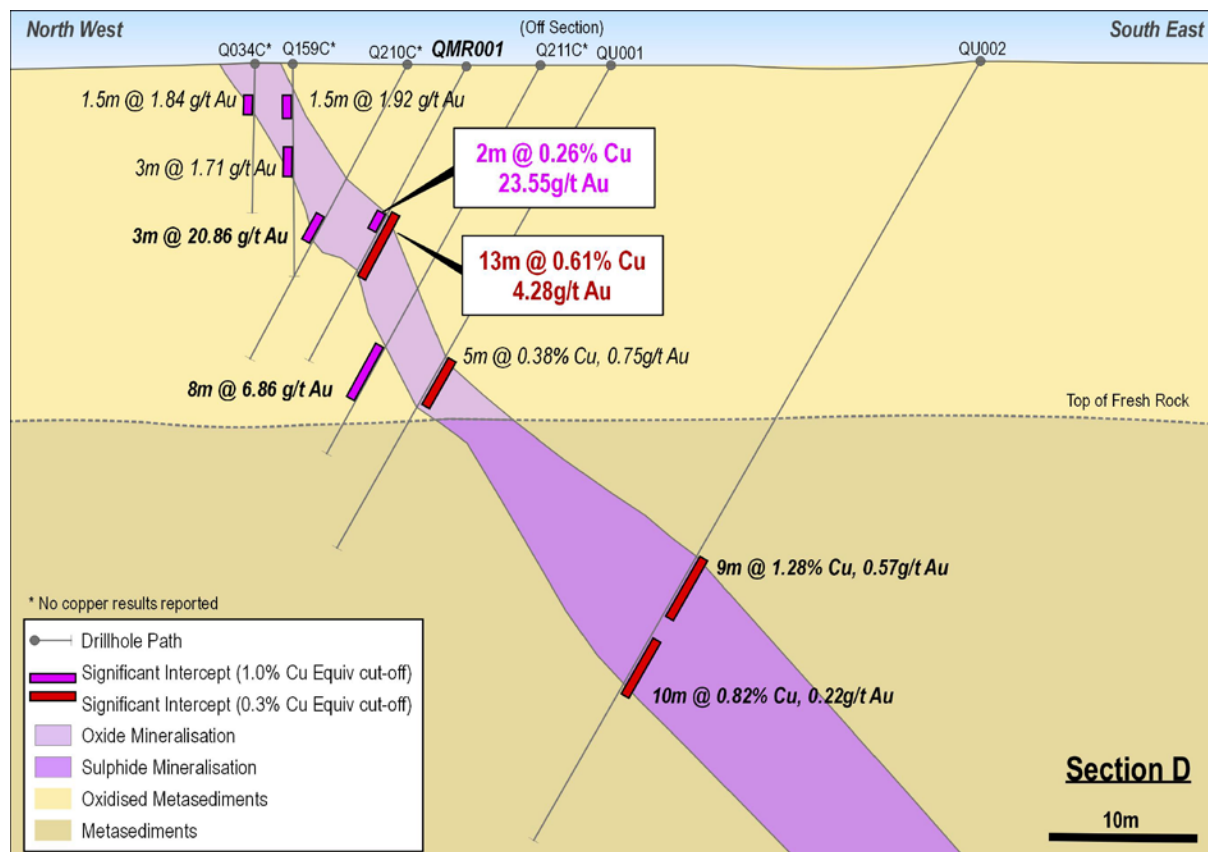


Figure 13: Cross section D at the Quamby prospect. Refer to Figure 12 for location.

Table 1: Significant RC Drill Intersections at 0.3% copper equivalent cut-off grade with sub-intervals at 1.0% copper cut-off grade.

Hole ID	From (metres)	To (metres)	Width (metres)	Copper (%)	Gold (g/t)	CuEq (%)
Companion Prospect						
CPR626 <i>including</i>	22	43	21	0.36	0.11	0.43
	28	33	5	1.06	0.26	1.22
	54	73	15	0.36	0.17	0.57
CPR627	No significant intercepts					
CPR628	0	32	32	1.48	0.98	2.09
	3	11	8	2.26	1.17	2.98
CPR629 <i>including</i>	25	40	15	1.44	1.95	1.95
	25	32	7	2.15	1.45	3.05
	35	39	4	1.37	0.49	1.67
CPR630 <i>including</i>	18	26	8	1.95	1.83	3.09
	18	22	4	4.06	3.86	6.45
CPR631	17	21	4	0.50	0.03	0.52
CPR632 <i>including</i>	0	55	55	0.37	0.12	0.44
	0	18	18	0.59	0.22	0.73
	30	45	15	0.40	0.10	0.46
CPR633 <i>including</i>	33	64	31	0.25	0.09	0.31
	51	64	13	0.41	0.17	0.51
CPR634 <i>including</i>	4	39	35	1.33	0.23	1.47
	17	33	16	2.39	0.48	2.69
Quamby Prospect						
QMR001 <i>including</i>	29	42	13	0.61	4.28	3.27
	30	32	2	0.26	23.55	14.86
QMR002	No significant intercepts					
QMR003	55	108	53	0.32	0.01	0.33
QMR004	No significant intercepts					
QMR005	No significant intercepts					
QMR006	No significant intercepts					
QMR007	No significant intercepts					
QMR008	No significant intercepts					
QMR009	No significant intercepts					
QMR010 <i>including</i>	0	30	30	0.29	0.07	0.33
	22	29	7	0.66	0.02	0.68
QMR011 <i>including</i>	14	48	34	0.36	0.03	0.38
	40	47	7	0.88	0.04	0.90
QMR012 <i>including</i>	0	74	74	0.39	0.05	0.42
	10	38	28	0.34	0.05	0.38
	46	70	24	0.64	0.03	0.66
	62	70	8	1.12	0.02	1.14
QMR013 <i>including</i>	0	65	65	0.36	0.02	0.37
	0	13	13	0.37	0.04	0.39
	25	55	30	0.46	0.01	0.48

Hole ID	From (metres)	To (metres)	Width (metres)	Copper (%)	Gold (g/t)	CuEq (%)
QMR014	32	66	34	0.26	0.04	0.29
<i>including</i>	33	47	14	0.41	0.03	0.42
	59	64	5	0.30	0.09	0.36
QMR015	No significant intercepts					
QMR016	0	44	44	0.36	0.06	0.40
<i>including</i>	17	32	15	0.53	0.09	0.58
	37	42	5	0.81	0.03	0.83
QMR017	11	25	8	0.26	0.06	0.29
	30	56	26	0.31	0.02	0.32
<i>including</i>	53	55	2	1.80	0.15	1.89
Veiled Prospect						
VLR001	0	74	74	0.53	0.23	0.67
<i>including</i>	0	15	15	0.91	0.16	1.00
	22	57	35	0.59	0.26	0.75
	62	74	12	0.23	0.40	0.45
	84	85	1	0.03	1.98	1.26
VLR002	0	35	35	0.63	0.16	0.72
<i>including</i>	0	24	24	0.84	0.22	0.98
	0	15	15	1.02	0.26	1.19
	40	70	30	0.31	0.12	0.39
Hole terminated in mineralisation						
VLR003	0	46	46	0.45	0.09	0.50
<i>including</i>	10	35	25	0.68	0.10	0.74
	13	24	12	1.06	0.14	1.15
VLR004	0	30	30	0.16	0.02	0.17
	36	60	24	0.22	0.02	0.23
<i>including</i>	38	43	5	0.44	0.05	0.47

Table 2: Location of drill hole collars

Hole ID	Hole Type	Easting (metres)	Northing (metres)	Dip (degrees)	Azimuth (degrees)	Final Depth (metres)
Companion Prospect						
CPR626	RC	413657	7741201	-60.5	90	84
CPR627	RC	413652	7740876	-61.0	90	60
CPR628	RC	413644	7740874	-60.0	270	48
CPR629	RC	413617	7740881	-59.9	90	56
CPR630	RC	413827	7741497	-60.2	270	78
CPR631	RC	413874	7741499	-59.3	270	84
CPR632	RC	413975	7741205	-59.2	270	67
CPR633	RC	413583	7741203	-61.4	90	96
CPR634	RC	413908	7740950	-59.9	270	60
Veiled Prospect						
VLR001	RC	409635	7741950	-58.2	270	90
VLR002	RC	409668	7741950	-60.8	270	70
VLR003	RC	409642	7741843	-59.8	270	54
VLR004	RC	409679	7741843	-59.8	270	60
Quamby Prospect						
QMR001	RC	414294	7745744	-60.9	270	60
QMR002	RC	414300	7745840	-60.3	270	60
QMR003	RC	414280	7745958	-60.1	270	108
QUR004	RC	414335	7745960	-59.8	270	80
QMR005	RC	414235	7746480	-60.7	090	174
QMR006	RC	414050	7746550	-60.4	000	84
QMR007	RC	414318	7746087	-60.2	270	72
QMR008	RC	414351	7746092	-60.1	270	60
QMR009	RC	414268	7746160	-61.2	270	60
QMR010	RC	414080	7745844	-61.6	270	60
QMR011	RC	414102	7745842	-59.6	270	60
QMR012	RC	414141	7745844	-60.0	270	75
QMR013	RC	414173	7745842	-60.6	270	66
QMR014	RC	414238	7745839	-60.3	270	66
QMR015	RC	414267	7745838	-60.8	270	60
QMR016	RC	414109	7746003	-61.4	270	60
QMR017	RC	414174	7746160	-60.2	270	60
Total						2,172

APPENDIX 1: TABLE 1 OF THE 2012 EDITION OF THE JORC CODE

The table below is a description of the assessment and reporting criteria used in reporting the Exploration Results that reflects those presented in Table 1 of The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Section 1: Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<p>Sampling was via a reverse circulation (RC) drilling rig to obtain 1 metre samples weighing an average 3-4kg. Samples were produced using a rig mounted cyclone and cone splitter. The majority of the samples were recorded dry. All samples were sent to be analysed at ALS laboratories in Townsville.</p> <p>Soil samples are surface samples (top 10 to 20cm) sieved to -2mm to obtain a ~100g sample size. Sampling is conducted only when dry.</p> <p>Rockchip samples were collected from patchy surface rock subcrop or outcrops and are typically chip samples across exposed rock faces over an area <1m² and are commonly selective targeting mineralised or altered rock exposures.</p> <p>All rockchip and duplicate (referee) soil analyses were analysed at ALS laboratories in Townsville.</p>
Drilling techniques	<p>Reverse circulation using 5.5" face sampling hammer. Drilling was conducted by Kelly Drilling Pty Ltd using a truck mounted Schramm 450WS.</p>
Drill sample recovery	<p>Recovery was visually estimated and recorded. Recoveries are considered to be excellent averaging well over 90%, generally 100%. Occasionally lower recoveries were recorded within the top few meters prior to the casing of the hole.</p> <p>Every individual sample was collected into the cyclone prior to riffle splitting using a cyclone-mounted splitter. Cyclone and sampling equipment was checked and cleaned after each rod.</p> <p>No significant changes in recoveries through the mineralised zones hence no subsequent bias to the grade.</p>
Logging	<p>Logging was completed by Altona Mining geologists at the rig from wet rock chip samples using Altona logging procedures.</p> <p>Logging is qualitative and quantitative including, colour, lithology, mineralisation, alteration, sulphide and oxide mineralogy, sulphide and oxide amount, texture, grain size and structure.</p> <p>All holes were logged in full.</p>
Sub-sampling techniques and sample preparation	<p>No drill core.</p> <p>The RC samples were split to 3-4kg sample weight using a cyclone and riffle splitter. Vast majority of the samples were recorded dry, only few individual wet samples were encountered.</p>

Criteria	Commentary
	<p>Duplicates were split from the original sample using a riffle splitter.</p> <p>The samples were sent to ALS Laboratories in Townsville for sample preparation and analysis. ALS Laboratories use best industry standard sample preparation including drying, crushing and pulverisation.</p> <p>Sample size is considered representative for typical copper mineralisation in the Roseby area. No new sub-sampled data reported.</p>
Quality of assay data and laboratory tests	<p>Drill Samples</p> <p>Samples were analysed using a four acid digest using ICP-AES +/- ICP-MS (method code: ME-MS61) for 48 elements. This included copper, with a detection limit of 0.2 ppm. Four acid digestion is considered a “near-total” digestion.</p> <p>On return of copper values >1% a second series of analyses were undertaken using an ore grade four acid digest, followed by ICP-AES analysis optimised for accuracy and precision at high concentrations (method code Cu-OG62).</p> <p>Gold was analysed using a 50g fire assay and AAS finish (method code: Au-AA24). On return of gold values >10ppm, a second series of analyses were undertaken by fire assay and AAS finish, laboratory method Au-AA26.</p> <p>Quality Control included standards (certified reference materials) inserted into each sample batch to test the accuracy of the laboratory analysis. Standards included blanks and tested a copper range of 1,000ppm to 11,000ppm, and a gold range of 190ppb to 600ppb inserted into the sampling sequence at 1:18 ratio; and field duplicates taken using a riffle splitter on site for every 20th sample. Laboratory checks were also carried out on sample pulps.</p> <p>All duplicate and reference data display acceptable accuracy and precision.</p> <p>No samples were analysed by an umpire laboratory.</p> <p>No geophysical tools were used to determine the results reported here.</p> <p>Soil Samples</p> <p>Soil samples were routinely analysed for copper (and a suite of other elements) using a Niton XL3tGOLDD+ hand-held XRF instrument. Analyses are conducted routinely under controlled conditions in the site office.</p> <p>Quality Control included standards (certified reference materials) used included blanks and tested a copper range of 30ppm to 22,000ppm. Standards were inserted into the sampling sequence at 1:8 ratio and included representative material for copper. The Niton data displays a consistent low bias by 20-30% against the reference data. The low bias of the Niton instrument has been documented over numerous campaigns of sampling in different material types.</p>
Verification of sampling and assaying	<p>Results were checked by several Altona personnel for correlation with geology and field activities supervised by senior Altona personnel.</p> <p>No twinned holes. QMR001 was drilled to confirm historical drilling with significant</p>

Criteria	Commentary
	<p>gold results (for historical data background, refer to Altona Quarterly Report September 2017).</p> <p>All field logging or field sampling data was done using a laptop and uploaded into the company Datashed database and validated by company database personnel.</p> <p>All assay files were received in digital format from ALS Laboratories. All Niton handheld XRF soil data was downloaded from the instrument in digital format. Data was uploaded into the Altona Datashed database and validated by company database personnel. No manual data inserts took place.</p> <p>No adjustments have been applied to the results.</p>
Location of data points	<p>Collar locations have been surveyed using a handheld GPS (Garmin GSMAP78s) with an approximate 5 metre horizontal accuracy.</p> <p>Downhole surveys were completed using non-magnetic Gyro tool for azimuth and dip or were completed using an Eastman downhole single shot camera.</p> <p>Soil sample locations are surveyed using handheld GPS's (Garmin GSMAP78s) with an approximate 5 metre horizontal accuracy.</p> <p>The Grid is GDA94 MGA Zone 54.</p>
Data spacing and distribution	<p>Drill spacing is generally: at Companion three east-west sections at an ~300 metre spacing along strike of angled (~60 degree) RC holes of 48-96 metres depth (down-hole) spaced to test the peaks of copper-in-soil anomalies; at Veiled on two east-west sections at a 80 metre section spacing along strike with two angled (~60 degree) RC holes per section to 54-90 metres depth (down-hole); and at Quamby on six east-west sections at ~80 to 200 metre spacing along strike of angled (~60 degree) RC holes of 60-174 metres depth (down-hole) spaced to test the peaks of copper and gold-in-soil anomalies. At Quamby one hole was drilled with a north azimuth.</p> <p>The soil sample grid spacings are typically: Veiled ~ 20mE by 20mN; Quamby ~20mE by 40mN stepping out to ~40mE by 80mN; and Companion ~20mE by 40mN stepping out to ~40mE by 60mN.</p>
Orientation of data in relation to geological structure	<p>The strike of mineralisation at Companion, Veiled and Quamby is interpreted to be North-South with predominant steep easterly or westerly dips.</p> <p>At Companion drilling results indicated steep westerly dips on the western structure and scissoring holes were drilled to confirm geometries for future deeper drill tests.</p> <p>The dip of mineralisation at the three prospects is poorly understood and the drill intercepts may not represent true widths or be as interpreted on accompanying cross-sections.</p>
Sample security	<p>Drill samples were collected into pre-numbered calico bags, packed directly and shipped by a courier to ALS as they were collected. Unique sample numbers were retained during the whole process. Samples were stored in Altona facilities in</p>

Criteria	Commentary
	<p>Cloncurry prior to the transport to Townsville. Assays pulps and representative RC rock chips for each interval are retained and stored in Altona's facilities in Cloncurry.</p> <p>Soil samples are collected and bagged into pre-numbered plastic clip-lock bags. Unique sample numbers were retained during the whole process. Samples were collected and delivered to the Altona field office daily as they were collected. Soil samples were retained for reference and stored in Altona facilities in Cloncurry.</p>
Audits or reviews	<p>Internal audits and reviews of key datasets collected by Altona have been undertaken. Past exploration data by other explorers has only been validated against the source references.</p> <p>The results from QA/QC samples are routinely analysed by the database manager and geologist on a batch and campaign basis.</p> <p>For laboratory analyses, the accuracy of key elements such as copper and gold was acceptable and the field duplicate assay data was unbiased and shows an acceptable level of precision.</p> <p>For handheld Niton XRF analyses the data may display a consistent bias against the reference data. In contrast laboratory umpire samples from the reported soil anomalies displayed no bias and an acceptable level of precision for the purpose.</p> <p>No external audits or reviews have been undertaken.</p>

Section 2: Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<p>The Quamby prospect sits within Exploration Permit for Minerals ("EPM") 25760. The Companion and Veiled prospects sit within EPM 25761. These EPM's are 100% owned by Altona Mining Ltd, were granted in late 2015 and are in good standing.</p> <p>No joint ventures apply.</p> <p>There are agreements in place with the native title holders, the Kalkadoon people and with landholders.</p> <p>No significant historic sites or national parks are located within the reported exploration sites.</p>
Exploration done by other parties	<p>Previous exploration has been undertaken by several parties at Companion and Quamby. For details refer to the Altona Quarterly Report for September 2017.</p> <p>No previous modern exploration by other parties has been conducted at Veiled. The prospect was identified by soil sampling programs conducted by Altona from 2016 – 2017 which also identified very small early 1900's copper oxide surface workings.</p>

Criteria	Commentary
Geology	<p>Mineralisation is considered to be similar to other IOCG deposits in the area. Mineralisation is hydrothermal, varying from stratabound and structurally controlled.</p> <p>At Companion mineralisation is developed within subparallel steep east and west dipping structures along the 1.2 kilometre of tested extent within a 3 kilometre long copper-in-soil anomaly. Mineralisation occurs as chalcopyrite and pyrite hosted in strongly silicified quartzite and as malachite and goethite in the weathered zone (commonly 30 metres deep).</p> <p>The Veiled prospect is a discrete 'bullseye' high tenor copper-in-soil anomaly. Unrecorded small early 1900's shallow copper oxide workings are centred over the anomaly on north striking structures with local brecciated metasedimentary rocks and gossan outcrop and float. In fresh rock mineralisation occurs as chalcopyrite and pyrite in altered metasedimentary rocks, and as malachite associated with goethite-hematite rich zones in the weathered zone.</p> <p>The mineralisation is locally associated with cobalt with the best intersection being 6 metres at 0.12% (VLR001) from 10 metres including 1 metre at 0.2%.</p> <p>Higher grade copper-gold zones were intercepted within the oxide zone and further drilling is required to determine if these reflect primary mineralisation or a supergene enriched zones. Base of oxidation is approximately 30 metres depth.</p> <p>At Quamby unweathered mineralisation occurs as disseminated chalcopyrite and pyrite hosted in strongly altered metasediments and as malachite, native copper and chalcocite in the weathered zone. The base of oxidation is approximately 25 metres deep.</p>
Drill hole Information	<p>Collar locations, elevations, azimuth, dip and lengths are presented in Table 2 of this release.</p> <p>Down hole widths of the mineralisation are presented in Table 1 of this release.</p>
Data aggregation methods	<p>Standard intercepts were calculated using a 0.1% and 0.3% copper-equivalent cut-off (to take into account the notable gold with copper at Companion and Veiled) and a 1% copper cut-off. A minimum of 4m intercepts are reported here and narrower intercepts equivalent to or better than 4m at 0.3% copper. Typically a maximum of consecutive 4 metres of below 0.3% or 0.1% internal dilution was allowed within each intercepts for intercepts reported at the two lower cut-offs.</p> <p>These exploration results are not from Mineral Resources.</p> <p>Copper Equivalent values (CuEq) are provided in drill intercept summary in Table 1 for comparative reference only. Copper Equivalent (CuEq) values are calculated using a copper price US\$2.95/lb) and a gold price of US\$1,250/ounce). Copper Equivalent (CuEq) grade is calculated by the following equation: $Cu\ Eq. = Cu\% + (Au\ g/t \times 0.62)$. Copper Equivalent values do not take into account the recoverability of copper or gold.</p>

Criteria	Commentary
Relationship between mineralisation widths and intercept lengths	<p>At Companion, Veiled and Quamby drilling orientation is considered to be approximately perpendicular to the strike of mineralisation. The dip of mineralisation at all three prospects is not well constrained</p> <p>At Companion drilling results indicate subvertical to steep westerly and reported intercepts are not true widths.</p> <p>At Veiled steep structures and 'bedding' are mapped at surface but alternative internal flat dips to the broader zone of mineralisation are not precluded by the drill data.</p> <p>At Quamby drilling orientation is considered to be approximately perpendicular to the orientation of the broader copper mineralised structure.</p>
Diagrams	Please refer to Figures 1 to 13 and Tables 1 and 2.
Balanced reporting	<p>The best results for each hole have been reported in Table 1 including all significant results using the criteria described above.</p> <p>These exploration results are not for Mineral Resources.</p> <p>A full compilation of available data collected by Altona and compiled from previous explorers has been referenced in the Altona Quarterly Report for September 2017.</p>
Other substantive exploration data	<p>Exploration results are not for Mineral Resources.</p> <p>Heritage clearance surveys have been completed prior to drilling.</p>
Further work	Additional work will consist of RC and diamond exploration drilling, prospect scale mapping, further surface sampling and ground based geophysics such as IP.

APPENDIX 2: Resource Estimates for the Cloncurry Copper Project.

Deposit	Total			Contained Metal		Measured			Indicated			Inferred		
	Tonnes million	Grade		Copper tonnes	Gold ounces	Tonnes million	Grade		Tonne million	Grade		Tonnes million	Grade	
		Cu %	Au g/t				Cu %	Au g/t		Cu %	Au g/t			
Deposit in Mine Plan														
Little Eva	105.9	0.52	0.09	546,000	295,000	37.1	0.60	0.09	45.0	0.46	0.08	23.9	0.50	0.10
Turkey Creek	21.0	0.59		123,000	-	-	-		17.7	0.59		3.4	0.58	-
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	4.8	0.80	0.21	38,000	32,000	-	-	-	2.3	0.95	0.23	2.5	0.66	0.19
Sub-total	153.3	0.54	0.09	829,000	430,000	37.1	0.60	0.09	74.0	0.52	0.07	42.2	0.53	0.11
Other 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	290.0	0.58	0.05	1,668,000	430,000	64.1	0.63	0.05	99.0	0.55	0.05	126.9	0.57	0.04

JORC 2012 Disclosure is provided in ASX Release of 2 August 2017 entitled "The Cloncurry Project: JORC 2012 Disclosure".

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

Resources have been reported as inclusive of Reserves.