

ASX / Media Release

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DEFINITIVE FEASIBILITY STUDY UPDATE

Highlights

- Sedgman Limited and Norwest Corporation appointed as independent engineers for DFS
- DFS design work on track for completion in the December quarter
- Geotechnical results from previous drilling received indicate competent roof and floor for new mine plan
- Additional geotechnical hole to be drilled in June to define coal strength characteristics for mine design
- Safety plans submitted to MSHA to enable mine re-entry to conduct bulk sampling for plant design, coke testing and marketing
- Site works completed on the highwall and portals in readiness for re-entry

Attila Resources Limited ("Attila") (ASX: AYA/AYAO) is pleased to announce the following update in respect to the Definitive Feasibility Study ("DFS") on its Kodiak Coking Coal Project in Alabama, USA.

Following receipt of gas desorption test work results, geotechnical data from the Phase 1 drill program and with the appointment of Attila's new management team, the Board has engaged leading engineering firms Sedgman Limited ("**Sedgman**") and Norwest Corporation ("**Norwest**") to complete the core mine, processing and infrastructure design for the DFS.

Sedgman, which specialises in the design, construction and operation of coal handling and preparation plants (CHPPs), has been engaged by Attila to undertake all aspects of the DFS relating to the preparation and handling of the coal and surface infrastructure.

Norwest, a leading US based natural resources consultancy with a global reputation, has been engaged by Attila to undertake all mining aspects of the DFS including mine planning and design, hydrology, geotechnical design and ventilation engineering.

A successful engineering workshop was completed on site in May involving key engineering and executive staff from Sedgman and Norwest, together with key project and executive staff from Attila.



The full scope of the DFS work program was reviewed and finalized with the expected completion of design work due in the December quarter. Attila remains fully funded to complete the DFS.

Mine Re-entry

Attila is nearing completion of the approval process to allow the Company to re-access the old Coke Mine No.1 workings to enable collection of a bulk sample for plant design, further coal analysis and marketing samples. The required safety plans and procedures have been submitted to the district office of the Mine Safety and Health Administration (MSHA) for approval, mine dewatering has successfully lowered the water levels in the mine to the level required to carry out bulk sampling and site works on the highwall and portals have been completed in readiness (Refer Figures 1 and 2).

Following approval of the safety plans, which is expected in June, Attila will reopen the portals. Reentry into the old workings will be a significant milestone in the development of the Kodiak Coking Coal Project. The sampling will form the basis for the key design work to be undertaken in the coming months and for market development.

Geotechnical Data

All geotechnical data has now been received from the Phase 1 drill program and reviewed by Norwest and their geotechnical specialists as well as Stagg Resources, Attila's consulting geologists and engineers. The review confirmed that both the Coke and the Atkins seams have competent roof and floors and will only require regulation bolting patterns.

Following the meeting with the DFS engineers in May, an additional limited program of geotechnical work, incorporating one diamond drill hole and a wedging program will be undertaken to characterize the coal strength parameters for both the Coke and Atkins seams. Drilling will be completed in June with the results interpreted and incorporated into the DFS mine design work, specifically pillar design.

About Sedgman

Sedgman are recognised internationally for their coal processing and materials handling technologies and expertise in cleaning coal.

With more than 30 years' experience at the top of coal technology, Sedgman provide efficient coal processing solutions and certainty in delivery of projects. Sedgman are the world's first specialist engineering company to own and operate coal preparation and handling infrastructure. They have successfully delivered over 100 coal handling or coal handling and preparation plants globally.

Sedgman are currently delivering major coal projects in Australia in the key coal regions of the Bowen and Gunnedah Basins. Globally, they have delivered major coal projects in key emerging coal regions including North America, Mongolia, South Africa, Columbia and Mozambique.

About Norwest

Norwest provides specialist consulting and engineering services to mining and energy companies around the world with over 250 employees in offices in USA, Canada and India.



Norwest's extensive underground experience in coal and other strata bound commodities encompasses mine design, geotechnical services, production scheduling, services design, mining method selection, financial evaluation and field services. Norwest have undertaken projects for leading resource companies and banks globally and with extensive experience in North and South America.



Figure 1: Site works have been undertaken to enable re-opening of the portals in accordance with MSHA standards



Figure 2: Highwall preparation in readiness for mine re-entry

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