



ATTILA RESOURCES LIMITED

ACN 142 165 080

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
The Subiaco Hotel, 465 Hay Street, Subiaco, Western
Australia on Monday 24th November 2014 at 11.00 am (WST).**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (08) 6142 0989.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

ATTILA RESOURCES LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Attila Resources Limited (**Company**) will be held at The Subiaco Hotel, 465 Hay Street, Subiaco, Western Australia on Monday 24 November 2014 at 11.00 am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on Saturday 22 November 2014 at 11:00 am (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2014, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 - Remuneration Report

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairman to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 - Re-election of Director - Mr Russell Clark

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That Mr Russell Clark, who retires in accordance with Article 6.3 of the Constitution and being eligible, offers himself for election, be elected as a Director."

4. Resolution 3 - Re-election of Director - Mr Evan Cranston

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That in accordance with Article 6.3 of the Constitution and for all other purposes, Mr Evan Cranston is elected as a Director on the terms and conditions in the Explanatory Memorandum."

5. Resolution 4 - Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 5 - Approval of Employee Share Option Plan

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Exception 9(b) in ASX Listing Rule 7.2 and for all other purposes, the Shareholders approve the issue of securities under the Company's existing Employee Share Option Plan as detailed in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any Director, other than any Directors who are ineligible to participate in any employee incentive scheme in relation to the Company, and any of their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Resolution 6 - Ratification of issue of Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,082,100 Shares on the terms and conditions in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who participated in the issue of the Shares.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 7 - Ratification of issue of Performance Rights

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Performance Rights on the terms and conditions in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who participated in the issue of the Performance Rights.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 8 - Ratification of issue of Clark Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,500,000 Options on the terms and conditions in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who participated in the issue of the Options.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. Resolution 9 - Ratification of issue of Sullivan Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,500,000 Options on the terms and conditions in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who has participated in the issue of the Options.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. Resolution 10 - Appointment of auditor

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That subject to ASIC granting its consent to the resignation of the Company's current auditor, Maxim Audit, for the purposes of section 327B of the Corporations Act and for all other purposes, KPMG, having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company."

BY ORDER OF THE BOARD

Oonagh Malone.

Oonagh Malone
Company Secretary

Dated: 21 October 2014

ATTILA RESOURCES LIMITED

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EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Subiaco Hotel, 465 Hay Street, Subiaco Western Australia on Monday 24 November 2014 at 11.00 am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 - Remuneration Report
Section 5:	Resolution 2 - Re-election of Director - Mr Russell Clark
Section 6:	Resolution 3 - Re-election of Director - Mr Evan Cranston
Section 7:	Resolution 4 - Approval of 10% Placement Facility
Section 8:	Resolution 5 - Approval of Employee Share Option Plan
Section 9:	Resolution 6 - Ratification of issue of Shares
Section 10:	Resolution 7 - Ratification of issue of Performance Rights
Section 11:	Resolution 8 - Ratification of issue of Clark Options
Section 12:	Resolution 9 - Ratification of issue of Sullivan Options
Section 13:	Resolution 10 - Appointment of auditor
Schedule 1:	Definitions
Schedule 2:	Terms and Conditions of Clark Options
Schedule 3:	Terms and Conditions of Sullivan Options
Schedule 4:	Nomination of Auditor

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

In accordance with sections 250BD and 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1 and:

- (c) the person is appointed as proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution, but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2014.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.attilaresources.com;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 - Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the managing director if the

Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2013 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2015 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolution 2 - Re-election of Director - Mr Russell Clark

Article 6.2(b) of the Constitution gives the Directors authority to appoint other Directors.

Mr Russell Clark was appointed as a Director on 11 March 2014.

Article 6.3(j) of the Constitution states that any Director appointed in accordance with Article 6.2(b) must retire at the next annual general meeting and is eligible for re-election.

Accordingly, Mr Russell Clark resigns as a Director at this annual general meeting and being eligible seeks approval to be re-elected as a Director.

Mr Russell Clark is a highly experienced and successful senior resources sector executive, and has more than 35 years' experience in technical roles, project management, general management and executive positions at projects in the USA, Africa, Papua New Guinea, and throughout Australia.

The Board (excluding Mr Russell Clark) recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 - Re-election of Director - Mr Evan Cranston

Listing Rule 14.4 and Article 6.3(c) of the Constitution require that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number).

Article 6.3(f) of the Constitution provides that a Director who retires is eligible for re-election.

The Company currently has 6 directors, and accordingly, two must retire.

Pursuant to these Articles, Mr Evan Cranston will retire by rotation and, being eligible, will seek re-election.

Mr Cranston is a corporate lawyer with over 8 years' experience. He has extensive experience in the areas of public listed entities including capital raisings, initial public offerings and liaison with market analysts and potential investors, together with corporate governance, the ASX's Listing Rules and the Corporations Act.

The Board (excluding Mr Cranston) recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 - Approval of 10% Placement Facility

7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Based on the ASX closing price on 17 October 2014, the Company has a market capitalisation of approximately \$23.3 million. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 4.

7.2 Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue one quoted classes of Equity Securities, Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 83,135,164 Shares and therefore has a capacity to issue:

- (i) 12,470,274 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 4 8,313,516 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c)).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

7.3 Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

7.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options or Convertible Notes, only if the Options or Convertible Notes are converted into Shares). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.
- (d) The table also shows:
 - (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.140 50% decrease in Issue Price	\$0.280 Issue Price	\$0.560 100% increase in Issue Price
Current Variable A 83,135,164 Shares	10% Voting Dilution	8,313,516 Shares	8,313,516 Shares	8,313,516 Shares
	Funds raised	\$1,163,892	\$2,327,784	\$4,655,569
50% increase in current Variable A 124,702,746 Shares	10% Voting Dilution	12,470,275 Shares	12,470,275 Shares	12,470,275 Shares
	Funds raised	\$1,745,839	\$3,491,677	\$6,983,354
100% increase in current Variable A 166,270,328 Shares	10% Voting Dilution	16,627,033 Shares	16,627,033 Shares	16,627,033 Shares
	Funds raised	\$2,327,785	\$4,655,569	\$9,311,138

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options or Convertible Notes (including any Options or Convertible Notes issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is \$0.280, being the closing price of the Shares on ASX on 17 October 2014.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period.
- (f) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration for the acquisition of new energy and resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition such due diligence costs and external advisors) and continued exploration on the Company's current coal assets in Alabama, United States.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The allottees under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

Further, if the Company is successful in acquiring new energy and resources assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (j) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 29 November 2013. In the 12 months preceding the date of the 2014 Annual General Meeting

and as at the date of this Notice, the Company has issued 25,135,558 Equity Securities (including the conversion of 9,542,958 from one class of Equity Securities to another). This represents 20.9% of the total number of Equity Securities on issue at the commencement of that 12 month period and an increase in total Equity Securities on issue of 13.0% during the 12 month period (taking into account conversion from one class of Equity Securities to another).

Details of each issue of Equity Securities by the Company during the 12 months preceding the date of the 2014 Annual General Meeting are set out in the table below:

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice
11/11/13	6,503,000	Shares	Institutional and sophisticated investors	An issue price of \$0.60 per share, representing a premium of 9.17% to the market price at the date of issue	\$3,901,800 was raised of which approximately \$1,500,000 has been spent on the development of the Kodiak Coking Coal Project and general working capital.
31/12/13	2,002,324	Shares ¹	Convertible Noteholder	An issue price of \$0.420665 per share, representing a discount of 14.15% to the market price at the date of issue	Payment of interest due to convertible noteholders in lieu of \$842,301.37 cash.
21/02/14	7,500	Shares ²	Listed Option Holders (conversion of listed options)	An issue price of \$0.20 per share	\$1,500 was raised of which nil has been spent. The funds will be used to develop the Kodiak Coking Coal Project and for general working capital.
11/03/14	1,000,000	Unlisted Options ³	Russell Clark	An exercise price of \$0.5888 (no discount to market price)	Nil consideration
11/03/14	500,000	Unlisted Options ⁴	Russell Clark	An exercise price of \$0.7247 (no discount to market price)	Nil consideration
13/03/13	1,500,000	Shares ²	Former Directors (conversion of unlisted options)	An issue price of \$0.20 per share	\$300,000 was raised of which nil has been spent. The funds will be used to develop the Kodiak Coking Coal Project and for general working capital.
15/04/14	1,000,000	Unlisted Options ⁵	Scott Sullivan	An exercise price of \$0.5251 (no discount to market price)	Nil consideration
15/04/14	500,000	Unlisted Options ⁶	Scott Sullivan	An exercise price of \$0.6463 (no discount to market price)	Nil consideration

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount	Consideration & Use of Funds as at the date of this Notice
17/06/14	531,198	Shares ²	Listed Option Holders (conversion of listed options)	An issue price of \$0.20 per share	\$106,339.60 was raised of which nil has been spent. The funds will be used to develop the Kodiak Coking Coal Project and for general working capital.
30/06/14	3,079,776	Shares ¹	Convertible Noteholder	An issue price of \$0.2720 per share, representing a discount of 28.42% to the market price at the date of issue	Payment of interest due to convertible noteholders in lieu of \$837,698.63 cash.
11/07/14	6,511,760	Shares ²	Listed Option Holders (conversion of listed options)	An issue price of \$0.20 per share	\$1,302,352 was raised of which nil has been spent. The funds will be used to develop the Kodiak Coking Coal Project and for general working capital.
25/06/14	1,000,000	Performance Rights ⁷	Scott Sullivan	Nil	Nil consideration
08/08/14	1,000,000	Shares ²	Former Director (conversion of unlisted options)	An issue price of \$0.20 per share	\$200,000 was raised of which nil has been spent. The funds will be used to develop the Kodiak Coking Coal Project and for general working capital.

Notes:

¹ Each convertible note has a face value of \$500,000 and is convertible to 1,000,000 shares at a conversion price of \$0.50 per share. The coupon is 12% per annum calculated on the face value of the note.

² During the 12 month period, 7,040,958 listed options were exercised at an exercise price of \$0.20 each raising \$1,408,191.60 and 2,500,000 unlisted options were exercised at an exercise price of \$0.20 each raising \$500,000. This does not change the number of equity securities on issue.

³ Options exercisable at \$0.5888 each on or before 11 March 2017.

⁴ Options vesting after 12 months continuous service and exercisable at \$0.7247 each on or before 11 March 2017.

⁵ Options exercisable at \$0.5251 each on or before 15 April 2017.

⁶ Options vesting after 12 months continuous service and exercisable at \$0.6463 each on or before 15 April 2017.

⁷ Performance rights vesting subject to performance criteria being achieved and expiring on 25 June 2019. On vesting, shares will be issued for no consideration.

- (k) A voting exclusion statement is included in the Notice.
- (l) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

8. Resolution 5 - Approval of Employee Share Option Plan

8.1 Background

The Company considers that it is desirable to maintain an Option plan pursuant to which the Company can issue Options to eligible employees and consultants in order to provide them with an incentive to deliver growth and value to all Shareholders, accordingly the Company proposes to retain its Employee Share Option Plan (**Plan**). A summary of the terms of the Plan was included in the Company's prospectus dated 19 October 2010 in accordance with ASX Listing Rule 7.1, Exception 9(a). A complete copy of the Plan is available by contacting the Company Secretary who will provide a copy of the Plan free of charge.

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Options in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of which is contained in Section 8.3.

Resolution 5 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 5.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

8.2 Reasons for the Plan

The Company established the Plan as a long-term incentive to recognise talent and motivate employees and consultants to strive for performance.

The Company wishes to exempt issues of securities under the Plan from contributing towards the rolling annual limit of 15% of issued Shares prescribed by Listing Rule 7.1. This limit otherwise applies to all new issues of equity securities made without Shareholder approval. Shareholder approval of the Plan is therefore sought under Listing Rule 7.2, Exception 9(b), whereby the Shareholders may approve in advance the issue of Options made under the Plan as an exception to the limit under Listing Rule 7.1.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan.

Since the Plan was established and its terms were set out in the Company's prospectus dated 19 October 2010, 250,000 Options have been issued under the terms of the Plan.

Pursuant to the Listing Rules, Shareholders must re-approve the Plan and all unallocated Options issuable pursuant thereto every 3 years.

8.3 Summary of the Plan

The Plan satisfies certain ASIC class order conditions, relieving the Company from the obligation to issue a prospectus for the offer of Options to eligible

participants other than consultants under the Plan. Any issue of Options to consultants will require disclosure by the issue of a prospectus unless one of the exclusions in section 708 of the Corporations Act apply.

This section gives a brief summary of the rules of the Plan.

- (a) Shares issued on exercise of Options will upon issue rank equally with other Shares of the Company.
- (b) An Option may only be exercised after that Option has vested (if any vesting conditions are imposed), after any conditions associated with the exercise of the Option are satisfied and before its expiry date. The Board may determine whether any vesting conditions will apply and what those vesting conditions will be. The Board may in its absolute discretion determine any further conditions on the exercise of an Option.
- (c) The Exercise Price of each Option issued under the Plan will be determined by the Board when it resolves to offer the Options, and will be not less than 80% of the average closing sale price of the Shares on ASX over the 5 Trading Days immediately preceding the date of offer to a proposed participant.
- (d) The expiry date of an Option will be determined by the Board, and will be no later than 5 years from the date of issue.
- (e) An Option will lapse:
 - (i) immediately upon the first to occur of its expiry date, or the participant acting fraudulently, dishonestly or in breach of the participant's obligations to the Company;
 - (ii) after 10 days of the Company issuing a notice of meeting to convene a Shareholders' meeting to enter into a scheme of arrangement which would result in any person having a relevant interest of not less than 90% of the Shares;
 - (iii) after 30 days of the employee voluntarily resigning or of any person acquiring a relevant interest of not less than 90% of the Shares; and
 - (iv) after 6 months of a participant's death, permanent illness or physical or mental incapacity or a participant's redundancy other than as a direct result of the sale of the Company.
- (f) If the Board considers that a change of control event has occurred or is likely to occur, or if any person having a relevant interest in not less than 90% of the Shares proposes to enter into a scheme of arrangement which would result in any person having a relevant interest in not less than 90% of the Shares, then the Board may declare that an Option may vest.
- (g) Options may not be transferred other than to a nominee of the participant, within the meaning prescribed under tax legislation in Australia. Quotation of Options on ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of Options.

- (h) There are no participating rights or entitlements inherent in the Options and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 9 Business Days after the issue is announced.
- (i) If the Company makes an issue of Shares to Shareholders by way of capitalisation of profits or reserves (Bonus Issue), each participant holding any Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him or her upon exercise of any of those Options, the number of Shares which would have been issued under the Bonus Issue (Bonus Shares) to a person registered as holding the same number of Shares as that number of Shares to which the participant may subscribe for, pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise).
- (j) In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each participant is entitled or the exercise price of his or her Options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the Listing Rules.

9. Resolution 6 - Ratification of issue of Shares

9.1 General

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 5,082,100 Shares.

In accordance with the terms of the convertible notes that raised \$13,000,000 to fund the acquisition of the Kodiak Project the Company is required to pay a coupon of 12% per annum in arrears paid annually for the first year and then half yearly thereafter. The coupon may be paid in either cash or the issue of Shares, at the election of the Company. The Company elected to pay the coupon in Shares and made the following issues of Shares to the convertible noteholders:

Date of issue	Number of Shares
31 December 2013	2,002,324
30 June 2014	3,079,776

9.2 Listing Rule 7.4

In accordance with Listing Rule 7.1, the Company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1.

The Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

The effect of the Shareholders passing Resolution 6 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 6 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 6.

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

9.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares:

- (a) 5,082,100 Shares were issued;
- (b) the Shares were issued at an issue price of nil as they were issued in lieu of a cash interest payment;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to the convertible noteholders;
- (e) no funds were raised from the issue as the Shares were issued in lieu of a cash interest payment; and
- (f) a voting exclusion statement is included in the Notice for Resolution 6.

10. Resolution 7 - Ratification of issue of Performance Rights

10.1 General

On 25 June 2014, the Company issued 1,000,000 Performance Rights to Mr Scott Sullivan as part of his agreed remuneration package.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Performance Rights.

A summary of Listing Rules 7.1 and 7.4 is set out in Section 9.2 above.

The effect of the Shareholders passing Resolution 7 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 7 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 7.

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

10.2 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Performance Rights:

- (a) 1,000,000 Performance Rights were issued on 25 June 2014;
- (b) the Performance Rights were issued at an issue price of nil;
- (c) the Performance Rights were issued on the terms and conditions of the Performance Rights Plan;
- (d) the Performance Rights were issued to Mr Scott Sullivan;
- (e) no funds were raised from the issue of the Performance Rights as the Performance Rights were issued for nil cash consideration; and
- (f) a voting exclusion statement is included in the Notice for Resolution 7.

11. Resolution 8 - Ratification of issue of Clark Options

11.1 General

On 11 March 2014, the Company issued 1,500,000 Options to Mr Russell Clark as part of his agreed remuneration package. These Options were comprised of 1,000,000 Tranche A Options and 500,000 Tranche B Options (**Clark Options**). The terms of the Tranche A Options and the Tranche B Options are in Schedule 2.

Shareholder approval under Listing Rule 10.11 was not required for the issue of the Clark Options as Listing Rule 10.12 Exception 6 applied.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Clark Options.

A summary of Listing Rules 7.1 and 7.4 is set out in Section 9.2 above. The effect of the Shareholders passing Resolution 8 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 8 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 8.

11.2 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Clark Options:

- (a) 1,500,000 Clark Options were issued on 11 March 2014;
- (b) the Clark Options were issued at an issue price of nil;
- (c) the Clark Options were issued on the terms and conditions set out in Schedule 2;
- (d) the Clark Options were issued to Mr Russell Clark;
- (e) no funds were raised from the issue of the Clark Options as the Clark Options were issued for nil cash consideration; and
- (f) a voting exclusion statement is included in the Notice for Resolution 8.

12. Resolution 9 - Ratification of issue of Sullivan Options

12.1 General

On 15 April 2014, the Company issued 1,500,000 Options to Mr Scott Sullivan as part of his agreed remuneration package. These Options were comprised of 1,000,000 Tranche A Options and 500,000 Tranche B options (**Sullivan Options**). The terms of the Tranche A Options and the Tranche B Options are in Schedule 3. Mr Sullivan is the Chief Executive Officer of the Company.

Resolution 9 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Sullivan Options.

A summary of Listing Rules 7.1 and 7.4 is set out in Section 9.2 above.

The effect of the Shareholders passing Resolution 9 will be to allow the Company to issue securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without obtaining prior Shareholder approval.

Resolution 9 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 9.

The Board unanimously recommends that Shareholders vote in favour of Resolution 9.

12.2 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the Sullivan Options:

- (a) 1,500,000 Sullivan Options were issued on 15 April 2014;
- (b) the Sullivan Options were issued at an issue price of nil cash consideration;

- (c) the Sullivan Options were issued on the terms and conditions set out in Schedule 3;
- (d) the Sullivan Options were issued to Mr Scott Sullivan, who is not a related party of the Company;
- (e) no funds were raised from the issue of the Sullivan Options as the Sullivan Options were issued for nil cash consideration; and
- (f) a voting exclusion statement is included in the Notice for Resolution 9.

13. Resolution 10 - Appointment of auditor

Maxim Audit, the Company's current auditors, have resigned as the Company's auditors effective at the conclusion of the Meeting, subject to the receipt of consent from ASIC.

As required by section 329(5) of the Corporations Act, Maxim Audit has applied to ASIC for consent to resign as the Company's auditors. This Resolution is conditional upon the receipt of ASIC's consent to the resignation of Maxim Audit. The Company anticipates that this consent will be obtained by the date of the Meeting.

In accordance with the requirements of section 327B of the Corporations Act, the Company is required to fill any vacancy in the office of auditor at the Meeting.

In accordance with section 328B of the Corporations Act, notice in writing nominating KPMG as the Company's new auditor has been given to the Company by a Shareholder. A copy of this notice is included in Schedule 4. The Company has received the consent of KPMG to act as auditor of the Company if approved by Shareholders.

If ASIC consent to the resignation of Maxim Audit is obtained prior to the Meeting and the ordinary resolution is passed, the appointment of KPMG will take effect at the conclusion of the Meeting.

Resolution 10 is an ordinary resolution.

The Chairman will cast all available proxies in favour of Resolution 10.

The Board unanimously recommends that Shareholders vote in favour of Resolution 10.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 7.1.

10% Placement Period has the meaning given in Section 7.2(f).

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2014.

Article means an article of the Constitution.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors of the Company.

Chairman means the person appointed to chair the Meeting of the Company convened by the Notice.

Clark Options has the meaning given in Section 10.1.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Attila Resources Limited ACN 142 165 080.

Constitution means the constitution of the Company as at the date of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of annual general meeting.

Option means an option which entitles the holder to subscribe for one Share.

Performance Rights means a performance right which entitles the holder to subscribe for one Share.

Performance Rights Plan means the performance rights plan approved by Shareholders at a meeting held on 27 March 2013. The terms and conditions of the performance rights plan are summarised in the Company's notice of meeting announced on 26 February 2014.

Plan has the meaning given in Section 8.1.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

Sullivan Options has the meaning given in Section 12.1.

Trading Day has the same meaning as in the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 - Terms and Conditions of Clark Options

Tranche A Options

Each Option entitles the holder to subscribe for a Share on the following terms and conditions:

1. Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
2. The Options will expire at 5:00 pm (WST) on the date three years after the issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The amount payable upon exercise of each Option will be \$0.5888 (**Exercise Price**).
4. An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (a) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (b) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
5. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
7. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
8. The Company will not apply for quotation of the Options on ASX.
9. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
10. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
11. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
12. An Option shall be transferrable.

Tranche B Options

Each Option entitles the holder to subscribe for a Share on the following terms and conditions:

1. Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
2. The Options will expire at 5:00 pm (WST) on the date three years after the issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The exercise of the Options shall be subject to a vesting condition of 12 months of continuous service of the Optionholder with the Company in the capacity as a Director from the issue date (**Vesting Date**).
4. The Options shall be deemed to have vested if the Optionholder has provided Service to the Company during the period ending on the Vesting Date.
5. If the Optionholder ceases to provide service as a Director before the Options have vested, the Options shall not be capable of exercise and shall immediately lapse.
6. The amount payable upon exercise of each Option will be \$0.7247 (**Exercise Price**).
7. An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date but after the Vesting Date:
 - (a) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (b) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
8. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
9. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
10. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
11. The Company will not apply for quotation of the Options on ASX.
12. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
13. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
14. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
15. An Option shall be transferrable.

Schedule 3 - Terms and Conditions of Sullivan Options

Tranche A Options

Each Option entitles the holder to subscribe for a Share on the following terms and conditions:

1. Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
2. The Options will expire at 5:00 pm (WST) on the date three years after the issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The amount payable upon exercise of each Option will be \$0.5251 (**Exercise Price**).
4. An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (a) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (b) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
5. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
7. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
8. The Company will not apply for quotation of the Options on ASX.
9. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
10. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
11. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
12. An Option shall be transferrable.

Tranche B Options

Each Option entitles the holder to subscribe for a Share on the following terms and conditions:

1. Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
2. The Options will expire at 5:00 pm (WST) on the date three years after the issue date (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The exercise of the Options shall be subject to a vesting condition of 12 months of continuous service of the Optionholder with the Company from the issue date (**Vesting Date**).
4. The Options shall be deemed to have vested if the Optionholder has provided Service to the Company during the period ending on the Vesting Date.
5. If the Optionholder ceases to provide service before the Options have vested, the Options shall not be capable of exercise and shall immediately lapse.
6. The amount payable upon exercise of each Option will be \$0.6463 (**Exercise Price**).
7. An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date but after the Vesting Date:
 - (a) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (b) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised (**Exercise Notice**).
8. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
9. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
10. All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
11. The Company will not apply for quotation of the Options on ASX.
12. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
13. There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
14. An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
15. An Option shall be transferrable.

Schedule 4 - Nomination of auditor

20 October 2014

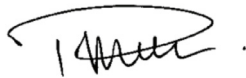
The Directors
Attila Resources Limited
Suite 23, 513 Hay Street
SUBIACO WA 6008

Dear Sirs,

Nomination of Auditor

For the purposes of section 328B(1) of the Corporations Act 2001, I, Paul Malone, being a member of Attila Resources Limited (**Company**), hereby nominate KPMG of 235 St Georges Tce, Perth, Western Australia for appointment as auditor of the Company at the Company's annual general meeting.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Paul Malone', with a large, sweeping flourish above the name.

Paul Malone