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ASX Release

ASX Code: AYA, AYAO

## ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2011

- Maiden scout drilling program completed this quarter intersected a 4 metre coal seam from 50 metres depth at Talisker North coal project representing a potentially significant thermal coal discovery in underexplored coal basin.
- Following the maiden discovery at Talisker work has begun on the planning of the stage II drilling campaign.
- 7 additional exploration licence applications were lodged increasing Attila's tenement holding to 1922 km<sup>2</sup>. These additional applications effectively lock up the coal bearing geology in this new exciting coal basin.
- Initial test work conducted indicates potential for export quality thermal coal that compares favourably with Collie Coal.
- Calorific value of 5447 kcal/kg (dry basis) and 7263 kcal/kg (dry ash-free basis) returned from Talisker North coal samples.
- Option Entitlement Issue successfully completed.
- Management continues to evaluate other projects opportunities, both domestically and off-shore, to grow shareholder value.

During the quarter, the Company commenced exploration activities at the Talisker North Coal Project. The drilling program carried out at the Company's Talisker North Coal Project has intercepted a 4 metre\* coal seam at 50 metres depth in one reconnaissance aircore drill hole, Tal-006. Two other holes also intersected coal (refer to ASX announcement dated 20 July 2011). Attila's drilling was targeting coal seams hosted by sediments of the Permian Wooramel Group, which have been interpreted to be stratigraphically equivalent to the Collie and Irwin River coal measures.

Given the success of its maiden drilling program Attila has increased its tenement holding in the Talisker North region to 1,922km<sup>2</sup> through the application for an additional 7 exploration licences totalling 1,345km<sup>2</sup> over 436 Blocks (refer to Figure 1). This establishes Attila as the majority landholder of the under-explored Talisker North Coal Basin.

Attila's technical team is now working on the second drilling campaign at the Talisker North Coal Project. This second phase is expected to comprise 110 aircore/RC holes to 100m depth to be drilled totalling 11,000m of drilling and clearing of 20 line kms of drill line traverses centred around discovery hole Tal-006. The drilling is expected to be on drill lines spaced every 200m with holes drilled every 200m. All holes of interest will be logged with down-hole geophysical tools.

### Fast Facts

Total Shares on Issue	22m
Options on Issue	12.5m
Market Capitalisation	3.3m
Cash	\$1.82m
Debt	Nil

### Directors

Mr Grant Mooney  
Dr Bernardo da Veiga  
Mr Zlad Sas

### Talisker North Coal

- New coal discovery
- 577km<sup>2</sup> of granted tenure
- Under explored coal basin
- Coal intersected in maiden program
- 4m of coal @ 50m

### Cotter's Run Gold

- 3 block Exploration Licences within St Ives – Junction structural corridor
- Prospective for gold

### Lefroy Gold

- 2 ELA's covering over 50km<sup>2</sup> Eastern Gold Fields
- Prospective for gold and nickel



## Summary of Test Work

The coal analysis of the Talisker North samples was carried out by ALS Accura in Collie, WA, and the samples were analysed on an "as received" basis, "air dried" basis (moisture not taken out of coal), "dry" basis (moisture taken out of coal) and "dry ash-free" basis (moisture and ash taken out of coal). The Board of Attila is encouraged by the results of the analysis, which indicate a thermal coal at Talisker North that compares favourably in quality to Collie coal. Collie coal is sub-bituminous, with an average calorific value of 20MJ/kg (4800 kcal/kg) on an "as received" basis and is suitable for power generation.

Although Collie coal has a lower ash and sulphur content, the calorific value of Talisker North coal is 4348 kcal/kg on an "as received" basis, 4396 kcal/kg on an "air dried" basis, and 5447 kcal/kg on a "dry" basis (refer to Tables 1-2). The calorific value of Talisker North coal is 7263 kcal/kg on a "dry ash-free" basis and is also comparable in calorific value to Collie coal on this basis.

**Table 1: Talisker North coal analysis**

Samples # Tal-006 /004	Moisture %	Ash %	Volatile Matter %	Fixed Carbon %	Total Sulphur %	Calorific Value MJ/kg	Calorific Value kcal/kg
(as received)	20-21	20	23-24	36	0.7-1.7*	8.2	4348
(air dried)	19-20	20	23-24	37	0.7-1.8*	18.4	4396
(dry)	-	25	29-30	45-46	0.9-2.2*	22.8	5447
(dry ash-free)	-	-	39-40	60-61	1.2-2.9*	30.4	7263

\* The higher sulphur content of 1.7% in one of the Talisker coal samples may reflect a band of pyrite in the coal sequence

**Table 2: Comparison between Talisker North coal / Collie coal analysed on a "as received" basis**

	Moisture %	Ash %	Volatile Matter %	Fixed Carbon %	Total Sulphur %	Calorific Value MJ/kg	Calorific Value kcal/kg
<b>Talisker N</b>	20-21	20	23-24	36	0.7-1.7	18.2	4348
<b>Collie</b>	25	3-10	22-37	37-50	0.3-0.5	18-22	4300-5250

Given the encouraging results of the analysis the Company is undergoing further test work to determine the washability of the coal and its potential as an exportable product.

For further information please see [www.attilaresources.com](http://www.attilaresources.com) or contact:

**Dr Bernardo da Veiga, Director**

Phone: (08) 6142 0989

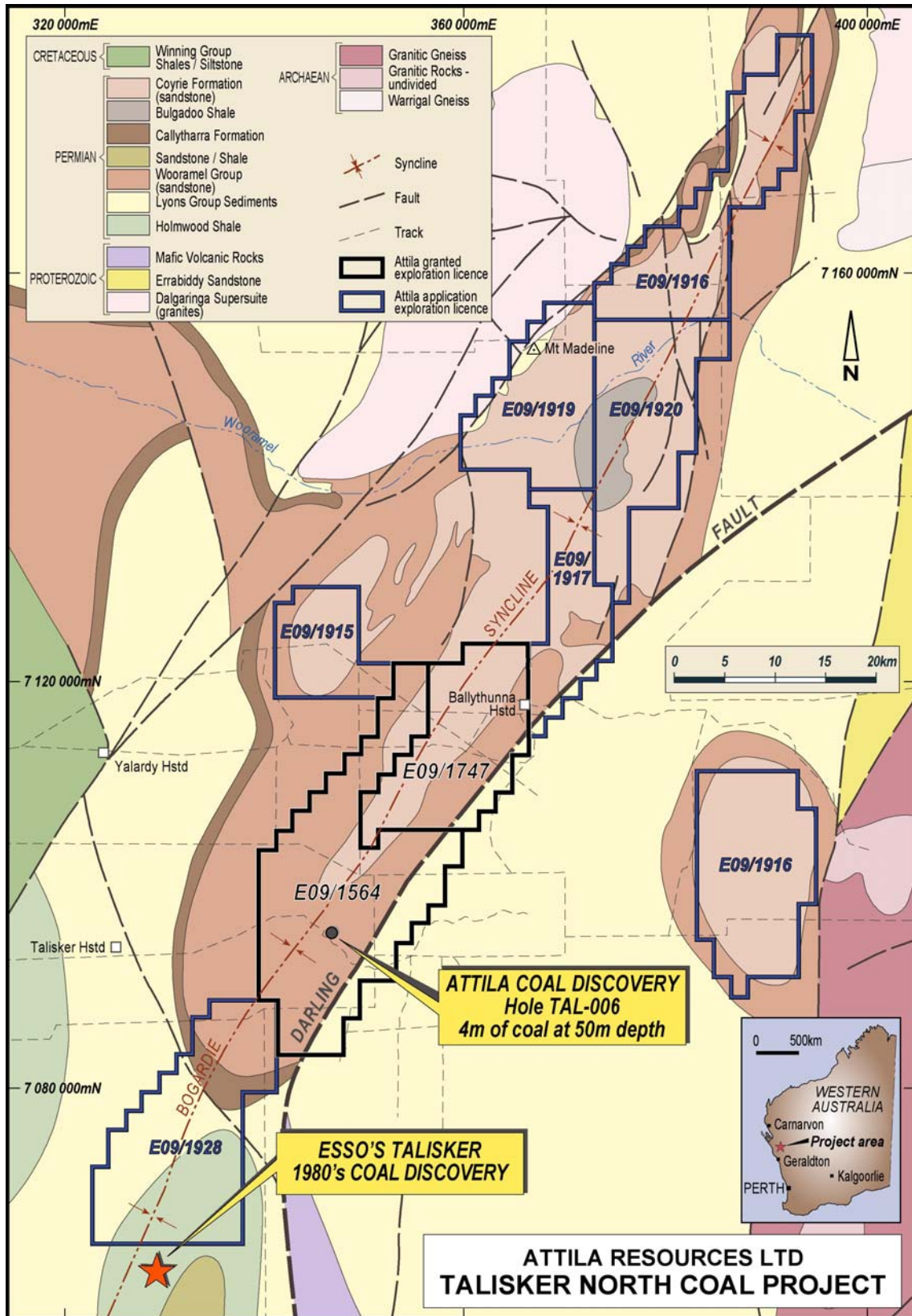
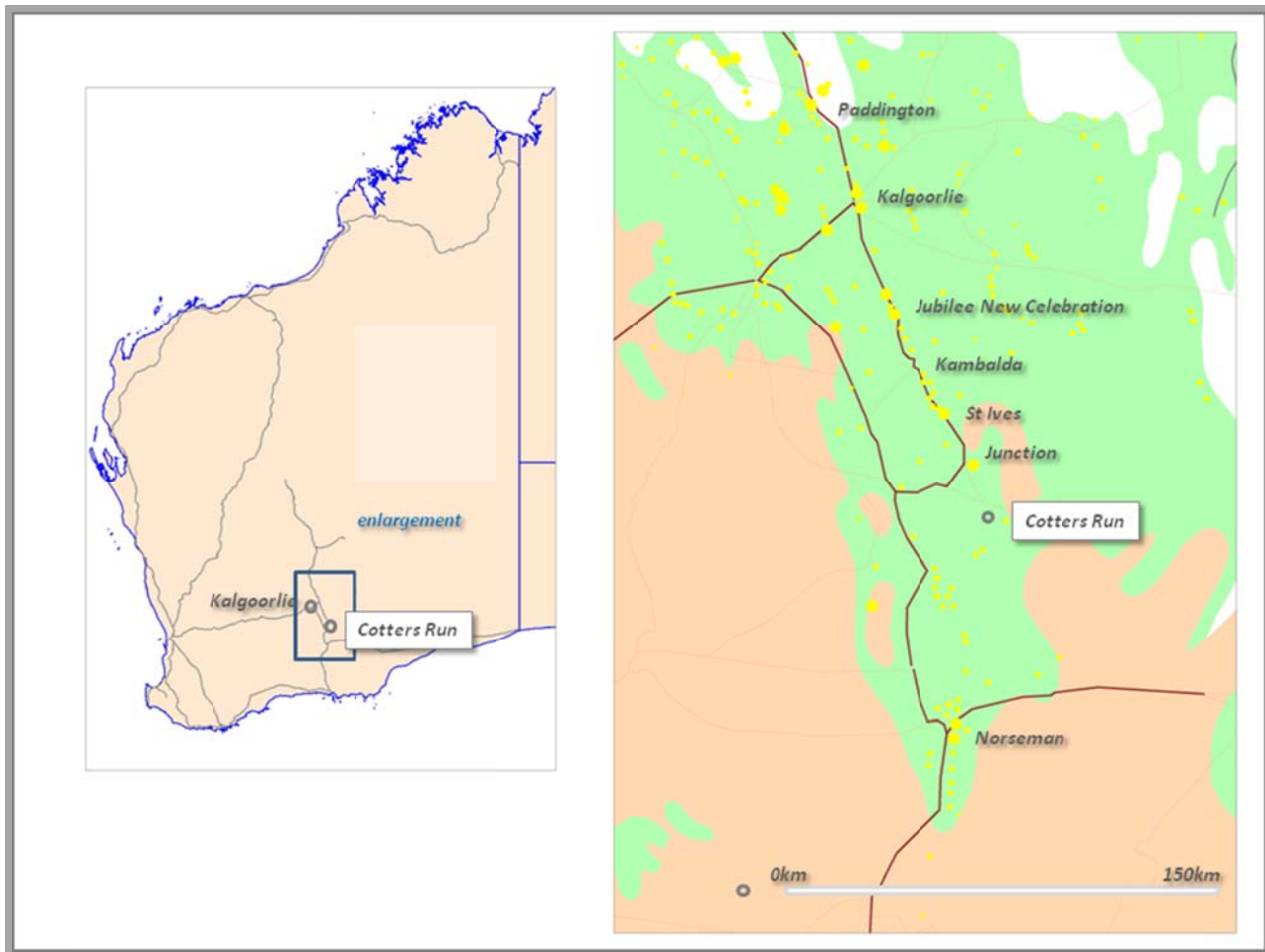


Figure 1: Talisker North Coal Project

## Cotters Run Project

The Cotters Run Project comprises a three-block exploration licence E15/1120 that cover a known gold occurrence within the structural corridor of the strongly-mineralised St Ives-Junction Gold Belt (>8moz endowment). Previous exploration at Cotters Run by Billiton Australia and Acacia Resources during the period 1989 to 2003 delineated an area of Au soil anomalism at the Le Mans Prospect.

The regional structural location, a local anticlinal closure immediately to the west of the Boulder-Lefroy Fault, indicates strong prospectivity in this structural environment. The greater St Ives-Junction area is well-recognised for the development of 'blind' gold lodes associated with flat-lying thrusts, and any near-surface gold occurrence within the Boulder-Lefroy corridor warrants detailed evaluation.



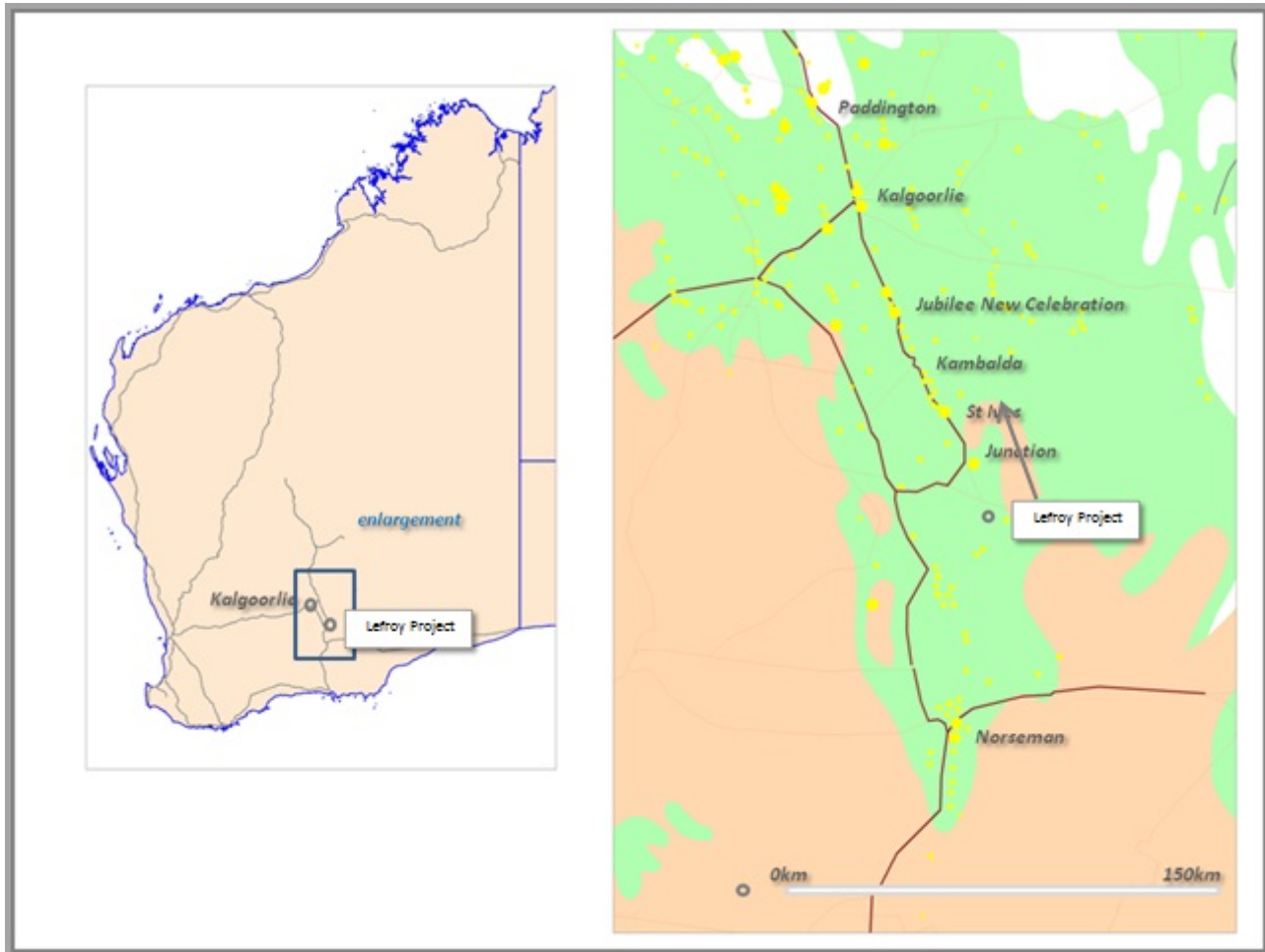
**Figure 3:** Cotters Run Project Location in Western Australia



## Lefroy Project

The Lefroy project comprises two exploration licence applications in an area 80km southeast of Kalgoorlie jointly known as the Lefroy Project. E15/1227 is an eight-block (23km<sup>2</sup>) licence covering a segment of greenstone terrain within the prospective Hogans Find structural zone located 19km east of Kambalda. E15/1228 is a 9 block (26km<sup>2</sup>) application a further 8km to the east that contains magnetic chert/BIF stratigraphy within the Mt Belches sedimentary sequence.

A review of previous exploration available from The Department of Mines and Petroleum (DMP) Open File reports shows that the tenement areas are lightly explored with partial surface geochemical coverage and no reported drilling on E15/1227 or E15/1228.



**Figure 4:** Lefroy Project Location in Western Australia

### *Competent Person Statement*

The information for this announcement is based on information compiled by Mr Ziad Sas BSc (Hons) who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Sas is a Director of Attila Resources Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sas consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.