

Highlights

Exploration

- Aircore drilling to provide a first pass test of the previously identified auger soil anomalies at the Yundamindera Project has been completed. Results continue to indicate the gold prospectivity of the Danjo Granodiorite area with several intercepts in the 0.1-1.0g/t Au range. Further assessment and drill testing is being considered.

Corporate

- Cash on hand \$2.5M as at 31 December 2011;
- Issued Capital: 30M ordinary shares;
- During the Quarter, the Company announced the proposed acquisition of Zamanco Holdings Limited, a company that has agreements to acquire two manganese tenements in Zambia, and whose principals have expertise in the beneficiation and smelting of manganese. Shareholder approval for the transaction was received at the Annual General Meeting held on 16 December 2011.

Completion of the acquisition remains conditional on:

1. the Company completing commercial, financial and legal due diligence on Zamanco (including due diligence on Zamanco's subsidiary companies and the Zambian prospecting licences);
2. the Company and Zamanco obtaining regulatory approvals or any other third party consents for completion of the proposed transaction.

ASX Code: ACZ

Enquiries regarding this report can be directed to:

Peter McIntyre (Director) or Peter Ironside (Co Secretary)



Overview

Exploration

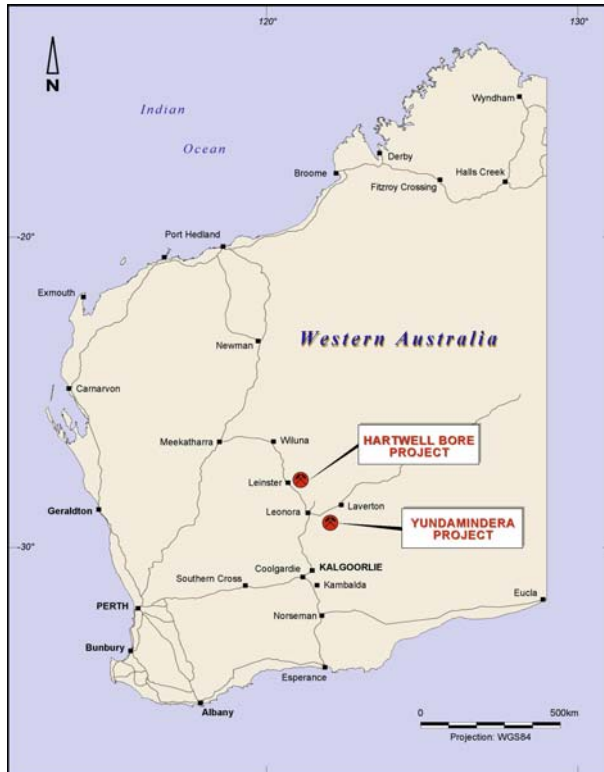


Figure 1. Project Locations

Yundamindera Project

(Atticus earning 80%)

The Yundamindera gold project is located in the Eastern Goldfields Province of the Yilgarn Craton, 685 kilometres northeast of Perth and 205 kilometres north-northeast of Kalgoorlie. The project is comprised of one granted exploration licence, E39/1110, which is located north of the historic mining centre of Yundamindera.

Previous auger soil sampling completed by Atticus has generated a number of >20ppb Au and >30ppb Au gold-in-auger soil anomalies that lie along well defined gold anomalous trends. These trends have a northeast – southwest strike through the central north of the project area and may represent important gold-mineralised litho-structural corridors in the region. During the quarter, two of the better gold-in-auger soil anomalies within the trends were targeted for first pass drill testing with aircore.

Drilling Programme

A programme total of 30 angled aircore holes was completed across two drill traverses (Figure 2) for a total drilling advance of 2,204m. As orientation of possible mineralised systems was not known, close spaced drilling with 25m spaced holes was completed to provide the best possible coverage across the target area. The northern line was angled to the east, while the southern line was angled to the west, as a steeply east-dipping foliation was noted in some near-surface, indurated saprolitic material in this area. One additional hole, YAC030, was drilled to the immediate south of the southern line towards the southeast to test a northeast – southwest quartz-dominated vein array, which was obvious at surface. The best result from this hole was 85ppb Au from the bottom of the hole, indicating some prospectivity.



Previous reconnaissance-style drilling by past explorers (Figure 2) indicated that the underlying bedrock is dominated by felsic granitic lithologies. These rocks are weathered below 60m from surface and therefore a leached saprolitic profile was thought likely. Consequently all holes were drilled to saprock, as accumulation of anomalous gold is known to occur at or near this interface with the overlying, totally weathered, material. Sampling was completed via 4m composite samples down the entire hole and gold only analyses were completed using an aqua regia digest-low level AAS technique (1ppb Au detection limit).

Results

The assay results confirmed the near-surface gold anomalism highlighted by the auger soil geochemistry and also confirmed the predicted highly leached nature of the underlying saprolite profile. There was virtually no transported cover with the drilling passing directly into an in-situ

weathered granitoid profile. Shearing was evident in a couple of holes, however, apparently of greater importance is a distinctive mafic granitoid unit that is associated with anomalous gold at both of the anomalies tested. As the anomalies are approximately 2km apart, it is not clear at this stage whether this unit is regionally extensive or is just localised at both prospects. The location of the completed drilling is shown in Figure 2, while the better intercepts above 100ppb Au are tabled below. These results confirm that the previously identified auger soil anomalism is associated with anomalous gold in the deeper regolith and that further and more detailed drill testing of the anomalies is warranted.

November 2011 Aircore Drilling - Significant Intercepts >100ppb Au

Hole No	MGA North	MGA East	Intercept	Comments
YAC005	6791426	408149	65-71m, 6m @ 124ppb Au	Biotite-rich, mafic granitoid saprock
YAC010	6791420	408027	17-21m, 4m @ 244ppb Au	Mottled saprolitic clays & saprolite
YAC011	6791425	408001	5-9m, 4m @ 131ppb Au	Mottled saprolitic clays
YAC014	6791423	407925	73-77m, 4m @ 364ppb Au	Massive, granitic saprock
YAC023	6790225	406478	57-65m, 8m @ 151ppb Au 73-81m, 8m @ 269ppb Au	Lower saprolite Biotite-rich, mafic granitoid saprock



Hartwell Bore Project

(Atticus 100%)

The Hartwell Bore gold project is located in the northern parts of the Eastern Goldfields Province of the Yilgarn Craton, 675 kilometres northeast of Perth and 32 kilometres east-northeast of Leinster. The single tenement, E36/653, covers an Archaean greenstone sequence at the western margin of the southern Yandal greenstone belt. This project was inactive during the quarter.

Corporate

On 27 October 2011, the Company announced that it had signed a non-binding heads of agreement, to acquire 100% of the issued capital of Zamanco Holdings Limited ("Zamanco"), a company that has agreements to acquire two manganese tenements in Zambia, and whose principals have expertise in the beneficiation and smelting of manganese.

Shareholders approved the transaction at the Annual General Meeting held on 16 December 2011.

CONDITIONS PRECEDENT TO ACQUISITION

1. the Company completing commercial, financial and legal due diligence on Zamanco (including due diligence on Zamanco's subsidiary companies and the Zambian prospecting licences ("Licences")); and
2. the Company and Zamanco obtaining regulatory approvals or any other third party consents for completion of the proposed transaction.

The Company is still in the process of completing its due diligence investigations.

Zamanco's applications for the regulatory approvals required to renew and issue the Licences have been lodged with the Minister of Mines and Natural Resources in Zambia. The Company has been advised that renewal and issue of the Licences has been delayed as a result of a moratorium imposed by the Minister. The moratorium has affected the grant of initial licences as well as renewal and transfer applications related to Zambian mining interests. This is to allow for an audit and clean-up of all mining and non-mining rights following a recent change in government.

The Company expects the moratorium to be lifted by 31 January 2012 and the regulatory approvals in relation to the Licences granted shortly afterwards.

Atticus Resources Limited

Geoff Donohue
Chairman

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Greg Jorgensen, a self-employed, Kalgoorlie-based Consulting Exploration Geologist, who is a Member of The Australian Institute of Geoscientists. Mr Jorgensen has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of The JORC Code. Mr Jorgensen consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Further Disclosure

Mr Jorgensen is a Director of BrilliantGold Pty Ltd, an unlisted, Kalgoorlie-based mineral exploration company, which currently holds 100% of the Yundamindera Project. Atticus Resources Ltd is currently earning an 80% interest in this project.

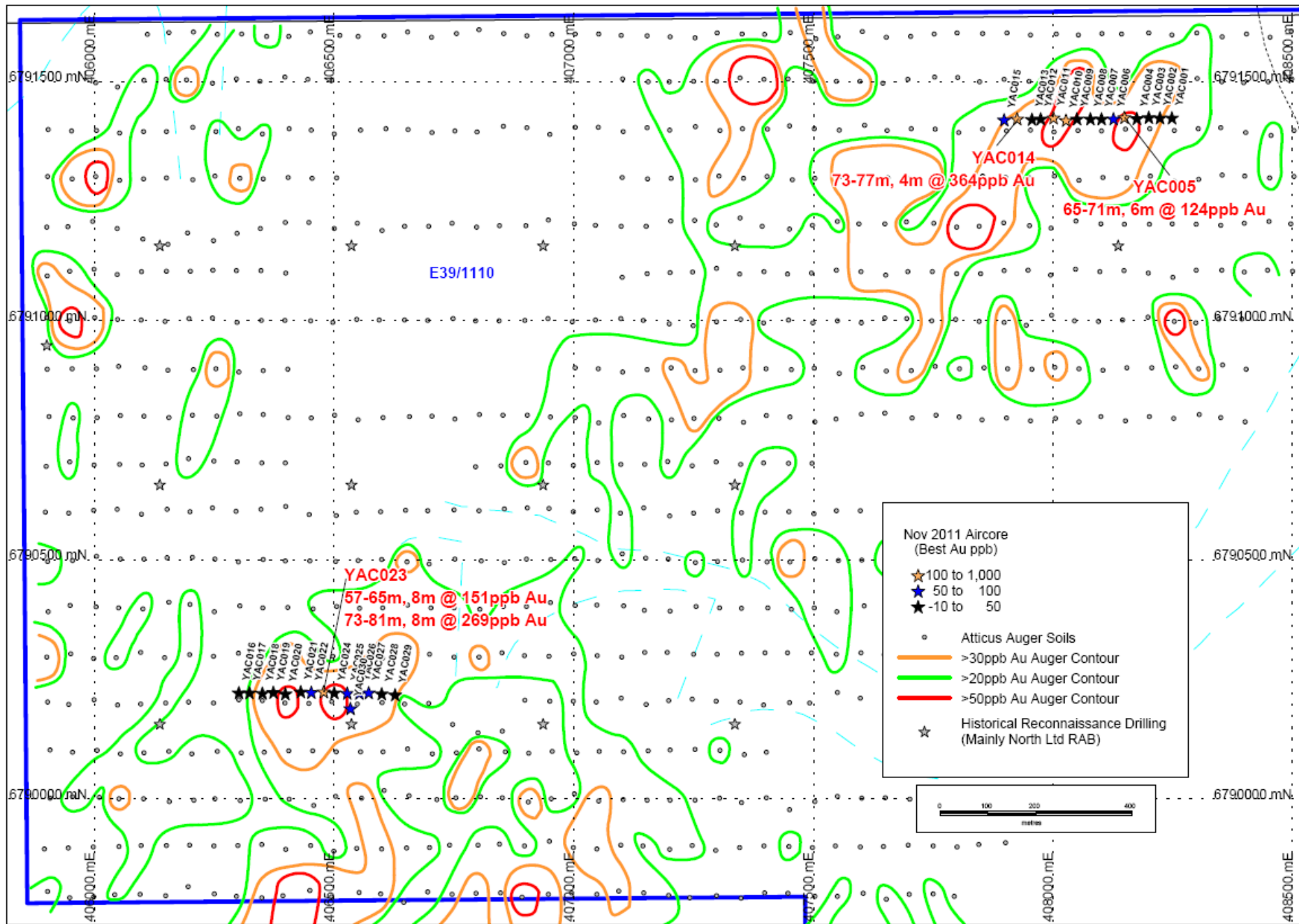


Figure 2. Location of November 2011 Aircore Drilling showing Atticus Auger Soil Anomalies & Historical Reconnaissance Drilling

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Atticus Resources Limited

ABN

54 093 278 436

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(93)	(122)
(b) development	-	-
(c) production	-	-
(d) administration	(44)	(89)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	33	67
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST)	8	12
Net Operating Cash Flows	(96)	(132)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	(117)	(117)
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(117)	(117)
1.13 Total operating and investing cash flows (carried forward)	(213)	(249)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(213)	(249)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. (net of costs)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(213)	(249)
1.20	Cash at beginning of quarter/year to date	2,707	2,743
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,494	2,707

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	380
4.2 Development	-
4.3 Production	-
4.4 Administration/Corporate	145
Total	525

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	344	257
5.2 Deposits at call	2,150	2,450
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,494	2,707

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	See attached Schedule of Tenements	See attached Schedule of Tenements		
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

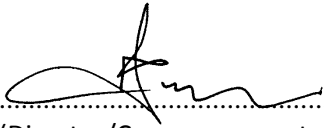
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	30,000,000	30,000,000		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	29,400,000	29,400,000	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 30 September 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

Compliance statement

+ See chapter 19 for defined terms.

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: 24 January 2012
(Director/Company secretary)

Print name: PETER R IRONSIDE

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.

Atticus Resources Limited

ABN 34 124 782 038

Notes to and forming part of Appendix 5B
Mining exploration entity quarterly report as at 31 December 2011

Note 1 – Mining Tenement Schedule

WEST AUSTRALIAN TENEMENTS

1. Hartwell Bore – APG Resources 100%

Tenement	Registered Holder or Applicant	Shares
E36/653	APG Resources Pty Ltd	100/100ths

2. Yundamindera Joint Venture – Earning 80%

Tenement	Registered Holder or Applicant	Shares
E39/1110	BrilliantGold Pty Ltd	100/100ths