

ASX / MEDIA ANNOUNCEMENT

 ASX: AYA, AYAO
 27 November 2012

KODIAK HARD COKING COAL PROJECT UPDATE

HIGHLIGHTS

- Coal analysis continues to show impressive results with analysis confirming premium hard coking coal
- Kodiak preparation plant and rail load out facility successfully restarted
- Logistics discussions underway with rail provider Norfolk Southern with key meeting on site
- Marketing discussions initiated with key off take partners
- Key discussions held with neighboring mineral lease holders
- Site visit conducted by several analysts, brokers and investors

Attila Resources Limited (ASX: AYA, AYAO) is pleased to provide the following update to the market regarding its Kodiak Hard Coking Coal Project in Shelby County, Alabama (see Figure 1). The Kodiak Project currently hosts an Inferred JORC Compliant Resource of 81Mt of premium hard coking coal with a 12,400 metre drill program continuing with the aim of converting the Resource to the measured and indicated categories.

Coal Analysis

Analysis from a total of 8 holes has indicated that the Atkins and Coke coal seams will produce a premium hard coking coal product. The results received to date show that the coal quality is very consistent throughout the basin contained within the Kodiak Project.

Dry Basis						
Ash (%)	Sulphur (%)	Volatile Matter (%)	Fixed Carbon (%)	Calorific Value (kcal/kg)	FSI	Max Fluidity (DDPM)
2-5	0.5-0.8	32-36	59-69	7,950-8,400	8-9	+20,000

Head Office

Suite 23, 513 Hay Street, Subiaco WA 6008
 PO Box 1311, Subiaco WA 6904
 Phone +61 (8) 6142 0989
 Fax +61 (8) 9388 8824
 Email admin@attilaresources.com
 ABN 53 142 165 080

Given the quality and consistency indicated by these results, the Company has initiated discussions with several key potential off-take partners in the export market and potential financing solutions are currently being explored.

Preparation Plant and Rail Load-out Facilities Restarted

Attila is also pleased to announce that the preparation plant and rail load out facilities have successfully been restarted. The Kodiak Preparation Plant, which was designed by engineering firm Sedgman and constructed in 2007, operated for approximately 18 months before it was placed on care and maintenance due to the closing to the Coke No. 1 Mine. The previous owners spent a considerable amount of money ensuring the existing infrastructure was maintained to the highest standard prior to acquisition by Attila in June 2012. This has resulted in the successful restarting of the preparation plant at minimal expense utilising the expertise of Attila's joint venture partner, TBL Metallurgical Resources LLC (see Figure 2). The Preparation Plant operates at a rate of over 300 tonnes per hour which equates to an annual throughput of approximately 2.5 million tonnes of coal (assuming a 75% utilisation rate). The Company believes that the Kodiak Preparation Plant can run at a rate of 400 tph with minimal additional capital required.

The rail load out facility has been successfully restarted with all electronic and conveyor systems in sound working order. Recalibration of the automated loader is currently underway for minimal capital expenditure.

Logistics Update

Earlier this month, Attila's management team met with key personnel from railway operator, Norfolk Southern Corporation, at the Kodiak site.

Norfolk Southern Corporation is one of the USA's premier transportation companies. Its subsidiary, Norfolk Southern Railway, operates approximately 20,000 route miles across 22 states and the District of Columbia, serves every major container port in the eastern United States, and provides efficient connections to other rail carriers. Norfolk Southern operates the most extensive intermodal network in the eastern United States and is a major transporter of coal and industrial products. Norfolk Southern operates the rail infrastructure that connects to the existing Kodiak rail spur. It is understood that this rail infrastructure is underutilised and has sufficient excess capacity to support Kodiak's operations.

Attila is currently investigating transportation options to the ports of Mobile (350 kilometres from Kodiak) and New Orleans (550 kilometres from Kodiak) as potential export hubs for its high quality coking coal.

The Company is also investigating barging opportunities down the Black Warrior and Tombigbee River systems that run from the port at Birmingham (approximately 40 kilometres from the Kodiak Project) to the Port of Mobile.

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Potential Acquisitions

Attila and its joint venture partner, TBL, continue to progress discussions with mineral rights owners with a view to acquiring additional leases of metallurgical coal within the Cahaba Coal Basin. There is an estimated 500Mt of metallurgical coal remaining within with Cahaba Coal Basin and the Company, with the assistance of its geological consultants Stagg Resource Consultants, intends to acquire additional key leases of this high quality coking coal within close proximity to its existing infrastructure at Kodiak.

The Company will advise the market in due course of any additional acquisitions.

Site Visits

During October and November, Attila hosted several site visits with various investors, analysts and brokers at the Kodiak Project. Attila is very encouraged by the positive feedback received from these site visits.

For further information please see www.attilaresources.com or contact:

Max Brunsdon, Executive Director

Phone: 0419 906 421

Evan Cranston, Executive Director

Phone: 0408 865 838

About Attila Resources Limited

Attila Resources Limited is a coal explorer looking to transition into a near-term producer at its 70% owned Kodiak Coking Coal Project in Shelby County, Alabama, USA. The Kodiak Project is a historically operated coking coal mine that has been on care and maintenance since the end of 2008. The operation is fully permitted on private land owned by Attila. The project has an inferred JORC Compliant Resource of 81 Mt of premium hard coking coal. Attila also holds 1922 km² of exploration licences in the Carnarvon Basin where it has intersected a 4m coal seam at its Talisker North Project.

Competent Person Statement

The information in this report that relates to exploration results is based on information compiled by Mr. Leigh Ryan, a director of the Company, who is a member of the Australian Institute of Geoscientists. Mr. Ryan has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Ryan consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this report that relates to the JORC Compliant (Coal) Resource for the Kodiak Coking Coal Project in Shelby County, Alabama, USA has been reviewed and is based on information compiled by Mr Alan Stagg, a consultant to the Company through Stagg Resource Consultants Inc. Mr Stagg is a member of SME Registered Member of the Society of Mining, Metallurgy, and Exploration, Inc., registration number 3063550RM, 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 "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Stagg consents to the inclusion in the report on the matters on this information in the form and context in which it appears.

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Figure 1. Kodiak Coking Coal Project location map and associated infrastructure



Figure 2. Inspection of clean coal produced from Kodiak Preparation Plant

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