

## **ASX / MEDIA ANNOUNCEMENT**

ASX: AYA, AYAO 29 November 2013

## ATTILA RECEIVES LETTER OF INTENT FOR PORT ACCESS

## **HIGHLIGHTS**

- Attila receives LOI for access to McDuffie Island Coal terminal Alabama's premier coal exporting terminal (3<sup>rd</sup> largest in USA)
- Ability to ship Panamax and Mini-Cape sized vessels reducing freight costs to key coking coal markets
- Ongoing discussions with rail and barge providers for transportation of coal to McDuffie Island

Attila Resources Limited (ASX: AYA, AYAO) ("Attila" or "the Company") is pleased to confirm that it has received a Letter of Intent ("LOI") from the Alabama State Port Authority ("ASPA") in respect of Port capacity at the McDuffie Coal Terminal, Mobile, Alabama.

The LOI from ASPA confirms their commitment to supporting the development of Attila's Kodiak Project. ASPA has agreed to provide access to Attila through their coal handling facilities at the McDuffie Coal Terminal and Bulk Handling Operations at Mobile.

The McDuffie Coal Terminal ("**McDuffie**") is Alabama's premier coal terminal and is the largest of 3 terminals which comprise the coal exporting facilities of the 3<sup>rd</sup> largest coal port in the USA. The terminal is approximately 242 miles south of Attila's Kodiak Project and located at the southern end of the Mobile River, Mobile, Alabama (see Fig 1). McDuffie is approximately 556 acres in size with 2.3Mt storage space and an annual throughput capacity of 30Mt. In 2012 approximately 13.9Mt of coal was shipped from McDuffie. It has 6 reclaimer stackers and 3 berths that can accommodate Panamax and Mini-Cape sized vessels with a draft of 45 feet (see <a href="https://www.asdd.com">www.asdd.com</a> for further information).

The LOI contemplates Attila and the ASPA entering into formal agreements on commercial rates with an anticipated timeframe to complete the negotiations in 2014.

McDuffie can be accessed by both rail and barge providers. Attila's existing rail siding is connected to multi-user / common carrier rail infrastructure. Attila has received confirmation that there is sufficient

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capacity on the multi-user rail network to handle its planned production. The Company expects to conclude negotiations regarding the carriage of its coal by mid-2014.

In parallel, Attila will continue discussions with various barge operators for an alternative transportation method for delivering its coal to McDuffie via barging down the Black Warrior / Tombigbee River systems. Attila understands that approximately 6 million tonnes of coal is currently shipped via barge to McDuffie annually.

Commenting on the LOI, Attila's Executive Director, Mr Evan Cranston said, "The Letter of Intent with the Alabama State Port Authority for access to the Port of Mobile's premier coal terminal, McDuffie Island, is a significant milestone for the Company in gaining access to the sea borne market. The ability to ship our coal via Mini-Cape sized vessels will significantly reduce the freight costs for shipping the coal to key growth markets. We look forward to working together with ASPA to bring Kodiak into production and creating over 200 jobs in the local community."

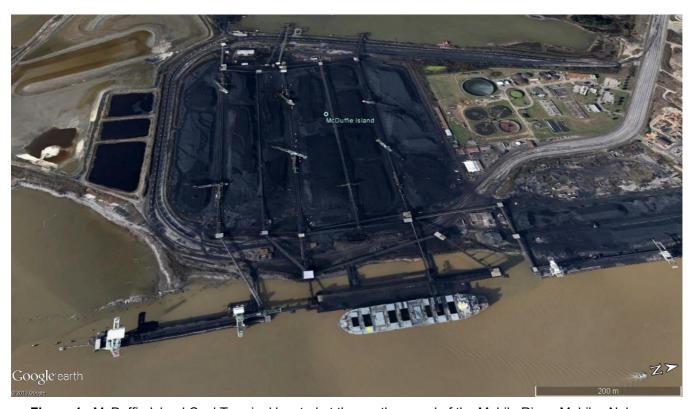


Figure 1. McDuffie Island Coal Terminal located at the southern end of the Mobile River, Mobile, Alabama.

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

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