

ASX / MEDIA ANNOUNCEMENT

23<sup>rd</sup> April 2012

## DRILLING PROGRAM RECOMMENCES AT TALISKER NORTH COAL PROJECT

Following the coal discovery made by **Attila Resources Limited (ASX: AYA, AYAO)** last year at its Talisker North Coal Project where a 4m seam was intersected at a depth of 50 metres (drill hole Tal-006), the Company is pleased to report that a further drilling program of coal prospects along the anticlinal structure that potentially opens up new prospective coal areas at Talisker North has commenced.

The 1,500 metre aircore drilling program will test other targets on tenement E09/1747, located some 30 kilometres north-east of the 2011 discovery hole Tal-006 (located on tenement E09/1564). In 1980, CRA Exploration intersected sub-bituminous coal seams totalling 1.1m - 1.5m in seam thickness at between 43m - 134m depth in 3 regionally spaced drill holes on tenement E09/1747.

The thermal coal recovered from the discovery hole Tal-006 at Talisker North compares favourably in quality to the sub-bituminous coal found at Collie which is suitable for power generation. Attila has established a \*50-100 million tonne exploration target of sub-bituminous coal at Talisker North. (See qualification at the end of this release).



Figure 1: Location map of regional infrastructure

The Company has also increased its tenement holding in the Talisker North region to 1,922 square kilometres through the application for a further 7 exploration licences totalling 1,345 square kilometres over 436 Blocks (refer to Figure 2). This establishes Attila as the majority landholder of the under-explored Talisker North Coal Basin, which the Company views as an emerging coal region.

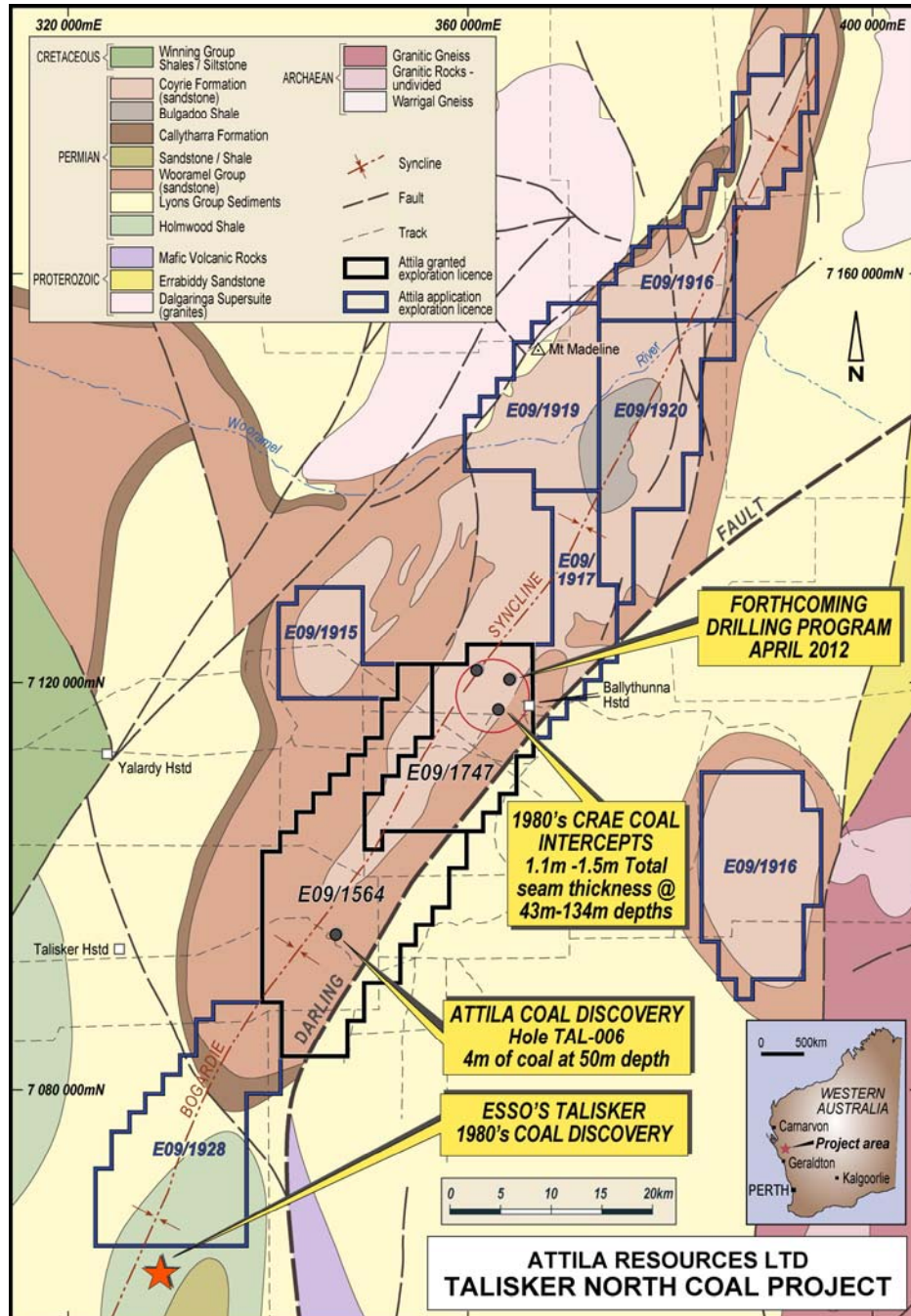


Figure 2: Talisker North Coal Project



The Company has also undertaken a preliminary evaluation of infrastructure in the area, for the purposes of assessing the potential for shipping to end users should a commercial operation be established at Talisker North.

Key findings from the review are:

- Potential exists to export product through existing Geraldton port or the proposed Oakajee port in the future. The establishment of a port at Carnarvon in the future would also be an option.
- The project is ideally located within close proximity to gas through the Dampier to Bunbury pipeline adjacent to the project site.
- Upgrading of existing unsealed roads to a 100 kilometre long haul road would provide access to existing road systems in the region.
- Project is approximately 200 kilometres from proposed railway servicing regional iron ore projects.

Upon completion of this 1,500 metre aircore program testing northern prospects at Talisker North, Attila will commence a third drilling campaign in July 2012 centred around the 2011 discovery hole Tal-006. This third phase is expected to comprise 110 aircore holes to 100 metres depth totalling 11,000 metres of drilling and the clearing of 20 line kilometres of drill line traverses. The drilling will be along lines spaced every 200 metres with holes drilled every 200 metres. All holes of interest will be logged with down-hole geophysical tools. A larger sample of the coal intersected at Tal-006 will also be obtained for further metallurgical and washability testing to assist in determining the export quality of the coal at Talisker North.

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

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Competent Person Statement

*The information for this announcement is based on information compiled by Mr Zlad 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.*

Qualification of Exploration Target

*This exploration target is based on recent exploration drilling by Attila, and previous programs by Griffin Coal and CRAE at the Talisker North Project. The exploration target at Talisker Range is conceptual in nature, not a Mineral Resource pursuant to the JORC Code and may never become a resource. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. \* 50-100Mt exploration target of sub-bituminous coal ranging in quality from 7-20% moisture, 14-28% ash, 22-39% volatile matter, 35-41% fixed carbon, 0.7-1.71% sulphur, and a calorific range of 4061-4300 kcal/kg ("analysis on an air dried basis") based on recent exploration drilling by Attila, and previous programs by Griffin Coal and CRAE at the Talisker North Project.*