

## ASX / Media Release

# Quarterly Activities Report June 2015

**ASX: AYA  
30 July 2015**

### Extension of Convertible Notes

During the quarter, the Attila Resources Ltd (“Attila” or “Company”) was pleased to announce the successful extension of the convertible note terms.

The Company entered into an agreement with its convertible note holders to extend the term of its convertible notes for up to an additional 2 years with the expiry date now up to 26 June 2017 at the Company’s election.

Further, Attila has agreed with the noteholders to defer the payment of interest on the notes until redemption. The other key terms of the extension are contained in the announcement lodged with the ASX on 30 June 2015.

### Board and Executive Changes

Attila has also implemented further changes to its executive and Board structure to better align the composition and remuneration of the Board with the future corporate direction of the Company.

Attila’s Directors have agreed to defer all of their fees until such stage as the Company is adequately funded in order to preserve the Company’s cash. The CEO will continue to work on 50% of his salary. The Directors and CEO have reached agreement to minimise/reduce current and contingent liabilities with all employees, officers, contractors and service providers.

As part of further cost cutting measures the Company has decided to reduce the number of directors to the statutory requirement of 3. As a result, Mr Russell Clark has elected to resign given his increased work commitments.

### Kodiak Coking Coal Project, Alabama USA (Attila Resources 70%)

Attila remains in discussions with Magni Resources Inc regarding its unsolicited bid for the Kodiak Coking Coal Project. The Company understands that Magni remains in discussions with interested parties for funding of the acquisition of the Project. Attila will continue to keep the market updated.

For a summary of the additional conditions precedent and other material terms of the Agreement please refer to Appendix A of the Company’s announcement lodged with ASX on 24 November 2014.

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#### Fast Facts

Total Shares on Issue	86.9m
Convertible Notes (\$0.20)	70m
Cash at 30 June 2015	\$1.2m
Market Capitalisation at \$0.16 (undiluted)	\$14m

#### Directors

Mr Max Brunson  
Mr Evan Cranston  
Mr Bryn Hardcastle

#### Kodiak Coking Coal Project, Alabama

- 11,700 acre Project area over 2 properties
- PFS on Coke and Atkins seams on Gurnee Property completed:
  - 2Mtpa circa production based on 48.2Mt Proven and Probable JORC Reserves
  - Total upfront funding requirement of \$52.1Mt after leasing equipment and machinery – staged development could almost halve costs
  - All in cash costs of US\$90/t FOB for LOM including rail, port, taxes and royalties
- Fully owned infrastructure on private land
- Fully permitted to commence mining at Gurnee
- Recent strategic acquisitions of additional seams at Gurnee – not included in PFS
- Maiden inferred resource at Seymour Property of 48.2Mt coking coal – not included in PFS

### Suspension in Trading of Attila's Securities

The financial viability of the Company is dependent on the successful sale of the Kodiak Project and/or the successful re-financing of the Company's debt (the Company needs to find an alternative funding solution should Magni be unable to confirm that financing for the acquisition is unconditional). Accordingly, the Company has requested the ASX to suspend trading in the Company's securities.

**For further information please contact:**

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Evan Cranston – Executive Director: +61 (0) 408 865 838

## Appendix 1

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2015:

Project	Location	Status	Interest
<b>Kodiak Coking Coal Project</b>	<b>Alabama, USA</b>		
Coke Seam, Gurnee Property	Shelby & Bibb Counties	Lease	70%
Atkins Seam, Gurnee Property	Shelby & Bibb Counties	Lease	70%
Gholson Seam, Gurnee Property	Shelby & Bibb Counties	Lease	70%
Clark Seam, Gurnee Property	Shelby & Bibb Counties	Lease	70%
Upper Thompson Seam, Gurnee Property	Shelby & Bibb Counties	Option to lease	70%
Coke Seam, Seymour Property	Bibb County	Option to lease	70%
Atkins Seam, Seymour Property	Bibb County	Option to lease	70%
Upper Thompson Seam, Seymour Property	Bibb County	Option to lease	70%
Big Bone Seam, Seymour Property	Bibb County	Option to lease	70%

There were no mining tenements or interests in farm-in/farm-out agreements acquired or disposed of during the quarter.

### Competent Person Statement

*The information in this report relating to Exploration Results and to JORC Compliant (Coal) Resources and Reserves for the Gurnee Property of the Kodiak Coking Coal Project in Shelby County, Alabama, USA has been reviewed and is based on information compiled by Mr Alan Stagg of Stagg Resource Consultants Inc. Mr Stagg is a Registered Member of the Society of Mining, Metallurgy, and Exploration, Inc. (SME), 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. The information in this report was first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The results were initially reported to the ASX on 6 August 2013.*

*The information in this report that relates to the JORC Compliant (Coal) Resource for the Seymour Property of the Kodiak Coking Coal Project in Shelby County, Alabama, USA has been reviewed and is based on information compiled by Mr Alan Stagg of 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 2012 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. The resource was initially reported to the ASX on 25 March 2014 and has not been updated since.*