



ATTILA RESOURCES LIMITED

ATTILA RESOURCES LIMITED
ACN 142 165 080

PROSPECTUS

THIS PROSPECTUS IS BEING ISSUED FOR THE FOLLOWING OFFERS:

- A NON-RENOUNCEABLE PRO-RATA OFFER TO ELIGIBLE SHAREHOLDERS ON THE BASIS OF ONE NEW SHARE FOR EVERY ONE SHARE HELD ON THE RECORD DATE AT AN ISSUE PRICE OF \$0.02 EACH ("ENTITLEMENT OFFER");
- ANY SHORTFALL UNDER THE ENTITLEMENT OFFER AT AN ISSUE PRICE OF \$0.02 EACH; AND
- THE OFFER OF UP TO 10,000,000 SHARES PURSUANT TO A PLACEMENT TO SOPHISTICATED AND PROFESSIONAL INVESTORS AT AN ISSUE PRICE OF \$0.02 EACH.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

THE SHARES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

IMPORTANT INFORMATION

This Prospectus is dated 26 November 2015 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 23, 513 Hay Street, Subiaco, Western Australia, during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 5.3).

The Shares offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Acceptances of Shares under the Entitlement Offer can only be submitted on an original Entitlement and Acceptance Form sent with a copy of this Prospectus by the Company. The Entitlement and Acceptance Form sets out an Eligible Shareholder's entitlement to participate in the Entitlement Offer. If acceptance is by BPAY there is no need to return the original Entitlement and Acceptance Form. Applications for Additional Shares must be made on the separate section on the Entitlement and Acceptance Form sent with this Prospectus. The issue of Additional Shares is at the complete discretion of the Directors. More information on the Shortfall Offer is in Section 1.3.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Shares under this Prospectus in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed. Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated.

This Prospectus contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and are considered by the Board to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this Prospectus. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

CORPORATE DIRECTORY

Directors

Mr Max Brunson Executive Director
Mr Evan Cranston Non-Executive Director
Mr Bryn Hardcastle Non-Executive Director

Company Secretary

Ms Oonagh Malone

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

Lawyers

Bellanhouse Legal
Ground Floor, 11 Ventnor Avenue
West Perth WA 6005

Registered Office

Suite 23
513 Hay Street
Subiaco WA 6008

Telephone: +61 (8) 6142 0989

ASX Code: AYA

Fax: +61 (8) 9388 8824

Website: www.attilaresources.com

Email: admin@attilaresources.com

PROPOSED TIMETABLE FOR ENTITLEMENT OFFER

Lodgement of Appendix 3B and Prospectus with ASX Notice of Entitlement Offer sent to Optionholders	27 November 2015
Notice of Entitlement Offer sent to Shareholders	30 November 2015
Shares quoted on an "EX" basis	1 December 2015
Record Date for determining Entitlements	3 December 2015
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	8 December 2015
Last day to extend the offer closing date	23 December 2015
Closing Date of Entitlement Offer (5pm WST)*	30 December 2015
Shares quoted on a deferred settlement basis	31 December 2015
Notification of Shortfall	5 January 2016
Anticipated date for issue of the Securities. Deferred settlement trading ends	7 January 2016
Anticipated date for commencement of Shares trading on a normal settlement basis	8 January 2016

All dates are indicative only and subject to change without prior written notice. Any extension of the Entitlement Offer Closing Date will have a consequential effect on the date of issue of the Shares.

TABLE OF CONTENTS

Section	Page No.
1. Details of the Offer	1
2. Action required by Shareholders.....	10
3. Effect of the Offer	12
4. Risk factors	15
5. Additional information	21
6. Directors' Statement and Consent	28
7. Glossary of Terms	29

LETTER FROM THE DIRECTORS

Dear Shareholder

On behalf of the Directors, I am pleased to invite you to participate in a non-renounceable pro-rata 1-for-1 Entitlement Offer at an issue price of \$0.02 per Share to raise up to \$1,738,696 (before costs).

Shareholders also have the opportunity to subscribe for any Shares that are not subscribed for under the Entitlement Offer pursuant to the Shortfall Offer under this Prospectus.

The Company is also proposing to undertake a placement for up to a total of 10,000,000 Shares at \$0.02 per Share to raise up to \$200,000 (before costs) in addition to the Entitlement Offer and the Shortfall Offer. This Placement Offer is proposed to be made to sophisticated and professional investors who are not related parties of the Company.

Use of funds

Subject to the satisfactory completion of the Offers, funds raised are intended to be used to ensure that the Company can continue to satisfy the ongoing care and maintenance activities for the Kodiak Coking Coal Project (**Kodiak Project**). The funds raised from the Offers are also intended to be allocated to general working capital costs incurred by the Company and to undertake due diligence investigations on potential new acquisitions that have the capacity to add significant long-term Shareholder value.

The Company's securities were placed into a trading halt on 1 April 2015 and were suspended from trading from 7 April 2015. The Company anticipates that upon successful completion of the Entitlement Offer, it will be able to satisfy ASX of the adequacy of its financial position such that its securities may be reinstated to quotation.

Acquisition opportunities

The Company is seeking out potential acquisition opportunities to complement the Company's existing activities, as well as opportunities in other sectors with the objective of increasing Shareholder value.

In particular, the Company has entered into a memorandum of understanding (**MoU**) with SecurET Pty Ltd (**SecurET**) an Australian-based company associated with Kingslane Pty Ltd, a substantial Shareholder of the Company.

SecurET has an option to acquire an interest in assets held by an unlisted, privately-held Australian-based payment and cyber-security infrastructure company. Exercise of this option remains subject to the satisfactory completion of due diligence investigations by SecurET, in its sole discretion.

Pursuant to the MoU, the Company has the right to undertake due diligence investigations into SecurET. The Company was not required to pay any fee to SecurET in consideration for this right and confirms that no funds raised under the Offers are intended to be applied to any potential transaction with SecurET (**Potential Transaction**), other than in relation to due diligence and associated negotiation costs.

The Company cautions investors that the MoU is binding only in relation to confidentiality. No commercial terms have been agreed and any agreement with SecurET would be subject to the satisfactory completion of due diligence investigations by the Company and the execution of a conditional formal sale agreement. There is no certainty that an agreement will be reached in relation to the Potential Transaction. The Company has announced the

existence of the Potential Transaction in the interests of ensuring that the market is fully informed. The Company will continue to provide updates to the market in accordance with its continuous disclosure obligations.

The Company also notes that the Potential Transaction, if it eventuates, would constitute a change in the nature and scale of the Company's activities, to which Listing Rules 11.1.2 and 11.1.3 would apply, necessitating a re-compliance with Chapters 1 and 2 of the Listing Rules.

The Company is currently looking at a number of companies and opportunities in addition to the Potential Transaction, and will continue to assess new projects as opportunities arise.

Convertible Note Agreement

The Company anticipates that it will be a condition precedent of any potential acquisition opportunity, including the Potential Transaction, that the Company is relieved from its payment obligations under its existing convertible note arrangements.

Accordingly, the Company and its Noteholders have agreed to amend the terms of the Convertible Note Agreement such that all payment obligations have been transferred to the Company's wholly owned subsidiary, Attila Resources (US) Pty Ltd (**Attila Pty Ltd**). Attila Pty Ltd was already the guarantor under the Convertible Note Agreement. Attila Pty Ltd holds 100% of the shares in Attila Resources Holdings US Ltd, which in turn holds the 70% interest in the Kodiak Project. The shareholding of Attila Pty Ltd in Attila Resources Holdings US Ltd is the security granted in favour of the Noteholders under the Convertible Note Agreement.

Should Noteholders wish to convert their notes, they would convert into ordinary Shares in the capital of the Company.

Update on the Kodiak Project

As announced on 24 November 2014, the unsolicited bid by Magni Resources, LLC. (**Magni**) for the Kodiak Project was subject to the satisfaction or waiver of a number of conditions precedent by Magni.

The Company has now been advised by Magni that these remaining conditions precedent will not be satisfied or waived.

The Company remains in discussions with a number of other groups that have indicated their interest in purchasing or assisting with funding the Project and will update the market as and when these discussions progress.

I look forward to your support and to keeping you updated on our progress.

Yours faithfully,



Evan Cranston
Director

1. Details of the Offers

1.1 The Offers

This Prospectus is being issued for the following offers (together, the **Offers**):

- (a) the Entitlement Offer;
- (b) the Shortfall Offer; and
- (c) the Placement Offer.

1.2 Entitlement Offer

The Company is making a non-renounceable pro-rata offer of ordinary fully paid Shares at an issue price of \$0.02 each to Eligible Shareholders on the basis of one Share for every one Share held at 5:00pm (WST) on the Record Date (**Entitlement Offer**).

The Company has as at the date of this Prospectus 86,934,798 Shares, and 9,500,000 unquoted Options on issue.

The market price of Shares at the date of this Prospectus is such that it is unlikely that any of the existing Options will be exercised before the Record Date.

Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded up to the nearest whole Share. Further details on the rights and liabilities attaching to the Shares proposed to be issued under the Offers are contained in Section 5.1.

1.3 Shortfall Offer

If you do not wish to take up any part of your entitlement under the Entitlement Offer, you are not required to take any action. That part of your entitlement not taken up will form part of the Shortfall and will be dealt with in accordance with this Section. In these circumstances, you will receive no benefit. Accordingly, it is important that you take action if you want to accept your entitlement in accordance with the instructions in Section 2.

The offer of any Additional Shares is a separate offer made pursuant to this Prospectus and will remain open after the Entitlement Offer Closing Date (**Shortfall Offer**). Additional Shares will be offered at an issue price of \$0.02 per Share, which is the issue price at which the Entitlement Offer has been made to Eligible Shareholders. The Shares issued as Additional Shares will have the same rights as the Shares issued under the Entitlement Offer, which are summarised in Section 5.1.

Additional Shares may be allocated to any Eligible Shareholder who applies for, and provides subscription monies as per the instruction on the Entitlement and Acceptance Form and in accordance with Section 2.3. Any Additional Shares allocated under the Shortfall Offer are at the absolute discretion of the Directors and subject to compliance with the Corporations Act and the Listing Rules.

The Directors do not represent that any application to participate in the Shortfall Offer will be successful. The Company reserves the right to issue to an Applicant for Additional Shares a lesser number of Additional Shares than the number applied for or reject an application or not proceed with the issuing of the Additional Shares or part thereof. If the number of Additional Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

If Shareholders wish to apply for Additional Shares they should complete the separate section of the Application Form sent with the Prospectus. Refer to Section 2.3 for instructions as to how to apply for Additional Shares.

Any Additional Shares will be issued within three months of the Entitlement Offer Closing Date.

1.4 Placement Offer

The Company is also proposing to undertake a placement for up to a total of 10,000,000 Shares at \$0.02 per Share to raise up to \$200,000 (before costs) in addition to the Entitlement Offer and the Shortfall Offer (**Placement Offer**).

The Placement Offer is proposed to be made to sophisticated and professional investors who are not related parties of the Company.

Any Shares issued under the Placement Offer are intended to be issued under the Company's expanded placement capacity under Listing Rule 7.1, following completion of the Entitlement Offer.

1.5 Purpose of the Offers and Use of Funds

Completion of the Offers will result in an increase in cash at hand of up to approximately \$1,938,696 (before costs).

(a) Acquisition opportunities

The Company is seeking out potential acquisition opportunities to complement the Company's existing activities, as well as opportunities in other sectors with the objective of increasing shareholder value.

In particular, the Company has entered into a memorandum of understanding (**MoU**) with SecurET Pty Ltd (**SecurET**) an Australian-based company associated with Kingslane Pty Ltd, a substantial Shareholder of the Company.

SecurET has an option to acquire an interest in the assets held by an unlisted, privately-held Australian-based payment and cyber-security infrastructure company. Exercise of this option remains subject to the satisfactory completion of due diligence investigations by SecurET, in its sole discretion.

Pursuant to the MoU, the Company has the right to undertake due diligence investigations into SecurET. The Company was not required to pay any fee to SecurET in consideration for this right.

Up to approximately \$250,000 of the funds raised under the Offers are

intended to be applied to the evaluation of potential acquisition opportunities, including the potential transaction with SecurET (**Potential Transaction**).

The Company cautions investors that the MoU is binding only in relation to confidentiality. No commercial terms have been agreed and any agreement with SecurET would be subject to the satisfactory completion of due diligence investigations by the Company and the execution of a conditional formal sale agreement. There is no certainty that an agreement will be reached in relation to the Potential Transaction. The Company has announced the existence of the Potential Transaction in the interests of ensuring that the market is fully informed. The Company will continue to provide updates to the market in accordance with its continuous disclosure obligations.

The Company also notes that the Potential Transaction, if it eventuates, would constitute a change in the nature and scale of the Company's activities, to which Listing Rules 11.1.2 and 11.1.3 would apply, necessitating a re-compliance with Chapters 1 and 2 of the Listing Rules.

(b) Kodiak Project

The Company announced on 24 November 2014 that its wholly owned subsidiary, Attila Resources US Holding Ltd had entered into a conditional binding Membership Interests Purchase Agreement (**Agreement**) to sell its 70% interest in Attila Resources US LLC which holds a 100% interest in the Kodiak Project, to Magni Resources, LLC (**Magni**) (**Magni Transaction**).

As noted in the Company's announcement, the Magni Transaction remains subject to the satisfaction or waiver of a number of conditions precedent by Magni.

The Company has been advised by Magni that these remaining conditions precedent will not be satisfied or waived.

The Company remains in discussions with a number of other groups that have indicated their interest in purchasing or assisting with funding the Project and will update the market as and when these discussions progress.

Up to approximately \$1,000,000 of the funds raised under the Offers are intended to be applied towards the Company's costs incurred in maintaining the Kodiak Project on care and maintenance.

(c) Convertible Notes

The Company anticipates that it will be a condition precedent of any potential acquisition opportunity, including the Potential Transaction, that the Company is relieved from its payment obligations under its existing convertible note arrangements.

Accordingly, the Company and its Noteholders have agreed to amend the terms of the Convertible Note Agreement such that all payment obligations have been transferred to the Company's wholly owned subsidiary, Attila Resources (US) Pty Ltd (**Attila Pty Ltd**). Attila Pty Ltd was already the guarantor under the Convertible Note Agreement. Attila Pty Ltd holds 100%

of the shares in Attila Resources Holdings US Ltd, which in turn holds the 70% interest in the Kodiak Project. The shareholding of Attila Pty Ltd in Attila Resources Holdings US Ltd is the security granted in favour of the Noteholders under the Convertible Note Agreement.

Should Noteholders wish to convert their notes, they would convert into ordinary Shares in the capital of the Company.

Accordingly, no funds raised under the Offers are intended to be applied towards the repayment of the Convertible Notes.

The Company will advise the market once the agreement with Noteholders has been finalised.

(d) **Use of funds**

The following indicative table sets out the proposed use of funds raised under the Offers:

Proposed use	\$
Kodiak Project - continued care and maintenance and associated costs	1,000,000
Costs of Offers	19,817
Working capital	668,825
Due diligence investigations for potential acquisitions	250,000
Total	1,938,642

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

1.6 Opening and Closing Dates

For the Entitlement Offer, the Company will accept Entitlement and Acceptance Forms from the Record Date in determining Eligible Shareholders' entitlements until 5:00pm WST on 30 December 2015 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Entitlement Offer Closing Date**).

The Shortfall Offer and Placement Offer will remain open after the Entitlement Offer Closing Date.

1.7 Minimum subscription

There is no minimum subscription for any of the Offers.

1.8 Effect of the Offers on control of the Company

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company.

No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

No nominee has been appointed for Ineligible Foreign Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act. Accordingly, when an Eligible Shareholder applies for some or all of their entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of the Entitlement Offer should seek professional advice before completing and returning the Entitlement and Acceptance Form.

In addition, the Company will not issue Additional Shares under the Shortfall Offer to a person if such issue would result in their or another person's voting power in the Company increasing beyond the 20% voting power threshold in section 606 of the Corporations Act.

1.9 Substantial Shareholders

As at the date of the Prospectus, the Company has the following substantial Shareholder:

Substantial Shareholder	Number of Shares	Voting power
Kingslane Pty Ltd (Kingslane)	11,045,014	12.70%

Entities controlled by Kingslane also:

- (a) hold a 10% non-controlling interest in the Kodiak Project and Kodiak Mining Company LLC through a non-controlling shareholding in 70% owned Attila Resources US LLC; and
- (b) holds Convertible Notes with face values of \$4,250,000.

Kingslane is also the security trustee for the Convertible Noteholders under the Convertible Note Agreement.

1.10 Dilution

Shareholders should note that if they do not participate in the Offers, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlements under Entitlement Offer	Holdings if entitlement not taken up	% post Offers only
Shareholder 1	6,000,000	6.90	6,000,000	6,000,000	3.26
Shareholder 2	3,000,000	3.45	3,000,000	3,000,000	1.63
Shareholder 3	1,500,000	1.73	1,500,000	1,500,000	0.82
Shareholder 4	750,000	0.86	750,000	750,000	0.41
Shareholder 5	375,000	0.43	375,000	375,000	0.20

Notes:

1. The dilution effect shown in the table is the maximum percentage on the assumption that those entitlements not accepted are placed under the Shortfall Offer. In the event all entitlements are not accepted and some or all of the resulting Shortfall is not subsequently placed, the dilution effect for each Shareholder not accepting their entitlement would be a lesser percentage.
2. The table above assumes that and all of the Shares offered under the Placement Offer are subscribed for.

1.11 No rights trading

The rights to Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your entitlement to any other party. If you do not take up your entitlement to Shares under the Entitlement Offer by the Entitlement Offer Closing Date, the Entitlement Offer to you will lapse.

1.12 Entitlement and Acceptance Form

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form, is final.

The Company will send this Prospectus, together with an Entitlement and Acceptance Form, to all Eligible Shareholders.

1.13 Issue Date and dispatch

All Shares under the Entitlement Offer are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Shares under the Offers.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements do so at their own risk.

1.14 Application Monies held on trust

All Application Monies received for the Shares under the Offers will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued under the relevant Offer. All Application Monies received in respect of an Offer will be returned (without interest) if the Shares under the relevant Offer are not issued.

1.15 ASX quotation

Application has been or will be made for the official quotation of the Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.16 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Security Transfer Registrars Pty Ltd and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.17 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Entitlement and Acceptance Form, do not, and is not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Shares under the Offers.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company believes that it is unreasonable to extend the Offers to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Shares that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Offers.

1.18 New Zealand offer restrictions

The Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

1.19 Risk factors

An investment in Shares of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

1.20 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

1.21 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2015 can be found in the Company's Annual Financial Report lodged with ASX. The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of the Company's Annual Financial Report on 30 September 2015 are listed in Section 5.3. Copies of these documents are available free of charge from the Company. The Directors strongly

recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.22 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Shareholding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Acceptance or Application (as applicable).

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.23 Enquiries concerning Prospectus

All enquiries concerning the Entitlement and Acceptance Form and the Prospectus, please contact Attila Resources Limited on +61 8 6142 0989.

For general shareholder enquiries, please contact Security Transfer Registrars Pty Ltd on +61 8 9315 2333.

2. Action required by Shareholders

2.1 Acceptance of Shares under the Entitlement Offer

Should you wish to accept all of your entitlement to Shares under the Entitlement Offer and you are not paying by BPAY, then applications for Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque, bank draft or money order for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Attila Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Entitlement Offer Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

2.2 If you wish to take up only part of your entitlement under the Entitlement Offer

Should you wish to only take up part of your entitlement under the Entitlement Offer and you are not paying by BPAY, then applications for Shares under the Entitlement Offer must be made on the Entitlement and Acceptance Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of Shares you wish to accept and the amount payable (calculated at \$0.02 per Share accepted), and attach a cheque, bank draft or money order for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Attila Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Entitlement Offer Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

2.3 If you wish to apply for Additional Shares

If you wish to apply for Shares in excess of your entitlement under the Entitlement Offer by applying for Additional Shares you may do so by completing the relevant separate section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Any Shares applied for in excess of your entitlement will be applied for under the Shortfall Offer and will be issued at the complete discretion of the Directors.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Attila Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Entitlement Offer Closing Date at the Company's share registry (by delivery or by post) at:

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the date and time mentioned above. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

2.4 Entitlements not taken up

If you do not wish to accept any of your entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your entitlement.

2.5 Enquiries concerning your entitlement

For all enquiries concerning the Prospectus, please contact Attila Resources Limited on +61 6142 0989.

For all general shareholder enquiries, please contact Security Transfer Registrars Pty Ltd on +61 8 9315 2333.

3. Effect of the Offers

3.1 Capital structure on completion of the Offers

	Number of Shares	Number of Options
Balance at the date of this Prospectus	86,934,798	9,500,000
Maximum number of Shares to be issued under the Entitlement Offer and Shortfall Offer	86,934,798 ¹	Nil
Maximum number of Shares to be issued under the Placement Offer	10,000,000 ²	Nil
TOTAL ON COMPLETION	183,869,596	4,000,000³

Notes:

1. This assumes that all Shares offered under the Entitlement Offer are issued, either under the Entitlement Offer itself, or the Shortfall Offer. The actual number of Shares to be issued will vary based on the Shares subscribed for and issued pursuant to the Entitlement Offer and the Shortfall Offer.
2. This assumes that all of the Shares offered under the Placement Offer are subscribed for.
3. This assumes that the 5,500,000 unquoted options expiring on 30 November 2015 lapse unexercised.

3.2 Pro forma consolidated statement of financial position

BALANCE SHEET As at 30 June 2015	Audited Balance Sheet as of 30 June 2015*	Movement for the period**	Unaudited Balance Sheet as of 31 October 2015*	Effect of Offers***	Pro Forma Balance Sheet - Post Offers
	\$	\$	\$	\$	\$
Current Assets					
Cash and cash equivalents	1,169,552	(622,858)	546,694	1,938,696	2,485,390
Trade and other receivables	35,874	(19,322)	16,552		16,552
Other current assets	8,718	9,389	18,107		18,107
Non Current Assets					
Financial assets	1,060,027	79,426	1,139,453		1,139,453
Property, plant and equipment	13,881,582	1,110,922	14,992,504		14,992,504

BALANCE SHEET As at 30 June 2015	Audited Balance Sheet as of 30 June 2015*	Movement for the period**	Unaudited Balance Sheet as of 31 October 2015*	Effect of Offers***	Pro Forma Balance Sheet - Post Offers
	\$	\$	\$	\$	\$
Exploration & evaluation expenditure	2,291,577	288,652	2,580,229		2,580,229
Intangible assets	3,395	-	3,395		3,395
TOTAL ASSETS	18,450,725	846,209	19,296,934	1,938,696	21,235,630
Current Liabilities					
Trade and other payables	366,673	45,681	412,354	19,817	432,171
Provisions	18,531	(18,531)	-		-
Borrowings	14,860,380	714,631	15,575,011		15,575,011
Non Current Liabilities					
Provisions	1,011,246	82,763	1,094,009		1,094,009
TOTAL LIABILITIES	16,256,830	824,544	17,081,374	19,817	17,101,191
NET ASSETS	2,193,895	21,665	2,215,560	1,918,879	4,134,439
EQUITY					
Issued capital	24,315,800	-	24,315,800	1,918,879	26,234,679
Reserves	6,683,073	1,321,355	8,004,428		8,004,428
Accumulated Losses	(28,804,978)	(1,299,690)	(30,104,668)		(30,104,668)
TOTAL EQUITY	2,193,895	21,665	2,215,560	1,918,879	4,134,439

* Since the last audited accounts as at 30 June 2015, there have been no equity transactions or other significant transactions.

** The most significant movements for the period from 30 June 2015 to 31 October 2015 were:

- Expenditure of \$622,858 in cash on ongoing operations.
- Movement in the AUD:USD exchange rate from 0.7680 at 30 June 2015 to 0.7099 at 31 October 2015. This increased the \$AUD values of US assets by \$1,414,014 and increased the \$AUD values of US liabilities by \$87,570 for a net increase in the \$AUD value of US net assets of \$1,326,444. This is reflected in the \$1,321,355 increase in the foreign currency translation reserve.
- Recognition of \$714,631 of interest accrued on Convertible Notes.
- Recognition of \$125,333 of accrued liabilities for amounts due to Directors and Director related parties at 31 October 2015.

*** The rights issue transaction has been calculated based on the issue of 96,934,798 ordinary shares at \$0.02 per share with total costs of \$19,817.

Basis of Preparation

The above pro forma statement of financial position has been prepared in accordance with the draft ASIC Guide to Disclosing Pro Forma Financial Information (issued July 2005).

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the audited financial position as at 30 June 2015 and the unaudited financial position as at 31 October 2015 and assumes that the Entitlement Offer is fully subscribed. Other than in the ordinary course of business, there have been no other material transactions between that date and the date of this Prospectus.

3.3 Market price of Shares

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.16 per Share on 31 March 2015. The Company's securities were placed into a trading halt on 1 April 2015 and were suspended from trading from 7 April 2015.

The highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of the Company's Shares were placed into a trading halt and subsequently suspended from official quotation and the respective dates of those sales were:

Lowest:	\$0.160 on 31 March 2015
Highest:	\$0.30 on 19, 20 and 23 February 2015

3.4 Suspension

The Company's securities were placed into a trading halt on 1 April 2015 and were suspended from trading from 7 April 2015.

The Company anticipates that upon successful completion of the Entitlement Offer, it will be able to satisfy ASX of the adequacy of its financial position such that its securities may be reinstated to quotation.

3.5 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

4. Risk Factors

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of in evaluating the Company's business and risks of investing in the Company. Potential investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

4.1 Risks specific to the Company

(a) **Suspension risk**

As the Company's Shares are currently suspended, investors may not be able to assess the value of the Offers by reference to the current market price.

(b) **Going concern risk**

The Directors have determined that future equity raisings or debt financing arrangements may be required to assist the funding of the Company's activities to meet the Company's objectives. There is no certainty that these will be successfully completed to provide adequate working capital for the Company.

In the event that the Offers are not completed successfully there is some uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities. The realisable value of the Company's non-current assets may be significantly less than their current carrying values and the Company may not be able to continue in its present form.

(c) **Sale and funding of the Kodiak Project**

As the Company has previously announced, its financial viability depends on the successful sale of the Kodiak Project and/or the Company securing an alternative funding solution should the sale not proceed.

The funds raised under the Offers are intended to be sufficient to fund the costs of maintaining the Kodiak Project on care and maintenance. If the sale of the Kodiak Project or an alternative funding solution is not secured within this time, the Company will be required to obtain additional funds.

Additional funding may be raised by the Company via the issues of equity, debt or a combination of debt and equity or asset sales. Any additional equity financing will dilute Shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Company is unable to obtain additional financing as needed, it may be required to scale back its programs to the extent possible, enter into joint venture arrangements to reduce expenditure or relinquish all or part of the Kodiak Project, and this could have a material adverse effect on the Company's activities. Unfavourable market conditions may adversely affect the Company's ability to raise additional funding regardless of the Company's operating performance.

(d) Noteholder risk

The Company's (and its subsidiaries') obligations to the Convertible Noteholders are secured by the Company's interest in the Kodiak Project. If an event of default occurs, the Convertible Noteholders may seek to enforce their security, which would leave the Company without its main undertaking.

(e) Acquisition opportunities

As summarised in Section 1.5(a), the Company is reviewing potential acquisition opportunities to complement the Company's existing activities, as well as opportunities in other sectors with the objective of increasing shareholder value, including the Potential Transaction.

Considerable time and costs may be incurred as part of the due diligence investigations and negotiations for such a transaction, with no certainty that the transaction will be completed, that the transaction would be value accretive to the Company, or that the Company would be able to successfully re-comply with Chapters 1 and 2 of the Listing Rules (if such re-compliance was required).

Furthermore, any new project or business acquisition may change the risk profile of the Company.

Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

(f) Reliance on key management

The Company is reliant on a number of key personnel employed or engaged by the Company. Loss of such personnel may have a materially adverse impact on the performance of the Company.

The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Company's projects.

4.2 Mining Industry Risks

(a) Inaccurate coal reserve estimates

Inaccuracies in the Company's estimates of its coal reserves could result in decreased profitability from lower than expected revenues or higher than expected costs.

The Company's future performance depends on, among other things, the accuracy of its estimates of its proven and probable coal reserves. The Company bases its estimates of reserves on engineering, economic and geological data assembled, analysed and reviewed by internal and third-party engineers and consultants in accordance with applicable standards.

There are numerous factors and assumptions inherent in estimating the quantities and qualities of, and costs to mine, coal reserves, including many factors beyond the Company's control, including the following:

- (i) quality of the coal;
- (ii) geological and mining conditions, which may not be fully identified by available exploration data and/or may differ from our experiences in areas where the Company currently mines;
- (iii) the percentage of coal ultimately recoverable;
- (iv) the assumed effects of regulation, including the issuance of required permits, licenses, taxes, including severance and excise taxes and royalties, and other payments to governmental agencies;
- (v) assumptions concerning the timing for the development of the reserves; and
- (vi) assumptions concerning equipment and productivity, future coal prices, operating costs, including for critical supplies such as fuel, tires and explosives, capital expenditures and development and reclamation costs.

As a result, estimates of the quantities and qualities of economically recoverable coal attributable to any particular group of properties, classifications of reserves based on risk of recovery, estimated cost of production, and estimates of future net cash flows expected from these properties as prepared by different engineers, or by the same engineers at different times, may vary materially due to changes in the above factors and assumptions. Actual production recovered from identified reserve areas and properties, and revenues and expenditures associated with our mining operations, may vary materially from estimates. Any inaccuracy in the Company's estimates related to its reserves could result in decreased profitability from lower than expected revenues and/or higher than expected costs.

(b) Payment obligations

Pursuant to the licences comprising the Company's projects, the Company will become subject to payment and other obligations. In particular, licence holders are required to expend the funds necessary to meet the minimum work commitments attaching to the tenements. Failure to meet these work commitments may render the licence liable to be cancelled or its size reduced. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects.

(c) Commodity price volatility

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company including the international supply and demand for commodities, the quality of the minerals produced, actions taken by governments, forward selling activities and other macro-economic factors.

(d) Government and regulatory risk

The coal mining industry in the United States is subject to increasingly strict regulation by federal, state and local authorities with respect to matters such as limitations on land use, employee health and safety, mandated benefits for retired coal miners, mine permitting and licensing requirements, reclamation and restoration of mining properties after mining is completed, air quality standards, discharges to water, construction and permitting of facilities required for mining operations, including valley fills and other structures constructed in water bodies and wetlands, protection of human health, plant life and wildlife, management of the materials generated by mining operations and discharge of these materials into the environment, effects of mining on groundwater quality and availability, and remediation of contaminated soil, surface and groundwater.

The costs, liabilities and requirements associated with such regulations may be costly and time-consuming and may delay commencement or continuation of exploration or production operations. Failure to comply with these regulations may result in the assessment of penalties, the imposition of clean-up and site restoration costs and liens, the issuance of injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures that could have the effect of limiting production.

New legislation or regulations and orders may be adopted that may materially adversely affect the Company's mining operations, our cost structure or potential customers' ability to use coal. New legislation or administrative regulations (or new judicial interpretations or administrative enforcement of existing laws and regulations), including proposals related to the protection of the environment that would further regulate and tax the coal industry, may also require the Company its potential customers to change operations significantly or incur increased

costs. These regulations, if proposed and enacted in the future, could have a material adverse effect on the Company's financial condition and results of any operations.

(e) Climate change concerns

Concerns regarding climate change in the United States are leading to increasing interest in, and in some cases enactment of, laws and regulations governing greenhouse gas emissions, which affect the end-users of coal and could reduce the demand for coal as a fuel source and cause the volume of sales or commodity prices to decline. These laws and regulations also have imposed, and will continue to impose, costs directly on the Company.

(f) Environmental risk

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

4.3 General Risks

(a) Market conditions and other economic risks

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's operations and any future development activities, as well as on its ability to fund those activities.

The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(c) Litigation risks

Litigation risks to the Company include, but are not limited to, employee claims, contractual claims, environmental claims, occupational health and safety claims, regulatory disputes, legal actions from special interest groups, as well as third party damage or losses resulting from operations.

(d) **Insurance**

The Company will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover.

4.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

5. Additional information

5.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) Issues of further Shares

The Directors may, on behalf of the Company, issue, grant Options over or otherwise dispose of unissued Shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, the Listing Rules, the Corporations Act and any rights for the time being attached to the Shares in any special class of those Shares.

(d) Variation of rights

At present, the Company has on issue one class of Shares only, namely ordinary Shares. Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) Transfer of Shares

Subject to the Constitution, the Corporations Act and the Listing Rules, ordinary Shares are freely transferable.

(f) Dividends

Subject to the Corporations Act, the Listing Rules and the rights attaching to Shares issued on special conditions (at present there are none), the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares in proportion to the number of Shares held by them respectively and are paid proportionately to the amounts paid or credited as paid on Shares.

(g) Winding up

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, any surplus must be divided among the members in the proportions which the amount paid (including amounts credited) on the Shares of a member is of the total amounts paid and payable (including amounts credited) on the Shares of all members.

(h) Dividend reinvestment and share plans

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a Dividend from the Company in subscribing for securities of the Company or a related body corporate of the Company.

(i) Directors

The Company must have not less than 3, and not more than 10, Directors.

(j) Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or this Constitution requires the Company to exercise in general meeting.

(k) Unmarketable parcels

The Constitution permits the Company to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of the Listing Rules.

If a Shareholder does not want its Shares sold, that Shareholder may notify the Company accordingly.

(l) Capitalisation of profits

The Directors may capitalise any profits of the Company and distribute that capital to the members, in the same proportions as the members are

entitled to a distribution by dividend.

(m) Preference Shares

The Company may issue preference Shares including preference Shares which are liable to be redeemed in a manner permitted by the Corporations Act, and preference Shares in accordance with the terms of the Constitution.

5.2 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.3 below). Copies of all documents announced to the ASX can be found at <http://attilaresources.com/investor-centre/announcements>.

5.3 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Entitlement Offer a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2015, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in paragraph (a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
01/10/2015	Extension of Suspension of Trading
29/10/2015	Notice of Annual General Meeting
30/10/2015	Quarterly Cashflow Report
30/10/2015	Quarterly Activities Report
30/10/2015	Extension of Suspension of Trading
3/11/2015	Annual Report to Shareholders

Date lodged	Subject of Announcement
3/11/2015	Appendix 4G

The following documents are available for inspection throughout the period of the Entitlement Offer during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.12 and the consents provided by the Directors to the issue of this Prospectus.

5.4 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

5.5 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

5.6 Directors' interests

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

5.7 Directors' interests in Company Shares

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their entitlement under the Entitlement Offer is set out below:

Director	Shares	Options	Entitlement under Entitlement Offer (Shares)
Mr Max Brunsdon	3,805,639	Nil	3,805,639
Mr Evan Cranston	Nil	5,000,000 ¹	Nil
Mr Bryn Hardcastle	90,000	Nil	90,000

Note:

¹ Unquoted options exercisable at \$1.36 each on or before 30 November 2015.

It is the intention of the Directors to take up all of their respective entitlements under the Entitlement Offer.

5.8 Directors' remuneration

The Constitution provides that the Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal Shares.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors received the following remuneration for the year to 30 June 2015:

Director ¹	Directors' fees, and salary (\$)	Superannuation (\$)	Share based payments (\$)	Total (\$)
Mr Max Brunsdon ²	190,000	Nil	Nil	190,000
Mr Evan Cranston ²	200,000	Nil	Nil	200,000
Mr Bryn Hardcastle	40,000	Nil	Nil	40,000
Mr Russell Clark ³	45,662	4,338	41,359	91,359
Mr Shaun Day ⁴	28,006	2,661	Nil	30,667
Mr Alan Thom ⁵	30,667	Nil	Nil	30,667

Notes to 2015 remuneration:

¹ Represents accrued directors' fees 1 July 2014 up to 30 June 2015. From 1 July 2015, all director fees have been deferred until the Company becomes adequately funded.

² Before 1 April 2015, Mr Brunsdon and Mr Cranston were on annual base salaries of \$240,000 per annum. From 1 April 2015, Mr Brunsdon and Mr Cranston were on annual base salaries of \$120,000 per annum. During May and June 2015, Mr Brunsdon's fees were temporarily reduced to \$60,000 per

annum. Mr Cranston transitioned from an Executive Director to a Non-Executive Director on 6 April 2015

³ Mr Russell Clark resigned on 26 June 2015.

⁴ Mr Shaun Day resigned 6 April 2015.

⁵ Mr Alan Thom resigned on 6 April 2015.

Directors received the following remuneration for the year ended 30 June 2014:

Director	Directors' fees, and salary (\$)	Superannuation (\$)	Share based payments (\$)	Total (\$)
Mr Max Brunsdon	217,500	Nil	Nil	217,500
Mr Evan Cranston	270,000	Nil	Nil	270,000
Mr Bryn Hardcastle	40,000	Nil	Nil	40,000
Mr Russell Clark	14,025	1,297	158,804	174,126
Mr Shaun Day	36,613	3,387	75,946	115,946
Mr Alan Thom	40,000	Nil	75,946	115,946

5.9 Related party transactions

There are no related party transactions involved in the Offers that are not otherwise described in this Prospectus.

5.10 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

5.11 Expenses of Offers

The estimated expenses of the Offers are as follows:

	\$
ASIC fees	2,320
ASX quotation fee	7,497
Legal and preparation expenses	5,000
Printing, mailing and other expenses	5,000
Total	<u><u>19,817</u></u>

5.12 Consents

- (a) In accordance with the Corporations Act, Bellanhouse Legal has given, and as at the date of lodgement of this Prospectus with ASIC has not withdrawn, their written consent to being named in this Prospectus as solicitors to the Company. Bellanhouse Legal has not authorised or caused the issue of this Prospectus or the making of the Offers. Bellanhouse Legal make no representation regarding, and to the extent permitted by law exclude any responsibility for, any statements in or omissions from any part of this Prospectus.
- (b) Security Transfer Registrars Pty Ltd has given, and as at the date of lodgement of this Prospectus with ASIC has not withdrawn, its written consent to being named in this Prospectus as the Company's share registry. Security Transfer Registrars Pty Ltd has had no involvement in the preparation of any part of this Prospectus other than being named as share registrar of the Company. Security Transfer Registrars Pty Ltd has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Prospectus.

6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:



Evan Cranston

Director

Dated: 26 November 2015

7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Acceptance means a valid acceptance of Shares made pursuant to this Prospectus on a Form.

Additional Shares means Shares subscribed for under the Shortfall Offer.

Applicant means a person who makes an application under this Prospectus.

Application means a valid application for Shares made on an Entitlement and Acceptance Form.

Application Monies means application monies for Shares received by the Company.

ASIC means Australian Shares and Investments Commission.

ASX means ASX Limited ACN 008 624 691 and where the context permits the Australian Shares Exchange operated by ASX Limited.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHES means ASX Clearing House Electronic Subregistry System.

Company means Attila Resources Limited ACN 142 165 080.

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Notes means the convertible notes issued by the Company.

Convertible Noteholders means the holders of the Convertible Notes.

Convertible Note Agreement means the agreement between the Company and the Convertible Noteholders in respect of the Convertible Notes, as amended from time to time.

Corporations Act means *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or New Zealand.

Entitlement and Acceptance Form means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that describes the entitlement of Shareholders to subscribe for Shares pursuant to the Entitlement Offer.

Entitlement Offer has the meaning given to it in Section 1.2.

Entitlement Offer Closing Date has the meaning given to it in Section 1.6.

Ineligible Foreign Shareholder means a person registered as the holder of Shares on the Record Date whose registered address is not in Australia or New Zealand.

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

Kodiak Project means the property and coking coal leases located on the Gurnee and Seymour properties in Shelby and Bibb Counties, Alabama, USA.

Listing Rules means the Listing Rules of ASX.

Offer means the Entitlement Offer, the Shortfall Offer and/or the Placement Offer (as applicable) and **Offers** means one or more Offer.

Option means the right to acquire one Share in the capital of the Company.

Placement Offer has the meaning given to it in Section 1.4.

Potential Transaction has the meaning given in Section 1.5(a).

Prospectus means this prospectus dated 26 November 2015.

Record Date means 5:00pm (WST) on the date identified in the proposed timetable.

Section means a section of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Shortfall Offer has the meaning given to it in Section 1.3.

WST means Western Standard Time.