

ASX / Media Release

ASX: AYA

Quarterly Activities Report December 2016

Potential Transaction with SecurET Pty Ltd

Attila Resources Ltd advises that there has been no change in the status of the potential transaction with SecurET Pty Ltd. As advised in the activities report for the quarter ended 30 September 2016, the Company was advised by SecurET Pty Ltd (SecurET) of a dispute and purported termination of the agreement between SecurET and Point of Pay Pty Ltd (POP) in connection with its proposed earn-in to a revolutionary and highly disruptive cyber security technology known as VeroGuard Systems (ASX: 13 May 2016). It is not known what will be the outcome of the dispute and if the proposed transaction will progress further.

The Company will keep the market informed of future developments.

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

The Kodiak Coking Coal Project is currently on care and maintenance.

The Company continues to consider its options with regards to future of the Kodiak Coking Coal Project in Alabama, USA, in light of the recent rise in the coal price to over US\$200/ton and is assessing options in relation to financing, joint venture opportunities or a disposal of the project.

New Opportunities

The Company is further assessing and considering its options with regards to potential new acquisitions and transactions.

The Company is in the advanced stages of negotiation and due diligence in relation to a potential transaction. The Company has been in discussions with ASX and if the potential transaction proceeds is likely to require re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The potential transaction remains incomplete and confidential. The Company cannot disclose further details at this time.

For further information please contact:

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Appendix 1

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 December 2016:

Project	Location	Status	Interest
Kodiak Coking Coal Project	Alabama, USA		
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%

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