

SE News
HD **Attila to start bulk sampling at US coking coal mine**

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Australia's Attila Resources said Monday it will start a bulk sampling program at its Kodiak coking coal mine in Alabama, after receiving approval to do so from the US Mining Safety and Health Administration, as part of plans to restart the mine.

The bulk sampling program will involve Attila testing the quality of the coking coal at the mine, and sending samples to potential customers in Europe, Brazil, China, Japan and South Korea, the company's executive director, Evan Cranston, said Monday.

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In May 2012 Attila acquired a 70% stake in Kodiak Mining, which operated the mine until it was placed on care and maintenance in 2008 due to the financial crisis. The remaining 30% of the Kodiak mine is now held by a private US company, but Attila has the right to acquire the 30% stake after completing a feasibility study at the project.

Attila is aiming to complete the feasibility study by the end of this year, and expects to begin production in 2016 at a rate of 2 million mt/year, Cranston said.

Attila has said previously its cash costs to produce high quality hard coking coal — with ultra-low ash, low sulfur, high free swelling index and superior fluidity values — would be \$90/mt FOB for Kodiak's mine life, including rail and port costs, taxes and royalties. This would place Attila in the lowest 10% of all global metallurgical coal producers, in terms of costs.

The Kodiak mine is located in Birmingham, Alabama, close to existing infrastructure that can cater to both the domestic and export markets.

A heavy gauge rail line runs through Kodiak and there is also a loadout facility on site and immediate access to an extensive rail network traversing the US and linking up to three major coal handling ports. There is also the possibility of barging coal along the Black Warrior and Tombigbee rivers, which will be investigated as part a study on the export market potential, Attila has said previously.

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CO attlrz : Attila Resources Limited

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