



## **RAVENSTHORPE NICKEL SULPHIDE**

### **PROJECT UPDATE**

#### **OLDFIELD DRILLING COMMENCED**

Athena Resources Limited (Athena or the Company) is pleased to announce that statutory approvals have been received and drilling is underway at the Ravensthorpe Nickel Sulphide Project. The location of the new reverse circulation (RC) drill holes in relation to the historic drill holes with nickel sulphides is shown in Figures 1 and 2.

#### **Background**

Athena listed on the ASX on 22 November 2006 having raised \$2,400,000. The company has interests in three districts; Ravensthorpe, Ashburton and the recently acquired Byro Project. The locations of the Company's projects are shown in Figure 3.

Athena has exploration rights over 1,624km<sup>2</sup> in the Ravensthorpe District through granted tenements, tenement applications and option agreements. The Company is exploring for nickel-copper sulphides associated with a series of differentiated dykes. Little previous exploration has been carried out specifically targeting mafic and ultramafic rocks of this type in the Ravensthorpe area.

The Company has a two year option agreement to acquire 75% of the Oldfield River nickel sulphide project from Ucabs Pty Ltd for a total of \$3.7 million in cash and shares. The project consists of a single granted exploration licence (E74/218) of 24 km<sup>2</sup> within Athena's existing tenement holding.

The Ashburton project consists of one granted mining lease and three contiguous exploration licence applications covering approximately 970 km<sup>2</sup>. The combination of folds and thrust faults in rocks of the Ashburton and Capricorn formations, and granite intrusions are of particular interest for Telfer style saddle reef copper-gold systems. The area was identified using regional geophysics which show a number of features typically associated with large mineral systems.



At Byro in Western Australia's Gascoyne Region Athena has an 80% interest in six tenements applications over approximately 3,000 km<sup>2</sup>. The exploration target is nickel-copper sulphides in ultramafic and gabbroic intrusive rocks following a similar exploration model for that proposed for the Ravensthorpe Project. The Byro area was identified using gravity and magnetic data, which showed a number of under-explored and poorly known mafic intrusions on the northwest margin of the Yilgarn Craton.

Donald Thomson  
Technical Director  
29 May 2007

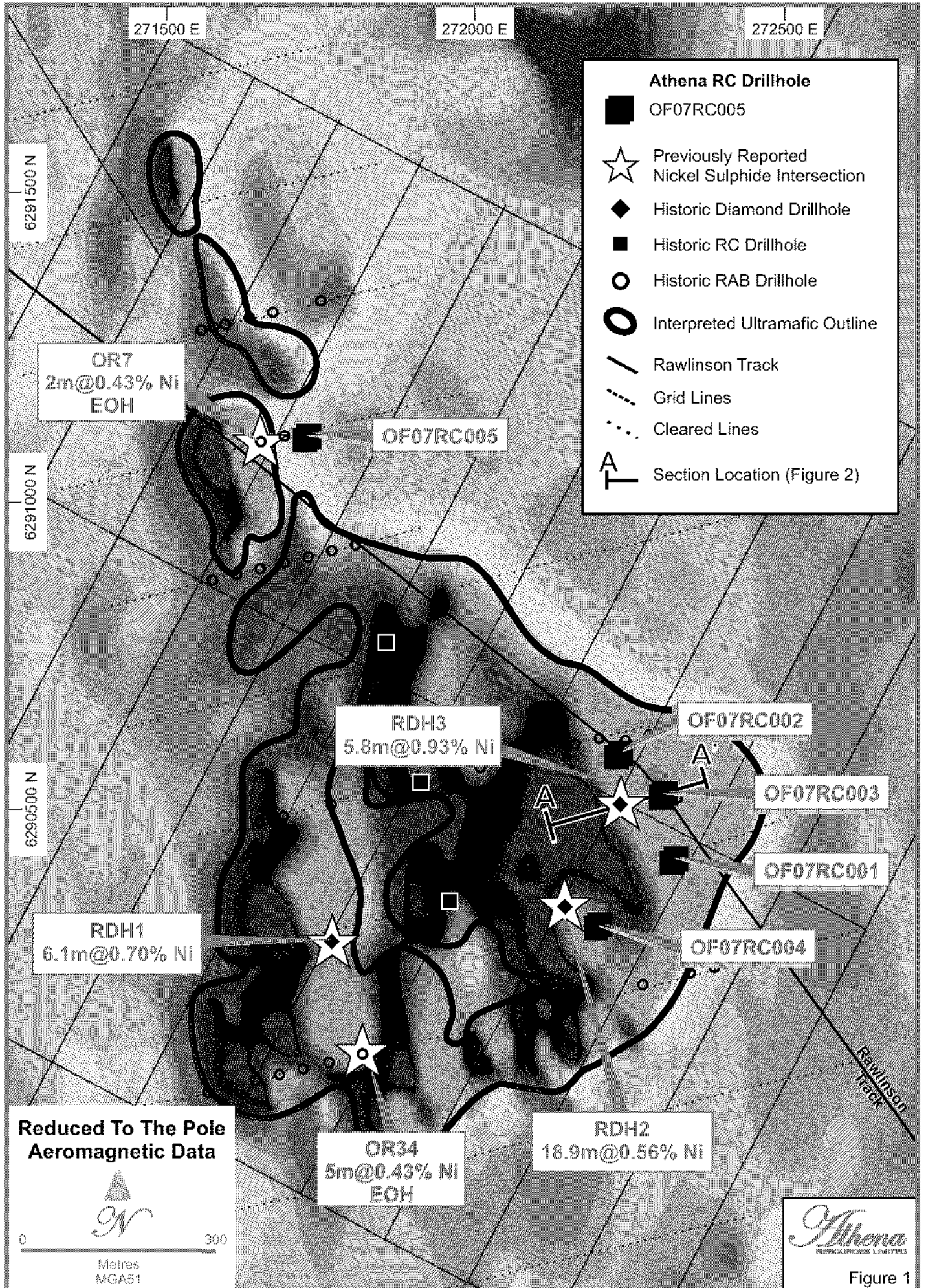
For more information please contact:

Mr Ed Edwards  
Chairman  
Athena Resources Limited  
Ph: (08) 9328 8277

Mr Donald Thomson  
Technical Director  
Athena Resources Limited  
Ph: (08) 9328 8277

The technical information relating to Athena's exploration projects was compiled by Mr Donald Thomson, an employee of Indigo Exploration Services Pty Ltd. Mr Thomson is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient relevant experience in the styles of mineralisation and deposit styles under consideration to qualify as a Competent Person as defined in "The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2004 edition)". Mr Thomson consents to this inclusion of the information in this report in the context and format in which it appears.

# OLDFIELD DRILLING LOCATIONS



# OLDFIELD DRILLING LOCATIONS

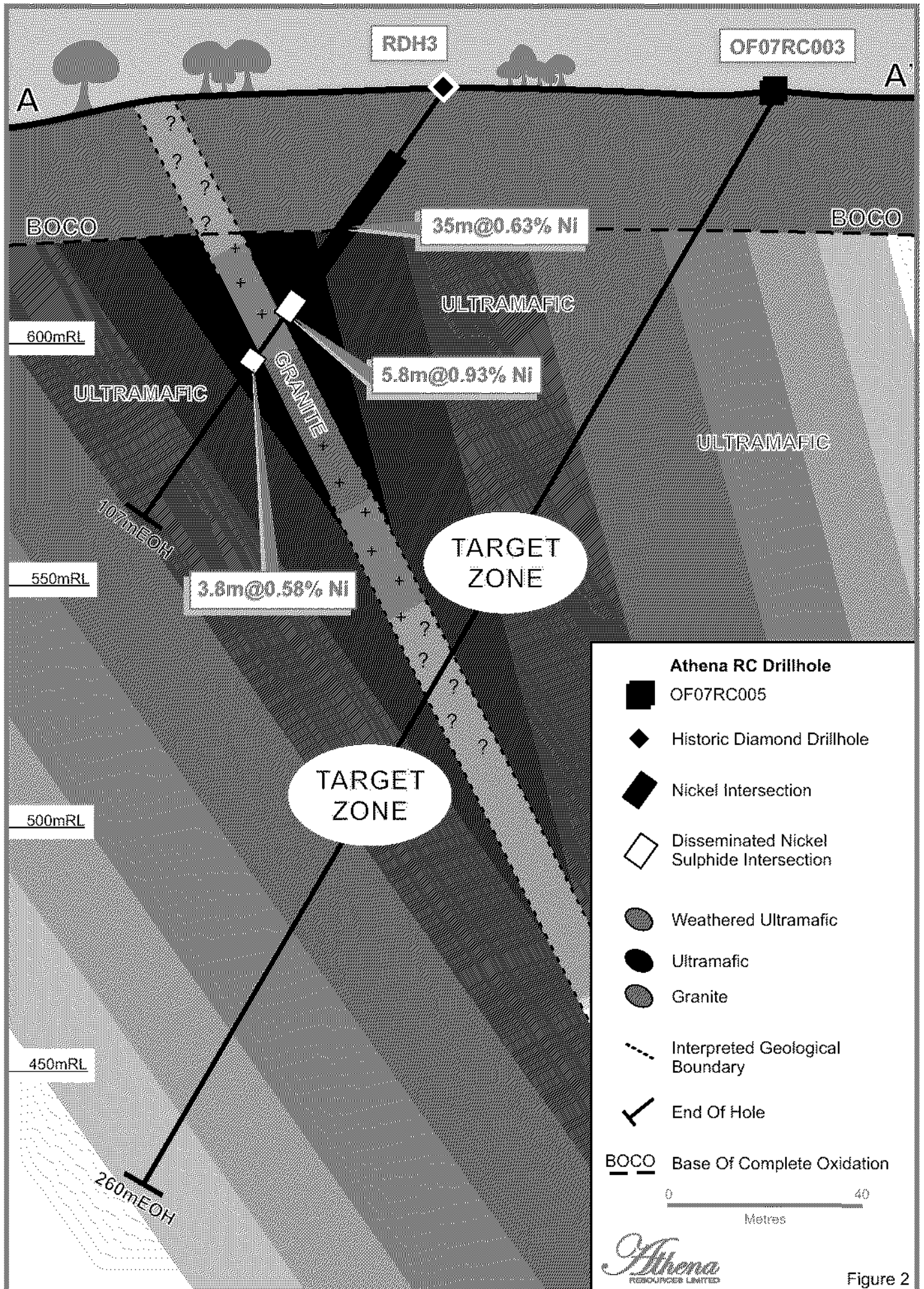


Figure 2

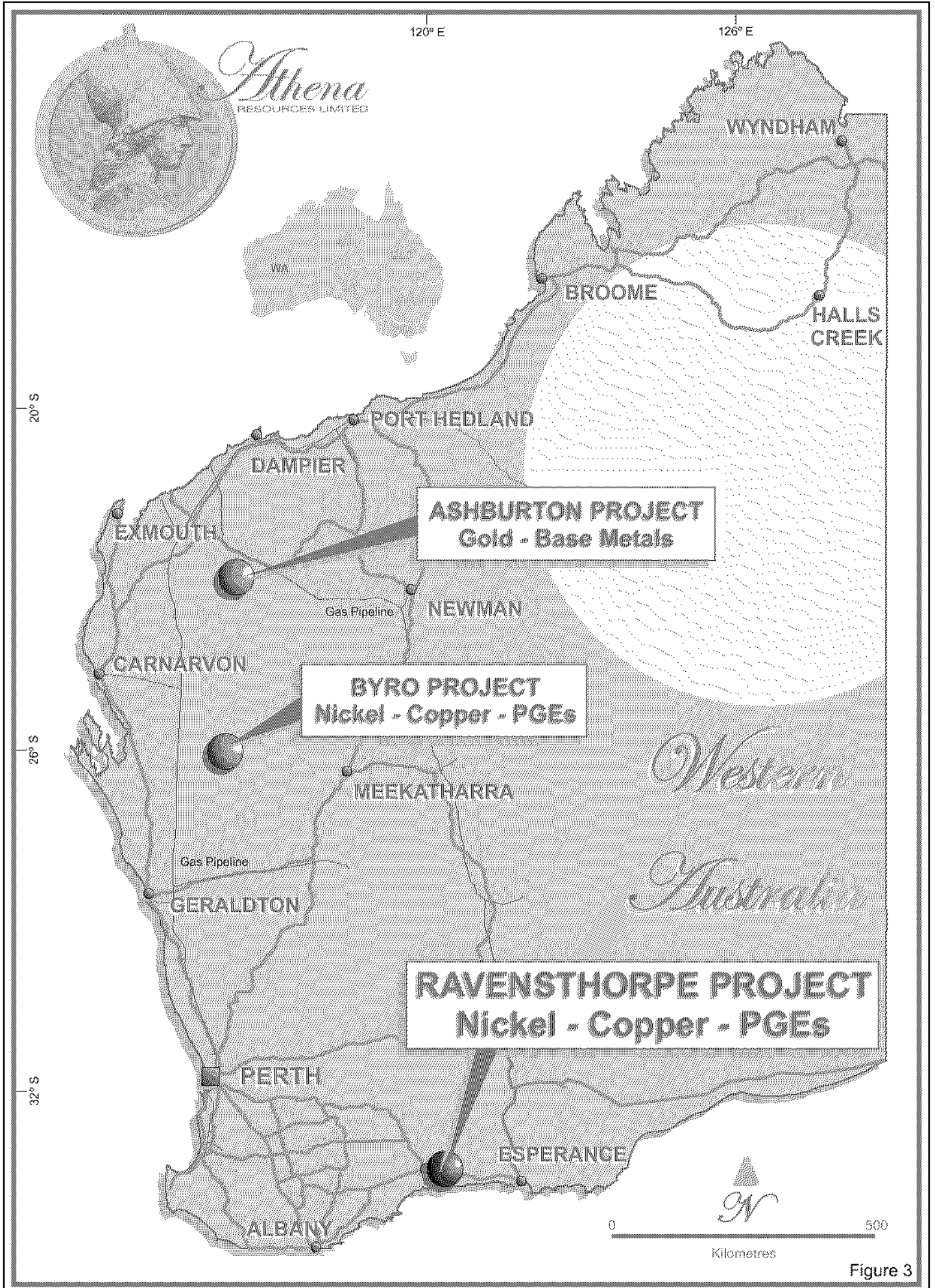


Figure 3