

SEPTEMBER 2007 QUARTERLY REPORT

ATHENA RESOURCES LIMITED

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PROJECTS

Ravensthorpe: Nickel-copper

Ashburton: Gold and Basemetals

Byro: Nickel-Copper



HIGHLIGHTS

- Soil geochemistry completed at the Ashburton Project.
- Preliminary peak results include:-
 - 331ppb gold
 - 3800ppm lead
 - 235ppm copper
- Copper mineralisation located in outcrop during reconnaissance survey at Byro.

1. ASHBURTON PROJECT

Orientation soil and rock chip geochemical surveys were recently carried out at the Kooline lead - silver mines and on three other areas on the Athena Resources Limited's ("Athena" or "the Company") Ashburton Project tenements. The preliminary results identified three parallel east-west trends each with a unique signature. The northern zone is strongly anomalous in gold; the middle zone, over the lead mines is anomalous in lead and the southern zone is typified by elevated copper and gold.

**Table 1. Summary of Maximum Assays (Preliminary)
Ashburton Soil Geochemistry**

Gold >100 ppb (0.1 ppm)				Lead >1000 ppm (0.1%)				Copper >100 ppm			
Sample	East MGA	North MGA	Gold (ppb)	Sample	East MGA	North MGA	Lead (ppm)	Sample	East MGA	North MGA	Copper (ppm)
AKCS0260	445200	7445151	331	AKCS0174	445103	7443526	3800	AKCS0335	444952	7442632	235
AKCS0250	445302	7445124	292	AKCS0009	443474	7443946	3140	AKCS0377	444674	7442751	228
AKCS0258	445200	7445176	202	AKCS0335	444952	7442632	2265	AKCS0378	444662	7442729	156
AKCS0274	444999	7445249	184	AKCS0046	443816	7443731	1860	AKCS0362	444760	7442702	126
AKCS0227	445502	7445201	168	AKCS0123	444591	7443491	1340	AKCS0466	439400	7448996	126
AKCS0319	445131	7442730	138	AKCS0027	443641	7443826	1310	AKCS0255	445201	7445251	106
AKCS0239	445400	7445176	121	AKCS0025	443623	7443791	1070	AKCS0254	445198	7445273	104
AKCS0263	445100	7445278	116	AKCS0175	445076	7443513	1060	AKCS0331	444902	7442547	102
				AKCS0178	445095	7443436	1060	AKCS0170	445007	7443591	100
				AKCS0013	443558	7443889	1020				

Five hundred soil samples were collected from four target areas (Figure 1). Two of the areas, the Kooline silver-lead and a newly identified parallel zone of copper mineralisation, have outcropping quartz veins with visible lead and copper mineralisation. The other two areas had no known mineralisation. The purpose of the surveys was to ascertain the applicability of soil sampling in future exploration programs on the Ashburton Project. The results demonstrate that at least in areas of outcrop soil geochemistry will be a cost effective exploration tool in the Ashburton.

An extensive rock chip sampling program was carried out in conjunction with the soil sampling program. Over 30 minor workings and prospecting pits were identified in an area measuring 7 kilometres long by 4 kilometres wide.

Results from the rock chip sampling are expected in the next two weeks.

2. BYRO PROJECT (Athena Resources 80%, contributing 100%)

A copper occurrence was found in a pyroxenite outcrop during a field survey of Athena's Byro Project. Department of Industry and Resources files have no record of this area ever having been under tenure.

During the quarter a reconnaissance field survey of the Byro Project was completed with the aim of finding evidence to support Athena's exploration model for the area prior the grant of the tenements. In addition to the copper mineralisation described above, extensive areas of weathered ultramafic outcrop were identified within Athena's tenement area.

The area surrounding the copper mineralisation has a strong regional gravity response. Coarse regional aeromagnetic data indicates a number of features associated with the gravity anomalies which the Athena interprets to be mafic and ultramafic intrusions. Available government mapping show these intrusions to be granite and gneisses partially covered by shallow alluvial cover.

The Company currently compiling open file data held by the Geological Survey of Western Australia. Assessment of past exploration includes the capture of historic surface and drill hole geochemical data as digital files, including data outside of the tenement package. These data sets are currently being integrated with gravity, magnetic and remote sensing data from public sources.

The field program has provided Athena with enough encouragement to continue with the compilation and assessment of the exploration model.

3. RAVENSTHORPE PROJECT

Athena has received preliminary results from SGS Lakefield Oretest Pty Ltd for the metallurgical test work on six reverse circulation drill samples from the Oldfield Project. The results are disappointing with recoveries less than expected for sulphide material. It is likely that some oxidation of the samples occurred between the time the holes were drilled and the test work commencing. Drill chips are generally less than ideal as a sample medium for metallurgical test work. Further test work will be postponed until suitable drill core samples are available.

Petrology on the samples indicates that the Ni-Fe sulphides, pentlandite and violarite and the nickel sulphide, millerite are present in trace amounts. These minerals are found in composite particles with pyrite or host silicates or carbonates. The head assay results show that non-sulphide nickel dominates the nickel content of all the oxidized and relatively fresh samples. The inferred Ni in sulphide (range of 0.05-0.12 wt %) and ratio of $\text{Ni}_{\text{sulphide}}:\text{S}$ (range of 0.17-0.29) from head assay results indicates that the Ni or Ni-Fe sulphides are in trace amounts and less abundant than the pyrite which was observed.

Donald Thomson
Technical Director
28 October 2007

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.

Geochemical Soil Sample Locations Overlying Aerial Photography



126 ppm Cu

M08/189

7448000 mN

E8/1641

292 ppb Au

106 ppm Cu

184 ppb Au

331 ppb Au

3140 ppm Pb

3800 ppm Pb

1860 ppm Pb

228 ppm Cu

2265 ppm Pb
235 ppm Cu

138 ppb Au

— Athena Tenements

Significant Geochemical Soil Sample Results

- Gold (ppb Au)
- Copper (ppm Cu)
- Lead (ppm Pb)

440000 mE

444000 mE