

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

ATHENA RESOURCES LIMITED

ABN

69 113 758 900

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | FULLY PAID ORDINARY SHARES
OPTIONS |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 6,565,500 SHARES
6,565,500 OPTIONS |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | FULLY PAID ORDINARY SHARES
OPTIONS EXERCISABLE AT 20 CENTS
EXPIRING 30 NOVEMBER 2009 |

+ See chapter 19 for defined terms.

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<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>YES</p>								
<p>5 Issue price or consideration</p>	<p>SHARES - 20 CENTS OPTIONS – ONE FREE OPTION WITH EACH SHARE ISSUED</p>								
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>FUNDS RAISED FROM THE ISSUE WILL BE USED TO PROGRESS THE COMPANY'S PROJECTS, MEET THE COSTS OF THE ISSUE AND FOR GENERAL WORKING CAPITAL.</p>								
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>26 MARCH 2008</p>								
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="722 1392 997 1423">Number</th> <th data-bbox="1002 1392 1273 1423">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="722 1430 997 1461">28,202,500</td> <td data-bbox="1002 1430 1273 1486">ORDINARY FULLY PAID SHARES</td> </tr> <tr> <td data-bbox="722 1486 997 1518">32,050,500</td> <td data-bbox="1002 1486 1273 1543">OPTIONS EXERCISABLE AT 20 CENTS</td> </tr> <tr> <td></td> <td data-bbox="1002 1543 1273 1600">EXPIRING 30/11/2009</td> </tr> </tbody> </table>	Number	⁺ Class	28,202,500	ORDINARY FULLY PAID SHARES	32,050,500	OPTIONS EXERCISABLE AT 20 CENTS		EXPIRING 30/11/2009
Number	⁺ Class								
28,202,500	ORDINARY FULLY PAID SHARES								
32,050,500	OPTIONS EXERCISABLE AT 20 CENTS								
	EXPIRING 30/11/2009								

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	4,625,000 ORDINARY FULLY PAID SHARES
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NO DIVIDEND POLICY

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	NO
12	Is the issue renounceable or non-renounceable?	NON-RENOUNCEABLE
13	Ratio in which the +securities will be offered	ONE SHARE AND ONE FREE ATTACHING OPTION FOR EVERY FOUR SHARES HELD
14	+Class of +securities to which the offer relates	SHARES
15	+Record date to determine entitlements	12 FEBRUARY 2008
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	YES
17	Policy for deciding entitlements in relation to fractions	FRACTIONS WILL BE ROUNDED DOWN
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	17 MARCH 2008

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20	Names of any underwriters	NOT APPLICABLE
21	Amount of any underwriting fee or commission	NOT APPLICABLE
22	Names of any brokers to the issue	NOT APPLICABLE
23	Fee or commission payable to the broker to the issue	NOT APPLICABLE
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	NOT APPLICABLE
25	If the issue is contingent on +security holders' approval, the date of the meeting	NOT APPLICABLE
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	13 FEBRUARY 2008
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	NOT APPLICABLE
28	Date rights trading will begin (if applicable)	NOT APPLICABLE
29	Date rights trading will end (if applicable)	NOT APPLICABLE
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	NOT APPLICABLE
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	NOT APPLICABLE

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32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	NOT APPLICABLE
33	⁺ Despatch date	26 MARCH 2008

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

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- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: ..1/02/2008.....
(Director/Company secretary)

Print name: EDMOND WILLIAM EDWARDS.....

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