
DECEMBER 2008 QUARTERLY REPORT

ATHENA RESOURCES LIMITED

ASX Symbol: AHN

ABN: 69 113 758 900

Address: 63 Lindsay Street, Perth
Western Australia 6000

Telephone: (08) 9428 2900

Facsimile: (08) 9428 2910

Email: ahn@athenaresources.com.au

www.athenaresources.com.au

CONTACTS

Mr Ed Edwards
Executive Chairman

Mr Donald Thomson
Technical Director

PROJECTS

Ashburton: Gold and Basemetals

Byro: Nickel-Copper-PGE's

Ravensthorpe: Nickel-copper



HIGHLIGHTS

ASHBURTON

- **Gradient Array and Dipole-Dipole Induced Polarisation (IP) surveys at Kooline have successfully mapped the known mineralised trends and identified several other strong discrete trends.**
- **The IP anomalies at Kooline reinforce the results of Athena's earlier geochemistry over the same areas. These targets are now ready for drill testing.**
- **Geochemical sampling at Kooline North identified a new mineralised trend characterised by coincident gold-copper-uranium-zinc-antimony-tungsten anomalies in soils.**

CORPORATE

- **Capital Raising of \$300,000.**



Athena Resources Limited – Second Quarter Activities Report

Overview

Athena Resources Limited (“Athena” or the “Company”) (**ASX: AHN**) is a mineral exploration company with a gold, nickel and basemetals focus. The Company is targeting “green-fields” Proterozoic and Archaean terranes in Western Australia that exhibit features associated with large mineral systems. Athena is exploring for gold-copper-silver-lead mineralisation at Ashburton and magmatic nickel-copper sulphide and platinum group mineralisation at the Byro and Ravensthorpe projects. The Company has over 7,500 km² under granted tenure and in exploration licence applications.

1. ASHBURTON PROJECT (Athena Resources 100%, P08/493 95%, M08/189 90%)

During the December Quarter the data from five Induced Polarisation (IP) Gradient Array and two Dipole-Dipole geophysical surveys at Kooline (Figure 1) were interpreted (Figures 2 to 7). Gradient Array is used to map the surface extent of underlying chargeable or resistive bodies, while Dipole-Dipole lines gives an indication of depth and dip direction.

The most exciting result from the survey is the alignment of historic lead workings with the edge of the chargeability response in the Gradient Array (Figures 3 and 5). It is possible that historic prospecting and mining activity was directed at the margins of, and missed, the main zone of silver-lead mineralisation. Dipole-Dipole traverses across the best of these responses (Figures 4 and 6) indicate strong chargeable bodies approximately 50 metres below surface on both lines. Athena has previously reported assays from rock chip samples of 42.5% lead, 375g/t silver and 3.78% copper from the area of a moderate chargeability anomaly shown in Figure 2. A much stronger parallel response that occurs approximately 40 metres further north has no apparent surface expression.

The results of the geophysical surveys are reinforced by extensive geochemical sampling that was reported by Athena previously. Several targets with coincident geochemical and geophysical anomalies merit drill testing.

During the reporting period soil geochemical sampling at Kooline North (Figure 1) resulted in the discovery of a new, low order, coincident gold-copper-uranium-zinc-antimony-tungsten anomaly associated with altered lithic sandstone (Figures 8 to 14). The alteration is typified by silica and pyrite. The Kooline North anomaly, which is over 200 metres wide, is open in both directions as the soil sampling program only tested 2.5 kilometres of the 3 kilometre long outcrop. The Kooline North anomaly, which compares favourably to the Kooline gold zone where Gradient Array IP (Figure 7) mapped an altered pyritic sandstone unit, will be tested by IP surveys and evaluated for drill testing.

Athena’s extensive Ashburton project is still at the early stage of evaluation and the prospects have been assessed only to the reconnaissance level. Large areas of the tenement package covered by shallow alluvium have not been explored. Athena is encouraged by the success of the



Athena Resources Limited – Second Quarter Activities Report

geochemical and geophysical programs in the areas of outcrop and is optimistic that these results can be repeated in areas of cover where several priority exploration targets have been identified.

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

During the December Quarter the focus was on identifying and prioritising targets for reconnaissance evaluation. Work planned for the March Quarter of 2009 will consist of extensive geological mapping and sampling programs targeting outcropping mafic and ultramafic lithologies.

No field work was carried out on the Byro project during the December 2008 Quarter.

3. RAVENSTHORPE PROJECT (Athena Resources 100%)

Athena is seeking a partner to manage and explore the Ravensthorpe tenements, and an Information Memorandum has been sent to a number of interested parties.

4. BINNERINGIE PROJECT

Following a review of all the available data the decision was made surrender the granted Binneringie project tenements and withdraw the remaining tenement applications to allow resources to be directed at the more advanced Ashburton and Byro projects.

5. CORPORATE - Equity Raising and Future Activities

During the quarter Athena issued 7,500,000 fully paid ordinary shares and 7,500,000 options expiring 30 November 2009 exercisable at \$0.20 via a private placement to sophisticated investors to raise \$300,000.

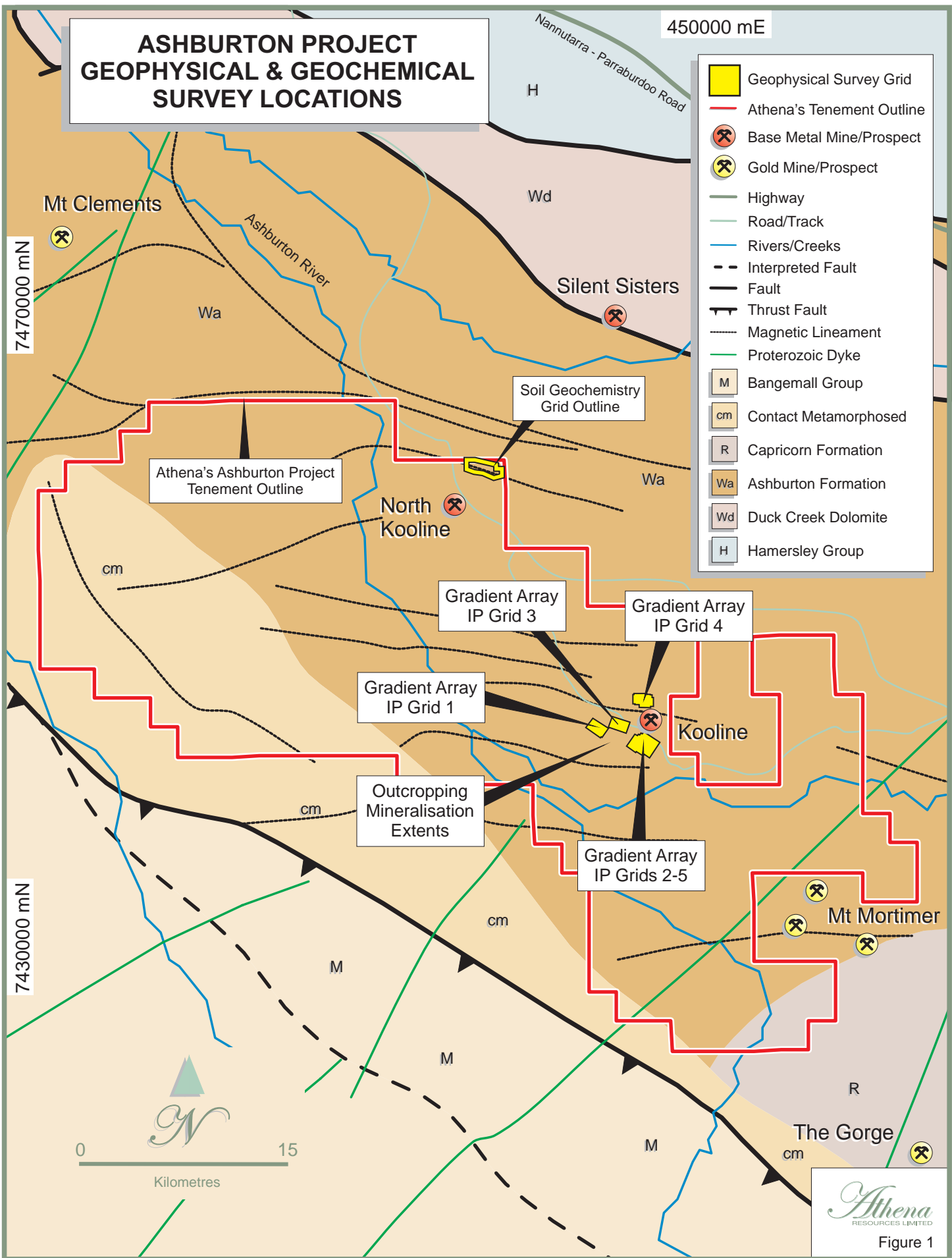
The placement was made pursuant to shareholder approval obtained on 26 September 2008.

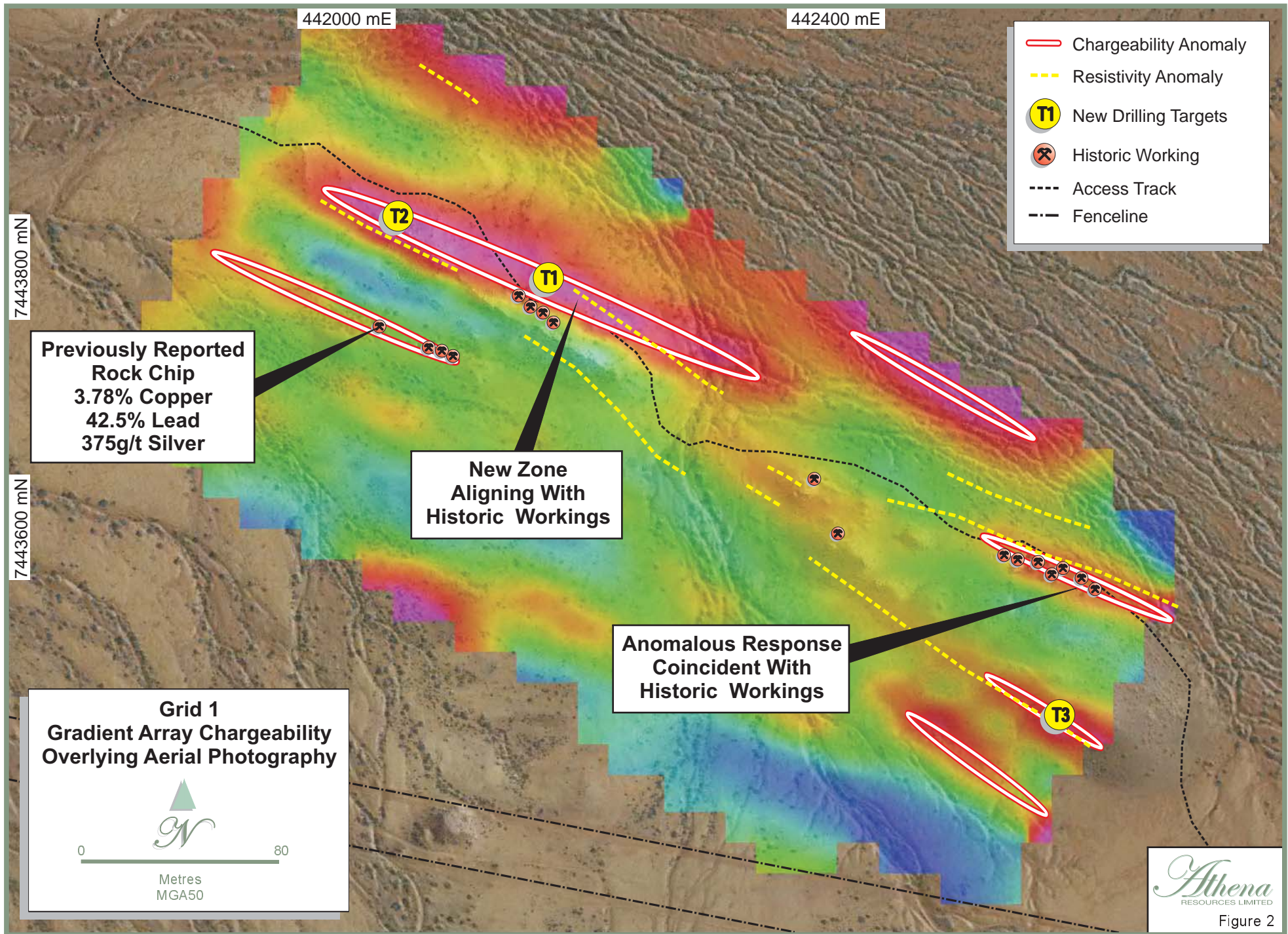
Donald Thomson
Technical Director
16 January 2009

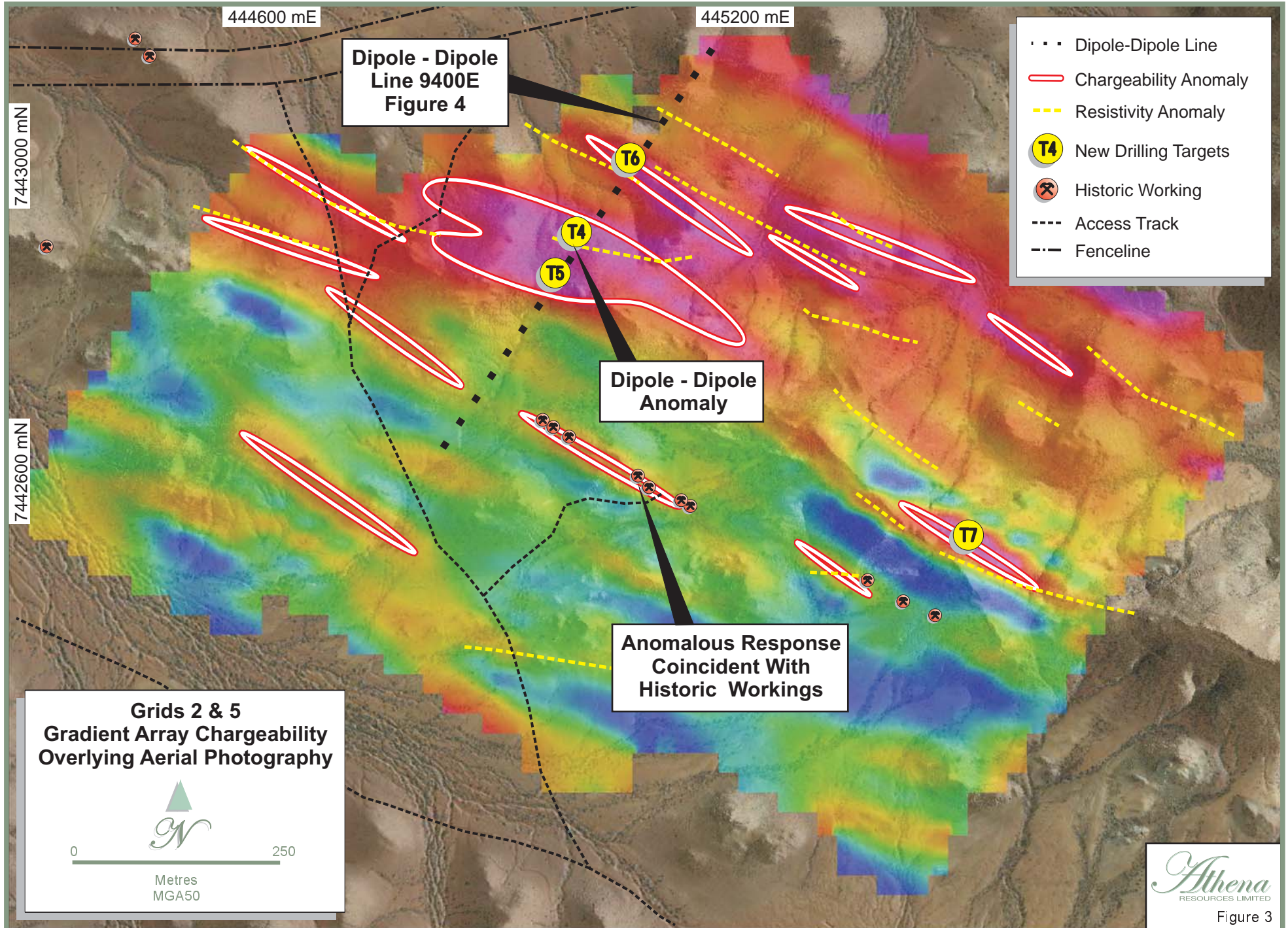
The technical information relating to Athena's exploration projects was compiled by Mr Donald Thomson, an employee of Indigo Exploration Services Pty Ltd. Mr Thomson is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient relevant experience in the styles of mineralisation 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.

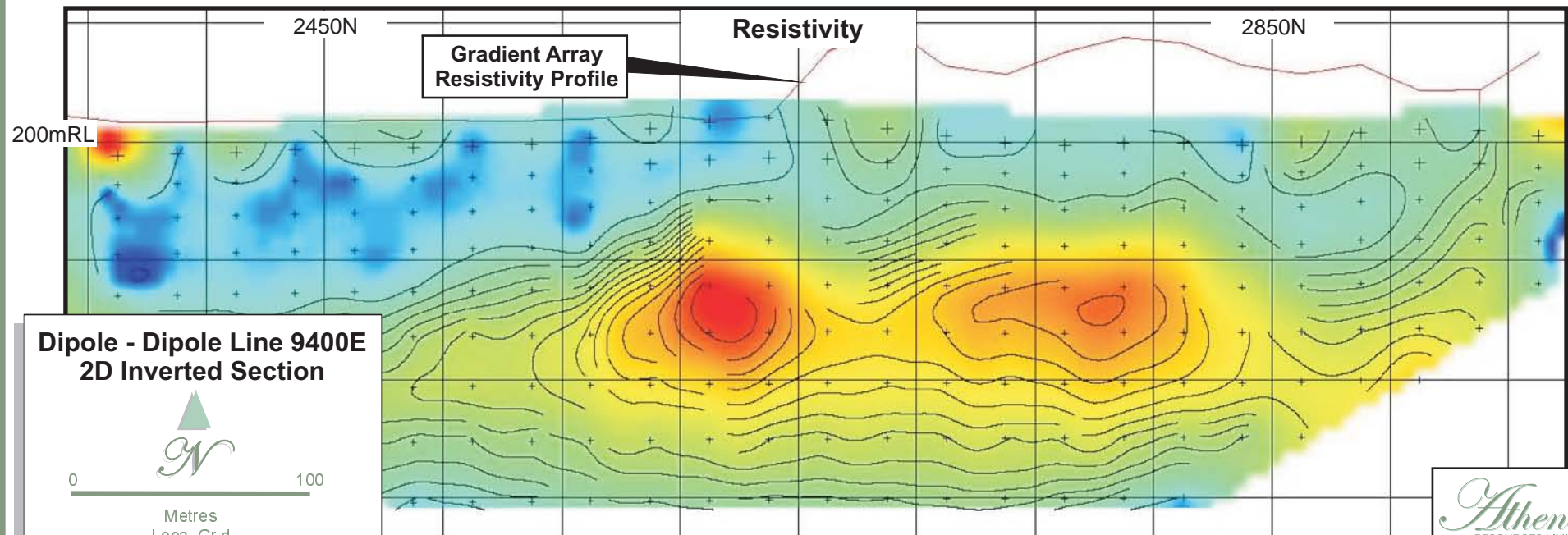
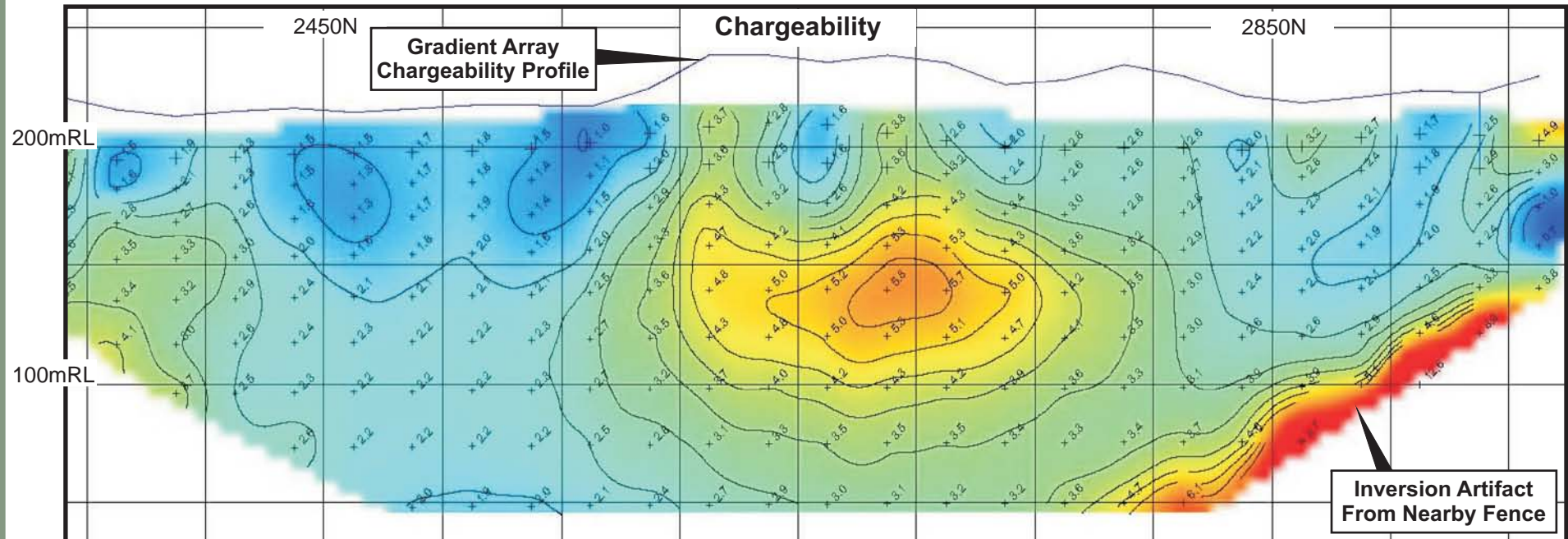
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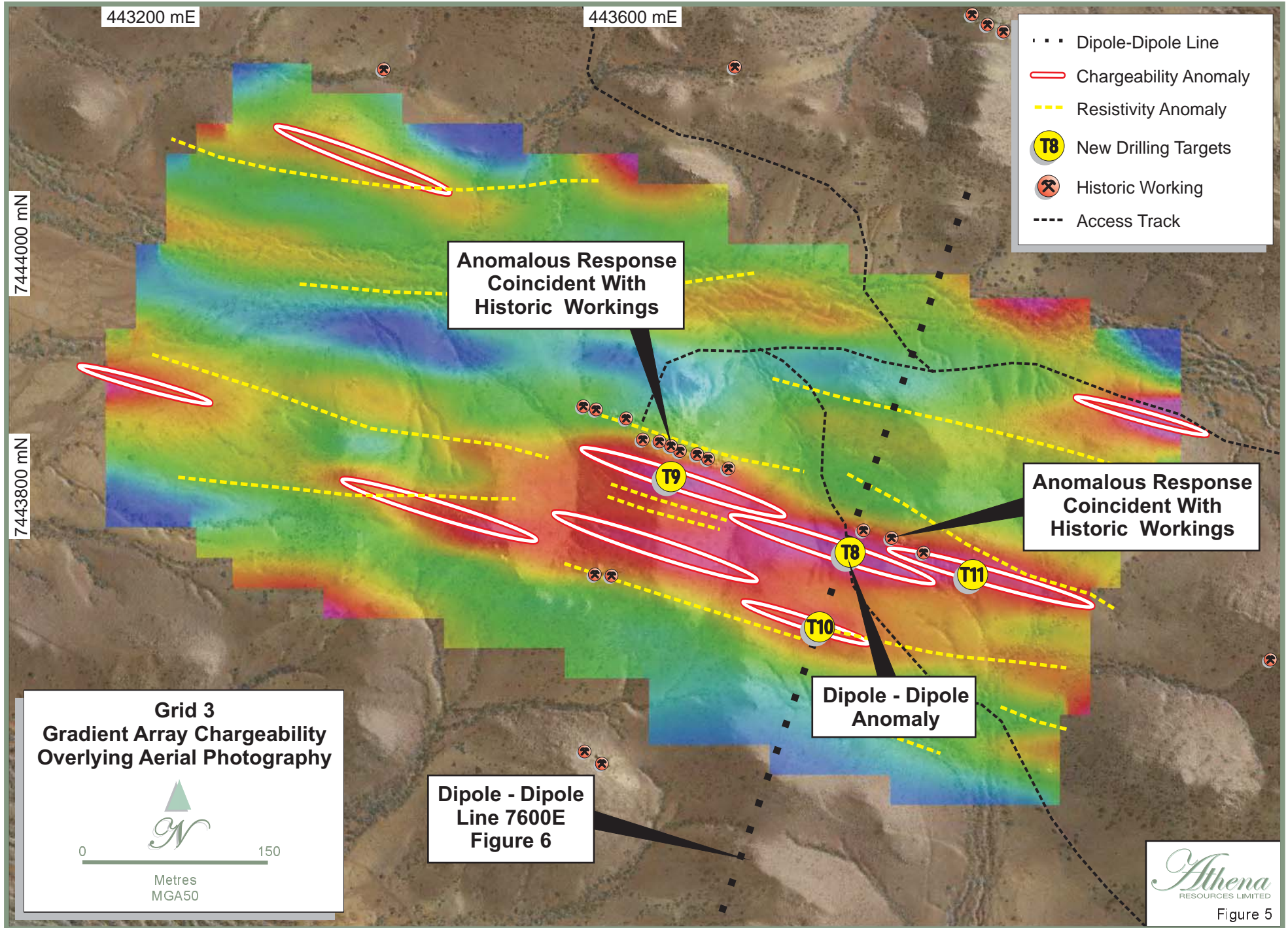
ASHBURTON PROJECT GEOPHYSICAL & GEOCHEMICAL SURVEY LOCATIONS

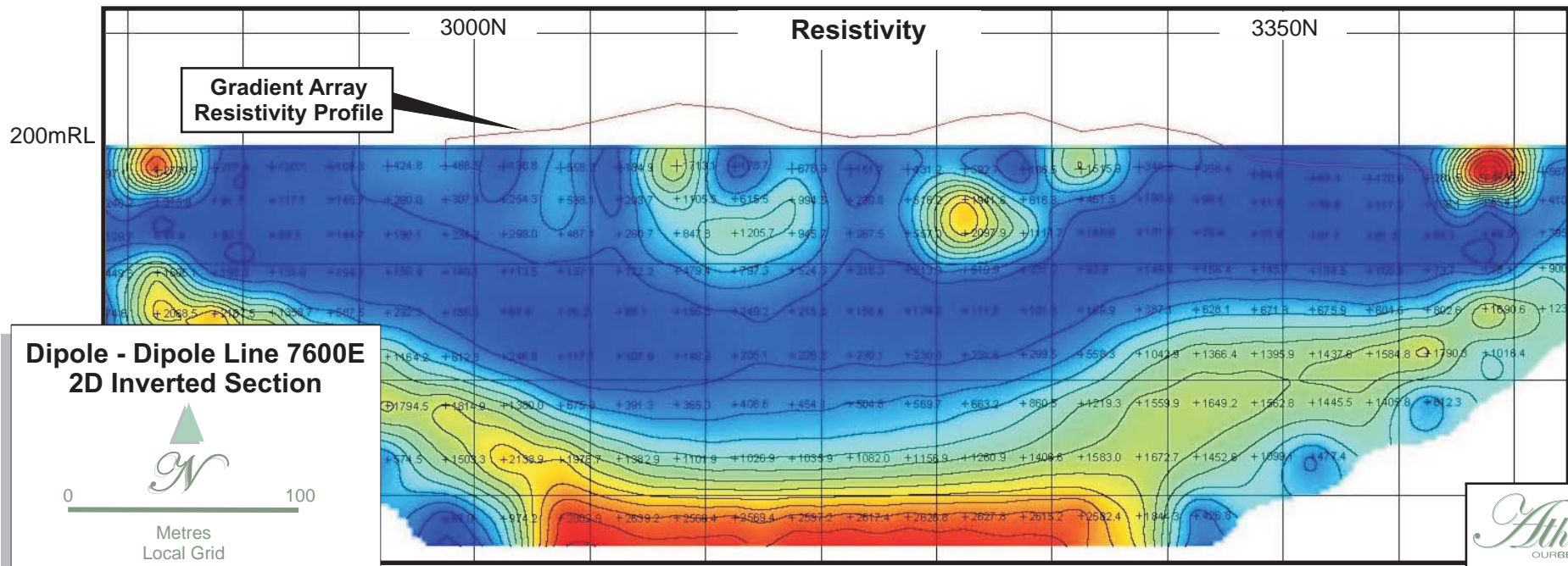
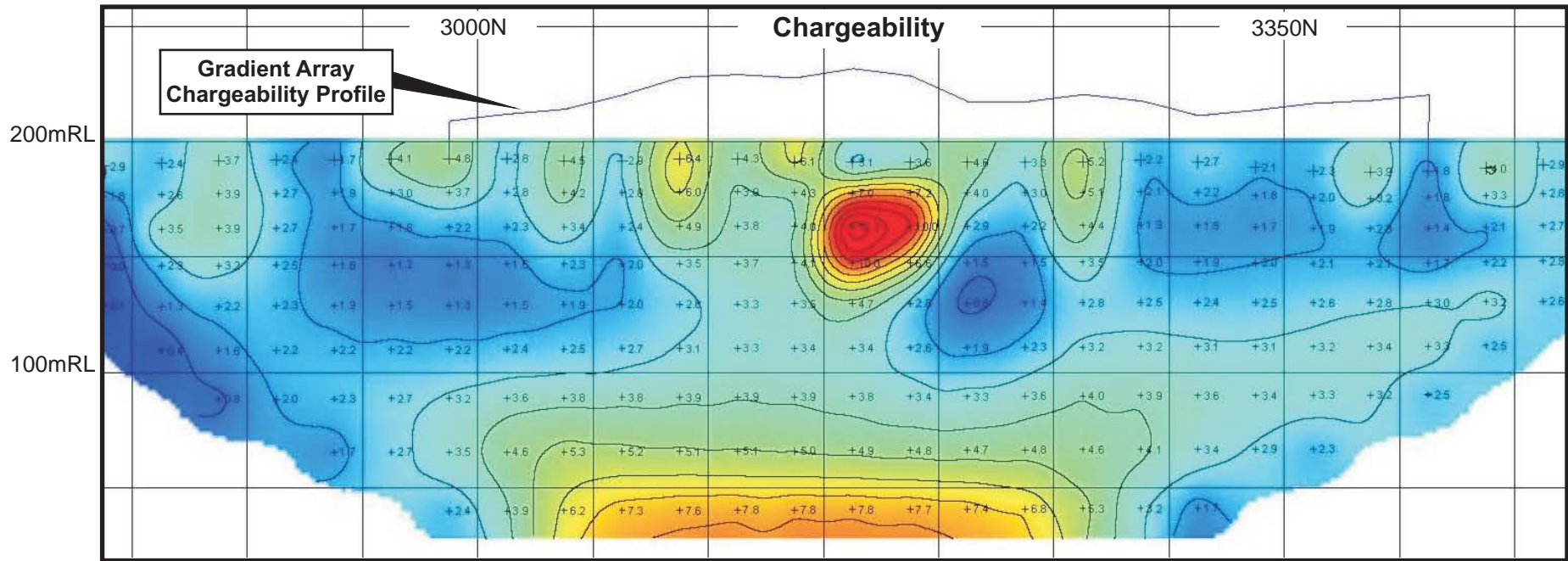






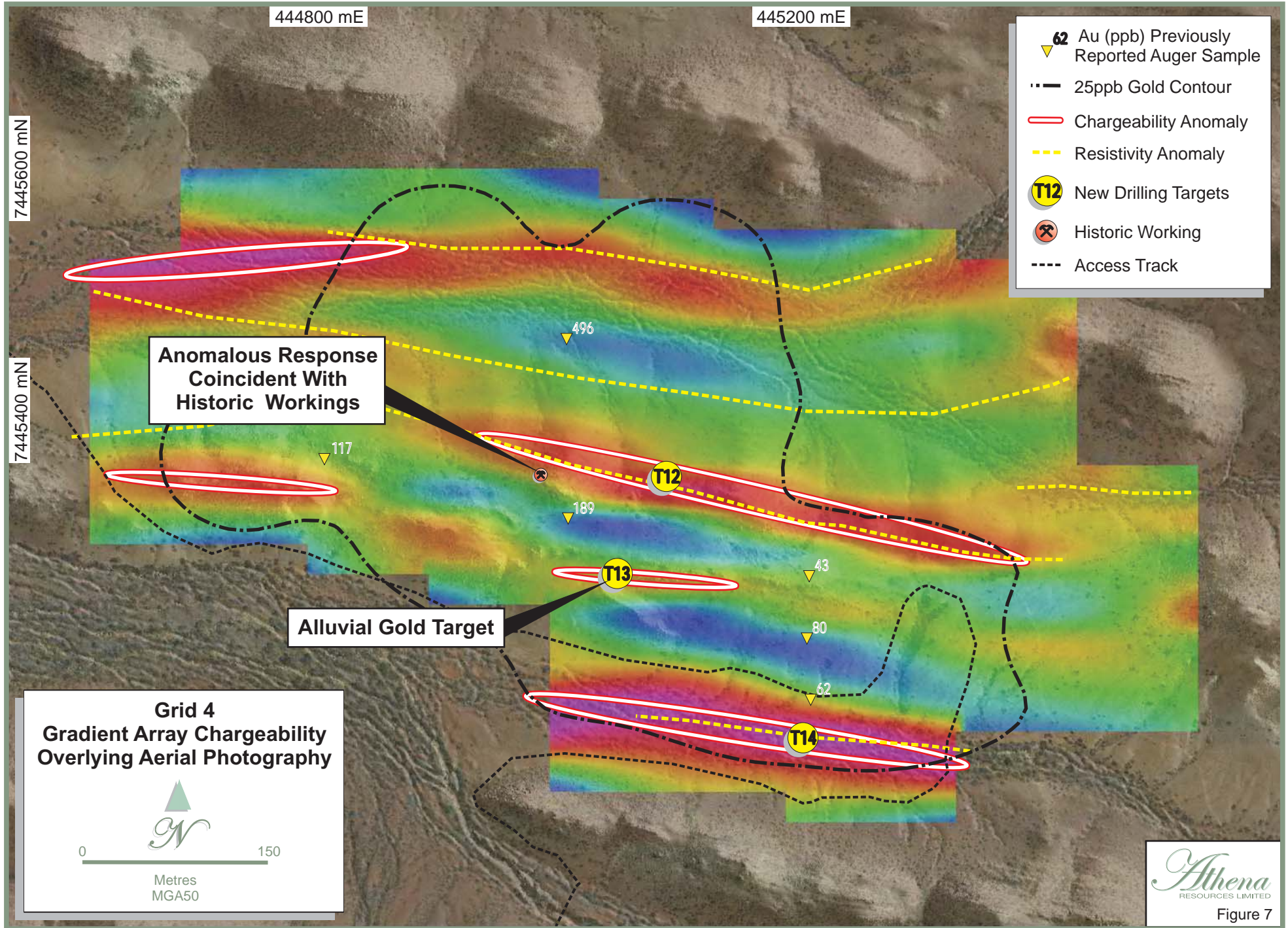







**Dipole - Dipole Line 7600E
2D Inverted Section**

0 100
Metres
Local Grid



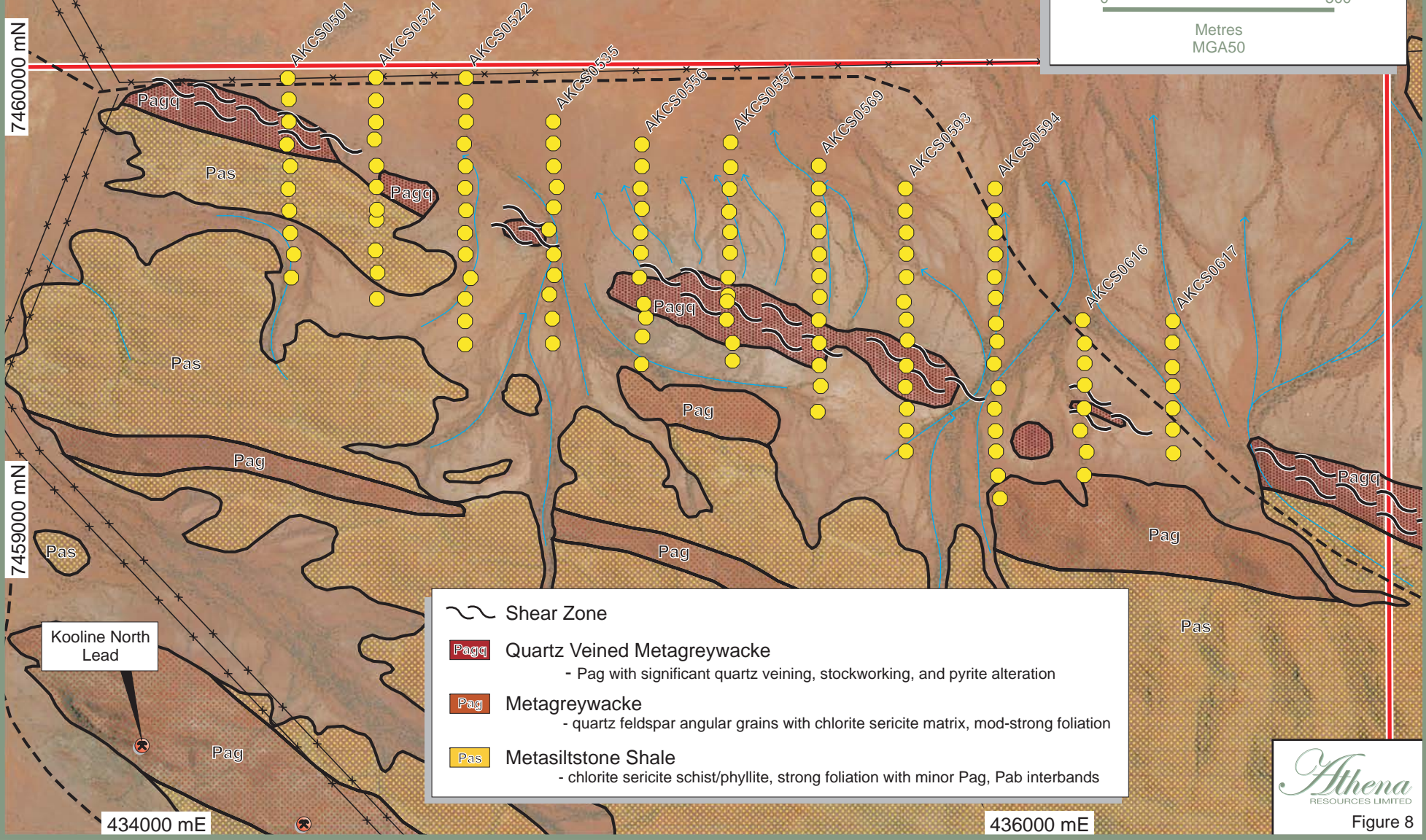
 Water Course	 Fenceline
 Athena's Tenement	 Access Track
 Soil Sample Location	 Historic Working





Kooline North Soil Geochemistry Locations & Interpreted Geology








0 500

Metres
MGA50




	Shear Zone
	Pagq Quartz Veined Metagreywacke - Pag with significant quartz veining, stockworking, and pyrite alteration
	Pag Metagreywacke - quartz feldspar angular grains with chlorite sericite matrix, mod-strong foliation
	Pas Metasiltstone Shale - chlorite sericite schist/phyllite, strong foliation with minor Pag, Pab interbands


Athena
 RESOURCES LIMITED
 Figure 8

 Water Course
 Athena's Tenement
 Soil Sample Location with Assay Result
 Fenceline
 Access Track

Kooline North
Gold (ppb)
Soil Geochemistry



0 350



Metres
MGA50


7460000 mN

7459000 mN

435000 mE

436000 mE

 Shear Zone
 **Pagq** Quartz Veined Metagreywacke
 - Pag with significant quartz veining, stockworking, and pyrite alteration








19 ppb

Gold (Au)


Below Detection (1 ppb)



Figure 9

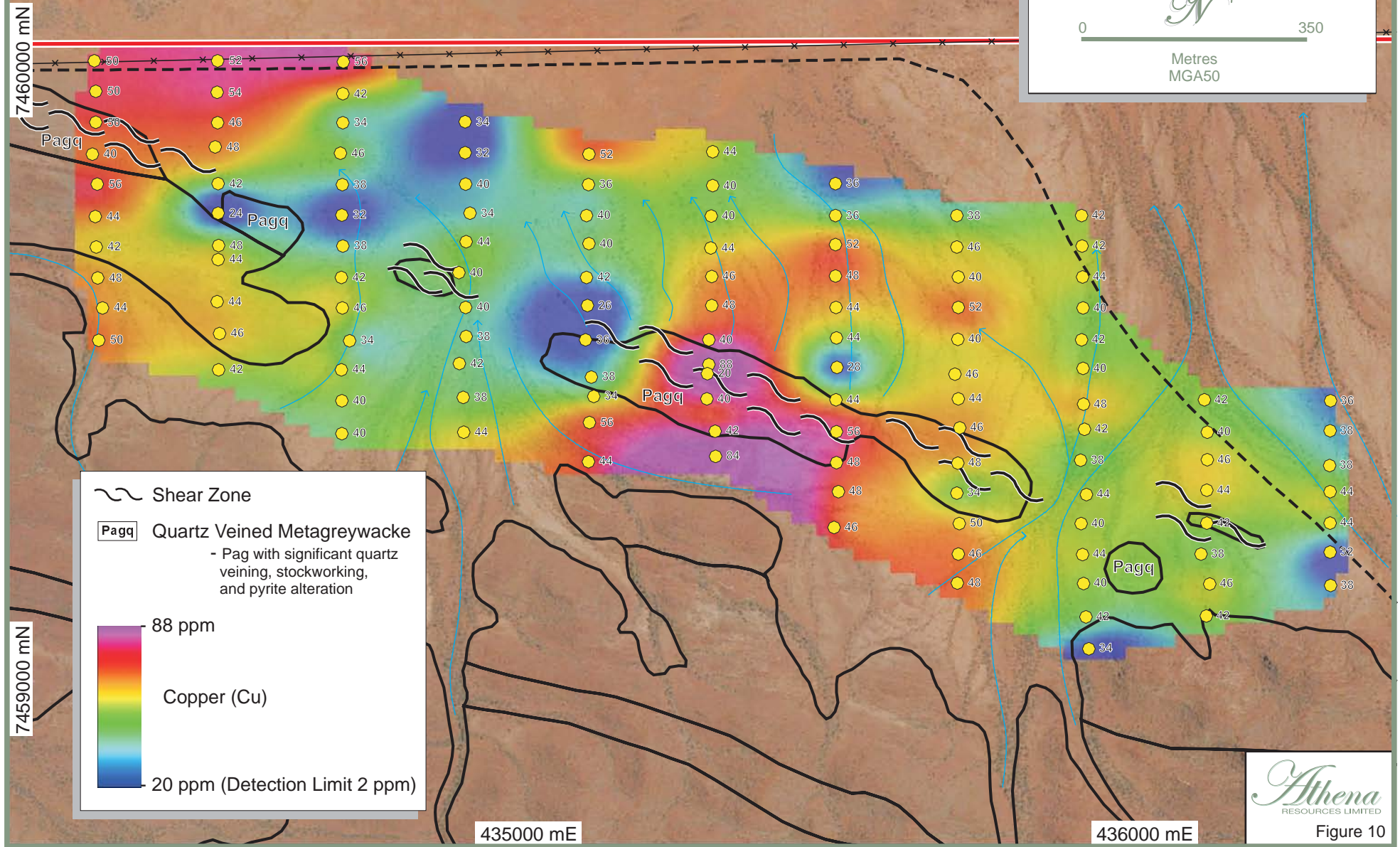
	Water Course		Fenceline
	Athena's Tenement		Access Track
	Soil Sample Location with Assay Result		


**Kooline North
Copper (ppm)
Soil Geochemistry**




0 350

Metres
MGA50



 Shear Zone

Pagq Quartz Veined Metagreywacke
- Pag with significant quartz veining, stockworking, and pyrite alteration








88 ppm

Copper (Cu)


20 ppm (Detection Limit 2 ppm)



Figure 10

 Water Course
 Athena's Tenement
 ¹² Soil Sample Location with Assay Result
 Fenceline
 Access Track

**Kooline North
 Uranium (ppm)
 Soil Geochemistry**



0 350
 Metres
 MGA50

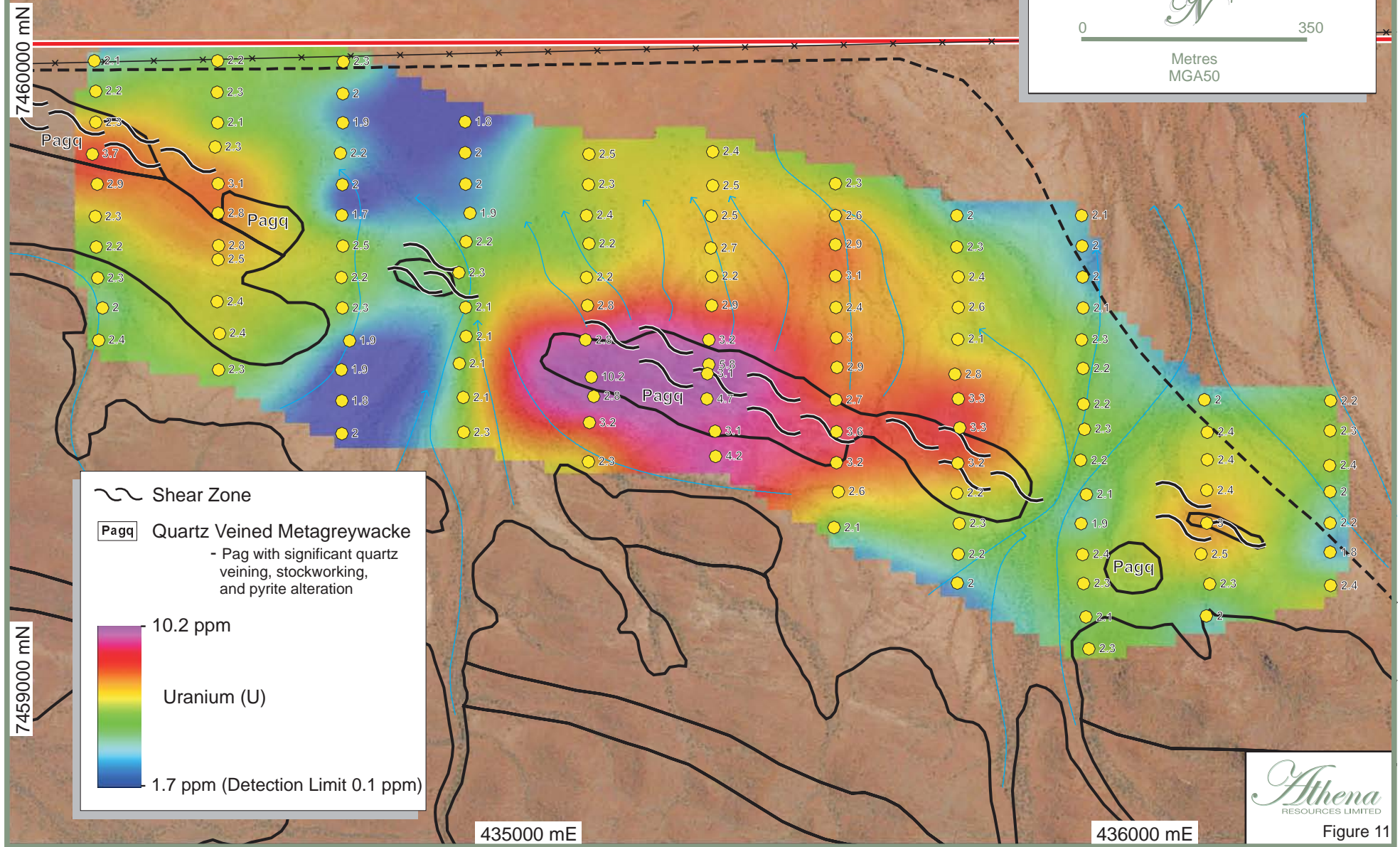








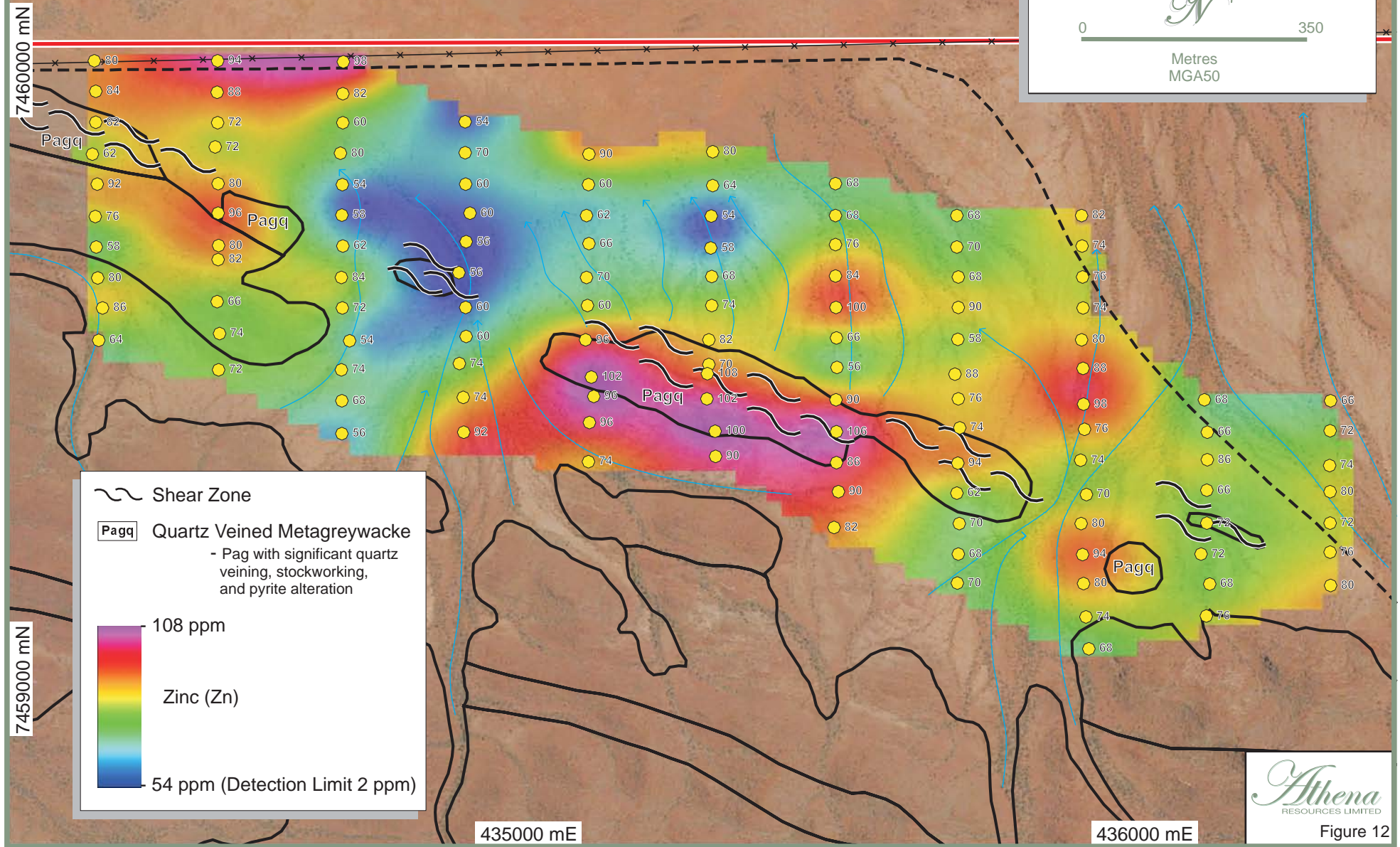
Figure 11



 Water Course
 Athena's Tenement
 ¹² Soil Sample Location with Assay Result
 Fenceline
 Access Track

**Kooline North
 Zinc (ppm)
 Soil Geochemistry**



0 350
 Metres
 MGA50








 Shear Zone
 **Pagq** Quartz Veined Metagreywacke
 - Pag with significant quartz veining, stockworking, and pyrite alteration


108 ppm
 Zinc (Zn)
 54 ppm (Detection Limit 2 ppm)



Figure 12

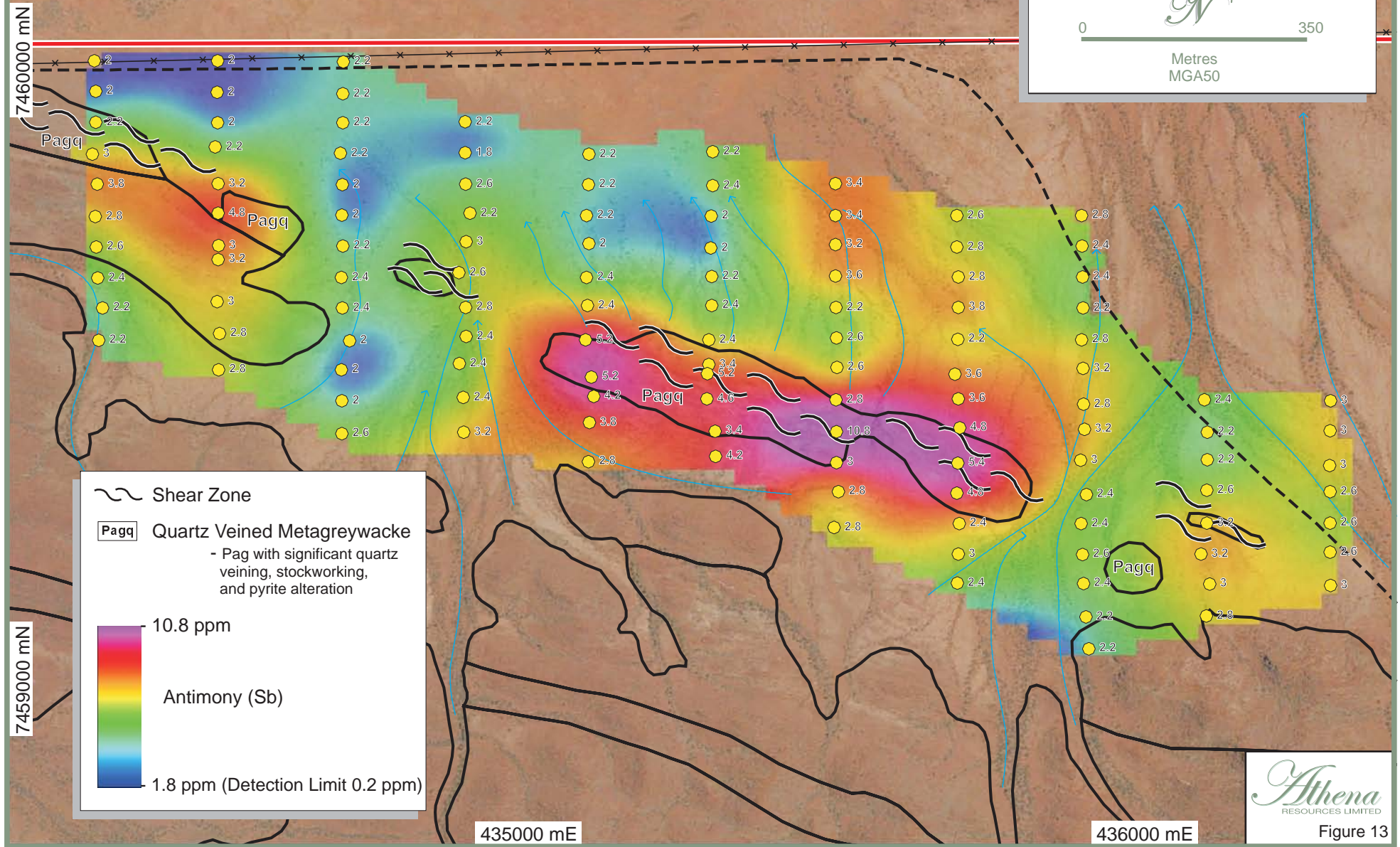
	Water Course		Fenceline
	Athena's Tenement		Access Track
	Soil Sample Location with Assay Result		


**Kooline North
Antimony (ppm)
Soil Geochemistry**



0 350

Metres
MGA50



 Shear Zone

Pagq Quartz Veined Metagreywacke
- Pag with significant quartz veining, stockworking, and pyrite alteration






10.8 ppm

Antimony (Sb)


1.8 ppm (Detection Limit 0.2 ppm)



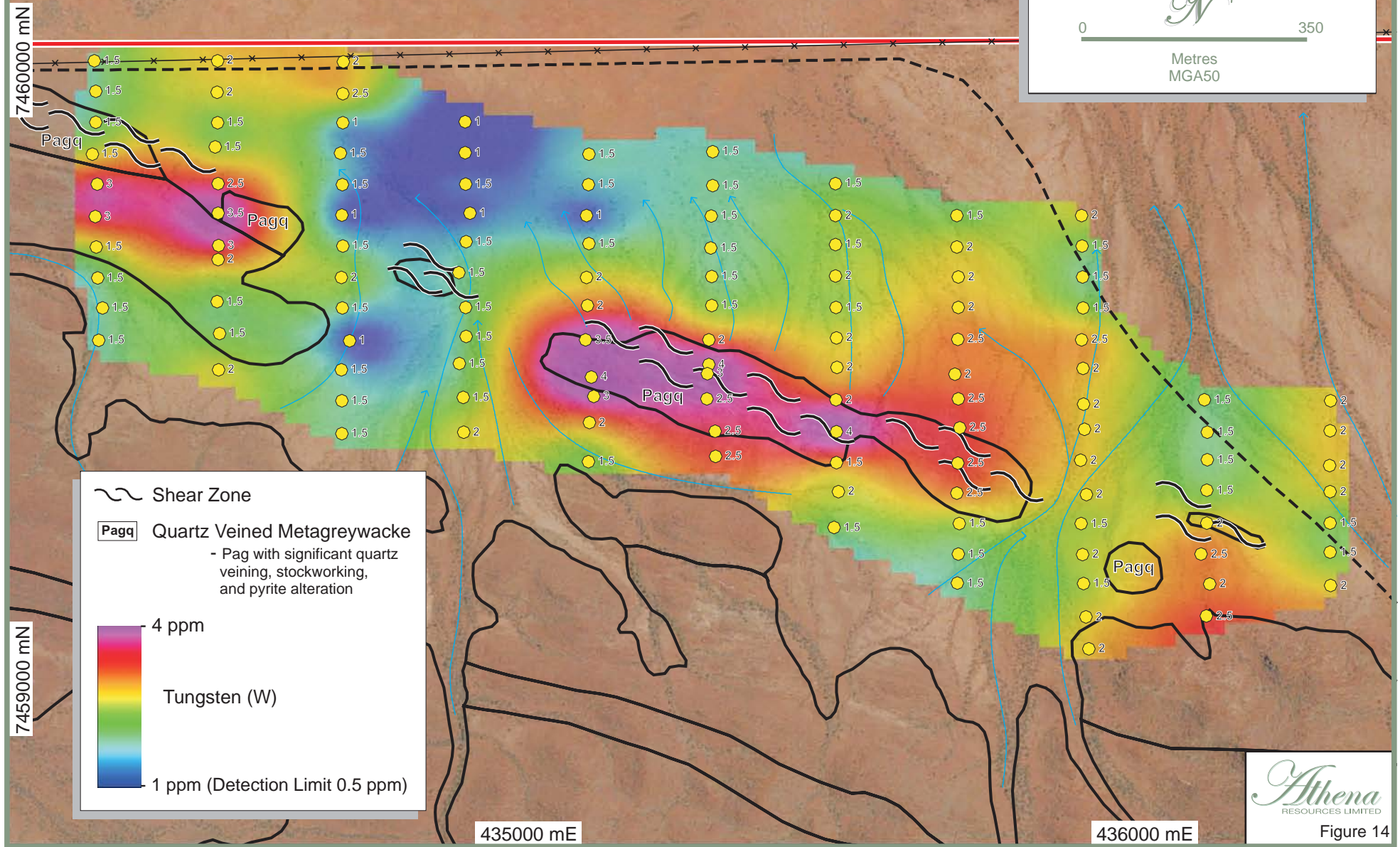
Figure 13



 Water Course  Fenceline
 Athena's Tenement  Access Track
 ¹² Soil Sample Location with Assay Result


**Kooline North
 Tungsten (ppm)
 Soil Geochemistry**



0 350
 Metres
 MGA50



 Shear Zone
 **Pagq** Quartz Veined Metagreywacke
 - Pag with significant quartz veining, stockworking, and pyrite alteration



4 ppm
 Tungsten (W)
 1 ppm (Detection Limit 0.5 ppm)



Figure 14