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ABN : 69 113 758 900

9 December 2009

Company Announcements Platform
Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

NON-RENOUNCEABLE RIGHTS ISSUE OF OPTIONS

Athena Resources Limited (ASX: AHN) (**Company**) is pleased to announce a non-renounceable rights issue of options (each exercisable at \$0.08 and expiring on 30 April 2012) on the basis of one (1) Option for every two (2) Shares held at the record date of 18 December 2009 (**Rights Issue**).

Options under the Rights Issue will be offered at 1 cent per Option. The maximum number of Options which may be issued under the Rights Issue is 28,650,487 to raise \$286,505 (based on the current capital structure of the Company).

Options to be issued under the Rights Issue will be a new class of security of the Company. The full terms and conditions of the Options are set out in the Prospectus. Shares issued upon conversion of the Options will rank equally with existing shares in the Company.

The Company will apply for official quotation of the Options. An Appendix 3B in respect of the Rights Issue accompanies this announcement.

A prospectus will be lodged with the ASIC and a copy provided to ASX on or about 10 December 2009 in respect of the Rights Issue.

The Offer is not underwritten



The proposed timetable for the Rights Issue is as follows;

Summary of Important Dates*

Announcement of Rights Issue	9 December 2009
Lodge Prospectus with ASIC	10 December 2009
Shares quoted ex-rights	14 December 2009
Record Date to determine Entitlements under the Rights Issue	18 December 2009
Opening Date and dispatch of Prospectus	23 December 2009
Closing Date for Rights Issue Offer	19 January 2010
Notification to ASX of under subscriptions	22 January 2010
Allotment of Options and dispatch of holding statements	28 January 2010

*These dates are indicative only. The Directors reserve the right to vary the key dates, without prior notice and subject to compliance with the Listing Rules.

The Company intends to apply the funds raised from the Rights Issue as follows;

- a) Meet costs on the Offer,
- b) The ongoing exploration programs at the Company's projects; and
- c) General Working Capital.

For further information, contact the Company Secretary Ed Edwards on (08) 9428 2900

E W Edwards
EXECUTIVE CHAIRMAN



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 | Options to acquire fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 28,650,487 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) | Options are exercisable at 8 cents each on or before 30 April 2012 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • 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	Options are a new class of security	
5	Issue price or consideration	28,650,487 Options to be issued pursuant to a non renounceable entitlement issue at a price of \$0.01 per option.	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	For ongoing exploration programs at the Company’s projects and to provide additional ongoing working capital.	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	To be advised.	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		57,300,974	Ordinary Fully Paid Shares (AHN)
		28,650,487	Options exercisable at 8 cents each on or before 30 April 2012

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td></td><td></td></tr></table>	Number	⁺ Class		
Number	⁺ Class					
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No plans to pay dividends at this stage				

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 (1) option for two (2) shares
14	⁺ Class of ⁺ securities to which the offer relates	Ordinary Shares
15	⁺ Record date to determine entitlements	Friday 18 December 2009
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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.	None.
19	Closing date for receipt of acceptances or renunciations	Tuesday 19 January 2010

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Wednesday 23 December 2009
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

- | | | |
|----|---|--------------------------|
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | ⁺ Despatch date | Thursday 28 January 2010 |

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders **TO BE ADVISED**
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over **TO BE ADVISED**
- 37 ☐ A copy of any trust deed for the additional ⁺securities **N/A**

⁺ See chapter 19 for defined terms.

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.
- 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:9/12/09.....
(Director/Company secretary)

Print name: ..Edmond William Edwards.....

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