

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 INCENTIVE OPTIONS |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 420,000 Shares 500,000 Incentive 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) | See attached Appendix "A" |

+ 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>EXERCISE OF OPTIONS AT- 8 CENTS Incentive Options - Nil</p> | | | | | | |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | | | | | | | |
| <p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p> | <p>18 April 2012</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="711 1356 997 1392">Number</th> <th data-bbox="997 1356 1274 1392">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="711 1392 997 1455">118,078,396</td> <td data-bbox="997 1392 1274 1455">ORDINARY FULLY PAID SHARES</td> </tr> <tr> <td data-bbox="711 1455 997 1648">28,009,215</td> <td data-bbox="997 1455 1274 1648">(AHN) OPTIONS EXERCISABLE AT 8 CENTS EACH ON OR BEFORE 30/04/2012</td> </tr> </tbody> </table> | Number | ⁺ Class | 118,078,396 | ORDINARY FULLY PAID SHARES | 28,009,215 | (AHN) OPTIONS EXERCISABLE AT 8 CENTS EACH ON OR BEFORE 30/04/2012 |
| Number | ⁺ Class | | | | | | |
| 118,078,396 | ORDINARY FULLY PAID SHARES | | | | | | |
| 28,009,215 | (AHN) OPTIONS EXERCISABLE AT 8 CENTS EACH ON OR BEFORE 30/04/2012 | | | | | | |

+ See chapter 19 for defined terms.

| | | |
|---|--------------------|---|
| | Number | +Class |
| 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | 500,000 | INCENTIVE OPTIONS EXERCISE PRICE 12c EXPIRY 30/9/12 |
| | 500,000 | INCENTIVE OPTIONS EXERCISE PRICE 20c EXPIRY 31/3/14 |
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | NO DIVIDEND POLICY | |

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.

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- 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: ..18/04/2012.....
(Director/Company secretary)

Print name: EDMOND WILLIAM EDWARDS.....

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+ See chapter 19 for defined terms.

APPENDIX "A"

Terms and Conditions of Incentive Options

The Incentive Options granted will entitle the holder to subscribe for and be allotted Shares as follows:

- (i) each Incentive Option entitles the holder to subscribe for and be allotted one fully paid ordinary share in the Company upon payment of 20 cents per option.
- (ii) the Incentive Options shall lapse at 5.00pm Western Standard Time on 31 March 2014 ("Expiry Date").
- (iii) the Incentive Options shall be exercisable wholly or in part by notice in writing to the directors of the Company at any time until the expiry date on payment of 20 cents per option.
- (iv) no application will be made to the ASX for Official Quotation of the Incentive Options.
- (v) there are no participating rights or entitlements inherent in the options and holders of the options will not be entitled to participate in new issues of capital which may be offered to shareholders during the currency of the option.

However, option holders have the right to exercise their options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the options, and will be granted a period of at least 9 business days before the date for determining entitlements to exercise the options.

- (vi) within 10 business days of receipt of a properly executed option notice and the required application monies the number of shares specified in the notice will be allotted.
- (vii) shares issued on the exercise of the options will rank pari-passu with the then existing issued ordinary shares. The Company will apply for Official Quotation by ASX of all shares issued upon exercise of the options within three business days after the date of allotment of those shares.
- (viii) in the event of any reorganisation (including reconstruction, consolidation, subdivision, reduction or return) of the issued capital of the Company, the options will be reorganised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (ix) the options are not transferable, without the prior written approval of the Directors.
- (x) Cessation of engagement or death of the holder.
 - (i) In the event of the death of a holder, the options in the name of such person shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the holder or a deceased holder's legal personal representative.
 - (ii) Subject to paragraph (iii) below, in the event of a holder ceasing to be engaged by the Company or any of its subsidiaries as either a consultant (directly or via any legal entity) or as an employee ("Termination"):

- a) within 1 year of the date of issue of the options, the options may only be exercised by the holder within 1 month of such Termination and immediately following that 1 month shall forthwith lapse and have no further effect, unless otherwise determined by the board of directors of the Company.
 - b) after 1 year of the date of issue of the options, then all of the options issued to that holder shall remain in full force and effect for the full term up until the Expiry .
- (iii) in the event of a Termination following the takeover of, or Change in Control in, the Company, all options shall remain in full force and effect for the full term up until the Expiry Date.