

MARCH - 2015 QUARTERLY REPORT

ATHENA RESOURCES LIMITED

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CONTACTS

Mr Ed Edwards
Managing Director

PROJECTS

Byro:

Iron Ore, Nickel-Copper-PGE's

SECURITIES

173M Shares - AHN

SHAREHOLDERS

Mr E Edwards 18.26%

Mr D Webster 5.95%

BYRO IRON ORE

Whistlejack Project

High grade Davis Tube Results

- AHRC0065 - HIGH GRADE 68m MAGNETITE INTERSECTION
- COMPOSITE HEAD GRADE **39.28% Fe**
- DTR CONCENTRATE GRADE **66.28%^{DTR} Fe** from 132m to 200m down hole
- 185m below surface outcrop

PARTIAL RELINQUISHMENT / SURRENDER OF BARREN TENEMENT BLOCKS

- Athena meets DOIR commitments by partial surrender of explored ground which failed to produced significant exploration target.

CORPORATE

- WA Government and Industry Drilling Program initiative funding of \$112,500 received.
- Research and Development Incentive Taxation Refund of \$362,000 received.

Athena Resources Limited – Third Quarter Activities

BYRO PROJECT (Athena Resources 100%)

Work completed in the March Quarter included data compilation, metallurgical test work.

BYRO IRON ORE PROJECT (Whistlejack Magnetite Prospect)

Grind establishment and Davis Tube Recovery results received for the Byro Iron Project during the March quarter were taken from reverse circulation drilling from drill hole AHRC0065, drilled at the Whistlejack Prospect during 2012. The average Fe from assay, (Table 2) over all 2m intervals throughout the 68m intersection was 36.4% Fe. The sample intervals from 132m to 200m were composited to form one bulk sample representative of the intersection for grind size analysis.

Test work was undertaken for grade over the range of coarse size fractions from 75 µm, 90µm and 105 µm. The tests determined optimum grind at 75µm.

Following the establishment of the grind size, the composite for the 68m magnetite intersection was processed yielding a high 66.28% Fe, (Table 4).

Davis Tube Test Work Details

Grind times were relatively short, Table 6, and are a precursor to favourable impact, bond and ball mill indices. More detailed metallurgical test work will follow to establish the criteria for processing plant design.

Results show very low levels of impurities, notably low levels of the common contaminants phosphorous and sulphur, (Table 4) as well as expected negative LOI demonstrating a favourable product for the furnace and environment.

Significantly the three major constituents are Magnetite, Silica and Oxygen forming 90% of the rock mass, (Table 4). Removal of the discrete metamorphic silica fraction in a coarse grind is relatively simple as a result of the discrete quartz grains forming outside the boundary of the relatively pure magnetic magnetite and not within the magnetite itself.

Table 1 AHRC0065 Collar Location and Survey

Hole ID	EOH	Easting	Northing	Dip	Azi	Tenement
AHRC0065	200m	417,201E	7,104,389N	-60	180	E09/1507

Athena Resources Limited – Third Quarter Activities

Feed Assay Results

AHRC0065 Intersected 68m of iron ore (magnetite) @ 36.4% Fe from 132m of coarse grain magnetite. Table 2, below shows assay results from 2m composites throughout the intersection. The composite head grade from these samples after grinding was 39.28% Fe, (Table 3).

Table 2 AHDH0065 Head assays grades included in the composited for DTR

WhistleJack AHRC0065				
Depth From	Depth To	Int	Fe Head	MagSus
132	134	2	36.39	1000
134	136	2	38.11	1102
136	138	2	38.4	1009
138	140	2	39.24	1318
140	142	2	39.03	1177
142	144	2	39.77	1276
144	146	2	19.64	263
146	148	2	38.75	1077
148	150	2	37.74	875
150	152	2	38.82	1055
152	154	2	39.59	1119
154	156	2	39.45	933
156	158	2	40.86	1120
158	160	2	39.39	845
160	162	2	37.72	829
162	164	2	41.07	837
164	166	2	39.5	766
166	168	2	39.46	890
168	170	2	37.29	624
170	172	2	36.21	427
172	174	2	36.03	626
174	176	2	36.75	649
176	178	2	36.5	510
178	180	2	38.65	837
180	182	2	40.33	904
182	184	2	35.46	778
184	186	2	37.38	720
186	188	2	38.37	852
188	190	2	30.37	588
190	192	2	3.49	15
192	194	2	34.62	759
194	196	2	39.09	1027
196	198	2	39.23	1135
198	200	2	35.67	790

Note: Fe: Iron; SiO₂: Silicon Dioxide; Al₂O₃ : Aluminium Oxide; TiO₂ Titanium Oxide P: Phosphorus; LOI: Loss On Ignition

Athena Resources Limited – Third Quarter Activities

Table 3 Composite Feed Assay

Head Assay Grade							
Sample ID	Assays						
	Fe	SiO ₂	Al ₂ O ₃	TiO ₂	P	S	LOI
Whistlejack	39.28	38.72	1.31	0.16	0.050	0.177	-1.69

Table 4 Concentrate

DTR Concentrate Assays										
Actual P ₈₀ (µm)	Feed	Mags		Assays (%)						
	g	g	%	Fe	SiO ₂	Al ₂ O ₃	TiO ₂	P	S	LOI
105	20.01	9.92	49.6	63.5	9.65	0.97	0.25	0.011	0.14	-2.94
83	20	9.7	48.5	64.7	7.92	0.96	0.26	0.009	0.12	-3.04
74	20.02	9.4	46.9	66.3	6.04	0.93	0.27	0.007	0.14	-3.11

Table 5 Recovery

Concentrate Recovery									
Actual P ₈₀ (µm)	Feed	Mags		Distribution (%)					
	g	g	%	Fe	SiO ₂	Al ₂ O ₃	TiO ₂	P	S
105	20.01	9.92	49.6	80.2	12.3	36.8	77.4	11.0	40.3
83	20.00	9.70	48.5	79.9	9.9	35.5	78.8	8.8	43.4
74	20.02	9.40	46.9	79.2	7.3	33.4	79.2	6.6	37.4

Table 6 Grind Establishment

Table 6 Grind Establishment Times		
Sample ID	AHRC0067 - 68	
Mill Number		
P80 Size	Time (min)	Time (sec)
106 µm	25.7	1541
90 µm	31.9	1913
75 µm	36.3	2180

DTR Results Summary

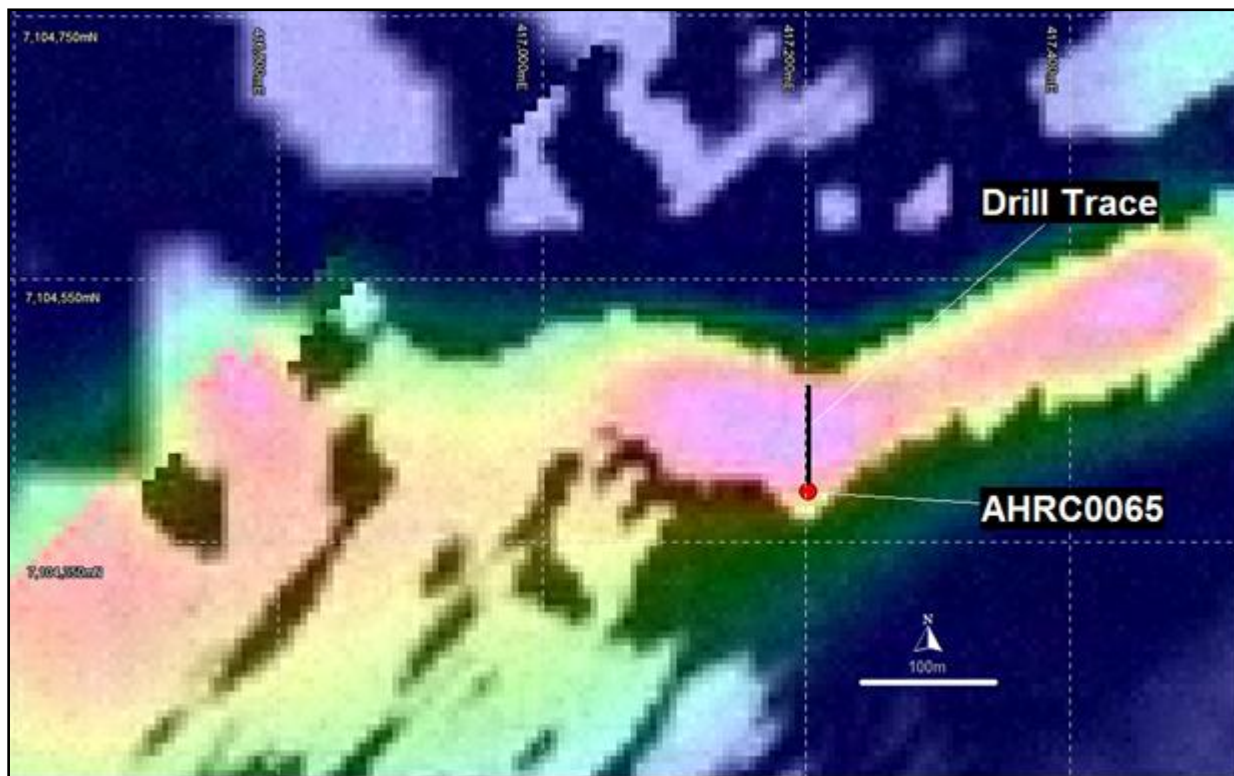
The Whistlejack magnetite body is within tenement E09/1507 located 240 Km north from Mullewa and 350Km by road north from the Port of Geraldton. The samples display a large grain size of up 0.5mm. This is promising as this is similar to the grain size found at the Athena FE1 Resource in neighbouring tenement E09/1507. Metallurgical results completed, Tables 2,

3, 4, 5 and 6 indicate similarities to the coarse grain magnetite at FE1 which also resulted in a coarse optimum grind size and other subsequent low cost processing characteristics of a high grade magnetite.

Athena Resources Limited – Third Quarter Activities

The grades and grind size are very good and when considered in terms of proximity to the Port of Geraldton, bonuses on purity, grade and coarse grind the Whistlejack ore body can now be considered a priority for further development within the companies iron exploration program along with the Mt Narryer, Byro South and FE1 ore bodies in the Southern Byro region.

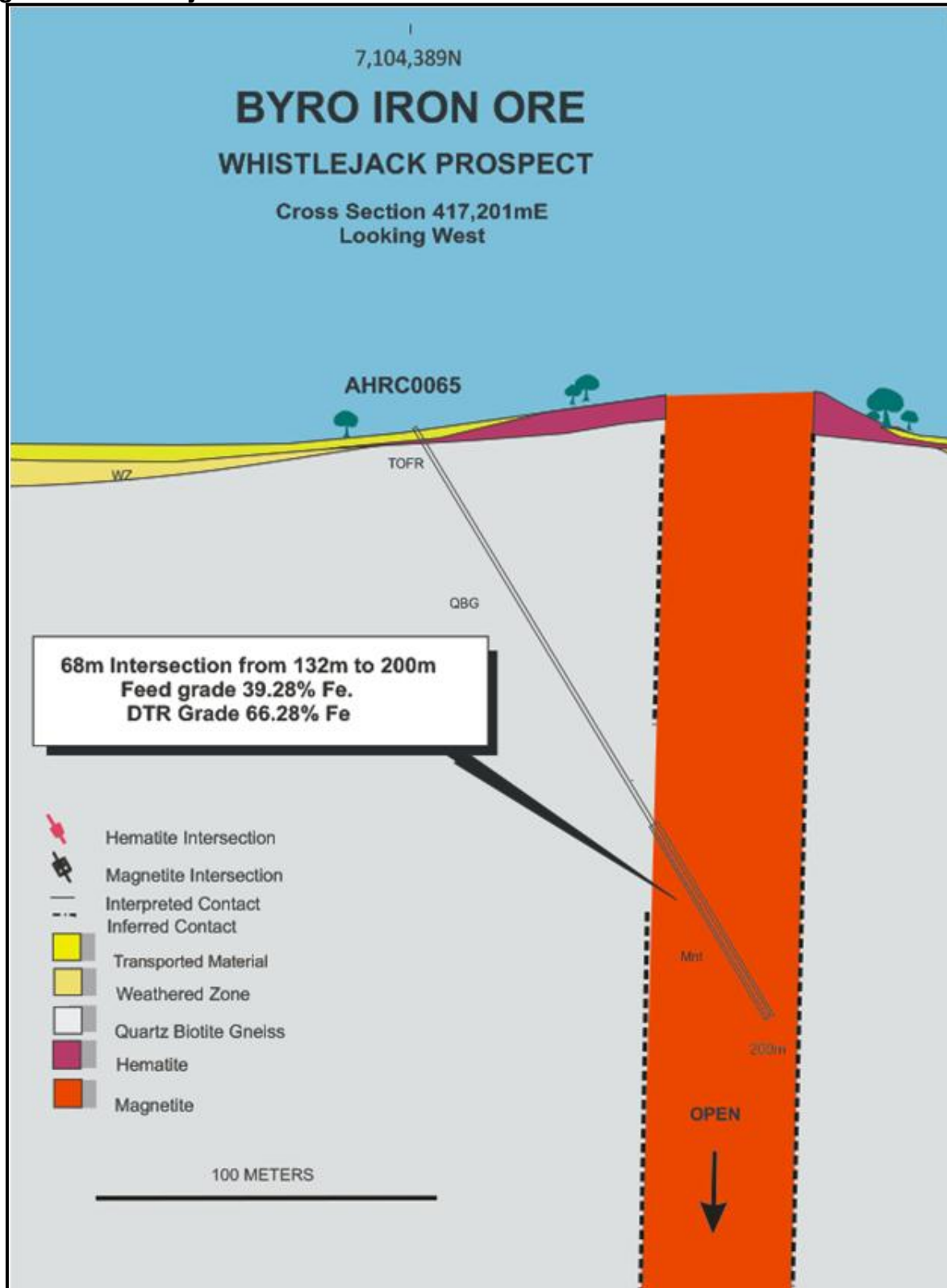
Figure 1. Drill Hole Location over TMI Magnetic Imagery. (Yellow = >1000nT isobar)



From drilling to date at Whistlejack, it has been demonstrated the mineralised zone continues to depth from outcrop and remains open beyond 180m below surface. This result is supported along strike by the magnetic geophysical data, (Figure 1). The result also supports the magnetite exploration target estimates, published ASX August 2014, particularly in regards to depth and strike of the stratigraphy.

Figure 2 below shows the 68m intersection relative to the surface expression at outcrop. True width calculations suggest the body has up to 43m thickness perpendicular to the dip of the body. Calculations are based on outcrop dip of 80 degrees, drilled perpendicular to the strike at a -60 degree drill dip into the body. The hole finished in ore due to drilling conditions at the time. The 43m true width is a calculated minimum true width at the drill intercept location.

Figure 2. Whistlejack Cross Section at collar AHRC0065



The Byro South + Whistlejack magnetite projects are within 3.5 kilometres of each other. the combined estimated exploration target, published August 2014, for the Byro South + Whistlejack magnetite projects included a maximum of 164 million tonnes to a minimum of 23.9 million tonnes with a grade range of upper and lower limits from 38.6% Fe to 21.6% Fe from whole rock assay of surface samples.

Athena Resources Limited – Third Quarter Activities

DTR and assay results in this quarterly report support the key aspects of the exploration estimates published August 2014, however the quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource. Further exploration is warranted to improve understanding and reduce uncertainty about this body.

PARTIAL SURRENDER OF BARREN TENEMENT BLOCKS

In October 2014 tenements E09/1552, E09/1507, E09/1508 and E09/1638 held by Athena Resources approached their 5 year anniversary. Current tenement holdings have been further reduced in size since October 2014, towards meeting Department of Mines and Petroleum relinquishment requirements. Relinquishment was also in response to rising expenditure and was carried out on the basis that explored areas that have not produced significant exploration targets were withdrawn. During this March Quarter Athena made further and full surrender of E09/1508 and E09/1657, (Figure 4). With these surrenders Athena resources is well within its commitments to the DoIR and has reduced expenditure significantly.

Figure 3 Tenement Boundaries as at December 2014

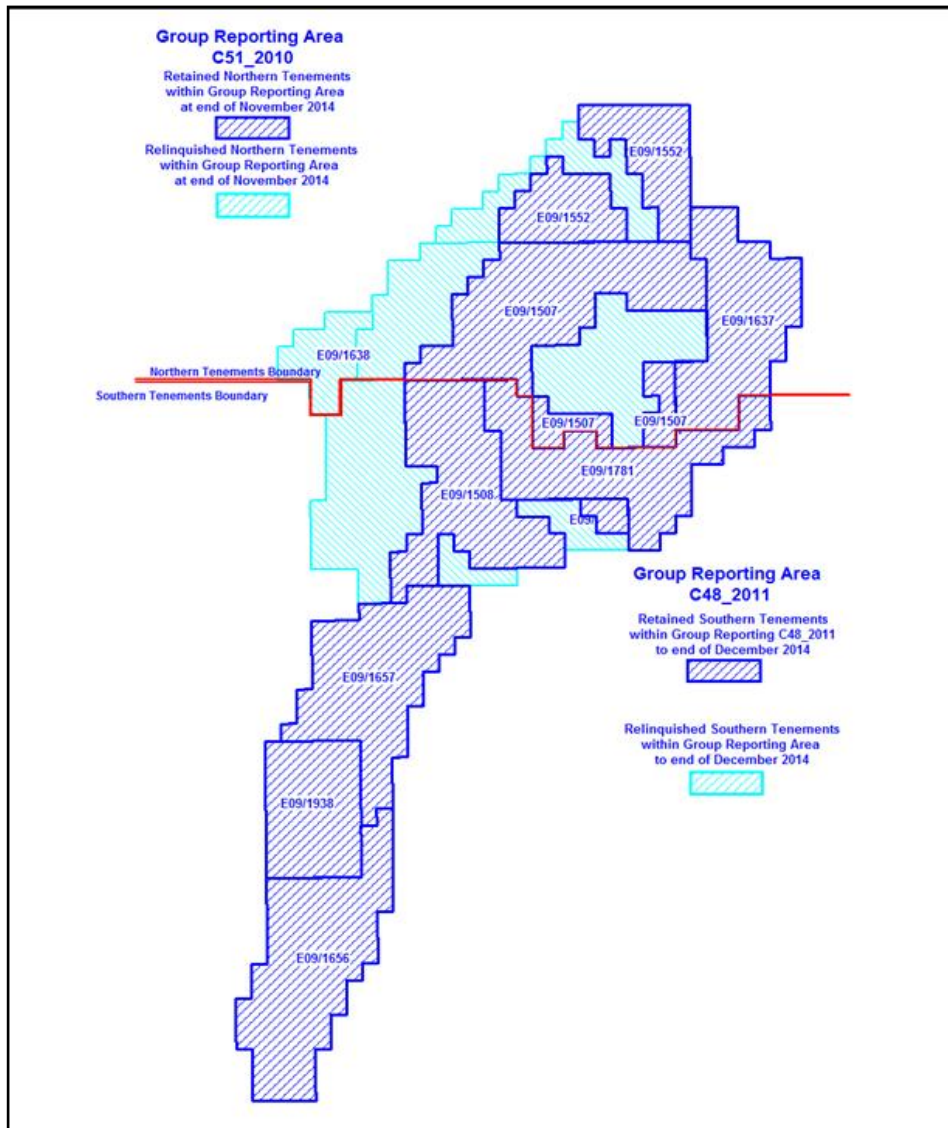
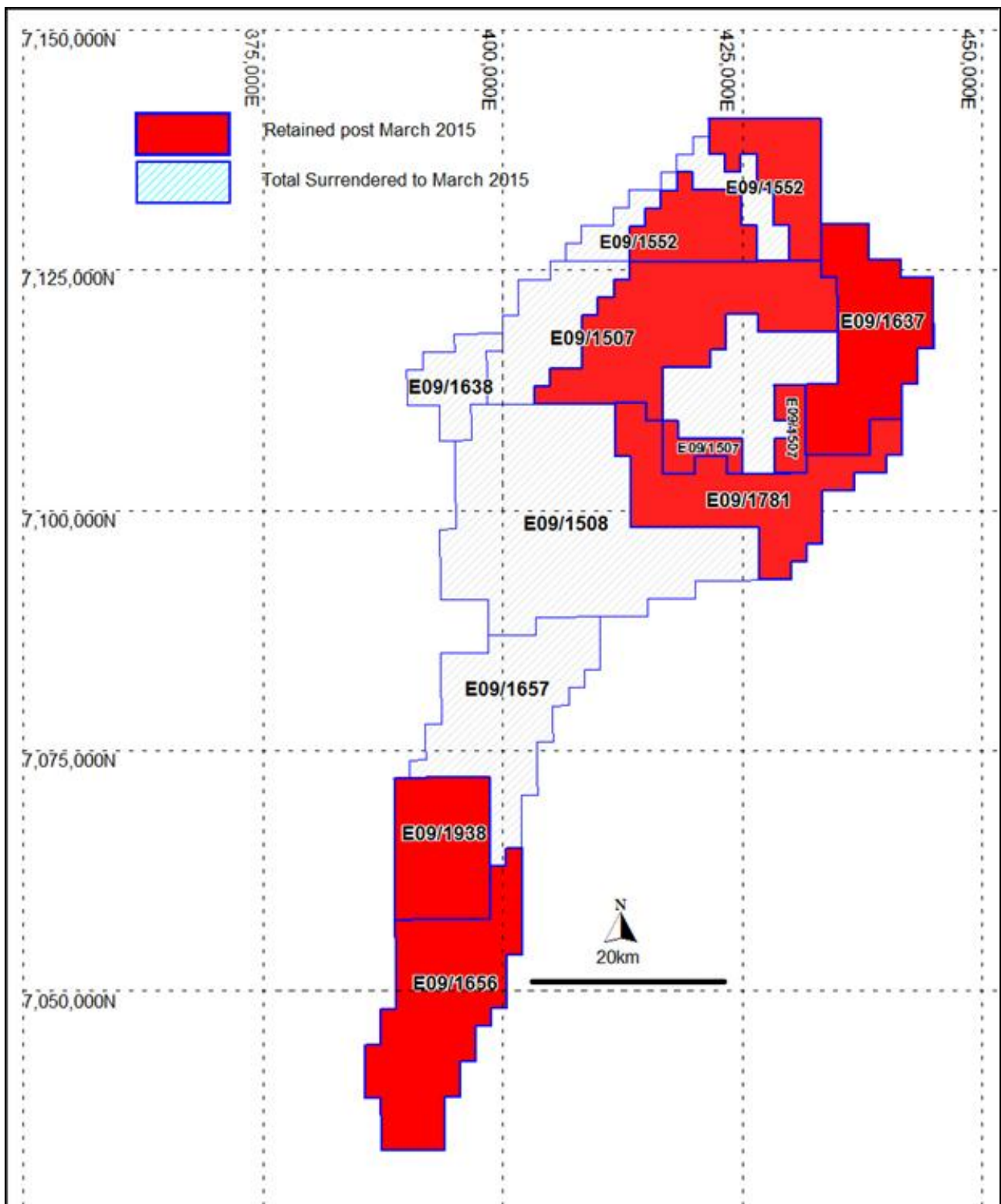


Figure 4 Athena Tenement Boundaries at end of March 2015

Athena Resources Limited – Third Quarter Activities



About Athena Resources Limited.

Athena Resources Limited – Third Quarter Activities

Athena Resources Limited (ASX:AHN), which is based in Perth was listed on the ASX in 2006 and currently has 173 million shares on issue. Athena owns a 100% interest in the Byro Project through its subsidiaries Complex Exploration and Byro Exploration where it is exploring for copper, nickel, PGE's and iron ore.

The Byro Iron Ore Project is strategically located in the Midwest Iron province which includes a substantial mining sector. The projects southern boundary is 210km north of the Mullewa Rail Siding by road and 310km from the Port of Geraldton. Development of the Byro Iron project is expanding the overall resource in the Midwest region along with neighbours at the Gindalbie and Ansteel's Karara Iron Project, Sinosteel's Weld Range Project, the proposed Jack Hills Expansion Project, Padbury's Robinson Range Project, and Mt Gibson's Extension Hill Mine, amongst others. Access and improved infrastructure to the maturing iron ore province is growing with development of the CSIRO SKA Project and increased capacity and further development at the Port of Geraldton.

Figure 5 Regional Project Location



Yours faithfully

Ed Edwards
Managing Director
ATHENA RESOURCES LIMITED

30 April 2015

Athena Resources Limited – Third Quarter Activities

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	- This Report includes magnetic susceptibility readings taken from RC drill hole AHRC0065. Visual logging of chips was completed by qualified geologist followed by assays from sampling. - The measurement tool used for magnetic susceptibility readings was a hand held KT-10 with serial number # 8791;
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	- Magnetic susceptibility readings were taken at every meter interval with the average reading noted from scanning mode - Samples assigned to down hole depth using industry standard methods of survey and measurement.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	- Industry standard processes were used during the reverse circulation and diamond drilling program to obtain 1m individual samples to 4 m composite samples from which up to 5kg sample weight was delivered to labs to be processed according to international standards. These assays are reported in this report. There are no new assays released in this report. - Visual identification of metal sulphides has been described in this report by qualified geologists using standard identification techniques and checked with assay results
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Standard Reverse Circulation (RC)
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse	- RC samples recovered from cyclone splitter using 1m intervals and 2 to 4m composites - Collection of RC Chips from sieved sample - No bias was observed between recovery and sample quality or loss or gain

Athena Resources Limited – Third Quarter Activities

Criteria	JORC Code explanation	Commentary
	<i>material.</i>	
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	Drill chips have been geologically logged as well as recording major geotechnical features observable in chip over the full depth of the holes by qualified geologists.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	RC Drilling, chips sieved to chip trays as well as sampled from splitter
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Chip samples were dry rotary split
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Industry standard sampling preparation procedures were used
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Industry standard sampling preparation procedures were used
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	- Industry standard sampling procedures were used - No field duplicate/second-half sampling
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Average sample size from splitter was 5kg
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	- Assays are pending from QA certified laboratories. - The measurement tool used was a hand held KT-10 with serial number # 8791 using units of 10⁻³ Standard SI units - Industry standard procedures were used in obtaining the magsus readings and samples for assay - Standards and Blanks have been inserted to sampling sequence as well as repeats at set intervals to ensure checks are in place to for quality control of assay returns and reports
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic)	- No adjustments have been made to readings - Assays have QA checked - No twinned holes occur in this report - Significant intercepts are reviewed externally by specialist geochemists

Athena Resources Limited – Third Quarter Activities

Criteria	JORC Code explanation	Commentary
	protocols. Discuss any adjustment to assay data.	and modeling consultants
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	Hand held GPS
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	- This report includes one meter sampling of magnetic susceptibility. This is an acceptable frequency of testing at this level of resolution. Assays are pending - Collar and end of hole surveys were taken and combined with collar location at surface for hole trajectory
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	No sampling bias was introduced by drilling orientation
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sampling bias was introduced by drilling orientation
Sample security	The measures taken to ensure sample security.	Sample integrity was maintained throughout the sampling process
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Sample integrity audits were completed prior and after receipt of sample at labs

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Tenements referred to In this report are 100% Athena owned and operated within native title claim WAD 6033/98, made on behalf of the Wajarri Yamatji People.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- The tenements are in good standing and no known impediments exist. - See tenement listing attached.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Historic exploration within the project area largely confined to south of a line extending from Imagi Well to the Byro East intrusion (Melun Bore). The earliest work

Athena Resources Limited – Third Quarter Activities

Criteria	JORC Code explanation	Commentary
		with any bearing on Athena's activities is that of Electrolite Zinc Co (1969) exploring for chromitite at Imagi Well, followed closely by Jododex Australia (1970-1974) at Byro East. Much of the exploration of a more regional nature is of limited use either because of the vagaries of the accuracy of positional information and the limited range of elements analysed. More recent surveys pertinent to Athena's current investigations include that of Redback Mining (1996-2002), Yilgarn Mining Limited (2003-2008) and Mithril (2007, JV with Yilgarn) at Byro East, and Western Mining Corporation (1976-1979) and Precious Metals Australia at Imagi Well. Newcrest Mining carried out a limited reconnaissance RAB drilling programme for platinum just to the east of Byro homestead (1998-1990).
Geology	• <i>Deposit type, geological setting and style of mineralisation.</i>	• Upper amphibolite to granulite metamorphic facies with mafic to ultramafic intrusive. Granite and migmatite are common
Drill hole Information	• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i>	• Summary Information on holes AHRC0065. See main body of announcement
	• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	• No information has been excluded
Data aggregation methods	• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	• No weighting, min max, ave, truncation or cut off techniques were used in this report

Athena Resources Limited – Third Quarter Activities

Criteria	JORC Code explanation	Commentary
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No aggregation has been used
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent are referred to in this report
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported	See main body of report. All widths are down hole and reported true width are calculated from geometry using industry standard calculation
	. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	See main body of report. All widths are down hole and reported true width are calculated from geometry using industry standard calculation
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures 1, 2, 3, 4 and 5 in the body of the report
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	This report covers representative one meter samples of magnetic susceptibility results; and
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).	Drilling programs have been planned and approvals have been granted. The registration ID of the granted PoW's is E09/1781 ID 36923 E09/1637 ID 36920 E09/1552 ID 36924 E09/1507 ID 36922

Athena Resources Limited – Third Quarter Activities

Criteria	JORC Code explanation	Commentary
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The planned drilling information is commercially sensitive and is not included in this report.

INTEREST IN MINING TENEMENTS

Athena Resources Limited 100%

Byro

E09/1507

E – Exploration License

E09/1552

E09/1637

E09/1656

E09/1781

E09/1938

Cautionary Notes

Forward Looking Statements

This announcement contains certain statements that may constitute “forward looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

JORC Code Compliance Statement

Some of the information contained in this announcement is historic data that have not been updated to comply with the 2012 JORC Code. The information referred to in the announcement was prepared and first disclosed under the JORC Code 2004 edition. It has not been updated since to comply with the JORC Code 2012 edition on the basis that the information has not materially changed since it was last reported.

Competent Persons Statement

The information included in the announcement was compiled by Mr Liam Kelly, an employee of Athena Resources Limited. Mr Kelly 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 2012 Edition)”. Mr Kelly consents to the inclusion of the information in the announcement in the context and format in which it appears and that the historical information was compliant with the relevant JORC Code, 2004 Edition, and new information announced in this report is compliant with the JORC Code 2012 Edition.

Competent Persons Disclosure

Mr Kelly is an employee of Athena Resources and currently holds securities in the company.