

MARCH - 2016 QUARTERLY REPORT

ATHENA RESOURCES LIMITED

ASX Symbol: **AHN**

ABN: 69 113 758 900

Address: 24 Colin Street, West
Perth WA 6005

Telephone: (08) 9222 5888

Facsimile: (08) 9222 5810

Email:

ahn@athenaresources.com.au

www.athenaresources.com.au

CONTACTS

Mr Ed Edwards
Managing Director

PROJECTS

Byro:

Iron Ore, Nickel-Copper-PGE's

SECURITIES

201M Shares - AHN

SHAREHOLDERS

Mr E Edwards	15.17%
Brilliant Glory	13.45%
Mr D Webster	4.92%

BYRO IRON PROJECT

CORPORATE

- **Binding Terms Sheet Signed in January 2016 with Brilliant Glory and shareholder approval received in March for**

- **Placement of \$1,000,000**
- **Conditional sale Byro Project**

EXPLORATION

- **Completion of FE1 Mineralisation Report**
- **Preparation of Drill Sample from the Byro South Project for DTR and Metallurgical Test Work**
- **Planning for Further Metallurgical Drilling Completed and Drilling to Commence Mid May.**

BYRO MAGNETITE PROJECT (Athena Resources 100%)

Corporate

As announced to ASX on 8 January 2016, Athena has entered into a Binding Term Sheet with Brilliant Glory Industrial Corporation Limited (Brilliant Glory). Shareholders approved the terms of the agreement at a meeting held on 8 March 2016. The material terms of which are as follows:

Placement to Raise \$1 million

Brilliant Glory will subscribe for \$1,000,000 worth of Shares on the following basis:

- 15,000,000 Shares at an issue price of \$0.02 each to raise \$300,000 (**Tranche 1 Placement**). The Tranche 1 Placement has already taken place; the Shares were issued under the Company's Listing Rule 7.1 placement capacity; and
- 28,000,000 shares at an issue price of \$0.025 each to raise \$700,000 (**Tranche 2 Placement**). The Tranche 2 Placement was subject to the Company receiving Shareholder approval which occurred on 8 March 2016. On 22 April Athena announced it had received \$300,000 of the Tranche 2 Placement and issued a further 12,000,000 shares. .

Shares issued pursuant to the Tranche 1 Placement and the Tranche 2 Placement will be subject to a 12 month voluntary escrow period from their date of issue.

Proposed Board Appointment

Mr. Jian Li, a director of Brilliant Glory, will be appointed to the Board on completion of the Tranche 2 Placement.

Conditional Disposal of the Byro Project

Subject to the Company receiving all necessary Shareholder and regulatory approvals, the Company has agreed to give Brilliant Glory the right (but not the obligation) to purchase the Byro Project in consideration for the payment of \$20,000,000.

Completion of the acquisition under the Binding Term Sheet is subject to the following conditions:

- Athena conducting the necessary works to obtain two mining leases within the boundaries of the Byro Project; and
- Athena and Byro obtaining all necessary Shareholder and regulatory approvals prior to completion.

On and from completion of the acquisition, Athena will be entitled to a royalty of \$2 per dry metric tonne of iron ore sold from the Byro Project.

Exploration

The company has met with the Department of Mines and Petroleum to initiate the mining lease application process for five of its ore bodies. A Mineralisation report has been completed for the FE1 Prospect intended to fulfil the statutory requirement in Section 74(1) (a) and Section 74(ca) (ii) of the *Mining Act 1978*, in support of an application to convert part of Exploration Lease E09/1507 covering the FE1 Ore body and JORC compliant inferred resource to a mining lease, and also in support of a consequent mining proposal.

Further mineralised areas being processed for mining lease applications are

- Mt Narryer E09/1938
- Byro South E09/1781
- Whistlejack E09/1781 and E09/1507
- Heppenstall E09/1507

Athena Resources Limited – Third Quarter Activities

Athena has been granted PoW approvals for drilling programs within E09/1507, E09/1637, E09/1781 and E09/1938. A drilling company has been appointed and drilling will commence this May when a rig is available. Drill sample will support further metallurgical evaluation for mining lease applications.

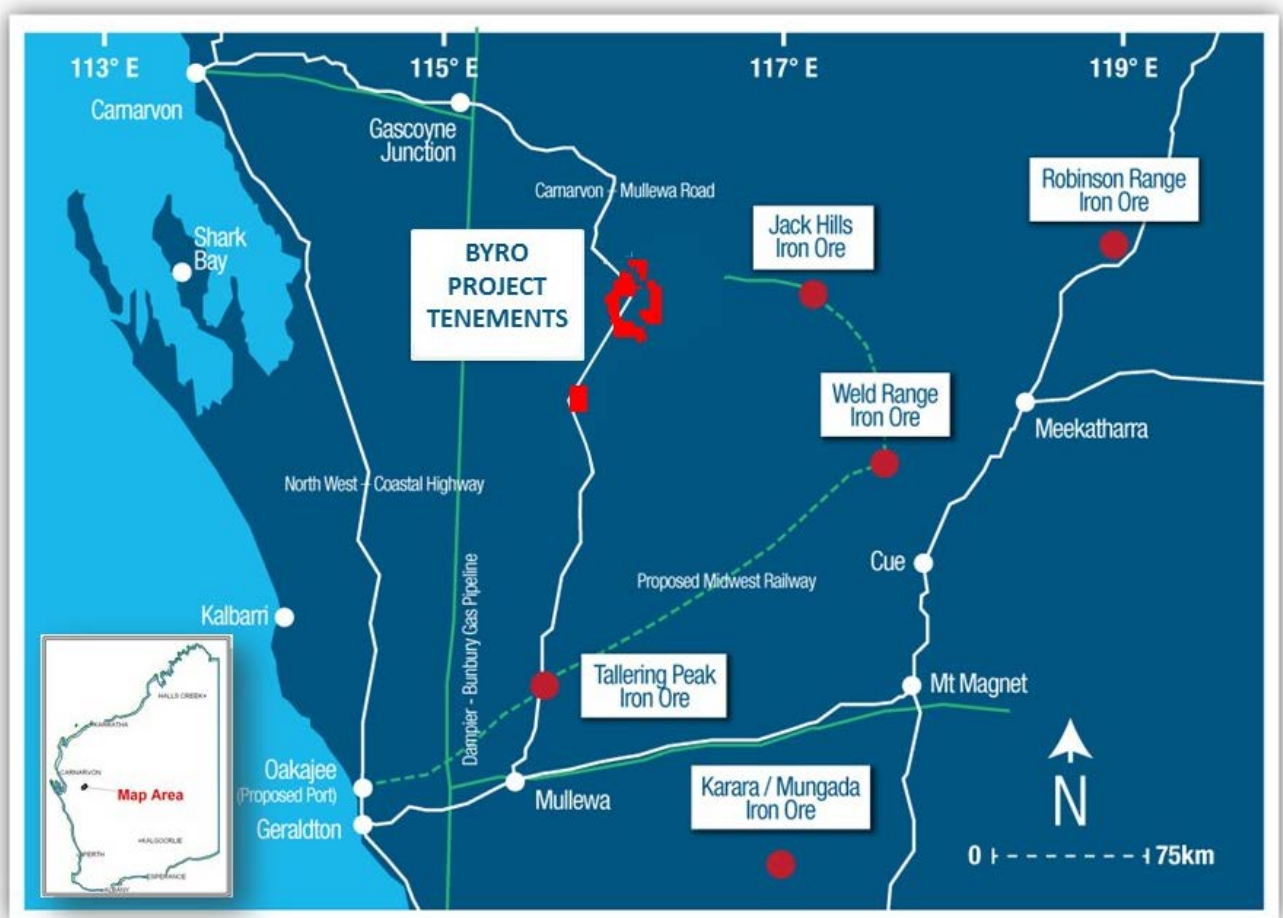
Following the grant of the mining leases the individual projects will be assessed for potential mining based on their merits.

About Athena Resources Limited.

Athena Resources Limited (ASX:AHN), which is based in Perth was listed on the ASX in 2006 and currently has 188 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 iron ore copper, nickel and PGE's.

The Byro Iron Ore Project is strategically located in the Midwest 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. 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 1 Regional Project Location



Yours faithfully

Ed Edwards
Managing Director
ATHENA RESOURCES LIMITED

29 April 2016

Athena Resources Limited – Third Quarter Activities

JORC Compliance

No new sampling or data was acquired in this quarter or released in this document that is required to be disclosed in compliance with the

JORC Code, 2012 Edition Section 1 Sampling Techniques and Data

No new sampling or data was acquired in this quarter or released in this document that is required to be disclosed in compliance with the

JORC Code, 2012 Edition Section 2 Reporting of Exploration Results

No new sampling or data was acquired in this quarter or released in this document that is required to be disclosed in compliance with the

JORC Code, 2012 Edition Section 3 Estimation and Reporting of Mineral Resources

INTEREST IN MINING TENEMENTS Athena Resources Limited 100%	
Byro	
E09/1507	E – Exploration License
E09/1552	E – Exploration License
E09/1637	E – Exploration License
E09/1781	E – Exploration License
E09/1938	E – Exploration License

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.