

23 August 2018

Ms Anjuli Sinniah  
Adviser, Listing Compliance (Perth)  
ASX Compliance Pty Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

By email: [anjuli.sinniah@asx.com.au](mailto:anjuli.sinniah@asx.com.au)

[tradinghaltsperth@asx.com.au](mailto:tradinghaltsperth@asx.com.au)

Dear Ms Sinniah

**ATHENA RESOURCES LIMITED (ASX:AHN) (COMPANY)  
ASX LETTER OF 21 AUGUST 2018**

We refer to your letter to the Company dated 21 August 2018 (**Letter**). We respond to each of the questions contained in your Letter as follows:

1. The Company will have negative operating cash flows for the foreseeable future as is normal for a resource company conducting exploration activities.
2. The Company is currently in discussions with a third party funder in respect of a substantial placement. At this stage, the Company expects or anticipates these discussions to be concluded within 1-2 weeks.
3. The Company expects to be able to continue its operations and meet its business objectives as announced to ASX on 1 August 2018 and further outlined in the Quarterly Activities Report released on 31 July 2018. During August the Company received \$143,000, being outstanding funds from Brilliant Glory which were due in respect of the period ended 31 July 2018. In addition, the amounts advanced as loans to the Company from Brilliant Glory of \$260,000 (included in item 3.5 of the Appendix 5B) have been taken to other income as a result of the termination of the Company's agreement with Brilliant Glory.

The current operations predominantly consist of completion of a feasibility study on the Byro Project as outlined in the June Quarterly Activities report and planning of the work required to obtain approval of the mining plan. Furthermore, the Company constantly assesses its funding requirements in relation to its level of exploration activities to ensure that it is able to fund its future activities.

4. The Company is of the opinion that the reasons stated at 3 above and the information set out in the Quarterly Activity Report announced on 31 July 2018 support the contention that the Company is in compliance with Listing Rule 12.2.
5. The Company hereby confirms it is in compliance with the Listing Rules and in particular, Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX that has not already been released to the market.



- 6 The responses to the questions asked in your letter dated 21 August 2018 have been made by a Mr E W Edwards (a director of the Company) with the delegated authority from the board to respond to ASX on disclosure matters and in accordance with the Company's Continuous Disclosure Policy.

If you have any queries in this regard please do not hesitate to contact me.

Regards

A handwritten signature in dark ink, consisting of a stylized 'E' followed by a long horizontal stroke that curves upwards at the end.

E W Edwards  
**Executive Director**  
**Athena Resources Limited**



21 August 2018

Mr Ed Edwards  
Athena Resources Limited  
24 Colin Street  
WEST PERTH WA 6005

By email: ed.edwards@athenaresources.com.au

Dear Mr Edwards

**Athena Resources Limited (“AHN”): Appendix 5B Query**

I refer to AHN’s Appendix 5B quarterly report for the period ended 30 June 2018 lodged with ASX Market Announcements Platform on 31 July 2018 (the “Appendix 5B”).

ASX notes that AHN has reported:

- negative net operating cash flows for the quarter of \$207,517;
- cash at the end of the quarter of \$39,088; and
- estimated cash outflows for the next quarter of \$70,000.

It is possible to conclude, based on the information in the Appendix 5B that if AHN were to continue to expend cash at the rate indicated by the Appendix 5B, AHN may not have sufficient cash to continue funding its operations. In view of that, ASX asks AHN to respond separately to each of the following questions and requests for information:

1. Does AHN expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has AHN taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does AHN expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please provide any other information that AHN considers may be relevant to ASX forming an opinion on whether AHN is in compliance with Listing Rule 12.2 (a listed entity’s financial condition must, in ASX’s opinion, be adequate to warrant the continued quotation of its securities and its continued listing).
5. Please confirm that AHN is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.
6. Please confirm that AHN’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AHN with delegated authority from the board to respond to ASX on disclosure matters.

**When and where to send your response**

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **7.30am AWST Friday 24 August 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in AHN’s securities under Listing Rule 17.3.

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You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AHN's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [anjuli.sinniah@asx.com.au](mailto:anjuli.sinniah@asx.com.au) and [tradinghaltspert@asx.com.au](mailto:tradinghaltspert@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rule 3.1**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to AHN's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that AHN's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in AHN's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Anjuli Sinniah**  
Senior Adviser, Listings Compliance (Perth)