



Athena Resources Limited

(ACN 113 758 900)

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

Friday 30 July 2021

11.30 am (WST)

**Nova Legal
Level 2, 46-50 Kings Park Road
West Perth, WA 6005**

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9307 7902.



NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders of Athena Resources Limited (ACN 113 758 900) (**Athena** or **Company**) will be held at Nova Legal, Level 2, 46 – 50 Kings Park Road, West Perth, WA 6005 on Friday 30 July 2021 at 11.30am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday 28 July 2021 at 11.30am (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Ratification of Prior Placement Shares

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 38,000,000 Shares issued pursuant to the Company's capacity under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who participated in the issue; or
- (b) any Associate of a person who participated in the issue.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;

- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Approval to issue Options to Lead Manager – CPS Capital Group

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 75,000,000 Options to CPS Capital Group Pty Ltd (and/or its nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Approval to issue Shares to Director in satisfaction of outstanding Director’s fees – Mr Edmond Edwards

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 31,250,000 Shares to Edmond Edwards (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Edmond Edwards (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reasons of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 3 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 3 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

4. Resolution 4 – Approval to issue Shares to Director in satisfaction of outstanding Director’s fees – Mr David Webster

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 18,750,000 Shares to David Webster (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of David Webster (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reasons of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 4 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 4 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and

- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. Resolution 5 – Approval to issue Shares to former Director in satisfaction of outstanding Director’s fees – Mr Rajakumar Kandiah

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 4,400,000 Shares to Rajakumar Kandiah (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Resolution 6 – Approval to issue Shares to Company Secretary in satisfaction of outstanding fees – Mr Peter Newcomb

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 16,500,000 Shares to Peter Newcomb (and/or his nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. Resolution 7 – Ratification of Prior Issue of Shares – Goldway

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,571,428 Shares issued to Goldway Mega Trade Limited (**Goldway**) (and/or its nominees) pursuant to the Company's capacity under Listing Rule 7.1 on the terms and conditions set out in the Explanatory Memorandum."*

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Goldway (and/or its nominee); or
- (b) any Associate of Goldway (and/or its nominee).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. Resolution 8 – Re-Appointment of Director – Mr Frank Knezovic

To consider and if thought fit, to pass the following as an **ordinary resolution**:

"That, pursuant to and in accordance with clauses 3.4 and 3.5 of the Constitution, and for all other purposes, Frank Knezovic, who was appointed as a Director on 30 June 2021, and being eligible, offers himself for re-appointment as a non-executive Director of the Company."

9. Resolution 9 – Re-Appointment of Director – Mr David Wheeler

To consider and if thought fit, to pass the following as an **ordinary resolution**:

"That, pursuant to and in accordance with clauses 3.4 and 3.5 of the Constitution, and for all other purposes, Mr David Wheeler, who was appointed as a Director on 30 June 2021 and being eligible, offers himself for re-appointment as a non-executive Director of the Company."

10. Resolution 10 – Issue of Shortfall Shares to Incoming Director – Mr Frank Knezovic

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue up to a total of 6,250,000 Shortfall Shares to Mr Frank Knezovic (and/or his nominees), for an issue price of \$0.008 per Shortfall Shares and otherwise on the terms set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Frank Knezovic (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities

(except a benefit solely by reasons of being a holder of ordinary securities in the Company) or an Associate of that person or those persons.

However, this does not apply to a vote case in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 10 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 10 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 10 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. Resolution 11 – Issue of Shortfall Shares to Incoming Director – Mr David Wheeler

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11, and for all other purposes, approval is given for the Company to issue up to a total of 6,250,000 Shortfall Shares to Mr David Wheeler (and/or his nominees), for an issue price of \$0.008 per Shortfall Shares and otherwise on the terms set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of David Wheeler (and/or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reasons of being a holder of ordinary securities in the Company) or an Associate of that person or those persons.

However, this does not apply to a vote case in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 11 Excluded Party**). However, this prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 11 Excluded Party.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated 29 June 2021

BY ORDER OF THE BOARD

Peter Newcomb
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held on Friday 30 July 2021 commencing at 11.30 am (WST) at Nova Legal, Level 2, 46-50 Kings Park Road, West Perth WA 6005

This Explanatory Memorandum forms part of and should be read in conjunction with the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information for Shareholders in deciding whether or not to pass the Resolutions in the Notice.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

- (a) If proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Corporate Representatives

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative must bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

3. Background

3.1 General

As announced on 23 June 2021, in order to recapitalise and strengthen its balance sheet, the Company is proposing to undertake the following capital raisings:

- (a) \$304,000 (before costs) through a proposed placement of 38,000,000 fully paid ordinary shares (**Placement Shares**) at an issue price of \$0.008 per Share (**Placement**); and
- (b) \$2,888,270 through a proposed fully underwritten 1:1 rights issue to existing shareholders (**Rights Issue**) to issue 361,033,779 Shares at an issue price of \$0.008 per Share,

(together, the **Capital Raisings**).

The Placement was conducted on 25 June 2021. Resolution 1 seeks ratification of the issue of the Placement Shares.

The Company engaged CPS Capital Group Pty Ltd (**CPS** or **Lead Manager**) to act as lead manager to the Placement. A summary of the material terms and conditions of the lead manager mandate entered between the Company and CPS dated 14 May 2021 (**Lead Manager Mandate**) is set out in Schedule 4. Resolution 2 seeks Shareholder approval to issue options to CPS pursuant to the Lead Manager Mandate.

The Rights Issue is yet to be completed. In accordance with new ASX policy in relation to reinstatement of long-term suspended entities, a full form prospectus will be prepared by the Company for the Rights Issue. Entitlements not taken up pursuant to the Rights Issue Offer will form the shortfall offer (**Shortfall Offer**). The Incoming Directors of the Company wish to participate in the Shortfall Offer on the same terms as the unrelated participants (**Participation**). Resolutions 10 - 11 seek Shareholder approval for the Incoming Directors Participation.

The Company has also entered a separate underwriting agreement with CPS dated 23 June 2021 (**Underwriting Agreement**) for CPS to fully underwrite the Rights Issue. A summary of the material terms of the Underwriting Agreement is set out in Schedule 5.

Upon completion of the Capital Raisings, the Company would have raised a total of \$3,192,270 (before costs).

The pro-forma balance sheet of the Company (after completion of the Capital Raisings) is set out in Schedule 3.

3.2 Use of Funds

The net proceeds of the Placement will be applied to existing creditors of the Company.

The proceeds of the Rights Issue will be used as follows:

Proposed use of funds	Amount (\$)
Underwriting Fee (6%)	173,296
Overheads	442,763

Exploration	2,272,211
Total	\$2,888,270

Note: The above table is a statement of current intentions as at the date of this Notice. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including, but not limited to, the outcome of operational and development activities, as well as regulatory developments and economic conditions. In light of this, the Company reserves the right to alter the way the funds are applied

3.3 Debt Restructure

In addition to the Capital Raisings, the Company also proposes to restructure debt owing to Directors and Officers of the Company.

The Company has reached an agreement with the Directors and Officers of the Company to (**Debt Restructure**):

- (a) write off an amount of \$414,600 (inclusive of GST) of Director fees owing; and
- (b) convert a further amount of \$567,200 Director fees owing into equity at \$0.008 cents per share subject to Shareholder approval. Resolutions 3 – 6 seek approval for the proposed conversion of Director and Officer fees into equity.

3.4 Proposed Capital Structure

Upon the completion of the Debt Restructure, Placement and Rights Issue (assuming full subscription), the capital structure of the Company will be as follows:

Capital Raising and capital structure	Shares	Value \$
Shares		
Current shares on issue	323,033,779	
Securities to be issued pursuant to the Placement	38,000,000	304,000
Rights Issue shares at 1:1 fully underwritten	361,033,779	2,888,270
Securities to be issued to Directors and other officers in satisfaction of outstanding fees	70,900,000	567,200
Total Shares on issue after Rights Issue and shortfall placement	792,967,558	
Options		
Options to be issued to CPS pursuant to the CPS Mandate	75,000,000	
Total Options on issue after Rights Issue	75,000,000	
Proceeds		
Placement		304,000
Rights Issue		2,888,270
Total		3,192,270

3.5 Board Changes

As announced on 30 June 2021, the Company has appointed Mr. Frank Knezovic and Mr. David Wheeler to the Board to provide additional experience to assist with the exploration program and development of commercial opportunities for the Company.

3.6 Reinstatement Conditions

On the basis of the Company's proposed Capital Raisings, Debt Restructure, Board changes and proposed future exploration activities, the Company lodged submissions to the ASX for confirmation that the Company will comply with Chapter 12 of the Listing Rules, in particular, that the Company's level of operations and financial condition will be sufficient to satisfy ASX Listing Rules 12.1 and 12.2, and of the conditions that ASX would impose on the Company's reinstatement.

As announced on 23 June 2021, the Company has received confirmation from the ASX that the ASX can see no reason why the securities of AHN should not be reinstated to official quotation, subject to compliance with the following conditions (**Reinstatement Conditions**):

- (a) The Company's shareholders approving all of the resolutions required to effect the proposed Capital Raising to be considered at a general meeting of shareholders.
- (b) The Company releasing a full form prospectus pursuant to section 710 of the *Corporations Act 2001* (Cth) (**Prospectus**) in relation to the proposed Capital Raising.
- (c) Completion of the Capital Raising, closure of the Prospectus and confirmation that the Company has reached minimum subscription.
- (d) Confirmation in a form acceptable to ASX that the Company has received cleared funds for the complete amount of the issue price of every security allotted and issued to every successful applicant for securities under the Capital Raising.
- (e) The Company demonstrating compliance with Listing Rules 12.1 and 12.2, to the satisfaction of the ASX, as set out below.
 - (i) The Company satisfies the requirements of Listing Rule 12.1 by completion of the following activities from the exploration program set out in the Company's submissions provided on 27 May 2021:
 - (A) Native Title: Mining Lease Heritage Fee;
 - (B) Metallurgy: Industrial Minerals Project further metallurgical test work;
 - (C) Geophysical Ground Electromagnetic Survey:
 - (I) Ground Electromagnetic: Milly Milly Intrusion, (TDEM – SQUID); and
 - (II) Ground Electromagnetic: Moonborough Intrusion, (TDEM - SQUID).
 - (D) Geophysical Ground Gravity Survey:
 - (I) Ground Bougar Gravity: Milly Milly (Infill over conduit target);

- (II) Ground Bougar Gravity: Milly Milly (Infill over western contact with second Intrusion);
 - (III) Ground Bougar Gravity: Moonborough (Infill to close space over main bougar anomaly);
- (E) Target Generation: Data collation and Interpretation including target definition and drilling trajectories;
- (F) Native Title: Ethnographic Clearance Surveys, Access and Drill Pads;
- (G) Ground Preparation: Develop access and drill pads; and
- (H) Drilling:
 - (I) Milly Milly Intrusion (3 Primary Targets); and
 - (II) Moonborough Intrusion (3 Primary Targets),
 at the Byro Project.
- (ii) Announcement of the completion of the drilling programs referred to at 3.5(e)(i)(H)(I) and 3.5(e)(i)(H)(II) above and confirmation that the Company is proceeding with the remainder of the scheduled activities set out in the exploration program.
- (iii) the Company's financial condition satisfies the requirements of listing rule 12.2, by completion of the Capital Raising and that, after payment of the costs of the Capital Raising the Company can demonstrate to ASX that it will have working capital of \$1,500,000.
- (iv) the Company's financial condition remains satisfactory to ASX and in compliance with listing rule 12.2 at the time of reinstatement.
- (f) Lodgement of all outstanding Appendices 3B with ASX for issues of new securities.
- (g) Lodgement of any outstanding reports for the period since the Company's securities were suspended and any other outstanding documents required by Listing Rule 17.5.
- (h) Lodgement of the Company's reviewed accounts for the half year ended 31 December 2020, and:
 - (i) if reinstatement is to occur after the due date for the Company's accounts for the full year ended 30 June 2021, the Company's audited accounts for the full year ended 30 June 2021 that are not subject to any modified opinion, emphasis of matter or other matter paragraph that ASX considers unacceptable; or
 - (ii) if reinstatement is to occur prior to the due date for the Company's accounts for the full year ended 30 June 2021, the reviewed accounts for the half year ended 31 December 2020 must not be subject to any modified opinion, emphasis of matter or other matter paragraph that ASX considers unacceptable.
- (i) Lodgement of Director's Interest Notices, being either Appendix 3Xs, 3Ys, or 3Zs, as required.

- (j) Confirmation that there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.
- (k) Payment of any ASX fees, including listing fees, applicable and outstanding.
- (l) Confirmation the securities to be issued following the Meeting have been issued, and despatch of each of the following has occurred:
 - (i) In relation to all holdings on the CHESS subregister, a notice from the Company under ASX Settlement Operating Rule 8.9.1.
 - (ii) In relation to all other holdings, issuer sponsored holding statements.
 - (iii) Any refund money.
- (m) Provision of the following documents, in a form suitable for release to the market.
 - (i) A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.
 - (ii) A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories.
 - 1-1,000
 - 1,001-5,000
 - 5,001-10,000
 - 10,001-100,000
 - 100,001 and over
 - (iii) A statement confirming completion of the Capital Raising, closure of the Prospectus and that the Company has reached minimum subscription.
 - (iv) A statement outlining the Company's capital structure following the Meeting on a post-issue basis.
 - (v) The Company's pro forma balance sheet based on actual funds raised.
 - (vi) The Company's updated statement of commitments based on actual funds raised.
 - (vii) A consolidated activities report setting out the proposed business strategy for the Company (including an update on the status of the Company's assets and the current activities with respect thereto).
 - (viii) An update on the status of the forfeiture applications in respect to tenements E09/1507 and E09/1552.
 - (ix) Full terms and conditions of all options on issue.
 - (x) A statement confirming that there are no legal, regulatory or contractual impediments to the Company undertaking the activities the subject of the commitments disclosed in the Prospectus.

- (xi) Confirmation that the Company is in compliance with the listing rules and in particular listing rule 3.1.
- (xii) Provision of any other information required or requested by ASX including, but not limiting the generality of the foregoing, in relation to any issues that may arise (1) from ASX's review of the Prospectus and (2) the Company's financial reports.

3.7 Indicative Timetable

The indicative timetable to complete the Capital Raising and re-instatement is set out below:

Event	Date
ASX announcement Capital Raising and Reinstatement	23 June 2021
Placement completed	25 June 2021
Prospectus lodged with ASIC/ASX for Rights Issue	8 July 2021
General Meeting	30 July 2021
Completion of Rights Issue	30 July 2021

The above table is indicative only and subject to change.

4. Resolution 1 – Ratification of Prior Placement Shares

4.1 General

As set out above, the Company has undertaken a Placement and issued 38,000,000 Shares at an issue price of \$0.008 to raise \$304,000.

Resolution 1 seeks ratification of the Placement Shares.

4.2 ASX Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Shares issued under the Placement do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder approval to subsequently

approve the issue of 38,000,000 Shares issued to Placement participants under and for the purposes of Listing Rule 7.4.

4.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 1 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, these Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

4.4 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) 28,500,000 Placement Shares were issued to Sunset Capital Management P/L <Sunset Superfund A/C>, being an entity associated with Jason Peterson (the Managing Director of CPS). The remaining Placement Shares were issued to clients of CPS who are sophisticated and professional investors. . None of the recipients are related parties of the Company;
- (b) 38,000,000 Placement Shares were issued;
- (c) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued on 25 June 2021;
- (e) the issue price was \$0.008 per Share;
- (f) the purpose of the issue was to raise \$304,000 for working capital;
- (g) the Placement Shares were not issued under an agreement; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 1 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

5. Resolution 2 – Approval to issue Options to Lead Manager – CPS Capital Group

5.1 General

Under the Lead Manager Mandate, CPS Capital Group Pty Ltd (**CPS**) was engaged to act as lead manager to the Placement. A summary of the Lead Manager Mandate is set out in Schedule 4.

Pursuant to the Lead Manager Mandate, CPS and or its nominees, will receive 75,000,000 Options, upon the successful reinstatement of the Company. These Options will have an expiry term of four years with an exercise price of \$0.02. These Options will be issued at a deemed issue price of \$0.0001 (**Lead Manager Options**).

Resolution 2 seeks Shareholder approval for the issue of Lead Manager Options in accordance with the Lead Manager Mandate.

5.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 2 will be to allow the Company to issue the Lead Manager Options pursuant to the Lead Manager Mandate during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Lead Manager Options in accordance with the terms of the Lead Manager Mandate. In addition, the issue of the Lead Manager Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options in accordance with the terms of the Lead Manager Mandate unless the issue of the Lead Manager Options is able to be made following the Meeting from the Company's 15% placement capacity under Listing Rule 7.1, in which case, the Company will have a reduced ability to issue equity securities without Shareholder approval over the 12 month period following the issue date.

5.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (a) the Lead Manager Options will be issued to CPS (and/or its nominees), who is not a related party of the Company;
- (b) a maximum of 75,000,000 Lead Manager Options will be issued;
- (c) the Lead Manager Options will be exercisable at \$0.02 on or before four years from the date of issue and otherwise will be issued on the terms and conditions set out in Schedule 2;
- (d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the Lead Manager Options will be issued at a deemed issue price of \$0.0001, however no funds will be raised as they are being issued in consideration for CPS acting as lead manager to the Placement;

- (f) the Lead Manager Options will be issued for the purpose of satisfying the Company's obligation under the Lead Manager Mandate;
- (g) the Lead Manager Options are being issued under the Lead Manager Mandate. A summary of the material terms of the Lead Manager Mandate are set out in Schedule 4;
- (h) the Lead Manager Options are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 2 of this Notice.

The Directors believe this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

6. Resolutions 3 and 4 – Approval to issue Shares to Directors in satisfaction of outstanding Directors' fees – Messrs Edmond Edwards and David Webster

6.1 General

As set out in Section 3.3, the Company proposes to undertake a Debt Restructure which includes writing off part of the fees owing to Directors and issuing shares to Directors in lieu of cash.

The Company has agreed, subject to obtaining Shareholder approval, to issue the following Shares to Messrs Edmond Edwards and David Webster (or their respective nominees) (**Related Parties**) in satisfaction of outstanding Directors' fees owing to the Related Parties:

- (a) 31,250,000 Shares to Edmond Edwards (or his nominee) in lieu of a cash payment of \$250,000 in Directors' fees owing to Mr Edmond for the period prior to 30 June 2020; and
- (b) 18,750,000 Shares to David Webster (or his nominee) in lieu of a cash payment of \$150,000 in Directors' fees owing to Mr Webster for the period prior to 30 June 2020.

(together, the **Related Party Securities**).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Related Party Securities constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of being Directors.

The Related Party Securities, are however being issued in satisfaction of Director fees owing and will be issued on the same terms as those securities issued under the Placement and Rights Issue. Accordingly, the Board believes that the “arm’s length” exception in section 210 of the Corporations Act applies and that therefore shareholder approval for the purposes of Chapter 2E of the Corporations Act is not required.

6.3 ASX Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (d) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX’s opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Related Party Securities falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Accordingly, the issue of the Related Party Securities requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 3 and 4 seek the required Shareholder approval for the issue of the Related Party securities under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by ASX Listing Rule 14.1A

If Resolutions 3 and 4 are passed, the Company will be able to proceed with the issue of the Related Party Securities to the Related Parties within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Securities (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Securities will not use up any of the Company’s 15% placement capacity under Listing Rule 7.1. The issue of the Related Party Securities will also allow the Company to preserve its existing cash reserves, which can otherwise be focused on operations, instead of allocating funds to pay out accrued Directors’ fees totalling \$400,000, in cash.

If Resolutions 3 and 4 are not passed, the Company will not be able to proceed with the issue of the Related Party Securities. In this instance, the Company would need to use its existing cash reserves to satisfy payment of the accrued Directors’ fees. Further, the Company’s reinstatement is dependent upon the Debt Restructure occurring, including the payment of shares in lieu of cash to Directors. If such resolutions are not approved, the Company may be delisted.

6.5 Shareholder Approval (ASX Listing Rule 10.13)

Pursuant to and in accordance with the requirements ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 3 and 4:

- (a) the Related Party Securities will be issued to Edmond Edwards and David Webster (or their respective nominees), each of whom fall within the category set out in Listing Rule 10.11.1 by virtue of being a Director;
- (b) the maximum number of Related Party Securities to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 50,000,000 Shares comprising:
 - (i) 31,250,000 Shares to Edmond Edwards (or his nominees) (**Resolution 3**); and
 - (ii) 18,750,000 Shares to David Webster (or his nominees) (**Resolution 4**);
- (c) the Shares issued will be full paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Related Party Securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Related Party Securities will occur on the same date;
- (e) the deemed issue price of the Shares will be \$0.008 (being the same price as Shares to be issued pursuant to the Placement and Rights Issue). The Company will not receive any consideration for the Related Party Securities as they are being issued in lieu of accrued Directors' fees payable to the Related Parties. Accordingly, no funds will be raised. However, the issue of the Related Party Securities will result in the Company converting debt owing to the Related Parties to equity;
- (f) the primary purpose of the issue of the Related Party Shares is to preserve the cash reserves of the Company and convert debt owing to the Related Parties (being, the accrued Directors' fees set out in Section 6.1) to equity. This will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if it had to pay out the accrued Directors' fees owing to the Related Parties;
- (g) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year (FY2021)	Previous Financial Year (FY2020)
Edmond Edwards	\$150,000	\$135,000
David Webster	\$-	\$36,000

- (h) the Related Party Securities are not being issued under an agreement; and
- (i) a voting exclusion statement is set out in the Notice.

The Directors (other than Mr Edmond Edwards) believe that Resolution 3 is in the best interest of the Company and its Shareholders and recommend that the Shareholders vote in favour of Resolution 3.

The Directors (other than Mr David Webster) believe that Resolution 4 is in the best interest of the Company and its Shareholders and recommend that the Shareholders vote in favour of Resolution 4.

7. Resolution 5 – Approval to issue Shares to former Director in satisfaction of outstanding Director’s fees – Mr Rajakumar Kandiah

7.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 4,400,000 Shares to former Director, Rajakumar Kandiah (or his nominee) in lieu of a cash payment of \$35,200 in Director fees owing to Mr Kandiah for the period prior to 30 June 2016.

Mr Kandiah resigned as a director of the Company on 1 June 2016.

7.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 5 will be to allow the Company to issue the Shares to Rajakumar Kandiah (or his nominee) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company’s 15% annual placement capacity.

7.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of Shares to Rajakumar Kandiah (or his nominees) and these Shares will be excluded in calculating the Company’s 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

The issue of these Shares in satisfaction of outstanding Director fees owing to Mr Kandiah will allow the Company to preserve its existing cash reserves, which can otherwise be focused on operations, instead of allocating funds to pay out the accrued Director fees.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Shares. In this instance, the Company would need to use its existing cash reserves to satisfy payment of the accrued Director fees. Further, the Company’s reinstatement is dependent upon the Debt Restructure occurring, including the payment of shares in lieu of cash to Directors. If such resolutions are not approved, the Company may be delisted.

7.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Shares will be issued to Rajakumar Kandiah (or his nominee), who is not a related party of the Company (having resigned as a director of the Company on 1 June 2016);
- (b) a maximum of 4,400,000 Shares will be issued;

- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions at the Company's existing Shares;
- (d) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the deemed issue price of the Shares will be \$0.008 (being the same price as Shares to be issued pursuant to the Placement and Rights Issue). The Company will not receive any consideration for these Securities as they are being issued in lieu of accrued Director fees payable to Rajakumar Kandiah. Accordingly, no funds will be raised. However, the issue of these Shares will result in the Company converting debt owing to Mr Kandiah to equity;
- (f) the primary purpose of the issue of the Shares is to preserve the cash reserves of the Company and convert debt owing to a former Director (being accrued Director fees of \$35,200) to equity. This will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if it had to pay out the accrued Director fees owing to former Director, Rajakumar Kandiah. No funds will be raised from the issue of the Shares;
- (g) the Shares are not being issue under an agreement;
- (h) the Shares are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 5 of this Notice.

The Directors believe this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

8. Resolution 6 – Approval to issue Shares to Company Secretary in satisfaction of outstanding fees – Mr Peter Newcomb

8.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 16,500,000 Shares to Company Secretary, Peter Newcomb in lieu of cash payment of \$132,000 in fees owing to Mr Newcomb for the period prior to 30 June 2020.

8.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in Section 4.2 above.

The effect of Resolution 6 will be to allow the Company to issue the Shares to Peter Newcomb (or his nominee) during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

8.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of Shares to Peter Newcomb (or his nominees) and these Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date. The issue of these Shares in satisfaction of outstanding fees owing to Mr Newcomb will also

allow the Company to preserve its existing cash reserves, which can otherwise be focused on operations, instead of allocating funds to pay out the accrued fees.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Shares. In this instance, the Company would need to use its existing cash reserves to satisfy payment of the accrued fees. Further, the Company's reinstatement is dependent upon the Debt Restructure occurring, including the payment of shares in lieu of cash to Directors and Officers. If such resolutions are not approved, the Company may be delisted.

8.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the Shares will be issued to Peter Newcomb (or his nominee), who is not a related party of the Company;
- (b) a maximum of 16,500,000 Shares will be issued;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions at the Company's existing Shares.;
- (d) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the deemed issue price of the Shares will be \$0.008 (being the same price as Shares to be issued pursuant to the Placement and Rights Issue). The Company will not receive any consideration for these Securities as they are being issued in lieu of accrued fees payable to Peter Newcomb in his role as Company Secretary. Accordingly, no funds will be raised. However, the issue of these Shares will result in the Company converting debt owing to Mr Newcomb to equity;
- (f) the primary purpose of the issue of the Shares is to preserve the cash reserves of the Company and convert debt owing to the Company Secretary (being accrued fees of \$132,000) to equity. This will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if it had to pay out the accrued fees owing to Company Secretary, Peter Newcomb. No funds will be raised from the issue of the Securities,
- (g) the Shares are not being issue under an agreement;
- (h) the Shares are not being issued under, or to fund, a reverse takeover; and
- (i) a voting exclusion statement is included in Resolution 6 of this Notice.

The Directors believe this Resolution is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

9. Resolution 7 – Ratification of prior issue of Shares – Goldway

9.1 General

The Company has issued a total of 15,571,428 Shares to Goldway Mega Trade Limited (a Hong Kong registered company) (**Goldway**) under several placements as detailed below:

- (a) on 6 April 2021, the Company issued 2,857,143 Shares to Goldway at an issue price of \$0.035 each to raise \$100,000 (**April Placement Shares**);
- (b) on 19 February 2021, the Company issued 2,857,143 Shares to Goldway at an issue price of \$0.035 each to raise \$100,000 (**February Placement Shares**);
- (c) on 30 December 2020 the Company issued 2,428,571 Shares to Goldway at an issue price of \$0.035 per Share to raise \$85,000 (**December Placement Shares**);
- (d) on 17 August 2020 the Company issued 7,428,571 Shares to Goldway at an issue price of \$0.035 to raise \$260,000 (**August Placement Shares**).

These Shares were issued pursuant to the Company's capacity under Listing Rule 7.1. Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

9.2 ASX Listing Rules 7.1 and 7.4

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Shares issued to Goldway do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 7 seeks Shareholder approval to subsequently approve the issue of 15,571,428 Shares issued to Goldway under and for the purposes of Listing Rule 7.4.

9.3 Technical information required by ASX Listing Rule 14.1A

If Resolution 7 is passed, these Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, these Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

9.4 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the Shares were issued to Goldway Mega Trade Limited (a Hong Kong registered company), an entity which is not a related party of the Company ;
- (b) 15,571,428 Shares were issued;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued on the following dates:
 - (i) the April Placement Shares were issued on 6 April 2021;
 - (ii) the February Placement Shares were issued on 19 February 2021;
 - (iii) the December Placement Shares were issued on 30 December 2020; and
 - (iv) the August Placement Shares were issued on 17 August 2020.
- (e) the issue price was \$0.035 per Share under each placement;
- (f) the purpose of the issues pursuant to the placements was to raise a total of \$545,000 for working capital;
- (g) the Shares were not issued under an agreement; and
- (h) a voting exclusion statement is set out in the Notice.

The Directors of the Company believe Resolution 7 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

10. Resolutions 8- 9 – Re-Appointment of Directors

Mr Frank Knezovic was appointed as a Director of the Company on 30 June 2021. Mr David Wheeler was appointed as a Director of the Company on 30 June 2021.

Resolutions 8 and 9 seek the re-appointment of Mr Frank Knezovic and Mr David Wheeler in accordance with clause 3.4 and 3.5 of the Constitution.

10.1 Constitutional Requirements

Clause 3.4 of the Company's Constitution provides that the Company may appoint Directors by ordinary resolution.

Clause 3.5 of the Constitution further provides that the Company in a general meeting cannot validly appoint a person as a Director unless the person is retiring and seeking re-election, or the Board recommends the appointment, or at least 30 business days before the meeting at which the relevant resolution will be considered, the Company receives both:

- (a) a nomination of the person by a member (who may be the person); and

- (b) a consent to act as a Director signed by the person,
at its registered office.

The Board unanimously recommends the appointment of the Incoming Directors and recommend that Shareholders vote in favour of Resolutions 8 and 9.

10.2 Background and Qualifications

(a) **Mr Frank Knezovic**

Mr Knezovic is a lawyer and co-founding director of legal firm Nova Legal. Mr Knezovic has for more than 20 years advised public and private companies, directors, corporate advisors, broking firms, insolvency practitioners and financial services providers on a broad range of corporate and commercial matters. Mr Knezovic has extensive experience in advising on capital raisings (both IPO and post-IPO) asset acquisitions and disposals, takeovers, mergers and acquisitions, corporate reconstructions and insolvency, directors' duties, general corporate and commercial advice, and regulatory and strategic advice. Mr Knezovic is a member of the Australian Institute of Company Directors and the Association of Mining and Exploration Companies.

(b) **Mr David Wheeler**

David has more than 30 years of Senior Executive Management, Directorships, and Corporate Advisory experience. He is a foundation Director and Partner of Pathways Corporate a boutique Corporate Advisory firm that undertakes assignments on behalf of family offices, private clients, and ASX listed companies.

David has engaged in business projects in the USA UK Europe NZ China Malaysia Singapore and the Middle East.

David has experience on public and private company boards and currently holds several Directorships and Advisory positions in Australian companies.

David holds the following ASX Listed company board positions:

- (i) Avira Resources Ltd (AVW) - Non-Executive Chairman
- (ii) Blaze International Ltd (BLZ) - Non-Executive Chairman
- (iii) Health House International Ltd (HHI) - Executive Chairman
- (iv) Protean Wave Energy Ltd (POW) - Non-Executive Director
- (v) PVW Ltd (PVW) - Non-Executive Chairman
- (vi) Ragnar Minerals Ltd (RAG) - Non-Executive Director
- (vii) Tyranna Resources Ltd (TYX) - Non-Executive Director
- (viii) Syntonic Ltd (SYT) - Non-Executive Director

David is a fellow of the Australian Institute of Company Directors (FAICD) (since 1990).

11. Resolutions 10 -11 – Issue of Shortfall Shares to Incoming Directors

11.1 Background

Resolutions 10 -11 seek Shareholder approval for the issue of up to the following amounts of Shares to Incoming Directors under the Shortfall Offer:

- (a) 6,250,000 Shares to Mr Frank Knezovic (or his nominee); and
- (b) 6,250,000 Shares to Mr David Wheeler (or his nominee);

(together, the **Shortfall Shares**), on the terms set out below.

11.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shortfall Shares constitutes giving a financial benefit and each of the Incoming Directors are related parties of the Company by virtue of being Directors.

The Director Shortfall Shares, if issued, will be issued at the same price to any other shareholder or participant in the issue of Shortfall Shares. Accordingly, the Board believes that the "arm's length" exception in section 210 of the Corporations Act applies and that therefore shareholder approval for the purposes of Chapter 2E of the Corporations Act is not required.

11.3 ASX Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- (c) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- (d) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Shortfall Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Accordingly, the issue of the Shortfall Shares requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 10 - 11 seek the required Shareholder approval for the issue of the Shortfall Shares under and for the purposes Listing Rule 10.11.

11.4 Technical information required by ASX Listing Rule 14.1A

If Resolutions 10 - 11 are passed, the Company will be able to proceed with the issue of the Shortfall Shares to the Incoming Directors within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and the Company will raise the additional funds which will be used in the manner set out in section 3.2 above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shortfall Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Shortfall Shares will not use up any of the Company's 15% placement capacity under Listing Rule 7.1.

If Resolutions 10 -11 are not passed, the Company will not be able to proceed with the issue of the Shortfall Securities to the Incoming Directors and funding will be raised from other Shortfall Offer participants or any remaining Shortfall will be underwritten by CPS.

11.5 Technical Information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 10 - 11:

- (a) the Shortfall Shares will be issued to the Incoming Directors, Mr Frank Knezovic and Mr David Wheeler, who will participate in the Shortfall Offer;
- (b) the Incoming Directors fall within the category of Listing Rule 10.11.1 as they are related parties of the Company by being Directors (having been initially appointed on 30 June 2021);
- (c) the maximum number of Shortfall Shares that may be issued is 12,500,000 comprising a maximum of:
 - (i) 6,250,000 Shortfall Shares to Mr Frank Knezovic (or his nominee) (the subject of Resolution 10); and
 - (ii) 6,250,000 Shortfall Shares to Mr David Wheeler (or his nominee) (the subject of Resolution 11);
- (d) the Shortfall Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shortfall Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shortfall Shares will be issued on the same date;
- (f) the issue price of the Shortfall Shares will be \$0.008 per Shortfall Share, being the same issue price as the Shortfall Shares issued to other participants in the Rights

Issue offer (and Shortfall Offer). The Company will not receive any other consideration for the issue of the Shortfall Shares;

- (g) the purpose of the issue of the Shortfall Shares is to raise up to \$100,000, which the Company intends to use in the manner set out in Section 3.2 above;
- (h) the Shortfall Shares are not intended to remunerate or incentivise the Directors (or Incoming Directors);
- (i) the Shortfall Shares are not being issued under an agreement; and
- (j) a voting exclusion statement is set out in the Notice.

The Directors (other than Mr Frank Knezovic and Mr David Wheeler) believe this Resolution is in the best interest of the Company and its Shareholders and recommend that the Shareholders vote in favour of this Resolution.

.

Schedule 1 – Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Capital Raising means the Placement and Rights Issue as described in Section 3.1.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Athena Resources Limited (ACN 113 758 900).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

CPS or **Lead Manager** has the meaning given in Section 3.1.

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Goldway means Goldway Mega Trade Limited, a company incorporated in Hong Kong.

Incoming Directors means Mr Frank Knezovic and Mr David Wheeler.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Lead Manager Mandate has the meaning given in Section 3.1.

Lead Manager Options has the meaning given in Section 5.1.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Official Quotation means official quotation on ASX.

Option means an option which entitles the holder to subscribe for one Share.

Participation has the meaning given in Section 3.1.

Placement has the meaning given in Section 3.1.

Placement Shares has the meaning given in Section 3.1.

Prospectus has the meaning given to it in Section 3.5.

Proxy Form means the proxy form attached to the Notice.

Related Parties has the meaning given in Section 6.1.

Related Party Securities has the meaning given in Section 6.1.

Resolution means resolution contained in the Notice.

Rights Issue has the meaning given to it in Section 3.1.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Shortfall Offer has the meaning given in Section 3.1.

Shortfall Shares has the meaning given to it in Section 11.1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Underwriting Agreement has the meaning given to it in Section 3.1.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

Schedule 2 – Terms and Conditions of Lead Manager Options

The terms and conditions of the Lead Manager Options to be issued pursuant to Resolution 2 are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.02 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is the 4 year anniversary of the issue date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Quotation**

Unless determined otherwise by the Board in its absolute discretion, the Lead Manager Options will not be quoted on the ASX or any other recognised exchange.

(h) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Schedule 3 – Pro-Forma Balance Sheet

	Half Year Reviewed	Subsequent transactions	Jun-21 estimated	Pro-forma adjustments	Balance after Rights Issue
CURRENT ASSETS					
Cash and cash equivalents	89,723	40,307	130,031	2,688,905	2,818,935
Trade and other receivables	96,460	(25,650)	70,810	-	70,810
Total Current Assets	186,183	14,657	200,840	2,688,905	2,889,745
NON-CURRENT ASSETS					
Plant and equipment	-	-	-	-	-
Investments in Subsidiaries	-	-	-	-	-
Mineral exploration and evaluation	8,964,817	282,421	9,247,238	-	9,247,238
Total Non-Current Assets	8,964,817	282,421	9,247,238	-	9,247,238
TOTAL ASSETS	9,151,000	297,078	9,448,078	2,688,905	12,136,983
CURRENT LIABILITIES					
Trade creditors and accruals	344,326	(130,303)	214,023	-	214,023
Deferred creditors - D&O	1,048,900	(1,048,900)	-	-	-
Provision for annual leave	16,000	10,345	26,345	-	26,345
Other provisions		22,622	22,622	-	22,622
Related party loans	45,000	(5,000)	40,000	-	40,000
Third party loans	-	-	-	-	-
Total Current Liabilities	1,454,226	(1,151,236)	302,990	-	302,990
NON-CURRENT LIABILITIES					
Directors and Officers Long Term	-	-	-	-	-
Provision for long service leave	43,400	6,127	49,527	-	49,527
Total Non-Current Liabilities	43,400	6,127	49,527	-	49,527
TOTAL LIABILITIES	1,497,626	(1,145,109)	352,517	-	352,517
NET ASSETS	7,653,374	1,442,187	9,095,561	2,688,905	11,784,466
EQUITY					
Contributed Equity	15,284,724	1,258,383	16,543,107	2,688,905	19,232,012
Accumulated losses	(7,631,350)	183,803	(7,447,546)	-	(7,447,546)
TOTAL EQUITY	7,653,374	1,442,187	9,095,561	2,688,905	11,784,466

Schedule 4 – Summary of Lead Manager Mandate

The material terms of the Lead Manager Mandate are as follows:

- (a) **(Engagement, timing and allocation policy):** The Company agrees to appoint CPS to be Lead Manager, Underwriter and Broker to the Company on an exclusive basis in respect of the Rights Issue and the Placement.
- (b) **(Fees):** CPS will receive the following fees pursuant to the Lead Manager Mandate:
 - (i) an underwriting fee of 6%, plus GST, where applicable for underwriting the Rights Issue;
 - (ii) a management fee of 2%, plus GST, for managing the Placement;
 - (iii) a placement fee of 4%, plus GST, for funds raised via the Placement;
 - (iv) subject to the Rights Issue and Placement being completed in full, CPS will receive a monthly corporate advisory fee of AUD\$5,000.00 plus GST, per month, where applicable, payable in cash. This mandate is for a minimum term of twelve (12) months and the full amount of the twelve (12) month term is due and payable should the mandate be terminated by the Company otherwise than for cause (**Corporate Advisory Fee**); and
 - (v) CPS and or its nominees, will receive 75,000,000 Options, upon the successful reinstatement of the Company. These Options will have an expiry term of four years with an exercise price of \$0.02. These Options will be issued at a cost price of \$0.0001 (**Lead Manager Options**).
- (c) **(Termination):** CPS may terminate the Lead Manager Mandate:
 - (i) By fourteen (14) days' notice in writing to that effect:
 - (A) if the Company commits or allows to be committed a material breach of any of the terms or conditions of the Lead Manager Mandate; or
 - (B) if any warranty or representation given or made by the Company is not complied with or proves to be untrue in any respect; or
 - (ii) Immediately by notice in writing to that effect if:
 - (A) if the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole of or any of their assets, enters into any composition with creditors generally or has an order made or resolution passed for it to be wound up; or
 - (B) if a court makes an administration order with respect to the Company or any composition in satisfaction of its debts of or a scheme of arrangement of the affairs of the Company.

The Lead Manager Mandate may be terminated by the Company, by seven (7) days written notice. In this event, any outstanding expenses will be immediately payable.

The right under item c(i) of cannot be exercised without CPS first giving the Company, 14 day's prior notice for the reason of the proposed termination and the Company being unable

to rectify the matter within that time. In such event that CPS elects to terminate this agreement, the Corporate Advisory Fee will be payable pro-rata to termination.

The Lead Manager Mandate otherwise contains terms and conditions considered standard for an agreement of this nature.

Schedule 5 – Summary of Underwriting Agreement

A summary of the material terms of the underwriting agreement between CPS and the Company dated 23 June 2021 (**Underwriting Agreement**) is set out below:

- (a) (**Underwriting**): CPS has agreed to underwrite the subscription of 100% of the Shares the subject of the Rights Issue offer (**Underwritten Shares**) on the terms and conditions contained in the Underwriting Agreement.
- (b) (**Allocation of Shortfall Securitas**) : The Company and CPS agree that, provided the Underwriting Agreement is not validly terminated, Underwritten Shares will be allocated at CPS's discretion to:
 - (i) Shareholders who have applied for Shortfall Securities and third-party investors who have been invited by the Company and CPS and have subscribed with Valid Applications for Shortfall Securities (**Shortfall Investors**) with allocations (and any scale back) to take into account the following factors:
 - (A) the need to recognise the ongoing support of existing Shareholders of the Company;
 - (B) identifying new potential long-term or cornerstone investors; and
 - (C) ensuring an appropriate Shareholder base for the Company and
 - (ii) CPS on the basis that Valid Applications will go in relief of the Underwritten Amount (being \$2,888,270) of CPS.
- (c) (**Sub-Underwriter**): CPS may procure such persons to sub-underwrite the Underwritten Shares as CPS in its sole and absolute discretion thinks fit.
- (d) (**Three Month Moratorium**): The Company must ensure that, in the 3 months period from the date of the Underwriting Agreement:
 - (i) the Company and each subsidiary (**Relevant Company**) must not do any of the following except with the prior written consent of CPS (which consent must not be unreasonably withheld):
 - (A) alter its capital structure other than as disclosed in the Offer Document;
 - (B) amend its constitution or any other constituent document except as required by ASX to comply with the Listing Rules, or as required by the Corporations Act; pass or take any steps to pass a resolution under Section 260B of the Corporations Act;
 - (C) dispose or agree to dispose of the whole or a substantial part of its business or property; or
 - (D) charge or agree to charge the whole or a substantial part of its business or property; and
 - (ii) no Relevant Company proposes or activates any share buy-back scheme or arrangement or issues or agrees to issue, or indicates in any way that it will or might

issue, or grants an option to subscribe for any shares or other securities or securities convertible into shares or other securities except:

- (A) as referred to in the Underwriting Agreement or the Offer Document; or
- (B) with the prior written consent of CPS.

(e) **(Underwriting fee):**

The Company must pay to CPS an underwriting fee of 6% (plus any applicable GST) of the Underwritten Amount as consideration for CPS underwriting the Underwritten Shares pursuant to the Underwriting Agreement.

CPS is responsible for all sub-underwriting fees in relation to the underwriting of the Underwritten Shares.

In addition to the underwriting fees, the Company will pay and will indemnify and keep indemnified CPS against and in relation to, all reasonable costs and expenses of and incidental to the underwriting of the Underwritten Shares (including but not limited to the disbursements of CPS (including legal fees); reasonable accommodation and travelling expenses of CPS relating to the underwriting of the Underwritten Shares; and all marketing and promotional expenditure related to the underwriting of the Underwritten Shares) provided that the aggregate of all costs and expenses referred to above does not exceed \$5,000 (without the prior consent of the Company).

(f) **(Termination events):** CPS may terminate its obligations under the Underwriting Agreement if:

- (i) **(Indices fall):** any of the following indexes closes on any 2 consecutive trading days before the Shortfall Notice Deadline Date 5% or more below its respective level as at the close of business on the Business Day prior to the Execution Date:
 - (A) Dow Jones;
 - (B) S&P 500;
 - (C) Nasdaq;
 - (D) Russell 2000;
 - (E) FTSE;
 - (F) Nikkei; or
 - (G) Shanghai SE Comp;
- (ii) **(Offer Document):** the Company does not lodge the Offer Document or the Offer Document or the Offer is withdrawn by the Company;
- (iii) **(No Listing Approval):** the Company fails to lodge an Appendix 3B in relation to the Underwritten Shares with ASX within 7 days of the Lodgement Date;
- (iv) **(Restriction on issue):** the Company is prevented from issuing the Underwritten Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction

by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (v) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt. 6.10 of the Corporations Act, which in CPS' reasonable opinion has a Material Adverse Effect;
- (vi) **(Authorization)**: any authorization which is material to anything referred to in the Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to CPS acting reasonably;
- (vii) **(Indictable offence)**: a director or senior manager of a Relevant Company is charged with an indictable offence, which in the reasonable opinion of CPS has or is likely to have a Material Adverse Effect on the Offer; or
- (viii) **(Termination Events)**: subject always to clause (g), upon the occurrence of any of the following events:
 - (A) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this Agreement involving one or more of Egypt, Australia, New Zealand, Indonesia, Japan, Russia, Iran, Israel, the United Kingdom, the United States of America, India, Pakistan, the People's Republic of China, or any member of the European Union, Libya, Afghanistan, Iraq, Syria, or Lebanon, and CPS believes (on reasonable grounds) that the outbreak or escalation is likely to result in any of the indexes stipulated in clause f(i) of this Agreement falling by the percentage contemplated by clause f(i) of this Agreement;
 - (B) **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking which is incapable of remedy or is not remedied by the date Valid Applications are required to be lodged in accordance with clause 6.1;
 - (C) **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
 - (D) **(Contravention of constitution or Act)**: a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (E) **(Adverse change)**: an event occurs which gives rise to a Material Adverse Effect in relation to the Company's assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;
 - (F) **(Error in Due Diligence Results)**: it transpires that any of the Due Diligence Results or any part of the Verification Material was false, misleading or deceptive or that there was an omission from them that is materially adverse from the point of view of an investor;

- (G) **(Significant change)**: a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (H) **(Public statements)**: without the prior approval of CPS a public statement is made by the Company in relation to the Offer or the Offer Document other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- (I) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to CPS in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (J) **(Official Quotation qualified)**: other than has been disclosed to CPS and/ or in the offer document, the official quotation is qualified or conditional other than as set out in clause 1.3;
- (K) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (L) **(Prescribed Occurrence)**: a Prescribed Occurrence occurs, other than as disclosed in the Offer Document;
- (M) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (N) **(Event of Insolvency)**: an Event of Insolvency occurs in respect of a Relevant Company;
- (O) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$50,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (P) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against any Relevant Company, other than any claims foreshadowed in the Offer Document;
- (Q) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Shares without the prior written consent of CPS (such consent not to be unreasonably withheld);
- (R) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Offer Document) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;

- (S) **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
 - (T) **(Certain resolutions passed)**: a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of CPS;
 - (U) **(Capital Structure)**: any Relevant Company alters its capital structure in any manner not contemplated by the Offer Document;
 - (V) **(Breach of Material Contracts)**: any Contracts are terminated or substantially modified;
 - (W) **(Investigation)**: ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Offer Document, or publicly foreshadows that it may do so; or
 - (X) **(Market Conditions)**: a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.
- (g) **(Material Adverse Effect)**: The events listed in clause (f)(viii) do not entitle CPS to exercise its rights under clause (f) unless, in the reasonable opinion of CPS reached in good faith, it has or is likely to have, or those events together have, or could reasonably be expected to have, a Material Adverse Effect or could give rise to a liability of CPS under the Corporations Act.
- (h) **(Termination by Company)** The Company may, without cost or liability to itself and without prejudice to any rights for damages arising out of any breach by CPS of its representations, warranties or obligations under the Underwriting Agreement, by notice in writing given upon or at any time prior to the issue of all Underwritten Shares, terminate its obligations under the Underwriting Agreement if CPS defaults under the Underwriting Agreement or any representation, warranty or undertaking given by the CPS in the Underwriting Agreement is or becomes untrue or incorrect.

The Underwriting Agreement otherwise contains standard representations and warranties, indemnities and other terms considered standard for an underwriting agreement.

Proxy Form

Athena Resources Limited
ACN 113 758 900
General Meeting

I/We:

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

Or: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Nova Legal, Level 2, 46-50 Kings Park Road, WA 6005, on Friday 30 July 2021 at 11.30 am (WST), and at any adjournment thereof.

Authority for Chair to vote undirected proxies on Remuneration Related Resolutions

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 3, 4, 10 and 11 (except where I/we have indicated a different voting intention below) even though Resolutions 3, 4, 10 and 11 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Chair's Voting Intention in relation to undirected proxies

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		For	Against	Abstain
Resolution 1	Ratification of Prior Placement Shares	☐	☐	☐
Resolution 2	Approval to issue Options to Lead Manager – CPS Capital Group	☐	☐	☐
Resolution 3	Approval to issue Shares to Director in satisfaction of outstanding Director's fees – Mr Edmond Edwards	☐	☐	☐
Resolution 4	Approval to issue Shares to Director in satisfaction of outstanding Director's fees – Mr David Webster	☐	☐	☐
Resolution 5	Approval to issue Shares to former Director in satisfaction of outstanding Director's fees – Mr Rajakumar Kandiah	☐	☐	☐
Resolution 6	Approval to issue Shares to Company Secretary in satisfaction of outstanding fees – Mr Peter Newcomb	☐	☐	☐
Resolution 7	Ratification of Prior Issue of Shares – Goldway	☐	☐	☐
Resolution 8	Re-Appointment of Director – Mr Frank Knezovic			
Resolution 9	Re-Appointment of Director – Mr David Wheeler			
Resolution 10	Issue of Shortfall Shares to Incoming Director – Mr Frank Knezovic	☐	☐	☐
Resolution 11	Issue of Shortfall Shares to Incoming Director – Mr David Wheeler	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____%

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Dated : _____

Contact Name: _____

Contact Ph (Daytime):

Email Address: _____

Consent for contact by email in relation to this Proxy : YES ☐ NO ☐

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 1. post to Athena Resources Limited, PO Box 1970, West Perth, WA 6872;
 2. delivery to the Company at Level 2, 46-50 Kings Park Road, WA 6005;
 3. email to the Company at ahn@athenaresources.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.